

MINUTES

Thursday, June 29, 2017

Audit Committee Meeting 4 PM

Carnegie Town Hall

Sioux Falls City Council 235 West 10th Street

Members Present: Committee Member Arnold Martens, Committee Member Seth Peterson, Committee Chair Rex Rolwing, Committee Member Greg Neitzert, Committee Member Rick Kiley, Committee Member Dean Buckneberg

Members Absent: Committee Member Michelle Erpenbach

1. Call To Order

Committee Chair Rex Rolwing called the meeting to order at 4 p.m.

2. Recognitions

A. Recognition of Service of Audit Committee Member, Jason Forbes

Jason Forbes served as a member of the Audit Committee for three years. Forbes was unable to attend the meeting, but will be presented with a plaque recognizing his service.

B. Introduction of New Audit Committee Member, Dean Buckneberg

Dean Buckneberg was appointed to the committee by the City Council on June 18, 2017. He replaces Jason Forbes.

C. Introduction of New Internal Auditor, Abby Vandelanotte

Abby Vandelanotte was recently hired as an Internal Auditor.

3. Approval of Minutes

A. Meeting of Monday, March 13, 2017

A motion was made by Committee Member Rick Kiley and seconded by Committee Member Greg Neitzert to approve the minutes.

Committee Chair Rex Rolwing called for a voice vote. All members present voted yes.

Motion Passed.

4. Reports and Updates

A. External Audit Results: City of Sioux Falls 2016 Financial Statements

Keith Severson and Brian Stavenger (via phone) of Eide Bailly provided a summary of the firm's audit of the City's 2016 Financial Statements and federally awarded funds. The audit is conducted in accordance with generally accepted auditing standards, Government Auditing Standards, and Title 2 of the U.S. Code of Federal Regulations. The financial statements audit resulted in a clean, unmodified opinion, no required audit adjustments, no material weaknesses or significant deficiency internal control findings, and the finding that end-of-year estimates are soundly made by management. The federal audit is

required when a government entity receives more than \$750,000 in federal awards. The federal audit resulted in a clean, unmodified opinion, no material weakness or significant deficiency internal control findings, and no material weakness or significant deficiency compliance findings. Discussion about significant estimates, a previous audit of the Fairgrounds, the City Pension Fund, and the difference between financial statement, performance, and forensic audits followed.

5. Audit Report Review

A. Audit Report 17-04: Cash Handling - SFAHS

Ashley VanDeBerg, Internal Auditor, discussed background information, objectives, and the scope and methodology of the audit. Results of the audit focused on three areas: Policies and Procedures, Cash Handling, and Management Oversight, which resulted in six recommendations. Discussion about cash handling, impounding fees, boarding, and cash receipts followed.

A motion was made by Committee Member Seth Peterson and seconded by Committee Member Rick Kiley to submit Audit Report 17-04: Cash Handling - SFAHS, to the Mayor and City Council.

Committee Chair Rex Rolwing called for a voice vote. All members present voted yes.

Motion Passed.

B. Audit Report 17-01: Ambulance Service Contract

Ashley VanDeBerg, Internal Auditor, discussed background information, objectives, and the scope and methodology of the audit. Results of the audit focused on two areas: Response Time Compliance and Mutual Aid. It was found that the City has various procedures in place to determine if Paramedics Plus is in compliance with response time requirements of the contract; that there are proper mutual aid procedures in place; and, Paramedics Plus meets their contract requirements by having mutual aid agreements with other Minnehaha County services. Discussion about response times, exemption approval, calculation of response times, reasons for exemptions, the call review process, fines, mutual aid requirements, audit procedures, classification of priorities, and compliance rates followed.

A motion was made by Committee Member Dean Buckneberg and seconded by Committee Member Greg Neitzert to submit Audit Report 17-01: Ambulance Service Contract, to the Mayor and City Council.

Committee Chair Rex Rolwing called for a voice vote. All members present voted yes.

Motion Passed.

6. Open Discussion

There was none.

7. Adjournment

Committee Chair Rex Rolwing adjourned the meeting at 5:09 p.m.

Thomas M. Greco

City Clerk