



Coburg Finance/Audit Committee
Regular Meeting
January 28th, 2021 – 5:30 P.M.
Virtual meeting via Zoom
Coburg City Hall
91136 North Willamette St.

COMMITTEE MEMBERS PRESENT: Cathy Engebretson, Chair; Terry Dawson, Patrick Kocurek, Coleen Marshall.

John Lehmann- Councilor, Non-Voting

COMMITTEE MEMBERS ABSENT: None

STAFF PRESENT: Tim Gaines, Finance Director

MEETING RECORDED BY: Jack Moran, LCOG

1. CALL TO ORDER:

Ms. Engebretson called the meeting of the Coburg Finance/Audit Committee to order at 5:33pm., and reviewed the agenda.

2. FINANCE REPORTING – City of Coburg – November 2020

Mr. Gaines presented the topic. Financial records relating to the presentation were included in the agenda packet.

Mr. Gaines said the city received roughly \$299,000 in tax revenue in November. City revenues were strong, and both water and sewer fees were above budget. The city made one large tax payment in November, but it was not processed until early December. The city is expecting reimbursement for a water project, Mr. Gaines said. He expected the money would be received by the end of February.

In response to a question from Ms. Marshall, Mr. Gaines said the city received a dwindling amount of property taxes after November but that most all of it had been received by that time.

In response to a question from Ms. Engebretson, Mr. Gaines said General Fund revenue totaled \$854,000 through November but that additional revenue would be received. Specifically, he said franchise fees received in one month are processed during the following month.

Mr. Gaines said despite uncertainty during the last year, Coburg's financial position appeared strong. He added that Coburg was applying for a \$100,000 state grant for the Roberts Road project.

Ms. Engebretson summarized the presentation and agreed the city's financial picture was positive. Revenues appeared strong and expenses had been kept in check, she said.

3. NEXT STEPS FOR COMMITTEE

Ms. Engebretson introduced the topic. She mentioned an ongoing committee goal was to review and make potential recommendations regarding city financial policies and procedures, with an emphasis on internal-control review.

Mr. Gaines reminded the committee it had requested audit committee toolkit documents, and said members of the group could borrow copies. Ms. Marshall said she would borrow a copy.

The group set a goal that would have committee members review the documents to become better-informed on relevant issues.

Ms. Engebretson then led a review of the General Fund analysis worksheet included in the agenda packet. The worksheet provided detail on discretionary funding, and Ms. Engebretson stated it was important for the committee to review it to could determine if the city's spending exceeded its revenues.

She noted a negative balance of roughly \$145,000 reflected on the spreadsheet, but said there was no concern because the city had sufficient cash on hand to cover the difference. Revenues had exceeded expenses in previous years.

Mr. Gaines and Ms. Engebretson provided additional clarification, in response to a question from Ms. Marshall.

Ms. Engebretson presented budgeted and actual numbers reflected on the spreadsheet. Additional discussion followed.

In response to questions from Mr. Lehmann, Mr. Gaines said the beginning fund balance reflected on the sheet totaled \$895,228. The projected ending fund balance through Nov. 30 totaled roughly \$584,000.

Mr. Gaines speculated some revenues, such as franchise fees, ultimately could be higher than expected with more people staying home in the last year.

Ms. Engebretson reiterated committee members should review the city fiscal policies and accounting procedures booklet. Mr. Gaines said he would email the information to all committee members.

In other business, Ms. Engebretson said she would update the City Council in February on the committee's work. She added she planned to share with councilors the committee's goals, and would also discuss the city's financial picture.

In response to a question from Mr. Lehmann, Mr. Gaines said there were no minutes from previous minutes to consider for approval.

Mr. Gaines, in response to a question from Ms. Marshall, said the city's auditor planned a presentation to Council on Feb. 9. The committee had reviewed the audit, Ms. Marshall noted. She added that the city's decision to refinance loans had been a success.

Mr. Lehmann asked about the purchase status for the property on which the third well is located. Mr. Gaines said that process had been completed.

Mr. Gaines provided additional information about state DEQ sewer loans, in response to a question from Mr. Lehmann seeking clarification.

Mr. Gaines told committee members the formal budget process would begin after a retreat scheduled for Feb. 6.

Future committee meetings were scheduled for April 28, July 28 and Oct. 27.

Mr. Gaines shared that the city expected to go out to bid for new financial software, which would add capabilities and features. The budget committee would review that request, he said.

4. ADJOURNMENT

Ms. Engebretson adjourned the meeting at 6:29 p.m.

APPROVED by the Finance | Audit Committee on this 26th day of April 2021.

Cathy Engebretson 4/28/21
Cathy Engebretson, Chair

ATTEST: Sammy L. Egbert
Sammy L. Egbert, City Recorder