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City of Sanibel, Florida

Presentation of the 2024 Audit Results to the City Council

April 1, 2025

Services Performed



Financial Statements

Audit of the City's Annual Comprehensive Financial Report (ACFR) for the year ended September 30, 2024, in accordance with *Government Auditing Standards*



Federal Compliance

Single Audit in accordance with Uniform Guidance

Includes audit of the Schedule of Expenditures of Federal Awards and certification of the Data Collection Form



State Compliance

State Single Audit in accordance with Section 215.97, *Florida Statutes* and Chapter 10.550, *Rules of the Auditor General*

Examination of compliance with applicable Florida Statutes for investments

Reports Delivered



Independent Auditors' Report



Report on Internal Control Over Financial Reporting and On Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*



Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida (Single Audit Report)



Independent Accountants' Report on Compliance with specific Florida Statutes as required by Chapter 10.550 Rules of the Auditor General



Management Letter as required by Chapter 10.550 Rules of the Auditor General

Audit Process

RISK-BASED APPROACH

Internal controls

Revenue recognition

Significant estimates

Debt and covenants

Cutoff of accruals and
expenditures

Information
Technology

Grant compliance





AUDIT OPINIONS

Financial statement

Financial statement audit opinion is **unmodified**.

Single Audit – Federal Programs and State Projects

Federal and State awards audit opinion is **unmodified**.



AUDIT RESULTS

Financial statement

One material weakness noted.
One significant deficiency noted.

Federal and State awards

No material weaknesses noted.
One significant deficiency noted.



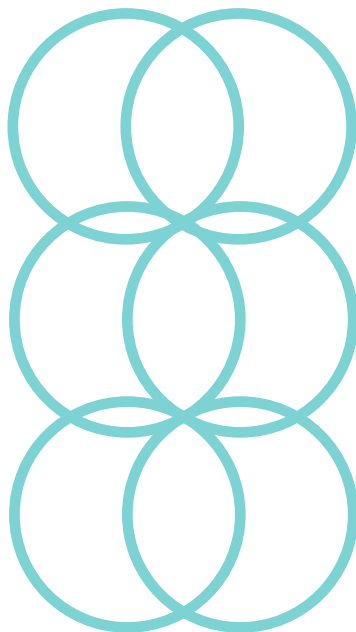
Governance Communications

Overall

- Scope and timing of audit proceeded as planned
- Significant risks were addressed as planned
- Significant accounting policies are in accordance with generally accepted accounting principles and consistent with industry practice and standards

Difficulties

- No difficulties were encountered in performing the audit
- No disagreements with management



Status of Prior Year Audit Findings

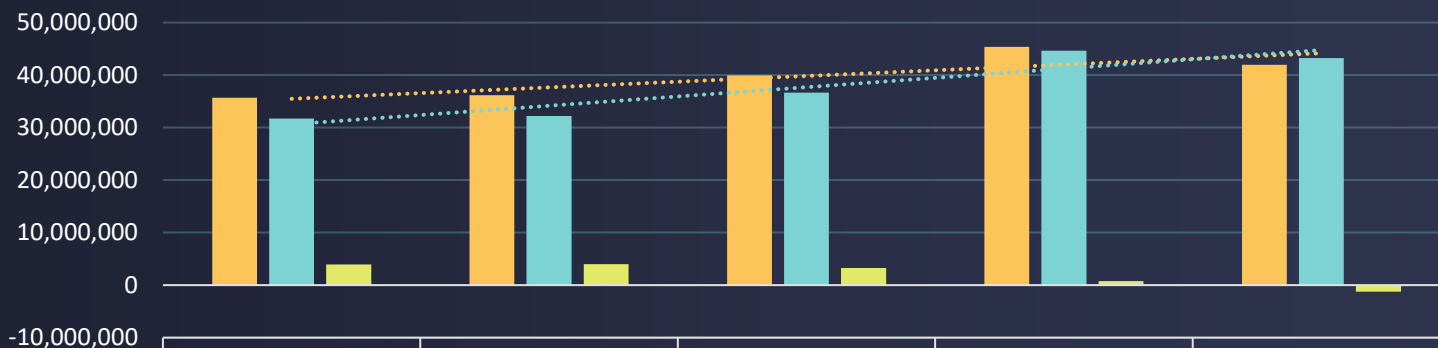
- Repeat finding related to grant accounting
- All other findings cleared and corrective action taken

Other

- Best practices and suggestions for improvements and efficiencies verbally communicated throughout the audit
- THANK YOU to the City's management for their effort and hard work to complete the audit

Total Revenue and Expenses

5 Year Trend



	2020	2021	2022	2023	2024
Total Revenue	35,682,125	36,198,132	39,936,905	45,391,500	41,947,896
Total Expenses	31,754,593	32,207,522	36,678,458	44,648,410	43,219,812
Change in Net Position	3,927,532	3,990,610	3,258,447	743,090	-1,271,916



General Fund – Fund Balance Classification



Spendable Fund Balance

Five Year Trend

	2024	2023	2022	2021	2020
Total Spendable Fund Balance	13,279,560	15,888,125	10,305,917	11,451,125	11,634,828
Total Unassigned Fund Balance	6,577,080	8,606,623	4,522,879	3,198,783	5,618,505
Total Operating Expenditures	20,386,314	17,789,758	13,376,204	14,442,358	14,793,989
Unassigned Fund Balance as a Percentage of Operating Expenditures	32.26%	48.38%	33.81%	22.15%	37.98%
Spendable Fund Balance as a Percentage of Operating Expenditures	65.14%	89.31%	77.05%	79.29%	78.65%



Emerging Issues

2025 AUDIT SCOPE

Accounting Standards

Effective for 2025:

GASB 101 –
Compensated Absences

Regulatory and Grant Compliance

Expected significant grant activity for 2025. This will be a continued emphasis point for the City related to grant management, accounting and compliance.



A background image showing a group of people in a modern office setting. In the foreground, a man and a woman are smiling and hugging. In the background, several other people have their hands raised and are hugging each other, creating a sense of team success and collaboration.

Questions and Feedback

We appreciate the opportunity to serve you
and welcome any feedback relative to our
performance and to the engagement.



Thank you again to everyone involved in the audit!

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