



**HINTONBURDICK**  
CPAs & ADVISORS

# Hildale City, Utah Fiscal Year 2023 Audit Presentation

Presented April 10, 2024

By HintonBurdick CPAs & Advisors

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# Financial Audit

- “Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, ... Misstatements are considered material if there is a substantial likelihood that, individually, or in aggregate, they would influence the judgement made by a reasonable user based on the financial statements.”
- We conducted our audit in accordance with
  - auditing standards generally accepted in the United States of America
  - and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States

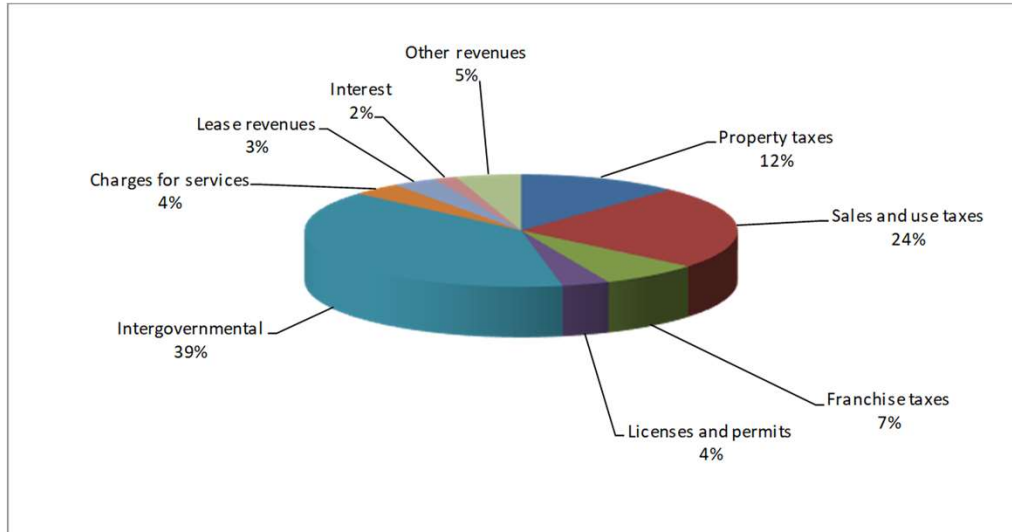
# Financial Audit

- **Internal Controls**
  - Understanding
  - Operating effectiveness
- **Financial Statements**
  - Testing
  - Confirmations
  - Supporting Documentation
  - Analytics
- **Findings**
  - Communicated to management and to those charged with governance.
  - Material weaknesses and significant deficiencies
  - Other items

# Audit Reports

- **Independent Auditors Report (pg. 1-3).**
  - Unmodified or “clean opinion”
- **Report on Compliance and on Internal Control over Financial Reporting (pg. 53-54).**
  - Any material weaknesses and significant deficiencies noted during the audit are listed in this report.
  - 2023-001 Reconciliation of Balances to Supporting Ledgers and Information
  - 2022-001 Documentation and Availability of Information
  - 2007-002 Capital and Other Assets – Accounting and Controls
  - 2007-004 Segregation of Duties
- **State Compliance Report (pg. 55-56).**
  - Unmodified or “clean opinion”

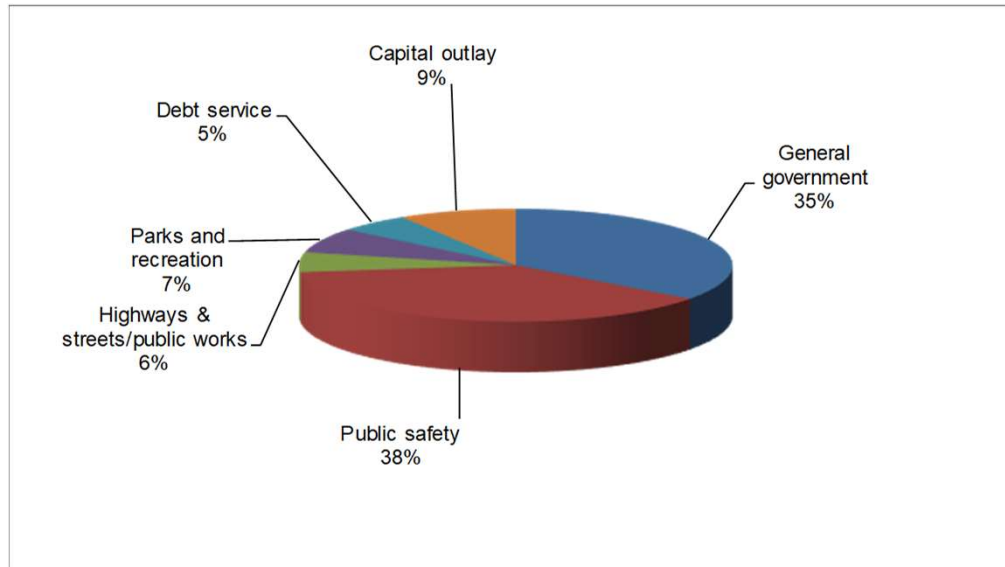
# General Fund



## REVENUES:

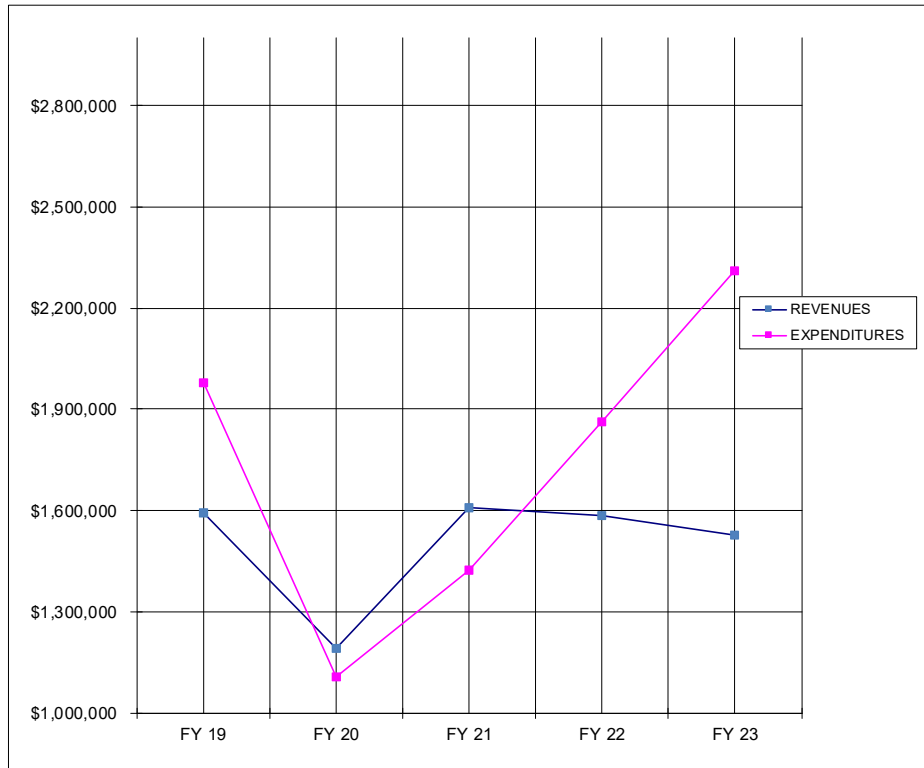
	<u>FY 23</u>	<u>FY 22</u>
Property taxes	\$ 184,152	\$ 211,703
Sales and use taxes	365,598	357,796
Franchise taxes	112,798	87,507
Licenses and permits	54,151	51,034
Intergovernmental	602,689	633,327
Charges for services	56,317	146,841
Lease revenues	50,523	38,104
Interest	26,134	16,489
Other revenues	<u>74,575</u>	<u>42,313</u>
<b>Total Revenues</b>	<b><u>\$ 1,526,937</u></b>	<b><u>\$1,585,114</u></b>

# General Fund



EXPENDITURES:	<u>FY 23</u>	<u>FY 22</u>
General government	\$ 813,596	\$ 683,493
Public safety	873,214	279,609
Highways & streets/public works	131,161	147,980
Parks and recreation	165,847	123,244
Debt service	123,617	123,461
Capital outlay	203,718	488,845
<b>Total Expenditures</b>	<b><u>\$ 2,311,153</u></b>	<b><u>\$ 1,846,632</u></b>

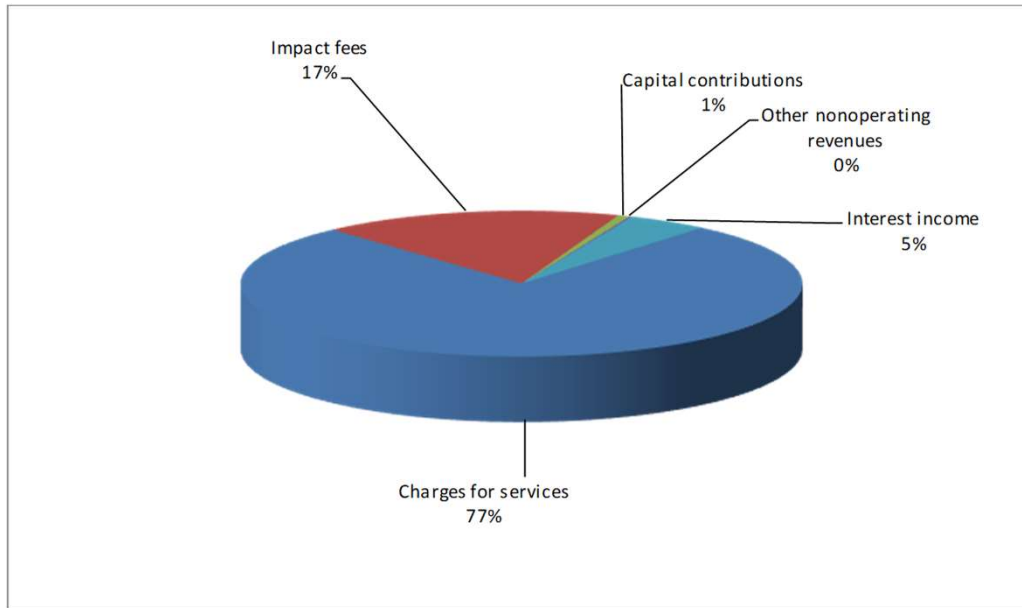
# General Fund



YEAR ENDED:	REVENUES	EXPENDITURES
FY 19	\$ 1,593,564	\$ 1,979,045
FY 20	1,192,852	1,106,096
FY 21	1,610,036	1,424,046
FY 22	1,585,114	1,861,615
FY 23	1,526,937	2,311,153

The General Fund shows expenses in excess of revenues for 3 of the last 5 years. The General Fund is reported on the modified accrual basis which does not reflect long-term debt or capital assets.

# Sewer Fund

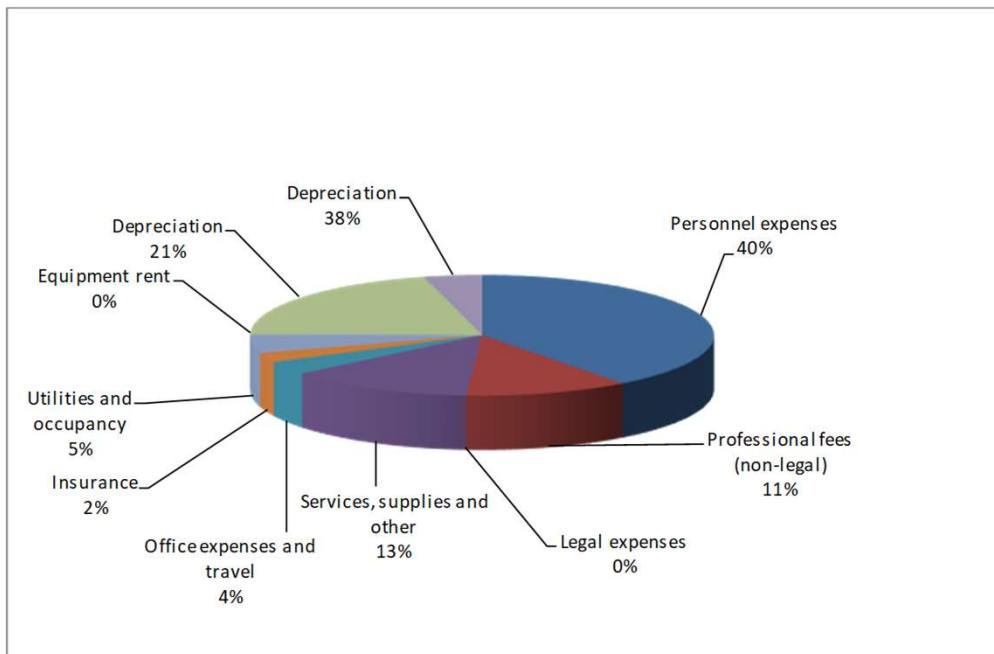


## REVENUES:

	<u>FY 23</u>	<u>FY 22</u>
Charges for services	\$ 997,587	\$ 957,772
Impact fees	224,525	339,791
Capital contributions	8,880	9,524
Other nonoperating revenues	1,900	-
Interest income	60,302	7,313
<b>Total Revenues</b>	<b><u>\$ 1,293,194</u></b>	<b><u>\$ 1,314,400</u></b>



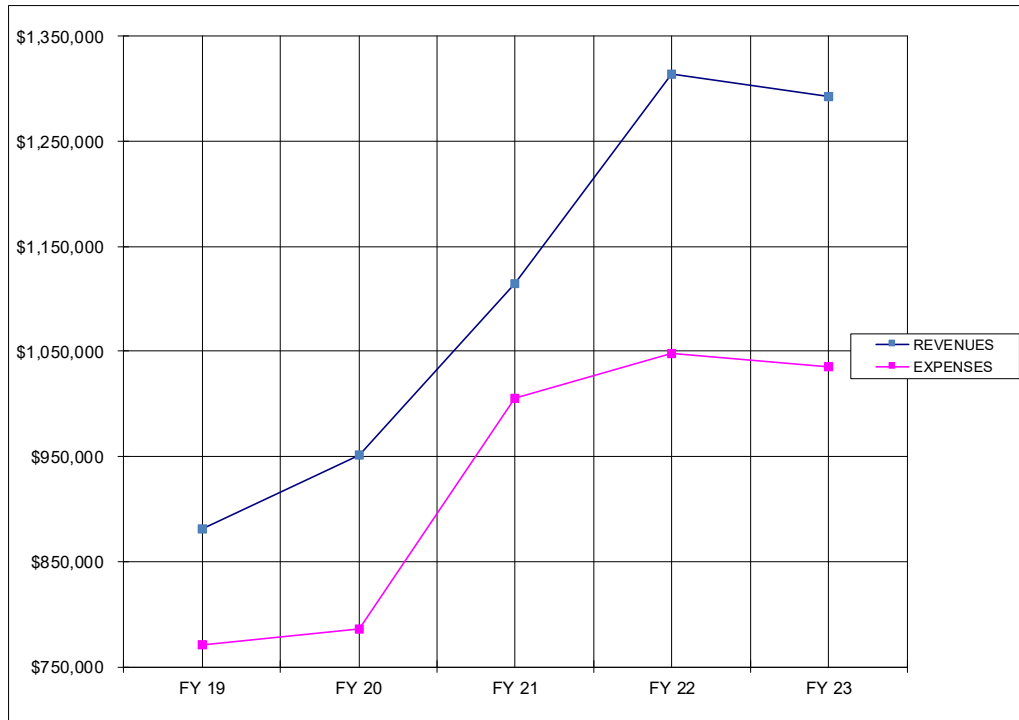
# Sewer Fund



## EXPENSES:

	<u>FY 23</u>	<u>FY 22</u>
Personnel expenses	\$ 410,691	\$ 376,455
Professional fees (non-legal)	118,391	50,404
Legal expenses	-	98
Services, supplies and other	134,796	236,089
Office expenses and travel	37,157	37,303
Insurance	26,364	53,256
Utilities and occupancy	50,863	27,648
Equipment rent	-	14,937
Depreciation	215,043	208,904
Interest expense/fiscal charges	42,146	43,111
<b>Total Expenses</b>	<b><u>\$ 1,035,451</u></b>	<b><u>\$ 1,048,205</u></b>

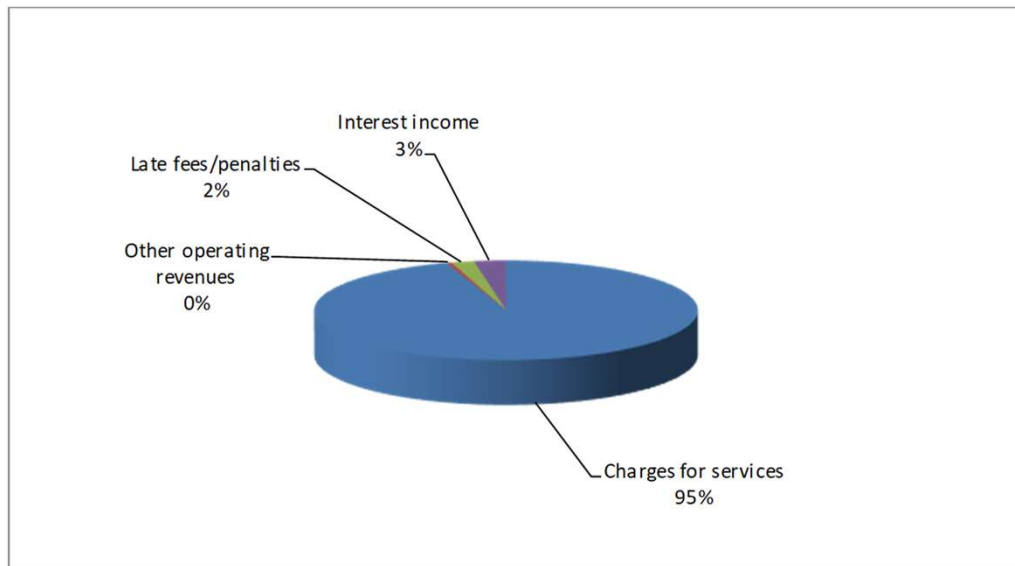
# Sewer Fund



YEAR ENDED:	REVENUES	EXPENSES
FY 19	\$ 880,873	\$ 771,221
FY 20	951,705	785,633
FY 21	1,114,358	1,005,125
FY 22	1,314,400	1,048,205
FY 23	1,293,194	1,035,451
	<u>\$ 5,554,530</u>	<u>\$ 4,645,635</u>

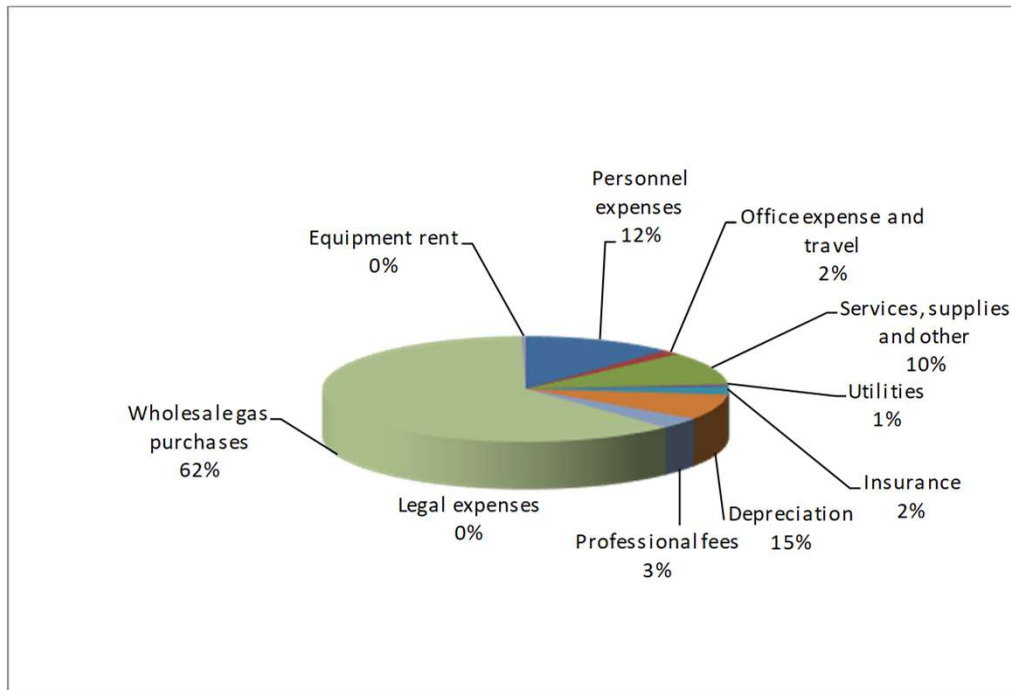
The Sewer Fund shows revenues in excess of expenses in each of the last 5 years. The Sewer Fund is reported on the full accrual basis, as a business-like activity.

# Gas Department



REVENUES:	<u>FY 23</u>	<u>FY 22</u>
Charges for services	\$1,489,572	\$1,124,696
Other operating revenues	6,425	5,895
Late fees/penalties	30,493	19,598
Interest income	<u>42,228</u>	<u>8,346</u>
<b>Total Revenues</b>	<b><u>\$1,568,718</u></b>	<b><u>\$1,158,535</u></b>

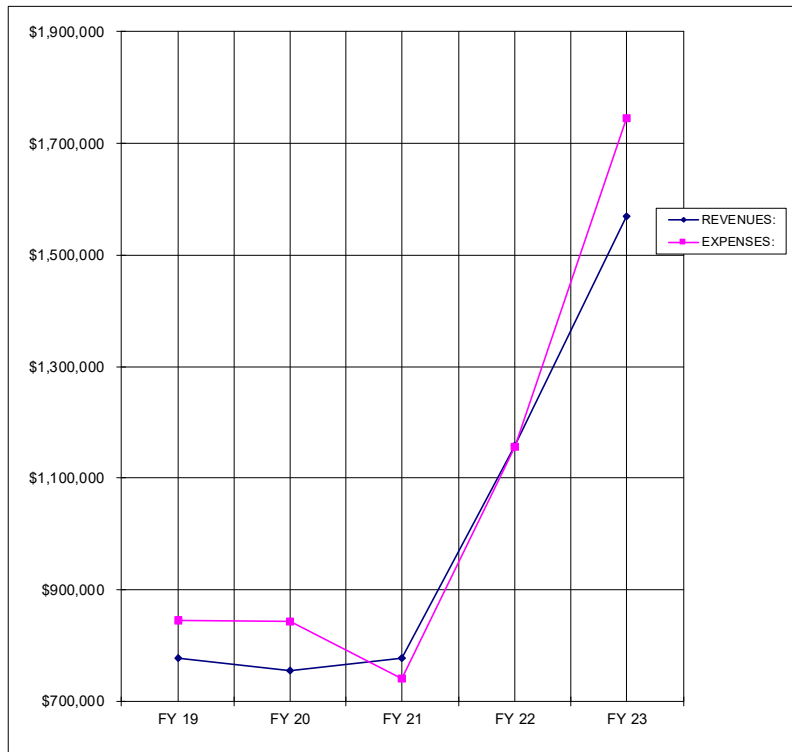
# Gas Department



## EXPENSES:

	<u>FY 23</u>	<u>FY 22</u>
Personnel expenses	\$ 210,356	\$ 130,681
Office expense and travel	25,832	14,302
Services, supplies and other	176,555	120,950
Utilities	11,500	5,798
Insurance	42,811	19,706
Depreciation	136,075	135,017
Professional fees	59,321	15,421
Legal expenses	-	98
Wholesale gas purchases	1,077,851	704,649
Equipment rent	<u>5,641</u>	<u>8,678</u>
Total Expenses	<u>\$ 1,745,942</u>	<u>\$ 1,155,300</u>

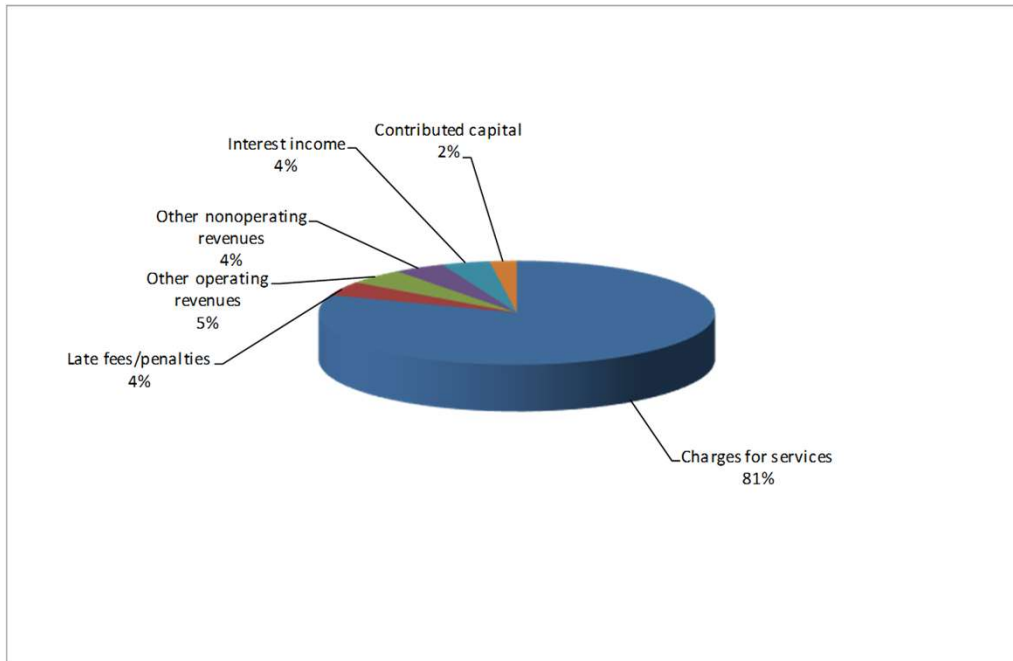
# Gas Department



YEAR ENDED:	REVENUES:	EXPENSES:
FY 19	\$ 776,224	\$ 845,217
FY 20	755,394	842,398
FY 21	776,769	740,537
FY 22	1,158,535	1,155,300
FY 23	1,568,718	1,745,942

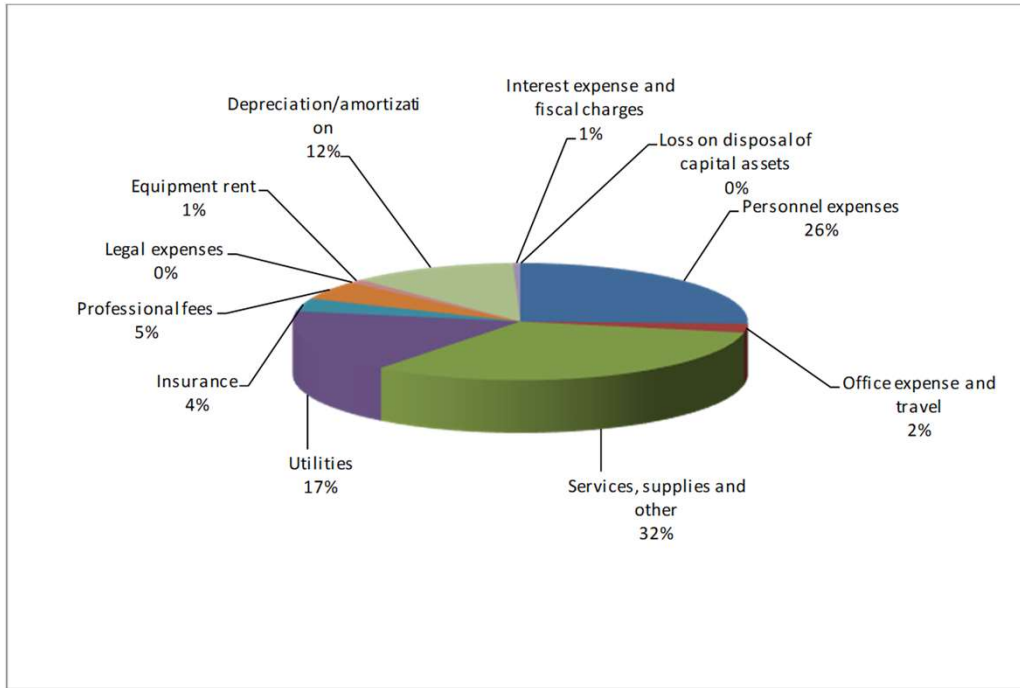
The Gas Department shows revenues in excess of expenses in 2 of the last 5 years. The Gas Department is reported on the full accrual basis, as a business-like activity.

# Water Department



REVENUES:	<u>FY 23</u>	<u>FY 22</u>
Charges for services	\$ 857,276	\$ 1,031,837
Late fees/penalties	46,797	45,382
Other operating revenues	50,672	25,213
Other nonoperating revenues	44,420	71,748
Interest income	41,975	4,174
Contributed capital	23,676	80,226
<b>Total Revenues</b>	<b><u>\$ 1,064,816</u></b>	<b><u>\$ 1,258,580</u></b>

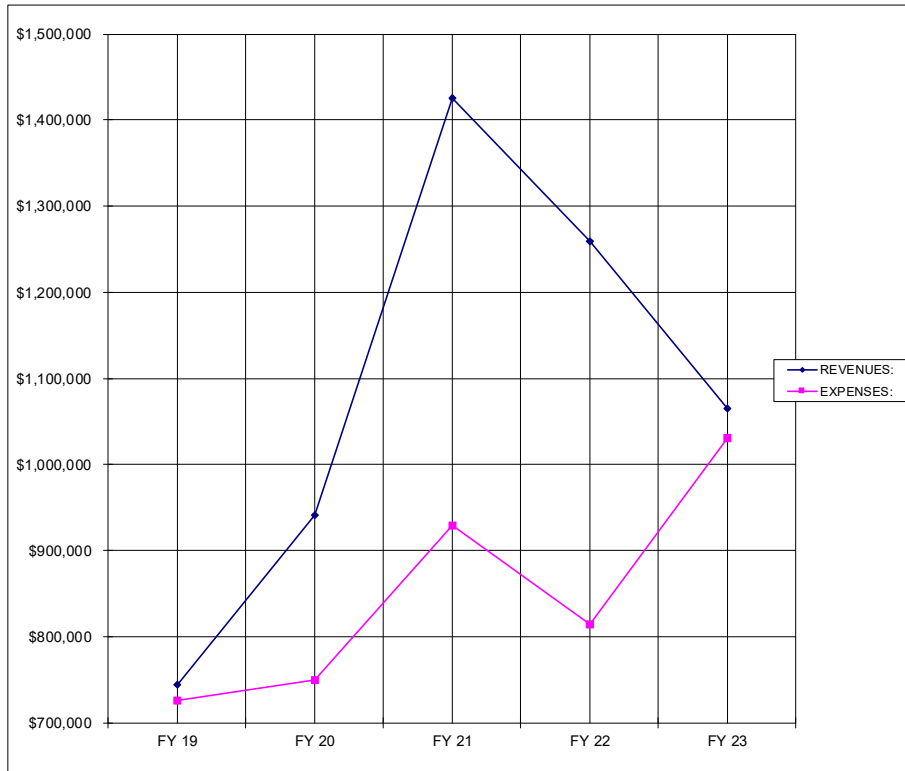
# Water Department



## EXPENSES:

	FY 23	FY 22
Personnel expenses	\$ 309,202	\$ 207,924
Office expense and travel	31,694	20,415
Services, supplies and other	306,587	263,664
Utilities	135,729	141,589
Insurance	19,775	29,140
Professional fees	118,093	42,378
Legal expenses	-	98
Equipment rent	-	8,173
Depreciation/amortization	106,810	96,441
Interest expense and fiscal charges	3,309	4,191
<b>Total Expenses</b>	<b><u>\$ 1,031,199</u></b>	<b><u>\$ 814,013</u></b>

# Water Department



YEAR ENDED:	REVENUES:	EXPENSES:
FY 19	\$ 744,746	\$ 726,228
FY 20	941,059	749,130
FY 21	1,425,725	928,941
FY 22	1,258,580	814,013
FY 23	1,064,816	1,031,199

The Water Department shows revenues in excess of expenses in each of the last 5 years. The Water Department is reported on the full accrual basis, as a business-like activity.



# Questions?

- Please contact R. McKay Hall
  - Phone: 888-566-1277 x272
- Email: [mhall@hintonburdick.com](mailto:mhall@hintonburdick.com)

# Thank You!

- Thank you for the opportunity to work with the City.
- An audit can take additional time and effort above and beyond the normal work load, and we want to thank all those who assisted us with this year's audit.