

**CITY OF COOPER CITY**  
**FINANCE ADVISORY BOARD AGENDA**

**JUNE 6, 2019 6:30 PM**

**CITY HALL AUDITORIUM**

**1. CALL TO ORDER**

Meeting was called to order at 6:36pm

**2. ROLL CALL**

In attendance; Martin Sherwood, David Nall, Jennifer Goldfarb, John Sims, Howard Schachere, Joshua Giancarlo and Samuel Saad, all current members of the board.

**3. PUBLIC COMMENTS (Limited to three minutes per speaker.)**

None

**4. CONSENT AGENDA**

None

**5. REGULAR AGENDA**

**a. Minute Approval from May 21ST meeting**

Motion to approve was made by Jennifer Goldfarb and Seconded by David Nall, all were in favor

**b. LOC Update – Bob Anathan**

Shari has contacted various banks including Centennial, City National and TD Bank. She will have proposals soon and will be able to give a better report at the next meeting as they all have a due date of 6/20. David Nall has requested that they be sent to the board as they come in so he can review prior to the meeting. Martin Sherwood stated that the FAC program is not normally used as an emergency line of credit. The FAC only makes money when you draw on the line of credit. The rates and fees are more favorable than the bank proposals. He shared that the city staff will be able to have the banks compete to get the rates even lower than they quote. He asked if the city currently had a short-term borrowing capacity, but Shari explained that there is only a storm water loan.

**c. Health Insurance – Kathryn Sims**

Kathryn presented the comparison of what neighboring cities contribute to the family portion of health insurance. She spoke to their HR director and felt that they could reduce employee only to 90% and reduce family plan to 60% contribution so that all employees are affected by a change. She explained that the renewal rates will be in by July 1st. The city's loss ratio is low and the increase should not be too large. They will also give us more options with more tiers as previously requested as well as different levels of coverage. Florida League of Cities has requested to speak to us about the plan. David Nall explained that there could be a savings of between \$100,000 and \$350,000. It was clear that there are many options available. We want to save money but also not negatively impact our staff. Howard

recommended doing something like Deerfield and Tamarac by having more than one option of coverage, such as a silver and gold plan, could be a good idea for the city. Martin Sherwood explained that we should also review the employee coverage contribution. Additionally, he explained that we should know if there is an opt out provision in neighboring cities and how much is paid in case of this election. In Cooper City, we pay \$325 if an employee opts out of coverage. This should also be part of our comparison. Open enrollment starts in August and starts in October. The agent of record will not be obtained in time for 2019. Martin Sherwood asked to find out if the FMIT program can give an extension on the current coverage to December 1st to seek out the agent of record and make a more informed decision. They do not shop the marketplace and only use United Healthcare which limits our options. We would like to receive the price for what we have now, the tiers options, as well as a lower coverage plan. At the next meeting, we will discuss all options provided in order to make a recommendation.

#### **d. Senior Management Class Estimated Cost – Kathryn Sims**

Shari shared data showing the cost of having a senior class plan for the directors. Martin Sherwood made note that the city manager is the only position that currently receives Senior Management class contribution. The current contribution is going to 8.67% from 8.47%. The senior management class has gone from 24.8% to 25.41%. David Nall explained that now is not the time to make an increase to our benefit costs. He suggested tabling this discussion until we are in a better financial situation. Jennifer Goldfarb made a motion to table this matter. Howard Shachere seconded and all were in favor. Kathryn reminded the board that we are currently looking for a recreation director and may be looking for a Public Works director and this would be something we should consider in the future to entice future employees.

#### **e. Policy for bad debt – Martin Sherwood**

Martin Sherwood explained that there are some cities that use BSO that do not record any accounts receivable or allowance for bad debt. Some cities such as Weston record the fees on a cash basis, while others record Accounts Receivable but not an allowance for bad debt. In Davie, we believe that they have agreed to write off any resident balances after 3 or 5 years. He will need to discuss further with Shari. Jennifer Goldfarb suggested changing to cash basis. Martin Sherwood explained that he has heard the same from the commission. Changing to cash basis will negatively impact the balances. Shari explained that the net receivable includes current receivables. The board agreed that this decision should also wait until we have our new auditors. David Nall felt that we should budget revenue based on collection percentage. He asked that staff does an analysis showing this percentage. Motion to table by Jennifer Goldfarb and seconded by Joshua Giancarlo. All in favor.

#### **f. Set next meeting date**

Consensus was June 25th 6:30pm

### **6. BOARD MEMBER CONCERNS**

Bob Anathan came prepared to do a report on our revenues. Martin Sherwood clarified that the fire assessment is not sufficient. They are recommending a 100% increase to the fire assessment. We are at about \$160 and should be at \$320. In order to start charging tax exempt properties, it needs to go to the

county and it is too late for us to make this change for the upcoming budget. Martin Sherwood mentioned a graduated increase of the fire assessment in upcoming years. Bob explained that the current fund balance is now within policy at about \$6.7million before the EMS adjustment. We can keep the fire assessment the same and lower the millage to 6.81 according to Bob Anathan. Shari has a budget amendment coming to commission on July 17th at the council meeting. Bob Anathan distributed a report of the projected revenues. The proposed budget would decrease the millage to 6.8114. The finance advisory board suggested 6.385 at a previous meeting. However, we agreed that this recommendation did not consider BSO increases, just operating and capital expenditures. Martin Sherwood asked how staff can cover the BSO increase with the change in revenue of only .2%. Bob Anathan explained that the decrease in other costs should cover this increase. The board will review the documents received and discuss at the next meeting

## **7. ADJOURNMENT**

Meeting was adjourned at 9:03. Motion by John Sims, seconded by Jennifer Goldfarb.

NOTICE: This meeting is open to the public. In accordance with the Americans with Disabilities Act of 1990, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Office of the City Clerk, 954-434-4300 ext. 220, not later than two days prior to such proceeding. One or more members of the City of Cooper City Advisory Boards and City Commission may be in attendance and may participate at the meeting. Anyone wishing to appeal any decision made by the Finance Advisory Board with respect to any matter considered at such meeting or hearing will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Agenda items may be viewed online at [www.coopercityfl.org](http://www.coopercityfl.org) or at the Office of the City Clerk, City of Cooper City, 9090 SW 50 Place, Cooper City, Florida, 33328, 954- 434-4300.