



APPROVED 11/3/2022

MINUTES

City Commission Workshop

4:00 PM - Tuesday, July 6, 2021 - Community Building

CALL TO ORDER: 4:00 P.M.

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

PRESENT: Commissioner Nan Cobb, Commissioner Willie Hawkins, Vice Mayor Emily Lee, Commissioner Karen LeHeup-Smith and Mayor Michael Holland

1. WORKSHOP ITEM WITH COMMISSION DISCUSSION, PUBLIC INPUT AND COMMISSION DIRECTION

1.1 Continuation of review of draft FY2021-2022 budget

Mayor Holland announced that Commissioner LeHeup-Smith would be late and that Vice Mayor Lee would not be attending due to her granddaughter being in a bad traffic accident.

Library

Ann Ivey, Director, provided an overview of the library, its collections and services provided to the community. She commented on the benefits to the library from joining the Lake County Library System. She noted that the five-year capital plan includes repainting the outside of the building. She added that a future plan is to enlarge the community room.

The Commission asked about issues with the air conditioning with Ms. Ivey reporting on repairs that have already occurred. She noted that the system was originally very expensive with Rick Gierok, Public Works Director, stating it is in the FY23-24 fiscal year for repair. She commented on the savings to the library since joining the county system.

Ms. Ivey reported that Personal Services are 80% of the library's budget. She then reviewed the operating expenses noting that they are increasing the number of pressure washings to the outside of the building. She explained Communication Services has increased due to their being part of the County's e-rate. She indicated that the City pays \$18,000 of the free WIFI per year but they are reimbursed \$14,000 by the federal government through the County. Discussion was held regarding the increase in the Utilities line item.

Ms. Ivey noted the reduction in the Repairs and Maintenance due to joining the county system. She indicated the Promotional Activities is primarily for

giveaways during National Library Week. She then reviewed the increase in Office Supplies and elimination of Operating Supplies due to items being recategorized. She explained the Library had been using the Garrett Trust to purchase the large print materials; however, it is down to only \$2,000 and the large print materials represents 12% of their circulation. She further explained the Library has three or four trusts that have to be used for specific purposes.

Mike Sheppard, Finance Director, explained two trusts are only allowed to expend the interest; however, the other two have been drawn down.

Ms. Ivey then explained that the County is looking at changing the formula for how their distributions are awarded and how the County currently provides funding based on circulation. She stated they are thinking about changing the formula to being either population-based or budget-based. She indicated that if she is able to keep her budget close to where it is then they may get higher funding.

Ron Neibert, City Manager, complimented Ms. Ivey on her efforts to get the County to meet all of their obligations to the City with Ms. Ivey commenting on her feeling that it was good for the City to join with the County.

The Commission asked about the Utilities with Ms. Ivey explaining it was bumped up due to how high the utility bills were in the past year.

The Commission asked if the library building would be a good candidate for solar panels with Mr. Neibert indicating that is something staff can evaluate for the future.

Ms. Ivey noted that the water bill also went up due to improved landscaping.

Mr. Neibert explained that the City's bond agreement requires the City to charge all City departments for water.

The Commission complimented Ms. Ivey on the library's programming.

Mr. Neibert announced that the City has no immediate plans to activate emergency operations in response to Tropical Storm Elsa.

Fire Department

Fire Chief Mike Swanson explained the Fire Department is divided into three divisions - Administration, Prevention and Suppression. He stated that the overall total is \$3.2 million with 26 employees. He noted Administration has \$3,000 included for the replacement of security cameras. He added that Small Equipment includes costs for maintenance and repair of equipment such as fire hose and nozzles. He indicated he tries to spread out costs over a five-year period. He noted that \$2.5 million is for Personal Services for staff. He explained Professional Services includes \$15,000 for Lifescan which is the

department's required annual fitness program. He explained they come to the department and check all of the personnel for cancer and run baselines.

The Commission asked why it almost doubled from 2020 to 2021 with Chief Swanson explaining that includes some services the department has to fund for the Fire Pension Fund. He explained the benefit of utilizing Lifescan over having to send staff to four different places to complete all of their annual physicals and vaccinations. He then reviewed what is included under Other Contractual Services including computer firewall, annual maintenance for radios, Visio control, and warranties for heart monitors. He stated the increase is primarily due to improving their computer firewalls and CAD program. He then explained the increase in Travel & Per Diem noting that in the past no one in fire service attended extra training and he has tried to change that. He announced plans for staff to attend the Indianapolis Fire Department Instructors Conference and the National Fire Academy. He stated that Transportation & Postage includes shipping for monitoring devices to be maintained.

Chief Swanson noted that the Utility Services has stayed constant except when fuel costs fluctuate. He explained the funding under Repair & Maintenance noting that he encourages personnel to wash their uniforms at the station so as not to expose their families to contaminants.

The Commission asked about the Employee Study Expense with Chief Swanson explaining the Books and Subscriptions is for manuals they are required to have for classes they teach. He stated Employee Study Expense covers personnel that are currently in school and the CEU's that are required to maintain their certifications. He added the department also has four people in college programs and three in paramedic school. He noted they have some classes that can be completed online but others have to be face-to-face. He explained that, while the City pays for the classes, they are not paid for the time in class.

Chief Swanson then reviewed the Prevention division noting that neither of those staff members are part of the Fire Pension Fund but participate in the City's 401k program. He reviewed specific line items and what is included in each. He noted the expense for purchasing giveaways for children during Fire Prevention Week and smoke detectors.

Commissioner LeHeup-Smith joined the meeting at 4:36 p.m.

Chief Swanson stated there is no recommended capital outlay for Prevention. He explained that funds for fire inspections go into the General Fund. He indicated they do not raise a lot of money from false fire alarms as those are strictly assessed to get property owners to get their systems repaired. Chief Swanson then reviewed the Suppression budget by line item. He explained these employees are part of the Fire Pension Fund. He noted the Overtime line item totaling \$210,200. He explained that if someone is out sick, he has to bring someone in on overtime.

The Commission questioned whether or not it would reduce the Overtime if they hired more manpower. Discussion was held regarding the benefit of adding more staff, how it might benefit health and morale and the cost to only add one more person per shift.

Discussion was held regarding how they could hire more people with Chief Swanson indicating it would cost \$85,000 per year for a paramedic including uniforms, PPE, insurance and pension. It was noted that it would require another six employees in order to put the rescue truck back on the road.

Chief Swanson indicated that if they hired three more individuals so they had eight man shifts it would mean that, sometimes, they would be able to have the rescue truck on the road when all employees are on-shift.

Commissioner LeHeup-Smith noted that, even if the City was able to "find" \$300,000 it has to be sustainable year to year, not just one time only.

The Commission questioned the detail under Salaries & Wages with Chief Swanson explaining that some of the titles are incorrect; however, the individual salaries are correct.

Chief Swanson then reviewed Other Contractual Services and explained it was being increased primarily due to an overdue increase to the ESO, patient care reporting system, as well as equipment testing and Emergency Report, the fire reporting system. He then explained Operating Supplies and Vehicle Repair & Maintenance noting that was previously lumped together but it was separated to provide better information regarding the cost of operating the trucks.

Chief Swanson reviewed the planned capital expenditure to replace the department's boat and the Fire Chief's vehicle. He explained one of the department trucks is being retired.

Discussion was held regarding the Fire Department's problems with its fire rescue boat and what type of boat they plan on obtaining. Discussion was also held regarding going ahead with preparing specifications so they can move quickly after October 1st.

Mr. Sheppard announced that 40% of the Prevention division is paid for out of the Building Services Fund.

RECESS: 5:03 p.m. RECONVENE: 5:10 p.m.

Public Works

Rick Gierok, Public Works Director, reviewed the Public Works division budget noting that it includes \$35,000 for demolition of the American Legion building. He reviewed the Maintenance Garage budget citing the increase in Operating Supplies due to the increase in diesel costs.

The Commission questioned the reduction in Personal Services with Mr. Sheppard explaining that the previous year there were some accruals that were included and should not have been included in that line item.

Mr. Gierok explained the Employee Study Expense is for CPR and other job specific training that is required. He cited the increase in Vehicle Repair & Maintenance due to needed repairs on one of the department vehicles.

The Commission asked about the \$12,000 in Overtime with Mr. Gierok explaining they are seven months into the current budget and the department is only at \$4,800 so they have reduced next year's request to \$10,000. He explained that staff is called out for events and hurricanes.

Mr. Gierok then reviewed the Building Maintenance budget including the American Legion demolition.

The Commission asked where the maintenance is located for all the City's buildings with Mr. Gierok noting line item 30-46 - Repairs & Maintenance for most of the smaller costs. He stated larger repairs may be budgeted under Capital Outlay. He explained how he projects out major costs over a ten-year period for costs such as air conditioning units and roofs. He commented on how the various roofs were patched in the past and the need for replacement.

The Commission asked about the \$1,440 under Communication Services with Mr. Gierok indicating that is for cell phones and replacement insurance.

Mr. Gierok then reviewed the Cemetery budget noting that Dean Strickland has retired with Wyatt Lewis filling in temporarily as Sexton but he will also be retiring at the end of the year. He indicated they have moved a Public Works employee temporarily into the cemetery. He expressed concern regarding the City's ability to find someone with sexton experience or the need to provide the City's employee with appropriate training. He cited the reduction in Utilities down to \$2,500. He explained the increase in Operating Supplies is due to increased cost in fuel. He reviewed what is included in the Employee Study Expense due to trying to get the new personnel fully trained.

Mr. Gierok cited the \$10,000 budgeted under Road Materials to resurface the cemetery road. He then reviewed the Park Maintenance budget noting there are no personnel changes only the increases for insurance and salary increase. He then reviewed what is included in Other Contractual Services noting the outsourcing of tree maintenance due to the inherent danger to the employees. He added that \$60,000 is for the landscape maintenance outsourcing. He cited the various port-o-lets included. He then explained the increases to Utility Services and Repair and Maintenance. He noted the high cost for playground mulch and explained they have a contract for regular maintenance of the boardwalk.

The Commission asked about the seawall repair with Mr. Gierok indicating staff is monitoring it to make sure it is not getting significantly worse. He stated a ballpark estimate was \$600,000 to \$700,000. He then explained the \$125,000

included for the Lakewalk floating dock repair which has been moved to the CRA budget. He then reviewed the detail under Operating Supplies noting the 12x16 shed can be removed due to it already being purchased. He cited the increased amount for pressure washing of buildings.

Custodial Services

Mr. Gierok reviewed the Custodial Services budget. He explained they were able to purchase sanitizing equipment through the CARES Act monies and were able to reduce the disinfecting costs for Covid by being able to use a different disinfectant.

Mayor Holland thanked Mr. Gierok and his crew for all they do.

Parks & Recreation

Mr. Neibert explained the increase in the overall Parks & Recreation budget to \$1.4 million due to requests by the Commission for additional services.

Craig Dolan, Parks & Recreation Director, explained they are requesting additional personnel bringing total staff to 19. He cited requests for landscaping for the community center, new recreation software that will allow residents to make online payments and reservations; two new part-time and one new full-time position for the pool; and \$1500 to replace the lobby window to make it more secure.

The Commission asked about the increase in Promotional Activities with Mr. Dolan explaining his desire to purchase items such as banners and giveaway items to improve their branding and marketing.

Mr. Dolan then reviewed the Facility Rental budget noting their request for additional personnel due to the number of facility rentals. He cited the \$20,000 under Professional Services for new landscaping for the Community Building. He explained the increase in Communication Services due to increased costs in WIFI which is available in all of their buildings.

Discussion was held regarding the future of the Community Building and how to promote rental of the buildings during the week. Mr. Dolan commented on the existing rental fees and noted the City's fees are the lowest for what they offer. He indicated they are working on a new fee schedule to include charging for overtime.

Mr. Dolan reviewed the Repair & Maintenance line item noting the cost reduction. He stated some of the bathrooms now have automatic locks so staff doesn't have to go around locking them and they are planning to add more. He cited the increase in Operating Supplies and provided a breakdown. He reviewed Vehicle Repair & Maintenance noting the age of most of their vehicles. He stated the Capital Outlay line item includes new equipment for the

fitness center, restroom automation and 400 new chairs for the community building.

Discussion was held regarding possibly renting various fields and parks, those that are available first come first serve and fees that could be charged.

Mr. Dolan reviewed the Program budget citing the increase in Other Salary & Wages due to the need for additional staff. He reviewed the anticipated additional staff positions both part-time and temporary. He indicated that the sports officials would be recouped from the league fees. He then reviewed Other Contractual Services noting that for any special instructors there is a 70/30 split with the City receiving 30% of the fees to reimburse the City for the cost of hosting the class. He commented on plans to add more races and other programming.

Mr. Dolan then reviewed the increase to Repair & Maintenance and Operating Supplies. He commented on the plan to host an Adult and Seniors Prom. He stated they are also adding funding for movie licensing so they can show movies in the park and for bounce house rentals. He stated funding is under Machinery & Equipment for air conditioning units for Carver Park and in the Capital Improvement Plan for playground equipment for Selleen Park.

Mr. Dolan then reviewed the Aquatics budget citing the increase in staff for an Aquatics Program Coordinator. He stated that would only be needed if they go year-round.

Mr. Neibert reported it would cost approximately \$160,000 to go year-round with the heater and the cover to be purchased out of the capital fund. He said the increase to the Parks & Recreation budget is for operating supplies for year-round.

Discussion was held regarding which other area pools are also open year-round with Mr. Dolan stating there would be an additional increase of \$50,000 for part-time staff.

Discussion was held regarding rental of the pool with Mr. Dolan explaining it is only available for birthday parties. He commented on the difficulty in having staff available for those. Mr. Neibert noted it becomes less viable if the City goes to year-round operation.

Mr. Dolan then commented on, if they bring in outside swim instructors, they would receive a cut of the proceeds. He stated Utility Services was also increased in anticipation of year-round operation. He then reviewed anticipated increases to Repair & Maintenance. He commented on required maintenance for the splash pad. He then reviewed the requests under Machinery & Equipment noting the need for new starting blocks at \$12,000. However, those are currently only used by the high school. He indicated the possibility of getting the high school to pay half of the cost.

Mr. Neibert noted that the \$10,000 for the Pool Blanket has been moved into capital and will be paired with the pool heater for bidding.

Discussion was held regarding the purchase of the starting blocks with Mr. Dolan commenting on the possibility of getting a swim club started and possibly a master's club. He stated he would just cover the new blocks and leave them up year-round.

The Commission asked about getting a sign installed directing people to the aquatic center with Mr. Gierok indicating he could ask DOT for permission.

Mr. Dolan noted they have a banner that was up but had to be taken down due to the impending storm.

Non-Departmental

Mr. Neibert reported on the Non-Departmental budget noting the various interdepartmental transfers including \$795,000 from General Fund to the Street Improvement Fund in order to maintain the street improvement program as well as \$481,000 to the CRA and \$5,000 to the Greenwood Cemetery Fund. He confirmed that the Neuter/Spay Program could be eliminated with Commissioner LeHeup-Smith noting that the County is now charging only \$10 to spay or neuter a cat along with shots and ear-tipping which is much less than what her organization had to charge.

Mr. Neibert noted the budgeting of \$75,000 under Termination Pay due to payouts to employees separating from City service. He also noted the \$96,100 for Lump Sum Retiree payouts. He cited the \$30,000 budgeted for the organizational grants. He then summarized that based on the workshops they have reduced the budget by \$24,000 from the General Fund budget for omission of the advertising at the airports, computer for Development Services, \$4500 for the shed, \$10,000 for the blanket and \$5,000 for the spay program. They then added in \$15,000 for the See-Click-Fix for a net reduction of \$9,000. He stated they are now anticipating a General Fund surplus \$453,000.

Mr. Neibert explained that, at the next regular Commission meeting, staff will be presenting the CIP Plan and initiating the millage rate process. He stated staff is proposing a rate of \$7.581 which is the maximum the Commission could levy. He stated a half point reduction equals approximately \$300,000. He explained if the Commission wanted to reduce the millage by a half point it would reduce the surplus to \$180,000 and maintain the budget as presented.

Mr. Sheppard announced that the estimated roll-back rate would be 7.4146 with Mr. Neibert indicating that rate would result in a deficit of approximately \$400,000. He added that the problem with lowering the millage rate is the difficulty in increasing it later on when needs increase.

Mr. Sheppard indicated staff would calculate the effective millage rate once they see what other cities have done with their interfund transfers and fees.

Discussion was held regarding whether and how much to reduce the millage rate.

Commissioner LeHeup-Smith commented on how much the City is able to accomplish with what it has but everyone has talked about needing more staff. She commented on the possibility of increasing the millage rate and how that might help accomplish more.

Commissioner Hawkins confirmed the current rate would result in a surplus of \$450,000 and keep the budget as presented except for the three additional firefighters.

Mr. Neibert commented that the City has the third lowest per capita taxable value and the City was surpassed this year by Groveland in total taxable value. He stated that is a reflection of the City's ability to promote growth and increase that taxable value.

The Commission asked staff to bring back what would be the maximum millage rate, what would a half point increase result in and the current rate.

Mr. Neibert explained that after the next Commission meeting the formal legal process begins for the millage rate so a final decision on the millage rate would need to be made at the next meeting.

Mr. Neibert confirmed the City could keep the current millage rate, implement all of the programs presented and add three firefighters without changing the millage rate.

The Commission asked to have what all will be implemented with the millage during a regular Commission meeting.

Mr. Neibert stated staff will provide the numbers based on 7.581 including the three additional firefighters as well as the additional half point (8.051 rate) and show what the additional revenues would be.

The Commission asked about whether there needs to additional police personnel with Mr. Neibert indicating the Police Chief is comfortable with current staffing levels.

Mr. Neibert then reported on the fire union negotiations held that day noting that the City's proposal was not well received. He stated the fire union countered with wages of 6%, 5% and 5% versus the City's proposal of 3%, 3% and 3%.

Mr. Neibert indicated that, if they decide to go with the half point increase, they will need to identify what they want to do with the additional funds. He commented on the possibility of using the funds to hire three additional firefighters. He stated if they raise the millage rate to 8.051 that would result in a surplus of \$740,000. If they use \$500,000 for the staffing needed to put the rescue truck back on the road, that would leave a surplus of \$240,000.

Mr. Neibert then asked if they wanted to have another workshop to review the Water & Sewer Fund noting that it would have no impact on the General Fund unless they want to increase the transfer.

Discussion was held regarding when to hold the next workshop.

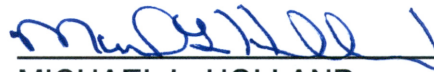
It was a consensus to meet Wednesday, July 14th, at 4 p.m. and for it to include discussion regarding the millage rate.

2. ADJOURNMENT: 6:42 P.M.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*



CHRISTINE HALLORAN
City Clerk



MICHAEL L. HOLLAND
Mayor/Commissioner