

Humboldt County Audit Committee

Committee Members: Virginia Bass, Board of Supervisors, Chair Mike Wilson, Board of Supervisors, Vice-Chair Corey Weber, Representative of Schools Cheryl Dillingham, Public Member Mychal Evenson, Public Member	County Advisory Staff: Elishia Hayes, Interim County Administrative Officer Karen Paz Dominguez, Auditor-Controller John Bartholomew, Treasurer-Tax Collector
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**Minutes**

July 22, 2021

10:30 a.m. to 12:30 p.m.

**SPECIAL MEETING – VIRTUAL**

- A. Call to Order – **the meeting was called to order at 10:35 a.m.**
- B. Roll Call  
  
**Members Present:** Supervisor Virginia Bass, Supervisor Mike Wilson, Cheryl Dillingham, Mychal Evenson, Corey Weber  
  
**Advisory Staff Present:** Interim CAO Elishia Hayes, Treasurer Tax Collector John Bartholomew, and Auditor Controller Karen Paz Dominguez
- C. Approval of May 20, 2021 Audit Committee Minutes – **the minutes of the May 20, 2021 Audit Committee meeting were approved as submitted.**
- D. Public Comment – **Marie Essig, a county employee with extensive accounting/fiscal experience, volunteered to assist the Auditor Controller and her staff to complete the needed work within the department.**
- E. Administrative Matters
  - 1. Timing of Charter Responsibilities
    - a. Selection of External Auditor in future years – **at the recommendation of Auditor Controller Karen Paz Dominguez, the Audit Firm of CliftonLarsonAllen (CLA) was unanimously selected by the committee.**
    - b. Inquiry of significant financial risks and exposures and adequacy of the county’s internal controls, including computerized information system controls and security.

- i. **Financial Policy Review – Scott Johnson from MGO updated the committee and reported that work is being done in conjunction with the Auditor Controller and MGO to develop a fiscal policy manual.**
- ii. **IRS Liens Update – Auditor Controller Karen Paz Dominguez updated the committee and reported that the issue with the IRS liens has been resolved and the liens have been released.**
- iii. **Clarification of Comments Related to Interest Apportionment and the Treasurer/Tax Collector’s Office – Treasurer Tax Collector John Bartholomew gave an update on interest apportionment and noted that the FY 20-21 interest apportionment process is dependent upon the Auditor Controller’s office completing their work....interest apportionment can’t happen until their work is complete.**
- iv. **Clarification of Process as it Relates to Public Works and the loss of large sums of funding – Public Works Director Tom Mattson gave a brief PowerPoint presentation highlighting funding losses within the Public Works Department as a result of the County’s books not being closed and audits not being completed. Director Mattson also graciously offered the assistance of his fiscal and financial staff in assisting the Auditor Controller’s office to complete the needed work.**
- v. **Delinquent Financial Transaction Report – Auditor Controller Karen Paz Dominguez updated the committee on the status of the county’s financial transaction report.**  
  
**Scott Johnson from MGO noted that the work needed to complete the financial transaction report for the county could be subcontracted for \$5,200 and Auditor Controller, Karen Paz Dominguez agreed.**
- vi. **Trial Balance (and all supporting documentation) – Auditor Controller Karen Paz Dominguez stated that she is committed to meeting the 1<sup>st</sup> week of August target for completion of the trial balance, financial statements and annual single audit review.**

- c. **Annual Financial Statement Review – Auditor Controller Karen Paz Dominguez and Rich Gonzalez from CliftonLarsonAllen (CLA) discussed the annual financial statement review. Mr. Gonzales stressed the importance of starting the audit the first week of August, 2021 in order to complete the audit by the September 30, 2021 deadline. Auditor Controller Paz Dominguez noted that her office would need assistance to complete the necessary work and Scott Johnson noted that MGO could assist in completing this work.**
- d. **Annual Single Audit Review - Auditor Controller Paz Dominguez again noted that her office would need assistance to complete the necessary work and Scott Johnson noted that MGO could assist in helping the Auditor Controller’s office complete this work.**
  - i. **Review of Audit Findings – there was no discussion on this item.**
- e. **Annual Presentation to the Board of Supervisors – Interim CAO Elishia Hayes reported the annual presentation to the Board will need to be determined as it is contingent upon completion of the Annual Single Audit.**

F. **Adjourn- the meeting was adjourned at 12:15 p.m.**