

**AGENDA ITEM EXECUTIVE SUMMARY**

Agenda Item number: 6a

Title:

Recommendation to accept the auditors reports for the fiscal year ending April 30, 2021, 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:

Colleen Lavery, Assistant Finance Director
Nick Bava, Senior Manager, Sikich, LLP

Meeting: Government Operations Committee

Date: October 18, 2021

Proposed Cost: \$ N/A

Budgeted Amount: \$ N/A

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 2020-2021 Comprehensive Annual Financial Report (AFR), 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 above, the City issues several other reports to supplement the information contained in the AFR 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 are available upon request.

A video presenting information related to the City's FY 2020-2021 financial reports and audit process was posted online with the meeting agenda. The video was produced 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 AFR 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 2020-2021, the City received an unmodified opinion on its financial statement presentation in the AFR. 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. 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 2019-2020 fiscal year, the City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). We will submit the 2020-2021 Comprehensive Annual Financial Report for consideration of this same award.

Audit Presentation: https://youtu.be/tVtW_jQATss

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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