

## **Audit Committee Meeting Minutes**

Thursday, May 18, 2023, 10:30 AM

Pikes Peak Conference Room and

Telephone access +1 720-617-3426 (Toll) /Conference ID: 249 521 947#

### **Open Session**

Present in person were Council members Lynette Crow-Iverson and Dave Donelson, Committee Members Barry Baum and Jeremy Schwartz, Committee alternate Jim Godfrey, City Auditor Jacqueline Rowland, Office of the City Auditor staff members Shawn Alessio, Sally Barber, Jennifer Carpenter, Linda Helsley, Rhea Hendrixson, and Callie Moyers. Linette Crouch was present to take the minutes. Also attending representing Colorado Springs Utilities were Joe Awad, Adam Hegstrom, Sara LaBarre, and Natalie Watts, Charae McDaniel representing City Finance, and Chris Telli and Audra Nelson representing FORVIS. Attending via teams were Colorado Springs Utilities staff Al Wells, and City staff William Foster, Tracy Peters, Ryan Trujillo, Bryan Wilson.

Donelson called the meeting to order at 10:00 AM. Minutes from the March 16, 2023, meeting were approved.

Telli and Nelson presented the pre-audit communications from FORVIS. It is expected that the 2022 audits of the City of Colorado Springs performed by FORVIS will be presented at the July of August Audit Committee meeting.

McDaniel, Nelson, and Telli left the meeting.

Rowland presented report 23-10 Colorado Springs Utilities Board Instruction I-2, Financial Conditions and Activities, and I-8, Asset Protection which had already been presented to the Utility Board during their regular meeting on May 17, 2023.

Rowland read the statement to go into closed session. In accord with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(g), the City Council Audit Committee, in Open Session, is to determine whether it will hold a Closed Executive Session. The issues to be discussed involve: Consideration of documents protected by the "Open Records Act".

The Chair shall poll the Audit Committee members, and, upon consent of two-thirds of the members present, may hold a Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

Unanimous – moved to closed session at 10:53 AM.

### **Closed Session**

Reports 23-12 Colorado Springs Utilities Enterprise Balanced Scorecard and 23-11 City of Colorado Springs Ballot Measure 2C Maintenance of Effort Spending – 2022 were presented.

Donelson returned the committee to open session at 11:15 AM.

### **Open Session**

Hegstrom returned to the meeting.

Rowland briefed the committee on the required annual communications, the current budget status report for the first quarter of 2023, and the report status of the 2023 audit plan. Baum asked if departments include audit recommendations in budget requests for the next year. Rowland expressed that budget requests are the department responsibilities and audit recommendations are included as needed. McDaniel state that budgets must be prioritized as resources are limited. The committee requested an update on an audit recommendation from report 23-09 be provided at the June meeting. Rowland will work with Trujillo to provide. Baum requested the Wildfire Mitigation Fund be audited.

Rowland responded that she will add it to the potential projects folder for consideration in the 2024 Audit Plan.

The committee members introduced themselves as this was the first meeting for Council members Donelson and Crow-Iverson and committee member alternate Godfrey.

Donelson adjourned the meeting at 11:48 AM.