

**TOWN OF GRANT-VALKARIA, FLORIDA
TOWN COUNCIL WORKSHOP MEETING
WEDNESDAY, DECEMBER 1, 2010 AT 7:00 P.M.
TOWN HALL BUILDING, 4240 HIGHWAY US1, GRANT VALKARIA, FL 32949**

The Town Council Workshop Meeting December 1, 2010 was called to order at 7:00 p.m. by Mayor Yonts, followed by the Pledge of Allegiance led by Council Member DeMott, and roll call to the Council Members with the following present:

Mayor – Del Yonts

Seat No. 1 – Joe Hackford

Seat No. 2 – Lisette Kolar

Seat No. 3 – Dan Faden

Seat No. 6 – Cathy DeMott

Town Clerk Susanne Krueger

Deputy Town Clerk Jessica Williams

EXCUSE VICE MAYOR MAHANEY AND COUNCIL MEMBER BRYAN

Motions by Council Member Hackford, second by Council Member DeMott, and vote unanimous to excuse Vice Mayor Mahaney and Council Member Bryan.

AGENDA ITEMS

1) Discussion of Finance Policy

Council reviewed the Finance Policy with the following comments:

- Section 1 - Accounting
 - Overview
 - No Changes
 - Fiscal Year
 - No Changes
 - Purchase, Sale, and Lease of Real Property
 - No Changes
 - Annual Budget
 - No Changes
 - Public Deposits
 - No Changes
 - Emergency Appropriations
 - No Changes
 - References
 - Add Town of Grant Valkaria Charter as a reference
- Section 2- Annual Financial Reporting
 - Overview
 - No Changes
 - State Annual Financial Report
 - No Changes
 - Comprehensive Annual Financial Report
 - Remove “However, the Government Finance Officers Association of the United States and Canada (GFOA) recommends that a Comprehensive Annual Financial Report (CAFR) be issued as a best practice for financial reporting.”

- Replace “ The CAFR” with “ The Comprehensive Annual Financial Report (CAFR)”
 - Replace “The GFOA” with “The Government Finance Officers Association of the United States and Canada (GFOA)”
- References
 - Add “The Town of Grant Valkaria Charter”
- Section 3- Annual Financial Audit
 - Overview
 - Replace “Most local governments are” with “Grant Valkaria is”
 - Requirement
 - Replace “At the Conclusion of the Audit, the auditor shall discuss all comments that that will be included in the audit report with management, each member of the governing body, and each member of the audit committee charged with governance” with “At the Conclusion of the Audit, the auditor shall discuss all comments that that will be included in the audit report with the Town Administrator, each member of the Town Council, and each member of the audit committee charged with governance.”
 - Replace “In addition, the auditor shall notify each member of the local government’s governing body if there are deteriorating financial conditions that may cause a financial emergency condition as described in Section 218.503, Florida Statutes to occur if actions are not taken to address such conditions” with “In addition, the auditor shall notify each member of the Town Council if there are deteriorating financial conditions that may cause a financial emergency condition as described in Section 218.503, Florida Statutes to occur if actions are not taken to address such conditions”
 - Replace “The local government’s response to audit findings, including corrective action to be taken, must be filed with the local government’s governing body within thirty (30) days after delivery of the audit findings” with “The Town’s response to audit findings, including corrective action to be taken, must be filed with the Town Council within thirty (30) days after delivery of the audit findings.”
 - Replace “In addition, the audit finding and responses must be incorporated in the audit report package and submitted to the Attorney General within forty-five (45) days after the delivery of the audit report to the local government’s governing body, but no later than twelve (12) months after the end of the fiscal year” with “In addition, the audit finding and responses must be incorporated in the audit report package and submitted to the Attorney General within forty-five (45) days after the delivery of the audit report to the Town, but no later than twelve (12) months after the end of the fiscal year”
 - Remove or condense “Also, should the small government opt to not establish an audit committee composed of the governing body, the small government could seek to use the audit committee of the larger entity as their audit committee.”
 - Search “governing body” and change to “Town Council” where appropriate.
- Annual Audit
 - Reference Town Charter
- References

- Add “The Town of Grant Valkaria Charter”
- Section 4- Budgeting
 - Overview
 - Find “governing body” and Replace with “ Town Council”
 - Adoption b. Remove “The Governing Body”
 - Submission of Annual Budget
 - Reference Town of Grant Valkaria Town Charter
 - Town Council Action On The Budget
 - Reference Town of Grant Valkaria Town Charter
 - Budget as a Public Record
 - Reference Town of Grant Valkaria Town Charter
 - Requirements
 - Change “Local Government’s” to “Town’s”
 - References
 - Add “The Town of Grant Valkaria Charter”
- Section 5- Capital Planning
 - The Capital Planning Cycle
 - No Changes
 - Capital Planning Process
 - Replace “ Local Governments commonly adopt a 5-year Capital Improvement Plan (CIP) for proposed projects with costs totaling at least \$5,000 that have useful lives of more than one year” with “The Town shall adopt a 5-year Capital Improvement Plan (CIP) for proposed projects with costs totaling at least \$5,000 that have useful lives of more than one year.”
 - Remove “Priority rankings of the proposed CIP projects are determined through special meetings among executive members of local governments” and replace with “Staff shall recommend rankings of the proposed CIP projects to Town Council.”
 - Common Projects Included in the CIP
 - Replace “Under the classification of Infrastructure, the most commonly proposed CIPs would be: roads, sewers, storm sewers, sidewalks, bridges, curb and gutter, street lights, and other utilities that the local government owns and operates” with “Under the classification of Infrastructure, the most commonly proposed CIPs would be: roads, drainage, sidewalks, bridges, curb and gutter, street lights, and other utilities that the Town owns and operates.”
 - Replace “Under Equipment would be: fire trucks, police cruisers, generators, and IT equipment” with “Under Equipment would be: Town vehicles, generators, and IT equipment.”
 - Funding Capital Projects
 - No Change
 - Budget As Public Record
 - No Change
 - Long-Range Plan
 - No Change
 - Five Year Financial Plan

- No Change
- References
 - Add “The Town of Grant Valkaria Charter”
- Section 6- Cash Management and Investing
 - Overview
 - Replace “local government” with “the town’s”
 - Investment Strategy
 - Replace “Most small governments tend to adopt passive investment strategies to reduce the amount of effort spent in purchasing securities and to eliminate the risk associated with securities trading” with “The Town will primarily adopt passive investment strategies to reduce the amount of effort spent in purchasing securities and to eliminate the risk associated with securities trading.”
 - State Statutes
 - Check statute numbering
 - Resources
 - No Change
 - Major Guidelines and Requirements
 - Change “police” to policy”
 - Risks
 - No Change
 - Quick Tips and Caveats
 - Change Title to “Investment Guidelines”
 - Investment Reports
 - Replace “Monthly or quarterly reporting of investment results and portfolio compositions to upper management and/or to elected body is common” with “The Town Administrator shall quarterly report investment results and portfolio composition to Town Council.”
 - Depository, Broker and Dealer Relations
 - Check state statute and delete first sentence if it isn’t necessary
 - Replace “Typically, one depository is selected for all cash management and investment safekeeping services to achieve and economy of scale, which lowers the overall cost of services and reduces administrative time” with “The Town of Grant Valkaria shall select one depository is selected for all cash management and investment safekeeping services to achieve and economy of scale, which lowers the overall cost of services and reduces administrative time.”
 - Replace “Brokers and Dealers are usually” with Brokers and Dealers shall be”
 - Remove the last sentence of this section
 - Purchasing Investments
 - Replace “Where Possible, obtain more than one quote on securities purchased to ensure the highest rate of return has been obtained” with “ Where possible, the Town shall obtain more than one quote on securities purchased to ensure the highest rate of return has been obtained.”
 - Remove “Competition will usually enhance the rate of return achieved.”
- Section 7- Dates to Remember

- Overview
 - Replace “Small governments as well as a few Counties, Special Districts and Constitutional Officers have statutory and program requirements to compete a wide variety of daily, monthly, quarterly and annual procedures and reports” with “ The Town of Grant Valkaria has statutory and program requirements to compete a wide variety of daily, monthly, quarterly and annual procedures and reports.”
 - Remove “Basically, we do it all.”
 - Replace “ We will provide a general outline of procedures and reports first by process and then by chronological order” with “ The following tables will provide a general outline of procedures and reports first by process and then by chronological order.”
 - Replace “ There are many different areas that are the responsibility of the “small government” Finance Officer such as Payroll, Accounts Payable, Cash Management and Investments, Fixed Assets, Project Management, Budget and Truth-in-Millage (TRIM) Insurance and Benefits, Personnel and Risk Management” with There are many different areas that are the responsibility of the Town’s Finance Officer such as Payroll, Accounts Payable, Cash Management and Investments, Fixed Assets, Project Management, Budget and Truth-in-Millage (TRIM) Insurance and Benefits, Personnel and Risk Management”
 - Remove “In addition, some treasurers are also Town/City Clerks which adds additional reporting requirements.
 - Table – Payroll “Print W-2’s and Mail” edit table to make text viewable.
- Section 8- Debt Management Policy
 - Review entire section again and bring back to Council.
- Section 9-Reporting Requirements
 - Overview
 - No Changes
 - Local Government Reporting Requirements
 - No Changes
- Section 10- Capital Assets
 - Statutory Requirements
 - No Changes
 - Capital Asset Valuation
 - No Changes
 - Capital Asset Capitalization and Accountability
 - Replace “ Capitalization thresholds should not be set as less than \$5,000 for any individual item” with “Capitalization thresholds shall be set at \$5,000 for any individual item;”
 - Edit spelling of “currently” in bullet number 4.
 - Check second paragraph to see if it is necessary, if not remove it.
 - Check third paragraph to see if this is necessary, if not remove it.
 - Add “The Town of Grant Valkaria performs annual inventory verification of capital assets.”
 - Capital Asset Maintenance and Replacement

- Replace “Local governments should establish a system for assessing the condition of capital assets and develop a plan and budget for capital asset maintenance and replacement” with “The Town of Grant Valkaria shall establish a system for assessing the condition of capital assets and develop a plan and budget for capital asset maintenance and replacements.”
- Depreciation
 - Check to see what type of depreciation the Town uses.
 - Replace “Local government officials need to establish the useful life and depreciation method for each class of capital asset” with “Town official/staff need to establish the useful life and depreciation method for each class of capital asset.”
- Capital Assets Reporting
 - Replace “Each local government must make four decisions” with “The Town must make four decisions:”
- References
 - No Change
- Section 11- Human Resources
 - Overview
 - No Change
 - Recruitment and Training of Employees
 - No Change
 - Job Descriptions
 - No Change
 - Employee Manual
 - Replace “It is vital that the governing body establish personnel policies and procedures” with “The Town shall establish personnel policies and procedures.”
 - Replace “entity” with “Town”
 - Employee Files
 - No Change
 - Entity Policies and Procedures
 - Replace “ with “ Town” in heading
 - Federal and State Regulations
 - Replace “It is advisable to consult with the entity’s legal counsel to ensure compliance with applicable regulations” with “The Town will consult with legal counsel to ensure compliance with applicable regulations”.
 - References
 - No Change
- Section 12- Risk Management
 - Overview
 - Remove “For Example. Two seaside communities might exhibit similar risk profiles, except one operates a seaport facility with petroleum storage. Given the heightened awareness of terrorism on domestic soil, the seaport community would possess a very different risk profile. Consequently, a comprehensive risk management program is a vital component of local government’s administration. For many small

governments, this responsibility and other insurance-related matters often falls to the finance department.”

- Replace all “local government’s” with “Town’s” in this section.
- Replace “entity” with “Town”
- Identifying Risks
 - No Change
- Evaluation Potential Losses
 - Replace “entity” with “town”
- Developing a Risk Management Plan
 - Under Traditional Insurance Coverage Remove “Chances are an all-encompassing policy can be formulated for your entity.”
 - Under Self-Insurance remove “Depending of the size of the local government and/or the assessed level of risk or risk exposure for a given area”
 - Replace “local government” with “The Town”
- References
 - No Change
- Section 13- Payroll
 - Overview
 - No Change
 - The Process
 - Replace “Payrolls are typically on a weekly, biweekly, semi-monthly, or monthly basis” with “Payrolls are on a biweekly basis.”
 - Above the Table Replace “Following is a sample of payroll-related reports” with “Following are payroll-related reports.”
 - Helpful Hints
 - Change the title “Helpful Hints” to “Payroll Guidelines.”
 - Remove sentence “Union agreements regarding wage rates, vacation pay, and similar items.”
 - Replace “Governing Body policies on pay (classification and pay plan), leave and benefits” with “Town policies on pay (classification and pay plan), leave and benefits.”
 - References
 - No Change
- Section 14- Public Records/Sunshine Law
 - Overview
 - No Change
 - Public Records Law
 - No Change
 - Sunshine Law
 - No Change
 - Issue Resolution
 - Replace “In the event that a local government is faced with a Public Records or Sunshine Law issue the appropriate government official should” with “In the event that the Town is faced with a Public Records or Sunshine Law issue the Town Administrator should:”

- Change the spelling of Manual in bullet 3
- References
 - Add Town of Grant Valkaria Town Charter
- Section 15- Retirement Plans
 - Overview
 - Relook at this section as Grant Valkaria offers a defined contribution benefit plan.
 - Defined Benefit Plan
 - Remove entire section
 - Defined Contribution Plan
 - No Change
 - Hybrid Plans
 - Remove entire section
 - Hybrid Account Balance Plans
 - Remove entire section
 - Plans Hybrid Features
 - Remove Entire Section
 - Deferred Retirement Option Plans (DROP)
 - Remove entire section
 - Essential Elements of a Retirement Plan
 - No Change
 - Essential Elements of a Plan Design
 - Remove first bullet
 - Financial Statement Accounting and Footnotes
 - Remove entire section if not necessary
 - References
 - Remove Florida Statutes Title XII – Municipalities Chapter 175- Firefighter pensions and Chapter 185-Municipal Police Pensions.
- Section 16- Revenues
 - Overview
 - No Change
 - Revenues Authorized by the State Constitution
 - Ad Valorem Tax
 - No Change
 - Constitutional Fuel Tax
 - Add “to the Town” after Funds are distributed.
 - Home Rule Authority Revenues
 - Proprietary fees
 - Replace “User fees are imposed to recoup the costs of providing a service or a facility and local governments cannot impose a fee higher than cost” with “User fees may be imposed to recoup the costs of providing a service or a facility and local governments cannot impose a fee higher than cost.”
 - Replace “Local governments charge fees for the utility service provided” with “The Town may charge fees for utility services provided.”

- Regulatory Fees
 - No Change
- Special Assessments
 - Change “ Local Governments” to “ The Town”
- Revenues Authorized by the Legislature
 - State Revenue Sharing
 - No Change
 - Discretionary Sales Surtax
 - No Change
 - Local Option Fuel Tax
 - No Change
 - Local Business Lax
 - No Change
 - Fines and Forfeitures
 - No Change
 - Federal and State Grants
 - No Change
 - Financial Reporting Issues
 - No Change
 - Taxation and Revenue
 - Reference Charter
- References
 - Add “The Town of Grant Valkaria Charter”
- Section 17- Unclaimed Property
 - Overview
 - Change “ Local Government” to “ The Town”
 - Requirements
 - No Change
 - Recordkeeping
 - Change “ Governments” to “ The Town”
 - Change “ Entity” to “Town”
 - Bureau of Unclaimed Property
 - No Change
 - Abandoned or Lost Tangible Personal Property
 - Delete “Helpful Suggestion”
 - References
 - No Change

It was Council consensus to bring back at another workshop the debt management policy and any other policy that staff has questions on; have the auditors review the policy to verify if this would

make us in compliance. Town Clerk Krueger stated that the town attorney would review the policy after Council reviewed and made any changes.

Council Member Kolar expressed concern that the policy sounds generic; used as a comparison that when they did the Charter they used a model charter and used the words as guidance.

Motions by Council Member Hackford, second by Council Member DeMott, and vote unanimous to adjourn the meeting at 9:00 p.m.

(signature on file)

Del Yonts, Mayor

ATTEST:

(signature on file)

Jessica Williams, Deputy Town Clerk