# City of Dover, New Hampshire

## Presentation of Audit Results

## June 30, 2021

January 26, 2022

Alina Korsak, CPA
Principal

MELANSON

# Overview of the Annual Comprehensive Financial Report ("ACFR")

- ACFR Program – this is 18$^{th}$ consecutive year of participation
- Transmittal letter
- Auditors' Report – unmodified opinion
- MD&A – provides reader with financial highlights for the fiscal year
- Dual perspective financial statements:
  - Government-Wide Financial Statements – long term perspective
  - Fund Financial Statements – short term perspective for governmental funds
- Notes to the financial statements, required supplementary information and other supplementary information
- Statistical section – provides the users of the financial statements a historical background on how the City has performed by reporting multi-year data

MELANSON

# Audit Process

- An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.
- Auditors express an opinion on the financial statements that are the responsibility of management.
- No opinion is expressed on the effectiveness of the City's internal controls. However, we do obtain and document our understanding of internal controls that are present in the City and test transactions on a sample basis to determine their operating effectiveness.

MELANSON

# What’s New this Year?

GASB 84

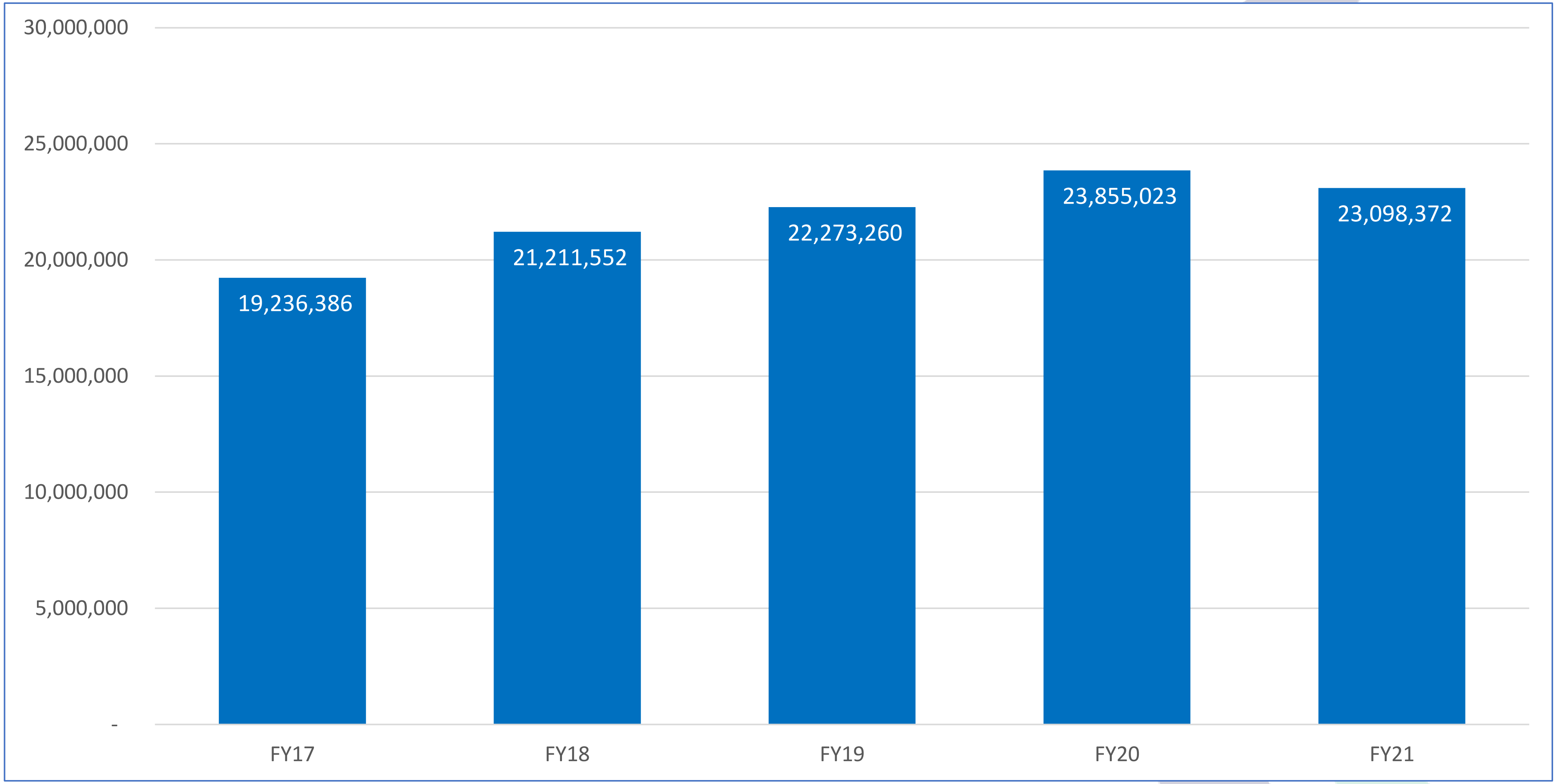
- “Clarifies” the definition of a Fiduciary Activity
- Eliminates Agency Funds
- Introduces Custodial Funds
- Effective date:
  - Fiscal Year 2021

# What’s New in Future Years?

GASB 87

- Revises existing standards on lease accounting and financial reporting
- Effective date:
  - Fiscal Year 2022

# General Fund Unassigned Fund Balance




Melanson

# City of Dover

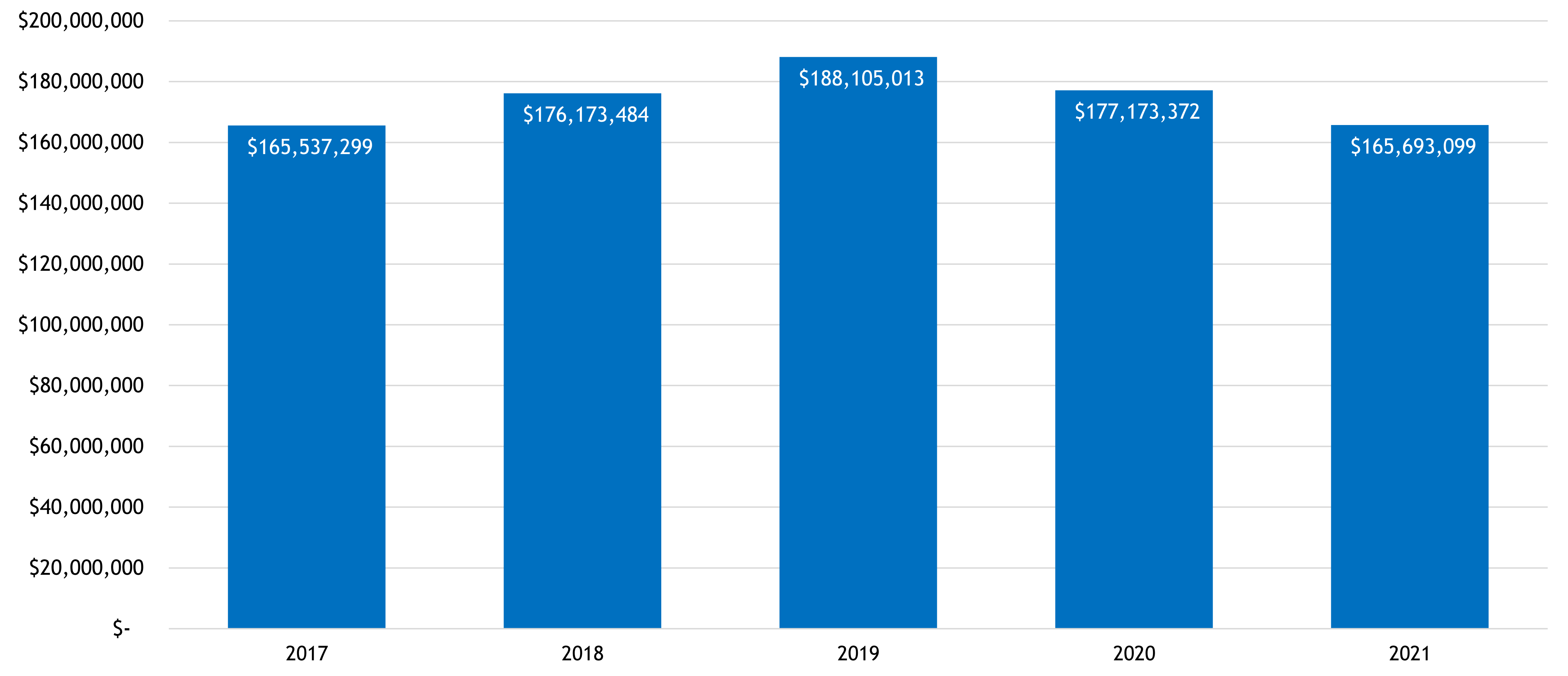
## Budget vs. Actual Comparison – General Fund – Fiscal Year Ended June 30, 2021 – Budgetary Basis

| | Budgeted Amounts | Actual Amounts | Variance Positive (Negative) |
|---|---|---|---|
| Revenues | $ 125,293,747 | $ 126,086,283 | $ 792,536 |
| Expenditures | $ 122,052,826 | $ 118,592,074 | $ 3,460,752 |
| Other Financing Sources (Uses) | $ (3,240,921) | $ (6,473,639) | $ (3,232,718) |
| Net | $ - | $ 1,020,570 | $ 1,020,570 |

MELANSON

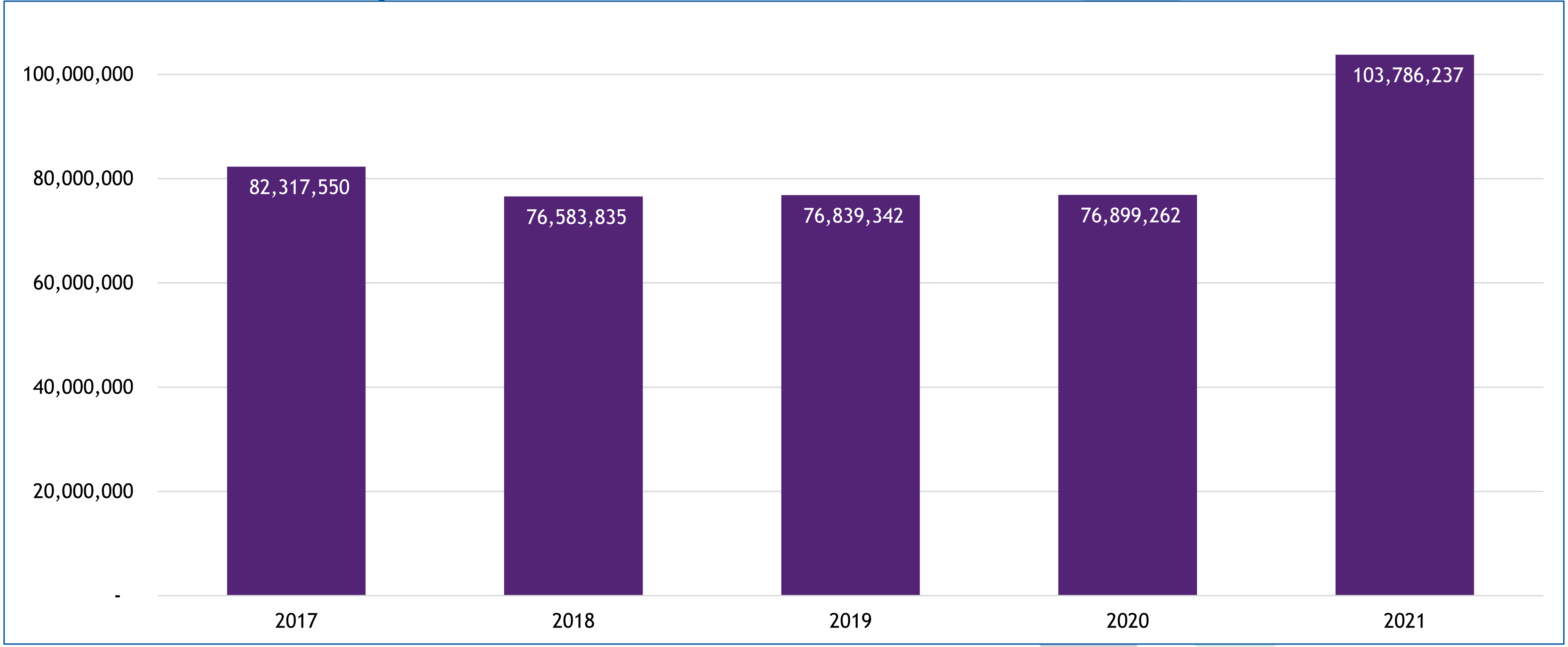
# City of Dover

## Bonds and Loans Payable – Last 5 Years




MELANSON

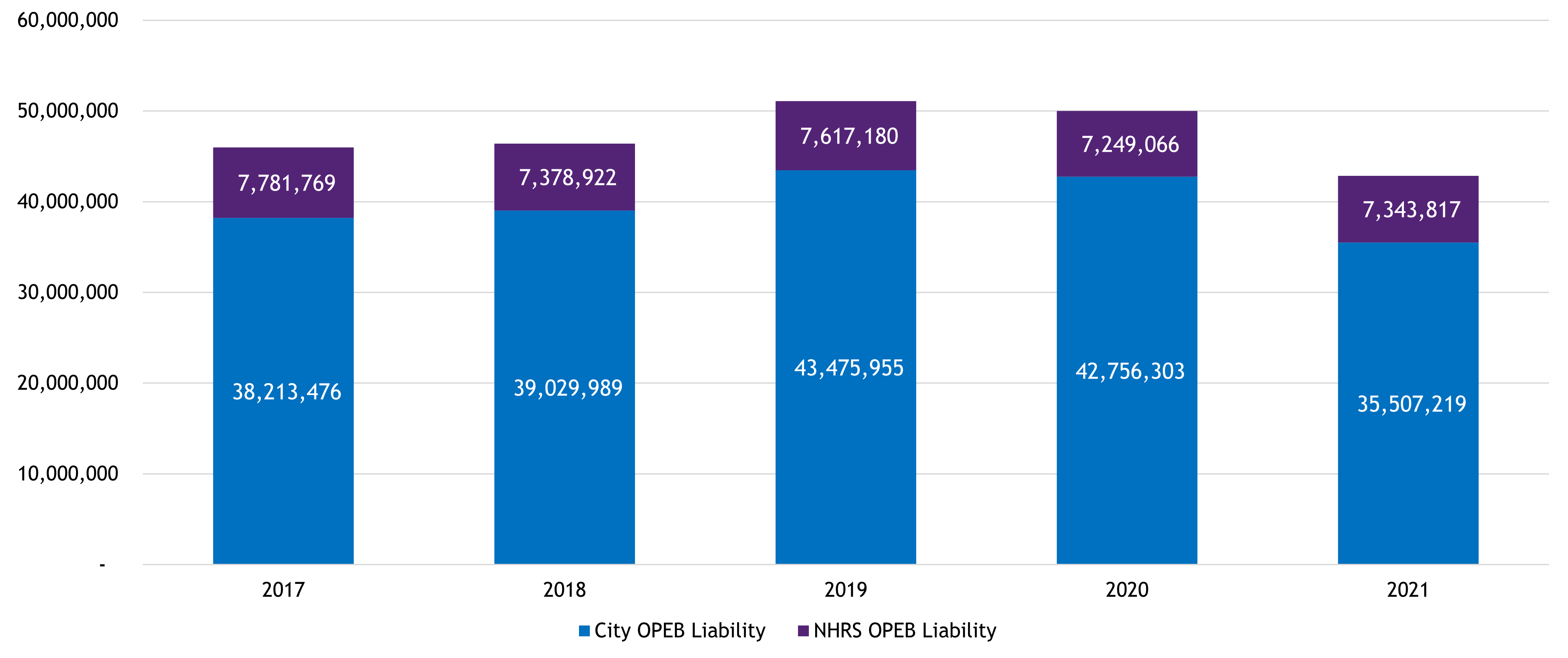
# City of Dover
## Net Pension Liability – Last 5 Years




MELANSON

# City of Dover

## OPEB Liability – Last 5 Years




Melanson

# Reports Issued

- Opinion on Financial Statements (however, we do not express an opinion on the Transmittal letter, Management Discussion & Analysis, Required Supplemental Information or Statistical Section)
- Governance Letter
- Management Letter

# Management Letter Comments

- Resolve Deficit Fund Balance
- Ensure Receivables Agree to the Underlying Accounting Records

MELANSON

# Questions and Comments

- This presentation is intended as a tool to assist the City Council in understanding its financial results. The information contained in this presentation should be read in conjunction with the audited financial statements and related disclosures.

MELANSON