

MINUTES  
SPECIAL COUNCIL MEETING  
CITY OF NICEVILLE, FLORIDA  
JULY 21, 2011

The Niceville City Council met in special session at 6:00 PM, July 21, 2011 in the Council Chambers, 208 N Partin Drive. All council members, except for Councilman Swihart, and the Mayor were present. Also present were City Manager Lannie Corbin; City Clerk Dan Doucet; and a member of the press. Mayor Wise called the meeting to order at 6:00 PM

PUBLIC HEARING

Ordinance 11-08-01 - An ordinance authorizing the City of Niceville, Florida to obtain a commercial bank loan in the amount of 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; providing 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. (First Reading)

Mr Doucet read ordinance 11-08-01 by title. Councilman Thomas moved approval on first reading. Councilman Smith seconded. No one spoke for or against. Attorney Powell briefed the council on a required amendment to Section 2 of the ordinance that will include language involving coverage requirements. Discussion followed. Council Vote: Henkel-yes; Thomas-yes; Rominger-yes; Smith-yes.

Ordinance 11-08-02 - An ordinance authorizing the City of Niceville, Florida to obtain a commercial bank loan in the amount of 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; 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. (First Reading)

Mr Doucet read ordinance 11-08-02 by title. Councilman Thomas moved approval on first reading. Councilman Smith seconded. No one spoke for or against. Council Vote: Henkel-yes; Thomas-yes; Rominger-yes; Smith-yes.

Proposed Millage Rate

City Clerk

Mr Doucet advised that we are in receipt of the Certification of Taxable Values from the Property Appraiser which is used to establish our Proposed Millage Rate. Mr Doucet recommended the proposed millage rate be set at 3.65 which is the same rate proposed last year. He advised the 3.65 rate will produce \$ 2,620,253 in ad valorem revenue.

Mr Doucet advised that once the proposed rate is set we cannot increase it unless a first class mailing to each property owner is made advising them of the increase which is very expensive.

Mr Doucet stated that if the Council approves the 3.65 proposed rate it means (in simple terms) that a property owner will pay \$ 3.65 for every \$1,000 dollars of their assessed value after appropriate deductions such as homestead exemption, etc are made.

Mr Doucet requested approval to set our tentative budget hearing for September 15, 2012 at 6:00pm. He stated we are not allowed to set a date that conflicts with Okaloosa County and the school board tentative hearings.

Mr Doucet stated we are in the process of meeting with department heads to determine their needs, therefore, it is too early for us to know what our needs are for FY-12.

Mr Doucet advised that department budget requests for the FY-12 budget includes additional personnel to provide essential services at a cost of \$121,511. He stated we are projecting a 7.8% increase in our health insurance expense that totals \$61,084 and equipment expense to be approximately \$200,000. Mr Doucet stated the proposed budget will include a slight increase in fuel expense. Discussion followed.

Councilman Smith moved approval to set the proposed millage rate at 3.65 mills and the tentative budget hearing to be set at 6:00 PM, September 15, 2011. Councilman Henkel seconded. No one spoke for or against. Council Vote: Henkel-yes; Thomas-yes; Rominger-yes; Smith-yes.

The meeting adjourned at 6:25 PM.

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MAYOR

ATTEST:

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CITY CLERK