

FY08/09 Strategic Financial Review

June 24, 2008



Agenda

- Not for Profits – Human Services
- Other Not for Profits (non Human Services)
- Healthcare Update
- BCC Controlled Funding
- CCU – PILT (Payment in lieu of taxes)
- Conference Center Parking Fees

Human Service Requests (not for Profits)

- Cecy Glenn – United Way to present update

Human Service Requests (not for Profits)

- BCC approved this process by unanimous vote – 1/22/08
- Purpose and Process
 - Create an independent process
 - Put it into the hands of the public

Human Service Requests (not for Profits)

- Purpose and Process (cont.)
 - Decisions were made by the Community Impact Process of the United Way
 - 64 volunteers from all walks of life
 - United Way funding requests were separately considered from County funding requests

Human Service Requests (not for Profits)

- \$1,104,955 - FY08/09 funds requested by agencies
- **\$537,305 – FY08/09 - United Way request for County funding**
 - Reduction of 35% from this years funding level
 - Reduction of 51% from this years requested amount
- \$823,049 – FY07/08 (this year) – amount funded by the BCC

BCC Options

1. Accept and fund the United Way request
2. Reject the request and evaluate independently
3. Increase or decrease level
4. Suspend funding for “not for profit” requests due to economic conditions



Other Funding Requests

(non Human Services)

Total Requested Amount = \$196,775

Charlotte Community Foundation, Inc.

- FY08/09 Request - \$41,775
- FY07/08 Awarded - \$24,175
- Specifics of Funding Request:
 - Carry out a comprehensive needs assessment among nonprofits in Charlotte County
 - Design and deliver six workshops or seminars that meet the largest cluster of needs identified during the assessment
 - Deliver resources including monthly bulletins, resource packets, etc.
 - Design and implementation of a peer training and mentoring network as well as a Resource Library for NPN members
 - **Project Coordinator – from part-time to full-time**

Arts & Humanities Council of Charlotte County, Inc.

- FY08/09 Request - \$50,000
- FY07/08 Awarded - \$65,000
- Specifics of Funding Request:
 - Community Services such as art fairs and the dissemination of arts information - \$9,510
 - Artist Services such as opportunities for artists to show and sell their work - \$17,352
 - Cultural Organization services such as after school programs and civic organizations - \$17,078
 - Arts in Education for public schools which sponsors teacher mini-grants to encourage art - \$6,060

Charlotte Harbor Environmental Center, Inc.

- FY08/09 Request - \$35,000
- FY07/08 Awarded - \$35,000
- Specifics of Funding Request:
 - On-site environmental education to citizens and visitors
 - Fourth grader two day educational field trip
 - Shallow water wading trips, estuary studies, environmental education boating trips, sea grass lectures
 - Research projects with SWFWMD, CHNEP, PMRWSA, CCU and the Charlotte Harbor Fund
 - Land management discussions with the US Fish & Wildlife Service regarding other opportunities

Board Direction

Military Heritage & Aviation Museum

- FY08/09 Request - \$70,000
- FY07/08 Awarded - \$30,000
- Specifics of Funding Request:
 - Operation of the Military Heritage & Aviation Museum in Fisherman's Village
 - Promotion of an understanding and respect for the rich military heritage of the United States and the sacrifices made by our country's veterans, living and dead, emphasizing that freedom is not free

Board Direction



Healthcare Update

HealthCare - Update

- Aetna – Based on usage trends, we need to budget for a 25% increase in premiums.
- 25% = \$3,000,000

HealthCare Timeline

| <u>Insurance Coverage</u> | <u>Renewal Date</u> | <u>Current Carrier</u> |
|------------------------------|---------------------|-------------------------|
| Medical | January 1, 2009 | AETNA |
| Dental | October 1, 2010 | AETNA |
| Life and AD&D | January 1, 2009 | Florida Combined Life |
| Short / Long Term Disability | January 1, 2009 | The Hartford |
| EAP | January 1, 2010 | CIGNA Behavioral Health |

HealthCare Timeline

| Proposed Schedule of Activities | |
|---------------------------------|--|
| <u>Date</u> | <u>Action</u> |
| 5/20/2008 | Clinic RFI Released by Charlotte County Purchasing |
| 6/2/2008 | Clinic Pre Bid Meeting |
| 6/6/2008 | Insurance Committee Meeting |
| 6/20/2008 | Clinic Bids due at Charlotte County |
| 6/23/2008 | Gehring Group receives Clinic Bids |
| 6/23/2008 – 7/2/2008 | Gehring Group prepares Clinic Bid Evaluation |
| 7/9/2008 | Gehring Group reviews Clinic Bid with Charlotte County |

HealthCare Timeline

| | |
|------------|---|
| 7/9/2008 | Budget Meeting with Risk Management |
| 7/10/2008 | Charlotte County Budget Hearings |
| 7/25/2008 | Interview Clinic Finalists |
| 07/25/2008 | Request for Self Insured and Fully Insured Medical Proposals Released |
| 07/30/2008 | Aetna Renewal received |
| 08/01/2008 | Insurance Committee |
| 8/8/2008 | Clinic Best & Final Offers Due |
| 8/11/2008 | Medical RFP Pre Bid Meeting |

HealthCare Timeline

| | |
|----------------------|---|
| 8/25/2008 | Medical RFP Due |
| 8/27/2008 – 9/3/2008 | Gehring Group reviews Medical RFP |
| 9/5/2008 | Insurance Committee Meeting |
| 9/5/2008 | Gehring group reviews Medical RFP and Clinic Best & Final Results with Charlotte County |
| 9/12/2008 | Medical RFP Best & Final Offers due |
| 9/19/2008 | Recommendation on Medical Carrier and Clinic Provider (if selected) |
| October 2008 | Board Approval of Medical Renewal/Carrier Change and Clinic Implementation/Provider (if selected) |
| October 2008 | Preparation of Open Enrollment Materials / BenTek |
| November 2008 - TBD | Open Enrollment |
| 1/1/2009 | Plan Year Begins |
| 4/1/2009 | Targeted Clinic Implementation Date |

Healthcare Options

1. Continue with Aetna and examine options for funding the 25% increase
2. Go out for bid – to ensure the lowest premium
3. Continue to explore other options
 - Healthcare clinic
 - Program changes

Review of BCC Controlled Budget

- BCC Controlled are misc. general corporate type expenses
- Total Budget = \$7,789,540

Review of BCC Controlled Budget

- Major Categories of expenses include:

| | |
|--------------------|--------------|
| CRA Payments - | \$ 2,121,792 |
| Mental Health - | \$ 1,594,601 |
| Not for Profits - | \$ 866,224 |
| Audit Costs - | \$ 357,000 |
| Juvenile Justice - | \$ 558,312 |

Review of BCC Controlled Budget

- A significant amount of the funding is required, such as CRA payments or juvenile justice (mandated by the state)
- There are some areas where reductions can be made/considered

Review of BCC Controlled Budget

Recommended Reductions:

1. \$ 20,000 – Economic Regional Research
2. \$250,000 – Consulting, legal and closing fees.
3. \$ 5,000 – Sheriff's plane

Review of BCC Controlled Budget

1. Mental Health

- \$1,594,601 – Total FY07/08 Budget
- \$ 820,992 – Mandated
- \$ 773,609 – County Overmatch

- Options:
 1. Keep FY07/08 budget level
 2. Reduce the County Overmatch

CCU – Payment in-lieu of tax

- Concept statement:

Payment to compensate a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property. Usually it relates to the foregone property tax revenue.

CCU – Payment in-lieu of tax

- Completed a Florida County survey
- 33 Counties responded
- 7 currently collect PILT from County owned Utilities
- Many cities collect PILT
- 4 other Counties are considering for FY08/09
- Sarasota County will be implementing

CCU – Payment in-lieu of tax

- How is the amount of payment calculated?
 - Usually based upon the taxable value multiplied times the millage rate
 - Some Counties use an arbitrary percentage of net revenues

CCU – Payment in-lieu of tax

- Outstanding Issues:

Bond Council is currently evaluating to determine if collecting PILT is in conflict with existing bond documents.

CCU – Payment in-lieu of tax

- Board discussion or direction

Conference Center Parking Fees

- Discussion at the joint meeting
- Based upon discussion – Parking fees will not be budgeted for FY08/09 for this facility
- Board Comments / Direction