

CITY OF ANNA MARIA
CITY COMMISSION MEETING
FINAL MILLAGE/FINAL BUDGET 2008/2009
MEETING HELD AT ANNA MARIA COUNCIL CHAMBERS
10005 GULF DRIVE – ANNA MARIA, FL
THURSDAY, SEPTEMBER 23, 2008
5:30 P.M.

CALL TO ORDER

Chair Quam called the meeting to order at 5:37 p.m.

PLEDGE TO THE FLAG

ROLL CALL: Mayor Fran Barford, Commissioner Jo Ann Mattick, Commissioner Dale Woodland, and Chair John Quam.

ABSENT w/excuse: Commissioner Duke Miller and Deputy Chair Tollette.

Staff present: City Clerk Alice Baird, Finance Director/Deputy City Clerk Diane Percycoe, Public Works Director George McKay, and City Attorney Jim Dye.

Press present: Sun and Islander.

1. Open 2008/2009 Budget Public Hearing.

Chair Quam officially opened the 2007/2008 Budget Public Hearing.

2. Discuss Proposed Final Budget's Percentage Increase in Millage Over Rolled-Back Rate to Fund Budget (if any), and Specific Purposes for which Ad Valorem Taxes are Being Increased.

Chair Quam announced that the meeting that evening constituted a proposed Final Budget and Millage Hearing for the City of Anna Maria. As a Special Meeting of the City Commission, only items on the agenda would be considered. State Law requires that the first issue discussed shall be the percentage increase in millage (if any) over the rolled back rate necessary to fund the budget, and the specific purposes of which Ad Valorem tax revenues are being increased (if any).

Chair Quam stated that during the discussions, the City Commission would hear comments regarding the proposed increase (in any) and explain the reasons for any proposed increase over the rolled back rate. The general public would be allowed to speak and ask questions prior to the adoption of any measures by the Commission. The Commission would then adopt its final millage rate prior to adopting the final budget.

Chair Quam informed that the final millage rate is 1.7882, the same as last year's. The percentage decrease in millage over the rolled back rate is -12.41%. The rolled back rate is 2.0415.

The rolled back rate is the tax rate that would bring in the same amount of dollars from the previous year. The specific purpose for which Ad Valorem taxes are being decreased is the reduction of operating expenditures to maintain the current millage rate.

3. Open Public Comment.

Chair Quam officially opened the meeting for the purpose of hearing any Public Comment relating to any budget line items.

Sandy Gilbert, Longboat Key, representing S.T.A.R.T., addressed the Commission. Mr. Gilbert said after looking over the budget, he did not see the City's donation of \$400 for the S.T.A.R.T. program.

Finance Director/Deputy City Clerk Percycoe informed it was in the budget and listed under donation.

Mr. Gilbert thanked the Commission and asked that he be allowed to address them at a future meeting to provide an update of the S.T.A.R.T. program. Mr. Gilbert will contact City Clerk Baird to be added to an upcoming Commission agenda.

4. Close Public Comment.

Hearing no further Public Comment, *Chair Quam* officially closed the Public Comment section of the Public Hearing.

5. Amend Final Budget, if necessary.**Line of Credit Update**

Finance Director/Deputy City Clerk Percycoe informed that the City was scheduled to receive paperwork for the \$1 million Line of Credit through the Florida League of Cities / Florida Association of Counties on October 1, 2008 to be signed by the Mayor. The wire transfer was scheduled for October 9, 2008. However, due to the current stock market, there will probably be a delay in getting the funds.

Ms. Percycoe explained that the City first received notification relating to the Line of Credit on Friday, September 19, 2008 from Elizabeth Newberry of the Florida League of Cities. She provided Ms. Percycoe an explanation of the current economy's bankruptcy mergers and bailouts in the finance market that was affecting the municipal market when it comes to credit. There is a reduced demand for commercial paper resulting in higher interest rates and the interest rates could increase in the short term as much as eight to nine percent. Ms. Newberry informed that once the market settled the percentage could drop to three to five percent and it would no longer be the one to three percent that the City is currently paying.

There will most likely be a delay in seeing the City funds for the additional \$1 million line of credit. Ms. Newberry had informed that the Florida League is in the process of researching other banks in addition to their current use of Morgan Stanley. Five banks are currently interested in provided the line of credit and purchasing the commercial paper.

Ms. Percycoe informed she participated in a conference call with the Florida League on September 22, 2008, along with other city representatives. It was felt that the government bailout could restore the confidence in the markets and that part of the bailout could restore the demand for commercial paper for small businesses. Finance Director Percycoe will provide the Commission with further updates and strategies at their September 25, 2008 meeting.

No budget changes would be required at this time. If necessary, the budget could be amended later.

Commissioner Woodland suggested that the "Exhibit A" relating to the line of credit be updated on a quarterly basis.

Humpback Bridge Approach

Finance Director/Deputy City Clerk Percycoe informed that the City was requesting a line item transfer to Lake LaVista to repair the Humpback Bridge approach. The approach up to the bridge needs to be repaired. She stated that since it is so late in the fiscal year, it would need to be repaired out of the next fiscal year's budget.

Ms. Percycoe requested an amendment to the proposed budget with a carry-over of \$25,000 from the Reserves to Lake LaVista – and Expenditures for the North Bay Bridge Approach in the amount of \$25,000.

Chair Quam suggested taking the funds out of the contingency fund in the new budget when the funds are needed.

Public Works Director McKay explained that a few weeks earlier a sagging on the north side of the bridge was noticed. A detailed explanation followed by Public Works Director McKay relating to its current status, the closing of the bridge, and alternatives and costs for repairing it.

Commissioner Mattick voiced concern relating to liability issues and the length of time it will take for the repair. She used the weight of the Waste Management trucks as an example.

In answer to *Chair Quam's* question, *Public Works Director McKay* informed it was FDOT's responsibility to inspect the bridge approaches.

Finance Director Percycoe informed that the General Contingency Fund balance was \$68,284. She explained the process required for taking the amount out of the Contingency Fund versus a line item transfer.

Commissioner Woodland said he was more comfortable moving funds from the General Contingency Fund once the amount was determined. He reminded that the Contingency Fund was for the purpose of unexpected expenses that come up during the budget year. He further felt that the starting contingency on the first draft of the budget should be 5% of the operating expenses.

ACTION: It was the consensus of the Commission to not amend the budget at this time.

Commissioner Woodland commented that the 2008/2009 Budget was the fifth budget he had been involved in and was the by far the best budget he had seen. He appreciated the Mayor and staff's answers when questions were asked and complemented the staff on a good job.

Commissioner Mattick agreed.

6. **Recompute Final Millage – Announce Percent Millage Exceeds (if any) the Rolled-Back Rate. If Millage Exceeds the Rolled Back Rate, this is Characterized as the Percentage Increase in Property Taxes.**
The millage does not exceed the rolled back rate.

7. **Consider Resolution 08-641 – Adopting Millage Rate.**
City Clerk Baird read the Resolution by title.

MOTION: Motion was made by Commissioner Mattick and seconded by Commissioner Woodland to adopt Resolution 08-641 and 1.7882 as the final millage rate for the City of Anna Maria for fiscal year 2008/2009 - for taxation year beginning January 1, 2008, and ending December 31, 2008.
On roll call vote the motion carried unanimously.

8. **Consider Resolution 08-642 – Adopting the 2008/2009 Budget.**
City Clerk Baird read the Resolution by title.

MOTION: Motion was made by Commissioner Woodland and seconded by Commissioner Mattick to adopt Resolution 08-642 adopting the budget as the final budget for the City of Anna Maria for fiscal year 2008/2009.
On roll call vote the motion carried unanimously.

9. **Second Reading and Public Hearing – Ordinance 07-691, Adopting the Budget for FY 08/09 and Receipt and Collection of Ad Valorem Taxes.**
City Clerk Baird read the Ordinance by title.
10. **Open Public Hearing on Ordinance 08-691.**
Chair Quam officially opened the Public Hearing on Ordinance 08-691 for public comment.
11. **Close Public Hearing.**
Hearing no public comment, *Chair Quam* officially closed the Public Hearing.
12. **Consider Ordinance 08-691 – Adopting a Budget for FY 2008/2009 and Receipt and Collection of Ad Valorem Taxes.**

MOTION: Commissioner Mattick moved to adopt Ordinance No. 08-691, adopting the budget for fiscal year 2008/2009 and receipt and collection of Ad Valorem taxes. Commissioner Woodland seconded the motion.
On roll call vote the motion carried unanimously.

Chair Quam thanked the Mayor and staff for a very professional job in preparation of the 2008/2009 budget.

11. **Adjournment.**
Chair Quam moved to adjourn the meeting at 6:10 p.m. Commissioner Mattick seconded the motion. Motion carried – All Aye.

Alice Baird, CMC, City Clerk

Minutes Approved: _____