



MINUTES

Coburg Finance/Audit Committee Meeting

July 27th at 5:30 P.M.

91136 N Willamette Street

In-person meeting

PRESENT: Chair Cathy Engebretson, Terry Dawson, Coleen Marshall

ABSENT: Liaison John Lehmann

STAFF PRESENT: Tim Gaines, Finance Director

GUEST: Elise Landry

RECORDED BY: Angela Kern, Lane Council of Governments (LCOG)

1. CALL TO ORDER

Chair Engebretson called the meeting to order at 5:33 pm.

2. ROLL CALL

A quorum was present.

3. MINUTES REVIEW: April 27, 2022

Ms. Marshall requested that on page 2, paragraph 7, in the statement: "She then opened the floor to county members for discussion," the phrase "county members" be amended to "committee members."

Ms. Landry noted that in paragraph 3, page 2, the word "Strategies" in the acronym GASB should instead be "Standards."

MOTION: Ms. Marshall moved, seconded by Mr. Dawson, to approve the Coburg Finance/Audit April 27th meeting minutes as amended. The motion passed unanimously – 3:0:0.

4. REVIEW FINANCE/AUDIT COMMITTEE MEMBER APPLICATION

Committee members welcomed and praised applicant Elise Landry.

MOTION: Mr. Dawson moved to make a recommendation to the City Council to approve Ms. Landry's application, seconded by Ms. Marshall. The motion passed unanimously – 3:0:0.

5. ELECTION OF OFFICERS (Additional Item)

MOTION: Mr. Dawson moved to reappoint Cathy Engebretson as Committee Chair, seconded by Ms. Marshall. The motion passed – 3:0:0.

MOTION: Ms. Marshall moved to reappoint Terry Dawson as Committee Vice Chair, seconded by Ms. Engebretson. The motion passed – 3:0:0.

6. FINANCE REPORT

Finance Director Tim Gaines presented. He mentioned that revenues were similar to the previous year. Taxes were at 97%. He noted that in June, \$375,000 had been transferred from the Urban Renewal Agency (URA) to the sewer fund to help pay for loans recorded on the expenditure side. Mr. Gaines related that Pacific Power franchise fees were lower than usual, citing Covid closures as a possible cause. An audit was being conducted.

Ms. Landry inquired as to why the expenses were also lagging. Mr. Gaines explained that it was due to System Development Charge (SDC) balances as well as the \$5.5 million Water Project. Ms. Landry asked if that would be deferred. Mr. Gaines responded that the current expiration date was the end of 2024.

Chair Engebretson asked if the City Council had voted to retain the current auditor. Mr. Gaines said yes and praised Umpqua Valley Financial. Mr. Dawson praised the integrity of Mr. Tuchscherer. Ms. Landry inquired as to an error referred to in the April 27th minutes. Chair Engebretson explained that an outdated version of the budget had accidentally been included in a report filed with the State.

Ms. Marshall asked about software. Mr. Gaines said Springbrook software was still in use but that other options were being considered.

Ms. Marshall noted that she appreciated the additions of pages 24 and 25. Mr. Gaines explained that the City Council had requested the additional information.

Chair Engebretson inquired about the Street Fund on pages 15 and 16. Mr. Gaines said that as Transportation Utility Fee (TUF) funds accumulated, projects would be completed.

Ms. Marshall asked if TUF money would be used to pay down loans. Mr. Gaines confirmed.

7. REVIEW OF BUDGET DOCUMENT FORMAT

Mr. Gaines presented proposed document format changes. Mr. Dawson pointed out that those who used the documents daily should be the ones to decide how they were formatted. Ms. Landry preferred the account information on the left and the amounts on the right. After discussion, Mr. Gaines decided to create a hybrid document to bring to the next meeting.

8. FISCAL POLICIES AND ACCOUNTING PROCEDURES MANUAL REVIEW

The Committee reviewed page 67. Mr. Dawson suggested that sections 5, 6, and 7 could be simplified. After discussion, a consensus was reached that the three sections should generally read that: (5) The Finance Office will sign and date all journal entries each month. (6) A qualified second party shall check, sign, and date all financial documents no less than quarterly. Financial documents are understood to include, but are not limited to: journal entries, cash receipts, accounts payable, payroll entries, and bank reconciliations. (7) Qualifications for a second party are the equivalent of a CPA or 10+ years of senior or managerial experience in accounting, including governmental accounting.

It was agreed by the Committee that Chair Engebretson should note the approval of Ms. Landry's application, the new budget document format, and the reappointing of the Committee Officers in her upcoming report to the City Council. It was further agreed that the Committee would read forward in the Fiscal Policies Manual from pages 17 - 21.

9. ADJOURNMENT

Chair Engebretson adjourned at 6:38 pm.

APPROVED by the Finance Audit Committee of the City of Coburg on this ____ day of _____, 2022.

Cathy Engebretson, Chair

ATTEST:

Sammy L. Egbert, City Recorder