

The Colorado River Commission of Nevada (Commission) Financial and Audit Subcommittee (Subcommittee) meeting was held at 2:34 p.m. on Tuesday, August 5, 2021 via videoconference, pursuant to Emergency Directive 006, section 1.

SUBCOMMITTEE COMMISSIONERS IN ATTENDANCE

Subcommittee Chairwoman	Kara J. Kelley
Subcommittee Vice Chairwoman	Marilyn Kirkpatrick
Subcommittee Commissioner	Dan H. Stewart

DEPUTY ATTORNEY(S) GENERAL

Special Counsel, Attorney General	Christine Guerci
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COMMISSION STAFF IN ATTENDANCE

Executive Director	Eric Witkoski
Chief of Finance and Administration	Douglas N. Beatty
Senior Energy Accountant	Gail L. Benton
Senior Energy Accountant	Stephanie Salleroli
Senior Energy Accountant	Ha Tran
Natural Resource Specialist	Stevie Espinosa
Assistant Director of Energy Information Systems	Kaleb Hall
Network Administrator	Chris Smith
Office Manager	Gina L. Goodman
Administrative Assistant IV	Kira Bakke

OTHERS PRESENT; REPRESENTING

NV Energy	Michael Hulin
Lato and Petrova, LTD	Martha Ford
Moss Adams	Keith Simovic
City of Henderson	John Day
Borman Specialty Materials	Kevin McIntosh

**COLORADO RIVER COMMISSION
OF NEVADA
MEETING OF AUGUST 5, 2021**

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The Colorado River Commission of Nevada (Commission) Financial and Audit Subcommittee (Subcommittee) meeting was called to order by Commission Vice Chairwoman Kelley at 2:34 p.m.

A. Conformance to Open Meeting Law.

Executive Director Eric Witkoski confirmed that the meeting was posted in compliance with the Open Meeting Law.

B. Comments from the public. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action will be taken.)

Subcommittee Chairwoman Kelley asked if there were any comments from the public. There were none.

C. For Possible Action: Approval of minutes of the December 8, 2020 meeting.

Commissioner Stewart moved for approval of the minutes. The motion was seconded by Subcommittee Chairwoman Kelley and approved by a unanimous vote by those present.

D. For Possible Action: Consideration of and possible action to select a Chair and Vice Chair of the Financial and Audit Subcommittee for a specified time.

As the Financial and Audit Subcommittee is constituted by the full commission it is appropriate that a Chair and Vice Chair be selected and approved by the members for a specified time.

Commissioner Stewart moved that Kara Kelley remain Chairwoman of the Financial and Audit Subcommittee, and moved that Marilyn Kirkpatrick remain the Vice-Chairwoman of the Financial and Audit Subcommittee. The motion was seconded by Subcommittee Chairwoman Kelley and approved by a unanimous vote by those present.

Commissioner Stewart moved to apply this tenure for a period of one calendar year. The motion was seconded by Subcommittee Chairwoman Kelley and approved by unanimous vote by those present.

E. For Information Only: Update on the services provided by Lato & Petrova, CPAs, LTD for accounting services to assist with the year-end closing and preparation of the Comprehensive Annual Financial Report using CaseWare.

Chief of Finance and Administration Doug Beatty explained that on April 13, 2021, the Colorado River Commission of Nevada (Commission) approved a two year

contract with Lato & Petrova, CPAs, LTD for accounting services to assist with the year-end closing and preparation of the Comprehensive Annual Financial Report (CAFR).

Chairwoman Kelley commented that the new footnote system for accountant comments to be used in the CAFR will be more clear than previous methods.

Chairwoman Kelley asked Senior Energy Accountant Gail Benton how she foresaw the new accounting CaseWare being implemented for the Commission.

Ms. Benton answered that the new CaseWare is more amenable to the needs of Staff than those used in the past and has been tailored accordingly.

F. *For Information Only:* Introduction of Moss Adams, auditors for the annual audit of the financial statements of the Colorado River Commission of Nevada for fiscal year 2021, and discussion of audit schedule and related matters.

Chief of Finance and Administration Doug Beatty explained that on April 13, 2021 Colorado River Commission of Nevada (Commission) approved a two-year contract with Moss Adams LLP for accounting and auditing services with authorization to complete the 2021 and 2022 annual financial audit, including assistance with the development of the Comprehensive Annual Financial Report (CAFR), and review of the Commission's internal controls.

Mr. Beatty introduced Keith Simovic of Moss Adams. Mr. Simovic gave a presentation regarding the auditing firm of Moss Adams and an overview of their policies, standards, and practices.

Vice Chairwoman Kirkpatrick asked what Moss Adams would be looking for in terms of Staff's cybersecurity infrastructure and processes when it comes to financial services.

Mr. Simovic answered that they would be looking for internal vulnerabilities within Staff's systems that could potentially cause issues with financial reporting.

Chairwoman Kelley asked about Moss Adams' treatment of any potential material weaknesses found over the course of an audit.

Mr. Simovic answered that if something is found that could potentially rise to the level of a material weakness, it would be discussed with Staff before being assigned as such in the formal audit.

Vice Chairwoman Kirkpatrick asked about the continuation of remote policies during the Covid-19 pandemic.

Mr. Simovic answered that due to restrictions on travel and in-person meetings in Moss Adams' headquarters in Portland, Oregon, as well as Moss Adams' own

policies, the audit has been largely scheduled to take place remotely. However, an in-person meeting with Staff has been scheduled to take place in late September.

Chairwoman Kelley commented that the Commission has various time constraints with State entities for their annual audit, and asked that the Commission be notified in the event of a potentially late audit.

Chairwoman Kelley asked Mr. Beatty why Staff and Moss Adams decided on a fully remote audit.

Mr. Beatty answered that due to the Covid-19 pandemic has caused both Staff and Moss Adams to act out of an abundance of caution to plan for the early steps of the audit to take place remotely, with room for adjustment if situations change.

Chairwoman Kelley stated that the caution was warranted, but that it was important to utilize in-person communication when possible.

G. Comments from the public. (No action may be taken on a matter raised under this item of the agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.)

Subcommittee Chairwoman Kelley asked if there were any other comments or questions from the public. There were none.

H. Comments and questions from the Commission members.

Subcommittee Chairwoman Kelley asked if there were any other comments or questions from the Commission members. There were none.

I. Selection of next possible meeting date.

The next meeting date is to be determined.

J. Adjournment.

The meeting was adjourned at 3:14 p.m.


Eric Witkoski, Executive Director

APPROVED:


Kara J. Kelley, Subcommittee Chairwoman