



CITY OF HOPEWELL

Hopewell, Virginia 23860

AGENDA

(804) 541-2408

www.hopewellva.gov

info@hopewellva.gov

cityclerk@hopewellva.gov

CITY COUNCIL

John B. Partin, Jr., Mayor, Ward #3

Jasmine E. Gore, Vice Mayor, Ward #4

Rita Joyner, Councilor, Ward #1

Michael B. Harris, Councilor, Ward #2

Janice B. Denton, Councilor, Ward #5

Brenda S. Pelham, Councilor, Ward #6

Dominic R. Holloway, Sr., Councilor, Ward #7

Dr. Concetta Manker, City Manager

Danielle Smith, City Attorney

Brittani Williams, City Clerk

Bridetta Williams, Deputy Clerk

October 12, 2023

SPECIAL MEETING

Closed Session: 6:00 PM

Work Session: 7:00 PM

6:00 p.m. Call to order, roll call, and welcome to visitors

CLOSED SESSION:

SUGGESTED MOTION: Move to go into closed meeting pursuant to Va. Code Section §2.2-3711 (A) (1) to discuss and consider personnel matters, including board and commission appointments; the assignment and performance of specific appointee and employees of City Council, and to the extent such discussion will be aided thereby.

WORK SESSION:

WS-1 – Financial Remediation Services Update – Robert Bobb Group

Reports of City Manager:

Reports of City Attorney:

Reports of City Clerk:

Councilors Request:

ADJOURNMENT



City of
HOPEWELL
VIRGINIA

THE
ROBERT BOBB
GROUP LLC



AGENDA & PROGRESS REPORT

**PROJECT MANAGEMENT OFFICE AND
ACCOUNTING REMEDIATION SERVICES**

10-05-2023

AGENDA

1. Progress to Date
2. Overview of Identified Issues & Remediation
3. Upcoming Period Activities & Needs

EXECUTIVE SUMMARY

This report serves as a summary of the progress, future tasks, and challenges associated with the Project Management Office (PMO) and Accounting Remediation Services project for the entire month. Throughout the month, numerous meetings and walkthroughs were conducted to understand the City's financial processes and landscape.

To ensure the effectiveness and applicability of this project, as well as its related recommendations, our meetings have consistently emphasized data-driven decision-making. Gaining a comprehensive understanding of the City remains a keystone of our review process.

1. COMPLETED THIS PERIOD

Activities and Meetings:

- **Document Repository and Collaboration Implementation:** A sophisticated document repository and collaboration platform has been set up.

- **Status Report Meetings:** Each week, updates on the project's status are shared with the City Manager.

- **Key Staff Interviews & Walkthroughs:** Over the month, in-depth interviews were held with pivotal city staff members, including those from Treasury, the positions of Finance Director, Real Estate Assessor, Senior Financial Analyst, Procurement and Financial Business Analyst,

Commissioner of Revenue, Senior Payroll Specialist, Senior Budget Analyst, and Account Techs. These sessions aimed to pinpoint and assess key business processes ripe for enhancement and to embark on a comprehensive review of the city's business requirements and staff evaluations. From the information accrued, the objective is to craft a clear blueprint of current business processes, ensuring they adhere to the most recent legal standards. In cases of discrepancies or opportunities for enhancement, the implementation of refined business processes is set to be discussed.

- **Revenue Mapping Meeting:** Key city officials convened to understand revenue flow mechanisms within the city and identify critical financial processes.

- **Budget Process Overview:** A meeting with the City Manager was held to review and understand the annual budget process, responsibilities, and key activities.

- **Commonwealth Communication Initiation:** Discussions with the Virginia Secretary of Finance were initiated to establish regular communication with the Commonwealth.

- **Wastewater Commission Fund Historical Exploration within Industry Partners:** Engagements with both a Councilmember and the Mayor focused on understanding the historical nuances of the industry rebate issue. Additional meetings are scheduled to further this exploration with Industry Partners.

- **Meeting with Former Director of Water Renewal:** Insights were gathered regarding the history of the Commission and strategies were discussed to better address rebate concerns with industry partners associated with the Wastewater Treatment Facility.

- **MUNIS System Overview & Discovery:** Discussions were organized between City and MUNIS representatives to address challenges and inefficiencies within the MUNIS system, emphasizing data integrity and staff capacity building.

- **MUNIS Training Sessions:** Comprehensive training sessions were conducted to assess MUNIS capabilities, involving both the Treasurer and Financial staff. Additionally, an introduction to the MUNIS System was provided to Hopewell Public Schools. Discussions are currently underway about a potential discovery and assessment session with Hopewell City Public Schools.

- **Meetings with Various Commonwealth Representation:** Introductory discussions with Delegate Coyner, Secretary of Finance Cummings, Deputy Secretary of Finance Markowitz, and

Virginia Auditor of Public Accounts Staci Henshaw, all of whom offered deeper historical context and understanding. Subsequent meetings have been planned for further updates.

- **Audit Findings Tracker:** Developed a comprehensive tracker to review and monitor current audit findings, add 2019 findings, and prioritize high-importance items for immediate action. The primary objective is to efficiently address these findings, with the goal of achieving an unmodified audit opinion as soon as possible.

- **Narrative Review Progress:** Documentation of finance narratives for Procurement and Budget has been completed and forwarded for evaluation.

2. OBSERVATIONS AND INSIGHTS

Through detailed interviews and walkthroughs with pivotal City personnel, as well as thorough evaluations of documents and audit findings, we have identified specific challenges faced by the city. Over the past month, we've tackled 88 issues and provided recommended solutions. In the upcoming phase, our primary focus will be addressing these challenges and initiating the recommended actions. Concurrently, we are also working to clear the backlog in cash and general ledger reconciliations and aim to finalize financial statements that haven't received an unqualified opinion since FY 2018.

The findings were systematically organized based on their primary impact area, whether it pertains to people/training, policies/procedures, reconciliations, or internal controls. The table below summarizes the findings by their respective categories.

Table 1 - Summary of findings.

Category	Count
People / Training	14
Policies / Procedures	57
Reconciliations	3
Internal Controls	14
Grand Total	88

Upon reviewing past audits, we've developed a table to track the auditor's observations along with their corresponding recommendations. This tool will aid us in ensuring that the

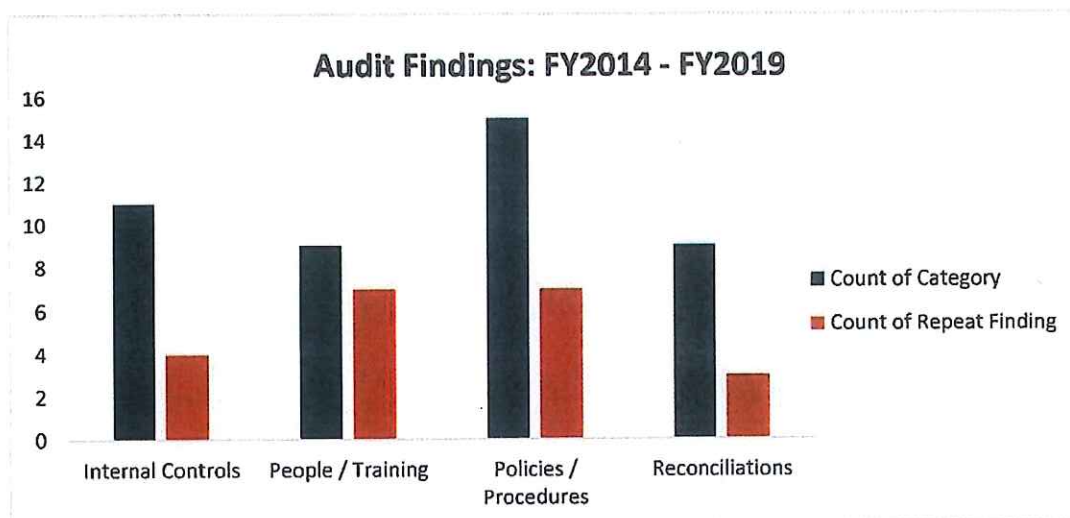
suggested actions are implemented, with the aim of achieving clean audit reports in the shortest possible timeframe.

The table and graphic provided below presents the ongoing audit observations spanning the years 2014 to 2019, 36 of them remaining open.

Table 2 - Audit Findings FY2014 - FY2019.

Category	Count of Category	Count of Repeat Finding
Internal Controls	11	4
People / Training	9	7
Policies / Procedures	15	7
Reconciliations	9	3
Grand Total	44	21

Figure 1 – Audit Findings FY2014-FY2019.



3. NEXT PERIOD ACTIONS

Turnaround Plan Execution: As part of the Restructuring Turnaround Plan's continued implementation, transformative actions are in motion. These next actions to be taken place are detailed below.

- To address the industry concerns, discussions with American Water, AdvanSix, Ashland Chemicals, and West Rock have been scheduled for the coming week. The team is also planning to meet with Beacon Theater leadership.
- Meetings are planned to deeply understand job responsibilities, assess current operational methodologies, and initiate initial business process enhancements.
- An initial MUNIS assessment will be unveiled this week. This analysis will play a crucial role in framing a proposed amendment for future work configurations and a path forward with the system.
- The team is initiating development of Standard Operating Procedures this week, drawing from all completed and approved walkthroughs.
- Recruitment Strategy: Efforts are in the pipeline to kick-start the hiring for pivotal roles identified.
- The entire accounting team will be actively engaged in the audit reconciliation process.
- Additional turnaround and remediation needs are being drafted for approval, including embedding experienced team personnel within Finance and Treasury.