

**MINUTES
BUDGET AND BANKING COMMITTEE MEETING
NORTHERN PALM BEACH COUNTY IMPROVEMENT DISTRICT
August 11, 2010**

The Budget and Banking Committee was called to order at 7:30 a.m. on August 11, 2010 in the Northern Administrative Complex, 359 Hiatt Drive, Palm Beach Gardens, Florida.

1. ROLL CALL

The full membership of the Committee, comprised of Board Supervisors Marilyn Lew-Jacobs, Deborah Diaz and Matthew Boykin, was present.

Also present were Executive Director O’Neal Bardin, Jr.; Deputy Director C. Danvers Beatty; Executive Assistant Susan Scheff; Finance Director Katie Brunk; General Counsel Kenneth W. Edwards of Caldwell Pacetti, et al.

2. ESTABLISH A QUORUM

Ms. Lew-Jacobs announced that a quorum was present and that it was in order to consider any business to come before the Committee.

3. ADDITIONS OR DELETIONS TO THE AGENDA

Mr. Bardin reported that there were no additions or deletions to the agenda. He did note, however, that an Executive Summary for the Budget item and a completed Five-Year Capital Project Plan had been added to the Board materials.

4. COMMENTS FROM THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Ms. Lew-Jacobs called for any comments from the public for items not on the Agenda to which there was no response.

5. APPROVAL OF MINUTES –May 12, 2010

A **motion** was made by Ms. Diaz, seconded by Mr. Boykin and unanimously passed approving the May 12, 2010 Committee meeting minutes as presented.

6. REGULAR AGENDA

- **Presentation of the Proposed Budget for Fiscal Year 2010/2011**

Ms. Lew-Jacobs began a discussion about what comprises Personal Services in a unit's budget and the possibility of breaking this portion out further in the budget document.

Mr. Bardin explained that the District's timesheet management system is computerized and some additional information could be gathered to add to the breakdown of Personal Services provided.

Ms. Diaz had some questions with regard to establishing a policy on reserve funds. A discussion followed with regard to the different types of reserve funds that exist and the need to properly identify the funds discussed in a proposed policy. There was also a continued discussion about reserve funds that are in the process of being replenished and if the units have enough of a reserve to address a hurricane event. Ms. Brunk confirmed that they have the appropriate reserves in case of a storm event.

Mr. Boykin asked about the final collection amount which Ms. Brunk estimated at 99.8%. She noted that the District has received its tax certificate sale proceeds, so the collection process has been completed for the year.

The discussion continued with regard to assessment challenges taking place outside of Northern's jurisdiction, as well as Northern's Staff salaries and its review process.

The Committee had no further questions or comments.

A **motion** was made by Mr. Boykin, seconded by Ms. Diaz and unanimously passed recommending Board approval of the Proposed Budget for Fiscal Year 2010/2011 at the Board's next regular meeting on August 25, 2010.

- **Revised Investment Policy**

Additionally, the Committee reviewed a change to increase the amount allowed at any time in an interest bearing checking or savings account from 50% to 75%, as recommended by Staff and reviewed with Northern's Investment Advisor. Ms. Brunk explained that Northern's checking account has had higher returns in the last several months than its trust accounts. Staff had delayed transferring some of the assessments received to the bond trust accounts to take advantage of the higher rates. She noted that the amount held in the checking account has come close to the 50% threshold including escrow accounts.

There was a brief discussion with regard to qualified public depositories.

Ms. Brunk noted that Staff's recommendation is to increase the maximum amount allowable in interest bearing checking or savings accounts to 75% of total investments to provide a buffer so that the limit is not reached.

Mr. Edwards also clarified that the motion would be to recommend Board approval.

A **motion** was made by Ms. Diaz, seconded by Mr. Boykin and unanimously passed recommending Board approval of the Revised Investment Policy at the Board's next regular meeting on August 25, 2010.

Mr. Boykin noted that he will not be able to attend the August 25, 2010 Board Meeting due to a work conflict. Ms. Lew-Jacobs was unsure at this time if she will be available to attend.

Ms. Diaz asked Ms. Scheff to confirm there is a quorum prior to the Board Meeting.

- **Five-Year Maintenance & Capital Project Plan**

Ms. Diaz noted she had some questions that were answered by Staff prior to the meeting. She also confirmed that the entire Board would be reviewing this document.

A discussion followed with regard to information provided to affected municipalities about Northern's improvements and other reports required to be filed by municipalities.

Mr. Bardin initiated a discussion regarding a recent article on Community Development Districts that he had forwarded to Ms. Brunk. Ms. Lew-Jacobs asked Ms. Brunk to forward the article to her as well.

He also discussed the process of financing improvements within some of Northern's units and a general discussion followed.

7. RECEIVE AND FILE

- Northern's Quarterly Investment Report, prepared by PFM Asset Management was presented for information only and no Committee action was required.
- The Proof of Publication was received and filed.

7. COMMENTS FROM THE COMMITTEE

There were no comments from the Committee.

Mr. Edwards asked the Committee if they would prefer a 7:30 a.m. meeting time in the future and Committee consensus was that they preferred that time.

8. ADJOURN

There being no further business to come before the Budget & Banking Committee, the meeting adjourned.