

SWFRPC BUDGET & FINANCE COMMITTEE MEETING

May 23, 2011

The SWFRPC's Budget & Finance Committee held a meeting/conference call on May 23, 2011 at the offices of the Southwest Florida Regional Planning Council. The following members and staff were in attendance:

Attendees

Commissioner Carolyn Mason, Sarasota County BOCC (Chair)
Councilwoman Teresa Heitmann, City of Naples
Mr. Ken Heatherington, SWFRPC Executive Director
Mr. David Hutchinson, SWFRPC Planning Director
Ms. Liz Donley, SWFRPC Legal Counsel
Ms. Nancy Doyle, SWFRPC HR Operations Manager
Ms. Janice Yell, SWFRPC Finance Manager
Ms. Jennifer Pellechio, SWFRPC Network Coordinator
Ms. Nichole Gwinnett, SWFRPC Sr. Administrative Assistant

Mr. Heatherington called the meeting to order at 10:30 a.m. and then introductions were made.

SWFRPC Annual Budget

Mr. Heatherington referred to page 7 of the budget.

Ms. Yell referred to page 6 of the budget and indicated that page 6 shows the changes overall.

Councilwoman Heitmann referred to page 1 and asked about the special revenues from the MPO and then on page 6 it is indicating that there will be a decrease in the special revenues from the MPO. Ms. Yell explained that both the CHNEP and MPO have their own budget and both of their grants were reduced this year.

Councilwoman Heitmann asked what are the MPO's special revenues used for. Ms. Yell explained that all of the MPO's expenses are 100% reimbursable. Councilwoman Heitmann asked where the details for the MPO's budget are.

Ms. Donley stated that the MPO has their own budget which is approved by the MPO's board and staff can forward that to you. She also stated that the CHNEP's budget was just approved by their Policy Committee and staff can forward that also.

Councilwoman Heitmann asked where the "Other" \$69,000 for the MPO comes from does. Ms. Yell explained that is their local dues.

Councilwoman Heitmann requested both the MPO and CHNEP actual details from last year also.

Councilwoman Heitmann referred to page 1 – Consultant Fees. Ms. Yell explained that the consultant fees cover any grants which require hiring consultants or exercises. Ms. Donley clarified that the consultant fees are dollars that are paid out.

Councilwoman Heitmann asked why the phone expenses were so high. Ms. Yell explained that this year the phones were high because some staff received new cell phones due to renewal of contract. Ms. Doyle explained that DMS had sent invoices that the Council had never received and they came in all at once. She explained that DMS had changed over to a new system and they found out that they hadn't send out several invoices for conferencing (WebEx) services. Ms. Yell noted that FY08/09 is probably more realistic figures for phones.

Councilwoman Heitmann asked if staff has looked at all options for cost savings for the WebEx service. Ms. Donley explained that for WebEx, staff had done a considerable amount of research and found that they could not get a cheaper price than what they could get through DMS.

Councilwoman Heitmann asked what equipment rental is. Ms. Yell explained that it covers the copiers and postage machine. She noted that she receives printed reports and then charges the programs a percentage to cover the costs. Ms. Doyle explained that the Council still needs the high speed copiers because of the amount of agenda packets. Certain committees are still printing paper packets instead of going electronic. Councilwoman Heitmann asked if there has been a reduction in the cost. Ms. Yell replied not really.

Commissioner Mason referred to page 1 of the budget-- under "Other" and asked if the amount reflects grants which were applied for but haven't been awarded. Ms. Yell explained that there are two grants that staff is confident that have been awarded and one that is still unsure.

Councilwoman Heitmann referred to "computer related expenses" and asked the reason for its increase. Ms. Yell explained that there has been replacement of computers, laptops and upgrades. She also explained that both "computer related expenses" and "capital outlay operations" had increases. Councilwoman Heitmann asked how long the Council tries to keep laptops and computers. Ms. Yell explained for five years, but recently trying to extend it to seven years. Councilwoman Heitmann asked if there are IT staff onsite. Ms. Yell replied yes, there are two staff members who maintain the computers. We also have a contract with an IT consultant for network issues.

Councilwoman Heitmann asked if the Council is looking at any major updates, purchases, etc. Ms. Yell explained that Ms. Pellechio, Network Coordinator was hoping to purchase a server. Ms. Pellechio explained that it would be a redundant server in another location so the Council would have a continuity of operations and duplicate data. Other than that it is mainly maintaining the computers and upgrade every five years. Not all of the computers cost over \$1,000, so those items fall under the "computer related expenses." She explained that the GIS software is a major expense at approximately \$15,000 annually.

Councilwoman Heitmann asked what goes under the "capital outlay operations." Ms. Doyle replied building repairs over \$1,000. Ms. Yell any computers over \$1,000.

Mr. Heatherington referred to page 7 and explained that there is a zero percent increase between the two fiscal years. If there is an increase brought to the Council by grants or contracts or additional expenses then the budget will be amended accordingly.

Councilwoman Heitmann asked if the Council has a reserve policy for a percentage of the budget which needs to be in the reserves. Ms. Yell replied yes, it is located in the back of the budget.

Councilwoman Heitmann asked what is the percentage of the budget that is required to be in reserves. Mr. Heatherington replied four to six months of operating expenditures are recommended by the auditors.

Councilwoman Heitmann asked how the reserves are funded. Ms. Yell explained that the reserves are funded by the Council's net income at the end of the year.

Ms. Donley explained that the Council cannot make a profit off of the federal or state grants.

Councilwoman Heitmann asked if the Council had a surplus to put into the reserve account. Ms. Yell explained that the last time that the Council put funds into the reserves was fiscal year ending 08 which was a \$72,000 surplus. In the past two years, the amounts were minimal (\$17,000 and \$24,000) so there really wasn't much to put into the reserves. Those amounts went into a fund balance account.

Staff explained that the committee needs to recommend approval of the budget so it can go before the Council in June. The budget needs to be approved by August 15th and there are no meetings in July and August. Ms. Donley explained that the budget needs to be approved and certified and sent to all of the members' local governments so they have it while they are working on their budgets this summer.

Councilwoman Heitmann and Commissioner Mason moved to recommend approval of the proposed annual budget and forward it to the Council for their review and approval.

Adjournment

The meeting adjourned at 11:05 a.m.