

City of Greenville
Audit & Investment Committee Meeting
Wednesday, September 18, 2024
City Hall CR 337
12:00 pm – 1:00 pm

Attendees:

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|--|---|--|
| <input type="checkbox"/> Monica Daniels, <i>Mayor Pro Tem (V. Chair)</i> | <input type="checkbox"/> Matthew Scully, <i>Council Member (Chair)</i> | <input type="checkbox"/> Portia Willis, <i>Council Member At-Large</i> |
| <input type="checkbox"/> Michael Cowin, <i>City Manager</i> | <input type="checkbox"/> Ken Graves, <i>Deputy City Manager</i> | <input type="checkbox"/> Dene' Alexander, <i>Asst. City Manager</i> |
| <input type="checkbox"/> Jacob Joyner, <i>Director of Financial Services</i> | <input type="checkbox"/> Mitch Gibbs, <i>Financial Services Manager</i> | <input type="checkbox"/> Matthew Haga, <i>IT Director</i> |
| <input type="checkbox"/> Alisha McNeil, <i>Internal Auditor</i> | <input type="checkbox"/> Becky Derderian, <i>Grants Accountant</i> | <input type="checkbox"/> April Adams, <i>Cherry Bekaert</i> |
| <input type="checkbox"/> Karlie Coleman, <i>Cherry Bekaert</i> | | |
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1. Introductions

2. Review May 22, 2024 Audit & Investment Committee Meeting Minutes

3. Cherry Bekaert Audit Update

4. Investment Overview

5. Question & Answer

6. Future Meetings for 2024

- **Wednesday, December 11, 2024 @ 12:00 PM**

City of Greenville
Audit & Investment Committee Meeting
Wednesday, May 22, 2024
City Hall Conference Room 337
12:00 p.m. – 1:00 p.m.
Attendees:

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Matt Scully, <i>Council Member (Chair)</i> | <input checked="" type="checkbox"/> Portia Willis, <i>Council Member At-Large</i> | <input checked="" type="checkbox"/> Monica Daniels, <i>Mayor Pro-Tem (V. Chair)</i> |
| <input type="checkbox"/> Michael Cowin, <i>City Manager</i> | <input type="checkbox"/> Ken Graves, <i>Deputy City Manager</i> | <input type="checkbox"/> Dene' Alexander, <i>Assistant City Manager</i> |
| <input checked="" type="checkbox"/> Jacob Joyner, <i>Director of Financial Services</i> | <input checked="" type="checkbox"/> Mitch Gibbs, <i>Financial Services Manager</i> | <input checked="" type="checkbox"/> Ben Day, <i>Valley View Consulting</i> |
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1. Introductions

Council Member Matthew Scully called the meeting to order and a quorum was established.

Absent Committee Member(s): None

City Staff Absent: Michael Cowin, City Manager; Ken Graves, Deputy City Manager; and Dene' Alexander, Assistant City Manager

2. Review March 8, 2024 Audit & Investment Committee Meeting Minutes

Motion to approve was made by Mayor Pro Tem Monica Daniels and seconded by Council Member At-Large Portia Willis. The minutes were unanimously approved without exception.

3. Introduction of Investment Advisors

During this agenda item, Mr. Jacob Joyner began by informing the Committee about the City's recent decision to engage Valley View Consulting as its new investment advisor. Following this, Mr. Ben Day from Valley View Consulting provided an overview of their firm and its role as a non-discretionary consultant for the City. He highlighted Valley View Consulting's experience working with other North Carolina governmental entities such as the City of Durham and Mecklenburg County, emphasizing their familiarity with the LGC and active involvement in organizations like the North Carolina Government Finance Officers Association (NCGFOA).

Mr. Day then outlined the range of consultative services Valley View Consulting will offer the City. These services include advising on policies, supporting North Carolina Capital Management Trust (NCCMT) activities, offering additional investment pool options, and ensuring timely financial reporting through gentle reminders. He assured the Committee that partnering with Valley View Consulting would streamline operations and save staff time, presenting it as a cost-effective alternative to hiring a full-time staff member for similar responsibilities.

In terms of portfolio management, Mr. Day mentioned that this aspect constitutes a small part of the broader consultative relationship that Valley View Consulting will manage on

behalf of the City. This comprehensive approach aims to enhance the City's financial oversight and strategic investment decisions.

4. Investment Overview

During this part of the meeting, Mr. Joyner provided updates on the City's investment strategy and financial outlook. He noted a recent growth of \$3 million in the City's investments, which offers some relief to City departments in covering operating costs. However, looking ahead, there is an expectation that interest rates may decrease despite the current high rates. Mr. Joyner also mentioned that the General Fund, currently standing at \$35 million, is anticipated to experience a minor decline in the near future.

The discussion then shifted to the City's portfolio and cash balance. Mr. Joyner highlighted that the portfolio is currently very liquid, with no allocations tied up in long-term investments. Short-term interest rates were noted to be favorable compared to other investment options. Additionally, a significant portion of the portfolio is invested in governmental securities issued by the federal government, ensuring stability and the availability of funds on short notice. Regarding the use of ARPA funds, Mr. Joyner emphasized that these funds must be spent within 2.5 years, and the City has already outlined projects to meet this requirement.

Lastly, Mr. Joyner addressed regulatory constraints affecting the City's investment options. He pointed out that North Carolina state regulations prohibit government entities from investing in high-volatility assets such as Apple Inc.

5. Question and Answer

During the meeting, Mayor Pro Tem Daniels asked about the term limits of the City's contract with Valley View Consulting. Mr. Joyner explained that the City follows a process where Requests for Proposals (RFPs) are issued every 5 years to assess alternative service providers in the market.

Council Member Willis inquired about the City's data reporting practices, prompted by Mr. Day's suggestion for improving investment data presentation. Mr. Joyner addressed this by outlining the City's procedure for analyzing relevant data and delivering accurate and timely reports. Mr. Mitchell Gibbs also provided insights into the reporting process, specifically highlighting the City's use of integrative software like Microsoft Power BI. Additionally, Mr. Gibbs mentioned that the CMO's Summer Intern is currently collaborating under his guidance on a project to transition the City from the OpenGov platform to the current financial reporting software. Mr. Day emphasized Valley View Consulting's commitment to ensuring that taxpayer dollars are being spent effectively in alignment with the City's goals and objectives.

Mayor Pro Tem Daniels shared that she gets quite a few inquiries from citizens about the City's loan repayment programs and people not knowing how much they owe. Mr. Gibbs ensured Mayor Pro Tem Daniels and the Committee that he is working closely with IT on a project to eliminate situations like this and to provide accurate and timely data for program participants/citizens.

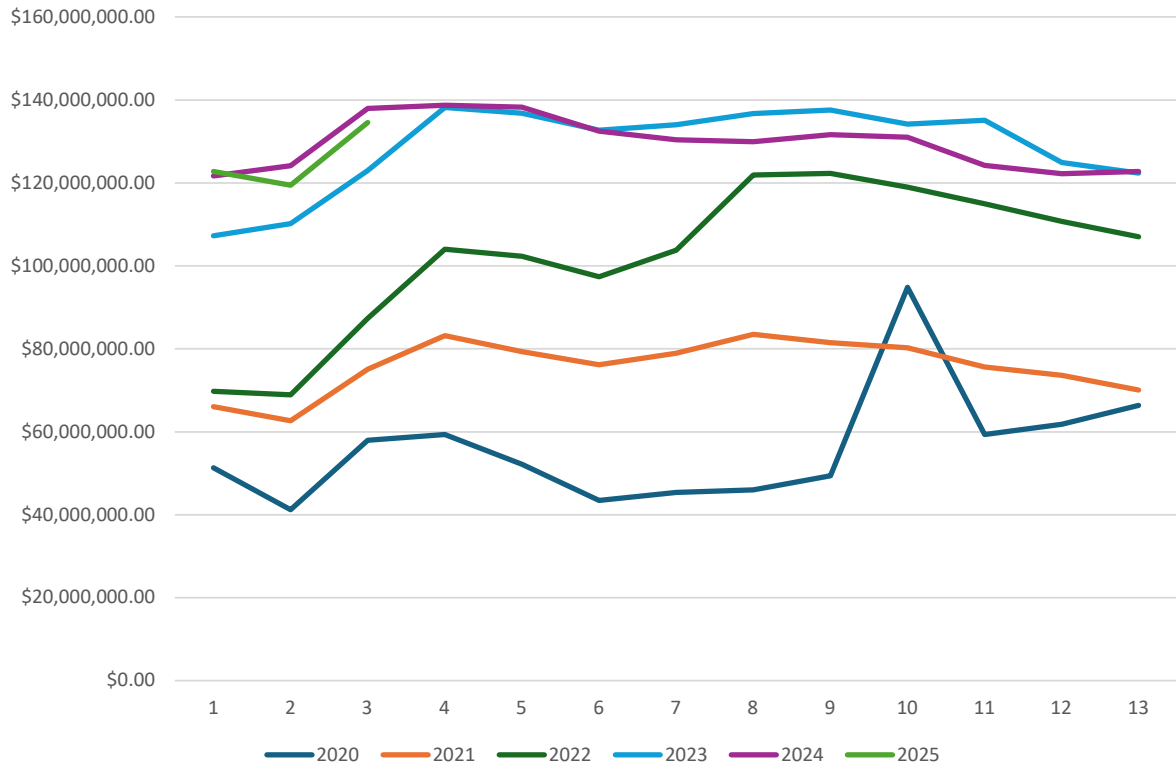
6. Future Meetings for 2024

Mr. Joyner concluded the meeting agenda by outlining the remaining dates in the 2024 meeting schedule as follows:

- Wednesday, September 18, 2024 @ 12:00 pm
- Wednesday, December 11, 2024 @ 12:00 pm

Mayor Pro Tem Daniels made a motion to officially adjourn the Audit & Investment Committee meeting, Council Member Scully seconded, and the motion was unanimously approved. Meeting was adjourned.

Cash Balances including ARPA



Cash Balances less ARPA

