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**CITY OF TAVARES  
MINUTES OF REGULAR COUNCIL MEETING  
APRIL 4, 2012  
CITY COUNCIL CHAMBERS  
4:00 p.m.**

**COUNCILMEMBERS PRESENT**

**ABSENT**

Robert Wolfe, Mayor  
Bob Grenier, Vice Mayor  
Norm Hope, Councilmember  
Lori Pfister, Councilmember  
Kirby Smith, Councilmember

**STAFF PRESENT**

John Drury, City Administrator  
Robert Q. Williams, City Attorney  
Nancy Barnett, City Clerk  
Chief Stoney Lubins, Police Department  
Brad Hayes, Utility Director  
Chris Thompson, Public Works Director  
Joyce Ross, Communications Director  
Bill Neron, Economic Development Director  
Tammey Rogers, Community Services Director  
Lori Houghton, Finance Director

**I. CALL TO ORDER**

Mayor Wolfe called the meeting to order at 4:00 p.m.

**II. INVOCATION AND PLEDGE OF ALLEGIANCE**

Greg Watts, Pastor, Liberty Baptist Church gave the invocation and those present recited the pledge of allegiance.

**III. APPOINTMENT OF NEW COUNCILMEMBER**

Mayor Wolfe stated he wished to appoint Norman Hope to fill the interim councilmember position until the election of November 2012.

**Consensus to ratify the Mayor's appointment of Norman Hope.**

**IV. SWEARING IN OF COUNCILMEMBER HOPE**

Chief Lubins performed the swearing in of Norman Hope to the position of Councilmember.

1 **V. APPROVAL OF AGENDA**  
2

3 Mr. Drury said staff had no changes to the agenda. Councilmember Pfister said she would need  
4 to pull Tab 14 as the theater group could not attend.  
5

6 **MOTION**  
7

8 **Bob Grenier moved to approve the agenda with Tab 14 being pulled, seconded by Kirby  
9 Smith. The motion carried unanimously 5-0.**  
10

11 **IV. APPROVAL OF MINUTES**  
12

13 **MOTION**  
14

15 **Kirby Smith moved to approve the City Council minutes of March 21, 2012, seconded by  
16 Bob Grenier. The motion carried unanimously 5-0.**  
17

18 **VI. PROCLAMATIONS/PRESENTATIONS**  
19

20 **Tab 2) National Telecommunicators Week**  
21

22 Mayor Wolfe read a proclamation designating April 14-18, 2012 as National Public Safety  
23 Telecommunicators Week.  
24

25 **Tab 3) Dispatcher of the Year Award**  
26

27 Chief Lubins presented the 2012 Dispatcher of the Year award to Jan Carlini. He commended  
28 Ms. Carlini for her professionalism. Captain Myers spoke of Ms. Carlini's role in the department,  
29 her commitment to her co-workers, attention to detail, and customer service skills.  
30

31 **Tab 4) Tavares Historical Society**  
32

33 Mayor Wolfe read a proclamation recognizing the 25<sup>th</sup> anniversary of the Tavares Historical  
34 Society. Mayor Wolfe noted the members who were in the audience: Brenda Smith, Gene Smith,  
35 Betty Burleigh, Doris Ragan, Charlene King, and Tom Russ. He invited Vice Mayor Grenier to join  
36 him at the podium as he presented the proclamation.  
37

38 Betty Burleigh thanked the mayor and the city council for this recognition. She stated that there  
39 are just a few of the charter members still living. She said that Sue Nunes was the founder but  
40 was unable to attend the meeting. She recognized Brenda Smith, Gene Smith, Charlene King,  
41 and herself as being charter members. She said that Tom Russ is on the Board of Directors, along  
42 with Charlene King, Doris Ragan, Brenda Smith and Bob Grenier.  
43

44 Brenda Smith said that Ms. Burleigh is an invaluable asset to the Board, City, and citizens of  
45 Tavares.  
46

47 **Tab 5) Report on Renaissance Faire and No Duck Left Behind Event**

1  
2 Carmen Cullen, Executive Director of the Lake County Schools Educational Foundation, stood to  
3 address Council. Ms. Cullen said there were 14,211 patrons at the Renaissance Faire with 2,194  
4 public school students and 453 home school students. She said there were 10,000 volunteer  
5 hours recorded. Approximately \$62,000 net was raised for the teachers and students. She  
6 thanked the city for their partnership.  
7

8 Ms. Cullen acknowledged the tragic death of Nicholas Polk who had been in the cast for three  
9 years who was killed in a boating accident after the Renaissance Faire. She said on April 28<sup>th</sup> a  
10 living memorial will be dedicated to Nicholas at Hickory Pointe.  
11

12 She said there were over 9,000 ducks in the No Duck Left Behind event with 3,493 people  
13 following the event on Facebook. Tavares High School had the most sales of all the high schools  
14 and won \$1,000. The gross on that event was \$33,000.  
15

16 Ms. Cullen said she works with many cities and stated that every employee in Tavares is  
17 professional and a pleasure to work with. She said she hoped the City would continue to consider  
18 partnerships with the foundation next year.  
19

20 **Tab 6) National Public Works Week**

21  
22 Mayor Wolfe read a proclamation designating May 20 through May 26<sup>th</sup> as National Public Work  
23 Week. He commended Mr. Thompson and Mr. Hayes for the work done by their departments.  
24

25 **VIII. SWEARING IN BY CITY ATTORNEY AND DISCLOSURE OF EXPARTE CONTACTS**

26  
27 None  
28

29 **IX. READING OF ALL ORDINANCES/RESOLUTIONS INTO THE RECORD**

30  
31 Mayor Wolfe noted the ordinances for first reading would be discussed at the following meeting.  
32

33 Ms. Barnett read the following ordinances into the record by title only:  
34

35 **ORDINANCE 2012-06**

36  
37 **AN ORDINANCE OF THE CITY OF TAVARES, FLORIDA, REZONING**  
38 **APPROXIMATELY .15 ACRES OF LAND LOCATED GENERALLY ON THE**  
39 **NORTHWEST CORNER OF BLOXHAM AVENUE AND TRAFFORD STREET FROM**  
40 **PUBLIC FACILITIES DISTRICT (PFD) TO RESIDENTIAL MANUFACTURED HOME**  
41 **PARK (RMH-P); SUBJECT TO THE RULES, REGULATIONS AND OBLIGATIONS**  
42 **ORDAINED BY THE CITY OF TAVARES COUNCIL; PROVIDING FOR AN**  
43 **EFFECTIVE DATE.**  
44

45 **ORDINANCE 2012-07**  
46

1 AN ORDINANCE OF THE CITY OF TAVARES, FLORIDA, AMENDING THE  
2 TAVARES COMPREHENSIVE PLAN FUTURE LAND USE MAP 2020,  
3 PROVIDING FOR A CHANGE OF FUTURE LAND USE DESIGNATION ON  
4 APPROXIMATELY .15 ACRES OF LAND GENERALLY LOCATED ON THE  
5 NORTHWEST CORNER OF BLOXHAM AVENUE AND TRAFFORD STREET;  
6 FROM LOW DENSITY RESIDENTIAL (LOW) TO MOBILE HOME (MH);  
7 PROVIDING FOR SEVERABILITY AND CONFLICTS; PROVIDING FOR  
8 TRANSMITTAL; AND PROVIDING FOR AN EFFECTIVE DATE.

9  
10 **ORDINANCE 2012-08**

11  
12 AN ORDINANCE OF THE CITY OF TAVARES AMENDING THE BOUNDARIES  
13 OF THE CITY BY ANNEXING APPROXIMATELY 1.28 ACRES LOCATED AT  
14 THE NORTHEAST INTERSECTION OF US 441 AND 7<sup>TH</sup> SUNFISH STREET;  
15 REZONING SAID PROPERTY FROM LAKE COUNTY NEIGHBORHOOD  
16 COMMERCIAL (C-1) TO CITY OF TAVARES GENERAL COMMERCIAL (C-1);  
17 SUBJECT TO THE RULES, REGULATIONS AND OBLIGATIONS ORDAINED  
18 BY THE CITY OF TAVARES COUNCIL; PROVIDING FOR SEVERABILITY;  
19 PROVIDING FOR AN EFFECTIVE DATE.

20  
21 **ORDINANCE 2012-09**

22  
23 AN ORDINANCE OF THE CITY OF TAVARES, FLORIDA, AMENDING THE  
24 TAVARES COMPREHENSIVE PLAN FUTURE LAND USE MAP 2010,  
25 PROVIDING FOR A CHANGE OF FUTURE LAND USE DESIGNATION ON  
26 APPROXIMATELY 1.28 ACRES OF LAND GENERALLY LOCATED ON THE  
27 NORTHEAST INTERSECTION US HWY 441 AND 7<sup>TH</sup> SUNFISH STREET;  
28 FROM COUNTY COMMERCIAL CORRIDOR TO CITY COMMERCIAL;  
29 PROVIDING FOR SEVERABILITY AND CONFLICTS; PROVIDING FOR  
30 TRANSMITTAL; AND PROVIDING FOR AN EFFECTIVE DATE.

31  
32 **ORDINANCE #2012-05**

33  
34 AN ORDINANCE CREATING SECTION 14-3 OF THE CITY OF TAVARES  
35 CODE OF ORDINANCES PERTAINING TO CITY PARKS; AUTHORIZING THE  
36 CITY ADMINISTRATOR TO ESTABLISH POLICIES AND PROCEDURES FOR  
37 THE REGULATION OF COMMERCIAL ACTIVITIES IN CERTAIN PUBLIC  
38 PARKS AND FACILITIES; AUTHORIZING THE CITY ADMINISTRATOR TO  
39 ESTABLISH AND ADJUST PERMIT AND USER FEES WITHIN CERTAIN  
40 PARAMETERS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES;  
41 AND PROVIDING FOR AN EFFECTIVE DATE.

42  
43 **X. CONSENT AGENDA**

44  
45 **XI ORDINANCES/RESOLUTIONS**

46  
47 **Tab 11) Ordinance #2012-05 – Regulation of Commercial Activities in Certain City Parks**

1  
2 Ms. Rogers said this ordinance was created in response to the need to manage commercial  
3 activities that are taking place in the park system outside Wooton Park (which has its own  
4 policies). The ordinance gives staff the ability to create policy and procedures in order to monitor  
5 the commercial activities. The policy provided in the agenda packet describes the procedure for  
6 application for a Business Tax Receipt which will also include proof of liability insurance naming  
7 the City as additional insured. She noted that the Tavares Recreation Park is primarily where the  
8 commercial activity is taking place. The cost will be \$100 which is similar to the mobile food  
9 license procedure.

10  
11 Mayor Wolfe asked Chief Lubins about enforcement. Chief Lubins acknowledged they will be  
12 enforcing the ordinance. Ms. Rogers said that staff will also send a letter to the companies that  
13 are operating out of the Tavares Recreation Park, noting that some of them have listed the TRP  
14 as their company address. Vice Mayor Grenier asked for confirmation that there would be a sign  
15 posted at the park (including Summerall) advising business owners of the requirement to obtain a  
16 permit. Ms. Rogers confirmed.

17  
18 Councilmember Hope asked why a separate ordinance was being created from Wooton Park.

19  
20 Mr. Drury said that the Seaplane Base & Marina is considered to be part of the airport and the  
21 regulations were prepared under the airport rules and regulations and minimum standards for  
22 commercial operations under that umbrella. He said this ordinance is more comprehensive and  
23 covers all of the parks

24  
25 Councilmember Smith said the ordinance is not just for boating activity. Ms. Rogers said in terms  
26 of individuals using the park for a business such as workout sessions, this is covered under the  
27 Parks and Recreation program where the city serves as the broker by collecting the fees and  
28 keeping 30% of the fees. She said the main concern has been to have a mechanism for the boat  
29 tour companies. Vice Mayor Grenier discussed his concern about unlicensed activity. Mr. Neron  
30 said any activity at Wooton Park is monitored by the staff on duty.

31  
32 Mayor Wolfe asked for audience comment.

33  
34 **MOTION**

35  
36 **Bob Grenier moved to approve Ordinance #2012-05, seconded by Kirby Smith. The motion**  
37 **carried unanimously 5-0.**

38  
39  
40 **X. GENERAL GOVERNMENT**

41  
42 **Tab 12) Budget Priorities for 2012-2013**

43  
44 Mr. Drury presented his summary for budget priorities for the upcoming 2013 fiscal year budget as  
45 follows:

46

1 **OBJECTIVE:** To establish the City Council's broad budget priorities for the City Administrator to  
2 use in developing the FY 2013 budget (October 1, 2012 through September 30, 2013).

3  
4 **SUMMARY:** It has been the practice of the Council to set the broad budget priorities for the City  
5 Administrator to use as guiding principles in developing a budget that is commensurate with the  
6 Council's over all budgetary goals.

7  
8 By way of background, the City operates six (6) governmental operations as follows:

- 9  
10 1. General Government (Revenues derived by property taxes, other taxes and fees)  
11 2. Utilities - Water, Sewer & Reclaim (Revenues derived by fees – no property taxes)  
12 3. Garbage Collection (Revenues derived from fees – no property taxes)  
13 4. Storm Water (Revenues derived from fees – no property taxes)  
14 5. Seaplane and Marina Enterprise (revenues derived from sales, rental income, general  
15 fund and CRA TIF Fund (Incremental tax revenues within the CRA District).  
16 6. Capital Projects. Revenues are derived from grants, impact fees, special tax revenues like  
17 "Infrastructure Sales Tax" and property taxes.

18  
19 For the purposes of this discussion, the agenda summary is broken up into the following four (4)  
20 attached sections for review:

- 21  
22 1. **Recent Historical Information Regarding The City Budgets**  
23 2. **Current Status Of The City Budget**  
24 3. **Future Budgetary Information**  
25 4. **Referenced Exhibits and Notes**

26  
27 **STAFF RECOMMENDATION:** That Council discusses and then establishes broad budget  
28 priorities for the City Administrator to incorporate into the FY 2013 budgets for all funds including  
29 a discussion on:

- 30  
31 1. Maintaining or not maintaining a similar level of service?  
32 2. Adding or not adding new programs and services?  
33 3. Raising, maintaining or reducing employee compensation and benefits?  
34 4. Instituting or not instituting a Fire Assessment?  
35 5. The millage rate  
36 6. The Non property tax supported operations

37  
38 Note: **Exhibit A** offers commentary on these six (6) discussion items.

39  
40 **FISCAL IMPACT:** Impacts FY 2013 budget

41  
42 **LEGAL SUFFICIENCY:** This is legally sufficient.

43  
44 **Recent Historical Information Regarding the City Budget**

45  
46 The economic conditions of the United States and Florida are beyond the control of Tavares.  
47 These economic conditions have affected all cities in Lake County. Each city has taken a different

1 approach to dealing with these economic realities. Tavares took an approach of investing in itself  
2 by creating America's Seaplane City, developing a Seaplane base, marina, entertainment district,  
3 splash park for Children, adding 16 major events to the down town, developing the Pavilion on  
4 the Lake, recruiting manufacturing companies, medical related companies, sporting related  
5 companies, restaurants, retailers, upgrading its antiquated water and sewer systems, adding  
6 reclaimed water to its inventory of product and services it offers, investing in freight and  
7 commuter rail, paving its dirt roads, paver bricking its alleyways and creating a business friendly  
8 environment by removing barriers to the private sector to encourage private investment in  
9 Tavares. In addition, the city created an Economic Development Department to hand hold each  
10 and every investor's transactions and their relocations to the city as well as the elimination of  
11 Impact Fees and deferral of building permit fees.

12  
13 The city has reaped the benefits of this approach including an unprecedented number of Grants  
14 obtained (\$20 million plus in grants), many business relocating to and starting up in Tavares:  
15 medical, seaplane manufacturing, hospitality, specialty retirement communities, restaurants, and  
16 retail. As a result many jobs were and are being created and, millions of private sector dollars  
17 have been and continue to be invested in Tavares. All of this economic activity created a  
18 significant shifting of the tax burden associated with operating this city from the residents to the  
19 business community (**Exhibit B**). Tavares is expecting stability in its tax base this year with no  
20 decrease in total valuation and a positive increase in total property values expected next year. **In**  
21 **summary, the economic conditions in Tavares are on the road to recovery in terms of**  
22 **business start-ups, jobs, property values and prosperity.**

23  
24 The fruits of this Council's and its staff's labor have not come without challenges including  
25 depleting revenues and the use of reserves to balance the annual budget. In addition, Tavares  
26 has many properties exempt from taxes that require many City services (**See Exhibit B**). In  
27 addition to these issues, while the City was investing in itself and experiencing economic recovery  
28 it did it amongst the back drop of some very challenging realities. For example, in FY 2009 the  
29 City received \$5.4 million in property Tax Revenue. This year the city received \$4.2 million in  
30 property tax revenue. This \$1.2 million reduction in revenues was dealt with by reducing the city  
31 expenses \$1.3 million. During this same period of time that the City was experiencing a decrease  
32 in property tax revenues, the city was experiencing an increase in fixed cost to deliver services  
33 (fuel, electric, insurance, parts, contracted service, etc.....). In addition to the depleting revenues  
34 and increasing costs, the city added services (Seaplane base, marina. 16 special events, rail,  
35 reclaimed water, Pavilion On The Lake, irrigating and maintaining gateway medians, Aesop's  
36 Park, additional ball fields etc..).

37  
38 The positive economic conditions that Tavares is beginning to enjoy today did not materialize  
39 without a tremendous amount of hard work, civic entrepreneurialship, calculated risks, fiscal  
40 challenges and budget cuts. The city balanced the growth of the city with its fiscal challenges  
41 through budget cuts (**See Exhibit C**) reducing staff, instituting furloughs for the remaining staff,  
42 increasing the employee's costs for benefits, putting off the purchase of aging equipment and  
43 vehicles, utilizing reserves, an increase to the millage rate from 6.25 to 6.89 (this year it was  
44 reduced from 6.95 down to the 6.89) and the city took out loans for the larger capital projects  
45 pledging Utility Tax revenues to cover the debt service.

1  
2 **1. Utilities: Water, Sewer & Reclaim:**  
3

4 *The adopted budget is \$6,504,203 and fees are set based on an independently created*  
5 *rate study that sets all fees so that the “enterprise” breaks even. The rate study is updated*  
6 *every five years and presented to and adopted by the City Council.*  
7

8  
9 **2. Garbage Collection:**  
10

11 *The budget is \$2,458,390 and residential rate is \$21.17 per month. Commercial services*  
12 *are contracted out to Waste Management.*  
13

14 **3. Storm Water:**  
15

16 *The current budget is 488,248. The rate is \$4.50 per month per parcel per*  
17

18 **4. Seaplane and Marina Enterprise:**  
19

20 *The budget is \$564,639 and is made up of the following components:*  
21

- 22 *(1) Marina/Airport = \$383,665*  
23 *(2) Splash Park \$73,013*  
24 *(3) Park Maintenance \$107,961.*  
25

26 *Revenues are made up of \$281,000 from sales/rent and 283,639 from CRA TIF Fund and*  
27 *General Fund.*  
28

29 **5. Capital Projects:**  
30

- 31 *1. General Government is \$319,146. Revenues are derived from grants, impact fees,*  
32 *special tax revenues like “Infrastructure Sales Tax” and property taxes.*  
33 *2. Utilities is \$5,393,838. Revenues are derived from loans, grants and impact fees*  
34

35 **6. General Fund:**  
36

37 *The adopted budget is \$11.5 million and revenues of \$11.5 million were made up of*  
38

- 39 *• \$6,851,000 (\*other) 60%*  
40 *• \$4,237,000 (property tax) 37%,*  
41 *• \$434,000 (reserves) 3%.*  
42

43 *In addition the city maintains a General Fund reserve of \$1,400,872 which represents 12.1% of*  
44 *the adopted General Fund Budget.*  
45

46 *\*Other = electric tax, sales tax, gas tax, communications tax, utility fund transfers, permit*  
47 *fees, recreation fees etc...*

**Future Budgetary Information**

1. **Utilities: Water, Sewer & Reclaim:** Council previously addressed adequate future funding for this program by developing a five (5) year rate study and then instituting an automatic Consumer Price Index (CPI) plus 1% annual rate increases. These automatic rate increases provide sufficient revenues to keep up with the increased cost of delivering utility services of water, sewer and reclaim. The rate study will be updated in a year.
2. **Garbage Collection:** Council previously addressed adequate future funding for this program by adopting automatic CPI increase annually. It is anticipated that the residential rate of \$21.17 per month for this service will go up by the CPI of 2.7% to \$21.74 per month for the next fiscal year and the contracted Commercial operations part of this service will be re-negotiated for next year.
3. **Storm Water:** It is anticipated that the \$4.50 per parcel rate will need to be increased to keep up with increased cost of delivering the service and making the necessary improvements.
4. **Seaplane base and Marina Enterprise:** It is anticipated that revenues from sales will keep up if not surpass the increased cost of delivering products and services thereby reducing the CRA TIF and General Fund contribution. The goal of this Enterprise is self sufficiency over the next five years.
5. **Capital Improvement Projects:** The City Council previously developed a five year program which will be presented to Council and updated as required.
6. **General Fund:** At this early point in time, it is virtually impossible to predict with precision the actual revenue or expenses that will occur for next Fiscal Year 2013 (October 1, 2012 through September 30, 2013) because the city does not know:
  1. How much property values will decrease if any?
  2. What the State shared revenues will be?
  3. What the increased cost for insurance will be?
  4. What future fuel prices will be in 2013?
  5. What the increased cost for electricity will be?

However, “possible” scenarios for the purpose of starting the discussion on the Council’s broad budget priorities based on staff following trends, receiving reports from the state and conducting research could result in the following possible budget scenario:

**Revenues:**

1. Property values stabilizing - no loss/no gain in tax revenue over current year (See Note #1).
2. All other revenues increase 2% over current year.
3. Dental Self Insurance Program surplus applied and recognized (See Note #2)

**Expenses:**

1. Operational expense increase by 1.2% (fuel, electric, insurance, contractual services...)
2. The Fire Station #2’s last debt service payment (Note #3)

1 3. Wooton Park's Debt Service Payment (Note #4)  
2

3 *If the above frame work occurs with same millage rate, no employee cost of living adjustments*  
4 *and no use of reserves then the city's shortfall would be approximately \$540,000. The city will*  
5 *need to make up that shortfall by either increasing revenues or decreasing expenses or a*  
6 *combination of both. There are many options and combinations of options available to extinguish*  
7 *the \$540,000 shortfall thereby establishing a balanced budget for next year. It is important to note*  
8 *that one (1) mill brings in approximately \$600,000 in revenue. A couple of scenarios are*  
9 *presented below without using reserves to get the broad budget discussions going:*

10  
11 **SCENERIO A: (Millage Rate Increase/No Employee Cost of Living Adjustment)**  
12

- 13 1. **Similar Level of Service**  
14 2. **Similar revenue sources**  
15 3. **No employee pay adjustment**  
16 4. **\$540,000 Shortfall**  
17

18 ***In order to make up a short fall of \$540,000, the millage rate would need to be increased by***  
19 ***.8871 mills from 6.8900 to 7.7771***  
20

21 **SCENERIO B: (50% Fire Assessment/No Employee Cost Of Living Adjustment)**  
22

- 23 1. **Churches/Not for Profits/Governmental blds. 100% exempt from Fire Service fee**  
24 2. **Residential pay ½ what study recommended (\$76.50 per year)**  
25 3. **Commercial pay ½ what study recommended (\$0.14 cents per square foot)**  
26 4. **Similar Level of Service**  
27 5. **No employee pay adjustment**  
28

29 ***The \$540,000 shortfall is eliminated and the millage rate goes down by .3978 mills from***  
30 ***6.8900 down to 6.4922 mills. (See Note # 5)***  
31

32 **SCENERIO C: (50% Fire Assessment/2.5% Employee Cost Of Living Adjustment)**  
33

- 34 1. **Churches/Not for Profits/Governmental blds. 100% exempt from Fire Service fee**  
35 2. **Residential pay ½ what study recommended (\$76.50 per year)**  
36 3. **Commercial pay ½ what study recommended (\$0.14 cents per square foot)**  
37 4. **Similar Level of Service**  
38 5. **2.5% employee pay adjustment (\$180,000)**  
39

40 ***The \$540,000 shortfall is eliminated and the millage rate goes down by .1024 mills from***  
41 ***6.8900 down to 6.7876 mills. (See Note #5)***  
42

43 **SCENERIO D: (Reduced Level of Service)**  
44

45 ***The Council could lower its level of service and once the Council identifies what service it***  
46 ***wants to lower and to what lower level, it could identify the correlating cost savings, which***  
47 ***could address the \$540,000 shortfall.***

1  
2 **SCENERIO E (Further Budget Cuts):** *The city has reduced the municipal budget by \$1.3*  
3 *million since 2009 while adding additional service including:*

- 4
- 5 1. **Seaplane Base**
- 6 2. **Marina**
- 7 3. **Splash Park**
- 8 4. **Dog Park**
- 9 5. **Sister City Program**
- 10 6. **Senior Center**
- 11 7. **Entertainment District**
- 12 8. **New Special events**
- 13 9. **Concerts**
- 14 10. **Electric Vehicle Charging Stations**
- 15

16 ***Any additional budget cuts to the municipal budget will result in a reduction of service and***  
17 ***therefore this scenario is essentially Scenario D above – “A Reduction in Level of***  
18 ***Service”. Exhibit C, attached, identifies how the city cut the budget by \$1.3 million***  
19 ***previously.***

20 **EXHIBIT A**

21

22 1) **Maintaining or not maintaining a similar level of service?**

23

24 *The City provides the following services out of the General Fund:*

25

26 *Police, 911 Communications Center, Code Enforcement, Fire, Parks, Streetscape/ROW*  
27 *Maintenance, Street Lighting, Recreation, Library, Streets/Sidewalks, Public Records, Special*  
28 *Events, Community Events, Economic Development, Building Permitting/Inspections, Seaplane*  
29 *Base and Marina.*

30

31 *The cost to maintain a similar level of service goes up each and every year due to increased cost*  
32 *in fuel, insurance, maintenance, equipment and personnel. Increased cost is offset by increased*  
33 *efficiencies and increased revenues. Over the past several years the Council has maintained a*  
34 *similar level of service and addressed increased cost through increased efficiencies (reducing*  
35 *staff, equipment, maintenance cycling, insurance, etc...).*

36

37 2) **Adding or not adding new programs and services?**

38

39 *Throughout the year new programs and services are discussed by Council members, staff and*  
40 *constituents. During this discussion phase an opportunity is provided for Council to identify any*  
41 *new programs and services that they would like incorporated into the budget. A few of the past,*  
42 *present and future “New Programs” are identified below:*

43

44 **Past “New Programs” previously added:**

- 45
- 46 11. **Seaplane Base**
- 47 12. **Marina**

- 1 13. *Splash Park*
- 2 14. *Dog Park*
- 3 15. *Sister City Program*
- 4 16. *Senior Center*
- 5 17. *Entertainment District*
- 6 18. *New Special events*
- 7 19. *Concerts*
- 8 20. *Electric Vehicle Charging Stations*
- 9

10 **Upcoming “New Programs” approved by Council:**

- 11
- 12 1. *Pavilion On The Lake*
- 13 2. *Train Station*
- 14 3. *Expanding Wooton Park*
- 15 4. *Expanding the ball fields*
- 16 5. *Wayfinding program and Kiosks*
- 17 6. *Alfred Streetscape maintenance program*
- 18

19 **Future “New Programs” not in the budget but discussed recently:**

- 20
- 21 1. *Paramedic Services? \$\_\_\_\_\_?*
- 22 2. *Road Maintenance Division \$\_\_\_\_\_?*
- 23 3. *Golden Triangle Super Special Event? \$\_\_\_\_\_?*
- 24 4. *Ingraham Park Improvements? \$\_\_\_\_\_?*
- 25 5. *Community Concerts \$\_\_\_\_\_?*
- 26 6. *Public safety Complex \$\_\_\_\_\_?*
- 27 7. *Public Works facility \$\_\_\_\_\_?*
- 28 8. *Tavares Nature Park restrooms\$\_\_\_\_\_?*
- 29
- 30

31 **3) Raising, maintaining or reducing employee compensation and benefits?**

32

33 *The below reflects employee compensation/benefits adjustments over the last four (4) years:*

34

- 35 • *FY 09 = 2% Cost of Living increase / 0% merit*
- 36 • *FY 10 = (-2.3%) decrease (Furlough) 0% COLA / 0% merit*
- 37 • *FY 11 = 2% Cost of Living increase / 0% merit*
- 38 • *FY 12\* = 0% Cost of Living Increase/0% merit*
- 39 • *FY 13 = ?*
- 40

41 *\* Some employees were charged 3% more for their retirement programs (excluding Police and*

42 *Fire employees) however the City adjusted the pay for those employees by 3% to make the take*

43 *home pay remain neutral.*

44

45 **Employee Benefits:**

- 46
- 47 • *Tuition Reimbursement Program was eliminated in 2010*

- 1 • Family healthcare premium contributions by the city were decreased from 78% to 50%  
2 and Employee's contributions increased from 22% to 50%. Employee contributions to  
3 Single coverage went from \$0 to \$60.91 per month for PPO and \$0 to \$27.76 per month  
4 for HMO.
- 5 • Retirement Benefits for general FRS employees has been downwardly adjusted by the  
6 state. Police and Fire remain the same. Hartford Plan employees were brought up to  
7 contribution parity with general employees.

8  
9 **4) Instituting or not instituting a Fire Assessment?**

10  
11 *In 2009, the City Council considered instituting a Fire Assessment based on an independent*  
12 *study that recommended \$153 per year for a residential property and .28 Per Square Foot for*  
13 *Commercial. The Council did not however adopt a Fire Assessment at that time. Attached is the*  
14 *2009 agenda summary on this issue which included the following statement:*

15  
16 ***“All residents and entities receive benefit of fire suppression services, but some provide***  
17 ***little or no contribution toward maintaining these services. With the adoption of a Fire***  
18 ***Assessment, costs of providing fire services will be more equitably distributed to those***  
19 ***receiving the benefit of fire services.”***

20  
21 *Lake County has a Fire Assessment of \$181.00 per year per house as well as a sliding*  
22 *commercial rate (Example: \$0.22 Per Square Foot for 3,500 square feet or \$0.15 Per Square*  
23 *Foot for 5,000 square feet). Recently other cities have adopted Fire Assessments. For example,*  
24 *Gainesville adopted a Fire Assessment in 2010: “ **Gainesville property owners will again have***  
25 ***to pay the fire service assessment in the coming fiscal year after city commissioners***  
26 ***voted Monday to renew the program they established last year to raise nearly \$5 million”.***  
27 *– Gainesville Sun*

28  
29 *At the Golden Triangle Summit meeting this year between Tavares, Eustis and Mt. Dora, the*  
30 *cities requested that the three City Fire Departments work with Lake County to develop a plan*  
31 *that creates a Fire Service Area in the Golden Triangle Area. This may or may not lead to a*  
32 *discussion in the future regarding Fire Assessments as Lake County charges a Fire Assessment*  
33 *in this area whereas the three cities collect for fire service as part of the property tax bill.*

34  
35 *It takes many months to institute a Fire Assessment. If the city wanted to collect it as part of the*  
36 *tax bill notice it could not establish the assessment until FY 2014. If the city collected by utility bill*  
37 *notice then it could begin collecting in FY 13.*

38  
39 *The city previously took a standard approach to Fire Assessments with its study. Another option*  
40 *that has not been explored is the flat fee approach for commercial as is done with residential.*  
41 *This too could be explored, however, the flat fee approach has not been used in Florida and it*  
42 *could take a significant amount of time to develop and then institute.*

43  
44 **5) The millage rate:**

45  
46 *A one mil increase brings in approximately \$600,000 and likewise a ½ mill increase brings in*  
47 *approximately \$300,000. The current millage rate is 6.89. A one (1) mill increase on a*

1 *homesteaded house valued at \$150,000 would equal an additional \$100 per year or \$8.33 per*  
2 *month.*

3  
4 ***The “roll back” tax rate** is the millage rate levy required to bring in the same amount of tax*  
5 *revenue as the prior year. For the 2013 budget discussions, the roll back rate would be 6.89 (the*  
6 *same tax rate as 2012) because tax revenues are anticipated to stabilize in Tavares (be the same*  
7 *as current year tax revenues).*

8  
9 **6) Non Property Tax Supported Operations**

10  
11 *Utilities*  
12 *Garbage Collection*  
13 *Storm Water*  
14 *Seaplane Base and Marina\**  
15 *Capital Program\**

16  
17 *\*These programs do have some tax revenues contributing to their operational cost*

18  
19 **EXHIBIT B**

20  
21 ***Properties Exempt From Taxes:** Tavares has many properties exempt from taxes which results*  
22 *in a higher tax rate. Tavares is the County Seat and as such is home to many tax exempt*  
23 *government buildings including all government buildings, Sheriff buildings, judicial buildings, jail,*  
24 *Water Authority, School Board Administrative buildings, the elementary school, Middle school and*  
25 *high school, hospital, not for profits, churches, etc. No property taxes are collected from these*  
26 *entities; yet all of their facilities require roads, sidewalks, traffic lights, street lights, Police and Fire*  
27 *services that the City provides and tax payers pay for. Most of these properties are classified as a*  
28 *“large assembly of people” facility and thus become drivers on the need and cost for adequately*  
29 *sized police and fire protection - yet these facilities are tax exempt.*

30  
31 ***Residential to Commercial tax shifting burden:** Historically Tavares tax revenues were*  
32 *comprised of approximately 80% residential and 20% commercial which places a heavy burden*  
33 *on the residents to pay for public services like Police, Fire, Parks, and Road maintenance.*  
34 *Tavares has worked hard over the last five years to change that unbalanced ratio and has been*  
35 *successful in changing it to 25% commercial contribution and 75% residential contribution in 2010*  
36 *and then 31% commercial contribution and 69% residential in 2011. The goal is a 40%*  
37 *commercial contribution and 60% residential contribution. Industry experts assert that for every*  
38 *dollar a resident pays towards their municipal tax services contribution they use \$1.20 in services*  
39 *and for every dollar a commercial business pays for their municipal tax services contribution they*  
40 *use .80 cents worth of services. For example the commercial property tax collected goes towards*  
41 *paying the library and recreation expenses but the commercial property owners don't necessarily*  
42 *use those services. Thus, a community with a higher commercial tax contribution ratio has a*  
43 *lower tax rate.*

44  
45 *In summary, communities with excessive properties exempt from paying taxes and low*  
46 *commercial ratios have higher tax rates than those communities who have few properties exempt*  
47 *from paying taxes and high commercial to residential ratios*

**EXHIBIT C**

**BUDGET/STAFF REDUCTIONS**

Over the past four years, budget cuts have been addressed by a combination of the following:

- Lowering the operating budget
- Reduction in forces (RIF)
- Instituting furlough programs
- Increasing employee's contribution to healthcare cost
- Eliminating the employee merit program
- Reducing Overtime
- Reducing training
- Renegotiating vendor contracts
- Deferring capital equipment replacement (not replacing police vehicles, mowers, Fire engine, etc.)
- Mowing rights-of-way less frequently
- A reduction in operations and maintenance across the board
- Elimination of new programs, like the establishment of a Road Maintenance Department
- Millage rate adjustments
- Use of reserves

Personnel reductions included the following positions:

1. Assistant Police Chief (Major)
2. Police Officer
3. Police Officer
4. Police Officer
5. Executive Assistant to City Administrator
6. General Services Supervisor
7. Public Works Construction Coordinator
8. Public Works General Services Crew Foreman
9. Public Works Sanitation Driver
10. Public Works Sanitation Driver
11. Public Works P.T. Staff Assistant
12. Community Development GIS Analyst
13. Community Development Administrative Assistant
14. Community Development Permitting Technician
15. ½ Community Development Building Inspector (contractual position)
16. Computer Services Director
17. Community Services Parks Maintenance Worker (outsourced some landscaping)
18. Community Services Parks Supervisor
19. Community Services Library Youth Services Specialist
20. Utility Wastewater Treatment Plant Operator

- 1 - In the General Fund side, during this period of time, the city added 1.5 positions (Public  
2 Communications Director and a Part-time City Hall Receptionist. (contractual). This  
3 resulted in a net reduction of 18.5 positions or 11% decrease in staffing.  
4
- 5 - In the Sanitation Fund the city added one part –time Sanitation Staff Assistant.  
6
- 7 - In the Seaplane Base and Marina Fund the city added five full-time and two part-time  
8 positions. (Note: The full time maintenance position remains vacant and those duties are  
9 being handled by the other employees).  
10
- 11 - At the Splash Park, seven seasonal part-time employees were added during this time  
12 period.  
13

### **NOTES**

14  
15  
16  
17 **Note # 1: Tax Revenues:** Staff anticipates tax revenues of approximately \$4.2 million (same as  
18 current year) for the FY 13 budget year. In the FY 14 budget year the city may see an increase in  
19 tax revenue as the following projects should be completed and on the tax rolls:  
20

- 21 1. Osprey Lodge
- 22 2. Lakeside Hotel
- 23 3. Chet Lemon's "Big House" indoor sports complex
- 24 4. The new medical parks surgical facility
- 25 5. Shanti Niketan's phase two retirement community
- 26 6. Dollar General Store next to Palm Gardens  
27

28 **Note # 2 Employee Dental Insurance Program:** The city previously funded an employee benefit  
29 referred to as the Employee Dental Insurance Program. It was self insured. Last year the city  
30 closed that self insurance program down and incorporated it into the Blue Cross Blue Shield plan.  
31 This year the city finished paying out all of the self insurance program claims. The balance in the  
32 self insurance program after all payouts is \$250,000.  
33

34 **Note # 3 Fire Station 2 Debt Service:** The last debt service payment of \$112,382 for the  
35 construction cost of Fire Station 2 occurs in FY 13. Previously it was paid out of Fire Impact Fees.  
36 With no Fire Impact Fees collected this payment will have to be paid out of the general fund.  
37

38 **Note # 4 Wooton Park Debt Service \$300,000:** \$1.7 million in utility tax revenues is collected  
39 each year and contributes to the General Fund. It's a part of the 63% "other revenue". \$450,000  
40 of that utility tax revenue is pledged to cover the debt service for the Wooton Park Expansion  
41 project. (Seaplane Base, Marina, Prop Shop, Pavilion on the Lake, Special Events Pad,  
42 Children's Splash Park etc...). Next year \$300,000 of that \$450,000 debt service payment will  
43 transfer from being paid out of the Infrastructure Sales Tax fund to being paid from utility tax  
44 revenues. This will lower the \$1.7 million utility tax revenue down to \$1,400,000 next year.  
45

46 **Note # 5 Fire Assessment:** Based on the last Fire Assessment Study conducted for Tavares  
47 the fees were established as follows:

- 1
- 2 A. residential house would pay \$153 per year (\$12.75) per month for Fire Service
- 3 B. Commercial would pay \$0.28 cents per square foot for fire service
- 4 C. Industrial/Warehouse would pay \$0.06 cents per square foot for fire service
- 5 D. Non Government Institutional would pay \$0.45 cents per square foot for fire service
- 6 E. Government would pay \$0.57 cents per square foot for fire service
- 7

8 *The county has a Fire Assessment. The current residential rate is \$181 per year.*

9

10 **DISCUSSION**

11

12 Council discussed the proposed fire assessment fee asking that staff bring back figures at a 1/3  
13 figure along with the lowered millage rate. Councilmember Smith expressed an interest in exploring  
14 a flat rate for commercial. Vice Mayor Grenier agreed that future programs should be deferred for  
15 now but to concentrate on maintaining a similar level of service as much as possible.  
16 Councilmember Hope noted he would like to see the employees get some compensation possibly  
17 postponing implementation until January.

18

19 Councilmember Smith discussed contracting dispatch to the Sheriff; Mayor Wolfe also discussed  
20 dispatch expressing a wish to have staff meet with the Sheriff regarding possible savings.  
21 Councilmember Hope spoke against contracting out dispatch based on his years of experience in  
22 law enforcement. Councilmember Pfister expressed concern about the effects of a flat fee on small  
23 businesses.

24

25 Councilmember Smith expressed a tentative willingness to look at the millage rate versus taking  
26 monies out of reserves, if a flat fee is not conducive.

27

28 Councilmember Pfister asked that a public hearing be held regarding the proposed fire assessment  
29 in order to obtain feedback from the public as to the impact.

30

31 **Consensus to have a committee composed of the City Administrator, Police Chief and the**  
32 **Mayor Wolfe meet with the Sheriff regarding dispatch.**

33

34 **Consensus to have a committee composed of Councilmember Smith, Mr. Drury, Attorney**  
35 **Williams, and Ms. Houghton to meet regarding the possibility of a flat fee for the fire**  
36 **assessment.**

37

38 **Consensus to have staff organize a Public Workshop to invite public comment regarding a**  
39 **proposed fire assessment.**

40

41 Mr. Drury noted that he had sufficient information now to create the budget however he would need  
42 direction at the public workshop meeting regarding the fire assessment because without doing an  
43 assessment Council will need to use either reserves or a millage rate to balance the budget, unless  
44 direction is given on cutting a service or lowering a level of service.

45

46 **Tab 13) Request to Purchase Software from Forfeitures Fund for Police Department**  
47 **Accreditation Management**

1  
2 Chief Lubins said this request is to purchase software for policy creation, distribution and tracking in  
3 accreditation management for the professional standards division of the Police Department in the  
4 amount of \$1,730. He said the department intends to sign contracts with the Florida Commission on  
5 Law Enforcement Accreditation with the intention of becoming a CFA Accredited Police Agency in  
6 2014-2015. He said if successful, the Police Department will become the 4<sup>th</sup> state accredited agency  
7 in Lake County. He noted that in addition, City Council authorized the purchase of three rifles on  
8 February 15, 2012 from forfeiture funds. Since that time the department has purchased one rifle and  
9 is in the process of trading for two more rifles at no cost. He said if this goes through it will result in a  
10 cost savings for that line item.

11  
12 **MOTION**

13  
14 **Bob Grenier moved to approve Option 1 [purchase software for Accreditation Management in  
15 the amount of \$1,730 using Police Department forfeiture funds], seconded by Kirby Smith.  
16 The motion carried unanimously 5-0.**

17  
18 **Tab 14) Lake Building Property and Community Theater - Tabled**

19  
20 **Tab 15) Request to Close Section of Main Street for Monthly Car Shows**

21  
22 Ms. Rogers said that staff has receive a special events permit from Rodger Kooser to close part of  
23 Main Street and some of Ruby, Rockingham, and Joanna to facilitate a monthly classic car show in  
24 the downtown. She noted some years ago the City had a monthly car show and it is a common  
25 event in cities. She said two business owners are sponsoring the car shows and that Lt. Paynter will  
26 be the community liaison. The event would be held the third Friday of the month beginning May 18<sup>th</sup>.

27  
28 Ms. Rogers noted the organizers are in attendance to answer questions-: Em Pascarella and  
29 Woody Woodard.

30  
31 Mayor Wolfe asked what the out of pocket expenses would be for the city. Ms. Rogers stated 13  
32 barricades will be needed which would be \$30 a piece if they were rented. She said Captain  
33 Feleccia will be setting up the barricades and will not require overtime. She said the car show  
34 organizers will be asked to take down the barricades after the show is complete which will be  
35 collected by staff on Monday,

36  
37 Councilmember Pfister spoke in support so long as it did not result in overtime. Councilmember  
38 Smith said he would like to have Main Street closed a longer distance to incorporate more  
39 restaurants. Ms. Rogers said it can be expanded as needed.

40  
41 Councilmember Hope spoke in support. He asked if there was also going to be a band.

42  
43 Ms. Rogers said they would like to have live entertainment which will be part of the sponsorship.

44  
45 Mr. Pascarella said it was estimated there would be at least 200 cars participating.

46  
47 Mayor Wolfe asked Chief Lubins to ensure that the parking issues are managed.

1  
2 **MOTION**

3  
4 **Kirby Smith moved to approve the request to have monthly classic car shows in downtown**  
5 **Tavares, seconded by Norman Hope. The motion carried unanimously 5-0.**

6  
7 **Tab 16) Creation of Adopt a Storm Drain Program**

8  
9 Mr. Hayes discussed a proposed community involvement program that would enable home owners  
10 to assist in the monitoring of the storm drains in the neighborhoods. The task would be to keep the  
11 cans, trash, and vegetation from blocking the flow of water. They would not be required to touch the  
12 grates or reach into the basins.

13  
14 **MOTION**

15  
16 **Kirby Smith moved to approve the “adopt a storm drain” program, seconded by Norman**  
17 **Hope. The motion carried unanimously 5-0.**

18  
19 **Tab 17) Request to Approve Work Authorization Amendment with Malcolm Pirnie for**  
20 **Construction Services for Phases 2 and 3**

21  
22 Mr. Hayes said this is to approve a contract with Malcolm Pirnie in the amount of \$392,012 to  
23 oversee the construction of Phases 2 and 3 of the Reclaim Infrastructure project including the  
24 preparation of bid documents, bidding out the project and coordinating with Leadership in Energy  
25 and Environmental Design review agency and all utility companies on site, resident engineering,  
26 construction management, financial and grant compliance management.

27  
28 Councilmember Hope asked for clarification that the contract has been budgeted. Mr. Hayes  
29 confirmed. Councilmember Smith noted that the monies can only be used for utility projects and  
30 cannot be transferred to reduce the debt in the General Fund.

31  
32 **MOTION**

33  
34 **Lori Pfister moved to approve the contract with Malcolm Pirnie for construction management**  
35 **services for Phases 2 and 3 of the reclaim project, seconded by Kirby Smith. The motion**  
36 **carried unanimously 5-0.**

37  
38 **Tab 18) Appointment to Lake Community Action Agency**

39  
40 Mayor Wolfe noted previous Councilmember Sandy Gamble served on this board for the City. He  
41 asked Councilmember Hope if he wished to represent the City. Councilmember Hope said he  
42 wanted to learn more about the agency before he volunteered.

43  
44 **XI. OLD BUSINESS**

45  
46 **XII. NEW BUSINESS**

47

1 **XIII. AUDIENCE TO BE HEARD**

2  
3 None

4  
5 **XIV. REPORTS**

6  
7 **City Administrator**

8  
9 Mr. Drury said he had nothing to add to the list of upcoming meetings and events.

10  
11 **Attorney Williams**

12  
13 Attorney Williams stated he would be out of town for two weeks however he would be  
14 communicating with his office and Attorney Frye would be available.

15  
16 **Fire Department**

17  
18 Chief Keith congratulated Councilmember Hope.

19  
20 **Public Works Department**

21  
22 Mr. Thompson congratulated Councilmember Hope.

23  
24 **Economic Development Department**

25  
26 Mr. Neron discussed the Planes, Trains & BBQ event this coming weekend.

27  
28 **Human Resources**

29  
30 Ms. Tucker congratulated Councilmember Hope.

31  
32 **Tab 10) City Council**

33  
34 **Councilmember Pfister**

35  
36 Councilmember Pfister welcomed Councilmember Hope.

37  
38 **Councilmember Hope**

39  
40 Councilmember Hope stated he was sorry he would not be able to attend the Planes, Trains, and  
41 BBQ event as he would be visiting with his grandchildren out of state.

42  
43 Councilmember Hope thanked Mayor Wolfe for his appointment and ratification by the Council.  
44 He said he looked forward to being on Council and noted the budget process will be interesting.

45  
46 **Vice Mayor Grenier**

47

1 Vice Mayor Grenier stated the museum looks terrific and he thanked the staff for their assistance  
2 and the support of the city.

3  
4 **Councilmember Smith**

5  
6 Councilmember Smith congratulated Mr. Neron and staff for the successful classic boat show.  
7

8 Councilmember Smith congratulated Councilmember Hope on his appointment and stated he  
9 was glad to have him on the team. He extended a special thank you to the Historical Society. He  
10 said the Historical Society fights to keep the history of the city intact and has been instrumental in  
11 the transformation of the city for the last few years.

12  
13 **Mayor Wolfe**

14  
15 Mayor Wolfe congratulated Councilmember Hope. He reminded everyone of the Dragonboat  
16 Festival the following weekend with the fireworks show.

17  
18 **Adjournment**

19  
20 There was no further business and the meeting was adjourned at 6:10 p.m.

21  
22 Respectfully submitted,  
23  
24  
25  
26  
27

28 \_\_\_\_\_  
29 Nancy Barnett, CMC  
City Clerk