



Legislation Text

File #: 20-76, **Version:** 1

TITLE:

Comprehensive Annual Financial Report (CAFR) and Independent Audit for Fiscal Year Ended June 30, 2019

PURPOSE: The purpose of this agenda item is for the Town’s independent auditor, Dixon Hughes Goodman LLP, to present and deliver to the Town Council the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019.

DEPARTMENT: Finance

CONTACT INFORMATION: Arche McAdoo, 918-7439

INFORMATION: The Town is required to produce annually a Comprehensive Annual Financial Report that includes financial statements that have been audited by an independent certified public accounting firm. This report is submitted to the North Carolina Local Government Commission (LGC) and presented to the Town Council each year. By January 31, 2020 the CAFR, along with other financial information, must be filed with the Municipal Securities Rulemaking Board as part of the continuing disclosure requirements related to the Town’s issuance of \$4.6 million General Obligation Sidewalk and Greenways Bonds, Series 2013.

Attachment B is the Comprehensive Annual Financial Report (CAFR) and Independent Auditors’ Report for the year ended June 30, 2019. This Report will be presented to the Town Council by from Dixon Hughes Goodman, LLP on January 21, 2020.

The opinion of the Independent Auditors is that the “*financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Carrboro as of June 30, 2019, and the respective changes in financial position and cash flows, where appropriate, thereof, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.*”

For the fiscal year ending June 30, 2019 the Town met state and federal expenditure thresholds which required an independent single audit be conducted. The Independent Auditors’ opinion for the single audit report was “the Town complied, in all material respects, with the compliance requirements that could have a direct and material effect on its major federal program for the year ended June 30, 2019”. The independent auditors did not identify any deficiencies in internal control over compliance that were considered a material weakness.

The Carrboro Tourism Development Authority (CTDA) established by the Board in March 2013 is a public authority under the Local Government Budget and Fiscal Control Act. As such, the CTDA is required to produce its own independent audited financial statements. The accounting rules, however, require that the Town show the CTDA as a “component unit” in Town financial statements.

FISCAL & STAFF IMPACT: None.

RECOMMENDATION: That the Town Council approve Resolution A to accept the CAFR for fiscal year ended June 30, 2019.