



Winston-Salem

Financial Management Services

January 18, 2024

EXHIBIT A

City of Winston-Salem
P.O. Box 2511
Winston-Salem, NC 27102
CityLink 311 (336.727.8000)
Fax 336.727-2566
www.cityofws.org

NC Local Government Commission
3200 Atlantic Avenue
Raleigh, North Carolina, 27604
Attention: Secretary of the Local Government Commission

The City of Winston-Salem received an audit finding for Fiscal Year 2023 that was classified as a material weakness in internal control.

The City was calculating the landfill closure and post-closure liability based upon the passage of time instead of landfill capacity as required by the GASB Statement 18. The accounting for this entry did not change during Fiscal Year 2023. This method of valuation has been used for some time; however, the difference between this method and GASB 18 was inadvertently overlooked by internal staff and external auditors.

The Finance Department has corrected this error to ensure the liability is being calculated in accordance with GASB 18 (this was corrected as of June 2023). The Finance Department has developed a new process to ensure this item continues to be calculated correctly and will be updated accordingly if there are any changes issued by GASB in the future.

Sincerely,

Kelly Latham, Chief Financial Officer

Robert C. Clark, Council Member,
Finance Committee Chair

Denise D. Adams, Mayor Pro Tempore,
Finance Committee Vice Chair

Mayor J. Allen Joines

Jeff MacIntosh, Council Member,
Finance Committee Member

James Taylor, Jr., Council Member
Finance Committee Member



Call 311 or 336-727-8000
citylink@cityofws.org

City Council: Mayor Allen Joines; Denise D. Adams, Mayor Pro Tempore, North Ward; Barbara Hanes Burke, Northeast Ward; Robert C. Clark, West Ward; John C. Larson, South Ward; Jeff MacIntosh, Northwest Ward; Kevin Mundy, Southwest Ward; Annette Scippio, East Ward; James Taylor, Jr., Southeast Ward; City Manager: Lee D. Garrity