

Mayor Pennant's State of the Town Presentation 2017

Presented Thursday, January 26, 2017

Mayor Pennant: Let me say, "Good Evening" once again to everyone. I know there are a number of us here who must be saying, this is the first time I'm hearing anything like this in Dundee. Well, let me say that this is really not the norm for Dundee; it's definitely not the norm for Dundee, but it's the norm for some states, some counties, and some larger cities. At the end of each calendar or physical year, they would update their residents on the states of their economy. This is the beginning of the calendar year and we have just received our annual audit report for 2016. We always have this report each year around about this time. For the Town Management Staff and our Commission Members, we are always front and center of this report. Sometimes the general public will not have a chance to follow these events as closely as we do, and I know this to be true because from time to time, citizens will ask the question or pose the question or you well-wishers some not living here in Dundee – How is Dundee doing? So I have decided to present what I will refer to this evening as the State of the Town Report. This Report may cover an extended, an expanded period because over the past ten years or so, we have not presented anything of this fashion here in Dundee or anything even similar to what we are about to do this evening. so just bear with we as we get going.

I was elected to this Commission in 2010 and went on to be elected Mayor in 2012, and most of our present commissioners here with us this evening was elected around about that time and is still with us except for Seat #4 that we have had one change during the past 4 years or so. So I would say this Commission has been more or less pretty stable over the past 4-4 ½ years.

This evening we have someone new, just join us this evening, as in Ms. Harper. And I think over time she will grow to be a great asset to the Town of Dundee. As a matter of fact, based on the critique that she has given us on the application she has already displayed that she's an asset to the Town of Dundee. As noted, in 2014 she was awarded Volunteer of the Year by the Dundee Area Chamber of Commerce. In 2015, Mr. Harper was also awarded Volunteer of the Year for the Town of Dundee. For her volunteering with the Town of Dundee she has worked on a number of projects alongside the Town Staff, even alongside us as Commission Members. At present, she is also serving as President of the Friends of the Library here in Dundee. I would like to make this clear, folks, that I may not be one of the smartest guys you would run into on a daily basis by any measure but from time to time someone would say to me, "You guys are doing a good job." So with that, I have confidence that you, Ms. Harper, will do well. Think I still have a few more minutes here folks so let me move on to help us speed up this process here. What we have done this evening for this presentation we have provided a slide and I'm going to default to my Technical Engineer; that will be you, Mr. Taylor, to help us on the PowerPoint. I will call the items and then we will go from there.

Let me move along on the PowerPoints. We will start off with the item that you dealt with, Mike, Fund Balances, and this may lead back from maybe 2012-2013 to present 2016. Could we get the light there, Sergeant? Ok, as Mike was saying here..you look at 2015 and the fund balance

we have in terms of percentage here was 8.79% and we have the dollar figure, which was \$254,000. Now, I remember when I decide to become a part of this Commission with the help of the citizens as a whole because without the citizens' support I wouldn't be here. In 2008, you see a note on the right that says, Tax Anticipation Note. In 2008, I was a little bit scared. I moved here in 2006 and bought a house, hoping that this will be a place that grows and things will appreciate for me, but in 2008 things were going south and that's one of the reasons why we have this Tax Anticipation Note. As we can be reminded, the auditor just talk about the Reserve or the Fund Balance that we have all along we could go on that. What happened here in 2008, we hardly didn't have any money. It's saying \$93,000, but I think they didn't even have a percentage to it because even though it was saying \$93,000 in the Fund Balance maybe this amount was nothing based on the budget that we had. So, what happened, come around June or September the Town has to go to the County and hope to get a loan to bring us through December, or somewhere there about. We didn't have any money to keep on running so that's where this comes in, this Tax Anticipation Note. Alright, so 2009, I decided that I better get ready to jump in this mix here because it's bad. How worse can it be if I decide to get in here? 2009, here we go again, another Tax Anticipation Note, and look where we are percentage wise, 1.9%. Still saying \$179,000 here, but like Mike would say - we don't know how much we are really dealing with in terms of what our budget is and so on. 1.9%. Terrible. We were practically in a financial state of emergency. I could remember at that time, I think Mike was the person that really bring it to our attention that, Hey, folks, we are in serious problem here. So, 2010, we bring it up a little bit, 13%, but look we still didn't have enough money to continue to run this Town at the last 3 months of the year; we still had to go back to Tax Anticipation Note. The things that scared me – what if we had gone to the County to get a Tax Anticipation Note and the County said that we are in a financial state, too, and we can't help you. What would we do? Let me give you a little clearer understanding. This Tax Anticipation Note is an advance they're giving the Town on ad valorem that will be coming in maybe after December/January, that period. The thing about Tax Anticipation Notes that I didn't really like, we shouldn't be in a state where we have to get it anyhow, but it's not for free; we have to pay a percentage for taking that note. Anyhow, 2010, I'm in the mix; I'm a Commissioner sitting up here. In 2011, we kind of get out of it; we didn't have to go back and plea for a Tax Anticipation Note, and we were up to 14%. The problem is: we were just maintaining and there were a lot of things falling apart that needed to be done that we couldn't get done. 2012, advance to 2012, I become the Mayor, and surely we are going to fail ...(unclear)....so what we did is we start to stabilize things and we get in and start to fix some stuff and do some stuff. So if you notice here, we dropped back down again, 1.6% in 2012-2013. We only have \$19,000 in Fund Balance or Reserve. Now we move to 2014, we really start achieving some stuff. We start to get in fund and we start to stand firm, but we're a little bit more responsible even though these figures didn't look good, but we weren't really borrowing any money to stay afloat. Now in 2015, we didn't make much changes here; we were about the same, 8.8%, but what we did here is build the Fund Balance a little bit even though that don't really say very much because it all depends on what our budget were. Now for the 5 years or so, 6 years, we have been up here, Mike has been conducting the audit and he's always talking about a minimum standard, in terms of percentage, and he always try to use 15% minimum that we want to be talking about. Folks, to be quite honest, I don't like to be taking on the minimum. You know, you think you're on the edge if something happen; you're

going to fall over pretty easy. So we were work last year, as a matter of fact, for the past 2 years, very hard to surpass that 15%. And in 2016, we did surpass that 15%; we made 21% and our Fund Balance up to \$710,000. I was privy to look back with staff and I think the auditor even help us look back many years prior to 2007, and we cannot really come up with a year when we had shown 21% in Fund Balance; moreover, over \$710,000, so I think we have broken history here, folks. I think we have to give staff and Commissioners a round of applause. (Applause).

Alright, let me move on to the next slide, Mr. Taylor. Who can identify this stretch of road, as to what road it may be, what street it may be?



Audience: Frederick Avenue.

Mayor Pennant: Alright. Frederick Avenue. What happen during 2013, 2014, 2015, we have done quite a few of these road rebuilding/resurfacing so that's one of the reasons why maybe we could have exceed the 8% or so on and bring it up a little bit more but we did not try to just harness some cash to build the CAFR up. What we do? We did work. We went to work. We have made a lot of improvements, not just on the road, but in other areas. As we go along with the slide, we'll touch on that. But, between 2012 and we go up to 2017, you can see some expenditures that we have put forward in road repair. In 2012, we spent almost \$200,000. In 2015, we spent over \$260,000, and as we speak we have \$200,000 slated for road resurfacing and repair coming up in another 4-5 weeks or so. In 2012, we started with Dundee Road, Lincoln Avenue. Let me see here. Frederick Avenue in 2015 and I try to finish that piece first because all these roads – Frederick Avenue, Dundee Road, Lincoln Avenue, and also 8th Street North – all these roads, you have to travel on these roads if you're coming in or out of Dundee. All these roads leading in and out of Dundee was in real bad condition. I don't have to say to you guys. You guys have used them in the past. And, today, every one of them has been resurfaced and brought up to scratch, looking like brand new even though we know that they are not brand new to the tune of over \$400,000. Now, by a few weeks time, our total expenditure on road resurfacing will be almost \$700,000. Now, there are also other roads. We have Harmon Avenue; that's one of them that will be done in a few weeks. We have Melina Avenue. We Lime Avenue and Laura Street; those are more interior roads, but every road leading in and out of Dundee is in good condition and has been upgraded from its horrible state that they were in for over a decade. I want to assure you guys that we are working and we are not putting away funds so that we can look good at the end of the day while nothing is being done.

We move on to the next slide, Mr. Taylor. Ok, this is what is called a clarifier. I call it a mud tank. This is our wastewater plant. I guess I will say no more. We have two of these clarifiers, and let me tell you these are some humongous equipment. This top section here is like a walking part that you can walk across the top. Just to give you an idea, the magnitude of this thing, we could almost hold everyone in here walking across the top up here. What happen is over the years, we had services with these clarifiers and we were able in 2016 to allocate funds to repair and do resurfacing to this clarifier to the tune of about \$60,000.



Next slide, Mr. Taylor. Ok, this is what is called a lift station. What this lift station does is lift all the sludge, all the mud, all the waste from our homes and it took it right up to that clarifier where it is processed. We have a few of these in town. We have maybe at least 12?



Town Manager Taylor: Eleven.

Mayor Pennant: Eleven lift stations. This is one of the bigger ones. I think one is out on 27. In 2016 also we make a reservation to update the best lift station to the tune of \$98,000. \$98,500.

Move on, Mr. Taylor. Ok. Here we go again. This one is also another humongous lift station. This is to the south side of us on Lincoln Avenue. This wasn't really a part of our plan to do renovations; however, we were fortunate that we could because we now have a fund balance. We are not necessarily operating in the red. We have an emergency repair or emergency breakdown on this one about a month ago?



Town Manager Taylor: November/December, yes, sir.

We were able to get this back up and running without any major inconvenience to the residents in this general area or south of here to the tune of \$58,000, and it's practically brand new now.

Next slide. This, Let me explain this really fast. This has to do with our drinking water. You guys see the big motors and pumps in the ground. Same thing over here. Motor. Pump. In the ground. This is where we get our drinking water. One of the locations where we get our drinking water from here. We had 2 pump casing that wasn't holding and this wasn't a part of a renovation and upgrade, but thank goodness we have the fund, we get in there, we get those casings repaired, set, back in the ground, and we did not encounter any interruptions of drinking water here in that period. I think this took almost a month from start to finish; however, we did not encounter any difference in our water supply and we are up and running. We have the money, \$58,000, because we are not just sitting. We are moving. We are on the move. We are working. We are producing. And we are saving, also.



Next slide, Mr. Taylor. Ok. This building I think most of us have seen this building. This is our new Public Works Building. We use it for our presentation for those of you who may not have seen it. What this is saying here is that our physical plan, here and Town Hall, we have upgraded our security system up to today's standards and made it a little bit ahead of what some other facilities might have had. We have done a lot of upgrades. We have just done some fantastic security upgrades to our facilities, totaling \$13,000.



Move on. Next slide, Mr. Taylor. Look at this one. I guess everyone can identify this one. First time I came to Dundee, I think it was 2002 and this tank was here. This tank, I've been here for many years, when I came it was looking almost like this. It was in disrepair, really need to be repaired. And up until less than a year ago, it was still looking like this. I can remember about 2004, I was posing questions to Town Staff and the Commission then - "Why can't we renovate this landmark?" One response I get was that it was very expensive to do. I didn't quite believe it but I accept it based on who I was hearing it from. So then, 2012 rolls around and I'm the Mayor and I decide that we need to take care of this. Come to find out, it was an expensive venture. We start having estimates anywhere from \$60,000-\$80,000 to get this renovated and painted. However, with the efforts of this staff, we were able to get this done less than a year ago at a cost of \$47,000. And look at it now, it's a beauty and should remain in that fashion for some years to come.



Next slide. Ok, this one we did not put any dollar amount with it, but looking at this, this is worth about \$100,000. The playground here..this is Lake Marie Park...was in disrepair for quite a few years. We try to come up with a consensus, Commission and Staff, how to get a new one, make some repairs. The repairs was almost not a possibility because they were in such bad shape. So, all of a sudden, one day Mr. Taylor say to me (I think he say to us)...he have an idea how to take care of it. So I didn't get a chance to really sit down with him and hear what the idea was. The only thing I know, one Monday or Tuesday, Monday morning I was driving past Lake Marie Park and the whole thing was ripped up. So I came into City Hall, and I ask him, "What's going on?" And he said," We're taking care of the play area like I told you." I say, "You said you have an idea. I was waiting to hear the idea." But while I was sitting in the office the phone rung and I think (if I'm not mistaken) it was Vice Mayor at the time..Commissioner Glenn...and from the

conversation I'm hearing, he's asking what's going on also. So at that time, there's not much I could do or we could do because the whole thing was already ripped out. So I say to myself (I didn't say to him), I think this might be his death warrant. Anyhow, after a week went by, this take about a week to replant stuff, this is the end result right here. So while this was going on, I get with him. I wasn't in the best of mood because I could attest, I could see that this was a disaster. So I asked him, "How are you doing this?" So he told me that based on the number of parks that we have, he can take a piece from here and a piece from there, and he'll be able to build a beautiful setup. And this is the end result. So we want to give staff total credit. We have some of the members here. We have Mr. Glenn. We have Simon. We have Clifton. Clifton, you were here then? They get in there and we did this. So this is all credited to staff. Let's give them a round of applause. (Applause).



Next slide, Mr. Taylor. Who can guess....wait, it's given away. Alright. These two guys right here are what you call industrial/commercial grade portable generators. The real object of these here is to take care of our lift stations that we went over earlier on, in case we should have extended power outage. Whatever. Whatever. We have purchased these maybe within the past year at a cost of \$28,500. They are not exactly brand new, but they are low mileage on these and I guess someone else kind of grow them out so we have to get in here and make sure we acquire these. Now, let me say this, in another 7 years or so, Dundee will be celebrating our centennial, out 100 years since we have been incorporated. This is the first time the Town has owned anything like this. First time, as far as I know. And this is very essential because if we should have an extended power outage for any reason, all that sludge that goes to the clarifier from the lift station would not make it there without these equipment. So you know where most of that sludge would stay? It would be staying maybe at our homes. So this is very essential. And it not just an extended power outage. Look, we could have hurricanes. We've had those before. So, as a result this also provides power for our disaster preparedness for this town. This is equipment that we have never owned in the history of Dundee of almost 100 years.



Next slide, Mr. Taylor. This is a very nice van, a very big van. Also, maybe you cannot see the size on the slide, but this is an F350 Ford Econoline Van. We use this van for the transport of mostly our inmate workers that we have come into Dundee each day. As a matter of fact, we had 2 old ones before this one and both of them didn't make one because they were about 20 years old and were constantly on the road. So, last year, we decide to go and acquire this one for about \$15,000, relatively new. We bought it; we got some warranty on it. It's been operating great and we know the inmates that are serving us are safe and well equipped.



Next slide. Now I think by now I'm finished...hopefully, it won't be long. We would have touched every division in this town. We have touched everything. Everything needed an upgrade and I think we have done it from equipment to the accounting books. So that's one of the reason I decided to do this, we haven't done this before. And this will answer a lot the question that people always ask, "How is Dundee doing?" Hopefully, you are getting the information tonight and we also have Mike from the newspaper. He might put it in the paper tomorrow so you can have it as part of your record for years to come.



This is ladder truck. We bought this truck for about \$60,000 less than about a year ago. Now this is a huge truck. It's really an awesome machine. I was trying to do a little bit of research like Mike always says, "Looking at our peer group." I sound like an accountant. Looking at our peer group of Polk County, I think we are the only municipality in Polk County that owns a machine like this one. I'd have to double check, but I'm almost sure there's nobody. And we did not machine for the purpose of bragging, but we are preparing ourselves for future growth and development. This ladder truck can fight a fire up to about 4 stories, if I'm not mistaken. We've never had anything like this in Dundee so this is quite an accomplishment. And this also helps us in our accreditation for our Fire Department. I think they benefit from some accreditation with this equipment, and we were able to acquire this at a cost of about \$59,000. Low mileage. Good condition. Let me say, we acquired this because we think it's a good deal. Our Fire Chief went out and did an inspection on it and so on, but this is a great piece of equipment. A cost for this

type of equipment brand new today would run you maybe about \$400,000. So I think we really make good on this one.



Next slide, Mr. Taylor. Alright. You know, I think I'm going to make...I have decided that I will make a comment about this dealing here. With this presentation, I will make an addition comment about this. This is a part of our Public Safety building. I call it the Public Safety Plaza. There in front we have our Sheriff's Department and towards the back of the Sheriff's Department, we have our Fire Department and we also have EMT Squad that operates out of the building behind this building here. Mike touch on this a little bit about the money we received through the county to do upgrades on this building. This building was our old Town Hall building. It was sitting there for a while needing some repairs and we became innovative to get it renovated with the assistance of our Sergeant here. They were involved. Did you do any of the design, Sgt.? It's a beautiful building. We had the grand opening about 3 weeks ago and unfortunately I wasn't there, but I did a walk thru to make sure that I didn't miss everything. It's beautiful building and also we work with the county to accomplish this. And also while we were doing this we also made accommodations from the old Sheriff's Office building for a Polk County EMT Unit that now operates from right here in Dundee. I feel very good about that because what that does is give us more efficiency for calls, and overall a better service for 911 service on the EMT side. So I'm very pleased with this here. Sergeant, we thank you for the hard work that you guys put into it, to deliver the finished product.



Next slide, Mr. Taylor. Ok. This also, we acquire this through a grant. And Mike, this grant comes in as income, right? However, this was a grant written by our Sergeant and we were able to acquire this speed monitor. And so far, I've noticed where this monitor is sitting right next to the Sheriff's Department. We don't see this on the road very much anymore because it's practically doing its' job. I can remember we had quite a few complaints about speeding. We used to have complaints about speeding on Shepard. We used to have complaints about

speeding on MLK. We have no more because this monitor was sitting in those locations for a while. We also have complaint on speeding on Center Street here going up towards Lake Hamilton. Now we have no more. But, look, we have this. In case we have to pull it out, we have it. So pretty soon there is nothing that any other municipalities have, that we cannot say we don't have here in Dundee. I know there is one more roadway that we have complaints about speeding, which is Lake Marie Drive. Nowadays, I don't think we get that much complaint because the road is bad so I don't think they can speed. But what I do know, in a few weeks it will be like brand new. So, Sarge, we might have that problem once again.

Sergeant: Let's put a radar down there.



Mayor Pennant: Next slide, Mr. Taylor. Ok. I think I know these guys right here. I know this is one thing that I know a lot of our residents don't know about and it's our public transportation, very limited public transportation. We have been fighting over the years. I put a lot of time into getting this bus here. Commissioner Quarles he's on the TPO/PTA service of the county. What we were able to do was get this public transportation service for once a day. For right now it's commentary because that's the best we could do. This bus will meet you here, right here at City Hall every morning at 6AM and return in the evening at 7PM, Monday thru Friday. And Saturday and Sunday, the schedule is a little bit different. I think it leaves at 9 in the morning.

Town Manager Taylor: I think it's an hour later on the weekends.

Mayor Pennant: Alright, 7, and then in the evening it comes back about 4 o'clock. I mean, it's not a lot, and we're still working on it. Maybe pretty soon we'll be able to increase it at our budget, and the county will allow us, but you can take this early in the morning; it will drop you off at Eagle Ridge Mall. At Eagle Ridge Mall, you can transfer and go anywhere throughout the county on that public transportation. Same thing. If you are in Lakeland area and want to come to Dundee, you can take a transfer to Eagle Ridge Mall and you will get here by 7 o'clock in the evening. On weekends, it will be about 4 o'clock. We were about to get this done about 2 years ago due to the hardworking Commission Members here.



Next slide. Ok. Maybe the person who purchased this home isn't here, but this is a very interesting thing here. What happen, in 2002, even prior to 2012, there was a market as you know that came to a stand still. As you can see here, in 2012, it was totally dead. We didn't have a single family housing permit here in Dundee in 2012. Zero. Zip. So, as a result, we went to work in 2012 trying to figure out what can we do, to get the housing market jump started here in Dundee again. I mean, we were poised to go because there were a lot of areas here in Dundee where there were pipes in the ground, roads, lights, everything, but nothing was happening. So in 2013, we start to figure out how can we make a difference here. So 2013, we have decided to make some concession on our impact fees with the hope that that might give it a jolt and get things going. So we come up with a plan and then we summoned all of the prospective builders that were here in Dundee and make them an offer that we would do some concession, kick back fees, and hopefully that would help them a little bit more affordable home. Or help them on the price of their home that they are selling to the consumer, and they all take it. So, we did a concession on some impact fees for about a year and a half. And I think we started that about towards the end of 2014 or somewhere there about. But look what happen here. In 2014, we moved from 6 in 2013 to 30 permit. Then in 2015, we even up it a little bit more, where we go up to 42. Then 2016 comes along and we were all the way up there. This make a big impact on our Fund Balance and so on based on the information I provided. But look what happen, I think that what we have done has made a heck of a difference. In 2016, the amount of permits that was have issued surpass what we have done over the past 4 years. Just 1 year. And I think that most of that was attributed to what we have done to get it jump started. However, because that program did so well, that program expired maybe about 9 months now and we are leaving it there; waiting to see what happens. If we have to bring it back, we will do so, but we are going to make sure that we develop as much as possible so that we are not left behind.



Next slide. Ok. I guess maybe a number of us here can attest to this, there are a number of folks here...maybe that's been here more than 5 years or so...When I moved here in 2006. In

2012-13, our Fourth of July Celebration was new. What used to happen then was the Commission would approve fireworks for the Town each year, so about 8:30/9, we would show up at Lake Marie for fireworks and that would be the extent of it. So, 3 years ago, we decided that a lot of our folks travel in Haines City or even Lakeland to really have a day of celebration so we have decided to make some changes. We have decided to make it almost a fun day of celebration. So this is just a synopsis, a snap shot of our 4th of July Celebration for this 4th of July, 2016. This is a performance stage area. If you look back in the back here, you'll see a bounce house and also food trucks. Did we have face painting?

Town Manager Taylor: Face painting and balloons.

Mayor Pennant: I don't know if you guys can recognize that guy in the dunk tank. Alright. Most of you can't recognize that guy, but that guy was me. Let me tell you something. It was great because you know what happen? We were inviting people to get in the dunk tank. Counsel, next year, we're going to have you in the dunk tank. I think we can raise a lot of money. What happened is...the reason why we bring this dunk tank along was because we were trying to raise money for our Christmas Toy Drive for the kids of Dundee and surrounding area. We did very well with that. So, what happen, now we have a 4th of July Celebration that started about 3 years ago and we want to have it go on in the future. So we have almost a full day of 4th of July Celebration here in Dundee now. So a lot of residents don't have to trek all the way to Lakeland or Haines City. As a matter of fact, with our celebration now, we even have people e coming from Winter Haven and Haines City to be here in Dundee. One of the reason being is we have a spacious area out there; it's easy to move around in Dundee; and of course, we are most friendliest here in Polk County. So, we are doing well as far as that is concerned. If you look back at these slides and analyze it, we have been making a lot of improvements. Sorry it seems like we have been spending so much of your money, but let me say this..There is a miracle going on here and I can't explain it. I think it's just the resourcefulness of Staff and Commission because we have been in a financial strain for a few years, so I would imagine, if you see your savings going up then that mean that maybe your work should be nonexistent, but look at it...we have spent a lot of money, folks. We have spent a lot of money. We are literally building this town from the ground up, but yet we still have a lot of money. So how did that happen? I don't know, but let me say this...Thanks be to God, and thanks be to Staff and Commission.

Next slide. Do we have another slide?

Town Manager Taylor: That's all.

Mayor Pennant: That's it? Ok. So I just want to top this off by saying despite all that we have done over the past 4 years or so, I would not like to misinform you that we were still able in this time period, to give every town employee a pay increase. We were still able to do that also. Folks, let me say this...it's a pleasure presenting you with this information this evening, and I think the Town, we all accomplished a lot, and doing so we have brought Dundee to its strongest financial position that it has ever been, as far as I can see. With that, I would like to say a big thank you to Staff and Commission Member. So let's give them a big hand. *(Applause)*. Let me say...God bless you. God bless Dundee and keep us in your prayers. Thank you.