

MINUTES

COUNCIL FINANCE & HUMAN RESOURCES COMMITTEE

Monday, December 14, 2020 – 9:00 AM

City Hall Council Chambers

Members Present: Geraldine Dinkins, Chair, Council Member (arrived at 9:23 am)
Mac Morrow, Vice Chair, Council Member (arrived at 9:19 am)
Jim Fatland, City Manager
Kelley Craig, Human Resources Director

Staff Present: Tom Whitlock, Deputy Finance Director & Tax Collector
Denise Hodsdon, Executive Assistant

Guests: Dan Mullinix, Gould Killian CPA Group, P.A.

A. Welcome & Call to Order

Committee Vice Chair Mac Morrow welcomed everyone and called the meeting to order at 9:19 AM.

B. Certification of Quorum

Quorum was certified by Executive Assistant Denise Hodsdon.

C. Approval of Minutes of November 30, 2020 Meeting

Motion by Mr. Fatland, seconded by Ms. Craig to approve the November 30, 2020 meeting minutes as presented. Motion carried unanimously.

D. Audit Report for Year-Ended June 30, 2020

Mr. Fatland introduced Dan Mullinix from Gould Killian CPA Group. Mr. Mullinix gave an overview of the auditing process and the services that Gould Killian CPA Group provides for the City of Brevard. He thanked the Committee and Mr. Fatland for the opportunity to serve as the City's auditors.

Mr. Mullinix provided copies of the draft audit report and reviewed the Audit Summary, including General Fund Summary, General Fund Balance Unassigned, and Water & Sewer Fund. A copy of the Audit Summary is attached as part of the minutes. He noted the following:

- Gould Killian issued three opinions:
 - 1) Clean opinion on the June 30, 2020 financial statements;

2) Yellow Book opinion with no issues/findings. He explained that this is the opinion over compliance with laws and regulations and they reported no material weaknesses in internal control; and

3) Opinion related to Federal/State Funds – He noted there was one finding regarding the Drinking Water grant fund. He explained that it was a timing issue in that when the grant funds are received by the City, there is a requirement to disburse those funds within 3 days. There was one instance where the grant funds were received via an automatic electronic deposit and checks to the vendors were written beyond the 3 day timeframe. They recommend implementing an internal control procedure to look at all electronic deposits on a regular basis to ensure that any payments are made within the required time.

- As of June 30, 2020 the Unassigned Fund Balance for the General Fund was \$1,660,000. This represents approximately 19% of the total General Fund expenditures and is below the City's 25% minimum fund balance policy threshold. During discussion Mr. Whitlock pointed out that due to COVID, the annual \$600,000 reimbursement from Water & Sewer Fund to the General Fund was not made, which caused the reduction in the fund balance.

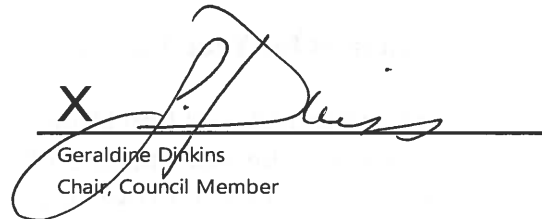
Mr. Mullinix will present the audit report to the full City Council on January 19th. A copy of the full audit is available for review at City Hall.

E. Set Date for Next Meeting

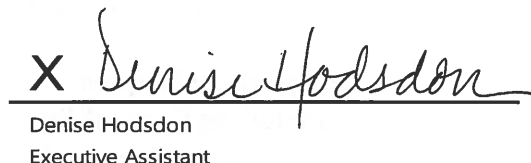
It was decided that the Committee would meet again when needed.

F. Adjourn

There being no further business, Mr. Morrow moved and Mr. Fatland seconded to adjourn the meeting at 11:05 AM. The motion carried unanimously.

X 
Geraldine Dinkins
Chair, Council Member

Minutes Approved: May 7, 2021

X 
Denise Hodsdon
Executive Assistant