



City of Homer

www.cityofhomer-ak.gov

Homer City Council

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Memorandum 19-128

TO: Mayor Castner and Homer City Council
FROM: Katie Koester, City Manager
DATE: September 18, 2019
SUBJECT: Third Party Analysis of HAWSP History and Reporting

The purpose of this memo is to authorize the City Manager to solicit accounting expertise to provide the following regarding the Homer Accelerated Water and Sewer Program (HAWSP):

- Provide a financial analysis of the history of the fund including how the fund developed a negative balance
- Examine how the City of Homer annual audit accounts for the HAWSP
- Explain how the audit reflects, or does not, governmental accounting standards
- Recommend changes to how the fund is accounted for that will bring transparency to the reporting of the fund in the annual audit and/or the annual budget document
- Make yourself available for one hour of consultation time with each City Council member for specific questions
- In a work session, walk the Homer City Council through how sales tax revenue, assessment revenue and bond debt is tracked in the annual audit, in addition to any other findings of the analysis

Qualifications: Registered CPA with experience in governmental accounting and fund accounting

Draft Schedule (subject to change depending on schedule and workload of successful applicant):

September 23: Council approves memo authorizing expenditure

Staff develops bid and scope of work based on authorizing memo

September 30-October 7: advertise on City of Homer website in addition to soliciting a minimum of 3 bids from qualified applicants with no prior business activity with the City of Homer in the last 5 years

Staff reviews bids and drafts memo to accompany bid award selecting successful applicant

October 14: Council awards bid

October 15-November 15: Selected recipient studies HAWSP financial history and audit. Possible site visit necessary. Meetings with individual members scheduled during this window.

November 25: Worksession scheduled to present findings/ report on HAWSP to City Council

Fiscal Note: Not to exceed \$10,000 plus travel

100-0100-521 Mayor-Council Audit Services 50%

200-0400-5211 Water Audit Services 25%

200-0500-5211 Sewer Audit Services 25%