

# **RCTB** RICHLAND COUNTY TRANSIT BOARD

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## **MINUTES of the January 20, 2022 RCTB Finance Committee meeting**

### **Present:**

Finance Committee Members: Scott Heimann, Clint Knight & Ed Pickens

Other RCTB Members: Crystal Weese

RCRPC: Terri Kiser (via Zoom) & Jean Taddie

**Call to Order:** The meeting was called to order at 9:32 a.m.

### **New Business**

In preparation for RCTB's 2021 financial audit, the 2019 and 2020 RCTB audits and 2021 financial statements were provided in advance for review. During the meeting, Jean Taddie reviewed the 2020 management letter, indicating that RCTB should form a finance committee to review audit recommendations and ensure internal controls and fiscal compliance. The committee was formed in 2021, and this meeting focused entirely on RCTB's audit.

While reviewing the 2020 and 2019 audits, Jean noted the auditor opinion states "the financial statements referred to above present fairly, in all material respects, the financial position of the Richland County Transit Board." Two findings in the 2020 audit were reviewed. First, catch up depreciation of \$408,341 from prior years should have been adjusted through the net position, rather than showing as 2020 depreciation expense. The auditor corrected the net position and depreciation items. Secondly, two of the financial statements were comparative (showed 2019 and 2020) while one statement showed only the current year. The auditor corrected the statements so they all showed only 2020. In the corrective action plan, the auditor recommended RCTB utilize an accountant to prepare the Hinkle filing for the Auditor of State and establish a finance committee. Jean briefly overviewed the 2019 audit findings, which indicated the same problem with comparative vs. single year statements, as well as a correction to the calculation of net position.

As recommended by the auditor, the finance committee discussed selecting an accounting firm to help prepare the management discussion & analysis (MD&A), financial statements, and notes for the Hinkle filing to the Auditor of State. They would also be expected to review RCTB's procedures to ensure GAAP compliance and to help address issues that might arise during the audit. A sample contract between the Richland County Regional Planning Commission and Julian & Grube, Inc. was provided in advance and shared for reference. Jean noted that per RCTB's procurement policies, since the contract is expected to be less than \$10,000, we can obtain competitive quotes without the need for a formal RFP. All agreed that

the accounting firm should have experience with government accounting. Julian & Grube is a potential candidate to request a quote. Scott Heimann suggested other potential accounting firms to obtain quotes from, including KM&M (TMR's accountant), HW & Company (formerly the Sheely Group), and Helen Brown. Scott is checking on some to verify whether they have expertise in government accounting. Jean will send request for quotes, including references. The committee will advise on selection. Two selection criteria include experience with government accounting and price.

**Other Business from the Floor:** There was no other business from the floor.

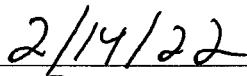
**Adjourn**

*There being no other business, Ed Pickens made a motion to adjourn, and Scott Heimann seconded the motion passed. With no further discussion, the motion carried.*

The meeting adjourned at 10 a.m.

The undersigned duly qualified and acting chairman of the Richland County Transit Board certifies that the foregoing is a true and correct copy of the minutes of the RCTB Finance Committee, approved at a legally convened meeting of the Board, of the committee meeting held on January 20, 2022.

  
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Clint Knight, Chairman

  
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Date