



FINANCE COMMITTEE MINUTES

Thursday, May 25, 2023, 9:00 A.M.

Willowbank Office Building
420 Holmes Street, Room 146
Belleville, PA 16823

I. CALL TO ORDER

Chair of the Committee, Commissioner Mark Higgins called the Finance Committee meeting to order at 9:03 A.M. on Thursday, May 25, 2023.

In attendance were Commissioner Mark Higgins, Commissioner Amber Concepcion, Commissioner Steve Dershem, Administrator John Franek, Jr., Director of Finance and Budget Richard Killian, Treasurer Colleen Kennedy, Controller Jason Moser, Deputy Controller Terri Fisher, and Procurement/Contract Analyst Lisa Kerns.

County personnel present included Natalie Corman.

Guests present included Bob Belicose and Lysie Deibert from Maher Duessel.

II. PUBLIC COMMENT

There were no comments received from the public.

III. ADDITIONS TO THE AGENDA

There were no additions made to the agenda.

IV. MEETING MINUTES

The Committee will consider approving the minutes from the Finance Committee meeting held on Thursday, April 27, 2023.

Action: On a motion by Controller Moser, and seconded by Commissioner Dershem, the Committee voted unanimously to approve the minutes from the meeting held on April 27, 2023.

V. OLD BUSINESS

A. 2022 Audit Progress Update – Maher Duessel

Bob Belicose of Maher Duessel provided a handout and information on the status of audit items and the upcoming schedule. He reviewed items completed and those open/outstanding, along with the deadlines. They will be onsite completing audit work the week of June 12. A draft comprehensive annual financial report (ACFR) from the Controller's office is expected by the end of May or early June, and Maher Duessel will issue a draft ACFR within 3 weeks. The draft ACFR will be presented at the June Finance Committee meeting, which is currently scheduled for June 29, before the

June 30 deadline. Single Audit work will be in June, July, and August, and is scheduled to be presented at the August Finance Committee Meeting. Commissioner Higgins questioned the review of segregation of duties and other antifraud procedures that are in place. Bob said they would alert if they came across any fraud.

B. ERP System Update

Controller Moser reported that they have all the final paperwork to Univerus. Yesterday, there was a second meeting with Univerus, Plante Moran, and the County to work on the scheduling of software implementation. Workshops are planned, probably for June, and documentation implementation is planned throughout the summer and fall, with actual implementation to begin in late fall/early winter into spring. He said a soft-landing date is scheduled for April 1 or July 1, 2024.

VI. NEW BUSINESS

A. ClearGov Budget Application Update

Richard Killian provided a budget application demonstration using ClearGov. He remarked that he was impressed. He explained the terminology and that the Budget Book is the application, and the department level is a page. Departments will update their page instead of emailing an Excel spreadsheet as they normally do during the budget process. Richard pointed out different components of the Digital Budget Book: an introduction including a transmittal letter, demographics, and organization chart; fund summaries; departments including summaries, budget, and goals. 2023 budget data will be uploaded and updated to have a better picture for forecasting.

Richard presented a proposed budget timeline handout. July will be ClearGov preparation, and in early August departments will be given access to ClearGov, with an August 21 deadline to submit their budget page. September 12 will be the Board of Commissioner's budget kickoff and preparation, and October will be the Board of Commissioner's budget meetings with the departments. The goal would be for a November 14 budget presentation with approval scheduled for November 28.

B. Interest Earnings for April

Treasurer Kennedy reported on the interest earnings for April. She noted that interest rates continue to rise, and that April did surpass all of interest earnings for 2022. There were just under \$400,000 in interest earnings for 2023. Commissioner Higgins noted that interest earnings are averaging close to \$100,000 per month. Interest earnings for the sweep program are about \$27,000 for April. Treasurer Kennedy said that \$17 million in property tax revenue was transferred into the prime account which is currently at 5.15%. About \$11 million within the bond account at PLGIT was transferred from a lower interest rate class account to the higher interest rate prime account. Both transfers remain liquid and accessible.

C. Cash Flow Analysis

Treasurer Kennedy provided the PLGIT-CAP Cash Allocation Program Report as of April 30, from PFM. She pointed out that according to the report summary, an estimated \$6.3 million could be invested in a PLGIT term account. After discussion among the Committee focusing on interest rate uncertainty, it was decided to invest \$5 million of the \$6.3 million.

Action: On a motion by Treasurer Kennedy, and seconded by Commissioner Concepcion, the Committee unanimously voted to transfer \$5 million of money market liquid funds to a 180-day term account at 5.54% at PLGIT.

D. Financial Reports for April

Richard Killian reviewed the April financial reports which included expenditures by category, General Fund and Other Fund expenditures and revenue, overtime, and real estate taxes collected at 33.3% of the way through the year. He pointed out that he added columns for 2022 in the detailed expenditures and revenue showing the budgeted amount, year to date amount, balance, and burn rate for a prior year comparison. He focused on the comparison between the years. In a prior year comparison of overtime, there was more overtime last year, salaries making up the difference this year. In General Fund real estate taxes collected, there has been a historically high collection rate so far this year at 88%, with 2015-2022 averaging 83%.

VII. DISCUSSION ITEMS

A. GFOA Debt Ceiling Debate

Treasurer Kennedy explained there was a PLGIT announcement concerning incoming federal funds that would be upcoming for the County. She said that there is a lot of uncertainty related to the debt ceiling, but most of the County's funds are in safe investments. She wanted to provide a heads-up concerning the County departments receiving grant payments. The Committee discussed some of the federal funds and possible effect.

VIII. ANNOUNCEMENTS

- A. The next Finance Committee meeting is scheduled for Thursday, June 29, 2023, at 9:00 A.M. in Room 146 of the Willowbank Office Building.

IX. ADJOURNMENT

On a motion by Treasurer Kennedy, and seconded by Commissioner Dershem, the Committee voted unanimously to adjourn the meeting at 10:01 A.M.

ATTEST

John Franek, Jr.
Administrator