

**MINUTES OF THE FINANCE BOARD MEETING HELD AT BELLEAIR TOWN HALL  
ON JANUARY 16, 2014 AT 4:00 P.M.**

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**MEMBERS PRESENT:** Thomas Olson, Chairman  
Dan Hartshorne, Vice Chairman  
Mary Griffith  
Ernest Whittle  
Tom Lokey  
Tom Kurey

**MEMBERS ABSENT:** John Prevas

**OTHERS PRESENT:** JP Murphy, Assistant Town Manager  
Mayor Katica, Commission Advisor

Quorum present on roll call with Mr. Olson presiding. Meeting was called to order at 4:00 P.M.

**APPROVAL OF MINUTES**

Mr. Olson stated that the board had for consideration the approval of minutes for the December 19, 2013 board meeting; asked if there were any corrections or changes.

Ms. Griffith moved approval of the minutes of the December 19, 2013 meeting as submitted. Motion was seconded by Mr. Kurey and was approved unanimously.

**CITIZEN'S COMMENTS**

There were no citizen's comments.

**REVIEW OF DECEMBER GOLF COURSE FINANCIALS**

Bryan Cox, general manager of the Belleview Biltmore Golf Club, 1712 Belleair Forest Dr., stated that he was officially a resident of Belleair; provided a review of the December financials; stated that the rounds were down because of weather issues; that green fee sales were down as well; that range revenue was up in December; that there has been a continued increase in use of the practice facilities; reviewed the cost of goods sales and percentages; stated that Pinellas Mayor's monthly luncheon went well and will continue to have the luncheon at the club for the next two months; stated that he had been in contact with the Bay Area Concierge Service to become an affiliate member; that the golf club will be listed on their website; that the concierge desk at area hotels would direct them towards our golf course; that he will be personally going out and visiting the hotels on the beach and introducing himself to promote the golf course and club; stated that they were starting "couples golf"; that they had 23 couples signed up for the for the first night; spoke about other special events and new bookings; spoke about providing local craft beer and beer tasting; spoke about the member/guest golf outing.

**REVIEW OF DECEMBER GOLF COURSE FINANCIALS, cont.**

Mr. Hartshorne inquired about the "Petty" category under current golf assets; also inquired as to the drop in accounts receivable.

Mr. Kurey inquired about the sales detail by department concerning the dues adjustment.

Tom Rodems, Green Golf Partners, stated that there was some membership dues that were billed twice; that there was an adjustment this month to get correct the error.

Mr. Kurey inquired about the aging; stated that it seemed to be a large adjustment to have at the end of the year; spoke about the food and beverage line items that were below budget.

Discussion ensued regarding the cost of goods sold.

Mr. Kurey inquired about the costs of fertilizer for the month.

Mr. Rodems stated that the purchase was within the closing statement of inventory; that there was \$7,000 worth of credit to the town in the closing; that town staff had been working on the inventory; that it was specifically towards the fertilizer and chemical; stated that membership dues were billed on December 31<sup>st</sup> for the month of January; that there was a \$54,000 closing number for January; spoke about dues that were prepaid.

Mr. Cox stated that he would be working on increasing year long membership now that things had been settled with the golf course; stated that they were working on a marketing plan that would include advertising locally and nationally.

Discussion ensued regarding marketing and advertising; regarding Belleair resident membership.

**DISCUSSION OF SOLID WASTE - REVIEW OF MUNICIPAL RATES**

Assistant Town Manager, JP Murphy stated that at the last meeting the chairman asked for a few items to be brought forth; that one was some of the discrepancies regarding one of the schedules in the Kessler report; that with the holidays and other in house items such the golf course lease, the other items had not been addressed yet; that what was brought back was the report where staff looked at various jurisdiction and municipalities regarding the solid waste fees; that there were many cities that were utilizing privatized service; that some had a fee for recycling and offer special pickups; reviewed the chart with the board; stated that this was a continuation of the conversation the board had previously as to what can be done to reduce the solid waste fees; that he felt that if the recycling was brought in-house, that it would save approximately \$100,000 a year; spoke about the new recycling cans and recycling in general; spoke about trash collection.

Discussion ensued regarding recycling for condominiums; regarding identifying the recycling cans and serial numbers for each residence; regarding those residents that do not want to recycle.

**DISCUSSION OF SOLID WASTE - REVIEW OF MUNICIPAL RATES, cont.**

Mr. Olson inquired about the continued relationship with the City of Clearwater recycling.

Mr. Murphy spoke about the flyers that would be distributed with the new recycling cans; stated that the relationship currently with Clearwater was that the town would continue to pay Clearwater to provide the collection, in turn, Clearwater would collect, carry and sell the recycling waste through their solid waste transfer station; that we receive a rebate of the contract price that we owe Clearwater monthly; that it was a very real possibility that with the addition of the tippers to the the town's solid waste trucks for repurpose, that we could collect the recycling; that the only issue at the moment was that we do not have a place to dispose of the recycled goods; that Clearwater has their own recycle transfer station; that there was a current provider in Pinellas County, WSI who currently was collecting all of Hillsborough County; stated that staff was reaching out to WSI to see if they can handle our recycling; that if they can, then we can start collecting recycling ourselves; that recycling can help pay for the solid waste system.

Mr. Lokey inquired about the comparisons chart of Municipal Residential Solid waste fees and where would the town will be after going with the new system.

Mr. Murphy stated that it would not be possible to get the solid waste fees down to a \$13.74 rate; stated that the town's current disposal costs ran about \$100,000 a year; that staff was estimating that the town could save about 30% by doing the recycling diversion; that it was a key point for the town; spoke about the costs for solid waste per year including personnel; stated that staff felt that they could get the costs down lower; that some of the early numbers indicated that it might be possible to get down to that \$20 to \$25 dollar range.

Ms. Griffith stated that those households that she had talked to that were using a private purveyor, were paying approximately \$35.00 a month for trash pickup; that those figures did not compute with the \$13.00 amount figure; inquired whether if those communities were having a general contract with the private collector; that the homes that she had sold an dealt with, were all paying about \$35.00 a month for trash pickup.

Micah Badana, management analysis stated that he looked at the different municipalities solid waste rates through their online services; that if he could not find that information online, he called the finance and utility billing departments to find out their rates and to see if they had a contract or not; that most of them had contracts with private companies.

Discussion ensued regarding the rates being published for single family homes for monthly pickup.

Mr. Kurey spoke about the mid-range rates of the local municipalities; stated that if the town could get down to that \$20.00 rate range, it would seem to be a reasonable number and much more comparable and would be great for the residents.

**DISCUSSION OF SOLID WASTE - REVIEW OF MUNICIPAL RATES, cont.**

Mr. Murphy provided his ideas regarding recycling, trash pickup and cost cutting savings in the solid waste department; discussed staffing, trucks and level of service within the solid waste department.

**DISCUSSION OF GOLF SPECIAL REVENUE FUND BALANCE POLICY**

Mr. Murphy stated that the item was for internal controls and financial fund balance policies; stated that the golf fund was initially setup as a special revenue fund; stated that since we were leasing the property, the special revenue fund gave the town some help; that \$500,000 dollars was transferred over to the golf fund; that it was just a ledger transfer, that cash had been exchanged; that at closing and the books had been closed, that it would be prudent to return that \$500,000 dollars back to the general fund since that fund was self sustaining; that the \$500,000 dollars had nothing to do with operating and was never dipped into for any expense; that it was set aside in case there was a need to spend the money and thankfully that did not occur; that what needed to be done, like the general and enterprise fund, was to set a minimum undesignated fund balance and then have a discussion about the assignment, if we wanted to have a specific assignment; reviewed Exhibit A of the special revenue golf fund balance policy; stated that we have to define our fund balances in accordance to the GASB 54 rule; reviewed the definitions of the various fund balances; that the minimum unrestricted fund balance level would be approximately 10% of the total golf operating expenditures; that the current expenditure level was about \$200,000 dollars.

Discussion ensued regarding Green Golf Partners; regarding the reserves.

Mr. Murphy stated that the assigned fund balance was established for assignment of capital expenses each year; that it would be assigned specifically for future capital improvement expenses; that the assigned amount for each year would be \$50,000 dollars.

Mr. Lokey inquired as to maintenance of the golf course structure.

Mr. Murphy stated that the town was obligated to maintain the structure of the buildings and any of the capital items listed on the schedule of the lease; that it would be the exterior and bones of the building.

Discussion ensued regarding the maintenance of the buildings for the golf course; regarding the assigned fund balance reserves for the golf course; regarding the revenues coming from the golf course; regarding the possibility of selling the golf course.

Mr. Kurey stated that if the golf course sold within the first year of the lease the amount paid to GGP would be \$160,000; stated that after that it would be 1.5 times the prior year's net income.

Mayor Katica stated that if the golf course was sold and the owner kept GGP as the management company, then there would not be a penalty; spoke favorably regarding GGP management.

**DISCUSSION OF GOLF SPECIAL REVENUE FUND BALANCE POLICY, cont.**

Discussion ensued regarding early termination of the lease agreement and the sale of the golf course.

Mr. Murphy stated that if the board had no changes to the golf fund balance policy that the policy would go to the commission in resolution form.

Mr. Kurey stated that there needed to be some cash available for capital expenditures.

Discussion ensued regarding the unreserved fund balance numbers; regarding GGP's required \$500,000 dollars to be used for property maintenance.

Mr. Lokey moved to recommend to the commission to approve the golf fund balance policy. Motion was seconded by Ms. Griffith and carried unanimously.

**COMMISSION ADVISOR REPORT**

Mayor Katica thanked the board for their service; spoke about the golf course lease and Green Golf Partners; spoke about the Belleview Biltmore Hotel and possible buyers for the hotel property.

Discussion ensued regarding the Belleview Biltmore Hotel; regarding possible zoning changes.

Mr. Murphy stated that at the next commission meeting the addition of a RM-10 designation to the current land use would be considered for approval; that it would not be specifically added to the hotel property; that any future purchaser or developer would have to apply for that proposed new use.

Discussion ensued regarding the proposed RM-10 designation requirements.

**ADJOURNMENT**

There being no further business to come before the board the meeting was adjourned in due form at 5:20 PM.

February 20, 2014