



INDEPENDENT AUDIT AND PERFORMANCE COMMISSION (IAPC)

Minutes of the Wednesday, June 3, 2015 Meeting

Location: City Hall – 255 W. Alameda, Budget Conference Room, 4th Floor West, Tucson, AZ

Members Present: Robert Clark (Ward 5); David Cormier (Ward 1); Mark Crum (Ward 2); Jim Hannley, Vice Chair (Ward 3); Kevin Oberg, Chair (Ward 4); Jeff Singleton (Mayor)

Members Absent: None

Staff: Joyce Garland, Budget and Internal Audit Program Director; Bob Kulze, Interim Internal Audit Manager (Ex-Officio Commission Member)

Roll Call: 3:00 P.M. - A quorum was established.

1. Approval of the May 6, 2015 IAPC Meeting Minutes

It was moved by Mr. Hannley, duly seconded and carried by a voice vote of 5 to 0, to approve the minutes.

2. Election of Officers

(Mr. Clark arrived at 3:03 PM)

An election of officers was held, as required by Article III, Section 2, of the IAPC bylaws. The Chair called for nominations for the position of Chairperson. Mr. Crum moved, duly seconded, to elect Mr. Oberg as Chairperson. Hearing no other nominations, the Chair called for the vote. The motion carried by a voice vote of 4 to 0 (Mr. Oberg abstaining). The Chair then called for nominations for the position of Vice Chairperson. Mr. Cormier moved, duly seconded, to elect Mr. Hannley as Vice Chairperson. Hearing no other nominations, the Chair called for the vote. The motion carried by a voice vote of 6 to 0.

3. Staff Update

Ms. Garland presented highlights from the City's bond-rating agency reports and fielded and answered questions. No action was taken.

4. Proposed Internal Audit Plan for FY 2016

Mr. Kulze presented a draft of the FY 2016 Audit Plan to the IAPC. Ms. Garland and Mr. Kulze fielded and answered questions. It was moved by Mr. Hannley, duly seconded, to approve the audit plan for FY 2016 and to provide comment to the Mayor and Council that the IAPC is interested in seeing more of the vacant Internal Audit positions filled. Mr. Cormier requested a friendly amendment to include in the commentary a matrix of the reduction of Internal Audit staffing from 2008 to present and that in the future there should be a reinvestment in the Internal Audit program. The friendly amendment was accepted by the maker. The motion, as amended, was carried by a voice vote of 6 to 0.

5. Discussion of Business Licensing Structure and Fees

Mr. Hannley presented ideas for discussion relating to the City's business license fee structure and the impact on businesses and the demand on City resources by businesses.

Mr. Hannley requested that the IAPC consider further research into this item, possibly through a staff presentation or by subcommittee. There was discussion. Mr. Cormier agreed to write a draft scope for further discussion at the IAPC's July meeting. No action was taken.

6. IAPC Cost Allocation Subcommittee Update

Mr. Hannley, Subcommittee Chair, provided an update to the IAPC. There have been two meetings of the subcommittee so far. Staff have made presentations and provided data from the cost allocation plan. The subcommittee will be meeting again later in June. The subcommittee will eventually be able to provide a formal report to the IAPC for review. There was discussion. IAPC members provided suggestions for the subcommittee's consideration for further review. No action was taken.

7. IAPC Pension Subcommittee Update

(Mr. Clark left at 4:00 PM; a quorum was maintained.)

Mr. Oberg, Subcommittee Member, provided an update. This subcommittee is not currently meeting due to the removal from the IAPC of the Subcommittee Chair within the past month. As IAPC Chairperson, Mr. Oberg will be requesting a replacement from the appointing City council member before the subcommittee proceeds any further. Mr. Crum agreed to facilitate the scheduling of a meeting between Mr. Oberg and the council member. No action was taken.

8. Call to the Audience

No one spoke.

9. Future Agenda Items

The Chair read a letter from Mr. Hubert (former IAPC member) addressed to the IAPC members and to City staff. Mr. Hannley suggested that a letter of thanks be send to Mr. Hubert. The Chair agreed. No action was taken.

Adjournment: 4:19 P.M.