

**MINUTES OF THE SPECIAL MEETING
OF THE LADY LAKE TOWN COMMISSION
LADY LAKE, FLORIDA
September 17, 2014**

The special meeting of the Lady Lake Town Commission was held in the Commission Chambers at Lady Lake Town Hall, 409 Fennell Blvd., Lady Lake, Florida with Mayor Ruth Kussard presiding. The meeting convened at 6:07 p.m.

- A. CALL TO ORDER:** Mayor Ruth Kussard

- B. PROCEDURAL:** *Citizens are encouraged to participate in the Town of Lady Lake meetings. Speakers will be limited to three (3) minutes. Additional time may be granted by the Mayor. Citizen groups are asked to name a spokesperson and the Mayor, at his/her discretion, may allow longer than three minutes. Upon being recognized by the Mayor, please approach the dais, state your name and address, and speak into the microphone. The order of agenda items may be changed if deemed appropriate by the Town Commission. Please be respectful of others and put your cell phone on silent mode.*

- C. PLEDGE OF ALLEGIANCE:** Mayor Ruth Kussard

- D. INVOCATIONⁱ:** Sheldon Skurow – Temple of Shalom

- E. ROLL CALL:** Tony Holden, Commissioner Ward 2
Dan Vincent, Commissioner Ward 3
Jim Richards, Commissioner Ward 5
Ruth Kussard, Mayor/Commissioner Ward 1

- ABSENT:** Paul Hannan, Commissioner Ward 4

STAFF MEMBERS PRESENT: Kris Kollgaard, Town Manager; Derek Schroth, Town Attorney; Thad Carroll, Growth Management Director; Mike Burske, Parks and Recreation Director; Chief Chris McKinstry, Police Department; Jeannine Michaud, Finance Director; John Pearl, I.T. Director; Julia Wolfe, Staff Assistant to Town Clerk; and Nancy Slaton, Deputy Town Clerk

F. PUBLIC COMMENTSⁱⁱ

Mayor Kussard asked if anyone in the audience would like to speak on any item. There were no comments.

G. PUBLIC HEARING:

Town Manager Kris Kollgaard advised the public that she had spoken with each Commissioner individually regarding information received from the Department of Revenue on the Communication Services Tax. She stated that although they have not yet completed their audit, they have provided an estimated amount of corrected monthly revenue the Town should be receiving from a vendor. The estimated amount is more than anticipated, and due to this, staff is comfortable lowering the millage rate from 3.8781 to 3.7500 if the Commission chooses to do so.

1. Resolution No. 2014-117 – First/Final Reading – Adoption of Millage Rate for FY 2014-2015 (Jeannine Michaud)

Finance Director Jeannine Michaud gave the background summary for this agenda item (on file in the Town Clerk's office). She stated that per state statute, the Town of Lady Lake must hold a public hearing on the proposed final millage rate. At this hearing, the Town Commission will discuss the proposed final millage rate, and if changed, re-compute its proposed millage rate and publicly announce the percent, if any, by which the re-computed tentative millage is greater than or less than the rolled back rate, and then approve the resolution prior to adoption of the proposed budget.

Ms. Michaud stated that the tentative rate of 3.8781 mills was set at the last budget hearing, and that rate, or any other rate less than this rate, requires an affirmative vote of three members of the Town Commission. She stated this hearing was advertised via a newspaper advertisement in the Daily Commercial on Saturday, September 13, 2014.

Ms. Michaud made the following required announcements:

- The Taxing Authority is the Town of Lady Lake;
- the rolled-back rate is 3.1345;
- the millage rate is 19.64% more than the current year's rolled-back rate;
- and the millage rate is 3.7500.

Ms. Michaud read Resolution No. 2014-117 as first proposed with the millage rate of 3.8781, and then the amended resolution with the new recommended millage rate of 3.7500 for FY 2014-2015. The amended resolution stated that the millage rate for FY 2014-2015 is 3.7500 mills, which is 19.64% over the current year's rolled-back rate of 3.1345. She stated the 19.64 percent increase over the rolled-back rate was needed to fund the budget and she explained the rolled-back rate is the rate at which the current tax base would produce the same taxes levied as the previous year. She stated it is essentially whatever tax rate is required to bring in the same amount of revenue as the previous year, even if the property values drop. Ms. Michaud stated that when a tax base increases, maintaining the same millage rate represents an increase in taxes. She stated the current proposed budget for the general fund is \$9,783,791, the special revenue is \$1,126,100, and the utilities fund is \$2,213,462, for a total proposed budget of \$13,123,353.

The recommended motion for the above item is as follows:

- Adopt Resolution No. 2014-117 which sets the millage rate of 3.7500 mills per \$1,000 taxable valuation, which is 19.64% more than the current year's rolled back rate of 3.1345.

She opened the meeting for Commission input and public comment.

Commissioner Richards stated it is his understanding that the lowered millage rate is the result of notification by the Department of Revenue that the Town will received approximately \$120,000 more in Communication Services Tax revenue than they originally reported.

Ms. Michaud confirmed this, stating staff has lowered the ad valorem tax revenue and raised the Communication Services Tax revenue to offset it.

Commissioner Holden and Commissioner Vincent both stated they were in favor of the new lowered rate of 3.7500.

Mayor Kussard stated that the Town has been able to keep from raising taxes for the past five years, however this year, the Town was blindsided by the decrease in Communication Services Tax revenue and is faced with paying back the overpayment. She stated that she feels the residents' pain regarding the increase in taxes, and that she will also be faced with a significant increase in her own property tax. Mayor Kussard stated that she is in favor of lowering the ad valorem tax rate. She stated she will also take up the challenge of one of her residents who wondered why the Mayor did not take a 10% reduction in the compensation she receives as Mayor/Commissioner for FY 2015, and she informed the Finance Department that she will take this 10% reduction in salary and that amount should be put back into the contingency fund.

Mayor Kussard asked if anyone in the public would like to comment.

- Joe Quinn of 633 Rainbow Blvd. asked if the payback of the overpayment by the Department of Revenue has been covered.

Ms. Kollgaard replied that the payback is factored in the budget for this year.

Upon a motion by Commissioner Richards and a second by Commissioner Holden the Commission approved the amended Resolution No. 2014-117 – First/Final Reading – Adoption of the Final Millage Rate of 3.7500 Mills for FY 2014-2015, by the following roll call vote:

<i>HOLDEN</i>	<i>YES</i>
<i>VINCENT</i>	<i>YES</i>
<i>RICHARDS</i>	<i>YES</i>
<i>KUSSARD</i>	<i>YES</i>

2. Ordinance No. 2014-07 – Second/Final Reading – Adoption of Budget for FY 2014-2015 (Jeannine Michaud)

Finance Director Jeannine Michaud gave the background summary for this agenda item (on file in the Town Clerk's office). She stated that per state statute, the Town of Lady Lake must hold a public hearing on the proposed FY 2015 operating budget, and at this hearing, the Town Commission will amend and adopt the budget ordinance after adoption of the final millage rate. Ms. Michaud stated this hearing was advertised via newspaper advertisement on Saturday, September 13, 2014. She stated that this will be the second/final reading of Ordinance No. 2014-07, adopting the operating budget for FY 2014-2015 (October 1, 2014 through September 30, 2015). She read the ordinance title which stated the budget is setting forth anticipated revenue of \$13,123,353 and expenditures in the equivalent amount, and stated the following amounts are appropriated for various funds: General Fund - \$9,783,791; Special Revenue (infrastructure sales surtax) - \$1,126,100; and Utilities Fund - \$2,213,462; for a total of \$13,123,353. Ms. Michaud advised that the only change to the ordinance since first reading is on Exhibit A where it states the millage rate is 3.7500 instead of the originally proposed 3.8781.

The recommended motion for the above item is as follows:

- Approve Ordinance No. 2014-07 on second/final reading, adopting the FY 2015 budget which sets the estimated revenues and expenditures/expenses for the General Fund, Special Revenue Fund (Infrastructure Sales Tax), and Utilities Fund.

Mayor Kussard asked if there were any questions or comments from the public. There were no comments.

Upon a motion by Commissioner Vincent and a second by Commissioner Holden, the Commission approved Ordinance No. 2014-07 – Second/Final Reading – Adoption of Budget for FY 2014-2015, by the following roll call vote:

<i>HOLDEN</i>	<i>YES</i>
<i>VINCENT</i>	<i>YES</i>
<i>RICHARDS</i>	<i>YES</i>
<i>KUSSARD</i>	<i>YES</i>

H CONSENTⁱⁱⁱ:

3. Minutes – September 3, 2014 – Special Commission Meeting

4. Budget Amendment Regarding Personnel Costs (Wages, ICMA/Ret, & FICA) (Jeannine Michaud)

The background summary for this agenda item is on file in the Clerk’s office. It states that Amendment BT14-022 adjusts personnel costs (wages, ICMA & Retirement, and FICA) in all departments to allow for a single \$1,000 bonus for all employees in FY 2014 using Contingency, in lieu of COLA or raises in FY 2015. It also decreases Police Other Contractual \$20,000 for the credit given by the County for dispatch services in FY 2014. The cost savings is being put in to Contingency.

5. Consideration for the Renewal of the Lease Agreement between the Town of Lady Lake and the Lady Lake Historical Society (Mike Burske)

The background summary for this agenda item is on file in the Clerk’s office. It states that the Lady Lake Historical Society once again desires to renew its lease agreement with the Town for the Train Depot at Veterans Park. The new lease will have a one year term. The dates on the contract are the only changes to the proposed document. The insurance requirements for the indemnity clause have been removed due to the fact we provide insurance at this location.

Upon a motion by Commissioner Richards and a second by Commissioner Vincent, the Commission approved Consent Items #H-3 through #H-5, by a vote of 4 to 0.

I. OLD BUSINESS:

J. NEW BUSINESS:

6. Consideration of Approval of the Floor Plan for the Guava Street Athletic Complex Concession Stand Being Constructed for the Lady Lake Little League (Mike Burske)

Parks and Recreation Director Mike Burske gave the background summary for this agenda item (on file in the Clerk’s office). He stated that the floor plan for the Little League Concession

Stand was included in the packet and that this design is different than the conceptual design given to the Commissioners at the time this project was first introduced. Mr. Burske stated that he had the Little League work with Neel-Schaffer Engineering to design a functional building and they did not want to work with the two story design as originally proposed. He stated that this design is the work of the Lady Lake Little League and the additional bathrooms in the back of the building were requested by the Town; hopefully, the extra bathrooms will replace the bathrooms by the tennis courts. He noted the documents were attached for the Commissioners' review.

Upon a motion by Commissioner Holden and a second by Commissioner Richards, the Commission approved the Floor Plan for the Guava Street Athletic Complex Concession Stand Being Constructed for the Lady Lake Little League, by a vote of 4 to 0.

Mayor Kussard commented that this new concession stand is being built with impact fees in case anyone had any questions.

Commissioner Vincent clarified that impact fees can only be used on a capital investment.

Mayor Kussard and Town Manager Kris Kollgaard further clarified that impact fees can only be used for new construction, not repairs or renovations to old structures.

7. Consideration and Approval of 4/10 Work Schedule (Kris Kollgaard)

Town Manager Kris Kollgaard gave the background summary for this agenda item (on file in the Clerk's Office). She reported that staff was approved to operate under a four day, 10 hour work week on a one year trial basis by the Commission on August 19, 2013. Staff was directed by the Commission to report back after the one year trial period with the purpose of reviewing citizen and employee feedback, as well as identifying cost savings. Ms. Kollgaard stated that this information was included in the packets, and the surveys were available to residents on the website and on all the counters, and information was on the water bills directing them how to fill out the surveys.

Ms. Kollgaard reported that after a one year period of operations under the trial period, the following results were noted:

- * Improved customer service – 90% of citizens surveyed found it helpful to have Town Hall opened for extended hours of operation.
- * Citizens are making good use of extended hours of operation; Town facilities foot traffic counts totaled 3,052 for use of extended hours from a period of October 2013 to August 2014.
- * 100% of the Town employees surveyed (39 employees total) prefer to continue operating under the 4/10 work schedule. Many employees feel they have a better work/life balance, are able to work around conflicting schedules, provide better customer service to citizens, and are able to get more accomplished in a 10 hour work day.
- * Electrical savings: The Town experienced the lowest summer electrical bill in the past five years (even with Duke Electric rate increase on commercial customers up to 14% in January 2014). The five year electric cost history was compiled for Town Hall/Police Department using the highest consumption months during the year, which are from March to August.

Ms. Kollgaard stated that staff morale is good and they enjoy the 4/10 work week, and citizens are approving of it as well.

Upon a motion by Commissioner Richards and a second by Commissioner Holden, the Commission approved the 4/10 work schedule, by a vote of 4 to 0.

K. TOWN ATTORNEY'S REPORT:

Town Attorney Derek Schroth stated that he had nothing to report this evening.

L. TOWN MANAGER'S REPORT:

Town Manager Kris Kollgaard reported that there are several mentions of Lady Lake in the new 2014-15 Newcomer's Guide and these are marked and a copy will be by the Commissioners' mailboxes if they want to look at it.

Ms. Kollgaard also reported that she will be taking some time off next week, if the Commission approves, as she is maxed out on her vacation time. She stated she will be in the area and will be available by phone if they need to contact her.

M. MAYOR/COMMISSIONER'S REPORT:

Commissioner Richards read a statement he prepared regarding the budget hearings. In it, he stated that the Commissioners set policy and procedures and the day to day operations are done by staff; and the Commissioners should only enter into the operations aspects of the Town when they see problems. He stated the majority of the Commissioners are familiar with the budgets going back six years, that personnel has been cut 15% prior to this year's budget, and the needs to replace equipment and to maintain infrastructure of the Town. Commissioner Richards stated that the Commission has attended budget workshops over the years, reviewing the items line by line, to try to have the government operate as efficiently as possible to supply the services to fellow residents that they want. He stated that Commissioner Hannan mentioned at the last meeting about The Villages poor who could not afford the increase in tax, but in checking his own trim notice, Commissioner Richards stated his taxes will only increase \$14.00, or \$1.17 per month. He stated many letters have stated the Town could delay purchases and construction repair projects, even though delayed repairs will cost four times more due to deterioration in the future. Commissioner Richards stated that the way government is structured, funding for purchases occurs after equipment is worn out, and it would make more sense to have a fund set aside in the yearly budget for purchases similar to a rental or lease program.

Commissioner Richards stated in regard to the Communication Services Tax, the Town has already spent that revenue going back four years or more and the citizens have already received the goods and services of those previous budgets. He stated he is glad the Commission stepped up to the plate and did what was right so they can leave the Town in as good or better shape than they received it.

Commissioner Holden stated that although he has a lot of poor people in his ward, he did not receive one word of complaint.

Commissioner Vincent stated that the valuations in his ward will not go up more than \$30.00 and he only had one resident in his ward complain he could not afford it.

Mayor Kussard reported that she attended the soft re-opening of the Lady Lake Historical Society Museum on Saturday, September 13th; stating it was a marvelous transformation, and the remodeling has made it come alive with history. She announced that there will be a grand re-opening with a ribbon cutting ceremony, tour of displays, and refreshments, on September 27th at 10 a.m., and she encouraged everyone to attend.

Commissioner Vincent reported he attended the Florida League of Cities Citizens Board meeting regarding transportation and they reported problems with the new Uber service in areas like Orlando, and that they are operating illegally.

N. PUBLIC COMMENTS^{iv}

Mayor Kussard asked if anyone in the audience would like to speak on any item.

- Judy Glasel of 1121 Ricardo thanked the Commission for lowering the millage rate to 3.75, as she stated she was panicked after hearing about Lake County’s tax increase and that her taxes will go up \$200 to \$400, as property values have gone up.
- John Gauder of 142 Costa Mesa thanked the Commission for the fine job they did on the budget; stating he knows it is not easy. He asked if the golf cart lanes on Avenida Central will be widened during the re-paving.

Commissioner Richards replied that the striping has already been done and the lanes are not any wider. He stated that by crowding the lanes, it calms traffic as they tend to go slower because they do not feel as comfortable.

Town Manager Kris Kollgaard commented that it should help that the lip was going to be smoothed out, and Commissioner Richards agreed they did a good job on it.

O. ADJOURN: There being no further discussion, the meeting was adjourned at 6:36 p.m.

Kristen Kollgaard, Town Clerk

Ruth Kussard, Mayor

Minutes transcribed by Nancy Slaton, Deputy Town Clerk

ⁱ Any invocation that may be offered before the official start of the Commission meeting shall be the voluntary offering of a private citizen, to and for the benefit of the Commission. The views or beliefs expressed by the invocation speaker have not been previously reviewed or approved by the Commission, and the Commission is not allowed by law to endorse the religious beliefs or views of this, or any other speaker.

ⁱⁱ This section is reserved for members of the public to bring up matters of concern or comments. It is not limited to items on the agenda and it is open to any concern or comments that the public may have.

ⁱⁱⁱ All items listed under consent are considered routine by the Town Commission and will be enacted by one motion. There will be no separate discussion of these items unless a Town Commissioner so requests, in which event the item will be removed from the consent agenda and considered in its normal sequence.

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