

Item # 8-3A

**City of Carson City
Agenda Report**

Date Submitted: January 12, 2010

Agenda Date Requested: January 21, 2010
Time Requested: Consent

To: Mayor and Supervisors

From: Larry Werner, City Manager

Subject Title: Action to appoint Kenneth Brown and Michael Bertrand to serve on the Audit Committee as members at-large for two year terms ending December 2011.

Staff Summary: Per Carson City Municipal Code Chapter 2.14 Section 2.14.030 and Bill No. 125, adopted on Oct. 1, 2009 "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. There are two vacancies to be filled for members at-large due to members terms expiring. Kenneth Brown has requested reappointment and Michael Bertrand has applied to be appointed. There are no other applicants.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: I move to appoint Kenneth Brown and Michael Bertrand to serve on the Audit Committee as members at-large for two year terms ending December 2011.

Explanation for Recommended Board Action: See Staff Summary

Applicable Statute, Code, Policy, Rule or Regulation: C.C.M.C., Chapter 2.14, Section 2.14.030., Bill No. 125.

Fiscal Impact: None

Explanation of Impact: n/a

Funding Source: n/a

Alternatives: Reopen the position announcement for additional applicants.

Supporting Material: Request for reappointment, application, membership roster, recruitment announcement, CCMC Chapter 2.14, Section 2.14.030 and Bill No. 125.

Prepared By: Rose Gardner, Management Assistant

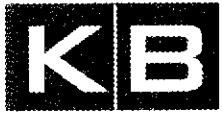
Reviewed By: John R. Brum Date: 1-12-10
(City Manager)

Melanie Bunkert Date: 1-12-10
(District Attorney)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay

(Vote Recorded By)



Ken Brown, LTD

Bookkeeping
Income Tax Preparation
Records Reconstruction
Family Budgeting

DEC 08 2009

Carson City Executive Office
201 N. Carson St., Ste #2
Carson City, NV 89701

December 7, 2009

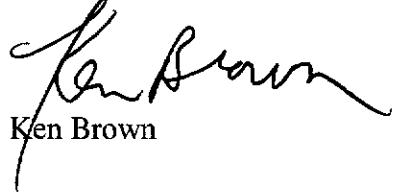
Re: Appointment to Audit Committee

Dear Rose,

I believe the insight I have gained during my first term on the Audit Committee will contribute to my ability to be a productive constituent of that Committee. I would like to repeat as a member of the Audit Committee if the Mayor and Supervisors think it will be best interests of the City.

Thank you very much.

Sincerely,

A handwritten signature in black ink that reads "Ken Brown".

Ken Brown

Carson City Application for Appointive/Volunteer Position

Please print or type

Title of Board or Commission: Audit Committee			
Title of Position: Board member			
Name: Bertrand	First: Michael	Middle Initial: J	
Last: 			
Address: 4320 Gentry Lane	City: Carson City	State: NV	Zip: 89701
Street: 			
Occupation/Business: Managing partner, Bertrand & Associates LLC , CPAs			
Telephone: Work- 775-882-8892	Home- 	Cell- 775-544-1832	
E-mail- michael@bertrandcpa.com			
How long have you lived in Carson City: 23 years		Are you an <u>active</u> Carson City Registered Voter: yes	

Note: only complete if a degree is required for this position

College, professional, vocational or other schools attended	Major Subject	Degree Confirmed
Cal State University Northridge	Accounting/finance	bachelor of science

List any professional license(s) and or certification(s):

License/Certification	License/Certification #	Issuing Authority
Certified public accountant	1621R	State of Nevada
Financial registered representative		

1. Briefly describe the qualifications you possess which you see) would be an asset to this board/commission/committee.

I have been an accountant for 30 years and have owned my own accounting firm for 22 years.
 I was the Chief of the Audit Division for Santa Cruz County in 1985- 1986.
 I have worked performed audits government related organizations most of those years. I also have provided advisory consulting to businesses to increase efficiency and performance.

2. List the community organizations in which you have participated and describe participation.

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3. List your affiliation with professional or technical societies. (If required for the Position)

Member American Institute of Certified Public Accountants

4. Do you anticipate any potential conflicts of interest? NO If yes, please explain.

Business in Carson City Service Area: Michael J. Bertrand, CPA

Length of time in Business: 22 years

Personal/Professional References:

Name	Address	Telephone #
Wendell King	2168 Snowflake Ave Carson City	(775) 287-6248
Bob Hadfield	P.O Box 424 Minden	(775) 781-6953
Wayne Carlson	501 S Roop St #201 Carson City	(775) 885-7475

I have sufficient time to devote to this community and plan to attend the required meetings if I am appointed to fill this or a future vacancy. I understand that if I am appointed to a Board/Commission or Committee where a disclosure of Assets Statement is required by State Law or Council Policy I shall do so, and that I may not assume office until 10 days after statement is filed. I hereby declare that all statements given by me on this form are truthful and complete to the best of my knowledge.


Signature of Applicant

12/10/2009
Date

You may attach more information.

All applications are public information.

Applications not acted upon will expire after two years from date submitted unless renewed by applicant.

Mail directly to Carson City Executive Offices
201 N. Carson Street #2, Carson City NV 89701
(775)887-2100 Fax(775)887-2286

AUDIT COMMITTEE MEMBERSHIP

<u>MEMBER</u>	<u>APPOINTMENT</u>	<u>TERM EXPIRES</u>
<u>Board of Supervisors</u>		
Pete Livermore 887-2100 plivermore@ci.carson-city.nv.us	Initial Term 3/08	12/2009
<u>Citizens at Large</u>		
Kenneth Brown 916 Jackson Way Carson City NV 89701 888-2008 (w) 883-8997 (h) kenbrown@gbis.com	Initial Term 3/08 Reappt. 12/08	12/2009
Yerania (Yette) Martell-DeLuca 1015 Baily Court Carson City NV 89703 886-1323 (w) 884-2417 (h) 220-2064 (c) Tydeluca99@sbcglobal.net	Partial Term 10/09	12/2009
John McKenna 4 Charleston Ct. Carson City, NV 89701-7676 883-2908 (w & h) 450-2260 (c) john@mckennaCPA.com	Partial Term 10/09	12/2010
William (Bill) Prowse 3279 Upland Ct. Carson City, NV 89703 684-1168 (w) 883-0902 (h) Willpro2001@yahoo.com	Partial Term 10/09	12/2010

AUTHORITY: C.C.M.C, Chapter 2.14.030 Provides for creation and organization of the Carson City audit committee 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.

MEETINGS: Quarterly meetings are scheduled in the Capitol Conference Room at City Hall

PURPOSE: The role of the Carson City 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.

TYPICAL DUTIES

- 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.
- 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 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 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 the Director of Finance.
 - Consider matters related to the systems of internal controls, including overseeing compliance by management with applicable policies and procedures.
 - Review and make recommendations to the Board of Supervisors regarding audit findings 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 Budget for operating expenses and capital expenditures.
 - Oversee the appointment of the Independent Auditors to be engaged by the Board of Supervisors 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 appropriate for audit issues
 - Review the Internal Audit Charter and make recommendations to the Board of Supervisors when changes are deemed necessary.
 - Review and make recommendations to the Board of Supervisors for special requests for audit projects and have the authority to perform other duties as may be delegated to it by the Board of Supervisors.
 - Generally Accepted Auditing Standards (GAAS) and Government Auditing Standards require an independent auditor to evaluate the City's internal controls in connection with determining the extent of their audit procedures. The external auditors are required to alert the Carson City Audit Committee and the governing body regarding material matters. The Carson City Audit Committee will:
 - Review and make recommendations to the Board of Supervisors pertaining to the external auditors annual audit plan and inquire into external audit matters as deemed appropriate.
 - Oversee the appointment of the independent auditors to be engaged by the Board of Supervisors for external reporting and establish the related audit fees; review and evaluate the performance of the independent auditors and establish a regular schedule for periodically re-bidding the annual audit.
 - Review and make recommendations to the Board of Supervisors regarding all significant written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences.

Coordinators:

Attorney Assignment:

Melanie Bruketta
District Attorney's Office
887-2070



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. **There are two vacancies for terms that will expire in December 2011.** The Board of Supervisors will interview and appoint a qualified person to the Audit Committee. Members must be residents and registered voters of Carson City.

Volunteer applications may be obtained from and returned to the Carson City Executive Offices. **Applications will be accepted until December 15, 2009.**

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 Rgardner@ci.carson-city.nv.us
Web Page <http://www.carson-city.nv.us>
AN EQUAL OPPORTUNITY EMPLOYER

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:

That no other provisions of Chapter 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 shall be in force and effect from and after the _____ day of the month of _____ of the year 2009.