



**Minutes  
Town of Lake Park, Florida  
First Public Hearing on the  
Tentative Budget,  
Wednesday, September 7, 2011, 7:00 p.m.  
Town Commission Chamber, 535 Park Avenue**

The Town Commission met for the purpose of the First Public Hearing on the Tentative Budget on Wednesday, September 7, 2011 at 7:00 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steven Hockman, Jeanine Longtin, Tim Stevens, and Town Manager Maria Davis, Town Attorney Thomas Baird, and Town Clerk Vivian Lemley.

Mayor DuBois led in a moment of silence and the pledge of allegiance. Town Clerk Vivian Lemley performed the roll call.

**ADDITIONS/DELETIONS/APPROVAL OF AGENDA**

None

**Motion: A motion was made by Commissioner Hockman to approve the Agenda; Commissioner Stevens made the second.**

Vote on Motion:

Commission Member	Aye	Nay	Other
Commissioner Hockman	X		
Commissioner Longtin	X		
Commissioner Stevens	X		
Vice-Mayor Rumsey	X		
Mayor DuBois	X		

Motion passed 5-0

**PUBLIC HEARING:  
Tentative Budget**

Mayor DuBois explained that staff would provide a report on the budget, followed by Public Comment and then the Commission would deliberate.

**A. Staff Report** – Finance Director Anne Costello presented the budget presentation. (See Exhibit A). She presented a brief overview of the tentative budget.

She explained the Statutory Truth In Millage (TRIM) Requirements state that the first substantive issue that must be discussed is the percentage increase in millage over the rolled-back rate necessary to fund the budget, if any, and the specific purposes for which ad valorem tax revenues are being increased (s.200.065(2)(e)1.,F.S.). (slide 2 of Exhibit A).

She explained the Tentative Millage rate proposed as 8.9488, which is the rolled-back millage rate. She explained that the current millage rate is 8.5163, which is zero percent above the rolled-back rate, which one mill would generate \$424,695. (slide 3 of Exhibit A).

She stated that the Assessed Taxable Values for fiscal year 2011 is \$472,063,047. For fiscal year 2012 is \$472,046,417, a loss of \$25,016,630 in value for a total loss of tax dollars of \$202,400, or 5.3 percent decrease in taxable value. (slide 4 of Exhibit A)

She stated that total revenue for the general fund is anticipated to be \$8,493,965, which is comprised of property taxes for operating purposes, tax revenues that will be paid to the CRA, other revenues, shared revenues, and transfers. She stated that other revenues consist of business tax receipts; utility tax services taxes on gas, electric and water; franchise fees for electric, gas, and solid waste; building permits; parking fees; charges for services; and administrative fees and fines. She explained the State Shared Revenues includes entitlement proceeds; communication services and half cent sales tax revenue. (slide 5 of Exhibit A).

She explained that Breakdown of Revenue from slide 6 of Exhibit A.

She explained the General Fund Expenditures and stated that since the revenues were down there was a \$462,000 shortfall, which is demonstrated in slide 7 of Exhibit A.

She explained the Breakdown of Expenditures as shown on slide 8 of Exhibit A.

She explained the Expenditure Highlights as shown on slide 9 of Exhibit A. She explained that the Library hours have been restructured to remain at 40 hours, as shown on slide 10 of Exhibit A.

She explained the FY 2012 Proposed Personnel Reductions from the General Fund (slide 11 of Exhibit A).

She then explained the Debt Services Fund (slide 13 of Exhibit A) and explained that this is the portion that is levied to pay the 1997 and 1998 bonds with a total annual debt service of \$769,000. She stated that the proposed debt service millage rate is 1.82.

On slide 14 of Exhibit A, she explained that the Sanitation Fund had a total budget of \$1,527,850 with no proposed rate increase. She explained the re-organization of the Sanitation Fund on slide 15 of Exhibit A.

She gave a brief overview of the other funds (Streets and Roads, Marina, and Stormwater Fund) on slide 16 of Exhibit A.

She explained an adjusted proposal on slide 18 of Exhibit A. She stated that this proposal involved furlough and pay cuts according to the graduated scale that Commissioner Stevens had suggested. She explained that it would be affecting 23 people in the under \$50,000 range, five in the \$50,000 to \$60,000 range, three in the \$61,000 to \$72,000 range, two in the \$73,000 to \$84,000 range, and two in the \$85,000 and up range. She stated that with the proposed furlough days and pay cuts there would be a savings of \$53,860.

Vice-Mayor Rumsey stated that the only question he had was what were the numbers (five, three, two, two) representing. He stated that she already answered that question.

Mayor DuBois asked if because it causes a problem to reduce the salaries that are already at the bottom of the pay scale are the two and half days of furlough offered in lieu of the pay cut.

Finance Director Costello stated that was correct.

Mayor DuBois stated that it was because we could not really offer someone a job at an entry level base pay scale and then cut the base pay.

Finance Director Costello stated that was correct and the one percent was carried to all the other levels of salary.

Mayor DuBois asked if it was possible to take more furlough days but not possible to reduce pay when it is already at the base.

Finance Director Costello stated that was correct. She explained that the pay plan was part of the collective bargaining agreement and in order to accomplish this, the pay plan would need to be adjusted. She explained that the furlough days do not affect the pay plan and the ranges of the positions.

Starting at slide 19 of Exhibit A, she explained the proposal of Alternate A which is a millage which is below the rolled-back rate of 8.9488. She stated that within the existing proposed plan budget, there were additional savings of \$78,150 which would bring us back to the 8.5163, but with Alternate A they add back in the Code Officer, Administrative Assistant, and re-instate the Irrigation Technician back to full-time. She stated that the additions would be \$132,515 for a millage rate of 8.8525.

Finance Director Costello explained Alternate B on slide 20 of Exhibit A. She stated that the additional savings were identical as in Alternate A. She explained that with Alternate B, the additions would be for a Code Officer and re-instatement of the Irrigation Technician to full-time for a total of \$80,400 which equates to a millage rate of 8.7202.

She moved on to Alternative C on slide 21 of Exhibit A. She stated that the additional savings were identical to Alternative A. She explained that Alternative C had the additions of the Administrative Assistant and the re-instatement of the Irrigation Technician to full-time for a total of \$68,650 which equates to a millage rate of 8.6905.

On slide 22 of Exhibit A, she gave a recap of Alternatives A, B, and C.

She presented slide 23 of Exhibit A which showed the effect on a \$70,000 home with Homestead Exemption at each of the millage rates.

She explained the effects on a \$100,000 home with Homestead Exemption at each of the rates on slide 24 of Exhibit A.

She explained the effects on a \$125,000 home with Homestead Exemption at each of the rates on slide 25 of Exhibit A.

On slide 26 of Exhibit A, she explained the parking decal proposal for residents only. She explained that this decal would be for \$45.00, valid during January 1 through December 31, can only be used at single space meters, and cannot be used at the Lakeshore Park lots or the Marina. On slide 27 of Exhibit A, she explained the parking decal proposal for residents and non-residents. She explained that the price would be \$100.00, valid during January 1 through December 31, and can be used in all lots. She stated that if it was purchased in November 2011, they would get two months free.

Mayor DuBois asked if anyone had any questions about the presentation.

Commissioner Longtin stated that she asked if we had a hurricane, do we have emergency money set aside for that. She stated the answer was yes. She asked where those funds were and the amount. She asked if that was the reserves.

Town Manager Davis stated that it was the reserves. She explained that we have General Fund reserves as well as Sanitation reserves.

Commissioner Longtin asked how much is in the General Fund reserves right now.

Finance Director Costello stated that as of the last audit report, the balance was \$500,521.

Town Manager Davis stated that we have over \$550,000 in the Sanitation Fund reserves.

Mayor DuBois asked if it was appropriate to use the Sanitation reserve.

Town Manager Davis stated that it was a due to/ due from account, so we could. She stated that we would have to pay it back, but yes, we could.

Mayor DuBois asked if we would have to pay it back from the General Fund to the Sanitation Fund and was there any aspect of emergency recovery that it comes under the heading of Sanitation.

Town Manager Davis stated that some of it would, such as debris removal.

Commissioner Longtin asked if this budget is passed, will the ad valorem study come back to the Commission.

Town Manager Davis stated "yes."

Commissioner Longtin asked if they were approving the whole process through this action.

Town Manager Davis stated "absolutely not."

Finance Director Costello stated that this amount was just an estimate of what it might cost to engage a firm to do the rate study. She stated that all the information would come back to the Commission prior to going forward.

Commissioner Longtin stated that she had other questions concerning the ad valorem study, but would ask them when it actually came up as an agenda item.

Commissioner Hockman asked if it was the County that told us the values had dropped.

Finance Director Costello stated that it was the Property Appraisal's Office that presents those values to us July 1 of every year.

Commissioner Hockman stated that he had gotten his proposed tax budget and his home had increased six percent in value and was sure everyone's had gone up if his had gone up.

Some on the dais had commented that their values did not go up.

Finance Director Costello explained that Homesteaded properties still below the market were increased one and half percent this year, but if you are below that it may have gone up or down depending on the values in your neighborhood. She stated that overall, the values in Town, commercial and residential, decreased by .3 percent. She stated that the Property Appraisers certify that to us on July 1 of each year.

Commissioner Hockman asked if any of these numbers showed us anything on the insurance at this point as far as the savings.

Finance Director Costello stated that they have already incorporated the savings into these figures. She stated that this was just based on a general discussion and no decision has been made because they are still in negotiations with the collective bargaining unit.

Mayor DuBois stated that he understood the 8.9 rolled-back rate was reduced to 8.85 based on the sum of the savings they found between the first workshop and now.

Finance Director Costello stated that the savings were incorporated into the alternative proposals A, B, and C in order to provide reductions in the furlough days at the wishes of the Commission and also to give different scenarios of possible changes.

Town Manager Davis stated that they really wanted to emphasize that they came up with the alternatives by compiling up all the comments from the Commission and tried to package them and it was not an easy task this year.

Mayor DuBois asked if it was fair to say that it was a compilation of Commissioner comments and savings that they found brought us from the rolled-back rate of 8.9 to the now 8.85.

Finance Director Costello stated that was correct.

Commissioner Longtin stated that the things she proposed are not in there. She stated that she proposed a ten percent cut across the board for everyone, including the Commission as well as a different insurance, and that the tax payers not pay for 50 percent of employees family and maybe just 25 percent of the family coverage. She stated that she just wanted the public to know this information because she gets questions. She stated that she did query some of that and did not see that in here.

Vice-Mayor Rumsey asked if we were doing a payment to the CRA for \$250,000.

Town Manager Davis stated that it was \$260,000.

Vice-Mayor Rumsey asked if they could explain that.

Town Manager Davis asked if he was referring to the delinquent Tax Increment Financing (TIF) for the CRA.

Vice-Mayor Rumsey stated that he was.

Town Manager Davis stated that he was correct then, it was \$250,000.

Finance Director Costello stated that it was provided for in the revenue. She explained that due to the non-payment of the TIF from the Town to the CRA from 2000 to 2007, the Town is obligated to make payments for the TIF, penalties, and interest. She stated that the Commission that was in place in 2007, made the decision to pay it over a period of years at a rate of \$250,000 a year.

Vice-Mayor Rumsey asked if that was an Ordinance or an agreement and how was that number decided.

Finance Director Costello stated that was by Commission consensus in 2007.

Vice-Mayor Rumsey asked if by Commission consensus they could change that number.

Finance Director Costello stated that she believed they could. She stated that they would just have to make the payment over the period of time the Commission decides.

Vice-Mayor Rumsey asked if the CRA Board would have to approve that.

Town Manager Davis stated that the Commission can just change it.

Vice-Mayor Rumsey stated that he was going to reserve the rest of his comments until the public has had an opportunity to speak.

Commissioner Longtin stated that the Commission can actually vote to not pay either the penalty or the interest on the delinquent payments.

Town Manager Davis stated that it was the penalty and it is for \$69,000.

Commissioner Longtin stated that it would be a Commission decision.

Commissioner Stevens asked about slide 18 on Exhibit A. He stated that we were already at five furlough days which is the equivalent to 1.9 percent pay cut.

Finance Director Costello stated that was correct.

Commissioner Stevens asked if the initial proposal of 12 furlough days was equivalent to a 4.6 percent pay cut.

Finance Director Costello stated that was correct.

Commissioner Stevens asked if under the "hybrid" model, the pay cut actually goes from a 4.6 percent pay cut to a 2.9 percent pay cut.

Finance Director Costello stated that was correct.

Commissioner Stevens asked if the only employees with greater percentages of cuts are the two employees in the \$85,000 and up category.

Finance Director Costello stated that was correct.

Commissioner Stevens asked if that was only by .3 percent increase.

Finance Director Costello stated that was correct.

Mayor DuBois asked about the proposal on slide 18 of Exhibit A. He asked if it was a combination of furlough days and pay reductions in which those that were at the \$50,000 mark also had a reduction in pay anywhere from .5 percent to two percent on top of furlough days.

Finance Director Costello stated that was right. She explained that there are no employees that are in the collective bargaining unit that are in those pay ranges.

Commissioner Longtin stated that the collective bargaining agreement has not been agreed upon, so now is the time to make changes if we are going to do that.

## **B. Public Comment:**

1. *Susan Lloyd, 220 Lake Shore Dr.* – expressed her feelings about the budget and insurance (see Exhibit B)
2. *Brent Headberg, 220 Lake Shore Dr.* – expressed concern regarding the Marina and the financial condition it is in and he wanted the Commission to do something about it.
3. *Jim Lloyd, 220 Lake Shore Dr.* – expressed concern regarding the budget process and his feelings on grants.
4. *Janet Perry, Park Ave.* – expressed her opinion regarding the proposed budget and insurance.

## **C. Commission Deliberation:**

**Commissioner Hockman** stated that he was still having a hard time trying to figure out the budget. He stated that there were numbers he felt that could still be cut to get the budget balanced without raising rates. He stated that he understands that it is only a few dollars more for the residents, but there has to be cuts. He stated that he believes there are a lot of cell phones and phone lines that we do not need. He stated that he is not happy with the budget and does not want to see his taxes go up. He stated that he knows they talked about the insurance and how much that saved us, yet we are still talking about raising rates. He informed everyone that he is confused on the budget as everyone else is and probably will be for awhile and has many concerns about the budget.

**Vice-Mayor Rumsey** stated that he agrees that the budget is very hard to follow and there are a lot of things that are still up in the air, however, it is still the Commission's responsibility to do their best to follow these things and their responsibility to get in there and ask questions and come with ideas that they find will benefit the budget. He stated that some have made proposals throughout the process and those ideas have been reflected. He stated that he believes some proposals were not reflected, such as Commissioner Longtin's suggestions, and should have been shown as an option. He thanked Commissioner Longtin for her tenacity of the insurance issue. He stated that he does not necessarily agree with her final outcome of what should be done, however, he felt that the Town owes her a debt of gratitude because we are saving \$30,000 to \$50,000 because she pressed the issue.

He stated that he had a couple of other possibilities of things we can do to get the budget closer to the 8.5. He stated that he does not like the idea that we are looking to cut employees, cut benefits, cut services, but yet the Commission is still being asked to pay \$250,000 towards the CRA for a "sin" that was not ours that was done years ago. He stated that he understands that we have responsibilities and the responsibilities of our predecessors, but we are in a different time now. He stated that when we are looking at cutting benefits or employees, he feels that we have an obligation to the Community to look at the numbers we are putting to the CRA. He stated that his recommendation would be instead of paying back \$250,000 to the CRA, we reduce it to \$100,000. He

stated that this would allow us to keep \$150,000 in the General Fund budget. He stated that of that \$150,000, he would like to see \$75,000 put in reserves because the reserves are dangerously low. He stated that he would like to see us operating on Alternative A (slide 19 of Exhibit A) as our option for this budget. He stated he would like us to utilize Alternative A, put \$150,000 back in the budget with \$75,000 of that towards reserves, utilize Cigna Option #3 of the insurance plan, and move the furlough days back to the five furlough days. He stated that he is not sure where those numbers get us, but he thinks it will get us a lot closer to the 8.5. He stated that he would like to see this plan spelled out for the next meeting.

He asked if the millage rate they decide on tonight could continue to go down and not go up.

Town Manager Davis stated that was correct.

Vice-Mayor Rumsey asked if he were to make a motion for a millage rate of 8.8525 (Alternative A) along with his idea, and it made it to the 8.5, could they still approve the millage rate at the lower number.

Finance Director Costello stated that was correct. She stated that it could be done at the Final Public Hearing on September 21, 2011.

Town Manager Davis stated that Vice-Mayor Rumsey's idea about using the TIF was brilliant. She stated that they would have to research that because statutorily, she was not sure they could do it. She stated that the auditors have told them they are already holding it longer than they would like and secondly, we would be paying more interest. She stated that she does think it is definitely possible.

Vice-Mayor Rumsey asked if when he asked the question earlier of whether or not the amount of the repayment could be changed, the Finance Director told him it could be done.

Finance Director Costello stated that the Commission could change that, but she was not sure they can change the amount of the repayment. She stated that she would have to do the research. She would also have to research whether or not we could use that reduction because it is not current year revenues.

Vice-Mayor Rumsey stated that he would also like to get the Attorney's opinion as well. He stated that he knows the Attorney may have to do some research on it as well, so he could get back to him at the next meeting.

Attorney Tom Baird stated that he understood the prior Commission decided on the repayment schedule and does not know of any reason why this Commission cannot change its repayment schedule. He stated that the auditors may be concerned that we are not paying it back fast enough, but he was not sure the basis of that concern. He stated that he saw nothing in that statute that suggests there is a certain time table to cover interest and penalty from an entity that failed to pay the TIF increment.

Mayor DuBois asked if this was a reduction of payment from the Town to the CRA that puts off what is owed, but then replaces from the end of the payment to the backend of the payment.

Vice-Mayor Rumsey stated that was correct. He stated that he did not want to forgive the loan by any means; we owe it and should pay it. He stated that he just wanted us to push it back to a later date.

**Commissioner Stevens** stated that he agreed with Commissioner Hockman that this is very complicated, but thinks we are doing this a bit backwards. He stated that he feels we should be looking at each individual issue and forming a millage rate that would cover the cost of those issues. He stated that with Vice-Mayor Rumsey's proposal for the CRA, he suggests the Commission just waives the \$68,000 penalty which would reduce it to \$181,000. He stated that the concern he had about reducing the payment would be the longer we delay repayment to the CRA, the more interest we will have to pay on that debt. He stated that we are already paying 1.82 mills to pay off our current existing debt and this would increase our burden even further. He stated that he would be fine with reducing the \$250,000 to \$181,000 and paying that and possibly delaying the payment, but wants to avoid "kicking the can down the road."

He stated that for the health alternatives he is okay with alternative #2 or #3 with Cigna.

He stated that he is disappointed with Palm Beach Sheriff's Office (PBSO) and Fire Rescue. He stated that right now we are paying PBSO \$2.9 million for 23 officers. He stated that in these economic times, they should work with us more.

He stated that to preserve existing businesses and attract new businesses and to lessen the burden on our existing residents, he would like to keep the millage at 8.5, if possible. He suggested the way to do that is going with the hybrid model of furlough days and salary cuts, canceling the newsletter and re-doing the website. He stated that he does want to pursue the non-ad valorem study to increase chances of possible annexation. He stated that he was looking at the Alternative A and keep the non-ad valorem study, keep the annexation, keep the transfer to reserves, and cut the Administrative Assistant, Code Enforcement Officer, and keep the Irrigation Technician at part-time, if that was feasible. He stated that if that was not acceptable, then another option would be to use Alternate A, keep either the Administrative Assistant or the Code Enforcement Officer and offset their wage with the penalty amount from the TIF. He stated that we could use that penalty offset or cut out the non-ad valorem study, annexation, or the transfer to reserves. He suggested that another way to do that would be if we kept the Code Officer's salary, that would reduce the Code Officer's salary to \$53,000 and if we kept the Administrative Assistant then we would just be keeping that position. He stated that if we kept the Code Enforcement position and eliminated the other two positions, we could make that position a part-time position or cut the non-ad valorem study and annexation, and play with furlough days and additional pay cuts. He stated that he felt we should go at this in terms of the actual issues and then form a millage rate from that.

**Commissioner Longtin** asked if we could stop the interest charge from the CRA.

Town Manager Davis stated that the statutes are very clear on that.

Commissioner Longtin stated that she was not happy with this budget on many levels. She stated that if we cut salaries by ten percent across the board, which would be around \$215,000, make the changes in the insurance with alternate plan #4, and cut tax payer contribution down to 25 percent for family coverage, which would bring around \$90,000, these changes would help make up the deficit. She stated that she did agree with waiving the penalty of \$69,000 for the CRA. She asked if that \$69,000 was the total amount due or just up to this date.

Town Manager Davis stated that was the total amount due.

Commissioner Longtin stated she agreed with Vice-Mayor Rumsey in that it was a Town employee that made the error and a whole bunch of people who overlooked it, and now we are penalizing the tax payers. She stated that she was not in favor of increasing the tax rate and she was not in favor of furlough days because we are preventing the tax payers accessing the services which they are paying for. She stated that she did not want cuts to Code Compliance and did not want cuts to the newsletter, but she did want it to change-more informative, less glossy. She stated that it was sad that we have no capital improvements. She stated that over all, she does not trust these numbers. She stated that in the beginning of this process, she questioned the parking meters budget not including any labor costs and because if one thing is incorrect she will question the whole budget. She stated that basically what she wants is a ten percent cut across the board, including the Commission and stop making the tax payer pay for 50 percent of the employee's family coverage.

**Mayor DuBois** stated that since we began this process, he has heard the Commissioners direct staff and each other to think about maintaining services, reduce taxes, save positions, and task staff to find savings. He stated that he thinks that those things have been done to some extent on all three of the alternatives. He stated that he thought staff has offered everyone here some aspect of what they were asking for, maybe not all, but some portions. He stated that the "hybrid" alternative seems to be a good example of it being that there was a cut back in furlough days and contribution of incentive reductions. He stated that every one of the alternatives tends to give someone some pain. He stated that he appreciates Vice-Mayor Rumsey's offer and suggestion and he appreciates Commissioner Stevens' offer of reducing the penalty. He stated that reducing the penalty and adjust Vice-Mayor Rumsey's amount by that penalty and get ahead or contribute that penalty to pay down the debt that we owe and continue on a faster track. He asked when the time line would be that this is due.

Town Manager Davis stated that if we continued on as we are, we would be done by 2014.

Mayor DuBois stated then we would be done by 2015 to 2017 if we make changes. He stated that it is a good suggestion and would help with the rolled-back rate. He stated that there was already a reduction in the 8.9 down to 8.85 by being efficient and the combination of Commissioner Stevens and Vice-Mayor Rumsey's suggestions could

bring it down even more. He stated that he is in support of Alternative A as modified by the combination of Commissioner Stevens and Vice-Mayor Rumsey's suggestions.

He asked for a motion for the Resolution. He asked how a motion would be made being that they were not sure what the suggestions would bring to the millage rate.

Finance Director Costello stated that they could make a motion to approve the tentative millage at 8.8525 and then later they could come down from there or they could make it at the rolled-back rate of 8.9 and come down from there.

Town Manager Davis stated that she wanted to remind the Commission that with the TIF issue, there is also debt service.

Vice-Mayor Rumsey stated that is why he asked that it be included with his and Commissioner Steven's ideas.

Mayor DuBois stated that we probably will not get all of what Vice-Mayor Rumsey has suggested just because there are certain efficiencies that have to be dealt with.

Vice-Mayor Rumsey stated that it still gives you the option to utilize Alternative A if neither of the ideas are approved.

**Motion: A motion was made by Vice-Mayor Rumsey to approve Resolution 28-09-11 to set the tentative millage rate at 8.8525 with proposals from Vice-Mayor Rumsey and Commissioner Stevens; Commissioner Stevens made the second.**

Commissioner Stevens asked if we go forward with the 8.8525 and cannot reach an agreement at the next meeting, would it automatically stay at the 8.8525 or just be at an impasse.

Finance Director Costello stated that she would have to research it, but she believed they would have to adopt the millage rate.

Attorney Baird stated that by law they would have to adopt a resolution setting a millage rate.

Mayor DuBois stated that they have already made progress even from the rolled-back rate. He stated that they will have to work hard, but they have made progress.

Commissioner Stevens stated that you can call it whatever you want, but going from 8.5 to 8.8525 or 8.9 it is still an increase in the millage rate.

Mayor DuBois stated that it is not what he calls it; it is what State Statute calls it.

Commissioner Stevens asked if we vote to adopt this 8.85 rate, and cannot reach any sort of agreement at the next hearing, are we stuck with the 8.85 millage rate.

Vice-Mayor Rumsey stated that regardless if the \$86,000 that Commissioner Stevens has proposed comes back, they are going to reduce the 8.8 millage rate.

Finance Director Costello stated that you must adopt a tentative and final millage and it does not just automatically set at this rate. She stated that they must agree on a final rate at the next hearing. She stated that it must be done at both hearings per statute.

Mayor DuBois stated that he knew Commissioner Stevens' concern was with why Vice-Mayor Rumsey framed the motion up at 8.85 to include the proposals instead of at 8.9. He stated that they wanted to start out lower than the 8.9 so they could continue to move down. He stated that staff has been instructed to look for further savings and apply it to the millage and hopefully it will move down.

Commissioner Stevens stated that Finance Director Costello answered all his questions.

Commissioner Hockman stated that he would like to start at a tentative 8.5 and work down to 8.1. He stated that he does not want to raise taxes. He stated that it is really hard to understand this process and he has put a lot of time into this because there are a lot of numbers to deal with. He stated that he believes there are still a lot of things that could be cut. He stated that we are talking about cutting, but yet still talking about increasing the taxes and it does not make sense to him. He stated that he finds it hard to go for a tentative 8.8.

Mayor DuBois stated that he does understand the confusion, but the Town does need something to operate on and the values that the assessments are based on have been dropping. He stated that at some point we have to adjust for that. He asked if there was an opportunity to make a budget amendment later on in the fiscal year.

Town Manager Davis stated "yes."

Mayor DuBois stated that if we end up saving money, we can amend the budget. He stated that he does not believe we can amend it above what we currently have, but can always work at this.

Vote on Motion:

Commission Member	Aye	Nay	Other
Commissioner Hockman		X	
Commissioner Longtin		X	
Commissioner Stevens	X		
Vice-Mayor Rumsey	X		
Mayor DuBois	X		

Motion passed 3-2

Mayor DuBois stated that the next item on the agenda was to approve the Resolution 29-09-11 for the tentative budget.

**Motion: A motion was made by Vice-Mayor Rumsey to approve Resolution 29-09-11 to set the tentative budget; Commissioner Stevens made the second.**

Commissioner Longtin stated she had no questions.

Commissioner Stevens stated that Finance Director Costello explained section four about the mills jumping from 1.8 from 1.7, so he understands it.

Vice-Mayor Rumsey stated that he had no questions.

Commissioner Hockman stated that he had no questions.

Vote on Motion:

Commission Member	Aye	Nay	Other
Commissioner Hockman	X		
Commissioner Longtin		X	
Commissioner Stevens	X		
Vice-Mayor Rumsey	X		
Mayor DuBois	X		

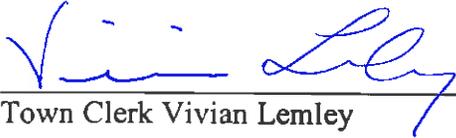
Motion passed 4-1

**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 Hockman, and by unanimous vote, the meeting adjourned at 8:30 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**

## **Final Public Hearing**

**Brief Overview of Tentative Budgets**  
**Fiscal Year 2011 - 2012**

*Exhibit A*

# **Statutory (TRIM) Requirement**

- The first substantive issue that must be discussed shall be the percentage increase in millage over the rolled-back rate necessary to fund the budget, if any, and the specific purposes for which ad valorem tax revenues are being increased (s.200.065(2)(e)1., F.S.).

# TENTATIVE MILLAGE

## TENTATIVE MILLAGE RATE

8.8525

(The Rolled-Back Millage Rate is 8.9488)

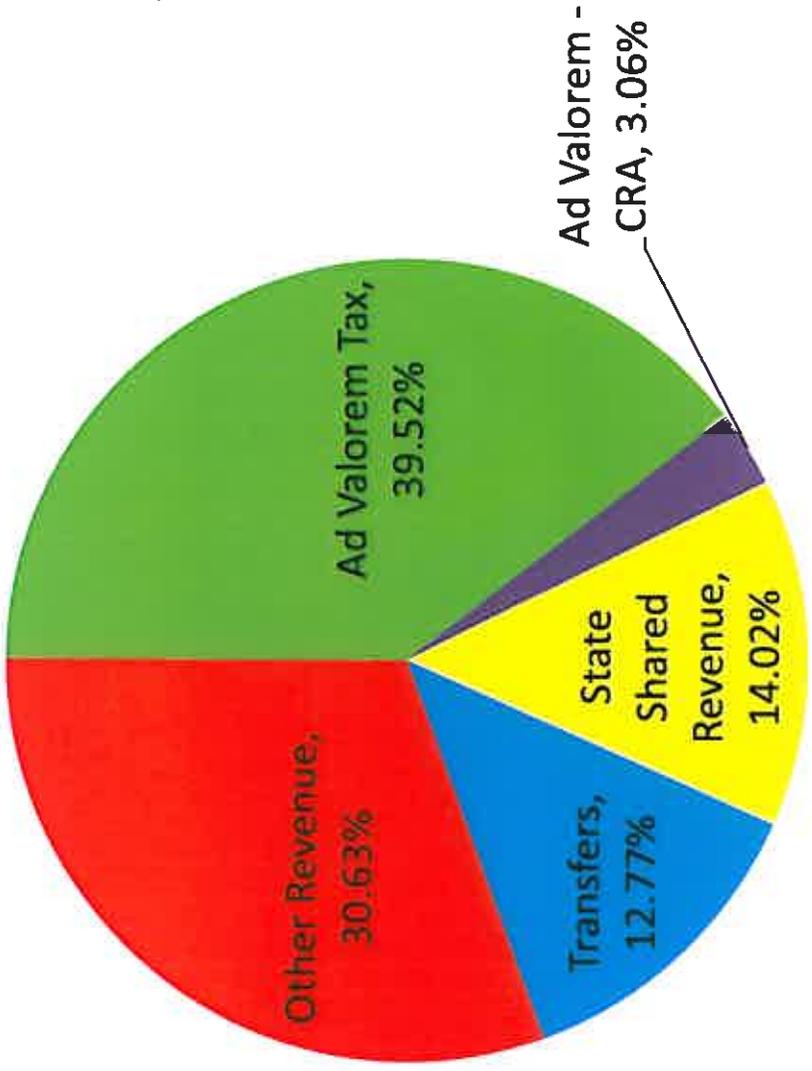
- Current year millage rate is 8.5163
- Tentative millage is 1.08% below the rolled-back rate
- One mill generates \$424,695

# Assessed Taxable Value

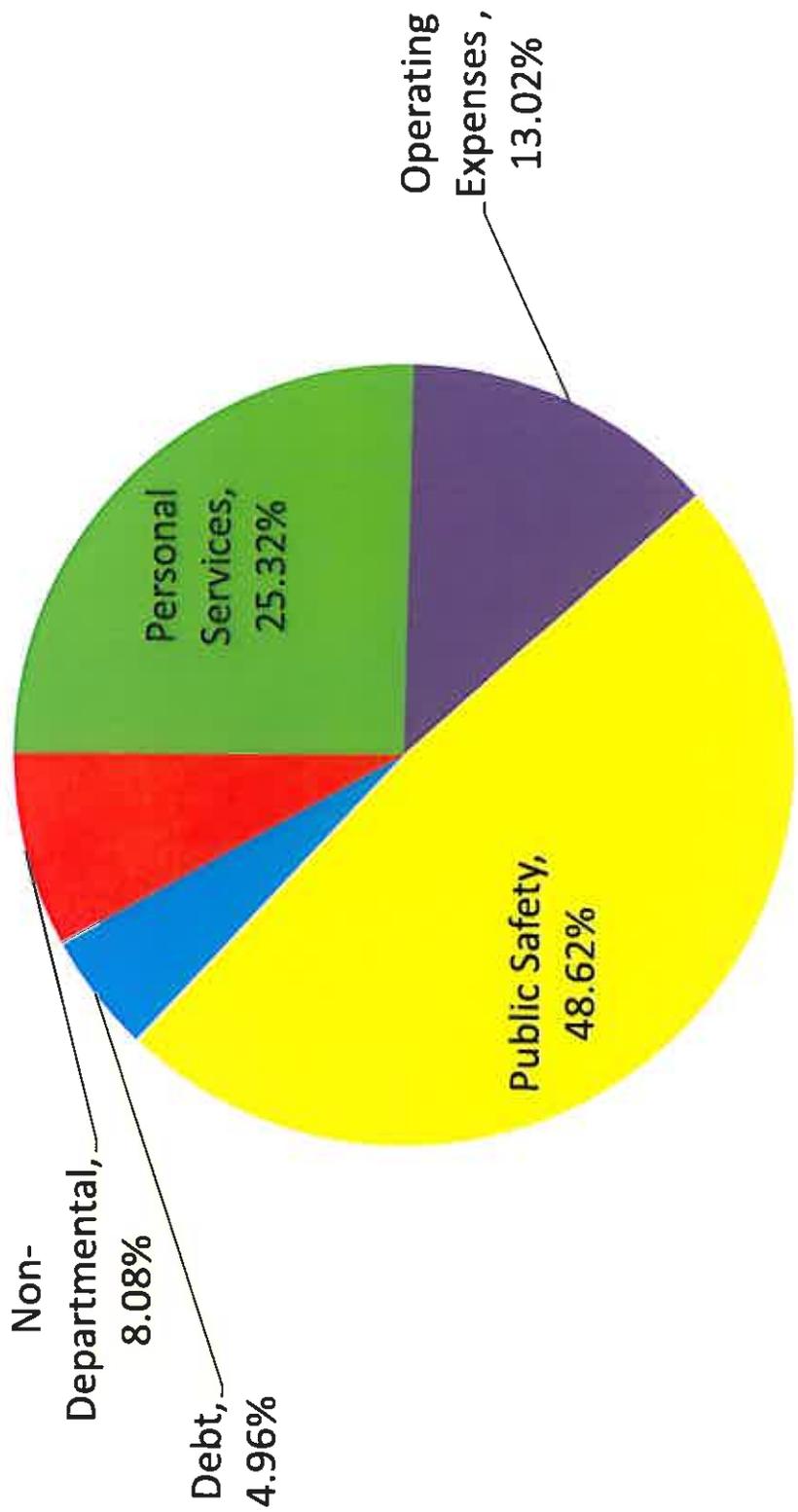
Fiscal Year 2011	\$ 472,063,047
Fiscal Year 2012	\$ 447,046,417
Loss of Value	<b>\$( 25,016,630)</b>
Loss of Tax Dollars	<b>\$ ( 202,400)</b>

**5.3% Decrease in Taxable Value**

# Breakdown of Revenue



# Breakdown of Expenditures



# Expenditure Highlights Based on Tentative Millage 8.8525 Alt. A

- No COLA
- No Merit Raises
- Reduction in Pension Benefits      \$24,000
- 7.5 Furlough Days Scheduled Plus % Cuts  
    \$54,000 General Fund Savings, \$68,000  
Town-wide Savings
- No Travel Budgets
  - Commission Travel Budget Remains at \$5,000
- No Capital Outlay

# Expenditures - continued...

- **Library Hours**

- Restructured Library hours still at 40 hrs/wk

## Current Hours Proposed Hours

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

# **FY 2012 Proposed Personnel Reductions**

## **(General Fund Only)**

- Community Development Department
  - Administrative Assistant (Funded at Tentative Rate)
  - Code Enforcement Officer (Funded at Tentative Rate)
- Grounds Maintenance Division
  - Irrigation Technician FT>PT (30 hrs/wk) (Funded in Stormwater)
- Library
  - PT Library Assistant II

# 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**

# SANITATION FUND

- Total Budget \$ 1,527,850
- No Rate Increase Proposed
- Loss of Commercial Revenue due to Business Closures and Service Reductions \$45,000

# Sanitation - continued

- Re-organization Revised
  - Eliminate 3 Equip. Operator II Positions (4)
  - Establish 2 Equip. Operator III Positions
  - Net Loss of Positions – 1 (2 in Prior Proposal)
  - Utilizes Savings from Insurances (Wk. Comp., P/C & Health)

# Other Funds

- Streets & Roads      \$ 378,210
- Marina Fund      \$1,209,600
  - No Dockage Rate Increase Proposed

# Other Funds – Continued...

- Stormwater Fund \$ 503,000

- No Rate Increase Proposed

- Current Rate \$6.50/Mo., \$78.00/Yr.

- Irrigation Tech Funded to Full time

(10 Hrs./Wk.Plus Benefits) \$ 16,535

# Alternative Proposals

# Furloughs & Pay Cuts

- 1% Cut is Equivalent of 2.5 Furlough Days
- Under \$50K    7.5 Days (2.9%)    \$21,052
- \$50-\$60K    7.5 Days + .5% (3.4%)    \$ 9,434 (5)
- \$61-\$72K    7.5 Days + 1.0% (3.9%)    \$ 7,823 (3)
- \$73-\$84K    7.5 Days + 1.5% (4.4%)    \$ 6,503 (2)
- \$85K & Up    7.5 Days + 2.0% (4.9%)    \$ 9,048 (2)
- Total Cuts ( General Fund Only)    \$53,860

# Tentative Millage Rate 8.8525

• Additional Savings:	(\$78,150)
• Reduce Furlough from 12 to 7.5 Days, Add % Cuts	\$24,725
• Newsletter	\$ 5,000
• Non-Ad Valorem Study	\$25,000
• Annexation (Advert./Postage)	\$ 8,000
• Transfer to Reserves	<u>\$15,425</u>
• Add Back to 8.5163:	-0-
• Code Officer	\$ 63,865
• Admin. Assistant	\$ 52,115
• Irrigation Tech PT>FT	<u>\$ 16,535 (Stormwater)</u>
• Total Additions	\$ 132,515

# Alternative - Vice Mayor

## Millage Rate 8.6266

• Additional Savings:	\$ 78,150
• Utilize Portion of Pmt. to CRA for TIFF Liability	\$150,000
• Reduce Furlough to from 12 to 5 Days, Add % Cuts	\$41,650
• Newsletter	\$ 5,000
• Non-Ad Valorem Study	\$25,000
• Annexation (Advert./Postage)	\$ 8,000
• Transfer to Reserves	<u>\$75,000</u>
• To be Allocated to Positions	(\$73,500)
• Code Officer	\$ 63,865
• Admin. Assistant	<u>\$ 53,115</u>
• Total Additional Funds Needed	\$ 43,480

# Alternative A

## Millage Rate 8.8131

• Additional Savings:	(\$ 78,150)
• Reduce Furlough from 12 to 5 Days, Add % Cuts	\$ 41,650
• Newsletter	\$ 3,500
• Non-Ad Valorem Study	\$ 25,000
• Annexation (Advert./Postage)	<u>\$ 8,000</u>
• Add Back to 8.5163:	-0-
• Code Officer	\$ 63,865
• Admin. Assistant	<u>\$ 53,115</u>
• Total Additions	<b>\$116,980</b>

# Alternative B

## Millage Rate 8.7701

• Additional Savings:	(\$78,150)
• Reduce Furlough from 12 to 7.5 Days, Add % Cuts	\$24,725
• <b>Newsletter</b>	<b>\$ 3,500</b>
• Non-Ad Valorem Study	\$25,000
• Annexation (Advert./Postage)	<u>\$ 8,000</u>
• Add Back to 8.5163:	(16,925)
• <b>Code Officer</b>	<b>\$ 63,865</b>
• Admin. Assistant	<u>\$ 53,115</u>
• Total Additions	<b>\$100,055</b>

# Alternative C

## Millage Rate 8.6354

• Additional Savings:	(\$ 78,150)
• Reduce Furlough from 12 to 7.5 Days, Add % Cuts	\$ 24,725
• <b>Newsletter</b>	<b>\$ 3,500</b>
• Non-Ad Valorem Study	\$ 25,000
• Annexation (Advert./Postage)	<u>\$ 8,000</u>
• Add Back to 8.5163:	(\$16,925)
• <b>Code Officer</b>	<u><b>\$ 63,865</b></u>
• Total Additions	\$ 46,940

# Alternative D Millage Rate 8.6081

• Additional Savings:	(\$ 78,150)
• Reduce Furlough from 12 to 7.5 Days, Add % Cuts	\$ 24,725
• Newsletter	\$ 3,500
• Non-Ad Valorem Study	\$ 25,000
• Annexation (Advert./Postage)	<u>\$ 8,000</u>
• Add Back to 8.5163:	(\$16,925)
• Admin. Assistant	<u>\$ 53,115</u>
• Total Additions	\$ 36,190

# Alternative E

## Millage Rate 8.5163

• Additional Savings:	(\$78,150)
• Reduce Furlough from 12 to 5 Days, Add % Cuts	
• Newsletter	\$41,650
• Non-Ad Valorem Study	\$ 3,500
• Annexation (Advert./Postage)	\$25,000
	<u>\$ 8,000</u>
• Back to 8.5163:	-0-
• Total Additions	NONE

**Alternative F**  
**Millage Rate 8.5163**

- **Additional Savings:** (\$ 78,150)
  - Reduce Furlough from 12 to 7.5 Days,  
Add % Cuts \$ 24,725
- **Add Back to 8.5163:**
  - **Admin. Assistant** \$ 53,425
- **Total Additions** -0-

# Alternative G

## Millage Rate 8.4734

• Additional Savings:	(\$78,150)
• Reduce Furlough from 12 to 7.5 Days, Add % Cuts	\$ 24,725
• Newsletter	\$ 3,500
• Non-Ad Valorem Study	\$ 25,000
• Annexation (Advert./Postage) Add Back to 8.5163:	<u>\$ 8,000</u>
	(\$16,925)
• Allocate Savings to Millage Rate	<u>\$16,925</u>
• Total Additions	\$ -0-

# Parking Decal Proposal

- Decals for Residents Only
  - Annual Parking Decal \$45.00
    - January 1<sup>st</sup> – December 31<sup>st</sup>
    - Residents ONLY
  - Can be used at Single Space Meters
    - Foresteria Drive
    - Greenbriar Drive
    - Lakeshore Drive – In front of Marina
  - Cannot be used in Lakeshore Park Lots
  - Cannot be used at Marina

# Parking Decal Proposal

- Decals for Both Residents and Non-Residents
  - Annual Parking Decal \$100.00
    - January 1<sup>st</sup> –December 31<sup>st</sup>
    - Purchase in November 2011, Get 2 Mos. Free
  - Can be used in ALL Lots

# Public Comments & Commission Comments

# Longtin Proposal

## Millage Rate 8.5163

• Additional Savings fr. WK Comp & PBSO	(\$ 38,125)
• Savings from 10% Cuts, no Furloughs	(\$ 85,750)
• Health Ins. Savings Alt. 4	(\$ 83,225)
• Change Depend Subsidy Contrib. to 25%	<u>(\$ 25,525)</u>
• Total Savings and Cuts	(\$232,625)
• Code Officer	\$ 58,400
• Admin. Assistant	\$ 48,100
• Irrigation Tech PT>FT	\$ 15,025
• Newsletter	\$ 3,500
• Non-Ad Valorem Study	\$ 25,000
• Annexation (Advert./Postage)	<u>\$ 8,000</u>
• Amount Remaining to Reserves	\$ 74,600

Good Evening- My Name is Susan Lloyd and I live at 220 Lakeshore Dr.

My comments this evening concerns the rate increase for the employee benefits.

It is time that the employees of Lake Park start to contribute more towards their health insurance. I am not saying that the benefits should be taken away - that has never been a consideration. However, I am suggesting that they need to help pay for those benefits.

I have the breakdown of the employees that receive benefits and how much the tax payers pay towards the health insurance.

Based on the proposed renewal premium, the tax payers of the Town of Lake Park are paying approximately ~~\$120~~,000/yr for employee only and approximately an additional \$~~120~~,000.00 toward the cost of employees "dependents coverage". That adds up to almost \$500,000/year.

\$360,000  
\$120,000

It appears that the Town of Lake Park absorbs 100% of the employees health benefits and 50% of the premiums for spouse, children, family coverage for 18 out of 46 employees.

There are few among us that have not felt the effect of the turned down economy.

In the private sector – and I speak from experience – when a business is struggling – in order to save the business often hurtful and drastic measures must be taken.

Employees hours are cut, if the health insurance is not entirely eliminated then the employees are asked to pay towards there benefits, if they were already contributing they were asked to contribute more, 401K matches are eliminated, merit raises eliminated, vacation time eliminated, personal days eliminated, paid sick days eliminated, paid holidays eliminated and finally employees are terminated.. The business's have to take these measures to stay open. Lake Park is in this position. We can no longer ask the tax payers to carry the load for such luxuries.

As an employee you either stay with the company thru thick and thin or you move on to look for a better position – again from experience – there are not many jobs out there to be found very few that offer any kind of benefits.

This town needs to tighten its belt buckle in many ways and requiring the employees – many who have had it free for many years - to contribute towards their insurance is one way. It is too much to ask the tax payers- many who do not have insurance- to pay for those employees.

Tough action needs to be taken during tough times.

I would like to encourage all citizens to stay informed about what is going on in your town. Check out the blog at [www.thestreetwhereyoulive.wordpress.com](http://www.thestreetwhereyoulive.wordpress.com)

Thank you for your time.



# AGENDA

Lake Park Town Commission  
Town of Lake Park, Florida  
First Public Hearing  
On the Tentative Budget  
Wednesday, September 7, 2011, 7:00 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. INVOCATION
- C. PLEDGE OF ALLEGIANCE
- D. ROLL CALL
- E. ADDITIONS/DELETIONS - APPROVAL OF AGENDA
- F. PUBLIC HEARING:

\*\*\*\*\* OPEN PUBLIC BUDGET HEARING\*\*\*\*\*

- A. Staff Report
- B. Public Comments
- C. Commission Deliberation

**1. Resolution No. 28-09-11 for Tentative Millage**

**Tab 1**

**A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, ADOPTING A TENTATIVE MILLAGE RATE FOR THE TOWN OF LAKE PARK FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011 AND ENDING SEPTEMBER 30, 2012; STATING THE ROLLED-BACK RATE FOR THE TOWN OF LAKE PARK; STATING THE PERCENT BY WHICH THE TOWN MILLAGE RATE EXCEEDS, IF ANY, THE ROLLED-BACK MILLAGE RATE; AND LEVYING FOR AD VALOREM TAXES ON ALL TAXABLE REAL AND TANGIBLE PERSONAL PROPERTY IN THE TOWN OF LAKE PARK FOR FISCAL YEAR 2011/2012; PROVIDING FOR AN EFFECTIVE DATE.**

**2. Resolution No. 29-09-11 for Tentative Budget**

**Tab 2**

**A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, MAKING SEPARATE AND SEVERAL APPROPRIATIONS FOR ITS NECESSARY OPERATING EXPENSES, THE EXPENSES OF THE VARIOUS FUNDS AND DEPARTMENTS OF THE TOWN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2011, AND ENDING SEPTEMBER 30, 2012, AND PROVIDING FOR THE EFFECTIVE DATE THEREOF.**

**\*\*\*\*\* CLOSE PUBLIC BUDGET HEARING\*\*\*\*\***

**G. COMMISSIONER COMMENTS, TOWN ATTORNEY, TOWN MANAGER:**

**H. ADJOURNMENT:**