



THE CITY OF MADEIRA BEACH, FLORIDA PUBLIC NOTICE

BOARD OF COMMISSIONERS BUDGET WORKSHOP MEETING

The Board of Commissioners of the City of Madeira Beach, Florida will meet at City Hall, located at 300 Municipal Drive, Madeira Beach, Florida to discuss the agenda items of City Business listed at the time indicated below.

2:00 P.M.

TUESDAY, JUNE 28, 2017

COMMISSION CHAMBERS

A. **CALL TO ORDER** – The meeting was called to order at 2:00 p.m.

B. **ROLL CALL**

MEMBERS PRESENT:

Maggi Black, Mayor
John Douthirt, Vice-Mayor
Terry Lister, Commissioner District 1
Nancy Hodges, Commissioner District 2
Nancy Oakley, Commissioner District 3

Staff Present:

Derryl O'Neal, Acting City Manager
Erica Augello, City Attorney (CA)
Nick Lewis, Interim City Clerk
Walter Pierce, Finance Director (FD)
Dave Marsicano, Public Works/Marina Director (PW/MD)
Doug Andrews, Events and Recreation (PZD)

C. **TOPICS**

1. **PRESENTATION OF GOALS AND OBJECTIVES FOR FY2018 LEGISLATIVE SESSION**

Alan Suskey, Lobbyist

The first project we worked on was the American Legion Storm Water Project that the city had in the budget for \$145,000. The next year was the John's Pass Village lighting project that we received a little over \$300,000 from the State Legislature. This year there was an issue with the ball field lights. We tried to fix that issue with \$200,000 in the state budget but unfortunately this project was vetoed along with many others. My suggestion is we pick three to five projects and meet with the legislative delegation to decide what they are interested in and from there we will collectively work on the priorities of both parties and decide what is best for both. The ball field lights are still an issue so it is up to the commission to add that back to the list or not. One refurbishment that we have worked hard on is the sand groins on the beach. We have asked for \$1,000,000 and I feel that if the commission choses to put that on the list we will have a good chance of getting approved.

Something else I would like the city to consider is having more interaction with our legislature as a whole. For instance, I would like to have Senator Rob Bradley visit with us when he is here in September so he can see the state of disrepair that the sea groins are in. I feel this will have an impact when he is analyzing his budget. I also feel that having Senator Latvala visit us and see the ball field and sea groins to better communicate what the city needs.

Question from Commissioner Lister: I know it is imperative that we have a presence during the committees as opposed to when the session starts. Is there some way you can prioritize the top five committees and send them to us? Also, do we need a letter from the commission inviting senator Jack Latvala to the City of Madeira Beach?

Response to Commissioner Lister: Yes, I can prioritize the committees where we spend the most of our time and operations. For instance, events like the John's Pass lighting are areas that we can get engaged to help you facilitate those invitations to make sure we have reasons to invite them down. Also, if we know ahead of time that someone will be in town, I can call them and ask for some of their time to come down and view a project. We have no problem sending an official letter but sometimes a simple phone call put us on the schedule.

2. **OVERVIEW OF BUDGET PROCESS**

Derryl O'Neal, Acting City Manager/Fire Chief
Walt Piece, Finance Director

Acting City Manager/Fire Chief Derryl O'Neal: This is the first of several budget meetings. Considering how much information there is to present, I've asked our Finance Director Walter Pierce to keep the process moving forward so we don't get too bogged down with details. Every budget process that I've ever been a part of I've always asked my County or City manager what kind of budget they expect of me. For example, do you expect a budget with additional fluff put into it that you can then go back and make cuts to or would you like me to provide you with a realistic budget that is reflective of the levels of service and expectations that the citizens expect? More often than not, I get the response of providing a realistic budget of what I will need to perform my job to the standard that is expected of me.

Director of Finance Walter Pierce: Revenue sources: I would first like to mention that what I have presented to the commission is very much a document in the works. In fact, I have already made adjustments to it. A proposed budget will probably be ready by a week and a half after the budget workshop meeting this Friday, the 30th of June. Hopefully the proposed budget will be approved and the millage rate will be adopted through resolution. At this time, I feel we can accomplish everything we want to accomplish for this budget and keep the millage rate the same. Just a brief update for everyone, we have a budget workshop on Friday June 30th and also in that same meeting we have our financial advisor speaking with us about current debt we have. At that time the commission will be able to ask our financial advisor any questions and we will be happy to address those questions. After the proposed budget is approved, there will still be changes between when that and the tentative budget which will be adopted in September. In September we will have two separate hearings and that is another opportunity for the public to voice any comments or questions in the construction of our budget. In the budget information you were provided with, we estimate what the ad valorem increase is on page two. It shows that I took the taxable value that was provided by the property appraiser, keeping the millage rate at 2.2, I was able to come up with the total estimated property tax revenue for the FY2018 of \$2,453,499 at this point in time.

3. GENERAL FUND REVENUE

Walt Pierce, Finance Director

For the interest of time, I'm going to bring up some major points that I feel are important. We have increased the fire inspection fees up to \$25,000. The fire chief has asked for an additional fire marshal position. The reason for the increase is due to the fire department not having the man power to properly keep up with inspections.

Acting City Manager/Fire Chief Derryl O'Neal further added justification for the increase by informing that there was a fire inspector position here previously and there are inspection fees that are associated with fire inspections. These associated fees can offset the cost of opening the new position. Mr. O'Neal then explains that fire inspections are not only a life safety issue but it also concerns us with our insurance service organization rating within the community that set our insurance premiums for residential and commercial properties. It is imperative that we get this position filled again.

Director of Finance Walter Pierce: The intergovernmental revenue, communications tax, state revenue sharing, and the half cent sales tax figures have all stayed the same. These numbers will change but very slightly. The EMS budget from Pinellas County is \$413,491 and the fire protection from Redington Beach and Redington Shores is \$246,211. We are pleased with these numbers.

Speaking in regard to the Parking Department: We are expecting an increase of 5.61%. An area that has increased significantly is the parking fines. We had 90,500 in this year's budget but we actually took in \$147,000. We are on track right now to match that. We are also going to fill a vacant part-time position within the department based upon the increased work in the department and cover for existing staff.

Speaking in regard to Culture and Recreation: The major increased include the summer program, field rentals, and special event fees. Overall, we are looking at over 20% increase. These are based on figures that Doug Andrews provided.

4. GENERAL FUND DEPARTMENTS

City Manager's Office Budget: The areas that have been decreased are professional services from 10 to 5 and promotions and public relations which was decreased down to \$15,000.

Community Development Budget: The most notable is we are putting in for a half-time new director position. This would be split 50/50 between community development and building. This position being added is an effort to reduce the extra expense from relying on consulting services.

Finance Department Budget: A brief update to changes in the department would be the compensation for the financial coordinator was recently increased before I was hired on. Also, I took less pay than the former finance director to give our accounting manager a compensation increase.

The increases in accounting/ auditing and other contractual services is due to a three year contract that increases annually.

Side note: As I am going through all of this, I would appreciate any kind of direction from council. If the commission would like to add anything or change anything or if you all feel something should be deducted, I'm happy to make those changes for you. I'm simply looking for direction from the commission.

A job title change that I'm looking to in the department is for Karen. Currently her job title is Financial Coordinator. I'm looking to change that title to HR/Payroll Coordinator. She is responsible for multiple tasks but the majority of them are HR related.

City Clerk Budget: We adjusted the budget higher due to a new certified director. The only other items we increased was travel and training assuming that the new director would be certified.

At this time it is staff recommendation that the Deputy Clerk position be reclassified to Administrative Support Specialist. The logic behind this recommendation is to hire someone for that position with the goal of getting certified in hopes that when the City is hiring a new City Clerk, this person can either fill in on an interim basis while the City is searching for the next clerk, or this person could simply be promoted to be City Clerk. This is in efforts to avoid the current situation the City is facing and preparing for the future.

Non Departmental Budget: Computer support was increased from \$95,000 to \$103,000 due to a few things being added on to the 10 year contract we currently have with Network People.

Also, \$25,000 is in the budget for the water taxi service. Is there any direction from council concerning that budget item?

Commissioner Lister: I am for the taxi service. I think that we should continue to fund that service.

Commissioner Oakley: I don't understand why we need to subsidize a business.

Commissioner Lister: I understand that we are not in the business to make money and we are not in the business to lose money either. This is a service that we can provide that is on the cutting edge. I would like for Madeira Beach to be remembered for years to come as the city that first supported this service.

Mayor Black: I've asked Mrs. Hubbard how many riders they've had and she could not provide that information to me. Every time I've seen it it's been practically empty.

Commissioner Lister: Mr. and Mrs. Hubbard will be more than happy to meet with you. I think the taxi service is a wonderful service for not only our residents that get 50% off but also for our tourists who visit our Beach and sometimes don't even need a car because of this service. The service is money well spent

Vice Mayor Douthirt: I agree with Commissioner Oakley in that we shouldn't be subsidizing a business. I was the one who brought this up by saying it should not be costing the City money.

Commissioner Lister: I know exactly what you are saying Vice Mayor. I will continue to fight you on every point. You guys are wrong with what you are doing to the City and you're wrong with where you are leading the City.

Public Works Budget:

Dave Marsicano: We haven't made any significant changes to any of the line items. There is a \$6,000 purchase under tools and that is for a diagnostic computer for the larger vehicles that we work on such as garbage trucks and fire trucks.

Commissioner Oakley: Can you tell me what the \$20,000 for street resurfacing is for, what street to be more specific?

Dave Marsicano: That amount is essentially for repairing minor road defects like pot holes or any other kind of blemish that could potentially cause any kind of harm.

Fire Department Budget:

Derryl O'Neal: The biggest thing in the fire department is going to be the arrival of the new fire truck. We also have an additional fire fighter position in here. What I would like to do is research this further and present the actual numbers of what it will do for the longevity of our fire apparatus if we added one fire fighter per shift every year for the next three years. This will give us a five man shift at the fire station and allow us to keep our water rescue unit in service 100% of the time. In the last six months out of 180 days it was out of service for 120 days for the lack of manpower.

Commissioner Lister: By adding an extra fire fighter you are saying that we are going to save on wear and tear on the new fire truck?

Derryl O'Neal: Yes sir.

Commissioner Lister: By adding the fire inspector, how are we going to save money?

Derryl O'Neal: The fire inspector isn't only going to save us money, its actually going to generate money for us.

Commissioner Lister: What is the salary for the fire inspector?

Derryl O'Neal: Fire marshal pay grade of \$50,432

A full inclusive price of new fire marshal position was requested by Mr. Lister. Also adding that he would like to change that line item of the fire inspector.

Commissioner Hodges: Line item 5210, went up to \$31,000. It mentions kitchen supplies, cleaning supplies, disposable material?

Derryl O'Neal: That amount also included equipment that was going on to the new ladder truck to bring it up to Pinellas County standards.

Commissioner Lister requests a breakdown of the \$100,000 spent in overtime for fire department staff.

Law Enforcement Budget: Mr. Pierce continued: I received the contract from the Sheriff's Department and it includes an increase of \$1,238,869. There were some shift changes that brought that down 2.49%. It proved to be beneficial to have the two additional officers as opposed to having our own staff from a cost standpoint. The difference was 211,000 in having those two additional people.

Parks Budget:

Dave Marsicano: The biggest change in the parks service is the contractual services number that went down to 85,000 due to the recreation staff taking over City Hall exterior maintenance.

Commissioner Lister received assurance from Mr. Marsicano that the 85,000 figure includes all parks in the city.

Recreation Budget:

Doug Andrews: Most of the increases in the budget are due to increase in activities. The increase in travel and training is due to my staff taking advantages of the classes they are allowed to take that allow them to perform their job better. The ball field lights were returned back to \$34,000 because we didn't get the State appropriation. The \$8,000 increase that is set aside in maintenance and building is for painting the rooms that host weddings and other events.

Vice Mayor Douthirt: What is the \$30,000 used for under promotions and public relations?

Mr. Andrews: That amount is used for co-sponsored events. For instance, when we did the carnival we paid \$10,000 for the entertainment and we get 50% net revenues from that.

Commissioner Oakley: Why did little league double?

Mr. Andrews: little league doubled because it quadrupled in size.

Commissioner Oakley: Why are we funding this?

Mr. Andrews: We are not funding this. They are paying us. Look at the revenue lines. It's a positive number.

Truck number 20 we have in the budget to be replaced next year which explains the figure under the capital equipment line.

Vice Mayor Douthirt: I see the total expenses but where is the total revenue that we are bringing in?

Walter Pierce commented, In the middle of page five it says culture and recreation \$328,000. This revenue figure includes everything in Mr. Andrews's area.

Commissioner Lister: There has to be a saturation point that we are going to get to before long so that we won't be making all of these budget amendments for the recreation department. The rec department has done phenomenal. Vice Mayor you aren't taking into account what these people spend. They are here for three weeks doing a tournament. Revenue is being brought into the city from things like this. Doug, I have respect for what you are doing.

Parking Enforcement Budget: The contractual ticket processing line item increased due to the number of processed tickets increasing.

Chris Tarkenton: Currently, the city has about twenty eight ageing pay stations. These antiquated pay stations cost me a lot of time out of my day making repairs, ordering parts, replacing batteries, reprogramming software, etc. We were considering purchasing new up-to-date pay stations in effort to open up my schedule more so I can perform more of the other necessary job functions that my position calls for. I'm simply spending too much time repairing pay stations. By having pay stations that don't need constant attention, I will have more time to issue parking violations and conduct office related duties that are more specific to the nature of my position.

Dave Marsicano: Originally Nick and I did the RFP for the first pay stations in Madeira Beach. Cale America, the company that we do business with, is outstanding but we didn't get the best machines on the market when we did that RFP. Everything that you are hearing from Chris is accurate. I'm in the field every day and complaints about the pay stations are our number one most frequent complaint. It gives the visitor a much better experience when they don't have to fight with the parking meter.

Walter Pierce: Chris, how many machines would you say need to be replaced right away?

Mr. Tarkenton: I would say that there are ten that would be a necessity. The others we have on the smaller beach avenues I can keep up and functioning without having to spend extra capital. Some of the major ones I would replace ASAP would be village 4, village 3, and JP2. Those three pay stations are in the busiest section of the city and deal with the most volume of transactions. When one of those pay stations is having an issue it backs up lines at other pay stations and causes frustration for visitors. Those three would be on my list for immediate replacement as well as the three across the street at John's Pass Park. These pay stations are called south 1, 2, and 3. Those machines are also very busy. We actually lost communication with south 1 about a year ago due to the modem going bad. We get constant updates and financial reports sent to us for the pay stations. These updates include everything from financial reports, if the machine is running out of paper, or if there is a malfunction. I lost all of that communication because of the modem. It's only a matter of time before this happens to the rest of the pay stations. If this happens I won't know how much money is in the machines, or if they are malfunctioning in any way, I will have to physically inspect each and every pay station several times per day.

Walter Pierce: Chris, the latest estimate you received from Cale to replace five would cost around \$30,000.

Mr. Tarkenton: Yes, and per unit cost is actually cheaper than I was expecting when comparing the cost of the meter we recently purchased for Arch 1.

Walter Pierce: How much more beyond the \$40,000 would it take to solve this issue?

Mr. Tarkenton: Not much at all. In the short term I can get away with replacing five or six by just replacing the high traffic area pay stations.

Vice Mayor Douthirt: Walt, what is the \$87,800 for banks and fees?

Walter Peirce: That is our credit card fees for the credit card charges.

Commissioner Lister: Would the new pay stations have the capability of paying by phone?

Mr. Tarkenton: Yes, they all come with that capability, we would just inform Cale to activate that software and we would have to employ a new system of ticketing.

Commissioner Lister: The five pay stations that we are talking about replacing, are we going to put the old ones in storage and use them for parts?

Mr. Tarkenton: No, we would be selling the old pay stations back to Cale to reduce the cost of the new machines.

Commissioner Lister: Is there going to be any kind of maintenance contract with these refurbished pay stations?

Mr. Tarkenton: Yes, it's called a Parts Smart Warranty. The replacement parts come in free of charge.

Commissioner Lister: How is the cyber security on these new machines compared to the new ones?

Mr. Tarkenton: That would be a question that Cale America could probably answer better, but as of now I know that they share the same credit card slots.

Commissioner Lister: What is the figure that we make in parking?

Walter Pierce: \$1,748,500

Commissioner Lister: If we have a better system that can be put in place we should do it. Put as much as you can to purchase the new meters. We need to create a better experience for our staff and visitors. If visitors can pay by phone it would be pretty easy. Let's get into the 21st century. Why are we nickel and diming this? I'm fine with spending \$160,000, I just need to know that these new machines aren't going to need to pull Chris from his other job duties.

John's Pass Village Budget: We would like to move item number six entitled Proprietary Funds: Sanitation, Storm water, and Marina Funds to Friday June 30th if that is okay with council.

The only changes in this fund are for departmental supplies and electrical. This is due to the lighting project that we just did in John's Pass.

Commissioner Lister: Dave, I would like you to present some options as far as replacing the garbage can at John's Pass. Also, if you can do some research into John's Pass and/or Madeira Beach signs to place on the benches located in John's Pass.

Mr. Marsicano: That request for benches and trash cans also came from the Merchants Association.

I also have one more project that you will see happening down there which is in this year's budget and that is the sea wall across from the fish shack. That wall needs to be replaced.

Side note from Walter Pierce: Due to me being hired late in the budget process, I have been following the same format that this budget has been in with Vince that has done such a great job with. I just want council to know that the next time I do the budget, I want to include goals and objectives for each department as well as accomplishments that those departments have achieved.

5. Archibald and Building Fund

Walt Pierce, Finance Director

Dave Marsicano: I do believe that the only change in this fund is the little amount of money we have to the side for the sprinkler system. I do have \$15,000 in this year's budget allocated to build changing rooms that will not intrude on parking spaces. We believe this will eliminate people using the disabled stall in the bathrooms as a changing room.

Commissioner Lister was informed by Mr. Marsicano that there will be four changing rooms, two for each sex.

Commissioner Oakley: Why is there 2.75 people for Archibald?

Mr. Marsicano: We are very understaffed. It wouldn't be possible to solely dedicate employees to stay at Archibald Park all day every day.

Commissioner Oakley would like to be sure that the deed regarding Archibald Park is not being violated with how the 2.75 employees are being paid due to the employees also working in other areas of the City.

It was made clear by Mr. Marsicano and Mr. Pierce that the commission will be notified of who those employees are as of Friday, June 30th 2017.

Dave Marsicano: I would also like to cover in the Archibald Fund a capital purchase of a vehicle to replace number 36. This is a 1997 Ford F250.

Building Fund:

Frank Desantis, Building Official: There are only two notable changes in the building fund. The \$10,000 difference in professional services was due to covering other services. The second notable change is the computer software support that we are paying a large part of out of the building department for the Munis software. The \$20,000 in capital equipment is for vehicle replacement for truck number 98. This is a 1998 Ford Ranger.

Commissioner Oakley mentioned concerns about why the building department is operating in the red.

Commissioner Lister assured that the building department is profitable and it is a convenience for the residents to purchase a building permit from the city rather than the county or Treasure Island.

Mr. Pierce: There is a fund balance with this fund which was separated from the general fund recently. As everything stands right now, there will be \$70,000 that comes from this fund balance to fund these activities but this is a conservative estimate.

Revenue estimates are purposely conservative while expenses are estimated on the high end to provide a cushion if need be.

6. PROPRIETARY FUNDS: SANITATION, STORMWATER, AND MARINA FUNDS

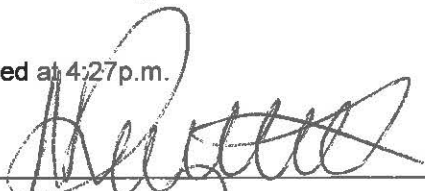
Dave Marsicano, Public Works/Marina Director

This agenda item was moved to Friday, June 30th 2017.

1. ADJOURNMENT 4:27pm

Mayor Black: Meeting adjourned at 4:27p.m.

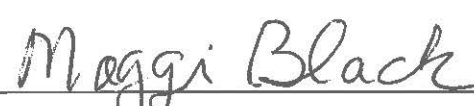
Minutes Prepared by


Andrea Gamble, Interim City Clerk

Minutes Reviewed by


Andrea Gamble, Interim City Clerk

Minutes Approved by


Maggi Black, Mayor