



AUDIT OVERSIGHT COMMITTEE MINUTES

June 25, 2024 at 3:00 PM

Council Chambers – 340 Ocean Drive and YouTube

PRESENT: NANCY WOLF, CHAIRPERSON
WILLIAM VIGGIANO, VICE CHAIR
ANTHONY PACE, COMMITTEE MEMBER
ANDREW SPILOS, COMMITTEE MEMBER
ANITA BLOOM, COMMITTEE MEMBER

ALSO PRESENT: MICHAEL VENTURA, FINANCE DIRECTOR
CAITLIN E. COPELAND-RODRIGUEZ, TOWN CLERK
DANIEL ANDERSON, TOWN AUDITOR (MAULDIN & JENKINS)

AUDIENCE: 6

CALL TO ORDER – 3:00PM

PRESENTATION & DISCUSSION ITEM

1. Overview of Town Auditor Services & Report - Mauldin & Jenkins, LLC and Item #3 - Discussion on Auditor's Discussion and Analysis Report Recommendations

***MOTION:** Spilos/Bloom made a motion to recommend that the Town Council direct staff to prepare an interim report addressing all the recommendations from the Auditor's Discussion and Analysis Report.*

***ACTION:** The motion passed unanimously.*

The Committee gave unanimous consensus to have the Auditor provide a list of educational opportunities for the Committee; recommend that the Town Council approve the highlighted language on page 11 of the Auditor's Discussion and Analysis report as the duties for the Audit Oversight Committee; and to have a member of the committee present a quarterly housekeeping update to the Town Council.

CONSENT AGENDA

2. Audit Oversight Committee Meeting Minutes for April 23, 2024

***MOTION:** Pace/Spilos made a motion to approve the consent agenda.*

***ACTION:** The motion passed unanimously.*

ADJOURNMENT

Chairperson Wolf adjourned the meeting at 4:15pm.



Nancy Wolf, Chairperson



Caitlin E. Copeland-Rodriguez, Town Clerk

Mauldin & Jenkins, LLC

INSIDE
2024
Top 100
FIRMS
 ACCOUNTING FIRM
 CONSISTENTLY RANKED AS A TOP
 ACCOUNTING FIRM IN THE U.S.

100+ year
 HISTORY
 OF QUALITY SERVICE

Serve 700+
 GOVERNMENTAL CLIENTS

GOVERNMENTAL PARTNERS 16

140+
 TEAM MEMBERS DEDICATED
 TO SERVING THE
 GOVERNMENTAL INDUSTRY



225+
 SINGLE AUDITS PERFORMED LAST
 YEAR COVERING OVER \$4 BILLION
 OF FEDERAL GRANTS

135,000+
 HOURS ANNUALLY
 PROVIDED TO
 GOVERNMENTAL CLIENTS

150+
 CURRENT CLIENTS AWARDED
 THE GFOA CERTIFICATE OF
 EXCELLENCE

**NATIONALLY
 RECOGNIZED**



Presentation of
 Audit Results
 June 25, 2024



Mauldin & Jenkins
 Audit Committee
 Presentation

Presented by:
 Daniel Anderson



Annual Audit Timeline

Key Dates for Annual Audit

- August/September – Preliminary Procedures
 - Updated Internal Control Understandings
 - Discuss Significant events/transactions from the year
 - Discuss implementation of new standards
- September 30 – Town Fiscal Year-end
- December 1 through ~January 25 – Audit Fieldwork
 - Obtain Final Trial Balances and Supporting Schedules
 - Perform Testing of Major Transaction Cycles and Significant Balances
 - Begin Quality Control Review Process
 - Mid-January – FRS information is released
 - Late January/Early February – Review, Completion, & Delivery
 - Complete Quality Control Review Process
 - Provide Draft Financial Statements to Town for Review
 - Finalize Audit & Present to Council



Presentation of
 Audit Results
 June 25, 2024



Agenda

- Information about Mauldin & Jenkins
- Annual Audit Timeline
- Overview of 2023 Audit Results
- Overview of Annual Comprehensive Financial Report
- Recommendations from 2023 Audit
- Questions and Comments



Presentation of
 Audit Results
 June 25, 2024



General Information About the Annual Comprehensive Financial Report

Introductory Section

- Letter of Transmittal; Organizational Chart; Directory of Officials; Certificate of Achievement for Excellence in Financial Reporting

Financial Section

- Independent Auditor's Report; Management Discussion & Analysis (MD&A); Financial Statements and Footnotes

Statistical Section

- Financial Trends Information; Revenue Capacity Information; Debt Capacity Information; Operating Information



Presentation of
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General Information About the Annual Comprehensive Financial Report

Audit Opinion

Our Responsibility Under Auditing Standards Generally Accepted in the United States of America (GAAS)

- We considered the internal control structure for the purpose of expressing our opinion on the Town's basic financial statements and not for the purpose of providing an opinion on the effectiveness of internal controls.
- Our audit was performed in accordance with GAAS and *Government Auditing Standards*.
- Our objective is to provide reasonable—not absolute—not assurance that the basic financial statements are free of material misstatement.
- The basic financial statements are the responsibility of the Town's management.

Report on Basic Financial Statements

- Unmodified ("clean") opinion on basic financial statements.
- Presented fairly in accordance with accounting principles generally accepted in the United States of America.
- Our responsibility does not extend beyond financial information contained in our report.



Presentation of
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Recommendations from 2023 Audit

The following recommendations were issued to management and governance as part of the 2023 audit:

- Cybersecurity
- Disaster Preparedness
 - Including Finance Department as Part of DP
- Operational Strategy
 - Budgeting Process
 - Grants Management
 - Operational and Performance Assessment
 - Others



Presentation of
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General Information About the Annual Comprehensive Financial Report

Compliance Report

- The financial report package contains a report on our tests of the Town's internal controls and compliance with laws, regulations, etc. The report is not intended to provide an opinion on internal controls and compliance with applicable rules and regulations.
- This report and the procedures performed are required by *Government Auditing Standards*.
- No findings were reported in the current year.

Single Audit

- The Town did not expend greater than \$750,000 in Federal or State Funds, thus a Single Audit was not performed.

Independent Auditor's Management Letter

- Report on our tests of the Town's Compliance with respect to the Rules of the Auditor General
- There were no findings reported in the current year.

Independent Accountant's Report

- Report on our tests of the Town's Compliance with respect to the investment of Public Funds
- There were no findings reported in the current year.



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Questions & Comments

Thank you for your time!

Contact Information

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TOWN OF JUNO BEACH, FLORIDA
Auditor's Discussion and Analysis (AD&A)
September 30, 2023

We were also made aware that the Town Council has created an audit oversight committee to work closely with management to evaluate the current operations and assist management with resources needed to implement suggestions for improvement. We recommend the Town utilize the audit oversight committee to assist in this process. Specific areas for evaluation could be, but are not limited to, the following:

- a) Budgeting Process;
- b) Grants Management;
- c) Operational and Performance Assessment;
- d) Others as deemed appropriate by the Town.

Ultimately, governance is responsible for establishing the areas that are of utmost concern for the Town, and directing management to employ a strategy to ensure that the Town is in the best position to mitigate any potential risks that may be a threat to the Town.

New Governmental Accounting Standards Board (GASB) Standards



As has been the case for the past ten years, GASB has issued several other new pronouncements which will be effective in future years. The following is a brief summary of the new standards:

- a) **Statement No. 100, *Accounting Changes and Error Corrections*** was issued in June 2022 and is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for: (1) certain changes in accounting principles, and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This statement also addresses corrections of errors in previously issued financial statements.

