



## CITY COUNCIL MEMORANDUM

**FROM:** The Office of the City Manager   **DATE:** March 20, 2023

**SUBJECT:** Receive the Fiscal Year 2022 Audited Annual Comprehensive Financial Report and Fiscal Year 2022 Single Audit.

**PRESENTER:** Mark C. Mills, Director of Finance

### **SUMMARY:**

Mark Mills, Director of Finance, will provide an introduction for the results of the Fiscal Year ("FY") 2022 Annual Comprehensive Financial Report ("ACFR") for the City and the FY 2022 Single Audit. A representative of Whitley Penn, LLP will present the audit opinion.

### **GENERAL DESCRIPTION:**

The auditor's opinion for the City's FY 2022 financial statements is an unmodified opinion or "clean" opinion again this year. This means the auditors found that the Financial Statements of the City of North Richland Hills fairly represent the City's financial position. From an audit perspective, the North Richland Hills' results of operations during FY 2022, 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 States 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 or \$300,000 or more of State assistance (i.e. grants).

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 ACFR will be made available on the City's website. Individuals may also request a copy from the Finance Department. Hard copies will be available for review at City Hall and the Library.

### **RECOMMENDATION:**

Receive the Fiscal Year 2022 Audited Annual Comprehensive Financial Report and Fiscal Year 2022 Single Audit as presented.