CITY OF MADEIRA BEACH
Board of Commissioners Workshop Minutes
Wednesday, July 6, 2011

A Workshop Meeting of the Madeira Beach Board of Commissioners was held on Wednesday, July 6, 2011 in the City Hall Auditorium, located at 300 Municipal Drive, Madeira Beach, Florida.

Mayor Travis Palladeno called the Workshop to order at 5:00 p.m. All Commissioners were present except Vice Mayor Reynolds, who was excused.

1. TOPICS:

A. DISCUSS RANKING AND SHORT LISTING THE SEVEN CITY MANAGER APPLICANTS. *(Information provided to the Commission at the June 28, 2011 Regular Meeting)*

Interim City Manager Mallory explained that the Commission had received the information regarding the seven city manager candidates at the last meeting, and the Commission had completed their selections and he would need a moment to tally the results. Commissioner Vander Velde asked if all of the candidates were still available, and Interim City Manager Mallory said yes.

In the interim, Mayor Palladeno said they would discuss item **C.; THE SURPLUS OF THE 2001 STERLING PACKER VEHICLE** while Mr. Mallory tallied the results.

Commissioner Oakley explained that she had pulled it off from the previous agenda because she has requested information about how recycling affects sanitation and has not received any data. Discussion centered on the condition of the vehicle and the new truck which is currently in use. She also had requested data regarding vehicle maintenance logs and had just received some of that data just this week. In response to Commissioner Lister's question, staff confirmed that the City still has to carry insurance on it even if it is not being used until it surpluses. Community Services Director Maxemow said they could probably get $20,000 for the vehicle at the auction. Commissioner Oakley requested that Director Maxemow provide data regarding the tipping fees, tonnage, and how recycling affects sanitation at the next workshop.

With regard to the results of the scoring to the city manager candidates: Interim City Manager Mallory announced the top three candidates according to the scores on the ballots: Gleason, Hurst and Lombardi. He said they would begin the in-depth background screening of the three candidates and then set up a public interview process with all three followed by a meet and greet by the public.

B. PRELIMINARY BUDGET DISCUSSION TO INCLUDE CAPPING THE MILLAGE RATE, AND SETTING THE PUBLIC HEARING DATES.

The Commission discussed the millage and the consensus was to keep it at the same rate as last year.
City Clerk Stilton reviewed the dates for Public Hearings, and the Commission determined they would schedule a 7:00 p.m. Special Meeting after the 5:00 p.m. Workshop, on September 7, 2011, for First Readings to adopt the Ad Valorem Tax Levy and adopt the FY 2011-2012 Operating Budget. The Second and Final Readings to adopt the Ad Valorem Tax Levy and the FY 2011-2012 Operating Budget were scheduled for Tuesday, September 27, 2011 at 7:00 p.m. The consensus of the Commission was to schedule the following Budget Workshops beginning at 5:00 p.m. on Wednesdays: July 13th, 20th, 27th and August 17th. The August 3, 2011 Workshop will be dedicated to other City business only.

Mayor Palladeno opened the budget discussion. Commissioner Vander Velde had several specific comments associated with the budget the Commission received on June 28, 2011:

- There were no Year-To-Date (YTD) totals included in the budget. Interim City Manager Mallory said he had that information tonight, and provided the Commission with a hand-out listing the YTD totals.
- There was no table showing all anticipated beginning and ending Fund Balances; designated and undesignated amounts, and she would like to have that as well as descriptions for designated funds (including the proceeds from the sale of the sewer system).
- Take the $500,000 out of Rex Place Park in the proposed budget; it should have already been taken out. Please number the pages so it is easier to follow along during discussions.
- Resolve the 71 or more discrepancies between detail pages and the table formatted pages-so many errors it would not make sense to discuss the budget until the discrepancies are resolved regarding the correct figures.
- Re-calculate the Administrative Fees by another method. Commissioner Vander Velde referenced the hand-out the Commission received, showing the breakdown by department which did not seem equitable and suggested they look at other cities and how they formulate the fees.

Commissioner Oakley pointed out that it did not seem fair that the Marina was charged 40 hours according to the Administrative Fee Schedule hand-out. She said they needed to come up with a method that would make it equitable for all departments. Commissioner Lister said prior to 2009 they had used a formula to calculate Administrative Fees.

The Commission discussed different methods used to determine Administrative Fees and the impact of vacant positions within departments as well as the seasonal aspect.

Interim City Manager Mallory explained that when they reduce the Administrative Fees in an Enterprise Fund, they are reducing the revenue for the General Fund; for example if the Marina gets a break on Administrative Fees and it reduces that by $50,000, then they have to look for $50,000 somewhere else. He said he did not agree that they needed to find a better way of assigning Administrative Fees.

Financial Consultant Frederick Nutt said that a Time and Motion Study is one way to determine assignment of fees. Another way is to look at the time and functions and portion that out based on a formula. The best approach is to actually log the time that is devoted on a sample basis.

Re-cap the revenues and appropriations by account numbers aggregating all departments and Enterprise Funds.
Include amounts designated for exit payments to employees; vacation, sick leave and administrative leave accruals for each department and Enterprise Funds.
Put all Capital items in CIP (e.g. $25,000 in John's Pass Fund should be included as Capital Improvement).
Set up Contingency Fund for Enterprise Funds.

Financial Consultant Frederick Nutt explained that the budgeted contingency account was for unexpected expenses in the operating budget, while setting aside reserves were for fund balances saved for future capital projects. He said that it was okay to have different funding sources in the CIP.
Commissioner Oakley recommended setting up individual Enterprise Funds to pay for the Vehicle Replacement Plan. Regarding the funds for the vehicles repairs and tires, Interim City Manager Mallory said maintenance and repairs are in a separate account. Commissioner Oakley requested to see the Vehicle Replacement Plan.

Commissioner Vander Velde requested to see the Computer Rotation Program from Interim City Manager Mallory. Interim City Manager Mallory said he would need to look for that.

Mayor Palladeno recessed the meeting at 6:25 p.m. The meeting was reconvened by Mayor Palladeno at 6:40 p.m.

Commissioner Lister said that there must be funds for the Parks Committees to be used in park improvements in the City. He was looking at $50,000 for that project.

Mayor Palladeno spoke on eliminating the resident fee of $1.54 per household for recycling. Public Works Director Maxemow said the recycling tax was closed to $30,000, while recycling fees generated about $60,000 to $70,000. If they cut the recycling fees out, there would be big shortfall to pay for the recycling program.

Mayor Palladeno opened the floor for public discussion on the overview of the budget.

June Mohns, 13321 Boca Ciega Ave.; requested to have a corrected version on the proposed budget free for residents who had already paid ten dollars for a copy.

Interim City Manager Mallory said the City would upload the latest copies of the budget to the web for the public. Commissioner Vander Velde requested to have the complete proposed budget available on the website.

Jim Madden, Madeira Beach; spoke on the following points regarding the proposed budget:

- Even though the Stormwater Master Plan was done in 2000, it has not been approved or adopted by the City. The study of the Stormwater Master Plan and the CIE update was missing from the budget, which he believed to be critical for the street improvements.
- No mention of the Gulf Blvd Beautification Project in the budget.
- Suggested taking the special funds project and marrying it with the capital programs.
- Reserves for Enterprise Funds; he was supportive of reserves in each fund.
- Self-insurance on certain items.
- Designated funding for Archibald Park should come out of the Parking Fund.
- Overtime issues with firefighters, even though two new firefighters were hired.
- No individual websites for other departments; should all be incorporated into the city's official website.
- Updates regarding public works building roof repair and air packs missing from the budget.
- Bidding out Computer Service.

In response to Mr. Madden's question, Financial Consultant Frederick Nutt gave a brief explanation of how he put the proposed budget together.

June, Mohns, 13321 Boca Ciega Ave.; spoke on receiving money from the county to pay for the Pinellas Beach Re-nourishment. Public Works Director Maxemow said they were scheduled to receive $50,000 towards that.

Jim Madden, Madeira Beach; asked what Capital Improvement Projects have been done this year. Interim City Manager Mallory said there was none.

Commissioner Vander Velde asked City Attorney Trask about cities that were self-insured and the process. City Attorney Trask responded that the City would need to speak with an insurance consultant for detailed information on self-insurance.

Commissioner Vander Velde asked if the money that the Marina paid to the City should go straight back to the reserves. Financial Consultant Nutt said for budgeting purposes, the money should go into the General Funds' revenue budget before it went back to the reserves.

With regards to the Archibald Park Project funding, Commissioners believed that the park itself should pay for the $200,000 instead of paying out of Penny for Pinellas. The consensus of the Commission was to give a loan of $200,000 to Archibald Park and put it on a payback period plan.

Commissioner Oakley commented on replacing John's Pass parking meters with parking pay stations.

Regarding the bank fees spending on the Marina visitor's credit card, Marina Director Marsicano said the current 1% piggy back on the state contract was the best rate we could get so far. Afterward, he updated the Commission on the new software for the Marina Office.

D. INTERIM CITY MANAGER MALLORY TO PROVIDE AN UPDATE ON THE STATUS OF AN EVENT COORDINATOR FOR CITY EVENTS.

Interim City Manager Mallory reported that he had contacted Mr. Lee, who has been selected as the event coordinator for city events, and would meet with him and request a workshop to discuss city events.

2. MISCELLANEOUS - None.

3. ADJOURNMENT

There being no further business, Mayor Palladeno adjourned the Workshop at 7:44 p.m.

Date Approved: 1/24/2012

Travis Palladeno, Mayor

Ginger Stilton, CMC
City Clerk