Documents Required for a Municipal Financial Analysis

All of these documents can be obtained from a jurisdiction’s finance office, and, because they are records of expenditures of public funds, should be available to any resident of the jurisdiction. The most important of all of these documents is the comprehensive annual financial report for the most recently completed fiscal year.

1. The jurisdiction’s Comprehensive Annual Financial Report (CAFR) for the three most recently completed fiscal years. Some reports include less information and are called general purpose financial statements, annual financial report, or something similar. The distinguishing feature of all of these reports, regardless of what they are called, is that the financial information has been audited by an outside, independent auditing firm whose report is included.

   If the report for the most recently completed fiscal year is not yet available, find out when it will be available, and request the closing balance sheet and revenue and expenditures reports (summaries by fund, source, and use) for the year that ended in June. Because it is unaudited, that information would not be as accurate as what is in the CAFR, but it will give us an idea of how the year ended. Call us if you have any questions regarding what we need for year-end information.

2. The budget for the fiscal year under which the jurisdiction is currently operating, and, if possible, the budgets for the two or three most recently completed fiscal years.

3. Monthly and year to date revenue and expenditure reports including the period from the beginning of the current fiscal year to the most recently completed month. For comparison purposes, we would also like to see those reports for the same time period as last year. (We need summaries by general source or use and by fund; we do not want hundreds of pages of detail.)

4. The pension actuarial valuations for the three most recent years.

5. If the jurisdiction has floated any general obligation bonds within the last two years, the last bond prospectus.

6. If the jurisdiction has floated general obligation bonds within the last two years, the last credit analysis issued by Standard & Poor's, Moody's, or Fitch's Financial Service.

7. Copies of those sections in the jurisdiction charter describing the taxing and financial authority of the jurisdiction. (We can do the actual analysis without this information. It is needed in those instances where there are questions about movement of money from one fund to another, proper uses of funds, etc.).

Forward the documents to the attention of Mr. Jim Tate, at the International’s address, and include a cover letter from a principal officer of the Local which includes the date by which you need the review. We request four to six weeks of lead time when possible, but we can usually complete the review in less time if circumstances require.

Please do not hesitate to contact us with questions about any of the documents listed above.