

TO: City Council
FROM: Troy Niemeyer, Finance Director
DATE: September 3, 2024
SUBJECT: Audit Engagement Letter

1) Recommended Action:

Authorize the Mayor to sign the audit engagement letter with the State Auditor's Office for the audit of fiscal year 2023. This letter was recommended for approval on the consent calendar by the Budget & Finance Committee at their August 21, 2024 meeting.

2) Background:

The State Auditor's Office (SAO) has started its audit of the City for fiscal year 2023 which includes an audit of the financial statements, a federal compliance audit, and an accountability audit. SAO has requested we sign the attached audit engagement letter.

3) Policy Support:

Be fiscally responsible and develop sustainable financial strategies.

4) Alternatives:

- ☐ Do not approve the Mayor to sign the letter. However, the audit is required by state and federal law.
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5) Fiscal Notes:

The audit is estimated to cost \$80,000 but could be more or less, depending on the amount of work they need to do.

6) Attachments:

- A. Audit Engagement Letter