

MINUTES OF A BUDGET WORKSHOP OF THE CITY COMMISSION OF THE CITY OF FORT PIERCE, FLORIDA, HELD IN THE CITY HALL COMMISSION CHAMBERS, 100 NORTH U.S. #1, FORT PIERCE, FLORIDA, AT 10:00 A.M. ON AUGUST 1, 2007.

The Pledge of Allegiance was recited.

Upon Roll Call, those present were: Mayor Robert J. Benton; Commissioners Christine Coke, Edward Becht, and R. Duke Nelson; City Manager Dennis Beach; City Attorney Robert Schwerer; and City Clerk Cassandra Steele. Those absent: Commissioner Alexander.

The first item on the Agenda was City Commission discussion on proposed 2007-2008 General Fund Budget.

City Manager Beach said this item is for discussion to whatever degree the Commission would like to pursue it. They have a memorandum (dated July 27, 2007) from the Deputy City Manager that describes this document and where they are currently. Of course, the purpose of today's meeting is establishing the roll-back rate and setting their millage. Once they do that, they still have the ability to reduce it; however, they don't have the ability to move it forward. This document puts them at about \$2.3 million from being balanced. There are a number of services that would be impacted by this document. However, this is not being submitted to them for action, this is being submitted to the Commission for information. They are going to be looking for direction, recommendations, and suggestions from the Commission in regards to what they would like for Staff to explore or the various things they would like for Staff to take into consideration while bringing this budget into a balanced state, having their revenues and expenditures come together. August 10th is the date there is a budget workshop scheduled. Is that accurate? Is that on everybody's calendar?

Mayor Benton said he believes that is what was talked about this morning.

City Manager Beach said they will be presenting a minimum of three options for a balanced budget for this Commission to review. What they would like in the meantime is feedback from the Commission regarding any type of budget assumptions that they want to insure stay as part of the City's operation. As they know, they can close this gap through reducing their expenditures in the amount that is indicated; they have the ability to adjust their revenue transfers from various funds to close that gap; and they also have the ability to make some substantial changes in their Capital Improvement programming and planning to bring this document together. But they do want input from the City Commission. They want the Commissioners to recognize how the various budget proposals will affect services and then give staff some direction from that.

Commissioner Coke asked as a point of clarification, when they have this meeting on August 10th her assumption is that they will be able to give input, suggestions, and try to set some fiscal policy at that point in time? And they will still have sufficient time, if it is the majority will of this Commission, to change a fiscal policy for it to be carried out?

City Manager Beach said absolutely. The final budget hearing he believes is...?

Mr. George Bergalis, Director of Finance, said the public hearing dates on the budget and the millage rate will be September 5th, September 17th, and September 24th.

Commissioner Becht said that disagrees with what is in their material. Which is correct, the material or what Mr. Bergalis just said?

Mr. David Recor, Deputy City Manager, said he is going to defer to Mr. Bergalis.

City Manager Beach says Mr. Bergalis sets these dates.

Commissioner Becht said let him write those down then, because there has been some confusion. September 17th, what time is that?

Mr. Bergalis said September 5th is at 5:05 p.m. September 17th will be held in conjunction with the regularly scheduled Commission meeting for that night. And September 24th will be at 5:05 p.m.

City Manager Beach said his point being, that is the time frame in which these decisions have to be made and the public input gathered and the Commission actually formally adopting a budget.

Mayor Benton said the roll-back rate he sees is 6.1 mills. He always thought that with property values going up, that the roll-back rate would be less than the current taxable rate which is 5.9 mills. He just wonders how that goes from 5.9 mills to 6.1 mills?

Mr. Bergalis said that was unique to him also when he did the calculation. But because of the manner in which the Department of Revenue has configured these DR forms that they need to fill out - and there are numerous ones this year - in order to take into account the so-called property tax reform legislation, if they are contributing as a governmental body into redevelopment agencies, they have to take into account the amount of ad valorem taxes that they collect and use that as an additional calculation in coming up with their roll-back rate. In essence he believes what they are trying to do is to give governments credit. They know they are taking in x-amount of dollars of ad valorem revenues, but they also have a commitment to pay out a certain amount of that to a Redevelopment Agency, so they have that built into the calculation methodology and that is how it comes out. He had questioned it when he first did the calculations, he thought this doesn't look right; but making phone calls and looking at other documents that were presented as samples, this is how it works out.

City Manager Beach said Mayor Benton is correct in his evaluation of this. The reason it is different than it would be normally is because of the action taken by the Florida Legislature and the formulas they provided them.

Mayor Benton said he would have expected the way they used to do it, it would have been close to what they are doing here with the 5.5 mills. Going up? He doesn't know what they are doing up in Tallahassee.

Mr. Bergalis said it looks unique. But again, they have to go ahead and adjust that by a pre-determined percentage based upon their compound annual growth rate, which is what they figured over the last five years. In their case, they could use 91% of the roll-back rate to determine what the millage rate would be. But then again, they can do that millage rate and change it and go to the roll-back rate or whatever by different voting majorities of the Commission or even a referendum.

Commissioner Becht asked can someone take him to anything in the material that gives him the information - as speculative as it might be - on the impacts of the potential passage of the January 2008 constitutional amendments?

City Manager Beach said no, he doesn't think anyone has calculated that.

Commissioner Becht asked will they have that by Friday, August 10th?

City Manager Beach asked do they know what that is?

Mr. Bergalis said no. The only way he believes that information would be gleaned is if the Property Appraiser's Office were able to go through and determine the impact of the vote in January 2008 and those people who have the ability to use a super-majority Homestead Exemption versus the Save Our Homes limitation.

City Manager Beach said it would be a speculation.

Commissioner Becht said he knows it is a speculation. But he also knows that the Fire District and, if the paper is correct, that the County had also made that speculation, attempted to try to deal with... Hoes understand it is a multifaceted calculation.

Mr. Bergalis said he thinks these other governmental bodies for months have been issuing speculation about what is going to happen relative to this property tax reform. He knows there has been comment that the City of Fort Pierce hasn't gone through all these gyrations. And they haven't for a reason. Because at a point in time a couple of months ago the other governmental bodies around here were knee-jerk reacting to every word that came out of Tallahassee. He likes to work with definite numbers and come up with conclusions based upon facts, not speculation.

Commissioner Becht said he agrees wholeheartedly with that and he is very proud that the City of Fort Pierce didn't get into the drama statewide that some of the other counties and municipalities got into. But also to the extent that they are able to make any reasonably intelligent calculations about what the impact of the Super Homestead Exemption might be - and they can put a bunch of assumptions in that, 10% of the people elect, 20% of the people elect, whatever - but in the absence of that information, at least not admitting to the public that in January 2008, depending upon what that passage is, it will impact what they are trying to do here, he is not comfortable. He acknowledges that it is pure speculation on what it is. Mr. Furst has appeared before the Commission. Gary Purdue, the Financial Officer with the Fire District, has said this is his best guess and called it that. But he needs Mr. Bergalis to give his best guess on August 10th as to what kind of impact he thinks that will have in their budget.

City Manager Beach said they can provide an estimate of that as long as everyone recognizes what that is. Is Mr. Bergalis anticipating that the vote in January is going to be implemented in this fiscal year?

Commissioner Becht said it is his understanding, yes. He thought

it would impact the revenue collected in November of 2008.

Mr. Bergalis said no. What happens in January 2008 would have an impact upon the 2008-2009 fiscal year for the first time. Commissioner Becht said okay, that is his understanding that it will impact their 2008-2009 budget. But what they set up in 2007-2008 is going to impact what they need or can do in 2008-2009. He just thinks it is prudent for the Commission to ask Mr. Bergalis to do his best at that speculation. Mr. Bergalis can give him whatever horrible list of assumptions he wants to make as he gives him that guess and he can say it is just a guess.

City Manager Beach said they will do that.

Commissioner Becht said the other thing he would like to make clear here - and he has mentioned it to Mr. Recor - any creative financing where they use the FPRA, he is not going to be endorsing that. So they need to come back within the general operating budget.

Commissioner Coke said she will second that sentiment.

Mayor Benton asked can they clarify that comment? Are they talking about the way the City has been doing it in the past few years? Or the ability if they needed to, to tap into the FPRA for a certain amount and also the County would receive that amount? Is that what they are talking about?

Commissioner Becht said what he is specifically addressing - and he didn't really want to be too specific here for a variety of reasons, including County options if they get too specific here today - they have aggressively accounted for FPRA expenditures and allocated what could be argued are City general operating expenses in the FPRA budget. He thinks they are on solid footing for what they have done. But he would not want to see any expansion of what they have done in terms of allocating potential City expenses through the FPRA. He doesn't want to see any expansion of that. And he would hope that they could be contracted, not expanded. So if that has been clear enough... If they don't understand him, he would rather them talk to Mr. Recor than have this out in a public hearing.

Mayor Benton said he spoke to the City Manager about this because it has been brought to his attention by other officials with the County, but there are County projects out there. And also years ago none of them dreamed that there would be that type of funding in the FPRA. If they come into an area where they are looking at an emergency, there is the ability for them to tap into CRA money. It is all tax money. It is all from the same pool. But the requirement would be, whatever they draw from that account, the County would draw from that account too.

Commissioner Becht said he can make it clear. What he doesn't want to do is use... For example, if you have a family budget and you have an IRA over here, you don't dip into your IRA to pay for groceries - you pay for groceries out of your salary and your regular income. He doesn't want to see the City of Fort Pierce dipping into the FPRA money to pay its grocery bill. He wants them to use those FPRA dollars for capital improvements and rehabilitation and those kinds of things.

Mayor Benton said he just wanted to clear that up. Because they have charged employees the time they have put into FPRA projects, but they have never looked at tapping into it this way.

Commissioner Becht said someone had mentioned a Community Policing Program. He doesn't know that they all wanted to get in this kind of detail today.

City Manager Beach said they don't need to. Staff is looking at a variety of options they will be presenting to the Commission and that will give the Commission the opportunity to have that debate and that discussion when those are presented.

Mayor Benton said the reason why he has asked and kept this going is, he just didn't want the City Staff to waste time on something that could take a considerable amount of time to come up with numbers for this workshop coming up.

Commissioner Becht said that is why he made his point. They don't need to spend any time expanding FPRA monies flowing to what he will call the grocery bill.

Commissioner Coke said she is going to second that. She knows Commissioner Becht was not at the last FPRA meeting. She thinks they began this discussion there and she is looking to have that discussion continued, and clarify there was some concern expressed by both Commissioner Alexander and herself regarding the structure of the FPRA as an independent board and the activities, whether or not the Board itself was losing control more to City Staff than they felt comfortable with. Number one, she thinks that has already started to be addressed and she is expecting that they will have a full report on that from their FPRA Director. Number two, she wants to echo the concerns of Commissioner Becht, because FPRA funding needs to go for FPRA projects. If they have a source of funding that enables them to assist the County with their projects, if they are in the FPRA area and assist the FPUA with their project in the FPRA area and assist the City with their Capital Improvements, she is not going to be willing to expand that to the point where it might be questionable, nor is she willing to lower that to enable the County to request a like sum back to them. So she just wants to be very clear on that. She thinks the FPRA, before the City Commission became the FPRA Board, was what it should have been and they have kind of lost sight of that over the years. She doesn't want to see the funds intermingled. She doesn't want to chance losing any funds. And she certainly doesn't want to chance giving the County or any other agency a legitimate place to hang their hat and say if the City is using x-number of dollars for their General Fund, then they want the same number. She would not support that in any way. They have an obligation to the areas they have committed to bring forth redevelopment projects and that is exactly what they need to be doing with that money.

The next item on the Agenda was Actions to be taken by City Commission:
(a) Adopt a proposed Millage Rate; (2) Announce Rolled-Back Rate;
and (3) Set date, time, and place of the first Public Hearing to
consider the proposed millage rate and tentative budget.

Mayor Benton said that rate that is required with the 9% would bring

the millage rate down to \$5.5659 per \$1,000 of assessed value. Is he correct?

Mr. George Bergalis, Director of Finance, said that is correct.

Commissioner Becht asked what was last year's millage rate?

Mr. Bergalis said 5.9823.

Mayor Benton said so that is the number they are looking at. Does any Commissioner want to talk about going lower? Do they have a motion to go there?

Commissioner Becht said they have the option of going lower. Based on the preliminary budget he has seen, that seems to be a far-fetched dream. But he would move that they set it at the 5.5659. If there is any way of lowering it after they get into the workshop, then they can lower it later.

Motion was made by Commissioner Becht, seconded by Commissioner Coke, to set the proposed millage rate at \$5.5659 per \$1,000 of assessed value.

Commissioner Coke asked for point of clarification, would that mean this would be the third year in a row they have lowered taxes?

Mr. Bergalis said yes, it would.

Mayor Benton asked that would mean in three years they went from 7.98 to...?

Mr. Bergalis said they went a full mill last year, the prior year they went back a little less than a mill, and now they are looking at... So in three years they essentially will have gone back between 2.5 mills and 3 mills.

Mayor Benton said that is more than anybody on the Treasure Coast that he knows of, so he thinks they have done a heck of a job, still maintaining their Police Department and everything else.

Commissioner Nelson asked with that roll-back, are they anticipating any layoffs, reduction in force, or cessation of buying equipment or anything of that nature?

City Manager Beach said those issues will be resolved throughout the budgeting process. The decision about reductions in force have not been made. This is simply a rate that they believe has been defined by the State of Florida. The Commission seems to be comfortable with supporting that concept. What Staff's and the Commission's job is over the next six or seven weeks is to determine exactly what kind of impact that is going to have on their ability to provide services. So the decisions about reduction in force have not been made.

Commissioner Nelson said interwoven in that question is facts similar to the case of Commissioner Becht's best estimate in terms of what the January 8th situation going to cause for them. Is there any best estimate here relative to what their organizational structure and manning level is going to be at that time?

City Manager Beach said there is not a proposal in front of the Commission today that balances this budget and reflects the impact of that balanced budget on the organization. That is what they will be developing over the next several weeks.

Commissioner Nelson said he has seen correspondence indicating that by virtue of some reorganization and people leaving, they have saved some half a million dollars or so. Evidently there has been some consideration.

City Manager Beach said yes, that would be reflected in here. Of course, those decisions have been made and implemented; and those were implemented to actually influence this year's budget as well as next year's budget.

Commissioner Nelson asked have they gotten data from the auditor indicating what their fiscal situation is to date?

Mayor Benton said the auditor will be in front of the Commission on Monday night.

Commissioner Becht said the auditor is making the rounds now. He thinks they have left a message for Commissioner Nelson, but he doesn't know if he has gotten it or not. He was able to meet with them yesterday. Each of them need to meet with the auditor and see what happened at the end of the last fiscal year. It is not pretty what happened at the end of last year. So staff has a very interesting and difficult task ahead of them.

Commissioner Nelson said it is amazing he is being asked to make decisions now that perhaps corrected some of the ills of yesterday and will affect those for tomorrow. He hasn't seen the report. He hasn't talked with the auditor.

Mayor Benton said none of them have. The report will be in their packet and in front of them Monday night. But they are meeting to give them a heads up before. He is meeting with the auditor this afternoon.

Commissioner Nelson said he must be a member of the privileged few.

Mayor Benton said a letter came out last week to everyone.

Commissioner Becht said he got an email from Mr. DiBartolomeo and he knew they had this coming up, so he reached out to Mr. DiBartolomeo.

Commissioner Coke said she got a letter in her package requesting that she call him on Monday to set up an appointment prior to next Monday, which she did.

Commissioner Becht said he is not trying to embarrass anybody.

Commissioner Nelson said he is not trying to embarrass anybody either. He is trying to get information which he thinks he is rightfully entitled to have. By virtue of the fact he doesn't have it and he is required to make a decision, he is going to raise the issue. That is what he is addressing right here now. If he is

talking about meeting with somebody on Monday, Tuesday, or Wednesday of next week or whatever the case may be and he has not seen a document to date, he has got some problems. He has other documents to read, that document to read, some from other organizations he is associated with. He just hopes that somebody can make it a point to get him those documents so he can in fact read them, so if and when he meets with them he can talk intelligently about what is contained therein, not read it as he talks to them.

Mr. Recor said the CAFR (Comprehensive Annual Financial Report) is included in their packet that will go out on Thursday.

Commissioner Nelson said he will just spend his whole weekend taking care of City business.

Mayor Benton said today what they are doing is having the budget workshop. Things can be talked about then. Today by law they have to set this millage rate, but this is the rate that the Legislature has told them to go back to. They don't have a fifth Commissioner here, so there is no way to change that no matter what they wanted to. It would take a 4/5ths vote the other way if they wanted to go any higher than 5.5 mills.

City Attorney Schwerer said no, it would take a 100% vote. He wants to caution the Commission right now, it takes a 4/5ths vote today to go the rolled-back rate. Correct?

Mr. Bergalis said yes.

City Attorney Schwerer said it takes a super majority to go... The law says that municipalities may approve a rate up to the roll-back by a super majority of 4/5ths. A rate to the current millage rate, which is the 5.9823 number. So they have to do the 9% reduction by 4/5ths vote.

Mayor Benton said right, and that is what they are here to do. Next week they have until Friday to go through their budget and also evaluate what the auditor's comments will be.

Commissioner Coke asked can Mr. Bergalis tell them when this needs to be passed?

Mr. Bergalis said per Florida Statutes they have to have this information in the hands of the Property Appraiser no later than this Friday. He promised Mr. Furst that if the Commissioners do what he anticipates and hopes they will do this morning, he can get these forms to him this afternoon.

Commissioner Coke said she appreciates that. What she doesn't appreciate - and she will echo Commissioner Nelson's concerns here - is that previously they have had budget hearings and done this type of thing months in advance; and here they are at the absolute drop dead date and they have absolutely no choice, no options, and are not making the most informed and/or intelligent decision they possibly can. They are being fed something and they really have not had all the facts and figures to examine all sides of the coin. She for one is going to support it because they must follow what is legally required by Florida Statute. But she wants everyone to understand that she is not happy with this. And she would expect at some

junction in time that they would not be put in this position again. She doesn't think it is right that they were put there this year and she would expect that it would not happen next year.

Mr. Bergalis said just for informational purposes, two of the three points staff is asking the Commission to address today, they are not tying their hands. The public hearing date is the public hearing date - it would be that date regardless of whether they were meeting today or meeting a month ago. The rollback rate is the rollback rate - that would have been the same today as it was 30 days ago. The proposed millage rate is the same today as it would have been 30 days ago. And in the public hearings the Commission has the opportunity between now and the last public hearing date in September to do something with that 5.5659 if they wish. So their hands are not being tied. Their notions of how they wish to approach next years budget are not being constrained by meeting today. He realizes the past practice has been they have met earlier. Please don't think that they are being forced into doing something today that they would not have been forced into doing 30 days ago or 20 days ago.

Commissioner Coke said not that she intends to suggest this, but let's say two weeks from now they say they need to raise the millage rate to 11%. She doesn't have that capability to do that after today.

Mr. Bergalis said yes, they do.

Mayor Benton said they just have to send a registered letter to every property owner in the City and he doesn't think there will be enough votes to do that. So they can only go down.

Commissioner Coke said she doesn't intend to do it anyway, but...

Commissioner Nelson said he feels he is put in a position where he is not making an informed decision. He hasn't had an explanation why they are in this position that satisfies him. So he thinks they need some kind of background explanation as to where they are and to what extent are they in fact acting on the best information they have at this time. Somebody please give him some background explanation as to why they are in this predicament? Certainly they are not going to have a recurrence of this in the future.

City Manager Beach said if he understands Commissioner Nelson's question, the reason they have not provided this information earlier to the City Commission has to do with the complications of the formula itself in determining what that roll-back millage rate was going to be. The Finance Director had worked through a series of computations and simply, instead of giving them something that they did not have confidence in... And he may have communicated this to the Commission previously, that they were having real difficulty in following the dictates of the Florida Legislature. This should be a one-time occurrence; however, nobody can second-guess what the Legislature is going to do when they are all running for election. So they could do something just this absurd next year. If that happens, then they will have similar difficulty in getting this information out to their elected officials on a timely basis. They can provide them guesses, but they can't provide them factual information.

Mayor Benton said in fact, the Legislature is going into special session in September to deal with their own budget, being in the predicament their budget has been in. It has been a tough year, but they will get through it. He would ask Mr. Beach if he could contact all the Commissioners and himself before next Friday and sit down and explain. Remember the May memo with this year's budget, why they had to eliminate some folks and how they got in this predicament with the lack of building and development out there? There have been so many things that have compiled to get them where they are at in this year's budget and this proposed budget for next year.

City Manager Beach said he will do that.

Commissioner Nelson said they pride themselves in staying in contact with the general public. Have they gotten informal or any type of input from their general public relative to this budget of what they want? The Commissioners are supposed to be representing them and leading them. He has gotten several phone calls that just burn his ears relative to how they are doing this right now. Has anybody been getting input from the public on this at all?

City Manager Beach said they have not had any public hearings on this budget.

Commissioner Nelson said he is not talking about formal public hearings. He is talking about the informal input they get from the public some time at the coffee shop or at the golf course or even in the toilet in some cases. People have a tendency to approach them and actually address their concerns all sorts of ways. They walk into these Chambers or in the corridor out there and they get all sorts of input. They go to church and it is the same thing.

City Manager Beach said they get letters. They have letters that will be part of the budget discussions and budget process where specific agencies are asking for resources from the City Commission. Those are decisions they will be confronted with over the next few weeks.

Mr. Recor said they will note in the cover memorandum that was provided to them that there are some additional services that were based on comments from the public that date back to their workshops. For example, the beach sweeping, that is included in the Public Works Contract Services budget. Yes, they are cognizant of some of the requests that have come in from the public and some of those have been included in the working draft they have in front of them today.

Commissioner Nelson asked if they don't have a 4/5ths vote today, what would be their fallback position with respect to resolving the issue of setting this millage rate.

Commissioner Becht asked do they need a 4/5ths vote to adopt the motion that has been made?

Mr. Bergalis said no. The 5.5659 is the millage rate that calculates out based upon the new formulas that were provided to them by the State Department of Revenue. If they want to do anything other than that over and above that, then they get into the realm of super majorities and referendums and whatever.

City Attorney Schwerer said it is confusing because of what the House Bill read and what the information is that was provided to his office. He would yield to the Finance Director who has been dealing with Tallahassee. But he is just reading a statement from the document that was provided him and it said that municipalities may approve a rate up to the rollback by super majority, a rate up to the current millage rate by unanimous vote, and a rate above the current millage rate by referendum.

Mr. Bergalis said he understands what Mr. Schwerer is saying. If he understood Commissioner Nelson, can four Commissioners today adopt this proposed millage rate? The answer as far as he knows is yes.

Commissioner Nelson asked can three adopt it?

Mr. Bergalis said yes.

Mayor Benton said a majority today could adopt this.

Commissioner Nelson said wait a minute. They have too many lawyers around here. One of them is sitting over there keeping quiet.

Mayor Benton said this has all been drilled in all of their heads enough to know that unless they went over this...

Commissioner Nelson said in deference to the Mayor's position and everything, Mr. Schwerer gets paid a whole lot of money to render these decisions and he would like to hear him.

City Attorney Schwerer said they have no definitive rulings on this language. But Mr. Bergalis has been in contact with Tallahassee. He is reading right from the House Bill that was provided which is the published bill. But again, to him it doesn't make sense, a lot of this legislation doesn't make sense.

Commissioner Nelson said it was written by a lawyer probably.

City Attorney Schwerer said no, it wasn't. It was written by a bunch of legislators and he doesn't know who was writing it and whether they were writing it at 1:00 a.m. or at 3:00 a.m. in the morning. And things happen with words when they are dealing at 3:00 o'clock in the morning after 20 cups of coffee. They had a lot of discussion at the Florida Municipal Attorneys Annual Meeting just this last week at Amelia Island. But he is going to have to yield to Mr. Bergalis. He simply doesn't believe that it makes sense that if the State dictates to them what the rollback rate is, that this language here that seems to suggest that they have to approve what they tell them is the rollback rate by 4/5ths vote, that doesn't make sense. But he is just reading what he saw. He doesn't have any definitive legal rulings on that. He thinks it would be the safer practice for them to do that. They can always come down on this rate and they have all the way up until the last public hearing to do that, so their hands are not tied. He would advise them, for the sake of legal argument and debate by anyone who might wish to debate it, to simply approve it. And then they can deal with it later on if they want to reduce it, they certainly have the ability to do that.

Commissioner Nelson said for the sake of time and being consistent with their effort to try to give the citizens of Fort Pierce the best service possible, he is going to vote in favor of this millage rate as proposed. But he thinks they should have staff in the interim do the necessary due diligence to insure that all the bases are covered relative to justifying their doing this. It is not just a case of saying the Commission said so. They should have empirical data and actions taken that merit this type of thing rather than doing it capriciously as they have done in some of their decision-making process, i.e. the wages for some of their union people, etc.

Mr. Bergalis said he will let the City Attorney decipher what he is saying and this is right from the Department of Revenue Form DR420M-P, which is a new form - the millage rate of 5.5659 to be adopted by a majority vote of the governing body. The City Attorney can advise them all what the majority vote of the governing body is. The rollback rate can be adopted by 2/3rds vote of the governing body.

City Attorney Schwerer said he is going to defer to Mr. Bergalis because he is reading from what the Legislature mandated the Department of Revenue to tell the City what to do. He is just reading what the Legislature had on the table at 3:00 o'clock in the morning when they passed it that was put in his office. That is what Mr. Bergalis has been told, he is going to rely upon the Department of Revenue form that was provided to him. But again, this is an area where he is not sure there is 100% agreement of anybody on what they are supposed to do across the State. He would simply vote to approve it because they have four people here. That way they can always reduce it later. There is no debate.

Commissioner Nelson said he is not accountable to the people like they are.

Commissioner Becht said but he is accountable to the Commission.

City Attorney Schwerer said he provides them with the best advice. And he can tell them right now that he is not sure when he attended that meeting a week and a half ago that anybody really understood from a legal perspective what the Legislature really did. But they did direct in that Bill for the Department of Revenue to notify the cities by a certain date, provide calculations, and give them that form that Mr. Bergalis is citing.

Commissioner Nelson said during this interim period they need to be looking to give them a comprehensive overview of their financial status of the other budgets - their Capital Budget, their Marina Enterprise Fund, etc. - so they will know exactly what they are dealing with. To what extent would they have those available between tonight and next Monday?

City Manager Beach said he believes that all of the budgets are ready for distribution with the exception of the Redevelopment Agency and that is still in formulation.

Those voting in favor of the motion were: Commissioners Becht, Coke, Nelson, and Benton. Those opposed: None.

Mayor Benton asked will Mr. Bergalis announce the roll-back rate?

Mr. Bergalis said 6.1164.

City Clerk Steele said they need to set the date, time, and place of the first Public Hearing to consider the proposed millage rate and tentative budget.

Mayor Benton said that is September 5, 2007, at 5:05 p.m., here in City Hall.

There being no further business, the meeting was adjourned at 10:45 a.m.

Adjournment.

ATTEST:

CITY CLERK

MAYOR COMMISSIONER

