



**CITY OF KEIZER
AUDIT COMMITTEE MEETING MINUTES
February 22, 2018, 4:00 p.m.**

Attendance:

Ron Bersin, Citizen Volunteer, Budget Committee
Jonathan Thompson, Citizen Volunteer, Budget Committee

Kim Freeman, City Councilor
Bruce Anderson, City Councilor
Marlene Parsons, City Councilor

Chuck Swank – Grove, Mueller & Swank
Kathy Wilson – Grove, Mueller & Swank

Tim Wood, Finance Director
Debbie Lockhart, Deputy City Recorder

Meeting convened at 4:07 p.m.

Approval of Minutes ~ Marlene Parsons moved for approval of the March 30 2017 Minutes. Kim Freeman seconded. Motion passed unanimously with Bersin, Freeman, Anderson, and Parsons and in favor and Thompson abstaining.

City of Keizer Comprehensive Annual Financial Report: Mr. Wood announced that the City has received the Certificate for Achievement of Excellence in Financial Reporting 18 years in a row and it has been submitted for this year. The Budget has also received an award; that is how staff strives to be transparent.

Mr. Wood then reviewed the Comprehensive Annual Financial Report (CAFR) noting that it had received an unqualified opinion and there were no transactions outside of the ordinary. He explained that staff tries to budget what they expect for each line item and provided details regarding various line items. He pointed out savings realized in the Administrative Services Fund through staffing changes and reviewed the Community Center fund.

Auditor Chuck Swank commended City staff noting that auditors love working in an environment where personnel respond with knowledge and there are not a lot of questions because the client grasps professionally their own report. He noted that Keizer has been that way for a number of years and that the Government Finance Officers Association Award does not come close to recognizing the quality of work done by Keizer staff who do their homework and understand the underlying effects of laws and requirements.

Mr. Wood then explained that with the new Parks/Police fees and resultant hiring, the City now employs over 100 people which means certain criteria will have to be met. Four former employees buy insurance through the City and now with over 100

employees the City will have to do a full actuarial study which is a cost to the City that has been avoided for several years. Additionally Dearborn Bridge will be replaced. It is the last wooden bridge in Keizer. The City is borrowing 1.8 million dollars for the project and will pay it back with Gas Tax revenues in the Street Fund.

Other Items – Heritage Center Agreement: Mr. Wood explained that during the past year the City had an agreement to take over management of the Heritage event center but that didn't work out. Heritage Center is planning on requesting \$20,000 at the next Budget Committee meetings for maintenance, management and repairs. The City anticipates allocating that amount annually to offset the building costs rather than giving money to the library as has been done in the past. More details will be available at the Budget Committee meetings. The Heritage Center has been a good partner, maintaining their repair fund and continuing to add to it. They submit their financial statements and lease payments on time.

Adjourn ~ Meeting concluded at 4:36 p.m.

Minutes approved: 2-28-19