



**Meeting Minutes
March 19, 2018**

Committee Members

Chairperson Lisa M. Gillmor, Chair
Committee Member Teresa O'Neill
Committee Member Patrick Kolstad

Staff

Executive Director, Deanna J. Santana
Chief Operating Officer, Walter C. Rossmann
Stadium Authority Counsel, Brian Doyle
Assistant City Manager, Ruth Shikada
Treasurer, Angela Kraetsch
Assistant to the Executive Director, Catlin
Ivanetich

Call to Order

Chairperson Gillmor called the meeting to order at 5:02 p.m.

Approval of Minutes

It was moved by Committee Member Kolstad, seconded by Committee Member O'Neill, and unanimously carried, that the Committee approve the minutes of November 27, 2017.

Public Presentations

No public presentations

General Business

1. Information Memorandum on Reconciliation of Public Safety Expenditures and Fiscal Reporting

The Executive Director reported that it would be conflictive for her to report on work conducted by city staff. She explained that as a separate action later on the agenda, the Committee would be presented with options to recommend to the Santa Clara Stadium Authority (SCSA) for selecting the Stadium Auditor function.

It was moved by Member Kolstad, seconded by Member O'Neill, and unanimously carried, that the Committee note and file the Information Memorandum on Reconciliation of Public Safety Expenditures and Fiscal Reporting.

2. Status of Harvey M. Rose Associates Measure J Compliance Audit Recommendations

The Executive Director reported staff's previous and current progress toward implementing the thirty-seven audit recommendations. She reported that of the thirty-seven audit recommendations, eighteen have been completed, fourteen are partially complete, and five have not been implemented.

The Executive Director reported that staff would continue to focus on receipt of Non-NFL Event Records; would address issues with the Public Safety Threshold; and would address issues with Unreimbursed City Staff Costs.

The Treasurer reported on the current status of the audit recommendations, as well as the work plan for tracking and monitoring audit recommendation implementation, emphasizing that the auditing function is key to the next steps.

Chairperson Gillmor thanked staff for the excellent work done on the audit recommendations. Member Kolstad also thanked staff for the level of detail provided on the updates on the audit recommendations.

It was moved by Member Kolstad, seconded by Member O'Neill, and unanimously carried, that the Committee note and file the Status of Harvey M. Rose Associates Measure J Compliance Audit Recommendations.

3. Review of options for Santa Clara Stadium Authority (SCSA) Auditor

The Chief Operating Officer reported that processes and procedures would be implemented to ensure that the audit recommendations are completed. He stated that the goal is to get an auditor in place to oversee the auditor function for the Stadium. He explained that the Committee could either direct the Executive Director to bring forward for the Board's consideration the appointment of a City employee to the position of Auditor of the Stadium Authority, or direct the Executive Director to bring forward for the Board's consideration criteria and selection process for the appointment of a firm or person to assume the role of Auditor of the Stadium Authority. He stated that staff would like to recommend that the Committee direct the Executive Director to bring forward to the Board's consideration to appoint an Assistant Treasurer for the position of Auditor of the Stadium Authority.

The Executive Director reported that staff had reconsidered the benefits of making this recommendation, in an effort to stretch dollars and obtain the highest level of review. She further clarified that the Assistant Treasurer would serve as the coordinator of the consultant who is performing the audit work and would serve as a liaison to the consultant and the Stadium Authority Board.

Member Kolstad expressed his support for the Committee to direct the Executive Director to bring forward for the Board's consideration the appointment of a City employee to the position of Auditor of the Stadium Authority

Member O'Neill asked to clarify if this recommendation would involve the City Clerk function as the City Auditor.

The Stadium Authority Counsel clarified that the Charter gives the City Council authority to appoint the City Auditor, and the Joint Powers Agreement give the Stadium Authority Board authority to appoint the Stadium Authority Auditor.

Chairperson Gillmor requested clarification on who would assist the Stadium Authority Board to assure compliance with Measure J.

The Executive Director clarified that an auditor cannot audit what they are involved in managing, and she confirmed that the Auditor would oversee the work performance and report all findings to the Stadium Authority Board.

It was moved by Member Kolstad, seconded by Member O'Neill, and unanimously carried, that the Committee direct the Executive Director to bring forward for the Stadium Authority Board's consideration the appointment of a City employee to the position of Auditor of the Stadium Authority.

Public Comments

Mike O'Halloran made general comments and concerns regarding the financial issues regarding the Stadium. Chairperson Gillmor commented that the Stadium Authority Board requested a Stadium Audit to ensure their ability to fulfill their fiduciary responsibility. Member O'Neill commented that the questions raised by the Stadium Audit allowed the Forty Niners, and the City, to increase their knowledge on the management of the Stadium and to allow for a more positive partnership moving forward.

Adjournment

The Chairperson adjourned the meeting at 6:39 p.m.