

**LAKE HELEN CITY COMMISSION  
SPECIAL MEETING  
July 29, 2009  
7:00 P.M.**

**MINUTES**

**CALL TO ORDER:** Mayor Duffy

**COMMISSION CONSIDERATION**

*Continuation of consideration of Draft FY 2009-2010 Budget*

**Mayor Duffy** said that this meeting is similar to the meeting we had on July 21<sup>st</sup>.

**Commissioner Burton** said, "In speaking to residents, those who weren't able to make it out to the meeting, I've been hearing that everybody is being hit hard. Nobody wants to hear about higher taxes. They're being hit from all sides. A lady gave me a scenario that everybody has a budget and their family budget has begun to shrink. If you had two cars, you might just have one now. If you went out to eat, now you're staying at home. Everybody is cutting back. Now we're to the point where there's nothing else to cut. I spoke to a gentleman who is actually working six days a week, he has three kids and he's on food stamps. His money is just not coming in and the overhead of everything he has to pay is going up and up and up. The banks are raising their fees, they are coming up with more ingenious ways to separate you from your money. All of these things that are being directed toward the citizens, they're wondering what can the City of Lake Helen do. We're hearing about layoffs every day and some of the municipalities in lieu of laying people off, are reducing their salaries. So again, they are looking back at us to see what we are going to do. On the same token, though, looking around the community and around the city, county and nation, everybody is being hit with the same problem we're having. There are budget meetings going on all over the county and those meetings have been delayed because of the fact that nobody knows where the money is coming from and how much will be available. Here's a headline about Sanford: *Layoffs loom as Sanford tries to balance its budget. The Commissioners and department heads walk tight line between cutbacks and raising tax rates.* An interesting comment here from a City Commissioner: *We need to decide if there is a whole new reality in this. This is the first of many years that this situation may occur where revenue will no longer support the size of our government without a tax increase or, is this a blip and in a year or two things are going to turnaround and if we can just hold on we will be okay. I don't think it's going to be a year or two that we can hold on.* Looking at this as an anomaly and as something that we're going to get over in a year or so when things are going to be better doesn't appear to be the case. Not from all concerned, especially given the fact that if you pay attention to the foreclosure markets, the amount of foreclosures for Volusia County alone went up 127%. The filings in June showed that 1900 people are in pre-foreclosure. At the end of July, we will get another set of figures and I don't doubt that we will have more people in pre-foreclosure than in June and more people who actually are foreclosed on. As it turns out, the state has provided the bar associations with funding and they now have \$4 million to assist in settlements to help foreclosure victims. Up until now, if you were in

foreclosure and you went to an attorney the attorney would say it's going to cost you \$2500. If the person had \$2500, they'd pay their mortgage. They can't go to legal aid because they have property and that makes them ineligible. The most vile criminal that gets arrested when read his Miranda rights is told *if you cannot afford an attorney one will be provided for you*. The upstanding citizens who get their houses foreclosed on and try to get an attorney can't afford one and no one will provide one. So, now there is a foundation that will make grants to nonprofit legal aid organizations to provide free services to homeowners who can't afford lawyers. The grant is expected to cover a two-year period beginning October 1<sup>st</sup>. That means that people who get foreclosed through the end of September don't get the benefit of this. We are all facing the bottom of the barrel. Right now there is no fat in our city budget so we're going to have to start burning our muscle. When you do start burning muscle, it hurts. So we're all going to have to take it across the board, it's not going to be in one spot. I'm giving this statement only because I'm sitting in a position here where I'm going to have to vote on whether or not we're going to have to raise our taxes or say no and then see our city services and other services be depleted. That's what happens when you sit up here. It's easy to sit in the audience and point fingers. Sitting up here makes you respect the fact that there are people who have to make tough decisions." **Mayor Duffy** said, "I think that everybody has been reading the local papers. There's not a city that has not raised their taxes. I believe Deltona is 30½ percent higher. The first thing you need to understand is that your property assessments are going to be lower this year. They've lowered the assessments on your homes because of the loss in property values. Raising the rate from 4.2 mils to 5.218 mils will in most cases result in paying the same that you paid last year because of the lower assessed value. I appreciate the larger cities and I know from being at the meetings that they are letting people go but we're talking about cities that have over 400 employees. This doesn't apply to cities that have 19 employees. There really isn't anybody we can let go. The people of the City would still demand the services that we have now. If you let people go there won't be enough people available to carry out the needs of the City." **Vice-mayor Snowden** said, "About two years ago when there was the first threat of financial crisis, the suggestion was for people to tighten their belts and prepare for it and start doing what they can to live on less. The Commission, at that time, adopted that 4.2 mil rate recognizing that it was going to hurt and we were going to have to struggle through. This Commission adopted that same rate for this past year so we have struggled through for two years at the rate that we are currently on. We have done that to our detriment and it has cost us. Lake Helen historically stays on a fairly even keel and the 5.218 is still below the posted rollback rate. Looking at the communities around us statewide, everybody felt the same crunch but Lake Helen took government seriously and went backwards. If we move forward now all we are doing is going back to where we were. If we as individuals are wise and prudent and save a little bit for the rough roads ahead we will make it. All the foreclosures aren't because of the loss of jobs or loss of income, many are because people were living beyond their means. They didn't set aside for a rainy day. Lake Helen needs to maintain what we have. We need to maintain the services. I agree with the Mayor and Commissioner Burton - we can't afford to cut personnel. Everybody that is employed by the city has multiple roles. If the equivalent of one position is lost it will be reflected in the service we can provide. I don't see any other option but to get us back to the level where we were." **Commissioner Lane**, "I don't know how many

people are missing this meeting tonight because of the Volusia Patriots advertisement asking for people to come to a rally. It was an opportunity at a local level to address some of the things we see as government being the problem and spending all our money. I'm the first one to agree that government is the be-all and end-all of the crisis we are in now. They did it selfishly, they knowingly caused it and they did it well. But this government is not a part of that. Commissioner Burton mentioned the program where there is an opportunity for people to have legal services given to them in the foreclosure process. That's the kind of government we're talking about. People have done things irresponsibly and now we're going to bail them out and bail them out during the bailout and it goes on and on. That's not the kind of fluff we're looking at here in Lake Helen. Raising our taxes is the dart that's thrown at us but the fact is we are not increasing the amount of tax we are charging the people of Lake Helen. We are keeping it dead even which means in reality because of inflation, to use government speak, we are taking a cut. We are dead even almost dollar for dollar and are keeping the budget almost exactly the same. We have the right to create our income. One of the great things that government has going for it is we have that power. It often gets abused but it isn't being abused here. We are doing it very responsibly. The Commission, like the Vice-mayor said, over the last two years has worked to tighten their belts when it was not popular or easy to do. We have kept our rates low and we are still keeping them low. We are not increasing the tax income to the City at all. I'm proud of the City, of the work that gets done, at what the staff has done and of the Commission over the last few years. I'm very pleased with where we are right now."

**Commissioner Robbins** said, "I'm probably just wasting my time but I've spent many hours going through this. As a former finance person for the City of Lake Helen I don't have all the answers but I do know that when you raise something from 4.2 to 5.2 it is a 16% increase regardless of how you cut it. Maybe the people who bought recently have a big tax reduction because they've reevaluated the homes but the people who have Save Our Homes, and Buddy you are one of them, will get an extra hundred or so on city taxes. I've had my home for 35 years and anybody who has had their home for any length of time is going to have a sizable increase. There has to be ways and looking on the very first page there is a line item under the revenues of \$24,000 for the telecommunication tower lease. I asked about it last time and I'm going to ask about it again. Do we have a document in City Hall that says that that tower will be in and we will receive \$24,000 in the year of 2009/2010?" **City Administrator Findell** said, "As I said at the last meeting, the company that was interested in building a tower has executed their option agreement with the City and paid \$5,000 for the exercise of that option agreement. That gives them the opportunity to do their due diligence and determine if and when they are going to build a tower. If in fact they choose not to build a tower then that revenue will disappear. The importance of that to the budget is fairly dramatic because if that revenue disappears, it doesn't make the budget better, it makes it worse. So, what you have to do to recover that amount of money is to increase the millage rate higher or offset it with reserves. We have a substantial amount of reserves. So that's not a savings." **Commissioner Robbins** said, "I understand that but all of the line items in the expenditures need to be looked at. Also, I cannot see putting \$24,000 in there if we don't know for sure if we're going to get it. I can tell you, Don, that I'm going to give you \$500,000 and I'm going to donate that money when I win the lottery. It's the same thing. You're putting something in there

that we do not have anything written on paper that we're going to get that money in 2009/2010." **Mr. Findell** said, "I would disagree with that on a couple points. First off, we do have an executed agreement that says if they construct a tower they will pay us up front \$24,000. So we do have an agreement. The second disagreement that I would have is the analogy that you use because I would find the same analogy to be true if I look at any of the revenue items particularly those items that have an estimate from the Department of Revenue. They estimate that we will get \$55,000 in gas tax and \$77,000 in revenue sharing and \$113,000 in sales tax revenue. None of those figures are guaranteed either, they are a best estimate at the time. Those figures, in fact, may be less. Traditionally, they are more but what I said at the last meeting is that I budgeted in this particular instance at a more conservative level and more conservatively than our experience indicated that our revenue will be. In that regard, the conservative estimate on that particular revenue source may or may not offset the \$24,000 that we've estimated for the tower. That's the way a budget works - you put forth your best effort to determine on a relatively educated, scientific basis what numbers ought to go on the revenue side and what numbers ought to go on the expenditure side. But the data you work with is data that represents a snapshot in time, there's no guarantee that that data will remain the same into the future." **Mayor Duffy** said, "I have a problem agreeing with **Commissioner Robbins** because you can go down the list and we're not guaranteed a lot of this money." **Commissioner Robbins** said, "Well then we can't really guarantee the other side either then, can we?" **Mayor Duffy** added that none of the budget can be guaranteed. **Commissioner Robbins** continued, "If the monies don't come in, say by.....We need to take a hard and fast look at it come December, January and then if the money is not there, what are you going to do, layoff people?" **Mayor Duffy** answered, "No, we'd cut some of the projects we were going to do. We do that with our own budgets." **Commissioner Robbins** said, "I can give you a couple of examples of things that could help on the expenditure side. Number one: the Saddle Club basically has full use of the equestrian center and yet the city crew was out there mowing it. Why can't the Saddle Club take care of that? That would be one less thing for our City workers to do and they could be opened to do something else. The same thing with the Little League field. We bought a mower some seven or eight years ago and the Little League was going to mow the field. Well let's make them put their money where their mouth is and make them do these kinds of things to help alleviate our people so they've got time to do other things. I mean there are two examples right there. And I'm sure it takes four to six hours to mow the Equestrian Center." **Mayor Duffy** said Ms. O'Laughlin has talked with her about making the Equestrian Center self sustaining. **City Administrator Findell** said, "Just to bring up something as it relates to the ballpark which applies to some of the problems that we have when we give other people the responsibility to maintain a facility of ours that they use. The Little League had that responsibility for several years and unfortunately they were unable to fulfill it. They simply didn't have the people or the interest to do perform the necessary maintenance. A couple years ago, there was quite a stink raised because of the condition of that ball field. Little League was getting ready to start up and people from Arvida were coming over to participate. We had a number of complaints that resulted in a number of news articles that lambasted the City for the condition of that field. Well, it wasn't our responsibility but the fact of the matter is the field was in a seriously deteriorating condition. As a result of that, the City took it upon themselves, with some

assistance from Little League, but largely on the part of the City and some volunteers to turn the park around.

**(00:30)**

We spent a considerable amount of time and money because it's a City facility and we would have loved to have someone else maintain it but when they couldn't, it was our obligation to do it. That's the way it is when you own a property.” **Commissioner Robbins** said, “Okay, I'll go on. As I was on my way here tonight I went past the police station. Sitting out front there were four cars. Out back were two cars and the van. That's seven vehicles. The police truck was gone and I think the gray car was gone. So that's nine vehicles. We acquired two donated cars from Orange City last year. That was very nice of them. I know last time it was said that it's nice to have pride in ownership but that's nine vehicles we're paying insurance on. That's nine vehicles we're putting gas in. That's nine vehicles were putting tires on that we're making repairs on. We have seven officers. I spoke to a city manager from a town about the population of ours. They have 24 officers and 15 cars. Their budget for maintenance on vehicles is \$20,000. They spend \$19,000 on insurance. I don't know how much has been spent on the two cars we got from Orange City but I would rather see two or three or four cars that are in good repair and have good ones than to have a fleet of old junk that's costing us money. If I had an old car I'd take it off the road. You can't keep pouring good money after bad into it and expect something good is going to come out of it. You're putting gas in it. If they're not maintaining it by putting additives to help the junk gas we have these days, pretty soon the motors are going to seize up and we're not going to have anything. So, I would rather see them trade three cars and get one decent one. Joan, you're looking at me like I have three heads. I hate to be the loud mouth and hate to keep talking every time. But I don't understand, we had this budget for two weeks or three weeks. Has anybody looked at it? Has anybody really looked at it?” **Mayor Duffy** said she had gone over the entire budget and has gone over it every bit as well as Ms. Robbins has. **Mr. Findell** said, “As far as the police cars are concerned, I agree with Commissioner Robbins on this particular issue, I think the police chief would agree as well. The two cars we got from Orange City – we're spending about \$2,000 to convert those two vehicles into one pretty good usable vehicle. As we mentioned at the previous meeting, the police department intends on assigning an officer to each one of the individual vehicles. If an officer is responsible for a car that's assigned to him, the result will be vehicles that are better cared for. We also mentioned that the Public Works department is going to take over some of the maintenance on vehicles that is currently being provided for on a contractual basis. So again that's being done to save money. Those vehicles that are not roadworthy sometimes are used to station around town such as the Highway Patrol does and other agencies do. But in the final analysis, those vehicles that are not roadworthy need to be sold. We've sold one or two at a time since I've been here.” **Commissioner Robbins** said, “It's just like the scrap metal last year, when scrap was sky high and we could have gotten money out of things. Nothing was done. It's a case of when the market will bear. It's like Joan said last year, it's a feel good thing. Well, people are not feeling good anymore. They're tired of it.” **Vice-mayor Snowden** said, “I spoke with the Public Works Superintendent as well as the Police Chief regarding the vehicles. My concern

was the rise in maintenance costs each month. Ricky has assured me that he is devising an inspection process where they will evaluate all the vehicles both in Public Works and in the Police Department and identify those that are problem vehicles. If it's going to cost the City more to maintain a vehicle or if one driver incurs more cost with repairs, those problems will be identified. The intent is to eliminate those vehicles that aren't up to standard. We all realize that the market right now is full of clunkers and we couldn't trade in an entire fleet now for one new car. We don't have enough cars to trade in and get one good car but they are making efforts to at least trim the maintenance fees. We have bought oil and filters in bulk which gives us a substantial savings rather than sending them out for service. They're doing the inspections on brakes, ball joints, universal joints and tires and all the usual wear and tear items. We're trying to save. I'm impressed by the fact that our department heads are thinking in the same direction, realizing that we have to conserve and save what we can in every way that we can." **Commissioner Robbins** said, "Since you brought that up Buddy, why aren't our department heads here. I can remember about three months ago when you raised a big rift because our department heads were not at the meeting. We're talking about 2.5 million dollars here and they are not here to answer any questions. I have a problem with that. I don't have a problem with them not being here on a biweekly timeframe for the City Commission meetings but I have a little bit of a problem because I've got a lot of questions when it comes to the Café budget that only Keith can answer. Against all popular belief that Ann Robbins is against the Café, I am not. My only problem with the Café is that it's not making what it should be making. Less than 1%, that can't be, I'm sorry. There's fat there. There's lots and lots and lots of fat there. I spent probably at least four hours talking to restaurant owners, some multiple owners and some single owners and we went over things and they told me all kinds of things that should be put into practice. Asking them what percentage of their food purchases should be to food sales. Nobody said more than 30%. What their profit margin should be. Not less than 10%. So in the \$343,000 budget, instead of \$7,500 we should have a profit of \$30,000. I wouldn't have a problem with that at all. Not at all. So many of them told me that portion control is the name of the game. If I give a BBQ sandwich that's 4 ounces and my people don't weigh out and they give 5 ounces, after four sandwiches they've given one away." **City Administrator Findell** asked, "Do you think that you could get any of these people who you talked to, to execute a contract with the City whereby they would guarantee a \$30,000 payment to the City for leasing the restaurant? If so, I would suggest that we seriously consider leasing it out." **Commissioner Robbins** said, "I don't see any reason not to have it if it can make its way." **Mr. Findell** continued, "I'm agreeing. If we project \$7,500 based on this years' historical revenues and expenditures and we're being told that \$30,000 is a more reasonable amount to expect and we can get somebody to put that in writing in terms of a contract, then I would suggest that we execute that contract and get that \$30,000. That's revenue that we can use this year. I don't think that would hurt Keith's feelings whatsoever." **Commissioner Robbins** said, "Well, when I told them that the increase in sales was projected to be 32% over last years, they all laughed. One man has four restaurants. He said two of them are holding even. One is 8% to 10% above last year for the simple reason that another restaurant comparable to his closed, so he's up 8% to 10%. The rest of them are barely holding even." **Mr. Findell** asked if these are new restaurants or long-term restaurants. **Commissioner Robbins** said three are long-

term. "One man was president of the Restaurant Association for the State of Florida. He also maintains books for other restaurants. So, I mean, he's got some financial prowess to know what it takes. I'd love to see this happen. I'd love to see it turn over a profit but even the little bowling alley in Deland, you go in there for french fries and they're packaged in a little plastic bag. If you want a small order you get one bag, a large order is two bags but they're all proportioned the same. That's just one little item. They told me on your protein items, those are the items that you really have to be careful on. The meats, the cheeses and all those kinds of things. They all told me they take a weekly inventory. I've got the copies that Cheryl gave me this morning. I'm going to pass them down to my fellow Commissioners of the restaurant for the past nine months showing the profit of \$3,459. But if you look down the June column, there is no retirement and that runs somewhere between \$500 and \$600, now you're down to \$3,000. Even though the revenues are up to \$253,000, which is within \$6,000 of the total for the year, the expenditures are just too much. There's too much going. The rule of thumb is if you take your salary and your salary related items and your food, it should not be more than 60% of your sales. That's what the restaurants all told me."

**Commissioner Burton** said, "I'm working in Daytona now with the disaster relief program, so it's my job to go around and try to find resources. One of the resources we ran into today is a wholesaler who has been getting food from the Publix and Winn-Dixie's that are closing down. When they close down they take everything off the shelf and they get rid of it and this guy gets it. He's been doing this for 15 years. What he told me today is that there are over 400 restaurants that closed in Daytona. 400 restaurants that were not able to provide a profit that would allow them to pay their employees. Nor were they able to afford purchasing food in order to remain open. 400 restaurants put a lot of people out of work and that took a lot of tax money out of a community that is based primarily on events like bike week and the other events that were normally down on the strip. Many of the hotels have been converted to transient hotels that house the homeless. The models that would be applicable and could be looked upon with some regularity - all of those models are out the window. Anybody that had a profit/loss based upon a model from two years ago can no longer count on that model. The businesses in a city like Daytona are all using a completely new paradigm. I also would like to see a lot more profit at the Café but I'm glad we're not losing. There is nobody that has a set of rules that they could look to that would have provided a crystal ball to see where we are today. If you really want to look it, it's only going to get worse. Years ago when most of us became involved in city business, it was because we wanted to get rid of Don's salary. That would be a big chunk out of the revenue that we would not be fighting with today. But you get what you pay for. Having less revenue means we have to do more with the revenue that we have and being able to come up with a creative way that's going to keep the city going might mean that you might need the best possible brain to get it done. I'm not saying that Don is the best possible brain but I'm saying on the same token that there are people who are asking the cities to cut back on their salaries. As I understand with Don's salary, we are contractually obligated to pay him the salary that he's getting. If we were to reduce that salary, would we have to do it legally? We talked about the baseball field, cutting grass we didn't have to cut. We talked about the Saddle Club. Lou Benton mentioned that the inventory of the city isn't being done. It was brought up that in order to do inventory, it would cost us more than we would save. Don't take offense Don, but the 800 pound

gorilla in the room has got a \$130,000 salary and we don't have anywhere to go. There are other ways that we can go but I'm using this as an example while discussing the budget. The \$3,000 revenue of the Café doesn't seem so bad considering the 400 restaurants that closed down. I'm sure a lot of people who closed those restaurants went bankrupt. We're not bankrupting the City with the Café. We're working the police more with their 12 hour shifts. Ricky showed us that he has saved the City a lot of money by monitoring our water supply on his own time sacrificing his vacation time. So there are a lot of ways that people are really cutting back and giving back to the City. This hasn't come up as a discussion but I'm sure Don would be able to give us more examples of this. We can cut the City Commissioners salary. I would accept a cut in pay. But the bottom line is, we are all looking to do our part." **Mayor Duffy** said, "I remember something about restaurants starting up and they are given five years to show a profit." **Commissioner Robbins** said, "I have an answer for that Joan. Everything that was in the Café we did not buy. It was either all donated - the furniture, the equipment. One of the men that I spoke to, and he has four restaurants, one of the last ones that he opened, he was given three months free rent to get in there and get everything in order. At that point, when he opened, they said they were giving him six months free rent so he had a total of nine free months of free rent. During that time, everything that he had to purchase, not be given, everything that he had to purchase he had paid off in those nine months so that when he did begin paying rent. There you go again, this restaurant does not pay any rent, they do not pay any water, they do not pay their manager. It should be more than 30%, it should probably be 25% profit with all those things excluded. What I'm getting at, is that they didn't have any capital outlay for the restaurant. Did they Don, did they have any capital outlay?" **Mr. Findell** answered, "Not per se." **Commissioner Robbins** continued, "The city gave them the \$10,000 loan for start up money. And they are hoping to pay part of that back this year." **Mr. Findell** said, "But you have to balance that with the fact that they created a \$750,000 asset for the city that didn't previously exist plus they have been able to implement programs through the use of that asset that also didn't exist. That has to be factored into the equation." **Commissioner Lane** said, "We're comparing apples and oranges. We've got a government run café versus a privately run restaurant. Generally speaking, in a privately owned restaurant you've got someone whose neck is on the line and they know it. They are often the chief cook and bottle washer and they stay late and clean floors when the place closes. It's different in government. We're comparing apples and oranges. You are never going to get a government staff that's going to think like a private enterprise staff. That's why I don't like government taking over private enterprise type functions. It just doesn't work well. I think Don's absolutely correct, though, we do have a beautiful facility. It's pretty impressive, they've done a nice job and they've brought a lot into the city. They are not running at a loss which amazes me. Most every government program is. I'm not arguing your basic points. They probably should have a higher profit margin but I don't think realistically we're going to see that. We can probably implement portion control and inventory control and some things like that and we might have to if we want to see it continue to do well. The nine months we see here make it difficult to determine the whole picture. I don't have enough details to have these numbers mean a lot to me. Bottom line is they haven't cost the City any money. They've created an asset and they are maintaining the asset. I don't like the general premise of having government in private enterprise but I don't think that they're doing it

badly given the condition of the economy.” **Mr. Findell** said, “There’s a simple solution to that. We can request proposals where the City sets the specifications for the revenue that they wish to receive for the use of that facility for the hours that they will allow it to be operated by an outside entity. If somebody has \$30,000 that they can guarantee as a payment for the lease of that facility, we should accept that.” **Commissioner Lane** said, “Governments do that all the time. That’s not a bad idea, we could probably learn something in the process even if we decided to do it ourselves.” **Mr. Findell** said, “We might be surprised, though, that the \$30,000 might be a big nut. I’d be happy if it turned out positively.” **Commissioner Burton** said, “We have sort of a mixture of a government facility and we are utilizing labor that is not being factored in.” Mr. Burton discussed the accounting process used with grants and how volunteer and in-kind contributions are not factored into salaries. “If we were to be realistic, we should take into account the in-kind services that were used to build the Café and the in-kind services that currently maintain it. We should also factor in the programs offered there. We’ve spent a lot of time talking about something that has really little impact on the bottom line. We’re going to get off track. There are a lot of other things in the budget that we can address. We’ve got to try to come up with money that’s going to keep the city going.” **Commissioner Lane** agreed. “We can get bogged down with this sort of thing. What we’re looking at is kind of an operational problem, as far as the Café goes. How much it should be making, and things like that, aren’t budgetary issues. There are things we can do operationally that would make it better but that will change when we budget for this year. We can demand that the Café make this happen and that will affect our budget just so much. From a budgetary standpoint, hitting things line by line like you’re doing is counterproductive. Nothing’s going to change how you (Commissioner Robbins) and I look at budgets. We come from different points of view.” **Commissioner Robbins** said, “On another gloom and doom thing, I sent this to Don over the weekend and I haven’t had any response. I also sent a copy to Cheryl. I worked with her on Friday in anticipation of having the new software for everything in place October 1<sup>st</sup>. There are a number of unpaid water bills that have been on the books since right after I left which was in 2006. So, I’m going to pass you each a copy of the list of what really should come off of the Accounts Receivable prior to the new software being set up. I didn’t get any comment from Don on it.” **Mr. Findell** said, “In all fairness, I did comment prior to receiving this indicating that once I got the information that I only partially had, I was going to sit down with the City Attorney. We were going to determine which unpaid bills we thought that we could successfully pursue and which ones we thought would not be worth pursuing because it would cost significantly more to get the money than it would to let it go.” **Commissioner Robbins** said, “Some of them are probably either in the foreclosure or pre-foreclosure and if we act hastily, we can get a lien put on it, we may be able to recover some of it. The ones that we may be able to recover via a lien and the other ones, two thirds of the time are people who come back on the rebound and you catch them coming back through the front door. I think that Lonnie needs to take a look at it. I just added up \$5,975 worth of the \$23,500. That’s a quarter of them right there that we might be able to recover as soon as the process gets put through.” **City Administrator Findell** said, “Just to give you an example: If you remember, we had an animal control issue where we impounded a dog and it ended up costing the City about \$400. We asked the lady who owned the animal to pay the City. She basically refused. We did pursue that in court and through

mediation she agreed to pay \$400 but as of the last meeting, she had not paid it. The \$400 is compounded by the amount that we spent to file a court case and pursue this legally. If we had received the \$400, we would have made a little bit on it. If we don't receive the \$400, it will end up costing us about \$600. That's kind of the analysis that you have to work through on some of these bills." **Commissioner Robbins** said, "I know there are collection companies who will take 50% whenever they can collect. It's the same thing we do with occupational licenses for people who choose not to return them. Florida League of Cities goes after them and we get 50%. 50% is better than nothing." **Mr. Findell** said, "We approached that a couple years ago when Janet was here. She contacted three companies and all three said it wasn't sufficient money for them to go after and wouldn't be worth the cost." **Mayor Duffy** asked if there is any hope of ever getting any money from Lake Helen Partners. **Mr. Findell** answered, "That's one of the ones we specifically talked about pursuing. It's possible that they have multiple properties that we can attach." **Commissioner Robbins** said, "As I was compiling this list, I also went to the property appraiser's office and the ones that I thought there might be a distinct possibility of getting, I put the current addresses on the bottom of it." **Mr. Findell** said, "That's appreciated but that was free labor. If we had a staff member or the attorney perform what you did, that would add to the cost of recovering the money plus there are associated costs with that." **Commissioner Robbins** said, "There's a lot more I could say but I really think the four of you have all made up your minds." **Commissioner Burton** said, "That's not fair. No decision is final and there's no decision that can be prejudged by not having heard a vote." **Commissioner Robbins** responded, "We have to decide on a millage rate tonight." **Commissioner Burton** said, "That doesn't mean that we've already made up our minds. We can change our minds, nobody has made a final decision." **Commissioner Robbins** said, "OK if you want to hear more, I've got more."

*Vikki Loeffler*  
*814 Pleasant Street*

"Vernon hit on one of the things I wanted to talk about. Sorry Nancy and Don but everybody I know has either taken a pay cut, lost their job or their hours have been cut back. So even if the millage rate - and you were saying that it's going to be even. People are not bringing in the kind of money they were. I'm not, I'm being forced to retire. The other girls are getting a lot less hours. Like Vernon said why can't everyone in the City take a cut like everybody else is." **Mr. Findell** said, "If that's directed at me there may be some value in talking in generalizations. I agree, the economy stinks and it is creating horrendous problems throughout the nation. I think the budget that we've prepared is sensitive to that fact, it could be a lot worse but that being said, not everybody is out of work, not everybody has taken a pay cut, not everybody has had a reduction in hours. Certainly it's occurred but it's not a universal thing." **Ms. Loeffler** said, "I don't know what kind of people you know....." **Mr. Findell** continued, "I don't know if that's a solution at this point. There is too big a disparity between what the City has to generate, in terms of revenue, in order to operate as a city to provide a minimal level of services and hopefully a moderate level of services. The disparity between the property taxes that would be generated at 4.2 versus the property taxes that would be generated at 5.2 is so great that an incremental or a politically motivated reduction in hours for the employees just wouldn't make up that difference. Let me explain

something else. The millage rate that the City could levy on a majority vote which is based upon the calculations that the Department of Revenue prepares that is the adjusted rollback rate, is not 5.2 but is 5.73. So what staff is recommending is not trying to recapture everything at one time but at least make an incremental step that gets us back to what our historical millage rate has been and then as we go through subsequent years, address the millage rate on an annual basis either positive or negative. The difference between 4.2 and 5.2 is about \$100,000 and you're not going to get that by reducing a few hours or by turning off lights six hours a day instead of three hours a day. It's just too large an amount." Ms. Loeffler said, "My other thing was when you were going through the budget, and I've mentioned this at the few meetings I've attended, it's costing us \$625 to spray Lake Macy?" **Mr. Findell** added that it's \$625/quarter. "We've lived here almost four years and we have never, ever seen anybody spray that lake and my husband is out in that yard all day, every day and he has never seen anybody spray. So, are we sure that we are getting what we pay for?" **Mr. Findell** answered, "If the lake is not being sprayed, I suggest we cancel that contract and save the city \$2,450, if you're satisfied with that." **Ms. Loeffler** said, "I'd rather have the weeds gone. But if they are spraying, they must not be doing a good job." **Mr. Findell** said, "That's an important point, if you want to save \$2,500, you can eliminate spraying Lake Macy. If you want to save \$5,500, you can eliminate mosquito control. If want save \$10,000, you can eliminate animal control." Ms. Loeffler said she just wants to make sure it is being done." **Commissioner Robbins** said, "Who are they reporting to when they do it, that's what her point is." Mr. Findell said he knows of at least twice this year that the lake has been sprayed. **Commissioner Burton** said, "It's a budgeted item that occurs regularly so it's on the ledger sheet for the City finance person, so whether someone comes out and sprays or not, she has a line item that is open for spraying and then when someone comes to spray, they submit a bill to the City that would then be subject to challenge if in fact they did not do it." Ms. Loeffler said, "That's what I'm doing now, I am challenging it. Can we be notified when they come out so that we can watch them do it?" **Mr. Findell** said, "We can have the city notify them of the date. If you form a Lake Owners Association and appoint somebody to be the contact person, I don't see any reason why they couldn't contact that individual on the day they were going to spray." **Ms. Loeffler** said, "I just want to know that we're getting what we're paying for. My next question is, I'm sure there's a good reason. I just want to know what it is. Why is the City on so many different phone plans? The cops are on one, maintenance is on one and you guys are on one. I noticed on the budget that there are like four or five different phone companies." **Mr. Findell** said, "The reason why, is that from time to time the individual departments shop around and find the same services for less money. The Police Department just went through that exercise. Public Works did that a year or so ago." Ms. Loeffler asked if it would be cheaper to get them on one plan. **Mr. Findell** answered, "Sometimes yes, sometimes no." **Commissioner Burton** said that larger municipalities have a problem with mobile phones but in a city the size of ours, you wouldn't have those same issues. **Mr. Findell** said, "Another thing we might explore is rather than having the City pay for all these phones either have the city not pay for the phones or have the city provide a stipend so each person can get the plan that works best for him/her. That way, we would have a consistent number that we work with." **Mayor Duffy** said, "The only thing I'd like to say to Vikki as far as cutting people, we really are working at bare bones. There are four people in this building that

run the city as far as finance, licensing and all that.” Ms. Loeffler said, “I wasn’t talking about cutting people, I was talking about cutting a percentage of their pay. All of us at the post office have taken cuts. We’re still working and we are glad to have our jobs because there are some people who are out of jobs but if you were to ask your employees would you take a cut or would you rather lose your job? They would take a cut.” **Mayor Duffy** said, “If you come by here on the weekend, you will see one or two cars parked out front. They come in on the weekends because of the amount of work that the state, the fed's and everybody else demands due to the increase in unfunded mandates. Because of their daily work, they can't get this work done. So cutting their salary....nobody has gotten a raise in two years. They are earning every cent they get.” **Ms. Loeffler** said, “I understand. It’s just that a lot of other companies are doing it. My son took a 50% cut in pay and ended up losing his job. People are willing to do whatever they can to keep their jobs. Raising taxes is tough. It's tough when people are having a hard time. They aren't making the kind of money they were making and now more money is going out. This will affect some of us who don't have homestead exemption. You said with the millage rate that it’s going to be equal, it’s not going to be equal.” **Commissioner Burton** said, “One of the things that a pay freeze does is that if your pay is frozen in 2005 and it’s 2009 you are actually taking an even bigger reduction. When you buy gas in 2005 and it was \$1.37 a gallon and in 2009 you're paying \$3 a gallon, you are taking a pay cut. So those are the things that we have to take into consideration when we sit up here. The people that are working here now don’t make as much as their counterparts in other cities.” Ms. Loeffler said, “People are thankful to have their jobs even if they take a cut.” **Commissioner Robbins** said, “At the last meeting somebody on the Commission made the comment that we shouldn't be saying that they should be thankful that they have a job. I agree with you Vikki.” Ms. Loeffler said, “I'm happy to have my job but I'm being pushed to retire.” **Commissioner Robbins** said, “Three people who work here live in Lake Helen and you know, if they had to, they could walk to work. Doug Chapelle just moved his business here so he could ride his bicycle to work. We take whatever drastic measures we have to take. Even if it means a pay cut. If I were still here working on a full-time basis I would be willing to take a pay cut to keep my job.” Vikki said, “Exactly. That's what I'm saying.” **Commissioner Robbins** said, “There is someone in the audience that works at a bank, Cindy Shaffer, who is taking a 2.5 hour a week pay cut because her bank is not making any loans and does not have the business that they once had. So she's being cut five hours a pay period.” **Mayor Duffy** added that our City employees are also happy to have their jobs. **Commissioner Lane** said, “I agree with you. You mention that people are doing with less and when I look at the revenue page of the budget, we’re actually budgeting more than \$20,000 less revenue this coming year than last year. We're also pulling \$25,000 out of reserves to supplement the \$20,000 less income so it's actually \$45,000+ less that we are taxing the citizens. I understand on an individual basis that can fluctuate but we don't have any input into that. That's not our purview. We only have this one thing we can hit in the millage rate, everything else is controlled by other powers that be. Certain individuals get hurt. But we are doing a commendable job. We've got about \$45,000 less that we are taxing citizens this year. We're government, but we are not typical government. We're doing a hard job.

*Lou Benton  
Lake Pearl Drive*

“Benefits are part of salaries and it's almost \$1 million. Do some homework and you'll find it. You made a statement that the Creative Arts Café needs rules and management. The City does too. You made a statement that government does not know how to run a business, you are 100% right. It takes two people in Lake Helen to go and open up the fire hydrants, that's a waste of money. If you're paying the two people \$12 an hour, figure it out. You're paying two people to ride around in a vehicle to open up the fire hydrants that's \$24 an hour. That's where your waste is. You don't want to hear it. You don't want to do anything about it. When I sat there I was always accused of picking. I was looking to save money for the taxpayers because time is money. You said the CAC should do an inventory but then you say the utility department doesn't need an inventory because it's a waste of time. You can't say one thing for private business and then say something else for government because private business does do something about inventory and it does save money. Nobody up there knows how many water meters we have. When I sat there as a Commissioner, the Commission was told that they were all purchased. Apparently they aren't all bought. So somebody told a lie because there's no credibility. Business has to have credibility, without credibility you've lost money. The City does not make the money it should make because the credibility is not there. There's no checking. There's no nothing. In other cities, you've only got one person out there reading the meters. Lake Helen has two people in the vehicle reading meters. Orange City doesn't, Deltona doesn't, Deland doesn't and the county doesn't. Waste of money. There's no accountability. No matter how many times I get up here and say the same thing, it's totally ignored. Then you're telling me that you're not raising taxes. I hate to tell you something, but my property tax went up last year and will probably go up this year. Because, if you figure it out between the county and Lake Helen and we don't know what the school board's going to be, you're talking about a 40% increase. Did our property values drop 40%? Nobody knows that. But when the county was inflating all those prices the city gained by it. If you remember and if you listened to the tapes in 2006, I said it was going to happen and nobody paid any attention to it. Nobody did anything. Just like nobody did anything about the \$26,750 that had to be taken out of reserves. If everybody in every department made cuts, we wouldn't have had to dip into the reserves. Nobody tried to save a dime. That's the problem, no matter how you look at it, and I know some of you will disagree with me and ignore what I say. I've been in business all my life. There's a lot of people hurting for work. Stop and think about it, your unemployment rate is 10.2%, higher than it's been in 30 years so don't tell me about people out of work. Government, all they know how to do is go to the poor man and dig in his pockets. None of you want to sacrifice. None of you want to make those hard decisions where you've got to roll back, where there's got to be credibility for every hour that you're paying a person. It's got to be done.”

*Betty Doherty  
240 N. Euclid Avenue*

“Don, you say the cars are going home with the policemen and that will be a pride of ownership so now are the maintenance guys going to take the golf cart and the mower home so they have it? Of course not. It's city-owned property. It should stay here and be taken care of.” **City Administrator Findell** said “The cars aren't going home with

the policemen.” Ms. Doherty continued, “Vernon, I love you, but you live in Lake Helen and we are hearing about Daytona. Come back to Lake Helen. Ann is right, Keith has the answers about the police department and the restaurant so how can you do a budget without his answers to the questions? You say that it costs to collect water money, well, what if we all stopped paying our bills. What if everybody in the city said ‘Hey, I’m not going to pay my bill.’” **Mr. Findell** said, “What happens with those bills is that the ones that remain unpaid are the ones where people have left their house and they have a remaining balance when they leave. Those are the ones that are in arrears and if the amount is substantial enough that the city can pursue and recover the cost or a portion of the cost then it’s desirable to do so. For those that do not have a high enough balance, where the recovery would exceed the balance, then it’s not desirable to do that. Not everybody has the option of walking away from their house so what happens when they stay in their house and don’t pay their bill is they get their water cut off.” Ms. Doherty, “How many times are you going to go into the reserves before we don’t have any reserves left?” **Mr. Findell** said, “There are a number of communities that are doing exactly that because of the current economic situation. The state is certainly doing it and has done it for the last couple of years so we’re not alone in that regard. The amount that we’re talking about in this budget is \$7,500 so it’s still relatively insignificant. What’s left in the reserves is somewhere between \$700,000 and a million.” **Commissioner Robbins** said, “I tend to disagree with that because when you start dipping into the impact fees, they are part of the reserves, they are a liquidable cash account. So, in essence, if you are going to put \$23,000 from impact fees into sidewalks, which, yes, we desperately need, you are going into reserves for it.” **Mr. Findell** responded, “That’s splitting hairs. You’re going into a designated account that can be used for one specific purpose. That account cannot be used for anything other than what it has been designated for. So road and street impact fees can only be used to fund road and street improvements. Same thing with water, same thing with public safety, same thing with general government. You don’t have the option of just plugging that money into the general fund and not doing anything with it except to manage operations.” **Commissioner Robbins** said, “And the water impact fee is going to pay off the SRF loan.” **Mr. Findell** answered, “That is correct. The reason we can do so is because the loan was for physical improvements to the system. The City could have used the impact fees at the time that they made those improvements to lessen the amount that they borrowed, if there had been enough money to do so, which there wasn’t at the time. Now, we have accumulated enough money that we have the opportunity to use it, lessen the impact on the budget and hopefully keep the water rates down.” **Commissioner Robbins** said, “And there is absolutely not a dime going into reserves from the water department this year. And not going into the general fund either. So as a matter of fact if we have a storm, where are we going to get the money? We are going to take it out of reserves.” **Mr. Findell** said, “That’s exactly what reserve accounts are for. I think that’s another good point. That’s another reason why you have to levy property taxes at a level that allows you to maintain your operations and hopefully replenish your reserves. We do not have that option this year with the millage rate that is currently proposed to balance the budget. You could do that if you went to 5.7 or 5.8 but that’s not what’s being suggested.” **Commissioner Robbins** said, “I think if we went to 5.7 or 5.8 or whatever, I think people would be coming in here with guns.” **City Administrator Findell** said, “You can’t have it both ways. You have to decide, and

that's what the Commission's job is, to determine what is important to them in terms of a budget. What operations they wish to maintain. What operations they don't. That is going to have an impact on the overall budget. They also have to make a determination as to whether they wish to replenish reserves or whether they wish to minimize the impact on the taxpayers by not doing so until times improve. For the first several years I was here we increased the reserves quite substantially."

**Commissioner Lane** said, "I want to go back to something that was said earlier about people not paying their water bills. We are a system, a wonderful American system, based upon a virtuous population. There are percentages that aren't, but that's just kind of the nature of the beast. Certainly if everybody decided to start screwing everybody else, things would break down." Ms. Doherty said that it seems like things are breaking down now. **Commissioner Lane** continued, "It does seem that way and they are changing and that gets into a whole different philosophical viewpoint. But it does become cost ineffective to pursue things at a certain point. We're trying to find that best point." **Commissioner Burton** said, "Betty, before you go: "When I first started coming to City Commission meetings three or four years ago, Mayor Shuttleworth was the Mayor. I kept hearing about the reserves that the City had and how well we were doing because we had all these reserves. I asked what would happen if we ended up having a disaster like a hurricane or a storm. I'm working in disaster mode now in Volusia County. I'm finding out a lot about how cities work and how they handle disasters. I can tell you that if Lake Helen gets hit with a storm, everything that we're talking about now is out the window. I'm sorry to say it but this is the reality. We're in what I consider to be a perfect storm. We have foreclosed properties, which means lost revenue. We have more houses being foreclosed than ever before. We are not even halfway through the hurricane season. The state's reinvestment fund that reinsures insurers is running out of money. People are having to make decisions about whether they can afford to pay their homeowners insurance and their mortgages. If they stop paying their mortgage and they go into foreclosure they don't pay anything, then the bank picks up the insurance. What we're looking at now is if we get hit with a major storm, who is going to pick up the pieces? Everything is OK as long as everything stays the same. I'm just here to tell you, you don't want to see what it looks like when you have a disaster. We've been blessed. The thing that happened after we were hit by the three hurricanes was unique because a lot of people in our City were in building trades. Volunteers came out and did the work that we couldn't afford to do. A lot of those people have moved on. They lost their jobs or businesses or their homes. So, we are really on the brink here. I love Lake Helen and we've got to bring this city back. We've got to tighten up and appreciate the benefits of what we are able to enjoy here. I think everybody sitting up here holds that responsibility to the highest."

Ms. Doherty said, "My last question is what happens after you've got your second meeting on the budget?" **Mr. Findell** said, "At this meeting, the Commission has to adopt a proposed millage rate as well as the date, time and location of the first Public Hearing on the budget. Once they've done that, then the information is sent to the property appraisers office. They use that information when they send out the tentative tax notices that you get in August. Then, we have two budget hearings typically in September."

*Consideration of proposed millage rate for FY 2009-2010 (proposed millage rate provides basis for the tentative property tax notices that are sent out by the Property Appraiser's office)*

**Mayor Duffy** said, "Because of all the meetings I've gone to and I know what other cities are going through, I know that we can't afford to stay at 4.2 mils. We would not be able to support the city. I propose that the millage rate of 5.218 be adopted. That is the lowest we can do and try to break even next year. We should have raised it a little bit last year but didn't so we really need to go to 5.218." **Vice-mayor Snowden** said, "I agree with your rationale and my personal assessment is the same as yours. All of you are educated people and you are very passionate about the impact that this hits us with. We have to pull together as a community. We have to do what we can do as individuals to make all this work. Anyone out there can replace anyone up here. The fact remains that the decisions are still the same. When you look at what you have to deal with, you have to make a decision that makes the most sense. We have to get to the level where we can at least maintain ourselves. We are all proud of being members of this community. We suffer a little bit from a small rise in taxes because we pride ourselves on having what we do have. We still have control over what we have. If we are willing to wholesale out the community so that we can enjoy a slightly lower tax rate, we will pay the price elsewhere. I am in agreement with the Mayor. I am in agreement with the evaluation of our budget. I don't agree with the assessment that we get tagged with because we have no control over that. Volusia County tells us what we're worth and we are stuck with that figure." **Commissioner Burton** said, "The unfortunate part of the situation is as you look around the room, 90% of the people in this room are the same people that are here most every meeting. The rest of the community who will be paying the burden or who will be upset about what we do here, do not come out and don't participate. Government is only good government when people who are being governed know who is governing them. That's how we know how you feel. You need to make your voice heard. I'm totally in agreement with what Vice-Mayor Snowden and Mayor Duffy said, that we don't have a choice. What we have been given is what we have to vote on. What we have to do today is make a decision that will determine how we are going to govern city." **Commissioner Robbins** said, "There are a few new faces here tonight but what people tell me is that what they say is falling on deaf ears. That's why they don't bother to come because they are going to do what they want to do. She asked the audience: isn't that right?" **Mayor Duffy** said, "There is a big difference between wanting and needing to do something. And this is something that we need to do. For two years, to have a millage rate of 4.2 was too low. This year we cannot afford to do that. We need to have a tax rate that's high enough to maintain the City." **Commissioner Robbins** said, "Two years ago, I wasn't here and you weren't here. And guess what folks, it was an election year. You had competition and I had competition and those are the very people, not Lou, Lou was down on the other end there. Lou didn't go with it but the ones who wanted to get reelected are the ones that dropped to 4.2." **Vice-mayor Snowden** said, "I take offense to that Commissioner Robbins. I have never been motivated by election results." **Commissioner Robbins** said, "But it happened." Vice-mayor Snowden continued I've always voted in the best interest of Lake Helen. I made the proposal to lower that to 4.2 which everyone has enjoyed. That was not a politically motivated decision. It was a mistake but it wasn't politically motivated." **Commissioner Robbins** apologized to **Vice-mayor Snowden**

but continued, "I don't remember who did what. I remember it was an election year and I'm sure that the ones that didn't get in, it was probably because it was politically motivated." **Mayor Duffy** said, "Nobody back then could have known that we were going to have this recession. Who knew it was good to be so bad for so long. Everything we hear at the meetings says maybe by the middle of next year we may start coming out of it." **Commissioner Lane** said he thinks we are in this for the long haul and it's going to be a slow climb out of this recessionary cycle. "Budgeting by its very nature is a best guess scenario. We are charged to make our best guess. The Commissions in the past did the right thing. They forcibly tied the hands of the City and created some significant belt tightening and I think it worked. I think we have been stressed by that but I think that's okay. Pressure is not inherently a bad thing. Put pressure on the government and that is okay. Without that, we'd be in the position that we see a lot of other cities in who are having layoffs. We'd be hurting a lot more right now. We made some cuts early on that have made this moment in time a lot less stressful. Whether it was politically motivated or not is irrelevant. We are where we are right now and I think we need to decide whether we want to be what we are or whether we want to change that vision completely. I think we are proud of what we are and I think we want to maintain it as well as we can while keeping some pressure on it. This budget reflects pressure. We're not padding anything with this budget. Basically, the budget number has gone down. There are all sorts of ways to skin a cat. We talk about whether or not we run it like a business. Well businesses are run all kinds of different ways too. I think we've got a good budget here. I think we should go with the 5.218 rate.

**Commissioner Lane made a motion** that we adopt the rate of 5.218 mils  
**Vice-mayor Snowden seconded.**

**Zone 1/no; Zone2/yes; Zone3/yes; Zone4/yes; Mayor/yes.**

**Commissioner Robbins** said, "I will substantiate my vote. I have sat here for the last four meetings hearing Vernon talk about his job in Daytona, about the foreclosures and I cannot do this to the people. I cannot raise their taxes 16%." **Commissioner Lane** said, "I don't appreciate your grandstanding. That is not what I'm doing. I am not raising the taxes on the people's backs." **Commissioner Robbins** said, "But you are. 16%." **Commissioner Lane** continued, "I disagree. You disagree with us, I can disagree with you."

*Consideration to establish the date for a Special Meeting to hold a public hearing to set the tentative millage rate for FY 2009-2010 (meeting typically held in second week of September)*

**City Administrator Findell** said, "What you have to do is if you wish to have additional budget meetings between now and your September hearings, then you would have to schedule them. If you think that there is not much more to talk about and you could address whatever it is at the budget hearings then you need to establish the date to hold the first Public Hearing." **Commissioner Burton** asked, "So the Public Hearing would give the citizens of Lake Helen a chance to have their say so, am I correct?" **Mr. Findell** said that is correct. "You have two Public Hearings. You have a tentative to set

the tentative millage rate and then you have a second one where you adopt the final millage rate. Typically you've had the first hearing the second week of September and the second hearing the fourth week of September. **Commissioner Robbins** asked, "And those Public Hearings will be after the trim bill notices go out, correct?" **Mr. Findell** answered, "The first Public Hearing notice actually goes out on the trim bill. It has the date, time and location of the first Public Hearing." The Commission discussed the timing of these meetings. **Commissioner Robbins** added that she may be gone for a month from mid-August to mid-September. **Mr. Findell** outlined the process, "The regularly scheduled meeting is on September 3<sup>rd</sup>. The first Budget Hearing would be on September 10<sup>th</sup> where the tentative millage rate is set. A second Budget Hearing would be on September 24<sup>th</sup> where the final millage rate is set and the budget is adopted. The proposed millage rate that you set tonight is the rate that goes out on the tax notices. The importance of that is that once that rate is set, you can't go any higher than that but you can always go lower. If you had to go higher, you could send out tax notices at a later date. The super majority vote doesn't do you any good at this point if you set the proposed rate at 5.2 because 5.2 is the rollback rate. You've got a number of figures that you can work with here and they all relate to, in some sense, to previous decisions that the Commission has made regarding the budget and they relate to rollback as well. The 5.218 is simple rollback, the adjusted rollback was 5.7 mils. The adjusted rollback with state growth is 5.8. 6.4 is the maximum that you could levy which I believe is the adjusted rollback with state growth times 1.10 and that's what has to be adopted by super majority but you couldn't do that if your proposed millage rate is 5.218. That's the highest that you can go in September." **Commissioner Burton** said, "So my point is that whatever we voted on, if we accepted the 5.218 tonight it can be adjusted downward. That's a point I want to make because if we can get people upset enough or excited enough to come out then we got the people's attention and didn't do anything for grandstanding purposes. I don't think the votes that we make up here as City Commissioners are done for political reasons. Not all of us get the votes to go the way we want and when we don't, we can't have a hissy fit about it. This is politics and this is what we are up here for. You can't always wave a flag when it suits you. I'm hoping that we will be able to get enough people here to get feedback so if we have to make it a lower rate, then let the people say, not just one or two people." **Commissioner Lane** said, "I also think that not having a whole bunch of people turning out to be upset is a bad thing. I think that our job, no matter who says what, our job is to make the most informed, most ethical vote we can make. I'm sure that we would all agree with that. We're making our best judgment." **City Administrator Findell** said, "There's something that you may not have realized when you started thinking about the budget. When you start talking about making incremental changes in the budget and you say I can save \$1,000 here or \$2,000 there or even \$10,000, that doesn't make a significant difference. If you save \$10,000 somewhere in the budget, that equates to 1/10 of a mil in this budget. So, that's why the disparity between what we would collect at 4.2 and what we would collect at 5.2 is so great that small individual, incremental changes are not going to positively affect the budget. They may have some political benefit and I don't mean that in a bad sense, or, they may have some feel-good sense but at the end of the day, they don't really accomplish a lot in terms of the actual millage rate."

**The meeting was adjourned at 9:08 p.m.**

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Joan L. Duffy, Mayor

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Nancy Wilson, City Clerk