

**BOARD OF COUNTY COMMISSIONERS**

**DECEMBER 12, 2008**

A meeting was held at the Murdock Administration Complex in Room 119, Port Charlotte, Florida. The following members were present: Chairman Duffy, Commissioner Loftus, Commissioner Starr, Commissioner Cummings, and Commissioner Skidmore. Also in attendance were County Administrator Baltz, County Attorney Knowlton, 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.

**PERFORMANCE BUDGETING - COUNTY BUDGET OFFICER - RAYMOND SANDROCK**

Mr. Sandrock described the three topics that will be addressed today, noted the first is Performance Budgeting, indicated this is a follow up to the last budget workshop where it was identified as a method that will be used next year, and said they will define Performance Budgeting in detail to arrive at an agreement for its use prior to aggressively moving forward. Mr. Sandrock said the second item will be a discussion of the revenue shortfall, noted the result will likely be that we are unable to find enough savings to eliminate the entire problem, and opined the need to formulate an additional plan to meet our goals. Mr. Sandrock stated the third item will be to briefly explain MSBUs in general and discuss alternative options.

Mr. Sandrock discussed the following items which paralleled a detailed visual slide presentation, noted most State and Local Governments are struggling, mentioned short and long term shortfall solutions, defined performance budgeting in detail, explained its common characteristics, process, timeline, mentioned prioritizing services, explained Department Workshops, BCC Decision Points, Keys to Success, and provided examples of five related forms. Mr. Baltz said the Board should begin to see a connection with the eight goals identified at the retreat yesterday and with the BOCC guiding principals and mission. Mr. Sandrock mentioned the importance of organizational charts, clear Board direction and feedback, and discussed the next steps in addressing the revenue shortfall.

**Commissioner Starr** asked how waste and excesses are identified within the components inside a module and questioned duplication of efforts by individual departments. Mr. Sandrock indicated they would first determine if all State goal requirements were met and then focus on the level of service and advised the Budget Department would review and advise if there were opportunities for consolidation. **Commissioner Starr** stated his goal for maximum efficiency is to maintain a lean, no duplicate organization and asked if the price of new budget software could be justified. Mr. Sandrock said he would research the cost and advise at a later date, said it takes years to implement, and mentioned automation would be beneficial over the long term. **Commissioner Skidmore** questioned whether the Board or the individual department head is responsible for defining the goals and asked how a common procedure in the County is eliminated in Performance Budgeting. Mr. Sandrock provided a detailed responded. **Commissioner Loftus** stated the importance of understanding the true direct and indirect costs of department operations. **Chairman Duffy** stated it is important to have a good evaluation tool in any process, said the Board needs detail related to what services the citizens want, noted the current goals are too vague, explained the difficulty in evaluating departments that are not driven by Community needs, and expressed the need to make the right decisions. Mr. Sandrock agreed, noted industry standards, comparisons, said they will do the best they can this year, and opined the process will be more efficient over the next few years. **Chairman Duffy** opined providing clear direction can be a much longer process when determining the needs of the Community, opined the need for a good strategic plan, and suggested a series of citizen workshops within the Community to help create the budget around the needs of the public. Mr. Sandrock agreed with a strategic plan and pointed out the importance of having the right people involved. **Commissioner Starr** agreed Community input and participation is key and should be part of this process to identify the critical needs of the public. **Commissioner Skidmore** invited the public to email their suggestions to the Board and asked if the Board will be provided a list of reduction suggestions. Mr. Sandrock responded, indicated there will still be a shortfall at the end of this process, and gave additional suggestions related to savings. **Commissioner**

**Loftus** opined everyone including the constitutional officers need to be involved in this budget process. **Chairman Duffy** agreed and indicated the need for their immediate involvement. **Commissioner Cummings** said there must be a level of trust related to this process, noted the massive amount of data involved, said they need to acknowledge there are costs involved with making cuts, expressed the importance of establishing the public safety levels of service, explained many levels of service are already adopted in the comprehensive plan, opined adding others so the County will possess legal concurrency, and mentioned quality of life, trend lines, and unfunded mandates. **Chairman Duffy** talked about level of service reductions past and future, mentioned unfunded mandates, and suggested the creation of a list of State required services. Mr. Sandrock commented they have a list. The Commissioners discussed the need for better communication with our representatives and questioned related Sunshine Laws. Attorney Knowlton advised communication is allowed in memo form or in Commissioner Comments at the end of regular meetings.

County Administrator Baltz clarified the process, talked about Department of Community Affairs (DCA) regulations and their impacts, and indicated the Board needs to look at the Performance Budget procedures and provide feedback. **Commissioner Loftus** said he likes the process, but opined they need to hold Town Hall meetings. **Commissioner Starr** agreed, noted the short fall will be significant, and suggested they begin the new process as soon as possible. **Commissioner Cummings** agreed with moving forward with the process, said it will become more refined as time goes on, opined a lot of effort will be needed to address the shortfall, and expressed his goal is not to make decisions that will cause a financial meltdown in the future. **Commissioner Duffy** opined Performance Budgeting meets the expectations and said they need to use Comprehensive Plan feedback as a guide to provide better support and direction to our department heads. **Commissioner Skidmore** stated time is of the essence, said the goal is to define a more efficient government, and noted they must be proactive and address the \$40 million shortfall now. **Chairman Duffy** clarified she agreed with **Commissioner Skidmore** but noted the importance of using existing Comprehensive Plan data.

Mr. Baltz remarked on the assumption of an approximate shortfall as high as \$40 Million, confirmed the Board is opposed to any budget increases within the County, noted their request that all constitutional officers be involved, said they will move forward with the Performance Budgeting process, and commented that the Board of County Commissioners (BOCC) side makes up less than 50% of the General Fund and advised the remainder consists of the Constitutional Officers.

**Commissioner Cummings** advised past deep cuts have come from the BOCC side of the budget, mentioned having control of a big chunk of the \$40 Million based on Board decisions to cut taxes or keep the millage rate the same, and advised they were not the same. Mr. Sandrock noted they have structured the process to include all departments in year one and provided suggestions related to Constitutional Officer direction. **Chairman Duffy** said she would meet with each Constitutional Officer to discuss their budgets. Mr. Sandrock advised each has always been responsible for their individual budgets and have been cooperative for the most part. **Commissioner Cummings** said he understood the Tax Collector and County Clerk has already made reductions. Mr. Sandrock summarized they will continue to move forward with Performance Budgeting through a series of workshops March through May, 2009, noted they will use the enhanced forms, and confirmed they will begin communications with departments next week.

Mr. Sandrock opined Performance Budgeting alone will not likely eliminate the estimated shortfall, pointed out other considerations on the visual slide, provided additional detail related to strategies, explained the fiscal stabilization reserve, and discussed government downsizing. **Commissioner Cummings** explained his interpretation of the course of action to be taken over the next several years. Mr. Sandrock gave a brief MSBU presentation which paralleled visual slides and pointed out several MSBU options. **Commissioner Cummings** commented on MSBUs, MSTUs, and ad valorem. **Commissioner Loftus** asked for the criteria related to House Bill 1B. **Commissioner Starr** explained his main opposition to MSBUs is road resurfacing and stormwater management since everyone uses those services.

**Commissioner Duffy** talked about MSBU overhead costs. **Commissioner Skidmore** opined the MSBU process generally needs improvement and gave the reasons why he asked for the topic to be put on the agenda. **Commissioner Cummings** agreed there is room for improvement and suggested research be viewed with open eyes.

ADJOURNED 3:17 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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