



PRESENTED TO
CITY OF KILLEEN, TEXAS
Annual Financial and Compliance Audit

AUDIT COMMITTEE
March 28, 2024



INTRODUCTION & AGENDA

Todd Pruitt, CPA

Partner, Government Audit

Results of the Audit

- Audit of the Financial Statements
- *Government Auditing Standards* Report
- Audit of the City's Federal Grants

Financial Highlights



AUDIT RESULTS

Independent Auditor's Report on the Audit of the Financial Statements

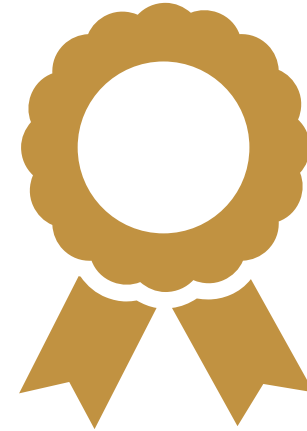
- Management is responsible for the preparation of the financial statements.
- Your auditors express an opinion on the financial statements.
- Our audit was performed in accordance with GAAS, GAS & the Uniform Guidance.
- We have issued an **unmodified opinion**.



AUDIT RESULTS

Government Auditing Standards Report

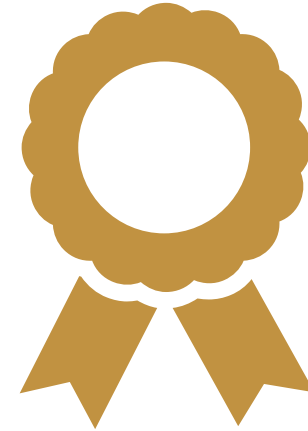
- No significant internal control deficiencies identified
- No noncompliance with:
 - Laws
 - Regulations
 - Contracts
 - Grant agreements



AUDIT RESULTS

Uniform Guidance Report (Federal Grants)

- We tested the following programs:
 - Coronavirus State and Local Fiscal Recovery Fund
 - CDBG-Entitlement Grants
- We have issued an **unmodified opinion**.
- No significant internal control deficiencies over compliance with federal grants were identified.
- No findings or questioned costs



- Net position increased by \$24.5M.
- Total net position was \$126M at year-end.
 - \$99M – Net investment in capital assets
 - \$23M was restricted
 - Unrestricted was a \$3.6M.
- Revenues increased by \$12.2M (9%).
 - Largest increases were in investment income and operating grants & contributions.
- Expenses totaled \$137M.
 - Largest increase was in public safety (\$30M).

Fund Balance Policy

- Target level for the General Fund is 22% of operating expenditures.
- As of fiscal year-end, the City's fund balance in the General Fund was \$ 32M or 30% of expenditures.

- Net position increased by \$19M.
- Total net position was \$282M at year-end.
 - \$230M – Net investment in capital assets
 - \$23M was restricted
 - Unrestricted was \$29M.
- Revenues increased by \$10.5M (12%)
 - Largest increases were in charges for services and capital grants.
- Expenses increased by \$11.8M (20%).
 - Largest increases were in solid waste and water/sewer.