

CITY OF PASADENA
Successor Agency to the
Pasadena Community Development Commission Minutes
January 12, 2015 – 5:30 P.M.
City Hall Council Chamber

REGULAR MEETING

OPENING: Chair Bogaard called the regular meeting of the Board of Directors to order at 6:42 p.m.

ROLL CALL:
Commissioners:

Chair Bill Bogaard
Vice Chair Jacque Robinson
Member Victor Gordo
Member John Kennedy
Member Steve Madison
Member Gene Masuda
Member Margaret McAustin
Member Terry Tornek

Staff:

Executive Director Michael J. Beck
General Counsel Michele Beal Bagneris
Secretary Mark Jomsky

PUBLIC COMMENT

No one appeared for public comment.

November 3, 2014
November 10, 2014

It was moved by Vice Chair Robinson, seconded by Member McAustin, to approve the above minutes, as submitted. (Motion unanimously carried) (Absent: None)

FISCAL YEAR JUNE 30, 2014 ANNUAL FINANCIAL REPORTS

Member Madison was excused at 9:53 p.m., and left the meeting.

Recommendation: It is recommended that the following reports for the year ending June 30, 2014 be received by the City Council and/or the Successor Agency to the Pasadena Community Development Commission.

- A. Comprehensive Annual Financial Report
- B. Single Audit Reports
- C. Management Letter – City of Pasadena
- D. Pasadena Center Operating Company Basic Financial Statements
- E. Rose Bowl Operating Company Basic Financial Statements
- F. Pasadena Community Access Corporation Basic Financial Statements
- G. Pasadena Fire and Police Retirement System Report and Audited Financial Statements and Required Supplemental Information

- H. Air Quality Improvement Fund Financial and Compliance Report
- I. Independent Accountant's Report on Agreed-Upon Procedures Applied
Appropriation Limit Worksheets
- J. Independent Accountant's Report on Agreed-Upon Procedures Applied to
Employee Deductions for the Internal Revenue Code Section 457 Deferred
Compensation Program
- K. The Auditor's Communications with the City's Audit and Finance Committee
- L. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Member Tornek, Chair of the Finance Committee, introduced the agenda item, and noted that due to the short length of time the Committee had to review the material, and the recent events associated with the misappropriation of public funds, that the Finance Committee requests an opportunity to further review the material.

Andy Green, Director of Finance, introduced the agenda item, Robert Ridley, City Controller, and Andrew J. Paulden, Certified Public Accountant (CPA) representing the Brown Armstrong Accountancy Corporation, reviewed the agenda report as part of a PowerPoint presentation, and responded to questions regarding the auditor's function, the City's internal control system, and the auditor's random sampling process.

In response to Member Tornek, Mr. Paulden noted that, in the future, he and staff will work together to provide better organized reports in terms of appropriately identifying items being presented for review.

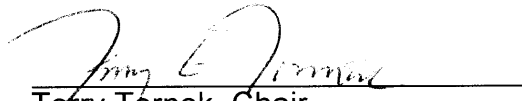
Member Masuda inquired about the number of funds that are administered by one or two individuals, and suggested that a forensic audit be conducted on those particular funds. In response, the City Manager noted that staff is thoroughly reviewing all 131 funds, including sub-programs within the funds, to determine if there are any areas where a single staff person manages all aspects of a program, which creates a greater potential for fraud.

Member Gordo noted that there will be an opportunity to probe deeper into all of the funds through the citywide risk assessment, at which point, potential weaknesses can be identified.

Jim Lissner, Hermosa Beach resident, raised questions regarding the unassigned funds in the General Fund listed in the CAFR and the Project Management Capital Project funds.

Following discussion, it was moved by Member Tornek, seconded by Vice Chair Robinson, to receive and file the Fiscal Year June 30, 2014 Annual Financial Reports, with the understanding that the Finance Committee will continue to review the audit reports, and will report back to the City Council if there are any specific issues that require further discussion. (Motion unanimously carried) (Absent: Member Madison)

On order of the Chair, the regular meeting of the Successor Agency to the Pasadena Community Development Commission adjourned 10:49 p.m.



Terry Tornek, Chair
Successor Agency to the
Pasadena Community Development Commission

ATTEST:


Secretary