



TOWN OF KILMARNOCK

Council Committee Notes – Administration and Finance

Date: March 4, 2011 **Time:** 8:30 AM **Location:** Town Hall **Chair:** Vice Mayor William Smith
Attendees: Vice Mayor Smith, Town Manager Tom Saunders, Asst. TM Susan Cockrell,
Treasurer Judy Stevens

Visitors: Kilmarnock Museum Board of Directors: Carroll Lee Ashburn (President), Carol Fletcher, Agnes Lee, Charles Lee and Augusta Sellew (Founder and current secretary)

Notes on Discussions:

1. There was a presentation by Board of Directors of the Kilmarnock Museum. The Committee directed staff to research issues raised and report back next month.
2. The Committee reviewed Lancaster County's processes for encouraging on-time payment of taxes and its late penalties/interest policy.
3. Judy Stevens apprised the Committee on the pending use of John Hutt's services to collect the most delinquent real estate taxes.
4. TM Saunders gave an update on the activities supporting the KVFD roof replacement.
5. Review and further input on FY 2012 CIP initial draft.
6. The Committee was informed that all Kilmarnock businesses are listed on our website.
7. TM Saunders reported that, after lengthy discussions, he had authorized an RFP to see if it would be to the Town's advantage to refinance its current outstanding bonds to achieve a lower interest rate. This was being done at no cost and no risk to the Town if it chooses not to go forward. Since proposals were due March 15, the Committee decided to recess until March 17, in order to give Council a well-considered recommendation. At 8:30 AM on March 17 Vice Mayor Smith and TM Saunders reconvened the meeting and reviewed the proposals and the advice of Mr. Ted Cole of Davenport and Co, who managed the RFP for the Town, and Mr. Chris Kulp of Hunton and Williams PC, the Town's long-time bond counsel. After considerable discussion and deliberation the Committee decided to make a recommendation to proceed with refunding, as below.

Recommendations to Council:

Action item:

1. Approve disbursements from 3/1/2011 through 3/21/2011.
2. Approve the attached "Resolution Authorizing the Issuance, Sale and Award of General Obligation Refunding Bonds, Series 2011, of the Town of Kilmarnock, Virginia, in the Maximum Aggregate Principal Amount of \$6,600,000, Providing for the Form, Details and Payment Thereof and Providing for the Refunding of Certain General Obligation Bonds." Refunding of the Town's outstanding bonds will result in an annual average savings of \$34,108.

Recommended for further study: