

# City of Sandy, Oregon

*AUDIT RESULTS  
FOR THE YEAR ENDED JUNE 30, 2025*

*JANUARY 20, 2026*



# The Audit

- Remote audit
- Fieldwork – Interim July; final September-November
- City expended \$5.2M in federal funding – audited 3 major programs
- Issued Annual Comprehensive Financial Report and URA Report in December; issued Single Audit Report in January
- Implemented two GASB standards:
  - Statement No. 101, *Compensated Absences*
  - Statement No. 102, *Certain Risk Disclosures*

# *Audit Results and Reporting*

## ► **City of Sandy**

- ✓ **Independent Auditor's Report - Unmodified opinion – December 26, 2025**
  - Financial statements are presented fairly in accordance with U.S. GAAP
- ✓ **Management's Discussion and Analysis**
- ✓ **Basic Financial Statements**
  - Positive net positions for both governmental and business-type activities
- **Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon State Regulations**
  - Over expenditures in the Telecommunications and Urban Renewal Agency Funds
  - Supplemental Budget approved in a meeting without public notice which is not in compliance with Oregon Revised Statute 294.471

# Urban Renewal Agency

- ✓ **Independent Auditor's Report - Unmodified opinion - December 26, 2025**
  - Financial statements are presented fairly in accordance with U.S. GAAP
- ✓ **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***
  - ❖ No Significant Deficiencies or Material Weaknesses identified
- ▶ **Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Oregon State Regulations**
  - ▶ Over expenditure in the General Fund
  - ▶ No public notice for June 16, 2025 Supplemental Budget meeting which is not in compliance with ORS 294.471
  - ▶ No Significant Deficiencies or Material Weaknesses identified

# City Single Audit Reports

- ✓ **Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* – Unmodified opinion**
  - ❖ 3 Material Weaknesses – Debt, Capital Assets, and Federal Grant Revenue
- ✓ **Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance - Unmodified opinion**
  - ❖ No Significant Deficiencies or Material Weaknesses
  - ❖ Major Programs: Congressionally Mandated Projects, Water Infrastructure and Innovation, and Formula Grants for Rural Areas and Tribal Transit Program
- ✓ **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**
  - ✓ Fairly presented

# Required Communications

- ✓ New GASBs implemented (GASB 101 and 102)
- ✓ Estimates
- ✓ Six audit adjustments (City)
- ✓ Four uncorrected misstatements (City)
- ✓ No corrected misstatements (URA)
- ✓ One uncorrected misstatement (URA)
- ✓ No difficulties encountered during the audit
- ✓ No disagreements with management
- ✓ Not aware of any consultations with other accountants
- ✓ Recently issued GASB standards – 103 *Financial Reporting Model Improvements*; 104 *Disclosure of Certain Capital Assets*
- ✓ Responsibilities for independence



# *Thank You*

Contact Information:

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