

**PUBLIC BUILDING COMMISSION OF CHICAGO
MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON
JUNE 26, 2014**

The Audit Committee Meeting of the Public Building Commission of Chicago was held in the Board Room on the 2nd Floor, Richard J. Daley Center on June 10, 2014 at 12:30 p.m.

The following Committee members attended

Commissioner Cabrera – Chairman
Commissioner Byron Brazier, Member

Also attending:

Erin Lavin Cabonargi
Lori Lypson
Paul Spieles
Daryl McNabb
Tanya Foucher Weekley
Mary Pat Witry
Eileen Ryan
Lisa Giderof
Aria Lusk
Ilyas Lakada
Molly Sullivan
Kathryn Pensack
Candice Hartfield
Angie Cipolla, Deloitte
Kathleen Candela, Deloitte
Allen Truesdell, Deloitte
Langdon Neal, Neal & Leroy
Anne Fredd, Neal & Leroy

The reading of the minutes of the June 10, 2014 meeting, which had previously been distributed, was dispensed with and upon motion duly made and seconded the minutes of said meeting were unanimously adopted.

Pursuant to Section 2.06(g) of the Open Meetings Act, a public comment period was held.

Ms. Kathryn Pensack registered and provided comments regarding cost associated with the building of the Griffith Calumet Library. Mr. Pensack provided handouts to the Committee members.

The Director of Finance, Daryl McNabb reported the completion of the Comprehensive Annual Financial Report (CAFR), which has been submitted to the Government Finance Officers Association (GFOA) for consideration for the Certificate of Achievement Award for Excellence in Financial Reporting, awarded to

the PBC for its 2009, 2010, 2011 and 2012 CAFRs. The Director of Finance then provided highlights of the 2013 financials. As expected, project revenue for 2013 increased from the 2012 level, due primarily to the School Investment Program. Daley Center rental income decreased even though maintenance costs remained flat, due to the application of significant amounts of salvage from prior years' operating budgets. This decrease in rental income also resulted in a decrease in the net position for the year.

The committee accepted the report

Kathleen Candela from Deloitte and Touche provided the required auditor communications for the 2013 Audit. Deloitte reported three errors not corrected by management prior to the issuance of financials, though none were considered significant to the presentation of the financial statements. Deloitte reported for the fourth year in a row that there are no material weaknesses or significant deficiencies in the internal control over financial reporting. Control deficiencies were reported over classification of legal fees and treatment of retainage during the accrual process undertaken at the financial close of the year.

The Committee accepted the report.

The meeting was adjourned.