

**CITY OF ANNA MARIA
CITY COMMISSION MEETING
TENTATIVE BUDGET 2003 - 2004
THURSDAY, SEPTEMBER 4, 2003
6:00 P.M.**

CALL TO ORDER

PLEDGE TO THE FLAG

ROLL CALL: Mayor SueLynn, Commission Chair John Quam, Commissioner Tom Aposporos, Commissioner Duke Miller, Commissioner Linda Cramer, Commissioner Chuck Webb

Also present: Gene Cloud (Cloud Insurance), Larry Albert (Chair, Capital Improvements Advisory Committee), City Attorney Jim Dye, Sgt. John Kenney, City Clerk Alice Baird, Deputy City Clerk Diane Percycoe, Public Works Director George McKay, Minutes Clerk Sylvie Reichmann

Press: Sun, Islander, Herald, Sarasota Herald Tribune

1. OPEN 2003 / 2004 BUDGET IN PUBLIC HEARING

Chair John Quam opened the public hearing and asked Mayor SueLynn to announce the millage and rollback rate information.

2. DISCUSS PERCENTAGE (IF ANY) INCREASE IN PROPOSED TENTATIVE MILLAGE OVER FOLLED-BACK RATE

Mayor SueLynn announced that this was the first of two public hearings on the budget for fiscal year 2003 / 2004. She stated the percentage increase over the rollback rate as 27.43 percent. The Mayor stated the current year's rollback rate as 1.5695. She defined the rollback rate as the rate projected to produce the same revenue as the previous fiscal year by factoring the prior year's property value assessments. She indicated that the proposed millage rate is 2.0 mills. The Mayor explained that 1.0 mill is equal to \$1.00 for every \$1,000.00 of assessed value, less any exemptions.

Mayor SueLynn referred to a chart showing where tax dollars are spent. She said that 36.14 percent of taxes go directly to the County, while schools receive 38.89 percent, with the West Manatee Fire District receiving 11.12 percent, and the City of Anna Maria only receiving 9.38 percent.

3. DISCUSS PROPOSED TENTATIVE BUDGET AND AMEND IF NECESSARY

Chair John Quam asked the Commissioners for comments. Chair Quam noted relative to Line Item 24 – Transfer from Reserves, that the evening previous to this current meeting, the City Engineer (BDI) had met with residents affected by the Alamanda Road drainage project. He noted that \$38,000 had been budgeted for that project. Chair Quam said that after discussion at the meeting with BDI, it was decided not to do the project in total but rather to go ahead with the original intent, at a cost of approximately \$10,000. Mayor SueLynn said that she did not

feel it was appropriate for lay citizens to override the Commission approved recommendations of the City Engineer. Chair Quam said he thought that \$28,000 should be transferred on Line Item 24, and recommended that the subject be discussed by the Commission on September 16th.

Commissioner Linda Cramer recommended taking 10% of the revenue of \$66,000 from the Pier, Line Item #20, and placing it in the Pier restricted fund, to defray any possible future City liabilities. She noted that the total cost of ADA improvements was yet unknown, and said the Commission needed to decide the amount it would be willing to put out, and possibly renegotiate the lease, and indicated that it was her understanding that the Pier lessee was to be responsible for all maintenance, which now appeared to be undertaken in part by the City. The Commissioner recommended addressing the Pier issues at a workshop. The Commissioners agreed that the Pier contract is an administrative responsibility of the Mayor.

Chair John Quam referred to Line Item #31 - Revenue, and City Attorney Dye's memo of August 20th. He suggested increasing the Line Item by \$15,000. Mayor SueLynn indicated that the figures in the City Attorney's memo were estimates. **Commissioner Tom Aposporos recommended that Line Items #31 and #100 be deleted from the budget, and there was consensus to do so.**

Commissioner Duke Miller commented, relative to fireworks, that this could be classified as a private event since The Islander provided sponsorship. The Mayor confirmed that the event was not for profit and that The Islander's involvement consisted only of coordination. She noted that the other Island cities had contributed to fireworks in the past. The Mayor said that if the traditional events were to continue, the Island would be coordinating it. Commissioner Webb noted that the Chamber of Commerce sponsored the fireworks last year when the original sponsor dropped out. Commissioner Miller inquired regarding liability. City Attorney Dye said that for supplying the funds, liability would be not be a matter for concern.

Regarding Line Item #54 - Code Enforcement, Commissioner Linda Cramer said that at the work session on August 12th, there had been consensus to combine the Building Official with Code Enforcement Departments. She recommended re-classifying the position as Administrative Assistant to Code Enforcement, with a rate of pay congruent to that of the Public Works and Clerks Office Administrative Assistants. Commissioner Tom Aposporos said that he had left a memo at City Hall that expressed a similar opinion to Commissioner Cramer's. He recommended that Line Item #54 be left alone, since the new Building Official had not yet been retained, so as to afford the new hire as much flexibility as possible. The Commissioner said he hoped that the new Building Official would provide valuable input on how to best run the Code Enforcement Office. Chair John Quam said that if the Code Enforcement Officer was paid benefits it would amount to approximately \$26,000, and suggested removing the language relative

to the basis of 24 hrs. per week, and re-labeling the Line Item simply as “Code Enforcement”. Discussion continued relative to part-time and full-time administrative assistance. **There was consensus to remove the language on Line Item #54 relative to 24 hours per week and to keep the line item at the same amount.**

Relative to Line Item #61 – Health Insurance, Chair John Quam asked City Attorney Dye to comment regarding health insurance for elected officials. The City Attorney stated that a specific statute authorizes local governments to purchase health insurance for elected officials. He noted that in the City Charter there is a restriction against increasing the compensation of elected officials during a current term. City Attorney Dye said that health insurance is an increase in compensation, therefore the elected officials would have to go through one full election cycle first. He said noted that Blue Cross indicated that if a new class of covered persons is added, the entire class needs to come in at once. Chair Quam asked Mr. Cloud, of Cloud Insurance to comment.

Mr. Cloud said that the addendum to the contract may be able to be altered to meet the stipulations within the Charter, and it may also be possible to alter the waiting periods for initial coverage. He said it this were done, three people could be brought in initially, with the balance to come in when they have met the requirements of the Charter. Chair Quam confirmed that Mr. Cloud and City Attorney Dye would be able to resolve these questions by the second budget hearing.

Commissioner Linda Cramer confirmed that there was consensus that Line Items #61 & 62 should be stricken from the proposed budget.

Chair John Quam referred to Line Item #58 – Staff Overtime. He said he thought that staff should be required to accomplish work within eight hours per day. He suggested that the line item be reduced to \$12,000. Commissioner Cramer said she had inquired as to last year’s overtime expenses by department, and that this information, once received, could help with the adjustment of the line item. She agreed that the workweek should be forty hours long. **There was consensus to reduce Line Item #58 – Overtime to \$12,000.**

Commissioner Linda Cramer indicated, relative to Line Item #63 – Part-Time Temporary Help, that this should possibly be reduced also. She said she would like to see the line item reduced to \$6,000. Mayor SueLynn said reductions would tie the staff’s hands as to how much or how well work could be done. She said many things take staff away from daily routines and work gets piled up. Commissioner Duke Miller asked why the Public Works Department budget had a 300% combined increase in overtime and part-time categories. Public Works Director George McKay said that much work is done to catch up during summer months on weekends. Commissioner Tom Aposporos suggested using a reduction rate of 25%, as was used on the Overtime line item. **There was**

consensus to reduce Line Item #63 – Part Time to \$8,350.

Commissioner Linda Cramer asked for an additional Line Item and \$10,000 for the Community Center for their capital campaign. Commissioner Aposporos suggested using contractual arrangements between not-for-profits and the City when activities are undertaken to benefit the City. He recommended increasing the contribution to the Community Center, instead of adding another line item for the capital campaign. Commissioner Cramer said she suggested the additional line item so as not to mix the administrative funds and the special, one-time, capital campaign funds. Commissioner Webb noted that the Community Center already benefited from a 99-year lease for \$1.00. Commissioner Cramer asked the Commissioners to consider her suggestion before the next budget hearing.

Chair John Quam drew the Commission's attention to Line Item #112 – Parking Plan Support, at \$26,000. Chair Quam said that he would recommend reducing parking spots in the zone by 35 spaces.

Commissioner Tom Aposporos noted that the City Hall remodeling project is estimated at \$153,000. He said he was unclear as to the status of the project, and that he wondered if the amount would be sufficient. Mayor SueLynn said she met with the architect the previous week. She said the project had not been put out for bids and that the City was still waiting for blueprints to come back. The Mayor indicated that there was some concern regarding the existing air conditioning and heating systems relative to new requirements and standards. She said it would be possible to exceed the \$153,000 budget if major changes were needed. The Mayor confirmed that the budgeted money would cover basic remodeling.

Chair John Quam questioned Line Item #129 – Debt Service - \$25,000. Mayor SueLynn said that this line item was put in to cover the eventuality that the City needed to borrow money. She said this amount would be coming out of reserves. Commissioner Duke Miller recommended removing the line item. He confirmed with the Mayor that the line item would not affect the millage rate. **There was consensus to delete Line Item #129 and also to delete Line Item #27.**

Chair John Quam referred to the memo from Capital Improvements Advisory Committee (CIAC) Chair Larry Albert regarding canal dredging and maintenance. CIAC Chair Albert explained the need and urgency for the estimated \$5,000 preliminary work pertaining to dredging to those present. Mayor SueLynn recommended a separate line item in the proposed budget funded by a line item transfer from funds remaining in the current year's budget.

Commissioner Linda Cramer confirmed with the Mayor that the prioritized list of capital improvement projects totaling \$232,000 had been compiled by BDI from the input of CIAC members. Mayor SueLynn also confirmed that before each project is initiated, she would be returning to the Commission for its authorization to proceed.

Commissioner Cramer confirmed with the Mayor and CIAC Commission Liaison Webb that work on the North Shore project, for which funds had been allocated in the current year's budget, was moving ahead.

Commissioner Linda Cramer asked for 10% of total Pier revenue, approximately \$44,000, to be put into the Pier restricted fund, to be better prepared for contingencies, such as destruction of the Pier by an act of God. City Clerk Alice Baird confirmed that the Commissioner was proposing putting \$6,600 aside per year. Commissioner Duke Miller noted that the budget contained a reserve line item to cover contingencies, and questioned the need for moving \$6,600 into a special line item for the Pier. Commissioner Cramer explained that the budget already contained a separate funding line item for the Pier, set up by a previous Commission. She pointed out that the Commission had reduced reserves to 35% of the City's operating budget for the next fiscal year's proposed budget, and that this reduced significantly the funds available to cover major contingencies.

Commissioner Tom Aposporos recommended that the Commission look carefully at the purposes of its restricted and non-restricted funds, and reserve funds in general. He suggested the Commissioners also take into account the various possibilities for funding available from outside sources and insurance for disaster and other contingencies. Commissioner Chuck Webb said he agreed with the concept of using money from Pier rent to put into a restricted fund. **There was consensus to add a line item for the Pier restricted fund and to reduce the revenue line item by \$6,600.** City Clerk Alice Baird confirmed that the change would be effected by the next budget hearing.

4. PUBLIC COMMENT

A resident asked if Line Item #123 – Sheriff's' Budget included overtime. Mayor SueLynn said it did not, and that any additional work is billed separately. She said that off-duty officers were usually used for extra work instead of paying overtime to regular duty officers. Sgt. Kenney confirmed that overtime is only scheduled on holidays. He said that if there is a serious crime, help will be solicited from the County and paid for with this fund.

A resident asked where the beach walkover on Gulf Blvd. would be. Public Works Director George McKay said it would be located midway between Magnolia and Palm. Commissioner Cramer recalled that it had been recommended for safety reasons to locate the walkover at the end of Gulf Blvd. The resident commented, relative to the Special Events line item, that in previous years, no such line item existed. The resident said she would like to see an itemized list of the Special Events to be funded before the next budget hearing. The resident confirmed that overtime rate is time and a half.

A resident asked about the City's Fire Protection Plan. Deputy City Clerk Diane Percycoe confirmed that the West Manatee Fire District Public Hearing would be

held on September 18, 2003 at 6 p.m. in Holmes Beach.

A resident expressed the opinion that the City should not borrow money. He said it appeared to be inappropriate budgeting.

Relative to Line Item #58 - Public Safety, Commissioner Linda Cramer recommended including \$4,200 for overtime, and there was consensus to do this.

A resident suggested, relative to the reserve fund for City Pier, not reducing the Pier revenue line item, but rather adding a line item to show the money was transferred to Pier reserve fund. He expressed concern that the budget now exceeds two million dollars. The resident suggested that the City make some format changes to its budget work sheet, and said he had never worked with a budget that did not show previous year to date figures, percentage change, etc. Commissioner Duke Miller confirmed that he had also asked for a new format for next year. The resident suggested discussing format changes at a work session.

5. RECOMPUTE TENTATIVE MILLAGE – ANNOUNCE PERCENT MILLAGE EXCEEDS (IF ANY) THE ROLLED-BACK RATE

Chair John Quam asked City Clerk Alice Baird to report. She announced that the proposed tentative millage rate is 2 mills, and that the percent of increase over the rollback rate is 27.43%, with the current rollback rate being 1.5695.

6. ADOPT TENTATIVE PROPOSED MILLAGE

MOTION: Commissioner Tom Aposporos moved to adopt the rate of 2 mills per \$1,000 of assessed property value as the proposed tentative millage rate for the City of Anna Maria for fiscal year 2003/2004, seconded by Commissioner Chuck Webb.

Vote: All Ayes. Motion carried.

7. ADOPT TENTATIVE PROPOSED BUDGET

Motion: Commissioner Tom Aposporos moved to adopt the budget presented by the Mayor and the City Clerk tonight, and as amended at this hearing, as the proposed tentative budget of the City of Anna Maria for fiscal year 2003/04, seconded by Commissioner Chuck Webb.

Vote: All Ayes. Motion carried.

Public Comment

A resident asked if the ad valorem tax was set in stone. City Attorney Dye said it was, as long the millage remained the same.

Another resident asked what the total proposed budget, as per this evening's amendments would be. Commissioner Tom Aposporos noted the budgeted expenses had been reduced by approximately \$60,000, and that there could possibly be a further reduction of \$6,600 with the creation of the Pier Reserve

fund. He said he thought the budget would total just under \$2.1 million.

City Clerk Alice Baird said there would be a clarification from the auditor the day following this current meeting, relative to how to handle the \$6,600. The resident acknowledged that the budget had been lowered by several hundred thousand dollars and commended the Commissioners on their efforts. The resident recommended reducing taxation, if at all possible, next year.

8. FIRST READING AND PUBLIC HEARING RE: ORDINANCE 03-611, ADOPTING OF BUDGET FOR FY 03-04 AND RECEIPT AND COLLECTION OF AD VALOREM TAXES

Commissioner Chuck Webb read the ordinance by title.

9. CLOSE PUBLIC HEARING

Chair John Quam closed the public hearing.

10. ANNOUNCEMENT OF FINAL MILLAGE AND BUDGET HEARING DATE (SEPTEMBER 16, 2003 – 6:00 P.M., CITY HALL)

Chair John Quam announced the proposed millage at 2 mills, with the Final Millage and Budget Hearing date set for September 16, 2003 at 6:00 p.m. at the Anna Maria City Hall.

11. ADJOURNMENT

MOTION: Commissioner Chuck Webb moved to adjourn, seconded by Commissioner Duke Miller.

Vote: All Ayes. Motion carried.

Meeting adjourned at 8:16 p.m.

Respectfully submitted,

Alice Baird
City Clerk

Date Approved: 9-25-03