



MINUTES

City Commission Budget Workshop

5:30 PM – Thursday, July 13, 2023 – City Hall

CALL TO ORDER: 5:31 P.M.

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

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

1. WORKSHOP ITEM WITH DISCUSSION, PUBLIC INPUT AND DIRECTION

1.1 Human Resources: Pay and Classification Practices

Bill Howe, Human Resources Director, reviewed the City's pay classification schedule and explained the City's process for assignment of positions to pay ranges. He also explained the issue of internal pay equity versus external pay equity. He provided to the Commissioners copies of the study performed by Cody and Associates and a position description questionnaire that was completed by each employee. He explained that from 2008 to 2013 there were no pay raises. The City went ten years without increasing the minimum pay range for the exempt employees. He indicated that has been fixed and the last five years the City has been moving those up.

Mr. Howe then reviewed the planned pay raises of surrounding cities for the next fiscal year as follows: Clermont - 4% across the board; Tavares - 6%, Mount Dora - 3% and Leesburg 5%. He stated that the City has proposed a 3% across the board plus an additional 1% for \$1,000. He indicated that for an employee making at least \$50,000, the \$1,000 equals another 2% for a total 5% increase. For an employee that makes less than \$50,000, it will equal more than 5%. He stated that the City continues to make progress in improving the pay schedule.

The Commission asked when the last pay study was done by Cody and Associates with Mr. Howe responding it was done in 2017. He explained they continue to use them. He indicated that whenever they create a new position or a position description changes, they send the data to Cody & Associates to determine the appropriate classification. He reported that he would have the classifications for the Public Relations Manager and Communications Specialist by the next day. He emphasized that when setting a pay range they have to insure they are based on the point factors or they could be exposed to litigation as the decisions being discriminatory. He further explained how the point factors are determined.

The Commission questioned how the City can compete with other cities to hire quality employees with Mr. Howe commenting on the other qualities the City has for employees including work environment and benefits.

The Commission questioned whether or not the City conducts exit interviews with Mr. Howe indicating they are voluntary. He acknowledged that pay was often cited as a reason but so were other reasons such as location and commute time.

The Commission commented on the effect of growth of the City, unfunded mandates and minimum wage changes which were enacted after the study.

Mr. Howe added that Cody and Associates looked only at internal equity and did not look at external pay for the study.

Tom Carrino, City Manager, stated Cody and Associates did not consider minimum wage at the time of the study. He stated that, for the past four or five years whenever the City has provided pay increases, they have also increased the ranges in order to address some of the external pay equity.

The Commission discussed how to address dealing with employee pay in relation to growth of the City, including the ability to sustain any increases.

Mr. Howe noted struggles to find the right applicants for the City and expressed confidence in finding the best applicant for the positions. He commented on the upcoming strategic planning process delving into the issue in an effort to recruit and retain quality staff for the City. He explained the City's progress in improving its pay ranges.

Discussion was held regarding how the City lost a number of staff in the past due to the economy and how the City has worked to recover. Discussion was held regarding the difficult decisions the Commission must make in how to spend the City's funds and the progress made since the Cody and Associates study.

Discussion was held regarding the possibility of initiating a new study and re-evaluating future growth and the economy to prepare for the future.

Mr. Howe stated that external equity has not been evaluated by a pay or compensation study for comparison purposes. He explained that type of study would examine other cities. He indicated that to recruit and maintain the City should have a competitive rate. He added that an external study may cost \$25,000 to \$30,000.

Discussion was held regarding examining those positions that may be turning over in the near future and planning for those.

Mr. Carrino commented on the option of a merit based system and highlighted the challenges with different supervisory styles and differing evaluations.

Further discussion was held regarding evaluations and pay for new employees with Mr. Howe expressing support for the City's positions providing an opportunity for employees to grow and receive additional compensation. He expressed opposition to utilizing recruitment bonuses.

The Commission discussed how the City has grown and how it is changing from a small town to a larger City. They also discussed how to build the city and retain employees and while continuing to move forward. Comments were also made on how much more the City's employees are required to do compared to other cities.

Mr. Howe reminded the Commission the City Manager's performance review is due in August. He noted they had met individually with Mr. Carrino and reviewed the next steps. He asked for direction regarding whether to continue to use the form and provide a review at a public meeting. He confirmed that the reviews would not have to be available online but they would be a public record.

Mayor Holland suggested they continue to use the current form and they also set up private one on one meetings between the Commissioners and City Manager.

Discussion was held regarding what would be a public record with Mr. Howe indicating that anything reduced to writing would be a public record but would not have to be placed on the website.

CONSENSUS: It was a consensus of the Commission to utilize the evaluation form to be submitted by the end of August, if they choose to, and to schedule the individual meetings.

1.2 Police Department

Police Chief Craig Capri commented on the great work being done by the Eustis Police Department staff. He explained how the organization structure has been modified. He stated the department is now at full staff with a waiting list of potential employees interested in working for the City. He cited the importance of the team approach and providing a positive work environment. He expressed support for the City's pay scale being in line with the Sheriff's Department.

Chief Capri reported they are outsourcing some duties, such as accreditation, to reduce costs. He commented on the department's recent accreditation and how well they rated. He further commented on the decreased crime statistics and indicated they are leveraging technology and building relationships in the community to engage the public. He stated that Eustis is the first agency in Lake County to be a part of the Real Time Crime Center to analyze crime in real time to save lives. He indicated they had hired a liaison to work with the Sheriff's Department.

Chief Capri announced the City would be moving to the County's dispatch system in April of 2024 in an effort to reduce expenses and realize some savings in 2023-2024 and in future fiscal years. He explained the County would be absorbing the City's dispatch personnel and they would also receive a raise. He stated he had explained the situation to all of the affected personnel. He indicated that it will cost the City approximately \$329,000 per year for a savings of approximately \$500,000. He indicated they would need to initially purchase a piece of equipment for approximately \$70,000. He noted the County system offers a new CAD system called Premier One and there would be a data migration expense of approximately \$60,000. He stated future cost will be approximately \$329,000 per year based on population. He cited the various benefits to the City including the reduction in cost. He assured the Commission that he had informed the staff a year in advance.

Mayor Holland asked for Chief Capri to arrange for the Commissioners a tour of the dispatch center, command center and EOC.

Mr. Carrino indicated the changeover will require official action by the City Commission which will be forthcoming.

Chief Capri commented on the expected decrease in overtime expenses due to being fully staffed. He expressed interest in creating a motorcycle unit. He indicated it would cost \$3,500 per year for two motorcycles to be leased. He stated they have a grant to cover all of the other expenses and cited various uses including parades.

Chief Capri then commented on the City's growth rate and cited the future need for additional officers. He noted there is grant funding available for salaries for additional officers which the City would have to absorb after three years. He stated they would probably need to look into that after the next fiscal year.

Mr. Carrino confirmed it was the consensus of the Commission to add the motorcycle unit expense to the budget.

Chief Capri commented on the improvements to the department to change it from being a training ground for other agencies.

The Commission asked if the department will be increasing the police officer staffing at the schools with Chief Capri indicating they are adding two schools and hope to cover them all in the future. He cited the benefit to the Sheriff's Department and the City by the City taking that over.

The Commission asked about the development of the new police software application with Chief Capri responding they are utilizing seized drug money to initially fund it. He indicated that it is almost done and will cost approximately \$4,000 per year. He cited a variety of uses the residents will be able to do through the app.

Mr. Carrino commented staff has also discussed expanding the app to include the rest of the City; however, they don't want to do that until they have the Community Relations person on staff.

The Commission asked about any needs for Code Enforcement with Chief Capri reporting on recent collections of code enforcement fines. He confirmed that, at that time, they do not have a need for additional staffing. He stated it depends on how proactive the Commission wants them to be. He commented on how they have renovated the building to provide more space.

Discussion was held regarding whether or not additional Code Enforcement staff was needed. It was suggested they wait until dispatch is changed over and then to look at Code Enforcement.

The Commission asked about the City's relationship with the State Attorney's office with Chief Capri indicating they are good after some initial conflict.

Chief Capri expressed support for the Department having its own attorney that can be contacted in the middle of the night if there is an issue.

RECESS: 6:46 p.m. RECONVENE: 6:55 P.M.

1.3 Public Works

Rick Gierok, Public Works Director, presented the Public Works associated budgets. He stated they are adding five new positions with two being funded out of Water.

0014900 Maintenance Garage

Mr. Gierok stated the division is going up \$68,000. He explained that is due to Jeff Crider being promoted and the hiring of a new employee.

0014910 Building Maintenance

Mr. Gierok stated that division has gone up \$20,000. He reviewed the various increases and what is included in those line items including the following: Overtime, Repair & Maintenance and Operating Supplies.

The Commission asked about budgeting more for the Clifford Taylor House with Mr. Gierok indicating there is a significant amount of funding in the Capital Improvement Plan such as for the roof and siding.

Mr. Carrino noted that the draft budget does not include any funding for programs and operations at the Clifford Taylor House. He indicated staff would probably have to bring back a budget amendment to the Commission to provide funding for that.

The Commission noted there is an issue with the second floor restroom that will have to be addressed.

Mr. Gierok commented on the funding for Employee Study for training purposes. He then reviewed the Machinery & Equipment including the piece of equipment to allow staff to access the needed lights for the pool.

0014920 Cemetery

Mr. Gierok stated the Cemetery budget has been increased \$35,000. He indicated that \$10,000 is for the hedges to be planted to begin the delineation for the estate plots. He added there is also \$18,000 for a sprayer. He noted there is additional funding in Capital for the cemetery noting specifically the planned fountain.

0014930 Park Maintenance

Mr. Gierok indicated the division is going up \$17,000 and cited increases to Overtime, Training, Maintenance and Pool Licensing.

The Commission asked about the budgeting for Massey Services and noted the American Legion being included. They questioned if that is what the City was paying prior to destruction of the American Legion building.

Mr. Gierok indicated he would look into it and make sure it went down following the destruction of the building. He then commented on the need to train an additional employee on the pool maintenance. He reviewed the funding for Operating Supplies.

The Commission asked about Communications and whether each department negotiates for their cell phones.

Mike Sheppard, Finance Director, explained that Purchasing periodically looks at what's available. He noted that some departments need different cell service depending on locations.

The Commission noted the difference in cell phone costs between different departments and indicated they previously asked for the City to look at getting a proposal for Citywide service. They emphasized the need for a cost analysis.

Fire Chief Mike Swanson explained the need for the Fire Department to be with Verizon due to CAD service.

Mr. Carrino reported that the City has a company that is auditing several City operations. He explained they work with Duke Energy on the franchise fees and utility taxes to insure that Duke Energy is paying everything they are supposed to. They are also looking at the City's banking operations to determine if the City is getting the most out of its banking and investing. He stated that he believes they are also looking at the City's cell phone usage and whether or not the City is operating efficiently in that area.

The Commission questioned how they would do that with Mr. Sheppard indicating the City is providing copies of all the City cell phone invoices.

Mr. Carrino stated he believes they are looking at whether or not the City is getting the best deal with the company it is using.

The Commission expressed concern regarding the amount of reimbursements the City is paying for employees to utilize their personal phones and expressed support for staff members having a City cell phone and not doing any reimbursements.

Mr. Gierok and Jobey Jones, Public Works Superintendent, commented on the varying data usage, levels of service and options depending on position duties.

Mr. Carrino stated staff would work to consolidate and standardize cell phone plans and usage.

Mr. Gierok reviewed Operating Supplies and explained the Miscellaneous Cleanup Requests to pay for requests the department receives to do cleanups particularly as requested for County or State roads.

The Commission asked for a breakdown of what is included under Operating Supplies with Mr. Gierok responding it involves items such as weed-eaters, hand tools, shovels, etc.

0014940 Custodial

Mr. Gierok noted the addition of a new custodial position and a promotion to a lead position. He commented on the addition of \$1,000 for Overtime. He noted one of the custodial staff members was also used to drive the Parks & Rec van as well as to close up buildings for them which have been done under overtime.

0493700 Stormwater Management

Mr. Gierok indicated a decrease in Professional Services and cited the possible need for additional engineering services. He commented that flooding is one of their biggest problems resulting in phone calls.

Mr. Sheppard explained the Utilities items shown as Bad Debt.

The Commission asked about availability of a national database that would keep customers from signing up elsewhere in the country if they leave owing a bill.

Mr. Sheppard noted a previously used collections service was not very useful. He explained utility liens are presented to the Commission. He further explained how different types of liens are including in various budgets. He stated they can look into options for a database.

0493710 Street Sweeping and Drainage

Mr. Gierok cited increases for promotions in an effort to focus on higher level of support. He commented on an additional increase for Overtime to help out with events as needed. He cited a slight increase to Vehicle Maintenance due to the division having older vehicles.

0134100 Streets: Administration Public Works

The Commission asked about the street sweeping for Umatilla with Mr. Gierok explaining there has been a decrease due to lack of need for dirt roads. He indicated the Umatilla sweeping is done just once a month and Eustis streets are covered every five weeks. He commented on the option of not doing Umatilla streets.

Discussion was held regarding discontinuing the sweeping of the Umatilla streets.

Mr. Jones commented on the multi-tasking of street sweepers and their roles.

Mr. Carrino indicated that Umatilla stormwater requires them to do the street sweeping.

Mr. Gierok indicated he would review the contract and bring it back to the Commission. He also directed Mr. Jones to review when certain streets are swept.

0493720 Retrofit Projects

Mr. Gierok indicated those are capital projects that are budgeted out. He stated \$220,000 has been budgeted for culvert replacements and explained the need. He then cited funding for projects identified in the stormwater master plan.

0134100 Administration (Street Fund)

Mr. Sheppard explained this fund is funded through gas tax, General Fund and some transfers from the 49 Stormwater Fund. He cited the possibility the City will have to supplement this fund more in the coming year.

Mr. Gierok explained that Jobey Jones' salary is split between Storm and Streets so the rest of his raise is included in the account. He also cited a purchase for a new copier budgeted under Machinery and Equipment.

0134110 Public Land

Mr. Gierok cited two promotions. He noted an increase due to overtime for events. He stated Other Contractual went up \$2,000 due to asphalt for road repairs. He added \$20,000 is budgeted for Repairs and Maintenance and cited fencing needed for the David Walker site which has storage for millings, concrete crushing, etc. He noted the need to mitigate the issues due to residences to be constructed in the immediate area. He explained the purpose of the concrete crushing to be used for road base which reduces expenses for disposing of concrete as well as reducing the cost for purchasing base.

The Commission asked if concrete crushing could be done before homes are built on the nearby development site with Mr. Gierok indicating he could look at moving up the next scheduled crushing.

The Commission questioned whether or not the yard could be relocated with Mr. Gierok indicating he could look at that after they crush what is already on hand. He emphasized the need for the fence barrier.

0134120 Signage

Mr. Gierok noted the signs the department prepared for the Events Department. He indicated the need to transfer \$16,000 to that account due to the cost of utilizing the new printer. He emphasized the need to keep up with signage demands. He stated the City has prepared a full GIS database on all of the City's street signage. He commented on the funding to replace signs that have been identified as needing replacement due to reflectivity. He stated staff has gone through and reviewed all of the signs at night and now there are thousands of signs needing replacement. He said previously they only reacted to incidents and now they are being proactive. He indicated they are asking for more funding and more people. He stated the City is now fabricating all of the City's signs with the equipment purchased the previous year.

Mr. Gierok then reported on the increase in Other Contractual of \$5,000. He explained that the City gets reimbursed by the State of Florida for traffic signals but not for all of

it. He noted that Lake County maintains the traffic signals and the City pays some to the County for that. He explained how damage from accidents is processed.

Mr. Gierok then reported that Lake County is going to be maintaining the school zone signs that are being installed. He explained they will actually flash when it is a school zone and everything will be cloud based.

The Commission asked if they would be doing the school zone signs at the same time they redo the Orange Avenue school zone crosswalk with Mr. Gierok indicating he would contact them to find out.

Mr. Gierok stated that Utility Services went up \$15,000 due to additional lighting installed on SR 19 towards 452. He commented on how much better the lighting is. He cited the areas that the City pays for.

Commissioner Cobb indicated she took someone from Duke Energy on a field trip to see how dark the roads are and issues with some of the poles.

0134130 Street Maintenance and Construction

Mr. Gierok stated this division will have two promotions and commented on the increased responsibility for those positions. He noted the increase in Overtime specifically citing the increase to assist with events.

0134140 Mowing

Mr. Gierok again cited the increase in Overtime and in Jobey Jones' salary.

The Commission asked how much mowing time is spent in the parks with Mr. Jones providing an overview of the number of personnel and amount of time each park takes to mow.

The Commission questioned why the parks mowing is under Public Works instead of Parks and Recreation with Mr. Gierok explaining that was done approximately ten years ago and he wasn't sure about the reasoning. He noted that the personnel don't just mow the parks, they do other things as well.

Mr. Carrino explained the move helped to remove some of the duplication of services and equipment.

Discussion was held regarding moving the parks with the game fields back to Parks and Recreation to streamline some of the work.

Trees

Mr. Gierok noted there were no changes to the tree budget.

1.4 Other Business

Commissioner Ashcraft asked about the feasibility study for trails with Commissioner Cobb stating she previously asked the City to budget \$25,000 for that and then, after she became a Commissioner, she asked for another \$25,000. She emphasized that the City will need to budget funds for the PD&E study.

Mr. Carrino responded that he would look into that and stating that, at one point in a previous budget, there was \$25,000 budgeted.

Commissioner Hawkins asked about preparations for the Amazing Race after 2024.

Mr. Carrino responded that 2024 will still be run by Tim Totten and his group so the City will need to budget for 2025. He noted another staff member has been budgeted for Events and Tourism. He acknowledged that the City needs to have someone work with Tim Totten for the 2024 event and indicated that a decision has not yet been made regarding which staff member will be responsible for the Amazing Race.

Mayor Holland reported that he was contacted by Tim Totten the day before and he requested to begin the conversation. He indicated his idea that the event should be divided between Events and Tourism and Parks and Recreation. He suggested they might want to discuss it in a workshop.

Commissioner Ashcraft asked about the Car Show.

The Commission discussed exploring options for the Car Show expenses, sponsorship, and support for the event. It was suggested that the organizers need to do more to fund the event. The Commission expressed support for the show but reluctance to continue to provide funding to the extent it has been done. It was noted that there are no other outside events that the City supports financially like that. Questions were raised concerning how much money is raised by sponsorships versus how much is spent on the prizes.

Commissioner Ashcraft commented on his discussions with downtown merchants regarding the event. He stated that the majority of the merchants do not feel the event helps their business. He emphasized if they want to continue doing the event, they need to bear some of the costs.

Commissioner Hawkins asked if it would help if the City asked them to start later with the rest of the Commissioners indicating that has been requested but with no cooperation.

Craig Dolan, Parks and Recreation Director, commented that he does not see the participants in the local restaurants or stores. It was noted that the participants bring their own food and drinks in coolers.

Mr. Carrino asked if the Commission wants to tell the Car Show they cannot hold the event anymore or tell them the City will no longer financially support the event.

The Commission indicated the event is OK but the City will no longer financially support it.

Discussion was held regarding the possibility of them relocating to the fairgrounds or to Ferran Park with participants to be parked in the parking areas not on the grass. It was noted there are bathrooms available so port-o-lets won't be necessary. It was also noted the City could continue to do the posters. It was also noted they would need to pay for any police assistance.

Mr. Carrino confirmed that the next few months would be a transition time with them to be relocated to Ferran Park by October and there would be no further funding as of October except for the marketing. It was determined that Ferran Park Drive would also be utilized and would be closed to traffic.

Mr. Carrino noted he had provided an updated summary sheet and cited an increase to Revenues due to addition of the half cent sales tax bringing the Revenues over Expenses to \$794,000. He indicated staff would be updating based on discussion at that night's workshop. He asked they take with them the most recently updated

worksheets. He stated that every one percent in salary increases impacts the General Fund by \$130,000 and all funds by \$180,000. He indicated the other sheet provides an analysis of various tax rates. He stated that to go to the full rollback rate would impact the budget by \$800,000 but would only reduce a taxpayer's liability by about \$6 per month. He added that 1/10 of 1 mill reduction would reduce revenues by \$142,000 in the General Fund and a full mill is \$1.4 million. He stated those items would need to be discussed at a future meeting.

Mr. Carrino noted that the City rented a parade float for the 2023 Georgefest for the Commission at a cost of \$1,800. He asked if they wanted to add that to next year's budget in the amount of \$2,000. It was a consensus to add that to the budget.

Mr. Carrino asked about the Events budget for rental of holiday decorations. He stated the City pays \$80,000 for the holiday decorations. He cited the need to have commercial quality decorations but the current vendor has indicated there will be some cost increases. He indicated he would be bringing forward a request for some additional funding to improve the holiday decorations. He added that everything is rented except for the lights on the downtown trees.

The Commission commented on the lighted arches and other figures used in past years with Mr. Carrino indicating the arches were not done due to the widening of the sidewalks.

The Commission expressed dismay about the loss of the figures and "Season's Greetings" lightings.

Mr. Carrino commented on increased vendor costs for some of the decorations and indicated they could check on what could be done. He stated Clark's is the current vendor and noted they get a good deal for them as the City agrees to be done as available between them doing other cities. He indicated staff would look at other vendors as well.

Mayor Holland asked staff to contact the downtown merchants about the removal of the downtown lights to allow for the tree trimming.

Mr. Sheppard reported on the upcoming painting of City Hall and awning installation.

Mayor Holland instructed the department heads to contact the City Manager regarding any additional needs.

Mr. Carrino commented on the new Economic Development positions and indicated there would also be an additional position in Development Services and they were developing the job description and doing point factoring to determine the appropriate salary level.

Mayor Holland asked for Chief Capri to provide information to the Commission regarding the Safer Grant program. He commented on the upcoming growth that should allow the City to sustain such a grant. He recommended that Chief Swanson also bring forward information.

Commissioner Cobb asked if the Fire Department would have room for three additional positions with Fire Chief Mike Swanson responding they could probably use bunk beds to make it work. He further discussed their space issues.

2. ADJOURNMENT: 8:34 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