

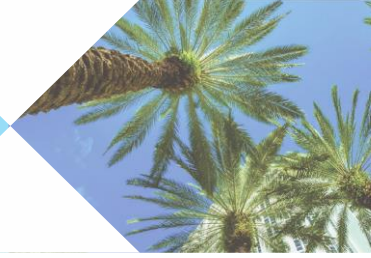


# City of Venice, Florida Audit Results for the Fiscal Year Ended September 30, 2020

Presented By  
Jeff Wolf, CPA  
Senior Manager



# Purposes of the Annual Audit



- Opine on financial statements prepared by Management
- Review internal controls
- Test material compliance with laws and regulations
- Special “single audits” of federal and state grant programs
- Perform other procedures required by the Florida Auditor General
- Communicate certain required matters under Generally Accepted Auditing Standards

# The Audit Opinion (page 1 & 2)



- Who: 5 people remote for 2 weeks:
- We verify that the numbers and disclosures in the CAFR are accurate, e.g.,
  - We review bank reconciliations and confirm balances with the banks
  - We verify what customers owe you and what you owe vendors and bondholders
  - Recalculate a sample of employee paychecks, verify pay rates
  - Reperform calculations on a sample of water/sewer/garbage bills and building permit fees
  - Review bid documents and invoices for new facilities (like the new PS Building), and other capital projects
  - Verify that the fund balances are accurate
- **Conclusion:** *Unmodified opinions: “present fairly”*

# Internal Control & Compliance (page 173 & 174)



- Who: 4 people remote for 1 week
- We review your internal controls (checks and balances)
- Test for compliance with federal, state and local laws and city ordinances and policies (e.g., the budget, rate ordinances)
- Test for material fraud and misappropriation of assets (e.g., theft)
- **Conclusion:** Our audit *“did not identify any deficiencies in internal controls”* (material or significant) and *“our tests disclosed no instances of noncompliance”*

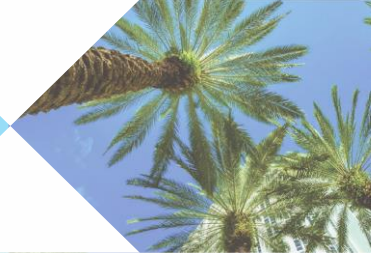


# Federal & State Grants (page 175 - 179)



- Performed additional testing of major federal programs and state projects (i.e., grants)
- (Page 180 & 181 details the federal and state funding that the City received in FY2020)
- Performed tests of compliance and internal controls on applicable compliance requirements (grants provisions)
- Tested for material fraud and misappropriation of assets
- **Conclusion:** The City *“complied in all material respects”* and we *“did not identify any deficiencies in internal control that we consider to be material weaknesses”* related to grants

# Other Reports (page 184 - 186)



- Other Audit Procedures Performed:
- Reviewed the City's compliance with the state investment statute
  - Accountant's Report (pg 184): No issues noted
- Performed other tests required by the Auditor General
  - Management Letter (pg 185-186): No issues noted

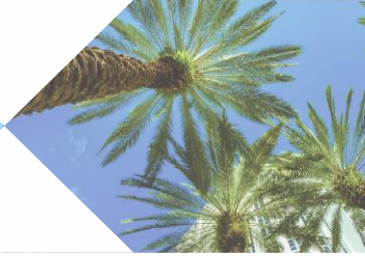
# Required Communications to Governing Boards



We are required to disclose verbally to you:

- Auditor Audit Responsibilities
- Management Audit Responsibilities
- Significant Difficulties (none)
- Unusual Accounting Conventions (none)
- Disagreements with Management (none)
- Audit Adjustments (none)
- Other Findings or Issues (none)

# Financial Highlights – FYE 9/30/20



Remaining presentation by Joe Welch, CPA, City Controller



# CAFR Financial Highlights – Major Funds



## General Fund (pgs. 26, 28, 30):

- Unassigned fund balance: \$13,449,947
- 2020 decrease in fund balance: \$195,018 (EMS start-up costs)
- 2020 favorable budget variance: \$1,529,486

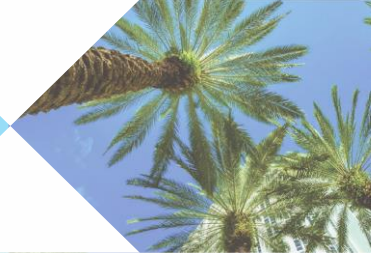
## Other major governmental funds (Pg. 26)

- Streets CPF: \$3.9M fund balance, all gas taxes
- PS Building CPF: \$203,180 Project complete
- Building Permit Fees: \$7.8M fund balance (\$4.2M for Annex)

## Enterprise Funds (Pgs. 32 – 39)

- Adequate working capital balances (page 32-35)
- Favorable operating results (page 36-37)
- Positive cash flows (pages 38-39)

# CAFR Financial Highlights – Pensions and Grants pg 2



## Pension/OPEB Obligations (pages 98 – 109)

Un/ or Underfunded liabilities as of 9/30/20:

- Fire: \$17,763,254 (61.43%)
- Police: \$3,482,694 (92.25%)
- FRS/HIS: \$32,008,811 (78.85% and 3.00%)
- OPEB: \$11,052,220 (0.00%)

## Return on Investments – FYE 9/30/20:

- Fire: 6.92%
- Police: 15.26%

## Grants and Loans Expended – FYE 9/30/20 (pgs. 180-181):

- Federal: \$3,282,519
- State: \$2,266,729



Other Information in the CAFR (besides audit reports and financial statements):

- Management Discussion and Analysis (pgs. 3 – 21)
  - Comparative to prior year
  - Color charts and graphs
- Notes to Financial Statements (pgs. 43 – 94)
  - Accounting conventions
  - Underlying data and narratives
  - Supporting schedules
- Statistical Section (pgs. 145 – 169)
  - Ten year trend information
  - Financial, tax-related, demographic, operating statistics

# Questions or Comments

