

A workshop meeting of the City Commission was held on June 19, 2012 at 5:00 p.m. in the Commission Chamber at the Municipal Administration Building. The meeting was called to order by Mayor Michael S. Carter.

COMMISSIONERS PRESENT: Christopher Lutton; Betty Wojcik; Terry Y. Howell; Jonathan Thornhill; Mayor Michael S. Carter

COMMISSIONERS ABSENT: None

CITY REPRESENTATIVES PRESENT: Terry Leary, City Manager; Chuck Galloway, City Attorney; Jacquie Hawkins, Deputy City Clerk

[Meetings are recorded but not transcribed verbatim]

Agenda Item 2. Budget Workshop for Transportation, Police Forfeiture and Law Enforcement Grant Fund, Transportation Fund 5-Year CIP

The full staff memo is incorporated into the minutes.

[Begin agenda memo]

The City Commission has requested additional workshops relating to budget discussions for Fiscal Year 2012'13. This workshop is dedicated to the following funds:

The presentation format includes:

- Transportation Fund – Budget
- Transportation Fund – 5 Year CIP
- Police Forfeiture Fund - Budget
- Law Enforcement Grant Fund - Budget

[End Agenda memo]

Finance Director Dorothy Pendergrass reviewed Agenda Item 2.

The following discussions took place.

Transportation Budget:

- **Taxes:**
 - Basically the taxes come from the sale of gasoline that is collected by the State and then distributed to the cities.
 - The state estimates it will be posted in June or July. Ms. Pendergrass used what was collected so far this year to see if we were on target and used a similar amount.
 - The estimates will change one more time when she receives the state final revenue numbers.
- **The Deficit:**
 - The Commission does not need to worry at this point because Ms. Pendergrass and Public Service Administrator Teresa Allen have been making changes in things like the allocation of labor for transportation.
 - Slight changes are being made in all departments, the deficit will disappear, and the budget will be balanced.

- **Expenditures:**
 - Next year's line item estimate for leasing the lights on the bicycle path is lower than last year's estimate because last year's estimate was not all spent this year. The lights belong to Progress Energy and so they maintain and repair them and the City pays for the electricity.
 - Next year's road repair budget is much less than this year's budget because of special projects done this year such as repaving Bel Ombre and 11th Street. Because of the budget crunch they plan on only cold patching when needed.
 - The HR line item is for posting personnel positions.
 - The permitting line item is for SWFWMD in case we need it.

- **Items being moved.**
 - Most CIP projects have been put off for lack of funds.
 - Safety lights, flashing amber lights in school zones on SR60, Central Avenue, and Polk Avenue, have been put on hold until 2015 when the new sidewalks are put in on SR 60, Second Street and Third Street at Polk Avenue Elementary School using a grant.
 - The purchase of mowers, a sweeper and vehicles have been put off for another year for lack of funding.

Some of the items that have been moved were considered by the Commission to be safety issues or desperately needed equipment. There was a discussion about the skylight leak at the CSX building that causes further damage and will cost more to fix if it's continually put off.

Ms. Pendergrass said that if they wanted to put an item back into the budget they would have to decrease another line item in order to have a balanced budget, or it would have to come out of the General Fund. But, if the final figures from the state come in higher than what has been budgeted, there may be extra money to do some of the moved items.

There was a discussion on having a fund set aside to pay for equipment on an annual basis instead of having to buy it all in one year. The Commissioners realized that these were put off because there is no funding for them in the present budget but they wanted to start as soon as possible to plan ahead for replacement equipment. Ms. Pendergrass said that each year, every dollar in the transportation fund is used, but she reminded them that in a few years, when the debt service is paid off, they will have money to set up a capital replacement fund similar to the emergency sinking fund they set up last year, if the Commission wished to do that.

The Mayor said that the economy may not turn around soon and the bottom may not have been reached yet. He asked that workshop time be spent on a discussion about setting up an emergency survival budget to help us get through the next 3-5 years without burdening future generations with additional debt.

Police Forfeiture Fund

Police Chief Chris Velasquez reviewed this part of Agenda Item 2 and made the following points:

- The forfeiture fund is comprised of funds accumulated as a result of seized property and is regulated by Florida Statute. There is a limited amount of purposes on which the funds can be spent and they plan on using the funds for the school SAVE drug program, the Neighborhood Watch Crime Prevention program, investigations, attorney fees, training, grant match money, specialized equipment, and buying drugs or property.
- Chief Velasquez said he budgeted \$10,000 because more than that was collected this year, but the money is not spent until they have actually collected it.
- He explained that if the Lake Wales Police Department works jointly on a county seizure, the money is split evenly between all the agencies involved.
- Any money not spent this year carries over in an interest bearing account.

Law Enforcement Grants

- Chief Velasquez budgeted \$10,291.00 for the countywide Justice Assistance Grant, (JAG-C) and he will be bringing the grant application to the Commission for their review and approval, and for the authorization to purchase the equipment as soon as the funding is received.
- The JAG-D grant is issued by the Department of Justice and is determined by the crime rate. Because the City's crime rate has decreased, the funding will be lowered, which in his opinion is a good trade off. Because he does not know the exact amount, he used a projection in the budget. As soon as he receives notification of the exact amount, the grant application will be prepared and the Finance Director will be notified so an adjustment can be made in the budget.
- He would like to use the money from both grants to purchase in-car cameras. Once all the cars are equipped, the funds will then be used to purchase equipment for volunteer programs.

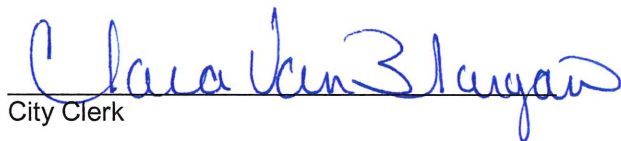
Commissioner Thornhill asked if that money could purchase vehicles or would that come out of operating expenses. The Chief said that would be an operating general fund expense.

There being no further business, the meeting was adjourned at 6:52 p.m.



Mayor/Commissioner

ATTEST:



City Clerk