



City of San Leandro

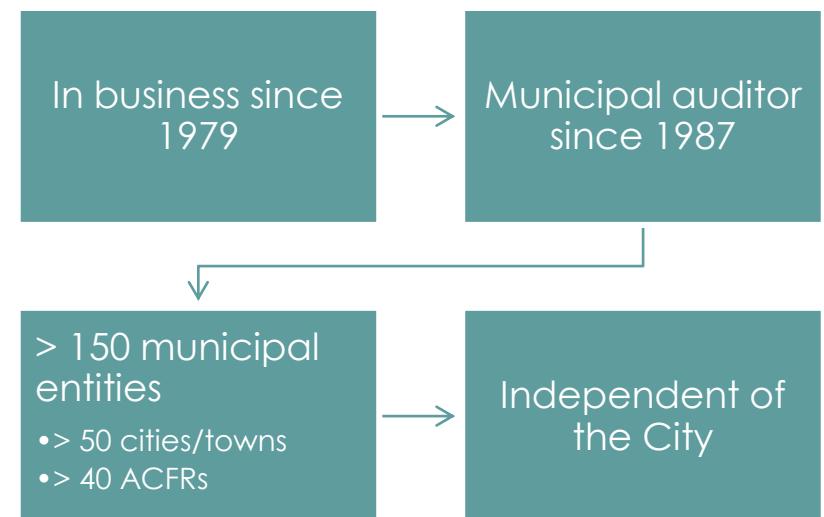
Independent Auditor's Presentation

For Fiscal Year Ended June 30, 2025

DAVID ALVEY, CPA
PARTNER

Background

Who We Are



Annual Audit

- ▶ Services engaged for fiscal year ended June 30, 2025:
 - ▶ Audit of City's basic financial statements
 - ▶ Appropriation Limit calculation agreed-upon-procedures (AUP)
 - ▶ Compliance audit of Federal Awards (Single Audit)
 - ▶ County Measure (BB and F) Compliance Reports
 - ▶ Transportation Development Act (TDA) Compliance
- ▶ Conducted according to auditing standards generally accepted in the USA, and *Government Auditing Standards*

AUDIT Timing



Interim

July/August 2025

Internal control environment

Control Tests



Final

November 2025

Testing of financial balances

Preparation of footnotes

Results

Financial Statement Audit

- **Unmodified** (“Clean”) Opinions

County Measure / TDA Compliance

- **No exceptions noted**



Annual Comprehensive Financial Report

- ▶ Basic Financial Statements:
 - ▶ Auditor's Opinion
 - ▶ MD&A (written by management)
 - ▶ Statements
 - ▶ Footnotes
- ▶ Other Components:
 - ▶ Transmittal Letter
 - ▶ Required Supplemental Information
 - ▶ Supplemental Information
 - ▶ Statistical Section

Components of an Annual Comprehensive Financial Report

- ▶ City once again received the GFOA award for its June 30, 2024 ACFR
- ▶ City submitted its June 30, 2025 ACFR



Government Finance Officers Association

Certificate of
Achievement
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Reporting

Presented to

**City of San Leandro
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

Entity-wide vs. Fund Financial Statements

	Entity-wide Level	Fund Level
Current Assets	✓	✓
Long-Term Assets	✓	
Current Liabilities	✓	✓
Long-Term Liabilities	✓	
Equity	Net Position	Fund Balance

Implementation of GASB 101 – Compensated Absences

- ▶ GASB 101 – Compensated Absences
 - ▶ Objective of this Statement is to unify the recognition and measurement of the liability for compensated absences that more appropriately reflects when a government incurs an obligation.
 - ▶ The City updated its calculation of the compensated absences liability to include an estimate of sick leave balances likely to be utilized, as well as certain payroll-related taxes on the liability.
 - ▶ Restatement was not deemed required as the additional liability was not considered material to warrant a prior period adjustment.

Entity (City)-wide



Assets \$586.2m

Deferred outflows
\$53.1m

Liabilities \$341.2m

Deferred inflows
\$10.9m

Net position
\$287.1m



2025 vs. 2024

Net Position at 6/30	2024	2025	Change
Net Investment in capital assets	\$193.0m	\$215.4m	\$22.4m
Restricted	\$115.0m	\$126.8m	\$11.8m
Unrestricted	(\$17.8m)	(\$55.0m)	(\$37.2m)
Total	\$290.2	\$287.1m	(\$3.1m)

Financial Highlights – General Fund

- ▶ Fund Balance \$105.0m
- ▶ \$1.9m increase
 - Non-spendable: \$5.9m (Advances and Loans)
 - Restricted: \$35.6m (Pension Trust)
 - Committed: \$683k (CDBG and Oakland Airport access license)
 - Assigned: \$1.2m
 - Unassigned: \$61.7m

Other Highlights

- ▶ - Section 115 Irrevocable Pension Trust – balance is \$34.7m at 6/30/25
- ▶ - Net Pension Liability decreased \$235.7m to \$231.2m
- ▶ - Net Other Post Employment Benefits (OPEB) Liability decreased \$1.1m to \$25k

Audit Process

Audit Process

- ▶ Audit went very smooth
- ▶ Timely: made the 12/31 ACFR deadline
 - ▶ Staff prepared on time and very responsive
- ▶ Minimal post-closing adjustments
- ▶ Open items on engagement:
 - ▶ Single Audit
 - ▶ Completion of Memorandum on Internal Control and Required Communications

QUESTIONS?



MAZE
& ASSOCIATES