



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

Day: Wednesday
Date: November 19, 2014
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: Discussion on the Audit Committee's role to review the City's Comprehensive Annual Financial Report (CAFR) with the City's external auditor and the Audit Committee Liaison and to make possible recommendations to the Board of Supervisors.

Summary: Carson City Municipal Code, Section 1: Title 2, Chapter 2.14, Section 2.14.040 states "1. The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit,..." City staff is seeking discussion and possible direction regarding the Audit Committee and the Audit Committee Liaison on their role in dealing with the City's External Auditor regarding the CAFR.

6. Discussion and update on the Assessment of Internal Controls.

Summary: Members of Moss Adams, LLP will be discussing and providing updates on the status of the Assessment of Internal Controls.

7. Discussion and update on the Employee Efficiency Study.

Summary: Moss Adams, LLP will be discussing and updating the Audit Committee on the Employee Efficiency Study.

8. For Possible Action: Discussion regarding monitoring of the Audit Findings Response Tracking Report and possible direction to the internal auditor to report and discuss the monitoring with the Board of Supervisors.

Summary: Representatives from Moss Adams, LLP and staff will discuss Audit Findings Monitoring.

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**

.....
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.
.....

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.
.....

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.
.....

This meeting can be viewed on Channel 226. For specific dates and times - www.bactv.org.
.....

*To request a copy of the supporting materials for this meeting contact
Rachael Porcari at rporcari@carson.org or call (775) 887-2100.*
.....

*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.*
.....

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 13, 2014

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/7/2014

Agenda Date Requested: 11/19/2014

To: Chair and Members

From: Michael Bertrand

Subject Title: For Possible Action: Discussion and possible action on the Audit Committee's role to review the City's Comprehensive Annual Financial Report (CAFR) with the City's external auditor and the Audit Committee Liaison and to make possible recommendations to the Board of Supervisors.

Staff Summary: Carson City Municipal Code, Section 1: Title 2, Chapter 2.14, Section 2.14.040 states "1. The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit,..." City staff is seeking discussion and possible direction regarding the Audit Committee and the Audit Committee Liaison on their role in dealing with the City's External Auditor regarding the CAFR.

Type of Action Requested: (check one)

- | | |
|--|--|
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Ordinance |
| <input checked="" type="checkbox"/> Formal Action/Motion | <input type="checkbox"/> Other (Specify) |

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

Recommended Committee Action: Depends upon the nature of the discussions.

Explanation for Recommended Committee Action: See Staff Summary.

Applicable Statue, Code, Policy, Rule or Regulation: CCMC

Fiscal Impact: None by this item.

Explanation of Impact: N/A

Funding Source: N/A

Alternatives: None

Supporting Material: None

Prepared By: Nick Providenti, Finance Director

Reviewed By: Theresa A. White
(Finance Director)

Date: 11/12/14

Board Action Taken:

Motion: _____

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

(Vote Recorded By)

Carson City, NV

Browse () 🔍 Results ()

🏠 Carson City, Nevada - Code of Ordinances

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=16249)

🏠 Title 2 - ADMINISTRATION AND PERSONNEL*

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE)

📁 Chapter 2.14 - CARSON CITY AUDIT COMMITTEE

2.14.010 - Introduction.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.010IN)

2.14.020 - Purpose of the Carson City audit committee.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.020PUCAAUCO)

2.14.030 - Composition of the Carson City audit committee.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.030COCAAUCO)

2.14.040 - Responsibilities of the Carson City audit committee.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.040RECAAUCO)

2.14.050 - Meetings of the Carson City audit committee.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.050MECAAUCO)

2.14.060 - Organizational chart.

(https://www.municode.com/library/nv/carson_city/codes/code_of_ordinances?nodeId=TIT2ADPE_CH2.14CAAUCO_2.14.060ORCH)

Chapter 2.14 - CARSON CITY AUDIT COMMITTEE

Sections:

2.14.010 - Introduction.

As the demand for enhanced accountability and the increased examination of an adequate system of internal controls occurs in the public sector due to the Sarbanes-Oxley Act, so does the significance and importance of an audit committee.

The independence and objectivity between the Carson City audit committee and the city's management team ensures that internal controls are a key management objective of the city's operation. The Government Finance Officers Association and the Institute of Internal Auditors encourage the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Carson City audit committee plays a key role with respect to integrity of the city's financial information; its systems of internal controls, the legal and ethical conduct of management and employees, and is an invaluable tool for ensuring that those responsible for financial management (management, auditors, and governing boards) meet the respective responsibilities for internal control compliance and financial reporting. Additionally, the Carson City audit committee provides a vehicle for open communications between the board of supervisors, the city management team, internal audit, and the independent external auditors.

(Ord. 2008-10 § 3, 2008)

2.14.020 - Purpose of the Carson City audit committee.

The role of the Carson City audit committee is to maintain oversight of the auditing function, both internal and external resulting in increased integrity and efficiency of the audit processes for the city and the city's system of internal controls and financial reporting. The committee has three primary characteristics for it to successfully fill its obligations:

1. **Independence.** The Carson City audit committee will be independent both in fact and in appearance and requires processes to be in place to ensure such independence is maintained at all times.
2. **Communication.** The Carson City audit committee will maintain an open line of communication with the board of supervisors, city management, internal and external auditors; providing direction for the city's audit function and a framework of accountability.
3. **Accountability.** The Carson City audit committee contributes to the integrity of the financial reporting process and reinforces the culture of a strong system of internal controls throughout the city.

The Carson City audit committee shall provide oversight to the city's internal controls by assuring that the system of internal controls established by management are reviewed on a regular and systematic basis for functionality and effectiveness. The Carson City audit committee's duties shall include, but are not limited to, development of the risk assessment and annual work plan, review of all individual audit reports, review of the annual report of audits completed, review the status of corrective actions, the annual budget, and the performance of the internal auditor. Upon completion of these reviews, the Carson City audit committee will make appropriate recommendations to the board of supervisors.

(Ord. 2008-10 § 4, 2008)

2.14.030 - Composition of the Carson City audit committee.

1. The Carson City audit committee will be independent and objective in its collective mindset individually and as a group. The committee will reflect the following attributes:
 - a. Excellent communication skills with each other and with others;
 - b. A willingness to fully participate in complex and sensitive matters that require resolution;
 - c. Public accounting, governmental accounting and auditing experience.

2. The Carson City audit committee shall be comprised of five (5) members; one (1) member from the board of supervisors and four (4) members from the public at-large.
 - a. One (1) member of the Carson City audit committee will be selected from the board of supervisors. The board member shall be selected each January when the board of supervisors addresses board and commission assignments.
 - b. The four (4) members at-large of the Carson City audit committee will be interviewed and selected by the board of supervisors. These members should have experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be for staggered two (2) years; expiring on each alternate year.
 - c. The members at-large shall not accept any consulting, advisory, or other compensatory fees from the city and may not be an affiliated person with the city or any subsidiary thereof.
3. Should a vacancy occur in any position on the Carson City audit committee, the board of supervisors must follow the procedure set forth above to select a new member for the committee. The selection must occur within one (1) month of the vacancy occurring.
4. When deemed necessary, the Carson City audit committee may request that the city manager and other management employees attend a Carson City audit committee meeting in an advisory capacity. This individual may be requested to provide necessary information relative to internal controls, data, and analysis related to the specific objectives of the Carson City audit committee.

(Ord. 2008-10 § 5, 2008)

(Ord. No. 2009-24, § 1, 10-1-2009 (1))

2.14.040 - Responsibilities of the Carson City audit committee.

1. The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit, performance, compliance and efficiency audits, including specific issues of concern providing a higher level of accountability over the use of public funds and the adequacy of any city department or office performance measure for internal audit purposes. Reviews and recommendations by the internal auditor will be guided by the internal auditing standards. As appropriate, background documents related to specific audit issues will be sent to the committee during the course of each year.
2. The Carson City audit committee will:
 - a. Provide input into the annual risk assessment plan developed by the city auditor to identify areas of risk or exposure facing the city's organization; review and assess the steps necessary to minimize such risks in the future and improve operating efficiencies; oversee the internal auditor's creation and implementation of processes to identify potential fraud, waste and abuse of city resources and property and a findings reporting protocol;
 - b. Identify with key directors significant risks or exposures facing their organizations/operations to develop a "risk plan" and "audit work plan" to prioritize the city auditor's work load and assess the need for professional services;
 - c. Annually review the audit scope and work plan of the city auditor in conjunction with the external auditors plan to address the coordination of audit efforts to ensure the completeness of coverage, reduction of redundant efforts and effective use of audit resources;
 - d. Discuss the fiscal health of the city in relation to the adopted budget with the city manager

- and the director of finance;
- e. Consider matters related to the systems of internal controls, including overseeing compliance by management with applicable policies and procedures;
 - f. Review and make recommendations to the board of supervisors regarding audit findings including the status and implementation of recommendations for both internal and external audits;
 - g. Review and make recommendations to the board of supervisors pertaining to the internal audit budget for operating expenses and capital expenditures;
 - h. Oversee the appointment of the independent auditors to be engaged by the board of supervisors for external reporting and recommend to the board of supervisors the related audit fees;
 - i. Recommend to the board of supervisors to engage outside professional services when deemed appropriate for audit issues;
 - j. Review the internal audit charter and make recommendations to the board of supervisors when changes are deemed necessary;
 - k. Review and make recommendations to the board of supervisors for special requests for audit projects and have the authority to perform other duties as may be delegated to it by the board of supervisors;
3. Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards require an independent auditor to evaluate the city's internal controls in connection with determining the extent of their audit procedures. The external auditors are required to alert the Carson City audit committee and the governing body regarding material matters. The Carson City audit committee will:
- a. Review and make recommendations to the board of supervisors pertaining to the external auditors annual audit plan and inquire into external audit matters as deemed appropriate;
 - b. Oversee the appointment of the independent auditors to be engaged by the board of supervisors for external reporting and establish the related audit fees; review and evaluate the performance of the independent auditors and establish a regular schedule for periodically re-bidding the annual audit;
 - c. Review and make recommendations to the board of supervisors regarding all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

(Ord. 2008-10 § 6, 2008)

(Ord. No. 2012-11, § 1, 8-2-2012 (1))

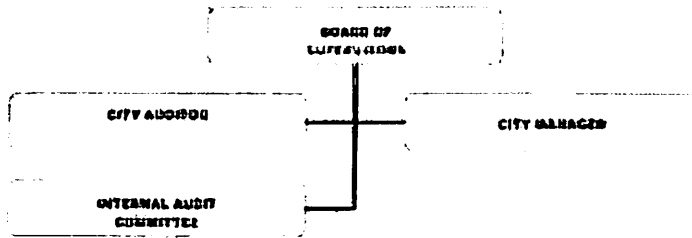
2.14.050 - Meetings of the Carson City audit committee.

1. The Carson City audit committee will meet quarterly. All members are expected to attend on a regular basis.
2. The Carson City audit committee may ask members of management or others to attend meetings and to provide pertinent information when necessary.
3. Meetings are scheduled in accordance with the state's open meeting laws. The city auditor shall establish the agenda for meetings and will provide to members in advance, all appropriate briefing material.

(Ord. 2008-10 § 7, 2008)

(Ord. No. 2009-24, § 11, 10-1-2009 (1))

2.14.060 - Organizational chart.



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(Ord. 2008-10 5 8, 2008)

Carson City Audit Committee

Agenda Report

Date Submitted: 11/07/2014

Agenda Date Requested: 11/19/2014

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion and update on the Assessment of Internal Controls.

Summary: Members of Moss Adams will be discussing and providing updates on the status of the Assessment of Internal Controls.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Discussion Only)

Does This Action Require A Business Impact Statement: Yes No

Recommended Committee Action: None – discussion only

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: Internal Audit budget

Alternatives: N/A

Supporting Material: Information to be provided by Moss Adams

Prepared By: Nick Providenti, Finance Director

Reviewed By: Unlabeled Signature

Date: 11/12/14

(Finance Director)

Board Action Taken:

Motion:

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

(Vote Recorded By)

Carson City Audit Committee

Agenda Report

Date Submitted: 11/07/2014

Agenda Date Requested: 11/19/2014

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: Discussion and update on the Employee Efficiency Study.

Summary: Moss Adams will be discussing and updating the Audit Committee on the Employee Efficiency Study.

Type of Action Requested: (check one)

() Resolution

() Ordinance

() Formal Action/Motion

(xx) Other (Discussion Only)

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

Recommended Committee Action: None – discussion only

Explanation for Recommended Committee Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: N/A

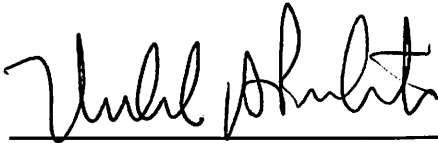
Explanation of Impact: N/A

Funding Source: Internal Audit budget

Alternatives: N/A

Supporting Material: Moss Adams Work Plan

Prepared By: Michael Bertrand

Reviewed By: 
(Finance Director)

Date: 11/12/14

Board Action Taken:

Motion: _____

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

(Vote Recorded By)

**Carson City Audit Committee
Agenda Report**

Date Submitted: 11/07/2014

Agenda Date Requested: 11/19/2014

To: Chair and Members

From: Michael Bertrand, Chairman

Subject Title: For Possible Action: Discussion and possible action regarding monitoring of the Audit Findings Response Tracking Report and possible direction to the internal auditor to report and discuss the monitoring with the Board of Supervisors.

Summary: Representatives from Moss Adams and city staff will discuss Audit Findings Monitoring.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Discussion Only)

Does This Action Require A Business Impact Statement: Yes 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: *Nick Providenti*
(Finance Director)

Date: 11/2/14

Board Action Taken:

Motion:

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

(Vote Recorded By)

Date: November 18, 2014

To: Carson City Audit Committee

From: Roger Moellendorf

Subject: Community Facilities Study

I. Introduction

The Community Facilities Cost Recovery Study was completed in November 2012, using FY 11-12 budget data. The financial performance of each facility studied in FY 13-14 is shown below:

Facility	FY 13-14 Expenses	User Fees	General Fund	Cost Recovery
Carson Community Center & Bob Boldrick Theater*	\$345,165	\$162,185	\$369,029	47%
Aquatic Facility	\$628,483	\$269,490	\$314,241**	43%
Arlington Square Ice Rink	\$81,355	\$78,434	\$94,381	96%
Total	\$1,055,002	\$509,109	\$1,148,291	48%

*Bob Boldrick Theater revenues reflect the following usage for FY 13-14:

- School District 26%
- Contract Youth Program 22%
- Non-Profit use 35%
- City use 15%
- Commercial use 2%.

**50% of the City's subsidy to the Aquatic Facility is supported by \$314,241 in Q18 funds.

II. Report Recommendations

A. Management and Policy

- a. Evaluate the cost-effectiveness of School District and other Joint Use Agreement.
Agree.
- b. Consider reprioritizing reservations and bookings for the Community Center and Theater to better accommodate paying customers.
Agree. However, we must remember our joint use agreement with the school district allows priority use by both parties for their respective facilities. We want to make sure we don't lose our priority use with school district facilities. We have on a limited basis implemented a

per ticket or per seat fee for some school district productions that charge ticket fees. This has helped off-set some of our expenses associated with these productions. This could be expanded and included in the drafting of a new joint use agreement.

- c. Conduct a cost recovery and activity prioritization process with the input of the Board of Supervisors to develop a comprehensive cost recovery model for the Parks and Recreation Department.

Agree. However, include the Parks & Recreation Commission in the process.

B. Community Center & Bob Boldrick Theater

- a. Continue to pursue programs with the highest amount of cost recovery.

Agree within the confines of our joint use agreement.

- b. Pursue opportunities to increase revenues, particularly for the Theater.

Agree. Please see A.b. above. Since commercial use only makes up two percent of the use there may be opportunities to increase this use.

- c. Itemize Community Center revenues and expenditures to determine the sources and uses of funds and enable more precise budgeting.

This logistically would be difficult since the staff that operates the theater also manage the gym and the meeting rooms. Tracking their time specifically to each area would be difficult and time consuming. Also tracking overhead costs such as building repairs, maintenance and utilities separately would be difficult. For instance we do not have separate utility meters for the three separate areas.

- d. Determine how to leverage Question 18 funds to make capital improvements and unlock operations funding.

Agree. Since it appears that Quality of Life (Q18) funds may be increasing The City should explore bonding these funds for capital improvement repairs.

- e. Investigate the feasibility of employing a dedicated marketing and booking staff member to manage and promote Theater reservations.

As long as the Board approves a business model that gives discounts to local non-profit organizations and free use to the school district, it doesn't appear feasible to hire a marketing and booking staff for the Theater.

- f. Explore opportunities for sponsorships, fundraising, and advertising for the Theater.

Agree.

- g. Evaluate the opportunity for outsourcing management and operations of the Theater to a non-profit.

This merits looking into, however the fee system which gives deep reductions for local non-profits is not sustainable for an outside management entity. The Board would have to make the fees provide a more realistic positive cost recovery model from non-profit rentals. If they are willing to do this, then they should provide that same opportunity for our in-house management.

C. Aquatic Facility

- a. Consider raising admissions fees.

A minor increase in fees is probably feasible. It may not increase revenues much and will most likely generate many complaints. Staff feels that our rates are still somewhat inelastic given the fact that many of our daily users are senior citizens and that the pool in Minden

still provides an attractive alternative to families who will not hesitate to drive the 12 miles to use their pool.

- b. Market the outdoor pool for recreational use during the summer.

Agree. Much of the department's marketing was eliminated during previous years' budget cuts. It makes sense to restore a marketing budget in an effort to promote the pool for year round use.

- c. Collaborate with the Convention and Visitors Bureau to market the aquatic facility to residents and visitors.

Agree.

D. Arlington Square Ice Rink

- a. Continue to pursue advertising and sponsorship opportunities.

Agree. There was more focus on this in 2013/14 than in the 2012/13.

- b. Explore revenue generating opportunities for renting the Ice Rink for events.

Agree. However events that close the rink down from general public drop-in use generate a lot of complaints.

III. Implementation Considerations

A. Board Policies

The report notes the Board of Supervisors' strong commitment to supporting resident non-profit organizations, youth programs, and programs for senior citizens. As such, facility rentals and fees are discounted, sometimes as much as 75%. These discounts, which give true community accessibility to the facilities, also limit the amount of revenues that can reasonably be recovered. As such, the Board's intended level of cost recovery is not achievable given these priorities.

B. 1/8 Cent Sales Tax

The 1/8 Cent Sales Tax is an important measure that will provide new facilities and improve existing facilities that will allow our department to enhance existing programs and provide new ones for our residents. The Multi-purpose Athletic Center will allow the department to more successfully expand programs to all demographics of our community especially teenagers and seniors. A smaller portion of the tax (estimated at \$500,000) will go to badly needed improvements to the Community Center and the Bob Boldrick Theater which will make the facility more attractive productions and help them to be more successful.

C. Long-Range Plan

A long range plan needs to be developed to provide badly needed deferred maintenance to parks and recreation facilities. As mentioned in section B.d. above, bonding projected increases in revenues coming to the Quality of Life program could help provide the funds needed to address critical infrastructure maintenance needs. This would also reduce capital improvement requests to the General Fund allowing the General Fund to concentrate on non-park and recreation requests.

Carson City - Audit Findings Tracking Summary Report (revised 08-12-14)

Report Name	Report Submittal	BOS Approval	Plan to Implement	Reporting Entity	Report Findings	Response Findings	Completed Findings	Costs to Implement	Potential Savings	Actual Savings
Community Facility Cost Recovery Study	11/28/2012	1/17/2013		City Auditor	15		1		\$30,000	
Fleet Management Efficiency Study	6/22/2013	7/18/2013	6/5/2014	City Auditor	24		4		\$174,000	
Fleet Utilization Study	1/30/2014	4/3/2014	6/5/2014	City Auditor	12		1		\$92,000	
Total					51		6		\$296,000	

Legend:

- Report Submittal = date report presented to BOS
- BOS Approval = date report adopted by BOS
- Plan to Implement = date implementation plan presented by management to BOS
- Reporting Entity = organization that prepared the report
- Report Findings = number of findings in the report
- Response Findings = number of findings management plans to respond to in implementation plan
- Completed Findings = number of findings completed by management
- Costs to Implement = any costs incurred by the City to complete findings
- Potential Savings = minimum potential savings identified in the report
- Actual Savings = actual savings achieved by the City by completing the findings

Carson City
Fleet Utilization Study

Item No.	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			1	Many vehicle and equipment descriptions were found to be mislabeled.	Align the City's fleet classification and description labeling system with industry best practice.	Fleet	Fleet Manager							
2			2	The City does not comprehensively track and use utilization data.	Update the utilization analysis in six months after initial recommendations have been implemented to reestablish a baseline and every two years thereafter.	Fleet	Fleet Manager							
3			3	The City does not comprehensively use breakeven analysis or mileage reimbursement analysis to determine the most economical mode of transportation.	Update guidelines and policies that support the most cost-effective means of transportation, and periodically update the cost analyses.	Fleet	Fleet Manager							
4			4	The City does not comprehensively use utilization data to management its fleet size.	Reduce and reassign the fleet based on results of the utilization analysis.	Fleet	Fleet Manager				Y			
5			5	Carson City operates a small, centralized motor pool consisting of one sedan located in the parking garage at City Hall.	Expand the central motor pool at City Hall, utilizing existing City vehicles and/or rental cars to provide access to vehicles that may be needed due to the surplus of underutilized vehicles.	Fleet	Fleet Manager							
6			6	The City does not charge a fee for the use of vehicle pool units.	Calculate rental rates to recover ownership and operational costs of all pool units.	Fleet	Fleet Manager							
7			7	City employees are not aware of all transportation options and which option is the most economical in each situation.	Train employees on guidelines and policies covering when to use a City vehicle, mileage reimbursement, or a rental vehicle.	Fleet	Fleet Manager							
8			8	The City does not leverage the State's rental car contracts.	Utilize the State of Nevada's rental car contract for rental vehicles to supplement the City pool when units are out of service due to extensive repair work or for peak needs.	Fleet	Fleet Manager							

Carson City
Fleet Utilization Study

Item No.	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
9			9	Fleet Services owns two vehicles that it loans to Fleet customers who have their city vehicles in for maintenance and repair work.	Expand the shop loaner pool.	Fleet	Fleet Manager							
10			10	Carson City does not operate a heavy equipment pool.	Establish a new heavy equipment pool, supplemented with rentals, to provide access to equipment that may be needed due to the surplusing of underutilized equipment, and require all requests for heavy equipment rentals to be processed and approved through a single City source.	Fleet	Fleet Manager							
11			11	The City has not established rental rates for heavy equipment.	Develop rental rates to recoup all ownership and operational costs of each unit in the heavy equipment pool.	Fleet	Fleet Manager							
12			12	Carson City's vehicle use policy does not provide specific criteria by which to justify a City vehicle to be taken home.	Revise the current vehicle take-home policy to add specific criteria relating to take-home and standby vehicle assignments. Review all vehicle take-home and current standby authorizations, and justify approvals based on the new vehicle take-home policy.	Fleet	Fleet Manager							

Carson City
Fleet Efficiency Study

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1	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.						
2	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.						
3	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.						
4	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.			Y			
5	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.						
6	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.						

Carson City
Fleet Efficiency Study

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7	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.						
8	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.						
9	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.						
10	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.						
11	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.						
12	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.						

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Fleet Efficiency Study

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13	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.			Y			
14	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 plan.	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.						
15	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.						
16	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.						
17	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.			Y			
18	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.						

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Fleet Efficiency Study

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19	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 work.	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.						
20	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.			Y			
21	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.						
22	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.						
23	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.						
24	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.						

Carson City
Community Facility Cost Recovery Study

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1	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.			Y			
2	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 success.						
3	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.						
4	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.						
5	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.						

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6	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.						
7	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.						
8	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.						
9	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.						
10	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
Community Facility Cost Recovery Study

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11	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.						
12	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.						
13	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.						
14	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.						
15	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.						