



AUDIT COMMITTEE MEETING

February 25, 2021 MINTUES

THE WEST VALLEY CITY AUDIT COMMITTEE MET ZOOM ON THURSDAY FEBRUARY 25, 2021 AT 4:00PM THROUGH ZOOM TECHNOLOGY. THE MEETING WAS CALLED TO ORDER AND CONDUCTED BY LARS NORDFELT, AUDIT COMMITTEE CHAIRMAN.

THE FOLLOWING MEMBERS WERE PRESENT:

Lars Nordfelt, Chairman
 Wayne Pyle, City Manager
 Dean Lundell, Committee Representative
 Angela McConkey, Committee Representative

STAFF PRESENT:

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

INTRODUCTIONS

Chairman Lars Nordfelt called the meeting to order and excused Ron Bigelow (Mayor) from meeting.

APPROVAL OF JUNE 4, 2020 MINUTES

The Committee considered the Minutes of the June 4, 2020 minutes. There were no changes, corrections or deletions. Dean Lundell moved to approve June 4, 2020 minutes. Angela McConkey seconded the motion. A voice vote was taken, and all members voted in favor of motion.

MEETING POINTS

- **AUDIT FISCAL REVIEW FOR FY 2019-2020**

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.



AUDIT COMMITTEE MEETING

June 4, 2020 MINUTES (continued)

Mr. Warnock directed the Committee to the “Findings” section, page 8. 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.

On Page 15 there is noted a finding 2020-001 Expenditures in Excess of Budget. Mr. Welch the explained the reason for this and that it could not be avoided. With COVID-19 grants and money going in and out and there was a specific grant money that needed to be posted and we didn’t receive until after Fiscal Year but needed to post against expenditures. Thus, resulting in expenditures not balanced against the grant money. This has since been balanced and recorded correctly.

- **FRAUD RISK MANAGEMENT**

Per the State Auditor’s request and to be in compliance, we completed and submitted the Fraud Risk Management policy and documentation to the Council and will be submitting to the State Auditor’s office prior to fiscal year end. This is a new process that came in affect this year. Because we have followed closely to what the State Auditor’s recommendations are to entities, we have already been in the process of updating our risk factors and having these policies already in place.

MOTION TO ADJOURN

Motion to adjourn meeting by Lars Nordfelt, all voted in favor to adjourn.

THERE BEING NO FURTHER BUSINESS OF THE WEST VALLEY AUDIT COMMITTEE MEETING OF THURSDAY, FEBRUARY 25, 2021 WAS ADJOURNED.