

Audit/Finance Committee Meeting Minutes
October 25, 2019
8 AM City Commission Chambers

Committee Attendees: Lloyd, Wobser, Martin, Stahl, Tomasula, Ruthsatz, Moncher, and Nickles.

Nickles called the meeting to order at 8:08 AM. He thanked everyone for making it to the meeting today. Moncher then made a motion to accept the minutes from the 9/13/2019 meeting, with Ruthsatz seconding the motion. There was no further discussion. **All ayes – motion carried.**

Martin then presented the September report to the committee. She noted that through September, our General Fund revenues were holding pretty steady to last years with a decrease of .13%. Admissions tax and Lodging tax were helping to hold that number steady with an increase of 4.73% and 5.25% respectively. Income tax was bring the number down a bit with a 2.19% decrease from last year. She also noted that the General Fund expenses were down by 3.8% from last year. The General Fund cash balance was at \$7,065,926 at the end of September. Moncher noted from the General Fund Unencumbered Balance report that was the highest month yet. Moncher then ask Wobser how he was set on staffing numbers going into the 2020 budget. Wobser explained there may be one or two more new hires next year, but they would be included in the budgeting process. Stahl commented that he was ending his term on the Mental Health Board and advised that they had taken our General Fund Unencumbered Balance report template and incorporated it into their report process and he found it to be very helpful to them. Moncher then made a motion to accept the September report with a second from Ruthsatz. There was no further discussion. **All ayes – motion carried.**

Nickles then reminded the committee that 2020 is the year that will have the 27 payrolls. He asked if the payroll stabilization was ready to handle that additional cost. Martin advised that the current balance was at \$790,734.24 before any year-end transfers have been made. It is the City's plan to fund that 27th payroll out of that account. Nickles was pleased because Moody's loves that the City is looking forward to tackle these future problems before they occur. He then reminded the committee of the 2020 meeting dates. He asked them all to mark their calendars. He then noted over the past few years the committee have cancelled the December meeting date, because the Finance Director has always been really busy with year-end procedures. He asked the committee if they were agreeable to doing so this year again and they agreed so the December 13th meeting will be cancelled. He agreed that another one could be scheduled if something came up that required the committee to meet.

Nickles then opened the meeting up to the public. Sharon Johnson asked Martin when she thought the draft budget would be available. Martin explained that there is a November 1 deadline that must be meet and that she would email her a copy of it when it is complete. Ms. Johnson then advised the committee that she had serious concerns over Hank Solowiej leaving the city without giving a two week notice. Nickles advised Ms. Johnson that the committee would not be discussing her concerns regarding Mr. Solowiej, because it was not the appropriate place to have the discussion. If she wanted to express her concerns on this issue she needed to take them to the City Commission meeting. Nickles advised that during the Finance Committee's public

participation they are there to answer questions from the public. He explained to Ms. Johnson that the City's auditors had called him and asked him just one question, which was if he believed in any way there was any financial impropriety involved in the resignation of Mr. Solowiej. He adamantly expressed his belief that there was no financial impropriety in this situation. Lloyd explained to Ms. Johnson that it is not unusual in a financial setting for people to not work two weeks after their resignation, since they have access to all of the entities bank accounts. Many times individuals will give a two week notices and management declines the additional two weeks of employment. Wobser explained that the announcement had been made to the public that Solowiej had resigned due to personal reasons and that the City is trying to respect his wishes. If she had concerns on his resignation, she should probably contact him. Ms. Johnson reiterated that many of the public had concerns and she wanted to express them. Moncher suggested that the finance committee discuss the possibility during their executive session to come up with a statement for the public explaining that the Finance Committee does not feel there was any financial impropriety when it came to the resignation of Mr. Solowiej. Ms. Johnson felt the public would appreciate the reassurance from them.

Nickles then requested a role be call for the committee to go into an executive session to discuss personnel issues. Martin polled the committee. Moncher-yes, Nickles-yes, Ruthsatz-yes, Tomasula-yes, Lloyd-yes, Stahl-yes, Wobser-yes, and Martin-yes. The committee went into executive session.