Town of Kiawah Island

Presentation of Audit Results – June 30, 2022

Presented by:
David Irwin, CPA
Partner
Purpose of Today’s Presentation

- Introduction of Mauldin & Jenkins
- Overview of:
  - Independent Auditor’s Report
  - Compliance Report
  - Financial Statements
- Required Communications
- Answer Any Questions
Introduction of Mauldin & Jenkins

Engagement Team Leaders
- David Irwin, Engagement Partner  |  Trey Scott, Quality Review Partner  |  Kellan Shuford, Senior Manager

Financial & Compliance Audit
June 30, 2022
Audit Opinion

- Town: responsible for financial statements.
- M&J: to express opinions.
- Auditing Standards = *Generally Accepted Auditing Standards and Governmental Auditing Standards*
- Financial Audit: Unmodified (Clean) Opinion
  - Highest level of Assurance
  - Financial Statements are fairly presented in all material respects, in accordance with GAAP
Compliance Report

- Yellow Book Report
  - Report on Town’s Internal Controls and Compliance
  - Not Intended to Provide an Opinion
  - No Significant Deficiencies or Material Weaknesses
Overview of Financial Statements

• Town prepares an Annual Comprehensive Financial Report (ACFR)

• ACFR goes above and beyond basic reporting requirements

• Submitted annually to Government Finance Officers Association (GFOA)

• Town awarded ACFR Certificate for 18th year in a row
Overview of Financial Statements

- Management’s Discussion & Analysis (MD&A)
  - Written by Management
  - Introduces and Summarizes Basic Financial Statements
  - Comparative Information

- Town’s Financial Statements Include Three (3) Components
  - Government-Wide Financial Statements
  - Fund Level Financial Statements
  - Notes to the Financial Statements

Financial & Compliance Audit
June 30, 2022
Government-Wide Financial Statements

- $47 Million = total assets and deferred outflows
- $16.2 Million = capital assets, net of A/D
- $5.5 Million = total liabilities and deferred inflows
- $41.5 Million = net position (or equity)
- $15.5 Million = revenues
- $9.3 Million = expenses
- Increase in Net Position of $6.2M vs $4.5M increase in PY
General Fund Revenues - Fiscal Year Ended June 30, 2022

- Building permits: 24,189
- Business licenses: 71,065
- Franchise fee revenue: 631,445
- Local option sales tax: 916,492
- Fines and forfeitures: 25,784
- Interest: 195,522
- Miscellaneous: 440,343
- Accommodations tax: 894,993
- Environmental service fee: 2,206,404
- Federal revenue: 3,958,450
General Fund

General Fund Expenditures - Fiscal Year Ended June 30, 2022

- General government: 785,224
- Judicial: 303,845
- Public safety: 596,010
- Tourism and recreation: 21,213
- Capital outlay: 5,249,142

Financial & Compliance Audit
June 30, 2022
General Fund

- Revenues exceeded expenditures by $2.4 Million
- Net Transfers In from Other Funds of $1.4 Million
- $3.8 Million Increase in Fund Balance ($16.5 Million)
- Average Monthly Expenditures of $580 Thousand
- Fund Balance = Approximately 2.5 Years of Operating Expenditures
Required Communications

• Clean Opinion and No Audit Findings

• We Received Full Cooperation from Management and Staff

• No Disagreements with Management

• No Significant Issues Discussed with Management

• No Uncorrected Misstatements

• We are Independent of the Town as required by Government Auditing Standards
Closing

We appreciate the opportunity to serve the Town of Kiawah Island and look forward to serving the Town in the future.