

BOARD OF COUNTY COMMISSIONERS - STRATEGIC FINANCIAL REVIEW

JUNE 13, 2008

A meeting of the Board of County Commissioners was held at the Murdock Administration Complex in Room 119, Port Charlotte, Florida. The following members were present: Chairman D'Aprile, Commissioner Moore, Commissioner Loftus, and Commissioner Duffy. Also in attendance were County Administrator Baltz, County Attorney Knowlton, and Deputy Clerk Lansing. The following members were absent: Commissioner Cummings. The meeting was called to Order at 1:30 PM.

Chairman D'Aprile noted this may be the last of the Strategic Financial Review meetings and advised they would be discussing Parks, Recreation & Cultural Resources.

Mr. Sandrock commented on the Tampa Bay Rays remaining close to the top and advised spring training starts in 2009.

Mr. Sandrock mentioned he met with Sarasota's Budget Director, said their department reviews begin next week, explained their strategy is similar to ours, and noted their one time reduction would be their Disaster Recovery Reserve.

Mr. Sandrock stated they would focus on Parks, Recreation & Cultural Resources today, indicated there was unfinished business to be discussed prior to the July 10, 2008 Preliminary Workshop, said they would respond to any unanswered questions, discuss the health clinic, and mentioned they would try and schedule these workshops in the afternoon on Regular Meeting days.

1. Department Review:

a. Parks, Recreation & Cultural Resources

Mr. Sandrock said they are trying to stay on track with the \$3 Million reduction target, noted they do not have everything completely clarified at this point, indicated they have made and will continue to make progress within this large department, discussed reorganization from 6 divisions to 4 divisions, explained the major challenge is maximizing levels of service while reducing expenses, mentioned Staffing, Central Registration, and Expense Reductions.

Commissioner Loftus asked about on-line registration. Parks and Recreation Director, Laura Kleiss-Hoeft explained the on-line program has been available since April, 2007, provided detail, said staff was also available when facilities are open, and indicated citizens can pay with a credit card.

Mr. Sandrock followed visual slides, explained the proposed reorganization, and described the four divisions.

Ms. Shoemaker provided an overview of the Cultural Resources Division, discussed the Historical Center, Libraries, funding options, volunteers, and proposed reductions.

Commissioner Loftus asked if Friends of the Library could assist in a better way. Ms. Kleiss-Hoeft explained there were presently 2,000 volunteers, discussed expanding and defining the volunteer programs, and mentioned future opportunities.

Commissioner Duffy asked about summer, spring break, and daycare programs. Ms. Shoemaker explained they would continue the programs by using independent contractors for those programs and Ms. Kleiss-Hoeft provided detail related to the divisions and camps.

Commissioner Moore expressed concern for the Friends of the Library, opined they are over used and under appreciated, and indicated they are very important to the system.

Ms. Shoemaker advised the Cultural Resources Division Total Budget is \$4,382,575, Proposed Reductions are \$285,494 or 8%, stated there is a decrease in revenues due to the current decline in impact fees, the reduction in library program revenues, cuts in state aid to libraries, and opined decreases will continue.

Commissioner Moore asked if they can afford to continue to accept library state funding based on what they expect back. Ms. Kleiss-Hoeft stated it would be hard to not take help at this time and offered him more detail. **Commissioner Duffy** asked about the different categories. Ms. Kleiss-Hoeft explained in detail and said there are many opportunities to partner.

Ms. Shoemaker stated the expense reductions total was \$135,211, noted the Operating Expenses, explained they were offset by an increase in electric and fuel, and mentioned the Friends of Library were willing to help with funding. Ms. Shoemaker noted One-time Expenses, Staff Eliminations, proposed elimination of 10 full-time positions, the addition of 18 part-time positions, and peak demand flexibility. **Chairman D'Aprile** asked if the full-time personnel being eliminated could be considered for the part-time positions. Ms. Kleiss-Hoeft said if desired they would have the option to move into the part-time positions, advised only three of the positions were being permanently eliminated, and expressed the importance of the part-time positions.

County Administrator Baltz explained the Board will begin to see staff shift from full-time to part-time, stated services will be brought back with extensive use of part-timers to help maintain a level of service with cost reductions, mentioned following union contracts and labor laws, and explained they are aware of the impact these changes will bring.

Mr. Sandrock discussed the Recreation/Athletics Division, said the Total Budget is \$6,069,620 and Proposed Reductions are

\$898,684 or 20%. **Commissioner Duffy** interjected to thank staff for keeping the libraries open without reducing their hours of operation and for continuing as many services as they could with the reduction in revenues. Mr. Sandrock said Recreation programs would continue to be offered, talked about operating hours and fees, provided detail for each division, talked about independent swim team funding, athletic maintenance and impacts, and mentioned more time between retrofits. **Commissioner Moore** asked for retrofit detail. Ms. Kleiss-Hoeft gave specifics.

Commissioner Loftus talked about using volunteers to help Parks and Recreation, opined utilizing volunteers as much as possible, and noted they need to do the work correctly. Ms. Kleiss-Hoeft advised the Sports Council has created a committee to work with staff to decide the most efficient way to use volunteers in all areas. **Chairman D'Aprile** asked what our position is on field lining and said it needs to be done correctly. **Commissioner Duffy** asked if a league could line their own field. Ms. Kleiss-Hoeft answered and said they have formalized a partnership with the Cricket Club.

Ms. Kleiss-Hoeft said Mode references were developed in the late 1990's to define the levels of service (Mode 1 being the highest through Mode 6 being the lowest) required for each of the County parks, referred to slides to illustrate the difference in Modes, and discussed park and ball field maintenance. Mr. Sandrock provided a list of potential event opportunities, programs, and associated revenue sources to be considered. Ms. Kleiss-Hoeft opined the need for Recreation staff to dedicate time to create events that will bring people in from the outside, generate new revenues, and noted the importance of partnering with volunteers. Mr. Sandrock discussed Expense Reductions, One-time Expenses, Personnel Eliminations, and proposed Personnel Eliminations. Ms. Shoemaker discussed the Business Operations Division, Revenue Ideas, and Expense Reductions. Ms. Kleiss-Hoeft discussed moving forward with advertising and concession opportunities, mentioned sponsorships, and related revenues.

Commissioner Loftus thanked Ms. Kleiss-Hoeft for thinking outside of the box and opined the need to generate revenues and

partner with the private sector. **Commissioner Duffy** expressed concerns, said this concept is a total departure from the past, mentioned already receiving negative feedback from Little League parents who believe their concessions will be taken over by Parks and Recreation. Ms. Kleiss-Hoeft said they support league volunteers and concessions and explained Parks and Recreation has always and will continue to work with them.

Ms. Shoemaker continued with Expense Reductions and discussed One-time Expenses. **Commissioner Loftus** brought up the elimination of some of the contractual services, mentioned Cedar Point, noted the value of Charlotte County Environmental Center (CHEC), and the importance of using volunteers to save money. Ms. Kleiss-Hoeft explained the relationship with CHEC has changed over the years, expressed their importance to Parks and Recreation, and advised their present role is programming. **Commissioner Moore** understood CHEC's role is currently programming but asked if they could do more. Ms. Kleiss-Hoeft advised it would need to be added to the budget and explained they charge Parks and Recreation for their services. **Commissioner Duffy** said CHEC recently advised her that they would be willing to help with maintenance to the park and perform extra duties for the same price, explained CHEC receives a matching grant, and opined they would work with us if we ask.

Mr. Baltz clarified CHEC was not usually part of Business Operations, confirmed CHEC was not included in the Contracted Services reductions, advised CHEC activities were traditionally found under Environmental Land Management, and indicated it could be further discussed under Support Services. **Commissioner Moore** asked what was included in the Other Contracted Services reduction. Financial Manager, Michael Koenig provided detail.

Mr. Sandrock moved to Support Services and explained the Division responsibilities. **Commissioner Duffy** asked which department Marketing fell under, questioned the number of marketing personnel, and asked who was responsible for the flyers and brochures. Ms. Kleiss-Hoeft said Marketing fell under Business Operations and advised one Marketing and Outreach Coordinator handles all of the flyers and brochures. **Commissioner Duffy** asked if there would be a savings if the printing went through the regular Communications Department. Ms. Kleiss-Hoeft explained they do not provide that level of

service. **Commissioner Duffy** asked why it was not being considered this year, opined the printing could be done for less money, pointed out expensive brochures outside the elevators, and expressed frustration. Ms. Shoemaker reminded **Commissioner Duffy** of their intent to evaluate and consider consolidation of bigger ticket items, said it did not have to wait until next year, and explained it was on their reduction list for longer term. Mr. Sandrock advised these items were not tied to a fiscal year and could be implemented anytime after evaluation. Ms. Kleiss-Hoeft noted they have already begun cuts in the marketing area.

Commissioner Loftus said he has the same concerns, mentioned consolidation, indicated many people are going through difficult times now, and opined the County needs to be more cost effective.

Ms. Shoemaker said they are working on solutions and hear the Commissioners loud and clear.

Mr. Sandrock stated Support Service Division Total Budget was \$6,136,425, Proposed Reductions were \$3,707,844, or 50%. **Chairman D'Aprile** commented that 50% was a big cut. Mr. Sandrock explained there would be a decrease in the level of service for some of the locations, noted 85 active locations and provided detail. Mr. Sandrock provided detail for Support Division and Expense Reductions. **Commissioner Loftus** asked why they were going with more expensive entrance signs and if they used local vendors. Ms. Kleiss-Hoeft said she did not have the accurate information with her today but would provide detail at a later date, explained in the past the signs were metal or sandblasted wood, explained many Ordinance signs were destroyed during the hurricane, mentioned signs are a high vandalism item, advised bigger contracts go out to bid, and they try and keep the business local. **Commissioner Moore** asked if Public Works did any sign work and if they were competitive. Ms. Kleiss-Hoeft said they pay them to do their general information signs, the brown and white road signs, indicated they were competitive, and explained they lost many signs during the hurricane and were still recovering.

Mr. Sandrock described Service Reductions, One-time Reductions, Personnel Eliminated on 5/13/08, Proposed Personnel Eliminations and Additions, and indicated Ms. Kleiss-Hoeft would provide a visual description of the Modes. Ms. Kleiss-Hoeft described the

difference in parks, park maintenance, partnerships, library grounds, service delivery areas, and explained the level of services by type.

Commissioner Duffy described a park she visited in Sarasota, said it was basic with a lot of shade trees, wooden picnic tables, trash cans, and thought it probably would not cost much to build. Ms. Kleiss-Hoeft agreed there are many Mode Level 6 Parks, opined they will maintain them differently, said the challenge will be to keep them safe, described playground, landscaping, and park furniture Modes. **Chairman D'Aprile** commented he would hate to see any Parks closed because we could not maintain them and opined we could do better than some of the Modes. Ms. Kleiss-Hoeft confirmed no parks would be closed.

Mr. Sandrock advised this completed the presentation on the four major divisions and their proposed reductions and stated they would like to end with a brief overview of the two new areas.

Mr. Baltz interjected and explained this Mode presentation provided a snapshot of what is happening to our parks and facilities as we go through these reductions, said an evaluation was done for each park and facility, and advised they could provide the Mode Level for each.

Chairman D'Aprile asked when cuts were first made in the Parks and Recreation area and asked what Mode levels the parks were at prior to the cuts. Ms. Kleiss-Hoeft advised 38 people were cut last October, said the parks were in bad shape, were coming off the storm period, and noted staff working hard to bring up all their levels of service. **Chairman D'Aprile** indicated citizens are aware of what the parks look like now and noted they were in bad shape before.

Commissioner Loftus said in 1992 Parks and Recreation took a big hit in reductions when there was a downturn in the economy, said parks were in bad shape, mentioned seeing an improvement since Ms. Kleiss-Hoeft arrived, stated not wanting to neglect the parks to the point they could not be brought back to a reasonable standard, and expressed the importance of parks to our Community.

Commissioner Moore opined it is a process and the Board will do what they can with the money they have available. **Commissioner**

Duffy referred to the organizational chart, asked who does the mowing, fertilizing, rest room clean up, and asked several other questions. *Ms. Kleiss-Hoeft* responded in detail and offered to share additional information on how Parks and Recreation conducts their business.

Mr. Sandrock mentioned two new facilities coming on line, stated the Sports Park would be open for spring training 2009, discussed staffing being shifted from other divisions, noted new personnel coming on board during season, and advised the Tampa Devil Rays would be funding some of the maintenance. *Mr. Sandrock* also commented on the Event and Conference Center opening in January 2009 and advised staffing cuts and additions.

Chairman D'Aprile stated staff has their hands full, noted the County has not caught up since the hurricane, and indicated it is easier to buy the park than it is to maintain it. *Commissioner Duffy* questioned the number of positions for the Events Center and opined the building did not need such a large staff. *Division Manager, Joanne Larson* provided position statistics since the 1988, explained the floor plan has doubled, noted reservations are taken for other facilities, and explained the building is open 7 days a week. *Ms. Kleiss-Hoeft* provided additional information and described position responsibilities.

Ms. Shoemaker mentioned they are taking this time to tighten down the numbers related to Parks, Recreation & Cultural Resources, said this is the best they can do at this time, noted anticipating a \$3 Million reduction in regards to this department, and commented on working through the numbers in addition to opening the 2 new facilities. *Mr. Baltz* agreed with *Ms. Shoemaker*, said they will continue to work on staffing and tweak the numbers to reduce the budget and maintain the highest level of service. *Mr. Baltz* asked for direction on Event Center parking.

Commissioner Loftus expressed concern that the new Events Center will have activities scheduled throughout the day, said they would not have control, and indicated he is in favor of a parking fee. *Commissioner Duffy* explained she prefers to see efficiencies over parking fees, said the estimated annual revenue

was approximately \$45,000, and opined they could trim at least that much off the Events Center budget.

Chairman D'Aprile said he is not happy with the situation and would prefer to discuss it later. **Commissioner Moore** agreed and thanked Ms. Kleiss-Hoeft for the presentation. Mr. Sandrock announced department reviews are now complete, stated tentative millage rates will be set at the July 10th meeting, advised once millage rates are set they can not go any higher, and noted the MSBU meeting and CIP Workshop also scheduled for July.

Mr. Baltz repeated once the millage rate is set it can not go any higher and advised they plan to implement the recommendations they provided unless they receive direction to the contrary from the Board.

Commissioner Moore said he wants more information prior to the July meeting, expressed concern with making such important decisions that day, mentioned his position on the millage rate versus **Commissioner Cummings'** opinion, and indicated he wants to have a better focus on what they have heard. **Chairman D'Aprile** said Attorney Knowlton advised the Commissioners would have the opportunity to continue their discussions at the June 24 and July 8th meetings.

Commissioner Loftus agreed they do need more time to consider and make their final decisions, opined these were the best budget workshops conducted in years, and thanked staff and Mr. Baltz for working together for the community.

Commissioner Duffy indicated she is against raising the millage rate and will not change her mind. **Chairman D'Aprile** said we have been mandated by the State and County, expressed concern that the millage rate will now need to be raised to compensate for the cuts, and opined he is confident we can survive with what we have.

Mr. Sandrock said he would cover several issues before the final budget meeting, mentioned the reductions we are faced with go much deeper than Amendment 1, noted there were options available, said the millage rate decision is critical and will affect the next several years, and advised he wants to lay out next year's strategies since next year will also be significant.

Commissioner D'Aprile said 4 out of 5 Commissioners have already stated they are against raising the millage rate and asked Mr. Sandrock to explain that impact to the Board and the Community. Commissioner Moore expressed hope that the true perspective will be presented at these final meetings. Commissioner Loftus asked if they would cover everything before July 10, 2008. Mr. Sandrock said he will set up the workshops as soon as possible. Attorney Knowlton indicated the Board would be willing to attend a Special Meeting to discuss this further if needed. Commissioner D'Aprile opined we have a long road ahead of us, noted the need for patience, and said we will find a way out of it.

ADJOURNED: 3:15 PM

Signature on file in Commission Minutes
Chairman

ATTEST:

BARBARA T. SCOTT, CLERK
OF THE CIRCUIT COURT AND
EX-OFFICIO TO THE BOARD
OF COUNTY COMMISSIONERS

By: Signature on file in Commission Minutes
Deputy Clerk

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