



Agenda Item # _____

Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

FROM: Steve S. Charelian, Finance Director *[Signature]*
Henry Mitzner, Controller *[Signature]*

DATE: December 17, 2018

SUBJECT: Review of the Financial Audit Results for FY 2017-2018

RECOMMENDATION:

Staff recommends that the Finance Subcommittee discuss the FY 2017-2018 audit results, and receive and file this report.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action.

BACKGROUND:

At the end of each fiscal year, independent auditors, hired by the City Council, perform an audit of the City's financial statements. A report is then prepared and presented to the City Council with the results. Prior to that report, the auditors meet with the Finance Subcommittee to discuss the outcome.

DISCUSSION:

Due to the timing of the completion of the FY 2017-2018 audit, the Comprehensive Annual Financial Report (CAFR) draft fund statements will be provided at the Finance Subcommittee meeting for discussion (The Letter of Transmittal, Management Discussion and Analysis, and Statistical Section are in production and will be presented in the final report to the full City Council in January 2018). At that meeting, staff will highlight overall fiscal performance as well as any specific areas worth noting. Additionally, Mr. Richard Kukuchi, partner with the audit firm of Lance, Soll and Lunghard, will be present to discuss the results of the audit and answer questions.