



AUDIT COMMITTEE MEETING FEBRUARY 20, 2020 MINUTES

THE WEST VALLEY CITY AUDIT COMMITTEE MET ON THURSDAY FEBRUARY 20, 2020 AT 4:00PM IN THE ADMINISTRATIVE CONFERENCE ROOM LOCATED AT WEST VALLEY CITY HALL, 3600 CONSTITUTION BLVD, WEST VALLEY, UTAH. THE MEETING WAS CALLED TO ORDER AND CONDUCTED BY MAYOR RON BIGELOW.

THE FOLLOWING MEMBERS WERE PRESENT:

Ron Bigelow, Mayor
 Dean Lundell, Committee Representative
 Angela McConkey, Committee Representative
 Paul Isaac, Assistant City Manager (filling in for Wayne Pyle, City Manager/Committee Member)

STAFF PRESENT:

Jim Welch, Finance Director
 Don Groo, Accounting Director
 Abbey Smock, Finance Assistant
 Nic Hales, Assistant Accounting Supervisor
 Phyl Warnock, Auditor

INTRODUCTION

Mayor Bigelow excused Chairman Lars Nordfelt, who asked the Mayor to conduct in his stead.

APPROVAL OF JUNE 6, 2019 MINUTES

The Committee considered the Minutes of the June 6, 2019 minutes. There were no changes, corrections or deletions. Mayor Bigelow moved to approve June 6, 2019 minutes. Committee Representative Dean Lundell seconded the motion. A voice vote was taken, and all members voted in favor of motion.

AGENDA

1. AUDIT FISCAL REVIEW FOR FY 2018-2019

Mr. Warnock confirmed that the Auditors are responsible for reviewing compliance to accepted financial standards and providing a reasonable though not absolute assurance that the financials reports are free of material misstatements or errors. This does not relieve the City or governmental entities of their responsibility to have accurate financial statements. The Audit report is an assessment of internal controls and financial reporting that provides a reasonable assurance that these reports are free from errors and misstatements. The auditor's opinion is not an assessment of the effectiveness of internal controls. The Audit is responsible to report significant issues with the audit to the City that they feel are relevant and important. Mr. Warnock confirmed that they did not encounter difficulties within the audit, there were no materially incorrect statements, no disagreement with management, no material mistakes in the financial statements that were brought up by management as a result of the audit, and management did not consult with any outside audit firms within the course of the audit.

Mr. Warnock then directed the committee to the Audit Report, last paragraph, indicating that the report is a "clean unmodified opinion". Mr. Warnock reviewed in the Supplemental Report, Page 3, Single Audit/Federal Funds section that this is a clean opinion in relation to their reporting.



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Mr. Warnock directed the Committee to the “Findings” section, page 9. Noted that there were no Findings for West Valley City. Page 10 is a new section this year. It is an opinion the Financial Data Schedule for Housing Authority are valid, but are not gone through in detail, but it meets all the requirements and is in accordance with auditing standards. Page 13 State Compliance report, as required and is in order and lists what the Auditors looked at and they followed those guidelines and as directed. Clean and unmodified opinion. Page 15 There were no Findings for State of Utah Compliance.

Mayor Bigelow asked about the Findings listed on page 17. Mr. Welch indicated that these were Audit Findings of previous years and we are required to notate them on our report, but that those issues have been correct. Mr. Welch expressed that it is quite an accomplishment for the city to have no findings. Mentioned Mr. Hales had worked very closely with Housing Authority to ensure specific training and help in regard to past issues and findings. Mr. Warnock then indicated that to have such a clean audit with the city and is no minor feat and should be applauded.

Mr. Welch then commented how the Finance Department keeps a close eye on what the State Auditor’s office publishes and specifically looking at public funds with fraud, waste and abuse with in the state so there is an initiative that the State Auditor’s office is looking at right now implement fraud risk score, which will be based on several criteria: Do you have a fraud hotline? Which we do and we address whatever issues may come from that. It assesses our internal controls, which of course our audit does a lot of that assessment, but one thing that is new that they are talking about is to have an internal auditor, which we don’t have a formal internal auditor. That is something that we may be asked to have, and it isn’t a formal request yet, but he wanted to put that on our radar that we may have to comply with that in a later date.

MOTION TO ADJOURN

Motion to adjourn meeting by Mayor Bigelow, all voted in favor to adjourn.

THERE BEING NO FURTHER BUSINESS OF THE WEST VALLEY AUDIT COMMITTEE MEETING OF THURSDAY, FEBRUARY 20, 2020 WAS ADJOURNED.