

Minutes
Town of Lake Park, Florida
Budget Workshop
July 22, 2009 6:00 p.m.
Town Commission Chambers, 535 Park Avenue

The Town Commission met for the purpose of a Budget Workshop on Wednesday, July 22, 2009 at 6:00 p.m. Present were Mayor DuBois, Vice-Mayor Carey, Commissioners Daly, Rumsey and Osterman, Town Manager Maria Davis, and Town Clerk Vivian Lemley.

Mayor DuBois led the pledge of allegiance
Town Clerk Vivian Lemley performed the Roll Call

DISCUSSION:

Town of Lake Park Proposed Budget for Fiscal Year 2009-2010

General Fund

Town Manager Maria Davis explained that she would be discussing her third budget cycle with the Town. She explained that the last two cycles were not easy and she gave reasons for the challenges. She explained that the Town came up with creative ideas to balance the budget over the last two years with minimal cuts to services and employees. She stated that the significant cuts in state funding and projected loss in revenue has left staff no choice but to recommend cuts in services, layoffs, conversions from full time to part time hours and furloughs. She stated that she and Finance Director Anne Costello would give a presentation on the budget and discuss all Town funds.

Finance Director Anne Costello gave a PowerPoint presentation (see Exhibit "A") on the Town's Proposed Budget for Fiscal Year 2009-2010. She stated that she would be discussing all of the following Town Funds: General Fund, Debt Service Fund, Streets and Roads Fund, Marina Fund, Storm Water Utility Fund, and Sanitation Fund. She stated that the Assessed Taxable Value (see page 5 of Exhibit "A") for the Town in 2009 was \$680,276,721 and for the year 2010 would be \$578,879,659 which would equal a loss of value in the amount of \$101,398,062 and a loss of tax dollars in the amount of \$820,350. She explained that the Millage Rate in the prior year generated \$646,250 and that the current year millage rate would only generate \$549,935 which would be a total loss of \$96,315 (see page 6 of Exhibit "A"). She discussed the "Statutory Restrictions" for millage rates (see page 7-8 of Exhibit "A").

Revenue

Finance Director Anne Costello explained the "Revenue" portion of the presentation which included "State Shared Revenue Reductions" and "Other Revenue Reductions" (see pages 10-12 of Exhibit "A") She stated that the "Combined Loss of Revenue" was \$1,034,410 (see page 13 of Exhibit "A") which represented 10% of the entire General Fund Budget.

Town Manager Maria Davis stated that the Town had to come up with \$1,000,000 in budget cuts. She stated that it was already a very lean budget because of cuts that were made over the last two years.

Ms. Costello continued her presentation. She reviewed and explained an "Analysis of Property Tax Revenue" (see page 14 of Exhibit "A"). She explained and reviewed the "Breakdown of Revenue Chart" (see page 15 of Exhibit "A").

Proposed New Revenues

Ms. Costello gave a breakdown of the proposed parking meters for the waterfront area of Town and locations that would be metered for the General Fund (see pages 17-18 of Exhibit "A"). She continued to explain that the purchase and installation of the parking meters would cost \$150,000 and would be financed over a five year period. The hours of the parking meters would be from 6 a.m. to 8 p.m. at a rate of \$1.00 per hour. Fines would cost \$20.00 and would be enforced by the Town's Code Enforcement Officers (see page 19 of Exhibit "A").

Town Manager Maria Davis explained that the installation of parking meters would be necessary to balance the budget. She explained and gave reasons for the recommendation.

Ms. Costello explained and discussed "Alternatives to Parking Meters" (see page 20 of Exhibit "A"). The alternatives would be General Fund cuts in the amount of \$217,700 or to raise the tax rate to 8.9163 Mills.

Town Manager Maria Davis stated that there was a similar situation with the Marina because of the economy and the condition of the Marina. She stated that if rates were raised they would lose patrons. She reiterated that the budget could not be balanced without the proposed revenue that would be generated through the installation of parking meters.

Ms. Costello continued the presentation and discussed "Additional Locations" for parking meters (see page 21 of Exhibit "A"). "Alternatives to Meters Marina Fund" (see page 22 of Exhibit "A") would be a dockage fee increase. This increase would not be recommended due to the condition of the Marina. She stated that tenant occupancy has been down because of the economy and the Town has suffered a \$100,000 loss in dockage fees this year.

Expenditures

Town Manager Maria Davis reviewed and explained the "Expenditures" portion of the presentation (see pages 23-34 of Exhibit "A"). She gave an overview of "General Fund Expenditures" (see page 24 of Exhibit "A") and discussed the cuts that were made. The total General Fund expenditures would be \$9,773,775 for the year 2010. She stated that she and Ms. Costello had come up with a plan to build reserves. They placed \$250,000 in reserves last year but they were unable to put anything into the reserve fund this year. Total cuts in General Fund expenditures totaled \$859,210. She discussed and explained the positions that were eliminated (see page 26 of Exhibit "A"). The entire work force was reduced from 79 to 58 positions overall. She discussed the positions that were cut in the years 2008 and 2009. She reviewed the positions that would be cut in 2010.

Mayor DuBois asked if Town Manager Davis evaluated and analyzed the use of the Library. She asked if the analysis impacted her decision to make position cuts at the Library.

Town Manager Maria Davis explained that Library operating hours would be cut from 46 hours to 40 hours. She was told by Library Director Michael Kennely, that Saturdays had the least amount of patrons. She stated that due to the economy there have been more patrons at the Library who were taking advantage of its free services. She stated that staff felt confident that the proposed hours were the best hours for the Library to be open. She continued the presentation and explained that there would not be any merit increases or cost of living increases for Town employees next year and that five furlough days have been added which would save the Town \$50,000. Travel budgets were also eliminated (see page 29 of Exhibit "A").

Mayor DuBois asked that Town Manager Davis to clarify the furlough days.

Town Manager Davis explained that Town Hall and the Library would be shut down on the allotted furlough days. The Marina would be an exception as it is a seven day a week operation. She explained that the furlough days would coincide with holidays as well as the school calendar.

Commissioner Rumsey asked if the furlough days would include the Commission.

Town Manager Maria Davis stated that she did not include the Commission in the five furlough days.

Commissioner Rumsey recommended that the Commission be included in the five furlough days.

Finance Director Anne Costello stated that the five furlough days equal a 2% cut in employees' salaries. She stated that it would be the same cut to the Mayor and Commissioners salaries and would amount to just under \$1000.

Commissioner Daly recommended that department heads with larger salaries take a larger cut. He stated that the Town may not be able to afford the larger salaries. He stated that he did not want to see someone who was making \$20,000 take a large hit to their salary or be without a job. He recommended that the larger salaries be reevaluated.

Mayor DuBois expressed her concerns and opinion regarding the proposed salary cuts.

Discussion ensued between the Commissioners regarding salaries, job cuts, and the proposed parking meters.

Town Manager Maria Davis continued the presentation and reviewed and explained "Departmental Highlights" (see page 30 of Exhibit "A"). She stated that the Library was in need of updated computers.

Commissioner Osterman stated that there was \$8000 budgeted for the Commission's laptops. She stated that the Commission did not need laptops. She recommended using notebooks instead of laptops.

Town Manager Maria Davis stated that she would cut the budget for the Commission's laptops.

The Commission came to consensus to cut the \$8000 budget for the Commissioners laptops.

Town Manager Davis continued discussing "Department Highlights" (see pages 30-34 of Exhibit "A")

Mayor DuBois stated that she had spoken with Workforce Alliance and they would be coming to the Town in a bus that is equipped with computers in order for citizens to use for job searches.

Commissioner Osterman recommended a different schedule for Library hours which would accommodate the elderly who usually visit in the early morning hours and the children who come in the later afternoon hours.

Town Manager Maria Davis asked Library Director Michael Kennelly if there was a large number of patrons that enter the Library in the morning and if there was then a lull before another large number of patrons entered in the afternoon.

Mr. Kennelly stated that there were a large number of people usually waiting to enter the library in the morning.

Mayor DuBois asked if Saturday was the day that had the least amount of use by the public.

Mr. Kennelly stated that Saturday was the slowest day of the week.

Commissioner Osterman stated that she wanted staff to consider creative scheduling in order to save the Library.

Discussion ensued between the Commissioners regarding the Library and its hours.

Debt Service Fund

Finance Director Anne Costello explained the "Debt Service Fund" (see page 36 of Exhibit "A"). She stated that the total annual debt service was \$768,150 and the debt service millage rate needed to increase from 1.15 to 1.40. She gave an overview of the "Recommended Millage Rates" (see page 38 of Exhibit "A"). She gave comparisons of taxable values of Town properties from this year to next year (see pages 39-40 of Exhibit "A").

The Commission came to consensus to set the current year operating millage of 8.5163 and the debt service millage at 1.40.

Ms. Costello announced and gave the dates and times of the Public Hearings that would be taking place (see page 42 of Exhibit "A"). She explained the "Streets and Roads Fund" (see page 43 of Exhibit "A").

Town Manager Maria Davis explained that the total budget for streets and roads was \$369,050 which was decreased by approximately \$21,450 due to State Shared Revenue reductions. She stated that she was working with FPL to add street lighting on a multiyear program. She stated it would be cost prohibitive for the Town to install the infrastructure. FPL would install the lighting and lease it back to the Town. She stated that proposals for lighting would be brought to the Commission in the future. She stated that the total budget for the "Marina Fund" (see page 44 of Exhibit "A") was \$1,211,975. The net revenue for proposed parking meters at the Marina

would be \$82,000. She discussed and reviewed the “Stormwater Utility Fund” (see page 45 of Exhibit “A”). The total budget for the Stormwater Utility Fund was \$513,500.

Finance Director Anne Costello announced that there would be a Public Hearing on the Final Assessment Roll for Stormwater rates on August 19, 2009. She stated that the Sanitation Rates would also be heard on that day.

Town Manager Davis continued to discuss the “Stormwater Utility Fund” (see page 46 of Exhibit “A”). She discussed and reviewed the “Sanitation Fund” (see pages 47-48 of Exhibit “A”). The total budget for the Sanitation Fund was \$1,479,850. She stated that she was restricted by statute to use sanitation funds for sanitation expenses only and stormwater funds for stormwater expenses only.

PUBLIC and OTHER COMMENT

None

The Commission recessed for five minutes.

The Commission reconvened at 7:34 p.m.

COMMENTS BY COMMISSION, TOWN MANAGER

Mayor DuBois asked Town Manager Davis if there were still funds in the CRA Fund to continue the projected redevelopment of the downtown area.

Town Manager Davis explained that even though a large amount of funds were allotted to the salaries of two new police officers for the downtown area, there were still enough funds in the CRA Fund to continue with the proposed redevelopment.

Commissioner Osterman discussed the option of reducing department head salaries. She stated that she reviewed and analyzed the numbers and percentages. She stated that taking 5% of a department head’s salary could save one employee who is on a lower pay scale.

Commissioner Daly

None

Vice-Mayor Carey stated that the Commission has been as fair as possible to residents and that they have no control over Tallahassee’s decisions. He stated that the Commission has done the best they can despite the circumstances.

Commissioner Rumsey applauded Town Manager Davis, Finance Director Anne Costello, and staff for all of the work that they have done with the budget. He stated that even though he was not happy with the parking meter option, he realized that it was necessary.

Mayor DuBois thanked staff for their efforts and willingness to do what was necessary for the Town. She also thanked the Commission for their efforts as well.

ADJOURNMENT

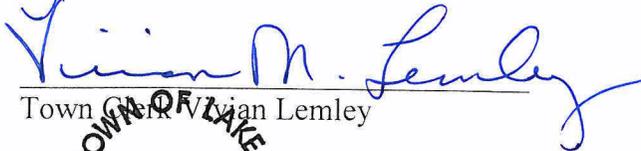
There being no further business to come before the Commission and after a motion to adjourn by Commissioner Osterman and seconded by Vice-Mayor Carey, and by unanimous vote, the meeting adjourned at 7:42 p.m.



Mayor DuBois



Deputy Clerk Jessica Shepherd



Town Clerk William Lemley



Approved on this 5 of Aug., 2009.

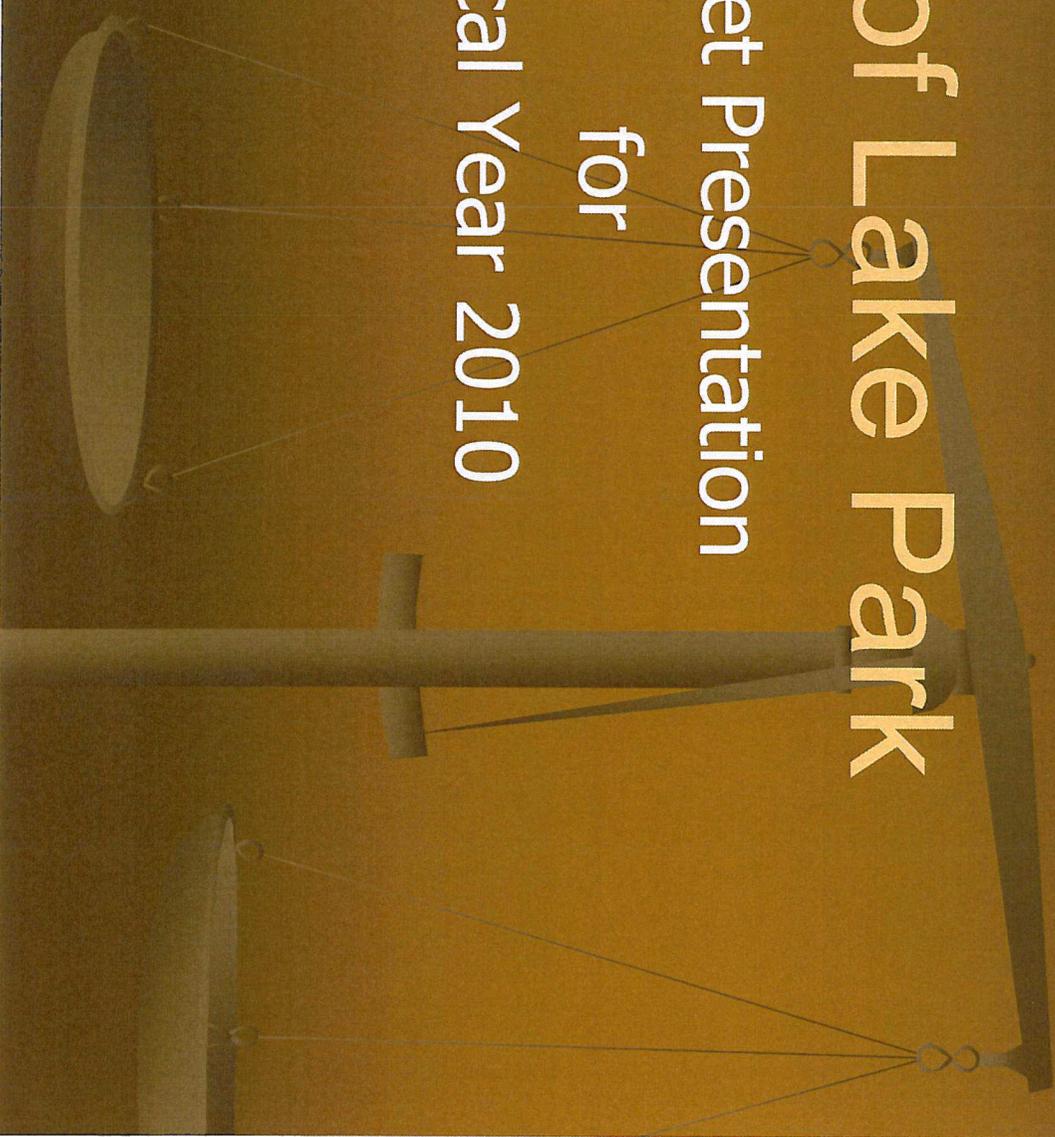
Exhibit "A"

Town of Lake Park

Budget Presentation

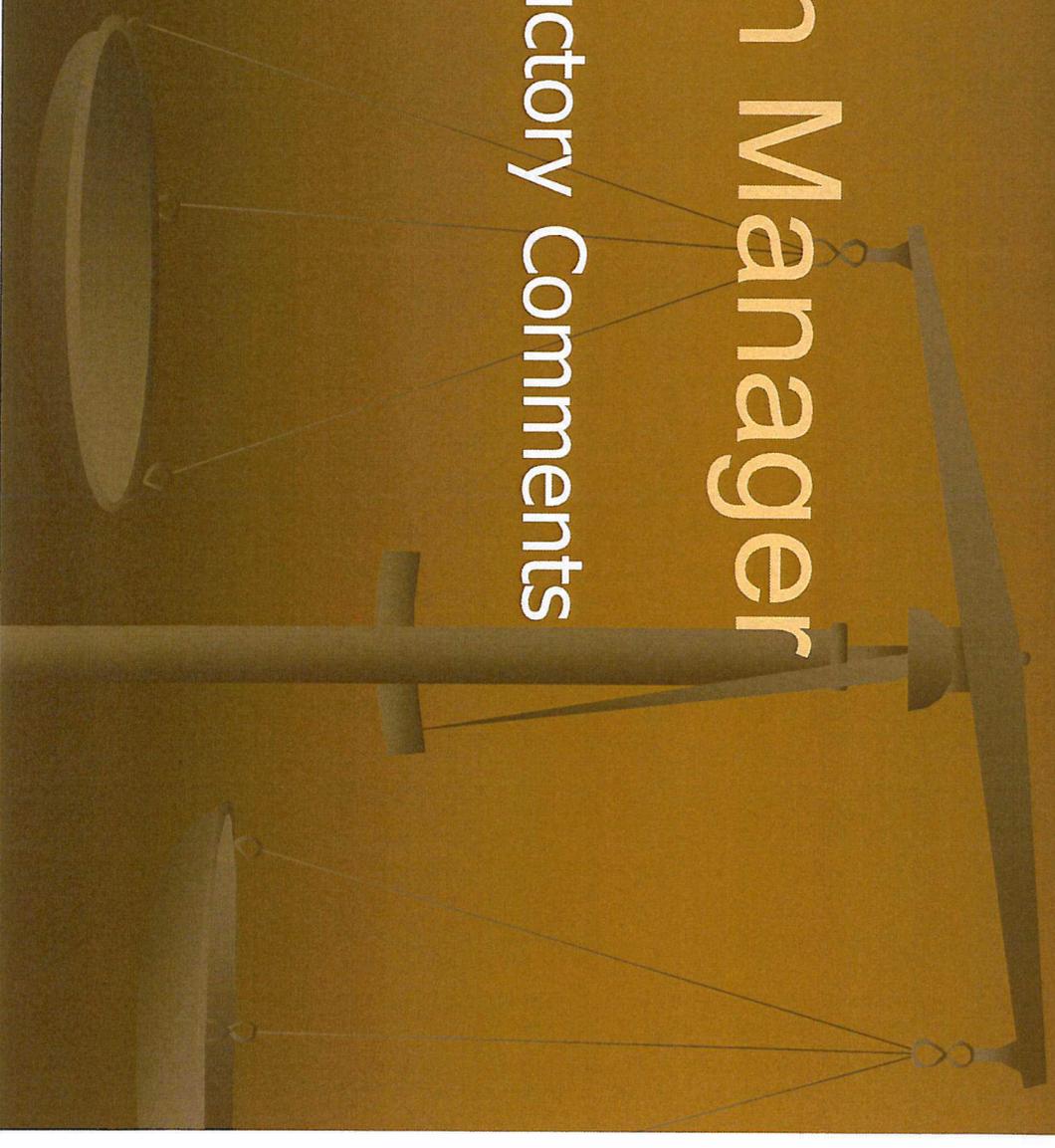
for

Fiscal Year 2010



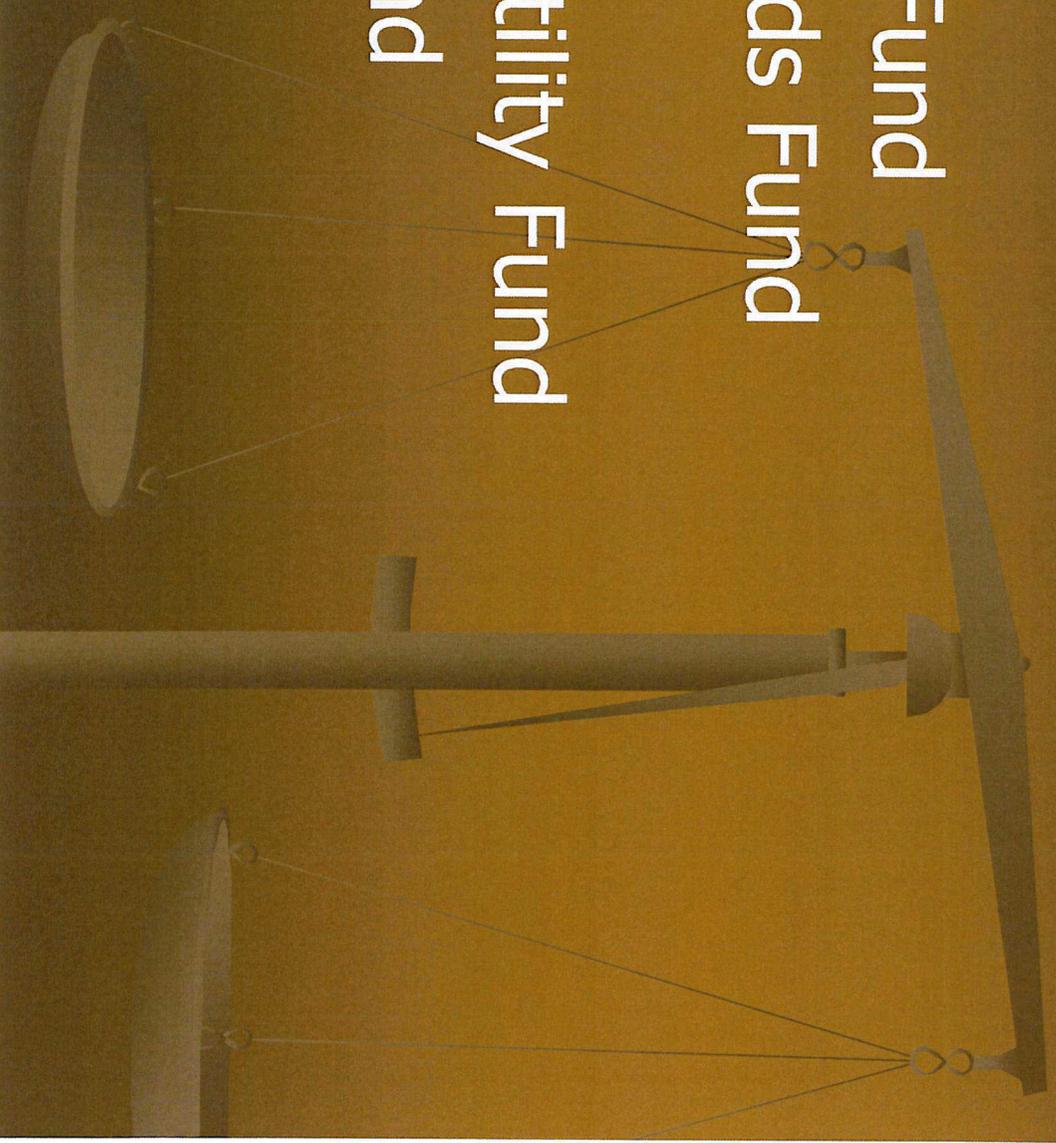
Town Manager

Introductory Comments



BUDGET OVERVIEW

- General Fund
- Debt Service Fund
- Streets & Roads Fund
- Marina Fund
- Stormwater Utility Fund
- Sanitation Fund



GENERAL FUND OVERVIEW

- ASSESSED TAXABLE VALUE
- TERMS TO KNOW
- STATUTORY RESTRICTIONS ON MILLAGE
- PROPOSED MILLAGE RATE
- REVENUES
- EXPENDITURE HIGHLIGHTS

Assessed Taxable Value



Fiscal Year 2009	\$ 680,276,721
Fiscal Year 2010	\$ 578,878,659
Loss of Value	\$ (101,398,062)
Loss of Tax Dollars	\$ (820,350)

15% Decrease in Taxable Value

Terms to Know

- **AD VALOREM TAX:** Property Tax
- **Millage Rate:** Tax rate. Dollars per one thousand dollars of assessed taxable value of property. (1 mill generates \$ 549,935)
- Prior year 1 mill generated \$646,250
- **Millage Cap:** Maximum Millage allowed by law. Ten mills (10.00).
- **Rolled-back Rate:** Tax rate that would generate prior year tax revenues.

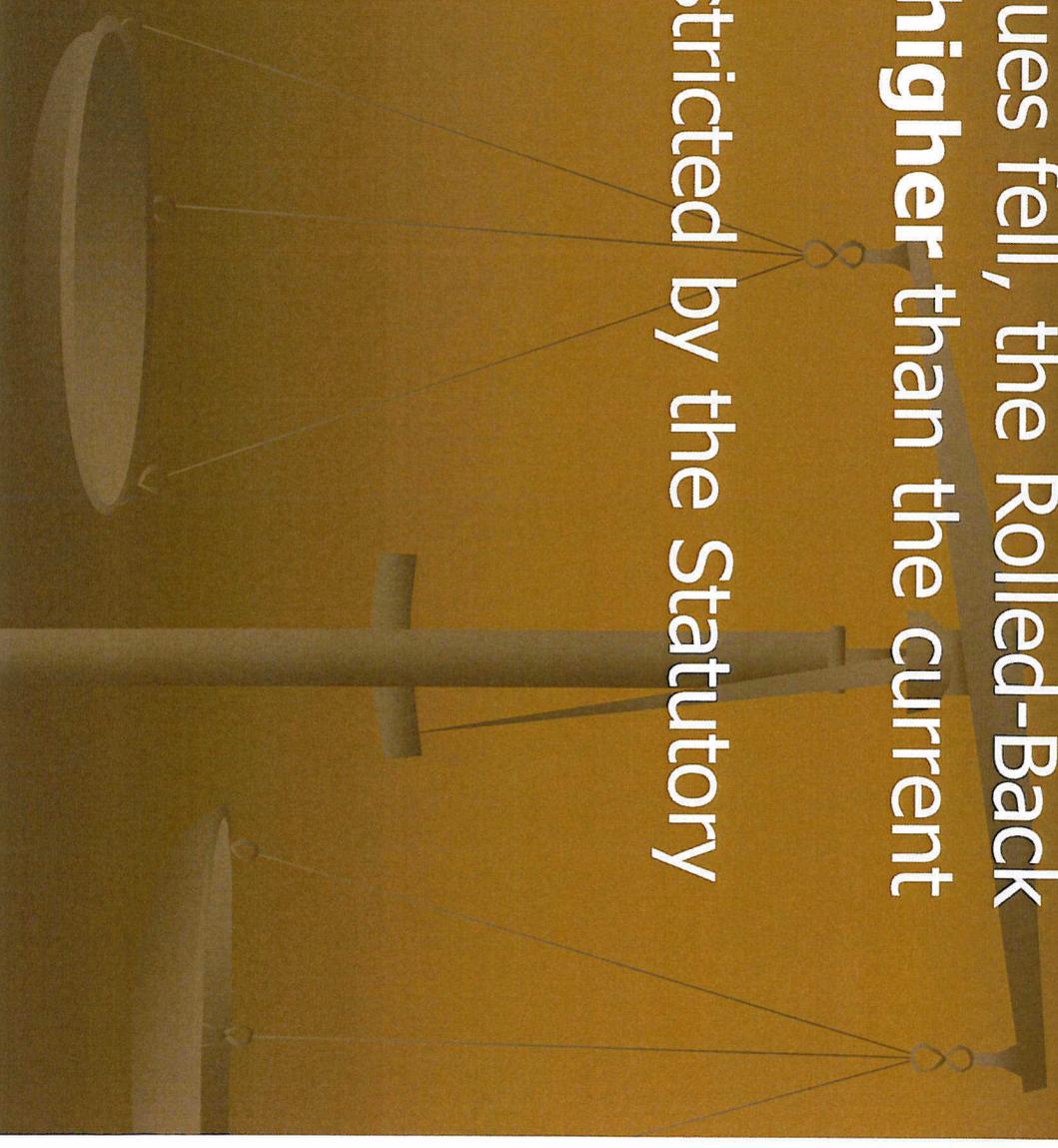
Statutory Restrictions

State Law Caps Millage at 10.00 mills

- Rolled-Back Rate 10.0509 mills
- Maximum Millage allowed up to 10 mills

Restrictions - Continued

- Because the values fell, the Rolled-Back rate is actually **higher** than the current rate.
- The Town is restricted by the Statutory 10.00 mill cap



RECOMMENDED MILLAGE

CURRENT YEAR MILLAGE

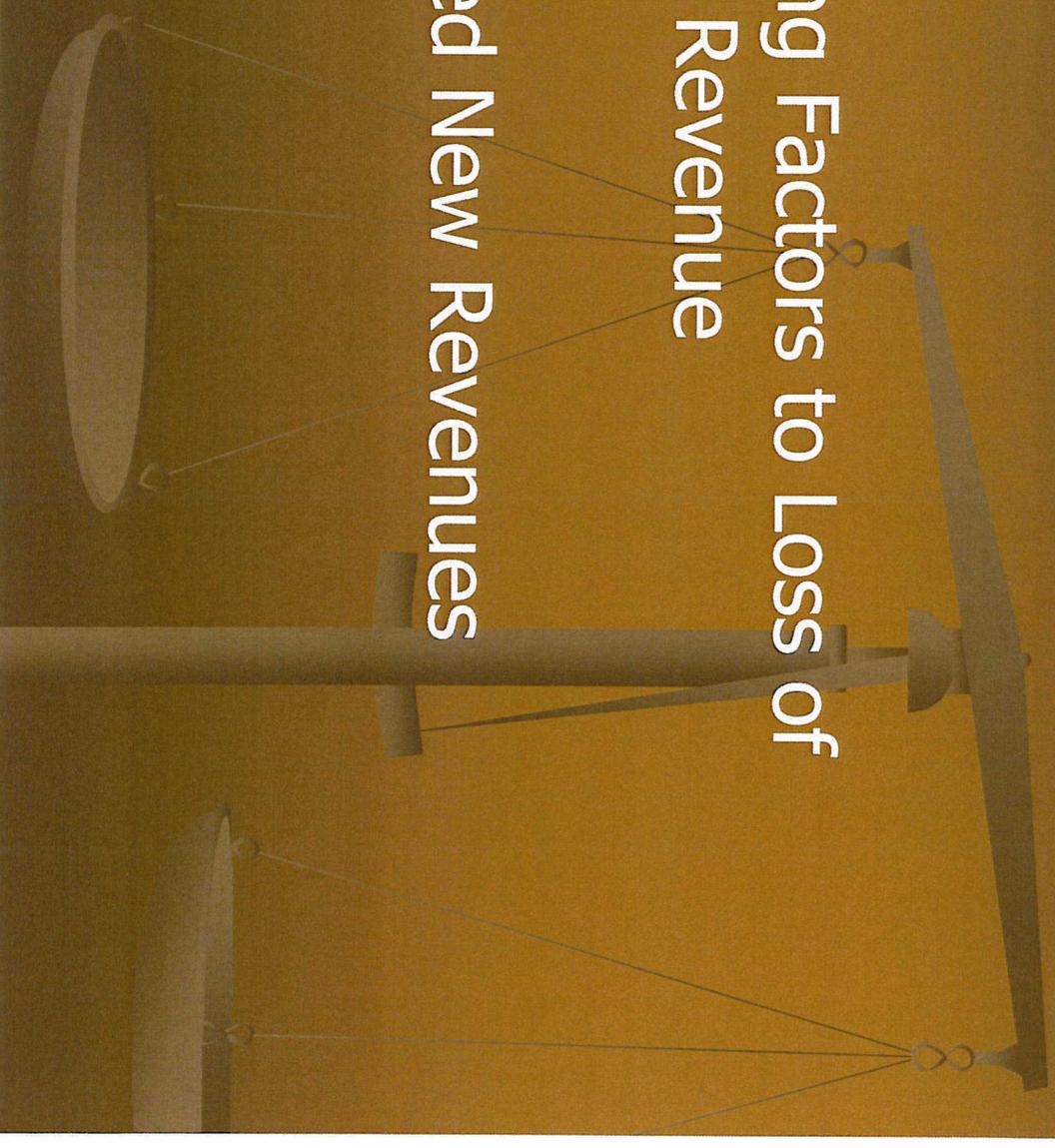
8.5163

- No increase in tax rate
- Produces \$820,350 **less** in ad valorem revenue than the current year
- Town (\$634,410), CRA (\$185,940)
- This is actually a tax decrease of -15.27% because it is below the rolled-back rate

Revenue

Contributing Factors to Loss of
Revenue

Proposed New Revenues



State Shared Revenue Reductions

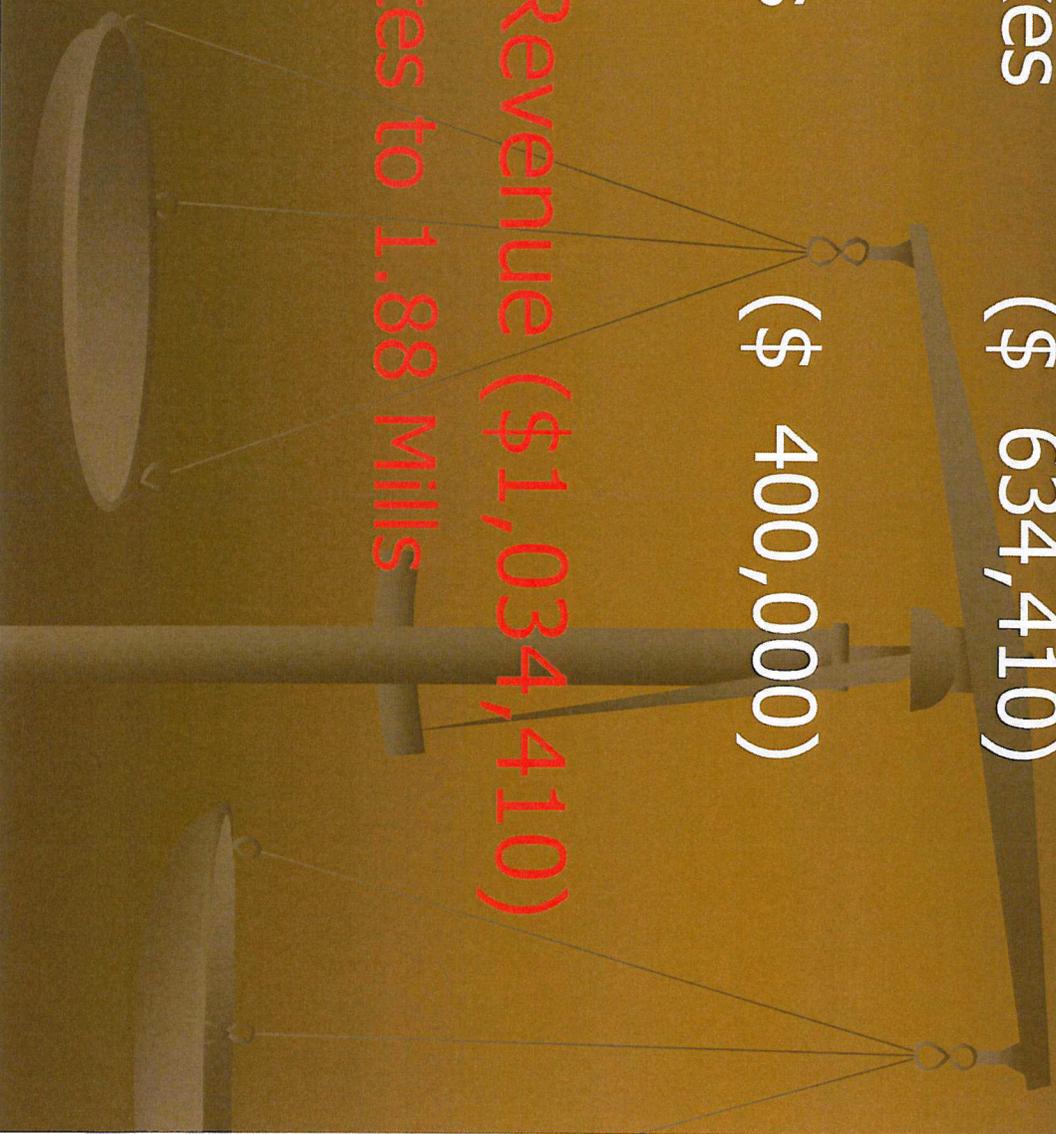
- Communications Services Tax
down (\$30,000)
- State Entitlement Proceeds
down (\$ 9,500)
- Half-Cent Sales Tax
down (\$80,500)
- Total Reductions from State (\$ 120,000)

Other Revenue Reductions

- Building Permits
down (\$120,000)
- Interest on Investments
down (\$160,000)
- Total State and Other Revenue Reductions
(\$400,000)

Combined Loss of Revenue

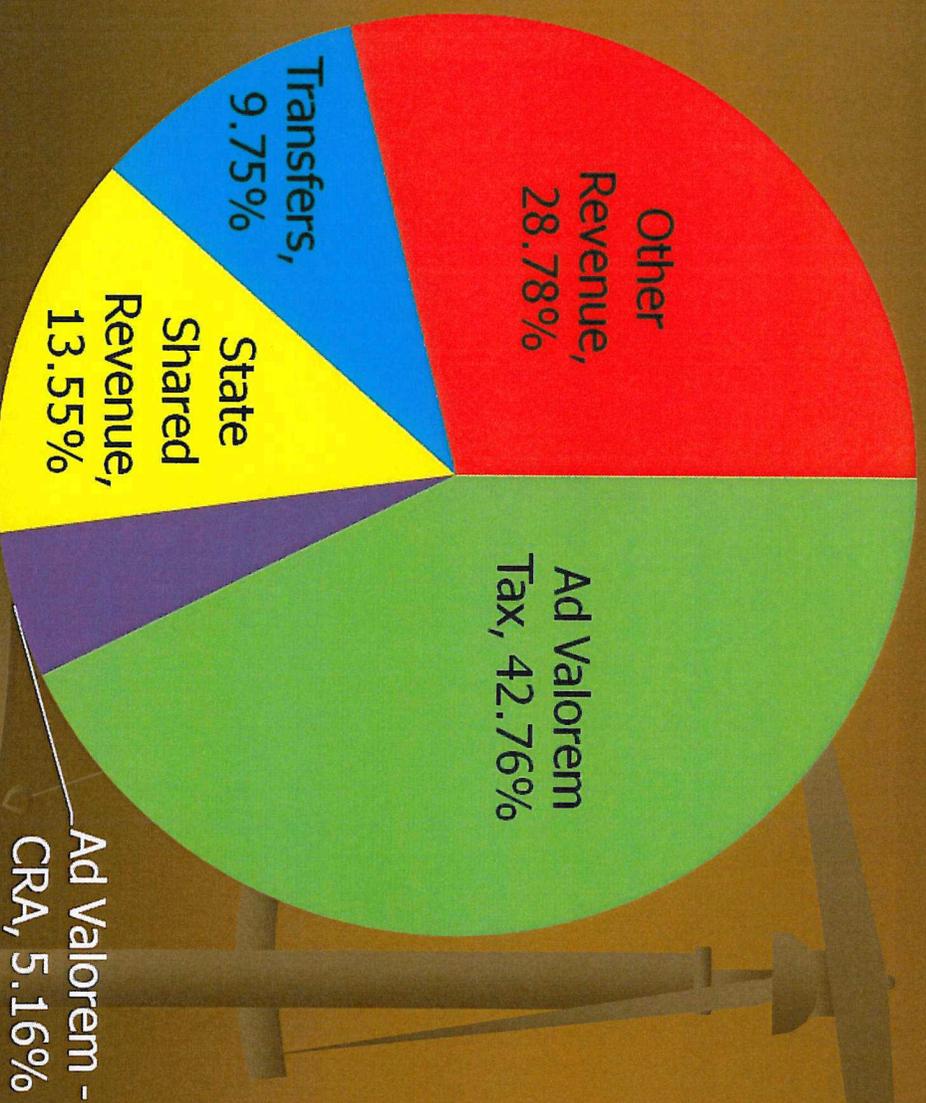
- Ad Valorem Taxes (\$ 634,410)
- Other Revenues (\$ 400,000)
- Total Loss of Revenue (\$1,034,410)
Equates to 1.88 Mills



Analysis of Property Tax Revenue

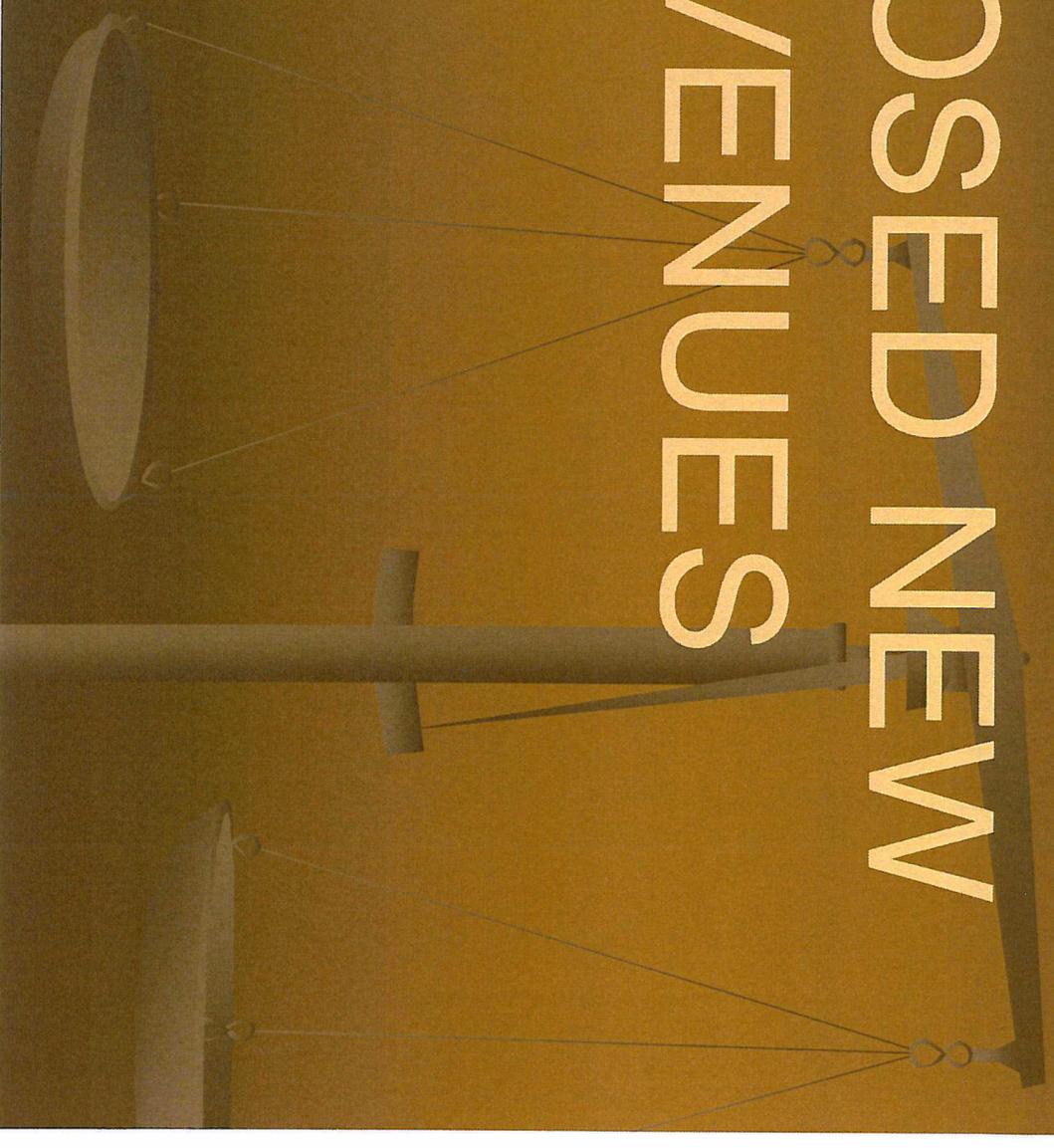
	FY 2009	FY 2010
	8.5163	8.5163
PBSO Sheriff	\$2,687,020	\$2,794,675
PBC Fire Rescue	\$2,023,880	\$2,067,815
Total for Public Safety	\$4,710,900	\$4,862,490
CRA	\$690,200	\$504,260
Other Services - PW, Admin., Etc.	\$102,670	(\$683,340)
Total Proceeds	\$5,503,770	\$4,683,410

Breakdown of Revenue



Ad Valorem -
CRA, 5.16%

PROPOSED NEW REVENUES



Proposed New Revenues

- **Parking Meters – Waterfront Area**
 - Estimated General Fund Revenue
 - Parking Meters \$ 198,175 (net of sales tax)
 - Parking Fines \$ 18,000
 - Transfer from Marina \$ 30,000 (partial repayment of initial investment for equipment)
 - **Less: Debt Service \$(28,475)**
- Total Anticipated Revenue \$ 217,700**
- Millage Equivalent .40 Mills**

Locations to be Metered for the General Fund

- East of Federal Highway (on-street)
 - Greenbriar Drive \$ 47,525
 - Foresteria Drive \$ 35,250
 - Lake Shore Drive \$ 18,400
- Tennis Court Lot \$ 35,825
- Lake Shore Park Lot \$ 61,175
- Total Revenue \$ 198,175

(Assumption: 30% occupancy rate)

Future Location: Lot Next to Dunkin' Donuts

Parking Meters – continued...

- Purchase & Installation \$ 150,000
 - To be financed over 5 years
- Hours 6:00 AM to 8:00 PM
- Rate \$1.00 per hour
- Fines \$20.00 per ticket
- Enforcement Code Officers (initially)

Alternatives to Parking Meters

- General Fund Cuts of \$ 217,700
 - Elimination of 3 Full Time Positions
 - Downgrade of 2 Full Time Positions to PT
 - Reduce Library Hours to 25 per Week

OR

- **Raise Tax Rate to 8.9163 Mills**

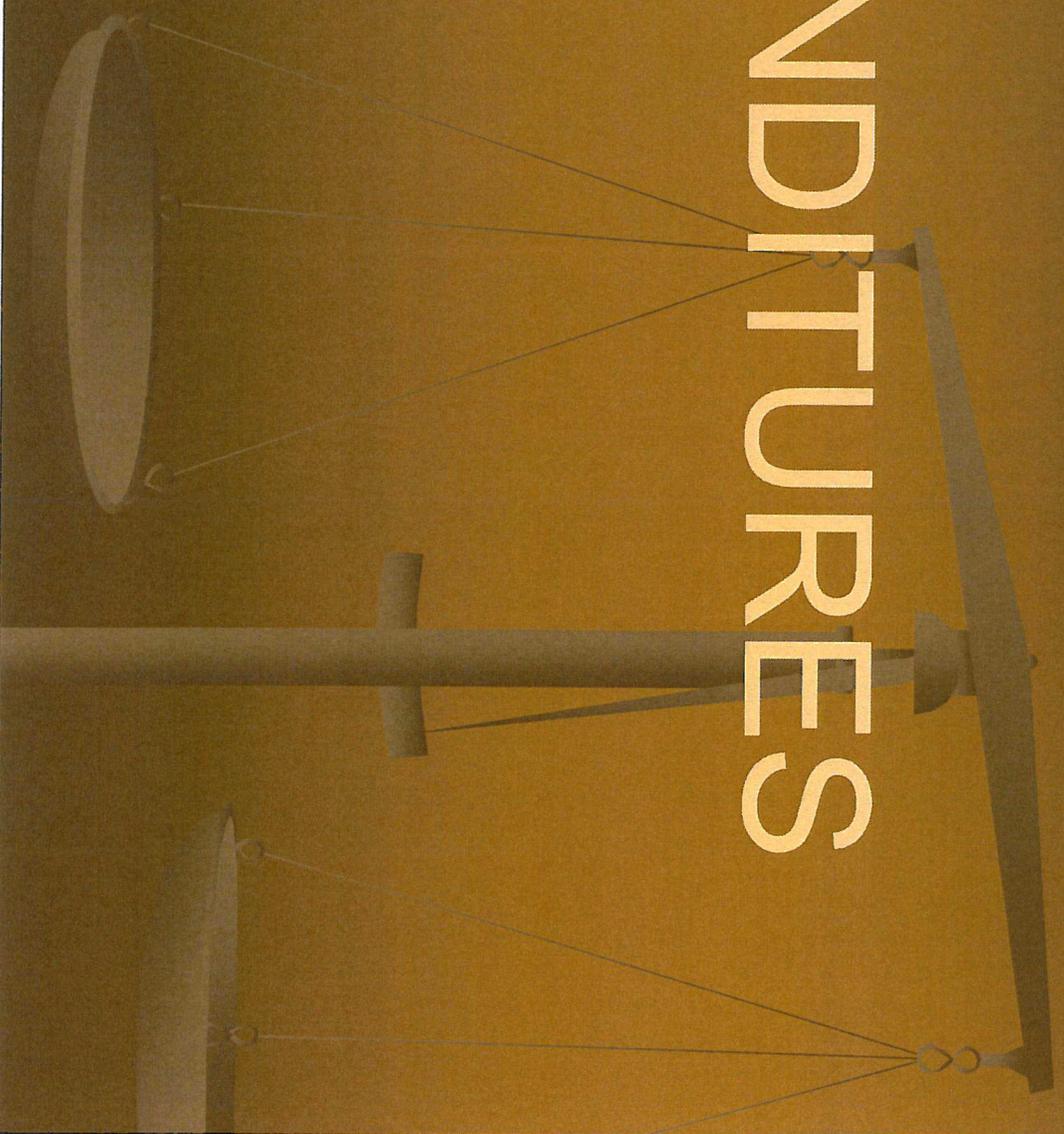
Additional Locations

- Marina Lots
 - Main Lot \$ 73,600
 - South Vehicle Lot \$ 38,400
 - Total Revenue \$ 112,000
 - Less:
 - Equipment Cost \$ (30,000)
 - Net Revenue to Marina \$ 82,000 1st Year
- (Assumption : 20% Occupancy Rate)
- No Charge to Boat Owners/Tenants
- No Meters in Boat Trailer Lot

Alternatives to Meters Marina Fund

- Dockage Fee Increases
 - 11% Across-the-Board
 - Annual \$17.50/foot > \$19.50/foot
 - Charter \$19.50/foot > \$21.50/foot
 - Seasonal \$25.50/foot > \$28.50/foot
- Not recommended due to condition of Marina and pending disruption from rehabilitation work.

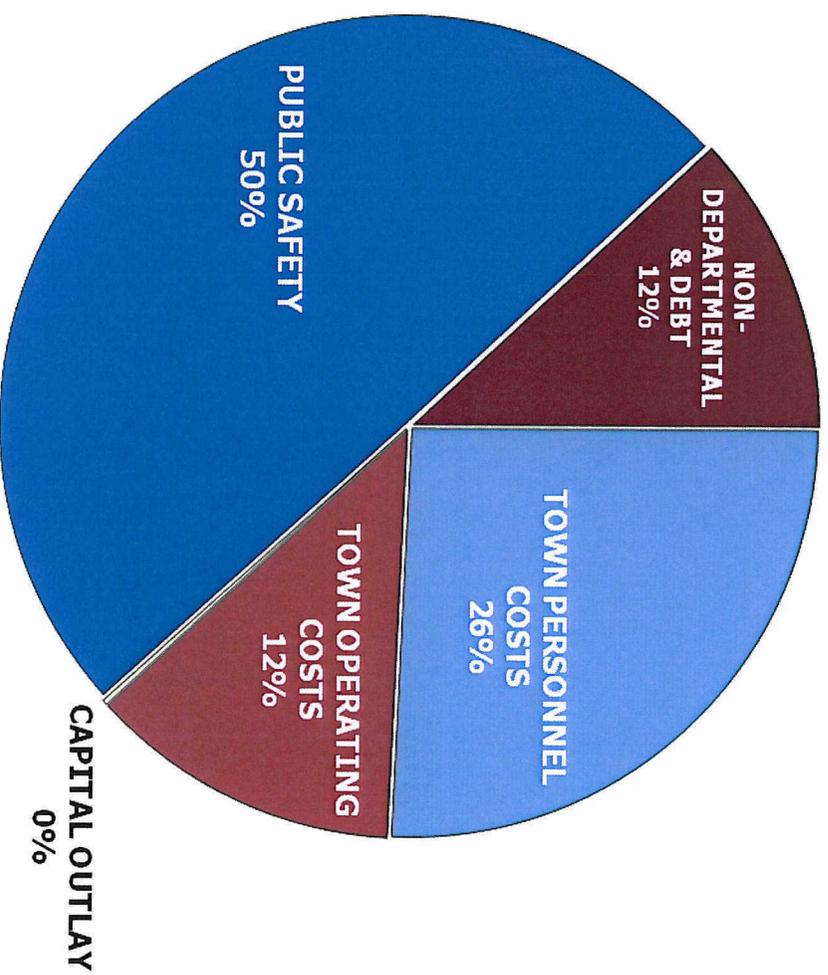
EXPENDITURES



General Fund Expenditures

	FY 2009	FY 2010	Difference
Personal Services	2,761,270	2,512,220	(249,050)
Operating Expenses	1,242,220	1,211,225	(30,995)
PBC Sheriff & PBC Fire Rescue	4,710,900	4,862,490	151,590
Capital Outlay	180,200	20,000	(160,200)
Debt	372,485	338,425	(34,060)
Non-Departmental	1,365,890	829,395	(536,495)
Total	10,632,965	9,773,755	(859,210)

EXPENDITURE BREAKDOWN



Positions Eliminated

- 12 positions eliminated FY 2008
- 5 positions eliminated FY 2009
- FY 2010: Proposed elimination of 4 FT positions/ 3 FT reduced to PT
- Workforce reduced from 79 to 58 positions overall

26.5% reduction in our workforce

Continued...

FY 2008

- Asst. Rec. Director
- Maint. Worker
- Safety Inspector
- **Mid-Year Eliminations**
- (3) PT Lib. Assist. I
- PT Lib. Shelver
- (2) FT Dock Attend.
- (2) PT Dock Attend.
- Dock master

FY 2009

- Operations Manager
- Admin. Assistant
- PT Lib. Assistant I
- PT Lib. Assistant
- PT Dock Attend.

Continued...

FY 2010

Proposed Positions

Eliminated

Grounds Maint. Div.

- (2) Maint. Worker I

Community Dev. Dept.

- Admin. Assistant

Marina

- Dock Attendant

FY 2010

Proposed Positions

Reduced to Part-time

Recreation Dept.

- Maint. Worker I

Library

- (2) Library Assist. II

Other Departments

- All part-time hours were reduced

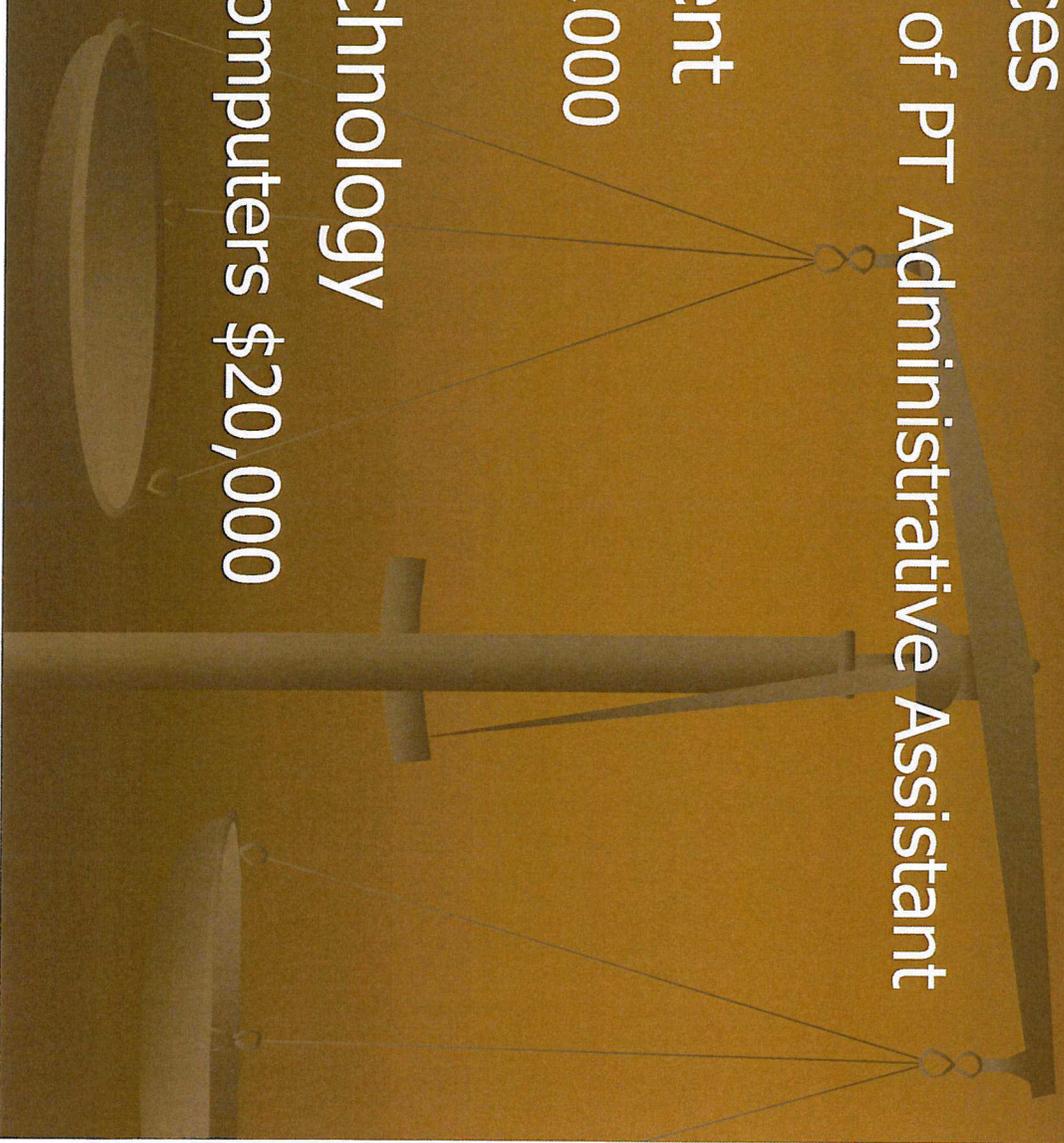


Expenditure Highlights

- No COLA Budgeted
- No Merit Raises Budgeted
- Five (5) Furlough Days Scheduled - \$50,000
- Health Insurance - 15% Increase (5.8% increase current year)
- Eliminated Travel Budgets

Departmental Highlights

- Human Resources
 - Reduced hours of PT Administrative Assistant
- Legal Department
 - Reduced by \$7,000
- Information Technology
 - Replacement Computers \$20,000



Highlights - continued...

- Finance
 - Reduced hours of PT Accountant/Bus. Tax Coord.
- Police
 - 4% increase - \$ 106,800
- Fire Rescue
 - Millage increase 2.95 mills to 3.5062 mills
 - Expenditures will remain flat

Highlights - continued...

- Grounds Maintenance Division
 - Eliminated 2 Maintenance Worker I Positions
- Community Development
 - Eliminated Administrative Assistant Position
- Recreation Department
 - Reduced Maintenance Worker I from Full-time to Part-time
 - Eliminated Fireworks Festival, Tree Lighting and Santa Ride

Highlights - continued...

■ Library

- Reduced 2 Library Assistant II Positions from Full-time to Part-time
- Reduced hours of PT Library Accounting Clerk
- Reduced Library hours from 46 hrs/wk to 40 hrs/wk

Current hours

11-7 Mon. – Tues.
9-5 Wed. – Fri.
9-3 Sat.

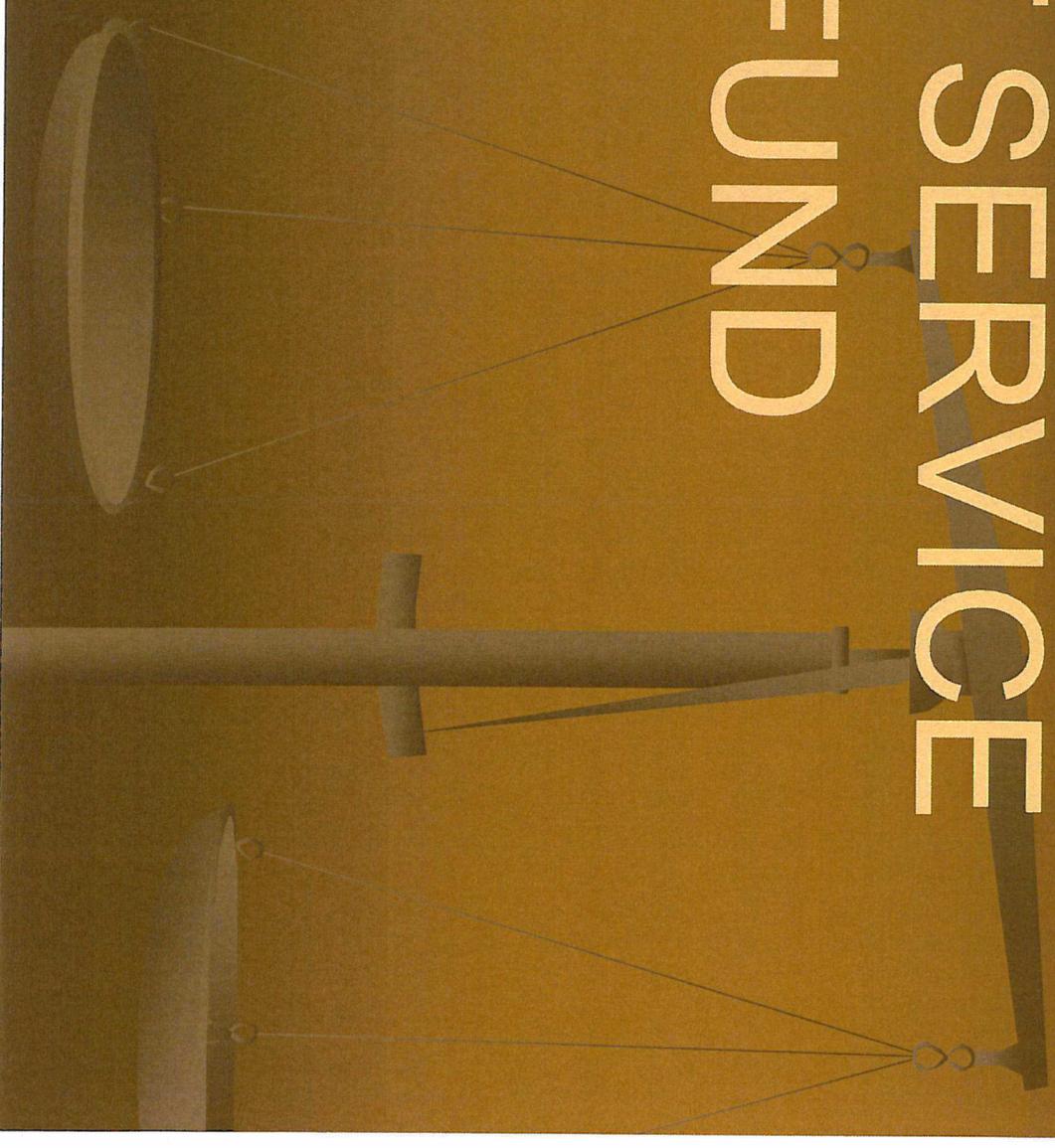
Proposed Hours

11-7 Mon. – Tues.
9-5 Wed. – Fri.

Highlights - continued...

- Non-Departmental
 - \$ 250,000 Transfer to CRA - Delinquency
 - \$ 104,000 Contingency
 - Offset for Furlough Days (\$ 50,000)

DEBT SERVICE FUND

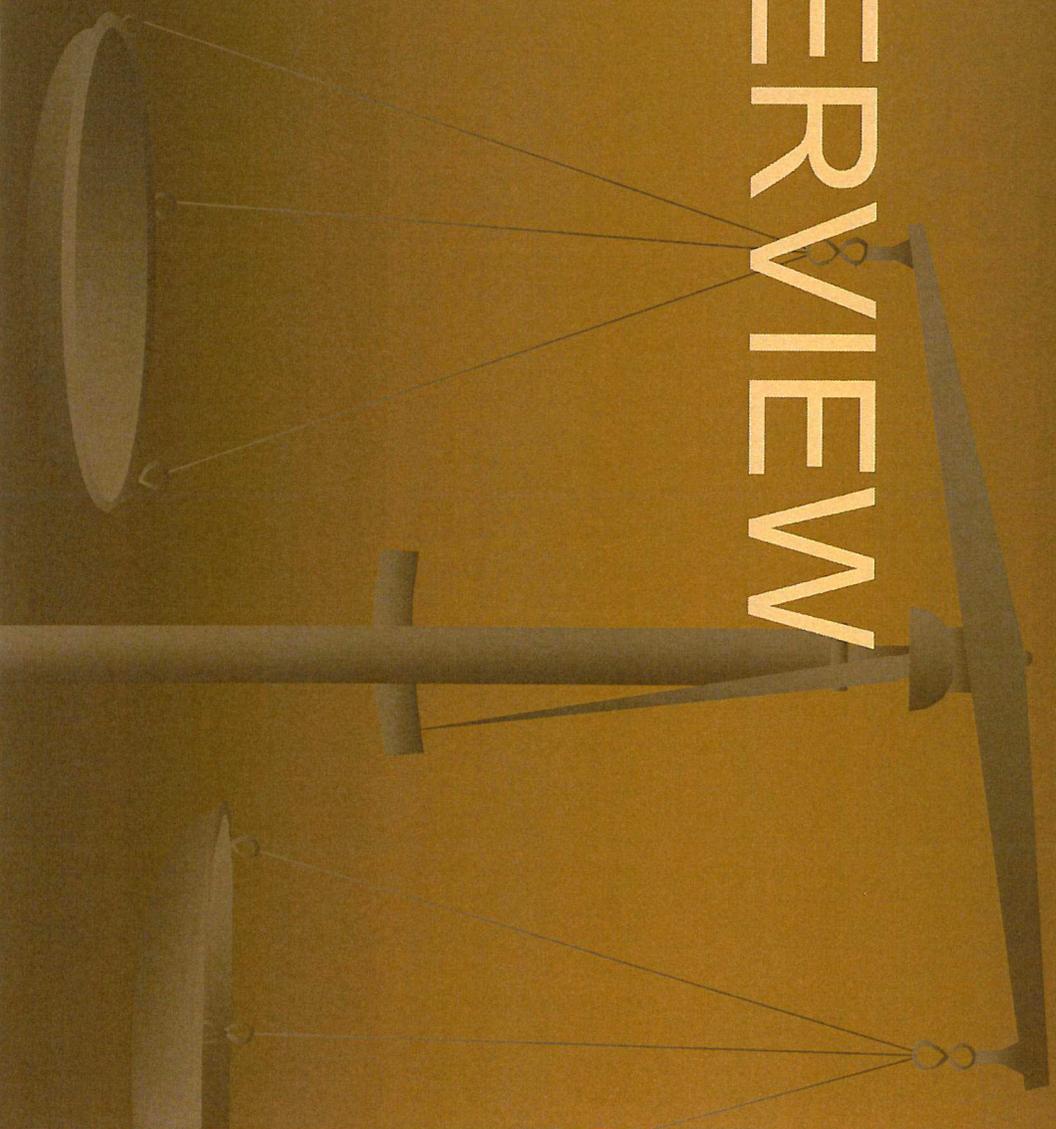


DEBT SERVICE FUND

- 1997 G.O. Bond (\$4,800,000) \$ 379,475
 - Paid off in 2017
- 1998 G.O. Bond (\$5,000,000) \$ 388,675
 - Paid off in 2018
- Total Annual Debt Service \$ 768,150

Debt Service Millage Rate 1.40
(Current Rate 1.15 mills)

OVERVIEW



Recommended Millage Rates

Operating Millage Rate **8.5163**

- A tax decrease of (15.27)% below Rolled-Back Rate
 - Current Operating Rate 8.5163
 - Rolled-Back Rate 10.0509
- Debt Service Rate > 1.4000
- Current Debt Millage 1.1500



Comparison 250K

	Taxes this year	Taxes next year
Assessed Value	250,000	250,250
Exemption	(50,000)	(50,000)
Taxable Value	200,000	200,250
Taxes – Oper.	1,703.00	1,705.00
Taxes – Debt	230.00	266.00
Total Town Tax	1,933.00	1,971.00

Comparison 250K w/o H.E.

	Taxes this year	Taxes next year
Assessed Value	250,000	212,500
Exemption	0	0
Taxable Value	250,000	212,500
Taxes -- Oper.	2,022.00	1,739.00
Taxes -- Debt	273.00	286.00
Total Town Tax	2,295.00	2,025.00

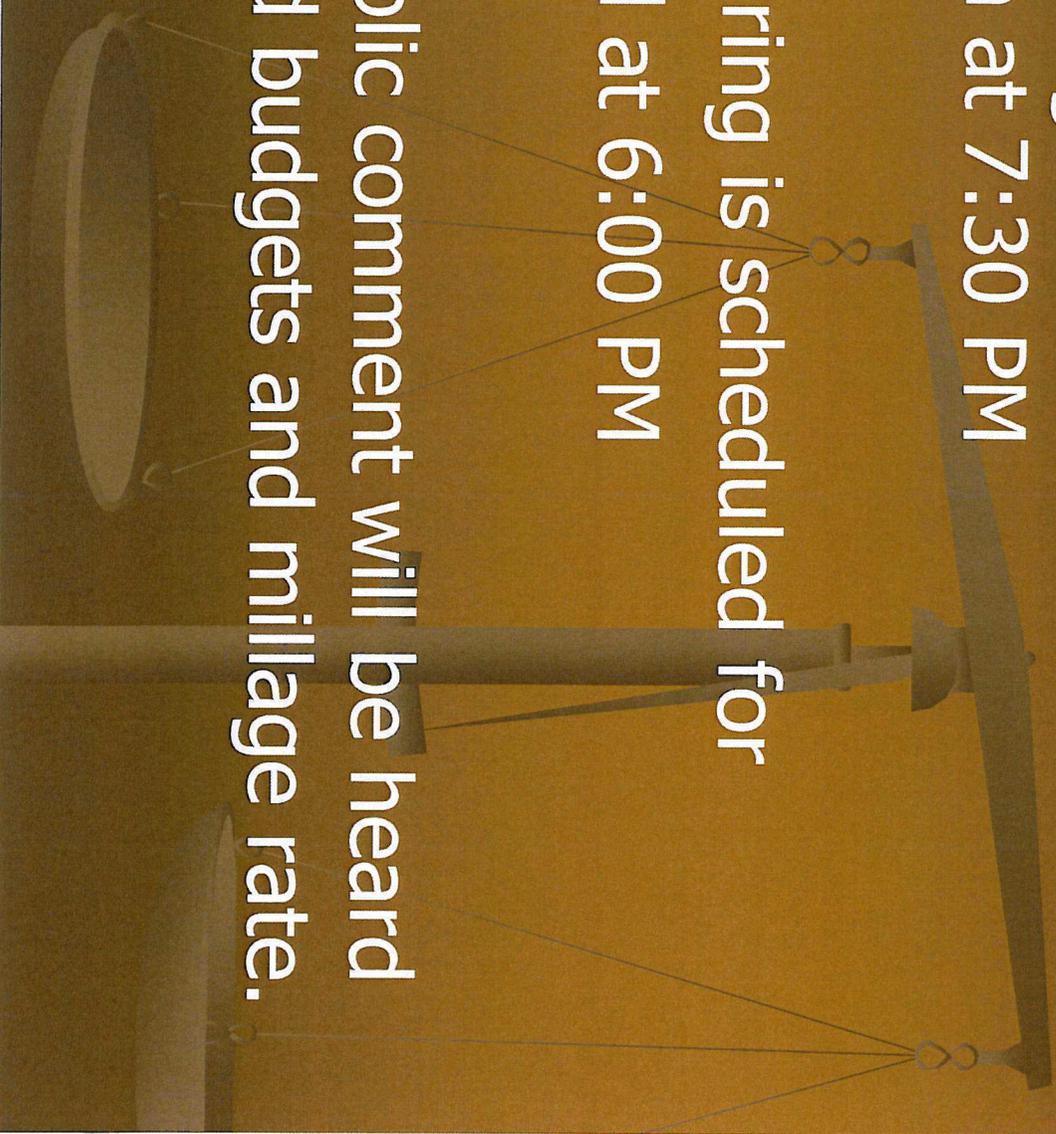
Consensus on Operating Millage

Debt Millage will be 1.4000

Public Hearings

- First Public Hearing is scheduled for September 16th at 7:30 PM
- Final Public Hearing is scheduled for September 23rd at 6:00 PM

At that time public comment will be heard on the proposed budgets and millage rate.



STREETS & ROADS FUND

- Total Budget \$ 369,050
 - Down approximately \$21,450 due to State Shared Revenue reductions
 - Increased street lighting \$15,000
 - Capital Outlay
 - Sidewalk Improvements \$ 30,000

MARINA FUND

- Total Budget \$1,211,975
 - No rate increases proposed
 - Dock Attendant position eliminated
 - Parking meters proposed
 - Generates \$82,000 net revenue

STORMWATER UTILITY FUND

- Total Budget \$ 513,500
- Rate per Equivalent Stormwater Unit (ESU) \$ 6.50 per month, \$ 78.00/YR
 - Tentatively approved rate 6/17/09
 - Current rate is \$6.00 per month, \$72.00/YR
- Capital Outlay
 - Two (2) Vehicles for Technicians
 - Pallet Forks

Stormwater – continued...

- Offset to General Fund Expenses \$ 68,000
 - For stormwater activities performed by General employees
- Debt Service for Vac-Con Truck \$ 57,475
 - Purchased this year
- Transfer to Capital Reserve \$ 50,000

SANITATION FUND

- Total Budget \$ 1,479,850
- 7.5% rate increase proposed
 - Tentatively approved June 19th
- No new positions or eliminated positions
- No increase in disposal fees from SWA
 - 25% increase FY 2009

Sanitation Fund-- continued...

- Capital Outlay
 - Laptop w/Diagnostics \$ 15,000
 - Diagnostic Scanning Tool \$ 1,500
 - Welder \$ 1,000
 - Five (5) Radios \$ 4,250

Commission Comments

