

## Minutes of Finance Committee Meeting of 07/07/2016

### Committee members present:

Selinda Barkhuis, Treasurer; Shoona Riggs, Auditor; (Mike Chapman, Commissioner – absent)

### Staff:

Stan Creasey (acting secretary), Jim Jones, Debi Cook, Kay Stevens, and Jill Colvin

Meeting called to order by Selinda Barkhuis at 9:00 AM.

### Approval of Agenda

No changes were offered to the agenda.

### Approval of Minutes of June 9, 2016 Meeting

Minutes were approved as presented.

### Revenue Status

Kay Stevens distributed materials showing revenue in the Treasurer's department for 2016 through the end of June and also showing historical data for selected major revenue lines. She stated that revenue is generally on target so far in 2016. The committee discussed the effect of the changes in sales tax rates on the sales tax revenues received.

### Investments

Jill Colvin distributed materials detailing the certificates of deposit held by the general fund and by treasurer's cash. They show that the County is on path to exceed budgeted investment interest revenue by a modest amount. Average CD rate is about 1%.

### Expenditures

Stan Creasey distributed materials showing his projection of revenue and expenditure for the general fund for 2016. He anticipates that revenue will be slightly above (original) budget and that expenditure will be significantly below. The expenditure projection is based on experience from prior years with respect to how first half spending predicts second half results, and assumes that 2016 will act much like prior years. Jim Jones agreed that his preliminary analysis of 2016 showed a similar unusual shortfall in spending in the first half. In net, Mr. Creasey's projection shows the general fund with a deficit of \$1,154,000 in 2016 as compared to a budgeted deficit of just over \$3 million.

Treasurer Barkhuis introduced the issue of the proposed litigation settlement for approximately \$518,000 and the committee discussed the manner in which the Treasurer

was informed of this impending expenditure and the methods of improving communication on similar issues in the future.

### General Fund Reserves

The committee discussed the prospects for significant unbudgeted expenditures (similar to the \$518k discussed above) and Jim Jones mentioned a payment of \$165k to settle another item of litigation but that was included in the 2016 budget.

### 2016 Finance Committee Meeting Schedule

Treasurer Barkhuis stated that future meetings of the committee are scheduled for September 8, and December 8 of 2016.

Kay Stevens then introduced an item that was not on the agenda, revision of Policy 502. The committee discussed this issue and instructed Kay Stevens, Stan Creasey, and Debi Cook to meet, discuss policy 502 and propose changes to the committee at its next meeting.

This concluded the business of the meeting, which adjourned at 9:30 AM.

Respectfully submitted

Stanton Creasey