

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AUDIT COMMITTEE MEETING MINUTES
October 26, 2021

On Tuesday, October 26, 2021, at 4:00 p.m., the Metropolitan Nashville Audit Committee met in the Metropolitan Courthouse, 2nd Floor, Committee Room 2. The following people attended the meeting:

Committee Members

Brackney Reed, Chamber of Commerce
Tom Bates, Tennessee Society of CPAs
Sharon Hurt, Council Member
Kyonzte Toombs, Council Member
Kelly Flannery, Director of Finance

Others

Lauren Riley, Metropolitan Auditor
Theresa Costonis, Department of Law
John Crosslin, Crosslin
Samir Mehic, MNP
Lt. Jim Stephens, MNP
Cheryl Kenderdine, MNP
Bill Herbert, Codes
Bill Penn, Codes
Michell Bosch, Treasury
Scott Potter, Metro Water Services
Brent Freeman, Metro Water Services
Jenneen Kaufman, Finance
Jim Carson, Office of Internal Audit
Laura Henry, Office of Internal Audit
Seth Hatfield, Office of Internal Audit
Bill Walker, Office of Internal Audit

Committee Members Absent

Jim Shulman, Vice-Mayor

Quorum present? Yes

CALL MEETING TO ORDER

Mr. Reed called the meeting to order.

APPROVAL OF MINUTES

A **motion** to approve meeting minutes for July 13, 2021, was made, seconded, and carried.

NEW BUSINESS

Metropolitan Nashville Audit Committee Annual Self-Assessment

Ms. Riley discussed the annual self-assessment of the Metropolitan Nashville Audit Committee.
Ms. Riley advised that all applicable requirements as outlined in the bylaws had been met.

Metropolitan Nashville Audit Committee and Metropolitan Nashville Office of Internal Audit Bylaws Annual Review

Ms. Riley discussed the bylaws for the Metropolitan Nashville Audit Committee and the Metropolitan Office of Internal Audit. The bylaws are to be reviewed by the Metropolitan Nashville Audit Committee each year with modifications made as needed. Mr. Reed advised the committee to review the bylaws as presented in the workbook. Any comments or revisions may be discussed at the next meeting.

Discussion on the Audit the Metropolitan Nashville Police Department Revenue Sources

Mr. Walker summarized the objectives, observations, and recommendations for the audit. No questions or discussion occurred.

Discussion on the Audit of the Metropolitan Public Defenders Office

Ms. Riley summarized the objectives, observations, and recommendations for the audit. Councilmember Hurt inquired how effectiveness of cases was measured with complaints. Ms. Riley discussed the controls in place such as management review and monitoring that address effectiveness.

Discussion on the Audit of the Property Standards Complaints Process

Ms. Riley summarized the objectives, observations, and recommendations for the audit. Ms. Flannery asked about how the Codes Department is encouraging citizens to utilize hubNashville for complaints. Mr. Herbert gave an overview of steps being taken. Councilmember Hurt inquired if there was a mechanism in place to follow up on repeat offenders. Mr. Penn advised yes and explained the process. Councilmember Hurt asked if the Codes Department had enough inspectors. Mr. Herbert and Mr. Penn replied no. Councilmember Toombs asked what typically initiated inspectors investigating complaints. Mr. Penn gave an overview of the process.

Councilmember Hurt asked if inspectors could have established areas that could routinely be monitored instead of relying on citizens initiating complaints. Mr. Penn advised the size of Davidson County would require an increase in the number of inspectors to make that feasible. Councilmember Hurt asked if there was any coordination between Codes and other departments such as Metro Water to identify violations. Mr. Penn stated yes and explained the process. Mr. Bates asked if the system could identify multiple complaints to the same property. Mr. Penn advised no. Mr. Herbert advised the system does list all complaints associated with a specific parcel and how they were resolved. Inspectors have access to this information and do review it. Mr. Reed asked about how large the number of persons the Codes Department cannot contact due to lack of information. Mr. Penn estimated approximately 5 percent.

Discussion on the Audit of Metropolitan Nashville Government Pension Investments

Mr. Walker summarized the objectives, observations, and recommendations for the audit. Councilmember Hurt asked about the number of pension plans administered by the Metropolitan Nashville Government. Ms. Bosch went over the history of the various plans and stated all investments are treated the same. Councilmember Hurt asked if benefits were comparable on the various plans that had been closed. Ms. Bosch and Ms. Flannery advised that would be a Human Resources question, and they would follow up.

Mr. Reed inquired if the Metropolitan Nashville Government had a defined contribution plan. Ms. Flannery said yes but without an employer match. Mr. Reed asked what the external auditor's role in the process was. Mr. Crosslin summarized the work performed.

OTHER ADMINISTRATIVE MATTERS

On Going Projects.

Ms. Riley went over on-going projects in process. No discussion ensued

Recommendation Implementation Follow-Up Status

Ms. Riley provided an update on the status of recommendation follow-up. No discussion ensued.

FY2022 Budget Status

Ms. Riley gave an overview of the budget status for the Office of Internal Audit. No discussion ensued.

Office of Internal Staffing

Ms. Riley gave an overview of staffing changes for the Office of Internal Audit. No discussion ensued.

A discussion ensued over the date and time of the next meeting.

Executive Session

Mr. Reed inquired if there was a need to go into Executive Session. Ms. Riley advised yes.

A **motion** to go into executive session, was made, seconded, and carried.

The next regularly scheduled meeting is November 23, 2021, at 4:00 p.m.

The public meeting adjourned after approximately 56 minutes.

The minutes for the October 26, 2021, Metropolitan Nashville Audit Committee meeting are respectfully submitted.

Lauren Riley

Lauren Riley, Metropolitan Auditor
Secretary, Metropolitan Nashville Audit Committee

Approved by the Metropolitan Nashville Audit Committee on November 23, 2021.