

Special City Commission Meeting September 15, 2021

VIDEO

Mayor Owen and Vice Mayor Sachs were present along with all Commissioners.

Mayor Owen explained that this meeting was the first Public Hearing required to approve the FY2021-22 Budget and millage rates.

Public Participation:

One resident stated that his taxes have been going up every year.

Special Meeting:

Ordinance 48-21. In accordance with the City Charter, the City Commission is responsible for approving the Annual Budget of the Utilities Commission. The full budget can be seen [here](#). **Motion to approve Ordinance 48-21, was passed unanimously.**

Resolution 38-21. Consider the adoption of a Resolution, if adopted, would make the current operating millage rate 3.7421 per \$1,000 assessed taxable value.

Financial Director, Natalia Eckroth [presented the slightly changed budget](#) that had been pared down at the request of the Commission at the August 19th Budget Workshop from \$87.7 million to \$86.8 million. The revised budget allows the hiring of 4.5 police officers (\$345,000), three firefighters, and other city personnel, along with purchase of needed new equipment. Changes included:

- Reduction of Capital Equipment and Capital Projects from General Fund saving \$208,000 and \$35,000, respectively.
- Reduction of Operating costs from General Fund saving \$77,000.
- Reduction of Capital Projects Coordinator and Risk Coordinator to Part Time saving \$35,000.
- Reduced overall estimated Fuel cost saving \$15,000.
- Reduction of Airport Project since grant was approved in FY21.

Some discussion highlights:

Mayor Owen explained that taxes are set using home value X millage rate, and the Commissioners only control the millage rate which has remained the same, if approved, for three years and is the lowest in the county. Also, costs are higher than last year due to inflation and minimum wage increase, both of which are out of city control.

Commissioner Kolody liked the decrease to get the much-needed police officers but felt it still could be tweaked a tad more before the final hearing.

Public Participation: One resident had several questions for the Commission.

1. She first asked if we are resident heavy in our tax base as most other Volusia County cities are commercial heavy, which to her, meant residents pay a greater portion of the taxes in New Smyrna Beach than do residents in Commercial heavy cities. What she said is true, but that is part of our quality of life as we are selective in what businesses are approved.

2. She also asked about using the \$13 million Covid relief monies from the federal government for part of our budget. We can't this year as we haven't received it yet, plus the criteria is very restrictive.
3. Lastly, she asked if developers pay impact fees (yes, they do).

Motion to approve Resolution 38-21 was passed unanimously.

Resolution 39-21. Consider the adoption of a Resolution, if adopted, would make the 5005 Debt Service Millage Rate 0.2522.

Motion to approve Resolution 39-21 was passed unanimously.

Resolution 40-21. Consider the adoption of a Resolution, if adopted, would make the 2018 Debt Service Millage Rate 0.1319.

Motion to approve Resolution 40-21 was passed unanimously.

Resolution 41-21. Consider the adoption of a Resolution, if adopted, would make the Tentative NSB Budget for Fiscal Year 2021-22.

Motion to approve the Tentative NSB Budget for the Fiscal Year 2021-22 was passed with a 4-1 vote, with Mayor Owen, VM Sachs, and Commissioners McGuirk and Kolody voting, YES, and Commissioner Hartman voting, NO.

Comments:

- Commissioner McGuirk stated that we need to be aware that even though we have the lowest millage rate in the county, the Commission cannot promise that will stay due to growth and changing demographics. NSB use to be a blue collar-type city, but when new people come in, new ideas come with them as well as expectations of what they want in their city, and the Commission wants to maintain that balance of our community as it "raises its game."
- Commissioner Hartman commented that they must follow what has been mandated by either paying for the Turnbull Creek initiative or the state wage increase, so at some point in time, the budget will have to go up, and we will have to recognize that fact.
- Mayor Owen felt that coming to this budget agreement was not an easy process. He compared the City to a corporation with employees, costs, etc., and now with 27,000 customers more services are needed, yet the millage has stayed flat, and he agreed with Commissioner Hartman that we will need to "Pay the Piper" at some point in time.
- Commissioner Sachs felt the budget was fair and was happy to see that funding was found for public safety.
- City Manager Khalid Resheidat thanked the Finance Dept and all others who made cuts for this budget.

Second Public Hearing and Final Vote is Tuesday, September 28th.