City Commission Budget Meeting
June 13, 2024
4:00 p.m.

ELECTED / APPOINTED OFFICIALS PRESENT:
Adrian Petrila, Mayor
Rich Lorenzen, Vice Mayor, Commissioner, District 4
Karen Marriott, Commissioner, District 1
Nick Filtz, Commissioner, District 2
Betty Rzewnicki, District 3

STAFF PRESENT:
Wayne Saunders, City Manager
Amber LaRowe, City Clerk (present via Zoom)
Jennifer McMahon, Chief Operating Officer
Mike Clarke, Public Works Director

Mayor Petrila called the meeting to order at 4:00 p.m. followed by the Pledge of Allegiance.

1. DISCUSSION: FISCAL YEAR 2025 BUDGET

Wayne Saunders, City Manager, presented the Commission with three handouts: FY25 Proposed Budget Summary, FY25 Proposed Budget by Department Line-Item Detail, and FY25 Proposed Budget Capital Improvement Plan – all are made a part of the record.

Mr. Saunders reviewed the FY25 Proposed Budget Summary and touched on the following:

- Budget process
- Revenue sources
- Other sources
- Expenditures
- Ending balances for reserves (a/o 9/2023)
    - General: $16.5M
    - Building: $2.8M
    - Fleet: $815K
    - ARPA: $4.7M
    - Multimodal: $211K
    - Capital: $9.7M
    - Resiliency $636K
    - Wastewater $997K
    - Reclaimed: $1.3M
    - Stormwater: $1.4M

City Manager Saunders stated that it is proposed to use some of the reserve funds to fill in the areas of deficiency in the proposed FY25 budget. Staff has constructed the proposed budget with keeping the millage rate where it currently is.

- New position requests:
    - Finance Analyst
    - Fire Administration Assistant
    - Parks and Recreation Director
    - Public Works:
        - GIS Tech
        - Streets Maintenance Worker

- Stormwater Maintenance Worker x2

City Manager Saunders mentioned that the City used to have a Parks and Recreation Director; however, that position was vacated but never placed back into a budget to fill. He also mentioned that the City used to have an Assistant City Manager/Finance Director position; however, it was decided last year not to fill the Assistant City Manager position. Mr. Saunders stated the intent is to remove the Chief Operating Officer position and fill the Assistant City Manager position instead.

The current GIS Tech position is shared with Treasure Island; however, City Manager Saunders discussed the importance of the City having a person full-time.

Commissioner Rzewnicki would like more information on how many positions are currently open compared to what was asked for in FY24.

A discussion was had on Code Enforcement/Parking Enforcement. Mayor Petrila opined that it may be in the City's best interest to convert the current part-time Parking Enforcement positions to full-time.

- Compensation
  - FY24 IAFF Agreement Wage Re-Opener approved for 3%
  - Cost of Living Adjustment: 3.7%
  - Pay Plan Implementation
    - Included in the proposed budget
      - 50% cost $237,000

City Manager Saunders would prefer that the City Commission increase compensation above the 50% mark due to the problems with hiring and retaining. Also, the information collected for the compensation study will be a year old by the time of the October implementation. Mr. Saunders continued discussing the compensation stating that whatever is implemented would also include, on top of that increase, the cost-of-living increase. He also explained the monetary cap increase of $7K (if 50%) and a minimum increase of 2% so that all positions would at least get something.

The Commission discussed the compensation and ways to increase revenue to increase the pay above 50%. The possibility of an increase in parking fees was mentioned; Jennifer McMahon, Chief Operating Officer, stated that the parking fee discussion will be on the June 25th Agenda. The Commission would like a comparison of surrounding municipalities and their parking rates.

A discussion of impact fees was had with City Manager Saunders stating that to increase impact fees, the City must do a study; impact fees cannot be used for personnel-related expenses.

The Commission agreed to a compensation increase to the 60th percentile.

Mayor Petrila recessed the City Commission meeting at 5:50 p.m. and reconvened the meeting at 6:00 p.m.

The Commission discussed the expenses for the outside contractor to provide building official and inspector services and how that would compare to the City increasing the starting salary with benefits. Currently, the City pays approximately $500,000/year for the outside contractor; if the City increased the pay to $130-$150K for the Building Official and $80K for the Building Inspectors (3) plus benefits for both would equate to approximately $500K.

- Wastewater Fund

  - Rate increase was discussed
  - Proposed budget has no increase incorporated; the deficit was discussed
- Sanitary Sewer System Rates
  - Current Structure
  - Deficit was discussed
    - Possible assessment
    - Long-range funding plans
- Reclaimed Water Fund
  - Recommendations:
    - Reduce commitment to reclaimed line replacement program from $350K to $100K in FY25
    - Increase interest income estimate from $50K to $80K
    - Review line-item expenses accounts for approximately $2K in reduction of costs
    - Need multi-year increase to keep up with debt and projects
- Review of Capital Projects
  - Parks and Recreation
    - Dune Walkovers
    - Pool Resurfacing
    - Playground Equipment Replacement
      - Horan Park Shade Structure

Mayor Petrila recessed the City Commission meeting at 6:59 p.m. and reconvened the meeting at 7:15 p.m.

Vice Mayor Lorenzen reminded the Commission of the discussion from Tuesday regarding the funding for a playground at Hurley Park and the commitment of 50% by the Montessori School and Pass-A-Grille Community Church (50% of the estimated price given approximately 3 years ago). A discussion of parks in the City was had.

- Public Works
  - Alleyway Maintenance
  - Street Rehabilitation Program
  - Public Works Roof
  - Gulf Boulevard Undergrounding Phase 2A
  - Public Works Building Improvements
  - Wastewater – Inflow & Infiltration Program
  - Wastewater – Force Main 1 (Design)
  - Reclaimed Water System Repair & Replacement

Mike Clarke, Public Works Director, spoke about the above projects and associated costs. The Commission inquired about funding for the Undergrounding Project and Penny for Pinellas.

The Commission and Mr. Clarke discussed resiliency plans and the Public Works Master Plan.

The Commission agreed to have a follow-up budget meeting on June 25, 2024, at 4:00 p.m.

Mayor Petrila adjourned the meeting at 8:14 p.m.

MINUTES APPROVED: JUNE 25, 2024

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AMBER LAROWE
CITY CLERK

ADRIAN PETRILA
MAYOR