



Presentation of Audit Results

June 30, 2024



TOWN OF
CHAPEL HILL



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





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



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.



Required Communications

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



Required Communications

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



Required Communications

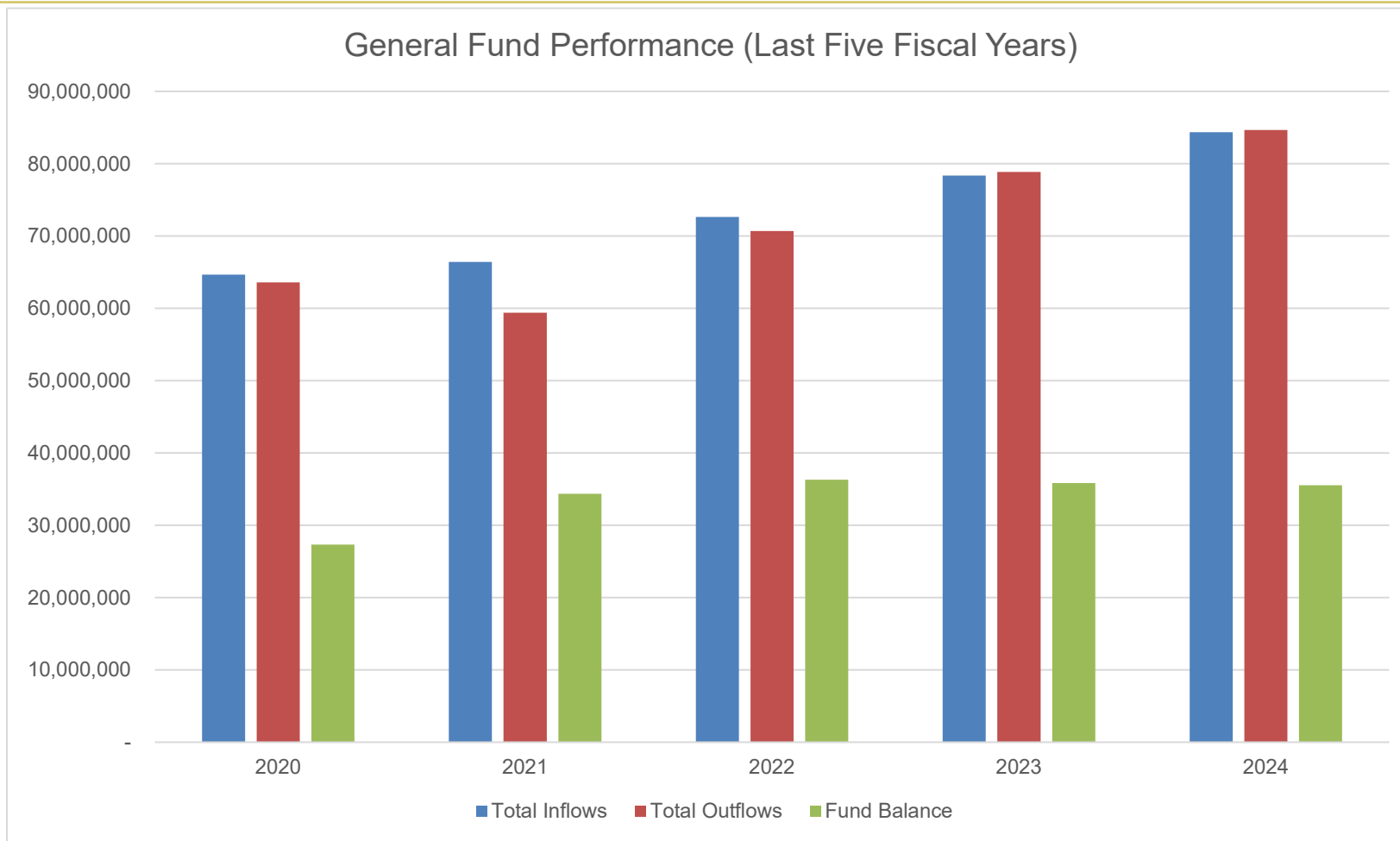
□ Federal and State Compliance Audits

- 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.



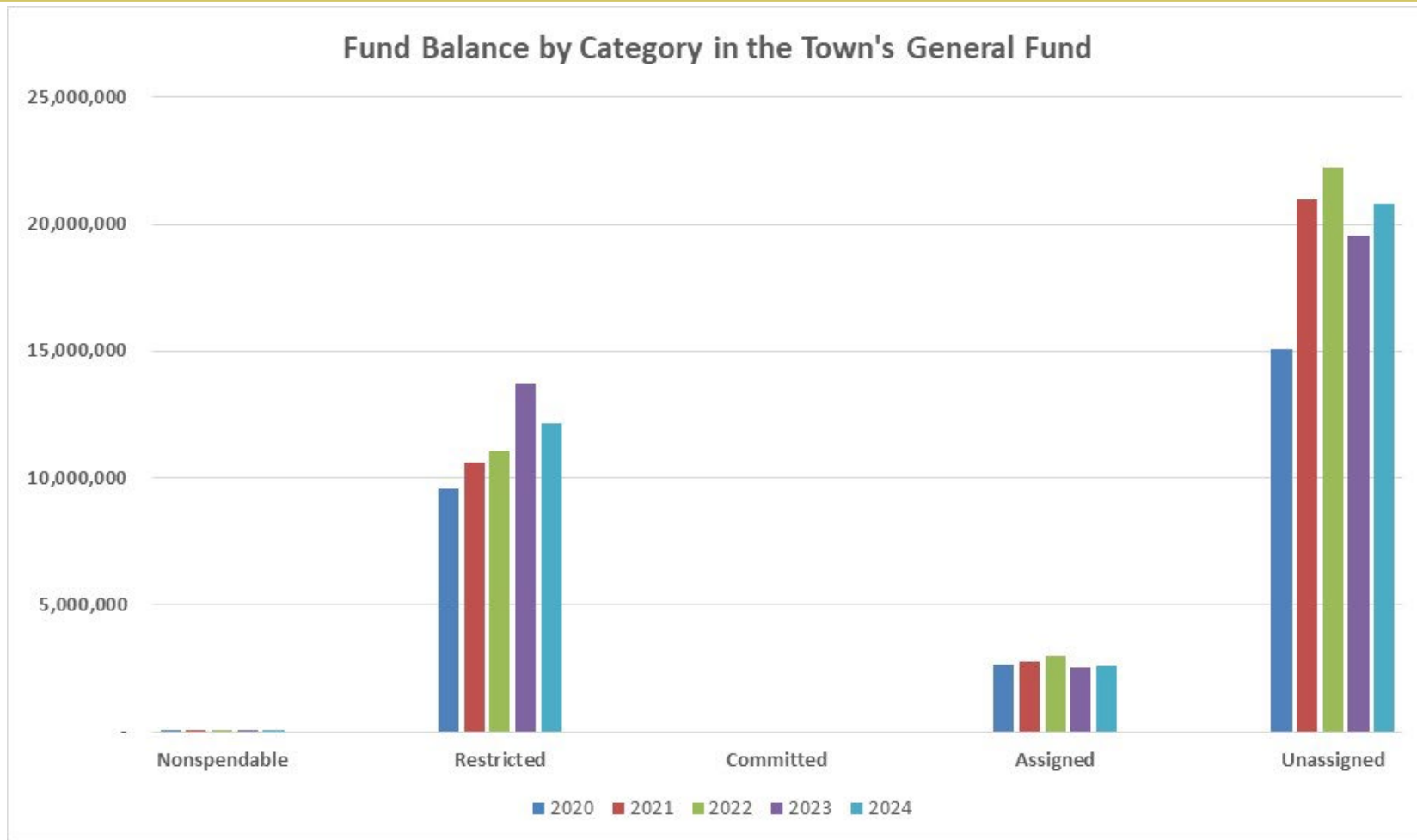
Town General Fund

General Fund Performance (Last Five Fiscal Years)





Town General Fund





Property Taxes

Assessed Value and Tax Rates (Last Five Fiscal Years)



**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.



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*



TOWN OF CHAPEL HILL



Thank You for the Opportunity to Serve