

# City Council Meeting

## Agenda Item

### Data Sheet

Meeting Date: May 2, 2022

**Topic:**

Authorize Reclassification of Fiscal Year 2021 Unreconciled Cash – Overage and Shortages Balance in the Amount of \$44,616.26.

**Background:**

During fiscal years 2019 and 2020, bank reconciliations were not completed in a timely manner. The backlog resulted in an unreconciled balance in the Cash – Overages and Shortages account.

As of September 30, 2020, the unreconciled balance totaled \$126,308.69. Staff was able to identify items included in the unreconciled balance, which decreased the balance to \$44,616.26 as of September 30, 2021. The reclassification will result in expensing the unreconciled variance in Fiscal Year 2021. This is for financial reporting purposes and does not represent a misappropriation of cash.

Staff consulted with the City’s external auditors (Weaver & Tidwell) regarding this reclassification. Due to the immaterial amount and efforts required to research the remaining balance, Staff concluded that the reclassification is appropriate for financial reporting purposes.

**Origination:** Finance Director

**Recommendation:**

Authorize Reclassification of Fiscal Year 2021 Unreconciled Cash – Overage and Shortages Balance in the Amount of \$44,616.26.

**Party(ies) responsible for placing this item on agenda:** Katherine DuBose, Finance Director

**FUNDING (IF APPLICABLE)**

Are funds specifically designated in the current budget for the full amount required for this purpose?

Yes: \_\_\_\_\_ No: \_\_\_\_\_ If yes, specify Account Number: # \_\_\_\_\_

If no, funds will be transferred from account # \_\_\_\_\_ To account # \_\_\_\_\_

Signed	<u>Katherine DuBose</u>	<u>4/28/2022</u>	Approved by	_____
	Staff Member	Date		City Manager
				Date