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VILLAGE OF NORTH PALM BEACH

AUDIT COMMITTEE

MEETING MINUTES

MARCH 6, 2017

ATTENDING:

COMMITTEE

Morgan Means Esq.

Emery Newell Esq.

Richard Podell

Hank Sanderson

David Talley

Tom Magill- Chairman

Absent:

Christian Searcy-(Prior Notice Received)

VILLAGE ADMINISTRATION

Samia Janjua- Interim Village Manager

Chuck Huff- Special Projects Director

Guests

Mark Mullinix- Village Councilman

Terry Morton- Nowlen, Holt & Miner

ITEMS DISCUSSED:

1. Minutes of 2/2/2017 were approved with spelling correction.
2. The Committee takes note of the Government Finance Officers Association Certificate of Excellence in Financial Reporting Award to NPB. The Committee extends congratulations to Ms. Janjua and her Finance Department staff for their continued outstanding performance.
3. Mr. Terry Morton of our Village Auditor firm, Nowlen, Holt and Minor et. al. presented the FY 2016 Draft Audit report. The audit results indicate NPB recording and reporting consistent in all cases with current accounting standards. The Committee expressed some concern about the drop in the value of the Unallocated Fund Balance over the last few years. Council is urged to continue to exercise prudence in major expenditures. Mr. Morton was complimented on his continuing effort in assuring that NPB meets all required professional and ethical standards.
4. Via phone, Lesly Allen-Sr. Marketing Representative of our financial advisor, PFM Asset Management joined the Committee discussion. She reviewed the highlights of the 9/30 quarterly report. Most significant is the prospect for interest rate action on the part of the Federal Reserve.
5. Ms. Janjua advised that the funds for the Clubhouse project will be available on March 22. This will include the total of \$15 million of the loan approved

by Council based on the PFM recommendation with Audit Committee approval. PFM has suggested that the funds be “parked” in short term debt instruments managed by the Florida Education Investment Trust Fund. The Committee by majority vote; (Mr. Podell abstaining), supports the recommendation for investment in the FEITF vehicle.

6. In further discussion on the clubhouse project, Mr. Huff advised that demolition on the subject site is currently scheduled to begin in July 2017. However, construction drawings to provide information to formulate construction RFQ’s will not be available until August. The net result is that we will not have a contractor in place prior to September. This situation will prevent us from learning the final cost of the construction until contracts are signed. The Committee was advised that that Council has approved the Option B proposal for the pool at an estimate of \$500K. This means that \$1.9 million of the \$15 million loan has been committed. The Committee urges Council to seek assurance that the building cost will be within the constraint of the loan.

The meeting adjourned at 6:11 PM

Tom Magill

Chairman.