



Finance Advisory & Audit Committee Meeting
Monday, February 24, 2014 at 7:00 p.m.
Palms West Chamber of Commerce, 13901 Southern Boulevard

MINUTES

1. OPENING

a. Call to Order & Roll Call

Chair Lung Chiu called the meeting to order at 7:05 P.M. Present at the meeting were Chair Lung Chiu, Vice Chair Elise Ryan, and Committee Members Cheryl Miller, Virginia Standish, and Ken Johnson. Also present were Town Manager Mark Kutney, Bill Underwood, Managing Partner, Underwood Management Services Group, and Perla Underwood, UMSG.

b. Approval of Agenda

Motion: Member Miller Moved, Seconded by Member Ryan to **approve the Agenda. Motion passed** unanimously, 5/0.

2. CONSENT AGENDA

a. Approval of Minutes – None

3. PRESENTATION

a. Code Enforcement – *Postponed to March 2014*

b. OLD BUSINESS

a. Discussion Relative to FAAC Presentation to Town Council Requesting Reconsideration on the use of Town Reserves – Vice Chair Ryan

Vice Chair Ryan started the presentation by explaining the issues that were addressed at the time of incorporation and advised that the Bus was included in the presentation to reinforce and remember that that the Town is driving the bus, and what appears on the road ahead for the Town.

Members reviewed and discussed various slides included in the presentation to include the following:

- FY2013 Revenues by Category reflecting Ad Valorem revenues as the smallest of all revenues received by the Town.
- Fund Balance and what is available for expenditure that is not assigned.
- Discussed the possibility of future reductions in Local Option Fuel Taxes, and Communication Services Tax revenues.

Member Johnson expressed a need to clean up the Town and its roads so that the community can become more attractive to prospective buyers. , and feels that there are many needed improvements that must be addressed by the Town for the future.

Chair Chiu advised that he would like to see an update from the Water Control District for projected savings over the last few years since the roads have been improved (OGEM). He also agreed that he favored the options provided for paying for existing OGEM roads included in the Methodology for the Prioritization of Town Roads Improvements, specifically option 3 that would allow the Town to annually appropriate \$150,000 to pay for existing transferred roads.

Following a lengthy discussion, it was determined that the FAAC needs to make a strong recommendation to the Council on establishing priority for the expenditures and allocation of funds by establishing an equitable plan.

Committee also generally agreed that a Joint Workshop meeting with the Council is needed on this matter.

Phil Liang – 148th Terrace

Suggested that the use of primary colors in the various charts of the Presentation be incorporated in order to provide a better visual image.

Motion: Vice Chair Ryan Moved, Seconded by Member Johnson **to adopt** the plan that was discussed by the Committee at the meeting, and request the Town Council schedule a Joint Workshop with the FAAC. Motion passed, 5/0.

5. NEW BUSINESS

1. Approval of FY 2014 January Financial Statements
2. Budget vs. Actual
3. Bank Reconciliation
4. General Ledger Detail
5. Bank Statement

b. Review of Planning and Zoning Invoices

Motion: Member Miller Moved and Seconded by Vice Chair Ryan **to approve** financial reports, and the Planning and Zoning Invoices as presented.

The Committee reviewed the reported and questioned, and pointed out several items that needed to be reviewed, clarified, and corrected as needed. The Financial Report to include all corrections was approved unanimously, 5/0.

c. Discussion Relative to Various Options for Municipal Financial Systems Software

The Committee reviewed the Memorandum prepared by Bill Underwood, UMSG that provided several alternative solutions with respect to Municipal Financial Systems Software. Mr. Underwood advised that because of the Town's inability to control its office space, he would not recommend the purchase of Software implemented on the Town computer system, but rather would prefer system that is accessed online. Mr. Underwood also discussed various costs and other options available for local governments.

The Committee recommended that Management continue to look into various alternatives including contacting other similar communities to inquire about the financial systems implemented in their communities.

d. Consideration to Retain Town's External Auditors

The Committee reviewed a memorandum prepared by Bill Underwood recommending that the FAAC consider recommending to Town Council that the Town's External Auditors Nowlen, Holt & Miner, P.A., contract be extended for an additional three year term with 2 additional 1 year renewals. Mr. Underwood expressed to the Committee that he feels that the Town's Auditor do a very good job, and additionally provide the Town with much needed continuity.

Motion: Vice Chair Ryan **Moved** to retain auditors, Seconded by Member Miller for extension of 3 years to include either no increase in contract price or a very minimal price increase, 5/0.

e. Review of Check Nos. 5704, 5713, and 5721 and supporting documentation

The Committee reviewed Check Nos. 5704, 5713, and 5721 including supporting documentation for billing for vendors Frank Schiola, A & B Engineering, and Loxahatchee Groves Water Control District.

6. Administrative Updates:

- a. Adopted FY2014 Budget Amendment – *Postponed from 1/2014 Meeting*
- b. Reimbursements – December - Receive and File – *Postponed from 1/2014 Meeting*
- c. Fines applied to Waste Pro Invoicing – December - *Postponed from 1/2014 Meeting*

7. CLOSING COMMENTS

a. Public

Phil Liang – 148th Terrace –

Advised that she believes a Joint Workshop with the Town Council is needed.

b. Committee Members

8. ADJOURNMENT

Motion: Member Johnson Moved, Seconded by Member Standish **to adjourn** the FAAC Meeting at 9:00 pm. Motion passed unanimously, **5/0**.

The next FAAC meeting is Monday, March 24, 2014

Perla D. Underwood, UMSG

Lung Chiu, Chair

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- b. Committee Members

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Lung Chiu, Chair