

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

**ACTIONS FOR
MONDAY, DECEMBER 1, 2008, AT 9:00 A.M.**

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

For information, contact Steve McNally, Acting Committee Consultant
202 C Street, 10th Floor, San Diego, CA 92101
Email: SMcNally@sandiego.gov
619-236-6622

NON-AGENDA PUBLIC COMMENT: Charles Sellers from the Rancho Penasquitos Planning Board commented on his candidacy as a member of the Audit Committee.

COMMITTEE COMMENT: None.

CITY ATTORNEY, IBA, AUDITOR, AND MAYORAL STAFF COMMENT: Jeff Kavar from the Independent Budget Analyst's office commented on the progress of selecting the candidates for the public Audit Committee members.

Internal Auditor Eduardo Luna commented on docketing the hotline administration plan for the City Council.

Chair Faulconer expressed appreciation for his colleagues' hard work on the Audit Committee during 2007 and 2008.

ADOPTION AGENDA

Approval of the Record of Action Items for November 3, 2008

ACTION: Motion by Councilmember Young, second by Councilmember Atkins, to approve.

VOTE: 3-0; Faulconer-yea, Young-yea, Atkins-yea

ITEM-1: Update from Macias Gini & O'Connell and the City Comptroller regarding the STATUS OF THE 2005, 2006, 2007 (REDEVELOPMENT AGENCY ONLY), AND 2008 FINANCIAL STATEMENT AUDITS

ACTION: Information only. No action taken.

ACTIONS
Audit Committee
December 1, 2008
- 2 -

ITEM-2: Update regarding CORRESPONDENCE WITH THE SECURITIES AND EXCHANGE COMMISSION

ACTION: Information only. No action taken.

ITEM-3: Update regarding SOUTHEASTERN ECONOMIC DEVELOPMENT CORPORATION PERFORMANCE AUDIT

ACTION: Information only. No action taken.

ITEM-4: Update from the Internal Auditor regarding the CENTRE CITY DEVELOPMENT CORPORATION PERFORMANCE AUDIT

(See Internal Auditor's December 1, 2008, PowerPoint)

ACTION: Information only. No action taken.

ITEM-5 Informational report from Jefferson Wells, the Audit Committee's Auditing Professional, regarding the OUTLINES FOR THE HANDBOOK AND ORIENTATION SESSION FOR NEW AUDIT COMMITTEE MEMBERS

(See Jefferson Wells' Orientation and Handbook Outlines)

ACTION: Information only. No action taken.

ITEM-6 Review of the MANAGEMENT RESPONSES TO FISCAL YEAR 2007 BID TO GOAL AND PAY FOR PERFORMANCE AUDITS

(See Operations Department's November 10, 2008, responses to Pay for Performance, and Bid to Goal; Metropolitan Wastewater Department's November 18, 2008, responses to Bid to Goal, B2G Audit Report, 2004 Wastewater Collection Bid to Goal, and Pay for Performance Audit Report; Water Department's November 20, 2008, Audit Report; Water Department's December 1, 2008, PowerPoint)

ACTION: Information only. No action taken.

ITEM-7 Report from the Internal Auditor regarding UTILITY DEPARTMENT INCENTIVE PROGRAM PROCESSES

ACTIONS
Audit Committee
December 1, 2008
- 3 -

(See Water Department's October 31, 2008, report; Internal Auditor's December 1, 2008, PowerPoint)

ACTION: Information only. No action taken.

ITEM-8 Report from the IBA regarding INFORMATION RELATED TO
RECOMMENDED CONTRACTING PRACTICES FOR ACTUARIAL
SERVICES

(See Independent Budget Analyst's Report No. 08-120; Stanley Keller's
November 25, 2008, letter)

ACTION: Information only. No action taken.

ITEM-9 Review of the MANAGEMENT RESPONSES TO THE AUDIT OF INTERNAL
CONTROL REMEDIATION RELATED TO THE SAN DIEGO CITY
EMPLOYEES RETIREMENT SYSTEM

(See SDCERS' November 24, 2008, memorandum)

ACTION: Information only. No action taken.

Kevin Faulconer
Chair