

Audit Committee

Regular Meeting Minutes

DATE & TIME: October 16, 2018 – 4:00 PM
LOCATION: KL Binder Library, 6th Floor, County Office Building
PRESIDING OFFICER: Herbert Litts III, Chairman
LEGISLATIVE STAFF: Amber Feaster
PRESENT: Legislators Richard Gerentine, Tracey Bartels, Mary Beth Maio (arrived at 4:45 PM) and Hector S. Rodriguez
ABSENT: None
QUORUM PRESENT: Yes
OTHER ATTENDEES: Legislators Lynn Archer and Julius Collins; Ken Crannell, Deputy County Executive; Randy Boughton, Comptroller; Elizabeth Weredyk, Comptroller; Chief Civil Officer John McGovern, Sheriff; Denise Williamson, Senior at RBT, CPA's; Linda Hannigan, Director of RBT, CPA's.

- **Chairman Litts called the meeting to order at 4:04 PM**

Motion No. 1: To approve the Minutes of September 20, 2018

Motion Made By: Legislator Bartels
Motion Seconded By: Legislator Rodriguez

Discussion: None

Voting In Favor: Legislators Litts, Bartels, Gerentine, and Rodriguez
Voting Against: None
No. of Votes in Favor: 4
No. of Votes Against: 0
Disposition: Approved

Chairman Litts introduced Linda Hannigan and Denise Williamson from RBT CPA's.

Linda Hannigan, CPA provided an introduction and a brief background of herself and Denise Williamson, CPA, welcoming questions from Committee members as the two present their final report of the Agreed Upon Procedures (AUPs) over Cash at the Sheriff's Department.

Denise Williamson, CPA provided an overview of the contracted services completed and explained changes in software that have taken place over the period reviewed and anticipated to take place prior to the end of the year. Legislator Bartels expressed concern over the amount of detail lost from the import of the software utilized for cash purposes and the County's financial system software. Ms. Williamson provided an overview of each bank account reviewed, including a description of the account, its purpose, positive attributes noted, and potential findings related to the account. In summary, Ms. Williamson noted that stale, unidentified items have been identified, that action is recommended to be taken to bring all trust accounts to a zero balance, and provided a review of all other additional comments based on the procedures performed.

Legislator Bartels confirmed with Officer McGovern that accreditation is not affected by the findings disclosed. Officer McGovern explained that the option to turn funding over to the State is being considered as a possible avenue for the Department to pursue to clear stale-dated funds. Further, Officer McGovern explained the consolidation of accounts and the decision behind the consolidation.

Discussion pursued on the Commissions Account, its existence in the General Ledger, the Commissioner of Finance's knowledge of its existence, and the Office of the Comptroller's knowledge of its existence.

Discussion pursued on the Commissary account and the purchases historically made from this account. Legislator Bartels expressed concern that this account is currently being tracked and reconciled via Microsoft Excel.

Legislator Rodriguez requested a summary of recommendations within the report. RBT agreed to add this into the final product.

Committee members thanked Ms. Hannigan and Ms. Williamson for their time and all their hard work.

New Business:

Potential Audit Items / Areas

Legislator Bartels encouraged Committee members and Officer McGovern to review reports previously circulated from CGR pertaining to jail population studies completed for Chemung County, NY. Further, Legislator Bartels expressed interest in investigating the contracts currently in existence with Family of Woodstock, matters pertaining to self-insurance in comparison to other options, and outsourcing jail food service costs versus bringing these services in-house.

Motion No. 2: To enter executive session

Motion Made By: Legislator Rodriguez

Motion Seconded By: Legislator Bartels

Discussion: Legislator Archer requested the committee enter into executive session to discuss a personnel-related matter. Discussion pursued as to the sensitivity of the topic and the need for executive session.

Voting In Favor: Legislators Litts, Bartels, Gerentine, Maio, and Rodriguez

Voting Against: None

No. of Votes in Favor: 5

No. of Votes Against: 0

Disposition: Approved

Motion No. 3: To exit executive session

Motion Made By: Legislator Rodriguez

Motion Seconded By: Legislator Maio

Discussion: None

Voting In Favor: Legislators Litts, Bartels, Gerentine, Maio, and Rodriguez

Voting Against: None
No. of Votes in Favor: 5
No. of Votes Against: 0
Disposition: Approved

Chairman Litts confirmed that no action was taken during executive session.

Legislator Bartels stated that she has spoken with the external auditor of the Ulster County Soil & Water Conservation District and that he has raised concern as to whether the Conservation District is in fact a component unit of Ulster County. Further Legislator Bartels expressed that it appears that the Conservation District should be classified as a component unit of the County based on specified criteria, that because the Conservation District has received an external financial audit verifying its books it should now be included within the County's financial statements moving forward, and that she has been working with this auditor as well as the County's external auditor to coordinate the flow of this information to ensure timing requirements are met for inclusion.

Old Business: None

There being no further business before the Committee, a motion was made by Legislator Rodriguez, seconded by Legislator Maio and carried to adjourn the meeting at 5:23 PM.

Respectfully submitted: **Amber Feaster, Fiscal Analyst**
Minutes Approved: **December 16, 2018**