

City of Clearwater

*City Hall
112 S. Osceola Avenue
Clearwater, FL 33756*



Meeting Minutes

Monday, May 7, 2018

2:00 PM

Strategic Planning Session

Council Chambers

City Council

Rollcall

Present: 5 - Mayor George N. Cretekos, Vice Mayor Doreen Caudell, Councilmember Hoyt Hamilton, Councilmember Bob Cundiff and Councilmember David Allbritton (Arrived – 2:18 p.m.)

Also Present: William B. Horne II – City Manager, Jill Silverboard – Deputy City Manager, Micah Maxwell – Assistant City Manager, Pamela K. Akin - City Attorney, Rosemarie Call - City Clerk and Nicole Sprague – Official Records and Legislative Services Coordinator

To provide continuity for research, items are listed in agenda order although not necessarily discussed in that order.

Draft

1. Call to Order – Mayor Cretekos

The meeting was called to order at 2:00 p.m. at City Hall.

2. Citizens to be heard re items not on the agenda – None.

3. City Manager Reports

3.1 Annual Strategic Planning Session

City Council Policy “M” states:

“Prior to June 1st of each year and prior to the development of the City Manager’s proposed budget, the City Council shall meet in a strategic planning session(s) to review the five-year financial forecast and update as necessary, the City’s Vision, Mission and Strategic Direction (Goals). From these documents a five-year strategic plan will be updated.”

Consistent with this policy, staff has prepared a series of agenda materials for City Council consideration. First, is the current 5-Year Strategic Plan (2018-2023), which was approved by City Council on April 25, 2017 and incorporated into the FY 2017-18 Budget (Attached).

Before discussing the 5-Year Strategic Plan, staff has prepared an overview of our current service levels and functions by department. Our presentation will be made by department directors and managers, in quick succession, as a refresher of the many functions and services we provide and the way in which they are deployed within the city. We will begin with Public Safety and work our

way through the remaining areas. Strategic Priorities are noted by icon for each function.

After the presentation the City Manager will introduce the financial forecast, specifically focusing on the updated General Fund Revenue Sufficiency Analysis. Unlike last year, we will propose a 5-Year Strategic Plan for 2019-2024, after this session, within the City Manager's recommended FY 2018-19 Budget.

Deputy City Manager Jill Silverboard provided a PowerPoint presentation. Department directors reviewed their main strategic objectives.

One individual encouraged the missing middle housing concept that was developed by Forward Pinellas. The concept identifies how small parcels can be maximized with diverse and affordable housing choices, such as the Hayes Park Village in Oldsmar.

One individual requested consideration to provide working citizens opportunities to provide input on non-consent issues for the Community Development Board, Community Redevelopment Agency and the Municipal Code Enforcement Board.

One individual supported the creation of more neighborhood associations and expansion of neighborhood services in an effort to foster neighborhood identity.

Councilmember Cundiff moved to thank department directors for the information presented. The motion was duly seconded and carried unanimously.

3.2 Financial Overview

Review of General Fund Financial Sustainability Analysis - Stantec Consulting Services

Review of Utility Fund Forecasts

AND

3.3 Council direction for strategic priorities.

Stantec representative Erick van Malssen provided a PowerPoint presentation.

In response to questions, Mr. van Malssen said the expected impact of the additional homestead exemption is \$1.5 million in reduced ad valorem revenue, if the referendum passes. To cover the loss, the millage must be increased by 0.15 to 0.2 mills. Even if the referendum does not pass, there will still be a deficit as there is too much cash flow going out to preserve the reserve balance going forward. Finance Director Jay Ravins said the financial model includes the capital outlay for Crest Lake Park. The BP funds have been placed in the general fund reserves. Mr. van Malssen said the model assumes BP funds will be used for Crest Lake Park and is the reason why the general fund reserves are so low. If the millage rate is increased by 0.6 mills, the model shows the reserve fund balance above the target through 2021. Deputy City Manager Jill Silverboard said the ad valorem was adjusted 10 years ago. Mr. van Malssen said the model included \$600,000 for annual operating costs for the additional school resource officers. Property taxes fund 35% of the city's revenue, barely funding public safety. Ms. Silverboard said the model factored in a 4% increase for police and fire union negotiations in the future for assumption purposes. Mr. van Malssen said the model assumes revenues associated with Imagine Clearwater will begin in 2021, approximately \$1.2 million; the net expenses for that year is approximately \$1.5 million. Ms. Silverboard said none of the future scenarios included any proceeds from the lease or sale of the city hall or Harborview sites.

The City Manager said the budget he is preparing focuses on supporting core services. He is not adding any FTEs or projects that expand city services or facilities. The only additions to be considered will be cost neutral. Personnel continues to be the city's largest expense, which is 66% of the general fund budget. Staff is in the beginning stages of a pay and classification study, which is a priority in sustaining the quality of the city's workforce. He said it is important to understand what is required to recruit and retain given the employment market the City competes in. Negotiations are underway to establish new police and fire contracts. There are major capital improvements facing the city that will compete with other priorities with limited available resources, such as Imagine Clearwater, the Phillies agreement, Crest Lake Park, sewer upgrades, public safety facilities and vehicles and Beach Marina upgrades. He said a millage increase will be necessary to sustain the current level of services and to provide the resources for these new priorities.

Discussion ensued with comments made that a millage increase is needed to maintain service levels, if the millage is not increased then the budget must be adjusted for reduced service levels and smaller workforce, and that the cities of St, Petersburg and Tampa are contemplating raising their millage rates. It was stated that the City has not had a millage increase for ten years. There was consensus to support increasing the millage rate, rather than cutting services and personnel.

4. City Attorney Reports – None.

5. Closing comments by Councilmembers (limited to 3 minutes) – None.

6. Closing Comments by Mayor – None.

7. Adjourn

The meeting adjourned at 3:51 p.m.

Attest

City Clerk

Mayor
City of Clearwater