

A **REGULAR MEETING** of the Board of Finance was held on Tuesday, November 21, 2023. Attendance was by Zoom and in person. Present at City Hall were Mayor Elinor Carbone, Comptroller Robin Stanziale, Treasurer Dan Farley, and the Board of Finance Members Deborah Iannacito and Laurene Pesce. Board of Finance Members James Wright and Christopher Anderson, and Deputy Fire Chief David Tripp joined via Zoom. Board of Finance Members Mark Bushka and Christopher Beyus were absent.

Mayor Carbone called the meeting to order at 5:05 p.m. beginning with the Pledge of Allegiance.

OPEN TO THE PUBLIC

On a motion by Mrs. Pesce, seconded by Mr. Andreson, the Board voted unanimously to open the meeting to the public.

Fiona Cappabianca said she was disappointed that the Audit review was not a Joint meeting with the Board of Education (BOE) to be able to ask questions. The BOE would also like the total bill, a breakdown of the charges, and any extensions for the \$9,000 bill that the Board of Education received for their portion of the FY22 Audit. She also voiced her concerns regarding the June 2022 Audit being discussed in November 2023.

APPROVE MEETING MINUTES

On a motion by Mr. Wright, seconded by Mr. Anderson, the Board voted unanimously to accept the Regular Meeting Minutes from October 17, 2023.

AUDIT PRESENTATION

Leslie Zoll and Jessica Aniskoff from Clifton Larson Allen (CLA) gave a presentation on the FY22 Audit findings. Together they went into detail surrounding the Terms of Engagement, Executive Summary, Financial Highlights, Federal and State Single Audit, Governance Communication, and the Upcoming GASB Pronouncements. They further explained the details of the internal control findings in the Financial Statements. One was a material weakness in Financial Reporting, and the other was a significant deficiency related to year-end transfers, more specifically the BOE transferring without BOF approval. There were two significant deficiencies in the Federal Single Audit found in the reporting under ARPA. One was that the policy is not in accordance with Uniform Guidance, meaning the Procurement Policy for the City needs to be updated. The other was that no subsequent reviewer of reports filed with the US Department of the Treasury, meaning that the same person cannot prepare and then review the document, you need to have a preparer and then a reviewer before submitting. Mr. Anderson asked if the findings had been noted in the Audit even if they had been corrected, Ms. Zoll told him that corrections can be made to the Financial Statements, but they are still included in the Audit findings. Mrs. Pesce asked if the control findings were significant in the audit, Ms. Zoll explained that right now there are no controls in place for two people to review the items before submitting them. She went on to say that not only was this a control finding, but also a compliance finding. Mrs. Pesce asked about their opinion on the City's bond rating, and CLA couldn't answer. Mayor Carbone explained to the Board that the Audit is something that they are looking to improve, she said it is very easy for one person to prepare a report and then hit send on the portal. She went on to say that they are looking to establish a policy for internal controls and practices to avoid these issues. She mentioned that the short staffing in the Finance Department has not made this process any easier. Mrs. Iannacito asked what the plan was for the 2023 audit and the timeframe, Mayor Carbone said the plan is to begin the audit in the first quarter of 2024, however, it is more realistic that it will happen in the second quarter of 2024. She went on to say that they need to hire permanent positions for the Finance Department and that that has been a major setback, for getting the Audits done on time without filing an extension. Mr. Anderson asked if any of these Audit findings were repeat findings, and Ms. Zoll told her that these were all new findings.

BUSINESS BY DEPARTMENT HEADS

On a motion by Mr. Anderson, seconded by Mr. Wright, the Board voted unanimously to consider business by department heads.

Treasurer Dan Farley provided the Board with an update on the City's credit rating since the completion of the FY22 Audit. He said that the City's credit rating has not changed since 2018.

BUSINESS BY MAYOR & MEMBERS

On a motion by Mr. Anderson, seconded by Mrs. Pesce, the Board voted unanimously to consider business by the Mayor and members of the Board of Finance.

Mr. Anderson asked if the opening of the new shelter would cause a change in the Police Department's overtime and staffing, Mayor Carbone told him that the shelter is on hold until Planning & Zoning gives it a special exception. She did say that with an overnight shelter, there historically was more call volume for Police and an Ambulance response, and they will monitor it closely.

Mr. Wright wished everyone a Happy Thanksgiving.

Mrs. Pesce asked when there would be a meeting for the OPEB Board for Finance to review, Mayor Carbone told her that Robin and Dan have been in touch with Hooker and Holcombe to get an update on when the review will happen for OPEB.

ADJOURNMENT

On a motion by Mr. Anderson, seconded by Mr. Wright, the Board voted unanimously to adjourn at 6:00 p.m.

Respectfully submitted by
Heather Abraham, Asst. City Clerk

ATTEST:


CAROL L. ANDERSON, CITY CLERK