

MINUTES OF THE VCOG GOVERNING BOARD

REGULAR MEETING
OCTOBER 22, 2007

MPO/VCOG/WAV CONFERENCE ROOM
2570 W. INTERNATIONAL SPEEDWAY BLVD., SUITE 120
DAYTONA BEACH, FLORIDA

MEMBERS PRESENT

Commissioner Cassandra Reynolds
Mayor Greg Northrup
Mayor George Coleman
Mayor Robert F. Apgar
Mayor Mike Thomas
Mayor Roland Via
Mayor Mark Shuttleworth
Mayor Albert Erwin
Mayor Fredrick Costello
Mayor James Sowell
Mayor Nancy Epps
Mayor Blaine O'Neal
Councilmember Andy Kelly
Candace Lankford

REPRESENTING

Daytona Beach
Daytona Beach Shores
DeBary
DeLand
Edgewater
Holly Hill
Lake Helen
Orange City
Ormond Beach
Pierson
Ponce Inlet
South Daytona
Councilmbr. Giles, Volusia County
Volusia County School Board

Members Absent: Mayor Mulder, Deltona; Mayor Vandergriff, New Smyrna Beach; Mayor Thompson, Oak Hill; Mayor Green, Port Orange; County Councilmember Giles

NON-VOTING MEMBERS PRESENT

Michael Mellon

REPRESENTING

Emergency Medical Foundation/EVAC

OTHERS PRESENT

Dick Pollard
Diana Pollard
Lori Grant
Rick Frazer
Ray Salazar
Rusty Sounder
Stuart Patchett
Margie Patchett
Doug Kosarek
Jack Hayman, Councilmember

REPRESENTING

Volusia Tax Reform
Volusia Tax Reform
United Way
CBE - United Way
United Way
Volusia Tax Reform
Volusia Tax Reform
Volusia Tax Reform
Volusia Tax Reform
Volusia County

VCOG STAFF PRESENT

Mary Swiderski, VCOG Executive Director
Mary Curran, Recording Secretary

CALL TO ORDER/ROLL CALL/DETERMINATION OF A QUORUM

In the absence of the VCOG Chair, the Vice-Chair [Mayor Robert Apgar] conducted the VCOG Governing Board meeting.

At 5:00 P.M., Vice Chair Apgar called to order the October 22, 2007, regular meeting of the VCOG Governing Board.

The Roll was called and a quorum was declared present.

Vice Chair Apgar led everyone in the Pledge to the Flag.

PUBLIC COMMENTS/PARTICIPATION

No issues, not on the meeting agenda, were brought up.

CHAIR'S COMMENTS/RECOGNITION

No special comments or recognitions were presented.

VCOG EXECUTIVE DIRECTOR'S BRIEFING

Mary Swiderski briefed Board members on the following:

- A copy of the duties of the WAV Interim Executive Director's was distributed.
 - The WAV Board of Directors' Chair and Mary Swiderski have reviewed the document.
 - If VCOG Board members want any changes, they need to contact Mary Swiderski

Mayor Apgar added that the WAV Board has approved the proposed contract ["First Amendment to the Service Agreement between the Water Authority of Volusia and VCOG, Inc."]. There was brief discussion to clarify VCOG's role for WAV:

- VCOG is providing administrative/supervisory services on routine management matters.
- No major decisions can be made without directive(s) of the WAV Executive Committee.
- VCOG's role is addressed in the contract [service agreement].

Mary Swiderski continued with her report:

- The Volusia League of Cities will host a seminar for newly elected officials some time after the November elections
- The Volusia League will also hold a seminar on Florida Ethics In The Sunshine
- The Volusia League of Cities Distinguished Service Award list of finalists is included in the VCOG Executive Director's Report
- Volusia Day in Tallahassee is scheduled on April 3, 2008. VCOG member jurisdictions were encouraged to participate.

Vice Chair Apgar congratulated several officials on their successful re-election to office: Mayor Costello and Mayor O'Neal, and Mayor Epps [who was unopposed].

CONSENT AGENDA**APPROVAL OF THE REGULAR MEETING MINUTES OF SEPTEMBER 24, 2007**

Minutes of the September 24, 2007, regular meeting of the VCOG Board were mailed with Board members' agenda packets.

APPROVAL OF THE TREASURER'S REPORT - MONTH ENDED SEPTEMBER 30, 2007

Treasurer's report for the period of September 1, 2007, through September 30, 2007, were mailed with Board members' agenda packets. *Note: Revenues and Expenditures were within the budget for the month.*

MOTION by Mayor Via and **SECOND** by Ms. Lankford for approval of all consent agenda items, as presented; motion **CARRIED UNANIMOUSLY** on a voice vote.

OLD BUSINESS**VCOG SMART GROWTH COMMITTEE (VSGC) UPDATE – CHAIR, MAYOR NORTHRUP**

In the absence of the Committee Chair, Mayor Costello provided an update of the VCOG Smart Growth Committee October 22, 2007, meeting:

- Approved a recommendation to the County Council that Map A be a density neutral map.
- It was decided that it's time for a group to start working on an action plan.
- Clay Henderson did a presentation and talked about other governments' programs re transfer development rights.

- Also discussed: need better definitions of clustering; need to adopt mechanisms to make process work; it's time to make recommendations to the County for moving forward.
- By a consensus, members determined, rather than drafting a Charter Amendment, it would be just as effective to have policy re Map A written into the County's Comprehensive Plan.

Ms. Lankford recalled:

- County Councilmember Hayman had asked the Committee to delay doing a motion re Map A as the County is doing an agriculture study on those lands.
- The Committee made a distinction between how the lands are zoned and the Smart Growth Committee's perception.

Vice Chair Apgar acknowledged the arrival of County Councilmember Hayman and asked if he wanted to comment of the agreement between VCOG and WAV.

County Councilmember Hayman told of looking forward to VCOG's assistance; he mentioned hearing that the VCOG Executive Committee wants to do a review on a quarterly basis to evaluate time spent by the VCOG Executive Director for WAV.

Mayor Via recalled from the VCOG Executive Committee meeting, that members decided Mary Swiderski will keep track each month of her time spent on WAV and the Committee will assess the workload on a quarterly basis.

NEW BUSINESS

ANNOUNCEMENT OF NOMINATING COMMITTEE TO SELECT 2008 SLATE OF OFFICERS

Vice Chair Apgar announced Chairman Vandergriff's appointments to the VCOG Nominating Committee: Mayor Fred Costello, Mayor Roland Via and Mayor George Coleman. The Committee is scheduled to meet Tuesday, November 13, 2007, at 4:30 PM to recommend the slate for the 2008 VCOG Officers [Chair, Vice Chair and Secretary/Treasurer].

UNITED WAY - RICK FRASER, PRESIDENT OF CENTER FOR BUSINESS EXCELLENCE & UNITED WAY CAMPAIGN CHAIR; RAY SALAZAR, UNITED WAY PRESIDENT; LORI GRANT, UNITED WAY DIRECTOR OF CAMPAIGN

Mr. Fraser expressed appreciation, on behalf of the United Way, for the local governments and School Boards employees' campaign. He mentioned the goal for this campaign is five million dollars; also, that the United Way holds partnering agencies accountable for programs funded by United Way.

Mr. Salazar also thanked elected officials for support they have given to the United Way. He gave a brief summary of the information distributed to VCOG Board members:

- A campaign brochure of partner organizations the United Way funds through its campaign.
- A brochure entitled "2-1-1" that describes the number people can call to access social services. He mentioned some technical problems using cell phones to call that number.
- A paper showing the distribution of dollars by clients.
- Information of a crucial program offering free income tax preparation - helped clients get earned income tax credit and child tax credits [also benefited local economy] - and smart money courses.
- A flyer of a Coalition in which the United Way has involvement.

Mr. Salazar again thanked elected officials for all they do; he also thanked Mary Swiderski for giving United Way the opportunity to come before the VCOG Board.

Vice Chair Apgar thanked Mr. Fraser and Mr. Salazar for their presentations.

TAX REFORM PROPOSAL - MARGARET M. PATCHETT, EXECUTIVE DIRECTOR OF VOLUSIA TAX REFORM COALITION

Mrs. Patchett expressed appreciation to elected officials of Volusia for helping to lead the way on tax reform; she also thanked local governments for choosing to go with the State mandated roll back rate.

Mrs. Patchett then talked about:

- The tax situation throughout the State and lost revenues.
- The Volusia Tax Reform's proposal relating to school board taxes.
 - Remove school board taxes totally off ad valorem tax rolls.
 - Replace that with a revenue neutral funding source such as 1 cent increase in sales tax or increase documentary stamp tax on warranty deeds when a landowner sells property.
- The Volusia Tax Reform Coalition (VTR) understanding there is disparity in the State's formula for distribution of sales tax and VTR has advocated that the State look into that and fix it.
- The reason the Volusia Tax Reform reps are at this meeting is to request the cities and the County's consideration to back their proposal.
- The Volusia Tax Reform Coalition has been working with a number of groups, including the Tax Reform and Budget Commission that was appointed by the Governor.
- Cities and the County coming together with Volusia Tax Reform Coalition to continue leading the way on tax reform

REQUEST made by Ms. Lankford that the VCOG Board give her the opportunity to have the School District make a presentation on what the ramifications could be from the proposal. She expressed concerns for the stability of any tax base for schools.

Discussions ensued of:

- Florida has the most equitable school financing programs in the country but it is 41st in the nation in per capita spending on students.
- If there could be benefit of a constitutional amendment that would allow the school board to levy 1½ cent or 2 cents so the local school board has control of funding.
- Reducing the huge number of allowable sales tax exemptions.
- The State needs to fix its formula for distribution of sales tax back to municipalities and counties so it is more equitable.
- Revenue replacement ideas.
- Advantage of a sales tax.

SUGGESTION made by Mayor Costello that a local government entity, such as VCOG, and a Tax Reform entity could band together to support a position of revenue replacement [dollar for dollar].

Discussions continued:

- The majority of new taxes generated come from the non-homesteaded businesses.
- Need to put a cap on reassessment of businesses.
- Florida League of Cities' position is, if a cap is put on business and non homesteaded property, their suggestion is 7%.
- The challenge is putting together a program that can be sold
- Concern of stability of the funding source.
- One size does not fit all.
- If cities and counties take a leadership role, they will be heard.

SUGGESTION made by Ms. Lankford to invite Ruth Milton, of Florida School Board Association (FSBA), come before the VCOG Board to provide FSBA statewide view. Ms. Lankford brought up a comment by Mayor Via that it's not just about the taxes but it's also the way they are evaluated. She also remarked of the State directing municipal/county governments to lower the taxes but at the same time the State is setting higher mandates on governments.

Motion by Mayor Costello that VCOG recommend to the State that they: (1) eliminate the school property tax and replace it with a 1 cent increase in sales tax; (2) eliminate some/most/all sales tax exemptions; and (3) increase the transfer tax and make it revenue neutral to the schools - that it have stability built in and contain a mechanism for schools to have an opportunity for control and that the school board be able to weigh in to the State if they have a better recommendation for stability.

Vice Chair Apgar requested that Mayor Costello consider changing the word stability to dedicated revenue source. Mayor Costello concurred and continued, "...dedicated revenue source that has stability."

MOTION by Mayor Costello that VCOG recommend to the State that the State: (1) eliminate the school property tax and replace it with a 1 cent increase in sales tax; (2) eliminate some/all/most sales tax exemptions; and (3) increase the transfer tax and make it revenue neutral to the schools - that it have stability built in and contain a mechanism for schools to have an opportunity for control and that the school board be able to weigh in to the State if they have a better recommendation for a dedicated revenue source that has stability. The motion was **SECONDED** by Mayor Via.

Discussions ensued:

- Officials still are looking at only one aspect of the issue. (Erwin)
- A thorough review and reform of the entire tax system in the State is needed. (Erwin)
- There are a lot of tax exempt organizations; there are also some that have an agricultural tax exemption. (Coleman)
- They, as public officials, must listen to all sides (e.g. school board's side, businesses side, etc.) before voting to recommend that the State fund the school district with sales tax. (Northrup)
- The VCOG Board should look at the issue from all angles. (Lankford)

Mayor Northrup stated that he wouldn't think of voting on the motion unless he took it before his City Council first.

County Councilmember Kelly stated that he would have to take it first before the County Council.

RECOMMENDATION made by Mayor Thomas to postpone any action until the VCOG Board has heard from the School Board.

Vice Chair Apgar didn't agree that there's a sense of urgency; he commented that the proposal and motion had some merit but he thought more study/information was needed.

RECOMMENDATION made by Mayor Erwin that VCOG form a committee to work with the Volusia Tax Reform Coalition to present a united front [to the State] on true tax reform.

Mayor Via, on hearing Mayor Erwin's recommendation, gave Mayor Costello and Mrs. Patchett two reasons why he was going to **WITHDRAW** his **SECOND** to Mayor Costello's motion:

- He perceived the vote on the motion was going to be negative and thought that would make as much a statement as the motion itself.
- As a mayor, his preference is that any major issue, to be voted on, should be shown as such an item on the agenda. Mayor Via viewed it [proposal] as being critical and that should have been an agenda item.

MOTION by Mayor Via and **SECOND** by Mayor Thomas to invite a Florida School Board Association representative to talk about its statewide perspective of the Volusia Tax Reform proposal, as suggested by Ms. Lankford. Ms. Lankford volunteered to make contacts and arrangements for the presentation at the next VCOG Board meeting on November 26, 2007. On a voice vote, the motion was **CARRIED UNANIMOUSLY**.

MOTION by Mayor Erwin and **SECOND** by Mayor Northrup that VCOG form a coalition with the Volusia Tax Reform Coalition and any other group that wants to join us to work on and propose true tax reform; the motion **CARRIED UNANIMOUSLY** on a voice vote.

Vice Chair Apgar called for volunteers to serve on the new coalition with the Volusia Tax Reform designees. VCOG Board members volunteering were: Mayor Costello, Mayor Via, Mayor O'Neal, Ms. Lankford, Mayor Erwin, and Mayor Apgar.

SUGGESTION made by County Councilmember Kelly to include a County representative. It was decided if County Councilmember Giles has interest in serving, then he will represent the County on the new coalition.

2007 BUDGET CUTS POWER POINT & DISCUSSION

Mary Swiderski recalled that the VCOG Board had requested that she do an analysis on local governments' budget cuts. She announced that a hard-copy packet of information, including a copy of the Power Point presentation, had been distributed to Board members. [*A hard-copy of the Power Point presentation is attached to these minutes.*] Mary Swiderski pointed out that a lot of the information totals had to be calculated using the property tax records; she gave a brief explanation how she came up with the estimated tax totals. Mary Swiderski went through the presentation; during which, Board members made some comment and made some requests:

- Mayor Erwin pointed out the millage reduction for Orange City is zero and not 3%.
- **REQUEST** made by Ms. Lankford for information of the overall number of employees of municipalities and the County.
- The School Board information was not included in the Power Point presentation because the School Board didn't respond to VCOG's request(s) for information.
- Mayor Costello mentioned that Ormond Beach reduced some operating costs by going with the Sheriff's Department for dispatch.
- Mayor Via pointed out Holly Hill has two vacant positions open.
- Mayor O'Neal clarified that South Daytona did not fire any police officers.
- Mayor Thomas extended Edgewater City Manager's apology for not responding; situation arose due to resignation of City's finance director.
- County Councilmember Kelly recalled the County Council was astounded to learn EVAC gave its employees a "very nice" raise this fiscal year and had intent to give another raise next fiscal year.
- Mayor Via reported that Holly Hill severed its Westside fire station agreement with the County which eliminated 3 firefighter positions.
- Several Board members expressed disappointment that the Volusia Tax Reform Coalition reps had left the meeting before hearing Mary Swiderski's presentation.

SUGGESTION made by Vice Chair Apgar of continuing to explore ideas how local governments can work together to reduce their costs.

REQUEST made by Mayor Costello for placement as VCOG agenda item(s):

- Discussion/agreement of a unified stance on timing of fire and police [salary] raises.
- Members to present at VCOG, ideas of what each is doing relating to personnel.
- Discussions what local governments can do about emergency services; i.e. every jurisdiction has emergency services that also fights fire.

Vice Chair Apgar encouraged members, between this meeting and the VCOG Executive Committee meeting, to send Mary Swiderski any ideas of "where do we go from here" that they may have.

BOARD MEMBERS' COMMENTS

MAYOR TED ERWIN

He mentioned a draft resolution distributed to members regarding mobile homes. He stated that the Florida League of Cities drafted the resolution and has requested all cities' consideration of passing a similar resolution and forwarding it to governmental entities throughout the State. Mayor Erwin offered to answer any questions if other members wanted to give him a call.

MAYOR ROLAND VIA

He announced a meeting of the How Shall We Grow Policy Framework Commission on October 25, in Orlando. Mayor Via reminded the Board that they had designated him as VCOG's mayoral representative and he asked if they wanted him to continue. No one raised any objection of Mayor Via continuing.

MS. CANDACE LANKFORD

She thanked members for expressing support for schools. She assured that the School Board will get the information on the issue for presentation at the next meeting. Ms. Lankford stated, "I am all for tax reform but not on the backs of children."

COUNTY COUNCILMEMBER ANDY KELLY

He brought up SB 24C that was passed and that the Florida League of Cities and Florida Association of Counties have taken a position and sent letters to Governor Crist to ask him to veto it. County Councilmember Kelly encouraged everyone to also ask Governor Crist to veto SB 24C as it will take out the water protection sustainability program funds. He offered to email information out to cities and the County Council.

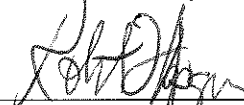
Mayor Via offered to also have WAV take a look into this matter also.

ADJOURNMENT

There being no further business to come before the VCOG Board, the meeting was adjourned at 6:55 P.M.

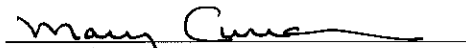
AS SUBMITTED, THE FOREGOING MINUTES OF A REGULAR MEETING OF THE VCOG GOVERNING BOARD WERE APPROVED IN AN OPEN MEETING HELD ON NOVEMBER 26, 2007, IN THE MPO/VCOG/WAV CONFERENCE ROOM AT 2570 W. INTERNATIONAL SPEEDWAY BOULEVARD, SUITE 120, DAYTONA BEACH, FLORIDA.

VCOG, INC.



Acting Chair

ATTEST:



Recording Secretary