

Auditor / Treasurer / Finance Committee Update

April 19, 2023

10:40 a.m.

Present: Commissioner Brummer, Commissioner Pollock, Commissioner Swope, Interim-County Manager Steve Wohld, Grace Jimenez, Rodney Reynolds, Arny Davis, Nic Scott, Becky Butler, Tom Stanton, Rudy Rodriguez, Graham Gowing, Ross Neilson

Guest(s): None

Recorder: Tammy Martin

Public comment: None

The Finance Committee Meeting started at 10:40 a.m.

Rodney Reynolds talked about the LGIP fund and how it is influenced. Rodney said the Fed has a 2% target rate and the market is currently at 5%. Inflation year over year had peaked at 9%. Compared to March of 2022, inflation has lowered. Arny Davis said 40% of the inflation rate comes from the housing market. Rodney expects another rate hike at the end of May.

Adjourned at 10:52 a.m.

The Auditor / Treasurer Update started at 10:52 a.m.

Rodney Reynolds said the total expense revenues came in at \$1.2 million more than expected. Rodney said investment earnings came in much higher than expected as well. Rodney said the lodging tax distribution through March shows YTD collections up 5% from 2022. Commissioner Pollock questioned the occupancy over inflation. The numbers come from the Department of Revenue, but there is no indication if this is simply due to inflation.

Auditor's Office Report:

Grace said revenue almost broke even with expenditures for 2022. Grace said the 2022 year is completely wrapped up.

Grace said general fund transfers shows transfers to the Fair to cover cash flow issues. Grace said the remaining funds will be available if necessary. She said this would be based on revenues received from the fair. There is also a cash flow fund if additional funds are needed for emergency purposes.

Grace said Berry Dunn has been amazing to work with. Grace said all counties are struggling with ARPA reporting and having Berry Dunn has been providing the expertise needed. Grace said the sub-recipient monitoring piece is a hot topic for the SAO. Tracking and monitoring the usage of the funds being spent appropriately. The review of the organization using the funds takes considerable effort to track. Grace has asked to work with Berry Dunn to help with the monitoring. In 2022 there was \$20 million in

revenue. The guidance from the federal organizations has been minimal and Berry Dunn would help with the required accountability. Grace said 21 counties received an SAO finding. Lewis County was not one of those counties and Grace would like to have a plan in place to maintain that status.

The SAO audit entrance conference will be in June or July. Audits will begin in May.

Grace said she asked to continue the Restorical Research conversation with Larry Grove and Amber Smith.

Tom Stanton said there is currently a 31% voter turnout.

Tom said House Bill 1474 is waiting for the Governor's signature. This adds an additional \$100 to document recording fees. Tom said the money will go to a covenant homeownership account to be used by people negatively affected by racial restrictive covenants. He said Rep. Barkis indicated he didn't think it was a bad idea but that it is definitely the wrong funding source.

Tom said House Bill 1386 was passed in 2005. This fund is to be used at the discretion of the county commissioners to promote historical preservation or historical programs, which may include preservation of historic documents.

Tom said monies went to the Historical Museum for preservation of historical documents. Tom said based on the audit in 2009, bigger counties use the funds for other purposes including maintenance of historical buildings. Becky Butler asked the Commissioners if they would like to have a formal grant process for historical needs. Becky suggested using the fund for maintaining documents for the cemetery districts. Becky said the fund has a current balance of \$144,500.

Meeting adjourned at 11:28 a.m.