



City of Urbandale
Audit Committee of the City Council
May 2, 2013

Audit Committee Members

- Robert Andeweg, Mayor
- Ron Pogge, Council Member
- Michael Carver, Council Member
- Donald J. Brush, Public Member / City Treasurer

Meeting Summary and Action Taken

The Audit Committee of the Urbandale City Council met on Thursday, May 2, 2013, in the large conference room adjacent the Council Chambers at the Urbandale City Administrative Offices, 3600 86th Street, Urbandale, Iowa. Audit Committee Members in attendance were Council Members Ron Pogge and Mike Carver, and Public Member Donald J. Brush. Mayor Robert Andeweg was present via conference telephone. Also in attendance was Nicole Lamb, Finance Director for the City of Urbandale and A. J. Johnson, City Manager. The meeting was called to order at 12:02 PM by Chairperson Brush.

The agenda for the meeting was accepted and approved by a motion from Pogge and seconded by Andeweg.

The minutes of the Audit Committee meeting of November 19, 2012 were reviewed and approved by the Committee on a motion made by Andeweg and seconded by Pogge.

First items on the agenda consisted of a continuation of the Policy Reviews of the Committee from the previous meeting on November 19, 2012, with Nicci Lamb providing the presentation of the following individual items with support from A. J. Johnson.

I - Policies to Be Incorporated into Employee Handbook

For informational purposes, it was reported that the Whistleblower Policy and the Conflict of Interest, Code of Ethics, Gift Policy are remaining the same as previously reviewed and recommended by the Committee and as approved by the Council, although the format of these policies has been changed to comply with the format of the employee handbook. Lamb reported the annual Conflict of Interest acknowledgements have been received from all employees and Board/Commission members with the exception of one Commission member. Mayor Andeweg agreed to contact the particular Commission member and that they be encouraged to respond to the Policy acknowledgement request.

II – Review of Proposed Policy Updates

Each member of the Audit Committee had previously been provided with a copy of the current policies on Debt Management/Post Issuance, Purchasing Policy, and the Procurement Card Policy

with proposed changes in each policy having been highlighted or reference within the documents as presented to the Committee in advance of the meeting.

The initial discussion was on the Debt Management/Post Issuance policy which was originally adopted in 2010 to assure compliance with potential IRS inquires and regulations on general obligation debt issued by the City with specific reference to the "Build America" bond issues. This policy has been again been reviewed by Eric Boehlert, the City's Bond Counsel with the Ahlers Law Firm. Following discussion, a motion was made by Carver and seconded by Pogge to recommend to the Council the approval of the Debt Management/Post Issuance Policy as amended and reviewed by the Audit Committee.

The major proposed changes in the Purchasing Policy and Procurement Card Policy related to those sections in the policies which exclude the purchase of food or beverages and entertainment. The proposed changes would allow for such purchases as specifically authorized for Council-sponsored events, economic development activities, and Recreation Programming events. A motion was made by Pogge and seconded by Andeweg to recommend to the Council the approval of the Purchasing Policy and Procurement Card Policy as discussed with the proposed amendments.

III – Review and Discussion of Existing Policies

The members of the Committee were also provided with current copies of the Community & External Funding Policy and the Fiscal Performance Goals.

Although there was an overall review of the Community & External Funding Policy, discussions centered on applicants' compliance with the designated due date in filing application for funds. After discussion by the Committee, it was recommended that the due date provision within the policy remain the same with an additional provision for the Mayor to allow applications who have filed after the prescribed due date to be accepted under exceptional circumstances. Carver made a motion which was seconded by Pogge to recommend to the Council the approval of the Community & External Funding Policy as discussed and amended.

Following a general discussion of possible changes to the Policy on Fiscal Performance Goals, it was recommended that such discussion on any changes be tabled and deferred until the next meeting of the Audit Committee at which time consideration can be given to possible legislative action by the Iowa Legislature that will have impact on the City's fiscal standards and goals.

It was also brought to the attention of the Audit Committee that efforts are currently being given to establishing a Policy on the Sale of Assets. Such a policy should be available for discussion and review in June at which time an Audit Committee meeting can be scheduled. At that time, the Committee can also consider any possible amendments to the Fiscal Performance Goals based on any legislative changes.

IV – Updates from Finance Director on Other Fiscal Items

Nicci Lamb provided the Committee with a general update and status report on the following items:

- **Control Pay** – Has become a very successful program to participate in. Is equivalent to the use of a "credit card" for payment of expenditures through approved vendors used by the City. City receives a cash rebate of approximately one percent on all purchase payments through the program.

- **City Code Codification Project** ó Is nearing completion but will not be in a final form by the City's current fiscal year end of June 30, 2013. There are still a few details and reviews that need to be addressed before being presented and approved by the Council.
- **Audit Schedule** ó The outside auditors will be performing their yearend audit of the City beginning with pre-audit reviews on June 18th-19th, actual audit September 16th ó 18th, final field work and review with management on October 16th ó 18th, and meeting with the Audit Committee in November.
- **OPEB Actuarial Study** ó The City is required to have an actuarial study done every other year for establishing the OPEB (Other Postemployment Benefits) obligations as required under GASB (Governmental Accounting Standards Board) Statement No. 45. This actuarial study is currently being completed for this current fiscal year end.
- **Compensation Statements** ó Currently reviewing and considering the various types of presentation that would best provide an appropriate detail of an employee's complete compensation package and benefits.
- **Outstanding Parking Ticket Project** ó The City of Urbandale is considering the possibility of participating in the same program that has been newly established in Des Moines where by residents would not be able to renew their Polk County vehicle registration if they have outstanding parking tickets issued in Urbandale. There are approximately \$8,000 in current unpaid parking tickets outstanding issued in Urbandale. Further information will be brought to the committee as it becomes available.

Having no other items to be brought before the Committee for consideration, the Audit Committee meeting was adjourned at approximately 1:25PM with the motion being made by Pogge and seconded by Carver.