



DATE: January 14, 2016

TO: City Council

FROM: Mary Hull Caballero, City Auditor *Mary Hull Caballero*

SUBJECT: Results of Financial Audit of the City Comprehensive Annual Financial Report for FY 2014-15 and related communications

I am pleased to submit the results of the annual audit of the City's financial statements for FY2014-15 and the auditor's required communication with you. Moss Adams, the outside CPA firm that conducted the audit, concluded the statements are an accurate reflection of the City's financial condition.

Portland is required by state law and by the federal Single Audit Act to have an annual audit of its financial statements and compliance with the terms of the federal awards the City and the Portland Development Commission receive. Management prepares the financial statements and an outside CPA firm audits them. By Charter, the City Auditor oversees the selection of the outside accountants, and manages terms of the audit contract.

James Lanzarotta, partner at Moss Adams, will discuss the audit results at the January 27, 2016 City Council meeting. While the overall opinion is positive, Mr. Lanzarotta will call to your attention some areas that did not rise to the level of a material weakness but should be monitored.

The audited financial statements are attached as **Exhibit A**. The auditor's required communication with you is attached as **Exhibit B**.

MHC:DK:fche



Agenda No.
REPORT
Title

Results of Financial Audit of the City Comprehensive Annual Financial Report for FY 2014-15 and related communications. *(Report)*

<p style="text-align: center;">INTRODUCED BY Auditor: Mary Hull Caballero <i>Mary Hull Caballero</i></p>	<p>CLERK USE: DATE FILED <u>JAN 19 2016</u></p>
<p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">Mary Hull Caballero Auditor of the City of Portland</p> <p>By: <u><i>[Signature]</i></u> Deputy</p>
<p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: Office of the City Auditor Bureau Head: Mary Hull Caballero <i>Mary Hull Caballero</i></p> <p>Prepared by: Fiona Earle Date Prepared: January 14, 2016</p> <p>Impact Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>City Auditor Office Approval: N/A required for Code Ordinances</p> <p>City Attorney Approval: N/A required for contract, code, easement, franchise, charter, Comp Plan</p> <p>Council Meeting Date 1/27/2016</p>	<p>ACTION TAKEN:</p> <p style="font-size: 1.2em; font-weight: bold;">JAN 27 2016 ACCEPTED</p>

AGENDA

TIME CERTAIN
Start time: 10:15am

Total amount of time needed: 30 mins
(for presentation, testimony and discussion)

CONSENT

REGULAR
Total amount of time needed: _____
(for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	