

**AUDIT COMMITTEE MEETING**  
**BOARD OF ADMINISTRATION**  
**OF THE**  
**WATER AND POWER EMPLOYEES' RETIREMENT PLAN**

**MINUTES**

**DECEMBER 11, 2013**

**Committee Members Present:**

Barry Poole, Chair  
Mario Ignacio, Member  
Robert Rozanski, Member

**Committee Members Absent:**

None

**Staff Present:**

Sangeeta Bhatia, Retirement Plan Manager  
Monette Carranceja, Assistant Retirement Plan Manager  
Mary Higgins, Assistant Retirement Plan Manager  
William Feng, Senior Utility Accountant  
Maria Kay, Senior Clerk Typist

**Others Present:**

Marie McTeague, Deputy City Attorney  
Grace Yuen, Simpson & Simpson,  
Certified Public Accountants  
Melba Simpson, Simpson & Simpson,  
Certified Public Accounts

Mr. Poole called the meeting to order at 9:15 a.m.

Ms. Bhatia stated that a quorum of the Audit Committee was present.

**Public Comments**

Ms. Kay stated there were no requests for public comment.

**1. Presentation by Simpson & Simpson, CPAs, of the Annual Audit Report and Related Financial Statements as of June 30, 2013**

Ms. Bhatia introduced Mr. Feng, the Retirement Plan's Chief Accountant, to provide a brief introduction of the item.

Mr. Feng stated the financial statements have been finalized for fiscal year ended June 30, 2013. Representatives from the external auditors, Simpson & Simpson, Certified Public Accountants (Simpson & Simpson) were present to discuss their findings and answer any questions. He turned the presentation over to the Simpson & Simpson representatives.

Grace Yuen from Simpson & Simpson introduced herself as the field partner on the audit, and introduced the quality control partner, Melba Simpson.

Ms. Simpson reported that the results of the audit were an unmodified opinion. She stated the term changed from "unqualified" to "unmodified" was due to clarity standards under the auditing standards. She also reported that there were no unusual transactions or challenges, and auditors received cooperation from management. She stated management had not consulted with any other external professionals in matters related to accounting.

