



WILSONVILLE  
FINANCE

OCTOBER  
**MONTHLY  
REPORT**

## From the Director:

Greetings from the Finance Team!

We are officially on MUNIS!! We are experiencing what I would call the typical pains of getting onto a new system but we have issued accounts payable checks, imported information from non-MUNIS systems for Utility Billing and Permitting and are able to keep up with daily journal entries. Tomorrow we start our report writing training and as such, I am not able to attach a financial report for October.

Next month we will also have training on the Budget Module as yes, it is almost that time of year! While we hope to eventually have each department enter their information in to the system, this year, the Finance Team will handle the process.

Rockwell Collins has paid their transit taxes in full and will be making their quarterly payments on time going forward. It required a lot of work by Barbara Jacobson but we have received over \$400K to cover over a year's worth of taxes due to the City.

Attached please find the letter from Merina & Co., the City's auditors, regarding the impact of the CARES funding on our annual audit. To date, the Office of Management and Budget has yet to release the auditing guidelines for the single audit. They are hoping to have the information available for 12/21/20. Unfortunately, this will delay the completion of the annual audit and require the City to request an extension for the submission of its Comprehensive Annual Financial Report.

*-Cathy Rodocker*

## By the Numbers:

Finance Statistics for the period of July 1, 2020-October 31, 2020

Please Note: Utility Billing is reported with a one month lag.

<u>Utility Billing:</u>		<u>Accounts Payable:</u>		<u>Municipal Court:</u>	
Total Monthly Bills	20,395	Invoices Processed	1696	Total Citations Issued	382
New Customers	301	Payments Processed	1086	Total Suspensions Issued	114
New Service Locations	37			Ticket Revenue	\$69,348

November 4, 2020

To the Honorable Mayor and City Council  
City of Wilsonville, Oregon

During the global pandemic the United States government has distributed funding to state and local governments. The most substantial portion is through the Coronavirus, Aid, Relief, and Economic Security (CARES) Act. The City of Wilsonville received federal awards including CARES funding.

When an entity expends over \$750,000 in federal awards, which includes all direct and pass-through federal awards during the fiscal year, a single audit is required. Auditors determine which federal programs will be selected for extensive compliance testing based on specific criteria including dollar amount expended, risk, and coverage, established by the federal government. These selected federal programs are called major programs and must be audited. The CARES funding is going to be a major program based on the amount the City received and risk associated with a new funding source.

Each year, Office of Management and Budget (OMB) releases a Compliance Supplement that provides the specific compliance requirements for federal grants. The 2020 Compliance Supplement is being released in two parts. The first part was issued August 18, 2020. The addendum for new federal programs established by the CARES Act, as well as existing programs impacted by COVID-19, has yet to be issued. The OMB has stated that they hope to have it out by December 21, 2020. Since the CARES funding for the City has been identified as a major program, the audit will need to go on extension due to the delayed release of the CARES Act Compliance Supplement addendum.

We have also attached a flyer that explains in a more detail about the CARES funding, if you are interested.

If you have any questions or concerns please let me know [tmoffitt@merina.com](mailto:tmoffitt@merina.com) or 503-723-0300.



Tonya Moffitt, CPA

Merina+Co

*Focused on Your Wants and Understanding Your Needs*



# CORONAVIRUS/COVID-19 GOVERNMENT RELATED INFORMATION

The United States government has distributed or is in the process of distributing billions in funding to state and local governmental entities and healthcare providers under various spending bills. The most substantial portion of this funding is through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act was passed and signed into law in March 2020 and provided resources for various new programs including the Coronavirus Relief Fund (CRF), the Provider Relief Fund, and the Paycheck Protection Program. Significant funding was also provided through existing channels, notably HUD (Department of Housing and Urban Development) Community Development Block Grant (CDBG) and FEMA Disaster Assistance Funding. Each of these various federal awarding agencies has its own separate rules and guidance related to the usage, reporting, and audit requirements for these funds.

## WHAT WE KNOW

Limited guidance has been released to date regarding the specific compliance requirements regarding these funds. Given what we know about federal awards and previously awarded emergency type funds it is important to:

1. Ensure there are adequate internal controls surrounding receipt and use of these funds,
2. Ensure that the funds are being used in accordance with the terms and conditions and/or grant agreements established by the awarding agency, and
3. Ensure all funds used are tracked and documented for lost revenue and qualified expenses.

## IS A SINGLE AUDIT APPLICABLE?

If you expended over \$750,000 in federal awards, which includes all direct and pass-through federal awards during the fiscal year, a single audit is required. If you received and used CARES Act funding during the fiscal year there is a high probability the single audit will identify that program as a major program to be audited.

Each year, Office of Management and Budget releases a Compliance Supplement that provides the specific compliance requirements for federal grants. The 2020 Compliance Supplement will be released in two parts – the first part was issued August 18, 2020, and an addendum for new federal programs established by the CARES Act, as well as existing programs impacted by COVID-19, which has yet to be issued. Refer to the Compliance Supplement for guidance with any federal awards received and expended. If the CARES funding is identified as a major program, the audit may need to go on extension due to the delay of the second part of the Compliance Supplement.

## EXTENSIONS

- Single Audits - OMB originally issued M-20-17 granting blanket extension for Single Audits to the Federal Audit Clearinghouse due to COVID. They then revised it by issuing M-20-26:

FISCAL YEAR-END	FAC SUBMISSION ORIGINAL DUE DATE	M-20-26	EXTENSION DUE DATES
6/30/19 – 9/30/19	3/30/20 – 6/30/20	6-Month Extension	9/30/20 – 12/31/20
10/31/19 – 12/31/19	7/31/20 – 9/30/20	3 Month Extension	10/31/20 – 12/31/20
1/31/20 – 6/30/20	10/31/20 – 3/30/21	Extension Rescinded	10/31/20 – 3/30/21

- Comprehensive Annual Financial Reports (CAFR's) – Government Finance Officers Association will approve extension of the submission deadline of those that need more time due to COVID-19 disruption.
- Oregon Financial Statements - Oregon Secretary of State will approve extensions for filing of municipal audit reports if requested due to COVID-19 disruption.

## RESOURCES

As more guidance is released regarding specific compliance requirements of these funds, MCO will provide updated communication. Some additional resources that you may find helpful:

1. GASB issued Technical Bulletin No. 2020-1: Accounting and Financial Reporting Issues Related to the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus Diseases [https://www.gasb.org/jsp/GASB/Document\\_C/DocumentPage?cid=1176174832053&-acceptedDisclaimer=true](https://www.gasb.org/jsp/GASB/Document_C/DocumentPage?cid=1176174832053&-acceptedDisclaimer=true)
2. AICPA's FAQs: State and Local Government Financial Statement Accounting and Auditing Matters and Auditor Reporting Issues Relating to COVID-19 <https://www.aicpa.org/content/dam/aicpa/interestareas/governmentauditquality/resources/auditeeresourcecenter/downloadabledocuments/state-and-local-gov-accounting-and-auditing-faq-related-to-coronavirus.pdf>
3. Government Finance Officers Association - Coronavirus Response Resource Center <https://www.gfoa.org/coronavirus>

## WE'RE HERE TO HELP

During this unprecedented time, we're closely monitoring the pandemic situation as it evolves so we can provide you with up-to-date guidance and any other support you need. Feel free to contact the Merina+Co team for further assistance. Focused on your wants and understanding your needs.