



OFFICE OF THE CLERK/TREASURER

City of Burlington

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UPDATED MEMO

To: Board of Finance
City Council
From: Bob Rusten, Chief Administrative Officer, Rich Goodwin, Director of Financial Operations
Re: CAO Analysis of Financial Practice Improvements shown by FY 16 Auditor's Draft Management Letter
Date: January 19, 2017

In last year's letter to the Board of Finance and City Council regarding the FY 15 Management Letter, and in response to the fact that the Findings had been reduced from nine for FY 14 to four in FY 15 we wrote, "This all being said, this office will not rest on what we conceive to be our laurels, and we will diligently work on the findings identified in the Management Letter so as to continue to improve our financial practice performance."

And, we did.

The FY 12 Management Letter, dated January 24, 2013, listed 27 findings of which twelve were identified as a "Material Weakness", and one was a "Significant Deficiency."

The final FY 15 Management Letter presented on January 25, 2016, identified four findings with two identified as a "Material Weakness".

The draft FY 16 Management Letter presented today, January 23, 2017, identifies two findings, and none as "Material" or "Significant"

This means that since FY 12 we have reduced the number of finding from 27 to 2, a 93% reduction, and have a 100% reduction in "Material" and "Significant" issues.

This positive trend is due to the hard work of the Clerk Treasurer Office Team who through their own commitment, as well as in response to the clear direction from the Mayor and City Council, seek to continuously improve our office's financial practices; as evidenced through the Auditor's Management Letter. This success is also due to the hard work of all Department Heads and their finance staff.

This all being said, again this office will not rest on what we conceive to be our laurels, and we will diligently work on the findings identified in the Management Letter so as to continue to improve our financial practice performance.

We respectfully request that the Board of Finance accept and approve, and recommend to the Council their acceptance and approval of the draft FY 16 Management Letter and draft City of Burlington, Vermont Annual Financial Statements for the Year Ended June 30, 2016.

We respectfully request the City Council to accept and approve the draft FY 16 Management Letter and draft City of Burlington, Vermont Annual Financial Statements for the Year Ended June 30, 2016.

