

**County of Fresno**  
**Auditor-Controller/Treasurer-Tax Collector**  
**Audit Committee Minutes**  
**Board of Supervisors' Chambers**  
**January 10, 2020 – 10:00 a.m.**

**MEMBERS PRESENT:**

Supervisor Nathan Magsig, Audit Committee Chairman

Brian Melikian, Chief Deputy County Counsel, sitting in for Daniel Cederborg, County Counsel, Audit Committee Vice-Chairman

Supervisor Sal Quintero

Debbie Paolinelli, Assistant County Administrative Officer, sitting in for Jean Rousseau, County Administrative Officer

**Call to Order:** Chairman Nathan Magsig called to order the regular meeting of the Audit Committee (Committee) on January 10, 2020 at 10:01 a.m. in the Board of Supervisors' Chambers.

**1. Pledge of Allegiance**

- This portion of the meeting began with Chairman Magsig leading all in attendance with the Pledge of Allegiance.

**2. Approve Agenda**

- A motion was made by Brian Melikian, seconded by Debbie Paolinelli and carried 4-0 to receive, and approve the January 10, 2020 agenda.

**3. Public Presentations**

- This portion of the meeting is reserved for persons desiring to address the Committee briefly on any matter not on this agenda within the Committee's subject matter jurisdiction.
- There being none, the Committee proceeded to hear the next item on the agenda.

**4. Agenda Items**

**Consent Items**

**a) Approve Quarterly Fraud Report covering October 1, 2019 to December 31, 2019**

- A motion was made by Supervisor Sal Quintero, seconded by Debbie Paolinelli, and was carried 4-0 to approve Agenda Item 4a.

**Discussion and Action Items**

**b) Review and accept 2018-2019 County of Fresno Comprehensive Annual Financial Report**

- Megan Marks, Accounting and Financial Division Chief, FR&A, introduced the item and Eric Xin, Engagement Partner, Brown Armstrong Accountancy Corporation, presented the item.
- Mr. Xin stated that the audit was for the financial balance and internal control over financial report. He stated that their scope covered inquiry, confirmation, substantial testing, and analytical procedure. Mr. Xin stated that there were no significant audit adjustments and no findings. Mr. Xin stated that during the year the County of Fresno (County) adopted Standard 83, Asset Retirement Obligation, and Statement # 88, Certain Disclosure Related to Debt including Direct Borrowings and Direct Placements, which has no effect on the financial statement.
- Chairman Magsig asked Oscar Garcia, Auditor/Controller-Treasurer/Tax Collector (ACTTC), that based on the trend from CAFR what the expectation for rest of the County's fiscal year 2020 would be.

- Mr. Garcia stated that the County will not be receiving the \$7 billion SB 90 funding received last year. He stated that the projection for discretionary revenue will be \$296 million depending on sales tax.
- Chairman Magsig stated that property taxes from last year were 6.1 and asked what the expectation this year would be.
- Mr. Garcia stated that it would be about the same.
- Chairman Magsig asked that what the expectation this year would be for sales tax.
- Mr. Garcia stated that it would be about \$20 million, but it can't tell until the end. He stated that a TRAN might have to be issued to sustain the County through December until taxes are received.
- Chairman Magsig opened for public comments and there was none.
- A motion was made by Supervisor Sal Quintero, seconded by Debbie Paolinelli, and was carried 4-0 to accept Agenda Item 4b.

**c) Review and receive the County of Fresno, California, Grants Funded by the State of California Office of Emergency Services (Cal OES) Audited Financial Schedules for the Year Ended June 30, 2019**

- Megan Marks, Accounting and Financial Division Chief, FR&A, introduced the item and Eric Xin, Engagement Partner, Brown Armstrong Accountancy Corporation, presented the item. Mr. Xin stated that the audit is for state grant and focus on expenditure incurred by the County of Fresno for the Sheriff, District Attorney, and Probation Departments. He stated that the tests were on payroll and payroll expenditures to ensure money was spent based on the grant's agreement. He stated that there was no finding.
- Chairman Magsig opened the item for public comments.
- Debbie Paolinelli, Assistant County Administrative Officer, asked what happen to the unused fund in the Victim Witness Program.
- Mr. Xin stated that he thinks the unused fund can be carry to the following year as some end dates are as of June. He stated that they can also discuss with the State regarding carrying over to the next year.
- With no comments, a motion was made by Debbie Paolinelli, seconded by Supervisor Sal Quintero, and was carried 4-0 to received Agenda Item 4c.

**5. Staff Updates**

- Mr. Garcia stated that \$65 million was collected to date for VLF, last year was \$123.5 million, and anticipated \$130.5 million. He stated that this information will be taking to the Board of Supervisor on the next meeting.

**6. Adjournment**

- A motion was made by Supervisor Sal Quintero, seconded by Debbie Paolinelli, and was carried 4-0 to adjourn the meeting at 10:15 a.m.

**Audit Committee Members:**

Supervisor Nathan Magsig, Audit Committee Chairman  
 Daniel C. Cederborg, County Counsel, Audit Committee Vice-Chairman  
 Supervisor Sal Quintero  
 Jean Rousseau, County Administrative Officer  
 Elizabeth Diaz, Co-Department Heads Council  
 Kulwinder Brar, Public Member