

Audit Committee Meeting
County of Butte
25 County Center Drive Suite 200
Oroville, CA
Admin Conference Room
May 3, 2017
Minutes

Call to Order

The Butte County Audit Committee meeting was called to order on May 3, 2017 at 2:00pm.

Committee Members Present:

Maureen Kirk, Supervisor
Paul Hahn, CAO
Dave Houser, Auditor-Controller
Peggy Moak, Treasurer-Tax Collector
Meegan Jessee, Deputy Administrative Officer

Also Present:

Brad Constantine, CliftonLarsonAllen, LLP (CLA) (By Phone)
Rich Gonzalez, CliftonLarsonAllen, LLP (CLA) (By Phone)
Donovan Rhinehart, Admin Analyst, Associate

I. Review and Approve Minutes

Minutes from December 8, 2016 Audit Committee meeting – Motion made to approve by Peggy Moak, motion seconded by Dave Houser. The motion was approved unanimously by the Audit Committee.

II. Update from CliftonLarsonAllen, LLP (CLA)

Brad Constantine & Rich Gonzalez, CLA presented three reports –

1.) Comprehensive Annual Financial Report (CAFR)

CLA began preliminary work back in June 2016 to prepare for the audit and returned in October 2016 for the Year-End, to audit the CAFR. The CAFR is put together by County staff and audited by CLA. The final report was issued by CLA on December 21, 2016. CLA issued a

“clean opinion” or “unmodified opinion” with “no exceptions” and “no modifications”. Dave Houser commended County staff and thanked CLA for providing the engagement software, which made it easier to prepare the CAFR. CLA appreciated having the CAFR available to them two weeks in advance and during the Audit, which streamlined the process. CLA looks forward to doing the same on future audits. CLA noted that there were no prior period-adjustments and no balances re-stated, which they said was great.

2.) Single Audit –

The single audit, related to federal funds, included the Temporary Assistance for Needy Families (TANF) program & Medi-Cal program. Since Medi-Cal had a finding last year, CLA audited Medi-Cal again this year. CLA indicated on their report that the finding was corrected this year. There were no new findings for Medi-Cal & no findings for TANF, which resulted in CLA giving a “clean opinion” for the Single Audit Report. Dave Houser mentioned that they worked closely with DESS to get those items cleared up & that DESS did a great job.

3.) Governance Letter –

The Governance Letter or Communications Letter is a letter to the County summarizing the audit. The letter includes such things as – Significant Estimates, Net Pension Liability, Other Post-Employment Benefits (OPEB) and any significant findings or issues during the audit (CLA had none to report), a re-cap of the estimate, an estimate for the landfill closure, post closure, & an estimate for claims liability. CLA likes what the County is doing & looks forward to next year. Dave Houser said that the Auditor-Controller staff went through engagement software training recently & that they are also looking forward to next year’s audit.

III. Public Comment

No Public Comment

Dave Houser noted that the County will have a Property Tax Audit by the State Controller’s Office beginning on May 15, 2017. They estimate it will take 6-8 weeks, which typically occurs every three years, when they have enough staff.