

LONGWOOD CITY COMMISSION
Longwood City Commission Chambers
175 West Warren Avenue
Longwood, Florida

WORK SESSION
MINUTES
July 10, 2024
3:00 P.M.

Present: **Mayor Matthew McMillan**
 Deputy Mayor Matt Morgan
 Commissioner Abby Shoemaker
 Commissioner Tony Boni
 Commissioner Brian D. Sackett
 Clint Gioielli, City Manager
 Michelle Longo, City Clerk
 David P. Dowda, Police Chief
 Mike Peters, Fire Chief
 Chris Kintner, Community Development Director
 Shad Smith, Public Works Director
 Chris Capizzi, Leisure Services Director
 Craig Dunn, Information Technology Director
 Judith Rosado, Finance Director
 Rex Grice, Finance Grants Coordinator
 Nerys Hernandez, Records Coordinator
 Andrew Marsian, Deputy Director of Public Works
 Matt Hockenberry, Streets & Stormwater Division Manager
 Jammie Tackett, Public Works Administrative Office Manager

Absent: **Magdala Ridore, Human Resources Director**

- 1. CALL TO ORDER.** Mayor McMillan called the meeting to order at 3:03 p.m.
- 2. REVIEW AND DISCUSS THE PROPOSED BUDGET FOR FISCAL YEAR 2024-2025**

Commissioner Sackett moved to suspend the rules. Seconded by Deputy Mayor Morgan and the motion was carried by a unanimous voice vote.

Mr. Gioielli provided a brief overview of the budget. He thanked Ms. Rosado, each of the Directors, and staff who worked on the proposed budget. He planned to provide a summary of the information, answer any questions, and make the adjustments as directed by the Commission.

Mr. Gioielli spoke about the budget details. The proposed budget totals almost \$74.6 million and represents all revenues and expenses anticipated for the next budget year, including grants, utility revenues, and ARPA funding. This represents a decrease of 5% or \$3.8 million over the current year. He explained this was mainly because of the ARPA revenue they anticipated needing for the new fire station last year, which was not recognized, but it is still there and ready to move forward with the fire department project. He said proposed expenditures are approximately \$58.3 million, representing a 5% increase or \$2.5 million over the current budget year. He noted that this year was still particularly challenging because of the compounding effects of increased product and service prices exacerbated by product parts and equipment delays. He said the budget lines that continue to have the highest increases, in general, are the contractual services and maintenance for building equipment and vehicles. Property and casualty insurance have increased 11%. He said that was in addition to the 20% increase last year. He said the value of city assets increased, and they have picked up several new pieces of property, including the property behind Acme Comics and the new fire station property. He stated that health insurance anticipates an increase of 12%, and one of our higher costs is the police and fire defined benefit retirement plan, which is increasing another 28.9% this year. That is almost \$400,000. This increase, along with the current year's increase of 34.5%, represents a 2-year increase of \$748,000, or a 73.3% 2-year increase.

Mr. Gioielli said there was an increase in capital items and would anticipate seeing vehicles increase yearly at 3%. He said they were still experiencing double that at a 6% yearly vehicle increase. He said they are seeing some changes in the automobile industry and hoping that will help stabilize the automobile industry market. He stated there was revenue to order the next fire truck. On average, it takes four (4) years from the time of order to when the vehicle goes into service. The vehicle to be replaced is about fourteen (14) years old. He pointed out that all the public safety radios are approaching the end of their useful life, and eventually, they will be unserviceable and, therefore, unusable. He said they have created a three (3) to four (4) year plan to replace all the radios

in the City. He said they plan to replace the current mowing contractor based on the poor service, which has been included in the budget. There is \$410,000 in the budget for the first payment of the anticipated loan for the new fire department. He explained that part of the delay has been FEMA's approval, with many extra steps and reviews. This has delayed the start of construction. He noted they were going to secure a grant, which would reduce debt service and the amount of money needed to finance. Staff was pursuing additional funding that may exceed what was discussed initially.

Mr. Gioielli discussed the infrastructure sales tax and was optimistic that the citizens of Seminole County would continue the infrastructure sales tax, the penny sales tax. He noted that if that does not pass, it would cause hardship for the city. He discussed recruiting and retention difficulties, which was partly the \$15 an hour minimum wage that's being indexed in a dollar an hour every year until it reaches \$15. He said directors have experienced other employers, both public and private, attempting to recruit staff and, unfortunately, sometimes successfully. He said they have had periods of long vacancy positions, which increases the existing staff's workload over time and creates fatigue. He stated that they have developed new recruiting and onboarding software to help with some of our recruiting efforts. They have started to offer bonuses to applicants applying for positions that have been vacant for an extended period. They have also provided bonuses to existing staff who have helped to recruit. He said they have, at times, depending on the needs of this city, counteroffered positions or employees that we need to keep here in the city.

Mr. Gioielli said the ad valorem taxes increased by 7.2%, with no tax rate increase. He stated that two (2) existing apartment complexes, Waterview and Heritage Village, applied to receive tax benefits under the Live Local Act, even though they were already built. Heritage Village was not successful in its attempt, but Waterview was, which essentially cut those property taxes almost in half for that particular complex. So interesting to see, if you've spent so much time thinking about that new law, that there is an actual direct impact on our budget here today. He reported that the dental insurance rate was unchanged. The mobile carrier change implemented last year has resulted in significant savings. There have been savings with the implemented credit card convenience fee, which is saving an estimated \$100,000 a year. Leisure Services has revamped the sponsorship program and has seen an increase in revenue from sponsors and vendors. The septic sewer abatement program continues. The community-building revenue for the last nine (9) months has increased year over year by 37%; in two (2) years, community-building revenue has almost doubled. Several debt obligations are

starting to come to an end. The transportation improvement note final payment will be made, and that was \$788,000 a year in debt service, which does not have to be included in the budget for next year. Next year, the \$313,000 a year payment is going to end, and then two (2) years after that, another \$350,000 loan will mature, and they will no longer have to make any of the payments for any of those three (3) loans. Mr. Gioielli spoke about changes in staffing. The part time fire training chief is moved to full time which is necessary, based on the number of requirements for training, and the additional training as part of the new ladder truck. He also proposed an administrative position in the utilities line budget to help with the projects. Those are the only changes in staffing.

Mr. Gioielli noted that the general fund reserve was 22%, which is five (5) years at 22% or higher in reserve.

Discussion ensued on the penny sales tax, the mowing contract, Live Local Act, options to pay utilities bills, and paying off the loans.

Ms. Michelle Longo, City Clerk, presented the City Commission, City Clerk, City Attorney, and General Services budgets. The City Commission's budget is relatively small and does not fluctuate much. There has been an increase from last year primarily due to health insurance increases. While this increase presents challenges, it also presents opportunities to enhance services and operations. Overall, costs for services, supplies, and memberships have also increased, but we are confident in our ability to manage these effectively. The Florida League of Cities (FLC) Annual Conference will be held in Orlando in 2025, and that will significantly decrease the cost to attend, providing a more accessible opportunity for all of us to participate. There were also a couple of other increases in the account lines, which are reflected in the budget requests.

Discussion ensued on the increases for the personnel expenses, health insurance benefits, increase in account line 4900 of \$5,000, and it was noted that the numbers for health insurance would be rechecked.

Ms. Longo, City Clerk, presented the City Clerk budget. The budget is relatively small and does not fluctuate much. The City Clerk's Office is pivotal in our city's governance. It serves as the custodian of records, the Qualifying Officer for Municipal Elections, and maintains city codes and all official documents. The office oversees record management, legal advertisement obligations, writing and preparing meeting agendas for City Commission meetings, participating in all City Commission meetings and workshops, transcribing minutes of meetings and workshops, ensuring all public notices are properly posted, processing incoming and

outgoing mail, issuing permits under the jurisdiction of the Clerk, overseeing the City's Cemetery, administering oaths to all elected officials, and a variety of other functions. For the next fiscal year, we will remain focused on record management training and organization, continue fixing documents for compliance with ADA regulations, and convert documents stored on microfilm or microfiche and paper to digital records. Florida law is specific about the length of time records must be retained. This year, our record coordinator, Nerys, has begun working with departments to train them on proper scanning, provide tips, and explain the record disposition process. This all helps facilitate easier access and quicker fulfillment of requests for those records and the disposal of records once they have met retention. There has been an increase in the budget from last year, primarily associated with a wage increase across the board for all General Government employees. The Clerk's office maintained its current staff level at two (2). Nerys, the records coordinator, is a Florida Management Association (FRMA) member, has her first year attending the conference, and is on the path to obtaining her certification as a Florida Certified Records Manager. This added membership has increased the budget slightly, along with increased costs for services, supplies, and memberships. The slight increase in our operating budget from last year is primarily due to increased costs for contractual services, such as Archive Social, Iron Mountain, CemSites, Simplifile, Quadient (postage services), and CivicPlus. These services are essential for our operations, and the budget increase is a strategic decision to ensure we can continue to provide the best service possible. This strategic approach to budgeting should reassure you of our careful financial management. She stated she has worked hard to stay within the allotted budget and make cuts where possible, which are reflected in the budget worksheets in the Budget request book. This careful financial management is a testament to our commitment to efficient operations and should instill confidence in the City Clerk's Office's operations.

Discussion ensued regarding the records request management software.

Ms. Longo stated that the City Attorney's budget slightly increased to cover the terms of the agreement with the firm.

Ms. Longo, City Clerk, presented the General Services budget. This budget has an increase from last year that is primarily associated with repairs and maintenance for the replacement of Hurricane shutters, capital outlay for parking lot paving, and replacement of four new dials and clock canisters for the Clock Tower. The fading of the clock tower dials has been discussed. The replacement has been included for the Commission to review and guide staff. Given the age of the fiberglass

clock canisters, their service dept will not replace just the dials. They are requiring that the four canisters that house the lighting and movements be replaced if the dials are updated. The proposal received is for the four new canisters and dials. This will be better in the long run as these will be factory-sealed, ensuring longevity and reduced maintenance costs.

Discussion ensued about the parking lot of City Hall and the clock tower.

Mr. Gioielli, City Manager, for the City Manager budget. He said that the wage increase for employees was slightly changed, and the operating line decreased somewhat. He reviewed the other changes that were made in the budget.

Mr. Gioielli presented the Human Resources budget. He reviewed the changes made in the budget and some of the items that had been moved around. He went over some of the training costs, the change in line 4500—liability insurance, and new software.

Ms. Judith Rosado, Financial Services Director, for the Finance, Purchasing, and Utility Billing budget. She reviewed the changes made in the budget, noting a slight increase in the operating expenses of 6% for the division of Finance. The increase is related to the proposed salary increase and new software. The slight rise in the Purchasing division is related to new software. For the Utility Billing division, there was a slight increase in operating costs and solid waste disposal and savings with the collection of credit card fees.

Discussion ensued on the operating supplies increase in both finance and purchasing budget line 5200.

Mr. Craig Dunn, Information Technology (IT) Director, for the Information Technology Budget. He went over the changes in the budget, focusing on cyber security. Other changes were related to the Florida Statue 282.3185 which is the State of Florida Cyber Security Act. He went over what the act requires as of January 1, 2025 and expenses related to these.

Discussion ensued on attacks on the City and how the City handled these situations.

Chief Dowda presented the Police Department budget, which included slight changes in wages and line 5200 for equipment. He reviewed the items that have seen an increase in cost and noted an error in the line total for 5200, where an item was listed twice. He stressed the need for

updating the Tasers used by the officers and the agreement for a program to purchase new ones, underlining their importance.

Discussion ensued on the Tasers and the new models available.

Chief Dowda explained how the program allows him to use a bundle option to get other equipment. He also reviewed the capital items, including body-worn cameras, police car replacements, and radios.

Chief Mike Peters, Fire Chief, for the Fire Department budget. There were slight increases in operating expenses, wages, and benefits. Line 3100 has an increase in calcium testing and annual physicals. For the 3400 line, there was a slight increase in the AED Defibrillator testing. Increases in licensing fees, including the renewals for their EMT and Paramedic licenses, come in and out of their budget. Gear maintenance program increases. For line 4020, there is a slight increase in paramedic school costs. For line 4100, he combined all cell phones and air cards. For line 4600, he explained it was for the SCBA Air Mask fit testing, a new device they have and will continue. For line 4610, there was an increase in the addition of the ladder truck. For line 5200, he went over the changes. He went over the capital items, which included the new fire station. He went over equipment and the plan for portable radios. He also discussed the request for the new fire engine.

Mr. Chris Kintner, Community Development Director, for the Community Development and Building Services budget. There were slight reductions on the operating side and a slight increase in wages. He spoke about the new program added last year, the Small Business Improvement Grant Program, and they have seen success.

Discussion ensued on the Mural Grant Program added last year and confirmed the REEP program was removed.

Mr. Kintner reported on the Building Department budget. There was an increase related to wages and contractual services for outside inspections. For capital needs, improvements to their building are requested from the building fund.

Mr. Chris Capizzi, Leisure Services Director, for the Leisure Services budget. There was an increase related to the wages and benefits.

Discussion ensued on the Tech III position.

Mr. Capizzi noted that there was an increase related to line 3100 professional services to update parks for the operating line. He has

significantly increased utilities due to lights being on each night for the pickleball courts and projects that need irrigation. He noted savings for repairs and maintenance lines, and the community building will have new air conditioning. For line 5200 operating supplies, playground mulch has increased. There is a slight increase for line 5210 for the summer camp field trips.

Discussion ensued on the bathrooms at Candyland Sports Complex and the bicycle repair stations.

Mr. Capizzi reviewed the 131 fund, which involves the Parks and Recreation Advisory Board and has funds for events. He reviewed the increases for events, which included candy for the Halloween event, the laser light show for Celebrate the Season, Barkfest, National Night Out, Reiter Park concerts, fireworks for July 4th, family dances, and more shirts for the Autism Awareness event.

Discussion ensued on the money received for sponsorships and where the money is recognized in the budget.

Mr. Capizzi reviewed the \$10,000 for the Parks and Recreation Advisory Board, which funds their projects. He also reviewed some capital items, including the air conditioning and paint for the siding at the Community Building, inside renovations for the concession stand, and perimeter fencing at Candyland Sports Complex.

Mr. Shad Smith, Public Works Director, for the Public Works budget. For operating line 3100, there has been an increase, which includes wages, a review of all signs in the City to add to their work order software system, survey work, and grant services. For contractual services, there was an increase related to mowing. For line 4100, increase for adding GPS to all vehicles. For line 4600, repair and maintenance, it was increased for the cemetery for pest and fertilizer treatment. He noted that the cost of repairing a lot of the fences throughout the City had been added. For line 5300, there was an increase in materials.

Mr. Smith reviewed the Stormwater line and the 406 fund, which remained relatively the same, and reviewed the increased areas. The 3400-line increase is related to city mowing. The increase in Utilities Services is related to Duke Energy increases. For the 401 fund, there was a decrease in line 3100 due to a rate study, and he went through the increases. For the 402 fund, he reviewed the increases. He then went over the 320 fund, which was for capital needs.

Mr. Gioielli went through line 310, the sales tax, and where the Commission can review the details of the proposed projects to use that money. He also noted details on capital and projects for the next few years.

3. ADJOURN. Mayor McMillan adjourned the meeting at 5:40 p.m.

Minutes approved by City Commission: 08-19-2024

Matthew McMillan, Mayor

ATTEST:

Michelle Longo, MMC, FCRM
City Clerk

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