

MARIN COUNTY TREASURY OVERSIGHT COMMITTEE

Marin County Civic Center
3501 Civic Center Drive
San Rafael, CA

Thursday, April 23, 2015
1:00P.M. – 2:30P.M.
County Counsel Conference
Room Room 275
Regular Meeting

MINUTES

1. Call to Order

The meeting was called to order at 1:06 p.m.

2. Roll Call

Chair: Mary Jane Burke, Superintendent of Schools, Vice-Chair: Thomas Lohwasser, School Districts Superintendent Representative, Matthew Hymel, County Administrator, Jean Bonander, Public Member

Absent: Dan Hom, Special Districts Representative

Others in Attendance:

Roy Given, Director of Finance, Mina Martinovich, Department of Finance Division Chief/Accounting, Karen Shaw, Department of Finance Division Chief/Finance, Sandra Arebalo, Sr. Accountant/Treasury Analyst

3. Approve Minutes--Meeting of November 6, 2014 (Action)

MOTION by Tom Lohwasser to approve the minutes of November 6, 2014

Second by Jean Bonander

AYES:ALL

4. Open Time for Public Comment

None

5. Committee Business

Review Govt Code (GC) Sections 27130-27137

- A copy of the Government Code (GC), Sections 27130-27137, was distributed to the attendees. Roy Given stated that there have been no changes to the government code and reminded the committee that a treasury oversight committee is no longer a state requirement and said he appreciated their willingness to continue to convene a committee.
- Other Committee Member Matters
Karen Shaw welcomed Sandra Arebalo back from maternity leave.

6. Director of Finance Report

- Approve the FY13/14 Annual Statement Audit Report (Action)

MOTION by Jean Bonander to approve the County of Marin Treasury Oversight Committee Compliance Report for the year ended June 30, 2014

Second by Tom Lohwasser

AYES: ALL

- Report on Request for Statement of Qualification (RFSQ) for Annual Financial Audit (Discussion)

Mina Martinovich reported that the Department of Finance issued a RFSQ for professional auditing services in early December 2014 with a four (4) week period for auditors to respond. The RFSQ was published on the County website and on BidSync.com. By the deadline there was only one (1) respondent, Gallina, LLP, our current auditor. The DOF was concerned about meeting the requirements of the Sarbanes-Oxley Act (SOX) legislation which calls for an auditor rotation in order to maintain independence in both fact and appearance, ensuring there is requisite professional skepticism and overall keeping the audit approach fresh. However the SOX's auditor rotation rule only requires a change in lead audit partners after five consecutive years as opposed to a change in audit firm. Included in Gallina's RFSQ is the call for a new lead audit partner, Brian Constantine, who has over thirty years experience in governmental auditing and compliance. The current lead auditor, Elba Zuniga, will become a concurring review partner. The RFSQ results will be presented to the Audit Advisory Board and Roy Given will recommend that they approve a three (3) year contract with Gallina, LLP. After the three years (3) the Department of Finance will issue a RFSQ for a new auditor.

- Cause Annual Investment Audit for FY14/15 (Action)

Roy Given recommended that the auditor approved by the Audit Advisory Board to perform the County's Annual Financial Audit for a three (3) year period, will also conduct the Annual Investment Audit for FY 14/15.

MOTION by Jean Bonander approve that the Annual Investment Audit for FY14/15 be conducted by the same AAB approved auditor who will be conducting the County's Annual Financial Audit.

Second by Tom Lohwasser

AYES: ALL

7. Discussion Items for Next Meeting (Fall 2015)

- Fitch Rating
- Annual Statement of Investment Policy (Action: Review & Monitor)

8. Schedule Fall 2015 meeting (bring your calendars)

The next meeting was scheduled for Thursday, 11/5/15, 2:00PM – 3:30PM in the County Counsel conference room (Room 275). The committee will schedule the Spring 2016 meeting at the November meeting.

9. Adjournment

The meeting was adjourned at 1:23 p.m.