

**CITY OF BROOKSVILLE  
BUDGET WORKSHOP MINUTES  
COUNCIL CHAMBERS  
201 Howell Avenue  
Brooksville, FL 34601**

**MINUTES**

**July 27, 2015**

**6:00 P.M.**

Brooksville City Council met in workshop session with Mayor Frankie Burnett and Council Members, Robert Battista, Betty Erhard and Natalie Kahler. Also present were Clifford Taylor, City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Jim Delach, Assistant Finance Director; Mike Walker, Director of Parks/Facilities and Recreation; Richard Radacky, Director of Public Works; Telina Dowdell, Human Resources Specialist, Tim Mossgrove, Fire Chief and George Turner, Police Chief.

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

**FY2016 BUDGET**

**Overview of General Fund & Fire Department Fund Budget Presentation**

Discussion by Council on General Fund and Fire Department Fund Revenues and Expenditures seeking overall direction.

City Manager Norman-Vacha presented an overview of the nature of growth for cities, highlighting the concept that people create community, and the need to create this city as a destination which offers opportunity for residents and business alike to flourish and want to invest in their community. She referenced the Brooksville Vision 2050 Plan that Council recently adopted, which targets economic development through new businesses and the creation of jobs, and focusing on historic main street curb appeal, arts, recreation, entertainment, activities, cultural and education.

The City Manager advised that this meeting is to go over the General Fund revenues and expenses, advising that the budget is balanced at 6.6439 mills. With recent increased property revenues, this millage rate constitutes a tax increase. In previous years since 2007, there has been a decrease in property tax revenues of approximately one million dollars with no decrease in services.

The City Manager continued by going over the staff memo dated July 21, 2015, which included changes in the proposed FY2016 budget from the adopted FY2015 budget and reads in its entirety as follows:

**General Fund revenues**

- Increase in General Fund revenues from \$6,314,813 to \$6,451,859 (\$137,046 more) due to a small increase in property values and dissolving the Vehicle Replacement Fund into the General Fund.
- The millage rate stayed the same at 6.6962.

**APPROVED BY BROOKSVILLE  
CITY COUNCIL  
ON 9/21/15 INITIALS gk**

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### **General Fund expenses**

- Increase from \$7,089,721 to \$7,350,186 (\$260,465 more) is due to:
  - 5% increase in current wages
  - 10% increase for all insurance rates (Health, Liability, Worker's Comp)
  - Florida Retirement Plan Rate increase
  - Police Chapter Plan retirement rate increase from 7.461% to 23.72%
  - New van for Streets \$35,000
  - 1 new leased Police vehicle \$10,866
  - Required 800 radio upgrade \$40,000

### **Fund 143 Fire Department revenues**

- Increase in Fund 143 revenue from \$1,713,622 to \$1,824,596 (\$110,974 more) due to an increase in the Fire Assessment and Transfers In from Vehicle Replacement Fund.

### **Fund 143 Fire Department expenses**

- Increase in expenses from \$1,556,036 to \$1,818,452 (\$262,416 more) due to:
  - 5% increase in current wages
  - New Pumper Truck down payment \$220,000
  - Required 800 radio upgrade \$28,000
  - 10% increase for all insurance rates (Health, Dental, Liability, Worker's Comp)

City Manager Norman-Vacha offered a power point presentation and began discussions with the 2015 certified property value and related information on page 6 of the Budget Report. She called attention to the property appraiser's number of \$387,000,000 of taxable value for 2015 which is the amount the City must keep in mind for this year's budget.

Discussion ensued regarding ad valorem taxes which are based on; taxable property value and the millage rate. Direction will be sought from Council for a proposed millage that will be considered and adopted at the August 3<sup>rd</sup> Regular Meeting.

Fire Chief Tim Mossgrove reviewed goals of the fire assessment, which includes creating a revenue source for the Fire Department to provide relief from the General Fund, create a method that requires everyone to pay something, and to create a method of paying in relation to size of larger homes or businesses. Chief Mossgrove offered a power point presentation.

Discussion ensued regarding the necessity to provide equipment and personnel to be able to respond in a "readiness to serve approach" and the rates involved therein, the tier 1 and tier 2 methodology and examples of city rates on properties for fire assessment tax bill as it compares to Hernando County taxes.

### Budget Review

Council discussed the budget review process and public hearing process and it decided to review the proposed budget page-by-page at this time. Comments, questions and discussions were as follows:

### Page Five

The roll-back rate of \$20,241 was pointed out, with 95% being the realization on the revenue side.

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### Page Six

The City Manager clarified the “Communication Service Tax” which is a direct amount provided by the State.

### Page Seven

“Parks Miscellaneous Revenue” was described as a “catch all” such as soda machine revenue or HYL reimbursement of supplies used.

“Court fines” was a portion of fees from local or state ordinance citation fees.

“Facility Rental Fees” are decreased from past years as a general trending estimate.

The increase in “Adult Fees” and “Practice Lessons Softball” is determined by an expectation in increase.

### Page Eight

A question regarding “Others transfer in – 49700” was clarified that it is a miscellaneous category that no longer has amount attached to it. The City Manager also discussed the “Transfer in from vehicle replacement Fund 502” which reflects the closing of the Vehicle Replacement Fund. The “catch-all” line items and difference in definitions of “Miscellaneous Revenue” and “Police Miscellaneous Revenue” was discussed. The zero amount listed in the “Trans In from Traffic Camera Fund” reflects the termination of the red light camera program. Regarding the “Local Option Gas Tax”, the City Manager stated that if the money is targeted to pay for the street department and related improvements and costs. The City Manager added that staff is trying to find out specifically the amount the City will get from the gas tax will be on the new one that will be enacted on September 1, 2015 and they should have that amount for their budget public hearings. Her opinion is that should they gain additional money from that, it should be set aside for the pavement management projects.

### Page Nine

The fund “Personal Services” in each department was defined as including wages, FICA taxes, retirement contributions, and health/life/dental/long term disability insurance premiums. The “Personal Services-City Manager’s Office” was questioned and it was explained that it includes the Clerk, Deputy Clerk, Administrative Assistant and the City Manager.

### Page Ten

The decrease in the “Operating Expenses” in Community Development Department was discussed and it was discussed that it reflects the decrease in the amount for the tree fund. In response to a question regarding the “Capital Outlay” in the Police Department, the City Manager explained that it is the three leased cars already approved by Council, as well as one other car to lease.

### Page Fifteen

“Legal Services” was discussed and the City Manager stated that a good portion of that is a retainer fee and any estimated costs over and above the retainer. “Other current charges” are mostly banking costs. The “Public Official Liability Insurance” was described as covering both public property and elected official liability. City Manager Norman-Vacha stated she would advise Council if there is a decrease in that amount at some point. The line item “Contract Labor” was the art gallery coordinator. The City Manager addressed questions regarding the “Transfer out to funds 311 (debt services), 501 (fleet management) and 609 (health insurance and HRA money)” and the possibility of moving some of the money to Personal Services. The reason for the zero balance in “Building and Improvements” was explained that repair and maintenance costs for facilities are now included under the Parks budget.

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“Contributions” in the amount of \$40,521 was broken down as the City’s CRA contribution.

### Page Seventeen

The large increase in “Special Events” was discussed. The amount of \$30,000 was comprised of \$20,000 for the Blueberry Festival and \$10,000 for Fee Waivers. In-kind labor performed by the different departments during the Blueberry was discussed, with the City Manager clarifying that it would be a separate amount from the \$20,000. The City Manager offered to look at the amount that was contributed as in-kind. To request the \$20,000, or more or less than that amount, it is anticipated that Michael Heard would come before Council to request that and make a presentation. There was a recommendation to change the name of “Fee Waivers” to “Sponsorship” and actually have the seal or logo used in the event at some level so that it is known that the City is involved as a co-sponsor. A question was raised about where something like money for beads for the Christmas Parade would come out of, to which Norman-Vacha responded that it would come out of the \$10,000 remainder of the “Special Events” fund. Discussion ensued on whether this \$10,000 should be increased to \$15,000. The majority of Council agreed to raise the amount to \$15,000. Council discussed the whether a co-sponsorship would allow the City to use off-duty fire and police, as opposed to overtime. It was the desire of Council to see a policy regarding that to come back before them for consideration at a workshop meeting.

“Other contractor services” was defined as the fee for the Hernando County television services.

### Page Twenty-one

“Other contractual services” was defined as a contract with Hernando County for I.T. services.

### Page Twenty-three

“Promotional Activities” was defined as wellness programs, recognition programs, and other related events.

### Page Twenty-four

It was the recommendation of Council to hold a workshop to discuss the Business Development Division.

### Page Twenty-five

The amount in “Promotional Activities” was discussed and the City Manager advised that they are hoping to produce marketing materials that the business development ambassador could use.

### Page Twenty-seven

The “legal services” item was defined as the code enforcement Special Master hearing officer. “Other Contractual Services” is an estimate for the building and permitting department revenue. “Other Current Charges” is miscellaneous charges. “Uncapitalized equipment” will be tools for inspections services and an upgrade of the planner’s computer. “Other Contractual Services – Tree” was explained as a beautification project to replace or buy a tree for programs such as the Main Street program but it would probably come back as presentation and the project approved by Council.

### Page Thirty-one

“Uncapitalized equipment” is the required 800 radio upgrade, accreditation software and miscellaneous items. “Other Contractual Services” was defined as items such as vehicle towing, certification of lasers, fire extinguisher maintenance and speedometer calibrations. The increase in reserve employees was discussed, specifically the use of them for special events. The increase in the “Retirement Contribution”

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was discussed, particularly as it relates to future budgets. The City Manager stated that they are hopeful it will remain consistent depending on investments in the markets.

### Page Forty-two

“Other Contractual Services” increase was explained as the interlocal agreement with Hernando County for traffic signal maintenance. “Electric street lighting” is the payment to Duke Electric.

### Page Forty-nine

“Retirement Contributions” projection was less which reflects an actuarial report that has indicated a drop in the 2016 contribution rate. “Construction In-Progress” is the down payment on the replacement of the fire truck.

### General Discussion

A 5%, 4% and 3% dollar amount impacts were discussed for the employee wage increase. The City Manager stated it would be about \$33,000 per 1% increase. The incentives and benefit packages as a whole for employees was discussed, with General Employees in the FRS program and with the Fire-Special Risks at 3.1 and Police at 4.0, which are factors related to retirement.

City Manager Norman-Vacha advised that staff will be asking Council to set the trim at their meeting on August 3<sup>rd</sup> and asked for Council’s direction at this time. Council Member Battista offered his recommendation for 7.0, realizing that it can be lowered. All Council members agreed.

The next workshop on all funds is August 10<sup>th</sup> at 3:00.

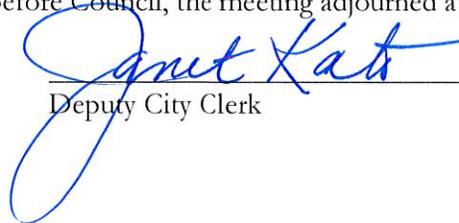
A potential workshop is scheduled for August 24<sup>th</sup>. The First Public Hearing is September 9<sup>th</sup> with the Final on Sept 15<sup>th</sup>.

### **ADJOURNMENT**

There being no further business to bring before Council, the meeting adjourned at 8:47 p.m.

Attest:

  
Mayor

  
Deputy City Clerk