

City of
Gainesville

Inter-Office Communication

TO: Audit and Finance Committee March 7, 2000
Mayor Paula M. DeLaney
Mayor-Commissioner Pro Tem Bruce L. Delaney, Member

FROM: Alan D. Ash, City Auditor *aa*

SUBJECT: The General Purpose Financial Statements, Supplemental Information and Independent Auditors' Report of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 1999; Financial Statements and Independent Auditors' Report on the Employees' Pension Fund of the City of Gainesville, Florida for Fiscal Year Ended September 30, 1999; Financial Statements and Independent Auditors' Report on the Consolidated Police Officers and Firefighters Retirement Plan of the City of Gainesville, Florida for Fiscal Year Ended September 30, 1999; the Auditors' Management Letter and Additional Elements of Report Prepared in Accordance with the Single Audit Act and Office of Management and Budget's (OMB) Circular A-133 for the Fiscal Year Ended September 30, 1999; and management's written response

RECOMMENDATION

The Audit and Finance Committee recommend that the City Commission:

- a) accept the subject financial statements and audit reports;
- b) receive the independent auditors' Management Letter Comments and Additional Elements of Report Prepared In Accordance with the Provisions of the Single Audit Act and The Office of Management and Budget's (OMB) Circular A-133; and
- c) receive and accept management's written response.

EXPLANATION

On December 15, 1999 the City's independent auditors, Davis, Monk and Company and KPMG Peat Marwick LLP, Certified Public Accountants, issued the following reports:

- 1) The General Purpose Financial Statements, Supplemental Information and Independent Auditors' Report of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 1999;
- 2) The Financial Statements and Independent Auditors' Report on the Employees' Pension Fund of the City of Gainesville, Florida for Fiscal Year Ended September 30, 1999;
- 3) The Financial Statements and Independent Auditors' Report on the Consolidated Police Officers and Firefighters Retirement Plan of the City of Gainesville, Florida for the Fiscal Year Ended September 30, 1999; and

- 4) The Independent Auditors' Management Letter Comments and Additional Elements of Report Prepared in Accordance with the Provisions of the Single Audit Act and The Office of Management and Budget's (OMB) Circular A-133 for Fiscal Year Ended September 30, 1999.

In the opinion of the Independent Auditors, the general purpose financial statements referred to in item 1 above present fairly, in all material respects, the financial position of the City of Gainesville, Florida as of September 30, 1999, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In the independent auditors' opinion, the financial statements referred to in items 2 and 3 above present fairly, in all material respects, the net assets available for benefits as of September 30, 1999, and the changes in net assets available for benefits for the year then ended in conformity with generally accepted accounting principles.

Item 4 relates to the general purpose financial statements (item 1). As part of the audit process the independent auditors issue "management letter comments" along with several other reports related to internal control structure; compliance with certain provisions of laws, regulations, contracts and grants; and internal control structure and certain requirements applicable to federal financial assistance programs.

Management's written response contains a summary of the September 30, 1998 audit finding and provides an update on the current status of management's actions regarding the finding. There were no findings or reportable conditions in connection with the September 30, 1999 financial statement audit or single audit.

In accordance with Section 6(b) of Resolution 970187 dated August 11, 1997, we have reviewed the attached statements and reports to ensure that contractual terms have been fulfilled and transmit these reports with our recommendation for City Commission acceptance.