

MINUTES

Thursday, July 21, 2016

4 PM

Audit Committee Meeting

Carnegie Town Hall

Sioux Falls City Council

235 West 10th Street

Members Present: Council Member Rex Rolwing, Audit Committee Member Jason Forbes, Audit Committee Arnold Martens, Council Member Rick Kiley, Council Member Greg Neitzert, and Council Member Michelle Erpenbach (arrived at 4:15 p.m.)

Members Absent: Audit Committee Member Seth Peterson

Staff Present: Rich Oksol, Internal Audit Manager; Ashley Stroschein, Internal Auditor; Kim Schroeder, Internal Auditor; Tamara Jorgensen, MMC, Assistant City Clerk; and Jim David, Legislative/Operations Manager

Note: The audio for the first 84 seconds was inadvertently muted.

1. Call To Order

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

2. Approval of Minutes

A. Meeting held on Thursday, April 28, 2016

A motion was made by Council Member Rick Kiley and seconded by Council Member Jason Forbes to approve the minutes.

Vote to approve: Roll Call: Yeses, Rex Rolwing, Jason Forbes, Arnold Martens, Rick Kiley, Greg Neitzert, 5. Noes, 0.

Motion Passed.

3. Reports and Updates

A. External Audit Results - City of Sioux Falls 2015 Financial Statements

Keith Severson, Communication Partner For Eide Bailly LLP, provided opening remarks and introductions of their Audit Service team.

Derek Flanagan, Presentation Partner For Eide Bailly LLP, reviewed the following PowerPoint slides: Audit Recap/Standards; Financial Statements; and Federal Audit. Discussion followed.

B. Review Audit Report 16-02 - Information Technology General and Application Controls

Ashley Stroschein, Internal Auditor, reviewed the report, detailed responses, recommendations and management responses. Discussion followed.

A motion was made by Committee Member Arnold Martens and seconded by Council Member Rick Kiley to accept this audit report and recommend it for presentation to the City Council. Rolwing called for a voice vote

and all members present voted yes.

Motion Passed.

C. Review Audit Report 15-06 - Citywide Accounts Receivable

Kim Schroeder, Internal Auditor, reviewed the report, detailed responses, recommendations and management responses. Discussion followed.

A motion was made by CouncilMember Greg Neitzert and seconded by Council MemberRick Kileyto accept this audit report and recommend it for presentation to the City Council. Rolwing called for a voice vote and all members present voted yes.

Motion Passed.

Section 3E was heard at this time, see item for action taken.

D. Review Audit Report 15-05 - Storm Drainage

Rich Oksol, Internal Audit Manager, reviewed the report, detailed responses, recommendations and management responses. Discussion followed.

A motion was made by CouncilMember Michelle Erpenbachand seconded by Council MemberRick Kileyto accept this audit report and recommend it for presentation to the City Council. Rolwing called for a voice vote and all members present voted yes.

Motion Passed.

E. Special Audit Request: City Agreement with the Sioux Falls Development Foundation

Rich Oksol, Internal Audit Manager, reviewed the report, detailed responses, recommendations and management responses. Discussion followed.

A motion was made by CouncilMember Michelle Erpenbachand seconded by Committee Member Jason Forbesto accept this audit report and recommend it for presentation to the City Council. Rolwing called for a voice vote and all members present voted yes.

Motion Passed.

4. Open Discussion

Discussion was held regarding the Audit Committee meeting schedule for the rest of the year.

The process for determining the 2017 Audit Schedule was discussed.

5. Adjournment

Committee Chair Rex Rolwing adjourned the meeting at 5:05 p.m.

Tamara Jorgensen, MMC

Assistant City Clerk