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VILLAGE OF NORTH PALM BEACH

AUDIT COMMITTEE

MEETING MINUTES

JULY 25 2018

**Attending:**

**Committee**

Ed Katz  
Don Kazimer  
Megheran Saltiere  
Christian Searcy  
David Talley  
Tom Magill – Chairman

**Administration.**

Andrew Lukasik- Village Manager.  
Samia Janjua-Finance Director  
Charles Huff-Special Projects Director  
**Guests**  
Daryl Aubrey- Village Council

Items Discussed:

1. June 30 2018 Village Financial Data reviewed. Several Enterprise items over budget caused by delay in shutting down restaurant operations and maintenance expense. The Committee took note that \$545K of the \$1.7 million loan from the General Fund has been spent. The Administration will make every effort to keep the course renovation expense within the estimated limit.
2. Added funding for the Clubhouse project was discussed. It now appears that the original loan of \$15 million will not be sufficient to complete the construction. Discussion between the Administration and our contracted builder have put the total price to roughly \$19 million. Several options were considered. These included a new \$4 million loan; an add-on to our existing loan or a direct transfer from our Unallocated Fund Balance. To limit any new debt service, by unanimous consensus, the Committee recommends withdrawal of the needed funds from the Unallocated Balance on an **as required basis**. This projects our fiscal 2019 ending unallocated balance at roughly \$6.2 million. This represents about 25% of our annual expenditures. This level under our current circumstances is considered acceptable. However, the Administration at the conclusion of its current banking negotiation will seek to provide a standby line of credit to cover any funding issues future funding issues.
3. The Manager updated the Committee on the current discussion with the restaurant operator. Concern has been expressed about the amount of air conditioned area. Added talks will be forthcoming.

The meeting adjourned at 6:35 PM

Tom Magill- Chairman