From: Nora Mitchell
To: Strzalka, Amy (SAO); Schneider, Melody (SAO)
Cc: Sheila Danielson
Subject: RE: Annual Report Submitted
Date: Wednesday, May 9, 2018 4:48:06 PM

Melody

Just wanted to let you know that I will be out of the office on May 23rd -30th. Sheila will be on point for our team but I want to make sure and find some time with you on May 21st or 22nd to understand the scope of the accountability audit and to make sure you have everything you need.

We look forward to working with you.

Nora Mitchell | Director, Finance & Administrative Services
City of Port Townsend | www.cityofpt.us | nmitchell@cityofpt.us
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P:(360) 379-4403 | F:(360) 385-4290

From: Strzalka, Amy (SAO) [mailto:strzalkaa@sao.wa.gov]
Sent: Wednesday, May 9, 2018 12:05 PM
To: Sheila Danielson <SDanielson@cityofpt.us>
Cc: Nora Mitchell <NMitchell@cityofpt.us>; Schneider, Melody (SAO) <schneiderm@sao.wa.gov>
Subject: RE: Annual Report Submitted

Hi Sheila,

Thanks for the follow-up. As soon as the person gets back and you are able to confirm for sure, please let us know.

Melody will be the audit lead this year, and is planning to start onsite on May 21. She will communicate with you regarding any potential items she needs once she starts the offsite planning (which will probably be towards the end of next week). However, she will definitely need to have the bank statements for the entire audit period, the year-end bank reconciliation, the supporting documentation for items presented on the Schedule 9 (support for long-term debt, compensated absences, etc), supporting documents for the amounts reported on the SEFA, and a list of adjusting journal entries processed at year-end and throughout the period, as applicable. So if you are able to start gathering some of that together in advance, that would be great.

Also, as part of planning procedures, Melody will need to meet (separately) with Nora, the City Manager, and a Council member to perform a risk assessment inquiry. The inquiries should be performed as early in the audit as possible (within the first few days would be best) so it would be very helpful if you could identify potential timeframes for those meetings (Finance Director and City Manager meetings usually take 30 min-1 hour, Council member meeting typically takes about 15 minutes) and coordinate with Melody so those are already set up when she arrives onsite.

Thanks so much,

Amy Strzalka

From: Sheila Danielson <SDanielson@cityofpt.us>
Sent: Wednesday, May 9, 2018 11:53 AM
To: Strzalka, Amy (SAO) <strzalkaa@sao.wa.gov>
Cc: Nora Mitchell <NMitchell@cityofpt.us>; Schneider, Melody (SAO) <schneiderm@sao.wa.gov>
Subject: RE: Annual Report Submitted

Amy,
I just wanted to touch base on this and let you know that we posed the question to our Public Works staff who coordinate all the Federal / State Loans & Grants.
The primary staff person who handles this is on vacation, so I won't know the answer until she returns next week. I am fairly confident that she has reported appropriately.
Is there anything else you need from us before you come on site that I can put together in advance for you?
Thank you!
Sheila

From: Strzalka, Amy (SAO) [mailto:strzalkaa@sao.wa.gov]
Sent: Wednesday, April 25, 2018 1:56 PM
To: Sheila Danielson <SDanielson@cityofpt.us>
Cc: Nora Mitchell <NMitchell@cityofpt.us>; Schneider, Melody (SAO) <schneiderm@sao.wa.gov>
Subject: RE: Annual Report Submitted

Hi Sheila,

Congratulations on getting filed so early!

One thing I would highly suggest you do (if you haven't already) is check in with the pass through agency for the Drinking Water State Revolving Fund grant and see if you can confirm the breakdown of the state/federal funding sources for the 2017 expenditures.

Over the past couple years, we have had multiple entities that had us perform a single audit thinking the funding for that grant program was federal, only to find out afterwards that the funding was actually from the state and no single audit was required. (That particular program is one that the state pass through can fund with state or federal funds, or a combination of both, and does not always communicate the funding sources timely).

Once you've confirmed the funding sources, please let me know (and if it changes your SEFA amounts, you can go ahead and just revise that and resubmit prior to the audit) so I can make sure we adjust our schedule as appropriate if a single audit turns out not to be needed. (We would still perform your audit starting in May as currently planned, just would not need to be there as long if

no single audit is required).

Thanks and looking forward to working with you again,

Amy Strzalka

From: Sheila Danielson <SDanielson@cityofpt.us>
Sent: Wednesday, April 25, 2018 1:20 PM
To: Strzalka, Amy (SAO) <strzalkaa@sao.wa.gov>
Cc: Nora Mitchell <NMitchell@cityofpt.us>
Subject: Annual Report Submitted

Hi Amy,
This is just a note that I submitted our Annual Report today. Please let me know if you need anything else or have any questions.
Thank you!
Sheila

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