



City of Deltona

2345 Providence Blvd.
Deltona, FL 32725

Minutes

City Commission Workshop

Thursday, August 11, 2016

5:30 PM

Deltona Commission Chambers

1. CALL TO ORDER:

The meeting was called to order at 5:30 p.m. by Mayor Masiarczyk.

2. ROLL CALL – CITY CLERK:

Present: 7 - Commissioner Herzberg
Commissioner Honaker
Commissioner Schleicher
Commissioner Smith
Commissioner Soukup
Vice Mayor Nabicht
Mayor Masiarczyk

3. PLEDGE TO THE FLAG:

Mayor Masiarczyk led everyone in the pledge to the flag.

PUBLIC COMMENTS: – Citizen comments limited to items not on the agenda and comments on items listed on the agenda will take place after discussion of each item.

Mayor Masiarczyk stated the month of August has been dedicated to support, encourage and recognize the Volusia County Sheriff's Office (VCSO) and he suggested to wear a blue ribbon or place a blue light outside the homes in support of the VCSO. Commissioner Herzberg stated Deltona Health Park has gone blue to support law enforcement and she thanked Florida Hospital for their support.

Mayor Masiarczyk opened the meeting for public comments.

Brandy White, 2926 Chalmer Street, Deltona, spoke about the fines and where the revenue is going and Deputy City Manager Dale Baker explained there are no fines, there have been abatements, and the revenue from those goes into the General Fund. Also, she asked if she could sit with staff to go over the proposed budget and the current budget because she has some questions.

Michael Putkowski, 2736 Courtland Blvd., Deltona, spoke about how the City used to do

mini grants for organizations, that faith based organizations have to belong to the Homeless Management Information System (HMIS) which is a \$300 startup fee and an additional \$300 service fee per year per person and he suggested if the City was going to do the mini grants again it could help with the HMIS fees.

Commissioner Herzberg asked if the funding through Community Development Block Grant (CDBG) is it allowed to be used for HMIS and Development Services Director Chris Bowley replied the CDBG funds from the City can be used toward HMIS and the organization would need to report back to the City how the money was used toward the HMIS service.

Mayor Masiarczyk closed the meeting for public comments.

4. BUSINESS:

A. Follow up discussion of the FY 2016/2017 General Fund Budget - Robert Clinger, Finance Department (386) 878-8552.

Strategic Goal: Maintain a balanced budget, reserves, and investments.

City Manager Shang stated at the last workshop she proposed a millage rate of 7.99% and after reviewing the budget she is ready to propose a 7.95% millage rate with cuts in the amount of \$75,000 to include reducing home demolitions - \$20,000, reduce Finance Director overlap to one (1) month - \$30,000, eliminate fire assessment fee study - \$50,000 and increase the lobbyist - \$25,000.

The Commission and staff discussed the \$75,000 in budget cuts to save the residents \$1.82 per household, not being in favor of the suggested budget cuts and not having any input with regards to the suggested budget cuts, what the overall savings to some Commissioners would be, by going to rollback at 7.412% it would be a savings of \$13.52 per household, that the Volusia County Sheriff's cost went up by \$750,000 which needs to be absorbed or reduce the level of service, the City taking on the new Community Center, having concerns about the proposed budget cuts, to reduce the millage rate each year a little bit, that anything other than rollback is a tax, completely disagreeing with the compensation study at a cost of \$440,000, the volunteers of the Firefighter Reserve Program fall under the presumptive clause and the huge liability to the City, the City trying to spend half of last year's \$1 surplus right now before entering the new fiscal year and taking \$75,000 out of that, the Commission agreeing to remove the \$50,000 for the Fire Assessment Study, the restructuring of a particular department, that the City cannot go above the 7.99%, having an adequate amount of time to train a new Finance Director, the City paying for the second trash bin for those who request one, that four (4) agencies did not receive CDBG funding, and being fiscally responsible by providing services that the City promised.

Mayor Masiarczyk asked how the Commission wanted to proceed. He stated if the main

objective is to reduce the budget that is what the Commission needs to do or if there are some things that are missing from the budget or an issue that a Commissioner feels strongly about that is what should be discussed.

After discussion, the Commission concurred to go through the budget one (1) Commissioner at a time to come up with items that the entire Commission could agree on to reduce the budget.

Commissioner Schleicher suggested the following cuts: Page 5, July 4th - \$2,000, Page 100, Professional Services (Fire Assessment Study) - \$50,000, Page 109, Travel & Per Diem - \$5,000, Page 110, Furniture (Commission iPads) - \$1,000, and the Commission concurred.

Commissioner Honaker suggested not to implement the compensation study with the exception of the field workers, by implementing a three (3) year increase of 1% per year to bring the employees equal to the other cities that are similar to them and then look back at senior staff but, not this year. He stated second, he supports Option #3, with regards to the restructuring of the Enforcement Services Division.

After discussion, the Commission concurred to reduce Code Enforcement by two (2) officers, to separate animal control and code enforcement, for staff to come up with a schedule that will provide the same level of service as the City currently has, to show the impact on the level of service and the dollar saving and bring it back to the Commission for a final decision.

Commissioner Herzberg stated she supports a 7.99%, it is not a significant savings to go to 7.95% or to rollback, the property appraiser needing to appraise property values at what they are worth and then the millage rate can be lowered, and although she agrees with cutting the Fire Assessment Study she would like to have a workshop with more information on its true impact. She suggested eliminating or putting on hold the projects allocated in the FY15/16 Budget Amendment for \$419,000 which is surplus that is expected at the end of this fiscal year and take money from reserves.

Mayor Masiarczyk suggested to allow the money for the proposed six (6) projects listed on the FY15/16 Budget Amendment to go into the General Fund, schedule the projects for discussion at a later date, and that frees up \$419,000. He stated this gets the City to a better than balanced budget, it allows the City to reduce the millage rate, it does not cut anything, prior to expenditure the projects need to be discussed and this would give staff the ability to lower the millage if that is the will of the Commission.

Commissioner Soukup suggested not implementing the Firefighter Reserve Program because of the presumptive clause, it is a huge risk, that the City has \$9 million of unencumbered revenue, taking the \$75,000 from the \$419,000 in surplus, to table the Compensation Study, and to find funds for the four (4) organizations that did not receive

CDBG funds.

The Commission discussed the Compensation Study to include the language in the Request For Proposal (RFP) and the finished product not including all the items requested, the consultant was required to review benefits in determining compensation which is not what Mr. Adams explained and if it was supposed to be part of RFP and it was not, was the consultant paid. City Manager Shang stated the consultant was asked to review employee benefits, it was in the RFP and in the response. She stated there is still ongoing work to be done by the consultant and the consultant did say that the City's benefits are inline. Mayor Masiarczyk stated Commissioner Smith is correct, the City did not receive the full report as laid out in the RFP. Commissioner Smith asked if the City would be taking action and Mayor Masiarczyk replied that is the attorney's realm, the City accepted the report and there should be a value/number for the benefit package. Mr. Adams replied that staff did its own comprehensive benefits study, the spreadsheets were provided, the benefit load factor number is 37% for a non-contracted employee and Deltona is just above the midpoint of all the other cities.

After discussion, the Commission concurred to provide the 3% pay raise across the board, that the Commission is not in agreement with the compensation study, and to ask the consultant to reduce or refund the cost for services or compile it with the original request.

Vice Mayor Nabicht suggested cutting on Page 9, Promotional Activities (light towers) - \$750. He spoke about the Fire Department's budget to include the City's Insurance Service Office (ISO) rating, that the ISO looks at manpower, the difference between scheduled and unscheduled overtime, the benefits of the Firefighters Reserve Program, the City Manager's plan to overstaff three (3) driver engineers (one per shift), and he proposed taking \$300,000 from the Fire Department's overtime budget and moving it over to the operating funds to cover the cost of three (3) new hires which is approximately \$204,000.

The Commission discussed the addition of three (3) firefighters as proposed to include that it would not be cost neutral for the lifetime of the employee, that it will cost the City over and over as the years go on, that the overtime will continue to grow and this is just shifting overtime dollars to the operating budget, that between FY04/05 and FY05/06 the City hired 15 new firefighters to support Station #65 and the rescue unit operation, that the Union contract is very well put together, what firefighters are paid continues when they leave employment with the City, finding a way to add firefighters as City employees and not under the Union contract, overtime being accrued very quickly, trying to help come up with a solution for the budgetary issue of overtime, that overtime is not mandated, setting up the Firefighter Reserve Program as a pilot to fill one (1) position and create a pool to hire from in the future, the pension plan not being sustainable, bringing in new people under a defined contribution plan and the reason for the overtime being due to having two (2) vacancies that were not filled.

Commissioner Honaker and Mayor Masiarczyk left the meeting at 7:43 p.m.

The Commission continued to discuss the addition of three (3) firefighters to include the number of firefighters at each station per shift and that this would add one (1) more firefighter to each shift, some reserves being in and staying a long time, that there is at least one (1) person retiring this year and five (5) or six (6) that will be eligible to retire this year, if move forward on the transport issue the City may hire 12 people, that it was never recommended to hire more employees to reduce the overtime with regards to the other department's overtime, that a lot of fleet's overtime is due to the age of the vehicles, needing to see the impact and cost analysis for adding the three (3) firefighters, and not being able to make a decision without seeing the impact and cost analysis of adding more staff.

Mayor Masiarczyk returned to the meeting at 7:48 p.m.

Commissioner Smith asked the status of the rewards program that the Commission asked to have implemented a year ago to keep down overtime and City Manager Shang replied she met with staff, firefighters and the collective bargaining unit and did not come up with something definitive, there was a suggestion to hire more staff but, that was not feasible or cost neutral. She stated there is a clause if overtime was reduced there would be some time of bonus but, the targets were never met.

Vice Mayor Nabicht stated on Page 102, Amphitheater Operations and Maintenance Agreement, he is opposed to paying this, the facility is in need of maintenance, and he questioned what the City is paying for. Mayor Masiarczyk suggested pulling it out of the budget and forcing the hand of the County. City Attorney Vose stated that the City would end up in court if the payment was not made, but staff could attempt to renegotiate the contract. Vice Mayor Nabicht suggested to ask the County for an invoice of what is going to be done to the facility with the \$250,000.

Vice Mayor Nabicht continued to go through the budget and he suggested on Page 105, to maintain the Lobbyist at the current rate, have a meeting with them to provide clear direction; Page 154, Capital Equipment, to look at the Five (5) Year Plan at a workshop once the new Finance Director is on board; and on Tab 25, New Positions, he asked if anyone had any questions regarding these and Mayor Masiarczyk asked for clarification regarding the base pay and the total pay including benefits as some of them are higher than others. Mr. Clinger replied this is a high end calculation of benefits with family coverage and some will not select family coverage, and he will look into the total for the Parks & Recreation Facilities Coordinator.

Vice Mayor Nabicht stated he is in favor of the electric sign, not doing the Redman contract, but, he would like the City to move forward now with the electronic sign, the Firefighter Reserve Program, the pocket park, the relocation of Public Works/Site Engineering, and the IT Helpdesk position which is overdue.

Commissioner Smith asked if a commercial realtor has provided an appraisal for the Public Works property and Mayor Masiarczyk replied that staff was to do a study regarding the cost to relocate the department, the benefits of moving it and the impact of moving to neighborhood area. City Manager Shang replied that staff is looking at it and preparing that document. Commissioner Smith asked just in general, how close the numbers are to the actual costs and City Manager Shang replied they are in the ballpark, staff is getting more numbers and more information on the electronic sign and Parks is looking into another property for the pocket park because the City does not own the property on Amboy Drive.

Commissioner Smith stated to remove the Redman contract cost of \$75-80,000 in next year's solid waste budget; and to fund the four (4) organizations who did not receive CDBG funds out of the \$35,000 for Aid to Private Organizations and to do some mini grants with the remainder of the funds.

Commissioner Smith suggested setting aside an amount out of surplus to provide a second bin for those that require one and the Commission did not concur.

Commissioner Smith suggested using the remaining half of the \$35,000 for Aid to Private Organizations toward the Homeless Management Information System (HMIS) for organizations and she asked for clarification regarding the reclassification of the Solid Waste Coordinator to an Enforcement Officer.

Commissioner Soukup spoke about possibly moving one (1) of the existing electronic signs to Howland Blvd. and S.R. 415 and putting the new electronic sign in that existing location.

Commissioner Herzberg stated she agreed that the \$35,000 does not need to be a discretionary fund but, her big concern is that the applicants who were awarded the CDBG funds follow stringent guidelines, its federalized dollars with rules and regulations, and the Commission is suggesting to give organizations free money with no requirements. She stated she would rather see CDBG money awarded to everyone and take those agencies such as the Neighborhood Center and the Boys and Girls Club and give them a supplement out of the General Fund. Mayor Masiarczyk stated the organizations receiving General Funds should be held accountable at the same level.

Commissioner Smith asked if the Boys and Girls who received \$10,000 from the General Fund last year was held accountable to the CDBG requirements and Mr. Bowley replied when organizations receive money outside of the CDBG funds they are not required to submit paperwork to staff for monitoring.

Mayor Masiarczyk stated there is a set of rules for waiving of fees which is done through Parks and Recreation and the Commission can use a similar process for anyone who requests for and is given funds that they need to submit follow-up information and abide by the same guidelines as CDBG funds and the

Commission concurred.

5. CITY MANAGER COMMENTS:

Mayor Masiarczyk stated that he wanted to make sure that staff leaves with a clear understanding of what the Commission wants and he asked if the City Manager had enough information for the final budget which will be presented and City Manager Shang replied she would like to summarize everything that was requested.

The Commission concurred on the following:

- 1. Millage Rate of 7.95%;**
- 2. Code Enforcement is to cut two (2) positions, restructure staff's schedules, and separate animal control from code enforcement;**
- 3. To not implement the compensation study but, to provide a 3% raise across the board to the employees;**
- 4. To add three (3) additional firefighters and provide hard numbers as to the cost; Keep the amphitheater funds in the budget but, renegotiate the agreement with the County;**
- 5. Cut the Fire Assessment Study and the proposed Redman contract;**
- 6. To include the proposed six (6) projects, with the exception of the Redman contract, listed on the FY15/16 Budget Amendment on the Regular Commission Meeting to be held on Monday, August 15, 2016 for the Commission to vote on individually; and**
- 7. For Commissioner Smith to develop a plan and a cost for purchasing a second bin for those residents who need one.**

6. ADJOURNMENT:

There being no further business, the meeting adjourned at 8:38 p.m.

Joyce Raftery, CMC, MMC, CITY CLERK