

# CITY AUDITOR'S REPORT

## MONDAY, APRIL 11, 2016

### 2015 CITY AUDIT

TODAY, MONDAY APRIL 11, 2016, HERBEIN & COMPANY ARRIVED AND STARTED THE 2015 CITY AUDIT. WITH THE COOPERATION BETWEEN THE OFFICE OF THE CITY AUDITOR AND ADMINISTRATIVE SERVICES DEPARTMENT WE ASSIGN RESPONSIBILITIES FOR TIMELY COMPLETION OF HERBEIN AND COMPANY'S REQUESTS. THERE ARE VARIOUS REQUESTS SUCH AS INCOME STATEMENTS, BALANCE SHEETS, EXPENSE REPORTS, BUDGETS, COPIES OF COUNCIL MINUTES, BANK AND INVESTMENT RECONCILIATIONS, ACCOUNTS RECEIVABLE/PAYABLE ANALYSIS, FIXED ASSET REPORTS AND PENSION ACTUARY REPORTS.

PER SECTION 914 OF OUR CITY CHARTER, THERE SHALL BE "...AN ANNUAL INDEPENDENT AUDIT TO BE COMPLETED AND SUBMITTED TO THE MAYOR WITHIN ONE HUNDRED EIGHTY (180) DAYS OF THE CLOSE OF THE FISCAL YEAR."

AS ALWAYS, I WILL PROVIDE THE ADMINISTRATION AND COUNCIL WITH PERIODIC UPDATES THROUGHOUT THE AUDIT PROCESS.

### 2015 D.C.E.D. REPORT

ON 04/01/16, THE CITY OF READING FILED THE 2015 MUNICIPAL ANNUAL FINANCIAL REPORT (DCED-CLGS-30) WITH THE DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT. THIS REPORT IS A **BASIC SUMMARY** OF FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2015. IT USES THE INFORMATION THAT IS CURRENTLY AVAILABLE FROM OUR ACCOUNTING DIVISION. QUOTING FROM THE SECTION – **ELECTED AUDITOR'S CERTIFIED OPINION**, THIS "AUDIT ...WAS MADE IN ACCORDANCE WITH LAW RATHER THAN GENERALLY ACCEPTED AUDITING STANDARDS. THESE FINANCIAL STATEMENTS **DO NOT** INCLUDE ALL OF THE DISCLOSURES REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES."

THIS **PRELIMINARY REPORT** INDICATES A **\$7,203,008 GENERAL FUND GAIN** FOR THE YEAR ENDED 12/31/2015, WITH **\$150,211,557** IN REVENUE AND **\$143,008,549** IN EXPENSES. THIS **PRELIMINARY REPORT** REVEALS A POSITIVE FUND BALANCE OF **\$29,299,789** AS OF 12/31/15.

OUR 2015 EXTERNAL AUDIT HAS JUST STARTED, AND THE GENERAL FUND'S ENDING 2015 FUND BALANCE WILL NOT BE FINALIZED UNTIL SOMETIME LATER THIS SUMMER.