

Columbus Consolidated Government

Financial & Compliance Audit Summary – June 30, 2021



**MAULDIN
& JENKINS**
CERTIFIED PUBLIC ACCOUNTANTS, LLC

Presented by:
Miller Edwards

Purpose of Today's Presentation

Overview of:

- **Engagement Firm**
- **Comprehensive Annual Financial Report**
- **Audit Opinion (Financial / Compliance)**
- **Financial Statements Highlights**
- **Other Audit Communications**
- **Recommendations for Improvement**
- **Other Matters**



Governments Served

INSIDE
PUBLIC ACCOUNTING
TOP 100 FIRMS
2021


accounting
2021 Top 100 Firms

CONSISTENTLY RANKED AS A TOP ACCOUNTING FIRM IN THE U.S.


100+ year
HISTORY
 OF QUALITY SERVICE

Serve 565+
 GOVERNMENT CLIENTS


GOVERNMENTAL PARTNERS & DIRECTORS **21**




125+ TEAM MEMBERS DEDICATED TO SERVING THE GOVERNMENTAL INDUSTRY



5 STATES | **12** OFFICES




220+
 SINGLE AUDITS PERFORMED LAST YEAR COVERING OVER \$4 BILLION OF FEDERAL GRANTS



120,000+
 HOURS ANNUALLY PROVIDED TO GOVERNMENTAL CLIENTS

140+ CURRENT CLIENTS AWARDED THE GFOA CERTIFICATE OF EXCELLENCE

 **NATIONALLY RECOGNIZED**

Engagement Team Leaders

Miller Edwards, Engagement Partner - David Irwin, Quality Review Partner - Justin Elliott, Engagement Director - Kirk Arich, Engagement Manger



*Financial & Compliance Audit
 June 30, 2021*



Experience with Large Counties

Columbus-Muscogee = 190,000 Population

- | | | |
|---|--|---|
| 1) Gwinnett Co.
(920,000) | 8) Clayton Co.
(285,000) | 15) Newton Co.
(110,000) |
| 2) DeKalb Co.
(750,000) | 9) Forsyth Co.
(230,000) | 16) Athens-Clarke Co.
(130,000) |
| 3) Jefferson Co., AL
(660,000) | 10) Richmond Co.
(200,000) | 17) Whitfield Co.
(105,000) |
| 4) Greenville Co., SC
(510,000) | 11) Beaufort Co., SC
(190,000) | 18) Floyd Co.
(100,000) |
| 5) Richland Co., SC
(415,000) | 12) Paulding Co.
(160,000) | 19) Rockdale Co.
(90,000) |
| 6) Hamilton Co., TN
(360,000) | 13) Macon-Bibb Co.
(155,000) | 20) Dougherty Co.
(90,000) |
| 7) Chatham Co.
(290,000) | 14) Douglas Co.
(145,000) | 21) Walton Co.
(70,000) |

Avg.
285,000
3



Financial & Compliance Audit
June 30, 2021



Audit Opinion

- **County = responsible for financial statements.**

- **M&J = to express an opinion.**

- **Auditing Standards = GAS**

- **Clean Opinion =**

Financial Statements - The financial statements of the County are considered to present fairly, in all material respects

Federal Pgms. ~\$21M with 3 Major Pgms (HOME – Federal Transit Grants – CARES) = ~\$14.3M - Complied, in all material respects.....

- **Columbus has prepared an ACFR for ~30 Years.**



Overview of Financial Statements

- **Government-wide financial statements (full accrual = commercial like)**
 - **Primary government financial statements**
 - **Component units' financial statements (Water Works, Hospital Auth., etc.)**
- **Fund financial statements (General Fund, Special Projects Fund and T-SPLOST Fund, Building Authority, Coronavirus Relief, American Rescue Plan Fund, Waste Mgmt., Civic Center, Transportation, and Non-major funds & Fiduciary funds)**



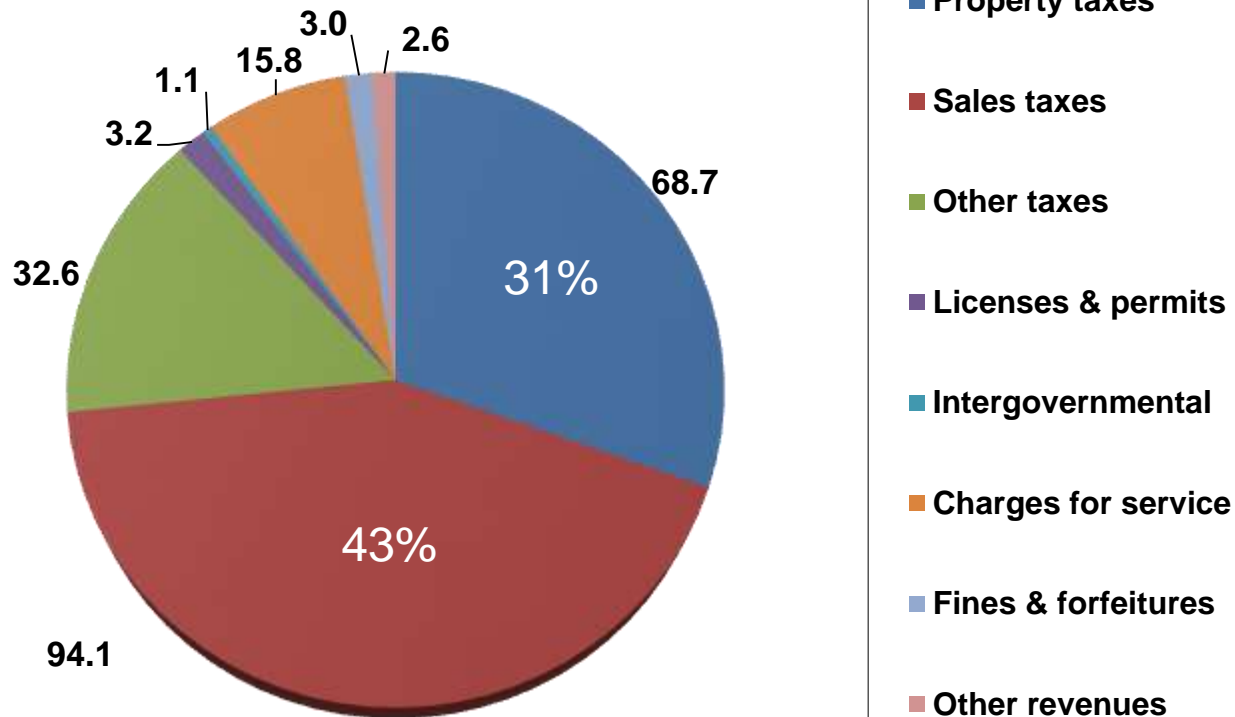
Entity-Wide Financial Statements

	<u>Primary Gov</u>	+ <u>Comp Units</u>	+ <u>Fiduciaries</u>	= <u>Combined</u>
• Assets	\$911 million	\$892 million	\$625 million	\$2.4 billion
• Capital Assets	\$548 million	\$680 million	Not Applicable	\$1.2 billion
• Liabilities	\$485 million	\$367 million	\$4 million	\$856 million
• Net Position	\$426 million	\$525 million	\$621 million	\$1.6 billion
• Revenues	\$323 million	\$180 million	\$374 million	\$877 million
• Expenses	\$292 million	\$153 million	\$260 million	\$705 million
• Change	\$31 million	\$27 million	\$114 million	\$172 million



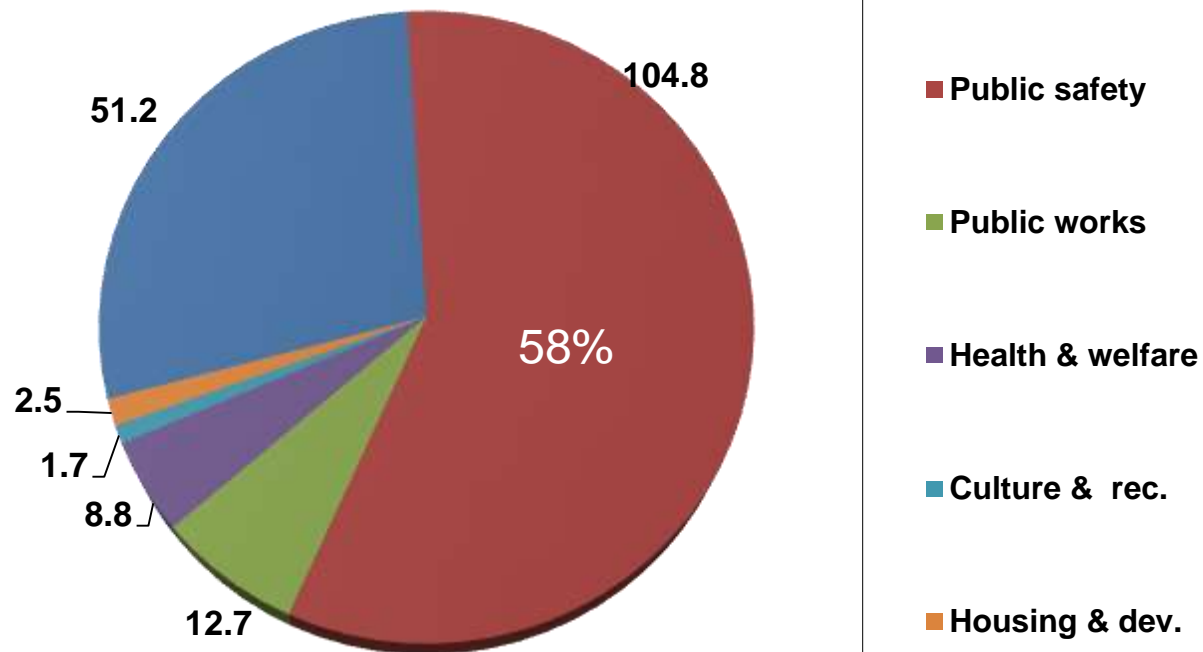
General Fund Financial Statements

General Fund Revenues (in Thousands)



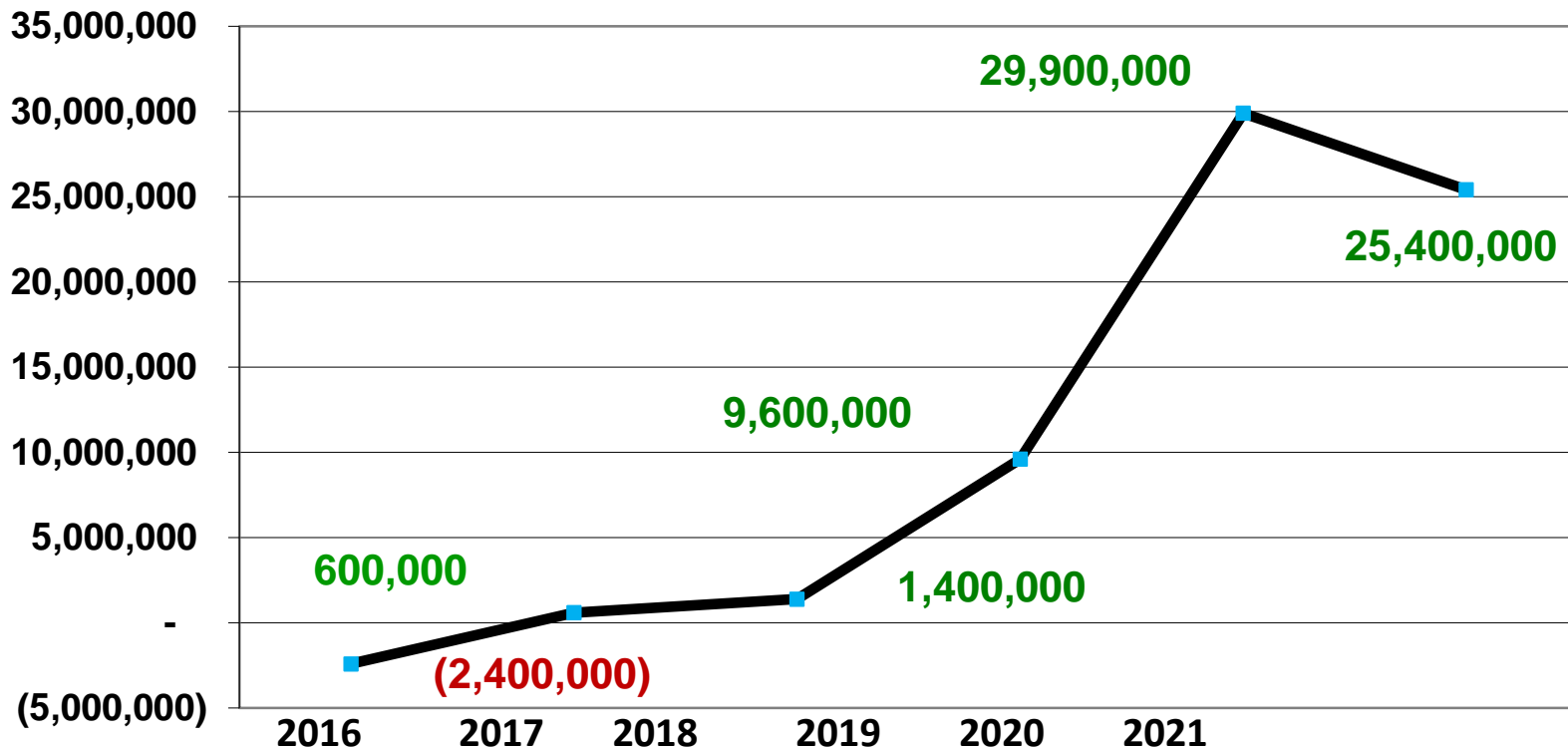
General Fund Financial Statements

General Fund Expenditures (in Thousands)



General Fund Financial Statements

Net Change in Fund Balance (2016 Thru 2021)



General Fund Financial Statements

The following is the relative percentage of fund balance as compared to annual expenditures as of June 30, 2021:

\$110,000,000 = 60% = 220 Days = 7 Months

Important to reflect that fund balance does not always equate to cash & investments. Fund balance is simply the difference in all assets and all liabilities.

Cash and investments amount to ~\$104,100,000 and are simply components of this equation = **209 Days**.



Other Funds and Footnotes

- **Special Revenue Funds**
- **Debt Service Fund**
- **Capital Projects Funds**
- **Permanent Funds**
- **Enterprise Funds**
- **Internal Service Funds**
- **Fiduciary Funds**

Footnotes provide greater insight into the numbers



Compliance Reports, Scopes & Req. Communications

Yellow Book Report

Report on general internal controls and compliance with laws and regulations

Single Audit Report

Report on compliance and controls regarding the Federal Award programs tested

Required Communications

No matters noted for greater communication to Commission



Management Points = Recommendations

- 1) Tax Commissioner – Balancing of Accounts – Shortage of funds due to bad checks received by office and unbudgeted service charges.**
- 2) Superior Court, Probate Court, and Sheriff’s Office – Offices hold more cash than related liabilities.**
- 3) Magistrate Court, Probate Court, and Municipal Court – Various Segregation of Duties.**
- 4) Pooled Cash Reconciliation – Segregation of Duties and Timely Preparation Needed.**
- 5) Real Estate Transfer Tax and Intangible Tax – Taxes distributed incorrectly resulting in approx. \$873 owed to MCSD.**



New Standards for Reporting

- **6-30-22 - Leases (as Lessor and Lessee)**
- **6-30-22 - Interest Costs During Construction**
- **6-30-22 - Reporting IRC Section 457 Deferred Comp Plans**

- **6-30-23 - Conduit Debt Obligations**
- **6-30-23 - Public / Private and Public / Public Partnerships.**
- **6-30-23 - Subscription Based Information Technology**

Other Projects

- **Re-examining financial reporting model**
- **Revenue and Expense Recognition**



Newsletters, Free Continuing Ed., Closing

Newsletters

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Free Continuing Education

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Closing

Thank, Questions, Thoughts.

