

The regular meeting of the Lake Wales City Commission was held on January 20, 2009 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. Mayor Lee A. Wheeler, III, called the meeting to order.

INVOCATION

The invocation was given by Dr. Jim Moyer, Warner University.

PLEDGE OF ALLEGIANCE

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

COMMISSIONERS ABSENT: Terrye Y. Howell

CITY REPRESENTATIVES PRESENT: Anthony G. Otte, City Manager; Albert C. Galloway, Jr., City Attorney; Judith H. 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 January 6, 2009 regular meeting. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 5. Ordinance 2009-01, Revising Procedures for Mandatory Cut-off for Non-Payment of Utility Bill – 1st Reading

Mr. Otte reported on Agenda Item 5. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Dorothy Pendergrass, Finance Director]

RECOMMENDATION

It is recommended that the City Commission take the following actions:

1. Approve Ordinance 2009-01 amending the requirement for mandatory cut off for non-payment of utility services from "twenty-five (25) days from the date of being billed for such services" to "ten (10) days after the second bill has been mailed"; and
2. Approve discontinuation of the use of the "Delinquent Notice" because the second billing will provide customers notice of non-payment.

BACKGROUND

Section 21-154(d) of the City Code requires that a utility account be considered delinquent and assessed a 1.5% penalty if the account remains unpaid after 20 days from the date of billing. At the time the penalty is assessed, a delinquent notice is mailed to the customer. Section 21-154(e) requires mandatory cut-off of water service if the bill remains unpaid on or after 25 days from the date of being billed for such service. Annually the City sends out over 21,000 delinquent notices (21,352 for 2006-2007 and 21,101 for 2007-2008) with an annual mailing/processing cost of \$11,300.

As a cost-savings measure, we are proposing that the separately mailed delinquent notice be eliminated. At the same time, we are proposing that the form of the utility bill be modified to include highlighted information that the payment is past due when the following month's bill for a delinquent account is prepared. Thus the second month's bill will serve as the delinquent notice for the first month's bill if it has not been paid by the second month's billing date.

Ordinance 2009-01 is proposed for the purpose of implementing this change. Depending on the meter reading/billing calendar for a particular billing cycle, this will give the customer an additional 10 to 15 days in which to pay his utility charges before service is disconnected.

FISCAL IMPACT

With the recommended changes, the city will realize an annual cost savings of \$11,300 at current postage costs. The Finance Department is proposing that \$360 of this savings be reallocated to fund the inclusion of return envelopes for customer convenience and that \$1,500 be reallocated to purchase scanner technology to improve the efficiency of processing utility payments.

[End agenda memo]

Ms. Delmar read Ordinance 2009-01 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, FLORIDA, AMENDING LAKE WALES CODE OF ORDINANCES CHAPTER 21, UTILITIES, BY REVISING THE PROCEDURE FOR MANDATORY DISCONTINUATION OF SERVICES; PROVIDING AN EFFECTIVE DATE.

Dorothy Pendergrass reviewed a calendar with the Commission that Mr. Otte distributed showing the dates of the current billing cycle and the proposed billing cycle. She explained that under the proposed change, shut-off customers will be getting an additional five days to pay their utility bill and in exchange for that, it will create an annual savings of \$11,000.

Mayor Wheeler said this sounds like a wonderful idea. Not only will it save us money, it will provide those who are struggling financially with additional time to pay their bill. Ms. Pendergrass said she is proposing that \$360 of the savings be reallocated to fund the inclusion of return envelopes for customer convenience and the rest be allocated toward the purchase of the scanners. She said that currently as the 7,500 or so bills come in each month the utility clerks have to key punch in the data, which is labor intensive depending on how many clerks you have doing it. This proposal will increase accuracy as well as speed up the mail payment process and decrease the wait time for those who come in to pay their bill.

Commissioner Van Sickle asked if there are really 21,000 customers paying their bill late each year. Ms. Pendergrass said without looking at the detail, we might have repeat customers who constantly pay their bill late. Commissioner Van Sickle said online pay is much easier and it would be nice if more customers utilized that option. Ms. Pendergrass said she is looking for that to happen in the future. She said a good way to increase the use of technology is by doing an annual campaign through utility billing to remind people of that option. Commissioner Van Sickle said we could also let people know that they can monitor their bills on line. The graphs are very helpful. Ms. Pendergrass said she has already been discussing with

vendors on ways to improve the online bill pay site. She said our current contract doesn't expire until October 1 and she will probably be providing information to the Commission on that sometime in June.

Commissioner Manry said her utility payment is automatically drafted from her bank account each month. She asked if we provide a notice of the availability of that option on the bills each month. Ms. Pendergrass said she was not sure, but if it isn't she will see that it is. Commissioner Manry said now would be a good time to campaign because most of the winter visitors are here.

Commissioner Van Sickle made a motion to approve Ordinance 2009-01 after first reading. The motion was seconded by Commissioner Manry.

ROLL CALL:

Commissioner Van Sickle	"YES"
Commissioner Manry	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 6. Ordinance 2009-02, Proposed Changes to Chapter 12 with respect to Nuisance Property maintenance - 1st Reading

Mr. Otte reported on Agenda Item 6. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Judith H. Delmar, Asst. City Manager]

RECOMMENDATION

It is recommended that the City Commission approve Ordinance 2009-02 after first reading.

BACKGROUND

It is becoming increasingly evident that our ordinance authorizing the City to clean nuisance properties requires revision. The current ordinance allows the city manager to authorize the cleaning of nuisance properties after notification to the property owner and provides that the owner can be charged for the actual cost of the service plus an administrative fee of fifteen (15) per-cent of the cost of the work up to ten (\$10.00) dollars.

This ordinance was adopted by the City in the 1950's. Staff recommends that proposed Ordinance 2009-02 be adopted to provide for costs that are more in line with our current economy. Our suggestion is that the city amend our current code by approving the following:

- That after notification to the property owner advising their property is in violation of existing codes, and after sufficient time is given for correction of the violation, the city manager (or his authorized representative) can move forth to have the violations corrected using contract labor.
- This will require that the City issue a bid request and obtain the services of a licensed lawn maintenance company. It will be required that the selected contractor provide proof they have the equipment required to clean the property, bonding and adequate insurance. They will be required to sign a "hold harmless" damage agreement (covered by their insurance) to assure the City faces no liability in case of accidents.

- That, once violations on the property are corrected, staff will prepare an invoice and present it to the owner. Failure to make restitution for costs incurred by the city plus administrative fees within thirty days from the issuance of the invoice will result in a service lien that is filed in the official records of the County.

As the current ordinance was adopted more than fifty years ago, the administrative charges are not in alignment with our current economy. Whereas ten dollars may have seemed an adequate administrative charge at the time of adoption, it does not nearly cover the costs incurred by the city to provide this service today.

Staff contacted the City of Lakeland and has used their program as a guide in the preparation and submission of this revision. R. Brian Rewis, Lakeland Code Enforcement Supervisor, advised that the contractor who currently provides lawn maintenance service charges \$0.007 per square foot to clean nuisance properties. To gain an insight we offer that to clean a city lot of 100 X 150 feet (average lot size) would cost the City seventy eight (\$78.00) dollars. Additional charges could be expected if bush hog or other services is required.

As previously stated, once a property is cleaned, an invoice will be prepared by city staff allowing the owner 30 days to make restitution. Failing to make restitution, a service lien will be prepared and filed in the public record. Under current state statutes a foreclosure action against a property eliminates all code enforcement liens; however, if the lien is filed as a service lien the owner must make restitution to the city government before ownership of the property can be conveyed.

OTHER OPTIONS

The remaining option is to leave the ordinance in public record as written and take no action.

STAFF COMMENTS

The intent of this change of ordinance is not a money making proposition for the city. It is requested to allow staff to clean properties after all other efforts to have the owner maintain their property have failed and to have the city adequately reimbursed for administrative costs incurred. Adoption of this revision is in the best interests of the health, safety and welfare concerns to the citizens of this community.

FISCAL IMPACT

Minimal. Although the City may be placed in a position to incur labor charges initially, it is anticipated that the administrative fees will cover costs incurred by the City in a long-range program.

[End agenda memo]

Ms. Delmar read Ordinance 2009-02 by title only.

AN ORDINANCE AMENDING CHAPTER 12, HEALTH, SANITATION, NUISANCES, LAKE WALES CODE OF ORDINANCES, BY PROVIDING THAT THE OWNER OF PROPERTY THAT IS DETERMINED TO CONSTITUTE A PUBLIC NUISANCE DUE TO UNSANITARY CONDITIONS SHALL REIMBURSE THE CITY FOR ALL COSTS INCURRED BY THE CITY IN ELIMINATING SAID UNSANITARY CONDITIONS, INCLUDING ADMINISTRATIVE COSTS; AMENDING THE METHOD BY WHICH NOTICE IS PROVIDED TO THE PROPERTY OWNER; PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Manry asked how well these owners reimburse the City. Ms. Delmar explained that we already have a procedure in place but Code Enforcement hasn't utilized it for sometime. Back in the 1980's and early 1990's before we had a Code Enforcement Board that procedure was the only method

we had for cleaning up eyesore lots. A lot of liens were filed at that time that do not get paid off until the owners try to sell their property. Mr. Otte said he has been pressuring Code Enforcement to speed up the process on properties that are in foreclosure to get things looking nice as quickly as possible. This will be another category of Code Enforcement where we will probably encounter problems, but the current charge of \$10 doesn't cover our cost of processing.

Mayor Wheeler inquired as to the cost of recording. Mr. Galloway said it is currently \$10.00 for a single page instrument. Ms. Delmar said that we try to keep it to a one-page filing. The cost for postage is an additional charge. Mr. Galloway advised that we have to be careful not to record liens after the properties have gone into the foreclosure process because the bank could choose not to be responsible for that lien.

Commissioner Manry made a motion to approve Ordinance 2009-02 after first reading. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 7. Resolution 2009-02, Promoting "Building Citizenship in the Community: Back to Basics" – Florida League of Cities, Inc.

Mr. Otte reported on Agenda Item 7. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Clara VanBlargan, CMC, City Clerk]

RECOMMENDATION

It is recommended that the City Commission approve Resolution 2009-02, "Building Citizenship in the Community: Back to the Basics"

BACKGROUND

During this extremely tough economic time, educating our citizens on the fundamentals of city services and what it takes to effectively run a city has become essential. This is essential as we continue to be forced to cut our budget and still maintain the level of service demanded by our citizens. The Florida League of Cities, Inc. is launching an initiative called "Building Citizenship in the Community: Back to the Basics." The League is hoping to teach students and all citizens about municipal government through a variety of different projects, resources and information.

The Florida League of Cities is encouraging each municipality to approve a resolution to show its support in recognizing the "Building Citizenship in the Community: Back to Basics." To do this, staff is recommending that the City Commission approve Resolution 2009-02.

FISCAL IMPACT

None.

[End agenda memo]

Ms. Delmar read Resolution 2009-02 by title only.

A RESOLUTION OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA RECOGNIZING THE "BUILDING CITIZENSHIP IN THE COMMUNITY: BACK TO BASICS" INITIATIVE OF THE FLORIDA LEAGUE OF CITIES, INC., AND PLEDGING SUPPORT FOR THIS STATEWIDE EFFORT.

Commissioner Manry made a motion to approve Resolution 2009-02. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 8. Temporary Street Closings for the Grand Opening Ceremony for Polk Community College

Mr. Otte reported on Agenda Item 8. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Harold Gallup, Economic Development Director]

RECOMMENDATION

Staff recommends that the City Commission approve the following motion: to authorize the following street closings for the GRAND OPENING CEREMONY for the Polk Community College J.D. Alexander Academic Center at the Old City Hall 7:00 a.m. to 5:00 p.m. on January 30, 2009: Central Avenue from 1st St. to Scenic Highway (S.R. 17), Market St. from Stuart Ave. to Central Ave., and 2nd St and from Tillman Ave. to Central Ave.

BACKGROUND

Staff has received a Special Event Permit from the Polk Community College (PCC) for City Commission approval of temporary street closings for a formal GRAND OPENING CEREMONY to mark the completion of renovations and the OPENING of the facility for Classes. The event is scheduled for January 30, 2009 at 2:00 p.m. The street closures are requested to allow the erection of a tent in the street on Central Avenue in front of the newly renovated facility. Staff has met with Chief Gillis and the recommended time of 6:00 a.m. to 5:00 p.m. for the temporary closures allows for the police to keep the parking and traffic to a minimum on the closed roads and will provide for the safety of those attending the event. The traffic will be detoured around Central Avenue to Tillman Avenue as per the attached map. Police officers will be at each affected intersection to manage vehicular traffic as well as foot traffic of those attending the event. Chief Gillis will have officers visit each business that will be affected by the detour and explain what will be happening, and that customers who have business in the closed-off area will be allowed access to that business. In addition, 72 hours prior to the event, the police will place the Variable Message Board on Central Avenue, which will announce the street closings and the detour routes. PCC will provide trash receptacles and has asked that the Streets Department provide trash pick-up service at the conclusion of the event. There will be refreshments served and tours of the facility at the end of the formal event.

CURRENT FISCAL IMPACT

In-kind services of the Police Department and Streets Department.

OTHER OPTIONS

None as may apply to this specific event.

[End agenda memo]

Mr. Otte said Mr. Galloway pointed out that on the application the sponsor requested the streets to be closed at 6:00 a.m. and not 7:00 a.m. He said to be sure, he recommends closing the streets at 6:00 a.m. instead.

Commissioner Manry made a motion to approve the street closings for the Polk Community College J.D. Alexander Academic Center Grand Opening Ceremony at the Old City Hall from 6:00 a.m. to 5:00 p.m. on January 30, 2009. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 9. Special Event: Race for the Kids

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

[Begin agenda memo, prepared by Clara VanBlargan, CMC, City Clerk]

RECOMMENDATION

It is recommended that the City Commission approve the Special Event Permit Application for the "Race for the Kids" event to be held at Lake Wailes on Friday, March 20, 2009 and Saturday, March 21, 2009 from 10:00 a.m. to 5:00 p.m., and on Sunday, March 22, 2009 from 12:00 noon to 5:00 p.m.

BACKGROUND

Staff received a Special Event Permit Application from Gary Levin, representative of the Race for the Kids Foundation, for City Commission approval of the Race for the Kids Boat Race. It is requested that the boat race be held at Lake Wailes on Friday, March 20, 2009 and Saturday, March 21, 2009 from 10:00 a.m. to 5:00 p.m., and on Sunday, March 22, 2009 from 12:00 noon to 5:00 p.m. It is not necessary that any streets to be closed in connection with this event. The sponsors are responsible for any necessary sanitary facilities, site preparation, and site cleanup.

This is the same group that put the race on last year with the same style watercraft.

At its regular meeting on Tuesday, January 13, 2009, the Lakes Advisory voted unanimously in favor of this event.

FISCAL IMPACT

The event will provide a welcoming tourist event for the monetary benefit of community businesses and attract county-wide spectators. Races provide the potential for vendors and for partnering with existing downtown events. The event will benefit Barney's Dream and the Lake Wales Boy Scout Troop 110.

OTHER OPTIONS

None.

[End agenda memo]

Commissioner Manry said she thought the Kiwanis Club put the event on last year. Mr. Otte said he thinks it was the Lion's Club the year before that. Commissioner Manry commented that Kiwanis is sort of a guarantee for success.

Gary Levin, sponsor of Race for the Kids event, said the Kiwanis Club is working with them considering Barney's Dream is part of that project. The monetary profits are going toward putting the finishing touches on the playground. He said this will be the third year having the event and they are currently working on having fund-raising boat races throughout the county.

Commissioner Manry said that at last year's boat race we had a problem with someone trying to fence off part of the trail. Mr. Levin said it was members of the Kiwanis Club trying to do that, but after telling them we could not do that the trail was opened back up.

Commissioner Manry made a motion to approve the Special Event Permit Application for the Race for the Kids event to be held at Lake Wailes on Friday, March 20, 2009 and Saturday, March 21, 2009 from 10:00 a.m. to 5:00 p.m., and on Sunday, March 22, 2009 from 12:00 noon to 5:00 p.m. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 4-0.

AGENDA ITEM 10. Discussion of Financial Statements for December 31, 2008, Fiscal Year to Date

Mr. Otte reported on Agenda Item 10. The full staff memo is incorporated into the minutes.

[Begin agenda memo, prepared by Judith H. Delmar, City Manager]

The unaudited financial statements for the City of Lake Wales for the Period Ending December 31, 2008 are presented to the City Commission for review. At the end of December, the City is 25% into the fiscal year. Six of twenty-six payrolls (23.1%) have been expensed through December 31.

SUMMARY

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

Fund	Revenues and Sources		Expenditures and Other uses	
	Percent of Budget	Comparison to Target	Percent of Budget	Comparison to Target
General Fund	38.2%	+13.2%	24.0%	-1.0%
Special Revenue Funds	35.8%	+10.8%	29.6%	+4.6%
Debt Service Fund	24.7%	-0.3%	52.6%	+27.6%
Capital Projects Fund	8.8%	-16.2%	1.3%	-23.7%
Airport	2.6%	-22.4%	20.9%	-4.1%
Utility System Fund	14.5%	-10.5%	13.2%	-11.8%

	9/30/08	12/31/08
Pool/Tax Anticipation Investment Account	\$1,037,852	\$1,038,897

General Fund revenues were 38.2% of budget at December 31, a significant increase over November 30 when revenues were 11.0% of budget. This is due primarily to the fact that the General Fund received 61.2% of budgeted ad valorem tax revenues through December 31, with \$2,466,420 received after December 15. Another large portion of these taxes will be received during January, after which receipt of ad valorem revenues will begin to slow down. Through the end of December, the City received 24.1% of franchise fees, 20.4% of utility taxes, 33.9% of communications services taxes, 25.2% of state-shared revenues, and 22.6% of sales tax revenues. General Fund expenditures were 1.0% below the 25% target level.

Revenues in the Special Revenue Funds were 35.8% of budget, reflecting the receipt of 61.2% of budgeted ad valorem taxes in the Library and 100% of budgeted City tax increment in the CRA fund. The Library Fund received 37.5% of its budgeted revenues, and the Transportation Fund received 24.1% of gas tax revenues. Library Fund expenditures were at 24.7% of budget and Transportation Fund expenditures were at 37.3%. There was minimal activity in the other Special Revenue Funds through the end of December.

The Capital Projects Fund reflects receipt of 8.8% of budgeted revenue and 1.3% of budgeted expenditures. One FRDAP grant-funded project, two CRA bond-funded projects, and the impact fee purchase of police patrol vehicles are budgeted in the Capital Projects Fund this year.

Debt Service Fund expenditures are significantly higher than budget (+27.6%) as a result of the fact that \$1,276,705 in principal and interest payments for the Series 97 Bond and the SunTrust 2003 note were paid on October 1. These October 1 payments were made from the bond sinking fund accounts that were funded during FY07'08 and represent 52.4% of the total expenditures budgeted for the Debt Service Fund in FY08'09.

Airport Fund revenues were at 2.6% of budget and expenditures were at 20.9%. Most of the revenues budgeted in this fund for FY08'09 are grant-related and fund major capital projects which have not shown significant progress through December.

Revenues from water charges were at 22.1% of budget (-\$102,185), and revenues from sewer charges were at 24.4% (-\$17,579) at 12/31/08. Overall revenues and other financing sources in the Utilities Fund were at 14.5%. Expenditures in the operating departments were at 21.9% of budget. Total Utilities Fund expenditures and other uses were at 13.2%.

The City's overall cash position at the end of December 2008 has declined significantly from the cash position at the end of December 2007 (-\$3,853,024). In order to make a valid comparison, however, adjustments must be made to both years as follows:

	12/31/07	12/31/08	Difference
Total Cash & Investments	9,715,995	5,862,971	(3,853,024)
Due to Other Governments	(243,493)	(121,100)	
Insurance Proceeds & Other Airport Cash	(1,261,758)		
Deferred Revenues*	(508,079)	(423,849)	
Cash & Investments Net of Adjustments	7,702,665	5,318,022	(2,384,643)

*reflected in cash but restricted to a specific future expenditure (grant project, tree replacement fund, etc), at which time revenue will be recognized

After excluding cash that has been collected on behalf of other governments, unexpended Airport insurance proceeds, and deferred revenues, the City's overall cash position at the end of December 2008 was \$2,384,643 lower than at the end of December 2007. Of this, \$2,152,813 can be attributed to the completion of two utility projects: the Downtown Water Main Extension (\$704,661; CRA revenues) and the Southside Force Main (\$1,448,152; Utility Fund, Wachovia loan proceeds).

In relation to the cash position at November 30, 2007 of \$2,522,585, the December position shows an improvement of \$2,795,437. This improvement was possible because the City received \$4,024,015 in ad valorem revenues in December. The City also received \$544,447 in Historic Preservation grant funds that reimbursed the CRA for cash advanced to cover expenditures related to grant-funded projects

The amount due to the City from other government agencies was \$622,244 less at the end of December 2008 than it was at the end of December 2007 (primarily historic grant reimbursements and other grant reimbursements). The City's accounts payable at 12/31 increased by \$255,433 from \$891,380 at 12/31/07 to \$1,146,813 at 12/31/08. The City's accounts receivable at 12/31 increased by \$65,792 from \$1,483,790 at 12/31/07 to \$1,549,582 at 12/31/08.

[End agenda memo]

Mayor Wheeler said although this financial information is available to the public, it is not very reader friendly. He said that with a \$13 million budget he can't understand why we would be talking about a \$315.00 expenditure. He suggested presenting a more concise executive summary. Ms. Delmar said the section he was referring to concerns the various departments. If the Commission doesn't want to know where the departments stand on a monthly basis that section can be eliminated, and we can just report the bottom line. Mayor Wheeler said he only wants less confusion. Mr. Otte said the intent of the first page is to be the executive summary that lists information by Fund and not by department. Then, by Fund what percentage of revenue was realized and what was expended. The rest of the pages are merely a detailed breakdown. Ms. Delmar said the financials are a summary of our almost 300-page financial report. Mayor Wheeler suggested rounding the numbers. Ms. Delmar said rounding would create another set of financials, which can be done and will take some time.

Commissioner Manry said the verbiage at the front is written for people who understand accounting. She asked if a guide could be written to explain how to read the report so people could understand what it means. Mr. Otte said the intention of the cover memo is to do that, so if the cover memo needs fine-tuning then we can bring back a refinement. Ms. Delmar said we could probably summarize more in the narrative. She said she doesn't want to get to the point where we are rounding numbers that are coming off of our actual financials. Mayor Wheeler said he would disagree because rounding makes things easier to understand. He said that if you look at Fortune 500 balance sheets you would never see that kind of detail. Mr. Otte said we could refine the cover memo. He said that because the other sheets come directly from the accounting system, he would rather leave them as is. Mayor Wheeler said we just need something that the public can understand.

Commissioner Van Sickle said he gets confused when reading the executive summaries. Mr. Otte said that it was his understanding that in the past the 300-page document was given to the Commission without a summary. We have come a long way with the cover memo so maybe now is the time to refine it. The Finance Committee could take that on as a task and work with staff.

Mr. Otte commented on a hand-out that was distributed at the Lake Wales Chamber of Commerce meeting on Friday regarding the City's debt versus the debt of our comparison cities. The hand-out shows that our current debt is in the \$33 million range, Auburndale is in the \$49 million range, Haines City is in the \$45 million range, Bartow is in the \$40 million range, and Winter Haven is in the \$99 million range.

Commissioner Van Sickle said that type of information confuses him because according to that, it sounds like Winter Haven is in bad shape when they probably have more income to bear that \$99 million. If we have \$33 million worth of debt and only one-fourth of the income of Winter Haven, then we are probably in better shape than Winter Haven is with their \$99 million debt. Sometimes numbers can be misleading, which is why some people get confused. Mr. Otte said he probably shouldn't have mentioned Winter Haven because it is not a comparison city. The other two comparison cities are relatively like us. They do not have electric utilities and their budgets are relatively close to ours. There have been articles in the paper saying how our debt is out of control etc., but we have the lowest level of debt compared to our two comparison cities, which make a statement that is justifiable and understandable.

Commissioner Rogers said if you add the interest our debt would be close to \$38 million. Mr. Otte said the other numbers do not include the interest for those other cities either. Mayor Wheeler said those other cities have a different tax base than we have. They can afford the level of debt that they have and we probably have the level of debt that we can afford. So, we are not really comparing apples to apples when the tax base is so much different.

Commissioner Manry said this has been a very productive conversation because the financial statements are confusing. She said she appreciates the fact that people can view the City's financials on the City's website. If someone wants to question an expenditure of \$315.00 then they can call and ask.

COMMUNICATIONS & PETITIONS

CITY COMMISSION TRACKING REPORT

Mr. Otte reported that there are no updates to the tracking report. He said at the last meeting a number of items were brought up during the discussion part. There was a question of when FDOT would be holding its next State Road 60 East central median discussion. A tentative date of February 19 has been set, but has not yet been confirmed. Once confirmed, flyers will be sent out like the last time, which was how people knew to come to that meeting. Commissioner Manry asked if it was going to be only a discussion meeting. Mr. Otte explained that it would be an advertised open house meeting where FDOT staff will be present along with any affected property owners and citizens who would like to attend and speak to a FDOT staff member about what they are proposing. The meeting will be more like a status meeting regarding the design and what they are proposing.

Commissioner Van Sickle said he doesn't think the City really has any say in this. FDOT is really just asking for comments on what they are proposing and in the end they have the final say. Mr. Otte said it is not up to the City because the project does not involve City funds and it is not a City road. It is a State project regarding a State road and State funding. In fact, it may be federal funding because this idea seemed to move ahead fairly quickly compared to their other projects like the traffic signal project at the intersection of Mt. Lake Cut-off Road and Scenic Highway. Mr. Otte said he had never known FDOT to come to any city asking for approval like they did on this project. He said the impression he got at the meeting was that they were only asking for Commission comments and concerns on the project before moving ahead.

Mr. Otte said another item that had come up at the last meeting was regarding downtown parking enforcement. He said that Police Chief Herbert Gillis is making progress with training another person along with Voice volunteers to work in parking enforcement. The City employee who is doing it now is only working on parking enforcement on a limited basis due to other duties.

Mr. Otte said regarding the question from the last meeting about the bus system he has not yet heard from the Eagle Ridge Mall. He said he would follow up and report back to the Commission.

Mr. Otte said he still needed to follow up on the Code Enforcement item discussed at the last meeting concerning vehicles that don't have tags and commercial vehicles parking on the grass in residential areas. The question was whether or not we have an ordinance concerning it that we are not strictly enforcing. Mr. Otte said he had made the statement that we do enforce all the ordinances, and if there is one that is questionable he will bring it back to the Commission, explain why it isn't working, and ask if the Commission would like to modify it or repeal it.

Mr. Otte reported on other comments made at the last meeting. He said the front entrance to City Hall has been cleaned; Lake Shore Drive near the boat ramp is going to be repaired by the end of next week; and he is still checking on the airport water system. He noted that Commissioner Van Sickle will be reporting on the moving of the monument.

Commissioner Manry asked if these items would be included on the tracking report. Mr. Otte said he could add the bus system, the Code Enforcement issue, and the airport water system on the tracking report. The other items have been taken care of.

Commissioner Van Sickle asked for a status on the interconnect with Winter Haven at Lake Ashton. Mr. Otte said he took that item off the tracking report because we had gotten an approval from Winter Haven and now we are making progress on that project. Commissioner Van Sickle said we thought the project would be finished by the end of the year and now we are not sure of what is going on. Mr. Otte said he would add that item back on the tracking report.

Commissioner Van Sickle gave an update on the moving of the monument project. He said he thought we would start moving the monument this week, but now the VFW is saying that they do not have the \$2,500 that it will take to move it. A contractor has volunteered to do the foundation, do the prep work, and cut the curb. City employees are trying to see if they can get a benefactor for the \$2,500. It would be nice to get benefactors for the rest of the work that needs to be done. We need to find someone to help raise the money. Mr. Otte said that City staff would continue working with Commissioner Van Sickle on that project.

Mr. Otte said that at the last Commission meeting we had a discussion on items to be presented to the Polk County Legislative Delegation, which he presented today. About 8 to 10 other cities also made presentations. Interestingly, a few of the items discussed were similar, such as having the federal stimulus package include projects like water and sewer expansion because that not only provides jobs for the designers, engineers, and contractors, but also extends the system so that businesses can expand and relocate here etc. He said it was interesting to him that the Delegation heard similar presentations from a lot of cities. The most questions were directed to two of the items: un-funded mandates, and the traffic signal problem at Mt. Lake Cut-off Road and Scenic Highway. Mr. Otte said for the un-funded mandates

he gave an example of how unemployment clients use our 12 computers at the Library to apply for unemployment benefits. He said that regarding the traffic signal problem at Mt. Lake Cut-off Road and Scenic Highway we have had cooperation from FDOT staff but it has taken about five years to really get that off the ground. The funding looks like it is in place, but he is questioning whether the signal would be turned on once it is constructed. Senator Paula Dockery had said to him that she had a similar experience with FDOT and would like us to specifically identify what we want FDOT to loosen in their process. Mr. Otte said that he gave an example of the warrant study and how this intersection doesn't exactly fit because there are some unusual circumstances. One, Progress Energy's trailers constantly go in and out carrying long poles. It is very hazardous to pull those poles through that intersection. Mr. Otte said that topic generated a lot of discussion, and he will follow up on it. Commissioner Manry asked if the other cities talked about un-funded mandates. Mr. Otte said that topic was discussed by representatives from the county and one other city, and the legislators asked for an example.

Mr. Otte said that he and the City Manager of Haines City spoke about the Miami Dade Bill that proposes to do away with surcharges. The point was made that our rates and revenues have already been made a part of our bond issues and that the allowance in State law for those surcharges has been there for about 80 years. State law allows us to charge 25% more for our utility customers who reside outside the City limits. This law has been around for a long time and is now being threatened by a bill out of Dade County. Mr. Otte said he also talked about the police opposition to any legislation that proposes to diminish municipal control over municipal employee pension plan management and funding, or an increase in municipal funding liabilities. We are responsible for our defined benefit plan, but when the State makes requirements on us, it makes it more difficult for us to meet the plan's funding requirements. This is just another un-funded mandate because cities have to pay more to meet new state requirements.

PUBLIC COMMENT

Wes Rogers, 500 E. Bullard Avenue, commented on the discussion that was made regarding the debt level of various cities and how it compares to Lake Wales. He said that incoming revenue would tell you whether you could carry whatever the debt service is. The debt service alone is not a significant figure. It's the ability to pay it back. This could be very misleading, which makes people think we are in a fiscal crises. Mr. Otte said that statements that had been made about the City being in debt and spending money like drunken sailors are not reflected in the figures for the other cities. Mr. Otte said we have fiscal constraints, part of which are from the bad year that we had in 2000-2001. We have been working to rebuild reserves ever since.

David Smith, president of the Lake Wales Branch NAACP, commented on the Dr. Martin Luther King, Jr. Day celebration. He said there were more activities held this year than ever before, the parade was longer, and the crowd on Lincoln Avenue was larger. He thanked Mr. Otte and the Police Department for their help in that and the Commission for participating in the walking event that was held on Saturday morning. Commissioner Manry said she had a great time participating in the walking event, and that the whole weekend was great. Mr. Smith said he appreciated everyone in Lake Wales who attended the events. Mr. Otte recognized the Police Department and the Committee for doing a great job.

Jean Scott, 306 Townsend Avenue, thanked the City for cleaning up the front entrance to City Hall and for making the flowers and plants look great. She asked when Grove Avenue would be open to vehicle traffic. Mr. Otte said this week. Mr. Torrance spoke about the work being done to open that street up.

COMMISSION COMMENT

Commissioner Rogers thanked the Police Department and the Committee for their help in making the Dr. Martin Luther King, Jr. Day event successful. He said he enjoyed attending.

Commissioner Manry asked if there had been any more discussion about creating something that would protect renters. Mr. Otte that we are still working on that, but at the same time, we are trying to be sensitive to the concerns of property owners. One concern is charging \$25 per unit to conduct an

inspection, which could get expensive for some people because they have multiple units. Once we have something that we feel comfortable in presenting we will bring that back to the Commission. Commissioner Manry said she got a call from a citizen saying that their landlord had not paid the water bill to the apartment where they live. That could be a helpless situation for some renters. She asked that this be put on the tracking report so we can keep an eye on it.

Mayor Wheeler said that Mr. Otte gave a State of the City Address to the Lake Wales Chamber of Commerce on Friday. He said he understands that it was a private event, but such an address has a public connotation to it. It might be wise to have such an address in a public venue where people would not have to pay to attend. He suggested having the event at the Lake Wales Art Center. Commissioner Manry suggested having it in the Chamber so the presentation could be shown on PowerPoint and on TV. Commissioner Van Sickle said the Art's Center is bigger. You couldn't get 500 people in the Chamber. Mr. Otte said he would be happy to set that up. He said he contacted Trish Adams and offered to do it at a coffee meeting at Lake Ashton. He could also show it on TV. Commissioner Manry suggested doing it on the City's Views on the Ridge show. Mayor Wheeler said his main point is to involve the public a little more.

Mayor Wheeler said that after the last meeting a few people approached him about the 2-hr parking limit downtown. They said a 2-hr parking limit does not allow enough time for worthwhile shopping. He said that over the weekend when he was in Sarasota he noticed a 3-hr parking limit there. He said that some of the merchants downtown probably get upset with people parking there all day long, which causes some people to not have a place to park. It is good that we are starting to enforce it, but at the same time we need to allow a reasonable time for people to shop. Mr. Otte said he would discuss that at the next Main Street meeting.

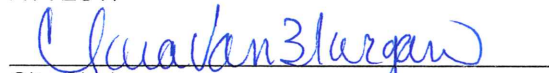
Commissioner Manry invited everyone to attend the 80th anniversary of Bok Tower Gardens on January 31. She said admission would be free that day.

There being no further business the meeting was adjourned.



Mayor/Commissioner

ATTEST:



City Clerk