

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

October 21, 2008

5:00 PM

In the absence of Chairman Sullivan, the Clerk called the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, DeVries, M. Roy, Ouellette
(Alderman Sullivan arrived late)

Messrs: W. Sanders, S. Wickens

On motion of Alderman M. Roy, duly seconded by Alderman DeVries, it was voted to elect Alderman Lopez as Chairman pro temp. There being none opposed the motion carried.

3. Department travel/conference summary reports submitted as follows:

- John Hagopian, (Airport) ACI – NA Deicing Management Conference, Washington, DC.
(July 23, 2008 to July 25, 2008)
- Mark Brewer, (Airport) NEC/AAAE 50th Annual Conference, Philadelphia, PA.
(August 8, 2008 to August 12, 2008)
- Stephen Adams, (Airport) Northeast Chapter/American Association of Airport Executives Annual Conference, Philadelphia, PA.
(August 8, 2008 to August 13, 2008)
- Mark Brewer, (Airport) AA AE F. Russell Hoyt National Airports Conference, Reno, Nevada.
(September 7, 2008 to September 10, 2008)
- Paul Mueller, (Airport) Preparation for ASIS – Certified Protection Professional Examination, Atlanta, Georgia.

(September 11, 2008 to September 14, 2008)

- Mark Brewer, (Airport) ACI World/North America Conference, Boston, MA.
(September 20, 2008 to September 24, 2008)

On motion of Alderman M. Roy, duly seconded by Alderman DeVries, it was voted to accept the travel summaries. There being none opposed, the motion carried.

4. Communication from William Sanders, Finance Officer, submitting the City's Monthly Financial Report (unaudited) for the three months ended September 30, 2008.

Mr. William Sanders, Finance Officer, stated we have submitted to you in the agenda material the financial reports of the City through the end of September. I will just briefly review the results. Obviously this was the end of the first quarter so the year is one quarter through. You would expect just as a general benchmark the departments would have about 75% of their budgets remaining for the remaining three quarters. Obviously there are timing differences that different departments incur that can fluctuate a little bit but the major departments or the three departments that are more than 10% from the variance are the Information Systems Department, Building Maintenance and Elderly Services. The primary reason, as you can see in the letter, is Information Systems spends on equipment and on service contracts at the beginning of the period and then bills into the department. They expend their budget a little quicker and then recover it as they bill these amounts on to the applicable departments. That's nothing unusual. That has happened in prior years. The Building Department is slightly in excess of the benchmark this year as well primarily due to custodial costs associated with the start of school. That is also typical, and at the moment Mr. Clougherty and Mr. Sheppard are confident they will be able to meet the budget. Elderly Services is the third department and they have a practice of encumbering most of their expenses in the first month of the year so that makes any comparisons a little bit difficult, but we expect that they are on track to meet their budget. Our health care costs are \$2.8 million through the end of September, which is just below the 75% threshold, so we appear to be on track in that area. Overall our expenditures through September are actually slightly better than they were at the same period a year ago. We have as a city spent about 73.6% of the budget compared to 73.1% last year at this time. On the revenue side for the first three months, we are slightly below revenues for the same period last year; two reasons primarily are auto registrations are tracking below last year by about \$150,000 and our interest income is substantially lower this year compared to last year. We are continuing

to work on our revenue forecast and hopefully bring that forward to the Board in the future. We have also included starting this month our intention is to include a statement on the Parking Division. That is a department that has been of interest to the Board of Mayor and Aldermen so the last page of your package is a statement for the first quarter for the Parking Division. It is on page 4-11. The one important difference between the Parking Enterprise and all the other Enterprises is that they do reimburse the general fund at the end of each year for their surplus. So an important component of the general fund's performance is the performance of the Parking Enterprise and meeting its budget forecast. It's a little bit early here in the first quarter. The main reason, you can see that their actual activity has generated \$500,000 surplus in the first quarter. That is primarily because of the \$500,000 that was approved by the Board of Mayor and Aldermen from the special revenue account to pay for the kiosks and that expenditure has not yet run through there. We will continue to provide this every quarter to the Committee on Accounts and right now Ms. Stanley believes they are on track to beat their budget for this year in terms of reimbursement to the City so they are doing alright.

Chairman Sullivan arrived.

Alderman M. Roy asked Mr. Sanders, on the revenue numbers, especially the interest income, the \$441,000, have you already reported or sent information regarding this year's budget to DRA?

Mr. Sanders replied no I have not. A couple things I would mention about the interest income: that \$440,000 is a comparison of this year's actuals to last year's actuals. We did drop the interest income projection for fiscal 2009 about \$700,000 from last year's budget but even on the actuals it is lower by about \$400,000. I think we might be a little bit lower in interest income vis a vie the budget for this year but not as bad as the \$400,000 might indicate on a four year basis. It maybe would be \$200,000 to \$300,000 of lower interest income this year compared to the budget.

Alderman M. Roy asked looking at those two revenue numbers now, and I am glad you clarified that on what was budgeted, how soon will you be reporting those to DRA for tax rates?

Mr. Sanders replied our plan is to get to the DRA in the first ten days of November. We don't have a firm date set yet but it probably will be some time between the 6th of November and the 10th or 11th of November.

Alderman M. Roy asked so it will definitively be before our first meeting potentially on the 12th of November that the Mayor has recommended?

Mr. Sanders replied that's correct. I would hope to be able to report to the Board at that meeting where we ended up.

Alderman Lopez asked have we analyzed each department as far as expenditures as to whether or not, even though we approved the budget, we are looking into necessary expenditures of each department? Not the mandatory expenditures but things that we have approved in the budget as to whether we want to continue with those expenditures and identify them by department.

Mr. Sanders replied the Finance office hasn't done anything on a city-wide basis to do that. We could do that but for the first quarter department heads have authorization to spend their budgets.

Alderman Lopez stated I think it's important that we take a very close look this year as we move forward to the 2010 budget because of the economy the way it has changed. We might want to change some of our policies or maybe not buy some stuff that we anticipated to buy. I don't know if we need approval from the full Board, probably so, to give you that authorization to look at some of the expenditures and see if we can hold off in order to try and get a fund balance. I don't want to wait until January or February and then put a freeze on. I think everybody has to be in the same ball game at one time.

Mr. Sanders replied I believe it would take the action of the Aldermen or at the Mayor's direction. I think I could probably be permitted to do that as well. The Aldermen could direct me too, as well.

Alderman Lopez moved to give the Finance Officer authority to research the expenditures by departments. Alderman M. Roy duly seconded the motion.

Alderman DeVries asked are you asking the Finance Officer to solicit information from the department heads first and then review the expenditures that they are saying they might be able to put off or forego and then you would compare their list with the greater budget and maybe give us some feedback if you think there are items above and beyond that after you have had your consultation?

Mr. Sanders replied that is how I understood the request.

Alderman Lopez stated yes, exactly what you said.

Alderman M. Roy asked Bill, if we were going to look at any cuts or reductions in spending for this budget, in order to affect the tax rate they would have to be there prior to when you send everything to Concord, correct?

Mr. Sanders replied yes that is correct. I have already submitted the appropriated budget, not to say that couldn't be changed, but I presume the Aldermen can reduce the budget.

Mr. Tom Arnold, Deputy City Solicitor, stated the Aldermen certainly have the power to direct not to expend.

Mr. Sanders stated I would be able to incorporate that on a DRA schedule. Or do I have to live by the budget as appropriated?

Alderman Lopez asked by November when you go up to the DRA, you wouldn't be able to add on to that once they set the tax rate, right?

Mr. Sanders replied that is correct.

Alderman Lopez stated the most important thing is to identify it so that at the end of June 30th we have a maybe created fund balance instead of waiting for January, February or March. I think you understand what I am saying.

Mr. Sanders replied I do understand.

A vote was taken on the motion to give the Finance Officer authority to research the expenditures by departments. There being none opposed, the motion carried.

Alderman M. Roy asked from here we don't refer this report to the full Board. It just basically ends up received and filed in Committee correct?

Alderman Lopez replied no. It goes to the full Board.

On motion by Alderman Lopez, duly seconded by Alderman DeVries, it was voted to receive and file this report. There being none opposed, the motion carried.

5. Communication from Sharon Wickens, Assistant Director of Treasury, submitting Finance Department reports as follows:
 - a) Department Legend;
 - b) Open Invoice report over 90 days by fund;
 - c) Open Invoice report over 90 days but less than one year;
 - d) Open Invoice report all invoices for interdepartmental billings only;
 - e) Open Invoice report all invoices due from the School Department only;
 - f) Listing of invoices submitted to City Solicitor for Legal Determination; and
 - g) Accounts Receivable summary.

On motion of Alderman DeVries, duly seconded by Alderman M. Roy, it was voted to accept the report.

Alderman M. Roy stated thank you again for an unfortunately lengthy report. Over my time of being here, I am starting to worry somewhat about our collection efforts and as things get tighter and tighter, I think we are going to see more and more defaults, drop off center, alarm fees. Could you just run through, once someone makes this report hypothetically, let's say a drop off center revenue, where does it go from there as far as collections or efforts to retrieve? I know you work in conjunction with the Solicitor's office but it seems there are a lot of the same names or similar companies that keep ending up on your list.

Ms. Sharon Wickens, Assistant Director of Treasury, replied once someone makes this list, they are 90 days in arrears. It then goes to the collection agency and depending on pretty much the dollar amount normally, they will kick it back to us. If it's a small dollar amount they may not put as much effort into collecting, maybe a couple letters or a couple phone calls. If it is a larger dollar amount they will really press to get the money into us. I haven't noticed a huge increase of people coming onto the list; I know that probably sounds strange but I have noticed that people are not paying timely. In other words, they have made the list; the collection agency is really having a hard time collecting.

Alderman M. Roy asked do we have a policy in place that allows the departments to go ahead and stop service? Whether it is alarm fees or officer details, after a certain period of time?

Ms. Wickens replied if it's alarm fees I think they don't necessarily stop the service because there are some safety issues involved there but they do try to collect for others. A particular example would be we had a builder that is on this list that went to the Building Department to get a permit, yet he owes a substantial amount of money to the drop off facility so we denied him to get that permit. We

said you owe another one of our departments so he contacted the collection agency and he is now on a payment plan. We did let him get the permit because he needs to work to get money to pay this bill but he has been now making payments and he is trying to clean it up. Everybody is having a tough time out there and that is just an example of one that wants to do the right thing, just doesn't have the money.

Alderman M. Roy stated I don't disagree with that. It's just that the taxpayers end up losing at the end of the day. That is why we don't want to be too harsh on any business but it is something that we can't let go too far.

Ms. Wickens stated once the collection agency returns the item to us, it has exhausted all efforts. If it is over a \$1,000 it does go to the Solicitors Office for their review as to whether they can take legal action or if they think this person is just gone and can't be found. If it's under a \$1,000, it immediately goes to the write off list and comes to this Committee.

Chairman Sullivan stated there are some, not just specific people but types of things that seem to be reoccurring on this list time and time again. One of them is the field rental for the semi-pro football teams. The other is police details. Does the Police Department require up front payment or do they bill who hires the detail?

Ms. Wickens replied they normally bill unless they become a problem. We have had a few clubs in towns over the years that have become a problem in paying so they demanded cash up front. That is their call as to whether they institute that or not.

Chairman Sullivan asked is there a written policy or is it sort of done on an ad hoc.

Ms. Wickens replied I don't know. I would have to have them here. I would have them at the next meeting to have them explain how they do that.

Chairman Sullivan stated I guess the same thing would go for Parks and Recreation with the stadium rentals. I have noticed, I think it's Manchester Devils, the football team that seems to show up here pretty regularly.

Ms. Wickens replied they normally do end up paying but you are right it is quite an arrears.

Chairman Sullivan stated right. I don't know if they built up an arrearage in the past and they are in the process of paying it off or what the situation is but there may be something at the departmental level where this could be addressed to prevent this from becoming an ongoing headache.

A vote was taken on the motion to accept the report. There being none opposed, the motion carried.

6. Communication from Sharon Wickens, Assistant Director of Treasury, submitting 1st 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 Lopez, it was voted to accept the report.

Alderman M. Roy stated I would like as the economy gets tighter to look at this list and possibly re-look at our collection process. We are not writing a lot off but still every dollar ends up going to the tax payer so I would like to see that list stay small.

Chairman Sullivan stated agreed, and I think at some point down the road we may want to bring someone from the airport in as sort of a joint session because I noticed there were an awful lot of airport related items on here from rental car companies too. Some are from airlines that no longer exist but I think there are some bookkeeping issues over there where it doesn't exactly play by the same set of rules as other departments. Not that they are doing anything wrong, I just mean the nature of the contracts they have over there.

Ms. Wickens stated the bulk of the receivables that are outstanding now is about a million dollars in FAA grants that are coming in slow so they do have some rental car issues and they are working on it. They wanted to be here today but said they will definitely be here at the next meeting.

Chairman Sullivan stated I know we have talked to them in the past and they said there is a difference in the accounting procedures over there and the revenue.

Ms. Wickens replied they do a great job collecting; they are right on it. It would be good for them to come in.

Chairman Sullivan stated I think the list probably looks worse than it is because I know there are a number of independent airline items on there and they are in bankruptcy so we are probably not going to see that money anytime soon.

Ms. Wickens stated you would be surprised what they have collected because people have been willing to pay even after bankruptcy. I was surprised.

Chairman Sullivan stated we will get them in here to try to explain this better at some point.

Alderman Lopez asked could you, at the bottom of your report, put the total for year on the write offs?

Ms. Wickens asked on the write off page?

Alderman Lopez replied yes.

Ms. Wickens stated yes.

Alderman Lopez stated just to give some perspective.

Ms. Wickens asked for this fiscal year?

Alderman Lopez stated yes. Just on the bottom, total up to date.

Ms. Wickens stated I have the information from prior years if you want to have a comparison.

Alderman Lopez stated if you want to do a separate report like that. I think it's a small percentage.

A vote was taken on the motion to accept the report. There being none opposed, the motion carried.

7. Communication from Kevin Buckley, Independent City Auditor, submitting the 2008 Annual Auditor's Report.

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

Mr. Kevin Buckley, Independent City Auditor, stated this was a suggestion from some of my peers in the Association of Local Government Auditors. It's one of the best practices for an audit shop to present an annual report showing their activities for the year to the body that they report to. That is what this report is. It shows the audits I have worked on, the reports that I have issued, the future planned audits and the amount of time I spend in the different areas so you get an idea of how I have been spending my time. It also shows some benchmark data against other audit shops, one or two person audit shops, that I got from an analogy survey.

Chairman Sullivan stated it's an audit of the audits, essentially.

Mr. Buckley stated another thing that is coming down the pike is, I am due for an actual audit of my shop next year and we will have to discuss that during the budget process.

Alderman M. Roy asked Kevin, just so I am aware, an audit of your office...

Mr. Buckley stated it's called a peer review and it's required by the government auditing standards and because I am a member of ALGA and I serve on the committee in ALGA. It will only cost us the transportation room and meals of a couple of auditors to come here for one or two days to come here and review all of my work.

Alderman M. Roy asked so they review your findings from...

Mr. Buckley stated they review my policy and procedures manual. They will review all of the audits, go through all of my work papers to make sure I am following the government auditing standards and they will issue a report to the Committee.

Chairman Sullivan stated they will do onto Kevin, what he does onto everyone else.

Mr. Buckley stated yes.

Alderman DeVries stated Kevin, the performance audit that you will be doing on the P-Card program, do you have any idea what that time line is?

Mr. Buckley stated that is all done and you will get that at the next meeting.

Alderman M. Roy asked Kevin, you have been working with the independent departments on their policy manuals. How is that process going?

Mr. Buckley replied slowly. I have put out to a few departments as a test, the templates and stuff so they can develop theirs. I have been too busy to harass them too much about it.

Alderman M. Roy asked could you send an email to every department head, letting them know that the Committee has asked for you to bring an update at our next meeting as to each department and how they are doing? That may give you a little bit of teeth behind your chase. That would be a question that I would ask the Clerk to put on our next month's agenda. It can be brief.

On motion of Alderman M. Roy, duly seconded by Alderman DeVries, it was voted to accept the annual auditors report. There being none opposed, the motion carried.

8. Communication from Kevin Buckley, Independent City Auditor, submitting an audit of the Office of the City Clerk, Business License and Enforcement Division.

Chairman Sullivan stated both for members of the Committee and those who are watching in the audience and at home, we are not here tonight to play judge and jury in the Carol Johnson situation. That is not what this is about. This is about the procedural matters about the technical aspects and about the factual items that are contained in the report. I think we all have our own perceptions of the issue but let's try to stick to the facts and not try and rush to conclusions. That is not appropriate. That having been said, I will turn it over to Mr. Buckley.

Mr. Buckley stated this is the report on the City Clerk, the fraud investigation of the Business License and Enforcement Division. There are five observations in the report. The first three have to do with some internal control problems, some poor cash handling procedures. The big one is the control over the database. This is an issue that happens all over the City when they have the stand alone, small systems, I have slowly been getting people to fix this. Allowing the access of the financial records and the observation four is a result of the revenue testing where there are numerous errors noted, and observation five is a management issue where to this day they are having problems implementing the I-Leads computer system.

Alderman Lopez stated I am not too particular at this time to really get into this report because I think from reading it, it seems like the same problems existed long before when you did the last audit.

Mr. Buckley replied the last audit I also had issues with the C-Plims computer system at that point but because they were switching it and they were hoping to have it done really quickly to the I-Leads system that I thought would correct all the problems. The I-Leads system, you have to realize that the City Clerk part, the alarm part is a tiny module in this gigantic system that works fine for Police and

Fire Departments for the things they need to do, but it hasn't been working for the City Clerk's office for the things they need to do.

Alderman Lopez stated this has been an ongoing situation for a number of years, the situation and procedures, but I think as you did your audit some of the procedures have been corrected a little differently in how to handle cash and stuff like that.

Mr. Buckley stated when I did the audit... and I did not find that situation during my previous audit although it was going on at that point. It continued until the current time.

Alderman DeVries stated probably the Clerk could answer my question better but I am going to the alarm permit database and I see that meetings have been ongoing for I think it's the last month and a half. What status are you at to get the appropriate database or computer program that you need out of Intergraph?

Mr. Matt Normand, Deputy City Clerk, stated I think the general feeling of all those departments involved in this is that the alarms module of I-Leads is going to be scrapped. It's not going to work for a number of reasons. Probably the primary one is that we are unable to do any sort of billing at this point, still to this date and we can't do any financial reporting out of it. What we have done is by the end of this week we should have the renewals out. Information Systems has done an extraction of the data and they think that they can get this onto one bill and we will be able to do the renewal mailing. We had done in July, I think it was July 15th, a false alarm mailing which was outstanding bills back through September of 2007. This bill that we will hopefully have out at the end of this week will encompass everything from July 15th to current.

Alderman DeVries asked if you are scrapping the system, I guess this goes back to our last Board meeting, because this is parcel of the computer program that I believe we brought in I believe for the Police Department and we had discussions with Information Systems at our last meeting in reference to maybe getting some sort of credit since it is not as useful to us as a City as it was presented. Are you familiar with where that stands?

Deputy City Clerk Normand replied I know that the money that Jennie had indicated that she had set aside is still set aside. We met last week on Friday with a third party vendor who actually has a business relationship with I-Leads, and they can work together to basically do our alarm processing for us and work in conjunction with the system that is set up at Police currently. That will continue to stay there. Whether some of that money can offset the cost of that software, that is a question I think that Jennie is trying to work through at this point.

Alderman DeVries asked can I assume that you are going to bring this to us on some sort of a form? I am sure you don't want it to become a budget item out of your department and we wouldn't want to lose the tracking as a full Board so would a memo be forthcoming from your department?

Deputy City Clerk Normand replied yes. I think Jennie actually sent out a memo yesterday to the Board that has an update on this and the status of where we are at. Also we have a series of meetings and I think she has identified three or four third party vendors and to do the due diligence we have a meeting with them on Monday, a second company, and then I know she is making plans to set up a meeting with a third vendor to find out who has the best product available. At that point I would assume once a decision is made, I would assume something would be forthcoming to the Board.

Alderman Ouellette stated Kevin, it seems to me in almost every instance we have had a report from you there is a problem with computer programs or systems that we are using. It seems to me that before we take any action to rectify the problem before it becomes too big to solve, this sort of thing seems to happen. I can go all the way back to the School District during the 1999-2000 year when they had problems with the HTE system and the School District was reporting that. It doesn't seem to be addressed until something drastic happens. I am wondering why that is. Why do we wait so long? Like it says in here on page two of the report 8-4, *problems with I-Leads implementation made it impossible for the department to bill accounts for ten months causing revenues to be understated for FY2008 by approximately \$81,500*. If we have a problem that significant, why do we wait so long to try to either go to another system or have a better way of doing what needs to be done?

Mr. Buckley replied in that case, whenever you are going from one software system to another that was a massive project, you are always going to have bugs. No matter how careful you put these things together, there are always problems you encounter when you go live and you expect that and you expect a certain amount of time to get the thing to work. In this case we were dealing with such a small module of it, it was low on the priority list, and they had to get the other stuff working first. This is not uncommon when you change a system and why it took this long until they finally made a decision to go another route, you would have to ask Information Systems and the vendors who have been working with this but like I said it is not uncommon to run into this type of problem with a system when you put a new system in.

Alderman Ouellette stated I understand it just seems to be that... ten months is a long time, I understand this is a small part of the issue but I would say that the Business Licensing is probably a significant part of what you do on a day to day operational basis. If that department is struggling for so long in an area that is critical to that department, I can see where they would have problems. What ends up happening is they try in their own office, where they don't have the expertise; they try to come up with a way to either Mickey Mouse it or just put Band Aids on the situation until they finally get the help. I think ten months is a little too long to have problems lasting that long. I understand Kevin you are just the auditor. You are reporting what you find to us and I appreciate that. I think that needs to be rectified as well.

Mr. Buckley interjected I would agree that ten months is too long.

Alderman M. Roy stated we have the Ordinance Violations office down the hall from the City Clerk's office. Is there anything that that office could do, especially in the fine category where your report refers to fines, where that is a different office and a different set of eyes. Has anyone looked at possibly transferring part of the Business Licensing or the payment of fines over to that office? Is that feasible?

Mr. Buckley replied I really couldn't speak to that without looking into it further.

Deputy City Clerk Normand replied citations that we issue in the office through business licensing all go through Ordinance Violations now.

Alderman M. Roy asked has that been the process in the past?

Deputy City Clerk Normand replied it has been in the 15 years that I have been here.

Alderman M. Roy asked so the fines that are referred to not getting logged?

Deputy City Clerk Normand replied those are false alarm fines, different than an ordinance citation. This application came from the Police Department; Dale Robinson was actually the Deputy Chief at the time so I think it may have been 1996 or 1998. They certainly don't have the software there to process it either. I think you are shifting the problem at this point.

Alderman Lopez stated I think Alderman Ouellette brought up a very good point and I think the problem is that the information is reported to the Committee on Administration and when department heads have a problem on the computer or getting programs, she should be here to explain in front of this Committee also as to what has taken so long. Maybe we can help facilitate that with the other committees. It seems like one committee gets the information that has taken so long and the department head wants to get something done and they are trying to work with the other department head, which they do a good job at but sometimes they have to have that interference to make sure that something is moving on a fast track that we want. I know it took two or three years for people to pay credit cards in the Tax office, I don't even know where that stands. Are we still doing that? Other businesses are buying past us so I think everybody ought to be... If Matt is having a problem or somebody, Finance is having a problem with a computer then we have to get that person here to explain why it's not being done. If it's funding then all of us have a vote too. Ten months is a long time and I do agree with the Alderman. Good point you brought up.

Chairman Sullivan stated I want to go back to a different topic then I-Leads. Mr. Normand, there are some personnel management changes that were suggested here, segregation of duties, access to financial records; I guess the cash and checks being recorded and deposited quickly. Have you taken any steps internally in the office since you have been running the shop down there to change the internal operations?

Deputy City Clerk Normand replied yes, the auditee response on page six of the report, outlines what we have done since July 1st. Of those things, we have moved some staff that were involved in the cash handling out of the day to day cash handling and they are now simply processing the deposits the following morning. They are not doing the daily cash transactions through the register but strictly handling the deposit, whereas before when we had shortfalls in personnel they were doing both, and I think Kevin Buckley identified that as obviously a potential problem. Another major problem that was identified was the cash processing and the speed by which we did it. Sometimes the focus was on the customer and getting customers through and I can tell you that now cash payments are processed immediately and any check payment that is not processed immediately is restrictively endorsed. In our safe we have identified drawers for everyone and everything that is not processed or not completed all goes into the individual drawers. None of the monies, applications or what have you are mixed between personnel. Another thing we did was multi-batch or multi-day batch processing and essentially if we got 3,000 dogs in over a given week somebody would be processing those dogs and rather than waiting until that workload on a given week was completed, we are depositing each day so that the deposit is getting in faster.

Those are things that Kevin brought up in his audit and those are steps that we have taken already.

Chairman Sullivan stated the one thing that you didn't touch on was access to financial records. If God forbid there is a similar situation that comes up in the future, do you have a written policy that says that someone who has been accused of some sort of financial misdeeds will not have access to the financial records? Or is that something that I really need to talk to Human Resources about?

Deputy City Clerk Normand stated no, I just can tell you that in our office, it is very hard to segregate somebody. I know you don't want to go down that road tonight but to the best extent we could we would obviously, without question, get somebody out of that situation but we are a small office. It is not a situation like at the Highway Department with 300 employees where somebody could be moved off site.

Chairman Sullivan stated otherwise we would have to be dealing with hypotheticals here on specific employees and we don't want to do that.

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

TABLED ITEMS

9. 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.

10. Communication from Kevin Buckley, Independent City Auditor, listing audit observations and recommendations from all internal audits since
(Tabled 3/11/08; Retabled 7/07/08)
On file for viewing with Office of the City Clerk, One City Hall Plaza.

Item 10 was removed from the table on request of Alderman Lopez.

Alderman Lopez stated Kevin, I know you have been very busy. Did we give you a cutoff date to present the recommendations of all of your audits and if the departments are complying or not complying?

Mr. Buckley replied I don't believe so.

Alderman Lopez stated I thought that was the reason we put this on the table. You gave us a complete list....

Mr. Buckley interjected it has been so long that I can't remember anymore.

Alderman Lopez asked if the Clerk can check it out... I know you have been busy but it's all the recommendations that you have made for all the inspections that you have done to make sure that departments were complying and if not why they weren't complying. It may have to be directed by the Board to comply with some of your observations.

Chairman Sullivan stated a lot of those recommendations are really policy matters. Kevin will have made his observation. That is part of our oversight function as a Committee and as a Board. That is something we really should be the ones riding herd on the departments and not giving Kevin even more work then he already has.

Alderman Lopez clarified the only thing that Kevin was supposed to do with all of the audits, was to provide us all of his recommendations by departments, have they been implemented or not, and then we would make the policy as to directing departments.

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

11. 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)

This item remained on the table.

On motion of Alderman DeVries, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee