

**MANAGEMENT AND FINANCE POLICY COMMITTEE  
WEBEX**

**Members Present:** Council Member David Gruber – Chair, Council Member Marcano – Vice Chair, Council Member Gardner – Member

**Others Present:** Council Member Francois Bergan, R. Venegas, T. Velasquez, S. Ruger, G. Hays, V. Irvin, N. Wishmeyer, S. Neumann, W. Sommers, D. Giordano, H. Hernandez, D. Hudson, L. Schmidt, S. Shanks, C. Toth, J. Ehmann, C. Telli, J. Bergeron, M. Ardan. W. Benson, J. Martin, J. Stewart, K. Jeffries, M. Becker, D. Hudson and T. Hoyle

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**INTRODUCTIONS AND MINUTES**

June 23, 2020 minutes were approved.

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**CONSENT ITEMS**

June of 2020 was 0.1 percent higher than June of 2019.

Outcome

The Committee thanked staff.

Follow-up Action

No follow-up needed.

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**COLORADO INTERNATIONAL CENTER (CIC) METRO DISTRICT SERVICE PLAN AMENDMENTS**

Summary of Issue and Discussion

In 2019, City Council approved several requests from Metro Districts located along 64th Avenue to make a modification to their service plans to impose 5 mills for Aurora Regional Improvements (ARI) starting in year one instead of 1 mill as provided in the city’s model service plan.

These districts have collaborated and formed a Transportation Authority to fund improvements benefitting several development projects to fund the improvement of 64th Avenue along their boundaries. The property owners determined that the imposition of the ARI mills required by the city’s model service plan is not sufficient to provide the bonding capacity necessary for these improvements, therefore their request to increase to 5 mills.

Among these districts approved for this modification last year were the Colorado International Center (CIC) Metropolitan Districts 10-11.

The city recently received a request from the Colorado International Center (CIC) Metropolitan Districts, the districts that serve the HighPoint at DIA development project (see attached). The request was to amend the service plans of CIC Metro District Nos. 6-9 and 11 as follows:

- Increase the Aurora Regional Improvement (ARI) mill levy from 1 mill to 5 mills starting in year one. This change is for Metro Districts 6-9 only and is reflected exactly as it was modified in the CIC Metro Districts 10-11 previously;

- Expand the Inclusion Area (replace Exhibit C-2) to encompass the additional acreage in the northeastern corner of the project, known as the BOWIP parcel that was annexed into the city in 2019 (see attached project map). This proposed amendment is for Metro Districts 6-9 and 11.

These changes are being requested to ensure there is sufficient funding for the 64<sup>th</sup> improvements being proposed. It was determined that contributions from these additional districts may be necessary. In addition, the BOWIP parcel, part of the original group of districts anticipated to be part of the Authority, has not been able to complete the statutorily required actions to organize due to limitations imposed during the COVID pandemic. Therefore, by expanding the inclusion area of the existing districts to encompass this property, the contributions from the BOWIP parcel can still be realized.

Does the committee wish to move these items forward for consideration as proposed?

Council Member (CM) Gruber asked and what are they going to call the Authority? V. Irvin replied currently they have been calling it 64<sup>th</sup> Avenue Transportation Authority however I don't know if that's the official name but that's what we're calling it.

V. Irvin stated its been asked that we make it a dual listing because there's an ordinance to change the mil levy.

CM Gruber asked will this require an election in the November timeframe and that's why their asking for a dual listing? V. Irvin replied it's because they're trying to get the bonds issued.

#### Outcome

The Committee recommended this item be moved forward as a dual listing.

#### Follow-up Action

Staff will forward this to Study Session and Regular Meeting.

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### **2019 AUDIT RESULTS AND COMPREHENSIVE ANNUAL FINANCIAL REPORT**

Nancy Wishmeyer, Controller and BKD provided the overview and recommendations that resulted from the 2019 financial statement audit. The 2019 Comprehensive Annual Financial Report (CAFR) received an unmodified, or "clean" opinion from the auditors. The attached 2019 Single Audit of federal grants also received a clean, unmodified opinion.

The 2018 CAFR received the GFOA Certificate of Achievement for Excellence in Financial Reporting. In the opinion of staff and the auditors, the 2019 CAFR also qualifies for the national GFOA award. A link to the 2019 CAFR and the 2019 Single Audit has been placed on the city's internet. The BKD, LLP Board Report is required auditor communication to the Management and Finance Committee (the audit committee). This report provides an overall review of the audit and brings attention to control issues or any reportable items encountered by the auditors during the course of the audit. Detail schedules of unrecorded audit adjustments and a copy of the representation letter provided by management to the auditors are also included in this report. Additionally, attached

to this agenda item is a summary of the 2019 audit recommendations and responses of city management. Also attached is the Corrective Action Plan for the Single Audit finding.

The city's audited 2019 financial statement have been finalized. Items to be presented include results of the audit and the upcoming 2020 audit.

CM Gruber asked the Regatta Plaza shopping center how's that tracked since we wrote it down. In other words, once we wrote it down, essentially it comes off the books, right? We documented that the property been written down then in the future when we sell it and reconvene at \$5.5 million what accounting practice would we follow in order to track that and to annotate the fact we haven't recouped that loss.

N. Wishmeyer said we will be looking at this every year as the property gets developed. So, what will happen will have the land ready we'll have negotiations with developers and as the land moves through its processes will continue to look at what it's worth, what it could be appraised at and as we go forward, we won't wait to the end and we would be making those adjustments as we go. But we would if we saw that the land is worth more and it's selling for more, then we will get an appraisal on the additional land or the other land that hasn't been sold yet and we will make adjustments in the financials and will increase the land value again. So, we'll be looking at that pretty much continually every year while we own the land.

CM Gruber said so the TIF money that we'll expect to receive would we expect that TIF money to increase as the result of the \$5.5 million or will that be written off as far as TIF is concern.

N. Wishmeyer replied what the plan would be is that were going to recoup the amount that we spent one way or the other; so if we don't get it through land sales we would have negotiations again on the property to make sure that we can get it through property taxes which will be generated from that increase value of land that the developer would own or whoever might own the land at that time and work through the sales tax, OPT, lodgers whatever the tax base may be. But as we go forward, we need to be in continual negotiations and talks about that because if we don't get it on one end, we have to get it on the other and somebody will have to pay that TIF let's say on the property tax so it will be a continual discussion.

CM Gruber commented on the audit findings on deficiencies on IT policies. I'm curious, as to while we're lacking a CIO who would have oversight on this audit item. R. Venegas replied Scott Neumann is our interim. He has familiarity with this. S. Neumann said Terri if you want to provide your context, I would be happy to talk about this as well.

T. Velasquez replied thank you. I would like to say that from the time when this became known to us, we have coordinated and had meetings and discussions with IT. This is something that we looked at for a couple years now and I think that we're moving towards a better strategy and plan to get this corrected as we move through 2020. Scott feel free to add to this.

S. Neumann said thank you Terri. Council what Terri described is correct. We have been working with Finance for over a year now on some findings and developing strategies on how we roll it out specifically to the policies. Part of the reason that it hasn't been rolled out yet is that some of the

policies will be governed by the technical capability and what controls the technology can provide versus the controls that have to be put in manually through process. I believe Council is aware that some capital money was specifically set aside for some IT projects this year of course that was pre COVID, however we have been working with Finance office to identify the various funds that we can release for specific projects and a number of findings within the audit technology wise are candidates that we identified for that funding. So, once we are able to further develop that process and do additional research with the vendors and capabilities, then the capability itself will also help inform a final policy that we can roll out city wide for those controls that are necessary.

CM Grubers said so as you mentioned this has been going on for a number of years now was why I'm asking, so do you see this resolved this calendar year or do you see it taking another year before its complete. S. Neumann replied, in all honesty Council member I think probably it will take a better part of the year, but I don't think it will take a full year. One of the main issues that we need to complete is assessment for overall access control across all city environments. Not just application by application and one of the engagements that we plan perform with that capital money is to have an assessor come in and look at it holistically and provide recommendations on a single platform that can provide those controls across the entire environment. Based on their recommendation then we would then go out to bid for the actual product that would fulfil the need. So, its kind of a two-step process to identify the need first and then procure the technology that would take care the issue.

CM Gruber stated I would recommend that in years past what I have seen is say a wish list requirement coming in from IT. All valid requirements but there's so many we couldn't afford it and this year will be worse I'm sure. The list is going to increase because the requirements are increasing but obviously the amount of money is not. I would like for your department also when that wish list comes forward also point to the items that are going to be required on that list and point to this audit. In other words, I see these more important based on the audit results and based on how it can affect our credit rating and how it could affect secondarily across the city. I think that its important that when you come forward that the entire Council knows this requirement that we were asking Council to fund specifically is to fulfill this deficiency that has been identified multiple times in our audit and we really do need to fix it.

CM Gardner said you kind of answered my question but the finding in 2018 and 2019 for IT is the same finding is that correct? Marcy Ardan, BKD replied that is correct.

CM Marcano said I actually would like to pick up from CM Gruber's comments. How much of our unmet needs from an IT perspective could we potentially help cover by utilizing the COVID funds that have been basically sent to the city from the Feds. I know that some of its being used for equipment but could any of that be used to address some of these other outstanding needs. Specially now that we're shifting more towards a telework and will probably need more security. S. Neumann replied that's a great question CM Marcano and your exactly right. So, to kind of go back to one of the comments CM Gruber said. A lot of these findings are not just important for the financial aspect but also for information security there's a very tight coupling between the two. And to exactly to your point because we're more in a remote telework scenario Arapahoe County has entertained the idea that some of the information security requirements could be funded out of Cares Act funding, and we're providing them the justification for that. So to your point our approach will be that will pursue the Cares Act to fund these aspects as much as possible but for whatever reason Arapahoe County

doesn't agree then the plan right now is to tap in the Capital money that was specifically set aside for IT projects as well.

CM Marcano said the bar graph on expenses and revenues for Golf, what's the margin for Golf expenses because its super tight. I was wondering what's it supposed to look like. N. Wishmeyer replied that it was low but also even. M. Ardan replied that it's not unusual for golf courses that they break even.

CM Gruber noted the attached "Schedule of Uncorrected Statements" of funds he asked could you define misstatement so that it's clear. M. Becker said misstatements is an error in the financial statements so it's either been something omitted or misstated therefore it's not at the correct value. So, for example an accounts payable amount is not recorded correctly.

CM Gruber said the letter that the City sent and signed by the City Manager, do you feel that's compliant with the recommendations that you made. M. Ardan, replied yes.

CM Gruber said I want to congratulate the City. I also want to thank BKD staff for the audit. I know the Moody rating and the other ratings are closely coupled with this, so any mistakes the City made could have had major impacts across other programs so congratulations again to all involved.

T. Velasquez added that through COVID the accounting staff worked completely remotely along with the audit staff and BKD. Amazingly they were able to stay on time even though an extension was filed with the state if it was necessary to file later for the audited financial statements. However, they were able to complete the audit on time and did so very thoroughly and very well. So, I want to add my thanks to them and to staff for being able to do this successfully.

#### Outcome

The Committee thanked staff.

#### Follow-up Action

No follow up is necessary as this item was informational only.

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### **GERP UPDATE**

Steve Shanks, Pension Plan Administrator, General Employees Retirement (GERP) provided to the Committee an overview of the plan and the funding progress of GERP.

#### Outcome

The Committee recommended that this item be forward to Study Session.

#### Follow-up Action

No follow up is necessary as this item was informational only.

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### **GERP ORDINANCE**

The General Employee's Retirement Plan (GERP) is a defined benefit pension plan for career service employees of the City. The parameters of the plan are set by Council. A separate board elected by members of the plan has fiduciary and oversight responsibility for the plan.

The proposed change is recommended by the City Attorney's Office, the GERP Board, and the GERP Actuary. The proposed ordinance changes the following: 1) The interest rate assumption is updated to seven percent. 2) The mortality assumption for calculations is updated based on a new Society of Actuaries mortality table published in 2019. 3) The Cost-of-living assumption used for actuarial equivalence purposes for alternative periodic benefits and single sum payments is updated for tier 1 benefits to 2.50 percent. 4) The final average monthly compensation for employees hired on or after January 1, 2021, and employed for fewer than 36 consecutive calendar months, shall be the employee's compensation for all credited service with the city divided by 36 months.

Does the Committee recommend the proposed ordinance to amend the GERP plan?

#### Outcome

The Committee recommended that this item be moved forward to Study Session.

#### Follow-up Action

Staff will forward this to Study Session, August 17, 2020.

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### **DRAFT POLICE HYBRID PENSION PLAN**

#### Summary of Issue and Discussion

Cindy Birley, Davis Graham Stubbs, LLP presented the draft Police Hybrid Pension Plan document in detail to the Committee also an update regarding the timeline for implementation of the plan.

Police Civil Service employees currently participate in a defined contribution (DC) pension plan. They do not participate in Social Security. During the 2018 Collective Bargaining process for the 2019-2020 contract, the Police union requested to leave the money purchase DC plan and go to FPPA to provide a defined benefit (DB) option for Police Civil Service employees. A ruling by the Fact Finder found in favor of the City of Aurora and transfer of the money purchase pension plan to FPPA was not agreed to. A presentation was made by AP-MPPP (Aurora Police Money Purchase Pension Plan) to the Management and Finance Policy Committee on July 24, 2018 to increase contributions. In addition, a second presentation was made at the Management and Finance Policy Committee on September 25, 2018. At the September 29, 2018, Budget workshop Council approved a one-time contribution increase from 10.5% to 11% for the AP-MPPP employer contributions if the employee plan participants also would increase their contributions from 10.5% to 11%. The 2019 budget included the one-time contribution increase cost of \$334,000 and the 2019 budget was approved unanimously by City Council. In addition, a resolution for the one-time contribution increase was presented and approved by Council on December 17, 2018. AP-MPPP participants overwhelmingly approved the contribution increase, and it was put in place as of January 1, 2019. On February 26, 2019 the AP-MPPP presented a request to the Management and Finance Policy Committee to increase their pension plan funding and to amend their plan. At the March 25, 2019 Special Study Session AP-MPPP Board requested that Council continue to increase their pension plan funding and to amend their plan. At the April 27, 2019 Spring Workshop, Council directed staff to include a place holder in the 2020 budget for the contribution increase and to pursue a hybrid defined benefit option. Council also approved staff spending funds for hiring consultants to assist with the development of a hybrid defined benefit option. At the September 24, 2019 Management and Finance Policy Committee an update was provided regarding the hybrid defined benefit option and the request for the contribution increase. At the September 28, 2019 Budget Workshop, Council approved a

contribution increase from 10.5% to 12% on a one-time basis at a cost of \$1,048,791. In addition, a resolution for the one-time contribution increase was presented and approved by Council on November 18, 2019. AP-MPPP participants overwhelmingly approved the contribution increase, and it was put in place as of January 1, 2020. On February 8, 2020, at the Winter Workshop, an update was provided on the progress of the development of a hybrid defined benefit option. City Council directed staff to draft the plan document and to continue the 12% employee and 12% employer contribution in an ongoing manner.

Does the Committee recommend moving this item forward to Study Session?

CM Gruber wondered if any of the board members thought it was on track, were they still good with the direction the city is heading. B. Kelley replied, there's two members from the board that have been involved in all the meetings. We've gone through several drafts so yes; it is what we expected so far.

CM Marcano said with regards to that definition (2C). The average monthly compensation, does that include overtime or is that base pay? C. Birley replied no. It's base pay, when you look at the definition for compensation.

#### Outcome

The Committee recommended that this item be moved forward to Study Session.

#### Follow-up Action

Staff will forward this to August 17, 2020 Study Session.

#### **HAZARD PAY**

Jacob Bergeron, Labor Relations Officer presented the update. The city intends to provide hazard pay to eligible employees and have the costs of such pay covered by the CARES Act Coronavirus Relief Fund.

- Aurora City Council passed on May 18, 2020 Resolution No. 2020-53 which instructs the City Manager to pursue hazard pay for first responders to the extent eligible and permitted under the CARES Act.
- CARES Funds were appropriated by the United States Congress, distributed to certain county governments (Arapahoe and Adams Counties for our purposes), and were made available to the City, pending approval from the county governments.

#### **CARES Criteria**

The CARES Act generally:

- Requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that
1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
  2. we're not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and

3. were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

- CARES Guidance Specific to Hazard Pay (from the US Treasury FAQs): “The CARES Act Guidance requires that Coronavirus Relief Funds may only be used to cover hazard pay for public safety, public health, and similar positions whose services are substantially dedicated to the mitigating or responding to the COVID-19 public health emergency.”

### **BPM 5 Hazard Pay**

- In carrying out the Council instruction provided under Resolution No. 2020-53, the City has implemented COVID-19 BPM 5, “Hazard Pay”.
- COVID-19 BPM 5, “Hazard Pay” is the official City policy governing the administration of hazard pay. BPM 5 was executed and given effect by the City Manager on July 17, 2020.
- An express provision of BPM 5 is that hazard pay will be administered through formal agreements, i.e. Memorandums of Understanding (MOUs) with the respective bargaining units.

### **MOU Status**

- Negotiations between the City and the Unions are underway to reach a mutually agreeable MOU and secure the ability to begin the administration of hazard pay from CARES funds to the eligible members.

### **Costing Assumptions**

Year to date and projection estimates as of July 10, 2020:

- Year to Date 3/14/20 through 7/10/20:
    - Police: 4,791 eligible weeks for 476 police officers \* 100 = \$479,100
    - Fire: 4,631 eligible weeks for 388 firefighters \* 100 = \$463,100
  - Projection through November 20 pay period end date:
    - Police: \$598,880
    - Fire: \$517,579
  - Totals for the year:
    - Police: \$1,077,980
    - Fire: \$ 980,679
    - Total: \$2,058,659
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### **Outcome**

The Committee thanked staff.



### Follow-up Action

No follow up is necessary as this item was informational only.

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### **FINANCIAL POLICIES REGARDING USE OF FUNDS AVAILABLE**

Greg Hays, Budget Officer stated the city has had financial policies regarding the use of funds available for many years. They have been recently updated in response to the COVID financial crisis. Fund balances and reserves should be maintained where appropriate for good financial management to provide for cash flow requirements, emergencies, unexpected needs, and revenue variations. For the General Fund, three types of reserves are maintained: TABOR Reserves, Policy Reserves, and Operating Reserves. These vary in terms of usability given the nature of the need.

### **TABOR Reserve**

- The TABOR Reserve is named after the Taxpayer Bill of Rights passed by a vote of the people in 1992 and is the most restrictive as to its use. It is intended to be used only in extremely rare circumstances resulting from major emergencies. Examples of a major emergency may include a tornado requiring extensive additional city operational or capital costs, a protracted health, civilian, or military crisis requiring extensive operational or capital costs. The funds are not intended to be used to adjust for revenue variances due to the normal variances in the economy.
- Funds Available for the TABOR Reserve Fund is considered “Restricted”. Restricted fund balances (governmental funds) are only those where the funds have restrictions on their use as determined by contractual or legal requirements, usually set by an outside party such as the state, the federal government or a grantor. The TABOR reserve is defined by the State Constitution and is to be maintained and the amount adjusted annually in accordance with the Constitution.
- The TABOR reserve may be borrowed as long as there is a high assurance of repayment. Any borrowing should take into account the potential impact on the City’s bond rating. The borrowing should be for one-time uses.
- Any spending of the TABOR reserve must be restored by the end of the following fiscal year. When the TABOR Reserve Fund is used, specific budgetary plans should be formally made for quickly restoring them. To help protect the City’s financial future and to maintain a high level of financial creditability, every effort should be made to follow the plan.
- Assets may replace cash as the TABOR Reserve on an ongoing basis. This replacement should take into account the potential impact on the City’s bond rating. In addition, once the cash is replaced with an asset, its liquidity will be lessened, which affects its use as a “rainy-day” fund.

### **Policy Reserve**

- The 10% Policy Reserve was created by City Council in XXXX and can only be used by vote of City Council. It is intended to be used only in extremely rare circumstances resulting from major emergencies for one-time uses. Examples of a major emergency may include a natural disaster such as a tornado requiring extensive additional city operational or capital costs, a protracted health, civilian, or military crisis requiring extensive operational or capital costs. The funds are not intended to be used to adjust for revenue variances due to the normal variances in the economy.

- Funds Available for the Policy Reserve is considered “Committed”. Committed fund balances are those that have been set aside for a specific purpose by ordinance or resolution of Council and that purpose can only be changed by ordinance or resolution.
- The 10% Policy Reserve is to be maintained and adjusted annually to an amount equal to no less than 10% of the adjusted budgetary operating expenditures of the General Fund. Adjusted budgetary operating expenditures are all expenditures, less expenditures related to pass-through revenue, including 2/1,000-related revenue, the transfer to the Capital Projects fund, and incentive-related expenditures.
- When the Policy Reserve Fund is used, specific budgetary plans should be formally made for quickly restoring them. At the time the funds are used, a restoration schedule should be agreed upon, optimally within two fiscal years. To help protect the City’s financial future and to maintain a high level of financial creditability, every effort should be made to follow the plan. In addition, any use of the Policy Reserve Fund and repayment plan should take into account the potential impact on the City’s bond rating.

### **Operating Reserve**

- The Operating Reserve was created by City management and is the least restrictive in its use.
- Funds Available for the Operating Reserve is considered “Assigned”. Assigned fund balances are those that have been designated for a purpose by informal action of Council (no ordinance or resolution) or by City Manager or Finance Director as long as Council has been advised of any assignment through either the budget process or some other process. The assignment may be changed through the same mechanism.
- Operating reserves have a minimum target of 1% to 3% of annual budgetary revenues. These are intended to be usable in limited circumstances.
- The purpose of the General Fund Operating Reserve is to provide a source of additional funds in cases where Council determines such use is appropriate and necessary. Use of these funds should be for one-time uses (as defined by that policy) and may include paying for unexpected revenue shortfalls in a year, unexpected expenses, including emergencies, and offsetting potential budget cuts as deemed appropriate and necessary by Council. These reserves are also to assist with meeting financial bond rating agency total reserve requirements.
- When feasible, these reserves should be maintained at a minimum level of approximately 3% of General Fund budgeted revenues.
- In some cases, important one-time expenditure needs or revenue variations during a year may make it prudent to draw down the Operating Reserves to a level below 3%; this is not a violation of this policy which provides for a 1% to 3% range.
- When the operating reserve is less than 3%, future budgetary actions should be taken as soon as feasible to restore the operating reserves to the minimum of 3%. Unless Council has determined

otherwise through the budget, a supplemental or other action, the operating reserve should normally be automatically restored to up to the 3% level to the extent any undesignated fund available is available at year end.

- Maintenance of an Operating Reserve of less than 1% is not considered financially prudent and should be avoided.
- When Operating Reserves are used, they should be restored as quickly as feasible, usually from any one-time monies that become available in any budget year. Any use of the Operating Reserves and repayment plan should consider the potential impact on the City's bond rating.

CM Gruber stated so the most important point you made is when we have to repay. So, since we're looking at a \$30 million deficit along with a \$25 million deficit and if we took out money this year to deal with the \$25 million then based on projections, we will not have the money to pay it back next year. So, we wouldn't be able to execute our policy.

G Hays said I would say you have to make a plan within the next two fiscal years to put the money back. Maybe you save cuts for short term and you make them in the future.

T. Velasquez added Greg was part of our recent rating discussion with Fitch and he talked about this policy and about how we would utilize reserved funds. Greg also talked about the 2020 Budget cuts and our financial plan as a whole. Which I want to thank Greg being able to walk through all that with all of you to get your support as well as our city management leadership that has made a difference and Fitch reaffirmed our credit rating. Fitch has rated some of our COPs and kept our rating the same which speaks volume in this climate and this environment that we're able to retain that rating. So, thanks to Greg and thanks to you all.

CM Gruber said Terri thanks to you all. The fact that the Fitch and Moody's the ratings that we have are so important for the overall financial well-being of the city. So good job to all.

G. Hays stated I have one clarification regarding this item. In the Commentary for questions only, I did put this item as informational only, however after talking with Nancy Wishmeyer she stated that I should bring this forward to Council for approval as a resolution and ordinance.

CM Gruber responded that would be good. Matter of fact having it as an ordinance will make that against more importantly when it comes to the rating agencies. Then it requires another ordinance to change it.

#### Outcome

The Committee recommended this item be forward for full Council approval.

#### Follow-up Action

Staff will forward to General Session.

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**INTERNAL AUDIT 2ND QUARTER PROGRESS REPORT**

Summary of Issue and Discussion

Wayne Sommer reviewed the 2nd Quarter update. Through June 30, Internal Audit has completed 28% of scheduled engagements; 39% are currently active. One added new engagement in the recent quarter. In total, 67% of all our engagements are either active or were completed in the first half of the year.

Outcome

The Committee thanked staff.

Follow-up Action

No follow up is necessary as this item was informational only.


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**MISCELLANEOUS MATTERS FOR CONSIDERATION**

Summary of Issue and Discussion

- The next meeting is on Tuesday, August 25, 2020 at 1:00 PM (WebEx).

THESE MINUTES WERE APPROVED AS SUBMITTED



David Gruber, Chair of the Management & Finance (M&F) Committee

10/7/20

Date