



**Park Board of Trustees of the City of Galveston
Finance and Operations Committee**

1/10/2023 - Minutes

I. Call Meeting To Order

The meeting was called to order at 1:30 p.m.

II. Pledge Of Allegiance

The pledge was recited by those present.

III. Roll Call And Declaration Of A Quorum

Roll was called and a quorum declared.

Committee members present: Dave Jacoby, Will Wright, Jeff Ossenkop and Spencer Priest.

IV. Conflict Of Interest Declarations

There were no conflicts declared.

V. Requests To Address The Committee

There were no requests to address the committee.

VI. Discuss And Consider Approval Of November 8, 2022 Meeting Minutes

Motion: Spencer Priest motioned to approve the November 8, 2022 meeting minutes.

Second: Jeff Ossenkop seconded.

Vote: Approved (4-0).

VII. Discuss And Consider Approval For Bus Stop Lighting Repair At Urban Park (Vincent Lorefice, 5 Minutes)

Vince Lorefice reported that the some of the lights for the bus stops along the seawall are in need of repairs and that staff is asking to contract with Crescent Electric to troubleshoot each stop to determine the repairs needed through at a cost not to exceed \$31,033.24.

Motion: Will Wright motioned to approve a contract with Crecent Electric not to exceed \$31,033.24.

Second: Spencer Priest.

Vote: Approved (4-0).

VIII. Discuss And Consider Approval Of Lease Agreement With Visual Edge IT For Park Board Plaza Printer/Copier Machines (Schel Heydenburg, 5 Minutes)

Schel Heydenburg shared that the two copies currently on lease from Visual Edge were installed in August 2020 and are experiencing frequent mechanical failures. She reported that the vendor will replace these machines with

new copiers at the same monthly cost of \$1,908.00 as well as a reduction in the overage rates contingent on a new 63 month agreement and staff is asking approval to proceed.

Motion: Spencer Priest motioned to approve the new lease agreement with Visual Edge.

Second: Will Wright seconded.

Vote: Approved (4-0).

IX. Discuss And Consider Approval To Award Contract To Vanguard Truck Centers Of Houston For Visit Galveston Box Truck With Lift Gate (Jacquelyn Helton, 5 Minutes)

Jacquelyn Helton shared that with the transportation of all of the Visit Galveston assets as well as the Island Soul visitor guide distribution and the costs related to freight for these assets, staff is seeking approval to purchase a box truck with a lift gate. She reported that it has been discussed to lease a truck however due to the size of the vending machine used at events, this is not a viable option. Mrs. Helton stated that a sealed bid process was activated and Vanguard Truck Centers of Houston was the only bid received in the amount of \$78,230. Bryson Frazier shared that this will need to go before the Tourism Development Advisory Committee and the Board before being taken to the City for approval since it is not part of the funded budget already approved. Dave Jacoby asked that all items coming before the committee should include whether or not it is currently funded via approval from the City as necessary.

Motion: Spencer Priest motioned to approve the box truck purchase.

Second: Will Wright seconded.

Vote: Approved (4-0).

X. Discuss And Consider Approval Of Scope Of Work And Process For 3rd Party Cash Balance Audit (Bryson Frazier, 15 Minutes)

Bryson Frazier reminded the committee that on December 13, 2022, the Board authorized staff to solicit a third-party auditor to audit the Park Board's cash reconciliation procedures and cash balance classifications. In addition, at the next meeting, December 21, 2022, the Board expressed interest in having the City Auditor involved in the process of establishing the scope of work for the audit and recommendations for auditors. He reported that shortly after the meeting on the 21st, he was notified by the City that they supported the audit but may want to expand the scope, specifically auditing the hotel occupancy tax (HOT) from receipt to final disposition to help achieve the result of best defined accounting practices in the use of HOT moving forward. Mr. Frazier shared that staff is recommending approving the scope of work to include a review of the Park Board's cash reconciliation procedures, cash balance classifications and comparing the results of the City's HOT Transfer calculation to ensure compliance with the ordinance. In addition, staff is recommending the development of a review team consisting of the Chief Financial Officer, Controller, City Auditor and City Finance Director to develop the scope of work and agreed upon procedures for a limited scope audit and review the results.

Motion: Will Wright motioned to approve the staff recommendations for the limited scope audit and review team.

Second: Jeff Ossenkop seconded.

Vote: Approved (4-0).

XI. Discuss And Review City Auditor's Request To Schedule A Follow-Up Audit On The Park Board's Procurement Procedures (Bryson Frazier, 5 Minutes)

Bryson Frazier reported that the City Auditor has requested to schedule a follow-up audit on the Contract Management System and Procurement Policy, Procedures and Controls that were implemented in 2021 with assistance from their office. He shared that he did request that this audit wait until after January when the annual third-party audit is completed and the City Auditor has agreed.

XII. Discuss And Consider Approval Of Fiscal Year 2022 September Unaudited Financial Statements (Bryson Frazier, 15 Minutes)

Bryson Frazier reviewed the September 2022 Unaudited Financial Statements.

Motion: Will Wright motioned to approve.

Second: Spencer Priest seconded.

Vote: Approved (4-0).

XIII. 2022-2023 Committee Work Plan

Bryson Frazier shared that Financial Projections item would be rescheduled and will need to be revised based on the HOT funding requests to the City per the recently approved ordinance. He also shared that the software implementation update would also be rescheduled.

XIV. Future Agenda Items

Annual Financial Audit Draft

XV. Announcements

Galveston Restaurant week started January 9 and runs through February 5.

XVI. Adjournment

The meeting was adjourned at 2:21 p.m.