

CITY COMMISSION WORKSHOP WITH BUDGET ADVISORY BOARD

OCTOBER 27, 2010

City Commission Present: Mayor John P. "Jack" Seiler
Vice Mayor Romney Rogers
Commissioner Bruce G. Roberts
Commissioner Charlotte E. Rodstrom
Commissioner Bobby B. DuBose

Budget Advisory Board Present: Chair June D. Page
Nadine Hankerson
Frederick H. Nesbitt
Alan A. Silva
Mark Snead
Anthony Timiraos
Ray Williams
Keith Cobb, former chair

Also Present: Acting City Manager Allyson C. Love
City Auditor John Herbst
City Clerk Jonda K. Joseph
City Attorney Harry A. Stewart

Absent: Ron Goff, Budget Advisory Board

Mayor Seiler called the meeting to order at 7 p.m. Introductory remarks were made.

Chairperson June Page indicated the board has asked Keith Cobb who served as chair for 1 ½ years to make the presentation tonight. She emphasized the need for a report back to the board so that they could serve in a watchdog capacity.

Mr. Cobb noted that the board has focused primarily on the general fund. They have looked at the management structure and budget process. There are sixteen recommendations that were previously presented. The board feels that there is need for initiative and leadership on the part of the Commission over the next year, starting now. He noted in the past year, the City has experienced a lame duck city manager as well as acting budget and finance directors. The board unanimously believes the Commission should implement a five-year financial outlook. It should be a sense of direction, not a precision instrument. The board also encourages previous Commission prohibitions, such as no layoffs, should be lifted. It is impossible to use zero-based budgeting with sixty-five percent of the budget being payroll and it being frozen. Payroll issues should be addressed head-on. Fringe benefits represent fifty-six percent of base payroll. The board supports the City Auditor's report on the current budget. There are funded vacancies in the budget that will inevitably be filled if left alone. The board felt that the fleet cost reductions were somewhat illusory and did not represent a complete adjustment to the budget or the fleet. During the adoption process, department directors alerted the Commission that they may be back for budget adjustments during the year, therefore the board would like to caution the Commission about making additions during the year.

Mr. Cobb indicated that the board would like feedback from the Commission as to the board's role moving forward. The board recommends targets and dates be set, including times for interim progress reports. The board would like to work with the Acting City Manager and meet with her early in the process. He reiterated the lame duck or interim status of critical positions relating to the budget for the past 1 ½ years. Lastly the board believes that timely appointment of a permanent city manager is critical.

Commission Policies and Leadership

1. General Fund Budget Policies – The Budget Advisory Board (BAB) recommended the Commission take an affirmative leadership role in establishing budget policy and guidelines for City management. The BAB has presented the City Commission with a set of draft policies for consideration.
2. Fund Balance Policy – The BAB recommended the City Commission establish a policy of maintaining the fund balance of the General Fund at a level between 10% and 15% of the annual General Fund expenditure budget and that projected balances within the aforementioned range be utilized as a budget stabilization reserve.

Mr. Cobb indicated that there was an open issue on net general fund support that the previous city manager was to get back to the Commission but it never happened. Shonda Singleton Taylor, Deputy Director, Finance, advised that the board wanted changes to be made to departmental budgets throughout the year. Staff recommended that adjustments be made in the next fiscal year. There are timing differences with receipt of revenues. Commissioner Rodstrom thought as staff knows when the revenue will be received, it would present a clearer picture if adjustments were made throughout the year. Ms. Singleton-Taylor indicated that ad valorem revenue is received throughout the year. Mr. Cobb explained if there is a revenue shortfall, the question is whether there is an adjustment to expenditures during the year. The board felt it should be adjusted. Commissioner Rodstrom concurred. Ms. Singleton-Taylor noted the recommendation would mean a budget amendment whereas there is the financial report which is reviewed monthly. The City Auditor explained staff has looked at the budget in aggregate as opposed to departmentally. He used the red light camera revenue as an example and would the police department budget be reduced if revenue from citations is not realized or would revenue exceeding projections in another area be used. Mr. Cobb thought the crux of the issue was for the Commission to get in front of the process and establish guidelines. Commissioner Rodstrom pointed out if a budget amendment was required, it would come before the Commission and be part of the public process. Ms. Singleton-Taylor indicated that staff believes the recommendation was implemented it is only a matter of timing. The Acting City Manager referred to the timing issues and noted if the budget is monitored, an amendment may not be necessary. If it was necessary to address an expenditure reduction because of reduced revenues, it would certainly be brought forward. Vice Mayor Rogers noted historically this Commission has only been through one full cycle and expenditures have been under-budget and revenues better than expected. If something was to change, he wanted to know what triggers would be in place. Mr. Cobb explained that is the board's point and their recommendation is to have a policy. A budget adjustment amendment is a minor piece of the board's recommendation. The Acting City Manager thought that staff could look at what could be added. There is currently the monthly financial report, trend analyses and the budget office carefully monitoring. The City Auditor indicated that the previous board reviewed

the monthly financial report and looked at trends. Mr. Cobb saw that as a management role. The City Auditor agreed that he monitors the budget and raises questions if revenues are not materializes or expenditures exceeding. Mr. Cobb explained the recommendation has to do with establishing a policy to develop the budget process, not managing month to month expenses. Commissioner Roberts thought many of the recommendations relate to process and he agreed that is where the City is lacking the most. Perhaps the monthly financial report discussion could be elevated. Mayor Seiler believed the monthly financial report is reviewed by the Commission. He agreed that budgeting should be treated as a process. Mr. Cobb suggested the Commission consider the board's recommended draft policy. Vice Mayor Rogers felt at a minimum there should be a written policy that at their second meeting of each month the Commission receive the preceding month's budget results.

Mayor Seiler asked the City Auditor to assemble a list. He believed there is unanimous consensus on the point articulated by Vice Mayor Rogers. Commissioner Rodstrom emphasized it is more focused on budget development than on monitoring.

3. Salary and Wage Levels – The BAB recommended the Commission adopt a formal policy of restricting (or eliminating) salary and wage increases until the economy stabilizes – with application across all departments. Additionally, the BAB recommended the Commission consider, to the extent possible under collective bargaining agreements, a modest across-the-board wage reduction.

Mr. Cobb referred to the board's previous recommendation and recalled the Commission's previous policy of eliminating salary increases until the economy stabilized. The board recommends some across-the-board wage reductions. The percentage of the budget for payroll and fringe benefits is extremely high and as such restraint in this area is recommended.

In response to Mayor Seiler, the City Attorney noted that ninety percent of the workforce is under a collective bargaining agreement. Reducing salaries would likely be considered an unfair labor practice and result in litigation. Contracts for better than fifty percent have been approved and the remainder are in negotiations. John Dargis, Employee Relations Director, advised that approximately 2,000 of the City's 2,200 fulltime employees are under collective bargaining. Mr. Williams contended that looking at payroll and fringe benefits together, it is unsustainable. Collective bargaining should be faced as a long-term issue. The Commission should set a position as contracts come forward. In response to Commissioner Rodstrom, the City Attorney advised that the City must abide by any collective bargaining agreement in place unless there is a financial catastrophe. With \$15-\$20 million in reserves, an argument could not be made in any court. Commissioner DuBose agreed but questioned the dilemma in the collective bargaining process. Mayor Seiler thought the current contract would be the first however Commissioner DuBose thought the issue was raised in the contract just completed and it was not easy.

Mr. Silva thought the Commission should discontinue pattern bargaining and giving the same percentage it has in the past. There are other points that could be considered in the bargaining process. He drew attention to the self-insurance health plan as an example of potentially increasing the employee premium. Another example is post-employment benefits. Employees could contribute for those benefits in the future. If the

pension cost has increased, this impact should be a consideration in the cost of living adjustment.

Mr. Nesbitt strongly disagreed with Mr. Williams' comment that payroll and fringe benefits are unsustainable. The budget crisis has to do with the collapse of the housing market. The City has a single source of income. It is not possible to simply eliminate employees unless a conscious decision to reduce services is made. Government services are in more demand than in good economic times. He felt what the Commission has done in collective bargaining is reasonable. As to the general employees collective bargaining, given the economy and the budget, he believed it is reflected in the positions of both the City and the union.

Mr. Snead explained an overall policy in places that indicates the intention is to minimize wage increases would be helpful in all future collective bargaining contracts. Mr. Williams explained that a living within one's means should be part of the City's overall strategy in negotiations. It will force the City to be more disciplined or to prioritize.

With respect to a five-year plan, the City Auditor noted that the Charter Revision Board had decided that anything that could be done by ordinance should be enacted that way instead of a charter change. For the current year, there was a stipulation in action taken by the Commission to require a five-year financial forecast, but that does not mean there would be one in future years. There was no objection to Mayor Seiler's direction that the City Attorney draft an ordinance to enact a five-year financial forecast.

The City Auditor noted that without a forecast, contract negotiations are done in a vacuum. There are (software) packages that would allow various what if scenarios to be examined.

Commissioner Roberts indicated that the level of services is an important part of a five-year forecast. Surveying will provide information on the types of services the community wants.

Vice Mayor Rogers commented that the City must be sensitive to retaining employees. It is not possible to take pensions away from people who are vested. For the future, changes to the pension for general employees will have a huge impact on keeping pension costs sustainable. It should be worked on at every collective bargaining encounter.

Vice Mayor Rogers wanted to know how many people it requires to operate the city in pursuit of rightsizing.

Mayor Seiler opened the floor for public comment.

Jack Lokeinsky, Fraternal Order of Police, advised that their (retired) members receive \$400 per month of post-employment benefit compensation until they reach age 65. Over the last two years, the retiree's contribution has been doubled. There is no increase to the City; it is a flat \$400 per month. Also, significant pension changes were made. Although there was a five percent increase, members are contributing 1 1/2 percent more. The years of service have also been increased. He believed the City's contribution will decrease. If that is not possible they will make more changes and even so with the next contract in anticipation of it not going down as much. With respect to health

insurance, members also receive a flat rate. Over the past five years, the City's cost has remained the same however the member rate has increased.

Mr. Cobb noted financial model building tools are available in the marketplace. Factors, such as salary and wage levels, employee headcount and pension costs, could be built into scenarios. With this the City will have a framework from which to work when negotiating contracts. When payroll is sixty-five percent of the budget and five percent increases are being granted when the economy is growing one percent, the time will come when it is no longer affordable.

4. Employee Headcount – The BAB recommended the Commission establish an official headcount reduction target, to be achieved through attrition and hiring freezes.

Mayor Seiler asked the Acting City Manager to provide a projected employee headcount.

5. Pension Costs - The BAB observed the extraordinary level of pension costs as a percentage of base salaries and urged the staff and Commission to begin seriously exploring ways to reduce these costs, both currently and in the long run.

Mayor Seiler wanted to set targets. He had asked Mr. Dargis to obtain information from Broward County on benefits, pay scale and so forth.

Organizational Structure Recommendations

6. Departmental Consolidation – The BAB recommended the City conduct a review of the upper levels of the administrative structure and direct a consolidation of departments, with an objective of promoting more efficient and effective operating performance and achieving meaningful cost savings.
7. Supervisory Leverage – The BAB recommended an independent across-the-board study of the level of supervisory personnel for all departments, measuring the ratio of supervisory to operating personnel in each area – with the objective of increasing supervisory leverage and lowering operating costs.

Mr. Cobb believed that some changes will be made when there is a permanent city manager. Nonetheless the board believes there are too many directors and the operation is somewhat awkward. It could be restructured for more efficiency and reduced budget structure.

Mr. Nesbitt felt this item goes together with the next recommendation of supervisory leverage. He pointed out the time that could elapse with a new manager coming onboard and getting his or her feet on the ground could be three years. He stressed the importance of doing something now. He suggested a blue ribbon committee. In response to Mayor Seiler, Mr. Williams thought if the right person is hired to be the city manager, that individual could drive the process. In the meantime, someone could work with the Acting City Manager and look into whether there are some opportunities. He did not think it would be expensive. However, he felt the new manager should have demonstrated experience in this area. Mr. Cobb agreed it would not be expensive or it could be done by a blue ribbon panel of people skilled in this area. Direction on this will have to come from the Commission.

Vice Mayor Rogers agreed with Mr. Nesbitt. He did not want to wait so long to make the changes. He felt there needs to be an outside consultant because it would be quicker. Mr. Nesbitt thought a consultant and blue ribbon committee could work together. Commissioner Roberts agreed the City needs to move quickly on this. Historically, it has been disruptive to use an outside consultant, not being familiar with operations and services, and it would be difficult for staff to accomplish it. However, he felt the Commission could give direction to the Acting City Manager. With staff being part of the process, he felt the desired level of services could be maintained. In other words, he felt there is in-house knowledge to get it done with specific Commission direction and assistance from the City Auditor. Commissioner Rodstrom felt the Acting City Manager is capable of handling it. She believed there needs to be benchmarks in order to be assured it is getting done.

Mr. Cobb felt the Budget Advisory Board might be capable of making specific recommendations. Commissioner DuBose thought with the current form of government in place, the Commission merely needs to give direction to the Manager. He did not favor hiring a consultant. Mr. Silva commented that when he served as city manager, the organization was very streamlined and consisted of eight or nine departments that reported to the city manager. Before he left, he presented a reorganization plan to the incoming manager. He felt the Acting City Manager has the ability to put a structure in place after looking at structures from the past, others in Broward County and suggestions that have been made. It could serve as the guiding point for the new budget but would need to be done within the next four or five months in order to be part of the new budget. He felt the budget and the structure could already be in place for the new manager and that manager would work with it and improve it. There is the wherewithal within the structure now; it is a matter of directing that it be done. Vice Mayor Rogers agreed, but thought a fresh set of eyes would be helpful and that is why he liked the idea of a consultant. Perhaps blending of a written report from a consultant together with the Acting City Manager is the answer. The Budget Advisory Board could shepherd the process.

Mayor Seiler asked the City Auditor to provide the Commission with the structure that existed before the previous city manager took office and the city manager before him. He agreed with Commissioner DuBose that the Commission has the ability to simply direct the Manager. Commissioner Rodstrom agreed, but also thought benchmarking is necessary. Mr. Williams cautioned against waiting for a new budget year to implement. He clarified that he would never recommend an approach where a consultant simply provides a report. There are consultants that could work hand in hand with the Manager positioned almost as a staff member on a temporary basis. They would have skills in negotiating these areas. Mayor Seiler explained the problem is that it would require an RFP process. An RFP would be a delay. Commissioner Rodstrom thought the Acting City Manager could seek assistance.

8. Intergovernmental Service Agreements – The BAB recommended that the City pursue intergovernmental service agreements with surrounding governments to share services to provide greater efficiency and benefit the City of Fort Lauderdale.
9. Shared Administrative Services - The BAB recommended that the Police and Fire-Rescue departments explore ways they might partner with each other to

combine administrative functions and develop more cost savings and efficiencies for the City.

Mayor Seiler emphasized the need to streamline operations. He felt the police and fire departments are well run and suggested offering these services to other municipalities. The same would apply to administrative services. Commissioner Rodstrom agreed. Commissioner Roberts commented on segments of police and fire services are already being provided to other cities. Together with the fact that other municipalities have had to cut back, this is a natural progression and a good time. Commissioner DuBose wanted to see a snapshot of five years into the future for any opportunities that are explored. Mayor Seiler asked the City Auditor to look around the state and the nation for examples.

Budget Process Recommendations

10. Budget Process - The BAB has advised the Commission that the City is not equipped to effectively implement a true zero-based budgeting concept, due to technology and financial system constraints. The BAB recommended that the City Manager and his staff develop a vigorous and open process for budget development.
11. Activity Based Costing – The BAB has recommended the City conduct a formal cost allocation study and devise modern methodologies for activity based costing, sufficient to enable effective assessment of cost recovery levels when adjusting service
12. Cost/Benefit Analysis – The BAB recommended for future years that a cost of service analysis be completed for all City programs, which would include a benefit statement for each department.

Mayor Seiler believed that staff is not equipped to handle zero-based budgeting. He wanted to know what the board is recommending. Mr. Cobb indicated that the board is not in agreement on this. They believe that the budget staff should develop a process. They believe the process used last year could be substantially improved. All of the constraints as previously mentioned should be removed. He felt there is more work to be done by the board to help with developing the process.

Mr. Cobb felt the City does not have the capability to know the cost of activities in real dollars, but there is methodology available in the marketplace. The City Auditor elaborated upon typical governmental accounting. Government has not typically undertaken significant efforts to establish a cost to a service because it has never been the accountability level of government. There are ways to do it. The police department, for example, has a great level of detail by activity. It would mean restructuring the general ledger for every department and every activity. It would be extremely labor-intensive. Also cost allocation is not done within the general fund. The City has obtained a cost allocation but a better one could be secured if more accurate information would be provided. It would be a firm separate from the City's audit engagement. The budget office does not like the current cost allocation (plan). Typically the City has only done cost allocations to fee funded activities, such as the enterprise funds or things that are grant funded. Mr. Cobb indicated it is a long-term process and will probably require

additional talent. Commissioner DuBose felt the bigger issue is process. It starts with the Commission giving direction. Lifting restrictions does not change the process.

Mayor Seiler recalled the Commission's previous direction to freeze positions and as a result there are 146 less positions since this Commission took office. Now it is a matter of identifying positions and looking at the structure. He was comfortable with the Commission's direction of no layoffs because they were able to cut 146 positions without creating a greater economic stress. Commissioner DuBose agreed, but explained the budget process is direction by the Commission. Vice Mayor Rogers thought discussion this evening has been about a new way of doing business. As such a new platform may need to be created. He felt it is worth exploring if not implementing a plan to gauge the cost of services provided. Some discussion ensued about EMS transport fees and that it came to light that Fort Lauderdale taxpayers were subsidizing transport services of non-residents.

In response to Mayor Seiler, the City Auditor advised that this endeavor is feasible but he did not think that the entire city could be restructured at once. There is a great deal of administrative work. A new accounting system will probably be needed in the next couple years.

Commissioner DuBose referred to the board's recommendation of opening the budget process more and asked for clarification. Mr. Cobb believed the board meant to open the process to the entire management of the City, starting at a lower level. The idea would be not just starting from last year and increasing it.

Mr. Williams commented if the City is going to pursue shared services and providing intergovernmental services, it must know the cost of services. He felt baby steps in this direction need to be taken. He suggested a management system be established that captures enough information to be a realistic indicator of whether money is being saved.

Mayor Seiler asked the City Auditor and the Office of Management and Budget to advise on what it would take for this to be done and whether it could be started immediately. He appreciated the City Auditor's idea of starting with one department. He was concerned that the City does not have the right systems in place to do this. Mr. Cobb indicated that the City no longer has the technology in today's environment however years ago it was a model in the United States for financial management.

Chairperson Page noted that the board has been pushing for a budget process for close to two years, yet the same discussion is happening tonight. She asked that the board be included in any feedback that the Commission receives because they do not tend to receive any. Mayor Seiler asked that feedback be provided to the board. Mr. Silva explained that the Commission needs to define specifically what it wants in terms of budget process otherwise it will not happen. Not only does the City need to know the cost of services, but those services must be written. Priorities must be set so that the City knows what a tax increase would pay for. Commissioner Roberts agreed and reiterated his advocacy for surveying and prioritizing government services. Mayor Seiler noted that in a sense it is zero-based budgeting. Commissioner Rodstrom felt it should first be narrowed down to the very basic of needs, such as being able to flush the toilet and have drinking water, and that cost be determined. Also, she emphasized the need to know the cost before budgeting something. She felt upgrading technology in order to watch spending might be a wonderful use of some reserve funds, but unfortunately that

advice did not come forward. She was concerned about the time constraint already with the upcoming budget. Vice Mayor Rogers agreed that public safety is a priority and public works is second. He believed that outside help is needed. It is important to address the City's lack of capability to determine costs.

Mayor Seiler asked about interaction between the board and City staff. Chairperson Page believed in terms of the staff liaison, the interaction has been fair. They have received the most help from the City Auditor. Feedback from the prior city manager was non-existent. The board would like to invite the Acting City Manager to their November meeting in order to develop a working relationship. When the board has brought recommendations forward, they have not received any response. She questioned whether the board is adding value. Mayor Seiler assured her that the board is adding value and went on to elaborate upon the challenges of operating under the Sunshine Law. Mr. Cobb thought this has been a good meeting and a good model for future business concerning the budget. This type of dialogue has not occurred between the board and staff in the past 1 ½ years that he has served. By its nature the board's questions and issues are difficult, but staff should not be so defensive.

Mr. Nesbitt explained that when speaking with staff he has been told that they could not share ideas with him, only with the City Manager. This extended to open session with the board. Mayor Seiler felt that type of response is inappropriate; there should be a free exchange of information. Mr. Nesbitt added that a request for information was made informally and then by formal action of the board, but it was never furnished. Commissioner Rodstrom pointed out the overall purpose of the board is genuine in terms of the betterment of this community. In response to Mayor Seiler, the Acting City Manager assumed that staff understands what has been expressed this evening as to the Commission's position. She clarified that she would like to be aware of requests for information so as to assure that it is verified and accurate. Mayor Seiler believed that if it is a matter of a work in progress or a draft, the board needs to know that is the reason for the delay and they be advised of approximately when it will be provided. The lack of response is troublesome. They are standing in the Commission's shoes and acting on their behalf. Commissioner Rodstrom raised the idea of directing the Acting City Manager to attend the board meetings. The Acting City Manager did not think she would be able to attend every meeting. Mayor Seiler emphasized that a representative of the Acting City Manager should be present.

Mr. Williams noted staff's reluctance to offer their opinions when asked and thought this is an impediment. Mayor Seiler did not see asking the opinion of a single staff member being the same as requests for information which is raw data. In such case, it may not have been discussed with the Manager and it is being presented publicly. Commissioner DuBose agreed. In response to Mayor Seiler, the City Attorney advised that opinions should be funneled through the Manager because it is a manager form of government. The staff liaison's purpose is to provide detail and intelligence, but not opinion.

Other Specific Recommendations

15. Quality Assurance Program – The BAB recommended the City establish a quality assurance program for City programs, including specific goals and measurable objectives.

The City Auditor expressed his wholeheartedly agreement with the board on this recommendation. He discussed the necessity for measuring outcomes and enforcing accountability. He advocated programs such as Sterling and Malcolm Baldrige which drive accountability to the lowest level. Vice Mayor Rogers agreed. Mayor Seiler requested a department be recommended to participate in such a program.

Commissioner Rodstrom referred to a questionnaire she provided to the Manager in 2009 that was used by Broward County in their Sterling process that might be helpful and agreed to provide it to the Commission and Acting City Manager.

Process Improvement – The BAB believes a serious process improvement initiative is an appropriate and needed undertaking by the City and has recommended such an initiative be authorized and undertaken.

Mayor Seiler noted this has already been addressed.

14. Surplus Property – The BAB has recommended that all surplus City-owned property inside or outside the City limits be disposed of according to the law.

Mayor Seiler noted the Commission's work on this topic thus far. He believed there are more properties to be identified as surplus than those that were received earmarked. He felt it should be an ongoing effort.

16. Service Fees – The BAB recommended the City adopt a policy of adjusting service fees on a fixed schedule, with any increase in the fees based on actual costs and inflation.

In response to Mayor Seiler, the City Attorney explained why he would suggest that fees be authorized by ordinance, but the amounts be adopted by resolution so that a cost of living adjustment could be made annually as a part of the resolution. There is a problem finding a cost of living adjustment that would mirror the cost of providing the service because that is the maximum that can be charged as a fee. Mayor Seiler explained the problem is to ensure that the fees stay up to date. Mr. Nesbitt explained that the recommendation was to make sure that fees are reviewed on a regular basis. Mr. Silva noted that fees could be targeted to salary increases because the cost of the service is some ninety percent related to salaries. He went on to suggest an enterprise fund for emergency medical treatment services (EMS) that is done in Massachusetts. In response to Mayor Seiler, the City Attorney explained case law, explaining that the benefit is for the person, not the property. Mr. Silva noted a fee could be assessed to the individual. Vice Mayor Rogers questioned how that would work because he believed the collection rate for the uninsured is perhaps ten percent.

Mr. Nesbitt explained the board simply wants to make sure that fees are reviewed regularly and logic is used in the evaluation of them. In response to Vice Mayor Rogers, the City Attorney indicated that Mr. Silva's suggestion of associating fee adjustments to salaries would be acceptable. The City Auditor suggested that all costs and fees be reviewed bi-annually as part of the budget process. Mr. Cobb felt that would be reasonable. Mayor Seiler requested the City Attorney bring forward a resolution establishing such a review as suggested by the City Auditor. Mr. Silva suggested the review occur in advance of the budget so that staff will have the information during the

budget process. Both Mayor Seiler and Commissioner Roberts concurred. Mayor Seiler suggested staff decide upon the timing provided it is ahead of the schedule.

Vice Mayor Rogers suggested and both Mayor Seiler and Mr. Cobb agreed that quarterly joint meetings be held.

Dr. Hankerson questioned whether there is a real desire to reduce the number of departments and layoff employees based on five-year projections. She felt it should be addressed this year. Mayor Seiler emphasized that there are 146 less positions through attrition. He felt layoffs would compound today's economic problem. He pointed out that the City has left its millage rate unchanged whereas other taxing bodies impacting Fort Lauderdale have all raised their millage. He agreed more cuts are needed, but he felt it is a balancing of interests. He was proud of the City's employees. Commissioner Rodstrom felt information coming forward, while somewhat behind in terms of timely receipt, will be helpful. She agreed that Dr. Hankerson may be correct because it is such a large part of the budget. If the same path is followed, it will reach a point of no layoffs and raising taxes or layoffs and maintaining the tax level. She wanted to be prepared.

Vice Mayor Rogers felt that outsourcing is a way of saving money. Private industry then employs former City employees.

Commissioner Roberts agreed with Mayor Seiler's approach. He felt through a five-year plan and methods such as attrition and reorganization, layoffs will not be necessary. He believed that Fort Lauderdale is in a different position than other municipalities and Broward County. He discussed the City's assets, emphasized that they need to be good stewards, concluding that this city is in pretty good shape.

Chairperson Page requested monthly updates so that the upcoming quarterly meetings are productive. Chairperson Page wanted to establish benchmarks as the process proceeds and hoped the board could work with the Acting City Manager. Commissioner Rodstrom agreed.

There being no further business to come before the Commission, the meeting was adjourned at 9:41 p.m.