

CITY OF GENOA

FINANCE ADVISORY COMMITTEE

MINUTES

October 18, 2023

Chuck Cravatta called the October 18, 2023, City of Genoa Finance Advisory Committee to order at 8:05 AM.

On roll call, members Ted Aretos and Chuck Cravatta, were present; Alyssa Seguss and Janis Tures, with the City of Genoa were also present. Melissa Davidson was absent.

Old Business:

- A. Chuck Cravatta made a motion to approve the May 17, 2023, minutes, seconded by Ted Aretos. Upon voice vote, all members present voted aye.

New Business:

- A. **FY23 Audit Overview:** Brian LeFevre with Sikich gave an overview of the Draft Audit to the Committee noting the City has received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the past 17 years. Mr. LeFevre discussed the following audit items with the Committee, starting with the audit's three major sections, Introduction, Finance and Statistics. He then discussed the following reports, Independent Auditors Report unmodified opinion which is the highest level of opinion, Management's Discussion and Analysis executive summary report, Statement of Net Position, Statement of Activities, Balance Sheets, Water and Sewer Enterprise Fund, Police Pension Fund, Notes to Financial Statements, Deposits/Collateral, Loans and Pension Actuarial ending liability. Mr. LeFevre answered questions from the members regarding debt level, pension funding and the overall financial state of the City. The committee members thanked him for the audit review and attending the meeting.
- B. **Discuss Budget Involvement:** The committee discussed and decided to review the first draft / unbalanced so Council and FAC can discuss necessary changes required to balance the budget prior to approval.
- C. **Discuss Standard Responsibilities:** The committee felt their responsibilities included monthly budget report reviews, monthly Fund balance reviews, monthly reviews of accounts payables and draft unbalanced/balanced proposed budget reviews.
- D. **Discuss Annual Review of Financial Policies:** Tabled to discuss in November.
- E. **Discuss Possible Referendum to Increase Sales Tax Rate:** The committee discussed the possibility of increasing the City's sales tax rate through a referendum and felt this would be the best option to increase revenues for the City. City Administrator Seguss will have the intern research other community tax rates and the referendum process for further discussion at the next meeting.
- F. **Discuss Possible Change of FY Dates:** City Administrator Seguss gave an overview of the benefits and drawbacks of making the change from our current May 1 to April 30 fiscal year to a January 1 to December 31 fiscal year, noting the

alignment with street construction projects. Auditor Brian LaFevre stated the benefits are having the same tax levy and IRS reporting periods, the negatives are significant work for two budgets and two audits in a shorter time. Finance Director Tures noted she has been looking into budgeting and CIP software that could significantly help in reducing the additional workload for the finance department. The committee thought the change would be good for the City and requested a presentation of the budgeting software at the next meeting.

Chuck Cravatta made a motion to adjourn the meeting at 9:22 AM, seconded by Ted Aretos. Upon voice vote, all members present voted aye.

The next Finance Advisory Committee meeting is November 15, 2023, at 8:00 AM.