

## **SMITHVILLE BOARD OF ALDERMEN**

### **WORK SESSION**

April 18, 2023, 6:30 p.m.

City Hall Council Chambers and Via Videoconference

#### **1. Call to Order**

Mayor Boley, present, called the meeting to order at 6:28 p.m. A quorum of the Board was present: Leeah Shipley, John Chevalier, Ronald Russell, Marv Atkins, Dan Ulledahl and Dan Hartman.

Staff present: Cynthia Wagner, Gina Pate, Chief Jason Lockridge, Chuck Soules, Matt Denton, Stephen Larson and Linda Drummond.

#### **2. FY2022 Audit Review Presentation**

Harold Ray of CliftonAllenLarson, presented the findings and results of the FY2022 independent audit and the financial health and fiscal status of the City.

##### **Internal Control Communications**

- Material Weaknesses—deficiencies in internal control such that there is a reasonable possibility that a material misstatement would not be prevented or detected and corrected on a timely basis
  - 2022-001 Financial Reporting
  - 2022-002 Identification of Audit Adjusting Entries
- Compliance and Other Matter
  - 2022-003 Expenditures Exceeding Budgeted Amounts

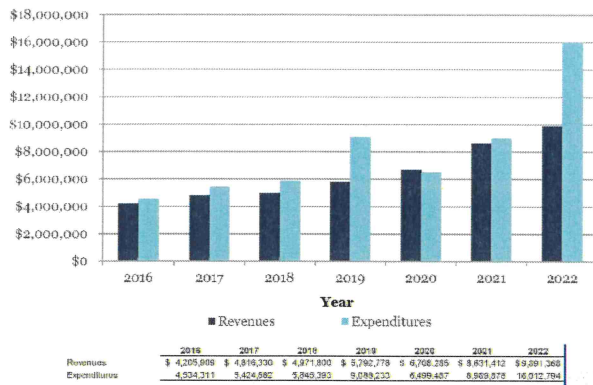
Cynthia noted that the issuance of debt for an economic development project is new for the City. She also noted that through the debt issuance process, everyone was informed that the MarketPlace would have an impact on the audit.

##### **Single Audit Results**

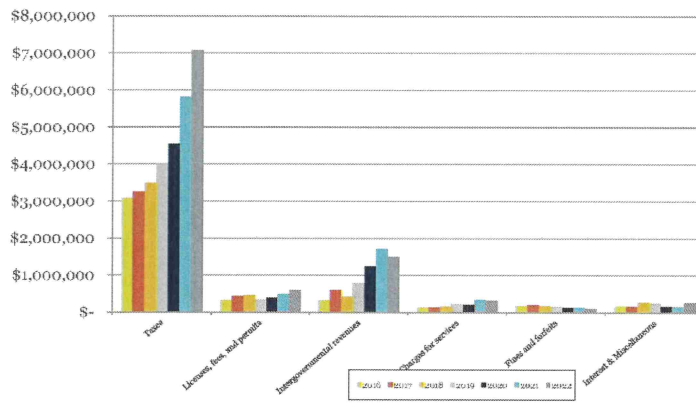
- Audit required by Uniform Guidance over federal funding
- Total Federal Expenditures -\$2,135,528
- Major Program Tested:
  - COVID-19 Coronavirus State and Local Fiscal Recovery Funds (ARPA)
- Significant Deficiency in Internal Control over Compliance
  - 2022-004 -Documentation of Suspension and Debarment Checks

## Financial Results

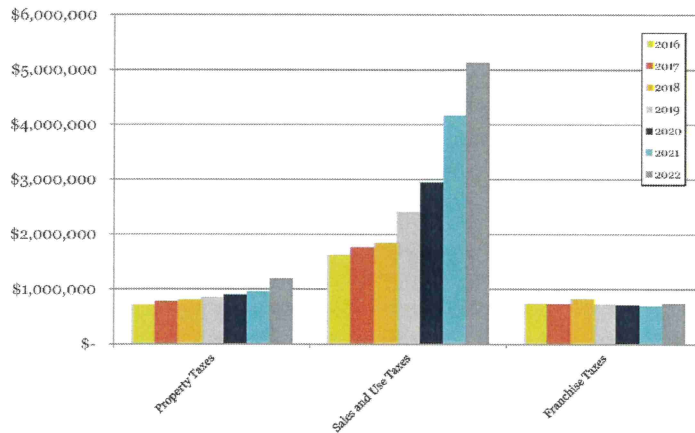
### All Governmental Funds – Revenues and Expenditures



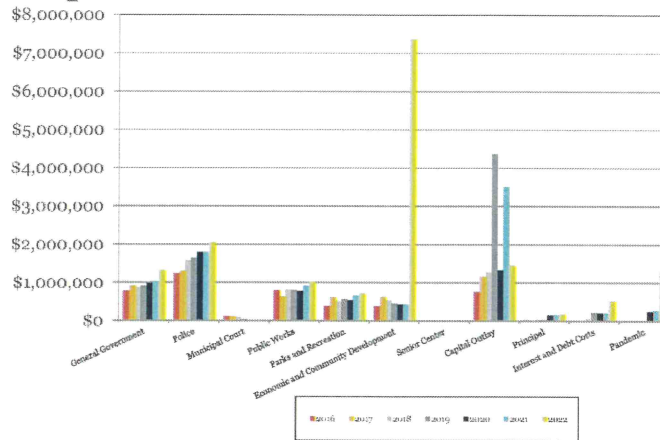
### All Governmental Funds – Revenue Sources



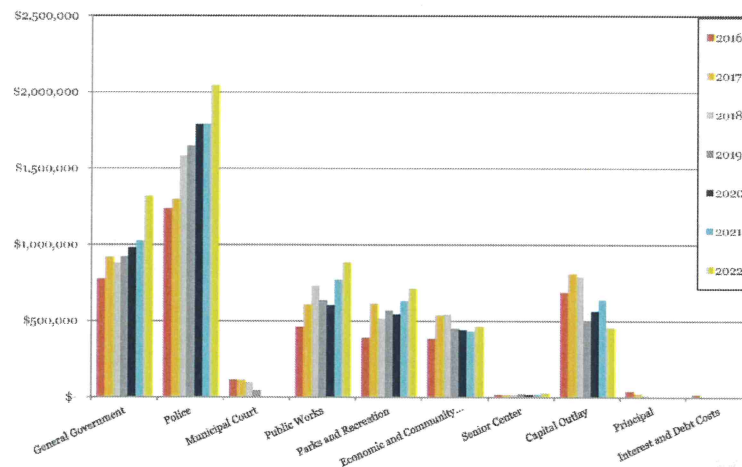
### All Governmental Funds – Tax Revenues



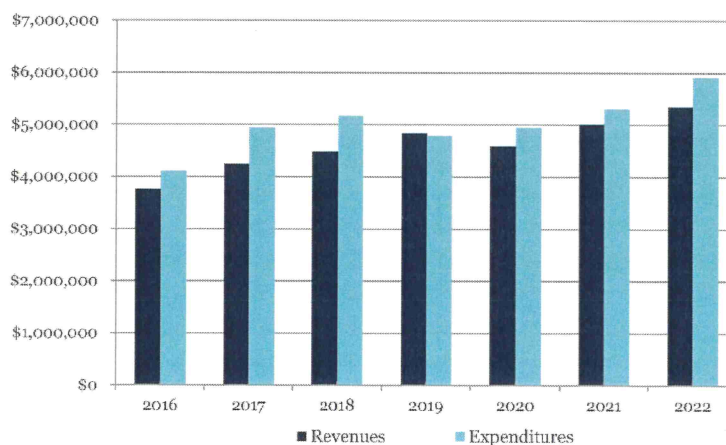
## All Governmental Funds – Expenditures



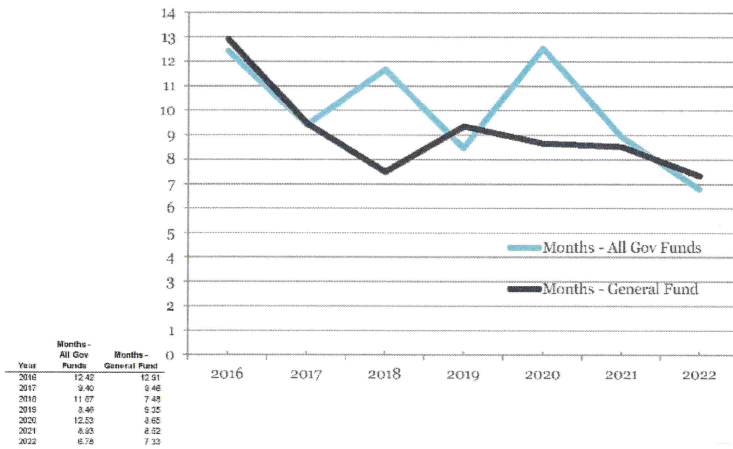
## General Fund – Expenditures



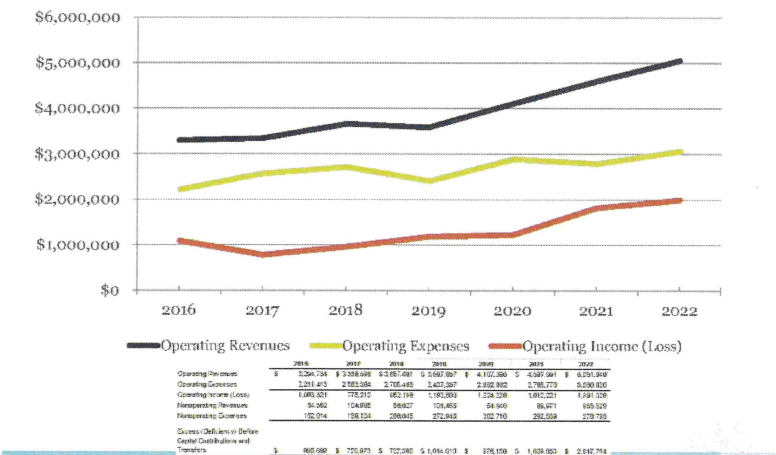
## General Fund – Total Revenues and Expenditures



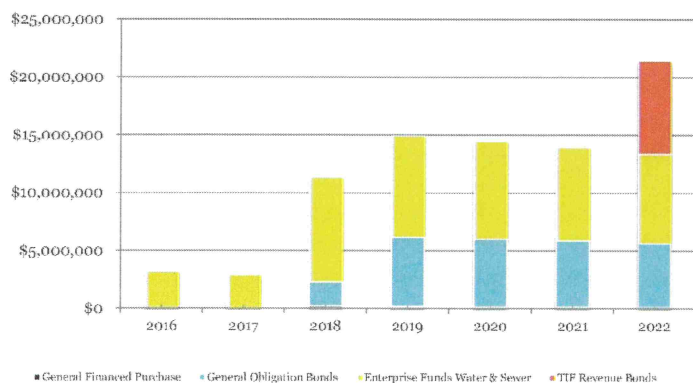
## Months Expenditures in Fund Balance



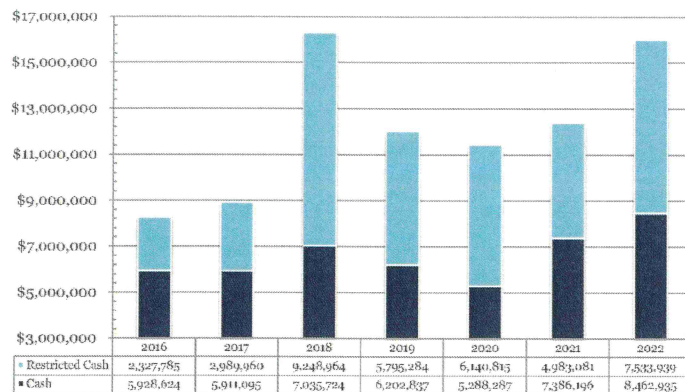
## Water and Sewer Fund Historical Trends



## City Debt



## City Cash Position



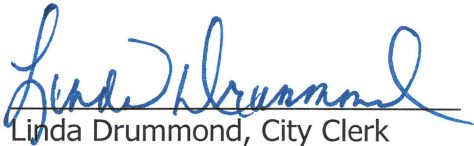
Alderman Russell asked if the two items on the FY2021 audit were rectified in FY2022.

Harold said that the financial reporting will always be there unless the City contracts it out and that would be an additional cost. He noted that most cities of Smithville's size have the same issue. The audit adjustments were improved.

### 3. Adjourn

Alderman Ulledahl moved to adjourn. Alderman Hartman seconded the motion.

Ayes – 6, Noes – 0, motion carries. Mayor Boley declared the Work Session adjourned at 6:45 p.m.

  
Linda Drummond, City Clerk

  
Damien Boley, Mayor