



**Minutes**  
**Town of Lake Park, Florida**  
**Budget Workshop**  
**Wednesday, July 27, 2011, 6:00 p.m.**  
**Town Commission Chamber, 535 Park Avenue**

The Town Commission met for the purpose of a Budget Workshop on Wednesday, July 27, 2011 at 6:00 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Jeanine Longtin, and Tim Stevens, Town Manager Maria Davis, Town Attorney Thomas Baird, and Town Clerk Vivian Lemley. Commissioner Steven Hockman was absent.

Mayor DuBois led the Pledge of Allegiance.  
Town Clerk Vivian Lemley performed the Roll Call.

Mayor DuBois informed the public that at this meeting there was not going to be an opportunity for public comment, but there would be at the hearings of September 7 and 21, 2011. He reminded the public that they could always make comment by calling the Commissioners or Town Manager.

Mayor DuBois invited Town Manager Maria Davis to start the presentation regarding the budget for Fiscal Year 2012.

**DISCUSSION**

Town Manager Davis stated that there were a couple of corrections that needed to be made on the original documents and that Finance Director Anne Costello had already given the Commissioners updated documents. Town Manager Davis wanted Finance Director Costello to identify those corrections before they started the presentation.

Finance Director Costello stated that in the Community Development Budget Analysis on page 73 of the budget book, line item "Contractual Services", the third sentence stating "...\$25,000 is being set aside for consulting services for the next statutorily required Evaluation and Appraisal Report." This sentence was deleted because it is only required to send a letter by 2016 of our intentions to make any amendments. We are not going to budget any money for that this year.

Finance Director Costello stated that on page 74, item 500-47000, the second sentence of "Allotment for printing as it will relate to the initial stage of the Evaluation and Appraisal Report amendments will also be funded from this account", was deleted because it was not provided for in this budget.

Finance Director Costello apologized that her department made last minute changes to the Library budget and due to rushing to print the documents, the changes did not get carried over to the Budget Analysis. Finance Director Costello stated that on pages 82 and 83 of the Library budget, there were changes to a few items. Line item "Contractual Services" was reduced from \$17,535 to \$5,535. It is actually only funding Cooperative Authority for Library Automation Sirsi dues at \$5,125, Online Computer Library Center Worldcat cataloging access at \$270, and movie annual licensing at \$110. The other items listed in the Budget Analysis for Contractual Services were not provided for in this budget.

She stated that line item "Postage and Shipping" was changed from \$200 to \$100 and line item "Printing" was changed from \$150 to \$0. "Promotional Activity" changed from \$150 to \$0. "Software" decreased from \$500 to \$0 and "Office Supplies" decreased from \$1,500 to \$750. "Operating Supplies" was reduced from \$4,700 to \$3,000 and "Memberships, Dues, and Subscriptions" was reduced from \$3,000 to \$1,100.

She stated that on page 83, "Library Materials" decreased from \$32,000 to \$10,000, which was the original request.

Town Manager Davis informed the public that there were corrected documents on either side of the Chamber for their use.

Finance Director Costello stated that the corrected documents also will be in PDF format on the website the following morning.

Commissioner Longtin asked the Mayor if these corrections change the cost center.

Finance Director Costello stated that the budget numbers were correct only the "Budget Analysis" was incorrect. She stated that the only discrepancy was a line item in the Human Resources budget of \$100. She stated that she felt it was minor and did not provide the Commission with corrected sheets on that, but will make that correction. She also stated that the total budget for the Library is correctly indicated in the corrected Analysis.

Vice-Mayor Rumsey asked if the wage sheet detail was what the Commissioners had been requesting.

Finance Director Costello verified that information was correct and that it would also be posted on the website the following day.

Town Manager Davis explained to the Commission that Finance Director Costello would be giving a comprehensive presentation. She stated that Finance Director Costello would be handling the revenue portion and she would be handling the expense portion. She stated that she wanted them to feel free to stop them at any time during the presentation. She stated that staff was available to answer their questions at any time.

Mayor DuBois expressed to Town Manager Davis that he normally likes to hear a presentation in full and then answer questions, but he knows that in the past the presentations were lengthy. He stated that he knows with such a lengthy presentation, there is a tendency to forget questions by the time it is over. He stated he appreciated being told that they could interrupt at any time during the presentation and thought it would be very helpful. He hoped that at the end of the presentation, a discussion and/or consensus could be reached.

Commissioner Longtin asked for verification from Mayor DuBois that he was allowing questions during the presentation.

Mayor DuBois verified that this was correct.

## **General Fund**

Town Manager Davis started the presentation with an explanation that the budget that is being presented is predicated on not increasing the millage. She stated that the cuts being proposed are based on the premise of no proposed increase in the millage.

Finance Director Costello explained they would start with the General Fund. She stated that the General Fund is supported by property tax revenue, utility service tax, franchise fees, charges and fees through services as well as State shared revenue, sales tax, and communication services tax.

She stated that the Debt Service Fund is voter approved debt service for general obligation bonds from 1997 and 1998. She stated that the fund pays the debt service on those two bonds.

She explained that the Streets and Roads Fund is a special revenue fund supported by State shared revenues from fuel taxes and local option gas tax.

She explained that the other funds, Marina and Storm Water Utility Funds, are considered Enterprise Funds because they operate like a business and are designed to be self-supporting from the fees charged for the specific services.

Finance Director Costello reminded everyone that when they discuss property taxes, they are only addressing the General Fund. She stated that Enterprise Funds are not affected by property taxes.

She indicated that on slide 4 (of Exhibit A) of the PowerPoint presentation, she will be giving an overview of the General Fund.

On slide 5 (of Exhibit A), she pointed out that in one year the Town of Lake Park has had a loss in value of \$25,016,630 of which was a loss of \$202,400 in tax dollars.

She explained that the current taxable value is slightly lower than in 2005, but slightly above 2004 as indicated on slide 6. On slide 7, she indicated that there has been a cumulative loss of 39 percent since tax year 2007. On slide 8, she indicated that the cumulative loss of value of \$281,225,617 is equivalent to \$2,275,250 in tax dollars or 28 percent of the General Fund budget.

She stated that up until the last four years, the assessment values of commercial and residential property has been around 50:50. With the passage of Amendment One in 2008, residential assessments decreased over \$40 million. With the continuing decline in taxable value, the ratio is about 70:30. She stated that commercial values fell 8.3 percent from last year and residential values increased 1.8 percent, as indicated on slide 9 (of Exhibit A).

On slide 11, she explained the financial terms that she used in the presentation. On slide 12, she explained the statutory restrictions on the tax caps.

Finance Director Costello explained the revenue comparison of Fiscal Year (FY) 2011 and FY 2012 that was shown on slide 14. She explained that from FY 2011 and FY 2012, there was a shortfall of

\$462,000. On slide 15, she explained some of the reasons for this downfall. The downfalls were because the property taxes were down \$209,300, the electric utility taxes were down \$10,000, the building permit projections are down \$52,500, the electric franchise fees are down \$110,000, and the state shared revenues are down \$97,000. She explained that State shared revenues are on a population based formula. She stated that with the new census, Lake Park lost nearly 1,000 residents, so the appropriate share went down also. She stated that another reason for the downfall is expenditure increases. On slide 16, she indicated that health insurance increased 13 percent or \$33,700, the estimated increase in workers' compensation insurance is 25 percent or \$10,800, the Inspector General funding is \$14,350, and Retired Police Pension liability is \$84,250.

On slide 18, Finance Director Costello explained the differences between FY 2011 and FY 2012 in what the ad velorem revenue covers.

Town Manager Davis explained that ad velorum does not even cover the police and fire. She stated that the Town has to pull the \$773,000 shortfall from other sources of revenue to cover these costs and have never had to do that except in the last two to three years.

Finance Director Costello explained how each of the revenues (indicated on slide 19) is received. On slide 20, she explained the percentage breakdown of each of the revenues that contribute to the General Fund.

Commissioner Stevens asked what revenues made up the section entitled "Other Revenue."

Finance Director Costello indicated that "other revenue" consists of business tax receipts; utility service taxes on electric; gas and water; franchise fees for electric, gas, and solid waste; building permit fees; parking fees; charges for services; administrative fees; and fines. She stated that those are the major categories, but there are a few other little revenues.

Commissioner Longtin asked what were considered "administrative fees."

Finance Director Costello explained that administrative fees are fees charged to the other funds of the Town for services such as finance, a town manager, a town commission, human resources, and information technology. The Enterprise operations that run as a business have to pay for their portion of Finance Department bills, sanitation, and the Human Resources Department handles the human resources side of the enterprise operations. She states that it is basically a charge for the administration of those funds because they don't have their own administration.

Commissioner Longtin asked if the administrative fees come from the Enterprise Funds only and why it isn't an "interdepartmental" transfer.

Finance Director Costello replied that there are interdepartmental transfers from the Enterprise Funds as well as Enterprise fees.

Commissioner Longtin asked if the Finance Department did an "interdepartmental" transfer, would that be considered revenue.

Finance Director Costello stated that if the money were to come from another Fund, then it would be listed as revenue. She gave the example of a \$100,000 transfer from Streets and Roads, a non-enterprise fund, listed as an operational transfer to the General Fund. She also stated there is a shared Foreman position and should be noted that small transfers between the Storm Water fund, Streets and Roads Fund, and the General Fund to pay for that position.

Commissioner Longtin asked where the \$100,000 transfer from Streets and Roads actually comes from.

Finance Director Costello stated the transfer came from the Streets and Roads Fund.

Town Manager Davis stated it was local option gas tax.

Finance Director Costello stated it goes to offset some of the cost of the Public Works Department in the General fund.

Commissioner Longtin asked for clarification on the transfer of \$100,000 from Streets and Roads. She asked if it went from Streets and Roads back into Streets and Roads.

Finance Director Costello stated that it went from Streets and Roads into the General fund. She stated that it would be reflected in the General Fund revenues.

Commissioner Longtin asked if interdepartmental transfers, even if it is not an Enterprise Fund, are still shown as revenue.

Finance Director Costello responded "yes." She stated that would be the correct account handling for that. She stated that in an audit, the transfers to and from have to balance. She stated that a transfer out has to be shown with a corresponding transfer in. She stated there was a matrix in the Comprehensive Annual Financial Report (CAFR) to make sure that the transfers balance.

Town Manager Davis explained the General Fund expenditures as indicated on slide 22. She reported that the Town's Personal Services have been decreased \$174,865, the Operating Expenses were decreased \$126,275, Palm Beach County Sheriff (PBSO) and Fire Rescue was down \$138,505, and Capital Outlay was cut out with a difference of \$5,000. She stated that because of the interlocal agreement with the CRA, with the acquisition of a Foresteria Drive and the 800 Park Ave building, there was an increase of \$83,675. She stated that the expenses for Non-Departmental have decreased \$101,030, and that all these combined have a difference or decrease in the budget of \$462,000.

Vice-Mayor Rumsey asked for an explanation of what "Personal Services" was.

Town Manager Davis explained that Personal Service entails the salaries and fringes for the employees.

Commissioner Longtin asked Town Manager Davis to re-explain the Debt section of the presentation.

Town Manager Davis asked if the Finance Director would explain that for the Commission.

Finance Director Costello explained that in 2009, the Town of Lake Park took out a loan to purchase some properties on Foresteria Drive and the 800 Park Avenue building. The loan debt is carried by the General Fund but paid for by the CRA. A transfer for the principal and interest into the General Fund by the CRA is indicated on the revenue page of the General Fund, but the principal and interest transfer is listed on the Debt Service page of the CRA. She stated that \$91,000 could be seen as revenue and \$91,000 as an expense as well. She stated that the CRA is paying for that debt.

Vice-Mayor Rumsey asked if the Finance Director meant \$83,000.

Finance Director Costello explained that the net change in debt was \$83,000 because a previous loan had been paid off this past year. She stated that on page 13 of the Budget Analysis, account number 001-381.130 it shows a transfer from the CRA to the General Fund of \$91,325.00.

Commissioner Longtin asked why the loan doesn't go straight from the CRA.

Finance Director Costello stated that this is because of the interlocal agreement and how the loan was initially guaranteed. She mentioned that last year they did not budget it in the General Fund as a transfer, but instead did a budget amendment at the end of the year. This may be why the change is noticeable this year.

Town Manager Davis explained the breakdown of expenditures on slide 23. She pointed out what percentage each expenditure had out of the budget.

Mayor DuBois asked if Capital Expenditures and Capital Reserves projects that require "capitalization" for improvements are the same. He also asked if it was correct that there were no capital improvements planned for the year as well as Capital Reserves.

Town Manager Davis verified this was correct.

On slide 24, Town Manager Davis indicated that since 2007, Lake Park has reduced its workforce by 29 percent. She explained that on slide 25 it indicated which personnel may be affected with the proposed changes out of General Fund. Those affected would be the elimination of Administrative Assistant, Code Compliance Officer, and the Planner converting to part-time all in the Community Development Department. In the Grounds Maintenance Division, the Irrigation Technician would go to part-time. The Library would eliminate a part-time Library Assistant.

Vice-Mayor Rumsey asked if any of these employees were Lake Park residents.

Town Manager Davis verified that one employee was a Lake Park resident.

Vice-Mayor Rumsey asked which one was a resident.

Town Manager Davis replied that it was the Administrative Assistant in the Community Development Department.

Town Manager Davis explained that on slide 26, the other proposed cuts were shown. She indicated that there would be no Cost of Living Allowance (COLA) for the third consecutive year, no merit raises for the third consecutive year, a reduction in pension benefits for the first time, an increase in furlough days from five days (for the last two years) to 12 days, no travel budget for the second or third year but leaving the Commission travel budget at \$5,000, and no Capital Outlay.

Commissioner Longtin asked if Town Manager Davis could explain to them what a “furlough day” is.

Town Manager Davis explained that the furlough days were days off without pay. She stated that for the past two years, all staff has shouldered five furlough days which was a 1.92 percent reduction in salary. She explained that with taking 12 furlough days, it would equal out to a 4.6 percent reduction in salary. She stated that basically it is one day off a month without pay.

Town Manager Davis explained that on slide 27, the Town Commission’s salary reflected the 1.92 percent pay reduction for the five furlough days. She said it does not reflect the additional 2.68 percent for the additional seven furlough days like it does for staff. She explained the travel budget remains at \$5,000 for the Commission.

Vice-Mayor Rumsey stated that in the past years, the Commission has taken the same number as the staff. He wanted to make sure that everyone knew this and that the reason it is not in the budget currently is because the Commission has to be the ones that approve it.

Mayor DuBois asked if the proposed additional seven days were already included in the proposed millage or would it reduce it more.

Town Manager Davis explained that it was in there for the staff, but not the Commission.

Mayor DuBois stated that it was minimal for the Commission.

Vice-Mayor Rumsey stated that it would be \$200 a day for the Commission.

Town Manager Davis indicated that more proposed changes, indicated on slide 28, were to reduce the Legal Department by \$38,000 and reduce the Irrigation Technician’s position to a part-time one that would save \$18,350.

At slide 29, Town Manager Davis indicated that she tried to negotiate the police contract. She said she found a lot of resistance in doing this. She asked PBSO to cut its budget like everyone else and they refused. She requested they trim a position out of the budget and was told that they would not allow us to reduce the number of personnel because it would endanger their staff. She asked them if they could cut some crossing guards and they responded with four guards, which equals \$50,335 in savings.

In Fire Rescue, we get billed based on millage. She stated that since our property values declined, there was a savings of \$88,170.

Mayor DuBois asked if we shared crossing guards with other municipalities.

Town Manager Davis stated “no”, Lake Park does not.

Vice-Mayor Rumsey asked if we knew which four locations would be eliminated.

Town Manager Davis replied “not yet.”

Vice-Mayor Rumsey asked if Town Manager Davis wanted to cut the number of deputies on the streets.

Town Manager Davis responded that her intentions were to not cut the number of officers, but to change the supervision to a sergeant instead of a lieutenant.

Vice-Mayor Rumsey stated that he was not excited about cutting crossing guards, but would look at it more as they continued reviewing the budget.

Commissioner Stevens asked if there had been consideration or a quote on contracting with North Palm Beach.

Town Manager Davis stated that she had spoken to the former manager and the current manager. She stated that doing this could be a strong possibility if the Commission wishes for her to pursue it.

Commissioner Longtin stated that she agreed with the Vice-Mayor and knew it was not the time for consensus, but she would appreciate Town Manager Davis speaking further with North Palm Beach concerning this matter. She asked Town Manager Davis to explain the current staffing of the Police Department now.

Town Manager Davis explained that there are 19 sworn officers, three sergeants, one lieutenant, and one civilian. She stated that when Lake Park first contracted with the department, there was only a captain and the rest were deputies. She stated that maybe five or six years ago, the Commission at the time, agreed to change the contract and bring in four sergeants. She said two years after that, they had to cut one of the sergeants because we did not have the money. She asked if they could go back to the original concept and was told “no” because it was not safe.

Mayor DuBois wanted clarification of the fact that before we started out with no sergeants. Now, sergeants are so valuable for supervision of the deputies that they are indispensable.

Town Manager Davis verified this to be correct. She also stated that she has requested twice a breakdown of the PBSO budget and has not gotten any response.

Mayor DuBois suggested that maybe at one time several years ago, Lake Park wanted to address the issue of supervision by asking for more sergeants. He thinks that maybe that issue has been addressed and now we just do not require all that supervision and they just do not see it that way. He stated that he has no problem with us contacting North Palm Beach or any other resources on exploring other options for security. He wanted to know if there was a consensus on initiating the process.

Commissioner Stevens stated that he is in support of anything that would keep the same number of officers on the streets as well as crossing guards. He thinks PBSO should work with us during these tough economical times.

Vice-Mayor Rumsey stated he was in favor of beginning the conversation of other options.

Commissioner Longtin wanted Town Manager Davis to get from the PBSO the exact locations from where the crossing guards will be pulled, so that we can notify the public either on the website or in the newsletter. She also asked Town Manager Davis to explain the staffing levels at any given time, how many deputies are on the street protecting the Town of Lake Park.

Town Manager Davis explained that there are three shifts that 19 deputies split. She thought maybe there were four to five on a shift at a time.

Mayor DuBois suggested that maybe some were in court.

Town Manager Davis explained that they had to use some for vacation and training coverage. She was pretty sure that there were at least three to four deputies per shift.

Commissioner Longtin wanted verification that there were no less than three deputies on at a time.

Town Manager Davis stated that she would find out and let them know. She stated that because of interlocal agreements, if another jurisdiction is having problems, our people are dispatched to assist the situation and likewise here.

Commissioner Longtin wanted to know if it was a smooth day, no problems occurring, how many officers were on the streets.

Town Manager Davis stated she would have to get clarification from the Lieutenant and that she really had no idea.

Commissioner Longtin asked of those three to five deputies that are on duty at a time, if two are always at the CRA.

Town Manager Davis said that the two in CRA are separate from those that are to be patrolling the streets. She stated that for the record, "...I feel that PBSO does an excellent job, I am not complaining about service – I am complaining about the cost of service."

Vice-Mayor Rumsey stated he was offended that they have the conversation about PBSO every year. He stated that every year we ask someone from PBSO to come and talk to the Commission. He said that it seemed like Lake Park was not important enough to PBSO for them to come talk to the Commission.

Town Manager Davis said that she was responsible for that because she did not invite them. She said that was her failure and does not want them to take that hit.

Vice-Mayor Rumsey stated he agreed with Town Manager Davis over the job performance of PBSO and that they do a phenomenal job. He feels they have served our community well. He also wanted to let it be known that his decision to initiate talks with North Palm Beach has nothing to do with the job PBSO does, but with the economic situation we find ourselves in and who can provide the best services for our Town. He also stated that the Budget Analysis does not give a breakdown of staffing for the Fire Department and wanted that breakdown.

Town Manager Davis stated that the Fire Department decreased their staff by one. She mentioned that they have in the past asked for a commitment from the Fire Department of how many they would have on at a time. They refused to put that in writing. They said it would be six but then later on, said they were going to try it with five.

Vice-Mayor Rumsey asked if that was five in total or five per shift. He also asked if it were possible that we could ask to have it reduced more and if that were going to cover the "two in- two out" rule. He was not sure if it was a State law or something else.

Town Manager Davis verified that it was five per shift.

Vice-Mayor Rumsey asked if the decrease in the one staff was the savings of \$88,170.

Town Manager Davis replied that the savings had nothing to do with the decrease in staff. The savings was due to millage.

Vice-Mayor asked if when the Fire Department saw the reduction in millage if that led to them reducing their staff.

Town Manager Davis stated that she could not say.

Vice-Mayor Rumsey asked if we were guaranteed to have five employees on staff per shift.

Town Manager Davis stated that "yes" that was according to our contract. She stated that actually our contract requires three employees and they told us orally that they would have six. She said that is when she asked for that in writing.

Mayor DuBois asked if the Rescue staff and the Fire Truck staff were two separate things in the contract.

Town Manager Davis apologized and stated that she was unsure and would have to get back to them on that.

Commissioner Stevens asked if they could get a breakdown of those five employees that are on shift and their duties.

Town Manager Davis said she would be happy to get that information for them.

Commissioner Longtin stated that she thought the “two in-two out” was a State law. She explained what the “two in-two out” law meant to those that were not aware of the law. Commissioner Longtin also told the story of an incident in Town that had to do with the law. She asked if at least four of the five would be able to handle the “two in-two out” or if rank determines whether or not that position does “hands on” work.

Town Manager Davis explained that she was under the impression, after speaking to the Battalion Chief, that there would always be a “two in-two out.” She was not able to get it in writing, but was reassured that it would be like that.

Mayor DuBois asked if Town Manager Davis would just get back to the Commission on more information.

Town Manager Davis explained the changes in the Community Development Department as shown on slide 30 (of Exhibit A). The proposal is to eliminate a Code Compliance Officer with a savings of \$56,500, the elimination of an Administrative Assistant with a savings of \$51,250, the reduction a full-time Planner to a part-time position for a savings of \$16,950, a decrease in the building inspection services contract of \$7,550 (last three years’ cumulative decrease totaling \$33,250), and they were able to hold off on the EAR amendments until 2016 so they could un-budget \$25,000 due to the State’s requirements of EAR amendments every seven years and not five.

Commissioner Longtin stated that she was totally against losing a Code Compliance Officer.

Town Manager Davis indicated that on slide 31, Lake Park’s building permit revenue has consistently decreased since 2007. She stated that the number of permits issued per year has also decreased every year since 2007, as shown on slide 32.

Mayor DuBois asked if the type of building permits could range from window installation to a new building.

Town Manager Davis verified that to be true.

Mayor DuBois asked if any one contract could involve multiple permits.

Town Manager Davis stated that was correct.

Town Manager Davis explained that on slide 34, there was a breakdown of the Building Services Inspections and what is involved with the inspection contract.

Vice-Mayor Rumsey asked if a permit is needed for every inspection.

Town Manager Davis stated that it depended. She asked the Community Development Director to respond to that question.

Community Development Director Nadia DiTommaso informed the Commission that the Building Official does do some courtesy inspections and that most inspections come from permits, although on occasion, there are some inspections that do not come from a permit that was applied for.

Vice-Mayor Rumsey asked what percentage Community Development Director Nadia DiTommaso thought it was that did not come from a permit.

Community Development Director DiTommaso replied that it was not more than 10 percent.

Vice-Mayor Rumsey stated that something did not add up in the information they were being told. He stated that they were told there was an average of two permits issued a day, but the inspectors were doing an average of six inspections a day.

Community Development Director DiTommaso explained that not all permits require just one inspection. She stated that there were permits that only required a final inspection but there are others that could have anywhere up to 10 inspections all depending on what the permit is for. She stated this is why two issued permits a day does not necessarily mean just two inspections a day.

Vice-Mayor Rumsey asked Community Development Director Nadia DiTommaso if she agreed that they were only doing two permits per day.

Community Development Director DiTommaso verified that based on the numbers, she would have to say "yes."

Vice-Mayor Rumsey asked how much more training is required for an Inspector than a Code Compliance Officer.

Community Development Director DiTommaso explained that the Code Compliance Officer does not do any building inspections; they strictly handle Town Code enforcement issues.

Vice-Mayor Rumsey stated he was just trying to get a grasp at things and was hoping they could maybe retrain an employee versus eliminating an employee. He asked where Hy-Byrd was located.

Community Development Director DiTommaso replied that they were located in Lake Worth.

Vice-Mayor Rumsey asked if one person comes to Lake Park three days a week.

Community Development Director DiTommaso explained that a Building Official comes to the office every day. She stated that he does not stay in the office very long because his primary responsibility is to be out in the field. She stated that when the Building Official comes in the office, he may stay for an hour or two to review the plans that need to be reviewed for that day.

Vice-Mayor Rumsey asked how much time on average is he spending in Lake Park per day.

Community Development Director DiTommaso replied that it was one to two hours per day in the office, but stated that she could not answer how long he was out in the field because she was not aware

of how long it took to do inspections. She stated that they are available all day when Lake Park offices are open, whether they are in Town or via telephone.

Vice-Mayor Rumsey asked if the idea that Commissioner Hockman had last year of possibly cutting the inspections days down from the current five days a week was something that might have been looked at this year.

Community Development Director DiTommaso stated that they did not look at that. She stated that the current agreement states 145 inspections which equates to approximately seven inspections a day which is close to average. She stated that they did not look at that option because what they are offering is what we are requiring currently.

Vice-Mayor Rumsey stated he had an issue with the building inspections amount. He felt there are definitely ways we could try to find more money to cut out. He stated he realized that money had already been cut out of it, but felt more could be done. He felt that we really need to look at that and do more.

Commissioner Stevens asked if Hy-Byrd perform any other services other than inspections.

Community Development Director DiTommaso explained that they do plan review, attend meetings for any new development, are available to answer any Florida Building Code questions, and perform courtesy inspections.

Mayor DuBois asked what defines a Building Official and was it a matter of licensure.

Community Development Director DiTommaso replied that was a certification.

Town Manager Davis stated that the inspectors all have to have licenses.

Mayor DuBois wanted verification that there is a certain plateau of training and professional education that goes with that position.

Community Development Director DiTommaso verified that was true. She stated that the Building Official was the highest ranking inspector of all inspectors.

Mayor DuBois stated that there are various tiers of inspectors and that we have access to all of those with this contract.

Vice-Mayor Rumsey asked if this access was available to us at no additional charge.

Community Development Director DiTommaso verified that to be true.

Vice-Mayor Rumsey asked if the \$80,000 included any kind of inspector we may need.

Community Development Director DiTommaso replied "yes."

Commissioner Longtin stated that she has heard from some residents and the feedback on this company regarding their customer service has been positive. She felt that was an important issue.

Town Manager Davis stated that other proposed changes in the budget will be in the Recreation Department. She stated that the fees we were charging were not covering our costs for the Summer Camp Program so we are increasing the fees from \$55 per week to \$110 per week. On slide 35, she broke down the costs for the eight week program.

Mayor DuBois stated that he felt this was an area that he would like to see built up by sponsorships. He felt that a Community Contribution Fund could be set up for this program.

Town Manager Davis stated that they are proposing changes in the Library as well. She stated they will be eliminating a part-time Library Assistant and those duties will be spread amongst the existing staff. She stated the Library materials budget has been decreased \$13,000 or 56.5 percent. She stated that the Library Director has asked that the Library's hours stay the same, but restructured as shown on slide 36.

Commissioner Longtin said she did not like changing the hours. She does not want the library closed on Mondays and Fridays. She likes the hours as they currently are.

Mayor DuBois wanted the Summer Library Program to get some sponsorships as well.

Library Director Karen Mahnk stated that part of the reason she wanted the restructured hours is that they will have less staff or below what they should have. She wants to be able to provide the same level of service as they currently provide. She states the reason for Mondays and Fridays being closed is that most of the time the Federal holidays and furlough days usually fall on those days and it would just be easier with less confusion for the residents.

Vice-Mayor Rumsey stated that he hates that they are going down to four days a week. He states that he has always supported the Library Directors in the past in their decisions and he will continue to support hers. He asked how much they were saving per day by closing.

Library Director Mahnk stated that they were actually just shifting not reducing. She pointed out that this is also lengthening the Saturday hours.

Vice-Mayor Rumsey stated that he does love that they are opening the same time every day. He felt that it was always confusing as to what time the Library opened on certain days. He also felt it was saddening to him that we have to make this change.

Library Director Mahnk stated that having all her staff there during the middle of the week and on the weekend, will still enable them to provide all their services. She stated that her main intent is to keep the level of service they currently provide. She stated that they were fortunate to have so many supporters and donations. She reminded people to not forget their October sale.

Town Manager Davis went over the Non-Departmental changes in the budget on slide 37. She stated that the anticipated Tax Increment Financing (TIF) payment to Community Redevelopment Agency (CRA) went down \$34,000 based on proposed millage, we now have a required contribution to the

Retired Police Pension Fund based on an actuarial study of \$84,250, and \$250,000 is budgeted to be transferred to CRA for the delinquent TIF.

Commissioner Longtin asked Town Manager Davis to explain the delinquent TIF.

Town Manager Davis explained that the CRA was created in 1996 and there was a base value of the properties in the CRA at that time. She stated that in 1999, those values had started increasing and that is how CRA's are funded. She stated that amounts over the base value go back into the CRA. She explained that in 1999, a Trust Fund had been established because property values had increased, and whatever the millage rate was at that time, and the difference of those two factors was the start of their TIF. She explained that in addition to the Town's property taxes that had increased, the County has to provide us with their property taxes for those properties in those geographic boundaries of the CRA. She stated that the County has the same limitations as the Town does with their TIF money. She explained that the management, Finance Director, and auditors at that time were not familiar with how TIF worked and they failed to contribute the required level of funding each year to the CRA. She stated that the CRA Trust Fund sat dormant from 1999 to 2007. She stated that when she was interviewing for the Town Manager's position, she requested a copy of the CRA budget and knew instantly that there was a problem with the CRA budget because there was no budget. She stated that once she got the job, she had an analysis done by an auditing firm and realized the Town owed the CRA \$1.1 million in principal. She stated that according to statutory requirement, we also owe interest and penalties as well.

Finance Director Costello explained that it is a 5 percent penalty on the unpaid TIF and 1 percent per month until it is all paid.

Town Manager Davis explained that she was uncomfortable with just taking \$1.1 million out of the General Fund budget and giving it to the CRA. She suggested in 2007 that the Town incrementally pay back the CRA. She felt it would have been too much money at once to have to pay out, and the Town Commission agreed. She stated that the payments would be \$250,000 per year until it was paid off completely.

Commissioner Stevens asked when that payoff will be.

Town Manager Davis stated that it would be 2014.

Commissioner Longtin stated she had a problem with the penalties and interest. She stated that she thought the Commission could waive the penalties and interest.

Town Manager Davis explained that the Commission could waive one but not the other.

Town Attorney Tom Baird explained that he did not have the statute in front of him, but he thought that either the interest or the penalty could be waived.

Commissioner Longtin asked the Commission to think about possibly waiving whichever item can be waived because the rest of the Town needs some money. She stated that it doesn't make sense that the Town is charging itself penalties and interest. She suggested that if we can save ourselves some money,

we should. She asked the Commission to consider not holding the rest of the Town liable for the penalties or interest. She wanted the Commission to find out the numbers and consider it.

Mayor DuBois agreed to find out the numbers on what the cost of the penalties and interest would be. He stated that it will reduce the funding to the CRA and the Commission will have to keep that in mind. He does agree with looking at the possibilities and going from there. He thanked Commissioner Longtin for bringing that up. He asked if they would get information on that before September. He stated that there would be opportunities for individual meetings with the Town Manager and Finance Director before September also.

Town Manager Davis stated this was correct.

Finance Director Costello explained the Debt Service Fund as shown on slide 39. She explained that the ad valorem tax proceeds from the debt rate (millage rate) accrue to debt service on the 1997 and the 1998 general obligation bonds. She stated the annual debt service on these bonds was \$769,000, and explained that the debt service millage rate is "up to 1.82" and is currently at 1.70. She explained this is necessary because of the decrease in the property values. She reminded everyone that the purpose of the bonds was for improvements at Lake Shore Park, Kelsey Park, Park Avenue downtown, the renovations of Town Hall, addition to the Library, construction at the Fire Station, and the construction of the Marina.

Commissioner Longtin asked was some of this money spent on the Marina.

Finance Director Costello verified that, according to her records, that was true.

Commissioner Longtin asked staff to look at either of the two bonds and thinks that there should be an additional \$6,000 added to it.

Finance Director Costello asked if Commissioner Longtin meant adding it to the total principal.

Commissioner Longtin stated "yes."

Finance Director Costello said that it could be bond issuance costs with the total loan. The amounts on the slide 39 were actually principal amounts from the bond resolutions. She stated there were some issuance costs that they added on the bond. She stated that she would research that if she would like her to do so.

Commissioner Longtin replied that she would like Finance Director to research those fees.

Commissioner Stevens asked if any consideration has been given to renegotiating the debt service.

Finance Director Costello and Town Manager Davis both replied with "yes."

Finance Director Costello said they have been exploring that and she has found it will be too costly for any prepayment terms to pay these loans off early and refund them. She states that it is not possible.

Town Manager Davis explained that it was not cost effective and they are looking at every loan they have to refinance.

Mayor DuBois stated that five years on one and six years on the other really is not that long in the terms of amortizing.

Finance Director Costello stated that this would not be a relief to the General Fund, but to the taxpayers.

Town Manager Davis explained that the budget they have proposed to the Commission is based on the current millage rate of 8.5163 and the debt rate will be 1.8200 mills. She stated that this millage rate will be needed to be published in the notice of proposed property taxes in August. She stated that going down from this rate is possible, but not going up without having to pay significant postage because we have to send out first class mail to notify residents. She stated they have come up with a few options as shown on slide 42. She stated that Option #1 is to stay at the current rate and Option #2 is that we could go halfway to the rolled-back rate which would bring us to 8.7325 which will render an additional \$85,200. She gave Option #3 with the rolled-back rate of 8.9488 which would generate \$170,500 or Option #4, an option not recommended, doing a 1 mill increase bringing the rate to 9.5163 for an additional \$394,150. Town Manager Davis did recommend that the Commission go above the current millage rate. She stated that it would not be a permanent change; it would just give some flexibility.

Commissioner Stevens asked if they picked Option #1 if it would result in a loss of \$202,000.

Finance Director Costello and Town Manager Davis both stated that it would be the current budget they have and that it would solve the current shortfall.

Commissioner Stevens asked if the current rate of 8.5163 would result in the \$202,000 loss.

Town Manager Davis responded "yes."

Finance Director Costello stated we already have the \$202,000 loss and it is incorporated in the budget.

Mayor DuBois asked if it would be a net reduction of taxes.

Town Manager Davis responded "yes."

Town Manager Davis gave an example of what would occur if it was decided to go back to the "rolled-back" rate as shown on slide 43. She explained that if the assessed value of a home was \$75,000, less a homestead exemption of \$50,000, it would leave the taxable value at \$25,000. She stated that at the current rate, the taxes would be \$212.91 and if it went to the rolled-back rate the taxes would be \$223.72, a difference of \$10.81. On slide 44, she gave another example of a house having the assessed value of \$100,000, less a homestead exemption of \$50,000, leaving the taxable value as \$50,000. She stated that at the current rate, they would pay \$425.82 in taxes and at the rolled-back rate they would pay \$447.44, a difference of \$21.62. She gave a third example, on slide 45, of a house assessed at \$150,000, less a homestead exemption of \$50,000, with a taxable value of \$100,000. She stated that these taxes at the current rate would be \$851.63 and at the rolled-back rate would be \$894.88, a difference of \$43.25.

Finance Director Costello explained that the Town is required by statute to have two public hearings on the budget. She stated the hearings cannot be held before September 3, 2011. She proposed the first hearing be scheduled for September 7, 2011 at 7:00 pm and the final hearing scheduled for September 21, 2011 at 7:00 pm. She stated that advertisement will consist of the Truth in Millage rate (TRIM) notice, which is the notice of proposed property taxes that is mailed in August. She stated that they can also schedule additional workshops between now and then to discuss changes to the budget. She explained that back in May, a date of August 24, 2011 had been suggested for a budget workshop, if the Commission wished to do that.

Finance Director Costello stated that this concluded the presentation on the General Fund and they could either finish with the other funds or set a millage rate. She stated that main idea of the meeting was to present the budget and set a tentative millage and then work from there down to an adopted budget at the September hearings.

Mayor DuBois stated that we have to advertise the TRIM rate which is based on the millage. He stated that at this portion of the meeting they could decide on that and then continue on the assessments, on the non-ad valorem assessments, and the additional funds. He asked which option the Commission would like to discuss. He stated that looking at the millage we currently have, it was requiring some fairly drastic cuts.

Commissioner Longtin asked when they were actually going to go through the budget and when would the public have a chance to speak about the budget if they so desire.

Mayor DuBois explained that the September hearing was when the public would have that option to speak with two opportunities.

Commissioner Longtin stated that she was in favor of option #1 and only option #1. She said if they can't go down, then she does not want them to go up. She stated that she would rather make changes in the budget than change the millage.

Commissioner Stevens stated that when we compare our millage to other town's millage, we have to factor in our decision to take out the millage given to the Fire Department. He was not sure if the Finance Director wanted to discuss that more in detail or not. He felt that giving the Commission flexibility would be easier to go forward by going up or staying at the current rate after having an opportunity to speak with the public before the next budget meeting, and hearing from the public at the next two public hearings. He felt that he wanted to go with option #3.

Mayor DuBois stated that as a taxpayer, he would like to see what he is getting for his money. He stated that he was shown in the presentation what would be cut, but would like to see where the money would go to if they so choose to increase the millage. He explained that he would like to have another workshop to see what could be brought back with a higher millage. He stated that he would like to explore the possibility of option #3. He stated he may not choose that one in September, but he would like the opportunity to see what it would bring to the table.

Vice-Mayor Rumsey asked Finance Director Costello when she had to publish the TRIM notice.

Finance Director Costello replied that they would like to have the tentative millage to the property appraiser by Friday, July 29, 2011, but statutorily by August 4, 2011. She stated they publish the TRIM notice by August 24, 2011.

Vice-Mayor Rumsey asked if we have time to have our second meeting.

Finance Director Costello replied "no." She stated the TRIM calendar started July 1, 2011, by statute, which is when they certify the tax roll to the municipalities. She stated that then they give the municipalities 35 days.

Vice-Mayor Rumsey stated that he does not support this budget. He stated that he would not vote to approve the budget that is before them at this time. He wanted to know when they would be going through the budget to discuss different opportunities. He requested that they go through the budget tonight and that he had a few items he would like Town Manager Davis and Finance Director Costello to look at. He wanted to go through the options of other alternatives with the budget this evening. He suggested they do that so that when they do come back for the next workshop, they will have the new answers they were looking for.

He stated that he cannot go with option #1 because he wanted to eventually get back to option #1 and he knows they need to start out with the opportunity to lower that. He felt that we need to start out with a higher number in order to get back to that number. He stated that he does favor option #2 because that gives the opportunity to come back to a lower number and gives the Commission an opportunity and responsibility to look for additional or different cuts that could be made.

Commissioner Stevens wanted to make his position clear by saying that he is in favor of getting back to that 8.5 rate; however, for the purpose of this vote, he does not feel they should tie their hands any more than they need to which is why he is in favor of option #3. He stated that he is also concerned about the budget and felt there were areas where we could trim and make it work.

Commissioner Longtin stated that she appreciated Vice-Mayor Rumsey's comments. She stated that she does feel we should tie our hands and hold our feet to the fire and keep this rate and go down from there.

Vice-Mayor Rumsey stated that he thought they had already come to a decision.

Mayor DuBois stated that he felt there was no reason why they couldn't have discussion on it. He stated he thought there would be another opportunity in August to come back to another workshop and in the meantime we can look at what further cuts and increases are available. He stated he thought there was a consensus on the rolled-back rate.

Commissioner Longtin asked if they had to make the decision right at that moment or just by the end of the night.

Commissioner Stevens asked if they needed consensus by majority or by three or more votes.

Attorney Baird stated it would need more than 50 percent of the Commission. He stated there would need to be at least three votes.

Mayor DuBois asked if anyone would be willing to compromise on their vote.

Vice-Mayor Rumsey stated that he would prefer to continue the conversation and go through the rest of the agenda and then come back to make that decision.

Vice-Mayor Rumsey requested a five minute break from the meeting.

Mayor DuBois and the rest of the Commission agreed and they recessed at 7:55 pm.

The meeting reconvened at 8:05 pm.

Commissioner Stevens asked if Finance Director Costello could explain how they calculate our millage and how it does not include our Fire rescue millage.

Finance Director Costello explained that the Fire Rescue is a special Municipal Services Taxing Unit (MSTU) and they levy their own millage. She stated that when using Fire Rescue, the municipality would either join the MSTU or take out a contract with them. The Town has a contract and did not join. She explained that had the Town joined them, the property tax bills would have a line item for them specifically. She explained that since we did not join, our rate seems incredibly high because our rate includes theirs.

Town Manager Davis asked the Finance Director to clarify if we stayed at the existing tax rate.

Finance Director Costello explained that it was actually a tax decrease because the Town would actually be taking in \$202,000 less in property taxes next year. She stated that by going with the rolled-back rate it is level funding of the taxes, not an increase. She stated that going with that rate, the Town would collect the same amount of taxes as it did last year. She explained that it was not a tax increase, but it was the rate that the Town could "roll back" to.

Mayor DuBois asked if this was because the assessed values are down.

Finance Director Costello responded "yes."

Mayor DuBois stated that because all residential and non-residential assessed values are down, to keep all things equal, the Town would raise the millage to generate the same amount of revenue.

Finance Director Costello verified that to be correct.

Town Manager Davis explained the Streets and Roads fund as shown on slide 47. She explained that for furlough savings there was \$4,100, pension savings there was \$2,125, and capital outlay there was \$39,100. She stated that within the capital outlay were sidewalk improvements at \$30,000, closure of Poplar Ct at \$5,000, and the purchase of a concrete grinder at \$4,100.

Commissioner Longtin asked what the need for a concrete grinder was.

Town Manager Davis explained that if we have sidewalks that are uneven, which is a safety hazard, we have no way of making them level except if we were to rent a grinder. She stated that it is of the opinion that having a concrete grinder is a piece of equipment that our Streets and Roads Department needs to make our sidewalks safe.

Mayor DuBois stated that he has seen the results of concrete grinding on his street and he felt that it has saved a couple of trees. He stated the roots push up the level of the sidewalk and the grinder flattens it. He stated that it did save a couple of trees on the street.

Commissioner Longtin stated that it would be a nice machine to own, but asked if we really need it and how often would we use something like this.

Public Works Director Dave Hunt stated that just from renting the grinder, it has stretched our budget in just sidewalk replacements in the amount of \$30,000. He stated that it has proven to be cheaper to grind these sidewalks than to replace the whole panel.

Mayor DuBois asked about the rental costs of the grinder for a year.

Public Works Director Hunt stated that it is an expensive piece of equipment to purchase but that the rental fee is \$250.00 per day. He stated that the Town has been renting the equipment a couple times a month. He stated that there are other uses for the machine, such as grinding paint off in preparation of painting floors at possibly the bathrooms at the tennis courts.

Town Manager Davis reminded everyone that at this portion in the presentation, they are no longer on the General Fund.

Town Manager Davis explained the Sanitation Fund as shown on slide 48. She stated that there was not a proposed rate increase. She stated that there was a loss of revenue of \$45,000 due to business closures and service reductions. She also stated that there was also an increase in the Workers' Compensation and Health Insurances. She stated that because of the loss of revenue and the increased fees there is a budget shortfall.

On slide 49, Town Manager Davis explained the proposed budget for the Sanitation Fund. She explained there was a furlough savings of \$16,950, pension savings of \$3,600, and a re-organization of the department which results in a savings of \$76,000.

Public Works Director Hunt explained that we propose to eliminate four entry level positions (Equipment Operator II). He stated that this would make the additional responsibility rest on remaining positions and we would need to compensate for this. He explained that two of the four positions would then become Equipment Operator III positions. He stated that basically there would only be two positions eliminated. He explained that as of right now, he is saving one position of Equipment Operator II. He stated that with the restructuring, he will have a savings of \$76,000.

Town Manager Davis explained that with this shortfall of \$76,000 and Public Works Director Hunt's restructuring, they will not only be able to maintain the same level of service but will net the loss of two positions. She stated that there will be no capital outlay and the debt service will be \$112,275.

Commissioner Longtin asked for clarification on how the Town could lose positions but still maintain the same level of service. She asked if we have been overstaffed this whole time.

Town Manager Davis explained that we have not been overstaffed. She stated that we had a loss of \$45,000 in customers so we do not have the same amount of demand.

Commissioner Longtin asked what we pay for the employee's health insurance. She asked if the Town pays 100 percent for the employees.

Town Manager Davis verified that to be true.

Commissioner Longtin asked what the Town pays if the employees have families. She wanted to know if the Town pays 100 percent of theirs as well.

Town Manager Davis explained that the Town does not pay 100 percent. The Town pays 50 percent of the rate.

Vice-Mayor Rumsey wanted to know the residency of the two positions that will be eliminated.

Town Manager Davis explained that they are not Lake Park residents.

Town Manager Davis explained the Marina Fund on slide 50. She stated that the budget for the Fund was \$1,209,600. She stated that there were no proposals for an increase in dockage rates and that they would like to eliminate the parking fees at Sunset Celebrations. She stated that there would be a furlough savings of \$6,150, pension savings of \$1,600, a reduction of security company's contract for a savings of \$20,850, and the full time Dock Attendant position will now be part time for a savings of \$14,950. She explained that PBSO will be patrolling the Marina from 6:00 pm to 10:00 pm.

Commissioner Longtin asked if the security company comes in at 10:00 pm and if they still leave at 6:00 am.

Town Manager Davis stated that was correct.

Vice-Mayor Rumsey asked if PBSO has someone dedicated to the Marina.

Town Manager Davis stated that answer was "no." She stated that they would just be doing "concentrated drive-thru's."

Town Manager Davis stated that the change of the Dock Attendant to part time has already occurred.

Town Manager Davis explained the Stormwater Utility Fund on slide 51. She explained the current rate and stated that there was no proposed increase. She stated there would be a furlough savings of \$3,100 and a pension savings of \$700.00. She stated there was an offset to the General Fund for the stormwater activities performed by General Fund employees of \$78,000. She explained that there was a debt

service of \$108,475 for the Vac-con truck and the Alleyway Drainage project. She stated that there will be a transfer to capital reserve in the amount of \$16,430.

Commissioner Longtin suggested that next year they do this whole process a little differently. She suggested having the presentation and go through the budget before they have to actually make a decision. She stated that they could then give suggestions on how to go about cutting the budget even more.

Mayor DuBois stated he had similar concerns, but was informed by the Town Manager and Finance Director that they do not even get the numbers until early July.

Town Manager Davis explained that the Commission was not voting on a millage or finalizing anything that night. She stated that they just wanted the Commission to come to a consensus on a millage rate that they have every option to change between now and the end of September. She explained that there were significant time restraints; they did not have a full dais until July 13, 2011, and they do not get their numbers in, so they can not present the budget any sooner because they do not have the numbers to inform the Commission what "reality is." She stated that the Commission has the opportunity to meet as much as they wish to discuss this before there is an adopted millage rate.

Commissioner Longtin stated she understood.

Mayor DuBois stated that he was all for having as many workshops as they need and was happy they were having another one. He stated that he had spent a lot of time over the past week or two talking to the Finance Director and Town Manager asking several questions. He suggested that constant communication like that would be good.

Commission Longtin stated that she understood why the Mayor and Commissioner Stevens spoke outside of the meetings was because it was a learning process, but she felt that any discussion on the budget should be out in the "sunshine" for the public to hear.

Mayor DuBois stated that he tries to let the public know when he would be meeting with the Town Manager so the information is out there.

Commissioner Longtin stated that she thinks the public would like to know what their questions are whether it is behind the scenes with the Town Manager or out in the open at a meeting.

Commissioner Stevens stated that as far as the "sunshine" issue, any conversations they have between the other Commissioners and the Mayor is out in the "sunshine." He stated that he felt that it was important to do the due diligence and contact citizens, staff, or anyone else, with the exception of the Mayor and other commissioners, and meet with them privately to get as much information as they can.

Mayor DuBois stated that they had gone through everything and a consensus was needed on the millage rate. He reminded everyone that there was already one proposal for staying at the current rate, two proposals for the rolled-back rate, and one proposal for the halfway rolled-back rate. He asked where they stood now. He asked if they would like to go over the budget.

Commissioner Stevens asked for clarification on whether they were not actually voting on what the millage rate will be from that point. He asked if they were just agreeing to a “cap” on the amount that we have to work with. He stated that after the public hearings they could have more flexibility. He stated that he still stands by Option #3, the rolled-back rate; however, to come to a consensus, he was willing to concede to a lower option, Option #2. He stated he wanted to get as much as they could, but felt the decision actually lies with Vice-Mayor Rumsey in terms of how high he is willing to consider going in terms of flexibility.

Vice-Mayor Rumsey stated he wanted to hear the Commission come up with their own ideas before he decides where he wanted to put the millage as a place holder at this point. He stated he went through the budget, as well as everyone else, and had come up with his own ideas and felt they should put their ideas out on the table so they could direct the Finance Director and Town Manager to go back and look at these options. He stated that after they all looked at those options, then he would be willing to vote or reach a consensus.

Mayor DuBois asked if Vice-Mayor wanted to leave the room.

Vice-Mayor Rumsey replied “no.”

Mayor DuBois stated that if Vice-Mayor Rumsey left, the Commission could come to an agreement.

Vice-Mayor Rumsey suggested that they just discuss the budget with their own ideas.

Commissioner Longtin suggested that another option would be for the Mayor to leave the room.

Commissioner Stevens stated that he felt there would be opportunities to discuss other options and play with the budget at the other workshops and hearings, but he realized there was a deadline of submitting the rate by Friday. He stated that he would be willing to go to Option #2, but felt that they should not tie their hands until after the public is heard.

Mayor DuBois stated that he wanted to get the requirement of the TRIM notice met and he wanted it done that night. He stated that he was fine with Option #2; he knew Commissioner Stevens was okay with Option #2, and Vice-Mayor Rumsey, at one point, was okay with Option #2 or may not participate. He stated that at that point there were three that provide consensus for Option #2 as the advertised TRIM rate.

Vice-Mayor Rumsey stated that he never said he was not going to participate. He wanted his record to show that he will participate at every level that the Commission ever partakes in. He stated his comment was “I would like for this Commission, this evening, before we set this number for us as a body to review the budget and make any recommendations that we may have to the Director of Finance and the Town Manager. At that time, after we have done that, I am just assuming we all have ideas, at that time, I may be willing to go to 8.9, I may stay at 8.7, or I may go with Commissioner Longtin and go with 8.5.”

Mayor DuBois stated he understood what Vice-Mayor Rumsey said and wanted to continue on and work on the proposed budget if that was okay.

Commissioner Longtin stated that she was okay with that and inquired to whether they were going to do that at this meeting.

Mayor DuBois stated that they had until 11:00 pm. He suggested that they should go through each of their recommendations on the budget and hear them one at a time.

Commissioner Longtin stated that things could change, but what we have done in the past is address each department.

Mayor DuBois agreed to go through each department.

Town Manager Davis asked what specifically the Commission wanted to take place.

Mayor DuBois stated that he knew some of the Commissioners have comments on the budgets and suggested they start with Chapter One of the General Fund, address each tab and hear what they are, and make recommendations for the next workshop and hearings after that.

Town Manager Davis stated that page 15 is the first department which is Town Commission.

Commissioner Longtin asked if the budget was available on the slide show for anyone in the audience.

Town Manager Davis replied that it was not.

Mayor DuBois stated that it was available on the website.

Town Manager Davis agreed that it was on the website.

### **Town Commission Budget:**

Mayor DuBois referenced that this was a Commission Workshop and he appreciated that the public was in attendance. He asked the Commission if they had any questions or comments on the Town Commission budget.

Commissioner Longtin stated that under Professional Services of \$13,500, she knew it was for Gomez, Barker, and Associates - Lobbyist. She asked Town Manager Davis what service that firm provided for us.

Town Manager Davis explained that the Town's lobbyist fee is split 50/50 between General Fund and CRA. She explained that up until a few years ago, the lobbyist have brought in quite a bit of money for jurisdictions. She stated that the first year we had this contract, Fausto Gomez brought in \$100,000 for drainage funding for Lake Shore Drive. She explained that there are many bills that are filed in Tallahassee during every legislative session and the lobbyist stays abreast of those bills and keeps the Mayor, Commission, and her apprised of what bills are potentially dangerous to municipalities. She stated that last year, the lobbyist helped with the sober house legislation in Tallahassee. She stated that Boca Raton and Delray have been trying to get this legislation on the books for years and did not get the

traction that our lobbyist did last year. She stated that he helped with the pill mills. She stated that he is a valuable resource for the legislative process in Tallahassee.

Commissioner Longtin asked when the lobbyist brought in the \$100,000 for drainage, if that was a grant.

Town Manager Davis replied "yes."

Commissioner Longtin stated that with the pill mill and sober house legislation, she is okay with paying this gentleman for helping us out this year. She stated that maybe next year will be a different story. She stated that she just wanted clarification of what the service was for.

Town Manager Davis stated that the service has been invaluable to municipal jurisdictions, if there is a good lobbyist.

Commissioner Longtin stated that she was not in favor of stopping the newsletter. She wanted to know what others thought of the stopping the newsletter. She felt that it should be changed, maybe not so expensive. She stated that it should not be so shiny and glossy.

Mayor DuBois stated that he thought this was the proposal at the 8.5 mills that under the proposal, if there is someplace else to find \$6,500 to pay for it...

Commissioner Longtin suggested that maybe not in this budget but in other places...

Mayor DuBois stated that regardless of if it came from someplace else, they still had to find \$6,500 in order to stay at the 8.5 mills. They have to come up with money somewhere from rebalancing.

Commissioner Longtin stated that she wanted someone to keep a tally of the pluses and minuses, only if there is a consensus.

Mayor DuBois stated that it was looking that the value of the newsletter...

Commissioner Longtin stated that the newsletter was a way of communicating with the public. She stated that if it was the consensus of the Commission to keep the newsletter, and then add it on to the tally sheet and by the end of the meeting, with the pluses and minuses, what would be the difference and from there they could decide if there should be an increase of the millage rate.

Town Manager Davis reminded the Commission that when they decide to add something back in or take something out, consensus needs to be made known.

Commissioner Longtin stated that by the time we had finished going through the budget, and looked at the tally, then we could verify with staff.

Mayor DuBois stated that an answer before 11:00 pm was needed.

Town Manager Davis agreed and informed the Commission that it was an Ordinance or a Resolution.

Mayor DuBois asked Commissioner Longtin if she was okay with the lobbyist and if she wanted to add the \$6,500 or something back for the newsletter. He was not sure if that amount was the exact quote of what a newsletter cost or if it was just how much it would cost being printed at the quality that it has been.

Commissioner Longtin stated that North Palm Beach used to put out a nice black and white newsletter.

Mayor DuBois suggested an amount of \$2,500.

Commissioner Longtin asked if the Commission was going to match the furlough days that the staff had.

Vice-Mayor Rumsey stated that he would match any furlough days that the rest of the staff takes.

Commissioner Longtin wanted to know how much money that would save the Town.

Commissioner Stevens was in agreement with that as well.

Town Manager Davis reported that it would save \$2,350, but \$1,400 for this current budget.

Commissioner Stevens stated that as far as the newsletter is concerned, it would depend on options of how long it is, and whether it would be electronic or written. He also wondered what we are doing as far as an e-newsletter and our subscription to that.

Town Manager Davis stated that the Town has more than 1,000 addresses for the Lake Park E-news.

Commissioner Longtin wanted to know about what the Commission did for Promotional Activity.

Town Manager Davis stated that it was for the volunteer dinner and possibly a holiday luncheon for employees.

Commissioner Longtin wanted to know if it was possible to do the volunteer dinner on \$2,000.

Town Manager Davis responded "yes."

Vice-Mayor Rumsey asked if that would stay at \$2,000.

Town Manager Davis responded "yes", if they still wanted the volunteer dinner.

Vice-Mayor Rumsey stated he did want the dinner. He also wanted to take out the \$5,000 in travel and training. He knew that most of the Commission was attending the Florida League of Cities this year and does not feel it would hurt anything if the Commission were to skip it next year – go one year and skip the next. He suggests that they take the \$5,000 out of the budget.

Commissioner Longtin did not agree with Vice-Mayor Rumsey. She stated that she found the League of Cities very beneficial and that we should budget for at least the Mayor to go and in the Mayor's absence, the Vice-Mayor. She felt that at least one person should go.

Vice-Mayor Rumsey stated that he would agree to just \$1,000 in the budget.

Commissioner Longtin asked how much the League of Cities cost.

Finance Director Costello replied that it cost \$1,100 to \$1,200 per person.

Commissioner Stevens stated that there was also training in Tampa.

Town Manager Davis replied that it was a "newly elected" officials training. She also explained that annually, she and sometimes the Mayor would go to Tallahassee and lobby along side of their lobbyist during "Palm Beach County Days." She stated that it was very beneficial when officials go face-to-face with our legislatures. She stated that it was amazing the difference it makes and explained that it was very powerful.

Commissioner Stevens asked that they table that.

Mayor DuBois stated that he did not think they could actually "table it." He said he did not hear a consensus on the subject and would consider moving on with the budget.

Town Manager asked if there were any other items in the Town Commission budget to discuss.

Mayor DuBois stated that there did not seem to be so he suggested they move on to the Town Manager budget.

### **Town Manager Budget:**

Mayor DuBois asked if there were any questions or comments on the Town Manager budget.

Commissioner Longtin stated she was confused about the wage amounts. She stated she knew that the Town Manager budget included the Town Manager, the Executive Assistant, and the Grant Writer. She stated that on the budget the salaries totaled \$211,375, on the document they were given that night the salaries totaled \$211,895, and on a document (wage detail) she had requested a couple weeks ago it had a total of their salaries as being \$253,000.

Town Manager Davis explained that on the third document she had requested, that included the Grant Writer's salary which is split with CRA. She stated that in the Town Manager's budget, it should only include her half of the Grant Writer's salary. She suggested that the Finance Director explain the other differences.

Finance Director Costello explained that in the budget, the total of salaries (executive, regular, and \$500.00 of special pay) is \$211,925. She explained that the Grant Writer is due for a longevity payment

this year of \$500.00. She stated that on the document they were given that night (wage detail), it showed the breakdown of each position and varied only because of rounding reasons.

Commissioner Longtin asked why Finance Director Costello would round up on a budget. She stated that the extra could be used to save another position from being eliminated.

Finance Director Costello explained that they usually round up to the nearest \$5.00. She explained that when balancing a multi-million dollar budget, it is easier to do in \$5.00 increments. She explained that they used to deal in \$25.00 increments when it was a larger budget.

Mayor DuBois asked if there was a Governmental Accounting Standards Board (GASB) reason for that.

Finance Director Costello stated “no”, it was not, that it was more of a “sanity” reason for her.

Commissioner Stevens stated that he believed the Town had received awards for the budget.

Town Manager Davis stated that was correct.

Finance Director Costello stated that it was actually for their financial reporting for the audit.

Commissioner Longtin stated that “I used to be impressed with that until she realized it was almost standard operating procedure (SOP) for that award to be given out. She stated that she was not discounting all the work that goes into it, but she used to think it was an...”

Mayor DuBois asked Commissioner Longtin asked if she could follow-up by calling her other questions in and then have the answers by the next workshop.

Commissioner Longtin stated some of the questions she asked were not for her benefit because she already knew some of the answers, she was asking because others had asked the questions. She asked if the car allowance of \$575 a month was in the Town Manager’s contract.

Finance Director Costello replied that it was in the contract.

Commissioner Longtin asked if the phone allowance for the Grant Writer was needed. She wanted to know why the Grant Writer needed the \$720 phone allowance.

Town Manager Davis explained that there are many times when the Grant Writer is at different briefings on grants and needs to call Town Manager Davis or vice versa. She stated that it was for routine business and it is just a \$60.00 a month stipend. She stated that she needs to be able to get a hold of the Grant Writer and vice versa.

Commissioner Longtin stated that she had a problem with so many people having a cell phone. She also stated that longevity pay does not need to happen and just having a job should be enough. She stated that there are so many people out of work. She stated that she is not discounting anyone’s worth and has already stated that the Town’s Grant Writer gets a lot of accolades. She stated that the Grant Writer is one person that when she goes out of town, she hears a lot about her and gave “kudos” to her. She stated

that we are in tough times and longevity pay does not need to happen. Commissioner Longtin also stated that she has huge issues with the health insurance. She felt that the Town should be paying 100 percent for the employee (for now) and the employee should be paying for their family. She asked if the phone allowance for the Grant Writer was shown on her W-2.

Finance Director Costello stated that it was on her W-2.

Commissioner Longtin stated that now she understood why it was listed in the budget the way it was.

Finance Director Costello explained that the phone allowance was considered taxable wages.

Commissioner Longtin pointed out that in the expense portion of the budget there was a line item of "telephone." She wanted to know what the equipment was that we leased under the Equipment Leases line item for \$1,700.

Finance Director Costello stated that it was a copy machine for the Grant Writer. She stated that it was a transfer over from another department because they no longer needed it. She explained that there was a certain period remaining on the lease. She stated that they transferred the machine into the Grant Writer's office, because it was difficult for her to access other offices.

Commissioner Longtin questioned why the machine was transferred to the Grant Writer's office.

Town Manager Davis informed Commissioner Longtin that she had a disability.

Mayor DuBois asked if we had an existing prior lease on the equipment, and if we were to break the lease if we would have to pay.

Finance Director Costello stated that there are actually non-funding clauses and if we do not fund it, they cannot hold us to that lease and go for multi years. She also stated that they moved it from the Marina because the Marina Director decided they no longer needed one. She stated that the lease was for almost two more years.

Mayor DuBois asked if there was a penalty for not funding the lease.

Finance Director Costello stated that she did not believe there was but would have to research it.

Commissioner Longtin stated that she would not advocate breaking a lease. She also apologized for not realizing that the Grant Writer had a disability.

Mayor DuBois stated that it also would make the department more productive to have a machine down there.

Commissioner Longtin stated that she does not believe that every department needs a copier.

Vice-Mayor Rumsey stated that he knew the car allowance was in the Town Manager's contract and did not want to renegotiate her contract, but asked her to evaluate the \$575 per month car allowance and see if she would be interested in changing that amount for the next workshop.

Town Manager Davis stated that she was not interested in renegotiating her contract.

Vice-Mayor Rumsey stated that he would drop the subject.

Mayor DuBois commented that he received a stipend from his company and it is standard practice. He stated that he would not back the Vice-Mayor up on that request.

Vice-Mayor Rumsey stated that when the Town Manager said she was not interested, he dropped it.

Commissioner Longtin stated for the record that she "concur with the Vice-Mayor, but it is what it is."

Mayor DuBois wanted to make sure that they had the matters recorded.

Town Manager Davis informed the Commission that so far they had the \$5,000 for travel indicated but no consensus on that, the newsletter at \$6,500 with consensus.

Commissioner Stevens stated that there was consensus on the fact that we would like to continue the newsletter but at what dollar amount they are not sure. He stated that after some options have been put together, and then maybe we could come up with an amount to use.

Vice-Mayor Rumsey asked if the CRA pays for half of the newsletter.

Town Manager Davis confirmed that the CRA does pay half.

Vice-Mayor Rumsey stated that the cost of producing the newsletter was actually \$13,000.

Commissioner Longtin made sure that Town Manager had the furlough days on her list of changes. Town Manager Davis asked if there had been anything in the Town Manager budget that had been changed.

Finance Director Costello stated "no."

Vice-Mayor Rumsey stated that he realized this was a very tedious process that they are in the middle of. He stated that as he was going through the budget, he came across some larger items that he would like to present as some ideas for possible revisions of the budget and he did not know if others had done that or not. He asked if they were going to continue going line-by-line or have each Commissioner individually say what they would like to do with the budget.

Mayor DuBois stated that he asked in the beginning of the process if they wanted to go line-by-line or each individually. He stated that it seemed the way to go through it was by chapter and would like to continue the way they were going.

Town Manager Davis informed the Commission the next chapter was Human Resources.

**Human Resources Budget:**

Mayor DuBois asked if there were any comments, questions, remarks, recommendations or suggestions.

Vice-Mayor Rumsey asked how much the Town was spending on the Labor and Employment Attorney under Professional Services.

Town Manager Davis stated that the Labor Attorney was not in the budget this year.

Vice-Mayor Rumsey asked what \$18,000 was budgeted for.

Town Manager Davis asked Human Resources Director Bambi Turner to speak to the Commission on that line item.

Human Resources Director Turner explained that the proposal for Fiscal Year 2012 of \$18,000 is to be used for criminal background checks, administration of the benefits workshop flexible spending account, employment expenses, and outside expenses for labor employment attorney. She stated there has been no particular amount that has been set aside for the labor employment attorney; it is just one of the things that are covered in the \$18,000 in case it is needed.

Vice-Mayor Rumsey asked if advertising in the *Palm Beach Post* was still a requirement or could the website be an alternative for advertising.

Town Clerk Vivian Lemley informed the Commission that there are certain State Statutes that state that the Town must publish in a publication of general circulation that are very specific. She stated that the attorney could clarify if necessary.

Town Attorney Tom Baird stated that the Statutes also state that the newspaper of general circulation be published at least twice a week.

Commissioner Stevens asked if the Town has ever considered *The Daily Business Review*. He stated that they use it for publications at Legal Aid and it seems to be a cheaper option than the *Palm Beach Post*. He stated that he did not know if it was something the Town could look into.

Town Manager Davis asked Vice-Mayor Rumsey if he was just talking about ads for Human Resources.

Vice-Mayor Rumsey stated he was talking about a larger scale; more than one department.

Town Manager Davis stated that they advertise in many publications from the Human Resource perspective.

Vice-Mayor Rumsey stated he was mainly talking about when the Clerk, Human Resource Director, and Community Development Director have things to be publicized, are they still required to use a "newspaper."

Mayor DuBois stated that he has heard repeatedly from the public that they like to be informed regarding the meetings, actions, and everything to do with the Town. He felt that the Town should be putting those in the most blatant advertisement possible which, in his opinion, is the *Palm Beach Post* and would not advocate going to other venues for advertising.

Commissioner Longtin wanted to know what things were considered “employment expenses” under Professional Services.

Human Resources Director Turner explained that employment expenses were any expenses that occur in filling positions that do not fall under the heading of criminal background checks. She stated that one example of this would be the new requirement to run Level II fingerprinting for summer camp employees.

Commissioner Longtin asked if the criminal background checks are covered under the pre-employment background checks.

Human Resources Director Turner explained that there is a difference between the two checks. She stated that the criminal background check was a national background to determine if there are any arrests and then a Florida Department of Law Enforcement (FDLE) check is done for any state arrests. She explained that under contractual services, the background checks that are covered are the National Comprehensive non-criminal background checks. She stated that these checks basically inform them of if the name of the applicant matches the social security number, whether there are any fraud alerts on those applicants, or any dockets which may be criminal in nature that may not show up on the criminal background checks.

Commissioner Longtin asked about the \$500.00 for employee of the year. She stated that she is in favor of cutting that from the budget, not that she does not appreciate the employee.

Town Manager Davis stated that she felt that she could not cut that.

Vice-Mayor Rumsey stated he was in favor of cutting that line item.

Commissioner Longtin asked if any of the Human Resource employees take their cell phone home.

Town Manager Davis explained that the Human Resource Director does.

Human Resource Director Turner stated that she did take the Town issued cell phone home because there were often situations when the Town Manager needs to have contact with her quickly regarding an employee issue or a risk management issue that may come up during off hours. She stated that this allows the Town Manager to contact her wherever she may be.

Commission Longtin stated that she was not in favor of that and everyone should have their own phone anyway. She stated that her boss does not pay for her phone. She asked if this department has their own copier.

Human Resource Director Turner stated that they do and they share it with the Town Manager's office and other department staff may come up to use it.

Commissioner Longtin asked what the ICMA organization is.

Human Resource Director Turner stated that it stands for International City/County Management Association and she uses her membership in that for research for new legislation which may come up affecting Town management and Human Resource issues in particular.

Commissioner Longtin stated that we pay for dues for several people in that organization.

Town Manager Davis stated it was because it is an organization that different disciplines of professionals belong to and it is beneficial.

Human Resource Director Turner stated that another reason she uses ICMA, in addition to the Society for Human Resource Management, is quite often she is called upon to help department heads develop new job descriptions and is able to research such job descriptions or other usable templates through the ICMA membership.

Mayor DuBois asked if she used it to do the employment manual.

Human Resource Director Turner stated that she had used the ICMA as a resource for some of the ideas when they were developing the employee handbook.

Commissioner Stevens stated that it could be a source of savings if the Town was scanning documents instead of making photocopies. He stated he realized that some things need to be in print, but there could be some cost savings.

Human Resource Director Turner stated that the Town does take advantage of scanning documents and sending electronically rather than actually copying them.

Vice-Mayor Rumsey felt that there were a lot of fax machines. He suggested cutting the number of fax machines and lines down to possibly to one general machine per floor.

Mayor DuBois asked about possibly looking into a fax server.

Vice-Mayor Rumsey asked if it could be looked at between then and the next meeting.

Mayor DuBois stated that he thought last year the Town trimmed the telephone service.

Vice-Mayor Rumsey stated that last year the Commissioners each had a Town phone line and they decided just to go down to one line.

Commissioner Longtin asked for verification if the Mayor had a Town supplied cell phone.

Mayor DuBois verified he had a Town supplied cell phone.

Commissioner Stevens stated that there was one number that if the public wanted to get a hold of a Commissioner, the staff takes a message and then staff gives the Commissioners the message.

Commissioner Longtin asked Mayor DuBois to verify he had a cell phone that he walks around with that the Town pays for.

Mayor DuBois stated he paid for the phone and the Town pays for the service.

Commissioner Longtin stated she concurred with that.

Human Resource Director Turner stated that as it pertains to the Human Resources Department, it is often necessary to send and receive faxes which contain protected employee information. She asked them to keep that in mind if they are considering the reduction of fax lines because those faxes need to be protected.

Vice-Mayor Rumsey stated that he completely concurred with that. He thought that there could be one central spot outside of her office that would be an ideal location where she could still keep her anonymity and her privacy. He felt there were still opportunities to cut the number of fax machines and lines in the building because he thinks in all reality, the majority of information that comes in and goes out of this office is by email.

Commissioner Stevens stated that the E-fax system is very good and he found it very helpful.

Town Manager Davis stated that the next section to discuss was the Town Clerk.

**Town Clerk Budget:**

Vice-Mayor Rumsey stated he had no question about the money, but had three questions on the Town Clerk's budget. He asked what the personal property tax was under Equipment Leases.

Finance Director Costello explained that the Town is required to pay a property tax on the commercially leased machines. She stated the copy machine company sends us a bill for them.

Vice-Mayor Rumsey asked about the printing of the business cards and other items for the Commission and why it was not in the Commission's budget and not the Town Clerk's budget or was it just a wash.

Town Clerk Lemley agreed this was true.

Vice-Mayor Rumsey then stated that he must have had only two questions.

Commissioner Longtin had a question regarding the overtime salaries even though it is only \$75.00.

Mayor DuBois stated that it is nice to put something in the budget.

Town Manager Davis stated that in the event Clerk Lemley is sick or something else and they would have to bring in her Deputy, this is overtime because the Deputy is a non-exempt employee.

Town Clerk Lemley informed the Commission that in last two years, they have only used \$12 or something minimal, but only when absolutely necessary.

Commissioner Longtin stated that she is not in favor of supplying everyone with phones.

Town Manager Davis stated that not everyone is supplied with phones, just Department Heads. She stated that most of the general employees do not have phones.

Mayor DuBois stated that he is in favor of the Department Heads having phones because they operate in multiple functions that he finds it necessary. He felt that if someone does not have a cell phone, they are not as productive as they could be. He stated that there was a productivity return equal or above the cost of the cell phones that are provided and felt that it was a net positive to provide them.

Vice-Mayor Rumsey stated that he felt most that had a Town cell phone probably checked their email maybe twice a day after they have left work. He felt that they are probably returning emails on it and even checking it on the weekends and the Town is probably getting its monies worth with the cell phones. He stated that he will not be voting to take away any cell phone from any employee.

Mayor DuBois stated that he felt it was a productivity issue.

Commissioner Stevens stated that he concurred with the Mayor and Vice-Mayor on the cell phone issue. He felt that everyone should have cell phones, even smart phones to check your email and do the calendar.

Commissioner Longtin stated that she felt \$23,850 for two people for health insurance was a lot of money. She questioned \$400.00 for gas used for deliveries.

Town Clerk Lemley stated that her department pays for the gas and that other departments use the car for meetings outside of the Town.

Mayor DuBois stated that it was only \$400.00 for the year.

Town Manager Davis stated that the next budget was the Legal budget.

**Legal Budget:**

Mayor DuBois asked if there were any questions, answers, comments or remarks.

Vice-Mayor Rumsey asked what the \$10,000 in Professional Services – Other Legal was budgeted for.

Town Manager Davis answered that it was for outside counsel.

Mayor DuBois asked if that would be for litigation.

Town Manager Davis stated the answer was “no” and suggested that the Town Attorney explain that line item.

Town Attorney Baird explained that from time to time, conflicts come up that it may be necessary to use a specialized law firm, for example, for pensions or bonds.

Commissioner Longtin asked if the Town was to seize a boat at the Marina, where would those legal fees show up.

Town Manager Davis explained that it would show up in the Marina budget.

Mayor DuBois stated that he thought the new amount had significantly reduced from last year. He thought it was commensurate with the reduction in the land use investigation.

Commissioner Longtin stated that the next budget was for Information Technology.

**Information Technology Budget:**

Mayor DuBois asked who wanted to go first in the discussion.

Commissioner Longtin asked if the \$490 “special pay” for wireless DSL showed up on his (Chief Information Technology Officer, Hoa Hoang) W-2.

Finance Director Costello verified that it does.

Commissioner Longtin stated that in this case, she agrees with him having a cell phone. She wanted to know what the “Emergency Phone” was that cost \$630.

Chief Information Technology Officer Hoang explained that with the Town’s contract for use of the BellSouth (AT&T) cell tower, the Town was given six backup cell phones for free. He explained that a minimal monthly flat fee has to be paid, but we have the phones in case of an emergency. He stated that we do not use them, but they are available for whoever (Commissioner, Department Head) may need them if other phones were to go out in a state of emergency.

Commissioner Longtin asked what exactly these emergency phones used for.

Chief Information Technology Officer Hoang explained that if a hurricane was to come, the Town Manager could give those phones to whomever she felt necessary whether it be the Department Head, Mayor, or a Commissioner. He stated that the phones were to be used as a backup in the case of someone who may have Verizon or another company and their phone stopped working, they could then have the AT&T phone to use during that time.

Commissioner Longtin asked how these phones differ from an average cell phone.

Chief Information Technology Officer Hoang stated that the phones were like any normal phones. He stated that they do not charge us for the phone, just the lower monthly fee to keep it.

Commissioner Longtin asked why the Town just did not use the other cell phones and use these instead.

Chief Information Technology Officer Hoang stated that that was not a good option because they charge per minute of usage. He stated that it is only for emergency.

Commissioner Stevens asked what network is used by the phones.

Chief Information Technology Officer Hoang answered "AT&T." He explained that the BellSouth tower transfers down to the AT&T tower next door. He stated that in the contract it states the Town receives six emergency cell phones.

Mayor DuBois stated the next budget was for Finance.

**Finance Budget:**

Mayor DuBois asked if anyone had anything for this.

Vice-Mayor Rumsey stated that he had nothing.

Commissioner Longtin stated that she did not agree with the longevity pay of \$500.00 each. She stated that if we were in good times, that would be one thing, but we are not. She felt that the Finance Director really did not need a cell phone on the taxpayer's dime. She stated that she knows nothing was budgeted for it, but was curious as to what the unemployment compensation was and what it was for.

Finance Director Costello explained that unemployment compensation was a former employee that departed the Town in December of 2008 and he collected unemployment for a period of time. She stated that due to the fact that the Town is a reimbursable employer we were on the hook for that until his claim ran out.

Commissioner Longtin asked if that was a person in her department.

Finance Director Costello stated "yes."

Commissioner Longtin asked if that was why it was in her budget.

Finance Director Costello stated that was correct.

Commissioner Longtin asked what the "Other Current Charges" for \$450 for the cost of Government Finance Officers' Association (GFOA) Certificate of Achievement for the annual audit was.

Finance Director Costello explained that it was a fee that the Town has to pay to the GFOA to submit their Comprehensive Annual Financial Report for review for the Certificate of Achievement for Excellence in Financial Reporting Award.

Commissioner Longtin wanted to explain to anyone who may have a question regarding the bank charge administration fees for approximately \$5,000. She explained that when anyone who works with credit cards takes a payment, they would have to pay a percentage up to 3 percent. She stated that when looking at the line item of Bank Charges, it is not just bank charges it is also the credit card processing fees.

Finance Director Costello stated that the Town does have about \$200 a month in bank charges from PNC because PNC stated that nothing was free anymore.

Commissioner Longtin asked what PNC was charging the Town \$200 a month for.

Finance Director Costello explained it was for transfers, stop payments, ACH transfers, and pretty much a fee on everything.

Commissioner Longtin asked if the Town has shopped around for different banks. She stated that they should not be charging you for intercompany transfers and knows of many banks that do not charge you for that. She stated that they should be honored to have the Town as a customer.

Finance Director Costello stated that exploring new banking options is on her "to-do" list for this coming year.

Commissioner Longtin felt that she was tired of banks charging you to take care of your own account. She did state that she knew the bulk of the budget amount under Bank Charges was for credit cards and wanted to explain it because someone had mentioned that to her.

Commissioner Stevens stated that he was in favor of shopping around for new bank options.

Mayor DuBois asked if the bank fees the Town wanted to shop around for were only a couple hundred a year or a thousand a year.

Finance Director Costello explained to the Commission that the Town was getting charged for bank fees anywhere from \$200 to \$300 a month, so basically \$2,000 to \$3,000 a year.

Vice-Mayor Rumsey asked if it were cost effective for the Town to have an employee to contact the banks.

Mayor DuBois stated that he felt it was and felt that a local bank was the preference.

Commissioner Longtin, Commissioner Stevens, and Vice-Mayor Rumsey all stated that there are no local banks anymore.

Mayor DuBois stated that there are local branches.

Finance Director Costello reminded the Commission that there were so many things tied to their account that it was a major undertaking to change banks.

Mayor DuBois stated that it will probably be expensive to make a change and asked if this was something they still wanted to have Finance do.

Commissioner Longtin stated that she knew this was something that was on Finance Director Costello's list of things to do and knows it is a real pain to do.

Finance Director Costello explained that the Federal, State, and County government deposit payments into the account.

Commissioner Longtin and Mayor DuBois both agreed that it was a major undertaking.

Finance Director Costello stated that it was something that has been on her list for a couple of years and does not know if she will get to it this year, but she will try.

Mayor DuBois stated that they were moving to the Emergency Management budget.

**Police Budget:**

Commissioner Stevens stated that they skipped over Police.

Mayor DuBois agreed and apologized. He stated that they had already discussed most of this earlier in the night.

Commissioner Longtin asked if the Town was paying for the Police telephone line.

Town Manager Davis stated that we were paying for the phone service.

Commissioner Longtin asked if the Town was paying for their electric and garbage.

Town Manager Davis stated that the Town did pay for those.

Commissioner Longtin asked if the Town paid for the insurance for the building and the property tax.

Town Manager Davis stated the Town did pay those as well.

Mayor DuBois asked if we charged the Police for the garbage service.

Town Manager Davis stated that was not negotiated in the contract.

Commissioner Stevens asked when the contract is up for re-negotiation.

Town Manager Davis stated that she was not sure and would look into it and get back to them.

Vice-Mayor Rumsey stated that he thought it may be in 2014.

Mayor DuBois stated the next chapter was Emergency Management.

**Emergency Management Budget:**

Mayor DuBois stated there is a proposed budget of \$10,000.

Commissioner Longtin asked for clarification on what this department does.

Town Manager Davis stated that she wanted the Finance Director to answer the question. She stated that the Town is required by governmental accounting standards to establish a dollar value for the services.

Finance Director Costello explained that this was for hurricane preparedness in the event that we have a storm. She explained that the Public Works Director has put in place certain contracts for storm pumps. She explained that the Town maintains certain operating supplies on hand each year for storm preparedness. She stated that if this fund is not used, this amount rolls back into the General Fund.

Mayor DuBois stated that one never really knows when there will be an emergency, so at some point you need to have those contracts for third party vendors for tree removal and debris and storm water. He stated that anything can happen at any time and it seems like a minimal amount to keep in that fund.

**Fire Budget:**

Mayor DuBois acknowledged that the next budget was for Fire on page 45. He asked if there were any questions or comments.

Commissioner Longtin asked what made up Special Pay in the Public Works Administration.

Mayor DuBois stated that they skipped right over Fire, but that was okay because they had already discussed it earlier.

**Public Works Administration Budget:**

Finance Director Costello informed the Commission that the \$720 in special pay was the telephone allowance for the Director.

Commissioner Stevens asked when the Town talks to North Palm Beach about police, if fire could be discussed as well. He stated that if anything, the Town could use the information as leverage.

Town Manager Davis stated that there was no reason they could not speak to them about that.

Mayor DuBois stated he has had an idea of having a police and fire authority. He stated that basically it would be combining the services of different communities. He stated that while he was at the League of Cities, he was informed that Palm Beach Gardens had something along the lines of that with a couple of other communities. He explained that he did not know the details of how it worked, but would like to look into how they do it. He explained that he asked the Town Manager for Palm Beach Gardens to

investigate for other sources of funding for public safety as well, other than millage. He stated that fire was included in that concept. He stated that it does bring leverage to the discussion at PBSO and also brings potential for actual implementation. He stated the further along the Town moves in that direction, the stronger the leverage.

Commission Stevens asked if they were actually giving staff the instruction to explore what the inter-county agreement looks like with Palm Beach Gardens, Juno, and the other communities and to contact North Palm Beach to work out a similar inter-county agreement.

Mayor DuBois stated that it would be an expanded discussion from that.

Commissioner Stevens asked what the name of the project was.

Mayor DuBois stated that he was not sure if there was an actual name for it. He stated that what he was talking about was a "public authority."

Commissioner Longtin stated that the Town was supplying a telephone for Public Works Director and his assistant. She wanted to know why we are providing that for the assistant.

Public Works Director David Hunt stated that his assistant takes phone calls 24 hours' a day, seven days a week for problems with any of the Town facilities as well as personnel calling in being sick or for no-shows. He stated that for his phone, last year he opted to take the phone allowance in lieu of an air card as well as a laptop so that he is available for emergencies.

Commissioner Longtin stated that the Town was paying \$720 for the cell phone allowance and the Town was supplying another telephone to the Public Works Director.

Finance Director Costello stated that was an error on page 50. She stated that it should not say for the Director and assistant, only the assistant.

Town Manager Davis stated that confused her as well.

**Grounds Maintenance Budget:**

Mayor DuBois stated that the next budget was Grounds Maintenance. He stated that the staffing was at the same level and asked if there was anything else.

Commissioner Longtin asked about the Contractual Services for \$6,800 and what it involved.

Town Manager Davis stated that it was for fertilizing the parks and ball fields.

Commissioner Longtin asked if the Town was paying \$6,800 to outsource fertilizing the ball fields, the parks, the building grounds two times a year with a "weed and feed" fertilizer, and apply fire ant control and why this is something that the staff cannot do.

Public Works Director Hunt explained that laws and regulations have changed in that someone has to be certified fertilizer and pesticide applicator. He stated that under the Contractual Services he has rat control at several buildings. He explained that the majority of that cost is in the product itself being that the contractors buy it in bulk. If the Town did it itself, there would not be much of a savings by applying it in-house.

Mayor DuBois stated that the National Pollutant Discharge Elimination System (NPDES) requires certain certifications that third parties must have and sometimes the Town employees do not.

Public Works Director Hunt verified that to be correct. He stated that he is currently trying to get his staff certified through that program that mandates from the NPDES.

Commissioner Stevens stated that he had spoken with staff about possibly creating a volunteer corps in which people with expertise around the Town that wanted to help out could pitch in and help the various departments. He stated that this would help in making up any shortfalls from cutting budgets. He asked if there were any services or anything that volunteers could help out with in the Grounds Maintenance Department.

Public Works Director Hunt stated that he is always interested in volunteer help. He stated that one of the things the Town needs to consider is the liabilities and the coverage, such as workers' compensation. He stated that once volunteers start using power tools and equipment then it raises an issue as well as transporting them, running them along roadways. He stated that there may be less involved duties he could give to the volunteers.

Commissioner Stevens agreed with the "less dangerous, less liability causing" tasks being given to the volunteers. He stated that from going door-to-door, many people were interested in helping out. He also stated that the public thinks the Department is doing a great job as is, but would be willing to help out.

Commissioner Longtin stated that under Repair and Maintenance for \$3,500 which includes costs associated with the repair and maintenance of irrigation systems, expenses for turf maintenance equipment, and tree pruning saws, she wondered if the Town was definitely going to get the sprinkler system grant.

Town Manager Davis asked the Grant Writer to speak on that issue.

Grant Writer Virginia Martin explained that at this time the Town has been approved for the grant. She stated that it has been approved by the Palm Beach County Commission and that now the Town is waiting for its letter of approval and then we will enter into agreement with the County.

Mayor DuBois stated that Grant Writer Martin did a good job.

Commissioner Stevens asked what the grant amount was for.

Grant Writer Martin stated it was for \$44,606.

Commissioner Longtin asked for verification if that was to replace the sprinkler on the entire Flagler Boulevard.

Town Manager Davis and Grant Writer Martin both informed the Commission that it was to install a whole new system.

Commissioner Longtin stated that the Town has things that need to be maintained that are not being maintained.

Mayor DuBois stated that he thought there was a difference between the sprinkler programs they were talking about in the fact that it was a capital improvement. He stated that he asked around and thought the depreciation on a sprinkler system was around 10 years. He stated that it was considered a capital improvement and not a maintenance issue. He felt that there were other items that the proposed budget that we have currently at 8.5, sets aside nothing for capital improvements or capital reserves. He felt that to be very dangerous because it puts off from today onto tomorrow and beyond. He felt that the Town should be putting money away every year for maintenance as well as capital improvements for the replacement of these infrastructure items. He stated that irrigation is one of the items that we should have as a depreciating asset that the Town can replace sometime within the period after the depreciation schedule comes up. He stated that he was very concerned about this budget not reflecting that as well as other items he would like to see increased and some decreased.

Commissioner Longtin stated that she was in agreement with the Mayor's concern. She stated that she was concerned about there being things they did not know about.

Mayor DuBois stated that he knows there are probably many things they did not know about and they will find out about them.

Commissioner Longtin stated that she agreed, but felt that it may be too late by the time they find about them. She stated that she was in favor of getting a neutral third party that reports to the Commission and goes through Town and tells us where we stand on the issues.

Vice-Mayor Rumsey called "point of order."

Commissioner Longtin commented that she thought that the third party was beyond what they were talking about, maybe.

Mayor DuBois asked Vice-Mayor Rumsey why he called "point of order."

Vice-Mayor Rumsey stated that the Commission was drifting far beyond the budget they were looking at when they start talking about bringing in a third party.

Commissioner Longtin stated she disagreed with that because it is something we could be budgeting for.

Mayor DuBois stated that this was a budget workshop and they could continue on and was sure they got the point. He thought maybe it was something they could work on with Administration and see if it was something they might be interested in doing as well.

**Facilities Maintenance Budget:**

Mayor DuBois stated that they were on page 56 of Facilities Maintenance. He stated that it showed no indication of change in staffing. He asked if there were any questions, comments, suggestions, or recommendations.

He stated that since there were none, they were to move on to Vehicle Maintenance on page 62.

**Vehicle Maintenance Budget:**

He stated that with nothing at that one either, he was moving on to Parking Meters on page 67.

**Parking Meters Budget:**

Commissioner Longtin asked where the salaries were on this budget.

Mayor DuBois stated that he thought that the salary for this was under another section.

Commissioner Longtin asked why it would not be under Parking Meters if collecting money from the parking meters was their main function.

Finance Director Costello explained that when the Town implemented the parking meters, they had one full-time Code Enforcement Officer that left the employment of the Town last year, then the Town split that position into two Parking Enforcement Code Compliance Officer positions as part of Community Development. She stated that their wages are in Community Development. She stated that they not only do the parking meters that have been installed, they do parking issues throughout the Town. She stated that there were no additional monies added to this General Fund budget for these positions, they were existing monies that were budgeted and they extended job duties of the existing Code Officers.

Mayor DuBois stated that because they perform other duties besides parking meters, they are associated with Community Development.

Commissioner Longtin stated that she does not believe that. She points out that there is no labor cost associated with this budget.

Town Manager Davis stated that they never represented that there ever would be. She stated that there never would be because the intentions of this budget were not to become an Enterprise Fund. She stated it was going to increase revenue, which it has.

Commissioner Longtin stated that by the Town's accounting, it has, but just based on this alone, she cannot approve the budget because if these numbers are messed with, there is no labor cost. She asked how this money collects itself. She wanted to know about the vehicle maintenance for the vehicles that they drive around in to enforce these meters. She stated that just based on this, she suspects the entire budget. She suggests they move on in the budget because they are not going to agree to disagree on this.

Commissioner Stevens stated that it is a source of revenue for the Town and he did mention the possibility of going toward a decal system. He wondered if that could be a source of revenue for this section and wondered if they could discuss where they are and if the decal could be tiered.

Town Manager Davis stated that they are exploring that program and are talking with other cities. She stated that they will bring back some options for the Town Commission.

Mayor DuBois and Commissioner Stevens agreed that was a good idea.

Commissioner Longtin stated that to say that the parking meters were a source of revenue, but when the Town's expenses exceed the revenue, it is not really a source of revenue. She stated that we are technically getting money in, but it is costing the Town much more to get that money.

Mayor DuBois stated that they could move on to Community Development on page 70.

### **Community Development Budget:**

Vice-Mayor Rumsey stated that based on this part of the budget, he will not approve to vote on this budget. He stated that since he took his place on the dais, he has said that if there is a resident of Lake Park who is being cut, laid off, he is not in favor of that and will not support the budget.

Mayor DuBois asked Vice-Mayor Rumsey on that particular point, if he would support a TRIM rate.

Vice-Mayor Rumsey stated that he would support it with other options that he is looking at. He stated that he will also not support this budget with 12 furlough days. He stated that he has other ways to raise the same amount of money that he would like to put forward at some point when it makes sense for him to do so.

He pointed out that one of the special pays in the budget was going to a Code Compliance Officer that is being laid off. He stated that on page 73, it states that one of the \$500.00 longevity payments was going to a Code Compliance Officer that is being laid off under this budget.

Town Manager Davis stated that it was not accurate.

Finance Director Costello stated that the longevity payments are for the remaining Code Compliance Officer and the Director.

Vice-Mayor Rumsey stated he stood corrected, but that is not what he was informed of. He stated that Hy-Byrd fee concerns him as well as the part-time planner. He states that they have heard there is nothing going on in this Department, no permits are being issued, and that the only thing that has come forward to the Commission is the project at K-Mart, and the Planning and Zoning Board has not met in almost a year. He asked Commissioner Stevens if this was correct.

Commissioner Stevens verified that the Board met a few times concerning the K-Mart issue, but besides that, there has been a dearth of new applications for Planning and Zoning.

Vice-Mayor Rumsey stated that, in his opinion, to pay a 30-hour-a-week Planner \$22.83 an hour which comes up to \$35,600 part-time is exorbitant, especially when the Town is eliminating two positions in that same Department.

Town Manager Davis asked Vice-Mayor Rumsey if she could have the Community Development Director explain what the function of a Planner was.

Vice-Mayor Rumsey agreed.

Town Manager Davis stated that the Planner had nothing to do with permits.

Community Development Director Nadia DiTommaso explained that the Planner does review some building permits as they relate to zoning issues. She explained that the Planner is the key person in the Department to answer resident and business owner requests as they relate to planning and zoning issues. She states that it is true that they do not get a lot of official applications and a lot is done on a preliminary basis and because of a shortage of funds throughout the Town, sometimes applications do not officially get submitted. She explained that the Planner is the key person, on a day-to-day basis, to answer those planning and zoning questions that come in either at the counter and sometimes through zoning related applications, such as signage permits or zoning certificates, the first application for new business coming into Town. She explained that the Planner position used to be staffed full-time, and that when she was in the position, she worked alongside of the Director, did Code related research, zoning interpretations, and reviewed applications with her planning knowledge before it actually got submitted to the Director.

Vice-Mayor Rumsey stated that basically she was describing a counter clerk.

Community Development Director DiTommaso stated "no". She was describing someone who does do some counter job, but applies planning knowledge to that and it is not simply taking in a building permit.

Mayor DuBois stated that we have always had a Planner in this Town whether it was an employee of the Town or Calvin Giorando and Associates. He stated that it was an argument whether or not we should have a staff Planner or outsource, and the outcome was that the Town realized it needed a staffed Planner.

Vice-Mayor Rumsey stated that using that same logic, the Town has also had an additional Code Compliance Officer and an assistant.

Mayor DuBois stated that you cannot equate a Code Compliance Officer with a Planner because they are two different categories altogether.

Vice-Mayor Rumsey stated that he did not say they were the same. He stated that if you were to say we have always had a Planner, we can say we have always had an additional Code Compliance Officer and assistant. He stated that several people have come to him and told him that the people who we are laying off, especially one of them who is a Town resident, is one of the most important people in that Department because they are the ones who answer basically all the questions that come to the counter.

Community Development Director DiTommaso stated that when it relates to zoning and planning questions, the individual that he was referring to, does not have the knowledge or the educational background to answer those questions. She stated that those questions would be directly referred to the Planner.

Mayor DuBois stated that was a qualification matter and those answers are supplied by qualified Planners and they become land use matters.

Commissioner Longtin stated that in this Department she is not in favor of losing a Code Compliance Officer and thinks if anything, the Town should increase one.

Mayor DuBois acknowledged that he had not asked for the tally in a while. He stated that if we want to add expenses to this Department, we have to get it from somewhere.

Commissioner Longtin stated that they had their overall changes that some may be able to throw in that can give us some additional revenue.

Vice-Mayor Rumsey recommended that we go through until we reach the Non-Departmental Funds because we are about to run out of time soon. He stated then they could go through their larger comments, instead of going through those funds that night and do that at the next meeting. He stated that after the comments they could decide on a millage.

Commissioner Stevens rephrased what the Vice-Mayor had said by saying take a break at page 86 and stop.

Vice-Mayor Rumsey stated that he would like to stop at page 86, then discuss the larger issues, then go to the TRIM.

Commissioner Stevens stated he had no objection to that.

Mayor DuBois stated that was fine and they would just discuss the remainder at the next workshop. He reminded the Commissioners they had to leave that night with some kind of consensus.

Commissioner Stevens wanted some clarification from Vice-Mayor Rumsey as to what he was specifically suggesting in terms of positions or was he saying they should keep the Code Compliance Officer and Administrative Assistant and use funds from other areas.

Vice-Mayor Rumsey stated he had numbers and other ideas that might allow us to keep these other employees.

Mayor DuBois stated that they were now on Recreation on page 75.

**Recreation Budget:**

Mayor DuBois commented that there were no real staffing changes and asked if there were any comments on the budget.

Commissioner Longtin asked about the telephone expense of \$2,000.00. She questioned if the Director already has a cell phone, why does that Department need another phone and fax as well.

Town Manager Davis stated that the phone in his office is in a trailer in a remote location.

Commissioner Longtin asked if that Director has a cell phone, why does he need another phone.

Vice-Mayor Rumsey observed that it may have something to do with if there was a situation involving children in there and they got injured, someone would need to be able to call for backup or something like that where a land-line would be needed.

Town Manager Davis stated that was correct and the phone needed to be there for reservations.

Mayor DuBois asked if there was anything else that anyone wanted to comment on.

Commissioner Longtin stated that she had a problem with the Town calling it a Recreation Department because there was no recreation and should just be called Parks Department or Community Planner. She states that it is a "slap" to call it recreation when the Town supplies no recreation. She said the Town makes it available for others to use.

Mayor DuBois stated that it could be one of those volunteer things that other communities do that is completely run by volunteers. He stated that he has not had the opportunity to assist in the recreation of the children of this Town, but felt he has seen the programs work with completely volunteers and they work incredibly.

Commissioner Longtin thought that it was silly to pay someone a lot to run it.

Mayor DuBois stated that other communities pay someone a lot to run the programs, but with backup from volunteers.

Commissioner Stevens asked if volunteers from the Town could step forward to assist with some of the summer camp, fishing tournament, Relay For Life, mullet races, and the Easter egg hunts.

He stated if the Town is anticipating cutting some of the camp's funds, he would rather not. He would like to see the Town spend as much as it can on recreation.

Finance Director Costello informed the Commission that they were not exploring cutting the summer camp funding. They just wanted to increase fees to help offset the expenses.

### **Library Budget:**

Mayor DuBois stated that they were now on the Library budget on page 79. He stated that the Library was a great area for volunteerism.

Commissioner Longtin stated that she felt the Library Director did not need a cell phone on the taxpayer's dime.

Finance Director Costello reminded the Commission that analysis that is contained on the line in the budget has been replaced by the corrected version that was placed on dais and will be replaced on the website the following day.

Commissioner Stevens stated that if there was any money left after going through all these, he would encourage the Town to expand as many Library opportunities and recreational opportunities as they could, because the kids in this Town really need something to do.

Mayor DuBois concurred.

**Library State Aid Budget:**

Commissioner Longtin asked what Library State Aid was.

Town Manager Davis explained that it was actually a grant.

Commissioner Longtin asked who wrote the grant.

Finance Director Costello stated that the State makes the determination based on population and budgetary size. She stated that the State allocates funds to us; we do not have to apply for the grant.

Town Manager Davis stated that we do have to apply each year.

Finance Director Costello stated that we send the application in and then the Town submits an annual report at the end of the year. She stated we can use it for Library staffing which is what we have been using it for, for the Children's programs.

Town Manager Davis stated she would like the Library Director to answer the questions.

Library Director Karen Mahnk explained that the annual State Aid Grant is given to all public libraries. She stated that they have to apply for it and that all libraries do.

Commissioner Longtin asked to whom the Town was paying \$7,130.00.

Library Director Mahnk explained that that amount was the grant and that is paid towards the part time worker (Ms. Carrie) to work in the Children's Department.

Commissioner Stevens asked if she did the Teen's program.

Library Director Mahnk stated she worked with the children in the Children's Department and her services have expanded. She explained that they have put a circulation desk in there this year and so now she also checks books in and out.

Commissioner Longtin asked if this expense was being offset by the grant.

Town Manager Davis and Library Director Mahnk both verified that to be true.

Library Director Mahnk explained that the Library's fax has offset some of their expense by having a public fax.

Commissioner Stevens pointed out that they were going to stop and discuss the big issues and take a TRIM vote.

Mayor DuBois stated that on page 86 is where they were going to put a place mark on it and pick up there at the next workshop. He stated that they have not resolved all the issues that were in the departmental budgets. He asked what they were going to put as the millage rate.

Commissioner Stevens reminded everyone that they need to discuss the broader issues first. He stated that he would like to yield his time and have the Vice-Mayor go first.

Vice-Mayor Rumsey asked them to look at some of what he is about to discuss not as the solutions but as possibilities. He stated that he cannot support 12 furlough days for the employees.

Mayor DuBois asked if he wanted more or less days.

Vice-Mayor Rumsey stated he wanted less- considerably less. He stated that he looked over the staff expenditures and employees and realized that the Town has about a million dollars in salaries that are of \$50,000 or more. He stated that for \$50-60,000, we have \$326,000, for \$61-72,000 we have \$334,000, and for \$73,000 and above we have \$392,000. He stated he cannot agree with the people making the most money and the guy who is making \$25-30,000 having the same percentage taken out and recommends for employees making \$50-60,000 to have a 5 percent reduction in pay, \$61-72,000 to have a 7 percent reduction in pay, and for employees making \$73,000 and over to take a 10 percent reduction in pay. He states that with this change, it would come out to \$78,978.51 which does include the CRA Director and Marina Director and would need to be adjusted in their funds. He stated that all employees under the \$50,000 would still keep their five furlough days (\$15,263) and the Commission would take ten furlough days (\$1,995.51) which combined comes out to \$92,000. He stated that there are other numbers that need to come out for other departments, but that percentage is a larger amount than what we were looking at with the 12 furlough days. He stated that this is a fair resolution to the salary issues. He explained another idea he was looking at was a four day work week with 10 hour days. He states this would cut down on electricity and other issues that might help with the Town. He asked that with the insurance going up 13 percent, what amount was that for the employee. He knew it would not be the same for everyone, but if he could get an average on how much that is. He told Finance Director Costello that it did not have to be that night. He informed everyone that these were his ideas and wondered if these could be better possibilities for the employees.

Commissioner Stevens stated he yielded his time to Vice-Mayor Rumsey and suggested that Commissioner Longtin gave her suggestions.

Commissioner Longtin stated she thought all Department Heads should take a 10 percent cut. She also thought the Town should be paying for the employee insurance only at 100 percent for now and the employee should pay for their family.

Town Manager Davis stated that they looked at that and explained that if that was chosen, we would be hurting a huge number of employees with dependant coverage. She states taking dependant coverage away would set them back big time. She stated that the lowest paid employees have family coverage and just wanted to let the Commission know this so they can go into this decision fully knowledgeable of what the situation is.

Commissioner Longtin stated that she would actually like to get more information on that in a printout. She explained that in the "non-governmental" businesses, where they have to pay for themselves, most businesses do not cover family because it is cost prohibitive. She stated that she knows good people are going to pay should this be implemented. She stated that she was not aware of how long the Town has been paying for 50 percent of the family cost, and the employee should look at it as being grateful for what they had for as long as they have had it.

Town Manager Davis explained that they looked at going down different levels of reducing the benefits.

Finance Director Costello stated that at one point they talked about taking it from 50/50 to 25/75 of the dependant coverage, and for the Public Works employees it equaled out to 35 percent pay reduction. She stated that if it went to the employee paying 100 percent of the coverage, it would be about a 60-70 percent pay reduction for them to maintain coverage or would be forcing them to go uninsured. She mentioned that some are court-ordered to keep insurance on their children.

Mayor DuBois asked if a \$45,000 paying job would end up being \$30,000.

Town Manager Davis stated that there are very few \$45,000 jobs in Public Works.

Mayor DuBois stated then they were talking about going lower and lower for someone's take home pay.

Town Manager Davis stated that when she met with the employees, she went through the proposals and let them know that she was not going at their coverage. She stated that some clapped and some told her afterwards that they really appreciated that she was not going to touch their insurance benefits. She stated that she just wanted the Commission to know, even though they will do whatever the Commission says to do.

Commissioner Longtin explained that she understood all that, but you cannot go anywhere where they are going to pay your family coverage. She stated that she would like to at least get the information with a breakdown and maybe just do a 25/75. She stated that there are so many people out there without a job that would be grateful for this job with or without insurance. She commented that she really appreciates the Public Works Department, but some people are losing their jobs. She asked for a breakdown of just the Department Heads with names.

Mayor DuBois does not feel that it is his place to direct this Commission to one answer or another. He stated that the only answer they needed that night was the TRIM rate. He was wanting the rolled-back

rate and would be willing to amend that to get us to an agreement. He stated he has listened to all their proposals and they have all done a good job going through the budget. He stated that there was no easy solution for this.

Vice-Mayor Rumsey stated that he was willing to go to 8.9 if he could get a consensus to at least direct the staff to provide the numbers that he has requested as an option for the budget.

Mayor DuBois stated that he would not agree to that, but maybe Commissioner Longtin or Stevens would.

Commissioner Stevens asked if the numbers he was talking about was the tier he spoke about before, the five furlough days for staff and 10 for Commission and that all he wants the staff to do is run the numbers.

Vice-Mayor Rumsey stated that was correct and just run the numbers as an option for the budget. He stated that it does not have to be the budget, just as an option to review.

Mayor DuBois stated that was simple and they did not have to make that as part of a deal. He said he would be happy to go along with that.

Commissioner Stevens stated that this was the point for the workshops to consider all their options. He stated he would support going with the 8.9, rolled-back rate, as the TRIM so they have that option to go up to that rate.

Commissioner Longtin asked if the Mayor wanted to go with option #2.

Mayor DuBois stated that his first option was with #3 and would prefer to continue with that choice.

Commissioner Longtin asked if he said he would be willing to go to the 8.7.

Mayor DuBois stated that he would, but if they ended up at 8.5, he was willing to do that as well.

Commissioner Longtin asked why he would not just go with option #2 then.

Mayor DuBois stated that he would like to stay with the rolled-back rate.

Commissioner Stevens stated that he thought there was a consensus for the rolled-back rate.

Mayor DuBois asked Commissioner Longtin if she would like to change her choice.

Commissioner Longtin stated that she did not want to join in increasing our tax rate from 8.5 to 8.9.

Vice-Mayor Rumsey asked if they could correct the record because Commissioner Longtin stated a factual inaccuracy.

Commissioner Longtin stated that he was right.

Mayor DuBois stated that the rolled-back rate keeps the rate as it was in the previous rate.

Commissioner Longtin explained that the Vice-Mayor is correct in that this is just a proposed number and apologized for what she said.

Attorney Baird stated that something to think about for next Wednesday is that West Palm Beach is considering a law suit against the County regarding the mandatory funding by municipalities for the Inspector General. He stated that there are already 10 municipalities that will be joining as plaintiffs in that lawsuit and the City of West Palm Beach is funding the lawsuit by itself using in-house staff attorneys. He stated that next week he will bring it up in his report and they could choose to join the other municipalities in that lawsuit.

Commissioner Longtin asked if there was any documentation that he could get to the Commissioners on that.

Attorney Baird stated he could.

Commissioner Stevens asked about Gary Brandenburg being discussed that night.

Attorney Baird informed the Commission that the hearing had been canceled and that they had time to discuss this at a later date and make a decision then.

Mayor DuBois asked the Town Manager if there is an understanding with all that had been done that night with the millage/ TRIM rate.

Town Manager Davis stated that she had the Commission's consensus of the rolled-back rate of 8.9. She stated they understood the proposals that have been made and will come back with the numbers. Mayor DuBois gave his thanks for all the work put into the workshop.

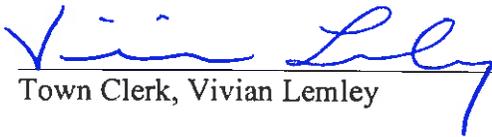
Vice-Mayor Rumsey stated he understood that it was difficult for staff to sit and listen to others discuss their salaries in public and he apologized that they have to do this every year.

**ADJOURNMENT**

There being no further business to come before the Commission and after a motion to adjourn by Vice-Mayor Rumsey and seconded by Commissioner Longtin, and by unanimous vote, the meeting adjourned at 10:45 p.m.



\_\_\_\_\_  
Mayor James DuBois



\_\_\_\_\_  
Town Clerk, Vivian Lemley

\_\_\_\_\_  
Deputy Town Clerk, Kelly Avery



FLORIDA

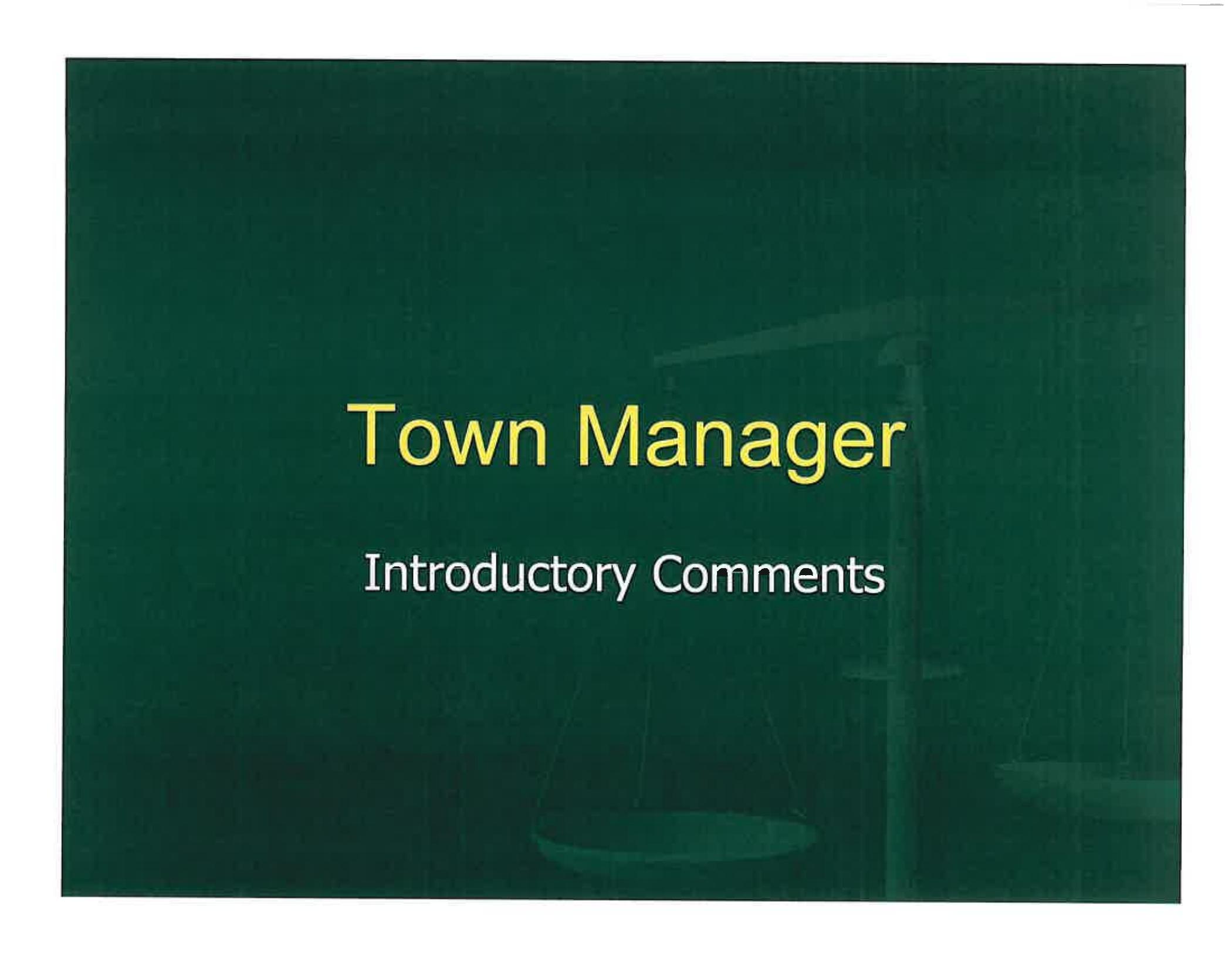
Approved on this 2 of November, 2011

# Town of Lake Park

Budget Presentation

for

Fiscal Year 2012



# Town Manager

Introductory Comments

# BUDGET OVERVIEW

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

# GENERAL FUND OVERVIEW

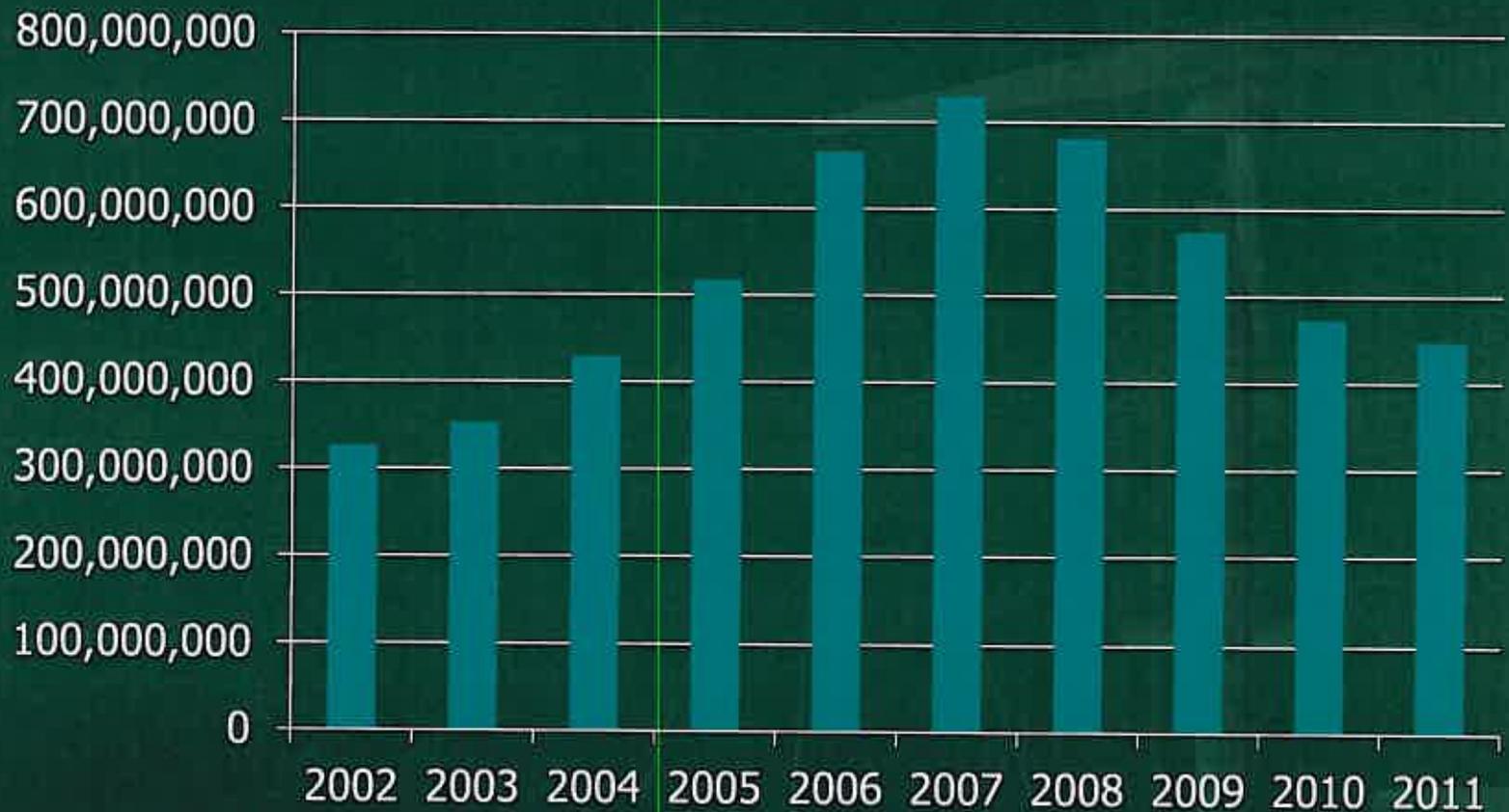
- ASSESSED TAXABLE VALUE
- TERMS TO KNOW
- STATUTORY RESTRICTIONS ON MILLAGE
- PROPOSED MILLAGE RATE
- REVENUES
- EXPENDITURES

# Assessed Taxable Value

Fiscal Year 2011	\$ 472,063,047
Fiscal Year 2012	\$ 447,046,417
Loss of Value	\$( 25,016,630)
Loss of Tax Dollars	\$ ( 202,400)

5.3% Decrease in Taxable Value

# Total Assessed Taxable Value



# Cumulative Loss of Taxable Value

Taxable Value Tax yr 2007	728,272,034
■ Tax Year 2008 (Amend. I)	( 47,995,313)
■ Tax Year 2009	(100,609,619)
■ Tax Year 2010	(107,604,055)
■ Tax Year 2011	<u>( 25,016,630)</u>
Cumulative Loss – 39%	(281,225,617)
Taxable Value FY 2012	447,046,417

# Tax Dollar Equivalent

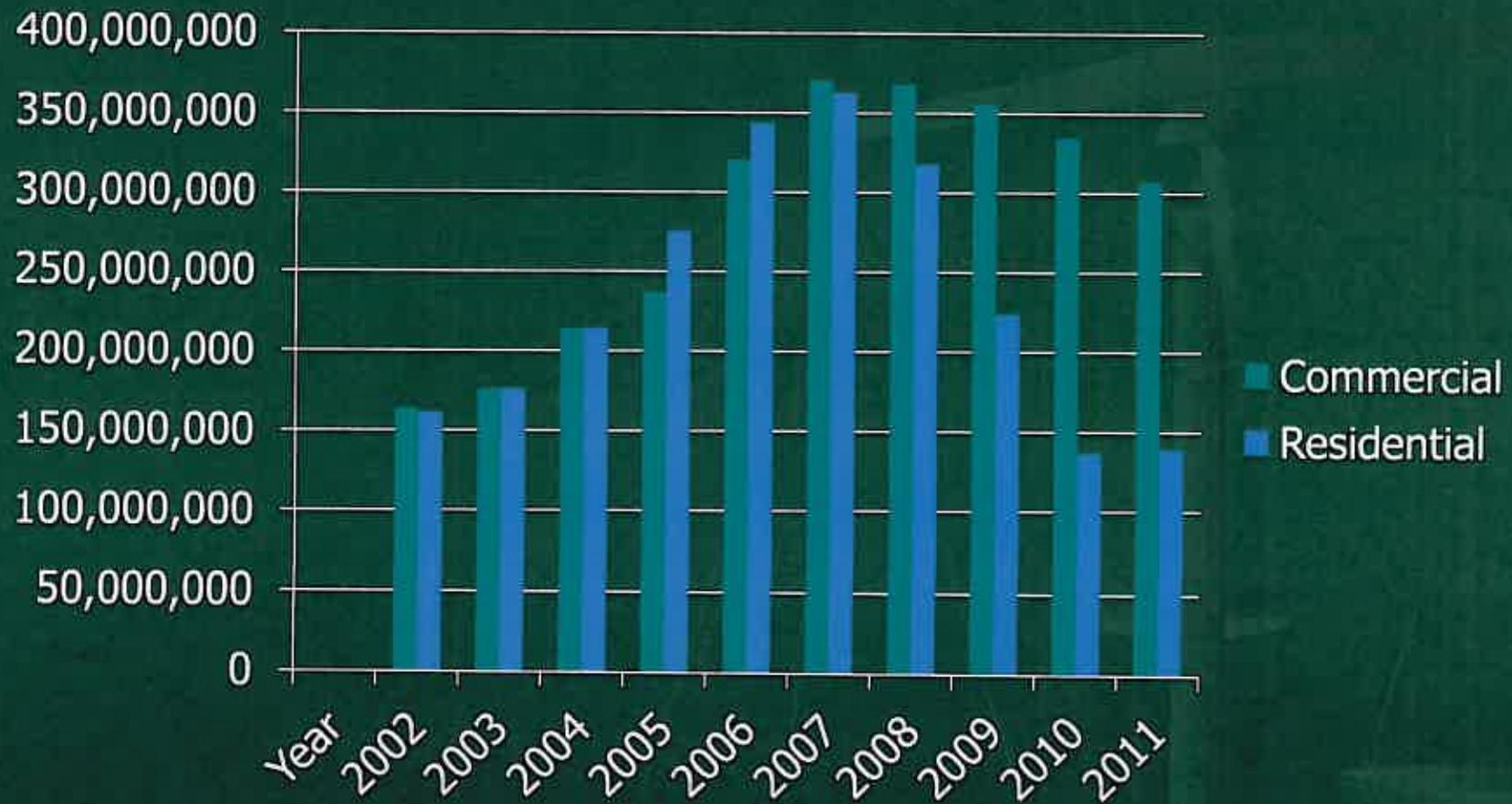
- Cumulative Loss of value \$ 281,225,617

EQUATES TO A LOSS OF TAX DOLLARS

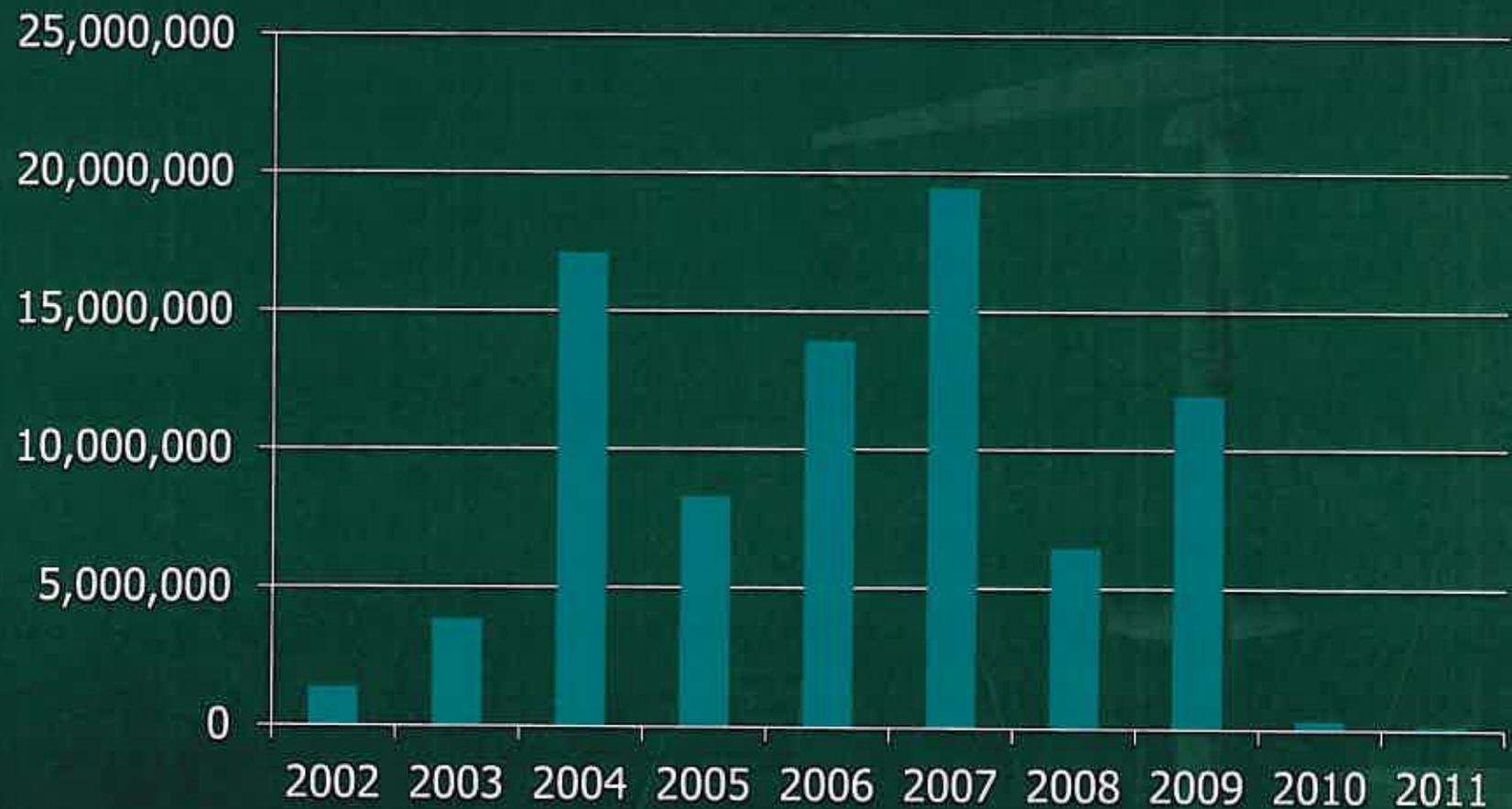
IN THE AMOUNT OF \$ 2,275,250

OR 28% OF THE GENERAL FUND BUDGET

# Assessed Taxable Value Commercial vs. Residential



# Analysis of New Construction



# 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 \$ 424,700 General Fund \$394,150, CRA \$30,550)
- Prior year 1 mill generated \$448,900
- **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 8.9488 mills
  - Would generate \$170,500 additional revenue
- Current Rate 8.5163 mills
- Maximum Millage allowed up to 10 mills

# Revenue

The background is a dark green color with a subtle, semi-transparent image of a balance scale. The scale is positioned in the lower right quadrant of the frame, with its central pillar and horizontal beam visible. The lighting is soft, creating a professional and serious atmosphere.

# Comparison FY 2011 vs. 2012

- Revenue FY 2011 \$8,955,965
- Revenue FY 2012 \$8,493,965
- Shortfall (\$462, 000)

# Contributing Factors

(Budget to Budget)

## Revenue Decreases

■ Property Taxes	\$209,300
■ Utility Taxes – Electric	\$ 10,000
■ Building Permits	\$ 52,500
■ Electric Franchise Fees	\$110,000
■ State Shared Revenues	\$ 97,000



# MILLAGE (TAX) RATE

CURRENT YEAR MILLAGE

8.5163

- No increase in tax rate
- This is actually a **tax decrease** of 4.83% because it is below the rolled-back rate of 8.9488 mills
- Produces \$202,400 **less** in ad valorem revenue than the current year

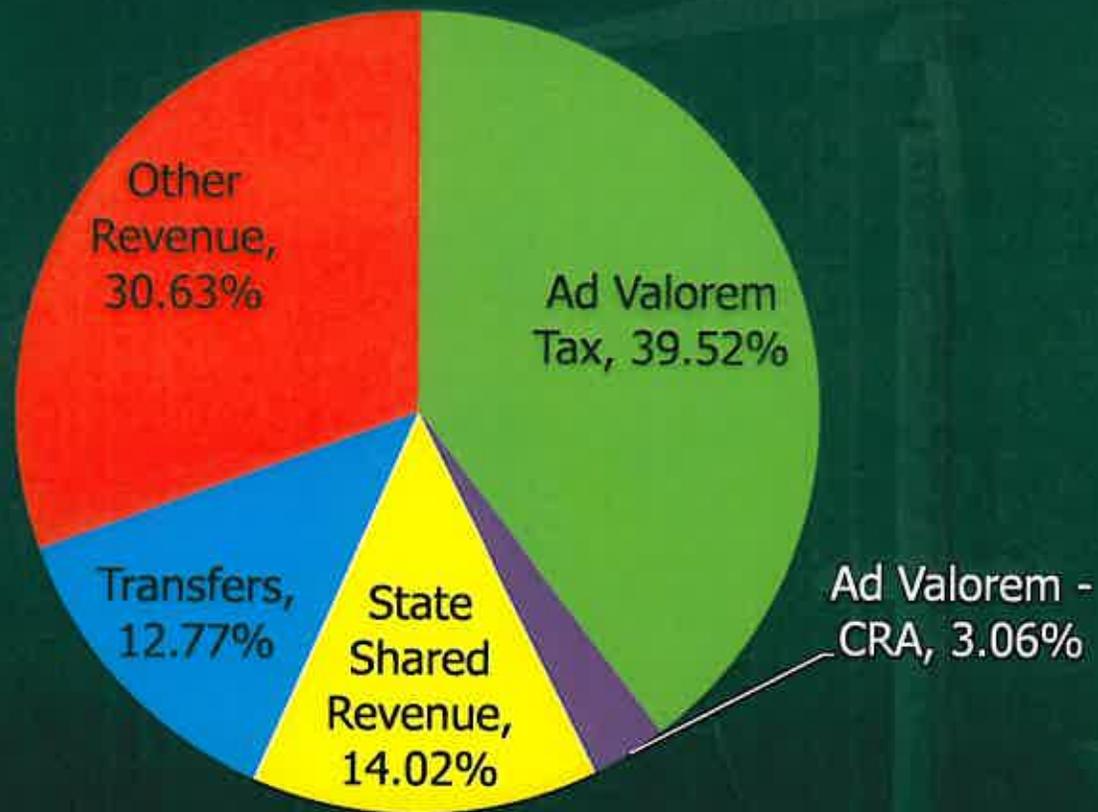
# Analysis of Property Tax Revenue

	<b>FY 2011</b> <b>8.5163</b>	<b>FY 2012</b> <b>8.5163</b>
PBSO Sheriff	\$2,634,120	\$2,583,785
PBC Fire Rescue	\$1,634,105	\$1,545,935
<b>Total for Public Safety</b>	<b>\$4,268,225</b>	<b>\$4,129,720</b>
CRA	\$295,600	\$260,070
<b>Other Services - PW, Admin. ,Etc.</b>	<b>(\$741,025)</b>	<b>(\$772,965)</b>
<b>Total Proceeds</b>	<b>\$3,823,100</b>	<b>\$3,616,825</b>

# REVENUE BY SOURCE

Source	Amount
PROPERTY TAX - OPERATING	\$ 3,356,750
PROPERTY TAX - CRA	260,070
OTHER REVENUE	2,601,750
INTERGOVERNMENTAL (State Shared)	1,191,000
TRANSFERS	1,084,395
<b>TOTAL</b>	<b>\$ 8,493,965</b>

# Breakdown of Revenue



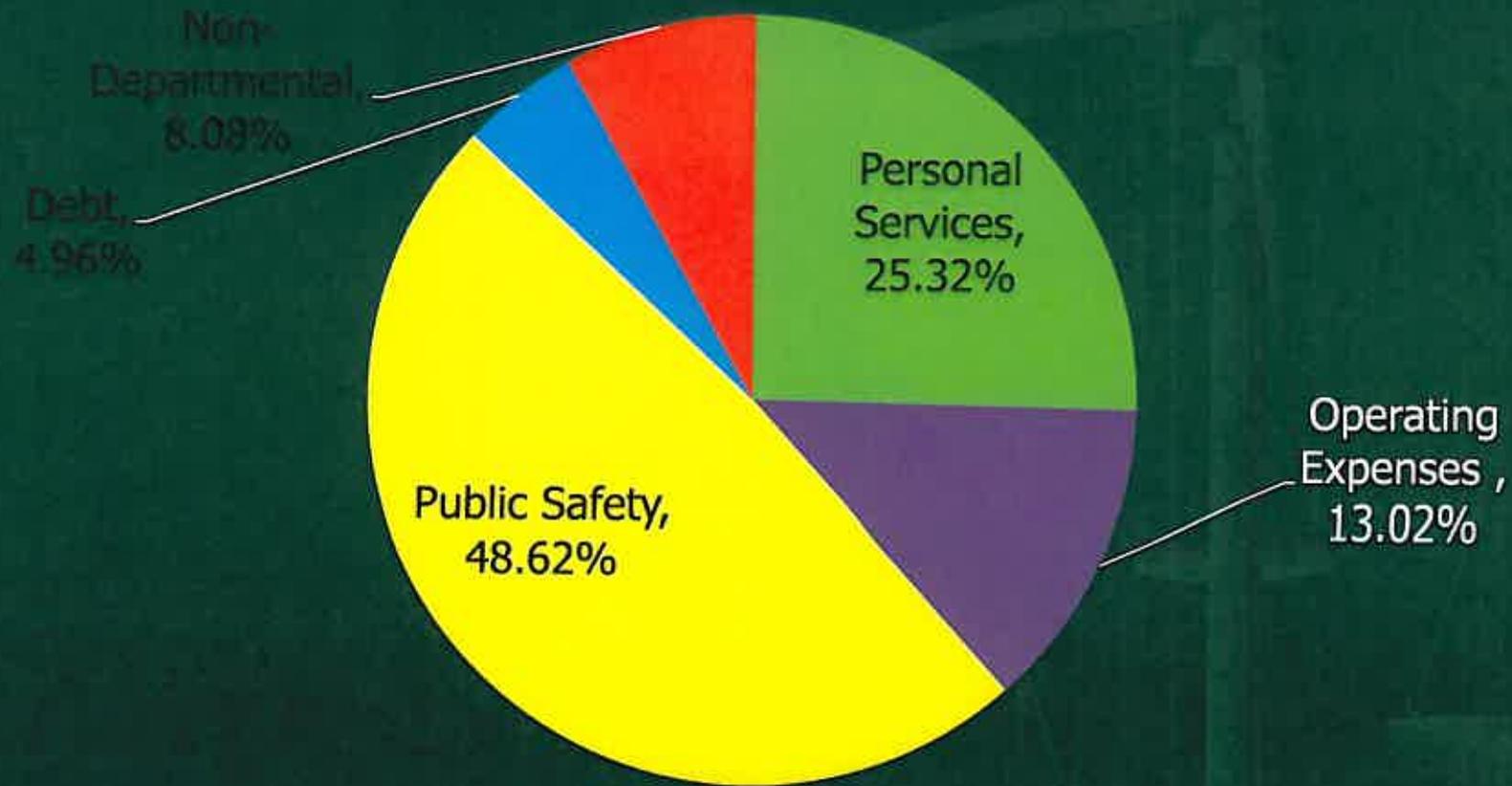
# EXPENDITURES



# General Fund Expenditures

	<b>FY 2011</b>	<b>FY 2012</b>	<b>Difference</b>
Personal Services	2,325,780	2,150,915	(174,865)
Operating Expenses	1,231,860	1,105,585	(126,275)
PBC Sheriff & PBC Fire Rescue	4,268,225	4,129,720	(138,505)
Capital Outlay	5,000	0	(5,000)
Debt	337,365	421,040	83,675
Non-Departmental	787,735	686,705	(101,030)
Total	8,955,965	8,493,965	(462,000)

# Breakdown of Expenditures



# Workforce Reduction

Since 2007 there has been a  
**29%** reduction in the workforce

# **FY 2012 Proposed Personnel Changes**

## **(In the General Fund only)**

- Community Development Department
  - Administrative Assistant
  - Code Enforcement Officer
  - Planner I FT>PT (30 hrs/wk)
- Grounds Maintenance Division
  - Irrigation Technician FT>PT (30 hrs/wk)
- Library
  - PT Library Assistant II

# Expenditure Highlights

- No COLA
- No Merit Raises
- Reduction in Pension Benefits      \$24,000
- Twelve (12) Furlough Days Scheduled -  
    \$80,000 General Fund savings  
    \$110,300 Town-wide savings
- No Travel Budgets
  - Commission Travel Budget remains at \$5,000
- No Capital Outlay

# Departmental Changes

## ■ Town Commission

- Salaries **do** reflect the 1.92% pay reduction for 5 furlough days, they **do not** reflect the additional 2.68% for additional 7 days
- Travel Budget \$5,000 (\$1,000/person)

# Changes - continued...

- **Legal Department**
  - Reduced by \$38,000
- **Public Works Department**
  - **Grounds Maintenance Division**
    - Reduced Irrigation Tech to PT 30 hrs/wk
      - Savings of \$18,350

# Changes - continued...

## ■ **Police**

- Reduction of \$50,335 due to a negotiated decrease with the elimination of 4 crossing guards

## ■ **Fire Rescue**

- No millage increase - currently 3.4581 mills
- Contractual savings of \$88,170 due to declining property values

# Changes - continued...

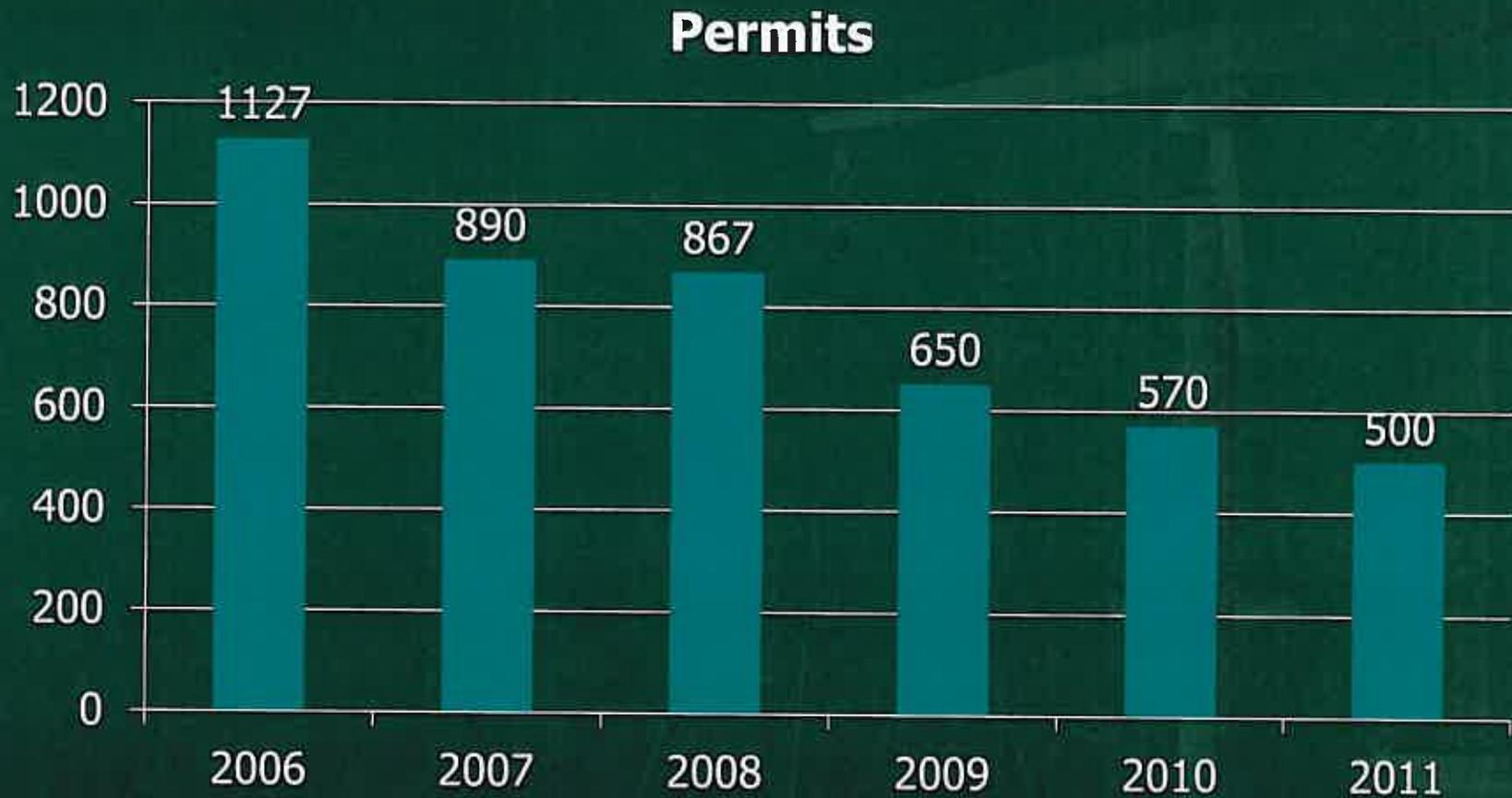
## ■ **Community Development**

- Elimination of Code Compliance Inspector (\$56,500)
- Elimination of Administrative Assistant (\$51,250)
- Reduced Planner I from FT to PT (30/hrs/wk) for savings of \$16,950
- Decrease to building inspections services contract of \$7,550. Cumulative decrease over last three years of \$33,250.
- EAR amendments not required until 2016

# Building Permit Revenue



# Number of Permits Issued



# Average # of Permits per Day

2 permits per day

# Building Services Inspections

HY-BYRD INSPECTIONS July 2010 - June  
2011 (12 months)

	# Building Permit Inspections	# New Business Zoning Certificate Inspections	# Total inspections	# Working days in the month	Average # inspections per day (rounded up)
Jun-11	153	5	158	22	8
May-11	104	10	114	21	6
Apr-11	100	8	108	20	6
Mar-11	86	7	93	22	5
Feb-11	80	3	83	20	5
Jan-11	83	10	93	20	5
Dec-10	81	9	90	21	5
Nov-10	76	4	80	18	5
Oct-10	102	14	116	21	6
Sep-10	93	6	99	20	5
Aug-10	131	8	139	22	7
Jul-10	136	8	144	20	8
<b><u>AVERAGE</u></b>	<b>102</b>	<b>8</b>	<b>110</b>	<b>21</b>	<b>6</b>

# Changes - continued...

## ■ Recreation

### ■ Summer Camp Program – Fee Increase

- Increase from \$55/ week to \$110/ week

### ■ Program Costs for 8 wk Program

- Labor \$15,000
- Trips/Supplies/Gas \$11,500
- Total \$26,500

- Cost per Child \$110/week

Estimated attendance of 30 children

# Changes - continued...

## ■ Library

- Eliminated PT Library Assistant II
- Library Materials Budget Cut \$13,000, 56.5%
- Restructured Library hours still at 40 hrs/wk

	<u>Current Hours</u>	<u>Proposed Hours</u>
Monday	Noon – 8 pm	Closed
Tuesday	Noon – 8 pm	9 am – 8 pm
Wednesday	9 am – 5 pm	9 am – 8 pm
Thursday	9 am – 5 pm	9 am – 8 pm
Friday	9 am – 1 pm	Closed
Saturday	9 am – 1 pm	9 am – 4 pm
Sunday	Closed	Closed

# Changes - continued...

- **Non-Departmental**

- TIF payment to CRA down \$34,000
- Required contribution to Retired Police Pension Fund \$84,250
- \$ 250,000 Transfer to CRA - Delinquent TIF

# 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              \$ 769,000

**Debt Service Millage Rate 1.82**

(Current Rate 1.70 mills)

# OVERVIEW



# Discussion and Alternatives

- Consensus on the Operating Millage Rate

**Presented at 8.5163**

- Debt Rate will be 1.8200 mills
- These rates must be to the Property Appraiser by August 4th

# Options

- Option # 1 - Current Rate 8.5163
- Option # 2 – Halfway to Rolled-back Rate 8.7325
  - Additional \$85,200
- Option #3 – Rolled-back Rate 8.9488
  - Additional \$170,500
- Option # 4 – One Mill Incr. 9.5163
  - Additional \$394,150

# Comparative Examples

- Example A

Assessed Value of Home	\$75,000
Less: Homestead Exempt.	<u>(50,000)</u>
Taxable Value	\$25,000
Taxes at Current Rate	\$212.91
Taxes at Rolled-back Rate	\$223.72
Change	\$ 10.81

# Comparative Examples – Cont.

- Example B

Assessed Value of Home	\$100,000
Less: Homestead Exempt.	<u>( 50,000)</u>
Taxable Value	\$ 50,000
Taxes at Current Rate	\$ 425.82
Taxes at Rolled-back Rate	\$ 447.44
Change	\$ 21.62

# Comparative Examples – Cont.

- Example C

Assessed Value of Home	\$150,000
Less: Homestead Exempt.	<u>( 50,000)</u>
Taxable Value	\$100,000
Taxes at Current Rate	\$ 851.63
Taxes at Rolled-back Rate	\$ 894.88
Change	\$ 43.25

# Public Hearings

- By Statute the hearings cannot be held before Sept. 3rd
- First Public Hearing on the budget will be scheduled for September 7<sup>th</sup> at 7:00 PM (advertised in the TRIM notice)
- Final Public Hearing will be scheduled for September 21<sup>st</sup> at 7:00 PM

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

# STREETS & ROADS FUND

■ Total Budget		\$ 378,210
■ Furlough Savings		\$ 4,100
■ Pension Savings		\$ 2,125
■ Capital Outlay		\$ 39,100
■ Sidewalk Improvements	\$30,000	
■ Closure – Poplar Ct.	\$ 5,000	
■ Concrete Grinder	\$ 4,100	

# SANITATION FUND

- Total Budget \$ 1,527,850
- No Rate Increase Proposed
- Loss of Commercial Revenue due to Business Closures and Service Reductions
  - \$45,000
- Expenditure Increases
  - Workers' Comp. \$12,920
  - Health Ins. 13% \$34,405

# Sanitation - continued

- Furlough Savings \$ 16,950
- Pension Savings \$ 3,600
- Re-organization
  - Eliminate 4 Equip. Operator II Positions
  - Establish 2 Equip. Operator III Positions
  - Net Loss of Positions – 2
    - Savings \$ 76,000
- No Capital Outlay
- Debt Service (2015) \$112,275

# MARINA FUND

■ Total Budget \$1,209,600

- No Dockage Rate Increase Proposed
- Proposed Elimination of Parking Fees at Sunset Celebrations

■ Furlough Savings	\$ 6,150
■ Pension Savings	\$ 1,600
■ Security Contract Reduction	\$ 20,850
■ Dock Attendant FT>PT	\$ 14,950

# STORMWATER UTILITY FUND

- Total Budget \$ 503,000
  - Rate per Equivalent Stormwater Unit (ESU)  
\$ 6.50 per month, \$ 78.00/YR, no increase is proposed for next year.
  - Furlough Savings \$ 3,100
  - Pension Savings \$ 700

# Stormwater – continued...

- Offset to General Fund Expenses      \$ 78,000
  - For stormwater activities performed by General employees
  
- Debt Service      \$ 108,475
  - Vac-con Truck (2014)      \$61,975
  - Alleyway Drainage (new) \$46,500
  
- Transfer to Capital Reserve      \$ 16,430

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# Commission Comments



# AGENDA

Lake Park Town Commission  
Town of Lake Park, Florida  
Budget Workshop  
Wednesday, July 27, 2011, 6:00 P.M.  
Lake Park Town Hall  
535 Park Avenue

<b>James DuBois</b>	—	<b>Mayor</b>
<b>Kendall Rumsey</b>	—	<b>Vice-Mayor</b>
<b>Steven Hockman</b>	—	<b>Commissioner</b>
<b>Jeanine Longtin</b>	—	<b>Commissioner</b>
<b>Tim Stevens</b>	—	<b>Commissioner</b>
.....		
<b>Maria V. Davis</b>	—	<b>Town Manager</b>
<b>Thomas J. Baird, Esq.</b>	—	<b>Town Attorney</b>
<b>Vivian M. Lemley, CMC</b>	—	<b>Town Clerk</b>

PLEASE TAKE NOTICE AND BE ADVISED, that if any interested person desires to appeal any decision of the Town Commission, with respect to any matter considered at this meeting, such interested person will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. *Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Town Clerk's office by calling 881-3311 at least 48 hours in advance to request accommodations.*

- A. CALL TO ORDER
- B. PLEDGE OF ALLEGIANCE
- C. ROLL CALL
- D. DISCUSSION
  - 1. General Fund
  - 2. Debt Service Fund
  - 3. Streets and Roads Fund
  - 4. Enterprise Funds
- E. ADJOURNMENT