

City of Peoria, Illinois

Audit Closing Discussion



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor



Create Opportunities

Financial Statement Highlights

- Highlights for 2019:
 - Page 1 – Audit Report, Unmodified (Clean) Opinion
 - ◇ Two pension funds and Foreign Fire Insurance Fund audited by other auditors, whom issued unmodified (clean) opinions
 - Page 4 – Management’s Discussion & Analysis

Financial Statement Highlights

- Highlights for 2019 (continued):
 - Page 15 – Government-Wide Statements (full accrual basis)
 - ◇ Assets plus deferred outflows of \$555m, liabilities plus deferred inflows of \$691m, net position of (\$136m) (deficit position)
 - ◇ Change in net position of (\$2.5m) in FY19 and \$8m in FY18

Financial Statement Highlights

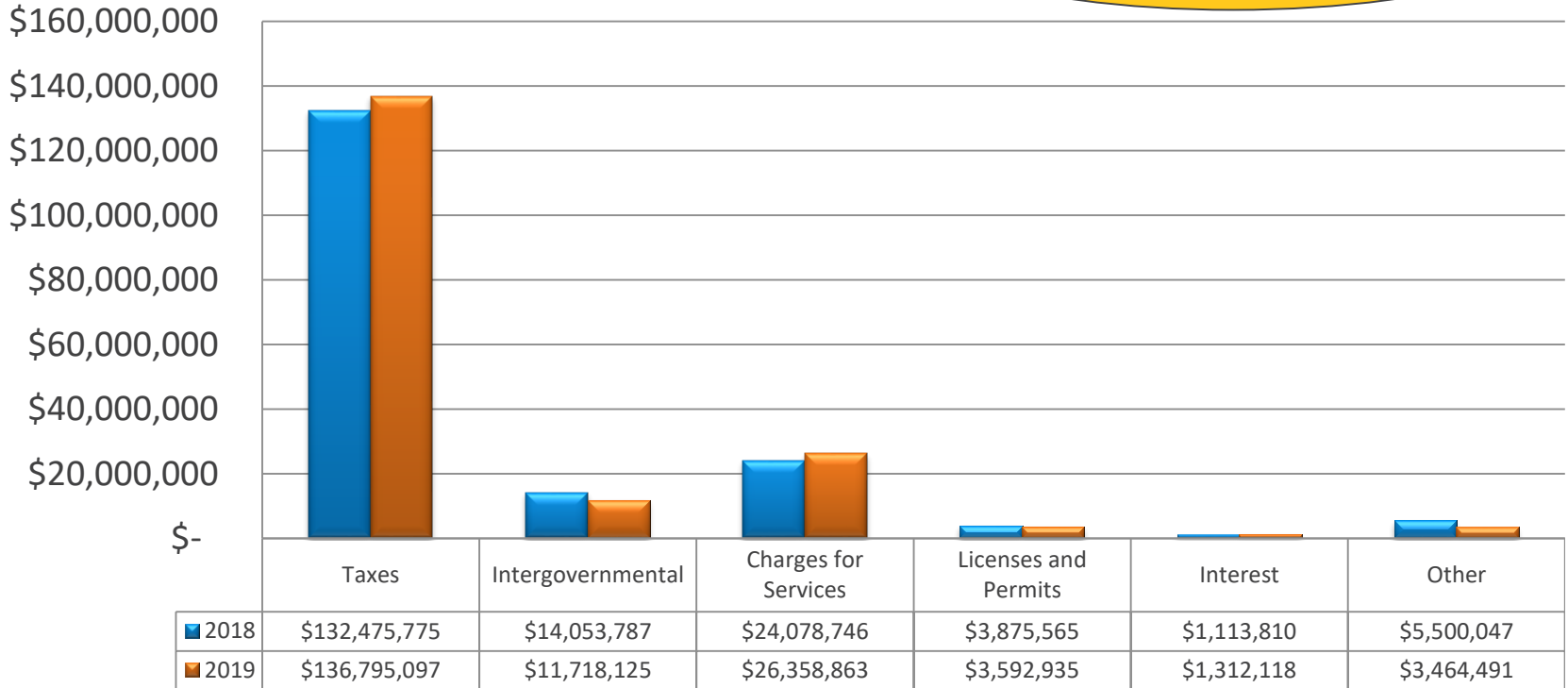
- Highlights for 2019 (continued):
 - Page 19 – Governmental Fund Financial Statements
 - ◇ Major Governmental Funds: General, IMRF, Capital Improvement, Police and Fire Pension Levy
 - ◇ Change in total fund balances of \$27m (\$10m bond refunding) in FY19 and \$8m in FY18

Financial Statement Highlights

- Highlights for 2019 (continued):
 - Page 27 – Proprietary Fund Financial Statements
 - ◇ Storm Water Utility Fund experienced a \$3.7m increase in net position during FY19

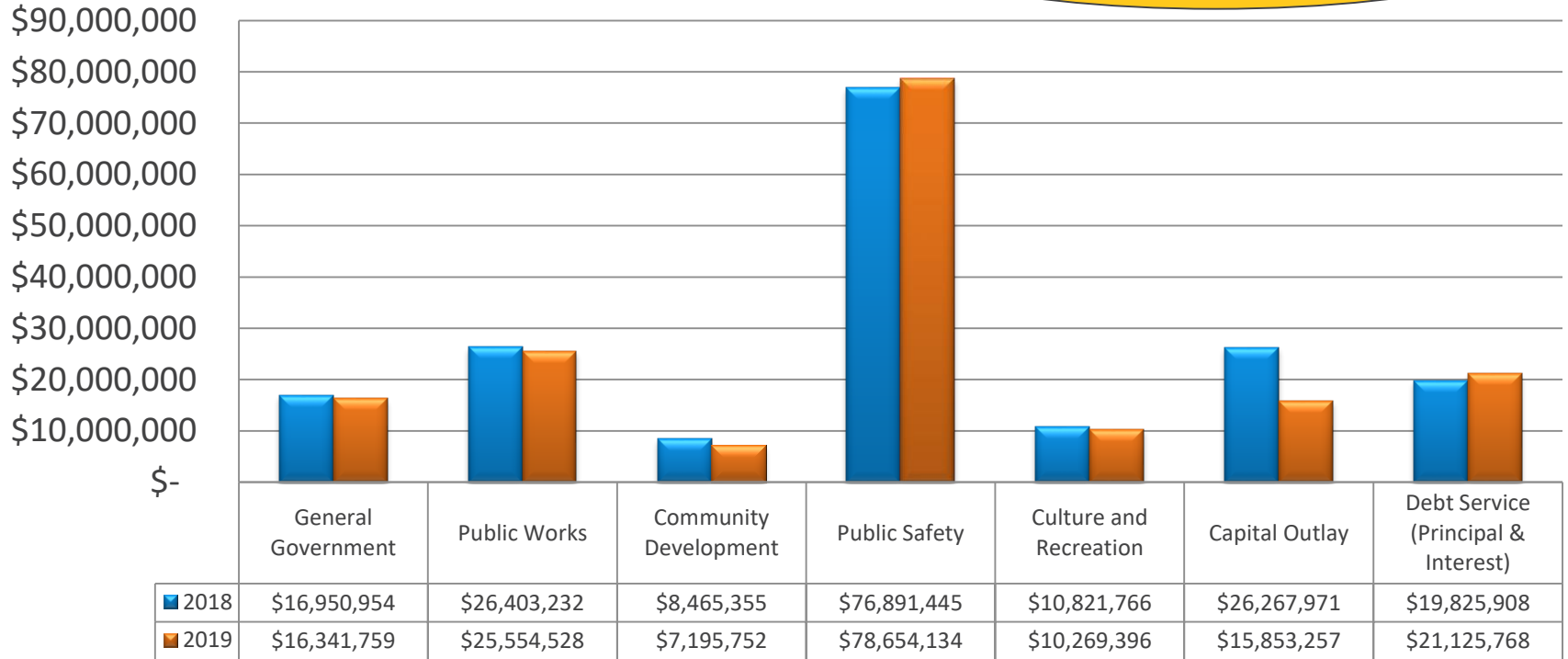
Revenue – Governmental Funds

Multiple tax categories experienced an increase in FY19, the largest being personal property replacement taxes of nearly \$2m. Intergovernmental revenue decreased due to a decline in governmental grants and reimbursements.

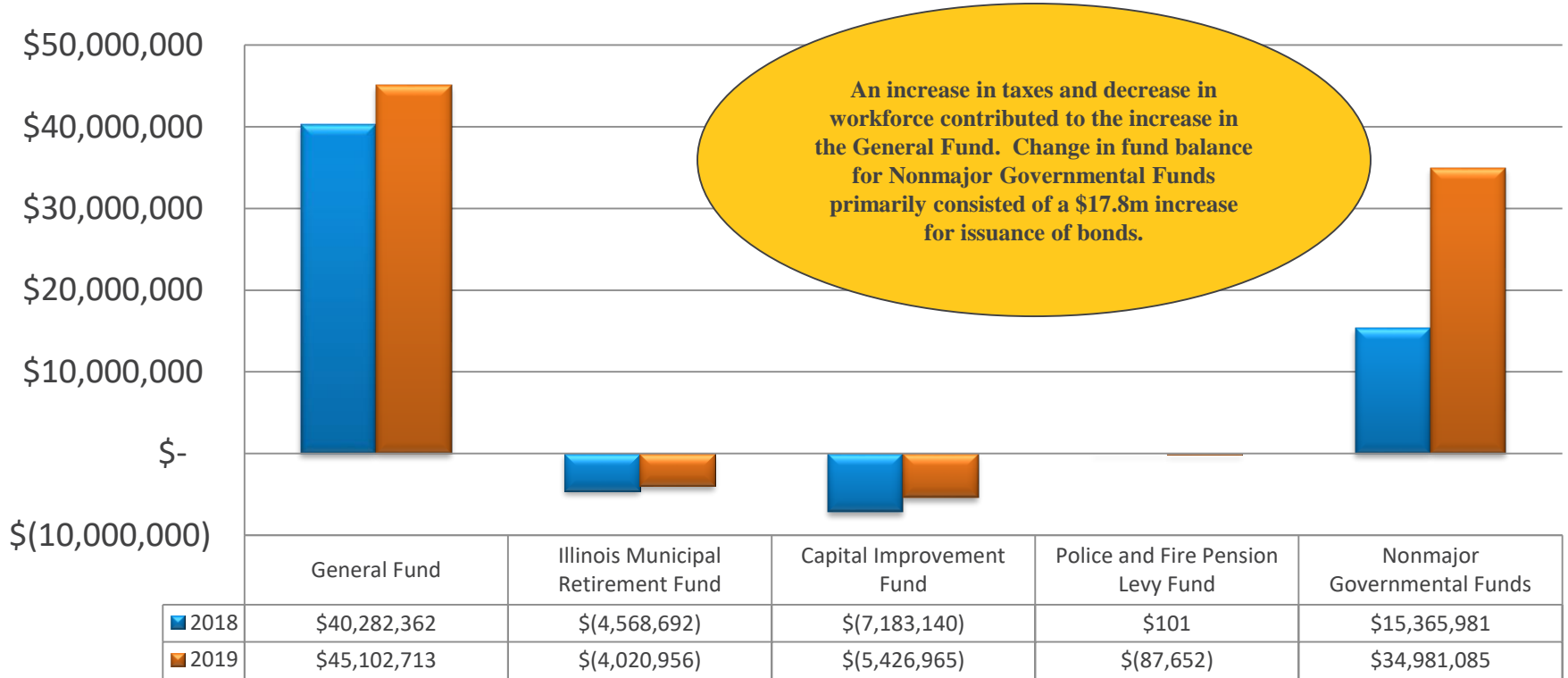


Expenditures by Function - Governmental Funds

The largest variance in expense category is capital outlay, due to the decrease in major road and bridge projects in FY19.



Fund Balances – Governmental Funds



Single Audit Report

- Unmodified (Clean) Opinion & No federal findings
- Material Weaknesses:
 - Audit Adjustments
 - ◇ Most adjustments were to assist in converting modified accrual to full accrual

Management Letter (other deficiencies)

– Census Data Testing

- ◇ During census data testing, 1 of 22 individuals tested in the police pension and 1 out of 22 individuals tested in the fire pension had an incorrect hire date reported in the DOI report.

Management Letter (other deficiencies)

- Depreciation Expense
 - ◇ During recalculation of depreciation expense for a sample of capital assets, we identified several assets in the City's system were calculated incorrectly during the transition to the new software.

Governance Letter

- No changes in accounting policies, disagreements with management, or significant difficulties encountered during the audit.



Adam Pulley, CPA
Principal
adam.pulley@claconnect.com

Justin Knorr, CPA
Director
Justin.knorr@claconnect.com

