

AGENDA
CITY OF GREAT FALLS AUDIT COMMITTEE
2023 KICK OFF MEETING
September 13, 2023 2:30 PM
Rainbow Room, Civic Center
Meeting Minutes

Meeting Commenced at 2:31

Agenda Item 1 - Public Comment

No public comment was given.

Agenda Item 2 - Introductions of City Staff, Audit Committee, and Auditors

The following people were present: Mayor Bob Kelly, City Commissioner Joe McKenney, Audit Committee Member Jeff Heibel, Audit Committee Christine Jewett, Sarah Stanger – Lead Auditor with Pinion, City Manager Greg Doyon, Deputy City Manager Chuck Anderson, Finance Director Melissa Kinzler, Deputy Finance Director Kirsten Wavra, Staff Accountant Ramilia Proud, and Grant and Project Administrator Tom Hazen. Staff Accountant Levi Johnson was absent.

Agenda Item 3 - Approve Minutes from August 16, 2023 meeting

The audit committee minutes from August 16, 2023 were approved. City Manager Greg Doyon motioned for approval, the motion was second by City Commissioner Joe McKenney, and the vote on the motion was unanimous.

Agenda Item 4 - Review of GFOA Certificate of Achievement Award and Comments for FY 2022 ACFR.

Director Kinzler gave a presentation on the GFOA review process. Ms. Kinzler also stated that the City had only received 4 comments relating to areas of improvement (1 of which does not apply to City activities). The City received a "Proficient" rating in all fields for the FY 22 review.

Mayor Kelly asked Ms. Sarah Stanger if she had any concerns as an auditor regarding the comments. Ms. Stanger said that she had no concerns.

Director Kinzler also presented upcoming GASB revisions. The City will no longer be required to report Port Authority Conduit debt. Additionally, new GASB requirements mandate the capitalization of certain subscription based software systems. However, Deputy Finance Director Kirsten Wavra reviewed the City's software agreements and determined that this new rule did not apply to Great Falls' systems.

Commissioner Joe McKenney noted that a Press Release was included with the GFOA award. He asked if the City planned to publish the release. Director Kinzler stated that the release would be issued to local press and published on Social Media. Commissioner McKenney also voiced his appreciation for Director Kinzler's knowledge and ability to answer questions quickly.

Agenda Item 5 - Discussion regarding the anticipated FY 2023 audit schedule.

Finance Deputy Director Wavra reviewed the proposed FY 2023 audit schedule with the Committee. She noted that this schedule was a reflection of the same schedule followed in previous years. Ms. Wavra

emphasized that preparation of the Annual Comprehensive Financial Report (ACFR) would begin immediately. The ACFR draft would be presented to the Auditors in October, to the Audit Committee in early December, and to the City Commission at the December 19th Commission meeting. The deadline to submit the report to GFOA is December 29th, 2023.

Director Kinzler noted that City staff prepared the ACFR. She also stated that it is not typical of City personnel to prepare the report and voiced her appreciation of the Finance Dept. personnel that contributed.

Mayor Kelly asked when the Committee could anticipate meeting again. Director Kinzler stated that would likely happen in early December.

Agenda Item 6 - Discussion regarding a FY 2023 special emphasis. Did the Audit Committee want an area of special emphasis this year?

Director Kinzler stated that Veolia manages the Great Falls Water Treatment Plant according to the terms of over a \$2 million dollar contract. This contract has been in place since the early 2000s and has never been reviewed by the auditors. This makes the agreement ideal for special emphasis. City Manager Greg Doyon stated that the agreement is performance based and that since the contract was formalized Veolia's personnel have unionized. As a result, the contract is very complicated and related performance merits a review.

A motion was made to adjourn the audit committee meeting by City Manager Greg Doyon. The meeting was adjourned at 3:00 pm.