

City of Gainesville

*City Hall
200 East University Avenue
Gainesville, Florida 32601*



Minutes - Draft

Wednesday, July 29, 2015

5:00 PM

City Hall, Room 16

Audit and Finance Committee

*Mayor Ed Braddy, Chair
Mayor-Commissioner Pro Tem Craig Carter, Member*

Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069.

CALL TO ORDER**ROLL CALL****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**

150051. Minutes of the Audit and Finance Committee Meeting of March 31, 2015 (B)

Attachments: [150051 March Meeting Minutes 20150729.pdf](#)

The minutes of the AFC meeting of March 31, 2015 were approved as circulated.

RECOMMENDATION *The Audit and Finance Committee approve the minutes of March 31, 2015 as circulated.*

Approved by Consensus

DISCUSSION OF ITEMS

150053. Fiscal Year 2015 Quarterly Monitoring Report and Fund Review Update - Quarter Ending March 31, 2015 (B)

Attachments: [150053 - A -FY2015 Quarterly Monitoring Report.pdf](#)
[150053 - B - FY2015 2nd Qtr All Funds Qtrly Report.pdf](#)

City Auditor Carlos Holt introduced the item. Assistant Finance Director April Shuping and Budget Manager Amy Spitzer gave a brief overview of the 3rd Quarter monitoring reports and the status of the general fund accounts. The Committee approved the recommendation to forward the items to the City Commission for approval.

RECOMMENDATION *The Audit and Finance Committee review and recommend that the City Commission receive the quarterly budget monitoring report and the fund review update for the quarter ended March 31, 2015.*

Approved as Recommended

150054. **SECOND BUDGET AMENDMENT TO THE FY 2014-2015 GENERAL GOVERNMENT FINANCIAL AND OPERATING PLAN (B)**

Attachments: [150054 - Second Budget Amendment Resolution..pdf](#)
[150054 - A - FY2015 Amendatory 2nd Quarter-Final.pdf](#)
[150054 Budget Amendment 20150820.pdf](#)
[150054 Resolution 20150820.pdf](#)

Budget Manager Amy Spitzer summarized the General Fund Report and the requested fund transfers. The Committee approved the recommendation for the Second Budget Amendment to be submitted to the City Commission for adoption by resolution.

RECOMMENDATION *The City Commission adopt the proposed resolution.*

Approved as Recommended.

150014. Gainesville Regional Utilities Internally Prepared Financial Statements and Supplementary Data for the Period Ended March 31, 2015 (B)

Attachments: [150014 - Interim Financial Statements for the Period Ended March 31, 2015](#),
[150014 Supplementary Data Period Ended 3.31.15 20150604](#)

City Auditor Carlos Holt introduced the item and Utilities Comptroller Claudia Rasnick presented the report to the Audit and Finance Committee. Interim Chief Financial Officer David Richardson responded to questions from the committee members and the general public. It was suggested that a format change be adopted within the report to provide additional information on the purchases and sales at the individual power units. Staff will work with Mr. Ray Washington to incorporate some of his suggestions into the report style. The report was approved as recommended.

RECOMMENDATION *The Audit and Finance Committee review and recommend the City Commission accept the GRU Interim Financial Statements and Supplementary Data for the period ended March 31, 2015.*

Approved as Recommended

100507. Funding RTS Routes and Associated ADA Service Outside the City Limits (NB)

Attachments: [100507 RTS Proposed Policy 20101130.PDF](#)
[100507 Revised Formula 20110127.pdf](#)
[100507 spreadsheets 20110217.pdf](#)
[100507 Service Rate Policy 20110217.PDF](#)
[100507 FinalRecommendedServiceRates 20110404.pdf](#)
[100507 MOD Presentation 20110505.pdf](#)

City Auditor Carlos Holt introduced the item to the Committee and Assistant City Auditor Eileen Marzak provided some history on the referral. Public Works Director Teresa Scott reported that the Base Level Transit Services rate had been established and approved by the Commission and that staff had developed a plan for establishing and funding a Capital Replacement Fund. Ms. Scott indicated that the referral had been finalized and should be removed from the referral list. The Committee will recommend to the City Commission that the item be removed from the referral list.

RECOMMENDATION *The Audit and Finance Committee: 1) accept the staff report;*

and 2) request that the City Commission remove this item from the referral list.

Approved as Recommended

- 150127.** Amend Ordinance 020024.1 of July 8, 2002 and Resolution 970187 of August 11, 1997

Attachments: [150127 - A - Appndix A Charter City Audit Original 20150820.pdf](#)
[150127 - B - APPENDIX A revised 20150820.pdf](#)
[150127 - C - Appendix C with revision 20150820.pdf](#)
[150127 - D - Appendix C clean copy with revisions 20150820.pdf](#)

City Auditor Carlos Holt advised the Committee that the resolution and charter language needs to be revised and updated to current audit practices. After a brief discussion, it was recommended that City Attorney Nicolle Shalley work with the City Auditor to draft the requested changes and bring those changes forward to the City Commission for adoption by resolution and/or ordinance.

The Committee recommended moving this agenda item to the City Commission to request the City Auditor and City Attorney to develop a resolution and/or ordinance to incorporate the proposed modifications.

RECOMMENDATION *The Audit and Finance Committee review the proposed modifications to Appendix A of the City of Gainesville Charter Laws and Resolution 970187 specifying City Auditor responsibilities.*

Approved as Modified

- 150055.** Purchase of ACL/GRC Audit Performance Software (B)

Attachments: [150055 - A - ACL Manul pages 1-3.pdf](#)
[150055 - B - ACL Frequently Asked Questions.pdf](#)
[150055 - C - Accounting Today Article ref ACL.pdf](#)
[150055 - D - Compliance Week Article ref ACL.pdf](#)
[150055 - E - ACL Solutions Article.pdf](#)
[150055 - F - Email from IT ref ACL.pdf](#)

City Auditor Carlos Holt provided information to the Committee on the proposed software automation program to be utilized by the City Auditor and his staff. It was recommended that the City Auditor proceed with the purchase.

RECOMMENDATION *The Audit and Finance Committee recommend the City Commission approve the expenditure for the software program.*

Approved as Recommended

- 150056.** City Auditor Logo (B)

Attachments: [150056 - A - Administrative Policy 8 A.pdf](#)
[150056 - B - Brand Implementation Guide.pdf](#)
[150056 - C - City Auditor's Logo.pdf](#)

The City Auditor's logo was approved as presented.

RECOMMENDATION *The Audit and Finance Committee has reviewed and approved the new logo design for the City Auditor's Office.*

Approved as Recommended

150126. Hotline Implementation (NB)

City Auditor Carlos Holt provided information to the Committee regarding an automated 3rd party hotline system to be utilized by the audit staff. Questions from the public were addressed and the Committee agreed to recommend City Commission approval of implementation of a 3rd party hotline tool for reporting fraud, waste and abuse allegations for audit investigation.

RECOMMENDATION *The Audit and Finance Committee review and approve the City Auditor move forward with the RFQ and implement a third party subscription based fraud, waste and abuse reporting hotline for internet and telephonic reports. The approximate \$1,800 annual cost is already included in the City Auditor's amended budget request.*

Approved as Recommended

150176. GRU Billing of GREC Accounts (B)

Attachments: [150176 - A -1000182581.pdf](#)
[150176 - B -1000182581.pdf](#)
[150176 - C -1000182581.pdf](#)
[150176 - D -1000182581.pdf](#)

City Auditor Carlos Holt introduced the item on the GREC billing and the details of GREC's electric consumption kwh billed amounts. AGM Customer/Administrative Services Bill Shepherd and Customer Services Director Herb Firsching provided background information. After some discussion, the Committee recommended that the item be held in Committee pending further information from GRU staff as it pertains to the meters and their functions.

RECOMMENDATION *Review and discuss the information the City Auditor and GM of GRU has found concerning the billings.*

Retained in Committee

150052. Review and Discussion of Audit and Finance Committee Referral Listing (B)

Attachments: [150052 AFC City Auditor Referrals Update as of 7-29-15.pdf](#)

The Committee discussed the items on the referral listing and the following items are recommended for removal by the City Commission: 130176 - City Commission Salary; 130170 - Gainesville Chamber of Commerce Recommendations for Small Business; 130169 - Contract Recommendations; and 100507 - Funding RTS Routes

and Associated ADA Service Outside the City Limits.

Ref: 140294 - Payments Power referral - The Committee would like to have additional background information on this item provided at the next AFC meeting and have staff provide an update regarding who was in contact with Mr. Gerry and status of meeting.

Ref: 130642 - City Attorney's memorandum re: Equitable Adjustment for Change of Law of the Power Purchase Agreement - The Committee would like to have both the Equitable Adjustment and the recommendations for process of improvements from the City Attorney's memorandum readdressed at the next AFC Committee meeting.

Ref: 130547 - Proposed Contract with Navigant - The Committee directed to have this item remain on the referral listing.

RECOMMENDATION

The Audit and Finance Committee review the referral listing and update as needed.

Approved as Recommended

MEMBER COMMENT

CITIZEN COMMENT

NEXT MEETING DATE

ADJOURNMENT

The meeting adjourned at 6:30 PM