

**CITY OF BROOKSVILLE
FIRST PUBLIC HEARING
FISCAL YEAR 2009/10 BUDGET
MINUTES**

September 9, 2009

6:00 P.M.

Brooksville City Council met in workshop session with Mayor Joe Bernardini, Vice Mayor Lara Bradburn and Council Members Joe Johnston, David Council Member Pugh and Richard E. Lewis. Also present were Derrell McAteer, City Attorney; T. Jennene Norman-Vacha, City Manager, Janice L. Peters, City Clerk; Steve Baumgartner, Finance Director; Jim Delach, Assistant Finance Director; Bill Geiger, Director of Community Development; Will Smith, Public Works Superintendent; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of the St. Pete Times and Hernando Today were present.

The meeting was called to order at 6:16 p.m. by Mayor Bernardini, followed by an invocation and Pledge of Allegiance.

PUBLIC HEARING - PRESENTATION OF PROPOSED BUDGET FOR FISCAL YEAR STARTING OCTOBER 1, 2009

Mayor Bernardini read the following public announcement into the record.

Public Announcement - Ad Valorem Tax Rate (TRIM Notice)

Pursuant to Section 200.069, F.S., "Notice of Proposed Property Taxes" (TRIM NOTICE) the proposed ad valorem rate for the Fiscal Year 2009/10 was advertised to be a maximum of 7.0000 mills. This millage rate would be a 5.8874% decrease over the rolled back rate of 7.4379 mills. After reviewing revenue projections and proposed expenditure levels for the 2009/10 Fiscal Year, the General Fund budget is balanced at a proposed rate of 6.0690 mills, which is 18.4044% less than the current year's rolled-back rate.

Proposed Budget

Review proposed budget and points of discussion.

Steve Baumgartner, Finance Director indicated he would be reviewing the changes to the budget since the last workshop as directed by Council.

The first change in General Fund was audit fees pertaining to the Progress Energy Audit and the City will be subject to the single audit fees next year. Vice Mayor Bradburn clarified the intention is to have the fees recouped to cover the cost.

The next changes included a carry-over from Fiscal Year 2008/2009 for elevator repairs which has gone out for bid and is in the current Fiscal Year 2009/2010 budget. There was a small change with pollution insurance for the generator.

The Development Department has an increase in contractual services in which Council did a budget amendment this year for the demolition of the VFW Road building. This has gone out for bid and has been carried over to the next budget.

The City received a COPS hiring recovery program grant for one (1) police officer offsetting revenue and expenses.

Council authorized a \$250 bonus for all full-time employees and Vehicle Replacement Transfers are also included in the budget.

FIRST BUDGET HEARING MINUTES – SEPTEMBER 9, 2009

Since the previous workshop, notification was received from the State that there has been some changes in State Revenues.

The Water and Sewer Fund includes Lift Station Telemetry, Ditch Safety Box and Trailer, Fluoride Grant. Vice Mayor Bradburn reiterated she is not in favor of the Fluoride Grant.

Director Baumgartner stated the pollution insurance was lowered and partial expense went to the General Fund as previously mentioned as did the employee bonus.

In the Solid Waste Fund, following the resolution the CPI had a decrease, lowering rates. Overtime was increased due to the new recycling program and hauling solid waste out of the county; expense for the purchase of dumpsters was raised due to the cost of steel; fuel was raised due to uncertainty of fuel prices, recycling program and hauling solid waste; and the employee bonus.

In Other Funds, Law Enforcement Investigative Trust for the purchase of additional firearms; Foster and Foster recommended lowering the State contribution for next year for the Police Officers Retirement Fund; Internal Service Fund includes the employee bonus; Red Light Camera Fund includes the project revenues and the recommended expenses as detailed in the handout; Road Impact Fees for possible work on Providence Boulevard based on Council discussions; City Manager requested capital expenditures based on Council direction.

Council Member Pugh asked if the General Fund regarding General Government Pollution contribute to the City Hall generator. City Manager Norman-Vacha clarified that the \$1,300 premium in General Fund is specific to the City Hall Generator but there is another premium reflected in Water and Sewer for other generators not located in City Hall.

Council Member Pugh commented that he is not in favor of a bonus for employees.

Council Member Johnston asked if this is the first year of the COPS program which Chief Turner confirmed that it is the first year of a three-year grant with the stipulation of keeping the position for a fourth year.

Council Member Lewis would like staff to look into the possibility of converting the air conditioning unit and generator to natural gas with converting the hot water heaters at the same time if feasible.

Vice Mayor Bradburn

Vehicle Replacement Fund

Vice Mayor Bradburn felt there to be no need to add an additional \$143,983 to this fund. She would rather see the funds go towards Capital Improvements.

Decrease in Reserves

She indicated she is not comfortable with the decrease in reserves, feeling it should be around ten (10) percent as prudent financial planning in case of disaster.

Red Light Camera Revenues (Attachment B)

She indicated that while she appreciates Chief Turner's efforts concerning the Red Light Cameras she felt the Capital Improvements needs should not be put off any longer.

Council Member Johnston agreed, feeling uncertain that traffic enforcement is the most important improvement at this time for the funds to go towards. Mayor Bernardini indicated he agreed with them.

FIRST BUDGET HEARING MINUTES - SEPTEMBER 9, 2009

The issue of the Fluoride grant funds was discussed and clarification was provided by City Manager Norman-Vacha as well as clarification of the Police Officers Retirement Fund. Vice Mayor Bradburn explained the information she presented last year regarding negative health impacts was the reason she voted against the fluoride grant.

Chief Turner explained the idea behind the speed checking trailer since the tag recognition system is not working out as planned but will once the database is built up. Vice Mayor Bradburn questioned the database being built up by the use of only one (1) camera. Chief Turner clarified that the database is not generated by the cameras but by what is put into the system. He further explained the amount of activity could not justify the use of all three (3) cameras.

Council Member Lewis advised the sign for the trailer could be bought through a grant as was done in the past. Chief Turner indicated his department applied for a State Department of Transportation grant this year but did not get it.

Vice Mayor Bradburn asked if everyone is aware that the \$143,983 to the Vehicle Replacement fund is "in addition" to what is already there versus putting it in Capital Improvements. Discussion continued in which it was pointed out that money can be transferred out if needed.

Council Member Johnston agreed with Council Member Lewis to put the funds in the Vehicle Replacement Fund. He asked if there is a percentage requirement for general fund reserves for any of the bond issues to which Director Baumgartner replied in the negative because there is not major debt in the General Fund. The guidelines are between five (5) and fifteen (15) percent to which the City is currently at 7.13 percent in the General Fund along with other designated funds for a total of approximately thirteen (13) percent. Council Member Johnston explained this fund was originally set up because departments were having difficulty coming up with vehicles they needed at the time. Vice Mayor Bradburn indicated there was a period when the City was buying more vehicles than was needed without the necessary funding. Council Member Johnston further explained he would rather the funds be left in the Vehicle Replacement Fund until it is needed and the reserve rate is sufficient with additional designated reserves.

Council Member Lewis would like to see some of the funds from the Red Light Cameras be put in Capital Improvements. He recalled when there twelve (12) year old police cars breaking down on the way to a call which implemented a program to replace the vehicles on a five (5) year life expectancy which has now been extended. He denoted when reserves in the General Fund are extremely high it gives the impression that the millage rate is set too high. Vice Mayor Bradburn pointed out that the City does not have excess reserves and feels it is too low in that account and affirmed The Florida League of Cities suggests between seven (7) and ten (10) percent.

City Manager Norman-Vacha reviewed the three (3) issues discussed that were unclear; Vehicle Replacement Fund as itemized, \$250 employee one-time bonus and Red Light Cameras. She would like direction from Council in order to move forward with this budget.

Council Member Lewis feels the money for the Red Light Cameras should be held until at least February for Council consideration. He is in favor of applying for grants and also suggested the word "bonus" be replaced with "payment" for the \$250 to employees.

Red Light Camera Fund

Motion:

Motion was made by Council Member Johnston and seconded by Vice Mayor Bradburn, to fund out of

FIRST BUDGET HEARING MINUTES – SEPTEMBER 9, 2009

the Red Light Camera gross income; the part time red light reviewer, ATS share of tickets, Hearing Officer, computer and monitor, uniform and equipment for reviewer, transfer \$250,000 into Capital Improvements and \$100,000 into General Funds Reserves with the balance remaining in the Red Light Camera Fund.

Council Member Pugh feels crime is only going to get worse with the state of the economy and now is the time to deter crime. He would like to see foot patrol in the downtown area and feels traffic control can fund itself. If the Police Chief is not allowed to use the money for his department then the millage rate needs to be lowered and not do Capital Improvements. He suggested special taxing units on developers for roadways and drainage and the City should be getting a portion back from the County on roadway improvements.

Council Member Johnston pointed out that there will be approximately \$200,000 available to be used within the Police Department. Vice Mayor Bradburn did not agree with Council Member Pugh to which he further explained the red light camera fund was never intended to be “money-generating” to improve roadways but he might support putting it into reserves and not earmarking for Capital Improvements.

Motion carried 4-1 with Council Member Pugh voting in opposition.

Full-time employee one-time payment

City Manager Norman-Vacha clarified the motion as follows; a one-time payment for all full-time employees that are employed as of October 1, 2009 and remain employed through the payment of the one-time pay of \$250 that will be distributed with the first pay period payroll in December of 2009.

Motion:

Motion was made by Council Member Lewis and seconded by Council Member Johnston for approval. Motion carried 4-1 with Council Member Pugh voting in opposition.

Vehicle Replacement Fund

Motion:

Motion was made by Council Member Pugh and seconded by Council Member Johnston for approval of the transfer into the Vehicle Replacement Fund. Motion carried 4-1 with Vice Mayor Bradburn voting in opposition.

Ad Valorem Tax Rate for Fiscal Year 2009/10

Consideration of establishing ad valorem tax rate.

Finance Director Baumgartner declared based on discussion, Council would recommend this budget is balanced at 6.0690 mills which is the same rate assessed last year.

Motion:

Motion was made by Council Member Lewis and seconded by Vice Mayor Bradburn for approval of the Ad Valorem Tax Rate. Motion carried 5-0.

Vice Mayor Bradburn denoted the Ad Valorem Tax Rate is 18.4 percent beyond rollback.

Ordinance No. 778 - Recommended Budget for Fiscal Year 2009/10

Consideration of first reading of proposed budget effective October 1, 2009.

Finance Director Baumgartner indicated the changes for the Ordinance will be made by staff based on

FIRST BUDGET HEARING MINUTES - SEPTEMBER 9, 2009

the discussions this evening to incorporate for the Final Budget Hearing and publication in the newspaper next week.

City Manager Norman-Vacha advised the only change, based on Council discussions and motions, was in the Red Light Camera Fund and with Council clarification this budget has been balanced with the rate rollback on the Solid Waste that the Finance Director presented. This only has to do with adjusting distribution of expenditures and does not change the overall fund balance of the Red Light Camera as proposed to Council.

Motion:

Motion was made by Council Member Lewis and seconded by Vice Mayor Bradburn for approval incorporating the changes agreed upon this evening and the data presented on the Sanitation/Solid Waste Fund.

City Clerk Peters read Ordinance No. 778 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, 2009 AND ENDING SEPTEMBER 30, 2010.**

Mayor Bernardini asked for Public input; there was none.

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

Council Member Johnston	Aye
Council Member Pugh	Nay
Council Member Lewis	Aye
Vice Mayor Bradburn	Aye
Mayor Bernardini	Aye

Proposed Ordinance No. 777 - Ad Valorem Tax Abatement Application

Approval of application for a ten year period with an exemption of 100% of the improved property value assessment for the first 5 yrs. and an exemption of 75% for the second 5 years, beginning 01/01/09 and providing for compliance guidelines.

Bill Geiger, Director of Community Development, reviewed the request associated with Flagstone Pavers, Inc.

Council Member Johnston referenced the value of improvements as indicated on the Property Appraiser's website and asked what the personal property improvements were and if the City's ordinance provides for exemption from personal property taxes or real property ad valorem taxes.

Director Geiger replied the improvements are for the expensive equipment inside the building that is performing production. He also indicated the ordinance does provide for both and further explained the Property Appraiser's Office checks the statutory regulations on how it relates to this program.

Council Member Lewis asked if the County has a tax abatement program that could be applied to this application. Director Geiger attested the applicant has spoken with the Office of Business Development but he is not sure if they are eligible for any of the other exemptions that the County offers and will follow up on the status.

FIRST BUDGET HEARING MINUTES - SEPTEMBER 9, 2009

Council Member Lewis would also like Dennis Wilfong, Ambassador of Commerce and Employment, to stay in touch with Flagstone Pavers and keep Council informed of his communications. Vice Mayor Bradburn informed Council that Flagstone has already planned another expansion and commended Mr. Wilfong for his due diligence in keeping Flagstone Pavers in Brooksville.

Council Member Johnston pointed out Section 5 provides that if the number of employees goes below a certain level then the exemption is removed and asked what type of monitoring system is in place. Director Geiger replied the Ordinance requires them to file reports with the City on an annual basis in March.

Attorney McAteer asked is there a resolution being used as a foundation for this ordinance. Director Geiger affirmed there is a resolution; Resolution Number 2003-02.

Motion:

Motion was made by Council Member Pugh and seconded by Vice Mayor Bradburn for approval of the abatement.

City Clerk Peters read Ordinance No. 777 by title, as follows:

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, PROVIDING FOR QUALIFIED TAX ABATEMENT FOR UP TO TEN YEARS FOR THE EXPANSION OF A QUALIFIED MANUFACTURING BUSINESS ON PROPERTY OWNED BY FLAGSTONE PAVERS, INC., LOCATED AT 9070 OLD COBB ROAD, BROOKSVILLE, FLORIDA 34601-9300; PROVIDING THAT THE EXPANSION OF THIS BUSINESS HAS CREATED THIRTY AND MUST MAINTAIN A MINIMUM OF TWENTY-SIX ADDITIONAL FULL-TIME JOBS; PROVIDING A SUMMARY OF THE ESTIMATED VALUES AND PROPOSED ABATED TAX REVENUE; PROVIDING FOR RESTRICTIONS, CONDITIONS AND TERMINATION; PROVIDING FOR THE EXEMPTION THROUGH THE HERNANDO COUNTY PROPERTY APPRAISER; PROVIDING FOR THE REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

Mayor Bernardini asked for public input; there was none.

Motion carried 5-0 upon roll call vote, as follows:

Council Member Pugh	Aye
Council Member Lewis	Aye
Council Member Johnston	Aye
Vice Mayor Bradburn	Aye
Mayor Bernardini	Aye

Mayor Bernardini asked about the paving of Fort Dade Avenue and his concern of the way it was left. City Manager Norman-Vacha advised she will have further discussions on this matter since it was indicated to her that this was normal paving procedure.

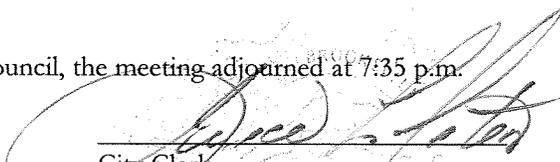
Mayor Bernardini referred to the Mildred Avenue turn lanes where tickets are being written for left turns. He requested staff check into signs clarifying this. City Manager Norman-Vacha indicated staff will check into it to resolve the issue.

FIRST BUDGET HEARING MINUTES - SEPTEMBER 9, 2009

Adjournment

There being no further business to bring before Council, the meeting adjourned at 7:35 p.m.

Attest: 
Mayor


City Clerk



ATTACHMENT A
9/9/09 Budget Workshop

CITY OF BROOKSVILLE FINANCE DEPARTMENT

Date: September 3, 2009
To: Honorable Mayor and City Council Members
VIA: T. Jennene Norman-Vacha, City Manager
From: Stephen J Baumgartner, Finance Director
RE: Changes to 09 10 Budget since City Council Workshops

The following are changes that have been made since the Budget Workshops to the 09 10 Budget for review and consideration of City Council:

GENERAL FUND

- General Government Accounting and Auditing Fees: raised \$7,000 due to Progress Energy Audit and Single Audit Fees (exceeding \$500,000 in Federal or State Grants).
- General Government Building and Improvements Capital: Elevator Repairs for City Hall totaling \$50,500. Carried over from 08 09 which was budgeted in current fiscal year for \$60,000. The \$50,500 was based on recent sealed bids.
- General Government Pollution Insurance added for \$1,300. This is split between Water and Sewer and General Fund based on locations of City Generators.
- Development Department Contractual Services raised \$16,000 for VFW Building demolition. This was carried over from the current fiscal year (approved Budget amendment by City Council).
- Police Department Salaries and Benefits raised \$43,105 with offsetting revenue from COPS Hiring Recovery Program (CHRP).
- All General Fund Departments with Employees were changed due to \$250.00 Employee one time Bonus authorized by City Council. This is a cost to General Fund of \$26,596.
- Vehicle Replacement Transfers were added based on Council's direction. This annual transfer totals \$143,983.
- Revenues were adjusted due to review and information from the State. City received notification that Municipal Revenue Sharing and Local Half-cent sales tax revenue estimates should be reduced 1.6%. The Budget reflects this adjustments.

" ATTACHMENT B "

Red Light Camera work sheet

Gross Revenue	\$697,500	(1)
Prior year carry forward	\$120,000	
Total Income	\$817,500	
Total Personnel Services	\$114,488	(2)
Other Contractual Services	\$223,200	(3)
Other current charges	\$1,000	
Legal	\$5,000	(4)
Computer Supplies	\$1,800	(5)
Clothing/Uniforms	\$25,500	(6)
Fuel Cost	\$6,000	
Uncapitalized Equipment	\$9,300	(7)
Operating Expenditures	\$271,800	
Transfers Out	\$16,786	(8)
Machinery & Equipment	\$154,000	(9)
Total Capital	\$154,000	
Total Expenses	\$557,074	
Fund Balance	\$260,426	

(1) Gross Income \$697,500

(2) 2 Traffic Officers (\$88,616) and part time red light reviewer (\$25,872).

(3) ATS share of tickets (\$223,200) and

(4) Hearing Officer (\$5,000).

(5) Computer and Monitor (\$1,800).

(6) Uniform and Equipment for Reviewer (\$1,500)
2 Traffic Officers (\$24,000)

(7) 3 Laser Speed device total \$9,300.

(8) Transfers out \$16,286 to fund 502 and \$500 to fund 609.

(9) 3 Cars equipped (3 cars \$114,000, with in car camera systems, Motorola car radios and Lettering.
1 Tag Recognition system (\$25,000) and
1 Speed checking trailer (\$15,000).

To: Mr. Stephen Baumgartner
 From: Ms. Mary Cason
 Date : September 2, 2009
 Re: FY 09/10 Solid Waste Collection Rates

Below is a chart of the changes to take effect October 2009. This change in rates is driven by Resolution #2008-24.

Container Size Cubic Yard	Frequency (Times per Week)
------------------------------	----------------------------

	1	2	3	4	5	6
2cy	\$78.77	\$113.31	\$148.84	\$182.40	\$216.94	\$251.49
	\$78.23	\$112.55	\$146.84	\$181.17	\$215.47	\$249.79
4cy	\$113.31	\$182.40	\$251.49	\$320.57	\$389.66	\$458.74
	\$112.55	\$181.17	\$249.79	\$318.40	\$387.03	\$455.64
6cy	\$148.84	\$251.49	\$355.11	\$458.74	\$562.39	\$666.00
	\$146.84	\$249.79	\$352.71	\$455.64	\$558.59	\$661.51
8cy	\$182.40	\$320.57	\$458.74	\$596.92	\$735.10	\$873.27
	\$181.17	\$318.40	\$455.64	\$592.89	\$730.14	\$867.38

Residential Curbside ~~\$16.09~~ \$15.98
 Residential Centralized ~~\$12.87~~ \$12.78
 Commercial Curbside ~~\$26.97~~ \$26.78