

Pinellas County

*315 Court Street
Clearwater, Florida 33756*



Minutes - Final

Thursday, June 6, 2019

9:30 A.M.

BCC Assembly Room

Board of County Commissioners **Budget Information Session**

Karen Williams Seel, Chair

Pat Gerard, Vice-Chair

Dave Eggers

Charlie Justice

Janet C. Long

Kathleen Peters

Kenneth T. Welch

Roll Call - 9:32 A.M.

Present: Karen Williams Seel, Chair; Pat Gerard, Vice-Chair; Dave Eggers; Charlie Justice; Janet C. Long; Kathleen Peters (arrived at 9:42 A.M.); and Kenneth T. Welch

Others Present: Barry A. Burton, County Administrator; Jewel White, County Attorney; and Teresa Adkins, Board Reporter, Deputy Clerk

Copies of all presentations and documents have been made a part of the record.

1. Capital Improvement Program - Jackie Trainer

Following opening comments by Mr. Burton, Office of Management and Budget (OMB) Manager Jacqueline Trainer referred to a PowerPoint presentation titled *Capital Improvement Program* and provided an outline of the Capital Improvement Program (CIP), its policies and objectives, and the proposed Fiscal Year 2020 budget.

Ms. Trainer indicated that the six-year CIP is updated annually as part of the budget process; that the proposed budget for Enterprise Funds for the next fiscal year is \$138.3 million; that the proposed budget for Governmental Funds is \$211.9 million; and that the Penny for Pinellas surtax is the major funding source at 70 percent; whereupon, she noted that other funding comes from the Local Option Fuel Tax, Tourist Development Tax, and various other revenues and fees.

Ms. Trainer provided a breakdown of proposed Fiscal Year 2020 spending by function and gave examples of project types; whereupon, she provided an overview of the portfolio management process used to prioritize projects and programs. Noting that the Penny IV begins in 2020, she reviewed the planning process which began in May 2017, discussed strategies to balance the budget over the proposed six-year Penny plan, and referring to a diagram, reviewed the CIP budget cycle, indicating that it will be part of the overall County budget to be adopted in September.

During discussion, Ms. Trainer and OMB Director Bill Berger responded to queries and comments by the members, and Mr. Burton provided input. Topics included the following:

- Importance of transparency and communication with citizens and partners regarding potential changes to the six-year plan
- Need for flexibility with regard to land acquisition opportunities
- Current and projected Penny for Pinellas fund balance
- Need to balance the Penny budget on a year-by-year basis
- Lack of specificity in the plan with regard to recurring projects
- Intentional front-loading of projects in the plan and overestimating costs

- Need to address emergency and necessary projects first
- Potential Pinellas County/City of Clearwater office facility
- Emergency shelters

Responding to concerns presented by Palm Harbor Fire Commissioner Julie Peluso, Ms. Trainer related that Palm Harbor Fire Station 68 is slated for planning in Fiscal Year 2020 and construction in Fiscal Year 2021.

Mr. Berger related that the proposed budget will be presented at the July 23 Board meeting; that the members are invited to provide input regarding the CIP, particularly for Fiscal Year 2020; and that a breakdown by year will be provided.

The members commended Mr. Berger, Ms. Trainer, and staff for their efforts, noting the extensive information and documentation provided.

2. Review Proposed Changes to Governmental and Enterprise User Fees and Utility Rates - Lisa Burley

Budget and Financial Management Analyst Lisa Burley conducted a PowerPoint presentation titled *User Fees and Utilities Rates*. She reviewed Board policy guidelines regarding fees, and referring to a chart, provided a breakdown of Fiscal Year 2018 General Fund revenue by category, noting that user fees amounted to 2.7 percent of the total.

Ms. Burley reviewed proposed Fiscal Year 2020 General Fund user fees by department, and Commissioner Eggers requested that the Board consider discontinuing fees instituted at County parks during the recession. Discussion ensued, and responding to queries by the members, Lyle Fowler, Parks and Conservation Resources, and Mr. Berger provided background and statistical information pertaining to the fees. In response to query by Commissioner Welch, Mr. Berger related that it is not possible to differentiate between local residents and visitors with regard to the fees.

Referring to the presentation and a document titled *FY20 User Fees - Summary of Changes*, Ms. Burley discussed the estimated revenue impact of proposed new fees and changes to existing fees under the General Fund and the Airport, Building Services, and Solid Waste Funds; whereupon, she provided an overview of water, sewer, and reclaimed water system rate increases pursuant to a four-year plan approved by the Board on May 21, 2019.

Responding to query by Commissioner Eggers, Utilities Director Megan Ross indicated that sewer rates are re-evaluated on a periodic basis following a study to determine system needs; and that approximately 60 percent of the increase will be used for wastewater treatment facilities, and the remaining 40 percent for corrective measures and system improvements; whereupon, she provided information pertaining to the budget and timeline for reclaimed water metering.

3. Review Decision Packages and Funding Strategies for Proposed Budget

Mr. Berger referred to a PowerPoint presentation titled *Review Decision Packages and Funding Strategies for Proposed Budget* and noted that the General Fund forecast indicates a balanced budget throughout the forecast period prior to consideration of the decision packages, assuming no change in the millage rate and maintaining a 15-percent reserve level. He discussed balancing strategies and estimated revenue, and confirmed that the budget is based upon the Property Appraiser's forecasted 7.5-percent increase in taxable values for Fiscal Year 2020 and a 4.5-percent growth in years 2021 through 2025.

Mr. Berger indicated that decision packages have been received requesting funding in the amount of \$40.8 million, with a net General Fund impact of \$20.5 million. He presented his proposed approach for funding social action programs and addressing needs expressed by the Sheriff, and offered a plan to address the remaining requests, providing funding of approximately \$8.2 million, with a net General Fund impact of \$7.5 million, and discussion ensued pertaining to the long-term effect of continuing the decision package trend.

Referring to a spreadsheet titled *FY20 Decision Package Funding Strategies*, Mr. Berger provided information regarding the following decision packages, including the requested amounts, purpose, and potential funding sources:

- Business Technology Services
- Convention and Visitors Bureau
- Human Services
- Parks and Conservation Resources
- Planning and Development
- Public Defender
- Public Works
- Sheriff

Throughout the presentation, Messrs. Berger and Burton responded to queries and comments by the members, and the following individuals appeared and provided input:

Lourdes Benedict, Assistant County Administrator, regarding the social action funding process

Kelly Levy, Director, Environmental Management, regarding the status of the north Shell Key Pass and Grand Canal study, and beach nourishment projects

In conclusion, Mr. Berger related that the proposed budget will be presented to the Board at its July 23 meeting; that there will be an opportunity to provide feedback at the August 1 information session, at which time maximum millage rates will be established; that the first and final public hearings for the Fiscal Year 2020 millage rates and budgets will be on September 12 and 24, respectively; and that the new Fiscal Year will commence on October 1.

Miscellaneous Discussion

Commissioner Eggers referred to discussion at a meeting he attended with members of the Pinellas County School Board and inquired as to shortcomings with respect to the County's 9-1-1 communication system. Ms. Benedict related that some issues have been identified and improvements made; that the system is working well; and that Pinellas County does not have the problems that Broward County has. Commissioner Eggers requested an update regarding the School Nursing Program and its mental health component, and Ms. Benedict provided input.

Responding to query by Commissioner Long, Chair Seel indicated that Attorney White will be meeting next week with the Pasco County Attorney and Commissioners regarding an ongoing lawsuit; and that the members will be briefed as to the status of the issue.

In response to comments by Commissioner Eggers, Attorney White stated that she would forward guidelines related to Commissioners serving on the Election Canvassing Board, and discussion ensued regarding upcoming elections.

Chair Seel requested input pertaining to maintaining a computer currently provided for media access to commissioner email. Discussion ensued, and Mr. Berger provided input.

Chairman Seel indicated that a Public Records and Sunshine Law training session would be held in the County Commission Conference Room beginning at 1:00 P.M.; whereupon, Attorney White related that attendance is optional, and that it would be counted as one hour toward their required training.

Adjournment - 12:36 P.M.