



MINUTES

City Commission Budget Workshop

6:30 PM – Monday, July 08, 2024 – City Hall

CALL TO ORDER: 6:31 P.M.

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

PRESENT: Commissioner Gary Ashcraft, Commissioner Willie Hawkins, Vice Mayor Emily Lee and Mayor Michael Holland

1. WORKSHOP ITEM WITH DISCUSSION AND DIRECTION

1.1 Finance Overview Presentation

Tom Carrino, City Manager, stated that the Finance Director would provide an overview and then they would move to details about the different departments.

Lori Carr, Finance Director, presented an overview of the FY 2024-2025 Budget noting that many of the figures would be changing. She stated the draft budget includes a 5% COLA increase plus a \$1,000 bonus per employee. She indicated that, including the salary increase, the City has an excess of \$180,000 in the General Fund. She then noted that the City has received the July 1st property tax figures; however, they have not received any of the state figures which are subject to change.

Mr. Carrino indicated the copy of the draft budget provided to the Commissioners does not include the 5% increase and \$1,000 bonus. However, that is Administration's recommendation for the salary increases and does leave a \$180,000 excess in the General Fund but that does not include collective bargaining. He explained that staff would track anything that the Commission increases or decreases.

Ms. Carr added that the balance does include the same increase for the collective bargaining units so everyone is treated equally.

Mr. Carrino indicated that the draft budget also includes the 5% plus \$1,000 for the Commission as well. He noted that the previous year the Commission accepted the 5% but did not accept the \$1,000 flat for themselves.

Ms. Carr reviewed the General Fund highlights as follows: 1) The estimated revenue over expenditures is \$180,000; 2) The 11.02% increase in property tax revenue is estimated to be \$1,084,424; 3) New construction revenue is estimated to be \$171,243; 4) The current millage rate is \$7.581 per \$1,000 taxable value; 5) The School Board will pay approximately 83% of five School Resource Officers. The budget includes estimated revenue of \$302,406, with salaries budgeted at 100%; 6) Health Insurance will increase by 12.9%, from \$12,190 to \$13,762 (\$1,572/pp) and Property and Casualty insurance is currently budgeted to increase by 15%; however, the final figure will not be known until August or September; 7) Police Pension increased 0.77%, from 47.74% to 48.51% ; 8) Fire Pension decreased by 1.30%, from 33.50% to 32.20%. She noted that they have included many Federally mandated IT Cybersecurity programs.

Ms. Carr then reported that the City's property values increased 11.02%. She reviewed the 2024 General Fund revenue estimates and explained the formula used. She

indicated that the Florida Department of Revenue will provide the state revenue estimates in late July or August for the following items: Communications Service Tax, Local Discretionary Sales Tax (Penny Sales Tax), Local Government Half-Cent Sales Tax, Local Option Fuel Tax and Municipal Revenue Sharing Program. She stated that the Property Appraiser would provide the updated assessed value in August and the millage rate chosen will be applied to that total value.

Ms. Karr then reviewed the General Fund expenditure requests as follows: 1) General Government \$6,000,000; 2) Public Safety - \$11,200,000; 3) Public Works - \$1,600,000; 4) Parks and Recreation - \$3,200,000; and 5) Nondepartmental - \$3,200,000 for a total of \$25,642,124.

Ms. Karr reviewed the General Fund staffing highlights as follows: 1) Proposed COLA increase of 5% plus a flat bonus of \$1,000; 2) New positions to include the Deputy City Manager, Network Administrator, Buyer (existing position being moved from Water/Sewer), three Maintenance Workers in Parks, Aquatics Deputy and Deputy Finance Director (PT).

1.2 City Commission

Mr. Carrino explained that the departmental budgets would not drill down into salaries and benefits. He explained what is in the packets provided to the Commission does not include the proposed increase but reflects the current year's salary data. He noted that a shade meeting is scheduled for July 18th to discuss collective bargaining. He then reviewed the City Commission budget. He noted that the previous year the Commission declined the additional \$1,000 bonus and reallocated it for discretionary grants. He stated that he has upped that amount to \$1,500 per Commissioner; however, the draft budget does include the \$1,000 for each Commissioner.

The Commission discussed adding the \$1,000 flat amount to the Commission's discretionary grants. It was a consensus to add the \$1,000 to the discretionary Commission funds for a total of \$2,500 per Commissioner.

Discussion was held regarding health insurance for Commissioners with Bill Howe, Finance Director, explaining that due to the HIPAA laws he cannot reveal who has the City insurance. He did confirm that there is only one Commissioner currently taking the City insurance.

Ms. Karr explained that the current year requested includes any internal transfers done throughout the year.

Discussion was held regarding the Commission Travel and Per Diem with Mr. Carrino explaining he added funding for America in Bloom and the Lake Community Service Awards. He indicated he also increased some of the other items slightly due to some increased expenses.

Mr. Carrino then commented on Promotional Activities noting that the Commission's \$5,000 discretionary spending was initially budgeted there; however, it has been moved to the appropriate account. He noted that account has been increased somewhat due to increased costs for various recognition activities. He noted the increase in Other Current Charges to cover funeral arrangements. He indicated Books, Publications and Subscriptions was increased for Florida League of Cities dues and miscellaneous subscriptions and seminars. He explained the Other Grants and Aids was initially increased to \$1,500 per Commissioner but would be increased to \$12,500 to allow \$2,500 per Commissioner based on the Commission's direction.

1.3 City Attorney

The City Attorney budget was not presented at that time.

1.4 City Manager

Mr. Carrino explained there were increases to a number of City Manager line items due to the addition of the Assistant City Manager position. He noted a \$50,000 decrease in Professional Services due to the strategic plan consultant being in the current budget but not the new year. He reviewed Other Contractual Services and cited the addition of \$50,000 for the feasibility study for the North Lake Trail. He confirmed that all of the partners would need to contribute to the study with the funding division to be determined.

Discussion was held regarding how the \$50,000 figure for the feasibility study was determined. Mr. Carrino explained there is an interlocal agreement for development of the trail. He then reviewed the other expenses included in Travel & Per Diem and other minor increases.

The Commission asked about the Administrative Assistant and whether that position will be looked at due to the additional responsibilities with Mr. Carrino confirming that would be done.

1.5 City Clerk

Christine Halloran, City Clerk, reviewed the changes to the City Clerk budget. She explained her desire to bundle various systems together to improve efficiency. She stated that MuniCode had recently required Archive Social and they are moving the social media archiving to that platform. She explained the desire to establish a training program for records management with the intent to do the training every two years. She announced the initial training will be held on August 20th.

Discussion was held regarding the Deputy City Clerk and the possibility of upgrading the position to full time in the future.

Ms. Halloran reviewed the slight increase in the Digital Audio Recorder. She commented on anticipated changes to the City Code of Ordinances. She explained how Municipal Code has changed their pricing to a subscription based fee and her anticipation that will assist the City in maintaining costs. She explained the increase in the AV equipment maintenance due to changing the maintenance provider. She commented on upcoming repairs to the recording system.

Ms. Halloran explained the addition of a scanning line item. She confirmed that the company doing the scanning would most likely be returning the scanned items so staff can do quality control. She indicated that, if the quality control goes well, then it is possible down the road staff may have them destroy the records rather than returning them which will reduce future costs.

Discussion was held regarding whether or not there would be any grant opportunities for the scanning.

Ms. Halloran commented on the Employee Study Expense and upcoming training meetings that are to be held in Florida.

1.6 Economic Development

Al Latimer, Economic Development Director, cited his increase in staff members from two to four which resulted in increases to a number of the line items. He cited the increase under Professional Services including an upgrade to the City's website and the purchase of a new software program for the management of the City's grants database.

The Commission questioned the pay increase for the Grant Writer with Mr. Latimer explaining that was included incorrectly. He stated they are going through the process with HR to have the position reevaluated based on the point factors.

The Commission asked how many grants have been received with Mr. Latimer responding they have received ten grants with total grant awards of \$565,000 over the past two years.

The Commission questioned the amount of overtime requested and why the overtime should be required.

Mr. Latimer explained the requirements for staff to attend events that may be after regular work hours and cited the amount of flex time that might be accrued. He stated they are trying to balance flex time and overtime to make sure all activities are covered.

Vice Mayor Lee expressed concern regarding the overtime stating that their jobs are to cover activities and their work days should be built around that with Mr. Latimer responding that their work plan covers a tremendous amount of activities. He provided an overview of their responsibilities and how they provide support to other departments as well.

Mr. Carrino commented on how the City is required to handle salaried employees versus hourly employees. He explained two of the positions are hourly while two positions are salary.

The Commission asked about the touch source kiosks with Mr. Carrino confirming those will be going away so those will be removed from the budget.

The Commission asked about the website annual fee with Mr. Latimer responding the City has not been paying a hosting fee previously. Al Latimer clarified that the City does currently pay an annual hosting fee, so there will be little to no change in the annual costs when the city goes to the new website.

Discussion was held regarding SeeClickFix with the Commission expressing concern that the Police Department's app may be a duplication of services with Mr. Carrino explaining that the EPD app can't be used for the public to input a problem.

Police Chief Craig Capri indicated that he only receives about 25 complaints through SeeClickFix each year.

Discussion was held regarding how much SeeClickFix is utilized and whether or not the City could use something more like the EPD app.

Mr. Carrino indicated that the City receives 25 to 30 reports through SeeClickFix per month.

Discussion was held regarding the City developing its own app and possibly saving money.

The Commission expressed concern regarding the cost for SeeClickFix with Mr. Carrino noting that the EPD app does not provide the ability for the public to report issues to the City only for the EPD to send out information.

Discussion was held regarding the need to get more information out to the public about City services and events with Mr. Carrino indicating staff could investigate what could be done with an app.

Ms. Halloran noted that St. Petersburg has a SeeClickFix mobile app and suggested that there may be more functionality with SeeClickFix that the City is not taking advantage of.

The Commission questioned what upgrades are being planned for the website with Mr. Latimer stating the City would be getting an entire new look to the website and more functionality. He provided examples of the types of functionality.

Mr. Carrino further explained that the company the City uses was recently taken over by another company and, since then, the customer service and tech support have been terrible.

It was confirmed that all of the kiosks mentioned in the budget would be removed.

The Commission asked about \$2,000 budgeted for business cards with Mr. Latimer stating that they print cards for other City employees as well as new hires.

Discussion was held regarding the cost for printing business cards with Mr. Latimer indicating he could reduce that cost to just cover his employees.

Mr. Carrino noted that the Printing & Binding also covers report and presentation binding with Mr. Latimer indicating that line item doesn't actually cover the business cards just printing and binding costs for presentations and producing reports. He stated that the business cards should be removed.

The Commission questioned the budgeting for a Chamber breakfast sponsorship noting that was already budgeted under City Manager. Mr. Carrino noted that in some years the City has sponsored a second breakfast in addition to the January State of the City breakfast.

The Commission expressed concern regarding the amount of funding budgeted for Chamber breakfast sponsorships among the various departments. It was a consensus for the City to look at the number of breakfasts being sponsored overall.

The Commission expressed concern regarding the cost for City Commission head shots with Mr. Carrino commenting on the cost of getting professional photos taken. He indicated he would look at reducing that cost.

Discussion was held regarding what is included under the "website professional photos" with Mr. Carrino explaining they hire a professional photographer to take photos around town for use on the website. The Commission questioned why the Public Relations staff doesn't take the photos with Mr. Carrino citing the need for upgraded equipment.

Kay Yaccarino, Public Relations Manager, explained their desire to utilize drone shots and videos and it would be more efficient to have a professional do those for the website rather than staff.

The Commission questioned the reason for the Lake County Fair ad listed in the draft budget. It was noted that both Events and Tourism and Economic Development had budgeted for ads. The Commission directed that the ad under Economic Development be removed.

The Commission then asked about the Business Incubator marketing with Mr. Latimer explaining that there is a marketing plan developed in cooperation with Lake County based on the feasibility study. He stated that the County is willing to invest some funds in marketing; however, their expectation is for all three partners to contribute. Those partners being Lake County, the City and Lake Properties.

The Commission questioned what the cost would be and noted that the City had already provided funding for establishment of the incubator.

Mr. Latimer cited the need for some of the marketing to be targeted to specific audiences and then doing analysis of how far people will come and conducting social media outreach. He indicated that UCF's name is their primary contribution to marketing. They have been asked if they could participate financially and a solid answer has not been received.

The Commission asked how much funding is given to the incubator each year with Mr. Carrino responding they receive a total of \$200,000 with \$50,000 coming from the City.

The Commission questioned whether or not marketing and outreach was included in the initial plan presented by UCF with Mr. Latimer responding affirmatively.

Discussion was held regarding the marketing and other funding with Mr. Carrino explaining they receive \$150,000 from Lake County and \$50,000 from the City for entrepreneurial development programming and services. The \$5,000 in the draft budget is for marketing of the local incubator. He noted that the Commission would hear a presentation in September from the incubator about general progress and then they would also provide a presentation to the County Commission.

The Commission asked about the "proposed new buy local cash/grant program" with Mr. Latimer explaining the program is to encourage new business by offering a 2% rebate to a new business interested in locating in Eustis, that will hire five or more fulltime employees and that purchases \$50,000 or more in equipment from a business in Eustis. If the business graduates from the incubator, this could be a motivator for staying in Eustis. He indicated that the program would only be open for a limited period and stated that the details are still in development.

The Commission asked what is "critical mention" listed under Books, Publications and Subscriptions with Mr. Carrino explaining that it is a notification service that alerts the City when it has a significant mention in a news article.

Further discussion was held regarding the "buy local" program including the need for the City to buy locally where possible. Mr. Carrino stated that the City does not have a local preference policy. He explained that some cities have a policy of giving preference to a local business if they are no more than 5% more than the lowest bidder. He noted that sometimes when the City does a request for qualifications or request for proposal the City may award some points for knowledge of the City. He indicated the City could consider enacting that policy. He explained it wouldn't save the City money but might help stimulate the local economy.

Mr. Latimer reported that LEAD (Lake Area Economic Development) is beginning to get traction. He noted they had some turnover in business attraction, however, the position has been filled. He added that he and Mr. Carrino would be traveling to Ocala to meet with them. He expressed his opinion that the collaboration is beginning to get started in earnest.

1.7 Events

Mayor Holland complimented Miranda Muir, Events and Tourism Manager, for the Hometown Celebration event held on Friday, July 5th with Ms. Muir indicating that the placar numbers showed there 9,700 attendees not including children or others without cell phones.

Ms. Muir reviewed the Events budget citing the entertainment costs and specific increases. She commented on the need to balance overtime versus comp. time. She explained that overtime is budgeted under both Events and the Clifford House for the new year. She cited the increased entertainment costs especially for Georgefest.

The Commission suggested helping fund other events such as the bike event. Ms. Muir and Mr. Carrino recommended being cautious about financial support of events beyond in-kind services.

Discussion was held regarding the City sponsoring the Blue motorcycle event with Ms. Muir indicating she receives requests for funding for people's events on a daily or weekly basis. She stated that she has responded to everyone that she can provide some in-kind assistance but not cash.

Discussion was held regarding holding the boat races the weekend after the Blue event and allowing them to utilize Ferran Park or the downtown for their event. It was a consensus for staff to work with Blue on their event and to schedule the Blue event and boat races on separate weekends.

Discussion was held regarding plans for Georgefest and the costs for quality entertainment. Ms. Muir continued reviewing the line item increases. It was agreed they could remove the Chamber breakfast funding. She explained the cost for the Miss Florida orientation/competition and what that includes.

Ms. Muir explained the budget for the Christmas lighting and indicated she is working on getting a new quote. She commented on the new pole banners so that all of the decorations are coordinated with the blue and silver.

Discussion was held regarding the downtown tree lighting and how long they should be left up. It was noted that some banners were dangling during the last Christmas season with Ms. Muir adding that she has budgeted to replace of some of the banner brackets.

The Commission asked about holiday trees stolen from the bandshell last year with Mr. Carrino reporting that cameras for Ferran Park are in the budget for FY24-25.

The Commission and Ms. Muir noted there is graffiti on the bandshell. She noted additional decorations recently stolen. She expressed support to be able to leave up some of the decorations.

Police Chief Craig Capri stated that cameras for Ferran Park and Sunset Park are already in the works.

Ms. Muir noted they had also discussed placing trackers on the trees. It was confirmed that the plan is to have cameras in all of the City parks. She also confirmed that the new sound system should be in place before Fall Fest. She explained what is being done to improve the sound system.

The Commission expressed support for adding exterior cameras to the Clifford House. Discussion was held regarding issues with homeless people trying to sleep around the house and how the Police Department is trying to assist them.

The Commission asked about the event planning software with Ms. Muir explaining they have converted from paper applications to online and how it has attracted new vendors.

The Commission asked about the new electronic sign with Ms. Muir indicating the one will be installed at City Hall soon and it is the same type that will be installed at Ferran Park. She commented on the benefits to the new signs.

The Commission asked about a golf cart to be used for events with Ms. Muir indicating that the requisition is being submitted for purchase of the golf cart within the current budget year.

The Commission asked about the funds budgeted for the Amazing Race with Ms. Muir explaining it is budgeted in a number of accounts at the same level as Tim Totten used with some being slightly increased. The Commission questioned if the City would be able to provide more grants with Ms. Muir responding that they left the anticipated revenues at the same level.

Mr. Carrino explained that staff has budgeted \$30,000 for the organizational grants; however, the process will be different. He indicated that all organizational grants will go through Amazing Race. He added that organizations will apply to be part of the Amazing Race and, in order to qualify for funding, they will be required to work an obstacle as part of the race.

The Commission expressed concern regarding the process. Discussion was held regarding whether or not any organizations may be left out and how the Amazing Race organizers were previously able to get sponsorships towards the event. It was agreed that it could be discussed at a later date.

Ms. Muir commented on their work on the Clifford House and ideas for use of the museum and facility and funding to allow staff to look at other facilities to get ideas. She commented on their work on the second floor and how much professional work will be needed on that. She confirmed that is included in the budget. She also confirmed that the budget includes climate controlled storage for the more valuable items. She commented on how that will be used to help rotate the exhibits.

Discussion was held regarding whether or not it would be more feasible for the City to construct its own climate controlled storage.

1.8 Library

Ann Ivey, Library Director, reviewed the budget and noted their generator issues. She reported they are pressure washing the entire building four times a year. She indicated that some additional staff is not currently included in the budget. She noted they will be painting the building in the next year with a darker color that will hopefully assist with the mosquito problem.

Ms. Ivey reviewed the various line item increases and decreases. She noted they have cancelled newspaper subscriptions as they are no longer delivering hard copies. She reported they will be replacing the benches in front of the building with some resin ones that will hold up better.

The Commission asked about the relationship with the Lake County system with Ms. Ivey responding they will be receiving \$120,000 primarily due to the City's circulation. She stated they are transferring 1700 books per month to other system libraries. She noted the County is trying to cut costs. She indicated that she is paying more for the City's e-book collection due to the reductions by the County.

Ms. Ivey noted they are redesigning their website.

The Commission asked about expanding the library with Ms. Ivey responding that the City was awarded a \$30,000 grant by the County to get an architectural plan completed. Once those funds are received, they will proceed with getting the plans drawn. She noted that \$60,000 was budgeted since they were not sure about getting the grant.

Other Business

Mr. Carrino noted that all of the workshops were previously scheduled for 6:30; however, Commissioner Ashcraft has indicated that he would be able to meet earlier on Thursday. It was a consensus to reschedule the Thursday workshop for 5:00 p.m. It was also agreed to move Public Works to Thursday and move around some of the other departments as well.

Mr. Carrino announced that Recreation, Fire, Human Resources and Development Services would be reviewed on Tuesday with the Police Department last. Wednesday they would cover Finance including Customer Service, Meter Reading, IT and Purchasing. That would leave Public Works for Thursday.

Mayor Holland noted that dinner would be at 5:30 on Wednesday and the new Deputy City Manager Miranda Burrows would be present.

Ms. Halloran confirmed she would republish the agendas with the changes and repost them on the City bulletin boards.

2. ADJOURNMENT: 8:59 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