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**CITY OF DELTONA, FLORIDA
CITY COMMISSION WORKSHOP
MONDAY, JULY 28, 2014**

A Workshop of the Deltona City Commission was held on Monday, July 28, 2014 in the City Hall Commission Chambers, 2345 Providence Blvd. Deltona, Florida.

1. CALL TO ORDER:

The meeting was called to order at 5:32 p.m. by Mayor John Masiarczyk, Sr.

2. ROLL CALL:

Mayor	John Masiarczyk	Present
Vice Mayor	Heidi Herzberg	Present
Commissioner	Webster Barnaby	Present
Commissioner	Anthony Bellizio	Present
Commissioner	Zenaida Denizac	Present
Commissioner	Chris Nabicht	Present
Commissioner	Nancy Schleicher	Absent (Excused)
City Manager	William D. Denny	Present
City Attorney	Becky Vose	Present
City Clerk	Joyce Raftery	Present

Also Present: Firefighters' Pension Plan Board Chairman Jim Koczan; Firefighters' Pension Plan (FFP), Plan Administrator Lisa Spriggs; Deputy City Manager Dale Baker; and Deputy Fire Chief Rogers.

3. PLEDGE TO THE FLAG:

Mayor Masiarczyk led everyone in the pledge of allegiance to the flag.

Mayor Masiarczyk opened and closed the public hearing as there were no public comments.

4. BUSINESS:

A. Discussion re: Ordinance No. 13-2014, Amending the Firefighter's Pension Plan by allowing the Fire Chief the option to Opt Out of Participation.

Mayor Masiarczyk stated the last portion of the item topic where it says "at first reading and to schedule second and final reading" should be removed.

City Manager Dave Denny stated the ordinance allows the current or future Fire Chief to have the option to opt out of the Firefighters' Pension (FFP) Plan at no cost to the City or the Plan.

Mayor Masiarczyk stated he could not find a reason not to adopt the ordinance.

1
2 Commissioner Nabicht asked if there was an impact letter from Foster & Foster and FFP
3 Administrator Lisa Spriggs nodded her head yes.

4
5 **After discussion, the Commission concurred to schedule the ordinance for the next regular**
6 **Commission meeting.**

7
8 **B. Discussion re: Ordinance No. 19-2013, amending Chapter 46, Sections 31, 33, 35, 54,**
9 **56, 57 and 58 of Article II, Firefighters' Pension Plan.**

10
11 City Manager Dave Denny stated at the last workshop when the ordinance was discussed, the
12 Commission requested the following additional information: cost projections for a minimum of
13 20 years; multiple projections be a range of three (3) assumptions, 7%, 7.5% and 7.75%; longer
14 assumed life expectancies; shorter amortization period of five (5) to 15 years; and that the FFP
15 Board's attorney and the City Attorney work together to make the language changes to the
16 ordinance as requested. He stated the actuary did not answer the questions, but instead justified
17 the reasons why the methodology was used.

18
19 Commission and staff discussed the methodology used by the actuary was the one approved by
20 the FFP Board, the requested figures from Foster and Foster not being provided to the
21 Commission at the direction of the FFP Board, possibly hiring a separate actuary to answer the
22 Commission's questions and what that cost would be or asking again the FFP Board's actuary,
23 using a separate actuary for a second opinion, the City's cost and liability, the City's contribution
24 to the FFP, different rates of assumption, the Deferred Retirement Option Plan (DROP) program,
25 opinions of the City Manager and City Attorney, the impact to the City, investment on return,
26 changing the formula, the difference in a five (5) years and eight (8) years to enter the DROP, the
27 ramifications of the DROP having an open enrollment period, and what the impact to the City
28 would be after one (1) year.

29
30 Mayor Masiarczyk opened the floor for public comment.

31
32 Mr. Koczan gave a summary of the reason why the Pension Board had not asked Foster & Foster
33 to do a complete study. He stated it was about the cost to do the study and the Pension Board
34 had wanted the ordinance to go to first reading and be able to see what the Commission was
35 committed to. He stated if the report had been done and the Commission wanted something
36 changed the report would have to be done over again as each change affects the report. He stated
37 what the actuary gave was a number to guide the Pension Board for example if the current
38 assumption is changed it would be about this much. He stated the Pension Board was trying not
39 to spend money three (3) times in a row by having a firm direction.

40
41 Mayor Masiarczyk asked if the Commission came up with a set of numbers would the Pension
42 Board have any objection to running those numbers. Mr. Koczan replied he could not speak for
43 the Board.

44
45 Commissioner Nabicht stated what Mr. Koczan was explaining was if the ordinance already
46 proposed has had an analysis done and the City has received a letter of no impact from Foster &

1 Foster, money has already been spent from the Pension Fund to have that actuarial study done.
2 He stated the questions the Commission asked were outside of the scope of the ordinance so
3 what he would propose is if the Commission wants these numbers run then do a memorandum of
4 understanding (MOU) that the City will agree to pay Foster & Foster or reimburse the Plan for
5 the cost. He stated Foster & Foster has the information already and can run the numbers on what
6 the Commission requests.

7
8 Mayor Masiarczyk stated if everything stays the same the Commission can move forward with
9 the report, otherwise if the City hires an independent to refute those numbers it could be very
10 costly and time consuming.

11
12 Commissioner Nabicht stated what would make an independent study more correct than what
13 Foster & Foster provided; just because it is different does not make it right so then the
14 Commission gets into maybe it needs a third person to analyze both studies. Mayor Masiarczyk
15 agreed that if you ask the new person to base it on different assumptions then the report will be
16 different.

17
18 Commissioner Nabicht asked to make clear that a majority of the funding for this pension
19 enhancement comes from “insurance premium tax dollars” and not from the City budget and if
20 there should be a reduction in the tax dollars there is in the ordinance a provision that the
21 enhancements will be reduced as appropriate which eliminates some of that risk as a safeguard at
22 the Pension Board’s request.

23
24 Vice Mayor Herzberg asked for a report that gives more than a one (1) year projection and
25 Commissioner Nabicht replied it is in the ordinance.

26
27 Mr. Denny explained (1) that the COLA in the ordinance is paid for by the premium tax dollars
28 and if those dollars are reduced the COLA will be reduced, (2) Foster & Foster is very familiar
29 with this Plan and if the City wants numbers he would suggest the City let Foster & Foster do the
30 numbers; the City has an actuary which staff can have look at the numbers to see if the numbers
31 are reasonable but not to negate what is in the report. He stated if that makes sense then it is
32 done.

33
34 The Commission and staff discussed the questions that City Manager Dave Denny currently had,
35 having the Finance Director look over the report, having the Finance Director submit a report by
36 the next meeting, and adopting Ordinance 13-2014 and Ordinance 19-2013 together or adopting
37 the Ordinances separate.

38
39 **After Discussion, the Commission concurred to have questions for FFP submitted to City**
40 **Manager Dave Denny by the end of business day Thursday, July 31, 2014. Dave will**
41 **submit the questions to FFP Plan Administrator Lisa Spriggs on Friday.**

42
43 Frank Snider stated that pension plans are over a 30 year period and that a pension plan can get
44 into trouble if, for example Orange County ran into trouble because when the economy was great
45 it did not invest money into their pension plan, and when the economy crashed it was in trouble.
46 He cautioned the Commission to not look at what is going on now because a pension plan is over

1 a 30 year period. He also questioned why the Commission questioned the FFP actuary on
2 Ordinance 19-2013 and not on Ordinance 13-2014. He encouraged the Commission to ask FFP
3 Plan Administrator Lisa Spriggs questions.
4

5 Deputy Fire Chief Rodgers stated the contract has been going on for 12 years and that a
6 resolution needs to happen. He stated that when someone goes in the DROP program it saves the
7 City money because the City would no longer need to pay for the employees' pension plan; the
8 City would not need to pay the 18% into the DROP which would be a savings to the City. He
9 also stated that many employees are waiting to go into the DROP and cannot because of the way
10 it is worded and could not afford to because of the one (1) year window.
11

12 Lisa Spriggs, FFP Plan Administrator, clarified that there is a cost to the ordinance and that the
13 cost is paid for by the premium tax dollars. She stated that the FFP had put off running a full
14 blown actuarial valuation report that is done once per year in the spring that sets the rate of the
15 City's contribution. She stated the actuary goes through the entire plan and looks at all the
16 assumptions to see the cause for any changes and after hearing the Commission's discussion it
17 would be best to go ahead and run the report as it is late in the game. She stated doing so would
18 give the Commission the answers and figures that it wants and the report would be distributed to
19 the Commission and FFP Board; the board would also have Foster and Foster update the
20 ordinance impact statement with and without the changes. She stated that Foster and Foster
21 could present the report at a joint workshop with the FFP Board. She believes that report will
22 help the Commission be comfortable with the numbers. She stated that it also focuses on rate of
23 return but there is an assumption on salary increases, when hard times hit the City was not giving
24 out big salary increases at a higher rate and it offset other items.
25

26 Commissioner Barnaby asked Mrs. Spriggs to characterize the letter from Foster and Foster.
27 Mrs. Spriggs replied that the letter was done at the direction of FFP Board and the FFP had a lot
28 of discussion regarding the Commission's request regarding running all of the numbers and
29 scenarios. She stated that Foster and Foster felt their assumption is fiscally prudent, that they
30 review these numbers regularly, wanting the City Commission to better understand the reasoning
31 versus just changing them, what is missing is the full understanding of the full actuarial
32 assumption and that it was not a comprehensive assessment.
33

34 Mayor Masiarczyk stated that Mrs. Spriggs came up with a good idea.
35

36 Commissioner Nabicht asked Mrs. Spriggs how long it would take for Foster and Foster to run
37 the report. Mrs. Spriggs replied that they are at the end of everyone else's reports and that she is
38 hoping it could be produced quickly.
39

40 Mayor Masiarczyk asked Mrs. Spriggs if she still wanted the Commission to submit the
41 questions and Mrs. Spriggs replied yes, she still wanted the questions.
42

43 **C. Discussion re: Draft medical marijuana ordinance.** 44

45 The Commission and staff discussed parameters put in place by other municipalities, zoning
46 categories that would be allowed to be a dispensary, the amount of available commercial and

1 industrial space in the City, who would be able to use medical marijuana, being dispensed by a
2 pharmacy, the lack of parameters from the government, changing the zoning categories to make
3 it more accessible, the ramifications of not passing the ordinance, waiting to see if the State puts
4 parameters in place and the potential problems for the Sheriff's office.

5
6 Vice Mayor Herzberg asked Mrs. Vose about the zoning categories? Mrs. Vose replied the
7 category is C3, heavy commercial and currently there is only one (1) location on Doyle Road,
8 however, if someone had the appropriate location they could ask for a zoning change. She stated
9 one other option is to allow it in industrial areas and compared to heavy commercial there are a
10 lot.

11
12 Mayor Masiarczyk opened the floor for public comment.

13
14 Ellen Juliana, 1042 Rosseta Drive, stated she worked on the ballot initiative with John Morgan
15 and United for Care. She is pleased to hear her City gets it, that she did 29,000 petitions in
16 Volusia County, that many people who signed the petition were not "pot heads", but were people
17 who wanted to get off morphine and oxycodone by putting a couple of drops of medical
18 marijuana under their tongue. She stated it is not just smoked, there are a lot of different forms
19 and not any doctor can prescribe it as the doctor would need to go through a program and be
20 licensed. She stated a lot of times the doctor prescribing it also wants to dispense it and that
21 maybe 5% of people are not for it, but that there is a medical need for it.

22
23 Wayne Rogers, Coalition Against Hunger, stated he is glad to see the Commission is open to this
24 because medical marijuana is a need that people are desperate for and that the pill mills need to
25 be shut down. He stated that this directs the way of thinking and is a part of public manipulation.
26 He stated he has experienced firsthand the benefits of medical marijuana, he watched a stage four
27 (4) breast cancer tumor disappear because of medical marijuana. He stated that the City needs to
28 have this and dispensaries. He believes that the City is going in the right direction, but he
29 believes that paranoia is guiding the City. He stated he wants to open a grow operation in the old
30 Winn-Dixie plaza located on Deltona Blvd. He states that he has the solution to the problem and
31 it will not cost anything.

32
33 Mayor Masiarczyk stated a grow house is the farthest thing for the City that he would be
34 supporting.

35
36 Mitch Honaker, 2551 Sweet Springs Street, stated that Commission cannot change the ballot
37 question or the statute and he believes the ordinance should be in place before it can get
38 approved. He stated that the dispensaries should be 2,500 feet from schools and churches. He
39 believes that the ordinance should state "Federal and State" instead of "Federal or State".

40
41 Larry Kent, Justin Square Deltona Blvd, stated the Senate passed the law for Charlotte's Web a
42 few months ago, and the next hearing is August 1, 2014. He stated that it is being setting up per
43 State into five (5) different zones, one (1) grower per zone, the qualifications to produce medical
44 marijuana are that each must have been in the industry for 30 years, produce 400,000 plants a
45 year, and right now the State is working on the rules. He stated that the group of people
46 producing the medical marijuana will also be the people who will be selling it. He stated the

1 license is \$150,000 to setup the infrastructure and the companies that would be able to do this are
2 real serious capital intense businesses; the business also must have a license from State Bill 1030
3 or a Bill in the future. He believes that it is important to have dispensaries in all commercial
4 areas. He stated that the 2,500 foot limit from churches or schools is different than the State law
5 of 500 feet from schools. He stated that hardly any other States have churches as part of the
6 ordinance. He stated that there are a lot of churches in Deltona on commercial property because
7 the average person cannot afford to buy a big piece of property. He believes that it is too
8 restrictive to label it as exceptional use because the business would have to be licensed by the
9 State. He stated that the State of Florida is not at fault, it is the Federal Government because in
10 order to write a prescription someone must have a Drug Enforcement Administration (DEA)
11 license and doctors can only write recommendations.

12
13 Mike Putkowski, 2736 Courtland Boulevard, stated he believed that the City should limit the
14 amount of dispensaries to one (1) or two (2) in each district and that the City should get ahead of
15 this. He stated medical marijuana is something that is needed and he has personally had two (2)
16 people in his family die due to oxycodone overdoses.

17
18 Smiley Thurston, Coalition Against Hunger, stated that he will have a local doctor on staff, who
19 will have to have a Class 1 license which is experimental medications and drugs because that is
20 the rating required to prescribe medical marijuana. He stated he will not be establishing the
21 center for profit but to help the homeless and the hungry.

22
23 Commissioner Denizac asked if this becomes legal in State, is it still illegal on the Federal level
24 and Mrs. Vose replied correct. Commissioner Denizac also asked if the medications were going
25 to be taxable and Mr. Kent replied yes, that was just recently passed.

26
27 Commissioner Denizac stated that in her opinion this is flawed, but if it is medical she would be
28 the first one (1) to buy it for her mother who has stage four (4) cancer.

29
30 The Commission and staff discussed Charlotte's web, the possibility of the City getting sued, the
31 proximity of dispensaries to churches, the allowable restrictions, economic development for the
32 city, and this type business helping the City to fill blighted space.

33
34 **After Discussion, the Commission concurred to have an ordinance in place that allows**
35 **medical marijuana dispensaries to all commercially zoned (C-1, C-2, C-3) locations with a**
36 **permitted conditional use, eliminate the language regarding the distance restriction near a**
37 **house of worship, and change the language regarding the distance near a school to within**
38 **500 feet.**

39
40 The Commission discussed writing the legislature, future economic development in the City,
41 medical marijuana being dispensed in a pharmacy, eliminating some of the ordinances, medical
42 marijuana ending up in kid's hands and how medical marijuana is different from recreational
43 marijuana.

44
45 **5. CITY MANAGER COMMENTS:**

1 Mr. Denny stated he has been asked to bring up the charter amendment question regarding
2 compensation. He stated on May 5, 2014 the Commission adopted Ordinance No. 08-2014, but
3 recently a couple of Commissioners have asked for the language for Question #5 to be changed.
4 Also, he stated that if the question were to be changed it must go for first reading on Monday,
5 August 4th and second reading Monday, August 18th in order for staff to be able to provide the
6 Supervisor of Elections the questions for the ballot.

7
8 The Commission and staff discussed removing question #5, what average or percentage to use
9 and the amount the salary would increase to.

10
11 Vice Mayor Herzberg presented several options as follows:

12
13 Current compensation is the average of all 16 Volusia County cities:
14 Mayor \$11,931.86 Commissioners \$8,817.64

15
16 Mayor - 50% of County Chair's salary: \$24,750
17 Commissioners - 40% of County Council's salary: \$16,600

18
19 Average of 16 Volusia County cities and Volusia County Council Chair:
20 Mayor \$14,216.71
21 Commissioners \$10,796.44

22
23 Average of 16 Volusia County cities, Volusia County Council and School Board members:
24 Mayor \$14,510.21
25 Commissioners \$12,086.08

26
27 Average of 6 largest cities in Volusia County
28 (Daytona Beach, Port Orange, Ormond Beach, DeLand, Deltona and New Smyrna Beach)
29 Mayor \$18,151.50
30 Commissioners \$12,815.00

31
32 The Commission discussed which method would be the easiest for the public to understand, the
33 people who run for elected office, the Commission compensation not determining the type of
34 person who would run for elected office, the suggestion for a salary increase being due to
35 Commissioners going to events and asking to be reimbursed which other Commissioners bring
36 out in the public even though the City Charter states it is justified, many Commissioners
37 spending their own money on events or dinners, the City Attorney's confusion as to why the
38 Commission's current salary is included in the average, and the City of DeLand proposing their
39 Commission's compensation be done by ordinance.

40
41 **After discussion, the Commission concurred to have Question #5 rewritten to include the**
42 **average of the 16 Volusia County cities, the School Board members and the County**
43 **Council Chair and will be placed on the regular Commission Meeting to be held Monday,**
44 **August 4, 2014.**

45

1 Mr. Denny asked if the Commission wanted the dollar amounts in the amendment question and
2 Vice Mayor Herzberg replied it could not be done because the dollar amounts fluctuate.

3
4 Mayor Masiarczyk asked Vice Mayor Herzberg to provide all the figures she stated to the City
5 Manager who can forward the information to the entire Commission.

6
7 Mrs. Vose stated the ordinance will have to include the four (4) original questions also even
8 though the only language that will change is on Question #5 because that is how it was originally
9 approved.

10
11 Commissioner Denizac stated she expressed disagreement on two (2) of the Charter amendments
12 and was told the questions had to be approved all together and could not be voted on
13 individually. Mrs. Vose replied she can do whatever the Commission directs.

14
15 **After discussion, the Commission concurred to have Mrs. Vose prepare a separate**
16 **ordinance for each Charter amendment question to be voted on individually by the**
17 **Commission.**

18
19 Commissioner Nabicht stated he thinks that the City board appointments should be presented
20 separately also so the Commission can vote on each appointment separately.

21
22 **6. ADJOURNMENT:**

23
24 There being no further business the meeting adjourned at 7:53 p.m.

25
26
27 _____
28 Joyce Raftery, City Clerk
29