

CITY OF WEST COVINA

AUDIT COMMITTEE

MINUTES

SPECIAL MEETING

Tuesday, February 27, 2017, 5:00 p.m.

The special meeting of the Audit Committee was called to order at 5:00 p.m. in the M.R.C. and Committee Member James Grivich led the Pledge of Allegiance.

ROLL CALL

Present: Chair Colleen Rozatti
Vice Chair Mike Spence
Committee Member Corey Warshaw
Committee Member James Grivich
Committee Member Darrell Myrick

Absent: None

Staff Present: City Manager Chris Freeland, Finance Director Christa Buhagiar, Accounting Manager Nicole Lugotoff, and Senior Administrative Assistant Nancy Ramos

ORAL COMMUNICATIONS

No oral communication.

1. APPROVAL OF MINUTES

June 14, 2016, Special Audit Committee Meeting Minutes

Motion by Myrick and seconded by Warshaw to approve the Special Audit Committee minutes on Tuesday, June 14, 2016, as presented.

Motion carried to approve by 4-0-1 abstain.

2. UPDATE ON STATE CONTROLLER'S REVIEW REPORT OF ADMINISTRATIVE AND INTERNAL ACCOUNTING CONTROLS AND THE AUDIT REPORT OF THE SPECIAL GAS TAX STREET IMPROVEMENT FUND, TRAFFIC CONGESTION RELIEF FUND, AND PROPOSITION 1B FUND

RECOMMENDATION:

It is recommended that the Audit Committee receive and file the update on the State Controller's Review Report of Administrative and Internal Accounting Controls and the Audit Report of the Special Gas Tax Street Improvement Fund, Traffic Congestion Relief Fund, and Proposition 1B Fund.

Motion by Myrick, seconded by Warshaw to amend the State Controller's Review Report of Administrative and Internal Accounting Controls and the Audit Report of the Special Gas Tax Street Improvement Fund, Traffic Congestion Relief Fund, and Proposition 1B Fund. Motion carried by a vote of 5-0 approved.

Audit Committee recommended to the City Council:

- 1) Request City staff to provide an update on the policies, mentioned in the State Audit's Finding #8, that includes who is responsible and a planned timeline for completion;
- 2) Continue to resolve the State Audit's Finding #3 related to the Athens Contract;
- 3) Have City staff review the change order process in the Purchasing Policy; and
- 4) Have City staff present semi-annual reviews of the State Audit until completed.

3. COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AND OTHER RELATED REPORTS FOR THE YEAR ENDED JUNE 30, 2016

RECOMMENDATION:

It is recommended that the Audit Committee submit to the City Council the following letters and financial reports for the year ended June 30, 2016:

- Comprehensive Annual Financial Report;
- Government Auditing Standards Letter;
- Audit Communication Letter;
- Best Practices Letter;
- West Covina Housing Authority Fund Financial Report;
- Air Quality Improvement Fund Financial Statements; and
- Agreed-Upon Procedures related to the City's calculation of the GANN Limit.

Motion by Warshaw, seconded by Myrick to approve the CAFR and other related reports for the year ended June 30, 2016. Motion carried by a vote of 5-0 approved.

ADJOURNMENT

Motion by Warshaw, seconded by Myrick to adjourn the meeting at 7:00 p.m.
Motion carried by vote of 5-0 approved.