

CARSON CITY AUDIT COMMITTEE
Minutes of the February 11, 2014 Meeting
Page 1

A regular meeting of the Carson City Audit Committee was scheduled for 3:00 p.m. on Tuesday, February 11, 2014 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Michael Bertrand
Vice Chairperson Bill Prowse
Member John Bullis
Member John McKenna
Member Mary Sanada

STAFF: Nickolas Providenti, Finance Department Director
Andrew Burnham, Public Works Department Director
Randal Munn, Chief Deputy District Attorney
Kathleen King, Deputy Clerk / Recording Secretary

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the recording secretary, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (3:01:33) - Chairperson Bertrand called the meeting to order at 3:01 p.m. Roll was called; a quorum was present.

3. PUBLIC COMMENTS AND DISCUSSION (3:01:53) - Chairperson Bertrand entertained public comment; however, none was forthcoming.

4. POSSIBLE ACTION ON APPROVAL OF MINUTES - October 8, 2013 and December 3, 2013 (3:02:32) - Member McKenna moved to approve the minutes. Vice Chairperson Prowse seconded the motion. Motion carried 4-0-1, Member Sanada abstaining.

5. POSSIBLE ACTION TO ADOPT THE AGENDA (3:04:01) - Chairperson Bertrand entertained a motion to accept the agenda. Vice Chairperson Prowse so moved. Member Sanada seconded the motion. Motion carried 5-0.

6. PRESENTATION AND DISCUSSION OF AUDIT RESULTS PREPARED BY KAFOURY, ARMSTRONG & CO., FOR THE YEAR ENDING JUNE 30, 2013 (3:04:15) - Chairperson Bertrand introduced this item, and Kafoury, Armstrong & Co. Engagement Shareholder Dan Carter reviewed the agenda materials. He and Mr. Providenti responded to questions of clarification. Extensive discussion followed regarding the comprehensive annual financial report, and Chairperson Bertrand thanked Mr. Carter for his presentation.

7. DISCUSSION AND PRESENTATION OF STATUS UPDATES BY MOSS-ADAMS, LLP OF THE FRAUD, WASTE, AND ABUSE ("FWA") PROGRAM, INCLUDING THE HOTLINE PROGRAM, AND PERFORMANCE METRICS DEVELOPMENT STUDY (3:40:38) - Chairperson Bertrand introduced this item. Moss-Adams, LLP Planning and Policy Director Mark Steranka narrated a displayed presentation of the agenda materials, and responded to corresponding questions of clarification. Discussion followed, and Mr. Steranka reviewed the time table associated with finalizing the FWA program and the performance metrics development study.

CARSON CITY AUDIT COMMITTEE
Minutes of the February 11, 2014 Meeting
Page 2

8. DISCUSSION AND POSSIBLE ACTION REGARDING MONITORING OF THE AUDIT FINDINGS RESPONSE TRACKING REPORT AND POSSIBLE DIRECTION TO THE INTERNAL AUDITOR TO REPORT AND DISCUSS THE MONITORING WITH THE BOARD OF SUPERVISORS (4:03:42) - Chairperson Bertrand introduced and provided background information on this item. Moss-Adams, LLP Planning and Policy Director Mark Steranka reviewed the agenda materials in conjunction with displayed slides. He and Mr. Providenti responded to questions of clarification, and discussion followed. No formal action was taken.

9. DISCUSSION AND POSSIBLE ACTION REGARDING THE PRESENTATION, DISCUSSION, AND POSSIBLE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS ON THE FLEET MANAGEMENT UTILIZATION STUDY, AS PROVIDED BY MOSS-ADAMS, LLP (4:25:46) - Chairperson Bertrand introduced this item, and Moss-Adams, LLP Planning and Policy Director Mark Steranka provided background information and an overview of the agenda materials. He introduced Greg Fassler of Municipal Fleet Consultants, who narrated a presentation of the fleet management utilization study, copies of which were included in the agenda materials. Mr. Fassler and Mr. Burnham responded to questions of clarification, and discussion ensued. Mr. Burnham agreed to develop an implementation plan for review at the next committee meeting.

Chairperson Bertrand entertained public comment and, when none was forthcoming, a motion. **Member McKenna moved to accept the presentation and ask the Public Works Department Director to return with possible recommendations on the fleet management utilization study, as provided by Moss-Adams. Member Bullis seconded the motion.** Member McKenna responded to questions regarding the intent of the motion, and discussion ensued. **Member McKenna withdrew his motion.** He characterized the fleet management utilization study recommendations as "a step forward. ... If this thing is implemented in five years, ... for the next fifty years, we'll be ahead of the game." Additional discussion followed.

Chairperson Bertrand entertained a motion. **Vice Chairperson Prowse moved to accept the fleet management utilization study and forward the report to the Board of Supervisors. Member Sanada seconded the motion.** Chairperson Bertrand entertained discussion and, when none was forthcoming, called for a vote on the pending motion.

RESULT:	Approved [5 - 0]
MOVER:	Vice Chair Bill Prowse
SECOND:	Member Mary Sanada
AYES:	Prowse, Sanada, Bullis, McKenna, Bertrand
NAYS:	None
ABSENT:	None
ABSTAIN:	None

10. POSSIBLE ACTION TO SCHEDULE THE NEXT MEETING OF THE CARSON CITY AUDIT COMMITTEE (5:12:42) - Chairperson Bertrand introduced this item and, following a brief discussion, consensus of the committee was to schedule the next meeting for Tuesday, April 22nd at 3:00 p.m.

11. PUBLIC COMMENT (5:14:46) - Chairperson Bertrand noted that there were no other citizens present in the meeting room.

CARSON CITY AUDIT COMMITTEE
Minutes of the February 11, 2014 Meeting
Page 3

12. ACTION TO ADJOURN (5:14:52) - Member McKenna moved to adjourn the meeting at 5:14 p.m. Vice Chairperson Prowse seconded the motion. Motion carried 5-0.

The Minutes of the February 11, 2014 Carson City Audit Committee meeting are so approved this 9th day of April, 2014.

MICHAEL BERTRAND, Chair