

FINANCE COMMITTEE MEETING
THURSDAY, JANUARY 19, 1995, 9:15 AM
ROOM 564, COUNTY COURTHOUSE

Present: Marshall Faircloth
Billy King
Lee Warren

Others: Brenda Foreman, Sr. Staff Attorney
John Nalepa, Finance Director
Rhonda R. Davis, Deputy Clerk

The meeting was duly called to order.

AGENDA ITEMS:

1. Election of Chairman

Commissioner Marshall Faircloth was unanimously elected Chairman of the Finance Committee.

2. Selection of Regular Meeting Date and Time.

It was the consensus of the committee to continue to meet on an "on-call" basis as needed.

3. Other Committee Concerns.

Mr. Nalepa updated the committee on some county financial matters.

Mr. Nalepa advised there are twelve million dollars in outstanding school bonds. The time has come to issue these bonds. The Local Government Commission can sell them in late March or early April. The sale was delayed because of the library issues. They wanted to sell the bonds all together, but because of the length of the law suits with the library, it cannot be done. They had considered bond anticipation notes. They can sell 7.5 million bond anticipation notes, but that will not provide all the money needed to complete the project. The 7.5 million will only get the school project through May. Their only choice is to sell the 12 million. The original bond attorney will handle these and complete the sale. No action by the Board of Commissioners will be needed until closer to the sale date.

Commissioner King asked how the library and school bonds were tied together.

Mr. Nalepa explained they were not tied together. They wanted to join them for the sale because it would be cost wise. They will not be able to work on the library bonds until the beginning of 1996. This is because we will need to have contracts in hand to get the bonds approved. The library projects won't be on line until after the beginning of 1996.

Mr. Nalepa then gave an update on the COPs proceeds. He advised there is a construction fund, debt service reserve fund and cost of issuance money. He noted they will be soliciting proposals for the debt service reserve fund. He also advised the

financial advisor hired by the county, Alex Brown has been a valuable asset to the county on this project.

Commissioner King asked how much money was currently on hand from the meals tax.

Mr. Nalepa noted there will be well over two million once the money that has been expended by the county is recovered.

Commissioner Faircloth stated he would like to receive a financial statement for the county similar in nature to what Cape Fear Valley provides the commissioners. He feels one statement every three months would be sufficient. He stated a report that will be interesting to the Commissioners is what he would like to receive.

Mr. Nalepa is to meet with Commissioner Faircloth to determine what should appear on this statement and develop it from that point.

Commissioner King noted such a statement could enable the Board to see potential budgetary problems within certain departments.

Meeting adjourned at 9:34 AM.