



**AGENDA
CITY OF CREVE COEUR
AUDIT COMMITTEE
ONLINE MEETING
SEPTEMBER 10, 2025
9:00 AM**

ZOOM MEETING INFORMATION

<https://us02web.zoom.us/j/81831347987?pwd=bXXsilnlMkQ7nTmhgnGfrTkG9TnGe4.1>

Meeting ID: 818 3134 7987

Passcode: 797398

CALL TO ORDER

ROLL CALL

APPROVAL OF MINUTES

Approval of November 25, 2024 Minutes

UNFINISHED BUSINESS

NEW BUSINESS

Election of Chair and Vice Chair

Pre-Audit Discussion with Sikich

BUSINESS FROM STAFF

PUBLIC COMMENTS

ADJOURNMENT

Posted by: _____

Date/Time posted: _____

If you need special accommodations to attend a meeting, services may be arranged by contacting the Office of the City Administrator in advance.



**MINUTES
CITY OF CREVE COEUR
AUDIT COMMITTEE
MAYOR COUNCIL CHAMBERS
NOVEMBER 25, 2024
9:00 AM**

CALL TO ORDER

Meeting called to order at 9:02 AM

ROLL CALL

David Hoffman-Chair
Joseph Martinich-Present
Kimberly Norwood - Absent
Stephen Keyser-Absent

David Sentnor joined the meeting by Zoom call.

Also in attendance:

Mark Perkins, City Administrator
Lori Obermoeller, Director of Finance
Tracy Brothers, Finance Manager
Victoria Dailey, CPA with Sikich CPA LLC

APPROVAL OF MINUTES

Approval of August 22, 2024 Minutes

<p>RESULT: Motion to Approve MOVER: Joseph Martinich SECONDER: David Sentnor AYES: David Hoffman, Joseph Martinich, David Sentnor NAYS: None</p>

UNFINISHED BUSINESS

NEW BUSINESS

FY24 ACFR (Annual Comprehensive Financial Report)-Draft Review

Ms. Daily from Sikich CPA LLC presented an overview of the ACFR (Annual Comprehensive Financial Report) and the findings for Fiscal Year ending 6/30/2024. Ms. Daily reviewed all the sections of the ACFR highlighting the increases and decreases from Fiscal Year 2023 to Fiscal Year 2024 (FY24). Stating overall, the audit went well and there were no areas of concern. The Committee discussed the transition



**MINUTES
CITY OF CREVE COEUR
AUDIT COMMITTEE
MAYOR COUNCIL CHAMBERS
NOVEMBER 25, 2024
9:00 AM**

of the City's Legacy Defined Pension to LAGERS and the impact this had on the financial reports. The pension liability for FY24 increased significantly due to the transition, but this liability will be amortized over several years going forward. Mr. Perkins questioned the amount reported for employee contributions to LAGERS. The reported amount of \$1,140,828 includes the twenty-three active employees that were moved to LAGERS and all their contributions made to the Legacy plan of about \$625,457 along with those employees that purchased years of service of about \$208,538 in LAGERS. This also includes the normal contributions from employees of about \$306,841.

FY24 Single Audit - Draft Review

Ms. Daily reviewed the Single Audit Report. She stated that since the City used part of the ARPA funds, a single audit was required for FY24.

FY24 Auditor's Communication - Draft Review

Ms. Daily reviewed the Auditor's Communication to the Mayor and City Council next, which discussed different areas of the audit and any findings that need addressed. Ms. Daily stated there were no issues found during the audit.

BUSINESS FROM STAFF

ADJOURNMENT

<p>RESULT: Motion to Adjourn meeting at 10:13 AM MOVER: Joseph Martinich SECONDER: David Hoffman AYES: David Hoffman, Joseph Martinich, David Sentnor NAYS: None</p>

12655 Olive Blvd, Suite 200
St. Louis, MO 63141
314-275.7277

SIKICH.COM

City of Creve Coeur—September 10, 2025 Meeting with External Auditor

Attendees:

City of Creve Coeur Audit Committee

External Audit Team Member:

Victoria Dailey, CPA, Principal

Discussion of:

1. Areas of concern – We have considered credit card testing to be an area of concern with many governments and will test those during the audit. Do you think there are any other areas that we should consider to test during the audit? Any remote cash locations that you are concerned about?
2. Significant risks – During our planning stage of the audit, we have deemed the following two risks of the City which are management override of controls and improper revenue recognition. Do you think there are any other risks that we should be aware of?
3. Noncompliance – Was there any noncompliance with laws and regulations?
4. Lawsuits - Was the City involved in any lawsuits or threatened lawsuits?
5. Related parties – Are there any related party transactions that you're aware of?
6. New accounting pronouncements – The GASB has issued various statements that are effective for fiscal year ending June 30, 2025.

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for: 1) leave that has not been used and 2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that

has not been used if: a) the leave is attributable to services already rendered, b) the leave accumulates, and c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This Statement requires that a liability for certain types of compensated absences--including parental leave, military leave, and jury duty leave--not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as it is identified as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

GASB Statement No. 102, *Certain Risk Disclosures*, establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

7. Audit process –

Planning Stage - We complete the risk assessment of the City and determine the City's risks. This meeting is part of that stage where we meet with representatives of the City and discuss the audit approach and ask if there are any areas of concern that we should consider.

Preliminary fieldwork where we develop an understanding of the City's accounting and administrative controls using its accounting procedures manual and by discussing with staff. We then complete walkthroughs, in which we perform testing of those controls by sampling a few cash receipts, disbursements, and payroll. We develop our planning materiality and complete a preliminary analytical review of the City's accounts. In addition, we review all minutes from the Board meetings, review debt and other agreements, and perform fraud interviews in accordance with Statement on Auditing Standards (SAS) No. 99.

Fieldwork - we would complete all of our substantive testing of the account balances and prepare the draft of the City's financial statements with a rough draft of the financial statements provided to the City at the conclusion of field work. We would also prepare the draft of the management report. In addition, an exit conference would be held with officials from the City to discuss the preliminary results of the fieldwork, review any proposed audit adjustments, final adjusted trial balances that agree to the financial statements and any significant findings.

Workpaper Review and Report Production – the workpapers, drafts of all financial reports and the management letter will be reviewed to ensure that all necessary information is compiled during this phase to avoid imposing upon the City's staff after fieldwork has been completed.

Drafts to the City - We will deliver a preliminary draft of the Annual Comprehensive Financial Report as noted below in the audit timeline. fieldwork. A revised draft, if necessary, will be delivered to the City.

Audit Completion - Upon approval of the drafts by the City, we will present the signed, bound copies of the annual comprehensive financial report, the management letter and the additional reports described in this proposal. The engagement director will be available for meetings with representatives of the City including the City, the City Council and management for formal presentations of the reports.

8. Audit Timeline:

July/August 2025 -- Planning/confirmations, preliminary fieldwork

September 10, 2025 – Audit Committee meeting

Weeks of September 22, 2025 and September 29, 2025 -- Fieldwork

October 3, 2025 -- Adjusting journal entries to City for approval, exit conference

November 21, 2025 – Draft audit report, board report, and management letter to Audit Committee

December 3, 2025 – Final report due to Lori for Council packet

December 8, 2025 -Present final report 7PM December City Council