

# **CITY OF CLEARWATER, FLORIDA**

**AUDIT PRESENTATION FOR YEAR ENDED SEPTEMBER 30, 2022**

**JUNE 12, 2023**



**CRI** CARR  
RIGGS &  
INGRAM  
CPAs and Advisors

# AUDITORS' REPORTS AND LETTER

- **Independent Auditors' Report on basic financial statements**
  - Unmodified opinion
- **Government Auditing Standards Report**
  - Finding 2022-001 was reported as a significant deficiency over financial reporting related to the carrying amount of liabilities for estimated unpaid claims being overstated in the financial statements. As a result, a correcting adjustment was recorded in the amount of \$741,175 to discount the estimated claim liability at year-end to present value.
- **Single Audit Report**
  - No findings
  - Federal and State programs audited – Coronavirus State and Local Fiscal Recovery Funds (Federal) and State Housing Initiatives Partnership Program (State)

# AUDITORS' REPORTS AND LETTER, cont.

- **Management Letter**

- Finding 2022-001 was reported as a significant deficiency over financial reporting related to the carrying amount of liabilities for estimated unpaid claims being overstated in the financial statements.
- CRI identified a control deficiency related to an understatement of tax revenue during the year for communications services tax revenue.

- **Local Government Investment Policies Report**

- No significant issues noted

# AUDIT RESULTS

- **Two audit adjustments** were proposed and/or recorded by the City as a result of our audit procedures.
  - A decrease in claims payable of \$741,000 to reflect the discounted liability.
  - An increase in Communication Service Taxes of \$366,000 related to the month of September 2022 revenue.
- GASB 87 was implemented during FY 22, our opinion was not modified with respect to the change in the accounting principle.

# OTHER COMMUNICATIONS

- **Significant accounting policies**
  - No significant changes to accounting policies, policies are described in Note 1 of the financial statements
- **Accounting estimates**
  - Receivables allowance, fair value of investments, risk management accruals, pension and OPEB plans, and estimated useful lives of capital assets
- **Significant difficulties encountered in the audit**
  - No significant difficulties in dealing with management
- **Disagreements with management**
  - No disagreements arose during the course of the audit
- **Other findings or issues**
  - None noted
- **Corrected and uncorrected misstatements**
  - None noted
- **Issues discussed with management prior to retention**
  - None noted
- **Internal control deficiencies**
  - None noted other than previously reported

# QUESTIONS?

