



AGENDA ITEM EXECUTIVE SUMMARY

Agenda Item Number: 6a

Title:

Recommendation to accept the auditors reports for the fiscal year ending April 30, 2020, including the Comprehensive Annual Financial Report, Independent Auditor’s Report Pursuant To Uniform Guidance, Board Communication, Pension Fund Reports, TIF Compliance Reports, and Sales Tax Revenue Bond Compliance Report.

Presenter:

Chris Minick, Finance Director
Fred Lantz, Partner, Sikich, LLP

Meeting: Government Operations Committee

Date: October 5, 2020

Proposed Cost: \$ N/A

Budgeted Amount: \$

Not Budgeted:

Executive Summary *(if not budgeted please explain):*

Representatives of the City’s independent auditing firm, Sikich, LLP, will be present to answer questions related to the 2019-2020 Comprehensive Annual Financial Report (CAFR), Independent Auditor’s Report Pursuant To Uniform Guidance, Board Communication, and results of operations for the fiscal year. Electronic copies of these reports were distributed previously. Hard copies of these documents will be on the dais for the meeting.

In addition to the basic audit reports highlighted in the previous paragraph, the City issues various other reports to supplement the information contained in the CAFR and to evidence compliance with various legal and bond requirements. Electronic copies of all the audit reports issued were made available electronically prior to the meeting. Hard copies of the Pension Fund reports, TIF Compliance reports, and the Sales Tax Revenue Bond Compliance Report will be distributed to the Committee at a later time.

A video presenting information related to the City’s FY 2019-2020 financial reports and audit process was posted online with the meeting agenda. The video was created by the auditors and they will be present on Monday evening to answer any questions that the Committee members may have.

State statutes require the City to have an audit performed by an independent CPA on an annual basis. The CAFR presents the financial statements and results of financial operations of the City. The auditor certifies that the financial statements are presented in accordance with generally accepted accounting principles (GAAP).

For FY 2019-2020, the City received an unmodified opinion on its financial statement presentation in the CAFR. This is the best audit opinion an entity can receive and it signifies that the City’s financial statements are fairly presented in all material respects in accordance with GAAP. Sikich will briefly review the relevant highlights of the CAFR for the Committee. Additional communications from the Auditors indicate that no material weaknesses or significant deficiencies in the City’s internal controls were noted during the course of the auditors’ testing, and there were no questioned costs related to the City’s expenditures of federal funds.

For the 2018-2019 fiscal year, the City again received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) and GFOA’s Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR). FY 2018-2019 marked the City’s first issuance of a PAFR report. We will submit the 2019-2020 Comprehensive Annual Financial Report and Popular Annual Financial Report to GFOA for consideration of the same awards won last fiscal year.

FY 2019-2020 Audit Presentation: <https://youtu.be/INBEifTvBg>

Attachments *(please list):* * **Note electronic attachments** * **Hard copies to be distributed**

Comprehensive Annual Financial Report

Board Communication

Independent Auditor’s Report Pursuant To Uniform Guidance

Recommendation/Suggested Action (briefly explain):

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