## City of Carson City Agenda Report

Agenda Date Requested: 1/20/11 Date Submitted: 1/11/11 Time Requested: Consent Agenda Mayor and Supervisors To: From: Nick Providenti, Finance Director Subject Title: Action to adopt the Carson City Plan of Corrective Action for FY 09-10 statutory violation included in the annual audit. Staff Summary: Within 60 days after the delivery of the annual audit to the local government, the governing body shall advise the Department of Taxation what action has been taken to prevent recurrence of each violation of law or regulation included in the annual audit. Type of Action Requested: (check one) ) Ordinance ( ) Resolution ) Other (Specify) (XXX) Formal Action/Motion Does this action require a Business Impact Statement: ( ) Yes (XX) No Recommended Board Action: I move to adopt the Carson City Plan of Corrective Action for FY 09-10 statutory violations included in the annual audit. Explanation of Recommended Board Action: Per NRS 354.6245, within 60 days after the delivery of the annual audit to the local government, the governing body shall advise the Department of Taxation what action has been taken to prevent recurrence of each violation of law or regulation included in the annual audit. The attached proposed plan of corrective action will serve as a means to comply with State law. Applicable Statute, Code, Policy, Rule or Regulation: Nevada Revised Statute 354.6245 Fiscal Impact: n/a Explanation of Impact: n/a

Supporting Material: Plan of Corrective Action

Funding Source: n/a

Alternatives: Revise the Plan of Corrective Action

Prepared By: Nick Providenti	/ 1	
Reviewed By :	Date: 1 4 11	10 =
(Department Head)	Date: 1/11/11	
(City Manager)	Date:	
(District Attorney) Pronht	Date: //u/11	
(Finance Director)		
Board Action Taken:  Motion:	1)	Aye/Nay
	2)	
		-
(Vote Recorded By)		



## CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

**MEMO TO:** Board of Supervisors

Larry Werner, City Manager

FROM:

Nick Providenti, Finance Director

DATE:

January 5, 2011

SUBJECT:

Plan of Corrective Action for FY 09-10 Statutory Violations

As presented to you by Kafoury, Armstrong and Co., there were two apparent violations of NRS 354.626 noted in the City's FY 09-10 annual audit relative to the excess of expenses over appropriations in certain funds. The following explanations and corrective actions are offered in response to those statutory violations:

- Actual expenses exceeded appropriations in the Sewer Enterprise Fund by \$132,113.
  This was the result of an increase in non cash depreciation expense which is
  calculated after year end. In the future, the Finance Department will take more care
  to ensure the proper amounts get augmented.
- Actual expenses exceeded appropriations in the Water Enterprise Fund by \$548,720. The bulk of the amount (\$295,000) was due to non cash depreciation expense which is calculated after year end. The remaining amounts were services and supplies expenses consisting mainly of increased water charges paid to the state and professional services related to the regional water project that were incurred at year end. In the future, the Finance Department will take more care to ensure the proper amounts are augmented.

If you have any questions, please do not hesitate to contact me.