

FINANCE AND BUDGET REVIEW COMMITTEE

MINUTES

July 2, 2013

12:30 p.m.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PRESENT:

Joanne Melodayo, Chairman
Jack Samorajczyk, Member
Alan Johnson, Member
Sandi Lyman, Member

ALSO PRESENT:

Mike Bonfield, City Manager
Elaine Edmunds, Finance Director
Rebecca Haynes, City Clerk
George Kinney, Community Development Director
Steve Hallock, Public Services Director
Jennifer McMahon, Recreation Director
Dan Graves, Fire Chief
Phyllis Ruscella, Library Administrator
Chelsey Weldon, Urban Planner
Mary Jo Murphy, Recording Secretary

1. Changes to the Agenda

There were no changes to the agenda.

2. Audience Comments

There were no audience comments.

3. Approval of Minutes

There were no minutes presented for approval.

4. **Action Items**

There were no action items presented.

5. **Items for Discussion**

a. Discussion of Revenues

City Manager Bonfield began his report by noting the Ad Valorem taxes are the largest portion of revenue in the General Fund. He reported that there is an increase in property values (3.98%) which may still increase slightly and noted that the commercial properties have not been evaluated yet due to continuing legal issues with the comp plan. Mr. Bonfield noted the proposed budget contains a rollback rate to last year which would allow for a \$600,000 reduction.

Building permits and fire inspections are on the rise, state-shared revenues remain relatively the same, and the Pinellas County Library Coop funds have decreased. Administrative fees are standard at 3% per year; parking revenues increased slightly and police services revenues have been removed due to contracting with the Pinellas County Sheriff's Office. The increased recreation-related revenues are due to the after school program and the conversion of the Upham Room into a fitness center. The St. Pete Beach Classic revenue is reduced due to privatization. Pool activities & court related activities remain constant.

Mr. Bonfield commented that staff did not use the savings from the transfer of law enforcement services as a supplement to the personnel costs in the General Fund.

b. Discussion of Charter Officers' Budgets

The Charter Offices include the City Commission, City Manager, City Attorney and City Clerk.

City Manager Bonfield noted the City Commission salaries are set by the Charter and reviewed the donations to various charities.

Member Samorajczyk made a motion to recommend the City Commission budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

City Manager Bonfield noted in the City Clerk Department, the part-time Office Assistant position was eliminated, the Deputy City Clerk position was re-classified to a Recording Secretary position, legal ads were consolidated and increased, and the election category does not include provisions for a run-off election.

Member Johnson made a motion to recommend the City Clerk budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

City Manager Bonfield noted the City Attorney's contract work includes a retainer of \$65,000 which covers attending meetings, etc., and noted the amount for extra legal expenses has been decreased.

Member Johnson made a motion to recommend the City Attorney budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

City Manager Bonfield noted the City Manager's Department's budget includes a full time human resources employee, \$7,600 for records management, equipment rental for a copier from the police department that was under contract and an increase in the transfer to the capital fund of \$900,000.

Member Johnson made a motion to recommend the City Manager budget as presented. The motion was seconded by Member Lyman and unanimously approved by a voice vote.

c. Discussion of Community Development Department Budget

City Manager Bonfield noted the Planning Division budget includes two employees in this department.

Member Johnson made a motion to recommend the Community Development Department, Planning Division, budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

City Manager Bonfield noted the Building Services' budget includes permitting, code enforcement, Magistrate fees and maintenance of three vehicles. There are no changes to personnel. There is no replacement scheduled for the code enforcement vehicle, building official vehicle and building inspector vehicle.

Member Johnson made a motion to recommend the Community Development Department, Building Services Division, budget as presented. The motion was seconded by Member Lyman and unanimously approved by a voice vote.

d. Discussion of Administrative Services Department Budget

City Manager Bonfield noted the Finance Division budget includes four full time employees with no changes in personnel.

Member Samorajczyk made a motion to recommend the Finance Division budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

City Manager Bonfield noted the IT budget includes eliminating the two full time positions and bringing in one full-time employee and a consultant on retainer to handle the larger network-related issues, reducing 26 servers to approximately 5 servers, renewing maintenance contracts, Granicus system for recording meetings and a new telephone system.

Member Samorajczyk made a motion to recommend the IT budget as presented. The motion was seconded by Member Lyman and unanimously approved by a voice vote.

City Manager Bonfield noted the library budget includes an addition of one part-time employee to the current level of part-time employees and four full time employees, maintenance costs for the upkeep of an older facility and \$65,000 for materials.

Member Samorajczyk made a motion to recommend the Library budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

City Manager Bonfield noted the parking enforcement budget includes upgrading a part-time position to full time to be responsible for issuing decals.

Member Samorajczyk made a motion to recommend the parking enforcement budget as presented. The motion was seconded by Member Lyman and unanimously approved by a voice vote.

e. Discussion of Law Enforcement Budget

City Manager Bonfield noted the law enforcement budget includes the new agreement with the Pinellas County Sheriff's Office where the contract price is going up three percent for the year; \$50,000 for additional duty; and costs with the police department building.

Member Johnson made a motion to recommend the law enforcement budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

f. Discussion of Fire Department Budget

Dan Graves noted the Fire Department budget includes building improvement costs and replacement of equipment.

Member Samorajczyk made a motion to recommend the Fire Department budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

City Manager Bonfield noted the EMS budget includes no changes in personnel or operations.

Member Samorajczyk made a motion to recommend the EMS budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

g. Discussion of Recreation Department Budget

Chairwoman Melodayo noted the Recreation Department budget includes an increase in retirement and insurance expenses; a slight increase in professional and contractual fees; \$25,000 for umpires, scorekeepers, bus drivers, etc.; a decrease in electricity costs; an increase in daycare students; an exclusion from the budget for the St. Pete Beach Classic which was previously budgeted at approximately \$87,000; \$38,000 for operating supplies; camp store snacks; \$21,500 for minor equipment replacement including \$3500 for pool pump replacement.

Member Johnson made a motion to recommend the Recreation Department budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

h. Discussion of Public Services General Department Budget

City Manager Bonfield noted the Public Services Administration budget includes no changes in personnel, an annual contract with a flat rate for bus service with PSTA, submerged land lease fees with Merry Pier and a barge for July 4th fireworks.

Member Lyman made a motion to recommend the Public Services Administration budget as presented. The motion was seconded by Chairwoman Melodayo and unanimously approved by a voice vote.

City Manager Bonfield noted the Public Services Building Maintenance budget includes moving two part-time employees to the Recreation Department, maintenance of the City Hall building, and electricity bills.

Member Lyman made a motion to recommend the Public Services Building Maintenance budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

City Manager Bonfield noted the Public Services Streets budget includes no change in personnel, \$340,000 for street lights, professional and contractual fees are fixed costs, and holiday decorations.

Member Lyman made a motion to recommend the Public Services Streets budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

City Manager Bonfield noted the Public Services Parks budget includes no changes in personnel; an increase in professional and contractual fees with a new vendor for the maintenance of medians, turf, green space, tree trimming, etc.; irrigation repairs; and electrical repairs.

Member Lyman made a motion to recommend the Public Services Parks budget with an increase of \$10,000 in facility maintenance. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

i. Discussion of Wastewater Fund Budget

City Manager Bonfield noted the Wastewater Fund budget proposes a four percent rate increase based on an increase in treatment cost from St. Petersburg, no changes in personnel, rebuilding a pump station and replacing pumps.

Member Lyman made a motion to recommend the Wastewater Fund budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

j. Discussion of Reclaimed Water Fund Budget

City Manager Bonfield noted the Reclaimed Water Fund budget proposes an 8 percent rate increase based on the cost of maintenance for the system and purchase of reclaimed water from Pinellas County.

Member Lyman made a motion to recommend the Reclaimed Water Fund budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

k. Discussion of Stormwater Fund Budget

City Manager Bonfield noted the Stormwater Fund budget includes funds for the management of the system, maintenance work, Blind Pass Road project, and solving drainage problems.

Member Lyman made a motion to recommend the Stormwater Fund budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

I. Discussion of Vehicle Replacement Plan

City Manager Bonfield noted the Vehicle Replacement Plan budget includes dedicating money to the replacement of vehicles.

Member Lyman made a motion to recommend the Vehicle Replacement Plan budget as presented. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

m. Discussion of Capital Improvement Plan

City Manager Bonfield noted the Capital Improvement Plan budget includes funding from Penny for Pinellas; money from various utilities; grant monies; transfers from the general, wastewater, reclaimed water and stormwater funds; and monies from 'Pinellas County for Beaches' projects. The funding available is approximately \$4 million and \$1.3 million is not appropriated. The projects planned are the following: fire truck, mini-pumper, street rehabilitation, seawall repairs, Bayway landscaping, beach walk-overs, Pass-A-Grille Way, FDOT landscaping, Blind Pass Road, Egan Park, playground resurfacing, Community Center debt payment, Community Center docks, library expansion, wastewater pumps at Lift Station #1, manhole replacements, Lift Station #2, wastewater inflow and infiltration, and reclaimed water system.

Member Lyman made a motion to recommend the Capital Improvement Plan budget as presented. The motion was seconded by Member Johnson and unanimously approved by a voice vote.

7. Reports

Chairman Melodayo commented on making a recommendation regarding what the committee wants to do with the millage rate.

City Manager Bonfield commented about audience comments and Chairman Melodayo asked for audience comments.

Jim Parent, 55th Avenue, St. Pete Beach, made a clarification that the Pass-A-Grille project goes from the Don CeSar to 19th Avenue. Mr. Parent advised the Finance & Budget Committee that the extra \$10,000 into Public Services Parks budget will put the current budget out of balance. Lastly, Mr. Parent encouraged the Finance & Budget Committee to fund an operational reserve for unexpected expenses.

Chairman Melodayo agreed with Mr. Parent and recommended reducing the holiday decorations budget from \$35,000 to \$25,000 and moving the \$10,000 to facility maintenance.

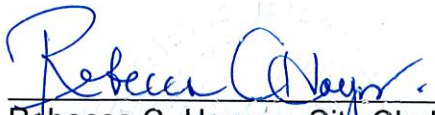
Chairman Melodayo stated a concern about maintaining the millage rate and there was a general discussion about maintaining, lowering or increasing the millage rate.

Member Johnson made a motion to approve the budget with the exception of applying \$10,000 to facility maintenance, reduce the millage rate to 3.0 mills and to put extra money into the City Commission's budget for an operational reserve fund where the City Commission approves all expenditures. The motion was seconded by Member Samorajczyk and unanimously approved by a voice vote.

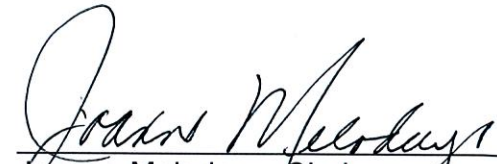
8. Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 4:30 p.m.

Attest:



Rebecca C. Haynes, City Clerk



Joanne Melodayo, Chairwoman

Minutes approved: 11/15/2013