

minutes

Finance Committee/ Citizen Board Oversight Committee		
10.8.2018	5:00 PM	Conference Call
Committee Chair	Heath Kahrs	
Attendees	Don Fulton, Anthony Pullella, Kenneth Gatson, Ed Capodanno, Heath Kahrs	

I. September Finance/CBOC Meeting

No questions, comments or changes. Meeting notes approved.

II. Financial Reports

- a. Discussed September financial reports.
 - i. DMA is operating off of a preliminary budget as we await the final September 30th unit counts before finalizing.
 - ii. Currently at 25.0% of the budget year. We received 59.1% of our anticipated revenues (due to up-front state funding and preload of local funds). Expenses are at 36.5% of our annual budget through three months due to the up-front debt service payments. If debt service was prorated evenly, we would be at 24.3% of our annual.
 - iii. Variances noted in the September financials were generally reasonable and as expected.

III. Audit

- a. Independent Auditors (Barbacane and Thornton) for the year-ended June 30, 2018 provided the organization with the following financial reports for review: audited financial statements, management representation letter, and auditor communication letter.
- b. Discussed and reviewed financial statement.
 - i. Noted the implementation of the required new Governmental Accounting Standard for other post-employment benefits. From a presentation perspective, the statement of net position shows a liability of 11.8 million which causes the organization to have an overall net position deficit of 9.5 million. Again, this is more of a presentation issue versus a financial issue for the organization.
 - ii. Discussed the MDA in the front of the financial statements and wanted to circle back to B&T pertaining to wording and clarification of one minor item.

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iii. No other questions or issues with financial statements.

c. Reviewed and discussed both the management representation letter and auditor communication letter. No issues or concerns noted.

IV. USDA Financing

The USDA loan documents were signed and executed. The loan rate was locked in at 3.875% when DMA eventually decides to refinance.