February 27, 2023

THE CITY COUNCIL OF THE CITY OF LEWISTON, IDAHO, met in a Special Work Session in the back conference room at Lewiston City Hall, 1134 "F" Street. Mayor Johnson called the meeting to order at 4:00 p.m.

City Council meetings are recorded live. To view the full video, go to https://livestream.com/lewiston/events/3725902

I. CALL TO ORDER

COUNCIL MEMBERS PRESENT: Mayor Johnson; Council President Liedkie (Zoom); Councilor Forsmann; Councilor Schroeder; Councilor Tousley; Councilor Spickelmire.

COUNCIL MEMBERS EXCUSED: Councilor Kleeburg;

II. FY'22 AUDIT PRESENTATION BY PRESNELL GAGE

Presnell Gage Auditor Aliverti reported that the FY'22 audit covered the period of October 1, 2021 to September 30, 2022. She reviewed the required communication about their responsibilities under generally accepted auditing standards and *Government Auditing Standards,* and Uniform Guidance, as well as certain information related to the planned scope and timing of the audit. The required communication included an explanation of the responsibilities of the auditors, management, and the accounting estimates.

Ms. Aliverti then reviewed several sections of the Annual Comprehensive Financial Report (ACFR), which is comprised of five sections: Introduction, Financial Overview, Financial Statements, Statistical Data and Single Audit.

Presnell Gage audited the accompanying financial statements for the City as of September 30, 2022. This included governmental activities, business type activities, aggregate discretely presented component units, each major fund and the aggregate remaining fund information. She noted that it is Presnell Gage's objective to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, and to issue an auditor's report that includes their opinions.

Ms. Aliverti reported unmodified opinions of "clean" for financial statements representing what really happened in the City's finances for the year, federal grants, and internal controls and compliance. She also noted there were no audit findings, internal control concerns, disagreements with management, or evidence of fraud.

Continuing, Ms. Aliverti reported that management is responsible for the preparation and fair presentation of the financial statements; design, implementation and maintenance of internal controls; and the selection and use of appropriate accounting policies.

Accounting estimates are an integral part of the financial statements. The most sensitive estimates affecting the City's financial statements were: allowances for uncollectible accounts (utilities and ambulance); useful lives of capital assets; medical insurance unpaid claims; worker's compensation; and net pension asset liabilities.

Financial highlights included the statement of net position with cash and investments at $62,819,805 for both current and some restricted funds. Capital assets totaled $211,072,783 and are broken out between government and business-type activities.

Continuing, Ms. Aliverti reviewed the outstanding long-term debt, which includes the Wastewater loan, Water loan and Urban Renewal. The Police Retirement bond was paid in full in October 2021.

Addressing non-major governmental funds, Ms. Aliverti noted that the Cemetery Perpetual Care Fund, Library Fund and Transportation Fund all lost a bit of money. Finance Director Gordon explained that the losses in both the Transportation and Library Funds were planned losses. Staff knew it would need to utilize reserves for Transportation to support the Fund, and the Library received a grant through the CARES program for a Book Mobile in one year, but spent the funds in the next year.

Finally, a brief overview of Proprietary Funds, Fiduciary Funds and Internal Service Funds was provided. It was noted that Worker's Compensation had a loss of $322,540 in 2022 due to a couple of large claims. A

III. ADJOURNMENT

There being no further business to come before the Lewiston City Council, Councilors Schroeder and Forsmann moved and seconded, respectively, to adjourn the February 27, 2023, special meeting at 4:47 p.m. The motion carried 5 to