



## **City of Powell Finance Committee**

### **MINUTES July 11, 2017**

#### Attendees:

Tom Counts, Dan Swartwout, Brendan Newcomb, Jim Hrivnak, Jane Van Fossen, Steve Lutz, Jessica Marquez, and Debra Miller

#### Approval of minutes

Minutes were approved as printed.

#### Financial Reports for June 2017

Ms. Miller stated that revenues including income tax was coming in on target or above target and expenditures were in-line with the budget. Mr. Hrivnak asked about why the information technology expenditures were so high and Ms. Miller stated that so many of their expenses are done at the first of the year. Examples given were: capital purchases and the annual maintenance agreements.

Mr. Counts asked about municipal income tax net profits and the new laws. Ms. Miller stated that net profits are increasing especially when compared to when she first came in 2005 and net profits were in the \$50,000/year range. She also stated that the City would probably not see the effect of the new net profit laws as they are being implemented while the City's net profits are growing. The net profits laws would only reduce the amount of growth the City was experiencing.

#### Emergency Management Agreement Change

The Finance Committee had heard the presentation from the EMA about the agreement change at an earlier finance committee meeting. This was the time to discuss and decide whether or not to recommend to City Council. The committee discussed the pros and cons of belonging to this group along with the possibility of not voting and allowing the contract to change when the majority voted yes. The committee decided to send to City Council with their recommendation.

#### Finance Software

Ms. Miller, Ms. Marquez and Mr. Lutz reviewed with the committee their recent meeting with the City's financial software provider's president (Software Solutions Inc.) Al Ferguson. Staff expressed their disappointment to the Mr. Ferguson about the recent software programming errors along with the lack of communication to the City about these errors since they were known to SSI.

Ms. Miller discussed the possibilities of including performance measures in the next maintenance agreement with Mr. Ferguson. Mr. Ferguson was agreeable to the concept.

Ms. Miller recommended to the Finance Committee that (a) the City look at putting in these performance measures in the maintenance contract in order to buy the City some time and (b) look at in the Fall/Winter 2018 starting a process of getting a project manager to assist the City in selecting a new vendor for implementation in January 2020. The committee discussed what would happen if another error occurred and the time it would take to change software companies. Ms. Miller and Ms. Marquez stated that if we already knew what software company we were going with, we still looking at a twelve to eighteen month process for implementation. Ms. Miller also stated that it would almost impossible for the department to handle this type of project along with a possible ballot issue in the same year. The committee wasn't happy about the situation but understood the constraints.

#### Investment Policy Revisions

Ms. Miller reviewed the recommended changes to the committee. The committee suggested some word changes in the Investment Broker/investment program area which will be incorporated into the version sent to City Council.

#### 2016 City Council Goal – Fiscal Sustainability/Capital Funding

The report on the Upper Arlington meeting was supposed to be tonight however the meeting was not able to be scheduled in time for that. Therefore, the report will be made in August.

#### Other Business

Ms. Miller stated that the City has gone out for bids on the August note this morning. The City awarded the bid to Key Bank which had the lowest interest cost of approximately 1.34%.

#### Adjourn

Committee adjourned at 8:00 pm.