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COMMISSION SPECIAL MEETING
CITY OF ST. PETE BEACH

155 Corey Avenue
St. Pete Beach, FL 33706

Tuesday, September 18, 2018
6:00 PM

Call to Order
Pledge of Allegiance
Moment of Silence
Roll Call

1. **Ordinances**
    a. **Ordinance 2018-11: Final Reading and Public Hearing. An Ordinance of the City of St. Pete Beach, Florida establishing the millage rate for fiscal year 2019, beginning October 1, 2018 and ending September 30, 2019; providing and announcing the name of the taxing authority, the rolled-back millage rate, the percentage increase over the rolled-back millage rate, and the millage rate to be levied; providing for reading in its entirety; and providing for and effective date.**
    b. **Ordinance 2018-12: Final Reading and Public Hearing. An Ordinance of the City of St. Pete Beach, Florida adopting the budget for fiscal year 2019, beginning October 1, 2018 and ending September 30, 2019; providing for reading in its entirety; and providing for an effective date.**

2. **Adjournment**

APPEAL: In accordance with 286.0105, Florida Statute (Notices of meetings and hearings must advise that a record is required to appeal), if a person decides to appeal any decision made by this committee, board, agency, or commission with respect to any matter considered at this meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

AMERICANS WITH DISABILITIES ACT (ADA): In accordance with the Americans with Disabilities Act and Florida Statutes, if any person with a disability defined by the ADA needs special accommodation to participate in this proceeding, then not later than two business days prior to the proceeding, he or she should contact City Hall at (727) 367-2735.

The public is cordially invited to attend this meeting.
All agenda material is available for review at City Hall.

St. Pete Beach City Commission
Agenda Report

Issue Considered: Ordinance 2018-11: Setting the Fiscal Year 2018 Millage Rate

Date: September 18, 2018

Prepared By: Vincent Tenaglia, Administrative Services Director

Through: Wayne Saunders, City Manager

Summary of Issue: The City of St. Pete Beach's current millage rate is 3.1500 mills per $1,000 of taxable value. The fiscal year (FY) 2019 proposed budget was developed based on maintaining the 3.1500 millage rate, which generates $952,076 in new revenue due to an 11.57% increase in property values.

The Pinellas County Property Appraiser's Office mailed truth-in-millage (TRIM) notices to property owners indicating a proposed rate of 3.1500 for the City of St. Pete Beach. The final rate to be adopted may be less but cannot exceed the advertised rate of 3.1500 mills.

Alternative options are available to the City Commission. The following table illustrates a range of millage rates and their corresponding effects on the FY 2019 budget. The rolled-back rate of 2.8294, for instance, will reduce estimated ad valorem revenue by $944,248.

	Rate / $1,000	Revenue	Variance vs. Proposed	Voting Requirement
Super Majority Maximum	3.1581	$ 9,301,402	$ 23,857	Super Majority
Proposed Rate	3.1500	$ 9,277,546	N/A	Super Majority
Simple Majority Maximum	2.8710	$ 8,455,820	$ (821,726)	Simple Majority
Rolled-Back Rate	2.8294	$ 8,333,298	$ (944,248)	Simple Majority

Staff recommends adoption of the 3.1500 millage rate, which will require a super majority vote for approval. This will allow the City to balance its budget, fund the capital projects identified in the Capital Improvement Plan, and build reserves for future capital projects.

Requested Motion: "I move to approve Ordinance 2018-11." (Must be read in entirety).

Attachment: Ordinance 2018-11

Reviewed by the City Manager: WS

Ordinance 2018-11

AN ORDINANCE OF THE CITY OF ST. PETE BEACH, FLORIDA ESTABLISHING THE MILLAGE RATE FOR FISCAL YEAR 2019, BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; PROVIDING AND ANNOUNCING THE NAME OF THE TAXING AUTHORITY, THE ROLLED-BACK MILLAGE RATE, THE PERCENTAGE INCREASE OVER THE ROLLED-BACK MILLAGE RATE, AND THE MILLAGE RATE TO BE LEVIED; PROVIDING FOR READING IN ITS ENTIRETY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes s. 200.065 requires the adoption of the millage rate by separate vote prior to the adoption of the annual budget; and

WHEREAS, Florida Statutes s. 200.065 requires that prior to adoption of the millage-levy ordinance, the following be publicly announced: the name of the taxing authority, the rolled-back millage rate, the percentage increase over the rolled-back millage rate, and the millage rate to be levied; and

WHEREAS, in no event may the millage rate adopted exceed the millage rate tentatively adopted.

NOW, THEREFORE, THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH FLORIDA, HEREBY ORDAINS:

SECTION 1. The name of the taxing authority is the City of St. Pete Beach.

SECTION 2. The rolled-back millage rate for fiscal year 2019 is 2.8294.

SECTION 3. The fiscal year 2019 proposed millage rate is 11.33% higher than the rolled-back rate.

SECTION 4. The millage rate to be levied for fiscal year 2019 shall be 3.1500 mills per $1,000 of taxable value.

SECTION 5. Effective Date. This ordinance shall take effect immediately upon adoption.

FIRST READING: ____________
PUBLISHED: ____________
SECOND READING: ____________
PUBLIC HEARING: ____________

CITY COMMISSION, CITY OF ST. PETE BEACH, FLORIDA.

____
Alan Johnson, Mayor

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this ________ day of ________, 2018.

____
Rebecca C. Haynes, City Clerk

APPROVED AS TO LEGAL FORM AND CORRECTNESS:

____
Andrew Dickman, City Attorney

St. Pete Beach City Commission
Agenda Report

Issue Considered: Ordinance 2018-12: Adopting the Fiscal Year 2019 Budget

Date: September 18, 2018

Prepared By: Vincent Tenaglia, Administrative Services Director

Through: Wayne Saunders, City Manager

Summary of Issue: The fiscal year (FY) 2019 proposed budget document was originally published on June 29, 2018. Several changes have been incorporated into the budget and are listed in detail as an attachment. Among the changes are the following:

Revenue:

1. Ad valorem property values were initially estimated by the Property Appraiser's Office at an 11.74% increase. The final calculation includes an increase of 11.57%, reducing revenue estimates by $14,309.
2. Estimates corresponding to pending concession agreements have been updated, generating $10,000 in additional net revenue. Concession operator fees declined by $6,000 while cabana rentals increased by $16,000.
3. Staff has reevaluated the original estimate for Community Center revenue and increased the estimate by $10,000. The previous formula incorrectly accounted for deferred revenue.

Expenditures:

1. The City Commission adopted Ordinance 2018-09 on August 14, accounting for new expenditures and inter-fund transfers to support the Blind Pass Road construction project. The revised FY 2018 data in the budget document reflects these changes.
2. Ordinance 2018-09 also resulted in several changes to the FY 2019 proposed budget to minimize the effects on fund balance. The Gulf Winds Drive project was deferred to FY 2020, allowing $400,000 to be re-allocated to Blind Pass Road. Rehabilitation of lift station 11 was also deferred one year, reducing Wastewater Fund expenditures by $240,000.
3. The City of St. Petersburg City Council has approved an 8.35% rate increase for wastewater treatment, which will

increase Wastewater Fund expenditures by an estimated $250,000.

4. Funding has been added to the Parks and Grounds Division in the Public Works Department to align budgetary estimates with recent quotes for tree trimming service and Bermuda turf maintenance, resulting in an increase of $11,600 for contractual services.
5. The following personnel changes resulted in a net reduction of $16,374 from the General Fund:
    a. The parks supervisor position was recently filled at a lower rate of pay than initially budgeted, and the position was reclassified from a traditional pension to a defined contribution plan. The total impact is a reduction of $47,600 from the Parks and Grounds Division.
    b. The City Commission provided direction at the July 19th budget workshop to add a part-time Administrative Assistant position to the Community Development Department. Meanwhile two Planner positions were recently filled at lower compensation rates than budgeted. The net effect to the Planning Division is an increase of $22,391.
    c. The City Manager proposed an administrative reorganization at the July 19th budget workshop, reclassifying the Administrative Services Director position to Assistant City Manager. This change is reflected in the Finance Division, with additional expenditures totaling $8,835.
6. An employee previously opting out of the City's medical insurance program recently enrolled in the plan, increasing expenditures by $10,280.
7. Expenditures associated with the November 2018 referendum increased the City Clerk division budget by $1,500.
8. Recreation expenditures for aquatics instructors are corrected to align with program revenue, resulting in a $1,400 reduction.
9. Multiple items throughout the budget have been reallocated from one department or line item to another for organizational or management purposes (e.g., reporting the Human Resources function in the Finance Division rather than the City Manager's Office, and reallocating Streets Division expenditures from repairs to contractual services). These expenditures offset and have no net impact on the budget.

The net budgetary loss from all revisions is $9,915, allocated by fund as follows:

Fund	(Loss) or Gain
General Fund	$85
Capital Improvement Fund	0
Building Fund	0
Wastewater Fund	($10,000)
Reclaimed Water Fund	0
Stormwater Fund	0
Total Revisions	**($9,915)**

Below is a summary of the FY 2019 budget totaling $39,513,254, including the revisions:

	General Fund	Building Fund	Capital Improvement Fund	Wastewater Fund	Reclaimed Water Fund	Stormwater Fund	Total
Funding Sources:							
Revenue	$ 21,306,764	$ 715,000	$ 1,115,000	$ 6,560,668	$ 862,600	$ 1,365,700	$ 31,925,732
Transfers In	299,463	-	4,758,057	-	-	-	5,057,520
Debt Proceeds	-	-	-	2,000,000	-	-	2,000,000
From Reserves	-	18,812	-	-	-	511,190	530,002
Total Sources	**$ 21,606,227**	**$ 733,812**	**$ 5,873,057**	**$ 8,560,668**	**$ 862,600**	**$ 1,876,890**	**$ 39,513,254**
Funding Uses:							
Expenditures	16,557,444	730,312	5,140,869	8,333,946	781,806	1,876,890	33,421,267
Transfers Out	4,984,807	3,500	-	-	69,213	-	5,057,520
To Reserves	63,976	-	732,188	226,722	11,581	-	1,034,467
Total Uses	**$ 21,606,227**	**$ 733,812**	**$ 5,873,057**	**$ 8,560,668**	**$ 862,600**	**$ 1,876,890**	**$ 39,513,254**

Requested Motion: "I move to approve Ordinance 2018-12." (Must be read in entirety).

Attachment: Ordinance 2018-12
Budget Changes Since June 29, 2018

Reviewed by the City Manager: WS

Ordinance 2018-12

AN ORDINANCE OF THE CITY OF ST. PETE BEACH, FLORIDA ADOPTING THE BUDGET FOR FISCAL YEAR 2019, BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019; PROVIDING FOR READING IN ITS ENTIRETY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes section 166.241 requires the adoption of a budget each fiscal year; and

WHEREAS, the amount available from taxation and other sources, including balances brought forward from prior years, must equal the total appropriations for expenditures and reserves; and

WHEREAS, the adopted budget must show for each fund, as required by law and sound financial practices, budgeted revenues and expenditures by organizational unit which are at least at the level of detail required for the annual financial report required under Florida Statutes section 218.32(1); and

WHEREAS, the adopted budget must regulate expenditures of the municipality, and an officer of a municipal government may not expend or contract for expenditures in any fiscal year except as pursuant to the adopted budget; and

WHEREAS, the City of St. Pete Beach fiscal year 2019 budget is balanced; is presented at the level of detail required to file the annual financial report; and shall regulate expenditures of the City for the period beginning October 1, 2018 and ending September 30, 2019.

NOW, THEREFORE, THE CITY COMMISSION OF THE CITY OF ST. PETE BEACH FLORIDA, HEREBY ORDAINS:

SECTION 1. The fiscal year 2019 budget document, attached hereto as Exhibit A ("the Budget"), is adopted by reference and is made a part of this ordinance. The Budget provides line item detail appropriating the sources and uses of funds summarized below:

General Fund:	$21,606,227
Building Fund:	$733,812
Capital Improvement Fund:	$5,873,057
Wastewater Fund:	$8,560,668
Reclaimed Water Fund:	$862,600
Stormwater Fund:	$1,876,890
Total:	$39,513,254

SECTION 2. This ordinance shall take effect immediately upon final adoption.

FIRST READING: ____________
PUBLISHED: ____________
SECOND READING: ____________
PUBLIC HEARING: ____________

CITY COMMISSION, CITY OF ST. PETE BEACH, FLORIDA.

____
Alan Johnson, Mayor

I, Rebecca C. Haynes, City Clerk of the City of St. Pete Beach, Florida, do hereby certify that the foregoing Ordinance was duly adopted in accordance with the provisions of applicable law this ________ day of ________, 2018.

____
Rebecca C. Haynes, City Clerk

APPROVED AS TO LEGAL FORM AND CORRECTNESS:

____
Andrew Dickman, City Attorney

Budget Changes Since June 29, 2018

REVENUE

Description	**Account**	**Fund**	**FY 2018 +/-**	**FY 2019 +/-**
Tax roll adjustments after June 1 estimate	001.311.000	General		($14,309)
Community Center revenue estimate correction	001.362.200	General		$10,000
Concessions lease agreement changes	001.362.450	General		($6,000)
Cabana lease agreement changes	001.362.455	General		$16,000
County reimbursement for Blind Pass Road (Ord. 2018-09)	301.337.300	Capital	$1,682,094	
Increase estimated interest earnings (Ord. 2018-09)	301.361.100	Capital	$55,205	
Transfer from General Fund (Ord. 2018-09)	301.381.001	Capital	$404,575	
Transfer from Wastewater Fund (Ord. 2018-09)	301.381.101	Capital	$418,994	
Transfer from Reclaimed Water Fund (Ord. 2018-09)	301.381.102	Capital	$691,485	
Transfer from Stormwater Fund (Ord. 2018-09)	301.381.103	Capital	$600,000	
Sale of surplus assets (Ord. 2018-09)	101.365.000	Wastewater	$55,685	
FEMA reimbursement (Ord. 2018-09)	101.331.620	Wastewater	$34,488	
Increase estimated interest earnings (2018-09)	101.361.100	Wastewater	$22,996	

Total Revenue Changes by Fund:	General	$0	$5,691
	Capital	$3,852,353	$0
	Building	$0	$0
	Wastewater	$113,169	$0
	Reclaimed	$0	$0
	Stormwater	$0	$0
	Total	**$3,965,522**	**$5,691**

EXPENDITURES

Description	**Account**	**Fund**	**FY 2018 +/-**	**FY 2019 +/-**
Increase tree trimming budget to reflect quote received	001.6104.572.5310	General		$6,600
Bermuda turf maintenance funding addition	001.6104.572.5310	General		$5,000
Parks maintenance staffing changes (wages)	001.6104.572.5120	General		($8,000)
Parks maintenance staffing changes (FICA tax)	001.6104.572.5210	General		($600)
Parks maintenance staffing changes (retirement)	001.6104.572.5220	General		($44,000)
Parks maintenance staffing changes (insurance)	001.6104.572.5230	General		$5,000
Tie aquatic instructor expenditures to revenue (70%)	001.6106.572.5316	General		($1,400)
Referendum expense increase	001.5101.512.5493	General		$1,500
Lift Station 11 repair and replacement rescheduled	101.6107.535.5632	Wastewater		($240,000)
City of St. Petersburg sewer rate increase	101.6107.535.5434	Wastewater		$250,000
Gulf Winds Drive CIP project rescheduled	301.8000.590.0011	Capital		($400,000)
Blind Pass Road CIP project funding	301.8000.590.0031	Capital		$400,000
Employee health insurance status change	001.5101.512.5130	General		($2,385)
Employee health insurance status change	001.5101.512.5230	General		$12,665
Planner position staffing changes	001.5401.515.5120	General		($4,400)
New part-time assistant position (wages)	001.5401.515.5120	General		$24,888
New part-time assistant position (FICA tax)	001.5401.515.5210	General		$1,903
Admin. Services Director reclass to Asst. CM (wages)	001.5601.513.5120	General		$10,240
Admin. Services Director reclass to Asst. CM (other wages)	001.5601.513.5130	General		($2,669)
Admin. Services Director reclass to Asst. CM (retirement)	001.5601.513.5220	General		$1,229
Admin. Services Director reclass to Asst. CM (insurance)	01.5601.513.5230	General		$35
Reallocate pavement striping and marking	001.6103.541.5469	General		($35,000)
Reallocate pavement striping and marking	001.6103.541.5310	General		$35,000
Reallocate Human Resources Administrator (wages)	001.5201.512.5120	General		($69,318)

EXPENDITURES

Description	Account	Fund	FY 2018 +/-	FY 2019 +/-
Reallocate Human Resources Administrator (wages)	001.5601.513.5120	General		$69,318
Reallocate Human Resources Administrator (FICA tax)	001.5201.512.5210	General		($5,303)
Reallocate Human Resources Administrator (FICA tax)	001.5601.513.5210	General		$5,303
Reallocate Human Resources Administrator (retirement)	001.5201.512.5220	General		($6,932)
Reallocate Human Resources Administrator (retirement)	001.5601.513.5220	General		$6,932
Reallocate Human Resources Administrator (insurance)	001.5201.512.5230	General		($11,437)
Reallocate Human Resources Administrator (insurance)	001.5601.513.5230	General		$11,437
Reallocate Human Resources Administrator (WC)	001.5201.512.5240	General		($267)
Reallocate Human Resources Administrator (WC)	001.5601.513.5240	General		$267
Reallocate HR professional/contractual services	001.5201.512.5310	General		($13,000)
Reallocate HR professional/contractual services	001.5601.513.5310	General		$13,000
Reallocate HR travel/training budget	001.5201.512.5400	General		($2,500)
Reallocate HR travel/training budget	001.5601.513.5400	General		$2,500
Reallocate tuition reimbursement program	001.5201.512.5406	General		($7,500)
Reallocate tuition reimbursement program	001.5601.513.5406	General		$7,500
Reallocate HR-related postage expenditures	001.5201.512.5420	General		($150)
Reallocate HR-related postage expenditures	001.5601.513.5420	General		$150
Reallocate HR-related insurance expenditures	001.5201.512.5450	General		($2,976)
Reallocate HR-related insurance expenditures	001.5601.513.5450	General		$2,976
Reallocate HR-related duplicating expenditures	001.5201.512.5470	General		($100)
Reallocate HR-related duplicating expenditures	001.5601.513.5470	General		$100
Reallocate employee luncheon, longevity programs	001.5201.512.5497	General		($6,000)
Reallocate employee luncheon, longevity programs	001.5601.513.5497	General		$6,000
Reallocate HR-related office supplies	001.5201.512.5510	General		($1,200)
Reallocate HR-related office supplies	001.5601.513.5510	General		$1,200
Reallocate HR-related operating supplies	001.5201.512.5529	General		($150)
Reallocate HR-related operating supplies	001.5601.513.5529	General		$150
Reallocate FPHRA and SHRM memberships	001.5201.512.5540	General		($325)
Reallocate FPHRA and SHRM memberships	001.5601.513.5540	General		$325
Increase capital funding for Blind Pass Road (Ord. 2018-09)	301.8000.590.5650	Capital	$3,852,353	
Transfer to Capital Projects Fund (Ord. 2018-09)	101.6107.535.5695	Wastewater	$418,994	
Transfer to Capital Projects Fund (Ord. 2018-09)	103.6108.537.5695	Stormwater	$600,000	
Transfer to Capital Projects Fund (Ord. 2018-09)	102.6108.537.5695	Reclaimed	$691,485	
Transfer to Capital Projects Fund (Ord. 2018-09)	001.9618.581.5999	General	$404,575	

		FY 2018 +/-	FY 2019 +/-
Total Expenditure Changes by Fund:	General	$404,575	$5,606
	Capital	$3,852,353	$0
	Building	$0	$0
	Wastewater	$418,994	$10,000
	Reclaimed	$691,485	$0
	Stormwater	$600,000	$0
	Total	**$5,967,407**	**$15,606**

		FY 2018 +/-	FY 2019 +/-
Net Budgetary (Loss) or Gain by Fund:	General	($404,575)	$85
	Capital	$0	$0
	Building	$0	$0
	Wastewater	($305,825)	($10,000)
	Reclaimed	($691,485)	$0
	Stormwater	($600,000)	$0
	Total	**($2,001,885)**	**($9,915)**