



STAFF REPORT
6/10/2026

TO: Honorable Mayor and City Council Members

FROM: Lincoln Bogard, Interim City Manager

PREPARED BY: Lincoln Bogard, Finance Director

SUBJECT: Receive and File Fiscal Year 2024-25 “Clean” Single Audit Report with No Findings

STAFF RECOMMENDATION:

That the City Council receive and file the City of Coachella Fiscal Year 2024-25 Single Audit Report, as prepared by The Pun Group, LLP, Accountants & Advisors.

EXECUTIVE SUMMARY:

The City of Coachella’s independent auditor, The Pun Group, LLP, has completed the Single Audit for the fiscal year ended June 30, 2025. The audit resulted in unmodified (“clean”) opinions on both the financial statements and federal program compliance, with no findings or questioned costs identified. The City expended approximately \$3.7 million in federal awards during the fiscal year, with the COVID-19 Coronavirus State and Local Fiscal Recovery Fund (SLFRF) identified as the sole major federal program. This report is being presented to the City Council for receipt and filing.

BACKGROUND:

Federal law requires any non-federal entity that expends \$1,000,000 or more in federal awards during a fiscal year to undergo a Single Audit in accordance with Title 2, Code of Federal Regulations (CFR), Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the “Uniform Guidance”). The City of Coachella exceeded this threshold during Fiscal Year 2024-25, with total federal expenditures of \$3,721,052, thereby triggering the Single Audit requirement. The Pun Group, LLP was engaged to conduct the audit for the fiscal year ended June 30, 2025, in accordance with Government Auditing Standards issued by the Comptroller General of the United States and the requirements of the Uniform Guidance.

DISCUSSION/ANALYSIS:

The FY 2024-25 Single Audit produced favorable results across all areas reviewed. The auditor issued unmodified opinions on the City’s financial statements, confirming they are presented fairly and in accordance with generally accepted accounting principles (GAAP). No material weaknesses

or significant deficiencies in internal control over financial reporting were identified, and no instances of noncompliance material to the financial statements were noted. With respect to federal awards, the COVID-19 Coronavirus State and Local Fiscal Recovery Fund (SLFRF, CFDA 21.027) was identified as the City's sole major federal program, with total expenditures of \$3,000,510 – representing approximately 80.64% of total federal award expenditures. The auditor issued an unmodified opinion on the City's compliance with the applicable requirements for this major program, and no material weaknesses, significant deficiencies, or findings were identified. A prior year finding (2024-001) related to the timely submission of SLFRF Project and Expenditure reports was fully resolved during FY 2024-25. The complete Single Audit Report, including the Schedule of Expenditures of Federal Awards (SEFA), Notes to the SEFA, and Schedule of Findings and Questioned Costs, is attached for the City Council's review.

ALTERNATIVES:

1. Receive and file the Fiscal Year 2024-25 Single Audit Report. (Recommended)

FISCAL IMPACT:

There is no direct fiscal impact associated with receiving and filing this report. The cost of the Single Audit was included in the adopted budget for Fiscal Year 2024-25.

RECOMMENDED ALTERNATIVE(S):

Staff recommends that the City Council receive and file the Fiscal Year 2024-25 Single Audit Report.