

A photograph of a city skyline at dusk, featuring several illuminated skyscrapers against a dark blue sky. The buildings are lit up with warm yellow and orange lights, creating a vibrant contrast with the twilight. A large white curved shape overlaps the bottom right of the image, serving as a background for the text.

City of Winston-Salem

2021 Audit Summary





Agenda

- ▶ Role of External Auditor
- ▶ Key Highlights: Results
- ▶ Local Government Commission Financial Performance Indicators
- ▶ Summary
- ▶ Questions and Comments



Role of the External Auditor

Actions

Plan & Perform Procedures

Obtain Reasonable Assurance

Free from Material Misstatement

Results

Express Opinion

Required Communications

Policy Changes

Estimates

Journal Entries



Key Highlights: Results

Results

Opinions

Unmodified Opinion –
Financial Statements

Unmodified Opinion –
Internal Controls over
Financial Reporting

Unmodified Opinion –
Federal and State
Single Audits

Internal Controls

No Material Weaknesses or Significant Deficiencies
One (1) Nonmaterial Noncompliance single audit finding

Single Audit

Major Programs: Highway Planning and Construction (20.205-CL), Transit Authority (20.500-CL), Coronavirus Relief Fund (21.019), Disaster Relief Grants (97.036), Federal and Powell Bill (State).

Required Communications

No policy changes

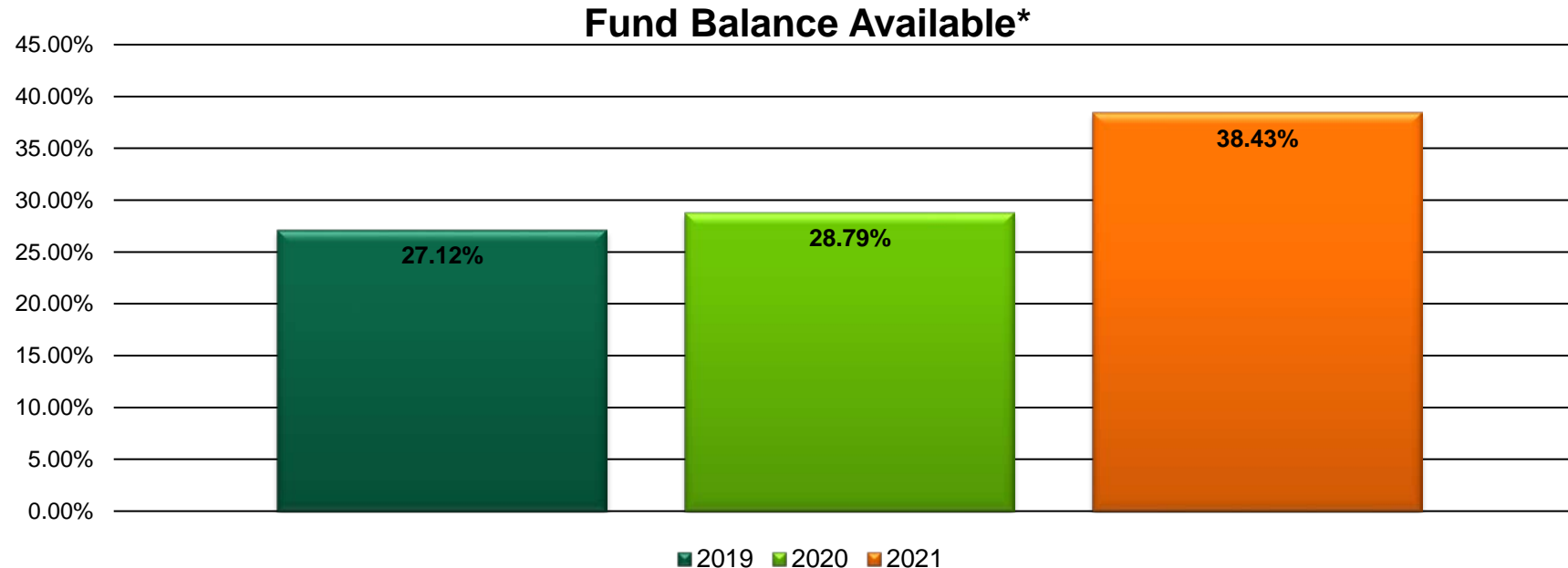
Estimates

No Adjusting Entries
Posted and One (1)
Passed Entry Proposed



Local Government Commission (LGC) Performance Indicators – General Fund

* Included in the LGC's calculation is the municipal debt service fund balance

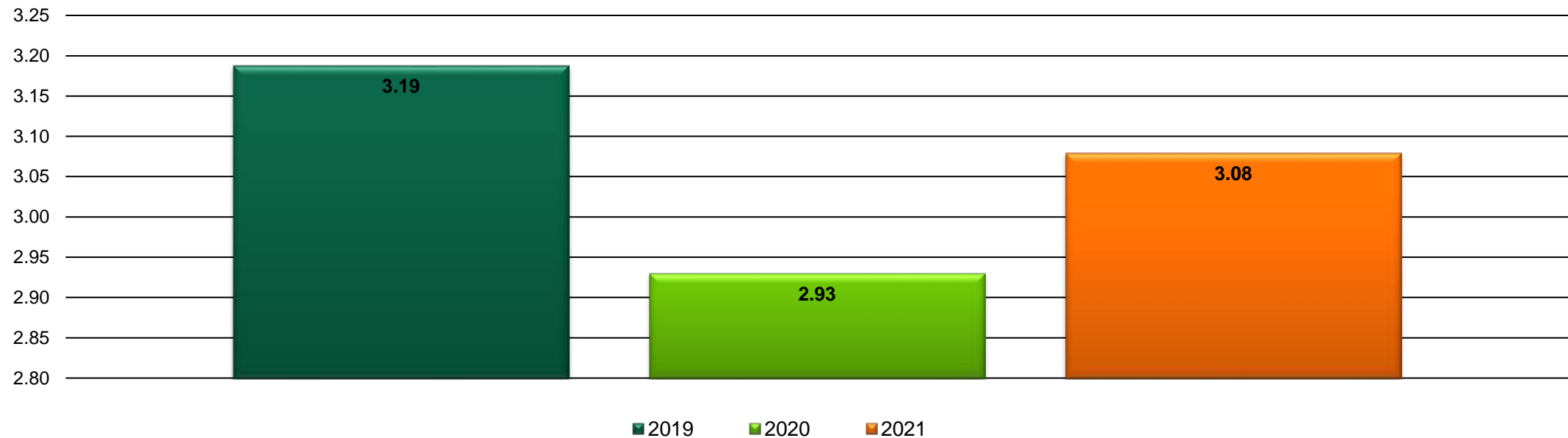


✓ LGC Required Minimum Threshold – 25%



LGC Performance Indicators – Quick Ratio – Water and Sewer

Quick Ratio-Water and Sewer



✓ LGC Required Minimum Threshold – Equal or greater than 1.00



LGC Performance Indicators – Water and Sewer

Performance Indicator	2021	Minimum Threshold
Operating Net Income (loss) excluding depreciation+ debt service principal	\$44,837,917	Greater than \$0
Unrestricted cash / Total expenses less depreciation + debt service principal	95.70%	Greater than 16% (2 months)



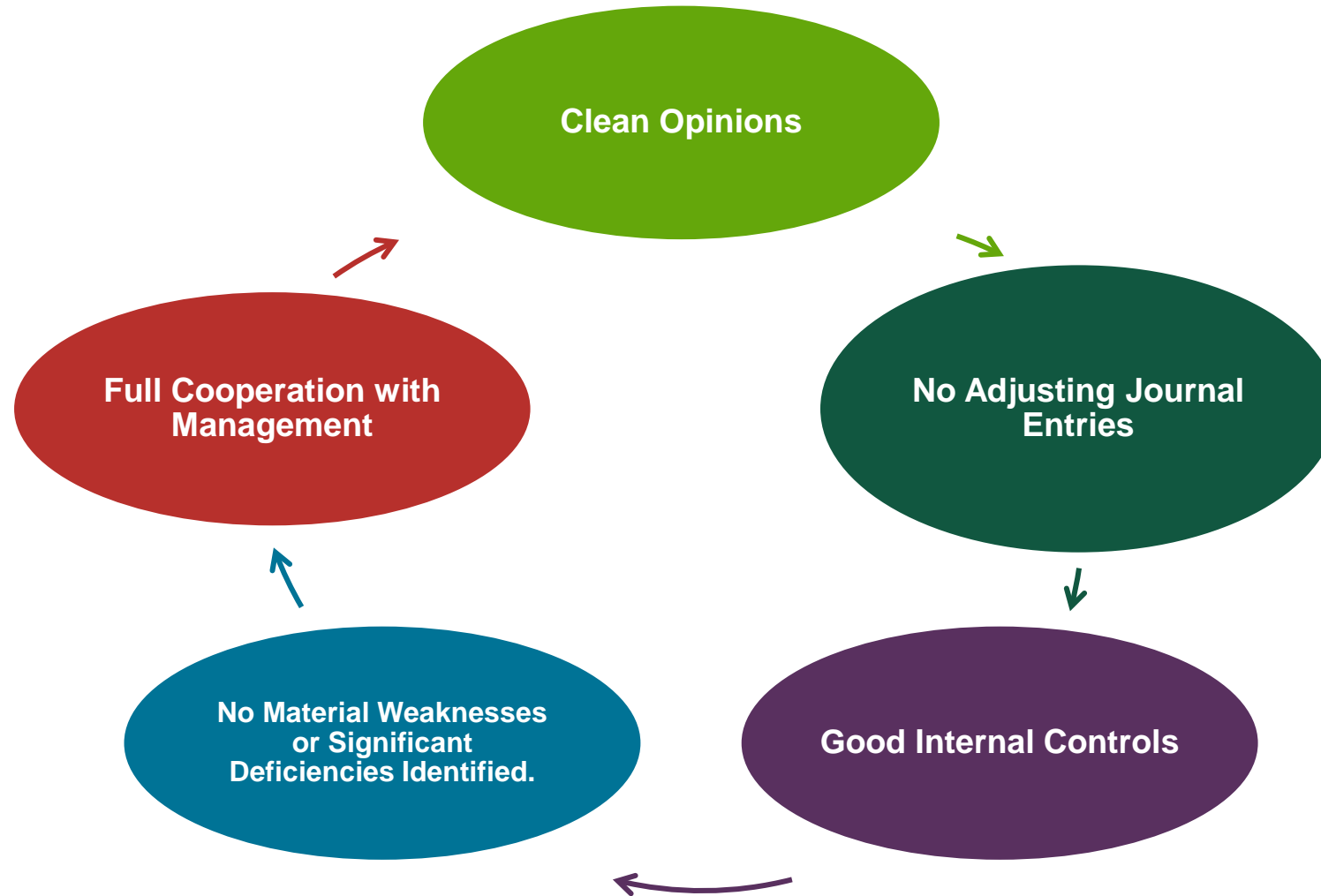
LGC Performance Indicators

Audit Report –

- ✓ Submitted within five (5) months from fiscal year end.
- ✓ Budgeted tax levy for the General Fund had less than 3% uncollected (Actual - ~1%)
- ✓ Effective pre-audit process to avoid pervasive budget violations
- ✓ No late debt service payments or debt covenant compliance issues



Summary



Questions & Comments?

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