



CITY OF AVON PARK

Highlands County, Florida

CITY COUNCIL REGULAR MEETING

City Council Chamber

123 E Pine St

Avon Park, FL

July 27, 6:00 PM

A. OPENING

1. Invocation
2. Pledge of Allegiance
3. Roll Call

B. CITIZENS/OUTSIDE AGENCIES

C. CONSENT AGENDA:

5. Approve Minutes of July 5, 2016 Special Council Meeting.
6. Approve Minutes of July 11, 2016 Regular Council Meeting

D. COMMITTEE REPORTS/ATTY UPDATES/ANNOUNCEMENTS/PRESENTATIONS

E. ADMINISTRATIVE:

10. Ordinance 06-16A CRA, Amending ORD 822, 1st Reading
11. Budget Adjustments
12. Jingle Bell Run
13. TDC Rebranding (Council Member Sutherland
14. Ordinance 20-16 Fire Pension, Amending Section 50-54, 1st Reading
15. Ordinance 21-16, Fire Pension Amending Section 50-80. 1st reading
16. Budget Discussion on any outstanding matters from Council

F. CITIZENS PARTICIPATION

H. ADJOURN

Any person who might wish to appeal any decision made by the City Council of the City of Avon Park, Highlands County, Florida, in public hearing or meeting is hereby advised that he/she will need a record of the proceedings, and for such purpose, he/she may need to ensure that a verbatim record of the proceedings is made which will include the testimony and evidence upon which such appeal is to be based. Any person with disabilities requiring accommodations in order to participate should contact the City Manager prior to the meeting.

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C5

**CITY COUNCIL SPECIAL MEETING MINUTES
AND BUDGET WORKSHOP
Council Chambers – 123 E. Pine St., Avon Park, FL
July 5, 2016
6:00 PM**

Members Present: Mayor Sharon Schuler, Deputy Mayor Brenda Giles, Councilman Parke Sutherland, Councilperson Dora Smith, Councilman Terry Heston.

Members Absent: None

Others Present: City Manager Julian Deleon, Interim City Clerk Bonnie Barwick, City Attorney Gerald Buhr, Members of the press and audience.

Mayor Sharon Schuler called the meeting to order at 6:00 P.M. The invocation was given and the Pledge of Allegiance was recited.

The roll was called and a quorum was present.

CONSENT AGENDA:

City Manager Julian Deleon presented the application of John Pate to the Main Street CRA Advisory Board. Please note: John Palmer had not turned in an application.

Motion made by Councilman Terry Heston, Seconded by Councilman Parke Sutherland to approve the application of John Pate to the CRA Main Street Advisory Board. Motion passed unanimously.

City Manager presented the budget adjustment in the amount of \$20,268.00 for improvements to Lake Tulane & Lake Isis Storm Water and reduces the Improvements storm water projects.

Motion by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to approve the budget adjustment as presented. Motion passed unanimously.

DISCUSSION OF INVESTIGATIONS – EXPENSES

City Manager explained that Councilman Terry Heston asked him what the expenses were for the Investigator Roy Pierce. He went on to explain that other than the retainer we had paid, he had not had an invoice. He stated he contacted Mr. Pierce regarding an invoice and he did not have one yet, then he asked about a ledger that would document his time, and Mr. Pierce had not responded to that. City Manager Julian Deleon turned it over to Councilman Terry Heston. Councilman Terry Heston stated that he had been getting a lot of calls regarding the investigation. He said he had been asked to put an end to this investigation and get an invoice and get on with the business of the City. Mr. Pierce addressed the Council. Mr. Pierce stated that his bill would be under the \$20,000.00. It was discussed when he would have the report finished and Mr. Pierce responded he hoped it would be this weekend. He would have it prepared and try and meet with the Council one on one and give them the report so they could review it before it was released to the press. Mayor Schuler asked if the entire stuff going back and forth between the presses, would stop. Deputy Mayor Brenda Giles said that she had made up her mind as well as other citizens of the City of Avon Park. The majority of the Council agreed with her, but Councilman Parke Sutherland said he would wait for the final report.

City Manager Julian Deleon stated that this would open a budget work shop, but since it was being conducted with a Special Council Meeting, therefore motions could be made.

City Manager Deleon went over each line in the budget; he answered questions that the Council had.

The fire assessment was discussed in detail with Council and citizens commenting on it.

Motion made by Councilman Terry Heston, Seconded by Deputy Mayor Brenda Giles to accept The \$80.00 per household for the fire assessment as presented. Motion passed unanimously. City Manager Deleon stated that this was a year to year resolution so it could be raised or lowered next year and the Council agreed upon.

There was further discussion regarding some line items. Each question was discussed.

After discussion regarding setting aside two million dollars for new water lines within the City, City Manager Deleon stated it would be easier and less costly to put water lines in the undeveloped area of Avon Park. Mayor Schuler stated that there were a lot of people wanting City water so she would like to see them get the water. **Motion** made by Councilman Terry Heston Seconded by Deputy Mayor Brenda Giles to set aside two million dollars for water improvements. There was discussion between all the Council Members. Councilman Sutherland felt there should be priority, and also go toward Avon Park Lakes because of lot of the people that way wanted water. Deputy Mayor Giles said she felt that we should not run water lines in the desert just to run water lines. She also said she would like to see the water go where people wanted the water. City Manager Deleon stated that he had a 6" water line running down Highway 27 and if there was a problem 6000 customers in Avon Park Lakes would be without water. That he wanted to run 2 water lines and loop them around and hook into the larger line. City Manger Deleon also stated that any Capital Project over the amount of \$25,000. Had to come before the Board for approval. Mayor Schuler said she would like to see a plan of any water line project. City Manager said he could do that. After further discussion, Motion passed 4 to 1 with Councilman Parke Sutherland voting no.

Budget work shop adjourned at 8:45 PM

Recorded and transcribed by Interim City Clerk Bonnie Barwick

Attest

Bonnie Barwick, Interim City Clerk

Mayor Sharon Schuler

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(C4)

CITY COUNCIL REGULAR MEETING MINUTES
Council Chambers – 123 E. Pine St., Avon Park, FL
July 11, 2016
6:00 PM

Members Present: Mayor Sharon Schuler, Deputy Mayor Brenda Giles, Councilman Parke Sutherland, Councilperson Dora Smith, Councilman Terry Heston.

Members Absent: None

Others Present: City Manager Julian Deleon, Interim City Clerk Bonnie Barwick, City Attorney Gerald Buhr, Public Service Director Jason Lister, Members of the press and audience.

Mayor Sharon Schuler called the meeting to order at 6:00 P.M. The invocation was given and the Pledge of Allegiance was recited. The roll was called and a quorum was present.

City Manager Julian Deleon asked Mayor Schuler if she was in agreement to move Item E-13 to the front of the agenda. He explained that Mr. Cobb had a prior meeting that he had to attend. City Manager Deleon stated that this was the agreement for CDBG. He went over to explain that all the exhibits were in a folder. There were over 500 pages of documents. The notice to proceed was also in the exhibit folder. **Motion** made by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to approve the agreement with L. Cobb Construction as presented. Motion passed unanimously.

B-4 TDC Recommended Logo Changes to Board of County Commissioners. City Manager Julian Deleon stated that the TDC had recommended this change to the Board of County Commissioners (file attached). City Manager Deleon stated that Councilman Terry Heston was the Council's Liaison to the TDB. He then turned it over to Councilman Heston to explain the change that was to be presented. Melissa Hayes, Executive Director of the Chamber of Commerce, spoke regarding the TDC meeting also. In order for this to be discussed, the City Attorney Gerald Buhr stated that there had to be a motion and seconded on the floor. **Motion** by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to have City Manager Julian Deleon write a letter for the Mayor's signature to the Board of County Commissioners showing their disagreement with the change. Tom Macklin suggested that a resolution be drafted and signed by the Council regarding their disagreement with the change. Deputy Mayor Brenda Giles withdrew her motion; Councilman Terry Heston withdrew his second. City Manager asked City Attorney Gerald Buhr if he could draw up a resolution on the spot for their consideration.

City Manager Julian Deleon presented the Consent Agenda:

Approval of Minutes for June 27, 2016 Regular Council Meeting

Approval of Minutes for July 5, 2016 Special Meeting.

Mayor Sharon Schuler questioned the motion of the July 5, 2016 Special Meeting.

Motion made by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to approve the Minutes for June 27, 2016. Motion passed unanimously

Motion made by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to have staff research the motion for the two million dollars set aside for the water improvements from the July 5, 2016 meeting. Motion passed unanimously.

D-8. Housing Authority Pilot Program:

City Manager Julian Deleon introduced Larry Shoeman, and Lester Roberts for the Avon Park Housing Authority. Mr. Roberts spoke on the success of the Housing Authority and presented the Mayor with two checks in the amount of \$10,828.00 in lieu of taxes. He explained since 2009 the Avon Park Housing Authority had contributed to the City of Avon Park \$91, 202.87 in lieu of taxes. City Manager Deleon spoke on the joint effort with the Housing Authority and that it had been a success. He stated that Larry Shoeman was retiring. Councilman Parke Sutherland stated that he had served as Liaison to the Housing Authority Board and Larry Shoeman would be missed.

City Manager Julian Deleon asked that another change be made to the Agenda. He asked that the Nasgrass Lease Agreement be moved up, because members from Nasgrass were here and would like to have their lease signed.

Motion by Councilman Parke Sutherland, Seconded by Councilman Terry Heston to approve the Lease Agreement with the City of Avon Park and Nasgrass. Motion passed unanimously.

Attorney Gerald Buhr stated that he had a Resolution ready to be considered regarding the change of the logo for the TDC. He said it was just a draft, but it read it into the record to be considered, and he would draw it up on Tuesday and send it back for signatures.

Motion by Deputy Mayor Giles, Seconded by Councilman Parke Sutherland to approve the Resolution as read. Motion passed unanimously.

City Manager Julian Deleon introduced Larry Shoeman from the Avon Park Housing Authority. He stated they were going through underwriting for the lakeside park, and he explained that during this process the APHA discovered that back during the day the part of the property that should have been donated to the City had not been done. So they wanted to do that now. They wanted to donate this to the City; it was property that the City was already maintaining the roadway system. They would quick deed it back to the City. City Manager Deleon stated that he would work with the City Attorney to have a Resolution for the LDR to have this property deeded back to the City. He stated that this was along Lake Tulane, so it might be developed into a large sidewalk, etc so the residents could walk along the lake. Larry Shoeman stated the environmental study had already been done.

City Manager Julian Deleon showed some drawings regarding water line extension.

City Manger Julian Deleon stated that we have approached church next to Eilene McWhite Park, so they could pave the parking lot and have ingress, regress easement with the church, where we would clean up the area. He asked that he would like to work with the Attorney to make this arrangement with the church.

Ordinance 17-16 Relating to Medical Cannabis Dispensing Facilities 2nd Reading, Public Hearing:

City Attorney Gerald Buhr read the title of Ordinance 17-16 into the record. Mayor Sharon Schuler opened the Public Hearing. Tom Macklin voiced his opinion on the issue. Deputy Mayor Brenda

Giles stated that she had a caller asking her to voice against the issue. Seeing no other hands Mayor Sharon Schuler closed the public hearing.

Motion made by Deputy Mayor Brenda Giles, Seconded by Councilperson Dora Smith to approve Ordinance 17-16 as read... There was discussion among the Council Members and the Attorney regarding the Ordinance. City Attorney Gerald Buhr stated that it had not been approved by the Federal Government, nor the State. After further discussion, the motion carried 3 to 2 with Councilman Parke Sutherland, and Councilman Terry Heston voting no.

Ordinance 19-16 Clarifying and changing qualifications periods 2nd reading, Public Hearing.

City Attorney Gerald Buhr read the Title of Ordinance 19-16 into the record. Mayor Sharon Schuler opened the public hearing. Seeing no show of hands, Mayor Schuler closed the public hearing.

Motion by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to approve Ordinance 19-16 as read. Motion passed unanimously.

Resolution 16-18: Final Fire Assessment Public Hearing.

City Attorney Gerald Buhr read Resolution 16-18 into the record.

Mayor Schuler opened the Public Hearing. Several citizens voiced their opinion regarding the fire assessment. Mayor Schuler closed the public hearing.

Motion made by Deputy Mayor Brenda Giles, Seconded by Councilman Terry Heston to approve Resolution 16-18 as read. There was discussion between the Council Members. Mayor Sharon Schuler said she had several calls. Councilman Parke Sutherland and Deputy Mayor Brenda Giles stated that they had calls also. Motion passed unanimously.

City Manager Julian Deleon stated that Item E14 needed to be tabled, it did not need any action, and the item was just not ready for the Council.

City Manager Julian Deleon stated the last item on the agenda was continuing Budget discussion.

Motion made by Councilman Terry Heston, seconded by Councilman Parke Sutherland to keep the mileage rate at .30. Motion carried unanimously.

Mayor Sharon Schuler said she was asking the Council Members to get up and ride around the City one block off Main Street.

Mayor Schuler also asked was there a way that we could have part time people picking up garbage twice a week. She said with the heat there were maggots, in the garbage. City Manager Deleon said the staff could send out mail outs letting people know how to dispose of the food scraps.

City Manager Deleon stated that he had checked and there were some weeds growing. Mayor Schuler stated said it was not only weeds, it was trash. City Manager Deleon asked why he wasn't notified if there was a problem. There was discussion between the Council regarding these problems.

Mr. Macklin addressed the Council regarding the exparte communications. He felt that if a Council Member got a call, they should always get a name and phone number when they had a call from a citizen.

Meeting adjourned at 8:15 PM

Recorded and transcribed by
Bonnie Barwick, Interim City Clerk

Attest: Bonnie Barwick, Interim Clerk

Mayor Sharon Schuler

€-10

Agenda Item Summary

Subject: CRA Modification Ordinance

Item No. E10

Placed on Agenda by: City Manager

Total Amount of Project: N/A

Staff Review: Yes

Attorney Review: Yes

Recommended Motion(s): Approval

Background:

For your consideration is an ordinance to correct the earlier adopted ordinance for the CRA which lacked the legal descriptions for the CRA boundaries, and consequently was rejected.

This newly written ordinance was prepared under the supervision of the City Attorney, and in coordination with the County Property Appraiser. It should remedy all concerns.

Attachments: Ordinance

E 10

ORDINANCE NO. 06-16A

AN ORDINANCE OF THE CITY OF AVON PARK, FLORIDA, AMENDING ORDINANCE No. 822, REGARDING CREATION OF THE AVON PARK COMMUNITY REDEVELOPMENT AGENCY; REPEALING ORDINANCE NO. 02-01; REPEALING ORDINANCES NO. 03-1& 06-16; ESTABLISHING THE AREA OF OPERATION OF THE COMMUNITY REDEVELOPMENT AGENCY; CONFERRING CERTAIN POWERS UPON THE COMMUNITY REDEVELOPMENT AGENCY; RETAINING CERTAIN POWERS UNTO THE CITY COUNCIL OF THE CITY OF AVON PARK; PROVIDING FOR A TIME CERTAIN FOR COMPLETION OF REDEVELOPMENT ACTIVITIES THROUGH TAX INCREMENT FINANCING AND OTHER METHODS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Avon Park, Florida (the "City Council), on February 22, 1988, adopted Resolution No. 18-87-88 (the "Findings" Resolution), finding that one or more slum or blighted areas, as describe in said resolution (the "Community Redevelopment Area"), exist in the City of Avon Park, Florida (the "City"), and it further found that the rehabilitation, conservation, or redevelopment, or combination thereof, of such area is necessary in the interest of public health, safety, morals, or welfare of the residents of the City; and

WHEREAS, the City Council of the City of Avon Park, Florida (the "City Council), on August 27, 2001, adopted Resolution No. 01-18, (the "Findings" Resolution) for the Southside redevelopment area, finding that one or more slum or blighted areas, as describe in said resolution (the "Community Redevelopment Area"); and

WHEREAS, the City Council of the City of Avon Park, Florida (the "City Council), adopted Resolution No. 01-19 the "Findings" Resolution for the Airport redevelopment area, finding that one or more slum or blighted areas, as describe in said resolution (the "Community Redevelopment Area"); and

WHEREAS, the City Council of the City of Avon Park, Florida (the "City Council), on July 14, 2003, adopted Resolution No. 03-11 the "Findings" Resolution for the expansion of the Main Street Redevelopment Area, finding that one or more slum or blighted areas, as describe in said resolution (the "Community Redevelopment Area"); and

WHEREAS, the City Council further found in the Findings Resolutions that a need exists for the creation of a community redevelopment agency pursuant to Part III, Chapter 163, Florida Statutes (the "Redevelopment Act") for the purpose of rehabilitating the Community Redevelopment Areas and eradicating conditions of slum or blight, or both, therein; and

WHEREAS, the City Council of the City of Avon Park, Florida (the "City Council), on July 14, 2003, adopted Resolution No. 01-19 the "Findings" Resolution for the Airport redevelopment area, finding that one or more slum or blighted areas, as describe in said resolution (the "Community Redevelopment Area"); and

WHEREAS, to satisfy the need for such a community redevelopment agency, the City Council adopted Ordinance No. 822, creating such an agency in accordance with the provisions of the Redevelopment Act, pursuant to Section

163.356, Florida Statutes (1987), as amended, and thereby created a public body corporate and politic to be known as the Community Redevelopment Agency of the City of Avon Park, Florida (the "Community Redevelopment Agency"); and

WHEREAS, the City also adopted Ordinance No. 02-01, creating the Southside Community Redevelopment Agency contrary to Section 163.356, Florida Statutes (1987), as amended; and

WHEREAS, the City also adopted Ordinance No. 03-01, creating the Airport Community Redevelopment Agency contrary to Section 163.356, Florida Statutes (1987), as amended.

WHEREAS, the City also adopted Ordinance 06-16, in an attempt to perform all the legislation herein, however, there is a serious question of the validity of the proper passage, and thus, it is replaced with this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY
COUNCIL OF THE CITY OF AVON PARK, FLORIDA:

SECTION 1. Ordinance No. 822, which established the original Community Redevelopment Agency and Community Redevelopment Area, is amended to include the redevelopment areas known as the Southside Community Redevelopment Area and the Airport Community Redevelopment Area, which were created by ordinances of the City of Avon Park, Florida.

SECTION 2. This Section is hereby repealed, and the City Council shall, by Resolution, declare themselves to be the commissioners of the Community Redevelopment Agency.

SECTION 3. The Community Redevelopment Agency shall be governed by and shall act in conformity with the provisions of the Redevelopment Act and this ordinance, as either shall be amended from time to time.

SECTION 4. The area of operation of the Community Redevelopment Agency shall be the Redevelopment Areas as described in the following areas:

1. Main Street Community Redevelopment Area:

BEGINNING at the northeastern intersection of U.S. Highway 27 and Canfield Street heading easterly along the northern right-of-way of Canfield Street approximately 4,613 feet to the intersection of Canfield Street with Verona Avenue, then northerly along the eastern right-of-way of Verona Avenue for approximately 700 feet to the intersection of Verona Avenue and Walnut Street, the easterly along the southern right-of-way of Walnut Street approximately 622 feet to the intersection of Walnut Street and South Delaney Avenue, then northerly along South Delaney Avenue approximately 1,990 feet to a point of extension of Pleasant Street in Lake Verona, the westerly along the northern right-of-way of Pleasant Street approximately 1,900 feet to the intersection with Ferguson Avenue, then northerly along Ferguson Avenue approximately 1,285 feet to the intersection of Ferguson Avenue and Lahon Street, then westerly approximately 690 feet to the

northwest corner of Winthrop Street and Central Avenue, then southerly along the western right-of-way of Central Avenue approximately 1,324 feet to the intersection of Central Avenue and Pleasant Street, then westerly along the northern right-of-way of Pleasant Street approximately 2,615 feet to the intersection with U.S. Highway 27, then southerly along the eastern boundary of U.S. Highway 27 approximately 2,618 feet to POINT OF BEGINNING; and

BEGINNING at the intersection of East Canfield Street and South Verona Avenue, then easterly along the southern right-of-way of East Canfield Street approximately 640 ft. to the intersection of East Canfield Street and South Delaney Avenue, then north along the eastern right-of-way of South Delaney Avenue approximately 670 ft. to the intersection of South Delaney Avenue and East Walnut Street, then west along the northern right-of-way of East Walnut Street approximately 625 ft. to the intersection of East Walnut Street and South Verona Avenue, then southerly along the eastern right-of-way of South Verona Avenue approximately 670 ft. to POINT OF BEGINNING; and

BEGINNING at the intersection of Tauton Road and US Highway 27 then southerly along the western right-of-way of US Highway 27 to the intersection of LaGrande street, then westerly along the northern right-of-way of West Circle Street to the intersection with Hart Street, then south along the western right-of-way of Hart Street to the intersection with W. Cornell Street, then east along the southern right-of-way of W. Cornell Street to shoreline of Lake Tulane, then northeasterly along the northern shoreline of Lake Tulane to the CSX/Amtrak railroad tracks, then northerly along the railroad property to a point of intersection with W. Bell Street, then east along the southern right-of-way of E. Bell Street continuing to the eastern right-of-way of S. Highlands Avenue; then north along the eastern right-of-way of S. Highlands Avenue then northerly to a point of intersection with E. Main Street, including the parcel described as Sunset Hills Resubdivision PB 2 – Pg 39 Lots 1-3 less road 341 right-of-way Block A, continuing northward to the intersection of Highlands Avenue with East Pleasant Street, then west to the westerly right-of-way of Highlands Avenue, then southerly along the westerly right-of-way of Highlands Avenue for approximately 145 feet, then westerly to the shoreline of Lake Verona then along the northern shoreline of Lake Verona to a point intersecting with the extension of N. Delaney Avenue, then northerly to the north right-of-way of E. Circle Street; then westerly along the northern right-of-way E. Circle Street, to the intersection with N. Verona Avenue, then north along the eastern right-of-way of N. Verona Avenue to the intersection with E. Palmetto Street; then west along the northern right-of-way of E. Palmetto to the eastern right-of-way of the CSX/Amtrak railroad tracks, then southerly along said railroad right-of-way to the intersection with Lawhon Street; then westerly approximately 1,300 feet to a point then north approximately 1,320 feet to the northern right-of-way of W. Palmetto, then west along the northern right-of-way of W. Palmetto approximately 2,330 feet, then southerly approximately 920 feet then westerly approximately 310 feet, then south approximately 400 feet to the northern right-of-way line of Tauton Road, then east along the northern right-of-way line of Tauton Road to the POINT OF BEGINNING.

2. Southside Community Redevelopment Area:

That part of Sections 22, 23, 26 and 27, Township 33 South, Range 28 East, City of Avon Park, Highlands County, Florida, being more particular described as follows:

BEGINNING at intersection of the centerline of Highlands Avenue with the South line of said Section 26; thence Westerly along said South line to its intersection with the water's edge of Lake Lelia; thence Northwesterly across Lake Lelia to the intersection of tile centerline of South Lake Avenue with the water's edge of Lake Lelia; thence Northerly along the centerline of South Lake Avenue to its intersection with the centerline of West Fourth Street; thence Westerly along the centerline of West Fourth Street to its intersection with the centerline of South Lake Boulevard; thence Northerly along the centerline of South Lake Boulevard to its intersection with the centerline of Hal McRae Boulevard; thence Easterly along the extension of the centerline of Hal McRae Boulevard to its intersection with the waters edge of Lake Tulane; thence Northeasterly across Lake Tulane to the intersection of the Easterly line of Lot .12, Block 36, Town of Avon Park, recorded in Plat Book I, Page 58, Public Records of DeSoto County, Florida (of which Highlands County was formerly a part) with the water's edge of Lake Tulane; thence Northeasterly along the Easterly line of said Lot 12 to its intersection with tile Westerly right-of-way line of the CSX Systems Railroad (formerly SAL Railroad); thence Northwesterly along said railroad right-of-way line to its intersection with a line extended Westerly from the centerline of State street; thence Easterly along said line and the centerline of State Street and the Easterly extension thereof to its intersection with the centerline of Lotela Avenue; thence Southerly along the centerline of Lotela Avenue and the southerly extension thereof to its intersection with the water's edge of Lake Lotela; thence Southerly along the Westerly Shoreline of Lake Lotela to its intersection with the South line of said Section 26; thence Westerly along said South line to the said POINT OF BEGINNING; and

BEGINNING at a point at the easterly intersection of Bell Street and the CSX RR tracks running easterly along the southern right-of-way of Bell Street, continuing easterly through memorial park to a point of intersection with South Highlands Avenue and Ed Carter Street, continuing easterly along the southerly right-of-way of Ed carter street to a point of intersection with South Lotela Avenue, then southerly along the westerly right-of-way of South Lotela Avenue to a point of intersection with East State Street, then westerly along the southern right-of-way of East State Street to the point of intersection with the eastern right-of-way line of the CSX RR, then northerly along said railroad right-of-way to POINT OF BEGINNING; and;

BEGINING at a point of intersection of West Castle Street and West Cornell Street heading southward to Short Avenue, continuing southerly to the point of intersection of Short Avenue and W. Hal McRae Blvd, then westerly along the northern right-ow-way of W. Hal McRae Blvd. approximately 322 ft, then southerly 650 ft to a point, then easterly approximately 1000 ft to a point of intersection in the easterly r-o-w of US 27, then southerly along said r-o-w approximately 260 ft to a point, then northeasterly along the northern shoreline of Lake Anoka to a point of intersection with Percy Avenue, then northerly along the western r-o-w of Percy Avenue to a point of intersection with W. Hal McRae Blvd, then easterly along the southern r-

o-w of W. Hal McRae Blvd approximately 1,225 ft to a point, then southerly approximately 1,220 ft. to a point, then easterly approximately 675 ft, to a point of intersection with the western r-o-w of South Lake Blvd., then northerly along the western r-o-w of South Lake Blvd. to a point of intersection with W. Hal McRae Blvd., then northerly along the western shoreline of Lake Tulane to a point of intersection with the extension of W. Cornell Street, then westerly along the southern r-o-w of W. Cornell Street to POINT OF BEGINNING; and

BEGINNING at a point at the intersection of Ernest E. Sims Street and South Lake Blvd traveling westward approximately 1,100 ft to the eastern shoreline of Lake Anoka, then southerly along said shoreline approximately 775 ft, then southerly approximately 600 ft to a point of intersection with Marble Avenue, then westerly along the northern r-o-w of Marble Ave approximately 650 ft to point then northerly to the shoreline of Lake Anoka, then northwesterly along said shoreline approximately 650 ft to a point of intersection with the eastern r-o-w of US 27, then westerly approximately 800 ft to a point, then southerly approximately 1,200 ft to a point, then easterly approximately 800 ft to a point on the eastern r-o-w of US 27, then southerly along said r-o-w to a point of intersection with W. Martin Rd, then easterly along the northern r-o-w of W. Martin Rd., approximately 500 ft to a point, then northerly approximately 650 ft to a point, then easterly approximately 670 ft to a point of intersection with South Lake Blvd., then southerly to the shoreline of Lake Lelia, then easterly along said shoreline approximately 2,575 ft to a point, then northerly approximately 230 ft to a point of intersection with W. Garrett Rd, then westerly along the northern r-o-w of W. Garrett Rd approximately 930 ft to a point of intersection with S. Lake Blvd., then northerly along the eastern r-o-w of S. Lake Blvd. approximately 1,300 to POINT OF BEGINNING.

3. Airport Community Redevelopment Area:

BEGINNING at the intersection of the centerline of South Self Avenue with the south line of said Section 21; thence Westerly along said South line to the Southwest corner of said Section 21; thence south along the East line of said Section 29 to its intersection with the North right-of-way line of Matte Road; thence Westerly along said North right-of-way line to its intersection with the East right-of-way line of Carr Road; thence Northerly along said East right-of-way line to its intersection with the south line of said Section 20; thence Westerly along said south line to its intersection with the East line of Block 8 of AVON PARK ESTATES UNIT II, as recorded in Plat Book 10, Page 22 of the Public Records of Highlands County, Florida; thence Northerly along said East line to the North line of said Block 8; thence Westerly along said North line to its intersection with the East right-of-way line of Dolphin Road; thence Northerly along said East right-of-way line to its intersection with the South right-of-way line of Herrick Street; thence Easterly along said south right-of-way line and the South right-of-way line of State Road 64 to its intersection with the centerline of South Self Avenue; thence Southerly along the centerline of South Self Avenue to the said POINT OF BEGINNING.

SECTION 5. Regardless of any powers granted to the Community Redevelopment Agency by the Redevelopment Act, the City Council shall retain and

may exercise the power set forth and described in Section 163.370, Florida Statutes (1987), as amended, and the following powers, which continue to remain vested in the City Council:

1. The power to determine an area to be a slum, or blighted area, or combination thereof; to designate such area appropriate for community redevelopment; and to hold a public hearing required with respect thereto.
2. The power to grant final approval to community redevelopment plans and modifications thereof.
3. The power to authorize the issuance of revenue bonds as set forth in Section 163.385, Florida Statutes (1987), as amended.
4. The power to approve the acquisition, demolition, removal, or disposal of property as provided in Section 163.370(3), Florida Statutes (1987), as amended, and the power to assume the responsibility to bear loss as provided in Section 163.370(3), Florida Statutes (1987), as amended.

SECTION 6. There is hereby created a single Community Redevelopment Trust fund, for collection of ad valorem taxes in accordance with Section 163.387, Florida Statutes (1987), as amended.

SECTION 7. The time certain for completion of all redevelopment in the area of operation of the Community Redevelopment Agency, through the use of tax increments deposited into the Redevelopment Trust Fund, shall be twenty (20) years from date of adoption of the Resolutions approving the amendments to the Community Redevelopment Plans, including the Main Street Community Redevelopment Plan, the Southside Community Redevelopment Plan, and the Airport Community Redevelopment Plan; as such plans may be amended from time to time, but in no instance shall the time certain for completion of redevelopment activities be longer than that allowed by Section 163.387(2)(a), Florida Statutes (1987), as amended.

SECTION 8. The City Clerk is hereby authorized and directed to send a certified copy of this ordinance to each "taxing authority" (as that term is defined in Section 163.340(24), Florida Statutes (1987), as amended).

SECTION 9. All ordinances or parts of ordinances, and all resolutions or parts of resolutions, in conflict herewith are hereby repealed. The City Council specifically repeals ordinances NO. 03-1& 06-16.

SECTION 10. If any word, sentence, clause, phrase or provision of this ordinance, for any reason, is held to be unconstitutional, void, or invalid, the validity of the remainder of this ordinance shall not be affected thereby.

SECTION 11. This ordinance shall take effect immediately upon its passage.

This Ordinance was read for the first time at the regular session of the City Council held on July 25, 2016. The vote was as follows:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Commissioner/Mayor Schuler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner/ Deputy Mayor Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Heston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Sutherland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The final reading was held on the ____ day of _____, at a regular special session of the City Council, and this Ordinance was adopted rejected . The vote was as follows:

	<u>Yes</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Commissioner/Mayor Schuler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner/Deputy Mayor Giles	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Heston	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Sutherland	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(Seal)

ATTEST:

CITY OF AVON PARK, FLORIDA

Bonnie Barwick, City Clerk

Sharon Schuler, Mayor

APPROVED AS TO FORM

Gerald T. Buhr, City Attorney

E-111

E 11

City of Avon Park
BUDGET ADJUSTMENT

Budget Adjustment # _____

GMBA Batch _____

15-Jul-16

*Use round dollars only - No decimals

Account Number	Description	Amt. To Increase	Amt. To Decrease
001-0301-521.46-10	REPAIR & MAINTENANCE SVCS / BUILDINGS REP & MAINT	3,000	
001-0301-521.46-40	REPAIR & MAINTENANCE SVCS / MACHINERY REP & MAINT	600	
001-0301-521.42-20	TRANSPORTATION/POSTAGE / GASOLINE		3,600
001-0351-522.15-00	FIRE CONTROL - FIRE / PAY OUT	5,000	
001-0351-522.34-00	FIRE CONTROL - FIRE / OTHER CONTRACTUAL SERVICE	6,000	
001-0351-522.41-00	FIRE CONTROL - FIRE / COMMUNICATIONS SERVICES	100	
001-0351-522.46-10	REPAIR & MAINTENANCE SVCS / BUILDINGS REP & MAINT	100	
001-0351-522.46-20	REPAIR & MAINTENANCE SVCS / VEHICLES REP & MAINT	8,000	
001-0351-522.52-00	FIRE CONTROL - FIRE / OPERATING SUPPLIES	1,200	
001-0351-522.12-00	FIRE CONTROL - FIRE / REGULAR SALARIES & WAGES		19,000
001-0351-522.54-00	FIRE CONTROL - FIRE / SUBSCRIPTION & MEMBERSHIP		1,400
001-0353-529.14-00	OTHER PUBLIC SAFETY / OVERTIME	100	
001-0353-529.34-00	OTHER PUBLIC SAFETY / OTHER CONTRACTUAL SERVICE	500	
001-0353-529.52-00	OTHER PUBLIC SAFETY / OPERATING SUPPLIES		600

Explanation of adjustment:

Budget realignment, VEHICLE REPAIRS, payout of sick/vacation FOR RETIREMENT & STAFF TURN OVER, FIRE INSPECTIONS CONTRACT WORK.

Department Head Signature _____

Date _____

Finance Director Approval _____

Date _____

City Manager's Approval _____

Date _____

CITY COUNCIL APPROVAL REQUIRED:

Yes X No

Mayor's Approval _____

Date _____

[Handwritten Signature] 7/18

E-12

E12

City of Avon Park Event Planning Guide

Road closure Permit Application MUST be submitted at least 3 months in advance of the event.

State Road closure permits require DOT Road Closure Permit form.

Today's Date July 20, 2016 _____

Event Organizer/Sponsor: Jingle Bell Run/Jarrett Family Foundation _____

Contact information: Bill Jarrett 8643-443-4741 _____

Location of Event Main Street Various City Streets _____

Date(s) December 9, 2016 _____ Time(s) of Proposed Event: 5-8 PM _____

Description of event: Jogging routes throughout City Streets and Main Street _____

Will you be requesting City staff for any of the following (circle one):

Dumpster: Y N Quantity _____

Garbage receptacles: Y N Quantity _____

Traffic Cones/ MOT: Y N Quantity _____**

(This includes delivery, installation and pick-up of cones by City staff and charge of \$20 per City "block". Weekend work may require additional charges.

Sponsor needs to stack cones at end of event

Police Y N \$100 per officer (minimum 4 hours)

(Additional hours require prior approval with additional rates)

Road Closure Y N If yes, attach map of specific roads to be closed

Will you require city water for your event? Y N

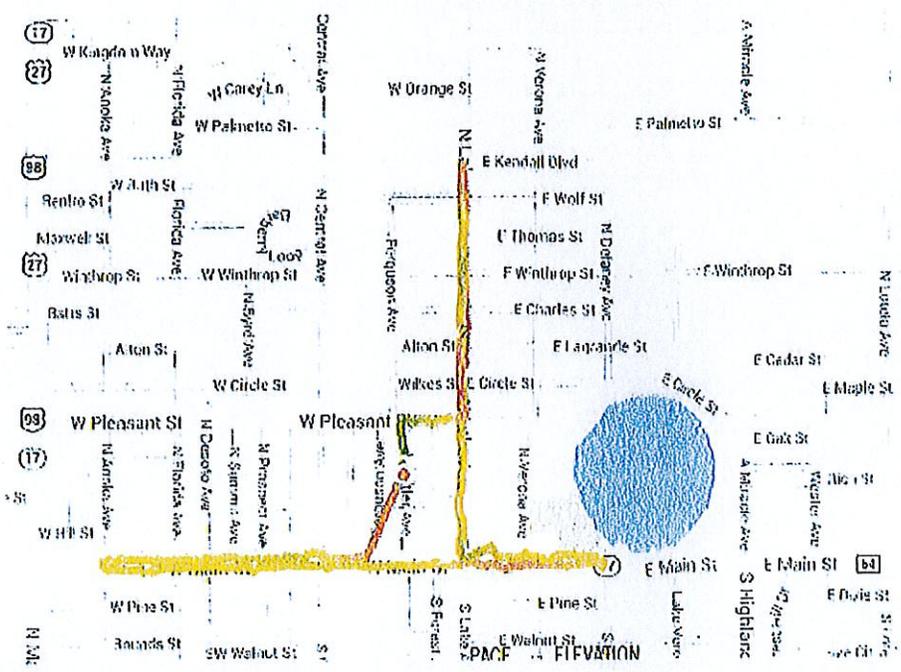
Will you require city electricity for your event? Y N

Please provide copy of your event insurance. The City of Avon Park needs to be placed as "Additional Insured" on your policy for date of event and proof of insurance needs to be provided at least 2 weeks in advance of the event date.

7
2-3

Jingle Bell Run

Friday, December ,



Main Street Closure request:

Close inside lane of Main Street on both Eastbound and Westbound lanes from Anoka to Delaney from 6pm - 8pm

- Start at Union Church
- Go South on Butler Avenue
- Then turn West on Main Street travel to N. Anoka Ave.
- U-Turn at N. Anoka Ave. back East up Main Street.
- U-turn at S. Delaney Ave. head West again on Main Street.
- Turn right (North) at N. Lake Ave. Travel to Kendall Boulevard and u-turn southbound on Lake Avenue.
- Turn West on Pleasant then South on Butler to complete course at Union Church.

Chet 863-712-3524

E-14

Agenda Item Summary

Subject: Fire Pension Board Ordinance

Item No. E14

Placed on Agenda by: City Manager

Total Amount of Project: N/A

Staff Review: Yes

Attorney Review: Yes

Recommended Motion(s): Approval

Background:

For your consideration are two ordinances recommended by the Pension Board. The letters attached from both the pension board lawyer and the City's pension board lawyer are self-explanatory.

Scott Christianson represents the pension board.

Jim Linn represents the City.

One ordinance allows the board to invest a portion of the investment portfolio in Real Estate.

The second ordinance is required by State law to establish a share plan.

Attachments: Christianson Letter
Linn Letter
Ordinance

Law Offices

Christiansen & Dehner, P.A.

63 Sarasota Center Blvd, Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

E 14

May 20, 2016

Mr. Julian Deleon
City Manager
City of Avon Park
110 E. Main Street
Avon Park, FL 33825

BACKUP FOR ORD 20-16

Re: City of Avon Park Firefighters' Retirement System - Proposed Ordinance

Dear Julian:

Enclosed please find a proposed ordinance amending the City of Avon Park Firefighters' Retirement System, which has been recommended by the Board for adoption by the City Council. This ordinance revises Section 4, Finances and Fund Management to allow investments in real estate and group trusts. This amendment broadens the permissible investment restrictions (which is permitted by Chapter 175, Florida Statutes) and has been recommended by the Board's investment professionals to allow more flexibility in the investment asset allocation in order to increase the investment return and still minimize risk. Increased returns could result in a lower funding requirement from the City.

I am enclosing a copy of a letter from the plan's actuary indicating that there is no cost associated with the adoption of this ordinance.

If you or any member of your staff have any questions with regard to this ordinance, please feel free to give me a call. In addition, if you feel it would be appropriate for me to be present at the meeting at which this ordinance is considered by the City Council, please contact my office to advise me of the date that the ordinance would be considered.

Yours very truly,



Scott R. Christiansen

SRC/dm
enclosure

cc: Doug Lozen, with enclosure
Carol Knapp, with enclosure

REPLY TO: TALLAHASSEE

MEMORANDUM

TO: Julian Deleon, City Manager
City of Avon Park

FROM: Jim Linn and Glenn Thomas

DATE: July 8, 2016

RE: Proposed Ordinances Amending the Firefighters' Retirement System

As requested, we have reviewed the proposed ordinances amending the City Firefighters' Retirement System that were attached to Scott Christiansen's letters dated May 20, 2016. There are two ordinances: the first provides for additional investment options; and the second creates a firefighter share plan. Neither ordinance will have an actuarial impact or cost to the City. Our comments follow.

Ordinance 1: Section Finances and Fund Management.

The first ordinance amends section 50-54, Finances and Fund Management, to expand investment options to include real estate investments (up to 10% of pension fund assets) and group trusts. While these changes in the pension board's investment authority are not required, they are permissible under state law. An amendment of the plan to provide for additional investment options, so long as the Board makes decisions based on the recommendation of investment advisor, is appropriate. The language included in the new subsection (g) is required under IRS rules if the City elects to permit investments in group trusts.

Ordinance 2: Firefighter Share Plan.

This ordinance creates a new section 50-80 establishing a defined contribution component or "share plan" for firefighters. A share plan is a defined contribution plan that is part of the firefighters' retirement plan, funded entirely by Chapter 175 premium tax revenues. The inclusion of a share plan is required under the 2015 changes to section 175.351, Florida Statutes. *See*, Ch. 2015-39, Laws of Florida. While the share plan proposed by Mr. Christiansen will

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F: 904.353.7619

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Tallahassee, Florida 32301
T: 850.222.5702
F: 850.224.9242

TAMPA BAY

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Bradenton, Florida 34205
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F: 941.708.4024

WEST PALM BEACH

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West Palm Beach, Florida 33401
T: 561.640.0820
F: 561.640.8202

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satisfy the requirement of the new law, it is not the only permissible share plan language. Other share plans (many that are much shorter) have been accepted by the Division of Retirement.

Moreover, under Chapter 175 a share plan is not required to be adopted until the next collective bargaining agreement with the firefighters' union is entered into. It is our understanding that the term of the current collective bargaining agreement runs through September 30, 2016. This means a share plan does not have to be in place until a successor collective bargaining agreement is reached.

Because the share plan is a new benefit, the terms of the share plan are a mandatory subject of collective bargaining under Ch. 447, Florida Statutes. Chapter 175 also makes it clear that a share plan does not have to be funded. In other words, it is possible for the City and union to agree that all premium tax revenues received by the City will be used to reduce City pension contributions. If this agreement were reached, no premium tax revenues would be available to fund the share plan.

The proposed share plan language does not guarantee funding of the share plan, and it does not specify how much premium tax revenue would be allocated to the share plan. Under the Chapter 175 default rules for the use of premium tax revenues, the total amount of premium tax revenues received by the City in 2013 (\$46,301) could potentially be used to reduce the City's annual pension contribution, if the growth in premium taxes between 2003 and 2013 exceeds the value of Chapter 175 minimum benefits. This would need to be confirmed by the plan actuary. Any annual premium tax revenues in excess of the 2013 amount would be split 50/50, with 50% used to reduce the city's annual pension contribution, and 50% going to the share plan. Because the City received less premium tax revenues last year (\$41,577) than in 2013, there was no excess. However, if there is any unallocated "excess reserve" amount, this would also be split 50/50 under the Chapter 175 default rules, with 50% used to pay down the unfunded liability of the plan, and 50% going to the share plan. We would need to review the most recent actuarial valuation for the plan to determine exactly how the Chapter 175 default rules would impact the current use of premium tax revenues. The Chapter 175 default rules can be modified by mutual agreement of the City and firefighters' union.

Please let us know if you have any additional questions or would like to discuss the ordinances.

ORDINANCE NO. 20-16

AN ORDINANCE OF THE CITY OF AVON PARK, AMENDING CHAPTER 50, FIRE PREVENTION AND PROTECTION, ARTICLE II, FIRE DEPARTMENT, DIVISION 2, FIREFIGHTERS' RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES OF THE CITY OF AVON PARK; AMENDING SECTION 50-54, FINANCES AND FUND MANAGEMENT; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AVON PARK, FLORIDA, THAT;

SECTION 1: That Chapter 50, Fire Prevention and Protection, Article II, Fire Department, Division 2, Firefighters' Retirement System, of the Code of Ordinances of the City of Avon Park is hereby amended by amending Section 50-54, Finances and Fund Management, subsection (f)(2), to read as follows:

* * * * *

- (f)(2) All monies paid into or held in the fund shall be invested and reinvested by the board and the investment of all or any part of such funds shall be limited to:
- a. Annuity and life insurance contracts with life insurance companies in amounts sufficient to provide, in whole or in part, the benefits to which all members in the fund shall be entitled under the provisions of this system and pay the initial and subsequent premium on such contracts.
 - b. Time or savings accounts of a national bank, a state bank insured by the Bank Insurance Fund or a savings/building and loan association insured by the Savings Association Insurance Fund which is administered by the Federal Deposit Insurance Corporation or a state or federal chartered credit union whose share accounts are insured by the National Credit Union Share Insurance Fund.
 - c. Obligations of the United States or obligations guaranteed as to principal and interest by the government of the United States or by an agency of the government of the United States.
 - d. Bonds issued by the State of Israel.

- e. Stocks, commingled funds administered by national or state banks, mutual funds and bonds or other evidences of indebtedness, provided that:
1. All individually held securities and all securities in a commingled or mutual fund must be issued or guaranteed by a corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, except as provided in subsection (f)(2)e.2. of this section.
 2. Up to twenty-five percent (25%) of the assets of the Fund at market value may be invested in foreign securities.
 3. The board shall not invest more than five percent of its assets in the common stock, capital stock or convertible securities of any one issuing company; nor shall the aggregate investment in any one issuing company exceed five percent of the outstanding capital stock of that company; nor shall the aggregate of its investments in common stock, capital stock and convertible securities at cost exceed 75 percent of the assets of the fund.
- f. Real estate investments in an amount not to exceed ten percent (10%) at cost value, of the assets of the Fund. The Board may invest in real estate directly or through an investment vehicle approved by the Board.
- g. In addition, the Board may, upon recommendation by the Board's investment consultant, make investments in group trusts meeting the requirements of Internal Revenue Service Revenue Ruling 81-100, Revenue Ruling 2011-1, IRS Notice 2012-6 and Revenue Ruling 2014-24 or successor rulings or guidance of similar import, and operated or maintained exclusively for the commingling and collective investment of monies, provided that the funds in the group trust consist exclusively of trust assets held under plans qualified under Section 401(a) of the Code, individual retirement accounts that are exempt under Section 408(e) of the Code, eligible governmental plans that

meet the requirements of Section 457(b) of the Code, and governmental plans under 401(a)(24) of the Code. For this purpose, a trust includes a custodial account or separate tax favored account maintained by an insurance company that is treated as a trust under Section 401(f) or under Section 457(g)(3) of the Code. While any portion of the assets of the Fund are invested in such a group trust, such group trust is itself adopted as a part of the System or Plan.

1. Any collective or common group trust to which assets of the fund are transferred pursuant to subsection g. shall be adopted by the board as part of the plan by executing appropriate participation, adoption agreements, and/or trust agreements with the group trust's trustee.
2. The separate account maintained by the group trust for the plan pursuant to subsection g. shall not be used for, or diverted to, any purpose other than for the exclusive benefit of the members and beneficiaries of the plan.
3. For purposes of valuation, the value of the separate account maintained by the group trust for the plan shall be the fair market value of the portion of the group trust held for the plan, determined in accordance with generally recognized valuation procedures.

SECTION 2: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Avon Park.

SECTION 3: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 4: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 5: That this Ordinance shall become effective upon adoption.

PASSED ON FIRST READING, this _____ day of _____, 20_____.

PASSED AND ADOPTED ON SECOND READING, this _____ day of _____, 20_____.

MAYOR

ATTEST:

CITY MANAGER

Approved as to form:

CITY ATTORNEY



April 14, 2016

VIA EMAIL AND MAIL

Ms. Carol Knapp, Administrator
Avon Park Firefighters' Retirement System
2404 West Russ Road
Avon Park, FL 33825

Re: City of Avon Park
Firefighters' Retirement System

Dear Carol:

In response to Scott Christiansen's letter dated March 23, 2016, we have reviewed the proposed Ordinance (identified on page 4 as dm/avon/fire/02-11-16.ord). The proposed Ordinance revises Section 4, Finances and Fund Management to include investments in real estate and group trusts.

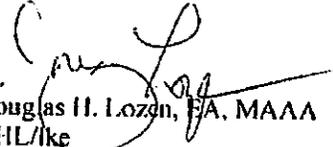
We have determined that adoption of the proposed ordinance will have no impact on the assumptions used in determining the funding requirements of the program. Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

If you have any questions, please let me know.

Sincerely,


Douglas H. Lozen, F.A., MAAA
DHL/lke

cc via email: Scott Christiansen, Plan Attorney

E-15

Agenda Item Summary

Subject: Fire Pension Board Ordinance

Item No. E 15

Placed on Agenda by: City Manager

Total Amount of Project: N/A

Staff Review: Yes

Attorney Review: Yes

Recommended Motion(s): Approval

Background:

For your consideration are two ordinances recommended by the Pension Board. The letters attached from both the pension board lawyer and the City's pension board lawyer are self-explanatory.

Scott Christianson represents the pension board.

Jim Linn represents the City.

One ordinance allows the board to invest a portion of the investment portfolio in Real Estate.

The second ordinance is required by State law to establish a share plan.

Attachments: Christianson Letter
Linn Letter
Ordinance

Law Offices

Christiansen & Dehner, P.A.

63 Sarasota Center Blvd. Suite 107 Sarasota, Florida 34240 • 941-377-2200 • Fax 941-377-4848

E 15

May 20, 2016

Mr. Julian Deleon, City Manager
City of Avon Park
110 E. Main Street
Avon Park, FL 33825

Backup for ORD 21-16

Re: City of Avon Park Firefighters' Retirement System - Proposed Ordinance

Dear Mr. Deleon:

Enclosed please find a proposed ordinance amending the City of Avon Park Firefighters' Retirement System, which is recommended by the Board for adoption by the City Council. This ordinance adds a new Section 50-80, Supplemental Benefit Component for Special Benefits: Chapter 175 Share Accounts. This Section creates a 'Share Plan', or defined contribution component, and the addition of a share plan is a requirement of recently adopted Chapter 2015-39, Laws of Florida, for all pension plans that are subject to the provisions of Chapters 175 and 185.

This Share Plan provides for a share account for each member of the plan. The Share Plan is to be funded solely and entirely by Chapter 175 premium tax monies for each plan year that funding is made available to it in accordance with governing Florida Statutes and the recently agreed upon mutual agreement between the City and the Union. The current mutual agreement provides for a 50/50 split between the City and the Share Plan of available state money.

At retirement, termination (vested), disability or death, there is an additional lump sum benefit paid to the eligible member. Available share plan funding is allocated to the members' accounts based on a formula which provides an allocation based on years of credited service. Each share account receives its proportionate share of the income or loss on the assets in the plan.

By copy of this letter to the plan's actuary, Foster & Foster, Inc., I am requesting that they provide you with a letter indicating that there is no cost associated with its adoption.

If you or any member of your staff have any questions with regard to this ordinance, please feel free to give me a call. In addition, if you feel it would be appropriate for me to be present at the meeting at which this ordinance is considered by the City Council, please contact my office to advise me of the date that the ordinance would be considered.

Yours very truly,



Scott R. Christiansen

SRC/dm
enclosure

cc: Doug Lozen, with enclosure
Warren West, with enclosure
Carol Knapp, with enclosure

REPLY TO: TALLAHASSEE

MEMORANDUM

TO: Julian Deleon, City Manager
City of Avon Park

FROM: Jim Linn and Glenn Thomas

DATE: July 8, 2016

RE: Proposed Ordinances Amending the Firefighters' Retirement System

As requested, we have reviewed the proposed ordinances amending the City Firefighters' Retirement System that were attached to Scott Christiansen's letters dated May 20, 2016. There are two ordinances: the first provides for additional investment options; and the second creates a firefighter share plan. Neither ordinance will have an actuarial impact or cost to the City. Our comments follow.

Ordinance 1: Section Finances and Fund Management.

The first ordinance amends section 50-54, Finances and Fund Management, to expand investment options to include real estate investments (up to 10% of pension fund assets) and group trusts. While these changes in the pension board's investment authority are not required, they are permissible under state law. An amendment of the plan to provide for additional investment options, so long as the Board makes decisions based on the recommendation of investment advisor, is appropriate. The language included in the new subsection (g) is required under IRS rules if the City elects to permit investments in group trusts.

Ordinance 2: Firefighter Share Plan.

This ordinance creates a new section 50-80 establishing a defined contribution component or "share plan" for firefighters. A share plan is a defined contribution plan that is part of the firefighters' retirement plan, funded entirely by Chapter 175 premium tax revenues. The inclusion of a share plan is required under the 2015 changes to section 175.351, Florida Statutes. *See*, Ch. 2015-39, Laws of Florida. While the share plan proposed by Mr. Christiansen will

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satisfy the requirement of the new law, it is not the only permissible share plan language. Other share plans (many that are much shorter) have been accepted by the Division of Retirement.

Moreover, under Chapter 175 a share plan is not required to be adopted until the next collective bargaining agreement with the firefighters' union is entered into. It is our understanding that the term of the current collective bargaining agreement runs through September 30, 2016. This means a share plan does not have to be in place until a successor collective bargaining agreement is reached.

Because the share plan is a new benefit, the terms of the share plan are a mandatory subject of collective bargaining under Ch. 447, Florida Statutes. Chapter 175 also makes it clear that a share plan does not have to be funded. In other words, it is possible for the City and union to agree that all premium tax revenues received by the City will be used to reduce City pension contributions. If this agreement were reached, no premium tax revenues would be available to fund the share plan.

The proposed share plan language does not guarantee funding of the share plan, and it does not specify how much premium tax revenue would be allocated to the share plan. Under the Chapter 175 default rules for the use of premium tax revenues, the total amount of premium tax revenues received by the City in 2013 (\$46,301) could potentially be used to reduce the City's annual pension contribution, if the growth in premium taxes between 2003 and 2013 exceeds the value of Chapter 175 minimum benefits. This would need to be confirmed by the plan actuary. Any annual premium tax revenues in excess of the 2013 amount would be split 50/50, with 50% used to reduce the city's annual pension contribution, and 50% going to the share plan. Because the City received less premium tax revenues last year (\$41,577) than in 2013, there was no excess. However, if there is any unallocated "excess reserve" amount, this would also be split 50/50 under the Chapter 175 default rules, with 50% used to pay down the unfunded liability of the plan, and 50% going to the share plan. We would need to review the most recent actuarial valuation for the plan to determine exactly how the Chapter 175 default rules would impact the current use of premium tax revenues. The Chapter 175 default rules can be modified by mutual agreement of the City and firefighters' union.

Please let us know if you have any additional questions or would like to discuss the ordinances.

ORDINANCE NO. 21-16

AN ORDINANCE OF THE CITY OF AVON PARK, AMENDING CHAPTER 50, FIRE PREVENTION AND PROTECTION, ARTICLE II, FIRE DEPARTMENT, DIVISION 2, FIREFIGHTERS' RETIREMENT SYSTEM, OF THE CODE OF ORDINANCES OF THE CITY OF AVON PARK; ADDING SECTION 50-80, SUPPLEMENTAL BENEFIT COMPONENT FOR SPECIAL BENEFITS; CHAPTER 175 SHARE ACCOUNTS; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AVON PARK, FLORIDA, THAT;

SECTION 1: That Chapter 50, Fire Prevention and Protection, Article II, Fire Department, Division 2, Firefighters' Retirement System, of the Code of Ordinances of the City of Avon Park is hereby amended by adding Section 50-80, Supplemental Benefit Component for Special Benefits; Chapter 175 Share Accounts, to read as follows:

Sec. 50-80. Supplemental benefit component for special benefits; chapter 175 share accounts.

There is hereby established an additional plan component to provide special benefits in the form of a supplemental retirement, termination, death and disability benefits to be in addition to the benefits provided for in the previous Sections of this Plan, such benefit to be funded solely and entirely by Chapter 175 premium tax monies for each plan year which are allocated to this supplemental component as provided for in Section 175.351. Amounts allocated to this supplemental component ("Share Plan"), if any, shall be further allocated to the members and DROP participants as follows:

(a) *Individual Member Share Accounts.* The board shall create individual "member share accounts" for all actively employed plan members and DROP participants and maintain appropriate books and records showing the respective interest of each member or DROP participant hereunder. Each member or DROP participant shall have a member share account for his share of the Chapter 175 tax revenues described above, forfeitures and income and expense adjustments relating thereto. The board shall maintain separate member share accounts, however, the maintenance of separate accounts is for accounting purposes only and a segregation of the assets of the trust fund to each account shall not be required or permitted.

(b) Share Account Funding.

(1) Individual member share accounts shall be established as of September 30, 2016 for all members and DROP participants who were actively employed as of October 1, 2015. Individual member share accounts shall be credited with an allocation as provided for in the following subsection (c) of any premium tax monies which have been allocated to the share plan for that plan year, beginning with the plan year ending September 30, 2016.

(2) Any forfeitures as provided in subsection (d), shall be used as part of future allocations to the individual member share accounts in accordance with the formula set forth in subsection (c)(1).

(c) Allocation of Monies to Share Accounts.

(1) Allocation of Chapter 175 Contributions.

a. Effective as of September 30, 2016, the amount of any premium tax monies allocated to the share plan shall be allocated to individual member share accounts as provided for in this subsection. Members retiring on or after October 1, 2015 and prior to September 30, 2016 shall receive an allocation. In addition, all premium tax monies allocated to the share plan in any subsequent plan year shall also be allocated as provided for in this subsection. Available premium tax monies shall be allocated to individual member share accounts at the end of each plan year on September 30 (a "valuation date").

b. On each valuation date, each current actively employed member of the plan not participating in the DROP, each DROP participant and each retiree who retires or DROP participant who has terminated DROP participation in the plan year ending on the valuation date (including each disability retiree), or beneficiary of a deceased member(not including terminated vested persons) who is otherwise eligible for an allocation as of the valuation date shall receive a share allocation as follows:

c. The total funds subject to allocation on each valuation date shall be allocated to each member share account of those eligible for an allocation in an amount equal to a fraction of the total amount, the numerator of which shall be the individual's total years and fractional parts of years of credited service as of the valuation date, and the denominator of which shall be the sum of the total years and fractional parts of years of credited service as of the valuation date of all individuals to whom allocations are being made. Beneficiaries shall receive an allocation based on the years of credited service of the deceased member or DROP participant.

d. Re-employed retirees shall be deemed new employees and shall receive an allocation based solely on the credited service in the reemployment period.

(2) Allocation of Investment Gains and Losses. On each valuation date, each individual member share account shall be adjusted to reflect the net earnings or losses resulting from investments during the year. The net earnings or losses allocated to the individual member share accounts shall be the same percentage which is earned or lost by the total plan investments, including realized and unrealized gains or losses, net of brokerage commissions, transaction costs and management fees.

Net earnings or losses are determined as of the last business day of the fiscal year, which is the valuation date, and are debited or credited as of such date.

For purposes of calculating net earnings or losses on a member's share account pursuant to this subsection, brokerage commissions, transaction costs, and management fees for the immediately preceding fiscal year shall be determined for each year by the investment consultant pursuant to contracts with fund managers as reported in the custodial statement. The investment consultant shall report these annual contractual fees to the board. The investment consultant shall also report the net investment return for each manager and the net investment return for the total plan assets.

- (3) Allocation of Costs, Fees and Expenses. On each valuation date, each individual member share account shall be adjusted to allocate its pro rata share of the costs, fees and expenses of administration of the share plan. These fees shall be allocated to each individual member share account on a proportionate basis taking the costs, fees and expenses of administration of the share plan as a whole multiplied by a fraction, the numerator of which is the total assets in each individual member share account (after adding the annual investment gain or loss) and the denominator of which is the total assets of the fund as a whole as of the same date.
- (4) No Right to Allocation. The fact of allocation or credit of an allocation to a member's share account by the board shall not vest in any member, any right, title, or interest in the assets of the trust or in the Chapter 175 tax revenues except at the time or times, to the extent, and subject to the terms and conditions provided in this Section.
- (5) Members and DROP participants shall be provided annual statements setting forth their share account balance as of the end of the plan year.
- (d) Forfeitures. Any member who has less than ten (10) years of service credit and who is not otherwise eligible for payment of benefits after termination of employment with the city as provided for in subsection (e) shall forfeit his individual member share account. Forfeited amounts shall be included and used as part of the Chapter 175 tax revenues for future allocations to individual member share accounts on each valuation date in accordance with the formula set forth in subsection (c)(1).
- (e) Eligibility For Benefits. Any member (or his beneficiary) or DROP participant who terminates employment as a firefighter with the City or who dies, upon application filed with the board, shall be entitled to be paid the value of his individual member share account, subject to the following criteria:
- (1) Retirement Benefit.
- a. A member shall be entitled to one hundred percent (100%) of the value of his share account upon normal or early retirement pursuant to Section 50-56, or if the member enters the DROP, upon termination of employment.
- b. Such payment shall be made as provided in subsection (f).

(2) Termination Benefit.

- a. In the event that a member's employment as a firefighter is terminated by reason other than retirement, death or disability, he shall be entitled to receive the value of his share account only if he is vested in accordance with Section 50-59.
- b. Such payment shall be made as provided in subsection (f).

(3) Disability Benefit.

- a. In the event that a member is determined to be eligible for either an in-line of duty disability benefit pursuant to Section 50-58, subsection (a) or a not-in-line of duty disability benefit pursuant to Section 50-58, subsection (c), he shall be entitled to one hundred percent (100%) of the value of his share account.
- b. Such payment shall be made as provided in subsection (f).

(4) Death Benefit.

- a. In the event that a Member dies while actively employed as a firefighter, one hundred percent (100%) of the value of his share account shall be paid to his designated Beneficiary as provided in Section 50-57.
- b. Such payment shall be made as provided in subsection (f).

(f) Payment of Benefits. If a member or DROP participant terminates employment for any reason or dies and he or his beneficiary is otherwise entitled to receive the balance in the member's share account, the member's share account shall be valued by the plan's actuary on the next valuation date as provided for in subsection (c) above, following termination of employment. Payment of the calculated share account balance shall be payable as soon as administratively practicable following the valuation date, but not later than one hundred fifty (150) days following the valuation date and shall be paid in one lump sum payment. No optional forms of payments shall be permitted.

(g) Benefits Not Guaranteed. All benefits payable under this Section 50-80 shall be paid only from the assets accounted for in individual member share accounts. Neither the City nor the board

shall have any duty or liability to furnish any additional funds, securities or other assets to fund share account benefits. Neither the board nor any trustee shall be liable for the making, retention, or sale of any investment or reinvestment made as herein provided, nor for any loss or diminishment of the member share account balances, except due to his or its own negligence, willful misconduct or lack of good faith. All investments shall be made by the board subject to the restrictions otherwise applicable to fund investments.

(h) *Notional account.* The member share account is a notional account, used only for the purpose of calculation of the share distribution amount. It is not a separate account in the system. There is no change in the system's assets, and there is no distribution available to the member or DROP participant until the member's or DROP participant's termination from employment. The member or DROP participant has no control over the investment of the share account.

(i) *No employer discretion.* The share account benefit is determined pursuant to a specific formula which does not involve employer discretion.

(j) *Maximum Additions.* Notwithstanding any other provision of this Section, annual additions under this Section shall not exceed the limitations of Section 415(c) of the code pursuant to the provisions of Section 50-65, subsection (k).

(k) *IRC limit.* The share account distribution, along with other benefits payable from the system, is subject to limitation under Internal Revenue Code Section 415(b).

SECTION 2: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Avon Park.

SECTION 3: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 4: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body

with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 5: That this Ordinance shall become effective upon adoption.

PASSED ON FIRST READING, this _____ day of _____, 2016.

PASSED AND ADOPTED ON SECOND READING, this _____ day of _____, 2016.

MAYOR

ATTEST:

CITY MANAGER

Approved as to form:

CITY ATTORNEY

dm/avon/fire/05-13-16.ORD



April 14, 2016

VIA EMAIL AND MAIL

Ms. Carol Knapp, Administrator
Avon Park Firefighters' Retirement System
2404 West Russ Road
Avon Park, FL 33825

Re: City of Avon Park
Firefighters' Retirement System

Dear Carol:

In response to Scott Christiansen's letter dated March 23, 2016, we have reviewed the proposed Ordinance (identified on page 4 as dm/avon/fire/02-11-16.ord). The proposed Ordinance revises Section 4, Finances and Fund Management to include investments in real estate and group trusts.

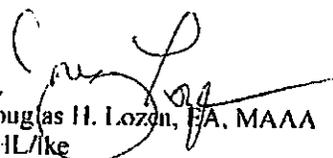
We have determined that adoption of the proposed ordinance will have no impact on the assumptions used in determining the funding requirements of the program. Because the changes do not result in a change in the valuation results, it is our opinion that a formal Actuarial Impact Statement is not required in support of its adoption. However, since the Division of Retirement must be aware of the current provisions of all public pension programs, it is recommended that you send a copy of this letter and a copy of the fully executed Ordinance to each of the following offices:

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
P. O. Box 9000
Tallahassee, FL 32315-9000

Sarah Carr
Municipal Police and Fire
Pension Trust Funds
Division of Retirement
P.O. Box 3010
Tallahassee, FL 32315-3010

If you have any questions, please let me know.

Sincerely,


Douglas H. Lozon, F.A., MAAA
DHL/ke

cc via email: Scott Christiansen, Plan Attorney