



If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and that, for such purpose, the person 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.

SPECIAL BOARD MEETING MINUTES

Friday, February 19, 2016 3:00 pm

Environmental Services
434 S. Swinton Avenue
Delray Beach, FL 33444

STAFF PRESENT:

Jeff Costello	Thuy Shutt	Susan Shaw
Thuy Shutt	Elizabeth Burrows	David Tolces
Lori Hayward	Kristyn Cox	Yuberca Pena

OTHERS PRESENT:

Jane Smith	Marisa Gottesman	Alyona Ushe
Brian Rosen	Tom Fleming	Robert Schmier
Brent Schillinger	Daniel Schwartz	Mitch Katz

1. Call to Order

Board Vice Chair Cathy Balestriere called the meeting to order at 3:30.

2. Roll Call

Present: Cathy Balestriere, Joseph Bernadel, Bill Branning, Daniel Rose, Herman Stevens
Absent: Reggie Cox, Paul Zacks

3. Approval of Agenda

Mr. Rose made a motion to approve the Agenda which was seconded by Mr. Branning and passed unanimously.

4. Public Comments on Non-Agenda Items

The Board Chair called for any public comments. There were none.
Mr. Stevens arrived at 3:35.

5. Old Business

A. Creative City Collaborative (CCC) Update - FY 2014-15 4th Quarter Payment

Finance & Operations Director Lori Hayward presented the item. She reviewed the background regarding the CCC's 4th Quarter Payment, and noted that the documents which had been requested by the CRA have been received and reviewed. She stated that based upon Staff's review of the submitted documents, it appears that the CRA monies were used appropriately

Handwritten initials

for the A-GUIDE funding for programs A and B. She added that any future funding agreements must include language to require more detailed reporting requirements in order to eliminate any appearance of comingling of funds by requiring that CRA funds be deposited into a separate restricted bank account where there are no transactions with any other facility or entity. One other option could be to reimburse expenses on a monthly or quarterly basis with required documentation so there would be no question that the expenses were for the Delray Beach Arts Garage. Staff is supportive of releasing the remaining FY 2014-15 funds to the CCC with specific provisions being required for any FY 2015-16 A-GUIDE Funding Agreement.

Robert Schmier, 1008 Vista del Mar Drive, stated he appreciated the Special Meeting being called and the time and effort devoted to reviewing the CCC's submittal. He assured the board that processes and procedures were being implemented at the CCC in accordance with the recommendations in the Auditor's Letter to Management. He noted that the City Commission is moving forward with a six month, month to month lease, which will become a long-term lease after six months presuming a Strategic Plan has been prepared as well as some other conditions. Mr. Schmier added that once that is done most of the necessary documentation for A-GUIDE Funding will already have been completed, and he hopes to have further support from the CRA.

Mr. Branning commented that 110 transactions back and forth was a lot, and probably due to the cash flow situation. However, he noted it would be more prudent to segregate bank accounts in the future per Staff's recommendation. He voiced some concern that time will go by and it will be FY 2016-17 before everything needed is received for any FY 2015-16 funding, and he encouraged the CCC not to wait as it would be difficult to rationalize funding at the end of a fiscal year. He suggested some sort of time frame be given for completion of the Staff recommendations and the application for FY 2015-16 A-GUIDE Funding.

Mr. Bernadel stated he met with Ms. Ushe and some of her staff, and believes the CRA's concerns have been well received by the CCC, and that they recognize the need for no appearance of impropriety. He agrees with Staff's recommendation that it would be cleaner to have a separate account for the CRA Funding. Mr. Rose also agreed with Staff that a separate account would be more appropriate, and he agrees with the Staff's recommendation. Mr. Stevens had some concern regarding the transactions between the Arts Garage and the Pompano organization. He got clarification from Ms. Hayward that Staff is comfortable with the information received and that there are no red flags. She stated that all of the CRA funds were deposited into one bank and all checks cut against those funds came out of that account so she is comfortable that they are in compliance.

Ms. Balestriere commented that she always had an issue with there not being separate bank accounts. She noted the accounts should be separate so there will be no gray areas, and she added that any appearance of impropriety is detrimental to the Arts Garage. She stated that before there is another funding agreement executed, she would like all of the items recommended by Staff to have been accomplished. She agrees with Mr. Branning that there should be a time frame by which everything will be finalized so that this situation does not occur again.

Mr. Rose made a motion to provide the FY 2014-2015 4th Quarter A-GUIDE funds in the amount of \$68,750. Mr. Bernadel seconded the motion which passed unanimously.

Mr. Costello requested clarification on timing, given the first two quarters of the fiscal year will be over soon. He said he would hope that the CCC could have their Strategic Plan within thirty days and that the audit is needed as well. He noted that the documentation should be a complete package when submitted. Ms. Balestriere clarified that the bank account issue would be a part of the items needing to be corrected. There was discussion about the lease, which will be month to month for up to six months so no longer term lease can be provided at this point. Mr. Branning stated the CRA is paying in arrears, so there could be wording in a 2015-16 Funding Agreement that the CCC had to have been occupying their current space at the Arts Garage and providing activities and programs there during the time period covered in the funding period. Mr. Bernadel felt Staff should organize the details. Mr. Branning noted he was glad to have gotten the issue resolved.

6. Other Business

A. Comments by Commissioners - None

B. Comments by Board Attorney

CRA Attorney David Tolces asked all Commissioners to please turn in their Executive Director evaluations to Lori Hayward if they have not already done so.

C. Comments by Executive Director

Mr. Costello apprised the board that due to this Special Board Meeting being convened, the packet for next week's regular CRA Board Meeting will be going out on Monday and he apologized for any inconvenience.


D. Comments by Staff - None

7. Adjournment

There being no further business the meeting was adjourned at 3:50.



Jeff Costello, Executive Director



Reginald Cox, Board Chair