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City of Las Cruces[®]
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Council Action and Executive Summary

Item # 7 Ordinance/Resolution# 14-133

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of February 18, 2014
 (Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO APPROVE THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDING JUNE 30, 2013.

PURPOSE(S) OF ACTION:

Approve report.

COUNCIL DISTRICT: N/A		
<u>Drafter/Staff Contact:</u> Melissa Nelson, CGFM	<u>Department/Section:</u> Finance/ Accounting	<u>Phone:</u> 541-2151
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

On November 22, 2013, Moss Adams, LLP submitted the Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2013 to the State Auditor's Office on behalf of the City of Las Cruces Financial Services Department.

The Office of the State Auditor published Requirements for Contracting and Conducting Audits of Agencies. Section 2.2.2.10 J (3d) states, "Once the audit report is officially released to the agency by the State Auditor (by an authorizing letter) and the required waiting period of five calendar days has passed, the audit report shall be presented by the IPA (auditor) to a quorum of the governing authority of the agency at a meeting held in accordance with the Open Meetings Act, if applicable. The presentation of the audit report should be documented in the minutes of the meeting".

On January 16, 2014, the Office of the State Auditor released the 2013 audit and approved the City's written request to waive the five day waiting period required by Section 12-6-5 NMSA 1978.

The City's Comprehensive Annual Financial Report for the year ending June 30, 2013 is presented for approval by the City Council. Access to the CAFR is available through the City of Las Cruces website, City Clerk's Office, and Branigan Library.

(Continue on additional sheets as required)

SUPPORT INFORMATION:

1. Resolution.
2. Attachment "A", Letter from New Mexico State Auditor's Office, dated January 16, 2014.

SOURCE OF FUNDING:

Is this action already budgeted? N/A	Yes	<input type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
	<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)	
	<input type="checkbox"/>	Proposed funding is from fund balance in the _____ Fund.	
Does this action create any revenue? N/A	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY__.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

N/A

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will approve the 2013 financial audit by the governing authority.
2. Vote "No"; this will prevent the approval of the 2013 financial audit by the governing authority.
3. Vote to "Amend"; this could provide an avenue to change the resolution but would not change the 2013 audit report.
4. Vote to "Table"; this could delay approval of the 2013 financial audit by the governing authority.

(Continue on additional sheets as required)

REFERENCE INFORMATION:

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

N/A

(Continue on additional sheets as required)

RESOLUTION NO. 14-133**A RESOLUTION AUTHORIZING THE CITY OF LAS CRUCES TO APPROVE THE CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDING JUNE 30, 2013.**

The City Council is informed that:

WHEREAS, the City of Las Cruces completed the Comprehensive Annual Financial Report for the year ending June 30, 2013; and

WHEREAS, on November 22, 2013, Moss Adams, LLP submitted the Comprehensive Annual Report to the State Auditor's Office on behalf of the City of Las Cruces Financial Services Department; and

WHEREAS, the Office of the State Auditor has published 2.2.2 NMAC Audit Rule 2013, Requirements for Contracting and Conducting Audits of Agencies; and

WHEREAS, Section 2.2.2.10 J (3) states, "Once the audit report is officially released to the agency by the State Auditor (by an authorizing letter) and the required waiting period of five calendar days has passed, the audit report shall be presented by the IPA to a quorum of the governing authority of the agency at a meeting held in accordance with the Open Meetings Act, if applicable. The presentation of the audit report should be documented in the minutes of the meeting"; and

WHEREAS, on January 16, 2014, the Office of the State Auditor released the audit report and granted the City's written request to waive the five day waiting period required by Section 12-6-5, NMSA 1978; and

WHEREAS, the City's Comprehensive Annual Financial Report for the year ending June 30, 2013, is hereby presented for approval by the City Council.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las

Cruces:

(I)

THAT the City of Las Cruces is hereby authorized to approve the City's Comprehensive Annual Financial Report for the year ending June 30, 2013.

(II)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 20_____.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

VOTE:

Mayor Miyagishima:	_____
Councillor Silva:	_____
Councillor Smith:	_____
Councillor Pedroza:	_____
Councillor Small:	_____
Councillor Sorg:	_____
Councillor Levatino:	_____

Moved by: _____

Seconded by: _____

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "A. J. DeMuniz", written over a horizontal line.

City Attorney



State of New Mexico
OFFICE OF THE STATE AUDITOR

Hector H. Balderas
State Auditor

Carla C. Martinez
Deputy State Auditor

January 16, 2014

SAO Ref. No. 6102

The Honorable Ken Miyagishima, Mayor
City of Las Cruces
PO Box 20000
Las Cruces, NM 88004-9002

SUBJECT: Audit Report—City of Las Cruces—2012-2013 Fiscal Year—Prepared by Moss Adams, LLP

The audit report for your agency was received by the Office of the State Auditor (Office) on November 22, 2013. The State Auditor's review of the audit report required by Section 12-6-14 (B) NMSA 1978 and 2.2.2.13 NMAC has been completed. This letter is your authorization to make the final payment to the independent public accountant (IPA) who contracted to perform the agency's financial and compliance audit. In accordance with Section 2 of the audit contract, the IPA is required to deliver the specified number of copies of the audit report to the agency.

Per Section 12-6-5 NMSA 1978, the audit report does not become public record until five days after the date of this release letter, unless your agency has already submitted a written waiver to the Office. Once the five-day period has expired or upon the Office's receipt of a written waiver, the audit report shall be:

- released by the Office to the Legislative Finance Committee, and the Department of Finance and Administration; and
- presented by your agency to a quorum of the agency's governing authority at a public meeting, for approval, per Section 2.2.2.10(J)(3)(d) NMAC, *Requirements for Contracting and Conducting Audits of Agencies*.

The independent public accountant's findings and comments are included in the audit report on pages 247 - 253. **It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.**

A handwritten signature in black ink, appearing to read "Hector H. Balderas".

HECTOR H. BALDERAS
STATE AUDITOR

cc: Moss Adams, LLP

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