

FINANCIAL REVIEW BOARD – MEETING MINUTES

DECEMBER 14, 2010

ENVIRONMENTAL SERVICES

434 SOUTH SWINTON AVENUE, DELRAY BEACH, FL.

Item 1. Call to Order

The Chairman of the Board, Mr. Howard Ellingsworth called the meeting to order at 8:30 A.M.

Item 2. Roll call

MEMBERS PRESENT:

Howard Ellingsworth, Chairman
Todd L’Herrou, Vice Chairman
Christina Morrison Pearce
Rosalie Blood
Luise Plane
Yvonne Walker

MEMBERS ABSENT:

Barbara Trevino Chester
Cheryl Shaffner (Alternate)

STAFF & GUESTS PRESENT:

Barbara J. Flynn, Finance Dept.
Randal Krejcarek, City Engineer

Item 3. Approval of Agenda-

Mr. Ellingsworth asked for approval of December 14, 2010 agenda. Ms. Pearce moved for approval. Seconded by Mr. L’Herrou. Said motion passed unanimously.

Item 4. Approval of Minutes -

Approval of Minutes of Meeting of November 9, 2010 - Motioned to approve by Mr. L’Herrou, seconded by Ms. Pearce. Said motion passed unanimously.

Approval of Minutes of Meeting of November 16, 2010 - Motioned to approve by Mr. L’Herrou, seconded by Ms. Blood. Said motion passed unanimously.

Item 5. Public Comment – No public comment.

Item 6. Handouts –

- 1.) Published hardcopy of the Hometown Connection Special Budget Edition.
- 2.) Administrative Policy on Charitable and Benevolent Contributions and Special Events Funding along with issues for discussion submitted by Mr. L’Herrou.
- 3.) Parks and Recreation Budget – Insights and Recommendations submitted by Ms. Pearce.

Item 7. Open Issues-

a.) Departmental Function Analyses:

Fire Department – Mr. L’Herrou stated the Fire Chief is currently unavailable so the analysis of this department is postponed until the results of the ICMA Consultant Study are available. Mr. L’Herrou will work with recommendations in conjunction with this study. The study’s draft will be ready in about three (3) months.

Ms. Pearce mentioned the Mayor had discussed in the last meeting a possible joining of Fire Rescue departments of three coastal cities. Mr. L’Herrou had heard mention of perhaps merging the dispatch for the three cities, but not the departments. It would help fix some redundancy of services. There are efforts that are currently coordinated such as hazardous materials incidents.

b.) Parks and Recreation Department - Ms. Pearce’s report shows the department is not considered a “core function” by City leaders. The budget amounts have a growth of over 2% per year, while other departments’ budgets have been reduced yearly. Parks are being added for future usage, parking or other reasons than remaining public parks.

Ms. Pearce made a recommendation of partnering with a local university to bring in interns to replace some paid positions. Replacing positions with interns will cut payroll and benefit costs. This can also provide career paths for college interns, or community service hours for high school students. Five (5) paid positions could be replaced with

an internship-type program by reducing one position per park. Mr. Ellingsworth agreed this is an idea that warrants further research and recommends developing a program for student interns or community service.

Another recommendation by Ms. Pearce is to consider "Delray Dollars" work program. When residents are out of work they can do chores for the City and can earn "Delray Dollars" which is not money, but it can be used as money to pay bills to Delray Beach, such as real estate taxes, fees and parking passes. At the same time you may be able to eliminate some salary, benefits and payroll expenses.

Mr. Ellingsworth would like more information and detail on this program to present to the City Commission. There was additional discussion on all of the areas of the City where this can be beneficial.

Another recommendation by Ms. Pearce is to expand the "Adopt a Park" program for neighborhoods to take over the maintenance and upkeep of their local parks. They also discussed vendor kiosks, banners and other revenue producing mechanisms.

Ms. Walker recommended for Ms. Pearce to speak with Danielle Beardsley who works with coordinating events and marketing.

b.) Status Update on Open Finance Director Position:

Mr. Ellingsworth stated the review committee reviewed the five (5) finalists. The review committee is comprised of the City Manager, Asst. City Manager, City Attorney, Director of Community Improvement, Director of Human Resources, Assistant Finance Director, City of Boca Raton Finance Director and the Chairman of the Financial Review Board. The two finalists were from out of State and were interviewed via teleconferencing. Both of those candidates will be coming in for a follow up face-to face interview on December 20th, 2010. Both are currently Finance Directors for similar size cities and are viable candidates. Mr. Ellingsworth stated an important part of their resumes was they hold a CPA certification, have governmental specialties in the accounting field, and leadership qualities. The decision could be made as soon as the end of December. If for some reason neither of these two candidates works out, the review committee and the City Manager have decided to re-advertise.

c.) Status of the Cemetery Policy and Procedures:

Ms. Walker will be meeting with the City Clerk to follow up on the last audit (2005) to see if those recommendations have been implemented. Some issues have been the inventory of plots needed to be updated, and there is a G.I.S. system for the City Clerk's Office but was not being utilized. Ms. Walker will check to see if the mapping is complete and the GIS software is being used.

d.) Administrative Policy on Charitable and Benevolent Contributions and Special Events Funding:

Mr. L'Herrou presented a handout with the current policy which includes a purpose statement and procedures, but no information on policy. He outlined some items that should be included in the policy such as intent, requirements, and exception rules, recommend a contribution cycle on a quarterly basis, decision making process updates and to insure all City agencies conform to the policy. He found the form too long, precise in some areas and vague in others. Reporting requirements need to be refined to coincide with "Intended Use" and "Public Benefit" statements. The reporting of use should be completed for the previous year before additional funding is again provided. Organizations sometimes will go to other departments rather than only to Mr. Barcinski, Asst. City Manager, and may be requesting funding from other departments and other agencies for example, the CRA.

Item 8. New Business and Open Discussion-

Mr. Ellingsworth brought up the issue of the \$1Million concession the City Manager wanted to cut back from Police and Fire Pension funds which has not yet happened and may not happen. The General Employees Pension Fund however has cut back \$1Million. He would like a status update on all of the other recommendations made by the City Manager to balance the budget.

They will discuss setting a timeline for the Board members to come back with their departmental functional analyses completed, for consideration in the next Fiscal Year's budget. Mr. L'Herrou also wanted to reiterate the Board's suggestion to the City Commission about setting a budget spending "target". Mr. Ellingsworth will draft a letter to the Commissioners with an explanation of why the Board feels this spending target is important.

Mr. Ellingsworth may have other demands coming in February and recommended Mr. L'Herrou take over as the Chairman of the Board. The Board will vote on this in a future meeting. Ms. Pearce asked if Mr. L'Herrou was an employee of the City. Mr. L'Herrou stated he is not employed by the City; He is an employee of a non-profit organization, independent of the City which receives no funding from the City.

Agenda Items for meeting of January 18, 2011:

- a.) Update on the Finance Director's position or invite new Director and City Manager
- b.) Departmental function analyses completion timelines
- c.) Administrative Policy on Charitable and Benevolent Contributions and Special Events Funding – continued
- d.) Parks and Recreation recommendations – continued
- e.) Cemetery policy updates - continued

Item 9. Adjournment -

Mr. L'Herrou motioned to adjourn the meeting seconded by Ms. Pearce. Said motion passed unanimously. The meeting adjourned at approximately 10:30a.m.

The undersigned is the Chairman of the Financial Review Board. The information provided herein are the minutes: City of Delray Beach Financial Review Board Meeting of December 14, 2010. The Financial Review Board formally approved these minutes on January 18, 2011.

Howard Ellingsworth, Board Chairman