

**CITY OF ANNA MARIA
CITY COMMISSION
THIRD BUDGET WORK SESSION
JULY 18, 2006
5:00 P.M.**

CALL TO ORDER

PLEDGE TO THE FLAG

ROLL CALL: Mayor SueLynn, Commissioner Dale Woodland, Commission Chair John Quam, Deputy Commission Chair Linda Cramer, Commissioner Duke Miller

Absent with excuse: Commissioner Christine Tollette

Also present: Deputy City Clerk Diane Percycoe, Building Official Kevin Donohue

Press: Sun, Islander

- 1. CONTINUED DISCUSSION: Revenues and Expenses for Fund Year 06 / 07**
Deputy City Clerk Diane Percycoe informed Commissioner Quam that she had nothing further to report to the Commission on this topic.

Mayor SueLynn informed the Commission that she was continuing her efforts to contact the person responsible for the donation of banners [*Line Item 52*], and that there was a probability that this Line Item would be deleted, if no further communication could be established. She confirmed to Chair Quam that she expected to soon receive the information requested relative to the Gas Tax.

The Deputy City Clerk clarified for the Commission that any changes in the amounts, made as a result of the last Budget Work Session, were now highlighted in purple. Ms. Percycoe drew specific attention to the changes in projection figures.

Commissioner Linda Cramer requested an update on the negotiations relating to *Line Item 69 – Grounds Maintenance* and the Mayor responded that a meeting with the Public Works Director, the contractor, and herself had taken place, however, the City had yet to receive any confirmation of the outcome from the contracting firm.

Building Official Kevin Donohue and Mayor SueLynn clarified, in response to a question from Commissioner Duke Miller, that the large increase in *Line Item 82 – Code Enforcement* was due to an increase in staff hours, not the hourly compensation rate.

Commissioner Linda Cramer indicated her understanding that the Mayor had recommended different rates of salary increases, with the largest increases being assigned to staff with the lowest incomes. She commented that it was difficult to

evaluate the differences in the increases in staff salaries corresponding to *Line Items 65 through 85*, since their relative basis was unclear to her without some sort of job description and performance evaluation attached to it.

Mayor SueLynn explained that while her professional expertise in the field of human resources and management includes job design and the development of performance appraisal processes, it must be recognized that these approaches would apply to the micro environment of Anna Maria City Hall. She pointed out that she was in personal contact or personally apprised of the well-being and activities of everyone on her small staff on a daily basis. The Mayor said that the City Administration consisted of an eight-person full-time staff and one part-time employee, and that her full-time staff spent over forty hours in the office. She said that while she herself wholeheartedly that existing job descriptions were essential, and that semi-annual performance appraisals were important, although she had not had sufficient time to develop a formal appraisal process. Mayor SueLynn cautioned against tying in salary increases with performance evaluations, since documentation and experience has shown that this acts against productivity. The Mayor said that her findings with corporations were that employees would usually become extremely productive just prior to a scheduled performance appraisal, and that their productivity would taper off dramatically afterward.

Mayor SueLynn addressed *Line Item 80 – Building Official*, and noted that the City's Building Official functions additionally as its Plans Examiner and Building Inspector. She indicated that he currently earns substantially less than the building official in Holmes Beach, who has a plans examiner and building inspector on staff, and still earns significantly more than the City of Anna Maria Building Official.

Building Official Kevin Donohue and Deputy City Clerk Diane Percycoc clarified for Commissioner Duke Miller that *Line Item 70 – Admin Assistant – Building Official and Public Works* that the actual increase in this employee's starting salary of \$25,000 would be 3.5%.

Mayor SueLynn recommended to Chair Quam that the Commission address *Line Items 169 – Electric Car* or *Line Item 174 - Office Furniture*, if necessary, so that the Building Official could be allowed to begin the drive home. Commissioner Miller recalled that he had questions, at the previous work session, relative to *Line Items 130 & 131 – Imaging*. Building Official Donohue described the several cabinets of property files in his office that were to be imaged, and indicated that the second line item related to the imaging of documents the Administrative Office currently kept off-site in a Holmes Beach storage facility.

Commissioner Quam requested Public Comment relative to any line items preceding *Line Item 171*.

Public Comment

Georgia Van Cleeve, of Magnolia Avenue inquired as to how vacation time was distributed among staff. The Mayor responded that she did not know the amount, but was aware that this was calculated on a sliding scale based on years of service. She confirmed to Ms. Van Cleeve that staff benefits are budgeted separately from their salaries.

Discussion : Line Item #172 – Maintain Gladiolus / N Shore Drainage through Line Item #194

Mayor SueLynn explained to Commissioner Quam that the City would be responsible for maintaining the swales and supplying any components requiring replacement, and that the actual amount necessary for this purpose was as yet unknown. She confirmed to Chair Quam that she would check into the reason that \$5,000 had been allocated for mowing the swales. He recommended all mowing be shown in one place in the budget, as done by City staff or by contractors.

Commissioner Dale Woodland suggested, as he has done in the past, that it would be advantageous for the City to develop a comprehensive maintenance plan. Mayor SueLynn responded that for the first time, the City now had a maintenance plan for all roadwork, and agreed that it could be beneficial for plans for maintaining swales and other City property to be written down.

Public Comment

Tom Turner of North Shore Drive recommended that the \$5,000 for the mowing of swales should be removed from *Line Item #172*.

Discussion : from Line Item #195 – City Beautification (EEEC)

Commissioner Quam recalled that the Commission had recently approved the new ADA accessible mangrove observation platform already contained in the current fiscal year's budget. He asked Mayor SueLynn for clarification of the expenditure for this Line Item. The Mayor explained that EEEEC Chair Tim Eisler had located and applied for a \$7,500 grant to be used to repair the dock where the platform was to be located, which was expected to cost \$10,000.

Commissioner Miller requested an explanation of costs included in this Line Item relating to banners. Mayor SueLynn explained that the proposed City expenditure for banners in this Line Item was for additional special holiday banners, to be placed along Gulf Drive, possibly including flag-type banners for the Memorial and Labor Day holidays.

Relative to *Line Item 209 – Signs*, Mayor SueLynn explained for Commissioner Quam that this Line Item included signs of all types to be used by the City for a variety of purposes, including replacements for thefts. *The Mayor agreed, at the requests of Commissioner Quam and Commissioner Miller, to obtain an inventory of existing and proposed signage to be used by the City during the coming fiscal*

year. Chair Quam voiced uncertainty about the expenditure of \$9,000 in this Line Item, in addition to the \$6,000 proposed for emergency signage.

Relative to the street sweeping called for in the backup for **Line Item 210**, Commissioner Quam asked the Mayor if it would be possible for the City to share the street sweeper owned by Bradenton Beach. Mayor SueLynn responded that she had often remembered this option, which had in fact been the original intention of the two cities at the time Bradenton Beach acquired the machine. The Mayor explained that only someone formally trained to operate this equipment was allowed to run it, and that there was no such person in Anna Maria, and Bradenton Beach could not spare the only individual on staff that had received training.

Commissioner Linda Cramer suggested that the City might improve specified segments of rights-of-way to prevent sand from blowing onto sidewalks.

Commissioner Duke Miller recommended that the City look into the cost of training its own operator and sharing the street sweeping equipment with Bradenton Beach. *Mayor SueLynn agreed to obtain this information.*

Commissioner Quam asked, relative to **Line Item 214 – Road Maintenance**, if sealant would be applied to new street surfaces to prolong their lives, noting that surface cracking and deterioration was already evident at Oak and Tarpon.

Commissioner Dale Woodland again advocated the use of a comprehensive maintenance plan that would not only assist in financial management but be an invaluable planning tool. In response to a question he asked relative to **Line Item 212 – Sidewalk Replacement Program**, Mayor SueLynn explained that because sidewalks in the city had never been maintained or replaced, it would easily be necessary to spend \$10,000 for two years in a row to begin to make progress toward continuous maintenance. The Mayor expressed the expectation that the cost for this Line Item would decrease dramatically within a couple of years.

Public Comment

Georgia Van Cleeve of Magnolia Avenue recommended going out for bid to a contractor who would do all the necessary sidewalk replacement work. Mayor SueLynn noted that since the beginning of her administration, her staff had been working to identify and encourage the use of pervious pavers for sidewalks and other ground surfaces.

Deputy City Clerk Diane Percycoe verified with Mayor SueLynn that she should increase the projection for **Line Item 212** to \$10,000.

Commissioner Cramer asked for clarification regarding **Line Item 219 – Forestry Grant**. The Deputy Clerk explained that due to a cutback in funds at the State level, the City would not be receiving funds to remove exotics this year.

Commissioner Quam pointed out that if this will be the case, he questioned the \$7,500 revenue shown in *Line Item 46 – Forestry Grant*, and Deputy Clerk Percycocoe said she would need to verify with Public Works Director George McKay that these incoming funds related to incoming monies associated with the current fiscal year.

Georgia Van Cleeve confirmed with Deputy Clerk Percycocoe that the City must first spend its own funds in order to collect matching grant funds.

Tom Turner expressed his opinion, relative to the tree removal project, that exotics left standing in the alleyways and rights-of-way at the request of adjacent residents, which now need to be removed to perform roadwork and drainage work. He recommended that such tree removal should be paid by the residents that had requested the sparing of the trees.

Commissioner Dale Woodland recommended, relative to *Line Item 226 – Channel Dredging*, that before spending \$25,000 in permits, the CIAC should first verify that the City will be able to complete the necessary work.

Commissioner Quam asked Deputy City Clerk to explain her calculations for reserves. She noted that a sheet had been designed by the City Auditor for these calculations. The Deputy City Clerk drew the Commissioners' attention to Line 5 – Undesignated, and explained that this is the actual reserve fund as of the fiscal year ending September 30, 2005. She said that for the upcoming fiscal year, the calculations are done using the revenue projections and carryovers, and noted that the reserves figure comes out to 30.83% of the City's operating budget. Ms. Percycocoe indicated that she had made an equation to determine how much the 2006 / 07 budget would need to be in order to achieve 35% reserves, arriving at the conclusion that the City would need to spend \$30,000 less than it did the year before.

Chair Quam noted that Bradenton Beach has over \$2 million in reserves, which represents 71% of their operating budget. The Mayor and Deputy City Clerk Percycocoe explained that Bradenton Beach has a higher ad valorem tax rate, a stormwater utility tax, and more means to bring in revenue than the City of Anna Maria. Commissioner Woodland reminded those present that the intent of the Commission had been to keep a minimum of 35% of the City's operating budget in reserve, as recommended by City Auditor two years ago. Commissioner Miller agreed that the minimum of 35% reserves is mandatory. He reminded the Commissioners that from the date the approved budget begins in October 2006, it would take a year to reach 35% in reserves.

Commissioner Quam expressed concern that any inaccuracies in the projections could drastically skew the percentage of reserves. Commissioner Miller referred to Page 3 of Draft 3, and confirmed with Deputy City Clerk Diane Percycocoe that the revenue received for the current fiscal year fell \$140,000 short of projections.

Commissioners Miller and Woodland supported cuts wherever non-essential items could be found. The Commissioners said it would also be important to examine expenditures for the current fiscal year between now and the end of September.

Mayor SueLynn, on behalf of future administrations, asked the Commission to consider the large amount of time and effort staff must devote to producing unused revisions.

Commissioner Quam confirmed with Deputy Clerk Percycocoe that the Fourth Budget Work Session was scheduled for Tuesday, July 25th, 2006 at 5:00 p.m., and would include the setting of a suggested tentative millage rate, to be approved at the July 27th, 2006 meeting.

PUBLIC COMMENT

George Van Cleeve of Magnolia Avenue noted that the tax revenues of the neighboring island cities were so much higher than Anna Maria's, because only 10% of their citizenry were homesteaded, resident property owners.

PRESS COMMENT

None offered.

ADJOURNMENT

The meeting adjourned at 7:13 p.m.