



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** March 4, 2019
SUBJECT: Receive Fiscal Year 2018 Audited Financial Report and Fiscal Year 2018 Single Audit
PRESENTER: Mark Mills, Director of Finance

SUMMARY:

Mark Mills, Director of Finance, will present the results of the Fiscal Year (“FY”) 2018 Comprehensive Annual Financial Report (“CAFR”) for the city and the FY 2018 Single Audit. A representative of Whitley Penn, LLP will present the audit opinion.

GENERAL DESCRIPTION:

The auditor’s opinion for the city’s FY 2018 financial statements is an unmodified opinion or “clean” opinion again this year. This means they have found that the financial statements of the City of North Richland Hills fairly represent the city’s financial position. Overall, North Richland Hills’ results of operations during FY 2018, as well as the financial position at year-end, reflect a sound fiscal condition. This is in fulfillment of City Council’s goal of Financial Stability.

The auditor’s single audit opinion is also unmodified. The single audit is an organization-wide audit performed by an independent auditor, intended to provide assurance to the United State federal government that a non-federal entity has adequate controls in place and is generally in compliance with program requirements. This audit typically encompasses both financial and compliance components and must be conducted if an entity expends \$750,000 or more of federal assistance (i.e. grants) or \$300,000 of state assistance.

Article XII, Section 6 of the City Charter requires an annual audit of the city’s finances, and a copy of the audit report shall be furnished to each member of the City Council and the City Manager. An electronic copy of the CAFR will be made available on the city’s website. Individuals may also request a copy on a compact disc from the Finance Department and hard copies will be available at City Hall and Library.

RECOMMENDATION:

Receive the Fiscal Year 2018 Audited Financial Report and Fiscal Year 2018 Single Audit as presented.