

**City of Menifee Finance Committee
Meeting Minutes
December 12, 2013**

1. Call to order and roll call

Chairman Scott Mann called the meeting to order at 3:10 p.m.

Present were: Chairman Scott Mann, Committee member Wallace Edgerton, Interim City Manager Robert Johnson, City Clerk Kathy Bennett, Director of Finance Terri Willoughby, Accounting Manager Wendy Welch. No members of the public.

2. Public Comments

None.

3. Approval of Minutes of November 19, 2013

Approved as presented.

4. Conference call with Deborah Harper of Lance, Soll & Lunghard to discuss audit

Deborah Harper of Lance, Soll and Lunghard was on a conference call giving the committee an overview of the Audit, including the three letters associated with the audit, and she noted the audit was an unmodified opinion which was the best possible rating for an audit and the best opinion that the auditor can provide. She complimented Menifee staff for the work they do.

Committee members Mann and Edgerton noted their appreciation for the good work to staff and the audit firm and were advised there would be a brief presentation by the audit firm at the Council meeting on December 18, 2013.

5. Discuss FY 2012-13 Audit Results

Finance Director Willoughby gave a brief overview of the audit results. Finance Committee indicated the CAFR report will be presented at a Council meeting.

6. Discuss preliminary mid-year budget outlook

Finance Director Willoughby provided information on a summary of the anticipated mid-year budget which will be presented to the full Council at a later date. She explained a projected as well as possible requests for budget increases.

Director Willoughby and the committee discussed the status of the City's payback of the loan to the County noting it is \$1,057,000 and the payback would be scheduled on an annual payback due beginning Fiscal Year 2015-16. Chairman Mann asked the group to consider the possibility of an early payback coming to Council for action if the VLF funds the City is seeking are restored to the City.

7. City Manager Comments

Interim City Manager Johnson congratulated the staff and Council on the work done to cause the financial situation to be a very positive one.

8. Committee Members Comments

Committee members gave kudos to staff for the work done and Chairman Mann noted he will be meeting with Assemblywoman Melendez next week to consider the possibility of legislation regarding the City's ability to pass through costs for credit card charges to the user. He asked the Director of Finance to determine the final outcome of whether the City had this right currently or whether he needed to have legislation considered. Director Willoughby agreed to provide the information as soon as possible.

9. Adjournment

Chairman Mann adjourned the meeting at 4:22 p.m.



Kathy Bennett, City Clerk