

City of Gainesville

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



Meeting Agenda

November 30, 2021

4:00 PM

City Hall Auditorium

Audit and Finance Committee

***Mayor Lauren Poe, Chair
Mayor-Commissioner David Arreola, 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**[210470.](#)

Approval of Minutes from the September 22, 2021 Audit and Finance Committee Meeting (B)

RECOMMENDATION

The Audit and Finance Committee approve the September 22, 2021 minutes.

[210470_September 22, 2021 Minutes_20211115.pdf](#)

DISCUSSION OF ITEMS[210652.](#)

GRU Badge Access and Physical Key Management Audit (B)

Explanation: The objective of this audit engagement was to assess the adequacy of badge access controls and management of physical keys to ensure the risk of unauthorized access to GRU higher risk buildings and warehouses is adequately managed. This audit was included in the City Auditor's Office 2021 Audit Plan.

RECOMMENDATION

The Audit and Finance Committee review and recommend the City Commission accept the City Auditor's report.

[210652 Audit Report GRU Badge Key Access Management 20211117](#)

[210653.](#)

Body Worn Camera Compliance Audit (B)

Explanation: The objective of this audit engagement was to assess Gainesville Police Department's (GPD) compliance with Florida's Body Camera statutes, GPD's internal Body Worn Camera (BWC) policies and procedures, and the effectiveness of the GPD body worn camera supervisory review program.

RECOMMENDATION

The Audit and Finance Committee review and recommend the City Commission accept the City Auditor's report.

[210653 Audit Report Body Worn Camera Compliance 20211117](#)

[210653 A Presentation Slides Body Worn Camera Compliance 20211117](#)

210655. City Auditor Quarterly Update (B)

Explanation: The City Auditor Quarterly Update provides more transparency into activities conducted by the Office of the City Auditor. The update includes status of our work in progress, audit issue follow up, and other activities.

RECOMMENDATION *The Audit and Finance Committee review and recommend the City Commission accept the City Auditor's report.*

[210655_City Auditor Quarterly Update 11.17.2021_20211117](#)

210647. Fiscal Year 2021 Year-End Investment Performance Reports for the City of Gainesville Operating Fund, General Employees' Pension Fund, Police Officers' and Firefighters' Pension Fund, Retiree Health Insurance Trust Fund, Evergreen Cemetery Trust Fund (B)

Audit & Finance Committee to review various Fiscal Year 2021 Year-End Investment Performance Reports.

Explanation: In accordance with the City's Investment Policy, quarterly investment and performance reports are required to be provided to the City Commission. The following reports are submitted for Fiscal Year 2021 Year-End (period ended September 30, 2021):

- 1) Operating Funds SBA Prime Fund Investment Performance Report*
- 2) General Employees' Pension Fund Investment Performance Report*
- 3) Police Officers' & Firefighters' Pension Fund Investment Performance Report*
- 4) Retiree Health Insurance Trust Fund Investment Performance Report*
- 5) Evergreen Cemetery Trust Fund Investment Performance Report*

Detailed quarterly reports related to the City's SBA Prime Fund account & Trust bank accounts, Evergreen Cemetery Trust Fund, General Employees' Pension Plan, Police Officers' & Firefighters' Pension Plan and Retiree Health Insurance Trust Fund are included as back-up to this item. The reports are derived from applicable bank and custodian statements, and are provided by staff and respective investment consultants.

Additionally, two internal review committees meet quarterly to review the portfolio's performance, economic and market conditions to ensure the City is most favorably positioned in its investment portfolios.

Fiscal Note: The General Government pooled cash is held in the SBA Prime Fund and

interest bearing SunTrust/Truist demand deposit bank accounts. As of September 30, 2021, the cash and investment balance was \$202,563,922. Fiscal year-to-date interest of \$257,075 was earned at an annualized rate of return of 0.16%.

The Evergreen Cemetery Trust Fund is managed by the City in accordance with its Investment Policy. The Trust Fund earned a fiscal year-to-date investment return of 37.00% through June 30, 2021, but did not have investment earnings from July 1, 2021 through September 30, 2021 as the assets are in process of being transferred to a new investment account.

The General Employees' Pension Plan is managed by the City in accordance with its investment policy. As of September 30, 2021, the Plan had an investment account balance of \$693,928,087 with a fiscal year-to-date investment return of 25.21%.

The Police Officers' & Firefighters' Pension Plan is managed by the Plan's Board of Trustees in accordance with its investment policy. As of September 30, 2021, the Plan had an investment account balance of \$336,776,101 with a fiscal year-to-date investment return of 23.10%.

The Retiree Health Insurance Trust Fund is managed by the City in accordance with its investment policy. As of September 30, 2021, the Fund had an investment account balance of \$71,150,854 with a fiscal year-to-date investment return of 25.04%.

RECOMMENDATION

The Audit & Finance Committee: 1) review the submitted investment performance reports; 2) approve the submitted investment reports for submission to the City Commission.

[210647-A_FY21 Year-End Investment Performance Memorandum_20211117](#)

[210647-B_FY21 Year-End SBA Prime Fund Investment Report_20211117](#)

[210647-C_FY21 Year-End General Employees' Pension Fund Investment Repc](#)

[210647-D_FY21 Year-End Police Fire Pension Fund Investment Report_20211](#)

[210647-E_FY21 Year-End Retiree Health Trust Fund Investment Report_20211](#)

[210647-F_FY21 4th Quarter Evergreen Trust Fund Investment Report_2021111](#)

[210648.](#)

Fiscal Year 2021 Year-End Performance Report for the City of Gainesville Fuel Hedging Program (B)

Audit & Finance Committee to review the Fiscal Year 2021 Year-End Fuel Hedging Program Performance Report.

Explanation: The City of Gainesville's Fuel Hedging Policy, effective April 27, 2020, Section 5 "Execution, Monitoring and Reporting" requires quarterly reports that provide an analysis of the status of the program's performance over the last quarter for the City.

Fiscal Note: As of September 30th, 2021, there was an unrealized gain (contingent future negative fuel cost) of \$808,796 that corresponds to the time period October 2021 through August 2022. This is an unrealized gain of about \$0.48 per gallon on average for the time period for diesel and gasoline combined. Additional information is shown in Attachment A.

RECOMMENDATION

The Audit & Finance Committee: 1) review the submitted Fuel Hedging Program performance report; 2) approve the submitted Fuel Hedging Program performance report for distribution to the City Commission.

[210648-A FY 2021 Year-End Projection Fuel Hedging Program Memorandum](#)

[210648-B FY 2021 Year-End Fuel Hedging Program - Attachment A 20211117](#)

210565.

Second Budget Amendment to the FY 2022 General Government Financial and Operating Plan Budget (B)

Explanation: The General Government Financial and Operating Plan, which includes budgets for the General Fund, Special Revenue, Debt Service, Capital Projects, Proprietary, and Pension & OPEB Trust Funds for Fiscal Year 2022, was adopted by the Mayor and City Commission on September 23, 2021 via Resolution No. 210430. The First Budget Amendment was adopted by the Mayor and City Commission on October 21, 2021 via Resolution No. 210483.

As the fiscal year progresses, certain routine and periodic budget adjustments and transfers of appropriated funds continue to be appropriate and necessary to ensure prudent financial management. Additionally, certain obligations, plans and projects extend between fiscal years and require an uninterrupted and sufficient source of appropriated funds to meet obligations and complete projects in progress.

This resolution seeks authorization to recognize revenue and appropriate funding as explained in the attached memorandum and as shown in Attachment "A".

Strategic Connection

Goal 5 "Best in Class" Neighbor Services.

Fiscal Note: The recommended amendments are funded either by increases in revenue appropriations or offset by decreases in expenditures.

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.

[210565 FY2022 Second Budget Amendment Memorandum 20211130](#)

[210565 A FY2022 2nd Budget Amendment Attachment A 20211130](#)

[210645.](#)**Gainesville Regional Utilities Internally Prepared Preliminary Budget to Actual Comparison for the Year Ended September 30, 2021 (B)**

Explanation: The following item is presented for review:

Preliminary Budget to Actual Comparison for the Year Ended September 30, 2021, internally prepared.

RECOMMENDATION

The Audit and Finance Committee review and recommend the City Commission accept Gainesville Regional Utilities Internally Prepared Preliminary Budget to Actual Comparison for the Year Ended September 30, 2021.

[210645 Preliminary Budget to Actual Comparison for the Year Ended Septemb](#)

PUBLIC COMMENT

MEMBER COMMENT

NEXT MEETING DATE