

**CITY OF BROOKSVILLE
BUDGET WORKSHOP
MINUTES**

August 10, 2010

6:30 P.M.

Brooksville City Council met in workshop session with Mayor Lara Bradburn, Vice Mayor Richard E. Lewis and Council Members Joseph E. Johnston, III, Joe Bernardini and Frankie Burnett present. Also present were Thomas S. Hogan, Jr., City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Interim Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the Hernando Today and Hernando Times were also present.

The meeting was called to order by Mayor Bradburn followed by an invocation and Pledge of Allegiance.

FY2010/11 OTHER THAN GENERAL FUND BUDGET

Review of other than General Fund projections for FY2010/11.

Department of Public Works

Director Radacky indicated his division chiefs will be reviewing their respective budgets via PowerPoint. Council Member Burnett asked if the Directors, in planning their budgets, include all their employees under them. The Directors confirmed that they will include that in the presentations. Fire Chief Tim Mossgrove indicated his department includes all employees as well.

Sanitation

Mike McQuown reviewed the Sanitation portion of the budget, which included a slideshow of departmental operations. Mayor Bradburn indicated that if you ask any citizen what they like most about being in the City of Brooksville they will tell you the trash pick-up service is excellent. Mike indicated new dumpsters are purchased each year to keep the stock in good shape.

Vice Mayor Lewis asked if they still charge for roll-offs in the City of Brooksville, which Mike confirmed. He requested Council be provided with information regarding recycling and how much has it saved in tipping fees at the landfill. Mike McQuown advised forty (40) tons of recycling has been processed to date. He indicated the Sanitation Department received several new pieces of new equipment this year, including a new boom truck, which is on order.

Director Radacky stated the Sanitation operating budget has been reduced by four percent (4%) from last year's budget.

Fleet Maintenance

T. Beyer reviewed the Fleet Maintenance portion of the budget, reviewing the duties of the division, which includes the handling of up to 70 work orders a month and the tracking of all city vehicle mileage. He indicated welding is a large part of his work load; vehicles, street grates, dumpsters, etc. He explained the need for additional welding equipment as well as a transmission jack. He further indicated that most larger pieces of equipment must be worked on and stored outside the building due to the lack of space.

Director Radacky indicated a steam cleaner had been purchased this year to clean dumpsters. He also advised the small shop is working toward standardizing equipment and that more overhead buildings would be needed in the future.

APPROVED BY BROOKSVILLE
CITY COUNCIL
ON 3/21/11 INITIALS [Signature]

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Mayor Bradburn commended the Public Works Department on its efforts to clean up the compound, which has included selling unneeded items, cleaning of debris and the purging of non-working vehicles and equipment. Hundreds of items have been eliminated along with thousands of records being purged.

Mayor Bradburn stressed to Council and staff the need to look toward the future and having a safe and efficient work site for the Department of Public Works. She stated that DPW has been the forgotten facility for years and if they can show her how a project will improve efficiency and safety she will support it, thereby saving taxpayers dollars.

Council Member Bernardini, referring to page 9, asked why there is a Park Attendant in Fleet Maintenance since Chief Mechanic and a Mechanic/Welder are the only employees in Fleet Maintenance. City Manager Norman-Vacha indicated the Park Attendant is a typographical error.

Council Member Johnston, referring to page 47 at the bottom where there is a breakdown of the transfers in, pointed out that Parks and Facilities has a higher percentage than the Fire Department, Streets Division is higher than Police Department and Water Division is higher than Parks Division.

City Manager Norman-Vacha explained the process by utilizing the previous year's work calendar level of service provided to each area, indicating the greatest use, which then gets distributed in the budget for the following year.

Council Member Johnston suggested for future planning purposes that the percentage of vehicles or other equipment within each department be documented should it be falling short of expectations.

City Manager Norman-Vacha advised this formula has been used historically but a base fee for each vehicle or equipment would be appropriate for future budget years and service levels.

Council Member Burnett referred to the South Brooksville Vision Plan of Governmental Buildings and Medical Facilities in this area and advised that before consideration of adding onto the Public Works Facility that it should be determined whether or not it will remain at this location.

Water & Sewer

Utilities Supervisor Will Smith, spoke about the expense side of the Water and Sewer budget with a pictorial review of the work they do. He indicated their budget is being reduced by around a half million dollars. They are hoping to buy a dump truck and to replace two (2) pickups. He called Council attention to line 10; the spend-out of Phase III Sewer Rehabilitation is carried forward for budgetary purposes. He recommended engineering services in order to go forward with a Phase IV plan in the amount of \$80,000.

Mayor Bradburn asked for Mr. Smith's opinion on the success rate of the Sewer Rehabilitation project. He replied it is not yet online so he cannot say for certainty. He indicated there has been a twenty percent (20%) reduction in flows at the wastewater plant during the rainy season.

Mr. Smith continued, indicating the \$30,000 for engineering is a carry-over from a current contract for Well #3 at Hope Hill. He referenced a joint county project, an interconnect to the hospital, requesting \$100,000 toward the project for materials. Mayor Bradburn advised the hospital should share cost. He next addressed Large Scale Water Project List, Line 59, he is asking for funds for motor drives which bring the motors online with an efficiency rate of 99.5% and should pay for itself within a year. He also indicated Line 67 reflects the renewal cost for the Cobb Road Wastewater permit that is due next year.

Council Member Johnston asked about taking out of reserves for Large Scale Capital Projects on Page 34. Finance Director Baumgartner explained that the Fire Cash forward includes all the cash in the Water and Sewer Fund including Impact Fees; at the bottom it indicates reserves that are contingencies.

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Mr. Smith suggested Griffon Prairie may be used to build a new water tank. Mayor Bradburn disagreed; pointing out that it is a flood zone and a water recharge area.

Will Smith indicated staff had applied for a CDBG grant for South Brooksville that did not make the ranking but would most likely get funded if the project was engineered by utilizing funds from the Valve Replacement Program. He lastly reviewed proceeding with the project of installing fire lines and hydrants, which has an application deadline in November. The grant is worth \$660,000

Finance Director Baumgartner reviewed concerns of the rate structure. He indicated there has been no rate increase since 2007 and customer average usage has dropped in the last three (3) years. Extensive discussion of a rate increase and the state of the city's utility income and the water and sewer annual debt service ensued.

Finance Director Baumgartner recommended a five percent rate increase to pay the debt service. Council Member Johnston suggested a \$2.00 water conservation fee be added to water and to sewer.

Customer Service Supervisor Mary Cason indicated the minimum current rates for water only is \$18.86 and sewer is \$21.47 for a total of \$40.33. She indicated it is \$57.04 for up to 6,000 gallons of consumption for water and sewer, which does not include garbage. The base fee is \$56.31 with up to 3,000 gallons consumption including trash; trash is a minimum of \$15.98 for residence.

Discussion continued of the Consumer Price Index versus a rate drawn from the Public Service Commission and the importance of seriously looking at the rates each year. Director Radacky advised that the City should be selling reclaimed water.

Mayor Bradburn stated the Consumer Price Index is not representative of the City of Brooksville and a year ago the Public Service Commission would have been a good alternative since they determined there was significant waste in financial resources and materials by power companies to justify not approving rate increases. However, the legislature intervened by appointing pro-utility people as commission members. Director Radacky clarified the Public Service Commission does not determine the CPI rate but is determined by the United States Department of Commerce.

The topic of refinancing bonds and loans at a lower interest rate was discussed. Director Baumgartner stated the city is paying its bills but advised Council consider a five percent rate increase for this year in order to continue in good standing and then consult the index for next year.

Discussion ensued regarding mobile home parks that have one meter and the possibility of converting to a meter on each home. Director Radacky indicated it would not be cost effective to convert the meter lines. Council Member Johnston recommended the rates be based on a sliding scale for multiple units.

Council Member Burnett recommended moving forward with the five percent increase for this year's budget.

City Manager Norman-Vacha stated staff needs direction for the August 24th Workshop to bring an entire budget based on Council directives. She clarified that Council supports the Index-idea but they would like to see other proposed options in the next year.

Council Member Johnston recommended moving forward with the five percent but to have workshops to discuss multi-family, multi-customer users, Conservation Fees or Capital Improvement Fees.

Council consensus was to move forward with a five percent increase. Vice Mayor Lewis recommended a standard charge of \$5.00 per household for mobile home parks.

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Traffic Camera Fund 128

City Manager Norman-Vacha briefly reviewed the projections for the fund on Page 18. She cautioned that Council should utilize the funds in a Capital Fund with non-recurring revenue and asked for Council direction on the projected revenue under prior carry forward; General Fund and Multi Capital and funding under capital expenditures for one (1) replacement vehicle in the Police Department but not the three (3) patrol cars for implementing an additional traffic unit.

Vice Mayor Lewis asked could the one (1) replacement vehicle be funded from the R&R Vehicle Replacement Fund. City Manager Norman-Vacha stated one (1) vehicle will be funded from Vehicle Replacement and through JAG funds one (1) vehicle from the non-recurring revenue fund as part of an ongoing police vehicles replacement.

Council Member Bernardini referred to Page 11, with three (3) patrol cars listed under the JAG Grant. Police Chief Turner clarified the JAG Grant is for two (2) replacement patrol cars and pointed out the purchase of four (4) new patrol cars will be replacing existing fleet.

Vice Mayor Lewis reiterated the importance of funding the vehicle replacement fund but does not support the purchase of a fourth vehicle.

Council Member Johnston supported \$100,000 to each fund and the purchase of three (3) replacement vehicles. He recommended the remaining balance stay in place until Council determines whether or not the vehicle replacement fund should continue.

Mayor Bradburn agreed with Council Member Johnston and supported a new vehicle to be included in the vehicle replacement fund for replenishing the fleet.

City Manager Norman-Vacha clarified that Vice Mayor Lewis supported \$200,000 be transferred to the General Fund and the Multi-Capital with the remaining projected \$171,453 to Vehicle Replacement; Council Member Johnston supported \$200,000 be transferred to the General Fund and the Multi-Capital with the balance to remain in this fund until a later date as determined; Mayor Bradburn supported \$200,000 be transferred and replace one (1) vehicle for \$27,937, with the balance to remain in this fund until a later date.

Council Member Bernardini stated he supports the transfers but is not sure about keeping the remaining funds in there. He recommended funding the sidewalk fund and does not support the patrol car purchase.

Mayor Bradburn reminded Council that during the last meeting it was decided to get further data collection of the value of red light cameras.

City Manager Norman-Vacha further clarified that all Council members agreed to transfer \$200,000 to the General Fund and Multi-Capital Fund; Vice Mayor Lewis, Council Member Bernardini and Council Member Johnston supported three (3) replacement vehicles; with Council Member Johnston supporting leaving the balance in the Traffic Camera Fund but not expending it until further determination. Vice Mayor Lewis supported the carry forward balance to Vehicle Replacement; Mayor Bradburn agreed but would like to replace the fourth vehicle; Council Member Bernardini supported the funds be expended on the sidewalk program.

Council Member Burnett supported \$200,000 to the General Fund and Multi-Capital with the remaining half to Vehicle Replacement and half to the Sidewalk Fund.

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Mayor Bradburn stated it was agreed that an analytical study be done on red light camera data. Council Member Bernardini indicated the statement was that Council would look at the possibility of a study. Council Member Johnston indicated there should not be a cost associated to the study but staff time with a committee of local experts that are professionally associated with red light camera data.

Vehicle replacement was further discussed extensively during which Vice Mayor Lewis requested a list of city vehicles not funded from the Vehicle Replacement Fund and the age of the vehicles.

Council agreed that the money would be left in the Fund until the next hearing when it can be voted upon.

Special Revenue Funds

Council Member Bernardini referred to Page 1 and asked if the Special Education Fund is state mandated. Police Chief Turner indicated the Police Special Education Fund is funded by traffic citation fines.

Law Enforcement Investigative Trust

Mayor Bradburn and Council Member Johnston referred to Page 4 and asked about \$50,000 for the parking lot. Police Chief Turner indicated it is for resurfacing, expansion and drainage for the Police Department parking lot.

Council Member Johnston questioned the fines and forfeitures from the revenue have doubled in the past five (5) years. Police Chief Turner stated Ordinance No. 744 has increased impoundment.

Road Impact Fees Fund

Mayor Bradburn next referred to Page 5, Road Impact Fees. Director Geiger stated the design work was done for Progress Blvd. and will be used for additional design work to address realignment and retention areas as part of the Capital Improvement Plan adopted earlier this year. Mayor Bradburn asked how much of this fund must be spent this year. Finance Director Baumgartner stated he would have to refer back to Council as he did not have the information with him tonight. City Manager Norman-Vacha stated Impact Fees are being watched and are being expended accordingly and road funds do need to be expended during this budget year.

Law Enforcement Impact Fees Fund

Vice Mayor Lewis referred to Page 6, item 1, \$15,000 for Parking Lot Improvements. Police Chief Turner indicated Impact Fees will be utilized to fund the new part of the parking lot, not knowing the cost up front. City Manager Norman-Vacha stated other improvements include a gate, additional security and lighting.

City Manager Norman-Vacha indicated replacement of the existing air conditioning system would not be eligible for utilization of Impact Fee funds.

Council Member Burnett asked where the expansion of the cemetery fence would be. Vice Mayor Lewis indicated it is the back part that was annexed into the City.

City Manager Norman-Vacha clarified the use of Impact Fees would have to be for additional service or impact.

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Fire/EMS Impact Fees Fund

Vice Mayor Lewis referred to Page 8 and asked how Impact Fees could be used to expand the Fire Department. City Manager Norman-Vacha stated the County expended Impact Fee funds for creating an additional level of service and the new generator is for the expanded fire department in total.

Major Storm Readiness Fund

Mayor Bradburn referred to Page 16 and reviewed items needed during storm recovery such as walkie-talkies, safety vests, backpacks, first aid supplies, wenches, chainsaws, ATV, and a trailer for ATV, and asked if this fund can be used for these items or mitigation of flood areas. Chief Mossgrove addressed the sufficiency of the 800 radio system along with the Sheriff's Office command center as there is a redundancy built into the system for emergency response. Council Member Bernardini stated spare tires are needed during emergency situations and Chief Mossgrove confirmed he currently has a plan in place for delivery of spare tires for the fire department's emergency response vehicles by the Department of Public Works.

City Manager Norman-Vacha explained that legislation prevents the City from having a Cost Recovery Fund and Finance has specified recovered funds by Fire and Law Enforcement and divided into donations and grant funds to carry-forward in a different fund and expended.

First Tee Fund

Finance Director Baumgartner pointed out the footnotes on Page 19 need to be updated from last year and will be corrected.

Total All Special Revenue Funds

City Manager Norman-Vacha stated the Enrichment Center was allocated in accordance with the agreement that splits the utility costs and ongoing maintenance cost that is projected into the next year. She referred to Page 26 and pointed out that it is a recap of all Special Revenue Funds from pages 1 to 25.

Multi Year Capital Project Accumulation Fund

City Manager Norman-Vacha referred to page 30 and indicated money was left in reserve for contingency under multi-capital monies until the environmental study has been completed for City Hall air conditioning.

Mayor Bradburn stated there is a new program sponsored by the State beginning soon "Cash for Clunkers" for air conditioning. City Manager Norman-Vacha stated she is aware of the program and staff is looking into it.

Council Member Johnston indicated a transfer from the red light funds was approved for a Backhoe for the Streets Department. City Manager Norman-Vacha clarified it is still yet to be completely approved through the budget process but Council has discussed it.

City Manager Norman-Vacha pointed out sidewalks and street paving is based on projections in the Capital Improvement Plan.

Internal Service Equipment Replacement Fund

City Manager Norman-Vacha pointed out that Finance Director Baumgartner included the fund for Vehicle Replacement as outlined on Page 54. Council agreed to suspend any dollars from the General Fund but there is prior cash carry forward for Capital Equipment purchase. She reminded Council that mowers were approved and bought during the 09/10 budget.

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Trust & Agency Funds

Mayor Bradburn asked how the sales were going on the columbarium. City Manager Norman-Vacha indicated not as expected but she is hopeful that during better economic times those sales will improve.

Brooksville Fire District

City Manager Norman-Vacha referred to pages 57-61 Fire Department; the General Fund has a transfer out which provides funding to a new established Brooksville Fire District and is also funded in part by the Fire Assessment.

Council Member Johnston asked is Other Contractual Services setting up the District fees. City Manager Norman-Vacha indicated Other Contractual Services is for the Property Appraiser and Tax Collector fees.

City Manager Norman-Vacha stated that over the next few years the General Fund will now be under the Special Assessment Fund.

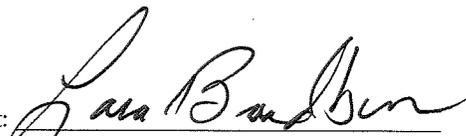
Total of All Trust & Agency Funds

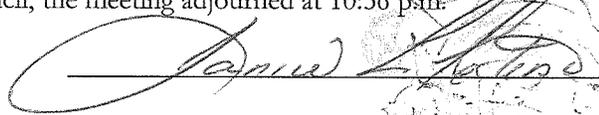
Finance Director Baumgartner pointed out the TIF Funds is based on 5 mills and will be adjusted based on the finalized millage.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 10:56 p.m.

Attest:


Mayor


City Clerk

