

CARSON CITY AUDIT COMMITTEE
Minutes of the October 23, 2018 Meeting
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A regular meeting of the Carson City Audit Committee was scheduled for 3:30 p.m. on Tuesday, October 23, 2018 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Chairperson Stephen Ferguson
Member Lori Bagwell
Member Ernie Mayhorn

STAFF: Nancy Paulson, City Manager
Sheri Russell, Chief Financial Officer
Dan Yu, Chief Deputy District Attorney
Kathleen King, Chief Deputy Clerk

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the Clerk, during the meeting, are part of the public record. These materials are available for review, in the Clerk's Office, during regular business hours.

1 - 2. CALL TO ORDER AND ROLL CALL (3:34:33) - Chairperson Ferguson called the meeting to order at 3:34 p.m. Ms. King called the roll; a quorum was present. Vice Chairperson Bertrand and Member Strasburg were absent.

3. PUBLIC COMMENTS AND DISCUSSION (3:34:52) - Chairperson Ferguson entertained public comment; however, none was forthcoming.

4. POSSIBLE ACTION ON APPROVAL OF MINUTES - July 31, 2018 (3:35:34) - Chairperson Ferguson introduced this item, and entertained a motion. **Member Mayhorn moved to approve the minutes, as presented. Member Bagwell seconded the motion. Motion carried 3-0.**

5. POSSIBLE ACTION ON ADOPTION OF AGENDA (3:36:20) - Chairperson Ferguson introduced this item, and entertained modifications to the agenda. Ms. Russell advised that item 6(D) would be a discussion-only item. Chairperson Ferguson entertained additional modifications to the agenda and, when none were forthcoming, deemed the agenda adopted as published.

6. PUBLIC MEETING ITEMS:

6(A) DISCUSSION AND POSSIBLE ACTION REGARDING THE MONITORING, REVIEW, AND CLOSURE OF INTERNAL AUDIT FINDINGS INCLUDED IN THE AUDIT FINDINGS TRACKING REPORT AND TO PROVIDE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS FOR CLOSURE OF COMPLETED PROJECTS (3:37:15) - Chairperson Ferguson introduced this item, and Ms. Russell presented the agenda materials. Ms. Russell responded to questions throughout the presentation, and extensive discussion took place regarding each of the internal audits. Chairperson Ferguson entertained a motion. **Member Bagwell moved to close the items, as recommended on the spreadsheet presented. Member Mayhorn seconded the motion. Motion carried 3-0.**

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6(B) POSSIBLE ACTION TO PROVIDE DIRECTION, UPON REVIEW OF AGREED-UPON PROCEDURES, TO EIDE BAILLY AND STAFF REGARDING THE FIRE OVERTIME STUDY AND THE TEMPORARY STAFFING STUDY CURRENT AUDIT WORK PROGRAM UPDATE (4:05:14) - Chairperson Ferguson introduced this item, and Eide Bailly Partner Dan Carter presented the agenda materials in conjunction with displayed slides. Mr. Carter, Fire Chief Sean Slamon, and Ms. Russell responded to questions of clarification, and discussion ensued. In response to a question, Mr. Carter acknowledged sufficient direction. No formal action was taken.

6(C) POSSIBLE ACTION TO PROVIDE DIRECTION, UPON DISCUSSION WITH CHIEF INFORMATION OFFICER ERIC VON SCHIMMELMANN, REGARDING CYBERSECURITY PROCEDURES TO EIDE BAILLY LLP AND STAFF (4:34:51) - Eide Bailly Partner Dan Carter presented the agenda materials for this item. Mr. Carter and Chief Information Officer Eric Von Schimmelman responded to questions of clarification. No formal action was taken.

6(D) POSSIBLE ACTION REGARDING A PRESENTATION BY EIDE BAILLY ON THE RISK ASSESSMENT FOR THE AUDIT COMMITTEE'S CONSIDERATION, DISCUSSION, AND POSSIBLE RECOMMENDATION ON FUTURE PROCEDURES (4:41:15) - Chairperson Ferguson introduced this item, and Eide Bailly Partner Dan Carter presented the agenda materials in conjunction with displayed slides. Mr. Carter and Ms. Russell responded to questions of clarification, and discussion followed.

In response to a question, Mr. Carter reviewed projects to be reported on at the next committee meeting. A brief discussion took place to schedule the next committee meeting, and consensus indicated 3:30 p.m. on Tuesday, January 29, 2019.

7. PUBLIC COMMENT (5:02:08) - Chairperson Ferguson entertained public comment; however, none was forthcoming.

8. ACTION TO ADJOURN (5:02:26) - Chairperson Ferguson adjourned the meeting at 5:02 p.m.

The Minutes of the October 23, 2018 Carson City Audit Committee meeting are so approved this 29th day of January, 2019.

STEPHEN FERGUSON, Chair