

CITY OF SURPRISE
Audit Committee Meeting
16000 North Civic Center Plaza
Surprise, AZ 85374

Wednesday, June 8, 2022 – 3:30 p.m.

CALL TO ORDER

Vice-Chair Alan Meyer called the **Audit Committee Meeting** to order at 3:34 p.m. at Surprise City Hall, Overflow Room, 16000 North Civic Center Plaza Surprise, Arizona 85374, on Wednesday, June 8, 2022.

ROLL CALL

Brenda Kiner, Chair (Absent), Alan Meyer, Vice-Chair, Connie Bowers, Committee Member (Absent), Councilmember Chris Judd, Councilmember Patrick Duffy, Holly Osborn, Director of Parks and Recreation, Andrea Davis, Director of Finance

PLEDGE OF ALLEGIANCE

CURRENT EVENTS AND REPORTS

None.

STAFF REPORTS

None.

STAFF PRESENT

Carol Holley, Internal Auditor-Sr., Genevieve Martin Del Campo, Staff Liaison.

CALL TO THE PUBLIC

None.

REGULAR AGENDA ITEM

1. **Action item: Consideration and action pertaining to the March 31, 2022 Audit Committee meeting minutes:**

Councilmember Judd moved to approve the March 31, 2022, Audit Committee Meeting minutes, and Councilmember Duffy seconded the motion. Motion carried 3-0.

2. **Action item: Discussion and action pertaining to the March 30, 2022 ALGA External Quality Control Review Report:**

Committee Member Meyer commented that having done peer reviews in the past, it is unusual for a result to be favorable with no comments. He further said that Carol Holley did better than most and then congratulated her on a job well done.

Councilmember Judd said that he wished to echo Committee Member Meyers's comment. He further said that Carol Holley did a nice job and thanked her for her hard work.

Councilmember Judd moved to approve the March 30, 2022, ALGA External Quality Control Review Report, and Councilmember Duffy seconded the motion. Motion carried 3-0.

3. Action item: Consideration and action pertaining to the amended Audit Committee Bylaws approved by a majority vote on March 31, 2022:

Carol Holley states that an additional amendment to the Audit Committee Bylaws is needed before they can be signed and distributed. She further states that the amendment will be to include language indicating that the Director of Finance will be a permanent non-voting member of the Audit Committee.

Councilmember Judd asked if the new language will replace the language regarding the financial expert being appointed to the Audit Committee. Carol Holley responds no, that the financial expert language will remain in the Bylaws. She continued by saying the part that will be changed is contained on page 4 where it says, "the terms for councilmembers appointed by the Mayor will expire at the discretion of the Mayor." The additional language will be added there stating that the Director of Finance will become a permanent member at the discretion of the City Manager.

Councilmember Judd asked if Carol Holley sees any issues with that. He said that he can see a scenario where Andrea Davis, Director of Finance might be out of the office, in which case the Deputy Finance Director will be able to provide high-quality advice. Andrea Davis said that instead of saying it has to be the Finance Director, the language could say "Finance Director or designee". She further stated that if she were to be absent during a meeting, and an issue with the County or an ACFR were to come up, the other appointed staff member may not have the detailed knowledge of that side to answer questions or provide insight. Adding the term "or designee" would allow her to send the Deputy Director of Finance in her place.

Councilmember Judd asked if any additional changes to the Bylaws needed to be made regarding Carol Holley's new independence as an appointed position. Carol Holley responds no. She continued that she reflected that in the Policies and Procedures but it is not something that needs to be approved by the Audit Committee.

Councilmember Judd moved to amend the Audit Committee Bylaws to include the language indicating that the Director of Finance, or designee, will be a permanent

non-voting member of the Audit Committee, and Councilmember Duffy seconded the motion. Motion carried 3-0.

OTHER BUSINESS AND FUTURE AGENDA ITEMS

The next Audit Committee Meeting will be held on September 7, 2022, at 3:30 p.m.

EXECUTIVE SESSION

None.

ADJOURNMENT

Councilmember Duffy moved to adjourn, and Councilmember Chris Judd seconded the motion. Motion carried 3-0. The meeting was adjourned at 3:48 p.m.

ATTEST:

Brenda Kiner, Chair

Jackie Moucheron, Staff Liaison

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Audit Committee Meeting of **Wednesday, June 8, 2022.**

Sherry Ann Aguilar, City Clerk, MMC