Annual Budget

Fiscal Year 2017

Vision

Lakeland — a vibrant, innovative, culturally inclusive world-class community.

Mission

A community working together to achieve an exceptional quality of life.

Seated: Commissioner Don Selvage, Mayor Howard Wiggs, Commissioner Edie Yates
Standing: Commissioner Jim Malless, Commissioner Justin Troller, Commissioner Bill Read, Commissioner Phillip Walker

City Manager
Tony Delgado

Deputy City Manager
Brad Johnson

Assistant City Manager
Shawn Sherrouse

For more information, or to download copies of our Annual Budget and supporting documents, please visit our website at www.lakelandgov.net

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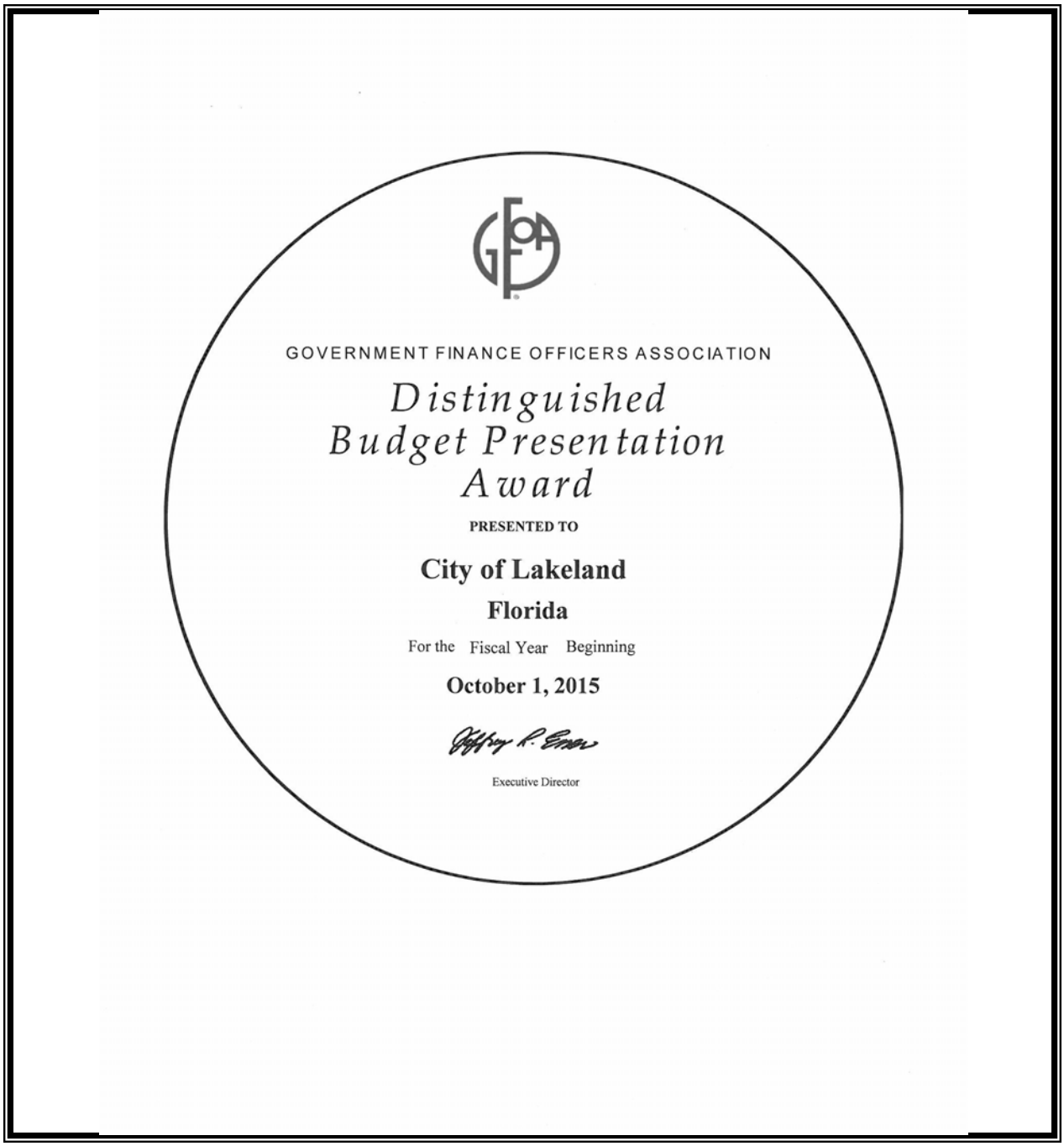

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of Lakeland

Florida

For the Fiscal Year Beginning

October 1, 2015

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **City of Lakeland, Florida** for the Annual Budget beginning **October 1, 2015**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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Using the Annual Budget

We've made every effort to make this book as easy as possible to read, but we understand how difficult it can be to find what you're looking for in such a complex document. To make your search easier, we've provided a number of tools to help you get what you need.

Organization of This Book

The City of Lakeland's Annual Budget is made up of two separate focuses: The Annual Budget (this book) and the Strategic/Business Operating Plan.

The Annual Budget is divided into seven sections:

Introduction: Contains the Table of Contents, the City Manager's Letter of Transmittal, Organization Chart, the City's Vision, Mission and Values and a brief history of the City.

Budget Overview: A discussion of the Budget Highlights for FY2017, financial policies, and the Budget Process Overview.

Long-Range Planning: The analysis and data that went into the development of the budget, specifically our planning and forecasting activities.

Performance Management: Performance and service data from the Strategic/Business Operating Plan and Performance-Based budgets for all departments.

Line Item Budget: Detailed accounting of each fund.

Capital Improvement Plan (CIP): Provides the City's 10-year CIP and projected funding.

Supplementary Information: Miscellaneous information regarding principal taxpayers, property tax rates and revenues and departmental tables of organization. A useful list of abbreviations and acronyms used in the book, as well as a Glossary of the terminology used in this document that is either technical in nature or unique to the City of Lakeland.

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City Manager's Letter

CITY MANAGER'S OFFICE
228 S Massachusetts Ave
Lakeland, FL 33801-5086

ANTHONY J. DELGADO
City Manager
863-834-6006

September 29, 2016

Honorable Mayor and City Commissioners:

Submitted herewith for your consideration is the City of Lakeland Proposed Fiscal Year 2017 Annual City Budget, including the 2017-2026 Capital Improvement Program Budgets. These documents comprise the financial, operational, performance management and capital plans prepared by the Administration following direction received at the Mayor and City Commission's Annual Strategic Planning and Business Planning Retreats held earlier this spring, coupled with Commission feedback from the Departmental Budget Workshops in July. This represents the first annual budget I have prepared for your consideration as City Manager. As you are aware, the annual budgeting process has become more challenging in recent years as the Commission addresses fiscal realities of the continued use of one-time reserves to fund ongoing general government services, requiring the resolution of several significant FY17 fiscal policies. These decisions required both the Commission and staff to balance fiscal realities with the collective expectations of our constituents for exceptional municipal services and their associated costs.

Lakeland's Budgeting Process

The City has been operating and refining its innovative Strategic Operating Plan (SOP) since its development 11 years ago. The SOP is not only intended to be a statement of Lakeland's goals, values and desired outcomes that articulate what the community strives to attain, but also serves as the foundation in which the municipal organization can best align our programs, policies, procedures, human capital and resources in a coordinated fashion in support of the community's shared vision. Furthermore, Lakeland has implemented a Performance Budget that is designed to be easier for the reader to understand the true costs of the various municipal services we provide, regardless of the Department or Departments that ultimately provide such services. The Performance Budget allows the reader to focus on the costs of the services, the level of staff required to deliver the service as well as any revenues that are directly attributable to highlight its net cost. This methodology is significantly different than most municipal budgets that are presented in a historical Department-based format which makes such an understanding difficult, if not impossible.

FY 2017 Budget Drivers

Over the years, Lakeland has applied a number of fiscal strategies enabling our organization to successfully navigate the tenuous economic landscape better than many of our sister cities. As a result, Lakeland did not experience significant employee layoffs, eliminate programs, or reduce core municipal services during the challenging times of the recession. Our approach however, has resulted in a smaller workforce maintaining and in some cases expanding services. But equally, we have kept a focus on revenue diversity and maintaining a balance on both current expenses as well

as ensuring we are reinvesting long-term in the community's assets. A key element of this strategy has involved the attainment of undesignated reserves in the General Fund, which during Florida's economic boom, mitigated the resulting fiscal impacts throughout the recession. However, concerns have been discussed on the continued use of reserves and Public Improvement Fund (PIF) revenues, since 2006, to support ongoing operational expenses as an emerging fiscal issue that needed to be addressed as part of the FY 2016 Annual Budget. In doing so, the Commission ratified a .90 mill increase for Fiscal Year 2016 which maintained the level of current services, as well as assisted in developing a long term reserve methodology that has established 45 to 60-days cash on hand in the General Fund reserves, beginning with Fiscal Year 2016 and carried over to the upcoming fiscal period. This action set the stage for a continuous commitment to research operational efficiencies, vetting the current expenditures for cost savings, and establishing and maintaining a long-term General Fund reserve policy that would be consistent with the rating agencies' considerations as they relate to the City's General Obligation Credit Status.

Although Florida's real estate market has started to show signs of resurgence, it has not done so at a pace that completely resolves the fiscal realities and requirements to maintain a reasonable reserve philosophy. The Polk County Property Appraiser has projected approximately $5.5 billion in Total Taxable Value in the upcoming year, representing roughly a 7.8% increase, which includes $107.6 million in new construction and $287.6 million of growth in the existing tax base. While that growth is certainly encouraging, it should be noted that the last time the City attained $5 billion in Total Taxable Value was in 2005, and like most organizations, our expenses have increased over the last decade. Growth in the resulting ad valorem revenues of roughly $2.2 million at the current 5.5644 mills, along with the securing of $2.5 million surplus contribution from the Public Improvement Fund, has provided a sufficient General Fund reserve for the upcoming fiscal year and, anticipating no major impacts to the market or unanticipated major expenditures, a solid base through Fiscal Year 2018. It is also important to note that property taxes comprise only 25% of the General Fund, therefore continued review of efficiency and savings opportunities will be required as part of the evaluation to protect the future financial stability of the City's General Fund.

In generating the Fiscal Year 2017 Annual Budget, staff was directed to implement a reduction in controllable operating costs of 1.5%. The reduction allowed for a detailed review of potential efficiencies, as well as assisted in maintaining the long term reserve goal. Unlike Fiscal Year 2016, the proposed budget planning process did not require General Fund departments to initiate a hiring freeze for the upcoming Fiscal Year; however, they were required to vet any potential hiring needs with a plan to minimize all budgetary impacts. Understanding this requirement, most of the requests for increases in staffing for Fiscal Year 2017 were offset with efficiencies and cost reductions within the requesting departments.

In the development of the Fiscal Year 2017, budget specific parameters were established incorporating the following guidelines:

- No use of Reserves to cover recurring costs
- Maintain 45 to 60 days cash on hand from FY 2016 year end to FY 2017 year end, which equates to roughly $15.9 million, consistent with the City Commission's newly enacted policy, "To build and maintain 60 days of General Fund reserves".
- Maintain existing millage rate of 5.5644
- No changes in current Enterprise Fund Dividend support philosophies to the General Fund.
- Includes a 1.5% Across the Board (ATB) and 2.5% Merit increase (for those employees that are eligible) for General Employees, not subject to collective bargaining.
- In support of building an educated workforce and creating better succession planning avenues, tuition reimbursement levels were increased from $1,800/yr. to $2,000/yr.

In addition to the above budget setting parameters, the following fiscal inputs and modifications to the General Fund operations were administered:

- Health Insurance rates were increased approximately 13% for Fiscal Year 2017. Both the City and members of the plan will see the impacts of the actuarial supported increase. The Risk Management Department continues to review ways to mitigate these increases for the employees and retirees each year and the current outlook for the Health Insurance Fund is favorable. If the claims continue at the current rate, Fiscal Year 2018 could see an increase less than the average 13% we have recognized over each of the last few years.
- Workers Compensation Insurance had been originally estimated to increase 15%; the actual increase for Fiscal Year 2017 is 7.4%.
- The Cleveland Heights Golf Course operations, formerly an Enterprise Fund, have been incorporated into the Parks & Recreation General Fund budget for Fiscal Year 2017.

Other Budget Considerations

The City regularly looks to implement operational efficiencies with the goal of reducing recurring expenses. Furthermore, the Administration developed the Fiscal Year 2017 Budget utilizing a number of cost containments and budget reductions discussed above, coupled with increases in property insurance (5%); utilities (3%) and fuel (3%). Pension costs have been held steady at 19.6%, recognizing that the City of Lakeland does not participate in the Federal Social Security System. The City provides self-insured health insurance plans for full-time employees, and typical of the health care industry as a whole, premium costs are projected to increase again in the upcoming year by 13% for both employees and the City. The impact of the Affordable Care Act (ACA) has also contributed to increased costs in the City's overall Health Plan expenses.

1. **Personnel Costs**

The single largest expense category within a typical municipality's General Fund is payroll and benefits, and Lakeland's FY 2017 General Fund Budget is no exception, with proposed payroll and benefit costs of $84 million, representing roughly 71% of the General Fund. Lakeland's fiscal policies have historically involved a concerted effort to control personnel costs largely through attrition and strategic use of a "soft hiring freeze", when required, and the elimination of unfilled positions that do not impact operational effectiveness. Because Lakeland's approach began over nine years ago, the organization has had the time to adjust operations to allow the continuance of most municipal services at traditional levels, albeit with fewer personnel. In other words, Lakeland's Full-Time Equivalents (FTE) count did not grow in the Florida "Boom" years as was seen in many of our sister local governments and, correspondingly, did not aggressively "shrink" during the recession. This approach has however, resulted in the City reducing its workforce by 221.5 FTE's from 2,488.5 in FY 2008 to 2,267 in FY 2017. (FTE's are calculated based upon all approved employee work hours per Fiscal Year divided by 2,080 hours.) For FY 2017, a total of 2,165 Regular Full-Time positions are proposed, representing a net new 5 Full-Time positions and a total of 556 Part-Time positions, representing a reduction of 2 Part-Time positions following a variety of additions and deletions across the Departments. Lakeland's population and utility service territory population has consistently grown over the years, while the FTE count remains lower than it was in 2008. This demonstrates the dedication and efficiencies our municipal workforce has been able to accomplish in meeting the service expectations of the City Commission and our constituents.

Population/Service Population v. FTE's			
Year	Lakeland Population*	LE Service Area Population	Lakeland FTE's
2008	93,508	252,731	2,488.5
2009	94,163	253,084	2,423.5
2010	97,422	253,234	2,370.5
2011	97,690	254,283	2,373.5
2012	98,200	255,869	2,351.0
2013	98,773	264,023	2,374.0
2014	100,728	267,376	2,310.0
2015	101,517	270,765	2,326.67**
2016	102,507	271,379	2,280.39
2017	102,507	278,684	2,267

*BEBR estimates, unless a Census year (latest 2010).
** Excludes increases in temporary labor pool at TLC & CHGC which do not result in additional work hours or have any budget impact and Full & Part-Time personnel with conversion of F & B operations to a private provider.

The City's Classification & Compensation Plans have previously provided merit pay for employees that had not reached the maximum of their respective classification Pay Grade/Band and would otherwise be eligible for anywhere from a 0% to 2.5% merit increase based upon their Annual Performance Planning and Review (PPR). Merit pay administration for employees covered by Collective Bargaining Agreements (CBA) is similar, but not necessarily identical based upon the particular CBA. For the period from FY 2009 through FY 2013 (inclusive), General Employees did not receive merit increases due to revenue constraints. Furthermore, during this period, employee health insurance costs increased a total of 59%, which were absorbed by the employees, resulting in less take home pay. The FY 2014, FY 2015 and FY 2016 Budgets included a 1.5% ATB and up to a 2.5% merit increase based upon performance for General Employees, as well as employees represented by CBA's. Although the City does not set the market for salaries and benefits in the various labor markets in which we compete, we nevertheless need to remain competitive in those markets in order to retain and attract individuals who perform municipal services for our community. Due to the impacts of the elimination of merits in previous years, the City regularly faces retention and compression issues with employees who were unable to receive merits due to economic constraints from FY 2009 – 2013. This has created challenges with the hiring of new employees at salaries often above tenured employees who have more experience as labor markets became more competitive. While many of our classifications have only public sector counterparts which similarly withheld merit and ATB increases, the City also competes directly with the private sector for many of our classifications, and we are seeing higher salaries in both the public and private sector markets as the economy continues to recover from the impacts of the recession period. In response to such challenges, the Proposed FY 2017 Budget includes a 1.5% ATB for all classifications and up to 2.5% merit increases for the employees who are not yet at the top of their respective Pay Grade/Band for General Employees not represented by one of the four collective bargaining groups in the City.

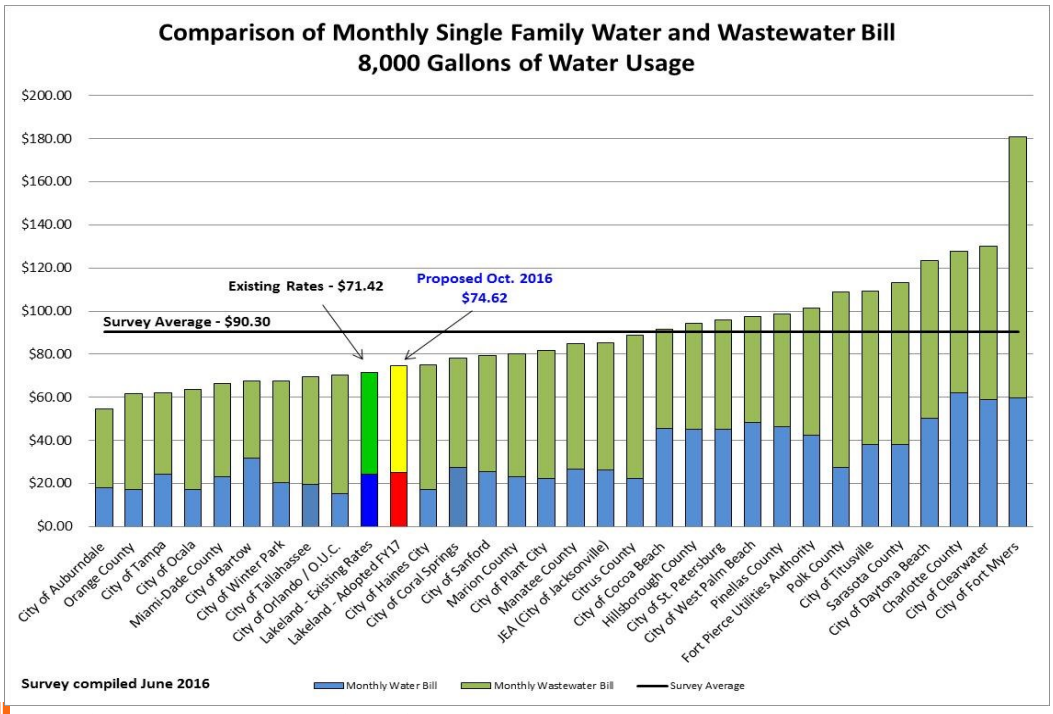
2. Utility Rates

In FY 2010, the City Commission implemented a strategy involving the adoption of 3-year rate plans for Water and Wastewater services to provide adequate revenues to fund system needs, promote equity among the various customer classes, encourage water conservation, and enhance revenue stability. As part of the multi-year rate plan, the City reviews the plan annually to verify the level of rates needed based on the most recent information. Following a recommendation from staff and our rates consultant, the City deferred the previously adopted multi-year rates scheduled for implementation in FY 2015 after determining that the Water utility could meet its projected operational and capital requirements, opting instead to spread the original 5.5% increase into two 3.0% increases in both FY 2016 and FY 2017. (The adopted 5.0% increases in both years for Wastewater services went unchanged.) Based upon the recent review of both Water and Wastewater Utilities Budgets and the newly recommended 3-Year rate plan, staff recommends no changes to the previously approved rate increases in FY 2017, FY 2018, and FY 2019 as shown below:

Summary of Adopted Rate Increases

Description	Adopted 2017	Adopted 2018	Adopted 2019
Water System	3.0%	4.0%	4.0%
Wastewater System	5.0%	2.0%	2.0%
Residential Water & Wastewater Bill - 8,000 Monthly Gallons	$74.62	$76.63	$78.67
Proposed Increase per Bill - $	$3.20	$2.01	$2.04
Proposed Increase per Bill - %	4.50%	2.70%	2.70%

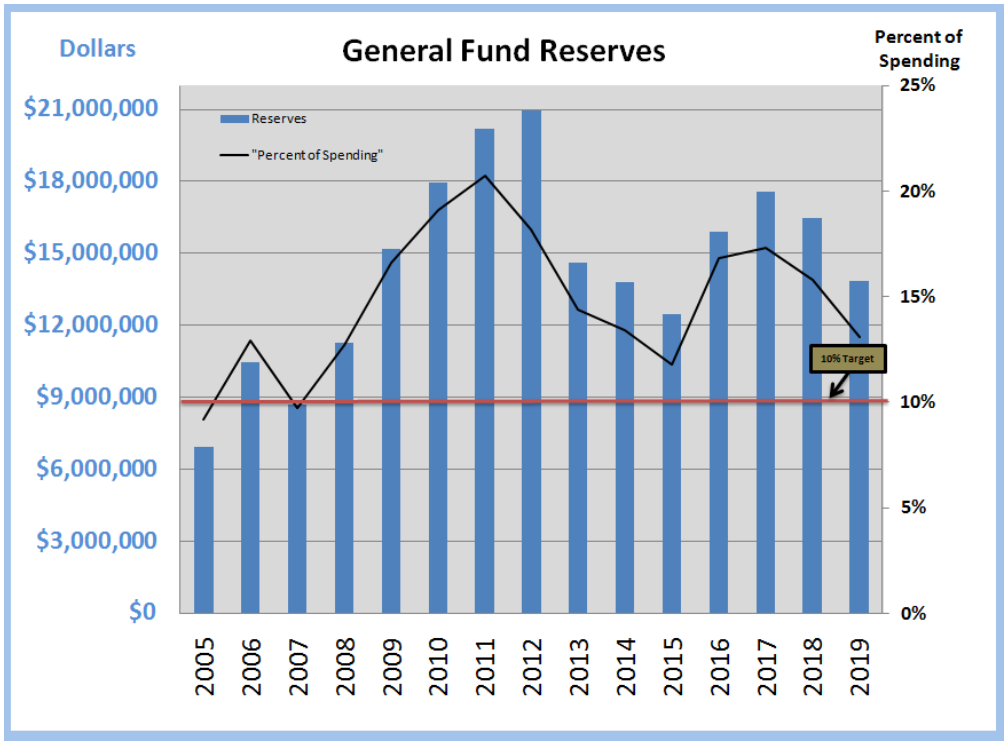
Lakeland is well positioned for the previously adopted Water and Wastewater rates, as both its current and new rates are very competitive and remain in the lower quartile of peer utility rates in the State of Florida. It should also be noted that the comparative rates are likely to change as our peer utilities typically adjust rates during their respective budget cycles.



3.. Targeted Use of Accumulated Reserves

The use of reserves has also been a critical component of fiscal policy discussions over the past several years. Prior to the recession, the Administration consciously controlled annual spending and year-end carryovers with a goal towards building General Fund reserves to greater than typical levels. This approach resulted in the attainment of a financial cushion or so called "rainy day" fund which was used strategically to soften the impacts of the recessionary fiscal constraints facing our organization. Over the past four fiscal years, the Administration has highlighted the need to either reduce General Fund expenditures, increase revenues or a combination of the two, given that the economic recession has not improved to the point to offset the use of reserves to support ongoing operations and maintain an acceptable level of reserves in the General Fund.

As mentioned earlier, I have developed the Proposed FY 2017 Budget, and specifically the General Fund, in a manner to preserve the current 62 days of projected reserves available at FY 2016 year end as a starting point for FY 2017, with the goal to build on that amount in outlying years. This approach is an appropriate start in response to the City Commission's recent policy to maintain General Fund reserves at 45 - 60 days cash within the next three to five years. The new reserve policy should also be welcomed by both Moody's and Fitch following their recent favorable ratings review of the City's General Obligation bond ratings, in which they also cautioned of a future ratings review in the absence of addressing the continued use of reserves to fund ongoing governmental services. Prior to the recession, the City historically used a 7.5% minimum reserve target, but that was changed entering Fiscal Year 2016 to be consistent with the Government Finance Officers Association's (GFOA) recommended minimum reserve target of 10% of the General Fund. An option for an adopted fund balance policy would be to have a targeted range between 45 – 60 days cash by the end of the fiscal year. The following chart reflects the projected year end reserve levels using the adoption of 5.5644 mills as proposed:



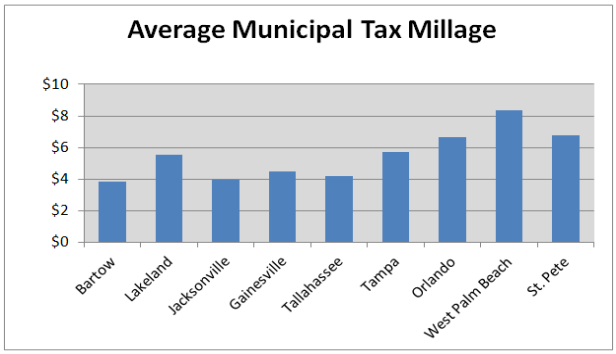
4. Proposed Millage Rate

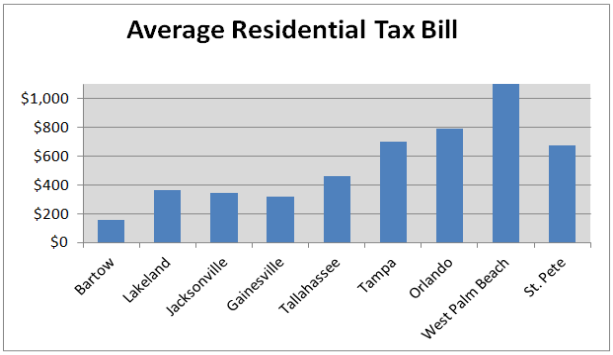
The FY 2016 Net Taxable Value of $4.7 billion (i.e. gross taxable value less incremental ad valorem taxable values that are dedicated to the Community Redevelopment Agencies (CRAs)) at the adopted 5.5644 millage rate is projected to net $29,079,791 in property tax revenues that support General Fund services. The comparable FY 2017 Net Taxable Valuation (i.e. gross taxable value, less the value of new construction, less incremental ad valorem taxable values that are dedicated to the CRAs) of $5 billion, represents a 14% increase in Net Taxable Values. This increase represents a nominal growth in Net Taxable Values in the last several years, following previous Net Taxable Value declines of 7.2% in FY 2013, 6.8% in FY 2012, 18.4% in FY 2011 and 11.7% in FY 2010. Because of appreciated values, the City will receive an additional $1.6 million in increased tax dollars at the current millage rate of 5.5644, that when added to new construction values, less new construction and reduction of values specifically within the various Tax Increment Financing Districts would yield a total of $2.2 million in increased property taxes for the upcoming year.

Pursuant to Florida's TRIM requirements, municipalities may collect the same level of property tax proceeds at a corresponding millage rate that is equal to the previous year from existing properties, plus any tax proceeds from new construction, without the millage rate being classified as an increase. The so-called "roll back" rate that would generate the same level of property taxes as was collected in FY 2016 from existing properties (excluding new construction) is calculated at 5.3240 mills.

In light of the above discussed strategies and based upon direction from the City Commission at the close of the Departmental Budget Workshops, the Proposed FY 2017 Budget has been developed based upon the current millage rate of 5.5644 mills. Collectively, the various financing strategies coupled with the proposed millage rate will allow the continuation of all currently provided municipal services, in addition to addressing growth in service demands in the Police and Parks and Recreation Departments, as well as in several of the City's utility operations. Pursuant to Florida State Statutes, the City Commission can decrease the ad valorem rate up to .0407 mills with a simple majority vote (4 votes), but will require a supermajority vote (5 votes) to raise the ad valorem rate up to .5117 mills over the 5.5644 mills used to develop the Proposed FY 2017 Budget.

Lakeland continues to have a competitive millage rate in the State of Florida for a full service city. Lakeland's average property tax bill for homesteaded properties remains well positioned at the lower end of the scale in comparison to our peer local governments, as well as in comparison to other municipal electric communities that similarly provide dividend support to their host government, as reflected in the two following charts:





In conjunction with the annual review and development of the City's Strategic Operating Plan for the upcoming year, staff presented a variety of initiatives and/or briefings regarding

matters that staff and/or the City Commission identified as emerging issues requiring attention in the upcoming year, along with the required resources to address such matters. Referred to as "Actionable Items," the City Commission ultimately votes and approves those that they wish to have included in the upcoming Fiscal Year Budget. I have provided a summary listing of the Actionable Items that are included in the FY 2017 Proposed Budget below, and I would encourage you to reference the additional details associated with each of these important initiatives which can be found on the respective referenced pages in the Performance Budget section of the Budget Document:

Actionable Item Title	Budget Book Page	Lead Dept.	Support Depts.	Budget	Goal Area Affected
Enhancing Public Access to the Downtown Core (Parking)	D-17	Public Works	Finance, Police, Community Development, Community Redevelopment Area, LDDA, DLP & LEDC	$75,000	Quality of Life
Fire Training Center Master Plan	D-18	Fire	Finance, Public Works, Water, Lakeland Electric and Information Technology	$125,000 (PIF)	Quality of Life
Broadband Initiative	D-21	Information Technology	Public Works, Community Development, Parks & Recreation and Police	TBD	Economic Opportunity
City-Wide Neighborhood Stabilization and Revitalization Program (Rental Registration)	D-22	Community Development	Police, Legal, Information Technology and Communications	TBD	Economic Opportunity
North 10 Acres Infrastructure & Downtown Infrastructure	D-23	Community Development and Community Redevelopment Area	Public Works, Lakeland Electric, Water, Information Technology and Fire	TBD	Economic Opportunity
Talent Development & Retention	D-24	Community Development	Communications, LEDC, Chamber of Commerce, Lakeland Vision, All Colleges & Universities	TBD	Economic Opportunity

Proposed FY 2017 Budget Basics

Given the above information, I am proposing a FY 2017 Total City Budget of $577,260,312 and a General Fund Budget of $114,728,135, net Intra-City transactions:

Comparative Budget Totals

Original Budget	FY 2016 Proposed	FY 2017 Proposed
City-Wide Proposed Budget	$679,893,688	$802,315,422
Less Intra-City Transactions	$149,676,037	$225,055,110
Net Budget	$530,217,651	$577,260,312
General Fund Proposed Budget	$111,258,101	$118,107,393
Less Intra-City Transactions	$3,763,081	$3,379,258
Net Budget	$107,495,020	$114,728,135

The increase in Personnel Services of $2.7 million account for the increase in General Fund expenditures in FY 2017. This includes an additional 3 Police Officers, reclassifications within the Police Communications Center, reclassification of 3 Fire Rescue Captains, 1 Fire Training Captain, and 1 Plans Examiner in the Building Inspection Division. The Proposed Budget also includes the previously discussed 3.0% Water rate increase and the 5.0% Wastewater rate increase.

Conclusion

The format of the FY 2017 Annual Budget Book builds upon the success of the organization's previous Budgets that have received the Government Finance Officers Association (GFOA) "Distinguished Budget Presentation Award" in recognition of its layout, planning, content and overall presentation. The award is noteworthy in that it is bestowed on only a small percentage of public organizations. The annual budget process which fully incorporates the City's Strategic Planning process with the yearly allocation of financial resources represents an excellent opportunity for the City Commission, staff and residents to review the delivery of municipal services in comparison to our effectiveness to accomplish the collective desires of the community. We believe readers will continue to find the City's user-friendly Budget effectively serves as a reference document throughout the year as both a financial tool and operations guide.

In reviewing the Program Budget, the concept of total operating expenditures versus traditional General Fund expenditures should always be kept in mind. The property tax rate and other taxes and dividends primarily cover expenditures for the General Fund (which includes many of the traditional governmental services which do not have user fees such as Police, Fire, Planning and general government), and excludes those user fee based costs attributable to Enterprise Operations (Lakeland Electric, Water and Wastewater Funds, Solid Waste Fund, Airport Fund and The Lakeland Center), Special Revenue Funds (Community Development Fund, Stormwater Fund and the Lakeland Community Redevelopment Fund) or Capital Project Funds (e.g. the Transportation Fund and Public Improvement Fund). The Public Improvement Fund pays for deficiencies in some funds such as the General Fund and the Lakeland Center Fund through a transfer. All of the funds together, with the exception of the Internal Service Funds (e.g. Fleet Management, Risk Management & Purchasing, Information Technology and Facilities Maintenance Funds) and the allocation of Administrative Services expenses comprise the operational budget.

The development of my inaugural budget as your City Manager has set a foundation to allow the departmental staff to take on a greater role in developing the processes and identifying funding

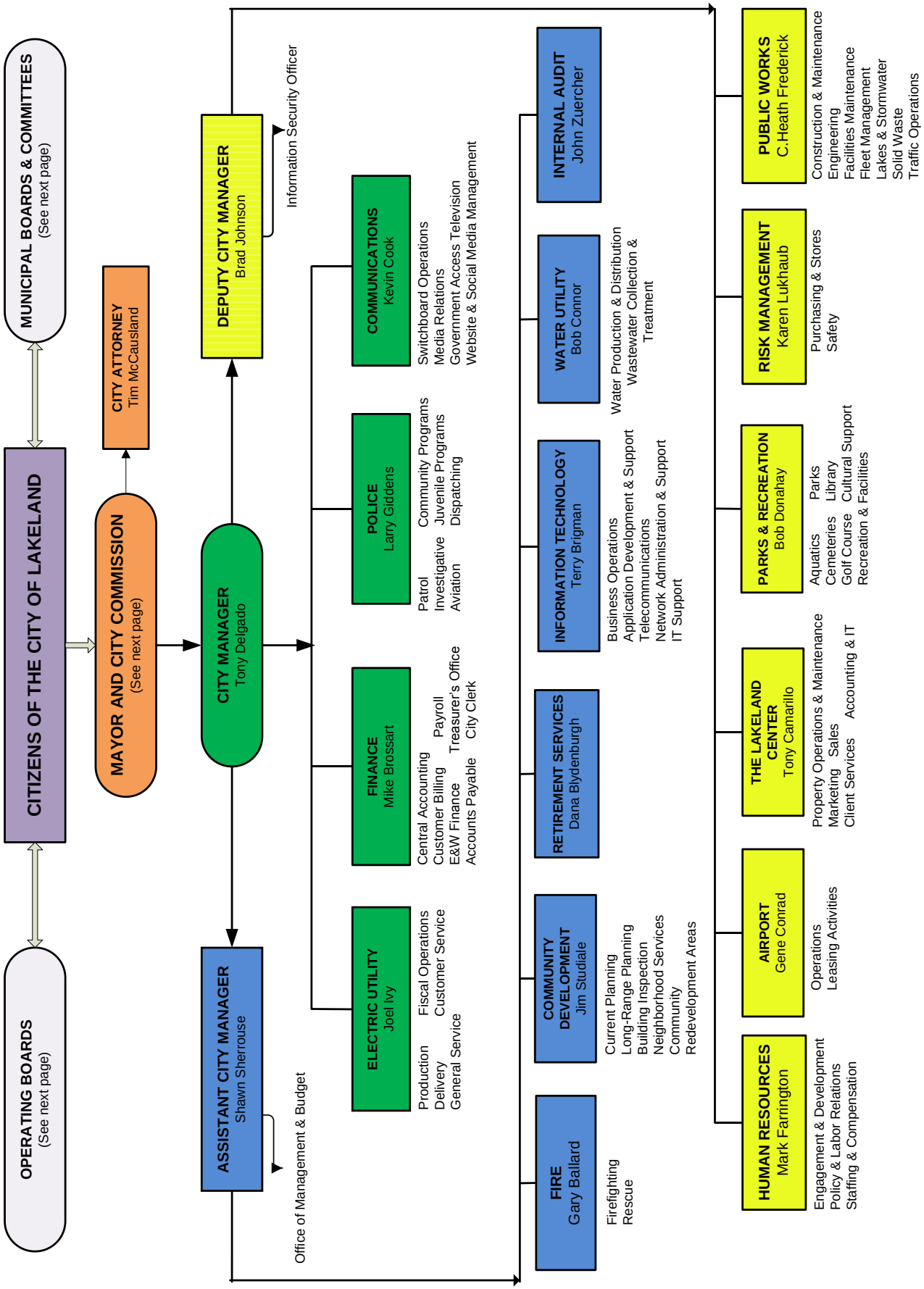
options associated with the budget, while allowing the City Commission to concentrate solely on evaluating initiatives, projects (short and long-term) and larger policy goals associated with developing the annual budget. I am proud, to say the least, of the work my Administration has accomplished this past year and anticipate even greater levels of transparency and community interaction into the future as the budget process continues to be refined. Our organization has weathered many economic and operational obstacles and we have successfully navigated through a recession, a change in City administration and the enhancing of a customer-centric philosophy that should, over time, provide for greater community involvement and create public-private partnerships. You can and should take great pride in the dedication and resourcefulness of your staff throughout this journey.

Towards that end, I would like to thank the City Commission for the hard work spent in retreats and departmental workshops to better understand the budget drivers and provide input so that the document is reflective of your collective direction. I would also like to take this opportunity to specifically recognize the dedication of the City of Lakeland's talented municipal workforce as they deliver an extensive array of municipal services for residents with enthusiasm and pride on a daily basis. Many of these employees have provided their time and talents in the preparation of this annual document, and I truly appreciate and thank them for their commitment to the continuous evolution and enhancement of the City's budgeting process. We look forward to working with each of you during your review of the Proposed Budget and Capital Improvement Program Budgets and stand ready to address any related questions or comments in conjunction with your review and approval process.

Sincerely,

Anthony J. Delgado
City Manager

Organizational Chart



Organizational Chart

CITIZENS OF THE CITY OF LAKELAND

REGIONAL OR PROFESSIONAL ASSOCIATIONS

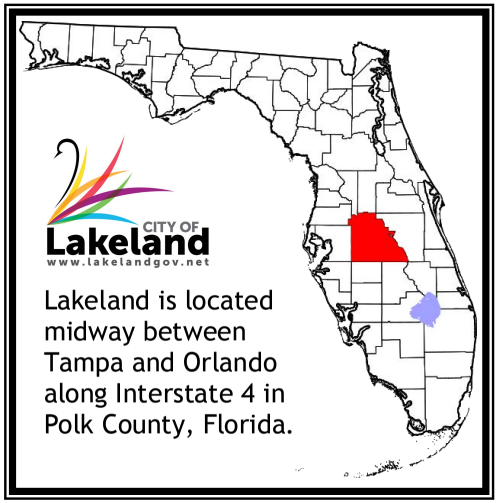
American Public Power Association Policy Makers Council
Central Florida Congress of Regional Leaders
Central Florida Development Council
Central Florida Partnership
Central Florida Regional Planning Council
Florida City & County Management Association
Florida League of Cities
Florida League of Mayors
International City/County Management Association
Lakeland Area Mass Transit District
Lakeland Downtown Development Authority
Lakeland Vision
National League of Cities
Polk Regional Water Cooperative Committee
Polk Transit Authority
Polk Vision
Sun n' Fun Board of Directors
Transportation Planning Organization
Tourist Development Council
United States Conference of Mayors

MAYOR AND CITY COMMISSIONERS

R. Howard Wiggs (Mayor)
Don R. Selvage
Jim Malless
Bill Read
Justin M. Troller
Phillip E. Walker
Edie L. Yates

MUNICIPAL BOARDS & COMMITTEES

Affordable Housing Advisory
Affordable Housing Review
Airport Advisory Board
Beautification Board
Citizen's Advisory Committee
Civil Service
Code Enforcement Board
Community Redevelopment Area Advisory Board
Employee's Pension Board
Enterprise Zone Development Agency
Firefighter's Pension Trust—Board of Trustees
Historic Preservation Board
Housing Authority Board
Mayor's Council on the Arts
Nuisance Abatement Board
Planning and Zoning Board
Police Officer's Retirement Fund
Public Employee Relations Commission
Utility Committee
Zoning Board of Adjustment and Appeals



Vision, Mission, Values

Vision

Lakeland — a vibrant, innovative, culturally inclusive world-class community.

Mission

A community working together to achieve an exceptional quality of life.

Core Values

Social Responsibility
Leadership
Integrity
Commitment to Excellence
Empowered Workforce
Diversity
(See page C-4 for more information)

Goals and Directional Outcomes

Quality of Life Goal

Provide quality public spaces; deliver superior municipal services, and support arts, education, recreation and wellness.

Directional Outcomes:

- Improve Citizen participation in setting community priorities.
- Provide outstanding municipal services.
- Provide outstanding public safety response and prevention services.
- Cultivate public/private partnerships to facilitate a cultural and service-oriented community.
- Enhance mobility options throughout the City.
- Promote arts, culture and active, healthy lifestyles.
- Promote life-long learning.
- Provide diverse recreational events, accessible parks, libraries and entertainment venues.

Communication Goal

Develop an informed and engaged community.

Directional Outcomes:

- Respond to all customer inquiries in a responsive, efficient, professional and courteous manner.
- Provide accurate and timely information through transparent processes.
- Maximize use of social media to increase real-time communication.

Economic Opportunity Goal

Create and encourage inclusive, lasting environments that grow, attract and retain a creative, talented, educated and technically qualified workforce.

Directional Outcomes:

- Attract and support high-skill, high-wage and high-technology jobs.
- Promote downtown as a regional center with a vibrant mix of high quality residential, retail, professional, civic, and entertainment options.
- Participate with economic partners creating business opportunities and aligning regional interests.
- Collaborate with business and tourism partners to grow and sustain the economic environment.
- Foster an inclusive and diverse environment that encourages entrepreneurial ventures.

Goals and Directional Outcomes

Fiscal Management Goal

Develop and effectively manage financial resources.

Directional Outcomes:

- Continually monitor and evaluate business practices for cost effectiveness and efficiency.
- Evaluate existing sources of revenues and explore alternative sources.
- Maintain financial stability by aligning resources to both municipal services and regulatory requirements.
- Maintain transparency in financial and operational reporting.

Growth Management Goal

Ensure planning and infrastructure results in quality development and safe, attractive neighborhoods.

Directional Outcomes:

- Provide reliable and sustainable infrastructure.
- Plan and direct investment in infrastructure necessary for growth and redevelopment.
- Effectively align resources to changing environments including green initiatives.
- Implement an effective multi-modal transportation plan that considers regional objectives.
- Maintain diverse, safe, attractive neighborhoods throughout the City.

Governance Goal

Provide for responsive and responsible governmental service.

Directional Outcomes:

- Provide services required by Federal, State and Local Laws or policies.
- Provide desired Services based on customer's priority and availability of funding.
- Foster a work environment that encourages and engages all employees to achieve their individual and collective potential.
- Utilize strategic planning and measurements to ensure the City meets defined goals and outcomes.
- Encourage and educate our workforce to integrate City Core Values into all services provided.
- Utilize best practices for timely decisions, transparency and fiscally accountable governance.

Lakeland at a Glance

Government

- Incorporated January 1, 1885
- Commission - Manager Form of Government
- Mayor and six Commissioners — Four elected by districts, and two at-large
- City Manager appointed by the City Commission
- Standard & Poor's Bond Rating for Lakeland Electric is AA

Demographics

Population
2016—Bureau of Economic and Business Research (BEBR), 2004-2009—US Census Bureau, 2012— 2015 BEBR), (2012-Lakeland Economic Development Council); 2014 Claritas

2006	91,623
2007	93,428
2008	93,508
2009	94,163
2010	97,422
2011	97,690
2012	98,200
2013	98,733
2014	100,728
2015	101,517
2016 Estimate	102,507

Median Age 38.1
(American Community Survey, 2015 1-year estimate)

Residential Households

Single Family/Duplex	58.9%
Multi-Family	20.5%
Mobile Home/Boat/RV/Van	20.6%

Median Household Income $37,806
(City of Lakeland Demographic Guide 2015)

Racial Composition
(City of Lakeland Demographic Guide 2015; US Census Bureau)

White	69.6%
Black or African American	20.9%
Asian	2.0%
Native American	0.4%
Other Race	4.1%
Two or more races	3.0%
Hispanic or Latino	14.9%*

* Embedded within total population

Land Use

Land Area (sq. miles)	74.85
Residential	51%
Commercial	8%
Recreation/Open Space	17%
Public/Institutional	1%
Industrial	23%

Education

Number of Public Schools
(City of Lakeland Demographic Guide 2015)

Elementary	33
Middle	12
High School	8
Public/Private Colleges, Trade and Technical Schools	9

Polk County Florida Standards Assessment (FSA) Results (2016): *(FDOE 2016 FSA Results)*

	Polk County English Language Arts	State English Language Arts Mean	Polk County Math Mean Score	State Math Mean Score
Grade 3	300	301	300	301
Grade 4	307	310	309	314
Grade 5	317	320	318	322
Grade 6	322	326	317	324
Grade 7	328	331	323	329
Grade 8	335	339	328	334
Grade 9	338	341	-	-
Grade 10	343	348	-	-

Economics

Permitted Space:
(City of Lakeland Demographic Guide 2015)

Office Space (sq. ft.)	12,000
Retail Space (sq. ft.)	305,856
Industrial Space (sq. ft.)	1,369,759

2015

Taxable Property Valuation $4,708,173,385

2015 Top 5 Principal Taxpayers:

Publix Super Markets, Inc.	5.75%
Amazon	1.98%
Rooms To Go Furniture Corp.	1.12%
Watson Clinic	1.08%
Casto Oakbridge–Venture LTD	0.98%

2016

Property Tax Millage Rate 5.5644

FY2017 Proposed Budget $577,260,312

Service Statistics

Police

Sworn Officers	235
Service Calls	61,339
911 Calls	90,770
Average Emergency Response Time (min.)	6.9

Fire/EMS

Certified Firefighters	163
Number of Fire Stations	7
Number of Service Runs:	
Fire	5,392
EMS	17,811

Parks & Recreation

Parks & Facilities	72
Acreage	1,364
Cleveland Heights Golf Course:	
Holes	27
Memberships	103
Rounds Played	60,292
Lake Mirror Complex:	
Auditorium	
Size (sq. ft.)	6,500
Rentals	162
Peggy Brown Building	
Size (sq. ft.)	3,750
Rentals	147
Magnolia Building	
Size (sq. ft.)	4,536
Rentals	145
Coleman Bush Large Multi-purpose	
Size (sq. ft.)	4,891
Rentals	79
Coleman Bush Small Multi-purpose	
Size (sq. ft.)	1,614
Rentals	36
Libraries	3
Sports Complexes	9
Sports Teams	330
Aquatic Complex Visitors	112,746
Swim Classes	130
Swim Class Participants	994

Lakeland Center

George Jenkins Arena:	
Size (sq. ft.)	24,380
Reserved Capacity	8,136
Exhibit Hall:	
Size (sq. ft.)	28,262
Youkey Theatre:	
Size (sq. ft.)	39,000
Reserved Capacity	2,246
Sikes Conference Center:	
Size (sq. ft.)	33,804
Total Events	445
Total Attendance	492,129

Public Works

Tons of Waste Recycled	6,697
Lane Miles of Street Maintained	803
City Vehicles & Equipment Maintained	1,305
Miles of Sidewalk Maintained	264.44

Electric Utility

Customer Territory (sq. miles)	246
Miles of Transmission Lines	155
Residential Accounts	105,678
Commercial Accounts	12,247
Municipal Accounts	677
Private Area Lights Accounts	8,228
Service Territory Population Estimate And Projections	278,684
Monthly Average Electric Usage (kWh)	245,840,547

Water/Wastewater Utilities

Customer Territory (sq. miles)	132
Water Customer Accounts	54,322
Wastewater Customer Accounts	44,600
Miles of Water Main	996
Fire Hydrants	4,219
Daily Average Water Demand (mgd)	20.65
Water Treated Annually (mg)	7,537
Miles of Wastewater Lines	455
Daily Wastewater Treated (mgd)	13.33

Lakeland Linder Airport

Runway 9/27	8,500 ft. long
Runway 5/23	5,000 ft. long

History of Lakeland

The heart of Polk County, Lakeland's charm creates a beautiful blend of a small town feel with the convenience and amenities of much larger cities.

In 1882, Abraham Godwin Munn of Louisville, Kentucky bought 80 acres of land in an area of small lakes in Polk County, Florida—sight unseen. Munn arrived in February of 1884 to establish the Lakeland Improvement Company (LIC) with two business partners. LIC platted Munn's 80 acre purchase and began selling lots. Munn persuaded Henry Bradley Plant's South Florida Railroad to locate its depot on LIC land just north of today's Munn Park, helping to ensure the success of the budding town.

After the town's incorporation on January 1, 1885, John Washington Trammell would become Lakeland's first Mayor, but only for fifty days. It seems that a row may have developed between the Trammell family and those affiliated with Abraham Munn over the location of Lakeland's train depot, for that would become the location of the town. The Trammells had provided for a depot location on their property a few blocks NW of the Munn property, but Munn being far more wealthy, was able to convince Mr. Plant to stop on his property with promise of a two story depot and some right-of-ways.

The Spanish American War of 1898 was another important event for Lakeland. Approximately six thousand U.S. soldiers encamped here during the war, and many wrote letters about the attractiveness of the city. As a result of this favorable impression and free advertising, many soldiers retired here and Lakeland got its first influx of tourists during the first winter after the end of the war.

Similar to other towns in the Southern United States, the economy of Lakeland was initially centered around agriculture. Citrus and strawberries were vital cash crops and industries to the City. In the 1870s, citrus became a greater activity in Lakeland when Archie McLeod moved down from Alabama to plant a grove where Florida Southern College now stands. In fact, it was in Lakeland that the seedless grapefruit was developed by Ed Tison in 1887. Tison sold his nursery to C.M. Marsh who gave his name to the popular fruit.

On May 26, 1891, the City joined Tampa and Jacksonville to become one of the first cities in Florida to have electric lights. Today, the City owns and operates its own electric company, Lakeland Electric, which provides service to thousands of Polk County residents.

Abraham Godwin Munn
City of Lakeland Founder

Henry Bradley Plant
Southern Express Railroad Co.

John Washington Trammell
First Mayor of Lakeland 1885

Lakeland's First Train Depot
Built by Abraham Munn

History of Lakeland

The Florida economic boom in the 1920's resulted in the construction of many significant structures in Lakeland, a number of which are listed on the National Register of Historic Places. This list includes the Terrace Hotel, constructed in 1924, Polk Theatre in 1927, Park Trammell Building in 1927, and today known as the Chamber of Commerce, the Promenade of Lake Mirror in 1928, and others.

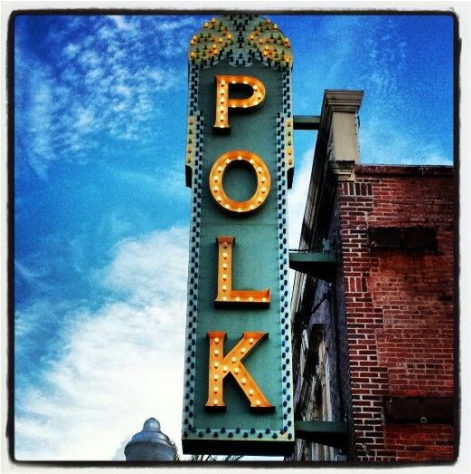
The "boom" period went "bust" quickly and years passed before the city recovered. In 1934, Lakeland became the spring training home of the Detroit Tigers, contributing to the reemergence of the City. The development of the Lakeland Municipal Airport as a major facility in Central Florida transportation was another factor. The 1930s also saw the arrival of renowned architect Frank Lloyd Wright, who designed 12 structures for Florida Southern College under the project "A Child of the Sun."

Swans have long been a part of the ambience of Lakeland. Records and sightings indicate that swans have been on the City's lakes since at least 1923. For a variety of reasons, the swan population dwindled to zero by 1945. Mrs. Robert Pickhardt wrote to Queen Elizabeth inquiring about purchasing a pair of swans for Lakeland. A royal representative replied that the Queen would donate a pair of swans if the city would pay the cost of capture, crating and shipping (estimated at $300). A pair of white mute swans from England arrived in Lakeland and were released on Lake Morton on February 9, 1957. Today there are over 200 swans here including Coscorobas, Australian Blacks, Black-Necks, Polish Mutes and English Mutes. The swans can be found on Lakes Morton, Wire, Mirror, Parker and at Cleveland Heights Golf and Country Club. Quite a few are directly descended from the original 1957 royal pair.

Since 1973, Lakeland has been home to the nation's second largest experimental aircraft convention, the Sun n Fun Fly-In, which attracts aviation enthusiasts from around the world every April.

Beginning in 1970, the Mayfaire-by-the-Lake Art Festival has been held every Mother's Day weekend, drawing thousands of visitors each year.

Hollis Garden, established in 2000, is a formal 1.2 acre botanical garden located on historic Lake Mirror. The garden contains several water features and displays thousands of flowering plants, ornamental shrubs, historic trees, herbs and vegetables. It was voted one of the "Best of Class Gardens" by the Gulfcoast Research and Education Center.



History of Lakeland

Common Ground Park, constructed in 2009, is Polk County's first "inclusive play experience" designed for children of varying abilities to play side-by-side. The park was community-developed and funded with many volunteers and donations. Play zones such as Adventure Canyon, Butterfly Meadow and Gopher Mountain provide easy, intermediate, and challenging play opportunities.

Sunflower Preschool Playground opened in December of 2010. It is the second community-led parks project and is designed to target age appropriate equipment for three to five year olds. The park includes a bright and colorful pallet of play equipment selected for imagination qualities, the ability to provide physical development and most importantly, fun!

Polk Theatre was built in 1927. It was completely restored in 1999 and is now supported by revenue from films, its Performing Art Series, fundraising, rental income and memberships.

In 1965, a group of musicians, led by Florida Southern College professor Dr. Ken Anderson and Lakeland businessman Jay Erwin, organized the Imperial Symphony Orchestra to provide classical music for the community. Today that small effort has grown into a highly-polished, regional orchestra that plays 15 concerts each season.

The Junior Welfare League founded the all-volunteer Imperial Youth Museum in 1966. In 1969, the museum was renamed Polk Public Museum to reflect the broadened emphasis on history and science. It functions as a cultural arts center for the general public.

In short, linking Lakeland's past to present reveals that its natural resources, infrastructure development, favorable climate and location as a popular Florida destination will continue to attract the quality of people that have made it a historically rich and prosperous city.

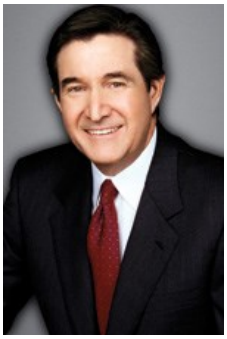
Joe Nemechek

Chris Sale

Notable Lakelanders:

Joe Nemechek	NASCAR Nextel Cup Driver
Faith Evans	Singer-songwriter
Frances Langford	Actress and Singer
Andrew Reynolds	Professional Skateboarder
George W. Jenkins	Founder of Publix
Park Trammell	US Senator, Governor of Florida
Nat Adderly	Jazz Musician
Lawton Chiles	US Senator, Governor of Florida
Maurkice & Mike Pouncey	NFL (Steelers / Dolphins)
Neva Jane Langley	Miss America—1953
Lee Janzen	Pro Golfer, Two-Time US Open Winner
Lindsey Alley	Actress
Rhea Durham	Model
Chris Sale	MLB Pitcher
Forrest Sawyer	American Broadcast Journalist

Maurkice & Mike Pouncey



Forrest Sawyer

History of Lakeland

Interesting Facts

- Since 1934 the Detroit Tigers have called Lakeland their Spring Training home and have the longest relationship in history between a Town and a Team.
- Ranked 5th Best City in Florida by SteetAdvisor.com
- During Sun n' Fun, Lakeland Linder Regional Airport becomes the busiest airport in the world.
- The Lakeland Flying Tigers have been affiliated with the Detroit Tigers since 1967.
- The Polk Museum of Art, built in 1988, encompasses over 35,000 square feet across 10 galleries.
- Florida Southern College is home to the largest single collection of Frank Lloyd Wright structures in the world—and is on the National Register of Historic Places.
- U.S. News & World Report named Florida Southern College #5 in its ranking of Best Colleges in Regional Colleges (South) in 2015.

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