



MINUTES

SOUTHERN NEVADA DISTRICT BOARD OF HEALTH FINANCE COMMITTEE MEETING

November 10, 2020 – 1:00 p.m.

Southern Nevada Health District, 280 S. Decatur Boulevard, Las Vegas, NV 89107
Meeting Hosted via Webex Event

MEMBERS PRESENT:

Bobbette Bond - At-Large Member, Regulated Business/Industry
Olivia Diaz – Council Member, City of Las Vegas
Brian Knudsen – Council Member, City of Las Vegas
Scott Nielson – At-Large Member, Gaming
Tick Segerblom – Commissioner, Clark County
Dan Stewart – Council Member, City of Henderson

ABSENT:

Marilyn Kirkpatrick – Vice Chair, Commissioner, Clark County

ALSO PRESENT:

None

(In Audience)

LEGAL COUNSEL:

Annette Bradley, General Counsel

EXECUTIVE SECRETARY:

Fermin Leguen, MD, MPH, Acting Chief Health Officer

STAFF:

Heather Anderson-Fintak, Andria Cordovez Mulet, Andrea Green, Michael Johnson, Norlon Munroe, JoAnn Rupiper, Christopher Saxton, Karen White, Jennifer Sizemore

I. CALL TO ORDER AND ROLL CALL

Chair Nielson called the Finance Committee Meeting to order at 1:05 p.m. Andria Cordovez Mulet, Executive Assistant, administered the roll call.

II. PLEDGE OF ALLEGIANCE

III. FIRST PUBLIC COMMENT: A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to five (5) minutes per speaker. Please clearly state your name and address and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

Seeing no one further, Chair Nielson closed this portion of the meeting.

IV. ADOPTION OF THE NOVEMBER 10, 2020 MEETING AGENDA (for possible action)

A motion was made by Member Knudsen seconded by Member Diaz and carried unanimously to approve the November 10, 2020 Agenda as presented.

V. REPORT / DISCUSSION / ACTION

1. **Nomination of Chair of the Finance Committee**; direct staff accordingly or take other action as deemed necessary **(for possible action)**

A motion was made by Member Knudsen seconded by Member Stewart and carried unanimously to approve/retain Chair Nielson as Chair of the Finance Committee.

2. **Approve Finance Committee Meeting Minutes – April 20, 2020**; direct staff accordingly or take other action as deemed necessary **(for possible action)**

A motion was made by Member Knudsen seconded by Member Diaz and carried unanimously to approve the minutes from the April 20, 2020 Finance Committee meeting.

3. **Receive and Discuss Audit Report and Approve Recommendations to Board of Health on November 19, 2020**; direct staff accordingly or take other action as deemed necessary **(for possible action)**

Richard Walker and Tamara Miramantes of Eide Bailey attended the meeting to present the draft Financial Statements and Independent Auditor's Report.

Ms. Miramantes advised that Eide Bailey would be presenting two reports, based on (i) the basic financial statements, with an unmodified opinion that the financial statements are materially correct, and (ii) the internal controls over financial reporting and on compliance and other matters, in accordance with *Government Auditing Standards*. The second report outlined two findings that Eide Bailey considered to be Material Weakness in internal controls over financial reporting, and Material Weakness in Financial Close and Reporting Controls.

Mr. Walker presented the two findings, as follows:

Finding #2020-001 – During the course of performing the audit, Eide Bailey identified multiple material audit adjustments to cash, interfund balances, receivables, and interest income. It was determined that it was due to significant management turnover in the Finance Department near the end of Fiscal Year 2019, that resulted in several reconciliations and adjustments not being completed until the audit process had begun.

Finding #2020-002 – During the course of performing the audit, Eide Bailey identified non-compliance with Nevada Revised Statute (NRS) 354 related to transfers from the General Fund to the Special Revenue Fund, and vice versa, without obtaining Board approval. In addition, the District's Special Revenue Fund expenditures exceeded the available budget appropriations. It was determined that it was due to controls over adhering to NRS 354 were not properly implemented. It was determined that the original adopted budget did not consider the budget implications of not including the Health District's administrative cost allocation plan. As a result, allocations to the Special Revenue Fund from the General Fund were not adequately budgeted and a budget augmentation was not brought for Board approval.

Mr. Walker advised that both findings were discussed and agreed to by SNHD management.

Chair Nielson was concerned that the Committee did not receive a copy of the audit report and were unable to have a significant conversation on the audit report and findings. The Committee discussed the possibility of an additional meeting prior to the Board of Health meeting on November 19, 2020.

Member Stewart left the meeting at 1:30 p.m. and did not return

The Committee agreed that the best course of action would be to hold this meeting in abeyance and continue it at a date that is convenient for the majority of Committee members, prior to the Board of Health meeting on November 19, 2020.

A motion was made by Member Knudsen seconded by Member Segerblom and carried unanimously to direct staff to provide the Finance Committee with the draft Audit Report, any action plan to address the findings, and to schedule a Finance Committee meeting that is convenient for the majority of the members, prior to the Board of Health meeting on November 19, 2020.

- VI. **SECOND PUBLIC COMMENT:** A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. Comments will be limited to five (5) minutes per speaker. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

Seeing no one further, Chair Nielson closed this portion of the meeting.

VII. **ADJOURNMENT**

The Chair adjourned the meeting at 1:34 p.m.

Fermin Leguen, MD, MPH
Acting Chief Health Officer/Executive Secretary

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