



CITY OF KEIZER
AUDIT COMMITTEE MEETING MINUTES
February 28, 2019, 4:00 p.m.

Attendance:

Jonathan Thompson, Citizen, Budget Committee
Kim Freeman, City Councilor
Elizabeth Smith, City Councilor
Marlene Parsons, City Councilor

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

Absent:

Ron Bersin, Citizen, Budget Committee

Meeting convened at 4:00 p.m.

Approval of Minutes ~ Marlene Parsons moved for approval of the February 22, 2018 Minutes. Kim Freeman seconded. Motion passed with Thompson, Freeman and Parsons and in favor, Smith abstaining and Bersin absent.

City of Keizer Comprehensive Annual Financial Report: Mr. Wood announced that the City has received the Certificate for Achievement of Excellence in Financial Reporting 19 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 reviewed changes noting that the biggest one is post-employment benefits. Keizer does not offer a lot to retirees other than insurance and PERS requirements. Mr. Wood provided details on both of these items. In addition to these changes there was the addition of the Park and Police fees which will be addressed in detail at the Long Range Planning Task Force meeting. He has not had a significant amount of complaints, most everyone is paying the full amount, with about 400 residents taking advantage of the reduced fee program. The increase in insurance for added employees will not affect the budget for a few years but consideration is being given to starting a line item now so that the impact will be less when the payment is due.

Mr. Wood then reviewed some of the financial highlights on pages 7 of the Comprehensive Annual Financial Report, 49 which referred to PERS costs, 64-65 which showed the activity of the Parks Services and Police, and 93 showing the Community Center fund. Discussion followed regarding the allocation of the Transient Occupancy Tax and maintenance/upgrades in the event center. Mr. Wood then directed attention to page 128, fielded questions and provided explanation and clarification.

Auditor Cathy 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. The last document she had to present is the auditor’s discussion to the city; there were no disagreements with management. There were a couple of very small misstatements in the financial statements but they were trivial amounts so there is no attachment to it for adjustment. She concluded her report noting that the auditors appreciate working with Keizer staff because of their professionalism and responsiveness.

Other Items – Transient Occupancy Tax: Mr. Wood explained that this has grown and will continue to do so with the new hotel. Discussion followed regarding relying on the TOT for maintenance of the event center, sharing it with the Chamber, and establishing a maintenance line item for the event center.

Adjourn ~ Meeting concluded at 4:42 p.m.

Minutes approved: 02-20-20