

Regular Meeting Minutes of the LOMPOC COMPLIANCE COMMITTEE (for the Sub-Recipient Financial, Programmatic, and Monitoring Reporting Requirement Policy)

Lompoc City Hall City Council Chamber 100 Civic Center Plaza, Lompoc, CA

Regular Meeting Agenda Monday, July 30, 2018 4:30 P.M.

ROLL CALL:

Committee Members Present:

City Council appointee:

City Administrator appointee:

Dirk Starbuck
Patrick Wiemiller

Meeting Chair M

Management Services appointee:

Dean Albro

Committee Members Absent:

Human Services Commission appointee:

e: Barbara Holt

Community Development appointee:

Christie Alarcon

Staff:

Brad Wilkie, Management Services Director

Public:

Amber Wilson, Lompoc Valley Chamber of Commerce

Lisa Renken, Lompoc Museum Associates

The meeting was called to order at 10:03 a.m. by Meeting Chair Albro.

ORAL COMMUNICATIONS: (Maximum of 3 Minutes)

None

AGENDA:

1. APPROVAL OF MINUTES:

Meeting minutes of July 13, 2017

Action:

Moved by Committee Member Starbuck to approve the minutes of

the meeting of July 13, 2017

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Compliance Committee Regular Meeting Agenda

July 13, 2017

Seconded by Committee Member Gallavan

Discussion:

None

Vote:

Yeses:

3

Nos:

Abstentions: Absences:

2

NEW BUSINESS:

2. REVIEW REQUESTS FOR LESSER REPORTING REQUIREMENTS:

<u>Recommendation:</u> Committee review and approve the lesser reporting requirements of an IRS Form 990 Tax Return in lieu of audited financial statements as requested by:

A. Lompoc Valley Chamber of Commerce request for a lesser reporting requirement – attached.

(Public Comment)

Amber Wilson, Lompoc Valley Chamber of Commerce (Chamber) President addressed the committee and indicated that the typical schedule will result in an audit of three years of financial statements with the current year (FY 2017-18 as the final of the three years). The audit report should be available to the Committee for the reporting period of 2017-18 when the next Committee meeting is held in the spring/summer of 2019. The Chamber intends to use Moss, Levy as their independent, external auditor.

Lisa Renkin, the Director of the Lompoc Museum Associates (Museum), the operator of the Lompoc Museum, addressed the committee and indicated the Museum's intention of hiring Moss Levy as their independent, external auditor for their financial operations for 2018-19 fiscal year. The direction of the Committee from the July 13, 2017 meeting was for the Museum to have an audit during the City's 2019-2021 biennial budget cycle and that the Committee recommended the City Council consider an additional 10% funding beyond the existing funding commitment to offset the cost of an audit required by the Committee.

Discussion:

Staff indicated the entities subject to the requirement for the 2016-17 fiscal year include:

- The Lompoc Valley Chamber of Commerce requested waiver
- The Housing Authority of Santa Barbara County filed financial statements with the City
- North Valley Rape Crisis and Child Protection Agency filed financial statements with the City of Lompoc

Staff had reviewed the opinion letters and financial reports for all the audits received pursuant to the policy and found them in order with no apparent flaws or items of concern. One regular entity typically subject to the policy is the Lompoc Museum Associates. For the July 1, 2016 to June 30, 2017 period, the Museum received \$44,064, below the level requiring reporting under this policy. As noted in the public comment section, the Museum was represented at the meeting and confirmed its intention to have an audit during the City's 2019-2021 biennial budget cycle/

The Lompoc Valley Chamber of Commerce is subject to the policy and is requesting a lesser reporting requirement as provided for in the policy.

Continued from the 2017 meeting, further discussion revolved around the intention to consider funding the cost of an audit with an appropriation of funds from the City's 2019-2021 biennial budget to offset the burden of the cost of the audit on the modest contribution provided to the Lompoc Museum Associates, Inc. on an annual basis which is estimated to be approximately 10% of the total annual funding for the organization (approximately \$3,000 to \$6,000 annually).

Action:

Moved by Committee Member Starbuck and seconded by Committee Member Gallavan to accept the lesser reporting standard of an IRS 990 Tax Return in lieu of an audit for the Lompoc Valley Chamber of Commerce.

<u>Vote</u> :	
Yeses:	_3_
Nos:	
Abstentions:	
Absences:	2

COMMITTEE MEMBER & STAFF REQUESTS:

The two annually rotating appointees should be assigned by (1) the City Council and (2) the Human Services Commission in December 2018 for the 2019 committee meeting(s), if any meetings are required under the policy.

WRITTEN COMMUNICATIONS:

None

ADJOURNMENT:

At 10:12 a.m., Meeting Chair Albro adjourned the Compliance Committee meeting.

Staff added the next Regular Meeting will be announced as needed. The meetings of the Compliance Committee are held as necessary (the next likely annual meeting will be in the second quarter of 2019) to review requests for lesser reporting requirements under the policy, if any.

Minutes approved by the Compliance Committee by a vote of 5 to 0 on July 11, 2023.

Matthew Adams, Accounting and Revenue Manager