



STAFF REPORT

TO: Mayor Keis and Members of the City Council
FROM: Brenda Malinowski, Finance Director
DATE: May 26, 2021
RE: 2020 Comprehensive Annual Financial Report

ACTION REQUESTED

Receive and accept the 2020 Comprehensive Annual Financial Report.

BACKGROUND

Michelle Hoffman and Lance Lauinger with the City's auditing firm, CliftonLarsonAllen (CLA) will present the 2020 highlights.

The auditors have provided an unmodified opinion on the financial statements, which is the highest opinion that can be given. The City is required by Minnesota law to have an external audit completed annually. The audit provides reasonable assurance to the City Council and stakeholders that the financial statements are free of material misstatement and that the financial statements are complete and reliable.

The Transmittal Letter (pages 3-8) and the Management's Discussion and Analysis (pages 19-29) in the Comprehensive Annual Financial Report provide an overview of the 2020 City's financial operations and results.

The Schedule of Expenditures of Federal Awards and Other Required Reports (Single Audit Report) was required to be completed this year since the City received over \$750,000 in Federal funds, primarily due to receipt of the Cares Act Funds (\$782,484) in 2020. No issues were reported in the audit of the Federal funds. The Internal Control letter and Legal Compliance letter, which are typically included as separate documents in the packet, are included in the Schedule of Expenditures of Federal Awards and Other Required Reports.

Council will have the opportunity to ask questions after the presentation.

STAFF RECOMMENDATION

Receive and accept the 2020 Comprehensive Annual Financial Report.

ATTACHMENTS

- PowerPoint Presentation Slides
- Governance Communication
- 2020 Comprehensive Annual Financial Report
- Schedule of Expenditures of Federal Awards and Other Required Reports (Single Audit Report)