

City Commission Meeting Minutes
July 17, 2018
(DRAFT)

7/17/2018 - Minutes

1. INVOCATION

Mayor Fultz gave the invocation.

2. PLEDGE OF ALLEGIANCE

3. CALL TO ORDER

The Mayor called the meeting to order at approximately 6:00 p.m. after the invocation and pledge of allegiance.

4. ROLL CALL

Commission Members Present: Eugene Fultz - Mayor, Curtis Gibson, Terrye Howell, Robin Gibson - Deputy Mayor

Commission Member Absent: Flora "Tonya" Stewart

Staff Present: Kenneth Fields, City Manager; Albert C. Galloway, Jr., City Attorney; Jennifer Nanek, City Clerk

5. PRESENTATION/REPORT

5.I. PRESENTATION - Chamber Of Commerce/EDC

Kevin Kieft, Director of the Chamber of Commerce and EOC, gave a cordially report. Mr. Kieft gave a status report on the state's economy. It just went over 1 trillion GDP making us the 17th largest economy in the world. We have a lot of room to grow. The local unemployment rate is 3.7% down 1.1% from last year. There are 6,000 new jobs in Polk County.

Mr. Kieft explained what Opportunity Zones were. They are capital gain shelters. It is a way to raise capital in these areas. Lake Wales has an Opportunity Zone. It is very vague into how these are going to work. We will hold workshops when more information is available. Mr. Fields said that this is a good opportunity for Downtown Lake Wales. Commissioner Howell asked if the Northwest Area was included in the Opportunity zone. Mr. Kieft said yes it was. These Opportunity Zones were discussed further.

Mr. Kieft said that the Thompson Nursery Road and Highway 27 area is the current high growth area in Lake Wales. Mr. Kieft then gave a report on the Eagle Ridge Mall. He said he has spoken to the new owners who are currently addressing maintenance issues around the mall. They are also working on getting new staff. That is as far as they have gotten for now. Mr. Kieft said he would keep the commission updated if he hear anything new. Mayor Fultz asked if there was a new mall manager yet. Mr. Kieft answered no there was not. Deputy Mayor Robin Gibson asked if the tax value decreased with this sale. Mr. Fields said no as it sold for market price, it should stay about the same.

6. COMMUNICATIONS AND PETITIONS

Christopher Lutton, resident, had concerns about the budget. He encouraged the commissioner to review the draft budget line by line. Mr. Lutton identified the electric lift as and item for additional scrutiny. It is possible that it would be cheaper if rented as needed. Mr. Lutton also urged caution concerning the

purchase of the YMCA. The City has made some bad deals in the past and needs to make sure that this is a good deal. Mr. Lutton identified several concerns that should be reviewed as this deal is negotiated. He left a copy of possible concerns with the commission.

Jimmy Nelson, Chair of the Lake Wales Charter School Board, gave an update on the effort to take of McLaughlin Middle School. Mr. Nelson asked the City Commission for its support in the form of a resolution that will be brought to the commission at a future date. This issue was discussed. Mayor Fultz said that they will consider the resolution at a later date.

7. CONSENT AGENDA

7.I. Minutes - June 12, 2018 And July 3, 2018

Commissioner Howell made a motion to approve the minutes of the June 12, 2018 and July 3, 2018 meetings. Commissioner Curtis Gibson seconded the motion.

By Voice Vote:

Commissioner Howell "YES"

Commissioner Curtis Gibson "YES"

Deputy Mayor Robin Gibson "YES"

Mayor Fultz "YES"

Motion passed 4-0.

8. OLD BUSINESS

9. NEW BUSINESS

9.I. Certification Of 2018 Taxable Value, Interim Millage & FY18'19 Budget Hearing Dates

[Begin Agenda Memo]

SYNOPSIS:

The City Commission will consider approval of the Polk County property appraiser's certification of taxable value for 2018, set the interim millage rate, and set the dates for the public hearings to adopt the final millage rate and the FY18'19 budget.

RECOMMENDATION:

It is recommended that the City Commission take the following actions:

1. Approve the Property Appraiser's Certification of Taxable Value for 2018.
2. Set the interim millage rate at 7.0438 mills.
3. Set the dates for the required public hearings for the final millage rate and adoption of the FY18'19 Budget as Wednesday, September 5 and Wednesday, September 19.

BACKGROUND

Certification of Taxable Values

Attached for your review and approval is the Polk County property appraiser's Certification of Taxable

Value for 2018. As indicated, the City's gross taxable value for operating purposes is \$733,361,122. Lake Wales has experienced an increase in taxable value of \$42,300,241, since the 2017 certification. The certification for 2018 is 6.13% above 2017's final gross taxable value of \$691,060,881. It is recommended that the City Commission approve the Certification of Taxable Value for 2018.

Interim Millage Rate

In order for the property appraiser to proceed with the mailing of the required TRIM notices, it will be necessary for the Commission to set an interim millage rate and establish the required public hearing dates for adoption of the final 2018 millage rate and the FY18'19 budget.

The current year rolled-back rate is 6.8938, however staff is recommending that the interim millage rate be set at 7.0438. The current year proposed rate of 7.0438 is a 2.17% increase over the rolled-back rate of 6.8938. Remaining at the millage rate of 7.0438 compared to rolled-back rate of 6.8938 would be a tax increase and would generate an additional \$110,004.

The City does not receive 100% of ad valorem tax levy due to 1) discounts offered for early payment and 2) unpaid delinquent taxes. Staff estimates Ad Valorem for budget purposes at 97%, \$190,101 (\$79,477 General Fund, \$7,918 Library Fund and \$19,309 CRA Fund) revenue above the rolled-back rate.

The final adopted millage rate may not exceed the interim millage rate, but it may be lower than the interim millage rate.

Date and Time for Public Hearings:

State law requires that the county property appraiser notify each property owner of the interim millage rate and the dates of the meetings for adoption of the millage and budget. To give time for the mailing of this notice to the property owner, the City must, by law, adopt an interim millage rate no later than August 4.

Florida Statutes stipulate that the first public hearings can be held no sooner than 65 days after the Certification of Taxable Value by the Property Appraiser or July 1, whichever is later. Certification occurred on July 1, therefore the first public hearings can be held no sooner than Monday, September 3 (65 days after July 1).

This year, the Board of County Commissioners has scheduled its public hearings on Monday, September 10 and Tuesday, September 18. The School Board's final public hearing is scheduled for Tuesday, September 4.

We are recommending the first public hearings for the millage and budget be set for Wednesday September 5, 2018. We are also recommending that the second public hearings be set for Wednesday September 19, 2018.

OTHER OPTIONS & FISCAL IMPACT

Taxes levied by the various options are as follows:

	2018 millage rate	2018 ad valorem taxes levied	2018 taxes over (under) 2017 taxes
Minimum adoption	current	requirement	
4,867,695			
	7.0438	5,165,649	
297,954		3-2 vote	
rolled-back	6.8938	5,055,645	
187,950		3-2 vote	

Note: The City does not receive 100% of ad valorem tax levy due to 1) discounts offered for early payment and 2) unpaid delinquent taxes. A 3% reduction is included within budget calculations for ad

valorem tax revenues. The 3% reduction has not been applied to the data table listed above.

The City Commission is not required to make a decision on the final millage rate at this meeting. The final decision should be made after we thoroughly review and discuss the budget and all of its implications; however, we do have to make a decision on the interim millage rate at this meeting.

[End Agenda Memo]

Dorothy Ecklund, Finance Director, reviewed this item.

Commissioner Howell made a motion to approve the Property Appraiser's Certification of Taxable Value for 2018. Deputy Mayor Robin Gibson seconded that.

By Voice Vote:

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Motion passed 4-0.

Commissioner Howell made a motion to set the interim millage rate at 7.0438 mills. Deputy Mayor Robin Gibson seconded that.

By Voice Vote:

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Motion passed 4-0.

Commissioner Howell made a motion to set the dates for the required public hearings for the final millage rate and adoption of the FY18'19 Budget as Wednesday, September 5 and Wednesday, September 19. . Deputy Mayor Robin Gibson seconded that.

By Voice Vote:

Commissioner Howell "YES"

Deputy Mayor Robin Gibson "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Motion passed 4-0.

10. CITY MANAGER

Mr. Fields reported that he had planned to attend the County Commissions Budget hearing tomorrow to express some of their concerns. Mr. Fields said the Mayor will speak on some of these concerns that are also shared by other cities along the Ridge. These issues include fire and emergency services, recreation, and transportation. Mayor Fultz said that we need to get our fair share.

10.I. Tracking Report

10.II. Social Media Tracking Report

10.III. Commission Meeting Schedule

Mr. Fields reminded the commission that the next budget workshop is August 14, 2018. Deputy Mayor Robin Gibson said that he will be unable to attend this.

10.IV. Other Meetings & Events Calendar

11. CITY COMMISSION COMMENTS

12. MAYOR COMMENTS

13. ADJOURNMENT

The City Commission Meeting was adjourned at 6:46 P.M.

Mayor/Deputy Mayor

ATTEST:

City Clerk/ Deputy City Clerk