



## *Finance Department*

**DATE:** June 25, 2019

**FROM:** Dmitriy Chernyak, Finance Director

A handwritten signature in blue ink, appearing to read "DChernyak", is written over the name "Dmitriy Chernyak" in the "FROM:" line.

**ITEM:** 2018 Annual Audit and CAFR

### **REQUEST**

Accept / Receive the 2018 Annual Financial Audit and Single Audit Opinions

Please place this item on the 6/25/2019 City Commission meeting agenda.

### **BACKGROUND INFORMATION**

Eide Bailly has completed the 2018 annual audit for the City. The City received an unmodified opinion. An unmodified opinion is also referred to as a "clean opinion", which means that the financial statements are materially correct and presented in accordance with generally accepted accounting principles (GAAP). The 2018 financial statements are included as part of the 2018 Comprehensive Annual Financial Report (CAFR), which is currently available on the City's website. The CAFR is prepared by Fiscal Services Division for the annual audit.

The auditors also perform certain procedures to audit the City's federal awards, as required by the federal government's Uniform Guidance. As a result, an audit report related to the City's federal awards is also included in the CAFR, which is commonly referred to as the Single Audit. This includes a report of the internal control over financial reporting, compliance with requirements, and schedule of findings and questioned costs.

In addition, the City had no audit adjustments (corrections) and no findings related to the financial statements or the Single Audit.

In accordance with NDCC 54-10-14, the audit report and CAFR has been filed with the State Auditor's Office and the Government Finance Officers Association (GFOA) for review. Please note copies of the reports may be accessed on the City website (<https://www.bismarcknd.gov/1873/Financial-Reports>).

If you have any questions, please let me know.

**RECOMMENDED CITY COMMISSION ACTION**

Receive and accept the 2018 audit reports and CAFR.

**STAFF CONTACT INFORMATION**

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