



Rogers, Anderson, Malody & Scott, LLP

Annual Audit Presentation
For the year ended June 30, 2024

January 21, 2025

Presented by:
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Senior Accountant

Responsibilities of Auditor

- Audit the City's financial statements in conformity with US Generally Accepted Auditing Standards and *Government Auditing Standards*.
- Plan the audit to express an opinion as to whether **managements** financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles (GAAP)
 - Provide reasonable, not absolute assurance
 - We have expressed an unmodified opinion ("clean opinion"), highest level of assurance
- Assist management in drafting annual financial statements (ACFR)

Responsibilities of Management

- Management is responsible for:
 - the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and
 - for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- The governing body is responsible for:
 - carrying out its fiduciary duty, and
 - ensuring management fulfils its obligations for internal control over financial reporting

Audit process

- **Performed interim audit (including an internal control review and detailed risk assessment)**
 - Updated understanding of entity and its environment
 - Test controls for various cycles, as needed
 - Review systems for various cycles, as needed
 - Determine audit approach and procedures
- **Performed year-end audit field work**
 - Conducted sample audit of financial records (audit of numbers)
 - Inspected relevant documentation
 - Inquired about policies, procedures, transactions, and events
 - Confirmed balances and transactions with outside parties
 - Performed analytical procedures
 - Read Council meeting minutes
 - Gann Limit agreed-upon procedures
 - Review/obtain relevant documents, contracts, debt agreements, etc.

Completing the process (Auditor)

- **Auditor:**
 - Compile financial statement data and supplemental notes disclosure information in coordination with City staff
 - Review Management's Discussion and Analysis, Letter of Transmittal and Statistical Sections
 - Completed audit review process with audit team and partner
 - Developed opinions on financial statements and draft the following required communications:
 - Internal control and compliance report
 - SAS 114, letter to those charged with governance

Other required reporting

- **Auditor:**
 - Report on Internal Control and Compliance
 - Consider controls over financial reporting to determine audit procedures to perform
 - Required to report significant deficiency or material weakness
 - Not to express an opinion on internal control
 - Tests of compliance with certain provisions of laws, regulations, contracts and grants.
 - Not to express an opinion on compliance
 - SAS 114, Those charged with governance
 - Described the following:
 - Auditor responsibility
 - Auditor compliance with ethics
 - Significant risks identified
 - Certain aspects of significant accounting policies
 - Difficulties encountered during audit
 - Uncorrected and corrected misstatements
 - Disagreements with management
 - Plus, additional topics

Single Audit

- Performed in accordance with 2 CFR Part 200 (Uniform Guidance).
- Major program under audit: Coronavirus State and Local Fiscal Recovery Funds (ARPA).
- No significant deficiencies or material weaknesses in internal control over the program were identified.
- No instances of noncompliance were identified.

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Questions?

