

Minutes of the Regular Meeting of the City Commission of the City of Auburndale held August 5, 2019 at 7:00 p.m. in the Commission Room of City Hall, after having been properly advertised, with the following members present: Mayor Tim Pospichal, Commissioners: Dorothea Taylor Bogert, Keith Cowie, Richard Hamann, and Bill Sterling. Also present were: City Manager Robert Green, Finance Director/City Clerk Shirley Lowrance, City Attorney V. Patton Kee, and Police Chief Andy Ray.

Mayor Tim Pospichal declared a quorum present and the Meeting was opened with prayer by a Deacon from Winning Souls for the Kingdom Church and a salute to the flag lead by Catherine Bryan, 2019 Girls State Delegate.

Catherine Bryan said she was an incoming senior at Auburndale High School. She told about attending the Girls State program in Tallahassee where she learned about State government. They held elections for various positions including City Commission and State Representatives. She said they participated in the Legislative session on the final two days. She said Girls State taught her to stand up for what she believed and to have background knowledge on things she talks about so she knows the facts before she speaks on something. She introduced her parents Justin and Jennifer Bryan.

Motion by Commissioner Keith Cowie, seconded by Commissioner Richard Hamann, to approve the Minutes of July 15, 2019. Upon vote, all ayes.

City Manager Green said in January 2017 the City and the County entered into a lease agreement whereby the County leased to the City 35 acres of vacant land adjacent to the north side of the Lake Myrtle Sports Complex, on which we plan to build our Youth Baseball Facilities. It was a 20-year lease and the termination would have been in December 2036. We are looking at Bond financing to make the improvements on that property. Bond council has suggested that the City go ahead and exercise the right to unilaterally extend that agreement as provided for in the lease agreement for the additional 20 years. The City has written a letter and the County has accepted the letter. We have now extended that City lease for the additional 20-year renewal term. This will take the lease through 2056.

Parks and Recreation Director Cody McGhee said PGTV has made a video of our Butterfly Garden. The video gives an overview of what the Garden is and includes interviews with him and Eric Pospichal, the past Rotary President. He played the video prepared by PGTV. They will be airing it through the month of August on Monday, Wednesday, and Friday on several different channels. He provided an updated list of the events going on in the Butterfly Garden through October.

Information Technology Manager Jee Hoon Kim introduced the new IT Technician Gustavo Cauayo. He is a recent graduate of Florida Polytechnic University. He started as a full time intern after graduation and on August 5th was hired with benefits.

City Manager Green said the Ridge League of Cities dinner meeting will be hosted in Haines City on Thursday September 12. This is the dinner where we recognize our associate members. He said we received a notice today from the Department of Transportation, which is in line with the shifting of jurisdiction between Hwy 559 and the County as far as Berkley Road and the trucks coming out of our Downtown. We noticed that at some point we will need to make improvements to the turn lanes at US Hwy 92. With the trucks coming west bound from Hwy. 557 and coming through Lake Alfred, the stacking and the turn lane is very narrow to turn left. The proposal is to close the crossing at Lemon Street and extend that turn lane to accommodate those trucks turning south. A public informational meeting will be held on August 29. The City has responded as to supporting the initiative. They are looking to make those improvements by the end of the year.

Mayor Tim Pospichal asked for public comment. There was no public comment.

1. PRESENTATION OF FISCAL YEAR 2020 AND FISCAL YEAR 2021 ANNUAL BUDGETS

City Manager Green said in accordance with the City Charter it was his privilege to present to the Commission for review and consideration the FY 2020 and FY 2021 proposed biennial budget. He read the budget message, which is included in the City's budget. Any changes to the Budget will be presented at future Commission meetings. The Public Hearings for the budget will be held on September 5, 2019 and September 17, 2019. The proposed FY 2019-2020 budget is \$47,527,350 and the FY 2020-2021 budget is \$34,918,176. The larger budget is due in part to the Youth Baseball Facilities on Braddock Road funded by the 2019 Florida League of Cities Bond Borrowing and the Relocation of the Regional Wastewater Spray Field, which is funded by offsetting revenue from the Florida Department of Transportation. The three funds used by the City are balanced and include: General Fund, Community Redevelopment Agency Fund, and Public Utilities Fund. Recent numbers from the Property Appraiser's Office suggest that the gross taxable value of all the property within the City limits increased 7.65% from 2018. The proposed operating millage rate is the same as the current millage rate at 4.2515. The City Commission approved the proposed Rolled-back rate for FY 2019-2020 and proposed millage rate on July 15, 2019. The proposed millage rate will generate \$5,230,000, an increase of \$370,000 over the current year total ad valorem proceeds.

Some of the larger General Fund expenditures for FY 2019-2020 include: Youth Baseball Facility at \$6,300,000, public safety radio replacement at \$469,000, City Hall Improvements at \$580,000, and continued Street Resurfacing Program at \$500,000. The City will reserve \$1,800,000 into the bank. Costs for personnel include the addition of two police officers in FY 2019-2020 and an additional Building Inspector position in FY 2020-2021.

The Community Redevelopment Agency was created in February 1992 and term lasts through 2035. The budget for the Community Redevelopment Fund was \$1,391,600, which includes \$873,000 in increment funding from Polk County and \$518,500 from the City.

The Public Utilities Fund accounts for the activities associated with providing potable water and sewer collection, treatment of disposal services to area residents and businesses. The Public Utilities Fund proposed budget is \$17,869,500 not including interfund transfer to the General Fund. The proposed interfund transfer for FY 2019-2020 is \$3,197,561. Water and Sewer rates are projected to increase 2% each year through FY 2020-2021. The largest expenditures for FY 2019-2020 includes \$3,247,000 for the relocation of the Braddock Road Sprayfield, \$700,000 for the Effluent Reuse Line to Florida Polytechnic University with 50% reimbursement by the Southwest Florida Water Management District, \$300,000 for a second potable water interconnect with the City of Lakeland, and automatic headworks improvements at the Allred Wastewater Treatment Plant.

The Five Year Capital Improvement Plan is included with the Budget. The City Commission will be asked in September to adopt the updated Five-Year Capital Improvement Plan, as part of the Ordinance adopting the Biennial Budget for the FY 2019-2020 and FY 2020-2021. The City maintains an aggressive capital improvement plan targeted to improve aging and inadequate infrastructure, redevelopment needs, and for enhanced recreation facilities. Many of the projects are multi-year projects or programs. All projects in the first two years of the Capital Improvement Plan are incorporated into the proposed biennial Budget.

Some significant issues discussed were the 3.5% increase in our Health Insurance premium, Fund Balance Policy or Resolution 2016-01 provides for 17% of the City's General Fund budgeted amount, the FY 2019-2020 Budget adds \$1.1 million to the Emergency reserve and we are working toward increasing the reserve to 25% or three months emergency funding. In March 2018, the City Commission and the Polk County Board of County Commissioners approved an Interlocal Agreement providing for the dissolution of the Polk Commerce Centre Community Redevelopment Agency. In March 2019, the Polk County Commissioners voted to dissolve the CRA. The proposed FY 2019-2020 allocates the same City commitment to help improve Denton Avenue, a County maintained road that was located within the Polk Commerce CRA and adjacent to the south end of Lake Myrtle Park property, trailhead, and proposed Youth Football Field. As we have our facilities in this area, we moved \$368,500 into the Budget for the City's required improvements to widen

Denton Avenue. We have partnered with USA Water Ski for their improvements because their contractor was looking at possibly over \$100,000 for improvements and by partnering, we can get their section completed for approximately \$60,000. The Polk Regional Water cooperative was formed in 2016 to address the individual and regional future water needs of the 17 municipalities and Polk County. Auburndale is one of seven participating members that elected to utilize the State Revolving Loan Fund to fund their cost share of Phase 1 at a cost of \$166,000 in FY 2019-2020.

City Manager Green said it was his pleasure to present to the Commission the City of Auburndale's spending plan for the next two years. The City's leadership is committed to improving our organization to become more efficient, customer friendly, and providing relevant and valuable services to our citizens. He said there is a lot of work in our forecast. He said he believed this budget provides the resources and tools needed for staff to do the necessary work of the City. He thanked all the City employees for the outstanding job they do every day and his special thanks to the Department Directors, the Division Heads, and Assistant City Manager for maintaining and improving the level of service delivery year after year, while holding total expenditures in check with those projected revenues. He thanked Finance Director Shirley Lowrance, Deputy Finance Director Ryan Williamson, Communication and Information Manager Seth Teston, and Assistant City Manager Jeff Tillman, Information Technology Manager Jee Hoon Kim for all their work on the budget. He said you are going to see a new look in budget presentation. He said we are looking forward to Commission Day to see some of the presentations. The Budget document was passed out to the City Commissioners and Directors. He said we have made some improvements to the document. We will bring back any changes at our next meeting on August 19. We will post the proposed two-year budget on the City's website at Auburndalefl.com.

Mayor Tim Pospichal asked for any public comment. There was no citizen comment.

Commissioner Richard Hamann thanked Mr. Green, Finance Director Shirley Lowrance, the Department Directors, and all the City employees who helped make this possible. We have one of the lowest millage rates in Polk County. He said this was phenomenal.

Commissioner Keith Cowie said he will make his yearly comments. He said he really wished we had more citizens in attendance at this meeting. He said it was also an attribute to show that they do not have to worry about the City and it is in good hands. He said he appreciates Mr. Green, all the City Staff, and the Department Heads for what they do.

Mayor Tim Pospichal said he echoes those comments. He said the Budget document was beautiful, with the new graphics and presentation. He said he sat today with some other Mayors at a program and we have it very good in our City. He said thank you to everyone.

Meeting adjourned at 7:54 p.m. I HEREBY CERTIFY that the foregoing Minutes are true and correct.

Shirley A. Lowrance, Finance Director City Clerk

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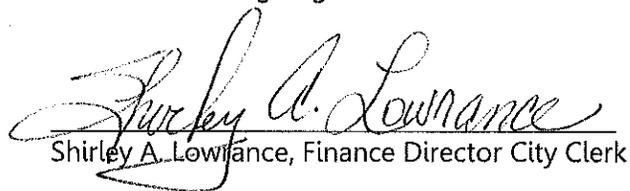
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