



CITY COUNCIL STAFF REPORT

ITEM NO. 5.11

DATE: April 14, 2025

TO: Honorable Mayor and City Council

FROM: Tina Olson, Administrative Services Director

SUBJECT: Resolution accepting the Single Audit Report related to federal grants for the Fiscal Year Ending June 30, 2024.

RECOMMENDED ACTION

Staff recommends the City Council adopt a resolution accepting the Single Audit Report for Fiscal Year 2023-24 as completed.

SUMMARY

The Single Audit Report which contains the Auditor's Opinion, for the fiscal year ending June 30, 2024, is complete and ready for City Council acceptance. The Single Audit Report is required of each local government expending \$750,000 or more in Federal awards.

DISCUSSION

The audited Annual Comprehensive Financial Report (ACFR) and other required audit compliance reports were presented to the City Council on February 10, 2025, in accordance with the Livermore Municipal Code §2.28.020 and Government Code §37208. The Single Audit was not presented at that time as it was still being completed. The Single Audit is required to be completed nine months after fiscal year end, which makes its deadline March 31, 2025. The Single Audit report was completed on March 28, 2025, and is now ready for review and acceptance by City Council.

The Single Audit report is required of each local government entity expending \$750,000 or more in Federal awards. The Single Audit Act of 1984, as amended by the Office of Management and Budget (OMB) Guidance for Grants and Agreements in 2013, requires having an audit conducted in accordance with the 2 CFR (Code of Federal Regulations) Part 200. The City expended \$1,513,903 in federal grant funds during the fiscal year that ended on June 30, 2024, and was therefore required to undergo a Single Audit. The total amount expended by each funding category is as follows:

- Department of Energy - \$144,230
- Department of Housing and Urban Development - \$1,004,346

- Department of Homeland Security - \$131,684
- Department of Transportation - \$198,701
- U.S. Department of Justice - \$34,942

The City's auditors tested the following federal program for this year's audit:

- CDBG - Entitlement Grants Cluster
- HOME Investment Partnership (HOME) program

A Single Audit Report includes two reports: (1) a Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an audit of financial statements performed in accordance with Government Auditing Standards; and (2) Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance in accordance with OMB Guidance 2 CFR Part 200; Report on Schedule of Expenditures of Federal Awards (SEFA). The auditors have issued an unqualified opinion with no findings on the Single Audit, however the report includes a summary of the Auditor's findings from the City's FY 2023-24 audited Annual Comprehensive Financial Report (ACFR), which had a finding regarding a restatement of the housing loans beginning balances. That finding did not change the Auditor's unmodified or clean opinion of the City's ACFR.

FISCAL AND ADMINISTRATIVE IMPACTS

There is no direct fiscal impact in accepting the FY 2023-24 audit reports. Total audit and report preparation costs of approximately \$155,341 are within budget and are allocated to the General Fund, enterprise funds, Measure B funds, Measure BB funds and transportation funds as the audits and reports are completed. The total fee also includes preparation costs of certain reports not requiring City Council acceptance that are transmitted directly to the California State Controller, including the Special Districts Financial Transactions Report for the Livermore Capital Projects Financing Authority (LCPFA), the Cities Financial Transactions Report for the City of Livermore, and the Livermore Annual Streets and Roads Report.

COMMUNITY PILLAR

5: A City That Works

GOAL

17: Ensure effective use of public resources

ATTACHMENTS

1. Resolution
2. Exhibit A - Federal Awards Report in Accordance with Uniform Guidance

Prepared by: Erik Peterson
Finance Manager

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Tina Olson
Administrative Services Director