



**CITY OF KEIZER
AUDIT COMMITTEE MEETING MINUTES
February 20, 2020, 4:00 p.m.**

Attendance:

Kevin Dial, Citizen, Budget Committee
Kim Freeman, City Councilor (4:06)
Elizabeth Smith, City Councilor
Marlene Parsons, City Councilor

Tim Wood, Finance Director
Kathy Wilson – Grove, Mueller & Swank

Absent:

Jonathan Thompson, Citizen, Budget Committee

Meeting convened at 4:010 p.m.

Approval of Minutes ~ Marlene Parsons moved for approval of the February 28, 2019 Minutes. Kevin Dial seconded. Motion passed with Smith and Parsons and in favor, Dial abstaining, Thompson absent and Freeman absent at time of vote.

City of Keizer Comprehensive Annual Financial Report: Mr. Wood announced that the City received the Certificate for Achievement of Excellence in Financial Reporting 20 years in a row and it has been submitted for this year. The Budget has also received the Distinguished Budget Presentation award.

Mr. Wood reviewed pages 5, 7, 16, 58, 63, 65 and 94 explaining changes in governmental revenues (parks/police fees), PERS net pension liability and interest returns, police/parks services, comparisons between actual operations and budget and the Transient Occupancy Tax and Community Center Fund.

Auditor Kathy Wilson, noted that included in the CAFR are two reports from Grove, Mueller & Swank: 1) the independent auditor's report unqualified opinion, and 2) the compliance report for the State of Oregon which had nothing to report – no over expenditures or appropriations or deficit fund balances or any violations of local budget law. She concluded her report noting that the auditors appreciate working with Keizer staff because of their professionalism and responsiveness.

Discussion took place regarding property taxes with Mr. Wood explaining that the City will see a smaller increase than anticipated this year but it will show in the 2020-21 budget. The expected deficit will be \$40-50,000. Several properties in Marion County are appealing their property taxes and that will be another \$40,000 hit to the budget making a total of \$80-90,000. Of further concern is the Comcast contract that could have an impact on PEG funds.

He added that the City will need to keep an eye on Volcano stadium. If the baseball team leaves, the impact will be a loss of \$50,000 for rental income. Discussion followed regarding the value of the land and the benefit to the budget if the Volcanoes leave since the land is worth much more than what the City is receiving.

Adjourn ~ Meeting concluded at 4:41 p.m.

Minutes approved: _____