

**Members Present:**

Elise Ryan (*Vice Chair*)  
Marge Herzog (*Committee Member*)  
Bridgette Subramanya (*Committee Member*)  
Cheryl Miller (*Committee Member*)

**Others Attending:**

Councilman Ryan Liang (*Town Councilman - FAAC Liaison*)  
Frank Spence, Town Manager  
Holly Hugdahl, Finance Director  
Cindy Corum, Assistant Town Clerk

**Absent:**

Lung Chiu (*Chairman*)

**Members of the Public Attending:**

Vice Mayor Dennis Lipp, resident Doreen Baxter, Councilman Ron Jarriel, Councilman Jim Rockett

**1. Opening**

The meeting was called to order by Town Manager Frank Spence at 7:05 pm

**2. Roll Call**

Roll call was taken by Mr. Spence and a quorum was met.

**3. Approval of Agenda**

***MOTION: Committee Member Marge Herzog made a motion to approve the agenda; seconded by Committee Member Bridgette Subramanya. Motion passed 4-0***

**4. Council Direction for FAAC Meeting Procedures**

The Town Manager presented a list of FAAC meeting procedures, approved by Town Council to be followed by the Committee. Mr. Spence also presented the Committee with guidelines agreed to by Town Council pertaining to meeting minute revisions.

***MOTION: Mrs. Marge Herzog made a motion to approve the new meeting procedures with "public comment allowed for 3 minutes after each agenda item". Vice Chair Elise Ryan seconded the motion. Motion passed 4-0***

**5. Approval of revised 10-25-2010 FAAC Meeting Minutes**

Mrs. Subramanya said she would like to go on record to say that some of the long discussion that is included in the minutes does not necessarily reflect any approval or recommendation by the Finance Committee. She said it was merely discussion and comments by the public and she did not want readers of the minutes to construe that the Committee agreed on anything when there was no motion and no approval.

***MOTION: Mrs. Marge Herzog made a motion to approve the revised October meeting minutes; seconded by Committee Member Cheryl Miller. Motion passed 4-0***

**6. Approval of 11-22-2010 Meeting Minutes**

***MOTION: Committee Member Cheryl Miller made a motion to approve the November 2010 meeting minutes; seconded by Committee Member Bridgette Subramanya. Motion passed 4-0***

**7. Approval of November 2010 Financials**

***MOTION: Committee Member Marge Herzog made a motion to re-class two Waste-Pro checks totaling \$73,171 from account 001-541-310 to 405-534-434; seconded by Committee Member Bridgette Subramanya. Motion passed 4-0***

(Note: Re-class will be seen in January financials)

Mrs. Ryan asked Staff to confirm legal expenses related to the Callery-Judge lawsuit were booked to Comp Plan. Finance Director Holly Hugdahl suggested setting up a separate account under legal expenses to be named "Legal/Comp Plan".

***MOTION: Committee Member Bridgette Subramanya made a motion to set up new account number 001-514-312 for "Legal/Comp Plan" expenses; seconded by Committee Member Marge Herzog. Motion passed 4-0***

Mrs. Ryan asked about an \$800 amount paid to Calvin Giordano classified under Planning & Zoning. Mrs. Hugdahl explained that the total of the check was \$1992.50 but it was classified under different accounts. Mrs. Ryan asked that the \$800 amount under P&Z be put on the Punch List to be researched to find out what service was provided for the \$800.

***MOTION: Committee Member Marge Herzog made a motion to approve the November 2010 Financials; seconded by Committee Member Bridgette Subramanya. Motion passed 4-0***

**Public Comment:**

Councilman Jim Rockett said the presentation of the financials had some formatting problems and pointed out some amounts which did not get rounded out. He also inquired about a check for \$168.26 written to the Town's Visa Card. Mrs. Hugdahl said she suspected it was for food served at some of the shade sessions and she needed to set up new accounts for dues, subscriptions and meetings for both Council expenses and Town Staff expenses.

***MOTION: Committee Member Marge Herzog made a motion to set up new accounts for Council and Town Staff expenses related to dues, subscriptions, meetings and refreshments; seconded by Committee Member Cheryl Miller. Motion passed 4-0***

***MOTION: Committee Member Marge Herzog made a motion for the Finance Director to eliminate Revenue over Expenses in the "Budget Remaining" column and clean up the "Percent Used" column; seconded by Committee Member Bridgette Subramanya. Motion passed 4-0***

**Public Comment:**

Doreen Baxter said she would like to see a way to track all expenses related to the Comp Plan challenge by Callery-Judge Groves. Mr. Spence said that previous staff had not kept the expenses separate but current staff planned to do so going forward. He said he was sure that the challenge had cost the taxpayers well over \$100,000 to date.

**8. Approval of December 2010 Financials**

***MOTION: Committee Member Bridgette Subramanya made a motion for all corrections noted in the November financials to be carried forward to December. (Re-class Waste-Pro check from account 001-541-310 to 405-534-434); seconded by Committee Member Cheryl Miller. Motion passed 4-0***

***MOTION: Committee Member Marge Herzog made a motion to approve the December 2010 Financials; seconded by Committee Member Cheryl Miller. Motion passed 4-0***

**9. Status of FY 2009-2010 Audit**

Mr. Spence gave an update on the status of the audit. He said the Auditor, Mr. Terry Morton would be coming into the Town Office next week to go through the records and he expected the audit to go smoothly.

**10. Developer's Escrow Accounts**

Mr. Spence said all work performed on behalf of developers were now being billed back to the applicants. He said we have gone through some of the old records from prior management and are creating a binder. He said we hope to get it up to date and keep it up to date.

***MOTION: Committee Member Cheryl Miller made a motion to research developer projects and create acronyms for balance sheet accounts to be brought back to the Committee at next meeting; seconded by Committee Member Marge Herzog. Motion passed 4-0***

**11. Accounting Policies and Procedures Manual**

Mr. Spence said the Accounting Policies and Procedures Manual contained seven elements and they would be presented to the Committee in sections. Mrs. Hugdahl presented a rough draft of the first two sections. Mrs. Ryan asked for a timeline for completion and said she thought it was well worth our while to take time with this manual because of its importance. Mrs. Ryan said that a motion was needed to formally excuse Chairman Lung for missing his third meeting in a row. Mr. Spence said in his last city there were always a few alternate committee members so a quorum could be met and that may be something the Council wanted to consider.

***MOTION: Committee Member Bridgette Subramanya made a motion to excuse FAAC Chairman Lung Chiu for his third absence in a row as his mother had passed; seconded by Marge Herzog. Motion passed 4-0***

**12. Administrative Update**

Mr. Spence said that the new Palm Beach County Ethics Commission is finalizing the ordinances that will outline the Inspector General's duties and this will affect all government appointed boards and committees, including this one. He said he would keep the Committee apprised of the outcome.

**13. Proposed Budget Amendments**

Mr. Spence said this originally came up as a suggestion by Councilman Rockett. He said normally budget amendments are not done until the end of the year. He said as Town Manager he had the authority to make changes within a department as long as the bottom line isn't exceeded. Finance Director Holly Hugdahl agreed that there was no reason for a budget amendment at this time. She said until we get to the point where it looks like we're going to have an issue we really don't need to approach that.

Mrs. Ryan said she was concerned about growing legal expenses due to the lawsuit the Town is currently involved in. She said we could make a motion that discussion of budget adjustment could be put on our agenda every month for a status report. Mr. Spence said it was his responsibility to monitor the budget closely.

**MOTION: Committee Member Marge Herzog made a motion to enter discussion of CJG legal expenses on every FAAC agenda until the suit is settled; seconded by Cheryl Miller.**

**Discussion followed:**

Committee Member Bridget Subramanya said she thought we should consult Town Council on how they wanted to handle this. She pointed out that we would be making it public knowledge and she was concerned about confidentiality. She said she would like to refer it back to Mr. Spence and the Town Attorney to decide.

**MOTION WITHDRAWN:**

***Mrs. Herzog withdrew her motion and Cheryl Miller withdrew her second.***

**14. Addendum Items**

None

**15. Old Business**

**a. FAAC Punch List**

Assistant Clerk Cindy Corum passed out a copy of the newly revised Code Complaint Form and a copy of the current Excel Code Case Log which were asked about at the last meeting. Mrs. Ryan requested that code enforcement review be added to the next FAAC agenda. Mr. Spence said we'll have copies made and add that item to the next agenda. Mrs. Herzog asked how soon the Ethics class would be scheduled. Mr. Spence said the County was still getting organized and Sheryl Steckler will be speaking at the next FL League of Cities meeting. Mrs. Herzog asked about the Brosemer Case and Mr. Spence said he intended to be present in Tallahassee for the upcoming Florida Ethics Commission Hearing.

**16. New Business**

None

**17. Setting of Next Meeting Time and Date**

Next meeting date was set for Monday, February 28, 2011 at 7pm at Palms West Hospital.

**18. Committee and Public Comment**

Committee Member Marge Herzog said she thought keeping discussion among members made the meeting move a little bit faster. She said limiting the time from outside comment seemed to work very well. Mrs. Ryan said she looked forward to having the minutes in an abbreviated format. Councilman Dennis Lipp said over 70% of the voters voted for the County Ethics Commission and said as the Town moves forward he cautions everyone to be very careful. He said Al Johnson is the person to contact to speak about Ethics. Councilman Jarriel said the main reason he had come up with the new procedures policy was to make it easier for the committee and to avoid confrontation since they are working for free.

**MOTION: Motion to adjourn was made by Marge Herzog; seconded by Cheryl Miller.  
Motion passed 4-0. Meeting adjourned at 9:35.**

ATTEST:

Cindy L. Corum  
Cindy Lou Corum, Asst. Town Clerk

Lung Chiu  
Lung Chiu, Chairman, FAAC Cmte

2-28-11  
Date Approved by Cmte

7-19-11  
Date Signed