

# FINANCE COMMITTEE MEETING MINUTES

Centerville Municipal Building  
Kingseed Law Library  
May 31, 2022

In attendance were Committee members:

John Palcher (Chair)- Councilmember  
Bill Serr- Councilmember  
Duke Lunsford- Councilmember

Also in attendance were City Manager Wayne Davis, Assistant City Manager Mariah Vogelgesang, Finance Director Tyler Roark, Assistant Finance Director Miranda Piatt, Tax Superintendent Emily Bair and Finance Interns Nicholas Meade and Jack Ruffolo.

No commission members were absent from the meeting.

At 3:34 PM, John Palcher called the meeting to order.

A motion was made to approve the minutes of the February 17, 2022 meeting. Motioned by Councilmember Duke Lunsford and seconded by Councilmember Bill Serr. Motion was passed 3-0.

Mr. Roark presented the quarter one report for 2022. The City remained very stable and in a secure financial position. Income tax withholding continued to increase from the prior years. Mr. Roark and Ms. Bair provided clarification on the state law that repealed Section 29 of House Bill 197. The statute requires employers to begin withholding income tax to an employee's home location if they are working remotely. Employees that worked remotely throughout 2021 are able to file for refunds for days that were worked outside of the City. Through March, the City has not seen a large amount of refund requests due to working from home. Ms. Bair advised that 233 new withholding accounts have been added since January 1<sup>st</sup>. Mr. Roark advised that although the tax deadlines have shifted since 2021, year to date income tax collections have still increased since last year. Mr. Roark advised that Golf revenues are down for the quarter likely to due to weather conditions. With the bulk of the golf season still ahead for 2022, we will have a better idea of overall performance in the mid-year update. Yankee Trace formally bid out the new set of golf carts this winter and City Council awarded the bid to Century Equipment in March. Mr. Roark advised that there is currently a 12-month lead time, so the carts will be delivered ahead of the 2023 golf season with a small change to the Shark experience. Mr. Roark advised that since the City was able to bid before early March, there was no experience with supply chain issues. Mr. Davis also added that the City was able to purchase additional batteries to get through the 2022 golf season. Food service at the golf course saw an increase in revenue for the quarter. Staffing issues are still being addressed within the department. Mr. Roark touched on the incentive program that has been implemented and advised that this fall will tell a bigger story. A new Food Service Director is also on board to help implement some of the recommended changes he provided as a consultant. Ms. Piatt gave an update on the Waste Collection Fund. She advised that both revenues and expenses were up for the quarter. We attribute the increase in expenses to staffing, fuel and landfill costs. At the end of quarter one, the cash balance was \$1.37 million. Ms. Piatt advised the cash balance is expected to

decrease over the next few years and will dip below the 25% target that is identified in the fund balance policy. A cost-of-service and rate study was presented at the last Finance Committee meeting and has also been brought to two Council work sessions for discussion. A rate increase of \$6 per month will be recommended for consideration at the public hearing at the July Council meeting.

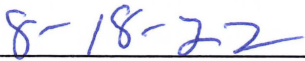
Ms. Piatt gave the committee and those present an update on the 2021 financial audit. Ms. Piatt advised that the 2021 Basic Financial Statements (BFS) were submitted to the Auditor of State (AOS) without an extension this year. The City's independent auditors, Plattenburg, have already been onsite this year to for their initial requests. Ms. Piatt stated that Plattenburg will continue to make requests through June. They will also review the Basic Financial Statements (BFS) as well as the full Annual Comprehensive Financial Report (ACFR) when it is completed in June. This is the City's last year of the 5-year contract with Plattenburg.

Mr. Roark gave an update on the American Rescue Plan Act funds. The City has received the first half of the grant and the remaining funds will be received in later this year. The funds must be obligated by 2024 and expensed by 2026. Mr. Roark advised that the initial reporting deadline is April 30, 2022 and the selection for utilizing the \$10 million standard allowance for Revenue Replacement will be made. He also advised that because of the amount awarded, the City will have a single audit completed next year.

At 4:33 PM, Councilman John Palcher adjourned the meeting.

The next meeting will be scheduled at a later date in the Kingseed Law Library.

  
Approved – Chairperson

  
Date