

**City of St. Petersburg**  
**Committee of the Whole**  
Meeting of January 17, 2019 @ 10:00 a.m.  
City Hall - Room 100

A. Call to Order – Council Chair Charlie Gerdes

B. Discussion Item

a. FY19 Budget Priorities – Liz Makofske, Director, Budget and Management

C. Next Meeting – January 31, 2019 @ 2:00 p.m., City Hall - Room 100  
Storefront Conservation Corridor Plan

D. Adjournment



# MEMORANDUM

**TO:** The Honorable Charlie Gerdes, Chair, and Members of City Council

**FROM:** Liz Makofske *EMH*  
Director, Budget and Management

**DATE:** January 10, 2019

**SUBJECT:** Fiscal Year 2020 Budget Priorities Committee of the Whole – January 17, 2019

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On January 17, 2019, City Council will hold the Fiscal Year 2020 Budget Priority Committee of the Whole meeting at 10:00 A.M. in Room 100 of City Hall.

This annual meeting is designed to seek early input from City Council Members as to priorities for the FY20 budget. The City Council priorities discussed during the workshop will be used by the Mayor and Administration in the development of the FY20 budget. This year we will begin the meeting with a brief presentation that we hope will provide some context for the construction of the FY20 Operating Budget.

Attached to this memorandum you will find a document containing the comments by Council Members at the FY19 Budget Priorities Committee of the Whole meeting. Please feel free to call me (7435) or Jim Chism (7893) should you have any questions prior to the meeting.

**cc:** Rick Kriseman, Mayor  
Dr. Kanika Tomalin, City Administrator/Deputy Mayor  
Tom Greene, Assistant City Administrator



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Budget and Management Department  
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## FY19 Budget Priorities Collective List

1/18/18

### Montanari:

- Continue funding for the Vision 2050 plan in FY19.
- Is the \$100,000 in FY18 funding for an economic development study for South St. Petersburg sufficient?
- Provide funding for a program to help with adolescent auto theft issue. Would forfeiture funds be a source of funding for such a program?
- Increase sidewalk maintenance funding.
- Bump up the contribution to the Economic Stability Fund to \$1 million from \$500,000 in FY19.
- Continue contributions to Grow Smarter and the EDC.
- Move forward on the Shore Acres Recreation Center.
- Increase investment in parking technology to provide for solutions to downtown parking issues (i.e. Naples signage guiding to parking garages and providing information on garage availability).
- Invest in the Tech garage 50K to 100K; County matches contributions.
- Asked for definition of "right sizing" the government.
- Wants the detailed breakdown of the \$18,874,091 estimated FY19 increase in general fund expense.
- Wants to know the details of the salaries & wages increase estimates (percentages).

### Gerdes:

- Fully fund Grow Smarter, but don't tie the funding to the original schedule, if through reevaluation additional funding is needed provide the additional funding to support the program.
- Social Action funding, reaffirm that it is Council's desire to prioritize and provide funding for homeless families and unaccompanied youths. Increase the FY18 \$400,000 in funding to \$500,000.
- Change the South St. Petersburg CRA program percentages (from 10% to 25%) going forward to increase the funding for job training and education.
- Increase funding for school readiness/early childhood education programs.
- Increase the at-risk youth intervention and prevention programming from \$675,000 to \$750,000 and include a targeted program for auto theft diversion.
- Set a course to increase contributions to the Economic Stability Fund to \$1 million, okay to do this incrementally.
- Fully fund the Police Department's authorized force.

### Rice:

- Confirming the proposed homestead exemption impact is anticipated to be \$4.3 million
- Economic Development & Opportunity – Transportation Regional Transit FDOT, Central Avenue BRT, support the implementation of complete streets and the downtown rotator route.
- Implement a housing plan- Zoning changes, revolving loan fund, clear plan for Penny IV housing money.
- Continue support for homeless families (specifically \$100,000 to upgrade the kitchens at Pinellas Hope).

- As the Rays discussion of moving to Tampa increases, the dialogue with the community of how they want to spend the bed tax money needs to also increase.
- Role of City Council, play a stronger role in economic development goals as cheerleaders and relationship builders.
- Support Grow Smarter
- Reduce the red tape: Is it possible to have one desk at the building department to guide and answer all questions related to the process (support another staff person).
- Improve communication on the Southside CRA/2020 plan
- Reduce overtime costs
- Continue to utilize St. Pete Stat and Open Gov
- Clearly identify capital projects related to sustainability efforts. Will the project improve our STAR Community rating? Reduce the Community Rating System (CRS) score by eliminating exposure to floods?
- Keep employees healthy
- Create efficiencies related to trees (support a new staff person) if needed, so it is easier to plant, remove and/or solve tree problems.
- Support any legal needs associated with Tampa Bay Water issue.
- Improve the public engagement process.

**Kornell:**

- Supports \$2 million transfer from General Fund to Water Resources
- Shore Acres Recreation Center
- Continue the screening process for solar on Capital Projects
- Pay cash for more Capital Projects at the request of the bonding agency
- Support the Grow Smarter plan and align the youth employment programs with the growing industries identified by the plan.
- Find corporate headquarters for the Skyway Marina district
- Public transportation on 34<sup>th</sup> Street
- Homeownership – bring back the programs for teachers and police, try a pilot program with city employees
- Make St. Petersburg a trauma informed city to help address the youth auto theft issue
- Make a goal to end childhood homelessness now
- Develop plans to expand the Carter G. Woodson Museum, then utilize a referendum as was used to acquire Sunken Gardens and the Coliseum to let the voters decide on funding expansion of the museum.
- Having his legislative aid prepare and distribute the PSI committee findings of the resources vs. needs of the city.

**Gabbard:**

- Would like to see the notes from this meeting by council member and by issue so that they can see how many council members' priorities are the same.
- Develop a workforce housing plan citywide to address the needs of the "missing middle" \$150k-250k price range
- Support Vision 2050 funding
- Family homelessness increase the funding
- Assess efficiencies for maintenance at recreation centers, libraries and pools.
- Support funding for bicycle and pedestrian safety

- Support funding for early childhood education through the use of scholarships
- Rays/Tropicana Field- Plan for redevelopment of the site without a stadium
- Support funding to reduce the Community Rating System (CRS) Score for flood insurance.
- Make sure marketing is funding sufficiently to increase communications with the community, residents and stakeholders.

**Foster:**

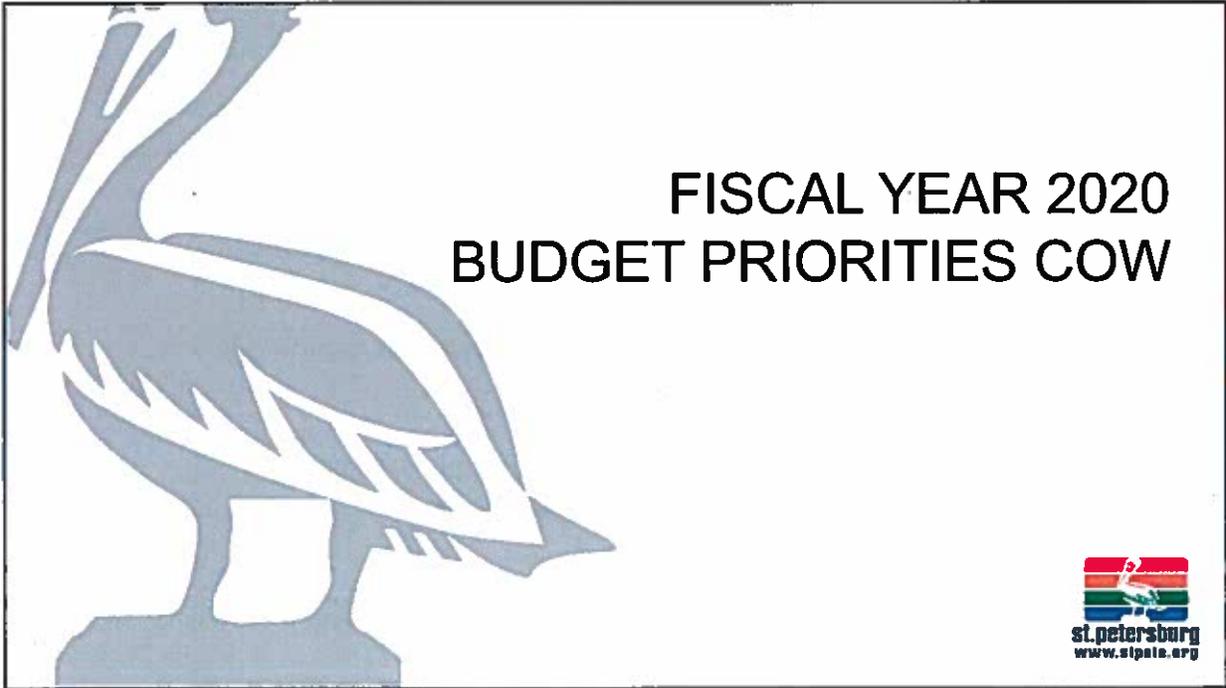
- Why are you using an assumption of 6.5% growth in ad valorem when the growth was 9.5% last year? A very conservative estimate.
- Support Vision 2050 funding
- Support Circles and Circles type programs.
- Support 34<sup>th</sup> Street master planning process
- Streamlining the permitting process and resources in the planning department
- Homelessness items will be coming forth for funding
- Operational costs for CASA project
- Items addressing the Opioid Crisis will also be forth coming for funding
- Support St. Petersburg becoming a trauma informed community

**Driscoll:**

- Does the expenditure budget take the wage requirements for contractors' ordinance into account?
- The New Deal for St. Pete as per the Peoples Budget Review four points, affordable housing, more education opportunities, living wage and community development.
- Support nonprofits working on affordable housing.
- Expand before and after school programs and summer programs
- Support adult training programs and education
- Expand the Greenhouse to have a location in South St. Petersburg (Tangerine plaza).
- Permitting takes too long to renovate and expand business, need to increase efficiencies.
- Tangerine Plaza needs to be a successful venture next time around.
- How can we help businesses with solar?
- Explore and expand sustainability and recycling to businesses and multifamily residential.
- Funding needed to expand litter management.
- Find a permanent home for Fire Station 2 West Side
- Improve response for storms based on what we learned from Hurricane Irma.

**Wheeler-Bowman:**

- Increase funding for social action funding of homeless families.
- Fund yearlong youth employment program to deter auto theft
- Affordable Housing
- Shot spotter for the PD
- Funding for Opioid crisis response
- 34<sup>th</sup> Street Masterplan implementation
- Skating rink on the south side
- Sidewalk repairs
- Support VPK funding program so families don't have to pay



# FISCAL YEAR 2020 BUDGET PRIORITIES COW



## Meeting Outline

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- Issues Impacting the General Fund
- Five-Year Long-Range Planning Model (2020-2024)
- Preliminary FY20 Budget Assumptions
  - Revenue
  - Expense
- FY20 City Council Priorities

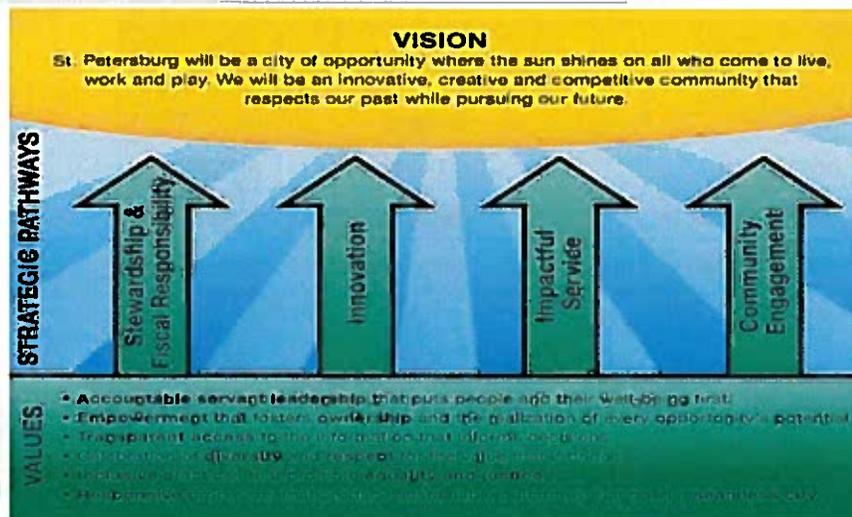


## FY20 Issues Impacting General Fund

- Property Values and Ad Valorem revenues have increased every year since 2014; but the year over year increases are projected to shrink in future years
- Non-Ad Valorem revenue continues to be relatively static
- In FY20, non-discretionary increases are likely to consume much of the projected growth in revenue and will include the Annually Required Contributions (ARC) to pension funds, salary increases, and medical insurance
- The refocus of Penny for Pinellas Round 4 resources to reflect infrastructure needs will place pressure on the General Fund and other funds to fill in the funding gap for projects traditionally funded in prior penny allocations



## City Vision, Strategic Pathways, and Values



## Five-Year Long-Range Planning Model (General Fund)

	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Actual	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
<b>AD VALOREM</b>									
Property Revenue	\$ 7,700	\$ 7,625	\$ 7,625	\$ 7,625	\$ 7,625	\$ 7,625	\$ 7,625	\$ 7,625	\$ 7,625
Property Taxes	696,260	\$104,462	\$113,461	\$123,060	\$131,662	\$138,662	\$147,662	\$156,662	\$166,356
Franchise Taxes	16,062	16,000	20,067	18,220	16,000	20,106	20,306	20,512	20,717
Utility Taxes	27,627	27,670	28,478	28,700	28,926	29,248	29,600	29,950	30,334
Business Taxes	6,713	6,846	6,886	6,886	6,843	6,843	6,843	6,843	6,843
Communications Services Tax	2,464	2,419	2,563	2,500	2,561	2,561	2,561	2,561	2,561
Grants	2,945	3,996	3,608	3,208	3,146	3,146	3,174	3,174	3,174
Shared State Revenue	6,820	6,882	6,600	6,100	6,100	6,263	6,468	6,657	6,850
Shared State Half (Grant)	15,063	16,121	16,756	16,856	17,059	17,176	17,342	17,519	17,690
Shared State Other	1,005	1,080	1,026	1,111	1,184	1,190	1,147	1,147	1,147
Tourist Development Tax	0	0	0	0	0	0	0	0	0
Local Option Fund	4,873	3,822	3,536	3,500	3,866	3,836	3,976	3,906	3,642
Charges for Services	11,866	12,061	13,110	12,661	12,066	12,266	13,476	13,666	13,806
Fees & Penalties	2,766	3,606	3,610	3,662	2,662	2,662	2,662	2,662	2,662
Other Local Revenue	6,876	4,466	6,660	6,166	6,166	5,261	5,266	6,261	6,417
GSA	6,816	7,063	7,186	7,236	7,468	7,632	7,766	7,661	6,106
Net	16,436	16,666	17,766	16,276	16,276	16,836	16,766	16,766	16,776
Total Ad Valorem Revenue	\$126,267	\$225,521	\$234,521	\$233,521	\$234,122	\$234,723	\$237,226	\$238,226	\$237,522
<b>NON-AD VALOREM</b>									
Grants	\$118,664	\$118,767	\$125,461	\$126,263	\$126,266	\$126,226	\$123,461	\$126,106	\$126,111
Services	66,613	67,620	66,776	62,136	62,617	66,662	66,641	61,266	64,221
Services / Commodities	60,616	63,626	66,666	66,676	66,621	66,676	61,226	63,666	66,666
Grants & Aid	3,577	3,640	6,676	6,140	6,234	6,461	6,666	6,711	6,646
Capital Outlay	2,026	4,466	3,676	676	666	1,614	1,636	1,666	1,676
Transfer Out	0	0	1,027	3,446	3,283	3,906	3,099	3,614	2,310
Debt Service	0	0	0	0	0	0	0	0	0
IT	7,212	6,737	10,664	12,661	13,666	14,625	16,306	16,306	16,306
Subsides	3,147	2,366	3,061	2,661	3,661	3,676	4,066	4,275	4,466
CPA/Other	2,167	0	180	250	1,260	1,260	1,260	1,260	1,260
CPA/Agency	0	0	0	0	6,266	6,000	6,000	6,000	6,000
Reserves	600	600	600	600	600	600	600	600	600
Contingency	0	0	0	616	1,000	1,000	1,000	1,000	1,000
Transfer From Other	0	0	0	0	16,662	16,662	16,662	16,662	16,662
Total	\$231,467	\$234,122	\$234,122	\$233,612	\$234,122	\$234,723	\$237,226	\$238,187	\$237,612
<b>CHANGE IN FUND BALANCE</b>									
	(2,460)	19,221	11,360	0	0	0	0	0	0
<b>OPENING BALANCE</b>									
	23,663	22,196	21,616	17,775	23,636	23,636	23,636	23,636	23,636
<b>CLOSING BALANCE</b>									
	21,203	41,417	32,976	17,775	23,636	23,636	23,636	23,636	23,636
<b>PERCENTAGE CHANGE</b>									
General Fund Revenue	61.8%	76.1%	74.6%	66.7%	66.7%	67.1%	68.1%	68.1%	68.1%
Ad Valorem Revenue	26.2%	27.6%	27.6%	26.9%	26.9%	26.9%	26.9%	26.9%	26.9%
Non-Ad Valorem Revenue	35.6%	48.5%	47.0%	39.8%	39.8%	40.2%	41.2%	41.2%	41.2%



## FY20 Preliminary General Fund Revenue

General Fund Preliminary Revenue		
	FY19 Adopted Budget	FY20 Preliminary
Ad Valorem	\$123,416,460	\$131,438,530
Non-Ad Valorem	\$140,401,971	\$141,723,545
<b>Total General Fund Revenue</b>	<b>\$263,818,431</b>	<b>\$273,162,075</b>
Estimated Increase in \$		\$9,343,644
Estimated Increase as %		3.55%



## FY20 Preliminary General Fund Expense

General Fund Preliminary Expense		
	FY19 Adopted Budget	FY20 Preliminary
General Fund Expense Budget	\$263,818,431	\$286,797,400
Estimated Increase in \$		\$22,978,969
Estimated Increase as a %		8.71%



## FY20 Preliminary General Fund Revenue vs. Expense

Fiscal Year 2020 Comparison of Preliminary Revenue to Preliminary Expense	
Preliminary FY20 Revenue	\$273,162,075
Preliminary FY20 Expense	\$286,728,782
Preliminary Gap	(\$13,566,707)



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# Questions

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