



MINUTES OF THE CITY COUNCIL SPECIAL MEETING
CITY OF NEW PORT RICHEY
NEW PORT RICHEY CITY HALL COUNCIL CHAMBERS
5919 MAIN STREET, NEW PORT RICHEY, FLORIDA
September 15, 2016
6:00 PM

ORDER OF
BUSINESS

1 Call to Order – Roll Call

The meeting was called to order by Mayor Rob Marlowe at 6:00 pm. Those in attendance were, Deputy Mayor Bill Phillips, Councilwoman Judy DeBella Thomas, Councilman Jeff Starkey and Councilman Chopper Davis.

Also in attendance were City Manager Debbie Manns, City Attorney Timothy Driscoll, City Clerk Judy Meyers, Chief of Police Kim Bogart, Finance Director Crystal Feast, Development Director Lisa Fierce, Fire Chief Chris Fitch, Economic Development Director Mario Iezzoni, Public Works Director Robert Rivera, Library Director Susan Dillinger, Parks and Recreation Director Elaine Smith, Technology Solutions Director Bryan Weed, and Human Resources Manager Bernie Wharran.

2 Pledge of Allegiance

3 Moment of Silence

4 Business Items

a. First Public Hearing - FY2016-2017 Operating Budget - Page 3

City Manager Manns introduced the item to Council. 1.8% increase of property tax revenue. with the millage set at 9.1500 which is a decrease of .1000 from last year.

Ms. Manns then read the following statement:

"Florida Statute 200.065(2)(C)1 prescribes that Council adopt the millage rate prior to adopting the 2016-2017 budget. A notification regarding the Public Hearing has been provided to every property owner in the City by the Pasco County Property Appraiser's Office. This notification in the form of the Truth in Millage (TRIM) notice was mailed the week of August 18, 2016. Action requested is to adopt Resolution 2016-31.

"The name of the taxing authority is the City of New Port Richey. The tentative millage rate of 9.1500 mills is .37% less than the roll-back rate of 9.18 mills. Total ad valorem revenues that will be generated are estimated to be \$4,430,060; that is approximately \$145,895 more than what was

generated in ad valorem in FY15-16 due to the increase of property values. The millage rate is 9.1500 and is a decrease from the prior year millage of 9.2500.

“Although the statute requires discussion regarding the percent increase over the rolled back rate and specific purposes for which ad valorem is being increased, for the record in our case neither apply.

“At this time, the City’s Finance Director, Crystal Feast, will make a presentation regarding the proposed FY2016/2017 Operating Budget. After the close of the presentation, it is requested that the Mayor invite public comment on the millage.”

Finance Director Feast then made a presentation to Council on the proposed FY2016/2017 Operating Budget. Ms. Feast highlighted the changes from the previous year. There was an increase in building permit revenue 1,603 permits vs. 1,515 from those issued last year. This was an increase of \$70K. Grant funding also increased from \$310,726 to \$544,650. There is also an increase in charges for services from \$743,401 to \$948,325. These services include off duty pay, library services, recreation services and public records requests. Other positives include the city's contribution to police and fire pensions will decrease and there was no increase in healthcare insurance premiums. Challenges included an increase in FRS rates and general liability, property and flood insurances to increase by 10%. A contingency of \$200,000 has been included. The changes from the previous work session included R&R, police vehicles and Neighborhood Improvement Project have funds that will be deferred to next year's budget. \$19,708,885 estimated revenue for FY2017 versus \$19,826,470 estimated in 2016. The expenditures included each of the city's departments submitting budgets lower than they proposed in the previous fiscal year with the exception of Technology Solutions. This was due to the Tyler Technologies project. There is a 5% decrease in overall expenditures from the general fund. Water and sewer revenue is estimated to be \$14,555,730 projected revenue for the upcoming fiscal year. Total expenditures are estimated to be \$8,706,270. There is an overall 4% decrease in expenditures over last fiscal year. Deputy Mayor asked for clarification for the decrease in the pension contributions. Ms. Feast stated the actuary gives an estimate along with a percentage of payroll needed to fund the contribution. In some years due to the valuation a lump sum payment difference has also had to be made. Deputy Mayor asked for the present balance of the police and fire pension as it was not readily accessible in the documents provided.

Mayor Marlowe then opened up the floor for public comment. Mike Nurrenbrock thanked the City Manager and the Finance Director for meeting with him and Mr. Gallagher regarding the budget. Mr. Nurrenbrock suggested an investment in a cost allocation plan. He stated there are a lot of transfers being done from fund to fund. He stated that it was an eye opening experience while he was at the County to see what it actually cost to provide services to other departments. Deputy Mayor Phillips stated he appreciated all the points that have been made and that a cost allocation had been done by Burton & Associates in the past. Mr. Nurrenbrock stated that the cost allocation plan was to show finite cost of what it costs for someone to do their job. Mr. Nurrenbrock stated that the way it is currently presented the general fund does not show a fund balance for next year and that the contingency fund amount was too low. He also suggested a storm reserve and to build up the fund over the next few years.

John Gallagher stated that the goal is trying to build a good financial house before going and spending money. He wondered if any funds had been put into the budget for road resurfacing. He stated some people are charged anywhere from 25-100% for their assessments and a consistent policy is needed. He noticed that the proposed PMP had the tax collector putting that on the tax bill. He stated that perhaps a street assessment could be added to the tax bill. He stated that the city should use gas tax dollars. Mayor Marlowe then closed public comment and brought the item back to Council.

Mayor Marlowe thanked Mr. Nurrenbrock and Mr. Gallagher for showing up to speak. He stated that overhead costs have been addressed in previous years. Mayor Marlowe stated that he was in favor of a hurricane fund and building a reserve instead of aggressively trying to lower the millage. Councilman Starkey asked for a total of overtime for all the police, fire and public works crews. He stated it would be something to base the fund on. Deputy Mayor Phillips also thanked Mr. Nurrenbrock and Mr.

Gallagher for speaking. He stated that previous years had the city using funds to decrease debt service. There are specific changes that were made throughout the budget in different departments that he had questions on. Deputy Mayor had questions and concerns on different areas in the budget. In the general fund, the blight and removal program is not listed. Off duty pay projects went from \$82,000 to \$203,500. Chief Bogart stated the increase was due to an extension of hours at the hospital and for special events. Deputy Mayor asked about the unassigned fund and Ms. Feast stated that the zero balance that shows is just that there are no expected expenditures not that there is no reserve amount. Deputy Mayor asked for clarification in the Technology Solutions budget that the software increase was for the remaining part of the Tyler project and Mr. Weed confirmed that yes it was. Deputy Mayor thought that the gas/car allowance for the accounting and budgeting budget was removed and Ms. Feast stated that yes it would be removed. Deputy Mayor asked about the conversion of data from Sungard to Tyler and Ms. Feast stated that a total of three fiscal years would be converted and that would allow for enough data. Deputy Mayor asked about the amount budgeted for Library materials and Ms. Dillinger stated that materials included books, e-books, videos and cd's. Deputy Mayor asked about why overtime wages on the police support services increased. Chief Bogart stated that this overtime was for dispatchers. Councilman Davis stated that he thought that the new positions in Technology Solutions and the Recreation Department amounts should be taken out of the budget until job descriptions can be finalized. Mayor Marlowe stated it was a derelict of duty to do that. He stated the funds should be in the budget now. Ms. Manns stated if the job descriptions were an issue they could be completed before the final budget hearing. Deputy Mayor asked about the recreation budget line item for improvements other than building and Ms. Smith stated they were for the upgrade to the sound system at Sims Park and fitness equipment. Deputy Mayor stated that the city has invested consistently in water and sewer funds and have had several projects that actually had money returned to the funds. Mayor Marlowe said the investment in the stormwater funds are the reason why the city fared well during the last storm event. Councilwoman DeBella Thomas asked about the cultural affairs and special events line items in the Council budget. Ms. Manns stated the funds are used to help non-profits. Ms. Manns stated that the Cultural Affairs Committee makes recommendations for that line item. The special events budget has been inconsistent over the years and a more streamlined process is still be worked on for this year. Councilwoman asked if the cultural affairs line item could be retitled to art and cultural affairs so that it could encompass various art purchases. Ms. Manns stated that the line item could be used to support art events. Ms. Manns stated that staff is still working on the public art fund and that it would be included for the second budget hearing. Councilwoman DeBella stated she would like to revisit what the mission of the Cultural Affairs Committee is.

Resolution 2016-31 to adopt the tentative millage rate was adopted by a vote of 5-0 at 7:58 p.m.
Resolution 2016-25 to adopt the tentative operating budget was adopted by a vote of 4-1 at 7:59 p.m.
Ayes: Marlowe, Phillips, DeBella Thomas and Starkey. Nays: Davis.

Motion made by Bill Phillips and seconded by Judy DeBella Thomas. The Motion Passed. 5-0. Ayes: Davis, DeBella Thomas, Marlowe, Phillips, Starkey

5 Communications

Mayor Marlowe stated that the Banned Books Concert was going on in the park if anyone wanted to stop by on their way home.

Councilman Starkey thanked everyone for the 9/11 great ceremony and that the video screen was a great asset for the slide show.

Councilwoman DeBella Thomas stated that pins were donated by the 9/11 committee to Council.

Deputy Mayor Phillips thanked Elaine Smith for the youth advisory board event at Dulcet. He stated that 9/11 event was a great event. He asked Ms. Fierce if the wayfinding signs could be given to Council in the City Manager's report. He stated that a YouTube video on new water billing would be great. He also stated that there was an article from Greg Smith that was dated back in 1929 which talked about revival of community spirit and how relevant the article was for today's times.

6 Adjournment

There being no further business to consider, upon proper motion, the meeting adjourned at 8:04 pm.

(signed) _____
Judy Meyers, Interim City Clerk

Approved: _____ (date)

Initialed: _____