

Meeting Date
October 1, 2015



AGENDA	
Section	New Business
Item No.	V A

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Citizen Budget Review Committee Member Report
DEPT/OFFICE:	Citizen Request / Peter Fusscas, Chairman

Requested Action:

Each member of the Citizens Budget Review Committee would like to give their Budget Review recommendations; approximately 20 minutes each x 6 members; two hours.

Summary Explanation & Background:

The six (6) member Budget Review Committee was appointed by the Board of County Commissioners. Since March 2015 the committee has met periodically for a detailed review of the County Budget, and based upon that review, members were asked to make recommendations to the Board of County Commissioners for their consideration of current and future county budgets.

Public hearings were held regarding healthcare costs, CRAs, and Economic Development Zones, and agency presentations by Fire Rescue and Parks and Recreation. In addition, public input was sought on any subject dealing with the county budget. Many of these public inputs are contained in the committee member's recommendations.

No limitations were placed on the areas for review and consideration. Individual citizen requests for increased spending on programs and projects were accepted, but such increased spending was not made a part of this report. Respondents were advised to lobby their requests directly with the County Commissioners.

Tax policy addressing critical infrastructure was addressed along with macroeconomic factors regarding tax policy.

The entire Budget Review Committee thanks the Budget Director, the county staff, and the County Manager for their help and assistance.

Peter Fusscas, Chairman

Clerk to the Board Instructions:

Exhibits Attached: Power point presentation

Contract /Agreement (If attached): Reviewed by County Attorney Yes No PR

County Manager	Assistant County Manager	Department Director / Extension
Stockton Whitten	Assistant County Manager	



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October 2, 2015

MEMORANDUM

TO: Stockton Whitten, County Manager

RE: Item V.A., Citizen Request by Peter Fuscas for Citizen Budget Review Committee Member Report

The Board of County Commissioners, in regular session on October 1, 2015, acknowledged a Citizen Budget Review Committee Member Report by Peter Fuscas, and took no formal action.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Etheridge

Tammy Etheridge, Deputy Clerk

/af

Budget Review Committee

Peter Fusscas Budget Review Report

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SEPTEMBER 2015

GOVERNMENT BUDGETTING IS THE
ALLOCATION OF SCARCE RESOURCES
THAT REFLECTS PUBLIC POLICY
PRIORITIES.

Board of County Commissioners

Long Range Strategic Plans and Priorities.

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**ALL LARGE AND COMPLEX ENTERPRISES
NEED CLEAR AND SPECIFIC PRIORITIES TO
GUIDE OPERATIONAL AND BUDGET
PLANNING, ALONG WITH APPROPRIATE
MEASURES TO VERIFY ACHIEVEMENT OR
ANY SHORTFALL OF RESULTS.**

Long Range Strategic Plans and Priorities

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- The Board of County Commissioners should create procedures for the development, maintenance, annual update and public reporting of a long range strategic plan (the plan). The plan should address near term and long range needs for all aspects of county operations, taking into consideration demographics, infrastructure, history and trends, productivity improvements, and forecasts of county revenues and economic trends.
- Each year a report should be published to the public and to the County manager, specifying and ranking the priorities for all departments of government and the associated spending priorities. This report will provide guidance for each succeeding budget year.
- Each year a report shall be published summarizing the results of county government performance to the plan, and particularly addressing the specified budget and operational priorities of the last annual plan.

Rational for a Strategic Plan

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- “Brevard County does not presently have a formal plan, visible to the public and the employees and management of county government that addresses annual and long range plans and results. These plans will also document the necessary leadership of the Board of County Commissioners in their primary role as the elected representatives of the citizens of Brevard. The plan transmits the expectations of the Board to the County Manager and all government employees. The plan should be used as the principal guide for budgeting and for prioritizing scarce resources.” Martin Adams

Zero Based Budgeting A Pilot Program

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**“GOVERNMENT, BY ITS NATURE IS A
SERVICE ORGANIZATION, UNIQUELY
POSITIONED TO APPLY ZBB METHODS FOR
THE VAST MAJORITY OF ITS OPERATING
EXPENSES.**

What is zero based budgeting?

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- “ZBB allows top-level strategic goals to be implemented into the budgeting process by tying them to specific functional areas of the organization, where costs can be first grouped, then measured against previous results and current expectations.”

- “A method of budgeting in which all expenses must be justified for each new period. Zero-based budgeting starts from a “zero base” and every function within an organization is analyzed for its needs and costs. Budgets are then built around what is needed for the upcoming period, regardless of whether the budget is higher or lower than the previous one.” INVESTOPEDIA EXPLAINS' Zero-Based Budgeting -

The Reality of Zero-Based budgeting.

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- “Government, by its nature, is a service organization, uniquely positioned to apply ZBB methods for the vast majority of its operating expenses. Almost all government is a repetitive transaction of service...issuing permits, patrolling highways, responding to emergencies/fires, maintaining park lawns, etc. Some of government expense is capital/strategic budgeting, not appropriate for ZBB.”
Martin Adams, Harris Corporation (Ret.)

- “Zero-based budgeting is much more than building a budget from zero. ZBB efforts successfully build cultures of cost management throughout the organization by using a structured approach to facilitate cost visibility, cost governance, cost accountability, and aligned incentives. Fortunately the culture shift isn't left to chance. We believe that there is a proven, step-by-step approach to implementing successful ZBB programs, and when this implementation is done well, ZBB makes cost management a part of the way every employee works on a daily basis.” Myths (and realities) about zero-based budgeting.

Recommendation to the Board of County Commissioners

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- Select an agency or department within an agency and run a pilot program to introduce, train, test, and evaluate zero based budgeting.
- At the conclusion of the pilot program make a full report to the Board of County Commissioners on the results of the zero based experience.
- It is recommended that Martin Adams, Harris Corporation (ret.) conduct this pilot program. Mr. Adams is professionally qualified by education and experience to run such a pilot program and at no cost to the county.

CRA's and Economic Development Zones (EDZ)

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Statistics:

- In the last ten (10) years \$43,908,214 from the General Fund was spent funding CRA's and Economic Development Zones. Since inception in 2002 \$52,477,293 has been spent.
- In FY 2015, \$6,751,032 was spent on 23 CRA's and one (1) Economic Development Zones (NBEDZ).
- General Fund expenditures on CRA's went from \$1.07mm in 2002 to \$6.751mm in 2015.
- CRA expenditures peaked in 2009 at \$5.399mm and declined to \$3.324mm in 2013
- In 2015 property values reversed course and TIF revenues increased by \$242k to \$3.520mm in 2015, a 5.5% increase over two years..
- In 2015 NBEDZ added \$3.231mm to special district spending.

Source: County Data

What are the future Costs of Special Districts?

- Estimated Future Expenditures:

General Fund Expenditures 2015-2026

\$81,044,889; 10 years

General Fund Expenditures 2026-2036

\$122,199,471; 15 years

Total GF Expenditures over 20 Years

\$203,244,471; 20 years

- Assumptions:

2.5% growth per year except 2015 & 2016.

No additions to the number of CRA's or EDZ's

No expansion of existing special districts.

What are the Public Policy Alternatives?

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- Do nothing: keep funding CRA's and EDZ's future costs and expansions.
 - Minimum ten years: \$81 million; 20 years; \$203 million. (with no expansion or additions)
- Pull out of some or all CRA's and EDZ's. Re-allocate resources according to critical needs.
 - This would free up \$81 million over the next 10 years; \$203 million over 20 years. However allocated, tax increases will be reduced by these amounts.
- Increase the number and/or expand CRA's and EDZ's.

What are the Critical Needs in Brevard County?

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Should Brevard County continue to fund CRA's and EDZ's?

- What are the Critical Needs in Brevard County?
 - Employee Wages and Salaries?
 - Containing Health Care Costs? Estimated to increase 8.1% per year. (not including the so called Cadillac Tax with a penalty of \$21 million between 2018-2020.)
 - Road Repair and Maintenance? \$18.2 mm per year x 15 years, \$270mm.
 - Economic Development: Growing the Tax Base

★ Source: Brevard County Workshops.

How will pulling out of CRA's affect municipalities?

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- There will be no long term effect. The municipality will still have 30 - 60 years to end blighted conditions.
- A CRA Trust Fund receives about 40% of its funds from the county and 60% from the municipality.
- To replace the loss of county funding could be offset by having the county or city assume CRA administrative and management costs.
- Projects that take 12 months to complete will be extended to 20 months.
- If the municipalities dissolve their CRA's, they will have the flexibility to use those resources for any legal expenditures.
- Can the county pull out or reduce their CRA partnerships?

Does NBEDZ Present an Unfair Economic Development Advantage over other Districts?

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What are the Alternatives?

Do nothing. The status quo will cost the county General Fund a minimum of \$3.2 million over 30 years or \$96 million dollars.

If economic development is a county priority, the BCC should consider expanding the NBEDZ model to the other four county districts. Over time that will level the playing field and expand economic development throughout the entire county.

Another alternative would be to dissolve NBEDZ and fund the EDC by a like amount. The EDC is countywide, have competent staff, facilities, experienced leadership, and a successful track record.

What were some of the public inputs on CRA's & Economic Development Zones?

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- **Comments:**
 - CRA's and EDZ's are slush funds.
 - Municipalities use CRA's to offset municipal operating expenditures in violation of State Statute 163.
 - Many of the Directors are also municipal office holders. There exists no arms length relationship between the municipality and the CRA creating potential conflicts of interest.
 - CRA Directors are not subject to the ethics statute. FS 112.3143 (3)b.
 - The TIF (Tax Increment Finance) formula of 90% going to the CRA and 10% retained by Brevard County should be reviewed and/or modified if warranted or allowed by law.

Monitor and Report on CRA's.

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The BCC should consider assigning a staff member to monitor and report to the BCC on the county's CRA's.

Duties and Responsibilities:

- Consolidate records and all mandatory filings for easy public access.
- Confirm that any project or program undertaken must be outlined in the Community Redevelopment Plan. (CRP)
- Confirm that expenditures comply with statutory requirements.
- Maintain a copy of capital plans, expenditures, and all debt documentation.
- Maintain the Minutes of all Director's Meetings.
- Insure that the Financial Reports follow a uniform chart of accounts.
- Keep a record of CRA distributions by year by CRA and in the aggregate.

Health Care Costs

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**THERE IS A CRITICAL NEED TO IDENTIFY
POTENTIAL REDUCTIONS IN HEALTHCARE
COSTS.**

What do the Experts say?

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- **McGladrey, Ten Year Expenditure Analysis, Jan. 15, 2015**
 - “Healthcare costs - - - for all employees have increased significantly over the last ten years.”
 - “County’s health plan expenses (including employer and employee contributions) have increased 56.4% over the ten year period. Costs-per-member have increased nearly 70%.”
- **Back House Consulting, Healthcare Plan Design, “March 17, 2015**
 - **County Statistics:**
 - 4,426 Employees
 - 8,732 Lives
 - 2014 Total Cost: \$64.9 Million
 - Cadillac Tax will Cost Brevard County over \$21,000,000 in aggregate by 2020
 - Currently 64% of the costs are being paid by the County + 36% by the Employees/COB
 - Brevard’s Healthcare Plan Costs \$14,663 per member (includes Total Plan Spend + Employee Out of Pocket)
 - There are 600+ retirees on the County plan that qualify for Medicare benefits costing an additional \$2 million dollars in county healthcare costs”

What are the Effects of Healthcare Costs on Employee Wages and Salaries?

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- **Summary:**
 - County healthcare costs have risen dramatically, and increases in employee contributions have resulted in a substantial reduction in employee earnings. Over the last 7 year period, earnings have decreased by 16%. Including the Consumer Price Index or discounted for inflation, net earnings were reduced by 29%.
 - Total healthcare cost in 2015 (est.) \$12,855 per individual; cost in 2020 (est.) \$18,976 excluding the Cadillac Tax.
 - **Cadillac Tax:** Affordable Care Act (ACA) assesses a tax penalty on any organization that spend more than \$10,200 per health insurance per person. Starting in 2018 through 2020 Brevard County will be assessed \$21 million in penalties.

Recommendations

- Hire a healthcare consultant outside the current county healthcare network. Ask them to design and recommend a broad array of healthcare plans to reduce costs and improve healthcare coverage.
- While Healthcare costs exceed \$65 million and future costs projected to soar, a consulting fee of \$50 k - \$100 k small compared to the potential savings enumerated below.
- Some alternate plan designs and potential cost savings suggested by Backhouse Consulting..
 - Health Insurance : Potential Savings \$9-15 million
 - Healthcare alternatives: 4 of 12 possible designs.
 - Defined Contribution: \$15 million
 - Clinics and Concierge medical services: \$9 million
 - Combined with school board: \$10 million.
 - Direct Negotiable Model: \$13.5 million.
 - Combine with the Brevard Public Schools to create a larger healthcare pool and to benefit from the economies of scale. Savings not estimated.

Recommendations (continued)

- The Health care consultant's contract language should be amended to reflect the RFP. The contract language of the RFP should comply with the terms and conditions of the RFP. The enforcement and recovery of damages resulting from a breach of contract requires strong compliance language. In the Committee's research and hearings the RFP contract did not comply with the terms and conditions of the RFP. It did not stipulate that the vendor could not be compensated for or receive commissions or incentives on the products purchased by the County.
- We believe that an outside consulting company like Back House Consulting can guide the evaluation of alternative plan designs and nontraditional solutions to the county's healthcare plan.
- The contract language of the RFP should comply with the terms and conditions of the RFP. The enforcement and recovery of damages resulting from a breach of contract requires strong compliance language. In the Committee's research and hearings the RFP contract did not comply with the terms and conditions of the RFP. It did not stipulate that the vendor could not be compensated for or receive commissions or incentives on the products purchased by the County, The contract language should be amended to reflect the RFP.

Recommendations (continue)

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- An independent consulting company can guide the evaluation of alternative plan designs and nontraditional solutions to the county's healthcare plan.

Employee Healthcare Costs History

Employee Salary History



Category	Oct-07 (actual)	Oct-08 *	Oct-09 *	Oct-10 *	Oct-11 *	Oct-12 *	Oct-13 *	Oct-14 (actual)	Oct-15*	% Change (Est)
Avg. Full-Time Salary	\$39,628	\$39,628	\$39,628	\$39,628	\$40,619	\$40,619	\$41,431	\$39,927	\$39,927	0.8%
Additional Cost Shifted to Employees										
Avg. Premium Contribution	-768	-828	-816	-948	-1,176	-1,164	-1,128	-1,120	-1,392	81%
Avg. Out of Pocket Expenses	-1,022	-1,054	-1,164	-2,119	-2,465	-3,067	-3,067	-3,305	-3,877	279%
Salary Adjustment (2.5%)	0	0	0	0	991	0	829	0	0	
Furlough Impact (2.5%)	0	0	0	-951	0	0	0	0	0	
HRS Contribution (3.0%)	0	0	0	0	-1,219	-1,219	-1,243	-1,138	-1,138	
Social Security Payroll Tax Cut	0	0	0	0	812	812	0	0	0	
Total Additional Cost Shifted to Employees	-1,790	-1,882	-1,980	-4,058	-4,047	-4,637	-5,438	-5,624	-6,467	261%
Net Average Salary	\$37,838	\$37,746	\$37,648	\$35,570	\$36,572	\$35,982	\$35,993	\$34,303	\$33,460	-12%
Consumer Price Index (CPI)	2.85%	3.84%	-0.36%	1.64%	3.16%	2.07%	1.46%	1.70%	1.70%	14.66%
	(1,126,461)	(2,651,118)	(2,501,459)	(3,158,359)	(4,530,861)	(5,361,711)	(6,075,791)	(6,592,829)	(7,210,711)	
Total Impact on Salary	\$36,709	\$35,095	\$35,140	\$32,412	\$32,051	\$30,620	\$29,919	\$27,771	\$26,249	-26%

Other Public Comments and Suggestions

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- Road Maintenance and Repair:
 - When will the county act upon the Blue Ribbon Committees recommendations?
- Employee Wages and Salaries: Real wages and salaries have declined for existing employees due to no salary increases and the cost shifting of healthcare costs.
 - Critical need to retain, attract, and reduce turnover. See chart on pg. 21
- Eliminate unfilled positions open longer than one fiscal year.
 - Estimated budget reduction \$3,5 mm.
- Use it or loose it: Loose any unused sick days or vacation days not taken during the Fiscal Year.
- Declare a moratorium on new CRA's and CRA expansions.

Public comments (continued)

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- Budget Gap between Adopted Budget and Final Budget. The gap has averaged 10% of the budget or over \$106,000,000 a year. See pg 26
 - Over a 10 year period the gap between adopted and final budget averaged over \$100 million dollars.
 - This gap is accounted for as follows: Balance Forward 45%; Financing 22.6%; Intergovernmental: 17.64%
 - The implications of this budget gap should be examined closely for its effect on taxes, adopted budgets, budget comparisons, and public policy decisions.
- The proposed adopted budget should be up-dated just prior to final approval of the Adopted Budget.

CHANGES FROM ADOPTED TO FINAL BUDGET

Fiscal Year	AVERAGE OF 10 YEARS (FY 2006 - FY 2015)			
	Adopted	Final	\$ Change	% Change
Taxes	248,293,466	246,912,019	(1,381,446)	-1.29%
Permits, Fees	35,010,615	39,706,092	4,695,477	4.39%
Intergovernment	91,303,532	114,097,983	22,794,451	21.33%
Charges for Svcs	185,555,317	187,910,265	2,354,948	2.20%
Fines and Forfeits	2,051,355	2,216,038	164,683	0.15%
Misc Revenue	43,415,302	39,329,847	(4,085,455)	-3.82%
Statutory Reduction	(24,122,588)	(25,180,579)	(1,057,991)	-0.99%
Balance Forward	404,577,524	448,566,397	43,988,873	41.16%
GF Transfers	48,289,007	50,127,881	1,838,874	1.72%
Other Transfers	(1,417,016)	3,851,995	5,269,011	4.93%
Financing	9,667,832	41,969,453	32,301,621	30.22%
Total Budget	1,042,624,346	1,149,507,391	106,883,046	100.00%

Comments (continued)

- There needs to be uniform financial reporting for CRA's. and easy access to all CRA records.
- In June of 2015, the US Supreme Court found that residents of states that did not setup healthcare exchanges could qualify for healthcare subsidies through the federal exchange. This important decision has massive implications for local governments across the country. It provides a mechanism to subsidize the cost of healthcare for county employees without adding to County taxpayer cost. Consideration of this option, using a defined contribution model, is now an imperative.

Conclusion

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Summary:

Below is a list of resources available for re-allocation based on a re-alignment of priorities.

- CRA's: \$203 million over 20 years.
- 600 retirees removed from county health insurance: \$3.5 million per year or \$70 million over 20 years. (plus a saving to the retirees)
- Health care models: \$9-\$15 million per year or \$180 - \$300 million over 20 years.
- Cadillac Tax: \$21 million over three years or \$140 million over 20 Years.
- Total: \$593 million-\$713 million over 20 years.

VERBATIM TRANSCRIPT ON ITEM V.A., OCTOBER 1, 2015

Fisher: V.A., we have several cards on that. It's... we do have the applicant, Mr. Peter Fusscas, who actually brought this Item to the Board, and so you have five minutes sir.

Fusscas: Five minutes.

Fisher: Yes sir

Fusscas: Peter Fusscas, Malabar, I appreciate the time, there's not much I can say in five minutes, not after you've spent months researching and looking at the County budget and analyzing some of the programs and the opportunities...so I guess I'll just do the formality. I want to thank Tom Rosenberg and his staff, Frank Abbate and his staff, Parks and Rec, Fire and Rescue, Sheriff Ivey, Public Works, but most of all I would like to thank the Brevard County citizens for their input and suggestions. A special shout-out to Marty Adams, for all of his wise counsel and written contributions. And, last but not least, my fellow members on the Review Committee. The Budget Review Committee reached no consensus, nor made any recommendations to raise taxes, or cut, or eliminate programs. Based on each member's professional experience and expertise, and based on the information that the County was gracious enough to share with us, we...in absence of a consensus, each member was asked to suggest public policy choices for the Board of County Commissioners to consider for future budgets. The Budget Committee's work is not done, we have until December, and I think we're going to be active...continue to be active, and actually what we're planning for is next year, not this year. We really...it's really difficult when the County is preparing their budget and you're learning about the budget, and they're busy and you're busy, in order to, you know, integrate those activities, so we're really looking for next year set of priorities. But, basically...I have three minutes left...

Fisher: I'll be kind with clock, so go ahead sir.

Infantini: Can we be consistent? So, when you say "be kind with the clock" I wouldn't want you to be kind and give him six minutes and another member twelve, so by "be kind" could we be consistent with whatever number of minutes there is?

Fisher: Go ahead sir, if I think you're going over I'll deal with it.

Fusscas: All large and complex enterprises need clear and specific priorities to guide operation and budget planning, along with appropriate measures to verify achievement or any shortfall of results. The Board of County Commissioners, and this is a recommendation, should create procedures for the development, maintenance, annual update and public reporting of a long range strategic plan. The plan should address near term and long range needs for all aspects of county operations, taking into consideration demographics, infrastructure, history and trends, productivity improvements, and forecasts of county revenues and economic trends. Each year a report should be published to the public and to the County Manager, specifying and ranking the priorities for all departments of government and the associated spending priorities. This report will provide guidance for each succeeding budget year. Each year a report shall be

published summarizing the results of county government performance to the plan, and particularly addressing the specified budget and operational priorities of the last annual plan. We don't have a formal plan that I...I requested and I never got one...visible to the public and the employees and management of the county government, that addresses long range plans and results, and I'm thanking Marty Adams for his input into this. The second sort of recommendation is Zero Based Budgeting A Pilot Program, government by its nature is a service organization, uniquely positioned to apply zero based budgeting methods for the vast majority of its operating expenses. Let me get to the recommendation. The recommendation is to select an agency or department within an agency and run a pilot program to introduce, train, test, and evaluate zero based budgeting. At the conclusion of the pilot program we should make a full report to the Board of County Commissioners on the results of the zero based experience. It is recommended that Martin Adams, Harris Corporation retired executive, conduct this program, he is professionally qualified by education and experience to run such a program. CRA's and Economic Development Zones, why was this selected? Well a lot of people had inputs into this one, and this has been around for a long time, but in the last ten years the statistics kind of jumped out and hit me over the head. In the last ten years \$44 million from the General Fund was spent funding the CRA's and, recently, the Economic Development Zone. Since inception in 2002 \$52 million has been spent. In 2015 \$6,751,000 was spent on 23 CRA's and one Economic Development Zone. General Fund expenditures on CRA's went from \$1.07 million in 2002 to \$6.75 million in 2015. CRA expenditures peaked in 2009 at \$5.39 million and declined because of the downturn of the economy in 2013, but it reversed itself as the economy does, as it goes up and down. The TIF revenues increased by \$242,000, it's in a recovery right now. That's County data. So, I took the basic fundamental formulas and I projected what is the CRA's going to cost the County in ten, 15 and 20 years. We're looking at \$81 million ten years; \$122 million in 15 years; and \$203 million in 20 years. Now, what are the assumptions? The assumptions are pretty constraint, 2.5 percent growth, no additions in the number of CRA's or Economic Development Zones, no expansions of existing special districts, and that is not going to happen; we know that our CRA's expand dramatically. So, I guess you could do nothing, if it is legal you could pull out of some of the CRA's and EDZ's, Re-allocate the resources, or increase the number and expand them if that's the public policy of the Board. What are the critical needs in Brevard County, which is what you have to balance the funding of CRA's with is what are the alternative uses of those allocation of those resources, and, you know, employees wages and salaries...I would say is one of the critical needs in the county. Containing healthcare costs; road repair and maintenance, we need \$18.2 million over 15 years; and economic development, growing our tax base, if you don't grow your tax base, you can't...you will not have the resources in which to run the government. How will pulling out of CRA's affect municipalities, now this is a big argument. There will be no long term effect, in my opinion, the municipality will still have 30-60 years to end blighted conditions; I mean if you can't do it in a few years I would say you have a problem, but you know 30-60? A CRA Trust Fund receives about 40 percent of its funds from the county and 60 percent from the municipality, so if you lose 40 percent of your funds you still have 60 percent left, and it doesn't mean that you can't do the projects, it just means it's going to take you longer, as we know by the road repair and maintenance, it just takes longer. Projects will take 12 months. If the municipalities dissolve their CRA's, they will

have better flexibility in the use of their resources, because the statute defines how you can use CRA funding, and without a CRA you can use it anyway you want. Okay, let me just get to the NBEDZ, it probably costs about \$96 million in 20 years...30 years. Economic Development is a county priority, we should consider using the model that Commissioner Fisher put together, in the other four districts. Over time that will level the playing field economically and expand economic development throughout the entire county. Another alternative would be to dissolve NBEDZ and fund the EDC by a like amount. The EDC is countywide, has competent staff, facilities, experienced leadership, and a successful track record already in place, it's not going to cost...there's no learning experience there. Well, here are some comments that I got from people; CRA's are slush funds, municipalities use CRA's to offset municipal operation expenditures, and so on and so forth. I really had trouble getting information on CRA's. We need it all in one place. We need a standard reporting model. We need someone responsible to consolidate the records, the filings, confirm that they're in conformance with the law, maintain a copy of capital plans, expenditures, debt documentation, maintain the minutes, ensure that the Financial Reports follow a uniform chart of accounts, and keep a record CRA distribution. That, I think, is... There's a critical need to identify potential reductions in healthcare costs. I understand the other night you had a little...you had a preview, and some questions, and I'd be happy to answer any questions you may have. But, in summary...McGladrey, ten year expenditure analysis, County's health plan expenses (including employer and employee contributions) have increased 56.4 percent over the ten year period. Costs-per-member have increased 70 percent. Back House Consulting, says basically the same thing, their figures are: total healthcare cost in 2015 is estimated at \$12,855 per individual, cost in 2020 \$18,976 excluding the Cadillac Tax. As to the Cadillac Tax, my understanding is that Hillary Clinton has come out for the repeal of the Cadillac Tax, and my confidence in her in winning the election, I don't think the Cadillac Tax will be a problem for Brevard County in the future. Okay...

Fisher: Sir, I'm going to ask you to wrap it up in the next 49 seconds.

Fusscas: I will go to the last summary, below is a list of resources available for re-allocation based on a re-alignment of priorities, and those are the priorities that you, ladies and gentleman, should be setting the guidelines for; \$203 million on CRA's, 600 retirees removed from the county health insurance, healthcare models should be looked at I don't care who does it as long as they're independent, competent, and outside the network. Healthcare models would save \$180-\$300 million over 20 years. Forget the Cadillac Tax. So you're looking at \$600-\$700 million over 20 years, and I'm not going to be here in 20 years, I don't know how many of you are going to be here in 20 years, I know Stockton will, and he will be looking out over the crowd and say where is everybody. So, that's what I have to say about that.

Fisher: Thank you sir.

Fusscas: May I just quote one thing?

Fisher: Yes sir.

Fusscas: I came across this, and it's Confucius believe it or not. "When it is obvious that the goals cannot be reached, don't adjust the goals, adjust your actions". Thank you.

Infantini: Thank you. Thank you for serving on the Committee.

Fisher: Thank you for your service.