

Introduced by: Council Member Cleworth
Finance Committee Review: July 5, 2016
Introduced: July 11, 2016

ORDINANCE NO. 6026, AS AMENDED

**AN ORDINANCE TO PLACE BEFORE CITY VOTERS THE QUESTION OF
AMENDING CHARTER SECTION 8.7, INDEPENDENT AUDIT, TO ALLOW
FLEXIBILITY FOR THE DUE DATE**

WHEREAS, Charter Section 8.7 requires an annual independent audit of the City's records by a certified public accountant; and

WHEREAS, the annual independent audit currently is due within 180 days after the end of the fiscal year, which is presently the same as the calendar year; and

WHEREAS, the City's Finance Department works diligently with the independent auditor to ensure the audit is completed in a timely manner; and

WHEREAS, the audit is subject to accounting rules enacted by groups such as the Governmental Accounting Standards Board (GASB); and

WHEREAS, mandatory changes imposed by GASB can complicate the audit process; for example, the current audit must contain information about the State of Alaska's Public Employees' Retirement System, information that the State did not produce until after the deadline for completion of the City's audit; and

WHEREAS, under such circumstances, the independent audit cannot be completed within the Charter's 180-day deadline; and

WHEREAS, because the requirements of the audit and certain information required to complete the audit are sometimes not within the control of the City, flexibility is needed in the audit completion deadline.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

Section 1. The City Clerk is directed to place the following question on the ballot for the voters of the City of Fairbanks at the 2016 general election:

Proposition C:

INFORMATION: ~~The City of Fairbanks Charter Section 8.7 requires that the annual independent audit be completed within 180 days of the end of the fiscal year, which is currently the same as the calendar year. The requirements of the audit and certain information required to~~

~~complete the audit are sometimes not within the control of the City, making it impossible to complete the audit with the current 180 day deadline.~~ **The Governmental Accounting Standards Board now requires information provided by the State of Alaska to be included in the City's annual audit. Unfortunately, some of the information cannot be provided to the City until after the City audit deadline, making it impossible to complete within the required 180 days.**

Shall the City amend Home Rule Charter Section 8.7 to amend the current 180-day deadline for completion of the annual audit by adding the following sentence?

The City Council may by resolution extend the deadline for completion of the annual independent audit if the audit cannot be completed within 180 days due to regulatory changes beyond the City's control.

YES _____

NO _____

A "YES" vote amends Charter Section 8.7

A "NO" vote does not allow the amendment

Section 2. This ordinance was passed by the City Council on the 25th day of July 2016, but no change to the Fairbanks City Charter will become effective unless and until the question is approved by the voters of the City of Fairbanks.




JOHN EBERHART, MAYOR


AYES: Gatewood, Rogers, Pruhs, Matherly, Huntington, Cleworth
NAYS: None
ABSENT: None
ADOPTED: July 25, 2016

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul Ewers, City Attorney