

**City Commission Budget Workshop
Meeting Minutes
May 8, 2018
(APPROVED)**

5/8/2018 - Minutes

1. ROLL CALL

Commissioners Present: Mayor Eugene Fultz, Terrye Howell, Curtis Gibson, Flora "Tonya" Stewart, Robin Gibson

Staff Present: Kenneth Fields, City Manager; Jennifer Nanek, City Clerk

2. DISCUSSION ITEMS

2.I. Budgetary Fiscal Year 2018'19 Priority Setting Workshop

[Begin Agenda Memo]

SYNOPSIS:

The City of Lake Wales budgetary calendar for Fiscal Year 2018'19.

BACKGROUND

In accordance with Florida State Statute 166.241, each municipality shall make provision for establishing a fiscal year budget for the period beginning October 1st of each year and ending September 30th of the following year.

As the City Commission begins this annual process, it is customary for the City Commission to first hold "priority setting workshops" so that the Commissioners may discuss, as a governing board, their priorities relating to community level of service, special projects, and future capital outlay.

- 05/08/2018 - City Commission Meeting - Budgetary Fiscal Year 2018'19 priority setting workshop.
- 06/12/2018 - City Commission Meeting - 5-Year Capital Improvement Plan priority setting workshop.

Other Important Budgetary Dates Include:

- 06/01/2018 – Property Appraiser – June 1st Estimate of Taxable Value
- 07/01/2018 – Property Appraiser – July 1st Certification Date for Preliminary Tax Roll (TRIM Day 1)
- 07/10/2018 – City Commission Meeting Budget Workshop #1
- 07/17/2018 – City Commission Meeting

Interim Millage Rate – Approved by City Commission (TRIM)

- 08/03/2018 – Must notify Property Appraiser Office (2pm) of:

1. Interim Millage Rate

2. Current year rolled-back rate

3. Date, time & place of 1st budget hearings

- 08/14/2018 – City Commission Meeting Budget Workshop #2

- 08/23/2018 – City Commission Meeting Budget Workshop #3 (tentative)

- 09/05/2018 – City Commission Meeting

1. 1st Reading of ordinance adopting millage rate

2. 1st Public Hearing, Millage Rate

3. 1st Reading of ordinance adopting FY 18'19 budget

4. 1st Public Hearing, FY 17'18 Budget

- 09/15/2018 - Advertisement of FY 18'19 Budget Summary (TRIM Ad)

Advertisement of 2nd Public Hearing

(State Statutes require the 2nd Public Hearing must be held between 2 and 5 days after advertisement)

- 09/19/2018 – City Commission Meeting

1. 2nd Reading of ordinance adopting millage rate
2. 2nd Public Hearing, Millage Rate
3. 2nd Reading of ordinance adopting FY 18'19 budget
4. 2nd Public Hearing, FY 18'19 Budget
 - 09/21/2018 - Deadline to forward ordinance adopting millage rate to Property Appraiser and Tax Collector
 - 10/11/2018 - Within 3 days of receiving notice of final adjusted tax roll, Deadline to certify form DR-422 to Property Appraiser
 - 10/15/2018 - Deadline to forward Certificate of Compliance (DR-487) to Department of Revenue. Within 30 days after final hearing

[End Agenda Memo]

Kenneth Fields, City Manager, reviewed this item. He said they don't have exact numbers on revenues for next year. We assume they will be the same as this year. This is a priority setting workshops as department heads prepare budgets. The City is doing well right now. We should see reasonable growth over next fiscal year. Some difficulties on the horizon is the homestead exemption on the ballot in November. If it passed we could lose up to \$200,000 from our budget next year. Our debt is reasonable. Some old debt is decreasing as some of it comes off but we have started new large projects such as the Airport runway project.

Regarding Utilities we are on target due to the rate adjustment done 3-4 years ago. Operating and Capital costs are covered. In a few years we may need to look at our rates. Going forward our Utilities are in good shape.

The biggest department with growth this past year is recreation with a new staff person, activities, and possible new projects including taking over the YMCA. Mr. Fields said that our Fire and Police Departments are well staffed. We are currently not expected to cover costs of additional School Resource Officers. The Polk County School Board and Charter Schools will cover those costs but this could change.

Regarding Public Works Mr. Fields said that we are looking to resurface streets this summer. They are looking at financing mechanisms to address our neglected streets. We need a long range plan to address these.

There are some issues in this building and others. Some buildings including the administration building need new roofs. We are waiting on word from the County and FEMA on funds for debris removal and recovery costs.

This Administration Building needs a new carpet and new phone system.

We are slowly replacing our fleet every year helping to keep maintenance costs low.

Mr. Fields said that additional staff may be needed for our planning department and for retail recruitment downtown.

Mr. Fields said we have been going to rollback rate for the last few years. Next year we may stay at the same rate if the homestead exemption passes. This will depend on what our revenue numbers are when we get them in.

Mr. Fields asked the Commission what their priorities are for next year including Capital.

Deputy Mayor Robin Gibson thanked Mr. Fields for the excellent overview. From the recreation work session he had two priorities that were clear and obvious the YMCA and the North Branch Library. Deputy Mayor Robin Gibson said that in regards to the homestead exemption that we should increase taxes by however much is cut and tell voters ahead of time before they go to the polls. That way they know that there will be consequences to the vote and assign responsibility to the state legislature.

Commissioner Howell asked for clarification that we will be telling voters what will happen to encourage a no vote? Deputy Mayor Robin Gibson. Mr. Fields said that many people in Lake Wales won't benefit from this additional exemption but those homeowners will pay additional taxes as the City compensates. Commissioner Howell asked if other Cities are doing this. Deputy Mayor Robin Gibson said that this needs to be done early to encourage other cities and counties to follow suit. Mayor Fultz said that the Florida League of Cities is working to educate Cities and constituents against this.

Commissioner Howell asked if they will see requests from Department Heads at some point so she knows what is needed first. Mr. Fields said that will be discussed at a future workshop. Dorothy Ecklund, Finance Director, said that the June workshop will address Capital priorities and at the July workshop a draft budget will be available that will include staff needs and priorities. This draft budget will include Commission priorities into their budgets. Mr. Fields says he is not sure what will be requested in the departments' budgets. They may include more programs and staffing in certain areas.

Commissioner Curtis Gibson recommended using water bills to educate public on homestead exemption. He agreed with the need to add more street resurfacing as a lot of areas need it. He said Karen Thompson is doing a good job. He asked if MainStreet would help with costs for additional staff person. Mr. Fields said that no decisions have been made as the planning is in the early stages. Commissioner Curtis Gibson said that Recreation needs to continue to be a priority.

Commissioner Stewart said that streets resurfacing is important as is recreation. She said that the Northwest Section is important. We need to do more for that area.

Mayor Fultz said taking over the YMCA is a top priority and getting a multi-purpose facility is important for a variety of reasons including as a hurricane shelter. His third priority is the street resurfacing. This would be a good project as this is something people can see as opposed to the C Street project that is underground. Mayor Fultz agreed that we need to educate people quickly on the homestead exemption issue. Mr. Fields said that the City can educate citizens but cannot advocate for citizens to vote one way or another. Deputy Mayor Robin Gibson said that the facts should be presented in such a way that voters come to the correct conclusion on their own.

Commissioner Howell asked about a priority list for streets to be resurfaced. How will this be determined? James Slaton said that there is a scientific way to determine the greatest need and described how this company measures cracks and density in the roads. There is a way to save money by addressing those streets that aren't so bad. The inventory is not done but all the streets are in bad shape. This year we will resurface 1.65 miles of roads this year which hasn't been done in years. This process is followed by several other cities.

Mr. Fields said that we need to find a way to address the streets for the long term as they need to be addressed regularly. They have been neglected too long due to funding issues. The gas tax is not sufficient. Ideally they would like to resurface a street every 15-20 years. Someway to fund this over a long term basis needs to be developed. We have 86 miles of paved roads. Mr. Slaton said that future stormwater fees may help with this.

Deputy Mayor Robin Gibson, asked about the lighting special assessment for Brookshire. Is there a way to do something similar downtown? The property owners should help pay for improvements downtown. Mr. Fields said that the process is lengthy but not costly but they can look into it.

Deputy Mayor Robin Gibson asked about the debt service. What was it for? and when it is paid for? Ms. Ecklund said she would send that information to the Commission. Deputy Mayor Robin Gibson said some improvements should be on hold until the design plan is complete so that everything done such as the street furniture all fits together. Phase 2 trail should match phase 1 and should wait until we have decided what Phase 1 looks like. They should all be tied together with downtown. Deputy Mayor Robin Gibson said that more light is needed downtown for more downtown activities. He agreed that some investment is needed for the northwest area but there should be one downtown. We need to focus on improving housing conditions. Everything we do should be towards the goal of enhancing property values. We need to enhance Lake Wales as an attractive place to live.

Deputy Mayor Robin Gibson suggested renaming First Street to America Street as that street goes through all the different neighborhoods. It would be a unique divider.

Commissioner Curtis Gibson asked Deputy Mayor Robin Gibson for a conclusion or summary of his priorities. Deputy Mayor Robin Gibson said that his priorities are the CRA.

Commissioner Curtis Gibson said the YMCA is his first priority, then redeveloping the Northwest area, then street resurfacing.

Commissioner Stewart said the multipurpose complex and then the YMCA and then the Northwest section and streets resurfacing.

Mayor Fultz said additional affordable housing is important. We need to give incentives to developers to help build houses. Mayor Fultz said that the trail to the Northwest should be of the same quality as the other trail segments. Mr. Fields said we are doing good getting properties cleaned up but we need to find a way to get private owners to either improve their properties or turn them over to the City. In certain areas of the city ownership of properties is complicated as property is handed down. So we may need to find ways to help residents address these issues.

Deputy Mayor Robin Gibson said that the YMCA is also a priority.

3. COMMUNICATIONS AND PETITIONS

None

Meeting adjourned at 7:16p.m.

Mayor/Deputy Mayor

ATTEST:

City Clerk