CITY OF HOLLY HILL, FLORIDA

CITY COMMISSION

MINUTES ● APRIL 4, 2018

Large Conference Room	Work Session	3:30 PM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

1. CALL TO ORDER

a. Roll Call

Attendee Name	Title	Status	Arrived
Arthur J. Byrnes	District 1 - Commissioner	Present	
Penny Currie	District 2 - Commissioner	Present	
John C. Danio	District 3 - Commissioner	Present	
Chris Via	District 4 - Commissioner	Present	
John Penny	Mayor	Present	

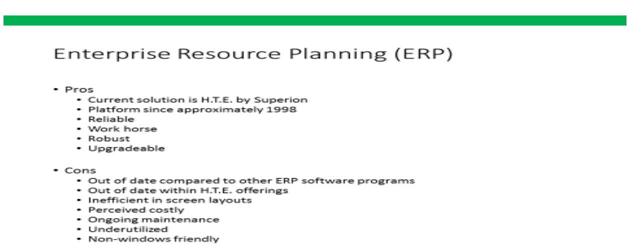
2. VARIOUS WORKSHOP ITEMS FOR DISCUSSION

John McKinney, Finance Director, showed a PowerPoint presentation to the Mayor, Commissioners and staff on the following items:

1. ERP System Upgrade
2. Investment Policy
3. Fund Balance Policy
4. Purchasing Policy
5. Current and Future Debt Service Needs
6. Ballot Language (if time allows, by the City Manager)

Mr. McKinney briefly discussed the following slides:

<u>Enterprise Resource Planning (ERP)</u>



Enterprise Resource Planning (ERP)

- Staff Recommendation is to stay with H.T.E.
  - Upgrade to their Naviline Hosted Solution
  - Within 6 months upgrade to HTML5 version
  - More efficient
  - Better tools available
  - Attend upcoming training on platform
  - Require no long term staff dedicated to implement
- Upgrade Complimentary Interfaces
  - AnalyticsNow
  - Inventory / Work Orders
  - Payment Portal
  - Fleet Software
  - BEACON (Utility Billing)

Enterprise Resource Planning (ERP)

- Enhancements
  - User interface
  - Functionality
  - Reporting options
  - Ability to utilize barcoding
  - Windows friendly
  - Ability to instantly access customer accounts
- Implementation
  - July 2018 for Naviline
  - August 2018 for Barcoding
  - October 2018 online portal
  - January 2019 for HTML5
- Cost to Implement $205,379
- Budgeted $500,000

Enterprise Resource Planning (ERP)

• H.T.E. Estimated 20 Year Cost	$3,006,998
• Comparable Software 20 Year Cost	$3,233,957
• Estimated Variance Over 20 Years	($226,959)

Investment Policy

Investment Policy

The purpose of an Investment Policy is to set forth the investment objectives and parameters for the management of the funds of the City. The Policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

Investment Policy

Objectives

1. Safety of Principal
2. Maintenance of Liquidity
3. Return on Investment

Investment Policy

- Florida Statute Section 218.415
  - Investment activity by a unit of local government must be consistent with a written investment plan adopted by the governing body. The investment policy shall apply to funds under the control of the unit of local government in excess of those required to meet current expenses
- City Charter Article III
  - Section 20 (6) Submit to the City Commission and make available to the public a complete report on the finances.....
  - Section 20 (7) Make recommendations to the City Commission concerning the affairs of the city
- Chapter 30 Finance
  - Section 30-28 At the close of each fiscal year, the unspent or unencumbered balance of each appropriation .... shall be subject to future appropriations
- Resolution 2010-R-64 Section 1-1
  - Provide flexibility to respond to unexpected opportunities

10

Fund Balance Policy

Fund Balance Policy

The City should establish and maintain reservations of Fund Balance, as defined herein, in accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund Balance shall be composed of non-spendable, restricted, committed, assigned and unassigned amounts.

12

Fund Balance Policy

The policy should provide a(n)

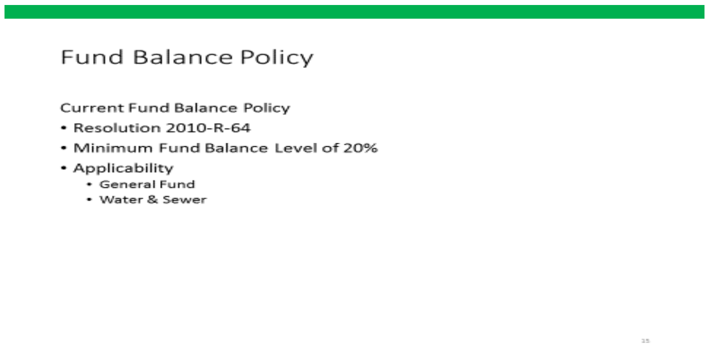
- Definitions of Resources
- Spending Order of Fund Balance
- Established Reserve Balance Target
- Replenishment of Reserve Deficits
- Utilization of Reserves
- Annual Review and Determination

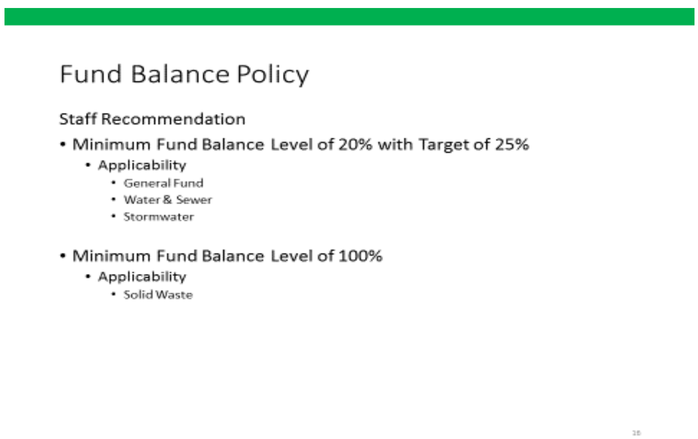
13

Fund Balance Policy

- **Fund Balance** – The difference between assets and liabilities in a governmental fund.
- **Non-Spendable Fund Balance** – Such as inventory or long-term receivables.
- **Restricted Fund Balance** – Amounts that can be spent only for specific purposes stipulated by external resource providers such as creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Committed Fund Balance** – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (resolution or ordinance) of the City Commission, the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the City Commission removes or changes the specified use by taking the same type of formal action (resolution or ordinance) it employed to commit those amounts.
- **Assigned Fund Balance** – Amounts established by City management intended to be used for specific purposes.
- **Unassigned Fund Balance** – The residual classification representing fund balance that has not been restricted, committed or assigned and is available for general purposes.

14





Mr. Forte had a few minutes to ask about the ballot language before second reading on Tuesday, April 10th. Mr. Forte wanted to get clarification so the Ordinance can be updated before the agenda item was sent out. There was ***consensus*** from the Mayor and Commissioners for the ballot summaries to read as follows for second reading on April 10th:

Elimination of Civil Service Act: Since the creation of the Human Resources Division and the establishment of employee union contracts, the Civil Service Act is no longer utilized for the hiring, promoting, oversight or discipline of City's employees. Repealing Civil Service will allow the City to continue to hire, promote and discipline according to the City's adopted Personnel Rules and Regulation.

Four Year Staggered Terms: The current City Charter limits the term of office of the Mayor and Commissioners to two years. This amendment proposes four year staggered terms for elected offices. If approved, the Mayor and two Commissioners will be elected during one election cycle and the other two Commissioners will be elected in the next election cycle two years later, maintaining an election every two years.

Mr. Forte informed them that the last two items from tonight's workshop session, Purchasing Policy and Current and Future Debt Service Needs will be scheduled for Wednesday, April 10, 2018 at 3:30 PM. Mr. McKinney will go over those during that workshop session.

3. ADJOURNMENT

The workshop adjourned at approximately 5:00 PM.

Valerie Manning, City Clerk CMC 4/4/2018

John Penny, Mayor 4/4/2018