



CITY OF FERNLEY

CITY COUNCIL AGENDA REPORT

Meeting Date: March 17, 2021

REPORT TO: Mayor and City Council
REPORT THRU: Daphne Hooper, City Manager
REPORT FROM: Denise Lewis, City Treasurer
REVIEWED BY: Daphne Hooper, City Manager
REVIEWED BY: Brent Kolvet, Deputy City Attorney

FINANCIAL IMPACT:

Yes: No:

CURRENTLY BUDGETED:

Yes: No:

FUND/ACCOUNT:

100.415.328

ACTION REQUESTED: Consent Ordinance Resolution Motion Receive/File

AGENDA ITEM: Staff Report:

Discussion and Possible Action to designate Hinton Burdick CPAs & Advisors as the Independent Audit Firm to perform the City' Annual Financial Audit for the Fiscal Year ending June 30, 2021.

Per NRS 354.624, the governing body of each local government must designate an auditor on an annual basis and shall provide for an annual audit of its financial statements.

The auditor must be designated no later than three months before the close of the fiscal year for which the audit applies. For the City, that is March 30, 2021.

Recommended Motion:

I move to designate Hinton Burdick CPAs & Advisors as the independent audit firm to perform the City's annual financial audit for fiscal year ending June 30, 2021."

Business Impact (per NRS Chapter 237):

- A Business Impact Statement is Attached.
- A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

ALTERNATIVES: To not designate an audit firm; go out to bid and designate another audit firm

BACKGROUND: Per NRS 354.624, each local government shall provide for an annual financial audit. Each year an external auditor must be designated by City Council no later than three months before the close of the fiscal year for which the audit applies and the designation must be provided to the Nevada Department of Taxation. Staff recommends that City Council designate Hinton Burdick CPAs and Advisors as the City's independent audit firm as the City has a contract with the firm through fiscal year ending June 30, 2022.

LEGAL IMPLICATIONS: Non-compliance with NRS 354.624

FINANCIAL IMPLICATIONS: This item is budgeted for on an annual basis. The cost for audit services for fiscal years 2021 and 2022 shall be \$53,250 and \$54,500, respectively. The price for single audit services shall be \$3,150 for up to two major programs.

ATTACHMENTS:

Engagement Letter dated 1/20/2020