

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

**MINUTES**

**February 25, 2014**

**6:00**

Brooksville City Council met in workshop session with Mayor Kevin Hohn, Vice-Mayor Frankie Burnett, Council Members, Lara Bradburn and Joseph E. Johnston, III present. Also present were Cliff Taylor, Assistant City Attorney; T. Jennene Norman-Vacha, City Manager; Janice L. Peters, City Clerk; Jim Delach, Assistant Finance Director; Mike Walker, Parks and Recreation Director; Bill Geiger, Community Development Director; Richard Radacky, Director of Public Works; George Turner, Police Chief and Tim Mossgrove, Fire Chief. Members of Hernando Today and Tampa Bay Times were present.

The workshop was called to order by Mayor Hohn at 6:05 p.m.

**FINANCIAL WORKSHOP**

Update on first quarter of Fiscal Year 2014.

City Manager Norman-Vacha advised that this is a good time for conversation about what trends we're seeing in the economy, in our revenues, and for Council to provide feedback on where and how we can begin the budget process and address any concerns early on.

SIGNS OF THE ECONOMY

Referencing information published by Wells Fargo Securities, LLC, she stated there is indication that Florida's economy is improving based on job growth, new job opportunities, decreased unemployment and improvement in the housing market.

The unemployment rate for Hernando County dropped to 7.4 percent in December 2013; its lowest level since April 2008. City budgets across the Nation continue to feel the impact of a downturn in the economy. During the last 5 years taxable property values have dropped by about 34.7 percent, or just under \$200 million; while costs of materials, goods and services, as well as daily operations, have increased.

Council Member Bradburn clarified that it is true that the federal and state economists are saying that we have more jobs, but it is not a true picture because Obama Care has hit the people hard, and in many cases people are working multiple jobs because of the 29-hour cap, thereby creating a sense of job growth.

FIRST QUARTER OF FY2014

Jim Delach, Assistant Finance Director, presented the first quarter financial for FY2014.

Expanding on the ad valorem revenue, he advised that although it says we are down from last year's collection, percentage wise we are much higher than what we were the prior year. So, we are doing very good in collecting our ad valorem. Last year we were at 72 percent at this time and now we are at 75.9 percent.

He advised the City has collected 39.77 percent of our budget on building permits, and we are far ahead of what was collected the prior year. Our cemetery has already collected 47.41 percent of its revenue budgeted for this year. These are all good signs for the city as far as revenue is concerned.

APPROVED BY BROOKSVILLE  
CITY COUNCIL  
ON 8/4/14 INITIALS JD

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The first quarter had an increase of 68 new water customers and only lost one commercial customer. This is a positive sign that people are moving back into the city.

Mayor Hohn asked the breakdown between residential and commercial accounts. Assistant Director Delach advised that we went from 3,318 on residential to 3,250 in the first quarter, which was an increase of 68. On commercial accounts we went from 713 down to 712.

Assistant Director Delach stated at this point, and he believes it's due to the Tax Collector collecting the fire assessment this year. We have already received 35.68 percent of the budgeted amount. The actual fire assessment part collected is 54.68 percent, compared to 38.39 percent the prior year when we were sending out the notices ourselves.

Council Member Bradburn asked if he knows the percentage of how many people pay their taxes in installments versus all at once. Assistant Director Delach advised that he does not know the actual percentage, but the majority of people do have mortgages and that's why it's paid in the beginning of the year.

On the Fire Assessment, Council Member Johnston asked what percentages are still delinquent from 2012 when they were not relying on the Tax Collector, and are they included in the 2013 bills when they go out. Assistant Director Delach confirmed they are included and should get caught up as they are paid.

Mayor Hohn acquired sales tax information for the City of Brooksville to compare previous years, and there is already an increase of over 3 percent sales tax collected in the City of Brooksville as compared to this time last year. He believes the City is doing very well business wise and it's continuing to increase.

### CAPITAL PROJECTS

Reviewing capital projects, Assistant Director Delach advised that staff just finished the second floor carpeting replacement in City Hall. The repair of the JBCC Bike/Skate Trail was completed on December 15, 2013. The Criminal Investigation Division Expansion and Repair was completed on December 10, 2013. The K9 Patrol Vehicle was purchased on November 14, 2013. The Photo Enforcement cabinets and counter were completed on November 13, 2013. The addition of energy efficient lighting on the basketball court at Tom Varn Park was completed on November 1, 2013. The sweeper truck was purchased right past the end of the quarter on January 10, 2014.

The water and wastewater projects are started, but it will be a while before they are completed since they are massive projects. The sidewalks have also been started on the road repair and street project list.

Council Member Bradburn advised that she has received a lot of positive comments from the citizens about the new street sweeper.

Mayor Hohn asked if Assistant Director Delach, going forward, could provide percentages for revenues and expenditures, and year to date comparisons with the previous year, instead of dollar amounts. He would also like to see a brief explanation of the individual budget item if there is a negative variance of over 20 percent in revenue, or overage in expense of 20 percent or more.

Council Member Bradburn asked about the status of the stormwater master plan. Director Geiger stated that the master plan is essentially complete and a presentation will be made to Council at the second meeting in March for approval.

### OUTSOURCING

City Manager Norman-Vacha discussed how public administration continues to face many financial constraints throughout economic difficulties, forcing cut-backs. Meanwhile, there is greater citizen demand for government services. The City of Brooksville is always looking to find alternatives for service

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delivery and to cut costs without impairing quality.

The history of privatization was briefly discussed. City Manager Norman-Vacha pointed out that the goals today are the same and the reasons that drive a public organization to consolidate or privatize the delivery of goods and services hasn't changed. Today's studies seek to validate improvements to efficiencies, effectiveness and the resulting costs to the taxpayer.

Speaking about the economies of scale, some people advocate the consolidation of smaller police or fire departments into a large-scale regional governmental department. However, once a department grows to a certain size, the larger bureaucracy can become more costly. Studies still indicate there is no sustained support for the expected efficiencies in the consolidation of services or that consolidation will lead to increased efficiency in local government.

City Manager Norman-Vacha reviewed the primary drivers that encourage outsourcing City services and primary considerations when deciding to outsource City services. She advised that the City of Brooksville has been very aggressive in pursuing outsourcing alternatives that can mean better services, less costs and improved technology. She went on to discuss areas that have been privatized, government partnerships and services that have been consolidated, as well as community collaborations.

### BROOKSVILLE POLICE & FIRE

Referencing Council's request to look at comparable cities and their police and fire service delivery, City Manager Norman-Vacha stated that staff has identified five cities within our geographic area. These were similar to the City of Brooksville when considering population, taxes levied, general fund budget, and the makeup of the city.

Discussion continued about the comparison cities identified: Crystal River, Dade City, Groveland, Inverness and Wildwood. City Manager Norman-Vacha stated that they would pull information on any other cities Council would like to compare.

City Manager Norman-Vacha reviewed the differences between ready to serve approach and demand for service approach. She pointed out that they would have to calculate what the City's demand for service numbers would be if we all opted into the county pool and there was one fire district county wide. Rates under the City are based on property improvement, with commercial and residential being the same, while rates under the county are by property type, with different rates for residential use and businesses. The county also charges churches and government, while the City does not. Rates, estimated revenues and property comparisons were also reviewed.

Council Member Bradburn made subjective references to the Olympic skating's distinction between technical and artist deliveries. She pointed out it is not just about numbers on paper, there is a lot more to consider, such as quality service. Brooksville's Fire Department offers the best response times and best ISO rating in the tri-county area. She reviewed an article written in the Inverness local newspaper, which discussed their fire services and stressed that we look at all budget issues from a broad and realistic perspective.

Vice-Mayor Burnett, commenting on outsourcing, believes that level of service is most important. He gave an example of where the City of Brooksville may not rate in priority if fire services were outsourced to the county and there were multiple fires. He does not want to depend on someone else to provide key services. He hears from people all over the City that they want to keep their own fire and police department. He thinks they need to take the information the City Manager provided, digest it, and get direction from the people that vote.

Mayor Hohn agrees that everyone in the City would want their own fire and police department, but sometimes you can't afford it.

City Manager Norman-Vacha advised she had not approached the Sheriff regarding consolidated services

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for police but presented comparative cities to Council, advising that there is no guaranteed dedication. She requested further direction if they are interested in pursuing this option.

Council Member Bradburn, in talking with their northern counterparts, has learned that they pay for a dedicated service but still do not get a per ratio coverage guaranteed under the state law by paying county millage. She reviewed her list of budget issues she would like to discuss, some of which would need consensus for staff to look into:

- Florida Crushed Stone Effluent Payments – We thought that when we did the reuse that we would stop paying, but we are still paying and she would like more information on it.
- Candlelight – Considerable work was done and we thought that the design would have a specific outcome. But after a major storm there was still flooding issues. Is more work needed, and if so, how does that need compare with other drainage work needing to be done?
- Certify Firefighters to do Commercial Inspections – There was discussion and council consensus, but there are still places that have not had commercial inspections in many years and it puts our public at risk.
- Tree Planting and Replacement – Do we need money in the budget to put a plan in place and what does it entail.
- CRA Budget/Downtown Beautiful – Through her private meetings, and then when the consultant presented the priority list, she thought it was stated that money could be used for holiday décor.
- JBCC Building Improvements – If we want more people to utilize the facility, it needs to be cleaned and spruced up. This may need to be included in budget conversations.
- City Website Update – Since there have been staff constraints, should more money be set aside in the budget to hire an expert in this field.
- University of Florida Model for Future Growth and Business Growth – Council Member Johnston mentioned a new system, and is that something we need to look at implementing here, and is there an expense to it.
- Future Land Use Map – Can we utilize the University of Florida, and what would it cost, to update. Staff does not have the time or resources. Perhaps they can do it at a lower cost by utilizing students as a student project.
- Penny Sales Tax – If the Referendum goes forward, we need to have a list of projects in place to show the public.
- State Funding Requests – She advised the County has submitted twenty something state funding requests this year of the Legislature. She asked if the City has any, other than the one-way pairs.
- Budget Director / Assistant Manager – With the retirement of the Finance Director, and past elimination of the Special Projects position, Council should consider a Budget Director/Assistant Manager to take workload off the City Manager so she can focus on issues that there has not been time for but have been identified as important to the City's future.
- City Manager Contract – It's been seven years since Council has reviewed the contract. She would like to see an analysis and comparison with the City Manager's salary and benefits as it relates to like communities. She briefly reviewed a comparison to the City of Inverness, whose City Manager earns almost \$100,000 per year.
- Mowing – She would like the cost benefit analysis on hiring a part-time employee to do mowing.

Council Member Bradburn is currently working on some projects and will be bringing back some research on utilizing goats to cut mowing expenses, cell towers, and code enforcement enhancements.

Council Member Johnston would like this to be included in the information the City Manager is giving us.

Vice-Mayor Burnett finds it effective to have a five, ten, fifteen and twenty-year plan, which will provide the ability to see what's working and what is not working. You can continue to correct and improve things as you go along. Council Member Johnston referred to the 20-year facilities upgrade plan from

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2002, which he had available.

Council Member Johnston, in reference to the cemetery, noticed that there is a policy of only two cremations per burial plot, but a seven foot by three foot coffin can be placed in a plot. Maybe we can look at increasing it to four if within the same family. Council Member Bradburn seems to recall an old state law that limited them for environment reasons, but that may not an issue now.

Council and City Manager Norman-Vacha discussed EMS and firefighter training, and some recent incidents and response times.

Council Member Bradburn shared a Pinellas County fire service study, which included the City of Saint Petersburg, and states they are cutting staff in departments because of a significant drop of 911 calls for help. They do have other stations to draw from which the City of Brooksville does not have, but it does bring attention to staffing levels and services provided.

Council Member Johnston wants Council to keep an eye on Senate Bill 718 related to public meetings, which would require public bodies to publish their agendas in the newspaper together with a description of each item on the agenda, that could have significant budgetary impact on boards and councils.

Council Member Bradburn mentioned another bill in progress, endorsed by the Tampa Tribune, which would give more freedom for school systems to allow cities, counties and the public to utilize their athletic fields and playing areas. It decreases the liability for outsiders on the property.

Vice-Mayor Burnett spoke of his success with past business retreats and the ability to have time set aside for discussion and planning, and is proud of Council for having more workshops.

Mayor Hohn summarized Council's discussion about the future workshop in May, adjustments to financial documents, Council Member Bradburn's list, and asked Council if they should direct staff to continue discussions with the county, let it die, or wait for the pension meeting.

Council Member Bradburn feels that discussions with the county are over and the actuary report will be enlightening. Council Member Johnston and Vice-Mayor Burnett agreed.

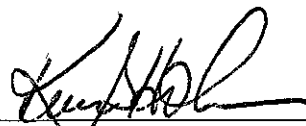
City Manager Norman-Vacha advised when the report from the actuary is received it will be passed along to Council immediately with a presentation scheduled at a later time.

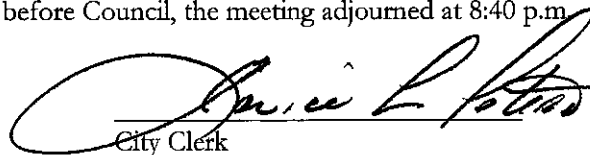
Mayor Hohn suggested putting the fee waiver policy in with the next budget workshop in May.

### ADJOURNMENT

There being no further business to bring before Council, the meeting adjourned at 8:40 p.m.

Attest:

  
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Mayor

  
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City Clerk