

**CARSON CITY CONSOLIDATED MUNICIPALITY
NOTICE OF MEETING OF THE
CARSON CITY AUDIT COMMITTEE**

Day: Tuesday
Date: December 3, 2013
Time: Beginning at 3:00 p.m.
Location: Community Center, Sierra Room
851 East William Street
Carson City, Nevada

Agenda

1. Call to Order

2. Roll Call

3. Public Comments and Discussion:

The public is invited at this time to comment on and discuss any topic that is relevant to, or within the authority of, the Carson City Audit Committee. In order for members of the public to participate in the Committee's consideration of an agenda item, the Committee strongly encourages members of the public to comment on an agenda item during the item itself. No action may be taken on a matter raised under public comment unless the item has been specifically included on the agenda as an item upon which action may be taken.

4. For Possible Action: Adoption of Agenda

5. For Possible Action: Presentation, discussion and acceptance of DRAFT audit results prepared by Kafoury Armstrong and Co. for the year ending June 30, 2013.

Summary: Kafoury Armstrong has been appointed by the Board of Supervisors to provide external audit services to Carson City as required by NRS 354.624. Representatives from Kafoury Armstrong will be presenting their DRAFT findings to the audit committee.

6. Discussion and presentation of status updates by Moss Adams.

Summary: Members of Moss Adams will be discussing and providing updates on the status of internal audits that they are currently working on.

7. For Possible Action: Discussion and possible action to discuss staff progress on action being taken on past recommendations and possible recommendations to the Board of Supervisors regarding such progress.

Summary: Representatives from Moss Adams and City staff have combined to establish an Internal Audit Findings Response Tracking Report to be used to track the status of internal audits.

8. Discussion regarding the Resolution recommended to the Board of Supervisors by the Carson City Ethics Ordinance Review Committee.

Summary: The Carson City Ethics Ordinance Review Committee has proposed a Resolution to the Carson City Board of Supervisors establishing a policy of ethics compliance for Carson City elected and appointed public officers and public employees.

- 9. For Possible Action: To schedule the next meeting of the Carson City Audit Committee.
- 10. **Public Comment** - The public is invited at this time to comment on any matter that is not specifically included on the agenda as an action item. No action may be taken on a matter raised under this item of the agenda.
- 11. **For Possible Action: To Adjourn**

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Agenda Management Notice - Items on the agenda may be taken out of order; the public body may combine two or more agenda items for consideration; and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.
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Titles of agenda items are intended to identify specific matters. If you desire detailed information concerning any subject matter itemized within this agenda, you are encouraged to call the responsible agency or the City Manager's Office. You are encouraged to attend this meeting and participate by commenting on any agenda item.
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Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the City Manager's Office in writing at 201 North Carson Street, Carson City, NV, 89701, or by calling (775) 887-2100 at least 24 hours in advance.
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This meeting can be viewed on Channel 226. For specific dates and times - www.bactv.org.
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*To request a copy of the supporting materials for this meeting contact
Rachael Porcari at rporcari@carson.org or call (775) 887-2100.*
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*This agenda and backup information are available on the City's website at www.carson.org,
and at the City Manager's Office - City Hall, 201 N. Carson Street, Ste 2, (775) 887-2100.*
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This notice has been posted at the following locations:
Community Center 851 East William Street
Public Safety Complex 885 East Musser Street
City Hall 201 North Carson Street
Carson City Library 900 North Roop Street
Business Resource & Innovation Center (BRIC) 108 East Proctor Street

Date: November 25, 2013

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/25/2013

Agenda Date Requested: 12/3/2013

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Presentation, discussion and acceptance of DRAFT audit results prepared by Kafoury Armstrong and Co. for the year ending June 30, 2013.

Summary: Kafoury Armstrong has been appointed by the Board of Supervisors to provide external audit services to Carson City as required by NRS 354.624. Representatives from Kafoury Armstrong will be presenting their DRAFT findings to the audit committee.

Type of Action Requested: (check one)
() Resolution () Ordinance
() Formal Action/Motion (X) Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: I move to accept the DRAFT audit results prepared by Kafoury Armstrong and Co. for the year ending June 30, 2013.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: NRS 354, CCMC Chapter 2.14

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: None

Supporting Material: Will be provided by Kafoury Armstrong and Co.

Prepared By: Nick Providenti, Finance Director

Reviewed By: Nancy Paulson
(Finance Director)

Date: 11/25/13

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/25/2013

Agenda Date Requested: 12/03/2013

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion and Presentation of status updates by Moss Adams

Summary: Members of Moss Adams will be discussing and providing updates on the status of internal audits that they are currently working on.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Discussion Only – no action will be taken

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: CCMC Chapter 2.14

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Information to be provided by Moss Adams

Prepared By: Nick Providenti, Finance Director

Reviewed By: Nancy Paulson
(Finance Director)

Date: 11/25/13

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

MOSS ADAMS LLP

Date: November 20, 2013
To: Carson City Audit Committee
From: Mark Steranka
Subject: Internal Audit Status Report

Schedule Status:

- FWA Program Coordination: On schedule.
- Fleet Utilization Study: On schedule.
- Performance Metrics Development: On schedule.

Budget Status:

- FWA Program Coordination: Fees within budget of \$25,000.
- Fleet Utilization Study: Fees within budget of \$30,000.
- Performance Metrics Development: Fees within budget of \$30,000.

Activities for this Reporting Period:

- FWA Program Coordination: FWA program and hotline up and running as of November 1st.
- Fleet Utilization Study: Submitted draft report for review by City management.
- Performance Metrics Development: Prepared draft set of performance metrics.

Activities for the Next Reporting Period:

- FWA Program Coordination: Develop content for all employee webinar, and complete reporting and monitoring program set up.
- Fleet Utilization Study: Meet with City management to review comments to the draft report, finalize the report, and submit and present the final report to the Audit Committee.
- Performance Metrics Development: Populate reporting framework with historical data, review with City, and submit and present final performance metrics to the Audit Committee.

Issues:

- FWA Program Coordination: none
- Fleet Utilization Study: none
- Performance Metrics Development: District Attorney's Office and Courts not participating.

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/25/2013

Agenda Date Requested: 12/03/2013

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action to discuss staff progress on action being taken on past recommendations and possible recommendations to the BOS regarding such progress.

Summary: Representatives from Moss Adams and City staff have combined to establish an Internal Audit Findings Response Tracking Report to be used to track the status of internal audits.

Type of Action Requested: (check one)

() Resolution

() Ordinance

(X) Formal Action/Motion

() Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Will depend on the discussion.

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Internal Audit Findings Response Tracking Report

Prepared By: Nick Providenti, Finance Director

Reviewed By: Nancy Paulson
(Finance Director)

Date: 11/25/13

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

Carson City
Internal Audit Findings Response Tracking

Item No.	Report	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
1	Golf	1/17/2013*	No		10 findings provided in the report.	10 recs provided in the report, some for CCMGC action and some for City action.	City Manager's office	City Manager	Even though the BOS did not provide direction to City staff, the City Manager and the Director of Finance negotiated a new lease agreement with CCMGC. The new agreement provides for payment to the City based on a percentage of CCMGC revenue for as long as CCMGC is operating the golf						
2	PD	1/17/2013*	No		4 findings provided in the report.	4 recs provided in the report.	City Manager's office	City Manager	Even though the BOS did not provide direction to City staff, the City Manager intends to meet with the Nevada State Public Defender (NSPD) to review costs to Carson City for services provided by NSPD.						
3	CF	1/17/2013	Yes, specify direction	IV.A.1	The Carson City School District is a major user of many community facilities at no cost.	Evaluate the cost-effectiveness of School District and other Joint Use Agreements.	Parks and Recreation, City Manager's Officer	Parks and Recreation Director, City Manager	Staff has evaluated use by both parties and have found that both parties and the public receive significant value to this arrangement. Probably the greatest savings has been in the reduction of the duplication of facilities by both parties. The Joint Use Agreement has eliminated the need for the building of a school district pool, performance theater and meeting room for School Board meetings. This has been a direct savings to our mutual tax payers.						
4	CF	1/17/2013	Yes, specify direction	IV.A.2	School District reservations take precedence over paying customers.	Consider reprioritizing reservations and bookings at the Community Center and Theater to better accommodate paying customers.	Parks and Recreation	Parks and Recreation Director	There are some measures that can be employed to decrease our costs for providing the School District free use of our facilities such as the implementation of a per ticket surcharge or fee per ticket sold for some of the larger School District's productions. This has been implemented on a limited basis with						

Carson City
Internal Audit Findings Response Tracking

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5	CF	1/17/2013	Yes, specify direction	IV.A.3	Program and facility cost recovery and discounts vary widely between Parks and Recreation activities, largely driven by Board of Supervisors resolutions.	Conduct a cost recovery and activity prioritization process with the input of the Board of Supervisors to develop an updated cost recovery model and mission for the Parks and Recreation Department.	Parks and Recreation	Parks and Recreation Director	Since there has been no direction by the Board regarding this item no action has been taken. The Parks & Recreation Department is still operating under the direction provided by the Board through the acceptance of the Parks & Recreation Master Plan that was adopted by the Board in 2006. This Master Plan identified the definition of cost recovery and approved a mission statement for the Department.						
6	CF	1/17/2013	Yes, specify direction	IV.B.1	Most programs and activities housed at the Community Center achieve 100% or greater cost recovery.	Continue to support programs with the highest amount of cost recovery.	Parks and Recreation	Parks and Recreation Director	The Parks and Recreation Department strives to cover a minimum of 100% cost recovery as defined and stipulated by the Parks & Recreation Master Plan.						
7	CF	1/17/2013	Yes, specify direction	IV.B.2	The Community Center receives a 56% General Fund subsidy.	Pursue opportunities to increase revenues, particularly for the Theater.	Parks and Recreation		The Parks & Recreation Department is constantly looking for ways to increase revenues for the Theater. Our ability to increase revenues is hampered by a very small staffing level that doesn't allow for effective marketing of the facility and by the Board of Supervisor's past action of giving deep discounts to non-profit use of the facility which makes up about 80% of the Theater's use.						
8	CF	1/17/2013	Yes, specify direction	IV.B.3	Theater operations, budgeting, and planning are integrated with the Community Center.	Itemize Community Center revenues and expenditures to determine the sources and uses of funds and enable more precise budgeting.	Parks and Recreation, Finance	Parks and Recreation Director, Recreation Operations Manager, Finance Director	The Parks & Recreation Department would have to work with the Finance Department to achieve this and it may be problematic since the same staff operates the Theater, Community Center and gym.						

Carson City
Internal Audit Findings Response Tracking

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9	CF	1/17/2013	Yes, specify direction	IV.B.4	Question 18 funds would be available to support Theater operations if planned capital improvements were made.	Determine how to leverage Question 18 funds to make capital improvements and unlock operations funding.	Parks and Recreation, Finance	Parks and Recreation Director, Finance Director	Revenues through the ¼ cent sales tax is still down compared to revenues of previous years going back to 2008 and before. Staff uses Q18 funds for grant matches whenever possible for leverage. Q18 funds have been used as leverage and matches for capital improvement projects at the JohnD Winters Centennial Park, the Fairgrounds, the Community Center and in other park projects.						
10	CF	1/17/2013	Yes, specify direction	IV.B.5	The Theater does not have dedicated marketing or booking support.	Investigate the feasibility of employing a dedicated marketing and booking staff member to manage and promote Theater reservations.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	The Board of Supervisors would have to approve and fund a dedicated marketing and booking staff. The Theater has been operating with reduced staff that are an outcome of budget reduction methods employed since 2007.						
11	CF	1/17/2013	Yes, specify direction	IV.B.6	There are currently no fundraising, sponsorship, or advertising initiatives for the Theater.	Explore opportunities for sponsorships, fundraising, and advertising for the Theater.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	As stated in Item 10, the lack of staff has made it difficult to explore opportunities for the above. The small staffing level has resulted in the Theater being passively promoted. The advent of the digital reader board will provide some assistance in this area.						
12	CF	1/17/2013	Yes, specify direction	IV.B.7	Marketing, coordination, fundraising, maintenance, and management of the Theater are limited by City budget constraints.	Evaluate the opportunity for outsourcing management and operations of the Theater to a non-profit.	Parks and Recreation	Parks and Recreation Director, Recreation Operations Manager	No action has been taken in this area. There may be an opportunity to outsource the operations. A non-profit may be somewhat more immune to political influences in the operations of the facility especially in the setting of fees. However, the City would give up some control into the operations. A non-profit would still need to make money. The ability of another entity of being profitable would be compromised if the City insisted that the deep discounts afforded to use by non-profit organizations continue.						

Carson City
Internal Audit Findings Response Tracking

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13	CF	1/17/2013	Yes, specify direction	IV.C.1	The Aquatic Facility receives a 50% General Fund subsidy.	Consider raising admissions fees.	Parks and Recreation	Parks and Recreation Director, Pool Manager	The City has reduced hours and services at the Aquatics Facility making it difficult to rationalize increasing fees. The existing fees are in line with other area aquatics facilities. Staff has felt that are fees are somewhat inelastic since they are in line with other facilities such as the Douglas County Aquatics Facility in Minden which is a newer and more attractive facility.						
14	CF	1/17/2013	Yes, specify direction	IV.C.2	Recreational leisure use of the Aquatic Facility is limited.	Market the outdoor pool for recreational use during the summer.	Parks and Recreation	Parks and Recreation Director, Pool Manager	Staff strives to strike a balance in the use of the pool by lap swimmers, recreational users and competitive swim clubs. Most of the use of the outdoor pool during the summer is recreational use. Additional marketing would require an increase in the budget for this purpose.						
15	CF	1/17/2013	Yes, specify direction	IV.C.3	The Aquatic Facility is not promoted on the Convention and Visitors Bureau website.	Collaborate with the Convention and Visitors Bureau to market the Aquatic Facility to residents and visitors.	Parks and Recreation, CVB	Parks and Recreation Director, CVB Director	The Aquatics Facility doesn't have many of the modern attractions that many newer leisure pools have such as lazy rivers, large slides, fountains, sprays and wave devices. The strongest attraction is the 50 meter pool that can host large competitive events.						
16	CF	1/17/2013	Yes, specify direction	IV.D.1	Ice Rink advertising revenues fell 47.6% from FY 10-11 to FY 11-12.	Continue to pursue advertising and sponsorship opportunities.	Parks and Recreation	Parks and Recreation Director, Recreation Manager	Ice Rink advertising revenues did increase during the 2011-12 skating season. Staff is hoping to improve this season. Sponsorship opportunities with entities such as the Downtown Business Association and the Chamber of Commerce have been ongoing.						
17	CF	1/17/2013	Yes, specify direction	IV.D.2	The Ice Rink is not available to rent for private events.	Explore revenue generating opportunities for renting the Ice Rink for events.	Parks and Recreation	Parks and Recreation Director, Recreation Manager	The Ice Rink is rented for special events. The Downtown Business Association and the Chamber as well as some private entities have rented the Rink for events. In addition, private and public entities are allowed to rent the warming tent for events. This has been very popular for events such as birthday parties.						

Carson City
Internal Audit Findings Response Tracking

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18	Fleet	7/18/2013	Yes, specify direction	III.A.1	The Fleet Services facility could be organized more efficiently.	Redesign the main shop to support better workflow, provide supervision, and restrict customer access to work areas.	Fleet	Fleet Manager	Fleet Services is currently in the design process for a small fleet building expansion and minor remodel of the existing facility, these changes will facilitate this recommendation.						
19	Fleet	7/18/2013	Yes, specify direction	III.B.2	Fleet Services' preventive maintenance program is underdeveloped.	Schedule the preventive maintenance workload for the entire year.	Fleet	Fleet Manager	The current software does not allow for this function. Fleet Services is are evaluating new software programs and plan to proceed with the purchase of a new fleet software program that will provide us the ability to perform long range scheduling of preventive maintenance.						
20	Fleet	7/18/2013	Yes, specify direction	III.B.3	The preventive maintenance checklists used by Fleet Services are too general.	Redesign preventive maintenance checklists to reflect appropriate (manufacturer) inspections that are applicable to various classes of vehicles and equipment, as well as a progressive inspection process.	Fleet	Fleet Manager	The new software program referenced above will have predesigned check lists that can also be customized to reflect any special requirements for the vehicle from the equipment manufacture.						
21	Fleet	7/18/2013	Yes, specify direction	III.B.4	Most scheduled service intervals are too frequent.	Base service intervals according to vehicle manufacturer recommendations.	Fleet	Fleet Manager	Recommendation has been adopted. A new software program will also help improve the ability to track this information more efficiently in the future.						
22	Fleet	7/18/2013	Yes, specify direction	III.B.5	The current service request form is inadequate.	Develop a dedicated service request form that states time reported, estimated time to repair, and actual completed time.	Fleet	Fleet Manager	Functionality will be added with new software purchase. The new software has a service request form and the ability to provide estimated time to repair and also report on the actual time it took to complete the repair. Additionally, you can e-mail that estimate and the final report to the customer to improve reporting.						

Carson City
Internal Audit Findings Response Tracking

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23	Fleet	7/18/2013	Yes, specify direction	III.B.6	Fleet Services does not have a parts person to support the needs of mechanics.	Hire a full-time Storekeeper to perform all parts-related duties.	Fleet	Fleet Manager	This position would be difficult to fund and in reality due to the small size of our shop and the streamlining of our parts operation via the remodel the mechanics will spend far less time retrieving parts than they have in the past. We feel efficiencies will certainly be gained through the remodel and expansion and the use of the new software. We suggest holding off for a year or more to determine if this is feasible or necessary.						
24	Fleet	7/18/2013	Yes, specify direction	III.B.7	Parts are procured through ongoing purchase orders with several local vendors, and expenditures are expected to exceed budget by 22% this year.	Issue a request for proposals and award contracts with vendors to provide fleet parts with set prices and delivery criteria.	Fleet	Fleet Manager	Through the use of the new software we will produce an accurate parts inventory and this coupled with a year of parts use data should allow us to bid these parts with a high degree of accuracy.						
25	Fleet	7/18/2013	Yes, specify direction	III.B.8	Parts tracking and inventory are manual processes.	Include parts tracking and inventory in the requirements for the planned enhanced fleet management system.	Fleet	Fleet Manager	This recommendation will be easily accommodated with the use of the new software.						
26	Fleet	7/18/2013	Yes, specify direction	III.B.9	Repair services are procured on a case-by-case basis with local vendors, and expenditures are expected to exceed the budget by 66% this year.	Issue an RFP and award a contract to provide fleet repair services with local vendors with set prices, delivery criteria, and warranties.	Fleet	Fleet Manager	Fleet services is currently researching information in order to facilitate this recommendation. Several of the specific repair types could be contracted under this concept however other unique repairs will still require fleet to obtain repair quotes and go with the best price such as body damage repairs.						

Carson City
Internal Audit Findings Response Tracking

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27	Fleet	7/18/2013	Yes, specify direction	III.B.10	Not all fuel data is being captured.	Integrate fuel data from CFN reports into the planned enhanced fleet management system in order to compute average fuel consumption (mpg) by vehicle and by class, fuel cost per mile, and average total fuel cost by class.	Fleet	Fleet Manager	The new software will allow the integration of the fuel data report directly into the program and will track average fuel consumption by vehicle and by class; fuel cost and will allow reporting of the data in several different formats.						
28	Fleet	7/18/2013	Yes, specify direction	III.C.11	Mechanic staffing levels are not sufficient to support the number and type of vehicles that Fleet Services maintains.	Hire three additional mechanics, track and monitor non-wrenching hours, and establish a 70% performance productivity goal for mechanics.	Fleet	Fleet Manager	Unfortunately at this time we are unable to fund 3 additional staff, however we recognize the need for additional mechanics and we are working toward possibly adding 1 additional mechanic for bus repair. This position would be funded through the transit fund and will only be possible after the fleet expansion as we currently have no room for another mechanic within current facilities. To add more mechanics would require adding even more service bays to the facility which is not possible under current funding.						
29	Fleet	7/18/2013	Yes, specify direction	III.C.12	Fleet Services operates only one shift per day.	Add a swing shift or overlapping shift to better accommodate the schedules of fleet customers.	Fleet	Fleet Manager	The current fleet facility will not accommodate the additional mechanics we would need to run an overlapping shift and changing to a swing shift for just a mechanic or two would not be efficient.						
30	Fleet	7/18/2013	Yes, specify direction	III.C.13	The fleet management function is currently performed on a part-time basis.	Create a full-time Fleet Manager position.	Fleet	Fleet Manager	We have adjusted the responsibilities of our current fleet manager who has many years of supervisory and managerial experience in the city. He is currently enrolled in the Rocky Mountain Fleet Managers associations "Fleet Manager" certification program and we are confident that with his skills and experience and the introduction of new software we will achieve improved efficiencies in managing our fleet.						

Carson City
Internal Audit Findings Response Tracking

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31	Fleet	7/18/2013	Yes, specify direction	III.D.14	The Fleet CIP may understate the need for vehicle replacement.	Incorporate more realistic replacement intervals, as well as salvage values, auction fees, and make-ready costs, into the City's long-range replacement	Fleet, Finance	Fleet Manager, Finance Director	We fully support the idea of realistic replacement intervals. We will work with finance to attempt to find funding to accommodate this recommendation.						
32	Fleet	7/18/2013	Yes, specify direction	III.D.15	Vehicle replacement intervals are not optimized.	Adopt a methodology to support the replacement of vehicles and equipment based on the "optimum economic life point" of a unit.	Fleet, Finance	Fleet Manager, Finance Director	We fully support the idea of realistic replacement intervals. We will work with finance to attempt to find funding to accommodate this recommendation.						
33	Fleet	7/18/2013	Yes, specify direction	III.D.16	The decision to retain a fleet unit beyond its optimal replacement point has historically been a City department decision, not the decision of Fleet Services.	Establish a vehicle/equipment replacement fund to which customers contribute to the replacement cost of their units over time.	Fleet, Finance	Fleet Manager, Finance Director	We will explore this idea and evaluate all the mechanisms of funding available to the departments. And again, we will work with finance to attempt to find funding to accommodate this recommendation.						
34	Fleet	7/18/2013	Yes, specify direction	III.D.17	The City's fleet may be too large and underutilized.	Conduct a basic utilization review of the entire fleet, requiring departments to justify the need for each assignment, whether it be individually assigned or assigned as a sub-pool vehicle to the department.	Fleet	Fleet Manager	Moss Adams recently completed a utilization study that accomplished this recommendation. We will continue to evaluate utilization of each unit into the future.						
35	Fleet	7/18/2013	Yes, specify direction	III.E.18	The City uses two separate accounts to budget for fleet maintenance and repair and does not use a chargeback system.	Develop a comprehensive and accountable chargeback system that incorporates fleet replacement, overhead, and all operational costs.	Fleet, Finance	Fleet Manager, Finance Director	We will explore this idea and work with finance in order to account for these costs in the most efficient manner.						

Carson City
Internal Audit Findings Response Tracking

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36	Fleet	7/18/2013	Yes, specify direction	III.E.19	Fleet Services' hourly rate is low, and no markups are applied to parts, fuel, or commercial repair work.	Develop shop labor rates and markups/charges by appropriately allocating labor and overhead costs, including the functions of administration/asset management, maintenance/repair, fuel, parts, and commercial repair	Fleet	Fleet Manager	The shop labor rate will be adjusted in accordance with the most recent data and the new software will allow a very accurate tracking of all labor and will facilitate the appropriate distribution of cost for all associated functions. This will ensure proper allocation of charges for all work performed.						
37	Fleet	7/18/2013	Yes, specify direction	III.E.20	Fleet Services performs some non-fleet work for other City departments.	Discontinue the practice of performing non-fleet work for City departments.	Fleet	Fleet Manager	This is a reference to the fabrication work performed by the fleet shop. We have actually changed our practices to a degree and we are contracting with outside vendors for certain fabricating tasks, but fleet still pays for these costs. The ability of the departments to fully absorb this cost is questionable and we will work with finance to determine if costs can be transferred to the department requiring the work.						
38	Fleet	7/18/2013	Yes, specify direction	III.F.21	Comprehensive fleet management policies are not in place.	Establish a Vehicle and Equipment Committee to develop and oversee implementation of comprehensive administrative policies for vehicles and equipment.	Fleet	Fleet Manager	We will take this recommendation forward to the city manager.						
39	Fleet	7/18/2013	Yes, specify direction	III.F.22	Regular customer feedback is solicited; however, service level agreements with customers are not in place.	Develop service level agreements between Fleet Services and each of its City department customers.	Fleet	Fleet Manager	We are planning to study the feasibility of providing variable levels of services to our customers and will explore with them their desire to enter in to such an agreement and determine if it is cost effective for the city overall.						

Carson City
Internal Audit Findings Response Tracking

Item No.	Report	BOS Acceptance /Approval	BOS Direction to Implement	Finding No.	Finding	Recommendation	Dept.	Owner	Remediation Plan (Course of Action & Expected Benefits)	Est. Cost	Est. Savings	Finding corrected? (Y, N, Partial)	Expected Compl. Date	Actual Compl. Date	Status Comments
40	Fleet	7/18/2013	Yes, specify direction	III.F.23	Fleet Services performance metrics are not currently in place.	Establish performance measures and monitor them with the goal of measuring performance against industry and shop standards.	Fleet	Fleet Manager	We support this recommendation and will move forward to begin to establish appropriate performance standards that are industry based.						
41	Fleet	7/18/2013	Yes, specify direction	III.F.24	Fleet Services does not generate any reports to management or its fleet customers.	Develop monthly management reports for Public Works Department, the City Manager, and all fleet customer departments.	Fleet	Fleet Manager	The new software provides a myriad of reporting and tracking capability that will prove invaluable for providing this information.						

Reports:

Golf Carson City Community Facility Cost Recovery Study Eagle Valley Golf Course Final Report
 PD Carson City Public Defender Cost and Utilization Study Final Report
 CF Carson City Community Facility Cost Recovery Study Final Report
 Fleet Carson City Fleet Management Efficiency Study Final Report

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/25/2013

Agenda Date Requested: 12/03/2013

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion regarding the Resolution recommended to the Board of Supervisors by the Carson City Ethics Ordinance Review Committee

Summary: The Carson City Ethics Ordinance Review Committee has proposed a Resolution to the Carson City Board of Supervisors establishing a policy of ethics compliance for Carson City elected and appointed public officers and public employees.

Type of Action Requested: (check one)

() Resolution

() Ordinance

() Formal Action/Motion

(x) Other (Discussion Only)

Does This Action Require A Business Impact Statement: () Yes (X) No

Recommended Committee Action: Discussion Only – no action will be taken

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: Title 2, Chapter 2.34 of the Carson City Municipal Code.

Fiscal Impact: N/A

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: N/A

Supporting Material: Proposed Resolution

Prepared By: Nick Providenti, Finance Director

Reviewed By: Waney Paulina
(Finance Director)

Date: 11/25/13

Board Action Taken:

Motion:

	Member	Aye/Nay
1)	_____	_____
2)	_____	_____
3)	_____	_____
4)	_____	_____
5)	_____	_____

(Vote Recorded By)

ABSENT: _____

ABSTAIN: _____

Mayor Robert Crowell
Carson City, Nevada

ATTEST:

Alan Glover, Clerk
Carson City, Nevada