

LAW AND FINANCE MEETING
Wednesday, January 15, 2014
1:00 P.M. in Council Chambers

The Law and Finance Committee met on Wednesday, January 15, 2014 at 1:00 P.M. in the Council Chambers at City Hall. The following people were present:

Law and Finance Committee:

Mayor T. Chet Mann	Mayor Pro Tem James Williams
Council Member Rebecca Wyhof	Council Member Charles Taylor
Council Member Walter H. McNeil, Jr	Council Member Sam Gaskins
Council Member Norman Chas. Post III	City Attorney Susan Patterson
City Clerk Bonnie D. White	Council Member Jimmy Haire
City Manager Hal Hegwer	

Mayor Chet Mann called the meeting to order.

Consider Audit Presentation by Martin-Starnes and Associates – Exhibit A

Finance Director Beth Kelly introduced Cassie Wilson, a senior Auditor with Martin-Starnes and Associates. Cassie Wilson presented the financial summary for fiscal year June 30, 2013. She said that they had issued an unmodified opinion, which is a clean report. She said that the audit process began with planning and risk assessment, and was a year-around auditing process. Ms. Wilson presented highlights from the audit and financial statements for the Council. She said that 2013 General Fund revenue and expenditures were comparable to 2012; however, there was an increase in expenditures due to an increase in resurfacing projects. She said that the 2013 Ad Valorem taxes and other taxes, as well as intergovernmental revenues were comparable to 2012.

Consider Ordinance Amending the Annual Operating Budget of the City of Sanford FY 2013-2014 – Exhibit B

Finance Director Beth Kelly said that the first two sections of the budget amendment related to her recommendation to purchase the upgrade software for Tyler Content Manager. She said explained that part of the current Tyler Content Manager, which is a part of the Munis package, and which holds all of the documentation related to all of the different modules, and allows this documentation to be attached to different accounts and specific screens within the Munis System. She said that this budget amendment was for an upgraded package of the Tyler Content Manager. She said that this was a one-time setup cost of \$22,250, and would be allocated between the General Fund and Utility Fund based on estimated usage of this package.

Mrs. Kelly noted that \$7,500 of contingency would be appropriated in the General Fund for purchase of scanners, label, software and training for the Finance Department. She said that this updated package would allow staff to process invoices more efficiently by scanning, coding, and e-mailing those to departments for approval, and allow staff to maintain and view supporting documentation for journal entries, budget amendments, and make this information accessible to all departments, and make it easier to view on multiple screens within Munis. She

said that all documents processed through the Tyler Content Manager would have an audit trail, which would include a stamp of user ID, time and date on every transaction.

Mrs. Kelly said that the \$14,750 would be appropriated from Contingency in the Utility Fund for the purchase of a scanner for the Utility Fund for Utility Billing and Collections. She said that this upgrade will allow the customer service reps to access, view and archive PDF copies of customer account bills; allow them to see delinquent notices, attach service order back-up, adjustment and back-up. She said everything will be readily available per the screen; per customer account. She said this will also allow the utility customers who prefer to use the self-service module off of the website the ability to actually view a PDF copy of their bill or delinquent notice, which currently they call into customer service and staff has five or six steps to complete before the customer can view their bill.

Mrs. Kelly said that the CSR's will be able to perform key word searches on multiple types of documents in the utility billing system through this upgraded package. She informed Council that included in this amount is the training recommended by Munis for the maximum number of training days. She said, however, that Support Specialist April Derrah will be trained by Munis, then she will in turn train all other City's Departments. She said that hopefully they would not have to maximize this cost.

Mrs. Kelly also informed Council that there would be approximately \$3,000 recurring cost after this year for ongoing software maintenance, updates and supplies related to the labeling. She said that this cost would be allocated between the Utility Fund and General Fund.

Council Member Taylor commented that it was troubling to him that all of the City's billing was done in Charlotte. He asked Beth Kelly if there was any additional software that could be purchased that would allow the City to handle the billing process internally without outsourcing.

Beth Kelly informed Council Member Taylor that the billing process was not done in Charlotte, that they only provided collection services. She said that there was a lockbox service which was separate. She said that City staff initiated the billing process, and then forwarded the information to Source Link as a third-party provider to print the bills. She said that staff compiled that information for the last Council retreat.

Council Member Taylor said that although it may require additional funds, it would save money in the long run to be able to bundle these services internally.

City Manager Hal Hegwer said that the City could evaluate this issue; however, when it was evaluated the last time, it was not cost effective to bundle the services.

Beth Kelly said that it was the cost of the equipment that would have to be purchased to print the bills was the main issue, and also, the City could not get the same rate of postage that the larger company did. She said that she would review this information again for Council.

Council Member Taylor asked Beth Kelly if customer accessibility to the bills would be retroactive. Ms. Kelly said that at the present time, it would be from the point of installation forward.

Council Member Taylor asked City Manager Hal Hegwer if this would be a good opportunity to implement paperless billing and receipt of payment.

Mr. Hegwer said that this had been reviewed before and that there were a significant number of customers who preferred paying their bill in cash at City Hall. He said that they could certainly review this issue. Mrs. Kelly said that previously she had staff review an incentive to set up draft, and that she would review this information again. She noted, however, that they did not pass any cost onto customers to use the online payment software; however, a lot of companies who use third party' for collections did pass their cost onto the customers.

Council Member Haire said that the prior study of December 31, 2011, revealed mail to lockbox was 31 percent; walk into City Hall to pay was 34 percent; night drop was 9 percent; pay by phone with a credit card was 4 percent; bank drafts was 16 percent; and online was 6 percent.

Council Member Taylor said that it would be beneficial to run this survey again since it had been two years. Beth Kelly said that staff looked at these numbers every month; however, she did not bring the information with her to the meeting. She said, however, that the online had more than doubled since this survey. She said that her staff would distribute an update of these figures.

Finance Director Beth Kelly reviewed the last session of the budget amendment, which was to re-appropriate \$4,000 of grant money that the Sanford Police Department received last fiscal year from the National Association of Drug Diversion Investigators to be used for enforcement, indoor education of drug abuse of prescription drug abuse problems in the City.

Mr. Hegwer reminded Council that this grant was part of the drop box program, where people could drop off old prescription drugs so that they could be disposed of in a proper manner.

Council Member McNeil congratulated Beth Kelly for receiving a Certificate of Financing expertise this year.

Consider Financial Guarantee for a 3-Lot Major Commercial Subdivision for Elite Storage, LLC with Frontage on Plaza Boulevard and Douglas Drive – (Exhibit C)

Community Development Director Bob Bridwell reviewed the Financial Guarantee for a 3-Lot Major Commercial Subdivision for Elite Storage, and recommended approval of the Financial Guarantee.

Consider Comprehensive Bicycle Plan – (Exhibit D)

Downtown Director David Montgomery recommended approval of the Comprehensive Bicycle Plan. He said that this had been a year and a half process involving the Steering

Committee and working with the consultant to develop a Comprehensive Plan for the City of Sanford. He said that the plan also included pedestrians and automobiles. Mr. Montgomery said that his recommendation came from the Steering Committee, the Planning Staff and the North Carolina Department of Transportation. He said that they had made minor changes (typos and etc.) to the plan that was presented in the summer on 2013, and that they had gotten approval from NCDOT. Mr. Montgomery introduced Lindsey Smart with Alta Greenways to Council.

Lindsey Smart gave a brief presentation of the major priorities of the presentation given in the summer of 2013. She gave some brief highlights of the planning process, and plan recommendations. She said that meetings and fieldwork were performed, which included a collection of analysis. She said that there had been extensive public outreach and engagement prior to submitting the draft plan to the Steering Committee and NCDOT for approval. She said that everything that the plan recommended was implementable and practical, and based on national best practices. Ms. Smart commented on bicycle parking spaces, and suggested that the City's regulations could be revised to include language pertaining to location and design of bicycle parking spaces.

Council Member Charles Taylor commented that he had suggested an idea of a bicycle elements court about a year ago. He said that Raleigh had just implemented 27 miles of designated bicycle plan. He said that biking had always been recession proof. He said that the bike elements course fit into the corridors that Ms. Smart had spoken of, and that it may be something to consider.

Community Development Director Bridwell commented that this plan would become a part of the Comprehensive Plan. He said that when NCDOT made improvements to streets, this Bicycle Plan would be reflected in those improvements. He also said that when the design staff reviewed a project, the bicycle plan would be reflected as well.

Adjournment

Council Member McNeil made the motion to adjourn. Seconded by Council Member Wyhof, the motion carried unanimously.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



BONNIE D. WHITE, CITY CLERK