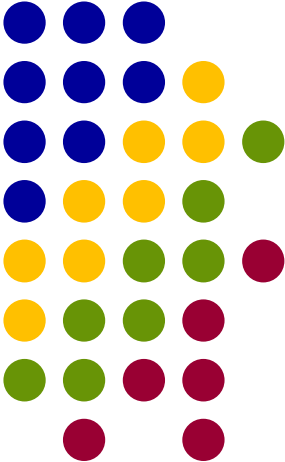
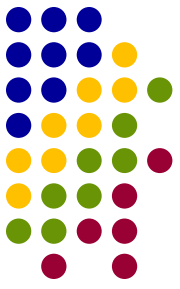


FY21 Annual Comprehensive Financial Report (ACFR)

Presented: February 8, 2022





Management Letter Response

1. Cash Management – Agency Funds – Tax Commissioner’s Office –

Although the Finance Department has no direct oversight of this Office, this issue was discussed with the Tax Commissioner. The Tax Commissioner understands the concerns of the external auditors and responds as follows:

The Tax Commissioner continues to strengthen internal controls and operating efficiency. The returned check policy has been revised and the financial fees are charged against revenue collected as remittance is made.

Due to a shortage in staffing, the office has temporarily employed the services of Robinson, Grimes & Company, P.C., Certified Public Accountants & Consultants to assist in addressing management letter points.

Our manpower budget when compared to like size counties is two thirds. This has a direct effect on the kind of internal controls one can implement.



Management Letter Response

2. Excess Funds in the Superior Court, Probate Court, and Sheriff's Office – Although the Finance Department has no direct oversight of these agency funds, the Finance Department, with consultation from the City Attorney's Office, will discuss this issue in more detail with the Clerk of Superior Court, Probate Court, and the Sheriff's Office.



Management Letter Response

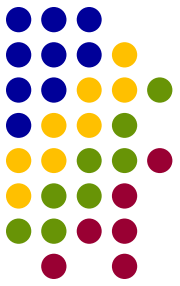
3. Segregation of Duties – Agency Funds – Magistrate Court and Probate Court –

Although the Finance Department has no direct oversight of these agency funds, the Finance Department solicited responses from the Offices noted. Magistrate Court has advised that there is currently more than one individual involved in their cash deposit & disbursement approval processes. The Finance Department will discuss this issue in more detail with the Probate Court.



Management Letter Response

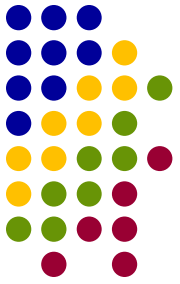
4. Pooled Cash Reconciliation – Due to staffing levels, the performance of the bank reconciliation by the Finance Director was unavoidable. However, as recommended by the auditors, the Finance Department requested additional staffing to facilitate this process. Council approved the staffing request as part of the FY22 budget.



Management Letter Response

5. Real Estate Transfer Tax and Intangible

Recording Tax – After internal analysis, the current Clerk of Superior Court discovered the calculations and distributions for Real Estate Transfer Taxes and Intangible Recording Taxes had been calculated and distributed incorrectly for several years. However, after consultation with Finance and the City Attorney’s Office, the Clerk, in accordance with state law, has resolved the calculation and distribution issues related to Real Estate Transfer Taxes and Intangible Recording Taxes.



Questions?