

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

**Council President Pro Tem Kevin Faulconer, Chair
Councilmember Carl DeMaio, Vice Chair
Committeemember Wade McKnight
Committeemember Charles Sellers
Committeemember Steve Grant**

**ACTIONS FOR
MONDAY, JUNE 15, 2009, AT 9:00 A.M.**

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

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All Committee members present.

NON-AGENDA PUBLIC COMMENT: Mel Shapiro commented on past actions by the Audit Committee and changes that are necessary in the Audit Manual.

Councilmember Frye commented on the annual financial report of the Redevelopment Agency, and the possible lack of ability of this agency to pay back loans.

COMMITTEE COMMENT: Chair Faulconer commented on the Audit Committee's vigilance regarding the recently passed City budget.

CITY ATTORNEY, IBA, AND MAYORAL STAFF COMMENT: City Auditor Eduardo Luna introduced the new staff member in the Auditor's office, Farhat Popal.

Approval of the Record of Action Items for June 1, 2009

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to approve.

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

ITEM-1: Report from the Audit Committee Chair regarding AUDIT COMMITTEE'S

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**RECOMMENDATION ON CITY AUDITOR COMPENSATION FOR FISCAL
YEAR 2010**

(See City Attorney's May 8, 2009, memorandum; Audit Committee's June 20, 2009, letter)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to forward Fiscal Year 2010 City Auditor Compensation memorandum with proposed amendments to Council for approval, with the exception that the reference to the auto allowance will be removed; and direct Independent Budget Analyst to conduct a comparison of City Auditor's compensation prior to November 9, 2009 performance evaluation.

VOTE: 4-1; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea,
Sellers-nay

**ITEM-2: Review of REDEVELOPMENT AGENCY 2008 FINANCIAL STATEMENT
AUDIT**

(See City Attorney's February 23, 2009, memorandum; Macias Gini & O'Connell's June 15, 2009, letter; Macias Gini & O'Connell's April 20, 2009, letter; Macias Gini & O'Connell's June 15, 2009, PowerPoint; Stanley Keller's Junly 16, 2007, memorandum; Redevelopment Agency's June 30, 2008, report)

ACTION: Motion by Councilmember DeMaio, second by Chair Faulconer, to recommend Council receive and file the Fiscal Year 2008 Redevelopment Agency Financial Report.

VOTE: 4-1; Faulconer-yea, DeMaio-yea, Grant-yea, McKnight-yea,
Sellers-nay

**ITEM-3: Report from the City Auditor regarding SAP ENTERPRISE RESOURCE
PLANNING (ERP) IMPLEMENTATION AUDIT**

ACTION: Information item only. No action taken.

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ITEM-4: Report from the Independent Rate Oversight Committee (IROC) regarding IROC
ANNUAL REPORT

(See Independent Rates Oversight Committee's February 10, 2009, report;
Independent Rates Oversight Committee's June 15, 2009, PowerPoint)

ACTION: Information item only. No action taken.

Kevin L. Faulconer
Council President Pro Tem