

**MINUTES
AUDIT COMMITTEE MEETING
OF THE
MUSCATINE CITY COUNCIL**

TUESDAY, NOVEMBER 26, 2019

5:30 P.M. - CITY HALL - CITY ADMINISTRATOR'S OFFICE

The meeting was called to order at 5:30 p.m.

Members Present: Councilmembers Phil Fitzgerald, Tom Spread, and Santos Saucedo; Jerry Ewers and Rich Klimes, Co-Deputy City Clerks; and Nancy Lueck, Finance Director.

Finance Director Nancy Lueck introduced Sarah Bohnsack of Bohnsack & Frommelt LLP, the City's auditing firm.

Sarah Bohnsack gave an overview of the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2019, the management letter, and she also presented a high-level summary report for the year. She stated that the City received an unmodified ("clean") audit opinion on the report and also noted there were no findings again this year on the single audit (federal grant) component of the audit. She also reported that no deficiencies in internal control or material weaknesses were noted during the audit.

The Audit Committee asked several questions on items in the report and discussed the very positive audit report. It was noted that the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Muscatine for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the 25th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP (Generally Accepted Accounting Principles) and applicable legal requirements. The CAFR for the year ended June 30, 2019, will again be submitted for consideration for this award.

There was Committee consensus to approve the CAFR and recommend its approval by the City Council at the December 5, 2019 meeting.

The Finance Director then noted that the audit for the year ended June 30, 2019 was the final year of the current 5-year agreement for auditing services with Bohnsack and Frommelt LLP. After discussion, the Committee recommended that the Finance Director request options for extending the current agreement with Bohnsack and Frommelt for either a 3-year or a 5-year term. There was Committee consensus to recommend an extension to the current agreement if the extension proposals for Bohnsack and Frommelt were satisfactory to the Committee.

The meeting adjourned at 6:15 p.m.

Submitted by:
Nancy A. Lueck
Finance Director