

**CITY OF BROOKSVILLE
PUBLIC HEARING
FISCAL YEAR 2017 TENTATIVE BUDGET
JOSEPH E. JOHNSTON, III COUNCIL CHAMBERS
201 HOWELL AVENUE
BROOKSVILLE, FL 34601**

AGENDA

September 7, 2016

5:01 P.M.

- A. CALL TO ORDER**
- B. INVOCATION AND PLEDGE OF ALLEGIANCE**
- C. PUBLIC HEARING - PRESENTATION OF TENTATIVE BUDGET FOR FY2017 STARTING OCTOBER 1, 2016**

- 1. 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 2017 was advertised to be a maximum of 7.0000 mils. This millage rate would be a 5.389% increase over the current year's rolled-back rate of 6.6426 mils. After reviewing revenue projections and proposed expenditure levels for the 2017 Fiscal Year, the General Fund budget is balanced at a tentative rate of 6.6426 mils, which is equal to the current year's roll-back rate. This means 6.6426 mils is to be levied to fund the Fiscal Year 2017 Budget.

Because the 2017 Fiscal Year Budget has been balanced utilizing the ad valorem tax roll-back rate, there is no increase in ad valorem tax revenues.

- 2. Tentative FY2017 Budget and City Manager's Budget Message**
Review tentative budget and points of discussion.

Discussion:	City Manager & Council
Attachment:	FY2017 Tentative Budget

- 3. Public Input**
The public's opportunity to speak or ask questions regarding the FY2017 millage rate and proposed budget.

FIRST BUDGET HEARING AGENDA – SEPTEMBER 7, 2016

4. **Resolution No. 2016-09 Fiscal Year 2017 Tentative Ad Valorem Tax Rate**

Consideration of resolution levying a General Fund Ad Valorem Millage Rate of 6.6426 mils.

Presentation: Finance Director
Recommendation: Millage Rate to be adopted upon roll call vote (after public input)
Attachment: Resolution No. 2016-09

5. **Resolution No. 2016-10 FY2017 Fire Assessment**

Consideration of Resolution for the imposition and collection of Special Assessments to fund Fire Protection Services.

Presentation: Fire Chief
Recommendation: Approval of Resolution No. 2016-10 upon roll-call vote
Attachments: Resolution No. 2016-10

6. **Ordinance No. 866 - Recommended Budget for Fiscal Year 2017**

Consideration of first reading of tentative budget Ordinance effective October 1, 2016, and schedule Second Reading for September 14, 2016.

Presentation: Finance Director
Recommendation: Approval of Ordinance No. 866 upon **First Reading** upon roll-call vote and schedule Second Reading for September 14, 2016, beginning at 5:01 p.m.
Attachment: Ordinance No. 866

D. **ADJOURNMENT**

In accordance with the Americans with Disabilities Act, persons with disabilities needing a special accommodation to participate in this proceeding should contact Lynn Sosa, ADA Coordinator, no later than 48 hours in advance of the meeting at (352) 540-3810. Meeting agendas and supporting documentation are available from the City Clerk's office and on line at www.cityofbrooksville.us.

Any person desiring to appeal any decision with respect to any matter considered at this meeting, may need a record of the proceedings including the testimony and evidence upon which the appeal is to be based, and therefore must make arrangements for a court reporter to ensure that a verbatim record of the proceedings is made.



07 September 2016

A G E N D A I T E M
M E M O R A N D U M

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: T. JENNENE NORMAN-VACHA, CITY MANAGER
TANNETTE GAYLE, FINANCE DIRECTOR

SUBJECT: ADOPTION OF TENTATIVE FY2017 MILLAGE RATE, FIRE ASSESSMENT RATES AND CITY OPERATING BUDGET

DATE: SEPTEMBER 3, 2016

As part of the City's annual budget process, the City of Brooksville must conduct two (2) public hearings, leading to the final adoption of the City's FY2017 property tax millage rate, annual operating budget and assessment rates related to services provided by the City.

The first public hearing is on September 7, 2016 for the purposes of receiving comments on the proposed FY2017 millage rate and the annual operating budget, after which the City Council will adopt a Tentative FY2017 millage rate and annual operating budget.

Additionally, on September 7, 2016, City Council will adopt the final fire assessment rates after receiving public comment. Because the fire assessment is a component of the General Fund, as a major source of revenue for the fund, the fire assessment rate adopted at this meeting will have a significant impact on the City Council's flexibility in adopting a final millage rate and annual budget on September 14th.

On September 14, 2016, the City Council will adopt the final FY2017 millage rate and annual operating budget, after receiving public comment.

The City Manager's Preliminary Budget was distributed prior to the City Council's budget workshop meetings held on July 26th, August 8th, and August 22nd.

The Preliminary Budget included a preliminary millage rate of 6.6439 mils. The recommended tentative millage rate, based on the Tentative Budget, is 6.6426. This is the rolled-back rate for FY2017 budget.

The Preliminary Budget for FY2017 was discussed during the budget workshop meetings. The millage rate and annual operating budget was also discussed in depth. The City Council adopted a preliminary millage rate of 7.0000 mils for ad valorem taxes and preliminary fire assessment rates of \$.90 unit rate per \$1,000 of improvement value

for Tier 1 (relative value of improvements) and \$130 per parcel for Tier 2 (readiness to serve) for inclusion on the annual TRIM Notices distributed by the County Property Appraiser in August, 2016. The recommended final fire assessment rates, based on the Tentative Budget, are \$.85 unit rate per \$1,000 of improvement value for Tier 1 (relative value of improvements) and \$125 per parcel for Tier 2 (readiness to serve).

As previously discussed, the rates on the TRIM Notices are, except in extraordinary circumstances, the maximums the City will consider for FY2017 and are the starting point for deliberations by Council Members, when considering the final adoption rates. Additionally, the tentative millage rate adopted on September 7th becomes the maximum rate the City Council may consider for final adoption on September 14th.

As part of the budget workshops and subsequent City Council meetings, the City Council has provided direction for specific changes to the preliminary budget. We have also update revenues, minor errors and miscellaneous clean-up items. The following is a complete outline of those changes and any other recommended adjustments, occurring since our last Budget Workshop meeting on August 22, 2016:

✓ **All Funds**

- All City Departments/Divisions Personal Services costs were adjusted to include a \$200 one-time-pay for each employee, as directed by City Council. The adjustments included updates to wages, FICA, life insurance, long-term disability insurance, retirement and workers' compensation insurance premiums costs. Necessary adjusts to Reserves, as a counter balance, were made.

✓ **General Fund**

- Business Development Division has been adjusted to accommodate the City's commitment to the Main Street Program and provide support directly to the Brooksville Vision Foundation to employ a Main Street program director. This direction was discussed with City Council during a prior Budget Workshop.
- Community Development Department was adjusted to remove costs associated with the reclassification, including wage increase and title change, of the Administrative Assistant II position. Following review, staff has concerns that the reclassification could possibly create an inappropriate appearance of conflict or impropriety. All monies associated with the reclassification have been removed from the FY2017 budget. Those dollars removed from this area have been place into the General Fund's Unallocated Reserves.

Other Funds

- ✓ **Fire Department (143)** Monies were adjusted and properly placed within the Department's budget to correct debt service requirements for the USDA Grant/Loan Revenue Bonds for the 2016 fire truck purchase. Reserves were adjusted as necessary for this change.
- ✓ **Bond & Interested Sinking Debt Service Fund (203)** This Fund was created for the debt service/sinking requirements associated with the USDA Grant/Loan Revenue Bonds for the 2016 fire truck purchase.
- ✓ **McKethan Capital Projects Fund (302)** This Fund was adjusted to fund/budget \$8,000 in operating expenditures for the installation of the stadium seating recently acquired through a donation from the George M. Steinbrenner field in Tampa. Monies were taken from Reserves in this Fund and moved to Operating Expenditures. This has not yet been discussed with City Council. This is a recommendation.
- ✓ **Capital Improvement Revenue Bond & Sinking Fund (314)** was created for the debt service/sinking requirements associated with the USDA Grant/Loan Revenue Bonds for the 2016 fire truck purchase.
- ✓ **Sanitation Fund (403)**
 - Personal Services costs were increased to add an additional \$2,000 to overtime wages and corresponding benefit costs.
 - Auto Repair Supplies (in house) line-item was increase by \$5,000. Upon review, Division staff recommended this line-item be increased due to the ongoing costs of parts needed for regular repair/operations.
 - Sanitation Fund's Reserves were adjusted as needed to make the above outlined changes in this Fund.

STAFF RECOMMENDATION: It is recommended that after reviewing/discussing the FY2017 Tentative Budget and conducting the appropriate public hearings, that the City Council adopt a tentative FY2017 millage rate, final fire assessment rates and the annual operating budget. The City Council must adopt the Resolution 2016-09 and Resolution 2016-10, and then Ordinance No. 866, with or without determined revisions.

Attachments:

- 1) City Manager's FY2017 Budget Message
- 2) FY2017 Tentative Budget Book

City of Brooksville, Florida

FY2017 – City Budget

City Manager's Budget Message

Adopting an annual City budget is one of the most important decisions made by the City Council. The budget document establishes priorities for the City through the allocations of money and resources. The annual budget serves as the City's financial plan serves as the City's financial plan, critically tied to our business plan or roadmap that will guide decisions on growing and strengthening a financially sustainable City. Our approach requires a concentration on how we will manage and distribute limited revenues and resources in strategic service areas over the next several years.

Although the economy has inched forward the last couple of years, our City revenues remains fairly stagnant. The FY2017 budget is a balanced budget.

It is a status-quo budget, with very limited changes or increases in staffing/wage levels and/or operating costs. Capital outlay and investment within the General Fund is at a very minimum. The FY2017 budget has required difficult decisions to limit service delivery levels in order to align with our continuing flat or slightly increased revenue sources. Once again, we have prepared the budget for fiscal year 2017, ever mindful of the continued fragile economy. Our City's economy appears to be showing only slight signs of recovery and improvement. Financial constraints continue to remain a real concern of City residents and business owners.

We have balanced the General Fund with a millage rate of 6.6426 mils (less than the FY2016 millage rate of 6.6439 mils). This is the rollback rate.

General Fund

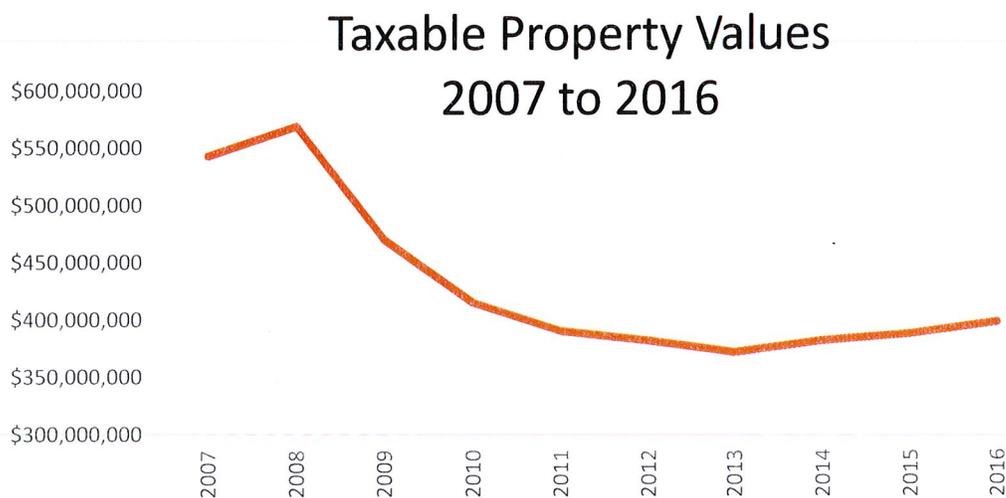
A summary of the General Fund budget by category for fiscal year 2017 is depicted in the chart below.

FY2017 General Fund Summary of Expenditures by Category of Spending	
Personal Services	\$3,415,315
Operating Expenses	\$1,632,023
Capital Outlay	\$95,567
Debt Service	\$0
Transfers Out	\$1,841,343
	\$6,984,248
Unallocated Reserves	\$279,445
TOTAL	\$7,263,693

We continue to see limited and modest revenue changes in the General Fund.

Property Taxes – Millage Rate

Property values which effect ad valorem tax revenues have increased for the third year in a row after several years of decline. This year the City's property value increase by almost 2.68%. In calendar/tax year 2015 the City's property value increase by 1.46%. In calendar/tax year 2014 the City's property value increased by 2.66%. Please see the graph that follows. (Note these figures are based on the property values from the Office of the Hernando County Property Appraiser as amended following the July 1st certification of each respective fiscal year.)



Although we have begun to see a small increase in values (due primarily to new construction/growth), the City's property value in 2016 remains \$171,266,058 less than the calendar/tax year 2008. Calculated at the City's current millage rate, the additional property value (\$171,266,058) would mean \$1,137,652 in additional revenues at the proposed millage rate of 6.6426.

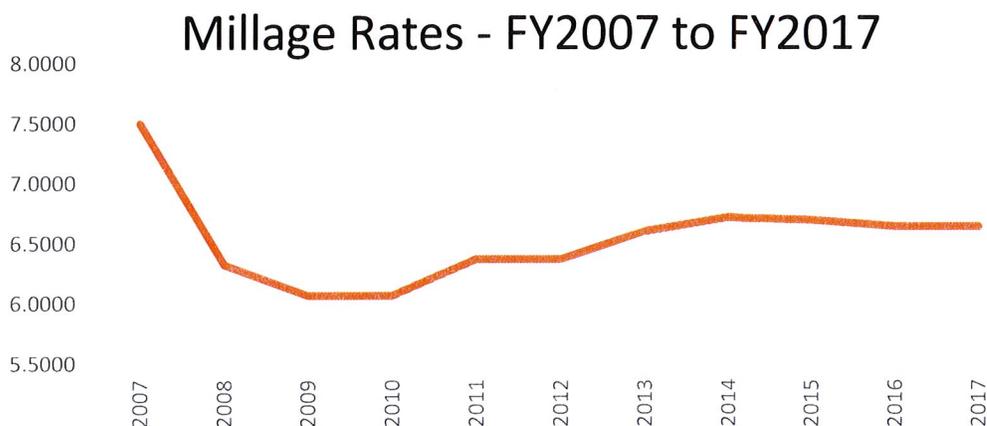
The City's 2016 property value of \$397,387,252 remains lower than the City's property value level for calendar/tax year 2006. The increase or growth of the property value between calendar/tax year 2015 and 2016 does result in approximately \$65,382 in Ad Valorem Tax revenue for FY2017 (note: this is calculated at 95% revenues).

The City's total certified taxable assessed valuation for calendar/tax year 2016 is \$397,387,252, an increase of \$14,156,031 or 3.69%, as compared to the prior year's *final* valuation. The net new construction assessed valuation during the last year totaled \$14,736,271. The following table shows the City's taxable values and net new construction for the last ten year period prior to current year.

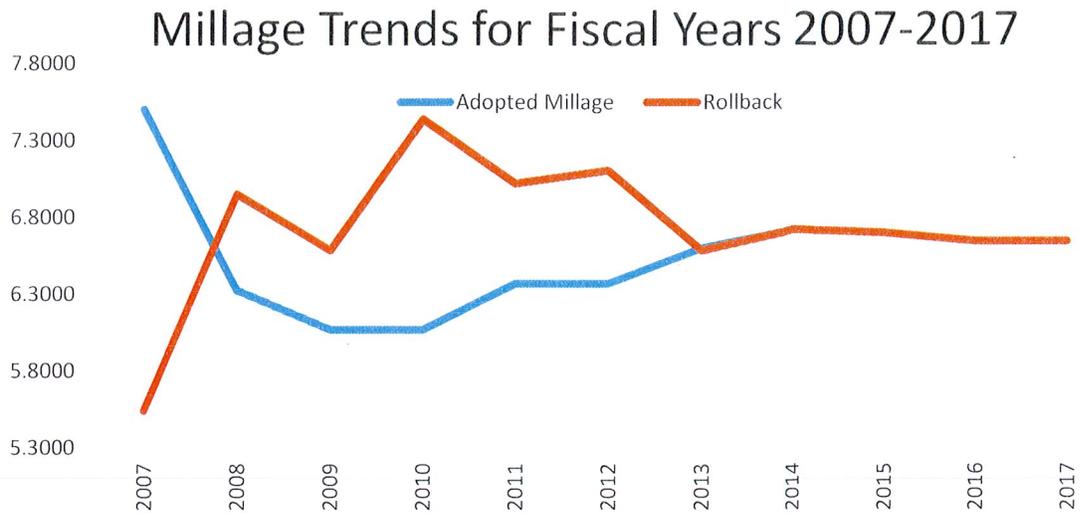
Tax Year	Net New Construction	Total Gross Taxable Value	Change from Prior Year
2016 Certified	\$14,736,271	\$397,387,252	3.69%
2015 Final	\$7,477,627	\$383,231,221	1.91%
2014 Final	\$6,249,974	\$376,058,431	0.90%
2013 Final	\$4,069,299	\$372,710,401	-0.28%
2012 Final	\$4,901,320	\$373,743,243	-4.10%
2011 Final	\$4,177,886	\$389,714,486	-9.22%
2010 Final	\$6,051,082	\$429,295,204	-9.14%
2009 Final	\$5,450,296	\$472,475,278	-16.88%
2008 Final	\$40,278,622	\$568,431,915	4.14%
2007 Final	\$22,874,490	\$545,843,654	13.23%
2006 Final	\$11,345,310	\$482,065,315	37.28%

The FY2017 budget is balanced utilizing a millage rate of 6.6426 mils (current rollback rate). The last three (3) fiscal years, 2016, 2015, 2014, the City has adopted the rollback rate. For fiscal year 2013, a slight increase in the millage over rollback was adopted (6.6000 mils was adopted over the rollback rate of 6.5834). During the fiscal years 2008 through 2012, we adopted a millage rate lower than the rollback each year.

During the same period (2008 through 2012) the City was experiencing falling property values, the millage rate was also reduced from 7.500 mils in fiscal year 2007 to the proposed 6.6426 mils. See the graph that follows of the adopted millage rates between fiscal year 2007 and 2017.

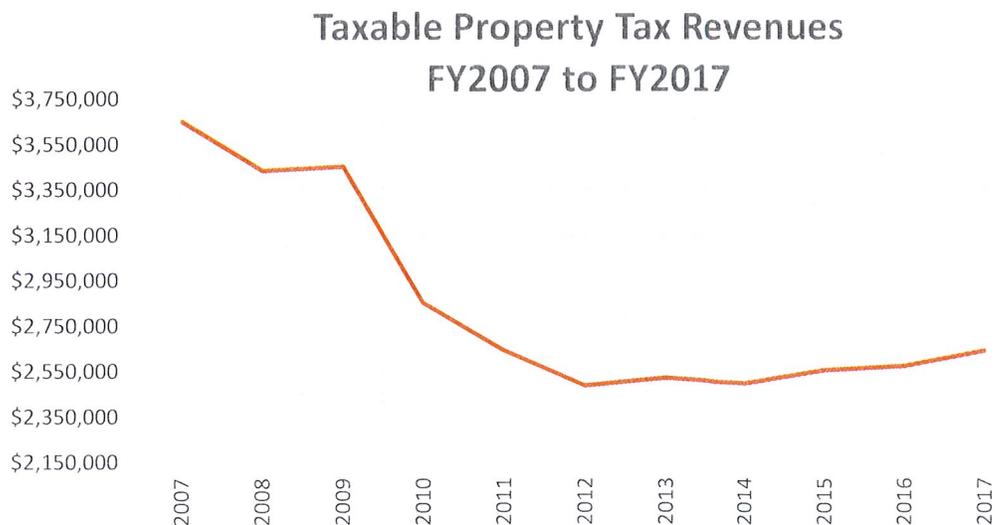


The following graph is a comparison between the City’s adopted millage rates and rollback rates between fiscal years 2007 and 2017.



FY2017 revenues from ad valorem taxes are projected at \$2,497,701 (95% of \$2,639,685). Property tax revenues represent 34.52% of the General Fund revenues, excluding the General Fund’s fund balance/prior year carry-forward.

As you can see in the graph above, the FY2017 estimated property tax revenues still remain pretty significantly below the same level of revenue that the City received in FY2007, FY2008, and FY2009.



The calculations below show the implication of the FY2017 preliminary tax rate on a home with a homestead exemption of \$50,000 that is valued at \$125,000.

Assessed Value	\$125,000
Homestead Exemption	(\$50,000)
Taxable Value	\$ 75,000
Taxable Value	\$ 75,000
Millage Rate per \$1,000 of taxable value	6.6426 mils
City of Brooksville Property Taxes	\$498

Obviously, this example only applies to homes with a taxable value of \$125,000 and the applied homestead exemption of \$50,000.

General Fund Expenditures

The FY2017 General Fund operating expenditures, including transfers (less capital outlay), is \$6,888,681. This represents a 2.75% decrease over the FY2016 General Fund operating expenditures of \$7,083,830. The FY2017 budget contains requested several increases in employee wages (position reclassification/re-evaluations) and benefit costs including medical premiums, retirement contributions and workers' compensation rates.

The staffing levels for the General Fund have remained constant or declining since FY2013. We have included funding for 61.15 full-time equivalencies (FTEs) for the General Fund. This year is 1.0 FTE less than FY2016, due to the elimination of the Business Development Coordinator position. This position was eliminated to provide monetary support to the Brooksville Vision Foundation's Main Street Program for our City. The last four (4) years of General Fund staffing levels are depicted within the FY2017 budget document.

General Fund staffing and benefit costs make up approximately 56.46% of the total General Fund expenditures. These costs are typically referred to as "Personal Services" within the City budget; however, employee medical coverages can be found within the "Transfers" area. The costs are inclusive of wages, FICA taxes, workers' compensation insurance costs, retirement contributions, employee health/medical, life, and long-term disability premium expenses and employee health reimbursement monies.

Wages for employees within the FY2017 remain at the same levels as FY2016, without an overall wage adjustment. Position reclassifications/re-evaluation changes have been included; as well as a \$200 one-time payment for all employees. Workers' compensation insurance premium costs have been adjusted to include an anticipated rate increase of 10% over the FY2016 premium costs. Retirement contributions will increase during the FY2017 budget for Florida Retirement System, however, they will decline for the City's chapter plans for Police and Fire personnel. The Rates used within the FY2017 budget are as follows:

Retirement Classification	FY2016 Rate	As of July 1, 2016	As of July 1, 2017**	75% and 25% Ratio FY 2017 Rate
FRS - Elected	42.2700%	42.27%	42.69%	42.38%
FRS - Senior Management	21.4300%	21.43%	21.75%	21.51%
FRS - Regular	7.3508%	7.26%	7.37%	7.29%
FRS - Special Risk	22.5910%	22.04%	24.57%	22.67%
FRS - Drop	12.9122%	12.88%	13.52%	13.04%
Police Pension	23.7200%	23.72%		20.20% *
Fire Pension	38.310%	38.31%		37.65% *

*actuarial reported requirement

** This is staff estimate, as no information is available from the State

Employee health/medical insurance costs will increase for the FY2017 budget. The budget includes a 5.2% rate increase over the prior year's premium costs for "employee only" coverage, as paid at 100% by the City. Rates will increase from \$663.89 per month, per employee (\$7,967 per year, per employee) to \$700.25 per month, per employee (\$8,403 per year, per employee).

Dental premiums increase from \$25.52 per month, per employee (\$306.24 per year, per employee) to \$26.47 per month, per employee (\$317.64 per year, per employee).

Other significant changes within the General Fund include the following:

- An increase of ten percent (10%) in general insurance charges, including property, general liability, boiler and machinery, and errors & omissions/public officials' liability coverages.
- Street lighting and signal maintenance revenues and expenditures were reassigned to Fund 108 – Transportation Fund (Local Option Gas Tax).

In FY2017, the per capita costs for General Fund expenditures declined. While this is a slight decline, it represents an estimated reduction of cost by almost \$50 per person per year. During a time with many of our required goods and services rising, we are encouraged that our City is able to reduce per capita costs. We think that this is a trend reflective of our conservative, right-sized spending, coupled with the signs of our City's improved growth and development.

Per Capita Costs for General Fund Expenditures*
FY2007 to FY2017



*Expenditures are not inclusive of unallocated reserves.

Reserves

The FY2017 budget has met and exceeded the minimum fund balance (3% of the projected General Fund budget), as established by policy adopted by the City Council. This would require \$211,765 for FY2017. FY2017 General Fund budget includes an unreserved fund balance in the amount of \$279,445. This is an increase over the reserve levels of FY2016, in both percentage and dollar amount.

Special Revenue Funds

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted and tied to the correlating expenditures with a specific purpose.

The City of Brooksville has twenty-two (22) individual special funds within the FY2017 budget. With the FY2017 budget we added a Special Revenue Fund entitled Transportation Capital – Local Option Gas Tax 1-5 (Fund 107). This Fund was established for capital expenditures as required for the second Local Option Gas Tax 1 to 5 cents collections.

Three (3) of the listed funds, including Good Neighbor Trail (120), Major Storm Readiness (124) and Tree & Streetscaping (134) were closed in FY2013 as they failed to meet the requirements of GASB 54 (governmental accounting standards) to be designated and funded as a special revenue fund. The FY2017 budget does not include monies within the Brownfield Assessment Grant Fund (144), as the grant concludes with the FY2015.

The following highlights other Special Revenue Funds with particular change, concern and/or impact for FY2016.

Included within the Special Revenue Funds are the City's Local Option Gas Tax Monies. The City of Brooksville receives a portion of gas taxes implemented through the State of Florida and Hernando County Board of County Commissioners. Specifically, these funds are the municipal distribution of local gas tax monies levied in accordance with Florida Statutes, Section 336.025(1)(a & b) and (3).

County governments in Florida are authorized to levy up to twelve cents (\$0.12) of local fuel taxes in the form of three (3) separate levies; two (2) of the levies, or up to eleven cents, are statutorily required to be shared with municipalities.

Capital Local Option Gas Tax 1-5 (Fund 107)

This Fund includes monies collected through local implemented gas taxes known as the "Second Local Option Gas Tax" authorized within Florida Statutes. Section 336.25(1)(b) of the Florida Statutes allows for local option gas taxes to be levied at a rate of 1 to 5 cents (\$0.01 to \$0.05) on every gallon of motor fuel sold at county retail fuel stations. The Second Local Option Gas Tax monies are statutorily required to be shared with municipalities.

The use of the proceeds of local gas taxes collected/received under this option are restricted to expenditures for transportation expenses needed to meet the requirements of the capital improvements element of an adopted comprehensive plan – or – for expenditures needed to meet immediate local transportation problems and for other transportation-related expenditures that are critical for building comprehensive roadway networks by local governments. This includes expenditures for the construction of new roads, the reconstruction or resurfacing of existing paved roads, or the paving of existing graded roads that are deemed to increase capacity; such projects shall be included in the capital improvements element of an adopted comprehensive plan. It does not allow for expenditures for routine maintenance of roads. The imposed restrictions are provided within Florida Statutes, Section 336.025(1)(a)(3).

Beginning in 1999, Hernando County has levied the Second Local Option Gas Tax at a rate of two cents (\$0.02) on every gallon of motor fuel sold at county retail fuel stations. In June 2015, the Hernando County Board of County Commissioners amended their Ordinance regarding the levied Second Local Option Gas Tax. They increased the rate levied from two cents (\$0.02) to five cents (\$0.05) on every gallon of motor fuel sold at county retail fuel stations. The rate increase January 1, 2016.

Increases in the Second Local Option Gas Tax provided additional allocations starting FY2016. FY2017 will be the first, fully funded year for the Second Local Option Gas Tax. Monies for the Second Local Option Gas Tax for FY2016 were placed within Fund 308 – Multi Year Capital Fund. Due to the restricted uses of the Second Local Gas Tax monies were moved in Fund 107 for complete and separate accountability.

Within the FY2017 budget, a total of \$249,165 has been budgeted within this Fund. \$112,080 was transferred from Fund 308 (monies received in FY2016) and \$136,435 has been estimated as revenues for FY 2017.

Local Option Gas Tax 1-6 (Fund 108)

The Local Option Gas Tax Fund 108 is designated to contain the revenues of local gas tax monies and expenditures for general roads/streets, drainage, right-of-way and transportation operations and maintenance.

The monies realized within this Fund are collected through local option gas taxes known as the “First Local Option Gas Tax” authorized within Florida Statutes. Section 336.025(1)(a) of the Florida Statutes allows for local option taxes to be levied at a rate of 1 to 6 cents (\$0.01 to \$0.06) on every gallon of motor fuel and diesel fuel sold at county retail fuel stations. The First Local Option Gas Tax monies are statutorily required to be shared with municipalities.

The use of the proceeds of local gas taxes collected/received under this option are restricted to expenditures for “transportation expenses”. “Transportation expenses”, in accordance with the Statute (336.025(7)), means expenditures by the local government from local or state shared revenue sources excluding expenditures of bond proceeds. Allowable expenditures include: public transportation operations and maintenance; roadway and right-of-way maintenance and equipment and structures used primarily for the storage and maintenance of such equipment; roadway and right-of-way

drainage; street lighting installation, operation, maintenance, and repair; traffic signs, traffic engineering, signalization, and pavement markings, installation, operation, maintenance, and repair; bridge maintenance and operation; and debt service and current expenditures for transportation capital projects in the foregoing program areas, including construction or reconstruction of roads and sidewalks.

Hernando County has levied the First Local Option Gas Tax at a rate of six cents (\$0.06) on every gallon of motor fuel and diesel fuel sold at county retail fuel stations since 1985. Recently, the original First Local Option Gas Tax levy was set to expire; however, the Board of County Commissioners voted to extend and continue the tax, at a rate of six cents (\$0.06) for thirty (30) years or until 2044. This rate is the statutory maximum amount allowed for collection.

Prior to FY2016, the City of Brooksville had budgeted for the receipt of the local option gas tax monies into the Local Option Gas Tax Fund (108) and then transferred the monies to the General Fund for funding the City's Public Works Department, Streets and Drainage Division. Because the statutory restrictions provide that the First Local Option taxes can be utilized for routine maintenance activities and the City's portion of the Second Local Option taxes had been minimal (roughly around \$50,000 per year), this funding arrangement was considered workable.

Beginning in FY2016 the local option gas tax monies are accounted for and maintained within this separate fund (108). This provides for a much better accounting to assure adhere to the restricted use of the local option gas tax monies.

The total budget for this fund is \$688,977, including reserves. This represents an increase of \$159,592 or a little over 30%. The increase is primarily due to the shifting of the street lighting and traffic signal maintenance costs. Changes in employee wage/benefit costs follow the same changes are outlined within the previous General Fund summary. There are no other significant changes to expenditures other than the street lighting and traffic signal maintenance costs (found within Other Contractual Services and Electric line-items). Capital Outlay was reduced this year.

Street lighting and traffic signal maintenance revenues and expenditures were moved to Fund 108 beginning this fiscal year.

Reserves of three percent (3%) for this Fund would require \$19,779. \$28,309 has been budgeted.

Impact Fee Funds (Funds 110, 112, 113, 114 and 115)

Impact Fees are fees that are imposed and collected on new construction, both residential and commercial. Monies derived through impact fees can only be expended for costs related to growth-related improvements/infrastructure. Each specific fund is designated with a specific purpose/type of infrastructure need/requirement, inclusive of roads, law enforcement, public buildings/facilities, fire/EMS, and parks.

Photo Enforcement Traffic Safety Program (Fund 128)

Photo enforcement funds/revenues are derived from violations/citations issued for drivers that fail to stop for a traffic device (red traffic light) as captured by

camera/photo/video enforcement. Each violation/citation is charged \$158, in accordance with Florida Statutes.

Monies collected through the program are split between the State of Florida, Sensys (current vendor/camera provider) and the City of Brooksville, in accordance with State law and the City's vendor contract. Of the \$158 per violation, the State of Florida received \$83; the remaining \$75 is divided between the City's vendor/camera provider and the City. In Fund 128, the State's portion and the amount due the vendor/camera provider are depicted within the Fund's operating expenditures, along with minor operating costs for the City to run/administer the program. Monies budgeted within the Personal Services expenditures are the funds required for staffing to review and issue violations/citations.

This program is scheduled for elimination as of October 31, 2016. Within the FY2017 budget we have included expected revenues and expenditures that are based on the program elimination. Revenues and expenses are projected for about the first quarter of the fiscal year, due to the processing/collection times. We have estimated that revenues and expenditures for this Fund will end in January 2017.

The Photo Enforcement Traffic Safety Program Fund's budget for FY2017 is \$360,316, including reserves in the amount of \$40,887.

Fire Department Fund

The Fire Department budget for FY2017 totals \$1,760,687, including reserves. Primary funding for the Fire Department is provided through a General Fund contribution/transfer, coupled with a City Fire Assessment. The General Fund contribution for FY2017 is \$903,581. This is a decrease in the monies received from the General Fund (\$68,482 less). In FY2016 the Fund received a General Fund contribution of \$972,063.

The City Fire Assessment represents an increase in funding (\$122,635 more than FY2016). This year the Fire Assessment revenues provide a total of \$714,302 or approximately 41% of the funding for the department. Last year (FY2016) the Fire Assessment provided only about 32% of the department's funding.

On July 2, 2012 City Council adopted Ordinance No. 830 which implemented the levying a non-ad valorem special assessment for Brooksville. An assessment utilizing the "readiness to serve", two tiered approach of funding was established for non-ad valorem special assessment collection for the fire department and fire related service delivery.

Fire Assessment rates utilized for the preliminary budget for FY2017 are as follows: \$.85 unit rate per \$1,000 of improvement value for Tier 1 (relative value of improvements) and \$125 per parcel for Tier 2 (readiness to serve).

Staffing and operational costs remain flat. Increases in employee wage/benefit costs reflect the same changes outlined previously under the General Fund section. Retirement rates for the Fire Department Pension Chapter Plan have decreased slightly for the class overall; however, because we had several employees within the plan's "drop" category which have now retired, the retirement contributions for the last several years have been lower than those required in FY2017. This is a considerable

increase and it is reflected in the Retirement Contributions line-item of the department's budget.

The Fire Department budget does include a capital outlay allocation of \$25,300, primarily needed to replace the department's TNT extrication equipment that has outlived its life expectancy.

Included with the Fund is an additional debt service transfer out (to Fund 314) for the 2016 fire truck purchase. During FY2016, \$220,000 was allocated toward the trucks purchase. The balance due for the truck was expected to be financed beginning with the FY2017 year. Through the diligent efforts of the Fire Chief and Finance Director and our USDA representatives, the City was awarded a USDA grant/loan, with a grant in the amount of \$156,100 and the balance of the truck financed through a loan in the amount of \$94,500 in FY2016.

Debt Service Funds

Funds within this area of the budget are required for bond/debt service payments for bonds/loans owed by the City of Brooksville.

In FY2017 we added Fund 203 for the new debt service requirements for the fire truck purchase through USDA. The total debt service within this Fund is \$8,551, including required reserves. Debt service term is fifteen years, expiring September 1, 2031, if not paid off early.

Capital Project Funds

Capital Project Funds account for the proceeds of specific revenue sources designated to capital outlay/projects for a specific purpose. Expenditures are budgeted for capital outlay or related to debt service/sinking requirements of capital projects/equipment.

The City of Brooksville has seven (7) capital outlay funds within the FY2017 budget. With the FY2017 budget we added a Capital Outlay Fund entitled Capital Improvement Revenue (2016 USDA Revenue Bonds – Fund 314). This Fund was established for debt service/sinking expenditures of 2016 USDA loan for partial payment of the new fire truck.

Transportation Capital Expenditures (previously Multi Year Capital Project Accumulation) (Fund 308)

Fund 308 - Transportation Capital Outlay (previously Multi Year Capital Project Accumulation Fund) has been funded from monies transferred from the City's Photo Enforcement Traffic Safety Program (Fund 128). In FY2017, no transfer is being made from Fund 128, as the City Council has directed for monies that would have been transferred to remain in the Reserves line-item of the Fund.

Monies received by transfer for the Photo Enforcement Traffic Safety Program have been specifically designated and restricted by City Council for capital improvement

expenditures associated with capital projects for City streets, sidewalks, culverts, lighting or other safety related capital projects approved by City Council.

On December 5, 2011, the City Council began the design and implementation of a Pavement Management Program that systematically prioritized the City's failing streets/road network. On February 3, 2014, the City Council approved the prioritized listing and beginning with the FY2014, work began on the adopted plan. City Council approved to move forward with the design/work of the first nine (9) road projects (including brick streets and sidewalks). The Pavement Management Plan and related capital projects have been paid through this fund.

Of the nine (9) projects approved by City Council, two (2) were completed in FY2014. This included approved work on East Early Street and the power washing and sealing of the downtown paver crosswalk areas.

In FY2015 project work was completed for Chatman Boulevard and Brooksville Avenue. Work began on Bell Avenue and Veterans Avenue bid/contract was awarded. Additionally, drainage and culvert Improvements were completed, including Moonlight Lane in Candlelight Subdivision (culvert replacement to Horse Lake Creek); East Avenue Bridge Repairs (deficiencies on Upper Horse Lake Creek); Liberty Street/Saxon Brook (bank erosion and culvert modifications); Southway Villas (deficiencies identified working with SWFWMD); and miscellaneous emergency culvert replacement.

Daniel Avenue was eliminated from the project list early-on in FY2015, due to the overwhelming costs required by CSX for work on/around the CSX Railroad crossing.

In FY2016, City Council voted to eliminate any new project funding and elected to place any/all realized funds (not previously allocated to approved projects) into the Fund's reserves. The outstanding work on Bell Avenue and Veterans Avenue was completed.

For FY2017 \$47,224 is budgeted within the Fund's reserves.

Public Works - Utilities Funds

Public Works – Utilities Funds are separate funds that account for the revenue collections associated with the City's utility enterprise systems and services. Expenditures are budgeted for costs associated with the utility systems and services, including personal services, operating expenditures, capital outlay, debt service or appropriate/related transfers out.

There are eight (8) separate funds that make up the Public Works – Utilities Funds. Seven (7) of the eight (8) funds are associated with the City's water and wastewater systems/services. The remaining fund is specifically for the City's sanitation services and its related revenues and expenditures.

Water/Wastewater Fund (401, 404, 405, 406, 407, 408, 409)

The Water and Wastewater Fund is a not-for-profit public enterprise fund with an overall fund balance of \$11,165,398 for FY2017. The primary funding source for this

fund is water and wastewater customer charges/payments and connection fees paid by developers and/or new customers. The FY2017 customer charges for both of these areas are estimated at \$3,971,082.

The Water and Wastewater Funds include several funds where monies are set aside for capital improvements/investments. Typically, these funds are restricted for capital use, based on the source from where monies are received. For FY2017, in an effort to further clarify the “make-up” of the entire Enterprise Water and Wastewater System, each individual Fund is presented separately. Previous budget documents presented the funds in a combined format, although they have always been accounting-wise held in individual funds.

Fund 401 remains fairly status-quo. Staffing levels have increase by one (1) FTE, due to the addition of a new Utility Specialist position. The position is shared between the Water and Wastewater Divisions. Monies were budgeted for wage increases due to reevaluation of positions. Reevaluation increases were budgeted due to external parity concerns. Benefit changes for workers’ compensation insurance premiums, retirement contributions and employee health/medical insurance costs have been proposed utilizing the same projected changes/increases as previously outlined within the General Fund section.

This Fund’s budget includes monies for FY2017 needed for funding the FY2017 portion of the large scale water and wastewater capital improvement. The plan is located in Appendix 3 under Public Works Department of the budget document.

A 1.29% rate increase will become effective October 1, 2016 based on the City’s adopted resolution (2008-27) regarding water and wastewater rates/services. The resolution provides for automatic rate increases based on the Consumer Price Index adopted by the Florida Public Service Commission specific to water and wastewater costs. We estimate that a residential customer, located within the City limits, using 4,000 gallons of water per month will see a monthly increase of approximately \$0.28.

Sanitation Fund (403)

The Sanitation Fund is a not-for-profit public enterprise fund with an overall balance of \$2,142,156 for FY2017. The funding source for this fund is primarily derived from residential and commercial sanitation services customers.

The FY2017 budget remains fairly status-quo. Staffing levels remain the same. Benefit changes for workers’ compensation insurance premiums, retirement contributions and employee health/medical insurance costs have been proposed utilizing the same projected changes/increases as previously outlined within the General Fund section.

A 0.51% rate increase will become effective October 1, 2015 based on the City’s adopted resolution (2008-24) regarding sanitation rates/services. We estimate that a City residential customer with curbside service will see a monthly increase of \$0.09; while a commercial curbside customer will see a monthly increase of \$0.15.

Fleet Maintenance Funds

Fleet Vehicle Replacement Account Schedule Fund (Fund 502)

Monies are funded each year from the Water, Waste Water and Sanitation Divisions to incrementally fund replacement vehicles. The Fund outlines a funding and replacement schedule with purchase allocations for each fiscal year.

The General Fund section of the Fleet Vehicle Replacement Account Fund was eliminated/closed in FY2016.

Equipment Replacement Account Schedule Fund (Fund 503)

Monies are funded each year from the Parks, Recreation & Facilities Department to incrementally fund replacement of equipment, particularly mowers. The Fund outlines a funding and replacement schedule with purchase allocations for each fiscal year.

Trust & Agency Funds

Employee Health Reimbursement Account Funding (Fund 609) and Employee Health Insurance Funding (Fund 610)

In FY2015, the City of Brooksville initiated a partially self-funded health insurance plan. The self-insured health/medical program is funded through insurance premium charges. The City contributes premium charges on behalf of employees for “employee only” coverage. Employees pay dependent premium charges and retirees pay premium charges for their selected retiree coverage. The plan expenditures require a “minimum” premium and costs up to a “maximum” premium amount or stop-loss for both individual employees’ paid claims/losses and the group’s paid claims/losses. The partially self-insured Employee Health Fund has been proposed with funding and projected expenditures at the maximum premium expenditures levels, with the required retention/termination monies.

Employee Health/Medical Insurance plan contributions and expenditures and the Employee Health Reimbursement Account (HRA) contributions and expenditures were co-mingled together in one (1) fund (Fund 609 in FY2015); however, in FY2016, each area was separated into a separate fund for better accounting, review, tracking and analysis.

The HRA Fund (609) provides allocation for the reimbursement of qualified employee medical expenses. The City of Brooksville contributes \$500 per fiscal year, tax-free funds, for each eligible employee and retiree’s individual HRA. The benefit dollars for the employees are not rolled over/accumulated.

The Employee Health Insurance Fund (610) includes revenues (transfers-in from other funds) from premium payment, per employee and expenditures for premiums and claims/loss expenses required through the employee health/medical plan.

Based on the performance of the fund in FY2016, and insurance provider requirements, the premium costs for employees rose approximately 5.48% in FY2017 over FY2016. This is the lowest premium/cost increase that we have experienced since FY2013. We believe that this is a good sign that the City has moved in the right direction in implementing this type of funding arrangement.

Community Redevelopment Agency (615)

The City's Community Redevelopment Agency (CRA) has budgeted revenues and expenditures in the amount of \$659,162, including reserves for FY2017. Due to reported taxable values, the Tax Increment Financing (TIF) revenues are projected to increase to \$98,953 in FY2017. This is approximately \$7,116 more than the revenues projected for FY2016. The Community Redevelopment Agency continues to focus and move forward with the priorities established and adopted by City Council for the Agency, including commercial exterior improvement grants, the projects of Downtown Beautiful program, and the improvements and way-finding signage of the Downtown Gateway plan. As part of the Downtown Beautiful program, monies have been budgeted for the Water Tower Property Improvements approved by City Council during FY2016. Additionally, monies have been budgeted for Main Street Streetscape Design and Engineering costs.

Reserves during the FY2017 year are budgeted in the amount of \$257,742. The reserve dollars, coupled with estimated revenues of future years, are expected to fund the CRA's capital improvement plan. The plan is located in Appendix 3 under Community Development Department (CRA) of the budget document.

Conclusion

The FY2017 total budget, inclusive of all funds, for the City of Brooksville is \$43,974,323. This is a 0.64% increase in budget over FY2016's total budget of \$43,694,947.

We continue to remain hopeful in more favorable economic conditions for our City characterized by measurable growth. Real estate/property values should continue to grow modestly and State shared revenues appear to be leveling off and/or modestly increasing. We are seeing marked new construction in our City and projected increases in our overall population.

The FY2017 budget reflects a continued status quo, with continued improvement. We have been very focused on growing only when necessary and through the provisions of existing revenues. FY2017 budget year marks the fourth year that we have reduced the ad valorem tax millage rate to the rollback rate.

Over the last several years, we have sought the best possible alternatives for service delivery without a degradation of service levels. In fact, each year we have improved and/or enhanced what we are providing for our City. Our services levels and the quality of the public goods and services are high, most especially for a City of our size. We have improved our processes, decreased staffing levels, increased productivity, greatly improved efficiencies, implemented better technologies and created new ways

to cut and eliminate expenses. We have revised, reshaped, reused, reallocated, revived, realigned, recreated, reinvented, restructured and re-energized our staff, procedures, services and overall reach. We have pursued and sought out partnerships and collaborative service delivery opportunities with other local/regional governmental agencies and, mostly importantly, private sector individuals, groups, non-profits and businesses. We have tightened, cut, squeezed, eliminated, shrunk and reduced areas of waste or inefficiency. We have faced overwhelming challenges over the last several year due to serious property value reductions, shrinking revenues and assistance and greater need/demand for governmental assistance; yet we have found and capitalized on great and meaningful partnerships, support and opportunities. We have shifted our City to the new normal of the economy.

Together we have prepared a balanced budget that is status-quo for service delivery levels, yet it provides some funding for investment in capital, improvements, maintenance and programs critical for Brooksville to transition, grow and shift forward with our adopted priorities and in what matters.

I wish to thank the City's management team for their hard work and pulling together in development our FY2017 financial work plan. Department Directors and their staff members have been active participants and made many valuable contributions. Our entire team focuses on plans, programs and improvements that correct and tighten efficiencies and cut costs while providing for the highest quality service delivery. We strive every day to exceed the expectations of our residents, business owners, and visitors. Our employees, their talents, knowledge, commitment and contributions remain, by far, the City's most valuable asset. Our City and community are fortunate to have such loyal and dedicated men and women that work hard every day to make Brooksville a place of choice for people to live, work, and visit.

Thank you Mayor, Vice Mayor and Council Members for sharing and putting forward ideas and priorities for the City during our hours of workshops and individually. Those collective ideas and decisions have shaped and developed this budget document along with our ongoing plans, goals and direction. I know that each of you have invested many hours in preparing, providing input, and discussing the budget and its many complexities. Your guidance and collective direction have strengthened the final budget for adoption for FY2017. Council's discussions and direction have added additional areas for exploration and improvement as we move forward with future years. While perhaps each of you may not agree with every piece or direction of the entire document, you have worked hard together in developing a budget that represents the desires of the collective body and puts forth a unified plan that is solid and positive for the entire City.

The final document for FY2017 is a budget that maintains adequate fund balances in all funds, includes some capital investment and maintains core services. I firmly believe that the budget is both responsive and responsible.



T. Jennene Norman-Vacha

City Manager

01 September 2016

RESOLUTION NO. 2016-09
FISCAL YEAR 2017
TENTATIVE AD VALOREM TAX RATE

RESOLUTION NO. 2016-09

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 2017 TAXING YEAR PURSUANT TO SECTION 200.065, FLORIDA STATUTES; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Section 200.065, Florida Statutes, sets out the method of fixing millage by the governing body of a taxing authority; and,

WHEREAS, Section 200.065(2)(d), Florida Statutes, requires the City Council of the City of Brooksville, Florida, to compute the millage rate to be levied in relation to the "rolled-back rate" computed pursuant to Section 200.065(1), Florida Statutes; and,

WHEREAS, the "rolled-back rate" for the City of Brooksville, computed by the Hernando County Property Appraiser, pursuant to Section 200.065(1), Florida Statutes, is 6.6426 mils; and

WHEREAS, the City Council of the City of Brooksville must set the proposed millage rate to be used in computing the amount of ad valorem taxes to be raised to fund the tentative budget; and,

WHEREAS, pursuant to Section 200.065(2)(c), Florida Statutes, the City Council of the City of Brooksville published notice of and held a public hearing on Wednesday, September 7, 2016, at 5:01 P.M., on the tentative budget and the proposed millage rate, and adopted said tentative budget with a proposed millage rate of 6.6426 mils.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, as follows:

1. Pursuant to Section 200.065, Florida Statutes, the City Council for the City of Brooksville sets the proposed millage rate of 6.6426 mils, such mils being the same as "rolled-back rate" with a 0% increase. This millage rate of 6.6426 mils is to be used for the purpose of adopting a Tentative Budget for the City of Brooksville for Fiscal Year 2017.
2. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS 7th day of September, A.D., 2016.

SEAL

CITY OF BROOKSVILLE
Resolution No. 2016-09

By: _____
Natalie Kahler, Mayor

ATTEST: _____
Virginia Wright, City Clerk

APPROVED AS TO FORM FOR THE RELIANCE OF
THE CITY OF BROOKSVILLE ONLY:

Thomas S. Hogan, Jr., The Hogan Law Firm, LLC
City Attorney

VOTE OF CITY COUNCIL

Battista _____
Burnett _____
Erhard _____
Kemerer _____
Kahler _____

RESOLUTION NO. 2016-10

FISCAL YEAR 2017

FIRE ASSESSMENT

RESOLUTION NO. 2016-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, APPROVING THE FISCAL YEAR 2016-17 NON-AD VALOREM ASSESSMENT ROLL FOR FIRE PROTECTION SERVICES, FACILITIES AND PROGRAMS; DIRECTING CERTIFICATION OF THE ASSESSMENT ROLL TO THE HERNANDO COUNTY TAX COLLECTOR; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. This Resolution of the City of Brooksville, Florida (the "City"), is adopted pursuant to City Ordinance No. 830 (the "Assessment Ordinance"), City Resolution No. 2012-05 (as amended and supplemented from time to time, the "Initial Assessment Resolution"), sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

SECTION 2. DEFINITIONS. This Resolution is the Annual Assessment Resolution contemplated by Section 2.07 of the Assessment Ordinance for the Fiscal Year commencing October 1, 2016 ("Fiscal Year 2016-17"). All capitalized words and terms not otherwise defined herein shall have the meanings set forth in the Assessment Ordinance and the Initial Assessment Resolution.

SECTION 3. FINDINGS. It is hereby ascertained, determined and declared as follows:

(A) Pursuant to the Assessment Ordinance, the City adopted the Initial Assessment Resolution providing for the annual funding of fire protection services, facilities and programs through the imposition of annual special assessments, commencing in Fiscal Year 2012-13 and continuing each Fiscal Year thereafter.

(B) The Assessment Ordinance provides for the adoption of an Annual Assessment Resolution approving, confirming or amending the Fire Service Assessment Roll for the upcoming Fiscal Year.

(C) City Council scheduled a public hearing for September 7, 2016, to consider adoption of the Fire Service Assessment Roll for Fiscal Year 2016-17, as required by Section 2.08(D) of the Assessment Ordinance. Notice of such public hearing has been provided in accordance with the requirements of Section 2.08 of the Assessment Ordinance, proof of publication being attached hereto as Appendix A and an affidavit of mailing being attached hereto as Appendix B.

(D) The Fire Service Assessment Roll for Fiscal Year 2016-17 has heretofore been made available for inspection by the public.

(E) A public hearing was held on September 7, 2016, and comments and objections of all interested persons have been heard and considered.

(F) The Assessments contemplated hereunder are imposed by the City Council, not the Property Appraiser or Tax Collector. Any activity of the Property Appraiser or Tax Collector under the provisions of this Resolution shall be construed solely as ministerial.

(G) The legislative determinations and findings set forth in the Initial Assessment Resolution are hereby ratified, confirmed and incorporated herein by reference.

SECTION 4. APPROVAL AND CERTIFICATION OF ASSESSMENT ROLL.

(A) The Fire Service Assessed Cost for Fiscal Year 2016-17 is approximately \$781,999. The Fire Service Assessment Roll for Fiscal Year 2016-17, a copy of which is on file with the City Clerk and incorporated herein by reference, is hereby confirmed and approved based upon a Tier 1 rate of \$0.85 per \$1,000 of improvements and a Tier 2 rate of \$125 per parcel.

(B) The City Manager is hereby authorized and directed to certify the foregoing Fire Service Assessment Roll to the Tax Collector prior to September 15, 2016 for collection pursuant to the Uniform Assessment Collection Act. The Assessment Roll as delivered to the Tax Collector shall be accompanied by a Certificate of Non-Ad Valorem Assessment Roll in substantially the form attached hereto as Appendix C. Notwithstanding anything herein to the contrary, Fire Service Assessments imposed against Governmental Property shall be direct billed in accordance with Section 3.04 of the Assessment Ordinance.

(C) Fire Service Assessments shall constitute a lien upon Assessed Property equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments. Except as otherwise provided by law, such lien shall be superior in dignity to all other liens, titles and claims until paid.

SECTION 5. RATIFICATION AND CONFIRMATION OF INITIAL ASSESSMENT RESOLUTION. The Initial Assessment Resolution is hereby ratified and confirmed. Any and all prior actions of the City associated with the imposition of Fire Service Assessments for previous Fiscal Years, including but not limited to the billing and collection thereof, are hereby approved, ratified and confirmed in their entirety.

SECTION 6. EFFECT OF ADOPTION OF RESOLUTION. The adoption of this Annual Assessment Resolution shall be the final adjudication of the issues presented (including, but not limited to, the method of apportionment and assessment, the rate or rates of assessment, the Assessment Roll, and the levy and lien of the Assessments), unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within 20 days of the effective date hereof.

SECTION 7. SEVERABILITY. If any clause, section, or other part of this Resolution shall be held by any court of competent jurisdiction unconstitutional or invalid, such unconstitutional or invalid part shall be considered as eliminated and in no way affects the validity of the other provisions in this Resolution.

SECTION 8. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED this 7th day of September, 2016.

**CITY COUNCIL OF
BROOKSVILLE, FLORIDA**

(SEAL)

By: _____
Natalie Kahler, Mayor

ATTEST:

Virginia C. Wright, City Clerk

APPENDIX A
PROOF OF PUBLICATION

340842

Tampa Bay Times
Published Daily

STATE OF FLORIDA }
COUNTY OF Pasco, Hernando & Citrus

Before the undersigned authority personally appeared Deirdre Almeida who on oath says that he/she is Legal Clerk of the Tampa Bay Times a daily newspaper printed in St. Petersburg, in Pinellas County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter RE: Fire Assessments was published in Tampa Bay Times: 8/15/16. in said newspaper in the issues of B North Suncoast

Affiant further says the said Tampa Bay Times is a newspaper published in Pasco, Hernando & Citrus, Florida and that the said newspaper has heretofore been continuously published in said Pasco, Hernando & Citrus, Florida, each day and has been entered as a second class mail matter at the post office in said Pasco, Hernando & Citrus, Florida for a period of one year next preceding the first publication of the attached copy of advertisement, and affiant further says that he/she neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper

Signature of Affiant _____

Sworn to and subscribed before me this 08/15/2016.

Signature of Notary Public _____

Personally known or produced identification

Type of identification produced _____



LEGAL NOTICE

CITY OF BROOKSVILLE, FLORIDA

NOTICE OF PUBLIC HEARING

TO CONSIDER IMPOSITION AND COLLECTION

OF SPECIAL ASSESSMENTS TO FUND

FIRE PROTECTION SERVICES AND FACILITIES

LEGEND
Brooksville Boundary as of 2/26/2011

0 0.25 0.5 1 1.5 2 Miles

The City Council of the City of Brooksville will conduct a public hearing at 5:01 p.m. on September 7, 2016 at City Hall, 201 Howell Avenue, Brooksville, Florida 34601 to consider imposition and collection of special assessments to fund fire protection services, facilities and programs for the fiscal year commencing October 1, 2016 ("Fiscal Year 2016-17"). The fire service assessment is an annual assessment which began in 2012, will continue from year to year and will be collected by the Hernando County Tax Collector on the property tax bill. The fire service assessment for each parcel is calculated according to a two tier methodology provide fire protections services will be shared equally among all tax parcels on a per parcel basis (Tier 2), and a portion of the remaining costs will be shared in accordance with the relative value of improvements for each parcel in the City as compared to the value of improvements for all parcels in the City (Tier 1). For Fiscal Year 2016-17, the Tier 1 rate is estimated to be \$0.90 per \$1,000 of improvements and the Tier 2 rate is estimated to be \$130 per parcel. The total revenue to be collected through the assessment for Fiscal Year 2016-17 is approximately \$818,799. All affected property owners have a right to appear at the hearing and to file written objections with the City before or during the hearing. Failure to pay the assessment will cause a tax certificate to be issued against the property which may result in a loss of title. Persons needing special accommodations should contact the City Clerk at (352) 540-3816. If a person decides to appeal any decision made by City Council with respect to any matter considered at the hearing, such person will need a record of the proceedings and may need to ensure that a verbatim record is made, including the testimony and evidence upon which the appeal is to be made.

s/Virginia C. Wright
By: Virginia C. Wright
City Clerk
FILE: 2016-12

340842

APPENDIX B
AFFIDAVIT OF MAILING

BEFORE ME, personally appeared the undersigned affiant, who after being duly sworn depose and say:

(1) Tannette Gayle is the Finance Director for the City of Brooksville, Florida (the "City").

(2) I facilitated and directed the mailing of notices in accordance with Section 2.08 of City Ordinance No. 830 (the "Assessment Ordinance") regarding a public hearing to consider imposition of Fire Service Assessments for Fiscal Year 2016-17 to the owners of real property as reflected on, and at the addresses shown on, the real property assessment tax roll database maintained by the Hernando County Property Appraiser for the purpose of the levy and collection of ad valorem taxes.

FURTHER AFFIANT SAYETH NAUGHT.

Tannette Gayle, affiant

STATE OF FLORIDA
COUNTY OF HERNANDO

The foregoing Affidavit of Mailing was sworn to and subscribed before me this ___ day of September, 2017, by Tannette Gayle. She is personally known to me or has produced _____ as identification and did take an oath.

(SEAL)

Printed/Typed Name: _____
Notary Public-State of _____
Commission Expires: _____

APPENDIX C
FORM OF CERTIFICATE
OF NON-AD VALOREM ASSESSMENT ROLL

I HEREBY CERTIFY that I am the City Manager and authorized agent of Brooksville, Florida (the "City"); as such I have satisfied myself that all property included or includable on the non-ad valorem assessment roll for fire protection services and facilities (the "Non-Ad Valorem Assessment Roll") is properly assessed so far as I have been able to ascertain; and that all required extensions on the above described roll to show the non-ad valorem assessments attributable to the property listed therein have been made pursuant to law.

I FURTHER CERTIFY that, in accordance with the Uniform Assessment Collection Act, this certificate and the herein described Non-Ad Valorem Assessment Roll will be delivered to the Hernando County Tax Collector by September 15, 2016.

IN WITNESS WHEREOF, I have subscribed this certificate and directed the same to be delivered to the Hernando County Tax Collector and made part of the above described Non-Ad Valorem Assessment Roll this _____ day of September, 2016.

BROOKSVILLE, FLORIDA

By: _____
City Manager

ORDINANCE NO. 866
RECOMMENDED BUDGET FOR FISCAL YEAR 2017

Ordinance No. 866

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, 2016 AND ENDING SEPTEMBER 30, 2017.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BROOKSVILLE, FLORIDA, as follows:

I. GENERAL APPROPRIATIONS FOR FISCAL YEAR 2017: That the following sums are hereby estimated as revenues, expenditures and fund balances for the fiscal year beginning October 1, 2016 and ending September 30, 2017.

A.	<u>General Fund</u>	
	Fund Balance October 1	1,056,432
	Revenues	<u>6,207,261</u>
	TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$7,263,693</u></u>
	General Government	\$623,201
	City Council	147,863
	Administration Department	317,567
	Technology Services	110,000
	Human Resources Department	71,806
	Business Development	59,658
	Community Redevelopment Department	485,796
	Finance Department	358,861
	Police Department	2,659,599
	Fire Department	903,581
	Parks & Recreation Department	779,992
	Cemetery	127,055
	Recreation	0
	Department of Public Works	339,269
	Street Lighting	0
	General Fund Reserves	<u>279,445</u>
	TOTAL GENERAL FUND	<u><u>\$7,263,693</u></u>
B.	<u>Special Revenue Funds</u>	
	Criminal Justice Education Fund (104)	
	Fund Balance October 1	\$44,811
	Revenues	<u>8,015</u>
	TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$52,826</u></u>
	Expenditures	\$12,000
	Reserves	<u>40,826</u>

TOTAL APPROPRIATION	<u><u>\$52,826</u></u>
Transportation Capital-Local Option Gas Tax 1-5 (107)	
Fund Balance October 1	\$0
Revenues	249,165
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$249,165</u></u>
Expenditures	\$0
Reserves	249,165
TOTAL APPROPRIATION	<u><u>\$249,165</u></u>
Local Option Gas Tax Fund (108)	
Fund Balance October 1	\$56,028
Revenues	632,949
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$688,977</u></u>
Expenditures	\$660,668
Reserves	28,309
TOTAL APPROPRIATION	<u><u>\$688,977</u></u>
Law Enforcement Invest. Trust Fund (109)	
Fund Balance October 1	\$31,220
Revenues	15,021
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$46,241</u></u>
Expenditures	\$43,000
Reserves	3,241
TOTAL APPROPRIATION	<u><u>\$46,241</u></u>
Road Impact Fees Fund (110)	
Fund Balance October 1	\$1,963,595
Revenues	24,328
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$1,987,923</u></u>
Expenditures	\$1,245,223
Reserves	742,700
TOTAL APPROPRIATION	<u><u>\$1,987,923</u></u>
Law Enfmt. Impact Fees Fund (112)	
Fund Balance October 1	\$14,477
Revenues	1,192
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$15,669</u></u>
Expenditures	\$14,000
Reserves	1,669

TOTAL APPROPRIATION	<u><u>\$15,669</u></u>
Public Bldg. Impact Fees Fund (113)	
Fund Balance October 1	\$109,806
Revenues	<u>6,272</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$116,078</u></u>
Expenditures	\$0
Reserves	<u>116,078</u>
TOTAL APPROPRIATION	<u><u>\$116,078</u></u>
Fire/EMS Impact Fees Fund (114)	
Fund Balance October 1	\$62,008
Revenues	<u>2,660</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$64,668</u></u>
Expenditures	\$56,000
Reserves	<u>8,668</u>
TOTAL APPROPRIATION	<u><u>\$64,668</u></u>
Park Impact Fees Fund (115)	
Fund Balance October 1	\$63,318
Revenues	<u>6,986</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$70,304</u></u>
Expenditures	\$0
Reserves	<u>70,304</u>
TOTAL APPROPRIATION	<u><u>\$70,304</u></u>
Law Enforcement Trust Fund (116)	
Fund Balance October 1	\$36,466
Revenues	<u>5,007</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$41,473</u></u>
Expenditures	\$21,001
Reserves	<u>20,472</u>
TOTAL APPROPRIATION	<u><u>\$41,473</u></u>
Justice Assistance Grant (118)	
Fund Balance October 1	\$0
Revenues	<u>20,000</u>
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$20,000</u></u>
Expenditures	\$20,000
Reserves	<u>0</u>
TOTAL APPROPRIATION	<u><u>\$20,000</u></u>

Fire Grants & Donations Fund (122)	
Fund Balance October 1	\$7,793
Revenues	2,008
TOTAL AVAILABLE FOR APPROPRIATION	\$9,801
Expenditures	\$2,600
Reserves	7,201
TOTAL APPROPRIATION	\$9,801
Police Grants & Donations Fund (123)	
Fund Balance October 1	\$8,200
Revenues	2,500
TOTAL AVAILABLE FOR APPROPRIATION	\$10,700
Expenditures	\$10,700
Reserves	0
TOTAL APPROPRIATION	\$10,700
Traffic Camera Fund (128)	
Fund Balance October 1	\$89,316
Revenues	271,000
TOTAL AVAILABLE FOR APPROPRIATION	\$360,316
Expenditures	\$319,429
Reserves	40,887
TOTAL APPROPRIATION	\$360,316
First Tee Fund (129)	
Fund Balance October 1	\$30,452
Revenues	0
TOTAL AVAILABLE FOR APPROPRIATION	\$30,452
Expenditures	\$0
Reserves	30,452
TOTAL APPROPRIATION	\$30,452
The Enrichment Center (The PMF) (139)	
Fund Balance October 1	\$1,302
Revenues	15,000
	\$16,302
Expenditures	\$12,905
Reserves	3,397
TOTAL APPROPRIATION	\$16,302

FDOT-Highway Landscaping Grant (140)	
Fund Balance October 1	\$0
Revenues	30,000
TOTAL AVAILABLE FOR APPROPRIATION	\$30,000
Expenditures	\$30,000
Reserves	0
TOTAL APPROPRIATION	\$30,000

Special Fire Assessment Fund (143)	
Fund Balance October 1	\$130,000
Revenues	1,630,687
TOTAL AVAILABLE FOR APPROPRIATION	\$1,760,687
Expenditures	\$1,714,995
Reserves	45,692
TOTAL APPROPRIATION	\$1,760,687

C. Debt Service Funds

Bond & Interest Sinking Debt Service Fund (201)	
(For USDA Revenue Bonds)	
Fund Balance October 1	\$14,293
Revenues	13,188
TOTAL AVAILABLE FOR APPROPRIATION	\$27,481
Expenditures	\$13,188
Reserves	14,293
TOTAL APPROPRIATION	\$27,481

Bond & Interest Sinking Debt Service Fund (202)	
(For 2011 Fund Balance October 1)	
Fund Balance October 1	\$47,811
Revenues	303,780
TOTAL AVAILABLE FOR APPROPRIATION	\$351,591
Expenditures	\$303,780
Reserves	47,811
TOTAL APPROPRIATION	\$351,591

Bond & Interest Sinking Debt Service Fund (203)	
(For USDA Revenue Bonds)	
Fund Balance October 1	\$0

Revenues	8,551
TOTAL AVAILABLE FOR APPROPRIATION	<u>8,551</u>

Expenditures	\$7,774
Reserves	777
TOTAL APPROPRIATION	<u>8,551</u>

D. Capital Projects Funds

McKethan Capital Projects Fund (302)	
Fund Balance October 1	\$24,292
Revenues	740
TOTAL AVAILABLE FOR APPROPRIATION	<u>25,032</u>

Expenditures	\$8,000
Reserves	17,032
TOTAL APPROPRIATION	<u>25,032</u>

Transportation Capital Expenditures Fund (308)	
Fund Balance October 1	\$159,204
Revenues	100
TOTAL AVAILABLE FOR APPROPRIATION	<u>159,304</u>

Expenditures	\$112,080
Reserves	47,224
TOTAL APPROPRIATION	<u>159,304</u>

Capital Improvement Revenue Fund (309)	
Fund Balance October 1	\$0
Revenues	33,508
TOTAL AVAILABLE FOR APPROPRIATION	<u>33,508</u>

Expenditures	\$33,508
Reserves	0
TOTAL APPROPRIATION	<u>33,508</u>

Bond & Interest Sinking Fund (311)(For 2011 Capt.Impr.Note)	
Fund Balance October 1	\$0
Revenues	303,780
TOTAL AVAILABLE FOR APPROPRIATION	<u>303,780</u>

Expenditures	\$303,780
Reserves	0
TOTAL APPROPRIATION	<u>303,780</u>

Capital Improvement Revenue Fund (314)	
Fund Balance October 1	\$0

Revenues	8,551
TOTAL AVAILABLE FOR APPROPRIATION	<u>8,551</u>
Expenditures	\$8,551
Reserves	0
TOTAL APPROPRIATION	<u>8,551</u>

E. Proprietary Fund Funds

Public Works - Water & Wastewater (ALL)	
Fund Balance October 1	\$6,252,698
Revenues	4,912,700
TOTAL AVAILABLE FOR APPROPRIATION	<u>11,165,398</u>

Expenditures	\$4,795,312
Reserves	6,370,086
TOTAL APPROPRIATION	<u>11,165,398</u>

Public Works - Solid Waste Collection (403)	
Fund Balance October 1	\$774,715
Revenues	1,367,441
TOTAL AVAILABLE FOR APPROPRIATION	<u>2,142,156</u>

Expenditures	\$1,332,530
Reserves	809,626
TOTAL APPROPRIATION	<u>2,142,156</u>

Public Works - Vehicle Maint. Internal Service Fund (501)	
Fund Balance October 1	\$15,000
Revenues	105,738
TOTAL AVAILABLE FOR APPROPRIATION	<u>120,738</u>

Expenditures	\$106,190
Reserves	14,548
TOTAL APPROPRIATION	<u>120,738</u>

Vehicle Replacement Internal Service Fund (502)	
Fund Balance October 1	\$872,102
Revenues	329,466
TOTAL AVAILABLE FOR APPROPRIATION	<u>1,201,568</u>

Expenditures	\$95,000
Reserves	1,106,568
TOTAL APPROPRIATION	<u>1,201,568</u>

Equipment Replacement Internal Service Fund (503)	
Fund Balance October 1	\$11,031
Revenues	10,004
TOTAL AVAILABLE FOR APPROPRIATION	\$21,035
Expenditures	\$11,900
Reserves	9,135
TOTAL APPROPRIATION	\$21,035

F. Trust and Agency Funds

Butterweck Bond Fund (603)	
Fund Balance October 1	\$1,199
Revenues	5
TOTAL AVAILABLE FOR APPROPRIATION	\$1,204
Expenditures	\$0
Reserves	1,204
TOTAL APPROPRIATION	\$1,204

Special Cemetery Perpetual Care Fund (605)	
Fund Balance October 1	\$395,899
Revenues	10,400
TOTAL AVAILABLE FOR APPROPRIATION	\$406,299
Expenditures	\$0
Reserves	406,299
TOTAL APPROPRIATION	\$406,299

Firefighters' Retirement Fund (607)	
Fund Balance October 1	\$6,422,151
Revenues	695,278
TOTAL AVAILABLE FOR APPROPRIATION	\$7,117,429
Expenditures	\$496,147
Reserves	6,621,282
TOTAL APPROPRIATION	\$7,117,429

Employee HRA Funding (609)	
Fund Balance October 1	\$6,315
Revenues	64,500
TOTAL AVAILABLE FOR APPROPRIATION	\$70,815
Expenditures	\$60,000
Reserves	10,815
TOTAL APPROPRIATION	\$70,815

Employee Health Insurance Funding (610)	
Fund Balance October 1	\$614,123
Revenues	1,191,973
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$1,806,096</u></u>
Expenditures	\$995,064
Reserves	811,032
TOTAL APPROPRIATION	<u><u>\$1,806,096</u></u>
Policemen's Retirement Fund (613)	
Fund Balance October 1	\$5,734,888
Revenues	652,729
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$6,387,617</u></u>
Expenditures	\$112,220
Reserves	6,275,397
TOTAL APPROPRIATION	<u><u>\$6,387,617</u></u>
Community Redevelopment Agency (615)	
Fund Balance October 1	\$559,859
Revenues	99,303
TOTAL AVAILABLE FOR APPROPRIATION	<u><u>\$659,162</u></u>
Expenditures	\$401,420
Reserves	257,742
TOTAL APPROPRIATION	<u><u>\$659,162</u></u>

II. TRANSFERS: Any sum, or sums, appropriated within the various departments and funds of the City of Brooksville, if not required for such purpose may be applied to the expense of the Department to which said sums are appropriated or the fund from which it was appropriated.

III. EXPENDITURES: Expenditures authorized under this Ordinance shall be processed with the approval of the City Manager or designee. Payments made shall be by electronic transfer or by check drawn by the Director of Finance and signed by the City Manager or City Clerk and the Mayor or Vice Mayor.

IV. BUDGET OVER-EXPENDITURES: Under no circumstances may a Departmental Appropriation be over-expended without the consent and approval of the City Council. Consent and approval of the City Council may be given during duly called and constituted sessions of said Council identifying said budget amendments or adjustments.

V. ENCUMBRANCES UNDER CONTRACT: That valid commitments for goods and services which remain uncompleted as of September 30, 2016, shall not lapse, but shall be automatically re-appropriated and incorporated into the final budget of the City for the fiscal year beginning October 1, 2016 and ending September 30, 2017.

VI. ENCUMBRANCES NOT UNDER CONTRACT: That City Council approved funds as of September 30, 2016, shall be automatically re-appropriated and incorporated into the final budget of the City for the fiscal year beginning October 1, 2016 and ending September 30, 2017.

VII. EFFECTIVE DATE: This Ordinance shall become effective immediately upon the later of its adoption or 12:01 A.M., October 1, 2016, as required by the Code of the City of Brooksville, Florida and applicable State Law.

VIII. REPEALER: All Ordinances, or parts of Ordinances, in conflict herewith are hereby expressly repealed.

CITY OF BROOKSVILLE
ORD No. 866

Attest: _____
Virginia Wright, City Clerk

BY: _____
Natalie Kahler, Mayor

PASSED on First Reading _____
NOTICE Published on _____
PASSED on Second Reading _____

Approved as to form for the reliance of the
City of Brooksville only:

Thomas S. Hogan, The Hogan Law Firm, LLC
City Attorney

VOTE OF COUNCIL

Battista _____
Burnett _____
Erhard _____
Kahler _____
Kemerer _____