

# VILLAGE OF HOMEWOOD



## BOARD AGENDA MEMORANDUM

DATE OF MEETING: October 26, 2021

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**To:** Jim Marino, Village Manager

**From:** Dennis Bubenik, Director of Finance

**Topic:** Fiscal Year End 2020-2021 Audit Presentation and Acceptance

### PURPOSE

The audit for the fiscal year ending April 30, 2021 is complete and ready for presentation and acceptance. Don Shaw from the accounting firm of Lauterbach and Amen (L&A) will lead the discussion of the audit presentation.

### PROCESS

Each year in June and July, we generally contract with an independent accounting firm to audit our financial records and controls for the most recently finished fiscal year ending April 30. The auditors evaluate all of our data, process the information through their audit standards and software, then provide a report to the Village. The audit was delayed a bit this year as we waited for Cook County to complete the data needed on EAV and other statistics for use in our audit.

### OUTCOME

Audits are of greater importance to local governments in the past 10 years. Results of those audits were critical in the development of budgets in local governments around the United States including here in Homewood.

There is no better example than this past year when COVID-19 and its effect on the economy, thus its effect on our local government operation, occurred. COVID-19 hit late in our 2019-2020 fiscal year so the April 30, 2020 audit was in healthy shape. Due to the many COVID-19 changes made to our current 2020-2021 budget, plus the unknown final effects of COVID-19 on our local government operation, the expectation was that the April 20, 2021 audit would be memorable in a negative way both here in Homewood and local governments across the United States.

It turns out that COVID-19 decreases in our revenue items were offset by unexpected revenue increases in items such as sales tax. Homewood's basic vendor mix of grocery stores, restaurants, home improvement, and big box retail did very well as people looked for ways to take on projects during the lockdown of the past year, or picked up a meal from a local restaurant. That consumer spending was unexpected, but a welcome occurrence as it had a positive effect to revenues we see in our April 30, 2021 audit.

## VILLAGE OF HOMEWOOD



### FINANCIAL IMPACT

- **Funding Source:** No Financial Impact
- **Budgeted Amount:** N/A
- **Cost:** N/A

### LEGAL REVIEW

Not required

### RECOMMENDED BOARD ACTION

Accept the April 30, 2021 Village of Homewood Annual Financial Report (AFR).

### ATTACHMENT(S)

Annual Financial Report