

**CITY OF BROOKSVILLE
 FINANCIAL WORKSHOP
 COUNCIL CHAMBERS
 201 HOWELL AVENUE
 BROOKSVILLE, FL 34601
 MINUTES**

February 26, 2013

6:30 P.M.

Brooksville City Council met in workshop session with Mayor Lara Bradburn, Vice Mayor Kevin Hohn and Council Members, Joe Bernardini, Frankie Burnett and Joseph E. Johnston, III present. Also present were James Fisher, City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Jim Delach, Assistant Finance Director, and Tim Mossgrove, Fire Chief.

FY2012/13 FINANCIAL WORKSHOP

Discussion of the financial status of the City.

City Manager Norman-Vacha indicated this is a review of the first quarter of finances with any changes/updates to the FY2012/13 budget. She advised there are guests present tonight to talk about impact fees.

Impact Fees

Mayor Bradburn introduced Ron Pianta who reviewed that the Impact Fees had been cut in half for a 2-year period, then suspended, during which rates were updated based upon data and analysis as required by state statute, except for roads and education. They were then reinstated then presented to the Board of County Commissioners back in January, which were approved. It included new rates for the City of Brooksville Fire Department, based upon data received from the department, which will take effect August 14, 2013.

Relative to roads and education, there is currently a roads impact fee study being performed with an approach to discount certain targeted businesses according to land-use to encourage infill development. One of the targeted areas is around the City, its growth area. This was supported by the Board of County Commissioners, who asked the consultant to have a stakeholder interview, which was attended by Director Geiger and the Mayor. The attachment provided to Council was also given to the stakeholders group and gives examples on page 14 of what the 2008 rates were for different land use and shows what the rates would be if charged at 100%.

Mayor Bradburn asked Mr. Pianta to restate the purpose of impact fees. He advised it is to pay for public facilities based upon growth. The 100% rate means that 100% of the fee is contributed to new growth impacts.

Mr. Pianta advised, regarding education, the school district, at a cost of \$39,000 will have their own study done.

Council Member Burnett asked if the enterprise zone will be included in the area to be discounted. Mr. Pianta advised it would.

Vice Mayor Hohn asked what the sections were. Mr. Pianta reviewed, that roads and schools are currently under study. The others that have been adopted are fire and EMS, with a specific fee for the City of Brooksville for fire based upon data received; capital facilities impact fees, which include libraries, public buildings and law enforcement, the jail, and parks. Mayor Bradburn pointed out that traditionally, the County did collect for schools as well, before the fees were suspended.

APPROVED BY BROOKSVILLE

CITY COUNCIL

ON 6/2/14 INITIALS AP

FINANCIAL WORKSHOP MINUTES – FEBRUARY 26, 2013

Mr. Pianta advised they plan to implement at 100% for the smaller fees. Roads will not be implemented at 100% and education is yet to be determined. Mayor Bradburn added that historically, transportation was the largest area of impact fees. Mr. Pianta agreed, adding education. He indicated the other smaller fees totaled about \$1,300 for a single-family home for all the fees.

Mayor Bradburn asked that they expand upon the rationale behind the discounts, specifically transportation. Mr. Pianta advised the long-range transportation plan as prepared by the MPO has a financially feasible cost affordable section after the needs plan and there is quite a disparity between the plans. Mayor Bradburn advised that for the City of Brooksville alone it is \$18-25 million, for the State of Florida it is a \$21 billion shortfall over the next 5 years for transportation needs.

Council Member Bernardini expressed concern over how much fees have been lost during the time the fee was suspended. He didn't feel the suspension of fees worked.

Mr. Pianta advised they will be involved in the whole process of the educational study, even though the School Board is managing it.

Council Member Burnett asked how the stakeholders (business people) were selected. Mr. Pianta advised the Mayor was involved and was an attempt to get some input from individuals in the business community as well as other governmental entities. He also clarified that those were not the only opinions taken into account when the study was prepared.

Mayor Bradburn stated she is encouraged by what has been presented as it put more of a responsibility upon those impacting new growth.

Mr. Pianta advised they will continue to coordinate with City staff as these studies are going forward.

Property Appraiser Outlook

City Manager Norman-Vacha advised the Property Appraiser, Mr. Emerson, had a conflict with tonight's meeting. He has asked to appear before Council during the April 15th meeting. Council concurred. She advised the city has seen some construction, advising the Grand has done a major addition.

Report of 1st Quarter FY2012-13

City Manager Norman-Vacha advised the 1st Quarter is typically when the majority of taxpayers pay their taxes.

Assistant Finance Director Jim Delach reviewed.

Vice Mayor Hohn, under building permits, asked how many pending permits we might have. Director Geiger advised there have been a lot of permit activity and inquiries for zoning and land use. There have been several indications of permitting for single-family residential homes, especially in Southern Hills and permits have been issued for the condominium project. The auto parts project on U.S. 41 is going on. It looks promising that 2013 will be a much better year than 2012.

Under total other revenues, Vice Mayor Hohn asked what is covered under other revenue. Assistant Finance Director Delach advised it is usually the miscellaneous revenues from different departments that do not fit in actual categories by themselves.

Council Member Johnston asked, on line 13, why total transfers in are more than budgeted. Assistant Finance Director Delach will find out. City Manager Norman-Vacha thought it could be the local option gas tax.

FINANCIAL WORKSHOP MINUTES – FEBRUARY 26, 2013

Regarding current period budget variance, Council Member Bernardini asked what the parenthesis around total franchise fees of \$43,000. Assistant Finance Director Delach advised that is how much we are down from what was budget for the 1st quarter but in reality it's only for 2 months of revenue. With the additional month added we would actually be up about \$40,000 from what was budgeted.

General Fund

Assistant Finance Director Delach advised revenues are up from last year and expenses are down. City Manager Norman-Vacha advised specific revenues from Parks & Recreation and Cemetery were extracted and expensed reviewed so Council could see some functions that are more in line with user fees or specific fees and how those revenues are doing.

On page 28, Vice Mayor Hohn indicated our water bill is awfully high. Director Walker advised there was a water leak, which has been fixed. Assistant Finance Director Delach advised the new system makes it easier to identify problems and Customer Service is very proactive in pointing out problems to customers.

Utilities

Assistant Finance Director Delach advised revenues are up about \$12,000 over last year and expenses are down.

Vice Mayor Hohn asked why the On Call Beeper Pay is nearly half the budgeted amount in the first quarter. Assistant Finance Director Delach advised this was added into the budget this year. Director Radacky advised bringing the reuse facilities online is the cause. This line item should decrease for the remainder of the fiscal year. City Manager Norman-Vacha explained on-call pay versus overtime.

Vice Mayor Hohn asked about the increase in medical services on page 32. City Manager Norman-Vacha advised this increases with new hires and drug testing.

Vice Mayor Hohn asked about Bad Debt Expenses under the water division. Assistant Finance Director Delach reviewed.

Council Member Johnston, referencing page 34, Repair & Maintenance in the Sewer Division, asked why they are already \$17,000 over budget for the year. Vice Mayor Hohn pointed out that auto repair supplies are up 47%. Director Radacky advised three pumps went out around the first of the year. Two were at School Street and one was at the North Avenue pump station. The City Manager will get with staff for all other overages for clarification.

Internal Services

Assistant Finance Director Delach reviewed.

Update of Refund/Refinance of 1999, 2002 bonds and 2008 Hancock loan

Assistant Finance Director Delach advised these are the actual numbers from the closing, which he reviewed, advising \$1,344,518 was interest saved from refinancing. The final rate was 1.31%. The total overall savings by refinancing was \$4,336,488. Mayor Bradburn gave kudos to City Manager Norman-Vacha for insisting on a fixed rate.

Council Member Johnston asked, on an annual basis, what the savings is. Assistant Finance Director Delach advised that page 51 reflects an annual savings of \$369,000 in the first year.

FINANCIAL WORKSHOP MINUTES – FEBRUARY 26, 2013

Council Member Hohn agreed with Council Member Bernardini that adding footnotes to explain variances in the budget would help. Assistant Finance Director Delach will provide for future updates.

Update on Capital Projects for FY2012/13

City Manager Norman-Vacha gave an update on the status of current Capital Projects. She advised Value Exercising Equipment is actually Valve Exercising Equipment, for repair and maintenance in the Utilities Department.

- She advised the CIP MPO enhancement funds for Phase 2B of the Good Neighbor Trail is listed as a \$476,960 investment. Although it is not City of Brooksville money per se, it is money that has been derived through DOT funding and it is funds that will finish the Good Neighbor Trail within the City.
- The Police Department lobby is 85-90% finished and includes the HVAC system. The project is scheduled to be completed by the 2nd week in March.
- The Peck Sink (Horse Lake) project is at 100% completion.
- The pavement management program has \$300,000 allotted and will be discussed at next Tuesday's workshop.
- Additionally, the bond settlement money for Southern Hills is listed. Phase 3A and 3A-1 is coming along. The reuse plant is close to being finalized to provide reclaimed water to the ponds.
- A garbage truck is on order to be delivered around May. Council Member Johnston asked how many garbage trucks we own and how many are operable. Director Radack advised there are 4 rear-loaders and 3 front-loaders, 1 recycling truck and 3 trucks with clam buckets for picking up limbs, leaves, furniture, etc. The new truck will replace a rear-loader which is 10-years old. Discussion of replacements followed.

Update on Fire Assessment Collections

Fire Chief Mossgrove advised that as of February 20, 2013, 64%, or \$241,672 of the budgeted amount of \$380,000 has been received. He asked for direction as to proceeding with collection of unpaid assessments, with three directives as follows:

1. Should a second notice be sent out to the 1,809 parcels that haven't paid at a cost of about \$800?
2. Should the unpaid fire assessments be placed on the 2013 tax bill without further notice?
3. Does Council want to apply a penalty for those who have not yet paid?

Mayor Bradburn advised the cost for a second notice could be cut by using a postcard instead of another full letter. He advised this is the cost through the vendor but staff can look at that option.

City Manager Norman-Vacha advised the trend is property owners that are out of the area are, for the most part, the ones who haven't paid.

Council Member Johnston recommended re-noticing property owners of the debt and adding a penalty if not paid by March 31st. Council Member Hohn recommended offering a payment plan for those that can't pay. He advised putting off the penalty until June and attaching a 25% penalty. Council Member Bernardini agreed.

FINANCIAL WORKSHOP MINUTES – FEBRUARY 26, 2013

Council Member Burnett agreed with sending a 2nd notice with a 10% penalty and look at the time frame.

Mayor Bradburn recommended mailing postcards in-house. She was not in favor of a penalty.

Council Member Johnston would not have a problem moving the deadline until June 1st. He would be in favor of a 10% or \$25 penalty.

Mayor Bradburn reviewed that the notices would be mailed with no penalty at this time.

City Manager Norman-Vacha advised any delinquent payments can be added to next year's tax bill and an update will be brought to Council after June 1st.

Update on Red Light Traffic Camera funds

City Manager Norman-Vacha reviewed that funds collected between May and December 2012 is \$267,367. She reminded that \$100,000 was allocated to General Fund and \$100,000 to the Multi-Capital Fund (Pavement Improvement). The program also requires staffing and personnel, which requires a uniformed and certified officer to issue the actual citations. She asked for direction to allocate additional monies.

Mayor Bradburn advised she would like to allocate monies toward transportation and a portion to promote the City.

Council Member Bernardini was in favor of funding driver education.

Council Member Burnett asked about the split. Chief Turner advised \$83 goes to the state, \$75 comes to the City and is split with the camera company.

Council Member Hohn advised there are traffic safety officers in the Police Department that can teach safe drivers classes. He also would like to see the money go to fixing roads.

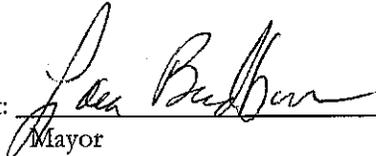
Council Member Johnston, for future should go to roads but would like to wait until August to allocate when revenue is in. He reminded all that the State is the reason the tickets are so high. He asked if there are problems like Pinellas has in collecting. Chief Turner reviewed, advising that the problem the City is having is people aren't getting the citations in a timely manner. They are allowing the citation to be paid without late charges if they come in. He also clarified that an affidavit requires identification of the person who was driving, if not the owner.

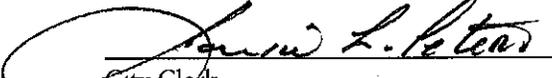
For confirmation, City Manager Norman-Vacha stated, as staff prepares the budget, she heard ideas on Drivers Education, Safety and Roads to allocate money to.

Council Member Hohn congratulated the City Manager and staff for their work on the budget.

ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 8:30 p.m.

Attest: 
Mayor


City Clerk