

**CITY OF ANNA MARIA
CITY COMMISSION
FOURTH BUDGET WORK SESSION
JULY 25, 2006
5:00 P.M.**

CALL TO ORDER

PLEDGE TO THE FLAG

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

Also present: City Clerk Alice Baird, Deputy City Clerk Diane Percycoe, Building Official Kevin Donohue, Public Works Director George McKay (6:15 p.m.)

Press: Sun, Islander

1. 2006 / 2007 Budget Review

Chair Quam reviewed the policy for Public Comment at Budget Work Sessions, and indicated that comment would be heard at the end of review of the Revenue section, and subsequently, upon completion of the Commissioner's review of each page.

Mayor SueLynn updated the Commission regarding *Line Item 21* and the 5-cent local options sales tax. She reported that according to Statute, these revenue funds could not be used for routine road maintenance (e.g. patching and grading); however, they could be used for right-of-way maintenance, street lighting, traffic signs, pavement markings, and bridge maintenance. In addition, the Mayor noted that the sales tax revenue could be used for debt service on loans used for, among other things, the construction and reconstruction of roads and sidewalks. Mayor SueLynn indicated that she had confirmed her understanding with City Attorney Jim Dye. The Mayor said that she and the Deputy City Clerk would now review the budget for all the foregoing items, break them out, as required by the City Auditor, and list them under a separate heading in the budget, to be funded by the \$28,688 local options 5-cent tax line item. Deputy City Clerk Diane Percycoe explained that *Line Item 214 – Road Maintenance* would remain where and as it is, while another Line Item would be created to cover signs, sidewalks, road markings, etc. to the amount of \$28,688 applicable to the Statute and the 5-cent. She confirmed with Commissioner Dale Woodland that this action would neither reduce the revenue nor increase the expenditure sides of the budget.

Mayor SueLynn noted that the City Engineer and the Capital Improvements Advisory Committee (CIAC) had identified \$37,908 worth of necessary road maintenance. She indicated therefore that she wished *Line Item 214* to be funded

by some amount, noting that this amount had not been included by the Commission in the line of credit draw down.

Commissioner John Quam said that he would like to see the work recently done on Oak and Tarpon Streets preserved and maintained. Commissioner Cramer requested an estimate for the sealing to be done [within one year] on Oak and Tarpon. Mayor SueLynn responded that several other roads needed more serious maintenance done at the City's earliest opportunity. The Deputy City Clerk confirmed for Commissioner Miller that nothing that will appear in ***Line Item 214 – Road Maintenance***, would be allowable, under the 5-cent sales tax criteria.

Commissioner Quam recommended putting \$20,000 into Line Item 214, and there was consensus to do so.

Mayor SueLynn indicated that she had spoken with Connie of Connie's Landscaping, and she reported that the firm had unknowingly bid unrealistically under their competition. In view of additional equipment repair costs, Connie felt that \$30,000 was not an unreasonable amount for the City to pay for this contract, corresponding to ***Line Item 69***.

Commissioner Miller observed that he had never had his right-of-way maintained anywhere he had lived, and therefore he recommended, in accordance with several opinions he had received from the public, not funding ***Line Item 69***. Mayor SueLynn noted that the City already had difficulties getting people to put their trash out properly, and that the great majority of residents did not live in Anna Maria year-round. She pointed out how a burden would accumulate for code enforcement and indicated that as a means to an end, this would not in any way be effective or practical. Commissioner Cramer expressed the opinion that this may not be the appropriate time, i.e., budget time, to initiate such discussions. She acknowledged that such a policy change would require legislation.

Commissioners Tollette, Quam, and Cramer confirmed their support for funding *Line Item 69* with \$30,000.

Deputy City Clerk Diane Percycoc reviewed changes that had been made to the budget sheets since the last Work Session. She indicated that ***Line Items 49 & 50*** were added, as was ***Line Item 50a***. The Deputy City Clerk explained that Line Item 50a had originally been funded with \$43,000, however, upon speaking with the Public Works Director, she received a final amount for the completed project of \$40,769.06 for this year (05/06). Deputy City Clerk Percycoc noted that this was equal to one-half of the total cost, i.e., the West Coast Inland Navigation Department (WCIND) grant match. She explained that ***Line Items 49 and 50*** were grant monies for the 06/07 dredging and jetty extension projects, and that corresponding Line Items were shown for them in the Expense portion of the budget.

Deputy City Clerk Diane Percycoe further explained that it was hoped that the monies would be received in 06/07. Mayor SueLynn clarified that the \$50,000 for the dredging project had been applied for, but it would not be completely certain until November that the City would be awarded the grant. Chair Quam confirmed that it takes six to nine months to receive grant monies after the City completes a project.

The Deputy City Clerk noted that, according to the Mayor's memo, dated July 19, 2006, *Line Item 172* had been decreased. She drew the Commissioners' attention to *Line Item 252 - General Contingency Fund [reserve]*, of \$162,013.27.

Commissioner Dale Woodland asked for clarification of how the jetty figures related to this draft of the budget, and the Mayor and Deputy City Clerk explained that there had been an error on Draft #3, in that \$53,000 should have been shown in Column A, *Line Item 50*.

Deputy City Clerk Diane Percycoe continued with her review of the Reserve Calculations Sheet. She indicated that, as of September 30, 2007, if the revenue and expenses are taken in and dispensed as shown, and the General Contingency fund is not touched, the City will have \$847,847.27, or 40.4% of its operating budget in reserves.

Commissioner Cramer recommended, as she had in past years, that the City put 10% of pier rent revenue, or \$7,200 into a restricted Pier reserve fund. She noted that currently five years remained on the lease. Commissioner Quam said he would support putting the money aside in this way.

Commissioner Woodland recommended putting 5% of expenditures in the Contingency fund for current year emergencies. *He suggested putting \$50,000 into the General Contingency fund, and there was consensus for this.*

Commissioner Cramer confirmed that \$7,200 would come out of the Reserve line item and be put into the *Pier Restoration Fund Line Item*. Chair Quam confirmed that the Public Works Director would be consulted to see if any amount was needed for the City Hall Re-Roof in addition to the anticipated \$4,600.

The Commissioners continued with review of the Expense portion of the budget, from Page 3. Commissioner Cramer recommended that the Deputy City Clerk and several other hourly salaried employees receive a minimum \$1.00 increase in hourly salary. **She suggested raising salaries for the Deputy City Clerk, the Building Department Clerk, the Administrative Assistant, and the two Public Works employees up to 5%, and there was consensus for investigating and recalculating this for total cost.**

Commissioner Woodland recommended looking into the possibility of employees sharing in some part of their benefit package costs.

Commissioner Miller described a program used in many organizations where employees are allowed to pay a portion of their insurance with pre-tax dollars, and therefore have the option as to how they would like this money spent. Commissioner Tollette agreed that it was important for employees to participate in this way and to choose how they want their benefits.

Public Comment

Georgia Van Cleave of 525 Magnolia Avenue had questions regarding the insurance of City-owned structures. City Clerk Alice Baird explained that the Community Center is the only building that requires the tenant to carry its own insurance. Commissioner Tollette confirmed that the Community Center administration is in the process of shopping for additional insurance to cover the expanded and renovated facilities.

Continuing with Commission review from Page 5, Commissioner Quam drew attention to ***Line Item 124***, and Public Works Director George McKay explained that the flag purchases listed were replacement flags for the City. Commissioner Woodland noted that there was an increase from \$10,000 to \$18,000 for next year's proposed expenditure. **There was consensus to reduce the projection for *Line Item 124* to \$14,000 for next year.**

Public Comment

Tom Turner of 850 North Shore Drive asked for clarification of ***Line Item 138***, relating to off-site record storage. Commissioner Quam informed him that this referred to three units used for storage. Mr. Turner recommended that the city-owned trailer be used for this purpose. Public Works Director McKay informed Mr. Turner that each unit is 10 sq. ft. in area, and Mr. Turner recommended getting one larger unit instead of three small ones.

In reviewing Page 6, there was consensus to reduce *Line Item 168 – Fees for Radios* to \$1,125.

Commissioner Miller requested adding a line item under Professional Services to cover costs associated with the investigation of combining Island municipal services. He recommended funding the proposed line item with \$2,500, with the understanding that anything the City would spend would be pro-rated to 22.6%, based upon the size of the City of Anna Maria. **There was consensus to add a line item for this purpose.**

Commissioner Woodland asked the Public Works Director questions relative to ***Line Item 169 – Electric Car***. Public Works Director McKay indicated that this was a three-year lease, and that the electric car was to replace an older car. Mayor SueLynn noted that at the end of each three-year lease, the City has the option to

purchase the electric car for \$1.00. Commissioner Miller expressed the opinion that this was an excellent deal.

Public Comment

Tom Turner of 850 North Shore Drive commented, relative to *Line Item 172 – Maintain Gladiolus / North Shore Drainage*, that there were several items in the budget covering maintenance of some sort, and that these should possibly reviewed and consolidated. Commissioner Quam noted that at the last budget meeting, this line item had been reduced to \$3,500.

Carol Ann Magill of 403 Spring Avenue asked what the electric car was to be used for. Commissioners Miller and Quam indicated that this vehicle was to be used instead of a truck by the Building Official and the Code Enforcement Officer in the performance of their duties.

Continuing with the Commission budget review to Page 7, Mayor SueLynn confirmed that the sound system was to be done in this fiscal year.

Public Works Director McKay confirmed for Mayor SueLynn that funds for the repair of the eaves of the Historical Society roof would be coming out of the Repair and Maintenance line item.

Commissioner Tollette suggested, relative to *Line Items 173 & 174*, that City staff investigate the possibility of purchasing used furniture.

Discussion continued relative to *Line Item 205 – Holiday Banners*. Mayor SueLynn indicated that the City was receiving a \$3,500 match from donations by citizens.

Commissioner Woodland referred to *Line Item 212 – Sidewalk Replacement Program*, and Public Works Director McKay explained that this pertained to the sidewalks along the Gulf Front properties, done in Flexi-pave. Discussion continued regarding the use of Filter-mix. Mr. McKay noted that Flexi-pave is 100% recyclable material, and confirmed that he had a bid for \$8,500 for this year.

Public Comment

Tom Turner of 850 North Shore Drive pointed out, relative to *Line Item 219 – Trees and Maintenance*, that FPL trims the trees over power lines. The Public Works Director responded that often the FPL crews refuse to go where there is too much vegetation.

Carol Ann Magill of 403 Spring Avenue asked, relative to *Line Item 212* and the sidewalk replacement program, if the right-of-way could be marked, so that vehicles did not park on new sidewalks.

Georgia Van Cleave of Magnolia Avenue, relative to the discussion regarding FPL and tree trimming, noted that there is a large tree in front of the Community Center that extends over street. Public Works Director McKay confirmed to Commissioner Quam that he would investigate the tree and any possible threat to safety.

Chair Quam continued the review through Page 10 with no comment from the Commissioners or the public.

City Clerk Alice Baird indicated that staff needed to know the Tentative Millage the Commission wished to set so that the DR-420 form could be prepared for the Commission's approval at Thursday night's upcoming meeting. **There was consensus to set the Tentative Millage at 2.0.** Commissioner Cramer confirmed that once the Tentative Millage is set, it cannot subsequently be raised by the Commission.

Relative to previous discussions regarding the road sweeper, Public Works Director George McKay indicated that the City was legally responsible to do this work, either by manpower or by machine. He noted that the street sweeper vehicle itself raises a significant amount of dust. Mayor SueLynn noted that training of an additional street sweeper operator for the Bradenton Beach machine was still under investigation.

PUBLIC COMMENT

Offered throughout the meeting.

PRESS COMMENT

None offered.

ADJOURNMENT

MOTION: Commissioner Cramer moved to adjourn the meeting, seconded by Commissioner Tollette.

Vote: All Ayes. Motion carried.

The meeting adjourned at 7:10 p.m.