

County of Butte
Audit Committee
Butte County Administration Conference Room
25 County Center Drive, Oroville, CA
October 31, 2013

Minutes

Call to Order

The Butte County Audit Committee meeting was called to order by Maureen Kirk at 1:00 pm.

Committee Members Present:

Supervisor Kirk; Paul Hahn, CAO; Greg Iturria, CFO; Linda Barnes, Treasurer and Tax Collector; David Houser, Auditor Controller

Also Present:

Thomas Limper, Deputy CFO; Susie Rees, Butte County Staff

Sandy Sup, Gallina LLP

Grand Jury Members: Nancy Negri, Sally Mitchell, Dennis Anderson, Mike Gilchrist

I. Review and Approve

Minutes from April 2, 2013 meeting – Motion made to approve, motion seconded. Motion carried unanimously.

II. Discussion

A. Certificate of Achievement for Excellence in Financial Reporting, 2011/2012 Comprehensive Annual Financial Report (CAFR) – David Houser

Mr. Houser recognized the hard work and dedication of staff in this achievement. The review process is comprehensive with several individuals looking at the financials. Butte County has received this award each year since 2006.

B. Report from Gallina – Sandy Sup

Gallina auditors have year-end numbers and are auditing a draft of the CAFR. The audit is going well.

Ms. Sup explained that the auditors were finishing up their field work and would have an exit conference with the Auditor to discuss open items.

Other Post Employment Benefit (OPEB) Trust Fund discussion - Mr. Iturria explained that an OPEB Trust is a mechanism to set aside and invest funds for future retiree healthcare costs. The funds will be placed in an OPEB Trust to be paid out when employees retire. The County currently expends approximately \$1.8 million annually on a “pay as you go” basis.

C. Public Comment

1. Mr. Anderson asked how long Gallina has been auditing the County.

Ms. Sup responded that Gallina has been auditing Butte County since the 2005-2006 fiscal year.

2. Mr. Anderson asked what Gallina does when problems are discovered during an audit.

Ms. Sup responded that they make recommendations and have findings that they follow up on each year. Mr. Houser added that the management letter points out issues we have to address and Gallina follows up on those issues.

The meeting was adjourned at 2:19. The next meeting will take place in April, 2014.