AGENDA

Lake Park Town Commission
Town of Lake Park, Florida
Regular Commission Meeting
Wednesday, October 5, 2011, 7:00 p.m.
Lake Park Town Hall
535 Park Avenue

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

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 COMMENTS

G. CONSENT AGENDA: All matters listed under this item are considered routine and action will be taken by one motion. There will be no separate discussion of these items unless a Commissioner or person so requests, in which event the item will be removed from the general order of business and considered in its normal sequence on the Agenda. Any person wishing to speak on an Agenda item is asked to complete a public comment card located on either side of the Chambers and given to the Town Clerk. Cards must be submitted before the item is discussed.

Recommended For Approval:

1. **Budget Workshop Minutes of July 27, 2011** — **Tab 1**
2. **Regular Commission Meeting Minutes of August 3, 2011** — **Tab 2**
3. **Special Call Attorney-Client Session Meeting Minutes of August 17, 2011** — **Tab 3**
4. **Regular Commission Meeting Minutes of August 17, 2011** — **Tab 4**
5. **Budget Workshop Minutes of August 24, 2011** — **Tab 5**
6. **Regular Commission Meeting Minutes of September 7, 2011** — **Tab 6**
7. **First Public Hearing on the Tentative Budget Minutes of September 7, 2011** — **Tab 7**
8. **Resolution No. 36-10-11 Change to Development Review Fee Schedule** — **Tab 8**

G. PUBLIC HEARING:

******* OPEN PUBLIC HEARING*******

A. Staff Report

B. Public Comments

C. Commission Deliberation

ORDINANCE ON SECOND READING

9. **Ordinance No. 06-2011 Comprehensive Plan Capital Improvements Schedule Update** — **Tab 9**

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING AND UPDATING THE CAPITAL IMPROVEMENTS ELEMENT OF ITS COMPREHENSIVE PLAN; PROVIDING FOR AN UPDATED FIVE YEAR CAPITAL IMPROVEMENTS SCHEDULE PURSUANT TO SECTION 163.3177(3)(b)1., FLORIDA STATUTES; PROVIDING FOR THE AMENDMENT OF THE TEXT OF THE CAPITAL IMPROVEMENTS ELEMENT SO AS TO BE CONSISTENT WITH THE NEW SCHEDULE ; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Staff Requests: Motion to Approve

******* CLOSE PUBLIC HEARING*******

H. DISCUSSION AND POSSIBLE ACTION:

10. **Volunteer Dinner** — **Tab 10**
11. **Fireworks Festival Budget** — **Tab 11**
12. **Adult Arcades/ Internet Cafes** — **Tab 12**

I. COMMISSIONER COMMENTS, TOWN ATTORNEY, TOWN MANAGER:

J. ADJOURNMENT:

Consent Agenda

TAB 1

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 1

[ ] PUBLIC HEARING [ ] RESOLUTION

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION **[x] CONSENT AGENDA**

[ ] Other:

SUBJECT: **Budget Workshop Minutes of July 27, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Budget Workshop Minutes of July 27, 2011.**

Approved by Town Manager _____ **Date:** 9/27/11

Kelly Arny - DP Clerk 9/26/11

Name/Title Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: $ 0 Funding Source:0 Acct. # 0	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[x] Town Clerk** YMC [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case YMC **Please initial one.**

Summary Explanation/Background:

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 indispensible.

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.

Commission 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 it 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 "concurs 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 Manger 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

Town Seal

Approved on this _____ of _____, 2011

TAB 2

Town of Lake Park Town Commission
Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 2

[ ]	PUBLIC HEARING	[ ]	RESOLUTION
[ ]	ORDINANCE ON FIRST READING	[ ]	DISCUSSION/POSSIBLE ACTION
[ ]	ORDINANCE ON SECOND READING	[ ]	BID/RFP AWARD
[ ]	PRESENTATION/PROCLAMATION	**[X]**	**CONSENT AGENDA**
[ ]	Other:		

SUBJECT: **Regular Commission Meeting Minutes of August 3, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Regular Commission Meeting Minutes of August 3, 2011.**

Approved by Town Manager [signature] **Date:** 9/27/11

Vivian Lemy
Name/Title

September 26, 2011
Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: **$0** Funding Source: **0** Acct. # **0**	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[X] Town Clerk** VML [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[X] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case VML **Please initial one.**

Summary Explanation/Background:

Minutes
Town of Lake Park, Florida
Regular Commission Meeting
Wednesday, August 3, 2011, 7:00 p.m.
Town Commission Chamber, 535 Park Avenue

The Town Commission met for the purpose of a Regular Commission Meeting on Wednesday, August 3, 2011 at 7:05 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steve Hockman, Jeanine Longtin, Tim Stevens and Town Manager Maria Davis, Town Attorney Thomas Baird, and Town Clerk Vivian Lemley.

Vice-Mayor Rumsey led the Invocation and Mayor DuBois led 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 Longtin 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

PROCLAMATION
1. Edie McConville

Mayor DuBois read and presented the Proclamation to Ms. McConville.

Ms. McConville thanked the community and stated that she was recommitting herself to making a difference in Lake Park. She quoted the Kiwanis of Lake Park slogan as "We have fun and get things done!" She urged everyone to dedicate themselves to making a difference in their community, one child at a time.

PRESENTATION(S):

2. **Maritime Industry of Riviera Beach 4th Annual Father's Day Fishing Tournament Appreciation Plaque to the Town of Lake Park.**

Andy Flack, Executive Director of the Marine Industry Education Foundation, stated that the Lake Park Marina is a world class Marina. He stated that Mike Pisano and the Marina staff are extraordinary and will go the extra mile. He presented the Town of Lake Park with a plaque of appreciation as sponsoring host of the event. He mentioned that there will be another event, the Kiwanis and The Boys and Girls Club Fishing Tournament on August 20, 2011, and that they anticipate 150 boats in the Marina.

3. **Comprehensive Annual Financial Report Audit Presented by Ed Holt of Nolan, Holt and Miner.**

Ed Holt, Managing Principal of Nolan, Holt and Miner, introduced himself and thanked the Commission for the opportunity to presented the Comprehensive Annual Financial Report (CAFR) Audit. He explained that he would give a brief overview of the audit and would be available to answer any questions or if anyone would like for them to come back at a later date to address questions, they would be available to do that as well. He introduced Terry Morgan, Principal at Nolan, Holt and Miner, that worked on the audit.

Mr. Holt begin by explaining the introductory section of the CAFR (Exhibit "A"), which is a three page letter of transmittal, which provides an overview of the Town initiatives, and what has taken place since the last period. Also included in that section is the list of Town officials, the Organization Chart, and the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. He explained that the firm does about 22 governments and only six received the Certificate of Achievement for Excellence. He explained that GFOA as well as two Certified Public Accountants go through an extensive disclosure checklist to review the report.

He referenced the Independent Auditor's Report (page 1 of Exhibit A), which he explained as the "unqualified opinion", which meant that the financial statement in the reports are fairly presented. He explained that the Basic Financial Statements are government-wide, which provide an overview of the full accrual basis. He explained that it meant that on the Government Activities it included Fixed Assets, Long Term Debt, and Proprietary Funds. He pointed out the Funds Statements and the required supplemental information, a statistical section and other reports.

He stated that as it relates to the Management's Discussion and Analysis (page 3 of Exhibit A), which is referred to as the MD&A, this section has been condensed from 100 pages to 10 pages and provides an overview of what occurred over the past year. He explained Net Asset, which are assets minus liabilities, and that there was about $7.3 million on a government-wide basis. He explained that total Net Assets have decrease by a total of $1.49 million and the report also provides information on the Fund Balance. He stated that last year the Town ended up with about $510,000 in undesignated Fund Balance, which is about six percent of the total expenditures, or about two months in Fund Balance. He suggested that municipalities have between 16 and 25 percent in Fund Balance. He urged the Town to get a letter of line of credit because the Town does not have the funds available for emergencies such as hurricanes or other disasters.

Mr. Holt asked everyone to turn to page 14 (of Exhibit A), Statement of Net Assets, which is divided into two columns: Governmental Activities and Business-Type Activities. He pointed out that in the Governmental Activities column under Unrestricted is about $2.5 million.

He explained that on page 17 (of Exhibit A), the Governmental Funds was a bit misleading because it includes things like advances to the Marina for $2.1 million and on the Funds Statements it is not reflected and that there is also Capital Assets. He pointed out to the Commission that only $500,000 is being carried over from the previous budget to this year's budget, which again is about 6 percent. He suggested that over the next three years or so to increase that amount back to where the Town was a few years ago.

He explained that on page 89 (of Exhibit A), the Statistical section, how the Fund Balance was comprised and added that if the Town did not have the $2.1 million going to the Marina, the Fund Balance would be higher. He pointed out that in 2003 the undesignated amount was at $1.6 million; in 2004 it was $1.8 million; in 2005 it was $2.6 million and then it starts to go down in 2007. He reiterated that the Town bring the Fund Balance up to at least 16 percent in the next two years, which would provide for about two months of funds.

He explained that on page 92 (of Exhibit A), Property Tax Revenues, between the property values and what took place in Tallahassee, the total was down by $1.1 million. He stated that on page 95 (of Exhibit A), Assessed Value was 65 percent from where the Town was several years ago. He explained that another municipality was at almost the same numbers as the Town.

He explained that on page 109 (of Exhibit A), under Other Reports, there is a management letter, which includes comments. He referred to the one comment that has been brought up in the past, which was the necessity for written accounting procedures. He recommended that this process be conducted in-house and not by an outside firm. He explained that the Town would save a significant amount of money and felt that the staff in the Finance Department could handle the task. He stated that significant improvements have been made since he first visited the Town at which time the list of comments included 15 items. He referred to one new comment this year on page 113 (of Exhibit A), Pension Contributions, which he pointed out was a significant improvement over past years. He commended staff for all the improvements and how it clearly shows. He stated that when Nolan, Holt and Miner won the three-year contract, it allowed them to lower their rates by $10,000 because of all the significant improvements. He thanked staff and the Commission for working together on the project. He then opened the floor to comments and or questions.

Commissioner Longtin apologized to the Finance Director because of a comment made during the Budget Workshop where she indicated that the Certificate of Achievement was something that every Finance Director could get and she now sees that it was not true.

Mr. Holt stated that it may have been because the person was not able to earn one.

Commissioner Longtin stated that the person did have one.

Mr. Holt stated that if you take all the statements and all the work that goes into the Statistical section, this is very valuable information.

Commissioner Longtin stated that the Comprehensive Annual Financial Report (CAFR) is on the Town's website and encouraged residents to view the document. She asked if part of the process was to compare the Financial Statement to the Budget.

Mr. Holt stated "yes" that was correct.

Commissioner Longtin asked if both the Financial Statement and the Budget were in sync.

Mr. Holt responded "yes".

Commissioner Longtin thanked Mr. Holt for expanding on the Fund Balance. She stated that she could not understand something that was referenced on the form on page 114 (of Exhibit A), Consideration of Financial Emergency Criteria, which references Florida State Statute 218.503(1), she asked what that statute says.

Mr. Holt explained that the F.S. 218.503(1) states that as part of the audit they must verify if the Town has a condition of "Financial Emergency" that fits the criteria, which would make the Town fit into that category. He gave an example stating that if the Town had Fund Balance in a deficit state they would have to review the objective criteria and see if the Town fell into that condition, and if the Town does then it must be reflected in the report, but the Town does not fall into that category.

Commissioner Longtin stated that it was good the Town did not fall under that category.

Mr. Holt explained that there are several items that must be reflected in the report even though the Town does not fall under that category. He stated that the Auditor General requires that certain information be reflected in the report even if the Town complies with the requirement. He stated that in the Management Letter, there are certain things that must be addressed in the report because it ensures that the auditor are addressing those items.

Commissioner Longtin stated that any item can be overlooked.

Mr. Holt agreed.

Commissioner Longtin asked for an explanation of "Physical Environment" on page 9 (of Exhibit A) under Governmental Activities.

Mr. Holt stated that it was for Public Works. He explained that some of the categories can be nomenclature, which covers a lot of different areas.

Commissioner Longtin asked if someone wanted to get an accounting of, for example, the parking meters, would it include labor costs to balance out the revenue versus the expenditures.

Mr. Holt clarified by asking if what was meant was to determine if revenue was made or lost on the meters.

Commissioner Longtin agreed.

Mr. Holt stated that "yes" and that it sounded more like a study that would be conducted to determine if revenue was being generated and what would be allocated to administrative costs. He gave an example of a project for another municipality where they changed to an automated system to give a better accounting.

Commissioner Longtin thanked Mr. Holt for his time and thanked the Finance Department and everyone associated for all their efforts.

Commissioner Stevens had no questions.

Vice-Mayor Rumsey asked for the status on the Policy and Procedures for the Finance Department.

Mr. Holt explained that there are several significant procedures written on expenditure and processing of expenditures, but what they are looking for is an actual manual to be established where all procedures for the department are in one location, which can be used as a training tool and be more comprehensive.

Vice-Mayor Rumsey explained that this is the third audit he has received and each year this issue has been in the report. He asked what the status was internally in the department.

Finance Director Costello explained that this has been an audit comment since 2001 and that there were some procedures written when she was hired. She explained that most of her staff was new and that they will be making some significant progress over the next 24 months in writing the manual.

Vice-Mayor Rumsey stated that Mr. Holt had suggested 36 months to have the manual completed and asked if Mr. Holt was comfortable with the timeframe that Finance Director Costello gave of 24 months instead.

Mr. Holt agreed that 24 months would be acceptable. He explained that a consultant can be hired to create the manual, which he did not recommend because of the unnecessary expense to the Town when staff could create it.

Vice-Mayor Rumsey stated that the Town has qualified staff and he would not approve of the Town spending money on consultants.

Commissioner Hockman asked if the policy and procedures for the Finance Department was separate from the Employee Handbook that was listed in the report.

Finance Director Costello stated that the first two years of her employment with the Town she spend a significant amount of time assisting in the development of the Employee Handbook and now the accounting procedures. She stated that her staff is sufficiently trained that they should be able to accomplish the manual between 24 and 36 months.

Mr. Holt clarified by stating that on the Accounting Policies and Procedures, every major cycle of the process is to be documented as in a flow chart. He explained that if someone is out of the office someone else can complete the task and that it would be a great benefit to the department.

Commissioner Hockman stated that on page 116 (of Exhibit A), referenced in the letter entitled "Response to the Report on Internal Control and the Management Letter Required by the Rules of the Auditor General for the State of Florida for the Fiscal Year ended September 30, 2010" under "Internal Control over Financing Reporting 2001-1: Written Policies and Procedures," the Employee Handbook is referenced, which is a separate policy, why is it included in the audit.

Finance Director Costello explained that many of the policies and procedures for the Finance Department were included in the Employee Handbook. She provided examples of the polices for motor vehicle, time card, payroll, record keeping, which do pertain to accounting. Now they will be concentrating their time on all the other procedures that are necessary to the department. She explained that the department has begun documenting the procedures, and they will fine tune and update them with the qualified staff.

Commissioner Hockman asked if they are referring to writing an Accounting Handbook.

Finance Director Costello agreed. She gave some examples of what would be included in the Accounting Handbook.

Commissioner Hockman asked if the process has begun.

Finance Director Costello stated they have some of the policies started.

Commissioner Hockman asked for a timeframe for completion.

Town Manager Davis clarified that some of the procedures that have already been written will be folded into the procedures for Accounting.

Finance Director Costello explained that each year the procedures are documented to the Auditors including flow charts and questionnaires of who does what and who reviews the work. She stated that she could not provide an exact time that it will be completed and that a concentrated effort will be made to accomplish it in the next couple of years.

Commissioner Hockman stated that in the Introductory Letter on page iv (of Exhibit A), under Major Initiatives - Storm Water Improvements, items are stated that based on the information that he has, are not accurate. He stated that the improvements to Lake Shore Drive indicate that the elevation will be raised, which is not accurate. He stated that the elevation will not be raised, it will be widened a little bit.

Finance Director Costello stated that the information was described in the grant application, which was submitted for the project. She stated that she could not identify if it was accurate, only that it was provided to her that way.

Commissioner Hockman suggested that now that the plans have been completed the audit should be updated to accurately reflect what the Town is doing. He provided an example of what the

reports states, which he believes is not accurate. He stated that nothing has changed and that the Town is still dumping water into the Lake Worth Lagoon and there are no retention ponds.

Finance Director Costello stated that she will be sure to update the information in next year's CAFR report.

Commissioner Hockman stated that in his opinion this report ends in September 2010 therefore it should include information that was conducted in 2010. For example the Marina additional parking took place after September 2010.

Finance Director Costello stated that it may have been an ongoing project that was begun during the summer.

Commissioner Hockman stated that it was not approved until October or November 2010, which is why he felt it should not be included in this report.

Finance Director Costello stated that it was referring to the new parking lot behind Dunkin Donuts across from the north lot at the Marina.

Commissioner Hockman explained that the information in the report refers to the property on the corner of Silver Beach and US Highway 1.

Finance Director Costello apologized.

Commissioner Hockman stated that it was not part of the 2010 budget.

Finance Director Costello apologized.

Mayor DuBois stated that this is a comprehensive look at the Town's finances for 2010 and that it is very instructional to him and should be very instructional to any member of the public that reads it. He stated that preparing for this audit was a great deal of work and to successfully complete the audit was great. He thanked the administration, the Town Manager and particularly Finance Director Anne Costello. He stated that it took a substantial amount of time to produce an employee manual and it will take time to produce a policy and procedures manual for the Finance Department and understands that it will be quite an undertaking. He stated that he believes that Anne Costello has been working toward it since she began with the Town by organizing the department in order to prepare a manual of policies and procedures and was very delighted to hear that she is now comfortable with her staff that this goal can be accomplished. He stated that it will eventually reduce the cost of the audit itself and be very helpful to the rest of the community. He thanked Finance Director Anne Costello.

Town Manager Davis congratulated staff.

Motion: A motion was made by Vice-Mayor Rumsey to receive the Comprehensive Annual Financial Report Audit Presented by Ed Holt of Nolen, Holt and Miner; Commissioner Longtin 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

REPORT(S):

4. Legislative Report by Intergovernmental Consultant Fausto Gomez

Fausto Gomez introduced himself and thanked the Mayor and Commissioners. He stated that he and his staff were gratified to represent Lake Park in Tallahassee and appreciated the opportunity to work with everyone. He stated that the End of Year Legislative Report was included in the agenda packet and recognized that the Commission had a large agenda, and that therefore he would make his presentation brief.

Mr. Gomez took a moment to recognize the late Mayor Desca DuBois, who had joined them in Tallahassee earlier this year along with Town Manager Davis and Commissioner Hockman. He stated that the successes included in the report would not have been possible without their strong advocacy and he wanted to publicly recognize them for traveling up to Tallahassee and the support of the Vice-Mayor and the rest of the Town Commission.

He stated that in the midst of a very difficult year, the Commission approved a set of legislative principals and priorities and the majority of them were successfully accomplished. He explained that their efforts concentrated on what was the most crucial facing Lake Park (page 2 of Exhibit B), which included bringing State resources to the Town, second - lowering operational cost, third - improving the quality of life for neighborhood stabilization, and fourth - making it more affordable to citizens living in Lake Park and indeed for the rest of the State. He explained the key highlights with the first was pension reform. He explained that Lake Park contracts its public safety services to Palm Beach County for police officers and Fire Rescue Departments participate in the Florida Retirement System. He stated that on May 26, 2011 Governor Rick Scott signed legislation enacting Senate Bill 2100, which imposes significant reforms to it, and the most significant reform is that employees must now contribute 3 percent of their pre-tax dollars into their retirement accounts. He explained that it provides for a cost savings to the employing organizations and an opportunity for Lake Park to renegotiate its contracts to reflect lower operational cost, which the Town Manager is currently doing.

Mr. Gomez explained municipal pension reform (page 3 of Exhibit B). He explained that the Town has a municipal pension plan as well as the contracted services in the Florida Retirement

System. He explained that significant pension reform for municipal governments, and that the most important for this is that employees are no longer allowed to accrue vacation and sick leave as final payment. He stated that there is cap on the amount of overtime hours and that vacation and sick leave cannot be included for purposes of pension benefits. He explained that in the past, an employee could have unused vacation and sick leave added it to the base salary and it would become pensionable. He stated that accrual sick and vacation leave is not pensionable, only the base salary is pensionable. He stated that overtime hours are not pensionable over 300 hours, which is a significant change and could be a significant savings in operational cost reduction for the Town.

Mr. Gomez explained what the Value Adjustment Board (page 4 of Exhibit B) does and how it is also an operational expense. He explained that a petitioner who challenges the assessment of their property from the Value Adjustment Board has the opportunity to not have to pay their home property tax until the Value Adjustment Board rules on their petition. In some of the larger counties, such as Palm Beach County, the process takes between 18 and 24 months. He explained that what it does is not allow the County to enact its tax roll, therefore it will affect the Town's tax flow issue. He explained that now a petitioner appealing the Value Adjustment Board's assessment must prepay 75 percent of their property taxes. He stated that it improves the Town's tax flow, which affects other municipalities as well as the school boards.

Mr. Gomez explained Revenue and Expenditure Caps (page 5 of Exhibit B), which is also known as TABOR. He stated that he was glad to report that TABOR would not apply to local governments, it will only apply to State government.

Commissioner Longtin asked to have TABOR explained.

Mr. Gomez explained that TABOR means Tax Payer Bill Of Rights, which was only enacted in the State of Colorado. He stated that it would have artificial caps on revenues and expenditures for both State and Local Government. The artificial caps would be based on a formula, which would be population growth, inflation, and cost to operate. It was only enacted in Colorado and after several years of operating under TABOR the business community, particularly the Chamber of Commerce, petitioned the State to relax TABOR because of what it was doing to the quality of life, particularly municipal government and schools. He stated that TABOR has been discussed for several years and the Constitution Revision Commission is discussing a TABOR proposal that was not enacted. He stated that Senate President of Priorities, Mike Haridopolos mandated that TABOR should only be for the State, which will become a Constitutional amendment. He explained that if TABOR is passed in November 2012 by the voters that it will apply to State Government revenues not Local Government revenues.

Mayor DuBois asked if it would include School Board.

Mr. Gomez stated "that is correct".

Mayor DuBois asked if it would put a legislative cap on School Board.

Mr. Gomez clarified that it would not put a legislative cap on local School Board revenue, it would only apply to State revenue. He stated that the House Representatives did not want to exclude Local Government and School Board, but the Senate held their position and excluded

them, and he felt this issue will return during the next legislative session, which begins in January.

Mr. Gomez explained Line Item Funding for Water Related Projects (page 5 of exhibit B), which includes Stormwater and Waste Water projects that have been successful in the past for the Town. He stated that this year they are facing a $4 billion defect and legislatures leaderships mandated that we would not allow what are called Community Issue Budget Request to be filed. He explained that this is how Representatives and Senators submit a form seeking line item appropriations. The legislators approved Low Interest Loan Funding for Stormwater, Wastewater and Potable Water projects. He stated that Lake Park has typically focused on Stormwater and Wastewater projects. He stated that $170 million was allocated Statewide for those projects, which provided the opportunity for Lake Park to apply. He referred to a program for small community assistance for communities with a population of less than 10 thousand and that they also have an income level below the median of the State level. He explained that the Town that met the criteria could apply and receive extra points on their application and receive a low interest rate loan for 30 years, in other words a grant. He stated that if the Town was interested in applying he would be happy to assist and lobby for the project for the Town.

Mr. Gomez began discussing policy issues that affect the Town, such as Pain Clinics (page 8 of exhibit B). He stated that there are 838 clinics Statewide and 183 in South Florida. Senator Eleanor Sobel was quoted as saying that "we have more pill mills in Florida than we have McDonald's". He explained the new legislation which prescribes medical standards and operational restrictions for Pain Management clinics and requires more stringent permitting regulations from pharmacies to be conformed by July 2012. He explained that doctors will automatically lose their licenses for six months and be fined $10,000 for prescribing violations. As a result there is significant "teeth" in the fight against pill mills and $3 million has been allocated to local law enforcement agencies to put in force these new rules, which has been successful so far in South Florida with many pill mills being shut down.

Mr. Gomez discussed Growth Management (page 8 of exhibit B) operational reduction, where the State has removed itself from the growth management process and only reviews items of Statewide import and application, which means that the Evaluation Appropriation Report (EAR) will no longer need to be send to Tallahassee, which is a cost savings to the Town.

Mr. Gomez explained that there were two proposals for property insurance (page 9 of exhibit B) and they concentrated on the proposal that affected citizens because in South Florida the majority of homes are covered by citizens. There was legislation that they assisted in defeating that would have imposed a minimum of 25 percent rate increase per year on every citizen property holder until 2015. He explained that over a four year period each citizen would have had a 100 percent increase in property insurance. He explained what it may have done to property values in Town and the economy of South Florida. In addition, in February 2012 citizens will not be allowed to cover screen enclosures, detached structures, such as detached garages, and certain personal property items. He recapped by saying that for the reasons just mentioned the citizen property insurance was the primary focus.

Commissioner Stevens asked if the Comprehensive Property Insurance Bill was approved.

Mr. Gomez stated that "yes" Senate Bill 408 was approved.

Commissioner Stevens asked for a brief summary of Senate Bill 408.

Mr. Gomez explained that what Senate Bill (SB) 408 allows is for companies like State Farm and Allstate to charge up to 15 percent for their reinsurance cost. He stated that it was not a good Bill and that was why they focused on citizens instead of private insurance companies. He explained that SB 408 was also a large sinkhole issue and there are very few sinkhole issues in Lake Park, it is much more of a West Florida issue.

Mr. Gomez explained Open House Parties (page 8 of exhibit B), it is a second degree misdemeanor if a resident fails to take responsible steps to prevent drugs and alcohol to be consumed by minors.

Mr. Gomez explained Sober Houses (page 11 of exhibit B) as an important issue to Lake Park, in which Lake Park has led the Sober House issue. He explained that Senator Bogdanoff and Representative Garcia filed legislation establishing standards for the operations of Sober Houses in Florida. Senator Bogdanoff's Bill was heard by the Children and Families Committee and unanimously approved. Unfortunately Representatives Garcia's bill was never heard by a committee and the leadership refused to agenda the bill. Therefore the Sober House Bill was not heard in committee. He explained that he was told that with a different sponsor it should be approved at the next legislative session. He stated that this was the conclusion of his report and was available to answer any questions from the Mayor, Vice-Mayor or the Commissioners.

Commissioner Hockman had no questions.

Vice-Mayor Rumsey stated that he had no questions, but wanted to thank Mr. Gomez for all the hard work he puts in for Lake Park each year and that it is a pleasure to work with him and that Lake Park is well represented in Tallahassee. He also noted how generous he is during budget time by providing the Town with reasonable rates and hopes it can continue.

Mr. Gomez stated that it has been a pleasure representing Lake Park.

Mayor DuBois asked if there were any prospects with the Sober Homes issue support for next year like Senator Bogdanoff.

Mr. Gomez stated that he hopes so and that they have already reached out to other members to represented and file the House Bill.

Mayor DuBois offered his assistance in any way needed.

Mr. Gomez pointed out that Lake Park was the first community to lead the Sober House issue and what has emerged have been remarkable. He stated that at the close of this legislative session he was approached by a leading not-for-profit organizations in Palm Beach County where they do homeless work and wanted to join in the legislation of Sober Houses because of the impact it has on their work. He explained that the organization has been very active with them and have assisted in identifying the appropriate House sponsor for this bill.

Mayor DuBois stated that the group possibly already meets the standard in which SB1348 and SB 1055 call for, which is very encouraging.

Mr. Gomez explained that another thing done was they worked all year to get the support of the association that are licensed thereby removing the opposition. He stated that they worked with the Department of Children and Families, The Florida Drug and Alcohol Abuse Organization therefore the path should be clear. He felt the Bill would have passed had it not been for considerations not associated with policy.

Commissioner Stevens stated that he understands that the Town employees are not subject to the Florida Retirement System (FRS); he asked for the cost savings as it relates to Police and Fire, or does it not directly affect the Town.

Town Manager Davis stated that it is indirectly applicable to the Town, because it was one of the negotiating tools the managers from the County were using with the Palm Beach County Sheriff's Office (PBSO) to reduce their number because we knew they were saving three percent. She stated that the response they received was that the rates would not be increased because PBSO was able to save the three percent. She stated that she believes each year it does help.

Commissioner Stevens thanked Mr. Gomez and stated that he knew it was a difficult budget year.

Commissioner Longtin asked the Town Manager if any of the Town staff are on the Florida Retirement System.

Town Manager Davis stated "no."

Commissioner Longtin asked the Town Manager if she was on the Florida Retirement System.

Town Manager Davis stated "I am not."

Commissioner Longtin asked to please have page numbers on the documents to make it easier. She asked for him to explain the Florida Recreation Development Assistance Program (FRDAP) and the Bert Harris Act.

Mr. Gomez explained that FRDAP (page 7 of exhibit B) had a $4 billion budget deficit. He explained that FRDAP is a program that provides State assistance to local governments for acquisition of park land and new development of park land. He explained that no FRDAP projects were funded this year. He stated that the request was for $27 million this year from the Department of Environmental Protection and some total funding was there, but casualty was a $4 billion deficit.

Commissioner Longtin asked the Town Manager to the Town had anything pending on the FRDAP.

Town Manager Davis asked Mr. Gomez if verify that it was just this year that FRDAP was not funded.

Mr. Gomez responded "correct."

Town Manager Davis asked Grants Writer Virginia Martin if the Town had any grants denied due to a lack of funding.

Grants Writer Martin stated "no."

Town Manager Davis stated that the Town would be applying in September.

Commissioner Longtin asked for clarification that the FRDAP discussed dealt with this past budget year.

Mr. Gomez clarified by stating that this has to do with current budget year July 1, 2011 until June 30, 2012. He explained that local governments apply to the State for FRDAP support. There are various categories, which range from $50,000 to $200,000. He stated that the applications are ranked by the Department of Environmental Protection based on different criteria. A list is then developed from one until the last application that is ranked. He explained that then there are cut offs. He gave an example stating that if you fund $10 million then you have a certain amount of projects. He stated that the department usually request total funding for the list. He stated that this year it was $27 million and that the legislature loves the FRDAP project because it gives them an opportunity to give back to the local communities in its park lands and recreation and things of that nature. He stated that they usually try to fund FRDAP, but this year there is a budget deficit of $4 billion that was not funded.

Vice-Mayor Rumsey clarified that the legislature is a fan of FRDAP.

Mr. Gomez agreed.

Vice-Mayor Rumsey stated that the Governor is clearly not a fan of FRDAP.

Mr. Gomez agreed.

Vice-Mayor Rumsey stated that the Governor has said that he will continue to veto FRDAP.

Mr. Gomez clarified that the Governor did not have an opportunity to veto FRDAP because it was not funded. He stated that without putting words in the Governor's mouth, he believed the Governor has not indicated that he is supportive of FRDAP. He stated that notwithstanding this, the Governor, as well as former Governor's they have not been supportive of FRDAP and but they have learned to love it because of pressures from the policy body, which is the legislatures.

Mr. Gomez explained that Bert Harris Act is a Private Property Rights Act, which was approved approximately 10 years ago. He stated that the Private Property Rights Coalition, which primarily focused on agricultural interest had been trying for the past 10 years to strengthen the Bert Harris Act and had been unsuccessful until this year. He explained that the lobbyist for local government and the League of Cities Association along with others had significant negotiation with them. Notwithstanding what the proponents of the modifications were asking for, they were able to meliorate many of their most difficult request that local government could not live with. He gave an example of one of the things they wanted to do. He said if an Ordinance was passed having to do with a lot, which is a vacant lot, and in the future you cannot build a building on it that was more than three stories, and it is in the books. He stated that if someone purchased the

property with the intension to build a building of five stories, and they know you cannot build such a building, then the Ordinance that you passed does not apply when you passed it because there was never a case where someone sought to build more than the three story building on that lot. He explained that you can passed an Ordinance today that has no application until someone tries to challenge that Ordinance you pass and then you are subject to a Bert Harris claim. He stated that they made sure that this would not approved. He explained that they were able to negotiate a reasonable compromise. He stated that he hopes Bert Harris is off the agenda because he felt not much more can be done. He felt that these changes that the proponents wanted were not necessary because the Attorney General had opined that they were not necessary.

Town Manager Davis thanked Mr. Gomez.

Mr. Gomez indicated that he and Attorney Baird have had an opportunity to get to know each other better during the Sober House issue and it has been a pleasure working with him as well as with the manager.

Mr. Gomez thanked the Commission.

Mayor DuBois thanked everyone for their patience because the agenda is very length.

5. Project Status Report-Removal of Metal Storage Building, 115 U.S. Highway 1

Town Manager Davis explained that as part of the agenda packet was a comprehensive status of what has occurred to date on the project. She stated that as of today they have issued demolishing permit and demolishing will begin within the next few days. She stated that staff was available to answer any questions.

Commissioner Hockman asked if the Town was responsible for the electric, or is the contractor responsible for all the disconnections.

CRA Project Manager Richard Pittman stated that the utilities have been disconnected and to date it has not cost the Town anything. He explained that Florida Power and Light (FPL) has disconnected the electric and the sanitary sewer has been disconnected.

Commissioner Stevens asked how long the contractor has to complete demolition.

Project Manager Pittman stated that the contractor has 60 calendar days.

Commissioner Stevens 60 calendar days from when the permit was issued or from when the contract was executed.

Project Manager Pittman stated that technically from the date the permit was issued.

Mayor DuBois commented that the report was very thorough and compilation of what has occurred with the building. He stated that it was much more than he had expected. He suggested sending this information to County Commissioner Marcus to show the progress on the Interlocal Agreement regarding the Marina project.

PUBLIC AND OTHER COMMENTS:

1. *Gerald Rapoza, 801 Lake Shore Drive* – asked for clarification on how the Town government operates. He explained that he has lived in Lake Park for four years and is a transplant from Massachusetts where the Mayor is the key spokesman and legislation. He stated that he is confused why Lake Park has a Mayor and a Town Manager, if the Mayor is the Chief Financial Officer (CFO), then why is it necessary to have a Town Manager. He asked if the Commissioners are not able to handle the duties, which is why it has a Town Manager. He stated that he has asked this question of neighbors and business owners and was not given a reasonable response.

   Mayor DuBois explained that the Town operates on a Commission-Administration Form of Government. He explained that the title of Mayor is just a title and that the Town does not run on a strong Mayor form of government, which is typical in the Northern areas form of government. He explained that the Commission is essentially an executive board which derives and creates policy. He explained that the Town Manager and staff administers the policy that the Commission directs. He explained that the Commission does not direct employees except for the Town Manager and Town Attorney. He stated that he has no more power or authority than any other Commissioner, other than when the Commission may request that he attend a meeting and represent the Town. He clarified that he does not have the authority to speak for the Town or create policy without the direct of the Commission. He stated that the Town Manager or Town Attorney may be able to provide a more formal explanation of the Town's form of government.

   Attorney Baird explained that it is a Commission-Manager Form of Government with the Commission setting policy and the Manager carries out that policy to the administrative staff. Each Commissioner has one vote, so the Mayor does not have more power in terms of legislative capacity than any of the other Commissioners.

   Mayor DuBois suggested that he give him a call or send him an email to help clarify.

   Mr. Rapoza stated that he was wondering the position of the Town Manager because in other Town's he has lived in the Mayor handles the operation of the Town.

   Town Manager Davis clarified that Mr. Rapoza is accustomed to a Strong-Mayor Form of Government, and with a Manager-Commission form of government the Manager is the Chief Executive Officer of the Town and the Commissioners are the legislators of the Town. She explained that the Chief Administrator is the Manager and almost every city in Palm Beach County, with the exception of West Palm Beach, is a Commissioner-Manager Form of Government.

2. *Ken Gibson, 105 Lake Shore Drive* – stated that he has been a slip holder at the Marina for three years and recently was made aware that the Marina security has changed its hours from 12 hours to 8 hours and the Marina slip holders were not made aware. He stated that as part of their monthly fee they receive power, parking and security services from 6:00 p.m. until 6:00 a.m. He stated that by not informing the boat owners it was a major breach in personal and property protection. He explained an incident that occurred at the Marina where two trespassers climbed the south side gate and casted the Marina. He stated that had he known

there were no security he would have called the Palm Beach County Sheriff (PBSO), instead he went looking for the security guard and could not find one on the property. He stated that he called the PBSO's office but the guys were gone by the time they arrived. He stated that he understands the need for local municipalities to cut the budget, but the slip holders pay for that service and should not be punished because of the Town's inability to fill the Marina and that cutting security should not be the answer to the situation.

Mayor DuBois stated that he knew the security services at the Marina had been cut and were being covered by PBSO.

Town Manager Davis said "yes" and that she did not have a slip agreement in front of her to refer to, but she does not believe that anywhere in the agreement it guarantees private security for tenants. She explained that there is security from 10:00 p.m. until 6:00 a.m., and that PBSO has agreed to patrol from 6:00 p.m. until 10:00 p.m. She reirritated that nowhere in the agreement it guarantees private security.

Mayor DuBois stated that he did not want to get into the slip agreement at this time, but requested that the manager follow up with Mr. Gibson.

Commissioner Longtin asked when the security hours were changed and how the tenants were notified.

Town Manager Davis asked the Marina Director Michael Pisano to respond to the question.

Marina Director Pisano stated that the change was made as a result of the budget process. He explained that signs were posted around the Marina informing the tenants that the security hours would be changing.

Commissioner Longtin asked where were the signs posted.

Marina Director Pisano stated that the signs were posted at the main Marina building, and the boat ramp and it included the security phone number as well as 911. He explained that the signs were posted for less than a month and then the information on the poster was changed excluding the hours so that no one would know exactly when security would be on-site.

3. *Kathy Raposa, 801 Lake Shore Drive* – asked why residents are only given three minutes to provide suggestions or comments to the Commission. She questioned why the Commissioners are allowed more time than residents. She stated that she would like to know if the Commission would consider changing it to five minutes. She stated that she does not like looking at residents backs when they are addressing the Commissioners when watching channel 18.

   Mayor DuBois explained since he was elected he has begun addressing residents concerns after their comments instead of waiting until the end of the meeting. He explained that with the assistance of the other Commissioners and the Town Manager and Town Attorney he will try and respond to Ms. Raposa's concerns. He explained that each agenda item allows residents to comment for three minutes and if they need more time they can provide the Town with their contact information, so that staff can follow up with them. He stated that he

is willing to speak with anyone if that is what the resident would prefer. He stated that if a resident just wants their face on camera then he can understand that as well, but that making the Commissioners aware of the concerns or issues is the important part. He agreed that having the residents faces on camera would be wonderful and it may be something that can be done.

Ms. Raposa stated that media coverage is very important as well as placement of the cameras is critical to the success of the Commission.

Mayor DuBois stated that hopefully they will be able to take her comments and make some improvements.

Town Manager Davis stated that additional cameras are needed and that staff has applied for and received a grant. She stated that they hope to continue to increase the amount of cameras in the room. She thanked Ms. Rapoza.

4. *Susan Lloyd, 220 Lake Shore Drive* – introduced herself and stated that she is a member of the Citizens Requiring Accountability from Politicians' and requested that her remarks be part of the minutes. She encouraged the Lake Park citizens to read the Lake Park blog at www.thestreetswhereyoulive.wordpress.com. She stated that her questions and concerns are regarding the Community Redevelopment Agency (CRA). She stated that it is all over the County that CRA's are failing in many small and large cities. She began researching the CRA online and discovered that California Governor Jerry Brown closed down 400 CRA offices across the state because it was costing the tax payers too much money. She stated that at the budget workshop it was stated that the Town owes the CRA over $1 million that we have been paying over 10 years and we still owe $250,000. She stated that she asked the Commission why, where does the payment go, where does the money come from to make the payment, is the CRA a lifetime commitment, how do we get out of it, why do we stay in it. She stated that she has heard that it has created over 80 jobs in Lake Park, are those 80 people still employed. She stated that she understands the CRA has a specific boundary, which is a small portion of Lake Park, which includes a section of Park Avenue and has its two deputies to patrol that small section of Town. She stated that thanks to a grant we will now have more security cameras for that small area. She asked is Park Avenue really that unsafe. She stated that it has created some really nice positions for the CRA department heads with a Project Manager and an Economic Development Director where between the two are earning $122,000 a year, which does not include their benefits. She questioned if their salaries are being paid for by the tax payers and wanted to know what they did to earn their salaries. She questioned if the CRA boundaries are such a small section of Lake Park was it necessary to have two positions. She stated that the small section of Lake Park looks pretty with nice landscaping, but when you look up all you see are empty buildings. She asked what has the CRA really done over the past 10 years. She explained that the CRA brings a lot of stipulations that require spending tax payer money. She asked the Commissioners if they had ever thought about getting away from the CRA and wanted to know why they feel it is so wonderful. She stated that none of Commissioners were elected when the Town entered the CRA, but they are all in the position to determine if the Town still needs it and the money it cost. She asked when is enough, enough and when can Lake Park stand on its own. She felt the CRA was missing one letter and that the letter is a p at the end.

Mayor DuBois stated that she had many more questions that he can possibly answer and that there is some CRA budget discussions that will be coming up.

Town Manager Davis indicated that it would be towards the end of the month or the beginning of September. She stated that she would be happy to meet with Ms. Lloyd because she has a lot of misinformation and would like the opportunity to sit down and provide the facts about what a CRA is.

Mayor DuBois stated that there is a good document that explains the CRA on-line.

Town Manager Davis confirmed that the document is on-line and that she would meet with Ms. Lloyd to explained the CRA.

Ms. Lloyd stated that for all of the good of the government is also often bad for the government. She agreed to sit down and invite the other members of the Citizens group if the Town Manager did not mind.

Town Manager Davis agreed.

Ms. Lloyd stated that her concern was a lot of stipulations.

Mayor DuBois stated that they can make an appointment and meet to have the questions answered.

5. *Grover Lines 1301 10th Street* – introduced himself and stated that he and his wife are opening a new business called Kelsey City Bar and Grill. He stated that they are going to do everything they can to make the Commission proud of their establishment. He stated that it will have historical significance and he invited the Commission to come in. He stated that they will try to hire people from the community and get the community involved and hopes to work closely with the Mayor and Commissioners.

   Town Manager Davis asked for the location of the restaurant.

   Mr. Lines stated that they are on the corner of 10th Street and Northern Drive, where Someplace Restaurant use to be.

   Vice-Mayor Rumsey asked if that business was in the CRA on 10th Street.

   Town Manager Davis stated "yes it is".

   Mayor DuBois asked for the hours of operation.

   Mr. Lines explained that they would be open from 11:00 a.m. until 2:00 a.m. and will serve lunch and dinner.

   Town Manager Davis asked when they were planning on opening.

Mr. Lines stated that they hope to be open by August 30, 2011. He stated as soon as all of the inspections can be done they will be opening. He explained that they have done some remodeling inside and have put a lot into the building. He added that he expect it will be a pleasant addition to the community.

Mayor DuBois asked what type of food will they serve.

Mr. Lines stated that it would be sports bar food, just a bit more upscale than that because his wife will be doing the cooking and that she was a great chef.

Commissioner Longtin asked if there would be any entertainment, such as karaoke.

Mr. Lines stated that they will have entertainment such as karaoke and bands on the weekends with a very mixed type of entertainment with something for everyone in the community.

The Commission congratulated Mr. Lines.

CONSENT AGENDA:

6. **Special Call Swearing in Commission Meeting Minutes of July 13, 2011**
7. **Resolution No. 27-08-11 Fiscal Year 2012 Renewal of the Annual Employee Benefits**
8. **Resolution No. 26-08-11 to Grant a Flowage Easement to Congress Avenue Properties, LTD.**

Mayor DuBois explained that there was one public comment card for item number 7 Resolution No. 27-08-11 Fiscal Year 2012 Renewal of the Annual Employee Benefits, so that item will be pulled for discussion.

Commissioner Longtin stated that since there were only three items on the Consent Agenda that she would like each pulled to be discussed. She stated that she was ready for a vote on item number 6 Special Call Swearing in Commission Meeting Minutes of July 13, 2011.

Mayor DuBois stated that if it was the consensus of the Commission then all three items would be pulled from the Consent Agenda.

Public Comment Open.
None
Public Comment Closed.

Motion: A motion was made by Commissioner Longtin to approve the Special Call Swearing In Commission Meeting Minutes of July 13, 2011 on the Consent Agenda; Commissioner Hockman 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

7. **Resolution No. 27-08-11 Fiscal Year 2012 Renewal of the Annual Employee Benefits**
A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AUTHORIZING THE TOWN MANAGER TO RENEW FOR FISCAL YEAR 2012 BLUE CROSS BLUE SHIELD EMPLOYEE MEDICAL INSURANCE; LINCOLN FINANCIAL GROUP EMPLOYEE DENTAL, LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT, SHORT-TERM DISABILITY AND LONG-TERM DISABILITY INSURANCE; HUMANA/COMP BENEFITS EMPLOYEE VISION INSURANCE; AND, A CONTRACT WITH THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY, INC. FOR AN EMPLOYEE ASSISTANCE PROGRAM FOR FISCAL YEARS 2012 AND 2013; AND PROVIDING AN EFFECTIVE DATE.

Public Comment Open.

Susan Lloyd, 220 Lake Shore Drive – introduced herself and stated that she is a member of the Citizen Requiring Accountability from Politicians' and requested that her remarks be added to the minutes. She asked that the Commission not agree to pay a 13 percent increase in premiums because it will cost the Town an additional $57,122 for health insurance and $3,039 for dental insurance out of tax payers' pockets, many of who do not have health insurance. She asked why do we not get bids from other insurance company because they would line up at the door to submit a bid. She asked why don't they just go with the suggestion from the current insurance company Blue Cross Blue Shield, who proposed a plan to reduce benefits and lower costs. She stated that she wanted citizens to be aware that the single employees receive 100 percent of their health, dental as well as life insurance, long and short term disabilities, and vision care paid. She stated that employees also receive a very generous family coverage on the tax payers dime. She explained that in addition the Town has also contracted with the Center for Family enrichments for employees for unlimited serves for all sorts of counseling, including marital, divorce, abuse, financial, legal, elder care resources and so on. She stated that it would be nice if those services would be offered to the citizens of Lake Park at no cost to them as well. She asked the Commission who pays for the sessions. She stated that she feels it is time the employees contribute to their own health benefits. She stated that she realizes that this is out of the normal for government positions, but feels it is long overdue. She explained that it is not unheard of for the employee to pay half and the employer to pay half. She clarified that she was not suggesting that, however the cost must be shared. She asked the Commission to consider her remarks because the Commissioners will be responsible for this and to please be accountable.

Public Comment Closed:

Mayor DuBois asked Town Manager Davis to present any information she may have on this topic.

Town Manager Davis introduced the consultant Kurt Gehring from Gehring Group to address the Commission and answer questions.

Kurt Gehring from the Gehring Group introduced himself as the President of the Gehring Group. He explained that his company handles about 80 municipal employers in Florida and about 35 in Palm Beach County. He explained that the challenge with all municipal entities is that budgets are targets for everything. He stated that they have seen layoffs, furloughs, no pay increases for four or five years, and benefits are constantly being reviewed. He explained that last year the insurances were bid out and they received proposals from several different companies but decided to stay with Blue Cross Blue Shield because they were the most completive. He explained that the issue with bidding out a plan of this size year after year is that it cost the carries $5,000 to $7,000 to write out the case and put it out on the table for a municipality. He stated that the concern is when a municipality has a large increase the insurance company will not come to the table because they feel the municipalities are just going through the yearly process and they will not be as completive. He explained that they are careful to bid on a unreasonable increase based on claim experience of the actual group. The Town last year had about $396,000 in claims that occurred for ongoing conditions, because of Health Insurance Portability and Accountability Act (HIPPA) it cannot be discussed. He explained that the Town has a high incidents of Diabetes, and Hyper Tension as compared with the others in Blue Cross Blue Shields. He explained that they are always things that can be done with the schedule of benefits or insurance to make changes. He stated that they considered changing some of them, but looking at those changes and the premiums that were on the table they were not very competitive based on leaving the benefits. He stressed that this is all part of a benefits package, and a lot less expensive to do something on the schedule of benefits than pay raising or some of the other things that are occurring with the pension and those types of things under the bonus. He stated that when thinking about the insurance and benefits of this Town and others entities and private entities it is important to keep in mind that its why the insurance is provided to employees. He stated that he has had this conversation several times in the past few weeks with other entities as far as what is going to make the change, which are a package, and a timing issue as to where you want to make the cuts year after year. He asked the Commission to consider all of those things before making their decision. He stated that the overall increase is 11 percent with no increase on the life insurance, short term disability and several other categories.

Commissioner Longtin asked Attorney Baird if she were taking advantage of the plan would she be allowed to vote.

Attorney Baird stated "yes".

Commissioner Longtin stated that she agreed with Ms. Lloyd and that she is being offered one plan with a deductible of $500. She stated that she feels that we should be looking at a deductible of $1000, something different. She explained that employees are getting 50 percent of the dependent covered paid by the Town and that it is a lot for the tax payers to pay, considering many of them would love getting a job never mind insurance. She stated that she agrees that this should be going out to bid and stated that she appreciated the Gehring Group efforts, but there are others that can do the same thing. She gave an example of how the auditors or the lawyer go

out to bid ever so often, insurance should also go out to bid. She stated that certain things should just be done and that it was not necessarily a slam on anyone, but it is just standard operating procedure in her opinion. She felt we could look at raising the deductibles, other plans, higher deductibles, because something has got to give because the tax payer cannot afford this. She stated that there are some employee that are on the boarder to lose their jobs, at least four are on the chopping block, everyone has to sacrifice for these employees to keep their jobs. She stated that she will vote against this item and feels that we need to look at other options.

Commissioner Stevens stated that the current plan states on section 2, the chart with the benefits.

Mr. Gehring said Current and Renewal.

Commissioner Stevens stated that it is on page 257 of the Commission agenda packet, where it shows no deductible for single and family in network.

Mr. Gehring "correct."

Commissioner Stevens clarified that the co-pays would be all those listed below the single and family if an employee wanted to go visit a primary care physician and pay a $20 co-pay for the visit.

Mr. Gehring "correct.'

Commissioner Stevens asked what did CYD 50 percent mean.

Mr. Gehring explained that CYD means County Year Deductible and then 50 percent of that, which would be if someone went out-of-network they would have a $500 deductible.

Commissioner Stevens asked if the employee stayed in-network they could continue going to primary care physicians for $20 a visit.

Mr. Gehring "correct" and because they are in-network, there are about 97 percent of the employees that say in-network, not very many go out-of-network.

Commissioner Stevens stating if the employee went out-of-network then they would have to pay the deductible and the higher rate.

Mr. Gehring agreed.

Commissioner Stevens stated that he understood that they went out to bid last year, has there been any alternative plans exploring adding a co-pay. He reference his employer in which the employees pay 20 percent and that the employees was that it would discourage frivolous use and bring down the payments and maybe reduce the overall cost of the insurance.

Mr. Gehring explained that based on the size and claim experience, larger groups has a lot to do with how much is covered, but with a group of this size claim experience has very little to do it, however he gave an example if the Town chose to go with a $500 deductible then co insurance in-network would be about a $20,000 reduction of the increase amount.

Commissioner Stevens asked if the $20,000 off of the total $396,000.

Mr. Gehring "correct."

Commissioner Stevens stated that it would reduce the rate by a little bit. He indicated that Mr. Gehring had stated that he represents about 20 Towns.

Mr. Gehring clarified that they have 80 throughout the State.

Commissioner Stevens asked if there was any possibility of pooling them together to get more leverage against the insurance company.

Mr. Gehring stated that it was tried and tried again. He explained that the issue was that you are not purchasing something that has economies of scale and the administrative portion is very small component of what you are purchasing. What is being purchased is risk protection, which is claims. He gave an example that if you had a large group of very healthy young people and add them to another risk then that is where you would have economies of scale. He explained that if that were the case there would be tons of them in the State that the municipalities could choose from. He stated that if you had a small group of healthy people with a large group of average older population the younger group will have a better rate. If that is the case you can do better on your own depending on the health and age demographics of the group.

Commissioner Stevens wanted to know when was the deadline to enter into this contract with Blue Cross Blue Shield.

Mr. Gehring said "October 1."

Mayor DuBois asked if that was open enrollment.

Mr. Gehring said "yes."

Town Manager Davis explained that open enrollment is before October 1.

Mr. Gehring stated that we need time to notify the individual employees if there are any changes of any kind and that there will be disruption if not done in a timely manner.

Commissioner Stevens asked if the Commission voted to approve the Resolution would it tie their hands when it comes to the budget. Would passing the Resolution have any effect on the budget and the public hearings and the workshops.

Attorney Baird stated that it would impact the budget because the Resolution would be authorizing the Town Manager to renew the contract with Blue Cross Blue Shields medical insurance.

Vice-Mayor Rumsey asked the Town Attorney to clarified that it does not prevent the Commission from changing the percentage that the Town pays for employees.

Attorney Baird explained that the Resolution is simply to renew the plan and would defer to the consultant to find out if the Town can make changes to the plan.

Vice-Mayor Rumsey asked if the plan was approved tonight at 13 or 11 percent increase that has been proposed when the Commission goes through the budget process however the Commission can still change the percentage the Town pays for each individual employee.

Mr. Gehring "correct."

Vice-Mayor Rumsey stated that he requested several meeting ago the average percentage, per employee reflects what the Town pays.

Town Manager Davis stated that she did not have the information at this time, but that they have been preparing it.

Finance Director Anne Costello stated that she was not sure what was meant by how it reflects because she was thinking one thing and others interrupted it differently.

Vice-Mayor Rumsey clarified that if the insurance is going up 11 or 13 percent on average how much is that per employee.

Finance Director Costello stated that she would have the figure for him by the budget workshop.

Town Manager Daivs "yes."

Finance Director Costello stated that she would have that information by the next meeting.

Mr. Gehring explained that the single rate is 100 percent paid by the Town.

Vice-Mayor Rumsey clarified for the Finance Director that what he wants to know is if the Town is paying $1000 per employee and the rate goes up 13 percent that would equal $1130. What he would like to know is the average increase on the 13 percent.

Mr. Gehring asked what would affect the employees portion.

Vice-Mayor Rumsey agreed.

Finance Director Costello asked what the employee pays.

Vice-Mayor Rumsey stated "no" because the employee is not paying it. He asked for the cost to the Town per employee.

Town Manager Davis stated that they will provide the figure and that she understood what was being requested.

Vice-Mayor Rumsey stated that the overall increase is between $56 and $58 for the year.

Mr. Gehring stated that it was $58,740 for the year for the employer. He explained that on the last page of the spreadsheets (page 15 of exhibit C) it shows how much each employee pays and how much the employer pays per month currently and in the last three columns it shows how much the new rates will be for the employee and the employer.

Vice-Mayor Rumsey stated that he was just interested in what much more the Town would be paying. He stated that the Commission is not eligible to receive this insurance at all. He stated that a discussion took place about a year ago and it was determined that the Commission was not eligible to receive these benefits.

Town Manager Davis stated that the Commission may pays for this insurance themselves.

Mayor DuBois stated that they are eligible to receive the insurance, but that they would have to pay for it.

Vice-Mayor Rumsey corrected his statement by stating that the Commission may choose this insurance, but it would not be paid for by the Town.

Commissioner Hockman asked Finance Director Costello to clarify a statement made earlier that the fee is based on what coverage the employees selects. He stated that he was under the impression that everyone receives that same coverage, and every employee would have the same fee.

Finance Director Costello explained that there are four tiers of levels of service for health insurance. She stated that what she was referring to was the four tiers: employee only, employee plus spouse, employee plus children, or family.

Commissioner Hockman stated that each employee pays the same amount and it does not matter if they are 20 years old or 50 years old.

Town Manager Davis "correct."

Commissioner Hockman clarified that we are only paying for half of the employees family, spouse or child.

Finance Director Costello "correct."

Commissioner Hockman stated that he agreed to raise the deductible a little bit because $20 is too low. He stated that he is aware of some plans that the co-pays are $35 to $40 and that years ago the co-pay was $20. He stated that anything to help lower the cost would be great. He stated that unfortunately he was not at the Budget Workshop to include his comments, but is doing so now because this is before them. He asked why would the contract be renewed for only two years instead of one year.

Town Manger Davis asked if that was a typo.

Vice-Mayor Rumsey stated that it was for Center for Family Services.

Commissioner Hockman stated that it was under the Employee Assistance Program (EAP) and the previous contract was for one year.

Mr. Gehring stated that everyone was a one year guarantee and the two year is specifically for the EAP and everything else was one year. Currently the market does not have a two year health coverage guarantee, only a one year. He stated that it may be a typo. He clarified that it would be a guarantee on their side, it does not necessarily mean you would be on the contract for two years.

Commissioner Hockman stated that once again on the EAP it should be approved for one year and the previous year was a one year, it should remain the same.

Town Manager Davis explained that the Town receives a 10 percent discount if the contract is renewed for two years.

Mayor DuBois stated that it would also close down the opportunity for EAP to increase their rates on top of the 10 percent discount. He asked if they have ever seen the rates do down. He apologized to Commissioner Hockman for interrupting him.

Commissioner Hockman stated that he was done asking questions at this point.

Mayor DuBois had no questions.

Commissioner Stevens stated that something Commissioner Hockman said peeked a question, he stated that currently the Town has between 46 and 48 employees and about 19 part-time employees, does the Town pay the same amount for part-time employees that it pays for full-time employees.

Town Manager Davis stated that the Town does not pay health benefits for part-time employees.

Commissioner Stevens verified that the Town does not pay for health insurance for part-time employees.

Town Manager "correct."

Mayor DuBois stated that staff's recommendation is for approval.

Commissioner Longtin asked that the item be tabled until the next meeting.

Mayor DuBois explained that the motion to table is out of order, he stated that a motion to table is reserved for when there is an emergency. He stated that it would be better to consider a motion to postpone, which would allow staff to come back with information. He stated that a motion to table would then require a motion to bring back the item. He explained that a motion to table has been used inappropriately in the past and the appropriate motion would be to approve. If such a motion will not be made then another motion would be entertained.

Attorney Baird stated that the Commission can make a motion to postpone the item.

Mayor DuBois stated that he would like to hear if there is a motion to approve first, since that is the staff's recommendation.

Attorney Baird stated that it is proper if a Commissioner wants to make a motion to deny or postpone that they be permitted to make that motion.

Mayor DuBois disagreed and that they have been given an recommendation from staff and now he is asking for that recommendation and as his position as chair to make that decision.

Attorney Baird "okay."

Mayor DuBois stated that he did not know if there was such a motion and if there is not one he would entertain Commissioner Longtin's motion.

Commissioner Longtin stated that she would like to see more options and Commissioner Stevens had corrected her because she thought that there was a $500 deductible and there was no deductible, instead employees have a small co-pay. She stated that the tax payers of the Town are having a hard time cracking this nut.

Motion: A motion was made by Commissioner Longtin to postpone Resolution No. 27-08-11 Fiscal Year 2012 Renewal of the Annual Employee Benefits to the next meeting; Commissioner Hockman made the second.

Commissioner Stevens asked for clarification as to when the next meeting would be held.

Town Manager Davis stated that we would need to hear from the Gehring Group because she was not sure they would have enough time to bring back different options.

Mayor DuBois asked when was the next meeting.

Town Manager Davis stated that August 17, 2011 was the next scheduled meeting.

Mayor DuBois asked Gehring Group to do that best that they can considering they are running out of time.

Commissioner Stevens asked in terms of timing are there other options within Blue Cross Blue Shields.

Mr. Gehring stated that he has worked with many municipalities and that this was common to have this discussion and that if they were just going to go directly to Blue Cross Blue Shields that they would have enough time to go on the agenda. However, he requested further direction because three different parts were being discussed. He explained that the employee contributions was one part, how much the Town pays per employee and that he did not need that information to bid it; second there is an overall 13 percent increase and asked if they were looking at a certain percentage or zero or a single digit to lower it overall. He explained that the reason was they can go with a $1000 deductible for single and $2000 for family, which over all his clients only one has used that option and they are usually funding a portion of that deductible back. He stated that they can compare the Town to other municipalities or bring back other options to be considered.

Commissioner Stevens stated that it could be possible if tweaking the co-pays and deductible can be a minimal savings and it may be better leaving it the way it is.

Vice-Mayor Rumsey stated that he was going to support Commissioner Longtin's motion because he wants the answers to his questions. He stated that a major factor for him in passing this item will be the question he asked earlier in the meeting before he can support the budget moving forward.

Commissioner Longtin stated that she is not concerned with what the other municipalities are doing and that someone needs to lead this charge. It is unfortunately that the employee benefits are over the top but the residents are upset because some of them don't even have jobs, everyone needs to work together. She stated that some may need to pay more but that they must keep in mind that some don't have anything.

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

Mayor DuBois told Mr. Gehring that direction had been given and to please have the options presented at the August 17, 2011 meeting.

Mr. Gehring stated that he was comfortable.

Commissioner Stevens thanked him for his time.

8. **Resolution No. 26-08-11 to Grant a Flowage Easement to Congress Avenue Properties, LTD**
   A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AUTHORIZING THE MAYOR TO EXECUTE A FLOWAGE EASEMENT WITH CONGRESS AVENUE PROPERTIES, LTD. AND THE NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT; AND PROVIDING AN EFFECTIVE DATE.

Public Works Director Dave Hunt explained that in the late 1990's Water Tower Road did not connect to Congress Avenue and that there was a drainage system of the Town where there was an open drainage ditch, which flowed to the south. He explained that Palm Beach County completed the interconnection between Water Tower Road and Congress Ave at that time and interrupted the flow of that drainage ditch. Palm Beach County put a 72 inch concrete drainage

pipe across Water Tower Road and they alternately deeded that road to the Town. He explained that before they deeded the road to the Town Congress Avenue Properties constructed a wet retention ponds in anticipation of their commercial development, which would increase the imperious area and decrease the ability to accept rain water into the ground. He explained that they connected to that drain pipe as an interconnect between the lake on the north side of the road and the south side as the flow eventually went to the C17 canal. He stated that now Congress Avenue Properties wants to turn those retention ponds over to the Northern Palm Beach County Improvement District. He stated that before Northern takes possession of that property they want to make sure that they have a legitimate right for their water to flow under the Towns right-of-way at Water Tower Road. He explained that this is a housekeeping measure where we are allowing that flow of drainage water to go underneath our road through our 72 inch drain pipe. He stated that upon passage of this item tonight it will allow Congress Avenue Properties and the Northern Palm Beach County Improvement District to complete their business of this property.

Commissioner Hockman asked if we are giving them the easement under the road.

Public Works Director Hunt "that is correct."

Commissioner Hockman asked if we were basically giving up the right for that stretch of roadway and therefore if the Town needed to come back to do something we would need to go back to them for permission.

Public Works Director Hunt stated that he does not believe it was written that the Town gives up anything. We would only be allowing them the right to flow in this flowage easement. He clarified that we are not giving up our pipe or any of the infrastructure, and they are not allowed to put any other utilities to use that easement for any other purpose.

Commissioner Hockman stated that the ways he reads it and the way the sketches are, we are giving them the easement because they are paying a $10 fee, and his only concern is that when it is an easement you cannot cross it, or do anything without going through them. He stated that if they say no, we would not be able to do anything, which is a big concern if we ever wanted to expand the roadway or whatever.

Attorney Baird stated that the example Commissioner Hockman provided was where the municipality granted the easement, so you are the subservient property owner, but in this case the Town has superior rights to the property and it is merely granting an easement to Northern to let them run their drainage from point A to point B underneath Water Tower Road.

Motion: A motion was made by Vice-Mayor Rumsey to approve Resolution No. 26-08-11 to Grant a Flowage Easement to Congress Avenue Properties, LTD; 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:
QUASI-JUDICIAL
ORDINANCE ON SECOND READING:

9. Ordinance No. 04-2011 – K-Mart Rezoning
AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AMENDING THE TOWN'S OFFICIAL ZONING MAP AND REZONING THE PROPERTY KNOWN AS THE K-MART PLAZA FROM C-1 TO PLANNED UNIT DEVELOPMENT ("PUD"); PROVIDING FOR WAIVERS; AND PROVIDING FOR AN EFFECTIVE DATE.

Exparte Communication

Mayor "None."

Commissioner Longtin "None."

Commissioner Stevens "None."

Vice-Mayor Rumsey "None."

Commissioner Hockman abstained from voting.

Town Clerk Lemley sworn in all witnesses.

Community Development Director Nadia DiTommaso stated that she and the applicant are available to answer any questions on the project.

Mayor DuBois asked for any comments from the Commission.

Commissioner Longtin recapped the intension of the project and stated that this is the time for the Commission to request something in return. She stated that she would vote in favor of this project if the petitioner would add some shade trees and remove the wheel stops and put in landscape strips. She stated that she does not understand why this plaza does not look as pretty as some of the others built around the property, and make it more green.

Attorney Baird stated that the question is being address to the applicant whether they are willing to add additional landscaping.

Mayor DuBois felt it was a question directed towards staff because of how the Planned Unit Development (PUD) was being brought forward.

Community Development Director DiTommaso stated that staff is willing to consider the recommendation of the Town Commission and had the applicant respond to the recommendations being proposed.

Jamie Gentile of Gentile, Holloway and O'Malley stated that by setting the PUD it sets a time zero, where a record is being created so that when this comes before the Commission in the future the request could address the landscaping items by the applicant. He explained that because no density or intensity is being increased per the Town Code it is not required to add anything to the site. He explained that with the PUD in place it will create the opportunity for applicants to follow in the future. He stated that should the site every be upgraded or changed the applicant would have to make the changes that are now being recommended.

Commissioner Longtin stated that it should not be put off until a future timeframe. She pointed out that the Town is giving waivers for landscape islands, which should have more than they currently have, landscape buffers, planting of trees, she stated that a lot more should be done.

Mr. Gentile reiterated that there are some deficiencies on the site, but at the moment they are exceeding the Code. He explained that some of the buffers were taken because of the right-of-way issues and the applicant was not at fault because the road was being narrowed. He explained that in some sections of the parking lot they may exceed what the development plans requires, while in other sections of the parking lot they have a deficiency. He stated that the development plan that was created in the 1960' and the Code has changed. He explained that the intention was to establish the record for what is currently at the site.

Commissioner Longtin stated that the waivers are asking that you not adhere to what you may have to adhere to. She stated that she understood and thanked Mr. Gentile.

Commissioner Stevens agreed that the site could be prettier and believed that the Town did receive a bit pro quo with improvements to the southern and western landscaping and should there be additional development then we could ask for additional improvements to the landscaping to make it even prettier.

Motion: A motion was made by Commissioner Stevens to approve Ordinance No. 04-2011 – K-Mart Rezoning; Vice-Mayor Rumsey made the second.

Vote on Motion:

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

Rumsey	X		
Mayor DuBois	X		

Motion passed 3-1-1 abstained

Attorney Baird read the Ordinance by title only.

ORDINANCE ON FIRST READING:

10. Ordinance on First Reading. Ordinance No. 05-2011 Bank Registry

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING CHAPTER 54, ARTICLE III OF THE CODE OF ORDINANCES ENTITLED "HOUSING CODE" TO CREATE A NEW DIVISION 4, TO BE ENTITLED, "ABANDONED REAL PROPERTY;" PROVIDING FOR SECTION 54-101, ENTITLED "INTENT AND PURPOSE"; PROVIDING FOR SECTION 54-102, ENTITLED "DEFINITIONS"; PROVIDING FOR SECTION 54-103, ENTITLED "APPLICABILITY"; PROVIDING FOR SECTION 54-104, ENTITLED "REGISTRATION OF ABANDONED RESIDENTIAL PROPERTY"; PROVIDING FOR SECTION 54-105 ENTITLED "MAINTENANCE REQUIREMENTS"; PROVIDING FOR SECTION 54-106, ENTITLED "SECURITY REQUIREMENTS"; PROVIDING FOR SECTION 54-107, ENTITLED "IMMUNITY OF ENFORCEMENT OFFICER"; PROVIDING FOR SECTION 54-108, ENTITLED "ADDITIONAL AUTHORITY"; PROVIDING FOR SECTION 54-109, ENTITLED "REMOVAL OF ABANDONED PERSONAL PROPERTY AUTHORIZED"; PROVIDING FOR THE REPEAL OF LAWS IN CONFLICT; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Attorney Baird explained that this was the Ordinance the Commission requested be brought back and he was available to answer any questions. He stated that since the last time the Commission had considered this Ordinance there was an article in the Palm Beach Post that Palm Beach County is now considering the same type of legislation and also another municipality that is considering the same type of Ordinance. He provided an example of why this type of Ordinance is being enacted. He stated that he is the Magistrate for the Village of North Palm Beach and he recently saw a case where the lender took over the property through a foreclosure action and it was abandoned, and the bank failed to maintain that property for a year. He stated that neighbors and others were complaining about the condition of the property and concern about the overgrowth of vegetation and the state of the structure of the property and the possibility of vagrants' living on the property. He stated that in that instant the bank was asking for a reduction of the fines to zero or very minimal and that is the intent of this Ordinance and what it will address. He stated that this is an example of what the Ordinance is intended to address and to get the lending institutions responsible for maintaining properties that they have taken over and also to secure those properties so that adjoining properties are not impacted by the adverse constituencies' of the banks' failure to maintain the properties.

Commissioner Stevens asked if this Ordinance address the window in which residents fail to maintain the property and the bank does not take title yet, because a lot of the time the banks wait to take title.

Attorney Baird stated that it addresses the period of time where there has been a listing of default and the bank is proceeding with foreclosure if the property is vacant. If someone is still residing on the property then the bank is not solely responsible, but they would be solely responsible if the property was vacant.

Commissioner Stevens stated that some mortgage agreements will have language in them allowing the bank to step in before things get bad. What are the Town's options to make sure the bank exercises that or is there language in the Ordinance to prevent a bank from failing to do a notice of default or to limit their responsibilities.

Attorney Baird stated that the Ordinance does not address it, but if the Commission would like this language it can be added between first and second reading. The question of the banks responsibilities' to address the declining value of their property is usually not addressed until they come before the Special Magistrate and they ask the magistrate to reduce the amount that is due. He stated that the banks argument is usually that they do not have the ability to maintain that property. He stated that most magistrates do not agree with that argument because most mortgages include a provision that states that the bank does have the ability to preserve their assets, because if they do not then they would be reducing their collateral of the property.

Commissioner Stevens asked if there was some language that could be included that would allow the magistrate to go after the bank or prevent the bank from making that argument.

Attorney Baird stated that it would not be the magistrate it would be the Town putting that responsibility on the bank. He stated that if the majority of the Commission agreed with that then he would include it before second reading of the Ordinance.

Commissioner Longtin stated that she owed the Town Attorney an apology because he has reached out several times to her to discuss the Ordinance and she has not had the opportunity to respond. She asked why sometimes the word vacant was used when a property can be vacant but still be maintained and felt that the word abandoned would describe it better.

Attorney Baird stated that it was a point well taken and that he felt the words should not be intermingled and felt the difference between vacant and abandoned can be explained in the Ordinance.

Commissioner Longtin wanted to know what happens if a property is not registered, what is the difference between a house that is registered and a house that is not, what happens to the unregistered property.

Attorney Baird stated that the property that is subject to this Ordinance is not registered and would be in violation of the Town Code and would be cited. He explained that they would then have a hearing where they would explained why they did not register and under the procedure that exist they would be given a reasonable time to register before any fine against the lending company can accrue.

Commissioner Longtin asked if this would apply to residential properties only or multifamily units.

Attorney Baird explained that it would apply to residential properties only which would include single and multifamily units.
Commissioner Longtin asked would everyone will be notified by letter.

Attorney Baird stated that there is a public hearing process that exist and there is also publishing notices of these public hearings for Ordinances that will be adopted by the Commission, as a result the property owner would be on legal notice that they are required to comply with this Ordinance. He stated that the public hearings are the minimum level of notice that is required and if the Commission request the Town Manager to do more of an outreach program to make property owners or lending institutions aware of the Ordinance then it would be up to the Commission.

Commissioner Longtin stated that she was not aware of all that is entailed and that they can think about it.

Attorney Baird stated that the problem is that many of the lending institutions are not local and have purchased the mortgage from a local lender. He stated that an outreach program may be difficult, but most of the large lending institutions are aware of these bank registrations' because they have emerged over the past three years throughout the United States. He stated that Palm Beach County has been public about going through this process.

Commissioner Longtin stated that the more municipalities that enact this the more banks will know to do the right thing. She stated that on page 5 section 54.105(d) it states that "landscaping shall be maintained in accordance with the Towns standards at the time the registration was required". Why is it worded "at the time registration was required", it sounds like they are being grandfathered in, why can't it just say "at the Town's current standards".

Attorney Baird stated that is the current standard at the time of this registration. He felt that to be more on point it should refer to the standard as amended, should the Town amend the standards in the future whether it be greater or lesser landscaping they would have to adhere to the Code.

Mayor DuBois stated that they would come into compliance at the time of the Code infraction rather than the time of the Ordinance.

Commissioner Longtin agreed. She stated that in section 54.106(b) it states that "residences should be kept in a secure manor" and skipped directly to one sentences that states "broken windows shall be secured by re-glazing or boarding of the windows. She stated that she was not sure she wanted to see boards on windows and asked why could they not just request that the window be fixed.

Attorney Baird stated "yes".
Commissioner Longtin stated that section 54.109(b) speaks of removal of abandoned personal property and that the Town can take items that are hazardous from the property. She mentioned that it does not clarify from the inside or the outside of the property. She felt it would give someone the leeway, not that anyone would do such a thing, to enter a primus and take something they deem abandoned.

Attorney Baird stated that he felt her concern was that someone would take something outside that one persons may judge it to be abandoned personal property that is of no value and is perhaps a safety issue but that if it could be placed inside the property it could be preserved in case the property owner ever returns.

Commissioner Longtin clarified that even something that is inside would be considered abandoned and it raised a concern. She stated that she wants to make sure this does not give anyone the right to go in a take something from a property they deem abandoned.

Attorney Baird stated that the way 54.109 is drafted is that it is only for the outside property, in other words, as in any other code compliance action, if you are not invited into the property you don't have permission to trespass. He stated that he will take a look at making that more clear if they are talking about the outside of the property and not for the ability for someone to come into a property they believe is vacant and loot it.

Commissioner Longtin stated vacant or abandoned. She stated that the wording is "upon the property and on a property." She thanked everyone for their indulgence.

Commissioner Stevens stated that the Attorney can change out the word upon with outside and address the issue.

Mayor DuBois agreed.

Vice-Mayor Rumsey thanked Commissioner Longtin for bringing this item back and felt the Commission made a mistake by not approving this Ordinance the first time and thanked her for her reconsideration and that it is definitely an issue of health and public safety.

Commissioner Hockman asked how is the Town going to make the banks pay. He stated that if he understood this correctly the bank does not pay a registration fee and the bank does not take ownership until after they go through their process. How is the Town going to make them pay considering they cannot make them pay now. He asked if the banks will be coming to the Town a year later after they have accrued large fines and request from the magistrate to have the fees waived because they are selling the house. He stated the Town would be right back to not getting anything accomplished.

Attorney Baird explained that they were two separate items. He explained that the example he gave earlier was that a property had a lien and the bank was contemplating selling the house, but cannot because of the liens. He explained that it would be the way the Town would secures the fine that has been assessed to the property. He clarified that it does not prevent the bank from asking the magistrate to reduce the fines, but there is usually a threshold where when they come in front of the magistrate it is because of a sale pending and that is why they need the lien released. He stated that there is usually some negotiations' that take place to reduce the fine and the Town will receive some of the fine against the property because the result will be getting someone into the property that had been vacant.

Commissioner Hockman explained the process the Town current follows if a property owner does not comply with maintaining their property and the fines associated with those properties.

He stated that a bank now tries to sell a property with a lien and the title has to be cleared and asked the Attorney if that was correct.

Attorney Baird stated "correct and clean up the property if they want to sell it."

Commissioner Hockman felt that there is nothing else that he sees happening other than the Town getting another few hundred dollars because there is nothing guaranteeing that it will be different than it is today.

Attorney Baird stated that he feels that Commissioner Hockman is correct that the Town cannot compel the banks to honor its responsibility to comply with the Town Code, but most lending institutions are not in the business to lose money, most will be responsible and clean up the property and prepare it for a sale. He stated that they can dispose of the asset that is no longer an asset to the bank and that it is an easy business decision for the bank to make.

Commissioner Hockman stated that he felt it was just more paperwork that was being created and nothing that will benefit the Town.

Commissioner Longtin stated that she understands and agrees with Commissioner Hockman, but feels that the Town should continue and see how it plays out.

Mayor DuBois stated that he feels this will give the Town the ability to identify owners and allows the Town to go after the bank. He stated that he read the Ordinance that Palm Beach County adopted and that it seems to be an effective way to take care of this problem to the best extent possible for the Town. He stated that the Town could do nothing, but we would not be improving the situation or the possibilities', but with this Ordinance it does allow the Town a step forward.

Motion: A motion was made by Vice-Mayor Rumsey to approve Ordinance No. 05-2011 – Bank Registry as amended; Commissioner Stevens made the second.

Commissioner Stevens stated that Attorney Baird will be including language regarding the window of time and add some more provisions in it.

Attorney Baird stated that he will be addressing all the issues raised by Commissioner Longtin and the issue Commissioner Stevens raised regarding the timeframe until the bank takes title.

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

Attorney Baird read the Ordinance by title only.

RESOLUTION:

11. Resolution No. 25-08-11 K-Mart Plat

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA APPROVING AN AMENDMENT TO THE KMART RETAIL PLAZA PLAT PLAN TO SUBDIVIDE THE PROPERTY INTO PARCELS A, B AND C; AND PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Hockman announced that he has to abstain from voting on this item due to a conflict.

Community Development Director DiTommaso explained that the Plat documents were referenced in the rezoning Ordinance that was adopted earlier this evening. She explained that the Plat is a requirement that has to be approved separately by the Town Commission.

Mayor DuBois asked for any questions, being non he asked for a motion.

Motion: A motion was made by Commissioner Stevens to approve Resolution No. 25-08-11 K-Mart Plat; Commissioner Longtin made the second.

Vote on Motion:

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

Motion passed 4-1 abstained

BOARD MEMBERSHIP APPLICANTS:

12. Planning & Zoning Board
13. Library Board

Town Clerk Vivian Lemley stated that several members that have applied to be on the boards were available to introduce themselves to the Commission.

Barbara Bursey, 209 Cypress Drive - introduced herself and gave a brief history of herself. She stated that she served on the Education Committee for three years with Edie McConville and the board was discontinued. She then served for six years on the Code Compliance Board with the late Mayor Desca DuBois and that board was discontinued. She laughed as she stated that she was not sure the Commission would want her on this board. She stated that she is beginning her 10th year working with Palm Beach County Sheriff's Office (PBSO) as a crossing guard in front of Lake Park Elementary and volunteers two days a week with the first graders at the elementary school and afterwards goes to Lake Park Baptist and volunteers there for the Aftercare Program. She stated that she loves the children of the Town and works with them all the time and they call her Ms. Barbara. She stated that she feels she can work with Library Director Karen Mahnk. She stated that being raised in Lake Park and being a part of all the changes she feels she can help the Town. She thanked the Commission.

Jim Lloyd, 220 Lake Shore Drive – introduced himself and stated that he has been a resident for about seven years and involved with the Town for about six years. He gave a brief history of his background and business experience and stated that he is a quick study as it relates to the Planning and Zoning Board. He stated that he is interested in volunteering, and felt he could do it.

Natalie Schneider, 632 Park Avenue – introduced herself and stated that she has been a resident since 2004 and has extensive Planning and Zoning experience. She stated that she has been in the Planning and Zoning field since 1998 and served as the Interim Community Development Director for the Town when she worked for Calvin Giordano and Associates. She explained her extensive experience in Planning. She stated that since submitting her resume with her application she has been promoted to Intergovernmental Coordination Administrator for the South Florida Water Management District and is now in charge of their Planning Department and their Stormwater Improvement Projects. She stated that she is available to answer any questions and is honored to be considered for a position on the board.

The Commission continued with their agenda while the Town Clerk tallied the ballots.

DISCUSSION AND POSSIBLE ACTION:

14. Assignment of Board Liaison

Mayor DuBois asked for any member of the Commission to volunteer to be a liaison on the Library Board. He stated that he is unable to volunteer for this board.

Commissioner Longtin stated that she is unavailable.

Commissioner Stevens stated that he has a full plate but would excitedly be the liaison for the Library Board. He stated that the Library Board is a very important board and that we need to support what they do.

Mayor DuBois stated that with the consensus of the Commission he congratulated Commissioner Stevens for becoming the Library Board liaison.

Town Clerk Lemley stated that she has the results for Planning and Zoning Board and the Library Board. She announced that Natalie Schneider has been appointed as the regular member and Edie McConville as the alternate member of the Planning and Zoning Board. She announced that Barbara Bursey will be the regular member and Elizabeth Ault will be the alternate member.

Mayor DuBois thanked all the applicants for applying and volunteering their time to the boards and stated the Town couldn't do it without them.

Commissioner Longtin stated that she plans on attending board meetings when she is available and knows that someone on the dais had an issue with her attending. She asked the concern was that more than one Commissioner was attending the board meeting, she asked if that would cause a problem.

Attorney Baird stated that the Sunshine Law states that two or more board members attending the same meeting and since the Planning and Zoning Board are noticed and in the public then it is okay for more than one Commissioner to attend. He stressed that it is not a good idea to speak or address the board because they are Quasi-Judicial items that will come before the Commission and any comments made at those meetings will be taken as a prejudged comment about the application. He stated that attendance is fine, but discouraged participation.

Commissioner Longtin stated that it was also her understanding but wanted to clear it up.

Mayor DuBois stated that he guessed then that he would see her at the next Planning and Zoning meeting.

Commissioner Longtin stated "yes."

Commissioner Stevens stated that everyone is allowed to attend the Library Board with him as well.

Town Clerk Lemley stated that the Library Board meets tomorrow night.

Commissioner Stevens stated that it was already on his calendar.

Mayor DuBois stated that the meeting begins at 6:00 p.m.

Vice-Mayor Rumsey jokingly asked if they would be serving pizza at the Library Board meeting.

Commissioner Stevens continued jokingly on this topic.

Vice-Mayor Rumsey asked if the Mayor needed to be appointed as liaison to the Planning and Zoning Board.

Mayor DuBois stated that he was appointed as liaison to the Planning and Zoning Board and were just taking a quick breather before starting on the last agenda item of the evening.

15. Interlocal Agreement between Palm Beach County and the Town of Lake Park for Funding of Additional Boat Trailer parking and Increased Public Access to the Lake Park Marina.

Mayor DuBois stated that several public comment cards had been submitted on this agenda item. He explained that a comment card was submitted by Stephen Hall for Resolution 27-08-11, while the Commission was moving forward on the agenda item.

Mr. Stephen Hall requested permission to approach the microphone.

Mayor DuBois explained that the item had already been discussed and the Commission had already move forward with the action.

Mr. Hall apologized for the interruption and asked if he could make a comment on the Resolution.

Mayor DuBois asked Mr. Hall what agenda item did he want to address.

Mr. Hall explained that he wanted to make a comment regarding agenda item number seven, Resolution 27-08-11, Renewal of Annual Employee Benefits.

Mayor DuBois explained that the comment card was submitted after the agenda item was already in discussion and had passed the point of public comment and have now passed that agenda item.

Mr. Hall asked if he could raise one comment.

Mayor DuBois allowed it.

Mr. Hall stated that he watched the last Commission meeting in which the budget was discussed.

Mayor DuBois explained that the agenda item had been postponed and that time would be available to discuss this Resolution at the next Commission meeting.

Mr. Hall repeated that the Resolution had been postponed and continued to state that it was embarrassing to sign a card and speak in front of everyone and request the time and attention of the Commission. He stated that he was confused about the placement of an item on the agenda that had been tabled. He stated that this was not the first time and yet the Commissioners were brought to the table to vote on an agenda of a Resolution to approve 27-08-11. He stated that at the last meeting the Commission tabled the budget and discussion had taken place about how drastic changes were going to be necessary to the budget. He questioned why no one was able to comment on the budget during the workshop and that the consultant was proposing an increase of 13 percent and yet no Commissioner asked any questions. He explained that the consultant represents 85 other municipalities and yet he is unable to bundle the Town with another municipality for benefit services. He stated that the consultants response was simply that the Commission is young and healthy and they can put you with someone old and yet the Town is discussing drastic cuts on the budget. He recapped that the Commission was going to approve a Resolution that was tabled and was going to increase the budget by 13 percent, which was placed

before them at the last meeting. He stated that the issue was addressed at the last meeting about the budget and the increase of the benefits to the employees.

Mayor DuBois stopped Mr. Hall and stated that he had been provided time to comment on the agenda item and that his comments were out of order but his words were well taken and thanked him for his comments. He explained that he will be allowed to make another comment when the item comes back before the Commission at the August 17, 2011 meeting because it has been postponed.

Mr. Hall asked if he could make a closing comment.

Mayor DuBois stated that he had been provided time and that he and the Commission heard what he had to say and that his comments were out of order. He explained that he had been kind enough to allow Mr. Hall to speak on an item that had already been heard and to please indulge the Commission by allowing them to continue their meeting.

Mr. Hall stated that he was embarrassed and hope that he was not as embarrassed as the Commission to allow this item to come back after it had been discussed at the budget meeting. He thanked the Commission for their time.

Mayor DuBois stated that he understood what Mr. Hall was saying and explained that a comment card needs to be submitted before the item is heard.

Mr. Hall approached the microphone again to say that if a comment card is filled out he had assumed that when the item was put before the Commission that the comments made at the last meeting would be reviewed and that the Commission would have figured out how to rein in the Town spending budget and not vote on a Resolution that had a 13 percent increase in premiums'.

Public Comment Open

(This comment was done verbatim)

Jim Lloyd, 220 Lake Shore Drive – requested that "my comments be included in the minutes. Tonight's discussion of the Interlocal Agreement may be the most important Town matter that I've yet addressed. In a letter to the Town, Commissioner Karen Marcus said that 'failure to pursue development of each and every phase of this project would constitute a default under the Interlocal Agreement entitling the County to require repayment of the entire $2.4 million in grant funding'. And for those who advocate a compromise in the closing solution, for example, a flyer which arrived the day before the election, Mr. Stevens stated that 'Jim DuBois and I will fight to keep Lake Shore Drive open.' Well that can only mean that they reject the agreement because it clearly states 'phase two includes the closing of Lake Shore Drive.' Not the partial closing, not the closing for events, so where do we go from here. Since the agreement requires the closing of a road that was dedicated to the public use in perpetuity and the rezoning of an area currently zoned for residential both of which require procedures by the Town which are lengthy and have no guarantees. I suggest this Commission inform the County that the agreement as written is not legal or enforceable and that a modified agreement with public participation be drafted as soon as possible. I am not opposed to development of the area as some have said; I just want to see the development take place in a logical and legal manner. In closing I would like to encourage

everyone to log on to www.thestreewhereyoulive.wordpress.com and see what's going on in the Town. There is your way out, you are welcome."

Mayor DuBois thanked Mr. Lloyd.

Brent Headberg, 220 Lake Shore Drive – thanked the Commission for the opportunity to speak. He stated that he has been a professional surveyor and mapper for 26 years and in the business all his life and feels he is qualified to form an opinion on the closing of Lake Shore Drive. He stated that what he sees is a public right-of-way that is dedicated by plat and is not owned by the Town and does not understand how the Town has the opinion that they can change the use of a public street, because it is not owned by the Town just maintained by the Town. He stated that included in that closing, if it were ever created, is a public right-of-way that currently exist over the Town property that is now known as the boat parking lot, where there is legal public right-of-way overlying that which creates an illegal use against the Town Code when it was built. The closing of Lake Shore Drive would create a situation for the piece of property at the end of the street adjacent to the parking lot, whereby they would not have further access to their land. He felt that the current road that is around the property now and goes around the parking lot needs a new public right-of-way dedicated to avoid these issues and consider why this public right-of-way is being considered for closure since it is being used as a street since 1921.

Public Comment Closed

Town Manager Davis explained that the Interlocal Agreement between the Town of Lake Park and Palm Beach County is for funding of the additional boat trailer parking and increase public access to the Lake Park Marina. She explained a brief history of the project stating that on August 4, 2010 the Commission voted unanimously to accept a County Access Bond Grant for the purpose of purchasing the parking lot at 115 Federal Highway for boat trailer parking. On October 20, 2010 the Town Commission voted unanimously to adopt Resolution No. 49-10-10 authorizing and directing the Mayor to execute an Interlocal Agreement between the Town and Palm Beach County accepting a grant in the amount of $2.4 million from the County's Water Access Grant. On November 16, 2010 the Board of County Commissioners approved the Interlocal Agreement in the amount of $2.4 million to acquire the land for expansion of the boat trailer parking and increase public access at the Lake Park Marina. She stated that the Interlocal Agreement included the acquisition of the parking lot as well as creating a promenade and also developing a public restaurant. It was a public-private partnership and it was recognized as such in the Interlocal Agreement. She explained that an attorney representing Lake Shore Drive residents contacted the County Commission Chair Karen Marcus and advised her that there are residents who are objecting to the closure of the southern portion of Lake Shore Drive, the development of the pedestrian promenade, and the private development of the restaurant as required by the Interlocal Agreement. County Commissioner Marcus was also advised that in response to the objections of the residents, the Town Commission may be reconsidering its commitment. On June 7, 2011 the Board of County Commissioners reviewed the Interlocal Agreement and the entire issue and confirmed that 'the contemplated development of all of the phases of the Marina project including the promenade and the restaurant was a major consideration in voting to approve the Interlocal Agreement.' The Board directed that a letter be sent to the Town Commission advising the Boards position and reminding the Town that "failure to pursue the development of each and every phase of the project would constitute a default of the Interlocal Agreement entitling the County to require repayment of the $2.4 million grant."

The Board of County Commissioners gave the Town 90 days to consider whether it wishes to comply with its responsibility in the Interlocal Agreement. She explained that included as backup to the agenda item was the letter from the Board Chair and stated that it is this boards responsibility to advise the Board of County Commissioners as to whether it wishes to comply with the Interlocal Agreement or refund their money.

Mayor DuBois thanked Town Manager Davis for the explanation and explained to the Commission that they were at the point where they needed to acknowledge what they have done as a Commission and move forward or get ready to pay back $2.4 million.

Town Manager Davis stated "correct."

Commissioner Hockman stated that per the Interlocal Agreement section 1.06 it does not state anywhere in the Interlocal Agreement that the Town needs to close Lake Shore Drive. He stated that it does state that 'the Town shall be solely responsible for the funding, design construction of a pedestrian promenade on the property owned by the Town more commonly known as Lake Shore Drive, commencing from the point at the northeast corner of Cypress Drive and Lake Shore Drive and continuing for approximately 500 feet in a southerly direction along Lake Shore Drive, such construction shall be dependent upon the Town being the successful recipient of State and Federal grant monies.' He stated that the way he interpreted that is that it would be closing Lake Shore Drive from the northeast corner, which he had mentioned during the March Commission meeting, if it was the County's intension to require the Town to close the street, if it is closed from the northeast corner going southward to the southwest corner it would create two dead ends. He stated that if they wanted the Town to close the street they could have simply said close Lake Shore Drive from Cypress Drive to the Marina parking, but that is not what they said. He explained that nowhere in the document does it state how big the promenade has to be, 10 feet, 20 feet, or 50 feet, nor does it say how much of the street has to be closed, the entire street, part of the street, or what is currently there. He stated that furthermore the documents state that it all depends on the Town successfully receiving State or Federal money. He stated that he feels the way the document is written, if the Town does not receive money for the promenade then the Town does not have to build a promenade, but does however have to make every attempt possible to obtain grant money. He stated that it specifies the Town obtain grant money, not Town money, revenue money, or any other money, it states the Town must obtain State and/or Federal grant dollars. He stated that we cannot be sure that the promenade can be built because we do not know if we will be able to get grant money to build it. He explained that as far as closing the street, it does not state anywhere that we must close Lake Shore Drive and gave some examples of how the Town can proceed without closing the street. He stated that the Town can close the northbound and leave the southbound close and still meet the specifications and meet it with the 10 foot and call it a promenade, which is covered with fake grass. He stated that as far as putting the demand, it does not say for the private property that the Town must approve the house piece and make it commercial. He explained that the developer is more than welcome to place a restaurant on the property along Federal Highway with a great lawn and have people sit on the grass and listen to a concert, it would still meet the Interlocal Agreement. It does not say that we must allow a restaurant to be placed on that lot where the house is, residential property. He stated that at this point the Town does meet the Interlocal Agreement, once we convert the parking lot and start using it and he stated that what he does see is that the Town has to attempt to go after grant money. He stated that as long as the Town can show just cause that the Town has attempted to get State and Federal grant money to build a promenade, whether the Town

receives it or not, the Town has met its obligation for the Interlocal Agreement. He stated that unless the Commission has not been provided with all the documents they are complying. He stated that he reviewed the documents in October and nothing has changed and he felt a letter should be sent to the Board of County Commissioners that the Town will comply with a promenade, but no decisions have been made as to how big it is. He stated that he does not care what the County Commission had in mind with a full promenade, it was not specified in the documents, which would be the Town's way out. He stated that unfortunately it is in black and white and we will go by the black and white.

Vice-Mayor Rumsey asked Attorney Baird if the Town closed the east lane open and left the west lane open would the Town be meeting its obligation.

Attorney Baird stated that the Interlocal Agreement requires to provide a promenade and he believes that closure of a portion of the right-of-way such that thru traffic can still travois that right-of-way means that the Town is not providing a promenade. Ultimately that will be a subject of interpretation from the County and their staff and they will make the determination as to whether they believe that the action the Town takes complies with the terms of the Interlocal Agreement.

Vice-Mayor Rumsey stated that he feels that the east lane should be closed for a promenade and the west bound lane should remain open, however there should be very lenient opportunity for street closure for events, promotions, things that are going on at any development that goes in that property. He stated that he felt if the Town gives the opportunity to an applicant they can put a development there and have the leniency of using the west side lane in a lenient manner. Then the Town is meeting their needs and more importantly would be keeping the major thoroughfare on the waterfront open. He stated that he does not want to see the Town closing down a portion of Lake Shore Drive closed permanently, but what he does want to see is the opportunity to utilize the grant money in the best way possible and he fully believes that if the Town does a promenade along the eastern lane and do a closure there that would allow the Town to meet the requirements of the County and also provides for some excellent funding sources. He explained if you go to Singer Island Marina where they have booths with different merchandise being sold, and the Town can do something similar in the eastern lane, keeping the western lane open to traffic with some lenient opportunities for street closure, which is where he stands on this issue. He believes that it is their responsibility to go back to the County Commission and let them know that the Town will honor the Interlocal Agreement and the Town will fall in line with all the obligations.

Commissioner Stevens stated that this was a contentious issue during the campaign and believes after reviewing the Interlocal Agreement the Town can follow it while keeping Lake Shore Drive open, protecting residents rights to enjoyment, and promoting economic development. He stated that the whole purpose of the Interlocal Agreement is to promote access to the waterway. He stated that he largely agrees with Commissioner Hockman's interpretation of the Interlocal Agreement in section 1.06 regarding the promenade it does not specify that the road has to be closed and that the promenade has to be a certain width, it has to be 500 feet, but it does not specify the width. He stated that he will leave that for further discussion if a development plan is submitted and reviewed by Town staff, the Planning and Zoning Board, and then the Town Commission. This will provided notice and opportunity for resident participation during open and televised meetings that will lead to making a decision on how to proceed in regards to

Marina Village. He stated that he agrees with Vice-Mayor Rumsey that there is flexibility and that he shared really good ideas that should be explored.

Commissioner Longtin stated that she does not agree that the premise that there are only two options, the County and the Town wrote an Interlocal Agreement that is faulty. She stated that they bear as much responsibility for this as the Town does, and does not like that the County has said do it or else. She stated that she did not know if any of that road can be closed and does not know what are the legal parameters and felt that the road does not need to be closed. She stated that the Interlocal Agreement commits the actions of a developer and she has yet to see a plan and has asked repeatedly for the developer to come forward and tell us what the plan is and they have refused. She stated that she does not know what the plan is and yet the Interlocal Agreement says the developer will do stuff. She stated that she agrees and appreciates Commissioner Hockman's take and the Agreement states contract zoning. She stated that she feels that the Agreement is illegal. She stated that she ultimately agrees with what Commissioner Hockman said and does not believe the County has the right to say do what the Agreement says or the Town owes the County $2.4 million, when they are as guilty, if not more so. She agrees so far with what seems to be the consensus from the dais and Commissioner Hockman.

Mayor DuBois stated that in his opinion the Town has many opportunities to satisfy the Agreement and is happy to continue with the Agreement and to work to find ways to make it a superb project.

Attorney Baird explained that what County Commissioner Marcus specially asked the Commission to confirm was in paragraph two of her letter (exhibit D), which states 'failure to pursue development of each and every phase of the Project would constitute a default'. He stated that if the Commission's action tonight is to pursue development of each and every phase, then the Town would be in compliance. He stated that it would leave room for discussion of what the promenade will be.

Mayor DuBois stated that the Town would pursue every aspect of the Interlocal Agreement and believes that is what the Commission is saying and that would be the message to transmit to the Board of County Commission. He stated that in addition to that he would include the information presented today, which was the project status 'Report on the Removal of the Metal Storage Building' as evidence that the Town will be moving forward with the time limit of 24 months.

Commissioner Stevens stated that each phase is set with time limits and the Town is well within those time limits.

Mayor DuBois stated that the Town is taking appropriate action regarding the first phase.

<u>The following section of the meeting was done verbatim:</u>

Commissioner Hockman: : "if I may ask the Town Manager to draft of a letter to be brought back at next meeting so we can fine tune it and get it sent off to meet the deadline of 90 days."

Mayor: "I guess it's not appropriate to distribute the letter to the individual members, we have to do that at a meeting. Right?"

Attorney Baird: "My suggestion to the Commission would be a very simple letter that says the Commission has voted to pursue each and every phase of the project."

Mayor: "I don't want to over word the letter."

Attorney Baird: "And leave it at that. That is what she's asking you to confirm."

Mayor: "It is very simple."

Attorney Baird: "If you have to start getting into any details then it will come back from the County with what do you mean by this, what do you mean by that."

Mayor: "That's what I was attempting to clarify, so that's fine. I don't think we need a motion on that. It is clear consensus."

Attorney Baird: "I think they are looking for…"

Mayor "There looking for a motion?"

Attorney Baird: "official action which would be a motion to send, to respond to Commissioner Marcus and confirm that the Commission will pursue development of each and every phase of the project."

Vice-Mayor Rumsey: "so moved"

Mayor: "seconded?"

Commissioner Longtin: "Mr. Mayor may I?"

Mayor: "It would be appropriate to take a second and then we can have some discussion."

Commissioner Stevens: "second"

Motion: A motion was made by Vice-Mayor Rumsey to respond to Commissioner Marcus and confirm that the Commission will pursue development of each and every phase of the project; Commissioner Stevens made the second.

Mayor: "Now"

Commissioner Longtin: "I would like to ask that the developer come forward and tell me and my bosses what the plan is. I would also like to know what can we legally close any portion of that road? Can we legally redirect that road? Can we legally do anything with that road? I would like, because as I understand it we might not be able to touch it, but mostly I want to know what this big plan is. We've said, ok"

Mayor: "I think that goes beyond the scoop of the question that we have to answer here, and I agree with everything that you have said, and we want to see an application; we want to know what rights we have; we want to know what rights the public has; we want all of those things; as

defined and I think we will have the opportunity to do that and we have months, and months, and months to do that and to deal with that."

Commissioner Longtin: "thank you sir"

Mayor: "further debate?"

Commissioner Stevens: "and before anything actually happens we will come in front of another meeting and have public notice …"

Mayor: "There will be a lot of meetings."

Commissioner Stevens: "There will be tons, and tons of meetings and a lot more opportunities to discuss this issue before any changes are made regarding the promenade or closing the road, just in case anyone is concerned out there."

Commissioner Longtin: "So the letter will come before the Commission Mr. Mayor?"

Mayor: "I don't think we need to bring it to this Commission. I think it is a very simple one or two sentence letter that says we had a vote and the vote was to carry on and we will have…"

Commissioner Longtin: "I would like to see the letter."

Mayor: "I don't want to see the letter, myself."

Commissioner Longtin: "Oh I do."

Mayor: "I don't want to."

Town Manager Davis: "I would be happy to provide the letter by the Commission with a copy of it."

Mayor: "Ok."

Commissioner Longtin: "Well who will be signing the letter? You will correct?"

Mayor: "If you want me to I will, that will be fine. And I hear what the consensus of the group is and I would be happy to."

Commissioner Longtin: " Ok, I just want to see it."

Mayor: "If there is any word smithing of it that may need to be done, you can put that in my hands and I'm willing to do that."

Commissioner Longtin: "Actually I don't want to give my consent until I have seen the letter, so if I have just given consent then I withdraw it because I want to see."

Mayor: "well all we are doing now is debating the motion. We would like to have unanimous vote on this, so if we can bring the letter back to the Commission at the next meeting. I mean we can vote on this and then I can work on it with staff and then you can see it at the next meeting, or we can email it to you after its been…"

Commissioner Longtin: "No, I want to see it before it is done. And so then may not get a unanimous on this but it sounds like you will get consensus. I don't want the letter to go out.'

Attorney Baird: "Mayor I can tell you what…"

Mayor: "Give us a draft"

Attorney Baird: "I recommend the letter say 'Dear Commissioner Marcus, The Town of Lake Park Commission considered your letter of date…' "

Town Manager Davis; "June 16."

Attorney Baird: " 'June 16, 2011 and pursuant to a motion, no, pursuant to a vote agreed to pursue every phase of', I don't know what the exact language is."

Commissioner Stevens: "all phases of the project."

Attorney Baird: " 'pursue all phases of the project. Thank you for your continuing cooperation."

Commissioner Longtin: "All right Mr. Attorney."

Mayor: "That works for me."

Commissioner Longtin: "That works for me."

Mayor: "Is everybody else ok?"

Commissioner Stevens: "Sincerely,"

Attorney Baird: "It is as pleasant as I can be."

Commissioner Stevens: "Sincerely, Sincerely?"

Town Manager Davis: "At this time of night."

Commissioner Stevens: "How does sincerely sound ok?"

Vice-Mayor Rumsey: "We have to get moving."

Attorney Baird: "Very truly yours,"

Commissioner Stevens: " Very truly."

Mayor: "Ok, all in favor?"

Commissioners: "Aye"

Mayor: "All apposed? There being none, the motion carries unanimously. Thank you for composing that letter on the spot like that."

(This is the end of the verbatim section.)

COMMENTS BY COMMISSION, TOWN MANAGER, TOWN ATTORNEY:

Attorney Baird stated that the Town has a proposed partial settlement with the Marina action that the Commission needs to consider so that the Attorney's can receive direction, and then there will be further discussion that they want the Commission to have the issue of setting the case for trial. He stated that under Florida Statute he is required to ask for an Attorney-Client Session so that the Manager and Clerk can notice the meeting and believes the consensus was to hold the meeting before the Regular Commission Meeting of August 17, 2011 at either 6:00 p.m. or 6:30 p.m.

Vice-Mayor Rumsey recommended 6:30 p.m. so that they can have dinner before they arrive.

The Commission came to consensus to conduct the Attorney-Client session at 6:30 p.m. on August 17, 2011.

Attorney Baird stated that he had a few more items to discuss, but that he would bring them up during the next meeting. He explained that the Town is running out of time on appointing a Special Magistrate because the next meeting is scheduled for September 1, 2011.

Motion: A motion was made by Commissioner Stevens to appoint Gary Brandenburg as the Special Magistrate; Vice-Mayor Rumsey 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 3-2

Commissioner Longtin asked if Mr. Brandenburg was present to speak to them.

Commissioner Stevens stated that he spoke with Mr. Brandenburg and reviewed his resume and had full confidence that he could carry out the duties.

Mayor DuBois stated that he was glad Mr. Brandenburg was not opposing the Town.

Attorney Baird thanked the Commission.

Commissioner Hockman
None

Vice-Mayor Rumsey
None

Commissioner Stevens asked the residents to keep the Commission accountable and keep them informed of any questions or comments they have by using the email or phone numbers for the Commissioners.

Commissioner Longtin thanked the residents that provided input on the agenda and stated that July and August are very busy and she appreciated them by saying that she could not have done it without them. She stated that she is not in favor of decreasing security at the Marina and the only time it has been discussed was at the Budget Workshop. She gave the information on the next Community Watch meeting as Wednesday, August 10, 2011 at the Lake Park Fire Station at 6:30 p.m. She gave the website for Palm Beach County as www.pbcgov.com, they have a lot of information on hurricanes including a plan and the information to register yourself or your pets.

Mayor DuBois stated that there is a storm brewing in the Caribbean that everyone is keeping a close eyes on and it looks like it will be a long weekend. He asked the Town Manager to keep everyone on the dais aware of what path the storm may take.

Town Manager Davis assured the Commission that she would keep them informed of the storm. She stated that in the interest of time she would only comment on the Library events. Bridges at Lake Park Library Book Buggy will be at the San Marco Villas tomorrow from 2:00 p.m. until 4:00 p.m. with books, goodies, library card applications. The Teen Advisory Group Car Wash is scheduled for August 13, 2011 from 10:00 a.m. until noon. Toddler Tails is scheduled for Tuesday, August 9, 2011 from 5:30 p.m. until 6:30 p.m. The Bridges at Lake Park sponsored Parenting Series, every Tuesday for three weeks beginning on August 16, 2011 from 5:30 p.m. until 7:00 p.m. contact the Library for more details. Lastly she congratulated Information Technology Director, Hoa Hoang for earning the designation of Certified Chief Information Officer in Local Government from the Florida Institute of Government at Florida State University.

Mayor DuBois made a final comment stating the he has no intension of being rude to those that bring public comment to the meeting and that the Commission does what they can for the residents within the parameters of the order of the meeting that we have and he asked the public to please remain within those bounds.

ADJOURNMENT

There being no further business to come before the Commission and after a motion to adjourn by Commissioner Stevens and seconded by Commissioner Longtin, and by unanimous vote, the meeting adjourned at 10:54 p.m.

_____
Mayor James DuBois

_____
Town Clerk, Vivian Lemley, CMC

Town Seal

Approved on this _____ of _____, 2011

Exhibit "A"

TOWN OF LAKE PARK
FLORIDA

Comprehensive Annual Financial Report

FISCAL YEAR ENDED
SEPTEMBER 30, 2010

COMPREHENSIVE ANNUAL FINANCIAL REPORT

TOWN OF LAKE PARK, FLORIDA

Fiscal Year Ended September 30, 2010

Prepared by
Finance Department

Anne M. Costello
Finance Director

THE TOWN OF LAKE PARK, FLORIDA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2010

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THE TOWN OF LAKE PARK, FLORIDA

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SEPTEMBER 30, 2010

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INTRODUCTORY SECTION

Finance
Department

June 1, 2011

The Honorable Mayor,
Members of the Town Commission and Citizens
Town of Lake Park, Florida

The Comprehensive Annual Financial Report (CAFR) of the Town of Lake Park, Florida, (the "Town") for the fiscal year ended September 30, 2010, is hereby submitted. Florida law and the Rules of the Auditor General for the State of Florida require every municipality to complete a set of audited financial statements annually within twelve months of the close of the fiscal year. This report is published to fulfill that requirement for the year ended September 30, 2010.

This report consists of management's representation concerning the finances of the Town of Lake Park. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Lake Park has established a comprehensive internal control framework that is designed both to protect the Town assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Lake Park's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town of Lake Park's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Lake Park's financial statements have been audited by Nowlen, Holt & Miner, P.A., certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Lake Park for the fiscal year ended September 30, 2010 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in financial statements; assign the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Lake Park's financial statements for the fiscal year ended September 30, 2010 are fairly presented in conformity with GAAP. The independent auditor's report is located at the front of the Financial Section of this report on page 1.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE TOWN

Originally incorporated in 1923 as Kelsey City, the city was renamed in 1939 to the Town of Lake Park. The Town of Lake Park is a political subdivision of the State of Florida with a population of approximately 9,300 residents, ideally located in the southeastern part of the State on the Atlantic Intracoastal Waterway. The Town is primarily residential but has several types of light industry and shopping centers.

535 Park Avenue
Lake Park, FL 33403
Phone: (561) 881-3350
Fax: (561) 881-3358

www.lakeparkflorida.gov

The Town of Lake Park operates under a commission-manager form of government. Policymaking and legislative authority are vested in a governing commission consisting of the Mayor, Vice-Mayor and three Commissioners. The governing body is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring both the Town Manager and Town Attorney. The Mayor and Commission members are elected on a non-partisan basis. All are elected for three-year terms.

Since the incorporation of the Town, elections have been staggered with only the Mayor being elected in one election year, two commissioners are elected in the next election year and the remaining two commissioners are elected in the next election year. The Town Manager is responsible for carrying out the policies and ordinances of the governing commission, for overseeing the day-to-day operations of the government and for appointing the heads of the various departments.

In 2008 the Department of Justice of the United States filed a civil action against the Town alleging that the current at-large method of electing the Commissioners for the Town, enhanced by the use of staggered terms and designated posts, resulted in black citizens of the Town having less opportunity than white citizens to participate in the political process and elect candidates of choice in violation of Section 2 of the Voting Rights Act of 1965. Subsequent to the end of Fiscal Year 2009, as a result of the Department of Justice Consent Decree with the Town which requires that the Town change the manner in which candidates for Commission seats are elected by imposing a method known as "Limited Voting", an ordinance was adopted to amend the Charter to reflect this change.

In March of 2010, elections were conducted in this manner and four commissioners were elected in town-wide contests under concurrent terms, voters were limited to casting a vote for only one candidate and the four candidates receiving the highest number of votes were elected to the commission. The Mayor will continue to be elected on the current schedule, every three years.

The Town of Lake Park provides a full range of services, including building inspections, code enforcement, residential and commercial sanitation service, recreation and cultural events. Police and fire protection are contracted through Palm Beach County. Water and sewer service is provided through a separate utility authority.

The Town's financial statements also include the Lake Park Community Redevelopment Agency (CRA); a dependent special district established by the Town, under authority granted by Florida Statute 163, Section III. The Town is financially accountable for the CRA which is included in the Town's financial statements as a blended component unit reported in a governmental (special revenue) fund, the CRA Fund.

The Town is required by State law to adopt an annual budget for the general fund. The annual budget serves as the foundation for the Town's financial planning and control. The budget is prepared by fund, function (e.g., public safety) and department (e.g., police). The Town Manager may transfer resources within a department as needed. Budgetary transfers between departments require the approval of the Town Commission.

LOCAL ECONOMY

The Town's economic growth continues to be stymied due to the national recession and collapse of the housing and real estate market. Property values increased dramatically throughout Palm Beach County and the Town of Lake Park between the years of 2002 through 2006, but slowed significantly in 2007. The taxable value of property within the Town decreased 5.5% in 2008, mainly due to the passage of Amendment One (Property Tax Reform) and an additional 15.8% in 2009 due to the economic downturn. Values dropped an additional 17.5% in 2010 bringing the assessed value of property within the Town back to 2005 levels. The relationship of commercial assessments compared to residential assessment has historically been around 50/50. With the decline in the housing market over the past few years this relationship has changed dramatically and has shifted to approximately 70/30. The Town does not anticipate any significant changes in the pace of planned new growth since most of the vacant parcels within the municipal limits have already been developed. It is anticipated that the decline in residential assessments has leveled off however there is concern that the commercial assessments have not reached the bottom yet.

The decrease in taxable values within the Town totaled more than $255 million, which translated to a loss of over $2 million dollars in tax revenue or 23% of the General fund. No increase in the millage was proposed or adopted for Fiscal Year 2011. This was the second year in a row that the Town has not increased the tax rate. While public safety costs represent 50% of the General Fund expenditures and consume in excess of 100% of the tax revenue, public safety is paramount to the citizens of the Town. Operational cuts across all departments, excluding public safety, continue to be implemented to counter the loss of revenue. Additional cuts are anticipated in the upcoming budget year as the Town continues to struggle with the declining property values.

The Town continues to look for ways to provide essential services to the public in the most cost efficient, effective way without the health, safety and welfare of the community being compromised. The use of one time sources of revenue for recurring expenditures is not an option given the modest level of reserves and the threat of hurricanes an annual possibility. Alternative sources of revenue and possibly increased fees will be explored for future budgets.

The Community Redevelopment Agency (CRA) purchased three residential properties along Foresteria Drive over the last two years. It is anticipated that these properties will be developed for additional downtown parking in the future when the economy improves and economic development occurs in the downtown area. Until additional parking becomes necessary and funds are available to improve the parcels for parking, the properties are being utilized by the Community Development Corporation, a non-profit agency, in collaboration with the Town and the CRA, for the Seeds of Hope Community Garden. The commercial property acquired in 2008, located at 800 Park Avenue, was refurbished and an art studio and gallery opened in March of 2010. Additional improvements are planned for the downtown alleyway between 7th and 8th streets. The CRA has initiated a façade improvement grant program that will provide for up to $25,000 in matching grant monies to improve building facades. To complement this program, a business development loan program has been established to encourage development of the downtown business district located within the CRA boundaries. Several entities have applied for and received business development grants and loans to open eating establishments within the downtown business district. It is anticipated that these eateries will open by mid-year 2011.

ACCOUNTING AND BUDGETARY CONTROLS

The accounting and financial reporting of the Town's general government operations takes place in four broad categories: the General Fund, Special Revenue Funds, Debt Service Fund and Insurance Internal Service Fund. The records and reports for these funds are maintained on the modified accrual basis, with revenue being recorded when measurable and available, and expenditures being recorded when the services or goods are received and the liabilities incurred. Accounting records for the Town's enterprise operations and pension trust funds are maintained on the accrual basis.

Management of the government is responsible for establishing and maintaining internal controls designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP). The internal control is designed to provide reasonable, rather than absolute, assurance these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimate and judgments by management.

As a recipient of federal, state and local awards, the Town is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management.

Annually, tests are performed by external auditors to determine the adequacy of the Town's internal control, including that portion related to federal awards programs, as well as to determine that the Town has complied with applicable laws and regulations.
In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the legal provisions embodied in the annual budget approved by the government's

governing body. Activities of the General Fund, Community Redevelopment Agency, Debt Service Fund and proprietary funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level within the individual fund. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

As demonstrated by the basic financial statements and schedules included in the financial section of the report, the government continues to meet its responsibility for sound financial management.

MAJOR INITIATIVES

During recent years, the Town has devoted a significant amount of time, energy and resources to the continuing growth and redevelopment of the Town. The Town continued its work with the older neighborhoods to develop improvement plans and then commit the financial resources to help them achieve their goals. Systematic resurfacing of streets and sidewalks and repair of the storm drainage system in the Town has continued.

Stormwater Improvements

Lake Shore Drive is currently a 2 lane, undivided roadway with sidewalks, but without bicycle lanes, located in the center of the Right-of-Way beside and between two Town-owned parks. The proposed improvements will relocate the roadway to the east side of the Right-of-Way and raise it 6" to 12" to eliminate the flooding problems. New curbs, bicycle lanes and sidewalks will be constructed. The 650' portion of the existing roadway between Kelsey Park and Lakeshore Park will be removed and replaced with a pedestrian walkway. The existing drainage system features 4 direct outfalls into Lake Worth without any provision for water quality treatment. The new drainage system will provide water quality treatment for the new roadway and reduce the amount of runoff entering Lake Worth as well as capture a portion of the first flush of stormwater runoff. As part of this project, an asbestos cement water main will be de-activated and replaced by a new ductile iron water main. Various grant programs are being explored to fund these improvements.

Ballfield Restrooms

This project is the demolition and replacement of the restrooms at the community's athletic fields and park that hosts summer camp and afterschool programming. This park serves as recreational space for a majority of our low and moderate income populations, particularly the after-school and summer youth programs. Funding has been secured from the Community Development Block Grant Program.

Marina Parking and Pedestrian Promenade

The Lake Park Harbor Marina project has acquired a parcel of land located adjacent to the Marina's boat trailer lot at the northeast corner of Silver Beach Road and US Highway 1, to expand Marina parking. The lot will provide 30 additional boat trailer parking spaces and 16 standard auto spaces. This lot will increase trailer access by 59%, and provide much needed trailer parking for water access in the County.

The second component of this project involves the construction of a pedestrian promenade, which will provide boaters and the non-boating public with pedestrian access to the waterfront.

Grant funding is being pursued for this initiative.

The Commission and staff are continuing to move ahead with ambitious plans to revitalize the Town, its downtown area and develop the western corridor. Grant monies will continue to be vigorously pursued to supplement Town funds for operations and improvements.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Lake Park for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2009. To be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. This report must satisfy both U.S Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

A Certificate of Achievement is valid for a period of one year only. The Town of Lake Park has received a Certificate of Achievement for the past five years. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

A comprehensive annual financial report of this type and depth, illustrating the results of operations of the entire Town and its various diversified funds and activities, could not have been prepared so completely without the dedication and efficiency of the entire Finance Department staff; Deborah Doiron, Merry Ann Catasus, Dena Davis and Nadine Mensah. Their dedication and hard work is greatly appreciated. My appreciation is also extended to our independent auditors, Nowlen, Holt & Miner, P.A. for their cooperation and guidance.

Special appreciation is extended to the Mayor, Town Commission, Town Manager, and Department Heads for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Anne M. Costello
Director of Finance

TOWN OF LAKE PARK

List of Principal Officials

September 30, 2010

Mayor

Desca DuBois

Vice Mayor

Patricia Osterman

Town Commission

Steve Hockman
Jeanine Longtin
Kendall R. Rumsey

Town Manager

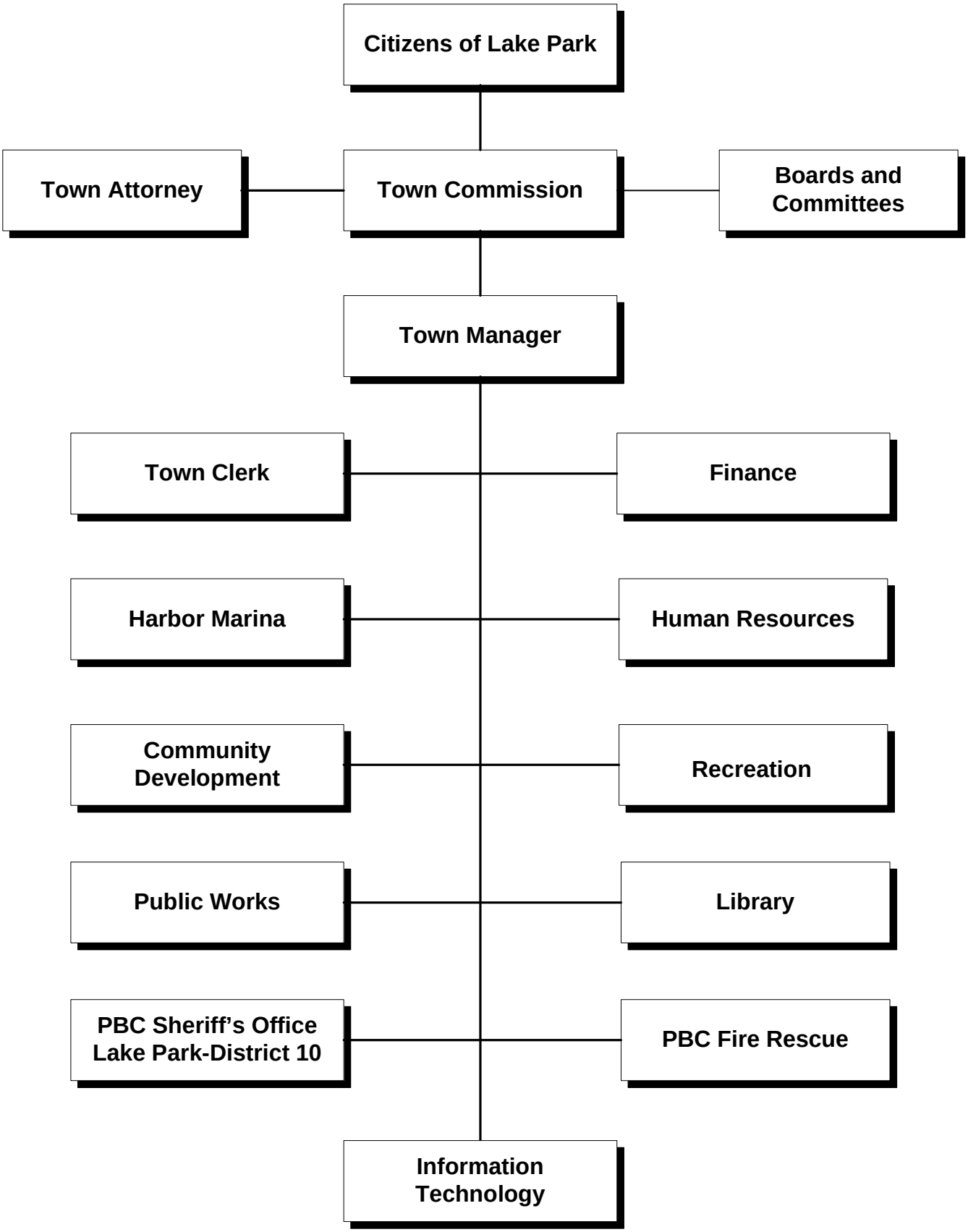
Maria V. Davis

Finance Director

Anne M. Costello

Public Works Director	J. David Hunt
Community Development Director	Patrick Sullivan
Library Director	Karen Mahnk
Recreation Director	Gregory Dowling
Town Clerk	Vivian Mendez Lemley
Harbor Marina Director	Michael Pisano
Human Resources Director	Bambi McKibbon-Turner
Information Technology Director	Hoa Hoang
Grants Writer	Virginia M. Martin

TOWN OF LAKE PARK, FLORIDA
ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Lake Park
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

FINANCIAL SECTION

NOWLEN, HOLT & MINER, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

WEST PALM BEACH OFFICE
215 FIFTH STREET, SUITE 200
POST OFFICE BOX 347
WEST PALM BEACH, FLORIDA 33402-0347
TELEPHONE (561) 659-3060
FAX (561) 835-0628
WWW.NHMCPA.COM

EVERETT B. NOWLEN (1930-1984), CPA
EDWARD T. HOLT, CPA
WILLIAM B. MINER, CPA
ROBERT W. HENDRIX, JR., CPA
JANET R. BARICEVICH, CPA

KATHLEEN A. MINER, CPA
TERRY L. MORTON, JR., CPA
N. RONALD BENNETT, CPA
J. MICHAEL STEVENS, CPA
ALEXIA G. VARGA, CPA
BRIAN J. BRESCIA, CFP®, CPA
KARA D. PETERSON, CPA
EDWARD T. HOLT, JR., CPA

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 338
BELLE GLADE, FLORIDA 33430-0338
TELEPHONE (561) 996-5612
FAX (561) 996-6248

INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and Members of the Town Commission
Town of Lake Park, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lake Park, Florida as of and for the year ended September 30, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Lake Park, Florida's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Lake Park, Florida as of September 30, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 10, 2011, on our consideration of the Town of Lake Park, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that

testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 13, Pension and Other Post Employment Benefit trend information on pages 67 through 69, and budgetary comparison information on pages 70 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Lake Park, Florida's financial statements as a whole. The introductory section, other supplementary information, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. The other supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Nowlen, Holt + Miner, P.A.

May 10, 2011
West Palm Beach, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Town of Lake Park, Florida (Town) administration offers readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended September 30, 2010. Readers are encouraged to consider the information presented here in conjunction with additional information that has been furnished in the transmittal letter and the accompanying basic financial statements.

The information contained within this Management's Discussion and Analysis (MD&A) is only a component of the entire financial statement report. Readers should take time to read and evaluate all sections of the report, including the Notes to the Financial Statements and the Required Supplementary Information that is provided in addition to this MD&A.

Financial Highlights

Government-Wide Financial Statements

- The assets of the Town of Lake Park exceeded its liabilities at September 30, 2010 by $7,299,612. Of this amount, unrestricted net assets of $1,198,404 may be used to meet the government's ongoing obligations to citizens and creditors.

- The total net assets decreased by $1,449,289, of which $656,553 was attributed to governmental activities and a decrease of $792,736 was related to business-type activities. The decrease in net assets of the business-type activities of the Town is directly related to the on-going pursuit of the deficiencies and potential litigation related to the construction of the Marina.

Fund Financial Statements

- As of the close of the 2010 Fiscal Year, the Town of Lake Park's General Fund reported ending fund balance of $3,069,345 a decrease of $344,605 from the prior year. Of the total, $2,558,572 is restricted or reserved, specifically designated and not available for spending and $510,773 is unreserved, undesignated and available for future uses by the Town Commission.

- At the end of the 2010 Fiscal Year, the unreserved fund balance for the General Fund represented 6% of total General Fund expenditures or approximately 25 days of available funding.

- Total long term obligations for the Town decreased $921,883. General Obligation Bond debt and loans payable decreased in the amount of $1,007,410, due to scheduled principal payments, along with a decrease in Capital Lease obligations in the amount of $23,592.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The three components of the financial statements are: (1) Government-wide financial statements that include the Statement of Net Assets and the Statement of Activities. These statements provide information about the activities of the Town as a whole. (2) Fund financial statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. (3) Notes to the basic financial statements expand upon information reported in the government-wide and governmental fund statements.

REPORTING THE TOWN AS A WHOLE

Statement of Net Assets and the Statement of Activities (Government-wide)
A frequently asked question regarding the Town's financial health is whether the year's activities contributed positively to the overall financial well being. The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid.

These two statements report the Town's net assets and changes therein. Net assets, the difference between assets and liabilities, are one way to measure the Town's financial health, or financial position. Over time, increases or decreases in net assets are an indicator of whether the financial health is improving or deteriorating.

The Statement of Net Assets and the Statement of Activities present information about the following:

- Governmental activities - All of the Town's basic services are considered to be governmental activities, including general government, community development, public safety, public services, library, and recreation. Property taxes, sales taxes, utility taxes, intergovernmental revenue and franchise fees finance most of these activities.

- Proprietary activities/Business-type activities - The Town charges a fee to customers to cover all or most of the cost of the services provided. The Town's Sanitation Fund, Stormwater Fund and Marina Fund are reported in this category.

REPORTING THE TOWN'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State law. However, management establishes other funds, which aid in the management of money for particular purposes or meet legal responsibilities associated with the usage of certain taxes, grants, and other money. The Town's four kinds of funds, governmental, proprietary, fiduciary, and special revenue, use different accounting approaches as explained below.

- Governmental funds - Most of the Town's basic services are reported in governmental funds. Governmental funds focus on how resources flow in and out, with the balances remaining at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information shows whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The basic governmental fund financial statements can be found on pages 17-20 of this report.

- Enterprise funds - The Town has three enterprise funds, Sanitation, Stormwater and Marina, which charge customers for the services they provide. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. The basic proprietary fund financial statements can be found on pages 21-23 of this report.

- Fiduciary funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on pages 24-25 of this report.

- Special Revenue funds - Special Revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditure for specified purposes. The Town has two funds in this category: the CRA Fund and Streets & Roads Fund. The basic fund financial statements can be found on pages 17-20 of this report.

Notes to the financial statements
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26-66 of this report.

Other information
In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Town's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information for pension benefits can be found on page 67-68 of this report.

The Town adopts annual appropriated budgets for the General Fund and CRA. Budgetary comparison schedules for the General Fund and CRA are included as *Required Supplementary Information* on pages 70-78 to demonstrate compliance with the budget.

The Town also adopts an annual budget for the Streets and Roads Fund, Insurance Fund, and Debt Service Fund. Budgetary comparison schedules for these funds are also included as Other Supplementary Information section of this report. The combining and individual fund statements and schedules are presented immediately following the required supplementary information on pages 81-83 of this report.

Government-Wide Financial Analysis

Net Assets: As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town, governmental activity assets exceeded liabilities by $4,822,639. Business-type activity assets exceeded liabilities by $2,476,973. The Town-wide total net assets were $7,299,612 at the close of the fiscal year ended September 30, 2010. The Statement of Net Assets is on page 14 of this report.

The Town's investment in capital assets (e.g., land, buildings, equipment and vehicles, less any related debt used to acquire those assets that is still outstanding) was $6,014,306 or 81% of total net assets at September 30, 2010. Capital assets total $19,849,331 at September 30, 2010, or 84% of all assets, which total $23,359,572. The Town uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the net assets (1 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($1,292,814) may be used to meet the government's ongoing obligations to citizens and creditors. The following table reflects the condensed Statement of Net Assets for the current year as compared to the prior year.

Net Assets

	2010	2009	2010	2009	2010	2009
Assets:						
Current and other assets	$ 4,749,083	$ 5,897,157	$ (938,842)	$ (630,864)	$ 3,810,241	$ 5,266,293
Capital assets	10,231,068	10,497,860	9,618,263	10,373,202	19,849,331	20,871,062
Total assets	14,980,151	16,395,017	8,679,421	9,742,338	23,659,572	26,137,355
Liabilities:						
Long-term liabilitlies	9,574,538	10,229,282	5,945,663	6,212,802	15,520,201	16,442,084
Other liabilities	582,974	686,543	256,785	259,827	839,759	946,370
Total liabilities	10,157,512	10,915,825	6,202,448	6,472,629	16,359,960	17,388,454
Net assets:						
Invested in capital assets, net of related debt	2,204,432	2,062,366	3,809,874	4,297,968	6,014,306	6,360,334
Restricted	86,902	96,090	-	-	86,902	96,090
Unrestricted	2,531,305	3,320,736	(1,332,901)	(1,028,259)	1,198,404	2,292,477
Total net assets	$ 4,822,639	$ 5,479,192	$ 2,476,973	$ 3,269,709	$ 7,299,612	$ 8,748,901

Governmental Activities: Net assets of the governmental activities of the Town have decreased $656,553 from 2009. Total assets of governmental activities have decreased $1,414,866 while total liabilities have also decreased $758,313. Unrestricted net assets are down $789,431.

Business Activities: Net assets for business activities have decreased $792,736 form 2009. Total assets are down $1,062,917 while total liabilities have decreased $270,181. Unrestricted net assets have further declined by $304,642. On-going construction deficiency issues and subsequent professional fees for pending litigation at the Marina facility have contributed to the financial condition of business activities.

The following is a summary of the changes in net assets for the years ended September 30, 2010 and 2009:

Changes in Net Assets

	Governmental Activities		Business Activities		Total	
	2010	2009	2010	2009	2010	2009
Revenues:						
Program revenues:						
Charges for services	$ 960,818	$ 877,665	$ 3,191,485	$ 2,874,363	$ 4,152,303	$ 3,752,028
Operating grants and contributions	15,926	11,639		-	15,926	11,639
Capital grants and contributions	62,809	187,795	4,246	206,031	67,055	393,826
General revenues:						
Taxes	7,490,502	8,897,525		-	7,490,502	8,897,525
Intergovernmental	1,144,701	893,510		-	1,144,701	893,510
Investment earnings	54,473	54,121	16,780	7,100	71,253	61,221
Miscellaneous revenues		102,096		-	-	102,096
Gain on sale of equipment	174	-	8,355	-	8,529	-
Total revenues	$ 9,729,403	$ 11,024,351	$ 3,220,866	$ 3,087,494	$ 12,950,269	$ 14,111,845

Overall total revenues are down $1,161,576. Program revenues increased $77,791 while general revenues have declined $1,239,367.

Governmental Activities: Revenue collections of taxes including property taxes, franchise fees, utility services taxes, fuel taxes and communication services taxes have decreased $1,407,023. Property values within the Town decreased an additional 15% in 2010. When combined with the loss in value from Amendment One, property tax reform, values within the Town have decreased more than $149 million dollars or 20% since 2008. The increase in charges for services of governmental activities is attributable to a change in accounting procedures for billing of fuel reimbursements to Palm Beach County Sheriff's Office.

Business Activities: Charges for services for business activities of the Town have increased $317,122. This is the result of rate increases in both Sanitation and Stormwater in addition to increased fuel sales at the marina.

	Governmental Activities		Business Activities		Total	
	2010	2009	2010	2009	2010	2009
Expenses:						
General government	$ 2,543,961	$ 2,656,309	$	$	$ 2,543,961	$ 2,656,309
Public safety	5,723,360	5,421,845			5,723,360	5,421,845
Physical environment	349,637	319,993			349,637	319,993
Transportation	600,669	659,113			600,669	659,113
Culture and recreation	987,778	1,242,156			987,778	1,242,156
Economic Impact	32,063				32,063	
Interest on long-term debt	430,289	420,671			430,289	420,671
Marina			2,005,435	1,734,561	2,005,435	1,734,561
Sanitation			1,412,372	1,430,694	1,412,372	1,430,694
Stormwater			313,994	208,668	313,994	208,668
Total expenses	10,667,757	10,720,087	3,731,801	3,373,923	14,399,558	14,094,010
Transfers In/(Out)	281,801	212,554	(281,801)	(212,554)		
Increase in net assets	(656,553)	516,818	(792,736)	(498,983)	(1,449,289)	17,835
Net assets - beginning of year	5,479,192	4,962,374	3,269,709	3,768,692	8,748,901	8,731,066
Net assets - end of year	$ 4,822,639	$ 5,479,192	$ 2,476,973	$ 3,269,709	$ 7,299,612	$ 8,748,901

Overall net assets decreased $1,449,289. The decrease in net assets in governmental activities is directly related to the decrease in net assets of business activities. On-going construction deficiencies, remedial measures and pending litigation at the municipal marina has placed an undue burden on the finances of the marina operation. These deficiencies have prevented the marina from fully utilizing the marina facilities hindering its ability to maximize revenues. Pending the final outcome of this situation, the General Fund has advanced funds to the marina to support operations.

Governmental Activities: Changes in expenses from 2009 in Public safety are attributable to the accounting procedures implemented for the fuel reimbursements from the Palm Beach County Sheriff's Office. The increase in expenses for Physical Environment are due to the addition of the parking meter operation. The decrease in Culture and Recreation is due budgetary cuts and the offset of a portion of the Recreation Director's wages to the CRA.

Business-type Activities: The increase in expenses for the Marina Fund are the result of construction deficiencies and professional and legal fees associated with this situation. Expenses in the Stormwater Fund in 2010 reflect twelve months of operations and a full staff whereas 2009 expenses reflect partial year operations and staffing.

Financial Analysis of the Governments' Funds

As noted earlier, the Town of Lake Park uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds. The focus of the Town's governmental fund financial statements is to provide information on near-term inflows, outflows, and balances of spendable

resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At September 30, 2010, the Town's primary operating fund, the General Fund, reported ending fund balance of $3,069,345 a decrease of $344,605 from the prior year. Of this amount, $543,197 is considered unreserved fund balance however; $32,424 is designated for specific purposes; (1) Community Improvement Beautification (CIB) Fund and (2) library donations designated for improvements. The balance, $510,773 is undesignated and available for spending at the Town's discretion however it is recommended that these funds be maintained at this level in the event of an emergency such as a hurricane. The remainder of fund balance ($2,526,148) is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period ($62,849), (2) for inventories and prepaid expenses ($235,961), (3) for capital projects ($120,800), (4) as advances to other funds, in particular to cover the cash deficit in the pooled cash of the Marina Fund ($2,050,000).

As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 6 percent (approximately 25 days) of total general fund expenditures, while total fund balance represents 36 percent of that same amount. A sound financial management policy would dictate that the unreserved, undesignated fund balance be maintained between 10-25% of total expenditures. To that end, the budget for Fiscal Year 2011 has been constructed to provide an increase in the fund balance at the end of the year, absent significant revenue shortfalls or at least be able to maintain the current level of fund balance in the event of revenue shortfalls.

General Fund Budgetary Highlights

The annual General Fund budget is adopted after two public hearings and approval of the Town Commission. Any amendments that would exceed the original budget at the fund level or would require funds to be transferred from contingency would require a formal budget amendment requiring the adoption of a resolution by the Town Commission. The original General Fund appropriation was increased $212,515 by the Town Commission during the year.

The budget was amended for new programs implemented after the adoption of the budget, revenues and corresponding expenditures not anticipated during the budget process. These items had no appropriations in the original budget. Additionally there were changes to the method to account for transactions related to fuel reimbursements from the Sheriff's office and debt payments associated with an inter-local agreement between the Town and the Community Redevelopment Agency (CRA).

The schedule below reconciles the original and amended (final) General Fund budget for Fiscal Year 2010:

Original adopted budget October 1, 2009	$ 9,724,755
Additions to budget:	
New programs	$ 9,430

Reimbursements – Fuel	$ 111,765
Inter-local agreement with the CRA	$ 91,320
Final budget September 30, 2010	$ 9,937,270

There were no amendments to the adopted budget of the Community Redevelopment Agency in Fiscal Year 2010.

Capital Asset and Debt Administration

Capital assets. The Town's total investment in capital assets at September 30, 2010 was $19,849,331 (net of accumulated depreciation). Capital assets include land, construction in progress, buildings, equipment and vehicles and infrastructure. The Town's net capital assets at September 30, 2010 and 2009 are summarized as follows:

Capital Assets
(Net of depreciation)

	Governmental Activities		Business Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	$ 2,691,891	$ 2,688,733	$ 81,157	$ 81,157	$ 2,773,048	$ 2,769,890
Construction in progress	29,622	31,170	382,946	309,826	412,568	340,996
Buildings	3,238,303	3,422,038	-	-	3,238,303	3,422,038
Equipment and vehicles	414,038	496,665	1,024,931	1,376,354	1,438,969	1,873,019
Streets, roads, and sidewalks	3,857,214	3,859,254	8,129,229	8,605,865	11,986,443	12,465,119
Total assets	$ 10,231,068	$ 10,497,860	$ 9,618,263	$ 10,373,202	$ 19,849,331	$ 20,871,062

Capital projects completed during Fiscal Year 2010 included the following:

- Installation of the parking meter system in and around Lake Shore Park and at the municipal Marina.
- Construction of a parking lot adjacent to the northern lot of the Marina to accommodate overflow vehicles from the Marina due to traffic from charter boat customers.
- Lighting improvements along a portion of Bayberry Drive.
- Installation of security cameras at the ballfield complex.
- Demolition of existing structures located at 711,725 and 761 Foresteria Drive.
- Renovation of and improvements to 800 Park Avenue for the Art on Park Studios and Gallery.
- Phase I improvements to Ilex Park including irrigation and landscaping with funding from the Department of Agriculture, Division of Urban Forestry Grant.
- Upgrade of the server at the municipal library.

Additional information on the Town's capital assets can be found in Note #6 on pages 44-45 of this report.

Long-term debt. At year end 2010 the Town had $15.4 million of outstanding debt. No new debt was incurred during fiscal year 2010. The debt position of the Town is summarized as follows:

	Governmental Activities		Business Activities		Total	
	2010	2009	2010	2009	2010	2009
Loans Payable	$ 9,303,069	$ 10,050,675	5,752,147	6,011,951	$ 15,055,216	$ 16,062,626
Capital lease obligations	9,767	28,702	2,403	7,060	12,170	35,762
Other Post-Emp. Benefits	8,967	-	3,367	-	12,334	-
Pension contrib. payable	94,410	-	-	-	94,410	-
Compensated absenses	158,325	149,905	46,485	46,275	204,810	196,180
Unamortized premium	-	-	141,261	147,516	141,261	147,516
Total	$ 9,574,538	$ 10,229,282	$ 5,945,663	$ 6,212,802	$ 15,520,201	$ 16,442,084

Additional information on the Town's debt can be found in Note #8 on pages 46-55 of this report.

Economic factors and Next Year's Budgets and Rates

The Town, along with all other surrounding communities, saw a decrease in the taxable value of properties due to the economic decline experienced nationwide. Values dropped an additional 17.5% within the Town. The taxable assessed value of homes within the Town has dropped below the 2005 level. Combined with the decreases of the previous two years, this drop in equates to a loss of more than $2 million dollars in tax revenue per year.

For fiscal year 2010-2011 the Town Commission adopted a General Fund budget of $8,955,965 compared with the final amended budget for fiscal year 2009-2010 in the amount of $9,937,270. The operating millage rate remained the same as the previous two fiscal years, 8.5163 mills. Due to the declining values, the debt millage rate increased to 1.70 mills to meet debt service requirements of the General Obligation bonds of 1997 and 1998.

The greatest impact on the General Fund expenditures is Public Safety which represents 50% of the total and uses 100% of the property tax revenue plus an additional $741,025 of other revenues of the Town. In an effort to off-set some of the impact on the General Fund revenue, the Town Commission installed a parking meter system along the waterfront areas of the Town to generate additional monies to fund other services of the Town. Operational cuts across the all departments were implemented and furlough days were mandated to offset the loss of revenue.

There were no rate increases adopted for the sanitation and stormwater enterprise operations for Fiscal Year 2011. The dockage rates and utility fee at Marina were increased to offset inflationary increases to the cost of operations.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability. Questions concerning information provided in this report or requests for additional financial information should be directed to:

Finance Department
Town of Lake Park
535 Park Avenue
Lake Park, FL 33403
(561) 881-3350

BASIC FINANCIAL STATEMENTS

TOWN OF LAKE PARK, FLORIDA
Statement of Net Assets
September 30, 2010

	Governmental Activities	Business-type Activities	Total
Assets			
Pooled cash and cash equivalents	$ 1,737,560	$ 745,460	$ 2,483,020
Restricted cash and cash equivalents	196,150		196,150
Investments	42,390	23,599	65,989
Accounts receivable, net	221,993	132,410	354,403
Notes receivable	63,875		63,875
Due from other governments	152,292	67,426	219,718
Internal balances	2,012,683	(2,012,683)	
Inventory	9,022	17,524	26,546
Prepaid items	313,118		313,118
Unamortized bond costs		87,422	87,422
Capital assets			
Capital assets not being depreciated	2,721,513	464,103	3,185,616
Capital assets being depreciated, net of accumulated depreciation	7,509,555	9,154,160	16,663,715
Total assets	14,980,151	8,679,421	23,659,572
Liabilities			
Accounts payable	105,852	75,638	181,490
Accrued expenses	46,800	15,489	62,289
Accrued interest payable	59,465	88,875	148,340
Unearned revenue	310,800	56,140	366,940
Deposits	60,057	20,643	80,700
Noncurrent liabilities:			
Due within one year	848,145	288,717	1,136,862
Due in more than one year	8,726,393	5,656,946	14,383,339
Total liabilities	10,157,512	6,202,448	16,359,960
Net Assets			
Invested in capital assets, net of related debt	2,204,432	3,809,874	6,014,306
Restricted for:			
Debt service	86,902		86,902
Unrestricted	2,531,305	(1,332,901)	1,198,404
Total net assets	$ 4,822,639	$ 2,476,973	$ 7,299,612

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Activities
For the Year Ended September 30, 2010

Functions/Programs	Expenses	Charges for Activities
Government:		
Governmental activities		
General government	$ 2,543,961	$ 58,700
Public safety	5,723,360	786,338
Physical environment	349,637	
Transportation	600,669	40,396
Culture and recreation	987,778	75,384
Economic environmnet	32,063	
Interest on long-term debt	430,289	
Total governmental activities	10,667,757	960,818
Business-type activities		
Marina	2,005,435	1,166,201
Sanitation	1,412,372	1,510,419
Stormwater	313,994	514,865
Total business-type activities	3,731,801	3,191,485
Total	$ 14,399,558	$ 4,152,303

Program Revenues		Net Expense (Revenue) and Changes in Net Assets		
Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
$	$	$ (2,485,261)	$	$ (2,485,261)
	3,379	(4,933,643)		(4,933,643)
		(349,637)		(349,637)
	16,180	(544,093)		(544,093)
15,926	43,250	(853,218)		(853,218)
		(32,063)		(32,063)
		(430,289)		(430,289)
15,926	62,809	(9,628,204)		(9,628,204)
			(839,234)	(839,234)
			98,047	98,047
	4,246		205,117	205,117
	4,246		(536,070)	(536,070)
$ 15,926	$ 67,055	(9,628,204)	(536,070)	(10,164,274)
General Revenues:				
Taxes:				
Property taxes		5,448,106		5,448,106
Franchise fees		569,868		569,868
Utility service taxes		771,384		771,384
Local option gas taxes		236,960		236,960
Communication services taxes		464,184		464,184
Unrestricted intergovernmental shared revenues		1,144,701		1,144,701
Gain on sale of surplus property		174	8,355	8,529
Investment earnings		54,473	16,780	71,253
Transfers		281,801	(281,801)	
Total general revenues and transfers		8,971,651	(256,666)	8,714,985
Change in net assets		(656,553)	(792,736)	(1,449,289)
Net assets, beginning of year		5,479,192	3,269,709	8,748,901
Net assets, end of year		$ 4,822,639	$ 2,476,973	$ 7,299,612

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2010

	Major Governmental Funds		Nonmajor Governmental Funds	Total Governmental Funds
	General	CRA Fund		
Assets				
Pooled cash and cash equivalents	$ 921,504	$ 658,284	$ 146,813	$ 1,726,601
Restricted cash and cash equivalents	120,800	75,350		196,150
Investments	37,786	3,417	1,187	42,390
Accounts receivable, net	221,188	805		221,993
Notes receivable		63,875		63,875
Due from other governments	104,366		47,926	152,292
Due from other funds	854,181	1,091,081		1,945,262
Advances to other funds	2,106,538			2,106,538
Inventory	9,022			9,022
Prepaid items	226,939	23,544		250,483
Total assets	$ 4,602,324	$ 1,916,356	$ 195,926	$ 6,714,606
Liabilities and fund balances				
Liabilities				
Accounts payable	76,139	19,242	3,687	99,068
Accrued items	41,636	2,980	2,184	46,800
Deferred revenue	264,336		46,464	310,800
Due to other funds	1,091,081	841,081	13,100	1,945,262
Advance from other funds		56,538		56,538
Deposits	59,787	270		60,057
Total liabilities	$ 1,532,979	$ 920,111	$ 65,435	$ 2,518,525
Fund balances				
Reserved for/reported in:				
Inventories and prepaids	235,961	23,544		259,505
Encumbrances	62,849	55,812		118,661
Advances to other funds	2,106,538			2,106,538
Debt service/debt service fund			86,902	86,902
Capital projects	120,800	75,350		196,150
Unreserved				
Designated for community improvement	10,000			10,000
Designated for library improvements	22,424			22,424
Undesignated, reported in				
General fund	510,773			510,773
Special revenue funds		841,539	803	842,342
Capital projects funds			42,786	42,786
Total fund balances	3,069,345	996,245	130,491	4,196,081
Total liabilities and fund balances	$ 4,602,324	$ 1,916,356	$ 195,926	$ 6,714,606

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Reconciliation of the Balance Sheet – Governmental Funds
to the Statement of Net Assets
Governmental Funds
September 30, 2010

Total Fund Balances - Governmental Funds		$ 4,196,081
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		
Governmental capital assets	$ 16,512,536	
Less accumulated depreciation	(6,281,468)	10,231,068
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Accrued interest payable on long-term debt	(59,465)	
Compensated absences	(158,325)	
Other post-employement benefits	(8,967)	
Pension payable	(94,410)	
Loans payable	(4,498,425)	
General obligation bonds	(4,804,644)	
Capital leases	(9,767)	(9,634,003)
Internal service funds are used by management to charge costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets.		29,493
Net assets of governmental activities		$ 4,822,639

See notes to the financial statements.

TOWN OF LAKE PARK
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2010

	Major Governmental Funds		Nonmajor	Total
	General	CRA Fund	Governmental Funds	Governmental Funds
Revenues				
Taxes	$ 6,030,552	$	$ 758,806	$ 6,789,358
Licenses and permits	526,201			526,201
Intergovernmental	1,299,144	250,104	389,385	1,938,633
Charges for services	352,993	22,290		375,283
Fines and forfeitures	120,890			120,890
Miscellaneous	294,946	5,951	2,040	302,937
Total revenues	8,624,726	278,345	1,150,231	10,053,302
Expenditures				
Current				
General government	1,522,636	905,218	4,813	2,432,667
Public safety	5,484,119			5,484,119
Physical environment	308,366			308,366
Transportation	355,078		226,346	581,424
Culture and recreation	807,799	51,156		858,955
Economic environment		32,063		32,063
Capital outlay	139,785	254,159	96,230	490,174
Debt service				
Principal	237,204		529,337	766,541
Interest charges	199,100		243,683	442,783
Total expenditures	9,054,087	1,242,596	1,100,409	11,397,092
Excess (deficiency) of revenues over (under) expenditures	(429,361)	(964,251)	49,822	(1,343,790)
Other financing sources (uses)				
Transfers in	665,080	545,904	37,832	1,248,816
Transfer out	(580,324)	(308,779)	(77,912)	(967,015)
Total other financing sources (uses)	84,756	237,125	(40,080)	281,801
Net change in fund balances	(344,605)	(727,126)	9,742	(1,061,989)
Fund balances				
Beginning of year	3,413,950	1,723,371	120,749	5,258,070
End of year	$ 3,069,345	$ 996,245	$ 130,491	$ 4,196,081

See notes to the financial statements.

TOWN OF LAKE PARK
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2010

Net change in fund balances - total governmental funds		$ (1,061,989)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives		
Expenditures for capital assets	$ 490,174	
Less: current year depreciation	(752,442)	(262,268)
Gains and losses on disposal of capital assets are reported in the statement of activities, whereas in the governmental funds the proceeds from the sale increases financial resources. The difference is the net book value of the assets retired.		(4,524)
Governmental Funds report revenues when earned and available. However, in the Statement of Activities, revenues are recognized when earned, regardless of availability.		
Urban Forestry Grant		
The repayment (issuance) of long-term debt consumes (provides) the current financial resources of governmental funds. However, these transactions do not have any effect on net assets of the governmental activities.		
Long term debt repayments:		
General obligation bonds	524,679	
Loans payable	222,927	
Capital lease obligations	18,935	766,541
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in compensated absences	(8,420)	
Change in other post-employement benefits	(8,967)	
Change in pension payable	(94,410)	
Change in accrued interest	12,494	(99,303)
Internal service funds are used by management to charge the costs of certain activities to individual funds.		
Net income allocable to governmental activities		4,990
Change in net assets of governmental activities		$ (656,553)

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Net Assets
Proprietary Funds
September 30, 2010

	Major Enterprise Funds		Nonmajor	Total	Governmental Activities
	Marina Fund	Sanitation Fund	Enterprise Fund	Enterprise Funds	Internal Service Fund
Assets					
Current assets					
Pooled cash and cash equivalents	$ 35,286	$ 523,569	$ 186,605	$ 745,460	$ 10,959
Investments		23,599		23,599	
Accounts receivable, net	25,817	106,593		132,410	
Due from other governments	56,140	6,245	5,041	67,426	
Prepaid expenses					62,635
Inventory	17,524			17,524	
Total current assets	134,767	660,006	191,646	986,419	73,594
Noncurrent assets					
Unamortized bond issue costs	87,422			87,422	
Capital assets not being depreciated	132,717	64,157	267,229	464,103	
Capital assets net of accumulated depreciation	8,109,676	811,258	233,226	9,154,160	
Total noncurrent assets	8,329,815	875,415	500,455	9,705,685	
Total assets	8,464,582	1,535,421	692,101	10,692,104	73,594
Liabilities					
Current liabilities					
Accounts payable	47,797	25,135	2,706	75,638	6,784
Accrued payroll and payroll taxes	5,734	7,916	1,839	15,489	
Deferred revenue	56,140			56,140	
Due to other funds					
Advance from other funds	2,050,000			2,050,000	
Deposits payable - slip rentals	20,643			20,643	
Accrued interest payable	88,875			88,875	
Compensated absences payable, current portion	2,239	9,756	554	12,549	
Capital lease obligations payable, current portion		2,403		2,403	
Bonds payable, current maturities	127,722	95,273	50,770	273,765	
Total current liabilities	2,399,150	140,483	55,869	2,595,502	6,784
Long-term liabilities					
Compensated absences payable, less current portion	8,957	22,764	2,215	33,936	
Other post-employment benefits	728	2,417	222	3,367	
Bonds payable, net of unamortized premium and current maturities	5,033,862	417,366	168,415	5,619,643	
Total long-term liabilities	5,043,547	442,547	170,852	5,656,946	
Total liabilities	7,442,697	583,030	226,721	8,252,448	6,784
Net assets					
Invested in capital assets, net of related debt	3,168,231	360,373	281,270	3,809,874	
Unrestricted	(2,146,346)	592,018	184,110	(1,370,218)	55,719
Total net assets	$ 1,021,885	$ 952,391	$ 465,380	2,439,656	$ 66,810
Adjustment to reflect consolidation of internal service fund activities				37,317	
Net assets of business-type activities				$ 2,476,973	

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2010

	Major Enterprise Funds		Nonmajor	Total	Governmental Activities
	Marina Fund	Sanitation Fund	Enterprise Fund	Enterprise Funds	Internal Service Fund
Operating revenue					
Charges for services	$ 1,164,889	$ 1,483,933	$ 514,865	$ 3,163,687	$ 293,275
Miscellaneous	1,312	26,486		27,798	7,780
Total operating revenues	1,166,201	1,510,419	514,865	3,191,485	301,055
Operating expenses					
Personal services	190,198	523,421	83,108	796,727	289,964
Operating expenses	1,081,423	524,765	158,996	1,765,184	
Depreciation	487,315	346,427	58,626	892,368	
Total operating expenses	1,758,936	1,394,613	300,730	3,454,279	289,964
Operating income (loss)	(592,735)	115,806	214,135	(262,794)	11,091
Nonoperating revenues (expenses)					
Amortization	2,384			2,384	
Interest revenue	68	13,177	3,535	16,780	
Sale of surplus property	859	7,496		8,355	
Interest expense	(251,656)	(20,754)	(13,597)	(286,007)	
Total nonoperating revenues (expenses)	(248,345)	(81)	(10,062)	(258,488)	
Income (loss) before capital contributions	(841,080)	115,725	204,073	(521,282)	11,091
Capital contributions			4,246	4,246	
Transfers in (out)	12,499	(225,000)	(69,300)	(281,801)	
Change in net assets	(828,581)	(109,275)	139,019	(798,837)	11,091
Net assets - beginning of year	1,850,466	1,061,666	326,361	3,238,493	55,719
Net assets - ending	$ 1,021,885	$ 952,391	$ 465,380	$ 2,439,656	$ 66,810

Change in net assets	$ (798,837)
Adjustment to reflect consolidation of internal service fund activities	6,101
Change in net assets of business-type activities	$ (792,736)

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2010

	Major Enterprise Funds		Nonmajor	Total	Governmental Activities
	Marina Fund	Sanitation Fund	Enterprise Fund	Enterprise Funds	Internal Service Fund
Cash flows from operating activities:					
Cash received from customers	$ 1,149,858	$ 1,489,286	$ 514,865	$ 3,154,009	
Cash paid to suppliers	(1,062,210)	(518,946)	(157,892)	(1,739,048)	(293,359)
Cash paid to employees	(188,740)	(522,582)	(81,524)	(792,846)	
Payments from other funds	455,736			455,736	301,055
Net cash provided (used) by operating activities	354,644	447,758	275,449	1,077,851	7,696
Cash flows from noncapital financing activities:					
Transfers in (out)	12,499	(225,000)	(69,300)	(281,801)	
Net cash provided (used) by noncapital financing activities	12,499	(225,000)	(69,300)	(281,801)	
Cash flows from capital and related financing activities:					
Acquisition and construction of capital assets	(9,611)	(15,353)	(112,465)	(137,429)	
Proceeds from sale of capital assets	859	7,496		8,355	
Capital contributions	52,000		97,817	149,817	
Loan costs				-	
Interest paid on debt	(253,635)	(20,754)	(15,605)	(289,994)	
Principal repayments on capital lease obligation		(4,657)		(4,657)	
Principal repayments on revenue bonds	(121,538)	(91,900)	(46,366)	(259,804)	
Net cash provided (used) by capital and related financing activities	(331,925)	(125,168)	(76,619)	(533,712)	
Cash flows from investing activities:					
Sale of investments		96		96	
Interest on investments	68	13,177	3,535	16,780	
Net cash provided (used) by investing activities	68	13,273	3,535	16,876	
Net increase (decrease) in cash and cash equivalents	35,286	110,863	133,065	279,214	7,696
Cash and cash equivalents at beginning of year		412,706	53,540	466,246	3,263
Cash and cash equivalents at end of year	$ 35,286	$ 523,569	$ 186,605	$ 745,460	$ 10,959
Cash flows from operating activities:					
Operating income (loss)	$ (592,735)	$ 115,806	$ 214,135	$ (262,794)	$ 11,091
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	487,315	346,427	58,626	892,368	
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(4,537)	(18,671)		(23,208)	
(Increase) decrease in accounts due from other governments		(2,462)		(2,462)	
(Increase) decrease in inventory	13,239			13,239	
(Increase) decrease in prepaid expenses	450			450	4,821
Increase (decrease) in accounts payable	5,524	5,819	1,104	12,447	6,784
Increase (decrease) in accrued liabilities	2,170	(2,352)	486	304	
Increase (decrease) in deposits	(11,806)			(11,806)	
Increase (decrease) in deferred revenue					
Increase (decrease) in compensated absences	(1,440)	774	876	210	
Increase (decrease) in other post-employment benefits	728	2,417	222	3,367	
Increase (decrease) in due to other funds	455,736			455,736	(15,000)
Total adjustments	947,379	331,952	61,314	1,340,645	(3,395)
Net cash provided (used) by operating activities	$ 354,644	$ 447,758	$ 275,449	$ 1,077,851	$ 7,696
Noncash investing, capital and financing activities					
Amortization of bond issue costs	$ 3,871	$	$	$ 3,871	$
Amortization of premium on bonds	$ (6,255)	$	$	$ (6,255)	$

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Fiduciary Net Assets
Retired Police Officers' Pension Trust Fund
September 30, 2010

Assets	
Cash and cash equivalents	$ 19,869
Accounts receivable	94,410
Investments:	
Closed end equity funds	908,983
Closed end taxable bond funds	343,149
Prepaid retirement benefits	9,420
Total assets	1,375,831
Net assets	
Held in trust for pension benefits	$ 1,375,831

See notes to the financial statements.

TOWN OF LAKE PARK, FLORIDA
Statement of Changes in Fiduciary Net Assets
Retired Police Officers's Pension Trust Fund
For the Year Ended September 30, 2010

Additions	
Contributions	
Employer	$ 94,410
Investment income	
Net increase in fair value of investments	88,744
Interest and dividends	26,289
Net investment income	115,033
Total additions	209,443
Deductions	
Retirement benefits	166,881
Administrative expenses	9,334
Total deductions	176,215
Change in net assets	33,228
Net assets held in trust for pension benefits	
Net assets - beginning of year	1,342,603
Net assets - end of year	$ 1,375,831

See notes to the financial statements.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Town of Lake Park, Florida (the "Town") was incorporated in 1923. The Town's Charter was approved by the Laws of Florida, Chapter 61-2375. The Town is governed by an elected Mayor and Town Commission which appoints a Town Manager. The Town provides the following services: public safety, recreation, sanitation, streets and roads, planning and zoning, and general administrative services.

In accordance with Statement 14 of the Government Accounting Standards Board, the underlying concept of the governmental financial reporting entity is that governmental organizations are responsible to elected governing officials; therefore, financial reporting should report on the elected officials' accountability for those organizations. Furthermore, the financial statements of the reporting entity should allow users to distinguish between the primary government and its component units, if any, by communicating information about the component units and their relationships with the primary government. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Determining factors of financial accountability includes appointment of a voting majority, imposition of will, financial benefit or burden on a primary government, or fiscal dependency. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Community Redevelopment Agency (CRA)

Based on the application of these criteria, management has determined that the Lake Park Community Redevelopment Agency (the "CRA") is a dependent special district established by the Town of Lake Park, Florida, under authority granted by Florida Statute 163, Section III. The CRA is included in the Town's financial reporting entity as a blended component unit reported in a governmental (special revenue) fund, the *Community Redevelopment Fund.* The purpose of the CRA is to promote and guide the physical and economic development of certain areas in the Town of Lake Park. The CRA is a legally separate entity established by ordinance of the Lake Park Town Commission. The governing body of the CRA consists of the Town Commission and the Town handles the management and administration of the CRA's financial matters. Separate financial statements for the CRA are not prepared.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Town. As a general rule, the effect of interfund activities has been removed from these statements. An exception to this rule is that interfund services provided and used are not eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements and proprietary fund financial statements are reported using the accrual basis of accounting and the economic resources measurement focus. Fiduciary funds use the accrual basis of accounting and the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenue is considered to be available when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Town considers revenue to be available if it is collected within ninety days of the end of the current fiscal year, except for property taxes, for which the period is 60 days.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Unearned revenue consists primarily of grant funds and occupational licenses and other fees collected in advance of the year to which they relate.

Expenditures are generally recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt, which is recognized when due. Property taxes, intergovernmental revenue, franchise fees, charges for services and investment income are all considered susceptible to accrual and so have been recognized as revenue in the current fiscal year. All other revenue items are considered to be measurable and available only when received in cash by the Town. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

General Fund
The General Fund is the primary operating fund and is used to account for all financial resources applicable to the general operations of the Town except those required to be accounted for in another fund.

CRA Fund
The CRA fund is a special revenue fund and is used to account for all financial resources applicable to the promotion of the physical and economic development of certain areas in the Town of Lake Park.

The Town reports the following major proprietary funds:

Marina Fund
This enterprise fund accounts for the operations of the Town's municipal marina, which are financed primarily by user charges.

Sanitation Fund
This enterprise fund accounts for the operations of the Town's garbage and trash collection services, which are financed primarily by user charges.

Additionally, the Town reports the following non-major funds:

Special Revenue Funds
The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. In addition to the CRA Fund, a major governmental fund, the Town has one non-major special revenue fund: the Streets and Roads Fund.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Debt Service Fund
This fund is used to account for resources accumulated and payments made for principal and interest financed by the proceeds of the Town's general obligation bond which are payable from ad valorem taxes.

Capital Projects Funds
The Capital Projects Fund and Special Projects Fund are used to account for construction and renovation projects.

Stormwater Utility Fund
The Stormwater Utility Fund is used to account for the charges and related expenses for the Town's stormwater drainage system.

Internal Service Fund
Internal service funds account for operations that provide services to other departments on a cost reimbursement basis. The Insurance Fund accounts for the Town's general liability and workers' compensation insurance plans.

Fiduciary Funds
Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government; pension trust funds are held under the terms of a formal trust agreement. The fiduciary fund of the Town includes:

> *Retired Police Officers' Pension Fund* - This fund was established in 2004 to receive and invest Town contributions in a defined benefit pension plan and to disburse these monies to Police retirees in accordance with the Pension Plan Ordinance.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Fiduciary Funds (Continued)

the extent that those standards do not conflict with or contradict guidance of GASB. Governments also have the option of following subsequent private sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's enterprise funds and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's marina and sanitation enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

Cash and Cash Equivalents

All short-term investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to a known amount of cash, and at the day of purchase, have a maturity date no longer than three months.

Investments

Investments are reported at fair value, which is determined by using various third party pricing sources. The Local Government Surplus Funds Trust is a "2a-7 like" pool and, thus, these investments are valued using the pooled share price. Investments in "Florida PRIME" of the Local Government Surplus Funds Trust are reported as cash and cash equivalents.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Accounts Receivable

Accounts receivable represent amounts due from local businesses for franchise taxes, utility taxes, delinquent property taxes and other charges in the General Fund, and solid waste disposal fees and marina slip rentals in the Enterprise Funds. The Town does not require collateral for accounts receivable. Accounts receivable are net of allowances for uncollectible accounts determined based on the age of the individual receivable, with age categories ranging from 30 days past due to several years past due. Generally the allowance includes accounts over 90 days past due. Accounts receivable are written off on an individual basis in the year the Town deems them uncollectible.

Interfund Transactions

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as "advance to/advance from other funds." Any residual balance outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

Transfers and interfund balances totally within governmental activities and those that are totally within business-type activities are eliminated and not presented in the government wide financial statements. Transfers and balances between governmental and business-type activities are presented in the government-wide financial statements.

Inventories

Inventories are valued at cost determined on a first-in, first-out basis. Inventories in the General Fund consist of expendable supplies held for consumption. Inventories in the Marina Fund consist of goods for sale to the public. The initial cost is recorded as an asset at the time the individual inventory items are purchased and are charged against operations in the period when used.

Prepaid Items/Expenses

Expenditures/expenses for insurance premiums and other administrative costs extending over more than one accounting period are accounted for as prepaid items and allocated between accounting periods. Prepaid items in governmental funds are accounted for using the consumption method.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Capital Assets and Depreciation

Capital assets, which include property, plant, infrastructure, and equipment, are reported in the applicable governmental or business-type activities column in the government-wide financial statements. The Town defines capital assets as assets with an initial individual cost of $750 or more and an estimated life in excess of one year. In accordance with GASB Statement No. 34, the Town has elected not to record infrastructure assets purchased prior to October 1, 2003 in the accompanying financial statements.

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are assets of the Town as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized as assets in the government-wide statement of net assets. General capital assets are carried at historical cost. Where cost cannot be determined from the available records, estimated historical cost has been used to record the estimated value of the assets. Assets acquired by gifts or bequests are recorded at their fair value at the date of acquisition.

Capital assets of the enterprise funds are capitalized in the fund. The valuation basis for enterprise fund capital assets is the same as those used for general capital assets. Additionally, net interest cost is capitalized on enterprise fund projects during the construction period.

Additions, improvements, and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation has been provided over the estimated useful lives using the straight-line method of depreciation. The estimated lives for each major class of depreciable fixed assets are as follows:

Buildings and infrastructure	30-50 years
Building improvements	7- 50 years
Equipment and vehicles	5 years
Docks and channels	20 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Deferred Revenue

The government reports deferred revenue on its government wide statement of net assets, proprietary statement of net assets, and governmental funds balance sheet. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Deferred revenue in the General Fund is composed of grant funds that were not received within ninety days of fiscal year end, and of business tax fees received prior to September 30, 2010 for the fiscal year beginning October 1, 2010. Deferred revenue in the Special Projects Fund is composed of unexpended grant funds.

Compensated Absences

Unused compensated absences are payable upon separation from service. Vacation is accrued as a liability when the employee earns benefits. This means that the employee has rendered services that give rise to a vacation liability and it is probable that the Town will compensate the employee in some manner, e.g., in cash or paid time-off, now or upon termination or retirement. The Town uses the vesting method in accruing sick leave liability. Under the vesting method, the liability for vacation leave is accrued for employees who are eligible to receive termination payments upon separation. The Town's policy is to allow employees to accumulate vacation leave to a maximum of 480 hours. At the time of retirement or termination all vacation leave up to a maximum of 240 hours is payable at 100% to the employee. Except for liabilities incurred by employment terminations, such benefits are paid only when taken.

Compensated absences are accrued when incurred in the government-wide and proprietary financial statements. Benefits that were earned but not used during the current year were accrued at employees' pay rates in effect at September 30, 2010. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements. For the governmental funds, compensated absences are liquidated by the General Fund. The amount attributable to the business-type activities is charged to expense with a corresponding liability established in the government-wide financial statements as well as the Enterprise Fund. The Town does not contribute to post-employment benefits for employees.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method. Unamortized debt issue costs are included in assets and unamortized bond premiums are presented as an addition to bonds payable.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Assets

Equity in the government-wide statement of net assets and the proprietary funds is displayed in three categories: 1) invested in capital assets net of related debt, 2) net pension asset, 3) restricted, and 4) unrestricted. Net assets invested in capital assets net of related debt consist of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets. Net pension assets represent pension contributions above the actuarially required amount. Net assets are reported as restricted when there are legal limitations imposed on their use by Town legislation or external restrictions by other governments, creditors, or grantors. Unrestricted net assets consist of all net assets that do not meet the definition of the other three components.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Unreserved fund balance amounts that are reported as designations of fund balances represent tentative plans for financial resource utilization in a future period. The following is a description of the reserves used by the Town.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity (Continued)

Fund Equity (Continued)

Reserved for debt service – Restricted for future debt service expenditures.

Reserved for inventories, prepaid items and deposits – Indicates that a portion of fund balance is segregated since these items do not represent "available spendable resources."

Reserved for encumbrances – Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as part of the budgetary accounting system in the General Fund. Encumbrances outstanding at year end, if any, are reported as reservations of fund balance since they do not constitute expenditures or liabilities.

Reserved for advances to other funds – Advances to other funds are reserved from fund balance since they are not available for appropriation and expenditure at the balance sheet date.

Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. These estimates include the collectibility of accounts receivable, the use and recoverability of inventory, the useful lives and impairment of tangible assets, and the realization of net pension assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all short-term investments that are highly liquid to be cash equivalents. Cash equivalents are readily convertible to a known amount of cash, and at the day of purchase, have a maturity date no longer than three months.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

Formal budgetary integration is employed as a management control device during the year for the General Fund and the enterprise funds. All budgets are legally enacted. The annual appropriated budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles, except that for budgetary purposes, revenue includes proceeds from debt issuances, transfers from other funds, and proceeds from the sale of capital assets, and expenditures include encumbrances and transfers to other funds within each governmental function. Except for budgeting capital expenditures and not budgeting for depreciation, the annual appropriated budgets for the enterprise funds are adopted on a basis consistent with generally accepted accounting principles. For budgeting purposes, current year encumbrances are not treated as expenditures. In 2010, the other funds with legally adopted budgets include the Community Redevelopment Fund, Streets and Roads Funds, Debt Service Fund, Insurance Fund, Marina Fund, and Sanitation fund.

The procedures for establishing budgetary data are as follows:

- Prior to September 1, the Town Manager submits a proposed operating budget to the Town Commission for the next fiscal year commencing the following October 1st. The proposed budget includes expenditures and the means of financing them.
- Public hearings are conducted at the Town Hall to obtain taxpayer comments.
- The Town advises the Palm Beach County Tax Collector's office of the proposed millage rate, the rolled back millage rate and the day, time and place of the public hearing for budget acceptance.
- A public hearing is held to obtain taxpayer input and to adopt the final budget and millage rate.
- Upon completion of the public hearings and prior to October 1, a final operating budget and related millage rates are legally enacted through the passage of an ordinance. Estimated beginning fund balances are considered in the budgetary process. Effective for fiscal year ending September 30, 2010, a final operating budget and related millage rates are legally enacted through the passage of a resolution.
- Changes or amendments to the total budgeted expenditures of the Town or a department must be approved by the Town Commission; however, changes within a department which do not affect the total departmental expenditures may be approved by the Town Manager. Accordingly, the legal level of control is at the department level.
- All unencumbered balances lapse on September 30th.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

A. Budgetary Data (Continued)

Budgeted amounts are as originally adopted, or as amended by appropriate action. During the year several supplementary appropriations were necessary.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g. purchase orders, contracts) outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

B. Property Taxes

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and the County Tax Collector. All property is reassessed according to its fair market value on January 1 of each year and each assessment roll is submitted to the State Department of Revenue for review to determine if the assessment rolls meet all of the appropriate requirements of State law. The laws of the State regulating tax assessment are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate of up to 10 mills for operating purposes.

The tax levy of the Town is established by the Town Commission prior to October 1 of each year during the budget process. The Palm Beach County Property Appraiser incorporates the Town's millage into the total tax levy, which includes the County, County School Board, and special district tax requirements. The millage rate assessed by the Town for the year ended September 30, 2010, was 9.9163 ($9.9163 for each $1,000 of assessed valuation), which includes 1.4 mills for debt service.

Taxes may be paid less a 4% discount in November or at declining discounts each month through the month of February. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Delinquent taxes on real property bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are offered for sale for all delinquent taxes on real property.

After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. The certificate holder may make application for a tax deed on any unredeemed tax certificate after a period of two years. The County holds unsold certificates. Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations. At September 30, 2010, unpaid delinquent taxes are not material and have not been recorded by the Town.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

C. Contractual and Legal Obligations to Pay

In prior years, the Town failed to make the required annual incremental tax contributions to the Community Redevelopment Agency (CRA) since its inception, causing penalties and interest for non-payment to accrue beginning in fiscal year ending September 30, 2000. (See Note 14.) Annual payments of current and prior year obligations will continue to be paid by the General Fund.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

As of September 30, 2010, the carrying amount of deposits (including fiduciary funds) was $1,645,537 and the bank balances were $1,694,677. The Town also had $800 of petty cash. In addition to insurance provided by the Federal Depository Insurance Corporation, deposits are held in banking institutions approved by the State Treasurer of the State of Florida to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or other banking institution eligible collateral. In the event of failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses. The Town's deposits at year end are considered insured for custodial credit risk purposes.

The Town maintains a pooled account for cash and cash equivalents that is available for use by all funds. Each fund's portion of the pooled account is displayed on the financial statements as "Pooled cash and cash equivalents". Interest income from pooled checking accounts is allocated back to the General Fund. Investment income from the pooled SBA accounts is allocated to the following funds based on each fund's relative equity in the pool: General, CRA, Debt Service, Capital Projects, and Sanitation.

Restricted cash

As September 30, 2010, the Town reported restricted cash for unexpended loan proceeds restricted for capital projects.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments

As of September 30, 2010, the Town held the following investments:

	Credit Rating	Fair Value	Weighted Average Maturity
State Board of Administration:			
Florida PRIME	AAA(m)	$ 1,046,782	52 days
Fund B	N/R	65,989	7.49 years (WAL)
Money market funds	N/R	5,920	N/A
Closed end bond funds	N/R	343,149	N/A
Closed end equity funds	N/R	908,983	N/A
Total investments		$ 2,370,823	

All the investments other than the State Board of Administration are held in the fiduciary funds. The credit ratings are S&P's.

Interest rate risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the time to maturity, the greater the exposure to interest rate risks. The Town limits its exposure to fair value losses resulting from rising interest rates by structuring the investment portfolio so that the securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity; and investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools unless it is anticipated that long-term securities can be held to maturity without jeopardizing the liquidity requirements. The Retirement Funds do not have a formal investment policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

Custodial credit risk – For an investment, custodial credit is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments that are in the possession of an outside party. At September 30, 2010 all investments were insured or collateralized, except the Town's two pension funds, in which the underlying securities are held by counterparty, or by its trust department or agent but not in the Town's name and is uninsured and unregistered. However, all securities are registered in the funds' names.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The money market and closed end funds are owned by the Pension Trust Funds.

The Town is authorized to invest its funds as follows:

1. Interest-bearing checking or savings accounts in qualified public depositories, as defined in Chapter 280, Florida Statutes;
2. Interest-bearing time deposits in qualified public depositories, as defined in Chapter 280, Florida Statutes;
3. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Chapter 163, Florida Statutes;
4. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
5. Direct obligations of the United States Treasury;
6. Federal agencies and instrumentalities;
7. Securities of, or interest in, any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. sections 80a-1 et seq., as amended from time to time, provided that the portfolio of such investment company or investment trust is limited to obligations of the United States Government or any agency or instrumentality thereof and to repurchase agreements fully collateralized by such United States Government obligations, and provided that such investment company or investment trust takes delivery of such collateral either directly or through an authorized custodian;
8. Other investments authorized by law or by ordinance by the Town.

The State Board of Administration is part of the Local Governments Surplus Funds Trust Fund and is governed by Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Local Governments Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the board has adopted operating procedures consistent with the requirements for a 2a-7 fund.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

On November 29, 2007, the State Board of Administration implemented a temporary freeze on the assets held in the Pool due to an unprecedented amount of withdrawals from the Pool coupled with the absence of market liquidity for certain securities within the Pool. The significant amount of withdrawals followed reports that the Pool held asset-backed commercial paper that was subject to sub prime mortgage risk. On December 4, 2007, based on recommendations from an outside financial advisor, the State Board of Administration restructured the Pool into two separate pools. Pool A, (Local Government Surplus Funds Trust Fund Investment Pool) consisted of all money market appropriate assets. Pool B, (Surplus Funds Trust Fund) consisted of assets that either defaulted on a payment, paid more slowly than expected, and/or had any significant credit and liquidity risk. At the time of the restructuring, all current pool participants had their existing balances proportionately allocated into Pool A and Pool B.

On August 3, 2009, the SBA announced "Florida PRIME" as the highly enhanced version of the SBA's prior Local Government Investment Pool. Pool A is now referred to as Florida PRIME, and Pool B is referred to as Fund B. From December 2007 through September 2010, the SBA transferred a total of $1.6 billion in distributions from Fund B to participants in Florida PRIME. This amount represents approximately 80% of their original adjusted Fund B balances.

At September 30, 2010, Florida PRIME was assigned a "AAAm" principal stability fund rating by Standard and Poor's. Florida PRIME is considered a SEC 2a7-like fund, thus, the account balances should be considered its fair value. Fund B is not rated by any nationally recognized statistical rating agency.

Fund B is accounted for as a fluctuating NAV pool. The fair value factor for September 30, 2010 was 0.707058094 (i.e. total net asset value of Fund B divided by total participant balances of Fund B). The factor should be multiplied by the Fund B account balance in order to calculate the fair value of the investment in Fund B.

The weighted average days to maturity (WAM) of Florida PRIME at September 30, 2010 was 52 days. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of Florida PRIME to interest rate changes.

The weighted average life based on expected cash flows (WAL) of Fund B at September 30, 2010 was 7.49 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

As of September 30, 2010, the Town of Lake Park had $1,046,782 invested in Florida PRIME. The costs basis of Fund B as of September 30, 2010 was $93,330 and the fair value and adjusted book value was $65,989. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Investments of the Retire Police Officers Retirement Fund can consist of the following:

1. A qualified public depository as defined in Section 280.02 , Florida Statutes.

2. Obligations issued by the United States Government or obligations guaranteed as to principal and interest by the United States Government.

3. Stocks, bonds or other evidence of indebtedness issued or guaranteed by a corporation organized under the laws of the United States or the District of Columbia, provided that the corporation is listed on one or more of the recognized national exchanges or on the National Market System of the NASDAQ stock market. Bonds or other evidence of indebtedness must hold a rating in one of the three highest classifications by a major rating service.

    a. Investments in equities shall not exceed 70% of the Pension Fund's total assets at cost.

    b. Not more than then (5) percent of the Pension Fund's assets shall be invested in the common stock or capital stock of any one issuing company, nor shall the aggregate investment in any one issuing company exceed (5) percent of the outstanding capital stock of that company.

    c. Not more than five (5) percent of the Fund's fixed income portfolio (at cost) shall be invested in the securities of any single corporate issuer. This limitation does not include issues of any U.S. government agency.

4. Common or collective trust funds or pooled investment funds maintained by a bank or trust company or a pooled investment fund of an insurance company qualified to do Business in the State.

5. Foreign securities provided they do not exceed 10% of the Pension Fund's assets at cost.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

A reconciliation of deposit and investments as shown on the statement of net assets and statement of fiduciary net assets for the Town is as follows:

By Category:	
Deposits	$ 1,645,537
Petty cash	800
Investments	2,370,823
Total deposits and investments	$ 4,017,160
Presented in the statement of net assets	
Governmental activities	
Cash and cash equivalents	$ 1,737,560
Restricted cash and cash equivalents	196,150
Investments	42,390
Business-type activities	
Cash and cash equivalents	745,460
Investments	23,599
Total statements of net assets	2,745,159
Presented in the statement of fiduciary net assets	
Pension trust funds	
Cash and cash equivalents	19,869
Investments	1,252,132
Total fiduciary funds	1,272,001
Total deposits and investments	$ 4,017,160

NOTE 4 – NOTES RECEIVABLES

The CRA has a program to give grants and low interest loans for business development and façade improvements. The loans bear interest at 2% and are payable monthly for terms of five to ten years. The grants are to be repaid if the business is sold within five years and one fifth of the grant is forgiven each year. Both the loans and grants are secured by lien on the improvements and/or the property of the business. At September 30, 2010, there were $63,875 of loans outstanding which are recorded as notes receivable and $25,530 of grants outstanding for which no asset is recorded since the expectation is that the business will not be sold. Subsequent to year end the CRA approved an additional $65,000 in loans and $34,458 in grants.

NOTE 5 – ACCOUNTS RECEIVABLES

Receivables at September 30, 2010, were as follows:

	General Fund	CRA Fund	Marina Fund	Sanitation Fund	Total
Accounts receivable	$ 50,322	$ 805	$ 26,835	$ 107,531	$ 185,493
Accrued receivables	187,185			4,252	191,437
Total receivables	237,507	805	26,835	111,783	376,930
Less allowance for uncollectible accounts	(16,319)		(1,018)	(5,190)	(22,527)
Accounts receivable, net	$ 221,188	$ 805	$ 25,817	$ 106,593	$ 354,403

NOTE 6 – CAPITAL ASSETS

Capital Assets activity for the year ended September 30, 2010, was as follows:

Primary Government

Governmental activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	$ 2,688,733	$ 3,158	$	$ 2,691,891
Construction in progress	31,170	29,622	(31,170)	29,622
Capital assets being depreciated:				
Buildings	7,210,401	1,800		7,212,201
Improvements	4,455,043	389,022		4,844,065
Machinery and equipment	1,732,908	97,741	(95,892)	1,734,757
Total at historical cost:	16,118,255	521,343	(127,062)	16,512,536
Less accumulated depreciation for:				
Buildings	(3,788,363)	(185,535)		(3,973,898)
Improvements	(595,789)	(391,062)		(986,851)
Machinery and equipment	(1,236,243)	(175,845)	91,369	(1,320,719)
Total accumulated depreciation	(5,620,395)	(752,442)	91,369	(6,281,468)
Governmental activities capital assets, net	$ 10,497,860	$ (231,099)	$ (35,693)	$ 10,231,068

NOTE 6 – CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 421,026
Public safety	17,144
Physical environment	42,383
Transportation	126,947
Culture and recreation	144,942
Total depreciation expense governmental activities	$ 752,442

The capital asset activity of business-type activities for the year ended September 30, 2010 was as follows:

Business-type activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	$ 81,157	$	$	$ 81,157
Construction in progress	309,826	73,120		382,946
Capital assets being depreciated:				
Improvements	10,158,563	10,688		10,169,251
Machinery and equipment	2,935,635	53,621	(249,169)	2,740,087
Total at historical cost:	13,485,181	137,429	(249,169)	13,373,441
Less accumulated depreciation for:				
Improvements	(1,552,698)	(487,324)		(2,040,022)
Machinery and equipment	(1,559,281)	(405,044)	249,169	(1,715,156)
Total accumulated depreciation	(3,111,979)	(892,368)	249,169	(3,755,178)
Business-type activities capital assets, net	$10,373,202	$ (754,939)	$	$ 9,618,263

NOTE 7 – CONTRACT COMMITMENTS

The amount remaining on contracts awarded but not yet completed as of September 30, 2010 were as follows:

Construction Commitments:	
Ilex Park improvements	$ 46,870
Park Avenue improvements	30,872
Engineering consultant	26,500
Drainage improvements	22,907
Other Town improvements	20,867
Subtotal, construction commitments	148,016
Consulting contracts	36,456
	$ 184,472

NOTE 8 – LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2010, was as follows:

	Balance October 1, 2009	Additions	Reductions	Balance September 30, 2010	Amount due within one year
Governmental activities:					
Bonds and loans payable	$10,050,675	$	$ (747,606)	$ 9,303,069	$ 790,620
Capital lease obligations	28,702		(18,935)	9,767	9,767
OPEB (see note 11)		8,967		8,967	
Pension contribution payable		94,410		94,410	16,093
Compensated absences payable	149,905	201,035	(192,615)	158,325	31,665
Total	$10,229,282	$ 210,002	$ (959,156)	$ 9,574,538	$ 848,145
Business-type activities:					
Loans payable	$ 6,011,951	$	$ (259,804)	$ 5,752,147	$ 273,765
Capital lease obligations	7,060		(4,657)	2,403	2,403
OPEB (see note 11)		3,367		3,367	
Compensated absences payable	46,275	52,548	(52,338)	46,485	12,549
Total	$ 6,065,286	$ 55,915	$ (316,799)	5,804,402	$ 288,717
Unamortized premium				141,261	
				$ 5,945,663	

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Compensated absences and OPEB liabilities for governmental activities are generally liquidated by the General Fund and by the Marina Fund, Sanitation Fund, and Stormwater Fund for business-type activities.

General Obligation Bonds: The debt service for general obligation bonds are payable from a separate ad valorem tax levy for the debt service fund. The Town's outstanding governmental activities general obligation bonds at September 30, 2010, are summarized as follows:

General Obligation Bonds, Series 1997: On March 11, 1997, the voters of the Town approved the issuance of up to $9,806,000 general obligation bonds for the purpose of financing the repair and redevelopment of the Town Hall, marina and other projects, and the construction of a new fire/medical facility and library addition. On August 7, 1997, the Town issued $4,800,000 Town of Lake Park, Florida, General Obligation Bonds, Series 1997. Principal and interest at 4.96% are payable in semi-annual installments of $189,725 on January 1 and July 1, commencing January 1, 1998, through maturity on July 1, 2017

The required debt service payments on the Series 1997 bond at September 30, 2010 are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	272,870	106,580	379,450
2012	286,572	92,878	379,450
2013	300,963	78,487	379,450
2014	316,076	63,374	379,450
2015	331,947	47,503	379,450
2016	348,616	30,834	379,450
2017	358,837	13,327	372,164
	$2,215,881	$ 432,983	$2,648,864

General Obligation Bond, Series 1998: On November 17, 1998, the Town issued a $5,000,000 Town of Lake Park, Florida, General Obligation Bond, Series 1998. This bond represents the second and final series of the bonds approved by the voters of the Town in a special referendum on March 11, 1997, for the purpose of financing the repair and redevelopment of the Town Hall, marina and other projects, and the construction of a new fire/medical facility and library addition. Principal and interest at 4.46% are payable in semi-annual installments of $194,329 on January 1 and July 1, commencing July 1, 1999, through maturity on July 1, 2018.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

General Obligation Bonds (Continued)

General Obligation Bond, Series 1998 (Continued)

The required debt service payments on the Series 1998 bond at September 30, 2010 are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	276,233	112,424	388,657
2012	288,690	99,967	388,657
2013	301,710	86,947	388,657
2014	315,316	73,341	388,657
2015	329,536	59,121	388,657
2016	344,397	44,260	388,657
2017	359,928	28,729	388,657
2018	372,953	12,499	385,452
	$2,588,763	$ 517,288	$3,106,051

Obligations Under Capital Lease: Capital lease obligations are generally liquidated by the General Fund. The Town's outstanding governmental activities obligations under capital lease at September 30, 2010 are summarized as follows:

Equipment: Lease purchase agreements dated March 2005 through September 2006 for vehicles and other equipment with an original cost of $183,833 and accumulated depreciation in an amount of $180,156. Minimum future lease payments under these agreements at September 30, 2010, are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	9,767	210	9,977
	$ 9,767	$ 210	$ 9,977

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Revenue Bonds: The Town's outstanding business-type activities revenue bonds at September 30, 2010 are summarized as follows:

Revenue Bonds, Series 2003A: On May 12, 2003 the Town entered into an agreement with the Florida Municipal Loan Council (the "Council") to borrow funds for the construction of improvements at the Town's marina. On May 16, 2003, the Council issued $4,810,000 Florida Municipal Loan Council Revenue Bonds, Series 2003A, dated May 1, 2003, to finance the Town's project and pay the costs of issuance for the bonds. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. Interest on the bonds is payable by the Town semi-annually on April 20 and October 20 and principal payments are due on April 20. Debt service on the bonds is payable from the net revenues of the marina operations.

The debt service requirements and interest rates of the bonds at September 30, 2010, are as follows:

Year Ending September 30	Interest Rate	Principal	Interest	Total
2011	5.00	100,000	213,300	313,300
2012	5.00	105,000	208,300	313,300
2013	5.25	115,000	203,050	318,050
2014	5.25	120,000	197,012	317,012
2015	5.25	125,000	190,713	315,713
2016	5.25	130,000	184,150	314,150
2017	5.25	140,000	177,325	317,325
2018	5.25	145,000	169,975	314,975
2019	5.25	155,000	162,363	317,363
2020	5.25	160,000	154,225	314,225
2021	5.00	170,000	145,825	315,825
2022	5.00	180,000	137,325	317,325
2023	4.50	185,000	128,325	313,325
2024	4.50	195,000	120,000	315,000
2025	4.50	205,000	111,225	316,225
2026	5.00	215,000	102,000	317,000
2027	5.00	225,000	91,250	316,250
2028	5.00	235,000	80,000	315,000

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Revenue Bonds (Continued)

Revenue Bonds, Series 2003A (Continued)

Year Ending September 30	Interest Rate	Principal	Interest	Total
2029	5.00	$ 245,000	$ 68,250	$ 313,250
2030	5.00	260,000	56,000	316,000
2031	5.00	275,000	43,000	318,000
2032	5.00	285,000	29,250	314,250
2033	5.00	300,000	15,000	315,000
		$4,270,000	$2,987,863	$7,257,863

Obligations Under Capital Lease: Obligations under capital lease of the Town's business-type activities at September 30, 2010, consisted of the following:

Vehicles: Lease purchase agreements dated June 2004 through March 2006 for sanitation vehicles with an original cost of $482,749. The accumulated depreciation on the vehicles at September 30, 2010 was $478,612. The capital lease obligations are payable from the net revenues of the Sanitation operations.

The minimum future lease payments due under this agreement at September 30, 2010, are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	2,403	52	2,455
	$ 2,403	$ 52	$ 2,455

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Promissory Notes: The Town's outstanding promissory notes payable at September 30, 2010 are summarized as follows:

Promissary Note, Series 2008A: On August 28, 2008, the Town executed a tax-exempt note in the principal amount of $4,928,350 with the Bank of America. Loan proceeds are restricted to finance the settlement of the pension obligation to the Town of Lake Park Firefighters' Pension and for the construction of improvements in the marina. In addition, $2,420,000 of the governmental loan proceeds were transferred to the CRA as a grant for the acquisition of property and for the construction of improvements within the Town's community redevelopment area in accordance with an interlocal agreement between the Town and the CRA executed on August 20, 2008. (See Note 14.) The agreement does not require the CRA to repay the grant from the Town; however, if the CRA makes a voluntary payment to the Town, the Town will use the payment to pay debt service on the note.

Non-ad valorem revenues of the Town secure the promissory note. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. The continued exclusion of interest on the Tax-Exempt Note from gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Sections 103(b)(2) and 148 of the Internal Revenue Code. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2028. The note bears an annual interest rate of 3.67%, which is subject to adjustment upon the occurrence of a Determination of Taxability.

Amounts currently outstanding on the note are as follows:

Purpose	Amount
Governmental activities	$ 3,317,914
Business-type activities	1,023,204
	$ 4,341,118

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Promissory Notes (Continued)

Promissory Note, Series 2008A (Continued)

Annual debt service requirements to maturity are as follows:

Governmental Activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	156,491	118,896	275,387
2012	162,235	113,047	275,281
2013	168,188	106,984	275,172
2014	174,361	100,698	275,059
2015	180,760	94,182	274,942
2016-2020	1,008,313	364,477	1,372,790
2021-2025	989,423	169,638	1,159,061
2026-2028	478,143	26,743	504,887
Total	$ 3,317,914	$ 1,094,665	$ 4,412,579

Business-type activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 115,793	$ 35,427	$ 151,220
2012	120,042	31,099	151,141
2013	124,448	26,613	151,061
2014	129,015	21,962	150,977
2015	133,750	17,140	150,890
2016-2020	132,211	61,648	193,859
2021-2025	158,318	35,061	193,379
2026-2028	109,627	6,132	115,759
Total	$ 1,023,204	$ 235,082	$ 1,258,286

Promissory Note, Series 2008B: On August 28, 2008, the Town executed a note in the principal amount of $309,550 with the Bank of America to finance the construction of improvements in the marina and the purchase of recreation vehicles. Non-ad valorem revenues of the Town secure the promissory note. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2028. The note bears an annual interest rate of 6.78%.

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Promissory Notes (Continued)

Promissory Note, Series 2008B (Continued)

Amounts currently outstanding on the note are as follows:

Purpose	Amount
Governmental activities	$ 36,988
Business-type activities	239,758
	$ 276,746

Annual debt service requirements to maturity are as follows:

Governmental Activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 6,460	$ 2,289	$ 8,749
2012	6,898	1,836	8,734
2013	7,366	1,352	8,718
2014	7,865	836	8,701
2015	8,399	285	8,684
Total	$ 36,988	$ 6,598	$ 43,586

Business-type activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 7,202	$ 16,012	$ 23,214
2012	7,691	15,507	23,198
2013	8,212	14,968	23,180
2014	8,769	14,392	23,161
2015	9,363	13,777	23,140
2016-2020	57,245	58,104	115,349
2021-2025	79,467	35,129	114,596
2026-2028	61,809	6,469	68,278
Total	$ 239,758	$ 174,358	$ 414,116

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Promissory Notes (Continued)

Promissory Note, Series 2009: On August 7, 2009, the Town executed a note in the principal amount of $1,475,000 with the Bank of America to land acquisition and improvements, the purchase of a sanitation truck, fuel tanks, parking meters, and make roof repairs. Non-ad valorem revenues of the Town secure the promissory note. The Town is required to meet certain minimum financial amounts, debt limitations and reporting requirements. Interest on the note is payable by the Town semi-annually on April 1 and October 1 and principal payments are due on April 1 with a final maturity date of April 1, 2024. The note bears an annual interest rate of 5.11%.

Amounts currently outstanding on the note are as follows:

Purpose	Amount
Governmental activities	$ 1,143,523
Business-type activities	219,185
	$ 1,362,708

Annual debt service requirements to maturity are as follows:

Governmental Activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 78,566	$ 58,434	$ 137,000
2012	82,579	54,419	136,998
2013	86,801	50,200	137,001
2014	91,235	45,764	136,999
2015	63,622	41,102	104,724
2016-2020	370,325	153,291	523,616
2021-2025	370,395	48,497	418,892
Total	$ 1,143,523	$ 451,707	$ 1,595,230

NOTE 8 – LONG-TERM LIABILITIES (Continued)

Promissory Notes (Continued)

Promissory Note, Series 2009 (Continued)

Business-type activities:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 50,770	$ 11,200	$ 61,970
2012	53,365	8,606	61,971
2013	56,092	5,879	61,971
2014	58,958	3,012	61,970
Total	$ 219,185	$ 28,697	$ 247,882

Pension Contribution Payable: The Town's pension fund did not have an actuarial valuation performed for the 2008 and 2009 fiscal years, when the valuation was performed for the 2010 fiscal year the total due was $94,410. This amount is recorded as a long term liability at an interest rate of 8% payable as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 16,093	$ 7,553	$ 23,646
2012	17,380	6,266	23,646
2013	18,771	4,875	23,646
2014	20,272	3,374	23,646
2015	21,894	1,752	23,646
Total	$ 94,410	$ 23,820	$ 118,230

Annual Maturities: The aggregate maturities for all long-term debt of the Town with scheduled maturities (excluding compensated absences and claims and settlements), are as follows:

Year Ending September 30	Principal	Interest	Total Amount
2011	$ 1,092,648	$ 682,376	$ 1,775,024
2012	1,130,451	631,925	1,762,376
2013	1,187,551	579,355	1,766,906
2014	1,241,867	523,766	1,765,633
2015	1,204,271	465,575	1,669,846
2016-2020	4,082,825	1,615,209	5,698,034
2021-2025	2,532,602	931,024	3,463,626
2026-2030	1,829,581	436,846	2,266,427
2031-2033	860,000	87,250	947,250
Total	$ 15,161,796	$ 5,953,326	$ 21,115,122

NOTE 9 – DEFERRED COMPENSATION PLAN ASSETS

Employees of the Town may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the Town. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death, or unforeseeable emergency. A third party administers the deferred compensation plan.

In 1999, the Town Adopted GASB-32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans.* The Town modified its Deferred Compensation Plan to conform with the changes in the Internal Revenue Code brought about by the Small Business Job Protection Act of 1996 (the "Act"). The Act requires that eligible deferred compensation plans established and maintained by governmental employers be amended to provide that all assets of the plan be held in trust, or under one or more appropriate annuity contracts or custodial accounts, for the exclusive benefit of plan participants and their beneficiaries. As a result of this change, these plan assets are no longer property of the Town and will no longer be subject to the claims of the Town's general creditors.

Because the Town has little administrative involvement and does not perform the investing function for funds in the Plan, the Town's activities do not meet the criteria for inclusion in the fiduciary funds of a government.

NOTE 10 – PENSION PLANS

Defined Contribution Plan:

The General Employees Retirement Plan is a defined contribution pension plan established by the Town to provide benefits at retirement for all current employees. Defined contribution plans have terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of these contributions, and forfeitures of other participants' benefits that will be allocated to the participant's account. Plan assets are not considered the Town's assets; therefore, they are not included in the Town's basic financial statements. The Plan does not issue a stand alone financial report.

The Town is required to contribute 5% of the plan members' annual compensation and matches 50% of the employees' voluntary contributions under the deferred compensation plan, up to a maximum of 2.5% of participants' annual compensation. Total contributions for the year ended September 30, 2010 were $142,480 by the Town and $101,476 by the employees.

NOTE 10 – PENSION PLANS (Continued)

Defined Contribution Plan (Continued)

Plan provisions and contribution requirements are established and may be amended by the Town Commission, which may also terminate the Plan at any time, at its sole discretion.

Vesting of the City's contributions in the 401(a) plan commences after two years of service, with 20% vesting in year two and 20% each year thereafter until fully vested after six years. If an employee terminates before becoming fully vested, forfeited amounts will be reallocated to accounts of remaining participants as an additional employer contribution. Year of service begins upon an eligible employee successfully completing one year of service and having reached age 18 of service. A year of service is a computation period during which an employee is credited with at least 1,000 hours of service. Plan provisions and contribution requirements are established and may be amended by the City Council. The Town's Finance Director is the plan administrator.

Defined Benefit Plan

The Town administers one single employer defined benefit pension plan that covers no current Town employees. The Retired Police Officers' Pension Fund (RPOPF) covers certain police retirees. The plan was established by the Town and administered by a separate board of trustees. The RPOPF plan is included as blended component unit in the financial statements of the Town of Lake Park as a pension trust fund. The plan does not issue stand alone financial reports.

Basis of Accounting: All pension fund financial statements are prepared using the accrual basis of accounting. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments: Plan investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Administrative Expenses: Liability for future non-investment related expenses is the present value of the future anticipated expenses over the remaining UAAL amortization period based on expenses paid in the year preceding the valuation date.

Post-retirement Benefits: The Town offers continuation of health, dental, vision, and life insurance benefits to employees upon retirement. The cost of such benefits is paid by the retirees and the Town has no further liability for post-retirement benefits.

NOTE 10 – PENSION PLANS (Continued)

Defined Benefit Plans (Continued)

The Retired Police Officers' Pension Fund

Effective October 1, 2001, the Palm Beach County Sheriff's Office (PBSO) was contracted to provide police services for the Town in connection with the transfer of Town police services to the PBSO, the active plan members of the plan were terminated and eligible for a lump sum payout. Effective November 20, 2002, the Town terminated the Municipal Police Officers' Retirement Trust Fund and distributed lump sum payouts to the vested participants. On October 15, 2003, the Town established the Retired Police Officers' Pension Fund for the retirees covered by the original plan and transferred substantially all remaining assets of the original plan to the new plan in April 2004. Accordingly, at September 30, 2010 only five years of plan information was available for the Retired Police Officers' Pension Fund.

The plan is a substituted trust established on October 1, 2003 by Town Ordinance No. 13-2003 to provide the retired members of the previous defined benefit pension plan with the monthly retirement benefits that were accrued under the prior plan. Accordingly, the Retired Police Officers' Pension Fund covers only retirees and has no active plan members or employees of the Town that are eligible to participate and the provisions of the Retired Police Officers' Pension Fund as established by Town ordinance, do not address any provisions related to vesting, eligibility for retirement, future retirement benefits, other benefits, or employee contributions. Administrative expenses are financed as part of the unfunded actuarial accrued liability. The Town is required to contribute actuarially determined amounts sufficient to fund the plan. An actuarial valuation report had not been performed and completed as of October 1, 2007 and 2008. This report would have contained the contribution requirements for the plan years ended September 30, 2008 and 2009. A report was completed as of October 1, 2009, subsequent to September 30, 2010. The required contributions for the 2008, 2009, and 2010 fiscal years are recorded as a long term liability of the Town and an accounts receivable of the pension trust fund. At October 1, 2009, the date of the latest actuarial valuation, the RPOPF included three service retirees and four disability retirees.

Schedule of Employer Contributions

Year Ended September 30	Annual Required Contribution	Percentage Contributed
2008	$ 19,189	100%
2009	20,725	100%
2010	47,889	100%

NOTE 10 – PENSION PLANS (Continued)

Defined Benefit Plans (Continued)

The Retired Police Officers' Pension Fund (Continued)

Annual Pension Costs and Related Information: The significant actuarial assumptions used in the most recent actuarial valuation of the Retired Police Officers' Pension Fund are summarized as follows:

Valuation date	October 1, 2009
Actuarial cost method	Entry Age Normal Actuarial Cost Method
Amortization method	Level dollar amount - closed
Remaining amortization period	15 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return (Net of administrative expenses)	8.0%
Inflation rate	N/A
Projected salary increase	N/A
Post retirement COLA	N/A

Three Year Trend Information

	Actuarially Determined Contribution	Percentage of APC* Contributed	Net Pension Obligation
2008	$ 19,189	100%	
2009	20,725	100	
2010	47,889	100	

* The Towns actuary is treating the unpaid contributions as a note receivable bearing interest, therefore there was no net pension obligation in the actuarial report.

Schedule of Funding Progress:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL	Funded Ratio	Covered Payroll	Unfunded AAL as % of Covered Payroll
10/01/09	$1,382,517	$1,771,112	$388,595	78.06%	N/A	N/A

NOTE 10 – PENSION PLANS (Continued)

The RPOPF utilizes the entry age normal actuarial cost method to determine contributions to the Plan. The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

The Town implemented Governmental Accounting Standards Board Statement 45 (GASB 45), *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions,* effective October 1, 2009. The Town elected to implement prospectively, and the change in accounting principle had no effect on changes in net assets/fund equity for prior periods. Retirees of the Town pay an amount equal to the actual premium for health insurance charged by the carrier, but there is an implied subsidy in the healthcare insurance premium for retirees because the premium charged for these retirees is the same as the premium charged for active employees, who are younger than retirees on average. This implied subsidy constitutes other postemployment benefits (OPEB) under GASB 45.

Plan Description

The Town provides a single employer defined benefit health care plan to all of its employees. The plan allows its employees and their beneficiaries, to continue to obtain health, dental, vision and life insurance benefits upon retirement. The normal retirement age of Town employees is age 65. The benefits of the plan are in accordance with Florida Statutes, which are the legal authority for the plan. The plan has no assets and does not issue a separate financial report.

Funding Policy

The Town does not directly make a contribution to the plan on behalf of retirees. Retirees and their beneficiaries pay the same group rates as are charged to the Town for active employees by its healthcare provider. However, the Town's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits as an Employer Contribution, based upon an implicit rate subsidy. This offset equals the total age-adjusted costs paid by the Town or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

Annual OPEB Cost and Net OPEB Obligation

The annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with GASB Statement No. 45. The annual required contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The annual OPEB cost and the net OPEB obligation for the Town for the current year and the related information is as follows:

Required contribution rates:	
Employer	Pay-as-you-go
Plan members	N/A
Normal cost	$ 13,821
Interest on normal cost	509
Amortization	6,123
Interest on amortization	276
Annual OPEB cost	20,729
Contributions made	(8,395)
Increase in net OPEB obligation	12,334
Net OPEB obligation October 1, 2009	
Net OPEB obligation September 30, 2010	$ 12,334

Trend Information

Three-Year Trend Information

Fiscal Year End	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/08	N/A	N/A	N/A
09/30/09	N/A	N/A	N/A
09/30/10	$20,729	40.5%	$ 12,334

Funded Status

The funded status of the plan as of most recent actuarial valuation date was as follows:

Actuarial valuation date	10/01/2009
Actuarial accrued liability	$ 104,222
Actuarial value of plan assets	$
Unfunded actuarial accrued liability (UAAL)	$ 104,222
Funded ratio	0.0%
Covered payroll	$2,448,717
UAAL as a percentage of covered payroll	4.3%

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are comparable with past expectations and new estimates are made about the future. The schedule of funding progress presented as required supplementary information following the notes to the financial statements, will present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Because the fiscal year ended September 30, 2010 was the year of implementation of GASB 45, only one year is presented in the schedule at this time. In future years, required trend data will be presented. The Town has not contributed assets to the plan at this time.

Actuarial Methods and Assumptions

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and includes the types of benefits in force at the valuation date and the pattern of sharing benefit costs between the Town and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions were as follows:

Actuarial valuation date	10/01/2009
Actuarial cost method	Entry Age Normal
Amortization method	Level percent of payroll, closed
Remaining amortization period	30 years
Asset valuation method	Unfunded
Actual assumptions:	
Investment rate of return	4.5%
Healthcare cost trend	8% for 2010 decreasing to 5% in 2012

NOTE 12 - RESERVED FUND BALANCES

The Town has established reserves to account for that portion of fund balance that is not appropriable for expenditure or is legally segregated for a specific future use. The reserves for inventory, encumbrances, debt service, and advances to other funds are amounts that are not appropriable for expenditure. The reserves for capital projects are funds that are legally segregated for a specific future use.

NOTE 13 – JOINTLY GOVERNED ORGANIZATION

The Town, through an interlocal agreement with certain other municipalities and Palm Beach County, created the Seacoast Utility Authority ("Seacoast") which provides water and sewer service to the citizens of each of the participating municipalities and a portion of Palm Beach County. Seacoast's governing board is comprised of one member from each participating entity. Seacoast is an Independent Authority organized under the laws of the State of Florida, and the Town has no participating equity ownership in Seacoast. The Town paid $73,840 to Seacoast during the fiscal year for water and sewer service.

NOTE 14 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance through the Florida League of Cities, Inc., a statewide commercial insurance program. The policy for comprehensive property, casualty and liability insurance provides coverage with a deductible of $5,000 for property and casualty and $25,000 for liability claims per occurrence, with a combined annual cap of $2 million. The Town does not retain any risk of loss under this policy.

The Town has established a risk management program for workers' compensation where premiums are paid from each department to the Florida League of Cities who fully insures all claims to a statutory level. The Town does not retain any risk of loss under this policy. There were no significant reductions in insurance coverage from the prior year. The amount of insurance settlements has not exceeded the Town's insurance coverage in any of the prior three fiscal years.

The Town currently reports all of its risk management activities in the Insurance Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

NOTE 14 – RISK MANAGEMENT (Continued)

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by those agencies, principally the U.S. Department of Homeland Security and the State of Florida. Any disallowed claims, including amounts already received, might constitute a liability of the Town for the return of those funds.

Litigation

The Town is a defendant in various lawsuits arising in the ordinary course of normal operations. Although the ultimate outcome of some of these lawsuits cannot be determined at the present time, it is the opinion of legal counsel that the likelihood of unfavorable outcome and the amounts of potential losses cannot be reasonably determined for all claims at this time.

NOTE 15 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

In governmental accounting, interfund loans are reported as interfund receivables in lender funds and interfund payables in borrower funds. There is no net effect in the governmental-wide financial statements. The current portion of the interfund loan is reported in the governmental funds as Due to and Due from other funds and the non-current portion is reported as Advance to and Advance from other funds. The composition of interfund balances at September 30, 2010, is as follows:

Receivable Fund	Payable Fund	Due to/from	Advance	Total
General Fund	CRA	$ 841,081	$	$ 841,081
CRA	General Fund	1,091,081	56,538	1,147,619
General Fund	Non-major governmental funds	13,100		13,100
Marina Fund	General Fund		2,050,000	2,050,000

At September 30, 2010, the General Fund owed the CRA Fund $1,091,081 for unpaid incremental tax revenue from fiscal year 2000 to the present. (See Note 2.) The amount due to the CRA from the General Fund includes outstanding principal of $390,019 and penalties and interest of $701,062. The due to the General Fund from the CRA fund was for the purpose of land acquisitions and improvements in the CRA.

NOTE 15 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

The advance from the General Fund to the Marina Fund resulted from a cash overdraft in the Marina Fund's pooled cash and cash equivalents account.

Interfund transfers during the year ended September 30, 2010 are as follows:

Fund	Transfers in	Transfers out
General Fund	$ 308,779	
CRA		$ 308,779
General Fund	75,000	
Nonmajor Governmental		75,000
General Fund	51,300	
Nonmajor Enterprise		51,300
General Fund	5,001	
Marina Fund		5,001
General Fund	225,000	
Sanitation Fund		225,000
CRA	545,904	
General Fund		545,904
Marina Fund	17,500	
General Fund		17,500
Nonmajor Governmental	16,920	
General Fund		16,920
Nonmajor Governmental	18,000	
Nonmajor Enterprise		18,000
Nonmajor Governmental	2,912	
Nonmajor Governmental		2,912

The transfer of $308,779 from the CRA Fund to the General Fund included $224,530 for principal and interest payments that the CRA fund agreed to reimburse the General Fund if the CRA Fund has sufficient available resources.

The transfer of $545,904 from the General Fund to the CRA Fund included the following:

a. Transfer of $491,602 for the 2009 incremental tax obligation.
b. Transfer of $54,302 for interest for late payment of the incremental tax obligation. (See Note 2)

The transfers were also used to: reimburse the General Fund for shared administrative costs and make payment in lieu of taxes.

NOTE 16 - RELATED PARTY TRANSACTIONS – ENTERPRISE FUNDS

The General Fund provides the other funds with various management services. Administrative costs totaling $60,000 for the Marina fund, $106,325 for the Sanitation fund, $49,925 for the CRA fund, and $33,000 for the Stormwater Utility fund were charged for 2010.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

FIDUCIARY FUNDS

Pension Trust Funds

Retired Police Officers' Pension Trust Fund

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
September 30, 2010

Retired Police Officers' Pension Fund

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
10/1/2003	$ 2,095,114	$ 2,177,473	$ 82,359	96.22%	N/A	N/A
10/1/2004	1,924,445	2,156,800	232,355	89.23%	N/A	N/A
10/1/2005	1,971,286	2,030,035	58,749	97.11%	N/A	N/A
10/1/2006	1,919,359	2,061,642	142,283	93.10%	N/A	N/A
10/1/2009	1,382,517	1,771,112	388,595	78.06%	N/A	N/A

Schedule of Employer and State Contributions

Fiscal Year Ended September 30	Annual Required Contribution	Actual Contribution	State Contribution	Percentage Contributed
2005	$ 26,482	$ 26,482		100.0%
2006	7,959	7,959		100.0%
2007	17,768	17,768		100.0%
2008	19,189	19,189		100.0%
2009	20,725	20,725		100.0%
2010	47,889	47,889		100.0%

Note 1: The Retired Police Officers' Pension Fund was established on October 1, 2003. The most recent actuarial valuation of the plan was at October 1, 2009. The fund is a substituted trust established to provide retired members of the predecessor Town of Lake Park Police Pension Plan with the monthly retirement benefits that were accrued under the former retirement plan. Accordingly, the plan includes only services retirees and has no active members, and receives no state money.

Note 2: An actuarial valuation report had not been performed and completed as of October 1, 2007 or 2008. These reports would have contained the contribution requirements for the plan years ended September 30, 2008 and 2009. A report was completed as of October 1, 2009 subsequent to September 30, 2010. Therefore the contributions for the 2008, 2009, and 2010 fiscal years are recorded as a long term liability of the Town and an accounts receivable of the pension trust fund.

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Notes to the Trend Data
September 30, 2010

	Retired Police Officers' Pension Fund
Contribution rates as of 9/30/10:	
Town	N/A
Plan Members	N/A
Actuarially Determined Contribution	$ 47,889
Contributions Made	$ 47,889
Valuation date	10/1/2009
Actuarial Cost Method	Entry Age Normal Actuarial Cost Method
Amortized Method	Level dollar amount, closed
Remaining Amortization Period	15 Years
Asset Valuation Method	Market
Actuarial Assumption:	
Investment rate of return (net of administrative expenses)	8%
Projected salary increase	N/A
Post Retirement cost of living adjustments	N/A

OTHER POST EMPLOYMENT BENEFITS

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
September 30, 2010

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)- Entry Age(1) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Other Post Employment Benefits (OPEB)						
10/01/09	$	$ 104,222	$ 104,222	0.0%	$ 2,448,717	4.3%

The schedule of funding progress presented above will present multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Because the fiscal year ended September 30, 2010 was the year of implementation of GASB 45 and the Town elected to apply the statement prospectively, only one year is presented in the schedule at this time. In future years, required trend data will be presented. The Town has not contributed assets to the plan at this time.

GENERAL FUND

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule -
General Fund
For the year ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes				
General property taxes	$ 4,698,410	$ 4,698,410	$ 4,689,300	$ (9,110)
Franchise taxes				
Electricity	635,000	635,000	547,504	(87,496)
Gas	5,000	5,000	11,629	6,629
Solid Waste	10,000	10,000	10,735	735
Utility taxes				
Electricity	575,000	575,000	607,096	32,096
Water	130,000	130,000	138,113	8,113
Gas	30,000	30,000	26,175	(3,825)
Total taxes	6,083,410	6,083,410	6,030,552	(52,858)
Licenses and permits				
Building permits	130,000	130,000	133,551	3,551
Alarm permits	7,500	7,500	16,515	9,015
Signage permits	15,000	15,000	13,950	(1,050)
Business tax receipts	350,000	350,000	339,292	(10,708)
Business tax confirmation	13,000	13,000	12,394	(606)
Cost recovery	40,000	40,000	7,496	(32,504)
Special event fees	500	500	425	(75)
Contractors fees	2,500	2,500	2,578	78
Total licenses and permits	558,500	558,500	526,201	(32,299)
Intergovernmental revenues				
State shared revenues				
Local government sales tax	535,000	535,000	559,351	24,351
Local communication services taxes	500,000	500,000	464,184	(35,816)
State revenue sharing	220,000	220,000	223,804	3,804
Alcoholic beverage licenses	12,000	12,000	9,992	(2,008)
Motor fuel tax refund	7,600	7,600	9,909	2,309
County shared revenues				
County business tax	25,000	25,000	24,229	(771)
Grant revenues				
State aid to libraries	11,650	11,650	7,675	(3,975)
Total intergovernmental revenues	$ 1,311,250	$ 1,311,250	$ 1,299,144	$ (12,106)

(Continued)

See notes to the budgetary comparison schedules.

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the year ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues (Continued)				
Charges for services				
Administrative fees				
Sanitation	$ 106,325	$ 106,325	$ 106,325	$
CRA	49,925	49,925	49,925	
Stormwater utility	33,000	33,000	33,000	
Marina	60,000	60,000	60,000	
Parking fees	205,000	205,000	40,396	(164,604)
Plan review fees	15,000	15,000	4,125	(10,875)
Parks and recreation	44,550	50,980	51,328	348
Other charges for services	5,700	5,700	7,894	2,194
Total charges for services	519,500	525,930	352,993	(172,937)
Fines and forfeitures				
Court fines	25,000	25,000	18,536	(6,464)
Code violations	60,000	60,000	35,851	(24,149)
Code violations - administrative cost	25,000	25,000	27,673	2,673
Parking violations	20,000	20,000	21,995	1,995
Alarm violations	6,000	6,000	7,425	1,425
Business tax penalties	10,000	10,000	8,238	(1,762)
Library fines	1,200	1,200	1,172	(28)
Total fines and forfeitures	147,200	147,200	120,890	(26,310)
Miscellaneous revenue				
Interest earnings	80,000	80,000	7,149	(72,851)
Interest earnings - tax collector	25,000	25,000	27,473	2,473
Unrealized gain on investments			15,979	15,979
Rent	39,555	39,555	45,080	5,525
Sale of surplus property			4,698	4,698
Sale of scrap material	1,000	1,000	969	(31)
Fuel reimbursement from Sheriff		111,765	111,765	
Reimbursement from Stormwater utility	68,000	68,000	70,125	2,125
Transfer from Streets and Roads	75,000	75,000	75,000	
Transfer from CRA	253,890	345,210	308,779	(36,431)
Transfer from Marina	30,000	30,000	5,001	(24,999)
Transfer from Stormwater	51,300	51,300	51,300	
Transfer from Sanitation	225,000	225,000	225,000	
Miscellaneous revenues	6,150	9,150	11,707	2,557
Total miscellaneous revenues	854,895	1,060,980	960,025	(100,955)
Balance brought forward	250,000	250,000		(250,000)
Total revenues	$ 9,724,755	$ 9,937,270	$ 9,289,805	$ (647,465)

(Continued)

See notes to the budgetary comparison schedules.

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule -
General Fund
For the year ended September 30, 2010

(Continued)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Expenditures				
General government				
Legislative				
Personal services	$ 50,435	$ 50,617	$ 50,468	$ 149
Operating expenditures	48,650	43,298	40,088	3,210
Total legislative	99,085	93,915	90,556	3,359
Town manager				
Personal services	298,200	297,570	291,697	5,873
Operating expenditures	8,280	9,805	7,680	2,125
Total town manager	306,480	307,375	299,377	7,998
Personnel				
Personal services	95,970	98,525	98,040	485
Operating expenditures	48,800	46,350	46,279	71
Total personnel	144,770	144,875	144,319	556
Town clerk				
Personal services	131,195	128,845	128,404	441
Operating expenditures	52,280	54,475	53,298	1,177
Debt Service	3,100	3,100	3,095	5
Total town clerk	186,575	186,420	184,797	1,623
Finance				
Personal services	368,570	362,695	358,751	3,944
Operating expenditures	83,880	89,755	89,408	347
Total finance	452,450	452,450	448,159	4,291
Legal				
Operating expenditures	178,000	185,670	185,667	3
Total legal	178,000	185,670	185,667	3
Information technology				
Personal services	98,305	94,830	94,651	179
Operating expenditures	57,875	51,750	50,005	1,745
Capital outlay	12,000	17,050	17,017	33
Total information technology	168,180	163,630	161,673	1,957
Non-departmental				
Debt service	314,595	380,245	380,210	35
Total non-departmental	314,595	380,245	380,210	35
Total general government	1,850,135	1,914,580	1,894,758	19,822

(Continued)

See notes to the budgetary comparison schedules.

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule -
General Fund
For the year ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Expenditures (Continued)				
Public Safety				
Law enforcement				
Operating expenditures	$ 2,794,475	$ 2,909,085	$ 2,908,413	$ 672
Disaster				
Operating expenditures	10,000	5,840	1,235	4,605
Total disaster	10,000	5,840	1,235	4,605
Fire department				
Operating expenditures	2,001,820	2,001,820	2,001,820	
Community development				
Personal services	404,685	396,530	389,575	6,955
Operating expenditures	213,280	193,785	183,076	10,709
Capital outlay				
Total community development	617,965	590,315	572,651	17,664
Total public safety	5,424,260	5,507,060	5,484,119	22,941
Physical environment				
Public works- administration				
Personal services	156,790	125,890	122,413	3,477
Operating expenditures	17,335	45,305	45,177	128
Capital outlay		900	879	21
Total Public works- administration	174,125	172,095	168,469	3,626
Public works- ground maintenance				
Personal services	293,665	285,290	284,802	488
Operating expenditures	63,975	71,925	71,737	188
Capital outlay		8,050	8,038	12
Debt service	11,965	11,965	11,959	6
Total public works- ground maintenance	369,605	377,230	376,536	694
Vehicle maintenance				
Personal services	129,480	131,840	131,633	207
Operating expenditures	44,250	41,890	35,989	5,901
Total vehicle maintenance	173,730	173,730	167,622	6,108
Total physical environment	717,460	723,055	712,627	10,428
Transportation				
Facility maintenance				
Personal services	120,460	122,835	121,986	849
Operating expenditures	212,995	198,700	198,596	104
Capital outlay		3,620	3,600	20
Total facility maintenance	333,455	325,155	324,182	973

(Continued)

See notes to the budgetary comparison schedules.

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the year ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Expenditures (Continued)				
Transportation (Continued)				
Parking facilities				
Personal services	$	$ 620	$ 617	$ 3
Operating expenditures	14,075	28,180	28,131	49
Capital outlay		12,565	12,554	11
Debt service		32,280	32,277	3
Total parking facilities	14,075	73,645	73,579	66
Total transportation	347,530	398,800	397,761	1,039
Culture and recreation				
Library				
Personal services	220,075	213,350	191,664	21,686
Operating expenditures	90,750	97,700	77,772	19,928
Capital outlay		3,075	3,070	5
Total library	310,825	314,125	272,506	41,619
Recreation				
Personal services	113,275	105,735	104,310	1,425
Operating expenditures	77,300	91,490	84,089	7,401
Debt service	8,765	8,765	8,763	2
Total recreation	199,340	205,990	197,162	8,828
Total culture and recreation	510,165	520,115	469,668	50,447
otal expenditures	8,849,550	9,063,610	8,958,933	104,677
Transfers out and other expenditures				
Transfer out CRA	504,260	545,910	545,904	6
Transfer out CRA delinquent payments	250,000	250,000		250,000
Transfer out Marina		17,500	17,500	
Transfer out Streets and roads	16,925	16,925	16,920	5
Other	6,825	27,100	27,044	56
Contingency, reserves and unappropriated	97,195	16,225		16,225
Total transfers out and other expenditures	875,205	873,660	607,368	266,292
Total expenditures and transfers	9,724,755	9,937,270	9,566,301	370,969
Net change in fund balances	$	$	$ (276,496)	$ (276,496)

See notes to the budgetary comparison schedules.

CRA FUND

TOWN OF LAKE PARK, FLORIDA
Required Supplementary Information
Budgetary Comparison Schedule -
Community Redevelopment Fund
For the Year Ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues				
Intergovernmental	$ 257,215	$ 257,215	$ 250,104	$ (7,111)
Charges for services	13,500	13,500	22,290	8,790
Miscellaneous revenue	8,500	8,500	5,951	(2,549)
Transfer from General Fund	754,260	754,260	545,904	(208,356)
Balance brought forward	850,000	850,000		(850,000)
Total revenues	1,883,475	1,883,475	824,249	(1,059,226)
Expenditures				
General government	949,505	793,385	792,973	412
Culture and recreation	74,900	77,135	51,156	25,979
Economic environment	325,000	362,550	62,935	299,615
Capital outlay		243,175	242,607	568
Debt service	91,350	91,350		91,350
Transfers	253,890	308,815	308,779	36
Unappropriated	188,830	7,065		7,065
Total expenditures	1,883,475	1,883,475	1,458,450	425,025
Net change in fund balances	$	$	$ (634,201)	$ (634,201)

See notes to the budgetary comparison schedules.

TOWN OF LAKE PARK
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2010

NOTE A - BUDGETARY ACCOUNTING

An appropriated budget has been legally adopted for the General Fund and Community Redevelopment Fund on the same modified-accrual basis used to reflect revenue and expenditures, except that for budgetary purposes, revenue includes proceeds from debt issuances, transfers from other funds, and proceeds from the sale of capital assets, and expenditures include encumbrances and transfers to other funds within each governmental function. The Town Commission approved budget amendments for the General Fund totaling $212,515 during the year, which increased the original General Fund appropriations from $9,724,755 to a revised total of $9,937,270. For the Community Redevelopment Fund, approved budget amendments did not affect the total appropriations for the fund.

The Town follows these procedures in establishing the annual budget:

1. Prior to September 1, the Town Manager submits to the Town Commission a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted at the Town Hall to obtain taxpayer comments.

3. The Town advises the Palm Beach County Tax Collector's office of the proposed millage rate, the rolled back millage rate and the day, time and place of the public hearing for budget acceptance.

4. A public hearing is held to obtain taxpayer input and to adopt the final budget and millage rate.

5. The budget and related millage rates are legally enacted through passage of an ordinance. Effective for fiscal year ending September 30, 2009, a final operating budget and related millage rates are legally enacted through the passage of a resolution.

6. Changes or amendments to the total budgeted expenditures of the Town or a department must be approved by the Town Commission; however, changes within a department which do not affect the total departmental expenditures may be approved by the Town Manager. Accordingly, the legal level of control is at the department level.

NOTE A - BUDGETARY ACCOUNTING (Continued)

7. All unencumbered balances lapse at the end of each fiscal year.

The reported budgetary data represents the final appropriated budget after amendments adopted by the Town Commission. An appropriated budget is legally required and has been legally adopted for the General Fund, Community Redevelopment Special Revenue Fund, Debt Service Fund, Streets and Roads Special Revenue Fund, and the Insurance Internal Service Fund on the same modified-accrual basis used to reflect actual revenues and expenditures, except that for budgetary purposes, current year encumbrances are treated as expenditures and transfers in and transfers out are treated as revenues and expenditures, respectively. The operations of the Town's other funds are non-budgeted financial activities, which are not legally required to adopt budgets. Budgetary comparison schedules for the Debt Service Fund and Streets and Roads Special Revenue Fund, non-major funds, and the Insurance Internal Service Fund, a proprietary fund, are not required to be presented and may be found in Other Supplementary Information at pages 81 to 83.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary control in the General Fund. Encumbrances outstanding at year end, if any, are reported as reservations of fund balance for subsequent year expenditures. For budgetary purposes, current year encumbrances are treated as expenditures and any unencumbered balances lapse at year end.

NOTE B - BUDGET AND ACTUAL COMPARISONS

The budgetary comparison schedule - General Fund, from pages 70-74, and Community Redevelopment Fund, from page 75, are prepared under the basis of accounting used in preparing the appropriated budget. As indicated in Note A, for budgetary purposes, proceeds from the sale of capital assets are treated as revenues, and current year encumbrances are treated as expenditures. As a result, revenues and expenditures reported in the budget and actual statement differ from the revenues and expenditures reported on the GAAP basis. These differences are reconciled as follows:

TOWN OF LAKE PARK
NOTES TO BUDGETARY COMPARISON SCHEDULES
SEPTEMBER 30, 2010

NOTE B - BUDGET AND ACTUAL COMPARISONS (Continued)

General Fund	Revenues	Expenditures
Current year encumbrances outstanding at year end	$	$ 62,849
Prior year encumbrances paid in the current year		(130,959)
Net encumbered amount		(68,110)
Transfers	665,080	580,324
Net differences – GAAP and budgetary basis	665,080	512,214
GAAP basis	8,624,726	9,054,087
Budgetary basis	$ 9,289,806	$ 9,566,301

Community Redevelopment Fund	Revenues	Expenditures
Current year encumbrances outstanding at year end	$	$ 55,812
Prior year encumbrances paid in the current year		(148,737)
Net encumbered amount		(92,925)
Transfers	545,904	308,779
Net differences – GAAP and budgetary basis	545,904	215,854
GAAP basis	278,345	1,242,596
Budgetary basis	$ 824,249	$ 1,458,450

NOTE C – EXPENDITURES OVER APPROPRIATIONS

There were no expenditures in excess of appropriations.

OTHER SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Fund

Special Revenue Funds
Streets and Roads Fund

Capital Projects Funds
Capital Projects Fund
Special Projects Fund

TOWN OF LAKE PARK, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2010

		Special Revenue Fund	Capital Projects Funds		
	Debt Service Fund	Streets & Roads Fund	Capital Projects Bond Fund	Special Projects Fund	Total Nonmajor Governmental Funds
Assets					
Pooled cash and cash equivalents	$ 85,715	$ 20	$ 18,260	$ 42,818	$ 146,813
Investments	1,187				1,187
Due from other governments		18,903		29,023	47,926
Total assets	$ 86,902	$ 18,923	$ 18,260	$ 71,841	$ 195,926
Liabilities and fund balances					
Liabilities					
Accounts payable	$	$ 2,836	$	$ 851	$ 3,687
Accrued items		2,184			2,184
Deferred revenue				46,464	46,464
Due to other funds		13,100			13,100
Total liabilities		18,120		47,315	65,435
Fund balances					
Reserved for/reported in:					
Debt service / Debt service fund	86,902				86,902
Unreserved					
Undesignated					
Special revenue fund		803			803
Capital projects fund			18,260	24,526	42,786
Total fund balances	86,902	803	18,260	24,526	130,491
Total liabilities and fund balances	$ 86,902	$ 18,923	$ 18,260	$ 71,841	$ 195,926

TOWN OF LAKE PARK, FLORIDA
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2010

		Special Revenue Fund	Capital Projects Funds		
	Debt Service Fund	Streets & Roads Fund	Capital Projects Bond Fund	Special Projects Fund	Total Nonmajor Governmental Funds
Revenues					
Taxes	$ 758,806	$	$	$	$ 758,806
Intergovernmental		344,682		44,703	389,385
Miscellaneous	114			1,926	2,040
Total revenues	758,920	344,682		46,629	1,150,231
Expenditures					
Current					
General government				4,813	4,813
Transportation		226,346			226,346
Capital outlay		47,566		48,664	96,230
Debt service					
Principal	524,679	4,658			529,337
Interest charges	243,429	254			243,683
Total expenditures	768,108	278,824		53,477	1,100,409
Excess of revenues over (under) expenditures	(9,188)	65,858		(6,848)	49,822
Other financing sources (uses)					
Transfers in		34,920		2,912	37,832
Transfers out		(75,000)	(2,912)		(77,912)
Total other financing sources (uses)		(40,080)	(2,912)	2,912	(40,080)
Net changes in fund balances	(9,188)	25,778	(2,912)	(3,936)	9,742
Fund balances - beginning (deficit)	96,090	(24,975)	21,172	28,462	120,749
Fund balances - ending (deficit)	$ 86,902	$ 803	$ 18,260	$ 24,526	$ 130,491

TOWN OF LAKE PARK, FLORIDA
Budgetary Comparison Schedule -
Debt Service Fund
For the Year Ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues				
Taxes	$ 769,900	$ 769,900	$ 758,806	$ (11,094)
Investment earnings			114	114
Total revenues	769,900	769,900	758,920	(10,980)
Expenditures				
Debt service	769,900	769,900	768,108	1,792
Net change in fund balances - budgetary basis	$	$	$ (9,188)	$ (9,188)

TOWN OF LAKE PARK, FLORIDA
Budgetary Comparison Schedule -
Streets and Roads Fund
For the Year Ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
Revenues				
Intergovernmental	$ 335,200	$ 335,200	$ 344,682	$ 9,482
Transfer from General fund	16,925	16,925	16,920	(5)
Transfer from Stormwater	16,925	16,925	18,000	1,075
Total revenues	369,050	369,050	379,602	10,552
Expenditures				
Transportation	232,795	239,865	226,346	13,519
Capital outlay	30,000	49,255	47,566	1,689
Debt service	4,925	4,925	4,912	13
Other	26,330	5		
Transfer to General fund	75,000	75,000	75,000	
Total expenditures	369,050	369,050	353,824	15,221
Net change in fund balances - budgetary basis	$	$	$ 25,778	$ 25,773

PROPRIETARY FUNDS

Internal Service Fund
Insurance Fund

TOWN OF LAKE PARK, FLORIDA
Budgetary Comparison Schedule -
Insurance Fund
For the Year Ended September 30, 2010

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	**Final**	**Amounts**	**(Negative)**
Revenues				
Contributed revenue	$ 357,025	$ 357,025	$ 293,275	(63,750)
Miscellaneous revenue			7,780	7,780
Total revenues	357,025	357,025	301,055	(55,970)
Expenditures				
Personal services	357,025	357,025	289,964	67,061
Total expenditures	357,025	357,025	289,964	67,061
Net change in fund balances - budgetary basis	$	$	$ 11,091	$ 11,091

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Town of Lake Park's comprehensive annual financial report presents detailed unaudited information as a context for understanding what the information in the financial statement, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents **Page**

Financial Trends
These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Net Assets by Component	84
Changes in Net Assets	85
Fund Balances of Governmental Funds	89
Changes in Fund Balances of Governmental Funds	90

Revenue Capacity
These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

Governmental Funds Tax Revenues by Source	92
General Government Revenue by Source	93
Assessed Value of Taxable Property	95
Direct and Overlapping Property Tax Rates	96
Principal Property Taxpayers	98
Property Tax Levies and Collections	99

Debt Capacity
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	100
Direct and Overlapping Governmental Activities Debt	102
Pledged-Revenue Coverage	103

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Demographic and Economic Statistics	104
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Operating Information
These schedules contain service and infrastructure data to help understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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Capital Asset Statistics by Function/Program	108

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

TOWN OF LAKE PARK, FLORIDA
Net Assets by Component
Last Seven Fiscal Years
(Accrual Basis of Accounting) Unaudited

	Fiscal Year				
	2004	**2005**	**2006**	**2007**	**2008**
Governmental activities					
Invested in capital assets, net of related debt	$ (2,042,578)	$	$ (1,219,252)	$ 179,115	$ 1,781,760
Restricted	88,879	114,301	149,558	239,847	119,780
Unrestricted	2,268,630	1,640,854	3,711,384	3,838,721	3,060,834
Total governmental activities net assets	$ 314,931	$ 1,755,155	$ 2,641,690	$ 4,257,683	$ 4,962,374
Business-type activities					
Invested in capital assets, net of related debt	$ 1,957,744	$ 3,666,688	$ 4,240,204	$ 4,461,916	$ 4,066,900
Restricted		292,141	61,648		
Unrestricted	2,094,262	904,990	996,718	146,230	(298,208)
Total business-type activities net assets	$ 4,052,006	$ 4,863,819	$ 5,298,570	$ 4,608,146	$ 3,768,692
Primary government					
Invested in capital assets, net of related debt	$ (84,834)	$ 3,666,688	$ 3,020,952	$ 4,641,031	$ 5,848,660
Restricted	88,879	406,442	211,206	239,847	119,780
Unrestricted	4,362,892	2,545,844	4,708,102	3,984,951	2,762,626
Total primary government net assets	$ 4,366,937	$ 6,618,974	$ 7,940,260	$ 8,865,829	$ 8,731,066

	Fiscal Year	
	2009	**2010**
Governmental activities		
Invested in capital assets, net of related debt	$ 2,062,366	$ 2,204,432
Restricted	96,090	86,902
Unrestricted	3,320,736	2,531,305
Total governmental activities net assets	$ 5,479,192	$ 4,822,639
Business-type activities		
Invested in capital assets, net of related debt	$ 4,297,968	$ 3,809,874
Restricted		
Unrestricted	(1,028,259)	(1,332,901)
Total business-type activities net assets	$ 3,269,709	$ 2,476,973
Primary government		
Invested in capital assets, net of related debt	$ 6,360,334	$ 6,014,306
Restricted	96,090	86,902
Unrestricted	2,292,477	1,198,404
Total primary government net assets	$ 8,748,901	$ 7,299,612

Information prior to fiscal year 2004 is not available.

TOWN OF LAKE PARK, FLORIDA
Changes in Net Assets
Last Seven Fiscal Years
(Accrual Basis of Accounting) Unaudited

	Fiscal Year				
	2004	**2005**	**2006**	**2007**	**2008**
Expenses					
Governmental activities:					
General government	$ 1,315,158	$ 1,462,056	$ 1,704,011	$ 2,237,149	$ 2,538,501
Public safety	3,106,822	3,870,758	4,377,568	5,008,257	5,211,776
Physical environment	440,968	462,674	953,466	652,725	361,170
Transportation	531,581	559,433	820,777	573,501	683,463
Culture and recreation	887,990	1,052,857	1,242,254	1,450,650	1,161,870
Economic environmnet					
Interest on long-term debt	367,469	351,729	334,083	314,933	320,280
Total governmental activities expenses	6,649,988	7,759,507	9,432,159	10,237,215	10,277,060
Business-type activities:					
Marina	118,893	216,922	1,143,506	1,610,274	1,902,634
Sanitation	1,040,062	1,321,437	1,245,151	1,283,851	1,355,926
Stormwater					
Total business-type activities expenses	1,158,955	1,538,359	2,388,657	2,894,125	3,258,560
Total primary government expenses	$ 7,808,943	$ 9,297,866	$ 11,820,816	$ 13,131,340	$ 13,535,620
Program revenues					
Governmental activities:					
Charges for services:					
General government	$ 392,336	$ 415,029	$ 504,806	$ 33,232	$ 40,726
Public safety	221,502	607,252	451,805	967,365	796,094
Physical environment					
Transportation					
Culture and recreation	44,670	38,817	48,471	49,352	56,775
Operating contributions and grants:					
General government	118,178	200,470	324,969	103,021	15,879
Public safety				7,950	
Physical environment		22,662	10,000		
Transportation	463,685	748,968	810,226		
Culture and recreation	15,764			16,816	16,168
Capital contributions and grants:			16,437		
General government	76,697	327,408	226,097		
Public safety				3,435	8,637
Physical environment				40,000	
Transportation				15,709	91,533
Culture and recreation				306,858	225,100
Total governmental activities program revenues	1,332,832	2,360,606	2,392,811	1,543,738	1,250,912
Business-type activities:					
Charges for services:					
Marina	5,296	184,545	1,092,204	1,279,927	1,220,299
Sanitation	1,364,796	1,403,863	1,409,510	1,423,947	1,483,528
Stormwater					
Operating contributions and grants					
Marina	210,807	22,098			
Sanitation		354,529	259,527		
Capital contributions and grants					
Marina		240,193		825	
Stormwater					
Total business-type activities program revenues	1,580,899	2,205,228	2,761,241	2,704,699	2,703,827
Total primary government program revenues	$ 2,913,731	$ 4,565,834	$ 5,154,052	$ 4,248,437	$ 3,954,739

Information prior to fiscal year 2004 is not available.

Fiscal Year	
2009	2010
$ 2,656,309	$ 2,543,961
5,421,845	5,723,360
319,993	349,637
659,113	600,669
1,242,156	987,778
	32,063
420,671	430,289
10,720,087	10,667,757
1,734,561	2,005,435
1,430,694	1,412,372
208,668	313,994
3,373,923	3,731,801
$ 14,094,010	$ 14,399,558
$ 43,756	$ 58,700
775,124	768,338
	40,396
58,785	75,384
11,639	15,926
4,295	3,379
22,903	16,180
160,597	43,250
1,077,099	1,021,553
1,017,094	1,166,201
1,401,682	1,510,419
455,587	514,865
110,276	
95,755	4,246
3,080,394	3,195,731
$ 4,157,493	$ 4,217,284

TOWN OF LAKE PARK, FLORIDA
Changes in Net Assets
Last Seven Fiscal Years
(Accrual Basis of Accounting) Unaudited

	Fiscal Year				
	2004	**2005**	**2006**	**2007**	**2008**
Net (expense) revenue					
Governmental activities	$ (5,317,156)	$ (5,398,901)	$ (7,039,348)	$ (8,693,477)	$ (9,026,148)
Business-type activities	421,944	666,869	372,584	(189,426)	(554,733)
Total primary government net expense	$ (4,895,212)	$ (4,732,032)	$ (6,666,764)	$ (8,882,903)	$ (9,580,881)
General revenues and other changes in net assets					
Governmental activities:					
Taxes:					
Property taxes	$ 3,711,359	$ 4,251,570	$ 5,066,005	$ 6,262,727	$ 6,156,686
Franchise fees	473,764	518,641	631,811	629,365	630,215
Utility service taxes	618,080	651,733	671,970	668,400	681,568
Local option gas taxes	661,796			260,282	246,643
Communication sales tax	500,277			539,562	505,783
Intergovernmental, unrestricted	39,468	1,266,350	720,919	1,062,715	974,834
Gain on sale of surplus property		17,140	39,629		26
Miscellaneous revenue				24,658	38,971
Investment earnings	64,028	133,691	532,902	306,398	174,117
Transfers	(140,549)		262,647	75,000	321,996
Total governmental activities	5,928,223	6,839,125	7,925,883	9,829,107	9,730,839
Business-type activities					
Investment earnings	42,417	44,694	62,167	78,419	29,038
Gain on sale of equipment		100,250		14,720	
Miscellaneous revenues				7,168	
Transfers	140,549			(75,000)	(321,996)
Total business-type activities	182,966	144,944	62,167	25,307	(292,958)
Total primary government	$ 6,111,189	$ 6,984,069	$ 7,988,050	$ 9,854,414	$ 9,437,881
Changes in net assets					
Governmental activities	$ 611,067	$ 1,440,224	$ 886,535	$ 1,135,630	$ 704,691
Business-type activities	604,910	811,813	434,751	(164,119)	(847,691)
Total primary government	$ 1,215,977	$ 2,252,037	$ 1,321,286	$ 971,511	$ (143,000)

Information prior to fiscal year 2004 is not available.

Fiscal Year	
2009	**2010**
$ (9,642,988)	$ (9,628,204)
(293,529)	(536,070)
$ (9,936,517)	$ (10,164,274)
$ 6,827,668	$ 5,448,106
603,269	569,868
690,743	771,384
236,037	236,960
539,808	464,184
893,510	1,144,701
	174
102,096	
54,121	54,473
212,554	281,801
10,159,806	8,971,651
7,100	16,780
	8,355
(212,554)	(281,801)
(205,454)	(256,666)
$ 9,954,352	$ 8,714,985
$ 516,818	$ (656,553)
(498,983)	(792,736)
$ 17,835	$ (1,449,289)

TOWN OF LAKE PARK, FLORIDA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting) Unaudited

	Fiscal Year				
	2001	**2002**	**2003**	**2004**	**2005**
General fund					
Reserved	$ 9,381	$ 5,778	$ 8,617	$ 44,961	$ 177,971
Unreserved					
Designated					
Undesignated	162,832	844,854	1,590,425	1,879,919	2,672,593
Total general fund	$ 172,213	$ 850,632	$ 1,599,042	$ 1,924,880	$ 2,850,564
All other governmental funds					
Reserved	$	$	$	$	$
Unreserved				88,879	114,301
Designated for capital projects	2,014,209	995,018			
Designated for subsequent year's budget			37,698		
Undesignated, reported in:					
Debt service fund	29,108				
Special revenue funds		(191,130)	(755)		
Capital projects fund	(187,647)	61,951	(45,208)	(94,042)	135,371
Total all other governmental funds	$ 1,855,670	$ 865,839	$ (8,265)	$ (5,163)	$ 249,672

	Fiscal Year				
	2006	**2007**	**2008**	**2009**	**2010**
General fund					
Reserved	$ 135,074	$ 946,499	$ 1,379,773	$ 2,209,117	$ 2,526,148
Unreserved					
Designated		151,963	121,572	28,814	32,424
Undesignated	3,138,613	1,010,346	686,285	1,176,019	510,773
Total general fund	$ 3,273,687	$ 2,108,808	$ 2,187,630	$ 3,413,950	$ 3,069,345
All other governmental funds					
Reserved	$ 149,558	$ 1,590,692	$ 2,754,260	$ 638,293	$ 241,608
Unreserved					
Designated for capital projects					
Designated for subsequent year's budget					
Undesignated, reported in:					
Debt service fund					
Special revenue funds		849,579	883,122	1,156,193	842,342
Capital projects fund	244,852	164,837	3,930	49,634	42,786
Total all other governmental funds	$ 394,410	$ 2,605,108	$ 3,641,312	$ 1,844,120	$ 1,126,736

TOWN OF LAKE PARK, FLORIDA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting) Unaudited

	2001	2002	2003	2004
Revenues				
Taxes	$ 4,362,132	$ 4,182,729	$ 4,536,447	$ 4,803,203
Licenses and permits	365,051	508,963	479,752	412,858
Intergovernmental	1,933,638	2,769,313	2,180,062	1,823,113
Charges for services	394,239	472,350	163,004	176,671
Fines and forfeitures	150,464	62,424	68,319	68,979
Miscellaneous	257,149	202,261	635,643	116,780
Total revenues	7,462,673	8,198,040	8,063,227	7,401,604
Expenditures				
General government	1,163,835	1,152,324	1,343,427	1,291,440
Public safety	3,519,712	3,545,800	2,915,117	3,069,983
Physical environment	275,769	272,708	342,981	355,001
Transportation	363,213	417,061	499,871	512,437
Culture and recreation	779,045	622,652	646,691	699,347
Economic environment				
Capital outlay	1,895,528	1,724,583	1,799,244	282,527
Debt service				
Principal	416,196	464,038	397,570	417,354
Interest	436,122	422,133	390,570	372,129
Other debt service charges				
Total expenditures	8,849,420	8,621,299	8,335,471	7,000,218
Excess of revenues over (under) expenditures	(1,386,747)	(423,259)	(272,244)	401,386
Other financing sources (uses)				
Transfers in	130,099	278,566	160,550	
Transfers out	(70,099)	(214,290)	(81,164)	(140,549)
Proceeds from sale of assets				226,870
Bonds issued				
Loan proceeds				
Capital lease obligations		47,571		61,606
Total other financing sources (uses)	60,000	111,847	79,386	147,927
Net change in fund balances	$ (1,326,747)	$ (311,412)	$ (192,858)	$ 549,313
Debt service as a percentage of non-capital expenditures	12.26%	12.85%	12.06%	11.75%

2005	2006	2007	2008	2009	2010
$ 5,556,457	$ 6,369,786	$ 7,286,723	$ 7,165,046	$ 7,825,211	$ 6,789,358
786,175	567,044	695,726	579,519	529,487	526,201
2,415,388	2,356,210	2,323,977	2,681,555	2,198,263	1,938,633
161,681	239,705	254,759	295,517	293,756	375,283
100,642	185,234	220,724	174,643	213,105	120,890
162,248	600,715	421,268	250,799	184,381	302,937
9,182,591	10,318,694	11,203,177	11,147,079	11,244,203	10,053,302
1,451,403	1,594,394	1,701,253	3,267,652	2,361,396	2,432,667
3,814,984	4,302,722	4,992,454	5,206,596	5,413,894	5,484,119
357,690	835,987	551,320	368,740	287,322	308,366
550,861	809,325	573,007	626,366	553,392	581,424
806,050	940,868	1,330,674	1,039,190	1,087,407	858,955
					32,063
116,093	1,008,895	1,126,772	2,699,269	2,369,922	490,174
448,808	472,830	510,523	538,385	746,625	765,541
356,611	339,199	320,294	308,481	397,670	442,783
			17,488	19,450	
7,902,500	10,304,220	11,106,297	14,072,167	13,237,078	11,396,092
1,280,091	14,474	96,880	(2,925,088)	(1,992,875)	(1,342,790)
	46,107	867,005	3,868,013	1,392,713	1,248,816
	(46,107)	(792,005)	(3,546,017)	(1,180,159)	(967,015)
243,905	256,897	5,742	630		
			3,717,488	1,209,449	
84,453	103,185				
328,358	360,082	80,742	4,040,114	1,422,003	281,801
$ 1,608,449	$ 374,556	$ 177,622	$ 1,115,026	$ (570,872)	$ (1,060,989)
10.34%	8.74%	8.33%	7.46%	10.55%	11.08%

TOWN OF LAKE PARK, FLORIDA
Governmental Funds Tax Revenues by Source
Last Seven Fiscal Years
(Accrual Basis of Accounting) Unaudited

Fiscal Year	Property Taxes	Franchise Fees	Utility Service Taxes	Communication Services Taxes	Sales Tax	Totals
2004	$ 3,711,359	$ 473,764	$ 618,080	$ 500,277	$ 661,796	$ 5,965,276
2005	4,251,570	518,641	655,214	530,407	679,722	6,635,554
2006	5,066,005	631,811	673,848	532,902	720,919	7,625,485
2007	6,262,727	629,365	668,400	539,562	675,208	8,775,262
2008	6,156,686	630,215	681,568	505,783	632,680	8,606,932
2009	6,827,668	613,269	690,713	539,808	558,085	9,229,543
2010	5,698,210	569,868	771,384	464,184	559,351	8,062,997

Information prior to fiscal year 2004 is not available.

TOWN OF LAKE PARK, FLORIDA
General Governmental Revenue by Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting) Unaudited

Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Charges for Services
2001	$ 3,594,025	$ 365,051	$ 1,172,447	$ 394,239
2002	3,418,867	508,963	1,843,363	472,350
2003	3,580,692	479,752	1,360,445	163,004
2004	3,954,690	412,858	1,402,673	176,671
2005	4,637,685	786,175	1,538,637	161,681
2006	5,861,265	566,508	843,445	239,705
2007	7,286,723	695,726	2,323,977	254,759
2008	7,165,046	579,519	2,681,555	295,517
2009	7,825,211	529,487	2,198,263	293,756
2010	6,030,552	526,201	1,299,144	352,993

Fiscal Year	Fines and Forfeitures	Miscellaneous	Other Financing Sources	Total	Annual Percentage Increase (Decrease)
2001	$ 150,464	$ 125,894	$ 60,000	$ 5,862,120	(4.6) %
2002	62,424	188,848	324,980	6,819,795	16.3 %
2003	68,319	377,760	160,550	6,190,522	(9.2) %
2004	68,979	88,775		6,104,373	(1.4) %
2005	100,642	142,127		7,366,947	20.7 %
2006	182,788	696,141		8,389,852	13.9 %
2007	220,724	421,268		11,203,177	33.5 %
2008	174,643	250,799	3,717,488	14,864,567	32.7 %
2009	213,105	184,381	1,209,449	12,453,652	(16.2) %
2010	120,890	294,946	665,080	9,289,806	(25.4) %

TOWN OF LAKE PARK, FLORIDA
Assessed Value of Taxable Property
Last Ten Fiscal Years
Unaudited

Tax Year	Real Property Residential	Real Property Commerical	Personal Property	Centrally Assessed Property	Assessed Value for Operations	Total Direct Tax Rate	Total Taxable Value (1)
2001	$ 145,630,576	$ 123,636,530	$ 30,157,262	$ 730,032	$ 300,154,400	10.9914	$ 300,154,400
2002	160,685,977	129,724,663	33,497,336	732,819	324,640,795	10.9914	324,640,795
2003	175,705,535	139,504,494	36,001,397	859,592	352,071,018	10.8500	352,071,018
2004	213,547,796	175,020,828	38,469,559	897,274	427,935,457	10.2500	427,935,457
2005	275,026,756	197,918,997	38,469,559	897,274	512,312,586	10.1000	512,312,586
2006	343,048,900	277,146,764	43,072,903	899,238	664,167,805	9.3000	664,167,805
2007	362,447,556	319,364,915	50,439,255	1,038,292	733,290,018	8.5850	733,290,018
2008	317,287,667	324,380,752	43,278,568	2,033,244	686,980,231	9.6663	686,980,231
2009	223,053,149	310,344,797	44,930,557	1,338,599	579,667,102	9.9163	579,667,102
2010	177,057,371	251,733,749	43,531,640	1,200,814	473,523,574	10.2163	473,523,574

(1) Florida state law requires all property to be assessed at current fair market value. Accordingly, the estimated actual value is equal to the Total Assessed Value.

Source: Palm Beach County Property Appraiser

TOWN OF LAKE PARK, FLORIDA

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
Rate per $1,000 of Assessed Value
Unaudited

	Town of Lake Park Property Tax Rates			Overlapping Property Tax Rates - (1) Palm Beach County		
Fiscal Year	**Operating Millage**	**General Obligation Debt Service**	**Total Town Millage**	**Operating Millage**	**General Obligation Debt Service**	**Total County Millage**
2001	8.3914	2.7700	11.1614	4.6000	0.3362	4.9362
2002	8.3914	2.6000	10.9914	4.5500	0.3851	4.9351
2003	8.3500	3.0358	11.3858	4.5000	0.3084	4.8084
2004	8.3500	2.5000	10.8500	4.5000	0.2910	4.7910
2005	8.3500	1.9000	10.2500	4.5000	0.2677	4.7677
2006	8.2000	1.9000	10.1000	4.4500	0.2700	4.7200
2007	8.0000	1.3000	9.3000	4.2800	0.1975	4.4775
2008	7.6350	0.9500	8.5850	3.7811	0.2002	3.9813
2009	8.5163	1.1500	9.6663	3.7811	0.1845	3.9656
2010	8.5163	1.7000	10.2163	4.3440	0.2174	4.5614

Note: All millage rates are based on $1 for every $1000 of assessed value

Source: Notice of Ad Valorem Taxes and Non-Ad Valorem Assessments

(1) Overlapping rates are those of local and county governments that apply to property owners within the Town of Lake Park. Not all overlapping rates apply to all Town property owners (i.e. The rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)

Overlapping Property Tax Rates - (1)

Palm Beach County School District			Palm Beach County Special Districts	Total
Operating Millage	General Obligation Debt Service	Total School Millage		
8.587	0.456	9.043	2.1856	27.3356
8.487	0.431	8.918	2.2630	27.2786
8.547	0.401	8.948	2.4558	27.3303
8.427	0.352	8.779	2.4883	27.4615
8.251	0.320	8.571	2.5557	26.7677
8.158	0.274	8.432	2.5257	25.9754
7.880	0.220	8.100	2.5085	25.4285
7.712	0.160	7.872	2.3254	23.9749
7.356	-	7.356	2.1308	22.0531
7.251	-	7.251	2.2569	23.1398
7.983	-	7.983	2.4934	25.2541

TOWN OF LAKE PARK, FLORIDA
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2010			
	Taxable Assessed Valuation	Taxes	Rank	Percentage of Total Taxes Levied
Lake Park Owner LLC	$ 18,204,896	$ 155,038	1	2.69%
Wal Mart Stores East LP	14,711,613	125,289	2	2.18%
Congress Ave Properties LTD	13,742,029	117,031	3	2.03%
SC Lake Park Associates LLLP	11,442,526	97,478	4	1.69%
Lake Park Square Joint Venture	11,000,012	93,679	5	1.63%
Mullinax Ford of PBC, LLC	8,907,793	75,861	6	1.32%
Trust Lake Park LTD	8,500,000	72,359	7	1.26%
Northlake Square East LLC	7,159,545	60,973	8	1.06%
Earl Stewart LLC	7,056,135	60,092	9	1.04%
Twin Cities Investors Inc	6,823,514	58,111	10	1.01%
Totals	$ 107,548,063	$ 915,911		15.91%

Source: Palm Beach County Property Appraiser.

	2001			
	Taxable Assessed Valuation	Taxes	Rank	Percentage of Total Taxes Levied
WHCB Real Estate	$ 10,600,000	$ 318,931	1	9.86%
Phillip D. Lewis	8,400,000	257,998	2	7.97%
Nicholas B. Smith	7,289,135	207,507	3	6.41%
New Plan Realty Trust	6,623,500	211,046	4	6.52%
Twin Cities Investors Inc	5,826,528	115,269	5	3.56%
Stuart Enterprise Inc.	5,373,812	100,938	6	3.12%
Crescent Properties	3,164,000	96,453	7	2.98%
Opabola Kasali O	2,839,131	70,122	8	2.17%
All State Association of WP LLC	2,446,000	67,329	9	2.08%
Fred Keller Trustee	1,836,977	60,621	10	1.87%
Totals	$ 54,399,083	$ 1,506,214		46.54%

Source: Palm Beach County Property Appraiser.

Note: Assessed values are established by the Palm Beach County Property Appraiser's office as of January 1st of each year.

TOWN OF LAKE PARK, FLORIDA
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year	Total Tax Levy	Amount of Current Taxes Collected (1)	Percent of Current Taxes Collected (1)	Amount of Delinquent Taxes Collected
2001	$ 3,235,477	$ 3,073,411	95.0 %	$ 32,712
2002	3,369,838	3,196,069	94.8 %	16,426
2003	3,625,081	3,517,408	97.0 %	19,212
2004	3,855,029	3,682,547	95.5 %	28,812
2005	4,407,224	4,119,485	93.5 %	132,085
2006	5,082,715	4,885,172	96.1 %	13,804
2007	6,209,531	5,989,731	96.5 %	18,140
2008	6,316,263	5,867,407	92.9 %	10,883
2009	6,649,031	6,281,877	94.5 %	19,880
2010	5,754,637	5,391,827	93.7 %	12,057

Fiscal Year	Total Collected for the Year	Ratio of Total Taxes Collected to Current Levy	Accumulated Delinquent Taxes	Ratio of Delinquent Taxes to Current Levy
2001	$ 3,106,123	96.0 %	$ 110,002	3.4 %
2002	3,212,495	95.3 %	134,200	4.0 %
2003	3,536,620	97.6 %	158,510	4.4 %
2004	3,711,359	96.3 %	144,146	3.7 %
2005	4,251,570	96.5 %	144,146	3.3 %
2006	4,898,976	96.4 %	145,225	2.9 %
2007	6,007,871	96.8 %	145,225	2.3 %
2008	5,878,290	93.1 %	145,225	2.3 %
2009	6,301,757	94.8 %	145,225	2.2 %
2010	5,403,884	93.9 %	0	0 %

(1) Includes discount taken for early payment of property taxes.

Source: Palm Beach County Property Appraiser

TOWN OF LAKE PARK, FLORIDA
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

	Governmental Activities					
Fiscal Year	**General Obligation Bonds**	**Capital Lease Obligations**	**Loans Payable**	**Total Governmental Activities**	**Percentage of Taxable Value of Property**	**Per Capita(2)**
2001	$ 8,754,434	$ 129,803	$	$ 8,884,237	2.67%	$ 1,019.07
2002	8,393,364	58,285		8,451,649	2.78%	969.78
2003	8,015,113	22,609		8,037,722	1.90%	918.70
2004	7,618,861	63,113		7,681,974	1.47%	843.71
2005	7,203,749	113,870		7,317,619	1.40%	802.99
2006	6,768,877	179,097		6,947,974	1.08%	762.42
2007	6,313,300	124,150		6,437,450	0.88%	706.40
2008	5,836,031	63,034	3,717,488	9,616,553	1.40%	1032.48
2009	5,329,323	28,702	4,721,352	10,079,377	1.74%	1154.30
2010	4,804,644	9,767	4,498,425	9,312,836	1.97%	1066.52

Note: Details about the Town's outstanding debt can be found in the notes to the financial statements.

(1) The Town does not have a legal debt margin

Business-type Activities				Primary Government			
Marina Revenue Bonds	Loans Payable	Capital Lease Obligations	Total Business-type Activities	Total Primary Government	Population	Percent Of Average Household Income	Per Capita (2)
$	$ 1,435,830	$	$ 1,435,830	$ 10,320,067	$ 8,718	$ 2.82%	$ 1,183.77
	896,569		896,569	9,348,218	8,715	2.52%	1,072.66
4,810,000			4,810,000	12,847,722	8,749	3.36%	1,468.48
4,810,000		153,175	4,963,175	12,645,149	9,105	2.87%	1,388.81
4,725,000		355,961	5,080,961	12,398,580	9,113	3.08%	1,360.54
4,640,000		287,367	4,927,367	11,875,341	9,113	2.92%	1,303.12
4,550,000		191,521	4,741,521	11,178,971	9,113	3.00%	1,226.71
4,460,000	1,520,412	91,793	6,072,205	15,688,758	9,314	3.79%	1,684.43
4,365,000	1,646,951	7,060	6,019,011	16,098,388	8,732	4.06%	1,843.61
4,270,000	1,482,147	2,403	5,754,550	15,067,386	8,732	3.66%	1,725.54

TOWN OF LAKE PARK, FLORIDA
Direct and Overlapping Governmental Activities Debt
As of September 30, 2010
Unaudited

Governmental Unit	Debt Outstanding	Estimated (1) Percentage Applicable to Town of Lake Park	Estimated (1) Share of Direct and Overlapping Debt
Overlapping debt:			
Direct debt - Town of Lake Park			
General obligation bonds	$ 4,804,644	100%	$ 4,804,644
Obligations under capital lease	9,769	100%	9,769
Other debt			
Palm Beach County	250,470,000	0.684%	1,713,214
Palm Beach County School Board	29,555,000	0.684%	202,156
Total direct and overlapping debt			6,729,783
Estimated town population			8,732
	Total per capita		$ 770.70

(1) Estimates based on ratio of assessed taxable values.

Source: Finance Department, Town of Lake Park, Florida
Palm Beach County Property Appraiser
School Board of Palm Beach County

TOWN OF LAKE PARK, FLORIDA
Pledged-Revenue Coverage
Last Ten Fiscal Years
Unaudited

	Marina Revenue Bonds				
Fiscal Year	**Gross Revenue**	**Operating Expense (1)**	**Net Revenue Available for Debt Service**	**Debt Service (2)**	**Coverage**
2001	$ N/A	$ N/A	$ N/A	$ N/A	N/A
2002	N/A	N/A	N/A	N/A	N/A
2003	N/A	N/A	N/A	N/A	N/A
2004	247,172	81,465	165,707	231,625	0.72
2005	234,161	192,934	41,227	316,625	0.13
2006	1,098,735	812,296	286,439	314,925	0.91
2007	1,285,288	1,075,249	210,039	316,525	0.66
2008	1,222,835	1,240,785	(17,950)	313,600	(0.06)
2009	1,018,448	1,029,912	(11,464)	315,900	(0.04)
2010	1,184,628	1,271,621	(86,993)	313,050	(0.28)

(1) Expense is exclusive of depreciation.

(2) Includes principal and interest of revenue bonds only.

TOWN OF LAKE PARK, FLORIDA
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Population (1)(2)	Per Capita Personal Income (2)	Average Household Income (2)	Median Age (2)	Education Level in Years of Formal Schooling	School Enrollment (3)	Unemploy-ment Rate (2)
2001	8,718	N / A	41,907		N / A	515	5.5%
2002	8,715	N / A	42,430		N / A	515	5.5%
2003	8,749	N / A	43,626		N / A	516	6.3%
2004	9,105	N / A	48,380		N / A	482	5.7%
2005	9,113	N / A	44,050	-	N / A	430	4.2%
2006	9,113	N / A	44,518	-	N / A	386	3.7%
2007	9,113	16,485	40,864	35	N / A	420	4.0%
2008	9,314	16,485	44,397	35	N / A	392	6.4%
2009	7,898	19,939	45,458	36	N / A	344	11.7%
2010	8,783	20,185	47,108	36	N / A	374	11.7%

Data Sources:

(1) The population for 1997 through 2000 and 2003 through 2006 was obtained from the University of Florida, Bureau of Economic Business Administration. The population for 2001 and 2002 was obtained from the 2000 U.S. Census Bureau count.

(2) Business Development Board of Palm Beach County. Data is for the Town of Lake Park

(3) Lake Park Elementary

TOWN OF LAKE PARK, FLORIDA
Principal Employers
Current Year and Nine Years Ago
Unaudited

	2010			2001		
Employer	Employees	Rank	Percentage of Total Town Employment	Employees	Rank	Percentage of Total Town Employment
Palm Beach County School District	21,718	1	N/A	18,000	1	N/A
Palm Beach County	11,381	2	N/A	9,000	2	N/A
Tenet Healthcare Corp.	5,127	3	N/A	N/A	N/A	N/A
Hospital Corporation of America	4,150	4	N/A	2,300	7	N/A
Florida Power & Light (Headquarters)	3,658	5	N/A	2,300	8	N/A
Wackenhut	3,000	6	N/A	N/A	N/A	N/A
Florida Atlantic University	2,776	7	N/A	1,500	9	N/A
Betheseda Memorial Hospital	2,300	8	N/A	N/A	N/A	N/A
Veterans Health Administration	2,205	9	N/A	1,500	N/A	N/A
Boca Raton Community Hospital	2,200	10	N/A	1,850	10	N/A
Totals	58,515		N/A	N/A		N/A

Source: Business Development Board of Palm Beach County. Data is for the West Palm Beach to Boca Raton metropolitan area.

N/A: Not available.

TOWN OF LAKE PARK, FLORIDA
Full-Time Equivalent Town Employees by Function/Program
Last Ten Fiscal Years
Unaudited

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Town Manager	3	3	3	3	3	3	3	3	3	3
Personnel	1	1	2	2	2	2	2	1	2	1
Town Clerk	2	2	2	2	2	2	2	2	2	2
Finance	5	5	5	5	5	5	5	4	4	4
Information technology	-	-	-	-	-	1	1	1	1	1
Public Safety										
Police	37	-	-	-	-	-	-	-	-	
Fire	12	12	-	-	-	-	-	-	-	
Community development	5	4	4	4	5	5	7	8	7	5
Physical Environment										
Public works	7	6	6	5	7	8	9	11	11	7
Vehicle maintenance	3	2	2	2	2	2	2	2	2	1
Transportation										
Transportation	-	-	3	3	3	3	3	2	2	2
Culture and Recreation										
Library	5	5	5	5	3	3	6	6	1	2
Park maintenance	6	6	6	6	6	6	8	8	6	5
Recreation	2	2	2	2	2	2	2	3	1	1
Marina	5	5	-	1	5	5	5	5	3	3
Sanitation	9	9	8	8	8	8	10	8	10	11
Total	102	62	48	48	53	55	65	64	55	48

TOWN OF LAKE PARK, FLORIDA
Operating Indicators by Function/Program
Last Nine Fiscal Years
Unaudited

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Safety									
Community development									
Code violations	737	865	960	1,571	1,534	1,612	1,722	1,026	638
Building permits issued	898	1,261	861	1,784	1,140	841	841	651	590
Value of permits (in thousands)	33,860	24,600	16,796	37,679	20,121	24,835	189,451	5,860,000	6,598,222
Transportation									
Street resurfacing (miles)	NA	NA	NA	NA	3	-	1	0	-
Pot holes repaired	NA	NA	NA	NA	70	215	160	160	232
Culture and Recreation									
Library									
Circulation	29,251	30,791	28,788	24,972	23,021	26,789	23,296	23,316	23,316
Programs offered	164	195	190	467	430	434	468	434	434
Park maintenance									
Acres of parks	69	69	69	69	69	69	69	69	69
Recreation									
Recreation programs offered	6	9	8	10	12	18	15	9	7
Recreation program attendance	174	307	289	304	394	431	419	305	315
Youth athletic participants	-	20	15	185	210	263	241	125	150
Marina									
Available slips	224	(1)	(1)	103	103	103	103	103	103
Sanitation									
Residential customers	316	363	377	369	357	3,698	3,698	3,596	3,645
Commercial customers	300	300	300	300	300	367	275	272	264
Refuse collected (tons)	10,904	44,257	11,610	12,685	11,381	9,222	9,260	9,178	9,293
Recyclables collected (tons)	371	310	248	283	282	573	655	645	627

Sources: Town departments
Note: Data is not available for fiscal years prior to 2002
N/A: Not available.

(1) Marina was under construction and closed during these years.

TOWN OF LAKE PARK, FLORIDA
Capital Asset Statistics by Function/Program
Last Nine Fiscal Years
Unaudited

Function/Program	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Safety (contracted to Palm Beach County)									
Police Station - County	1	1	1	1	1	1	1	1	1
Fire Station - County	1	1	1	1	1	1	1	1	1
Transportation									
Roads & Streets									
Street Lights	300	300	300	331	331	331	340	340	340
Lane Miles	64	64	64	64	64	64	64	64	64
Culture and Recreation									
Marina									
Wet Slips	224	0	0	103	103	103	103	103	103
Library									
Books	25,521	26,430	28,048	29,582	30,413	28,257	33,233	33,710	33,710
Leisure Services									
Ballfields - lighted	2	2	2	2	2	2	2	2	2
Basketball courts	1	1	1	1	1	2	2	2	2
Soccer fields	1	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	6	6	6	6
Parks	5	5	5	5	5	5	6	6	6
Sanitation									
Garbage Trucks	8	8	8	8	8	10	14	13	13
Water /Sewer									
(Provided by Seacoast Utility)									

Source: Town Departments, Town of Lake Park, Florida

OTHER REPORTS

NOWLEN, HOLT & MINER, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

WEST PALM BEACH OFFICE
215 FIFTH STREET, SUITE 200
POST OFFICE BOX 347
WEST PALM BEACH, FLORIDA 33402-0347
TELEPHONE (561) 659-3060
FAX (561) 835-0628
WWW.NHMCPA.COM

EVERETT B. NOWLEN (1930-1984), CPA
EDWARD T. HOLT, CPA
WILLIAM B. MINER, CPA
ROBERT W. HENDRIX, JR., CPA
JANET R. BARIDEVICH, CPA

KATHLEEN A. MINER, CPA
TERRY L. MORTON, JR., CPA
N. RONALD BENNETT, CPA
J. MICHAEL STEVENS, CPA
ALEXIA G. VARGA, CPA
BRIAN J. BRESCIA, CFP®, CPA
KARA D. PETERSON, CPA
EDWARD T. HOLT, JR., CPA

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 338
BELLE GLADE, FLORIDA 33430-0338
TELEPHONE (561) 996-5612
FAX (561) 996-6248

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Mayor and Members of the Town Commission
Town of Lake Park, Florida

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Lake Park, Florida, as of and for the year ended September 30, 2010, which collectively comprise the Town of Lake Park, Florida's basic financial statements and have issued our report thereon dated May 10, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Lake Park, Florida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Lake Park, Florida's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Town of Lake Park, Florida's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified one deficiency in internal control over financial reporting described below that we consider to be a significant deficiency in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

2001-1: Written Policies and Procedures

> While the Town has made improvements in strengthening the internal control system and in communicating to the employees their responsibilities in the system, there has been no formal documentation or codification of the current policies and procedures. Written procedures, instructions, and assignments of duties will prevent or reduce misunderstandings, errors, inefficiencies, duplicated or omitted procedures, and other situations that can result in inaccurate or untimely accounting records. A well-devised accounting manual can also help to ensure that all similar transactions are treated consistently, that accounting principles used are proper, and that records are produced in the form desired by management. A good accounting manual should aid in the training of new employees. Although developing the manual will take some time and effort, we believe this time will be more than offset by time saved later in training and supervising accounting personnel. Also, in the process of the comprehensive review of existing accounting procedures for the purpose of developing the manual, management might discover procedures that can be eliminated or improved to make the system more efficient and effective.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Town of Lake Park, Florida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we have reported to management of the Town of Lake Park, Florida in the attached management letter dated May 10, 2011.

The Town of Lake Park, Florida's response to the findings identified in our audit is described in the attached letter dated June 1, 2011. We did not audit Town of Lake Park, Florida's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, Town Commission, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Nowlen, Holt & Miner, P.A.

May 10, 2011
West Palm Beach, Florida

NOWLEN, HOLT & MINER, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

WEST PALM BEACH OFFICE
215 FIFTH STREET, SUITE 200
POST OFFICE BOX 347
WEST PALM BEACH, FLORIDA 33402-0347
TELEPHONE (561) 659-3060
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KARA D. PETERSON, CP
EDWARD T. HOLT, JR., CP

BELLE GLADE OFFICE
333 S.E. 2nd STREET
POST OFFICE BOX 33
BELLE GLADE, FLORIDA 33430-033
TELEPHONE (561) 996-561
FAX (561) 996-624

MANAGEMENT LETTER

The Honorable Mayor and Members of the Town Commission
Town of Lake Park, Florida

We have audited the basic financial statements of the Town of Lake Park, Florida, as of and for the year ended September 30, 2010, and have issued our report thereon dated May 10, 2011.

We conducted our audit in accordance with U.S. generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards.* Disclosures in that report, which is dated May 10, 2011, should be considered in assessing the results of our audit.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's report.

PRIOR YEAR COMMENTS

The Rules of the Auditor General require that we address in the management letter, if not already addressed in the auditor's report on compliance and internal controls or schedule of findings and questioned costs, whether or not recommendations made in the preceding annual financial audit report have been followed.

As noted in the report on internal control over financial reporting and on compliance and other matters, Item 2001-1, *Written Policies and Procedures,* is a prior year comment that continues to apply. One other prior year comment as noted below continues to apply.

2007-6: Accounting for contractual and legal obligations to pay

At September 30, 2010, the General Fund owed the Community Redevelopment Agency (CRA) Fund $1,091,081 for unpaid incremental tax revenue dating back to fiscal year 2000. Starting in the 2008 fiscal year the Town has paid the current year's incremental tax revenue, as well as payments totaling $1,000,000 towards the past due balance. The penalties and interest for the outstanding balance will continue to accrue until all obligations are met. We recommend that the Town continue to make provisions to repay the amount owed in a timely manner to diminish the additional expense of penalties and interest.

CURRENT YEAR COMMENTS

2010-1 Pension Contributions

The Retired Police Officers' Pension Board did not have an actuarial report prepared as of October 1, 2007 or 2008. This report would have contained the contribution requirements for the plan years ended September 30, 2008 and 2009. A report was completed as of October 1, 2009, subsequent to September 30, 2010. The required contributions for the 2008, 2009, and 2010 fiscal years are recorded as a long term liability of the Town and an accounts receivable of the pension trust fund. We recommend that actuarial valuations be timely completed so that the appropriate pension contributions may be made.

Investment of Public Funds

Rules of the Auditor General, requires our audit to include a review of the Town's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds. The results of our procedures did not disclose any instances of noncompliance with Section 218.415, Florida Statutes, by the Town of Lake Park, Florida for the year ended September 30, 2010.

Violations of Contracts and Grant Provisions or Abuse

Rules of the Auditor General, require that we address violations of provisions of contracts or grant agreements, or abuse that that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit for the fiscal year ended September 30, 2010, we did not have any such findings.

Matters Inconsequential to the Financial Statements

Rules of the Auditor General, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential to the financial statements, considering both quantitative and qualitative factors: (1) violations provisions of contracts or grant agreements, fraud, illegal acts, or abuse; and (2) deficiencies in

internal control that are not significant deficiencies. In connection with our audit for the fiscal year ended September 30, 2010, we did not have any such findings.

Oversight Unit and Component Units

The Town of Lake Park, Florida, is a municipal corporation incorporated in 1923 pursuant to by the Laws of Florida, Chapter 61-2375. Based upon the application of criteria defined in publications cited in Chapter 10.553, Rules of the Auditor General, the Town has determined that there are no component units related to the Town.

Consideration of Financial Emergency Criteria

Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, the results of our procedures did not disclose that the Town of Lake Park, Florida has met any of the conditions described in Section 218.503(1) during the fiscal year ended September 30, 2010.

Financial Condition Assessment Procedures

Rules of the Auditor General, require that we apply financial condition assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the Town's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provide by management. The results of our procedures did not disclose any matters that are required to be reported.

Annual Financial Report

Rules of the Auditor General requires that we determine whether the annual financial report for the Town of Lake Park, Florida for the fiscal year ended September 30, 2009, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2010. In connection with our audit, we noted that the two reports were in substantial agreement.

Excess of Expenditures Over Appropriations

There were no departments that had expenditures in excess of appropriations.

The Town of Lake Park, Florida's response to the findings identified in our audit is described in the attached letter dated June 1, 2011. We did not audit Town of Lake Park, Florida's response and, accordingly, we express no opinion on it.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, the Town Commission, federal and state awarding agencies and pass-through entities, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Nowlen, Holt & Miner, P.A.

May 10, 2011
West Palm Beach, Florida

Finance
Department

June 1, 2011

The Honorable Mayor, Vice-Mayor,
Town Commissioners and Town Manager

RE: Response to the Report on Internal Control and the Management Letter required by the Rules of the Auditor General for the State of Florida for the Fiscal Year ended September 30, 2010.

I have received a copy of the Report on Internal Control and the Management Letter and offer the following responses:

REPORT ON INTERNAL CONTROL

Internal Control over Financial Reporting

2001-1: Written Policies and Procedures

The entire re-write of the Handbook of Procedures for Employees (Employee Handbook) required hundreds of staff hours to complete over the course of two fiscal years. Many new policies were established and old ones were updated. Payroll procedures were standardized among departments and leave policies were implemented. Written procedures for many other functions of the Finance Department have been partially drafted. Due to the extensive nature of this undertaking and the limited staff within the Finance Department, the Town will consider appropriating funds to engage an outside consultant to assist with the development of a formal accounting policies and procedures manual. This will be a significant undertaking and due to budget constraints will probably not be completed during the current fiscal year.

MANAGEMENT LETTER

PRIOR YEAR COMMENTS

2007-6: Accounting for contractual and legal obligations to pay

Current year obligations have been paid timely in accordance with statutory requirements. As noted, the Town has begun to pay the delinquents amounts due the CRA and will continue to do so annually until paid in full.

535 Park Avenue
Lake Park, FL 33403
Phone: (561) 881-3350
Fax: (561) 881-3358

www.lakeparkflorida.gov

CURRENT YEAR COMMENTS

2010-1 Pension Contributions

Chapter 112, Florida Statutes require that an actuarial valuation be completed at least every three years. A report as of October 1, 2009 was completed and presented to the Board in April 2011. The required contributions for the years 2008-2010 have been determined and a letter has been sent to the State with the Town's recommendation for funding these contributions in a timely, fiscally responsible manner. The Plan is in compliance with the statute, however due to market volatility in recent years, the Board has directed that an actuarial valuation be done each year so that the required contributions can be determined annually and budgeted for in a responsible manner. The actuary is currently working on the valuation as of October 1, 2010 and should be complete by July 2011. The required contribution identified from this valuation will be made this fiscal year.

Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Anne M. Costello
Finance Director

Exhibit B

2350 Coral Way, Suite 301
Miami, Florida 33145
(305) 860-0780 (Telephone)
(305) 905-9801 (Mobile)

200 West College Avenue, Suite 204
Tallahassee, Florida 32301
(850) 222-9911 (Telephone)

fgomez@gomezbarker.com

Gomez Barker Associates, Inc.

Memorandum

To: Hon. James DuBois, Mayor
Hon. Kendall R. Rumsey, Vice Mayor
Hon. Steve Hockman, Commissioner
Hon. Jeanine Longtin, Commissioner
Hon. Tim Stevens, Commissioner

From: Fausto B. Gomez

CC: Maria Davis, Manager

Date: July 28, 2011

Re: End-of-Session Legislative Report

Attached is a summary of both fiscal and policy items that are most impactful on the Town of Lake Park. This constitutes our End-of-Session legislative report and I look forward to presenting it at the Commission Meeting on August 3rd. We are pleased that the majority of the items on the Town's Legislative Agenda were successfully accomplished.

My staff and I are grateful for your allowing us to represent Lake Park and we particularly want to thank the late Mayor Desca DuBois and Commissioner Hockman who along with the Town Manager joined us in Tallahassee this year. Many of the successes we achieved would not have been possible if not for their forceful advocacy and the support of the Vice Mayor and other Commissioners.

As always, please do not hesitate to contact me if you have any questions or desire additional information.

FISCAL

POSITIVE OUTCOMES:

- **PENSION REFORM (PUBLIC SAFETY CONTRACTED SERVICES)**

Lake Park contracts for its public safety services with Palm Beach County and the police officers and firefighters of those departments participate in the Florida Retirement System (FRS). On May 26th, Governor Rick Scott signed the legislatively enacted SB2100, which imposes significant reforms to it. The most telling of these being that employees must now contribute 3% of their pre-tax dollars into their retirement accounts. This presents a savings to the employing organizations and an opportunity for Lake Park to renegotiate its contracts to reflect this lower operational cost. Following is a summary of the changes:

Contributions

Currently employees pay no portion of their salaries into their retirement accounts. The retirement contribution is paid 100% by employers. Beginning on July 1st, all employees must contribute 3% of their pre-tax salaries into their retirement accounts.

Cost-of-Living Adjustments

Employees now accumulate an annual cost-of-living adjustment for their pension benefits based on their years of service, to be collected when they retire. For example, FRS members who retire before July 1st, receive a 3% annual cost-of-living adjustment. The change enacted by the legislature stipulates that between July 1st of this year and July 1st of 2016, FRS members will not accumulate years of service credits for these cost - of - living adjustments. This change will affect employees differently, based on their years of service. For example, FRS members with 20 years of service or less who retire after July 1, 2011, will receive 2.4% in cost-of-living benefits upon retirement. Members with more than 20 years of service who retire after July 1, 2011, will receive a maximum of 2.6% cost-of-living adjustment.

Deferred Retirement Option Program (DROP)

Members who enter DROP before July 1st of this year will earn 6.5% interest on the money set aside under this retirement program. Members entering DROP after July 1st will earn 1.3% on their retirement funds.

Vesting and Retirement Age (New Hires)

Employees are eligible to be vested after 5 years. Regular class, senior management class, and elected officials can receive retirement benefits if they retire on or after 62 years of age or 30 years of service. Special-risk class members can retire on or after 55 years of age or 25 years of service. The average final compensation will be calculated on the best 8 years of salary.

The new law stipulates that employees hired after July 1st of this year will vest after 8 years. And these employees who are regular class, senior management class, and elected officials can receive retirement benefits if they retire on or after 65 years of age or 33 years of service. Special-risk class members can retire on or after 60 years of age or 30 years of service. (If they have served 4 years in the military, they can retire on or after 57 years of age or 30 years of service). The average final compensation will be calculated on the best 8 years of salary.

- **PENSION REFORM (MUNICIPAL)**

CS/CS/SB1128, reforming local government pension plans, was signed by the Governor on June 23rd. Passed by the legislature on May 4th, following four months of debate, 30 amendments to the original bill text, and three committee substitutes, the legislation was one of the most contentious and heavily lobbied issues this past legislative session. It pitted representatives of local governments who sought to extract the state from the municipal collective bargaining process against organized labor (particularly police and fire unions) who attempted to defeat the bill or preserve the enhanced benefits mandated by the Legislature since 1999. Interestingly, the discussion in the Senate was not dictated by political party affiliation but rather individual views about local governments as profligate spenders or whether first responders were abusing the system. Different bipartisan coalitions emerged to either approve or defeat items.

It is widely understood that pension reform will be back on the legislative agenda next year. Not only does CS/CS/SB1128 require that a report and recommendations regarding disability presumptions be submitted to the Legislature by January 1, 2012, but immediately after the conclusion of the Session a group called "Floridians for Sustainable Pensions," a coalition of business groups and think tanks allied with Governor Rick Scott, called for offering only 401(k)-style define-contribution plans to both new Florida Retirement System and local government employees.

Following are the reforms for local pensions included in CS/SC/SB1128:

THE BILL REVISES THE DEFINITION OF COMPENSATION FOR ALL LOCAL GOVERNMENT DEFINED BENEFIT RETIREMENT PLANS

For plans that are subject to collective bargaining, effective for the first agreement reached on or after July 1, 2011, for service earned on or after that date, up to 300 hours of overtime compensation may be included for pension purposes as specified in the collective bargaining agreement or plan, but payments for accrued unused sick or annual leave may not be included. For plans that are not subject to collective bargaining, for service earned on or after July 1, 2011, up to 300 hours of overtime compensation may be included for pension purposes as specified in the plan, but payments for accrued unused sick or annual leave may not be included.

THE BILL CREATES A TASK FORCE ON PUBLIC EMPLOYEE DISABILITY PRESUMPTIONS

The Task Force will be made up of management and union and/or employee representatives appointed by the President of the Senate and the Speaker of the House of Representatives as well the Chief Financial Officer and officials of the Department of Management Services. A report and recommendations must be submitted to the Legislature by January 1, 2012.

THE BILL ELIMINATES THE REQUIREMENT IN CHAPTERS 175 AND 185 THAT PENSION BENEFITS BE INCREASED WHENEVER MEMBER CONTRIBUTIONS ARE INCREASED

This addresses an interpretation by the Division of Retirement that plan benefits have to increase an amount corresponding to any increase in member contributions.

THE BILL REQUIRES THAT ALL ACTUARIAL REPORTS DISCLOSE THE PRESENT VALUE OF A DEFINED BENEFIT PLAN'S ACCURED, NONVESTED AND TOTAL BENEFITTS, AS ADOPET BY THE FINANCIAL ACCOUNTATING STANDARDS BOARD, USING THE FLORIDA RETIREMET SYSTEM'S ASSURED RATE OF RETURN (CURRENTLY 7.75%), TO "PROMOTE THE COMPARABILITY OF ACTUARIAL DATA BETWEEN LOCAL PLANS."

The Department of Management Services (DMS) is directed to develop a standardized rating system for local government defined benefit pension plans.

THE BILL DIRECTS THE DEPARTMENT OF MANAGEMENT SERVICES (DMS) TO PROVIDE A FACT SHEET ON EACH LOCAL GOVERNMENT DEFINED BENEFIT PLAN SUMMARIZING THE PLAN'S ACTURARIAL STATUS

The Fact Sheet must contain a summary of the plan's most recent actuarial data, minimum funding requirements as a percentage of pay, and a five-year history of funded ratios. The Fact Sheet must be posted on the website of the Department of Management Services and plan sponsors must link their websites to that of DMS.

THE BILL PROHIBITS THE USE OF ACTUARIAL OR CASH SURPLUS FOR ANY EXPENSES OUTSIDE THE PLAN.

- **LIBRARY FUNDING**

The Lake Park Library will continue to receive grant support from Tallahassee as the legislature funded Library Grants at the recommended amount of $24,092,039.

- **VALUE ADJUSTMENT BOARD**

HB 281 provides that a petitioner before a value adjustment board (VAB) challenging an assessment of property must make a partial payment of at least 75% of ad valorem taxes before those taxes become delinquent, less any applicable discount. Additionally, a petitioner before a VAB challenging the denial of a classification or an exemption must make a payment of the amount of tax which the taxpayer admits in good faith to owe before such taxes become delinquent, less any applicable discount. If the good faith payment made is grossly disproportionate to the amount found to be due by the VAB, a 10% per year penalty applies.

The bill also provides that if the VAB determines that the petitioner owes ad valorem taxes in excess of the amounts paid, the unpaid amount accrues interest at the rate of 12% per year from April 1. If the VAB determines that the petitioner is owed a refund, the amount paid in excess of the amount due accrues interest at the rate of 12% per year from April 1.

Finally, the bill eliminates current language which provides for a four percent discount that applies for 30 days after the mailing of a tax notice resulting from the action of a value adjustment board when the tax notice is issued after the taxes become delinquent. If the payments required under the bill are not made, the VAB must deny the petition in writing by April 20.

This bill is effective for VAB petitions filed on or after July 1, 2011.

Currently, property owners who object to an assessment may request an informal conference with the county property appraiser, file a petition with the Value Adjustment Board (VAB), and subsequently file am action in Circuit Court to contest the assessment. Property owners can pay property taxes in advance of a VAB hearing or may wait until the hearing process is complete. In Palm Beach County, as well as in some of the state's other large counties, the VAB process can take as long as 18 months to two years. As such, more counties have been unable to certify their tax rolls by April 1st, when property taxes are due. This can cause problems for local governments and school boards that cannot finalize revenues as well as create cash-flow issues.

- **REVENUE AND EXPENDITURE CAPS (TABOR)**

The legislature did not approve any legislation that would have imposed TABOR-like restrictions on local governments. At the beginning of the session Senate President Mike Haridopolos made it clear that he wanted to replace the existing revenue limitation in the state constitution with a new standard based on inflation and population but that it would only affect state government. The House was reluctant to exclude local governments but ultimately Senator Haridopolos prevailed and SJR958 will be on the ballot during the 2012 general election and must be approved by 60% of the voters.

- **LINE ITEM FUNDING FOR WATER RELATED PROJECTS**

Because of the state fiscal exigencies, legislative leadership did not allow Community Issue Budget Requests (CBIR) to be filed. This is the vehicle to fund local projects through line-item support and, as such, there were no opportunities to fund line item water related projects. In fact, there were only two specific water projects in the budget; both in the legislative districts of Senate Appropriations Chairman J. D. Alexander and House Budget Chairwoman Denise Grimsley, and the Governor vetoed them. These were for the City of Frostproof and the City of Winter Haven. Notwithstanding, the legislature did allocate low-interest loan funding for storm water and potable water projects through the Department of Environmental Protection.

The Clean Water State Revolving Fund program provides low-interest loans for planning, designing, and constructing wastewater and stormwater projects. Funds are made available for Preconstruction Loans and Construction Loans. The Loan Terms include a 20-year amortization and low-interest rates. Preconstruction loans are available to all communities and provide up-front disbursements for administrative

services, project planning and project design. There is $170,346,724 available for this purpose.

The Drinking Water State Revolving Fund Program provides low-interest loans for planning, designing, and constructing public water facilities. Funds are made available for Pre-construction Loans, Construction Loans of $75,000 minimum or more, and Pre-construction Grants and Construction Grants to small financially disadvantaged communities. The Loan Terms include a 20-year (30-year for financially disadvantaged communities) amortization and low-interest rates. Small community assistance is available for communities having populations less than 10,000. Each year 15% of the funds are reserved exclusively for their use. In addition, small communities may qualify for loans from the unreserved 85% of the funds. There is $91,053,594 available for this purpose.

- **INTERACTIVE TRAVEL SERVICES**

Senator Don Gaetz, who is slated to be Senate President in 2012-2014, and Representative Jason Broduer, filed legislation to provide that state transient rentals taxes, local tourist impact taxes, local tourist development taxes, local convention development taxes, and municipal resort taxes are imposed on the amount received by an entity operating transient rental accommodations – not on the payments received by unrelated firms facilitating the booking of reservations of such accommodations. The measures were SB 376 and HB493. The State Revenue Estimating Conference estimated that passage of this legislation would have a statewide negative fiscal impact of $28.7 Million during the 2011-12 Fiscal Year on local governments.

Currently, more than 50 of Florida's 67 counties have joined a suit against web travel companies such as Expedia, Orbitz, and Priceline alleging that they collect taxes on the entire amount they charge to a consumer but only remit taxes on the wholesale price they pay a lodging establishment for the room. Senator Gaetz and Representative Broduer spearheaded a legislative effort to settle the legal issues in favor of the online travel companies. They were unsuccessful.

After much iteration, including killing the bill in the Finance and Tax Committee of the House of Representatives, HB493 passed the House but we were successful in defeating it in the Senate. All during the legislative session we worked in concert with the Association of Counties, the Florida League of Cities, and other stakeholders to assure this outcome.

- **RED LIGHT CAMERAS**

Although Lake Park has not authorized the use of Red-light cameras, we closely followed the effort of Representative Richard Corcoran, slated to be House Speaker during the 2016-18 term, to repeal the law passed during the 2010 legislative session that authorized the use of traffic infraction detectors. Representative Corcoran filed HB4087 and that bill passed the House but died in the Senate. Realizing that there was little appetite in the Senate for his initiative, Representative Corcoran then amended SB1150, a transportation bill sponsored by Senate Transportation Chairman Jack Latvala, to require local governments to fund a study and gain Florida Department of Transportation approval prior to a camera being installed. Senator Latvala refused to

accept said amendment and the bill died. Representative Corcoran has pledged to continue the effort next legislative session.

The issue of Red-light cameras is contentious and most probably a compromise solution will be reached. The most likely outcome is that those jurisdictions that have approved and/or installed traffic infraction detectors will be grandfathered.

Negative Outcomes:

- **FLORIDA FOREVER AND FLORIDA RECREATIONAL DEVELOPMENT ASSISTANCE PROGRAM (FRDAP)**

Over the past ten years, the Florida Forever program has purchased over 2.4 million acres for state and local parks, open spaces, and wildlife habitats with a combination of local funds and an annual appropriation from Tallahassee. Because of the current fiscal shortfall, the legislature did not appropriate any dollars this year but authorized Florida Forever to spend up to $305 million to be potentially generated from the sale of surplus state lands and office buildings. The Governor vetoed said authorization. This comes after Florida Forever received $15 million last year, a significant drop from the $300 million annual appropriation received every year prior to 2008.

FRDAP is a competitive grant program that provides financial assistance to local governments for development or acquisition of land for public outdoor recreational purposes. The Department of Environmental Protection had requested over $27,000,000 to meet current obligations but this request was not funded.

- **PROPERTY ASSESSMENT**

Representative Chris Dorworth, slated to be House Speaker during the 2014-16 term, sponsored CS/CS/CS/CS/CS/HJR381, an amendment to the state constitution that reduces the current assessment limitation on non-homestead real property from 10% to 5%. That cap would sunset in 2023. The constitutional amendment would also allow the Legislature by general law to prohibit increases in the assessed value of homestead properties if the just value of the property decreases and provide buyers who have not owned a home in Florida within the last three years an additional exemption. The discount would equal 50% of the home's assessed value and would end after five years. This amendment will be on the ballot during the 2012 general election and must be approved by 60% of the voters.

Approval of this legislation sparked a debate over the underlying premise of providing some property owners with tax protections that are unavailable to others. Passed in the early 1990s, the Save our Homes imitative has led to wide disparities in the property taxes paid on similarly situated properties depending on when the property was purchased. Supporters of this bill said it would provide relief to commercial property owners, new homebuyers, and renters and thus spur economic growth. Critics stated the proposal would further reduce the tax base of cities and counties already hamstrung by declining property values and sluggish growth.

POLICY

POSITIVE OUTCOMES:

- **PAIN MANAGEMENT CLINICS**

The State of Florida has the dubious distinction of leading the nation in prescription drug abuse. Called "Pill Mills," there are 838 clinics statewide and 183 in South Florida alone. These numbers led to Senator Eleanor Sobel remarking that "we have more pill mills in Florida than we have McDonald's."

The bill that passed (HB7095) had split Republican legislators for weeks as the Governor and House of Representatives wanted to not fund the statewide prescription drug database that is slated to become operational by the end of August of this year. Ultimately, Attorney General Pam Bondi and Dr. Stephanie Haridopolos, the wife of the Senate President, (who was instrumental in nudging her husband to broker a deal) worked toward a successful compromise.

The legislation prescribes medical standards and operational restrictions for pain-management clinics and requires more stringent permitting regulations for community pharmacies to be conformed under the new standards by July 2012. Doctors will automatically lose their licenses for 6 months and be fined $10,000 for overprescribing violations, the prospection drug database continue to be funded but it changes the reporting requirements from 15 days to 7 and requires criminal background checks of those who have access to it, imposes a 5,000-unit cap restriction on narcotics prescriptions, includes a tracking of narcotics sold wholesale and a buy-back program for doctors to return them to distributors, and provides $3 million to local law enforcement agencies to put in force these new rules.

- **GROWTH MANAGEMENT**

This year's Growth Management reform (HB7207) was passed as a conforming bill to the state budget and largely removes state government oversight from the comprehensive planning process. According to Senator Mike Bennett, Chairman of the Committee on Community Affairs, the goal of the legislation was to give local governments "as much leeway as possible." The bill makes school and transportation concurrency optional for cities and counties and substantially reduces the burdens on cities associated with the preparation of evaluation and appraisal reports. The state's role is now limited to comment on areas of state or critical concern. Finally, the Department of Community Affairs is merged into a new entity called the Department of Economic Opportunity and downsized from its current form.

- **OPEN HOUSE PARTIES**

Currently, 856.015, F.S., states that a person in control of a residence who allows an open house party to take place commits a second degree misdemeanor if they know a minor has possession of or consumed any alcoholic beverage or drug at their residence and the person fails to take responsible steps to prevent the possession or consumption of the alcoholic beverage or drug by the minor. This legislation amends present law to

make a second or subsequent violation a first degree misdemeanor. Furthermore, the bill also provides that any violation of s. 856.015, F.S., which results in serious bodily injury or death, will be punishable by a first degree misdemeanor. A first degree misdemeanor is punishable by up to 1 year in jail and/or a fine not to exceed $1,000.

- **PROPERTY INSURANCE**

Although SB408, a comprehensive property insurance bill was approved, that legislation does not have the significant negative impact on Lake Park that CS/SB1714 would have had. As such, we focused our lobbying efforts on the latter bill which we believe would have impacted the real estate market and made a significant dent on Lake Park's economy.

Up to January 1, 2015, Citizens would have had to impose a minimum rate increase of 25% per year for every single residential policy. And beginning on February 1st of next year, Citizens would not cover screened enclosures, in 2013 detached structures would be ineligible, and in 2014 the limitation would extend to certain items of personal property.

The Senate bill died in the Rules Committee, the last step prior to the floor, and the House bill died on the calendar for final consideration.

- **BILLBOARDS**

Section 27 of CS/CS/CS/HB1363, the comprehensive Department of Transportation package, would have pre-empted local governments from establishing "sign permit fees" for the installation of any sign, wall mural, or media tower in their jurisdiction. This was in response to a dispute between the City of Miami and a particular billboard company who was seeking additional sign placement consideration from Miami. The proposed language, however, had statewide application. Said section would have limited the cost of the sign permit fee to the "actual cost of administering the local government sign ordinance." This language was included in the House version of the transportation bill, reportedly placed there on orders of House leadership, but the Senate refused to concur with this provision. This was one of the key reasons the transportation bill failed this session.

- **VACATION RENTALS**

Representative Mike Horner and Senator Greg Evers proposed legislation preempting local governments from treating vacation rentals differently from other residential properties based solely on their classification, use, or occupancy. Working in concerts with the Florida League of Cities and the Association of Counties, we were able to amend the legislation to grandfather any local government with ordinances regulation vacation rentals existing prior to July 1st of this year.

- **BERT HARRIS ACT**

After 10 years to trying, legislation finally passed revising the Bert Harris Private Property Rights Act. This was originally enacted in 1995. The Bert Harris Act encompasses government actions that constitute an "inordinate burden" on a citizen's property. An inordinate burden is defined as "an action of one or more governmental entities that has directly restricted or limited use of real property such that the property owner is permanently unable to attain the reasonable, investment-backed expectation for the existing use of the real property."

We were part of a coalition of lobbying groups opposing the changes to the Bert Harris. Although the bill passed, we were able nevertheless to secure a number of amendments that reduced its impact. These included

A) Moratoria longer than 12 months are no longer considered "not temporary." They will be examined on a case-by-case basis,

B) The proposed 120-day settlement period was extended to 150-days,

C) The length of time since passage of an ordinance can be considered in determining whether there are truly reasonable investment-backed expectations when the first application occurs many years afterwards

- **PUBLIC OFFICERS SEVERANCE PAY**

CS/CS/CS/SB88 restricts severance pay for any public officer, agent, employee or contractor. The legislation allows up to 20 weeks of severance but that can be exceeded by a two-thirds vote of the membership of the public body. Employment contracts valid before July 1st of this year that have severance pay provisions are grandfathered. A contract renewal or renegotiation after July 1st requires compliance with the restrictions.

The legislation passed handily, but by a close 60-55 vote the House of Representative adopted an amendment by Representative Eddy Gonzalez to include the provision allowing severance pay beyond 20 weeks as described above. The focus of much of the debate on that particular amendment was the severance package awarded to former Miami-Dade County Manager George Burgess.

- **CHARTER SCHOOLS**

Amendatory language pre-empting local governments from establishing zoning regulations on charter schools was filed by the House of Representatives to HB7195. The Senate refused to accept it. When the companion bill was sent to the House, CS/CS/CS/SB1546, the Senate sponsor accepted similar language; but one that stated that "a local governing authority shall not adopt or impose any local building requirements or site-development restrictions, such as parking and site-size criteria, that are addressed by and more stringent than those found in the State Requirements for Educational Facilities of the Florida Building Code. Beginning July 1, 2011, a local

governing authority must treat charter schools equitably in comparison to similar requirements, restrictions, and processes imposed upon public schools that are not charter schools." The key to this is determining the regulatory and public processes followed by Palm Beach County Public Schools in locating a public school and the coordination with local jurisdictions where the school is to be located. It appears that charter schools would now have to comply with those procedures.

Negative Outcomes:

- **SOBER HOMES**

Senator Ellyn Bogdanoff and Representative Luis Garcia filed legislation (SB1348 and HB1055) establishing standards for the operations of SOBER Homes in Florida and not allowing the clustering of these in residential neighborhoods. During the legislative interim, we worked with the Department of Children and Families and helped establish a stakeholders workgroup that surveyed what other states were doing and reached consensus on the language of the legislation. The bills defined the term "sober transitional living home" to mean a community residential home that provides a peer-supported and managed alcohol-free and drug-free living environment. A sober transitional living home must follow all local and county standards of occupancy and may not provide onsite substance abuse treatment unless it is provided by a licensed service provider. No SOBER Home could be located within 1,000 feet of another.

Senator Bogdanoff's bill was heard by the Children, Families, and Elder Affairs Committee where it was approved unanimously. Unfortunately, Representative Garcia's bill was never heard in committee, a victim of partisan politics. During the course of the legislative session various Republican members of the House of Representatives joined as co-sponsors of the legislation, including the Chairman of the Tea Party Caucus, but due to other political matters leadership refused to agenda the bill.

We have been informed that this legislation has an excellent chance of passage next session.

EXHIBIT C

Town of Lake Park

Employee Benefits

Insurance Analysis and Recommendation

Effective Date: October 1, 2011

Presented by:

GEHRING GROUP
PROFESSIONAL SERVICES

11505 Fairchild Gardens Ave., Ste 202
Palm Beach Gardens, Florida 33410
Telephone: (561) 626-6797
Fax: (561) 626-6970
www.gehringgroup.com

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SECTION 1

Medical Insurance Evaluation

Due to the concern regarding the rising healthcare inflation rate in the State of Florida, as well as the budget reductions facing municipal governments, the Town of Lake Park's agent of record, the Gehring Group, initiated renewal discussions with the Town's current health insurance carrier, Blue Cross Blue Shield of Florida in order to maintain the current benefit structure while reducing the overall renewal impact on a fiscal basis.

The Town selected an alternative medical plan during the 2010/2011 fiscal year renewal due to Blue Cross Blue Shield of Florida's decision to retire their previous plan of five years, resulting in several benefit changes versus the retiring plan. However, the Town still maintains a competitive health insurance plan throughout the County.

Upon review of the plan claims paid for the current year and medical trend costs throughout the state, Blue Cross Blue Shield of Florida has provided an overall renewal to the Town at a 13% increase over current premiums.

The Gehring Group, at the request of Town staff also requested that Blue Cross Blue Shield provide additional quotes for alternative plans with varying benefit design changes. The alternative plan designs provided by Blue Cross Blue Shield of Florida resulted in significant out of pocket costs to the employees while providing minimal cost savings to the Town.

It has been determined that the most viable option for the Town at this time is to renew its current health insurance coverage with Blue Cross Blue Shield of Florida at an overall premium increase of 13%. The fiscal impact is an increase of approximately $57,122 to the Town effective October 1, 2011 through September 30, 2012.

Dental Insurance Evaluation

The current dental program is an employer-sponsored program offered through Lincoln Financial Group and consists of a single option Preferred Provider Organization (PPO) dental plan.

Based on a review of the plan claims paid for the past 2 years in which the rates for the Town's dental plan were guaranteed and by applying the current dental cost trend for

groups of similar size in Florida, Lincoln Financial has provided an overall renewal increase to the Town of 8% versus current premiums, which is a fiscal increase of $3,039 to the Town effective October 1, 2011 through September 30, 2012.

It is recommended that the Town renew its dental insurance program with Lincoln Financial and maintain the current dental plan for the upcoming 2011/2012 plan year.

Life Insurance Evaluation

The Town of Lake Park currently offers basic life and accidental death and dismemberment insurance to all employees, through Lincoln Financial Group, at a benefit amount of one times their annual salary to a maximum of $50,000. Employees have the option to purchase an additional benefit up to $250,000.

Upon review of the plan claims paid for the current year, Lincoln Financial Group will not be increasing rates for the 2011/2012 plan year.

It is recommended that the Town renew its life insurance program with Lincoln Financial Group and maintain the current basic life and accidental death and dismemberment insurance through the plan year.

Short Term & Long Term Disability Insurance Evaluation

In addition to the dental and life insurance being offered, Lincoln Financial Group also provides short term and long term disability insurance for the Town's employees.

A review of the plan claims paid for the current year, determined that Lincoln Financial Group will not be increasing rates for the 2011/2012 plan year.

It is recommended that the Town renew its short term and long term Disability insurance programs with Lincoln Financial Group.

Vision Insurance Evaluation

The Town of Lake Park currently offers employees and their dependents vision insurance through Humana / CompBenefits. The Town is entering the second year of its two-year

rate guarantee. Therefore, the current rates for the vision plan will remain unchanged until September 30, 2012.

It is recommended that the Town renew its vision insurance program with Humana / CompBenefits and maintain the insurance through the 2011/2012 plan year.

SECTION 2

Medical Insurance Proposal Analysis

Medical Insurance Renewal Evaluation
Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

SCHEDULE OF BENEFITS	Current: BlueCross BlueShield of Florida BlueOptions PPO Plan 3766		Renewal: BlueCross BlueShield of Florida BlueOptions PPO Plan 3766	
Plan Basics	*In Network*	*Out of Network*	*In Network*	*Out of Network*
Lifetime Maximum	Unlimited		Unlimited	
Calendar Year Deductible				
Single	No Deductible	$500	No Deductible	$500
Family	No Deductible	$1,500	No Deductible	$1,500
Out of Pocket CYM	*Includes Copays, CYD & Coinsurance; Excludes Rx*		*Includes Copays, CYD & Coinsurance; Excludes Rx*	
Single	$2,500	$5,000	$2,500	$5,000
Family	$5,000	$10,000	$5,000	$10,000
Coinsurance	20%	50%	20%	50%
Physician Services				
Primary Care Physician	$20	CYD then 50%	$20	CYD then 50%
Specialist	$40	CYD then 50%	$40	CYD then 50%
Maternity (Initial Visit Only)	$40	CYD then 50%	$40	CYD then 50%
Chiropractic Services	$40	CYD then 50%	$40	CYD then 50%
Laboratory Services	$50	CYD then 50%	$50	CYD then 50%
Advanced Imaging	$150	CYD then 50%	$150	CYD then 50%
Special Services				
Durable Medical Equipment	20%	CYD then 50%	20%	CYD then 50%
Home Health Care	20%	CYD then 50%	20%	CYD then 50%
Skilled Nursing Facility	20%	CYD then 50%	20%	CYD then 50%
Hospice	20%	CYD then 50%	20%	CYD then 50%
Hospital Services				
Inpatient Hospital	$600 / $1,000	CYD then 50%	$600 / $1,000	CYD then 50%
Outpatient Hospital	$200 / $300	CYD then 50%	$200 / $300	CYD then 50%
Emergency Room	$100	$100	$100	$100
Physician Services	No Charge	No Charge	No Charge	No Charge
Urgent Care	$45	CYD then 50%	$45	CYD then 50%
Outpatient Therapy	$45 / $60	CYD then 50%	$45 / $60	CYD then 50%
Mental Health/Substance Abuse				
Inpatient Hospital	No Charge	50%	No Charge	50%
Outpatient Services	No Charge	50%	No Charge	50%
Pharmacy Plan				
Generic	$10		$10	
Preferred Brand	$30		$30	
Non Preferred Brand	$50		$50	
Self Injectables	N/A		N/A	
Mail Order Copay	2.5x Retail		2.5x Retail	

		Total Cost	Town Cost	Total Cost	Town Cost
Employee	28	$617.38	$617.38	$697.58	$697.58
Employee + Spouse	8	$1,370.60	$993.99	$1,548.63	$1,123.11
Employee + Child(ren)	3	$1,123.64	$870.51	$1,269.60	$983.59
Family	7	$1,895.38	$1,256.38	$2,141.57	$1,419.58
Monthly Premium		**$44,890.02**	**$36,644.75**	**$50,721.07**	**$41,404.88**
Annual Premium		**$538,680.24**	**$439,737.00**	**$608,652.84**	**$496,858.50**
$ Increase		**N/A**	**N/A**	**$69,972.60**	**$57,121.50**
% Increase		**N/A**	**N/A**	**13.0%**	**13.0%**

SECTION 3

Dental Insurance Proposal Analysis

Dental Insurance Renewal Evaluation
Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

SCHEDULE OF BENEFITS	CURRENT LINCOLN FINANCIAL GROUP DentalGuard Select		RENEWAL LINCOLN FINANCIAL GROUP DentalGuard Select	
Plan Basics	*In Network*	*Out of Network*	*In Network*	*Out of Network*
Calendar Year Maximum	$1,000		$1,000	
Deductibles				
Single	$25	$50	$25	$50
Family	$75	$150	$75	$150
Deductible Waived for Preventative Svcs	Yes	Yes	Yes	Yes
Benefits				
Preventative	100%	100%	100%	100%
Basic	95%	80%	95%	80%
Major	50%	50%	50%	50%
Orthodontia	50%	50%	50%	50%
Service Information				
Out of Network Benefits Payable Level	90% UCR		90% UCR	
Waiting Period for Major Services	None		None	
Endodontics/Periodontics Payable Level	Basic		Basic	
Rate Guarantee	expires 9/30/2011			
Employee 25	$35.88		$38.75	
Employee + Family 22	$103.08		$111.33	
Monthly Premium	**$3,164.76**		**$3,418.01**	
Annual Premium	**$37,977.12**		**$41,016.12**	
$ Increase	**N/A**		**$3,039.00**	
% Increase	**N/A**		**8.0%**	

SECTION 4

Life Insurance Proposal Analysis

Town of Lake Park

Life and AD&D Evaluation
Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

Schedule of Benefits	Current Lincoln Financial Group	Renewal Lincoln Financial Group
Class 1 - Town Manager	1x annual salary to a maximum of $150,000	1x annual salary to a maximum of $150,000
Class 2 - All other eligible employees	1x annual salary to a maximum of $50,000	1x annual salary to a maximum of $50,000
Class 3 - Mayor & Commissioner	1x annual salary to a maximum of $50,000	1x annual salary to a maximum of $50,000
AD&D Benefits		
Loss of Life	2x Principal Sum	2x Principal Sum
Loss of 1 Member (Hand, Foot oe eye)	Principal Sum	Principal Sum
Loss of 2 or more Members	2x Principal Sum	2x Principal Sum
Air Bag Benefit	$10,000 or 10% of Principal Sum, whichever is less.	$10,000 or 10% of Principal Sum, whichever is less.
Features		
Waiver of Premium	Included	Included
Conversion Privilege	Included	Included
Age Reduction Schedule	Age 65 - 65% of original amount Age 70 - 50% of original amount Age 75 - 35% of original amount	Age 65 - 65% of original amount Age 70 - 50% of original amount Age 75 - 35% of original amount
Seat Belt Benefit	$10,000 or 10% of Principal Sum, whichever is less.	$10,000 or 10% of Principal Sum, whichever is less.
Rate Guarantee Period	thru 10/1/2011	24 Months
Basic Term Life Rate / $1,000	$0.29	$0.29
AD&D Rate / $1,000	$0.04	$0.04
Total Rate / $1,000	$0.33	$0.33
Estimated Volume	$2,305,000	$2,305,000
Monthly Premium	**$749.13**	**$749.13**
Annual Premium	**$8,989.50**	**$8,989.50**
Total $ Increase	**N/A**	**$0.00**
Total % Increase	**N/A**	**0.0%**

SECTION 5

Disability Insurance Proposal Analysis

Short & Long Term Disability Evaluation
Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

Schedule of Benefits	Current Lincoln Financial Group	Renewal Lincoln Financial Group
STD Core Benefit		
All Eligible Employees	70% of weekly earnings	70% of weekly earnings
Elimination Period	15 days Sickness & Accident	15 days Sickness & Accident
Duration of Benefit	13 weeks	13 weeks
Benefit Maximum	$1,200 Weekly Benefit Maximum	$1,200 Weekly Benefit Maximum
Rate Guarantee Period	thru 10/1/2011	24 Months
STD Rate / $10 Estimated Volume	$0.54 $29,970	$0.54 $29,970
Monthly Premium **Annual Premium** **STD $ Increase** **STD % Increase**	**$1,618.38** **$19,420.56** **N/A** **N/A**	**$1,618.38** **$19,420.56** **$0.00** **0%**
LTD Core Benefit		
All Eligible Employees	60% of monthly earnings	60% of monthly earnings
Elimination Period	90 days	90 days
Own Occupation Period	24 months	24 months
Duration of Benefit	SSNRA	SSNRA
Features		
Maximum Monthly Benefit	$5,000	$5,000
Mental Illness Limitation	24 months	24 months
Pre-Existing Condition Limitation	3/12	3/12
Survivor Benefit	3x monthly benefit	3x monthly benefit
Rate Guarantee Period	thru 10/1/2011	24 Months
LTD Rate / $100 Estimated Volume	$0.46 $181,593	$0.46 $181,593
Monthly Premium **Annual Premium** **LTD $ Increase** **LTD % Increase**	**$835.33** **$10,023.93** **N/A** **N/A**	**$835.33** **$10,023.93** **$0.00** **0%**
Total Monthly Premium **Total Annual Premium** **Total $ Increase** **Total % Increase**	**$2,453.71** **$29,444.49** **N/A** **N/A**	**$2,453.71** **$29,444.49** **$0.00** **0.0%**

SECTION 6

Executive Summary of Benefits

Plan Cost Comparison

Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

		CURRENT			Renewal		
Medical		Blue Cross & Blue Shield of FL			Blue Cross & Blue Shield of FL		
		Total	Employer	Employee	Total	Employer	Employee
Employee	28	$617.38	$617.38	$0.00	$697.58	$697.58	$0.00
Employee + Spouse	8	$1,370.60	$993.99	$376.61	$1,548.63	$1,123.11	$425.52
Employee + Child(ren)	3	$1,123.64	$870.51	$253.13	$1,269.60	$983.59	$286.01
Family	7	$1,895.38	$1,256.38	$639.00	$2,141.57	$1,419.58	$722.00
Total Medical Premium	46						
Monthly Premium		$44,890.02	$36,644.75	$8,245.27	$50,721.07	$41,404.88	$9,316.16
Annual Premium		$538,680.24	$439,737.00	$98,943.24	$608,652.84	$496,858.50	$111,793.86
$ Increase / Decrease		N/A	N/A	N/A	$69,972.60	$57,121.50	$12,850.62
% Increase / Decrease		N/A	N/A	N/A	13.0%	13.0%	13.0%
Dental		Lincoln Financial Group			Lincoln Financial Group		
		Total	Employer	Employee	Total	Employer	Employee
Employee	25	$35.88	$35.88	$0.00	$38.75	$38.75	$0.00
Family	22	$103.08	$35.88	$67.20	$111.33	$38.75	$72.58
Total Dental Premium	47						
Monthly Premium		$3,164.76	$1,686.36	$1,478.40	$3,418.01	$1,821.25	$1,596.76
Annual Premium		$37,977.12	$20,236.32	$17,740.80	$41,016.12	$21,855.00	$19,161.12
$ Increase / Decrease		N/A	N/A	N/A	$3,039.00	$1,618.68	$1,420.32
% Increase / Decrease		N/A	N/A	N/A	8.0%	8.0%	8.0%
Vision		Humana / CompBenefits			Humana / CompBenefits		
		Total	Employer	Employee	Total	Employer	Employee
Employee	25	$4.52	$4.52	$0.00	$4.52	$4.52	$0.00
Family	22	$17.22	$4.52	$12.70	$17.22	$4.52	$12.70
Total Vision Premium	47						
Monthly Premium		$491.84	$212.44	$279.40	$491.84	$212.44	$279.40
Annual Premium		$5,902.08	$2,549.28	$3,352.80	$5,902.08	$2,549.28	$3,352.80
$ Increase / Decrease		N/A	N/A	N/A	$0.00	$0.00	$0.00
% Increase / Decrease		N/A	N/A	N/A	0%	0%	0%
STD		Lincoln Financial Group			Lincoln Financial Group		
Benefits Volume			$29,970			$29,970.00	
Rate			0.54			0.54	
Total STD Premium							
Monthly Premium			$1,618.38			$1,618.38	
Annual Premium			$19,420.56			$19,420.56	
$ Increase / Decrease			N/A			$0.00	
% Increase / Decrease			N/A			0%	
LTD		Lincoln Financial Group			Lincoln Financial Group		
Benefits Volume			$181,593			$181,593	
Rate			$0.46			$0.46	
Total LTD Premium							
Monthly Premium			$835.33			$835.33	
Annual Premium			$10,023.93			$10,023.93	
$ Increase / Decrease			N/A			$0.00	
% Increase / Decrease			N/A			0%	
Life / AD&D		Lincoln Financial Group			Lincoln Financial Group		
Benefits Volume			$2,305,000			$2,305,000	
Basic Term Life Rate			$0.29			$0.29	
AD&D Rate			$0.04			$0.04	
Total Life / AD&D Premium							
Monthly Premium			$749.13			$749.13	
Annual Premium			$8,989.50			$8,989.50	
$ Increase / Decrease			N/A			$0.00	
% Increase / Decrease			N/A			0%	
Total Benefits Premium		Total	Employer	Employee	Total	Employer	Employee
Monthly Premium		$51,749.45	$41,746.38	$10,003.07	$57,833.75	$46,641.40	$11,192.32
Annual Premium		$620,993.43	$500,956.59	$120,036.84	$694,005.03	$559,696.77	$134,307.78
$ Increase / Decrease		N/A	N/A	N/A	$73,011.60	$58,740.18	$14,270.94
% Increase / Decrease		N/A	N/A	N/A	11.8%	11.7%	11.9%

THE CENTER FOR FAMILY SERVICES
OF PALM BEACH COUNTY, INC.
LIFE ENRICHMENT EMPLOYEE ASSISTANCE PROGRAM

AGREEMENT made this ___ day of _____, 2011 between THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY, INC., hereinafter referred to as "CFS", and the TOWN OF LAKE PARK referred to as "the Company."

WHEREAS, the Company desires to retain CFS with expertise in the Employee Assistance Program (EAP) and Drug Free Workplace Program (DFWP) Services and CFS agrees to be retained to provide services as called for in this agreement. Therefore, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

I. TERM OF AGREEMENT

This Agreement shall be in full force and in effect for the period beginning October 1, 2011 and ending September 30, 2013, unless terminated earlier pursuant to Section XI.

II. SERVICES TO BE PERFORMED BY CFS:

A. CFS shall perform for the Company's employees and their eligible family members, unlimited sessions for the following EAP services. If multiple family members attend a session as a group, each individual family member will use one of their allotted number of sessions.

1. Marital counseling
2. Divorce adjustment counseling
3. Job related counseling
4. Parent/child counseling
5. Substance abuse assessment and counseling or referral
6. Counseling related to the problems of older persons
7. Counseling or referral related to physical or developmental disabilities
8. Mental Health assessment and counseling
9. Unlimited Legal/ Financial Consultations provided by CLC, Consolidated Legal Concepts
10. Elder care resource and referral per contract year

B. CFS further agrees to provide to the Company:

1. Technical assistance in the development of EAP policies & procedures
2. Case management (coordination of community resources, follow-up and case advocacy)
3. Referral to specialized services not offered by CFS, but required by an employee/eligible family member
4. One two hour Supervisory Training session
5. Telephone consultation with EAP staff or CFS as necessary
6. On-site consultation by CFS staff in those cases where CFS deems it necessary
7. Priority for EAP appointments
8. Benefit Talks / Fairs as needed
9. New Employee Orientation
10. Annual Drug Free Workplace Training
11. Three one hour Worksite Seminars
12. One Critical Incident Stress Debriefing (CISD)

III. SERVICE LOCATIONS:

The services under this Agreement will be provided at CFS locations or those of its network agencies.

IV. METHOD OF INTAKE:

Employees/eligible family members desiring counseling or assistance should call the Center at 1-800-404-7960. Within 24 hours of an initial call, CFS will notify employees/eligible family members of an appointment time to occur within three (3) working days. For those employees/eligible family members that CFS considers to have an emergency, CFS will grant an appointment within 4 hours of an initial call. For urgent care, an appointment will be made within 24 hours. These appointments can be made at any one of our three locations.

V. EMPLOYEE AWARENESS:

Whenever the Company deems it necessary to communicate the benefits of the counseling program to the Company's employees/eligible family members, the Company shall provide for and incur all related mailing expenses. CFS agrees to provide the printed material to be enclosed.

VI. REPORTING:

CFS agrees to provide annual utilization reports to the Company. The reports will include statistics for the preceding year including the number of new employees/eligible family members seen, the number of new cases opened, and the number of cases closed, as well as year-to-date statistics.

VII. CONFIDENTIALITY:

Employees/eligible family members who utilize the counseling services are entitled to privacy. CFS will maintain a confidential relationship with all employees/eligible family members within the limitations of the law. No reports which contain any identifying information will be provided to the Company without the knowledge, approval and written consent of the employee or eligible family member. Likewise, information learned about the Company, such as salaries, personnel problems, etc., are treated in a confidential manner.

VIII. PAYMENT TO CFS:

The Company agrees to pay CFS for all services performed pursuant to this Agreement at the rate of:

$3.38 per employee per month, based upon 70 employees, payable in advance at the beginning of each annual quarter of the year and by the first of each quarter (October 1, January 1, April 1, and July 1.) This amounts to four (4) payments of $709.80 or $2,839.20 per year. If the number of employees varies (+) or (-) 5% the necessary cost adjustments will be made on a quarterly basis.

Supervisory training sessions, other than the initial session provided in section II-B 4, shall be performed at a cost of $250.00 per hour. In addition to those services performed pursuant to the agreement, including employee seminars on a variety of subjects, other than the initial sessions provided in section II-B11, may be performed at a cost of $250.00 per hour. Critical Incident Stress Debriefing interventions, other than the initial debriefing provided in section II-B12, shall be performed at a cost of $250.00 per hour. However, the one debriefing included in the contract is performed up to three hours at no charge. Any additional hours of debriefing relating to the same event will be charged at a cost of $125.00 per hour.

IX. RELATIONSHIP BETWEEN THE PARTIES:

CFS's relationship to the Company created by this Agreement is that of an independent contractor and not an employee, agent, partner or joint venturer with the Company. The Company is only interested in the results of CFS' performance under this Agreement. No agent, employee or servant of CFS, including the EAP Director will be or will be deemed to be, the employee, agent or servant of the Company and the Company agrees not to hire any such individual during the course and duration of this Agreement. CFS shall assume all responsibility for the payment of wages and benefits to its agents, employees, and servants, if any, for services performed by them under this Agreement. None of the benefits provided by the Company to its employees, including, without limitation, compensation insurance and unemployment insurance, will be available to CFS or its agents, employees or servants. CFS will assume full responsibility for the payment of all federal, state and local taxes or other contributions imposed or required under unemployment, social security and income tax laws, with respect to CFS's engagement by the Company under this

agreement.

X. CONTINUITY OF CARE:

Should the counseling needs exceed the designated number of sessions allowed pursuant to Section II, employees / eligible family members may continue sessions without interruption based on a CFS sliding fee scale, payable at time of service, and are responsible for their fees. If the employer wishes to pay for extended sessions for employees, the rate for the session is $150.00 per hour billed monthly. Should this Agreement terminate pursuant to Section XI or by non-renewal, employees / eligible family members may elect to continue counseling and pay out of pocket or use insurance benefits based on CFS' fee schedule. Upon termination of an employee, the employee / eligible family member receiving services may also convert to self-pay or use CFS' fee schedule and shall be responsible for her/his own fees.

USE OF OUTSIDE PROVIDERS:

The only time authorization is approved by EAP Director for use of an outside provider for counseling, is when an employee's access to CFS' three locations is beyond a twenty mile radius. In the event authorization is granted for use of outside provider, the number of sessions offered may be limited. On contracts that offer "unlimited" number of sessions to their employees, CFS will not grant the use of "unlimited" sessions for outside providers. The employee must come to a CFS office location to be eligible for the "unlimited" sessions. Otherwise, the employee may be responsible for additional fees to the outside provider.

XI. TERMINATION:

This Agreement is subject to termination, prior to its expiration, upon either party delivering to the other a written notice of intention to terminate this Agreement, which shall become effective ninety (90) days thereafter. Unless otherwise terminated by either party, this Agreement is to be renegotiated at the end of each contract period.

XII. DEFINITIONS:

"Eligible family member" includes an employee's legal spouse, an employee's unmarried children under the age of 19, and employee's unmarried children under the age of 22 who are full-time students, and the domestic partner of the employee. "EAP" is the Employee Assistance Program.

XIII. MISCELLANEOUS:

A. Enforceability
If any term or condition of this Agreement shall be invalid or unenforceable to any extent or in any application, then the remainder of this Agreement, and such term or condition except to such extent or in such application, shall not

be affected hereby and each and every term and condition of this Agreement shall be valid and enforced to the fullest extent and in the broadest application permitted by law.

B. Notice

All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly made if hand delivered, mailed from within the United States by certified or registered mail.

1. If to the Company in care of

   Bambi McKibbon-Turner
   Human Resources Director
   Town of Lake Park
   535 Park Avenue
   Lake Park, Florida 33403

2. If to CFS in care of

   Dorla Leslie
   Chief Executive Officer
   The Center for Family Services
   4101 Parker Avenue
   West Palm Beach, Florida 33405

   or to such other addresses as any other party may have designated by like notice forwarded to the other party hereto. Notices other than those dealing with a change of address shall be deemed given when mailed using United States Postal Service mail or hand delivered. Change of address notices shall be deemed given when received.

C. Application of Florida Law

This Agreement, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida.

D. Counterparts

This Agreement may be executed by any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

E. Assignment

CFS may not assign or subcontract its rights or obligations under this Agreement without the prior written consent of the Company. The Company may not assign its rights or obligations without prior written consent of CFS.

F. Entire Agreement

This Agreement represents the entire agreement and understanding between the parties and supersedes all prior negotiations, understandings, representations (if any), and agreements made by and between the parties. This Agreement shall not be subject to modification or amendment by any oral representation, or any written statement by either party, except for a dated written amendment to this Agreement signed by CFS and an authorized representative of the Company.

G. Litigation

In the event of litigation between the parties hereto arising out of or to settle issues or disputes arising under this Agreement, the prevailing party in such litigation shall be entitled to recover against the other party its costs including reasonable attorney's fees, which shall include any fees and costs attributable to trial, appellate, or post judgment proceedings.

IN WITNESS WHEREOF, the parties hereunto executed this Agreement the day and year first above written

TOWN OF LAKE PARK

By: _____

Its: _____

"the Company"

THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY, INC.

By: _____

Chief Executive Officer

"CFS"

Approved as to legal form and sufficiency

Town Attorney

Exhibit D

Karen T. Marcus
County Commissioner
District 1
Board of County Commissioners

County **Administrator**
Robert Weisman

RECEIVED

JUN 20 2011

June 16, 2011

Ms. Maria Davis, Town Manager
Town of Lake Park
535 Park Avenue
Lake Park, FL 33403

RE: Lake Park Marina / Interlocal Agreement dated November 16, 2010 (R-2010-1943)

Dear Maria:

As you are aware, we have been informed that some residents within the Town are objecting to the closure of the southernmost portion of Lake Shore Drive, development of a pedestrian promenade and private development of a restaurant as required by the Interlocal Agreement. On June 7, the Board of county Commissioners reviewed this issue and confirmed that the contemplated development of all phases of the Marina Project, including the promenade and restaurant, was a major consideration in voting to approve the Interlocal Agreement. The Board also included a 90 day notification process on the Town's decision on the project.

The Board directed that a letter be sent to notify the Town of the Board's position and remind the Town that failure to pursue development of each and every phase of the Project would constitute a default under the Interlocal Agreement entitling the County to require repayment of the entire $2.4 Million in grant funding.

While we understand the concerns of your residents regarding any change to the area surrounding the Marina, we would hope that those concerns could be addressed by providing additional information and conducting public outreach as the Project moves through the Town's development review and approval process.

Sincerely,

Karen T. Marcus, Chair
Board of County Commissioners

cc: Members of the Board of County Commissioners
Robert Weisman, County Administrator
Howard J. Falcon, III, Assistant County Attorney

BALLOT

Rumsey

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER PLANNING & ZONING BOARD WITH TWO ALTERNATES. CURRENTLY THE BOARD HAS **ONE** REGULAR MEMBERSHIP AND **ONE** ALTERNATE MEMBERSHIP AVAILABLE FOR APPOINTMENT.

THE TOWN COMMISSION MAY CHOOSE THE FOLLOWING APPLICANTS FOR THE REGULAR AND ALTERNATE MEMBERSHIPS AVAILABLE.

Applicants:

		Yes	No
Jim Lloyd	(Regular)		X
	(2nd Alternate)		X
Edie McConville	(Regular)	X	
	(2nd Alternate)		
Natalie Schneider	(Regular)		
	(2nd Alternate)	X	

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Stevens

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER PLANNING & ZONING BOARD WITH TWO ALTERNATES. CURRENTLY THE BOARD HAS **ONE** REGULAR MEMBERSHIP AND **ONE** ALTERNATE MEMBERSHIP AVAILABLE FOR APPOINTMENT.

THE TOWN COMMISSION MAY CHOOSE THE FOLLOWING APPLICANTS FOR THE REGULAR AND ALTERNATE MEMBERSHIPS AVAILABLE.

Applicants:

		Yes	No
Jim Lloyd	(Regular)		X
	(2nd Alternate)		X
Edie McConville	(Regular)	~~[illegible]~~ TS	
	(2nd Alternate)	X	
Natalie Schneider	(Regular)	X	
	(2nd Alternate)	~~[illegible]~~ TS	

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Mayor

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER PLANNING & ZONING BOARD WITH TWO ALTERNATES. CURRENTLY THE BOARD HAS **ONE** REGULAR MEMBERSHIP AND **ONE** ALTERNATE MEMBERSHIP AVAILABLE FOR APPOINTMENT.

THE TOWN COMMISSION MAY CHOOSE THE FOLLOWING APPLICANTS FOR THE REGULAR AND ALTERNATE MEMBERSHIPS AVAILABLE.

Applicants:

		Yes	No
Jim Lloyd	(Regular)		✓ No
	(2nd Alternate)		✓ No
Edie McConville	(Regular)		
	(2nd Alternate)	Yes	
Natalie Schneider	(Regular)	Yes	
	(2nd Alternate)		

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Hockman

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER PLANNING & ZONING BOARD WITH TWO ALTERNATES. CURRENTLY THE BOARD HAS **ONE** REGULAR MEMBERSHIP AND **ONE** ALTERNATE MEMBERSHIP AVAILABLE FOR APPOINTMENT.

THE TOWN COMMISSION MAY CHOOSE THE FOLLOWING APPLICANTS FOR THE REGULAR AND ALTERNATE MEMBERSHIPS AVAILABLE.

Applicants:

		Yes	No
Jim Lloyd	(Regular)	✓	
	(2nd Alternate)		
Edie McConville	(Regular)		
	(2nd Alternate)	✓	
Natalie Schneider	(Regular)		✓
	(2nd Alternate)		✓

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

LONGTIN

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER PLANNING & ZONING BOARD WITH TWO ALTERNATES. CURRENTLY THE BOARD HAS **ONE** REGULAR MEMBERSHIP AND **ONE** ALTERNATE MEMBERSHIP AVAILABLE FOR APPOINTMENT.

THE TOWN COMMISSION MAY CHOOSE THE FOLLOWING APPLICANTS FOR THE REGULAR AND ALTERNATE MEMBERSHIPS AVAILABLE.

Applicants:

		Yes	No
Jim Lloyd	(Regular)		
	(2nd Alternate)	✓	
Edie McConville	(Regular)		
	(2nd Alternate)		
Natalie Schneider	(Regular)	✓	
	(2nd Alternate)		

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

_____

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER LIBRARY BOARD WITH TWO ALTERNATES.

THE FOLLOWING BOARD APPLICANT REQUEST APPOINTMENT AS AN ALTERNATE MEMBER AND A REGULAR MEMBER TO THE LIBRARY BOARD.

Applicant (s):	Yes	No
Elizabeth Auld (as alternate)	Yes	_____
Elizabeth Auld (as regular)	~~Yes~~	_____
Barbara Bursey (as alternate)	~~Yes~~	_____
Barbara Bursey (as regular)	Yes	_____

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Tim Stevens

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER LIBRARY BOARD WITH TWO ALTERNATES.

THE FOLLOWING BOARD APPLICANT REQUEST APPOINTMENT AS AN ALTERNATE MEMBER AND A REGULAR MEMBER TO THE LIBRARY BOARD.

Applicant (s):	Yes	No
Elizabeth Auld (as alternate)	X	
Elizabeth Auld (as regular)		
Barbara Bursey (as alternate)		
Barbara Bursey (as regular)	X	

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Rumsey

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER LIBRARY BOARD WITH TWO ALTERNATES.

THE FOLLOWING BOARD APPLICANT REQUEST APPOINTMENT AS AN ALTERNATE MEMBER AND A REGULAR MEMBER TO THE LIBRARY BOARD.

Applicant (s):	Yes	No
Elizabeth Auld (as alternate)	X	
Elizabeth Auld (as regular)		
Barbara Bursey (as alternate)		
Barbara Bursey (as regular)	X	

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

Hoelcman

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER LIBRARY BOARD WITH TWO ALTERNATES.

THE FOLLOWING BOARD APPLICANT REQUEST APPOINTMENT AS AN ALTERNATE MEMBER AND A REGULAR MEMBER TO THE LIBRARY BOARD.

Applicant (s):	Yes	No
Elizabeth Auld (as alternate)		
Elizabeth Auld (as regular)	✓	
Barbara Bursey (as alternate)		
Barbara Bursey (as regular)	✓	

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

BALLOT

LONGTIN

MAYOR/COMMISSIONER

THE TOWN COMMISSION MAY APPOINT A FIVE MEMBER LIBRARY BOARD WITH TWO ALTERNATES.

THE FOLLOWING BOARD APPLICANT REQUEST APPOINTMENT AS AN ALTERNATE MEMBER AND A REGULAR MEMBER TO THE LIBRARY BOARD.

Applicant (s):	Yes	No
Elizabeth Auld (as alternate)		
Elizabeth Auld (as regular)	✓	
Barbara Bursey (as alternate)	✓	
Barbara Bursey (as regular)		

- NO OTHER APPLICATIONS HAVE BEEN RECEIVED

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Hockman, Steve P.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Town of Lake Park
MAILING ADDRESS 638 Flagler Blvd	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: ☑ CITY ☐ COUNTY ☐ OTHER LOCAL AGENCY
CITY Lake Park, COUNTY Palm Beach	NAME OF POLITICAL SUBDIVISION:
DATE ON WHICH VOTE OCCURRED 8/3/11 TAB 11	MY POSITION IS: ☑ ELECTIVE ☐ APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Steve P. Hockman, hereby disclose that on August 3, 20 11:

(a) A measure came or will come before my agency which (check one)

☐ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, _____;

___ inured to the special gain or loss of my relative, _____;

X inured to the special gain or loss of Smith Engineering Consultants, Inc., by whom I am retained; or

___ inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Due to the past and possible future work contracts with Gentile Holoway O'Mahoney & Associates both directly and indirectly.

8/3/11
Date Filed

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Hockman, Steve P.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE Town of Lake Park
MAILING ADDRESS 638 Flagler Blvd	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: ☑ CITY ☐ COUNTY ☐ OTHER LOCAL AGENCY
CITY Lake Park, COUNTY Palm Beach	NAME OF POLITICAL SUBDIVISION:
DATE ON WHICH VOTE OCCURRED 8/3/11 TAB 9	MY POSITION IS: ☑ ELECTIVE ☐ APPOINTIVE

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office MUST ABSTAIN from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * * * * * * * * * * * * *

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

* * * * * * * * * * * * * * * *

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Steve P. Hockman, hereby disclose that on August 3, 20 11:

(a) A measure came or will come before my agency which (check one)

☐ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, _____;

___ inured to the special gain or loss of my relative, _____;

X inured to the special gain or loss of Smith Engineering Consultants, Inc., by whom I am retained; or

___ inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Due to the past and possible future work contracts with Gentile Holoway O'Mahoney & Associates both directly and indirectly.

8/3/11
Date Filed

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.

TAB 3

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 3

[ ] PUBLIC HEARING [ ] RESOLUTION

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION **[x] CONSENT AGENDA**

[ ] Other:

SUBJECT: **Special Call Attorney-Client Session Meeting Minutes of August 17, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Special Call Attorney-Client Meeting Minutes of August 17, 2011.**

Approved by Town Manager W. Davis **Date:** 9/27/11

Kelly Chung - Dep. Clerk 9/26/11

Name/Title Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: $ 0 Funding Source:0 Acct. # 0	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[x] Town Clerk** Vmc [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case Vmc **Please initial one.**

Summary Explanation/Background:

Town of Lake Park

Special Call Commission Meeting Minutes
For Attorney-Client Session
Town Hall Commission Chambers
535 Park Avenue, Florida 33403
Wednesday, August 17, 2011 6:30 p.m.

The Town Commission met for the purpose of a Special Call Attorney-Client Session on Wednesday, August 17, 2011 at 6:30 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steve Hockman, Jeanine Longtin, and Tim Stevens, Town Attorney Thomas Baird, Special Counsels Joseph Downs and Larry Cook, Town Manager Maria Davis, and Town Clerk Vivian Lemley.

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

> **THE TOWN COMMISSION WILL CONVENE AN ATTORNEY – CLIENT SESSION TO DISCUSS PENDING LITIGATION IN THE CASE STYLED, TOWN OF LAKE PARK, ET. AL. VS. DEFENDANTS, APPLIED TECHNOLOGY MANAGEMENT, BRIDGE DESIGN ASSOCIATES, MURPHY CONSTRUCTION, THIRD PARTY DEFENDANTS CURRENT CONNECTIONS, DRAWDY CONSTRUCTION, FLORIDA FLOATS AND FOURTH PARTY DEFENDANT CARTER & SLOOPE. The private Attorney-Client session was convened at 6:35 p.m.**

The Special Call Commission Meeting was reconvened at 7:16 p.m.

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 Stevens, and by unanimous vote, the meeting adjourned at 7:16 p.m.

_____
Mayor James DuBois

(Town Seal)

_____
Town Clerk Vivian Lemley, CMC

Approved on this _____ day of _____, 2011

TAB 4

Town of Lake Park Town Commission
Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 4

[ ] PUBLIC HEARING
[ ] ORDINANCE ON FIRST READING
[ ] ORDINANCE ON SECOND READING
[ ] PRESENTATION/PROCLAMATION
[ ] Other:
[ ] RESOLUTION
[ ] DISCUSSION/POSSIBLE ACTION
[ ] BID/RFP AWARD
[X] CONSENT AGENDA

SUBJECT: **Regular Commission Meeting Minutes of August 17, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Regular Commission Meeting Minutes of August 17, 2011.**

Approved by Town Manager H. Davis **Date:** 9/27/11

Vivian Lehy
Name/Title

September 27, 2011
Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: **$0** Funding Source: **0** Acct. **# 0**	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[X] Town Clerk** YMC [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[X] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case YMC **Please initial one.**

Summary Explanation/Background:

Minutes
Town of Lake Park, Florida
Regular Commission Meeting
Wednesday, August 17, 2011, 7:16 p.m.
Town Commission Chamber, 535 Park Avenue

The Town Commission met for the purpose of a Regular Commission Meeting on Wednesday, August 17, 2011 at 7:16 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steven Hockman, Jeanine Longtin, and Tim Stevens, Town Manager Maria Davis, Town Attorney Thomas Baird, and Town Clerk Vivian Lemley.

Vice-Mayor Rumsey led the Invocation and Mayor DuBois led the Pledge of Allegiance. Town Clerk Vivian Lemley performed the Roll Call.

ADDITIONS/DELETIONS/APPROVAL OF AGENDA

Commissioner Longtin asked to have a discussion of the Marina Board, Code Compliance Board, and the letter that was sent to Palm Beach County concerning the Marina development added to Discussion and Possible Action.

Mayor DuBois asked if those items could be discussed during Commissioner comments.

Commissioner Longtin stated "no."

Motion: A motion was made by Commissioner Longtin to approve the Agenda as amended; Commissioner Hockman made the second.

Mayor DuBois stated that if substantial, broad items are needed to be discussed at a meeting, he would prefer that she contact the Town Manager to add those items which would give them time to prepare for the discussion.

Commissioner Longtin asked if he wanted to know what were her issues.

Mayor DuBois stated that he does, but for the purpose of the agenda, he wants items to go through the Town Manager.

Commissioner Longtin stated that she thought "Additions/Deletions" were about adding new items.

Mayor DuBois agreed, but stated that with such a large scope of a discussion, he would have liked to have had time to get prepared with backup documentation rather than just bring it out.

Commissioner Longtin stated that Commissioner Stevens had mentioned having discussion of bringing the Code Compliance Board back at a previous meeting. She asked if the Mayor was telling her she could not add items to the agenda.

Mayor DuBois stated that he would rather be prepared for the subject. He stated that he was just discussing whether or not they want to add the items to the agenda, not telling her that she could or could not add items to the agenda. He stated that this would actually have to come to a vote, but would have preferred to have been prepared for it.

Commissioner Stevens stated that he had no problem talking about these issues, but felt that there was a lack of notification given to the citizens. He felt that because of this, he suggested that they postponed discussion to a future meeting.

Vote on Motion:

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

Motion passed 3-2

PUBLIC AND OTHER COMMENTS:

1. *Frederick Ritter, 1158 Concord Ave.* – introduced himself and his company, Nature's Own Solutions, and explained that his company deals with safe alternatives to toxic chemical pesticides and herbicides.

2. *Cynthia Grey, 503 Sabel Palm Dr.* – thanked the Mayor for opening up the comments to more of a question/answer situation. She stated that she was very concerned about abandoned houses. She stated that in her area, there have been a couple of abandoned houses that have had issues of people living and doing drugs in them. She asked what is being done about this situation and how many abandoned homes there were in Lake Park. She stated that the Police Department gave her a figure of approximately 88 homes and someone else had given her a number of 200. She really wanted to know what the Town was doing about these homes and what was the ratio of abandoned homes to occupied homes.

   Town Manager Davis stated that she would be happy to meet with Ms. Grey concerning this issue.

   Mayor DuBois informed Ms. Grey that she is welcome to meet with the Town Manager. He stated that the Town just passed an ordinance about registrations of banks and that will bring in a great deal of information into Town regarding how many houses are actually going into foreclosure.

3. *Jim Lloyd, 220 Lake Shore Dr.* – requested that people in Town go to www.thestreetwhereyoulive.wordpress.com and read the blogs about the Town. He stated that when he read a statement at the last meeting from Mayor DuBois and Commissioner Stevens's campaign, there were smirks. He stated he was informed that a letter was sent to County Commissioner Karen Marcus concerning the Town's intentions to pursue the closing of Lake Shore Drive and did not see any fighting from the Commission. He wanted to know who they were telling the truth to – Karen Marcus or the people who voted for them. He asked for a response from the newly elected Commissioner or Mayor.

   Mayor DuBois stated that the smirk from him was because of the statement that he would fight with Commissioner Stevens. He stated that he has no intentions of fighting with Commissioner Stevens regarding anything and thought maybe it was a misinterpretation. He stated that he said during his campaign, everything would be explored. He stated that he said the potential for keeping the road open was there as well as the potential to close it. He said there is now more of a potential for keeping some of the road open and that things do change with time. He thanked Mr. Lloyd for his comment.

4. *Eddie Cowart, 1494 W. 34th St, Riviera Beach.* – spoke on his and the other Town employee's healthcare and insurance. He stated that the employees do not ask for much, and have not had a raise in three years, have not had a COLA(Cost of Living Allowanced) pay, five furlough days and possibility of some more, and now the insurance is being discussed. He stated that all the employees ask for is to keep their insurance. He stated that Town Manager Davis has done a great job and knows that if she could, she would figure out a way to keep the insurance. He asked the Commission to really think about the employee's insurance.

5. *Verdree Patterson, Public Works Department* –stated that when he came here 29 years ago, it was not for the money, it was the benefits this Town offered. He stayed for the long haul because he found a home here doing whatever the Town wanted him to do. He stated that the five furlough days hurt when you have a family to feed, clothing for the kids, and doctor co-pays. He asked them to consider the employees when making their decision. He credits the equipment that he has for his job to Town Manager Davis when they did not have a Public Works Director; she did what she had to do to help them get the job done. He stated that he really appreciates Town Manager Davis and the Commissioners that gave her the authority. He stated that to make him take 12 furlough days, take his insurance, and retirement, it is devastating. He stated that many people could have left, but most stayed because they love this Town and the benefits helped.

6. *Kimberly A. Alexander, Public Works Department* – stated that she is very concerned about the proposed changes for the upcoming budget. She stated that if the 12 furlough days were implemented, it would reduce their salary by 4.6 percent along with the 2.5 percent being removed from their pensions for a total of 7.1 percent. She stated that if health insurance is removed from their benefits or employee cost increased, this could reduce incomes by over 10 percent. She stated that when Town Manager Davis spoke to the employees, she mentioned

that she did not want to touch the health insurance. She stated that she understood that times were tough and they will do what they can, but health insurance is to keep them and their families healthy. She asked the Commission to consider what exactly is being taken away from them and what impact it will have on them and their families.

7. *Fensley Wisdom, 421 Australian Circle* – stated that he came to work here because he lived here and liked the Town. He wanted a job that gave him good benefits and believes that if an employer gives good benefits, the employee will give 100 percent and that is what he does. He stated that he is concerned about the furlough days and insurance. He stated that he stands with his fellow employees in agreement that they do not want to lose their insurance for their families. He understands it is high, but they need it and would appreciate if they could do what they can to keep it.

8. *Willie Williams, 1441 West 35th St, Riviera Beach* – stated that he was concerned about the insurance issue. He stated that as far as the money he makes here, he is fine with it as long as he can keep his health insurance. He stated that Town Manager Davis did a wonderful job of holding the Town together. He asked the Commission to leave the furlough days and insurance the same as it is now, the Town will be a good place for the employees.

9. *Ray Wilson, 2698 SW Versailles Terrace, Stuart* – stated that he has been working here for 21 years and came here because he was promised 40 hours a week and benefits. He stated that now, the 40 hours has dwindled and talk of removing the health benefits are in order. He stated that he needs that insurance for his family. He stated that he is close to retirement and instead of being able to put money away, he has had to take the money out. He asked the Commission to do what they could do to keep the benefits.

   Town Manager Davis informed the Commission that Ray Wilson had been selected from his peers as Employee of the Year.

   Mayor DuBois stated that he had enjoyed looking over some old pictures of the Public Works Department when they had received a Proclamation. He thanked everyone for their comments and assured them that the Commission would take it all into consideration.

CONSENT AGENDA:

1. Special Call Commission Meeting Minutes of July 13, 2011
2. Renewal of Audit Services
3. Notice of Contribution to the Retired Police Officers Pension Plan

Vice-Mayor Rumsey asked that item number 3 be pulled from the Consent Agenda for discussion.

Commissioner Longtin stated that she had a few comments regarding item number 1.

Mayor DuBois stated we should just pull item number 1 to make it easier for the comments to be made.

Motion: A motion was made by Commissioner Hockman to approve item number 2, on the Consent Agenda; Commissioner Longtin made the second.

Vote on Motion:

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

Motion passed 5-0

Commissioner Longtin stated that in the minutes of item number 1 of the Consent Agenda she had mentioned some websites that were available to the public and they are incorrectly printed. She stated that she was not sure if she had stated them wrong or if it were a misprint, but she wanted to give the actual sites as www.lakeparkflorida.gov and www.pbcgov.com.

Mayor DuBois asked Clerk Lemley if she had those corrections.

Motion: A motion was made by Commissioner Longtin to approve item number 1 as amended, on the Consent Agenda; Commissioner Hockman made the second.

Vote on Motion:

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

Motion passed 5-0

Mayor DuBois asked Town Manager Davis to speak on item number 3, which is the Notice of Contribution to the Retired Police Officers' Pension Plan.

Town Manger Davis asked Finance Director Anne Costello to explain instead.

Finance Director Costello stated that this was notification of contributions to the Retired Police Officers' Pension Plan. She stated that the contributions were identified by an actuarial valuation done on October 1, 2009 and received by the Pension Board in April 2011 as the required contribution for 2010 that was presented to the Board in June 2011. She stated that once these have been reviewed by the Pension Board, they are contributions that are to be made by the Town and these are notifications of that. She asked Vice-Mayor Rumsey what his question was.

Vice-Mayor Rumsey asked why the Town has to catch up on payments.

Finance Director Costello explained that the State Statues require that a valuation be made every three years. She stated that the last time the Pension Board had a valuation done was October 1, 2006 and identified contributions due for fiscal years 2006 and 2007. She stated that the Pension Board did not have another valuation until October 1, 2009 and these payments are required as of that time. She stated that by statute it is required at least once every three years, but going forward, the Pension Board has decided to have a valuation performed every year to prohibit this from happening again.

Vice-Mayor Rumsey asked if the last time the Pension Board met was 2007.

Finance Director Costello stated it was not the last time they met, it was the last time they had a valuation done as of October 1, 2006.

Vice-Mayor Rumsey asked who required that a valuation be done every three years.

Finance Director Costello stated that it was the State.

Vice-Mayor Rumsey asked why it was not done.

Finance Director Costello stated that she was not exactly sure and the Pension Board would be the people to ask. She thought maybe it was because it was such a small plan and the administrative expense of doing it annually exceeded the benefit. She stated that at one point, the market was at a point where the contributions were small, but between the valuations of 2006 and 2009, the validity of the market changed and the contributions were required to make up for the loss in the market.

Vice-Mayor Rumsey asked who serves on the Pension Board.

Finance Director Costello stated that it was her, Town Manager Davis, Mark Schneider (a retiree), Patricia Shoemaker (a retiree), and Mayor James DuBois was on the board until he was elected Mayor.

Vice-Mayor Rumsey asked if the Town has two employees on the Pension Board, and they know we are supposed to be doing this, why did they go from 2006 and not do it.

Town Manager Davis explained that the statute requires that a valuation be made every three years which the last time was 2006. She stated that a contribution had been done in 2008 so the next valuation was supposed to be done in 2009. She stated that she has emails from the Finance Director continuingly asking the Program Administrator when the Town was going to receive their next valuation. She stated that this was not an issue where the Town let it go; it was a problem with the Program Administrator. She stated that she felt that it was the Town's aggressiveness that brought them to the table and to finally order the valuation. She stated that when the valuation came in, she was very concerned about the amount of money the Town owed and set up a payment plan. She wanted the Commission to understand that the Board was not just sitting there doing nothing. She stated that she felt the blame was on the Plan Administrator.

Vice-Mayor Rumsey stated he would like to see those emails.

Finance Director Costello stated that it was also in the minutes of November 2008, she asked when the next valuation was going to be done.

Vice-Mayor Rumsey asked if he could get copies of all those emails to him as well as the others. He stated that it concerned him that the Town has these back payments to make when we are in a situation where we are laying off employees and talking about people's insurance benefits, and making people take 12 days off. He stated he just wanted to make sure we were on top of things.

Finance Director Costello stated that she was on top of it. She stated that at each and every Board meeting, she asked about the valuation as well as asked if they could do the valuation with the funding going forward so that we would not end up in the situation of having back contributions. She stated that when they did the valuation, they did not go forward; they went backward and wound up with the catch up payments. She stated that it was in direct contradiction of what the Administrator told her. She stated that she was told they would go forward and not have the back contributions.

Vice-Mayor Rumsey asked who the Administrator answers to.

Finance Director Costello stated the Administrator answers to the Board.

Vice-Mayor Rumsey asked if she was on the Board.

Finance Director Costello stated "yes."

Vice-Mayor Rumsey asked how many members of the Board there are.

Finance Director Costello stated there were five members.

Vice-Mayor Rumsey stated that we have three.

Finance Director Costello agreed.

Commissioner Longtin stated that on the Summary Explanation Background, there is a sentence that is incomplete. She stated that a date needed to be put in it to make it complete. She asked who the Plan Administrator was.

Finance Director Costello stated it was Pension Resource Center.

Commissioner Longtin asked if they had truly been requesting a valuation for years, should the Board not look for someone else to administer.

Finance Director Costello stated that she was not sure that decision was hers to make. She stated that she does know she was requesting it from as early as November 2008.

Commissioner Longtin stated that it just does not make sense. She wanted to know what other pension plans the Town has to contribute to.

Finance Director Costello explained that the Town has no other closed plans or active plans except for the defined contribution plan that the Town has for its' general employees now and there is no annual required contribution, only a percentage of payroll contribution made biweekly. She stated that the plan is part of what is on the budget table to be discussed at the budget workshop.

Commissioner Longtin stated that they only have the two plans – one paid weekly and the one we are catching up on.

Finance Director Costello stated that they have closed the Firefighter's Pension completely. She stated that the lawsuit was settled and paid out in full.

Commissioner Longtin stated that because of that, we need to stay on top of this because that last one cost us a lot of money.

Commissioner Hockman asked if the Administrator did not do their job that is required by law, are we paying them Administration fees.

Finance Director Costello stated the Administrator did everything that was required statutorily and had the valuation done every three years. She stated her concern was that with them doing this, the Town would end up like it is now, owing back payments. She stated she wanted to know when the valuation was going to be done and what the required contribution was going to be because she did not want to owe them money. She stated that she is not saying they were not doing their job, she just said that what she was asking for was not happening. She stated she was not sure if she had been advised improperly or not.

Commissioner Hockman asked if it was required that the Town pays the interest for the back penalty.

Finance Director Costello stated "yes" and that the assumed rate of return that the plan has adopted must be paid and the rate is 8 percent. She stated that she agreed with Commissioner Hockman that we should not have to pay the interest back, but that was not what they said had to be done.

Commissioner Hockman stated that he had a hard time understanding if the Administrator is doing his job and keeping an eye on things, then he should know what kind of payment the Town should be paying on a regular basis.

Finance Director Costello explained that the valuation has to be done to determine what has to be paid. She stated that the valuation has to be performed by an actuary and it takes into consideration the performance of the market, age of retirees, expected payouts, life expectancy, and how much money needed to fund the plan until termination of the plan when the last person is no longer with us. She stated that it always changes which is why they decided to have it done every year. She explained that this way, two years from now, we will not have to pay two years of back payments.

Commissioner Hockman asked if he understood this correctly, the Town owed $108,000 or was there additional.

Finance Director Costello stated that she believed it was $94,000 plus interest and with amortizing it over three years with a payment plan it was $109,902.

Commissioner Hockman asked if there was anything else on top of that each year that the Town has to pay.

Finance Director Costello explained that each year they are going to identify the amount that needs to be paid. She stated that it was $47,600 this fiscal year in addition to the $36,634 that the Town is paying. She stated that the $36,634 that needs to be paid next fiscal year and an amount similar to the $46,700. She stated that it was provided in the proposed budget for next year.

Commissioner Hockman asked if it was roughly $90,000 a year.

Finance Director Costello stated that it was around $85,000 to $90,000 and it may vary when they do the valuation depending on the performance of the market. She stated that that amount has been given to them in the proposed budget last month.

Commissioner Longtin asked why we would not look for someone else to administer this.

Mayor DuBois explained that it was a responsibility of the Pension Board.

Finance Director Costello stated that the Pension Board makes that determination and hires or fires the Plan Administrator who also acts as the Investment Advisor. She explained that before she or the Town Manager started working with the Town, the Pension Board decided that because the plan is so small and has so few members, they wanted to keep the plan with someone who could act as both positions. She stated that they felt it to be more cost effective.

Commissioner Longtin stated that she felt that was foolish that Finance Director Costello had been requesting information since 2009 and they have not given it to her, and yet they want to continue on with the same person. She stated that this is a $54,000 contingency out of the General Fund because someone was not doing their job.

Mayor DuBois stated that there is a clarification that in 2006 through 2007 actuarial, there were contributions that were actually called for around $17,000 a year. He stated that with the market at that time, a contribution of $17,000 a year was not bad for a $2 million budget with a return in the 8 percent range. He stated that with the market (economy) crash, those were far beyond what normal fluctuations would be or what anyone could contemplate them to be for the goals of the pension fund itself. He explained that he thought the point was to provide an actuarial report because it was a closed fund, according to statute every three years, as a method to keep costs to the pensioners down and to provide a service advisor that was economically responsible as possible. He stated that there are these balances that affect the people who are in the fund and it is hard to look in the future and decide what the fund is going to be. He stated he thought at the time the fund was created, the Town did the best it could. He stated that the Town is now reacting to the changes in the economy and asking for an actuarial every year which will cost the Pension Fund as well as the Town. He stated that there is no getting out of what the Town owes, we are just looking at when it needs to be paid or contributed so we are not doubling or tripling up on the expenses. He stated that these amounts would have been amortized anyhow. He explained that it could have been better handled, but at the same time, it was a reaction to the economy.

Vice-Mayor Rumsey stated that he agreed with the Mayor in theory. He stated that his problem with it is that as a board member, when the economy changed and the market crashed, he would have expected the board to have been more prudent and on top of things and make sure we were doing the right thing. He asked Finance Director Costello if she stated that statutorily the pension board has done everything they had to do.

Finance Director Costello stated she believed that they had as far as she knew. She stated that by statute they are required to have valuation performed every three years.

Vice-Mayor Rumsey asked if we have not had a valuation performed in the last three years, how they statutorily did what they were supposed to do.

Finance Director Costello stated they had it done as of October 1, 2009. She stated that they received it in 2011 and does not know how that fits into statute, but it had been performed. She stated that the last one before that was October 1, 2006, which fit into statute of being performed once every three years.

Mayor DuBois stated they were all concerned about this.

Finance Director Costello stated that she was concerned about this when she came to the Town. She stated that the first pension board meeting she attended in November 2007 is when it came to her attention that they had received the valuation as of October 1, 2006 and they had identified contributions that the Town was required to make for $17,000 and

$9,000 which was about $26,000 and they had not been paid. She explained that they had to be paid by this Town Commission. She stated that the Commission had to make an action to pay it out of General Fund contingency her first year here. She stated they knew about it in June 2007 and did not pay it until January 2008. She explained that this is why she was asking when the next valuation was going to be done and how much they owed because they did not want to be behind the "eight ball."

Mayor DuBois stated that the problem was compounded by the economy as well as not having the report.

Commissioner Longtin stated that it is what it is. She stated that she is glad they are "truing up" but does not appreciate having to pay penalties. She stated that her recommended motion is no action necessary. She asked if she could make a motion that they have receive the report.

Motion: A motion was made by Commissioner Longtin to approve item number 3 on the Consent Agenda; Commissioner Hockman made the second.

Vote on Motion:

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

Motion passed 5-0

PUBLIC HEARING:

Ordinance on First Reading:

Ordinance No. 06-2011 Comprehensive Plan Capital Improvements Schedule

Mayor DuBois asked the attorney if anyone had to be sworn in for this hearing.

Attorney Tom Baird stated that because this was not a quasi-judicial hearing, no one had to be sworn in.

Staff Report:

Community Development Director Nadia DiTommaso informed the Commission that on the Agenda Request Form Summary Explanation page there was a mistake. She stated that towards the bottom of the page it states that the "new schedule should incorporate the Town's current projects through 2014/2015" and that it should be 2015/2016.

She explained that the Comprehensive Plan contained Capital Improvements elements which outline the Town's proposed projects over a five year period. She stated that the Capital Improvement schedule is the table that explains the project's name as well as funding source required for each individual project. She stated that the current schedule in the Comprehensive Plan stretches from 2007/2008 through 2011/2012. She stated that in reviewing the plan, the Town has decided to update the schedule from 2011/2012 until 2015/2016. She stated that the projects that have already been completed and are in progress have been removed from the schedule and the new projects are listed on the proposed schedule. She stated that one of the main reasons for the update is because a lot of the projects on the schedule will have a funding source of grants and many of the grants, when they are applied for, receive points for having the actual project on the Capital Improvement Schedule. She explained that these points, more often than not, are required to remain competitive in the application process for the grants. She stated that another thing to notice is that a few of the projects have the funding sources stretched out for more than one year and up to four years. She stated that the reasoning for this is the allocation of funds throughout a longer period of time allows us to go after the funds for more than just one given year and the flexibility to do the project on a time frame extending longer than one year. She explains that under new legislation, House Bill 7207 recently passed in June, states that this is not considered a plan amendment, which means it can be done by ordinance. It does not have to be remitted to the State, and only requires a public hearing that needs to be advertised which they did advertise accordingly. She states that staff does recommend a motion to approve the updated Capital Improvement Schedule on first reading. She stated that she was open to any questions at that point.

Commissioner Hockman asked when the funding stated "grant" does that mean 100 percent grant.

Town Manager Davis and Community Development Director DiTommaso both stated "yes."

Town Manager Davis stated that what was on the schedule as funding sources, those are the only funding sources that the Town has found viable. She stated that there were no funds in the General Fund for these projects.

Commissioner Hockman asked if it were a matching grant, does that mean the Town will not go after it.

Town Manager Davis stated that was correct.

Commissioner Hockman asked if this was the same Comprehensive Plan that is in the County's Comprehensive Plan for our Town.

Community Development Director DiTommaso explained that this was the Plan for our own Town.

Commissioner Hockman asked if there was more to the Plan because he was told they did not have one.

Community Development Director DiTommaso explained that we do have various elements of the Comprehensive Plan and this is just one element of the plan.

Commissioner Longtin stated that the Comprehensive Plan is on the website. She stated she did not feel comfortable with it stating that we cannot run this Town without grant money. She stated that it was very sad that every time you take grant money, you are giving something away.

Commissioner Stevens asked what we are giving away.

Commissioner Longtin stated she would have to look at the grants. She gave an example of the Marina grant. She stated that with that one, we had to open up the Marina to the County and could not give favoritism to the residents of Lake Park. She stated that she was not saying all grants are like this, but many grants.

Commissioner Stevens asked if she was referring to the restricted covenance within the grants.

Commissioner Longtin and Mayor DuBois stated that it depended on the grant.

Commissioner Longtin stated that it was not all, but too many.

Vice-Mayor Rumsey asked why most of the categories fit into two categories. He stated that most of them fit into a two and a four.

Community Development Director DiTommaso explained that the reason why we are permitted to use grants as funding sources is because they do fall into both categories. She explained that number two states that "project will enhance ability to continue to meet level of service" and number four states that "project will further the achievement of comprehensive plan goals, objectives, and policies." She stated that these projects are not necessary to achieve the level of service and not necessary to enhance the ability to meet the level of service. She states this one of the main reasons to categorize them as two and four when the funding sources are grants and they are not guaranteed.

Mayor DuBois asked if there was anything else we need to address.

Community Development Director DiTommaso stated that these appear to be all the projects planned in the next five years, but if anything else should come up, they would have to recommend an update.

Mayor DuBois stated that it could be amended. He asked if it would be amended by a new ordinance or amendment to the existing ordinance.

Community Development Director DiTommaso stated that it would be a new ordinance.

Mayor DuBois stated that no longer happens twice a year.

Community Development Director DiTommaso stated that they can do it as often as they need to.

Public Comments Open

1. *John Mede, 220 Lake Shore Dr.* – commented that Community Development Director DiTommaso had already addressed a few of the questions he had. He asked her about schedule and if we went after funds one year, could we go after them again. He stated that he knew grant money was taxpayer money no matter what level it came from. He wanted to verify that we are basically looking for an additional $25 million in grant money within the next five years.

   Community Development Director DiTommaso verified that to be correct.

Public Comments Closed

Mayor DuBois asked if anyone had anything to discuss concerning what they had heard. Not hearing anything, he asked if someone would like to make a motion.

Motion: A motion was made by Vice-Mayor Rumsey to approve Ordinance 06-2011 Comprehensive Plan Capital Improvements Schedule; Commissioner Stevens made the second.

Vote on Motion:

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

Motion passed 3-2

Attorney Baird read Ordinance 06-2011 by caption only.

PUBLIC HEARING CLOSED

<u>Discussion and Possible Action:</u>
Town Manager Goals

Town Manager Davis presented the goals that were delayed due to the vacancies on the dais. She stated that these were goals that are consistent with comments that the Commission have made. She stated that these were her goals to enhance the services cost no dollars. She stated that she would be happy to entertain any questions or comments.

Commissioner Hockman wanted to know how she was planning on doing the best practice with businesses and developing that friendly.

Town Manager Davis explained that we have modified our practices in Community Development Department dramatically from expediting permitting to providing much more customer service to businesses, and assisting property owners with applications for becoming "shovel ready." She states that the department had a pretty bad reputation in the past. She stated that they have had some training in customer service and that when she first came to the Town, she received many complaints regarding how the residents and contractors were treated.

Commissioner Hockman stated that the main reason he asked that question is over the last couple of weeks and even tonight people have talked to him about situations where people putting vegetation 8 hours before time allotted and they got a notice. He knows that they pick up on Monday and they put out on Sunday or people put out on Saturday for whatever reason. He stated that he would rather work with the Community (residents and business owners) and not so much hassle them or fine them for beautifying their property. He states he does not see a problem with it being out a day or two early. He stated that he also wants us to start listening to what the business owners have to say as far as issues with things going on. He stated that he has heard people say that the Town is not business friendly. He is worried about a new business wanting to come into Town and talking to the surrounding business owners with them complaining about the Town, it may deter the new business from coming to Town.

Town Manager Davis asked Commissioner Hockman to sit with her privately to discuss those businesses that have talked to him so that she can sit down with those business owners and see what their concerns are. She stated she personally meets with new business owners that comes into Community Development and establish they are moving into Town. She asked Commissioner Hockman to give her the names of those business owners that are not happy or feel that we are not providing them with a level of service; she would be more than happy to contact them and try to fix whatever problems they may have.

Commissioner Hockman stated that he would consult with them and that some are afraid to speak up because of selective code enforcement. He stated that he does not blame them because he has seen that himself.

Town Manager Davis stated that she would like to be given examples of the "selective code enforcement" so that she may address them.

Commissioner Hockman stated that he will do what he can to get her a list of addresses.

Vice-Mayor Rumsey stated that he is continually frustrated with the website. He stated that you can go from one department to the next and they look like completely different websites. He stated there needs to be consistency and constantly updated throughout and stated that is one area he would really like to see that there is a focus on. He stated that another thing that Town Manager Davis could do for this Town is helping with economic development. He wants to see her bring in new businesses into Lake Park. He stated that one thing he would like to see added to her list is more communication between our Town staff and other town's staff in the area. He stated that he would like to see what creative sources of revenue and cuts that they are coming up with that could help us in the future so that we do not continually find ourselves in the position where we are looking to have 12 furlough days or lay employees off. He believes that a good dialogue between other towns and us would be a tremendous help in finding those sources.

Town Manager Davis agreed and informed the Commission that she meets with the Manager's Association monthly and every manager from every municipality and they discuss various issues pertaining to all of our municipalities. She stated that one thing to remember about Lake Park is that our property assessments are much lower than many other communities which is why economic development is so important so that we can improve our property assessments and values. She states that when she talks to other communities it is like comparing apples and oranges because their property values are quadruple what ours are even though it is the same size city. She stated that they do reach out, but it is not apples to apples. She stated that she felt the Commission made a positive move by asking North Palm Beach to look at us for Police services. She stated that she felt that was brilliant and that in the future, if we do end up working with them, it will save this Town a lot of money.

Mayor DuBois stated that he felt that her goal of placing emphasis with staff to recruit volunteers for recreation and various Town services was very important. He stated that it should probably be on the Commissioners to get volunteers for these boards and services. He stated that he wants continued reminders to go do that. He stated that he understands that she is trying to get a lot accomplished with these goals with limited resources and applauds her.

Commissioner Stevens stated that he believes that having a common vision is vital to improve Lake Park and does share a lot of her goals. He stated that he believes the Town is becoming more business friendly with the ad valorem incentives and improved alleyways. He stated that he does think there is more to be done with the private-public partnerships with the Marina village, the redevelopment of the Marina parking facility and the pedestrian promenade keeping Lake Shore Drive open. He stated that he does believe that services are all what towns are all about and we need to minimize the impact to our services and whatever services we can provide with our limited budget should be focused on programs for our kids such as library and recreation. He stated that the idea of obtaining outside corporate sponsorships or relationships to help improve our schools either through mentoring or awards/incentives to teachers, students, or principles might help with our schools in Lake Park.

He stated that he does agree with Vice-Mayor Rumsey on the issue of the website. He stated that the website is a very important portal for not only the citizens and the staff but

for all of Palm Beach County. He stated that he thinks we can do a better job in educating citizens, promoting transparency, and promoting discussion of various ideas so that we can form that common vision and improve Lake Park. He stated that he realizes that he has only been in his position for about a month, but he knows there are ways to save money and he believes they are on the right track to do that. He stated that pinning down some of our debt from some of the bonds will help us in the future and would like to renegotiate that debt to a better rate, but knows that in this economic climate we cannot seem to get any better interest. He stated that he thinks exploring the North Palm Beach police relationship could result in a savings in about a half million dollars. He stated that the Marina lawsuit is another possible source of long term revenue and things are rolling along with that. He stated that he was not sure where they were at with parking decals.

Town Manager Davis stated that they will be presenting a couple of ideas at next week's budget workshop.

Commissioner Stevens stated that was a big concern with a lot of people and could be a source of revenue as well.

Commissioner Longtin stated that she also agreed with Vice-Mayor Rumsey and Commission Stevens on the website. She stated that it could be a lot friendlier and maybe put someone new in charge of it. She stated that she has been trying for years to get the citizens to volunteer. She stated that she would like staff and citizens to convince their fellow citizens to get involved. She stated that property values were down and we are talking about getting rid of a Code Compliance Officer and we really need to think about that. We really need to beautify the Town beyond the CRA. She asked the rest of the Commission how they felt about annexation.

Mayor DuBois stated that he was all for it.

Commissioner Longtin stated that she truly believes that if anybody could do the job, Town Manger Davis could. She stated that she would love for Town Manager Davis to spend some time looking into it, whether it is the business park to the west of us or even the property across the street from K-Mart. She would love to have a consensus to add that to the list of things for her to look into because that is more money.

Town Manager Davis agreed to add that in her list. She stated that they will be presenting an alternative to lower the millage rate shortly. She stated that one of the major obstacles of annexation is because we do not have a lot to attract or offer. She asked why someone would want to leave the County where their millage rate is over four to come to Lake Park where the rate is over eight. She states that is what has held her back from pursuing it. She states that we do not have our own police department and that usually is a major consideration for communities that want to annex. She states that we have fabulous sanitation services which could be a carrot. She stated that at the budget workshop they will be discussing a possible way to lower the millage and it might be an incentive enough to make that a go now. She stated that she would be happy to add that to her goals.

Commissioner Longtin stated that she would love to see Town Manager Davis add that as well as have her also focus on the rest of the Town outside of the three blocks of the CRA.

Mayor DuBois stated that they will add consideration for annexation.

Marina Board

Commissioner Longtin stated that after this simple discussion, if they would like to add it on to the next agenda, it would be fine; she just wants to discuss it to see if they want to pursue it. She stated that she wants to make the Marina Board active and does not want it to be micro-managed. She stated that she wants it active because she truly feels that they need some outside opinion of what is going on at the Marina. She stated that issues of when boats are seized and asked to leave and when the Marina is not filled are important and she thinks having other opinions are vital and wants to know how this Commission felt about allowing the Marina Board to operate and setting their own agenda.

Commissioner Stevens stated he had no comment.

Mayor DuBois stated that he felt that the Code of the Marina Board is really no longer relevant to the operation of administration of the Town. He stated that all of the functions of the Marina Board being performed by the administration, by the operators of the marina itself. He stated that when he was on the board, they could not meet the minimum standard of membership on the board of professional membership on the boards with people of financial, engineering, and legal experience as well as one "regular" member of the Town. He stated that they did not have that at all; was just a group of non-professionals giving advice and consideration in a way that essentially did not help the situation such as we are in now. He did not see how the Board helped with the issues then and he does not see how it would help now, unless we stick to the very stringent requirement of having the professional people that are required to be on those boards. He stated that he did not think there were any in that stack of applications that met those requirements. He stated that if we could get members to apply and this Commission would approve those members, that would be one thing, but for this Commission to approve people who are not qualified to meet the minimum standard for that board, does not serve the Town well.

Vice-Mayor Rumsey stated that Commissioner Longtin mentioned we have a Marina that is not filled. He stated that was correct, however they got an email today from Marina Director Mike Pisano that informed them that the marina is at 57 percent and the closest in our area is North Palm Beach is at 33 percent. He stated that it is unfortunate we are not full, but in the scheme of things, we are doing a little better than most. He felt that as far as the Marina Board, he thought it should be tabled at this time. He did not think they should form the board until the Town has its' lawsuit settled. He does not feel it is fair to bring citizens into a board situation where they are in the middle of a lawsuit over the Marina. He stated he believed the Town should get those issues resolved and then bring the Board back at a later time.

Commissioner Hockman stated that he thought it would be something that would benefit the Town, just like the Planning and Zoning Board, Library Board, etc. He asked if having "experts" on the Board was necessary being that we do not have "experts" on the other boards. He stated that he does not expect them to be experts on the Marina Board, but they would have knowledge. He stated that he felt that they did not have to totally follow that. He stated he felt that the more heads we had then the more ideas we have to improve the Town in the long run. He stated that he did not think it would affect us if they established the board while the lawsuit going on. He stated that having the board would take the burden off of the Town Manager. He stated he thought the Marina Director should be involved in the Marina Board, and felt that the Town would benefit to have the board.

Mayor DuBois stated that he would be happy to continue the discussion. He asked the Town Manager if she could find out the costs of operating the board, the possible productivity of the board, and any suggestions. He stated that he also wanted a printout of the existing code requirements of the board and anything else that would apply to having this board. He stated that if the Commission was willing to give the board some direction, then there were plenty of options. He stated that if it works like it had in the past, he did not see it being beneficial.

Commissioner Longtin stated that the Mayor mentioned that the board was supposed to have qualified members, and she agreed with Commissioner Hockman that not all the other boards have people that are actually qualified.

Mayor DuBois asked why we approved them then.

Commissioner Longtin stated that there is nobody else. She stated that we need to recruit people and we need to take what we can get. She stated that she appreciated the discussion and the Marina Board in the past did have a level of experience with boats as well as a love for the Town. She stated she felt that they brought a sense of oversight and were very involved with the functions that happened and they helped recruit. She stated that if Commissioner Stevens was not going to weigh in on this one way or another, she would appreciate bring this up later.

Mayor DuBois asked if she would like to postpone it and gather more information to discuss later.

Commissioner Longtin stated that she would like that.

Commissioner Stevens stated that he would appreciate that as well because he likes to research it before he votes on anything. He stated that he would like to talk to staff and those affected and crunch the numbers first. He stated that putting it on the next agenda would be his preference.

Code Compliance Board

Commissioner Longtin stated that she brought this up to help Commissioner Stevens out because he had mentioned it once before.

Commissioner Stevens stated that he appreciated the support. He stated that he spoke with staff at length and reviewed the numbers of what it would cost and the past code compliance problems. He stated that after reviewing all the information he was presented, he feels that electing Mr. Brandenburg as Magistrate was a better use of our resources than forming a Code Compliance Board. He stated that he has no further interest in forming that board.

Mayor DuBois stated he would be happy to discuss it when they get a whole bunch of money in and they can afford to do something like that. He stated that he is also for developing a pool of people who they can look to become active in the Town as volunteers. He stated that he would love to bring the Education or Recreation Board back as well.

Letter to Palm Beach County regarding the Marina

Commissioner Longtin stated that the letter that went out was not what she agreed to. She stated that she agreed to "pursue development." She stated that the letter read "pursuant to a unanimous vote, the Commissioners agreed to pursue the development of each and every phase of the Marina project." She stated that she does not know what the Marina project is. She stated that she knew the developers have spoken to everyone on the dais individually and to some residents. She asked why they will not come speak on the record what this project is. She stated that she agreed to pursue development, not every phase of the development. She stated that she wanted to see the letter before it was signed and would like a new letter written because this is not what she agreed to and it was not unanimous.

Mayor DuBois stated that he did not know how to rectify that.

Town Manager Davis stated that they wrote verbatim what the Attorney stated that night.

Mayor DuBois stated he read the letter before he signed it and he felt it served the purpose. He stated that when he said he did not want to read it the last time, all he meant was that he did not want it written by five to seven people; he only wanted one draft.

Commissioner Longtin stated that she had written a letter to the County Commission informing them that she did not agree to this. She stated that in all fairness, she needed to let them know where she truly stood.

Attorney Baird suggested to the Mayor that he get a transcript of the evening because his recollection was that there was a discussion about what should be contained in the letter. He stated that his advice was to be as brief as possible and it should respond directly to what Commissioner Marcus had requested. He stated that her request in her letter was she was seeking confirmation from the Commission that they would agree to pursue each and every phase of the project. He stated that he read that, a motion was made and seconded, and there was a unanimous vote and that is what the letter should say. He stated that if there is any discrepancy, then verbatim copy of the minutes should show what was discussed and what was voted on.

Mayor DuBois stated that he did not know how to improve on that for her. He stated that he would definitely like the verbatim transcript as well as the minutes of that meeting.

COMMENTS BY COMMISSION, TOWN MANAGER, TOWN ATTORNEY

Commissioner Hockman stated that he wanted to thank the employees that came out and spoke to the Commission. He stated that he is interested in the different options and will do what they can for the employees. He stated that the Town does have very good employees, especially Public Works.

Vice-Mayor Rumsey thanked the employees for speaking. He stated that he knew it was hard to speak like that, but he appreciates that. He stated that there are other items that have been brought forth and that no budget has been approved, no changes to any insurance have been made, and it has not been confirmed that there will be 12 furlough days for any employee. He stated that nothing has been approved, it is all still on the table to be discussed. He stated that as far as he is concerned, every option available will be worked on.

He asked what the status was on the Ahrens building. He stated he just wanted an update on that to move forward because he had some ideas.

He stated that presently the Palm Beach County League of Cities is looking for hosts for 2012. He said he would love to have Lake Park be a host for the League of Cities events. He stated that the Commission can go to www.leagueofcities.org/meetings and apply for one of the dates.

Mayor DuBois apologized to Susan Lloyd for not bringing her card out and stated that he owed her three minutes.

He stated that he had another apology for Commissioner Longtin for not realizing that the three items she had were for Discussion and Possible Action even though she probably said it, he did not realize it.

Commissioner Longtin stated she accepted his apology and thanked him for apologizing.

Commissioner Stevens stated that he too was confused and apologized to Commissioner Longtin.

Mayor DuBois stated that he strongly supports the employees and hopes that the Commission can provide them with the medical plan that was proposed. He stated that he does not support the percentile reductions that Vice-Mayor Rumsey proposed and he does not support the proposition of the two-tiered system for Lake Park residents and non-Lake Park residents. He stated that he does appreciate the employees for coming to the meeting.

Commissioner Stevens stated that he viewed his job as Commissioner to do what is best in short and long term interest of the citizens of Lake Park. He stated that in order to do

his job, he relies on the feedback from Lake Park citizens, Town staff, and Lake Park businesses. He stated that he appreciates the comments made that night, previous meetings, and future meetings and encourages everyone to continue their comments and provide possible solutions to address the various issues that come up. He stated that they are always open to ideas and want to keep that conversation going. He stated that he understood that at the meetings there is a limitation of three minutes and that may not be enough to provide comment as well as solution, so he offered his personal cell phone number of 561-386-3056 to call if they need more time to do this. He also stated that he could be emailed at tstevens@lakeparkflorida.gov. He stated that he agreed with Vice-Mayor Rumsey's comment that nothing about the budget is final and we are still in the workshop stage. He stated that there would be another workshop next Wednesday and two additional public hearings after that and encourages the employees to voice their comments or call or email before then. He states that as far as staff health insurance, he would be happy to hear from Town staff and other departments and concerned citizens. He stated that just like the budget, nothing had been decided and many things have to be reviewed before a decision is made.

He stated that as far as the Marina village issue, he knew citizens had commented about the letter to Karen Marcus and a promise to keep Lake Shore Drive open. He stated that it was clearly stated at that specific meeting and in the past that these two are not mutually exclusive; we can follow the interlocal agreement and keep Lake Shore Drive open. He stated that an application will most likely be submitted regarding Marina village by a developer, but is currently being reviewed by staff. He stated that it had to go through a process before it would be reviewed by the Commission and then he will keep his campaign promise to fight to keep Lake Shore Drive open. He encouraged people to call or email him with their feedback so he can do his job effectively.

Commissioner Longtin also thanked the employees for coming to the meeting and backing each other up and found it heartwarming. She stated that she would also like to hear from the four employees that are losing their jobs. She stated that an employee that evening mentioned that "employees work together as a family" and she knows this as true, but now four members of that family are going to be out of a job and that needs to be remembered. She stated that this is a hard thing to deal with, but no final decisions have been made yet. She asked what meetings were going to be held the next week.

Town Manager Davis informed Commissioner Longtin that there was a meeting Tuesday, August 23, 2011 and Wednesday, August 24, 2011. She stated that the meeting on August 23, 2011 is an Executive Session to discuss collective bargaining and the meeting on August 24, 2011 is the Budget Workshop.

Commissioner Longtin asked if the Pension Collective Bargaining started at 6:30 pm and the Budget Workshop started at 6:00 pm.

Town Manager Davis verified those to be correct. She also informed Commissioner Longtin that it was not a Pension meeting it was a Collective Bargaining meeting.

Commissioner Longtin stated that she would like to get an update where we were on our written policies and procedures in our Accounting Department that all staff was supposed

to be working on since last year. She stated that she knew it was not fun to do, but felt that it was an important thing.

Commissioner Longtin thanked the citizens for contacting her and keeping her "in the loop". She stated that she has some call her that agree with things and some that do not. She stated that it was important that the citizens contact not just her, but anyone on the Commission because they are working with their tax dollars.

She wanted to remind everyone that since we are in hurricane season, to please go to the Palm Beach County website. She stated that they have an excellent hurricane sheet and to register yourself as well as your animals. She gave the website address of www.pbsgov.com.

Mayor DuBois asked Town Manager Davis if she would be talking about the steel building at 115 U.S. Highway 1.

Town Manager Davis stated that she was actually there today and was happy to see that they have made a lot of progress.

Public Works Director Dave Hunt stated that the structural members and the roofing had been taken care of. He stated that the interior wood framing had been put into construction and debris roll-offs. He stated that the contractor comments were that the fasteners of the roof decking were rusted and he had problems trying to get that off and was very time consuming. He stated that probably the next step would be bringing in a crane to remove the structural members once the decking is off. He stated that the decking is remaining to keep the structural members stable.

Mayor DuBois stated that he knew there was going to be progress and he drove by on Sunday and it was gone.

Town Manager Davis stated that this Saturday, August 20, 2011, we will have the Kiwanis Boys and Girls Club 31st Annual Offshore Fishing Challenge at Lake Park Harbor Marina. She stated that it will be held from 7:00 am to 7:00 pm and weigh in is at 3:00 pm.

Vice-Mayor Rumsey asked Town Manager Davis the meeting times for next week.

Town Manager Davis stated that the Budget Meeting will start at 6:00 pm and the Executive Session on Tuesday will be at 6:30 pm.

Commissioner Longtin asked if the meeting on Tuesday night will be recorded or will they go upstairs.

Vice-Mayor Rumsey stated that they go straight upstairs.

Attorney Baird stated that the Town's Special Council is recommending a settlement on the Marina litigation case. He stated that settlement involves the defendant, Current Connections, Inc., to be responsible for lighting at the Marina. He stated that the

settlement would essentially be a replacement of the lighting fixtures with an upgrade. The Town would only be paying for the upgrade which is a benefit that the Town would be getting. He stated that the original cost of the original construction is basically being covered in its entirety by the defendant who did not do it correctly the first time. He stated that it would be appropriate for the Commission to make a motion to authorize the Mayor to execute the settlement agreement with Current Connections, Inc.

Motion: A motion was made by Commissioner Stevens to authorize settlement with Current Connections, Inc.; Vice-Mayor Rumsey made the second.

Vote on Motion:

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

Motion passed 4-0-1 Abstain

Commissioner Hockman abstained due to the nature of his occupation.

Attorney Baird asked the Commission if they wished for him to attend either of the meetings next week.

Mayor DuBois stated that he thought they were ok, unless something comes up in the meantime that requires his presence.

Commissioner Longtin asked Attorney Baird if he had collective bargaining experience.

Attorney Baird stated that he did have collective bargaining experience. He stated that he has not participated in this collective bargaining.

Commissioner Longtin stated she would go with the consensus of the Commission, but would not mind having him there. She stated that she sees no reason to have him at the Budget Workshop.

Attorney Baird stated that they could always call him.

Commissioner Longtin asked how this process works, do they come to a consensus, what occurs in the executive session.

Attorney Baird stated that basically the status of the negotiation is discussed with the Commission and, if necessary, the Town Manager gets further direction as to what action the Commission wishes her to take.

Commissioner Longtin asked if no votes are taken but perhaps just a consensus.

Attorney Baird stated that was pretty much it.

ADJOURNMENT

There being no further business to come before the Commission and after a motion to adjourn by Commissioner Longtin and seconded by Commissioner Stevens, and by unanimous vote, the meeting adjourned at 9:25 p.m.

_____
Mayor James DuBois

_____
Town Clerk, Vivian Lemley

_____
Deputy Town Clerk, Kelly Avery

Town Seal

Approved on this _____ of _____, 2011

TAB 5

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 5

[ ] PUBLIC HEARING [ ] RESOLUTION

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION **[x] CONSENT AGENDA**

[ ] Other:

SUBJECT: **Budget Workshop Minutes of August 24, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Budget Workshop Minutes of August 24, 2011.**

Approved by Town Manager Ill. Davis **Date:** 9/29/11

Kelly Chung - Dep Town Clerk 9/19/11

Name/Title Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: $ 0 Funding Source:0 Acct. # 0	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[x] Town Clerk** vmc [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case vmc **Please initial one.**

Summary Explanation/Background:

Minutes
Town of Lake Park, Florida
Budget Workshop
Wednesday, August 24, 2011, 6:00 p.m.
Town Commission Chamber, 535 Park Avenue

The Town Commission met for the purpose of a Budget Workshop on Wednesday, August 24, 2011 at 6:03 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steven Hockman, and Tim Stevens, Town Manager Maria Davis, and Town Clerk Vivian Lemley. Commissioner Jeanine Longtin arrived at 6:08 pm.

Town Clerk Vivian Lemley performed the Roll Call.

Mayor DuBois informed the public that this was a budget workshop to prepare for the public hearing for the First Budget Hearing on September 7, 2011 and the Second Budget Hearing on September 21, 2011. He asked Town Manager Davis to present the proposed budgets that had been developed since the last meeting.

DISCUSSION
General Fund

Town Manager Davis stated that at the last workshop the Commission had requested some alternate proposals from the Town's consultant, The Gehring Group. She asked Kurt Gehring to present the alternatives.

Kurt Gehring indicated that he had handouts (Exhibit A) for the Commission. He stated that with our current plan with Blue Cross Blue Shield (BCBS), there was a 13 percent increase. He stated that with that quote, BCBS gave an alternate plan which was just a five percent increase. He explained that he did not feel that the credit BCBS was giving was not in line with what they were seeing with other carriers. He stated that he then asked for quotes from other carriers and Cigna came back with the most competitive of alternate plans. He stated that with the alternate plan, Cigna came in with a negative two pecent savings. He informed the Commission that anything on the handout that was in red was a reduction in benefits and anything in blue was an increase in benefits.

Mr. Gehring explained that with the Cigna Alternate #2 Plan, there would be an over $8,000 savings to the Town as well as an over $1,900 savings for the employees. He stated that they also asked for more alternatives from Cigna which brought more changes and savings.

With the Alternate #3 Plan, he stated that in addition to the changes in Alternate Plan #2, they increased the co-pays for the office visits. He stated that with the Alternate #3 Plan, the Town would save 3.2 percent or a little over $14,000 and the employees save a little over $3,100.

Mr. Gehring informed the Commission that with the Alternate #4 Plan, they did not increase the co-pay for office visits, instead they introduced a deductible along with the changes in Plan #2. He stated that

going to this plan would save the Town 6.4 percent or just over $28,000 and just over $6,000 for the employees.

He also introduced Alternate Plan #5 with not only a deductable, but the increased co-pays for the office visits and the original changes in Plan #2. He stated that this plan would save the Town 7.4 percent or just over $32,000 and just over $7,000 for the employees.

Mayor DuBois asked if anyone had questions for Mr. Gehring.

Vice-Mayor Rumsey thanked Mr. Gehring for doing this presentation for the Commission. He asked Mr. Gehring if Alternate Plan #2 was the closest plan to what we currently have.

Mr. Gehring stated that was correct.

Vice-Mayor Rumsey asked if the "in-network" for Cigna and BCBS were the same.

Mr. Gehring explained that they have done a "doctor matchup" and there may be a 97 to 98 percent match. Someone may possibly lose a doctor and someone may possibly gain access to another doctor with the new health plan.

Vice-Mayor Rumsey stated he did not want everyone to have to change doctors if they decided to change carriers.

Mr. Gehring stated that the two carriers (BCBS and Cigna) are quite comparable in the quality of care they provide.

Commissioner Hockman stated he had no comments.

Commissioner Longtin thanked Mr. Gehring for coming to the meeting and providing the Commission with the information.

Commissioner Stevens expressed that he thought that the information was great. He stated that whichever alternative they choose, it will save the Town money. He stated he appreciated what Mr. Gehring had done with bringing the information to them. He stated that he had no questions.

Mayor DuBois asked if a decision from the Commission on what direction to go in was needed.

Finance Director Anne Costello stated that she felt it would be better to wait until the next meeting due to ongoing collective bargaining negotiations.

Mr. Gehring stated that these quotes were from the suggestions and comments made from the Commission and they went with the cheapest routes possible.

Mayor DuBois informed Mr. Gehring that he may receive more questions during the next couple of weeks. He thanked him for the work he put into getting them the information they requested.

Town Manager Davis explained that they prepared another presentation (Exhibit B) to continue on with the budget workshop and asked Finance Director Costello to present the information.

Finance Director Costello stated that there were items that were requiring follow-up information. She explained that slide 3 contained the locations of the eliminated crossing guards. She stated that when the Town Manager contacted Palm Beach County Sheriff's Office (PBSO) to inquire about the locations, she realized that PBSO miscalculated. She explained that when the Town Manager followed up on that error, she discovered that there were actually five locations that were being eliminated for crossing guards that generated an additional savings for the Town in the amount of $12,585. She stated that it meant a total reduction in the PBSO contract of $62,920.

On slide 4, she indicated that the question about staff rotation and coverage was answered. PBSO confirmed that there were two shift rotations of 11.5 hour shifts with an early and late squad which will provide overlapping 24 hour coverage, seven deputies on days and seven deputies at night providing an average of three on duty for sector coverage, two deputies assigned to community policing for the peak demand schedule in that they work four-10 hour days per week that cover afternoon and early evening hours, and two deputies assigned to street team working 11.5 hour shifts for afternoon and evening hours. She indicated that the information given did not include sergeants or the CRA contract.

Town Manager Davis informed the Commission that she invited Lieutenant John Hill to join the meeting in case the Commission had any questions.

Finance Director Costello indicated that slide 5 answers the question of what was the minimum staffing level for Palm Beach County Fire and Rescue. In response to the question, they said that there are always three firefighters on an engine and there is at least two, possibly three, rescue personnel on duty. She stated that the contract with them expires September 30, 2016.

Finance Director Costello responded to Commissioner Steven's parking decal proposal. She explained that they determined that they could offer the annual decals for single space meters to Lake Park residents only. She explained that it would be an annual decal for $45.00 a year (November 1 – October 31). She stated that they could not be used in the Lakeshore Park lots or at the Marina.

Town Manager Davis stated the reason that the decals could not be used in the Lakeshore Park lots or at the Marina was due to the fact that each of those was built with partial grant funds. She stated that we could not discriminate and say Lake Park residents could park cheaper than a non-resident. She stated that the single space meters were the only meters that were not in a situation where that was an issue.

Vice-Mayor Rumsey asked if this could be opened up to non-residents and residents.

Town Manager Davis stated that it could be. She stated the reason they limited it to the residents was due to the fact that they have many non-residents who primarily are at the Tennis Center. She stated that she felt that the non-residents would use the decals instead of the meters at $1.00 per hour and we would lose a significant amount of revenue. She stated that is the reason they are recommending it, but if this Commission wants to make it for everyone, they will work with whatever they direct.

Commissioner Longtin wanted to know where the parking meters are on Foresteria Dr. and Greenbriar Dr.

Town Manager Davis explained that they were perpendicular to Lake Shore Drive on the north and south sides of Kelsey Park.

Commissioner Longtin asked how long they had been at those locations.

Town Manager Davis stated they had been there since the inception.

Commissioner Longtin stated she would like to see the amount they would come up with if they were to allow non-residents to purchase the decals. She stated she wondered if the amount would stay at $45 or would that amount change.

Town Manager Davis stated that amount could change to whatever the Commission desires it to be because there was not an issue with grants.

Commissioner Longtin asked how they came up with $45.

Town Manager Davis stated that they looked at many different proposals. She stated that parents wanted to be at the park with their children. She explained that there was no scientific reasoning to the amount, they just tossed around a few ideas and came up with that, but it would be totally up to the Commission to set a rate.

Commissioner Longtin stated she would like to see what price would be for a non-restricted decal.

Mayor DuBois asked the Town Manager to come up with a "one price fits all" for the decal. He stated it would cover street and off-street and would be open to everyone.

Town Manager Davis asked if this would include parks and single head parking.

Mayor DuBois stated that was correct and he wanted a price that would be the same for everyone.

Finance Director Costello stated they would be happy to look at that.

Commissioner Stevens asked if staff could explore a tiered system in which we could do decals for residents only at $45 and then open up the Lakeshore Park lots and the Marina to everyone at a different price. He gave an example of $45 for the residents to park at the single space meters, $70 for the Lakeshore lots for everyone, and maybe $50 for the Marina lots for everyone.

Town Manager Davis commented that doing that project would be a "complete nightmare." She stated that it may be very difficult to administer, especially with the possibility of three different decals.

Commissioner Stevens asked how it would be with maybe just two decals- one for residents only and another decal that would be for everyone to park at all spots.

Vice-Mayor Rumsey asked if a resident would have their choice of either decal.

Commissioner Stevens stated that it was correct and that you could have one or the other.

Commissioner Hockman clarified it by stating that if a resident just purchases the $45 decal, they can only park at the single space meters, whereas, the other decal would allow you to park at any of them.

Commissioner Longtin stated that she is trying to work within the parameters given, because she is in favor of getting rid of the meters. She stated that she understands there is no consensus with getting rid of them; she will be working with the others.

Commissioner Hockman asked if we have explored the price of the decals.

Town Manager Davis stated that we had and the decals were $500.00 for 1500 decals.

Commissioner Hockman asked if the system would be similar to how the Marina would have a different color per year as well as the current year.

Finance Director Costello stated that "yes" each year would have the valid dates on it as well as a different color per year. She stated the decals may indicate where the decal is good for; good for all parking as well as good for single space parking only.

Vice-Mayor Rumsey asked if it would be a nightmare if the decals ran by calendar year instead of November 1 through October 31.

Finance Director Costello stated that it would not be hard to do it that way.

Town Manager Davis stated that doing it that way would actually give us more time to come up with proper procedures for implementing that program.

Commissioner Longtin stated that this is not a go yet. She indicated that she wanted to see more numbers first. She suggested that they go with the fiscal year budget dates, but said it ultimately did not matter to her.

Commissioner Stevens stated that he was very happy that they were moving in the right direction with the decals. He stated that he realized it was a big deal when he was going door to door campaigning.

Finance Director Costello stated that they will bring the decal idea back up at the next budget meeting with further information. She stated that at the last Budget Workshop Vice-Mayor Rumsey and Commissioner Hockman had proposed the elimination of parking fees at the Sunset Celebrations at the Marina. She stated they were willing to take any direction the Commission chose as far as what they wanted to do about the fees.

Mayor DuBois asked if they had any idea of what the revenue was during that time.

Town Manager Davis and Finance Director Costello informed the Commission that the amount of revenue was negligible.

Vice-Mayor Rumsey stated that he really wanted to get rid of the fees and vote on it tonight and make it effective for this Friday night.

Commissioner Longtin asked if we needed a vote on that.

Town Manager Davis stated that she did not think so, but the Commission could direct them.

Commissioner Hockman stated that getting rid of the parking fees for the Sunset Celebrations was one of the big things he was for. He stated that he thought the cut-off should start at 5:00 pm effective this Friday.

Mayor DuBois indicated that he was not sure if they could do it this Friday since this Friday was still in the current fiscal year. He stated that it was nice to do during the Summer time since that is when people are out and using the parking lots.

Commissioner Stevens asked if this was going to take effect Friday or not.

The rest of the Commission responded "yes" this would be effective this Friday.

Commissioner Longtin stated that she was very much in favor of this, but this is not far enough. She thinks we should eliminate parking fees all over Town.

Finance Director Costello explained the Lake Park tax rate versus the Palm Beach County tax rate that was indicated on slide 11. She stated that she had discussed it at the last workshop, but wanted to clarify it more. She stated that compared to the County's total rate of 8.9413, Lake Park is at 8.5163.

Town Manager Davis explained that the reason she had Finance Director Costello do this again was because she had heard from some residents complaining that Lake Park had the fourth highest tax rate in the County. She stated that the Town's tax rate is artificially inflated because the County does not have their Fire rate nor their Library services rate included in their millage rate. She stated that because of this, Lake Park's millage is actually less than the County's.

Mayor DuBois asked if the County were to take out the Fire and Library rates, then their millage is 4.8751. He stated that if they were added back in, then their rate of 8.9413 is higher than Lake Park's 8.5163.

Town Manager Davis stated that Commissioner Longtin brought up the subject of annexation. She stated at the last meeting that the Town of Lake Park really does not have a lot of incentives to convince annexation because our tax rate is high. She stated that normally we want to be able to say we have a low tax rate, we have our own police force, and our sanitation services are better. She stated that what we have is the opportunity to pull our Fire Services cost out of the millage as well as pull the Library costs. She stated that the Library can be funded through ad valorum assessments which will reduce the millage rate just like the County has done. She explained that if we did that, our Fire Services would not

be dictated to by the County. She stated that as of now, if you belong to a Municipal Service Taxing Unit (MSTU), if the millage goes up, the Fire Services rate goes up. She stated that we would be controlling our own millage at the assessment level. She explained that this would be a very viable way to entice an area to annex with us. She stated that we are proposing the Commission to entertain us exploring the possibility of moving Fire Services and the Library out of the millage, and doing an analysis by hiring a consultant. She stated that this way, the residents would actually know how much they are paying for each service. She stated that it gives us a lot of "head room" with the millage as well as makes us a little more attractive if we want to do annexation. She explained that further along in the presentation, they have given some suggestions for funding for a consultant to come do the analysis. She informed them that the Finance Director did some research on different consultants that do this type of work. She suggested that they think about this so they can compare apples-to-apples with the County.

Finance Director Costello explained that it would also take the burden off of our operating millage because we are pushing the 10 mil cap. She stated that it would bring down our operating millage and would not be pushing the 10 mil cap.

Commissioner Stevens asked if Lake Worth was at the 10 mil cap.

Finance Director Costello explained that Lake Worth was at that 10 mil cap with the MSTU tax rate. She stated that they were at 3.45 plus their rate of 6.55. She stated that being a member of the MSTU, if Fire Rescue wanted to raise their rate to 4 mills that would leave Lake Worth with only 6 mills to work with. She stated that the 3.45 (Fire Rescue) is within their 10 mil cap. She stated that ours is within our operating millage. She explained that we pay Palm Beach County Fire Rescue, but we did not join the MSTU. She stated that our residents pay our operating rate and we pay Fire Rescue out of our operating revenues; whereas if we were members of the MSTU, the residents would pay the County directly.

Town Manager Davis stated that it was something to consider.

Mayor DuBois asked if she wanted direction on that now or continue on with the presentation and give direction later.

Town Manager Davis stated that we would love direction on that now. She explained that the consultant has given us quotes of $20,000 to $25,000 for Government Services Account Group.

Finance Director Costello explained that there are two entities that do these studies, Burton and Associates and Governmental Services Account (GSA). She stated that GSA is the one that successfully defended the law suit in Boynton Beach when they implemented this and they defended it and prevailed to levy this fire assessment for Fire Services. She stated that this company really knows what they are doing.

Town Manager Davis explained that this was essentially what we did with the Storm Water Utility.

Finance Director Costello explained that it would be a year long process. She stated that if we got consensus now, they would be bringing things back to the Commission throughout the year, there would be a resolution to utilize the non-ad valorem, a levy-system, advertise and public hearings.

Mayor DuBois asked if direction were to be given now; it would begin a yearlong investigation.

Finance Director Costello stated that idea would be to implement these assessments for fiscal year 2013.

Commissioner Longtin stated that she did not see this as an apples-to-apples comparison and thought there were a little "smoking mirrors" going on here. She stated that she is not necessarily opposed to it, but thinks it is something that should maybe show up on the next agenda and she would like to hear from the citizens on this. She stated that she does not think that a consensus or vote should be done that night to approve a $20,000 to $25,000 item and felt it should be on an agenda. She stated that there is no rush on this and no reason it cannot wait.

Mayor DuBois stated that he thought the reason they wanted direction on it was to consider it for the budget. He stated that it could be put under any category, but the main decision is, do you want to do a study comparing the difference of ad valorem assessments and non–ad valorem assessments.

Commissioner Longtin stated that she understood that and is not disagreeing, but would like to let the citizens speak on this. She stated that she wants to see this on an agenda and there really is no big rush.

Mayor DuBois asked what would happen to the funding if earmarked, we put it on the agenda and it should happen to come off the budget, would it go someplace else or would we need a budget amendment.

Finance Director Costello explained that we were just seeking direction to actually move forward with the information gathering stages. She stated that they were not proposing to spend any money right now. She stated that they wanted to gather information, bring it back to Commission for approval to spend any money on a Consultant, but they can actually start the information gathering stages since there is a statutory window to get things done. She stated that they only wanted to start that now, so they do not have to rush and do things at the last minute and bring things to the Commission in a timely manner as well as give the public time to give their opinion on it. She stated that they would definitely come before the Commission before they engaged a consultant.

Town Manager Davis reminded the Commission that this was just a workshop and the public will be able to discuss this at two public hearings.

Mayor DuBois stated that he was not hearing anything from any of the other Commissioners so he did not know what to tell them. He asked the other Commissioners to give him some direction.

Commissioner Hockman stated that the people he talks to that say Lake Park's taxes are the fourth highest in Palm Beach County are saying that because they are adding Lake Park tax and the County tax together. He stated that they pay twice on the Sheriff and twice on the Fire Rescue. He said that on the tax bill, the Sheriff's Department is listed twice (Lake Park and County) so we are paying for that service twice. He stated that some associates of his that only live in the County, their tax bill is lower than what we pay, but they do not have City taxes. He stated that it is misleading to say that we are paying lower, because we are paying County taxes on top of City taxes.

Town Manager Davis stated that they had just talked about millage and services and they did compare apples-to-apples.

Vice-Mayor Rumsey asked Finance Director Costello what the statutory window was on this.

Finance Director Costello explained that by January 1, the Resolution must be in place to utilize the non-ad valorem assessment method. She stated that with the permission of the property appraiser, it could stretch that window to March 1 like we did with the Storm Water.

Vice-Mayor Rumsey stated that with this issue, he agrees with Commissioner Longtin and this should be brought on as an agenda item. He stated that he would like to break this out to possibly either of the September meetings.

Town Manager Davis stated that would be fine and the only thing they would ask is if the Commission decides to do it, they are still going to need the money for a consultant.

Commissioner Stevens stated that as long as it was not costing us any money, he did not see anything wrong with having staff look into this further. He stated that he knew that before any money was used to hire a consultant, that they would approach the Commission and get citizen input. He stated that he is also fine with waiting for the next Commission meeting to discuss it.

Commissioner Longtin stated that she thought on the Palm Beach County's website, they list all the municipalities and we are actually listed as the fifth highest.

Mayor DuBois stated that he was familiar with ad valorem tax assessments because he has been a supervisor of a special district for quite a while. He stated that it was how all of Indian Trails does it's assessments for virtually everything they do. He stated that he would be happy to continue the discussion and get more information on it also.

Finance Director Costello stated that the next items for discussion were concerning the various budget proposals from the Commissioners. She stated that numbers were requested and she wanted to get those numbers to them. She started off by giving a recap of the major budget cuts of the proposed budget indicated on slide 14. On slide 15, she indicated the information that Vice-Mayor Rumsey had requested.

Vice-Mayor Rumsey stated that there were a couple of misleading things on this proposal. He stated that this proposal still has the employees that are going to be laid off and those numbers were not included in his proposal. He stated that these pay reductions of five, seven, and ten percent were not to save jobs, they were to keep everyone from taking 12 furlough days. He stated that with a previous phone call with Town Manager Davis, she pointed out that his numbers indicated that he assumed she would take the ten percent decrease. He asked if the Town Manager had agreed to take the ten percent decrease, was that indicated in the numbers.

Town Manager Davis stated "no."

Commissioner Stevens asked for clarification on Vice-Mayor Rumsey's last question.

Vice-Mayor Rumsey informed the Commission that the Town Manager operates under a contract and she has to agree to the ten percent reduction in pay per her contract.

Commissioner Stevens asked what dates the contract included.

Town Manager Davis informed the Commission it is valid from February 1 to January 31.

Commissioner Stevens asked if that was when we renegotiate.

Town Manager Davis stated that was correct. She stated she wanted to inform the public and employees of why she was not willing to negotiate her contract mid-year. She explained that she leads by example in her position. She stated that when she told the employees we were looking at 12 furlough day imposition, she was willing to take those 12 furlough days along with the employees. She stated that under her contract provisions, she is supposed to receive a merit increase each year and has waived it for the past two years. She stated that she has also taken a two percent pay cut with the employees voluntarily. She expressed that she is opposed to the methodology that has been presented and thinks it is very unfair the way it is laid out. She stated that because of this, that is why she is refusing to buy into it, but is very willing to take whatever furlough days the employees have to take because she does lead by example.

Commissioner Stevens stated that he totally understands her point of view and that she has a contract and they negotiate the contract and it is all totally fair. He stated that as far as the furlough days, he ran some of the numbers and between holidays, sick days, personal days, vacation, and assuming 12 furlough days, Town employees will be working about 204 days a year which averages out to be 3.9 a week. He stated that he strongly suggests looking more into cuts in salary rather than the furlough days because the service to the citizens can only be provided when the Town staff is actually working. He stated that there has got to be a better way than 12 furlough days.

Commissioner Longtin stated that she agrees with the issue of furlough days. She explained that tax payers who are paying for the Town staff's salaries and are not getting the services due to them. She stated that she would just assume to a pay cut across the board of the 4.6 percent. She stated that she is also not in favor of getting rid of a Code Compliance Officer. She stated that during her observances during the Candidate's forum, she found that most of the citizens are not in favor of cutting code compliance. She stated that she is not in favor of getting rid of the officer; in fact, she is in favor of increasing them.

Commissioner Hockman stated that there have been comments over the past year in regard to the irrigation, that we do not have the man power to do irrigation. He asked now that we are looking to cut back his hours, and he could not handle the job before, does this mean we are going to look into contracting outside sources to maintain the irrigation system. He stated that are we going to start to increase contractual fees or are we going to let the irrigation system go. He stated that he knew there have been a lot of issues in the past year and a half about Code Enforcement. He stated that in the past, he has mentioned they could eliminate the part-time Code Enforcement position and not have the meters since they are costing the Town money. He stated that now we want to eliminate a full-time position.

He does not think it is right to give the work to a part-time position and eliminate a full-timer that is actually doing work that is more beneficial to the Town.

Vice-Mayor Rumsey stated that he felt that if we were going to get rid of someone in Code Compliance, he would rather see us get rid of two part-time employees who are doing the meters than a Code Compliance Officer who is doing the entire Town. He stated that we have the option with the full-timers, to split a portion of their day on the meters or drop it down to one part-time person on the meters.

Mayor DuBois asked what the scenario looked like at the rolled-back rate.

Town Manager Davis stated there are various options.

Finance Director Costello stated that there were some proposals that she would be bringing forth and when we are done, we can mix and match whatever you want.

Mayor DuBois stated that what he was hearing was that to keep it at this millage; they would prefer to see it out of the employee's salaries rather than the furlough days.

Vice-Mayor Rumsey stated that some of us would look to a combination.

Commissioner Stevens stated he agreed with that.

Vice-Mayor Rumsey stated that his objective was that guys who are out on the street making $40,000 a year, taking 12 furlough days is different than someone making $80-$100,000 a year.

Mayor DuBois stated that at this millage rate, they are looking at a combination of pay reduction plus furlough days. He stated that they will look at other millage rates and see what other combinations are available for that.

Finance Director Costello stated that she had some alternatives to present.

Commissioner Longtin stated that we are looking to get rid of a Code Officer that has been here longer than the other Code Officer. She stated that it should be last in, first out, or maybe adjust a wage or something. She stated that she does not understand why we would not look into getting rid of the employee that has been here a much shorter time.

Mayor DuBois stated that he thought it only had to do with the position itself and not the staffing of that position.

Commissioner Stevens stated that he did not think that fell within their responsibilities and it was up to the Town Manager.

Commissioner Longtin stated she knew that, but it was a concern of hers.

Finance Director Costello stated that Commissioner Longtin has requested some information which was on slide 16. She explained that due to the on-going collective bargaining negotiations, the medical coverage parts of this proposal should not be discussed this evening.

Mayor DuBois agreed and stated that they could discuss that at another meeting.

Commissioner Longtin stated she wanted to clarify the wording of "cut dependant medical coverage" in that she did not want to cut out there coverage, just the portion of what the Town is paying, which she thought was currently 50 percent.

Town Manager Davis stated that this was according to what they thought Commissioner Longtin wanted; to cut it completely out.

Mayor DuBois asked if this was to get us back to zero increase from the 13 percent increase.

Commissioner Longtin stated that right now, the Town is paying approximately $100,000 for family coverage. She stated that in order to cut it down to where we were paying 25 percent, which is what this number is …

Finance Director Costello stated that was not correct. She explained that they took Commissioner Longtin's direction at the last budget workshop to cut dependant medical coverage. She stated that these numbers were for the General Fund only. She reminded the Commission that the figures she was going to give them for the millage were only for the General Fund.

Town Manager Davis stated that the $58,000 listed on the slide, were strictly for the General Fund and that if they misunderstood Commissioner Longtin, to please let them know. She stated that they thought she wanted a number for cutting out dependant coverage completely. She explained that the $58.000 was just the dependant coverage for the employees who are strictly funded by the General Fund.

Commissioner Longtin stated that because this topic is borderline conversation, she would go ahead and let it go and discuss behind the scenes.

Commissioner Stevens stated that because of this proposal, they had received different options with the health plan, so we will explore it further going down.

Mayor DuBois asked Commissioner Longtin if she had anything else on those numbers.

Commissioner Longtin stated she did not.

Mayor DuBois stated that at least they have some range in the effects.

Commissioner Longtin stated that this also "flies in the face" of what she just said because she is also not in favor of the 12 furlough days.

Town Manager Davis stated that maybe they misunderstood that as well.

Commissioner Longtin stated that maybe she did not.

Mayor DuBois asked Finance Director Costello to explain Alternative A to the Commission.

Finance Director Costello explained that based on information they received today on insurance renewals for worker's comprehensive, property, casualty, and health insurance in addition to additional savings from the PBSO contract, they have identified savings in the amount of $75,000 in the budget that was presented at 8.5163. She stated that the Town Manager recommends that these savings be utilized by reducing furlough days from 12 to five, $5,000 towards a twice a year newsletter (the other 50 percent will be paid by the CRA).

Town Manager Davis stated that our grants writer negotiated the reduced printing and graphics costs for the newsletter.

Commissioner Stevens asked if the twice a year newsletter will also be supplemented by an e-newsletter as well.

Town Manager Davis stated that we do that now and will continue to do so.

Finance Director Costello stated that the other item that the savings will be utilized by is transferring $20,000 to reserves because we need to build them back up per our auditor. She stated that this all brings us to zero to the proposed budget at 8.5163. She stated that at the tentative millage of the rolled-back rate of 8.9488, gives us the latitude to add back positions and/ or costs for other things. She explained that we could add back the Code Officer, Administrative Assistant, re-instate the Irrigation Technician at full-time, provides for the non-ad valorem study, and starts the initial stages of advertising for annexation for a total of additions at $169,275.

Town Manager Davis requested an explanation of what the Rolled-back rate was for the people who did not know.

Finance Director Costello explained that the rolled-back rate is the tax rate that will generate the same amount of ad valorem tax revenue next fiscal year as it did this fiscal year. She explained that if we had $3.5 million in ad valorem tax revenue this year at 8.5, next year at 8.9 we will generate the $3.5 million. She stated that this would be considered, according to statute, a no tax increase.

Town Manager Davis stated that ad valorem means "property taxes."

Finance Director Costello explained Alternative B has the same initial savings utilizations that were discussed in the previous alternative plan. She stated that with this plan, they are able to add back the Code Officer, re-instate the Irrigation Technician to full-time, provide for the non-ad valorem study, and start the initial stages of advertising for annexation for a total of additions at $116,650. She stated that this plan is for a millage rate of 8.7910.

Town Manager Davis stated that this was midway between the rolled-back rate and our current rate.

Finance Director Costello stated that the goal would be to bring that down with the non-ad valorem study as discussed earlier if there is consensus to move forward from the public and the Commission at a future date. She indicated that on slide 19, there was a comparison of the alternative plans.

Vice-Mayor Rumsey asked if the only difference in the two proposals was the position of the Administrative Assistant.

Town Manager Davis stated that was correct.

Vice-Mayor Rumsey stated it was the one Town resident.

Finance Director Costello stated that they could mix-match the scenarios and she could get the numbers for them.

Commissioner Stevens asked if the initial savings of $71,000 included the potential savings on the health insurance.

Finance Director Costello stated "no."

Vice-Mayor Rumsey asked if it included the $12,500 from the Palm Beach County Sheriff.

Finance Director Costello stated "yes."

Commissioner Longtin stated that she was not in favor of reducing the number of crossing guards.

Commissioner Stevens asked if they have received the PBSO Budget.

Town Manager Davis stated that it took us six weeks, but we finally got it. She stated that she just received it and would be happy to forward it to them.

Mayor DuBois stated that we had a couple of different offers, even though they are not what anyone wants to do. He stated that they do need to give Administration some direction so they can come back with the information. He stated that with that information, they need to have a strongly supported millage proposal for the ordinance of first reading in September.

Commissioner Hockman stated that his consensus is to keep the millage the same and not increase it. He stated that he would have to look at all the numbers and get all settled with insurance, it is really hard to give an exact of where we need to go.

Finance Director Costello stated that any additional savings utilized from the proposals received today and when our final proposals come in for our property liability and worker's comprehensive, we can utilize to bring the millage down at the next budget hearing up to the final budget hearing.

Mayor DuBois asked if we chose a higher millage rate that preserved furlough days, services, and positions you would apply any further savings and apply to the millage rate.

Vice-Mayor Rumsey stated he had no comment.

Commissioner Stevens asked if we were going to pick up where we left off in the budget at Streets and Roads Fund.

Mayor DuBois stated that we were, but only after we finished the discussion.

Commissioner Stevens stated that he had no comments at this time.

Mayor DuBois stated we could continue on and then come back. He just wanted to remind the Commission that the other Funds do not bear any impact from this millage.

Town Manager Davis stated that was correct.

Commissioner Longtin stated that this is why she believes they should look at the health insurance Option #5. She stated that they will save some money there. She stated that she has a problem with the way we are doing this thing. She stated that this will be on first reading on September 7, 2011, but that is when the public hearing will be. She stated that then the second reading will be done at the next meeting, but that is the same night when the second public hearing will be done.

Mayor DuBois stated that this was how every town in Florida does it and that is how this Town had done it since forever.

Commissioner Longtin stated that we can change how we do things. She stated that when it goes to first reading, only then can the citizens speak publicly. She stated that it does not mean they cannot come to us behind the scenes, because we have several access points.

Mayor DuBois stated that if she did not want to come up with a millage rate today, that was fine. He explained that he just wanted to help the staff out with giving them some direction so that when they get to September 7, 2011, they can have something they could possibly agree on.

Finance Director Costello reminded the Commission that it can always change going into the Final Hearing on September 21, 2011.

Commissioner Longtin stated there are things we could do such as cut the wages of the Department Heads by whatever it takes. She stated that she does not want to cut Code Enforcement or the crossing guards. She stated that she does not want furlough days where the public cannot access what they are paying for. She stated that she does not want to get rid of the newsletter or "decrease" the newsletter. She stated that she just does not like any of these options and does not want to increase the millage rate.

Mayor DuBois asked if she was satisfied with the options that she presented.

Commissioner Longtin stated "no."

Mayor DuBois asked if she was just not satisfied with the answers she got or the suggestions.

Commissioner Longtin stated that she just did not like the suggestions. She does not want to cut the Code Compliance Officer. She does not want to reduce the Irrigation Technician when we have a crucial situation with irrigation in this Town, unless we are going to contract out to CWA.

Mayor DuBois asked if it was fair to say that Commissioner Longtin did not want to cut services, but would rather cut the pay side.

Commissioner Longtin stated that was correct as well as cut the insurance. She stated that all that was being proposed was cutting of services.

Mayor DuBois asked Commissioner Longtin if she prefers to cut services or cut payroll.

Commissioner Longtin stated that between the two, she would rather cut wages. She stated that this whole thing was "bizarre." She stated that she would be a "player" and give up her $10,000 only if the whole Commission does.

Vice-Mayor Rumsey stated that he was not going to do it.

Commissioner Longtin stated that she did not blame him because she did not want to do it either. She stated that we are losing employees, losing services – we are doing nothing but cutting services. She stated that she was voting for increasing the millage rate. She stated that she also wants the citizens to have an opportunity, before they take any action, to speak.

Mayor DuBois stated that they were not trying to take any action; they were only trying to give the staff some direction. He stated that action would come after they hear the public speak for the ordinance. He asked if there was going to be any direction from the Commission.

Vice-Mayor Rumsey asked if they could get through the rest of the evening and then come back to it. He stated that he knew the millage had nothing to do with the other funds, but they may get new ideas as they go through it and then they can come back to the General Fund.

Mayor DuBois stated that they could do that. He stated that since there was no consensus at this time, they could continue on with the budget workshop.

Vice-Mayor Rumsey asked the Mayor what he would like to see.

Mayor DuBois stated that he would like to see us preserve services and not cut payroll. He stated that in terms of the first option (8.5) accept that as proposed, in terms of the second option (8.7) he would accept that as proposed, and in terms of the last option he would accept that as proposed. He stated that he would be open to all suggestions of the administration without getting into the details of each one. He stated that he does not have a proposal. He apologized if the Commission took it as he was chastising them.

Vice-Mayor Rumsey stated that he apologized if the Mayor thought he was chastising him. He stated that he wanted to see if the Mayor had something that could take them a way to where there would be a consensus.

Mayor DuBois stated that he had no "silver bullet" for this very difficult budget. He stated that even if he did, he did not think it would offer consensus with the Commissioners. He stated that he would compromise with 8.7. He feels that in that rate, everyone shares the pain.

Vice-Mayor Rumsey stated that it would be one person more than the rest.

Mayor DuBois stated that he felt we should continue on with the workshop.

Streets and Roads Fund

Finance Director Costello explained that the Streets and Roads Fund is a special revenue fund that is funded by gas tax dollars. She stated that it has a budget of $378,210. On slide 21, she explains that the furlough and pension savings were indicated. She stated that the Capital Outlay, which consists of sidewalk improvements, closure on Poplar Court, and a concrete grinder, was indicated on the same slide.

Commissioner Longtin asked about the closure on Poplar Court. She stated that she is not against it, but what plan did the $5,000 buy us. She wanted to know if it was one of the less desirable plans that were offered.

Town Manager Davis explained that it was cutting the asphalt, making a planter bed, and installing some palms and shrubs.

Commissioner Longtin asked how it was going to be irrigated. She stated that she would like more information on that.

Mayor DuBois stated that it would stay in the budget, but we would get more information on it.

Mayor DuBois stated he thought about it and if they went with the rolled-back rate for the purpose of the September meeting and the rate had been reduced by whatever savings they could find, and they considered continuing reviewing the possibility of assessments for fire and library, then we could have some headway for next year. He stated that basically, his thought was to go to the rolled-back rate of 8.9488 being reduced by all other forms of savings that can be generated and consider looking at the potential of non-ad valorem assessments for the following year.

Vice-Mayor Rumsey asked if that was Alternative A.

Mayor DuBois stated that was Alternative A plus the condition of the alternative is the thorough investigation in ad valorem assessments. He stated that being at 8.9 is dangerously close to ten without an alternative for reducing that with ad valorem assessments.

Vice-Mayor Rumsey stated that he agreed with him on that rate being dangerously close to ten and it makes him nervous. He asked if the non-ad valorem study would exceed the $25,000.

Town Manager Davis stated that is what we have been told.

Finance Director Costello explained that they would bid it out, but that is the figure that was given to her by the consultants. She stated that they told her when she did bids; she might get one higher and one lower.

Vice-Mayor Rumsey stated that he would support Alternative A as well. He stated that he would support it as is, with the opportunities that we can reduce it.

Mayor DuBois stated that the only reason he wants the non-ad valorem assessment is because he sees it as our only way out of this "unfair" ad valorem process that we have. He stated that he has a hard time going after the salaries in the payroll because he thinks it implies that our supervisors are not doing a good job. He stated that he thinks they are and that we have a very efficient Town. He stated that no matter if it were private business or the public sector, there will always be some form of inefficiencies. He stated that he felt our supervisors do a good job and are efficient and look for cost cutting ways.

Commissioner Longtin stated she had to take exception to him saying that because we are in hard times now. She stated that everyone needs to take a pay cut in her opinion, but that does not mean she does not value the employees and the work that they do.

Mayor DuBois stated that he was not trying to be insulting to her.

Commissioner Longtin stated that she found that very insulting.

Mayor DuBois stated that he was trying to address the issue itself. He stated that they had two people who supported the 8.9 millage with the non-ad valorem assessment for next year. He asked if there was anyone else or did they want to continue on.

Commissioner Hockman stated he would like to continue on.

Sanitation Fund

Finance Director Costello stated that the Sanitation Fund is an enterprise operation which is supported by the fees charged by the users of the service. She stated it had a budget of $1,527,850. She explained that there were no proposed increases in the rates. She explained that there had been a loss of commercial revenue due to business closures and service reductions. She stated that the expenditure increased that is indicated on slide 22 is not correct due to the information that she had received just that morning.

On slide 23, she explained the re-organization that has been proposed by the Town Manager and the Public Works Director. She explained that there would be an elimination of four Equipment Operator II positions and establish two Equipment Operator III positions. She stated that there would be a net loss of two positions and a savings of $76,000. She explained that they would utilize the Operator III positions across all forms of machinery and trucks, whereas with the Operator II position, you cannot.

Commissioner Longtin stated that ten years ago there was a move to outsource the Sanitation Department and she fought it. She stated that now she would like to see numbers on that.

Mayor DuBois asked if she meant outsourcing.

Commissioner Longtin stated "yes."

Mayor DuBois asked if they could do it across the next year because he did not think they could proposals in time for the budget.

Commissioner Longtin stated that was fine. She stated that she just thought it was something they should look into for the next budget. She stated that it did make her "nauseous" just to ask them to look into it.

Marina Fund

Finance Director Costello stated that the Marina Fund was also an enterprise fund and its total budget was $1,209,600. She stated that there were no dockage rate increases being proposed. She also reminded them that there had been an elimination of the parking fees at Sunset Celebrations. On Slide 24, she explained there was furlough savings that could be adjusted once they had direction from the Commission, pension savings, a security contract reduction, and a downgrading of a full-time dock attendant to part-time due to his request.

Vice-Mayor Rumsey asked if the employee requested to go from full-time to part-time.

Finance Director Costello replied "yes."

Vice-Mayor Rumsey asked if the furlough savings on the Marina Fund and the Sanitation Fund were at 12 days or five days.

Finance Director Costello stated that it was at 12 days. She explained that it was proposed on all budgets at 12, so that would change based on direction.

Commissioner Longtin stated that she was not in favor of reducing security at the Marina. She stated that all we are doing is reducing things. She asked if security had not already been reduced before all this.

Town Manager Davis stated "no" this was a follow-through of what they had done a few months ago.

Finance Director Costello stated that there had been no further reductions.

Mayor DuBois asked Commissioner Longtin if she was referring to the reduction that had happened a few months ago.

Commissioner Longtin stated she was not sure when it had happened. She stated that she was not in favor of reducing security. She stated that "we got cameras, we got security all over the CRA, cameras all over, but down at the Marina where there is actually something going on, that is where we loosen security…"

Town Manager Davis stated that we have cameras down at the Marina as well.

Mayor DuBois stated that we have supplemented with additional police patrols. He asked if they are being affective.

Town Manager Davis stated that Lieutenant Hill and Marina Director Mike Pisano could help with that. She stated that Lieutenant Hill has stepped up patrol for the hours we have cut back and did not think there had been any issues.

Mayor DuBois asked if it was within the scope of the activities that PBSO can perform – walk the docks, etc.

Town Manager Davis stated that she did not think they walk the docks.

Marina Director Pisano explained that they do a drive through and park vehicles in the Marina.

Mayor DuBois asked if it was a potential to have them do a security round.

Marina Director Pisano explained that it was not what they negotiated with PBSO. He stated that they negotiated for them to drive through more.

Mayor DuBois asked if it would affect the contract.

Town Manager Davis asked Lieutenant Hill to come answer the question.

Lieutenant Hill stated that they could make that request known to the patrolmen. He stated that it was not something they have been asked to do. He stated that they did ask them to step up random patrols through the marina during the hours the security was reduced as well as overnight hours in general. He explained that the period between 6:00 to 10:00, they have documented additional random patrols through there. He stated that they were not asked to provide foot patrol, but they can ask their guys to do on a periodic basis.

Mayor DuBois stated that without going into how the security at the Marina operated, we supplemented the drive around patrols with walk throughs up and down the docks (south pier). He stated that he felt that the south pier was the only one that was not as visible from a vehicle.

Marina Director Pisano stated "correct" about the south pier. He stated that would be the only one that they would have to walk up and down because the other portion was visible from a vehicle.

Mayor DuBois asked if that would increase the security there without adding to our budget with a security force that is already in place.

Lieutenant Hill stated that there is also a bike force that is riding through there.

Mayor DuBois asked if that is at night as well.

Lieutenant Hill stated that was day and night.

Mayor DuBois asked if they deepen what PBSO is providing would that help.

Commissioner Longtin stated that anything helps.

Stormwater Utility Fund

Finance Director Costello stated that the Stormwater Utility Fund was also an enterprise operation. She explained that it is levied as a non-ad valorem assessment on the tax bills. She stated that the budget proposed for this fund is $503,000. As indicated on slide 25, she explained that the rate is $6.50 per month or $78.00 a year and there is no proposed rate increase. She stated that there was also the furlough and pension savings as well. She explained that the furlough savings was at 12 days and could be adjusted.

Commissioner Hockman asked if they reduce the furlough days, would there be a little bit of an increase.

Finance Director Costello stated "no," and explained that this was an enterprise operation and a self balancing fund. She stated that we would have to adjust within the fund and they would not increase the rates. She stated that there was probably a transfer to capital reserve where they could take approximately $1,000 to make the budget balance.

On slide 26, she indicated that there is an offset to General Fund expenses of $78,000 which covers the stormwater activities performed by General employees such as the Public Works Administration, Grounds Maintenance, and vehicle maintenance. She explained that there were debt services in the amount of $108,475 of a Vac-con truck that will be paid off in 2014 and alleyway drainage between 7th and 8th Streets. She stated that there was also a transfer to Capital Reserve in the amount of $16,430.

Mayor DuBois asked if there was anything else within the budget that they wanted to go through.

Commissioner Hockman stated that he would go through it with the Town Manager later. He stated that he did not want to go through it with everyone because he was not here for the last workshop.

Mayor DuBois stated that at the last meeting they did not go through this portion of the budget.

Town Manager Davis stated that she thought he meant the General Fund.

Commissioner Hockman stated that it was the General Fund he was referring to.

Mayor DuBois stated that they should go back to the millage now. He stated that it sounds as if there is a proposal of Alternative A which is the rolled-back rate plus the non-ad valorem study, annexation, and any additional savings. He stated that this would get us to September 7, 2011. He stated that we could either reiterate our confirmation of this or go forward or we can continue this discussion. He stated that right now the direction would be to continue with the millage we already have proposed. He stated that

he has heard direction of going with the 8.5, but no good ways of getting there. He stated that there are two Commissioners that want the rolled-back rate and two who want the recommendation of last year's millage. He asked Commissioner Stevens if he had anything.

Commissioner Stevens stated that to pair the Alternative A and B millage rates with the actual changes in the budget, is premature. He stated that he thinks we need to set a millage rate and then see what we can do within that rate. He stated that he would like to promote economic development and reduce the tax burden on Lake Park citizens and try to keep the millage at 8.5 if we can. He stated that he would like instead of 12 furlough days (4.6 percent cut) he would like to keep the five furlough days and explore a more graduated salary cut somewhat modeled on Vice-Mayor Rumsey's suggestion. He stated that for under $50,000 a one percent cut, $50- $60,000 a 1.5 percent cut, $61-$72,000 a two percent cut, $73-$84,000 a 2.5 percent cut, an $85,000 and above a three percent cut. He also stated that any of the Cigna plans would equate to at least $57,000 savings. He thinks there are other things we could do such as more savings with the PBSO contract. He explained that he knows we are getting $62,000 worth of savings including this $12,000. He asked what is the current PBSO contract term length.

Town Manager Davis informed the Commission that we renew the contract annually. She asked Commissioner Stevens how he thinks we can get more out of PBSO.

Commissioner Stevens stated that after we look at the contract, he thinks of their $2.5 million budget, there are probably other areas of savings, specifically the change in the Florida Retirement System (FRS) of three percent which is probably a significant portion, that they are not giving us credit for and only eliminating crossing guards. He stated that once those numbers are crunched, and then we can determine what money we have left and which positions need to be cut. He stated that he gives a lot of consideration and thinks it is within the Town Manager's purview to determine what employees are needed and what employees are not needed. He stated that he thinks her position on those cuts and those decisions should outweigh most of the Commission, because that is not their responsibility. He stated that basically he suggests keeping the 8.5 mill, make those cuts, see where we are at, then which, if any, positions need to be cut.

Mayor DuBois asked him if what he wanted was the 8.5 and get there with half of the recommendations of the administration, all of the recommendations, or all the recommendations except the furlough days.

Commissioner Stevens stated that he agrees with going from 12 furlough days to five. He stated that the way to get around this was with the actual salary cuts and savings on the health insurance. He stated that he agrees with the 2.5 percent pension contribution cut. He explained that before we can decide on the position cuts, we have to figure out what we have in the budget with that 8.5 rate.

Vice-Mayor Rumsey asked Commissioner Stevens if he wanted all employees to take five furlough days, cut their insurance benefits, …

Commissioner Stevens stated "no."

Vice-Mayor Rumsey asked what he said on the insurance.

Commissioner Stevens stated that it could be any of the four plan options. He stated the first option was really no affect on the employees, in fact, it is actually saving them money in some areas, is not a cut to employees on medical.

Vice-Mayor Rumsey asked about family plans.

Commissioner Stevens stated he did not want to touch family plans.

Vice-Mayor Rumsey asked if he did not want to touch insurance.

Commissioner Stevens stated that he wanted one of the Cigna options.

Mayor DuBois stated that they did not want to discuss that at this meeting.

Vice-Mayor Rumsey asked if in addition to the five furlough days he wanted to cut salaries.

Commissioner Stevens stated that was correct.

Vice-Mayor Rumsey asked if he wanted to cut salaries.

Commissioner Stevens stated "yes."

Vice-Mayor Rumsey asked what salary rate was he starting at.

Commissioner Stevens stated he had the graduated scale.

Vice-Mayor Rumsey informed Commissioner Stevens that the salary cuts he was looking at was more aggressive and only came out to $69,000.

Commissioner Stevens stated he thought that the slide he was referring to was just concerning furlough days.

Vice-Mayor Rumsey stated that it was not. He stated that it was a scale of furlough days, not the original 12.

Commissioner Stevens asked if slide 15 was what he was referring to.

Vice-Mayor Rumsey stated "yes."

Commissioner Stevens asked if the scale was five, 13, 18, and 26 furlough days.

Vice-Mayor Rumsey stated "no."

Town Manager Davis explained that the 13, 18, and 26 days were the equivalent of the percentage decrease in pay cut.

Commissioner Stevens apologized and stated that portion had confused him. He stated that if that was the percentage in salary cuts, then he agrees with Vice-Mayor Rumsey's scale of pay cuts.

Vice-Mayor Rumsey asked if that percentage is going to get us to the 8.5.

Commissioner Stevens stated that with the health insurance savings and depending on who we cut in personnel, it does get us there.

Mayor DuBois asked if it was going to be with the one percent, 1.5 percent, two percent, and three percent of pay cuts to get us there.

Commissioner Stevens stated either those percentages or Vice-Mayor Rumsey's percentages.

Vice-Mayor Rumsey asked which percentages he wanted.

Commissioner Stevens stated he wants whatever will work to get us to the 8.5 millage and reduce staff positions.

Mayor DuBois stated he did not agree with the percentages because he felt we do not have the structure that West Palm Beach does. He stated this resembled the West Palm Beach model and does not see us with that type of structure or that depth of bureaucracy. He stated that he just does not see this model that may work for West Palm Beach work for us.

Commissioner Stevens stated that West Palm Beach is also a lot larger than Lake Park.

Mayor DuBois stated that was exactly right and that is why he does not think it is a good model to propose for Lake Park. He stated that he thought Lake Park was a much more efficient operating machine than West Palm Beach. He stated that was part of the reason he does not support this model of percentage cuts to employees. He stated he is trying to help get somewhere between the 8.5 millage and the rolled-back rate, but he is also going to voice his opposition.

Finance Director Costello stated that she would be happy to put Commissioner Stevens numbers together and provide that information.

Commissioner Stevens and Mayor DuBois stated that would be fine.

Mayor DuBois asked what rate we are going to come back with for the next meeting. He asked if we just leave it the way it is and continue to "hammer it out."

Commissioner Hockman stated "probably," and stated that just based on the numbers they had been given, they have had a total of $44,500 of revenue that came in from the parking meters, which included fines and fees. He stated that our total cost for the parking meters was $57,490 and is what we are paying out for services for the meters.

Town Manager Davis stated that he was not correct.

Commissioner Hockman stated that the numbers must be hidden, because that is what the numbers come to.

Finance Director Costello stated that she could verify the $57,490 was correct. She stated that on page 12 of the budget analysis, the parking fees of $28,000 and $15,000, parking fines of $20,000, and a transfer from the Marina for their portion of $10,000 for a grand total of $73,000 in revenue. She stated that it would be offset by the $57,000 in expenses and when the debt service is paid off, that number will increase.

Commissioner Hockman pointed out that there was the cost of the two Code Enforcement Officers.

Town Manager Davis stated that was not how it was calculated. She explained that when they approached the Commission two years ago, we told them they were going to take an existing Code Enforcement position that was already in the budget and turn it into two part-time employees. She stated that they never represented that they were going to make a huge profit. She stated that they said they were going to increase revenue. She stated that the Code Officer was already in the budget and all they did was convert the one position to two part-time positions. She stated that it was never calculated nor represented that it was going to be a major profit because it is not an enterprise fund. She stated that it is strictly to increase revenue and that is exactly what they did.

Mayor DuBois asked if the attempt was to create a revenue neutral source until interest and principal until then you would have a revenue positive source.

Town Manager Davis stated "yes, you could say that."

Commissioner Hockman stated that it was the intent, but it would take six to seven years. He stated that he thought the loan was five years.

Mayor DuBois stated that we are already two and half years into it.

Finance Director Costello stated that she believed it was a five year loan.

Commissioner Hockman stated that we have to keep in mind that right now we are paying that in order to get that money back.

Mayor DuBois stated that it is pretty close and hearing that it is revenue neutral.

Commissioner Hockman stated that we have two Code Enforcement Officers and he thought Code Enforcement was more important to the residents, rather than parking meters. He stated that now we are looking to eliminate a full-time Code Enforcement Officer. He stated he thought the number of Code Enforcement Officers should have been addressed three years ago when they had an issue.

Mayor DuBois stated that he would be out of Town for a little while, but could be reached via email and phone. He stated that right now we have a rolled-back rate for the millage and we will come back for the September 7, 2011 meeting. He stated that he could not get an agreement out of all five

Commissioners. He stated that we are all far apart; some that are at 8.5 and some at the rolled-back rate with all different methods of getting there.

Finance Director Costello stated that by the time they come back to the first Public Hearing in September, she will have different numbers on the insurances and cost for Commissioner Stevens' proposal to present at that meeting.

Mayor DuBois stated that in a perfect bargaining world, some of us would start at 8.5 and some at 8.9 and meet up at 8.7, but this is not a perfect bargaining world, and asked if anyone else had anything to say.

Commissioner Stevens asked for clarification on the furlough days. He asked if for each furlough day we add is the savings around $11,000.

Finance Director Costello stated that one furlough day is equivalent to $2,900. She stated that for Town wide, excluding the Commission, the savings is $9,000. She stated that for the General Fund, it would be about $6,550.

Commissioner Stevens asked if that was for all funds.

Finance Director Costello stated that was correct, excluding the Commission.

Commissioner Stevens stated that we could discuss the pros and cons of each position being eliminated, but can we get a list of duties of each position to determine how necessary each position is to the Town. He stated that he is having a hard time cutting services and keeping salaries. He stated that any information would be valuable. He asked if the employees would be speaking at the Public Hearings.

Vice-Mayor asked "would you."

Commissioner Stevens stated that they are allowed.

Mayor DuBois stated that he does not think administration wants to cut these people, he just thinks that is what getting to 8.5 entails. He stated that he does not think anyone wants to lose a Code Enforcement Officer because he does not.

Commissioner Longtin stated that it was ultimately the Commission's decision. She stated that the administration gives us direction, so if a Code Enforcement Officer is gone, it is the Commission's doing. She stated that we take information from, but we give direction too.

Mayor DuBois stated that he understood that, but administration has to operate this entity and it becomes more difficult to operate this entity with less staff. He stated that he knows they do not want that, but it is the option and it is for us to choose.

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 Stevens, and by unanimous vote, the meeting adjourned at 8:08 p.m.

_____
Mayor James DuBois

_____
Town Clerk, Vivian Lemley

_____
Deputy Town Clerk, Kelly Avery

Town Seal

Approved on this _____ of _____, 2011

Exhibit A

GEHRING GROUP
PROFESSIONAL SERVICES

Town of Lake Park
Medical RFQ Evaluation
PPO Plans
Effective Date: October 1, 2011

	Current		Renewal		Alternate #1	
	BlueCross BlueShield of Florida BlueOptions PPO Plan 3766		BlueCross BlueShield of Florida BlueOptions PPO Plan 3766		BlueCross BlueShield of Florida BlueOptions PPO Plan 3559	
CHEDULE OF BENEFITS	In Network	Out of Network	In Network	Out of Network	In Network	Out of Network
lan Basics						
Lifetime Maximum	Unlimited		Unlimited		Unlimited	
Calendar Year Deductible						
Single	No Deductible	$500	No Deductible	$500	$500	$750
Family	No Deductible	$1,500	No Deductible	$1,500	$1,500	$2,250
Out of Pocket CYM	Includes Copays, CYD & Coinsurance; Excludes Rx		Includes Copays, CYD & Coinsurance; Excludes Rx		Includes Copays, CYD & Coinsurance; Excludes Rx	
Single	$2,500	$5,000	$2,500	$5,000	$2,500	$5,000
Family	$5,000	$10,000	$5,000	$10,000	$5,000	$10,000
Coinsurance	20%	50%	20%	50%	20%	40%
hysician Services						
Primary Care Physician	$20	CYD then 50%	$20	CYD then 50%	$20	CYD then 40%
Specialist	$40	CYD then 50%	$40	CYD then 50%	$40	CYD then 40%
Maternity (Initial Visit Only)	$40	CYD then 50%	$40	CYD then 50%	$40	CYD then 40%
Chiropractic Services	$40	CYD then 50%	$40	CYD then 50%	$40	CYD then 40%
Laboratory Services	$50	CYD then 50%	$50	CYD then 50%	$50	CYD then 40%
Advanced Imaging	$150	CYD then 50%	$150	CYD then 50%	$150	CYD then 40%
pecial Services						
Durable Medical Equipment	20%	CYD then 50%	20%	CYD then 50%	CYD then 20%	CYD then 40%
Home Health Care	20%	CYD then 50%	20%	CYD then 50%	CYD then 20%	CYD then 40%
Skilled Nursing Facility	20%	CYD then 50%	20%	CYD then 50%	CYD then 20%	CYD then 40%
Hospice	20%	CYD then 50%	20%	CYD then 50%	CYD then 20%	CYD then 40%
ospital Services						
Inpatient Hospital	$600 / $1,000	CYD then 50%	$600 / $1,000	CYD then 50%	$600 / $1,000	CYD then 40%
Outpatient Hospital	$200 / $300	CYD then 50%	$200 / $300	CYD then 50%	$200 / $300	CYD then 40%
Emergency Room	$100	$100	$100	$100	$100	$100
Physician Services	No Charge	No Charge	No Charge	No Charge	CYD then 20%	CYD then 20%
Urgent Care	$45	CYD then 50%	$45	CYD then 50%	$45	CYD then 40%
Ambulance Services	20%	CYD then 20%	20%	CYD then 20%	CYD then 20%	CYD then 20%
Outpatient Therapy	$45 / $60	CYD then 50%	$45 / $60	CYD then 50%	$45 / $60	CYD then 40%
Ambulatory Surgical Center	$100	CYD then 50%	$100	CYD then 50%	$100	CYD then 40%
ental Health/Substance Abuse						
npatient Hospital	No Charge	50%	No Charge	50%	No Charge	40%
Outpatient Services	No Charge	50%	No Charge	50%	No Charge	40%
harmacy Plan						
Generic	$10		$10		$10	
Preferred Brand	$30		$30		$30	
Non Preferred Brand	$50		$50		$50	
Mail Order Copay	2.5x Retail		2.5x Retail		2.5x Retail	
	Total Cost		Total Cost		Total Cost	
mployee 28	$617.38		$697.58		$651.26	
mployee + Spouse 8	$1,370.60		$1,548.63		$1,445.79	
mployee + Child(ren) 3	$1,123.64		$1,269.60		$1,185.29	
mily 7	$1,895.38		$2,141.57		$1,999.36	
onthly Premium	$44,890.02		$50,721.07		$47,351.02	
nual Premium	$538,680.24		$608,652.84		$568,216.23	
ncrease	N/A		$69,972.60		$29,535.99	
ncrease	N/A		13.0%		5.5%	
	Town Cost	EE Cost	Town Cost	EE Cost	Town Cost	EE Cost
mployee 28	$617.38	$0.00	$697.58	$0.00	$651.26	$0.00
mployee + Spouse 8	$993.99	$376.61	$1,123.11	$425.53	$1,048.52	$397.26
mployee + Child(ren) 3	$870.51	$253.13	$983.59	$286.01	$918.28	$267.01
mily 7	$1,256.38	$639.00	$1,419.58	$722.00	$1,325.31	$674.05
onthly Premium	$36,644.75	$8,245.27	$41,404.88	$9,316.20	$38,655.54	$8,697.48
nual Premium	$439,737.00	$98,943.24	$496,858.50	$111,794.34	$463,866.47	$104,369.77
ncrease	N/A	N/A	$57,121.50	$12,851.10	$24,129.47	$5,426.53
ncrease	N/A	N/A	13.0%	13.0%	5.5%	5.5%

'own of Lake Park
Medical RFQ Evaluation
'PO Plans
:ffective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

	Current		Alternate #2		Alternate #3	
	[redacted] of Florida		CIGNA Healthcare		CIGNA Healthcare	
CHEDULE OF BENEFITS	BlueOptions PPO Plan 3766		FL Open Access Custom Plan		FL Open Access Custom Plan	
lan Basics	In Network	Out of Network	In	Out	In	Out
Lifetime Maximum	Unlimited		Unlimited		Unlimited	
Calendar Year Deductible						
Single	No Deductible	$500	No Deductible	$500	No Deductible	$500
Family	No Deductible	$1,500	No Deductible	$1,500	No Deductible	$1,500
Out of Pocket CYM	Includes Copays, CYD & Coinsurance; Excludes Rx		Includes CYD; Excludes Copays		Includes CYD; Excludes Copays	
Single	$2,500	$5,000	$2,500	$5,000	$2,500	$5,000
Family	$5,000	$10,000	$5,000	$10,000	$5,000	$10,000
Coinsurance	20%	50%	20%	50%	20%	50%
hysician Services						
Primary Care Physician	$20	CYD then 50%	$20	CYD then 50%	$30	CYD then 50%
Specialist	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Maternity (Initial Visit Only)	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Chiropractic Services	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Laboratory Services	$50	CYD then 50%	20%	CYD then 50%	20%	CYD then 50%
Advanced Imaging	$150	CYD then 50%	20%	CYD then 50%	20%	CYD then 50%
ecial Services						
Durable Medical Equipment	20%	CYD then 50%	20%	Not Covered	20%	Not Covered
Home Health Care	20%	CYD then 50%	20%	Not Covered	20%	Not Covered
Skilled Nursing Facility	20%	CYD then 50%	20%	Not Covered	20%	Not Covered
Hospice	20%	CYD then 50%	20%	Not Covered	20%	Not Covered
spital Services						
npatient Hospital	$600 / $1,000	CYD then 50%	$600	CYD then 50%, after $500	$600	CYD then 50%, after $500
Outpatient Hospital	$200 / $300	CYD then 50%	$200	CYD then 50%, after $500	$200	CYD then 50%, after $500
Emergency Room	$100	$100	$100	$100	$100	$100
Physician Services	No Charge	No Charge	20%	CYD then 50%	20%	CYD then 50%
Urgent Care	$45	CYD then 50%	$50	CYD then 50%	$50	CYD then 50%
Ambulance Services	20%	CYD then 20%	20%	CYD then 20%	20%	CYD then 20%
Outpatient Therapy	$45 / $60	CYD then 50%	$60	CYD then 50%	$60	CYD then 50%
Ambulatory Surgical Center	$100	CYD then 50%	20%	CYD then 50%, after $500	20%	CYD then 50%, after $500
ental Health/Substance Abuse						
npatient Hospital	No Charge	50%	20%	CYD then 50%, after $500	20%	CYD then 50%, after $500
Outpatient Services	No Charge	50%	20%	CYD then 50%	20%	CYD then 50%
armacy Plan						
Generic	$10		$10		$10	
Preferred Brand	$30		$30		$30	
Non Preferred Brand	$50		$50		$50	
Mail Order Copay	2.5x Retail		2.5x Retail		2.5x Retail	
	Total Cost					
mployee 28	$617.38		$605.27		$597.66	
mployee + Spouse 8	$1,370.60		$1,343.73		$1,326.82	
mployee + Child(ren) 3	$1,123.64		$1,101.61		$1,087.74	
mily 7	$1,895.38		$1,858.22		$1,834.83	
onthly Premium	$44,890.02		$44,009.82		$43,455.97	
nual Premium	$538,680.24		$528,117.88		$521,471.67	
ncrease	N/A		-$10,562.36		-$17,208.57	
ncrease	N/A		-2.0%		-3.2%	
	Town Cost	EE Cost	Town Cost	EE Cost	Town Cost	EE Cost
ployee 28	$617.38	$0.00	$605.27	$0.00	$597.66	$0.00
ployee + Spouse 8	$993.99	$376.61	$974.50	$369.23	$962.24	$364.58
ployee + Child(ren) 3	$870.51	$253.13	$853.44	$248.17	$842.70	$245.04
mily 7	$1,256.38	$639.00	$1,231.75	$626.47	$1,216.24	$618.59
onthly Premium	$36,644.75	$8,245.27	$35,926.23	$8,083.60	$35,474.10	$7,981.87
nual Premium	$439,737.00	$98,943.24	$431,114.71	$97,003.18	$425,689.25	$95,782.42
ncrease	N/A	N/A	-$8,622.29	-$1,940.06	-$14,047.75	-$3,160.82
ncrease	N/A	N/A	-2.0%	-2.0%	-3.2%	-3.2%

Town of Lake Park
Medical RFQ Evaluation
PPO Plans
Effective Date: October 1, 2011

GEHRING GROUP
PROFESSIONAL SERVICES

	Current		Alternate #4		Alternate #5	
	[redacted] of Florida [redacted] Plan 3766		CIGNA Healthcare FL Open Access Custom Plan		CIGNA Healthcare FL Open Access Custom Plan	
CHEDULE OF BENEFITS						
lan Basics	*In Network*	*Out of Network*	In	Out	In	Out
Lifetime Maximum	Unlimited		Unlimited		Unlimited	
Calendar Year Deductible						
Single	No Deductible	$500	$500	$1,000	$500	$1,000
Family	No Deductible	$1,500	$1,000	$3,000	$1,000	$3,000
Out of Pocket CYM	*Includes Copays, CYD & Coinsurance; Excludes Rx*		*Includes CYD; Excludes Copays*		*Includes CYD; Excludes Copays*	
Single	$2,500	$5,000	$2,500	$5,000	$2,500	$5,000
Family	$5,000	$10,000	$5,000	$10,000	$5,000	$10,000
Coinsurance	20%	50%	20%	50%	20%	50%
hysician Services						
Primary Care Physician	$20	CYD then 50%	$20	CYD then 50%	$30	CYD then 50%
Specialist	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Maternity (Initial Visit Only)	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Chiropractic Services	$40	CYD then 50%	$40	CYD then 50%	$50	CYD then 50%
Laboratory Services	$50	CYD then 50%	CYD then 20%	CYD then 50%	CYD then 20%	CYD then 50%
Advanced Imaging	$150	CYD then 50%	CYD then 20%	CYD then 50%	CYD then 20%	CYD then 50%
pecial Services						
Durable Medical Equipment	20%	CYD then 50%	CYD then 20%	Not Covered	CYD then 20%	Not Covered
Home Health Care	20%	CYD then 50%	CYD then 20%	Not Covered	CYD then 20%	Not Covered
Skilled Nursing Facility	20%	CYD then 50%	CYD then 20%	Not Covered	CYD then 20%	Not Covered
Hospice	20%	CYD then 50%	CYD then 20%	Not Covered	CYD then 20%	Not Covered
ospital Services						
Inpatient Hospital	$600 / $1,000	CYD then 50%	$600	CYD then 50%, after $500	$600	CYD then 50%, after $500
Outpatient Hospital	$200 / $300	CYD then 50%	$200	CYD then 50%, after $500	$200	CYD then 50%, after $500
Emergency Room	$100	$100	$100	$100	$100	$100
Physician Services	No Charge	No Charge	CYD then 20%	CYD then 50%	CYD then 20%	CYD then 50%
Urgent Care	$45	CYD then 50%	$50	CYD then 50%	$50	CYD then 50%
Ambulance Services	20%	CYD then 20%	CYD then 20%	CYD then 20%	CYD then 20%	CYD then 20%
Outpatient Therapy	$45 / $60	CYD then 50%	$60	CYD then 50%	$60	CYD then 50%
Ambulatory Surgical Center	$100	CYD then 50%	CYD then 20%	CYD then 50%, after $500	CYD then 20%	CYD then 50%, after $500
ental Health/Substance Abuse						
Inpatient Hospital	No Charge	50%	CYD then 20%	CYD then 50%, after $500	CYD then 20%	CYD then 50%, after $500
Outpatient Services	No Charge	50%	CYD then 20%	CYD then 50%	CYD then 20%	CYD then 50%
armacy Plan						
Generic	$10		$10		$10	
Preferred Brand	$30		$30		$30	
Non Preferred Brand	$50		$50		$50	
Mail Order Copay	2.5x Retail		2.5x Retail		2.5x Retail	
	Total Cost					
mployee 28	$617.38		$577.58		$571.65	
mployee + Spouse 8	$1,370.60		$1,282.25		$1,269.07	
mployee + Child(ren) 3	$1,123.64		$1,051.21		$1,040.41	
mily 7	$1,895.38		$1,773.21		$1,754.98	
onthly Premium	$44,830.02		$41,906.46		$41,564.81	
nual Premium	$538,080.24		$503,957.56		$498,778.00	
ncrease	N/A		-$34,122.68		-$39,902.24	
ncrease	N/A		-6.4%		-7.4%	
	Town Cost	EE Cost	Town Cost	EE Cost	Town Cost	EE Cost
mployee 28	$617.38	$0.00	$577.58	$0.00	$571.65	$0.00
mployee + Spouse 8	$993.99	$376.61	$929.92	$352.33	$920.36	$348.71
mployee + Child(ren) 3	$870.51	$253.13	$814.40	$236.81	$806.03	$234.38
mily 7	$1,256.38	$639.00	$1,175.40	$597.81	$1,163.31	$591.67
onthly Premium	$36,644.75	$8,245.27	$34,282.67	$7,713.79	$33,930.32	$7,634.51
nual Premium	$439,737.00	$98,943.24	$411,392.09	$92,565.48	$407,163.89	$91,614.11
ncrease	N/A	N/A	-$28,344.91	-$6,377.76	-$32,573.11	-$7,329.13
ncrease	N/A	N/A	-6.4%	-6.4%	-7.4%	-7.4%

Town of Lake Park

Budget Workshop

Wednesday, August 24, 2011

6:00 P.M.

Exhibit B

Follow-up on Information Requested

Palm Beach County Sheriff

- Locations where crossing guards are being reduced from 2 to 1 guard:
  - 3rd Street/Date Palm
  - 4th Street/Park Avenue
  - 5th Street/Park Avenue
  - 4th Street/Date Palm
  - 5th Street/Date Palm
- Additional Savings $12,585

PBSO Cont. – Staffing

- 2 Shift Rotation – 11.5 hr. shifts working and early & late squad, provides overlapping 24 hr. coverage
- 7 deputies days & 7 deputies nights providing an average of 3 on duty for sector coverage
- 2 deputies assigned to community policing/peak demand schedule, 4/10's per wk. covering afternoon/early evening
- 2 deputies assigned to street team, 11.5 hr. shifts afternoon/evening hrs.
- Does not include sergeants or CRA contract

PBC Fire Rescue Staffing

Minimum staffing level at all times

- Fire Services Staff
  - 3 Firefighters on an engine
- Rescue Staff
  - 2 Rescue personnel
- Sometimes there is a 3rd rescue personnel
- Contract expires September 30, 2016

Request from Commissioner Stevens

Parking Decal Proposal

Parking Decal Proposal

- Decals for Residents Only
  - Annual Parking Decal $45.00
    - November 1 – October 31
    - 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

Additional Parking Proposals

- Requested by Vice Mayor Rumsey and Commissioner Hockman

- Proposed Elimination of Parking Fees at Sunset Celebrations at Marina

Lake Park Tax Rate
vs.
Palm Beach County

Palm Beach County Tax Rate

• Operating Tax Rate	4.8751
• PBC Fire Rescue Rate	3.4581
• Total Operating (10 Mill Cap)	8.3332
• Library Services Tax Rate	0.6081
• Total Adjusted PBC Tax Rate	8.9413
• Compared to Lake Park	8.5163

Analysis of Tax Rate and Annexation PBC Fire and Library Services

• Operating Millage as Proposed	8.5163
• PBC Fire Rescue Cost	(3.4581)
• PBC Library Millage	(.6081)
• Adjusted LP Tax Rate	4.4501
• Compared to PBC Oper. Tax Rate	4.8751

Various Budget Proposals

Recap of Major Budget Cuts to Balance Budget at Current Rate 8.5163

• 12 Furlough Days (4.6% pay cut)	$(78,600)
• 2.5% Match. Pension Contrib.	$(24,150)
• Code Officer	$(65,625)
• Admin. Assistant	$(52,625)
• Library Assist. PT	$(14,950)
• Irrigation Tech FT>PT	$(18,025)
• Major Cuts as Proposed	$(253,975)

Vice Mayor Rumsey

• Furlough Days (equiv. of 10 for Commission)	$(2,000)
• Under $50K 5 Days (20 empl.)	$(14,325)
• $50K – 60K 5% (13 Days/5 empl.)	$(11,575)
• $61K – 72K 7% (18 Days/3 empl.)	$(15,175)
• $73K – over 10% (26 Days/3 empl.)	$(26,600)
• Total Proposal	$(69,675)

Commissioner Longtin

• 12 Furlough Days (All Excl. Dept. Heads)	$(40,350)
• 10% Cut to Dept. Heads	$(67,125)
• Cut Depend. Medical Coverage	$(58,250)
Cuts	$165,725
• Code Officer Add Back	$ 65,625
• Total Proposal	$(100,100)

Alternative A
Rolled-back Rate 8.9488

• Additional Savings:	$71,000
– Reduce Furlough from 12 to 5	($46,000)
– Newsletter	($ 5,000)
– Transfer to Reserves	($20,000)
• Add Back to 8.5163:	-0-
• Code Officer	$ 65,625
• Admin. Assistant	$ 52,625
• Irrigation Tech PT>FT	$ 18,025
• Non-Ad Valorem Study	$ 25,000
• Annexation (Advert./Postage)	$ 8,000
• Total Additions	$ 169,275

Alternative B
Millage Rate 8.7910

• Additional Savings:	$71,000
– Reduce Furlough from 12 to 5	($46,000)
– Newsletter	($ 5,000)
– Transfer to Reserves	($20,000)
• Add Back to 8.5163:	-0-
• Code Officer	$ 65,625
• Irrigation Tech PT>FT	$ 18,025
• Non-Ad Valorem Study	$ 25,000
• Annexation (Advert./Postage)	$ 8,000
• Total Additions	$ 116,650

Comparison of Alternatives

- **Alternative A Rolled-Back Rate of 8.9488**
- Additional Savings: $71,000
  - Reduce Furlough from 12 to 5 ($46,000)
  - Newsletter ($ 5,000)
  - Transfer to Reserves ($20,000)

  -0-
- Add Back:
  - Code Off. $65,625
  - Admin. Assist. $52,625
  - Irrig. Tech >FT $18,025
  - Non-Ad Valorem Study $25,000
  - Annexation (Advert./Postage) $ 8,000
- Total Additions $169,275

- **Alternative B 8.7910**
- Additional Savings: $71,000
  - Reduce Furlough from 12 to 5 ($46,000)
  - Newsletter ($ 5,000)
  - Transfer to Reserves ($20,000)

  -0-
- Add Back:
  - Code Off. $65,625
  - Irrig. Tech >FT $18,025
  - Non-Ad Valorem Study $25,000
  - Annexation (Advert./Postage) $ 8,000
- Total Additions $116,650

Commission Comments

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

- Re-organization
  - Eliminate 4 Equip. Operator II Positions
  - Establish 2 Equip. Operator III Positions
  - Net Loss of Positions – 2
    - Savings $ 76,000

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

TAB 6

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 6

[ ] PUBLIC HEARING [ ] RESOLUTION

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION **[x] CONSENT AGENDA**

[ ] Other:

SUBJECT: **Regular Commission Meeting Minutes of September 7, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the Regular Commission Meeting Minutes of September 7, 2011.**

Approved by Town Manager _____ **Date:** 9/29/11

Kelly Quirey - Dep Clerk 9/28/11

Name/Title Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: $ 0 Funding Source:0 Acct. # 0	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[x] Town Clerk** VMC [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case VMC **Please initial one.**

Summary Explanation/Background:

Minutes
Town of Lake Park, Florida
Regular Commission Meeting
Wednesday, September 7, 2011, 8:40 p.m.
Town Commission Chamber, 535 Park Avenue

The Town Commission met for the purpose of a Regular Commission Meeting on Wednesday, September 7, 2011 at 8:40 p.m. Present were Mayor James DuBois, Vice-Mayor Kendall Rumsey, Commissioners Steven Hockman, Jeanine Longtin, and Tim Stevens, Town Manager Maria Davis, Town Attorney Thomas Baird, and Town Clerk Vivian Lemley.

Vice-Mayor Rumsey led the Invocation and Mayor DuBois led the Pledge of Allegiance. Town Clerk Vivian Lemley performed the Roll Call.

ADDITIONS/DELETIONS/APPROVAL OF AGENDA

Commissioner Longtin asked to have a discussion of the Majestic Princess.

Motion: A motion was made by Commissioner Hockman to approve the Agenda as amended; Commissioner Longtin made the second.

Vote on Motion:

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

Motion passed 5-0

REPORTS:

Letter to Palm Beach County Regarding the Interlocal Agreement

Mayor DuBois stated that this was asked to be brought back up for further clarification.

Town Manager Davis stated that what they have provided the Commission was the letter that was sent to Palm Beach County Board of County Commissioner Marcus and the verbatim minutes.

Commissioner Longtin stated that she could not get through this because of all the spelling errors and would like to request a disc so she can listen to this herself. She stated that whoever typed this up needs to use a dictionary. She reiterated that she would like to listen to this herself because this is not how she remembers it.

Mayor DuBois asked Commissioner Longtin if she wanted audio or a DVD.

Commissioner Longtin stated that a DVD was fine.

Commissioner Hockman stated for the record that "I just was not totally happy with the way it says we agree to pursue to the development in each and every phase of the project. It can be mistaken and that is why I asked it come back before it actually got sent so we could fine-tune it. But it is too late, it is gone."

Update on One Park Place Property

Town Manager Davis stated that this was requested by the Vice-Mayor and they could field any questions. She stated that it is still in the early stages of foreclosure and we do not have a lot of information on it. She stated that they have provided the Commission with the copy of all the permits and inspections, but the bank is very closed-mouthed about it at this point.

Vice-Mayor Rumsey asked if we have any idea of when the foreclosure will take place.

Town Manager Davis stated that according to the bank, they are in the very early stages.

Vice-Mayor Rumsey asked if we were to offer some incentives to a potential new buyer, would that possibly get the processes rolling quicker.

Town Manager Davis stated unfortunately, she doubts it because we have had two, possibly three cash buyers that could not get past the process.

Vice-Mayor Rumsey asked if their bids were on the low end or were they just a refusal to sell.

Town Manager Davis stated that we are having extreme difficulties getting answers out of the bank. She stated that they are very closed-mouthed.

Mayor DuBois stated that he was not sure it was the bank's business at this point if there is a lawsuit for default; the owner is still the owner. He stated that he thought until the lawsuit is settled regarding the default, that the owner is still in control of the property.

Attorney Tom Baird stated that was correct. He stated that any negotiations going on between the owner of the property and prospective purchasers would be something the bank would want to avoid interfering with because the defendant might allege they had a way out of this default but the bank interfered.

Mayor DuBois stated that it gets to be very complicated.

Vice-Mayor Rumsey asked if any proposals or incentives that he may think would be a great idea, should he keep his mouth shut until they go in foreclosure.

Town Manager Davis stated that we could speak to the owner. She stated that the owner is being very unrealistic for what he wants for that property and she knows this because of other potential buyers. She stated that basically we are just waiting.

Vice-Mayor Rumsey stated that he will just hold all comment until we are at a point where we can possibly affect change.

Mayor DuBois asked if the property was being maintained to some point.

Vice-Mayor Rumsey stated "just from the Town."

Mayor DuBois asked if there had been any contribution of maintenance from the owner.

Town Manager Davis stated the owner did pressure clean and the Town is maintaining the landscaping.

Mayor DuBois asked if it was for the grass that we actually have an agreement to use.

Town Manager Davis stated "yes."

Mayor DuBois asked if we were trimming the hedges that are not part of that lawn.

Commissioner Hockman asked if we are maintaining the shrubbery in front, are we back billing him.

Town Manager Davis stated that it was in the agreement for the use of the land on the west side.

Mayor DuBois stated that we are not actually losing revenue and we have some exchange.

Town Manager Davis stated that there were some code issues with the pressure cleaning that was needed and he did step up and do that.

Vice-Mayor Rumsey asked if we can ask him to fix the banner or take it down. He stated that right now it is hanging by one string.

Town Manager Davis stated "okay."

Mayor DuBois asked if we have to do that with a code violation or just ask him.

Vice-Mayor Rumsey stated we could just ask him.

Commissioner Longtin asked approximately what the owner is looking to sell this property for.

Town Manager Davis stated he wanted $3.5 million.

Commissioner Longtin stated that she thought he had taken away that agreement for us to use that lawn.

Town Manager Davis stated "no." She stated that he was upset when we asked him to do the pressure cleaning, but he did not take it away.

Commissioner Longtin stated that if we are spending our resources then why is our staff showing his building when that is what a realtor is for. She stated that she knew the building is in the CRA, but until the building is out of foreclosure, we should not be spending any time on this building. She stated that she felt that it was only stalling the process and we should just let it go into foreclosure. She stated that if he was being unreasonable in the price, let it go.

Commissioner Stevens asked what he owed to the bank.

Town Manager Davis stated she did not know.

Commissioner Hockman stated that from what he heard, the owner is asking more than what he owes to the bank. He stated that he agreed that we should not be acting as "realtor" in this because we are saving him only seven percent. He stated that if he really wanted to get out of it, he should take something and not just what he wants in order to not completely lose the whole thing. He stated that he does recommend that the Town not be involved in this issue.

Mayor DuBois stated that he does not care to do any advising to the owner on his business. He stated that it would be nice to get some tenants in there, but he has a long way to go before we can get a certificate of occupancy for either commercial or residential property in that building. He stated that he does not have a problem with our CRA telling people that the building is available and giving them the telephone number. He stated that there is not much more our staff can do because the building is so far way from occupancy that there is very little else to do.

Commissioner Stevens stated that he believes it is in the Town's best interest to have that building occupied and whatever we can do to get that building occupied would be good. He stated that he is eager to hear Vice-Mayor Rumsey's suggestions and if they would help us get to an occupied building soon, rather than waiting for the process, so much the better.

Commissioner Longtin stated that it is out of our hands and is between the bank and the owner.

Commissioner Stevens stated that it is not completely out of our hands. He informed them that if the owner gets a buyer and they come to an agreement to pay off the bank, then we are good to go.

Vice-Mayor Rumsey stated that he was not going to voice his plan right now.

Mayor DuBois stated that it was time to move on to the next subject.

Commissioner Longtin stated that "about 14 months ago when Mr. Ahrens came forward and told us that 75 percent of his building was occupied, those were good times."

PUBLIC AND OTHER COMMENTS:

1. *Cynthia Grey, 503 Sabel Palm Dr.* – she stated that she supported Commissioner Longtin's suggestion of cutting salaries across the board, particularly for Department Heads. She stated that many residents agree that those salaries are very high. She wanted to know if there had been a study done of other department heads in other communities of our size.

   Mayor DuBois stated that there had been studies done and we are about right in the middle.

   Ms. Grey stated that there needs to be a study as well as some justification on what these people do to earn this money.

CONSENT AGENDA:

3. Resolution No. 30-09-11 State Aid to Libraries Grant
4. Notification of Florida Coastal Cleanup September 17, 2011

Commissioner Longtin stated that she would like to discuss each item separately.

Mayor DuBois stated they should discuss Resolution No. 30-09-11 State Aid to Libraries Grant.

Commissioner Longtin explained to Commissioner Stevens that this is an example of when we take this $7,000 grant, we open up all of our library services to the entire County. She stated that this is what happens when you take a grant. She explained to him that he will vote for this because if he does not, then you will be said to hate the children. She stated that if he will read the grant, that is what it states. She stated that she just wanted to bring it to his attention and will be voting against this because she is tired of taking grant money.

Commissioner Hockman stated that the dollar amount on the grant paperwork does not seem to match the budget book. He stated that one is $268,000 and the other is $240,000 and asked if that was going to be a problem. He stated that there could be numbers he was not seeing.

Town Manager Davis stated that she did not know what he was talking about.

Commissioner Hockman stated that it stated the total operation and maintenance for the Library is $268,000 and asked if they come up with the $7,000 based on a percentage. Grant Writer Virginia Martin explained that the local operating expenditures for October 1, 2009 through September 30, 2010 was $261,321 and was the year that they based this year's allotment on.

Commissioner Hockman stated that it indicates for 2009 to 2010, the actual was $258,000 in the budget book.

Grant Writer Martin stated that she will check that out and that the numbers she used was before the audit was drafted.

Motion: A motion was made by Commissioner Stevens to approve item number 3, on the Consent Agenda; Vice-Mayor Rumsey made the second.

Vote on Motion:

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

Motion passed 3-2

Mayor DuBois stated that Commissioner Longtin asked to have the Notification of Florida Coastal Cleanup on September 17, 2011 pulled.

Town Manager Davis asked Public Works Director Dave Hunt to explain this program.

Public Works Director Hunt explained that this clean-up will be similar to a previous clean-up they had approximately six months ago. He stated that they will be cleaning up the public right of way along Silver Beach Road. He stated that they are asking for volunteers to join us to help clean-up the Community.

Mayor DuBois stated that he volunteered. He asked if they were meeting at 8:00 am at Public Works.

Public Works Director Hunt stated that it would be confirmed on the time later.

Town Manager Davis stated that it was 8:00 am.

Commissioner Longtin asked if it was Saturday, September 17, 2011 at 8:00 am.

Mayor DuBois stated that was correct.

Commissioner Longtin asked if this was totally volunteer work and nobody was getting paid for this.

Town Manager Davis reassured her that no one would be getting paid.

Commissioner Longtin stated that was a beautiful thing. She asked if the County had any plans for this road. She stated that we keep cleaning it, which is great, but asked if the County is going to do any improvements on this road.

Mayor DuBois stated that she could add this to her comments at the end of the meeting or under discussion and possible action.

Public Works Director Hunt stated that he does have an update on the County when it is the appropriate time.

Town Manager Davis asked if the Mayor would like this update as an agenda item.

Mayor DuBois stated that he would like it as an agenda item and would like him to include information on the other roads in the five year plan. He stated that there was an extension of Congress Avenue to A1A, improvements to Park Ave…

Public Works Director Hunt agreed and stated there were several improvements in that plan and asked would the Mayor just like an update on all of the projects when he does the update.

Mayor DuBois stated that would be great and reminded the public that the clean-up would be September 17, 2011 at 8:00 am at Public Works. He thanked Public Works for their work.

Vice-Mayor Rumsey asked when they do the clean-ups, are the employees volunteering on their day off to come clean up the streets of Lake Park. He asked how many employees actually come.

Public Works Director Hunt stated that he thought at the last clean-up there may have been four of them including Commissioner Longtin.

Vice-Mayor Rumsey asked if it was employees volunteering on their day off to volunteer for the Town.

Commissioner Hockman asked if a criminal background check was being done on these volunteers.

Town Manager Davis stated "no."

Commissioner Hockman stated that he asked that because in the budget there was a large number allotted for background checks.

Town Manager Davis stated that they are not working with kids.

Vice-Mayor Rumsey stated they were picking up trash.

Commissioner Stevens stated that he has volunteered in the past for the great event. He informed the public that if they want to get involved, please call Kim Alexander at 561-881-3345.

Motion: A motion was made by Commissioner Longtin to approve item number 4, on the Consent Agenda; Commissioner Hockman made the second.

Vote on Motion:

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

Motion passed 5-0

PUBLIC HEARING:

Ordinance on Second Reading:

Ordinance No. 05-2011 Bank Registry

Staff Report:

Attorney Baird explained that the purpose of this Ordinance is to require lenders to take responsibility for the assets they own or will shortly own through a foreclosure process. He stated that the interest of this Ordinance was generated by residents in the Town and reported to the staff about vacant properties that were not being maintained and what could the Town do about that. He stated that he did research on this and the foreclosure crisis around the Country. He stated that this Ordinance was modeled after Ordinances throughout Florida not modeled after Palm Beach County's Ordinance's. He stated that it was not prepared solely or exclusively because Palm Beach County was proposing to adopt such an ordinance and it was not a situation where the Town was "jumping blindly off a cliff" to adopt an ordinance that other cities were adopting. He stated that it was recommended to the Commission because it is a necessity to address a serious situation

and its' purpose is not to generate revenues. He stated that the fees charged for registration will just cover the staff time to administer that ordinance just like any other user fee that the Town charges. He stated that in terms of local experience with the ordinance, North Palm Beach has had this ordinance in effect for several years. He stated that if you were to ask them how the ordinance has worked for them, they would say "very well." He stated that it has been the experience throughout Florida that the ordinance is something that promotes maintenance and security of properties with the idea again returning the property to someone who will own, maintain, and secure the property.

Commissioner Stevens applauded Attorney Baird for his work on this project.

Commissioner Hockman asked how this ordinance was going to do anything different than what we currently are doing now.

Attorney Baird explained the ordinance provisions and what they entail.

Commissioner Hockman asked why commercial properties were not included in this ordinance.

Attorney Baird explained that the Commission could decide to include that as well and explained why most cities in Florida and throughout the Country mostly concentrate on residential.

Commissioner Stevens asked if anything can be done before the foreclosure process has started with the bank stepping in and the homeowner has let their property go array.

Attorney Baird explained the conditions of when the ordinance is in effect.

Public Comments Open

1. *Cynthia Grey, 503 Sabel Palm Dr.* – expressed her concern for the yard issues at the property located at 520 Teak Rd. and questioned who was going to be responsible for the upkeep of the property.

   Town Manager Davis explained that we have an ordinance in effect currently that provides the Town to go in and mow or do whatever needs to be done and back charge the property via a lien.

Public Comments Closed

Commissioner Longtin wanted commercial added and referred to the Where As clause that should be changed as well as other concerns. She wanted the whole Ordinance reviewed again.

Mayor DuBois asked if it was even possible to make changes for the second reading.

Attorney Baird explained that they had to be made tonight and not majorly material. He stated that if they were, then the changes would be made and pushed back to first reading.

Commissioner Stevens liked the setup of the ordinance but mentioned that he understood the concerns.

Commissioner Hockman had concerns with the definitions of the ordinance.

Motion: A motion was made by Vice-Mayor Rumsey to approve Ordinance 05-2011 Bank Registry; Commissioner Stevens made the second.

Vote on Motion:

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

Motion passed 3-2

Attorney Baird informed Town Manager Davis that the fee could be worked out in the fee schedule.

Mayor DuBois thanked Attorney Baird for working on the ordinance and Commissioner Longtin for bringing the ordinance back.

Attorney Baird read Ordinance 05-2011 by caption only.

PUBLIC HEARING CLOSED

<u>Discussion and Possible Action:</u>
Majestic Princess

Commissioner Longtin wanted the Majestic Princess to be added on the next agenda with all parties involved. She wants the Commission to be involved in the discussion. She expressed her feelings on how things have been going thus far.

Commissioner Hockman expressed his disappointment on how this issue has been handled. He wants to find out what is really going on by having the Commission get involved and revisiting this issue.

Vice-Mayor Rumsey explained that he feels there is no issue due to the facts that he has been given.

Mayor DuBois expressed his feelings on the issue by saying it was a "tenant/landlord" issue and not something that needs to be reviewed by the Commission.

Commissioner Stevens agreed with the Mayor and Vice-Mayor that it was not an issue to be revisited.

Commissioner Longtin expressed her concern with the operations at the Marina. She explained that her issue is not with this one tenant, but what is going on at the Marina overall.

Mayor DuBois suggested a Marina operation workshop regarding all aspects of the Marina.

Commissioner Longtin stated that if a workshop was put together, she would attend.

Commissioner Hockman referred to communication regarding the Majestic Princess and payment arraignments that have been made.

Mayor DuBois thought the conversation was highly inappropriate and directed the Commission to move on in the meeting.

COMMENTS BY COMMISSION, TOWN MANAGER, TOWN ATTORNEY

Commissioner Longtin apologized to the Town Manager and residents for not being available since the last meeting. She also apologized to the board members regarding the issue of having qualified members.

She knew there was a Planning and Zoning meeting on September 12, 2011 and wanted to know the status of it. She was informed that it was canceled and another meeting scheduled for the first Monday in October. She spoke about the Community Watch meeting and how informative it was. She spoke on sanitation services and maintenance equipment providers to possibly outsource.

She thanked the Mayor for running the Meeting.

Commissioner Stevens mentioned that he appreciated all the phone calls and emails and will return those messages. He reminded everyone of his phone number and email.

He addressed Susan Lloyd, Brent Headburg, Jim Lloyd, Janet Perry, and Cynthia Grey's comments and questions.

He was thankful for the hard work that was done on the parking decals.

Mayor DuBois thanked the rest of the Commission for their suggestions on the budget options.

He apologized to Commissioner Hockman for cutting him off.

Vice-Mayor Rumsey thanked the public for their support.

He asked the Attorney about what had been in the news concerning North Palm Beach and Riviera Beach regarding Adult Arcades and apologized for not informing him in advance that he was going to ask about it tonight.

Attorney Baird explained the issue on the Adult Arcades and the preventive measures that the two towns have put into place to prohibit them in their towns.

Vice-Mayor Rumsey wanted a report on this at the next meeting just to see if it is something that the Town may look into getting as well.

He wished Town Manager Davis a Happy Birthday.

Commissioner Hockman thanked the public for their support.

He reported that he met with the Town Manager concerning the budget and did not get very far because there were a lot of issues such as the cell phone usage. He expressed that he felt that the Town Manager's contract should be renegotiated.

He thinks that the Code Enforcement employee should not be the one released; instead it should be the two part-time parking enforcement people that should be. He wants the Irrigation Technician to be full-time and the Recreation Director to be part-time and only full-time in the summer. He also expressed his concern on the Marina issue.

Attorney Baird had no comment.

Town Manager Davis informed the public that the Town's Recreation Department was providing a few activities for the Town. She mentioned there would be free tennis lessons for kids ages 4-18, every Wednesday, from 5:30 – 6:30. She stated that we will provide the equipment and for more information to call 561-881-3338.

She informed the public that there will be Yoga classes starting October 5, 2011 being held every Wednesday from 5:45 -7:00 pm. She stated that cost is $8.00 per class and for more information to call 561-881-3338.

She informed the public that there will be Fall Flag Football for ages 6-18 and the fee is $35.00. She stated that the games start next week and all games will be played at Mack Am Fisher Boys and Girls Club in Riviera Beach. She stated that for more information please call the Recreation Department.

She explained that we are still accepting registrations for Winter Basketball and Spring Soccer for ages 6-18. She stated that the fee was $35.00 and for more information, please call the Recreation Department.

ADJOURNMENT

There being no further business to come before the Commission and after a motion to adjourn by Commissioner Stevens and seconded by Commissioner Longtin, and by unanimous vote, the meeting adjourned at 10:03 p.m.

_____
Mayor James DuBois

_____
Town Clerk, Vivian Lemley

_____
Deputy Town Clerk, Kelly Avery

Town Seal

Approved on this _____ of _____, 2011

TAB 7

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 7

[ ] PUBLIC HEARING [ ] RESOLUTION

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION **[x] CONSENT AGENDA**

[ ] Other:

SUBJECT: **First Public Hearing on the Tentative Budget Minutes of September 7, 2011**

RECOMMENDED MOTION/ACTION: **To Approve the First Public Hearing on the Tentative Budget Minutes of September 7, 2011.**

Approved by Town Manager H. Davis **Date:** 9/27/11

Kelly Chang - Dep Clerk 9/27/11

Name/Title Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: $ 0 Funding Source:0 Acct. # 0	**Attachments:** **Meeting Minutes**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[x] Town Clerk** YMC [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case YMC **Please initial one.**

Summary Explanation/Background:

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 emphasis 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 from1.8 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

Town Seal

Approved on this _____ of _____, 2011

TOWN OF LAKE PARK
Final Public Hearing

Brief Overview of Tentative Budgets
Fiscal Year 2011 - 2012

Exhibit H

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)

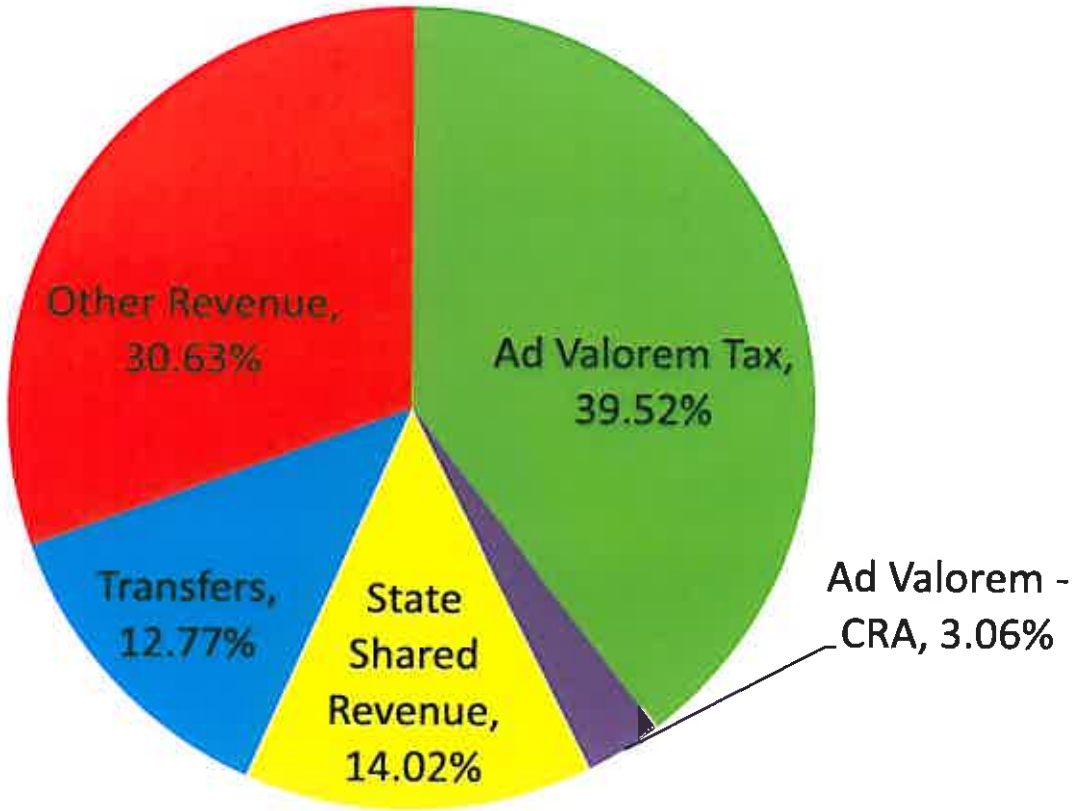
- Current year millage rate is 8.5163
- Tentative millage is 1.08% below the rolled-back rate
- One mill generates $424,695

Assessed Taxable Value

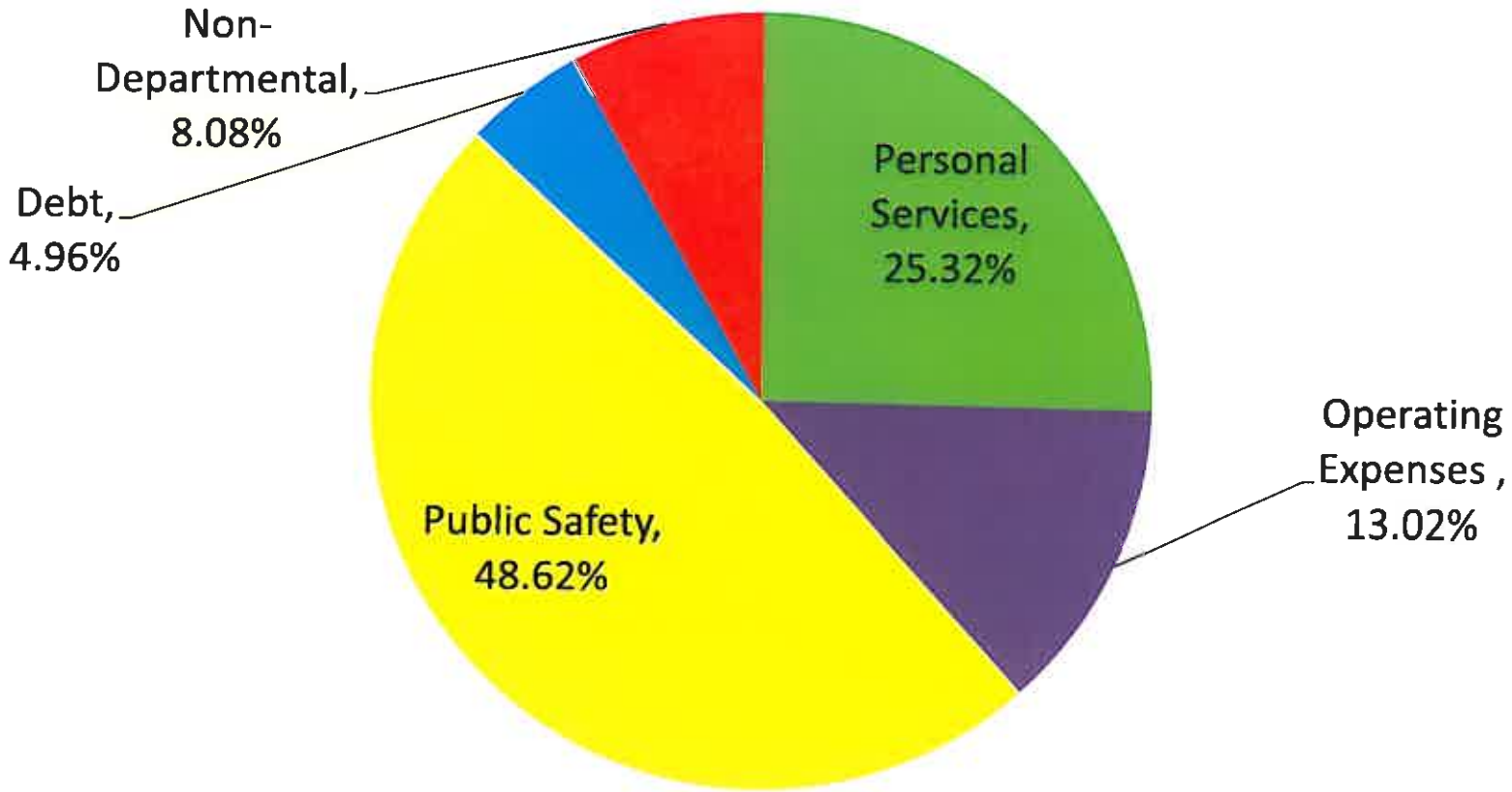
Fiscal Year 2011	$ 472,063,047
Fiscal Year 2012	$ 447,046,417
Loss of Value	$(25,016,630)
Loss of Tax Dollars	$ (202,400)

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	$15,425
• Add Back to 8.5163:	-0-
• Code Officer	$ 63,865
• Admin. Assistant	$ 52,115
• Irrigation Tech PT>FT	$ 16,535 (Stormwater)
• 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	$75,000
• To be Allocated to Positions	($73,500)
• Code Officer	$ 63,865
• Admin. Assistant	$ 53,115
• 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)	$ 8,000
• Add Back to 8.5163:	-0-
• Code Officer	$ 63,865
• Admin. Assistant	$ 53,115
• Total Additions	$116,980

Alternative B
Millage Rate 8.7701

• 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)	$ 8,000
• Add Back to 8.5163:	(16,925)
• Code Officer	$ 63,865
• Admin. Assistant	$ 53,115
• Total Additions	$100,055

Alternative C
Millage Rate 8.6354

• 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)	$ 8,000
• Add Back to 8.5163:	($16,925)
• Code Officer	$ 63,865
• 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)	$ 8,000
• Add Back to 8.5163:	($16,925)
• Admin. Assistant	$ 53,115
• Total Additions	$ 36,190

Alternative E
Millage Rate 8.5163

• 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)	$ 8,000
• 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: $ 53,425
  - 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)	$ 8,000)
Add Back to 8.5163:	($16,925)
• Allocate Savings to Millage Rate	$16,925
• Total Additions	$ -0-

Parking Decal Proposal

- Decals for Residents Only
  - Annual Parking Decal $45.00
    - January 1st – December 31st
    - 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 1st –December 31st
    - 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%	($ 25,525)
• 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)	$ 8,000
• Amount Remaining to Reserves	$ 74,600

exhibit B

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 $360,000/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.

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, it 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.worldpress.com

Thank you for your time.

TAB 8

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: October 5, 2011 **Agenda Item No.** Tab 8

[ ] PUBLIC HEARING [X] **RESOLUTION**

[ ] ORDINANCE ON FIRST READING [ ] DISCUSSION/POSSIBLE ACTION

[ ] ORDINANCE ON SECOND READING [ ] BID/RFP AWARD

[ ] PRESENTATION/PROCLAMATION [X] **CONSENT AGENDA**

[ ] Other:

SUBJECT: CHANGE TO DEVELOPMENT REVIEW FEE SCHEDULE

RECOMMENDED MOTION/ACTION: APPROVAL

Approved by Town Manager H.A. Davis **Date:** 9/29/11

Name/Title: **Nadia Di Tommaso,** *Community Development Director* Date of Actual Submittal **09/26/2011**

Originating Department: Community Development	Costs: $ 0 Funding Source: Acct. #	**Attachments: Resolution Exhibit "A"**
Department Review: [x] Attorney_TJB_____ [x]Community Development ND [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ [ ] Town Clerk _____ [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ [x] Not Required	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case ND **Please initial one.**

Summary Explanation/Background:

Amend the schedule of fees to add a $150 Bank Registration Fee pursuant to the recently approved Bank Registration Ordinance. This one time fee will cover the ongoing administrative time needed in filing and maintaining the records, as well as the ongoing efforts of Code Enforcement to actively monitor these properties. The proposed fee is consistent with other municipalities that have recently adopted a similar Ordinance not only in Florida, but across the nation. Examples include the Town of Palm Beach, FL $150; City of Florida City, FL $150; City of Berea, Ohio $150; City of Dearborn, MI $150; and the Village of Royal Palm, FL $150, just to name a few.

RESOLUTION NO. 36-10-11

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AMENDING THE SCHEDULE OF FEES FOR DEVELOPMENT ORDERS, PERMITS, MOBILE VENDORS, REASONABLE ACCOMMODATION REQUESTS AND OTHER APPLICATIONS WHICH REQUIRE ADMINISTRATIVE PROCESSING BY THE TOWN; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Lake Park ("Town") is a municipal corporation of the State of Florida with such power and authority as has been conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

WHEREAS, the Town Commission has previously adopted Resolution No. 20-05-09, pursuant to which the Town Commission established a Schedule of Fees that the Town charges for the review and processing of applications for development orders, permits, and other applications which require processing by the Town staff and Attorney and consultants ; and

WHEREAS, Town staff has recommended that the Schedule of Fees previously adopted in Resolution No. 30-08-10 be amended as set forth in **Exhibit "A"** attached hereto, and incorporated herein to add certain fees.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AS FOLLOWS:

Section 1. The whereas clauses are hereby incorporated herein.

Section 2. The Town Commission hereby adopts the amended Schedule of Fees as contained in **Exhibit "A"** which is attached hereto and incorporated herein.

Section 3. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed to the extent of the conflict.

Section 4. This Resolution shall take effect immediately upon adoption.

The foregoing Resolution was offered by _____

who moved its adoption. The motion was seconded by _____

and upon being put to a roll call vote, the vote was as follows:

	AYE	NAY
MAYOR JAMES DUBOIS	____	____
VICE-MAYOR KENDALL RUMSEY	____	____
COMMISSIONER STEVEN HOCKMAN	____	____
COMMISSIONER JEANINE LONGTIN	____	____
COMMISSIONER TIM STEVENS	____	____

The Town Commission thereupon declared the foregoing Resolution NO. _____ duly passed and adopted this __ day of _____, 2011.

TOWN OF LAKE PARK, FLORIDA

BY: _____
JAMES DUBOIS
MAYOR

ATTEST:

_____
VIVIAN M. LEMLEY
TOWN CLERK

Approved as to form and legal sufficiency:

BY: _____
THOMAS J. BAIRD
TOWN ATTORNEY

EXHIBIT "A"

SECTION 1

DEVELOPMENT REVIEW PERMIT FEE SCHEDULE

No.	TYPE OF FEE	FEE
1	Abandonment of rights of way	$1500.00
2	Abandonment of easements	$1500.00
3	Appeal of Administrative Decisions	$600.00
4	Comprehensive Plan amendment	$1250.00
5	Comprehensive future land use map change	$1250.00
6	Development of Regional Impact	$3000.00
	a. Annual report review	$500.00
7	Development Approval extension	$1000.00
8	Developer Agreements	$1500.00
9	Planned Unit Development	
	a. Master Plan approval	$1750.00
	b. Modification of an approved Master Plan	$750.00
10	Site plan, nonresidential	
	a. 0-14999 square feet	$1000.00
	b. Greater than 14999 square feet	$1500.00
11	Site Plan residential	
	a. Base fee	$750.00
	b. Additional fee, greater of 10.00 per dwelling unit or lot	$10.00 per unit
12	Special Exception, nonresidential	
	a. 0-14999 square feet	$750.00
	b. Greater than 14999 square feet	$1250.00
13	Special Exception, residential	
	a. 0-14999 square feet	$750.00
	b. Greater than 14999 square feet	$1250.00
14	Variance, nonresidential	$750.00

15	Variance, residential principal structure	$550.00
16	Vegetation removal and land clearing permit	$500.00
17	Zoning code text amendment	$1250.00
18	Zoning map amendment	$1250.00
19	Zoning determination letter	$85.00
20	Zoning Confirmation Certificate	$85.00
21	Home Occupation Zoning Confirmation Certificate	$85.00
22	Special Event Permit (non-profit)	$25.00
23	Special Event Permit (commercial entity)	$75.00
24	Minor Replat	$500.00
25	Tree Removal	$50
26	Telecommunications Tower Pre-application permit	$250
27	Telecommunications Tower/Co-Location Application	$1500
28	Certificate of Appropriateness (Historic Preservation)	$100
29	Site Plan or Development Approval Amendment	$250
30	Abatement Request Application - Code	$50
31	Time Extension Application - Code	$50
32	Out of Town Business Registration Application	$25
33	Name Change Administrative Fee	$25
34	PADD Waiver	$750
35	Parking meter fee per hour	$1.00
36	Parking meter fee per quarter hour	$.25
37	Parking meter discounts, passes and bulk purchases	TBD by the Town Mgr
38	Expired meter – illegal parking fine per ticket	$20
39	Unauthorized parking in a handicapped space or zone	$500
40	Annual Mobile Vendor fee	$250
41	Mobile Vendor fee per event	$25
42	Marina Event Fee – per event	$500
43	**Annual Bank Registration Fee**	**$150**

Recovery of additional costs. In addition to the afore-stated fees, the Town may, in addition to the applicable application fee, recover the costs referenced below, including, but not limited to, the following:

1) Consultant fees incurred by the Town, whenever the Town deems it necessary to retain an outside consultant to assist Town staff in the review and processing of applications for development orders, such as the review and analysis of property appraisals, traffic impact analysis, vegetation and environmental assessments, archeological or historic assessments, market studies, engineering studies or reports, telecommunications facility siting, and any other documents, studies, data, reports and other materials.
2) Attorney's fees incurred by the Town Attorney or other legal counsel retained by the Town in connection with the review and processing of an application for a development order, and the preparation and/or review of legal documents.
3) Costs incurred by the Town in connection with advertising, publication, and mailing of legal notices for public hearings, workshops, or other public meetings; recording fees for the cost of recording instruments in the public records of Palm Beach County.
4) In the event that at the time an application is received by the Town, additional costs are reasonably anticipated by the Town to be incurred by the Town, the Town may require the applicant as a condition precedent to processing the application, to deposit an amount estimated by the Town's Community Development Director, to be a sufficient cost deposit. Any monies provided to the Town as a cost deposit, shall be placed into an escrow account created by the Town. After the Town Commission takes final action on the application, the Town shall refund any unused cost deposit funds to the applicant.
5) The minimum cost deposit shall be $800.00 or a greater amount if deemed necessary by the Town's Community Development Director to cover all anticipated expenses, whichever is greater.

Ordinance on Second Reading

TAB 9

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: October 5, 2011 **Agenda Item No.** Tab 9

[X]	**PUBLIC HEARING**	[ ]	RESOLUTION
[ ]	ORDINANCE ON FIRST READING	[ ]	DISCUSSION/POSSIBLE ACTION
[X]	**ORDINANCE ON SECOND READING**	[ ]	BID/RFP AWARD
[ ]	PRESENTATION/PROCLAMATION	[ ]	CONSENT AGENDA
[ ]	Other:		

SUBJECT: **Comprehensive Plan Capital Improvement Schedule Update**

RECOMMENDED MOTION/ACTION: **Approval of the Ordinance on second reading.**

Approved by Town Manager M. Davis **Date:** 9/27/11

Name/Title: **Nadia Di Tommaso,** ***Community Development Director*** Date of Actual Submiittal: **09/26/2011**

Originating Department: Community Development	Costs: **$ Legal Advertisement** Funding Source: **Town Clerk (Advertising)** Acct. # **106-48100**	**Attachments:** **Staff Memo** **Ordinance with Exhibit "A"** **Legal Ad**
Department Review: **[X] Attorney** ***TJB*** **[X] Community Development** ***ND*** [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ [ ] Town Clerk _____ [ ] Town Manager _____
Advertised: Date: **09/25/2011** Paper: **Palm Beach Post** [ ] Not Required	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case **_ND___** **Please initial one.**

Please refer to attached Staff Memo.

Town of Lake Park
Community Development Department

STAFF MEMO

Nadia Di Tommaso
Community Development Director

To: **TOWN COMMISSION**

Re: Comprehensive Plan
Capital Improvement Schedule Update

Summary Explanation/Background:

By law the Town is required to review the Capital Improvement Schedule (CIS) contained in the Capital Improvements Element (CIE) of the Town's Comprehensive Plan (Plan).

A CIS is a short-range plan integral to the CIE of the Plan, which identifies capital projects and equipment purchases, provides a planning schedule and identifies options for financing the plan. The CIS contains funding sources to ensure the projects can be implemented.

A CIS allows for:

- A systematic evaluation of all potential projects at the same time.
- The ability to stabilize debt and consolidate projects to reduce borrowing costs.
- A public relations and economic development tool.
- Focus on preserving a governmental entity's infrastructure while ensuring the efficient use of public funds.
- An opportunity to foster cooperation among departments and an ability to inform other units of government of the entity's priorities. For example, a State grant looks highly on applications for projects that are included in the CIS.

Effective June 1, 2011, House Bill 7207 amended the law that required local governments to amend their Plans to annually revise the CIE and to subject this amendment to review by Department of Community Affairs (DCA). The new legislation requires that only the Town review its CIE and adopt any update thereto pursuant to an Ordinance which is not subject to review by the DCA. Because the update still is accomplished by the adoption of an Ordinance, a public hearing is required and has been advertised.

Based upon staff's review of the updated CIS of the CIE in the Plan, it has been determined that some housekeeping is required. The original improvement schedule began in 2007/2008 and extends to 2011/2012. The new schedule should incorporate the Town's current projects through 2015/2016.

Ordinance 06-2011, Exhibit "A" outlines the Town's current and future capital projects. It should be noted that the majority of the projects set forth in the updated schedule can only be accomplished if grant funding is obtained.

***NEW SCHEDULE* → Please refer to Exhibit "A" in the Ordinance.**
Staff recommends a Motion to <u>approve the Ordinance</u> on second reading.

Nadia Di Tommaso, Community Development Director
Community Development Department
881-3319 fax 881-3323
NDiTommaso@lakeparkflorida.gov

ORDINANCE NO. 06-2011

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING AND UPDATING THE CAPITAL IMPROVEMENTS ELEMENT OF ITS COMPREHENSIVE PLAN; PROVIDING FOR AN UPDATED FIVE YEAR CAPITAL IMPROVEMENTS SCHEDULE PURSUANT TO SECTION 163.3177(3)(b)1., FLORIDA STATUTES; PROVIDING FOR THE AMENDMENT OF THE TEXT OF THE CAPITAL IMPROVEMENTS ELEMENT SO AS TO BE CONSISTENT WITH THE NEW SCHEDULE ; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the State Legislature of the State of Florida has previously mandated that all local governments must annually amend their comprehensive plans to update the Capital Improvements Element, including the Five Year Schedule of Capital Improvements contained therein; and

WHEREAS, pursuant to House Bill 7207 the Legislature has repealed the requirement that local governments annually amend their comprehensive plans such that a local government is no longer required to annually adopt an amendment to the local government's comprehensive plan; and

WHEREAS, the new legislation requires only that local governments review their Capital Improvements Element and adopt any update thereto pursuant to an Ordinance which is not subject to review by the State land planning agency; and

WHEREAS, the Town staff has prepared an Ordinance which amends the Capital Improvements Element of its comprehensive plan which was required pursuant to Section 163.3177, *Florida Statutes*, and;

WHEREAS, the Town Commission of the Town of Lake Park has held the duly required public hearing in accordance with the adoption of its Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AS FOLLOWS:

Section 1: The foregoing facts and recitations contained in the preamble to this Ordinance are hereby adopted and incorporated by reference as if fully set forth herein.

Section 2: The 2011 Update to the Town of Lake Park Comprehensive Plan Capital Improvements Element Five Year Capital Improvements Schedule is attached hereto as Exhibit "A" and incorporated herein. The text adopted in Exhibit "A" shall become a part of and amend the previously adopted text of the Capital Improvements Element.

Section 3: A copy of the Comprehensive Plan, as amended, shall be kept on file in the office of the Town Clerk, Town of Lake Park, Florida.

Section 4: The Community Development Director shall also maintain a copy of the current Comprehensive Plan of the Town of Lake Park in the office of Community Development.

Section 5: All Ordinances or parts of Ordinances in conflict are hereby repealed.

Section 6: Should any section or provision of this Ordinance or any portion thereof, any paragraph, sentence or word be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder of this Ordinance.

Section 7: The Ordinance shall become effective upon adoption.

EXHIBIT "A"

2011 UPDATE TO THE TOWN OF LAKE PARK COMPREHENSIVE PLAN CAPITAL IMPROVEMENTS ELEMENT AND FIVE YEAR CAPITAL IMPROVEMENT SCHEDULE

1. Amend Policy 1.11 as follows:

Policy 1.11 The following Capital Improvements Schedule, as it is annually updated in accordance with State growth management requirements, includes all projects scheduled to meet or improve the adopted Level of Service Standards during the five-year planning period, and other projects that further implementation of this Comprehensive Plan and its goals, objectives and policies.

TOWN OF LAKE PARK FIVE YEAR CAPITAL IMPROVEMENT SCHEDULE[1]·
20~~07~~11 – 201~~2~~6

Project Category	Project Name	~~07~~11/~~08~~12	~~08~~12/~~09~~13	~~09~~13/1~~0~~4	1~~0~~4/1~~11~~5	1~~1~~5/1~~2~~6	Funding Source
~~2,~~ 4	~~Downtown Park Avenue and 10th Street Alleyway Project~~ Shuttering and hardening of all Town buildings	~~$650,000~~ $225,000	~~$650,000~~ 0	0	0	0	~~Tax Increment Financing~~ Grant
~~2,~~ 4	~~Stormwater Utility District Improvements~~ Tennis courts resurfacing and lighting	$100,000	~~$200,000~~ 0	~~$200,000~~ 0	0	0	~~Special Assessment~~ Grant
2, 4	~~Northlake Boulevard Landscaping~~ Lake Shore Drive Drainage Improvements	0	~~$589,500~~ $1,000,000	$1,000,000	$1,000,000	$1,000,000	~~Palm Beach County Metropolitan Planning (Not Town funded)~~ Stormwater Utility Assessment, Grant
4	Lake Shore Drive Promenade	0	0	$1,000,000	$1,000,000	0	Grant
4	New marina parking lot	$338,000	0	0	0	0	Grant
2, 4	10th Street south of Park Avenue – drainage, lighting, paving, trees	0	$500,000	$500,000	$500,000	$500,000	Grant, Stormwater Utility Assessment,

[1] Note: The Town's ability to implement the projects in accordance with this schedule is contingent upon the receipt of grant funds as identified in the "Funding Source" column.

2, 4	Ball field expansion/Renovation	0	$750,000	$750,000	$750,000	$750,000	Grant
4	Community center/shelter	0	$1,000,000	$1,000,000	$1,000,000	$1,000,000	Grant
4	Art in Public Places	$75,000	$75,000	$75,000	$75,000	0	Grant
4	Artist live/work space	0	$2,000,000	$2,000,000	$2,000,000	0	Grant
4	Marina breakwater, bulkhead, transient slips, move fuel docks, moorings	0	$400,000	$400,000	$200,000	0	Grant
2,4	Park Avenue Improvements from US-1 to 7th Street	0	$875,000	$875,000	$875,000	$875,000	Grant
4	Town Hall Renovations (Floor Mirror Ballroom, Exterior Painting, Ceiling Clerk's Office, Awnings Exterior Doors, Stage Replacement, Window repairs)	0	$75,000	$75,000	$75,000	$75,000	Grant
2	Vehicle Replacement Plan	0	$144,000	$252,000	$753,000	$93,000	General Fund, Stormwater Utility Assessment, Sanitation Fund
	Total	~~$2,355,000~~ $738,000	~~$2,319,000~~ $6,819,000	~~$467,000~~ $7,927,000	~~$350,000~~ $8,228,000	~~$4,025,000~~ $4,293,000	

Project Category Codes

1 – Project necessary to achieve Level of Service

2 – Project will enhance ability to continue to meet Level of Service

3 – Project will enhance ability to meet Level of Service for Optional Element

4 – Project will further the achievement of Comprehensive Plan goals, objectives and policies.

TOWN OF LAKE PARK ~~COMMITTED~~ ESTIMATED FUNDING SOURCES FOR CAPITAL IMPROVEMENTS 200~~7~~11-201~~2~~6

Funding Source	~~07/08~~11/12	~~08/09~~12/13	~~09/10~~13/14	1~~0~~4/1~~1~~5	1~~1~~5/1~~2~~6
~~Tax Increment Financing~~	~~$650,000~~	~~$650,000~~	~~0~~	~~0~~	~~0~~
General Fund	0	$48,000	$84,000	$251,000	$31,000
~~Special Assessment~~	~~0~~	~~$200,000~~	~~$200,000~~	~~0~~	~~0~~
Stormwater Utility Assessment	0	$405,000	$441,000	$608,000	$388,000
~~Palm Beach County MPO Transportation Improvement Program~~ Grants	~~0~~ $738,000	~~$589,500~~ $6,318,000	~~0~~ $7,318,000	~~0~~ $7,118,000	~~0~~ $3,843,000
Sanitation Fund	0	$48,000	$84,000	$251,000	$31,000
~~Total~~	~~$650,000~~ $738,000	~~$1,439,500~~ $6,819,000	~~$200,000~~ $7,927,000	~~0~~ $8,228,000	~~0~~ $4,293,000

~~Note: The projects on the following table, if implemented, will further the achievement of Comprehensive Plan goals, objectives and policies, but are not necessary for the achievement of adopted Level of Service standards. The City Grants Writer has been charged with researching and finding funding sources for the following projects. There is no funding available from current or foreseeable revenue streams to affect these needed community improvements. If funding is secured, however, these projects will be placed on the active Capital Improvement Projects agenda for implementation. Please note that these projects are listed in no prioritized order.~~

~~TOWN OF LAKE PARK CAPITAL PROJECTS REQUIRING FUNDING SOURCES 2007-2012~~

~~**Beautification**~~	• ~~Beautification at Kelsey Park (trees)~~**MOVED TO NEW SCHEDULE** • ~~Completion of Lake Shore Park – North Corner by Seawall~~ **COMPLETED** • ~~Federal Highway Median Project~~ • ~~Park Avenue Median Project~~ **MOVED TO NEW SCHEDULE** • ~~Street Tree Planting Program~~ **MOVED TO NEW SCHEDULE** • ~~Town-wide Bike Paths~~ **MOVED TO NEW SCHEDULE**
~~**Community Center**~~	• ~~Build a new Community Recreation Center/Shelter~~ **MOVED TO NEW SCHEDULE**
~~**Hazard Mitigation**~~	• ~~Storm Shutters for Evergreen House and the little buildings at Kelsey Park~~ **MOVED TO NEW SCHEDULE** • ~~Storm Shutters for Lake Shore Park Pavilion and Tennis Center~~ **MOVED TO NEW SCHEDULE** • ~~Storm Shutters for Public Works.~~ **MOVED TO NEW SCHEDULE** • ~~Storm Shutters at Library~~ **MOVED TO NEW SCHEDULE** • ~~Storm Shutters at Town Hall~~ **MOVED TO NEW SCHEDULE** • ~~Emergency Service Center Hardening – Hazard Mitigation~~ **MOVED TO NEW SCHEDULE**
~~**Infrastructure**~~	• ~~Stormwater Management/Master Drainage Project~~ • ~~Streets and Sidewalks outside the CRA~~ **MOVED TO NEW SCHEDULE**
~~**Library**~~	• ~~Library Doors~~ **MOVED TO NEW SCHEDULE** • ~~Library refurbishment~~ **PARTIALLY COMPLETED**~~, North Entrance~~ **MOVED TO NEW SCHEDULE**

~~Marina~~	• ~~Breakwater Guide~~ **MOVED TO NEW SCHEDULE** • ~~Detached Breakwater~~ **MOVED TO NEW SCHEDULE** • ~~Fuel Dock Relocation~~ **MOVED TO NEW SCHEDULE** • ~~Overflow Parking Area~~ **COMPLETED** • ~~Patio Cover~~ **MOVED TO NEW SCHEDULE** • ~~Slip Installation – 8 slips with electrical service~~ **MOVED TO NEW SCHEDULE**

~~TOWN OF LAKE PARK CAPITAL PROJECTS REQUIRING FUNDING SOURCES 2007-2012 (cont.)~~

~~**Parks**~~	• ~~Ball Field Renovation – security~~ **COMPLETED**~~,~~ ~~lighting~~ **PARTIALLY COMPLETED**~~, goals~~ **MOVED TO NEW SCHEDULE**~~, courts~~ **MOVED TO NEW SCHEDULE**~~, dug-outs~~ **PARTIALLY COMPLETED**~~,~~ ~~fencing, bleachers~~ **MOVED TO NEW SCHEDULE**~~,~~ ~~concession stand~~ **MOVED TO NEW SCHEDULE**~~,~~ ~~restrooms~~ **IN PROCESS**~~, storage~~ **IN PROCESS** • ~~Completion of Lake Shore Park – North Corner by Seawall~~ **COMPLETED** • ~~Fishing Pier at Lake Shore Park~~ **MOVED TO NEW SCHEDULE** • ~~Park Avenue (Downtown) Pocket Park~~ **COMPLETED** • ~~Tennis Court Improvement~~ **MOVED TO NEW SCHEDULE** • ~~West Ilex Park~~ **COMPLETED**
~~**Town Hall**~~	• ~~Exterior Doors Replacement (Historic) - Town Hall~~ **COMPLETED** • ~~Exterior Painting – Town Hall~~ **MOVED TO NEW SCHEDULE** • ~~Stage Replacement – Mirror Ballroom~~ **MOVED TO NEW SCHEDULE** • ~~Window Repair – Town Hall~~ **MOVED TO NEW SCHEDULE** • ~~Wood Floor Replacement – Mirror Ballroom~~ **MOVED TO NEW SCHEDULE**
~~**Vehicles**~~	• ~~5 Year Vehicle Replacement Plan~~ **MOVED TO NEW SCHEDULE**

NO. 4267577

LEGAL NOTICE OF PROPOSED ORDINANCE TOWN OF LAKE PARK

Please take notice that on Wednesday, October 5, 2011 on second reading for adoption, at 7:00 p.m., or as soon thereafter as possible, the Town Commission of the Town of Lake Park, Florida, in a regular session to be held in the Commission Chambers, Town Hall, 535 Park Avenue, Lake Park, Florida will consider the following Ordinance:

ORDINANCE NO. 05-2011

AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA, AMENDING AND UPDATING THE CAPITAL IMPROVEMENTS ELEMENT OF ITS COMPREHENSIVE PLAN, PROVIDING FOR AN UPDATED FIVE YEAR CAPITAL IMPROVEMENTS SCHEDULE PURSUANT TO SECTION 163.3177(3)(b)1, FLORIDA STATUTES; PROVIDING FOR THE AMENDMENT OF THE TEXT OF THE CAPITAL IMPROVEMENTS ELEMENT SO AS TO BE CONSISTENT WITH THE NEW SCHEDULE; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

If a person decides to appeal any decision made by the Town Commission with respect to any hearing, they 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. For additional information, please contact Vivian M. Lemley, Town Clerk at 561-881-3311.

Vivian M. Lemley, Town Clerk
Town of Lake Park, Florida
#08 - The Palm Beach Post
September 25, 2011

Palm Beach Post
Sun 9/25/11

Discussion & Possible Action

TAB 10

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: **October 5, 2011** **Agenda Item No.** Tab 10

[ ]	PUBLIC HEARING	[ ]	RESOLUTION
[ ]	ORDINANCE ON FIRST READING	**[X]**	**DISCUSSION/POSSIBLE ACTION**
[ ]	ORDINANCE ON SECOND READING	[ ]	BID/RFP AWARD
[ ]	PRESENTATION/PROCLAMATION	[ ]	CONSENT AGENDA
[ ]	Other:		

SUBJECT: **Volunteer Dinner**

RECOMMENDED MOTION/ACTION:

Approved by Town Manager _____ **Date:** 9/29/11

Name/Title

Sept. 28, 2011
Date of Actual Submittal

Originating Department: **Town Clerk**	Costs: **$ 2,000.00** Funding Source: **100-Commission** Acct. **# 48000 Promotional Activity**	**Attachments:** **Memo; Guest list; Proposed dates;**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ **[X] Town Clerk** _____ [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ **[X] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case **Please initial one.**

Summary Explanation/Background: Each year the Town Commission honors its volunteers and sponsors with a Volunteer Dinner. This year we are proposing a date in October and a few dates in November for the Commission to choose from. For entertainment we are proposing the use of a disc jockey, and catering services from The Carving Station. A list of volunteers/sponsors is attached.

TOWN OF LAKE PARK

MEMO

To: Maria Davis, Town Manager

From: Vivian Lemley, Town Clerk

Date: September 28, 2011

Subject: Volunteer Dinner

Below are a few dates that staff is proposing in which to host the Volunteer Dinner:

Friday, October 21st ; Friday, November 4th ; November 18th

Staff is suggesting that the event take place in the Mirror Ballroom with catered food from The Carving Station. We will be serving a variety of refreshments including beer and wine. We are recommending a disc jockey for entertainment. Each volunteer will be honored with a certificate for their services.

We expect to spend approximately $2,000 for the food, beverages, music, and other miscellaneous supplies.

Attached is the master list of volunteers that are being invited to the event. If anyone else should be included please let me know.

Master Volunteer List

Board/Committee Name	Which Members to invite	Total Number of Members	
After School Volunteer	Teacher	1	
Wine/Beer Festival	volunteers	1	
Boulevard Paints	Sponsors	1	Library
Bridges of Lake Park	All Members	6	
Commission	Commissioners	5	
Community Watch	President	1	
COP - Citizens on Patrol	All Members	9	
CRA Board	All Members	2	
Friends of the Library	volunteers	13	
Friends	Sponsors	2	
Gehring Group	President	1	Sponsor
Historical Society	President	2	
Holiday Arts & Crafts	Sponsors	9	
Kiwanis	President	2	
Library Board	All Members	5	
Library Volunteers	All Members	10	
Line Dancing	Lead instructor	1	
Planning & Zoning	All Members	7	
Seafood Festival	Sponsors	13	
Teen Advisory	volunteers	2	
		93	

List of Volunteers

After School Volunteer	Neptalie Jerome												
Beer and Wine Festival	Jessica Shepherd												
Boulevard Paints	Marty Garston												
Bridges of Lake Park	Rick Petty	Betty Rowlette	Trenesia Rozier	Michelle Aleman	Kerline Seignon	Hilary Jacques							
Commission	James DuBois	Steve Hockman	Jeanine Longlin	Patricia Osterman	Kendall Rumsey								
Community Watch	Lynn												
COP - Citizens on Patrol	Martin Cochran	Bonita Johnson	Walter Johnson	Maurice Joseph	Joan Kulinka	Anthony Kulinka	Gerald Rapoza	Ismeal Vallier	Carolyn Winters				
CRA Board	Christiane Francois	Gladys Bryant											
Friends (Sponsorships)	Bevins Bennett, Jr	Hyathinthia Becton											
Friends of the Library	Genanne Doughty	Irv Seidman	Muriel Seidman	Dianne Sophinos	Jules E. Duhl	Joan Knapp	Henry McNish	George Copeland	Dr. Beth Auld	Sue Duchane	Sue Ellen Mosler	Sarah Mozely	Mr. Mozely
Gehring Group	Kurt Gehring												
Historical Society	Dorothy Gooding	L.J. Parker											
Holidays Arts and Crafts	Dave Gwinnup	Mr. Fenton	Mrs. Fenton	Allen Weissman	Julie Le Thach	Kathy Gadoury	Joel Kozlowski	Mr. Nicolas	Chris Dellago				
Kiwanis	Elizabeth Jacobson	Edie McConville											
Library Board	Roger Michaud	Peter Braun	Lisa Colgan	Candace Moss	Antony Lewis								
Library Volunteers	Elizabeth Adams	Mary Beth Small	Nyeemah Stanley	Kristen Raju	Tequila Brown	Erica Liebman	Emmanuel Korley	Marie Isidort	Shayne Smith	John Steele			
Line Dancing	Rick Goodsell												
Planning & Zoning	Jeff Blakely	Mason Brown	Todd Dry	Judith Thomas	Robin Maibach	Tim Stevens	Anthony Bontrager						
Seafood Festival	Willie McDow	Ellen Daly	Stephen Wigal	Glen Cockburn	Karl Dyle	Debbie Graves	Mandy Nolen	Mr. Mahoney	Mrs. Mahoney	Ken Gibson	Michelle Gibson	Jim McGrath	Gary Geisler
Teen Advisory	Christ Jean-Jacques	Jackson Smith											

2010 C.O.P. Members

COCHRAN	MARTIN	561-373-9983	1036 U.S. HIGHWAY ONE	NORTH PALM BEACH	FL	33408
JOHNSON	BONITA	561-601-6599	4307 72ND ST N	WEST PALM BEACH	FL	33404
JOHNSON	WALTER	561-601-6599	4307 72ND ST N	WEST PALM BEACH	FL	33404
JOSEPH	MAURICE	561-856-8211	818 MURANO DR,#101	LAKE PARK	FL	33403
KULINKA	ANTHONY	561-842-8672	810 SEMINOLE BLVD	LAKE PARK	FL	33403
KULINKA	JOAN	561-842-8672	810 SEMINOLE BLVD	LAKE PARK	FL	33403
RAPOZA	GERALD	774-930-5557	801 LAKE SHORE DR #114	LAKE PARK	FL	33403
VALLIER	ISMAEL	386-986-8865	740 MALIBU BAY DR. #207	WEST PALM BEACH	FL	33401
WINTERS	CAROLYN	561-863-4832	801 LAKE SHORE DR. #216	LAKE PARK	FL	33403

Town of Lake Park – Volunteer List - 2010-2011
LIBRARY VOLUNTEERS

Elizabeth Adams
Mary Beth Small
Nyeemah Stanley
Kristen Raju
Tequila Brown
John Steele ?
Erica Leibman
Emmanuel Korley
Marie Isidort
Shayne Smith
Ray Wilson
John Marchuck
Jimmy Skrandel
} Employees

Friends of the Lake Park Public Library:
(active volunteers)
Jules E Duhl
Genanne Doughty
Joan Knapp
Henry McNish
Irv & Muriel Seidman
Mr. George Copeland
Dr Beth Auld
~~Joan Knapp~~ listed twice
Dianne Sophinos
Sue Duchane
Sue Ellen Mosler
Sarah Mozely & husband

Friends Financial Sponsors:
Bevins Bennett, Jr
Hyathinthia Becton
-
-
-

Donators
Boulevard Paints

Cash donators:
-
-
-

Bridges of Lake Park:
Rick Petty
Betty Rowlette
Trenesia Rozier
Michelle Aleman
Kerline Seignon
Hilary Jacques

Library Board Members:
Peter Braun
Roger Michaud
Antony Lewis
Barbara Bursey – 2011 member
Candace Moss
Lisa Colgan

Teen Advisory members:
Christ Jean-Jacques
- Jackson Smith
-
-
-
-
-
-

Vivian Lemley

From: Jennifer Spicer
Sent: Tuesday, August 23, 2011 2:02 PM
To: Vivian Lemley
Subject: I.O.U VOLUNTEER LIST WITH ADDRESSES

Seafood Festival

Willie's Fish &
Game
220 US Hwy 1
Lake Park Fl 33403
Willie McDow

Spoto's Oyster Bar
4560 PGA Blvd
Palm Beach Gardens
FL 33418
Ellen Daly

Kayak
521 Northlake Blvd #1
NPB, FL 33403
Stephen Wigal

Juno Beach Fish House
13980 US Hwy One
Juno Beach FL 33408
Glen Cockburn

Pro Golf Car
630 Northlake Blvd
NPB FL 33408
Debbie Graves

Lake Park Boats
814 Northlake Blvd
NPB FL 33408
Karl Dyle

Nozzle Nolen Pest Solutions
5400 Broadway
WPB Fl 33407

Mandy Nolen

Dee's T-Shirts
2120 Broadway
Riviera Beach FL 33404
Mr. & Ms. Mahoney

Majestic Princess
105 Lakeshore Drive
Lake Park FL 33403
Ken & Michelle Gibson

Grand Slam Sportfishing
207 Blue Heron Blvd E.
Riviera Beach FL 33404
Jim McGrath

Keylypso of the Palm Beaches
418 Marlin Road
NPB FL 33408
Gary Geisler

HOLIDAY ARTS & CRAFTS SPONSORS

Dave Gwinnup
West Side Reprographics
6470 Garden Road
Riviera Beach FL 33404

Mr. & Mrs. Fenton
Sign - A - Rama
900 Northlake Blvd
NPB Fl 33408

Allen Weissman
Street Signs USA
1137 Silver Beach Road
Lake Park FL 33403

Julie LeThach
Saigon Oriental Market
832 Park Avenue
Lake Park FL 33403

Kathy Gadoury
Lake Park Towing
801 115th Street Suite 1
Lake Park FL 33403

Joel Kozlowsky
Brown Baggin'it
934 Park Avenue
Lake Park FL 33403

Mr. Nicolas Scott
Mullinax Ford
1210 Northlake Blvd
Lake Park FL 33403

Chris Dellago
Chris Wayne & Associates inc.
15863 97th Drive North
Jupiter, FL 33478

Supporting Lake Park Businesses!

Jennifer Spicer
Economic Development Director
Office: (561) 840-3122
Fax: (561) 840-0122
Cell: (561) 603-6787
www.lakeparkcra.com

TOWN OF LAKE PARK COMMUNITY REDEVELOPMENT AGENCY

TAB 11

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: October 5, 2011 **Agenda Item No.** Tab 11

[ ] PUBLIC HEARING
[ ] ORDINANCE ON FIRST READING
[ ] ORDINANCE ON SECOND READING
[ ] PRESENTATION/PROCLAMATION
[ ] Other:

[ ] RESOLUTION
[X] DISCUSSION/POSSIBLE ACTION
[ ] BID/RFP AWARD
[ ] CONSENT AGENDA

SUBJECT: **Proposed 2012 Fireworks Budget**

RECOMMENDED MOTION/ACTION: **NA**

Approved by Town Manager _____ **Date:** 9/27/11

Greg Dowling / Dir. Parks + Recreation
Name/Title

9-21-11
Date of Actual Submittal

Originating Department: **Commission** **Vice Mayor Rumsey**	Costs: $ Funding Source: Acct. #	**Attachments:** **Proposed Fireworks Festival Budget**
Department Review: [ ] Attorney_____ [ ] Community Development___ [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [X] Recreation _____ [ ] Town Clerk _____ [ ] Town Manager _____
Advertised: Date: ____ Paper: _____ **[x] Not Required**	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case _GD **Please initial one.**

Summary Explanation/Background: During the July 13, 2011 Commission meeting Vice Mayor Rumsey commented on the cancellation of the July 4th celebration and stated that it was time to bring back this event. He requested staff to prepare a budget for the Fireworks Festival and to bring

it back to the Commission. Attached are two budgets. The first one entitled Fireworks Festival Proposed Budget with Entertainment (Exhibit A), includes entrainment and activities from past fireworks festivals. The second budget entitled Fireworks Festival Proposed Budget without Entertainment (Exhibit B), includes just a fireworks show and advertisement. Both budgets contain the cost of adding a barge (which ranges from $5,000 - $7,500 depending on the demand at that time) from which the fireworks are set off. Without the barge, the fireworks can be set off on the Lake Shore Park side; however, staff recommends setting off the fireworks from the barge to avoid high winds that may keep the fireworks from going off. The Town has been receiving a reduced cost for the barge because our event is one week before any other fireworks festivals in the area. The fireworks cost can be negotiated.

Exhibit A

2012
Fireworks Festival
Proposed Budget
With Entertainment
(4:30pm – Dark)

Expense	2012 Proposed Budget with Barge	Proposed Budget without Barge
Fireworks / Barge ($15,000 Fireworks / $5,000 Barge)	20,000	15,000
Music Entertainment	2,000	2,000
Stage	900	900
Kids Stage	350	350
Port-o-lets ($50 x 8)	400	400
P.B.Post (TGIF & Neighborhood News Ads)	697.74	697.74
Weekender Ad	500	500
Permit (Beer)	25	25
Petty Cash (Beer change)	500	500
Banners (US1 & Park)	700	700
Home Depot (Misc. equipment)	200	200
Beer (Cost)	500	500
Chairs/Tables (100 chairs, 5 tables)	222.50	222.50
Golf Carts ($175 x 2)	350	350
Security 6pm – 7am ($19per hr x 13 hrs)	247	247
Strolling Entertainment	500	500
Banner for Kid Stage	175	175
Children's Magic Show	450	450
Recreation Personnel (2) employees ($13.11 x 17hrs)	445.74	445.74
(8) PW Employees (Avg salary $25.28 x 6 hrs)	1,213.44	1213.44
Plus 40% Insurance Cost	485.38	485.38
Trash Cans ($18.54 x 20)	370.80	370.80
Total	**$ 31,232.60**	**$ 26,232.60**

Exhibit B

2012
Fireworks Festival
Proposed Budget
Without Entertainment
(9:00pm – 9:30pm)

EXPENSE	2012 PROPOSED BUDGET WITH BARGE	PROPOSED BUDGET WITHOUT BARGE
Fireworks / Barge ($15,000 / $5,000 Barge)	20,000	15,000
Port-0-Lets ($50 x 5)	250	250
P.B.Post (TGIF & Neighborhood News Ads)	697.74	697.74
Weekender Ad	500	500
Banners (US1 & Park)	700	700
Recreation Personnel (2) employees ($13.11 x 5hrs)	131.10	131.10
(4) PW Employees (Avg salary $25.28 x 3 hrs) Plus 40% Insurance Cost	303.36 121.34	303.36 121.34
Trash Cans ($18.54 x 10)	185.40	185.40
Home Depot (Misc. equipment)	200	200
TOTAL	**$ 23,088.94**	**$ 18,088.94**

TAB 12

Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: October 5, 2011 **Agenda Item No.** Tab 12

[ ] PUBLIC HEARING
[ ] ORDINANCE ON FIRST READING
[ ] ORDINANCE ON SECOND READING
[ ] PRESENTATION/PROCLAMATION
[ ] Other:

[ ] RESOLUTION
[X] DISCUSSION/POSSIBLE ACTION
[ ] BID/RFP AWARD
[ ] CONSENT AGENDA

SUBJECT: ADULT ARCADES / INTERNET CAFES

RECOMMENDED MOTION/ACTION: APPROVAL OF A MORATORIUM FOR ADULT ARCADES/INTERNET CAFES.

Approved by Town Manager _____ **Date:** 9/27/11

Name/Title: **Thomas J. Baird, *Town Attorney*** Date of Actual Submittal **09/26/2011**

Originating Department: Vice-Mayor Kendall R. Rumsey	Costs: $ 0 Funding Source: Acct. #	**Attachments:** **Memo**
Department Review: [x] Attorney_TJB_____ [ ]Community Development [ ] Finance _____ [ ] Fire Dept _____	[ ] Grants _____ [ ] Human Resources_____ [ ] Information Technology ____ [ ] Library _____ [ ] Marina _____	[ ] PBSO _____ [ ] Public Works_____ [ ] Recreation _____ [ ] Town Clerk _____ [ ] Town Manager _____
Advertised: Date: _____ Paper: _____ [x] Not Required	All parties that have an interest in this agenda item must be notified of meeting date and time. The following box must be filled out to be on agenda.	Yes I have notified everyone_____ or Not applicable in this case *ND* **Please initial one.**

Summary Explanation/Background:

Please refer to attached Memo.

JONES
FOSTER
JOHNSTON
& STUBBS, P.A.

Attorneys and Counselors

Memo

To: Maria Davis, Town Manager
From: Thomas J. Baird, Town Attorney
Date: September 14, 2011
Subject: Adult Arcades / Internet Cafes

Question Presented

Vice Mayor Rumsey has requested information concerning adult arcades, also know as Internet Cafes. There was also an article in Tuesday's Palm Beach Post regarding Internet cafes and articles reporting that the Village of North Palm Beach and the Town of Juno Beach are adopting moratoriums to address recent proposals by operators of "adult arcades or internet cafes" (hereinafter "arcades") who may be seeking to open such facilities in these communities.

Discussion

The moratoriums are being enacted to give municipalities time to develop land development regulations presumably to prohibit arcades as uses within their communities. These proposed arcades are popular throughout the United States, but some states classify these operations as "gambling" and prohibit them on that basis. Some arcades contain slot machines where tokens are used, but the Internet Café uses a card, similar to a credit card which can be "loaded" with money and used to access the internet games. An arcade contains machines which are "played" by patrons inserting tokens or cards into the machine. The card or token is for small amounts of money, usually less than a dollar, but can be for more than that. The player pulls the lever to the slot machine, or in the case of the internet games uses a mouse to click on the game to be played. The internet game is much the same as a slot machine, but it is a different forum. Playing the game by clicking on a symbol *may* lead to the player winning vouchers, tickets redeemable for drinks, food, or cash. This raises the question of whether the arcades are considered to be "gambling houses" under Florida law. If so

then the use is altogether prohibited under Florida law. Nevertheless, the enforcement of this activity has not, as yet, been vigorous.

As a general rule, section 849.01, Florida Statutes, prohibits anyone from keeping a gambling house.[1] Pursuant to section 849.15, Florida Statutes, no entity can lawfully possess or permit the operation of a slot machine or other device that would fit the definition of section 849.16, Florida Statutes. The latter section defines the machines that fall under the previous provisions as follows:

> Any machine or device is a slot machine or device within the provisions of this chapter if it is one that is adapted for use in such a way that, as a result of the insertion of <u>any piece of money, coin, or other object</u>, such machine or device is caused to operate or may be operated and if the user, <u>by reason of any element of chance or of any other outcome of such operation unpredictable by him or her</u>, may:
>
> (a) <u>Receive or become entitled to receive any</u> piece of money, credit, allowance, or thing of value, or any check, slug, token, or <u>memorandum, whether of value or otherwise, which may be exchanged for any money, credit, allowance, or thing of value or which may be given in trade</u>.

§ 849.16, Fla. Stat. (2010) (emphasis added).

The emphasis added to the above section highlights the three main elements needed to find that an arcade is in violation of this statute: (1) insertion of money, coin, or other object to operate the machine, (2) receipt of something of value or something that can be redeemed for various items of value, and (3) an element of chance or unpredictability of the game.

First, if the machines at the arcade operate by the insertion of tokens or a card which has monetary value encoded into it. The encoded card or tokens are purchased by patrons. The encoded card or tokens most likely would be considered "money" or "coin[s]" under the statute, but would definitely qualify as "other object[s]."

Second, those patrons that win any of the games receive vouchers or tickets that can be redeemed within the arcade for drinks, food, or sometimes cash. Even if cash is not

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[1] "Whoever by herself or himself, her or his servant, clerk or agent, or in any other manner has, keeps, exercises or maintains a gaming table or room, or gaming implements or apparatus, or house, booth, tent, shelter or other place for the purpose of gaming or gambling or in any place of which she or he may directly or indirectly have charge, control or management, either exclusively or with others, procures, suffers or permits any person to play for money or other valuable thing at any game whatever, whether heretofore prohibited or not, shall be guilty of a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084." § 849.01, Fla. Stat. (2010).

an option, these tickets would very clearly be considered "memorandum" which "may be exchanged for any . . . thing of value" (i.e., alcoholic drinks or food).

Finally, the game must have an element of chance or unpredictability. Due to its ambiguity, several attorney general opinions and court decisions have shed light on the meaning of the phrase "by reason of any element of chance." In 2007, Attorney General Bill McCollum opined that "if the receipt of a prize is dependent on any element of chance, the machine would fall within the . . . definition of a slot machine proscribed by section 849.15, Florida Statutes." Op. Att'y Gen. Fla. 07-48, at 2 (2007); see also Op. Att'y Gen. Fla. 04-12, at 1 (2004) (Attorney General Charlie Crist asserting the same thing); Op. Att'y Gen. Fla. 98-07, at 2 (1998) (Attorney General Robert Butterworth). Thus, an element of chance is necessary for a machine to fall under the prohibition of the above statutes.

While different Attorney Generals have affirmed the necessity of an element of chance, several court decisions have detailed the difference between games of skill and chance, along with how much chance is required for a machine to be prohibited under sections 849.15–16, Florida Statutes. Courts have determined that as long as an element of chance is inherent in the game itself, that machine can fall under the prohibition of section 849.15, Florida Statutes. For example, in *Deeb v. Stoutamire*, the Florida Supreme Court opined as follows:

> Certainly the outcome of any game at all dependent upon the exercise of human skill is essentially unpredictable. If this were not so, match games like golf and trap shooting would really be dreary, monotonous affairs. It seems to us that inasmuch as the machine itself is on trial, so to speak, it should not be condemned unless this element of unpredictability is inherent in it.

53 So. 2d 873, 874 (Fla. 1951) (emphasis added). In that case, the Court held that mechanical bowling games were not prohibited by the statute even though there was some small amount of unpredictability, because the unpredictability stemmed from the human element of the game, not the game itself. Id. at 875. Therefore, the machine itself must have some amount of inherent unpredictability or chance in order to be prohibited.

In a 1997 opinion, Florida's 4th District Court of Appeals analyzed the skill/chance dichotomy in light of the Deeb decision. In that case, the machines in question were "much like a typical slot machine requiring the player to match up bars, fruit, bells or cherries in a row in order to win more points." *State, Dep't of Bus. and Prof'l Regulation, Div. of Alcoholic Beverages and Tobacco v. Broward Vending, Inc.*, 696 So. 2d 851, 851 (Fla. 4th DCA 1997). The trial court had held that the machines did not violate the statute because "skill was a significant factor in operating and winning on the machines in question." Id. The court reversed, holding that "[w]hile skill will significantly

improve the player's winning percentage, it does not eliminate the element of chance in the machine itself." Id. at 852. The machines in question were programmed to allow the patron to win 55% of the time, and the patron could increase his or her chances of winning by manipulating the lever. Id. The court determined that the slot machine in this case was completely different than the bowling game in *Deeb*, and that an element of chance was inherent in the game itself. Id. Thus, a machine does not have to completely rely on chance, and chance does not even have to be a majority element, in order to be prohibited by the statute. As long as there is some amount of chance inherent in the game itself, it will be prohibited.

In a more recent decision, another Florida court determined that similar machines were prohibited under section 849.15, Florida Statutes. In *State v. Cyphers*, an arcade center had machines that "operated by the player's inserting cash into the machine and depressing a button, whereby a series of rotating icons begin to spin. The player then depresses the button to stop the spinning icons, attempting to line up the icons in combinations to be awarded credits." 873 So. 2d 471, 472 (Fla. 2d DCA 2004). Although the court did not specifically analyze whether these machines were prohibited under section 849.15, the defendants in that case admitted that the machines fell under the prohibition, but argued that they met an exemption contained in Fla. Stat. section 849.161(a)(1)(a). Id. at 473. The court held that they did not meet the requirements for the statutory exemption, and thus the machines were prohibited under state law. Id.

Conclusion

Based on the foregoing court decisions and attorney general opinions, arcades with slot machines or the Internet Cafes which use encoded cards with a cash value are likely to be contrary to Florida law. This assumes the machines operate by the insertion of an object, such as a cash encoded card or a token; that they entitle any winner to a voucher, cash or ticket that can be exchanged for something of value; and the machines operate with an inherent element of chance or unpredictability. The requirement of skill is an ambiguous area and would require a factual investigation of the premises in question to determine if it meets this aspect of Florida Statutes. Arcades which contain slot machines, or Internet Cafes would likely be in violation of criminal statutes. In such cases local law enforcement and the State Attorney would presumably enforce the applicable statutes. See Op. Att'y Gen. Fla. 07-48, at 1 (2007). Operators of these facilities have been very aggressive in securing vacant space in failing shopping centers. According to the Attorney for North Palm Beach and Juno Beach that is what led those commissions to enact moratoriums. The Commission may want to consider a moratorium so that staff can prepare an appropriate ordinance to ban such facilities.