

BOARD OF COUNTY COMMISSIONERS

JULY 10, 2008

A meeting was held at the Murdock Administration Complex in Room 119, Port Charlotte, Florida. The following members were present: Chairman D'Aprile, Commissioner Duffy, Commissioner Cummings, Commissioner Moore, and Commissioner Loftus. Also in attendance were County Attorney Knowlton, County Administrator Baltz, and Deputy Clerk Lansing. The following members were absent: None. The meeting was called to order at 1:30 PM followed by the Pledge of Allegiance.

Mr. Sandrock stated the priority today would be to set tentative millage rates, described the Agenda, and mentioned he would ask the Board to formally approve the part-time positions previously discussed for Parks, Recreation and Cultural Resources after the tentative millage rate vote. **Chairman D'Aprile** asked if there would be a discussion first. Mr. Sandrock answered affirmatively.

1. Certified County-wide Valuations

Mr. Sandrock displayed and referred to visual slides, discussed the Certified Valuations in detail, and described the impact to revenues.

2. Review of General Fund and Public Safety Fund

Mr. Sandrock stated the General Fund is a County-wide fund, stated it funds Constitutional Offices and BCC Services, and reviewed General Fund Revenue Reductions, General Fund Expenditures, the Public Safety Fund, Issues, Revenues, and Expenditures.

3. Reserve Levels

Mr. Sandrock moved on to Reserves, assured the Board they had not jeopardized the current Reserve budget, and provided a detailed breakdown per Reserve.

4. Review of Essential Services versus BCC Services

Mr. Sandrock referred to graphs on the visual slides, explained Essential Services was defined as the Sheriff, EMS and Jail, noted no Expense Reductions had been considered, discussed funding for this year and next year, indicated BCC Services was the focus of reductions, discussed On-going versus One-time reductions, provided the second year impact with the Forecast of FY09/10 Revenue Shortfall, advised they have dealt with this years issues, noted the importance of looking at next years challenges, discussed other revenue source options, said it becomes more difficult each year to deal with the problem, and indicated BCC Services funding levels could become critically low.

**5. Discussion on Roll-back Rate / 6. Tax Reform and Amendment 1
(what millage rights came with tax reform)**

Mr. Sandrock described Tax Reform Legislation FY07/08 rights, clarified roll up and roll down, stated Amendment 1 could not be rolled up, described the differences between decreasing and increasing the millage rate, explained their outcome, and presented two examples of Impacts to Taxpayers.

7. Millage Options / 8. Impacts to taxpayers

Mr. Sandrock said this year's answer involved a large one time solution, advised they need to think of the future when approving the millage rate, again mentioned BCC Services funding is at a critically low level, noted Essential Services were not reduced proportionately, advised setting millage rates at the maximum allowed would keep millage "on the table" through September, 2008, reminded the Board that once the millage rate is set it can not go up, recommended they go to roll-back, and mentioned future discussions.

Mr. Sandrock described Charlotte County Challenges, said revenues were used largely for Hurricane recovery, said other Counties were building reserves while we were re-building, brought up Murdock Village, and advised there would be another meeting on July 22, 2008 to discuss Murdock Village further.

9. Set Tentative Millage Rates

Mr. Sandrock confirmed this was the end of his presentation, repeated he would be requesting approval of part-time positions later, and asked for Board direction.

Chairman D'Aprile asked for comments. **Commissioner Duffy** asked about General Fund Reserves, the Contingency Reserve, CIP Budget Reserve, wondered if they could borrow from some of the funds, inquired as to whether there were other pockets of Reserves available, and asked if there was any EMS reductions or improvements made. Mr. Sandrock answered in detail. **Commissioner Duffy** asked what could be done next year to find ways to be more efficient in all areas and make up the big difference, asked about impacts and reductions related to Homestead versus Non-Homestead, and pointed out that residential and the business community are both suffering. **Commissioner Loftus** agreed we need to do everything we can to help local businesses stay in business. **Commissioner Moore** said he is in favor of option 2 and noted setting millage that can be reduced and not raised would give them maximum flexibility between today and September, 2008. **Chairman D'Aprile** commented the County is in financial crisis which has been caused by the United States economy, State mandated changes in taxes, Amendment 1, and the lowering of property values. **Chairman D'Aprile** asked citizens to trust and support the Commissioners as they had after Hurricane Charley, said he has always been honest and is willing to put his job on the line by making critical decisions in order to help resolve this impending County Budget catastrophe so Charlotte County can be financially stable the rest of this year and in 2009. **Chairman D'Aprile** opined some may say that this Board will not act in the best interest of the County for fear of the up and coming election, announced that was far from the truth, stated the County must be re-built now, expressed his desire to be clear for the record, advised the Board still has budget tightening to complete, asked citizens to recall the millage rate decrease last year, noted the worse case scenario would increase the millage rate by the cost of a bottle of Pepsi, said he will do what is right for the County even if he loses his job over it, and wants to know if citizens will trust him and the Board of County Commissioners to do the right thing and not just what may be politically correct.

COMMISSIONER MOORE MOVED TO SET THE TENTATIVE MILLAGE RATE AT THE MAXIMUM ROLL-UP RATE. (OPTION 2, AS SHOWN ON PAGE 30), SECONDED BY COMMISSIONER CUMMINGS.

Commissioner Duffy stated she can not vote in favor of this, said she still views it as a tax increase, and opined there has to be a better way. Commissioner Cummings thanked the Board for having the courage to do the responsible thing in a tough environment. Chairman D'Aprile opined the Board does not want to raise the millage rate, said they need to trust in staff recommendations, mentioned the \$12 Million cut 6 months ago, noted another \$32 Million cut now, said if they continue on this road they will not be able to make payroll which will lead to more layoffs, and said the alternative is to put the millage rate in position and use it if we need to.

Motion Carried 3:2. Commissioner Duffy, and Commissioner Loftus opposing.

Mr. Sandrock advised they require Board approval to establish the part-time positions previously discussed and provided a visual slide describing each.

COMMISSIONER LOFTUS MOVED TO APPROVE THE 61 PART-TIME POSITIONS AS LISTED, SECONDED BY COMMISSIONER DUFFY.

Commissioner Cummings spoke against the motion, said it will put 61 additional families at risk, indicated the savings to the typical taxpayer was not significant, said the timing of this shift is awful since these people will lose their benefits and have limited options, opined hurting more families will not help the local economy, and stated this is a bad idea. Commissioner Loftus said these are hard times and indicated they need to do the right thing for the entire County. Chairman D'Aprile asked for clarification of the motion. Commissioner Loftus confirmed his motion is to approve. Commissioner Duffy said she agreed with staff recommendation. Chairman D'Aprile asked if the 61 positions were already filled with County employees. Mr. Sandrock explained step one was to eliminate 35 full-time positions and then create and fill 61 part-time positions.

Mr. Baltz commented they had discussed these strategies several weeks ago, mentioned Union regulation compliance, explained the process, mentioned Parks, Recreation and Cultural Resources target savings was \$3 Million with the least amount of impact, and advised if passed the workforce balance in that department would then be 50% full-time and 50% part-time.

Commissioner Cummings confirmed this strategy would only provide \$706,000 in savings, noted it only represented \$.36 per month per resident, opined now is not the time to jeopardize another 35 families, lower morale, and stated it would serve as a net loss to the local economy. **Commissioner Moore** asked where the balance of cuts were being made in Parks, Recreation and Cultural Resources since these cuts only represented \$706,000 in savings. **Commissioner Cummings** interjected they could wait to approve this since the strategy had been driven by the assumption the millage rate would remain the same.

Chairman D'Aprile inquired whether those 35 full-time employees were included in the proposed 61 part-time positions and asked for more detail related to the 35 positions. Mr. Sandrock indicated the 35 positions would be eliminated, said 61 new positions would be created, advised some full-timers would have the opportunity to apply for those positions, and described the positions by title. **Commissioner Moore** indicated he is still looking for an answer related to the \$3 Million target versus the \$706,000 savings to eliminate 35 full-time positions. Mr. Sandrock responded the \$3 Million objective included producing new revenue, expense reductions in areas other than staffing, said part of the strategy was to keep the same hours while moving from full-time to part-time, and noted they would be applying other reduction strategies within the department.

Mr. Baltz mentioned some of the additional strategies and asked Ms. Kliess-Hoeft to discuss them in detail. Ms. Kliess-Hoeft said there were many strategies, mentioned some of their goals, noted opening the parks to vendors, concessions, advertising, and merchandising, said they reduced expenditures by lowering certain levels of service, talked about adjusting modes, discussed changes to the Recreation Coordinator position, and commented on park hours. **Chairman D'Aprile** asked if they could increase fees to offset the \$706,000 needed to save the 35 full-

time positions. Ms. Kliess-Hoeft answered affirmatively, said they could become aggressive with vending, advertising, and merchandising, noted the current ordinance has strict non-solicitation language, and opined if allowed a new program would be successful and bring in needed revenues. **Chairman D'Aprile** suggested they postpone their decision until they receive additional information indicating possible options to save these 35 jobs without touching the \$3 Million reduction target. **Commissioner Moore** inquired if their decision was time sensitive and mentioned the Commissioners could be available after a short Land Use meeting the following week. Ms. Kliess-Hoeft advised they would need more time. Mr. Sandrock stated they were asking for a decision today because this is to be Step One of the strategy implementation to this department and said it could be brought back if that is the will of the Board.

Mr. Baltz agreed these are difficult decisions, explained they spent many weeks identifying these 85 positions slated for elimination, advised these 35 positions are part of the 85, said if approved today they had planned to move forward, noted they had researched and made the best reduction decisions they could, said there may be equally difficult decisions to be made in the future to meet the budget challenges, and indicated they would follow direction and the will of the Board.

Commissioner Loftus said they need to show true leadership by making tough decisions and opined something will need to be cut if they change their position. **Chairman D'Aprile** explained his hopes that advertising could carry these positions and opined they should have looked into this a long time ago. Ms. Kliess-Hoeft advised the long-term potential related to merchandising and advertising, and noted a conservative projected revenue of \$181,000 within the first year. **Commissioner Duffy** commented that **Chairman D'Aprile** was thinking with his heart, agreed these are hard decisions, noted other positions have already been eliminated, and mentioned some of these people will be able to apply for the part-time positions. **Chairman D'Aprile** stated the difference was that Parks and Recreation has the opportunity to possibly raise funds to save these jobs.

Commissioner Cummings pointed out all decisions and recommendations so far were made based on Board consensus that the millage rate was to stay the same and opined if they want to do the most efficient thing, they should take another look. Chairman D'Aprile again explained his hopes that alternative funding could save the 35 full-time positions.

Motion Carried 3:2. Chairman D'Aprile, and Commissioner Cummings opposing.

County Attorney Knowlton advised the workshop scheduled for July 11, 2008 would be cancelled.

ADJOURNED: 2:47 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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