

A workshop meeting of the City Commission was held on July 15, 2014 at 5:00 p.m. in the Commission Chamber at the Municipal Administration Building. The meeting was called to order by Mayor Eugene Fultz.

COMMISSIONERS PRESENT: Terrye Howell, Betty Wojcik, Jonathan Thornhill, Christopher Lutton, Eugene Fultz, Mayor,

COMMISSIONERS ABSENT: None

CITY REPRESENTATIVES PRESENT: Kenneth Fields, City Manager; Clara VanBlargan, City Clerk; Jennifer Nanek, Deputy City Clerk; Albert C. Galloway, Jr., City Attorney

[Full staff memos are incorporated into the minutes. Meetings are recorded, but not transcribed verbatim.]

Agenda Item 2. Fiscal Year 2014/2015 Budget Discussion

Kenneth Fields, City Manager, reported on the draft budget for next year. Mr. Fields said that the state revenues are in; they are higher than last year but not as high as he hoped. Therefore, the budget draft is essentially the same as last year. This is due to drawing from the reserves last year. We must dig out of the hole. Two things may change in the budget, the costs for health insurance and general liability insurance. They are currently budgeted at higher amounts, but this may change as proposals come in. The City has improved services given the limited number of resources. The departments will make do with the current budget.

On the Utilities side some major projects will move forward such as C Street, a rate study is in process to see what rates will be needed in the future to sustain capital investment, and expansion of Utilities along west 60. The Airport is getting grants for some upgrades which are necessary for the future.

Commissioner Lutton expressed support for the rollback millage rate, even though it's a small amount, to reduce burden on taxpayers.

Commissioner Wojcik expressed support for current rate that has been budgeted to help get out of the hole we are in. The increase is not that much.

Mr. Fields said that our goal is the rollback rate if possible. There is about a \$100,000 difference. He recommended not going with the rollback rate today to allow for discretion. More discretionary cash may be available next year based on the economic activity this year.

Deputy Mayor Lutton commented that a high portion of the budget covers public safety compared to revenues from ad valorem taxes. We need a higher number of taxable properties in town. In a larger city the percentage of property taxes going towards public safety is 50%, we are at 200%.

Commissioner Wojcik asked about leasing vehicles at the Police Department. The budget does not include as many any leased cars as originally requested. She asked if the Police Department will manage without them this next year. Chris Velasquez, Police Chief, answered that they need the vehicles but will manage the best they can if funding does not come available. He said he would try to find funding elsewhere but that he didn't think it would be possible.

Commissioner Wojcik asked the Fire Chief about the status of his vehicles. Chief Jenkins explained that one truck is old but it works. A new truck has been in the CIP for years. They may end up needing to replace two. They will make it work and three other trucks are out first. Commissioner Wojcik asked about the new substation. Chief Jenkins responded that it was well equipped and that they have a tower, a 70 foot aerial platform, at the substation. As the hotels and taller apartments are at that end of the city it was the better place.

Commissioner Thornhill commented that he understands that the millage rate is high, but if we show the public that we have a plan, and that we are spending the money wisely then many will understand. We need to provide good maintenance and services. He emphasized the importance of being able to set money aside for capital projects and maintenance needs.

Kenneth Fields, City Manager, explained that money is being paid back to the reserves and that we are finding creative ways to get things done. Some improvements will be accomplished with existing dollars. Citizens can know that their dollars are being spent wisely. There will be one more year of keeping the belt tight.

Mayor Fultz said it is good that we have a plan and it's important to communicate that plan to the public. We must explain why we are keeping the rate where it is if we do. It will pay off for the City and citizens as well when taxes can be rolled back. He commended the departments for working with the budget this next year as well as this past year. There are better days ahead.

Deputy Mayor Lutton noted that the Commissioners are not getting a pay raise this year like the last several years. Commissioner Wojcik commented that the Mayor should get additional compensation for the additional duties the job entails.

Deputy Mayor Lutton asked about spending \$8,000 for the Ridge League of Cities event. Dorothy Ecklund, Finance Director, explained that there is income to cover that expense so it washes out. Deputy Mayor Lutton did not want costs out of the City's pocket for entertainment. Mayor Fultz felt that if Lake Wales is going to be on the map, we should not be cheap in entertaining when they come to Lake Wales.

Deputy Mayor Lutton asked if the City Attorney is paid the same rate as before. Ms. Ecklund explained that the contract has an annual increase of 2.5% but he deferred his increase for a few years. Deputy Mayor Lutton asked if the amount is enough. Ms. Ecklund confirmed that it is enough. Deputy Mayor Lutton expressed concern about being in a bad contract like the reuse to the Country Club as before. Mr. Fields commented that saving money should not stop us from consulting our attorney when it comes to contracts.

Deputy Mayor Lutton asked about the arrangement with Energy Savers; when does that end? Ms. Ecklund said this was the last year.

Deputy Mayor Lutton asked if the retirement pension funds were getting the right amount in there per the actuarial. Mr. Fields said yes, in each case we are seeing an increase as the salary it is calculated on is up slightly and the contribution rates are going in the right direction.

Commissioner Wojcik asked what the Contract Services line item in Facilities is for. Mr. Fields explained that it is for repairs such as AC or plumbing when needed if it can't be done in house.

Commissioner Thornhill asked about the reduction of personnel in Code Enforcement. Mr. Fields explained that a part-time position was reduced in exchange for a part time building inspector to support increased building permits. He explained that revenues from Code Enforcement are up and they need another person there but there are not enough revenues for it. It is a priority in the future though. Mr. Fields encouraged everyone to pull up snipe signs. Commissioner Wojcik asked if we were reaching our goals in Code Enforcement. Cliff Smith, Building Official, said yes and exceeding them. Commissioner Wojcik asked if they are moving into other areas of the City. Mr. Smith said we are and we are prioritizing abandoned structures. Mr. Fields emphasized that it is a positive thing that building permits have increased, some of which will show up in next year's budget. Deputy Mayor Lutton said that we need more commercial and relayed some compliments on the inspection process. Commissioner Wojcik asked about the new procedures adopted by the City Commission regarding putting liens on properties that are out of compliance. Mr. Smith said that he will look at that.

Mr. Fields said that he is glad that the business climate is improving. He said he wants us to have a good reputation in the business community. The process for auctioning off surplus property was discussed. Mr.

Fields explained that property can be transferred to the CRA where property does not have to be auctioned off.

After discussion, it was decided to defer discussion of the CIP to the next workshop.

Deputy Mayor Lutton pointed out that the Soccer Complex got less money than the Little League Complex, Northwest Complex, and the Gym. He said that the soccer group covers many of the maintenance costs. There is a disparity among the sports. Commissioner Thornhill asked about the status of the Little League Contract. Teresa Allen, Public Services Administrator, explained that the Little League wanted an increase due to maintenance costs. But it was agreed that the contract will still be at \$60,000 even though the Northwest Complex is now a separate contract with the Bombers. Kenneth Fields, City Manager, said that the comparison is apples and oranges but that they are looking to invest more in the soccer complex in the near future as the popularity of the sport increases. He would like lights for all the fields and increase other resources for the fields. Commissioner Howell noted that nothing is being cut from the soccer field and that some investment in the Northwest complex is overdue.

The meeting was adjourned at 5:57 p.m. Next Budget Workshop is August 5, at 5:00 p.m.

Mayor/Deputy Mayor

ATTEST:

Clara VanBlargan, City Clerk