



AUDIT COMMITTEE MINUTES

DATE: March 31, 2020
LOCATION: Google Meet
TIME: 3:00 PM

- I. CALL TO ORDER – Chairman
The meeting was called to order by Joel Wallace at 3:03pm.
- II. ANNOUNCE MEMBERS IN ATTENDANCE (VERIFY QUORUM)
Audit Committee members present confirmed by a roll call vote: Lynn Stokes, Jeff Henley, Dr. Brandon Di Paolo Harrison, Peter Reyman, and Joel Wallace
Audit Committee members absent: None
Quorum verified? Yes
Internal Audit attendees: Stephanie Fox & Cassie Wheeler
Other Attendees:
 - Mayor Joe Pitts
 - James Halford, Chief of Staff
 - Laurie Matta, City of Clarksville Chief Financial Officer
 - Deborah Johnson, City of Clarksville Finance Director
 - Matt Wood, Partner at ATA CPAs
- III. MOTION TO CONDUCT MEETING ELECTRONICALLY
In order to comply with the technical aspects of the Governor’s Executive Order regarding holding open meetings in a forum other than in the open and in public, this body determines that meeting electronically is necessary to protect the health, safety, and welfare of its citizens due to the COVID-19 outbreak.

Joel Wallace called for a motion to conduct the meeting electronically. Jeff Henley made the motion, and Lynn Stokes seconded. Stephanie Fox conducted a roll call vote that resulted in a unanimous yes. The motion was approved.
- IV. ADOPTION OF MINUTES: January 29, 2020
Joel Wallace called for a motion for approval of the minutes. Jeff Henley made the motion, and Dr. Brandon Di Paolo Harrison seconded. Stephanie Fox conducted a roll call vote that resulted in a unanimous yes. The minutes were approved as presented.

V. NEW BUSINESS

None

VI. COMMITTEE ACTION REQUIRED

A. ATA Contract Renewal Discussion

Joel Wallace asked Stephanie to provide comments. Stephanie explained Laurie Matta and Deborah Johnson are in the meeting to provide feedback on the external audit, and Matt Wood is also in the meeting to answer any questions the Audit Committee may have. Stephanie explained the Audit Committee is responsible for selecting the external audit firm to perform the audit and she explained the general external audit process. Stephanie addressed that after the external audit was completed, she and Rodney Wright spoke with CDE Lightband and Clarksville Gas & Water CFOs. Both CFOs gave positive feedback on ATA's performance and recommended renewal of the external audit contract. Stephanie asked if there were any questions regarding the process. There were no further questions. Joel Wallace invited Laurie Matta and Deborah Johnson to give their feedback.

Laurie Matta and Deborah Johnson provided comments on their experience during the external audit. Both acknowledged that the audit had been completed on time with no findings; however, they did identify communication as an area for improvement. Laurie indicated that the audit has been submitted to the Tennessee Comptroller's office for review and the Government Financial Officers Association for the award of excellence. Joel Wallace asked Laurie Matta if there was anything else she wanted to add. Laurie said that ATA was easy to work with and very good at getting information from Finance staff and understanding it. No one felt overly burdened by the auditors, even though it was their first year.

Joel Wallace asked Matt Wood to explain his plans to address their concerns. Matt explained that he has already started discussing process improvements with Internal Audit, including improvements to both audit timing and communication. He explained that ATA will be adjusting their audit process based on their experience in the prior year, with a goal of completing the audit in early December.

Lynn Stokes asked Laurie Matta if she feels like her concerns have been addressed. Laurie said that time will tell since one of the biggest concerns was communication. Laurie shared an example of a communication issue with the OPEB entry. Laurie said that communication would be something that everyone would have to work through.

Joel Wallace asked if there were any more questions and there were none. Joel asked Stephanie if they needed a motion to renew the external audit contract. Stephanie said yes and explained the RFP is set up for five years, but the renewal of each year of the contract must be approved by the Audit Committee. From her perspective, the communication issues that Laurie and her staff have are valid, but can be addressed. She said that we can work through those issues and communicate our expectations to ATA to ensure everyone is on the same page.

Joel Wallace asked if Mayor Pitts would like to be recognized. Mayor Pitts thanked the committee for allowing him to comment. He said the concerns expressed by the Finance and Revenue Department about the audit firm have been duly noted and considered by the firm. He believed it boiled down to communication and timing.

Mayor Pitts was hopeful that by next year we will have ironed out all of the kinks with the firm, and the audit will be ready well in advance and will meet standards. Mayor Pitts acknowledged that there are hurdles to clear with the Comptroller's Office and others. He supported what the Finance Department had mentioned and understands that it is probably based on a new relationship with ATA. Mayor Pitts expressed his appreciation to Matt and ATA for taking their concerns seriously.

Joel Wallace asked if anyone else would like to be recognized. Joel Wallace called for a motion to renew the external audit contract with ATA. Jeff Henley made the motion, and Dr. Brandon Di Paolo Harrison seconded. Stephanie Fox conducted a roll call vote that resulted in a unanimous yes. The renewal of the external audit contract with ATA was approved.

VII. CITY COUNCIL ACTION REQUIRED

A. None

VIII. ADJOURNMENT OF PUBLIC MEETING

Joel Wallace called for a motion to adjourn the public meeting and go into executive session. Dr. Brandon Di Paolo Harrison made the motion, and Lynn Stokes seconded. Stephanie Fox conducted a roll call vote that resulted in a unanimous yes. The public meeting was adjourned at 3:27 pm.

IX. PUBLIC COMMENTS (5 minutes each)

X. NEXT MEETING - **April 29, 2020 3:00 PM**

XI. EXECUTIVE SESSION

At this point in the meeting everyone other than Audit Committee members and those asked to attend by the Audit Committee to address a pending audit issue will be asked to leave.

XII. ADJOURNMENT OF EXECUTIVE SESSION

Dr. Brandon Di Paolo Harrison made a motion to adjourn the executive session and Lynn Stokes seconded. Executive session was adjourned at 3:41 pm.



Cassie Wheeler



Date of Committee Approval