



CITY OF MELROSE

AUDITOR'S OFFICE

City Auditor

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To: Honorable Mayor Jennifer Grigoraitis and City Council

From: Ellen Donaghey, Interim CFO

Date: May 1, 2024

Re: Fiscal Year 2024 Departmental Budget – Auditor Department (135)

The Mayor's FY25 budget submission for the Auditor's Office is \$481,875, an increase of \$2277, or .5%, more than FY24's budget of \$479,598.

By cost category, the changes are as follows:

1. Salary and Wages – we expect a slight decrease in wages last year, owing to staff changes within the Office. In FY24, the City's long-time CFO/City Auditor retired. We will promote the Assistant City Auditor to that position effective July 1, 2024. While we are in the process of identifying and interviewing candidates for this backfill, we expect some salary savings that will reduce this line item in FY25.
2. Other Costs
 - A \$9,000 increase in auditing costs (528600). The City uses Marcum (formerly Powers & Sullivan) for the annual audit and the Annual Comprehensive Financial report. Additionally, the City uses CliftonLarsonAllen as a consultant for various financial matters, such as year end state reporting and related reconciliation processes. This increase is due to absorbing the cost of the annual Retirement Board Audit of \$6,000 and an estimated amount of \$3000 to consult with the former CFO if necessary.
 - Level funding professional services category (529000). This represents costs incurred for the valuation of the City's "Other Post Employee Benefits (OPEB) liability. The City uses Stone Consulting to perform this work. The cost has remained stable for several budget cycles.
 - Level funding of Dues/Memberships and Educational Seminars (540500 and 540600) – combined cost of \$4000. The Office belongs to the Government Finance Officers Association and incurs minor costs for primarily local seminars, conducted by such organizations as the Eastern Massachusetts Municipal Auditors Association and Massachusetts Municipal Association.