

# Presentation of the Results of the Fiscal 2020 Audit

*Presentation to the City Council June 15, 2021*

Presented by:  
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# Deliverables

- Required Communications Letter
- Basic Financial Statements
- Uniform Guidance Single Audit
- New York State DOT Audit
- Internal Control Matters Letter

# Required Communications letter

- Required to be put in writing and provided to the board of governance for all audits
- Some noteworthy items
  - GASB 95 was implemented – This standard was issued in May of 2020 and allowed postponement of certain reporting standards such as GASB 84 Fiduciary Activities.
  - Significant estimates and disclosures were identified and described
  - We encountered no disagreements with Management relating to any financial accounting, reporting or auditing matters.

# Audit of the Financial Statements

- Independent Auditor's Opinion – Unmodified
- Report on Internal Control over Financial Reporting
  - No material weaknesses
  - No significant deficiencies to report
- Report on Compliance and other Matters
  - No instances of non-compliance or other matters were noted

# Audit of the Financial Statements

- Financial Highlights
  - Fund balance increase of approximately \$1.6 million in the general fund, largely due to proceeds from the issuance of debt.
  - Issuance of \$35 million in bonds
  - Reduced revenues due to shutdowns because of the COVID-19 Pandemic
  - Restricted fund balance increase to \$35 million mainly as a result of the bond proceeds.

# Audit of the Financial Statements (continued)

- Financial Highlights (continued)
  - Governmental Activities -
    - Increase in the OPEB and pension obligations of approximately \$25 million
      - Anticipate significant increases in OPEB in 2021 as the discount rate is expected to drop.
    - Final judgement in the Haberman litigation of approximately \$140 million, including a \$20.5 million offset
    - Unrestricted net position decreased from negative \$239 million to negative \$439 million

# Uniform Guidance Audit

- Auditor's report issued on compliance
  - Unmodified
- Report on internal control over direct and material compliance requirements for major programs
  - No material weaknesses
  - No significant deficiencies reported

# NYS Department of Transportation State Single Audit

- Auditor's report issued on compliance
  - Unmodified
- Report on internal control over direct and material compliance requirements for major programs
  - No material weaknesses
  - No significant deficiencies reported



# Internal Control Matters

- The "Management Letter"
  - Internal control related items, or best practices
- Some notable items include;
- Policies and procedures
  - Financial statement audit readiness
  - Manual processes
  - Fiscal stress considerations

# Thank you!