



# Brazos River Authority

*Pre-Audit Discussion – 2021 Financial Statement Audit*

## Board of Director's Meeting

*July 26, 2021*

Aaron Worthman, CPA, Partner



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# Overview



Audit Team Introduction



2021 Audit Plan



Auditors' Communication with Those Charged with Governance



Questions

## Audit Team



### Aaron Worthman, CPA – Engagement Partner

- 23 years experience serving utilities and river authorities nationwide
- Partner-in-charge of financial audits of numerous utilities' in Texas
- Leading attest practice in Austin office
- 512 975 7281 (direct) / [aaron.worthman@bakertilly.com](mailto:aaron.worthman@bakertilly.com)



### Sarah Slaughter, CPA – Senior Manager

- 17 years experience serving utilities and river authorities nationwide
- Manages several large Texas utilities' audits
- 512 975 7291 (direct) / [sarah.slaughter@bakertilly.com](mailto:sarah.slaughter@bakertilly.com)



### Ryan Theiler, CPA – Senior Associate

- Specializes in performing financial audits for utilities nationwide
- Manages the financial audit for numerous utilities
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## Deliverables

- Audited financial statements in accordance with US Generally Accepted Auditing Standards (GAAS)
- Report on internal control over financial reporting and on compliance and other matters in accordance with *Government Auditing Standards* (GAS)
- Single audit report (if expenditures exceed \$750,000 threshold)
- Audit results letter including significant deficiencies or material weaknesses (if applicable)



## Audit Timeline

The audit fieldwork and final audit report delivery are scheduled with management to meet mutually agreed- upon contractual, regulatory or other reporting deadlines

### Proposed Timeline

- Preliminary Field Work and Planning – July 2021
- Final Field Work and Review – October/November 2021
- Present Financial Statements – December 2021 / January 2022



## 2021 Audit Plan

### Main Areas of Audit Focus

- Control Environment
- Control Activities
- Information Technology
- Cash and Investments
- Accounts Receivable and Revenues
- Prepaid Expenses
- Capital Assets and A/D
- Unearned Revenues
- Pension Liability/Asset and Deferrals
- Financing
- Net Position
- Expenditures and Payables
- Payroll and Benefits
- Compliance with Laws and Regulations
- Contracts and Contingencies
- Financial Reporting

## Brazos River Authority

### *Auditor Communication with Those Charged with Governance Required Communication*

Required Communication – Your Views Regarding Matters as Members of the Body Charged with Governance of BRA

- We will communicate with the top level of management during the audit
- We ask the Board for input on any audit matters
- Board input does not change our responsibility as the auditor to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary
- The Board has the responsibility to oversee the strategic direction of BRA, as well as the overall accountability of the entity
- We ask the Board to report if it has taken action in response to developments in financial reporting, laws, accounting standards, government practices, or other related matters
- We will include Board input in our audit plan

**We encourage Board input into the audit process – areas for further review and focus on controls, areas of concern, areas for further financial reporting and analysis, and areas of compliance with laws and regulations.**



## Brazos River Authority

### Auditor Communication with Those Charged with Governance *Required Communication* (cont.)

We look forward to a successful audit with BRA  
accounting staff and management!

For additional communications please refer to the AU-C  
260 letter that was distributed.

Any Questions.....





Thank you!