



City of Fair Oaks Ranch Audit Report



Fiscal Year Ended
September 30, 2023

Summer Fleming, Director of Finance

Michael Del Toro, Managing Partner, ABIP



Audit Process

- August – November
 - Auditor review of internal processes and policies
 - Interviews with key personnel
 - Data testing
- November – January
 - Review year-end financials for recording accuracy
 - Review asset additions and deletions
 - Implementation of GASB 96 (new in FY 2023)
- February
 - ACFR creation



Important Notes

- Annual Comprehensive Financial Report (ACFR) does not reflect information identical to the budget
- Government Finance Officers Association (GFOA) and Government Accounting Standards Board (GASB) set guidelines for ACFR presentation
- Financials in ACFR include fund groupings larger than the budget
 - Government-wide activity includes all City funds
 - Business-type activity includes all enterprise funds



Important Notes continued

- ACFR includes items not seen in the budget
 - Long-term payables such as GASB 87 and GASB 96 leases
 - Depreciation
 - Pension and OPEB liabilities
 - Outstanding expense to include long-term leases, debt, etc.
- Audit Committee has met to review the final report



Council Action

- Receive Management Letter from Audit Firm
- Motion to accept the audited Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023