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1. **A. CALL TO ORDER** –Mayor Soiseth called the meeting to order at 6:00 p.m.
PRESENT: Councilmembers Amy Bublak, Bill DeHart, Matthew Jacob, Steven Nascimento,
and Mayor Soiseth.
ABSENT: None

B. SALUTE TO THE FLAG

2. **PUBLIC PARTICIPATION:** None

3. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

4. **SCHEDULED MATTERS**

Mayor Soiseth made a statement regarding the special meeting being held to review the expenditures of the Chamber of Commerce in their execution of the CVB contract, which included thanks to the Chamber's Interim CEO and President Paul Wright and other members of the Turlock Chamber of Commerce Board for their attendance at the meeting, and thanks to City Attorney Phaedra Norton and Administrative Services Director Kellie Jacobs-Hunter for their diligent, patient, and professional work. Mayor Soiseth spoke regarding the importance of accountability to the taxpayers of our community and the importance of moving forward in a candid, constructive manner in an effort to heal a broken partnership.

Mayor Soiseth noted public participation would remain open throughout the duration of the presentation.

- A. Administrative Services Director Kellie Jacobs-Hunter presented the staff report on the request to accept the draft report from Kemper CPA Group, LLP, for the agreed-upon procedures Audit pertaining to the agreement for Tourism Services (CVB) between the City of Turlock and Turlock Chamber of Commerce; authorize Kemper CPA, LLP, to issue the final report; and authorize the Mayor to represent the Council and take any and all action necessary to resolve the audit exceptions identified in the final report.

Ms. Jacobs-Hunter introduced Lammert Van Laar and September Reeves of Kemper CPA Group who presented the Independent Accountant's Report on Applying Agreed-Upon Procedures submitted by Kemper CPA Group.

Council, staff and consultant discussion included the difference between a formal audit and an independent accountant's report on applying agreed-upon procedures, concerns about the report that was received not being what was requested, processes used by Kemper CPA Group in conducting and completing the final report, report format, terms of the agreement with the Chamber of Commerce related to budget amendments, allowable and unallowable expenses, Chamber of Commerce practices such as movement of funds and category changes of where money may be spent, and lack of oversight by the City and Councils through past budget approvals.

Additional discussion included rationale and process used to determine expenditure compliance with the Chamber agreement.

Chamber Board President Paul Porter spoke regarding IRS record retention policy and associated questionable expenditures.

Mayor Soiseth asked for questions or comments from the audience.

Interim Chamber CEO and President Paul Wright noted the Chamber's commitment to resolving the issue and asked that consideration be given to the Chamber's interpretation of the agreement and addendums as part of coming to a resolution of this matter.

Councilmember Bublak thanked City staff for their efforts, noted her disappointment with lack of oversight by the City, and spoke to the importance of defending taxpayer money. She then introduced the motion. Councilmember DeHart indicated a desire to second the motion, but noted wording challenges with the second part of the motion as presented. Councilmember DeHart noted his categorical trust in the Mayor, but asked for an amendment to the motion that would include the entire Council, rather than just the Mayor as a single member, being authorized to take any and all action necessary to resolve the audit exceptions identified the final report. Councilmember Bublak respectfully declined the amendment due to concerns over expediency and Brown Act concerns.

Additional Council discussion included logistics of scheduling special meetings and a reminder that any resolution to resolve the audit exceptions as identified by Mayor Soiseth would be presented to the entire City Council for final approval.

Councilmember Nascimento asked if Councilmember Bublak would entertain adding Councilmember DeHart as a subcommittee member in addition to Mayor Soiseth. Councilmember DeHart withdrew his amendment, but asked to have as a part of the official record his request to exercise extreme caution in moving forward due to the critical importance of moving forward together as a body to represent the entire community. Councilmember DeHart then seconded the motion.

Mayor Soiseth asked if Councilmember Bublak would be interested in entertaining an amendment to add another member to the committee, including herself, due to her involvement as the Ad Hoc Committee Chair and her role as Vice Mayor. Councilmember Bublak declined.

Action: Motion by Councilmember Bublak, seconded by Councilmember DeHart, Accepting the draft report from Kemper CPA Group, LLP, for the agreed-upon procedures Audit pertaining to the agreement for Tourism Services (CVB) between the City of Turlock and Turlock Chamber of Commerce; Authorizing Kemper CPA, LLP, to issue the final report; and Authorizing the Mayor to represent the Council and take any and all action necessary to resolve the audit exceptions identified the final report. Motion carried 5/0 by the following vote:

Councilmember DeHart	Councilmember Nascimento	Councilmember Bublak	Councilmember Jacob	Mayor Soiseth
Yes	Yes	Yes	Yes	Yes

5. ADJOURNMENT:

Motion by Councilmember DeHart, seconded by Councilmember Nascimento, to adjourn at 7:16 p.m. Motion carried unanimously.

RESPECTFULLY SUBMITTED

Kellie E. Weaver
City Clerk