

Minutes Finance Committee Meeting Tuesday, February 9, 2016

A Finance Committee meeting was held Tuesday, February 9, 2016 at 4:00 P.M. in the Raymond Pridgen Auditorium. The following were notified of the time, date, and place of the meeting: Members of the Finance Committee, the City Staff, and the press. Present at the meeting were the following: Council Member Jo Sanders, Council Member Carolyn Wilson, City Administrator David Hudspeth, Smith Brooks – Kenneth Cobb & Co., LLC, Kevin Madden – Greene, Finney & Horton, LLC.

1. Call Meeting To Order & Welcome: Council Member Carolyn Wilson called the meeting to order and welcomed all present.

2. Disclosure that local media has been informed of meeting pursuant to South Carolina Freedom of Information Act: Council Member Wilson stated the local media had been contacted regarding the time, date, and place of the Finance meeting scheduled for February 9, 2016.

3. Re: FY 2015 Audit – Smith Brooks, Kenneth Cobb & Co., LLC: Council Member Wilson recognized Smith Brooks. Brooks thanked everyone for allowing Kenneth Cobb & Co. to serve the City. Revenue decreased by \$169,000.00 from 14-15 Expenses decreased by \$184,000.00. \$1.4 million was spent out of Capital Fund and that included City Hall, Old Brick Warehouse Demolition, National Guard Fire Dept., Police Cars., Dogwood Park, and Gapway Park. General Fund showed a loss of \$349,000.00, Hospitality \$232,000.00, Capital projects had an excess of \$36,000.00. Overall net change in fund balance was a net loss \$567,000.00. Unassigned fund balance is \$2.2 million.

Smith stated there was a significant change in GASB. State retirement is unfunded by about 40%. GASB is making every entity that participates in SC retirement report their share of the states liability.

Smith noted the following findings:

- Segregation of duties
- Adjusting journal entries
- Incomplete financial statements

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Smith stated on the bid process with some of the bigger projects the purchase order was never completed. The clock purchase was not budgeted nor mentioned in council minutes.

Hudspeth stated the findings are less compared to previous years. Council Member Wilson questioned purchase orders. Hudspeth stated it was on the bigger projects. The projects were approved by Council but the purchase orders were not completed.

Council Member Wilson asked what could be done for segregation of duties. Kevin Madden explained the process of writing checks and bank reconciliations. Hudspeth noted that he reviews the statements each month.

4. Adjournment: Council Member Sanders made a motion to adjourn. Council Member Wilson seconded the motion. The meeting adjourned.

Council Member
Carolyn Wilson

Attest:

City Clerk
Felicia S Turner