



FINANCE/AUDIT COMMITTEE

Meeting Minutes

Thursday, September 1, 2011

3:00 p.m. (PST)

Administrative Conference Room, Second Floor
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 3:05 p.m.

ROLL CALL

Council member Richard Cline, Peter Ohtaki,
Honor Huntington, Jeff Child, Stu Soffer

CITY STAFF

Glen Rojas, Starla Jerome-Robinson, Carol Augustine, Stephen Green

A. PUBLIC COMMENT (Limited to 15 minutes)

- None

B. BUSINESS ITEMS

1. Discussion of the FY 2010-11 audit strategy with independent auditors, Odenberg, Ullakko, Muranishi, & Co. (OUM) [Audit Planning Memorandum](#)

The committee received an Audit Planning Memorandum from the City's independent auditors OUM; outlining the overall audit strategy for fiscal year 2010-11. The auditors answered questions from the committee, including redevelopment agency audit, single audit, and an explanation how audits are conducted on various funds. Furthermore, the auditors explained the impact of implementing Governmental Accounting Standards Board (GASB) 54 rule in fiscal year 2010-11.

2. Investment Policy Review [Investment Policy](#) , [Moody's Investors Service](#)

The committee received a draft of the City of Menlo Park Investment Policy. Carol discussed with the committee changes to the investment policy. In addition, Carol answered questions regarding the Repurchase Agreements section and the affect that the downgrade of the U.S. Government Aaa rating may have on local governments.

- C1. Preliminary Close/June 30, 2011 Budget-to-Actual Report [Attachment](#)

The committee agreed to take item C1 prior to B3.

The committee received the preliminary close June 30, 2011, Budget-to-Actual report.

Discussion of revenues included Sales Tax and Licenses and Permits, along with discussion of expenditures in relation to the 2010-11 budget. Explanations were supplied to the committee for noteworthy variances.

3. Discuss ECR/Downtown Fiscal Impact Analysis [FIA Memo](#) , [FIA](#) , [CC Staff Report](#)

The committee received the staff report dated August 30, 2011 along with the Fiscal Impact Analysis (FIA) reports for the El Camino Real/ Downtown Specific Plan. Menlo Park Council requested that the Finance/Audit Committee develop an executive summary explaining the FIA in understandable terms for the general public for the Council meeting Tuesday, September 20, 2011.

4. Next steps for Committee work plan

The committee has scheduled meetings for the development of a three-year forecast in connection to the committee work plan. The committee will be reviewing different formats and scenarios to incorporate into a forecast for different funds.

C. REPORTS AND ANNOUNCEMENTS

1. Preliminary Close/June 30, 2011 Budget-to-Actual Report

Taken out of order

D. INFORMATION ITEMS - None

E. ADJOURNMENT – 5:05 p.m.

Next Meeting – Monday, September 12, 2011 at 5:00 p.m.

Prepared by: Stephen Green