

MINUTES
SPECIAL COUNCIL MEETING
CITY OF NICEVILLE, FLORIDA
AUGUST 23, 2011

The City Council met in special session at 6:00 PM, August 23, 2011 in the Council Chambers, 208 N Partin Drive. All Council Members and the Mayor was present. Also present were City Manager Lannie Corbin, City Clerk Dan Doucet; Public Works Bruce Price, and a member of the press. Mayor Wise called the meeting to order at 6:00 PM

PUBLIC HEARINGS

Ordinance 11-09-01 - An ordinance of the City of Niceville, Florida amending and restating ordinance No. 11-08-01 enacted by the City Council on August 9, 2011, and titled: "An ordinance authorizing the City of Niceville, Florida to obtain a Commercial Bank Loan in the amount not to exceed \$1,100,000 to accomplish refunding of the City's Outstanding Sales Tax Revenue Bonds, Series 2003, to finance the cost of general capital expenditures, for terms and conditions of said loan; authorizing the City to pledge Sales Tax Revenues of the City of Niceville as security for the Commercial Bank Loan; providing that interest from the loan will be tax exempt to the holder as a "Qualified Tax Exempt Obligation" within the meaning of §265(b)(3) of the Internal Revenue Code; providing that the holder shall have "Bank Qualified Tax Exempt Status;" providing for proper advertisement; and providing for an effective date" to conform certain provisions to the terms of the proposal to purchase such bonds from Hancock Bank; and providing an effective date. (First Reading)

Mr Doucet read Ordinance 11-09-01 by title. Councilman Thomas moved approval on first Reading. Councilman Smith seconded. Discussion followed. No one spoke for or against. Council Vote: Henkel-yes; Schaetzle-yes; Thomas-yes; Rominger-yes; Smith-yes.

Ordinance 11-09-02 - An ordinance of the City of Niceville, Florida amending and restating Ordinance No. 11-08-02 enacted by the City on August 9, 2011 and titled: " An ordinance authorizing the City of Niceville, Florida to obtain a Commercial Bank Loan in the amount not to exceed \$1,550,000 to accomplish refunding of the City's Outstanding Gas Tax Revenue Bonds, Series 2003; providing for terms and conditions of said loan; authorizing the City to Pledge Gas Tax Revenues of the City of Niceville as security for the Commercial Bank Loan; providing that interest from the loan will be tax exempt to the holder as a "Qualified Tax Exempt Obligation" within the meaning of §265(b)(3) of the Internal Revenue Code; providing that the holder shall have "Bank Qualified Tax Exempt Status;"providing for proper

advertisement; and providing for an effective date” to conform certain provisions to the terms of proposal to purchase such bonds from Hancock Bank; and providing an effective date. (First Reading)

Mr Doucet read Ordinance 11-09-02 by title. Councilman Smith moved approval on first Reading. Councilman Schatzle seconded. Discussion followed. No one spoke for or against. Council Vote: Henkel-yes; Schaetzle-yes; Thomas-yes; Rominger-yes; Smith-yes.

Ordinance 11-10-01 - An ordinance adopting amendments to the Niceville Land Development Code, Ordinance No 91-1, as amended; providing for Residential Floor Level; to repeal conflicting ordinances or provisions thereof; and providing for an effective date (Second Reading)

Mr Doucet read Ordinance 11-10-01 by title. Councilman Smith moved approval on first Reading. Councilman Schaetzle seconded. Discussion followed. No one spoke for or against. Council Vote: Henkel-yes; Schaetzle-yes; Thomas-yes; Rominger-yes; Smith-yes.

Budget Workshop – General Fund

Mr Doucet provided an overview of the General Fund Budget as follows:

GENERAL FUND - REVENUE

Total Taxes (Includes \$2,620,260 Ad Valorem Tax)	\$ 3,028,560
Building Permits	\$ 110,000
Intergovernmental	\$ 2,380,400
Charges for Services	\$ 540,100
Fines & Forfeitures	\$ 66,200
Miscellaneous	\$ 110,100
Non- Revenue	\$ 2,982,500
(transfers, Strf, franchise fees, & utility tax & other sources)	
TOTAL REVENUE & NON-REVENUE	\$ 9,217,860

EXPENSE (PGS 7-43) 112 - EXECUTIVE

Last Year - \$ 45,940 This Year - \$ 44,950

A percentage of the City Manager=s salary is charged to O/M and Sanitation since a portion of his time is taken up by these activities.

113 - FINANCE AND ADMINISTRATION

Last Year - \$ 134,220 This Year - 106,160

We have prorated the expense for professional services to 50% in General Fund, 25% in O/M and 25% in Sanitation since legal services and financial management services are applicable to these funds.

119 - GENERAL GOVERNMENT

Last Year - \$ 1,904,220 This Year - \$ 2,094,620

A percentage of the Public Works Director=s salary is charged to O/M and Sanitation since a portion of his time is taken up by these activities. In addition, a percentage of the City Planner=s salary is charged to O/M for the same reason. Health insurance for the General Fund is included in this department. We anticipate a 7.8% increase in premiums for FY-12.

We borrowed money from ourselves to purchase the Neal Property at a cost of \$ 352,089. It will take us seven years to repay this loan. We are budgeting the following amount for FY-12:

Estimated Cost: \$ 50,300
Total: \$ 50,300

CDBG Housing Program Grant Estimated Cost: \$ 700,000
Total: \$700,000

120 - INFORMATION SYSTEMS TECHNOLOGY

Last Year - \$269,210 This Year - \$ 296,290

Professional Services:

Outside consultant to provide IT support on a contractual basis.

Estimated Cost: \$ 30,000
Total: \$ 30,000

Communication Services:

Telephone and Internet Access for all City Departments (except for Library) and IS cell phone service.

Estimated Cost: \$ 85,000
Total: \$ 85,000

Software Maintenance Contractual:

Smart Cop, Incode, TechNet, AllData, ArcServe
ARCGIS, etc:

Estimated Cost: \$ 48,000
Total: \$ 48,000

Training

Training for Is Staff, books, workshops, seminars to improve technical knowledge. Areas include GIS, VoIP, Network Security, etc.

Estimated Cost: \$ 2,000

Training for City Employees on different software and procedures to increase efficiency and time mgt skills. Estimated amt will cover costs associated with class

Estimated Cost: \$ 2,000
Total: \$ 4,000

Office Supplies:

Estimated Cost: \$ 5,000
Total: \$ 5,000

Operating Supplies:

Estimated Cost: \$13,000

Total: \$13,000

Software Licenses (Dues & Subscriptions)

Estimated Cost: \$ 4,000
Total: \$ 4,000

Software Licenses This requested amount is to purchase, as needed, the licenses to ensure the City complies with all legal requirements concerning the use of new software on City owned equipment.

Network Hardware

Network management device for IS server area to protect and monitor the network connectivity and security Estimated Cost: \$ 8,000

Misc. Components as needed. This is based on previous years' expenses. There are many items purchased the \$500 limit for fixed assets. This includes replacement printers as need Estimated Cost: \$10,000

APC Battery Backup/Surge Protection for all systems as needed for replacement. These provide surge protection as well as keep the systems operating during a momentary power blackout. This helps keep people from losing the information they are working on, as well as keeps the hardware operating longer without problems. Estimate 10 @ \$100 Estimated Cost: \$ 1,000

Machinery/Equipment:

Furniture for Offices
Shelving and storage for new storage area Estimated Cost: \$ 3,000
Access control system for IS Area Estimated Cost: \$ 8,500
Total: \$30,500

Computer Hardware:

Capital Outlay: Equip/Computers

Replacement of Computer Systems: All computers have a useful life of approximately 4 years. If we budget to replace one-third of our systems every year, we can keep all systems current and keep repair costs to a minimum. Some systems may be used longer than 3 years, but some may need to be replaced more frequently. Due to budget reductions this year, I propose to replace one-fourth of the systems instead of one-third.

2 mobile devices (at approx \$ 2,000 ea) Estimated Cost: \$ 4,000
2 new servers (at approx \$ 10,000 ea) Estimated Cost: \$20,000

16 new systems (at an average cost of \$ 1,000ea)

Estimated Cost: \$16,000

Total: \$40,000

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE SIX

Total Capital Outlay:\$70,500

We are appropriating \$ 296,280 for FY-12.

Note: We are Transferring \$50,000 from O/M and \$50,000 from Sanitation to help fund Technology expense.

124 - BUILDING INSPECTOR

Last Year - \$ 188,520

This Year - \$ 189,090

200 - POLICE DEPARTMENT

Last Year - \$ 1,529,570

This Year - \$ 1,691,830

We plan to hire one additional police officer at an estimated cost of \$ 45,000 placing us in a better position to manage our shifts and to provide essential services. In addition, we plan to purchase three new patrol cars to replace unserviceable vehicles and other equipment in FY-12.

Machinery/Equipment:

Three new Police Cars: (\$35K each)	Estimated Cost: \$ 105,000
Five Communication Radio's (\$871.00 each)	Estimated Cost: \$ 4,355
Bar Code Scanner	Estimated Cost: \$ 795
Traffic Radar/Recorder	Estimated Cost: \$ <u>4,390</u>
	Total: \$ 114,540

300 - FIRE DEPARTMENT

Last Year - \$ 813,290

This Year - \$ 820,290 PG21

ear at a cost of \$ 76,520. If approved we'll be in a position to reorganize our workforce and realize a cost savings of approximately \$ 36,230.

Calibrate Air Packs (Annually) 20 @ \$90.00	Estimated Cost:	\$ 1,800
Pump Test Fire Trucks (Certified)		\$ 500
Ladder Testing (Certified)		\$ <u>200</u>
	Total:	\$ 2,500

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE SEVEN

Training:

Classes, Video, Medical EMT Certifications	Estimated Cost:	\$ <u>3,000</u>
	Total:	\$ 3,000

Supplies:

Class A Foam	Estimated Cost:	\$ 1,000
Class B Foam		\$ 1,000
Nozzles, Adapters and hose appliances		\$ 3,000
Medical Supplies		\$ 3,200
2 Air Manifolds for Air Bags		\$ 700
Fire Fighting Supplies		\$ 5,000
Office Supplies		\$ <u>10,000</u>
	Total:	\$20,700

Dues and Subscriptions:

Estimated Cost:	\$ <u>1,800</u>
Total:	\$ 1,800

Machinery/Equipment:

2 RIT Packs	Estimated Cost:	\$ 3,100
4 Sets of Bunker Gear @ \$2,000 each		\$ 8,000
2 LED Scene Lights		\$ 2,000
2 1250 Radios		\$ 1,700
3 Replacement Pagers		\$ 1,500
1 Gas Detector		\$ 750
2 Lifepack 500 AED's		\$ 3,200
1 Ventilation Chain Saw		\$ <u>2,260</u>
	Total:	\$22,510

320 - CODE INSPECTOR

Last Year - \$ 51,970 This Year - \$ 52,900

330 - ANIMAL CONTROL

Last Year - \$ 50,240 This Year - \$ 50,240

Note: no increase in the services provided by PAWS.

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE EIGHT

500 - STREET DEPARTMENT

Last Year - \$ 704,000 This Year - \$ 572,800

Repair Maintenance Other:

Roadway Improvements (Striping, Signage, Repairs)	\$ 10,000
Miscellaneous Projects (Emergency Repairs, Restoration)	\$ 20,000
Bayshore Drive Rec. Trail Repairs & Improvements	\$ 5,000
Mast Arm Refurbishing	<u>\$ 10,000</u>
	Total: \$ 45,000

Repair Maintenance Human Resources Other:

Inmate Squad Contract (25%)	\$ 15,000
R& M Labor Cost	<u>\$ 15,000</u>
	Total: \$ 30,000

Operating Supplies/Office Supplies

Roadway Materials	\$ 10,000
Replacement Tools	<u>\$ 5,000</u>
	Total: \$ 15,000

Street Resurfacing Project

	Evans & Early Street	\$ 15,000
Sidewalks:	27 th Street @ Plew School	\$ 7,000
	Bayshore Drive 27 th to Partin Drive	\$ 25,000
	Davis Drive	\$ 30,000

Kildare Circle Entrance Way	\$ 5,000
Misc. Resurfacing/Sidewalks	<u>\$ 30,000</u>
Total:	\$112,000

*We plan to transfer (cash carry forward) **\$ 112,000** to fund projects in FY 12.

Equipment

Equipment Cost share for \$111,000 loader	<u>\$ 37,000</u>
Total:	\$ 37,000

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE NINE

510 REPAIR & MAINTENANCE

Last year - \$ 920,060 This year - \$ 926,930

Operating/Office Supplies

Supplies and small replacement Tools

Building Maintenance & Construction	\$ 4,000
Electrical	\$ 2,000
Vehicle Maintenance	\$ 2,000
Other Operating Supplies	<u>\$ 6,000</u>
Total:	\$ 14,000

MACHINERY & EQUIP

½ Ton Pickup Truck	Estimated Cost: <u>\$ 15,000</u>
to replaced 1998 Vehicle that is no longer serviceable.	Total: \$15,000

600 - LIBRARY

Last Year - \$ 995,580 This Year - \$ 963,830

which includes the entry way, the computer area up to youth services.

Estimated Cost: \$14,000
6,000
Total: \$20,000

700 - PARKS DEPARTMENT

Last Year - \$ 1,012,790 This Year - \$ 1,034,590

Operating & Office Supplies

Fertilizer, herbicides, plant materials,
Pine Straw, field marker and small
MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE TEN

hand tools Estimated Cost: \$ 40,000
Total: \$ 40,000

Improvements other than Bldgs

Relocate Pipe Storage Yard Estimated Cost: \$ 20,000
Bleacher Pads & walkway @ Twin Oaks : \$ 15,000
Total: \$ 35,000

Machinery & Equipment:

3/4 ton pickup (to replace unserviceable vehicle) Estimated Cost: \$ 20,000
Front deck mower Estimated Cost: \$ 20,000
Total: \$ 40,000

710 - COMMUNITY CENTER

Last Year - \$124,180 This Year - \$ 118,070

Repair Maintenance Other

We plan to replace the ceiling
tiles in the Community Center
using in house labor.

Estimated Cost: \$ 5,000

Misc Maintenance: 3,500
Total: \$ 8,500

711 - CHILDREN'S PARK

Last Year - \$ 128,080 This Year - \$ 200,750

Improvements other than Bldgs

Resurfacing Project: Complete the next phase - amount quoted includes material and installation costs. Estimated Cost: \$54,300
Total: \$54,300

Machinery & Equipment:

to enhance the popularity of the park.

Total: \$15,000

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE ELEVEN

712 - YOUTH CENTER - SKATE PARK

EXPENSE: Last Year: \$ 88,350 This Year: \$ 54,520

We opened our Paint Ball Facility eight years ago. Because of economic conditions we made a decision to close this facility. A special group of young people still enjoy Skate Park activities. We have adjusted our projected revenue and expense as appropriate.

Total General Fund: Revenue FY12: \$ 9,217,860

Expense FY 12: \$ 9,217,860

Mr Doucet stated we have set a reasonable proposed millage rate and after completing our final review we recommend the 3.65 (the proposed rate) for FY-12. Mr Doucet expressed appreciation to all City departments for their realistic budget submissions. As a result the process took less time in formulating the documents used for the review and approval process. He advised the proposed budget for FY-12 includes new employees and equipment necessary to take care of essential services. He advised that our Advalorem Tax represents one third of the revenues that make up the general fund. He advised that we set our Proposed Millage rate at 3.65 which is slightly lower than the

rolled back rate of 3.7177 mills. He stated the proposed budget presented tonight is based on 3.65 mills.

Mr Doucet stated we will publish our Notice of Budget Hearing and the Budget Summary advertisements in the Daily News on September 19, 2011. If we set the final millage rate higher than the proposed rate we must notify all property owners via certified mail of the tax increase which is very expensive. Discussion followed.

He advised the City Manager has gone a great job in the personnel management area especially in recent years. When personnel leave the City for any reason he replaces only essential personnel. Thus, he uses attrition vs other dramatic steps such as eliminating personnel and having to tell them they no longer have a job. I know that other municipalities are faced with these same issues and are considering such things as eliminating positions, offering early retirement with buy out plans, and furloughing as a means of balancing budgets because of over obligating themselves in the past.

Mr Corbin expressed his concern for the high turnover of personnel in the Police Department. He explained that he will place special emphasis on this department in an effort to retain people after they have been trained. Discussion followed.

MINUTES, SPECIAL COUNCIL MEETING, AUGUST 23, 2011 PAGE TWELVE

Mr Doucet stated that overall reductions in the departments totaled \$162,950 as compared to last year's budget, while increases in personnel expense, health insurance, fuel, insurance other than health, legal advertising and communication service totaled \$ 218,300.

The meeting adjourned at 7:20 PM.

Mayor

Attest:

City Clerk