

Item # 14A

**City of Carson City  
Agenda Report**

**Date Submitted:** February 26, 2008

**Agenda Date Requested:** March 6, 2008

**Time Requested:** 45 minutes

**To:** Mayor and Supervisors

**From:** Larry Werner, City Manager

**Subject Title:** Action to appoint 2 members to the Audit Committee establishing their initial terms. The appointments are initially staggered, one term for one year ending February 2009 and the other term for two years ending February 2010.

**Staff Summary:** Per Carson City Municipal Code Chapter 2.14 Section 2.14.030 "The Carson City Audit Committee shall be comprised of five (5) members; two (2) members from the Board of Supervisors, (2) two members from the public-at-large and the City's Director of Finance."

**Type of Action Requested:** (check one)  
 Resolution  Ordinance  
 Formal Action/Motion  Other (Specify)

**Does This Action Require A Business Impact Statement:**  Yes  No

**Recommended Board Action:** I move to appoint \_\_\_\_\_ to serve an initial term of one year ending February 2009 and \_\_\_\_\_ to serve an initial term of two years ending February 2010 to the Audit Committee.

**Explanation for Recommended Board Action:** Per Bill No. \_\_\_ adopted February 21, 2008 amending CCMC Chapter 2.14 Section 2.14.030, the establishment of terms for members of the Audit Committee requires at-large positions be appointed/reappointed. There are 3 applicants;  
Kenneth Brown  
Joe Eiben  
John Warden

**Applicable Statute, Code, Policy, Rule or Regulation:** C.C.M.C., Chapter 2.14, Section 2.14.030.

**Fiscal Impact:** None

**Explanation of Impact:**

**Funding Source:**

**Alternatives:**

**Supporting Material:** Recruitment announcement, CCMC Chapter 2.14, Section 2.14.030.

**Prepared By:** Rose Gardner, Management Assistant

**Reviewed By:**  Date: 9/26/08  
(City Manager)

Melanie Bouketta Date: 9-26-08  
(District Attorney)

**Board Action Taken:**

Motion: \_\_\_\_\_ 1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



## CARSON CITY AUDIT COMMITTEE

The Carson City Board of Supervisors is seeking applications from individuals who may be interested in serving on the Audit Committee in the following category:

- **Member at Large**

**There are two openings:**

**One term will expire February 2009 and one term will expire February 2010.**

"Members at Large" are required to be from the private sector with no less than five years (5) of experience in financial services, public accounting, governmental auditing, and are current with public laws and regulations governing the Audit Committee for Carson City.

The applicants (depending on the category or if in business for themselves), may need a license to do business in Carson City. This Committee provides advice on matters involving the internal and external audit function of Carson City.

Applicants should be aware this Committee requires a minimum commitment of up to three hours a month. All members serve without compensation. The Board of Supervisors will interview and appoint qualified person(s) to the Audit Committee. Members must be residents and registered voters of Carson City.

Volunteer applications may be obtained from and returned to the Carson City Executive Offices. **Applications will be accepted until February 25, 2008.**

*Let it be known all applications submitted to this office will be considered public information.*

Thank you for your interest in helping Carson City.

**CARSON CITY EXECUTIVE OFFICES  
201 N. Carson Street #2  
Carson City, Nevada 89701  
(775)887-2100 FAX(775)887-2286  
E-Mail [Rgardner@ci.carson-city.nv.us](mailto:Rgardner@ci.carson-city.nv.us)  
Web Page <http://www.carson-city.nv.us>  
AN EQUAL OPPORTUNITY EMPLOYER**

2/7/2008

FEB 21 2008 Carson City Application for Appointive/Volunteer Position

Please print or type

Title of Board or Commission: Audit Committee

Title of Position: Member

Name: Kenneth A Brown

Address: 916 Jackson Way CC NV 89701

Last
First
Middle Initial

Street
City
State
Zip

Occupation/Business: Accounting

Telephone: Work- 888 2008 Home- 883 8997 Cell- \_\_\_\_\_ E-mail- kenbrown@ghis.com

How long have you lived in Carson City: 28 yrs Are you an active Carson City Registered Voter: yes

NOTE: ONLY COMPLETE IF A DEGREE IS REQUIRED FOR THIS POSITION

College, professional, vocational or other schools attended	Major Subject	Degree Conferred
University of NV	Accounting	Bachelor of Science Bus Adm

1. Briefly Describe the Qualifications You Possess Which You Feel Would Be An Asset to this Board/Commission/Committee.

experience - 17 years doing audits for  
Public Service Commission  
Gaming Control Investigations 2 yrs

2. List the Community Organizations in Which You Have Participated and Describe Participation.

Carson City Debt Service Commission - Oversee  
bond liability for compliance with NRS. Nevada Bar Association  
fee dispute committee for N. Nevada - Arbitration of  
fee disputes over \$5,000. Nevada Day Board of Directors

3. List Your Affiliation With Professional or Technical Societies. (if required for the Position)

National Society of Tax Professionals

4. Do You Anticipate Any Potential Conflicts of Interest? NO If Yes Please Explain.

Business in Carson City Service Area: Ken Brown, LTD

Length of time in Business: 10 years

Personal/Professional References:

Name	Address	Telephone #
Richard Staub	2425 S. Lomp	CCNV 721-4882
Pete Livermore	4 Raglan Cir	CCNV 882-5056
Robin Williamson	3752 Meadow Wood Rd	CCNV 883-9577

I have sufficient time to devote to this community and plan to attend the required meetings if I am appointed to fill this or a future vacancy. I understand that if I am appointed to a Board/Commission or Committee where a disclosure of Assets Statement is required by State Law or Council Policy I shall do so, and that I may not assume office until 10 days after statement is filed. I hereby declare that all statements given by me on this form are truthful and complete to the best of my knowledge.

*Ken Brown*

Signature of Applicant

2/20/08

Date

You May Attach More Information

All Applications are Public Information

Applications not acted upon will expire after two years from date submitted unless renewed by applicant.

Mail directly to Carson City Executive Offices  
Carson City Executive Offices, 201 N. Carson Street #2, Carson City NV 89701  
(775)887-2100 or 887-2027 Ext. 1205, Fax 887-2286

RECEIVED

### Carson City Application for Appointive/Volunteer Position

FEB 21 2008

Please print or type

CARSON CITY  
EXECUTIVE OFFICE

Title of Board or Commission: Audit

Title of Position: Audit committee member

Name: Eiben Joe P.

Address: 1342 Goshute Carson City NV 89701  
Street City State Zip

Occupation/Business: Retired

Telephone: Work- N/A Home- 882-6547 Cell- 225-9843 E-mail- Rocketmail.com

How long have you lived in Carson City: 3-4 Are you an active Carson City Registered Voter: yes

JPEIBEN@

**NOTE: ONLY COMPLETE IF A DEGREE IS REQUIRED FOR THIS POSITION**

College, professional, vocational or other schools attended	Major Subject	Degree Conferred
<u>Calstate Los Angeles</u>	<u>Business Management</u>	<u>BS</u>
<u>Golden Gate</u>	<u>Telecommunications</u>	<u>MS</u>

1. Briefly Describe the Qualifications You Possess Which You Feel Would Be An Asset to this Board/Commission/Committee.  
Senior staff city of Burbank Library, 30,000 sqft  
Library branch new construction; Library's project  
manager & tech for telecommunication and computer  
infrastructure. Past realtor and business consultant.

2. List the Community Organizations in Which You Have Participated and Describe Participation.  
Rotary, Brewery arts center (by laws committee),  
Republican Central committee (VP), 2nd sheriff's  
VIP program.

3. List Your Affiliation With Professional or Technical Societies. (if required for the Position)

past president "Data Programming Management Association"  
negotiator for "Burbank management association"  
past member "Project management Association"

4. Do You Anticipate Any Potential Conflicts of Interest? No If Yes Please Explain.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Business in Carson City Service Area: Razzel Dazzel Hats & Things

Length of time in Business: 2+

Personal/Professional References:

Name	Address	Telephone #
<u>Bob Crowell</u>		<u>882-1311</u>
<u>Scott Field</u>	<u>3352 Geni</u>	<u>885-9136</u>
<u>Pat Hon</u>	<u>2989 hwy 50</u>	<u>882-5000</u>

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[Signature]  
Signature of Applicant

21 Feb 2008  
Date

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RECEIVED

# FEB 21 2008 Carson City Application for Appointive/Volunteer Position

*Please print or type*

EXECUTIVE OFFICES

Title of Board or Commission: Carson City Audit Committee

Title of Position: Member at Large

Name: Warden, Jr. John F  
Last First Middle Initial

Address: 4318 Hidden Meadow Dr Carson City NV 89701-8624  
Street City State Zip

Occupation/Business: Certified Public Accountant

Telephone: Work 887-8811 Home 885-0703 Cell 219-7494 E-mail johnwardencpa@sbcglobal.net

How long have you lived in Carson City 3 Yr 5 mo Are you an active Carson City Registered Voter? yes

NOTE: ONLY COMPLETE IF A DEGREE IS REQUIRED FOR THIS POSITION

College, professional, vocational or other schools attended	Major Subject	Degree Conferred

1. Briefly Describe the Qualifications You Possess Which You Feel Would Be An Asset to this Board/Commission/Committee.

Certified Public Accountant with over 35 years of experience auditing Governmental Agencies- They include California Cities, Redevelopment Agencies, The County of El Dorado CA, California Special Districts (Fire Safety, Community Service, County Service Areas) State of California Agencies- Parks and Recreation Department, Office of Criminal Justice, and Public Utility Commission funds. Self employed, with staff of 5-7 since 1979 in California, sold practice and moved to Carson City October 2004. Semi-retired with small home base practice. I have a unique audit experience that is very diversified.

2. List the Community Organizations in Which You Have Participated and Describe Participation.

Nevada Artist Association, Carson City  
Kit Carson Shrine Club, Carson City  
Capitol Post # 4, American Legion, Carson City - Commander of the Post  
Marine Cops League, Silver State Detachment, Carson City  
Veterans of Foreign Wars (VFW), Post 3726, Carson City  
Disabled American Veterans (DAV) Chapter 7, Carson City  
Department of Nevada, The American Legion - National Representative to Children & Youth



3. List Your Affiliation With Professional or Technical Societies. (if required for the Position)

California Society of CPA's  
Nevada Society of CPA's  
American Institute of CPA's (AICPA)

4. Do You Anticipate Any Potential Conflicts of Interest?  None  If Yes Please Explain.

[Empty box for explaining potential conflicts of interest]

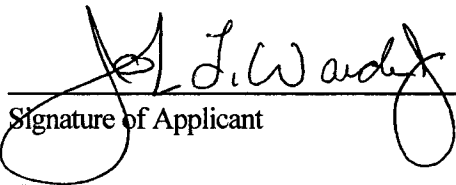
Business in Carson City Service Area:  yes, semi-retired self-employed CPA

Length of time in Business:  30 years overall, 3 years in Carson City, Self employed

Personal/Professional References:

Name	Address	Telephone #
Bob Toscano, Asst Auditor/cont	360 Fair Lane, Placerville, CA 95667	530-621-5458
Bruce Lacher, Chief, El Dorado	PO Box 741, Camino, CA 95709	560-644-9630

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Signature of Applicant

2-19-08  
Date

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## SECTION IV:

Section 2.14.010 of the Carson City Municipal Code is hereby added as follows:

### 2.14.010 Introduction

As the demand for enhanced accountability and the increased examination of an adequate system of internal controls occurs in the public sector due to the Sarbanes-Oxley Act, so does the significance and importance of an Audit Committee.

The independence and objectivity between the Carson City Audit Committee and the City's management team ensures that internal controls are a key management objective of the City's operation. The Government Finance Officers Association and the Institute of Internal Auditors encourage the effective use of an Audit Committee in the public sector and consider this Committee an integral element of public accountability and governance. The Carson City Audit Committee plays a key role with respect to integrity of the City's financial information; it's systems of internal controls, the legal and ethical conduct of management and employees, and is an invaluable tool for ensuring that those responsible for financial management (management, auditors, and governing boards) meet the respective responsibilities for internal control compliance and financial reporting. Additionally, the Carson City Audit Committee provides a vehicle for open communications between the Board of Supervisors, the City Management Team, Internal Audit, and the Independent External Auditors.

## SECTION V:

That Section 2.14.020 of the Carson City Municipal Code is hereby added as follows:

### 2.14.020 Purpose of the Carson City Audit Committee

The role of the Carson City Audit Committee is to maintain oversight of the auditing function, both internal and external resulting in increased integrity and efficiency of the audit processes for the City and the City's system of internal controls and financial reporting. The committee has three primary characteristics for it to successfully fill its obligations:

#### 1. Independence

The Carson City Audit Committee will be independent both in fact and in appearance and requires processes to be in place to ensure such

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#### 1. Independence

The Carson City Audit Committee will be independent both in fact and in appearance and requires processes to be in place to ensure such

independence is maintained at all times.

## 2. Communication

The Carson City Audit Committee will maintain an open line of communication with the Board of Supervisors, City management, internal and external auditors; providing direction for the City's audit function and a framework of accountability.

## 3. Accountability

The Carson City Audit Committee contributes to the integrity of the financial reporting process and reinforces the culture of a strong system of internal controls throughout the City.

The Carson City Audit Committee shall provide oversight to the City's internal controls by assuring that the system of internal controls established by management are reviewed on a regular and systematic basis for functionality and effectiveness. The Carson City Audit Committee's duties shall include, but is not limited to, development of the risk assessment and annual work plan, review of all individual audit reports, review of the annual report of audits completed, review the status of corrective actions, the annual budget, and the performance of the Internal Auditor. Upon completion of these reviews, the Carson City Audit Committee will make appropriate recommendations to the Board of Supervisors.

## SECTION VI:

That Section 2.14.030 of the Carson City Municipal Code is hereby added as follows:

### 2.14.030 Composition of the Carson City Audit Committee

1. The Carson City Audit Committee will be independent and objective in its collective mindset individually and as a group. The Committee will reflect the following attributes:
  - a. Excellent communication skills with each other and with others
  - b. A willingness to fully participate in complex an sensitive matters that require resolution
  - c. Public accounting, governmental accounting and auditing experience
2. The Carson City Audit Committee shall be comprised of five (5) members; two (2) members from the Board of Supervisors, (2) two members from the public at-large and the City's Director of Finance.

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  - b. A willingness to fully participate in complex an sensitive matters that require resolution
  - c. Public accounting, governmental accounting and auditing experience
2. The Carson City Audit Committee shall be comprised of five (5) members; two (2) members from the Board of Supervisors, (2) two members from the public at-large and the City's Director of Finance.

- a. Two (2) members of the Carson City Audit Committee will be selected from the Board of Supervisors. The Board members shall be selected each January when the Board of Supervisors address Board and Commission assignments; these two (2) positions will have staggered two (2) year terms.
  - b. The two (2) members at-large of the Carson City Audit Committee will be interviewed and selected by the Board of Supervisors. These members must be from the private sector with no less than five (5) years of experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be for staggered two (2) years; expiring on an alternate year.
  - c. The members at-large shall not accept any consulting, advisory, or other compensatory fees from the City and may not be an affiliated person with the City or any subsidiary thereof.
3. Should a vacancy occur in any position on the Carson City Audit Committee, the Board of Supervisors must follow the procedure set forth above to select a new member to the Committee. The selection must occur within one month of the vacancy occurring.
  4. When deemed necessary, the Carson City Audit Committee may request that the City Manager and other management employee's attend a Carson City Audit Committee meeting in an advisory capacity. This individual may be requested to provide necessary information relative to internal controls, data, and analysis related to the specific objectives of the Carson City Audit Committee.

#### SECTION VII:

That Section 2.14.040 of the Carson City Municipal Code is hereby added as follows:

#### Section 2.14.040 Responsibilities of the Carson City Audit Committee

1. The Carson City Audit Committee will review and make recommendations to the Board of Supervisors regarding the annual financial audit, performance, compliance and efficiency audits, including specific issues of concern providing a higher level of accountability over the use of public funds. As appropriate, background documents related to specific audit issues will be sent to the Committee during the course of each year.
2. The Carson City Audit Committee will:

- a. Two (2) members of the Carson City Audit Committee will be selected from the Board of Supervisors. The Board members shall be selected each January when the Board of Supervisors address Board and Commission assignments; these two (2) positions will have staggered two (2) year terms.
  - b. The two (2) members at-large of the Carson City Audit Committee will be interviewed and selected by the Board of Supervisors. These members must be from the private sector with no less than five (5) years of experience in financial services, public accounting, and/or governmental auditing, and current knowledge of public laws and regulations governing an audit committee. The terms shall be for staggered two (2) years; expiring on an alternate year.
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