

Finance Committee Report

5/21//2013

The finance committee met on Tuesday 5/21/2013 to review the BIAS Financial Report of 5/20/2013.

1. Revenues for all funds generally fell in and around 41% and that is in keeping with projections for the 2013 budget.
2. The expenditures again for all funds fell with the acceptable percentages for this time in the budget year with the exception of a few.
3. The Street Fund as of 5/20/2013 was a minus \$20,000. There is a reimbursement due to the town that should bring this fund into the positive or close to it.
4. The Rainier Bond Fund was a minus \$8867.64 and the Mill Pond Bond Fund was a negative \$9416.62. These will be brought into balance with the transferring of funds from Current Expense into the appropriate fund.
5. It was observed in some of the proprietary funds that some line items such as salaries and benefits were excessive. This was due to buy outs to employees that left the employment of the town and were not for seen at the time of the construction of the 2013 budget. A spread sheet provided by the financial department supported why this percentage was high. It is suggested that these areas be monitored on a regular basis by the town, This may require a budget amendment some time during the 2013 budget period.
6. The animal control program authorized by council and implemented by the administration has proved to be successful by achieving 94% of the projected revenues so far this year and expenditures well within appropriated amount. It is recommended that consideration be given to the continuance of this program in the future budgets of the town.
7. The tax rate swap program is being utilized as the council intended. The revenues are being used to retire the inter fund loan and to reimburse the trails fund. So far out of the \$76,194 collected the interfund loan has received \$45,244.13 and the trails has received \$29,697.53.
8. Discussions concerning water loans, other loans and their annual payments, the committee could not find a reason that these debt services will not be met at this time when they are due.

In conclusion the finance committee believes that the finance department and administration continue to improve on the BIAS financial reports provided to the council. Changes are being made when necessary or when something is noted by the finance committee that needs attention. It is recommended that the council, town administration and finance department continue to monitor closely the expenditures of the town and that reimbursements be filed in a timely manner so the town will receive the replacement revenue as quickly as possible. It is also suggested that the Town Council have a study session concerning cost allocations for support services provided for the other departments and to adopt a formal policy of cost allocations to be used when charging for these services, This will strengthen the cost allocations program.