

FINANCIAL REVIEW BOARD – MEETING MINUTES

AUGUST 11, 2011

CITY HALL -100 NW 1ST AVENUE, DELRAY BEACH, FL. 33444

Item 1. Call to Order

The Chairman of the Board, Ms. Christina Pearce called the meeting to order at 8:25 A.M.

Item 2. Roll call

MEMBERS PRESENT:

Christina Morrison Pearce, Chairman
Jeff Ritter
John (Jack) Hallahan
Anthony Cottone
Luise Piane

MEMBERS ABSENT:

Rosalie Blood, Vice Chairman

STAFF & GUESTS PRESENT:

David Boyd, Director of Finance
Barbara J. Flynn, Exec. /Tech. Asst.

Item 3. Approval of Agenda-

Ms. Pearce asked for approval of August 11, 2011 agenda. Mr. Hallahan moved to approve the agenda, seconded by Mr. Ritter. Said motion passed unanimously. Note: 7A will be separated – 1.)Tennis Operations 2.) Strategic Marketing Plan.

Item 4. Approval of Minutes -

a.) Approval of minutes of meeting of July 12, 2011 – Ms. Piane motioned to approve, seconded by Mr. Hallahan. Said motion approved unanimously.

b.) Approval of minutes of meeting July 26, 2011- Ms. Piane motioned to approve, seconded for discussion by Mr. Cottone. Ms. Pearce made one correction. Said motion to approve with change passed unanimously.

Item 5. Public Comment

– Mr. Boyd asked Ms. Pearce how she felt about the presentation to Commission on Priority Based Budgeting. Ms. Pearce stated she felt the proposal was repetitive of what we already studied. The priorities had been established on what was mandated, etc. and ranked 1-4 previously by the City. The City never took it to the next step to use it as the tool for planning the budget. Mr. Boyd stated the Commission passed the proposal to hire the consultants for the more comprehensive study at a total cost of \$30,000. The timeline will have the entire process finished by the end of October, with preliminary information provided by the end August for use with the 2012 budget.

Item 6. Handouts –

- 1.) Final Police Data Analysis – emailed to members.
- 2.) Downtown Development Authority's Goal Setting and Marketing Plan (email).

Item 7. Open Issues-

A1.) TENNIS OPERATIONS: Mr. Cottone has agreed to take over the task of reviewing the Tennis Center Operations, so Mr. Ritter can focus on the marketing plan. Mr. Cottone will speak with Mr. Barcinski, Asst. City Manager and others related to the tennis operations. Also he will review the economic report from Mr. Baron, CEO of MatchPoint. Mr. Ritter was briefed on what the goals are on this project, and how to proceed since he has just stepped in to perform the review.

A2.) STRATEGIC MARKETING PLAN: Mr. Ritter met with Sarah Martin, Exec. Dir. of Delray Beach Marketing Cooperative (DMC), and attended a board meeting to help her facilitate a meeting with all of the different players involved in marketing. He helped structure an agenda with five key strategies: Destination marketing, Special Events marketing, Programs, Partnerships, and Support DMC Partners. At the meeting they discussed the importance of each organization providing information to create more of a strategic agenda. He also met with Marjorie Ferrer, Exec. Dir. of Downtown Development Authority (DDA) and her Associate Director Laura Simon. They provided historic information, an extensive amount of data about Delray Beach, mission and vision statements, position marketing, and a comprehensive goal setting and marketing plan which he distributed to the Board. They are interested in having the Financial Review Board involved. Mr. Ritter stated there should be elimination of redundancy and strategic procedures need to be well planned. He will focus on financials; is enough revenue being generated and are we doing all we can with the tax payer's dollars. One of the issues is - should the focus be on local awareness, regional awareness, national or international and determine where to put resources. You have limited resources in what you are trying to accomplish and data is needed to make these decisions.

Ms. Pearce stated the County has a Business Development Board and Visitors Bureau that has very precise data. We can request the data from them. More local data can be received from polling local retailers, hotels and restaurants.

For Mr. Cottone's tennis project she advised there is also a Sports Bureau with information that may be useful. Mr. Cottone advised to advertise events regionally such as the "Jazz on the Avenue" on Thursday nights in a free publication called the Free Times.

There was some group discussion among the Board regarding the hotel accommodations in Delray Beach. There are three hotels in the planning and/or construction stages to be built in Delray Beach.

B.) HEALTH CARE PLAN ANALYSIS: Mr. Ritter stated he will be attending a meeting on Monday (8/15) with Cigna and Gallagher Bassett. They will present and review disease management initiatives making recommendations to improve the overall health of City employees and their families. He will report back at the next meeting. Mr. Cottone stated according to his research Cigna is not the most competitive plan. The government recently has forced insurers to not pay commissions on groups over 100 people. This may cause loss of employees in that business.

Mr. Ritter had previously discussed the possibility of a bid opening for other brokers to bid for the City's business (currently Gallagher Bassett). Mr. Boyd stated that Cigna has transferred the medical and pharmaceutical data to Milliman actuaries for comparison to other health care providers. He stated they will be looking for who offers the best discount on the claims the City has incurred. The City is partially self-insured; we cover all claims up to a specific point and then the insurance is used.

C.) CEMETERY POLICY ANALYSIS: Mr. Hallahan is continuing his work with Mr. Krejcarek, City Engineer to determine how many cemetery plots a pipe laid inside the grounds affected. Once he is finished working with Engineering he will continue to work with the City Clerk's Office on other cemetery record keeping functions. Mr. Hallahan also suggested it may be cost effective to look into moving that pipe to free up the approximate ninety grave sites.

D.) FIRE ASSESSMENT FEE: Ms. Pearce stated the City Manager has ordered a consultant study on how to implement a Fire Assessment Fee.

E.) POLICE STUDY SUMMARY: The Board will take the next two weeks to review the report and discuss in more in depth at the next meeting on August 23, 2011. The Board would like to receive Police Chief Strianese's comments on the report.

Mr. Hallahan commented most large cities have one policeman for every 1,000 citizens and noted Delray Beach has approximately one policeman for every 400 citizens.

F.) FIRE STUDY: Not available – expected within the next week.

G.) CONTRACT ADMINISTRATOR: – Ms. Pearce will be continuing with the Budget Task Force's initial recommendation to either hire or assign a current employee as Contract Administrator. This issue will be discussed in more detail at the next meeting. Mr. Hallahan will be assisting in this project.

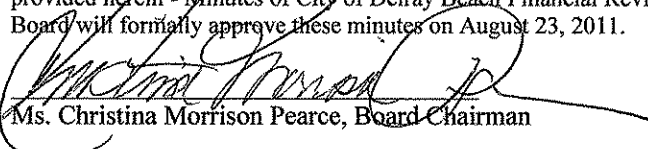
Item 8. New Business and Open Discussion-

- A.) Mr. Hallahan stated in other companies he has worked with they had only one maintenance department. He noted the City seems to have maintenance supervisors in several departments. He suggests we look into separate areas where we have money allocated for maintenance in the budget.
- B.) Mr. Hallahan stated in the City Clerk's Office there is \$40,000 designated for the cemetery. He suggests we look into what is being done to justify that line item in the budget.
- C.) A new Commissioner has been appointed – Dr. Jay Alperin.

UPCOMING AGENDA ITEMS – CONTINUE WITH CEMETERY ANALYSIS, HEALTH CARE PLAN, STRATEGIC AND MARKETING PLAN, TENNIS OPERATIONS, FIRE AND POLICE SUMMARY ANALYSES AND CONTRACT ADMINISTRATOR POSITION.

Item 9. Adjournment -

Ms. Pearce motioned to adjourn the meeting seconded by Mr. Hallahan. Said motion passed unanimously. The meeting adjourned at approximately 10:00 a.m. The undersigned is the Chairman of the Financial Review Board. The information provided herein - Minutes of City of Delray Beach Financial Review Board - Meeting of August 11, 2011. The Financial Review Board will formally approve these minutes on August 23, 2011.


Ms. Christina Morrison Pearce, Board Chairman