

April 9, 2015  
5:30 PM

The City Council of the City of Inverness met on the above date in Budget Overview Session at 212 W. Main Street with the following members present:

President Hepfer  
Vice President Ryan  
Councilwoman Bega  
Councilman McBride  
Councilman Hinkle  
Mayor Plaisted

Also present were City Manager DiGiovanni, Asst. City Manager Dick, City Manager in Training Williams, Community Development Director Malm, Finance Director Chiodo, Facility Director Hodges, Special Events Director Skeeel-Hogan, Aquatics Coordinator Pleacher, Projects Manager McCullough, IT Director Johnston, and City Clerk Davis.

The meeting was called for by the following Notice to all council, mayor, media, as well as publicly posted.

**INVERNESS BUDGET WORKSHOPS**  
**PUBLIC NOTICE**

DATE: February 27<sup>th</sup>, 2015

PLEASE BE ADVISED **BUDGET RELATED WORKSHOPS FOR 2015/16 FY ARE CALLED FOR THE CITY COUNCIL OF THE CITY OF INVERNESS, AT 212 W. MAIN STREET, INVERNESS, FLORIDA, AS FOLLOWS:**

April 9 <sup>th</sup>	5:30pm	Overview of Projects & Goals
May 7 <sup>th</sup>	5:30pm	City-Wide Five-Year Capital Improvement Plan (CIP)
May 12 <sup>th</sup>	5:30pm	CIP Workshop (if necessary)
July 23 <sup>rd</sup>	5:30pm	City-Wide Budget Workshop
July 28 <sup>th</sup>	5:30pm	Budget Workshop (if necessary)
Sept. 10 <sup>th</sup>	5:01pm	Tentative Budget Adoption - 1 <sup>st</sup> Public Hearing
Sept. 24 <sup>th</sup>	5:01pm	Final Budget Adoption - Final Public Hearing

/s/ Ken Hinkle  
President of City Council

City Manager DiGiovanni opened with an overview, touching briefly on the major projects, ie: Valerie Theatre, and the current state of the city. He stated that we will be discussing where we see the City going, the future, and at the end of this workshop informational exchange (overview). We look forward to hearing Council comments, and spoke to the presentation being based on how we are the Cross Roads.

He complemented city staff in the room, stating that we are where we are because of this team working collectively for the greater good of the community, which extends to the dais.

We are going to assess our functions, projects and services, and define programs, events and functions. We are going to review operations, maintenance, projects, and service levels, and analyze where we see ourselves moving.

### **LEGISLATIVE IMPACTS**

He spoke to the continued Unfunded Mandates: Public Records, Utility Relocations, Water & Wastewater Regulation, and Erosion of Growth Management Regulation. Efforts to Erode Local Government Revenue: Communications Service Tax Rate Reduction and Expansion of Sales Tax Exemptions.

### **THE CROSSROADS**

He noted some of the big issues that need to be dealt with, such as Fire Services, Valerie Theatre, the Expanded CRA , and Whispering Pines Park.

**Whispering Pines Park** – The general fund of the City is not too be drained for non-residential services and need to bridge the gap. Need to look at Park Admission Fees; Rate Differential for Non-City Residents; Service Program Changes; Full Service Campground Development.

**Valerie Theatre** – Is an incredible opportunity for the City and spoke to Operating Costs for 2016, user and policies and procedures. **Levels of Service** for the Valerie, to include Special Events & Activities; Rentals and Staffing level to support operations.

### **TOURISM**

Hotel/Convention Center are needed to support activities and are an important dynamic for the City. Marketing- to include Sports Marketing, and connecting with Visit Florida/Visit Centers . Events, Seeking 3 P Opportunities for Event Management and Merchandising

### **HCA HOSPITAL**

Local Impacts – Spoke to the added value to the tax rolls in 2016, and the improvements to the facility as the Trauma Center and Heli-Pad. He noted that CRA will partner to assist with support to facilitate improvement along the Medical District for Inverness.

Cooperative Efforts – He noted that we need to understand HCA efforts to plan for many issues, such as Medical expansion Plans, storm water collection & treatment master planning, etc.

### **LAW ENFORCEMENT**

He noted the 2015 Budget Contract of \$747,620 (2.24 mills); He spoke to the essential components being general policing, parking enforcement, and event support. He spoke to the Contract with the Sheriff's Dept. and what is reasonable and affordable that meet the needs to Inverness Law Enforcement Cost in the City is currently \$2,008,202/per year.

### **FIRE SERVICES**

City Manager stated that a decision needs to be made to either stay with the County and submit to MSBU, or stay with County and cut some other deal, but need to understand that status quo is not necessarily where we are going to be. The city pays the tax, not the MSBU. The MSBU comes on top of the voter initiated tax. Tri-city Cooperative - Diligence has been done regarding a tri-city cooperative, with intergovernmental meeting with Dunnellon & Crystal River. Municipalities can come together through an Interlocal

Agreement and share: management personnel, equipment to reduce overall cost, with shared training and related cost. He spoke to what would be needed for the Fire Services Cooperative start-up, with projected start-up cost of approximately \$250,000.

#### **EXPANDED CRA**

He spoke of the current process of the CRA expansion and the many initiatives for the expansion. Moving forward we need to address a timeline, higher than expected legal fees due to County challenges, and the expansion of internal framework to support the larger CRA. He spoke to **Revenue Projections** from 2016 thru 2020, ranging from a low projection in 2016 of 87,505 to a high of \$647,241 to a low projection in 2020 of \$212,566 to a high of \$818,442. With the CRA expansion, he listed the potential CIP 5-year project plan to include: Godowski property; parking development; S. Apopka/Grace streetscape; downtown electrical infrastructure; Highland Blvd. widening project; S. Apopka improvements; Pine Street parking lot improvements; WPP campground facility; relocate WPP entrance to 44; and storm water master plans for elements of Medical District.

#### **CITY PERSONNEL STATUS**

He addressed how we have downsized personnel from 2006-2013 with 10.25 position eliminated. The dynamic of this city is off the charts and can be seen by the events, the projects, and the Valerie Theatre. He noted staffing for the Valerie Theatre, fire service personnel, and increase in staff depth. He spoke to the current and future needs, as well as the transitional positions of the City Clerk and City Manager's (Charter Officers). Again noting how we are at a Crossroads with staffing.

#### **COUNTY RELATIONS**

City Manager listed the many projects, including the 9 Points that have been ongoing and the many challenges with the County we are dealing with, but the City must keep going forward.

#### **COST IMPACTS**

Impacts of the 2016 General Fund need to include additional personnel, WPP operations, Valerie Theatre, Fire Services capital, and events. The numbers can roughly range from \$100,000, in Event 3-P; Fire Services Capital \$350,000; Valerie Theatre \$350,000-\$400,000; Whispering Pines Park Operations \$250,000; Personnel Position \$250,000.

#### **MILL LEVY – PROPERTY VALUES**

The current mill levy equals \$351,022 and an increase is expected of approximately 3 to 5%. The 2014 mill levy rate is at just under seven ( 6.9949).

#### **REVENUES**

He spoke to revenues including decreased communication service tax, Valerie Theatre, interest, reserve balances, etc. Special event sponsorships, building revenue, rents and royalties, and TIF revenue will also be factored in.

#### **PROJECT ACCOMPLISHMENTS**

He listed the many project accomplishments in the different areas to include administration, IT, economic development, public safety, sanitation and streets, utilities, parks, Event & Visitors Bureau, and Valerie Theatre.

#### **2016 and Beyond Projects**

He referenced the multitude of projects for 2016 including the CRA, more events, the Valerie Theatre, and fire services to name a few. He noted the underlined projects as very large projects. We are growing at a fast rate. He also referenced the list of projects

that will not be accomplished due to lack of staff, time, or possibly the funding. The outlook is to accomplish what needs to be done and find a way to prepare the list of projects needing to be done. That is the crossroads; that is where we are.

Moving forward we need to know what should be added, what should increase, and what should change. Also thoughts about services, delivery and service levels, fees and charges. Comments need to be heard on the status, protection, and allocation of reserves as well as taxes and the millage rate.

**Councilman Ryan** stated he is questioned almost weekly on the downtown parking issues and lack of available parking. **Mayor Plaisted** referenced the perception of the distance from parking to businesses. **City Manager** highlighted the various parking areas and their convenience.

**Council President Hepfer** agrees that we should move forward on the County issues, needed staff, fire workshops, etc.

**Councilman Hinkle** agrees that we should hold the fire workshops so that options can be considered. He stated the CRA is quite complex. He spoke to marketing and the various events.

**City Manager DiGiovanni** stated this all involves a lot of work, both on Council and on staff. It all comes down to change, and change has a way of making some people very uncomfortable. Direction from Council is needed to build the budget and we can look at the rest in time.

**Councilwoman Bega** spoke to the MSBU workshops, long-term plans, and continuing to move forward.

**Councilman Ryan** spoke of having no control over police and fire. An approximate cost needs to be determined to see the effects on the millage rates.

**City Manager DiGiovanni** expressed that when dealing with the budgets we are looking in multi-year terms. He stated that actions are imminent regarding the Valerie Theatre.

**Councilman McBride** spoke of the fire services issues and what is in the best interest for everyone.

**Council President Hepfer** stated that no one wants to raise taxes however the point is reached where the question is how much can we provide and how much can we continue to roll back.

Consensus of the Council is to proceed with the fire services workshops. Change is inevitable and moving forward is the way to go. Reasonable reserves need to be maintained and protected.

Workshop adjourned at 7:18pm.

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City Clerk

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Council President