

2009/2010 Budget and Spending Analysis Report

By Robert Desmond, Candidate, Mayor of Deltona



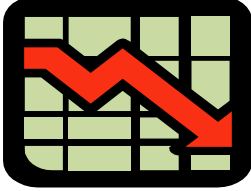
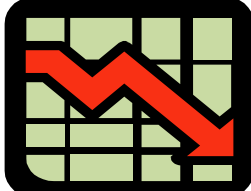




Tuesday, October 27, 2009

Government budgets are usually very boring to read and even harder to understand. There are pages and pages of gibbily gook and government speak – blah blah blah that I have tried to simplify in this report. Even though I have backed up my disclaimers with facts from this years Adopted Budget and the Comprehensive Annual Financial Report, which by the way can be found at <http://www.deltonafl.gov/go/deltona-sections/departments/finance-and-internal-services> for your own independent review and analysis. I have also used information from the Volusia County Property Appraiser's Office at <http://webserver.vcgov.org/bgcomp09.pdf>.

Trending analysis is based on information from when the current Mayor took office in 2005.

My synopsis on the 2009/2010 approved budget, spending plans and trending analysis for the City of Deltona can be summed up in two words: WRONG DIRECTION.

Lets look at 8 of the Key Performance Indicators based on the City of Deltona's Approved Budget and Spending for fiscal year 2009/2010 and lets see which way the trend is going. Remember, this is not MY data but data that is readily available to be reviewed and processed.

			
Spending is UP Wrong Direction	Property Taxes are UP Wrong Direction	Property Values are DOWN Wrong Direction	Cash Reserves are DOWN Wrong Direction
			
Unemployment is UP Wrong Direction	Foreclosures are UP Wrong Direction	Building Permits are DOWN Wrong Direction	The number of times CREATING NEW BUSINESS or bringing new JOBS to Deltona is mentioned in new 2009/2010 Budget. Wrong Direction

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There are several things going on related to spending in the City that I do NOT agree with. But what breaks my heart the most is the lack of JOBS, JOBS, JOBS or the city even showing an interest in creating new businesses or bringing new jobs or to Deltona! In recent years, there has NOT been an emphasis on JOBS. When I am elected Mayor, I will make this one of my top priorities!

Where's the new Jobs or New Businesses in Deltona?

In the chart above, I have already made the point that the new Fiscal Year 2009/2010 budget does not have a single word in it related to creating a single new job or attracting a single new business to Deltona! Do you want your Mayor to focus on this issue? I do! That is why I am a candidate for Mayor. I will address this issue and make it happen!

Personal Message from Me to You!

My fellow Deltonans, I have got to share a thought with you that I have on my mind right now. You will start hearing the current Mayor and other politicians seeking the office of Mayor talking about this subject and other subjects that I have outlined in my platform in my original press release on August 27th, 2009 which can be found on my web site at www.DesmondForMayor.com. The reason I bring this to your attention is the following:

Look at what they have done – not what they are saying!

Likewise, when I am elected Mayor, four years down the road, look at what I have done – not what I have said during my first term in office.

Taxes UP 31% - Property Values DOWN 26% - What would I do differently?

Now that the newly approved fiscal year 2009/2010 budget has been approved and is behind us, what would I have done differently to reduce government spending and avoid the 31% tax hike that went into place this fiscal year?

First, lets examine the current economic and fiscal situation facing a lot of people in Deltona.

Times are tough; families are struggling financially at every level. Some people are losing their homes while others are barely being able to hang on and keep their homes afloat. How do I know? I met some of them.

Unemployment in Deltona is at one of its highest points in years, if not decades. The foreclosure rate in Deltona is at about 10%. Who knows how many more homes are on the brink of being foreclosed on or “Deeded Back in Lieu of Foreclosure”?

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Taxing agencies, utilities and insurance companies are taking more money from us than ever before leaving us with less and less of what we have earned.

In a down economy, why can't the City of Deltona work with less of our tax dollars this year? After all – many of us have to do what we need to do to survive with less income in our own personal lives and households. We the citizens should expect and demand less spending from our City Government. Nevertheless, the current mayor voted repeatedly to ignore your plea for mercy and voted in favor of raising your taxes.

This year's budget was passed by a 4 to 3 vote, with the current Mayor voting **for** the tax increase. My vote would have been a **NO** vote on the budget that was approved.

Good Spending (Necessary Spending)

Vs.

Bad Spending (Unnecessary Spending)

Before I can get into the details and the specifics of how I would manage YOUR money as Mayor of Deltona, I need to identify good spending vs. bad spending.

In my opinion, Good Spending is money that needs to be spent for items that are NECESSARY for the safety and well being of our citizens - in addition to providing basic needed services. Bad spending is when the City of Deltona chose or chooses to spend money on things that are NOT NECESSARY, has little or no value to most of the taxpayers and it's spending that could have been canceled, postponed or deleted entirely.

I also believe that public input – the voice of the people - is essential to get the pulse of where the people of the city want the city to go in the future!

Bad Spending habits from the recent past have also lead to the financial mess the current Mayor has led us to. These examples of bad spending need to be examined because again, like I stated in my Press Release, these are things I would not have gotten us into in the first place.

At the City Commission Meeting that was held just weeks prior to the City Commission approving this years budget, the current Mayor asked his fellow city commissioners if any of them had any way of coming up with \$3,000,000 (million) dollars to avoid a tax increase this year. (Note: The city needs \$3,000,000 (million) dollars more to run the city this year than last year.) The reason I bring this to your attention is because I want to point out that over the last few years, while our current Mayor has been in office, some of the BAD SPENDING that has occurred. This is important because if it were not for the BAD SPENDING, we would not need to increase our taxes now! Like I said earlier, I would NOT have voted for the BAD SPENDING in the first place – therefore avoiding the financial crisis we are facing now and for the next few years to come.

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Based on some of the high profile examples below, here are some examples where the current Mayor could have saved us millions of dollars but instead, lead the ship off course into the storm of financial unsettlement. Furthermore, we are looking at millions of dollars more in future spending for NON NECESSARY projects that we can either do without entirely, cancel or postpone.

Examples of Bad Spending - in no particular order:

- **Thornby Property**

- The purchase of the Thornby Property: \$1.5 million dollars in cash in unbudgeted money. That means the money came from our cash reserves.
- What is the purpose of this purchase? Basically - to build yet another park in the City of Deltona. We already have 16 parks in Deltona - not to mention a host of County Parks and Florida State Parks in our immediate area. The last thing Deltona needs right now is yet another park.
- Then there is the cost of developing the park! Here's a perfect example of spend baby spend. The estimated cost to build a park on this property is in the millions of dollars! DELTONA taxpayer dollars! We can't afford to build out the parks we already have – never mind build this one.
- I talk in great detail about the Thornby property purchase in my Press Release on my website at www.DesmondForMayor.com.
- For those who do not know the location of this property here are the instructions to get there:
 - Take Providence Boulevard heading towards Lake Munroe all the way to the end of Providence.
 - At the end you can only take a left or a right.
 - Do not go anywhere.
 - Look to the right. That is the corner piece of the Thornby property. It is a 40 acre parcel.
 - You decide for yourself if we should have purchased this piece of property for another Deltona Park.
 - One of the uses for the Thornby property is to build an “all inclusive” park where physically and mentally challenged children and adults would be able to play together with the other children and adults.
 - I'm all for that since I have a son with Downs Syndrome.
 - But, why have we not made all of the existing 16 parks in Deltona “all inclusive” parks? Wouldn't it be less expensive to do that than to spend millions of dollars on what is being done here?
 - Why are we spending millions of dollars – our precious hard earned taxpayer dollars - to purchase this raw land and commit to spending millions of more dollars in the future to build yet another park we do not need?
 - One of the other reasons the city purchased the Thornby property is because it is a historical site.
 - I love historical sites!

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- But, isn't developing and building a park on this site destroying the historical preservation for which it was purchased?
 - Until more public input is allowed on this subject, we should not do anything to this property.
 - Let's see what the consensus is of the citizens of Deltona and what they want to do with this park project going into the future!
- In the new Fiscal Year 2009/2010 budget, what is being allocated for the Thornby Project?
 - After scanning the entire budget, this is all I could find related to Thornby:
 - This excerpt is taken directly from the Budget: "The total cost of the playground is in the \$800,000 range and will be partially funded by Volusia County through an ECHO grant (\$393,750), the Community Development Block Grant (\$200,000) and funds from the City's Park Projects Fund (remainder)."
 - You will notice the key word here is "playground". Not development or construction costs! These costs will be burdened directly by the taxpayers of Deltona.
 - Where are the details and how much more will it cost the Citizens of Deltona for the item that are NOT explicitly spelled out in the budget?
 - Development of the Welcome Center (If there is going to be one)?
 - Installation of the Water and Sewer pipes?
 - Road expansion and improvement?
 - Development of the restrooms?
 - Parking?
 - Paving the parking lot?
 - Staffing?
 - On going maintenance?
- In summary, I am not opposed to someone else taking ownership and construction of the Thornby property, I just don't think the City of Deltona and us taxpayers should burden the full cost of this project and it's forever ongoing maintenance and upkeep.
- **The "Safety Complex"**
 - The city spent \$7 million dollars to purchase the "Safety Complex" property to build a fire station and a small commercial development center on about 12 acres of land on Howland Blvd.
 - A similar 12 acres of land could have been purchased (and was under serious consideration) for \$2.5 million dollars! Where was that property located? A quarter of a mile down the street from where the "Safety Complex" is being built now!
 - That's a \$4.5 million dollar difference!
 - The city paid MORE than the highest of 3 appraisals that were done on that property!
- **The Services Administration Building.**

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- \$450,000 to remodel the services administration building only to rent it out at reduced prices to everyone except the State of Florida because they have deep pockets.
- Don't get me wrong, I am all for supporting the agencies that are helping us fellow Deltonans but sell the program to the folks that way. Don't tell us the money will be spent remodeling and that we, the city, will be making a profit from the building or it will be cost neutral because it is not.
- That building is being subsidized by the Deltona Tax payer.
- **Consultants.**
 - Every year we spend hundreds of thousands of dollars on consultants. Why?
 - Can't our staff do most of the work we contract out?
 - If not, why not?
- **Terminate them and pay them \$571,000 for not working and doing nothing for the City of Deltona and its citizens!**
 - \$571,000 in Golden Parachute money to two city attorneys and a city manager that was fired before their contracts were up.
 - First, if there was probable cause to terminate these people then terminate them.
 - If there was no probable cause to terminate them then let them work through their contract and don't renew the contract!
 - Either of these two options would not be costing the taxpayers of Deltona an extra \$571,000 of their hard earned money to pay for 3 people that are not providing an ounce of work for the City or its residents.
 - But, when egos get in the way of good solid business practices, not to mention common sense, this is what happens. The people of Deltona suffer.
- **\$350,000 for Trees.**
 - \$350,000 tree replacement program.
 - I love trees!
 - Could this expenditure have waited?
 - Do we need to spend the cash NOW on this project?

Examples of Good Spending - in no particular order:

Taxes are an essential and necessary part of life. But how we control our spending will dictate how many tax dollars the city will need to operate.

Here are examples of Good Spending:

- Law Enforcement
 - In the last 2 years we have lost 8 Volusia County law enforcement personnel.
 - Why? Because of BAD SPENDING.
 - How can anything trump public safety – especially in the area of Law Enforcement?
- Trash Pickup and Removal
- Road Improvements
- Infrastructure

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- Pay off our City Debt
- Reallocate and prioritize internal resources and invest as necessary to bring business and meaningful, sustainable jobs to Deltona

As Mayor it will be one of my major goals to get unnecessary government spending under control. The immediate and direct positive impact to the city of Deltona and its taxpayers will be felt immediately.

Reduced city spending means less tax payer dollars are necessary to run the city resulting in LOWER TAXES!

That is my intent – Cut Spending! Lower Taxes!

Again, my intent would be to reduce taxes for everyone in Deltona. The only way we can do that is to eliminate unnecessary spending and reprioritize, postpone or eliminate what we are currently spending.

Other things that need to be done to provide for a positive impact to Deltona to attract new businesses that will employ people in Deltona in addition to doing things to make our own lives easier:

In the area of Transportation, I will continue to push for the completion of SR 415 to be four-laned all the way through Deltona. This will provide for immediate relief for those that use 415 in their daily commute. In addition, this will also be another feather in our cap to attract the right type of business we want in Deltona.

I will fight hard for the city of Deltona even outside the City Limits. I will actively attend and participate at the Volusia County MPO (Metropolitan Planning Organization) meeting to insure Deltona's voice is being heard. We have over 85,000 people in this city and with your voice we can make positive things happen for this city.

You see what I am saying folks? Our spending is out of sync with reality on multiple levels. This is why I am running for Mayor. I am fed up with the type of government we have been getting from City Hall. This is what I mean when I say I want better government.

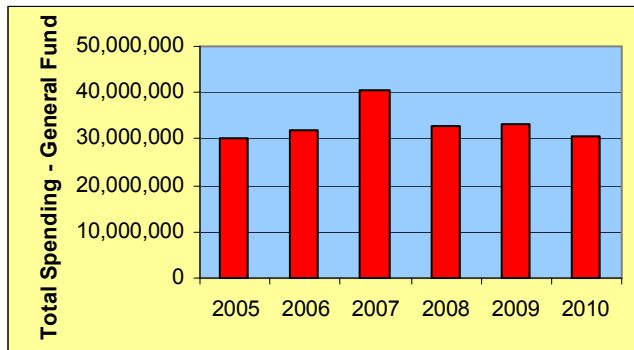
I need your help and support and more importantly your VOTE to bring better government to Deltona.

God Bless.
Robert Desmond

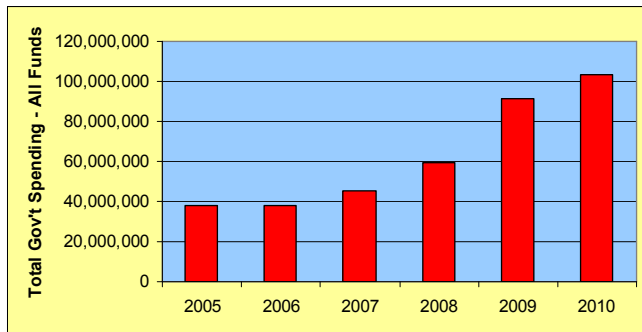
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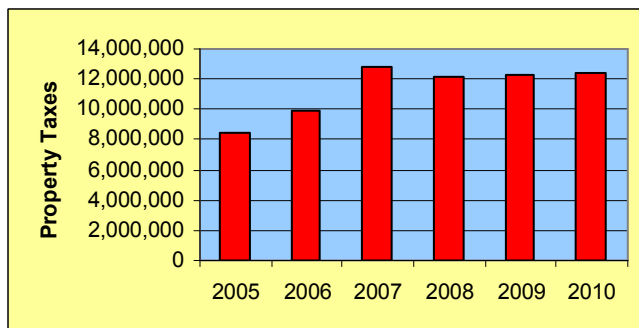
Total Government Spending – General Fund



Total Government Spending – All Funds:



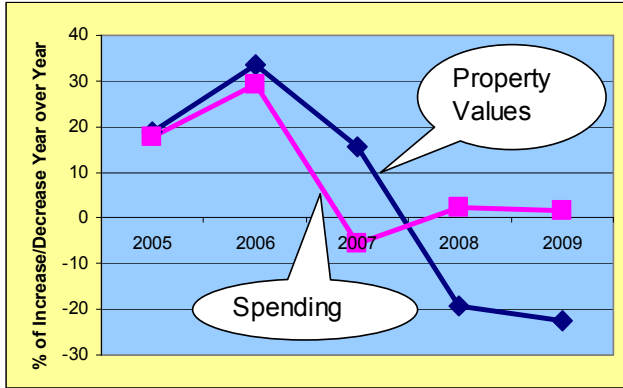
Property Taxes being paid by the citizens of Deltona:



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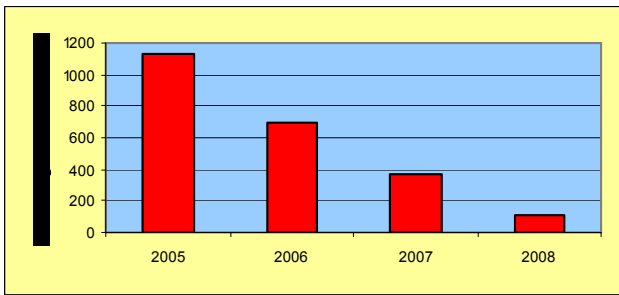
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Property Values have declined sharply starting in 2007 but the City of Deltona's Government spending and taxation has increased:



Building Permits Issued:

Note: 2009 data was not published.



Cash Reserves:

Notice in 2008 and 2009 the cash reserves dipped. This means that the City of Deltona spent more money (unbudgeted money) in these years than it brought in. The timing also happens to coincide with the dates the Thornby property was purchased and the dates the Safety Complex property was purchased among other things.

