

# City of Gainesville

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



## **Meeting Agenda**

**February 5, 2020**

**3:00 PM**

**City Hall, Room 16, Roberta Lisle Conference Room**

## **Audit and Finance Committee**

*Mayor Lauren Poe, Chair  
Mayor-Commissioner Pro Tem Harvey Ward, Member*

*If you have a disability and need an accommodation in order to participate in this meeting, please contact the Office of Equal Opportunity at (352) 334-5051 at least two business days in advance. TTY (Text Telephone Telecommunication Device) users please call 711 (Florida Relay Service). For Speech to Speech (STS) relay, please call 1-877-955-5334. For STS Spanish relay, please call 1-877-955-8773. For STS French Creole relay, please call 1-877-955-8707.*

**CALL TO ORDER****ROLL CALL****ADOPTION OF THE AGENDA****APPROVAL OF MINUTES**[190759.](#)**Approval of Minutes from the November 22, 2019 Audit and Finance Meeting (B)****RECOMMENDATION**

*The Audit and Finance Committee approve the minutes of November 22, 2019.*

[190759\\_November 22, 2019 Minutes\\_20200205.pdf](#)

**DISCUSSION OF PENDING REFERRALS**[190880.](#)**First Quarter Amendment through December 31, 2019 to the FY 2020 General Government Financial and Operating Plan Budget (B)**

*Explanation: The purpose of this amendment is to accurately reflect and incorporate into the City's FY 2020 General Government budget those transactions and activities that were not anticipated during the budget process.*

*Fiscal Note: All of the recommended changes are funded either by increases in revenue budgets, decreases in expenditure budgets, or decreases in appropriate fund balances.*

**RECOMMENDATION**

*The Audit and Finance Committee: (1) review the proposed amendatory budget resolution; and if acceptable, (2) recommend that the City Commission adopt the proposed resolution.*

[190880A\\_1st Budget Amendment Resolution\\_20200205.pdf](#)

[190880B\\_FY2020 1st QTR Amendatory and Summary\\_20200205.pdf](#)

[190934.](#)**Gainesville Regional Utilities Unaudited Internally Prepared Financial Statements for the Year Ended September 30, 2019 (B)**

*Explanation: The following item is presented for review:*

*Unaudited Internally Prepared Financial Statements for the year ended September 30, 2019, including management's discussion and analysis*

*Fiscal Note: Unaudited Internally Prepared Financial Statements***RECOMMENDATION**

The Audit and Finance Committee review and recommend the City Commission accept the GRU Unaudited Internally Prepared Financial Statements for the year ended September 30, 2019.

[190934 Interim Financial Statements Unaudited PE093020 20200205](#)

[190935.](#)**Gainesville Regional Utilities Internally Prepared Budget to Actuals for the Year Ended September 30, 2019 (B)**

*Explanation: The following item is presented for review:  
Budget to Actuals for the year ended September 30, 2019, internally prepared*

*Fiscal Note: Internally prepared Budget to Actuals*

**RECOMMENDATION**

The Audit and Finance Committee review and recommend the City Commission accept the GRU Internally Prepared Budget to Actuals for the year ended September 30, 2019.

[190935 GRU Budget to Actuals PE9.30.20 20200205](#)

[190936.](#)**Gainesville Regional Utilities Internally Prepared Supplementary Data for the Period Ended September 30, 2019 (B)**

*Explanation: The following item is presented for review:  
Supplementary Data for the period ended September 30, 2019, internally prepared*

*Fiscal Note: Internally prepared Supplementary Data*

**RECOMMENDATION**

The Audit and Finance Committee review and recommend the City Commission accept the GRU Internally Prepared Supplementary Data for the period ended September 30, 2019.

[190936 GRU Supplementary Data PE9.30.19 20200205](#)

[190942.](#)**Investment Policies for review by the Audit & Finance Committee (B)**

*Explanation: Per the City Manager's direction, the following Investment Policies are being submitted for review by the Audit & Finance Committee:*

- 1) *City Operating Fund Investment Policy - City Manager requested changes underlined. Needs City Commission Approval*
- 2) *Gainesville General Employees' Pension Plan Investment Policy - Recommended changes redlined. Needs Board of Trustees/City Commission Approval*
- 3) *Gainesville Retiree Health Fund Investment Policy - Expected to be Revised within 30 Days. Needs Board of Trustees/City Commission Approval*
- 4) *Evergreen Cemetery Trust Investment Policy - Never previously submitted to City Commission*

**RECOMMENDATION** *The Audit & Finance Committee review the submitted policies and provide its recommendations.*

[190942A\\_City Operating Fund Investment Policy\\_20200205.pdf](#)

[190942B\\_Gainesville General Employees' Pension Plan Investment Policy\\_20200205.pdf](#)

[190942C\\_Gainesville Retiree Health Fund Investment Policy\\_20200205.pdf](#)

[190942D\\_Evergreen Cemetery Trust Investment Policy\\_20200205.pdf](#)

[190923.](#)

### **Audit of Internal Controls and Data Security for the use of Driver's License and Motor Vehicle Record Data Exchange (B)**

*Explanation: The Department of Highway Safety and Motor Vehicles (HSMV) requires the City to submit an annual statement indicating compliance with Memorandum of Understanding No. 0124-19 and formally certifying that it has adequate controls in place to protect the personal data from unauthorized access, distribution, use, modification, or disclosure. In accordance with our Annual Audit Plan, the City Auditor's Office completed the Florida HSMV Internal Control and Data Security Audit. Our report identifies data security recommendations, summarizes key actions taken by management, and includes the formal certification of compliance signed by the City Manager and the Interim City Auditor. Our audit was conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and Information System Audit and Assurance Standards issued by ISACA (Information Systems Audit and Control Association).*

**RECOMMENDATION** *The Interim City Auditor recommends that the Audit and Finance Committee accept the Interim City Auditor's report and the formal certification of compliance signed by the City Manager and the Interim City Auditor and recommend approval by the City Commission.*

[190923\\_HSMV\\_MOU\\_20200205](#)

[190905.](#)**Affirmative Action Plan Audit 2019 (B)**

*Explanation:* In accordance with our Annual Audit Plan, the City Auditor's Office completed an audit of the City's Affirmative Action Plan. The audit was performed by an external consulting firm, CRI Solutions Group, using generally accepted government auditing standards. The report and the Equal Opportunity Director's response is attached for your review.

**RECOMMENDATION**            The Interim City Auditor recommends that the Audit and Finance Committee accept the Interim City Auditor's report and the Equal Opportunity Director's response.

[190905\\_Affirmative Action Plan Audit 2019\\_20200205](#)

[190940.](#)**First Amendment to the Contract for Professional Auditing Services for the City of Gainesville Financial Statement Audit Contract - Gainesville Regional Utilities (B)**

*Explanation:* The current contract with Baker, Tilly, Virchow, Krause, LLP concludes with the audit of the September 30, 2019 financial statements. In accordance with the original Contract, the City and Baker, Tilly, Virchow, Krause, LLP have extended the contract for two additional years to include conducting audits of the basic financial statements of GRU for the fiscal years ended September 30, 2020 and 2021. This First Amendment also includes minor language changes for Paragraph 3.1 regarding compensation for annual audits based on the Consumer Price Index (CPI) for the South Region.

*Fiscal Note:* The fee for audit services was \$121,056 for the fiscal year 2019 audit. Fees for the next two years would be adjusted based on the Consumer Price Index (CPI) percentage change for the Southern Region as set forth in the current agreement. Fees for these services are provided in the GRU budget.

**RECOMMENDATION**            The Audit and Finance Committee hear an update.

[190940\\_GRU Financial Statement Audit \(Baker Tilly\) 1st Amendment\\_2020020](#)

[190941.](#)**Second Amendment to the Contract for Professional Auditing Services for the City of Gainesville Financial Statement Audit Contract - General Government (B)**

*Explanation:* The current contract with Purvis, Gray & Company, LLP concludes with the audit of the September 30, 2019 financial statements. In accordance with the original Contract, the City and Purvis Gray & Company, LLP have extended the contract for two additional years to include conducting audits of the basic financial statements of the City of Gainesville for the

*fiscal years ended September 30, 2020 and 2021. This Second Amendment also includes minor language changes for Paragraph 3.1 regarding compensation for annual audits based on the Consumer Price Index (CPI) for the South Region.*

*Fiscal Note: The fee for audit services was \$97,726 for the fiscal year 2019 audit. Fees for the next two years would be adjusted based on the Consumer Price Index (CPI) percentage change for the Southern Region as set forth in the current agreement. Fees for these services are provided in the General Government budget.*

**RECOMMENDATION**      *The Audit and Finance Committee hear an update.*

[190941 Financial Statement Audit GG \(Purvis\) 2nd Amendment 20200205](#)

**PUBLIC COMMENT**

**MEMBER COMMENT**

**NEXT MEETING DATE**

**ADJOURNMENT**