MINUTES OF THE WORKSHOP SESSION OF THE CITY COMMISSION HELD FRIDAY, JULY 24, 2020, AT 8:30 AM VIA COMMUNICATIONS MEDIA TECHNOLOGY (CMT) FOR PUBLIC ACCESS AND PARTICIPATION

1. MEETING CALLED TO ORDER

ROLL CALL: Commissioner Olga Gonzalez (not present at Roll Call), Commissioner Felix Ortiz, Commissioner Angela Eady, Commissioner Jim Fisher, Mayor Jose Alvarez

STAFF PRESENT: City Manager Mike Steigerwald, City Attorney Olga Sanchez de Fuentes, Deputy City Manager Desiree Matthews, Assistant City Manager Austin Blake, Finance Director Amy Ady, Human Resources Director Roxane Walton and Department Heads are participating remotely

Commissioner Gonzalez arrived at 8:35 a.m.

2. INTRODUCTION AND HIGHLIGHTS

City Manager Steigerwald introduced the staff who were present in the room and stated those participating remotely would also be making presentations and answering questions.

City Manager Steigerwald stated for the twelfth (12th) year in a row, staff is recommending no increase to the City's Ad Valorem millage of 4.6253. The pandemic's impact has primarily affected capital projects due to a reduction in sales tax revenue; however, the long-term consequence could result in a downturn in the housing market and property values and a decrease in revenue from utilities due to property vacancies. He also highlighted Lancaster Ranch, the City's fifth fire station, and the Lakeside Community Center as projects impacted due to a reduction in revenue.

General Fund revenues remain strong, and the City saw a 9.3% increase in Ad Valorem revenues due to the rise in property values and new construction. The City's overall Budget was increased by just under 2%, and reserves are projected to remain above 20% over the next five (5) years, which allows the City to continue to provide services without impacting residents or laying off employees.

Staff is recommending a 3% increase (2% COLA and 1% Merit) for employees and new positions; however, the City will only hire critical positions and will leave the others open with public safety and facilities maintenance considered priority.

During a review of the impact of health insurance, City Manager Steigerwald recommended a $1 million infusion into the Self-Insurance Fund due to the healthy reserves and remains optimistic health insurance costs will even out in the next budget year.

City Manager Steigerwald reviewed the major projects in the Budget: Berlinsky Community House, Denn John Road Resurfacing, Hoagland Boulevard, Fire Station # 15, Lancaster Ranch, Mark E. Durbin Community Center at Lakeside, and Resurfacing Project. He also stated that due to the City's strong Budget, we have been able to implement the Commission's Goals.

Commissioner Gonzalez expressed her appreciation for the items staff has prioritized for the employees, facilities, and services for our citizens.

Mayor Alvarez stated the City Manager and his staff have been working extremely hard on this Budget and we are one of the only governments that have been able to provide raises for employees and still hiring positions.

3. BUDGET OVERVIEW

Amy Ady, Finance Director, opened her remarks by stating there is a delay from the time the revenues are collected to when the City receives them, so it may be a few months before we see the full impact from the pandemic. We have seen increases in the half-penny Sales Tax, but Gas Tax has remained flat due to the lack of tourists in our area.

Director Ady stated staff is recommending a 4.6253 millage rate, which is higher than the rollback rate of 4.3157, which would generate the same about revenue based on property values. Final property values will be available in October. Should those figures show an unexpected decrease of 1% or more, the Commission will have the opportunity to revisit the millage rate listed on the TRIM Notices.

When asked by Mayor Alvarez if the City has dipped into reserves, Director Ady stated we have not, but we are projecting a $4 million deficit at the end of the year. However, we do not believe we will need to use reserves due to vacant positions.

City Manager Steigerwald and Director Ady provided information on the budget process and explained staff had cooperation from all the departments when cuts were necessary. Police and Fire pushed out hiring some positions as well as other cuts that affected the Sales Tax Fund expenditures over the five (5) year period.

Director Ady provided brief comments and a review on the health of the Stormwater, Solid Waste, Airport, and Central Services Fund. She also commented that recommendations would be forthcoming for fee restructuring at the Airport and Central Services.

Director Ady thanked the Finance staff and specifically Alex Santos, the Budget Analyst, for his dedication to this process during a very challenging time. She commented that the Budget is the most visible single process our citizens will judge the Commission on each year.

City Manager Steigerwald thanked Director Ady and her staff as well as all the department heads for their diligence during this year's budget process.

Mayor Alvarez commended the City Manager and City staff for all their dedication and hard work that went into the FY2021 Budget.

Commissioner Eady made a motion to approve the Proposed Budget for FY2020-2021. Commissioner Fisher seconded the motion. This motion is dead as no vote was taken.

Director Ady requested the Commission revisit the motion as staff needs the approval of the proposed millage rate of 4.6253 and not approval of the Budget.

Commissioner Eady made a motion to approve the Proposed Millage Rate of 4.6253. Commissioner Ortiz seconded the motion.

Upon roll call, the vote was as follows:

Commissioner Ortiz	AYE
Commissioner Eady	AYE
Commissioner Fisher	AYE
Commissioner Gonzalez	ABSENT DURING VOTE
Mayor Alvarez	AYE

Motion carried 4 - 0.

City Manager Steigerwald explained the Public Hearings are scheduled for September 9, 2020, and September 22, 2020.

Commissioner Fisher made a motion to approve the Public Hearing dates of Wednesday, September 9, 2020, and Tuesday, September 22, 2020. Commissioner Eady seconded the motion.

Upon roll call, the vote was as follows:

Commissioner Eady	AYE
Commissioner Fisher	AYE
Commissioner Gonzalez	AYE
Commissioner Ortiz	AYE
Mayor Alvarez	AYE

Motion carried 5 - 0.

4. PERSONNEL OVERVIEW

While Human Resources & Risk Management Director Roxane Walton was present virtually, the Commission had a consensus they did not require further details on personnel proposals or changes

5. REVIEW OF DEPARTMENTS

The Commission had a consensus they did not require clarification or additional details on departmental requests within the Budget

6. EXPIRATION OF LOCAL OPTION SALES TAX IN 2025

City Manager Steigerwald stated we will need to work with other Osceola governments regarding the expiration of the Local Option Sales Tax in 2025, which is limiting our borrowing capabilities and will require the use of reserves

Director Ady stated the revenue projections for the current Capital Budget are for five (5) years, which is through 2025. Next year the Budget would be through FY 2026, but the City will have no legal ability to plan for anything in Capital until the renewal of the Local Option Sales Tax occurs.

Mayor Alvarez stated we continue to encourage our legislators to find an alternate for the Gas Tax since revenues continue to be reduced due to more energy-efficient vehicles The City has diversified our revenue sources, which does not limit us as much as other local governments

7. CONCLUSION

There being no further business to come before the Commission, Mayor Alvarez adjourned the meeting at 9:37 AM

MAYOR-COMMISSIONER

ATTEST:

Linda S Hansell

CITY CLERK

Exhibit “A”
Memorandum FY2020/21 Budget
Human Resources and Risk Management
Item 4.

Exhibit "A"
7/24/2020

MEMORANDUM

TO: Mike Steigerwald, City Manager
FROM: Roxane Walton, Human Resources & Risk Management Director
RE: 2020/21 Budget Requests
DATE: July 6, 2020

The following information is submitted to summarize the personnel and benefit changes submitted in the 2020/21 budget draft.
I have included the information by topic with a statement of budget impact for each.

PERSONNEL REQUESTS

Listed below are reclassifications, personnel additions, and personnel deletions recommended for FY 20/21 and included in the budget document.
The budget impact listed includes budgeted expenses with salary and benefits.

Reclassifications

Department-Division	Present Title-Pay Grade	New Title-Pay Grade	Budget Impact	Comments
Dev Services-Planning/Code Enforcement	Admin Secretary- 11	Administrative Assistant- 14	3,521	To align pay grade with level of job responsibilites
Development Services-Building	Permit Technician- 11	Lead Permit Technician- 13	4,866	To provide support to permit technicians
Parks- Parks	Groundskeeper (Qty 17)- 7	Utility Worker (Qty 17)- 8	34,545	To align job title and pay grade with level of job responsibilites
	General Tradesworker(QTY 6)- 8	General Tradesworker(QTY 6)- 9	14,090	To align job title and pay grade with level of job responsibilites
Parks- Cemetery	Cemetery Technician- 8	Cemetery Sexton- 10	5,408	To align job title and pay grade with level of job responsibilites

	Cemetery Coordinator- 14	Foreman- 17	5,249	To align job title and pay grade with level of job responsibilites
Information Technology	GIS Analyst- 19	Enterprise Application Administrator- 24	5,430	To align job title and pay grade with level of job responsibilites
Public Works- Engineering	Secretary- 10	Project Coordinator- 12	3,240	To align job title and pay grade with level of job responsibilites
	Engineer I- 23	Traffic Engineering Manager- 23	-	To align job title with industry standards
	Public Education Coordinator- 15	Public Information Specialist - 15	-	To align job title with industry standards
Public Works- Streets	Streets & Stormwater Superintendent- 22	Streets & Stormwater Manager- 22	-	To align job title with industry standards
	Assistant Superintendent 21	Streets & Stormwater Assistant Manager- 21	-	To align job title with industry standards
	Herbicide Specialist- 12	Herbicide Specialist II- 14	2,841	To align job title and pay grade with level of job responsibilites
Public Works- Stormwater Operations	Herbicide Specialist- 12	Herbicide Specialist II- 14	2,784	To align job title and pay grade with level of job responsibilites
	Utility Worker- 8	Herbicide Specialist I- 12	8,838	To align job title and pay grade with level of job responsibilites
	Secretary- 10	Project Coordinator- 12	3,501	To align job title and pay grade with level of job responsibilites
Public Works- Solid Waste	Sanitation Superintendent- 22	Solid Waste Manager- 22	-	To align job title with industry standards
	Sanitation Foreman- 17	Residential Solid Waste Foreman- 17	-	To align job title with industry standards
	Sanitation Service Technician- 14	Container Service Technician- 14	-	To align job title with industry standards
Public Works- Facilities	General Trades Worker(QTY 6)- 8	General Trades Worker(QTY 6)- 9	14,325	To align job title and pay grade with level of job responsibilites
Building	Building Official -27	Building Official -28	6,154	To align pay grade and salary to market
	Chief Plan Reviewer 23	Chief Plan Reviewer 26	5,060	To align pay grade and salary to market

	Plan ReviewerII - 19	Plan Reviewer II - 24	7,668	To align pay grade and salary to market
	Plan Reviewer I - 17	Plan Reviewer I - 23	20,523	To align pay grade and salary to market
	Fire Prevention Supervisor - 20	Fire Prevention Supervisor - 26	2,658	To align pay grade and salary to market
	Fire Inspector - 16	Fire Inspector - 23	22,735	To align pay grade and salary to market
	Fire Inspector - 16	Fire Inspector - 23	21,258	To align pay grade and salary to market
	Fire Plan Reviewer - 16	Fire Plan Reviewer - 23	22,031	To align pay grade and salary to market
	Building Inspector III - 20	Building Inspector III - 26	4,897	To align pay grade and salary to market
	Building Inspector I - 16	Building Inspector I - 23	19,992	To align pay grade and salary to market
	Site Inspector - 16	Site Inspector - 21	2,215	To align pay grade and salary to market

Total Cost Per Fund		
General Fund	**$**	**68,894**
Other Funds	**$**	**174,935**
	$	**243,829**

Department Additions

Department-Division	**Position Title**	**Budget Impact**	**Comments**
General Fund			
Parks & Recreation	Equipment Operator I	43,130	Position requested to assist with maintenance for Citywide trail system
	Groundskeeper (1)	39,125	Position requested to assist with maintenance for Citywide trail system
	Groundskeepper PT (2)	34,128	Position requested to assist with maintenance for Citywide trail system

Police	Crime Analyst	34,128	Provide analytical & technical support as it relates to crime and criminal intelligence
	Police Sergeant	113,037	Sergeant for Criminal Investigations Unit
	Police Officer (OCIB)	67,797	Osceola County Investigation Bureau (OCIB) multi-jurisdictional task force
Public Works	Sr Marking Technician	49,916	Lead Marking Tech to provide installation of pavement markings
	Marking Technician	45,281	Provide installations of pavement markings

Other Funds

Building	Fire Inspector	60,705	Provide plan reviews and additional support for Fire Inspectors
Gas Tax (Sidewalks)	Equipment Operator I	47,656	Provide installations and maintenance of conrete structures
Sanitation	Solid Waste Driver	48,461	Provide for new garbage routes due to service area growth

Total Cost Per Fund

General Fund	**$**	**453,117**
Building	**$**	**60,705**
Gas Tax	**$**	**47,565**
Sanitation	**$**	**48,461**

Salary Increases

The following recommendations seek to assist the City with attracting and retaining high quality talent and to establish strategies to avoid problems with pay equity in the future The proposed budget includes funds to provide increases to City employees effective October 1, 2020. Staff is recommending a 2% cost of living adjustment (COLA) and 1% merit increase for all full-time employees.

Salary increases for all members of a collective bargaining unit will be determined through negotiations.

Employee Benefits

No benefit changes are included in the budget