

**TOWN COUNCIL
STAFF REPORT
Department of Finance & Administration**



MEETING DATE:	February 14, 2023
PROJECT:	Acceptance of the Presentation of the Town of Bluffton Fiscal Year 2021 Audit by Mauldin and Jenkins, LLC
PROJECT MANAGER:	Chris Forster, MPA, CPFO, CGFM, Assistant Town Manager

RECOMMENDATION:

Town Council accept the Fiscal Year 2022 Audit for the Town of Bluffton presented by Mauldin & Jenkins, LLC and its inclusion in the Annual Comprehensive Financial Report for the year ending June 30, 2022.

BACKGROUND/DISCUSSION:

On March 2, 2021, the Town of Bluffton solicited a Request for Proposal (RFP) for Financial Audit Services. As a result, Town Council authorized the Town Manager to execute a contract with Mauldin & Jenkins, LLC for audit services for fiscal year ending June 30, 2021 through fiscal year ending June 30, 2026 during the June 8, 2021 Town Council meeting. This is the second contract awarded to Mauldin & Jenkins. This is the fourth year Mauldin & Jenkins has audited the Town of Bluffton's financial records and assisted in the preparation of the Annual Comprehensive Financial Report (ACFR).

CURRENT STATUS:

Mauldin & Jenkins has substantially completed their audit of the Town of Bluffton for the fiscal year ended June 30, 2022 and is expected to issue an unmodified (clean) opinion.

Governmental Funds Financial Statements The governmental fund financial statements give the reader a detailed short-term view that helps determine if there are more or less financial resources available to finance the Town's programs. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year.

Revenues have increased over prior year for consolidated budgeted funds. The Town continues to see larger than anticipated revenues with the strength in business licenses and franchise fees. Property Taxes have increased 12.8% from prior year in the General Fund along with a 19.6% increase in the Licenses and Permits category.

Expenditures are approximately \$76,000 less than the prior year for the consolidated funds Increased expenditures for town wide (non-departmental) of approximately \$1 million were due in most part from ARPA monies spent in fiscal year 2022. In addition, police expenditures increased approximately \$951,00 for personnel costs. Both of these were offset with a decline in capital outlay of approximately \$1.8 million.

General Fund fund balance remains strong and had an increase of \$2,972,460 in FY 22, due to the strong performance of revenues and conservative spending. At June 30 the Town's General Fund had an unassigned (unrestricted) fund balance of approximately \$14.1 million or 68% of FY 22 expenditures.

NEXT STEPS:

A complete draft of the Annual Comprehensive Financial Report will be provided to Council prior to the February 14th Council meeting. With Town Council's acceptance of the Fiscal Year 2022 Audit, staff will complete the Annual Comprehensive Financial Report and submit it to the necessary federal and state agencies, bond monitoring, GFOA and post to the Town's website for financial transparency by February 28, 2023.

ATTACHMENTS:

Attachment 1: DRAFT Fund Level Statements

Attachment 2: Recommended Motion