

**MINUTES-JULY 25, 2023**  
**CITY OF INDIAN ROCKS BEACH**  
**CITY COMMISSION BUDGET WORK SESSION**

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The Indian Rocks Beach City Commission Budget Work Session was held on Tuesday July 25, 2023 at 4:00 p.m., in the City Commission Chambers, 1507 Bay Palm Boulevard, Indian Rocks Beach, Florida.

Mayor-Commissioner Kennedy called the meeting to order at 4:05 p.m., followed by the Pledge of Allegiance and a moment of silence.

**PRESENT:** Mayor-Commissioner Joanne Moston Kennedy, Vice Mayor-Commissioner Jude Bond, Commissioner Joe McCall, Commissioner Houseberg, Commissioner Lan Vaughan.

**OTHERS PRESENT:** City Manager Gregg Mims, City Attorney Randy D. Mora, Finance Director Daniel A. Carpenter, City Clerk Lorin Kornijtschuk, and Finance & Budget Review Committee Chair Jean Scott.

Chair of the Finance Board Review Committee Jean Scott stated, Finance Director, Dan Carpenter led the meeting on July 12, 2023, and there was a unanimous vote to approve the budget and millage rate. The City is financially solid in case of an emergency. She thanked City Manager Mims and Finance Director, Dan Carpenter for doing a good job.

**1. REVIEW OF Five-Year Capital Improvement Plan (2024-28) and the FY 2023-24 Preliminary Budget.**

Finance Director Carpenter presented a PowerPoint Presentation on Revenues: General Fund, Solid Waste Fund, and Capital Improvement Fund.

The City of Indian Rocks Beach is primarily funded by over 65% of property taxes.

**Property Taxes**

- 50% Pinellas County & Other Taxing Authorities
- 39% School Board
- 11% City

**Different Property Taxpayers Defined**

- Homestead/Save Our Homeowners
  - 25% of properties
- Non-Homestead/Commercial Owners
  - 75% of properties
- New Construction
  - \$14 million for FY 2024 for new construction. Approximately \$24,000 in new property taxes are not calculated into the rollback mill rate.

According to the Pinellas County Property Appraiser's Office, our property tax assessed value is expected to increase by approximately 13.58% or 2.56% less than last year. Of the 13.58% increase in taxable values, over 16.2% is attributed to new construction. In total, the value of new construction exceeds \$13 million.

The proposed budget reduces the existing mill levy of 1.8326% to 1.73% which ensures our continued ranking among the lowest mill rates in Pinellas County, and one of the lowest in the State of Florida. All other revenue sources are stable, or rising slightly, which allows us to accurately make future projections. Our reserve fund remains strong and is significantly higher than the national average.

## **OTHER GENERAL FUND REVENUES**

- Franchise Fees: 6% on electric and gas, \$496,560 or 10.3% of FY 2024 total General Fund Revenue.
- State Revenues: Shared, ½ cent sales tax, communication services tax, \$528,000 of 10.9% of FY 2024 total General Fund Revenue.
- Parking Revenue: Pinellas County Beach Parking Lot, \$184,000 or 4% of FY 2024 total General Fund Revenue.
- Interest Earnings \$200,000.
- Vacation Rental Registration/Inspection \$100,000.

The General Fund expenses total \$4,813,030.

**The City of Indian Rocks Beach remains one of the only cities in Pinellas County that does not have a stormwater fee or utility tax.**

Currently, the city's unassigned reserves balance is approximately \$4,549,326 or 94.5% of General Fund expenditures. In addition to the General Fund reserve account, the budget includes an updated IRB Five Year Capital Plan with an estimated reserve balance at the end of the five-year period of approximately \$565,740.

## **SOLID WASTE FUND**

- Residential: Bi-monthly billing through Pinellas County Utilities.
- Commercial: Bi-monthly billing through Pinellas County Utilities.
- Proposed a 7% Increase for both residential and commercial accounts in FY 2024. A \$2.40 per month increase for residential accounts.
- 25% Reserve Balance or approximately \$400,000.

## **CAPITAL PROJECTS FUND — MAJOR REVENUE SOURCES**

- Local Option Sales Tax (LOST) or Penney for Pinellas. \$500,000. It is a restricted revenue and can only be used for utility infrastructure replacement and public safety capital improvements, i.e. The City uses this revenue for road construction, reconstruction, and stormwater.
- BIG-C/LOST Funding. Allocated by Pinellas County for undergrounding of utilities along Gulf Boulevard. \$5.6 million project.
- American Rescue Plan. Federal Stimulus for infrastructure. \$2.1 million. This fund is also a restricted revenue. The proposed budget has it entirely allocated for stormwater projects.
- Southwest Florida Water Management District (SWFWMD). \$197,500. Matching grant funds for stormwater projects.

Mayor-Commissioner Kennedy asked what the American Rescue Plan was used for. City Manager Mims explained that the legislature passed a bill that required all local governments to update their storm water plans. The city has an updated storm water master plan, approved by the City Commission with a number of projects. The Harbor Drive area has three designated projects. The city will review bids on these projects in the next few weeks.

Commissioner McCall stated that turnover in housing, people selling, people buying and the resetting of those taxes, is how the city has the appreciation number of 13.58%.

City Manager Mims presented the highlights of the General Fund Budget, the Solid Waste Budget, and the Five-Year Capital Improvement Plan as outlined in the Budget Letter.

Highlights of the proposed general fund budget include:

- Reduction of the existing mill rate of 1.8326% to 1.73%.
- Elimination of the cost allocation from the Solid Waste Budget to the General Fund Budget. Savings to the Solid Waste Budget of \$148,000.
- 4% cost of living increase for all team members.
- Continued allocation of \$50,000 for proactive drainage maintenance.
- Funding for a magistrate and associated legal counsel.
- Two new full-time team members. One Code/Solid Waste Enforcement Officer and one Revenue Officer.
- Two Code Enforcement vehicles. Replacement of an existing vehicle and a new vehicle to accommodate the Code Enforcement Team.
- Replacement of an existing Public Works dump truck and replacement of one pickup.
- 7.9% increase in the Pinellas County Sheriff's Law Enforcement Service Contract.
- Installation of adaptive playground equipment.
- Office Administrator's position reclassified as Administrative Assistant and 20% of the expense assigned to Code Enforcement.
- Permitting & Inspections Budget eliminated.
- 20% increase in property casualty insurance.
- 0% Medical Renewal Rates.
- Purchase portable message board for construction projects, public messaging and use during emergencies.
- Public Works divisions formed into one budget for clarity & transparency.

Highlights of the Solid Waste Budget include:

- Elimination of the cost allocation from the Solid Waste Budget to the General Budget.
- 4% cost of living increase for all team members.
- 7% rate increase for both residential and commercial customers.
- 6.8% increase in Pinellas County Tipping Fee.
- Replacement of and purchase of one (1) packer truck.
- 80% of the Administrative Assistants Salary is out of the City Managers Budget with the other 20% taken out of Code Enforcements Budget.

Commissioner McCall asked what the Neighborly Senior Service Program and Safe Harbor Program were. City Manager Mims explained that the Neighborly Senior Service Program is a

nonprofit organization that provides food delivery and other services to Seniors and the Safe Harbor Program is the Sherriff's Homeless Program.

Commissioner Vaughan asked with the increase in recycling, should the city revisit the issue in the next year. City Manager Mims replied that this is discussed every year and the commission should keep their eye on this issue.

Mayor-Commissioner Kennedy suggested another survey card be sent out to the residents. She stated Indian Rocks Beach residents are good recyclers with over 65% participants.

Commissioner Bond stated the more you encourage recycling the less we will spend on trash.

Highlights of the 2024-2028 Capital Improvement Plan:

- Annual funding for road milling, resurfacing, curbing & drainage.
- Allocation of \$4,431,480 from Pinellas County Penny to Gulf Boulevard Undergrounding Phase II. Work in process. Scheduled to be complete by 2025.
- Allocation of the City's American Rescue Plan funds (\$1,950,590) to future drainage enhancement projects. Projects to be designated by the City Commission upon review of the updated City of Indian Rocks Beach Storm Water Master Plan.
- \$328,020 for stormwater reconstruction projects (half of the total is funded by SWFWMD Grants). The two projects are at 601 2<sup>nd</sup> Street and 2008 16<sup>th</sup> Avenue.
- Annual funding for park maintenance and upgrades.

#### City Park Upgrades

In 2024 the plan provides for:

- Continue rehab of the IRB Nature Park Boardwalk (a multiyear effort). Wood decking and railing will be replaced with recycled composite material. In addition, support repair will be completed. \$300,000.
- Brown Park fence replacement. \$50,000.
- Adaptive Playground Equipment Installation. \$29,000.
- Other park improvements. \$29,000.

Commissioner McCall asked how the new catch basins will be maintained. City Manager Mims replied in house.

## **2. PUBLIC COMMENTS.**

John Pfanstiehl, 448 Harbor Drive S., stated he appreciates the detailed explanation on the budget.

Scott Shapiro, 2032 20<sup>th</sup> Avenue Parkway, stated he was not in favor of a lobbyist. He suggested the following: the 4:00 p.m. budget work session meeting should start at a later time, short-term vacation rentals should pay for side yard garbage service, eliminate recycling except for glass, purchase a sand making machine to make sand from the glass and get the beaches sanded.

Commissioner McCall asked about what other services would be offered with the Host Compliant Company. City Manager Mims replied he would provide a copy of the proposal.

Mayor-Commissioner Kennedy stated that City Manager Mims goes to a City Managers Meeting every year and they use the City of Indian Rocks Beach as an example of how a city should be run financially. She thanked City Manager Mims and staff for doing a great job.

Commissioner McCall stated that the city should use caution on over expenditures, given the current marketplace.

**3. ADJOURNMENT.**

**MOTION** was made by Commissioner Houseberg, seconded by Commissioner McCall to adjourn the Meeting at 5:28 p.m. Unanimous approval by acclamation.

/LAK