

SPECIAL MEETING OF THE CITY COMMISSION
July 31, 2008

The special meeting of the Winter Park City Commission was called to order by Mayor David Strong at 6:05 p.m. in the Commission Chambers, 401 Park Avenue South, Winter Park, Florida.

Members present:

Mayor David Strong
Commissioner Margie Bridges
Commissioner Phil Anderson
Commissioner Beth Dillaha
Commissioner Karen Diebel

Also present:

City Manager Randy Knight
City Attorney Trippe Cheek
City Clerk Cynthia Bonham

Mayor Strong announced that this meeting to reconsider the tentative millage cap was requested by Commissioner Anderson and that a motion is necessary to be able to reconsider the motion made at the last meeting regarding the tentative millage cap.

Motion made by Commissioner Dillaha to reconsider the millage rate, seconded by Mayor Strong.

Commissioner Anderson stated he asked to defer the reconsideration to cut \$400,000 more beyond the tax reform's intent until we have a finished budget and have gone through the budget process. He agreed that operating expenses need to be examined as well as the revenues. He also wanted to communicate that the 4.09 millage rate as suggested by the City Manager is the goal that was established by the tax reforms the City has been through the last two years. He stated it represents 4.5% less total revenues than they had in 2007 but represents a 1.6% increase from the 2008 budget.

Commissioner Anderson addressed issues not discussed in the work session that he preferred to discuss that may become a part of the budget: being short six multi-use fields; additional hurricane risks the state has assumed by virtue of its policies; how the funds might be used to facilitate a movement of the Post Office distribution center possibly down to Fairbanks and used toward the acquisition of more sensible land and how it may fit in with the other Planning the Possibilities efforts; and upcoming public safety investments the City will have to make so our equipment is synchronized with Orange County. He stated there is a large list of priorities that need to be discussed to determine if they should be budgeted and whether they can forego the \$400,000. He commented that reducing the overall tax collections below the tax reform limits resets the baseline so going forward they can only hit that level unless we go out and achieve a super majority vote. He concluded by stating there are a lot of different priorities, he believed we will see significant cost reductions in the way the City operates and wanted to reconsider making a decision at this time that does not cut out the ability to use the \$400,000.

Commissioner Bridges spoke about her commitment to cut and streamline our expenditures and become more efficient and cost effective and to collect revenues owed the City. She wanted to keep the millage where it is so we are forced to take a hard look at the budget. She stated she believes the largest concern as a City is to cut our expenditures, collect the revenues owed, and evaluate services that we have done and used that must now be eliminated. She stated she is

not sure they will get where she wants them to be with the additional cushion of \$400,000. City Manager Knight explained the changes in the tax reform act and the super majority/unanimous vote. He explained that any millage above the 4.0923 would require a super majority vote.

Commissioner Dillaha addressed Commissioner Anderson's opening comments. She stated she did not see anything wrong with setting the millage at the 4.0923 rate because that is not the definitive rate and there is merit to looking at a revised budget. She still felt very strongly that keeping the millage rate where it currently is requires them to take a hard look at the budget and operations.

Commissioner Diebel stated her thoughts remain very consistent from the work session to the Commission meeting and to keep the millage rate where it is. She believed the list of priorities can be accomplished at the 3.995 millage rate; and did not think the taxpayers and homeowners have realized the full extent of the depressed values. She stated she believed Commissioner Anderson's priorities are the right ones and that Commissioner Dillaha has done a great job in bringing the right ideas forward.

Mayor Strong commented that there is no harm today in having a tax rate consistent with Amendment I because it cannot go above that rate and they will make every effort to go as low as possible. He stated that the City Manager needs time to digest what was given to him at the work session concerning cuts and that he wanted to hear his recommendations how to reduce the budget as well as indicate what the ramifications/consequences are of what is suggested to be cut from the budget. He stated he wants to hear what services will or will not be offered in the upcoming year and what sacrifices will have to be made to reduce expenditures. He clarified that the direction for City Manager Knight is to provide a list for both a \$400,000 and \$2,000,000 cut so they can make a judgment as to whether they are important or not and how it will impact the residents and staff.

There was further discussion as to what would have to take place if the Commission chose to raise the millage rate at the public hearings in September. Commissioner Bridges challenged the Commission to set the budget at 3.995 and then identify and eliminate the inefficiencies. Commissioner Anderson stressed that any tax increase/decrease will not take place now but when the taxes are voted on in September. Commissioner Diebel spoke about the large amount of time spent on the Planning the Possibilities, the capital items that are a long term benefit, and the importance of stabilizing the budget at this point. Mayor Strong once again reiterated the importance of the City Manager providing his recommendations and the consequences of those.

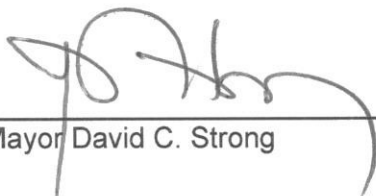
Commissioner Dillaha stated she is more interested in cutting \$2,000,000 and wants the Commission to decide about a reallocation of money within the budget. She stated that she did not see anything wrong with agreeing with Commissioner Anderson this evening because it does not set the millage rate today, she will have to be very convinced to change from her stance of 3.995, but there is merit with reviewing a revised budget and make a final vote in September. She stated her position remains the same that we need to review how we do business and make some changes and she has other ideas that she wants to present to the City Manager. There were further questions and discussion regarding the two millage rates and everyone's preferences. City Manager Knight will present another budget to the Commission at the August 18 work session with a \$400,000 and \$2,000,000 expenditure cut list and the consequences of both.

A roll call vote was taken on the motion to reconsider the millage rate with Mayor Strong and Commissioners Anderson and Dillaha voting yes. Commissioners Bridges and Diebel voted no. The motion carried with a 3-2 vote.

Motion made by Commissioner Anderson to set a tentative millage rate at 4.0923, seconded by Mayor Strong. Upon a roll call vote, Mayor Strong and Commissioners Anderson and Dillaha voted yes. Commissioners Bridges and Diebel voted no. The motion carried with a 3-2 vote.

The work session on August 18 was discussed. Mayor Strong again reiterated his comments that the City Manager is to bring back his recommendations for a \$400,000 and a \$2,000,000 reduction in expenditures and the consequences, if any, of these recommendations concerning City operations and services. Commissioner Dillaha stated she wanted to see a \$2,000,000 reduction and did not want to see just a reduction of services. Commissioner Bridges stated she wanted to see a \$2,000,000 reduction and to see an analysis of the areas that have escalated over the last three years and why so they have a better understanding of where some of our expenditures have been to evaluate the cost reductions that the City Manager might be proposing. She also wanted to obtain a broader perspective of the salaries and benefits in the Orlando regional area for a good cross section of our employees to include secretarial/administrative help. Commissioner Anderson wanted to see an analysis of our comp and benefit plans as they compare to our competitive cities and wanted to see an index of comparable cities if one exists. Commissioner Diebel wanted to see a minimum of a \$400,000 reduction that equals a 3.995 millage rate that the Mayor and Commissioner Anderson would be comfortable adopting. She stated if we go beyond that, it further expresses our commitment to the residents and that she hoped to see unanimous support from the Commission on a 3.995 millage rate that everyone is comfortable adopting.

The meeting adjourned at 7:07 p.m.



Mayor David C. Strong

ATTEST:



City Clerk Cynthia Bonham