

**Goochland County
Finance & Audit Committee
Regular Meeting Action Minutes**

Full transcript can be found at: <https://va-goochlandcounty.civicplus.com/1154/County-Meetings>

**February 6, 2024 @ 3:00 PM
Administration Building
1800 Sandy Hook Road, Goochland VA 23063
Board Meeting Room**

View meeting archive at: <https://va-goochlandcounty.civicplus.com/1154/County-Meetings>

The Goochland County Finance & Audit Committee (FAAC) meeting was held on February 6, 2024, at 3:00 PM in Conference Room 270. Voting members present:

District 1 Supervisor, Jonathan Christy
District 3 Supervisor, Tom Winfree
District 4 Supervisor, Charlie Vaughters
County Administrator, Victor Carpenter
Director of Financial Services, Carla Cave

- I. Mr. Carpenter called the meeting to order.
- II. Mr. Carpenter asked the new Board review the charter and called for the election of FAAC officers.
- III. Mr. Carpenter opened the floor for nominations for the Chairman. A motion was made to nominate Mr. Winfree as Chairman, the motion was seconded and passed on unanimous vote.
- IV. Mr. Carpenter opened the floor for nominations for the Vice-Chairman. A motion was made to nominate Mr. Vaughters as Vice-Chairman, the motion was seconded and passed on unanimous vote.
- V. Mr. Winfree asked that everyone in the room introduce themselves.
- VI. Mr. Winfree called for the approval of the minutes from the December 5, 2023, FAAC meeting. A motion was made to approve, the motion was seconded and passed on unanimous vote.
- VII. Mr. Winfree asked Mrs. Cave to present the proposal for new County Auditors and describe the process. Mrs. Cave described the contract. The request for proposal has gone out and responses are due February 8, 2024, at 2:00PM. The County is only expecting three firms to respond. The County will then set up interviews and then contract for a three year term with a possible two year extension.
- VIII. Mr. Winfree called for comments on the Financial Policies. Mrs. Cave commented that the FAAC has reviewed the policies three to four months in a row, and they were vetted very well. They also went before the full Board of Supervisors. Comments made that they are

conservative, sound, and focused on making sure the County maintains the fundamental policies.

- IX. Mr. Winfree called for the FY2024 2nd Quarter Projections. Mrs. Cave commented revenues slightly higher than projected at \$2.4 million due to higher than projected interest rates. Also, the County projected a 20% decline in assessed personal property values. The decline was not as drastic, so the increase is due to interest and personal property taxes. Expenses are projected to be just under \$2.0 million less than budgeted primarily due to vacancies. After funding approved projects, the County is looking at an \$889 thousand excess added to the fund balance. Mr. Carpenter added that the County uses those surplus funds to go to the Capital Improvements Program (CIP). Comments on the TCSD, Mrs. Cave said these results are only on the County's general fund and do not include the TCSD.

Discuss concerning the arbitrage liability. Mrs. Cave explained the County borrowed for the future elementary school and fire station. The money has been held in interest bearing accounts until expended. The limit to interest earning on these funds is 5%. The County is earning a higher than 5% interest rate and therefore we have to record a liability, the Arbitrage Liability, which will be due to the IRS. The estimated liability is \$2.0 million. In FY2023 we booked the expense and liability which won't be payable until after FY2025. In discussion, explained it's more like returning the interest over the 5% limit. They are tax free bonds, and the IRS will get some drawback.

- X. Mr. Winfree called for any new business.
- XI. Mr. Winfree asked for public comment.
- XII. Mr. Winfree asked for a motion to adjourn, the motion was seconded and passed on unanimous vote to May 7, 2024.