



FINANCE/AUDIT COMMITTEE Minutes

Monday September 10, 2012 3:00 pm
Administrative Conference Room, Second Floor
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER K. Keith called the meeting to order at 3:09 pm

ROLL CALL- Kirsten Keith, Peter Ohtaki, Honor Huntington, Stu Soffer

ABSENT- Jeff Child

CITY STAFF- Carol Augustine, Stephen Green, Starla Jerome-Robinson

A. PUBLIC COMMENT (Limited to 15 minutes)

No Public Comment

B. BUSINESS ITEMS

B1. Discussion of the FY 2011-12 audit strategy with independent auditors, OUM & Co LLP

C. Augustine introduced auditors Scott Miller and Manjit Deol from OUM. The committee received the audit planning memorandum for the fiscal year ended June 30, 2012. M. Deol explained the audit timeline and areas of focus. In addition, S. Miller explained that the audit will include inter-fund transfers/advances and use of restricted funds along with other high risk areas. C. Augustine explained the City's special revenue funds and their purpose. S. Miller concluded the discussion advising the committee that in fiscal year 2014-15, there will be changes on how unfunded pension liability is reported due to GASB pronouncements in this area.

B2. Investment Policy Draft Review

- [\(Draft Staff Report and Investment Policy\)](#)

The committee received the staff report approving the investment policy for the City and the former Community Development Agency that will be presented to Council on September 18, 2012. In addition, the committee received the draft investment policy. C. Augustine led the discussion where policy changes occurred and answered any questions the committee had regarding these changes.

B3. Accept minutes from June 19, 2012 meeting

- [\(June 19, 2012 Meeting Minutes\)](#)

By consensus, the committee accepted the minutes for the June 19, 2012 meeting.

B4. Discussion of next steps of Committee's workplan

The committee decided to schedule two separate meetings to discuss revenue and expenditure scenarios for a base case 3-year forecast. P. Ohtaki commented that the committee will come to a consensus regarding the scenarios. P. Ohtaki confirmed that historically, there have always been special circumstances to consider when forecasting. H. Huntington outlined what is needed for developing the base case scenario. S. Green informed the committee that an email will be sent for scheduling the next meeting for developing the revenue forecast.

ADJOURNMENT - 4:19 pm