

**Bowling Green Audit Committee**  
***Special Meeting***  
**October 30, 2018**

The Bowling Green Audit Committee convened in a special meeting at 3:30 p.m. on October 30, 2018 in the Conference Room at Neighborhood and Community Services. The meeting was called to order by Chairman Jeffrey Stein. Members of the Committee present were: Audit Professionals Brian Dinning and Jeffrey Stein, General Business members Vivian Grise and John Ward and Ex-Officio member City Manager Jeff Meisel. Absent: City Commissioner Joe Denning. Also present were Assistant City Manager/Chief Financial Officer Katie Schaller-Ward, Assistant Chief Financial Officer Erin Ballou, Debbie Smith of Mountjoy Chilton Medley CPAs & Advisors, LLP, Internal Auditor Deborah Jenkins and City Clerk Ashley Jackson. There was a quorum of the board present.

**Approval of Minutes.**

Chairman Stein announced that the first item of business was to approve the minutes of the July 9, 2018 regular meeting, which was mailed with the agenda to the members for their review prior to the meeting. Motion was made by Mr. Ward and seconded by Mr. Dinning, to accept the minutes as written. The minutes were approved as written by unanimous vote.

**Review and discuss the Comprehensive Annual Financial Report (CAFR) of the City of Bowling Green for the Fiscal Year Ending June 30, 2018 presented by Mountjoy Chilton Medley CPAs & Advisors, LLP.**

Ms. Smith of Mountjoy Chilton Medley CPAs & Advisors, LLP provided a brief overview and described that this report provided opinions and reviewed the responsibilities of the City versus responsibilities of the auditor. The Management's Discussion and Analysis was a review of how the year was overall and the budgetary data. Ms. Smith further reviewed the financial statements, notes to financial statements, budgetary comparison schedules – major funds (general and special revenue) and pension schedules, non-major governmental funds and the Debt Service Fund as well as Capital Projects Fund, all of which are included in the Comprehensive Annual Financial Report (CAFR). Furthermore, Ms. Smith mentioned the Police and Firefighter Retirement Fund and Bowling Green Municipal Utilities are noted within the audit, but those are audited by a separate entity. The report concluded there was one noted control deficiency and one business point. The control deficiency related to the Transit federal grant program and the operating expenditures in the amount of approximately \$350,000, related to the months of March through June 2018, which was not recorded. The expenditures were not recorded because the subrecipient had not submitted invoices for reimbursement for those months. It was recommended by Mountjoy Chilton Medley CPAs & Advisors, LLP for management to review all subrecipients at year-end to ensure all related expenditures have been recorded in the proper period. Additionally, the business point referred to the implementation of new federal procurement standard in the Procurement Policy. Assistant City Manager/Chief Financial Officer Ms. Schaller-Ward confirmed the Procurement Policy was in the process of being reviewed and amended.

Once all discussion ended, motion was made by Mr. Dinning and seconded by Ms. Grise to approve **Resolution No. 2018 - 1 of the City of Bowling Green Audit Committee approving the Comprehensive Annual Financial Report (CAFR) for Fiscal Year Ending June 30, 2018, as prepared by Mountjoy Chilton Medley, LLP.** Resolution No. 2018 - 1 was approved by unanimous vote.

Ms. Jenkins reminded the Audit Committee of the requirement to review and reissue a Request for Proposal (RFP) for auditing services as the last year of the five (5) year term will soon expire.

**The next quarterly meeting is scheduled at 3:30 p.m. on January 14, 2019.**

Ms. Jenkins announced the next quarterly meeting date.

**Adjournment.**

There being no other business to be conducted, at 4:20 p.m. Chairman Stein declared the meeting adjourned.

January 14, 2019  
Date Approved

Brian M. Dinning  
~~Jeffrey Stein, Chairman (Acting)~~  
Brian Dinning

Ashley Jackson  
Ashley Jackson, City Clerk