



**Audit Committee
Committee Meeting Agenda
September 23, 2021
9:30 AM
Online**

I. Zoom Meeting Information

Due to extreme circumstances regarding the COVID-19 pandemic, this meeting will be held online only. Members of the public may access live audio and/or video at the following link:

<https://us02web.zoom.us/j/85259987654>

Meeting ID: 852 5998 7654 Phone: 1-312-626-6799

II. Call to Order

III. Approve Agenda

IV. Approve Minutes

Approval of December 1, 2020 Audit Committee Meeting Minutes

V. Old Business

VI. New Business

Election of Chair and Vice Chair

Discussion of Preliminary Audit

VII. Adjournment



**Audit Committee
Committee Meeting Minutes
December 1, 2020
1:00 PM
Online Meeting
300 N New Ballas Rd**

I. Zoom Meeting Information

Due to extreme circumstances regarding the COVID-19 pandemic, this meeting will be held online only. Members of the public may access live audio and/or video at the following link:

<https://us02web.zoom.us/j/84121905679>

Meeting ID: 841 2190 5679 Phone: 1-301-715-8592

II. Call to Order

Robert Hoffman	Chair	
Dan Tierney	Committee Member	(Absent)
Heather Silverman	Vice-Chair	
Marjorie Richter	Committee Member	
Cynthia Jordan	Committee Member	
Lori Obermoeller	Director of Finance	
Peter Kim	Finance Manager	
Mark Perkins	City Administrator	
James Torti	Auditor	
Steven Tripi	Auditor	

III. Approve Agenda

Motion to Approve the Agenda

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Heather Silverman, Vice-Chair
SECONDER:	Marjorie Richter, Committee Member
AYES:	Hoffman, Silverman, Richter, Jordan
ABSENT:	Tierney

IV. Approve Minutes

Approval of September 25, 2020 Audit Committee Meeting Minutes

Motion to Approve the Minutes

Minutes Acceptance: Minutes of Dec 1, 2020 1:00 PM (Approve Minutes)



**Audit Committee
Committee Meeting Minutes
December 1, 2020
1:00 PM
Online Meeting
300 N New Ballas Rd**

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Heather Silverman, Vice-Chair
SECONDER:	Marjorie Richter, Committee Member
AYES:	Hoffman, Silverman, Richter, Jordan
ABSENT:	Tierney

V. Old Business

VI. New Business

Review Draft CAFR

Finance Director Lori Obermoeller introduced the auditors Jim Torti and Steve Tripi and asked the newest auditor, Steve Tripi, to briefly state his background. Once he was finished, Steve went over the audit. Steve mentioned that there were 2 comments from the previous year. The first one was in regards to GASB 87 (Leases), which the deadline was extended another year. The second comment was in regards to segregation of duties with the financial accounting system, which has been resolved and is no longer an issue. Steve thanked the staff for their cooperation and stated that the City was well organized.

Report to Audit Committee and Report on Internal Controls

VII. Adjournment

Motion to Adjourn

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Marjorie Richter, Committee Member
SECONDER:	Heather Silverman, Vice-Chair
AYES:	Hoffman, Silverman, Richter, Jordan
ABSENT:	Tierney

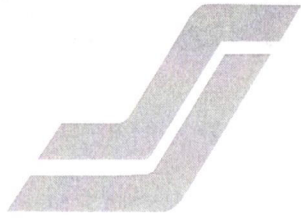
Minutes Acceptance: Minutes of Dec 1, 2020 1:00 PM (Approve Minutes)

CITY OF CREVE COEUR, MISSOURI

Audit Committee Presentation
Audit for Year Ended June 30, 2021
September 23, 2021

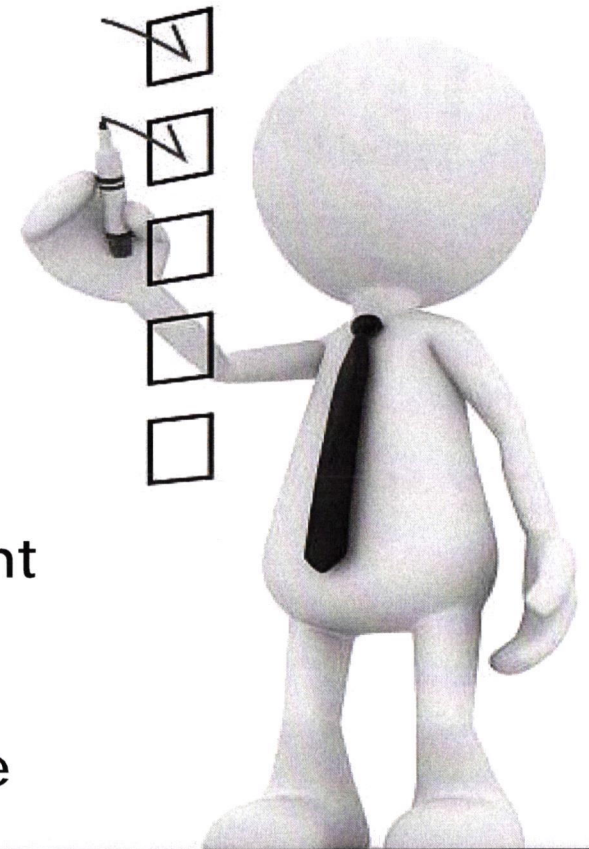


SCHOWALTER & JABOURI, P.C.
Certified Public Accountants & Advisors



OUTLINE

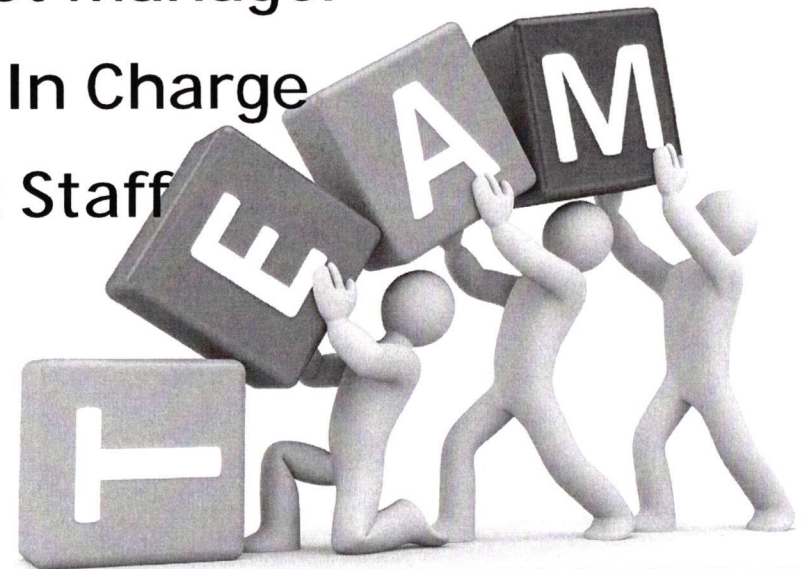
- Audit Team
- Roles and Responsibilities
- Scope of Services
- Timeline
- Review of the Audit Process
- Areas of Audit Emphasis
- Fraud Considerations
- Independence Requirements
- Significant New and Emerging Accounting Pronouncements – Current Year
- Significant New and Emerging Accounting Pronouncements – Future Years





AUDIT TEAM

- Jamie Jabouri—Firm President
- Janice Smith—Director of Attest Department
- Christina Jacquin—Attest Manager
- Rob Laurentius—Attest In Charge
- Tanner Sobotka—Attest Staff



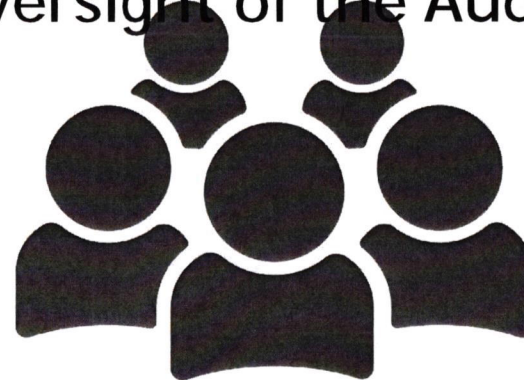
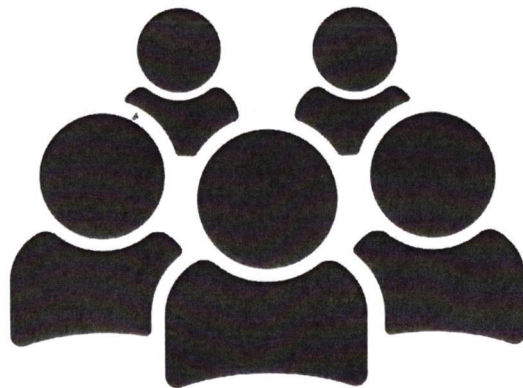


ROLES / RELATIONSHIPS

- Auditors report to for the Council/Audit Committee
- Work FOR the Council/Audit Committee
- Work WITH management
- Audit oversight
- Financial statement are "prepared by management under oversight of the Audit Committee"

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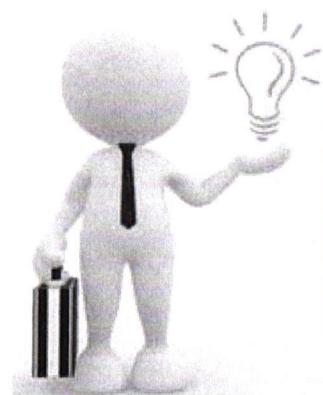
SCOPE OF SERVICES

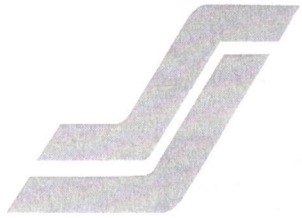
Audit of Financial Statements and Federal Awards

Auditors' Reports to be Issued

Other Communications

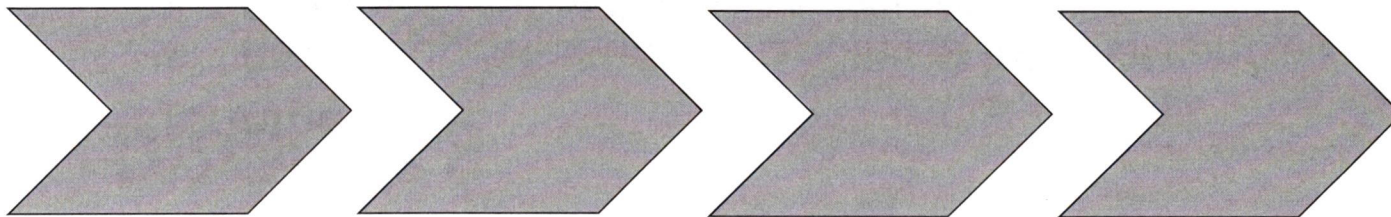
- Communication with those charged with governance (Audit Committee)
- Communication of internal control related matters and advisory letter recommendations





TIMELINE

- Preliminary Audit Fieldwork – June 21, 2021
- Audit Committee Meeting – September 23, 2021
- Final Fieldwork Begins – September 27, 2021
- Presentation to the Audit Committee and City Council– TBD





REVIEW OF 2021 AUDIT

➤ PROCESS

➤ Planning

- Review/updated understanding of internal controls
- Consideration of fraud risk factors
- Discussion with management and Audit Committee
- Development of audit plan

➤ Fieldwork

- Focus on higher risk areas
- Regular status updates
- Management representations
- Concurring partner review

➤ Conclusion

- Presentation to Audit Committee and City Council



1. Planning



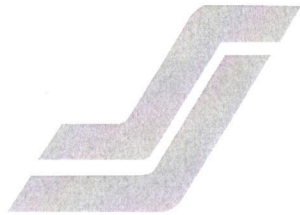
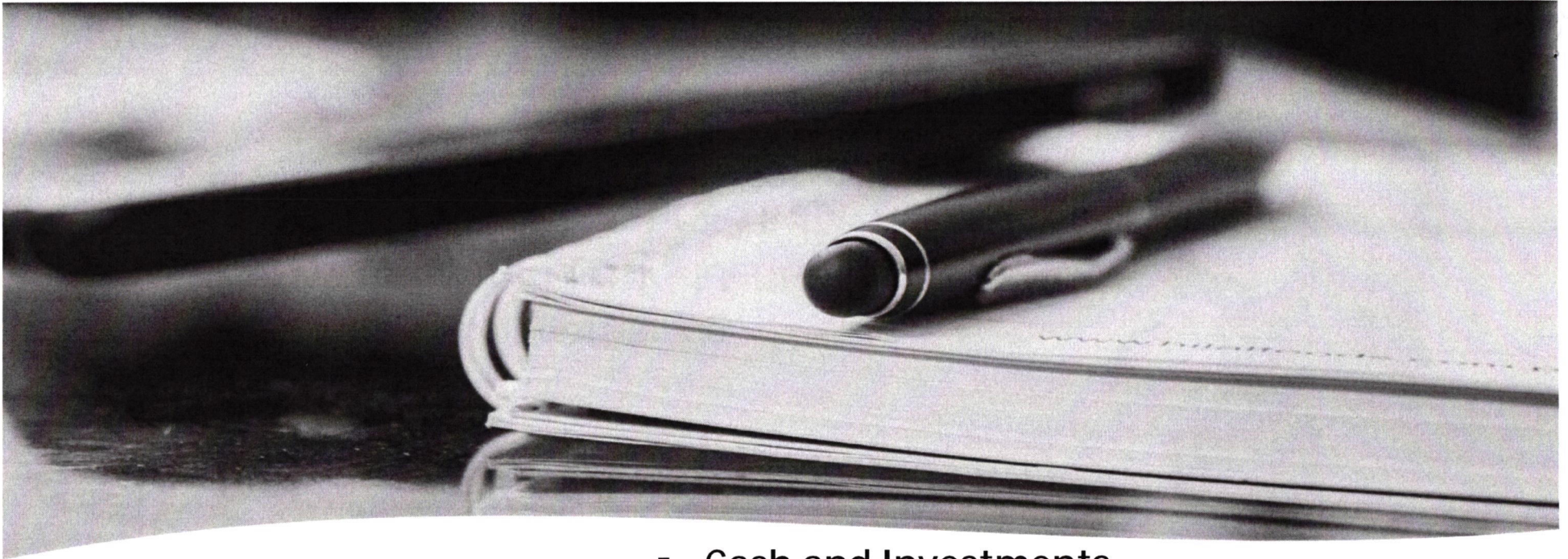
2. Fieldwork



3. Reporting

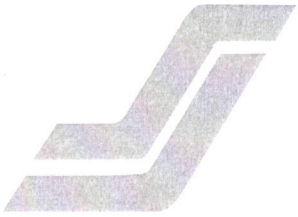


4. Follow-up



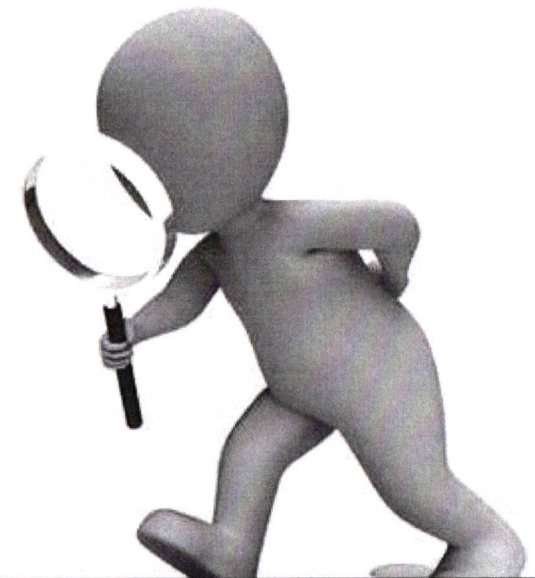
AREAS OF AUDIT EMPHASIS

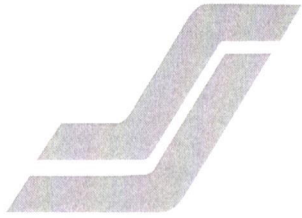
- Cash and Investments
- Revenue/Receipts and Accounts Receivables
- Expenditures/Disbursements, Accounts Payable/Accruals and Debt
- Payroll and Related Liabilities
- Capital Assets
- Federal Programs include CARES ACT funding
- State Compliance and Reporting
- Accounting Policies, Judgments and Estimates



FRAUD CONSIDERATIONS

- AU-C Section 240 was issued to heighten the awareness of auditors to the potential for fraud when planning and executing the audit.
- Types of fraud
- Fraud triangle
- Auditors' responsibilities
- Audit procedures
 - Information gathering
 - Focus on fraud risks identified
 - Responses to identified fraud risks





INDEPENDENCE REQUIREMENTS

- Revised Government Auditing Standards
- Impact engagements performed under GAGAS (generally accepted government auditing standards)
- New rules to enforce transparency and accountability
- Changes to independence standards
- Auditor assistance in financial statement preparation creates a threat to independence for which safeguards must be applied to maintain independence
- Responsibility of management and auditors ensure independence is maintained





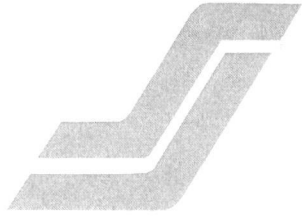
SIGNIFICANT NEW AND EMERGING ACCOUNTING PRONOUNCEMENTS – CURENT YEAR

Effective for Fiscal year 2020-2021

- GASB Statement No. 84, *Fiduciary Activities* * (January 2017)
- GASB Statement No. 93, *Replacement of Interbank Offered Rates* * (March 2020)

* Effective date was originally earlier but was postponed by the Issuance of GASB Statement No. 95 *Postponement of the Effective Dates of Certain Authoritative Guidance* issued in May 2020.



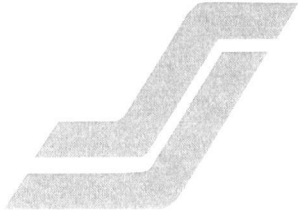


SIGNIFICANT NEW AND EMERGING ACCOUNTING PRONOUNCEMENTS – FUTURE YEARS

Effective for Fiscal year 2021-2022

- GASB Statement No. 87, *Leases* * (June 2017)
- GASB Statement No. 92, *Omnibus 2020* * (January 2020)
- GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* (June 2020)





SIGNIFICANT NEW AND EMERGING ACCOUNTING PRONOUNCEMENTS – FUTURE YEARS (CONTINUED)

Effective for Fiscal year 2022-2023

- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (March 2020)
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (May 2020)



CONCLUDING THOUGHTS

Any questions from the Audit
Committee?

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cjacquin@sjcpa.com



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