



Minutes

CALL TO ORDER

Chairperson Jeff Copeland called to order the City of Grand Prairie Finance and Government Committee meeting at 2:31 p.m. on Tuesday, January 4, 2022 in the City Hall, Council Chambers, 300 West Main Street, Grand Prairie, Texas.

The regular meeting of the Finance and Government Committee was closed at 2:34 PM, after the Consent Agenda was approved. The meeting reconvened at 3:21 PM.

MEMBERS PRESENT

Jeff Copeland, Chairperson
Cole Humphreys, City Councilperson
Kurt Johnson, City Councilperson

MEMBERS ABSENT

None

GUESTS IN ATTENDANCE

No guests were recognized as being in attendance.

STAFF PRESENTATIONS

Staff presentations were postponed until the end of the regular meeting, after Items for Individual Consideration.

1. Internal Audit vs External Audit

Audit Services Director, Cathy Patrick, and Chief Financial Officer, Caryn Riggs, presented information for Item 1. Ms. Riggs noted that the purpose of the presentation was to explain the difference between internal and external audits.

Ms. Patrick cited key points regarding internal audits/auditors. Internal auditors work for the agency, and they cannot audit financial statements because they cannot be seen as unbiased. Internal auditors are diverse in their skill sets, and they are part of the control structure that is audited by external auditors. Internal auditors review, for example, efficiency, internal controls, process improvements, and best practices, in addition to procurement card usage and investments. A brief discussion took place about the new ERP software and how it will impact processes, internal controls, and internal audit.

Ms. Riggs presented information on external auditors. Ms. She first clarified that while some departments and divisions are audited approximately every three years, Finance reconciles the bank information each month.

Ms. Riggs stated that external auditors are independent auditors from outside the City who are hired to review our documents to be sure we are adhering to internal processes, as well as verify that we are

complying with the Governmental Accounting Standards Board (GASB).

A discussion took place about how the external auditors are selected. Deputy City Manager, Cheryl De Leon, noted that while we have used the same firm for some years, the partner we use within the firm changes each year. An additional discussion took place regarding hiring expert consultants instead of CPAs for specific audits, as well as potentially increasing the staffing in the Internal Audit Department.

2. Public Improvement District (PID)s Presentation

Ms. Caryn Riggs presented information for Item 2. The presentation included the definition of a Public Improvement District (PID). Ms. Riggs outlined examples of services eligible to be paid for with PID assessment fees, including perimeter fencing, landscaping, fountains, lighting, signage, decorations, parks, sidewalks, security, and irrigation.

Ms. Riggs also outlined examples of expenditures not eligible to be paid for with the PID assessments, including buildings, swimming pools, construction of private facilities, social activities, travel, and expenses related to private property. She explained that PIDs are neighborhood-based and the boards are governed by City Council. During the PIDs' annual meetings, the board membership is selected based on PID residents' recommendations and vote. The proposed board, the PIDs' annual budgets, assessment fees, and five-year plans are presented for review and approval at (historically) the second September City Council Meeting each year. City Council also reviews and approves all contracts \$50,000 or more. Ms. Riggs outlined some differences between PIDs and Homeowners Associations (HOAs).

A discussion took place regarding the possibility of using the PID link on the City's website for communication between citizens, PID board members, City staff, and possibly the Councilperson who represents the district where the PID is located.

Ms. Riggs noted that Ms. Cheryl De Leon and she had discussed an option for PID residents who have an issue with their PID's budget to bring their concerns to Finance and Government Committee prior to the City Council's review and vote. The target date for presenting the budgets for review will be the first City Council meeting each September, with the City Council vote on the budgets at the second City Council meeting in September.

Ms. Riggs presented a training video for persons serving on City Boards, Commissions, or Public Improvement District Boards.

CONSENT AGENDA

3. Minutes from the Finance and Government Committee Meeting December 14, 2021

Chairperson, Councilperson Jeff Copeland, presented for approval the Minutes from the December 14, 2021 Finance and Government Committee meeting.

Councilperson Kurt Johnson moved to approve the Finance and Government Committee December 14, 2021 minutes, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

4. Ordinance Amending the FY 2021-22 Capital Improvement Projects Budget; to add an exterior canopy above North Entry Doors of City Hall Central and above the East Entry Door of City Hall East in the amount of \$75,000

Councilperson Kurt Johnson moved to approve Items 4 on the Consent Agenda, as presented.

Councilperson Cole Humphreys seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

Following the presentation and approval of the Consent Agenda, the regular meeting of the Finance and Government Committee was closed at 2:34 PM, and an Executive Session of the Finance and Government Committee was convened at 2:34 PM.

The regular meeting of the Finance and Government Committee reconvened at 3:21 PM.

ITEMS FOR INDIVIDUAL CONSIDERATION

5. Ordinance amending the FY2021/2022 Capital Improvement Projects Budget; Contract with J.J. Keegan in the amount of \$49,750 with a 5% contingency of \$2,487 for a total cost of \$52,237 for golf course management consulting services for the Tangle Ridge Golf Club

Parks, Arts, and Recreation Business Operations Manager, Jeff Nami, presented information for Item 5. Comments included the need for the Tangle Ridge Golf Club course to be financially successful, as well as potential additional revenue options such as disc (Frisbee) golf. Mr. Nami stated that the Consulting firm, J. J. Keegan, has worked with the City of Fort Worth and City of Arlington, including the Texas Rangers Golf Club.

Councilperson Kurt Johnson moved to approve Items 5 as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

6. Ordinance Amending the FY 2021/2022 Storm Drainage Capital Projects Fund (401592); Professional Engineering Services Contract with Peloton Land Solutions in the amount of \$176,320.00 for Concrete Lined Channel Evaluation and Prioritization Study

Deputy City Manager, Bill Hills, presented information for Item 6. Mr. Hills stated that Peloton Land Solutions annually evaluates the City's concrete-lined channels, rate them, then put the evaluations in priority order and what type of services are needed to repair each channel. Mr. Hills noted that they evaluate both the City's concrete-lined channels and the unimproved channels.

A discussion took place about a specific property with drainage issues. Mr. Hills clarified that the

drainage issue regarding that particular property is a low place in the road that is creating flooding issues on residential property.

Councilperson Kurt Johnson moved to approve Items 6, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

7. Resolution Adopting 2022 Financial Management Policies

Chief Financial Officer, Caryn Riggs, presented information for Item 7. Ms. Riggs noted that no substantive changes were made. All changes were grammatical, updates regarding departments, and similar adjustments. Ms. Riggs also stated that presentation and approval of the Financial Management Policies is done annually.

Councilperson Kurt Johnson moved to approve Items 7, as presented. Councilperson Cole Humphreys seconded the motion. The motion passed 3-0.

Ayes: Copeland, Humphreys, Johnson

Nays: None

Abstentions: None

Absent: None

EXECUTIVE SESSION

Chairperson Jeff Copeland convened a closed Executive Session of the City Council Finance and Government Committee at 2:34 PM, pursuant to Chapter 551, Subchapter D of the Government Code, V.T.C.A., to discuss one or more of the following:

- (1) Section 551.071 "Consultation with Attorney"
- (2) Section 551.072 "Deliberation Regarding Real Property"
- (3) Section 551.074 "Personnel Matters"
- (4) Section 551.087 "Deliberations Regarding Economic Development Negotiations"

Items discussed in the January 4, 2022, Executive Session were regarding (2) Section 551.072 "Deliberation Regarding Real Property." The Executive Session adjourned at 3:20 PM.

CITIZEN COMMENTS

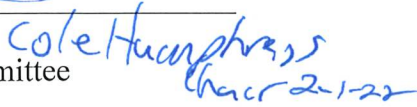
No citizen comments were made.

ADJOURNMENT

There being no further business, the Finance and Government Committee meeting adjourned at 4.26 PM.



 Chairperson, Jeff Copeland
 Finance and Government Committee



 Cole Humphreys
 Chair 2-1-22



 Date