

CITY OF COLUMBIA, MISSOURI

Audit Presentation

September 30, 2020



Data portrayed in the attached graphic presentations were derived from the City's financial statements which were audited by RSM US LLP. The data presented should be read in conjunction with the City's financial statements.

Summary of the Audit Process

- External audit required by state statutes and federal guidelines
- Provide reasonable assurance that the financial statements are fairly stated, in all material respects, with GAAP
- Consideration of internal controls over financial reporting and compliance
- Tests of compliance with federal grant requirements
- Tests of compliance with certain state requirements

Required Communications with City Officials

- Engaged to perform an audit in accordance with *Government Auditing Standards*
- Unmodified (“clean”) opinion over financial statements—highest level of assurance
 - Scope of the audit included the following opinion units:
 - Governmental and business-type activities (government-wide financials)
 - General Fund
 - Capital Projects Fund
 - Water and Electric Utility Fund
 - Sanitary Sewer Fund
 - Solid Waste Fund
 - Aggregate remaining fund information (non-major funds)
- No changes in planned audit procedures and no difficulties in applying planned procedures

Required Communications with City Officials (continued)

- No new GASB statements adopted in FY2020 with a significant impact on the City's financial statements
- Management judgments, significant estimates, and accounting policies
 - Depreciable life of capital assets
 - Fair value of investments
 - Self-insurance liabilities
 - Other postemployment benefit plan (OPEB) assumptions
 - Net pension liability assumptions
 - Allowance for doubtful accounts
 - Legal contingencies
 - Pollution remediation obligations
 - Landfill closure and postclosure obligations
 - See Note I for a summary of significant accounting policies

Required Communications with City Officials (continued)

- Audit adjustments
 - Capital Projects fund - adjustment to cutoff of accounts payable
 - Sanitary Sewer fund – accounts payable and CIP cutoff adjustment; restatement of beginning net position for capital assets contributed in prior years (\$787,000)
- Uncorrected misstatements—none
- No disagreements with management
- No significant issues arose from the audit
- No difficulties arose in performing the audit
- No consultations with other accountants
- No significant or unusual transactions
- Significant written communications between management and our firm

Compliance Reporting

- Under *Government Auditing Standards (GAS)*
 - Internal Control Over Financial Reporting
 - One significant deficiency reported due to restatement of beginning net position for capital assets contributed in prior years
 - No material weaknesses
- PFC compliance reporting
- Single Audit
 - Low-risk auditee for Single Audit purposes
 - Two major programs tested
 - Federal Transit Assistance Grant (CFDA 20.507) – includes CARES Act funding
 - Coronavirus Relief Fund (CFDA 21.019)
 - Accounted for 24% of total federal dollars expended
 - Unmodified (clean) opinions on all programs
 - No compliance findings reported

QUESTIONS AND ANSWERS?



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