

City of Corydon, Kentucky-Audit Presentation June 30, 2019

Presenter:

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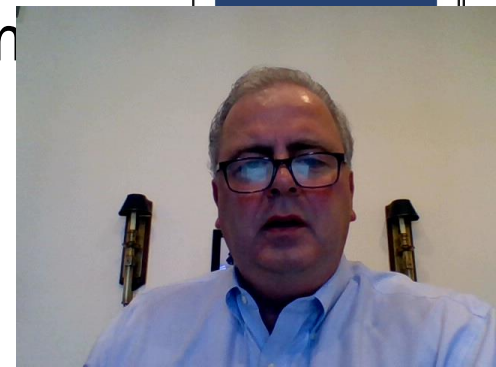


Basic Audit Process and Risk Assessment

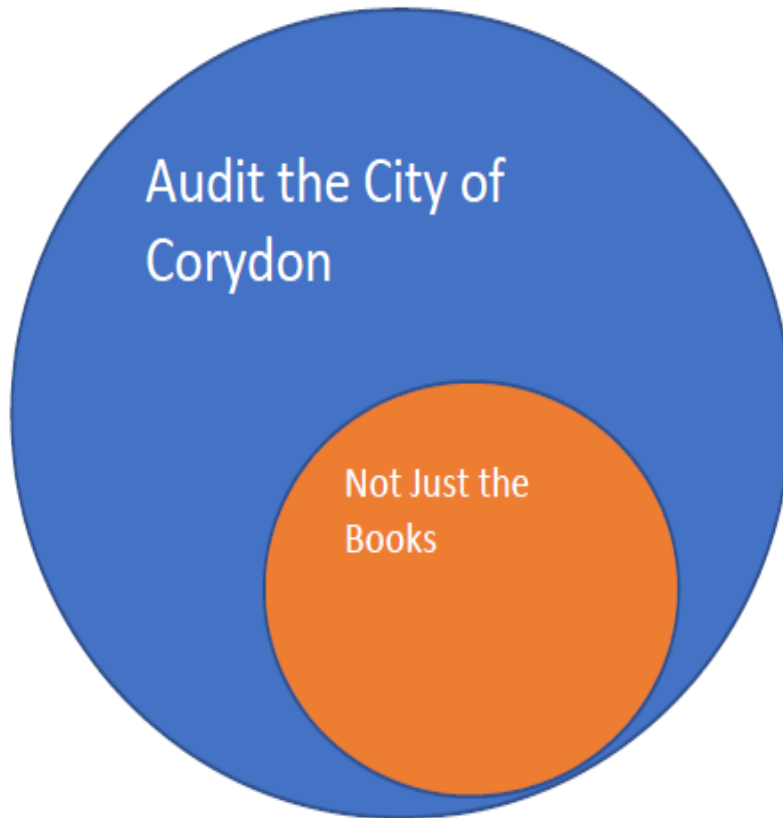


System Documentation

- Processes and controls for each key area of transactions were analyzed and documented in flowchart form.
- Key steps in the respective system were compared to our flowcharts by observation, inquiry and review of standard reports generated to ensure accuracy of our understanding of each system.
- Audit risks (inherent and control risks) were assessed and evaluated based on effectiveness of controls employed within the City as part of our preliminary testing.



Initial Risk Assessment



- Analyzed the impact of risk identified which could impact the City:
 - Regulatory environment
 - Economic climate (locally-regionally)
 - Concentrations of tax payers
 - Other unique factors



Audit Risk Assessment Approach



Audited Financial Statements

- Audit Opinion is unmodified, meaning a “clean opinion”.



Statement of Net Position June 30, 2019-

Page 3

	Primary Government		Totals
	Governmental Activities	Business-type Activities	
ASSETS:			
Cash and cash equivalents	\$ 118,061	\$ 118,857	\$ 236,918
Investments	18,340	-	18,340
Receivables, Net	47,589	21,759	69,348
Internal balances	1,323	(1,323)	-
Due from other governments	2,144	-	2,144
Other assets	4,457	-	4,457
Restricted cash and cash equivalents	-	23,761	23,761
Capital Assets:			
Land and construction in progress	28,858	24,163	53,021
Distribution and collection systems	-	2,163,224	2,163,224
Buildings and Improvements	724,663	189,921	914,584
Equipment	94,468	124,953	219,421
Less: Accumulated depreciation	(265,135)	(1,569,577)	(1,834,712)
Total assets	\$ 774,768	\$ 1,095,738	\$



Statement of Net Position June 30, 2019-

Page 3

	Primary Government		Totals
	Governmental Activities	Business-type Activities	
LIABILITIES			
Accounts payable	\$ 4,551	\$ 6,460	\$ 11,011
Other liabilities	22	735	757
Customer security deposits	-	10,977	10,977
Interest payable	-	11,448	11,448
Long-term liabilities:			
Due within one year	-	29,000	29,000
Due in more than one year	-	507,000	507,000
Total liabilities	<u>4,573</u>	<u>565,620</u>	<u>570,193</u>
NET POSITION			
Net investment in capital assets	582,854	396,684	
Restricted for:			
Debt Service	-	23,761	
Streets	28,021	-	
Unrestricted	<u>159,320</u>	<u>109,673</u>	
Total Net Position	<u>\$ 770,195</u>	<u>\$ 530,118</u>	<u>\$</u>



Governmental Funds Balance Sheet Page 5

	General Fund	MRA Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 91,404	\$ 26,657	\$ 118,061
Investments	18,340	-	18,340
Receivables, net			-
Taxes	47,589	-	47,589
Other assets	4,457	-	4,457
Due from other funds	4,336	-	4,336
Due from other governments	780	1,364	2,144
	<u>\$ 166,906</u>	<u>\$ 28,021</u>	<u>\$ 194,927</u>
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 4,551	\$ -	\$ 4,551
Other liabilities	22	-	22
Due to other funds	3,013	-	3,013
	<u>7,586</u>	<u>-</u>	<u>7,586</u>
Fund balances:			
Spendable			
Restricted			
Streets	-	28,021	28,021
Unassigned	159,320	-	159,320
	<u>159,320</u>	<u>28,021</u>	<u>187,341</u>
Total fund balances	<u>159,320</u>	<u>28,021</u>	<u>187,341</u>
Total liabilities and fund balance	<u>\$ 166,906</u>	<u>\$ 28,021</u>	<u>\$ 194,927</u>

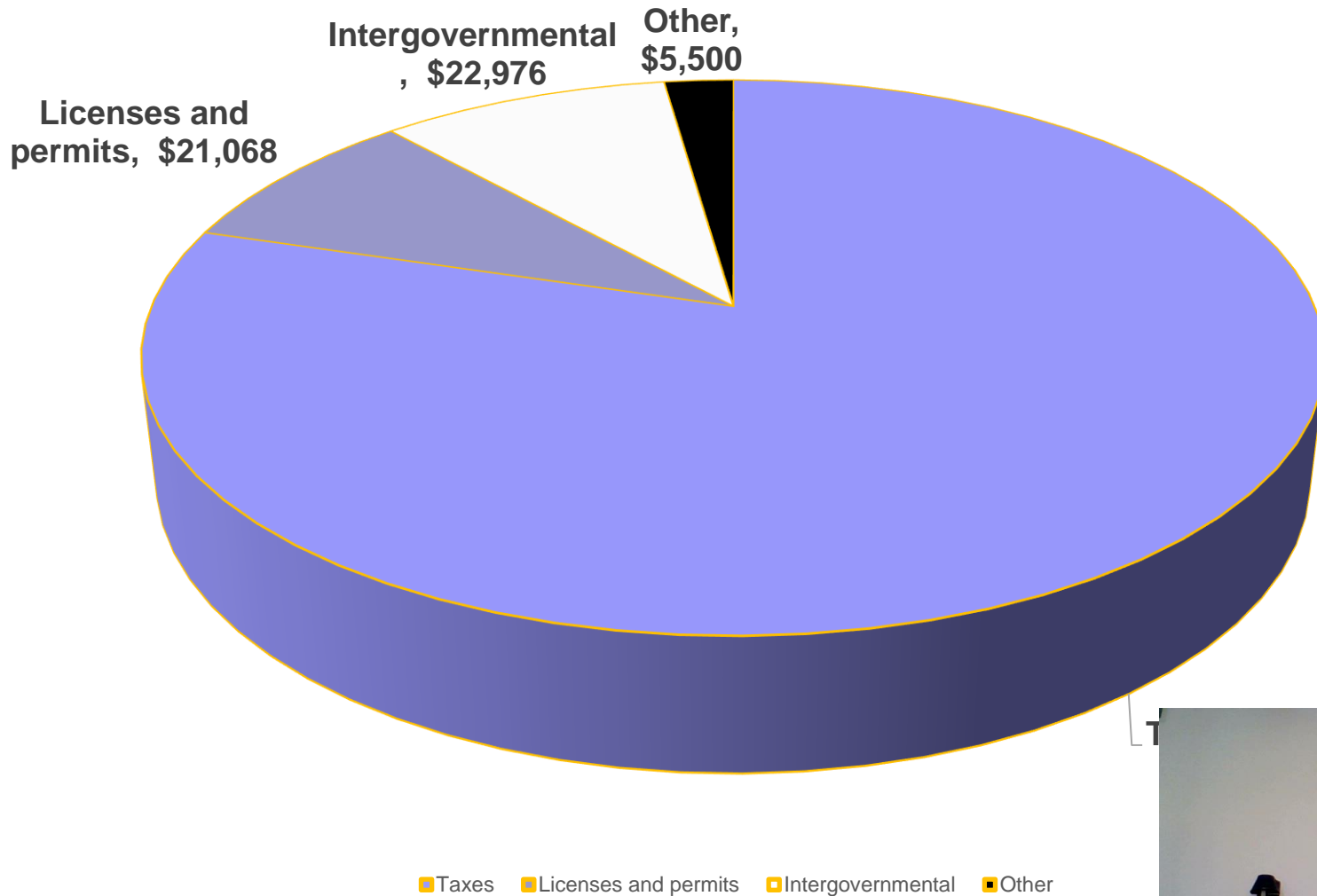


Financial Highlights-General Fund

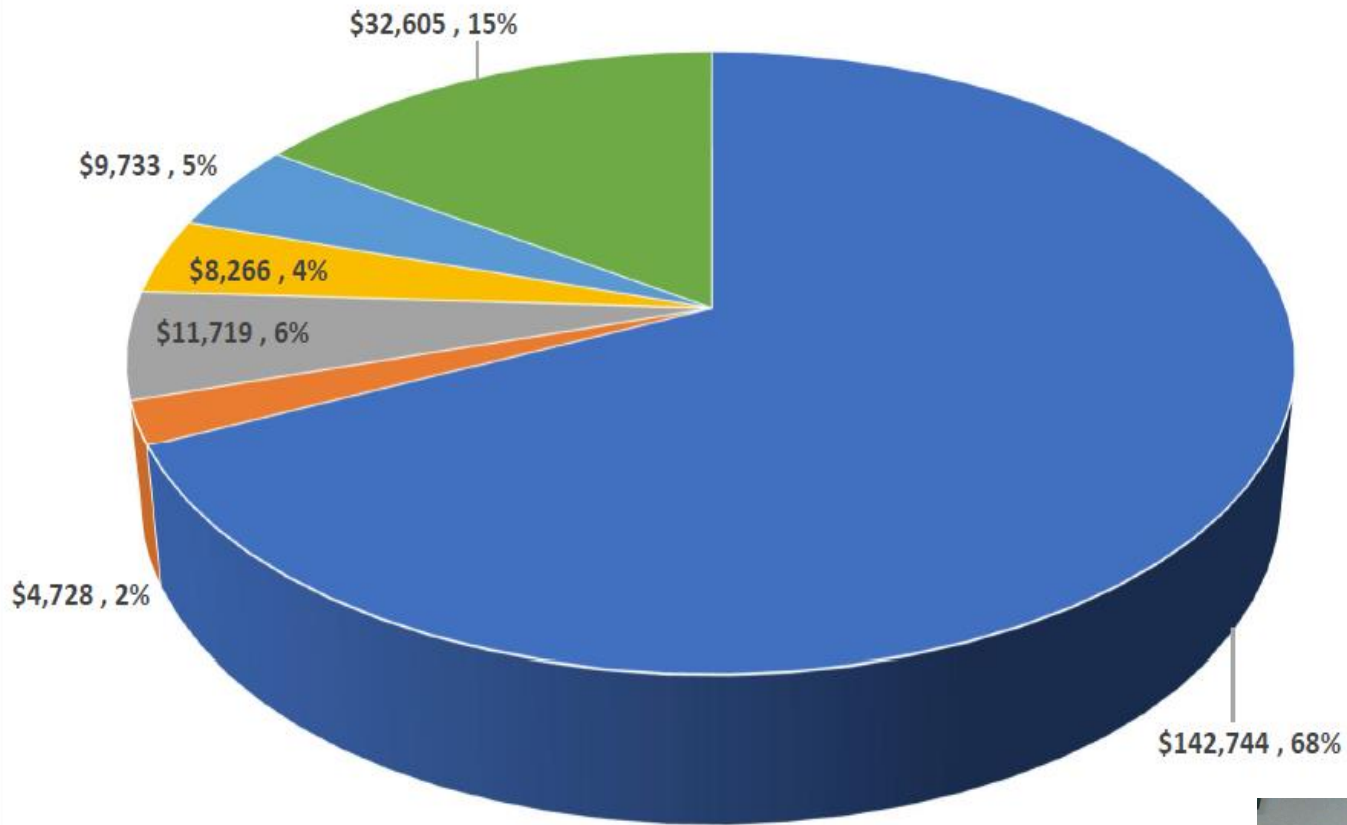
- Fund balance as of June 30, 2019 was \$159,320.
- General fund balance increased by \$37,438.
- Ending fund balance represents approximately 277 days of expenditures.



Governmental Fund Revenue Sources 2019



Composition of Government Fund Expenditures-2019



■ General Government ■ Public Safety ■ Streets ■ Public Support ■ Parks ■ Capital outlay



**CITY OF CORYDON,
KENTUCKY
OTHER REQUIRED
COMMUNICATIONS**



Governance Report

- Statement on Auditing Standards require that we provide “those charged with governance”(The Board of Commissioners) the following information:
 - Our responsibility under Generally Accepted Auditing Standards in the United States of America
 - Planned scope and timing of the audit
 - Significant audit findings, if any
 - Adoption of new accounting principles
 - Unusual transactions lacking authoritative guidance
 - Key accounting estimates within the financial statements.
 - Unadjusted amounts- There were no adjustments
 - Whether there were difficulties performing the audit



Governance Report, continued

- Disagreements with management, if any occurred
- Management representations-
Management signs a representation letter prior to the issuance of the financial statements
- Consultation with other CPA's, if a



QUESTIONS?

