

BOARD OF COUNTY COMMISSIONERS

JULY 30, 2007

A meeting was held at the Murdock Administration Complex in Room 119, Port Charlotte, Florida. The following members were present: Chairman Loftus, Commissioner Duffy, Commissioner Cummings, Commissioner D'Aprile, and Commissioner Moore. Also in attendance were County Administrator Loucks, County Attorney Knowlton, Finance Director Navan, and Deputy Clerk Mitchell. The following members were absent: None. The meeting was called to order at 9:00 AM.

BUDGET WORKSHOP 2007-2008

1. Presentation - General Budget Overview
2. Board Questions

Ray Sandrock began his slide presentation titled Proposed FY07/08 Budget July 30, 2007 that paralleled the material and detailed the following: Purpose of Workshop; and Overview - FY07/08 Budget Process. Mr. Sandrock explained the purpose of this workshop is to quickly review the budget process today and more importantly to focus on the reduction list in the categories of Personnel, Revenue Enhancements, and Other Changes; and advised the number of frozen and cut positions was reduced from 102 to 100 as detailed in the updated Personnel Report.

Mr. Sandrock stated the expense reductions and revenue enhancements were done to meet the impacts of the tax reform and to address the increases in other constitutional budgets like the Sheriff, the Jail, and the Tax Collector; the Board departments and the Clerk of Courts reduced budgets by \$5.6 million to get to a zero budget; and additionally based on the tax reform impact in the legislation the County was required to reduce other funds by \$8.6 million for a total reduction requirement for those two categories of \$14.2 million.

Commissioner Cummings asked for an explanation on what's occurred with property valuations. Mr. Sandrock explained initially it appeared the valuations would go up but the July 1st certifications showed an overall decrease of 2% in property

valuations. Mr. Sandrock stated he misspoke earlier when he said the Tax Collector's budget increased, he should have said the Supervisor of Elections' budget increased.

Mr. Sandrock continued the presentation with Tax Reform - Impact to Funds on page 4; explained the cut to the Reserves is a one-time reduction, over the course of the next year they will need to look at what other services and projects can be cut since those reserve funds won't be there, and they do try to strike a balance between one-time and ongoing reductions to allow them time to focus on what is the long-term goal.

Bruce Loucks said that next year the reserve issue will only be part of what they'll have to deal with, what will be an even bigger issue next year will be the mandated costs the County will have to pay for especially regarding the opening of the Jail which will have a huge impact on their budget, all of this is part of a five-year program, and the impacts will be even more severe if the constitutional amendment is passed on January 29, 2008.

Commissioner D'Aprile agreed the severity of the impacts is not just a one-time thing, said regarding the Jail expansion he felt other things could be accomplished to reduce the number of inmates such as using ankle bracelets for those non-dangerous prisoners awaiting trial, the County is in a serious budget crunch, and everyone has to participate in finding ways to offset the problems they're facing.

Commissioner Cummings agreed the Sheriff's budget increase offsets almost all the other cuts combined, opined the Sheriff would agree on the need for more alternative programs, said the Public Safety Council has been trying to do that very thing, opined the Judges are actually the ones that have control over that not the Sheriff, recalled the Judges had ordered the Commission to build the Justice Center and expand the Jail and the voters decided to pay for this through the sales tax, and said if they tell us we have to build the man a bigger jail we don't have a choice in the matter.

Commissioner D'Aprile said he understands that but he's an optimist, there are always ways of finding cuts or ways to still give the same benefits at a minimal cost, and if it's a matter of

the Judges coming to a realization then they must communicate with the Sheriff to find out if in fact this can be accomplished before they put a mandatory request to the Board of County Commissioners because that scares the heck out of people.

Chairman Loftus said he has the same concerns as **Commissioner D'Aprile** regarding prisoners awaiting trial, reported the Safety Council has and will continue to discuss utilizing things such as ankle bracelets but one issue is that some of those awaiting trial have mandated prison times and aren't allowed out on bond, and added they have also expedited transfer of sentenced prisoners to state prisons.

Mr. Sandrock continued the slide presentation with Personnel Changes on page 5, and explained the updated Personnel Report reflected the most recent changes. Mr. Sandrock explained Frozen positions represent vacant positions as of April, 2007; the funding for these positions has been removed from the 07/08 budget, the positions remain authorized, and they could be filled in a future year based upon need. Mr. Sandrock explained Cut positions represent positions that cannot be filled, they are being removed, and they are no longer authorized nor in the 07/08 budgets. Mr. Sandrock clarified the reason they are maintaining the Frozen status at this point is there are some areas where Administration wants to make sure they are not making reductions past the recommended level, and of the 100 Frozen and Cut positions less than 15 positions actually are filled.

Commissioner Moore said he didn't see the need to have separate Frozen and Cut categories. Mr. Loucks said it's up to the Board, to fill a position there has to be Board authorization and there has to be funding.

Chairman Loftus summarized the Commissioner wants them all as Cut positions for the time being. **Commissioner Moore** agreed.

Attorney Knowlton suggested there should be a consensus to do that. (Discussion ensued regarding the process in determining the frozen and cut positions.)

Chairman Loftus summarized there was consensus to show all positions as Cut positions.

Personnel Changes - Item #1 of Mr. Sandrock's Memorandum dated July 25, 2007
General Fund, Page 8 (Pages 1 - 6 of the Personnel Report) (Pages 5 - 13 of the slide presentation material)

Mr. Sandrock continued the slide presentation with Personnel Reductions - General Fund on page 8, and requested approval to remove these positions from the 07/08 budget.

Commissioner D'Aprile referred to page 1 of the Personnel Report, and asked what 'less direct communication' means regarding the impact of the frozen position for Economic Development. Debrah Forester explained this position would involve travel and attend trade shows, and do the direct connection with those business relocation specialists; and the current position does limited contact by attending two trade shows a year, so this would be continuing with the service they have but not expanding it. **Commissioner D'Aprile** said he's bringing this up because one of the most important things they have to deal with in this community is economic development, if they start losing sight of what they need to do they will never have the reduction of taxes, and asked if they still have enough people to wine and dine the economic development people because that's what's needed. Mrs. Forester said their Business Development Specialist does that, they were hoping to expand her services because the competition is getting stronger, so the more direct contact they have by attending the trade shows the more ability they have to bring those people into the community. **Commissioner D'Aprile** said Charlotte County is a jewel in itself, and he knows they can bring a lot of industry here to compensate for the excessive taxes the residents are experiencing.

Chairman Loftus agreed they need to reach out as quickly as possible, and they need to diversity and be able to offer good paying jobs to our young people.

COMMISSIONER MOORE MOVED TO APPROVE GENERAL FUND STAFF REDUCTIONS ON PAGE 8, SECONDED BY COMMISSIONER DUFFY.
Motion Carried 4:1. Commissioner Cummings opposing.

Mr. Sandrock continued the slide presentation with Personnel Reductions - Library on page 9, and requested approval to remove these positions from the 07/08 budget.

**COMMISSIONER MOORE MOVED TO APPROVE LIBRARY STAFF REDUCTIONS ON PAGE 9, SECONDED BY COMMISSIONER D'APRILE.
Motion Carried 5:0.**

Mr. Sandrock continued the slide presentation with Personnel Reductions - Historical Center and Support on page 10, and requested approval to remove these positions from the 07/08 budget.

**COMMISSIONER D'APRILE MOVED TO APPROVE HISTORICAL CENTER AND SUPPORT STAFF REDUCTIONS ON PAGE 10, SECONDED BY COMMISSIONER MOORE.
Motion Carried 5:0.**

Mr. Sandrock continued the slide presentation with Personnel Reductions - Recreation Programs on page 11, and requested approval to remove these positions from the 07/08 budget.

Commissioner Cummings commented on how these reductions will impact services provided to community and it's residents, and noted that this is not the end.

Chairman Loftus agreed the cuts are going to get deeper and deeper because this only the beginning of a five-year program.

Commissioner Moore referred to the Jail expansion, and asked what revenues could be expected from housing federal inmates. Jail Commander Major Thomas Rodgers said they just don't know at this point, they still have two years to completion but inmate counts have jumped 20% since January, and due to those percentages, the projected capacity, and their staffing levels they may not be permitted to house that many federal inmates.

**COMMISSIONER MOORE MOVED TO APPROVE RECREATION STAFF REDUCTIONS, SECONDED BY COMMISSIONER DUFFY.
Motion Carried 5:0.**

Commissioner Cummings commented on the impact of these Recreation Program cuts so people will understand when these programs just aren't there any more.

Mr. Sandrock continued the slide presentation with Personnel Reductions - Parks Maintenance on page 12, and requested approval to remove these positions from the 07/08 budget.

COMMISSIONER DUFFY MOVED TO APPROVE PARKS MAINTENANCE STAFF REDUCTIONS, SECONDED BY COMMISSIONER MOORE.
Motion Carried 5:0.

Mr. Sandrock continued the slide presentation with Other General Fund Personnel Changes on page 13, and requested approval to remove these positions from the 07/08 budget.

Commissioner Moore asked if they are jeopardizing the safety of the citizens with these reductions. Jim Thomson said he still felt they could do an adequate job regarding mosquito control.

Chairman Loftus said they still have a Keep Charlotte Beautiful position, this was supposed to be a partnership with the private sector but that didn't happen so he has a problem with this, and opined this position needs to go back to the public sector and let them pay for it.

Commissioner Duffy referred to the non-profits funding issue, noted a Grants Management Specialist position was added this year, and suggested they eliminate that position and let the United Way take over that roll for the County. Mr. Loucks responded they were working on an agreement with United Way. **Commissioner Duffy** said she'd heard that but she wanted to know what the person in this new position will do then.

Mr. Thomson clarified the Keep Charlotte Beautiful position is funded out of the Solid Waste Enterprise Fund, and they only fund the position everything else the non-profit raises for all their activities.

Victoria Carpenter clarified the duties of Grants Analyst position deals both with the non-profits as well as continuing to look for additional revenue sources due to continuing state cuts in funding.

Commissioner Duffy asked if there was any duplication of efforts between Human Services and the Budget Department's Grant Analyst. Mr. Sandrock said no. Mrs. Carpenter agreed.

COMMISSIONER MOORE MOVED TO APPROVE OTHER GENERAL FUND PERSONNEL CHANGES ON PAGE 13, SECONDED BY COMMISSIONER DUFFY.
Motion Carried 5:0.

West County Regional Library

Mr. Sandrock continued the slide presentation with West County Regional Library on page 14, explained the project was currently in design, construction is scheduled for 2008, at this point they do not have any of the operational costs budgeted in the 07/08 budget, asked if the Board wished to go forward with this project, and said if so, staff will make the necessary inclusions in the budget for the operational costs.

Commissioner D'Aprile asked where the money will come from because they're talking about a lot of money. Mr. Loucks noted there are several options available.

Commissioner D'Aprile said this isn't sales tax dollars. Mr. Loucks agreed it would an ad valorem impact. *Commissioner D'Aprile* opined to do this now or even suggest that this is affordable would be very detrimental to them.

Mr. Sandrock explained the actual construction of this facility has been conceptually built into the Capital Projects Fund for several years; they've been setting aside ad valorem funds, impact fees, and grant funds to complete the construction so that part of the Capital Projects Fund is budgeted and balanced; and the issue with a new facility like this is the ongoing operation because that requires funding going forward. *Commissioner D'Aprile* said he's still not convinced there are funds available in their budget.

Laura Kleiss-Hoeft said in preparing for the next five to ten years regarding levels of service they have taken a hard look at the Port Charlotte Library which is 39 years old, it is close to the Mid-County Regional Library, library services are severely lacking in West County, this project is already being designed, Capital Improvement Project dollars for construction have been

funded, they will develop an outreach program with a kiosk at the Cultural Center, and the staff from the Port Charlotte and Englewood Libraries along with those operating costs will be moved to the operation of the West County Regional Library.

COMMISSIONER MOORE MOVED TO APPROVE GOING FORWARD WITH THE WEST COUNTY REGIONAL LIBRARY AND BUDGETING FOR THE OPERATING EXPENSES AS DETAILED ON PAGE 14, SECONDED BY CHAIRMAN LOFTUS.

Commissioner D'Aprile said he's not opposed to a library in this area but they just can't continue spending, he didn't feel it was necessary at this time, and he can't approve this right now.

Chairman Loftus said he supports this because every time they delay the costs go up.

Commissioner Duffy summarized they would be turning the Port Charlotte Library into a kiosk at the Cultural Center, staffing from the Port Charlotte and Englewood Libraries would be moved to the new facility resulting in only needing two new positions, and they really need to think about this because of the impact to the Cultural Center and all the people who use the Port Charlotte Library.

Mrs. Hoeft explained in the library industry the normal users drive five miles, in areas like this the standard is driving 20 miles, and agreed there are 86,000 people who use the Port Charlotte Library but we're in very difficult times.

Commissioner Cummings said he's struggling with this because of the needs of the elderly and the unique neighborhood around the Port Charlotte Library but because they're about 90% into the design he'll go along with this tentatively.

Commissioner Duffy said she agreed because she's also hesitant and she wasn't prepared to make a final decision on the Port Charlotte Library today. *Chairman Loftus* said he shares the same concerns.

Motion Carried 4:1. Commissioner D'Aprile opposing.

RECESS: 10:25 AM - 10:38 AM

Public Safety Fund - Personnel (Pages 7, 8 and part of 9 of the Personnel Report)

Mr. Sandrock continued the slide presentation with Public Safety Fund - Personnel on page 15, and requested approval to remove these positions from the 07/08 budget.

COMMISSIONER CUMMINGS MOVED TO APPROVE PUBLIC SAFETY FUND PERSONNEL CHANGES ON PAGE 15, SECONDED BY COMMISSIONER D'APRILE. Motion Carried 5:0.

Mr. Sandrock said he wanted to take a minutes to review the budget details of two departments, and continued the slide presentation with Community Development's Budget on page 16, and Parks, Recreation and Cultural Resources on pages 17 and 18. (Discussion ensued regarding the impacts to the citizens especially to senior citizens resulting from the cuts in Parks, Recreation and Cultural Resources.)

Commissioner D'Aprile asked if they are meeting the needs today. Mrs. Hoeft said yes as of today but after the reductions that will no longer be true, the levels of service will be greatly reduced, they will no longer meet the needs of the community, the semi-annual facility program brochure normally has 500 to 600 listings of events but that will reduce by half easily, and they will continue down the track of seeing that reduction continue over the next five years.

Commissioner D'Aprile said he agreed Parks and Recreation is an important attribute to this community but the question is where are they going to get the money they need to meet the needs of the community. Mrs. Hoeft stated the overall reductions in staffing and programs amounts to approximately \$3 million.

Commissioner Duffy asked how many parks they have. Mrs. Hoeft stated they have 68 parks with 206 employees in six divisions but that number will be reduced to 176 comprising 141 full-time and 35 part-time employees. **Commissioner Duffy** asked the total budget. Mr. Sandrock responded \$13.8 million.

Public Works Transportation Trust (Page 19 of the Personnel Report)
Personnel Changes - Other Funds (Page 20 of the Personnel Report)

Mr. Sandrock continued the slide presentation with Transportation Trust on page 19, and requested approval to remove these positions from the 07/08 budget.

Mr. Loucks stated these reductions are not related to the downturn in the building industry or tax reform but the result of Board direction to make cuts in all departments.

COMMISSIONER MOORE MOVED TO APPROVE PUBLIC WORKS TRANSPORTATION TRUST PERSONNEL CHANGES ON PAGE 19, SECONDED BY COMMISSIONER D'APRILE.

Motion Carried 5:0.

Commissioner Cummings commented on Senate Bill 360 and levels of service requirements especially where roads are concerned. **Chairman Loftus** agreed they are going to need ongoing discussions in this area. **Commissioner Cummings** added they need to include the public because he felt the levels of service should be based on what the community expects and is willing to pay for rather than the bare bones legal requirement.

Chairman Loftus said in addition to the personnel issues he hoped they were looking into increasing the number of green vehicles. Mr. Loucks reported they already have a couple in their fleet. **Commissioner Cummings** said he likes that idea but opined they need to take into consideration the costs to make sure these vehicles are cost effective.

Commissioner D'Aprile agreed these vehicles are not cheaper, they cost more upfront and the maintenance program is much more difficult.

COMMISSIONER MOORE MOVED TO APPROVE PERSONNEL CHANGES - OTHER FUNDS ON PAGE 20, SECONDED BY COMMISSIONER D'APRILE.

Motion Carried 5:0.

Events Center - Re-allocation of staffing (page 21 of the Personnel Report)

Mr. Sandrock explained they have now completed all the personnel reductions, said one further discussion topic is the Events Center, continued the slide presentation with Events Center - Re-allocation of staffing on page 21, and requested approval to add or re-allocate four positions in the 07/08 budget.

(Discussion ensued regarding use of personnel at the Events Center.)

**COMMISSIONER CUMMINGS MOVED TO APPROVE EVENTS CENTER STAFFING RE-ALLOCATION ON PAGE 21, SECONDED BY COMMISSIONER MOORE.
Motion Carried 5:0.**

Revenue Enhancements - Item #2 of Mr. Sandrock's Memorandum dated July 25, 2007 (Pages 1 - 3)

Mr. Sandrock referred to pages 1 through 3 of his memorandum attachment, and stated the total of all the revenue enhancements is \$1.3 million largely in the area of Parks and Recreation with some in Dial-a-Ride and Human Services.

Following Board discussion, all items were approved as presented except for the following changes: Parks & Recreation - 1. No charge to Charlotte County residents for Library cards and reduce income; 2. Provide teen dances four (4) times per month with approval to add necessary staff and approval of increased revenue and expenses; and 3. Charge \$3 for Charlotte County residents and \$6 for non-county residents per four (4) hour skate session and reduce income and eliminate the \$30 annual membership for all skaters and reduce income.

Mrs. Hoeft said she will bring back a fee resolution for final Board approval.

Other Changes - Item #3 of Mr. Sandrock's Memorandum dated July 25, 2007 (Pages 1 - 3)

Mr. Sandrock reviewed pages 1 through 3 of his memorandum attachment.

(Board discussion ensued regarding the Sheriff's hiring delays will result in higher costs next year and the need to find additional cuts just to stay even, rising health insurance costs, Not For Profits funding, and using the United Way to manage disbursement of Not For Profits funding dollars.)

Mr. Loucks said it was his understanding, and this is the premise which they've been moving forward on at the staff level, that for next year's funding the Board will identify an amount of money that will be given to United Way and United Way through their processes would be allocating those funds in the same way they allocate other United Way funds, but he's not sure he's hearing that today, and he wanted to make sure they were all on the same page because staff is working with the United Way to develop an agreement for us to do just that next year. **Chairman Loftus** said that's the direction the previous Board had given and that's the way he thought they were going. **Commissioner Duffy** said she recalled that discussion and Mr. Loucks' recommendation, she spent a lot of time reviewing the committee's recommendations, and some of them she just doesn't agree with.

Commissioner Cummings said he's not comfortable just picking an amount, he felt a needs analysis should be done instead of just picking some arbitrary figure, ultimately it's the Board's responsibility, and he's not sure he's willing to give that up. **Commissioner Moore** said he just doesn't accept the number of \$600,000.

Chairman Loftus asked Mr. Loucks to restate the direction for next year. Mr. Loucks reiterated the direction they're moving on for next year is that the Board would identify the level of funding that would be remitted to the United Way, and the United Way through their normal processes would allocate those funds to the different agencies in the community without Board involvement unless the Board is on one of those committees which he wasn't aware of.

Commissioner Cummings said he wants to make use of the United Way's evaluation process but he also wants a needs analysis done. Mr. Loucks responded the intention was to take it out of the political arena and put it at an administrative level which is why they talked about giving it all to United Way to handle, and

opined a needs analysis was something they'd never be able to afford to do because of the nature of how these organizations operate. Mrs. Carpenter said in working with the United Way they would want to consider having County representation on that review committee if the funds are given to the United Way so the County does have input into that process, and added they were also working with the Purchasing and Finance Departments to make sure the County's money is safeguarded through all the audit requirements for general revenue dollars.

Commissioner D'Aprile recalled they used to have a \$900,000 cap on any donations to assistance groups, said now they're looking at over \$3 million, opined they can't continue to increase the amount they donate, and they should put a cap on an annual amount and that's it.

Commissioner Cummings stated non-profits have the same issues the County does, our budget can't remain at the same level year after year and neither can these agencies' budgets.

Commissioner D'Aprile agreed but opined with the current budget concerns they need to have a cap and review that cap annually.

Chairman Loftus said he felt that's the way they're trying to go, they have a figure of \$600,000, the United Way has done an analysis of all the agencies and their needs, and if they can agree on \$600,000 maybe they could move forward with using the United Way this year as well. **Commissioner Duffy** noted the County tailored their application after United Way's, all these organizations have already filled out one application, our committee has already done the ranking and needs assessment, and so the Board would decide on the dollar figure and trust the United Way and their committee to make the decision.

Commissioner D'Aprile said it's very difficult to trust the United Way with \$600,000.

Chairman Loftus said he felt there would be at least one County person involved in the process. Mrs. Carpenter responded that would be her recommendation but they haven't finalized the process with United Way, and agreed on the need to have one County person represent the County and the County's interests in terms of the process.

Attorney Knowlton clarified she didn't think there was an interlocal agreement in place right now to handle this, and discussions hadn't even begun but that's the goal for next year.

Chairman Loftus opined what they need to do now is get a consensus on the dollar amount.

Commissioner Moore opined they'd made good progress today, he didn't care whether United Way handled it or not, suggested they go with the committee's recommendation of about \$907,000 as tier 1, and let Mr. Sandrock work the numbers so the Board can make a decision when they have fixed numbers but he didn't want to mess it up now because so many people were depending on them.

Commissioner Cummings said he'd be more comfortable with proceeding with the lowest recommended tier rather than the highest. **Commissioner Duffy** said she felt the most comfortable with the middle amount of \$735,000. **Commissioner D'Aprile** and **Chairman Loftus** said they felt most comfortable with the lowest tier of \$600,000.

Chairman Loftus agreed he felt more comfortable with \$600,000; said they need to give staff direction on this item; and summarized they have two supporting \$600,000, two supporting \$735,000 and one supporting \$900,000. **Commissioner Moore** said in that case he would support the \$735,000 figure. (Board consensus for \$735,000.)

Commissioner Duffy said there was one more option they could look at, next year's budget provides for salary increases that include a cost of living adjustment and a pay for performance, suggested they eliminate the pay for performance and just look at an across-the-board cost of living adjustment, noted the union contract language says 'if funded by the County Commission,' opined their current budget constraints provide a very good reason for not being able to fund it, and she has asked the County Attorney to give them her advice on whether this is feasible or not. **Chairman Loftus** said the Commissioner raised a good point, the employees need to know they're doing everything they can to save everyone's jobs, and they also need to look at employees paying for more of their health insurance costs.

Commissioner Cummings said he felt they need to talk to the union about eliminating the bumping clause because it's affecting staff morale throughout the entire organization, and he felt it wasn't a good idea to get rid of pay for performance at a time when they're asking people to do more.

Mr. Sandroock asked if there was agreement on the rest of the items on pages 1 through 3 of Other Changes - General Fund and Public Safety.

Chairman Loftus asked if there were any problems with any of the remaining items and stated there was Board consensus.

Health Care - Increase to Employee Contributions (pages 24 and 25 of the Presentation Material)

Mr. Sandroock continued the slide presentation reviewing the three plans, overall the increases to the employee contributions would generate \$1.1 million which is about 10% of the current premium, if the insurance cost did go to a 20% increase this would be covered through employee contributions as well as County contributions, and requested approval to increase the employee contributions at this point.

Chairman Loftus said there was consensus.

Mr. Sandroock stated that was everything he had to present, staff will now work on consolidating all changes into the budget module to produce a balanced line-item budget for September 13, 2007, and then move into the finalization of the budget process.

Chairman Loftus thanked Mr. Sandroock and his staff for all their work.

Mr. Sandroock thanked all the departments for their efforts.

ADJOURNED: 1:21 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**

/ksm