

Bowling Green Audit Committee
Special Meeting
December 12, 2011

The Bowling Green Audit Committee convened in a special meeting at 3:30 p.m. on December 12, 2011 in the City Hall Commission Chamber. The meeting was called to order by Chairman David McKillip. Members of the Committee present were: Audit Professionals Cristi Pruitt and David McKillip, General Business members Scott Gary and James Martens and Ex-Officio member City Manager Kevin DeFebbo. Absent: Commissioner Joe Denning. Also present were Mountjoy Chilton Medley, LLP representatives Trish Featherston and Drew Ulmer, Internal Auditor Deborah Jenkins, Chief Financial Officer Jeff Meisel, Comptroller Wilma Brown and Assistant City Clerk Ashley Jackson. There was a quorum of the board present.

Review and discuss the Comprehensive Annual Financial Report (CAFR) of the City of Bowling Green for the Fiscal Year Ending June 30, 2011 presented by Mountjoy Chilton Medley, LLP.

The Committee requested a brief overview of the audit from Mountjoy Chilton Medley, LLP. Mr. Ulmer and Ms. Featherston provided a summary of the Management's Discussion and Analysis, financial statements, notes to financial statements, budgetary comparison schedules – major funds (general and special revenue) and pension schedules, non-major governmental funds and the statistical section, all of which was included in the Comprehensive Annual Financial Report (CAFR). Also, the Single Audit Report under OMB Circular A-133 and Auditors Communication Report were discussed. Ms. Featherstone commended the City of Bowling Green and its staff and stated there were no disagreements between Mountjoy Chilton Medley, LLP and management, and no difficulties encountered during the audit.

In addition, the management letter included recommendations related to internal controls and suggestions for improvement:

- Schedule of Federal Expenditures – In order to reduce the risk of grant omissions from the schedule of federal expenditures, we recommend the City consider fully integrating the grants module and consider a policy which would require all departments to notify the Department of Housing and Community Development of grants applications and awards prior to the grant being approved by the City's Board of Commissioners.
- IT-Organizational Structural Controls – We recommend the City establish two user ID's for developers. One to be used in development after the change has been approved for migration and a second ID to monitor and log changes moved to production.

After discussion concluded, motion was made by Mr. Gary and seconded by Ms. Pruitt to approve **Resolution No. 2011 - 1 of the City of Bowling Green Audit Committee approving the Comprehensive Annual Financial Report for Fiscal Year Ending June 30, 2011, as prepared by Mountjoy Chilton Medley, LLP.** Resolution No. 2011 - 1 was approved by unanimous vote.

The next quarterly meeting is scheduled at 3:30 p.m. on January 9, 2012.

Internal Auditor Deborah Jenkins announced the next quarterly meeting date.

(Special Minutes-Bowling Green Audit Committee – December 12, 2011)

Adjournment.

There being no other business to be conducted, at 5:05 p.m. Chair Mr. McKillip declared the meeting adjourned.

Date Approved

Cristi Pruitt, Vice Chair

Ashley Jackson, Assistant City Clerk