

**City Commission Meeting
Budget Workshop
July 24, 2023
10:00 a.m.**

ELECTED OFFICIALS PRESENT:

Adrian Petrilă, Mayor
Mark Grill, Vice Mayor, Commissioner, District 2
Ward Friszolowski, Commissioner, District 3
Chris Graus, Commissioner, District 1
Chris Marone, Commissioner, District 4

STAFF PRESENT:

Matthew McConnell, Assistant City Attorney
Alex Rey, City Manager
Amber LaRowe, City Clerk
Sheila Dalton, Chief Financial Officer
Jennifer McMahon, Chief Operating Officer
Mike Clarke, Public Works Director
Candyce Galloway, Chief Information Officer
Betsy Kettels, Library Director
Jim Kilpatrick, Fire Chief

Mayor Petrilă called the meeting to order at 10:00 a.m. followed by the Pledge of Allegiance.

1. FISCAL YEAR 2024 BUDGET WORKSHOP DISCUSSION

Sheila Dalton, Chief Financial Officer, and Alex Rey, City Manager, gave a presentation to the Commission to discuss several key points for the upcoming fiscal year, a copy of the presentation is made a part of the record. He reminded the Commission of the millage rate and budget adoption process that the City undergoes annually. Ms. Dalton stated that the Fleet Fund and Capital Fund are still being reviewed; the Capital Improvement Plan will be discussed in the next month or so.

The presentation included:

Fund Balance:

- Assigned vs. unassigned balances

General Fund:

- Budget Updates:
 - Parking +13% over budget estimate
 - Interest income +300% over budget estimate
 - Employee turnover
 - Miscellaneous revenues

Funding Challenges:

- Fire Station 22 rehabilitation
 - Estimated increase of \$1.5M
- Boca Ciega and Gulfwinds Boulevard Projects
 - Increase by approximately \$3M for both projects
 - Reallocate \$1M from General Fund to Reclaim Fund, additional \$1M allocation in FY24, reallocate Federal ARPA Funds to Boca Ciega (\$807,000) and program \$1M in FY24
- Multi-year Capital Program

The Commission discussed the Boca Ciega and Gulfwinds projects, inquiring if the funding was reduced, could the goals/objectives still be obtained.

Revenue:

- Ad valorem taxes +\$2,010,788
 - Based on current millage rate
- Public safety fees +\$231,235
 - Based on proposed EMS reimbursement agreement
- Transportation +\$46,000
- Licenses and Permits -\$417,000
- Interest Earnings +\$161,000
 - Higher prevailing rates

Expenditures:

- New services and additions
 - Law Enforcement
 - Continue with 3rd Deputy or revert to overtime program [as discussed at the District 4 Town Hall Meeting]
 - The Commission discussed the cost with the overtime program. Mr. Rey opined the budget cost to be approximately \$200-\$250K/
 - Citywide Freebee expansion
 - Cost increase of \$168,000, off-set by PSTA savings of \$82,649
 - PSTA is proposing to keep the SunRunner free indefinitely. The Commission discussed the possible composition of a letter expressing the City's troubles with the free SunRunner.
- Personnel related
 - Addition of a Finance/Human Resources Specialist
 - Public Information Officer as a full-time employee or continue as is
 - Vice Mayor Grill opined the City should invest in a full-time PIO and develop a social media/media policy.
 - Commissioner Marone would like assurances that a full and complete PIO job description will be developed.
 - Assistant City Manager or Senior Projects and Grants
 - Addition of 3 Firefighter Paramedics for Fire Station 23
 - Addition of a part-time Library staff person to assist with the new program for disabled users
 - Addition of Public Works personnel to assist with fleet management activities
 - Fire Union contract wage reopeners

City Clerk LaRowe discussed the increase to the City Commission budget as it relates to normal expected increases for membership dues and possible travel/training.

Mrs. LaRowe discussed the City Clerk budget, reminding the Commission of the historical record digitization project her office began in FY2022. The project is with Ko-File, a sole source vendor through a State contract. Phase 3 of the project will occur in fiscal year 2024 and she estimated that there would be one more phase after that until the project is complete. The other increases in the Clerk's budget were related to estimated increases as expected.

Mr. Rey discussed the City Manager's budget mentioning the addition of the full-time PIO position; he also noted

that the intern's contract expires in March of 2024. City Manager Rey expressed his opinions of the role of the Assistant City Manager who was previously with the City and explained the morphing of that role into the Senior Project and Grants employee. The City Commission reminded Mr. Rey of their direction at the July 11th City Commission Meeting regarding the recruitment of an Assistant City Manager and asked that he proceed with that direction.

Vice Mayor Grill mentioned the overtime increases in several of the budgets and would like to address that as departmental budgets are discussed.

Attorney McConnell informed the Commission that the City Attorney budget has no request for an increase.

Mr. Rey discussed the Planning Department budget, noting the reduction in staff from 3 to 2. He further explained the increase in the Professional and Contractual budget as outlined in the Agenda attachment.

The Finance Department budget was discussed; Ms. Dalton explained the need to work with a company to assist in the completion of the Annual Comprehensive Financial Report (ACFR).

Beteinda Kettells, Library Director, shared information about the Library budget. The Commission discussed the disability services program and the new employee request. Vice Mayor Grill inquired about the credit card processing fees and would like more information on how that is passed on to the user. Discussion of City-wide janitorial services was discussed.

Candyce Galloway, CIO, gave a presentation to the Commission on the IT budget; a copy of the presentation is made a part of the record. She highlighted the new employee request, new technology programs, and the increases in the hardware and software for the City. Ms. Galloway touched on training, networking, and cybersecurity. The Commission requested information, in layman's terms, so that they can understand the needs of the City's IT Department more easily. Vice Mayor Grill questioned if outsourcing more of the City's IT needs could be cost saving.

Mayor Petrila recessed the meeting at 12:31 p.m.

Mayor Petrila reconvened the meeting at 1:02 p.m.

Jim Kilpatrick, Fire Chief, gave a presentation to the Commission on the Fire Department budget; a copy is made a part of the record. The presentation included staffing issues, meeting Federal, State, and local regulations/standards, and call volume. Mr. Kilpatrick will provide the volume of EMS-related calls to the Commission.

Mike Clarke, Public Works Director, reviewed the Public Works: Administration budget, noting the additional employee request. Regarding overtime, Ms. Dalton explained the method of conservative budgeting for this fund. The Streets Maintenance budget was discussed. The Commission and Mr. Clarke discussed the needs of the City as they relate to concrete/sidewalk repairs and if more of the repairs can be done in-house. He noted that the funding for shell alleys appears to be a typo. Mr. Clarke will provide a report to the Commission on concrete repairs.

The Wastewater Fund was discussed. City Manager Rey stated that there may be a possible increase in consumer fees in the next fiscal year if the City would like to maintain the current inflow & infiltration program. The City hired a consultant to review the current wastewater fees – that report will be forthcoming.

The Commission discussed the Stormwater Fund and would like to add another Sanitary Sewer Maintenance Worker (I, II, or III) for approximately \$60,000. It was noted that Stormwater Fund ending in 5469 will need to be filled in, it is incorrectly blank.

Mr. Clarke touched on the Reclaimed Water Fund mentioning that the County is looking to install reclaimed meter boxes soon and that Mr. Clarke will provide an update on what this would look like for City residents. Mr. Clarke was asked to review all overtime budgeted funds in Public Works.

Jennifer McMahon, Chief Operating Officer, discussed the Parks Maintenance and Beach Maintenance Funds. The Commission asked for more waste receptacles on/near the beaches. Mrs. McMahon presented the Recreation and Aquatics budget and was asked to review the \$5,000 that is in the budget for a barge tow boat.

The City Manager presented the Code Compliance budget and mentioned the addition of new code enforcement officers and the corresponding revenue.

The Microtransit Service Fund was discussed. City Manager Rey mentioned the two options of a loop service and a 15-minute response time and the corresponding increase to do those. For 20 minutes, Mr. Rey estimated the cost to be \$25k. Vice Mayor Grill suggested a separate meeting to discuss the intent of Freebee.

Parking fees were discussed next, with the Commission agreeing to increase parking rates on the weekends and holidays to \$4.75/hr. and weekdays to \$4.00/hr. Possible reimbursement for residents who pay to park in the County Beach parking lot will be investigated.

Mr. Rey was asked to review the \$2,000 that is included in the budget for Freebee charging.

The Commission requested a report on parking tickets issued versus paid.

The Building Department Fund was discussed with staff seeking to hire an additional Permit Technician and Deputy Building Official. Mr. Rey is to review the repair and maintenance - vehicle amount in this budget.

The Capital Fund was touched on; however, a more in-depth conversation will be forthcoming.

Mayor Petrila discussed the City's variable budget versus fixed budget and a contingency plan.

Vice Mayor Grill requested an analysis of the various millage rate options and an "if/then" scenario.

Mayor Petrila adjourned the meeting at 3:55 p.m.

MINUTES APPROVED: AUGUST 8, 2023



AMBER LAROWE
CITY CLERK



ADRIAN PETRILA
MAYOR