

The regular meeting of the Lake Wales City Commission was held on September 20, 2011 at 6:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter following the Invocation and Pledge of Allegiance.

INVOCATION

The invocation was given by Dr. Jim Moyer.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Michael S. Carter, Terrye Y. Howell; Jonathan Thornhill; John Paul Rogers; Betty Wojcik.

COMMISSIONERS ABSENT:

CITY REPRESENTATIVES PRESENT: Judith H. Delmar, City Manager; Albert C. Galloway, Jr., City Attorney; Clara VanBlargan, City Clerk; Jacquie Hawkins, Deputy City Clerk.

MAYOR

Agenda Item 5. Proclamation: Family Day, September 26, 2011

Mayor Carter read a proclamation proclaiming September 26, 2011 as "Family Day – A Day to Eat Dinner with Your Children." No one was present to accept the proclamation.

Agenda Item 6. Public Comments by email during City Commission Meetings

City Attorney Chuck Galloway had recommended against allowing emails to be included during City Commission Meetings in a memo to Commissioners dated September 16, 2011 for the following reasons:

- Once received, an email becomes public record and therefore would have to be read in its entirety.
- All email received would be entitled to the same treatment. To do less would give rise to a possible claim of discrimination.
- There is no way of knowing the sender's actual identity as the sender could be utilizing another's computer.
- During public meetings participants exercise control over content and language, exercise a certain amount of decorum and police themselves, but the internet offers no such control. The sender has anonymity and might feel free to make any statement, including those they would be reluctant to make at the lectern during an open meeting.
- The City Clerk or Deputy City Clerk would have to monitor and determine the relevancy and appropriateness of email and there is no legal basis for them, or any other elected or appointed official, to make such a determination except in very limited instances such as social security numbers, or the addresses and phone numbers of law enforcement personnel.
- The City has no ability to redact any portion of a public record.

Mr. Galloway said for the foregoing reasons, it was his legal opinion that this proposal would not be in the City's best interest and should not be approved by the City Commission.

Mayor Carter said that some of the items in the memorandum are valid but he hoped they could find a way to solve the problems such as:

- Requiring the sender to give their full name and address, just as they would if they were at the podium.
- Limiting email to 100 words.
- If they use profanity or abusive language is used in any way, shape or form, or if there are attacks on any member of staff, the reading of it would discontinue.

Commissioner Howell said that, because of possible legal ramifications and because it is considered public record, the City Attorney said emails would have to be read even if abusive language is used or they attack a Commissioner and she would not like that to happen. Mayor Carter said that as soon as the City Clerk got to the part that did these things, it would be gavelled down just as it would be if the person said the same thing from the podium. Mr. Galloway said he believed you would have to read the entire email regardless of what was said because the whole email becomes part of the public record the moment it is received and we don't have the ability to say part of it is not public record.

Commissioner Wojcik said that on a couple of occasions the Polk County Commissioners have opened up their meetings to the use of emails or correspondence in some form or fashion, though not recently, and she suggested checking with the County to find out how they used it and what problems they may have incurred.

Commissioner Thornhill said he had concerns with email being public record and that with today's technology it would be difficult to identify and verify who the sender was. Mayor Carter said they do not verify who the speaker is at public meetings but take them at their word.

Commissioner Rogers said he is always in favor of receiving public input but he is skeptical of using the email form after the advice given by the attorney. He also thought it could be a nightmare for the City Clerk. Then again, it may be that we have no response from the public at all. He asked that the attorney do further research. Mayor Carter asked that the attorney find out if there is a working model somewhere.

OPENED PUBLIC COMMENT

Linda Kimbrough, 307 Florida Avenue, as a former Commissioner and Mayor, spoke against using email in public forum as she said it would reduce the already low attendance at City Commission meetings and if people had a real concern they would attend the meeting to have their opinion heard and because it would lengthen the already long Commission meetings. Mayor Carter said there are those who are unable to attend the meeting, such as shut-ins or those with no transportation. Ms. Kimbrough said they can contact any one of five Commissioners by phone or email with their concerns. Mayor Carter said others may not have an opinion on a subject until hearing the discussion unfold at the meeting and this would give them an opportunity to react to what is being said at the meeting.

CLOSED PUBLIC COMMENT

APPROVAL OF MINUTES

**Agenda Item 7. August 23, 2011 Special Meeting
 September 7, 2011 Workshop Meeting
 September 7, 2011 Regular Meeting**

Commissioner Howell made a motion to approve the minutes for the August 23 2011 special meeting, September 7 workshop meeting, and September 7, 2011 regular meeting. The motion was seconded by Commissioner Thornhill.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Commissioner Wojcik	"YES"
Commissioner Rogers	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

BUDGET HEARINGS

Agenda Item 8. Ordinance 2011-16, Adoption of FY2011-12 Millage Rate – 2nd Reading & Public Hearing.

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The Commissioners will consider adopting a millage rate of 7.9998 mills for Fiscal Year 2011-2012 which is the City's rolled-back rate. The Commissioners will also consider adopting the proposed operating budget.

RECOMMENDATION

After second reading and separate public hearings, it is recommended that the City Commission take the following actions:

1. Adopt Ordinance 2011-16 adopting a millage rate of 7.9998 mills for FY2011-2012.
2. Adopt Ordinance 2011-17 adopting an operating budget for FY2011-2012.

BACKGROUND

In accordance with Florida Statutes and the City Charter, Ordinances 2011-16 and 2011-17 are presented for second reading and public hearing. Ordinance 2011-16 establishes the millage rate for FY11'12, and Ordinance 2011-17 adopts the proposed FY11'12 budget. These ordinances must have separate public hearings and must be voted upon individually.

The proposed FY11'12 budget document includes the revenue and expenditure details for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, Utility System Fund and Airport Fund. This document was previously forwarded to the City Commission for review and was discussed at a workshop held on August 22. Both ordinances were approved by the City Commission after first reading and public hearing on September 7, 2011.

This budget was prepared in accordance with Article VI, Section 6.04 of the City Charter which requires that the budget provide a complete financial plan of municipal funds and activities. Estimated current year ending fund balances have been considered and are included in the budget.

PROPERTY TAX

The proposed budget as originally presented was balanced on the current millage rate of 7.3277 per \$1,000 of taxable valuation. This is 8.40% below the rolled-back rate of 7.9998 mills which is the rate that would generate the same amount of revenue with 2011 property values as the current rate generated with 2010 property values. While there would be no change in the millage rate, property owners would experience a tax reduction.

On July 19, 2011, the City Commission adopted the rolled-back rate of 7.9998 as the Interim Millage Rate to give itself some flexibility while working through the FY2011-2012 budget adoption process. This rate

was approved by the Commission as the Tentative Millage Rate with the first reading of Ordinance 2011-16. Although it may be lower, the final millage rate adopted by the Commission cannot exceed the Tentative Millage Rate. While this rate increases the tax levy by .6721 per \$1,000 of taxable valuation, the property owner experiences neither a tax increase nor a tax reduction.

The following chart shows the tax levied at the current rate and the rolled-back rate for taxpayers at various assessed valuations; the difference between the two rates is also shown:

Assessed Value	Taxable Value		Tax Levy		
	with 1 st \$25,000 homestead exemption	with 1 st & 2 nd \$25,000 homestead exemption	7.3277 mills (current)	7.9998 mills (rolled-back)	Difference
\$60,000	\$35,000	-	\$256.47	\$279.99	\$23.52
\$75,000	\$50,000	-	\$366.39	\$399.99	\$33.60
\$100,000	-	\$50,000	\$366.39	\$399.99	\$33.60
\$150,000	-	\$100,000	\$732.77	\$799.98	\$67.21
\$175,000	-	\$125,000	\$915.96	\$999.98	\$84.02
\$200,000	-	\$150,000	\$1,099.16	\$1,199.97	\$100.81

The effect of this increase on fund revenues is as follows:

General Fund	310,589
CRA Fund	53,599
Library Fund	31,092
Estimated Additional Revenue at Rolled-back rate	<u>395,280</u>

OTHER REVENUES

A series of ordinances adopted by the City Commission in September 2007 authorized annual increases in city user fees based on June's annual CPI or 2.5%, whichever is greater. The change in the CPI measured from June 2010 to June 2011 was 3.6%, and all user fees (i.e, water and sewer, solid waste collection, facility rental, development fees, etc.) will be increased by 3.6% on October 1.

Although a 3.6% increase in user fees will generate some additional revenue for the General Fund, ad valorem proceeds and development-related revenues have declined dramatically during the past five years. Revenues from state and other intergovernmental sources are also projected to be lower than last year.

If the Commission proceeds to adopt the rolled-back rate, General Fund revenues in FY11'12 are projected to be \$63,894 more than budgeted in FY10'11, although this would still be \$256,086 less than actually received in FY09'10. The rolled-back rate would increase FY11'12 revenues to a level that is \$665,771 less than we received in FY08'09 and \$1,177,269 less than we received in FY07'08.

EXPENDITURE CHANGES SINCE PRESENTATION OF BUDGET

The budget that was originally presented on August 2 and discussed during the budget workshop has been revised to include increases and reductions of expenditures as follows:

Expenditure	Item Description
-53,169	Reduce Health Ins budget (Gen Fund, -39,956; Sp Rev Funds, -4,088; Ut Fund, -9,125)
920	Add M&R Contract for Fire Dept Fuel Master system
3,725	Add contract for off-site record storage/disposal
2,866	Increase General Fund subsidy of Airport Fund
16,840	Increase Professional Services for GAI services re: April 2010 settlement (Gen Fund, +13,452; Ut Fund, +3,388)
-3,043	Reduce M&R Fleet Contract (PD vehicles, -5,077; Water Div, +100; Airport, +1,934)
-4,500	Reduce Non-Departmental Bank Service Charges
-1,150	Reduce Non-Departmental Property Taxes
5,198	Increase General Fund admin charges
1,200	Increase Water Div contract for pest control
4,720	Increase Water Div operating costs for backflow inspection program
30,829	Increase Transportation Fund road repair
52,500	Increase Transportation Fund for Polk Ave Drainage Improvements (SWFWMD joint project)
15,000	Increase CRA environmental services for Ridge Fertilizer property clean-up
-12,779	Net effect of change in Allocated Expenses
Changes following workshop	
329,507	Restore 80 Furlough hours (Gen Fund, +264,661; Sp Rev Funds, +20,524; Ut Fund, +44,322)
30,000	Add grant to Lake Wales Historic Society (Depot)
6,000	Add grant to Senior Center
45,000	Increase Recreation Facilities M&R for repair of Kirkland Gym showers/weight room
39,500	Increase CRA budget for Entryway improvements (<i>result of millage increase to rolled-back rate</i>)
150,000	Increase CRA budget for Entryway improvements (<i>CRA Advisory Committee recommendation</i>)
-75,000	Reduce Grants & Aids Lincoln Avenue Revitalization (<i>CRA Advisory Committee recommendation</i>)
-75,000	Reduce Grants & Aids Grand Hotel Area Revitalization (<i>CRA Advisory Committee recommendation</i>)
509,164	Total change in expenditure budget (All Funds Combined)

The changes shown in the table above affect expenditure totals in the General Fund (+\$291,302), Transportation Fund (+\$88,863), CRA Fund (+\$ 60,199), Library Fund (+16,785), Utilities Fund (+49,149) and Airport Fund (+2,866). Nearly two-thirds of the increase is due to the complete restoration of furlough hours as discussed by the Commission at the budget workshop on August 22 and first public hearing on September 7. See chart following memo for fund by fund detail of changes.

Discussions of revenue, expenditures and fund balance that follow in this memorandum reflect a tax levy of 7.9998 mills and expenditures that are included in the chart above.

FUND BALANCE

The City's auditors, for several years, have strongly recommended that the General Fund have an unreserved fund balance equal to 15% to 20% of the total operating costs. Fiscal years 07'08, 08'09 and 09'10 realized General Fund unreserved fund balances of 17.88%, 24.13% and 29.51%. On July 19, 2011 the City Commission adopted Ordinance 2011-11 creating policies for the provision of emergency sinking accounts in the General Fund and the Utility System Fund. This ordinance also defines lower and upper account balance limits for these emergency sinking accounts. In the General Fund, the lower limit is set at 15% of operating expenditures budgeted for the next fiscal year and the upper limit is set at 20%; the same is true of the Utility System Fund.

In terms of the proposed FY11'12 budget, this would require a General Fund emergency sinking account balance of \$1.64 million to \$2.18 million. At 9/30/2011, \$1,854,177 (17% of proposed operating expenditures budgeted for FY11'12) will be set aside in the emergency sinking fund. If current revenue and expenditure trends continue through the end of this fiscal year, it is estimated that total fund balance at 9/30/11 will be about \$2.8 million as follows:

Inventory & Prepaid Expenses	314,820
Emergency Sinking Fund	1,854,177
Unreserved/Undesignated	670,873
Estimated Fund Balance at 9/30/11	<u>2,839,870</u>

Although a large portion of unreserved/undesignated funds (cash in excess of the emergency sinking fund) will be used to fund the FY11'12 budget, \$1,804,644 is budgeted to remain in this account at 9/30/2012. If the proposed budget as amended following the workshop and first public hearing is adopted with a 7.9998 millage rate, the total General Fund ending fund balance at 9/30/12 will be an estimated \$2.28 million as follows:

Inventory & Prepaid Expenses	314,820
Emergency Sinking Fund	1,854,177
Unreserved/Undesignated	108,020
Estimated Fund Balance at 9/30/12	<u>2,277,017</u>

In other words, at the proposed millage rate of 7.9998, fund balance at the close of FY 11'12 will be \$562,853 less than it will be on October 1. Despite the fact that proposed FY11'12 expenditures are \$58,073 lower than expenditures budgeted in FY10'11 and revenues are \$63,894 higher with the 7.9998 millage rate, proposed expenditures nevertheless exceed projected revenues by \$562,853, necessitating a spend-down of unreserved/undesignated funds.

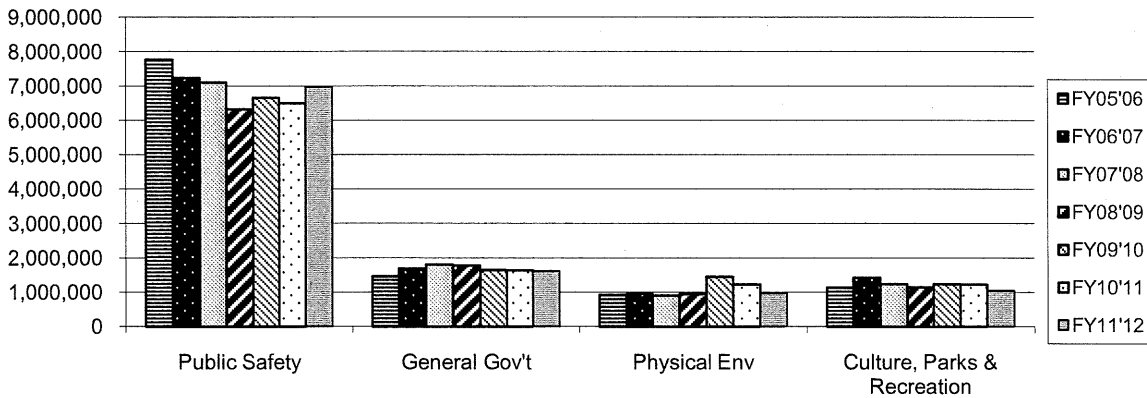
It is important to note that the General Fund spending reduction occurs despite the fact that the General Fund is carrying an additional \$450,000 in expense previously funded by the CRA (Code Enforcement, Community Policing, Longleaf Business Park) while retaining only \$58,000 in revenue that would have been contributed to the CRA before the boundary contraction.

EXPENDITURE OVERVIEW

By necessity, the proposed FY11'12 Budget responds to reductions of General Fund revenues by reductions in spending on core municipal services as well as parks, recreation and other "quality of life" services. A 3% cut in payroll cost was included in the originally proposed budget through the imposition of

80 furlough hours, but all furlough hours were restored subsequent to the August 22 budget workshop and approved with the first reading of budget adoption ordinance 2001-17.

Taking into consideration the fact that there are cost increases for fuel, utilities, insurance, pension benefits and other non-discretionary items, it is only possible to achieve cost savings by reducing expenditure budgets for operating equipment and supplies, maintenance and repair, contract and professional services, programs and other items that are required to provide the level of service expected from each department. With the exception of a contribution to operate the 'B' Street Center that was approved by the City Commission with the conveyance of the building to the Green & Gold Foundation, no grants to outside agencies were included in the budget initially proposed by staff. Funding of contributions to the Historic Society and the Senior Center were added following the budget workshop and approved with first reading of the budget adoption ordinance.



Also taking into consideration the fact that reductions in ad valorem and other revenues have necessitated significant cut-backs in capital equipment replacement, maintenance and repair, and operating supplies every year since FY08'09, it must be acknowledged that most of our departments have now reached the lower limit and can make no additional cut-backs without reducing or eliminating services to the public. This is particularly true in our public safety departments.

The proposed budget includes no Cost of Living Adjustment (COLA) for employees. The cost for each 1% across-the-board salary increase is approximately \$90,000. On October 1, 2008 employees received a 1% COLA; however, this adjustment followed a 12-month period which saw a 5% increase in the CPI. In December 2009, employees received a 1% one-time lump-sum increase in the form of a Christmas bonus.

Although operating budget cuts have occurred in all departments, the proposed budget includes \$35,835 for commissioner and employee training and training-related travel. Tuition assistance will not be offered except to fund one class per semester for employees who began a degree program prior to October 1, 2008. Tuition assistance to begin new degree programs will not be funded in FY11'12.

The proposed General Fund operating budget totals \$10,906,858 (expenditures, \$10,801,957; plus transfers, \$104,901). This represents a reduction of .5% from the current year's budget

SUMMARY OF ALL FUNDS

General Fund	\$10,801,957
Special Revenue Funds	2,929,779
Debt Service Fund	2,255,877

Capital Projects Fund	775.000
Utility System Fund	10,983.998
Airport Fund	260.765
TOTAL	\$28,007,376

The expenditure total of \$28,007,376 is comprised of operating costs in the amount of \$20,860,535 and capital outlay in the amount of \$7,146,841. Transfers in the amount of \$2,039,205 bring total expenditures plus transfers to \$30,046,581. The proposed operating budget expenditures for FY11'12 are 10.7% or \$3.15 million less than the total expenditures for FY10'11 (projects funded by bond proceeds are excluded from this calculation).

Capital expenditures include utility system improvements such as the rehabilitation of the wastewater treatment plant, C St. and vicinity sewer improvements, utility relocations on U.S. 27 and Mt. Lake Cut-off Road, Polk Avenue drainage improvements, fire sub-station construction, park improvements, airport master plan, city entryway improvements, and miscellaneous equipment purchases budgeted as follows:

General Fund	0
Special Revenue Funds	369.450
Capital Projects Fund	775.000
Utility System Fund	5,869.951
Airport Fund	132.440
TOTAL	\$7,146,841

REVIEW OF DEBT SERVICE

As required by Charter, a summary of the City's outstanding principal balance at September 30, 2011 is presented as follows:

SunTrust Capital Improvement Revenue Note, Series 2003; issued to accomplish advance refunding of Capital Improvement Revenue Bonds, Series 1996 (\$4,666,859), to refinance Non-Ad Valorem Revenue Bonds, Series 1999 (\$4,757,115) and to finance interest and issuance costs (\$125,716). Annual interest rate: 3.84%. Balance: \$5,108,777; last payment 2017.

SunTrust Utility System Revenue Note, Series 2005; issued finance construction of chlorine contact chamber at Wastewater Treatment Plant and city's cost portion of reuse transmission lines. Annual interest rate: 4.20%. Balance: \$445,262; last payment 2015.

Wachovia Utility System Improvement Refunding Revenue Note, Series 2006A; issued to refund existing bonds and fund Water and Sewer system improvements. Annual interest rate: 4.09%. Balance: \$4,276,382; last payment 2017.

Wachovia Utility System Refunding Revenue Note, Series 2006B; issued to finance construction of south side force main and other Utility system improvements; initially issued as a non-revolving line of credit during May 2006 but converted to a term loan on October 1, 2009. Annual interest rate: 1.14%. Balance: \$2,413,215; last payment 2027.

CRA Redevelopment Revenue Note, Series 2007; issued to finance redevelopment capital improvement projects. Annual interest rate: 3.77%. Balance: \$8,411,657; last payment October 2028.

SunTrust Refunding Revenue Note, Series 2009; issued to refund Public Improvement Bonds, Series 1997 (which refunded 1991 and 1989 bonds for financing various capital projects) and to refund the 2008 Motorola lease which originally funded fire and police equipment. Annual interest rate: 3.19%. Balance: \$1,504,400; last payment 2015.

Florida Department of Environmental Protection Revolving Loan Program assistance for funding of costs associated with Wastewater Reuse Project, Phase I. Annual interest rate, 2.56%. Balance: \$706,784; last payment 2019.

Florida Department of Environmental Protection Revolving Loan Program assistance for funding of costs associated with Wastewater Reuse Project, Phase II. Annual interest rate, 3.05%. Balance: \$472,698; last payment 2022.

Florida Department of Environmental Protection Revolving Loan Program assistance for funding of costs associated with sludge dewatering Improvements to the Wastewater Treatment Plant. Annual interest rate, 2.14%. Balance: \$951,374; last payment 2024.

Florida Department of Environmental Protection Revolving Loan Program assistance for funding of pre-construction costs associated with the Wastewater Treatment Plant Expansion Project. Annual interest rate, 1.88%. Balance: \$872,446; last payment 2028.

Florida Department of Environmental Protection Revolving Loan Program assistance for funding of pre-construction costs associated with the Wastewater Treatment Plant Expansion Project. Principal amount of loan is approved at \$350,000; current amount drawn down is \$180,000. Annual interest rate: 2.30%. Balance: \$180,000.

Florida League of Cities Master Lease Program, 2006 for lease-purchase of Fire Truck. Annual interest rate: 4.28%. Balance: \$92,866; last payment 2012.

Fixed Base Operator's Prepayment Credit for \$340,000 in leasehold improvements done by the FBO on airport property. Annual interest rate: 0%. Balance: \$133,629; last payment 2019.

The City's total indebtedness at 9/30/11 is \$25,569,490 which is equal to 4.3% of the 2011 taxable valuation of \$600,130,535. This is \$2,830,043 less than total indebtedness at 9/30/10, a reduction of 10%.

Debt payments due during FY11'12 total \$3,735,467 and represent 17.8% of the City's operating budget (excluding interfund transfers and capital outlay). A schedule showing the City's outstanding debt at September 30, 2011 is included in the Charts & Graphics portion of the proposed budget (page c-3).

BUDGET HIGHLIGHTS

A summary of the important aspects of the proposed FY11'12 budget document is provided as follows:

1. No Cost of Living Adjustment (COLA) is budgeted for employees this year. Furlough hours previously proposed have been eliminated.
2. A 7.3% decrease in workers' compensation, liability, property and casualty insurance premiums is budgeted in accordance with the quotes received from our property, casualty and workers' compensation providers for FY11'12 coverages.

3. A 0% increase for health care coverage is budgeted per our insurance agent.
4. Pension contribution rates have been budgeted for FY11'12 to yield the actuarially determined funding requirements calculated by the actuaries retained by the City's pension boards as follows:

Percent of Salary Contributed to Pension Plan by City			
	General Employees	Police Officers	Firefighters
FY 10'11	2.5%	24.4%	30.9%
FY 11'12	5.7%	27.9%	41.6%
Change	+3.2%	+3.5%	+10.7%

The above rates represent the City's contribution to the three pension plans. In each case, the employee contributes 5% of his or her annual salary to the plan.

The long-term sustainability of these defined benefit pension plans and the growing cost to the public are great matters of concern. By necessity, pension reform must be addressed by staff and the City Commission during the next fiscal year. The workshop scheduled for December will begin discussion of this process.

5. Changes in departmental staffing in FY11'12 as compared to FY10'11 are detailed in the following chart:

Human Resources	- 0.5 0	½ of Switchboard/Receptionist position transferred to Billing/Customer service to perform back-up cashier duties
Finance	+ 0.5 0	Part-time accounting position increased to full-time
Finance	- 0.2 5	Portion of accounting position transferred to Billing/Customer service
Finance	- 0.2 5	Accounting Manager position vacant after retirement in July 2012
Billing/Customer Service	+ 0.5 0	Position transferred from Human Resources to perform back-up cashier duties
Billing/Customer Service	+ 0.2 5	Portion of position transferred from Finance to perform supervisory duties
Billing/Customer Service	- 0.5 0	Vacant Billing Manager position not filled until 4/1/12
Facilities Maintenance	- 0.5 0	Vacant custodial position eliminated
Police Department	+ 0.5 0	Administrative assistant position transferred from Code Enforcement
Police Department	+ 3.0 0	Patrol positions increased by transfer of staff from COPS unit funded by CRA
Police Department	+ 2.0 0	Staff Assistant and Investigative Assistant positions added to process paperwork and perform other administrative duties previously performed by sworn officers

Community Policing	- 3.0 0	COPS positions eliminated to return staff to patrol positions
Code Enforcement	- 0.5 0	Administrative assistant position transferred to Police Admin
Utilities Operations	+ 1.0 0	Backflow specialist position added to implement in-house backflow inspection program
Library	- 1.2 5	Vacant positions unfunded
	+ 1.00	Net Change in positions since adopted FY10'11 Budget

6. Capital expenditures proposed for FY11'12 are itemized in the following chart:

Item	Cost	Funding Source
Airport – Master Plan Update	132,440	Airport Grants, General Fund
Drainage Improvements – Polk Ave at Lake Shore	52,500	Gas taxes & SWFWMD
Economic Development – Entryway Improvements	239,500	CRA Tax Increment Revenues
Fire Department – North Side Sub-station	700,000	Grants, Impact Fees
Library – Books & Subscriptions	60,000	Library Fund Revenue, Impact Fees
Parks & Recreation – Parks Parking Improvements	75,000	Impact Fees
Police Dept – Video Systems/Cameras	17,450	Byrne Law Enforcement Grants
Reuse System – LWCC Golf Course Transmission Line (Engineering)	51,200	Impact Fees
Reuse System – LWCC Golf Course Transmission Line (Construction)	750,000	SWFWMD Grant, Impact Fees, Private Contribution
Reuse System – Misc New Services	5,000	Utility System Operating Revenues
Sewer System – C St & Vicinity Improvements	934,860	CRA Bond, Tax Increment Revenues
Sewer System – Lift Station Rehabilitation	100,000	Utility System Operating Revenues
Sewer System – Lift Station Pump Replacement	15,000	Loan Proceeds, Impact Fees
Sewer System – Lift Station Upgrades – Fencing, etc	2,500	Utility System Operating Revenues
Sewer System – Utility Relocation – US 27	100,000	Utility System Operating Revenues
Sewer System – Sliplining	250,000	Utility System Operating Revenues

Item	Cost	Funding Source
Sewer System - Treatment Plant Rehabilitation	3,271,391	SRF Proceeds, Operating Revenues
Water System – Utility Relocation – US 27	200,000	Utility System Operating Revenues
Water System – Utility Relocation – Mt Lake Cutoff Rd	150,000	Utility System Operating Revenues
Water System – Misc New Services	40,000	Utility System Operating Revenues
TOTAL CAPITAL EXPENDITURES	\$7,146,841	

7. In accordance with Ordinance 2007-07 adopted by the City Commission on September 18, 2007, water and sewer rates and charges will be adjusted to reflect a 3.6% increase based on June's annual CPI. The increase will be applied to service provided on or after October 1, 2010.

	WATER CHARGES					SEWER CHARGES		
	base charge	rate per 1,000 gallons				base charge	rate per 1,000 gallons	
		0-5,000	5,001 - 10,000	10,001 - 25,000	over 25,000		0 - 5,000	5,001 - 15,000
Current	5.46	2.16	2.92	4.54	7.47	19.40	2.55	4.47
10/1/11	5.66	2.24	3.03	4.70	7.74	20.10	2.64	4.63

For inside-city residential customers using an average of 8,000 gallons per month, water charges will increase from \$25.02 to \$25.95, and sewer charges will increase from \$45.56 to \$47.19; the combined bill for water and sewer will increase from \$70.58 to \$73.14.

8. The FY11'12 Budget includes a 3.6% increase in all General Fund user fees and charges with the exception that residential solid waste collection and recycling fees will decrease as discussed below.

During FY 2010'11, residents paid monthly solid waste and recycling fees of \$20.87; i.e., \$19.77 for solid waste collection/disposal and \$1.10 for recycling. These fees were allocated for Florida Refuse contractual costs of \$14.69 (solid waste) and \$1.00 (recycling). The City retained the remaining \$5.18 (municipal service fee). The municipal service fee remains within the General Fund to fund other expenses.

During FY 2011'12, due to renegotiated terms with Florida Refuse, residents will pay a monthly solid waste and recycling fee of \$18.43; i.e., \$17.43 (solid waste) and \$1.00 (recycling). These fees will be allocated for Florida Refuse contractual costs of \$12.07 (solid waste) and \$1.00 (recycling). The City will retain the remaining \$5.36 (municipal service fee). The municipal service fee increased from \$5.18 to \$5.36 due to the June 2011 CPI increase of 3.6%.

The net effect for the residential customer is an 11.7% decrease in solid waste collection, recycling and disposal services. Commercial dumpster customers will realize an average 22% decrease per month.

9. With the exception of the items discussed below, no modifications of the organizational structure have occurred in FY10'11 or are planned for FY11'12.

Code Enforcement

Originally a function of the Planning and Development Department, the Code Enforcement function was transferred to the Police Department in the late 1990's to resolve some organizational issues that existed at the time.

Responding to a perceived lack of efficiency in the traditional code enforcement process, the former Police Chief made efforts to improve the Code Enforcement Department by consolidating it with the Community-Oriented Policing Section (COPS). While this approach had some success, it also had the effect of redirecting law enforcement resources (sworn staff and equipment) from traditional policing activities to community appearance concerns (high grass and weeds, signs and banners, etc.).

When the current Police Chief began his tenure, immediate attention was given to refocusing the department on basic law enforcement activities. Accordingly, Code Enforcement was transferred back to the Planning and Development Department.

COPS

Since October 2008, police officers have been assigned to the COPS unit and funded by the CRA. One officer was assigned to patrol the historic Downtown and two officers were assigned to the Lincoln Avenue area. A fourth officer was assigned to Grove Manor and funded by the Lake Wales Housing Authority (50%) and the CRA (50%).

With the new Police Chief, efforts were focused on providing basic law enforcement services. Accordingly, the COPS personnel were absorbed into the general patrol function. One officer will continue to be assigned to Grove Manor and funded 50% by the Lake Wales Housing Authority, but half of the officer's time will be allocated to patrolling designated areas in the CRA.

Administrative Transition Plan

Some of the duties of Assistant City Manager that were retained when taking the position as City Manager included budget preparation, TRIM compliance, and preparation of monthly financial statements for presentation to the City Commission. All of these responsibilities have now been successfully transferred to the Finance Department.

Responsibility for the monthly financial statements has been fully transferred from the City Manager to the Accounting Manager. Responsibility for the TRIM compliance process was transferred from the City Manager to the Finance Director in June of 2010, and the Finance Director now handles all of the reporting to the Department of Revenue.

Responsibility for preparing the annual budget and the 5-Year CIP was shared by the City Manager and the Finance Department this year. Parallel versions of the proposed FY11'12 budget were prepared by the Accounting Manager and the City Manager. The two versions match each other in total revenues, total expenditures, and departmental details. Presentation format is identical. The Accounting Manager has successfully converted the City Manager's budget into a document that will require less manual work in the future because it utilizes historical and year-to-date data that is imported directly from the accounting system.

Other duties connected with the Assistant City Manager position have been gradually delegated to other employees. Aside from the budget, the responsibility for the City's web site was the most

complicated transition to manage, but the IT Director has successfully completed the takeover of web site maintenance responsibilities during the last twelve months.

10. As stated previously in this memorandum, significant cut-backs were necessary to balance the General Fund budget at the 7.3277 millage rate originally proposed.

To overcome revenue reductions on the one hand and cost increases for fuel, utilities, insurance, pension benefits and numerous non-discretionary items on the other hand plus the shift of \$400,000 in net expense from the CRA to the General Fund, initial budget requests submitted by the departments had to be cut by more than \$930,000.

Cuts in operating expense & capital	671,001
Cuts in payroll expense	264,661
Total Cuts in Budget Requests	<u>935,662</u>

It was only possible to achieve the required cost savings by reducing expenditure budgets for operating equipment and supplies, maintenance and repair, contract and professional services, programs and other items that are required to provide the level of service expected from each department.

As previously discussed, it was the consensus of the Commission during the budget workshop to adopt the rolled-back rate (7.9998) as the FY11'12 tax levy and to restore the payroll cuts resulting from the imposition of furlough hours.

At the request of the Commission, we are including a list of operating and capital items that are considered essential but have been deferred until later because of revenue shortfalls in FY11'12. The list follows this memorandum.

11. Contracts, grants and other items of interest:

- The contracts with the Lake Wales Little League for field maintenance (\$60,000) and the Boys & Girls Club for operation of the Kirkland Gym (\$55,698) are budgeted at the same level of funding in FY11'12 as in FY10'11.
- The contract with Kimbrough & Associates for services relating to CRA Area 3 redevelopment is funded at the same level as in FY10'11 (\$38,250). This item has been recommended for approval by the CRA Advisory Committee.
- There is no funding included in the proposed budget for Main Street (previously \$30,000). No request for funding in FY11'12 was submitted by this organization.
- The contribution in the amount of \$50,000 to operate the 'B' Street Center that was approved by the City Commission on December 21, 2010 with the conveyance of the building to the Green & Gold Foundation is included in the proposed budget and was approved after first reading of the budget.
- In the originally proposed budget, there was no grant funding budgeted for the Historic Lake Wales Society to operate the Depot Museum. During the workshop, the Commission added \$30,000 for this purpose. This was approved after first reading of the budget.

- In the originally proposed budget, there was no grant funding budgeted for the Lake Wales Senior Center. During the workshop, the Commission added \$6,000 for this purpose and approved the grant after first reading of the budget.

CONCLUSION

By necessity, the proposed FY11'12 Budget responds to reductions of ad valorem proceeds and other General Fund revenues with deep spending cuts. No functional area in the organization is untouched by cut-backs. As we said last year and repeat this year, most of our departments –particularly our public safety departments-- have reached the lower limit in operating cuts and can make no additional reductions without seriously compromising the quality of service to the public.

Staff worked together in an effort to close the initial \$1.5 million shortfall in General Fund budget requests, but succeeded in cutting only \$935,662. The budget originally presented proposed no increase in the current millage rate (7.3277), but did require the appropriation of nearly \$600,000 in unreserved/undesignated General Fund cash balances and an effective 3% pay cut for all employees in the form of 80 furlough hours (i.e., 10 days off without pay).

Not wanting to “balance the budget on the backs of the employees,” the Commission indicated a preference for increasing the FY11'12 millage levy to the rolled-back rate of 7.9998 mills. Such an increase generates the revenue needed to restore all furlough hours and avoid a pay cut for employees. The revenue and expenditure numbers discussed in this memorandum reflect this millage rate and restoration of furlough hours.

There is no question that our financial resources will be severely strained for the next few years as we continue to deal with the fiscal impact of property tax reform, the problems in the housing market, and a poor economy in general. In both the short-term and the long-term, we must have the resources for the services we are required to provide. To accomplish this goal, some difficult actions must be taken both this year and next.

Strengthening the organization at its current size and improving the ability of our employees to provide a high level of service to the community with limited resources will continue to be a primary focus during FY11'12. By continuing to implement strong budget controls, requiring strict adherence to purchasing procedures, and maintaining the timeliness of financial reporting, it is our intent not only to complete FY11'12 without a further draw-down of cash surpluses in either the General Fund or the Utility Fund but to complete the year with cash surpluses that we can carry forward into FY12'13.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-16 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, ADOPTING THE FINAL LEVYING OF AD VALOREM TAXES FOR THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA FOR FISCAL YEAR 2011-2012; PROVIDING FOR AN EFFECTIVE DATE.

OPENED PUBLIC HEARING

There were no comments from the public.

CLOSED PUBLIC HEARING

Commissioner Howell made a motion to adopt Ordinance 2011-16 after second reading and public hearing. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Commissioner Wojcik	"YES"
Commissioner Rogers	"YES"
Mayor Carter	"YES"

The motion carried 5-0; 6:14 p.m.

Ms. VanBlargan read Ordinance 2011-17 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, RATIFYING, APPROVING, ACCEPTING AND ADOPTING THE ESTIMATES OF EXPENDITURES FOR THE OPERATION OF THE SEVERAL DEPARTMENTS OF SAID CITY, AND ALL NECESSARY AND ORDINARY EXPENSES OF SAID CITY FOR THE 2011-2012 FISCAL YEAR, APPROPRIATING ALL FUNDS TO BE RAISED AND COLLECTED FROM ALL SOURCES SET FORTH IN THE ESTIMATE OF REVENUES & BALANCES FOR SAID FISCAL YEAR, AND THE REPEALING OF ALL ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING FOR AN EFFECTIVE DATE.

City Manager Judith Delmar reviewed the changes requested by the Commission on first reading that were made to the budget portion of Agenda Item 8.

OPENED PUBLIC HEARING

Ed Bowlin, Circle Drive, made the following comments in opposition to using tax dollars to fund private organizations, and asked that such funding be removed from the budget:

- He was against treating even one tax dollar as just "a drop in the bucket" because it is real money taken from real people.
- He was against the "Robin Hood" attitude of taking from one to give to another.
- The City Commission's job is to run the government and not raise the millage rate so it can be given away to private organizations.
- Statistically, people in the United States give more money to other people than any other country in the world and he said he doesn't need his government doing it for him.

Jim Browe, owner of Long's Dry Cleaners, spoke on behalf of business owners who were having a difficult time staying in business during the recession and he said they need the City's help so that more businesses do not have to close their doors.

CLOSED PUBLIC HEARING

Commissioner Rogers made the following comments in opposition to giving tax dollars to private organizations:

- The City Commission must look at the overall picture: residents are in trouble; businesses are in trouble; the city budget is in trouble, as well as the organizations requesting the money.
- The main job of the Commission is to run the City and take care of its needs.
- He asked that the Commission pull the \$6,000 for the Senior Center; the \$30,000 for the Historic Lake Wales Society; and consider holding off on rebuilding the shower and weight room because it is a luxury item that will take additional unbudgeted personnel, and because once we find out how much damage there is and what it will cost we may find we can't do it anyway.
- He encouraged citizens to donate to these organizations if they have the means to do so.

Commissioner Howell asked for confirmation that raising the millage rate to the rollback rate would not raise taxes for individuals or businesses above what they paid last year. Ms. Delmar confirmed. Mayor

Carter said that because property values went down, the tax bill would be the same or about the same as last year. Commissioner Howell asked if the Commission could reduce the millage rate later if things get better than expected and we are doing okay. Ms. Delmar said that once the millage rate is set, it is set for the whole year and cannot be changed.

Commissioner Thornhill made the following comments:

- He was informed that new issues were found in the gymnasium and asked for an update. Ms. Delmar reported that termites were found, the extent of which is still to be determined. Public Services Administrator Teresa Allen explained that subterranean termites were found with a possibility of being in the drywall. JD Smith Exterminators quoted a price of \$2,600 for the treatment, but at least the building will not have to be tented, which would cost a great deal more. Commissioner Thornhill asked if termites were found in the back where the weight room was located and Ms. Allen said she was not sure but that treated termites take the poison back to their nests, wherever they may be.
- Commissioner Thornhill said he was willing to put aside the renovations to the weight room area and put the money into the surplus fund.
- He agreed with other comments made by Commissioners in regards to pulling the funds to private organizations though he was concerned that if we do not support them it may cause issues later.
- If left the way it is, the City will start the next fiscal year \$562,000 in the hole. Finance Director Dorothy Pendergrass said if the revenues and expenditures remain the same as this year the exact reduction would be \$562,853. Ms. Wojcik said the recommendation had been to put at least \$300,000 dollars back so no matter what we do, it won't be the whole amount needed.

Commissioner Rogers asked if there was a reverter clause in the conveyance of the Depot Museum and Mr. Galloway said there was not. Commissioner Rogers said that the City therefore had no further liability and Mr. Galloway concurred. Commissioner Thornhill said he did not want to see the buildings fall into disarray.

Commissioner Wojcik made the following comments:

- She asked if the cost for the extra night that was approved for the Mardi Gras event had been determined and if it was over and above what was budgeted. Ms. Delmar said the extra day would require four additional officers for a total of \$700, 25% of which the Mardi Gras organizers would be required to cover. Police Chief Chris Velasquez said that was an estimate because they don't really know the cost for the different activities on an entirely different day but even so, the funds are unbudgeted. Ms. Delmar pointed out that about \$47,000 had been budgeted this year for allocated expenses in the Police Department and yet only \$12,000 of it had been used, well under budget, though she did not know if that would hold true for next year's budget.
- Commissioner Wojcik said that, though the City holds some responsibility for keeping the historic buildings in good shape for the citizens of Lake Wales, she had recommended at the last budget meeting to hold off on funding them because of the tight budget. Of course all the Commissioners want to help these wonderful organizations when they can but she said she was not sure they should supplement the Historic Lake Wales Society's operating budget. She recommended that they consider instead establishing an escrow account to be reimbursed for things like insurance cost as she thought that would be a good use of those dollars.

Commissioner Rogers reminded them that the Finance Director told them the City would be \$500,000 in the hole next year and he wanted to make sure that if an emergency comes up like a hurricane the City has the funds it needs. He said that eliminating these grants would give them a cushion of \$80,000. He said he was born here and hates to see the community go backward but they have to face reality, though it is not a pleasant thing to do. He said the Commission has a duty and obligation to the taxpayers of the community to protect them and their City and he hoped the other Commissioners would agree.

Commissioner Wojcik asked for confirmation that the \$550,000 was drawn against our undesignated reserves leaving us at 17% for the Sinking Fund, a fund that was only approved to go down to 15%. She said the recommendation from both Ms. Delmar and Ms. Pendergrass had been to put \$300,000 back in this year so the City would be in good shape next year without having to raise taxes if the economy got worse. Ms. Pendergrass summarized for clarification to make sure the Commission understood, as follows:

- At the end of September they expect to have \$670,000 in the unreserved undesignated fund balance.
- With the budget currently the way it is, they will spend \$562,853 of it, which will take the undesignated unreserved fund balance to \$108,000, excluding the roughly \$1.8 million in the 17% Emergency Sinking Fund.
- A year from now in FY2012/13, unless the economy improves and we are bringing in more money, or the services are reduced so we are spending less, we will roughly be in the same shape with \$563,000 in deficit, causing the Commission to have to go into the Emergency Sinking Fund and thereby reducing it to 13%, which is lower than approved by the Commission.
- If that is done, there will be a comment in the audit, and the Commission will have to set up a plan for replacing those funds, most likely by increasing taxes or reducing services.
- The recommendation for putting the \$300,000 back in now was so there would be a sufficient amount and we would not have to fall below the lower limit of 15%. It will be easier to find \$200,000 than it will to find half a million dollars.

Commissioner Wojcik said all of that doesn't take into consideration all the capital improvements that should be taken care of next year but were pushed aside, or unexpected expenses such as a pump to go bad. Ms. Pendergrass said there are no capital improvement projects in the budget for next year and the City is already past the point of pushing them back. Ms. Delmar said, in order to make the needed cuts, they already pushed all the capital improvement projects back except for the fire substation in the northern part of the City which is eligible for impact fees. But, we would have to pay first and be reimbursed and will need the cash to do that. There are a lot of capital needs that are not being met that have to be done within the next five years.

Mayor Carter made the following comments:

- He was in favor of the rollback rate in order to do away with employee furloughs.
- He was in favor of funding the Historic Lake Wales Society and the Senior Center but to put them on notice that this could be the last year.
- He was in favor of funding the Kirkland Gym weight room and restroom project.

REOPENED PUBLIC HEARING

Mimi Hardman, 300 Lake Shore Drive, spoke in opposition to cutting the Historic Lake Wales Society and asked that they find an alternative.

Jim Browe, owner of Long's Dry Cleaners, asked for a break for the business community.

CLOSED PUBLIC HEARING

Commissioner Rogers made a motion to adopt after second reading and public hearing Ordinance 2011-17 excluding the \$30,000 for the Historic Lake Wales Society, the \$6,000 for the Lake Wales Senior Center, and the \$45,000 for the weight room/bathroom renovations, and to put the money back into the general fund for emergencies. The motion was seconded by Commissioner Wojcik.

By Roll Call Vote:

Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"

Commissioner Howell	"NO"
Commissioner Thornhill	"YES"
Mayor Carter	"NO"

The motion carried 3-2; 7:07 p.m.

Agenda Item 9. Ordinance 2011/18 Five-Year Capital Improvement Plan FY2011-12 – FY2015/16 – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The Commissioners will consider adopting the Five-Year Capital Improvement Plan for fiscal years 2011/12 through 2015/16.

RECOMMENDATION

It is recommended that the City Commission adopt, after second reading and public hearing, Ordinance 2011-18 adopting the Five-Year Capital Improvement Plan for fiscal years 2011/12 through 2015/16.

BACKGROUND

In accordance with section 6.05 of the City Charter, Ordinance 2011-18 adopts the proposed 5-year Capital Improvement Plan (CIP) for the period FY2011/12 through FY2015/16. Capital improvements and capital acquisitions proposed for Year 1 of the 5-Year plan are incorporated into the FY11'12 operating budget, as are appropriation of funding sources necessary to implement Year 1 of the plan.

The 5-Year CIP document includes all capital facility and infrastructure improvements which staff believes should be undertaken during the next five years and supporting information to explain the necessity for the improvements. In addition, the CIP includes all capital equipment proposed for acquisition during this period. Cost estimates, method of funding and time schedule for the proposed improvements and equipment acquisitions are identified in the document.

The proposed 5-Year CIP totals \$40,036,056 and includes \$675,000 in land acquisition, \$3,145,274 in equipment acquisition, \$3,552,275 in building improvements, \$31,748,067 in infrastructure and recreation improvements and \$915,440 in other capital outlay.

Improvements and equipment needs for the next 5 years were submitted by department heads with a justification of necessity and a recommended time schedule for completion or acquisition. These requests were prioritized by the City Manager in view of the available funding resources and urgency of need.

Items included in the proposed 5-Year CIP can be classified in three categories as follows:

- 1 - Corrects existing or impending deficiency
- 2 - Improves productivity/efficiency or permits reallocation of existing resources
- 3 - Enhances quality of life

Items in Category 1 comprise 44.8% of the cost of the CIP (\$17,938,958). These are improvements and equipment acquisitions which are urgently needed to correct or prevent system or infrastructure failures, threats to the public safety or welfare, and decline of service levels. Some of our currently utilized equipment is 10-20 years old or older with high maintenance costs and low operational reliability, making

replacement a high priority. Included in Category 1 are the \$3.3 million wastewater treatment plant rehabilitation and the \$3.1 million 'C' Street and vicinity sewer improvements project.

Items in Category 2 are improvements and equipment needed to improve productivity and efficiency or otherwise enhance current service levels. These items represent 42.6% of the cost of the CIP (\$17,072,424).

Items in Category 1 and 2 are not "wish list" items. All of these improvement projects and equipment acquisitions are strongly recommended by city staff.

Items in Category 3 are improvements in the area of Culture/Recreation which are viewed as important to the community in terms of enhancing the quality of life but which might receive a lower priority in view of the urgent needs which must be addressed. These items represent 12.6% of the cost of the CIP (\$5,024,674), however it is anticipated that 17.5% of this cost (\$925,000) will be funded by state, county or federal grants or donations from private sources. Grant assistance could be higher than anticipated if the economy improves and state and federal agencies resume grant funding at higher levels than they are currently.

FISCAL IMPACT

Funding of the CIP will be accomplished through utilization of existing cash surpluses and current year operating revenues, future grants, private contributions, and impact fees. Some of the improvements proposed for the utility system are eligible for low-interest SRF financing, but it may be necessary to increase water and sewer user charges to fund debt service on financed projects as well as pay-as-you go projects. Growth related improvements will be funded by impact fees.

Staff recognizes that the City Commission is generally opposed to assuming new debt to accomplish the projects or purchase the equipment identified in the CIP.

It is possible to fund all of the items in the Utilities CIP (\$24,316,591) on a "pay-as-you-go" basis over the next five years if we increase utility rates by approximately \$5.00 per month; however, funding the non-Utilities items (\$15,569,120) is only possible through raising taxes, borrowing, or -in limited instances- grant assistance. Options for funding the CIP will be included in the discussion at the upcoming budget workshop.

Costs of all capital improvements and equipment acquisitions are distributed over 5 years as follows:

Year 1 - FY2011/12	7,146,841
Year 2 - FY2012/13	7,365,673
Year 3 - FY2013/14	7,698,680
Year 4 - FY2014/15	8,612,110
Year 5 - FY2015/16	9,212,752
5 Year Total	<hr/> 40,036,056

All items scheduled for Year 1 are included in the proposed FY11'12 operating budget presented to the City Commission for consideration. Funding is proposed as follows:

Operating Revenues	1,217,811
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Impact Fees (Utility projects, parks improvements)	376,200
Grants (Airport Master Plan, LWCC Reuse, Fire sub-station)	1,096,579
Private Contributions (LWCC Reuse)	250,000
SRF financing (Wastewater Treatment Plant Rehab)	3,271,391
CRA Bond Proceeds ("C" St Sewer Project)	601,876
Other balances designated for capital ("C" St Sewer Project)	332,984
Year 1 Total	<hr/> 7,146,841

Changes to Year 1 since the 5-Year CIP was originally presented to the City Commission on August 2 are as follows:

39,500	Increase of budget for entryway improvements
52,500	Rescheduling of Polk Ave drainage improvements from Years 2&3 to Year 1
150,000	Increase of budget for city entryway improvements (<i>recommended by CRA Advisory Committee</i>)
<hr/> 242,000	Total Change in Year 1 from original document

The reduction in the total cost of the 5-Year CIP from that originally presented relates to the fact that SWFWMD will manage the Polk Avenue drainage improvements project. The \$157,500 to be contributed to the project by SWFWMD will not be in the form of a cash grant to be expended by the City, but in the value of the asset which will be transferred to the City after the project is completed. The value of the project will be recognized upon conveyance.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-18 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, RATIFYING, APPROVING, ACCEPTING AND ADOPTING A 5-YEAR CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2011/12 THROUGH 2015/16; REPEALING ALL ORDINANCES IN CONFLICT WITH THIS ORDINANCE AND PROVIDING FOR AN EFFECTIVE DATE.

City Manager Judith Delmar reviewed the changes that were made to Year 1 of the 5-Year CIP on first reading of Ordinance 2011-18 on September 7.

OPENED PUBLIC HEARING

There were no public comments.

CLOSED PUBLIC HEARING

Commissioner Thornhill made a motion to approve Ordinance 2011-18 after second reading and public hearing. The motion was seconded by Commissioner Rogers.

By Roll Call Vote:

Commissioner Thornhill	"YES"
Commissioner Rogers	"YES"
Commissioner Howell	"YES"
Commissioner Wojcik	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

CONSENT AGENDA

Agenda Item 10. Approval of Special Event Permit: Annual Kiwanis Club Christmas Parade

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Approval of the special event permit application and the street closing request will allow the Christmas parade to be held on Saturday evening, December 10, 2011

RECOMMENDATION

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

1. Approve the special event permit application from the Lake Wales Kiwanis Club for the annual Christmas parade to be held Saturday evening, December 10, 2011
2. Approve the temporary street closings for the Kiwanis Club Annual Christmas Parade (Line up will begin at 4:00 p.m. with the parade starting at 6:00 p.m. and concluding around 9:00 p.m.)

BACKGROUND

T.J. McKeon, Vice President of the Lake Wales Kiwanis Club submitted a special event permit application for the Annual Christmas Parade to be held Saturday, December 10, 2011 from 6:00 p.n. to 9:00 p.n. Line up for the parade will begin at 4:00 pm. on North Fifth Street and on Orange Avenue and along the Horseshoe Drive of Lake Wailes Park.

The application also includes a request for the temporary closing of the following streets;

1. 5th Street and Orange Avenue for the line up
2. From Lakeshore Boulevard west on Park Avenue to Scenic Highway (SR17), south on Scenic Highway (SR17) to Central Avenue, west on Central Avenue to Martin Luther King Jr. Boulevard where the parade will end

The crossing of Scenic Highway requires a permit from the Florida Department of Transportation. This permit request was submitted to the Bartow office and Mr. David Smith, District Permits Manager has advised us that he is in the review process. The signed permit is forthcoming.

Staff has reviewed the application and recommends approval of the event. Lake Wales Police Department and VOICE will be available to provide escort for the parade and for traffic and pedestrian control. The Streets Department will be providing the barricades and closing the roads. Trash pick up will be handled by the Streets Department.

OTHER OPTIONS

Not to approve this event and road closings.

FISCAL IMPACT

In-kind services from the City is budgeted for FY11/12 in the amount of \$2,358.00, and the event sponsor's portion is estimated to be \$590.00.

[End agenda memo]

Agenda Item 11. Approval of Special Event Permit: Lake Wales Revival

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Approval of this request will allow Capernaum Ministries Inc. to hold the "Lake Wales Revival" in Lake Wailes Park November 3, 2011 to November 6, 2011

RECOMMENDATION

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

1. Approve the special event permit application from Capernaum Ministries Inc. to hold the Lake Wales Revival in Lake Wailes Park on November 3, 2011 to November 6, 2011 between the hours of 7:00 p.m. to 9:00 p.m. with set up beginning on November 3, 2011 at approximately noon.

BACKGROUND

Jim Way, President of Capernaum Ministries Inc. submitted an application for a Special Event Permit to hold the "Lake Wales Revival" beginning Thursday, November 3, 2011 and continue through Sunday, November 6, 2011 in Lake Wailes Park. The sponsor will start setting up on Thursday, November 3, 2011 at approximately noon. The event time for each day is from 7:00 p.m. to 9:00 p.m. with clean up and securing of equipment each night being done between 9:00 p.m. and 10:00 p.m.

Capernaum Ministries Inc. along with local churches will provide an evening of spiritual songs by the church choirs along with background music. The choirs will be performing on portable risers with the background music, equipment and orchestra being set up slightly off to the side. Visitors to the event will be seated in front of the stage under a large tent. Along with songs of praise from the choirs church pastors will give messages of hope and prayer.

Organizers will be responsible for site preparation, stage set ups, sanitary facilities, parking, security and site cleanup. Liability insurance has been provided as required. Tent and electrical permits will be obtained from the Planning/Building department as required. City departments have reviewed the application and found no conflicts which would prevent approval of this event. An on-site walk through is being done with the organizer and city staff to address and identify parking and staging areas for the event.

OTHER OPTIONS

Do not approve this event.

FISCAL IMPACT

There will be no cost to the City for this event. If there are in-kind services that are provided by the City (i.e. police officers for security or field crews for assistance with clean up) the sponsor will pay 100% of that cost.

[End agenda memo]

Agenda Item 12. Approval of Special Event Permit: West Side Baptist Church Homecoming Activities

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Approval of the special event permit application will allow the closing of Gibson Avenue on October 15, 2011 during the event held at the West Side Baptist Church

RECOMMENDATION

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

Approve the temporary street closing of Gibson Avenue for the West Side Baptist Church's Homecoming Activities which will be held October 15, 2011 between the hours of 1:00 p.m. and 6:00 p.m.

BACKGROUND

West Side Baptist Church located at 333 Lime Avenue submitted a Special Event Permit Application to hold "Homecoming Activities for Kids" on October 15, 2011 at the church between the hours of 1:00 p.m. and 6:00 p.m. The event will include a bounce house, face painting, crafts, and numerous activities for the entire family on the church property. This event will also include displays and demonstrations by the Polk County Sheriff's Department and the Lake Wales Fire Department on private property on the south side of the church.

Although this event will be held on private properties, a request has been made by the church for the temporary closing of Gibson Avenue between Sharp Street and Miami Street from 1:00 p.m. to 6:00 p.m. This request is being made for the safety of the parents and children attending this event who will be crossing Gibson Avenue to see the displays and demonstrations on the private property which abuts Gibson Avenue to the south.

Staff has reviewed the application and approved the street closing. The Streets Department will be providing the barricades and closing the road. Site preparation, sanitary facilities, insurance and trash clean up will be the responsibility of the church.

OTHER OPTIONS

Do not approve the request for the road closing.

FISCAL IMPACT

The organizer will be responsible for all costs associated with his event.

[End agenda memo]

Agenda Item 13. Approval of Special Event Permit Farmer's Market

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Approval of the Special Event Permit application will allow Main Street to hold a "Farmer's Market" in the Marketplace and on the Marketplace Parking Lot every Saturday for six months

RECOMMENDATION

It is recommended that the City Commission consider taking the following action:

1. Approve the Special Event Permit application from Main Street to hold a "Farmer's Market" on each Saturday of the month between the hours of 8:00 a.m. to noon beginning October 15, 2011 for a period not to exceed six months
2. Approve the use of the Marketplace for vendors and the temporary closing of the alley between Park Avenue and Stuart Avenue at the Marketplace during the event
3. Approve the temporary closing of the Marketplace parking lot located adjacent to the Marketplace for vendors
4. Approve the temporary closing of Market Street between Central Avenue and Stuart Avenue for vendors to set up on the first Saturday of the month if space is limited in the Marketplace parking lot during the Antiques & Oddities event held on the same day

BACKGROUND

Kevin Respress, President of the Lake Wales Main Street has submitted a special event permit application on their behalf to hold a "Farmer's Market" in the downtown area beginning October 15, 2011 and continuing each Saturday of the month for a period not to exceed six months. The event would be held between the hours of 8:00 a.m. and 12:00 p.m. (noon). They have requested the use of the Marketplace for vendors and the temporary closing of the alley between Park and Stuart during the event. They have also requested the temporary closing of the Marketplace parking lot as well for vendor to set up.

Although the commission has previously approved the temporary closing of the Marketplace parking lot and the Marketplace for the Antiques & Oddities event the first Saturday of each month until January 31, 2012, It's Happening Downtown Inc. has met with Main Street and agreed to share the Marketplace and the Marketplace parking lot the first Saturday of the month. If space becomes limited in the Marketplace parking lot, Main Street is requesting the use of a portion of Market Street between Central Avenue and Park Avenue for the overflow of vendors if needed. There will be no anticipated conflict with the Car Show which is held on the fourth Saturday of each month since the "Farmer's Market" will be held in the morning.

City departments have reviewed the application and find no issues or concerns with recommending approval of their request. If at any time during the six month period changes or modifications are made to

the event activities, a new Special Event Permit application will be required and must be approved prior to the event being held. Main Street will be responsible for meeting all requirements for site preparation, site cleanup, and vendor licensing where necessary. Sanitary facilities will be provided by the Care Center Youth Center house. Insurance will be provided from the sponsors required. In addition they will be required to notify the City if the event is canceled at any time during a given month.

OTHER OPTION

Do not approve this special event permit application or the temporary closing of the Marketplace parking lot and Market Street.

FISCAL IMPACT

The sponsor is responsible for all cost associated with this event.

[End agenda memo]

Agenda Item 14. Approval of Expenditure: Police Forfeiture Funds

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The Commission will consider approving the request for expenditure of Forfeiture Funds for tuition reimbursement.

RECOMMENDATION

It is recommended the Commission approve the expenditure of Forfeiture funds in the amount of \$5,939.00 for tuition reimbursement.

BACKGROUND

In accordance with the Collective Bargaining Agreement (CBA) between the City of Lake Wales and CBA members, reimbursement of admission examination, books and/or tuition fees of a maximum of \$2,500 will be provided by the City per employee each fiscal year for degree curricula as long as the expense is job related.

Section 932.7055, Florida Statutes, provides that forfeiture funds may be expended upon request by the Chief of Police to the City Commission for law enforcement purposes, to include training and education.

FISCAL IMPACT

This expenditure will reduce the Forfeiture Fund balance to \$740.00

OPTIONS

The City Commission may choose not to fund this expenditure.

[End agenda memo]

Agenda Item 15. Approval of Outdoor Seating on Public Property: Stuart Avenue Sidewalk – Keith Thompson

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Beans-N-Brushes (222 Stuart Avenue) is requesting Commission approval to allow seating on public property, specifically the sidewalk in front of their place of business.

RECOMMENDATION

Staff recommends approval of two (2) tables to be located on the public sidewalk in front of Beans-N-Brushes (222 Stuart Avenue) downtown as shown on the site plan.

The Planning and Zoning Board considered this request at their August 23rd meeting as required by code (sec. 23-353). The Board forwards this to City Commission with a recommendation for approval.

BACKGROUND

Keith Thompson, owner of Beans-N-Brushes is requesting permission to provide two (2) tables outside on the public sidewalk for his patrons. The sidewalk is approximately nine (9) feet wide in the proposed location which will allow for the tables and maintain the required ADA pedestrian passageway

Since the tables are located in City right-of-way, City Commission approval is required.

The applicant will provide proof of insurance showing the City as an additional insured. The owners have executed an Indemnification Agreement drafted by the City Attorney.

FISCAL IMPACT

None

OTHER OPTIONS

Commission may choose to deny the request or modify the number of tables allowed.

[End agenda memo]

END CONSENT AGENDA

Commissioner Howell made a motion to approve the Consent Agenda. The motion was seconded by Commissioner Thornhill.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Commissioner Wojcik	"YES"
Commissioner Rogers	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

OLD BUSINESS

Agenda Item 16. Ordinance 2011-19, Solid Waste Services – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Staff is recommending amendment to the Code of Ordinances for solid waste services.

RECOMMENDATION

It is recommended that the City Commission adopt Ordinance 2011-19 after second reading and public hearing.

The first reading of Ordinance 2011-19 was approved by the Commission on September 7, 2011.

BACKGROUND

On July 5, 2011, the City Commission approved updated provisions of solid waste collection, recycling, and disposal services. Changes within the solid waste administration and collection function have caused the need to update Section 17 of the City Code. These updates include the following items:

- **Section 17-4 – Administration.** The Finance Department has been assigned the responsibility for the administration of any solid waste contract authorized by the City Commission. The Finance Department will also be responsible for the billing of charges for such services.
- **Section 17-11 – Garbage and Trash.** The definition of a "Tote" has been added. The responsibility of Florida Refuse to provide totes has been defined. Within Section 17-11(g) wording has been added for residents to use "front" curbside service when possible. In instances when there are concerns relating to safety, health, or welfare of the community the public alley may be used. The City Manager or his/her designee will determine whether or not alley use is necessary for the safety, health, or welfare of the community.
- **Section 17-12 – Yard Waste.** Additional wording has been added stating that no single item shall exceed fifty (50) pounds in weight. Within Section 17-12(c) wording has been added stating that yard waste shall be placed at the curbside immediately in front of the premises if possible. In instances when there are concerns relating to safety, health, or welfare of the community, the public alley may be used. The City Manager or his/her designee will determine whether or not alley use is necessary for the safety, health, or welfare of the community.
- **Section 17-13 – Special Collection Services.** Wording has been added requiring professional tree service companies to be responsible for disposing of resident's debris relating to tree removal.
- **Section 17-35 – Fee Schedule.** An updated fee schedule for fiscal year 2011'12 has been included.

FISCAL IMPACT

With the exception of the Finance Department taking responsibility for the solid waste contract, this is primarily a housekeeping ordinance to conform City Code Section 17 Solid Waste to items approved by the City Commission.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-19 by title only.

AN ORDINANCE OF CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING LAKE WALES CODE OF ORDINANCES CHAPTER 17, SOLID WASTE SERVICES, PROVIDING FOR SEVERABILITY, PROVIDING FOR AN EFFECTIVE DATE.

Finance Director Dorothy Pendergrass reviewed Agenda Item 16.

OPENED PUBLIC HEARING

There were no public comments.

CLOSED PUBLIC HEARING

Commissioner Howell made a motion adopt Ordinance 2011-19 after second reading and public hearing. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 17. Ordinance 2011-20, Concerning the Legislature's Statutory Preemption of Control of Firearms and Ammunition and its Revision of 790.33, Florida Statutes – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

RECOMMENDATION

1. That the City Commission adopt Ordinance 2011-20 after second reading and public hearing.

First reading of Ordinance 2011-20 was approved by the Commission on September 7, 2011.

BACKGROUND

Section 790.33, Florida Statutes, preempted to the State of Florida the control of firearms and ammunition upon its initial adoption by the Legislature in 1987. Over the years, numerous counties and municipalities have adopted ordinances or regulations which regulate firearms and/or ammunition other than as set forth in the cited statute. The City of Lake Wales is no exception and has adopted certain provisions found in its Code of Ordinances which in some manner regulate firearms and/or ammunition. During the 2011

Legislative session, the Legislature approved a significant revision to §790.33, Fla.Stat., which reiterates the original legislative intent that control of firearms and ammunition be preempted to the State and adopts significant sanctions and penalties for violation of it. The stated intent is to require local jurisdictions to enforce state firearm laws. The penalties may be assessed against several entities, including local governments, their elected and appointed officials, employees or agents, and persons contracting with a governmental entity. Violation includes enforcement or attempted enforcement of existing provisions which were created or adopted prior to this most recent revision to §790.33, Fla.Stat., which was approved by the Governor and which will become law on October 1, 2011. In order to avoid any possibility of conflict with this enactment, Ordinance 2011-20 has been prepared to alter the Code of Ordinances to remove any provisions which violate or might be construed to violate the State's preemption.

FISCAL IMPACT

None

ALTERNATIVES

None that do not risk significant penalties for violation of the State's preemption

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-20 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, REPEALING, PARTIALLY REPEALING, OR AMENDING CERTAIN PROVISIONS OF THE LAKE WALES CODE OF ORDINANCES WHICH CONFLICT WITH OR MAY CONFLICT WITH THE PROVISIONS OF §790.33, FLORIDA STATUTES, WHICH PREEMPTS TO THE STATE OF FLORIDA THE WHOLE OR ENTIRE FIELD OF REGULATION OF FIREARMS AND AMMUNITION; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

City Attorney Chuck Galloway reviewed Agenda Item 17. He said that slung shot and sling shot, terms that had been confusing during first reading, were indeed two words and Ms. Delmar explained the definition of both words for clarification.

OPENED PUBLIC HEARING

There were not comments from the public.

CLOSED PUBLIC HEARING

Commissioner Rogers made a motion to adopt Ordinance 2011-20 after second reading and public hearing. The motion was seconded by Commissioner Thornhill.

By Roll Call Vote:

Commissioner Rogers	"YES"
Commissioner Thornhill	"YES"
Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 18. Ordinance 2011-21, Vacation of Alley 402 E. Park Avenue, Associate Reformed Presbyterian Church of Lake Wales – 2nd Reading & Public Hearing

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Vacation of an alley running through the residential property at 402 E. Park Ave. has been requested by the owner, the Associate Reformed Presbyterian Church of Lake Wales. Public use of the alley was apparently curtailed in 1936 when a garage was built across it, but there is no record that the alley was formally vacated. "Vacation" means that the public will no longer have a right to use the alley.

RECOMMENDATION

1. Adoption, following a second reading and public hearing, of Ordinance 2011-21

Public notice requirements have been met. A first reading of the ordinance was approved September 7.

BACKGROUND

Attorney D. Andrew Hunt, representing the property owner, the Associate Reformed Presbyterian Church of Lake Wales, has requested vacation of an old alley running through the lot of a single-family house at 402 E. Park Ave. The alley runs east from 4th St., south of Park Ave., as shown on "Attachment A" to the ordinance. It is 15 feet wide and 90 feet long. A garage was built across the alley in 1936.

Several branches of platted alleys in the neighborhood have been abandoned over the years, but no record of formal abandonment of the subject alley by the City has been found. The branch alleys were replaced by an alley running off 4th St. about 220 feet south of Park Ave. The replacement alley is labeled as "Current alley" on "Attachment A." A missing piece of the replacement alley on the south side of the church property will be dedicated to the City, according to Mr. Hunt.

Verifications have been received that there are no utilities or public improvements in the alley.

Note: the strip of land on the east side of the property south of the alley to be vacated is not part of the alley, but appears to be a piece that was left out of the legal descriptions when property was transferred.

FISCAL IMPACT

The City's maintenance responsibilities will not change with the vacation. The City is not maintaining the alley being vacated and is already maintaining the "replacement" alley south of the church property.

OTHER OPTIONS

If the City declines to vacate the alley, the title to the church property will not be clear.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-21 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, CLOSING, VACATING, RENOUNCING, AND DISCLAIMING ANY RIGHTS OF THE CITY AND THE PUBLIC IN AND TO AN ALLEY

LYING EAST OF FOURTH STREET AS SHOWN ON "ATTACHMENT A" AND SPECIFICALLY DESCRIBED HEREIN; AND PROVIDING FOR AN EFFECTIVE DATE

OPENED PUBLIC HEARING

Jack Neal, 435 East Central Avenue, asked if the whole alleyway would be vacated, including that portion by his house. Mr. Galloway said only the alleyway indicated in this agenda item would be vacated at this time and would finalize the whole alleyway because the rest had previously been vacated. Planning Director Margaret Swanson showed Mr. Neal the location of vacated alleyway on the map.

CLOSED PUBLIC HEARING

Commissioner Rogers made a motion to adopt Ordinance 2011-21 after second reading and public hearing. The motion was seconded by Commissioner Howell.

By Roll Call Vote:

Commissioner Rogers	"YES"
Commissioner Howell	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

NEW BUSINESS

Agenda Item 19. Ordinance 2011-22, Moratorium on Pain Clinic Approvals – 1st Reading

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

A moratorium on the approval of pain clinics is proposed in response to a request by two substance abuse organizations in Polk County. The moratorium will extend for 120 days or until regulations on pain clinics are enacted by the City. Several types of medical facilities are exempted from the moratorium. The proposed ordinance is similar to that enacted by Lakeland and other communities.

RECOMMENDATION

Staff recommends approval on first reading of Ordinance 2011-21 imposing a moratorium on the approval of pain clinics.

The City Commission discussed instituting a moratorium at its workshop in July and requested staff to prepare an ordinance for their consideration.

BACKGROUND

Two substance abuse prevention organizations, Inner Act Alliance and Stand-Up Polk, have asked the City to enact a moratorium on the approval of pain management clinics in order to help prevent "pill mills" from locating in the area.

The proposed ordinance is modeled after a Lakeland ordinance and is similar to those enacted in other Polk County cities. It calls for a moratorium on approval of new pain management clinics for a period of one hundred twenty (120) days or until such time as the City Commission adopts new regulations governing these types of clinics and expressly lifts the moratorium, whichever occurs first. (See Sec. 3 of the ordinance.)

Several types of pain management facilities are exempted from the moratorium, (See Sec. 2b definition of "pain management clinic.") including hospitals, surgical physicians, large publicly held corporations, clinics associated with accredited medical schools, clinics that do not prescribe or dispense controlled substances for pain treatment, and tax exempt clinics.

Responsibility for administering the moratorium would fall to the Department of Planning and Development. Under a procedure already in place, any change of use on a property must receive zoning approval prior to the processing of any permits or application to pay a business tax. Verification would be required if an exemption from the moratorium were claimed.

Research would be necessary to craft any regulations to allow lifting the moratorium.

OTHER OPTIONS

Decline to enact a moratorium and depend upon state regulations to address any issues with pain management clinics.

FISCAL IMPACT

Staff time will be required to enforce the moratorium, including creation of an exemption form and review of all new medical office applications for applicability.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-22 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, FLORIDA, IMPOSING A TEMPORARY MORATORIUM ON THE PERMITTING OR APPROVAL OF NEW PAIN MANAGEMENT CLINICS WITHIN THE CITY OF LAKE WALES; ADOPTING FINDINGS; PROVIDING DEFINITIONS; PROVIDING FOR PENALTIES; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

Commissioner Howell asked what would happen at the end of the 120-day period. Mayor Carter said the way he read it, the moratorium stayed in effect for 120 days or until something is done, which could be forever. Planning Director Margaret Swanson said that was essentially correct. Commissioner Howell questioned the wording if the moratorium could essentially continue indefinitely. Ms. Swanson said they used the wording from ordinances presented to her from other cities. She said they will be watching what the other cities do and they plan to copy theirs if they have any good ideas.

Commissioner Howell made a motion to approve Ordinance 2011-22 after first reading. The motion was seconded by Commissioner Rogers.

By Roll Call Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"

Mayor Carter

"YES"

The motion carried 5-0.

Agenda Item 20. Ordinance 2011-23, Chapter 23 Amendment to Concurrency Zoning Regulations – 1st Reading

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Adjustments are proposed to the requirements for reserving capacity in the City's sewer and water systems. Because of the economic downturn, most residential developments have been removed from the utility capacity queue at the developers' request and partial pre-payments of impact fees have been refunded. The amendment removes requirements no longer necessary for maintaining the queue and allows refund of remaining queue payments.

RECOMMENDATION

Staff recommends approval of Ordinance 2011-23 upon first reading.

BACKGROUND

The utility reservation system was established at a time of high development activity to prevent over-commitment of sewer and water capacity and to require developer participation in financing water and sewer system expansions to serve their developments.

The reservation system requires a developer submitting residential development plans for review to "queue" for capacity with a 10% pre-payment of utility impact fees. Issuance of a site development permit for construction of roads, sewer and water lines etc. requires a utility services agreement with a secured commitment for all utility impact fees. A number of developments were queued by virtue of prior plan approval or by queue agreement. No developments progressed to an executed utility services agreement.

In the economic downturn, the capacity queue has all but dissolved. Many plans have expired, and the developments have been removed from the queue at the developers' request. Partial pre-payments of impact fees, paid with the queue agreement, have been returned.

Only one development remains in the queue with a pre-paid agreement. LM Properties was required to queue for 17 lots in Sunset Pointe II (Sunset Drive) for which capacity had not been reserved under the prior system. The development was the only development that had already been issued a site development permit at the time the new system went into effect. The amendment will remove the requirement for a utility services agreement prior to platting of remaining lots in the development and will allow a refund of the pre-payment of \$9,584.60. The amendment does not exempt the development from payment of impact fees; the fees will be required with the issuance of building permits for individual lots.

The refund will address auditors' concerns about retaining fees over an extended period with no development activity and will simplify the task of tracking deposits and capacity reservations.

The amendment will also remove now irrelevant language pertaining to developments that began review under the prior system. The basic system of requiring residential developments to reserve capacity will remain intact. However, amendments will be brought forth in the future to clarify and improve the system.

OTHER OPTIONS

Make no amendments to the system. Sunset Pointe II will remain in the queue as a unique development.

FISCAL IMPACT

There is no net fiscal impact to the City. Impact fees will be paid by all developments as required.

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-23 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING THE CODE OF ORDINANCES, CHAPTER 23, ZONING, LAND USE AND DEVELOPMENT REGULATIONS, SECTION 704 - CONCURRENCY REVIEW PROCESS TO REMOVE THE ONE-YEAR EXPIRATION FOR RESERVATIONS OF CAPACITY AND TO ELIMINATE THE REQUIREMENT FOR A UTILITY SERVICES AGREEMENT FOR DEVELOPMENTS FOR WHICH SITE DEVELOPMENT PERMITS HAVE BEEN ISSUED; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Planning Director Margaret Swanson reviewed Agenda Item 20.

Commissioner Howell made a motion to approve Ordinance 2011-23 after first reading. The motion was seconded by Commissioner Rogers.

By Roll Call Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 21. Ordinance 2011-24, Amendments to Chapter 12, Health, Sanitation, Nuisances – 1st Reading

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

In March of this year the Code Enforcement division was reassigned from the Police Department to the Department of Planning and Development. As a result, a review of Chapter 12 was undertaken to clarify and update cross references as well as remove redundancies that were found in the chapter.

RECOMMENDATION

Approve Ordinance 2011-24 upon First Reading. No public hearing is required.

BACKGROUND

Staff in consultation with the City Attorney is proposing amendments to Chapter 12 Health, Sanitation, Nuisances in light of the reassignment of the Code Enforcement Division to the Department of Planning and Development from the Police Department. These changes eliminate redundancies and correct cross-references.

SECTION 1: Division 2. Debris, Weeds, Wild Growth and Unsanitary Conditions

Sec. 12-36 is re-lettered for clarity

Sec. 12-39 is removed – Property owner rights are covered in Section 12-211 and 12-217.

For housekeeping purposes section 12-40 and 12-41 are renumbered 12-39 and 12-40 respectively.

SECTION 2: Division 4. Abandoned, Wrecked, Junked Property

Sec. 12-71 a correction is made to change reference from “above” to “below” in the definition of *vehicle*.

Sec. 12-76 is removed because the Code Enforcement Board does not have appeal authority. An appeal would go to the Board of Adjustment and Appeals or to the circuit court. This is covered in Sec. 12-217.

Sec. 12-77 is removed because the procedure for disposition of a vehicle is clearly covered in §705 Florida Statute.

For housekeeping purposes section 12-78 and 12-79 are renumbered 12-76 and 12-77 respectively.

SECTION 3: Article III. Code Enforcement Division 1, Generally

The select few code references have been removed as code enforcement may be applied across the code of ordinances in its entirety.

SECTION 4: Division 2. Enforcement Procedure

Sec. 12-211 subsection (b) is amended to correct cross references with state statutes.

Sec. 12-216 is amended to provide reference to §162.12 Florida Statute as to avoid any conflict if updates occur at the state level.

Sec. 12-217 is amended to provide specificity for appealing a *Notice of Violation* and/or a *Final administrative order* issued by the Code Enforcement Board.

SECTION 5: Division 3. Supplemental Enforcement Procedures

Sec. 12-221 is amended to correct reference with Florida Statute.

OTHER OPTON

None, the amendments to the ordinance are proposed to remove redundancies and correct references.

FISCAL IMPACT

None

[End agenda memo]

Ms. VanBlargan read Ordinance 2011-24 by title only.

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING LAKE WALES CODE OF ORDINANCES, CHAPTER 12, HEALTH, SANITATION, NUISANCES; CLARIFYING CONDITIONS, CONSOLIDATING RIGHTS OF PROPERTY OWNERS, UPDATING CROSS REFERENCES WITH OTHER SECTIONS OF THE CODE OF ORDINANCES, REMOVING REDUNDANCIES, AND PROVIDING FOR AN EFFECTIVE DATE.

Assistant Planning Director Kathy Bangley made the following corrections to be made on Agenda Item 21.

- Add "providing for severability" to the title of the ordinance to be publicized for second reading and public hearing
- On page 6 section 12.216 – the first word 'notices' is missing.

Commissioner Howell made a motion to approve Ordinance 2011-24 after first reading with the two corrections. The motion was seconded by Commissioner Rogers.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 22. Approval of Contract for Law Enforcement Services: Lake Wales Housing Authority, 2011

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Commissioners will consider approving a contract with the Lake Wales Housing Authority for providing supplemental law enforcement services at the Grove Manor public housing complex.

RECOMMENDATION

It is recommended that the City Commission:

1. Authorize the Mayor to execute a contract for services with the Lake Wales Housing Authority for Fiscal Year 2011-2012.

BACKGROUND

Community policing originated in Lake Wales when law enforcement officers were partnered with the Lake Wales Housing Authority to remove crime and disorder from the Grove Manor and Sunrise Park public housing complexes. Working with the Lake Wales Housing Authority and residents, officers not only removed crime and disorder, they forged a partnership that has evolved into the current community policing philosophy of the Lake Wales Police Department. Funding from the Lake Wales Housing

Authority for a community policing officer was eliminated some years ago; however, the CRA Board of Commissioners approved funding an additional law enforcement officer position during the 2010/2011 year to provide supplemental law enforcement services to the Lake Wales Housing Authority.

In an effort to continue to provide dedicated law enforcement services to the Lake Wales Housing Authority, Grove Manor Complex residents, the Lake Wales Police Department seeks approval to enter into a contract for services between the City of Lake Wales and the Lake Wales Housing Authority. The contract for law enforcement services provides for a monthly payment due the City in the amount of \$2,136.00 from the Housing Authority.

[End agenda memo]

Police Chief Chris Velasquez reviewed Agenda Item 22.

Mayor Carter said it was just an extension of what they already have been doing and asked if anything was different. Chief Velasquez said there was not.

Commissioner Wojcik asked if it included 50% for the allocation of things like pension. Ms. Delmar said when they allocate salary all payroll costs are included such as health insurance, pension, workers comp, and social security.

Commissioner Howell made a motion to authorize the Mayor to execute a contract for services with the Lake Wales Housing Authority for Fiscal Year 2011-2012. The motion was seconded by Commissioner Rogers.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 23. Approval of Contract for Law Enforcement Services: Eagle Ridge Mall

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Commissioners will consider approving supplemental law enforcement services at the Eagle Ridge Mall, which will be funded through an interim contract with 451 Eagle Ridge Drive Holdings, LLC. This contract will be effective from September 20, 2011 through December 31, 2011

RECOMMENDATION

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

1. Approve the letter of intent for supplemental law enforcement services and authorize the City Manager to sign the contract.

2. Approve the interim contract agreement for supplemental law enforcement services and authorize the City Manager to sign the contract.
3. Authorize staff to negotiate a five-year contract with 451 Eagle Ridge Drive Holding, LLC for supplemental law enforcement to be provided at the Eagle Ridge Mall.

BACKGROUND

Mr. Gary Bonacci, General Manager of the Eagle Ridge Mall, has spoken with City staff regarding contracting supplemental law enforcement services to be provided at the Eagle Ridge Mall location. Mr. Bonacci, during preliminary discussions with staff, has indicated he is interested in signing a five-year contract with the City of Lake Wales for these services.

He is aware that City staff, through contract negotiations would seek reimbursement for both operating and capital expenditures as well as an administrative fee relating to these services. He has agreed to an interim contract in order to providing funding for the City to hire two additional police officers which, once trained, would provide sufficient staffing for the City to be able to provide supplemental law enforcement services at the mall location.

The interim contract will allow sufficient time for finalization of contract negotiations, legal review, and presentation to the City Commission of a five-year contract. Staff expects to have a five-year contract ready for Commission review in early December. The interim contract, effective from September 20, 2011 through December 31, 2011, provides for a monthly "Supplemental Law Enforcement Fee" of \$14,500, due the 9th of each month.

[End agenda memo]

Police Chief Chris Velasquez reviewed Agenda Item 23. He said every cost for the service has been identified including pension, capital items such as vehicles, fuel and maintenance, uniforms, firearms and even an administrative fee.

Mayor Carter asked for confirmation that there would be only one officer there at a time and it was not 24/7 coverage. Chief Velasquez agreed and said the mall was still going to have private security. He said basically, we would gain two officers. Just as now, if everything broke loose at the Mall all officers would be sent; if everything broke loose somewhere else we would have two more officers to help.

Commissioner Wojcik said her first concern had been that the City was committing to two new officers and she had asked Chief Velasquez what would happen if for some reason we don't go forward with the five-year contract and what would happen at the end of the five years when we still have to cover the expense of two additional officers. She said the Chief had told her that the two officers would be absorbed into the roster as other officers leave.

Chief Velasquez said that was why they will have to have a contract but if that should happen we would not have to hire new officers and train them. Commissioner Wojcik asked what would happen if there are no vacant positions to put them in and the Chief said he would be over-budgeted. He said that was one of the first concerns addressed when he met with Mall representatives and they said they were committed and in it for the long haul, and were willing to sign a five-year contract. He actually wanted to hire more than two officers, and he may just do that because he is hoping that additional security will attract more patrons to the Mall by making it a better environment in which to shop.

Commissioner Rogers made a motion to:

1. Approve the letter of intent for supplemental law enforcement services and authorize the City Manager to sign the contract.

2. Approve the interim contract agreement for supplemental law enforcement services and authorize the City Manager to sign the contract.
3. Authorize staff to negotiate a five-year contract with 451 Eagle Ridge Drive Holding, LLC for supplemental law enforcement to be provided at the Eagle Ridge Mall.

The motion was seconded by Commissioner Howell.

By Voice Vote:

Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 24. Approval of Contract for Engineering Services: Envisors

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

Commissioners will consider approval of a contract with Envisors to prepare the Facility Plan required by FDEP State Revolving Fund (SRF) for the "C" Street and Vicinity Sewer Improvements project.

RECOMMENDATION

It is recommended that City Commission take the following actions:

1. Authorize Envisors to prepare and submit the required FDEP Facilities Plan for the "C" Street and Vicinity Sewer Improvements Project for a fee of \$9,400.
2. Authorize additional work if necessary to respond to Requests for Additional Information from the FDEP regarding the Facilities Plan at a cost not to exceed \$4,000.

BACKGROUND

In order for the "C" Street Project to become eligible for SRF funding, the first step is to complete an FDEP Request for Inclusion (RFI) Application and a Facility Plan. City staff will prepare the RFI in-house but outside engineering services are necessary to complete the Facility Plan. Based on discussions with FDEP, the scope of the Facilities Plan to be prepared will be a stand-alone project-specific document for the "C" Street project and not a system-wide wastewater master planning document. The work scope includes fulfillment of all FDEP Facilities Plan review checklist items. Envisors will prepare this document for a lump sum fee of \$9,400.

If necessary and at the request of City staff, Envisors will respond to Requests of Additional Information (RAI) from the FDEP regarding the Facilities Plan. At this time, prior to Facilities Plan preparation, there are several issues that could potentially complicate obtaining Facilities Plan approval including but not limited to environmental issues and issues related to easement acquisition for project construction. As such, Envisors' additional compensation to respond to RAIs will be on a time and expense basis up to a not-to-exceed value of \$4,000.

The next SRF public hearing is scheduled for February 8, 2012. If the Commission wants the C Street Project to be considered, a facility plan must be submitted by mid-November to allow FDEP sufficient time to review and process the City' application. Biddable plans, specs, and site certification will need to be submitted the first week of January.

FISCAL IMPACT

See above.

[End agenda memo]

Finance Director Dorothy Pendergrass reviewed Agenda Item 24.

Commissioner Wojcik asked what part she would be doing. Ms. Pendergrass said she and Sarah Kirkland, Utilities Project Manager, would do the Request for Inclusion, three pages of non-technical generic information such as the description of the project and cost estimate. The Facilities Plan is more technical and that is why they are asking for an engineer to do it.

Mayor Carter asked if there was someone on staff like Public Works Director Tom Moran that could do the Facilities Plan and Utilities Projects Administrator Sarah Kirkland said there was no one on staff that could do it because no one has the required technical expertise.

Commissioner Howell made a motion to authorize Envisors to prepare and submit the required FDEP Facilities Plan for the "C" Street and Vicinity Sewer Improvements Project for \$9,400 and authorize additional work if necessary to respond to requests for additional information from the FDEP regarding the Facilities Plan at a cost not to exceed \$4,000. The motion was seconded by Commissioner Wojcik.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Wojcik	"YES"
Commissioner Rogers	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 25. Redistricting Committee

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

A fifth and final member must be appointed to the Redistricting Committee.

RECOMMENDATION

Staff recommends that the commission appoint the final member to serve on the Redistricting Committee that will shape the four city commission districts for the next 10 years.

BACKGROUND

At the September 7, 2011 meeting the City Commission decided to move forward with the redistricting process and appointed four members to serve on the Redistricting Committee. These four are Andrea Fitterling, Rev. James Cleare, Linda Kimbrough and Jack Brandon. One more member, Commissioner Thornhill's representative, is needed for the committee.

All appointments will become effective on October 1, 2011. The committee will have six months following its appointment to complete its work.

OTHER OPTIONS

Do not appoint the remaining member.

FISCAL IMPACT

none

[End agenda memo]

Special Projects Manager Jennifer Nanek reviewed Agenda Item 25.

Commissioner Thornhill made a motion to appoint Cliff Tonjes as the fifth member to serve on the Redistricting Committee. The motion was seconded by Commissioner Howell.

By Voice Vote:

Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Commissioner Wojcik	"YES"
Commissioner Rogers	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 26. Board Appointments

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The appointments will fill vacancies due to resignations, expirations of terms, newly established boards, etc.

RECOMMENDATION

It is recommended that the City Commission make the appointments as deemed appropriate.

BACKGROUND

Vacancies exist on various Boards, Commissions, and Committees due to resignations, expirations of terms, newly established boards, etc. The City Commission is asked to make the appointments as

deemed appropriate.

Board of Zoning Adjustments and Appeals (BOA) – Members are appointed by the City Commission.
The board consists of five (5) members. Members must be residents. (3-year term)

At times, the City Commission expresses concern as to why there are board vacancies on various boards that do not seem to get filled. A primary reason vacancies exist on the BOA is its 9:00 a.m. monthly meeting time, which makes it difficult for the working class of people to commit to attending the meetings on a regular basis so they do not apply for membership. The City Commission may consider changing the meeting time for the BOA to 5:30 p.m. on any week day not already scheduled by other boards.

Susan Descheen from the Planning & Development office and BOA secretary said that the last meeting was held on February 17, 2011. Meetings are scheduled monthly but cancelled if no applications are brought forward. There has not been a quorum since the resignation of Mr. Salvin on July 8, 2011 and Mr. Parker on August 4, 2011 and so business can no longer be conducted by this board. The BOA Chairman says that he is happy with the present meeting time, but due to lack of members no meetings can be held.

There are currently two members serving on the BOA, which does not meet the requirement for a quorum. The City Clerk is hoping with a meeting time change the vacancies can be filled and monthly required meetings can be held.

Parks and Community Appearance Advisory Board - Members are appointed by the Mayor and confirmed by the City Commission. The Board consists of seven (7) members. A majority of the members shall reside or own property within the city limits. The Director of Planning or designee and Public Services Director or designee shall serve as ex-officio members. Members are appointed for terms of three (3) years, except that the initial terms of the members shall be staggered so as to provide two (2) vacancies at the end of each year. The board shall elect a chairman at its first meeting after the first day of July in each year. (3-year term)

There is no interview process requirement for applicants applying for appointment to this board.

1 vacancy: term expires 07/01/13

Applying for appointment: Wilena D. (Willie) Vreeland, resident

Applying for re-appointment: None

Firefighters' Retirement Board – Members are appointed by the City Commission. The board consists of five (5) members. Two (2) members must be legal residents of the City and two (2) members must be full time firefighters employed by the Lake Wales Fire Department. Resident members are appointed by the City Commission; firefighters are selected by a majority of the firefighters who are members of the plan. The fifth member is chosen by a majority of the other four members and appointed by the City Commission. (4-yr term)

This appointment is for the 5th seat member.

One (1) vacancy term expires 09/30/15

Applying for re-appointment: Robert Hugh Holt, resident

A vacancy is due to the expiring term of Robert Hugh Holt, who was unanimously approved by the Lake Wales Firefighters' Pension Board on August 17, 2011 to serve another term.

OTHER VACANCIES

Staff received no applications to fill the vacancies on the following boards, committees & commissions:

Bicycle/Pedestrian Advisory Commission
Board of Zoning Adjustments & Appeals
Code Enforcement
Depot Advisory Commission
Drug & Prostitution-Related Nuisance Abatement Board

Historic District Regulatory Board
Historic Preservation Board
Lakes Advisory Commission
Police Officers' Retirement Board
Recreation Commission

Board Applications are considered for appointment by the City Commission at various times of the year. Regulatory Boards require an interview process for all new applicants before being considered for appointment by the City Commission.

Applications are available from the City Clerk, Municipal Administration Bldg., 201 W. Central Avenue or can be obtained on the City's website at www.cityoflakewales.com.

FISCAL IMPACT

None. These are volunteer citizen boards.

OTHER OPTIONS

Do not appoint the applicants named above and seek other applicants; however, it may be difficult for the board to obtain a quorum until vacancies are filled.

[End agenda memo]

City Clerk Clara VanBlargan reviewed Agenda Item 26 and said that after completing the agenda, a retired citizen applied for membership on the BOA. He expressed his willingness to serve and said he was okay with the 9:00 a.m. meeting time. She said if he is appointed by the Commission at the next meeting, the BOA will then meet its quorum to start having meetings again.

Mayor Carter suggested that there still needed to be a discussion on changing the time because it has been an ongoing issue for months. Planning Director Margaret Swanson said they would bring that up at the next BOA meeting.

Mayor Carter made a motion to appoint Wilena D Vreeland to serve as member on the Parks and Community Appearance Board for a term expiring 07/01/13. The motion was seconded by Commissioner Howell.

By Voice Vote:

Mayor Carter	"YES"
Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"

The motion carried 5-0.

Commissioner Howell made a motion to reappoint Robert Hugh Holt to the Firefighters' Retirement Board for a term expiring 09/30/15. The motion was seconded by Commissioner Rogers.

By Voice Vote:

Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Mayor Carter	"YES"

The motion carried 5-0.

Agenda Item 27. Discussion of Preliminary Financial Statements thru August 31, 2011 Fiscal Year to Date

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

SYNOPSIS

The preliminary financial statements report revenues received and expenditures made through the end of August 2011.

The unaudited financial statements for the City of Lake Wales for the Period Ending August 31, 2011 are presented to the City Commission for review. At the end of August 31, 2011 the City was 91.7% into the fiscal year. Twenty-four of twenty-six payrolls (92.3%) have been expensed through August 31st. Revenue and expenditure budgets have been adjusted to reflect changes through Budget Amendment #4.

Effective June 2, 2011, all department directors received notice of a freeze on spending and hiring from the City Manager. No purchases are to be made unless department operations cannot continue without the purchase. No vacant positions are to be filled unless department operations will cease to function or the safety of the public or other department employees will be placed in jeopardy. It is necessary to bring spending to a minimum for the remainder of this fiscal year.

Analysis of Cash & Investment Changes:

	GENERAL	SPECIAL REVENUE	UTILITY SYSTEM	TOTAL
Cash & investments YTD 2009-2010*	3,233,594	2,140,255	193,765	5,567,614
Cash & investments YTD 2010-2011*	2,398,919	1,451,578	631,739	4,482,236
CHANGE	-834,675	-688,677	+437,974	-1,085,378

General Fund cash and investments in comparison to prior year showed a reduction of \$834,675. Essentially, 811,104 (97.2%) of this reduction is due to the following items:

- Reduction in ad valorem tax receipts compared to prior year of \$442,200.
- The "Due from CDBG Fund" receivable increased by \$368,904. This money will be returned to the General Fund once the CDGB grant money is received.

Special Revenue Fund cash and investment in comparison to prior year showed a reduction of \$688,677. Essentially, \$701,142 (101.8%) of this reduction is due to the following items:

- Reduction in CRA ad valorem tax receipts compared to prior year of \$361,596.
- Reduction in CRA County Tax Increment receipts compared to prior year of \$339,546.

Utility Fund cash and investments in comparison to prior year showed an increase of \$437,974. Essentially, 342,781 (78.2%) of this increase is due to the following items:

- Increases within recurring revenues totaling \$72,488.
- Reduction in operating expenditures totaling \$270,293, excluding depreciation expense. During 2009'10, the City contributed \$212,331 towards the Lake Belle drainage project that was constructed by Polk County. This one-time expense was classified as an operating expenditure rather than capital outlay due to the nature of the intergovernmental agreement.

Effective August 29, 2011, the City Commission established rules for administration and use of funds in emergency sinking accounts.

Revenue & Expenditures Summary:

General Fund (page F-4):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

Special Revenue Funds (page F-6):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

Debt Service Fund (page F - 7):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

Capital Project Fund (page F - 8):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

Airport Fund (page F - 9):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

Utility System Funds (page F - 11):

Revenue sources appear reasonable compared to budgetary expectations. Expenditures appear reasonable compared to budgetary expectations.

[End agenda memo]

Finance Director Dorothy Pendergrass reviewed Agenda Item 26.

CITY MANAGER'S REPORT

City Commission Tracking Report:

Ms. Delmar reported one addition to the tracking report, the addition of the termite extermination at the Kirkland Gymnasium.

COMMUNICATIONS AND PETITIONS

There were no comments by the public.

CITY COMMISSION COMMENTS

Commissioner Rogers brought up the following items:

- He thanked the Chamber of Commerce for giving City Manager Judith Delmar an award never before given to a single person and said he was sorry he and the Mayor couldn't attend but they were at a Florida League of Cities Conference. He summarized the Florida League of Cities Conference, what was discussed such as pensions, and what he got from attending, the most important being that they were given a name and number to call if they have problems with any agency directly under the governor and needed to get around the red-tape.
- Commissioner Rogers asked Ms. Delmar to draft an ordinance for the following three items to come before the City Commission for possible placement on the April 2012 ballot for voter consideration:
 - An amendment to the Charter prohibiting the expenditure of city revenues on private individuals, organizations, and businesses, from whatever source derived.
 - For an amendment to the Charter establishing two-year terms for all commissioners and mayor, with elections to be held on even-numbered years.
 - For an amendment to the Charter establishing single-member districts.

Commissioner Thornhill said that his platform when he ran for Commissioner was to be financially responsible and so he had to vote accordingly, though he encouraged people to give to the many worthwhile organizations in the City.

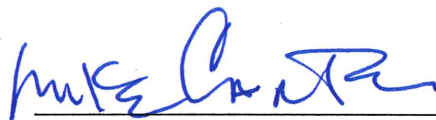
Commissioner Wojcik said this was one of the most difficult budget sessions due to the economy, and her first. After looking at the big picture and trying to prepare for next year so the City is in a better position, she said she was not sure she could have voted differently, and though it was difficult to do, it had to be done.

Mayor Carter said it certainly has been difficult for the citizens and he commended staff for doing a great job without having to lay off employees. He said he also attended the Florida League of Cities Conference and thought it was a good meeting.

REOPENED TO PUBLIC COMMENT

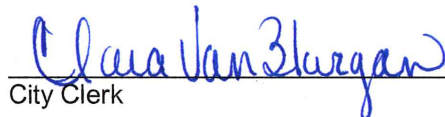
Ed Bowlin, Circle Drive, thanked the mayor for reopening the meeting for public comment. He said, there were many times that he and other residents did not have a comment to make on an issue until after the Commissioners made their comments.

There being no further business, the meeting was adjourned at 9:05 p.m.



Mayor/Commissioner

ATTEST:



City Clerk