

**COUNTY OF MARIN**  
**FINANCIAL AUDIT ADVISORY COMMITTEE**

Annual Public Meeting

April 15, 2021

**MINUTES**

1) **Call to Order**

The meeting was called to order at 11:14 a.m.

2) **New Committee Member Appointment**

Stephanie Moulton-Peters - To be Sworn In

Supervisor Moulton-Peters was not present at the meeting.

3) **Roll Call**

Present: Mary Jane Burke, Superintendent of Schools & Chair; Supervisor Dennis Rodoni; Dan Eilerman, County Staff; Scott McKown, Member At-Large; Jennifer Ancona, Member At-Large; Renee Giacomini Brewer, County Staff

Absent: Supervisor Stephanie Moulton-Peters; Dan Schwarz, City-Town Member

Others in Attendance: Roy Given, Director of Finance, Department of Finance; Mina Martinovich, Assistant Director of Finance, Department of Finance; Anu Bagchi, Division Chief, Department of Finance

4) **Committee Bylaws** (Information Item) Staff and committee members to review by-laws that govern the purpose and function of the committee.

Roy Given reviewed the purpose and responsibilities of the committee by-laws .

5) **Approve Agenda** (Action Item)

MOTION by Dan Eilerman to approve the agenda of April 15, 2021

SECOND by Scott McKown

AYES: Burke, Rodoni, Eilerman, Ancona, Brewer, McKown

NOES: none

6) **Approve February 5, 2020 FAAC Meeting Minutes** (Action Item)

MOTION by Scott McKown to approve minutes of February 5, 2020

SECOND by Dan Eilerman

AYES: Burke, Rodoni, Eilerman, Ancona, Brewer, McKown

NOES: None

7) **Public Comment:** Open time for public expression

No public comment

8) **Other Committee Business** (Information Item)

Roy Given noted that two committee members, Renee Brewer and Dan Eilerman, are up for membership renewal. They will be notified by the Clerk of the Board to reapply. The committee is also looking for a Special Districts representative to be in place by the next meeting.

Mina Martinovich advised the committee of a recent policy statement issued by the Government Finance Officers Association (GFOA), which advises all industry affiliates to immediately stop using the common four-letter acronym (“CAFR”) most often associated with the Comprehensive Annual Financial Report. This recommendation is the result of increasing professional awareness that the old acronym, when pronounced aloud, sounds the same as a derogatory term historically used in other parts of the world. Accordingly, going forward the County will no longer use the four-letter acronym previously associated with the Comprehensive Annual Financial Report.

9) **Presentation by the Department of Finance:** (Information Item)

a) Review FY 2019-20 Comprehensive Annual Financial Report

Mina Martinovich discussed the FY 2019-20 Comprehensive Annual Financial Report. She said that although the COVID-19 emergency presented unusually difficult and challenging circumstances, exemplary standards of completeness and accuracy were maintained. She thanked Anu Bagchi, Department of Finance Division Chief who oversees the Accounting unit, and department fiscal staff. She briefly summarized the timing of preparation milestones. The FY 2019-20 report was opined and issued in January 2021 with an unmodified (“clean”) audit opinion.

A one-page infographic summary of certain key information in the Comprehensive Annual Financial Report was distributed and presented to the committee. It included a summary of General Fund totals and ending fund balance classifications. In addition, in August 2020, Marin County received a Certificate of Achievement for Excellence in Financial Reporting from the GFOA for the FY 2018-19 reporting period. Roy Given said that the GFOA provides valuable feedback that can be utilized for continued improvement and enhancements.

Committee member McKown praised the three-part report but said it does not tell the whole story. Roy Given said he could break out and discuss the parts of the report but

couldn't change the presentation. Mina Martinovich spoke of initiatives to add information to the County's open data portal, and to eventually compile and issue a Popular Annual Financial Report ("PAFR"), which is intended to summarize and simplify the presentation and information contained in the Comprehensive Annual Financial Report in order to resonate with a larger and broader audience.

Mina Martinovich discussed Net Pension Liability and Net OPEB Liability, both of which are actuarially determined and based on underlying actuarial pension data that is one year in arrears. The chair asked why Pension Liability and OPEB Liability have two different discount rates. Roy Given said it was due to different time horizons, 36 years and 15 years respectively. Committee member Ancona asked if there was an industry standard or target. Roy Given said everybody is different and can't be compared. The County's goal is always 100% and it is paying what it should to reach that goal. Committee member Rodoni asked if retiree healthcare was fully funded. Roy Given said we pay as we go, putting funds toward liability over 15 years. Mina Martinovich said OPEB Liability is fully budgeted and funded each year.

b) Review FY 2019-20 Required Communications Letter

Mina Martinovich reviewed the required communications letter from external auditor Clifton Larson Allen. No significant deficiencies or material weaknesses were reported.

c) Review FY 2019-20 Single Audit Report

A one-page highlight of the single audit report performed by Clifton Larson Allen was distributed and presented to the committee. COVID disaster grants were a significant addition. Mina Martinovich praised departments for doing an excellent job collecting information on grant programs and thanked the CAO and multiple agencies for their guidance.

d) Financial Audit Advisory Committee Report to Board of Supervisors

Roy Given advised the committee that he sent the chair an updated letter for FY 2019-20. The letter commended Roy Given and his team for their accomplishments despite a difficult COVID-19 health emergency environment. Roy Given said the new MUNIS financial system has many benefits that aid in obtaining a clean audit report. He will provide bullet points to the chair and the committee. Committee member McKown commented on the excellence of the disclosures.

10) **Schedule FY 2020-21 Meeting for February 2022** (Action Item)

The next meeting was scheduled for Wednesday, February 9, 2022 from 10:00 a.m. to 11:30 a.m. The chair expressed the hope that the meeting would be in person.

11) **Adjournment** (Action Item)

MOTION by Scott McKown to adjourn meeting

SECOND by Mary Jane Burke

AYES: ALL

The meeting was adjourned at 12:10 p.m.