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News Release

*For Immediate Release*

### **City Council Receives Independent Audit Report**

The Springfield City Council received an "unqualified" financial audit today from the City's independent auditing firm, meaning there were no qualifications or reservations expressed about the City's financial reporting processes. That is the highest level of opinion given. Auditors also reviewed \$32.4 million dollars in grant funds, reporting the funds were accounted for and spent according to contract specifications.

BKD, a national CPA and advisory firm, conducted the annual financial audit, which is required under the City Charter. The full copy of the audit report will be available later today on the homepage of the City's website at [www.springfieldmo.gov](http://www.springfieldmo.gov).

"We have good financial news," said Mary Mannix Decker, City of Springfield Director of Finance. "We ended the year strong financially and the audit went well."

Mannix Decker said this was the City's first year to use the services of local accounting firm BKD. Previously, the City's audits were conducted by KPMG.

The overview provided by BKD includes the following points as Financial Highlights of the audit:

- The City's total net assets increased \$49 million for the FY12 fiscal year.
- The City's net assets as of June 30, 2012 were \$859 million; of that \$557 million represents net investment in capital assets. Capital assets include roads, land, buildings, machinery and equipment and infrastructure/sewer collection system.
- The City has \$377 million in outstanding debt. This is a net increase of \$20 million. In FY 2012, the City issued \$35 million of bonds; \$33 million was issued for improvements mandated for the City's sewer system and \$2 million for storm water. The City repaid \$15 million of debt during the year.
- The City's rainy-day fund increased from \$14 to 14.6 million this past fiscal year. Rainy-day funds, which represent 20% of the City's General Fund budget, are used in the event of a significant, unanticipated emergency.

"We had very good cooperation and everyone did a great job getting us the information we needed on a timely basis," said Kim Hamm, BKD partner. "This is not a bad audit."

The City Finance Department has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers' Association for 35 years.

For more information, contact Finance Director Mary Mannix Decker at 417-864-1625.