

Finance/Audit Committee Report to City Council, May 2, 2023 Meeting

Presented by Finance/Audit Committee Chair, Elise Landry

- All current committee members were present. We are currently down one member with the departure of former chair and current City Council member, Cathy Engebretson. Additional attendees included new City Councilor Claire Smith, Anne Heath, Greg Peck, Bobbi Bengtson, and the minutes taker.
- The minutes from the January 31, 2023 meeting were reviewed and approved.
- New accountant Greg Peck and third party reviewer Bobbi Bengtson were present at the meeting and introduced themselves to the committee and gave a brief summary of their backgrounds and experience. Anne Heath mentioned that Greg is now doing payroll, invoices, journal vouchers, collecting receipts, and some reimbursements. Bobbi Bengtson gave a short summary of what she has reviewed thus far and mentioned that things “look very good” and she had only found one ten cent discrepancy. The plan is for Bobbi to conduct reviews on a quarterly basis. The committee was very pleased to meet the third party reviewer and hear her report.
- Anne reviewed the 1st quarter financials.
 - Revenues were at 51% of budget and expenses were at 38% of budget through Q3. The levels of property taxes, fuel taxes, Transportation Utility Fees, and water and sewer utility fees collected through Q3 were noted. Other items of note included that Water Project and Street project reimbursement requests are in process, and all submitted reimbursements have been received. Capital projects are in process and are not spread out evenly over the year. There are debt payments still to be made before year end.
 - Expenses and revenues versus budget by fund type to date were highlighted. Overall city expenses are under budget.
 - Cash positions by fund and projected ending general fund cash balance were reviewed. The projected ending cash balance for the general fund is in solid shape.
- We discussed continuing our ongoing review of the City Fiscal Policies and Accounting Procedures and agreed to review another section of the document for discussion at our next meeting.
- Anne reported to the committee that the City Council discussed the committee’s proposal of integrating the Finance/Audit Committee into the Budget Committee as a sub-committee of the Budget Committee at their retreat and decided to add the proposal as an item on the agenda of the next Budget Committee meeting.