



CITY COUNCIL COMMUNICATION

DATE: July 21, 2025

FROM: Clayton Gray, Chief Financial Officer

AGENDA ITEM: Consideration, acknowledgement, and acceptance of the Federal Single Audit Report from BrooksWatson & Co. for the fiscal year ending September 30, 2024.

SUMMARY:

- In fiscal year 2023-2024, the City utilized \$2,178,689 of Coronavirus State and Local Fiscal Recovery Funds for the automated metering system project.
- Because this expenditure exceeded the federal threshold, the City's auditors, BrooksWatson & Co., conducted a Single Audit in accordance with federal requirements.
- The auditors' opinion states, " In our opinion, the City of Sanger, Texas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024."
- The auditors did not identify any deficiencies in internal control over compliance considered to be material weaknesses.

FISCAL INFORMATION:

Budgeted: N/A

RECOMMENDED MOTION OR ACTION:

- Staff recommends that the City Council accept the Federal Single Audit Report for the fiscal year ending September 30, 2023.

ATTACHMENTS:

- Federal Single Audit Report