

**CITY FINANCE COMMITTEE**  
**Minutes**  
**July 8, 2015**  
2321 N Loop Drive  
CPMI Board Room – 2<sup>nd</sup> Floor, west end  
Ames, Iowa

The July 8, 2015 City Finance Committee Meeting was called to order at 10:00 AM by Secretary Denise Hoy.

**Committee members present:** Kent Anderson, Thomas Dryg, Denise Hoy, Carrie Kruse, Andy Nielsen, and Michelle Weidner. Absent: Randall Cook, Kevin Jacobson

**Others present:** Ted Nellesen, Department of Management; Cindy Kendall, ISU Extension; Janon Douglas, Data Technologies.

**Election of Officers:** Nomination by Nielsen, second by Anderson, to appoint Michelle Weidner as Vice CFC Chair – unanimously approved. Hoy then turned the meeting over to Weidner.

Nomination by Nielsen, second by Dryg, to re-appoint Kevin Jacobson as CFC Chair and Denise Hoy as the CFC Secretary – unanimously approved.

**Minutes:** Nielson moved, Kruse seconded, to approve the CFC minutes from 08/22/2014 as presented; unanimously approved.

**GASB Update:** Andy Nielsen reviewed GASB Statements 68-75 with members. Nielson also demonstrated spreadsheets he developed to help GAAP cities figure their pension liabilities.

**Amended Chart of Accounts:** Hoy moved, second by Anderson to approve the changes to the Uniform Chart of Accounts by removing 4463 Business Tax Credits; unanimously approved.

**FY2016-17 City Budget Forms Changes:** Nellesen reviewed preliminary changes to the state budget forms. Changes include:

- a. Adding an adopted resolution number to the Certification page
- b. Remove the backfill offset tool
- c. Remove the backfill line from the LT Debt Schedule
- d. Added 2 columns to the LT Debt Schedule – Type of Obligation & Debt resolution number.
- e. Added a transfer In line on the Budget Amendment form.
- f. Added an autofill feature on the budget amendment form that will populate the certified budget on the first amendment
- g. Added a publication date calculator.

Kruse moved, second by Nielson, to approve the changes to the budget and amendment forms with the exception of the resolution number on the LT Debt Column. The resolution number will be required going forward, but not necessarily required on existing debt. Unanimously approved.

**Discussion of City Revenues, Expenditures, and Fund Balances & AFR changes:** Nellesen reviewed revenues, expenditure and fund balances from FY2014 AFR's. CFC members discussed the trends concerns in the number of cities that carry negative fund balances. Nellesen tracked the

number of cities that are currently at the maximum asking for general fund and emergency levies. Charts show some growth from FY2005 to FY2016; however, only 334 are collecting the emergency fund, reflecting that the negatives are not necessarily an issue of running up against tax levy limitations. Members came to the consensus that education, and cities not wanted to raise utility rates may be the result of negative balances. Cindy Kendall shared that she has been presenting City Finance 101 to some communities, but it is difficult to reach all cities, especially the smaller ones. Nielson shared that counties are not allowed to have negative fund balances under section 384.15.

Nielson also informed members that the AFR has a few changes for FY2015. The address will now auto populate, there will be a minimum newspaper publication sheet, and an affidavit of posting sheet for cities under 200.

**Discussion of Potential Recommendations for Changes to Government Accountability Procedures:** Nellesen reviewed handouts highlighting fraud in government and specifically focused on fraud within cities. Members spoke about how fraud detection programs might be implemented but did not come to any firm conclusions. Nellesen reminded members that under section 384.15 Duties of the CFC – members are charged with making recommendation to the Governor and legislator’s regarding city finance policies and that we should keep that in mind.

Meeting was adjourned by motion at 1:05 PM.

Respectfully submitted,

Denise Hoy, CFC Secretary