



# Independent Auditor Presentation

For Fiscal Year Ended  
June 30, 2025

City of San Pablo

Whitney Crockett, CPA  
Engagement Partner

# Annual Audit

- Maze and Associates – we are an independent CPA firm, independent from the City of San Pablo and its component units
- Audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States of America.

# Results of Audit – City’s Annual Comprehensive Financial Report

- Independent Auditor’s Report

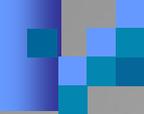
- Unmodified/clean opinions...fairly stated, in all material respects...in conformity with accounting principles generally accepted (GAAP) in the USA.

# Results of Audit – City

- Memorandum on Internal Control (MOIC)
  - Three possible categories for comments:
    - Material Weakness (None)
    - Significant Deficiency (1 SD)
    - Other Matters (None)

# Pooled Cash Fund 999: (1 SD)

- During our FY 2025 audit, the City identified a variance of \$1,316,920 between the City's general checking bank reconciliation and the aggregate general ledger cash balances by fund as of June 30, 2025.
- The discrepancy was traced to cumulative adjustments posted to the pooled cash accounts between 2007 and 2025 that were not consistently reflected in the related individual fund cash accounts.



# **RECOMMENDATIONS:**

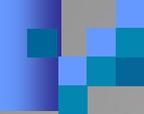
## **Pooled Cash Fund 999 (1 SD)**

- **All reconciling items including payroll-related items are reviewed, investigated, and included each month:**
  - Both pooled cash and individual fund-level general ledger cash accounts are incorporated into the monthly reconciliation process; and
  - Reconciling items are cleared promptly once the underlying activity is complete.
- **These actions will improve the accuracy and completeness of cash balances recorded in the general ledger.**

# Results of Audit – City

## ■ Required Communications

- New GASB, however, no material impact on FS
- No unusual transactions
- Significant accounting estimates
- No disagreements with management
- No material adjustments or uncorrected misstatements to report

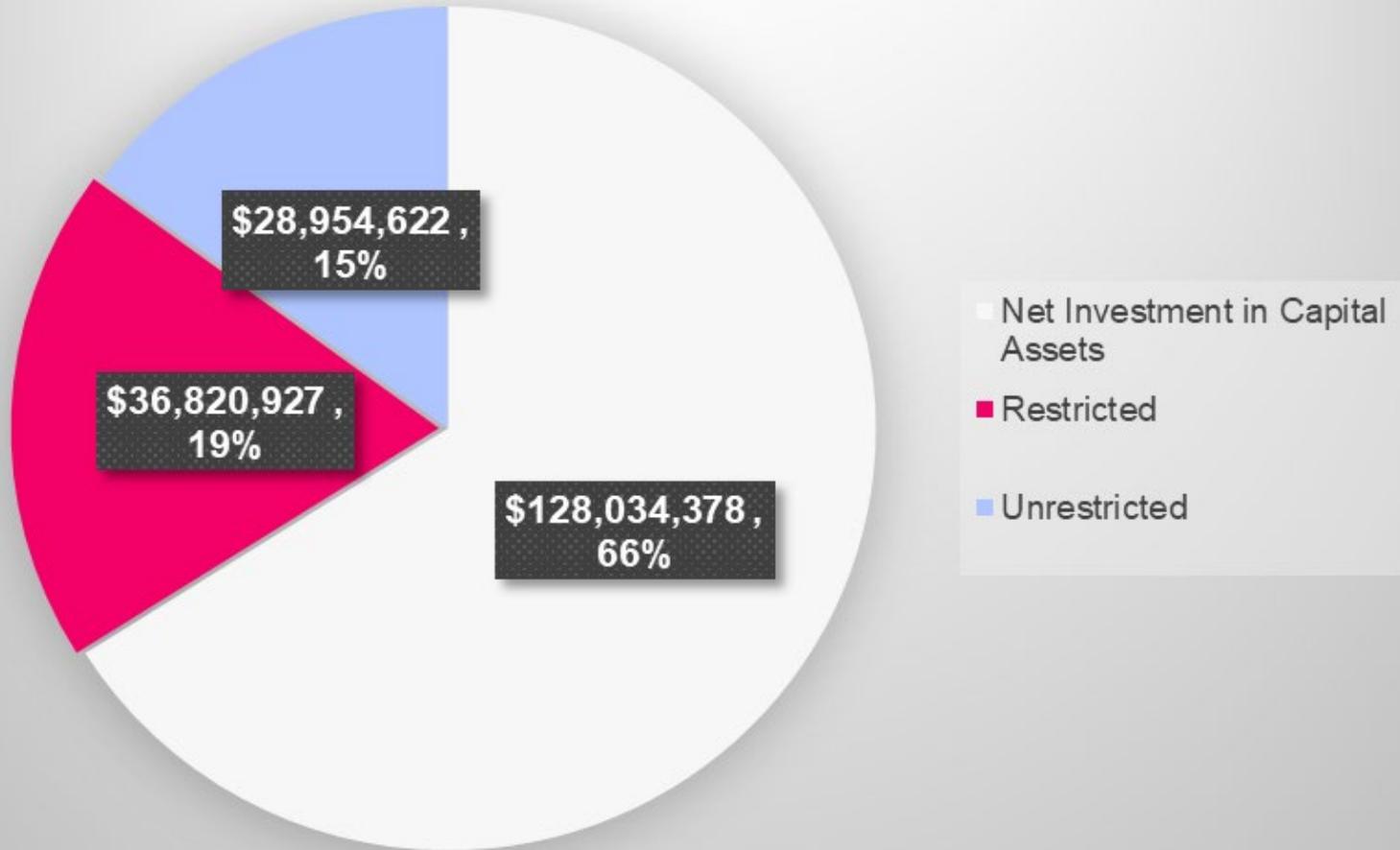


# Financial Statements Highlights

# Statement of Net Position

	FY-2024	FY-2025	Change
Totals	PRIOR YEAR	CURRENT YEAR	INCREASE (DECREASE)
<b>Assets</b>	<b>\$306,486,641</b>	<b>\$309,761,126</b>	<b>\$3,274,485</b>
<b>Deferred Outflows</b>	<b>27,381,094</b>	<b>22,782,945</b>	<b>(4,598,149)</b>
<b>Liabilities</b>	<b>134,991,241</b>	<b>131,937,099</b>	<b>(3,054,142)</b>
<b>Deferred Inflows</b>	<b>8,342,692</b>	<b>6,797,045</b>	<b>(1,545,647)</b>
<b>NET POSITION</b>	<b>190,533,802</b>	<b>193,809,927</b>	<b>3,276,125</b>

# Net Position

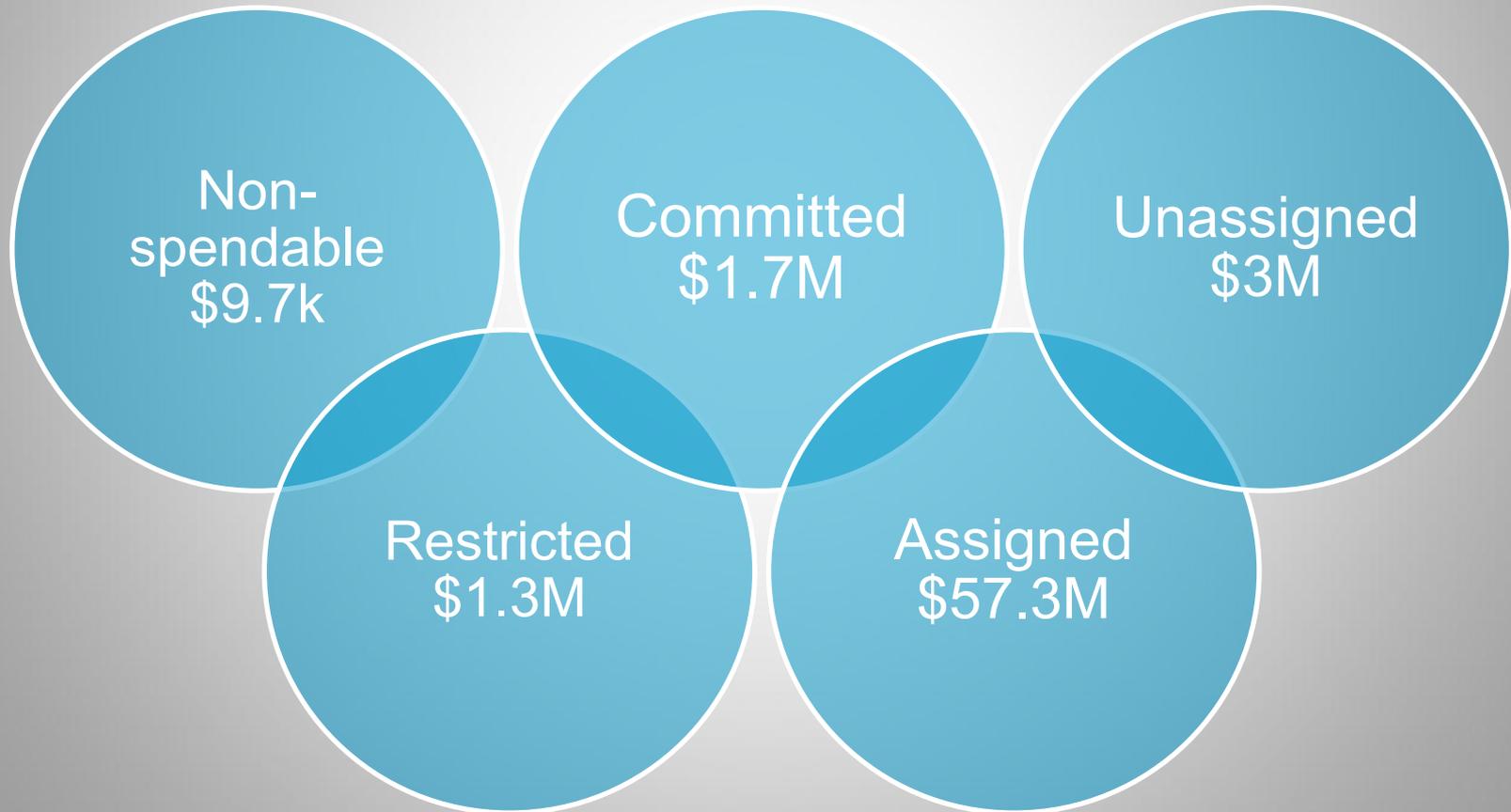


# FY24 vs. FY 25 Net Position

Net Position at 6/30	FY24 (in millions)	FY25 (in millions)	Change
Net Investment in capital assets	\$125.6	\$128.0	\$2.4
Restricted	\$22.3	\$36.8	\$14.5
Unrestricted	\$42.6	\$29.0	(\$13.6)
Total	\$190.5	\$193.8	\$3.3

# Financial Highlights – General Fund

- Fund Balance \$63.3M
  - \$11.5M decrease





# QUESTIONS?