

Request to Consider Utilizing Virginia Local Government Finance Corporation to support the Town in strengthening our financial systems and knowledge

For discussion at: (1) February 3, 2025 standing Budget & Finance Committee meeting and (2) February 6, 2025 rescheduled monthly Town Council meeting.

Proposed Motion: To request Mary Cary Bradley, as member of Budget & Finance, make contact with VA Local Government Finance Corporation seeking additional information on possible services and costs to support: (1) transitioning to more web-based books, (2) providing information to assist in developing financial policy, and (3) developing a capital budget plan including understanding the variety of financing options that might exist for different capital projects. This includes asking about the \$7,000 grant the organization provides and whether it would support this type of work.

Relevant website: <https://valocalfinance.org/>

Overview of Organization: VML and VACo formed a non-profit – Virginia Local Government Finance Corporation – in 2003 to support local governmental entities with their finances. This includes providing access to accountants and financing, including options for investment of public funds in Virginia Investment Fund. Some of their accounting services include: supporting preparation for audits or end-of-the year books, new system implementation, training for new finance staff, and ongoing bank reconciliation and review of financial statements.

Robert Lauterberg, a managing director, spoke at the VML training on January 8, 2025. He provided an overview of some of their services and referenced an opportunity to get a \$7,000 grant from the organization to support engaging with them for 1 year. It seems we can work with them to develop a scope of work to get the assistance in the areas we identify.

Local governmental organizations that have worked with them include Kilmarnock, Lancaster County, Tappahannock, Urbanna, and Warsaw. Other counties include Gloucester, Middlesex, Matthews, Northumberland, and Richmond.

Concerns to be Addressed: I would like to see the Town invest in getting our finances, and financial policies and procedures, in shape, which includes making the most of electronic services and tools. I think we need to consider our staffing practices regarding the Treasurer role and other finance-related responsibilities.

I would like to see us consider using a cloud-based accounting system, the cloud-based banking services offered by Chesapeake Bank, and ensuring our expectations for how budgets are developed and tracked follow best practices.