LEGISLATIVE AUDIT COMMITTEE
JANUARY 15, 2019
MINUTES

A meeting of the Legislative Audit Committee (LAC) convened on January 15, 2019 at 7:05 a.m. in the Legislative Services Building, Audit Hearing Room B. Madam Chair Todd called the meeting to order. Roll was called with the following result:

Committee Members:
Senator Rhonda Fields, Representative Tracy Kraft-Tharp, Senator Paul Lundeen (arrived 8:30am), Representative Dafna Michaelson Jenet, Representative Kim Ransom, Representative Lori Saine (Vice Chair), Senator Jim Smallwood (arrived 7:15am), Senator Nancy Todd (Chair)

The following Office of the State Auditor (OSA) staff and others attended:

OSA
Dianne E. Ray, State Auditor, Matt Devlin, Deputy State Auditor, Kerri Hunter, Deputy State Auditor, Michelle Colin, Managing Legislative Auditor

Other Legislator and Attendees:
Representative Daneya Esgar
Department of Agriculture
Kate Greenberg, Joy Moore
Colorado State Fair Authority
Scott Stoller
Wall, Smith, Bateman, Inc.
Karla Willschau
Office of Economic Development and Trade
Betsy Markey, Sonya Guram, Jeff Kraft
Colorado State Fair Authority Financial and Compliance Audit  
Fiscal Years Ended June 30, 2018 and 2017


Ms. Willschau presented an overview of the audit report.

Discussion ensued regarding the difference between box office sales and gate admissions sales, challenges regarding the decline in attendance and the plan to increase it, and the new changes in local government positions and how it can affect the Colorado State Fair Authority.

Minutes
Sen. Todd made a motion to approve minutes from the December 3-4, 2018 LAC meeting and Rep. Saine seconded it. The motion passed unanimously.

Enterprise Zone Annual Report, State Fiscal Year 2018
Ms. Markey introduced self and her staff then proceeded to discuss Enterprise Zone’s (EZ) functions in the communities it serves. Discussion ensued regarding how EZ determines the merit of organizations to have access to these funds and detailed information on all businesses that use these tax credits available on the OEDIT website per statutes and the Secretary of State’s Transparency Online Project.

Legislation
Lottery Intercepts
Ms. Colin provided an overview of Lottery Intercepts Bill Draft. Discussion ensued regarding how the process works.

Sen. Todd made a motion to move the bill draft to bill paper and Rep. Saine seconded the motion; the motion passed unanimously.

Senate Prime Sponsors: Sen. Smallwood, Sen. Fields  

Audit Requests
Suicide Prevention
Auditor Ray requested research time from committee.
Rep. Michaelson Jenet made a motion to approve research time and Rep. Saine seconded it. Motion passed unanimously.

**Great Colorado Payback**

Auditor Ray stated that Sen. Fields had agreed to rescind the request.

**DHS Report Process Audit**

Sen. Todd rescinded her audit request.

**Update on CDPHE Outstanding Recommendations**

Mr. Devlin updated the committee on the recommendations now being fully implemented.

**Report Released without a Hearing**


Ms. Hunter provided an overview of the reports.

The meeting adjourned at 8:25 a.m.

Minutes submitted by: Santiago Vidaurri
Executive Assistant
Office of the State Auditor