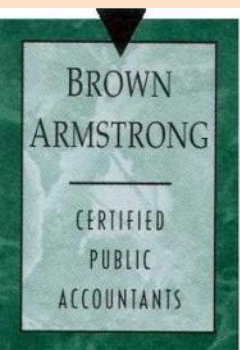


# AGENDA

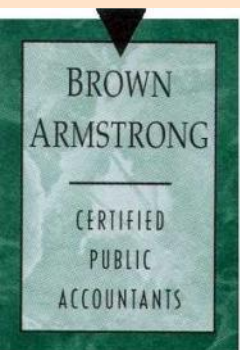
## Purpose of the Audit

1. Obtain reasonable, but not absolute assurance, that FS are presented fairly
2. Obtain reasonable assurance about the effectiveness of controls over financial reporting (GAS)
3. District is materially in compliance with the Uniform Guidance



# The Audit Process

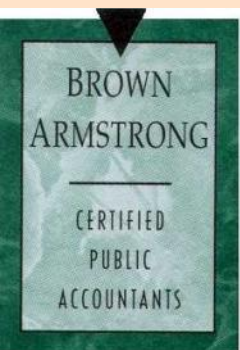
- a. Timeline coordination with the District's staffs
- b. Understanding and evaluation of the District's internal controls through inquiry and observation
- c. Confirmation of account balances and legal
- d. Final fieldwork
- e. Report presentation



# AGENDA - CONTINUED

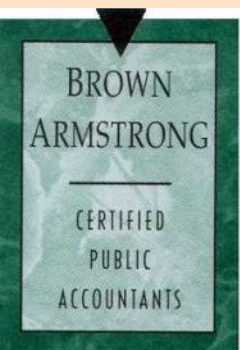
## Significant Audit Areas

- a. Risk Based Approach
- b. Cash/Investment
- c. Accounts Receivable/Accounts Payable
- d. Capital Assets
- e. Net Pension Liability (GASB 68)
- f. Long-Term Debt
- g. Revenues/Expenses
- h. Federal Compliance (Uniform Guidance)



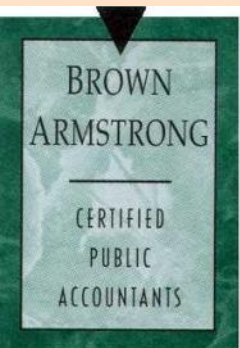
## Highlights:

1. Total assets increased by \$16.6 million
  - mainly due to capital projects
2. Total liabilities decreased by \$1.5 million
  - due to the paid down of debt



## Highlights

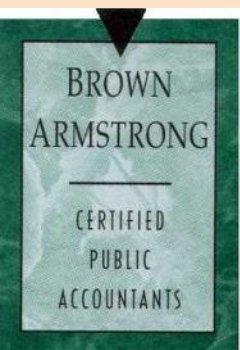
3. Operating revenues increased by \$2.4 million
  - increased in both sewer charges and capacity charges
4. Operating expenses decreased by \$500K
5. Capital contributions increased by \$4.5 million



# AGENDA - CONTINUED

## Audit Reports

- a. Independent Auditor's Report (opinion) on financial statements – **unmodified (“clean”) opinion**
- b. Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters based on an audit of the basic financial statements performed in accordance with Government Auditing Standards
- c. Independent Auditor's Report on Federal Compliance
- d. Required Communication to the Board in Accordance with Professional Standards – SAS 114
  - a. Implementation of GASB 72
  - b. Encountered no difficulties in performing the audit
  - c. No disagreements with management
  - d. No findings or other issues



Questions and/or Comments?

