



STAFF REPORT

DATE: March 20, 2018

TO: Ronald L. Olson, City Manager

FROM: Jonathan Locke, Executive Director of Finance

SUBJECT: Annual Audit

BACKGROUND AND FINDINGS:

The City Council previously approved the engagement of Belt Harris Pechacek, LLLP to perform the independent audit of the City's financial records for the fiscal year ended September 30, 2017.

Belt Harris Pechacek, LLLP has completed its audit of the City of Killeen, as well as a Federal Single Audit, State Single Audit, and Passenger Facility Charges Audit. Representatives of the firm will present the results of the audit to the City Council.

The City's audits are required to be performed in accordance with generally accepted auditing standards set forth in the General Accounting Office's (GAO) Government Auditing Standards, the provision of the Single Audit Act Amendments of 1996, the U.S. Office of Management and Budget (OMB) Uniform Guidance, and Audits of State and Local Governments.

The audit provides reasonable assurance that the financial statements of the City of Killeen for the fiscal year ended September 30, 2017, are free from material misstatement. The audit report has been compiled to meet all required provisions of the Governmental Accounting Standards Board.

THE ALTERNATIVES CONSIDERED:

1. Accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017
2. Do not accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017

Which alternative is recommended? Why?

Option number 1 is recommended.

CONFORMITY TO CITY POLICY:

Conforms to City Charter, Article III, Section 40 and the Financial Governance Policies VIIC External Audit.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

Staff recommends that the City Council accept the Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

N/A