

**AUDIT COMMITTEE  
COUNCIL BRIEFING ROOM, CITY HALL  
203 E. WHEATLAND ROAD  
MARCH 25, 2019 @ 8:30 A.M.**

A meeting of the Audit Committee was held on Monday, March 25, 2019, at 10:00 a.m. with a quorum present to wit:

Dennis Schwartz	Chair and Councilmember	Present
Leslie Thomas	Mayor Pro Tem	Absent
Don McBurnett	Councilmember	Absent
James Talley	Commissioner	Present
Patrick Harvey	Commissioner	Present

The meeting convened in the Council Briefing Room and was called to order at 10:08 a.m. by Chair Dennis Schwartz.

The following staff members were also present: Richard Summerlin, Finance Director; Tia Pettis, Asst. Finance Director; Lauren Tesmer, Accountant; Georcha West, Accountant; Kristin Downs, City Secretary; and Todd Pruitt, representing Pattillo, Brown & Hill, LLP.

**Approval of Minutes:**

A motion was made by Commissioner Patrick Harvey; seconded by Commissioner James Talley to approve the minutes from the October 24, 2018 Regular Meeting, passing 3-0 in favor.

**Discuss the Audit of Financial Statements for the year ending September 30, 2018:**

Todd Pruitt discussed the results from the audit, and the responsibility of Pattillo, Brown & Hill to the City of Duncanville. Mr. Pruitt discussed the Government Auditing Standards (GAS) Report and Communication of Governance Report. The City received an unmodified opinion, the highest form that can be issued free of any material findings. The audit was performed in accordance with government auditing standards, those standards require auditors to do a number of things that go beyond just generally accepted auditing standards. One of which is to report on the city's internal controls over the financial reporting process in compliance with laws and regulations for contracts and grants; the report is not included in the CAFR and is issued separately. There were no significant deficiencies that were identified during the course of the audit and no instances of non-compliance. Mr. Pruitt congratulated the City on a clean audit. Discussion followed on the CAFR highlights. Finance Director Summerlin recognized Assistant Finance Director Pettis and staff for their hard work during the entire auditing process.

Commissioner Talley left the meeting at 10:45 a.m.  
Commissioner Talley returned to the meeting at 10:50 a.m.

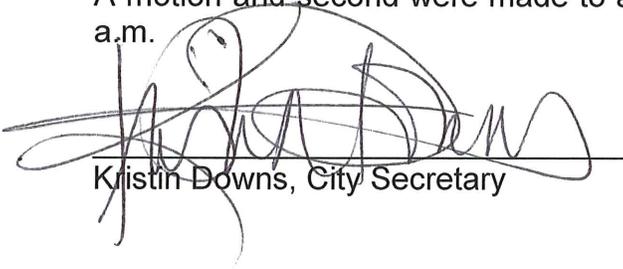
**Discuss the status on the Internal Audit Review from Spring 2018:**

Finance Director Summerlin provided input on the 47 items listed and stated with the new implementation of Munis there was not a lot of time to follow up and address some of the issues. Director Summerlin discussed the issues that had been implemented and the notable changes. Commissioner Talley suggested to coordinate with staff and assign the more simplistic items and provide a time line of when the item should be completed to take some of the work off of Director Summerlin. Commissioner Harvey requested to bring the item back and continue to monitor the progress.

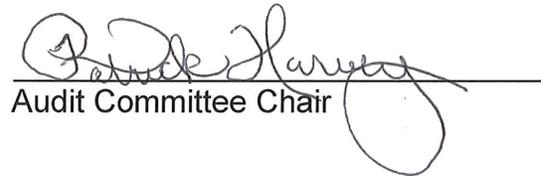
Commissioner Talley questioned why the City Attorney was not present to discuss the roles of the Audit Committee pertaining to any legal matters that could significantly impact the City's financial reporting. Director Summerlin apologized for the oversight of the City Attorney not being present. Commissioner Harvey stated he knows the implementation of the new software has been intense and would like the City Attorney to be present at the next Audit Meeting for the committee to better understand their roles on any legal issues that could affect the City's finances.

Chair Schwartz requested for a Special Meeting to be scheduled on April 25, 2019 at 10:00 a.m. to discuss the roles of the Audit Committee on any legal issues that could affect the City's finances and discuss the status of the Internal Audit Review.

A motion and second were made to adjourn the meeting, passing 3-0 in favor, at 11:16 a.m.



Kristin Downs, City Secretary



Audit Committee Chair