



## **Audit Committee**

### **Meeting Minutes**

Thursday, April 3, 2025

10:30 – 12:00 pm

City Hall, Room 103

#### **A. Call to Order**

The meeting was called to order at 10:35 AM by Committee Chair Fisher.

#### **B. Attendance Roll**

Member(s) present: Commissioner Fisher, Commissioner Myers, Mr. Blount, Ms. Higgins and Dr. Thomas

Staff present: Internal Auditor Hassemer, Management Analysts Desai, Johnston and Roth, Acting Manager Brad Griffin.

#### **C. Review and Approval of Meeting Minutes—March 6, 2025**

Motion to approve minutes from the March 6 meeting by Mr. Blount, seconded by Commissioner Myers and unanimously approved, with scrivener's errors corrections.

#### **D. FY25 Audit Workplan Status and Activity**

The Internal Auditor reported that the fieldwork for the periodic audit of the Transit Department, the final audit of the FY25 Workplan, was wrapping up and completion of the report was underway, with the exit conference with department leadership scheduled for later this month. The hope is that the exit conference along with the 30-day period for response from management will be completed by the committee's June meeting; however, copies of the report will be sent to the committee prior to that meeting. Chair Fisher reminded the group that the Mayor and Commission will be on hiatus after the June voting meeting, until July 15.

The Internal Auditor further reported that the follow-up for the Economic Development would take place during April/May. With regard to the current special project involving a list of external audits, a form has been sent out to all departments, offices and courts asking for updates on their external audits. He mentioned that next year as part of the proposed workplan, the second phase of this project would be undertaken, to organize and track the data, and obtain the actual copies of the audits. These projects will finish out the fiscal year, with all projects currently on time.

#### **E. FY26 Audit Workplan Preparation**

The Internal Auditor pointed out the proposed Option A and Option B for the following year's workplan, with the difference being Option A entailing Fire and Emergency Management and Capital Projects included, while Option B includes TPW [Transportation and Public Works] instead of those two. He also reviewed some format editing that had been done at the suggestion of the Audit Committee members. Commissioner Myers recommended three further formatting options for layout and readability: Putting the audit type in the third instead of first column, putting the special projects at the end of the report, and numbering boxes in



order to better distinguish differentiation among them. The Internal Auditor agreed that these changes could be made. The Internal Auditor stated that Ms. Higgins had noted that the Audit Committee approval step had been omitted from the process chart, and this would be added in.

The Internal Auditor recapped the discussion from the previous meeting and how the 10 original proposed audit/project topics had been narrowed down to the current options. He noted that the group seemed to have agreed on the importance of the Fire and Emergency Services and the Capital Projects audit, and the opportune timing of the Organizational Structure investigation, and that Option A included each of these. Option B contained a periodic audit of Transportation and Public Works, the ACCGov public land inventory, and the Organizational Structure investigative audit. He noted that there had been discussion previously regarding the BAC [Boards, Authorities and Commissions] audit, but upon consultation with the Manager's Office and the GOC [Government Operations Committee], the GOC is currently doing work that would basically mirror any investigation that the Operational Analysis Office would do. Chair Fisher elaborated on the work of the GOC, and in response to a question from Mr. Blount, he also stated that the land inventory project was also being looked into by the Land Bank Authority. The Internal Auditor explained that he had left the Land Inventory project on Option B, because there was not exactly duplication of effort in this regard. Commissioner Myers inquired if there would be a chart created for reference on which properties could be useable for affordable housing, since this topic has been brought up often. The Internal Auditor explained that from what he had gathered regarding the Land Bank Authority work, it would give significant information in that regard, although the Operational Analysis Office could possibly give additional detail. Commissioner Myers inquired further about the timeframe of such a report, since it would in her opinion be valuable to have rather quickly because it had come up several different times in several commission meetings.

Dr. Thomas asked if this is an audit function, or if it is something that Manager and staff should provide. Internal Auditor Hassemer stated that the difference would lie in whether it is a simple list that is being requested, which would be a function of Manager's Office, or if there was analysis being requested, in which case it would be an audit function and would require planning for inclusion in the workplan. After further discussion of the land inventory, the Internal Auditor recommended that a vote be made on a workplan today in order to have approval placed on the M&C calendar for June, because otherwise it would have to wait until the August meeting. Ms. Myers noted the importance of the TPW due to its large size and budget, and she noted that the Organizational Structure analysis was important due to the timing, since the organization is currently undergoing significant change. The Internal Auditor concurred and Ms. Higgins added that organizational structure audits is one of the most complicated analysis to do and would be an interesting process. Discussion continued around the Emergency Management audit, particularly given possible changes in budget due to uncertain federal funding future. The Internal Auditor noted that each department in Option A have never been audited, while TPW has been audited three times in the past 20 years, although Commissioner Myers emphasized that those previous audits were not of the entire department. Mr. Blount made a motion to approve Option A, and Ms. Higgins seconded—unanimously approved.



Ms. Higgins noted that staffing and budget are the biggest limitations of the Operational Analysis Department, and next year the committee should investigate ways to find resources for larger, more intensive audits. She recommended perhaps state resources, reciprocal audits with other municipalities, or enlisting the help of UGA. Mr. Blount concurred that next year with the department being reconstituted for three years now, next year would be a good time to tackle an audit of a larger department. The Internal Auditor agreed that there would definitely be initiative to analyze a larger department next year, since any conflicts for staff would have timed out, but he noted that external consultants are often prohibitive regarding budget, and also labor-intensive for staff.

#### **F. Internal Auditor's Update**

Internal Auditor Hassemer reported that PSCOB, now almost two years after beginning its work, is working well. They have launched a second survey that staff has helped facilitate, working on any complaints as they come in, and also working on a policy review that staff is helping to research. They have participated in one outreach event and will have another later this month. Staff time is approximately 80 hours per month on PSCOB duties. Commissioner Myers asked about how PSCOB is reviewed regarding its effectiveness, and how is an objective review done. Commissioner Fisher noted that there are four openings on the board out of nine members. Secondly, he noted, that work is not instantaneous and it takes time to build, but also there have not been many complaints that have come in so far. He described the board as still being in an infancy stage and cannot be compared to other municipalities where boards have been in place 15 years or more. The Internal Auditor stated that, putting things in context of how the Audit Committee fits into the PSCOB matter, that it is a good intersection of staff, since the Operational Analysis Office serves as staff for the board. Mr. Blount asked what the concerns around PSCOB are. There was explanation and discussion around several items, including the fact that the Internal Auditor occasionally hears complaints from the public at commission meetings without prior notification or knowledge. He also explained that, while the board was formed three years ago, but only staffed in the past two years since the Operational Analysis has been functioning, a lot of work has gone into getting the administrative work done to have the board functioning as it is now. There was further discussion around topics of PSCOB, in particular the public's knowledge of PSCOB and the amount of work it has taken to start such a program from scratch. The Internal Auditor emphasized that the role of Operational Analysis staff is to be auditors, and standards of objectivity must be maintained. Under the current format, that is doable, but if a different format meant that staff were expected to advocate for the board, that would eliminate neutrality and would cause a problem. Mr. Blount asked why PSCOB had initially been placed in the Operational Analysis Office, to which Commissioner Fisher replied that was the place the commission decided it could be in order to maintain objectivity. Mr. Blount expressed concern that there could still be conflicts under the current structure due to the nature of auditing portion of the Operational Analysis Office.

The Internal Auditor noted that there would be no business for the committee to take up in May. Also, since the M&C were not meeting in July, there was likely no need to meet that month either.



Commissioner Myers made a motion to cancel May and July meetings; Ms. Higgins seconded; passed unanimously approved.

**G. Next Meeting Date** – June 6, 2025 @ 10:30-12:00 pm.

Action Taken: Adjourn

Motion by: Thomas

Second by: Blount

Unanimous Approval

Meeting adjourned at 11:43 PM.

**Note: The Audit Committee Meeting is open to the public; however, public comments are not received unless the Committee Chair requests that an individual provide information.**