

The 2015-2016 Budget Workshop of the City Council of the City of Panama City Beach, Florida, and when permitted or required by the subject matter, the Panama City Beach Community Redevelopment Agency, conducted on September 22, 2015.

ROLL

MAYOR GAYLE F. OBERST

COUNCILORS:
JOHN REICHARD
RICK RUSSELL
JOSIE STRANGE
KEITH CURRY

CITY MANAGER:
MARIO GISBERT
CITY CLERK:
DIANE FOWLER
ASSISTANT CITY ATTORNEY:
AMY MYERS

Mayor Oberst called the 2015-2016 Budget Workshop to order at 9:00 A.M., with all of the Council, the City Manager, City Clerk and Assistant City Attorney present.

The opened the meeting by stating that this Workshop was called because questions arose when Staff began looking at the Council's recommendations made the salary increases. She said the Council needed to talk about what would be done and how the raises would be implemented. She said Ms. White had supplied a list of questions for the Council to give directions. A salary survey had been done last year and the Council decided to adjust salaries where possible to place the employees in the correct category. She said this year One Hundred Seventy (170) employees received a raise, moving them into the correct step and range. The plan had been to do the same action in January, 2016. In October 2014, all employees received a cost of living raise and then in January, some of the employees received a second raise. Some employees below their step did not receive their total raise at that time and the balance was scheduled for this October. That had been the game plan. Mayor Oberst said that Staff had prepared information about the City cost for \$1.00 per hour per employee and the cost for fifty cents per hour per employee.

Councilman Russell said all of the Council members felt the employees should receive a raise. Previous suggestions had been for fifty cents and One Dollar per hour raises and he suggested instead sixty-five cents per hour, with thirty cents across the board for all employees effective October 1, 2015, with the remaining thirty-five cents set aside for use by the Department Heads and Supervisors once evaluations were completed in January. Councilman Reichard asked if the evaluations by the Department Heads would be subject to review by the City Manager as a check and balance. The Mayor mentioned that the evaluations must be completed in the fall in order for the new raises to be effective January 1, 2016. Mr. Gisbert said he felt the Council still needed to go through the step process as creating the evaluations and implementing their use would take some time. He said he could foresee having a product ready within about a month knowing that refinements would be made during the next year. The goal would be to bring an evaluation form and procedure to Council and train the Department Heads to implement that plan.

Councilman Reichard said an important aspect was that the current Council be able to evaluate how well the City did financially and how much money would be available for the pool for raises. He said the Council must have the right and flexibility along with Staff to evaluate each year how much money could be set aside for raises. The Mayor agreed and that the Council would determine that number during the Budget Workshops each year.

Councilwoman Strange asked Mr. Gisbert why the merit raises he awarded earlier this year were not brought to the Council. Mr. Gisbert replied that the City Manager was authorized to spend up to Ten Thousand Dollars (\$10,000) and three employees performed exceptionally well this last year. He said he felt no one would disagree with their performances warranting the raises and Councilwoman Strange concurred. Councilman Curry asked why he had not asked all of the Council for their input. Mr. Gisbert said it was within his purview to award the raises and that he understood Mr. Jackson in the past had also issued merit raises without Council approval. He said he had discussed this matter with the Mayor. Councilwoman Strange said she felt the other Council members should have been informed.

Councilman Curry said he had no issue with the City Manager using discretion. He questioned the timing of the pay raises. Mr. Gisbert replied that there were approximately twenty (20) other pay raises due to new licenses, new titles, etc. All were within the Department budgets.

He said the pay raises on average through the pay plan study was 6.21%, and the merit raises given were below that amount and well below the Ten Thousand Dollar authorization. There had also been pay raises in Parks and in Water over the last year. Councilman Curry said four other Council members needed the information in order to make the best legislative policies not merely the Mayor. Mr. Gisbert said if he planned a Department Head raise in the future, he would advise the Council members.

Councilman Curry asked Mr. Gisbert when he was advised about the proposed \$1.00 per hour pay raise. Mr. Gisbert said September 8th while he was on vacation.

Councilman Russell made the motion to approve the sixty-five cents raise, with thirty cents per hour across the board effective October 1st, with the remaining thirty-five cents per hour left to the discretion of the Department Heads for merit raises in January. Mr. Gisbert explained how the Thirty-Five Cents per hour would become the Budget number and the percentage of each Department would become the amount of the fund. The Mayor said this would still salvage the pay plan. Councilwoman Strange suggested a minimum of thirty-five cents per hour but possibly more. Councilman Reichard added to leave out the Council salaries. Councilman Curry said the thirty-five cents per hour should be based upon a standardized evaluation program throughout the City. Councilman Russell agreed. The Mayor said Ms. Fowler had been working on evaluations and should have the forms soon. Mr. Gisbert said the forms would be refined over the upcoming year, adding details, even after the other pay increases were implemented.

Councilman Reichard said he thought that was a reasonable plan and he was thrilled to see merit raises included to reward people for outstanding performances. He discussed the City Manager being able to review any trends of evaluations. He suggested a second motion would be that the City Council would determine ninety days before the end of the Fiscal Year what amount of money would be available for merit raises. The Mayor said that was the reason the Council had the Budget Workshops. Regarding the performance policy, she continued that it should be done in a City Council meeting, not a Budget Workshop. Mr. Gisbert questioned the ninety day figure because that would not have the June and July revenue to determine how the Year went. **Second was by Councilwoman Strange.** The Mayor opened the floor for comments.

Mr. Robert Smith made comments about the estimated cost for the various raises over a five year period. **With nothing further the motion passed by unanimous roll call vote recorded as follows:**

Councilman Reichard	Aye
Councilman Russell	Aye
Councilwoman Strange	Aye
Councilman Curry	Aye
Mayor Oberst	Aye

The Mayor said Staff needed answers in order to implement this increase. She asked the Council members if this raise was only for the full-time employees, not seasonal employees. The other Councilors said yes. Councilman Reichard asked if a Department Head would be able to reward a part-time worker using these funds and the Mayor replied no. Ms. Myers said the distinction would not necessarily be full-time or part-time, but rather permanent versus seasonal. Councilman Curry said the City had summer interns which were graded differently than the full-time people but they were able to receive bonuses. Councilman Reichard said he was more thinking of a stipend for those interns.

Mayor Oberst said a cap was created as part of the pay plan and fifteen (15) employees did not receive their entire raise last year as indicated by the study. That shortage was planned to be addressed in October. She asked the Council members if those employees should be given the adjustment first and then given the thirty cents raise. Councilman Reichard said those employees should not be penalized for not having the full adjustment and the City should stay with the pay plan. Councilman Russell and Mayor Oberst agreed.

Regarding the Firefighters, they worked 2756 hours per year due to their 24/48 schedules as opposed to the other employees at 2080 hours per year. Thus a set amount of money per hour would result in a greater raise for each Firefighter as opposed to the other employees. Councilman Reichard said yes. Councilwoman Strange agreed since they responded to every emergency call. There were no objections.

Regarding new employees being eligible for the raise, Councilman Reichard asked the probation period for all new employees. Ms. Fowler said one year and Mr. Gisbert said by following the pay plan, the employee would be eligible for the raise after one year. Councilman Reichard recommended staying with the pay plan and there were no objections.

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Regarding the City Manager and City Clerk who were covered by a contract with the City, the question was if they would be eligible for the raise. Mr. Gisbert said Ms. Fowler had just been hired so she would be at the proper salary. For himself, he would be evaluated by the Council separately and a recommendation made at that time. He said he did not need to be involved with these raises unless it was the will of the Council.

The Mayor asked Ms. Fowler if she had any questions. She responded no. The Mayor directed that the evaluation forms be ready as soon as possible, realizing that they may need to be tweaked. Those forms would be submitted for Council approval and then given to the Department Heads to complete the evaluations. If the Department Heads had any questions or concerns, they could come to the City Manager to discuss.

Mr. Gisbert said for the September 24th Council meeting, Ms. White would prepare a Budget Amendment for the thirty cents raise to take effect October 1st. Ms. White confirmed the payroll system would be able to use the two salary levels within one pay period with no problems.

Mayor Oberst said plans were to create a fact sheet for all of the employees, showing what benefits were paid by the City, such as insurance, pension, etc. She stated the City had a good benefits package.

With nothing further, the meeting was adjourned at 9:50 A.M.

READ AND APPROVED this 8th of October, 2015.

IN THE EVENT OF A CONFLICT BETWEEN THE FOREGOING MINUTES AND A VERBATIM TRANSCRIPT OF THESE MINUTES, THE FOREGOING MINUTES SHALL CONTROL.



Mayor

ATTEST:


City Clerk