



City of Urbandale  
Audit Committee Minutes  
October 19, 2018

**Audit Committee Members**

- ✓ Robert Andeweg, Mayor
- ✓ Ron Pogge, Council Member
- ✓ David Russell, Council Member
- ✓ Donald J. Brush, Public Member / City Treasurer

**Meeting Summary and Action Taken**

The Audit Committee of the Urbandale City Council met on Friday, October 19, 2018, in the small conference room adjacent the Council Chambers at the Urbandale City Administrative Offices, 3600 86<sup>th</sup> Street, Urbandale, Iowa. The Audit Committee Members in attendance were Council Member Ron Pogge, Council Member David Russell, and Public Member Donald J. Brush. Also in attendance were City Administrative members, A. J. Johnson, City Manager, Nicci Lamb, Finance Director, and Kim Keisler, Assistant Finance Director. The meeting was called to order at 8:00 AM by Chairperson Brush.

The agenda for the Audit Committee meeting was accepted and approved on a motion made by Russell and seconded by Pogge.

The minutes of the Audit Committee meeting of April 18, 2018, were reviewed and approved on a motion made by Pogge and seconded by Brush.

The meeting was then directed to presentations by Nicci Lamb, Finance Director, on various City financial topics and updates. The items discussed and reviewed are presented as follows.

The first item on the agenda was a review and discussion of the following individual policies for which no recommended changes were being considered:

- Investment Policy**
- Fiscal Performance Goals**
- Procurement Card**
- Whistleblower Policy**
- Community and External Funding Policy**
- Debt Management/Post Issuance**
- Conflict of Interest, Code of Ethics, Gift Policy**
- Surplus Asset Disposal Policy**
- Vendor and W-9 policy**
- Cell Phone Policy**

Each member of the Audit Committee had previously been provided with a copy of each of these particular policies for their annual review and update. Finance Director Nicci Lamb made referenced to and briefly discussed each of the policies, and advised the Committee that there were no recommended changes to these particular policies.

**Policy Status Updates** – The Committee was then presented and provided the opportunity to review and discuss the following fiscal policies of the City and to provide the Finance Director and City Manager with guidance and comments on the proposed revisions and updates to the fiscal policies items as presented.

- **Authorization of Prepayment of Claims Resolution** - Discussed the change in resolution to also include payments to instructors, refunds to customers, and the Commerce Bank credit card.
- **Public Improvement Policy - IDOT threshold updates** – update for 2018 IDOT limits and wording clarifications.
- **Other Post-Employment Benefits (OPEB) Funding Policy** – updates are to change references from GASB 45 wording to GASB 75 applicable wording.
- **Travel Policy** – Automobile Rentals – The City was alerted by ICAP that a rental vehicle must be in the City’s name for the City’s insurance to be in effect for employees on work-related travel. A corporate account was set up with Avis, National, Budget & Hertz. City employees must rent with one of these agencies using the corporate account number to be covered by ICAP.
- **Purchasing Policy** – New wording was added to the purchasing policy mandated by FEMA. It states that No Preference can be given to an Iowa company if you are using Federal funds. Also discussed allowing the City Finance Director to sign reimbursements meal/travel reimbursements for the City Manager if they are under \$200. Previously the Mayor had to sign all of the City Manager’s reimbursements.
- **Fraud Reporting Policy** – in addition to the City’s Whistle Blower policy, this new policy is being implemented in order to satisfy FEMA requirements when Federal funds are being used. Policy outlines that any claims of fraud should be reported to the applicable federal agency by the Finance Director.

These policies will be on the consent agenda on the November 6<sup>th</sup> Council meeting.

Finance Director Lamb then provided the Committee with a general update and status report on the following items:

Community and External funding applications will be available on the City website beginning November 1, 2018 with presentations at the December 4<sup>th</sup>, 2018 council meeting. Reviewed the hotel/motel process with discussion on what requests are granted out of hotel/motel and general fund.

The City received a request from Urbandale Girls Recreation Association to co-sign a new loan for \$45,000. This loan will be used for field improvements. The Committee indicated recommendation for approval based on UGRA’s positive history of repayment. This item will be taken to council on November 6<sup>th</sup>.

City-wide Bad Debt Collection Program update – The Committee was presented an update on the program. Ambulance services, and PW are both using the new program, Library and Police will be joining the program by the end of the year.

Budget Amendment #1 will be presented at the November 6<sup>th</sup> council meeting, with a public hearing on November 20<sup>th</sup>, 2018. The early amendment is due to the escrow/defeasance of 4 outstanding TIF-supported general obligation bonds in December. The bonds will be retired using TIF funds on hand. Debt service is being amended by \$14.4 million to account for the movement of funds from TIF to Debt.

The City returning to a fee based credit card model was discussed. The City is currently using Commerce Bank and they have been absorbing the fees for approximately 18 months. They stopped absorbing the fees effective 1/1/18, and the City is moving toward becoming PCI compliant with the new network upgrade project being handled through IT. Once the City is PCI compliant we can go back to the service fee model, where the service fee is charged directly to the citizen, and not through the credit card company. It was also discussed what the dollar amount should be for the City to take on credit cards during the transitional period. A per transaction limit of \$5,000 was agreed upon.

The Committee was then asked if they had any other items or issues that they felt needed to be reviewed, addressed, and discussed. Having no others items to be brought before the Audit Committee for consideration and discussion at this time, the meeting was adjourned at 9:18 AM with the motion by Russell and seconded by Pogge.