

**AUDIT COMMITTEE  
OF THE CITY OF SAN DIEGO**

**Council President Pro Tem Kevin L. Faulconer, Chair  
Councilmember Carl DeMaio, Vice Chair  
Committee Member Thomas Hebrank  
Committee Member Charles Sellers  
Committee Member Steve Grant**

**ACTIONS FOR  
MONDAY, JANUARY 9, 2012, AT 9:00 A.M.**

**COUNCIL COMMITTEE ROOM (12TH FLOOR),  
CITY ADMINISTRATION BUILDING  
202 C STREET, SAN DIEGO, CALIFORNIA**

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(619) 236-6992

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All Committee members present.

NON-AGENDA PUBLIC COMMENT: Robert McNamara requested an extension of the Audit Committee's ad hoc subcommittee formed to review past San Diego County Grand Jury recommendations.

COMMITTEE COMMENT: Chair Faulconer noted that the City Council was scheduled to hear that afternoon the Public Utilities Capital Improvement Program performance audit. In response to the Audit Committee's request when it heard the audit, the City Attorney's Office issued a memorandum regarding the Independent Rate Oversight Committee's (IROC) responsibilities. Deputy City Attorney Mara Elliott stated that the City Attorney issued the memorandum on December 23, 2011, which includes an attachment that describes IROC's responsibilities. The memorandum is available to the public on the City's website.

CITY AUDITOR, CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: None.

ADOPTION AGENDA

Approval of the Record of Action Items for December 5, 2011

**ACTION:** Motion by Committee Member Hebrank, second by Chair Faulconer, to approve.

**VOTE:** 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, Hebrank-yea, Sellers-yea

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INFORMATION ITEMS

ITEM-1: Report from the City Auditor regarding AUDIT ACTIVITY [PowerPoint](#)

ACTION: Information only. No action taken.

ITEM-2: [Update from the Outside Auditor](#) (Macias Gini & O'Connell) regarding the FISCAL YEAR 2011 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) AUDIT

ACTION: Information only. No action taken.

DISCUSSION/ACTION ITEMS

ITEM-3: [Presentation by the Centre City Development Corporation](#): FISCAL YEAR 2011 ANNUAL FINANCIAL REPORT [PowerPoint](#)

ACTION: Motion by Committee Member Hebrank, second by Committee Member Grant, to receive and file the audit report and forward to the City Council.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, Hebrank-yea, Sellers-yea

ITEM-4: Presentation by San Diego Housing Commission: FISCAL YEAR 2011 [ANNUAL FINANCIAL REPORT](#) [PowerPoint](#)  
[Outside Auditor \(Reznick\) Responses to Audit Committee Review Questions](#)  
[Reznick Report](#) [Reznick Report – Otay Villas](#) [Reznick Report – Scattered Sites](#)  
[Reznick Report – Single Audits](#) [Reznick – Report to Board of Commissioners](#)  
[SDHC Management Responses to Audit Committee Review Questions](#)

ACTION: Motion by Committee Member Hebrank, second by Chair Faulconer, to receive and file the financial statements and forward them to the City Council.

VOTE: 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, Hebrank-yea, Sellers-yea

ITEM-5: [Report from the City Comptroller](#): ANNUAL REPORT ON INTERNAL CONTROLS [PowerPoint](#) [Certification](#)

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**ACTION:** Motion by Committee Member Hebrank, second by Chair Faulconer, to receive the report and forward to the City Council.

**VOTE:** 5-0; Faulconer-yea, DeMaio-yea, Grant-yea, Hebrank-yea, Sellers-yea

Chair Faulconer stated he intends to hold a hearing at the March 2012 Audit Committee meeting regarding the audit of the City's internal controls in order to discuss the audit's scope and whether it should be initiated sooner than management's November 2012 timeframe.

Kevin Faulconer  
Council President Pro Tem