

FINANCIAL REVIEW BOARD – MEETING MINUTES

SEPTEMBER 21, 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 8:40 A.M.

Item 2. Roll call

MEMBERS PRESENT:

Howard Ellingsworth, Chairman
Todd L'Herrou, Vice Chairman
Christina Morrison Pearce
Yvonne Walker
Rosalie Blood
Luise Piane
Barbara Trevino
Cheryl Shaffner (Alternate)

MEMBERS ABSENT:

None

STAFF PRESENT:

Barbara J. Flynn, Finance Dept.
Asst. Chief Danielle Connor, Fire Dept.
Lt. James Tabeek, Fire Dept.
Terrill Pyburn, Asst. City Attorney

Item 3. Approval of Agenda

Mr. Ellingsworth asked for approval of the September 21, 2010 Agenda. Ms. Pearce moved for approval upon discussion. Seconded by Mr. L'Herrou. Item 7E tabled (Non-Profit process recommendations) Said motion passed with change unanimously.

Item 4. Approval of Minutes

Approval of Minutes of Meeting of September 7, 2010 – Asst. Chief Connor requested one change in wording from retired citizens to civilians for accuracy in the statement. Motioned to approve by Ms. Pearce, seconded by Ms. Blood. Said motion passed unanimously to approve with said changes.

Item 5. Public Comment – No public comment.

Item 6. Handouts –

- 1.) Recommended changes to balance the budget with no change in millage rate – City Manager
- 2.) Parks and Recreation budget recommendations – Ms. Pearce
- 3.) Proposal analysis for fire service for Delray Beach – City Manager
- 4.) Monthly Financial Report for July – City Manager
- 5.) Sunshine Law – Terrill Pyburn

Item 7. Open Issues

a) City Attorney - Overview of the Sunshine Law:

Ms. Pyburn explained the Sunshine Law to the Board members. Some of the points covered were:

- This law does apply to advisory boards as well as elected officials. It applies to two or more board members outside of the meetings, discussing board business.
- You cannot discuss board business outside of the confines of the public meeting.
- Applies to emails, Twitter, Facebook and any other communication method.
- Violations are considered a misdemeanor charge and can incur fines up to \$500.00
- Meetings are required to be held in an area considered a public building within Delray Beach. Note: Not in a restaurant
- The agenda must be posted with a 24 hour notice. Meeting minutes must be taken and later transcribed with an overview of the meeting.
- Documentation is all public record
- Conflicts of interest were discussed
- Honest Services Act – Bribery and Fraud
- No whispering or note passing during meetings
- Emails with general information may be sent to the Board but other Board members may not respond

The members brought up any questions they had, and the discussion continued until there was a full understanding of the Sunshine Law. If further questions arise they may contact the City Attorney's Office at 243-7080.

b1) Discussion of Department/Division Budget Analysis- Parks and Recreation (continued):

Ms. Pearce stated the goal would be to make the Parks and Recreation Department more self-sufficient and sustainable by reducing expenses, finding more funding sources and/or generating more revenues. (\$10 million dollar budget – 12% of overall City budget vs. only 1% of revenues). She had many recommendations on how to obtain this goal for the Board's consideration. Briefly, to track the usage of the parks, review fees in general and differences for residents vs. non-residents, initiate an Adopt-a-Park program, and consideration for any new parks must come with their own sustainable income sources for operations and maintenance.

In conclusion Mr. Ellingsworth will prepare a letter to the City Manager with the recommendations, for the Board to approve at the next meeting.

b2) Updated Cemetery Policy:

Ms. Walker asked to table this item (b2), pending the City Manager's approval on the new policy. Motion to table item b2 made by Mr. L'Herrou, seconded by Ms. Trevino. Said motion passed unanimously.

c) Fire Management Study – Status Update:

Mr. Ellingsworth asks for a formal vote to send a request to the City Manager to go ahead with a proposal for data analysis for Fire services. Ms. Pearce made a motion for discussion, seconded by Mr. L'Herrou. Mr. L'Herrou stated at first it appeared they were going to amend the ICMA Police (PD) study to include the Fire Department (FD) which was a small cost increase, now it is separate and close to the cost of the Police study in itself. Asst. Chief Connor explained the FD had requested a particular scope of analysis (Administrative) that was initially presented to "piggyback" on the Police study. However, the funding appropriated for the PD study was grant funding, which created a discrepancy and made it unable to add FD to this study. The newly presented separate study included both Administrative and Operations and incurred higher costs.

There was further discussion on what the study of FD is proposing to encompass. Mr. Ellingsworth recommended for the Board to provide input on items they do not see covered on the proposal that they (as tax-payers) would like to have included. The Board was advised to email Ms. Flynn a list of items they feel need to be added, removed or clarified in the proposal. Those ideas will be forwarded to the City Manager for review. The motion passed unanimously to proceed with the FD analysis and to send the Board's recommendations to the City Manager.

d) City Manager's Monthly Financial Report for July 2010:

Mr. Ellingsworth stated the monthly report shows a projection of a \$250,000 shortfall by year end. Without using surplus, it is a total of \$1.145 million. The Board will ask for a designee from the Finance Department to attend the meetings (i.e. the Treasurer or Finance Director) to be able to help answer questions they have about the monthly reports and the use of surplus.

e.) Non-Profit Organization Funding Recommendations:

Mr. L'Herrou motioned to table item (7e), seconded by Ms. Trevino. Said motion passed unanimously.

f.) Status of Finance Director position:

The position has been advertised, and there is a committee to review the applications consisting tentatively of the Police Chief, Director of Community Improvement, Human Resource Director, and others. Ms. Walker stated the Asst. Finance Director had recommended one of the Financial Review Board Members be added to the committee. Mr. Ellingsworth will address the City Manager with this recommendation and receive any additional status the manager may be able to provide. He will also ask for a complete list of the committee members.

Item 8. New Business and Open Discussion

a.) Mr. Ellingsworth commended the Commissioners for attempting to balance the budget without raising the millage rate. He explained a number of the items on the handout provided with the City Manager's plan to balance the budget notated that they had to be negotiated. If those items cannot be negotiated with the Unions there is an "additional options" page that the City Manager would then draw from to balance.

b.) Mr. Ellingsworth stated at the last meeting they discussed the possibility of going to a monthly meeting rather than the first and third Tuesday of each month. The board decided to do so and they preferred to continue meeting on the third

Tuesday of each month, which Ms. Walker pointed out that of the two choices, the third Tuesday would be after the Commission meetings and would be a better time. In conclusion the Board agreed.

c.) Ms. Pearce stated the Board has been proactive in making recommendations, and reactive in other unexpected situations. Since the budget season is over there should be fewer situations requiring reactive response. She asked the Board what their posture will be going forward, and what items to focus on.

Mr. L'Herrou stated prior to the Waste Management issue, the Board wanted to look at items that may be problematic such as functions setup that are not accomplishing the goals intended, or perhaps not still of importance to the City. Ms. Pearce agreed and added to reinforce what we have already in place for sustainability without taking on any new functions, and to continue working with their previously assigned departmental budget analyses. Ms. Blood suggested to keep track of the progress of the recommendations that the Board has already made.

Mr. Ellingsworth stated there is an updated core function analysis which is a ranking system for the functions the City performs. He would like that report redistributed to the Board for review. Also at each meeting they will present a status of the recommendations they have presented.

Ms. Walker suggested the departments that were originally assigned for budget analyses to Mr. Warner (who no longer resides on the Board) be distributed among the new members. Mr. Ellingsworth agreed and will reassign them.

They discussed the Waste Management issue because the Board was still receiving emails from Mr. MacNamee, and Mr. Ellingsworth stated that all of the information was in Mr. Reade's report and Mr. Safford, the Director of Finance went back and reviewed every invoice and matched it with a check, and found they were missing one payment of \$177,000 to Waste Management. There were twelve invoices and eleven payments. He recommended to the Board not to respond to Mr. MacNamee's emails at this time, but to forward the emails to Ms. Flynn for the record.

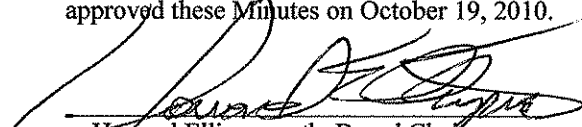
Mr. Ellingsworth added they will be continuing to review the Fire and Police studies. Mr. Harden had also requested the Board evaluate his various pension change options for suggestions.

The next meeting will be held October 19, 2010 in the ESD training room. A new calendar with dates and locations will be distributed to the Board for the upcoming monthly meetings.

Item 9. Adjournment

Ms. Piani motioned to adjourn the meeting seconded by Mr. L'Herrou. Said motion passed unanimously. The meeting adjourned at approximately 10:35a.m.

The undersigned is the Chairman of the Financial Review Board. The information provided herein are the Minutes of the City of Delray Beach Financial Review Board Meeting of September 21, 2010. The Financial Review Board formally approved these Minutes on October 19, 2010.



Howard Ellingsworth, Board Chairman