

MINUTES/PROCEEDINGS

**Independent
Citizens'
Advisory and
Oversight
Committee**

INDEPENDENT CITIZENS' ADVISORY AND OVERSIGHT COMMITTEE MEETING

**MTA Headquarters
3rd Floor - Board Room
One Gateway Plaza
Los Angeles**

Tuesday, January 21, 2004

One Gateway Plaza
Los Angeles, CA
90012

Called to order at 10:10 a.m.

Members present:

Emina Darakjy, Chair
Russ Lesser, Vice Chair
Dwight D. Ham

213-922-4600

1. APPROVED **minutes** of meeting held January 14, 2003.
2. RECEIVED AND FILED **FY 2003 Audit of Propositions A & C Revenues and Expenditures.**

Mr. Richard Brumbraugh, Chief Financial Officer, introduced Auditor Michael De Castro of the independent accounting firm of Thompson, Cobbs, Basilio and Associates. Mr. Brumbraugh stated that they were providing, in accordance with the voter-approved MTA reform and accountability act of 1998, the independent audit report which provides schedules of revenue and expenditures for Proposition A and C for the fiscal year ending June 30, 2003. TCBA conducted the audit of MTA's financial schedules in accordance with generally accepted accounting standards. The auditors provided the opinion that for the fiscal year ending June 30, 2003, the MTA's schedules of revenues and expenditures for Propositions A and C present fairly in all material respects. Also the auditor's report on compliance with Proposition A and C provisions disclosed no instances of non-compliance that are required to be reported under government auditing standards.

Lastly, the auditor's report on internal controls over financial reporting noted no matters involving the internal control of financial reporting in its operations that TCBA considers to be material weaknesses.

Ms. Darakjy reported she made a presentation to the Board on September 25, 2003 regarding the Prop. A & C FY 2002 Audit. She arrived at 9:30 a.m. and waited patiently until she was called to speak. At approximately 1:30 p.m., Ms. Darakjy started to read the letter, 3 ½ minutes in length. When she was 2 minutes into the letter, Supervisor Yaroslavsky informed her it was not necessary to continue. Ms. Darakjy stated that it was not only rude but also shocking as it was Director Yaroslavsky's initiative that formed the ICAOC.

Also, Ms. Darakjy confirmed with Michele Jackson that there is not a Committee appointment yet from Mayor Hahn's office.

Ms. Darakjy requested the audit balance sheets. Mr. Brumbaugh stated there are no balance sheets because this is a part of the Special Revenue Fund. However, he would provide the annual report of the entire agency.

3. APPROVED:

- A. Public Hearing for Wednesday, April 28, 2004 at 10:00 a.m. to receive input on FY 2003 Audit of Propositions A & C Revenues and Expenditures; and
- B. Notice of Intent to Hold Public Hearing.
respect increased 100% for everything MTA does. Mr. Ham also expressed his appreciation for the work done and congratulated MTA for opening the Gold Line on schedule, the grand opening event and tours.

4. Public Comment – NONE

Prepared by: Sharon Sterling
Assistant Board Secretary

Michele Jackson
Board Secretary