



We'll get you there.

Audit Results for June 30, 2024



Agenda



Auditors' Opinion

Required Governance
Communication

Accounting Updates

Questions



Auditors' Opinion

Unmodified Opinion

- The financial statements, in all material respects, are fairly presented in accordance with accounting principles generally accepted in the United States.



Required Governance Communication

Overall

- Purpose is to follow up from planning meeting
- No changes in scope of audit
- The significant accounting policies used are described in the footnotes to the District's financial statements.

Estimates

- Estimates presented in financial statements
- We are comfortable with management's estimates

Difficulties

- No significant difficulties encountered in performing the audit
- No disagreements with management or consultations with other accountants

Other

- No uncorrected misstatements
- AJE's decreased net income of the governmental funds by \$2.8m primarily due to \$2.6m of deferred revenue
- No material weaknesses or significant deficiencies noted
- Management representation letter will be signed at the conclusion of the engagement

Accounting Updates

Adopted Pronouncements

- GASB Statement No. 100
Accounting Changes and Error Corrections – No impact.

Upcoming Pronouncements

- GASB Statement No. 101
Compensated Absences
- GASB Statement No. 102
Certain Risk Disclosures

GASB 101 Compensated Absences



Effective date

December 31, 2024



Updated framework

- Reevaluate leave policies
- Liability must include any accumulated leave that is unused or used but unpaid
- Footnote disclosures will be enhanced



Examples include

Sick leave not paid at termination

Parental leave

Military leave and jury duty that has commenced



CLA can help by evaluating the standard related to compensated absences and assisting with or evaluating in financial statement disclosures



GASB 102 Certain Risk Disclosures

CLA can help by assisting with or evaluating financial statement disclosure updates



Effective date
June 30, 2025



Increased footnote disclosures surrounding risk:

- Limitations on raising revenues
- Concentrations related to tax revenue or vendors
- Debt or mandated spending — especially unfunded mandates
- Impact of major employer leaving the community
- Collective bargaining agreements



Questions?



Thank You



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