



Finance Committee Meeting
May 9, 2016 – 8:00 a.m.
Executive Chambers – Board Room

Minutes

1. CALL TO ORDER

Chair Werner called the meeting to order at 8:00 a.m. A quorum was present.

- **Members Present:** Chair Marc Sportsman, Nan Johnston, Diane Driver, Dave Rittman and Robert Lock
- **Other Aldermen Present:** Greg Plumb and Tina Welch
- **City Staff Present:** City Administrator Lauren Palmer, Public Works Director Alysen Abel, Community Development Director Stephen Lachky, Police Chief Kevin Chrisman, Finance/Human Resources Director Matthew Chapman, Assistant to the City Administrator Tim Blakeslee, City Treasurer Steve Berg and City Clerk Melissa McChesney
- **Others Present:** Jay Norco, North Hills Engineering; and Michael Keenan, Cochran Head Vick & Co., Inc.

2. FINANCIAL UPDATES

3. ACTION ITEMS

A. Approve the minutes from the April 25, 2016 meeting

Diane Driver moved to approve the April 25, 2016 minutes. Robert Lock seconded; motion passed 5-0.

B. Review and comment on the audit for fiscal year 2015, as prepared by Cochran, Head, Vick & Co., P.C.

Finance/Human Resources Director Matthew Chapman stated that a contract was authorized by the Board of Aldermen for the 2015 audit which was needed only minor edits before it was completed. He introduced Michael Keenan of Cochran Head Vick & Co., Inc.

Mr. Keenan provided highlights of the draft audit, noting that management responded to each comment on improvements for internal controls. He thanked staff for their assistance with the audit. The Finance Committee discussed the process on how to address excess budget expenditures and savings and Keenan stated that amendments could be made to the budget to explain what happened. Some municipalities waited until the end of the budget year to make all the adjustments when working on the next year's budget and others amended the budget throughout the year. The auditors recommended amending the budget each time there was an overage and staff did not have a strong recommendation for either process. The Committee also discussed long-term debt, excess funds in past budget years, budgeting for full employment and the Emergency Reserve policy.

City Treasurer Steve Berg commented on the audit, noting that many of the problems were known ahead of time and staff asked the auditors for guidance on how to solve them. Items included recording additional debt with the neighborhood improvement districts, improvements on how to handle the streets infrastructure and the Municipal Court finance issues. Chapman responded that some of the issues did not come up in prior audits and staff did not realize there was an unexplained balance but needed to find out why.

City Administrator Lauren Palmer said that if the Committee wanted to view the final version and all the pieces it was okay and there was not a rush except to get the audit completed. She added that staff anticipated an adjustment due to infrastructure which was reflected in the presented numbers and most related to capital assets and special assessments. She did not anticipate any

other adjustments and staff was working to figure out the valuation of the infrastructure and assets that could be included in the capital asset inventory.

Dave Rittman left the meeting at 8:30 a.m.

Further discussion focused on material weakness in capital assets. Staff understood it was an issue that was important enough to be included in the audit so it would be addressed.

Driver moved to postpone the recommendation to the Board of Aldermen until the final draft is complete and presented to the Finance Committee. Lock seconded; motion passed 4-0.

C. Approve the purchase of two new DMV-800 in-car video systems for two existing patrol vehicles from Digital Ally Inc., to be installed by KC Wireless

Police Chief Kevin Chrisman stated that the Police Department used the 500-series in-car video system for the past nine years. In early 2015, Captain Jon Jordan completed an audit of the in-car video system and discovered \problems with the parts covered. Chrisman explained that upgraded technology would benefit the City and the current system could be exchanged for a \$500 trade-in value. Staff looked at other systems but they were too expensive to change the servers and the software. Chrisman added that a key component of the new system was that the video would be downloaded via Wi-Fi instead of manually which would free up staff time for other responsibilities. Staff planned to have all the police cars outfitted with the video systems by the end of 2017. KC Wireless would install the systems. The sole source vendor was selected because of the five reasons explained in the policy report.

Driver moved to approve the purchase and installation of two new DMV-800 in-car video systems from Digital Ally, Inc. with installation by KC Wireless for a total amount of \$7,410. Lock seconded; motion passed 4-0.

D. Approve a construction services agreement with Midwest Drain and Sewer LLC for the 2016 closed circuit television and cleaning program

Public Works Director Alysén Abel stated that since 2007 the City has accumulated data from the video of the sanitary sewer lines. North Hills Engineering (NHE) reviewed the data and ratings and provided mapping updates. A bid opening was held on April 28 and four bids were received. The bid form requested unit prices for the closed circuit television (CCTV) and light cleaning and trimming sewer laterals and heavy cleaning. Abel added that the City did not have prior experience with Midwest Drain and Sewer but the Platte County Regional Sewer District had used them in the past. A work authorization for the remaining balance of approximately \$47,000 would be completed by NHE. The unit prices would be locked in for any additional work.

City Engineer Jay Norco said that H&H Septic Service found old pipes and incomplete records and the project would be used to gather data to help complete the records.

Dave Rittman joined the meeting at 9:00 a.m.

Dave returned to the meeting at 9:00 a.m.

Driver moved to recommend that the Board of Aldermen approve the construction services agreement with Midwest Drain and Sewer LLC for the 2016 CCTV and cleaning program in the amount of \$32,000, with the unit prices as provided in the bid documents. Lock seconded; motion passed 5-0.

4. NON-ACTION ITEMS

A. Quarterly Projects Update

City Administrator Lauren Palmer provided an overview of capital improvement projects for the first quarter of 2016, noting that staff was working to wrap up projects from 2015. She added that the Main Street electrical panel project would be reassigned to Assistant to the City Administrator

Tim Blakeslee. Public Works Director Alysén Abel said that a meeting would be held later in the date to discuss the demolition of the home on Route 9.

B. Street maintenance change orders

Public Works Director Alysén Abel explained that the contractors were working on curb repairs in the Riss Lake subdivision and the plan was to start the Kelly Industrial Park once those repairs were completed. She added that staff received a change order for 50 feet of additional sidewalk work on Twilight Place. The mill and overlay work would start in two or three weeks. Staff was working to determine personnel savings in the General Fund and would evaluate areas for additional work with those savings. City Administrator Lauren Palmer noted that she asked Abel to provide an update and requested the change orders go directly to the Board of Aldermen since the May 31 Finance Committee meeting was cancelled. Abel added that staff was testing to verify the materials were quality and would last because there had been issues in the past.

5. UNFINISHED BUSINESS (postponed from prior meetings)

6. OTHER BUSINESS

A. May 30 Meeting Cancelled – Memorial Day

B. Appointment of the Vice Chair

Chair Sportsman recommended the appointment of Dave Rittman as the vice chair.

Driver moved to appoint Dave Rittman as the Finance Committee Vice Chair. Lock seconded; motion passed 5-0.

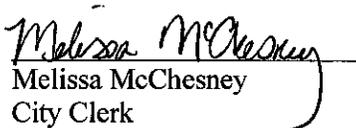
Police Chief Kevin Chrisman provided an update on an arrest that occurred over the weekend.

7. ADJOURNMENT

Driver moved to adjourn the Finance Committee meeting. Lock seconded; motion passed 5-0.

Chair Sportsman declared the meeting adjourned at 9:21 a.m.

Submitted by:


Melissa McChesney
City Clerk

June 13, 2016
Approval Date