

City Council Regular Meeting

DEPARTMENT: Finance
FROM: Mark Davies, Director of Finance
MEETING: March 23, 2026

SUBJECT:

Consider and take possible action on a resolution approving the fiscal year 2024-2025 Annual Comprehensive Financial Report (ACFR), Single Audit Report, and the Annual Audit, and directing staff to file the approved documents in the City Secretary's Office and post them on the City's website. *(Staff Contact: Mark Davies, Director of Finance)*

STRATEGIC PRIORITY AND GOAL(S):

Strategic Priority	Strategic Goal
 <p>High Performing City Organization Providing Exceptional, People Focused Services</p>	<ul style="list-style-type: none"> 1.2 Continue to improve the efficiency and productivity of operations 1.3 Deliver high-quality service and communications to external and internal customers 1.4 Be a responsible steward of the city's financial resources by providing rates and fees that represent a strong value to our citizens; providing timely, accurate and transparent financial reporting; and utilizing long-range planning.

SUMMARY:

Each year, the City hires an independent accounting firm to conduct an audit of the City's basic financial statements. The purpose of the audit is to express an opinion as to whether the City's financial statements present fairly, in all material respects, the financial position of the City. On June 21, 2021, the Council approved a 3-year professional service agreement and two 1-year options with Weaver LLP for audit services.

The ACFR represents the financial position of the City for the fiscal year ending September 30, 2025. The document includes the independent auditor's opinion of management's representations within the annual report. The auditors have provided the City with a clean

opinion (unmodified), which means that in the opinion of Weaver, the City's financial statements present fairly, in all material respects, the financial position of the City. A "clean" or "unmodified opinion" is the best opinion that may be rendered in an audit of the financial statements.

The audit specifically included the following items:

- Audit of the City's ACFR in accordance with generally accepted auditing standards.
- An evaluation of the City's internal control over financial reporting.
- Single Audit in accordance with generally accepted auditing standards and compliance with U.S. Office of Management and Budget (OMB) Compliance Supplement.

The auditor's examination of internal controls was conducted at a level sufficient to gain an understanding of the internal control structure to determine the nature, timing, and extent of audit procedures. The auditors did not perform an audit of internal controls but performed limited tests of internal controls for the purpose of providing an opinion on the financial statements. Additionally, the auditors examined on a test basis, evidence supporting amounts and disclosures in the combined financial statements. The City did not receive a management letter as there were no material weaknesses or recommendations for strengthening controls identified. Jackie Gonzalez, Audit Partner with Weaver will be providing a presentation regarding the results of the audit and will answer any questions.

RECOMMENDATION:

Approve the resolution to accept the Annual Comprehensive Financial Report, Single Audit, and Annual Audit as presented.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

N/A

REFERENCE:

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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