

Budget Committee
Volusia Growth Management Commission

**MINUTES FOR
MEETING HELD
Wednesday, May 28, 2014**

County Council Chambers Conference Room
Thomas C. Kelly Administration Center
123 W. Indiana Avenue
DeLand, FL

The meeting was called to order at 6:30 p.m. by Committee Chairman, Roger Sonnenfeld.

The following Budget Committee members were present: Committee Chairman Roger Sonnenfeld, Timothy Bustos, Debbie Connors, Richard Kane, Jack Lenzen and Sandra Walters. Also present were VGMC Chairman Gerald Brandon and VGMC Operations Manager Merry Chris Smith.

Approval of the Minutes of the March 26, 2014 Budget Committee Meeting:

Debbie Connors made a motion to approve the minutes of the Budget Committee meeting held on March 26, 2014 as presented; seconded by Jack Lenzen. Motion carried unanimously.

Review 2013-14 Fiscal YTD Expenditures

Mr. Sonnenfeld reported that approximately \$19,000 has been transferred from the contract services budget to the personal services accounts to cover unbudgeted retirement and other benefit related expenses. He also reported the State imposed penalties and late fees of nearly \$9,000 on the prior years' retirement contributions which has created a deficit in the personal services portion of the budget. Mr. Sonnenfeld stated the County budget office is aware of this and they've recommended waiting until the end of the fiscal year to make further adjustments in the budget. Mr. Brandon commented that the County initially indicated the penalties and late fees would be paid for by the County but not charged to the VGMC budget. Mr. Kane commented it is a matter of accounting and all VGMC expenses are part of the Volusia County budget. Following further discussion, there was general agreement not to pursue removing the penalties and late fees from the VGMC budget with the County.

Mr. Sonnenfeld pointed out that contract services year-to-date expenses are under \$40,000 and there is a sizeable surplus. He added the remainder of the budget appears to be on track. Mr. Brandon commented that when contract staff invoices are received, Ms. Smith reviews the invoices first and will go back to staff with any questions or inconsistencies.

Mr. Kane stated there is an RSQ in process for one of the planning contracts for the 2014-15 fiscal year which could result in a change in the budget estimate for next year. Mr. Brandon discussed the purpose of having two planning firms is to avoid a potential gap if one contract was discontinued and to also avoid potential conflicts. Mr. Kane asked how the applications are assigned to the planners. Ms. Smith stated the majority of large scale amendments are sent to VHB and small scale amendments to Miller Legg, however, there are some large scale amendments also sent to Miller Legg.

In closing discussion relating to the 2013-14 budget, Mr. Sonnenfeld stated the commission previously authorized Ms. Smith to work with the County to handle budget transfer adjustments needed for the unbudgeted expenses resulting from the change in status of the Operations Manager position. He asked if the prior approval of authority was for a specific dollar amount. Ms. Smith responded there was not a specific dollar amount tied to the prior approval. The committee concurred Ms. Smith is authorized to continue working with the County to handle necessary transfers through the current fiscal year.

Discuss Request to Amend 2014-15 Proposed Budget

Mr. Sonnenfeld stated we've received a request from the County to keep our 2014-15 proposed budget flat which would require a \$41,300 reduction in the operating budget. He stated we could look at removing the \$25,000 litigation contingency since the commission expected that to be taken out by the County, which would then leave a difference of \$16,300. Mr. Brandon agreed the commission felt the County would eliminate the litigation contingency as they've done in the past, adding that the commission needs to maintain their independence from the County. Mr. Kane commented the County can take the funds out but the commission doesn't have to support it. Mr. Sonnenfeld stated the County is not singling out the VGMC, but rather is asking all departments to maintain a flat budget. He added it is a matter of the commission voluntarily reducing the budget, or the County making the reduction.

Mr. Brandon commented the last two years have been slow in terms of activity, however, development is progressing and feels the commission should retain the requested contract services budget. He also added that he agrees we should work with the County in the spirit of compromise. Mr. Lenzen commented that he also felt we should work with the County if they've worked with the commission to address additional funding needs in the past. Mr. Brandon discussed past occasions when the commission has had to request additional funding from the County Council and reiterated that he felt we should work with the County, but where and how much is what the commission needs to decide.

Following further discussion, there was a general consensus to eliminate the \$25,000 litigation contingency.

In response to a question raised relating to the process, Ms. Smith stated her understanding is that whatever action taken by the commission with respect to the County's request to reduce the budget by \$41,300 will be communicated to the County to notify them of the commission's position on this matter.

With respect to contract services, Mr. Kane stated if the County looks at the five year average expenses totaling approximately \$168,000, they may find justification to reduce the contract services budget. General discussion ensued concerning the projected increase in development activity, the estimates provided by staff and the fact that any unused budgeted monies are returned to the County at the end of the fiscal year.

Ms. Connors and Mr. Lenzen commented in support of keeping the contract services budget as originally requested, particularly since the budget is a projection based upon estimates provided by staff. Several other members concurred. Mr. Sonnenfeld commented on some of the language used in the staff estimates, such as “best guesses”, and suggested we ask staff to use more proper terms in future estimates. Mr. Brandon asked Ms. Smith to make note of that.

Following brief discussion, Debbie Connors made a motion to recommend the commission approve deleting the \$25,000 litigation contingency from the 2014-15 proposed budget, and keep the remaining budget as originally approved by the VGMC. Timothy Bustos seconded the motion. Motion carried unanimously.

Mr. Lenzen suggested when we communicate the VGMC position on this matter to the County that we provide a brief explanation, including the increased projected development and that we also have estimates from our contract staff which support the requested budget.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:03 p.m.


Chairman Date: 8/27/14