

**CITY OF CORAL GABLES**  
**BUDGET/AUDIT ADVISORY BOARD**  
**Meeting Minutes: Tuesday, April 16, 2019**

Conference Room First Floor , City Hall, 405 Biltmore Way, Coral Gables, Florida

<b>MEMBERS</b>	<b>M</b>	<b>J</b>	<b>J</b>	<b>A</b>	<b>S</b>	<b>O</b>	<b>N</b>	<b>D</b>	<b>J</b>	<b>F</b>	<b>M</b>	<b>A</b>	<b>APPOINTED BY:</b>
	18	18	18	18	18	18	18	18	19	19	19	19	
Tony A. Rivas	A	A	-	-	-	-	-	-	-	-	-	-	Mayor Valdes-Fauli
Erin Knight	A	A	-	-	-	-	-	-	-	-	-	-	Commissioner Jeanette Slesnick
Alex Menendez	P	P	-	P	P	-	P	-	-	-	P	P	Commissioner Vince Lago
John Holian	P	P	-	P	P	-	P	-	-	-	P	P	Commissioner Frank C. Quesada
Cheryl Goldstein	P	P	-	-	-	-	-	-	-	-	-	-	Commissioner Pat Keon
Francisco Paredes	A	P	-	P	P	-	E	-	-	-	P	P	Commissioner Mena
Rosa Bravo	P	P	-	A	E	-	P	-	-	-	A	P	Mayor Valdes-Fauli
Carmen Sabater					P	-	P	-	-	-	P	P	Commissioner Pat Keon

(Dash indicates no meeting; blank space indicates member not yet serving.)

^ - New Member

# - Special meeting

\*\* - Resigned Member

**Staff:**

Diana Gomez, Finance Director

Keith Kleiman, Budget Director

Sally Ola Ola, Assistant Director

Minutes Preparation and Recording Secretary: Nieves Sanchez, Bailey & Sanchez Court Reporting, Inc.

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CITY OF CORAL GABLES  
BUDGET/AUDIT ADVISORY BOARD  
TRANSCRIPT  
CORAL GABLES CITY HALL  
405 BILTMORE WAY, OFFICE OF THE FINANCE DIRECTOR  
CORAL GABLES, FLORIDA  
TUESDAY, APRIL 16, 2019, COMMENCING AT 8:02 A.M.

Board Members Present:

Alex Menendez, Chairman  
Frank Paredes  
John Holian  
Carmen Sabater (Via Phone)  
Rosa Bravo

City Staff and Consultants:

Keith Kleiman, Assistant Finance Director for Management  
and Budget  
Diana M. Gomez, Finance Director  
Sally Ola Ola, Assistant Finance Director  
Brett Friedman, RSM US, LLP  
Anil Harris, RSM US, LLP  
Bob Feldman, RSM US, LLP

1 THEREUPON:

2 (The following proceedings were held.)

3 MS. GOMEZ: We have a quorum in the room,  
4 so we'll get started now.

5 CHAIRMAN MENENDEZ: All right. Good  
6 morning. So it's 8:02 I'll take a quick roll  
7 call.

8 John?

9 MR. HOLIAN: Here.

10 CHAIRMAN MENENDEZ: We have Rosa.

11 MS. BRAVO: Here.

12 CHAIRMAN MENENDEZ: Frank?

13 MR. PAREDES: Here.

14 CHAIRMAN MENENDEZ: And Carmen is joining  
15 us over the phone. Carmen?

16 MS. SABATER: Here.

17 CHAIRMAN MENENDEZ: Perfect.

18 Okay. So we have a quorum.

19 Did everybody get a chance to review the  
20 previous meeting's minutes.

21 MR. PAREDES: Yeah. I've got a couple of  
22 clarifications.

23 CHAIRMAN MENENDEZ: Perfect.

24 MR. PAREDES: On Page 10, Line 21, it says,  
25 conferring." I think it should be,

1           concurring." You guys have concurring  
2           reviewers, as opposed to conferring reviewers?

3           MR. HARRIS: Yes.

4           MR. PAREDES: I think that's just a typo.

5           And then, on the following page, on Page  
6           11, Diana, we talked about \$8,000. Is it  
7           \$8,000 or eight million dollars? It sounded  
8           like the number was a little out of whack.

9           MS. GOMEZ: In what context was it?

10          MR. PAREDES: On Line 8, with regard to  
11          FEMA. "We received about 8,000 from FEMA."

12          MS. GOMEZ: Yes, we received \$8,000.

13          MR. PAREDES: Just \$8,000?

14          MS. GOMEZ: Yes. At that point in time,  
15          yes. I think we've received --

16          MR. PAREDES: Okay. So the numbers are  
17          right?

18          MS. GOMEZ: Yeah. Yeah. It's correct.

19          CHAIRMAN MENENDEZ: It was exciting because  
20          you got a little bit.

21          MS. GOMEZ: It was our first payment.

22          CHAIRMAN MENENDEZ: It was like a faucet.  
23          Once you turn it on, then it's going to start  
24          to come --

25          MS. GOMEZ: Right. So it was our very

1 first payment.

2 MR. PAREDES: I got it. That's all I have.

3 CHAIRMAN MENENDEZ: Okay. Any other stuff  
4 on the minutes?

5 Okay. So we'll make a motion to approve them?

6 MR. PAREDES: So moved.

7 CHAIRMAN MENENDEZ: Second?

8 MS. BRAVO: Second.

9 CHAIRMAN MENENDEZ: Okay. We approved the  
10 minutes from the last meeting.

11 MS. GOMEZ: So we'll fix the concurrent,  
12 for the record.

13 MR. PAREDES: Yeah. That's on Page 10,  
14 line 22. It says, "conferring" instead of  
15 "concurring," and I knew from our previous --

16 CHAIRMAN MENENDEZ: Perfect.

17 And then after that we have the  
18 Comprehensive Annual Financial Report. We have  
19 RSM here in the room with us.

20 Diana, do you want to introduce them or do  
21 you want to go straight into the presentation?

22 MS. GOMEZ: Sure.

23 So we issued the financial statements as of  
24 9/30/18. We like to issue it on or before  
25 March 31st in order to be able to submit for

1 the GFOA's Financial Excellence Reporting  
2 Award, and so we were able to issue it on time.

3 We have here Brett Friedman. He is the  
4 partner on the job. Anil Harris is the project  
5 manager. And then Bob Feldman is also here  
6 from RSM.

7 So I'm going to turn it over to them and  
8 let them give you a review and some required  
9 communications and then if you have any  
10 questions or anything you want to discuss  
11 further, just let us know.

12 MR. FELDMAN: So we appreciate the  
13 opportunity to come before you today. You  
14 know, I'm going to turn it over to Brett and  
15 Anil in just a few minutes to cover some of the  
16 highlights of the audit and the required  
17 communications, but we are here in place of our  
18 friend and colleague; Donovan McQuinly.

19 I don't know how many of you had a chance  
20 to meet Donovan, but Donovan passed away in  
21 November. He was very passionate about serving  
22 the City, passionate about working with your  
23 team here, and so the people before you today  
24 share that same passion and we look forward to  
25 continuing to serve you. And these are people

1 that, you know, we all have had experience in  
2 terms of serving the City. So we are not  
3 strangers to the City.

4 So with that, I'm going to turn it over to  
5 Brett. I want you to take us through it.

6 MR. FRIEDMAN: Thanks, Bob.

7 We have two documents in front of you. One  
8 is the Comprehensive Annual Financial Report.  
9 It's the large one. The other one I want to  
10 start with is the required communications.  
11 What we're going to do is, I'm going to briefly  
12 go through the required communications with  
13 you, and then I'll turn it over to Anil to kind  
14 of point out some highlights in the financials.

15 So just starting on Page 1, just, again,  
16 Our Responsibilities. We performed the  
17 auditing in accordance with Generally Accepted  
18 Auditing Standards and Governmental Auditing  
19 Standards, also in accordance with our  
20 Professional Service Agreement, which was dated  
21 August 31st, 2016 and our Arrangement Letter  
22 dated September 27, 2018.

23 At the start of the audit, we provided a  
24 letter outlining the scope. One of the things  
25 to point out there, there were no changes or

1 issues with the scope or plan of the audit.

2           Going down to Accounting Practices and  
3 Policies, just one thing to highlight there is,  
4 in the current year, as with every other  
5 government and following what private business  
6 did, there was a change regarding GASB  
7 Statement 75, which required the recording of  
8 the entire total OPAB liability. In the past,  
9 it was an annual contribution item, but making  
10 government similar to all other companies, so  
11 the key thing there is, there was a restatement  
12 of the City's beginning fund balance, but I  
13 wanted to point out that that's not due to any  
14 errors or issues by management, just purely  
15 adoption of the standard, and, again, they  
16 adopted it without any problems.

17           Aside from that, there were no significant  
18 changes to accounting policies during the year.  
19 We didn't identify any significant or unusual  
20 transactions or transactions that are  
21 controversial or emerging areas with lack of  
22 guidance.

23           I'll briefly touch in a moment on  
24 Management's Judgments and Accounting  
25 Estimates. We typically point you towards



1 that, because usually a lot of what happens in  
2 the City is either cash in or cash out, but  
3 where the greatest risk is, is when you have  
4 management judgment on estimates. So we like  
5 to always point that out to you.

6 But first, I want to point out the next two  
7 items here. In the current year, there were no  
8 Audit Adjustments and no Uncorrected  
9 Misstatements. Now, the key thing there is, as  
10 I want to point out, that that should give you  
11 a lot of confidence in the information you get  
12 from management throughout the year, because we  
13 do try to really beat it up, you know,  
14 significantly and try to dig under everything,  
15 and to not find any adjustments, you know, it  
16 will give you confidence when you're getting  
17 quarterly statements from Diana that they're  
18 reliable information.

19 There were no disagreements with management  
20 for any audit. We're not aware of any  
21 consultations that were held with other  
22 accountants. There were no significant issues  
23 that occurred during the audit, no  
24 difficulties. We have some required letters  
25 that are provided, which is the Internal

1 Auditor's report on Internal Control over  
2 Financial Reporting in accordance with  
3 Governmental Auditing Standards. Also, the  
4 Major Program Report in accordance to the OMB  
5 Uniform Guidance, and then also a couple of  
6 Florida Auditor General Reports, the Management  
7 Letter, as well as the Attestation on  
8 Investments.

9 So the key thing to point out there, also,  
10 just to give you a sense, we did not have any  
11 material weaknesses or significant deficiencies  
12 that we found in internal controls.

13 Everything, we found, was working effectively.  
14 Also, we didn't have any Management Letters  
15 recommendations. That, again, goes to speak to  
16 the quality of the team that you're working  
17 with.

18 On the next page, I just wanted to touch on  
19 Page 4, which is the Significant Accounting  
20 Estimates. There, I'll call your attention,  
21 there's five estimates, but really the first  
22 three are the most relevant. And the first one  
23 is your Actuarial Assumptions Used for the  
24 Self-Insurance Program. Now, what happens  
25 there is, the City engages an outside actuary

1 to help calculate those estimates, but, again,  
2 that expert really relies and asks the City,  
3 you know, to confirm that they're comfortable  
4 with the assumptions being used.

5 What we do is, we independently have our  
6 own actuary perform a review of that actuary  
7 report to determine whether or not the  
8 assumptions and methodologies used by the  
9 actuary were reasonable. Based on what we had  
10 performed, we found that both, the assumptions  
11 were reasonable, the methods were proper and  
12 also the reputation and competency of the  
13 actuaries were solid.

14 MR. PAREDES: Who is our actuary?

15 MS. OLA OLA: AMI Risk Consultants.

16 M. FRIEDMAN: AMI Risk Consultants.

17 MS. BRAVO: How long has the City been  
18 self-insured for?

19 MS. GOMEZ: Since forever.

20 MS. BRAVO: Okay.

21 MR. FRIEDMAN: And that's common. Most  
22 governments are.

23 The next two are somewhat related, so I'll  
24 touch on both of those together, it's the  
25 Accounting for Pension Plans and the Related

1 NET Pension Liability, and then also the  
2 Accounting for Other Post-Employment Benefits.  
3 Again, in both of those cases, as well, we used  
4 an outside actuary to provide assistance.

5 You know, the key things that you're  
6 involved in is, again, approving the  
7 assumptions, and most important to that is the  
8 discount rate. Same thing, in that case, we  
9 had our own -- in that case, we used a separate  
10 pension actuary, who reviews that information  
11 for reasonableness, looks at the assumptions,  
12 and we, as an audit team, look at the rate of  
13 return that's being used versus the rate being  
14 generated by the City. We found no problems  
15 there, either. So those are the most  
16 significant assumptions.

17 The other two, on the Doubtful Accounts and  
18 Depreciation, they're out there, but really no  
19 major issues with them.

20 The last thing in this package here is,  
21 this is the management representation letter,  
22 which summarizes all of the representations  
23 made by Diana and the team to us during the  
24 audit.

25 MR. HOLIAN: What page is that?

1           MR. FRIEDMAN: That's Exhibit A, at the end  
2 there. It's right behind that.

3           And just the thing to point out there is,  
4 you know, sometimes, if there's something  
5 unusual or complex there, that will be a unique  
6 representation, but in this case, the only  
7 thing that we had of that nature is Item 33,  
8 which you may be aware of and was the agreement  
9 as far as the land swap.

10           And the thing to point out there is that,  
11 you know, instantly, you know, Diana and the  
12 team brought it up to us. You know, they  
13 shared with us their planned accounting  
14 treatment. We had no concerns or issues. So  
15 that's really the only unique thing.  
16 Everything else in the letter is kind of  
17 standard. And this is that proposed either  
18 purchase or land swap --

19           MS. GOMEZ: The public safety building.

20           MR. FRIEDMAN: And with that, I'll go ahead  
21 and turn it over to Anil to go over the more  
22 exciting stuff of talking about the actual  
23 financials.

24           MR. HARRIS: Sure. Thanks, Brett.

25           So I'm just going to try to hit on the

1 highlights, because, obviously, you know, it's  
2 a larger document.

3 So the first item I want to bring your  
4 attention to is Page 1, which is our audit  
5 opinion, and, really, of the entire document,  
6 this is the only three pages that really belong  
7 to us. The rest of this document is put  
8 together by management and staff.

9 So, in terms of the audit opinion, it's a  
10 clean opinion and an unmodified opinion, which  
11 is the highest level of assurance we can  
12 provide as auditors to any client. As Brett  
13 mentioned, on Page 2, the only item that's new  
14 this year, if you compare it to last year, is  
15 the Emphasis of Matter paragraph on Page 2,  
16 which really is just highlighting that the  
17 statements were restated as a result of the  
18 implementation of GASB 75, which, again, was  
19 required by accounting standards. Whenever  
20 there's a restatement, the opinion must reflect  
21 that, to bring it to the reader's attention.

22 Moving on to Page 21, this is the statement  
23 of activities or really the income statement  
24 for the entire City for the year, and it shows  
25 the results of operations. So if you look to

1 the right, the bottom right, it shows  
2 three-year ended, there was a 19.6 million  
3 dollar increase in that position, which  
4 basically means that the revenues exceeded the  
5 expenditures for the year by 19.6 million  
6 dollars, but you consider both, governmental  
7 and business type activities.

8 The next page I'd like to bring your  
9 attention to is Page 26, which shows the fund  
10 level, the results of the Governmental Funds.  
11 Again, focusing on the first column, which is  
12 the General Fund, which is the primary  
13 operating fund of this City, there was a four  
14 million dollar decrease in that position, the  
15 fund balance, in the current year. Really,  
16 that's attributed to the twelve million dollars  
17 of hurricane-related expenditures that are  
18 recorded in the General Fund for this year,  
19 which is subject for reimbursement in  
20 subsequent periods. So, really, the revenues  
21 or reimbursements will come in, in subsequent  
22 years, hopefully in 2019 to bring the fund  
23 balance up.

24 For the year ended, the General Fund ended  
25 with a 56 million dollar fund balance or

1 positive fund balance, which is obviously  
2 positive results.

3 MR. PAREDES: That's in compliance with the  
4 Commission's mandate, right? Because it's  
5 almost 50 percent of --

6 MS. GOMEZ: No. 25 percent of -- the  
7 Commission Resolution says that we should  
8 maintain 25 percent of operating budget  
9 expenditures, including debt service. So this  
10 is shy of the 12 million dollars --

11 MR. PAREDES: I thought it was 90 --

12 MS. GOMEZ: No. We're waiting on FEMA. So  
13 we have the required fund balance of -- I think  
14 42 million dollars is what it's supposed to be,  
15 because you have to look at the line that  
16 says -- oh, on Page 24, you look at the  
17 Unassigned fund balance of 31 million dollars,  
18 on Page 24, at the bottom, Assigned, which says  
19 31.2, that should be 42 point something, but  
20 because we have -- 42 or 43. But because we  
21 have used the fund balance for its intended  
22 purpose of hurricane expenditures, until we  
23 receive our reimbursement, we won't have the  
24 full 25 percent.

25 So if we would have brought it up to 25



1 percent, then we would have been overstated by  
2 25 percent, because, you know, its intended  
3 purpose is to be used for hurricane  
4 expenditures. Does that make sense, Frank?

5 MR. PAREDES: No.

6 MS. GOMEZ: Okay. So you see, on Page 24,  
7 on the very bottom of Page 24 --

8 MR. PAREDES: Yeah, the 31.

9 MS. GOMEZ: 31. It should be about 42 and  
10 a half, 43 million, but we have about 12  
11 million dollars outstanding, waiting on FEMA --

12 MR. PAREDES: That hasn't been recorded?

13 MS. GOMEZ: No, no, that hasn't been  
14 received.

15 MR. PAREDES: But the receivable is there?

16 MS. GOMEZ: No, because it's not --

17 MR. PAREDES: So it hasn't been recorded.

18 MS. GOMEZ: Right. Exactly.

19 MR. PAREDES: I got it.

20 MS. GOMEZ: Right. So once we get it back  
21 in, it will go back to replenish the fund  
22 balance and we will meet our 25 percent fund  
23 balance reserve.

24 MR. HOLIAN: So we used the fund balance  
25 exactly for what we have the fund balance.

1 MS. GOMEZ: Exactly.

2 MR. FELDMAN: As planned.

3 MR. HARRIS: And as Diana mentioned, the  
4 accounting guidance doesn't allow the City to  
5 record the receivables until the project work  
6 is done. So every entity is in the same  
7 situation.

8 Moving on to Page 31, which shows the  
9 results of operations for the Enterprise Funds  
10 activities, which is the Sanitary Sewer Fund,  
11 the Parking Fund and Stormwater Utility Fund.  
12 Towards the right, the second to last column on  
13 the right, there was a 7.1 million dollar  
14 increase in the net position. Again, it  
15 basically means that the revenues exceeded the  
16 expenditures by 7.1 million dollars for the  
17 year ended. And the funds, looking back on  
18 Page 30, ended with a net position of 46.5  
19 million dollars positive. Again, positive  
20 results overall.

21 The rest of the document has obviously the  
22 footnotes supporting the statements, as well as  
23 the stat tables, but I want to turn your  
24 attention to the Compliance Reports, which are  
25 on the tab at the back.

1           MR. PAREDES: Now, you guys go through the  
2 management discussions and you tie in the  
3 numbers, even though it's unaudited?

4           MR. HARRIS: Yes.

5           MR. PAREDES: But that's management's view.

6           MR. HARRIS: Yeah, the management --

7           MR. PAREDES: But you tie in the numbers?

8           MR. HARRIS: Yes.

9           MR. FELDMAN: Of course.

10          MR. HARRIS: And we make sure there's  
11 nothing in there that contradicts what's in the  
12 report.

13          MR. PAREDES: And there's no spin and no  
14 fake news or anything like that.

15          MR. HARRIS: Yes.

16          MR. HOLIAN: Here.

17          MR. HARRIS: So the Compliance Report. So  
18 in addition to our report on Financial  
19 Statements, we also issue three individual  
20 reports. One is on the Internal Control Over  
21 Financial Reporting. The other is on the Audit  
22 of the City's Major Federal and State Programs.  
23 In this case, the City, even though they  
24 expended both, Federal and State dollars, they  
25 didn't meet the threshold for a State audit.

1 So our audit really covers the audit of the  
2 Federal Program.

3 So beginning on Page 1 of the Compliance  
4 Reports, this is the Report on Internal Control  
5 Over Financial Reporting, and as Brett  
6 mentioned, there were no items to highlight.  
7 So this is an unmodified or a clean opinion.  
8 No issues to bring to your attention.

9 The next report is on Page 3, which is a  
10 report on the Major Federal Programs. Again,  
11 no items to report. It's a clean opinion. We  
12 audited the City's Major Program, which is the  
13 Equitable Sharing or Justice Forfeiture  
14 Program, which comprise 681,000 of the 1.16  
15 million dollars in Federal expenditures.

16 MR. PAREDES: So let me make sure. For a  
17 million one, we have to incur and you guys had  
18 to do this procedure?

19 MR. HARRIS: Yes, exactly.

20 MR. PAREDES: And what would be the cost  
21 relation to that million or is it part of the  
22 overall fees or do you break it separately?  
23 How much did it cost us?

24 MR. FELDMAN: It's all part of the overall  
25 fee. Compliance is one thing. Anytime you're

1 over 750,000, you're required to have a single  
2 audit.

3 MR. PAREDES: By Federal Statutes?

4 MR. FELDMAN: Yes.

5 MR. PAREDES: 750,000?

6 MR. FELDMAN: Yes. It used to be lower.

7 They moved it up to that.

8 MR. HARRIS: And moving on to Page 6, the  
9 State Awards are listed here, which is \$39,000.  
10 The threshold for a State single audit is also  
11 750,000. So even though we don't audit any of  
12 these numbers, we still list them.

13 And the final two reports are the State  
14 Management Letter, which is on Page 10, and we  
15 also issue a report on the City's compliance  
16 with the State's Investment Statute, which is  
17 on Page 12. Again, no items to report. Both  
18 clean opinions. Nothing to highlight, as it  
19 relates to these reports.

20 And with that, I will take any questions  
21 you have.

22 MR. PAREDES: Has this been presented to  
23 the Commission yet?

24 MS. GOMEZ: No. We didn't have a  
25 Commission meeting in April. We usually

1 present it at the first meeting in April. But  
2 because of the election, we don't have any  
3 meetings in April.

4 So after this meeting, I was going to  
5 submit it to them.

6 MR. PAREDES: So we're seeing this for the  
7 first time?

8 MS. GOMEZ: Yes. So what I'll do is, I'm  
9 going to submit to the Commission via memo  
10 shortly, in the next day or so, and, then, if  
11 they want to us to present it in May, we will.

12 MR. PAREDES: So the required communication  
13 is with us or us through --

14 MS. GOMEZ: Both. Yeah, it's both. So  
15 they'll get the required communication  
16 document. Typically the Commission likes to  
17 have this Board take a look at it, just in case  
18 they have any questions or whatever, if you  
19 have any questions to bring up to them.

20 It's just the timing, this time, didn't  
21 allow us to get to the Commission meeting, and  
22 so we decided to do it this way.

23 MR. PAREDES: This is good.

24 MS. GOMEZ: Do you have any questions?

25 MS. BRAVO: Looks great to me.

1           MR. FELDMAN: I just wanted to say, thank  
2 you to Diana, Sally, the entire team. You guys  
3 have a very, very sound accounting, finance  
4 team here. We work with a lot of other  
5 governments and we can't say for every one of  
6 them, but you don't have any audit adjustments,  
7 no past adjustments. This was extremely clean.  
8 So we just want to commend your staff here,  
9 because --

10           MR. HOLIAN: And Keith sitting over there.  
11 You need to be sitting at the table, Keith.

12           MR. KLEIMAN: I'm not part of that.

13           MR. HOLIAN: You need to be sitting at the  
14 table. There's a lot of Keith in this report,  
15 I guarantee it.

16           MR. KLEIMAN: This is the cleanup of what I  
17 do.

18           CHAIRMAN MENENDEZ: If you don't have any  
19 questions, thank you, guys.

20           Carmen, do you have any questions?

21           MS. SABATER: I guess, do we need to do a  
22 motion to recommend --

23           MS. GOMEZ: No. There's no need to approve  
24 the financial statements. They've already been  
25 issued. There's nothing in our City Code that

1 requires approval of it. It's a formality.

2 MS. SABATER: Okay. Perfect.

3 MS. BRAVO Congratulations on having no  
4 adjustments. That's a big accomplishment.

5 MS. GOMEZ: Thank you.

6 MS. SABATER: Great job.

7 MS. GOMEZ: Thank you.

8 CHAIRMAN MENENDEZ: We'll move on to  
9 Discussion Items.

10 MS. GOMEZ: I don't have any Discussion  
11 Items. I don't know if anyone has anything.

12 MR. PAREDES: There were some follow-up  
13 questions from --

14 MS. GOMEZ: Right. So we submitted them  
15 via e-mail.

16 MR. PAREDES: To Carmen?

17 MS. GOMEZ: To everyone.

18 MR. PAREDES: I didn't get them.

19 MS. GOMEZ: Yvette sent them. We'll  
20 forward them again.

21 MR. PAREDES: You guys are all happy with  
22 it, and, Carmen, are you happy with it?

23 MS. SABATER: Yes. It was the number of  
24 fires and some additional information. I  
25 guess, maybe the question to the auditors,



1 maybe the effectiveness of the Internal Control  
2 Program or the External, Internal Auditors that  
3 we have, did they rely on any of their reports?  
4 Do they work in conjunction with them?

5 MR. HARRIS: Yes. That's part of the  
6 process. We review the reports that they issue  
7 to see if there's any items that are relevant  
8 to our audit, but we don't really rely on them,  
9 per se. We do our own procedures.

10 If there was something in the report that  
11 concerned us, we would always design our audit  
12 to react to that. But looking at their report,  
13 we didn't see anything of significant concern  
14 to us.

15 MS. SABATER: And are you able to revise  
16 your scope because we have this function?

17 MR. HARRIS: No. We have to do the  
18 procedures, you know, what we deem necessary to  
19 issue an opinion.

20 MR. FELDMAN: Right. The difference,  
21 again, is more, that's operationally focused,  
22 whereas ours is financial compliance focused.  
23 So it's a little different focus of what is  
24 required.

25 CHAIRMAN MENENDEZ: Thank you, Carmen.

1 No other questions?

2 MS. GOMEZ: Frank, did you have something?

3 MR. PAREDES: No.

4 CHAIRMAN MENENDEZ: All right. Thank you  
5 guys very much.

6 MS. GOMEZ: Is there anything that the  
7 Board would like to see for the next meeting?  
8 I think at the next meeting we may have  
9 internal audit reports.

10 MR. KLEIMAN: We may. We may have three.  
11 We have may procurement and parking --

12 CHAIRMAN MENENDEZ: And with that said, I  
13 think we'll close the meeting.

14 MR. KLEIMAN: -- and overtime report.

15 MS. GOMEZ: Yes.

16 So the proposed scheduling for the next  
17 meeting is Wednesday May 8th. I don't know if  
18 that works for everybody tentatively.

19 MS. BRAVO: I'll be out of town.

20 MS. GOMEZ: Okay.

21 MR. PAREDES: Isn't that too soon from this  
22 meeting, less than a month?

23 MS. GOMEZ: It may be.

24 MR. KLEIMAN: If you give me a little more  
25 time for the third audit, because --

1 MS. GOMEZ: Okay. So then maybe we'll wait  
2 on that third audit and then we'll have Yvette  
3 throw out some calendar dates to see what would  
4 work for the next meeting.

5 MR. PAREDES: That's fine.

6 MR. HOLIAN: That's fine.

7 MS. GOMEZ: All right.

8 CHAIRMAN MENENDEZ: Meeting adjourned.

9 (Thereupon, the meeting was concluded at  
10 8:25 a.m.)

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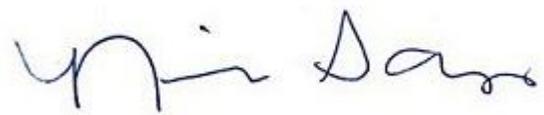
STATE OF FLORIDA:

SS.

COUNTY OF MIAMI-DADE:

I, NIEVES SANCHEZ, Court Reporter, and a Notary Public for the State of Florida at Large, do hereby certify that I was authorized to and did stenographically report the foregoing proceedings and that the transcript is a true and complete record of my stenographic notes.

DATED this 19th day of April, 2019.



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NIEVES SANCHEZ