

Special City Commission Budget Workshop
Wednesday, April 17, 2024
[Video](#) and [Agenda Packet](#)
(Note: Agenda Packet contains all PPT Presentations)

Mayor Cleveland called the meeting to order at 9:00 a.m. In attendance were Mayor Fred Cleveland, Vice Mayor Valli Perrine, Commissioners Lisa Martin, Jason McGuirk, and Randy Hartman.

There was no public participation. This was the FIRST presentation of budgets from City Department Heads for the FY 2024-2025 budget.

MAINTENANCE OPERATIONS

Director David Ray and Assistant Director Kevin Brinkley gave presentations that included an overview of the department's responsibilities, capital projects slated for FY25 and budgetary requests for FY25. Maintenance Operations is responsible for maintaining city facilities (including piers and boat ramps), streets and sidewalks, fleet maintenance, the City Marina, the golf course, parks and playgrounds, solid waste, and storm water. A continued high priority is to inventory equipment and other assets (all types of vehicles and infrastructure such as pumps and trailers) and to implement life cycle planning in order to better manage them. A request for five additional positions was presented based on the city's projected population growth and need. They were a GIS analyst, three foremen, and an EVT (emergency vehicle) specialist.

The department's approach to purchasing and management of assets has shifted and is paying off. Equipment nearing the end of its life cycle is carefully reevaluated for continued need rather than automatically reordered. This year, the department identified five DNRs (Do Not Replace) vehicles. The department can now purchase new equipment based on specific need rather than a specific build from a specific vendor. The total 2024-25FY budget request is \$6,358,038.

Notable Capital Improvement Projects, Equipment, and Personnel requests:

- 27th Street playground– even though it was recently replaced, it's rusting because wrong materials were used - \$485,500.
- Street resurfacing - \$1,200,000
- Streetlights on South Atlantic and Canal Street - \$2,700,000 (deferred from FY2023-24 budget)
- Homeless camp cleanup - camps are getting bigger and requiring more resources - \$60,000
- Vehicle replacement program - \$545,500 (from General Fund)
- New personnel requests - \$293,038

Discussion Highlights:

- Commissioner McGuirk - no metal should be used in playgrounds. He suggested and/or recycled plastics.
- Mayor Cleveland suggested that city investigate using pool vehicles.
- Commissioner Martin noted that she receives numerous complaints about light outages on South Atlantic.

LEISURE SERVICES (1:40 on video counter, Part 1)

Director Rob Salazar presented an overview of the department's responsibilities and accomplished goals from the past year. The department oversees the Alonzo "Babe" James Community Center, City Gym, Brannon Center, Live Oak Cultural Center, Coronado Civic Center, skate park, city hardcourts (tennis, pickleball), the Sports Complex, the marina and golf course. The department is also in charge of all special events. Revenues are increasing at the golf course and marina. Leisure Services currently has 57 employees. Director Salazar is proposing a four-phase reorganization to create clearer lines of supervision and improve the chain-of-command structure. In addition, he is requesting two new positions: (1) a special projects coordinator whose responsibilities would include marketing and social media promotion and (2) an administrative specialist to assist with facility reservations and processing payments for programs. The total budget request is \$2,454,815 (not including golf course).

Notable Capital Improvement Projects and Equipment requests:

- Paige Park pickleball courts Phase II - \$150,000 (possible ECHO grant)
- Detwiler Park pavilion - \$80,000
- Sports Complex LED light conversion - \$1,230,000 (possible ECHO grant; previously requested in FY 24; this is half of total cost; second half to be requested for FY 26.)
- New Sports Complex playground - \$325,000
- Coronado Civic Center improvements - \$262,000
- New and reclassified staff positions - \$145,315
- Golf course: Many pieces of equipment are past their life cycle and in dire need of replacement. The pump house/irrigation system is a critical need. The current 2003 system is obsolete and failing; no parts are available - \$784,000 is requested (\$300,000 of that is for pump house/irrigation replacement)

Discussion Highlights:

- Commissioner Martin noted that the Detwiler Park playground is in sore need of updating. She would like to see that funded before any new playgrounds are funded. She also noted that the Coronado Civic Center is the only facility that is not running in the red.
- Commissioner McQuirk would like to discuss the future of the Coronado Civic Center. Lighting is needed at some of the pickleball venues. Mr. Salazar shared concerns voiced by residents who live close to the parks about the lights. Commissioner Hartman added that he has received two complaints regarding the proposed lighting at the new Paige courts.
- VM Perrine noted that all the city venues (except Coronado Civic Center) are losing money. The two city public information officers should be able to help with marketing rather than funding a new position.
- Mayor Cleveland suggested approaching the Volusia County School Board to get assistance with funding for the Sports Complex. He requested to view the Golf course and Marina budgets separately.

POLICE DEPARTMENT (3:04 on video counter, Part 1)

Chief Eric Feldman gave an overview of the department addressing department initiatives, staffing/ personal, vehicles, and Capital requests. He went over the Police Budget Trends for the past four years but didn't include a final amount for this next fiscal year. Two important initiatives discussed were more police, when needed, to help with traffic and aggressive drivers and act as ambassadors for the city. A new marine patrol unit will

educate and enforce laws on our waterways. He noted there are NO officer vacancies (allotted for 66); however, he is requesting four (4) additional FTE Officers due to growth on the west side. He added that personnel costs will go up due to the approved contract. He is working with Kevin Blakely regarding the new fleet replacement schedule.

Notable 2023-2024FY budgetary item requests:

- Extension of Police Department Facility Phase One: \$200,000 Design/Architecture Fee- Impact Fees
- Four (4) new positions (Corporals)- Salaries with benefits: \$410,676 AND Four (4) Patrol Vehicles for them \$300,000.00 (includes emergency equipment, radio, radar and police graphics)- Impact Fees
- Four (4) Replacement Patrol Vehicles- Approx. \$288,000 (includes emergency equipment, and police graphics)
- Seven (7) Replacement Unmarked Vehicles- Approx. \$350,000 (includes emergency equipment)
- Two (2) Police Motorcycles (Replacements)- Approx. \$45,000 each (includes emergency equipment, radar and graphics)
- Purchase of replacement and new surveillance license plate readers (21) and cameras(11)- \$150,000. They are changing companies as tech and data are better with FLOCK.

Discussion Highlights:

- VM Perrine questioned if we could afford the boathouse and maybe tow the boat until a grant is approved. The Chief responded they are using the Coast Guard Station facilities until grant approved and is not listed above.
- Commissioner Martin commented on planning for lifetime spans of hardware and assets and whether to buy or lease would be the most beneficial. The Chief responded that FLOCK will be a lease and will look into leasing a vehicle if not used daily.
- Mayor Cleveland praised the department regarding this Spring Break, especially towing vehicles. However, he also had concern regarding western traffic congestion and wondered if police could direct traffic during times of exceptionally high traffic.

NOTE: Mayor Cleveland recessed the workshop at 12:30 pm for a lunch break with the IT Presentation being moved to after the break.

INFORMATION TECHNOLOGY (Part 2 Video)

Director Thomas Farmer displayed the department's organizational chart (7 FT and 1PT). Staff will remain the same, but the budget will increase \$19,000 due to the need for network upgrades, constantly improved security, the increasing cost of maintenance contracts and retaining staff. Competition from those offering more money and remote working conditions.

Discussion Highlights:

- Commissioner Martin asked about the possibility of upgrading city-issued cell phones and plans for tech obsolescence.
- Vice Mayor Perrine commented on staffing, office space needed and the turnover rate. They are planning a Pilot Program where three will work from home one day a week which will be tracked to record productivity.
- Mayor Cleveland commented on increased costs at the Live Oak Cultural Center. Mr. Farmer responded that the lack of fiber there makes internet more expensive.

Note: Commissioner McGuirk was excused from the workshop at 1:29 pm.

DEVELOPMENT SERVICES (24:30 on video counter, Part 2)

Director Shane Corbin presented an overview of the department which currently has 29 Building Division staff, five (5) Planning Division staff, and five (5) Engineering Division staff as well as the challenges/solutions within the department. There has been a temporary drop in the number of new building permits over the past two years. Business tax receipts were up with the bulk being for lodging and restaurants. Code Enforcement complaints dropped (perhaps due to complaints needing names instead of being anonymous). The Building Division receipts were down 3% due to fewer new building permits and expenditures were flat. No monetary budget requests nor estimated amounts for the 2024-2025FY budget were provided.

Discussion Highlights:

- Vice Mayor Perrine commented on the permitting process, staffing duties, economic indicator trends regarding staff adjustments, and permit processing times. She asked about accountability when building permits are down, and Mr. Corbin replied that many are working on permitting as well as ordinances, so consultants don't have to be hired. VM Perrine added that Pre-application meetings get constant compliments.
- Commissioner Martin commented on the permitting processing time. She shared that sometimes applicants do not submit all the required information, which could cause delays.
- Mayor Cleveland asked for statistics on Code Compliance (number of complaints requiring staff discovery.) which the Director said would be researched. The mayor commented on key performance indicators and speed regarding the permitting process.

Airport (1:05 on video counter, Part 2) Airport Manager Arvin Weese gave the budget presentation noting that year to date, they are on track to meet the 2023-24 adopted budget and the airport is self-sufficient. In 2025, no additional personnel will be added, and it is anticipated that expenses will remain intact except for capital projects.

Overview of the 2024-25 FY Airport Budget Presentation:

Total budgeted revenue and expenditures for the airport - \$10,096,324

- Personnel Services - \$444,324
- Operating Expenses - \$3,022,000
- Capital Outlay - \$6,630,000

Capital Improvement Projects

- Taxiway B and runway reconstruction is in the design phase. The estimated cost is \$3,600,000 with 98% funded by FAA and FDOT grants with the remaining 2% paid from airport funds.
- The Administrative General Aviation Terminal is in the design phase. It will also house administrative offices and small office spaces for tenants as well as display room for historic artifacts from aviation history and the WWII Naval Air Station. As part of the runway construction, a portion of a WWII catapult system was found that will be part of the display. The estimated cost is \$2,000,000 with 80% paid by an FDOT grant and the remaining 20% from airport funds.
- Electrical upgrades (new replacement generator), stormwater infrastructure, wildlife fencing and a T hanger for more revenue generation are in the design phase. The

total for these projects is \$1,030,000. FAA and FDOT grants cover all but \$56,000 of the cost.

- Completed projects/accomplishments include:
 - The air traffic control tower rehab which was 100% funded by a competitive FAA grant with the exception of a \$7000 change order for a total of \$555,000.
 - T-Hangar Building rehabilitation to extend the life of the hangar and continue to generate revenue at a cost of \$500,000. 80% was funded by an FDOT grant.
 - The reconstruction of Taxiway Alpha at a cost of \$3,450,000. This was funded by a 90% FAA grant and 8% FDOT with the remaining 2% paid from the airport fund.

Discussion Highlights:

- Vice Mayor Perrine commended Director Weese for his accomplishments and asked what goals he must obtain to yield more revenue. Director Weese replied that possible projects are in the exploration phase.
- Commissioner Hartman asked for the status of the new administration building. Director Weese replied that they plan to go out for bids in July or August and hope to break ground early 2025.
- Mayor Cleveland asked about noise complaints and compliance. Director Weese replied that there has been a recent uptick in complaints because of construction. He meets continually with the flight school. They are monitoring their pilots and instructors and holding them accountable. Noise abatement is voluntary, not mandatory, but we continue to educate the pilots and the community and maintain a dialogue. The City Manager noted that the flight school now has a noise abatement officer.
- Mayor Cleveland also asked about the air show. Director Weese replied that it is on hold. The airport cannot accommodate a jet team, but other special fly-in events could be planned.

Administrative Services (1:30 on the video counter, Part 2) Interim Finance

Director Sheliza Bhola presented. Administrative Services include the offices of the city Commission, City Manager, City Attorney, City Clerk, Finance, Human Services and Business and Economic Development. A proposed 2024-25FY total budget amount was not presented. Director Bhola highlighted the following proposed increased expenditures for this coming fiscal year:

- City Commission - \$9,500 for seminar/conference registration and related travel, attendance at local dinners and events, and annual State of the City Address.
- City Manager - \$3,080 for professional development and membership in professional organizations and \$88,592 for the addition of a Project Manager II and Grants.
- City Attorney - No additional expenditures presented.
- City Clerk - \$6,151 incentive pay for Deputy City Clerk, TBD merit increase for City Clerk, \$1000 for conference registration and \$400 for office supplies. The City Clerk presented her rationale for a pay increase.
- Finance - No additional expenditures were presented.
- Business and Economic Development - \$60,700 for IT administrative employee, \$4,940 for IT costs and \$3150 for furniture and equipment.

- Human Resources - \$45,126 to increase a part-time position to full-time. Pay increases to four department heads who are not being paid salaries comparable to those in other area towns. Proposed new directors' salaries: \$130,056 Human Resources, \$128,469 Maintenance Ops, \$124,007 Business and Economic Development and \$122,493 Leisure Services.

Discussion Highlights:

- Commissioner Hartman asked when the Commission would get new budget projections.
- Commissioner Martin asked if there was a matrix when looking at comparable salaries.
- Vice Mayor Perrine asked for clarification of a half million dollar change in budget from one former calendar year to the next. She also asked for more detail on the last time raises had been given to the city clerk, city manager and city attorney at the same time. Her vision would be to give all 3 raises at the same time. She also stated that the commission needed to discuss reviews and do so in public because of the Sunshine laws. Mayor Cleveland agreed. Vice Mayor Perrine said that she didn't know if department heads are meeting objectives and doing a good job, for there are no details to support that. We need to know more.
- Mayor Cleveland stated that he agreed with Mr. Hartman that we need to know the budget end number and have more details.
- Commissioner Hartman stated that since we don't know what the revenue is, we don't know if there are funds for an across the board pay increase for everyone. Going forward, he felt we needed to significantly bump up the City Manager's pay range and would like to see money set aside for that.

Capital Improvements (1:50 on video counter, Part 2) Director Jesse Kobe gave a brief summary of the current year's projects that included 8 projects completed, 7 new projects started and 51 active projects. He expects 18 to be completed by September 30, 2024.

Notable 2024-25FY budgetary requests:

- Turnbull South Dredging - \$1,618,228
- Washington Street Improvements - \$5.5 million
- AOB Phase 1 and 2 - \$5.4 million
- North Atlantic Avenue Drainage Improvements - \$1.5 million
- Historic Westside Drainage Improvements - \$1.2 million
- 27th Avenue Boardwalk & Ramp - \$1.1 million

Commissioner Martin asked about the status of the home elevation projects, and the City Manager reported that they were in all different stages of completion, and there is no additional budget for this in 2024-25.

Fire Department (2:06 on video counter, Part 2) Fire Chief Shawn Vandemark stated the department has 56 employees within its the three units: Fire, Emergency Response, and Transport. A total amount for the 2024-25FY budget was not provided.

Notable Capital expenses include the following:

- Two (2) medic transport vehicles (one is a replacement due to aging) - \$960,000
- Jaws of Life - approximately \$37,000
- Training Software - \$25,025

- Generator for Station 53 - approximately \$250,000; however department is on a shortlist for an HMGP grant, which would then cost the city \$62,500
- Air cascade breathing equipment -\$85,000
- Station alerting equipment upgrade - \$20,000 per station

The Chief addressed a proposal to expand EMS transport services by adding another transport vehicle because we can respond the fastest of all providers and therefore offer better patient service. If we accept all calls closest to us, the County could then be used to cover gaps elsewhere and there would be more net income for the city. The department would need nine (9) firefighters and one (1) EMS officer to man this unit, but it would eliminate \$224,000 in overtime expenses. The total budget requested for transport is \$983,000.

Discussion Highlights:

- Mayor Cleveland and Commissioner Hartman had thoughts regarding the possibility of the County compensating the City for doing all the calls in the county's jurisdiction of unincorporated New Smyrna Beach since they are collecting fire services taxes from these residents. This will be discussed further as the budget process continues.