

The regular meeting of the Lake Wales City Commission was held on August 20, 2008 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Lee A. Wheeler, III.

INVOCATION

The invocation was given by David Smith, Babson Park.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Terrye Y. Howell; Jack Van Sickle; John Paul Rogers; Kathy Manry; Lee A. Wheeler, III, Mayor.

COMMISSIONERS ABSENT: None.

CITY REPRESENTATIVES PRESENT: Anthony G. Otte, City Manager; Albert C. Galloway, Jr., City Attorney; Judith Delmar, Asst. City Manager; Clara VanBlargan, City Clerk.

Agenda Item 4. APPROVAL OF MINUTES

Commissioner Manry made a motion to approve the minutes of the August 4, 2008 special meeting and the August 5, 2008 regular meeting. The motion was seconded by Commissioner Howell.

ROLL CALL:

| | |
|-------------------------|-------|
| Commissioner Manry | "YES" |
| Commissioner Howell | "YES" |
| Commissioner Rogers | "YES" |
| Commissioner Van Sickle | "YES" |
| Mayor Wheeler | "YES" |

The motion carried 5-0.

AGENDA ITEM 5. COMMENDATION: Officer Andrew Brown; Officer Jonathan Fletcher; Officer Rodney Fowler; Adm. Asst. Judi Gladue; Lieutenant Burney Hayes; Officer Tiffany Holden

The Commendations are incorporated into the minutes.

[begin commendations by Asst. Police Chief Christopher Velasquez]

OFFICER ANDREW BROWN

On July 29, 2008 at 11:25 PM, you responded to a burglary in-progress. You approached the structure in a manner not to alert the offender. As a result, the offender was arrested as he exited the structure carrying stolen copper wire. Theft of precious metals is a significant problem in Central Florida. Your action and law enforcement skill resulted in the arrest and identification of yet another offender responsible for the theft of precious metal.

OFFICER JONATHAN FLETCHER

You were appointed by Chief Herbert Gillis to assist Officer Tiffany Holden with the 2008 Cops Summer Camp. Your approachability and communication skills allowed the participants to develop a positive regard for law enforcement. As a result, the community policing goals of the Lake Wales Police Department were advanced. You are commended for your efforts.

OFFICER RODNEY FOWLER

You were appointed by Chief Herbert Gillis to assist Officer Tiffany Holden with the 2008 Cops Summer Camp. Your approachability and communication skills allowed the participants to develop a positive regard for law enforcement. As a result, the community policing goals of the Lake Wales Police Department were advanced. You are commended for your efforts.

ADM. ASST. JUDI GLADUE

You were appointed by Chief Herbert Gillis to assist Officer Tiffany Holden with the 2008 Cops Summer Camp. Your approachability and communication skills allowed the participants to develop a positive regard for law enforcement. As a result, the community policing goals of the Lake Wales Police Department were advanced. You are commended for your efforts.

LIEUTENANT BURNEY HAYES

To contend with the unprecedented services demands placed on the Lake Wales Police Department, Lieutenant Burney Hayes was transferred from the Recreation Services Section to the Patrol Section. Despite this, you continued to work in support of the COPS Camp and Police Athletic/Activities League programs. Your effort yielded donations exceeding \$10,000 from various community leaders. Your commitment and dedication to enhancing recreational programs is unmatched and you are commended.

OFFICER TIFFANY HOLDEN

You were appointed by Chief Herbert Gillis to lead the 2008 COPS Summer Camp. You were encouraged to make the camp engaging, educational, and fun for the participants. You exceeded all expectations. The 2008 COPS Summer Camp was an application of law enforcement concepts and an introduction to community service. Even more, the camp was full of adventure and entertainment. Your leadership and passion for excellence are commended.

[end commendations by Asst. Police Chief Christopher Velasquez]

Police Chief Herbert Gillis recognized Officer Jonathan Fletcher, Officer Rodney Fowler, Lieutenant Burney Hayes, Officer Tiffany Holden, and Adm. Asst. Judi Gladue for their leadership role in making the 2008 COPS Summer Camp a success. Ms. Gladue provided a brief PowerPoint presentation of camp activities. Chief Gillis also recognized Officer Andrew Brown for his active patrol techniques that led to the arrest of a copper wire thief. Mayor Wheeler presented these employees with a Certificate of Appreciation.

Mr. Otte reported that due to Hurricane Fay, the August 19 regular City Commission meeting was changed to Wednesday, August 20. As a result, Agenda Items 6, 7, 8, and 10 had to be removed from the agenda as they were public hearings advertised for August 19. The public hearings will be re-advertised for the regular City Commission meeting on September 2.

AGENDA ITEM 6. Ordinance 2008-27, Limits on Concurrent Appointments to Boards – 2nd Reading & Public Hearing

Agenda Item 6 was removed from the agenda. The second reading will be re-advertised for a hearing at the next City Commission meeting on September 2, 2008.

AGENDA ITEM 7. Ordinance 2008-28, Membership to Board of Appeals and Planning & Zoning Board – 2nd Reading & Public Hearing

Agenda Item 7 was removed from the agenda. The second reading will be re-advertised for a hearing at the next City Commission meeting on September 2, 2008.

AGENDA ITEM 8. Ordinance 2008-29, Core Improvement Area - Impact Fee Exemption – 2nd Reading & Public Hearing

Agenda Item 8 was removed from the agenda. The second reading will be re-advertised for a hearing at the next City Commission meeting on September 2, 2008.

AGENDA ITEM 9. Ordinance 2008-30, Revision to Chapter 5, Alcoholic Beverages – 1st Reading

Mr. Otte reported on Agenda Item 9. The full staff memo is incorporated into the minutes.

[begin agenda memo]

RECOMMENDATION

The Staff recommends the following motion: "The City Commission authorizes the Mayor to execute an amendment to Chapter 5 of the Lake Wales Code of Ordinances and more particularly, Section 5-4 (b), 5-4(c) and 5-5(a), to allow the Sale of Alcohol on Sunday and consumption of alcohol on public property, sidewalks or designated areas adjacent to and part of the service area of restaurants and in areas established and approved by the City Commission, and for special events approved by the City Commission".

BACKGROUND

Lastly, as we are getting newer and larger hotels in the city to accommodate tourists, business travelers, regional meetings, and conventions there are different demands for services in the community. As many of the events or visitors arrive on the weekend they are looking to be able to entertain at their hotel. These are our "New Guests" in the city but they are forced to travel to a neighboring city, e.g. Winter Haven, to purchase any form of alcohol for in room or home consumption on a Sunday.

The expansion and diversification of our community and economy requires us to expand our services to them. The dollars, both sales tax and product sales, not spent in Lake Wales due to these limitations are "Lost Dollars" and you will never hear our neighboring cities complain about our loss to their gain. Ordinance 2008-30 is proposed to address these conditions.

FISCAL IMPACT

None for the City. This ordinance is expected to have a positive economic impact by encouraging business activity in the City.

OTHER ALTERNATIVES

Keep the Status Quo on the activity and services allowed in Lake Wales.

[end agenda memo]

Ms. Delmar read Ordinance 2008-30 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING CHAPTER 5, ALCOHOLIC BEVERAGES, OF THE LAKE WALES CODE OF ORDINANCES TO PROVIDE FOR SUNDAY SALES OF ALCOHOLIC BEVERAGES; TO PROVIDE, UNDER CERTAIN CONDITIONS, FOR OUTDOOR SALES OF ALCOHOLIC BEVERAGES ON PUBLIC OPEN SPACE IN CONJUNCTION WITH RESTAURANT OPERATIONS; TO PROVIDE, UNDER CERTAIN CONDITIONS,

**FOR CONSUMPTION OF ALCOHOLIC BEVERAGES IN CONJUNCTION WITH SPECIAL EVENTS;
REPEALING ANY ORDINANCE OR PART THEREOF IN CONFLICT; PROVIDING FOR
SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.**

Commissioner Manry made a motion to approve Ordinance 2008-30 after first reading. The motion was seconded by Commissioner Howell.

ROLL CALL:

| | |
|-------------------------|-------|
| Commissioner Manry | "YES" |
| Commissioner Howell | "YES" |
| Commissioner Rogers | "YES" |
| Commissioner Van Sickle | "YES" |
| Mayor Wheeler | "YES" |

The motion carried 5-0.

AGENDA ITEM 10. Key Issues: Evaluation and Appraisal Report (EAR)– Public Hearing & Scoping Meeting

Agenda Item 10 was removed from the agenda. This item will be re-advertised for a hearing at the next City Commission meeting on September 2, 2008.

AGENDA ITEM 11. Supporting Application for FRDAP Grant to Enhance and Improve Kiwanis Park

Mr. Otte reported on Agenda Item 11. The full staff memo from Margaret Swanson, Director of Planning and Development, is incorporated into the minutes.

[begin agenda memo]

RECOMMENDATION

Staff recommends that City Commission take the following action:

1. Direct City staff to prepare a Florida Recreation Development Assistance (FRDAP) Grant Application for the enhancement and improvement of Kiwanis Park.
2. The completed application would then be brought to the City Commission, with a fiscal impact statement, for review and approval. If approved, the application would then be submitted to the Florida Department of Environmental Protection (FDEP).

The Parks and Community Appearance Advisory Board has developed a proposal for improvements to Kiwanis Park and requests that the Commission authorize application to the FRDAP program for the project.

BACKGROUND

The deadline for grant application submission is September 30. An application for up to \$200,000 (maximum award) is proposed. Plans will be refined and itemized cost estimates prepared for the application. A fiscal impact statement will be brought back to the Commission with the completed application for final approval prior to submission to FDEP.

The draft plan for the project (attached) includes the following components:

- Reconfiguration and upgrading of the Little League practice fields
- Parking lot improvements - paved areas north and south sides of Lake Shore
- Creation of non-paved overflow parking areas
- Skate park - addition of equipment
- Walkway improvements
- Pedestrian/bicycle connection between Trailway and Lake Wailes Trail
- Landscaping, benches, miscellaneous improvements to picnic facilities and rest rooms
- Lighting of paved parking areas

Normally, a local match of funds and/or in-kind contributions is required as follows:

- Projects up to \$50,000 are funded at 100% with no match required
- Projects from \$50,001 up to \$150,000 are funded at a 75/25 split
- Projects from \$150,001 and up are funded at a 50/50 split.

A waiver of the matching requirement will be requested. Communities designated by the Governor's Office of Tourism, Trade and Economic Development as Rural Economic Development Initiative (REDI) communities can request a waiver of the requirement for a match. In the past, Lake Wales has been designated as a REDI community and has applied for the annual re-certification.

If a local match or partial match is required, the following will be used:

- Tree replacement funds up to \$10,000 for landscaping (Authorization is required for use of these funds and is included in the resolution.)
- Sidewalk replacement funds up to \$10,000 for sidewalk on Tower Blvd
- Concrete for skate park (donation by Jhana Corporation, value to be determined)
- In-kind services – plans preparation by Whidden Design Studios and work by city staff

(Note that use of tree replacement and sidewalk replacement funds are proposed for the project regardless of the requirement for a match.)

Each year the State of Florida designates funds to assist governmental agencies throughout the state in acquisition and/or development of recreation facilities. The City of Lake Wales has benefited greatly from these grant awards. In the past, the City has received grant funds for improvements to the Lake Wailes Trail; construction of the Lake Wailes Fishing Pier; the Soccer, Multi-purpose field at Kiwanis Park; the Soccer, Multi-purpose Complex at Hunt Brothers Road; construction of a boat ramp at Lake Wailes, and the skate park in Kiwanis Park.

As required by the grant regulations, the Parks Board held a public meeting on August 7, 2008. Those in attendance were supportive of the project but raised concerns regarding maintenance and use of the park after hours. The citizens who live adjacent to the park expressed a desire for the skate park to be screened, possibly by vegetation, to mitigate the noise. They also raised concerns regarding lighting the portion of the park on the north side of Lakeshore, where the playing fields are located, because it is supposed to close at sundown. Although lighting the north side may not be desirable, adding the Lake Wales style lights to the parking lot on the south side of the park at the trail head is recommended by staff.

Parks Board members are seeking letters of support from the Kiwanis Club, Little League, Pram Fleet and other community organizations.

OTHER OPTIONS

The City may choose not to make any application for this funding cycle.

FISCAL IMPACT

A fiscal impact statement will be prepared and brought back to the Commission prior to submittal of the application. The proposed use of funds from the Tree Replacement Fund (up to \$10,000) and Sidewalk Replacement Fund (up to \$10,000) will not impact the general fund. Funds in these accounts come solely from developer contributions and not from general city revenues. The project will rehabilitate and improve conditions at the park, but will not add facilities that will increase maintenance costs. Gates on the restrooms and barriers to prevent vehicles from entering and damaging playing fields are proposed to reduce maintenance. Landscaping will be kept simple and low-maintenance, consisting primarily of trees that will not need long-term irrigation.

[end agenda memo]

Commissioner Van Sickle said he thought the Commission received a notice in their box saying that the City had already been approved for the waiver of the matching requirement and that there was up to \$400,000 available in grants. Mr. Otte said that this particular program only offers up to \$200,000 in grants. He asked Harold Gallup, Economic Development Director, if the City had been approved for re-certification. Mr. Gallup said that the paperwork has been filed and that he expects approval very soon.

Mayor Wheeler asked if the grant could also be used to complete the "Barney's Dream" project. Margaret Swanson, Planning Director, said that Woody Dupuis, who is in charge of that project, serves as a member on the Parks & Community Appearance Advisory Board (Parks Board), and he has not requested any funds to be added for that project.

Cliff Tonjes, 1001 Campbell Avenue, said that Kiwanis and Mr. Dupuis did not request any funds because there are time constraints on getting that project done. Because the completion deadline is approaching, there is not much time left to wait for funds from the FRDAP grant. He said that he hopes that the City is working with Mr. Dupuis and Kiwanis to find a suitable location for the Barney's Dream project. Kathy Bangley, Assistant Planner, said that the "Barney's Dream" project has been placed on the plan based on their request. Commissioner Manry asked how much money that Kiwanis and Mr. Dupuis still have to raise. Mr. Tonjes said that it is close to \$20,000.

Mr. Otte pointed out the location of a retention pond on the Conceptual Site Plan for Kiwanis Park that he said is being installed by the city.

Ms. Bangley commented on the August 7, 2008 public meeting held by the Parks Board. She said that three people, who live adjacent to the park and in attendance at the meeting, showed a lot of support for the project. One of them expressed concerns about the noise coming from the Skate Park and asked if there were any plans to buffer the noise with some type of vegetation. She said that she told people at the meeting that those types of things are still in development and under consideration, and that the City was not in favor of lighting the park. Ms. Bangley said that the City has already received a Letter of Support from the Pram Fleet supporting the project.

Mr. Otte noted that the City is allowed to apply for two grants if there are no outstanding FRDAP grant projects. He said that he is confident that all of the City's current FRDAP grant projects would be closed by the time these grant applications are due.

Commissioner Van Sickle said that because it is difficult to match grants he hopes that it does not become an issue.

Commissioner Manry made a motion to direct City staff to prepare a Florida Recreation Development Assistance (FRDAP) Grant Application for the enhancement and improvement of Kiwanis Park. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry

"YES"

| | |
|-------------------------|-------|
| Commissioner Van Sickle | "YES" |
| Commissioner Howell | "YES" |
| Commissioner Rogers | "YES" |
| Mayor Wheeler | "YES" |

The motion carried 5-0.

AGENDA ITEM 12. Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Program Grant

Mr. Otte reported on Agenda Item 12. The full staff memo is incorporated into the minutes.

[begin agenda memo]

RECOMMENDATION

Staff recommends that the Honorable Mayor and the City Commission authorize the Police Department to apply for funding through the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Program Grant.

BACKGROUND

Since 1999, the Police Department has received funding from the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Grant Program (Byrne Formula). Over the last three Fiscal Years, the Police department utilized this funding to implement and enhance the Lake Wales Community Resources Program. This program provided crime prevention and education to citizens throughout the city of Lake Wales.

The Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Program Grant award amount is \$5,306.00 and if approved would be included in the 2008/2009 budget. Match is not required with this program.

The Police Department proposes to use these funds to continue the Lake Wales Community Safety Program and purchase tire deflation devices. This equipment will allow law enforcement personnel to safely terminate vehicle pursuits, or prevent them from beginning in certain cases.

OTHER OPTIONS

The Commission may choose not to authorize application for and accept the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Program Grant.

Fiscal Impacts:

The Finance Department has reviewed this grant and found no fiscal impacts associated as matching funds are not required.

[end agenda memo]

Commissioner Howell made a motion to authorize the Police Department to apply for funding through the Edward Byrne Memorial State and Local Law Enforcement Assistance Formula Program Grant. The motion was seconded by Commissioner Manry.

ROLL CALL:

| | |
|---------------------|-------|
| Commissioner Howell | "YES" |
| Commissioner Manry | "YES" |
| Commissioner Rogers | "YES" |

Commissioner Van Sickle "YES"
Mayor Wheeler "YES"

The motion carried 5-0.

AGENDA ITEM 13. Contractual Services for Preparation of CDBG Application

Mr. Otte reported on Agenda Item 13. The full staff memo is incorporated into the minutes.

[begin agenda memo]

RECOMMENDATION

Staff will make a presentation on this item at the meeting.

BACKGROUND

Andy Easton, the City's CDBG grant consultant, informed the Commission on June 17 that the best chance for funding in the September 30 round of applications was a Commercial Revitalization project. The Commission approved a motion to apply for a CDBG grant in this category.

Andy also informed City staff that he anticipated at that time that the Department of Community Affairs (DCA) was going to re-write their rules for the project category. The old rules put a high value on streetscape projects, façade improvements for commercial buildings, parking lots with undesignated parking, and landscaping. The new rules put a high value on water projects. Accordingly, City staff has been working on this application to bring to the Commission in September for Phase 2 of the downtown water project (Phase 1 is in process, to serve buildings with a new water main in the First Street area including the Bank of America Building. Phase 2 would serve buildings from a new water main near Scenic Highway).

On August 1, Andy met with City staff and said that DCA had announced that for this round of applications, the old rules would apply. Andy said that a City match is required, and the matching funds could be used for the water project; however, the grant funds needed to be used for the items listed above that are highly valued under the old rules.

There are a number of projects that fit this description, and they require the work of the city engineer and the architect on retainer for the Lincoln Ave. Revitalization program. The grant application requires all engineering and architectural plans to be submitted with the application; therefore, City staff is planning a presentation to the Commission and is gathering those "scopes of work." This information will be brought to the Commission meeting and presented for Commission consideration.

OPTIONS

Do not apply for the grant.

FISCAL IMPACT

The fiscal impact will be presented at the meeting.

[end agenda memo]

Mr. Otte reported that he is still awaiting a scope of work from the Architect, John Parks, on the Lincoln Avenue Revitalization program and on the design of some facade improvements to private buildings, and a scope of work from the City's engineer, Gerry Hartman, to design two parking lots: one in the Lincoln Avenue area and the other one at the corner of First Street and Tillman Avenue. He said that this particular grant source could only be used on privately owned buildings. Mr. Otte said that he, and

Kimbrough and Associates have looked at various grant sources for the Walker building at the corner of C Street and Lincoln Avenue and were told that the building would not be eligible. However, undesignated parking lots are eligible. He said that staff was thrown into a quick planning situation because the Department of Community Affairs did not change the rules the way that Andy Easton, the City's Grant Consultant, had anticipated. Hopefully, if the scopes of work are received in time, staff will bring this item back to the Commission at its next meeting on September 2.

AGENDA ITEM 14. Discussion of Financial Statements for July 31, 2008, Fiscal Year to Date

Mr. Otte reported on Agenda Item 14. The full staff memo is incorporated into the minutes.

[begin agenda memo]

RECOMMENDATION

The unaudited financial statements for the City of Lake Wales for the Period Ending July 31, 2008 are presented to the City Commission for review. At the end of July, the City is 83.3% into the fiscal year. Twenty-two of twenty-six payrolls (84.6%) have been expensed through July 31. Budget comparisons are based on the FY07'08 budget as amended by Ordinances 2008-02 and 2008-16.

SUMMARY

The following chart gives a brief summary of revenue and expenditure performance as of July 31, 2008:

| Fund | Revenues & Sources | | Expenditures & Other Uses | |
|---|--------------------|----------------------|---------------------------|----------------------|
| | Percent of Budget | Comparison to Target | Percent of Budget | Comparison to Target |
| General Fund * | 101.5% | +18.2% | 86.7% | +3.4% |
| Special Revenue Funds | 88.7% | +5.4% | 44.0% | -39.3% |
| Debt Service Fund | 82.2% | -1.1% | 92.2% | +8.9% |
| Capital Projects Fund | 67.5% | -15.8% | 113.1% | +29.8% |
| Airport Fund | 13.0% | -70.3% | 27.8% | -55.5% |
| Utility System Fund | 35.8% | -47.5% | 33.8% | -49.5% |
| *After adjustment, General Fund revenues are at 90.5% of budget; expenditures are at 84.6% (see explanation below). | | | | |

General Fund revenues are currently at 101.5% of budget because revenues include the unbudgeted transfer of land sale proceeds in the amount of \$1,033,415 from the CRA and impact fees in the amount of \$235,402 from the Capital Projects Fund for the purchase of a fire truck. When these items are excluded, General Fund revenues are at 90.5% (+7.2%) of budget.

The General Fund received 98.4% of budgeted ad valorem tax revenues through July 31 with only \$8,554 received since June 30. Through the end of June, the City received 78.8% of budgeted franchise fees, 71.1% of utility taxes, 89.1% of communications services taxes, 83.6% of state-shared revenues, and 84.3% of sales tax revenues.

General Fund expenditures were at 86.7% or 3.4% above the target level. When the unbudgeted purchase of a fire truck is excluded, General Fund expenditures are at 84.6% or 1.3% (+\$153,104) over

target. Revenue and expenditure budgets will be adjusted with Budget Amendment #3 to reflect the transfer of impact fees and land sale proceeds.

Overall revenues in the Special Revenue Funds were at 88.7% of budget, reflecting the receipt of \$9.5 million in CRA Bond proceeds. In addition, both city and county tax increment revenues have been fully recorded. The Library Fund received 97.8% of its budgeted revenues, and the Transportation Fund received 80.2% of gas tax revenues. Library Fund expenditures were at 77.4% of budget and Transportation Fund expenditures were at 37.0%. The CDBG grant fund recorded 108.1% of budgeted expenditures including some remaining expenditures related to the CDBG Disaster Recovery Grant budgeted in FY06'07 but not expended before 9/30/07; these expenditures will be included in the next budget amendment. There was minimal activity in the other Special Revenue Funds through the end of July.

Debt Service Fund expenditures are higher than budget (+8.9%) as a result of the fact that \$852,975 in principal and interest payments for the Series 97 Bond and the SunTrust 2003 note were paid on October 1 and \$197,258 in interest for these two loans was paid on April 1. The October 1 payments were made from the bond sinking fund accounts that were funded during FY06'07 and represent 55.2% of the total expenditures budgeted for the Debt Service Fund in FY07'08. An additional \$30,291 principal payment for the Suntrust 99 CIP Bond was budgeted and funded in FY06'07 but was not actually paid until October 2007.

The Capital Projects Fund reflects receipt of 67.5% of budgeted revenue and 113.1% of budgeted expenditures. Most of the expense incurred in this fund through July 31 is related to construction of the Soccer/Multi-purpose field (\$312,193) and the expenditure of police, fire and recreation impact fees. The unbudgeted transfers to the General Fund of \$235,502 in fire impact fees and \$91,750 in police impact fees were approved by the City Commission and will be reflected in the next budget amendment.

Airport Fund revenues were at 13.0% of budget and expenditures were at 27.8%. Most of the revenues budgeted in this fund for FY07'08 are grant-related and fund major capital projects which have not been completed at the end of July although \$1,490,772 has been spent on improvements since October 1, 2007.

The Utility Fund received 90.9% of budgeted revenues through July 31 This number includes impact fees, the Oakley settlement, and miscellaneous revenues as well as charges for services. Revenues from water charges were at 88.5% of the amended budget (+\$168,494), and revenues from sewer charges were at 85.3% (+\$58,414). Overall revenues and other financing sources in the Utilities Fund were at 35.8%. Loan proceeds related to the wastewater treatment plant expansion and southside force main projects are recorded as actual expense is incurred. Expenditures in the operating departments were at 76.6% or 6.7% (\$287,695) below target level. Total Utilities Fund expenditures and other uses were at 33.8% of budget.

The City's overall cash position at the end of July 2008 improved in comparison to the cash position at the end of July 2007 (+\$1,737,205). In order to make a valid comparison, however, adjustments must be made to both years as follows:

| | 7/31/07 | 7/31/08 | Difference |
|---|-------------|-------------|------------|
| Total Cash & Investments | 6,008,860 | 7,746,065 | +1,737,205 |
| Due to Other Governments | (187,060) | (126,722) | |
| Insurance Proceeds & Other Airport Cash | (1,012,951) | (640,499) | |
| Deferred Revenues* | (539,543) | (463,224) | |
| Sale of Coop Fruit Prop (Net of Expenditures) | (1,091,488) | (1,091,488) | |

| | | | |
|---|-----------|-----------|------------|
| Cash & Investments Net of Adjustments | 3,177,818 | 5,424,132 | +2,246,314 |
| **reflected in cash but restricted to a specific future expenditure (grant project, tree replacement fund, etc) | | | |

After excluding cash that has been collected on behalf of other governments, unexpended Airport insurance proceeds, deferred revenues and sale of the Cooperative Fruit Property, the City's overall cash position at the end of July 2008 reflects an increase of \$2,246,314 over the end of July 2007. In relation to the cash position at June 30, 2008 (\$6,510,618), the July position shows a decline of \$1,086,486.

The City's accounts payable at 7/31 increased ed by \$40,871 from \$1,075,908 at 7/31/07 to \$1,116,779 at 7/31/08. Accounts receivable at 7/31 declined by \$666,494 from \$2,009,672 at 7/31/07 to \$1,343,178 at 7/31/08.

The revenue trend analysis begun in February has been updated for revenues received through 7/31/08. In relation to budget amendment Ordinance 2008-16, it is estimated that General Fund revenues will be approximately \$33,583 over budget at 9/30/08 (Chart 2). A similar analysis of expenditures through 7/31/08 projects that payroll and operating expenditures will be \$48,381 over budget (Chart 3) after adjusting for anticipated increases in the cost of fuel.

If the current trend in water and sewer revenue collections continue, there will be an approximate overage of \$269,865 in water and sewer revenues when compared to the amended budget. Utility Fund operating expenses are projected to be about \$140,910 under budget at the end of the fiscal year.

Current revenue trends in the Transportation Fund indicate a shortfall of \$36,308 at 9/30/08. On the other hand, operating expenditures in the Streets Division are projected to be \$1,033 over budget after adjusting for anticipated increases in the cost of fuel. These factors will necessitate an increase of \$37,341 in the General Fund transfer to the Transportation Fund.

A summary of the information in Chart 2 and Chart 3 indicates that General Fund revenues will exceed expenditures by \$17,754. While it is currently indicated that a draw-down of fund balance may be avoided, please note that at 4/30/08 an excess of revenues over expenditures was projected in the amount of \$191,474. The projected surplus of revenues has been steadily eroded with each month's financials due in large part to fuel cost increases (Chart 1).

| | at 5/31 | at 6/30 | at 7/31 |
|---|------------|------------|------------|
| General Fund Revenue Budget | 11,511,001 | 11,511,001 | 11,511,001 |
| Projected General Fund revenue excess (shortfall) | 87,861 | 38,542 | 33,583 |
| Projected shortfall in Utility contribution to Gen Fund | 0 | 0 | 0 |
| Projected General Fund revenues at 9/30/08 | 11,598,862 | 11,549,543 | 11,544,584 |
| % of budgeted revenue | 100.8% | 100.3% | 100.3% |
| General Fund Expenditure Budget | 11,441,108 | 11,441,108 | 11,441,108 |
| Projected General Fund expenditures over(under) budget | 43,254 | 67,141 | 48,381 |
| Projected increase in General Fund subsidy of Transp Fund | 24,727 | 43,846 | 37,341 |
| Projected General Fund expenditures at 9/30/08 | 11,509,089 | 11,552,095 | 11,526,830 |

Development of a Park in the Northern Area: Mr. Otte reported that there is no updated information on the development of a park in the northern area at this time.

Grants for Operating a Municipal Swimming Pool: Mr. Otte reported that there is no updated information on grants for a Municipal Swimming Pool at this time.

City Property that could be Sold or Leased: Mr. Otte reported that staff wishes to have a Finance Committee meeting to review a list of properties that could either be sold or leased, and to review a list of revenue enhancement opportunities.

A Repeater on the Water Tower: Mr. Otte reported that a letter for the WUSF repeater is ready for the Mayor's signature.

PUBLIC COMMENTS

There were no comments made by the public.

COMMISSION COMMENTS

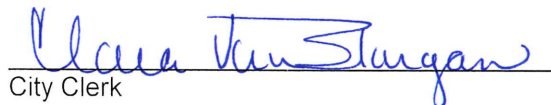
Commissioner Howell said that she received a copy of an email today that was placed in her box from a citizen saying that the drainage ditch located on the west side of Alabama Street had not been cleaned out in years. Mr. Torrance said that he had also gotten a copy of the email, and that he would check it out first thing tomorrow morning.

There being no further business the meeting was adjourned.



Mayor/Commissioner

ATTEST:



City Clerk