

**CITY OF BROOKSVILLE
FIRST PUBLIC BUDGET HEARING FY2016 MEETING
COUNCIL CHAMBERS
201 HOWELL AVENUE
BROOKSVILLE, FL 34601
MINUTES**

September 9, 2015

5:03 P.M.

Brooksville City Council met in regular session with Mayor Frankie Burnett, Vice Mayor, Natalie Kahler; Council Members Robert Battista, Betty Erhard, and William Kemerer; Attorney Clifford A. Taylor, City Manager, T. Jennene Norman-Vacha, Finance Director, Tannette Gayle, Assistant Finance Director, James Delach, Fire Chief, Tim Mossgrove, Public Works Director, Richard Radacky, CAD Technician, Tom Dampman, Police Chief George Turner, Community Development Director, Bill Geiger, Parks and Recreation Director, Mike Walker, Human Resource Specialist, Telina Dowdell, and Janet Kato, Deputy Clerk.

The meeting was called to order by Mayor Burnett followed by the Pledge of Allegiance.

**PUBLIC HEARING-PRESENTATION OF TENTATIVE BUDGET
FOR FY2016 STARTING OCTOBER 1, 2015**

Public Announcement - Ad Valorem Tax Rate (TRIM Notice)

Pursuant to Section 200.069, F.S., "Notice of Tentative Property Taxes for the City of Brooksville, Florida" (TRIM NOTICE) the proposed ad valorem rate for the Fiscal Year 2015/16 was advertised to be a maximum of 7.000 mills. This millage rate would be a 5.36% increase over the current year's rolled-back rate of 6.6439 mills. After reviewing revenue projections and proposed expenditure levels for the 2015/16 Fiscal Year, the General Fund budget is balanced at a tentative rate of 6.6962 mills, which is equal to the current year's millage rate. This means 6.6962 mills is to be levied to fund the Fiscal Year 2016 Budget.

The Deputy Clerk read the Public Announcement.

Tentative FY2016 Budget and City Manager's Budget Message

A review of the Tentative Budget for FY2016 was presented by the City Manager. The advertised preliminary millage rate had been advertised at 7.000, and the recommended fire assessment rates at \$.85 unit rate per \$1,000 for Tier 1 and \$100 per parcel for Tier 2 for inclusion on the TRIM Notices distributed by the County Property Appraiser in August, 2015.

As part of the budget workshops and subsequent City Council meetings, the City Council provided direction for specific changes to the recommended budget which were consequently updated along with revenues, outlined in the City Manager's Memorandum dated September 1, 2015. She invited questions and comments.

Mayor Burnett confirmed with the City Manager that the reserve firefighter's position is proposed to be eliminated in order to allow for a full time firefighter, as reservists are not always available due to the constraints of their primary employment.

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Raising Employee Rate to \$10 Per Hour Discussion:

Mayor Burnett inquired if the proposed 5% pay increase for staff would bring everyone up to at least \$10/per hour.

City Manager T. Jennene Norman-Vacha stated that two employees were below \$10 per hour; one in Parks & Recreation and one for the Cemetery. With the recent turnover since budget discussions began, raising these two employees to \$10 would be absorbed into what has already been projected for the FY2016 budget.

Mayor Burnett invited opinions of the Council with discussion following.

Direction to City Manager by Council

Council directed the City manager to use her discretion in bringing the lowest paid employees up to \$10 per hour; and to present to Council an estimate of cost to have an outside consultant, such as Mercer, to conduct a Salary Administration Study as well as an in-house study using a factor evaluation methodology application.

Millage Rate Discussion:

Council Member Battista opened budget discussion by inquiring if any Council Members had received calls or complaints from the public regarding the TRIM Notice. He stated that if the millage rate was at the rolled-back rate of 6.6439 there would be no tax increase.

City Manager T. Jennene Norman-Vacha stated that page 28 of the Tentative Budget compares the rolled-back rate to the proposed millage rate with \$20,241 being the difference in rates. Without making any cuts or adjustments within the budget, the reserve for contingencies on page 36 would be lowered to \$239,494. Policy requires that 3% of budget be placed in reserves (\$213,819). The difference between current reserves and the 4% would be \$25,675 in comparison to the rolled-back rate. In dropping revenue by \$19,229 there would still be funds just over the required 3%.

Past property tax revenues ranged from 95 to 98% until the more recent downturn of 92%. Improvements are approximately at 94%.

Council Member Erhard agreed with Council Member Battista to maintain the rolled-back millage rate of 6.6439.

Training for Council Members Discussion:

Vice Mayor Kahler inquired whether the probable increase of training costs for Council Members to attend the Florida League of Cities was budgeted.

City Manager T. Jennene Norman-Vacha referred to page 40 of the Tentative Budget. There is \$4,000 budgeted under Travel and Per Diem which is an increase to \$2,000. Annual memberships to Florida League of Cities is a budgeted item for \$750.

There was further discussion on the benefits of attending training, mentioning the National League of Cities whose topics and issues do not generally address concerns of smaller municipalities.

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Eliminating Reserve Firefighter Discussion:

Council Member Kemerer stated he is not comfortable in adding the full time employee and would prefer to continue using the reserves, his concern being twofold in that 1) an additional employee would add a \$28,000 expense and overtime, and 2) capital outlay being used in operations.

City Manager T. Jennene Norman-Vacha stated the unscheduled overtime for the last several years has been higher, not knowing when emergencies may arise. There has been turnover and consequently, over-time has increased in not having six people per shift. She did not propose that overtime would be eliminated, but would anticipate it decreasing and in lieu of struggling in meeting minimum manning with less than four employees.

Vice Mayor Kahler asked if we have a figure on what the savings in pension would be between reservists and one employee.

Fire Chief Mossgrove provided the formula for estimating pension retirement benefits for reservists.

Council Member Kemerer was concerned in adding a firefighter, with the anticipation of needing the reservists at a future date, and that there is more flexibility of having two reservists to work with in covering schedules as opposed to having one employee.

Mayor Burnett reiterated that the City Manager and Fire Chief Mossgrove recommendations were proposed in order to run a more efficient Fire Department.

Vice Mayor Kahler requested what the requirements were for a reserve fireman.

City Manager T. Jennene Norman-Vacha stated the reservists are well trained and certified. In answer to the funds held in reserve; the budgeted amount is at \$45,138 instead of the 61,314 which is a difference of \$16,179. One additional cost not mentioned would be the re-gearing of the reservists.

Council Member Battista stated that with the practice of having a reservist work one 24-hour shift per month, how many shifts does one full time firefighter work?

Fire Chief Mossgrove stated a regular firefighter is scheduled 10 shifts a month.

Mayor Burnett asked for comments and questions from the Council.

Council Member Kemerer clarified that if the Ordinance would be adopted, as is, that the council would be approving an additional \$20,000 full time employee to the Fire Department, and utilizing \$16,000 of capital funds toward operating expenses.

Mayor Burnett invited questions or concerns from the public.

Public Input

Margaret Bloomquist appreciated the efforts of the Council in trying not to increase her taxes. Based on the evening's discussions, she was hopeful the published TRIM notice set at .7000 mils would not be a reality for 2016 as it would be an overall increase of 5.5% in her taxes. The proposed Fire Assessment would be a 14.5 % increase. In perspective, in 2015 her

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social security only increased by 1.7%. She again thanked the Council for its efforts in trying to keep taxes in line over the next year.

City Manager T. Jennene Norman-Vacha stated that the presently proposed tentative budget is based on .80 of Tier 1 instead of .85 and \$100 per parcel for Tier 2 Fire Assessment.

Mayor Burnett invited additional questions from the public.

4. Resolution No. 2015-16 FY2016 Tentative Ad Valorem Tax Rate

Finance Director, Tannette Gayle presented Resolution 2015-16 establishing a tentative millage rate of 6.6962.

Motion:

Motion by Council Member Battista, seconded by Council Member Erhard to amend the Resolution as presented to Council to have tentative budget reflecting a proposed millage rate of 6.6962 to be changed to the rolled-back rate of 6.6439 and therefore setting the proposed millage rate of 6.6439 mils with a 0% increase, and that this rate of 6.6439 be used for the purpose of adopting a tentative Budget for Fiscal Year 2016. Motion carried 4-1.

Finance Director, Tannette Gayle in recapping, stated that for the City of Brooksville the millage rate of 6.6439 which is a 0% increase over rolled-back will be advertised on September 12, 2015 in the Tampa Bay Times.

Mayor Burnett stated there was a motion to amend Resolution 2015-16 with the stated proposed millage rate of 6.6926 to be changed to 6.6439 with a 0% increase. He invited the Council to provide a motion to adopt Resolution 2015-16 as amended.

Motion:

Motion by Council Member Battista, seconded by Council Member Kemerer to adopt the amended Resolution 2015-16 to reflect the millage rate of the current rolled-back rate of 6.6439 mils with a 0% increase, and to reflect such changes to the tentative budget for Fiscal Year 2015-2016.

The Deputy City Clerk read Resolution 2015-16, as amended, by title:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, SETTING THE PROPOSED MILLAGE RATE FOR THE TENTATIVE BUDGET FOR THE FISCAL YEAR 2015-2016 TAXING YEAR PURSUANT TO SECTION 200.065, FLORIDA STATUTES; AND PROVIDING FOR AN EFFECTIVE DATE.

Motion carried 4-1 upon roll-call vote as follows:

Council Member Battista	Aye
Council Member Erhard	Aye
Council Member Kemerer	Aye
Vice Mayor Kahler	Nay
Mayor Burnett	Aye

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5. Resolution No 2015-17 FY2016 Fire Assessment

Fire Chief, Tim Mossgrove, presented Resolution 2015-17, Annual Assessment for Fire Protection Services. He stated it was properly noticed on August 19, 2015, a public hearing held on September 9, 2015. Owners of agents have been notified of the proposed fire rate for FY2016 at .085 for Tier 1 and \$100 per parcel. The tentative budget (Fund 143) is balanced utilizing a fire assessment rate of \$.80 unit rate per \$1,000 of improvement value for Tier 1 and \$100 per parcel for Tier 2. He requested adoption of Resolution 2015-17 at a \$.80 rate for Tier 1 and a \$100 per parcel for Tier 2.

Mayor Burnett invited comments and questions from Council and the public.

Motion:

Motion by Vice-Mayor Kahler, seconded by Council Member Battista to adopt Resolution 2015-17, approving the Fire Service Assessment Roll based upon a Tier 1 rate of \$.80 per \$1,000 of improvements and a Tier 2 rate of \$100 per parcel.

The Deputy City Clerk read Resolution 2015-17 by title as follows:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, APPROVING THE FISCAL YEAR 2015-16 NON-AD VALOREM ASSESSMENT ROLL FOR FIRE PROTECTION SERVICES, FACILITIES AND PROGRAMS; DIRECTING CERTIFICATION OF THE ASSESSMENT ROLL TO THE HERNANDO COUNTY TAX COLLECTOR; AMENDING CITY RESOLUTION NO. 2012-05; AND PROVIDING AN EFFECTIVE DATE.

Motion carried 4-1 upon roll-call vote as follows:

Council Member Battista	Aye
Council Member Erhard	Nay
Council Member Kemerer	Aye
Vice Mayor Kahler	Aye
Mayor Burnett	Aye

6. Ordinance No. 845 Recommended Budget for FY2016

City Manager Norman-Vacha provided Council Members with a corrected page 5 of Ordinance 845, stating that the calculations were correct but adjustments were made to reflect the actual numbers within the fire department, and if Ordinance 845 were to be adopted, it would be with the adjustment of Page 5.

Tannette Gayle stated that with the change to the rolled-back rate of 6.6439 and 0% increase there will be a need to update the recommended budget on page one, adjusting the general fund/revenues that will decrease by approximately \$19,000, and reduce the reserve.

Mayor Burnett requested the intention of the Council.

Motion:

Motion by Council Member Kemerer, seconded by Council Member Erhard that the monies inserted into Fund 143 of \$28,733 for the new employee be removed from the budget, and that the reserve shown as approximately \$45,000 be changed to \$61,314 with the residual

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being utilized to reduce the amount that the general fund would contribute to Fund 143.

Mayor Burnett invited discussion from the Council.

Vice Mayor Kahler stated that this is a personnel issue and not necessarily a council concern.

Council Member Erhard stated that it comes down to tax payers' dollars and that is what should be considered.

Council Member Kemerer stated that the Fire Department is one of the best in response time and is happy to pay for it, however, he cannot condone taking money set aside for capital expenditures for use in operations.

The City Manager requested clarification of Council Member Kemerer's motion.

Council Member Kemerer stated he is requesting the removal of the new employee and to restore reserves, as was represented in the workshop, increasing the amount of reserve to \$61,314.

The City Manager said adjustments for insurance had been made since workshop discussions and for him to further clarify.

Council Member Kemerer reiterated to remove the employee and restore the reserve, creating a differential that would reduce the general fund contribution into Fund 143, approximately \$15,000, and this would make the rolled-back much easier.

The City Manager requested a recess so that she could meet with Finance in order to present accurate numbers before Council's vote, making sure the expenditure number will be correct, as well as the reserve figures being proposed.

Council Member Battista stated that setting the budget is the most important thing the Council does, setting priorities in taking revenues and spreading it out to the services. He also stated that in having worked with the Fire Chief for a good number of years, he believed he and the City Manager know the functioning of that department and what would make it work more efficiently and economically at the end of the day.

Vice Mayor Kahler requested if it was possible, if after the recess, there would be a different spot for the \$28,000 to come out of other than capital.

The city Manger stated that \$28,000 is not being used, but \$16, 179 out of a reserve that was brought forward from capital. There could be a change in how much is brought forward from the general fund by the \$16,179, leaving the 61,000 in reserve, or cut the budget. Capital money that's set aside for purchases, such as a fire truck, could be a source, or in looking through the budget, the delay of hiring a person, or hiring a person for less than a full part of year could reduce overall costs. The operating budget is fairly slim with no additional dollars. The debt service is set so additional funds would have to come from personnel services or another revenue source.

Mayor Burnett stated there is a motion on the floor and called for a fifteen minutes recess before further discussion.

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The Regular Meeting resumed at 7:37 p.m.

City Manager T. Jennene Norman-Vacha clarified the motion on the floor and indicated the particular numbers that would affect Ordinance 845.

The motion on the floor was to revert to keeping reserves intact, reducing the proposed full time equivalency employee, which would also reduce the benefits of that employee projected in the tentative budget. With that, it would change the monies from the fire department so that \$61,314 would remain in reserves, and the difference in the adjustment would revert to the general fund, the difference of that would be \$12,554.

Based on the motion currently on the floor, adjustment of calculations to the Ordinance, along with Council's previously adopted Resolution for the rolled-back rate of 6.6439, was as follows:

Page (1) Under General Fund:

Revenues will change from :	6,224,989	to	6,205,759.
Totals changing from:	7,366,790	to	7,347,560
Fire Department: changes from:	972,063	to	959,509

Reserve changes are twofold: 1) it will be lessened by the rolled-back rate to \$19,230 and 2) adding back 12,554 from General Fund, which was accomplished by reducing the expenditure under the Fire Department.

General Fund Reserves change from:	239,494	to	232,818
Total General Fund change from:	7,366,790	to	7,347,560

Page (5) Under Special Fire Assessment Fund 143

Revenues change from :	1,869,551	to	1,856,997
Total Available appropriations from:	1,869,764	to	1,857,210
Expenditures from:	1,824,629	to	1,795,896
Reserves from:	45,135	to	61,314
Total Appropriation from	1,869,764	to	1,857,210

City Manager T. Jennene Norman-Vacha stated these would be the changes for the motion on the floor.

Mayor Burnett requested roll call.

The Deputy City Clerk read Ordinance 845 by title as follows:

AN ORDINANCE APPROPRIATING CERTAIN MONIES FOR THE GENERAL OPERATIONS OF THE CITY OF BROOKSVILLE, FLORIDA, FROM ITS SEVERAL FUNDS FOR THE TWELVE MONTH PERIOD BEGINNING OCTOBER 1, 2015 AND ENDING SEPTEMBER 30, 2016.

Motion failed 3-2 upon roll-call vote as follows:

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Council Member Battista	Nay
Council Member Erhard	Aye
Council Member Kemerer	Aye
Vice Mayor Kahler	Nay
Mayor Burnett	Nay

Mayor Burnett stated that with the failure of this motion, the Ordinance reverts to its original proposal, but to include adopted Resolution 2015-16, which sets the millage rate at 6.6439 with 0% increase. He invited Council to present a motion.

Motion:

Motion by Council Member Battista, seconded by Council Member Erhard to adopt Ordinance 845 upon first reading to include adjustments from adopted rolled-back rate of 6.6439 with 0% increase and for second reading to take place September 16, 2015.

City Manager T. Jennene Norman-Vacha provided the changes to the Ordinance based on the rolled-back rate of 6.6439.

Page (1) Under General Fund:

Revenues will change from :	6,224,989	to	6,205,759
Totals Appropriations	7,366,790	to	7,347,560
General Fund Reserves	239,494	to	220,264
Total General Fund	7,366,790	to	7,347,560

The corrected calculations of page (5) of Special Fire Assessment Fund 143 presented to Council would be a part of the adoption of Ordinance 845.

Motion carried 4-1 upon roll-call vote as follows:

Council Member Battista	Aye
Council Member Erhard	Aye
Council Member Kemerer	Nay
Vice Mayor Kahler	Aye
Mayor Burnett	Aye

It was the consensus of the Council to set the time for the Second Public Hearing at 5:01 p.m. on September 16, 2015.

Mayor Burnett requested that the City Manager be available for any questions Council Members may have prior to the Hearing on Wednesday, September 16. He welcomed the Council Members to attend the Friday evening reception at 6:00p.m. at Weeki Wachee Springs State Park to read the First Responder's Proclamation. He also thanked the City Manager and the Finance Department for their wonderful job.

Vice Mayor Kahler requested from the City Manager as to what the adjustment would be if monies came from general fund instead of capital funds.

