



## City Council

### Special Recognition - Proclamation Recognizing Receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

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#### **Title**

Special Recognition - Proclamation Recognizing Receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Recognize the City of Olympia Finance Department for receiving the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

#### **Report**

##### **Issue:**

Whether to recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.

##### **Staff Contact:**

Nanci Lien, Finance Director, 360.753.8465

##### **Presenter(s):**

Councilmember Jim Cooper, Finance Chair

#### **Background and Analysis:**

In April 2021, the GFOA announced the City of Olympia has received the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2019. The certificate of achievement was first established in 1945 as a way to encourage state and local governments to exceed the minimum requirements of generally accepted accounting principles and demonstrate a commitment to transparency and disclosure in government finances. The goal of the program is to ensure users of the financial statements have the information they need to assess the financial health

of the participating government. The award is now the highest form of recognition of governmental accounting and financial reporting.

The Certification of Achievement in Excellence in Financial Reporting recognizes information presented in the City's financial report through the production of the Annual Comprehensive Financial Report (ACFR). The purpose of the ACFR is to be transparent about the use of taxpayers' money and to give the public a detailed accounting of all expenditures. The ACFR accomplishes this by including dozens of basic and more intricate financial reports along with the notes, narrative and supporting data.

After the 1929 stock market crash and the Great Depression that followed, the accounting profession started creating standards for all companies to follow. Eventually, it was decided that an impartial group outside the profession should set the standards, and the Financial Accounting Foundation (FAF) was formed in 1972. The FAF created the Financial Accounting Standards Board (FASB) in 1973 to set standards for corporations and nonprofit organizations. In 1984, the FAF created the Governmental Accounting Standards Board (GASB), which established the generally accepted accounting principles (GAAP) for governments. These principles are the benchmark by which state and local governments' financial statements are measured. The City's ACFR is used by auditors, credit rating agencies, federal and state granting agencies, investors in City bonds, other governments, and the general public.

The City of Olympia was one of 36 cities in Washington to receive the award for the fiscal year 2019. The City has received the award 30 times.

**Neighborhood/Community Interests (if known):**

Transparency regarding the use of taxpayers' money and having a detailed accounting of all expenditures is of interest to the community.

**Options:**

1. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.
2. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.
3. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting at another time

**Financial Impact:**

None.

**Attachments:**

Proclamation

Letter

[Link to 2019 ACFR](#)