

City Council Staff Report

November 12, 2015

Item 2

Prepared by:

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Public Hearing:

No

REQUEST

Presentation of the FY 2014-2015 Audit Report

DISCUSSION

Utah State Code requires that an audit of the City's financial position be performed annually for the most recently completed fiscal year. This year preparatory work began in May and continued into early November during which time the majority of the financial data and information was delivered to the City Auditor.

Depending on the complexity of the audit, it typically takes 4 to 6 weeks for the Auditor to complete his examination, write the commentary and present the audit results to the City administration. The finance director then writes the Management Discussion and Analysis (MD&A) letter which is included as part of the audit report.

This year staff was challenged with two major concerns affecting the audit. The first was the installation and implementation of the Caselle Clarity program on July 9th which required a great deal of training in order to get the correct information to the auditor. The second major concern involved the issuance of a new Standard by the Governmental Accounting Standards Board which required the City to comply with GASB 68 and report its share of the retirement liability for the City's employees. The impact of that Standard will be discussed in the audit presentation.

The City Auditor will appear before the Mayor and Council to present the audit report and highlight the City's current financial positions in various funds. Also included will be the management letter which identifies any problems and/or weaknesses found during the audit, and the City's responses to these findings explaining the measures that will be taken to correct any deficiencies.

RECOMMENDATION

Move to accept the FY 2014-2015 Audit Report as presented by the City Auditor, Greg Ogden.