

**CITY OF PALMETTO
CITY COMMISSION WORKSHOP MEETING
March 19, 2018
4:30 PM**

Elected Officials Present:

Shirley Groover Bryant, Mayor
Jonathan Davis, Vice Mayor, Commissioner-at-Large 1
Tamara Cornwell, Commissioner-at-Large 2
Harold Smith, Commissioner, Ward 1
Tambra Varnadore, Commissioner, Ward 2
Brian Williams, Commissioner Ward 3

Staff Present:

Mark Barnebey, City Attorney
Jeff Burton, CRA Director
Jim Freeman, City Clerk
Allen Tusing, Public Works Director
Scott Tyler, Chief of Police
Amber LaRowe, Assistant City Clerk

Mayor Bryant called the meeting to order at 4:30 p.m.

Cheryl Miller, Senior Accountant, introduced the three newly hired Finance Department staff.

- Angela Bechtel, Accountant 1
- Emily Dickson, Junior Accountant
- Arlene Soper, Junior Accountant

1. CAFR AWARD FOR FINANCIAL REPORTING ACHIEVEMENT

Mr. Freeman gave a presentation on the FY2016/2017 Comprehensive Annual Financial Report (CAFR). He discussed the major initiatives for FY 2017 that included the EQ Basin, new reuse lines on 8th and 9th Streets, improvements to Carnegie Library, and intersection improvements. A few of the major initiatives for the future include redevelopment plans for the 10th Avenue corridor, planning and design for the new Police Department, road infrastructure repairs, and multi-modal enhancements. Mr. Freeman stated that the total net position increased by 8.4 percent due to the \$4 million increase in assets and a \$3 million decrease in liabilities. The total revenues also increased by 8.4 percent in comparison to last fiscal year, and the total expenses increased by \$59,000 compared to prior year. Mr. Freeman also touched on the proprietary activities, fiduciary funds, and pension contributions.

Jeff Gerhardt, CS&L CPAs, gave a report to the Commission regarding the recent audit on Fiscal Year 2017. The City received an unmodified opinion on the Management Letter for the CAFR

which is the highest opinion that can be received; it indicates financials are fair, accurate and appropriately presented.

2. RESOLUTION 2018-12 FUND BALANCE POLICY

Mr. Freeman stated that the City adopted a Fund Balance Policy in 2008 that established guidelines for levels of fund balance. The Governmental Accounting Standards Board (GASB) has since implemented Statement No. 54 that has changed the reporting structure of fund balance in the government funds. This Resolution will replace the 2008 Policy and will establish the new fund balance structure. The Policy also provides for the establishing of stabilization and budget contingency reserves to ensure that there are savings in place in the event of natural disaster or budgetary shortfalls. Mr. Freeman confirmed that any use of these reserves requires Commission approval.

Mayor exited the meeting at 5:15 p.m.

Commissioner Cornwell commented on Section IV. Utilization of Surplus Reserves. She indicated that there is no language that states the use of these reserves will require Commission approval. Mr. Freeman stated he will amend this Section by adding a sentence to the end that indicates Commission approval is required.

Mayor Bryant returned to the meeting at 5:33 p.m.

Commissioner Williams expressed concerns with the last sentence in V. Replenishment of Reserve Deficits that says “any deficit in the required amount must be restored no later than the end of the second fiscal year following the occurrence”. He opined that this may not always be the case or feasible. Discussion ensued and it was decided that the sentence will be revised to say “should be restored as soon as fiscally practical but should be within five years of the occurrence”.

This Resolution is on the 7:00 p.m. agenda for adoption, Mr. Freeman will bring forward a new version to that meeting with the two changes as mentioned.

3. RESOLUTION 2018-13 CDBG PROCUREMENT POLICY

Mr. Freeman reminded the Commission that in 2017 the City was awarded a Community Development Block Grant (CDBG) from the State totaling \$750,000 for infrastructure improvements. As part of the grant award, there were a few items the City needed to complete as part of the contract; this CDBG Purchasing Policy is one of those items. This Policy is specific to the procurement of the CDBG award money. The attached Policy is drafted off the template as provided to the City by the Florida Department of Economic Opportunity (FDEO). Mr. Freeman reiterated that this Policy will only apply to the procurement procedures associated with using CDBG funds. The existing City Purchasing Policy will still govern all other purchasing rules for the City.

Section 4.04 C was discussed. It was decided that the advertising amounts would be modified to have a range from \$10,001 to \$200,000 and then for greater than \$200,000.

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This Resolution is on the 7:00 p.m. agenda for adoption, Mr. Freeman will bring forward a new version with the change to the advertising as directed.

Mayor Bryant adjourned the meeting at 6:02 p.m.

Minutes approved: April 16, 2018

James R. Freeman

James R. Freeman
City Clerk