MINUTES OF THE FINANCE AND HUMAN RESOURCES COMMITTEE MEETING HELD ON WEDNESDAY, JUNE 14, 2023

1. The meeting was called to order by Ald. Saryan at 6:12 P.M.

Present:

Ald. Kastner
Ald. Saryan
Ald. Bailey

Also present:

Michael Neitzke, Mayor (arrived at 6:30pm)
Paula Schafer, Finance Director
Tim Sowinski, Deputy Comptroller
Julie Foley, Human Resources Director (excused)
Wendi Unger, Baker Tilly

2. Approval of the April 26, 2023 Finance & Human Resources minutes.

Motion by Ald. Kastner, seconded by Ald. Bailey, to approve the April 26, 2023 Finance & Human Resources minutes.

The motion carried unanimously.

3. Discussion and decision regarding approval and acceptance of the City of Greenfield 2022 Financial Statements and Independent Auditor's Report and Baker Tilly US, LLP reporting and insights from the 2022 audit.

Ms. Unger stated that our audit resulted in an unmodified opinion, which is a positive opinion. Included in this opinion is an Emphasis of Matters paragraph, this is because for 2022 GASB #87, or Governmental Accounting Standards Board #87, was effective. GASB #87 is the handling of leases for the City and how those are accounted for in the statements. It did record $2.4 million lease receivable, and a related offset in our liability section for the unearned revenue. That unearned revenue will be recognized over the life of the leases.

Ms. Unger said the City continues to not have any type of material weaknesses or significant deficiencies. This means that in regards to our internal controls, they did not note any control type issues. They do not have many organizations that they work with that they can say there are no material weaknesses. She also noted that there were no material journal entries as part of the audit process, which is a very positive result.

Ms. Unger noted that a new GASB, GASB #96 will be effective for the City in 2023. This is the accounting for subscription based IT arrangements. The accounting and changes are very similar to the implications of GASB #87. The hardest part will be doing inventory of what we currently have and then recording it. Previously, these were just handled as a normal expense.

Ms. Unger also wanted to note that there was an increase in net position, which is equity, of $6.5 million. The General Fund had a very good year, with a positive swing of over $1 million compared to what the City had expected. This is primarily due to revenues from Ambulance billing. Also, the City's General Fund expenditures were $553,000 under budget. Overall, it was very favorable results. The Sanitary Sewer and Refuse Funds overall both show sufficient activity to support their operations.

Ms. Unger talked about the City's General Fund fund balance policy, which is the ability to set aside up to 25% of the subsequent year's operating budget. This equates to about $7.7 million and is included in the unassigned fund balance line for the General Fund. Therefore, the City was in compliance with its fund balance policy as of year-end.

Ms. Unger did want to remind us that, for the ARPA funds, which is a little over $3 million of unspent funds, those funds need to be obligated by the end of 2024. She was informed prior to the meeting that the process for obligating those funds has already taken place.

Motion by Ald. Kastner, seconded by Ald. Bailey, to approve and accept the City of Greenfield 2022 Financial Statements and Independent Auditor's Report and Baker Tilly US, LLP reporting and insights from the 2022 audit.

The motion carried unanimously.

4. Discussion and decision to transfer $80,000 from the general street repair account in the general fund to the capital improvements fund for the City Hall HVAC Controls Project EN2303.

Ms. Schafer stated the budget had the $80,000 listed as debt, but we cannot use debt for this project. Ald. Kastner noted that if we cannot take it directly out of one fund, we have to move it in order to accomplish what we need to in the budget.

Ald. Bailey asked when the work will be started, and Ms. Schafer replied that we've seen some invoicing coming through for the project. Mayor Neitzke noted that he was in two prior meetings and the heating and air conditioning wasn't working and that it's critical to fix this issue.

Motion by Ald. Kastner, seconded by Ald. Bailey, to approve transferring $80,000 from the general street repair account in the general fund to the capital improvements fund for the City Hall HVAC Controls Project EN2303.

The motion carried unanimously.

5. Discussion and decision to approve a transfer from reserves in the General Fund to the Capital Equipment Fund for the TIPSS Courts Software project - CE2015 in the amount of $69,119.

Ms. Schafer said it was approved a few years ago to get new Court software. At that time, it was discussed that they would have to figure out where a portion of the funding would come from. It was never decided at that time, so now Ms. Schafer is suggesting it come out of the General Fund reserves.

Motion by Ald. Kastner, seconded by Ald. Bailey, to approve a transfer from reserves in the General Fund to the Capital Equipment Fund for the TIPSS Courts Software project - CE2015 in the amount of $69,119.

The motion carried unanimously.

6. Approval of mileage reimbursements in the amount of $732.03.

   Motion by Ald. Bailey, seconded by Ald. Kastner, to approve mileage reimbursements in the amount of $732.03.

   The motion carried unanimously.

7. Approval of schedules of disbursements in the amount of $9,498,769.02.

AP DISBURSEMENT SCHEDULES:			
AP CHECKS	5/12/2023	$	42,059.55
AP CHECK	5/19/2023	$	943,438.26
AP CHECKS	5/26/2023	$	628,416.69
AP CHECKS	6/2/2023	$	113,500.98
AP CHECKS	6/9/2023	$	455,634.70
WIRE TRANSFERS - MAY 2023		$	6,767,365.36
P-CARDS - APRIL 2023		$	334,067.45
P-CARDS - MAY 2023		$	214,286.03
		TOTAL $	9,498,769.02

   Motion by Ald. Bailey, seconded by Ald. Kastner, to approve schedules of disbursements in the amount of $9,498,769.02.

   The motion carried unanimously.

8. Items for future agenda.

   Update of shared revenue.

9. Adjournment.

   Motion by Ald. Kastner, seconded by Ald. Bailey, to adjourn the meeting at 6:56 pm.

   The motion carried unanimously.