

City of Hastings
COUNTY OF BARRY, STATE OF MICHIGAN

City Council Audit Workshop Minutes
November 14, 2016

- A. Audit Workshop called to order by Mayor Campbell at 6:00 PM in Council Chambers at City Hall.
- B. Present at roll call were members Bowers, Cusack, Maupin-Moore, McNabb-Stange, Redman, Smith, Tossava, and Campbell.

Motion by Tossava, with support by Redman, to excuse Councilmember Jarvis.
All ayes. Motion carried.

City Staff and Appointees Present: Mansfield, Emery, Pratt, Caris, Hays, Klein, and Ortiz.

- C. Presentation by independent auditors Rehmann Robson of the audit report regarding the fiscal year ended June 30, 2016.

Stephen Blann, representing Rehmann, discussed the composition of the audit team and the division of responsibility between City management and the auditors. He stated that the purpose of the audit was to assure all interested parties that the data was "accurate enough" to support decision making.

Blann reported that Rehmann had issued a "clean" opinion with no consequential findings. He did mention a minor note regarding the timeliness of bank reconciliations that occurred due to staff turnover.

Council questions:

Smith asked about findings in other entities. Blann briefly discussed Rehmann's experience with other municipalities and stated that City of Hastings financial records were unusually well prepared and accurate prior to the commencement of the audit. He stated that Hastings was among the very few Rehmann clients in that condition.

McNabb-Stange asked about changes and new rules forthcoming. Blann replied that the most significant upcoming change would deal with the reporting of OPEB liability. This would follow the pattern of recent changes in reporting pension liability. He stated that Hastings has about \$10 million in OPEB liability.

Mansfield discussed fund balance trend and planning.

- D. Consider accepting and placing on file the audit report as presented.

Motion by Redman, with support by McNabb-Stange, to receive the audit report for the fiscal year ending June 30, 2016.

Ayes: Bowers, Cusack, Maupin-Moore, McNabb-Stange, Redman, Smith,
Tossava, and Campbell.

Nays: None.

Absent: Jarvis.

Motion carried.

E. Adjourn workshop.

Motion by Tossava, with support by Redman, to adjourn audit workshop at 6:15 PM.

Read and Approved:

Franklin L. Campbell, Mayor

Thomas E. Emery, City Clerk