



Town of Belleair

901 Ponce de Leon Blvd.
Belleair, FL 33756

Meeting Agenda

Finance Board

Thursday, July 16, 2020

4:00 PM

Town Hall

Please enter the link below to join the webinar:

<https://us02web.zoom.us/j/88390605052>

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799 or +1 669 900 9128 or +1 253

215 8782 or +1 346 248 7799 Dial *9 to "raise hand"

Webinar ID: 883 9060 5052

ROLL CALL

CITIZENS COMMENTS

(Discussion of items not on the agenda. Each speaker will be allowed 3 minutes to speak.)

APPROVAL OF MINUTES

[20-0175](#) Approval of June 18, 2020 Meeting Minutes

Attachments: [FB - 06-18-2020](#)

GENERAL AGENDA

[20-0168](#) Discussion of Preliminary Maximum Millage (MMP)

Attachments: [2020-21 Budget Narrative - Preliminary](#)

[20-0170](#) Discussion of Municipal Public Services Tax

Attachments: [Gas MPST Pinellas](#)
[Water MPST Pinellas](#)

OTHER BUSINESS

COMMISSION ADVISOR REPORT

ADJOURNMENT

ANY PERSON WITH A DISABILITY REQUIRING REASONABLE ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING, SHOULD CALL (727) 588-3769 OR FAX A WRITTEN REQUEST TO (727) 588-3767.



Legislation Details (With Text)

File #: 20-0175 **Version:** 1 **Name:**

Type: Minutes **Status:** Minutes Approval

File created: 7/13/2020 **In control:** Finance Board

On agenda: 7/16/2020 **Final action:**

Title: Approval of June 18, 2020 Meeting Minutes

Sponsors:

Indexes:

Code sections:

Attachments: [FB - 06-18-2020](#)

Date	Ver.	Action By	Action	Result
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Town of Belleair

901 Ponce de Leon Blvd.
Belleair, FL 33756

Meeting Minutes Finance Board

Thursday, June 18, 2020

4:00 PM

Town Hall

Welcome. We are glad to have you join us. If you wish to speak, please wait to be recognized, then step to the podium and state your name and address. We also ask that you please turn-off all cell phones.

Meeting was called to order at 4:01 PM with Chairman Olson presiding.

Hale, Hartshorne, Ingersoll in person; Ashley Bernal and Stefan Massol in person;
Richard Cristini in audience

Ms. Griffith arrived after the approval of the minutes.

ROLL CALL

Present 6 - Chairman Tom Olson, Vice Chairman Dan Hartshorne, John Prevas, Kevin Piccarreto, John Hail, and James Ingersoll
Absent 1 - Mary Griffith

CITIZENS COMMENTS

No comments

APPROVAL OF MINUTES

[20-0151](#) Approval of February 20, 2020 Meeting Minutes

Mr. Ingersoll moved approval of the minutes. Seconded by Mr. Hail.

Aye: 6 - Chairman Olson, Vice Chairman Hartshorne, Prevas, Piccarreto, Hail, and Ingersoll

Absent: 1 - Griffith

GENERAL AGENDA

[20-0141](#) Presentation of the FY 2018-19 Comprehensive Annual Financial Report

Stefan Massol-Director of Support Services-Provided a brief overview of the CAFR, highlighting the four major sections. Mr. Massol then discussed the segments within each respective section. He summarized the independent auditor's report, as well as the Management Discussion and Analysis chapter of the report.

The Town's net position increased overall by nearly \$1.5 million. The General Fund fund balance continues to remain over \$2 million, complying with the town's Fund Balance Policy. From 2014-15 to 2018-19, the Town's net position has grown by over \$4 million.

Mr. Massol continued the discussion by highlighting the changes within each fund's fund balance. He then summarized the changes in net position based on activities. He closed the discussion by stating where individuals can receive a copy of the CAFR if they wish.

Mr. Olson stated that they received a clean and glowing report from Mr. Cristini's firm. He asked for Mr. Cristini to give some ending comments.

Richard Cristini-Town Auditor-Stated the year has been interesting for his firm and clients. Port St. Lucie, West Palm, and Palm Gardens are all doing well. With respect to the report, some systemic issues came up but were ultimately resolved. The tests of compliance and regulations were passed. There was nothing identified as materials weakness within the town's finances. Mr. Cristini gave shining remarks for Mr. Massol. He also states he believed the Town of Belleair will continue to receive consecutive awards for this report.

20-0142

Discussion of Investments FY 2019-20

Mr. Massol stated this was the second year where Belleair has been more invested in the local government pools; summarized the freeze in 2008 performed by the SBA, stated that the funds have remained fairly stable, which resulted in the Town moving money back into the market. If the market drops, the Town will reconsider.

Mr. Hartshorne asked about the basis points, to which JP Murphy-Town Manager-responded that we are at 70 basis points. Mr. Hartshorne inquired about investment in stocks. Mr. Murphy stated that he would have to look at the policies and was stated in the CAFR. Mr. Hartshorne commented on poor rates of return; Mr. Murphy rebutted stated the town was not looking for major returns, especially as \$900,000 was frozen, so when the market faltered, the funds were placed into an insured account; policy does allow it, but the town would have to audit it. Mr. Cristini stated that the General Auditor allows it, but he does not like it, that it is left up to the community of what would be done.

Mr. Cristini spoke about the volatility of the market.

Mr. Olson stated that we should look at alternatives.

Discussion ensued regarding alternatives, money market funds, and rate of return.

Mr. Murphy stated that if the board wishes to recommend and inspect the options, staff can move forward with it. Mr. Olson requested Mr. Murphy and Mr. Massol look at alternatives and bring them back to the board. Mr. Hartshorne stated that if the Commission is against it, the board should drop it; recommended moving forward with inspection of securities for public entities.

Mrs. Griffith inquired about the affects of COVID-19 on the housing market. Mr. Murphy explained presently the Pinellas County Property Appraisers Office has not determined any major decrease.

Discussion ensued regarding the current real estate market.

Mr. Olson clarified any action required on moving forward with inspections on possible Schwab accounts. Mr. Murphy provided information regarding the Florida State pool; will do research.

[20-0143](#)

Discussion of Reserves

Mr. Massol began the discussion by reviewing the previously stated fund balances; discussed the expectations of fund expenditures to grow, even if operations do not - personnel will, and how Irma has impacted the history of fund balances; discussed how the Finance Board previously wished to discuss the reserve/fund balance policies.

Mr. Murphy explained how the staff was largely worried about the Water Fund a few years ago, but it has largely balanced out.

Mr. Murphy also stated that changes in reserves can be shown in the upcoming budget year. As the town does not normally budget from reserves, those changes are not typically shown, however there can be a special segment on it this year. He does not foresee any sort of prior year reserves being used to balance the budget.

Mr. Hail asked about trends related to COVID-19 in receivables in the budget. Mr. Massol spoke on the state revenue sharing program and sales tax being impacted, as well as the Penny for Pinellas program and also spoke on how there is closer to a 30% decrease instead of the 50% decrease the state estimated; stated utility collections have also been affected. As an accommodation, utility turn offs have been suspended, as well as late fees. This has resulted in an uptick in lien letters.

Mr. Prevas asked about how the Belleview Hotel, the Country Club and Pelican Golf Club may impact the town. Mr. Massol stated that he cannot speak to that, but all appears fine. Mr. Murphy stated there was a minor dip when the entities closed briefly, but nothing to majorly impact the Town overall.

Mr. Hail asked about the Belleair Country Club land lease negotiations, to which Mr. Murphy explained it will go before the Commission on the June 21 meeting.

[20-0145](#)

Election of Officers

Mr. Olson stated nominations were open for Chairman and Vice Chair for board.

Mr. Prevas nominated Mr. Olson for Chairman.

Ms. Griffith nominated Mr. Hartshorne and Vice Chair.

No further nominations.

Mr. Prevas nominated Mr. Olson for Chairman. Seconded by Mr. Hartshorne.

Aye: 7 - Chairman Olson, Vice Chairman Hartshorne, Prevas, Griffith, Piccarreto, Hail, and Ingersoll

Ms. Griffith nomination Mr. Hartshorne for Vice Chair. Seconded by Mr. Ingersoll.

Aye: 7 - Chairman Olson, Vice Chairman Hartshorne, Prevas, Griffith, Piccarreto, Hail, and Ingersoll

[20-0160](#)

2020 - 2024 Forecast

Mr. Massol kicked off conversation by explaining the process for the forecast process; General Fund had a surplus in 2018, largely due to Hurricane Irma grant proceeds; stated that the future out-years had begun to look more bleak, largely due to the lack of trend increases; did not think that the fund will experience this ultimately, as this forecast is very conservative.

Mr. Murphy has asked each department to challenge the status quo in the coming budget year, especially to find a stable foothold coming out of COVID-19. Mr. Massol stated that contractual increases, such as General Liability Insurance may be difficult to manage, but there are other ways to improve overall numbers. Mr. Murphy stated that COVID-19 presents some unusual challenges to the department, particularly the Recreation department. The department is already experiencing a large reduction in revenue sources, but the expenditure is slightly offset. This is a challenge being faced across multiple programs in the Town. These challenges, while daunting, may prove to have unique solutions in the end.

Mr. Piccarreto questioned if recreation was able to come up with solutions during quarantine; Mr. Murphy explained that they were able to create ideas and even new programs.

Mr. Hail asked about the Ahlf property status. Mr. Murphy stated that the sale was approved at the second reading this week, and will close shortly after settling an easement issue; discussed bidding of properties; provided background information; Mr. Hartshorne asked about the total revenue, which was \$1.56 million.

Mr. Olson discussed a resident memo requesting defunding the police which was more of a "redistribution of funds"; inquired as to whether there were plans for a public hearing; Mr. Murphy stated there were no plans; Mr. Prevas inquired as to the Town's liability with regard to any claims regarding the police department.

Mr. Piccarreto questioned why the matter was being discussed as it is for the Commission to address; stated that the board's duty was to make recommendations about financial responsibilities or issues that the Commission had requested. Mr. Olson stated that "other business" is when these items should be discussed. Mr. Piccarreto deferred to the Chair and Mr. Murphy; stated that the police budget has already created an interesting solution to the budget challenge, which is where the conversation should be left.

Mr. Prevas again asked for clarification on the issue. Mr. Murphy stated that there is an insurance coverage for police issues related to risk management. The limits of liability are not immediately known.

OTHER BUSINESS

Mr. Hail updated the board on the status of the Mayor and his move. Mayor Katika wishes to continue as Mayor, but his health is deteriorating. He moved into Mr. Prevas's and Mrs. Griffith's building.

Mr. Olson requested the meeting in July to be moved to a later date. Mr. Murphy stated it will likely be the last week.

STAFF REPORT

None

COMMISSION ADVISOR REPORT

None

ADJOURNMENT

Meeting adjourned in due form at 5:28 PM.

APPROVED:

Chairman



Legislation Details (With Text)

File #: 20-0168 **Version:** 1 **Name:**
Type: Discussion Items **Status:** General Agenda
File created: 7/8/2020 **In control:** Finance Board
On agenda: 7/16/2020 **Final action:**
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Sponsors:
Indexes:
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Attachments: [2020-21 Budget Narrative - Preliminary](#)

Date	Ver.	Action By	Action	Result
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Summary

To: Finance Board
From: Ashley L. A. Bernal
Date: 7/16/2020

Subject:

Discussion of Preliminary Maximum Millage (MMP)

Summary:

As part of the Truth-in-Millage process (TRIM), the Town of Belleair is required to set a maximum millage levy in the month of July. This is a not-to-exceed millage rate that is included in the TRIM notices that are mailed to property owners in the town before the final budget is approved. Summarized below is a high-level summary of current revenue and expenditure expectations received from the General Fund departments. A more in-depth description of each program is provided in the attached narrative.

Previous Commission Action: N/A

Background/Problem Discussion: Staff has prepared preliminary assumptions for the upcoming fiscal year, which includes revenue and expenditure expectations. The 2020-21 Fiscal Year will be the third year of the programmatic budgeting transition, which is also aligning with the ongoing Strategic Planning process.

Preliminary Budget for 2020-21

After reviewing expenditure and revenue forecasts, the General Fund is currently at a deficit of almost \$173,000. At a high-level summary, here are the contractual increases that are responsible for a portion of this deficit:

- \$31,100 - Largo Fire contract increase
- \$12,000 - Personnel health increases
- \$48,000 - Cost of living adjustments
- \$73,000 - Merit increases
- \$60,500 - General Liability insurance increase

In addition to these increases in expenditure lines, some revenues are experiencing a large decrease as a direct impact of COVID-19. The two accounts experiencing the largest decrease are the State Revenue Sharing account, experiencing a reduction of \$32,700, and Sales Tax, experiencing a reduction of \$79,770. It is important to note that both of these reductions are temporary and are expected to resume a normal baseline in the following year.

However, Ad Valorem experienced an increase of 7%, resulting in an increase of \$283,100 to General Fund revenues. This account is presently at a 95% acceptance rate, standard among most municipalities.

At this time, proposed numbers are still being reviewed by staff. The second round of budgetary numbers are expected to be the final ones. Staff is confident in the ability to close the deficit, with options such as:

- Fully-funded Assistant Finance Director position
- Reduction of part-time pools
- Decrease in professional services or contract labor
- Reinspection of revenues

Details regarding changes within each department and major program are detailed within the preliminary narrative attached.

Recommendation for Maximum Millage Levy

At this time, staff is not recommending an increase in the millage rate.

Expenditure Challenges: See attached narrative for details.

Financial Implications: 6.5000 mills results in \$5,728,800 of Ad Valorem collections on total taxable value of \$881,358,623.

Recommendation: Staff recommends setting the Preliminary Maximum Millage at 6.5000.

Proposed Motion: I move to set the Preliminary Maximum Millage at 6.5000 Mill.

2020-21 GENERAL FUND BUDGET PRESENTATION

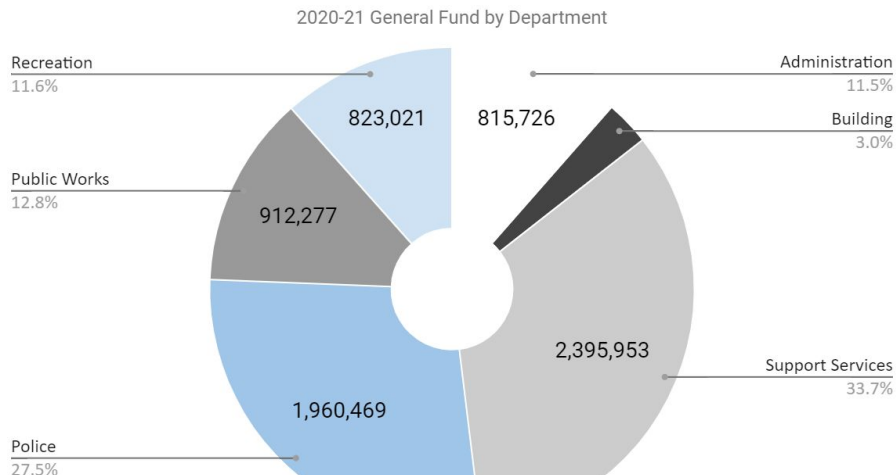
This document provides a financial summary of each program found within the General Fund. In the table below, revenues and expenditures are listed along with changes that occurred between Fiscal Year 2019-20 and 2020-21. The General Fund is currently experiencing a deficit of \$173,000, but staff feels confident in its ability to close the gap. Additionally, Departments have been challenged this year in finding unique solutions to provide new service levels and identify efficiencies within their budget.

GENERAL FUND SUMMARY	
Revenues	6,958,751
Expenditures	7,131,957
Surplus / (Deficit)	-173,205

The upcoming fiscal year is being cast as a very conservative year in terms of revenues. This is primarily due to COVID-19 and the uncertain nature of how this will officially affect line items. State revenues have already experienced a shift in income, specifically the State Revenue Sharing (#335120) and Sales Tax (#335180) accounts, as these lines are largely driven by reductions in consumer spending within the state of Florida due to COVID-19. Staff is presently estimating a 30% reduction in these lines, resulting in a \$32,700 decrease in State Revenue Sharing and a \$79,770 decrease in Sales Tax. Hopefully, these accounts will return to normal in the following fiscal year, however, the long-term effects of COVID-19 are still to be determined.

DEPARTMENT	2018-19	2019-20	2020-21
Administration	\$763,440	804,500	815,726
Building	\$149,712	211,300	210,576
Support Services	\$2,162,702	2,208,300	2,395,953
Police	\$1,731,206	1,880,900	1,960,469
Public Works	\$849,335	916,450	912,277
Recreation	\$794,871	838,650	823,021
GRAND TOTAL	\$6,451,266	\$6,860,100	\$7,118,023

There have been small changes within the department as staff works to finalize and round the numbers this budget season. Items like sick time, which are calculated later in the present fiscal year, have been kept flat in order to create the budget presented.



In the current budget, there are no changes or restructuring of hours between programs, like the prior year. Staff utilized the OpenGov tool in order to calculate and distribute the cost of each employee between programs. It is important to note that some employees have opted to work four days a week, instead of five, in some departments, which will be listed in their respective summaries. These vehicles will ultimately need to be replaced, either using equipment reserves or future lease agreements.

Major expenditure increases within the General Fund budget are as follows:

- \$31,100 - Largo Fire contract increase
- \$12,000 - Personnel health increases
- \$48,000 - Cost of Living Adjustment
- \$73,000 - Merit increases
- \$60,500 - General Liability insurance increase

At this time, the staff is not recommending an increase to the current millage rate. There are several options that are being reviewed in order to close the deficit, such as:

- Fully-funded Assistant Finance Director position
- Reduction of part-time pools
- The decrease in utilization of Professional Services Contract Labor and other professional services
- Change in programs
- Reinspection of revenues

LINE ITEM DETAIL OF REVENUE ACCOUNTS

<i>Description</i>	2018-19	2019-20	2020-21
AD VALOREM	\$3,739,000	4,112,650	4,395,750
ADMINISTRATIVE FEES	\$573,650	573,650	573,650
ALCOHOL BEVERAGE LICENSE	\$150	1,200	1,200
BCF CONTRIBUTION HUNTER PARK (EQUIP)	\$1,700	1,700	1,700
BUILDING PERMITS	\$350,000	290,000	280,000
COMMUNICATION SERVICES TAX	\$173,200	172,000	169,420
Concession Stand Sales	\$11,997	12,000	13,000
CONTRIBUTION - POL. EQUIPMENT	\$16,313	0	0
COURT FINES (POLICE FINES)	\$3,263	3,200	3,200
DONATION-COMMUNITY PROJECTS	\$0	15,000	10,000
ELECTRIC FRANCHISE	\$367,000	357,000	357,000
GAS FRANCHISE	\$22,000	22,000	22,660
GASOLINE REBATE	\$3,000	3,500	3,500
GRANTS	\$3,000	0	0
INTEREST	\$25,000	50,000	32,400
JAG GRANT	\$1,000	1,000	2,000
LOT MOWING	\$3,000	3,000	3,000
MISCELLANEOUS	\$34,700	34,700	34,700
OCCUPATIONAL LICENSE (TOWN LICENSE)	\$25,000	25,000	25,000
ORDINANCE VIOLATION	\$2,000	2,000	0
OTC FINES AND TICKETS	\$250	250	250
POLICE ACADEMY	\$300	300	300
REC-VENDING MACHINE SALES	\$4,101	4,150	3,231
RECREATION (PROG. ACTIVITY)	\$289,840	316,400	321,560
RECREATION PERMITS	\$24,800	22,550	21,750
RENTAL INCOME	\$4,800	4,800	4,800
RESERVES (PRIOR YEARS)	\$107,401	40,000	40,000
RESTITUTION	\$1,500	1,500	1,500
SALE OF AUCTIONED ASSETS	\$2,000	2,000	4,000
SALE OF FIXED ASSETS	\$6,000	0	0
SALES TAX	\$255,700	265,900	186,130
SPECIAL DUTY POLICE	\$91,960	187,200	187,200
SPECIAL EVENTS	\$146,550	153,300	153,300
SPECIAL EVENTS-ATHLETIC PROGRAMS	\$15,000	19,200	20,400
SPECIAL EVENTS-Private Parties	\$6,150	6,150	6,150
STATE REVENUE SHARING	\$111,900	109,000	76,300
TENNIS ANNUAL PERMITS	\$2,500	2,500	2,500
TRANSFER FROM 301	\$31,800	0	0
TRANSFER FROM 305	\$20,000	0	0
TRANSFER FROM 401	\$40,000	0	0
ZONING & VARIANCE FEES	\$800	1,200	1,200
Grand Total	\$6,518,325	6,816,000	6,958,751

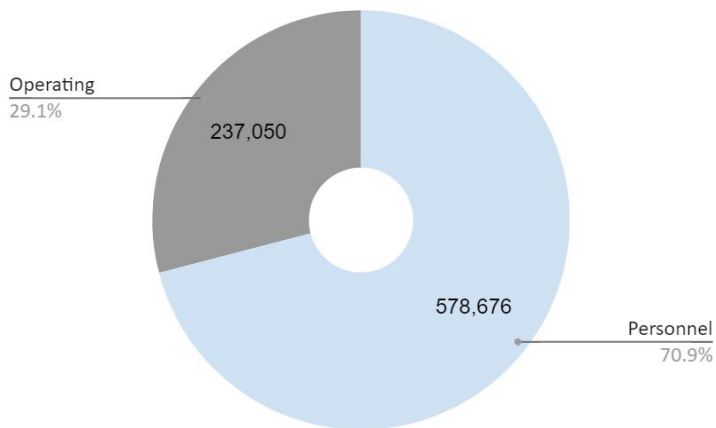
There are both major increases and decreases within the General Fund revenues this year. The largest increase, Ad Valorem (\$283,100), is consistent with estimates for Ad valorem receipts for Belleview Place, as well as increases in taxable value townwide. This account is currently held at the 95% collections rate, which is a conservative estimate of actual collections which trend close to 97%.

The largest decrease this year is related to two accounts, specifically the State Revenue Sharing and Sales Tax accounts. While Belleair is not a primary tourist destination within the state of Florida, it does receive a portion of state revenues based on its population. The effects of COVID-19 are still being examined across all levels of government, but staff is presently forecasting a 30% decrease in these accounts. Over the next year, staff will continue to carefully monitor revenue impacts to update the forecast of future years.

Building Permits continue to decrease as the account resumes a normal baseline. At this time, the Special Duty Police revenue account is remaining flat, though this number is likely to change as the numbers are refined. However, if the revenue decreases, there is a related offset by the expenditure of personnel decreasing as well.

Revenues from the Recreation department are still being examined for the impacts of COVID-19, as well as expectations for the coming fiscal year. Staff has worked to create decision packages to be presented to respective boards to determine how to proceed. Each package has an impact on revenue and expenditure lines, so they are remaining flat until a decision has been made, which will be before the next meeting.

ADMINISTRATION OVERVIEW



The Administration Department is responsible for managing and coordinating the day-to-day operations throughout the town, as well as coordinating communications, public records management, capital projects, and formulating the Town's annual programmatic budget. Additionally, the Department routinely conducts policy studies to inform and advise the Commission on agenda items and reviews the efficiency and effectiveness of various programs town-wide.

Currently, the only increases in this Department are personnel, which is directly related to staff receiving certificates and degrees in the 2020-21 fiscal year.

Category	2019-20	2020-21
Personnel	567,450	578,676
Operating	237,050	237,050
Total	804,500	815,726

TOWN ADMINISTRATION

The Town Administration program includes administrative costs pertaining to employee and Town management. This area also includes costs related to contract management, training required for staff, and emergency management.

Personnel Total	\$85,250	\$88,929
Operating Total	\$44,700	\$44,700
	\$129,950	\$133,629

COMMUNICATIONS AND MARKETING

This program relates to communications, marketing, and the development of public outreach and internal communication projects. The program is responsible for the Communications Team, day-to-day messaging on social media, and special projects such as the Resident Information Guide.

Personnel Total	\$49,450	\$50,572
Operating Total	\$8,400	\$8,400
	\$57,850	\$58,972

LEGISLATIVE PROGRAMMING

The Legislative Programming program is directly responsible for all public meetings, policy management within Town, and legislative coordination. This program contains all costs associated with the advisory boards.

Personnel Total	\$174,650	\$171,492
Operating Total	\$22,650	\$22,650
	\$197,300	\$194,142

LEGAL AND STATUTORY COMPLIANCE

One of the most expensive programs found within the Administration Department is the Legal and Statutory Compliance program, which is related to the Town's compliance with federal, state, and local regulations. It consists of expenditures related to business tax receipts, elections within the Town, and public records management.

Personnel Total	\$68,750	\$70,329
Operating Total	\$35,750	\$35,750
	\$104,500	\$106,079

CAPITAL PROJECT MANAGEMENT

This program includes the management and organization of capital projects for the Town. Though these projects are largely funded through the Infrastructure Fund, this program includes the planning stages for capital projects, any related vendor and grant management, in addition to project management responsibilities. This program also houses any costs related to the Town's historic street lights.

Personnel Total	\$91,900	\$94,527
Operating Total	\$106,350	\$106,350
	\$198,250	\$200,877

MANAGEMENT AND BUDGET ANALYSIS

This program is responsible for the larger financial projects within the Town. This program incorporates costs related to fiscal analysis, such as the creation of the Financial Forecast, procurement responsibilities, asset management, and managing the Town's budget.

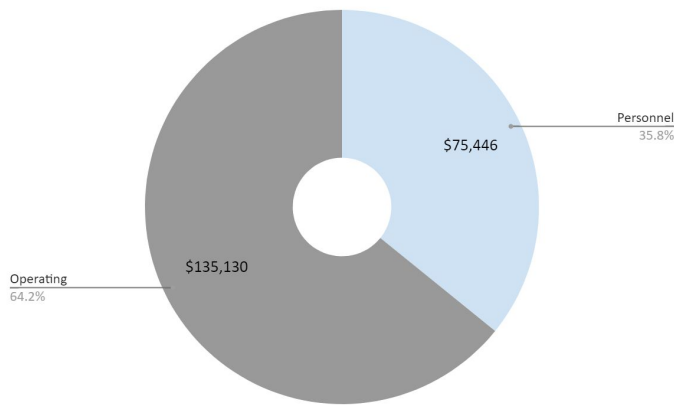
Personnel Total	\$97,450	\$102,828
Operating Total	\$19,200	\$19,200
	\$116,650	\$122,028

LINE ITEM DETAIL ADMINISTRATION

<i>Account Name</i>	2018-19	2019-20	2020-21
ADVERTISING	\$3,500	2,550	2,550
ARCHIVES	\$400	400	400
BOARDS EXPENSES	\$5,000	5,000	5,000
ELECTIONS	\$5,000	0	5,000
FICA	\$26,849	31,100	32,241
FILING FEES	\$1,250	1,250	1,250
LIFE/HOSP. INS.	\$64,698	64,800	63,187
MAIN. - VEHICLE	\$1,000	1,000	1,000
MAINT. - EQUIP	\$112,411	93,100	93,100
MEDICAL BENEFIT	\$5,998	6,000	9,152
MEMBERSHIPS	\$10,800	10,800	10,800
OFFICE SUPPLIES	\$3,100	3,100	3,100
OPERATING SUPPL	\$4,571	9,550	9,550
ORDINANCE CODES	\$5,000	5,000	5,000
POSTAGE	\$1,601	1,600	1,600
PROF. SERVICES	\$72,150	72,150	72,150
PROTECT. CLOTH.	\$247	250	250
RECORDS MGMT.-FEES	\$8,750	8,750	8,750
RETIREMENT-401K GENERAL PENSION	\$31,600	36,500	37,930
SALARIES	\$332,462	405,400	421,450
SALARIES:EXEC.	\$9,600	9,600	9,600
SICK LEAVE	\$12,802	14,050	14,050
TELEPHONE	\$4,400	4,400	4,400
TRAINING, AIDS	\$19,500	8,100	8,100
TRAV & PER DIEM	\$20,100	9,400	9,400
UNIFORMS	\$651	650	650
Unused Medical	\$0	0	0
Grand Total	\$763,440	804,500	829,660

As previously mentioned, the category within Administration experiencing a change at this time is the personnel line items. All other objects are likely to remain flat in the next fiscal year.

BUILDING OVERVIEW



The Building Department contains revenues and expenditures for permitting, zoning, and development functions throughout the town. The Department advises homeowners and businesses on regulations identified in the Land Development Code and is responsible for plan review, as well as the issuance of building permits and inspections. This department also plays a large role in damage assessment and documentation during emergency operations.

Category	2019-20	2020-21
Personnel	73,150	\$75,446
Operating	138,150	\$135,130
Total	211,300	210,576

PERMITTING

The Permitting program within the Building Department carries costs related to the permitting, plan review and the inspection process. This program accounts for a majority of the Department's expenditures, as well as the entirety of revenue, as the Building Permits account is housed here. In the upcoming year, Building Permits will experience a decrease of \$15,000 as the revenue account finds a more stable baseline.

Personnel Total	\$58,200	\$59,994
Operating Total	\$133,100	\$132,280
	\$191,300	\$192,274

FLOODPLAIN MANAGEMENT

The Floodplain Management program includes operational costs, as well as training and certification, for the Town to use both corrective and preventative measures to reduce the risk of future flooding. Increases in this program's operating budget are due to the request for two new iPads in order to help with Floodplain Management, National Pollutant Discharge Elimination System (NPDES), and Damage Assessment for the emergency operations.

Personnel Total	\$5,650	\$5,901
Operating Total	\$50	\$50
	\$5,700	\$5,951

NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES)

The National Pollutant Discharge Elimination System (NPDES) permit program addresses water pollution by regulating points where discharge pollutes the water. The decrease in this program is related to the one-time purchase of iPads from the prior year.

Personnel Total	\$5,650	\$5,901
Operating Total	\$50	\$50
	\$5,700	\$5,951

EMPLOYEE ADMINISTRATION

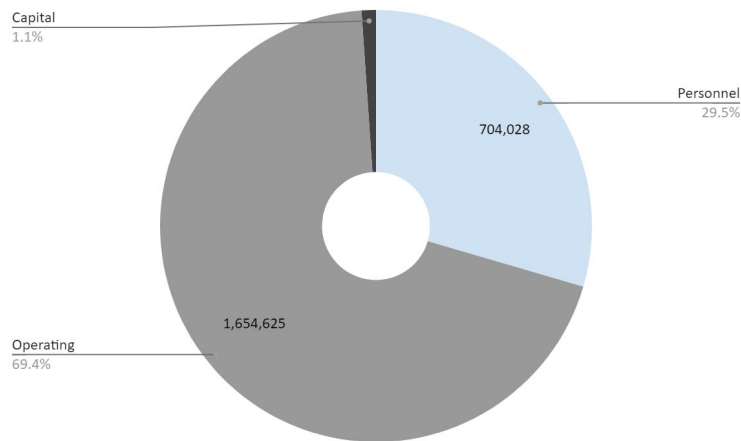
The Employee Administration program houses costs related to personnel time and resources. This includes items such as protective clothing, telephone usage, and office supplies.

Personnel Total	\$5,750	\$5,876
Operating Total	\$3,900	\$1,700
	\$9,650	\$7,576

LINE ITEM DETAIL BUILDING

<i>Account Name</i>	2018-19	2019-20	2020-21
COMMUNITY DEVELOPMENT SERVICES	\$0	40,000	40,000
CONTRAC. LABOR	\$82,360	82,350	81,530
FICA	\$3,400	3,900	4,039
LIFE/HOSP. INS.	\$10,251	10,150	10,455
MAINT. - EQUIP	\$500	500	500
MEDICAL BENEFIT	\$1,200	1,200	1,200
MEMBERSHIPS	\$0	300	300
OFFICE SUPPLIES	\$500	1,000	500
OPERATING SUPPL	\$500	2,650	950
PLANNING & ZON.	\$0	10,000	10,000
RETIREMENT-401K GENERAL PENSION	\$4,000	4,600	4,752
SALARIES	\$44,351	51,100	52,800
SICK LEAVE	\$2,200	2,200	2,200
TELEPHONE	\$250	250	250
TRAINING, AIDS	\$0	300	300
TRAV & PER DIEM	\$0	600	600
UNIFORMS	\$200	200	200
Grand Total	149,712	211,300	210,576

SUPPORT SERVICES OVERVIEW



The Support Services Department provides general financial and administrative support to the Town of Belleair. This department manages financial services, utility billing, human resources, risk mitigation, procurement, information technology, and facility maintenance. The Support Services Department is also responsible for facilitating the Comprehensive Annual Financial Reporting (CAFR) document. Many of the increases in this department are contractual, meaning that they are non-negotiable at this time.

Category	2019-20	2020-21
Personnel	666,250	704,028
Operating	1,502,750	1,654,625
Capital	28,500	25,500
Total	2,197,500	2,384,153

DIRECT INTERDEPARTMENTAL SUPPORT

The Direct Interdepartmental Support program includes costs for supporting other departments. This can include assisting other departments with operations on a daily basis or filling in when staff members are absent. Additionally, this program accounts for certain costs such as fuel and postage that are paid on behalf of the Town overall.

Personnel Total	\$36,350	\$39,193
Operating Total	\$63,750	\$86,000
	\$100,100	\$125,193

TOWNWIDE EMPLOYEE ADMINISTRATION

The Townwide Employee Administration program is responsible for managing the life cycle of the Town's employees. This includes the hiring process, benefits administration, personnel matters, and managing payroll duties.

Personnel Total	\$93,450	\$102,732
Operating Total	\$12,550	\$28,300
	\$106,000	\$131,032

FACILITY MAINTENANCE

The Facility Maintenance program includes responsibilities for the maintenance and repair of the Town's facilities, in addition to custodial duties.

Personnel Total	\$115,900	\$113,504
Operating Total	\$100,250	\$80,100
	\$216,200	\$193,604

FINANCIAL MANAGEMENT

The Financial Management program encompasses all accounting, purchasing, utility billing, and budgeting activities. The majority of costs for this program come from three subprograms: Accounting and Auditing, Accounts Payable, and Accounts Receivable.

Personnel Total	\$289,300	\$265,142
Operating Total	\$40,100	\$50,100
	\$329,400	\$315,242

INFORMATION TECHNOLOGY

The Information Technology program is directly related to the costs of managing computer services and activities. This includes coordinating hardware and software expenditures, voice over IP telephone system management, and any contracts related to information technology. There is an increase in this program's operational budget this year, mainly related to pricing increases and additional software purchases, such as the budgeting software.

Personnel Total	\$8,750	\$8,558
Operating Total	\$206,550	\$248,450
Capital & Transfers Total	\$0	\$0
	\$215,300	\$257,008

INTRADEPARTMENTAL ADMINISTRATION

The Intradepartmental Administration program accounts for all management activities found within the Support Services Department. This includes employee administration, duties for Support Services, purchase requests, budget preparation, and records management.

Personnel Total	\$111,900	\$162,780
Operating Total	\$53,750	\$44,750
Capital & Transfers Total	\$22,500	\$22,500
	\$188,150	\$230,030

RISK MANAGEMENT

The Risk Management program handles claims, safety management, as well as insurance for property and casualty. Premium expenses for property and casualty insurance are expected to rise by 22%, or \$60,500, driven by increased insured values for the Town coinciding with sharp rate increases experienced globally in the property insurance industry.

Personnel Total	\$29,750	\$31,818
Operating Total	\$275,450	\$335,950
	\$305,200	\$367,768

TOWNWIDE PROFESSIONAL SERVICES

The Townwide Professional Services program is responsible for managing professional services distributed in Belleair, which includes the Town Attorney.

Operating Total	\$90,750	\$90,750
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FIRE SERVICES

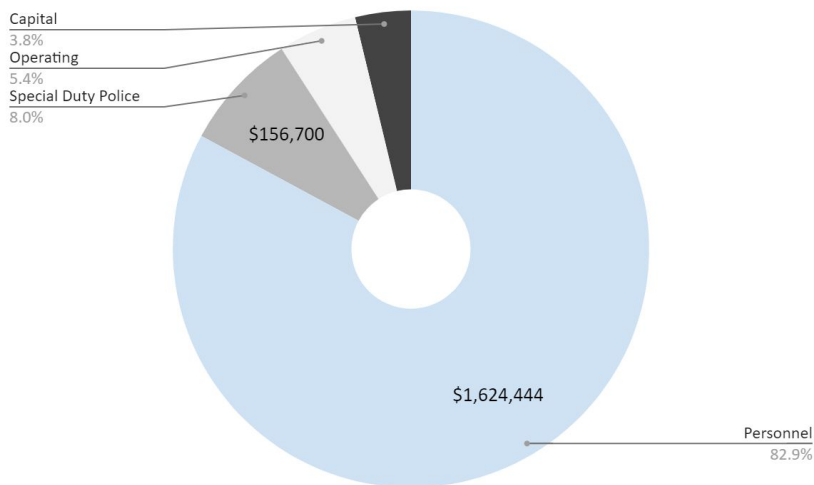
This year, Support Services has broken out the cost of Largo Fire expenses into its own program. The fire contract is increasing by 5% this fiscal year.

Operating Total	\$622,500	\$653,625
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LINE ITEM DETAIL SUPPORT SERVICES

<i>Account Name</i>	2018-19	2019-20	2020-21
ACCTG. & AUDIT.	\$38,000	35,000	45,000
AHLF PROPERTY	\$28,650	0	0
BANK FEES	\$7,400	7,400	7,400
CAPITAL PURCH.	\$0	0	0
COMMUNITY DEVELOPMENT SERVICES	\$40,000	0	0
COMPUTER SYSTEM	\$173,700	206,450	230,350
ELECTRICITY	\$13,500	13,000	14,000
EMPLOY.RELATION	\$8,500	10,500	13,000
EQUIP LEASING	\$18,100	18,100	18,100
FICA	\$35,149	36,900	36,427
FIRE SERVICES	\$602,000	622,500	653,625
GAS (NATURAL)	\$0	0	1,000
GASOLINE & OIL	\$48,000	48,000	47,150
INS. GEN. LIAB.	\$257,000	275,000	335,500
LIBRARY	\$15,000	15,000	15,000
LIFE/HOSP. INS.	\$92,101	92,000	96,289
MAIN. - VEHICLE	\$2,000	2,000	2,000
MAINT.-BLDG.	\$24,500	32,000	30,800
MEDICAL BENEFIT	\$10,801	10,800	10,800
MEMBERSHIPS	\$0	1,200	1,200
MISCELLANEOUS	\$34,700	34,700	34,700
OFFICE SUPPLIES	\$4,500	4,500	4,500
OPERATING SUPPL	\$8,087	9,650	9,700
OVERTIME	\$1,500	1,000	1,500
PHYSICAL EXAMS	\$500	500	500
POSTAGE	\$13,514	3,550	3,900
PROF. SERVICES	\$42,000	42,000	60,500
PROTECT. CLOTH.	\$600	600	600
RETIREMENT-401K GENERAL PENSION	\$41,399	43,400	42,508
SALARIES	\$459,501	481,900	516,584
SANITATION	\$800	800	1,000
SEWER	\$6,200	6,200	6,000
SICK LEAVE	\$15,301	12,050	12,220
TELEPHONE	\$3,486	13,600	18,600
TOOLS	\$650	650	650
TOWN ATTORNEY	\$75,750	75,750	75,750
TRAINING, AIDS	\$0	4,350	4,350
TRANSFER TO 301	\$12,500	22,500	22,500
TRAV & PER DIEM	\$0	4,050	4,050
UNIFORMS	\$1,200	1,200	1,200
VEHICLE DEBT SERVICE	\$5,900	6,000	3,000
WATER	\$18,700	13,500	14,000
Grand Total	\$2,162,702	2,208,300	2,395,953

POLICE OVERVIEW



The Police Department provides responsive law enforcement services to the Town of Belleair. It is their mission to maintain a safe and desirable community for the residents, businesses, and visitors. The Department is responsible for enforcing state laws, local ordinances, and proactively patrol the community to detect and prevent criminal activities. This department currently carries five large programs, with eighteen subprograms distributed within them. The most significant cost center for the Police Department is personnel.

Overall, the only increase proposed in this department is for training, which totals to an additional \$9,800. However, there are small decreases in the General Patrol program related to the Pinellas County Sheriff's contract, which decreased as a direct result of reduced crime in Belleair.

Category	2019-20	2020-21
Personnel	\$1,539,400	\$1,624,444
Special Duty Police	\$156,700	\$156,700
Operating	\$99,050	\$105,200
Capital	\$85,750	\$74,125
Total	\$1,880,900	\$1,960,469

GENERAL PATROL

The General Patrol program carries a large portion of staff time and costs. This consists of dispatch operations, calls for service, traffic and preventative patrol, and special watches.

Personnel Total	\$717,300	\$742,406
Operating Total	\$36,500	\$32,850
Capital & Transfers Total	\$0	\$0
	\$753,800	\$775,256

CODE ENFORCEMENT

The Code Enforcement program consists of enforcing the Town's ordinances and codes. This program includes two smaller programs (Investigations and Prosecutions), both of which are specifically related to any ordinance violations.

Personnel Total	\$203,000	\$219,161
Operating Total	\$9,300	\$9,300
Capital & Transfers Total	\$0	\$0
	\$212,300	\$228,461

CRIMINAL INVESTIGATIONS

The Criminal Investigations program is responsible for investigations, case management, and property and evidence management related to criminal matters.

Personnel Total	\$220,700	\$232,899
Operating Total	\$9,600	\$9,600
Capital & Transfers Total	\$0	\$0
	\$230,300	\$242,499

COMMUNITY ORIENTED POLICING

The Community Oriented Policing program includes costs related to special duty police activities. This consists of patrols for the Pelican Golf Course, City of Clearwater and Sheriff's Office details, and other miscellaneous programs such as bike registration or secure pharmaceutical drug collection. This program is largely responsible for the revenue that the Police Department acquires. In Fiscal Year 2019-20, the Pelican Golf Course contracted Belleair Police Officers to work 70 hours a week in details, which accounts for a majority of the revenue seen in this department. The contract for the upcoming year is still being reviewed, though any change will have a direct offset in reduction of expenditure as well.

Personnel Total	\$310,450	\$323,464
Operating Total	\$4,150	\$4,150
Capital & Transfers Total	\$0	\$0
	\$314,600	\$327,614

EMPLOYEE ADMINISTRATION

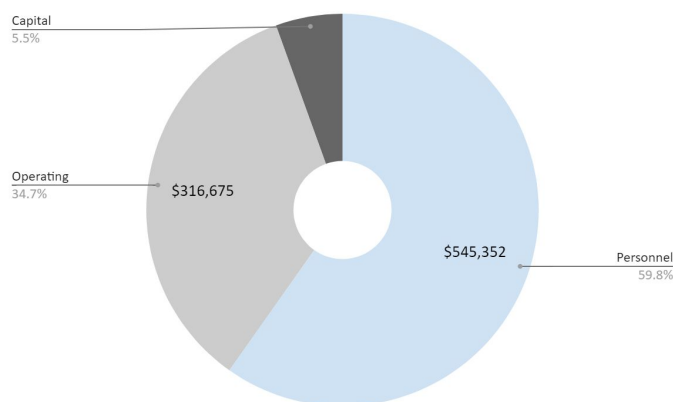
The final program found within this department, known as Employee Administration, includes costs directly related to training, employee life cycles, and asset management.

Personnel Total	\$244,650	\$263,213
Operating Total	\$62,750	\$72,550
Capital & Transfers Total	\$62,500	\$62,500
	\$369,900	\$398,263

LINE ITEM DETAIL POLICE

<i>Account Name</i>	2018-19	2019-20	2020-21
CAPITAL PURCH.	\$24,491	0	0
CODE ENFORCE.	\$3,000	3,200	3,200
CRIME PREVENTIO	\$1,750	1,750	1,750
EQUIP LEASING	\$4,857	5,000	5,000
FICA	\$83,151	72,950	70,971
INCENTIVE PAY	\$13,001	13,000	13,000
LIFE/HOSP. INS.	\$95,049	82,250	87,254
MAIN. - VEHICLE	\$7,677	7,900	7,900
MAINT. - EQUIP	\$4,557	0	0
MAINT. - RADIOS	\$4,865	9,550	9,550
MEDICAL BENEFIT	\$19,200	17,300	17,300
MEMBERSHIPS	\$0	700	700
OFFICE SUPPLIES	\$2,279	2,350	2,350
OPERATING SUPPL	\$8,985	9,100	9,100
OVERTIME	\$96,399	18,750	18,750
PHYSICAL EXAMS	\$489	1,500	1,500
POSTAGE	\$765	800	800
PROF. SERVICES	\$29,498	30,650	27,000
PROTECT. CLOTH.	\$7,876	8,100	8,100
PT SALARIES	\$92,529	88,000	88,000
RETIREMENT-401K GENERAL PENSION	\$6,352	4,200	0
RETIREMENT-POLICE OFFICERS	\$266,231	298,000	321,950
SALARIES	\$882,751	919,200	981,470
SICK LEAVE	\$31,573	25,750	25,750
SPECIAL DUTY PAY	\$0	156,700	156,700
TELEPHONE	\$6,806	7,000	7,000
TOOLS	\$539	550	550
TRAINING, AIDS	\$0	200	10,000
TRANSFER TO 301	\$4,748	62,500	62,500
TRAV & PER DIEM	\$0	1,000	1,000
UNIFORMS	\$9,423	9,700	9,700
Unused Medical	\$0	0	0
VEHICLE DEBT SERVICE	\$22,365	23,250	11,625
Grand Total	\$1,731,206	1,880,900	1,960,469

PUBLIC WORKS OVERVIEW



The Public Works Department is responsible for managing the public spaces within Belleair, including parks, streets, sidewalks, and athletic fields. This department is also responsible for clearing access to Town roads from debris after a hurricane or other emergency situation. This department is experiencing a decrease of \$18,200 in operating expenditures, as a result of decreases in professional services and contract labor. Additionally, staff has identified new training opportunities. Staff is currently reviewing options related to the Largo Street Sweeping contract, as it is expected to increase by \$23,000.

Category	2019-20	2020-21
Personnel	\$517,750	\$545,352
Operating	\$337,350	\$316,675
Capital	\$61,350	\$50,250
Total	\$916,450	\$912,277

BEAUTIFICATION

The Beautification program consists of maintaining parks and grounds, as well as Town holiday decorations. This is also where the personnel time for capital projects, such as new parks, is held, as a majority of the preparation for a project is done by the staff in the General Fund.

Personnel Total	\$91,200	\$94,886
Operating Total	\$74,700	\$78,450
	\$165,900	\$173,336

URBAN FORESTRY

The Urban Forestry program is responsible for managing and maintaining trees located on Town property or that have growth extending over Town property. Belleair prides itself on being a Tree City USA, certified by the Arbor Day Foundation.

Personnel Total	\$63,400	\$66,360
Operating Total	\$38,350	\$29,900
	\$101,750	\$96,260

SPORTSFIELDS

The Sportsfields program encompasses all management of the fields used by recreational programs, events, and sports leagues. This includes costs related to sod maintenance, irrigation, and contracted services.

Personnel Total	\$50,550	\$55,086
Operating Total	\$37,000	\$34,600
	\$87,550	\$89,686

HARDSCAPE PAVING

The Hardscape Paving program houses all costs associated with the management of any streets and sidewalks in Belleair.

Personnel Total	\$69,100	\$72,181
Operating Total	\$15,000	\$22,150
	\$84,100	\$94,331

STORMWATER

The Stormwater program consists of managing the stormwater components and any NPDES related matters.

Personnel Total	\$50,550	\$55,086
Operating Total	\$27,350	\$29,400
	\$77,900	\$84,486

REGULATORY SIGNS

The Regulatory Signs program includes expenditures related to the traffic and street signs around Belleair.

Personnel Total	\$24,200	\$25,076
Operating Total	\$4,300	\$4,900
	\$28,500	\$29,976

EMPLOYEE ADMINISTRATION

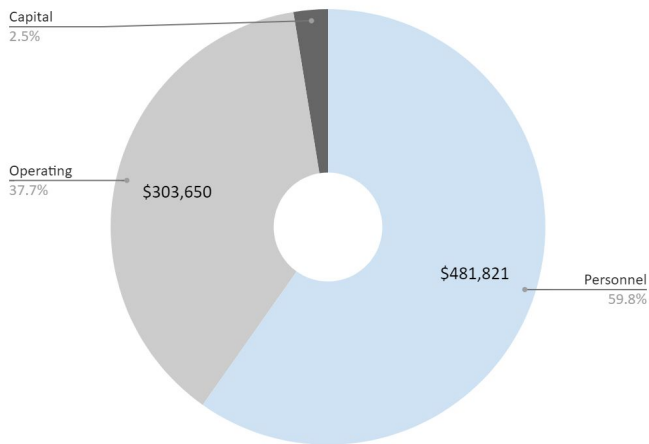
This program contains the expenditures related to the overhead costs of the Public Works Department, including objects such as Telephone, Uniforms, and Capital expenditure.

Personnel Total	\$168,750	\$176,678
Operating Total	\$167,350	\$146,475
Capital & Transfers Total	\$34,650	\$34,650
	\$370,750	\$357,803

LINE ITEM DETAIL PUBLIC WORKS

Account Name	2018-19	2019-20	2020-21
CAPITAL PURCH.	\$31,800	0	0
CHEMICALS	\$9,500	10,000	10,000
COMPUTER SYSTEM	\$500	500	500
CONTRAC. LABOR	\$61,800	56,200	55,700
Description Pending	\$0	0	0
ENERGY	\$80,500	80,500	80,500
FICA	\$22,891	27,300	28,794
FIELDS/COURTS	\$15,000	15,000	15,000
HOLIDAY LIGHTIN	\$8,000	8,000	7,000
LIFE/HOSP. INS.	\$73,871	82,750	86,194
MAIN. - VEHICLE	\$1,995	2,250	3,000
MAINT. - EQUIP	\$4,995	5,250	9,350
MAINT.-GROUNDS	\$19,800	19,800	18,800
MAINT.-HUNTER PARK	\$5,600	5,600	5,600
MEDICAL BENEFIT	\$7,849	8,850	8,850
MEMBERSHIPS	\$0	6,100	3,050
OFFICE SUPPLIES	\$720	800	800
OPERATING SUPPL	\$5,500	5,500	5,550
OVERTIME	\$651	850	850
PHYSICAL EXAMS	\$361	500	500
PLANTINGS	\$4,700	4,700	4,700
PROF. SERVICES	\$16,500	19,000	12,000
PROTECT. CLOTH.	\$1,700	1,700	2,125
RETIREMENT-401K GENERAL			
PENSION	\$26,934	32,100	33,875
ROAD MATERIALS & SUPPLIES	\$30,000	22,800	23,700
SALARIES	\$298,407	355,500	376,389
SICK LEAVE	\$5,196	10,400	10,400
STREET SWEEPING	\$19,500	19,500	19,500
TELEPHONE	\$2,050	2,050	2,500
TENNIS COURTS-MAINT	\$2,000	2,000	2,000
TOOLS	\$700	750	1,000
TRAINING, AIDS	\$0	6,400	3,200
TRANSFER TO 301	\$26,550	34,650	34,650
TRAV & PER DIEM	\$0	4,000	2,000
TREE TRIMMING	\$35,000	36,550	27,000
UNIFORMS	\$1,900	1,900	1,600
Unused Medical	\$0	0	0
VEHICLE DEBT SERVICE	\$26,300	26,700	15,600
WORKMEN'S COMP.	\$565	0	0
Grand Total	\$849,335	916,450	912,277

RECREATION OVERVIEW



The Recreation Department enhances and enriches the quality-of-life for the present and future generations of Belleair's residents by providing recreational programming tailored for the community's youth and adult members, as well as community events. Belleair is one of the most active communities for special events, attracting citizens from all over the county to participate. Impacts of COVID-19 are still being determined by staff, though there have been changes in programming in order to bridge the gap in the deficit. These proposed changes will be considered by the Recreation Board, Town Commission, and staff in preparation for the upcoming fiscal year.

Category	2019-20	2020-21
Personnel	\$488,750	\$481,821
Operating	\$313,150	\$303,650
Capital	\$24,950	\$20,550
Total	\$826,850	\$806,021

COMMUNITY PROMOTIONS AND EVENTS

The Community Promotions and Events program coordinates and manages events within the Town, such as concerts and holiday events. This includes three smaller programs: Leisure Events, Community Outreach, and Athletic Events. This year, staff has proposed multiple decision packages in order to further support the General Fund. While there have primarily been 3 concerts held in the spring, options for 2 concerts, smaller concerts, and more are under review. Staff is still examining options for these programs.

Personnel Total	\$83,900	\$94,184
Operating Total	\$128,850	\$128,850
	\$212,750	\$223,034

SPORTS LEAGUES

This program provides for the Departments' youth basketball, dodgeball, and flag football leagues. The Sports Leagues budget houses costs for referees, evaluations, and equipment.

Personnel Total	\$30,950	\$30,286
Operating Total	\$23,200	\$19,400
	\$54,150	\$49,686

YOUTH ACTIVITIES

The Youth Activities program provides activities and care for youth participants. This includes the Department's afterschool program, day camps, summer camps, and community enrichment.

Personnel Total	\$162,700	\$151,200
Operating Total	\$102,700	\$94,800
	\$265,400	\$246,000

ADULT ACTIVITIES

The Adult Activities program includes costs and time related to classes offered for adult participants for classes such as Pilates, Silver Sneakers, and Jazzercise. One of the revenue sources for this program also carries rental income for Pilates.

Personnel Total	\$12,750	\$12,786
Operating Total	\$8,000	\$7,000
	\$20,750	\$19,786

EMPLOYEE ADMINISTRATION

This is a program that can be found across all departments, as the Employee Administration program encompasses costs directly related to training, employee life cycles, asset management, and more.

Personnel Total	\$210,250	\$205,165
Operating Total	\$59,200	\$67,600
Capital & Transfers Total	\$16,150	\$16,150
	\$285,600	\$288,915

LINE ITEM DETAIL RECREATION

<i>Account Name</i>	2018-19	2019-20	2020-21
COMPUTER SYSTEM	\$6,000	6,000	6,000
COPIES	\$5,000	5,000	5,000
DAY CAMPS	\$3,200	4,000	3,200
ELECTRICITY	\$21,200	21,200	21,200
FICA	\$26,941	19,000	18,178
FOOD SERVICE	\$3,000	3,000	3,700
FUNKY FRIDAY	\$2,000	3,000	7,800
LIFE/HOSP. INS.	\$59,250	65,250	67,931
MAINT. - EQUIP	\$2,000	2,000	2,000
MEDICAL BENEFIT	\$6,582	7,050	7,050
MEMBERSHIPS	\$0	0	1,800
OFFICE SUPPLIES	\$0	1,300	1,300
OPERATING SUPPL	\$6,500	6,500	6,500
OVERTIME	\$850	850	850
PHYSICAL EXAMS	\$196	650	650
PROF. SERVICES	\$53,000	53,000	46,500
PROTECT. CLOTH.	\$250	250	250
PT SALARIES	\$117,853	127,950	129,850
REC-VENDING	\$3,000	3,000	3,000
RETIREMENT-401K GENERAL PENSION	\$20,994	22,200	20,859
SALARIES	\$233,406	246,450	237,103
SICK LEAVE	\$10,749	11,800	11,800
SPECIAL EVENTS	\$128,800	128,850	128,850
SPECIALTY CAMPS	\$5,200	5,200	5,200
SPORTS LEAGUES	\$23,200	23,200	18,800
SUMMER CAMP	\$30,000	30,000	31,000
TEEN CAMP	\$10,500	10,500	0
TELEPHONE	\$4,600	4,600	4,600
TOOLS	\$200	200	200
TRAINING, AIDS	\$0	0	4,400
TRANSFER TO 301	\$0	16,150	16,150
TRAV & PER DIEM	\$0	0	5,200
UNIFORMS	\$1,700	1,700	1,700
Unused Medical	\$0	0	0
VEHICLE DEBT SERVICE	\$8,700	8,800	4,400
Grand Total	\$794,871	838,650	823,021



Legislation Details (With Text)

File #: 20-0170 **Version:** 1 **Name:**
Type: Discussion Items **Status:** General Agenda
File created: 7/10/2020 **In control:** Finance Board
On agenda: 7/16/2020 **Final action:**
Title: Discussion of Municipal Public Services Tax
Sponsors:
Indexes:
Code sections:
Attachments: [Gas MPST Pinellas](#)
[Water MPST Pinellas](#)

Date	Ver.	Action By	Action	Result
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Summary

To: Finance Board
From: Stefan Massol
Date: 7/16/2020

Subject:

Discussion of Municipal Public Services Tax

Summary:

Staff will provide an overview of the Municipal Public Services Tax (MPST) and impacts to customers and the Town of extending the levy to gas and water utility sales.

Background/Problem Discussion:

The Municipal Public Services Tax (MPST) is a levy on gas utility, electricity or water utility sales that cities and towns in Florida may adopt for their jurisdictions. The maximum allowed levy is 10% and may not be applied to any “fuel adjustment charge”, meaning any rate increase passed along to customers resulting from fuel cost increases affecting the utility provider (F.S. 166.231). Enacting a new MPST would require an ordinance change for the Town, including two readings with approval by Town Commission.

The Town currently has a MPST levy of 10% for sales of electricity by Duke Energy. This is one of the revenue sources dedicated to service the bonded debt in the Infrastructure Fund. Additionally, the Town has the option to set an MPST of up to 10% on eligible non-fuel charges for water and gas services. Other communities in Pinellas County have MPST levies on gas and water. Of the 20 communities with Clearwater Gas customers in their limits, 13 have levied a MPST on eligible charges, and all but two of these communities set the maximum rate of 10%. With respect to water sales, 14 out of the 24 municipalities in Pinellas County have levied a MPST and again, all but two of these communities have the maximum 10% levy. Charts are provided for reference purposes.

Staff is providing information on the MPST as a potential alternative revenue source for the Infrastructure Fund. COVID-19 is expected to significantly reduce Sales Tax-driven revenues such as the Penny for Pinellas

surtax in the Infrastructure Fund. Those revenues are needed to sufficient revenue coverage of the Town's bonded debt for infrastructure improvement projects. As all of the Town's major roadway and drainage projects have included utility line replacements, this funding source would ensure that those additional costs are adequately funded despite other revenue challenges anticipated over the next year.

Additionally, the Strategic Plan process found addressing infrastructure challenges to be the main priority for the community. Extending MPST levy to water and gas sales would also reinforce the financial standing of the Town by maintaining its borrowing capacity amidst receding investment returns and state revenue sources. Although the Town is still considering the long-term future of the Town's water supply, the Town may retain the levy and continue to receive MPST revenues in the future regardless of which entity manages the Town's water supply.

Financial Implications: Impacts of a 10% MPST for gas customers would apply only to non-fuel portions of a customer's utility bill. This would amount to approximately a 6-7% increase to a typical customer's total bill from Clearwater Gas, which for the average residence would be less than \$2 per month. The estimated resulting revenue from a 10% levy on gas services is \$26,000 per year.

For the water utility, a 10% MPST applied to water base and usage charges would equate to an increase of \$2.08 per customer per month for those single-family residences using 4,000 gallons. The cost would increase by \$0.65 for each additional 1,000 gallons used for consumption up to 25,000 gallons. Most residences average less than 11,000 gallons per month. Estimated revenue from a 10% MPST on water would be \$175,000 annually.

Recommendation: None, this item is for discussion purposes only.

Proposed Motion: N/A

MUNICIPALITIES SERVED BY THE CLEARWATER GAS SYSTEM

<u>CITIES (20 TOTAL)</u>	<u>UTILITY TAX RATE</u>	<u>FRANCHISE FEE RATE</u>	<u>FRANCHISE EFFECTIVE DATES</u>
BELLEAIR	None	5.5% (1) (3)	6/14/90-6/13/20
BELLEAIR BEACH	10.0%	6.0% (14)	10/1/18-9/30/33
BELLEAIR BLUFFS	None	6.0% (3) (14)	9/01/17-8/31/32
BELLEAIR SHORE	None	None (8)	4/03/97-4/02/27
CLEARWATER	10.0%	6.0% (4)	None/Ordinance
DUNEDIN	10.0% (5)	5.0%	5/01/90-4/30/20
INDIAN ROCKS BEACH	None	6.0% (14)	12/1/18-11/30/33
INDIAN SHORES	10.0% (1/1/05)	5.0% (11)	6/18/98-6/17/28
LARGO	10.0%	6.0% (14)	2/01/17-1/31/32
MADEIRA BEACH (LP Only)	10.0%	None	Not Applicable
NEW PORT RICHEY	10.0% (5)	6.0%	1/01/96-12/31/25
NORTH REDINGTON BEACH	None	5.0% (9)	7/16/98-7/15/28
OLDSMAR	9.0% (6)	5.0% (13)	1/01/15-12/31/34
PINELLAS PARK (LP Only)	10.0%	None	Not Applicable
PORT RICHEY	10.0%	5.0%	4/20/95-4/19/25
REDINGTON BEACH	None	5.0%	7/16/98-7/15/28
REDINGTON SHORES	None	6.0% (10)	11/5/98-11/4/28
SAFETY HARBOR	10.0% (5)	6.0% (3)	6/01/05-5/31/35
SEMINOLE (LP Only)	6% Res/9% Com	None	Not Applicable
TARPON SPRINGS	10.0%	6.0% (3) (12)	8/01/14-7/31/29

Notes:

- (1) 4.5% for 1st 10 years, 5.0% for 2nd 10 years, and 5.5% for 3rd 10 years.
- (2) 4.0% for 1st 10 years, 4.5% for 2nd 10 years, and 5.0% for 3rd 10 years.
- (3) exempts industrial customer revenues.
- (4) exempts interruptible customer revenues, and contract rates were billed @ 2% 4/1/99-9/30/99, 4% 10/1/99-9/30/00, & 6% beginning 10/1/00.
- (5) does not tax fuel oil
- (6) only taxes fuel oil @ 3.6¢/gal. vs. 4¢/gal. as authorized by FL statute.
- (7) Pinellas & Pasco Counties do not impose utility taxes or franchise fees.
- (8) Belleair Shore provides for the right to bill up to a 5.0% franchise but has elected not to bill a franchise to their customers at present.
- (9) North Redington Beach reduced the franchise for new contracts after 7/8/99 as follows: 0% for 7/9/99-9/30/00, 2% for 10/1/00-9/30/01, 4% for 10/1/01-9/30/02, & 5% for 10/1/02 & thereafter.
- (10) Redington Shores reduced the franchise for new contracts after 7/13/99 as follows: 0% for 7/14/99-9/30/00, 2% for 10/1/00-9/30/01, 4% for 10/1/01-9/30/02, & 6% for 10/1/02 & thereafter.
- (11) Indian Shores reduced the franchise for new contracts after 9/30/99 as follows: 0% for 10/1/99-9/30/00, 2% for 10/1/00-9/30/01, 4% for 10/1/01-9/30/02, & 5% for 10/1/02 & thereafter.
- (12) provides for extensions to up to 30 years, i.e. potentially to 7/31/44.
- (13) provides for extension of 20 years, i.e. potentially to 12/31/54.
- (14) provides for extension of 15 years.

Municipal Public Service Tax Database as of 02/27/2020

Municipality	County	Public Service Taxed	Tax Rate	Effective Date
BELLEAIR BEACH	PINELLAS	WATER	10.00%	1/1/2000
CLEARWATER	PINELLAS	WATER	10.00%	2/16/1959
GULFPORT	PINELLAS	WATER	10.00%	
INDIAN SHORES	PINELLAS	WATER	10.00%	1/1/2005
KENNETH CITY	PINELLAS	WATER	10.00%	4/1/2013
LARGO	PINELLAS	WATER	10.00%	11/1/1995
MADEIRA BEACH	PINELLAS	WATER	10.00%	
PINELLAS PARK	PINELLAS	WATER	10.00%	7/28/1988
REDINGTON BEACH	PINELLAS	WATER	2.25% per 1000 gal.	10/1/1995
SAINT PETE BEACH	PINELLAS	WATER	10.00%	9/24/1997
SAINT PETERSBURG	PINELLAS	WATER	10.00%	
SOUTH PASADENA	PINELLAS	WATER	10.00%	
TARPON SPRINGS	PINELLAS	WATER	10.00%	9/1/1988
TREASURE ISLAND	PINELLAS	WATER	6.00%	10/1/1993