

City of Fort Collins

Single Audit Report

Year Ended December 31, 2020

City of Fort Collins
December 31, 2020

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City of Fort Collins
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

Federal Grantor/ Pass-Through Grantor/Program Title	Direct/Pass-Through	Pass-Through Entity	Project/Grant (FAIN) No. Pass-Through Entity Identifying Number	Federal CFDA Number	Pass-Through to Subrecipients	Federal Expenditures
Department of Housing and Urban Development						
CDBG Entitlements Grants Cluster						
Community Development Block Grants/Entitlement Grants						
Grant Year 2015 / 2016	Direct	N/A	B-15-MC-08-0008	14.218	\$ 10,000	\$ 10,000
Grant Year 2018 / 2019	Direct	N/A	B-18-MC-08-0008	14.218	558,805	590,002
Grant Year 2019 / 2020	Direct	N/A	B-19-MC-08-0008	14.218	976,219	1,103,130
Grant Year 2020 / 2021	Direct	N/A	B-20-MC-08-0008	14.218	50,718	84,358
COVID-19 Community Development Block Grant	Direct	N/A	B-20-MC-08-0008	14.218	399,032	399,032
Total CDBG Entitlement Grants Cluster					<u>1,994,774</u>	<u>2,186,522</u>
Home Investment Partnerships Program						
Grant Year 2017 / 2018	Direct	N/A	M-17-MC-08-0209	14.239	25,000	25,000
Grant Year 2018 / 2019	Direct	N/A	M-18-MC-08-0209	14.239	851,506	851,506
Grant Year 2019 / 2020	Direct	N/A	M-19-MC-08-0209	14.239	-	46,564
Grant Year 2020 / 2021	Direct	N/A	M-20-MC 08-0209	14.239	-	26,150
Subtotal					<u>876,506</u>	<u>949,220</u>
Total Department of Housing and Urban Development					<u>2,871,280</u>	<u>3,135,742</u>
Department of Justice						
Equitable Sharing Program	Direct	N/A	15-5042-0-2-752	16.922	-	85,954
Crime Victim Assistance	Pass-Through	Colorado Department of Public Safety	2018-EV-19-011-08	16.575	-	16,984
Edward Byrne Memorial Justice Assistance Grant Program	Pass-Through	Larimer County - NoCo Drug Task Force	2017-DJ-BX-0785	16.738	-	12,673
COVID-19 Coronavirus Emergency Supplemental Funding Program	Direct	N/A	2020-VD-BX-1612	16.034	-	100,818
Total Department of Justice					<u>-</u>	<u>216,429</u>
Department of Transportation						
Highway Planning and Construction Cluster						
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	ACQ M455-088 (16525)	20.205	-	170,126
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	SAR M455-127 (23025)	20.205	-	49,791
Highway Planning and Construction	Pass-Through	Colorado Department of Transportation	14-HTD-72849	20.205	-	51,228
Total Highway Planning and Construction Cluster					<u>-</u>	<u>271,145</u>

City of Fort Collins
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2020

Federal Grantor/ Pass-Through Grantor/Program Title	Direct/Pass-Through	Pass-Through Entity	Project/Grant (FAIN) No. Pass-Through Entity Identifying Number	Federal CFDA Number	Pass-Through to Subrecipients	Federal Expenditures
Federal Transit Cluster						
Federal Transit_Formula Grants	Direct	N/A	CO-2018-017-00	20.507	-	6,172
Federal Transit_Formula Grants	Direct	N/A	CO-2019-027-00	20.507	-	158,210
Federal Transit_Formula Grants	Direct	N/A	CO-2020-020-00	20.507	-	1,119,741
Federal Transit_Formula Grants	Direct	N/A	CO-2019-003-00	20.507	-	177,759
COVID-19 Federal Transit_Formula Grants	Direct	N/A	CO-2020-019-00	20.507	-	9,753,397
Bus and Bus Facilities Formula Program	Direct	N/A	CO-2017-033-00	20.526	-	35,335
Bus and Bus Facilities Formula Program	Direct	N/A	CO-2018-002-00	20.526	-	15,949
Bus and Bus Facilities Formula Program	Direct	N/A	CO-2019-020-00	20.526	-	5,658
Bus and Bus Facilities Formula Program	Direct	N/A	CO-2020-013-00	20.526	-	496,843
Bus and Bus Facilities Formula Program	Direct	N/A	CO-2020-002-00	20.526	-	317,950
Total Federal Transit Cluster					-	12,087,014
Transit Services Programs Cluster						
Enhanced Mobility of Seniors and Individuals With Disabilities	Direct	N/A	CO-2018-016-00	20.513	-	164,667
Enhanced Mobility of Seniors and Individuals With Disabilities	Direct	N/A	CO-2019-005-00	20.513	-	16,391
Enhanced Mobility of Seniors and Individuals With Disabilities	Direct	N/A	CO-2019-031-00	20.513	-	204,652
Total Transit Services Programs Cluster					-	385,710
Highway Safety Cluster						
National Priority Safety Programs	Pass-Through	Colorado Department of Transportation	20-NHTSA405B.6102 PO 411023455	20.616	-	4,373
State and Community Highway Safety	Pass-Through	Colorado Department of Transportation	21NHTSA405B.0602 PO 411026011	20.600	-	2,605
Total Highway Safety Cluster					-	6,978
Total Department of Transportation					-	12,750,847

City of Fort Collins
Schedule of Expenditures of Federal Awards (continued)
Year Ended December 31, 2020

Federal Grantor/ Pass-Through Grantor/Program Title	Direct/Pass-Through	Pass-Through Entity	Project/Grant (FAIN) No. Pass-Through Entity Identifying Number	Federal CFDA Number	Pass-Through to Subrecipients	Federal Expenditures
Environmental Protection Agency						
Performance Partnership Grants	Pass-Through	CO Dept. of Public Health and Environment	PO FEEA 20200006453	66.605	-	11,012
Total Environmental Protection Agency					-	11,012
Department of Energy						
State Energy Program	Pass-Through	Colorado Energy Office	CTGG119-2009	81.041	-	6,142
State Energy Program	Pass-Through	Colorado Department of Energy	DE-EE0007470	81.041	-	162,059
Total Department of Energy					-	168,201
Federal Emergency Management Agency (FEMA)						
Emergency Management Performance Grants	Pass-Through	CO Dept. of Public Safety Division of Homeland Security and Emergency Management	19EM-20-66	97.042	-	65,000
Total FEMA					-	65,000
Department of Local Affairs						
COVID-19 Coronavirus Relief Fund	Pass-Through	Department of Local Affairs	CVRF CM-030	21.019	987,203	8,345,738
					987,203	8,345,738
Total Expenditures of Federal Awards					\$ 3,858,483	\$ 24,692,969

City of Fort Collins
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2020

Notes to Schedule

1. The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Fort Collins (the City) under programs of the federal government for the year ended December 31, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.
2. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance or other applicable regulatory guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. The City has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.
3. The federal loan program listed subsequently is administered directly by the City, and balances and transactions relating to these programs are included in City's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The balance of loans outstanding at December 31, 2020, consists of:

Assistance Listing Number	Program Name	Outstanding Balance at December 31, 2020
81.041	State Energy Program	\$ 162,059

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance with
Government Auditing Standards**

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Fort Collins
Fort Collins, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of City of Fort Collins (the City), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 25, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and Members of City Council
City of Fort Collins

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BKD, LLP

Denver, Colorado
June 25, 2021

**Report on Compliance for Each Major Federal
Program; Report on Internal Control over Compliance;
and Report on Schedule of Expenditures of Federal
Awards Required by the Uniform Guidance**

Independent Auditor's Report

Honorable Mayor and Members of City Council
City of Fort Collins
Fort Collins, Colorado

Report on Compliance for Each Major Federal Program

We have audited City of Fort Collins's (the City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2020. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Honorable Mayor and Members of City Council
City of Fort Collins

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Honorable Mayor and Members of City Council
City of Fort Collins

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated June 25, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BKD, LLP

Denver, Colorado
June 25, 2021

City of Fort Collins
Schedule of Findings and Questioned Costs
Year Ended December 31, 2020

Summary of Auditor's Results

Financial Statements

1. The type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was (were):
 Unmodified Qualified Adverse Disclaimer

2. The independent auditor's report on internal control over financial reporting disclosed:

Significant deficiency(ies)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

3. Noncompliance considered material to the financial statements was disclosed by the audit?
 Yes No

Federal Awards

4. The independent auditor's report on internal control over compliance for major federal awards programs disclosed:

Significant deficiency(ies)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Material weakness(es)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

5. The opinions expressed in the independent auditor's report on compliance for major federal awards were:
 Unmodified Qualified Adverse Disclaimed

6. The audit disclosed findings required to be reported by 2 CFR 200.516(a)?
 Yes No

7. Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
14.239	Home Investment Partnership Program (HOME)
14.218	CDBG - Entitlement Grants Cluster

City of Fort Collins
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2020

8. The threshold to distinguish between Type A and Type B programs was \$750,000.

9. Auditee qualified as low-risk auditee? Yes No

City of Fort Collins
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2020

Findings Required to be Reported by *Government Auditing Standards*

Reference Number	Finding
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No matters are reportable.

City of Fort Collins
Schedule of Findings and Questioned Costs (continued)
Year Ended December 31, 2020

Findings Required to be Reported by the Uniform Guidance#

Reference Number	Finding
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No matters are reportable.

City of Fort Collins
Status of Prior Audit Findings
Year Ended December 31, 2020

Reference Number	Summary of Finding	Status
No matters are reportable.		