



## **FINANCE COMMITTEE MEETING MINUTES MARCH 8, 2022**

### **Attendees**

Tom Counts, Chairman; Frank Bertone, Committee Member; Heather Karr, Committee Member; Andrew White, City Manager; Rosa Ocheltree, Finance Director; Jeffrey Tyler, Assistant City Manager; Chloe Lanka, Finance Specialist; and Jason Nahvi, Human Resources Business Partner.

### **Call to Order**

Tom Counts called the meeting to order at 7:00 p.m.

### **Approval of Minutes**

Minutes of the February 15, 2022 Finance Committee Meeting were approved by consensus.

### **Financial Reports – February 2022**

Rosa Ocheltree reviewed the financial results for February. The month ended with a general revenue fund balance of \$10.1 million. Total operating revenues were \$1.54 million, 21% higher than February of 2021, primarily due to an increase in income tax collection. Tax receipts showed a 40% favorable variance compared to January 2022 and a 14.5% favorable variance compared to January 2021. YTD tax receipts are 23.6% higher than this time in 2021. Month ended with YTD excess of operating revenues over operating expenses of \$131,000 and a deficit of revenue over all expenditures of \$343,000 due to fund transfers. The deficit is 45% lower than it was last month, following the same trends seen in 2021.

The committee discussed trends and changes in income tax collections. Rosa Ocheltree stated by June we will have a better understanding of where we will be compared to estimates for the year.

### **First Quarter Appropriations**

Rosa Ocheltree gave an update of requests that were presented last month. Some requests were approved and others have been deferred. \$130,000 were approved at the last council meeting, and \$492,000 in appropriations have been put on hold until the 2023 budget build process. Rosa Ocheltree stated unless there is an emergency, her goal is to present appropriations on a quarterly basis.

The communications position was discussed. The position was budgeted as part-time for 2022 and will be replaced by a full-time position. This will require additional appropriations for salary and benefits, which Rosa Ocheltree stated will be part of the second quarter appropriations. Committee members recognized there is an urgent need to fill the position.

### **Purchasing Policy**

Discussion moved to the revised purchasing policy. Rosa Ocheltree stated the beginning of the policy is a cut and paste of the uniform guidance policy. Committee members asked that the committee/council continue to be given a list of expenditures and contracts and asked that this be added to the policy. Other minor edits in wording were discussed. Rosa Ocheltree would like the policy to be presented at the next council meeting.

### **CIP Funding**

Andy White began discussions on the CIP funding policy. Rosa Ocheltree prepared a draft policy utilizing conservative estimates of available resources and operating expenses. The draft policy assumes that 20% of municipal income tax collections are allocated to CIP funding and 5% of income tax collections are allocated to a CIC reserve. A list of potential projects was reviewed. Rosa Ocheltree discussed metrics that the city will need to watch for funding purposes, including the debt-to-revenue ratio and the percentage of fund balances that have been appropriated. Funding and projects will have to remain flexible, with Jeff Tyler pointing out that developers coming to the city might have certain requests that need to take priority. The current goal is to present the CIP funding policy to council at the first meeting in April. Committee members discussed how to present the policy to the rest of council.

### **Citizen's Representative**

Tom Counts began a brief discussion on the citizen's representative for finance committee. There has been one applicant, and Jason Nahvi will get a resume. Work on finding a representative will continue, and the final selection will need to be appointed by council.

### **Adjournment**

Adjourned at 8:09 p.m.

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Tom Counts  
Chair

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Amy Deere  
City Clerk