



**CITY OF SALINAS
FINANCE COMMITTEE**

DATE: DECEMBER 3, 2018

DEPARTMENT: FINANCE DEPARTMENT

FROM: MATT N. PRESSEY, CPA, FINANCE DIRECTOR

**TITLE: AUDITED BASIC FINANCIAL STATEMENTS AND SINGLE AUDIT
REPORT ON FEDERAL FUNDED PROGRAMS FOR THE YEAR ENDED
JUNE 30, 2018**

RECOMMENDED MOTION:

A motion to recommend the City Council accept the audited Basic Financial Statements and Single Audit Report on federal funded programs for fiscal year ended June 30, 2018.

DISCUSSION:

Audited Basic Financial Statements

The Finance Department is pleased to present the audited financial statements for the fiscal year ended June 30, 2018. The transmittal letter in the Basic Financial Statements beginning on page “i” and the Management Discussion and Analysis beginning on page F-5 provide an overview of the City’s financial activities for the fiscal year.

McGilloway, Ray, Brown & Kaufman, the City Council's independent auditor, has completed their annual audit of City affairs. Their Independent Auditors Opinion Report is included in the Basic Financial Statements on page F-1 and is a “clean audit” opinion stating, “In our opinion, the financial statements... present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2018.” The audit partner from the firm will be at the Finance Committee to briefly discuss the audit and year end results.

Single Audit Report on Federal Funded Programs

The Finance Department is also pleased to present the Single Audit Report of federal funded programs for the fiscal year ended June 30, 2018. The report includes a summary of the federal financial awards, internal control, compliance and schedule of findings and questioned costs for the fiscal year ending June 30, 2018.

McGilloway, Ray, Brown & Kaufman has completed their annual audit of City of Salinas compliance requirements. During the audit, they noted no instance of non-compliance.

FISCAL AND SUSTAINABILITY IMPACT:

Costs associated with the audit are included in the City's FY 2018-19 budget.

ATTACHMENTS:

1. Basic Financial Statements
2. Single Audit Report on Federal Funded Programs