

LAKELAND CITY COMMISSION

Public Budget Hearing September 7, 2023

The Lakeland City Commission met for the Public Budget Hearing in the City Commission Chambers. Mayor Bill Mutz and Commissioners Chad McLeod, Bill Read, Stephanie Madden, Sara McCarley, Mike Musick, and Samuel Simmons were present. City Manager Shawn Sherrouse, City Attorney Palmer Davis, Finance Director Mike Brossart, and City Clerk Kelly Koos were present.

CALL TO ORDER - 6:00 P.M.

Mayor Bill Mutz asked the Commission to hold their questions until the end of the presentations.

PRESENTATIONS

Proposed FY2024 Annual City Budget, City Manager Shawn Sherrouse

City Manager Shawn Sherrouse and staff gave a presentation on the budget. A copy of the presentation is on file in the Agenda Packet.

City Manager Shawn Sherrouse asked for any questions.

The Commission discussed:

Mayor Bill Mutz complimented the City Manager on the presentation of the data.

Commissioner Chad McLeod liked seeing the information broken down by Strategic Planning Target Areas. He asked if debt service was higher than usual. LE's debt service may be a touch higher but not anything to concern the rating agencies, financial advisors, or anyone else. It still fits well into our payoff schedule.

Commissioner Bill Read wanted \$1 Million set aside for affordable housing to remain in the general fund.

Commissioner Samuel Simmons asked about affordable housing and how the program works. Community and Economic Development Director Brian Rewis explained affordable housing tax credits. They are only available in each County every other year. That makes it more important for cities to be shovel ready when the opportunity presents itself.

Mayor Bill Mutz reminded the Commission that every \$1 invested generates an additional \$27.

Brian Rewis explained that contributions to entities like Gospel Village were done in response to a request for proposals.

Mayor Bill Mutz stated those who build affordable housing are going to do so in cities that offer support for those type of projects. Affordable housing matters to attract employers.

Brian Rewis reminded the Commission that affordable housing developers are facing supply chain issues that make it almost impossible to complete projects. They come back to the City and request gap assistance

Commissioner Sara McCarley asked about the funding sources for affordable housing. CDBG and HOME were Federal programs. SHIP was a State of Florida program. The City must meet requirements and documentation to utilize those grants. She wanted the public to understand that these funds historically had been "high jacked" by the State Legislature. Most recently, these programs have been fully funded to assist in establishing affordable housing.

Commissioner Stephanie Madden stated it was important to recognize that this commission chose to partner with developers to create brick and mortar residences for affordable housing rather than fund rent vouchers.

Shawn Sherrouse explained the \$2.9 Million for affordable housing comes from three grant funding sources, and the CRA. In addition, there is the \$1 Million from ARPA funding and \$1 Million from the General Fund.

Commissioner Mike Musick asked to look at the pay study. How many employees did the \$3 Million (3.6%) cover? Approximately 1,265 people were looked at but that is not the number of people who will receive a market adjustment.

Commissioner Mike Musick asked about the difference between paying for power and generating our own. Mike Beckham explained there is not a set rate. Many times, LE buys from within the power pool and pays similar rates as self-production. Mr. Beckham will look for some examples to show at the next meeting.

Commissioner Stephanie Madden asked about the pay study for UWUA employees and non-union employees. Are we sure the non-union LE employees such as engineers were compared properly, apples to apples? Shawn Sherrouse explained that the consultant looked at other municipal owned electric utilities. They also used industry related studies such as APPA. It was a combination of industry reports and studying similar cities with electric utilities.

Mike Brossart explained the pay study done by HR for the union negotiations was the same type of study done by Bolton for the general employees.

PUBLIC HEARINGS

Ordinances (First Reading-Tentative Approval Required)**Proposed 23-034; Ad Valorem Millage Rate for 2023-2024 Fiscal Year**

AN ORDINANCE RELATING TO AD VALOREM TAXATION; ESTABLISHING THE MILLAGE RATE FOR THE CITY OF LAKELAND, FLORIDA, FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2023, AND ENDING SEPTEMBER 30, 2024; PROVIDING FOR THE LEVY OF AD VALOREM TAXES; FINDING THE MILLAGE RATE IS 8.58% GREATER THAN THE ROLLED BACK RATE; PROVIDING AN EFFECTIVE DATE.

Palmer Davis read the title.

Motion: Commissioner Samuel Simmons moved to approve the ordinance on first reading. Commissioner Chad McLeod seconded.

Mayor Bill Mutz asked for comments from the Commission and the audience. The Commission discussed:

- How much the current millage exceeded the roll back rate. The proposed millage rate exceeded the roll back rate by 8.58%.
- The Days Cash on Hand (DCoH) Goal was 45-60 days. Staff cautioned the Commission to watch the movement between fiscal years.

Gloria Hotchkin came forward about a new north Lakeland fire station. Mayor Bill Mutz explained that is in process. She asked if there could be a temporary fire station in north Lakeland.

Mayor Bill Mutz explained the comments should relate directly to the millage ordinance. She was fine on the millage. She suggested the Commission spend the \$1 Million on a fire station in north Lakeland.

Action: Upon roll call vote Commissioners Samuel Simmons, Mike Musick, Sara McCarley, Stephanie Madden, Bill Read, Chad McLeod, Mayor Bill Mutz voted aye. Ayes-seven. Nays-zero. The motion carried unanimously.

Commissioner Chad McLeod left meeting at 7:30 p.m.

Proposed 23-035; Appropriations; Budget for 2023-2024 Fiscal Year

AN ORDINANCE RELATING TO APPROPRIATIONS; PROVIDING FOR THE APPROPRIATION OF MONIES FOR THE CITY OF LAKELAND, FLORIDA, FOR VARIOUS PURPOSES FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2023 AND ENDING SEPTEMBER 30, 2024; PROVIDING AN EFFECTIVE DATE.

Motion: Commissioner Mike Musick moved to approve the ordinance on first reading. Commissioner Samuel Simmons seconded.

Mayor Bill Mutz asked for comments from the Commission and the audience. There were no comments.

Action: Upon roll call vote Commissioners Stephanie Madden, Sara McCarley, Mike Musick, Samuel Simmons, and Mayor Bill Mutz voted aye. Commissioner Bill Read voted nay. Commissioner Chad McLeod was absent. Ayes – five. Nays – one. The motion carried.

MAYOR AND MEMBERS OF THE CITY COMMISSION

Commissioner Samuel Simmons also wanted a fire station in north Lakeland.

Shawn Sherrouse explained that Fire Station 8 is one of the City's highest priorities. They will consider a temporary station. It would be a shame to spend money on a temporary station when they could have spent it on a permanent solution. They are working with various property owners on a permanent location. They needed to continue with that process. They have requested an appraisal on one option. Staff was continuing to negotiate. They hoped to close out those options. If they do not work out, they will then need to consider a temporary option.

Fire Chief Doug Riley was concerned about spending money on a temporary location and taking money from the final location. The truck will not be delivered before June/July 2024.

Commissioner Samuel Simmons asked what the process was in establishing a temporary location. Chief Riley explained they would have to find property that they did not have to spend a lot of money on and a modular facility for the employees. Also, proper parking for the new truck to protect the asset.

Commissioner Samuel Simmons asked when was it time to consider a temporary station? Chief Riley did not have an exact answer yet. They are already having the conversation about what to do when.

Commissioner Mike Musick asked how long it would take to establish a temporary station. Chief Riley explained it depended on finding a vacant building someone would let us use that we could move in right now.

Shawn Sherrouse reminded everyone that location is the other challenge. It is not just locations we can afford with a willing seller. It also means being able to get the trucks out and on the transportation grid.

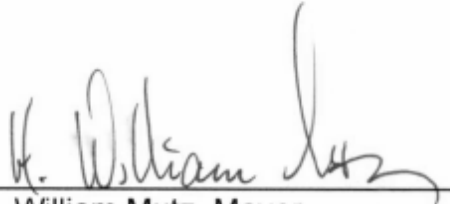
Commissioner Stephanie Madden thanked the residents for coming out.

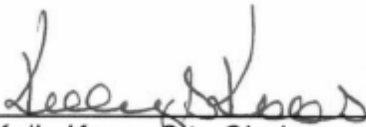
AUDIENCE

Danette Lockwood came forward seeking assistance for her neighbor and their property tax bill. Shawn Sherrouse directed them to the property appraiser's office.

Charles and Sandra Jackman came forward about their tax bill and were also directed to the property appraiser's office.

CALL FOR ADJOURNMENT - 7:52 p.m.


H. William Mutz, Mayor


Kelly Koos, City Clerk

