

City of Auburndale Commission Minutes August 1, 2022

Minutes of the Regular Meeting of the City of Auburndale held August 1, 2022, at 7:00 p.m. in the Commission Room of City Hall, after having been properly advertised, with the following members present: Mayor Dorothea Taylor Bogert, Commissioners: Keith Cowie, Richard Hamann, Jack Myers, and Bill Sterling. Also, present were: City Manager Jeffrey Tillman, City Attorney Frederick J. Murphy Jr., City Clerk Brandon Henry, and Police Chief Andy Ray.

Mayor Dorothea Taylor Bogert declared a quorum present, and the Meeting was opened with prayer by Donishia Yarde, Faith Builders Worship Center, and a salute to the flag.

Motion by Commissioner Cowie, seconded by Commissioner Hamann, to approve Minutes of the City Commission Meeting of July 18, 2022. Upon vote, all ayes.

City Manager Jeffrey Tillman announced that the City had a great Back-to-School Bash this past Saturday at the Community Center gym. He thanked staff including Eric Robinson and Cody McGhee. Over 300 backpacks were given away to students. He said school starts on August 10th so be sure to drive slow through Downtown Park. We will put this up on the message board.

Mayor Taylor Bogert asked if there was public comment on any item not on the agenda. There was no public comment.

Mayor Taylor Bogert said she would like to take a moment to recognize the Greater Auburndale Chamber of Commerce President Alex Cam, who was in attendance.

1. ORDINANCE #1707 AMENDING THE FUTURE LAND USE MAP – ENCLAVE AT LAKE ARIETTA

City Manager Tillman said the first four items on the agenda tonight are coming before the Commission for second reading.

Community Development Director Julie Womble said the City has received a request for a Future Land Use Map Amendment and Zoning Map Amendment on approximately +/- 2.5 acres for the Enclave at Lake Arietta Property. In March 2019, the City approved a Planned Development-Housing 1 (PD-H1) Zoning classification, which included a binding site plan for 91 residential dwelling units that included 41 single-family units and 25 two-family detached short term rental homes on +/-78.77 acres. The Binding Site Plan also included 7.03 acres reserved for "future development." On July 5, 2022, the City Commission approved an amendment to this binding site plan that incorporated 4.53 acres of the "future development" outparcel and changed the 25 short-term rental duplexes into 54 single-family units. The previous proposal did not include the 2.5-acre vacant parcel.

The property currently has a City of Auburndale Future Land Use designation of Low Density Residential and a Zoning classification of Planned Development-Housing 1 (PD-H1). The owner is requesting the Future Land Use and Zoning change to allow for medical and professional offices. The proposed Future Land Use of Convenience Center is a low-intensity commercial district intended to accommodate the convenience shopping needs of residents living in the immediate area. The proposed Zoning district of Planned Development Commercial – 1 (PD-C1) and binding site plan comes with conditions allowing only medical and professional offices as the permitted uses. A six-foot wall is proposed to separate the commercial use from the residential neighborhood to the north. The binding site plan shows a +/- 32,670 SF building with the entrance on Enclave Lake Blvd.

The requested Future Land Use of Convenience Center and Zoning classification of Planned Development-Commercial 1 (PD-C1) is consistent with Future Land Use and Zoning on adjacent properties to the west. The requested Future Land Use and Zoning Map amendments are consistent with the City of Auburndale's Comprehensive Plan, Land Development Regulations and the City of Auburndale and Polk County Joint Planning Area (JPA). All requirements of the Land Development Regulations are met, including a binding site plan.

She made a presentation depicting graphics of the proposal.

She said they updated their site plan to show a cut-out enabling turns. The driveway location must meet separation requirements per the Florida Department of Transportation, since Berkley Road is a State road.

She said the Planning Commission recommended approval of the Future Land Use and Official Zoning Map Amendments (5-0, 1 abstention, 07/05/2022).

City Manager Tillman said the proposed Ordinances were prepared by the Community Development Department and reviewed by the City Manager and City Attorney. The proposed Ordinances were approved on first reading on July 18, 2022 and are being presented for second and final reading.

He said staff recommends approval of Ordinance #1707 amending the Future Land Use Map – Enclave at Lake Arietta.

City Attorney Frederick J. Murphy Jr. read Ordinance No. 1707 entitled: **AN ORDINANCE OF THE CITY OF AUBURNDALE, FLORIDA, AMENDING ORDINANCE NO. 752, THE COMPREHENSIVE PLAN OF THE CITY OF AUBURNDALE, FLORIDA, BY AMENDING THE FUTURE LAND USE MAP RECLASSIFYING PARCELS OF LAND TOTALING +/- 2.5 ACRES FROM CITY OF AUBURNDALE FUTURE LAND USE CLASSIFICATION LOW DENSITY RESIDENTIAL TO CITY OF AUBURNDALE FUTURE LAND USE CLASSIFICATION CONVENIENCE CENTER (CC); AND PROVIDING AN EFFECTIVE DATE (General Location: Gapway Road and Lake Alfred Road)**, by title only.

Mayor Taylor Bogert asked for public comment. There was no public comment.

Motion by Commissioner Hamann, seconded by Commissioner Sterling, to approve Ordinance #1707 amending the Future Land Use Map – Enclave at Lake Arietta, as read on second and final reading by title only. Upon vote, all ayes.

2. ORDINANCE #1708 AMENDING THE OFFICIAL ZONING MAP – ENCLAVE AT LAKE ARIETTA

City Manager Tillman said staff recommends approval of Ordinance #1708 amending the Official Zoning Map – Enclave at Lake Arietta.

City Attorney Frederick J. Murphy Jr. read Ordinance No. 1708 entitled: **AN ORDINANCE OF THE CITY OF AUBURNDALE, FLORIDA, AMENDING ORDINANCE NO. 764, THE LAND DEVELOPMENT REGULATIONS OF THE CITY OF AUBURNDALE, FLORIDA, BY AN AMENDMENT TO THE ZONING MAP BY RECLASSIFYING AN AUBURNDALE ZONING MAP CLASSIFICATION ON A PARCEL OF LAND TOTALLING +/- 2.5 ACRES; AND PROVIDING AN EFFECTIVE DATE (General Locations: Berkley Road and Lake Myrtle Park Road)**, by title only.

Mayor Taylor Bogert asked for public comment. There was no public comment.

Motion by Commissioner Cowie, seconded by Commissioner Sterling, to approve Ordinance #1708 amending the Official Zoning Map – Enclave at Lake Arietta, as read on second and final reading by title only. Upon vote, all ayes.

3. ORDINANCE #1709 ANNEXING PROPERTY INTO CITY LIMITS – VARIOUS GAPWAY GROVE PROPERTIES

Community Development Director Womble made a presentation depicting graphics of the proposal.

She said the City has received a petition from John Strang of Gapway Groves Corporation and Gapway Road, LLC. to annex +/-77.35 acres of properties located in various areas into the City limits. The properties are located near Old Berkley Road and Gapway Road, and on Old Lake Alfred Road north of Lake Mariana. The various

properties are contiguous to City limits and the annexation does not create an enclave. The proposed annexation is as a result of the owner's request for city utilities and proposed residential and mixed-use development within the Lakes District.

Establishing a Future Land Use and Zoning classification on the properties will be considered at Public Hearings before the Planning Commission and City Commission at later dates. The action currently before the City Commission is only on the annexation of the property into the City.

City Manager Tillman said the proposed Ordinances were prepared by the Community Development Department and reviewed by the City Manager and City Attorney. The proposed Ordinance was approved on first reading on July 18, 2022 and is being presented for second and final reading.

He said staff recommends approval of Ordinance #1709 annexing various Gapway Groves properties into the City limits.

City Attorney Frederick J. Murphy Jr. read Ordinance No. 1709 entitled: **AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF AUBURNDALE, FLORIDA, SO AS TO INCLUDE THEREIN ADDITIONAL TERRITORY LYING CONTIGUOUS AND ADJACENT TO THE PRESENT BOUNDARIES OF THE CITY; DESCRIBING SAID ADDITIONAL TERRITORY; REPEALING ALL ORDINANCES IN CONFLICT HERewith; AND PROVIDING AN EFFECTIVE DATE (General Location: Gapway Road and Lake Alfred Road)**, by title only.

Mayor Taylor Bogert asked for public comment. There was no public comment.

Motion by Commissioner Sterling, seconded by Commissioner Hamann, to approve Ordinance #1709 annexing property into City limits – various Gapway Grove properties, as read on second and final reading by title only. Upon vote, all ayes.

4. ORDINANCE #1710 ANNEXING PROPERTY INTO CITY LIMITS – AUBURN VILLAGE

Community Development Director Womble said the City has received a petition from Eugene Strickland and Michael Strickland to annex +/-9.78 acres of property into the City limits. The property is located on Jersey Road and has just been developed as the Auburn Village apartment building. The property is contiguous to City limits and the annexation does not create an enclave. The proposed annexation is as a result of the owner's request for city utilities.

She said the property is already developed with an affordable housing facility for residents over 55+ years in age.

Establishing a Future Land Use and Zoning classification on the properties will be considered at Public Hearings before the Planning Commission and City Commission at later dates. The action currently before the City Commission is only on the annexation of the property into the City.

The proposed Ordinances were prepared by the Community Development Department and reviewed by the City Manager and City Attorney.

City Manager Tillman said the proposed Ordinance was approved on first reading on July 18, 2022 and is being presented for second and final reading. Staff recommends approval of Ordinance #1710 annexing the Auburn Village property into the City limits.

City Attorney Frederick J. Murphy Jr. read Ordinance No. 1710 entitled: **AN ORDINANCE EXTENDING THE CORPORATE LIMITS OF THE CITY OF AUBURNDALE, FLORIDA, SO AS TO INCLUDE THEREIN ADDITIONAL TERRITORY LYING CONTIGUOUS AND ADJACENT TO THE PRESENT BOUNDARIES OF THE CITY;**

DESCRIBING SAID ADDITIONAL TERRITORY; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING AN EFFECTIVE DATE (General Location: Jersey Road), by title only.

Mayor Taylor Bogert asked for public comment. There was no public comment.

Motion by Commissioner Cowie, seconded by Commissioner Hamann, to approve Ordinance #1710 annexing property into City limits – Auburn Village, as read on second and final reading by title only. Upon vote, all ayes.

5. ORDINANCE #1711 ESTABLISHING COMMUNITY DEVELOPMENT DISTRICT – LAKE MATTIE PRESERVE

Community Development Director Womble said DLD Development, LLC. has filed a Petition to Establish the Lake Mattie Preserve Community Development District with the City of Auburndale pursuant to Section 190.005(2)(a), Florida Statutes.

Chapter 190 of Florida Statutes allows a developer to petition to establish a CDD for the purpose of managing the provision of infrastructure improvements and public services including funding. The proposed CDD is comprised of approximately 234.157 acres, generally located north of Lake Mattie Road and east of County Road 559. The subject site is located in the Lakes District Master Planned Community Area and has a Zoning of Residential Neighborhood (RN) and a Future Land Use of Lakes District Mixed Use (LDMU).

The petitioner has proposed to establish the CDD to finance, construct, and install improvements and facilities to benefit the lands within the District in two (2) phases over an estimated three (3) year period from 2022 through 2025. The petitioner has proposed a summary of infrastructure that will be constructed through the establishment of the CDD such as offsite improvements, stormwater facilities, water, sewer, lift stations, street lighting, conduit, roadways and parking areas, entry features, signs and parks and recreational features. Costs not funded by bonds will be funded by the developer.

The Lake Mattie Preserve CDD will consist of a five (5) member Board of Supervisors having the authority to oversee the installation of infrastructure improvements, secure financing within its boundaries. All meetings are open to the public and are subject to all applicable Government in the Sunshine laws. In the event that the established CDD is terminated for any reason, the City shall in no way be required to accept ownership and/or maintenance responsibility for any proposed infrastructure that is necessary for the development in the District without the City's express written consent. In the event of termination, the CDD shall be responsible for ensuring the transfer of such ownership and maintenance responsibilities to an appropriate entity other than the City as authorized by law.

The proposed CDD has been reviewed by the Community Development Office, City Manager and the City Attorney.

She made a presentation depicting graphics of the proposal.

In accordance with Chapter 190 of Florida Statutes, the petitioner will publish public notice of this request in a local newspaper for four (4) consecutive weeks prior to the second reading on September 8, 2022 and public hearing of the Ordinance.

There is no direct financial impact to the City as a result of this request; however, upon development of the CDD, the City will receive a budget and schedule of meetings annually.

The proposed Ordinance and Petition for the Community Development District were prepared by the attorney representing the development with extensive review by the Community Development Department, City Manager and the City Attorney.

City Manager Tillman noted that the second reading that will come before the Commission on September 8th would be a scheduled Public Hearing.

City Manager Tillman said staff recommends approval of Ordinance #1711 establishing the Community Development District for Lake Mattie Preserve.

City Attorney Frederick J. Murphy Jr. read Ordinance No. 1711 entitled: **AN ORDINANCE OF THE CITY OF AUBURNDALE FLORIDA, ESTABLISHING THE LAKE MATTIE PRESERVE COMMUNITY DEVELOPMENT DISTRICT PURSUANT TO CHAPTER 190, FLORIDA STATUTES; NAMING THE DISTRICT; DESCRIBING THE EXTERNAL BOUNDARIES OF THE DISTRICT; DESCRIBING THE FUNCTIONS AND POWERS OF THE DISTRICT; DESIGNATING FIVE PERSONS TO SERVE AS THE INITIAL MEMBERS OF THE DISTRICT'S BOARD OF SUPERVISORS; PROVIDING NOTICE OF REQUIREMENTS; PROVIDING FOR THE ADMINISTRATIVE CORRECTION OF SCRIVENER'S ERRORS; A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. (General Location: The area covered by this request is generally located north of Lake Mattie Road and east of County Road 559 in Auburndale, Florida. The area covered by this request is 234.157± acres.)**, by title only.

Mayor Taylor Bogert asked for public comment.

Joe Shapiro, 315 White Cliff Blvd., asked if this will include any improvements for the road out there? 559 is getting a little busy, and this project will add to that. Does this CDD take into account any improvements to the road?

Community Development Director Womble answered the CDD only operates within the boundaries of the CDD. However, the City has a Transportation Plan that started this week in coordination with Polk County, to look at all the roads specifically in this area – so that we can understand hotspots and how to improve them. It should be completed in February, 2023 and we will have great information on how to make transportation decisions.

Commissioner Myers asked if they can or cannot finance turn lanes into the subdivision?

Community Development Director Womble answered that they give a list of what they are looking to do with the improvements. Anything that is not funded by the bonds can be funded by the developer. That could be included in the overall development of the project. They did not list that specific item in their list for the CDD, because it does go back to the homeowners, and they do pay for the CDD. However, that is not opposed to the development in the future.

City Manager Tillman said they would also have to permit any entrances with the County, as 559 is a County road. If the traffic flow suggests they would need to make improvements, they would be required to do so.

Commissioner Myers said the County has been requiring they do turn lanes for subdivisions they have been responsible for in this area.

Community Development Director Womble said when they submit their Site Plan to the City, this will trigger a major traffic study that will be conducted by the applicant and their engineers, to be received by the County and City.

City Attorney Murphy said the general answer is the CDD is mutually exclusive from those requirements. They have to make certain improvements, but it is not programmed in the CDD's Statement of Estimated Regulatory Costs. But it is something that will have to be complied with and if necessary completed before development may proceed.

Commissioner Hamann asked if improvements have to go through the County?

Community Development Director Womble answered that for the road, the City and the County are always in communication.

Commissioner Hamann asked if the County would contact the City and work out a solution?

Community Development Director Womble answered yes.

Motion by Commissioner Sterling, seconded by Commissioner Hamann, to approve Ordinance #1711 establishing Community Development District – Lake Mattie Preserve, as read on first reading by title only.

Commissioner Cowie asked what happens if the CDD does not file required documents with the City?

City Attorney Murphy answered the protocol would be that City staff would reach out to the Board of Supervisors or managers of the CDD.

Community Development Director Womble said that when they file the petition, they give the City the names and addresses of the CDD's Board of Supervisors. It is the City's responsibility to reach out to them. The City's role is to be a record keeper.

Commissioner Cowie said if a citizen cannot get the information from the CDD, they can go to the City.

Community Development Director Womble said that is correct.

City Attorney Murphy said the CDD would likely hear from the State.

Community Development Director Womble said they would likely hear from the Polk County Property Appraiser as well.

City Attorney Murphy said that when bonds are issued, the lender and others with financial interests would have interest in making sure that the CDD documents are filed correctly as well.

Commissioner Cowie said that he is more worried about 10 years from now.

Community Development Womble said not every CDD lasts 10 years. This CDD has indicated a shorter lifespan but can be extended. This particular board is made up primarily of property owners, so they have their best interests to follow through with the procedures.

City Attorney Murphy said to answer the specific question, it would be a staff motivated review.

Upon vote, all ayes.

6. ASSIGNMENT OF OPIOID LITIGATION FUNDS TO THE POLK COUNTY REGIONAL FUND AGREEMENT

City Manager Tillman said in November 2021, the City Commission approved Resolution #2021-11 supporting the State of Florida's Plan for a Proposed Memorandum of Understanding allocating and describing the Use of Opioid Settlement Proceeds. Through the State of Florida's Opioid Litigation, a Regional Fund and City/County Fund were created. The City also approved an Interlocal Agreement with Polk County for the City's Regional Funds to be paid directly to Polk County to implement the Polk County Florida Opioid Abatement Plan.

The proposed Agreement anticipates separate payments being directly distributed to the City of Auburndale through the City/County Fund, in addition to the funds received in the Regional Fund. The proposed Agreement assigns the City/County Funds to Polk County, to be combined with the Regional Funds, to implement the Polk County Florida Opioid Abatement Plan.

We anticipate this amount is roughly \$61,000 that would be paid to the City over a period of time.

The Municipal Assignment of City/County Funds from the Opioid Litigation to the Polk County Regional Fund Agreement was prepared by the County Attorney's Office and reviewed by the City Manager and City Attorney.

City Manager Tillman said staff recommends approval of the Municipal Assignment of City/County Funds from the Opioid Litigation to the Polk County Regional Fund Agreement.

City Attorney Murphy said he spoke to the Florida Attorney General's Office and they indicated they were looking for these approvals from cities in Polk County with a population in excess of 10,000. City Attorney Murphy said he also spoke with County Attorney Randy Mink, who indicated he is planning on presenting this document to the Board of County Commissioners to ask that the County Manager be delegated the authority to execute these types of documents. There are handful of cities in Polk County with a population in excess of 10,000 that are anticipated to directly receive the City/County funds. If we can approve this and get the Florida Attorney General's Office to transmit our share of the funds directly to the County, there would be less fees and administrative costs allowing for more available funds for the programs. The County Attorney talked with the Florida Attorney General's Office and confirmed the form as presented is what they are looking for to accomplish this assignment of funds.

Mayor Taylor Bogert asked for public comment. There was no public comment.

Motion by Commissioner Cowie, seconded by Commissioner Sterling, to approve the Municipal Assignment of City/County Funds from the Opioid Litigation to the Polk County Regional Fund Agreement.

Commissioner Myers asked if by assigning these funds, does this mean they would not come back before the Commission every time more money comes in? That it would automatically be assigned by giving staff the authority to do so on the Commission's behalf?

City Attorney Murphy answered yes that is the expectation.

Commissioner Myers said it seems like every meeting there is a fund assignment.

City Attorney Murphy said this is different.

Mayor Taylor Bogert said this is a different pot of funds.

City Attorney Murphy said the previous actions were to approve the Settlement Agreement and participation in them. This is to approve the disbursement of the settlement funds. He said he is hoping we do not have to go before the Commission again relating to this matter.

Upon vote, all ayes.

7. PRESENTATION OF FISCAL YEAR 2023 AND FISCAL YEAR 2024 ANNUAL BUDGETS

City Manager Tillman read the City Manager's Budget Message for the FY 23 and FY 24 Annual Budgets.

He said Section 23.5 of the Charter of the City Auburndale authorizes the City Manager to prepare and submit to the City Commission the annual budget and budget message. Approval of the annual budget is the most important responsibility of the City Commission. He continued that during this recent period of historic growth, the City of Auburndale has continued to strive to meet the needs of our citizens with a focus on core services including public safety, infrastructure investment, and community and economic development. Significant additions to personnel, utility infrastructure, capital improvements and community amenities highlight the proposed budgets to keep pace with the development of new housing and industry within the City. This document represents months of work by dedicated staff and reflects revenue estimates and proposed expenditures based upon an ongoing review of operations. He said he hopes the Commission finds the following

information helpful and explanatory as we continue the process of meeting our City's goals, and the statutory obligation of adopting a balanced budget.

He said since 2005, the City of Auburndale has operated with a two-year budget process. The benefit of preparing a biennial budget provides the readers with additional information and understanding of the budget process and enables a blending of the City's planning and budgeting processes. As part of the process, two separate twelve-month budgets are prepared and approved by the City Commission. In September 2021, the City Commission adopted the current FY 2022 Annual Budget, as required by State Statutes. At the same time, the Commission also approved a budget for the second year, the planned FY 2023 Budget.

Now, the planned FY 2023 Budget has been reviewed and updated with necessary adjustments to revenues and expenditure in order to accommodate needs that have arisen, since the planned budget was prepared. At the same time and through numerous presentations before the City Commission, a new second-year budget has been prepared and is presented as the planned FY 2024 Budget.

Since 2010, City Staff started presenting the various sections of the proposed budgets at Regular Meetings before the City Commission in April or May. This initiative allows the elected officials and the general public greater opportunities to be informed and participate in the budget process, and in a timelier manner. This year the City Commission was presented the Payroll Sections on April 18, 2022; Capital Outlay on May 16, 2022; the Expense Section on June 20, 2022; and the Revenue Section on July 18, 2022. Any changes to the proposed budget will be presented to the City Commission on August 15, 2022. Public Hearings on the proposed Budget and millage rate will be held on Thursday, September 8, 2022 and prior to final adoption on Tuesday, September 20, 2022.

The Proposed Biennial Budget recommends a total spending level of \$72,275,056 in FY 2023 and \$67,903,069 in FY 2024. Due to outside funding sources including American Rescue Plan Act (ARPA) funding and the need to utilize sewer impact fees for various capital projects to accommodate commercial and residential growth development, the total FY 2022-2023 City Budget represents a 19.79% increase compared to the current fiscal year Adopted Budget. He listed examples of projects.

The City of Auburndale functions with five funds to support the day-to-day operations of the City. The five categories of Funds include the General Fund, the Community Redevelopment Agency Fund, the Public Utilities Fund, the General Impact Fee Fund, and the Public Utility Impact Fee Fund. In addition to the Proposed Biennial Budget being balanced, each individual fund is also being presented as balanced.

General Fund revenue sources include Taxes (including Franchise Fees), Licenses and Permits, Intergovernmental Revenue, Charges for Services, Fines and Miscellaneous Revenue. The General Fund proposed budget is \$23,915,033 for FY 2023 and \$35,557,333 for FY 2024, before the interfund transfer. Recent numbers from the Polk County Property Appraiser's Office suggest that the gross taxable value of all property within the City limits increased 20.56% over the 2021 final taxable value. This information allowed City Staff to recommend, and the City Commission approve 4.2515 as the proposed operating millage rate for the fifth straight year.

Auburndale has historically levied a low tax millage, or property tax, to help fund general government expenditures including Public Safety, Public Works, Parks and Recreation, the Public Library, Community Development and other General Fund activities. The current and proposed tax rate of 4.2515 mills represents one of the lowest municipal tax levies in Polk County and generates \$7,800,000, an increase of \$1,330,000 over the current year total ad valorem proceeds. The significant increase in ad valorem proceeds is as a result of the inflation in property values, annexations, and the continued growth in new commercial and residential construction within the incorporated City limits. City Manager Tillman presented a graphic depicting the number of Residential Certificates of Occupancy over the last five fiscal years.

He said that to continue to meet the City's standard of delivering high-quality service as new businesses and residents move into the City, significant investments in personnel, infrastructure investments and additional park space is needed and has been programmed into the City's aggressive Five-Year Capital Improvements Plan. To accomplish those planned future capital expenditures, the budget maintains the City's conservative approach of setting aside reserve funds to be utilized as a future offset. The additional revenues generated by the increased ad valorem base will allow the City of Auburndale to maintain one of the lowest operating millage rates in Polk County into the future, while at the same time continuing a high level of customer service and quality of life for our citizens and businesses.

The General Fund proposed budget for FY 2023 includes \$800,000 of reserve funding as revenue coming into the budget from monies set aside in previous budget years to complete various projects. In addition, \$1,570,000 of reserve funding is allocated as an expense, or reserve funding to complete various projects in the future. A large portion of the reserve funding being set aside is for the redevelopment of Lake Ariana Park including the relocation of the Civic Center in the planned FY 2024 Budget year. The majority of other General Fund revenue sources have returned to and are exceeding pre-pandemic values. Parks and Recreation facility rental and program revenues have stabilized. He listed the largest General Fund expenditures in FY 2023.

The Auburndale Community Redevelopment Agency (CRA) was created in February 1992. The CRA was created to develop and implement a Community Redevelopment Plan to redevelop, rehabilitate, and conserve its Community Redevelopment Agency district. The time certain for completing the planned projects of the CRA Plan was twenty (20) years, or through 2012. Florida Statutes were amended in 2002 to allow extension of the term. The Auburndale Community Redevelopment Agency Board voted in May 2005 to amend the Plan to extend the time certain to complete all redevelopment financed by increment revenues to thirty years from adoption of the amendment, or through 2035. The CRA Fund also benefits from increased activities and increased property values within the CRA District. The Community Redevelopment Agency Fund proposed budget is balanced at \$1,651,400. The proposed budgets allocate \$1,021,687 in new increment funding from Polk County and \$629,613 from the City of Auburndale. The Proposed Biennial Budget provides \$1,000,000 in FY 2023 for the design of a new Civic Center at Lake Ariana Park and \$2,500,000 in reserve funding to assist the City in the construction of the Civic Center in FY 2024. The Community Redevelopment Agency Board gave approval to the proposed CRA Budget on May 16, 2022.

The Public Utilities Fund accounts for the activities associated with providing potable water and sewer collection, treatment and disposal services to area residents and businesses. The Public Utilities Fund derives its revenue from fees collected to address the operating and capital needs of our municipal utility services and to maintain the financial stability of the system. The Public Utilities Fund proposed budget is \$30,217,409 not including the inter-fund transfer to the City's General Fund, needed for balancing. The inter-fund transfer proposed in the FY 2023 Budget is \$3,133,813. He listed the largest expenditures within the Public Utilities Department in FY 2023. He presented a graphic of total Utilities customers over the last five fiscal years.

The General Fund Impact Fee Fund is projected in FY 2023 to generate \$288,000 in Fire Impact Fees, \$209,000 in Police Impact Fees, and \$313,000 in Recreation Impact Fees. These dollars are used to offset eligible expenses in each of these departments, or placed in reserves for future expenses. The Public Utility Impact Fee Fund is projected in FY 2023 to generate \$1,131,000 in Water Impact Fees, \$3,371,000 in Sewer Impact Fees, and \$23,000 in Fire Sprinkler Impact Fees. These dollars are all used to help offset and pay debt service.

One of the more important and underlying reasons for the two-year budget process is that City Staff and the City Commission can give more attention to future community needs and to look at how resources will be allocated to meet those needs. One of the tools used to meet this need is integrating the two-year budget process with the Five-Year Capital Improvement Plan (CIP). This allows for the blending of the City's more aggressive planning process with a more stable and consistent budget process. In the same Ordinance that the

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City Commission will adopt the Biennial Budget, the Commission will also be adopting a revised Five-Year Capital Improvement Plan. The City of Auburndale maintains an aggressive capital improvement program targeted to improve aging or inadequate infrastructure, redevelopment needs, and for enhanced recreation facilities. Many of the projects in the City's Five-Year CIP are multi-year programs that begin in one year and continue construction, or completion into future fiscal years. All projects in the first two years of the CIP are incorporated into the proposed Biennial Budget.

The Payroll Section of the Budget provides the necessary funding for staffing levels to adequately deliver an accepted level of service to our citizens. In addition to salaries, the Payroll Section provides incentive funding for certifications and education, longevity pay, and automatic adjustments for employees completing the one-year probationary period and completing four, six, and eight years of service. The proposed FY 2023 Payroll Budget operates with a staffing level of 198 full and part-time employees, an increase of fifteen (15) full-time employees and two (2) part-time employees above the current year budget. Eight (8) of the new positions are as a result of the loss of four (4) squads of inmates contracted through the Florida Department of Corrections as a result of the COVID-19 pandemic and issues related to the staffing of Correctional Officers overseeing the crews. While the City remains optimistic that in the future the four (4) squads totaling approximately twenty (20) laborers will return, the need to maintain the crew's responsibilities has strained resources throughout the Parks and Recreation, Public Works, and Public Utility Departments. He listed the proposed new positions in FY 2023. The proposed FY 2023 Payroll Budget also reflects reclassifying a Corporal position in the Police Department to Sergeant, and reclassifying the IT Manager to IT Director.

The conceptual FY 2024 Payroll Budget proposes an increase of six (6) full-time employees. He listed the proposed new positions in FY 2024. The proposed FY 2024 Payroll Budget also reflects reclassifying a Code Enforcement part-time position to full-time in the Police Department.

In April 2022, following the presentation of the Payroll section of the proposed FY 2023 Budget, the City Commission gave tentative approval to a 3% Cost of Living Adjustment (COLA) for all employees. The City Commission was also presented the conclusions of the 2022 Pay Study prepared by Creative Insights and USF Professor John Daly. The study suggests that the City's approach for offering market competitive pay to City employees reflected favorably and is effective. It was also noted and highlighted several positions in the Police Department and the Fire Department that were approaching the City's threshold for consideration of an additional salary adjustment. Staff proposed and the City Commission tentatively approved increasing the Pay Grade of those positions resulting in an additional 6% increase in salary. In all, fifty-eight (58) Public Safety employees, including all firefighter and police officer positions, will benefit from these adjustments. These pre-emptive steps are necessary and were taken to help in the retention and recruitment of our outstanding employees and were identified as needed in the 2022 Pay Study. Total payroll including FICA and miscellaneous certificate and education pay in FY 2022-2023 equals \$11.4 million dollars. During the planning process of the two-year budget, City Staff projects a 10% increase in health insurance premium costs for each year. The City was recently notified that due to claim history over the past year, a 9.5% increase will take effect in FY 2023. Total health insurance costs in FY 2023 are projected at \$1,792,287.

As noted in budget discussions, planning for future growth has taken precedence throughout all of the City Departments moving forward with the understanding that additional service demands will be required. Significant investments by the City of Auburndale and the Polk County Board of County Commissioners were made in the current fiscal year at the Lake Myrtle Sports Complex with the construction of the Multi-purpose Stadium and Event Lake adding additional recreational amenities for our citizens and visitors. The Lakes District planning initiative has been implemented and the City has partnered with the County to complete a Transportation Masterplan to study traffic patterns and major intersections to guide our organizations in mobility planning in addressing needed roadway and pedestrian improvements. Future large capital improvements such

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as the redevelopment of Lake Ariana Park, the purchase of additional cemetery and passive park space, and a North Auburndale Fire Station are on the horizon to accommodate the additional demands as we continue to create improvements in providing services, amenities, and an exceptional quality of life for our residents and businesses.

He said it was his pleasure to present to the Commission the City of Auburndale spending plan for the next two years. He thanked all the City employees for the outstanding job they do everyday. He offered special thanks to the Department Directors and Division Heads for maintaining and improving the level of service delivery year after year while holding total expenditures in check with projected revenues. He also thanked the City Commission for the honor of serving as the City Manager for the City of Auburndale.

He said the Commission will be able to further discuss the proposed budgets on Commission Day activities on August 8th, 2022, and at the Regular Commission Meeting on August 15th, 2022. Public meetings on the proposed budget and millage rate are scheduled for September 8th, 2022, and September 20th, 2022. The proposed budgets as presented will also be posted on the City's website at www.auburndalefl.com.

City Manager Tillman said that completed the agenda for the evening.

Commissioner Hamann thanked City staff and congratulated City Manager Tillman.

Mayor Taylor Bogert concurred and thanked City staff and the City Manager.

City Manager Tillman said it takes all of us – department heads, the City Commission, City Attorney, City staff, and the citizens.

Mayor Taylor Bogert reminded everyone that Commission Day is Monday, August 8th, at 8:00 AM.

The Meeting was adjourned at 7:56:18 PM.

I HEREBY CERTIFY that the foregoing Minutes are true and correct.



Brandon Henry, City Clerk