

Audit Wrap-up

City of High Point

April Adams, CPA
Partner

November 20, 2017



Your guide forward



Agenda

Client Service Team

Role of External Auditor

Key Highlights

Internal Controls

Significant Audit Areas

Financial Results

Summary

Questions and Comments

Client Service Team



Eddie Burke
Audit Partner



April Adams
Second Audit Partner



Lonnie Keogh
Audit Senior Manager



Andrea King
Audit Senior Accountant

Role of the External Auditor

Actions

Plan & Perform
Procedures

Obtain Reasonable
Assurance

Results

Express Opinions:
- Financial Statements
- Yellow Book
- Federal
- State

Required Communications

Policy Changes

Estimates

Journal Entries

Key Highlights

Results

Opinion

Unmodified Opinion –
Financial Statements

Unmodified Opinion –
Yellow Book

Unmodified Opinion –
Federal & State Single
Audit

Internal Controls

No findings

Single Audit

2017-001 – Nonmaterial
Noncompliance – FTA
FFR submitted late

2017-002 – Nonmaterial
Noncompliance –
Allowable Costs Powell
Bill; Expenditures include
incorrect amounts

No Findings – Library
Grant and CDBG

AU-260

Implemented GASB 73 –
LEOSSA

Annual financial
information (AFIR) filed
late

Invoices being held by
Public Services
Department

Internal Controls

Financial Statements

Significant Cycles

- Payroll
- Cash Receipts
- Cash Disbursements
- Financial Statement Close
- Managing Investments

Testing of Controls

- Budget

Journal Entries

- Active Data

IT Controls

- IT Entity Level
- Backup & Recovery
- Access & Security
- Network Security
- Cyber Security

Significant Audit Areas

Financial Statements

Assets & Revenues

- Accounts Receivable
- Revenues

Liabilities & Expenses

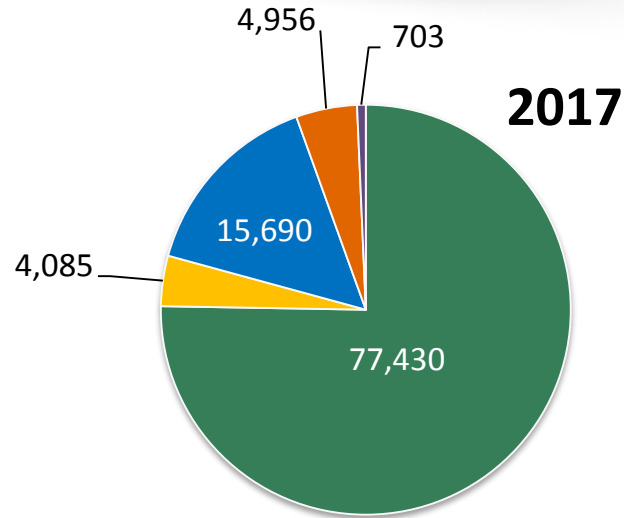
- Expenses
- Payroll and Related Liabilities

Other Items

- Cash and Investments
- Capital Assets
- Accounts Payable and Accrued Liabilities
- Long Term Debt
- Net Position
- Related Parties
- Estimates
- Legal

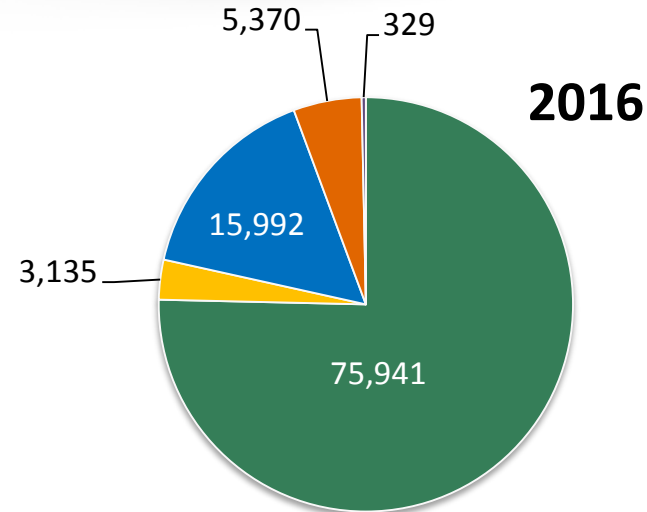
Financial Results

General Fund Revenues (thousands)



2017 Total: \$102,864

- Taxes
- Intergovernmental Services
- Other

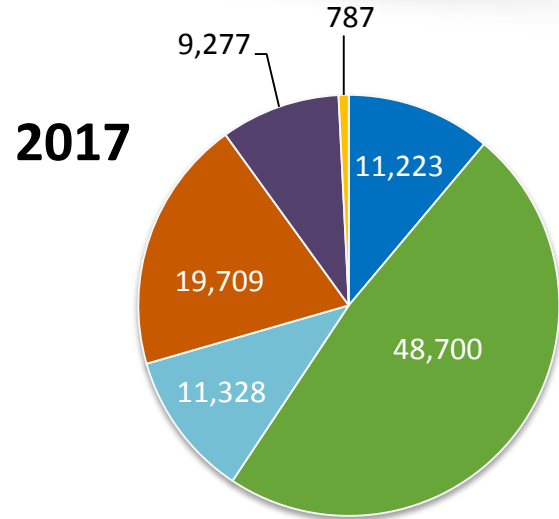


2016 Total: \$100,767

- Licenses and Permits
- Charges for Services

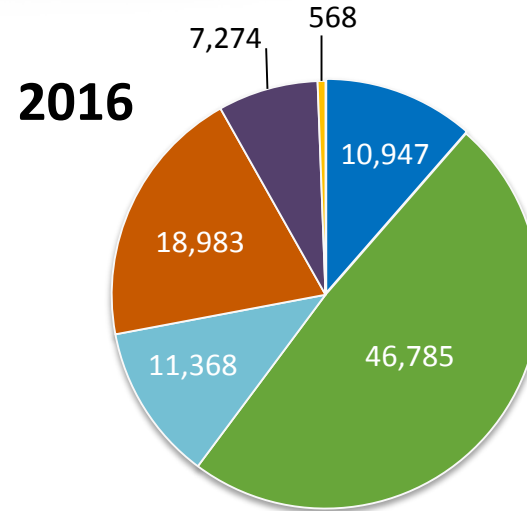
Financial Results

General Fund Expenses (thousands)



2017 Total: \$101,024

- General Government
- Public Services
- Community & Economic Development



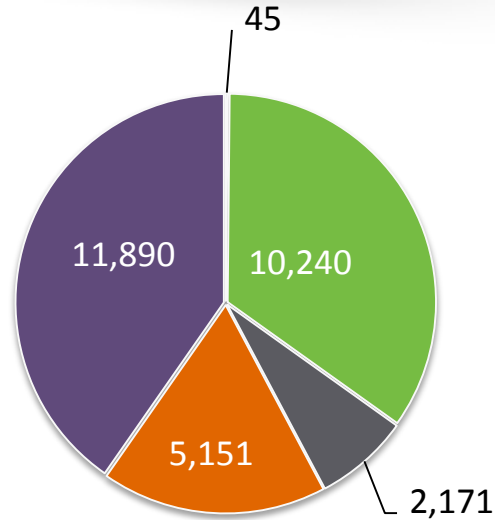
2016 Total: \$95,925

- Public Safety
- Culture and Recreation
- Debt Service

Financial Results

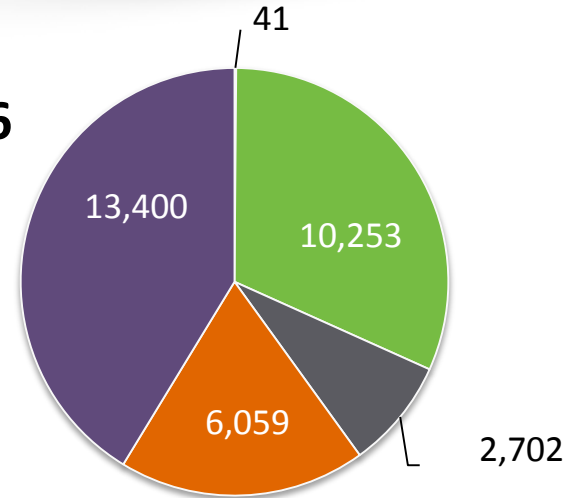
General Fund – Fund Balance (thousands)

2017



2017 Total: \$29,497

2016

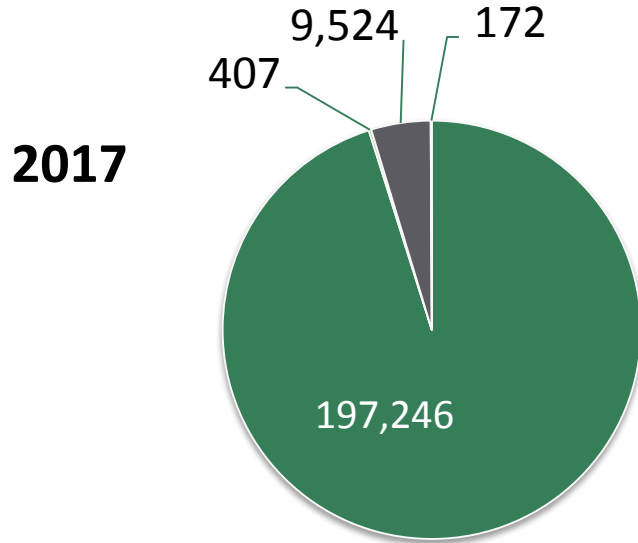


2016 Total: \$32,455

■ Non Spendable ■ Restricted ■ Committed ■ Assigned ■ Unassigned

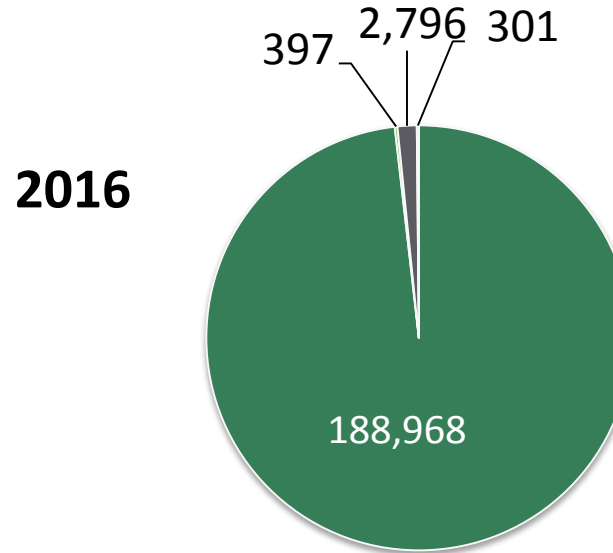
Financial Results

Proprietary Funds Operating Revenues (thousands)



2017 Total: \$207,349

- Charges for Services
- Intergovernmental

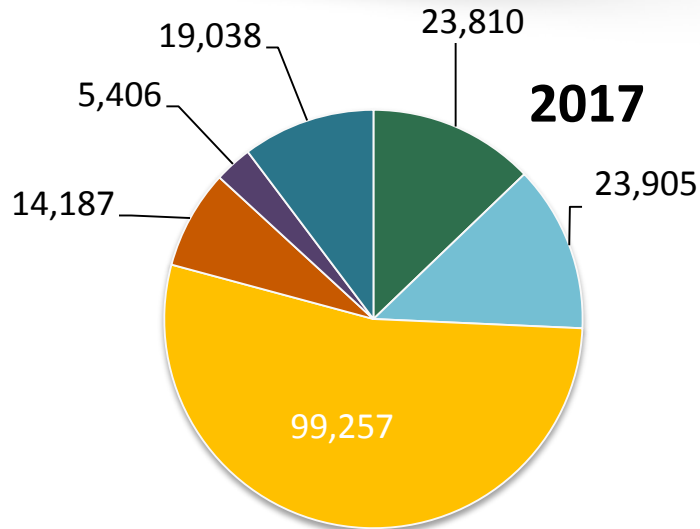


2016 Total: \$192,462

- Licenses and Permits
- Miscellaneous and Other

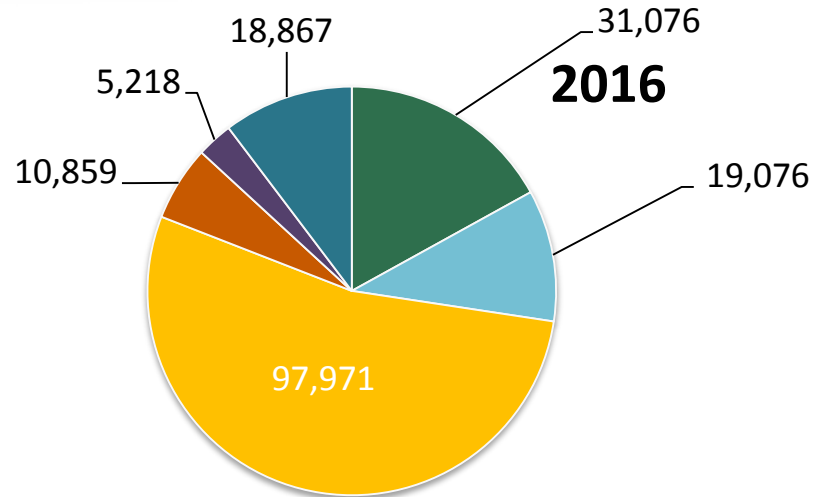
Financial Results

Proprietary Funds Operating Expenses (thousands)



2017 Total: \$185,603

- Management & Administration
- Power Purchases
- Other Services & Charges



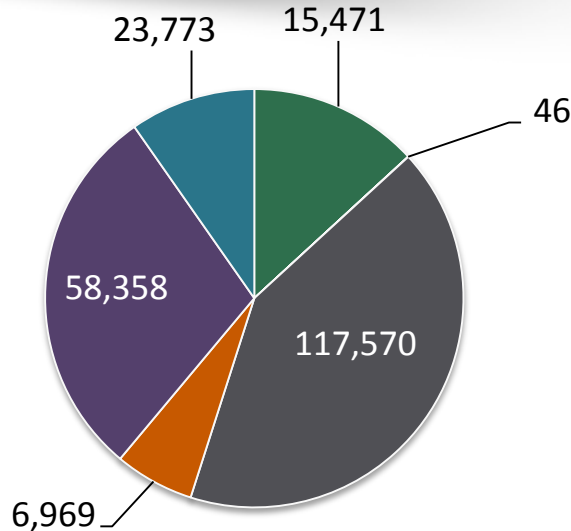
2016 Total: \$183,067

- Maintenance & Distribution
- Treatment Plants
- Depreciation & Amortization

Financial Results

Cash and Investments (thousands)

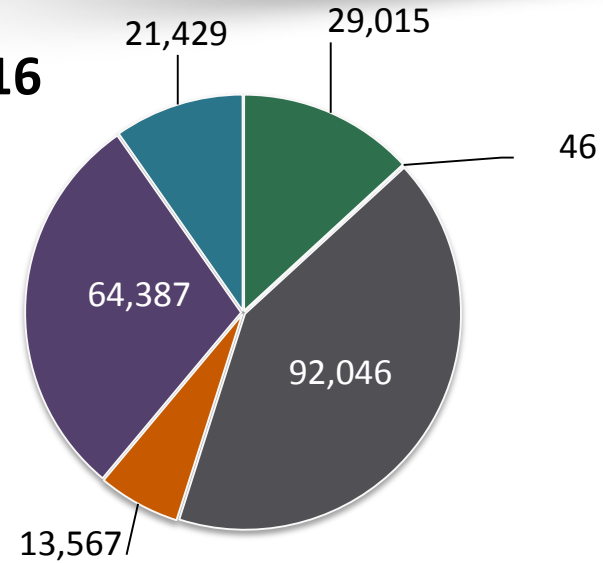
2017



2017 Total: \$222,187

- Cash Carrying Amount
- Government Agencies
- NC Capital Management Trust-Cash Portfolio

2016



2016 Total: \$220,490

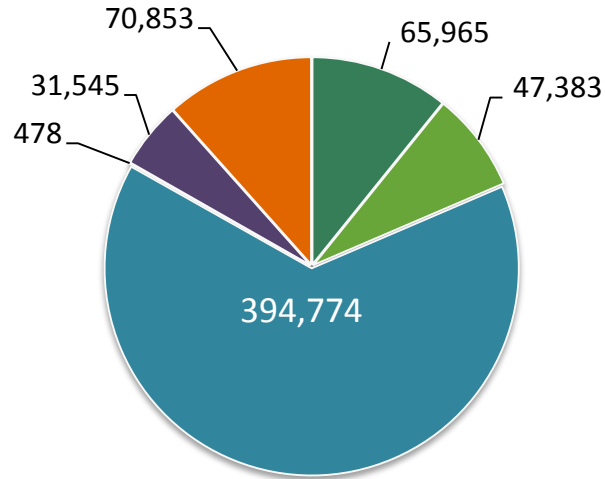
- Petty Cash
- Commercial Paper
- NC Capital Management Trust-Term Portfolio

Financial Results

Capital Assets (thousands)

Government Wide

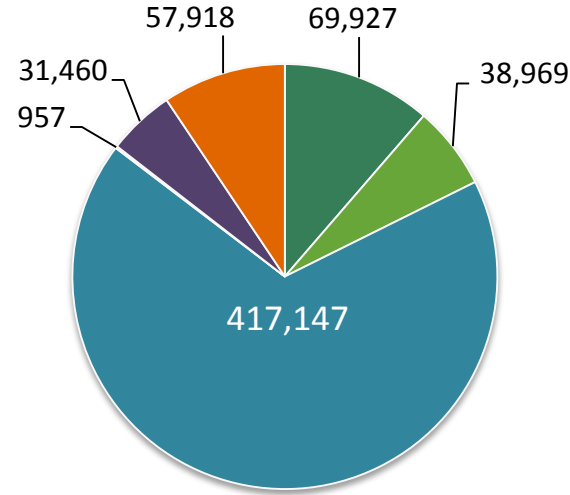
2017



2017 Total: \$610,998

- Buildings & Other Improvements
- Infrastructure
- Land & Other Nondepreciable capital assets

2016



2016 Total: \$616,378

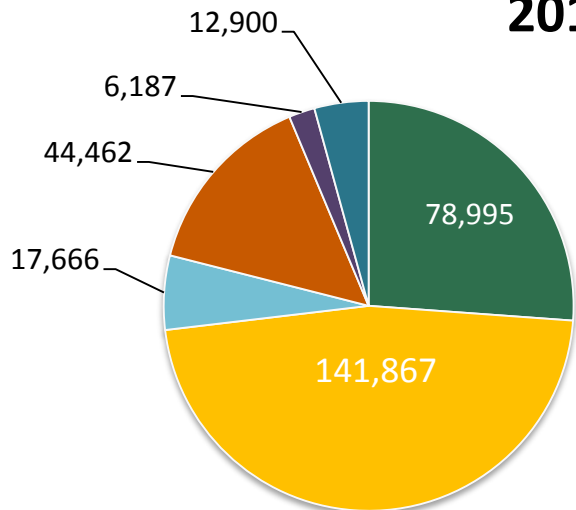
- Equipment
- Intangible Assets
- Construction In Process

Financial Results

Long-Term Debt (thousands)

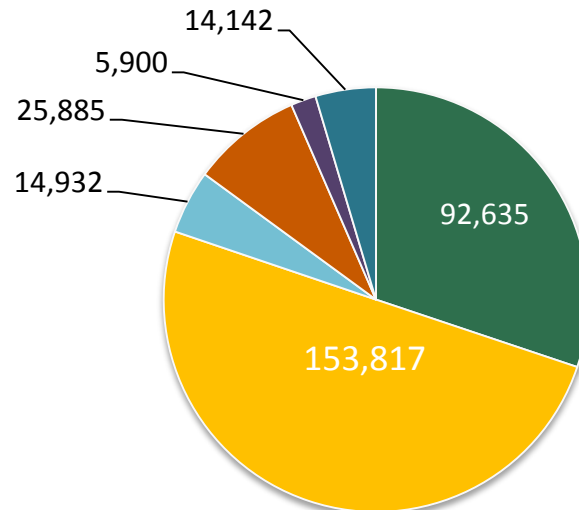
Government Wide

2017



2017 Total: \$302,077

2016

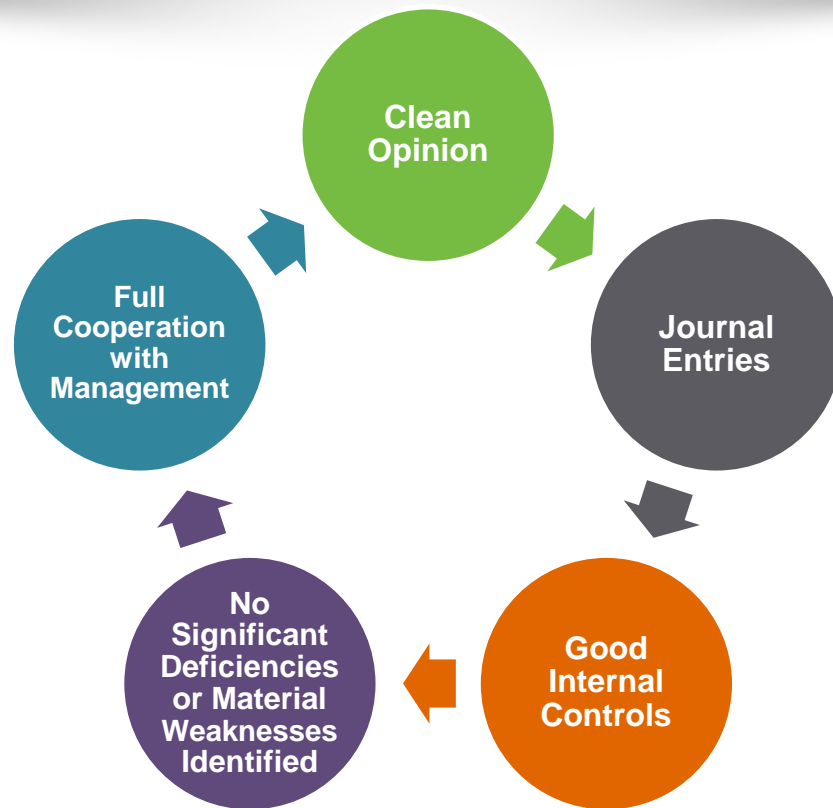


2016 Total: \$307,311

- General Obligation Bonds
- Notes and Loans Payable & Installment Purchase Agreements
- Compensated Absences

- Revenue Bonds
- LEOSSA, LGERS, OPEB, Retirement Stipend
- Landfill Closure & Postclosure

Summary



Questions & Comments?

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