

FINANCE COMMITTEE MEETING MINUTES

Centerville Municipal Building
Kingseed Law Library
May 12, 2023

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, and Tax Superintendent Emily Bair.

No committee members were absent from the meeting.

At 11:35 AM, John Palcher called the meeting to order.

A motion was made to approve the minutes of the February 13, 2023 meeting. Motioned by Councilmember Bill Serr and seconded by Councilmember Duke Lunsford. Motion was passed 3-0.

Mr. Roark led the discussion on procurement. He walked through the City's relationship with Ohio Buys as there was a session held at the State House during Advocacy Day. Mr. Roark advised that any purchase over \$500 is required to have an approved purchase order (PO) on file. With the current software, all POs are electronic. Any documentation (quotes, memos, etc.) can be scanned into the software and attached to the PO and/or requisition. The software allows for some accounts payable processes to be decentralized. All requisitions must be electronically approved by the department head, Mr. Roark and/or Mr. Davis. The City requires a PO to be on file for all credit cards purchases regardless of the dollar amount. The City currently has 15 credit cards and a compliance report is sent out quarterly. Mr. Roark advised that the City now has a uniform process that is followed when it comes to competitively bidding goods and/or service over \$50K. The City utilizes Bid Express which is an online platform that helps agencies streamline their process with online bid submissions, automatic bid tabulations, digital plan sets, etc. In the past, all bids were received by paper and reviewed by staff.


Mr. Roark presented the quarter one financial report for 2023. The City remained very stable and in a secure financial position. The City's investment earnings continue to grow as The Federal Reserve continues to raise interest rates. A new sweep account was opened with US Bank in the first quarter. The City's operating account sweeps to/from this account each day and is currently earning 4.33% as of May 12, 2023. The City will competitively seek quotes for a central depository bank(s) through a request for proposals (RFP) as required by the City's investment policy. Similarly to 2020, the General Fund balance as a percent of annual expenditures was over 100% (104.54% unencumbered cash). There will be a transfer of \$1.15 million to the Economic Budget Stabilization Fund sometime in 2023. Income tax collections increased \$343K or 6.02% over 2022 levels. However, the City's two largest withholding payments were not received in March due to timing. Ms. Bair stated for tax year 2021, the City issued 22 refunds totaling \$20k to non-resident employees that worked from home. She advised that there has been 4 refunds for tax year 2022. Ms. Bair also advised that in 2022 the City added 562 new withholding

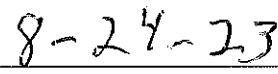
accounts and 212 thus far in 2023. Many of these accounts have been setup for employees residing in Centerville that are now working from home. Mr. Roark gave a recap on the General Fund spending, advising that 25.99% of the 2023 revised budget (with encumbrances) was spent. There were \$3.79 million in open encumbrances at the end of March for the General Fund. Mr. Roark advised that golf revenues saw a decrease in revenue compared to 2022 levels. Greens fees, merchandise sales and golf lessons all being contributors to the financial success while handicap revenue, annual memberships and simulator fees contributed to the decreased revenue. The bulk of golf season is still ahead for 2023 and the mid-year update will provide a better idea of the overall performance. The new golf carts arrived in March and have received great reviews thus far. Food Service revenue increased \$142K or 197.72% from 2022 with food sales, alcoholic beverages and banquet service charges all being contributors. On the expenditure side, personnel and benefit costs increased due to the successful Incentive Pay Program and staffing additions. Overall the Golf Course Fund spending finished the quarter at 39.21% of the 2023 revised budget (with encumbrances). Mr. Roark gave an update on the Waste Collection Fund. Mr. Roark advised that revenues and expenditures saw an increase when compared to 2022 levels. We attribute the increase in revenue to the new rate increase that passed in July 2022, and went into effect January 1, 2023. Expenditures were up primarily due to costs associated with vehicle maintenance and repair, vehicle parts and supplies, recycle fees, fuels costs and the increase in funding to the capital fund for new waste vehicle and toter purchases.

Ms. Piatt gave a preview on the City's 2022 financial audit. She stated that last fall, the Auditor of State's (AOS) office approved the extension request with Plattenburg. This contract will take the City through the fiscal year 2026 financial audit. Plattenburg was on-site the week of April 17th and will be returning sometime in June. There is no single audit requirement for fiscal year 2022. Although the City's federal funds exceeded the \$750,000 single audit requirement, the City will have an Alternative Compliance Examination (ACE) Engagement due to the amount of American Rescue Plan Act (ARPA) funds expended during the fiscal year. Ms. Piatt advised that the City's basic financial statements (BFS) will be filed by May 31st and the audit will be completed by June 30th.

At 12:52 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