FINANCE AND BUDGET REVIEW COMMITTEE MEETING
CITY OF ST. PETE BEACH

155 Corey Avenue
St. Pete Beach, FL 33706

Wednesday, August 2, 2023
3:00 PM

Call to Order
Pledge of Allegiance
Roll Call

REGULAR MEETING

1. Approval of the Agenda -

   Action Request: Motion to approve the August 2, 2023 agenda with or without changes.

2. Audience Comments -
   Comments shall be limited to 3 minutes. Please complete a comment card and submit to the Clerk.

3. Action Items -

   a. Approval of the Minutes - Regular Meeting 5/03/23, ACFR Review 5/26/23, CIP Ranking Workshop 6/27/23, Budget Workshop 7/12/23

   b. Fiscal Year 2024 Third Quarter Financial Report

4. 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 or www.stpetebeach.org.

DRAFT FINANCE & BUDGET REVIEW COMMITTEE MEETING MINUTES
May 3, 2023 – 3:00 P.M.

PRESENT: Joanne Melodayo, Chair
Amy Auerbach, Member
Jack Samorajczyk, Member
Jack Rader, Member

EXCUSED: Natalie Conner, Vice Chair

STAFF PRESENT: Vince Tenaglia, Assistant City Manager & Finance Director
Ginny Bodkin, Deputy City Clerk

Chair Melodayo called the meeting to order at 3:00 PM.

1. **Approval of the Agenda –** There were no changes to the agenda.

Member Rader moved, and Member Samorajczyk seconded to approve the agenda for May 3, 2023; the motion carried unanimously.

2. **Audience Comments -** There were no audience comments.

3. **Action Items**

a. Approval of Minutes: Regular meeting 2/01/2023

It was pointed out that the February meeting reviewed the 1st quarter financials, not the 2nd; the Clerk will make the changes.

Member Samorajczyk moved, and Member Rader seconded to accept the minutes from the February 1, 2023 meeting, changing to 1st quarter review; the motion carried unanimously.

b. Election of Officers 2023-23

Member Samorajczyk moved, and Member Auerbach seconded to retain Joanne Melodayo as Committee Chair and Natalie Conner as Vice Chair for 2023-24; the motion carried unanimously.

Finance Director/Assistant City Manager Vince Tenaglia introduced new committee member Amy Auerbach who shared some of her background for the Board and public. Jack Rader, who was new to the last meeting was also introduced and shared his background.

c. Scheduling of 2023 Budget Meetings

Mr. Tenaglia explained the additional meetings necessary to produce the annual budget. The Committee tentatively scheduled a meeting to rank the Capital Improvement Projects (CIP) for June 27th at 9:00 AM and the Budget Review Workshop for July 12th 9:00 AM. Member Rader may call some of his observations/comments to Mr. Tenaglia in advance of that meeting if he is unable to attend.

A brief question and answer period followed regarding the CIP meeting; the Deputy City Clerk reminded all of impartiality and the Code of Ethics.

d. Fiscal Year 2023 Second Quarter Financial Report

Prior to the quarterly review, Mr. Tenaglia summarized some of the initiatives that occurred during the quarter.

- The first phase of the ERP financial accounting software launch went live April 1st. Phase 2 (HR, payroll) will launch in the summer. When completed, the result will be an updated, paperless, more streamlined, less redundant system.
- The Annual Comprehensive Financial Report (ACFR) was completed in late March. Mr. Tenaglia spoke about that document.
- The City received notification of the award of a $1.5 million grant for seawall replacement at the Recreation Center; it will be fully funded with an approximate $100K match.
- A $2million appropriation request for the Fire Station that was vetoed last year has been included in the preliminary State budget and hopes are for it to remain.
- A comment from the auditors regarding building permit excess revenue was discussed; Mr. Tenaglia explained the process of permit fees and the related expenditures. The City has responded by revising the rate structure.
- Cybersecurity, training, and the lifespan of the new ERP software were discussed. The IT Manager position has been restructured with cybersecurity as a focus.

Mr. Tenaglia reviewed the 2nd Quarter Report with the members of the Committee. The report is part of the meeting record.

- Summary and Budget Status (the Re-Appropriation ordinance was explained)
- Overview of (the 10) Fund Revenues and Expenditures
- General Fund Revenue
  - Variances were discussed
- General Fund Expenditures
- Enterprise Funds
- Capital Project Status
  - Mr. Tenaglia spoke about the presentation of Fire Station 22 preliminary designs and the State Revolving Fund loan rate
  - The Subaqueous project is identified in 2027
- Treasury Report
  - ARPA Funds (American Rescue Plan)
  - Mr. Tenaglia spoke about City's Investment Policy to mitigate risks

Following the financial review, the Committee scheduled an ACFR review meeting for Friday, May 26th at 10:00AM.

4. Adjournment

Chair Melodayo moved and Member Samorajczyk seconded adjournment at 4:15 PM.

These minutes will be considered for approval at the August 2, 2023 Finance and Budget Review Committee meeting.

DRAFT FINANCE & BUDGET REVIEW COMMITTEE MEETING MINUTES
ACFR REVIEW
May 26, 2023 – 10:00 A.M.

PRESENT: Joanne Melodayo, Chair
Jack Rader, Member

EXCUSED: Natalie Conner, Vice Chair
Amy Auerbach, Member
Jack Samorajczyk, Member

STAFF PRESENT: Vince Tenaglia, Assistant City Manager & Finance Director
Ginny Bodkin, Deputy City Clerk

Chair Melodayo called the meeting to order at 10:10 AM.

Roll Call – There was not a quorum of members; Mr. Tenaglia suggested an informal Q&A period for any questions that the two members present might have.

1. **Discussion Items –**

    a. Annual Comprehensive Financial Review (ACFR) Fiscal Year Ending 9/31/23

With no quorum present, a brief Q&A and discussion took place on the following:

- Adding a glossary of terms to the report was suggested
- Cash Flows in the report are for Enterprise Funds only; a suggestion was made to add a one-page city-wide cash flow statement
- Pensions and pension liability
- Real estate investments and potential exposure
- The closed Police Pension Plan and plan assets
- Pump stations and funding (possibly considering a State revolving loan)
- Upcoming CIP Ranking meeting and criteria for ranking projects

4. Adjournment

The meeting was adjourned at 10:37 AM.

These minutes will be considered for approval at the August 2, 2023 Finance and Budget Review Committee meeting.

DRAFT FINANCE & BUDGET REVIEW COMMITTEE WORKSHOP MEETING
CAPITAL IMPROVEMENT PROJECT (CIP) PRIORITY RANKING
June 27, 2023 – 9:00 A.M.

PRESENT: Joanne Melodayo, Chair
Natalie Conner, Vice Chair
Amy Auerbach, Member
Jack Samorajczyk, Member
Jack Rader, Member

STAFF PRESENT: Alex Rey, City Manager
Sheila Dalton, Chief Financial Officer
Ginny Bodkin, Deputy City Clerk
Chief Technology and Innovation Officer Candyce Galloway

Chair Melodayo called the meeting to order at 9:00 AM.

1. **Discussion: Capital Improvement Project (CIP) Ranking**

City Manager Rey explained that the projects would be reviewed today, and the members can subsequently rank and submit their rankings. CFO Sheila Dalton gave an overview of the ranking criteria.

Member Samorajczyk entered the meeting at 9:07 AM.

Member Rader suggested that grant funded projects may not need to be ranked, the required, regulatory projects should have at least a 99% weighing, public safety issues (i.e. seawalls) should take priority, and then discretionary projects could be ranked following those.

Mr. Rey discussed each project in order of the draft CIP report, using a detailed presentation; the presentation is part of the meeting record. Following discussion of each item, the Committee ranked the projects.

Egan Park Improvements: City Manager Rey explained that the City Commission previously reallocated $300,000 for this from the St. John’s project - the requested balance to complete would be $950,000. Grants can be sought for this project. Total priority rank - 16.

Lazarillo Park Improvements: Total priority rank – 29.

Playground Equipment Replacement: Total priority rank – 31.

Pass a Grille Park: The City Manager reviewed the most recent park plan design. Total rank – 23.

Member Conner entered the meeting at 9:48 AM.

Horan Park Docks – The project was discussed, and it was suggested to consider a policy for transients. Following discussion, Committee consensus was to put the project off. Total priority rankings and score 0.

Community Center Pool Resurfacing: Total priority rank – 44.

Beach Access Improvement: All access points for signage, landscaping, and pavers. Total priority rank to match Crossovers at 42.

Public Works: Beach Access and Dune Crossovers: In two locations. Total priority rank 42.

Asset Management Portfolio Development: Total priority rank 49 (score 66.10).

Wastewater - Inflow and Infiltration Rehabilitation Program: Mr. Rey explained that the improvements from this project have saved the City $450K per year working with St. Petersburg. This is a necessary expenditure. Ranking remained the same and score remained 89.00.

Wastewater – Force Main Repair and Replacement: Mr. Rey explained that this is not an immediate project, but 100% necessary; it cannot be repaired while in use. An engineering firm is looking at options on how to replace in 2030 - savings need to begin now. Analysis is ongoing to look at switching between Treasure Island and S. Pasadena routing during repair/replacement. The Committee suggested using excess working capital here. Rankings and total score remained at 72.80.

Seawall Rehabilitation Program: A grant was obtained for $1.5 million. Those in bad condition are being replaced. Total priority rank increased slightly and score to 82.15.

Member Auerbach left the meeting at 10:29 AM.

Don CeSar Boat Ramp: Mr. Rey spoke about raising height with intersection repairs. There is grant funding for this project; a feasibility study is underway. Ranking and score remained at 70.00.

Reclaimed Water – System Repair & Replacement: Significant changes have occurred in the last two years; lateral repairs are being done at a pace to stay with road resurfacing. Ranking remained the same and score at 66.45.

Long-term Resiliency Improvements (Unfunded): The City Manager explained that last year there was a healthy tax roll increase, and the City needs to start putting money aside for resiliency. The Committee suggested turning this into a formal project. Rankings created totaled 48.

Tidal Check Valve Installation Program: Total rank and score remained at 72.60.

Stormwater – Watershed Management Master Plan: There is some grant funding on this project. Total rankings increased to 47.

Stormwater – Drainage Improvements – Rankings created totaled 45.

Street Rehabilitation Program – Mr. Rey explained the extra project components with Gulfwinds Drive, Boca Ciega Drive and Gulf Way; he reviewed the Pavement Conditions Index (PCI). Total rank decreased to 51.

Shell Alley Improvements - Total rankings and score remained at 52.80.

Gulf Blvd. Electric Undergrounding – This project partially funded by Penny for Pinellas. Ranking priority totaled 46.

Facility Renovations, Generator Power for City Facilities, and HVAC Equipment Replacements were combined to one item with a total ranking priority of 51. Mr. Rey explained that a complete asset management plan has been completed for facilities that wear out, as outlined in the presentation.

Fire Station 22: Total ranking priority totaled 49.

Apparatus replacement: Total ranking priority totaled 48.

Gulf Blvd Improvements: Mr. Rey discussed assessing which areas will have 10 ft sidewalks; a list of the locations was in the presentation. Committee suggestion was to delay the entire project. Total ranking priority was 25.

73rd Ave Sidewalk Network: The City Manager reviewed a map of remaining sections to be completed. Ranking priority totaled 25.

IT Wireless network Access Redesign, Cybersecurity Improvements, VoIP Platform, City Hall A/V Solution, Citywide Security System, and Community Camera System were all combined into one project: Chief Technology and Innovation Officer Candyce Galloway explained the details of the IT projects. Total priority ranking 44.

IT Innovation Fund: Ms. Galloway explained this as a bucket of funding necessary to evaluate the needs of the City and leverage capabilities, including providing better delivery to constituents. Total ranking priority 34.

Asphalt Replacement Program: Mr. Rey explained that the City is working with property owners to remove asphalt to beautify and improve impervious area (approximately 25 properties have been completed and names are being collected for the future). The ranking priority totaled 29.

Sunset Way & Beach Plaza Sidewalks: Mr. Rey reviewed the map in the presentation. Total priority ranking was 38.

Library Improvements: Priority rankings and score to remain the same at 30.65.

Gulf Winds Drive Improvements: Ranking priority totaled 47.

4. Adjournment

Member Samorajczyk moved and Member Rader seconded adjournment at 1:00 PM.

The next meeting will be the Budget Workshop on July 12th at 9:00 AM. Member Rader cannot attend that meeting.

These minutes will be considered for approval at the August 2, 2023 Finance and Budget Review Committee meeting.

DRAFT FINANCE & BUDGET REVIEW COMMITTEE WORKSHOP MEETING
FY 2024 PROPOSED BUDGET REVIEW
July 12, 2023 – 9:00 A.M.

PRESENT: Joanne Melodayo, Chair
Natalie Conner, Vice Chair
Amy Auerbach, Member
Jack Samorajczyk, Member

EXCUSED: Jack Rader, Member

STAFF PRESENT: Alex Rey, City Manager
Sheila Dalton, Chief Financial Officer
Ginny Bodkin, Deputy City Clerk
Department Directors as Indicated

Chair Melodayo called the meeting to order at 9:00 AM.

1. **Discussion: FY 2024 Proposed Budget Review**

The Chair asked if there were any comments about the results of the CIP ranking and the summary that Ms. Dalton had sent; there were none.

Mr. Rey explained the tentative schedule for the day with all City Department heads presenting.

A line-by-line review of the proposed budget followed with a Director/Manager of each corresponding department present to provide details and answer questions. Line items that were discussed are included below.

<u>General Revenue Fund – Alex Rey, City Manager; Sheila Dalton, CFO</u>

- Healthy growth on property tax year over year
- Proposed millage reduction – pro and con
- Some item forecasts depend on the State (Half Cent Tax, Revenue Sharing, etc.)
- Federal Grants – slow time frame to include in budget
- Pinellas County reimbursement for EMS services
- Use of Impact Fees; how to get hotels to better fund Emergency Services (since they use them the most) and make more equitable
- Ad Valorem tax for hotels – how they are assessed
- Program activities – Library, pool, etc. Beach wedding fee increase should be considered
- Parking/parking ticket revenue – two new officers will help
- City of St. Pete has fees on commercial lease amounts per SF – consider that for the beach
- Interfund loan General Fund to Reclaimed Water; unused funds will carry back to the General Fund

Departmental Reviews

<u>City Clerk Department - Amber LaRowe, City Clerk</u>

- No staffing changes
- No new items FY 2024
- Continuing digitization project
- Elections charges come from Supervisor of Elections – based on size of ballot

Member Samorajczyk moved to approve the City Clerk FY 2024 budget as presented; Member Auerbach seconded – all in favor.

City Commission – Alex Rey, City Manager

- No changes

Member Samoracjzyk moved to approve the City Commission FY 2024 budget as presented; Member Conner seconded – all in favor.

City Manager – Alex Rey, City Manager

- Allowances - Housing Allowance – City Manager's Health Opt Out Benefit – amount has been reduced from the $35K presented
- Public Information Officer
- Fleet Fund – increasing vehicle costs

Member Samoracjzyk moved to approve the City Manager budget for FY 2024 as presented, [with reduction in Opt Out Benefit]; Vice Chair Conner seconded – all in favor.

Finance Department – Sheila Dalton, CFO

- Same Full Time Equivalent (FTE) of staff but adds an HR/Finance Technician
- Accounting/Auditing increased for CPA firm to supply additional support
- Software costs moved to IT

Vice Chair Conner moved to approve the Finance Department budget for FY 2024 as presented; Member Samorajczyk seconded – all in favor.

City Attorney – Alex Rey, City Manager

- Increase consistent with that of last year

Member Samorajczyk moved to approve the City Attorney budget for FY 2024 as presented; Chair Melodayo seconded – all in favor.

Library – Betcinda Kettells, Library Director

- Becoming an Autism-friendly library (training, planning, new hire on autism spectrum)
- Contractual instructors for programs

Member Samorajczyk moved to approve the Library budget for FY 2024 as presented; Member Auerbach seconded – all in favor.

Parks and Recreation and Aquatics – Jennifer McMahon, Chief Operating Officer

- Holiday Decorations increase
- Staffing

Member Samorajczyk moved to approve the Parks, Recreation and Aquatics budget for FY 2024 as presented; Chair Melodayo seconded - all in favor.

Parks and Recreation - Beach Maintenance – Jennifer McMahon, COO

- Equipment Rental

- Beach Law Enforcement needs – security
- Enforcement of laws on beach – potential additional position next FY

Member Auerbach moved to approve the Beach Maintenance budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

Parks and Recreation - Parks Maintenance – Jennifer McMahon, COO

- No discussion

Member Auerbach moved to approve the Park Maintenance budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

City Manager: Planning – Jennifer McMahon, COO

- Review of the Comprehensive Plan is biggest change (estimated $300K)
- Contractual/Professional Services – reduction of one planner; moved to and augmented by Consultants: for the PAG Overlay; an Architect for Overlay guidelines; a Historic Appropriateness Designation specialist – estimated costs of $100K

Member Auerbach moved to approve the City Manager Planning budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

Fire Department – Fire Chief Jim Kilpatrick

- Added three positions for Firefighter EMT to match other municipalities/OSHA standards
- Restructuring to remove Administrative Staff and add Deputy Fire Chief in keeping with economy; look at County funded positions and ways to augment in next FY

Member Auerbach moved to approve the Fire Department budget for FY 2024 as presented; Chair Melodayo seconded - all in favor.

Fire Department: Emergency Medical Services – Fire Chief Jim Kilpatrick

- County provides $2.8M, providing for twelve paramedics and the EMS Coordinator plus equipment and miscellaneous items (i.e. Marine Unit)

Member Samorajczyk moved to approve the Fire Department EMS budget for FY 2024 as presented; Member Auerbach seconded - all in favor.

Law Enforcement – Alex Rey, City Manager

- Same staffing – 3 Community Officers (Sheriff's Deputies) – 24/7 patrol
- Excessive drinking, loud music, dogs on beach; behavior differs on different beaches
- Homelessness issues
- Free SunRunner continuing

Member Auerbach moved to approve the Law Enforcement budget for FY 2024 with the addition of a recommendation to the City Commission to allocate an additional Community Officer for the enforcement of the Beach Ordinance and other illegal activities; Member Samorajczyk seconded - all in favor.

The Chair Adjourned for a lunch recess at 11:30 AM.

The Chair called the meeting back to order at 12:01 PM.

<u>Public Works: Administration – Mike Clarke, Public Works Director</u>

- Already added an Engineer - primarily electrical (undergrounding, etc.) and Mechanic
- Advocating for a FT Mechanic's Assistant for mechanics for next FY

Member Samorajczyk moved to approve the Public Works Administration budget for FY 2024 with the addition of a recommendation to the City Commission to allocate an additional full-time Mechanic's Assistant; Member Auerbach seconded - all in favor.

<u>Public Works: Streets Maintenance – Mike Clarke, Public Works Director</u>

- Shell Alleys maintenance decrease

Member Auerbach moved to approve the Public Works Streets Maintenance budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

<u>Wastewater Fund - Mike Clarke, Public Works Director</u>

- Addition of Utility Technicians and Sanitary Sewer Maintenance Worker
- Mobile generators for pump stations
- City Manager added that current revenue projections and budget show an approximate $1M shortfall on Sewer Fund which translates into a potential rate increase; similar to the Reclaimed Water Fund

Vice Chair Conner moved to approve the Public Works Wastewater Fund budget for FY 2024 as presented; Chair Melodayo seconded - all in favor.

<u>Reclaimed Water Fund - Mike Clarke, Public Works Director</u>

- Transferred $2M may not need all (repay balance to General Fund)
- County approved rate increases – County Public Works meeting upcoming
- County working on reclaimed water meters

Member Auerbach moved to approve the Reclaimed Water Fund budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

<u>Stormwater Fund – Mike Clarke, Public Works Director</u>

- More staffing will be needed due to sea level rise in near coming years
- Fee increases will become necessary due to sea level rise

Member Samorajczyk moved to approve the Stormwater Fund budget for FY 2024 as presented; Chair Melodayo seconded - all in favor.

Chair Melodayo left the meeting at 12:52 PM. Vice Chair Conner assumed the Chair role.

<u>Community Development Department(CD): Transportation & Parking - Michelle Gonzalez, CD Director</u>

- Code Enforcement Officers have been added
- Professional & Contractual – Providers for Flowbird paystations, ticket processing, parking sensors

- Suncoast Trolley
- Additional Freebee costs; pilot program Looper
- Credit card transaction fees for parking

Member Samorajczyk moved to approve the CD Transportation and Parking budget for FY 2024 as presented; Member Auerbach seconded - all in favor.

<u>Community Development Department: Code Compliance – Michelle Gonzalez, CD Director</u>
- Wages for Special Magistrates

Member Auerbach moved to approve the CD Code Compliance budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

<u>Community Development Department: Facilities Maintenance – Michelle Gonzalez, CD Director</u>
- No additional discussion

Member Samorajczyk moved to approve the CD Facilities Maintenance budget for FY 2024 as presented; Member Auerbach seconded - all in favor.

<u>Building Fund – Michelle Gonzalez, CD Director</u>
- Two Vacant Building Inspector positions open
- Requesting another vehicle
- Digital plan reviews - additional large screen needed
- New permitting system and consultant support for that (bid review process still ongoing)
- This fund is close to exceeding maximum State fund balance – invest in technology

Member Auerbach moved to approve the Building Fund budget for FY 2024 as presented; Member Samorajczyk seconded - all in favor.

<u>Multimodal Fund – Michelle Gonzalez, CD Director</u>
- Short-term to mid-term safety improvements on Gulf Blvd.
- Residential v. Commercial Impact Fees
- Gulf Blvd. Safety Study - Vision Zero

Member Samorajczyk moved to approve the Multimodal Fund budget for FY 2024 as presented; Member Auerbach seconded - all in favor.

<u>Administrative Services: Information Technology (IT) - Candyce Galloway, Chief Technology and Innovation Officer</u>
- Shifting Focus to broader, integrated services – looking to add a Systems Analyst
- Software - technology surcharges from suppliers have increased and licenses and security
- Investigating the option of a lien search tool and phone text tracking
- Cyber Security – won a grant for $70K for technology from the State (for threats)

Member Samorajczyk moved to approve the Administrative Services IT budget for FY 2024 as presented; Member Auerbach seconded - all in favor.

The City Manager and CFO will report back on Fleet and Capital Funds that were not discussed today; they will meet individually with the different Department Directors regarding Fleet needs and will update the Committee.

4. Adjournment

Vice Chair Conner adjourned at 1:52 PM

The next meeting will be the regular Quarterly meeting on August 2, 2023 at 3:00 PM.

These minutes will be considered for approval at the August 2, 2023 Finance and Budget Review Committee meeting.