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# City of Sanibel, Florida

Presentation of the 2021 Audit Results to the City Council

August 16, 2022

CPAs | CONSULTANTS | WEALTH ADVISORS

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## PROVIDING AUDIT, TAX, DUE DILIGENCE, INTEGRATION, AND CONSULTING

# Services Performed

## Financial Statements

- Audit of the City's Annual Comprehensive Financial Report (ACFR) for the year ended September 30, 2021, in accordance with *Government Auditing Standards*

## State Compliance

- 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*  
(Yellow Book Report)

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

Governance  
Communication  
Letter

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

# Required Communications to Governance

- Auditors' Opinion on Financial Statements
  - Unmodified opinion
- Accountants' Report on Compliance
  - Unmodified opinion
- Scope and timing of audit proceeded as planned
- Significant accounting policies
  - In accordance with generally accepted accounting principles and consistent with industry practices and standards
- Significant estimates within the financial statements
  - Depreciation of capital assets
  - Net pension liability
  - Other postemployment benefit (OPEB) liability
- No uncorrected misstatements
- No disagreements with management
- Management was very cooperative, helpful, and professional during the audit process



# Audit Approach Summary

- We have assessed the following areas to be of higher audit risk:
  - Overall internal control environment and management override of controls
  - Payables and cutoff of accruals
  - Revenue recognition - cutoff, classification, collectability
- Note – The City's 2021 federal and state grant expenditures were below the required threshold for the single audit



# Financial Statement Reported Findings

- None



# 2022 and Beyond

- New GASB Statements Impacting the City
  - GASB No. 87 – *Leases (2022)*
  - *GASB No. 96 – Subscription-Based Technology Arrangements (2023)*
- Information Technology Security
- Continued focus on compliance related to the pandemic response and recovery funding



Thank you again to everyone involved in the audit!

Questions?

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