

The meeting of the Lake Wales City Commission was held on April 8, 2015 in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Fultz at 6:00 p.m. following the invocation and the Pledge of Allegiance.

INVOCATION

The invocation was given by Mayor Fultz.

PLEDGE OF ALLEGIANCE

COMMISSIONERS PRESENT: Terrye Y. Howell; Christopher Lutton; Jonathan Thornhill; Betty Wojcik; 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.]

MAYOR

Agenda Item 5. ANNOUNCEMENTS:

a. Unofficial results of the 2015 Municipal Election held on April 7, 2015

Mayor Fultz reported that 1700 people voted out of 8,377 registered voters in Lake Wales which is a turnout of 20.29%. While this is not good, it is about the same as previous years. For the Mayor's race, Seat 1 there were 1,650 votes, of those Eugene Fultz received 1,107 votes or 67.09% and Curtis Gibson received 543 votes or 32.91%. For Commission Seat 4, there were 1,686 votes, of those Pedro (Peter) Perez received 1,070 votes or 63.46% and L. Jack VanSickle received 616 votes or 36.54%.

b. April 9, 2015, 5:00 p.m., Commission Chambers

- **Canvassing Board to certify official results of the 2015 Municipal Election**
- **Randomly select a race that appears on the Ballot for the purpose of conducting a manual audit of the voting system used in the April 7, 2015 Municipal Election on Wednesday, April 15, 2015 at 2:30 p.m. at Election Headquarters in Bartow**

c. April 15, 2015, 2:30 p.m., Election Headquarters in Bartow

Canvassing Board to conduct a manual audit of the voting system used in the 2015 Municipal Election which shall include a tally of the selected race for ballots cast on Election Day, absentee ballots, and provisional ballots

PROCLAMATION: Jazz Appreciation Month

Mayor Fultz presented a proclamation to Osubi Craig from the Polk State College Lake Wales Art Center as well as participants in the upcoming Jazz Festival establishing April as Jazz Appreciation Month.

Mayor Fultz presented a Proclamation to Diane Bowman from the Early Learning Coalition establishing a Children's Day on April 14, 2015.

ANNUAL REPORT

PRESENTATIONS

COMMUNICATIONS AND PETITIONS

Gary Gose, Commander of the VFW #2420, introduced Johnny Jay and what he is doing in this area. Johnny Jay introduced himself as being with "Kickin Country Radio" which is 1170am WKFL in Bushnell, FL and WHNR 1360 am in Winter Haven Florida. They are also available online. He has some upcoming events, such as a weekly community forum that anyone is welcome to come speak on to share whatever is happening that the community needs to know about. He will be doing live shows on Saturdays at the VFW. He also announced events related to a country countdown contest that they will get to host this year hopefully on August 1 which will be the final show. Hopefully this can be hosted in Lake Wales. The Mayor asked that he leave some flyers for distribution. Kenneth Fields, City Manager, stated that they will work with him to plan the special event.

Leon Weech, 1229 Triangle Drive, congratulated the Mayor on his re-election and Mr. Perez on his election as the first Hispanic to sit on the Commission. He also thanked Commissioner Wojcik for her service. He announced that there is a new basketball team in town, the Heartland Prowl a semi-pro basketball team and shared the dates for the upcoming games. Mayor Fultz reported that it was a great time, but that they need another venue for their next event. He encouraged the community to support the team. Commissioner Howell said she attended the game as well and she enjoyed the event.

Mimi Hardman, 300 S. Lake Shore Blvd., said that the Historic Lake Wales Society will continue with Pioneer Days and they have selected the Pioneer of the Year.

CONSENT AGENDA

Agenda Item 6. APPROVAL OF MINUTES: March 17, 2015, regular meeting

Agenda Item 7. Grant Application of Tourist Development Council funds for Pioneer Days

[Begin Agenda Memo]

SYNOPSIS

This is a grant application with Polk County Sports Marketing to apply for a grant of \$3,500 for Pioneer Days Advertising. This grant requires a 1 to 1 Match of which 75% may be documented in-kind services or products. Application deadline is April 30, 2015.

RECOMMENDATION

Staff recommends that the City Commission approve the Grant application to Polk County Sports Marketing to apply for \$3500 in grant funds to help promote Pioneer Days.

BACKGROUND

For many years the Historic Lake Wales Society, Inc. (HLWS) has applied for and received funds from the Tourist Development Council to help promote Pioneer Days. As it is unclear currently if the HLWS will be able to sponsor Pioneer Days this year, the application was submitted by the City of Lake Wales again this year.

OTHER OPTIONS

Do not apply for the grant.

FISCAL IMPACT

A 1 to 1 match is required of which 75% may be documented in-kind services or products. The maximum impact would be \$3,500. Total cost would be \$7,000 for Pioneer Days Advertising.

[End Agenda Memo]

Deputy Mayor Lutton asked to remove Agenda Item #8 from the Consent Agenda.

Deputy Mayor Lutton made a motion to approve the consent agenda. Commissioner Wojcik seconded the motion.

By Voice Vote:

Deputy Mayor Lutton	"YES"
Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Mayor Fultz	"YES"

The motion carried 5-0.

Agenda Item 8. Lease Agreement with Mears Motor Leasing

[Begin Agenda Memo]

SYNOPSIS

Staff is requesting Commission approval to dispose of two (2) volunteer vehicles and lease-purchase one (1) volunteer vehicle, with a community provided down payment, from Mears Motor Leasing under the Master Lease Agreement for use by the V.O.I.C.E. volunteers.

RECOMMENDATION

It is recommended that the City Commission take the following action(s):

1. Approve the sixty (60) month lease of one 2015 Ford Fusion marked volunteer vehicle from Mears Motor Leasing.
2. Approve the use of \$12,000 in community donations as a down payment toward the lease of one 2015 Ford Fusion marked volunteer vehicle.
3. Approve the disposal of two 1997 Ford Taurus volunteer vehicles through an exchange agreement for equipment on the above mentioned Ford Fusion.
4. Authorize the City Manager to execute the necessary documents on behalf of the City.

BACKGROUND

V.O.I.C.E. is the volunteer program of the Lake Wales Police Department. V.O.I.C.E. is an acronym for Volunteer Observers Impacting Community Efforts. The police department began the V.O.I.C.E. program in 1995. Since inception, volunteers have provided more than 50,000 service hours in support of the citizens of Lake Wales and the police department mission.

V.O.I.C.E. provides services ranging from assisting with office duties such as answering telephones and shredding paper to community patrols, funeral escorts, crime prevention events and business closing presence. V.O.I.C.E. members conducting patrol based functions utilize specially marked volunteer vehicles equipped with a police channel radio and amber safety lights.

Two of the three vehicles used by V.O.I.C.E. to perform duties such as vacation security checks, funeral escorts, business closing presence, roving patrol and traffic control at special events and traffic crash scenes, are 1997 Ford Taurus cars. The third vehicle used by V.O.I.C.E. is a 2014 Ford Fusion. The 1997 Taurus vehicles spend a substantial amount of time being repaired, providing virtually one usable vehicle at most any given time.

Local community members and current V.O.I.C.E. members have donated \$12,000 toward obtaining a replacement vehicle for the old 1997 vehicles.

Proposed Lease

Staff recommends the lease-purchase of this vehicle for the following reasons:

- **Price:** Mears Leasing conducted a statewide search for a vehicle to use as a marked volunteer vehicle uniform with the current Ford Fusion in the volunteer fleet. Bartow Ford has the only usable vehicle currently available in the state. The proposed vehicle has a purchase price of \$18,459.00.
- **Maintenance:** Annual maintenance costs for the two 1997 Ford Taurus vehicles costs \$4,169.52. The maintenance cost for the six month period remaining in the current budget year is \$2,084.76. The annual maintenance cost for the one 2015 Ford Fusion is \$600 or for the same six month period is \$300.00. Acquisition of the 2015 Ford Fusion to replace the two 1997 Ford Taurus vehicles results in \$3,569.52 initial annual savings and \$1,784.76 savings for the remaining six months in the current budget year.
- **Down Payment:** Using the donations raised by the community and current V.O.I.C.E. members as a down payment toward the lease cost, reduces the remaining lease obligation. Without a down payment, the monthly lease obligation is \$326.16 per month; with the \$12,000.00 down payment, the monthly lease obligation is \$114.94 per month. The reduced monthly lease obligation results in an overall cost savings of \$673.20 more than the \$12,000.00 down payment ($\$326.16 \times 60 = \$19,569.60$; $\$114.94 \times 60 = \$6,896.40$; $\$19,569.60 - \$6,896.40 = \$12,673.20$; $\$12,673.20 - \$12,000.00 = \$673.20$).
- **Lease Obligation:** Under the Mears Motor Leasing agreement this vehicle can be leased at an annual cost of \$1,379.28 (total cost over the five year lease term is \$6,896.40). A full purchase would result in a current-year decrease in cash flow of \$18,459.00 as compared to no cash with the proposed lease. Mears Motor Leasing's proposal has an APR of 1.54% over the sixty (60) month term with a one (1) dollar residual buyout price for the vehicle.
- **State Contract:** If this new vehicle was purchased under the Florida State Contract pricing, the total purchase price would be \$16,899.00. The proposed vehicle has a purchase price of \$18,459.00 from Bartow Ford. Mears Motor Leasing indicated a statewide search revealed this is the only vehicle available. The cost difference between the immediately available vehicle and state contract pricing is \$1,560.00. A vehicle purchased under state contract pricing would require the vehicle being ordered from production, which historically takes six (6) or more months. Although the immediately available vehicle has a slightly higher cost, this is more than overcome with the \$1,784.76 savings in maintenance savings alone (see maintenance section above).
- **Budget:** The proposed lease obligation of \$689.64 (6 months) provided by Mears Motor Leasing is unbudgeted in the FY 2014/15 budgetary appropriations. Fuel consumption is significantly under

the FY 2014/15 budget amount. The fuel budget for FY 2014/15 is \$175,000. As of 02/28/15 the budget year was 41.67% complete. Actual fuel expense through the same date was \$49,718.75 or 28.41% of budget. This reflects a fuel expense \$23,203.75 below budget year to date. The unbudgeted lease obligation during FY 2014/15 could be realized from the fuel consumption savings.

- **Lowest Overall Cost:** As with all purchases, if the City were able to purchase items without the use of financing this would result in the lowest overall cost, but the greatest single annual cash flow decrease. If the City decided to use financing options, this lease-purchase option would result in the lowest financing cost over the life of the lease. The interest cost of the five-year lease-purchase option is \$347.40 (or \$69.48 per year).
- **Equipment:** The two 1997 Ford Taurus vehicles to be disposed will be sold to Enforcement One, an equipment installation company. Enforcement One will purchase the two vehicles for \$2,400.00. The proceeds will be applied against the equipment cost and installation for the 2015 Ford Fusion, which is \$2,469.41. The proposal details presented above include the \$69.41 difference between the trade allowance and the equipment and installation costs.

OTHER OPTIONS

- 1) **Outright Purchase:** A full purchase would result in a current year decrease of cash flow of \$6,549.00. This option would apply the \$12,000.00 donations as a down payment with the remaining balance paid in full.
- 2) **Full Lease:** Lease the full amount of the vehicle and place the \$12,000.00 donations in a designated account. The designated account would be used, until exhausted, for the full lease payment at which time the remaining lease costs would need to be budgeted in future years. This option carries an increased interest cost. The total interest cost under this option is \$1,110.60 (\$763.20 greater than the proposed option or \$152.64 greater annually than the proposed option).
- 3) **Retain the existing vehicles.**

FISCAL IMPACT

- **Proposed Lease - \$12,000 down payment / Lease Balance**
The proposed lease obligation of \$689.64 (6 months) provided by Mears Motor Leasing is unbudgeted in the FY 2014/15 budgetary appropriations. Maintenance cost savings for the six months is \$1,784.76. With the community donations down payment, the city will realize an overall savings of \$1,095.12.

- **Alternate Scenario 1 – \$12,000 down payment / Purchase Balance**
This scenario costs the city \$6,549.00 immediately. Maintenance cost savings for the six months is \$1,784.76. With the community donations down payment, the city will realize a net initial unbudgeted expense of \$4,764.24.

- **Alternate Scenario 2 – No Down Payment / Lease Full Amount / Designated Account**
This lease scenario commits the city to an obligation of \$1,956.96 (6 months) provided by Mears Motor Leasing. This is unbudgeted in the FY 2014/15 budgetary appropriations. Maintenance cost savings for the six months is \$1,784.76. With no down payment, the city will realize an overall cost of \$172.20, although this cost would be available from the \$12,000.00 donations maintained by the city. This scenario brings with it the added burden of the finance department tracking the use of community donations for lease payments for the next thirty-seven (37) months.

- **Retain existing vehicles – no fiscal impact but high maintenance costs.**

If the City Commission approves the vehicle lease agreement as proposed, the City is committed to a yearly lease payment of \$1,379.28 for the remaining four (4) years of the five (5) year lease. If revenues are insufficient in future years, an option would be to return the vehicle under the non-appropriation of funds clause. If it becomes necessary to exercise this option, however, the Police Department would suffer the loss of the vehicle.

[End Agenda Memo]

Deputy Mayor Lutton asked about the origin of the \$12,000, if the VOICE group raised it. Chris Velasquez, Police Chief, explained that the funds came from various members of the community. Deputy Mayor Lutton suggested that as \$12,000 is more than half of the car, that the City accept half for the down payment and use remaining funds for other needs for VOICE. Kenneth Fields, City Manager, said that these donations were given specifically for the car then they should go to the car and not be redirected. Mr. Fields commended the VOICE program and related community support and that the other costs are covered. Commissioner Wojcik asked about other VOICE needs such as uniforms if they are in the Police Budget. Chief Velasquez explained that it is tight in the budget at times but they make do. Commissioner Wojcik suggested that the Commission be generous later for other needs in the upcoming budget.

Deputy Mayor Lutton made a motion to approve the lease agreement using \$12,000 in community contributions as down payment. Commissioner Wojcik seconded the motion.

By Voice Vote:

Deputy Mayor Lutton	"YES"
Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Mayor Fultz	"YES"

The motion carried 5-0.

OLD BUSINESS

Agenda Item 9. ORDINANCE 2015-03, Operating of Radios or Other Mechanical Sound Making Devices or Instruments in Motor Vehicles – 2nd Reading & Public Hearing

[Begin Agenda Memo]

SYNOPSIS

Staff is recommending a change to the Code of Ordinances by repealing City of Lake Wales ORDINANCE 2011-13.

RECOMMENDATION

Staff recommends that the City Commission adopt Ordinance 2015-03, after second reading and public hearing, repealing Ordinance 2011-13 concerning noise emanating from motor vehicles.

The City Commission approved Ordinance 2015-03 after first reading on March 17, 2015. The public hearing for second reading was advertised on March 28, 2015.

BACKGROUND

The repeal of the City's Ordinance will allow for enforcement of Polk County Ordinance 2014-073 within the municipal limits by any law enforcement officer. Enforcement of Polk County Ordinance 2014-073 will provide for county wide uniformity in enforcement and the enhancements for repeat violators will apply regardless of where an offender is cited in Polk County.

BACKGROUND

A recent decision of the Second District Court of Appeal in the case of State of Florida vs. Richard Catalano et.al. (2nd DCA, Case No. 2D1-973) has ruled that the Florida Statute concerning loud music from motor vehicles is unconstitutionally vague and thus unenforceable. Our city ordinance at that time which dealt with sound making devices in vehicles mirrored the provisions of State Statute and as such suffered the same infirmities as the statute. The critical failures of the Statute, as the Court saw them, are that it seeks to prohibit content-based speech which is in violation of the First Amendment of the Constitution of the United States and that the term "Plainly Audible" as used in the statute was not sufficiently defined to prevent an arbitrary enforcement of

the law. The Court reasoned that by providing exemptions to the statute for Political or Business related purposes, the statute had the effect of encouraging a subjective standard to be placed on the noise rather than a uniform restriction of the noise.

As a result, on August 16, 2011, the City Commission adopted Ordinance 2011-13 which moved the restriction of noise from vehicles from the nuisance chapter of the Lake Wales Code of Ordinances and placed it in the Traffic section of the Code of Ordinances for the purpose of narrowly defining the conduct sought to be prohibited and provided clear direction as to the standards which enforcement personnel used to uniformly enforce the provisions of the ordinance inside the city limits of Lake Wales. The standards found in the County's recently adopted ordinance are very similar to those found in the City's ordinance to be repealed.

Repealing City Ordinance 2011-13 will provide for county wide uniformity in enforcement and the enhancements for repeat violators will apply regardless of where an offender is cited in Polk County.

Staff recommends approval.

OTHER OPTION

The Commission may choose not to repeal the current City Ordinance.

Fiscal Impact

None

[End Agenda Memo]

City Clerk Clara VanBlargan read ORDINANCE 2015-03 by title only.

ORDINANCE 2015-03

AN ORDINANCE OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, AMENDING LAKE WALES CODE OF ORDINANCES CHAPTER 20, SECTION 20.5, TRAFFIC AND MOTOR VEHICLES, DIVISION 3, NOISE CONTROL, BY REPEALING ORDINANCE 2011-13; PROVIDING FOR REPEAL OF ANY CONFLICTING ORDINANCE; PROVIDING FOR AN EFFECTIVE DATE.

OPENED PUBLIC HEARING

No comment from the public.

CLOSED PUBLIC HEARING

Commissioner Wojcik made a motion to adopt ORDINANCE 2015-03 after second reading. Commissioner Thornhill seconded the motion.

By Roll Call Vote:

Commissioner Wojcik	"YES"
Commissioner Thornhill	"YES"
Commissioner Howell	"YES"
Deputy Mayor Lutton	"YES"
Mayor Fultz	"YES"

The motion carried 5-0.

NEW BUSINESS

Agenda Item 10. Appointment – CRA Citizen Advisory Committee

[Begin Agenda Memo]

SYNOPSIS

Appointments fill vacancies due to resignations, expiration of terms, newly established

RECOMMENDATION

The Mayor makes appointments to various citizen advisory and regulatory boards, commissions, committees, and authorities with the advice and consent of the City Commission (City Charter, Sec. 3.06).

The Mayor is asked to make the appointment as deemed appropriate.

BACKGROUND

Vacancies exist on various Boards, Commissions, and Committees due to resignations, expirations of terms, newly established boards, etc.

Lake Wales Code of Ordinances Sec. 2-26 (3). Limit on Consecutive Terms:

- (a) Except as provided in paragraph (b) below, no person shall serve more than three (3) consecutive terms on a single board, commission or committee except that a person appointed to a partial term that is less than one-half ($\frac{1}{2}$) of the normal term for that particular board, commission or committee shall be permitted to serve three (3) consecutive terms in addition to the partial term. Members appointed before July 1, 1989, may be permitted to serve three (3) additional consecutive terms. This limit on consecutive terms may be waived for members of regulatory boards (i.e., planning and zoning board, board of appeals, code enforcement, etc.) with the recommendation of the city manager where, in the sole discretion of the city manager, special circumstances exist which warrant the appointment of a particular member to an additional term.
- (b) There shall be no limit to consecutive terms served by an elected or appointed trustee on a board established for the purpose of administering an employee retirement plan.

CRA Citizen Advisory Committee (City Code Sec. 2-73) – The committee consists of five (5) members. One member is nominated by each city commissioner. Members must reside, own property or operate a business within the voting district represented by the commissioner provided that the property, residence or business of the nominee is within the boundaries of the CRA. (2 year term)

- There is no interview process requirement for applicants applying for appointment to this board.
- Members are not required to file an annual Form 1, Statement of Financial Interests
- Current Vacancies: 3 members (Seat 1; A-Large); Seat 2; District 19) & (Seat 5, District 28)

Current Members:

*****Vacant*** (Seat 1 – At Large) - 07/01/16**

*****Vacant*** (Seat 2 – District 19) – 07/01/16**

Narvell Peterson, (Seat 3 – District 122) 12/07/10 – 07/01/15 P+2

Murray Zacharia, (Seat 4 – District 27) 12/21/10 – 07/01/15 P+2

*****Vacant*** (Seat 5 – District 28)- 07/01/15**

Meetings (City Code Sec. 2-73) - The CRA citizen advisory committee shall meet at the call of the chairman of the CRA board or upon the request of city staff but shall meet no less than once each year.

Current Meeting Schedule: 2nd Thursday @ 3:30 PM; Commission Chamber

Duties (City Code Sec. 2-73) – The Committee assist the CRA board in implementing redevelopment activities within the redevelopment area and to provide advice and recommendations to the CRA board on redevelopment matters as necessary to implement the CRA plan adopted by the City Commission.

Recommendation: The recommendation is for the Mayor to appoint Robin Gibson to serve on the CRA Citizen Advisory Committee in Seat 5 for the remainder of a partial term expiring on 07/01/2015 and for a 3yr term beginning July 1, 2015 and expiring on July 1, 2018 and that the City Commission consent to the appointments made by the Mayor.

OPTIONS

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

FISCAL IMPACT

None. These are volunteer citizen boards.

[End Agenda Memo]

The mayor appointed Robin Gibson to the CRA Citizen Advisory Board in Seat 5 for the remainder of a partial term expiring on 07/01/2015 and for a 3yr term beginning July 1, 2015 and expiring on July 1, 2018.

Commissioner Wojcik motioned to approve the appointment. Commissioner Howell seconded the motion.

By Voice Vote:

Commissioner Wojcik	"YES"
Commissioner Howell	"YES"
Commissioner Thornhill	"YES"
Deputy Mayor Lutton	"YES"
Mayor Fultz	"YES"

The motion carried 5-0.

Commissioner Thornhill asked Murray Zacharia, Chairman of the CRA Citizens Advisory Committee, if the time was an issue for members participating. Mr. Zacharia said that lack of issues to discuss and number of members was an issue. The members and vacancies were reviewed. Mayor Fultz said he will work on finding new members.

Agenda Item 11. Preliminary Financial Statements for February 28, 2015

[Begin Agenda Memo]

SYNOPSIS

The preliminary financial statements report revenues received and expenditures made through the end of February 28, 2015.

The unaudited financial statements for the City of Lake Wales for the Period Ending February 28, 2015 are presented to the City Commission for review. At the end of February 2015 the City was 42% into the fiscal year.

General Fund (001), page 2:

The General Fund appears to be materially on target with revenue and expenditure expectations.

However, due to low unrestricted cash balances, the low balance of the emergency sinking fund, and various capital projects in Fiscal Year 2014'15, the Finance Department strongly recommended a line of credit, in the amount of two million dollars for a period of two years, for cash flow needs.

Transportation Fund (102), page 7:

The Transportation Fund appears to be materially on target with revenue and expenditure expectations.

CRA Fund (105), page 12:

The CRA fund appears to be materially on target with revenue and expenditure expectations.

Library Fund (110), page 17:

The Library Fund appears to be materially on target with revenue and expenditure expectations.

However, the Library Fund also has low unrestricted cash balances. This fund might also need use of the line of credit referenced under the General Fund.

Capital Projects Fund (330), page 24:

The Cemetery Addition in 2013 obtained \$500,000 in finance but cost projects have increased to \$600,000 (an additional \$100,000 over financing obtained for this project). The capital projects fund will require funding from the General Fund. This fund will require use of the line of credit referenced under the General Fund.

Utility System Fund (403), page 28:

The Utility System Fund appears to be materially on target with revenue and expenditure expectations.

However, due to settlement cost of the Lake Belle litigation, in 2014 of \$828,124, and various capital projects being completed within the Utility Fund, this Fund requires use of the two million dollar line of credit referenced under the General Fund. As of February 2015, the Utility fund has borrowed \$794,478 from the General Fund.

Airport Authority (404), page 30:

The Airport Authority appears to be materially on target with revenue and expenditure expectations.

However, due to the low cash balance of the General Fund, the additional cash requirements of the Cemetery Addition Project within the Capital Projects Fund, and the cash flow needs of the Utility Fund, the matching requirement of the Airport Improvements will require use of the line of credit referenced under the General Fund.

[End Agenda Memo]

Dorothy Ecklund, Finance Director, reviewed the financial statements and recommends a 2 million line of credit as we are low on reserves and have several Capital projects ongoing. On April 21 there will be a proposal for financial advisory services who will send out a request for proposals for a 2-year time period as several projects such as Highway 60, C Street, and Airport Improvements are ongoing and we need to get our reserves back up to where they need to be.

Deputy Mayor Lutton asked about the reduction of debt forecast. Ms. Ecklund said that we have had some reductions these past 2 years, the next reduction is in the Utility Fund a year and a half away however they will soon take on new debt for the 60 project. Kenneth Fields, City Manager, said that we will have a projection list of projects for the next few years during the upcoming strategic planning session. Commissioner Wojcik asked if the plan was to draw down money when needed and then pay back when money comes in. Ms. Ecklund confirmed this, it is similar to an equity line of credit where we draw down when we need it and pay back when we have it and have money when revenue flow is low during August through November. The bulk of our money comes in January, eight months away and there are expenses all year long. Commissioner Howell said this is just to use as needed, not to buy something new. Mr. Fields explained that this will help us while waiting for reimbursements for projects such as the airport.

Mayor Fultz asked for clarification on why the reserve fund is low. Ms. Ecklund said that during the past recession, we had to use reserves to fund the operating budget. Also the pay out of the Lake Belle Settlement for \$820,000 which was paid out of the reserves.

Commissioner Wojcik asked if a vote was needed. Ms. Ecklund said, no, she just wanted to make them aware of this for when this issue is on the April 21st agenda for financial advisory services.

Deputy Mayor Lutton suggested putting some of the debt reduction savings into the reserves. Ms. Ecklund explained that those savings were used to fund the budget this year without going into reserves. This year \$150,000 is going to reserves. Deputy Mayor Lutton suggested putting more into reserves. Mr. Fields and Ms. Ecklund agreed with this.

Deputy Mayor Lutton asked why the cemetery project is \$100,000 over budget. Mr. Fields said he wasn't sure but will find out and get back to him.

CITY MANAGER

Agenda Item 12. City Commission Tracking Report:

Kenneth Fields, City Manager, reported that at the County Commission meeting, the County Commission decided to enter into negotiations with Central Florida Health Care to use the Adult Day Care facility for a new health clinic which will include services for veterans. Deputy Mayor Lutton asked what the distinction was between this new clinic and the health department that used to be there. Mr. Fields explained that they will offer a broader range of services. The City is involved as we own the parking and retention areas.

Mayor Fultz reported that bus service to Lake Wales will increase which will help transport those who need it including veterans who ride for free.

Mr. Fields reported on intersection work by FDOT at US 27 and the Mall, this work will go on through the fall.

Agenda Item 13. City Commission Calendar

Agenda Item 14. Annual Reporting – Boards, Commissions, and Committees

CITY COMMISSION COMMENTS

MAYOR COMMENTS

Mayor Fultz thanked Curtis Gibson for a good race and for being gracious with a congratulatory call at the end. He encouraged Mr. Gibson to participate in the city and community in other ways.

The meeting was adjourned at 6:55p.m.

Mayor/Deputy Mayor

ATTEST:

City Clerk Clara VanBlargan, MMC