

**CITY OF BROOKSVILLE
BUDGET WORKSHOP
MINUTES**

July 13, 2010

6:00 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 Jennifer C. Rey, 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 Vice Mayor Lewis.

FY2010/11 BUDGET

Overview and General Fund Budget Presentation

Discussion by Council on General Fund Revenues and Expenditures with overall direction.

Steve Baumgartner, Finance Director, reviewed highlights of the documents given to Council. The entire budget document is a millage rate of 5.192 which is 26.04 less negative change from the rollback rate of 7.0202.

The Brooksville Fire District is receiving a transfer of \$954,479 from the General Fund. The new fire assessment that is being adopted is expected to bring in \$649,000. The two (2) will fund the Fire Department.

Due to changes in TRIM rules, the City can only adopt the maximum rate of 10 mills. The City is much lower, at 9.3474 mills, than the maximum millage rate levy allowed by Florida Statutes.

The Ad Valorem revenue difference of roll back rate and the millage rate is a significant \$758,251. The roll back rate is the rate that would give the government agency the same amount of ad valorem revenues received during the previous budget year. In order to receive the same revenues as last year at 6.069 rate the roll back rate of 7.0202 would have to be adopted.

He indicated the third floor of City Hall is rented with an estimated \$72,000 in revenue from rent and utilities.

The Vehicle Replacement Fund, multi capital and equipment replacement transfers have been suspended in this document for one (1) year. Vehicle replacement would be about \$195,000; multi capital last year was \$131,660; and equipment was \$20,000.

There is a limited amount of capital expenditures in this document. They will be reviewed during the Special Revenue Fund workshop in August. Recommendations include capital out of the Red Light Camera Fund and the Multi Capital Fund.

The budget has a 5% medical insurance increase included and negotiations are ongoing. Finance Director Baumgartner indicated medical increases are generally 5% to 7%. Council Member Burnett suggested using 7% instead of 5% to be on the conservative side. City Manager Norman-Vacha indicated last year the City saw a zero percent increase. She relayed there has been a 40% premium to loss ratio for each of the last two (2) years which could escalate the City's claims level.

APPROVED BY BROOKSVILLE
CITY COUNCIL

ON 11/01/10 INITIALS AL

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Workers Comprehensive, Property and Liability rates are flat and reflect no increase. The policy year with PRM may be extended from September to September instead of March to March.

Council Member Bernardini asked if there is an employee pay increase in the budget. Director Baumgartner indicated there is not.

Vice Mayor Lewis referred to page 10 indicating a 4.9% in reserves compared to last year at 6.44%. He wants to look again at the possibility of an employee pay increase or bonus this year.

Council Member Johnston referred to page 5, under General Revenue, and indicated the Communication Services Tax decreased by \$70,000. Director Baumgartner advised the City budgets at 95% of the State budget estimate. However, the City has a payback of \$2,000 per month due to an overpayment in 2007 which will not be paid until February 2012.

Council Member Johnston referenced page 6, with fines increasing to \$18,000 from last year. Director Baumgartner indicated the City is at 86% of that amount through May of this year.

Council Member Johnston referencing line 48899; Revenue \$8,000-\$20,000 and pointed out it is an increase of about 200%. Finance Director Baumgartner replied he will examine this line item further.

Council Member Johnston referred to line 48871; change in Fair Market Value. Finance Director Baumgartner indicated this is the SBA and indicated staff makes an annual entry based on the B fund in the SBA by reducing the value and adjust as a mark-to-mark entry.

Finance Director Baumgartner stated the \$20,000 should be the First Tee Grant. After the Enrichment Center is built the \$12,000 in rent will no longer be there and was not anticipated in the previous year budget. The \$8,000 from the year before is understated but the Jerome Brown Center revenues need to be included in the figure.

Council Member Johnston referred to the Red Light Camera Revenue of \$100,000, which may or may not be there. Finance Director Baumgartner stated through May there is about \$450,000 in that fund and indicated there is more than adequate money to transfer to the General Fund.

City Manager Norman-Vacha followed up with an overview indicating we are better than most cities and have planned well. She commended staff for their diligent work.

She asked that Council consider suspending the Vehicle Replacement Fund, which currently has over \$800,000 in it. Additionally, regarding the overall General Fund budget; over the last three (3) or four (4) years, millage has decreased while property values were decreasing as well which are the two (2) components of property taxes. Council has approved moving forward with partial funding by the Fire Assessment. It is significant that there has been a \$1 million decrease, or 40% in property taxes, which reflect in the budget numbers presented. Staff has been diligent to find efficiencies throughout normal City operations.

She also pointed out several significant items that are included in the report as follows:

- Retirement Contributions; consider to continue with program which is funded out of the General Fund.
- Health Insurance and Health Reimbursement Account; consider requiring employees pay more of the deductible by reducing the current reimbursement amount.
- Workers Compensation; rates are less than half compared to past years due to losses, managing claims and negotiating insurance programs.
- Staffing Levels; over the past five (5) years staff has been reduced from 117.5 to 95.9 which is a 22.5% reduction through attrition and a shift in funding. Finance Department Customer Service

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and Public Works Director will be reduced to 50% funding level within the General Fund.

- Reclassifications; A position in the Finance Department due to elimination of one position, Police Department patrol staff based on the career path as outlined in The Mercer Plan Study from 2006; Public Works functions were delineated between Utilities and Streets and Drainage eliminating a fourth of a position and creating a supervisory position.
- Holiday pay for 24/7 operations within the Police Department was assessed and changed last year with a \$77,000 increase.

She then pointed out items that are not included in the report as follows:

- The \$130,000 plus transfer from the General Fund to Multi-Capital
- Transfers for Vehicle Replacement which would have been over \$195,000
- Transfers that would have been requested for equipment replacement of about \$20,000

She indicated staff is looking at utilizing Capital dollars from other funds that have been set aside. The Capital Improvement Plan will be discussed further in August. There will also be further discussion as to where the millage rate would be appropriate with implementation of a Fire Assessment. She asked Council to consider cost sharing of employees' health and medical premiums and pointed out the School Board has a 20% cost sharing.

Council Member Bernardini referred to page 39 and pointed out the increase in personnel for a Fire Inspector is not reflected in the City Manager's memo to Council.

Vice Mayor Lewis indicated he does not support not funding the Vehicle Replacement Fund and asked that it be reassessed.

He stated he is adamantly against asking employees to partially pay the premiums for health insurance but would encourage employees to look at the public market. City Manager Norman-Vacha cautioned that if the numbers fall below a certain enrollment percentage the insurance will not fund a group policy. Vice Mayor Lewis inquired of Requests for Proposals for health insurance this year. City Manager Norman-Vacha replied staff is currently working on negotiations.

He would like to see information brought back to Council on the Mercer Plan for all employees to make a fair assessment. City Manager Norman-Vacha indicated staff will put together the requested information. He recommended consideration of a one-time bonus again this year for all full-time employees in lieu of a pay increase.

Council Member Bernardini referred to Page 6; Police Department and Parks increases. He did not feel The Mercer Plan should be brought back due to step increases that were proposed. Council discussed past inequities of the Mercer Plan on how previous City administration implemented raises.

Council Member Johnston stated he agrees with Council Member Bernardini in that the next two (2) budget years will be the leanest the City has seen so far. He does not support a pay increase or bonus within this time period. He agrees with staff recommendation to forego the Vehicle Replacement Fund this year and possibly next year. He indicated there is a substantial reserve built up right now with the purchase of a new fire truck and garbage truck and pointed out there is less than 5% in reserves.

Vice Mayor Lewis stated it is very important to budget the Vehicle Replacement Fund for the debt ratio to borrow funds. Reserves of \$1 million are there in case of an emergency. He asked Council to consider setting the millage rate at the current rate even with the 50% Fire Assessment and actual taxes collected would be \$100,000. Council Member Johnston stated Council committed to implementing the Fire Service District by rolling back the millage rate equivalent to the tax revenue being generated by the assessment. Vice Mayor Lewis pointed out he preferred to fund the entire fire budget and roll it back mill for mill but supports 50% as a trial for the first year.

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As Mayor Bradburn arrived, Vice Mayor Lewis briefed her on their discussion up to this point.

Police Department Presentation

Presentation of departmental budget and operations.

Chief Turner stated the presentation is a group effort and introduced Lieutenant Rick Hankins; Detective Sergeant John Messer; Madeleine Austin, Records Manager; Sergeant Robert Dixon, Accreditation Manager; and Sergeant Jason Brough.

Lieutenant Hankins reviewed accomplishments made by the Police Department, the structure of the department, study results and statistics as it relates to the Police Department calls.

Detective Sergeant Messer reviewed investigative results, property evidence and Commitment to Excellence.

Lieutenant Hankins then reviewed the 2009-10 grant awards of \$353,622, which have funded the COPS Officer, marked patrol vehicles technology, prostitution diversion overtime, Criminal Investigative Division supplies, K-9 advance training, audio and video equipment for the interview room recording software, the purchase of five (5) vehicles and nine (9) radar laser handheld units. He is anticipating award of an upcoming Edward J. Byrne Memorial Grant of \$55,874 which will be used to offset the purchase of two (2) replacement marked patrol vehicles. He reviewed many community involvement activities by members of the Police Department.

Madeleine Austin gave a brief overview of their training program and its importance on the Brooksville Police Officers to perform at a much higher level.

A 5-minute video was played on the Accreditation Program.

Sergeant Robert Dixon reviewed the Accreditation Program and its benefits which lead to greater accountability within the department, reduce risk and liability exposure, stronger defense against civil law suits and professionalism.

Sergeant Brough briefly reviewed the Red Light Camera Program with State-wide statistics last year on fatalities, injuries and property damage caused by red light running. Red light violations are enforced to reduce traffic crashes at all City intersections by utilizing technology 24/7 as opposed to traditional enforcement which is time-consuming and causes a safety hazard by having to chase the violator. Cameras multiply the City's traffic enforcement resources at the expense of the violators, not the taxpayers. He pointed out there has been a 35% reduction in traffic violations which are specific to the intersections with the red light cameras in place with 42 crashes in 2008 down to 27 crashes in 2009 when the program was instituted.

Chief Turner ended the presentation by reiterating that the Brooksville Police Department function is a team effort and he and his staff are proud of their accomplishments.

Council Member Johnston asked what the full-time equivalency is for three (3) part-time officers. Chief Turner replied there is one full-time equivalent in last year's budget.

Mayor Bradburn commended the Police Department on their crime closure rate and pointed out the conviction rate and efficiency in resolving major crimes that was not mentioned in the slides. She also commended staff on their credentials and training of officers.

Lieutenant Hankins pointed out the east side of the City of Brooksville is commonly referred to as "South Brooksville" and was demonstrated as such for identity purposes only. He stated the zones for streets were changed to adhere to the CAD system for consolidated dispatch.

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Council Member Burnett questioned visitation by Police Officers and programs in the South Brooksville area. Lieutenant Hankins replied the C.O.P.S. Officer has been attending the community meetings. Council Member Burnett stated he will meet with Chief Turner regarding his concerns.

Council Member Bernardini referred to "Reserves – Public Safety" and asked is that Reserve Officers. Police Chief Turner replied it is Reserve Officers with an increase in hours for Sergeant Dixon's hours to keep him accredited according to FLA standards. He pointed out accreditation will be in June with a mock assessment in January.

Council Member Bernardini asked for the breakdown for incentive and special pay, accreditation program, and pay for the Mercer Plan. Police Chief Turner referred to the bottom of Page 34; \$28,100 in the budget line item for the accreditation program which includes \$500 stipend per officer and \$10,000 to the mock assessment team of three (3) including hotel accommodations, car rental and meals.

City Manager Norman-Vacha stated Other Contractual Services includes several different items such as pest control, towing services, laser certification, fire extinguisher certification, speedometer calibration certification, physical pre-employment examinations, radar certification, and Innovative Data Solutions' DMS program, which was under a different line item last year. She next addressed Life Insurance and stated the benefit was changed this year from \$1,500 to two (2) times of annual salary for the Police and Fire Departments to be in line with the rest of the City employees.

Council Member Bernardini inquired of the increase in Repair and Maintenance. Police Chief Turner explained it was transferred from a different line item for painting and some repair work at the Police Department.

Council Member Bernardini referred to the Mercer Plan and indicated an increase in salary for one department would mean an increase for all departments. City Manager Norman-Vacha stated staff will give an outline on what was adopted, what was discussed by Council, what was in the Plan and where we are now.

Council Member Burnett was pleased with the training and education line item increase. He commended Chief Turner and his support staff on the operation changes with the Police Department.

Mayor Bradburn congratulated the department on improving service, efficiency and training. She pointed out Chief Turner was recently recognized by the Florida Chiefs Association for the good work of his department.

Council Member Johnston referred to the middle bar graph on Page 38 and pointed out that 2010/2011 should be reflected instead of 2009/2010.

Vice Mayor Lewis referred to Page 15, under City Council budget, and stated Legislative Salary should be \$29,400. Assistant Finance Director Delach explained the difference was due to rounding the numbers.

Fire Department Presentation

Presentation of departmental budget and operations.

Fire Chief Mossgrove reviewed the Mission and Vision Statements, as well as Objectives, such as working more with other county agencies under contractual agreements.

Accomplishments were reviewed as well, such as continuing with the county-wide Fire Prevention Program and the Juvenile Fire Setters Program. Goals reviewed included:

- Continuing a higher level of customer service to the community;
- Continuing a progressive Fire Prevention Program;
- Advanced Life Support First Response;

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- Hiring of a full time Fire Inspector;
- The increase of staffing level to six (6) through the Federal Grant process;
- Completing of the construction of the addition to the fire station;
- Establishing a Special Assessment to help fund a portion of the department's budget.

He indicated the new squad vehicle is in service and responding to calls. A departmental Safety Committee was established and all Fire Department employees are National Incident Management System (NIMS) compliant. All Fire Department Suppression personnel have completed the Wild Land Firefighter interface training. He pointed out it is their goal to continue to maintain response time below the national average of four (4) to six (6) minutes.

Chief Mossgrove also reviewed the department's organizational chart and various staff functions, including administration, training, emergency services and community programs. He pointed out the zero based budgeting method implemented in 2006 has accounted for the justification of the needs to operate the department.

Council Member Johnston referred to Page 6 and asked where the figures are for the partial funding. City Manager Norman-Vacha, referring to Page 35, indicated a transfer of expenditures was done in order for a clear view of funding by the Fire Assessment and the General Fund. However, revenue is not included in the figures.

Council Member Burnett commended the cooperative effort on the construction of the Fire Department. He pointed out the generator was transferred for use at the Jerome Brown Center and supports adding a Fire Inspector position to relieve the Fire Chief from that responsibility. He did not feel Firefighters or Police Officers should be cutting grass at their respective facilities and suggested service contracting or utilizing City staff that currently has that duty.

Council Member Bernardini pointed out that the most significant increase was in Other Contractual Services as it was with the Police Department budget. Chief Mossgrove indicated the increase includes collection fees to the Hernando County Tax Collector and Property Appraiser for the Fire Assessment.

Council Member Johnston asked if the Fire Inspector will be certified. Chief Mossgrove replied it would be desirable to have the position be a certified firefighter and investigator.

Mayor Bradburn asked why overtime costs have not decreased due to filling of vacant positions. Chief Mossgrove explained that overtime costs are based on hours worked under the Garcia Act, which mandates twelve (12) hours a month be paid at time and a half rate. Mayor Bradburn suggested exploring 12-hour shifts. Chief Mossgrove explained there would have to be a staffing increase with a fourth shift for that to occur. Mayor Bradburn would like to address, in the next year or so, the possibility of changing the "24-hour on/48-hour off" shifts. Chief Mossgrove stated reserves get retirement benefits computed at a different rate, which requires them to work twenty-four (24) hours a month.

Mayor Bradburn indicated she does not see an immediate need for the Fire Inspector position to be filled due to the slowdown in new construction and new businesses and would like to see the District Chiefs take on some of that responsibility. Fire Chief Mossgrove advised there has not been a full-time Fire Inspector since mid-1990 and there is dire need in a full-time capacity to properly run the program.

Council Member Burnett reiterated that he supports hiring a Fire Inspector due to the City not being "up-to-par" with fire inspections as some buildings do not have annual inspections. He pointed out inspections for fire safety could take anywhere from five (5) to six (6) hours total, stating that safety of the community is of utmost importance.

Chief Mossgrove estimated 30% of businesses are not being inspected on an annual basis but pointed out businesses that are statutorily mandated to be inspected annually, such as nursing homes and daycare

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centers are being done. Mayor Bradburn and Vice Mayor Lewis both stated their concerns for the businesses with hazardous materials that are not getting inspected. Council Member Johnston pointed out the Fire Chief's duties does not allow him time to be doing fire inspections and having the District Chiefs take on inspections would require paying overtime outside their regular shifts. Council Member Bernardini indicated he sees electrical boxes that are fire hazards because access is blocked. Chief Mossgrove indicated a full-time Fire Inspector would implement a program to ensure that target-hazard businesses are inspected on an annual basis. Council Member Johnston recommended a database, which could prioritize those types of businesses.

Community Development

Bill Geiger, Director of Community Development, briefly reviewed his departmental goals and current projects. He indicated his departmental budget has an 11% decrease and they are working on the principle of doing more with less.

He stated that his department functions are seen at most Council meetings with presentations with Land Use and Zoning, and Code Enforcement issues, etc. Staff also works with organizations such as TBARTA and MPO. He pointed out The Enterprise Zone Development Agency (EZDA) will be developed in the near future. There has been a lot of good input from outside agencies and he plans on implementing the recommendations over the next year along with the Comprehensive and Community Redevelopment Plans. He pointed out Requests for Qualifications have been submitted by consultants to address the Community Redevelopment Agency Plan and the Phase II Streetscape Improvements. The CRA Plan has not been updated since its adoption in 1999/2000 and Capital Improvements need to be prioritized and implemented on how to best address and approach revenue sources.

Council Member Johnston asked the reason for a decrease in Other Contractual Services. Director Geiger replied that is the contract for the building division with PDCS that is estimated each year on anticipated revenues received and was reduced due to the trend this past year. There is an additional \$20,000 to address grant application processes and anticipated planning needs.

Mayor Bradburn stated institutional knowledge was gained with the University of Florida analysis which was the first step of many. Director Geiger indicated the next evaluation appraisal report process will be in about a year with recommendations from the UF study being implemented into the planning documents to achieve consistency with the updated Land Development Code and Comprehensive Plan. Mayor Bradburn suggested the University of Florida could be utilized during the next phase which should come in about six (6) months, after staff completes the code update in-house, in order to be ready for the rail and the changes that corridor will bring to the State and the Tampa Bay region. She stated her concern that the budget does not reflect the numbers to accomplish this. Director Geiger assured Council that staff is keeping Brooksville's name at the forefront with all the different organizations and agencies as it pertains to future transportation issues. Council Member Burnett indicated he expects to be at that stage no sooner than two (2) years from now. Mayor Bradburn stated there are several documents noted in the analysis that do not reflect where we expect to be and that there is still a lot of work to undertake, including revamping the Future Land Use Map.

Council Member Bernardini asked for the comparison of having the County perform the City's building services versus the current contracted services of PDCS. Director Geiger replied that the current contract with PDCS includes a 3% discount over what the County would charge as they process Impact Fee Collection. Council Member Burnett indicated he was not pleased with the City's permit processing performed by the County in the past. Vice Mayor Lewis pointed out the building "boom" in 2005 was to blame for that. Director Geiger advised he is planning to address this issue that was brought up a few months ago but did not have a PowerPoint presentation ready. Vice Mayor Lewis, Mayor Bradburn and Council Member Burnett commended the building division on their professionalism and expeditious service they perform. Director Geiger also indicated Mr. Chandler works well in a team effort.

Mayor Bradburn asked Chief Turner for a copy of the Crime Closure rates chart.

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Council Member Bernardini asked if the Red Light Camera program be on Monday's agenda. City Manager Norman-Vacha affirmed. He asked for another copy of the State Statute that regulates red lights. Attorney Rey indicated she will give him the House Bill that has been approved but has not gone into Statute as of yet.

City Manager Norman-Vacha stated the Finance Director will present a millage rate to be established at the July 19th meeting for certification of the initial TRIM and asked for Council recommendation. Council consensus was eight mills with the opportunity to set it lower. Mayor Bradburn opposed the eight mills and requested the roll back rate be set for TRIM.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 9:38 p.m.

Attest:

Mayor

Sam Bradburn

City Clerk

Janie L. Peter

