

# City Council Presentation for the 2014 Audit



Presented by  
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Warren Averett, LLC

The logo for Warren Averett, CPAs AND ADVISORS, is located on a white mug. It features a stylized blue "W" followed by the text "Warren Averett" in a bold, sans-serif font, and "CPAs AND ADVISORS" in a smaller, blue, sans-serif font below it.

Warren  
Averett  
CPAs AND ADVISORS

# SUMMARY OF AUDITOR'S RESULTS



1. Unmodified Opinion on Financial Statements
2. Compliance Met in 2014 (*Laws and Regulations*)
3. Subject to State Single Audit in 2014  
(*Expended > \$500,000 in State grants*)
4. No Material Weakness or Significant Deficiency in Internal Controls over Financial Reporting
5. No Material Weakness or Significant Deficiency in Internal Controls over Grants
6. 2 Prior Year Management Letter Comments Cleared; 1 Current Year New Recommendation

# Government Wide Financial Highlights



## Net Position (Government-Wide):

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>	
<b>Net Invested in Capital Assets</b>	\$14,100,000	\$ 16,050,000	\$ 30,150,000	<b>53%</b>
<b>Restricted</b>	1,100,000	6,600,000	7,700,000	<b>14%</b>
<b>Unrestricted</b>	<u>4,200,000</u>	<u>14,650,000</u>	<u>18,850,000</u>	<b>33%</b>
<b>Total Net Position</b>	\$ 19,400,000 =====	\$ 37,300,000 =====	\$ 56,700,000 =====	<b>★</b>

*Net Invested in Capital Assets = Total Property, Plant and Equipment Less Related Debt.*

*Restricted = By 3<sup>rd</sup> Parties (Debt Service, Capital Improvements, Public Safety, Parks & Recreation)*

*Unrestricted = Available for Future City Use*



# Government Wide Financial Highlights



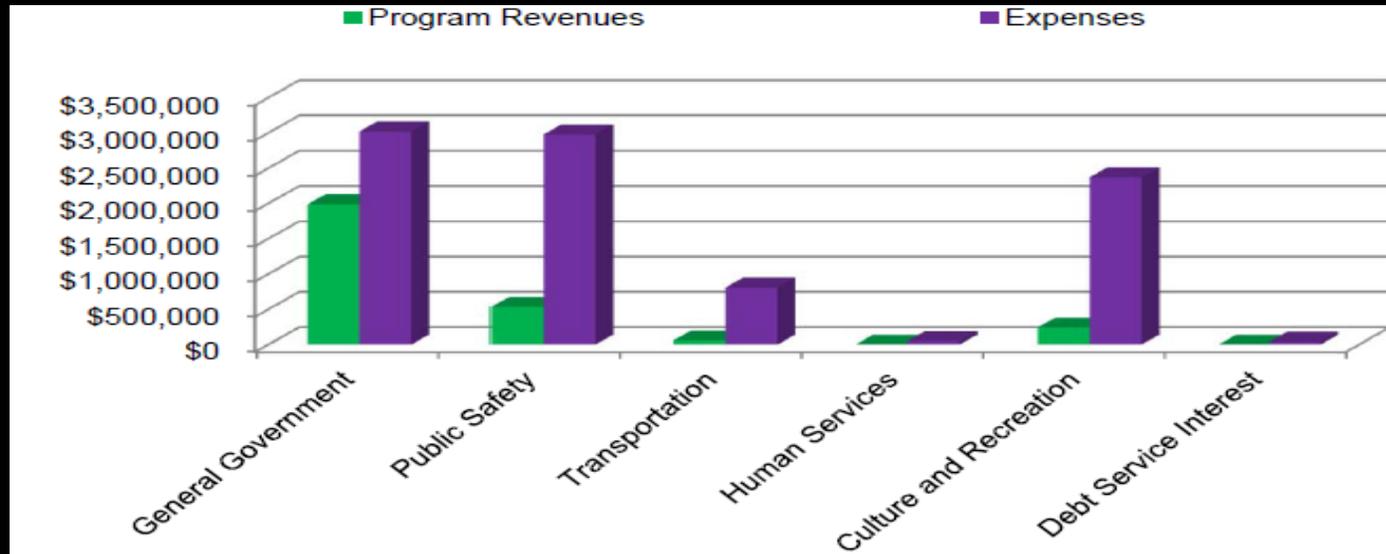
## Results of Operations Government-Wide:

	<u>Governmental</u>	<u>Business-Type</u>	<u>Total</u>
<b>Expenses:</b>	\$ <u>9,405,000</u>	\$ <u>9,078,000</u>	\$ <u>18,483,000</u> ★
<b>Funding Sources:</b>			
<u>Program</u>			
Charges for Services	2,263,000	9,992,000	12,255,000
Grants/Contributions	1,762,000	861,000	2,623,000
<u>General</u>			
Taxes & Miscellaneous	<u>6,731,000</u>	<u>555,000</u>	<u>7,286,000</u>
	<u>10,756,000</u>	<u>11,408,000</u>	<u>22,164,000</u>
<b>Net increase before transfers</b>	1,351,000	2,330,000	3,681,000
Transfers	<u>440,000</u>	<u>(440,000)</u>	<u>-0-</u>
<b>Net change</b>	\$ <u>1,791,000</u>	\$ <u>1,890,000</u>	\$ <u>3,681,000</u>
	=====	=====	=====

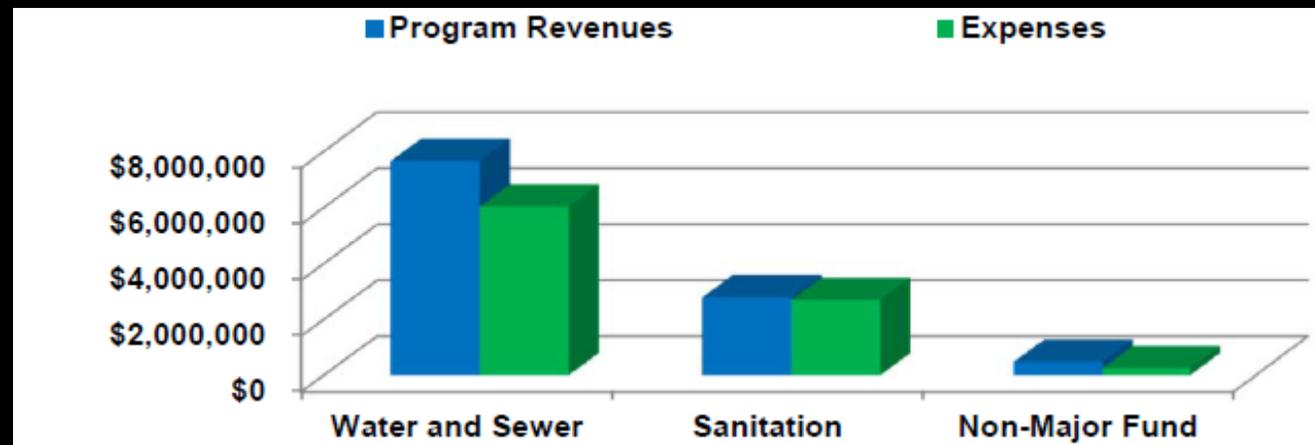
Expenses are **funded 80% from program revenues**, and the remaining 20% through general revenues. Overall net change represents an increase of 7%

# Activities By Function:

## Governmental Activities

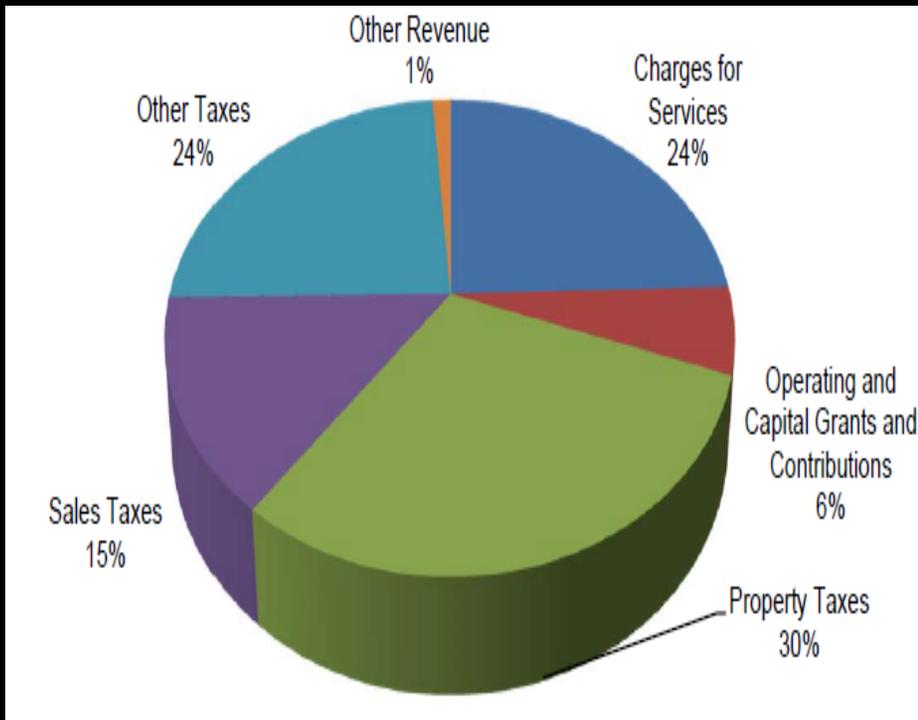


## Business-Type Activities

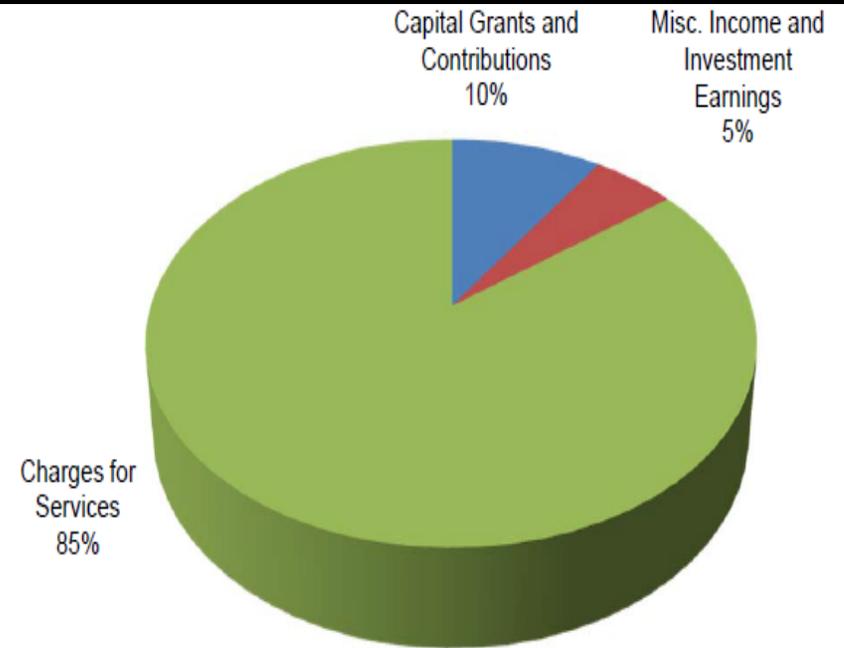


# Revenues by Source:

## Governmental Activities



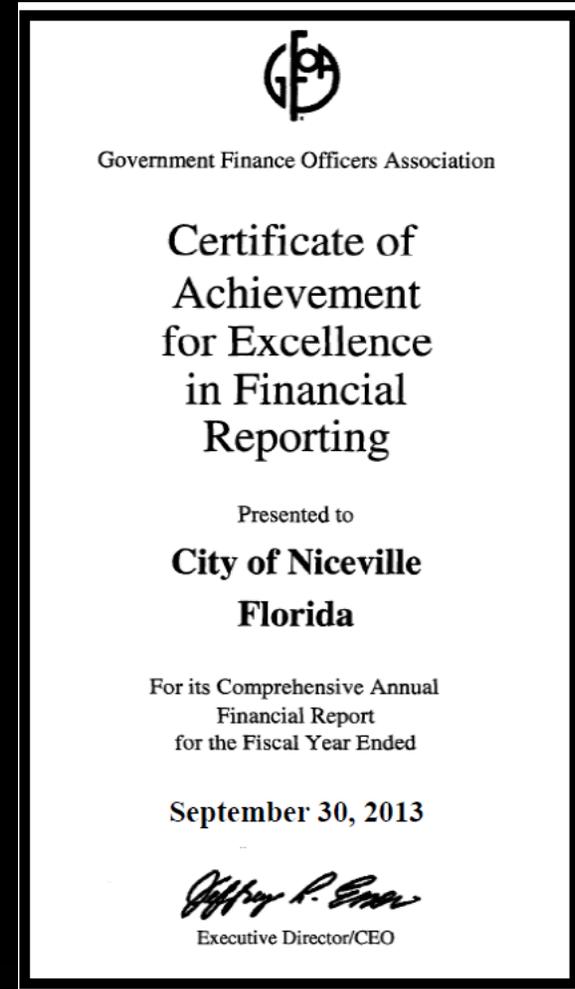
## Business-Type Activities



# Achievement in Financial Reporting

GFOA Certificate Awarded  
(28<sup>th</sup> Consecutive Year)

“Highest Form of Recognition for  
Excellence in State and Local  
Government Financial Reporting”



# MANAGEMENT LETTER

(Opportunity for Strengthening Internal Controls)

## Accomplishments: Status of Prior Year Recommendations

### 2013-1: Fraud Controls and Risk Assessment

Management did a great job in implementing a fraud policy this past year and began the process for assessing risk in transaction cycles. Cash receipting controls in Finance was the first step addressed in 2014. Fraud Risk Assessment is an “on-going” process and the City plans to continue evaluating other transaction cycles for potential risks. **Great Job!**

### 2013-2: Codification of Accounting Policies and Procedures

Finance has accumulated many documents (screen shots, illustrative examples, and detailed steps) towards final codification of its accounting policies and procedures. These documents will be used in the City’s Risk Assessment Process as noted above. **Great Job!**



# MANAGEMENT LETTER

(Opportunity for Strengthening Internal Controls)

## Current Year:

### 2014-1: Completeness of Accounts Payable & Timely Cutoff of Expenditures

Recommend City establish procedures to ensure completeness of accounts payable surrounding year-end. All invoices should be date stamped upon receipt and forwarded to Finance timely as well. Such practice will demonstrate compliance with Chapter 218.74 of Florida Statutes, and allow Finance to capture data into the accounting records in a timely manner. **Note: City has been proactive in ensuring procedures will be implemented.**



Thank you for all of your  
cooperation and assistance  
in this audit!

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