ATTACHMENT A

CITY OF ONEIDA, NEW YORK

Report to the Common Council

2023 Audit

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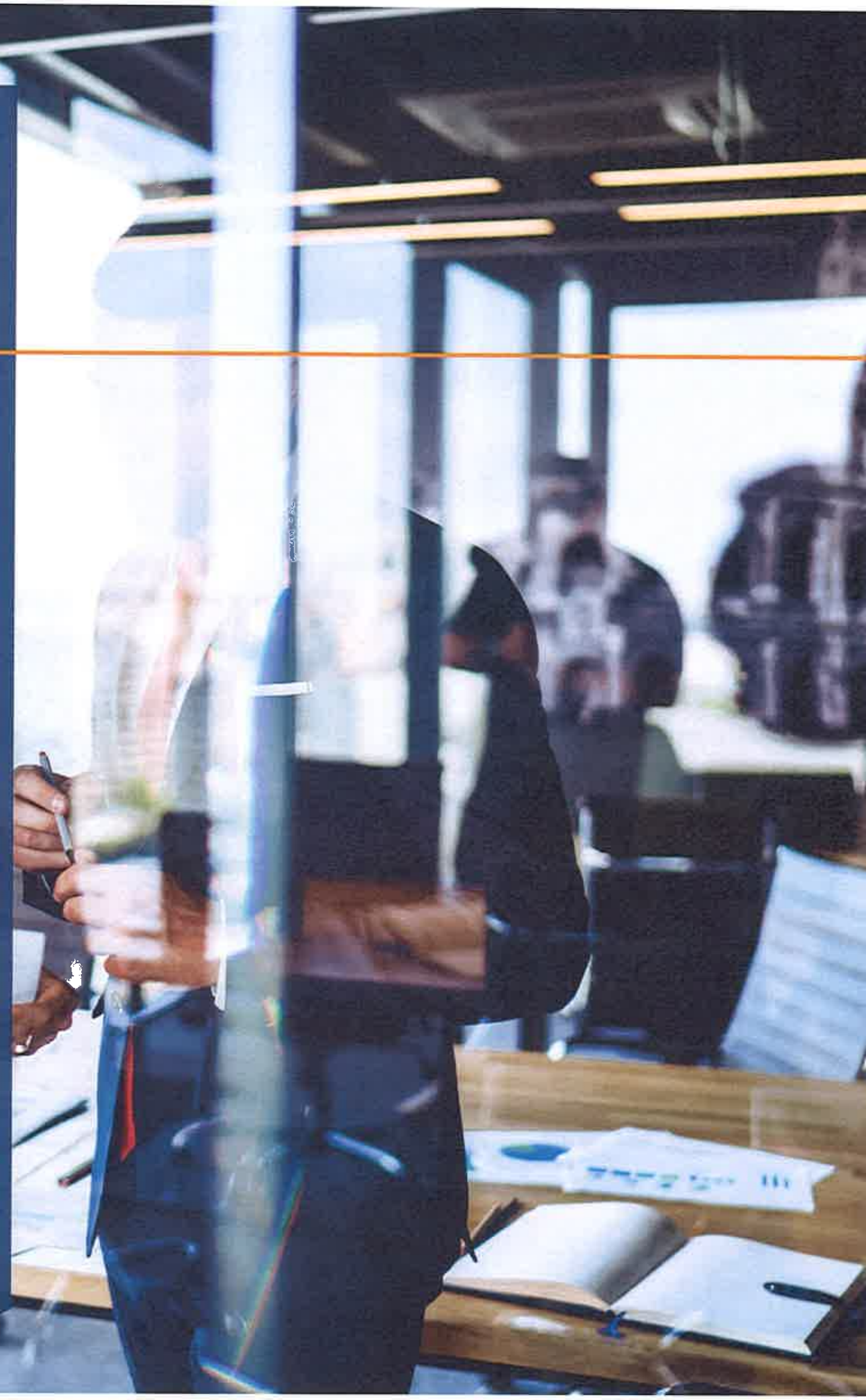

Bonadio & Co., LLP

July 16, 2024

Dear Common Council Members and Management – City of Oneida, New York:

We are pleased to submit our Report to the Common Council related to the results of our 2023 audit of City of Oneida, New York (the "Entity" or the "City"). Our report includes a summary of the results of our audit work and other required communications..

We look forward to presenting this report, addressing your questions and discussing any other matters of interest. Please feel free to contact me at khines@bonadio.com or 315-214-2769.

Very truly yours,

Keeley Hines, CPA

Keeley Ann Hines

Engagement Partner

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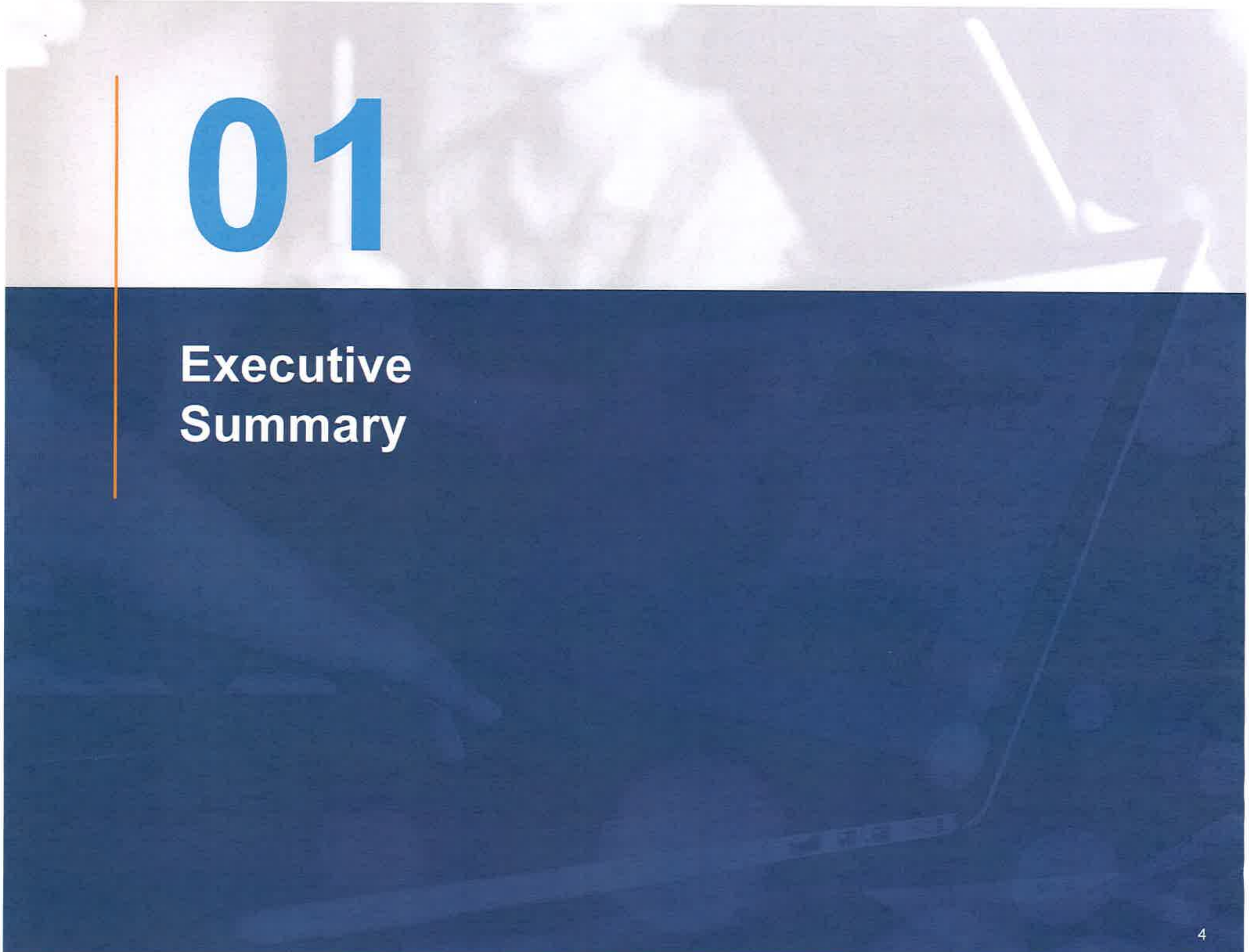

01

Executive Summary

Executive Summary

Audit Deliverables

- December 31, 2023 Financial Statements with Independent Auditor's Report
- Required Communication
- Management Letter

Auditor's Responsibilities

- Provide opinion(s) on the presentation of financial statements
- Conduct audit in accordance with generally accepted auditing standards and *Government Auditing Standards*
- Prepare a risk assessment, design appropriate audit procedures, obtain adequate audit evidence

Summary

- Change in Accounting Standards – GASB 96 – Subscription Based Information Technology Arrangements (footnote 12 p. 47)
- Adoption of new <u>auditing</u> standards SAS 143, Estimates and SAS 145, Risk Assessment
- Consideration given to Property Tax Receivables and Write-Down

Identified Misstatements, Recorded and Unrecorded

- Uncorrected misstatement: none
- Adjustments proposed not yet accepted by management: none

Material Weaknesses, Significant Deficiencies and Deficiencies in Internal Control

- MW - None
- SD - None
- Deficiencies in Internal Controls (see management letter)
  - Long-Standing balances reported in the Community Development Fund
  - Uncollectible Property Tax Receivables should be written-off in the Property Tax Module by the City Chamberlain

Our Continued Commitment

- Proactively advised management on new accounting pronouncements
- Utilized innovative technology, including SafeSend and MyPortal

02

Audit Results

Audit Results

Status

Audit Completion

We have obtained the necessary and appropriate audit evidence to support our audit opinion(s) on the December 31, 2023 financial statements:

- Date of Independent Auditor's Report – May 31, 2023
- Received signed management representation letter
- Unmodified opinions (w/ exception of component unit)
  - Highest level of assurance

Significant Changes To The Audit Plan

- In December 2023, we conducted our preliminary risk assessment and developed our initial audit procedures
- We modified our risk assessment, conducted further inquiry, obtained further understanding around property tax collections and outstanding receivables and performed additional audit procedures
- See management letter for future points to consider

Other Required Communications

Independence Re-evaluation
There were no independence matters that occurred or were identified subsequent to December 31, 2023 through May 31, 2024.

Material Uncertainties Related to Events And Conditions (Specifically Going Concern)
There were no conditions or events that we identified indicating there is substantial doubt about the Entity's ability to continue as a going concern.

Disagreements With Management
There were no disagreements with management.

Consultation With Other Accountants
We are not aware of any consultations management has had with other accountants about significant accounting or auditing matters.

Difficulties Encountered During The Audit
There were no significant difficulties encountered during the audit.

Other Material Written Communications
We have obtained a copy of the management representation letter.

Significant Unusual Transactions
There were no significant unusual transactions, other than previously mentioned, that are outside the normal course of business for the City (or that otherwise appear to be unusual due to their timing, size or nature) during the current year.

Fraud
We did not identify any potential or known fraud other than previously identified by the City.

Illegal Acts
We did not identify any potential or known illegal acts other than what was previously identified by the City.

Non-compliance with Laws and Regulations
We did not identify any instances of non-compliance with laws and regulations other than what was previously identified by the City.

Alternative Accounting Treatments
We did not identify any alternative treatments permissible under US GAAP for accounting policies and practices related to material items, including recognition, measurement, and presentation and disclosure.

Other Information In Documents Containing Audited/Reviewed Financial Statements
We did not identify any information that was materially inconsistent with the information in the financial statements.

03

Our Continued Commitment

Our Continued Commitment

Below are the key actions we took in fulfilling our commitment to you and management to continue to deliver quality and insights from our audit.

Our Perspective From the Audit

- We shared perspectives on the implementation of new accounting and auditing standards.
- Provided management with observations and recommendations for improved financial reporting.

Responsiveness, Timeliness and Transparency

- Executed audit procedures timely and issued audit by May 31, 2024.
- Continued use of myPortal
- Continued support throughout the year (AKA – audit off-season)

Quality and Innovation

- Implemented a second partner review process on all audit engagements.
- GASB 87 and 96 technical support

04

Trending Topics

We recognize that Common Council members and organization leaders have tremendous responsibilities today, facing increasingly complex demands in all areas of their operations as well as navigating uncertain futures. The Bonadio Group offers a broad range of consulting solutions to help achieve their organizations' goals. From analysis to execution, we deliver focused advisory services that drive growth and profitability and mitigate risk The. following are a few select areas for which we have provided advisory services to organizations just like yours.

Operational Efficiencies: An efficiency study provides the insight to achieve goals; whether increasing profitability, mitigating risk, updating policies and procedures or analyzing cash flow.

Profitability Analysis: Our analysis helps stabilize revenues and identify new growth opportunities to increase profitability. It often provides a new perspective and encourages development of even stronger relationships with your A- list customers and your service lines.

Cash Flow Management: We calculate and review targeted forecasts, cash ratios, quick ratios, and current ratios to create various scenarios to provide the business intelligence to make strategic decisions.

Compliance Requirements: We review, assess, train and develop compliance programs in accordance with the regulations of your industry, from HIPAA to corporate compliance, including a virtual Compliance Officer for your entity.

Outsource Accounting & Finance: Our Outsource Accounting Team has helped hundreds of businesses across multiple industries achieve their goals and financial peace of mind. Take the weight of finance and accounting off your team's shoulders and give it to us, connect with me today. For assistance please contact Gregg Genovese, Partner, or Brett Shrader, Partner bschrader@bonadio.com at 585.249.2878.

Fraud and Forensics: Our certified fraud examiners help businesses and organizations protect themselves against, or identify, quantify, and mitigate fraud and white-collar crime through our forensic accounting, fraud investigations and risk mitigation services.

Our team collaborates with you to develop tailored strategies that improve your operational performance, mitigate risk and deliver actionable insights to accomplish your strategic initiatives. If you would like a 30-minute, complimentary, confidential consultation or assistance of any nature with these or related topics please contact your Bonadio relationship manager, or Tim Ball, Executive Vice President tball@bonadio.com or call 585.249.2756.

Penetration and Vulnerability Testing: The testing team "acts" as a malicious individual simulating sophisticated real-world attacks. This identifies and remediates weaknesses by hunting and uncovering hidden threats and risks.

Cybersecurity / IT / Audit / Risk Assessment:
Our cybersecurity / IT / Audit/Risk Assessment projects range from comprehensive assessments to auditing and testing of the complete infrastructure. We also offer virtual Chief Information Security Officers (vCISO). For assistance with cybersecurity, please contact Charlie Wood, Executive Vice President, cwood@foxpointesolutions.com 585.249.2757.

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Attachment B

Good evening, my name is Dee Schaefer. I wasn't able to make the last meeting, but did listen to it. I was incredibly disappointed in the interaction between a council person and a member of the public. As taxpayers, it is our right to know what takes place with our city council as far as their interactions regarding our city. As taxpayers, and constituents, we have the right to speak and ask questions about what is going on. That being said, I worked for over 20 years teaching humane education. My lessons were not about puppies and kittens, they were about anti-bullying, about treating one another with respect. I taught my students that by putting differences aside and working together, change can be made. I'm currently seeing this with constituents in Oneida. We are working together regardless of "party affiliation and age to share information and ideas. We are coming together because we are concerned about the welfare of this city and what seems to be going on behind the scenes. Why are so many key people resigning? As taxpayers we have the right to answers from our elected officials...it is OUR duty to remain respectful when asking questions. How does all of this tie into my teaching humane education? I always told my students that when confronted by a united front, most bullies will back down and that the power of many is more than that of a few. So as taxpayers, we need to remain united in working towards what is best for the city of Oneida....that is our right. Keep asking questions, respectfully, and don't stoop to anyone else's level.

Submitted by: Dee Schaefer
August 20, 2024

ATTACHMENT C

My name is Kathy Erdo, and I am the president of Oneida City CSEA Unit 7351.

The City of Oneida has three unions representing its workforce. These unions are the Oneida Paid Firefighters Association Local 2692, the John R. Deschamps, Sr PBA and the CSEA, Oneida City Unit 7351 of Madison County Local 827.

We, as union members, are concerned about the future of our city and city government. We are concerned about the lack of a city manager, comptroller, and planning department, and now the water superintendent/acting city manager, ***our deputy comptroller/H-R civil service executive secretary and the police department's account clerk*** are leaving. We are concerned about the seemingly lackadaisical attitudes some of the members of the common council display towards our floundering city. We are concerned about the image our citizens have of those working for the city. We are concerned about the city's image and how the public views the city's tarnished reputation. We, the union workforce, are out there, day in and day out, being unfairly judged by the public's negative view of the council.

Two of our city's unions have contracts that expire at the end of this year. The third union's contract expires at the end of next year. How will the negotiations even take place without proper representation from the city? Notices of negotiation intent have been properly submitted by the police and fire unions, but no response has been received from the city. No dates for meetings have been set. I know the police and fire unions would like to get moving on negotiations as soon as possible because we all know it takes time to come to an agreement. And now it's budget season...how is that going to be handled without a city manager? **Who's going to be handling the payroll as that was one of the many duties the deputy comptroller was responsible for?**

Morale is quite low right now and anxiety for Oneida's future is high. We, the union workforce, would really like the government leaders of our city to put aside any past disagreements and move forward with negotiations before the contracts run out in December. **Lastly, you all really need to ask yourselves why these loyal employees are jumping ship. And why the PD has lost 8**

Officers in in the last 18 months and what is going to be done if all 7 of the eligible police officers decide to retire within the next year. Thank you.

RECEIVED- AUGUST 20, 2024

Attachment D

Received from Ralph Kohler
August 20, 2024

First, I would Like To commend the DPW and city employees for their outstanding actions during The recent storm.They knew Their Jobs and performed Them in an outstanding manner beyond reasonable expectations.

Civility

This administration has a civility problem. You are NOT equally at fault, BUT YOU share fault, and oneRepresentative has been The worse than the others. Please act civilly for the good of the city.

I recognize that there have been times that the public hasn't lived up to this civility, but you are the people's representatives. Please live up to that calling.

Morale

I'm February, The department heads urged you not To Take The city manager action.

Those rash and ill- advised actions and your incivility reverberate Today in Turnover, Vacancies and morale.

The vacancies under this administration have been terrible, including the City Manager position. And I add my thanks to Mr. Monahan for his service in that position among others.

It's my understanding that our city employees are suffering from poor morale due to your collective antics, though again, I emphasize they continue