

The Finance and Judiciary Committee for the City of Junction City met at 6:30 p.m. on Thursday, June 4, 2015 in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon.

**PRESENT WERE:** Chairman Bill DiMarco, Councilor Karen Leach, Councilor Steven Hitchcock, City Administrator Jason Knope, and Finance Director Mike Crocker.

**I. Changes to the Agenda**

None

**II. Approval of minutes February 5<sup>th</sup>, March 5<sup>th</sup>, 2015, and April 2<sup>nd</sup>, 2015.**

Minutes were approved as presented.

**III. Clair Company Contract Renewal**

City Administrator Knope discussed the renewal of the Claire Contract for building inspection services. The renewal as presented would be for a 2 year period and includes a 30 day out no fault clause. Renewing the existing contract would allow staff to further analyze the services. Staff is asking for a recommendation to take the contract to Council. The Committee made the recommendation to forward the contract to Council for consideration and with a recommendation to renew the contract.

**IV. Audit Management Advisory Letter**

Director Crocker discussed the Auditor's Management Advisory Letter issued at the end of the FY13/14 audit. He stated that the advisory letter items do not have a bearing on the audit results, but are observations made by the audit team that they wish to forward to the City for our consideration. Director Crocker presented the original management letter and the list of the items with a current status following each item.

1. Internal Service Fund Activity – This item was accomplished as part of the FY15/16 budget process and is now complete. The auditors reviewed the Internal Services Fund changes during the budget process and agreed with the improvements proposed by staff.
2. Segregation of Duties – This was directed to the Utility Billing function within the Utilities. It is a specific item which has been discussed with the City Administrator. Director Crocker stated that this will likely be discussed more in the future.
3. Less paper environment – Staff is working towards less paper in the Council process.

4. Expenditure Coding – This item has to do with helping staff to identify the correct expenditure coding as invoices are reviewed in the accounts payable process. Better access to financial data and reporting in real time is expected to help improve the coding. The auditors would like to see fewer corrections.
5. Fund Type Identification – This item is referring to the fund classifications used in the budget document. The auditor's suggested changes have been incorporated into the FY15/16 budget document.

Director Crocker stated that these are advisory items and the City is not required to make any changes related to items in the Advisory Letter. The letter is a required audit step. The purpose for this report is to update the Committee on the status of these items.

#### **V. AGENDA FORECASTER REVIEW**

Councilor Hitchcock asked staff about the status of the records management policy. Administrator Knope stated that staff is well along and he expects this item to be brought to this Committee in July.

The Committee reviewed the items on the Forecaster. Director Crocker stated that the forecaster was meant to capture all outstanding items over the last six months.

City Administrator Knope reviewed the Finance Committee's administrative project list. He stated that some of the items on this list are part of a reorganization plan and will be dealt with as part of that project.

2. Annexation process: Committee agreed that this item is complete.
9. Annual budget process refinement: not started yet. This is an annual process.
10. Internal Services Fund: complete
12. IT (hardware/software outdated, mgmt, policy, security, access) Intranet accessible file system: reorganization item
13. Citywide records retention and records management policies/records management software: work in progress
14. Judge supervision: reorganization item
15. Resources cabinet/or source for Council: no update at this time
16. Committee project tracking: complete
17. Personnel manual update: reorganization item
18. Formalized HR: reorganization item
21. Long range financial plan: language for recurring review needs to be discussed.
25. Staff compensation schedule review for Council: reorganization item
26. Probation service determination/evaluation: reorganization item
27. TSP: work in progress
39. Council agenda setting process: complete

- 40. Standardized planning customer forms: no status update at this time.
- 41. Audit RFP/level of audit analysis & determination: could be looked at with the legal services review.
- 42. Committee agenda development process documented: complete
- 44. Process for citizen complaints about employees: reorganization item
- 45. Social medial policy and procedure: work in progress.
- 46. Labor negotiations one point person: reorganization item
- 49. Budget work session mid-year: in progress
- 50. Building complaint process/SB915/unpermitted work: work in process
- 57. Compilation of pending Council direction for Council tracking: Committee and staff discussed the definition of this item. This item could be taken back to Council for clarification.
- 60. Minutes: work in process
- 66. Building Official inspection service: in process
- 67. Website management/content/relevancy/update: reorganization item
- 68. Process to end service of appointive from Commissions or Committees: reorganization item
- 69. Investment policy: included on the agenda forecaster.

City Administrator stated that all the items are tracked on his master list of the administrative projects list.

## **VI. Other Business**

Councilor Hitchcock asked about the Audit advisory item for less paper. City Administrator Knope stated that he has begun looking at tablets that may accommodate Council and Committee packets. He further discussed some of the devices he has looked at and how they might be used.

## **VII. UPDATES**

None

## **VIII. ADJOURNMENT**

The meeting was adjourned at 7:16 pm.

ATTEST:

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Mike Crocker, Finance Director