

City of West Allis, Wisconsin Audit Results

Presentation to the Finance Committee
October 6th, 2020



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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



Create Opportunities

Agenda

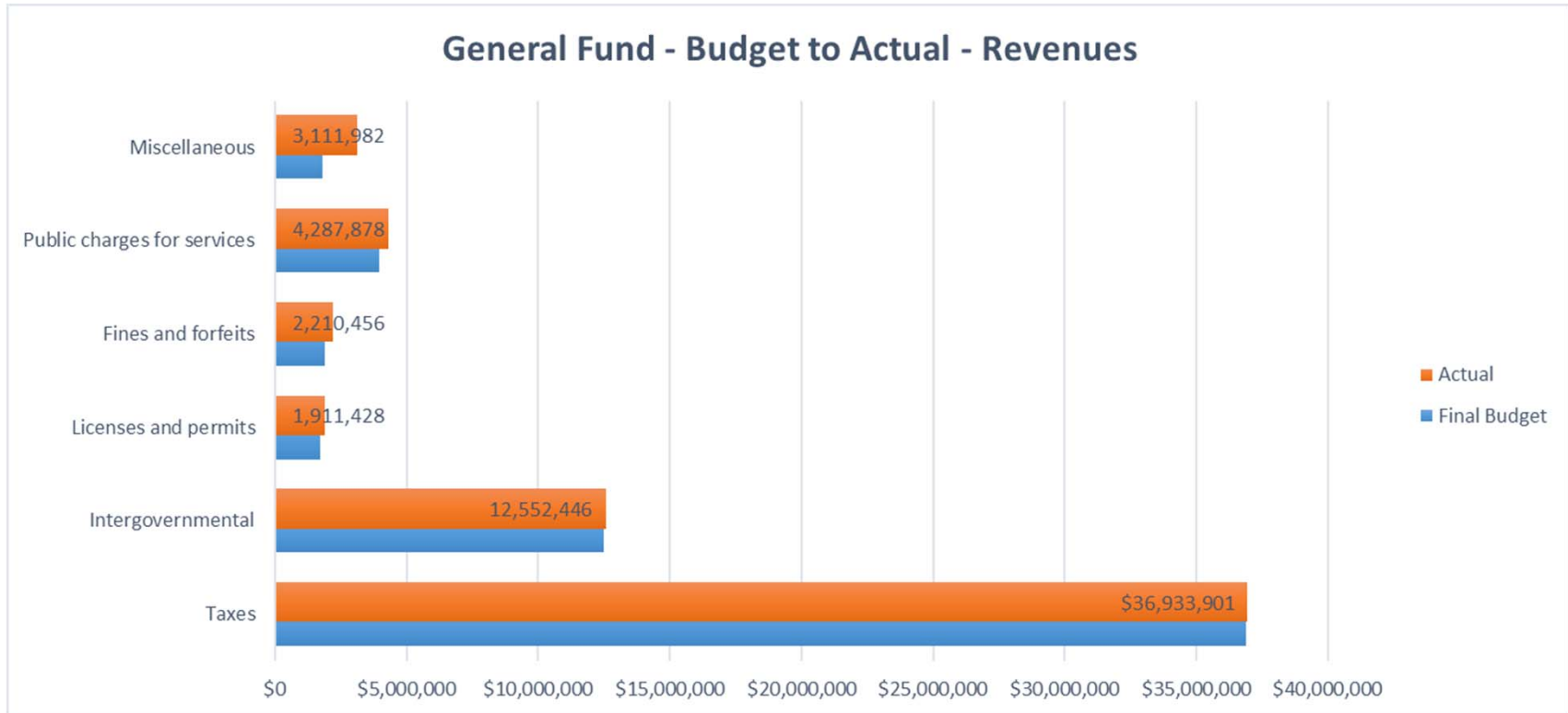
- Independent Auditors' Report
- General Fund Budget
- General Fund – Fund Balance
- Deficit Fund Balances
- Governance Communication
- Recommendations and Management Letter
- Questions

Independent Auditors' Report

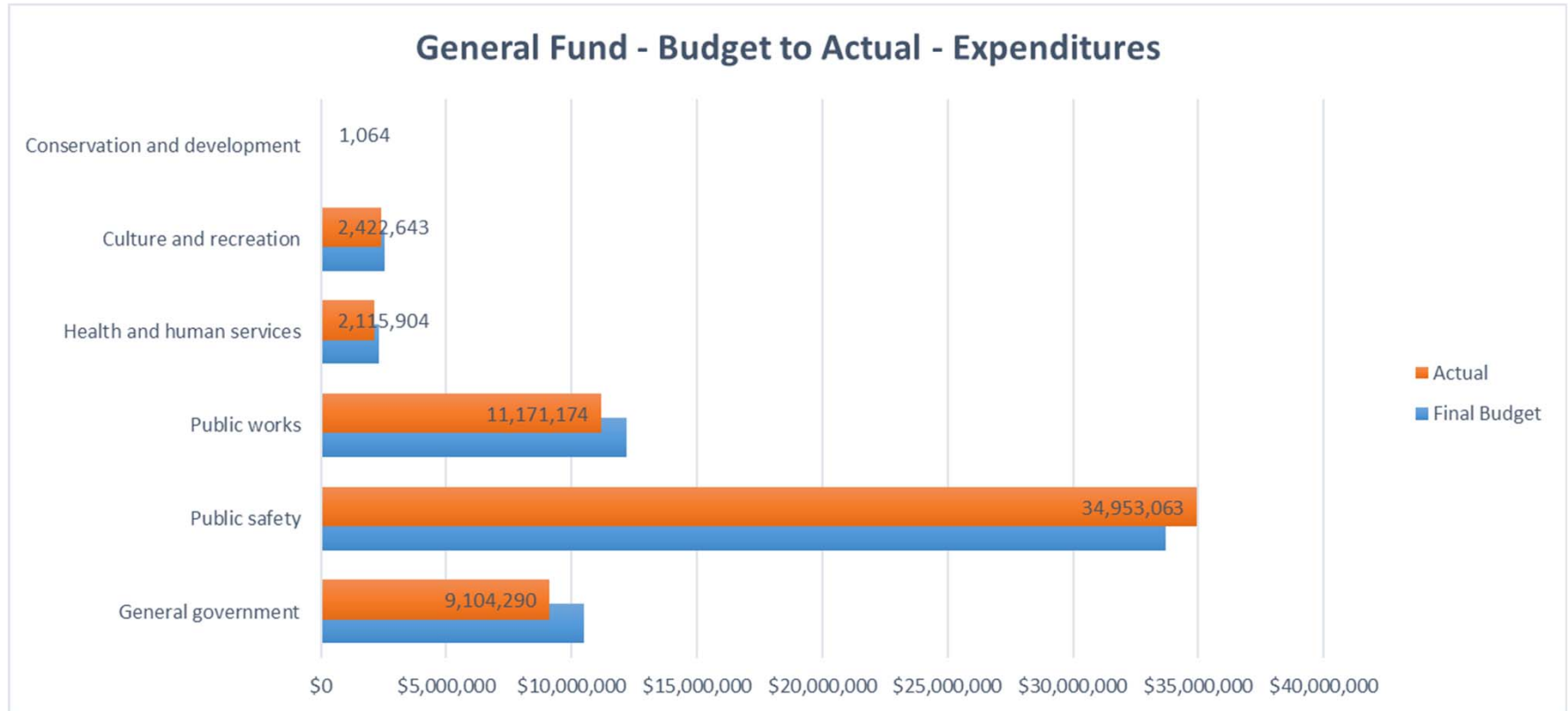
- Performed an audit of the following:
 - Governmental Activities
 - Business-type Activities
 - Each Major Fund
 - Aggregate Remaining Information
- Made reference to FIRE financial statements as included in the audit report.
- Unmodified (“Clean”) Opinion



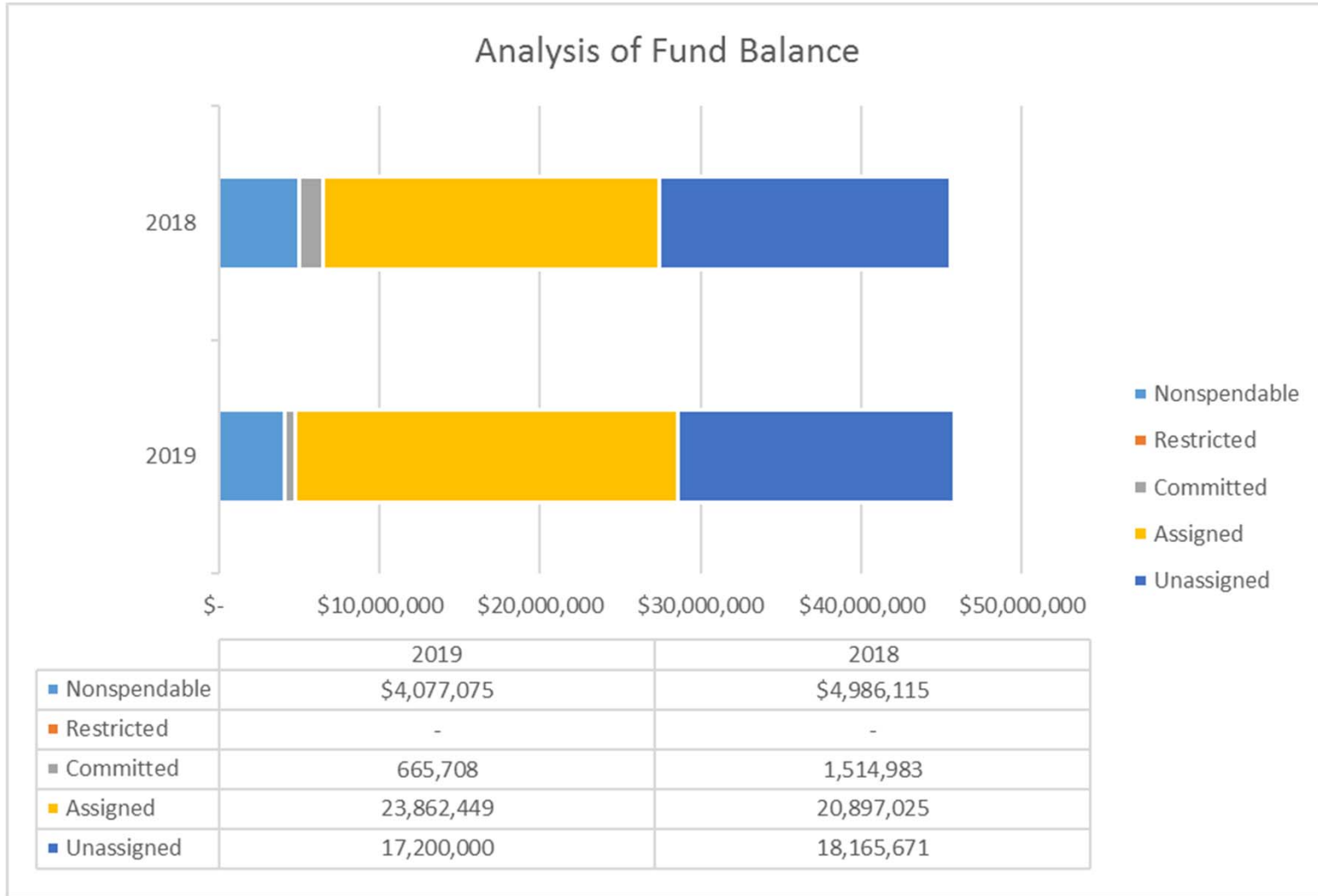
General Fund Budget



General Fund Budget (Con't)



General Fund – Fund Balance



Deficit Fund Balances

<u>Fund</u>	<u>Deficit</u>
Block Grant	\$ (365)
Public Works Improvement	(1,713,769)
Tax Incremental District No. 5	(189,289)
Tax Incremental District No. 6	(1,017,332)
Tax Incremental District No. 10	(724,730)
Tax Incremental District No. 11	(1,193,515)
Tax Incremental District No. 12	(74,954)
Tax Incremental District No. 13	(295,140)
Tax Incremental District No. 14	(2,866,185)
Tax Incremental District No. 15	(356,446)
Tax Incremental District No. 16	(65,310)
Tax Incremental District No. 17	(64,840)
Tax Incremental District No. 18	<u>(13,919)</u>
Total Deficit Fund Balance	<u>\$ (8,575,794)</u>



Governance Communication

- Accounting Policies
 - Significant accounting policies included in Note 1
 - No new accounting policies were adopted in 2019
 - No transactions that lacked authoritative guidance



Governance Communication (Con't)

- Accounting Estimates
 - Net OPEB Liability
 - ◇ Retiree Medical Insurance
 - ◇ Local Retiree Life Insurance
 - Net Pension Liability
 - Useful Lives of Capital Assets
 - Allowance for Doubtful Accounts
 - Health Claims Payable and Workers Compensation

Governance Communication (Con't)

- Audit Results
 - No particularly sensitive financial statement disclosures
 - No significant difficulties in performing the audit
 - One uncorrected misstatements
 - ◇ FIRE – Accrued Interest Receivable
 - Two material audit entries
 - ◇ Correct the presentation of the TID loan from FIRE
 - ◇ Record borrowings in the appropriate TID Fund



Governance Communication (Con't)

- Audit Results (Con't)
 - No disagreements with management
 - Management representations
 - No consultations with other accountants
 - No issues in performing our group audit



Recommendations and Management Letter

- Preparation of the financial statements
 - Material weakness, included in the single audit reporting package when complete
 - Result of the auditor preparing the financial statements and the two material audit adjustments
- Best Practice Recommendations
 - Review of Journal Entries
 - Bank Reconciliation Process
 - Documentation of Payroll Review Process
 - Capital Asset Record Keeping







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