



MINUTES

Coburg Finance/Audit Committee Meeting

January 22, 2025 at 5:30 P.M.

Coburg City Hall

91136 N Willamette Street

MEMBERS PRESENT: Elise Landry, Chair; Terry Dawson, Vice Chair; Colleen Marshall, Jeff Milam

MEMBERS ABSENT: none

GUESTS/STAFF PRESENT: Gregory Peck; Finance Director, Adam Hanks; City Administrator

TRANSCRIBED BY: Madison Balcom, Administrative Assistant

CALL TO ORDER

Chair, Elise Landry called the meeting of the Finance | Audit Committee to order at 5:28 pm.

ROLL CALL

Ms. Landry called roll. A quorum was present.

AGENDA REVIEW

No suggested changes.

APPROVAL OF MINUTES FROM JULY 30, 2024

MOTION

Mr. Dawson moved, seconded by Ms. Marhsall to approve the July 30, 2024 Coburg Finance | Audit Committee minutes as presented.

Motion passed unanimously - as 4:0.

COMMITTEE BUSINESS

1. FY24 Audit Update

Mr. Peck said that the FY24 audit is nearing completion. He mentioned that staff did everything within their ability and resources to submit all needed documents on time, and were expecting the audit to be on time, however that is not the case. Mr. Hanks explained that the reassured submission date was December 31, but the auditors ended up submitting for an extension on the City's behalf, and it was denied by the state. The plan was to present the draft audit to the

committee tonight, so it could go to council in February. However, they now expect to have the document by the end of this week, and staff will review it as quick as they can. Hanks explained that the committee can either have a special meeting, a virtual ZOOM, or a 5:30 meeting right before the 6:00 Council meeting in February, so the committee can review it and still get it to council by the February meeting. They will figure out a date and time after they receive the draft.

2. Finance Department Operational Updates

a. Payroll

Mr. Peck reported that they have successfully completed one round of payroll through the new in house system with Springbrook, with no issues. Mr. Hanks also explained that PERS reporting is built into the system which takes out a step of staff work. They also changed the pay period from Wednesday to Wednesday, every two weeks, to Friday to Friday. The first payday using this system was January 17th.

b. Employee Self-Service (online employee portal)

Mr. Peck and Mr. Hanks also mentioned that they are working on the employee self-service portion, which allows employees to access a portal to view their W-2 forms, pay stubs, and timesheets, and also helps to have everything more integrated and not tracked/stored separately.

c. Monthly Reconciliation

Mr. Peck tied this discussion into item 4, the Monthly Financial Report, as seen below.

d. Accounts Payable – AI enabled data entry

Mr. Peck said that he and Mr. Hanks have been discussing the different types of software that are utilizing AI. They hope that by doing so they can better and move forward some of the city processes, from producing documents, to doing finances. The city is currently in the process of testing for a company that sits overtop of Springbrook, to help with accounting processes. Mr. Hanks explained the software and process a little more and how the city will be taking part.

3. Council Revenue Sub-Committee Update

Mr. Hanks explained that the mayor created a council sub-committee, including Councilor Engebretson, Councilor Smith, and Mayor Bell, with Mr. Hanks, where they broke it into three segments for recommendations, with the first one being utility rates. They provided a recommendation for water rates, sewer rates, and the transportation utility fee (TUF) adjustment. The new rates go into effect February 1, and will be seen on the bills that go out in March.

The next portion is to look at the general fund. The typical response to increase the general fund is to add fees to utility bills. Some considerations are a public safety support fee, parks and open space fee, or an additional transportation fee, however the sub-committee will also be

looking at the pros and cons of a local option levy. Mr. Hanks noted that \$1 on a utility bill fee equates to about \$10,000 a year of revenue for the city. They will also look at adding diesel tax.

4. Monthly Financial Report – December 2024 (midpoint of FY)

Mr. Peck presented the financial report from December, pointing out a decline in the fund balances. Mr. Hanks explained some of the fund uses and breakdowns, including the restrictions on SDC's. The six month point provides a good reference point for trends, previous year comparisons, percentage tracking, etc.

Ms. Marshall asked why the expenditure percentage for the Facility Management Department is so high currently. Mr. Hanks explained the reason for that, and stated that they have been and will continue watching that line item as well. Hanks also explained the possible need for a supplemental budget, and what triggers the need for one.

Ms. Landry asked about the Administration Department line on page 17 of the packet. Mr. Hanks explained that it's the direct allocation of staff, and that there was something missed in the estimations for workforce costs during the budget process. It is small, but they are going to look at it and try to pinpoint the missed piece.

5. Committee Projects for 2025

Mr. Hanks said that they will need to begin working on the financial policies, cost allocations, debt services, and separate the financial policies and accounting procedures documents. They would like the auditors to pick apart the accounting procedures as well.

Staff would also like to add another type of quarterly report, but needs to pinpoint what specific information or type of document (narrative or graphs/charts) would be useful to include, from recommendations of committees, council, and community members.

Mr. Dawson and Ms. Landry recommended a narrative format which is much easier for others to understand. Mr. Hanks agreed, and stated that he will send out an email looking for certain topics of interest to include and focus on in the reports.

Mr. Hanks also asked what topics of interest would resonate most to be five-year trends. Mr. Dawson suggested they really focus on the why of things, and get in front of the questions people may have. The community survey from the UofO will also help contribute to the input for those areas.

CITY UPDATES

6. City Administration Report January 2025

The committee reviewed the report. There were no questions or comments.

Mr. Hanks noted that Ms. Marshall is resigning from her position as a Finance Audit Committee member, therefore there will be an opening on the committee that staff is working to put out. The committee members thanked Ms. Marshall for her time on the committee.

FUTURE MEETINGS

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|------------|-------------------------|--------|
| April 23 | Finance Audit Committee | 5:30pm |
| July 23 | Finance Audit Committee | 5:30pm |
| October 23 | Finance Audit Committee | 5:30pm |

ADJOURNMENT

Ms. Landry adjourned the meeting at 7:00 pm.

APPROVED by the Finance Audit Committee of the City of Coburg on this _____ day of

_____, 2025.

Elise Landry, Finance Audit Chair

ATTEST: _____
Sammy L. Egbert, City Recorder