Carson City Agenda Report

Agenda Date Requested: January 5, 2012 Date Submitted: December 27, 2011 Time Requested: Consent To: Mayor and Board of Supervisors From: Larry Werner, City Manager Subject Title: For possible action: To re-appoint Michael Bertrand and Kenneth Brown to the Carson City Audit Committee for two-year terms expiring December 2013. (Larry Werner) Staff Summary: C.C.M.C. Chapter 2.14.030 and Bill No. 125, adopted on Oct. 1, 2009 provide for a five (5) member Audit Committee; one (1) member from the Board of Supervisors and four (4) members from the public at-large. There are two vacancies to be filled for public at-large due to the expiration of current members' terms. Both Michael Bertrand and Kenneth Brown have requested reappointment. There are no additional applicants. **Type of Action Requested:** (check one)) Ordinance () Resolution X) Formal Action/Motion) Other (Specify) () Yes (X) No **Does This Action Require A Business Impact Statement:** Recommended Board Action: I move to re-appoint Michael Bertrand and Kenneth Brown to serve on the Carson City Audit Committee for two-year terms expiring December 2013. Explanation for Recommended Board Action: See Staff Summary Applicable Statute, Code, Policy, Rule or Regulation: C.C.M.C. 214.030, Bill No. 125 Fiscal Impact: None Explanation of Impact: n/a Funding Source: n/a Alternatives: Re-open the position for additional applicants

Supporting Material: Recruitment Announcement, Current Roster, Reappointment Requests, C.C.M.C. 214.030, Bill No. 125

Prepared By: Laura A. Banks, Executive Offices

	(City Manager) (District Altorney) (Finance Director)		Date: Date: Date:	12/27/4
Board Actio	on Taken:			
Motion:		1) 2)		Aye/Na



CARSON CITY AUDIT COMMITTEE

The Carson City Board of Supervisors is seeking applications from individuals who may be interested in serving on the Audit Committee in the following category:

Citizen at Large

"Citizens at Large" should have experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee.

Applicants should be aware this Committee requires a minimum commitment of up to three hours a month. All members serve without compensation. The Board of Supervisors will interview and appoint qualified persons to the Audit Committee. Members must be residents and registered voters of Carson City.

There are two vacancies for terms that expire in December 2013.

Volunteer applications may be obtained from the Carson City Executive Offices. Applications will be accepted until December 1, 2011.

Let it be known all applications submitted to this office will be considered public information. Thank you for your interest in helping Carson City.

CARSON CITY EXECUTIVE OFFICES

201 N. Carson Street #2
Carson City, Nevada 89701
(775)887-2100 FAX(775)887-2286
E-Mail lbanks@carson.org
Web Page http://www.carson.org

(About Carson City; Boards, Committees and Commissions)

AN EQUAL OPPORTUNITY EMPLOYER

AUDIT COMMITTEE

<u>MEMBER</u>	APPOINTMENT	TERM EXPIRES
Internal Auditor (part time) Casey, Neilon & Assoc. LLC Contact: Niki Neilon, CPA 503 N. Division St. Carson City, NV 89703 283-5555 (w) 283-0494 (f)	Appointed by BOS	
Board of Supervisors John McKenna 201 N. Carson St. Ste. 2 Carson City, NV 89701 883-2908 (w) 450-2260 (c) john@mckennacpa.com	Initial Term 01/11	01/2012
Citizens at Large Kenneth Brown 916 Jackson Way Carson City, NV 89701 888-2008 (w) 883-8997 (h) kenbrown@gbis.com	Initial Term 03/08 Reappt. 12/08; 01/10	12/2011
Michael Bertrand (Chair) 4320 Gentry Ln. Carson City, NV 89701 882-8892 (w) 544-1832 (c) michael@bertrandcpa.com	Initial Term 01/10	12/2011
William (Bill) Prowse (Vice-chair) 3279 Upland Ct. Carson City, NV 89703 684-1168 (w) 883-0902 (h) willpro2001@yahoo.com	Initial Term 10/09 Reappt. 01/11	12/2012
Robert Parvin 218 Carville Cir. Carson City, NV 89703 841-7184 (h) rparvinr@gmail.com	Initial Term 01/11	12/2012

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<u>AUTHORITY:</u> CCMC, Chapter 2.14.030 provides for creation and organization of the Carson City Audit Committee. The Committee shall be comprised of five members; 1 member from the BOS and 4 members from the public-at-large.

- a. One member of the CC Audit Committee will be selected from the BOS. The board member shall be selected each January when the BOS addresses board and commission assignments.
- b. The four members at-large of the committee will be interviewed and selected by the BOS. These members should have experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be staggered 2-years, expiring on each alternate year.

*Reappointment OK

MEETINGS: Quarterly

PURPOSE: Pursuant to CCMC 2.14.020, the role of the Audit Committee is to maintain oversight of the auditing function, both internal and external resulting in increased integrity and efficiency of the audit processes for the city and the city's system of internal controls and financial reporting. The committee has three primary characteristics for it to successfully fill its obligations: 1. Independence, 2. Communication, and 3. Accountability.

Liaison:

Attorney Assignment: Randal Munn 283-7665 rmunn@carson.org

- END DATA -

BERTRAND & ASSOCIATES, LLC

CERTIFIED PUBLIC ACCOUNTANTS

Members American Institute of Certified Public Accountants

591 S. Saliman Rd. Suite 2 Carson City, NV 89701 Tel 775.882.8892 Fax 775.562.2667 Email: Michael@bertrandcpa.com

September 13, 2011

Carson City Executive Offices Attn: Laura Banks 201 N. Carson St. Suite #2 Carson City, NV 89701

Re: Audit Committee

RECEIVED

MOV 14 2011

CARSON CITY EXECUTIVE OFFICES

Dear Laura,

Thank you for your letter dated November 2 inquiring if I would be willing to continue serving as a member of the audit committee. In response, I would like to continue serving on the audit committee for another term.

Thank you for all your assistance to this committee which has been greatly appreciated.

Sincerely,

Michael Bertrand



RECEIVED

MOV SO 2011

CARSON CITY EXECUTIVE OFFICES

Carson City Executive Offices Attn: Laura Banks 201 N. Carson St., Ste #2 Carson City, NV 89701

November 30, 2011

Re: Re-Appointment to the Carson City Audit Committee

Dear Laura,

Please consider with this written notice that I would like to stay on as a member of the Carson City Audit Committee.

As you know we have just agreed on an auditing company to recommend to the Board of Supervisors for hiring to conduct the internal audit service for the city and I would like to stay on and see the implementation through.

Please call me at 888-2008 or e-mail me at kenbrown@gbis.com with questions.

Thank you very much.

Sincerely,

Ken Brown

Carson City Audit Committee Member

2.14.030 - Composition of the Carson City audit committee.

- The Carson City audit committee will be independent and objective in its collective mindset individually 1. and as a group. The committee will reflect the following attributes:
 - Excellent communication skills with each other and with others;
 - A willingness to fully participate in complex and sensitive matters that require resolution; b.
 - Public accounting, governmental accounting and auditing experience.
- The Carson City audit committee shall be comprised of five (5) members; one (1) member from the 2. board of supervisors and four (4) members from the public at-large.
 - One (1) member of the Carson City audit committee will be selected from the board of supervisors. The board member shall be selected each January when the board of supervisors addresses board and commission assignments.
 - The four (4) members at-large of the Carson City audit committee will be interviewed and b. selected by the board of supervisors. These members should have experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be for staggered two (2) years; expiring on each alternate year.
 - The members at-large shall not accept any consulting, advisory, or other compensatory fees C. from the city and may not be an affiliated person with the city or any subsidiary thereof.
- Should a vacancy occur in any position on the Carson City audit committee, the board of supervisors must follow the procedure set forth above to select a new member for the committee. The selection must occur within one (1) month of the vacancy occurring.
- When deemed necessary, the Carson City audit committee may request that the city manager and other management employees attend a Carson City audit committee meeting in an advisory capacity. This individual may be requested to provide necessary information relative to internal controls, data, and analysis related to the specific objectives of the Carson City audit committee.

(Ord. 2008-10 § 5, 2008) (Ord. No. 2009-24, § I, 10-1-2009)

2.14.040 - Responsibilities of the Carson City audit committee.

- The Carson City audit committee will review and make recommendations to the board of supervisors regarding the annual financial audit, performance, compliance and efficiency audits, including specific issues of concern providing a higher level of accountability over the use of public funds. As appropriate, background documents related to specific audit issues will be sent to the committee during the course of each year.
- 2. The Carson City audit committee will:
 - Provide input into the annual risk assessment plan developed by the city auditor to identify areas of risk or exposure facing the city's organization; review and assess the steps necessary to minimize such risks in the future and improve operating efficiencies;
 - Identify with key directors significant risks or exposures facing their organizations/operations to b. develop a "risk plan" and "audit work plan" to prioritize the city auditor's work load and assess the need for professional services;
 - Annually review the audit scope and work plan of the city auditor in conjunction with the external C. auditors plan to address the coordination of audit efforts to ensure the completeness of coverage, reduction of redundant efforts and effective use of audit resources;
 - Discuss the fiscal health of the city in relation to the adopted budget with the city manager and d. the director of finance;
 - Consider matters related to the systems of internal controls, including overseeing compliance by e. management with applicable policies and procedures;
 - Review and make recommendations to the board of supervisors regarding audit findings f. including the status and implementation of recommendations for both internal and external audits;
 - Review and make recommendations to the board of supervisors pertaining to the internal audit g. budget for operating expenses and capital expenditures;
 - Oversee the appointment of the independent auditors to be engaged by the board of supervisors h. for external reporting and recommend to the board of supervisors the related audit fees;
 - Recommend to the board of supervisors to engage outside professional services when deemed i. appropriate for audit issues;
 - Review the internal audit charter and make recommendations to the board of supervisors when j. changes are deemed necessary;

k.

ORDINANCE NO. ____

BILL NO. 125

AN ORDINANCE AMENDING CARSON CITY MUNICIPAL CODE TITLE 2 ADMINISTRATION AND PERSONNEL, CHAPTER 2.14 CARSON CITY AUDIT COMMITTEE, SECTION 2.14.030 COMPOSITION BY REMOVING ONE OF THE BOARD OF SUPERVISORS FROM THE COMMITTEE, REMOVING THE FINANCE DIRECTOR FROM THE COMMITTEE, INCREASING THE NUMBER OF PUBLIC-AT-LARGE MEMBERS FROM TWO TO FOUR AND REMOVING THE REQUIREMENT THAT MEMBERS MUST POSSESS CERTAIN QUALIFICATIONS, SECTION 2.14.040 MEETINGS OF THE CARSON CITY AUDIT COMMITTEE BY REMOVING THE LANGUAGE REGARDING MONTHLY MEETINGS AND OTHER MATTERS PROPERLY RELATED THERETO.

THE BOARD OF SUPERVISORS OF CARSON CITY DO ORDAIN:

SECTION I:

That Carson City Municipal Code Section 2.14.030 is hereby amended as follows:

2.14.030 Composition of the Carson City audit committee.

- 1. The Carson City audit committee will be independent and objective in its collective mindset individually and as a group. The committee will reflect the following attributes:
- a. Excellent communication skills with each other and with others;
- b. A willingness to fully participate in complex and sensitive matters that require resolution;
- c. Public accounting, governmental accounting and auditing experience.
- 2. The Carson City audit committee shall be comprised of 5 members; 1 member from the board of supervisors and 4 members from the public at-large.
- a. 1 member of the Carson City audit committee will be selected from the board of supervisors. The board member shall be selected each January when the board of supervisors addresses board and commission assignments.
- b. The 4 members at-large of the Carson City audit committee will be interviewed and selected by the board of supervisors. These members should have experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be for staggered 2 years; expiring on each alternate year.
- c. The members at-large shall not accept any consulting, advisory, or other compensatory fees from the city and may not be an affiliated person with the city or any subsidiary thereof.
- 3. Should a vacancy occur in any position on the Carson City audit committee, the board of supervisors must follow the procedure set forth above to select a new member for the committee. The selection must occur within one month of the vacancy occurring.

4. When deemed necessary, the Carson City audit committee may request that the city manager and other management employees attend a Carson City audit committee meeting in an advisory capacity. This individual may be requested to provide necessary information relative to internal controls, data, and analysis related to the specific objectives of the Carson City audit committee.

SECTION II:

- 2.14.050 Meetings of the Carson City audit committee.
- 1. The Carson City audit committee will meet quarterly. All members are expected to attend on a regular basis.
- 2. The Carson City audit committee may ask members of management or others to attend meetings and to provide pertinent information when necessary.
- 3. Meetings are scheduled in accordance with the state's open meeting laws. The city auditor shall establish the agenda for meetings and will provide to members in advance, all appropriate briefing material.

SECTION III:

SECTION III.				
That no	o other provisions of Chapte	r 2.14 are affected by this ordinance.		
	PROPOSED on	(month)(day), 2009		
	PROPOSED by Supervisor			
	PASSED	(month)(day), 2009.		
VOTE:	AYES:			
		·		
	NAYES:			
	ABSENT:			
ATTEST:				
ALAN GLOVER, Clerk/Recorder		ROBERT L. CROWELL, Mayor		
This ordinance	e shall be in force and effect	from and after theday of the month of		
	of the year 2009.			