

Presentation of Audit Results
June 30, 2024



TOWN OF
CHAPEL HILL

DRAFT



MAULDIN & JENKINS

Tim Lyons, CPA, CGMA
Engagement Partner

Agenda



- Engagement Team
- Results of the 2024 Audit
- Financial Ratios and Trends
- Comments, Recommendations, and Other Issues
- Questions & Comments

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Engagement Team



CONSISTENTLY RANKED AS A TOP ACCOUNTING FIRM IN THE U.S.

100+ year
HISTORY
OF QUALITY SERVICE

Serve 725+
GOVERNMENT CLIENTS

GOVERNMENTAL PARTNERS & DIRECTORS **25**



150+ TEAM MEMBERS DEDICATED TO SERVING THE GOVERNMENTAL INDUSTRY



VISION
To be a trusted advisor, earning trust and building respect through our consistent commitment to sustainable excellence, leadership, and integrity.



220+

SINGLE AUDITS PERFORMED LAST YEAR COVERING OVER \$6 BILLION OF FEDERAL GRANTS



156,000+

HOURS ANNUALLY PROVIDED TO GOVERNMENTAL CLIENTS

175+

CURRENT CLIENTS AWARDED THE GFOA CERTIFICATE OF EXCELLENCE

6

STATES

14

OFFICES



PRESENTATION OF
2024 AUDIT RESULTS

Going Further.



Results of 2024 Audit

- Our Responsibility Under Auditing Standards Generally Accepted in the United States of America (GAAS) and *Government Auditing Standards*
- Report on 2024 Basic Financial Statements
 - We issued **UNMODIFIED** (“clean”) opinions on the basic financial statements.

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Required Communications

- ❑ Significant Accounting Policies
- ❑ Management Judgment/Accounting Estimates
- ❑ Financial Statement Disclosures
- ❑ Relationship with Management
- ❑ Audit Adjustments
- ❑ Management Representation

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Required Communications

- Consultation with Other Accountants
- Significant Issues Discussed with Management
- Information in Documents Containing Audited Financial Statements
- Auditor Independence

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Required Communications

□ Federal and State Compliance Audits

- During the fiscal year 2024 audit, we conducted compliance tests for the Town's expenditures of Federal and State Award programs
- Town is reporting approximately \$21.6 million in Federal funding and approximately \$7.2 million in State funding.
- The Town continues to be a low-risk auditee meaning that we are only required to obtain 20% coverage for both.
- No findings noted in our testing of the Town's four (4) major programs.

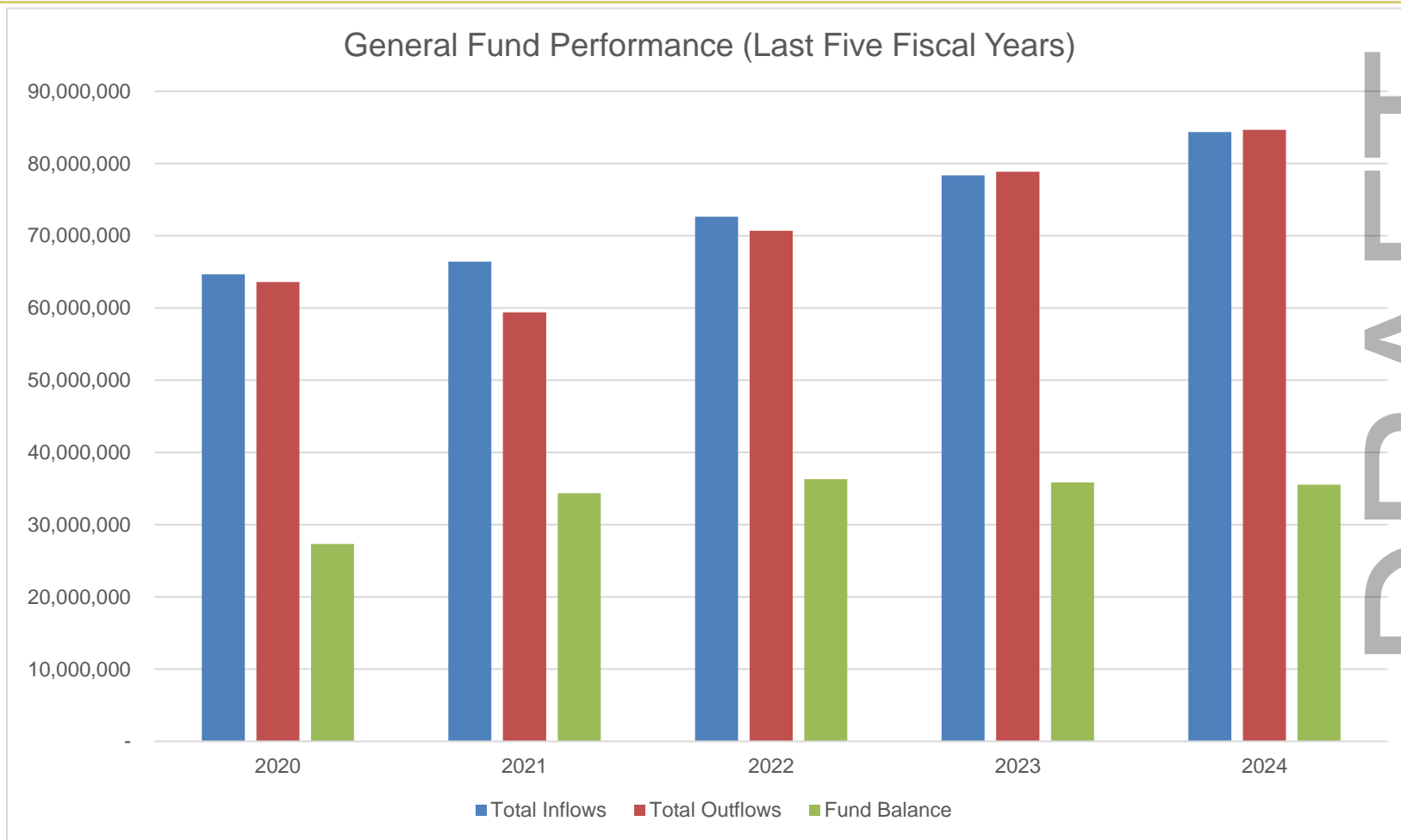
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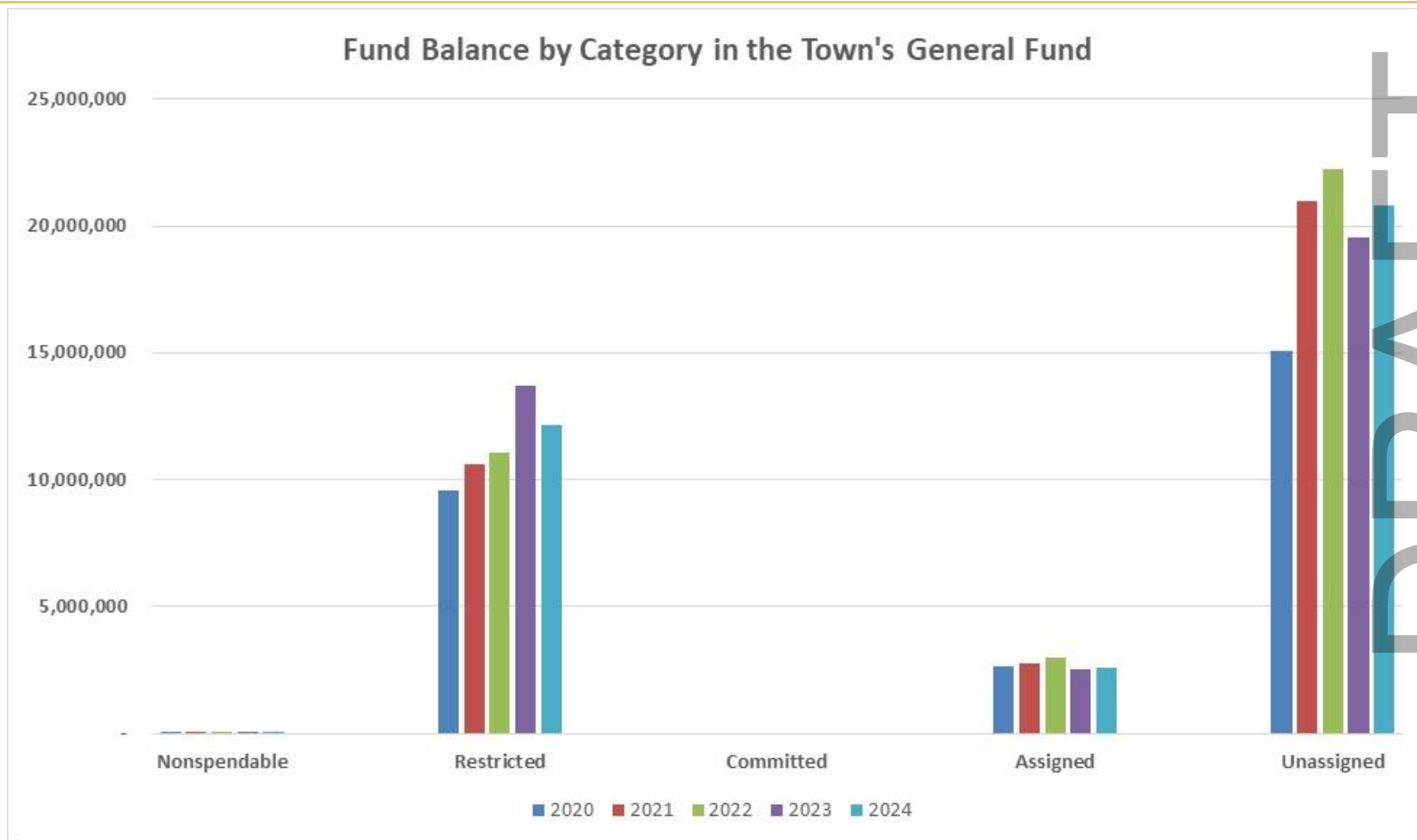
Town General Fund

General Fund Performance (Last Five Fiscal Years)



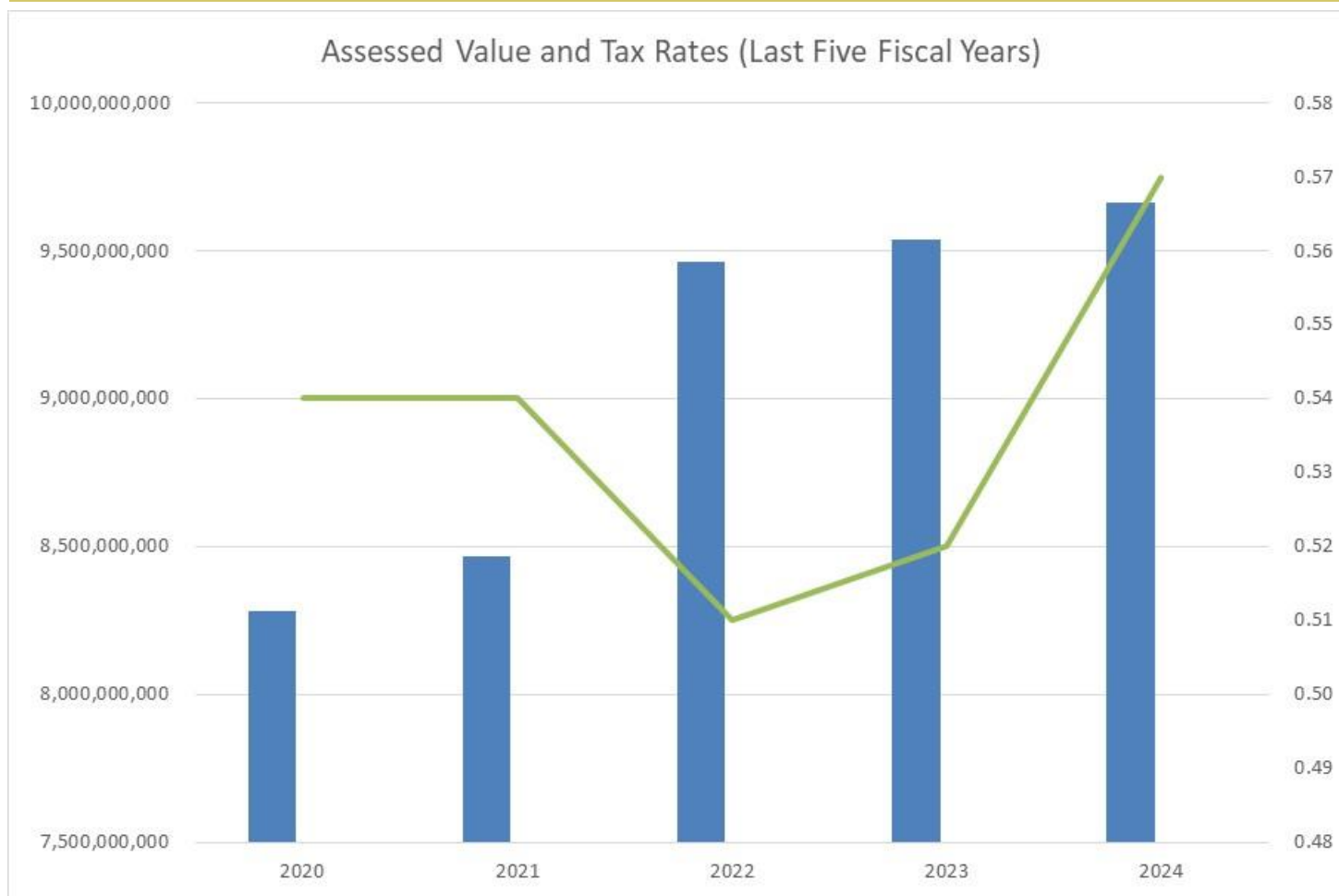


Town General Fund





Property Taxes



Ad Valorem Revenues in the General Fund (in millions):

2020: \$32.0

2021: \$32.8

2022: \$35.3

2023: \$35.6

2024: \$40.8





Comments and Recommendations

□ Management Letter

- Inclusion of Future Retirement Contributions in the Liability for Compensated Absences.
- Accrued Interest Payable on Long-term Debt.
- Allowance for Uncollectible Accounts.

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Comments and Recommendations

- New GASB Pronouncements for Future Years
 - Statement No. 101, *Compensated Absences*
 - Statement No. 102, *Certain Risk Disclosures*
 - Statement No. 103, *Financial Reporting Model Improvements*
 - Statement No. 104, *Disclosure of Certain Capital Assets*

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TOWN OF CHAPEL HILL

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Thank You for the Opportunity to Serve