

**COMMITTEE ON ACCOUNTS, ENROLLMENT AND
REVENUE ADMINISTRATION**

July 7, 2009

5:15 PM

Chairman Sullivan called the meeting to order.

The Clerk called the roll.

Present: Aldermen Sullivan, Lopez, DeVries, M. Roy, Ouellette

Messrs: G. Beloin, L. Sorenson, K. Buckley

Chairman Sullivan addressed item 3 of the agenda:

3. Department travel/conference summary reports submitted as follows:
 - Mark Brewer/Tom Malafronte, (Airport) American Airlines visit, Ft. Worth, TX. (March 10, 2009 to March 11, 2009)
 - Wayne E. Robinson, (Airport) AAIA Board Meeting/AAIA Conference/Presenter, San Diego, CA. (April 24, 2009 to April 29, 2009)
 - Brien E. Brock, (Airport) ASOS School, International Aviation Snow Symposium, Buffalo, NY. (April 24, 2009 to April 30, 2009)
 - Maurice Duhaime, (Airport) International Aviation Snow Symposium, Buffalo, NY. (April 24, 2009 to April 30, 2009)
 - Hussan Hussni (Airport) International Aviation Snow Symposium, Buffalo, NH. (April 25, 2009 to April 30, 2009)
 - John Hagopian (Airport) NH BIA/NH DES Waste Management Seminar, Manchester, NH. (May 5, 2009)
 - Guy Beloin, Sharon Wickens, & Lisa Sorenson (Finance) NH Government Finance Officers Association 24th Annual Meeting and Seminar, North Conway, NH. (May 7, 2009 to May 8, 2009)
 - Brian O'Neill (Airport) 2009 ACI-NA Marketing & Communications Conference and Jumpstart 2009, Montreal, Canada. (May 31, 2009 to June 3, 2009)

- Leon LaFreniere (Planning & Community Development) NH Planners Association Conference, West Lebanon, NH.
(June 4, 2009 to June 5, 2009)
- Pamela Goucher (Planning & Community Development) NH Planners Association Conference, West Lebanon, NH.
(June 4, 2009 to June 5, 2009)
- Mark Brewer (Airport) 2009AAAE Annual Conference/AAAE Board of Directors Meeting, Philadelphia, PA.
(June 13, 2009 to June 17, 2009)

On motion of Alderman DeVries, duly seconded by Alderman M. Roy, it was voted to discuss this item.

Alderman Lopez stated like always, they should be submitting this stuff to the department heads. We do nothing with it except receive them.

Alderman Sullivan stated the majority of these appear to be airport.

On motion of Alderman DeVries, duly seconded by Alderman M. Roy, it was voted to approve the Department Travel/Conference Summary Reports.

Chairman Sullivan addressed item 4 of the agenda:

4. Communication from William Sanders, Finance Officer, submitting the City's Monthly Financial Report (unaudited) for the eleven months ended May 31, 2009.

On motion of Alderman Lopez, duly seconded by Alderman M. Roy, it was voted to discuss this issue.

Mr. Guy Beloin, Assistant Director of Accounting, stated I'm obviously not Bill Sanders. He did not prepared number four, which would have been the forecast of where we are. I can tell you that it's not off track of what he submitted in the past. It's similar to the memo that he sent, dated May 16th. There are no major changes there.

Alderman Lopez stated since the Finance Officer is not here, it would be appropriate and in plenty of time to receive a final report for 2009 on August 18th.

Mr. Beloin replied yes, I'm sure we can do it.

Alderman M. Roy asked should we accept this as the eleventh month and have the full year on the agenda next month?

Alderman Sullivan replied that would make sense.

Alderman Lopez stated number five covers that too.

Alderman Sullivan stated we'll have a wrap up for the year end. I guess the only question I would have would be revenues. Have we seen any changes in direction on revenues?

Mr. Beloin replied no. The auto registrations are pretty much where the forecast has predicted. We're short about \$1.1 million.

Alderman Sullivan asked we're basically flat lining on auto registrations and building permits?

Mr. Beloin replied I believed that that has not changed significantly.

Alderman Lopez asked Mr. Chairman, would items number four and five be in order? It's the same thing for the forecast for 2009.

On motion of Alderman Lopez, duly seconded by Alderman M. Roy, it was voted to approve the Financial Report.

Chairman Sullivan addressed item 5 of the agenda:

5. Communication from William Sanders, Finance Officer, submitting an updated budget forecast for FY2009, if available.

Alderman DeVries asked is there an actual report that we are accepting this evening?

Mr. Beloin replied for number five, yes. I think it's labeled four. It was mislabeled. I think we were initially talking about number four, and number five is not included.

Alderman DeVries stated thank you for the clarification because I didn't have it with my package. We are not going to be making a motion on something that hasn't been presented?

City Clerk Matt Normand stated if I may, Mr. Chairman, typically what happens, if you recall, the Finance Director brings in the report that night and apparently he doesn't have that tonight. We can put it on the agenda for the next meeting with the Committee on Accounts.

Alderman Sullivan asked from a parliamentary standpoint what would be the appropriate thing to do at this point?

City Clerk Normand replied you could certainly receive and file this and we'll put it on the agenda when the Finance Director has the report available.

Alderman Sullivan stated let's do that. The complete report will be on the agenda for the next meeting of this Committee.

Alderman Lopez stated I think it's important that we have a Committee meeting before the 18th.

Alderman Sullivan stated either on that night or the day before, subject to whatever time is available.

Alderman Lopez stated I think it's important for us to get a final report on the 18th to close out 2009 so we know, going into 2010, where we stand on all the accounts so that we can make decisions in reference to some of the dollars that are out there. As long as we have it on the 18th with the full Board I'll be happy.

Alderman Sullivan stated we should have a final draft at that point. I'll make sure we have something on the schedule before we have that meeting on the 18th.

On motion of Alderman DeVries, duly seconded by Alderman M. Roy, it was voted to receive and file the budget forecast, subject to a full report being submitted at the next meeting.

Chairman Sullivan addressed item 6 of the agenda:

6. Communication from Lisa Sorenson, Financial Analyst, submitting Finance Department reports as follows:
 - a) Department Legend;
 - b) Open Invoice report over 90 days by fund;
 - c) Open Invoice report all invoices for interdepartmental billings only;
 - d) Open Invoice report all invoices due from the School Department only;
 - e) Listing of invoices submitted to City Solicitor for Legal Determination; and
 - f) Accounts Receivable summary.

On motion of Alderman Lopez, duly seconded by Alderman Ouellette, it was voted to approve the Finance reports.

Ms. Lisa Sorenson, Financial Analyst, stated we're trying to settle accounts receivable, trying to clean up, get things into collections that need to go, things like that. Nothing out of the ordinary.

Chairman Sullivan addressed item 7 of the agenda:

7. Communication from Lisa Sorenson, Financial Analyst, submitting 4th quarter fiscal year 2009 write off list for the Accounts Receivable module, requesting authorization to write these receivables off.

On motion of Alderman Ouellette, duly seconded by Alderman DeVries, it was voted to approve the request to write off Accounts Receivable.

TABLED ITEMS

8. Update on the status of Policy and Procedure manuals for each department.
*(Note: The Committee has requested that all manuals be completed by June.
Tabled 1/06/09)*

On motion of Alderman DeVries, duly seconded by Alderman Ouellette, it was voted to remove this item from the table.

Mr. Kevin Buckley, City Auditor, stated on the Policy and Procedure manuals I have heard back from every single department. I have filed nine completed Policy and Procedure manuals. There are a few of them, like Police and EPD that are so large they didn't send me a copy, but they have copies in their offices on file. I think there are three departments that are like that. The remaining 12 departments all have completed drafts of their Policy and Procedure manuals. They are polishing them up now. I've been looking at some of them and helping out with some of them. I have a meeting on the 15th with a number of them to finish up the manuals and they should be done shortly. The ones that I have looked at have been in very good shape.

Alderman Sullivan asked we're looking at sometime during the summer that we should have something in final form?

Mr. Buckley replied yes.

Alderman DeVries asked Kevin, as you are reviewing the completed Policy and Procedure manuals do you have an eye for the audit deficiencies that have been pointed out to us in the past to try to correlate that information to assure that we have closed any gaps that may have existed in the past? I would assume this is the proper Policy and Procedure manual that would do that for us.

Mr. Buckley replied yes. Some of the things that were reoccurring and some of the observations that we get on the audits have been dealt with. One of the things the auditors asked for this year was a copy of all the Policy and Procedure manuals so they can look at them. I think this will answer a whole bunch of those questions that they have always asked.

Alderman DeVries asked in reference to some of the reoccurring deficiencies that have been noted, do you think you might be able to report back to this Board on how those have been addressed, just to compare the past audit reports and the external audit reports with how they are being addressed by the departments? I would find that useful information if that's not overly problematic for you to do. I would think it's a cut and paste if you have them available electronically. It doesn't sound hard to me, but sometimes our vision is short sighted.

Mr. Buckley replied yes, I'll see if I can put something together.

Alderman Lopez stated Kevin, all these manuals are going to be at the City Clerk's Office. Is that correct?

Mr. Buckley replied they have been filed with me so far. I think Sally Fellows in Archives has copies of some of them. I'll get together with her and make sure we both have complete records.

Alderman Lopez stated I think if you review the City Charter it tells you that the City Clerk will maintain copies of all standard procedures.

Mr. Buckley stated I'll make sure that Sally has a copy of everything.

Alderman M. Roy stated I have a question for either Kevin or the City Solicitor. While I agree with Alderman Lopez about what the Charter says, are we putting any of the departments at risk, Police or Fire, by having their operating plans?

Mr. Buckley replied there is the finance part, which is the part that people are filing and then there is the Police Procedures part. Their whole manual is mixed together so I am letting them keep it at the Police Station. That's not being filed anyplace else.

Alderman M. Roy stated you looked at Information Systems, Assessors, and OYS. Is there anything that could compromise the City in any of these policy manuals for any security reasons?

Mr. Buckley replied I don't believe so, no.

Alderman M. Roy asked can we keep a special eye out for anything that could compromise any department?

Mr. Buckley replied yes.

Alderman Sullivan stated Alderman Roy, if there is something that could be a problem in terms of emergency preparedness, law enforcement, or private information on the finance side, if someone does want access to that particular information, we do have the right to withhold sensitive information under the Right to Know Law. I don't think there would be any real problem if we do decide to.

Alderman M. Roy stated something as simple as the FCC website, which contains all of our Fire and Police and Highway Department radio frequencies.

Alderman Sullivan stated that's a decision that the departments should make. If there is a way of segregating it ...

Mr. Buckley stated again, that wouldn't be financial.

Alderman M. Roy stated I'm just saying anything that is sensitive or proprietary to a department or could put the City at risk that we take a special eye.

Alderman Lopez stated my colleague, in reference to that I think that if there is some sensitive information the department head can work it out with the City Clerk and City Solicitor. The City Clerk's Office has a lot of information that they protect and I think that's the issue I'm looking at. They should protect all the information in the City.

On motion of Alderman DeVries, duly seconded by Alderman M. Roy, it was voted to retable this item.

9. Communication from Kevin Buckley, Independent City Auditor, submitting the P-Card Program Performance Audit.
(Tabled 11/25/08)
On file for viewing with Office of the City Clerk, One City Hall Plaza.

On motion of Alderman Lopez, duly seconded by Alderman M. Roy, it was voted to remove this item from the table.

Alderman Lopez stated this has been going on for quite a while. Are we done with the P-Cards? Are we satisfied or are we going to get another report? Are we going to go back to the old system? Are we saving money?

Mr. Buckley replied I think that the P-Card program itself was working pretty well, especially for a number of applications. There were some departments that don't like it, but I think in general it was a good program. We saved a little bit of money. They readjusted the way we get the rebates so we're collecting more money, correct. Not very much, but we are getting some rebate money. With the old credit card we didn't get any money back on rebates.

Alderman Lopez asked what do we do with this being on the table? Is there something that we are missing?

Mr. Buckley replied I can't remember why it was put on the table instead of accepted it.

Alderman Lopez stated the system is working and the P-Cards are being controlled by your office and Finance. Finance is issuing the P-Cards, correct?

Mr. Buckley replied in Finance, one of the major observations in redoing their manuals is that they have redone all the observations. All the observations have been cleared.

Alderman Lopez asked do we have a written policy on the P-Cards? I think I remember seeing that.

Mr. Buckley replied yes.

Alderman Sullivan asked would this be received and filed or should the report be accepted?

City Clerk Normand replied I believe this was just an update. The Committee can certainly accept the update that was submitted by Kevin Buckley. Also, if the Committee wants, I can research the minutes and find out the discussion if they want to retable this tonight.

Alderman Sullivan stated why don't we do that. This may have been an instance where someone was unavailable to discuss the issue.

On motion of Alderman Lopez, duly seconded by Alderman M. Roy, it was voted to retable this issue.

10. Communication from Kevin Buckley, Independent City Auditor, submitting an audit of the Office of the City Clerk, Business License and Enforcement Division.
(Tabled 10/21/08)
On file for viewing with Office of the City Clerk, One City Hall Plaza.

This item remained on the table.

11. Communication from Kevin Buckley, Independent City Auditor, submitting an audit of the VISTA program and updating the committee on the status of pending and future audits.
(Note: Tabled 2/4/08 Copies of the audit and supporting documentation previously sent to the BMA and Committee members; Remained tabled 3/4/08; Updated communication between Kevin Buckley, Internal Auditor, and Janice Lopilato, State Program Specialist of the Corporation for National & Community Services attach; Tabled 3/11/08; Internal Auditor to present the attached Business Expense Policy as amended.)
On file for viewing with Office of the City Clerk, One City Hall Plaza.

This item remained on the table.

12. Copy of a communication from Alderman Lopez to Committee on Community Improvement requesting the BMA to ask the Finance Officer, City Solicitor and Bond Counsel (if needed) to review the possibility of using Rooms and Meals Tax money in the future for Storm Water Utility/Sidewalks/Streets.
(Tabled 09/25/2007 pending further information from the Finance Department. Retabled 7/07/08.)

On motion of Alderman Lopez, duly seconded by Alderman DeVries, it was voted to remove this item from the table.

Alderman Lopez stated I want to receive and file. I've had some conversation with the Finance Officer and it's been over a year so I have to get some more information and probably come back at another time. For this correspondence, I'll receive and file.

On motion of Alderman Lopez, duly seconded by M. Roy, it was voted to receive and file this item.

NEW BUSINESS

Alderman DeVries stated thank you, Mr. Chairman. I was hoping you would ask for new business. Kevin, while you're still up here, you're probably the most appropriate person to ask, though I don't believe it's part of your oversight. For years I have had concerns that in our budget we have never had the ability to designate or hire an individual for contract compliance. This would be for those contracts that we have with outside entities where the City is actually expecting to receive some revenue. Years back, and I want to say it was probably three years ago, I had some conversations with the past Finance Director. There were contracts stuck here, there and everywhere through the different departments of the City. They were not maintained in one centralized location, nor were they reviewed readily. I am asking if you could maybe give me some feedback for our next meeting to see if there are any thoughts for a way for your audits to be able to ascertain as you go through different departments and their functions, if they have any individualized contracts, a better way to deal with these contracts. At least that begins the process of centralized accounting to make sure that any contract where we have an expectation of revenues rolling into the City we are actually receiving them. Do you think that would be appropriate?

Mr. Buckley replied one of my usual audit steps that is in every audit is to ask them for copies of every contract that they have with anyone. Then I do a compliance audit of the contract if it's significant to the audit. There are some contracts in the City that are probably big enough you could just do an audit on compliance with the contract. I believe we sent one out for the cable fees at one point to be done by an outside firm. If you have any concerns about individual contracts like that and you would like me to look at it I can put it on the list and do an audit of it. But again, when I go to any department I ask for the contract. I do compliance with any major provisions in them.

Alderman DeVries asked do you think you might be able to provide to this Board a list of the individual contracts that are out there? Maybe understanding the terms of those contracts if that's already been provided to you from past audits?

Mr. Buckley asked the ones I've already looked at?

Alderman DeVries replied yes, ones that you have already looked at.

Mr. Buckley replied I could go through the audits and see what I've looked at for contracts so far.

Alderman DeVries asked maybe a memo off to department heads once that list is compiled asking them if they are aware of contracts above and beyond those that you have looked at?

Mr. Buckley replied the ones that I have looked at already are very few though and there are hundreds of these contracts out there. Again, there is no central place where you can say give me a list of all the contracts and their provisions. I think every department tracks their own.

Alderman DeVries stated it's difficult from my perspective for me to know where my concerns should be if I don't know where they exist. It appears that many of these have been out there for 15 to 20 years. They certainly predate my experience and I only have knowledge of some of them. I think at Parks and Recreation there is a contract that we rely on for revenue for the new Derryfield Country Club and that would be with the restaurant. I know when we wrote that management agreement we indicated that we were able to perform independent audits. That's probably one that since we entered into the contract I'm not sure I have seen an update.

Mr. Buckley asked you are concerned with contracts that involve bringing revenue into the City?

Alderman DeVries replied absolutely.

Mr. Buckley stated I'll see if I can put something together on that.

Alderman DeVries stated I'd appreciate that. Thank you.

Alderman Lopez stated I think you bring up a very good point. We've talked about this subject before and there is no reason why we shouldn't know what contracts each department has. It could be a one page summary and then we could review those particular contracts where we're looking for revenue. There are a lot of department heads signing contracts that we're not aware of. I'm not saying take the authority away from them, but we don't have a complete list of contracts. I do know, believe it or not, four or five years ago that that was going to be a job for Economic Development because they found quite a few contracts that were suppose to be increased on a yearly basis of 2%, 3%, or 1%, and we have nobody other than the department head checking these. Alderman DeVries brought up a very good point and Derryfield Country Club is one of those items. Maybe, not only the audit that you do, but there should also be, at least, a brief summary of all the department heads so they can provide you with their contracts. Then you can bring that to the Board. They should provide to you all their contracts, whether it's ten or twenty. We should know if there is anything in those contracts. I think that was a subject that has been going on for a long time. I think we have hit the nail on the head now.

There being no further business, on motion of Alderman Ouellette, duly seconded by Alderman DeVries, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee