CITY OF OKEECHOBEE, FLORIDA
JULY 7, 2026, REGULAR CITY COUNCIL MEETING
OFFICIAL MINUTES

I. CALL TO ORDER

Mayor Watford called the regular meeting of the City Council for the City of Okeechobee to order on July 7, 2026, at 6:00 P.M. in the City Council Chambers, located at 55 Southeast 3rd Avenue, Room 200, Okeechobee, Florida. The invocation was offered by Pastor Matt Bowen of Christ Fellowship; followed by the Pledge of Allegiance led by Council Member McAuley.

II. ATTENDANCE

Deputy City Clerk Katie Rogers called the roll. Members physically present to establish a quorum: Mayor Dowling R. Watford, Jr., Vice Mayor Monica M. Clark, Council Members Noel A. Chandler, Robert "Bob" Jarriel, and David R. McAuley.

III. AGENDA AND PUBLIC COMMENTS

A. Mayor Watford announced there is one modification to the published agenda: add New Business item V.H., Exhibit 9. Exhibits 10 and 11 were added and noted with their items.

B. Motion by Council Member Jarriel, seconded by Vice Mayor Clark to adopt the agenda as amended. **Motion Carried Unanimously**.

C. No comment cards were received for public participation for issues not on the agenda.

IV. CONSENT AGENDA

A. Motion by Council Member McAuley, seconded by Council Member Jarriel to dispense with the reading and approve June 16, 2026, Minutes [as presented in **Exhibit 1**].
Motion Carried Unanimously.

V. NEW BUSINESS

A. Due to the amount of media attention and misinformation circulated surrounding State Constitutional Amendment No. 3, titled "Homestead Tax Exemptions, Property Assessments, and Spending Restrictions" that is on the ballot for November 3, 2026, Election, staff thought it prudent to have Mr. Mickey Bandi, Okeechobee County Property Appraiser, provide a presentation on the impacts to the City and County's ad valorem revenues, and clarify that homestead property owners will no longer have to pay property taxes. **Exhibit 2** contained a copy of the powerpoint slides he used during his presentation.

Mr. Bandi gave an overview of his authority, responsibilities, and office staffing changes since he was elected to the Office. He summarized how assessed and taxable value, applying millage rates, and ad valorem taxes are determined and administered through the property tax structure. The various amendments over the years adopted by the State Legislators or previous Constitutional Amendments approved by the Voters, that have changed this property tax structure by expanding homestead exemptions (on residential properties) as well as maximum caps on the amount commercial and non-homestead property taxes could increase annually. To provide fiscal impacts, he presented historical data for the City, County, and School taxable values of properties from 2006 through 2026. A comparison of the types of properties that make up the City versus the County. Then a county-wide sales prices of single-family homes and mobile homes. The follow paragraphs provide a summary of the main differences should Amendment No. 3 pass, as well as what will not change:

Homestead Tax Exemptions on Ad Valorem Taxes. Primary homeowners currently receive an exemption deducted from their homes assessed value up to $50,000.00 of which only $25,000.00 of the exemption is used to reduce School taxes. Additionally, some homesteaded property owners qualify for additional personal exemptions. What will not change is the $25,000.00 exemption for School District taxes; and existing personal exemptions (they will be added to the homestead limits). What will change for the 2027 tax year, the non-school tax exemption increases from $50,000.00 to $150,000.00. For the 2028 tax year, the non-school tax exemption increases from $150,000.00 to $250,000.00. For the 2029 tax year and thereafter, increases will automatically adjust upward based on inflation for the non-school tax exemption.

Non-Homestead Properties on Ad Valorem Taxes. Rental units, vacation homes, commercial buildings, or vacant lands annual taxable value cannot increase more than 10 percent per tax year for non-school taxes. What will change is the annual percentage cap will decrease to 5 percent for non-school taxes. There are no changes to non-ad valorem taxes (also known as special assessments) for specific services such as fire rescue, garbage collection, emergency medical services and so on. These assessments will continue to be paid by the property owners through their property taxes.

V. NEW BUSINESS CONTINUED

A. Continued. New Florida Residents currently qualify for the standard homestead exemptions immediately upon declaring primary residency. What will change is that anyone establishing Florida residency after December 31, 2026, will qualify for a small exemption amount and must live in Florida as full-time resident for five years before getting the expanded exemptions.

How local government revenue is budgeted and spent. Currently counties, municipalities, and school board districts set their millage rates based on their local budget and can allocate property tax revenues toward any legal program or general expenses. What will change is, ad valorem property tax revenues will be restricted to be used for what will be "defined core services" (such employee retirement benefits, essential administrative operations, public safety, public schools/education, infrastructure, natural resources and flood control, and existing debt service).

Mr. Bandi noted an issue with property owners either not recording deeds in the official records or not notifying the Property Appraisers office that property does not qualify for homestead exemptions or other provisions as it is bought and/or sold. This notice to his Office is required by law. When properties are discovered that the owner did not pay the correct taxable value, a homestead tax lien is placed on the property. One of the slides within Exhibit 2 provided the data of the number of liens and total amount of liens placed on properties county-wide from 2003 to date. This is tax revenue lost to the City and/or County. Mr. Bandi and a majority of Property Appraisers across the State believe this issue will increase should Amendment No. 3 pass, because of the new homestead limits which means less owed in property taxes.

Another issue catching the attention of the State Legislators are counties and municipalities who have preemptively begun to adopt new or additional non-Ad Valorem Special Assessments to replace traditional Ad Valorem Tax Assessments as a means to recoup loss revenues from the new exemption limits and stricter spending of the property tax revenues. Further, Property Appraisers have been warned by the State to ensure properties are not intentionally assessed erroneously to counteract the impact of Amendment No. 3. **No action taken, this item was for informational purposes only**.

B. Finance Director Mr. Taylor Connell provided an overview of Legislative issues and Amendment No. 3 with their potential fiscal impact on the City, **Exhibit 3**. Constitutional Amendment No. 3, also known as "The Property Tax Reform," is on the November 3, 2026, ballot, and will require a 60 percent State-wide approval by the voters. Should it pass, it could significantly reduce future property tax revenues and slow long-term revenue growth (see pages two and three of Exhibit 3 for details).

Senate Bill (SB) 4F will go into effect should Amendment No. 3 pass, it will revise how millage rates are calculated by removing the allowance for changes due to growth of cities and places the maximum levy back to the standard roll-back rate; and would require a four-fifths vote by the City Council to exceed the roll-back rate.

House Bill (HB) 1329, effective January 1, 2027, requires the City to: Post to the website, at least five days before both Public Hearings, the proposed Budget, and proposed Budget Amendments throughout the year, and remain posted for at least 45 days. Post to the website, within five days of approval, the adopted Budget or adopted Budget Amendments, and must remain for at least five years. The posted Budgets will be required to contain more detailed content, additional summary information, narrative analysis with graphs, and an organization chart or staffing summary. Hold annually, at least 14 days before the final Public Hearing adopting the Budget, a Public Workshop (known as a Budget Reduction Exercise), identifying a hypothetical 10 percent reduction in expenditures for the General Fund without cutting essential services. Post to the website, by January 30th every year, a Budget Development Calendar for the upcoming Fiscal Year (FY) laying out expected deadlines for proposed and tentative Budget requests, Workshops, Public Hearings, and the required Budget Reduction Exercise. Post to the website quarterly, an Employee Compensation Summary, including all City employee names, job titles, and salary. Adds new requirements for a demonstrated-need study and declarations to increase impact fees beyond ordinary phase-in limits as originally adopted; prohibits increasing impact fee rates by more than 100 percent in a four-year period; additional specific requirements related to impact fee requests for refunds; and expirations for specific interlocal agreements related to impact fees. Requires all website posts be in a user-friendly, downloadable format, that meets Americans with Disabilities Act requirements.

The other topics were presented by incoming City Administrator Ms. Denise Whitehead. HB 1389 "Affordable Housing," effective July 1, 2026, expands the Live Local Act by prioritizing affordable housing production essentially reducing the City's regulations on qualifying developments. City staff will have less flexibility when reviewing developments and rely more objectively than discretionarily on Future Land Use decisions. Staff may encounter additional affordable housing applications.

V. NEW BUSINESS CONTINUED

B. Continued. The Land Development Regulations (LDRs) may need to be amended to coordinate with the new language. HB 967 requires the City to accept electronic payment systems and allow online payments by January 1, 2027.

Bills which failed in the 2026 Legislative Session, but need to be monitored during the 2027 Session, were SB 948 "Florida Starter Homes Act," which is the legislator's effort to increase the housing supply by limiting local regulations. It could increase residential development applications and require amendments to the City's LDRs. SB 1444 "Religious Gatherings and Home-Based Business Act" expanded the State's preemption over local land use regulations. It could regulate religious gatherings, certain home occupations, and parking standards associated with these uses which would reduce the City's flexibility when addressing the issues and require Planning and Code Enforcement staff to monitor City Ordinances for consistency purposes.

[An additional page was distributed at the meeting and added into Exhibit 3]. **No action taken, this item was for informational purposes only**.

C. Motion by Council Member Jarriel, seconded by Vice Mayor Clark to approve naming Council Member David McAuley as the Voting Delegate for the Florida League of Cities Annual Conference on August 13 through 15, 2026 [as presented in **Exhibit 4**].
Motion Carried Unanimously.

D. Motion by Council Member Chandler, seconded by Council Member Jarriel to approve a Contract Change Order [No. 1] for installation of Street Light Conduits and Hand Boxes in Park Street Commerce Center by B&B Site Development, Inc. in the amount of $17,996.00 [as presented in **Exhibit 5**].
Motion Carried Unanimously.

E. Motion by Council Member McAuley, seconded by Council Member Chandler to approve the renewal of Public Risk Management (PRM) Group Health Insurance for FY 2026-27 with a maximum cost to the City of $1,142.00 per employee, per month, for employee premiums only [as presented in **Exhibit 6**].
Motion Carried Unanimously.

F. Motion by Council Member Chandler, seconded by Council Member McAuley to continue to contribute $300.00 per employee per month for FY 2026-27 towards dependent health insurance premiums [with PRM, as presented in **Exhibit 7**].
Motion Carried Unanimously.

G. Police Chief Donald Hagan, provided an overview of current and anticipated budgetary needs related to the School Resource Officer (SRO) Program, **Exhibit 8**. There are currently four schools located within the City Limits. Two are public, Central Elementary School (CES) and Okeechobee Freshman Campus soon to be renamed Okeechobee Achievement Academy (OAA), and two are private, Okeechobee Christian Academy (OCA) and Rock Solid Christian Academy (RSCA). Chief Hagan and Okeechobee County Sheriff Noel Stephen have been collaborating on the City Police Department again providing the SRO at either CES or OAA.

Public schools are required by FS 1006.12 to establish or assign one or more SROs at each school facility within the District, including charter schools. Previously, the City entered into an Agreement with the Okeechobee County School Board to provide funding for 50 percent of the cost of the SROs assigned to CES and OAA. Since the 2023-24 school year, these schools have been staffed by the Okeechobee County Sheriff Office (OCSO).

Private schools have the option of providing an SRO under FS 1002.01(20) and are responsible for the full cost of all training. The City Police Department provides one SRO through an Agreement with OCA, the cost for the 2026-27 school year is $100,079.59. City staff has completed an analysis of the actual cost to provide the SRO to OCA at approximately $120,000.00. RSCA has an Areement with the OCSO for their SRO.

Sheriff Stephen, who was in attendance, is asking the City to again staff at least one of the two public schools for the 2027-28 school year. Only one City Officer, who is new to Law Enforcement, has shown interest in becoming an SRO. There are concerns with putting a new officer in a school due to the nature of the job. There are also concerns about forcing Officers into schools who do not want to be there. For the City to comply with the OCSO request, a new SRO would need to be on staff by May 2027 to go through training before the school year begins. The State provides grants to help fund the Program, but the amount fluctuates per year. These grant funds are then divided equally between all SROs.

V. NEW BUSINESS CONTINUED

G. Continued. Ultimately, it is the obligation of the School Board to provide protective services, either by negotiations with local Law Enforcement or hiring a private security company. The majority of the City Council was concerned with the budget issue this creates.
No action taken, this item was for informational purposes and will be consider during the FY 2026-27 Budget adoption.

H. ITEM ADDED: The Chamber of Commerce building was flooded with approximately two to three inches of standing water caused by a high-pressure water pipe bursting in the men's restroom. Public Works staff began the water removal and clean-up. However, due to the amount of damage, an estimate was obtained to mediate and restore the facility for $11,000.00. This includes replacing the flooring. Public Works Director Willie Hall stated he believes the flooring should be salvageable due to the quick response and initial clean-up; however, the dry wall will have to be replaced about 14 to 16 inches from the floor up, requiring an estimated 16 sheets of drywall. The itemized cost analysis from Public Works staff, with a 15 percent buffer, included for any additional findings, for $586.50, was added to the official Minute File, labeled as **Exhibit 9**. Director Hall is confident his team can get the work done within two and a half weeks. Their plan is to do the repairs in phases, allowing the Chamber staff to continue operating during the renovations. Additionally, Ms. Whitehead explained it is more cost effective to do the repairs in house rather than making an insurance claim as the deductible is more than the estimated repair costs from Public Works. This is subject to change depending on any findings during repairs.
No action taken, this item was for informational purposes only; the repair costs are anticipated to be within the limits the City Administrator is authorized to approve.

VI. CITY ATTORNEY UPDATE

A copy of the update, read by Assistant City Attorney Stephen Conteagüero, was added to the official Minute File, labeled as **Exhibit 10**.

- Attended the June 17, 2026, Planning Board meeting remotely.
- Advised he will be attending a meeting next week to finalize the removal of the City's Technical Review Committee from under the purview of the Sunshine Law requirements.

VII. CITY ADMINISTRATOR UPDATE

- In the absence of Administrator Ritter, there was no City Administrator Update.

VIII. COUNCIL COMMENTS

- Council Member Chandler shared he and his wife celebrated 57 years of marital bliss on July 5, 2026, and she is proud to be married to him; however, he is glad the weekend is over.
- Council Member Jarriel said it is nice to receive information and input from the County staff.
- Council Member McAuley added he is glad the [Independence Day] holiday weekend is behind us.
- Vice Mayor Clark shared that she recently celebrated her 45th wedding anniversary and hopes to make it to 57 years!
- Mayor Watford stated that he received a letter from Senator Scott, offering best wishes to the City as we celebrate America's 250th birthday, a copy of the letter has been incorporated into the official Minute File, labeled **Exhibit 11**. He also complemented the hosts and staff for the Fourth of July Celebration held at the Okeechobee County Agri-Civic Center.

IX. ADJOURNMENT

There being no further items, Mayor Watford adjourned the meeting at 7:25 P.M.

Submitted By:

Lane Gamiotea

Lane Gamiotea, CMC, City Clerk

Please take notice and be advised that when a person decides to appeal any decision made by the City Council with respect to any matter considered at this meeting, s/he may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. City Clerk media are for the sole purpose of backup for official records of the Clerk.