TO: Mayor Novelli and Members of the City Council

FROM: Ken Irwin, City Manager

MEETING DATE: March 17, 2020

ITEM NO: __________

SUBJECT: Adopt Resolution No. 2020-16, A Resolution of the City Council of the City of Patterson Ratifying the Director of Emergency Services (City Manager) Under the Patterson Municipal Code Section 2.36 Proclamation of Existence of a Local Emergency.

RECOMMENDATION

Motion to Adopt Resolution No. 2020-16, A Resolution of the City Council of the City of Patterson ratifying the Director of Emergency Services (City Manager) under the Patterson Municipal Code Section 2.36 Proclamation of Existence of a Local Emergency.

BACKGROUND:

A novel coronavirus (“COVID-19”) was first detected in Wuhan City, Hubei Province, China in December 2019. Symptoms of COVID-19, an infectious disease caused by the novel coronavirus, include fever, cough, and shortness of breath; outcomes have ranged from mild to severe illness, and in some cases, death. On March 11, 2020, the World Health Organization (“WHO”) officially classified COVID-19 as a pandemic.

On January 31, 2020, the United States Health and Human Services Secretary Alex Azar declared a public emergency for COVID-19 beginning on January 27, 2020. On March 4, 2020, the Governor of the State of California, declared a state of emergency in the State of California (the “State”) due to the number of confirmed cases of COVID-19 in the State. On March 13, 2020, the President of the United States, declared a national emergency in response to the rapid spread of COVID-19 across the Country.

DISCUSSION:

The transmission of COVID-19 has occurred at an accelerated pace since its introduction into the United States just weeks ago. With the rate of transmission only increasing, it is imperative that local jurisdictions do everything in their power to prepare for, respond to, mitigate, and recover from COVID-19.
Section 2.36 of the City of Patterson Municipal Code empowers the Director of Emergency Services (City Manager) to proclaim the existence or threatened existence of a local emergency in the City of Patterson (the “City”) if the City Council is not in session, subject to ratification by the City Council within seven (7) days.

On March 17, 2020, the Director issued a Proclamation of Existence of a Local Emergency. Proclaiming a local emergency is a prerequisite for requesting and receiving any available federal or state funding. By declaring a local emergency, the City can obtain additional resources, establish an immediate plan, and respond quickly to urgent situations. This will minimize disruptions and allow the City to focus on day-to-day operations while addressing the spread of CODIV-19 as effectively and efficiently as possible.

The local emergency declaration will enable the City to request any available funding from the California Disaster Assistance Act, the Small Business Administration, or any other funding available as a result of this proclamation of local emergency.

RECOMMENDED ACTION

Based on the information contained herein, staff recommends that the City Council adopt the Resolution.

ALTERNATIVE ACTIONS

The City Council may select any of the following actions:

(1) Adopt Resolution No. 2020-16 without any changes;

(2) Adopt Resolution No. 2020-16 with changes and revisions; or

(3) Reject Resolution No. 2020-16 entirely.

FISCAL IMPACT:

Adoption of Resolution No. 2020-16 ratifying the Proclamation of the Existence of a Local Emergency will allow the City to be eligible for State and federal funds. Both the State and federal government set aside money specifically for local emergencies. Under section 8685 of the Government Code, a local emergency must be declared in order to obtain monetary relief from both State and federal agencies.
RESOLUTION NO. 2020-16

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PATTERSON
RATIFYING THE DIRECTOR OF EMERGENCY SERVICES (CITY MANAGER)
UNDER THE PATTERSON MUNICIPAL CODE SECTION 2.36 PROCLAMATION OF
EXISTENCE OF A LOCAL EMERGENCY

WHEREAS, section 2.36 of the Patterson Municipal Code empowers the City of Patterson (the “City”) City of Emergency Services (City Manager) to proclaim a local emergency if the City Council is not in session, subject to ratification by the City Council within seven (7) days; and

WHEREAS, conditions or threatened conditions caused by the novel coronavirus (“COVID-19”) including, but not limited to, potential isolation and quarantines of residents, employees, businesses, and public safety workers, give rise to conditions of extreme peril to the safety of persons and property within the City; and

WHEREAS, on March 16, 2020 the Director of Emergency Services (City Manager) under the Patterson Municipal Code proclaimed the existence of a local emergency in the City based on conditions or threatened conditions caused by COVID-19; and

WHEREAS, Government Code section 8630 generally requires the City Council to review the need for continuing the local emergency at least once every sixty (60) days, but as part of Governor Gavin Newsom’s March 4, 2020 Declaration of a State of Emergency in California due to COVID-19, this provision has been waived for the duration of the statewide emergency, allowing the City to maintain the local health emergency until terminated by the City Council; and

WHEREAS, the City Council does hereby find that conditions or threatened conditions caused by COVID-19 did warrant and necessitate the proclamation of the existence of a local emergency in the City, and that COVID-19 continues to present conditions of extreme peril to the safety of persons and property within the City.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Patterson as follows:

1. Pursuant to Government Code section 8630, the Proclamation of Existence of a Local Emergency issued by the Director of Emergency Services (City Manager) under the Patterson Municipal Code on March 17, 2020 is hereby ratified.
2. The City may request any available funding from the California Disaster Assistance Act, the Small Business Administration, or any other funding available as a result of this proclamation of local emergency.

3. The local emergency shall be deemed to continue to exist until its termination is proclaimed by the City Council.

PASSED AND ADOPTED this 17th day of March 2020 by the following roll call vote:

AYES:
NOES:
EXCUSED:

APPROVED:

_________________________
Deborah M. Novelli
Mayor of the City of Patterson

ATTEST:

__________________________________
Maricela L. Vela
City Clerk of the City of Patterson

I hereby certify that the foregoing is a full, correct and true copy of a resolution passed by the City Council of the City of Patterson, a Municipal Corporation of the County of Stanislaus, State of California, at a regular meeting held on the 17th day of March 2020, and I further certify that said resolution is in full force and effect and has never been rescinded or modified.

DATED:

__________________________________
City Clerk of the City of Patterson
CITY OF PATTERSON
Proclamation of the Existence of a Local Emergency

By the Director of Emergency Services (City Manager) under the Patterson Municipal Code Section 2.36 Emergency Services

WHEREAS, Section 2.36 of the Patterson Municipal Code empowers the City Manager as the Director of emergency services to proclaim the existence or threatened existence of a local emergency in the City of Patterson (the "City") if the City Council is not in session, subject to ratification by the City Council within seven (7) days.

WHEREAS, the Centers for Disease Control and Prevention (the "C.D.C.") considers the novel coronavirus ("COVID-19") to be a very serious public health threat with outcomes ranging from mild sickness to severe illness and death; and

WHEREAS, COVID-19 is easily transmissible from person to person and has spread globally to approximately one hundred eighteen (118) countries infected more than one hundred twenty-five thousand (125,000) people, and killed more than four thousand (4,000) people as of March 12, 2020, according to the World Health Organization (the "WHO"); and

WHEREAS, on January 31, 2020, the United States Secretary of Health and Human Services Secretary declared a public emergency for COVID-19 beginning on January 27, 2020; and

WHEREAS, on March 4, 2020, the Governor of the State of California (the "Governor"), declared a state of emergency in the State of California (the "State") due to the number of confirmed cases of COVID-19 in the State; and

WHEREAS, on March 11, 2020, the WHO characterized COVID-19 as a pandemic; and

WHEREAS, on March 11, 2020, the Governor announced that State public health officials have determined that gatherings of more than two hundred fifty (250) people should be postponed or canceled across the State until at least the end of March; and

WHEREAS, as of March 12, 2020, there are two (2) cases of COVID-19 in the County of Stanislaus (the "County"), including an assumed case of community transmission; and

WHEREAS, on March 12, 2020, the County Health Officer issued a Countywide moratorium on mass gatherings of one thousand (1,000) or more persons until March 31, 2020 to mitigate the spread of COVID-19; and

WHEREAS, on March 13, 2020, the President of the United States declared a national emergency due to COVID-19; and

WHEREAS, the health, safety, and welfare of City residents, businesses, visitors, and staff are of utmost importance to the City, and additional future measures may be needed to protect the community; and

WHEREAS, declaring a local emergency allows additional resources to flow into the City in a timely fashion; and
WHEREAS, existing conditions related to COVID-19 constitute an emergency as defined in the Patterson Municipal Code Section 2.36, and

WHEREAS, The City Manager as the Director of Emergency Services under the Municipal Code of the City of Patterson hereby finds that:

- The efforts required to prepare for, respond to, mitigate, and recover from the increasing spread of COVID-19 have imposed, and will continue to impose, extraordinary requirements and expenses on the City, requiring diversion from day-to-day operations;

- In addition to the above facts, conditions or threatened conditions caused by COVID-19 including, but not limited to, potential isolation and quarantines of residents, employees, businesses, and public safety workers, give rise to conditions of extreme peril to the safety of persons and property within the City;

- These conditions are, or are likely to be, beyond the control of the services, personnel, equipment, and facilities of the City; and

- At the time of this proclamation, the City Council is not in session, and cannot be called into session.

NOW, THEREFORE, IT IS HEREBY PROCLAIMED that a local emergency now exists throughout the City due to COVID-19.

IT IS FURTHER PROCLAIMED AND ORDERED that during the existence of the local emergency, the powers functions and duties of the Director of Emergency Services (City Manager) under the Municipal Code and the emergency organization of the City shall be those prescribed by State law, the ordinances and resolutions of the City, and the City of Patterson Emergency Plan.

IT IS FURTHER PROCLAIMED AND ORDERED that the local emergency shall expire unless ratified by the City Council within 7 days of this proclamation.

Ken Irwin
Director of Emergency Services / City Manager under the Patterson Municipal Code

Dated: 3/16/20

Approved as to Form:

[Signature]

City Attorney, Tim Hallinan
FY 2019-20 Mid-Year Budget Review
Presentation Outline

• General Fund Mid-Year Budget Review
• FY 2019-20 Mid-Year Adjustments
• All Funds Mid-Year Budget Review
• General Fund Reserve Level
• Staff recommendations
General Fund  (100) FY 2019-20 Mid-Year Budget Review

FY 2019-20 Projected to have a deficit at year end

<table>
<thead>
<tr>
<th>General Fund</th>
<th>Adopted Budget</th>
<th>Mid Year Adjustment</th>
<th>Amended Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue &amp; Transfer In</td>
<td>19,567,762</td>
<td>186,754</td>
<td>19,754,516</td>
</tr>
<tr>
<td>Appropriation and Transfer Out</td>
<td>19,497,871</td>
<td>414,167</td>
<td>19,912,038</td>
</tr>
<tr>
<td>Net change in current year</td>
<td>69,891</td>
<td>(227,413)</td>
<td>(157,522)</td>
</tr>
</tbody>
</table>
General Fund (100) FY 2019-20 Mid-Year Budge Review, continued

General Fund budgeted revenue increased due to the following revenue:

- San Joaquin Air District Grant revenue received maximum amount
- County donation for Naomi’s House Project
- Sales Tax revenue
- Building permit -residential revenue

General Fund budgeted expenditures increased due to the following:

- Admin expenditures increase due to purchase of new Human Resource Recruitment software and training cost and legal cost related to Cannabis collection effort.
- City Council expenditures increase mainly due to HOST House Project to expand operating hours and Naomi’s House Project.
- All other General Fund division expenditures increase due to salaries for part-time and operation cost increase.
## FY 2019-20 Mid-Year Adjustments

<table>
<thead>
<tr>
<th></th>
<th>Jun-20 Adopted Budget</th>
<th>Jun-20 Amended Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue and Transfers In</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund Revenues</td>
<td>19,567,762</td>
<td>19,754,516</td>
<td>186,754</td>
</tr>
<tr>
<td>Enterprise Fund Revenues</td>
<td>20,149,047</td>
<td>22,777,554</td>
<td>2,628,507</td>
</tr>
<tr>
<td>All Other Fund Revenues</td>
<td>27,632,387</td>
<td>27,771,079</td>
<td>138,692</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>67,349,196</td>
<td>70,303,149</td>
<td>2,953,953</td>
</tr>
</tbody>
</table>
## FY 2019-20 Mid-Year Adjustments

### Adjustments:

<table>
<thead>
<tr>
<th>Expenditure and Transfers Out</th>
<th>Jun-20 Adopted Budget</th>
<th>Jun-20 Amended Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund Expenditures</td>
<td>19,497,871</td>
<td>19,912,038</td>
<td>414,167</td>
</tr>
<tr>
<td>Enterprise Fund Expenditures</td>
<td>22,761,770</td>
<td>17,870,786</td>
<td>(4,890,984)</td>
</tr>
<tr>
<td>All Other Fund Expenditures</td>
<td>34,932,091</td>
<td>29,717,422</td>
<td>(5,214,669)</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td><strong>77,191,732</strong></td>
<td><strong>67,500,246</strong></td>
<td><strong>(9,691,486)</strong></td>
</tr>
</tbody>
</table>


# All Funds Mid-Year Budget Review

<table>
<thead>
<tr>
<th></th>
<th>Jun-20 Adopted Budget</th>
<th>Jun-20 Amended Budget</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>City wide</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue &amp; Transfer In</td>
<td>67,349,196</td>
<td>70,303,149</td>
<td>2,953,953</td>
</tr>
<tr>
<td>Appropriation and Transfer Out</td>
<td>77,191,732</td>
<td>67,500,246</td>
<td>(9,691,486)</td>
</tr>
<tr>
<td>Net change in current year</td>
<td>(9,842,536)</td>
<td>2,802,903</td>
<td>12,645,439</td>
</tr>
</tbody>
</table>
General Fund Reserve Level after Mid-Year Adjustment
Staff Recommendations

- Questions?

- Adopt a Resolution Approving the Mid-Year Operating and Capital Budget Adjustments for FY 2019-20.
CITY OF PATTERTON

Presentation to the City Council
For the Fiscal Year Ended June 30, 2019

March 17, 2020
Contents

• Scope of Work
• Audit Responsibilities
• Overview of Financial Statements
• Financial Indicators and Key Pension Information
• Audit Results
Scope of Work
Scope of Work

• **Financial Audit**
  - City of Patterson’s Comprehensive Annual Financial Report
  - Patterson Public Financing Authority Financial Statements
  - West Patterson Public Financing Authority Financial Statements

• **Compliance Audit**
  - Transportation Development Act Compliance
  - Single Audit Act
Audit Responsibilities
Management Responsibilities

• Responsible for the Financial Statements
• Present the Financial Statements in accordance with Accounting Principles Generally Accepted in the United States of America
• Adopt sound accounting policies
• Establish and maintain internal controls over financial reporting and compliance
• Provide evidence supporting the amounts and disclosures in the financial statements
• Prevent and detect fraud
Auditors’ Responsibilities

• Perform the audit in conformity with Auditing Standards Generally Accepted in the United States of America and the Standards applicable to Financial Audits contained in Government Auditing Standards
• Communicate with “Those Charged with Governance”
• Assess audit risk of internal control over financial reporting and compliance
• Determine fairness presentation of the financial statements
• Render opinions
Overview of the Financial Statements
Comprehensive Annual Financial Report

Introductory Section

Letter of Transmittal
List of Elected and City Officials

Financial Section

Independent Auditors’ Reports
Management’s Discussion and Analysis – RSI (Unaudited)
Basic Financial Statements:
  Government-Wide Financial Statements
  Fund Financial Statements
  Notes to Basic Financial Statements
Required Supplementary Information (Unaudited)
  Budgetary Information
  Schedule of Changes in Proportionate Share of NPL and Related Ratio
  Schedule of Contributions
  Schedule of Changes in Total OPEB Liability
Supplementary Information
Comprehensive Annual Financial Report

Statistical Section

Financial Trends
Revenue Capacity
Debt Capacity
Demographic and Economic Information
Operating Information
# City of Patterson
## Government-Wide Summary
### Statement of Net Position
#### June 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td>$ 153,372,550</td>
<td>$ 62,698,425</td>
<td>$ 216,070,975</td>
</tr>
<tr>
<td>Deferred Outflows of Resources</td>
<td>2,004,661</td>
<td>1,547,766</td>
<td>3,552,427</td>
</tr>
<tr>
<td>Liabilities</td>
<td>90,274,747</td>
<td>22,921,193</td>
<td>113,195,940</td>
</tr>
<tr>
<td>Deferred Inflows of Resources</td>
<td>987,105</td>
<td>541,377</td>
<td>1,528,482</td>
</tr>
<tr>
<td><strong>Net Position:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net investments in capital assets</td>
<td>60,390,350</td>
<td>37,746,179</td>
<td>98,136,529</td>
</tr>
<tr>
<td>Restricted</td>
<td>11,658,062</td>
<td>469,817</td>
<td>12,127,879</td>
</tr>
<tr>
<td>Unrestricted (deficit)</td>
<td>(7,933,053)</td>
<td>2,567,625</td>
<td>(5,365,428)</td>
</tr>
<tr>
<td><strong>Total Net Position</strong></td>
<td>$ 64,115,359</td>
<td>$ 40,783,621</td>
<td>$ 104,898,980</td>
</tr>
</tbody>
</table>
# City of Patterson
Government-Wide Summary
Statement of Activities
For the Year Ended June 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td>$ (30,774,276)</td>
<td>$ (12,393,138)</td>
<td>$ (43,167,414)</td>
</tr>
<tr>
<td>Program Revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>5,687,097</td>
<td>12,657,675</td>
<td>18,344,772</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>1,114,479</td>
<td>34,318</td>
<td>1,148,797</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>943,669</td>
<td>-</td>
<td>943,669</td>
</tr>
<tr>
<td>Total program revenues</td>
<td>7,745,245</td>
<td>12,691,993</td>
<td>20,437,238</td>
</tr>
<tr>
<td>Net Cost of Services</td>
<td>(23,029,031)</td>
<td>298,855</td>
<td>(22,730,176)</td>
</tr>
<tr>
<td>General Revenues</td>
<td>21,359,259</td>
<td>4,036,350</td>
<td>25,395,609</td>
</tr>
<tr>
<td>Transfers</td>
<td>1,290,335</td>
<td>(1,290,335)</td>
<td>-</td>
</tr>
<tr>
<td>Change in Net Position</td>
<td>$ (379,437)</td>
<td>$ 3,044,870</td>
<td>$ 2,665,433</td>
</tr>
</tbody>
</table>

12
# City of Patterson General Fund Summary
## Balance Sheet
### June 30, 2019

<table>
<thead>
<tr>
<th>Assets</th>
<th>$ 12,176,489</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td>$ 3,821,873</td>
</tr>
<tr>
<td>Deferred Inflows of Resources</td>
<td>181,477</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Balance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable</td>
<td>84,466</td>
</tr>
<tr>
<td>Restricted</td>
<td>290,150</td>
</tr>
<tr>
<td>Committed</td>
<td>3,725,949</td>
</tr>
<tr>
<td>Assigned</td>
<td>2,879,593</td>
</tr>
<tr>
<td>Unassigned</td>
<td>1,192,981</td>
</tr>
<tr>
<td><strong>Total Fund Balance</strong></td>
<td><strong>8,173,139</strong></td>
</tr>
</tbody>
</table>

| Total Liabilities and Fund Balance | $ 12,176,489 |
# City of Patterson  
**General Fund Summary**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
For the Year Ended June 30, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>$16,452,282</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td>19,223,849</td>
</tr>
<tr>
<td><strong>Revenues over Expenditures</strong></td>
<td>(2,771,567)</td>
</tr>
<tr>
<td><strong>Other Financing Sources and Uses</strong></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of property</td>
<td>1,100,000</td>
</tr>
<tr>
<td>Transfers (Net)</td>
<td>2,209,932</td>
</tr>
<tr>
<td><strong>Change in Fund Balance</strong></td>
<td>$538,365</td>
</tr>
</tbody>
</table>
Financial Indicators and Key Pension Information
City of Patterson  
Governmental Activities  
Net Cost of Services to Tax Revenues  
For the Year Ended June 30, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cost of Services</td>
<td>$23,029,031</td>
</tr>
<tr>
<td>Less: Interest Expenses</td>
<td>(4,360,669)</td>
</tr>
<tr>
<td></td>
<td>18,668,362</td>
</tr>
<tr>
<td>Tax Revenues</td>
<td>13,922,854</td>
</tr>
<tr>
<td>Ratio</td>
<td>134.08%</td>
</tr>
</tbody>
</table>
# City of Patterson

**General Fund**

Available Fund Balance to Annual Expenditures

**For the Year Ended June 30, 2019**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unassigned Fund Balance</td>
<td>$1,192,981</td>
</tr>
<tr>
<td>Committed for Contingencies</td>
<td>$3,725,949</td>
</tr>
<tr>
<td><strong>Available Fund Balance</strong></td>
<td>$4,918,930</td>
</tr>
<tr>
<td><strong>Annual Expenditures</strong></td>
<td>$19,223,849</td>
</tr>
<tr>
<td><strong>Ratio</strong></td>
<td>25.59%</td>
</tr>
</tbody>
</table>
GASB 68 and 71 – The Pension Standards
As of June 30, 2018 (Measurement Date)

<table>
<thead>
<tr>
<th></th>
<th>Discount Rate -1% 6.15%</th>
<th>Current Discount Rate 7.15%</th>
<th>Discount Rate +1% 8.15%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous</td>
<td>$ 9,096,510</td>
<td>$ 5,638,335</td>
<td>$ 2,783,668</td>
</tr>
<tr>
<td>Safety</td>
<td>4,293,362</td>
<td>2,756,215</td>
<td>1,496,798</td>
</tr>
<tr>
<td>Total</td>
<td>$ 13,389,872</td>
<td>$ 8,394,550</td>
<td>$ 4,280,466</td>
</tr>
</tbody>
</table>
GASB 75 – The New OPEB Standards
As of June 30, 2018 (Measurement Date)

<table>
<thead>
<tr>
<th>Discount Rate -1%</th>
<th>Current Discount Rate 3.43%</th>
<th>Discount Rate +1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.43%</td>
<td>$12,447,019</td>
<td>4.43%</td>
</tr>
<tr>
<td></td>
<td>$10,697,510</td>
<td></td>
</tr>
</tbody>
</table>
Audit Results – City Audit
Audit Results

• Opinions
  • *Unmodified Opinion for ALL Opinion Unit*
    • Financial Statements are fairly presented in all material respect
    • Accounting policies have been consistently applied
    • Estimates are reasonable
    • Disclosures are properly reflected in the financial statements

Other Results

• No disagreement with Management
• No material weaknesses and/or significant deficiencies were not identified in internal control over financial reporting
• No accounting issues
• No inappropriate activities were noted
Schedule of Expenditures of Federal Awards

<table>
<thead>
<tr>
<th>Description</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures of Federal Awards</td>
<td>$824,575</td>
</tr>
<tr>
<td><strong>Major Programs:</strong></td>
<td></td>
</tr>
<tr>
<td>Highway Planning and Construction Cluster (CFDA # 20.205)</td>
<td>$638,858</td>
</tr>
<tr>
<td><strong>Total Major Program Expenditures</strong></td>
<td>$638,858</td>
</tr>
<tr>
<td><strong>Percentage of Total Federal Expenditures</strong></td>
<td>77.48%</td>
</tr>
</tbody>
</table>
Audit Results – Single Audit

• Opinion
  • *Unmodified Opinions are issued to all Major Program*
    • The City complied, in all material respect, with the types of compliance requirements that could have a direct and material effect
Audit Results – Transportation Development Act Funds
Audit Results – TDA Audit

• **Opinion**
  
  • **Unmodified Opinion**
    
    • Financial Statements are fairly presented in all material respect
    • Accounting policies have been consistently applied
    • Estimates are reasonable
    • Disclosures are properly reflected in the financial statements

Other Results

• No disagreement with Management
• No material weaknesses and/or significant deficiencies were not identified in internal control over financial reporting
• No accounting issues
• No compliance exception
• No inappropriate activities were noted
Audit Results – PPFA Audit

• Opinions
  • *Unmodified Opinions are issued to all Opinion Units*
    • Financial Statements are fairly presented in all material respect
    • Accounting policies have been consistently applied
    • Estimates are reasonable
    • Disclosures are properly reflected in the financial statements

Other Results

• No disagreement with Management
• No material weaknesses and/or significant deficiencies were not identified in internal control over financial reporting
• No accounting issues
• No inappropriate activities were noted
Audit Results – West Patterson Financing Authority
Audit Results – WPFA Audit

• Opinions
  • Unmodified Opinions are issued to all Opinion Units
    • Financial Statements are fairly presented in all material respect
    • Accounting policies have been consistently applied
    • Estimates are reasonable
    • Disclosures are properly reflected in the financial statements

Other Results

• No disagreement with Management
• No material weaknesses and/or significant deficiencies were not identified in internal control over financial reporting
• No accounting issues
• No inappropriate activities were noted
For more information, contact:

Presenter:

Kenneth H. Pun, CPA
Direct  +1 949 777 8801
Ken.Pun@PunGroup.com