

SWFRPC BUDGET & FINANCE COMMITTEE MEETING

October 6, 2011

The SWFRPC's Budget & Finance Committee held a meeting/conference call on October 6, 2011 at the offices of the Southwest Florida Regional Planning Council. The following members and staff were in attendance:

Committee Members

Councilwoman Teresa Heitmann, City of Naples (Chair)
Councilman Forrest Banks, City of Fort Myers
Commissioner Karson Turner, Hendry County BOCC
Vice Mayor Mick Denham, City of Sanibel

Other Council Members

Commissioner Donna Fiala, Collier County BOCC
Commissioner Tom Jones, City of North Port

Guests

Mr. Jeff Tuscan, Tuscan and Company
Ms. K'Shana (Kesi) J. Haynie, Roetzel and Andress

Others

Ms. Liz Donley, SWFRPC Interim Executive Director
Ms. Nancy Doyle, SWFRPC Administrative Services Coordinator
Ms. Janice Yell, SWFRPC Cost Accountant II
Ms. Nichole Gwinnett, SWFRPC Administrative Specialist II
Mr. Don Scott, Lee County MPO Director
Mr. Dan Trescott, Planner IV
Mr. David Crawford, Public
Mr. Jason Utley, Assistant Former Employee

Call to Order

Committee Chair Heitmann called the meeting to order at 9:05 a.m. and then introductions were made.

Ms. Donley noted that there were two public comments requests for Item #2(d) Review of Executive Committee's Implementation of the FY2012 Budget and Item #2(e) Senate Bill 88 and Request for Severance Pay. She asked Councilwoman Heitmann if she would like to have the public comment presented during the specific items or at the beginning of the meeting. Councilwoman Heitmann replied that she would like to have the public comment given during the specific item.

Item #2(a) Lee County MPO Lease – Response to Property Relocation Interest

Ms. Donley briefly reviewed the item as presented.

Mr. Scott explained that the Lee County MPO is in the process of looking at the office space and once all of the bids have been received, they will be taken to the Executive Committee for discussion.

Councilwoman Heitmann asked Mr. Scott to elaborate on what the problem is. Mr. Scott replied that the problem has been receiving quotes in a timely fashion. There has been interest from cities, but they haven't submitted their quotes in the timeframe. Ms. Donley explained that the Lee County MPO had a time certain which the quotes had to be submitted. Mr. Scott explained that for the MPO's certification requirements we have to be well on our way in developing a lease by the end of November, which is the time extension which the MPO received.

Councilwoman Heitmann asked Mr. Scott if the quotes come out to be cost neutral to stay at the Council, if it would seem to be the will of the MPO's Executive Committee that they would continue to stay at the Council. Mr. Scott replied that he believes that the biggest issue for the MPO was that we were separating out our business from the Council which is happening as we move forward. So, to answer your question yes, if it is cost neutral, the answer would be yes. He then said that obviously not everything is "apples to apples", so we may be able to get a lower lease price, but there might be something else which costs more and if the MPO does move out there will be a moving cost. So those are issues to identify.

Councilman Banks stated that he has heard discussions on merging the MPOs. Mr. Scott replied that is correct. Councilman Banks asked Mr. Scott that the counties that support the MPOs also own the building which the Council is housed in. If the MPOs do merge that the practical place for the MPOs would be within the Council. Mr. Scott explained that it could go two different ways, because we will be one urbanized area with Collier and if that happens then the Council would not be the location for that agency. It would probably be somewhere in Bonita Springs. However, if it turned out to be Lee, Collier and Charlotte Counties then it would make sense to house the agency within the Council. Unfortunately, what he has passed onto his board is that he has been receiving definitive answers on what is going to happen as the MPOs go through apportionment, which is over the next year and a half. So what we did say, is that we wanted to have a shorter term lease, so the MPO doesn't enter into a five year lease and then it becomes problematic if the MPOs do become combined.

Councilman Banks stated that he signs the checks for the Council and he doesn't sign them until Liz has approved and signed them and he will continue to sign them if it is the will of the Committee. He then noted that the last time he signed checks he signed approximately \$50,000 of checks for consultants to the MPO, which from his understanding the Council covers that cost until the Council is reimbursed. Ms. Donley replied that is correct. He asked the Committee if they would prefer to have no checks signed for the MPO. Mr. Scott explained that he is trying to find a line of credit for the MPO.

Councilwoman Heitmann asked Mr. Scott or Ms. Donley to explain the partnership between the MPO and the Council. Ms. Donley explained that prior to two years ago all of the MPO's employees were employees of the Council. They reported directly to the Council and the MPO from a financial standpoint was treated as any other grant that the Council has in-house, so when costs were incurred, the Council paid it and then seek reimbursement from the granting entity. With regard to the MPO, there are two levels of reimbursement that would occur. So the Council would pay the bill and then an

invoice would be submitted to FDOT, FDOT reviews the invoice and reimburses the Council, and FDOT seeks reimbursement from FHWA. So the reimbursement to the Council for the MPO's outlays could vary from 45 days to six months. She noted that it is similar to what the Council does with the other grants, where the Council pays the invoice and then seeks reimbursement from a grantor.

Vice Mayor Denham stated that with the possibility of the MPO leaving the Council, should the Council be looking at the possibility of leasing a cheaper facility. Councilwoman Heitmann stated that she feels that is a good suggestion; however, since the Council owns the building, we would need to still pay the note on the building. So until we resolve on how we would handle that financial burden, she doesn't feel creating another financial burden at this time would be the correct thing to do.

Councilman Banks asked for direction from the Committee on whether or not he should continue to sign the checks for the MPO. He said that he is inclined not to do it since the Council is about to break a business relationship with the MPO and if we are about to do that why should the Council spend any money on covering any of their checks.

Mr. Scott stated that if the Committee decided to move forward with that, then the MPO would need their local funds from the Council so they could use them to continue to operate.

Ms. Donley stated that she doesn't believe that this particular matter is addressed in the Staff Services Agreement. She doesn't want the Council doing something that would be contrary to what they had entered into with the MPO. The salaries are covered because the "MPO staff" is Council staff.

Councilman Banks requested a motion to put this issue at Ms. Donley's discretion.

Councilwoman Heitmann stated that for clarification, we need to know what the Staff Services Agreement states before we make a decision. She then asked Mr. Scott if it is a confirmed vote that the MPO will not renew the Staff Services Agreement with the Council. Mr. Scott replied that the discussion was that the MPO would terminate the Staff Services Agreement, but it didn't mean that the MPO would move out. The discussion with Ms. Donley was that the MPO was to go to a lease and Interlocal Agreement, but the MPO would no longer be under a Staff Services Agreement and that had a six month timeframe.

Ms. Donley explained that even if the MPO stays with the Council, the relationship will be different. The MPO will be a standalone entity and their relationship with the Council will be as a lessee and it is possible that the MPO and the Council could enter into an additional agreement to provide some services to the MPO, but that has not been discussed. Mr. Scott stated that other than discussing an Interlocal Agreement in general.

Commissioner Turner asked Mr. Scott what is the percent chance that he feels that the MPO will leave the Council. Mr. Scott replied that he didn't know at the moment. In the end, it is the MPO Board decision. He noted that they have received quotes from \$4.00 - \$24 square foot for lease rates and that is not the only determination. Commissioner Turner asked when the decision will be made. Mr. Scott replied within the next month and half. Commissioner Turner clarified to Mr. Scott that the Council has done everything that it can to let the MPO Board be notified of what the Council's rates are and what the Council is offering. So now it is up to the MPO Board to make their decision. Mr. Scott replied that from the previous discussion of receiving the rates, yes.

Commissioner Turner asked Councilwoman Heitmann what are her feelings. Do we want to keep the MPO within the Council? His feelings are to keep the MPO as a current leasee and to address Councilman Banks concerns; we should keep business as usual. But if the MPO chooses to move then we should give the MPO their local funds and let them go on their separate way.

Commissioner Turner asked the Committee members if they wanted to keep the MPO within the Council. The general consensus of the Committee was yes.

Commissioner Turner asked if we should have anyone other than Ms. Donley petition the MPO Board to explain that the entire region owns the Council's building in order try to keep the MPO within the Council. Vice Mayor Denham stated that he agrees with Commissioner Turner's suggestion, but he isn't too sure what would be the appropriate method.

Commissioner Turner told Mr. Scott that there are some issues between the Council members and how they perceive the relationship of the Council and the MPO and they need to be cleared up.

Councilman Banks stated that he feels that there are some MPO members who are "feeling their oats" and got into this situation, whether or not they wished that they had or hadn't, they are now stuck with it. But it doesn't seem to him to make sense for Lee County, unless they have free space, to watch them pay a lease for someplace else, because Lee County owns part of the Council's building.

Councilman Banks suggested to Commissioner Turner to attend the MPO Board meeting. Commissioner Turner stated that he would willing to attend an MPO Board meeting to address the board regarding the issue of the MPO leaving the offices of the Council.

Councilwoman Heitmann suggested having both Executive Committees of the MPO and RPC meet because it is about relationships, not just about rent.

Commissioner Turner agreed. He then noted that Mr. Scott reached out to Hendry County to have a joint board meeting with the MPO in Hendry County.

Vice Mayor Denham stated that in these difficult economic times there has been fostering of poor relationships throughout the county for various reasons and we should be coming together during these difficult economic times.

Councilwoman Heitmann asked Mr. Scott for his thoughts about having the two Executive Committees meet and if it was possible what would be the timeframe. Mr. Scott replied that the MPO is currently in the process of trying to schedule an Executive Committee to review these issues within the next week and half.

Vice Mayor Denham moved and Commissioner Turner seconded to have a letter sent to the Lee County MPO requesting that a meeting be scheduled with the Lee County MPO Executive Committee and the SWFRPC Executive Committee to discuss the issue of the relationship between the Council and the Lee County MPO.

Commissioner Turner also suggested that both he and Ms. Donley attend the next MPO Board meeting.

The motion carried unanimously.

Councilwoman Heitmann suggested that the Committee review the letter and that Commissioner Turner sign the letter. Also, have Ms. Donley conduct a doodle poll to coordinate a date for the meeting.

Vice Mayor Denham stated that he doesn't feel the need to review the letter. Councilwoman Heitmann stated that she is requesting that it go out to the Executive Committee.

Councilman Banks asked for clarification that he will continue to sign the checks for the MPO. Councilwoman Heitmann stated that she feels that we need to follow the current procedures until Ms. Donley has clarified the Staff Services Agreement.

Agenda Item #2(b) Investment of \$100,000 CD Proceeds

Ms. Donley reviewed the item as presented.

Ms. Yell of staff gave an overview of the bank's rates.

Councilwoman Heitmann asked Ms. Yell in her 11 years what has been the management decisions for CDs. Ms. Yell explained that when she started with the Council the money was always in the government pool which always had good rates. Then when the rates dropped the Council decided to go with Iberia Bank because at the time they had the best rates. At the time, the Council had three CDs with Iberia Bank and we discussed the FDIC deposit insurance and the Budget Committee decided to go with Iberia Bank because they had very solid footing. She is now recommending Florida Gulf Bank because they are very familiar with government and they are local.

Vice Mayor Denham explained that he was part of the decision to go with Iberia Bank and the Committee at that time did try to work with local banks and found that it was difficult, but if we can now go with a local bank he feels that would be the right thing to do.

Councilwoman Heitmann suggested that each member look into their relationships with particular banks.

Vice Mayor Denham suggested leaving the decision to the Finance Department and Ms. Donley on where to put the money.

Vice Mayor Denham moved and Councilman Banks seconded to have both Finance and Ms. Donley make the decision as to which financial institution to place the Council's funds into.

Mr. Tuscan explained that it is correct that FDIC covers funds up to \$250,000; but, in Florida we have Statute 280 and as long as the entity is called a qualified depository, your government funds are covered to an unlimited amount. So having been in Iberia Bank that is why the funds went passed the \$250,000, because they are a qualified depository. The reason that the bigger banks are refusing the government money is because they have to collateralize this money 150% and so they just can't take those deposits. It is becoming financially not prudent for them not to do it. Especially, when the federal law changed last December which doesn't allow them to invest in higher producing things.

Vice Mayor Denham asked if it applies to smaller banks. Mr. Tuscan replied yes, but they don't have as much money invested nationally and so it is not as big of a deal at the moment. He noted that Florida Gulf Bank just recently became a Florida qualified depository.

Councilwoman Heitmann asked Mr. Tuscan to address the Council's cash flow. Mr. Tuscan replied that he hasn't looked at any of the current numbers. He noted that staff had called his office and asked if he would be willing to help in the area, but nothing has been done up to this point.

Ms. Yell explained that there is currently \$150,000 in the checking account. Ms. Donley stated that includes the \$100,000 from the CD. She then reviewed the financials.

Mr. Tuscan explained the OPEP expense item where there is an offset and a liability. He also explained that the Council doesn't have net income ability.

Ms. Donley explained that what has happened this past year is because we have had more charges to indirect than what the indirect rate that was calculated for the year going forward that the grant that went out. So when the indirect rate went up, there was an impact to those grants and those grants went over simply because there were more indirect charges.

Mr. Tuscan stated that a lot of grants have reduced a lot of administrative component allowed. Ms. Donley stated that there are some contracts and purchase orders which the Council had received from the State which have not completely paid for the staff time required to accomplish tasks. Both the MPO and the CHNEP grants are paying for themselves.

Councilwoman Heitmann suggested that the Budget & Finance Committee review the Council's grants, administrative, indirect and direct costs so there is a concise picture of the Council's charges.

Commissioner Turner thanked Mr. Tuscan for attending the meeting.

The motion carried unanimously.

Item #2(c) Cost Controls – FY2012

Ms. Donley reviewed the item as presented.

Ms. Yell explained that some of the grants are invoiced quarterly, so the Council is putting money out at the end of the quarter and then the Council doesn't get reimbursed until 30 days after the quarter ends. So the turnaround is a little bit slow and it affects our cash flow.

Vice Mayor Denham stated that he is concerned with the mismatch between the revenues and expenses. Ms. Yell explained that this is the first year that the Council had a net loss since the purchase of the building. Mr. Tuscan explained that the net loss reflects the cash reduction from last year versus this year and it does signify the way the Council works.

Commissioner Turner stated that he was happy to see the cost control items on the agenda. He felt that Vice Mayor Denham was saying that we just need to be cognoscente of it, move forward and do we need to periodically review it on the Council level, Executive Committee level, Budget & Finance

Committee level or all three. He said that personally, because of the discussions and volatility of those discussions, he would like to see a snapshot of the budget in the Council's budget item every month.

Vice Mayor Denham stated that if that can be accomplished with the current staff, then he feels that is a good idea.

Ms. Donley replied that it is possible and it will be included in October's packet.

Councilman Banks moved and Vice Mayor Denham seconded to have a budget summary included in the Council's agenda packet, beginning in the October packet. Also, have the Budget and Finance Committee review the budget summary. The motion carried unanimously.

Councilwoman Heitmann asked Mr. Tuscan about having him do extra work. She stated that she would like to have a discussion with him and Ms. Donley to make sure that the financials of the Council continue to move forward smoothly.

Mr. Tuscan explained that he attended a Budget Committee at the end of the last audit to address the Council's fund balance and the potential for a loss. He also attended a Council meeting prior to Mr. Heatherington's departure where there was a discussion on the need for costs cuts in order to break even in the current fiscal year. He said that he feels that the Council is on the right track, and needs to continue to contain costs until you determine a way to raise revenues.

Councilwoman Heitmann asked Ms. Yell what is the fund balance and what are the changes for cost reduction in the 2012 Budget. Ms. Yell replied that the fund balance at the beginning of the 2012 Fiscal Year was \$680,000, but now we are going to be taking out \$150,000.

Vice Mayor Denham asked what the Council's expected savings was for the 2012 Budget. Ms. Donley replied that there is the \$400,000 which is reserved back for the new Executive Director, search and hiring process. There is also \$14,895 which is being reserved towards replacing an air conditioning unit.

Vice Mayor Denham stated that with the head count reduction, hours reduction and salary reduction what is the savings in the budget.

Councilman Banks stated that the key is if we have a balanced budget, if we don't have a balanced budget at the end of the month then we need to make some more changes.

Ms. Donley replied that the direct salary savings that the 2012 Budget implemented was approximately \$238,000 and then there was an additional \$20,000 in direct savings that included travel, etc.

Councilman Banks asked Ms. Donley to send that information to the Committee when she has clarified the information.

Councilwoman Heitmann asked if there were any public comments for Items 2(a), 2(b) and 2(c). No public comments were noted at this time.

Item #2(d) Review of Executive Committee's Implementation of the FY2012 Budget

Councilwoman Heitmann expressed her concerns with the materials which were presented at the Executive Committee meeting on September 30th regarding the implementation of the FY2012 Budget. She was concerned that the members did not have a chance to review the materials before they were presented at the meeting.

Vice Mayor Denham clarified that it was actually only one slide of the presentation which Ms. Donley presented which was not shown before, all of the other slides were shown before. Ms. Donley agreed, the only slide that was new was the slide which illustrated the proposed organization for implementation.

Councilwoman Heitmann asked Ms. Donley to give a presentation to the Committee of what was presented to the Executive Committee for implementation of the FY2012 Budget for clarification purposes.

Ms. Donley reviewed the presentation which she gave to the Executive Committee at their meeting on September 30th regarding the implementation of the FY2012 Budget.

Councilwoman Heitmann stated that she feels that everyone has spent an enormous amount of time in the redirection and being committed to moving forward. By going to the communities and regaining back their trust in the Council. She sees that there is a united front and a lot of time put into that effort. However, sometimes when that happens, you are not paying attention to details and she reviewed the Council's different policies and Interlocal Agreement; because the last thing she wants to see happen is that we forget to follow-up on our procedures and policies. During one of the Council meetings, it was stated by one of the members "that if you are approving the budget you are approving the policy" and that statement made her review the Council's Interlocal Agreement and the changes in the structure of the Council, which is both a policy and staffing change. She just wants to make sure that we are all on board with what changes have been made in the positions, reductions in salaries and titles and how that reflects with the operation of the Council and also how it affects the policies for our financial budget.

Councilwoman Heitmann asked Mr. Tuscan if he understood her concerns and if he could address them with the restructuring and along with the reclassification, reduction of salaries and reduction of hours. Mr. Tuscan clarified that if you reduce that employee's hours do they have the time to do the proper job and if they are being demoted title wise should they still be paid the same salary. Councilwoman Heitmann replied yes. Mr. Tuscan stated that it would be how cost controls affected. He hasn't reviewed any of the cost cuts, so he can't say whether it is an issue or not.

Councilman Banks asked who is running the Council. Is this even a budget question, it seems to be an Executive Committee question and it is up to Ms. Donley to report to someone what she is doing, but he doesn't know if it is the Budget Committee. Councilwoman Heitmann explained that there are policies set within the budget and she is just making sure that what we are doing within the accounting practices, how they are reviewed and how they are audited is correct. If this structure and the restructuring of the new classification of salaries or reduction are studying a standard, does the Budget Committee agree with it?

Councilwoman Heitmann stated that she is not trying to second guess Ms. Donley, she is only trying to take it from a policy point of view and the responsibility that the Budget Committee has. It is stated

within the Council's policy that the Executive Director follows the policies of the Treasurer. She explained that she is only asking questions in order to protect the Council and keep us cohesive and make sure that when the new Executive Director comes in that the new changes were appropriate.

Councilman Banks suggested asking the acting Executive Director those questions and since Mr. Tuscan is also present and he could also respond. Councilwoman Heitmann agreed to Councilman Banks suggestion.

Councilwoman Heitmann asked staff to give an overview of the reclassifications and clarify whether or not they are salary reductions and whether or not they are with benefits, because that is what she was confused whether or not the salaries included benefits or not.

Ms. Donley explained that the Council's policy is for employees who are billing 25 hours or more have full benefits. All of the staff listed in the reclassification have positions which have full benefits. Benefits are prorated, so for 40 hour employees they receive the full amount of scheduled leave and unscheduled leave. For employees who work 32 hour work weeks their scheduled and unscheduled leave is multiplied by 0.8 and for 30 hours is 0.75. However, for the health and retirement benefits are complete, they are not affected. With regard to the reclassifications, one of the directions from the FY2012 Budget Committee was to increase the ratio of management to staff, so there are some positions that have "Manager" in them and they were reclassified to comparable positions. The job descriptions that were provided to staff, some of them were based on their actual job description and refined somewhat. Staff was told that both her and Vice Mayor Denham have committed to working with staff to better craft job descriptions that better describes the actual work that staff does. Staff has been given access to all of the draft job descriptions and has been asked to review them and make suggestions.

Ms. Donley explained that for the Administrator Finance she went online and reviewed various job descriptions with regard to finance, budget and cost accounting and she crafted a job description that she is calling Cost Accountant II and she arrived at that title as the best descriptor of the responsibilities of that position. Administrative Manager/HR/Operations, she also went online and reviewed various job descriptions and given all of the various tasks and the different tasks that position now has, the Administrative Services Coordinator deemed to be the best label for those tasks. For the planning positions she went to the American Planning Association website and downloaded their descriptions for Planner I-IV. Under Planner IV they considered a comparable title as a planning manager and principal manager, so that was not a demotion in title. The APA website has Principal Planner and Planner IV as being comparable positions responsibilities, expertise and education. With regard Senior Planner, she believes it was the same situation. With Senior Planner and Planner III, on APA's website they are comparable positions. In accordance to the APA's website, they consider Planner II to be comparable to associate or junior planner and those are not positions currently within the Council. We call that position a Regional Planner and then with regard to Planner I, that position is an assistant planner. The Council doesn't have an assistant planner, but based on those responsibilities the typical functions, education and expertise the employee who is now Planner I meets those criteria. With regards to the two GIS positions, she relied heavily on their current job descriptions, but she did do some revisions and she encouraged those two staff to go to any professional organization's website for GIS experts and look for language that would applicable to be included in their job descriptions. The Administrative Specialist II positions, she relied on Lee County, City of Cape Coral and the City of Fort Myers to put together that job description and she also utilized their current job descriptions to put together draft job descriptions in the new reclassification.

Ms. Donley stated that with regard to the salary change, the Planning Manager position that was in place up to FY2011, the salary range was above comparables in the area for Planner IV and the salary range that she is proposing is still above the salary range that Lee County and City of Cape Coral have for their Planner IVs.

Ms. Donley explained that the hourly reductions were based on the revenue streams that are currently available. She explained that she made sure that she retained the staff needed as the staff project lead and also staff to do the support work for those particular projects. She stated that she knows that there was a concern expressed that we retain institutional knowledge, this budget and staffing scheme does retain that institutional knowledge and the expertise in the areas which we have funding and requests from various agencies to perform work.

Councilwoman Heitmann thanked Ms. Donley for the recap because that was where her concern was with the positions and reclassification. Along with the salary reduction versus hours really was setting a policy that she wasn't sure that she could support, being that we do need to review other items. She is referring to how it relates to the Council's Interlocal Agreement and those assessments. In reviewing the Interlocal Agreement, we need to make sure that we are continuing the services that we have agreed to and not violating that.

Ms. Donley referred to the Interlocal Agreement and under the first "Whereas" clause it states that the Council will do:

- Economic development - we have retained economic development expertise.
- Natural resources development – we which we have retained that expertise.
- Social development - we have retained that expertise.
- Transportation development – we have retained that expertise.
- Public and Industrial Safety – we have retained that expertise.

Councilwoman Heitmann asked if there is anything in the Council's policies that interferes with the changes that have been made. Ms. Donley replied not that she is aware of. She noted that one of the questions had to do with, and this came up during an internal meeting, about certifying planning documents. She went through grants and contracts that the Council has in-house to see if there are any requirements that any of the documents be signed off by a certified planner. The 2010/2011 DCA Contract, which is no longer enforce, has on page 15 a single line which states under Part III Developments of Regional Impact "the written reports submitted to the Department under this item shall be reviewed by the recipient's planner" and that is the only place that she has found a specific requirement for a sign off by a planner in our documents.

Vice Mayor Denham thanked Ms. Donley for her efforts. He then stated that it will be up to the new Executive Director to review the organization and if he/she decides to make changes then it will be his/her decision.

Councilwoman Heitmann stated that her biggest concern is that we are setting a precedent for positions, reclassification and job titles. Vice Mayor Denham stated that he believes that Ms. Donley has tried very hard to assemble an organization to allow such that. To give the new Executive Director the opportunity to tweak the organization from the viewpoint of titles, etc.

Councilwoman Heitmann noted that one of the other RPC Executive Directors made a comment that this Council's administration was much higher in salaries and that we really needed to look at those cuts. She feels that Ms. Donley has made it very clear that it is something to look at and that it will be looked at as this Council moves forward. Vice Mayor Denham stated that he feels very comfortable with what Ms. Donley has accomplished so far.

Mr. David Crawford stated that he is coming before the Committee as a private citizen, a member of the American Planning Association (APA) and as an American Institute of Certified Planner (AICP) to make a public comment. He stated that he would like to discuss the base issue of the Council. He noted that Vice Mayor Denham had noted at the Executive Committee on September 30th what is the value given from the Council to the communities of the region. Where the value lies, he would submit to the Committee that it lies within the interpersonal relationships of your planning staff with all of the planners, public and agencies that we work with on a daily basis.

Mr. Crawford stated that management team is important because they run the organization, but they have never been given an alternative budget. The Council has reviewed the same budget every time. Mr. Heatherington had lost his job because he couldn't produce a budget. Mr. Heatherington had tried to fire three planners again and again. Well now we have a budget that has gone through the process and as a Senior Planner of the organization, speaking for the other planners, this has been a situation where we have not been given the opportunity to give any input so he is requesting that he has a little bit of time now in order to give some input.

Mr. Crawford stated that there is a severe flaw within the FY2012 Budget. Basically, the Council didn't fire three planners, but you fired a planner and a half which were the two certified planners on your staff. The Executive Directors of the Council have always been certified planners, who were ultimately responsible for the quality and the accuracy of the work that went out of the Council. He stated that both Mr. Daltry and Mr. Burr signed the papers before they were issued, so the certification of a planner is important because you have the credentials, knowledge and experience to do the job. So we did not increase the value of the Council by doing this budget, but instead you reduced the value because you have less staff to go out and communicate the story of the Council in the community. So those communities will have less ability to improve and build a place where people can live, work and play. He has a severe problem with Planners I-III, he doesn't feel that they are qualified for their jobs, experience and educational degrees and they don't have any certifications for those jobs. He said that he has nothing against those staff members, but they can't be called planners, because they are not planners and this budget is based on them being planners. He stated that he has a solution, he asked the Committee to require those three planners to go sit for the AICP. If they will even be accepted to sit for; because you have to prove your credentials, and if they pass that test he will be the first to welcome them to the world of planning. Until then what they really are Planning Techs, but you are paying them for being planners which they are not. He stated that he has a problem with that as an AICP person and he is required by his ethics to report it to the organization that he is working for.

Mr. Crawford then stated that the second issue is that the planning categories that were put out by Ms. Donley, is when you have a 30 year veteran in a Planner IV category it will look like that employee was demoted on his/her resume. So there will be some people that won't know that Planner IV is equal to Planning Manager. He suggested the following categories:

- Planning Tech
- Planner I

- Planner II
- Senior Planner
- Principal Planner

Mr. Crawford stated that his last item is that he would like to propose an alternative budget, which saves \$332,000 and basically reduces the management team and maintains the planning team, where the value is and actually adds a planner to the Council so we can increase our work. The problem with this funding stream concept is that nobody is fully funded because we have three sources of income (grants, fees and local contributions). How the fees and local contributions are spent is up to question. Why the management team has claim to that funding stream and the planners don't is a mystery to him. He then asked that the Committee consider a revision to the budget, because it doesn't strengthen the Council, it weakens it and makes it less valuable.

Commissioner Turner stated that he doesn't feel that the Council has gotten the perception in the community off of one or two years of their activities. He feels that the perception that the Council has within the community has come from by years of not justifying itself. Now whether Mr. Heatherington was the major contributor to that problem or his predecessor he doesn't care at this time, you are either part of the problem or part of the solution. At this point, he wants to be part of the solution and for him part of the solution he has been looking at the dollars and cents that the Council has and making it work appropriately as much as possible in the short term and from there justifying our existence as we move forward. The fact is that the legislature shot across our bow and they are going to do it again and the Council is going to have to operate much more efficiently. If that means that we are going to have to let more employees go and administration may need to tweak some things, then it will happen. He said that he agrees with one portion of Mr. Crawford's comments at the time, when there was a professional planner at the top of the organization that basically reviewed everything before it went out to the client. He then said that he doesn't know if this is the appropriate discussion to be having at this point.

Vice Mayor Denham stated that he has a lot of respect for Mr. Crawford and thanked him for his presentation. It is probably unfortunate that this discussion was not held over a month ago where we could've thought about some of his comments. He did make a very good point about the position titles and the Principal Planner and it is something that we may want to consider. It doesn't change the budget, but it does change the principals of his thoughts there relative to the job titles being Principal Planner, etc.

Councilman Banks stated that he agrees with Vice Mayor Denham and he appreciated Mr. Crawford's comments, but on the other hand he agrees with Commissioner Turner. The Council has carried the budget issue for several months and he wants to support Ms. Donley, because in a couple months there will be a new Executive Director. He believes that the new Executive Director will have their own program.

Mr. Crawford stated that he is concerned whether or not those three planners are qualified for those jobs and that means money.

Ms. Donley explained that there are two States which require some sort of licensing, certification, regulation of planners and those are New Jersey and Michigan. The State of Michigan requires that their planners pass the AICP and a State exam and the State of New Jersey has a State exam which they administer.

Vice Mayor Denham referred to a discussion from the last meeting where there was an additional presentation which he felt was necessary to set the scene for the Council's change in strategy, attitude, all being relative to the community. Several points which he felt were relatively important to discuss how the Council is going to deal with its community partners and customers in the future. That is an important additional document which needs to go with the budget. Ms. Donley explained that at the planning meeting there was a discussion amongst the planners about scheduling those meetings with planning staff to planning staff in order to reacquaint the Council staff with our local members' planning staff. Vice Mayor Denham stated that the Council needs to be informed of such activities.

Mr. Crawford stated that the problem with assigning people that don't qualify for is that it pollutes his profession. He feels that it shouldn't be done and that the Committee should have those employees prove that they meet the requirements of the job, because he doesn't believe that they do. You are giving people titles that they don't qualify for. Ms. Donley stated that she doesn't have a problem with working staff and their resumes, expertise and job descriptions. She doesn't feel that it is staff's responsibility to prove whether or not they are qualified for a position, it is her responsibility to determine whether or not an employee is qualified for a position.

Councilwoman Heitmann asked Ms. Donley if she had seen these documents which Mr. Crawford had presented at the meeting. Ms. Donley replied no. Councilwoman Heitmann asked Ms. Donley to send the documents to the other members of the Committee for their review. She stated that she wants to make sure that all avenues have been examined.

Commissioner Turner stated that he is sick and tired of revisiting the same issue with someone else's new plan. He is also sick and tired of trying to make everyone happy. These are very hard decisions that we have to make, no one wants to cut people, but it is an unfortunate reality that we are sitting in. No one has the ability to tell anyone that they couldn't attend a meeting. He stated to Mr. Crawford that he had plenty of opportunity to present his budget at past committee meetings. Now we are hearing another proposed budget and wanting to present it to the Council.

Councilwoman Heitmann explained that the only reason that she is making the recommendation is to make sure that all options have been reviewed. She wants it reviewed as an Executive Committee and if the decision is that we stay with the decision that was made before she is not asking for that change. She stated that for the first time someone else has presented another financial budget and if the Committee chooses not to review it and analyze it and if Ms. Donley doesn't want to review or analyze it that is a different subject.

Councilman Banks suggested directing Ms. Donley to review Mr. Crawford's proposed budget and decide if she wants to do something with it or if she would rather leave it to the new Executive Director. Ms. Donley explained that there was a FY2012 Budget Committee formed specifically to deal with the FY2012 Budget and she doesn't feel that it is fair to that committee for there to be statements made that there was nothing else examined. Commissioner Turner stated that is where he stands. He then stated to Councilwoman Heitmann that he understands her last statement and he also agrees with Councilman Banks' suggestion, but if Ms. Donley doesn't want to discuss the FY2012 Budget anymore then he is comfortable with that. Ms. Donley stated that if it is the direction of the Budget and Finance Committee for her to review Mr. Crawford's proposal of the FY2012 Budget then she will review it. She will match it up with the funding that she knows that the Council has in-house and will bring it back to the Budget and Finance Committee where the Committee can do a compare and contrast. She said that

she has no problem in doing so and requested that Mr. Crawford forward her the spreadsheet in electronic format.

Councilwoman Heitmann stated that shows leadership on Ms. Donley's part. She then apologized for her statements earlier when she referred to no other options were reviewed before the budget was approved. She now understands that other options may have been discussed during the FY2012 Budget Committee meetings.

Vice Mayor Denham offered his services to Ms. Donley. Councilwoman Heitmann stated that she doesn't believe that it needs to be a one-on-one situation, but that Ms. Donley can review the information and then present it to the Executive Committee so that we are all in an understanding of her opinions and whether or not she wants to make any changes so we can go forward to the Council meeting on October 20th.

Mr. Crawford stated to the Committee that he appreciated their comments; they were very direct and to the point. He noted that he didn't submit the budget to have the Committee take any action today, he is satisfied that Ms. Donley will review it and conduct a compare and contrast. He said that he would be willing to donate his time to be in the meeting also. He still doesn't understand the Committee's action on the qualifications issue because it does affect the budget.

Councilman Banks stated that is going to tough because we have a budget. Councilwoman Heitmann stated that she feels that Ms. Donley could address it by the job title. Mr. Crawford replied no, there are employees who don't qualify for their jobs.

Ms. Donley asked for clarification from Mr. Crawford that he is referring to the salaries that are associated to the job titles. Mr. Crawford replied that the employee needs to be qualified to hold that position and if you need six years experience, a Masters Degree and a certification and that employee doesn't have those and they are in that position; then he doesn't know how they can be in that position. So either they need to be a Planner Tech or some other title. Councilwoman Heitmann stated that she believes that it has been clarified.

Item #2(e) Senate Bill 88 and Request for Severance Pay

Ms. Donley reviewed the item as presented.

Councilman Banks asked how this is a budget issue. Councilwoman Heitmann explained that it was presented at the Executive Committee meeting on September 30th and she recommended that it be presented to the Budget and Finance Committee, mainly because we didn't have the information at the time, Ms. Donley had to do research which she has presented and it affects the budget. Councilman Banks stated that he feels that it is a management decision, not for the Budget Committee. Councilwoman Heitmann stated that it was brought to the Budget Committee for review and if it is the recommendation of the Committee to have it go back to the Executive Committee then that will be the decision.

Ms. Haynie of the Law Firm of Roetzel and Andress, representing Mr. Jason Utley, distributed a handout (letter) from Attorney Robert Pritt with Roetzel and Andress which is directed to the Budget & Finance Committee Chair regarding Mr. Utley's position with the Council. She explained that the letter presents two concerns. The first concern is a policy concern in what the Budget and Finance Committee and the

Executive Committee considered when laying off Mr. Utley. There is a Policy 2.6 regarding seniority which specifically states “employment, promotion, demotion and termination shall be on the basis of merit and efficiency. Where these factors are considered by the Executive Director is equal between the employees, the action shall favor the employee with the greatest seniority.” Our concern is that with the determination of layoffs, this policy was disregarded. Mr. Utley holds four certifications (AICP, PMP, PTP and LEED Accredited), which is more qualifications than any other employee in the Council. It does not seem that it was considered in terms of the layoff. So there seems to be to have been a violation of the policy. She then noted that she was present for the previous discussion when Mr. Crawford brought forth the qualifications issue. She also stated that she has not attended all of the meetings to know if it has been discussed, but it does not appear that it has been addressed since the planner that you have determined to layoff has the most credentials.

Ms. Haynie asked the Committee to take into consideration that particular determination with Mr. Utley was unlawful and the cheapest way to deal with it would be to reinstate Mr. Utley. The second concern is the severance package. We understand that it was brought before the Executive Committee and it was referred to the Budget and Finance Committee for review and discussion today. Regarding the concern of the re-enactment of Senate Bill 88, which is 2011 43 Laws of Florida, Mr. Utley is requesting two weeks of severance for every year that he has been employed with the Council (5.5 years) which would be approximately 11 weeks of severance. She stated that she believed that at the last meeting there was concern regarding SB88 and prohibition on providing severance to those employees that have been laid off, but in reading SB88 it doesn't appear to apply to the Council. The Council is governed under Florida Statute 186.505 and Subsection 4 of that statute specifically states that the Council is authorized and has the following powers and one of those is to “employ and compensate such personnel, consultants, technical and professional assistance as it deems necessary.” There is nothing in SB88 that addressed or took away those powers from the Council. So in our opinion, the Council has the authority to grant Mr. Utley severance. Based on that information we are requesting consideration of the 11 weeks of severance.

Ms. Haynie stated that she just gave the summary of the letter and she has it in electronic format and if the Committee desires she can forward it to staff and it can then be sent out to the full Committee.

Vice Mayor Denham stated that he didn't see this particular item on the agenda for discussion.

Commissioner Tom Jones cautioned the Committee to respond to Mr. Utley's attorney on this matter. This is not the forum for this issue to be presented because there are long range implications and there are also implications for the other employees at the Council. He agrees with Vice Mayor Denham that this item really wasn't on the agenda.

Ms. Haynie stated that she is confused because she thought that it was on the agenda today. It specifically states on the agenda that you are considering SB88 and the severance package. The memo that you received in your package specifically deals with Mr. Utley's request for severance. We would like to have some kind of resolution/decision today if possible from this Committee.

Councilwoman Heitmann clarified that this issue was brought before the Budget and Finance Committee to review SB88 and also because we are looking at our budget and financial impact if this request was approved. She feels that the other members have spoken clearly that this is really not a Budget and Finance Committee decision, but it is an Executive Committee decision and that it may be on the agenda, but not with any recommended action.

Vice Mayor Denham stated that the issue needs to have much more discussion than what the Committee has time for at this time. He agrees with Commissioner Jones that the Committee should not comment at this time until all of the information regarding Mr. Utley's legal challenge has been provided and the Committee has had the proper time to review and discuss it in the proper forum.

Councilman Banks suggested sending the issue back to the Executive Committee because it is going to be an executive decision. Commissioner Turner stated that the caveat to Councilman Banks' suggestion would be from the Budget and Finance Committee what their recommendation would be from a fiscal standpoint. He also stated that Commissioner Jones has brought up a good point that we would be setting a strong precedent for all RPCs throughout the State. We also need to be cognoscente of our budget issues and anytime that a lawyer comes to a meeting he doesn't like responding directly to attorneys.

Councilwoman Heitmann stated that she will take that as direction to have Ms. Donley bring the appropriate information to the Executive Committee for discussion. Ms. Donley asked if the Committee would like to know what the fiscal impact would be on the budget. Councilwoman Heitmann replied to have that information provided to the Executive Committee. Councilman Banks stated that if the severance package was approved, he asked that it be presented where that money would come from out of the Council's budget. Then the Executive Committee can direct the Budget and Finance Committee to do it.

Ms. Haynie stated that she understands that the Committee had made a recommendation to send it back to the Executive Committee for consideration. She then noted that in terms of Mr. Utley's request for severance, we would be requesting \$12,258.40, which amounts to the 11.5 weeks. Ms. Donley noted that she has it at 10.84 weeks which would come to \$12,080.10. Ms. Haynie also stated that she has heard about setting precedence and she doesn't feel that there is an issue in setting precedence if what you are doing is following your own policy. If you have a policy in place which considers both merit and certifications and value that this person has given to your organization, she doesn't believe that the Council would be setting a precedent moving forward that you necessarily have to award severance to all future employees that were laid off in the future.

Councilwoman Heitmann thanked Ms. Haynie for the information and that she will be contacted by Ms. Donley in the future.

Item #4 - Set Next Meeting Date and Time

Councilwoman Heitmann asked that both old business and new business be added to future agendas. She then asked the members if any of them had any new or old business that they would like to discuss.

Councilwoman Heitmann stated that she would like to have the dues for FRCA, letter and presentation be placed on the Executive Committee's meeting agenda. Ms. Donley noted that FRCA is sending Mr. Brian Teeple and Mr. Scott Koons to do a presentation at the October 20th SWFRPC Board meeting. She also noted that she attended a two day FRCA conference call and notified them that Charlotte County had sent a letter to their local legislative delegation to request legislation to allow counties to opt out of RPCs.

Vice Mayor Denham stated that he wasn't aware the RPC was going to be a full-time job.

Councilwoman Heitmann stated that she makes the same comment.

Vice Mayor Denham stated that we need to try to keep within the timeframe of what the agenda stated. He noted that the agenda had stated that the meeting was scheduled for one hour and it ended up being a 3 hour meeting and he ended up having to cancel other appointments. Councilwoman Heitmann stated that she will try to make sure that the meeting will stay within the timeframe of one hour.

Councilwoman Heitmann asked for any public comment. No public comment was made at this time.

The next meeting date and time will be set for sometime in November.

Item #5 - Adjournment

The meeting adjourned at 11:50 a.m.