

**City Commission Budget Workshop
Meeting Minutes
July 9, 2019
(APPROVED)**

7/9/2019 - Minutes

1. ROLL CALL

Commissioners Present: Terrye Howell, Curtis Gibson, Al Goldstein, Robin Gibson

Commissioners Absent: Mayor Eugene Fultz

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

Deputy Mayor Robin Gibson called the meeting to order at 6:00 p.m.

2. DISCUSSION ITEMS

2.1. Draft Budget Fy 2019'20 And Draft 5-Year CIP

Kenneth Fields, City Manager, reviewed the draft budget. He said that this is the beginning of the process. This draft reflects the priorities of the City Commission as identified at the past workshop and the departments requests for next year. He said that this budget also reflects some of the preliminary planning for the downtown and CRA that is in progress. The approach we take is the Commission sets the policy and the direction and he and staff will come up with the best budget possible to meet those goals. The current draft is not balanced. The city has seen healthy growth with an estimated increase in property taxes at approximately 6% which is better than past years but not as much as other nearby cities. We do not yet have our final state revenue figures in yet. They will be in later this month or early August. This budget includes conservative estimates of those figures until that information comes in. At next week's Commission meeting will be to set the not-to-exceed millage rate. The Commission can set the final millage rate lower but not higher. He recommended setting that rate at the current rate to allow flexibility but his goal is to draft the budget for the rollback rate so that residents pay the same as last year. He introduced Dorothy Abbott, Finance Director, to go over the budget in more detail.

Dorothy Abbott, Finance Director, emphasized that this is a draft budget that reflects everything the directors request. All the revenues are not in yet. She recommended setting the not-to-exceed millage rate at the current rate just in case there is some additional need that comes up but their target is to draft the budget to fit the rollback rate.

Mr. Fields said that health insurance costs has only gone up 2.5% which is better than years past. There are other large expenses such as liability insurance and workman's comp that we are uncertain of. The budget also includes a 3% across-the-board wage increase for all employees to keep up with nearby municipalities.

Commissioner Howell asked about additional incomes from debt that was paid off. Ms. Abbott confirmed this that some debts have been paid off but this money has gone to other things such as newer leased vehicles. Mr. Fields confirmed that they have started replacing older vehicles with newer leased vehicles which saves on fuel and maintenance costs.

Commissioner Howell asked about raises for those more than 3%. Mr. Fields explained that additional certifications or degrees can result in an increase and there are merit increases that happen throughout the year. Mr. Fields explained that we gave 1%-2% to employees for the past few years but we are falling behind other cities as far as wages.

Commissioner Howell asked about the new position for Public Relations. Mr. Fields said this person

would market and brand the city, promote our special events and do press releases. This person would advocate Lake Wales as a place to live. Karen Thompson, Main Street Director, explained the benefits of having a person responsible for promoting our events. Commissioner Howell said that \$60,000 would be too much for this. She would rather lower the millage rate. Mr. Fields said we are in the middle of the pack as far as millage rates around the county. They have gone back to rollback rate every year except two years including last year due to the possible passage of Amendment 1. Mr. Fields said they can review the salary of the Public Relations position.

Commissioner Goldstein asked if the departments budget requests are reviewed. Ms. Abbott said that they just compile the data that was submitted and lets the City Manager review the requests and decide what gets cut. Mr. Fields said he reviews the budget requests with each department head individually. Commissioner Goldstein said he wants facts so that he can contribute to the process. Commissioner Goldstein asked about the Chamber of Commerce and its role. Mr. Fields said that Kevin Kieft from the Chamber of Commerce will be here at the next Commission meeting and can review their role for the Commission. Mr. Goldstein asked about the possibility of bringing Florida's Natural into the city. Mr. Fields said that he is looking to prove to them why it would be economically beneficial to bring them into the City. He hopes to convince them in the future.

Commissioner Goldstein said that he heard that the original owners bought back Legoland. Mr. Fields said that Legoland bought Merlin Entertainment and that new amusement parks will be constructed. This will bring more jobs to the Merlin facility in Lake Wales as more models need to be built.

Mr. Fields said that new positions in the budget besides the Public Information Officer, there is an added shared position between Planning and the CRA, another part-time position for the Cemeteries and one for the Depot Museum. They added a Management Analyst position to improve our processes or how we do things. There are some areas where we can do things cheaper and faster.

Commissioner Goldstein asked about the 3% increase and how it compares to other cities. Mr. Fields said its been 2% -3% at other cities but we are completing a survey to determine that. We are playing catch-up from years past. Commissioner Goldstein said we need to be on par with other cities so we retain good employees especially police and fire. We need the best people on staff.

Commissioner Howell asked about the status of streets and parks staffing and equipment and why the costs went up. Mr. Fields said they have provided newer and better equipment so that our public services staff can be more efficient in getting their jobs done. He said Sandra Davis pays attention to the salaries and will come to him with recommendations if adjustments need to be made to keep them in line with where they need to be.

Commissioner Curtis Gibson said that in regards to marketing we don't need a new position. Current staff is doing fine and it should be a shared effort to get information out there. He would like to see a by department list of employees compared with last year. He asked if the 3% across the board increase was included in the draft budget. Mr. Fields said it was and explained that some employees will get increases in they earn a related degree or certification. This helps us to retain our employees and gives them incentive to improve themselves. Mr. fields said if employees leave after earning a degree that was paid for then they have to pay it back. Commissioner Gibson asked if there is a contract employees sign. Ms. Davis explained that there is a form they fill out.

Commissioner Curtis Gibson suggested that in the CIP that funds that are designated as coming from the City needs more detail. For example if the money is coming from the CRA. Mr. Fields agreed that the CIP needs more information concerning funding and several projects need updating. Information about what projects are part of our Comprehensive Plan also needs to be included. They will try and get some updates completed for the August budget workshop meeting.

Deputy Mayor Robin Gibson said there are really two budgets one for the City and another for the CRA Trust Fund. He is concerned that the funds be identified correctly so they are spent appropriately. Mr. Fields said there are new reporting requirements concerning the CRA which we will follow. We are in compliance as far as audits and reporting requirements. In the CIP projects that are eligible for CRA

funds need to be clearly identified.

Commissioner Curtis Gibson asked about \$160,000 for vehicles if that was for the full 5 years of the leases. Ms. Abbott said that they try to be transparent and put in the full amount of the leased vehicles to be clear on the cost.

Commissioner Curtis Gibson asked about the \$28,000 golf cart for the Airport. Teresa Allen, Public Services Director, explained that it is an enclosed golf cart that will be used to transport 8 people in inclement weather. Mr. Fields said that he would get them a picture.

Commissioner Curtis Gibson said that the corporate hangars for the airport listed in the CIP to be done in a few years are needed now. He asked about those who are interested in leasing land and building hangars. Mr. Fields said they would continue to work with those individuals.

Commissioner Curtis Gibson recommended that the descriptions in the CIP need to be updated. Mr. Fields said he agreed and they would work on updating those before the August meeting.

Commissioner Curtis Gibson recommended waiting on the trail plans until we have the Dover Kohl plan. Mr. Fields agreed and said that the first draft of those plans will be presented in August. There are several place holders in the budget until decisions are made concerning those plans. Deputy Mayor Robin Gibson said that this was important to him too.

Commissioner Curtis Gibson asked if the Mimi Hardman Collections Center will be open to the public. Tina Peak, Director of Library and Museum Resources, explained that it will be open by appointment but not 8 hours a day to the public.

Commissioner Curtis Gibson said that he is in favor of the amphitheater and restrooms at Lake Wailes Park. He said these will be a good investment and are needed now.

Commissioner Curtis Gibson asked about the item concerning the Lake Wales Little Theater Roof. Ms. Allen explained that that item was for the Gymnasium roof.

Commissioner Curtis Gibson recommended pushing back the item for the Public Works Building as the CSX building doesn't need to be torn down yet as that was where the new recreation complex was going to go. Mr. Fields agreed that the new building needed to be pushed back.

Commissioner Curtis Gibson asked about the cost of the YMCA and mentioned that the cost will be lower. Ms. Abbott agreed but has no new number yet.

Commissioner Curtis Gibson said that we need to decide what is a priority for Lake Wales. Mr. Fields said there will be a strategic visioning workshop on the 29th to discuss that.

Deputy Mayor Robin Gibson asked how the YMCA will be purchased. Mr. Fields said we will purchase the building and the Y will repay their mortgage. He explained we will finance the purchase long term through a loan with low interest rates for 10 years. Ms. Abbott said if there are a lot of repairs then it might be better to do fifteen years. Mr. Fields said some major repairs to the building are needed. Deputy Mayor Robin Gibson agreed saying the building should be brought up to our standards.

Commissioner Howell asked who did the assessment team. Mr. Fields said that they had an outside team access the building and let us know what needs to be brought up to code.

Deputy Mayor Robin Gibson asked what has to happen to bring the draft budget into balance. Mr. Fields said the variables are the employee raises, Capital Projects, and what the State revenues are. Department heads may be asked to make cuts.

Deputy Mayor Robin Gibson reported on the idea of providing broadband in another city. Mr. Fields said

Lakeland is in a position to do this but we aren't. Mr. Fields reported that we are trying to make more wi-fi available to our citizens in public areas.

Deputy Mayor Robin Gibson asked about health insurance costs in the CRA budget. Mr. Fields said that their are salaries in the CRA budget so thats why they are there.

Commissioner Curtis Gibson asked about \$30,000 for email archiving and if this should be more of a priority. Mr. Fields said we are archiving emails now but technology is changing so this will enhance our archiving and search capabilities.

3. COMMUNICATIONS AND PETITIONS

Mike Carter, resident, recommended night lighting for the basketball court on the lake as their are kids using it frequently. The lights could be similar to those at the tennis courts. He recommended a traffic control system at Central Avenue and First Street. Mr. Carter said that we need restrooms facilities at the lake. Commissioner Curtis Gibson agreed. Mr. Carter says that we need sidewalks along SR 60 between 8th and 9th Street. Mr. Fields agreed but there is a problem with grade in that area. Land acquisition would be needed and the sidewalk needs to be ADA compliant. Its a lot of money for a short stretch of sidewalk.

The meeting was adjourned at 7:46 p.m.

Mayor/Deputy Mayor

ATTEST:

City Clerk