



City Council Communication

AGENDA DATE: July 28, 2025

LEGISTAR ITEM #: Pres 25-196

PRESENTER: Theresa Wilson

DEPARTMENT: Finance

<input type="checkbox"/> Administrative Business	<input type="checkbox"/> Noticed Council Business
<input checked="" type="checkbox"/> Informational Presentation	<input type="checkbox"/> Consensus-Building Presentation

BACKGROUND/REQUEST

Each year, the Finance Department prepares the annual financial statements, which undergo a thorough external audit. As part of the audit, an outside audit firm (Plante Moran) reviews the financial statements and other records. The auditor's report, financial statements, notes to the financial statements, management's discussion and analysis (MD&A), and required supplementary information are bound into a book called the Annual Comprehensive Financial Report (ACFR). The City received an "Unmodified" (clean) opinion for the 2024 financial statement audit.

In addition to this, Plante Moran performed a Single Audit, which is required when the City spends \$750,000 or more in federal funds annually. The City received an "Unqualified" (clean) opinion for the 2024 Single Audit.

The City's 2023 ACFR was reviewed by the Government Finance Officers Association (GFOA) and earned the Certificate of Achievement (COA) for Excellence in Financial Reporting. This is the 37th consecutive year that the City has received this award. Staff believes that the 2024 ACFR continues to meet the COA program's requirements and the 2024 ACFR is being submitted to GFOA to determine its eligibility for the COA.

In addition to the City's ACFR, Finance staff also prepare a Popular Annual Financial Report (PAFR). The PAFR is a smaller and more user-friendly extract of the ACFR and is designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance. The PAFR will be available and distributed once printed copies are available.

CITY COUNCIL COMMUNICATION CONTINUED

The following materials are included as attachments for reference:

- Entire 2024 ACFR Book
- External Audit Presentation
- Audit Opinion Letter
- Single Audit Opinion Letter
- Management's Discussion and Analysis

Hard copies of the 2024 ACFR document will be distributed once printed copies are available.

City finance staff and the City's independent auditors will be presenting information during the July 28th Study Session, and will be available to answer any questions.

JUSTIFICATION

<input type="checkbox"/> Council Goal	<input type="checkbox"/> Strategic Plan	<input checked="" type="checkbox"/> Work Plan	<input checked="" type="checkbox"/> Legal
Citation	Completing the annual financial statements and undergoing the annual financial statement audit and single audit are important components of the Finance Department's annual work plan. Government Accounting Standards Board (GASB) pronouncements, Government Finance Officers Associated (GFOA) best practices, and applicable state and federal laws are followed in completing this work.		

STAFF RECOMMENDATION

N/A – Informational Presentation