



Town of Belleair

901 Ponce de Leon Blvd.
Belleair, FL 33756

Meeting Minutes Finance Board

Thursday, November 15, 2018

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 4:04 PM with Chairman Olson presiding. Meeting was held in the Public Works break room.

ROLL CALL

Present 4 - Chairman Tom Olson, Vice Chairman Dan Hartshorne, John Prevas, and John Hail

Absent 1 - Kevin Piccarreto

Excused 2 - Mary Griffith, and James Ingersoll

Also present:
JP Murphy
Stefan Massol
Ashley Bernal
Richard Cristini

CITIZENS COMMENTS

None to be heard.

APPROVAL OF MINUTES

[18-0227](#) Approval of July 16, 2018 and August 16, 2018 Meeting Minutes

**Dan Hartshorne moved approval of the July 16, 2018 and August 16, 2018 meeting minutes.
Motion seconded by John Prevas.**

Aye: 4 - Chairman Olson, Vice Chairman Hartshorne, Prevas, and Hail

Absent: 1 - Piccarreto

GENERAL AGENDA

[18-0323](#) Discussion of Comprehensive Annual Financial Report for Fiscal Year ended 2017

Stefan Massol spoke on the process since the last board meeting and how the audit was performed and approved; provided a brief overview of the CAFR; spoke on the various funds and audit report and opinion of Mr. Richard Cristini, auditor; stated the

management analysis discusses the condition of the Town and trends from past years; recent years have seen purchase and sale of the golf course, cooperative funding from SWFWMD, donations from community benefactors (Mr. Osborne and BCF), in addition to capital expenditures and improvements; net position of Town pool increased by \$1,868,000; discussed general fund balance and expenditures.

Discussion ensued regarding FEMA funding; regarding the state and federal process.

Mr. Cristini spoke on the increased requirements for future auditing procedures; audit report; recording standards and requirements; sees overall process improvement from previous year.

Mr. Prevas spoke about the golf course purchase, police and staff pension; asked for clarification on the police pension board members, being that there are two actual officers on the board.

Mr. Cristini stated that the State of Florida requires officers to be on the board in order to hold appropriate protection over their interests; stated that fire boards are structured the same way.

JP Murphy-Town Manager- Stated that the officers cannot grant themselves additional benefits, the Town Commission approves or rejects those matters.

Mr. Prevas stated that the Town should have a 401k plan committee, comprised of the Town Manager, the Mayor, and two finance board members, as stated on page 34 of the CAFR. Mr. Murphy spoke that there has not been a committee since he has worked here, nor does he believe that it is stated in any ordinance.

Discussion ensued regarding number of officers with previous pensions; calculation method for officer pensions; Police Department is 50% of the Town's budget. Questino arose as to if Town should vote on this; Mr. Murphy stated that the Town did vote and continued to speak on the matter.

Brief discussion regarding selection of a new chief; Mr. Murphy stated that a new chief, Rick Doyle, had already been approved.

Mr. Hartshorne asked how much the budgets total amount compares to the Ad Valorem tax revenue; Mr. Murphy and Mr. Massol stated the number is approximately 20%.

Mr. Hartshorne stated that the Town is not as dependent on this revenue item as he initially thought.

[18-0329](#)

Capital Improvement Plan and Borrowing Overview

Mr. Murphy spoke about the 1-year capital budget and the 3-year capital plan; budget itself is locked into place, but there was some concern about advanced borrowing, which could increase the Town's debt from \$10 million to \$12 million; stated commission has expressed interest considering current number of capital projects at a critical need; current debt payment per year totals about \$794,000; spoke about revenue, non-revenue services and cash flow.

Mr. Hartshorne questioned ability to obtain same interest rate. Mr. Murphy said that the Town would shop around for rates; spoke about the different services and revenue sources.

Mr. Massol stated the current revenue sources are expected to slowly inflate until 2023, ultimately stating that it would be \$954,000 of a yearly service to the debt, leaving a cushion of about \$300,000.

Mr. Olson asked if this matter was an advisory piece placed before the board members.

Mr. Murphy would like to bring forward a plan for funding sources, pitfalls, and more for board member discussion, unless there is a recommendation to not do it at all.

Mr. Prevas stated that there is no recommendation required for now, only that the members need to state their concerns for the record; he has concerns about taking on more debt, especially with the cost of the Police Department.

Mr. Hail stated he was in agreement and does not wish to see more debt; spoke about additional future revenue; infrastructure projects; Police Department.

Mr. Hartshorne stated he was in agreement with previous comments; not to go over the 10 million.

Mr. Olson stated that he is not inclined on increasing the debt.

Mr. Prevas asked about a bond, to which Mr. Murphy stated that was what we currently have, a \$10 million bond from BBT series.

Mr. Murphy stated his concern is that there are a couple critically-natured projects, such as the Bluff and Harold's lake. The bluff was a \$5 million project a decade ago. The creek costs a minimum of \$5 million (Belleair/Rattlesnake Creek/668); various roadway projects.

Mr. Olson would like to see concrete proposals that show how staff plans to fund these projects without increasing pressure on the mil levy or using other sources.

[18-0322](#)

Discussion of FY 19-20 Budget and Strategic Financial Plan

Mr. Massol stated item will take more shape over the next meeting; current budget is available to view on the website; this year is the fastest the budget has ever been completed; next fiscal year, the Finance Board will be included heavily in strategic financial plan and the programmatic budget; requested the board have involvement as last year when the revenue guide was also generated. Process will most likely be in January, with completion in March; noted that staff will be moving toward a fully programmatic budget as a whole.

Mr. Olson requested staff contact Mr. Piccarreto regarding his missed meetings.

OTHER BUSINESS

Mr. Christni provide to the board a report of the pension plans in the state of Florida; highlighted Belleair's; provided a brief overview.

Discussion ensued regarding pension funds; assumptions.

COMMISSION ADVISOR REPORT

None

ADJOURNMENT

Meeting adjourned in due form at 5:25 PM

APPROVED:

Chairman