



TITLE: Consider/Discuss/Act on the Acceptance of the Comprehensive Annual Financial Report (CAFR), Federal Single Audit Report and Management Letter for Fiscal Year Ending September 30, 2012

MEETING DATE: March 5, 2013

DEPARTMENT: Financial Services

CONTACT: Rodney Rhoades, Chief Financial Officer

RECOMMENDED CITY COUNCIL ACTION:

- Acceptance of the CAFR, Federal Single Audit Report and Management Letter

ITEM SUMMARY:

- The CAFR includes the combined financial statements of all City of McKinney funds and component units.
- Our CAFR received an unqualified or “clean” opinion meaning the financial statements present fairly, in all material respects, the City’s financial position.
- The Federal Single Audit Report presents the activity and compliance of all applicable federal awards.
- The Management Letter, issued by the independent audit firm Weaver & Tidwell LLP (Weaver), reviews the City’s internal controls in accordance with auditing standards.

BACKGROUND INFORMATION:

- An annual independent audit of the City’s funds and account groups is required by Section 24 of the City of McKinney Charter.
- On February 19, 2013 the Audit Committee convened an audit review meeting with the Jerry Gaither and Jennifer Ripka, Weaver representatives.
- Committee comprised of Council members Don Day and Roger Harris; staff members Jason Gray, Rob Daake, Rodney Rhoades, Kelvin Bryant, and Trudy Mathis.
- Staff is pleased to provide this quality document to the Council and citizens.
- Overall positive results for Fiscal Year 2011-2012 include an increase in fund balance for the General Fund and Water & Wastewater Fund due to higher than anticipated revenues and careful monitoring of expenditures.

FINANCIAL SUMMARY:

- Cost of the annual audit is \$105,000

BOARD OR COMMISSION RECOMMENDATION: N/A