Budget and Finance Committee
Monday, June 1st, 2026, at 5:00pm

Speakers
Vice Mayor – Trent Linville (TL)
Finance Director – Rebecca Holden (RH)
Alderman – Alex Jimenez (AJ)
Alderman – Vincent Fuqua (VF)

Recording Link
https://play.champds.com/springhilltn/event/1224

BFAC Business Minutes

Call meeting to order (00:00:00)

Approval of Prior Month Meeting Minutes (May 2026) (00:00:02)

Concerned Citizens (00:00:09)

A. Discussion – FY25 Audit Findings (00:00:11)
RH – 25-001: internal control finding listing out all the adjustments made in previous annual audits, corrective action has already been taken and implemented moving forward; 25-002: related to the Safer grant, was caught by Finance before the auditors and had meetings with FEMA for corrective action months ago; 25-003: related to the cyber-security plan, TCA-7-51-2301 is a newer law (July 1, 2023): any utility system has to have a cyber security plan in place and has to be updated and renewed every 2 years, we thought it was covered under our contract with VC3 but auditors stated it is not, our IT department will be presenting a cyber security plan during the next June 15th meeting to correct this finding.

B. Discussion – FY26 Update (00:06:44)
RH – fiscal year 2026 is coming to a close on June 30th, all purchases will be shut down after June 15th, books have to be closed by August 31st.

C. Discussion – FY26 Audit Calendar (00:07:34)
RH – this calendar is approved by the city and auditors; interim process of auditors coming to assist in reviewing things before finalization is to help eliminate multiple findings like 25-001, remote assistance in June and in-person checks the first week of July; October 19th all requests are due to the audit firm; week of November 9th they will be here in-person to finish all checks, complete a draft and exit conference with staff by November 12th; then it goes through their quality control process at CLA and is issued before the end of the calendar year 2026; shooting for completion by Thanksgiving to give an extra month of security. TL – in the previous year, we had issues with follow-ups from CLA, will these in-person check-ups help mitigate these timeframe/communication issues? RH – yes, after all submissions are due October 19th, the firm has until November 2nd to respond with any questions or requests so that we can present them during their in-person visit November 9th. AJ – is there a timeline for accountability from each team? RH – yes, and internal staff is mandated to be present during busy weeks such as November 9th with external/unrelated meetings and time off requests being postponed.

D. Discussion – Cash Management Policy (00:11:35)
RH – the old policy combined cash management with investment and we are looking to separate those (will cover investment next month); most of the policy is common sense, with some rearrangement of the policy to match the other policies already reviewed; main topics are liquidity and efficiency; a major change made in this new policy is that the old policy stated we have to bank with a branch local to town while the new policy states any bank in the state of Tennessee (with a preference to a local branch, though not required), must re-evaluate your banking relationship every 4 years (which is due this upcoming spring), bank must be a part of the Tennessee Bank lateral pool; a fair amount of repetition from the internal control policy as well stating things like who can do wire transfers, how to cut checks, etc. Motion passed: 3 – 0.

E. Discussion – 313 Fund Residual Balance (00:14:58)
RH – 313 capital projects fund gets transfers in from the adequate facilities fund and the impact fee fund to pay for capital projects; there tends to be residual balance for capital projects that is unclear who or how it is processed out currently, so this is an early discussion on how to settle it when it occurs; thinking it will mainly go to adequate facilities fund rather than impact fees.

H. Items from the Floor (00:17:57)
None.

Adjourn (00:18:11)