



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: City Manager's Office

DATE: November 21, 2024

RE: Discussion of significant priorities for Council consideration. (Mayor Medina)

SUMMARY:

As we welcome our newly elected Council members, I wanted to have an opportunity to briefly highlight some of the most significant priorities that we have coming before us as a Council body.

Public Safety Bond: As our City has faced rapid growth, the need for additional fire and police resources, including stations, has increased. At the September 13, 2024 Regular Council Meeting, we gave staff direction to use undesignated fund balance to work on temporary fire stations for the NW (Fire Station 8) and the SE (Fire Station 9) areas of our City. We also provided approval to pursue debt service to fund a permanent Fire Station 8 and Fire Station 9, with both stations also including a Police substation component. The debt service is also planned to fund a replacement of Fire Station 2 (Malabar Road). Staff is working on this and the bond approvals will be coming forward to Council for review and a resolution and related documents will be forthcoming for Council consideration.

Operational Audit: The City was subject to a State of Florida JLAC Audit covering the timeframe of 2016 through 2018. The audit covered a wide range of city operations and resulted in 31 findings and recommendations that the City worked to successfully address. Since that time, the City engaged a separate audit firm to conduct an Internal Control and Fraud Risk Vulnerability study of three areas of City operations: recreation cash handling, fuel management and fueling operations, and payroll functions. The recommendations for improvements from that study were completed in late 2023. Additionally, the City has made significant efforts and investments to strengthen our cybersecurity position to reduce vulnerabilities in those areas as well.

In FY 2024-2025, the budget includes funding for another Internal Control and Fraud Risk Vulnerability study. This study, which will kick off in the last quarter of calendar year 2024, will include a check-in on the three areas previously reviewed, and will also add the following:

Vendor maintenance, vendor payments; Cash receipts and accounts receivable functions; Cash disbursements and accounts payable functions; Refunds, voids, and chargebacks; investment-related controls; inventory management (consumables, attractive assets, and fixed assets); purchasing operations; permitting operations; false invoices and fraudulent returns; travel advances and expense reimbursements; billing systems; systems access controls; approvals, authorizations, verifications, reconciliations, and segregation controls; security over assets; and entity-level controls, including IT and cybersecurity risks. The results of this review will take some months, with the results being presented back to City Council to ensure transparency.

Infrastructure Needs: For the past few years, we have made significant progress in funding replacements of our infrastructure, including public safety and general government vehicles, playgrounds, and equipment. We have also made significant investments in stormwater infrastructure and have started numerous initiatives to improve our roadway travel conditions, including ITS, widening projects, and plans to add additional traffic signals and increase sidewalks and streetlights. We also established a true Master Capital Improvements Program and Asset Management Program. All of these efforts must continue as we improve our City infrastructure.

Economic Development: On August 22, 2024, City Council participated in an Economic Development workshop discussion. It is of vital importance that we continue these conversations regarding the need to diversify our tax base and particularly make progress on job creation for our residents. I am also motivated to see more growth in our Light Industrial sector.

Road Bond Program and Road Maintenance Fund: At the January 18, 2024 Regular Council Meeting, an overview of the status of the road bond program was provided to City Council and the public. From the time that the original \$150 million estimate for the citywide road program was presented in 2018, the program experienced increased costs caused by a variety of factors including COVID, inflation, increased fuel costs, higher costs for asphalt, limited availability of aggregate and cement, and increased costs of trucking. The estimated additional funding need to complete all roads was another \$50 Million. In 2025, another update will be provided to City Council regarding the latest financial updates and strategies identified to fund future debt service payments for an additional bond to complete the road program.

Regarding the Road Maintenance Fund, we must continue our focus on increasing funding annually to position the City to properly maintain our road network into the future. Our funding policy was approved by City Council on August 18, 2022, and since that time, we have increased our annual contributions from around \$1.5 million in FY 2021 to \$3.25 million in FY 2024 (not including the final year of BCRA transfer, potential of around \$2.8 million).

Republic Contract: We have been hearing some concerns regarding Republic specific to mixed pickups and their trucks dropping glass and damaging roads with hydraulic fluid spills. We may

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want to have further discussions regarding this item.

I welcome discussion with my fellow Councilmembers on these significant priority items.

REQUESTING DEPARTMENTS:

City Manager's Office

FISCAL IMPACT:

None.

ATTACHMENT: