

CITY OF COLUMBIA, MISSOURI

Audit Presentation
September 30, 2019



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
- 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 FY2019 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 – only one reclassification entry proposed in conjunction with audit – capital assets and related depreciation expense of water & electric fund
- 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
 - No significant deficiencies or material weaknesses reported
- PFC compliance reporting
- Single Audit
 - Low-risk auditee for Single Audit purposes
 - Three major programs tested
 - CDBG Program (CFDA 14.218)
 - HOME Program (CFDA 14.239)
 - Highway Planning and Construction (CFDA 20.205/20.219)
 - Unmodified (clean) opinions on all programs
 - Accounted for 24% of total federal dollars expended
 - One instance of noncompliance over federal grants (CDBG program) – but no material instances of noncompliance or significant deficiencies or material weaknesses

QUESTIONS AND ANSWERS?

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