

Presentation of the December 31, 2023 Financial Statements By Scott A German, CPA



Presented September 20, 2024

Thank-you for allowing us this opportunity



What is an Audit?

Our Shared responsibility for accuracy and disclosure





Financial Statement Audit Defined

A Financial Statement audit is an independent examination of the organization's financial statements and disclosures by independent auditors with the goal of providing a materially true and fair view of the organization's financial performance.

> The auditor is a watchdog not a bloodhound. – Lord Justice Topes







Fechter & Company's Responsibility

Our Responsibilities

- We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared, in all material respects, in accordance with *Generally Accepted Accounting Principles*
- Our engagement as auditors and the performance of the audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

An audit only provides reasonable assurance NOT absolute assurance on the accuracy of the financial statements







Fechter & Company's Responsibility

Our Responsibilities – Single Audit

- Forming and expressing an opinion of the Agency's Federal program compliance in accordance with the applicable standards and Uniform Guidance
- Meet all professional standards required for yellow book examinations

An audit only provides reasonable assurance NOT absolute assurance on the accuracy of the financial statements







Sites Management Responsibility

Management and the Board are responsible for fair and accurate financial reporting and establishing the systems and policies necessary to achieve that goal.

- Specifically Management's responsibilities include:
 - Selection of accounting policies
 - Financial Statement presentation and accuracy
 - Implementation of a system of internal controls
 - Complying with the requirements of receiving federal funds

Management and the Board have full responsibility for the Financial Statements and SEFA presentation and accuracy



Overview of the Financial Statements and Schedule of Expenditures of Federal Awards (SEFA)

A snapshot







Scope of Work

• Financial Statement Audit for the Year Ended December 31, 2023

Single Audit of SEFA







Independent Auditor's Report

Clean Opinion on Financial Statements No opinion on Required Supplementary Information

- Managements Discussion and Analysis (MD&A)
- Budgetary Information
- Other information
 - Schedule of Expenditure of Federal Awards (SEFA)
- Other report
 - Report on Internal Control over Federal Awards







Balance Sheet

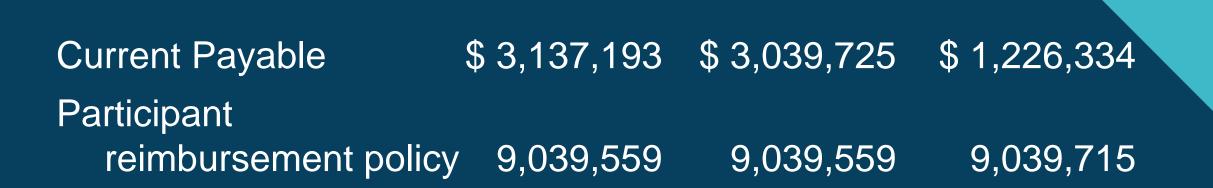
	2023	2022	2021
Assets			
Cash and investments	\$ 26,432,571	\$24,276,372	\$17,226,150
Grants Receivable	4,664,143	9,016,756	5,693,555
Other Assets	28,272	24,961	23,050
Cash as a percentage o	f assets 85%	73%	75%







Balance Sheet







Balance Sheet

- Net Position
 - Assets less liabilities = Net Position
 - Equals the accumulated net earnings since inception

	2023	2022	2021
 Unrestricted 	\$18,948,234	\$ 21,238,805	12,886,706

% of net assets held in cash 139.5% 114.3% 133.7%





T

Revenues

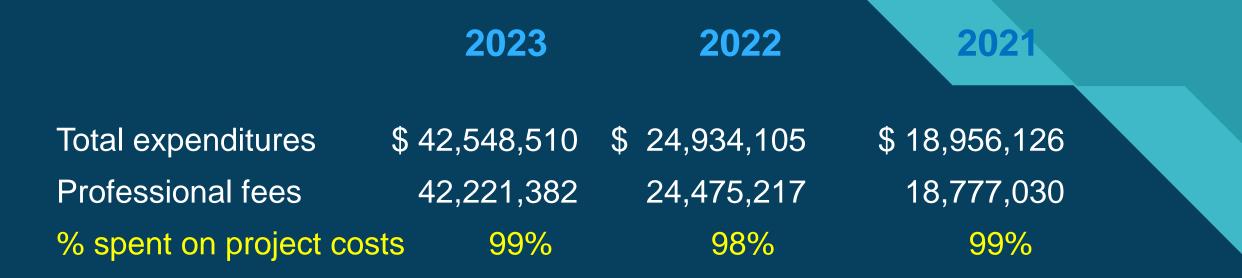
	2023	2022	2021
 Revenues 			
 Membership/Authority 	\$ 455,000	\$ 505,000	\$ 505,000
 Membership water 	16,450,300	17,850,300	6,654,800
Grants	22,692,297	14,799,296	14,540,276
 Interest and other 	660,342	131,608	83,445
Total	\$ 40,257,939	\$ 33,286,204	\$ 21,783,521







Expenditures









Audit Issues

- One adjustment recorded
 - Grant receivables totaling \$4,664,143

 This is a recurring issue arising from the manual processes employed, that may be cured with the discussed financial reporting system.







Single Audit

- Required as a result of expenditure of Federal Funds in Excess of \$750,000
- Unmodified opinion
- One Finding Reported
 - Related to proper completion of the Schedule of Federal Awards
 - Type of finding Significant Control Deficiency
 - Based on guidance from US Department of the Treasury, this is an automatic finding
 - One of the most common findings
 - Does not generate any additional scrutiny from the grantors
 - Not a MATERIAL WEAKNESS Control Finding







Thank You