

A workshop meeting of the City Commission was held on January 12, 2013 at 9:00 a.m. at the James P. Austin Community Center. The meeting was called to order by Facilitator Rich Thompson.

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

COMMISSIONERS ABSENT: Jonathan Thornhill

CITY REPRESENTATIVES PRESENT: Terry Leary, City Manager; Clara VanBlargan, City Clerk; Albert C. Galloway, Jr., City Attorney; Jacquie Hawkins, Deputy City Clerk; Chris Velasquez, Police Chief; Jennifer Nanek, Special Projects Manager; Jerry Brown, Fire Chief; Tom Moran, Public Works Director; James Slaton, Support Services Director; Sandra Davis, Human Resources Director; Dorothy Ecklund, Finance Director; Harold Gallup, Economic Development Director; Margaret Swanson, Director of Planning and Development; Cliff Smith, Building Official; Tina Peak, Library Director; Teresa Allen, Public Services Administrator; Don Porter, Facilities Manager; Sarah Kirkland, Utilities Support Manager; Joe Jenkins, Deputy Fire Chief; Perry Daughtry, Deputy Fire Chief

INTERESTED CITIZENS PRESENT: Jim Bell; Bill Rogers, Lake Wales News; Mimi Hardman, Depot Museum; Jack Van Sickle, former mayor/commissioner; Linda Kimbrough, CRA Consultant; Kevin Respress, C12 Group; Murray Zacharia; David Smith; Carl Fish

[Meetings are recorded but not transcribed verbatim]

Strategic Planning Workshop Facilitator Rich Thompson welcomed everyone and introduced his assistant and colleague Bunny Wetzel. Mr. Thompson explained the difference between goals and strategies and said only goals would be set at the workshop.

PURPOSE: Mr. Thompson set the goals for the meeting as follows:

- Directing the potential of Lake Wales, a unique community, to ultimate success
- Identify issues
- Address issues through a round-table discussion so the city can move forward
- Prioritize the issues and assign them a one to three year target date

GROUND RULES:

- Respect all opinions
- Respect the time allotted
- Participate and stay engaged

PLANNING TOPIC #1. LAKE WALES REVITALIZATION – Goals for a successful, sustainable Lake Wales economy

What are we doing that we should CONTINUE doing?

- Continue doing for Existing Businesses
 - Continuing to counsel small businesses
 - Continuing to support Lake Wales' businesses by buying locally
 - Continue to be business friendly in regards to things like permitting
 - Continue trying to find out exactly why some contractors perceive as business unfriendly
 - Continue to have a diverse business community
 - Continue to emphasis quality development

- Continue to help Main Street grow by engaging downtown businesses
- **Continue doing for Emerging Businesses**
 - Continue to engage and involve the high school and career academies
 - Continue to work with new businesses and potential businesses to provide quick customer service
 - Engage the younger business generation to talk to young incoming or potential business people
 - Continue enforcing code enforcement rules and regulations to maintain high standards
 - Continue providing customer service surveys
 - Continue “going green” and stress being environmentally friendly
 - Continue working toward not only businesses that will bring in high paying jobs, but also those on the lower end too

What are we doing that we should STOP doing?

- **Stop for Existing Businesses**
 - Stop planning and start acting; example - the sign ordinance changes
 - Stop doing business the “old way.” Just because it has been done one way for 25 years does not mean it is the best way
 - Stop the inconsistencies of policies versus actions
- **Stop for Emerging Businesses** (There were none)

What are we not doing that we should START doing?

- **Start for Existing Businesses**
 - **Social Media:** Begin to increase the presence of social media
 - **Sign Issues:** Begin addressing signage issues:
 - Use signage to advertise Lake Wales on our entryways
 - Put “directions” on directional signs like for Spook Hill
 - Be proactive in a long-range vision for using signage to direct future parkways and main thoroughfares through Lake Wales
 - **Networking:** Begin networking with state and county officials to make our needs known
 - **Beautification:** Begin getting serious about beautification; code enforcement for not only our houses but businesses as well to make Lake Wales attractive to new businesses
 - **Younger Generation:** Begin engaging more citizens, including the younger generations, in the vision for our future
 - Prepare new leaders
 - School programs to promote civic engagement and community involvement like starting a student advisory council to prepare for the economy of the future
 - Start an online electronic city newsletter
 - Create a forum for the under forty age demographics
 - Bring graduates back to Lake Wales
 - **Business Friendly Image:** Set up a meeting over coffee for business leaders and realtors to talk about their concerns, to improve the image of being business friendly
 - **Incentives:** Provide incentives for existing businesses so they can expand, and for struggling businesses so they can stay open

SELECTED GOALS FOR EXISTING BUSINES

- Increase using social media and start a city newsletter

- Long range vision for Lake Wales Market
- Networking with the state and county
- **Start for Emerging Businesses, small and large**
 - **Plan for the future:**
 - **CSX:** Start taking advantage of the CSX expansion NOW so we are prepared two years from now.
 - By acquiring land
 - By getting utility lines in to prepare for needed services
 - Continue a relationship with Poly Tech University to keep up with changing workforce needs and to encourage internships. Find out the skills that will be needed for the CSX project and work with the high school and advanced technology center to prepare the workforce
 - **New Substation:** Find a way to buy property now for the fire substation that will be needed thirty years from now.
 - **Incentives:** Start working on incentive programs for new businesses in the downtown area, Longleaf Business Park, the Eagle Ridge Commercial area, SR 60 W. corridor, as well as other commercial nodes.
 - **Marketing:** Start developing a creative marketing strategy
 - that will give positive public relations for the City
 - "Under New Management" marketing
 - Emphasize public safety, "We are safe and we care"
 - **Training:** Investigate training opportunities and partnerships such as the one we have with Polk Works
 - **System:** Develop a systematic process for new business
 - Provide on-line brochures for new businesses containing steps they should take
 - Have a one-stop meeting for those interested in starting a business to include planning and zoning, code enforcement, and Chamber of Commerce representatives as well as the Building Official and Fire Marshall
 - **Attract New Business:** Begin to involve the relationships the city has with the existing business core in attracting additional businesses to Lake Wales

SELECTED GOALS FOR EMERGING BUSINESS

- Take advantage and step up now of CSX
- Land acquisition for the SR60 W. commercial development and improvement
- Incentive programs for downtown, Longleaf Business Park, downtown etc.

PLANNING TOPIC #2 INFRASTRUCTURE

What are we doing that we should CONTINUE doing?

- **Continue for Facilities**
 - **Assessment:** Continue assessing the cost of facility improvements to bring them up to a better level
 - **Services:** Continue to keep buildings open with limited resources
 - **Vandalism:** Continue efforts to reduce crime and vandalism
 - More police monitoring of community police officers
 - More lights
 - Improve public awareness
 - Educate kids
 - Community help through Crime Stoppers, Neighbourhood Watch Programs etc.
 - Use of Surveillance cameras

- **Continue for Utilities**
 - Continue monitoring run-off and keep up with it
 - Continue providing safe drinking water
 - Continue keeping fire hydrants maintained, tested and painted
 - Continue to maintain and repair storm water and sewer systems
 - Focus on GREEN utilities such as solar energy and water reclamation
 - Continue working on a Master Plan and then follow through
- **Continuing for Streets, Roads and Parks**
 - **Services:** Continue maintenance of streets, parks and recreation
 - **Prioritize:** Continue to prioritize sidewalks and alleyways that need resurfacing and don't let it slip off the radar
 - Continue to work on the beautification plan
 - Continue park maintenance of equipment
 - Continue using impact fees and get grants for parks
 - Continue to expand parks and focus on improvements
- **Continue for Recreation**
 - Continue partnering with the YMCA on providing recreation programs

What are we doing that we should STOP doing?

- **Stop for Facilities**
 - Stop giving away facilities
- **Stop for Utilities**
 - Educate the public on what reclaimed water can be used for
- **Stop for Streets, Roads and Parks**
 - Stop talking and start doing
- **Stop for Recreation**

What are we NOT doing that we should START doing?

- **Start for Facilities**
 - **Cemeteries:** Decide whether or not to build a new cemetery
 - Make a list of code violations and issues that need to be addressed
 - Fix facilities right instead of putting on band-aids
 - **Vandalism:**
 - Buy vandalism resistant equipment
 - Set up a reward system to encourage citizens to report crimes
 - Aggressively stop repeat offenders
 - Provide a "punch list" for new businesses during the construction process to reduce crime
 - Create a youth program to set a mindset that these facilities belong to them as well as other citizens and they need to help maintain and keep them clean or they may be shut down
 - Determine the cost benefit of surveillance cameras and if they are worth the expense ask the business community to contribute to the cost in high vandalism areas
 - Bring facilities up to the 21 Century instead of the 50's and 60's

- Work on a Master Plan of existing facilities, what we need, and the most effective and beneficial uses
- Develop a database for facilities with major and minor needs so they do not fall off the radar screen

FACILITY SELECTED GOALS

- **Enhancing public facilities**
- **Developing a Master Plan for facilities and their use**
- **Develop a centralized data base**

● **Start for Utilities**

- Focus on "green" utilities applications and devise a Master Plan
- Focus on reclaimed and storm water
- Readdress and implement the CIP. Prioritize as determined by funding
- Put the C Street project on fast track

UTILITIES SELECTED GOALS

- Focus on "green" utilities applications and devise a Master Plan
- Readdress and implement the CIP. Prioritize as determined by funding

● **Start for Streets, Roads and Parks**

- Start developing pocket parks on infill lots to include tables and benches
- Dedicate money for repairs annually
- Devise a Master Plan for Parks
- Discuss what alleyways are to be used for
- Street Safety:
 - Place yellow no parking stripes on streets throughout the city where parking impedes traffic
 - Trim bushes and hedges that block view of oncoming traffic
 - Replace street signs as needed

STREETS, ROADS AND PARKS SELECTED GOALS

- Devise a Master Plan for parks
- Commission appropriate funds for street, roads and alleyways
- Address traffic safety

● **Start for Recreation**

- Provide a bike map of the safest routes citizens can take to the various locations in the City and include where they connect to county bike paths
- Devise a realistic recreation program
- Start having bike tournament events
- Start getting everyone on the same track and decide exactly what recreation the public wants and then prioritize them for budget purposes
- Work with the County on recreational needs
- Finish Hardman Hall and utilize it
- Look into having an interactive fountain for water recreation
- Devise a Recreation Master Plan
- Market the library as part of the recreation program
- Stop giving away our services (facilities and recreation) which minimizes our revenues because fees in other cities are three times ours

RECREATION SELECTED GOALS

- Develop a plan for what communities want and prioritize according to funding
- Finish and utilize Hardman Hall
- Explore water recreation options

PLANNING TOPIC #3. FISCAL/FINANCIAL RESPONSIBILITIES

[Begin agenda memo]

RECOMMENDATION

The City Commission, on January 15, 2013, will be considering Ordinance 2013-03 establishing a Lake Wales Debt Policy for 1st reading. Staff recommends that the City Commission, on Tuesday night, approve Ordinance 2013-03, either as proposed or with Commission revisions.

BACKGROUND

A debt management policy ("policy") is a written guideline that affects the amount and type of debt issued by a state or local government, the issuance process, and the management of a debt portfolio. Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective policy provides guidelines for a government to manage its debt program in line with those resources.

An effective policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

The City Commission has expressed a desire to implement a debt management policy for future planning purposes. Staff has drafted a policy based on best practices provided by the Government Finance Officer Association.

The City Commission is aware that several of the existing General Government debt issues will be expiring over the next few years such as Series 2009, which expires in 2015 and Series 2003, which expires in 2017. The Utility System also have several existing debt issues which will be expiring over the next few years such as Series 2005, which expires in 2015, Series 2003 and 2006A, which expire in 2017 and SRF – 5907P, which expires in 2019.

Listed below are the individual debt issues and the outstanding principal balance at September 30, 2012:

	<u>Purpose(2)</u>	<u>Frequency of Payment(1)</u>	<u>Maturity</u>	<u>Originally Issued</u>	<u>Outstanding Amount</u>	<u>Interest Rate</u>
Governmental activities						
Note payable:						
Capital Improvement Revenue Note, Series 2003	1	S	2017	9,117,280	\$ 3,982,709	3.84%
Redevelopment Revenue Note, Series 2007	9	S	2028	9,500,000	8,049,736	3.77%
Refunding Revenue Note, Series 2009	10	S	2015	1,870,300	1,124,500	3.25%
Total governmental activities					<u>\$ 13,156,945</u>	
Business-type activities						
Note payable:						
State Revolving Fund Loan - 5907P	3	S	2019	\$ 1,592,804	\$ 620,154	2.56%
State Revolving Fund Loan - 5911O	3	S	2022	1,171,882	435,930	3.05%
State Revolving Fund Loan - 5912S	4	S	2024	1,428,648	884,229	2.14%
State Revolving Fund Loan - 5913P	5	S	2028	1,025,345	827,028	1.88%
State Revolving Fund Loan - 5914O	11	S	2032	362,200	350,000	2.30%
State Revolving Fund Loan - 530300	12	S	2032	4,338,438	3,882,982	2.30%
Capital Improvement Revenue Note, Series 2003	1	S	2017	432,610	189,033	3.84%
Utility System Revenue Note, Series 2005	6	M	2015	1,110,000	325,880	4.20%
Utility System Refunding Note, Series 2006A	2	S	2017	6,272,220	3,633,123	4.09%
Utility System Refunding Note, Series 2006B	7	S	2027	3,100,000	2,274,871	1.14%
Total business-type activities					<u>\$ 13,423,230</u>	
Lake Wales Airport Authority						
Discretely presented component unit						
Fixed Based Operator's Payment Credit	8	M	2012	340,000	115,629	0.00%
Total Lake Wales Airport Authority					<u>\$ 115,629</u>	

(1) (A) = Annual, (S) = Semiannual, (M) = Monthly

(2) Purpose:

1. Advance refund of Capital Improvement Revenue Bonds, Series 1996 (originally for municipal complex, streets, and other improvements) and refund 1999 Non-Ad Valorem Revenue Bonds.
2. Refund the outstanding 1996 Utility System Improvement Refunding Revenue Bonds, which had provided funding for water and wastewater system improvements, and refunded the outstanding revenue bonds from 1964, 1987, and 1988 Series (also originally for utility system improvements).
3. Construction of reclaimed water reuse facilities.
4. Construction of sludge dewatering facilities.
5. Planning and design of wastewater treatment plant expansion.
6. Construction of chlorine contact chamber and reuse system improvements.
7. Construction of water and wastewater system improvements, including rehabilitation of lift station #2, southside force main and water main extension, and southside reuse transmission lines. This note was initially issued as a non-revolving line of credit during May of 2006 but on October 1, 2009, the loan converted to a term loan.
8. Agreement between the City and Lake Wales Aviation, Inc., (the Airport Fixed Base Operator) related to leasehold improvements done by the FBO on airport property. The City agreed to credit the FBO for \$300,000 in improvements and up to \$40,000 for mowing equipment by reducing their rent \$1,500 per month until fully paid (at 0% interest).
9. Acquisition, construction and equipping of various capital improvements within the Community Redevelopment Area.
10. Refund of Public Improvement Revenue Bonds, Series 1997 (which refunded 1991 and 1989 bonds originally for various water/sewer, street, drainage and parking infrastructure improvements, plus the airport FBO lease and Police Department building). Also, refunded the 2010 Motorola lease which originally funded fire and police equipment.
11. Planning and design for wastewater plant rehabilitation and expansion.
12. Construction of wastewater plant rehabilitation and expansion.

City of Lake Wales
Summary of Outstanding Debt Service (Principal and Interest), excluding the Airport Authority
Beginning - FY 2012'13

Current Yr	Fiscal Year	General Government			Increase(Decrease)	Total Govn't & Utility Debt
		Principal	Interest	Total	In Debt Service Compared to FY 12'13	
	2012 - '13	1,700,948	461,317	2,162,265		3,783,364
1	2013 - '14	1,711,539	398,502	2,110,041	(52,224)	3,824,354
2	2014 - '15	1,779,986	334,096	2,114,082	(48,183)	3,760,093
3	2015 - '16	1,061,918	281,011	1,342,929	(819,336)	2,902,310
4	2016 - '17	877,886	244,051	1,121,937	(1,040,328)	2,675,378
5	2017 - '18	451,994	218,812	670,806	(1,491,459)	1,401,528
6	2018 - '19	469,050	201,435	670,485	(1,491,780)	1,351,358
7	2019 - '20	486,750	183,402	670,152	(1,492,113)	1,301,225
8	2020 - '21	505,118	164,688	669,806	(1,492,459)	1,303,215
9	2021 - '22	524,178	145,268	669,446	(1,492,819)	1,305,243
10	2022 - '23	543,958	125,115	669,073	(1,493,192)	1,256,403
11	2023 - '24	564,484	104,201	668,685	(1,493,580)	1,214,935
12	2024 - '25	585,785	82,498	668,283	(1,493,982)	1,173,537
13	2025 - '26	607,890	59,976	667,866	(1,494,399)	1,175,693
14	2026 - '27	630,828	36,604	667,432	(1,494,833)	1,177,918
15	2027 - '28	654,633	12,351	666,984	(1,495,281)	984,546
16	2028 - '29	-	-	-	(2,162,265)	289,338
17	2029 - '30	-	-	-	-	221,602
18	2030 - '31	-	-	-	-	16,199
19	2031 - '32	-	-	-	-	-
20	2032 - '33	-	-	-	-	-
21	2033 - '34	-	-	-	-	-
22	2034 - '35	-	-	-	-	-
23	2035 - '36	-	-	-	-	-
		<u>13,156,945</u>	<u>3,053,327</u>	<u>16,210,272</u>		<u>31,118,239</u>

Current Yr	Fiscal Year	Utility System			Increase(Decrease)
		Principal	Interest	Total	In Debt Service Compared to FY 12'13
	2012 - '13	1,331,146	289,953	1,621,099	
1	2013 - '14	1,469,261	245,052	1,714,313	93,214
2	2014 - '15	1,446,850	199,161	1,646,011	24,912
3	2015 - '16	1,402,992	156,389	1,559,381	(61,718)
4	2016 - '17	1,440,007	113,434	1,553,441	(67,658)
5	2017 - '18	644,482	86,240	730,722	(890,377)
6	2018 - '19	605,557	75,316	680,873	(940,226)
7	2019 - '20	564,908	66,165	631,073	(990,026)
8	2020 - '21	575,916	57,493	633,409	(987,690)
9	2021 - '22	587,159	48,638	635,797	(985,302)
10	2022 - '23	547,341	39,989	587,330	(1,033,769)
11	2023 - '24	513,913	32,337	546,250	(1,074,849)
12	2024 - '25	479,308	25,946	505,254	(1,115,845)
13	2025 - '26	487,922	19,905	507,827	(1,113,272)
14	2026 - '27	496,731	13,755	510,486	(1,110,613)
15	2027 - '28	309,124	8,438	317,562	(1,303,537)
16	2028 - '29	284,500	4,838	289,338	(1,331,761)
17	2029 - '30	220,150	1,452	221,602	(1,399,497)
18	2030 - '31	15,963	236	16,199	(1,604,900)
19	2031 - '32	-	-	-	(1,621,099)
20	2032 - '33	-	-	-	-
21	2033 - '34	-	-	-	-
22	2034 - '35	-	-	-	-
23	2035 - '36	-	-	-	-
		<u>13,423,230</u>	<u>1,484,737</u>	<u>14,907,967</u>	

OTHER OPTIONS

Do not adopt Ordinance 2013-03; however, adoption is recommended to ensure future debt management, identify policy goals and demonstrate a commitment to long-term financial planning in accordance with the wishes of the City Commission.

FISCAL IMPACT

There is no fiscal impact associated with adoption of Ordinance 2013-03.

[End agenda memo]

BUDGET:

Ms. Ecklund provided information on the current budget and the debt policy and made the following comments:

- She asked if the Commission wanted to have a goal setting workshop in May before directors start working on their budgets. She recommended having a goal setting workshop before the budget process begins for the following reasons.
 - To give her a prioritized list so they can come up with strategies to accomplish Commission directives
 - To let directors know those things that need to be continued or stopped

Process outlined by the City Commission

- The City Manager will expand on the definition of each goal set at the 1/12/13 workshop, and bring back the expanded definitions for Commission review.
- The City Manager was directed by the Commission to work on a narrative.
- The City Manager is to bring the narrative back to the commission before April.
- The Commission will prioritize from the first estimates provided by staff.
- Budget Workshops will begin sometime in May.

Commission Comments

- It is more efficient if the budget is done the same way each year so the Commission knows what to expect.
- The same percentage of cuts can't be expected for each department because
 - Some things are mandated and can't be cut
 - Some things that are mandates are unfunded
 - Some things, like health insurance premiums, we have no control over
 - Only the operating budget can be cut, not the capital budget
- The commission needs to let the City Manager know the direction they want staff to go so she can pass it on to staff before they spend a lot of time on something that will never be approved. For example the salary cuts or furloughs that after much staff time was not approved by the Commission.

DEBT:

Ms. Ecklund recommended the City establish policies in the following areas:

- Pay-as-you-go policy: for some capital outlay items
- Capital Replacement policy
- Short term and long term debt policy

Commission Comments:


- It would be helpful to have a watermark "draft" on each with page numbers, date and time.

- It is too general, not specific enough
- It needs parameters and some definitions
- Suggestion– Devise a Fleet Forecast Plan for things from lawnmowers to fire trucks- information about cost, maintenance, life expectancy, and preferred method of payment
- City Attorney Chuck Galloway said the debt policy is set by the City Commission and so it can change with each election. Changes can be made by ordinance and should be reviewed on a regular basis.

Procedure:

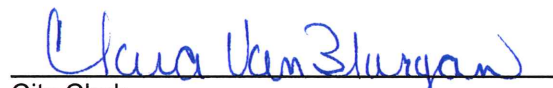
- Commission to take a close look at the draft
- Commission to Submit questions and suggestions to the City Manager
- City Commission to work on policies

There being no further business, the meeting was adjourned at 3:10 p.m.



Mayor/Commissioner

ATTEST:



City Clerk