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FROM: Susan Calderon, Assistance Finance Director/Controller
VIA: Andy Cherullo, Finance Director
COPY: Government Performance and Finance Committee; Joe Franco, City Council Assistant
PRESENTER: Susan Calderon, Assistant Finance Director/Controller & Polly Wainaina, Accounting Division Manager
SUBJECT: Governmental Accounting Standards Board- Update
DATE: April 4, 2023

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

The Governmental Accounting Standards Board (GASB) is an independent, private sector organization that establishes accounting and financial reporting standards for U.S. state and local government that follow Generally Accepted Accounting Principles (GAAP). GASB’s goal is to establish and improve financial accounting and reporting standards to provide useful information to investors and other users of financial reports. In 2023, GASB has issued several pronouncements that require implementation that may impact the City’s financial reporting.

BACKGROUND:

GASB standards are recognized as authoritative by state and local government, state Boards of Accountancy, and the American Institute of CPAs (AICPA). In 2023/2024, GASB has issued several standards that will need to be implemented by the City which will impact the annual comprehensive financial report.

ISSUE:

In 2023/2024, GASB has issued at least four standards that will require implementation by the City to comply with reporting requirements. These standards will be audited for compliance by the State Auditor’s Office and Moss Adams.

ALTERNATIVES:

This is an information briefing only. There are no alternatives presented.

FISCAL IMPACT:

This is an information briefing only. There is no fiscal impact.

RECOMMENDATION:

This is an information briefing only. There is no recommendation.