

Meeting minutes in red

AGENDA

Meeting of Council Finance Committee (Bennett, Holland)

October 29, 2015 10:00 AM

Town Hall Conference Room

Meeting was called to order by Mayor Bennett. Committee members Mayor Bennett and Councilman Holland in attendance. Attending staff were Town Manager Peter Rascoe, Finance Officer Bonnie Swain, and Public Works Director Rachel Patrick. No members of the public were in attendance.

1. Review of Quarterly Financial Reports - Finance Officer

The Finance Officer reviewed the Town's financial statements for the current fiscal year's first quarter. She is also scheduled to review these at the November 4th regular meeting of the Council.

2. Review of FY 14-15 Audit receipt and presentation schedule - Finance Officer

The Finance Officer reported that the Town's Audit for fiscal year 2014-2015 had been completed by the Town's Auditor and would be transmitted to Council Members prior to the November 4th regular Council meeting. She confirmed that the Audit had also been submitted to the Local Government Commission for review but that no comments had been received back yet from the LGC. The Auditor will still present the Audit at the Council's November 4th regular Council meeting and answer any questions of the Council Members. The Finance Officer also stated the Audit would be posted on the Town's website immediately after presentation by the Auditor.

3. Review of available Budget funds remaining for anticipated 15-16 street improvements
- Public Works Director/Finance Officer/Town Manager

The Town Manager reminded the Committee that the Council's budget appropriation for street improvements for the current year was based solely on the Council's current standing policy of appropriating funds generated by a revenue-neutral three cents of prior tax rate – and that this same appropriation was used to pay for engineering costs necessary to prepare this year's anticipated street improvement projects for bidding.

The Public Works Director reported that three streets on the Council's prioritized list of anticipated street improvements are now already under contract with construction underway - Bear Track Lane, Hollow Beach Court, and a section of North Dogwood Trail. She reminded the committee the bids for these improvement projects had been consistent with the engineering cost estimates, which were developed after the budget appropriation for these projects.

She reported that the next two anticipated street improvements have now been engineered and bids have been received. The bids received are consistent with the engineer's cost estimates, which again were developed after the year's budget appropriation. Factoring in the contract costs for the three street projects already underway, the project costs for these two streets, considering the lowest qualified bid, would exceed the Council's original appropriation for the year of \$516,000 – by the sum of \$135,000. The two anticipated improvements are the remaining unimproved half of Beech Tree Trail, and Fox Grape Lane.

The Public Works Director, the Town Manager, and the Finance Officer offered that the difference necessary to perform these two anticipated improvements could possibly be transferred from yet unused budget lines within the Public Works Department and the Streets, Canals, and Bridges Department lines, but resulting in those original budgeted services being reduced. Another alternative discussed was dividing Fox Grape Lane into several phases for years to come.

After discussion, both committee members concurred that it was their preference for the Town to complete both these anticipated improvements in the current fiscal year, and that the cost difference be transferred from the Town's undesignated fund balance, thereby not causing other budgeted services for the year to be reduced. The committee members concurred that this would be the committee's recommendation to the Council.

There being no other business, the Finance Committee meeting was adjourned.