



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 12/14/2021

REQUESTER: Clint Mercer

PRESENTER: Clint Mercer, Chief Accountant

ITEM TITLE: CONSIDERATION OF SUBMISSION AND ACKNOWLEDGING RECEIPT OF REPORTS ENTITLED "ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2021," AS PREPARED BY THE CITY OF NORMAN FINANCE DEPARTMENT AND AUDITED BY THE FIRM OF BKD, LLP, FOR THE CITY OF NORMAN, OKLAHOMA, NORMAN UTILITIES AUTHORITY, NORMAN MUNICIPAL AUTHORITY, NORMAN ECONOMIC DEVELOPMENT AUTHORITY AND NORMAN TAX INCREMENT FINANCE AUTHORITY.

BACKGROUND:

Oklahoma Statutes, Title 11, Section 17-105 require that an audit of the funds, assets, books, and records of the clerk and treasurer of the City be prepared and reviewed by an independent, qualified accountant. The City of Norman has, since fiscal year 1988-89, prepared an audit in conformance with Generally Accepted Accounting Principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB). For the past twenty-four fiscal years, the City has received the Government Finance Officers Association's Award for Excellence in Financial Reporting. The Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021 (FYE 2021) is included here. The ACFR includes financial statements for the City of Norman, the Norman Utilities Authority, the Norman Municipal Authority, the Norman Tax Increment Finance Authority (NTIFA) and Norman Economic Development Authority (NEDA) as required by the Trust Indentures of various Trusts of which the City of Norman is the beneficiary.

On May 8, 2018, the Council accepted the proposal of BKD, LLP, (RFP 1718-55), to provide independent auditing services for the City of Norman, the Norman Municipal Authority, Norman Utilities Authority, Norman Tax Increment Finance Authority and related entities for a period of three fiscal years with an option to extend the services for an additional two fiscal years.

DISCUSSION:

The financial statements of both the City and its Trusts have received an unmodified ("clean") opinion from BKD, LLP that they fairly represent the financial position of the City and its related Trusts as of June 30, 2021, in all material respects.

Under separate cover, the Council Audit/Finance Committee may receive a "management letter"

from the City's external auditor. The management letter may discuss findings during the audit review that are not considered material to the overall operations of the City, future audit and accounting standards to be considered, or other items that would impact on the fair representation of the City's financial position. The Council will also receive a separate audit of the federal and state grant awards (Statement of Expenditure of Federal Awards, or "Single Audit") upon disclosure of final guidelines for federal American Rescue Plan Act and other funds.

RECOMMENDATION:

It is recommended that the Fiscal Year 2020-2021 Annual Comprehensive Financial Report be accepted. All documents are available for review in the City Clerk's Office.