

**CITY OF COLUMBIA
WORK SESSION MINUTES
APRIL 8, 2009 – 9:00AM
CITY HALL - 1737 MAIN STREET**



The Columbia City Council met for a Work Session on Wednesday, April 8, 2009 at City Hall, 1737 Main Street, Columbia, South Carolina. The Honorable Mayor Robert D. Coble called the meeting to order at 9:04 a.m. The following members of Council were present: The Honorable E.W. Cromartie, II, The Honorable Tameika Isaac Devine, The Honorable Daniel J. Rickenmann and The Honorable Kirkman Finlay III. The Honorable Sam Davis arrived at 9:06 a.m. and The Honorable Belinda F. Gergel arrived at 9:08 a.m. Also present were Mr. Steven A. Gantt, Interim City Manager and Ms. Erika D. Salley, City Clerk.

PRESENTATION

A. Work Initiative Program Proclamation – The Honorable E.W. Cromartie II

Councilor Cromartie explained that he had the pleasure of initiating the Work Initiative Program in January 2003. The expectations of the program were to provide a structural opportunity through the Empowerment Zone to learn a marketable trade in brick masonry or carpentry and then go to work. The program's goal was to train 91 unemployed and underemployed individuals in brick masonry and carpentry. The Work Initiative Program had strong partners that provided the necessary supportive services. Richland School District One Adult Education conducted the three-day orientation session; Midlands Workforce Development Board provided scholarships; SC Vocational Rehabilitation, the Midlands Workforce Development Board and the Columbia Housing Authority provided uniforms, transportation assistance and case management; Goodwill Industries provided weekly life skills training; the Midlands Fatherhood Initiative worked with non-custodial fathers; the Greater Columbia Community Relations Council and the local Human Resource Professionals provided employability workshops; and SC Community Bank provided financial counseling and a second chance checking account. The program is very important, because it is the seed we are using to initiate the employment program through stimulus money; we've had the training and experience. The program serviced 500 individuals; however, only those who were able to successfully meet the challenge and complete the 12-weeks of training were employed.

The members of Council presented a Proclamation to Mr. Lonzo Ruff for his six (6) years of hard work and dedication to the Work Initiative Program. Mr. Ruff retired on March 27, 2009.

CITY COUNCIL DISCUSSION / ACTION

B. Update on Audit and Associated Projects – Mr. Bud Addison, Audit Senior Manager / Webster Rogers LLP

Mr. Bud Addison, Audit Senior Manager / Webster Rogers LLP stated that he was pleased to report that progress has been made from the prior year; there have been strides in significant areas; and staff has a much better handle on bank reconciliations. He admitted that there have been hiccups, but there has been progress in both areas. The 2008 audit should be completed by mid to late May 2009. Some of the issues from 2007 have been resolved and are near completion. We want to emphasize that great strides have been

made in the cash area; it is imperative that Council ensures that the cash reconciliations don't fall behind again. He added that if you don't know how much money is in the bank then you have little control over things. Ensuring that the timely reconciliation of bank statements is done is the most significant thing. He recommended that the Internal Auditor conduct a monthly review and test of the process until Council is comfortable. I would not be against Council receiving copies of the operating account on a monthly basis; it should be placed on the agenda.

Upon motion by Mr. Cromartie, seconded by Mr. Finlay, Council voted unanimously to dedicate fifteen (15) minutes during the Work Session on the second Wednesday of each month for Audit Committee meetings. These meetings will be added to the calendar. Staff is to develop a short review list wherein the City Manager and Chief Financial Officer will review the report with the members of Council. The Treasurer should provide snapshots on the City's investment portfolio. The City Manager is directed to spend 30 minutes asking questions on the financial statements prior to each meeting and should perform tests on 10-15 checks.

Mr. Bud Addison, Audit Senior Manager / Webster Rogers LLP further suggested that Council look at a very high level report to be prepared by the Finance Director; look at the line items with the greatest variances; have the person responsible for that budget area to explain specifically as to why it's over budget. He said that passing a budget is one thing and it's a road map, but you have to consider the expenditures; is the money in the bank? You can't spend it because it's in the budget; you should budget cash flow month by month. As you develop policies and procedures for an area you should look at it to say what's my risk for this area? For example, compensated absences; when an employee resigns these hours are paid to the employee on their final check. The question becomes what happens if an employee is terminated then they are not entitled to a pay off; how is that removed from the City's books? That liability is not currently taken off the books.

C. Fiscal Year 2009 / 2010 Budget Review (General Fund) – Ms. Melisa Caughman, Budget Director

Councilor Finlay, as Chairman of the Budget Committee reported that our revenues are moderately stable, but over a period of time we were spending \$8 to \$10 million off the balance sheet to cover healthcare and other benefits. We also derived \$8 to \$10 million of the budget for General Fund from other fund sources that are now beginning to dry up. The General Fund revenue is in the \$95 to \$96 million range, but our total spending has been in the neighborhood of \$20 million more than that. We are going to have a very difficult time raising revenues in this environment. We will have to recoup that \$8 to \$10 million spent off the balance sheet through the income statement and that is going to require us to change the way we do business.

RESOLUTION

- D. Resolution No.: R-2009-020 – Authorizing the Interim City Manager to execute an Agreement between the City of Columbia and Trinity Housing Development Corporation for development of a 26-unit housing project - *Approved*

Upon motion by Mr. Cromartie, seconded by Ms. Devine, Council voted unanimously to approve Resolution No.: R-2009-020 – Authorizing the Interim City Manager to execute an Agreement between the City of Columbia and Trinity Housing Development Corporation for development of a 26-unit housing project. *Please note that the City of Columbia is providing administration of the funding to the Trinity Housing Development Corporation as outlined in the Agreement.*

APPOINTMENTS

- E. Complete Count Committee / Census 2010

Upon motion by Mr. Davis, seconded by Ms. Devine, Council voted unanimously to approve the appointment of Ms. Jannie Nelson to the Complete Count Committee Census 2010.

EXECUTIVE SESSION

Upon motion by Mayor Coble, seconded by Mr. Cromartie Council voted unanimously to go into Executive Session at 10:30 a.m. for the discussion of **Item F.** as outlined.

- F. Receipt of legal advice which relates to matter covered by attorney-client privilege
- ****State-Mandate Notice of Home for Handicap Persons**
This item was discussed in Executive Session. No action was taken.
- **Council adjourned the Executive Session at 11:42 a.m. to reconvene the Work Session.**

CITY COUNCIL DISCUSSION / ACTION

- G. Update on GASB 45 – Mr. Bill Ellis, Interim Chief Financial Officer and Ms. Melisa Caughman, Budget Director

Mr. Bill Ellis, Interim Chief Financial Officer and Ms. Melisa Caughman, Budget Director presented information on how other municipalities are addressing GASB 45. The members of Council inquired about various scenarios under GASB 45 and how the scenarios impact the budget.

There was a consensus of Council to direct staff to prepare copies of the actuary under various scenarios as discussed during the meeting.

EXECUTIVE SESSION

Upon motion by Mayor Coble, seconded by Ms. Devine, Council voted unanimously to go into Executive Session at 1:19 p.m. for the discussion of **Items H.** through **K.** as amended. Mr. Finlay was not present for the vote.

- H. Receipt of legal advice, which relates to matters covered by attorney-client privilege
- Absentee Landlord Ordinance
 - Columbia Action Council
 - **Interim Funding for the Central Midlands Regional Transit Authority
 - Richland School District One Coliseum Rental

These items were discussed in Executive Session. No action was taken.

- I. Discussion of Employment of an Employee

This item was discussed in Executive Session. No action was taken.

- J. **Discussion of Discipline of an Employee

This item was discussed in Executive Session. No action was taken.

- K. **Discussion of negotiations incident to proposed contractual arrangements

- **External / Internal Auditor Request for Qualifications
- Richland County School District One School Resource Officer Services

These items were discussed in Executive Session. No action was taken.

- **Mr. Finlay left the meeting at 2:55 p.m.**
- **Council adjourned the meeting at 4:42 p.m.**

Respectfully submitted by:

Erika D. Salley
City Clerk