

Bowling Green Audit Committee
Regular Meeting
January 14, 2019

The Bowling Green Audit Committee convened in a regular meeting at 3:30 p.m. on January 14, 2019 in the Conference Room at Neighborhood and Community Services. The meeting was called to order by Vice Chairman Brian Dinning. Members of the Committee present were: Audit Professional Brian Dinning, General Business members Vivian Grise and John Ward and Ex-Officio member City Manager Jeff Meisel. Absent: Audit Professional Jeffrey Stein and City Commissioner Joe Denning. Also present were Assistant City Manager/Chief Financial Officer Katie Schaller-Ward, Assistant Chief Financial Officers Erin Ballou and Sean Weeks, Internal Auditor Deborah Jenkins and City Clerk Ashley Jackson. There was a quorum of the board present.

Approval of Minutes.

Vice Chairman Dinning announced that the first item of business was to approve the minutes of the October 30, 2018 special meeting, which was mailed with the agenda to the members for their review prior to the meeting. Motion was made by Ms. Grise and seconded by Mr. Ward to accept the minutes as written. The minutes were approved as written by unanimous vote.

Presentation of Fitness Center Audit.

Internal Auditor Deborah Jenkins introduced Fitness Division Manager Frank LaManna and Parks and Recreation Director Brent Belcher and reviewed the history of the Fitness Center. Ms. Jenkins reported the Fitness Center was well maintained and complied with City's general policies and procedures, however based on findings from the audit, there are opportunities to improve the operational efficiency and performance of the division. The Internal Auditor recommended the following five (5) key areas where management can improve operations: 1) condense and simplify the membership types and rates. The various types of memberships have expanded over the years; creating confusion for staff and citizens, as well as creating multiple discounts that impact revenues; 2) periodically evaluate participation activity by date and time to ensure that the Fitness Center hours correspond with demands and the Fitness Center closes when appropriate; 3) implement an appropriate level of advertising to showcase the benefits of the City's Fitness Center and increase memberships, especially in specialty areas such as SilverSneakers; 4) formalize an arrangement with Rivendell Behavioral Health to document the long standing agreement for a donation in exchange for an employee, plus one (1) guest, memberships, and 5) member medical history information should be moved to a more secure area within the RecTrac Software. Ms. Jenkins acknowledged the capabilities of using GIS mapping to determine the membership density heat map by US Census Tract for various types of membership categories and thanked the City's GIS division of Public Works for the assistance. She added Parks and Recreation management responses were supportive of all the recommendations, and management and staff will be working to accomplish the proposals.

Evaluation responses to the RFP for External Audit Services.

Vice Chairman Dinning stated the next item for discussion was the evaluation of responses for the RFP for external audit services. The evaluation criteria that was included in the RFP, as well as a breakdown of the mandatory elements and pricing was provided to the Committee by Ms. Jenkins and Finance Department staff.

The Committee reviewed and discussed the five (5) proposal responses and after much discussion the Committee determined that Mountjoy Chilton Medley CPAs & Advisors submitted the best proposal based upon the criteria. Motion was made by Ms. Grise and seconded by Mr. Ward to

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approve the recommendation of Mountjoy Chilton Medley CPAs & Advisors as the City's external auditors with automatic renewal for four (4) additional years unless notification by either party within 90 days of renewal date, and further recommending a rotation of management during the five (5) year contract. The RFP recommendation was approved by unanimous vote. Ms. Jenkins confirmed the approval of the external auditor would need to go before the Board of Commissioners for approval and she would prepare a memo on behalf of the Audit Committee with its recommendation of Mountjoy Chilton Medley CPAs & Advisors.

Presentation of the 2018 Annual Audit Report.

An Annual Report prepared by Ms. Jenkins was discussed and briefly summarized. The report provided the Internal Auditor's activity summary for 2018. She confirmed the major audits completed in Calendar Year 2018 were the Building Division Permit and Inspections audit, 911 Funding Audit, and the Fitness Center Audit. In addition, Ms. Jenkins reported there were ten (10) Ethics Hotline cases in 2018 and a total of thirty-seven (37) cases since it was implemented in 2013. She also mentioned she had 68% of total direct hours and 33% of indirect hours, and she reviewed the activity summary for 2018 which included special requests and advisory services, administration and training.

The next quarterly meeting is scheduled for April 8, 2019

Ms. Jenkins announced the next regular scheduled meeting date and time.

Adjournment.

There being no other business to be conducted, at 4:35 p.m. Vice Chairman Dinning declared the meeting adjourned.

July 15, 2019
Date Approved

Brian Dinning
Vice Chair

Ashley Jackson
Ashley Jackson, City Clerk

Minutes prepared by City Clerk Ashley Jackson