

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



MEETING DATE:	January 11, 2022
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 2021 Audit for the Town of Bluffton presented by Mauldin & Jenkins, LLC and its inclusion in the Comprehensive Annual Financial Report for the year ending June 30, 2021.

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, 2021 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 11.9% from prior year in the General Fund along with a 12.6% increase in the Licenses and Permits category.

Expenditures are approximately \$960,000 more than the prior year for the consolidated funds due to the refinancing of the GO Bond for the Law Enforcement Center and the issuance of the GO Bond for Stormwater projects of approximately \$1.2 million and increased expenditures for community safety of approximately \$0.5m offset by Capital Improvements Program Fund project expenditures of approximately \$5.2m in the prior year and \$4.3mm in the current year.

General Fund fund balance remains strong and had an increase of \$5,132,946 in FY 21, 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 \$17.2 million or 96% of FY 21 expenditures.

NEXT STEPS:

A complete draft of the Annual Comprehensive Financial Report will be provided to Council prior to the January 11th Council meeting. With Town Council's acceptance of the Fiscal Year 2021 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 January 31, 2022.

ATTACHMENTS:

Attachment 1: DRAFT Fund Level Statements

Attachment 2: Recommended Motion