



TOWN OF FAIRFAX

STAFF REPORT

August 5, 2020

TO: Mayor and Town Council

FROM: Michael Vivrette, Finance Director

SUBJECT: Accept Fiscal Year 2018-19 Audited Financial Statements

RECOMMENDATION

Accept Financial Statements and Independent Auditor's Report for Fiscal Year 2018-19.

DISCUSSION

The Town auditors, Maze and Associates, have issued the Audited Financial Statements for the Town consisting of the Basic Financial Statements and Independent Auditor's Report for June 30, 2019. A representative from Maze and Associates will be available remotely for questions regarding the Financial Statements, the audit, or other concerns.

The audit serves to give an independent professional opinion to fairness of the Town's financial statements at June 30, 2019. *They have issued a "clean" opinion that the financial statements are free from material misstatement.*

In Fiscal 2018-19, the General Fund balance increased \$152,852. All other fund balances decreased by a total of \$939,081 primarily in Capital Improvement funds. General Fund revenues were below budget by \$89,611 (0.9%). General Fund expenses were under budget by \$274,453 (2.7%). Financial activity for FY18-19 has been factored into the fund balance carry forward in the current year's budget.

During the period, the Town's total liability for other post-employment benefits (OPEB) as measured by Government Accounting Standards Board ruling (GASB 75) increased by \$96,864 to \$2,398,527. The net liability for OPEB decreased by \$82,604 due to Town contributions and plan earnings of \$179,468 during the period. The measurement date was prior to measures the Town took in negotiating employment MOU's to drastically reduce or eliminate OPEB benefits for employees hired after July 1, 2013. These measures should reduce this liability in future years.

FISCAL IMPACT

n/a

ATTACHMENT

Audit report