

**MINUTES OF THE
WATERTOWN CITY COUNCIL**
Workshop Meeting Tuesday, April 9, 2019

Steve Washburn
Deborah Everson
Lindsay Guetzkow
Adam Pawelk
Michael Walters

1. Call to Order and Roll Call

Mayor Steve Washburn called the Watertown City Council Workshop to order at 5:33 p.m. Tuesday, April 9, 2019 in the Council Chambers of City Hall.

Council Members present: Washburn, Michael Walters, Deborah Everson, Lindsay Guetzkow, and Adam Pawelk.

City Staff present: City Administrator Shane Fineran, and Clerk/Treasurer Lynn Tschudi.

Guest: Brad Falteysek from Abdo, Eick and Meyers.

2. New Business

A. 2018 Audited Financial Statements

Brad Falteysek from Abdo, Eick and Meyers shared the draft of the 2018 financial statements and audit. Falteysek explained that there will be more ratios and graphs used for the management letter this year. Falteysek said there were four internal control findings for 2018. He explained to council the legal compliance finding. All bank balances should have collateral pledged for 110% of the balance over the insured FDIC amount of \$250,000. Other control findings were: auditors assisting in financial statement preparation, prior period adjustment, and control of check signing stamp.

Falteysek walked through his presentation with council.

Pawelk addressed the findings and asked for feedback on them. Falteysek said the collateral finding is very common with other cities as well. Guetzkow asked about the check signing stamp comment. Falteysek said this process has been consistent at the city for years and it is likely that the auditors did not catch it in the past. Washburn thanked Abdo, Eick & Meyers for the smooth process and quality of service. He is satisfied with the way Watertown came in on the ratios such as debt per capita and taxes per capita. Walters pointed out that revenue earned in 2018 was in excess of budget and expenses came in under budget for 2018.

Final audit to be presented on May 14th.

3. Adjournment

Workshop adjourned at 6:20pm.