

# Buckman Direct Diversion Project

Board Presentation

May 1, 2025



# Agenda

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- Audit Timeline
- Auditor's Reports
- New and Upcoming Standards
- Value-Added Suggestions

# Timeline of the Audit

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# Auditor's Reports

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## Independent Auditor's Report

Opinion on the Financial Statements:

- **Unmodified – Best opinion available**
  - Financial statements are presented fairly in accordance with U.S. GAAP.
  - No audit areas where an opinion could not be rendered.
  - Page 8 of audit report

## Other Auditor's Report

GAGAS Report on *Internal Control Over Financial Reporting* and on *Compliance and Other Matters*

- Page 42 of audit report
- **Negative Assurance**
  - 1 Significant Deficiency Noted (page 44 of audit report)

# Auditor Responsibility

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## Our Responsibility under U.S. & *Government Auditing Standards*

- Form and express an opinion about whether the financial statements prepared by management are fairly presented in conformity with U.S. GAAP.
- Obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement.
- Consideration of internal controls for the purpose of determining and designing our audit procedures.
- Communicate significant matters related to the financial statement audit.

# Management's Responsibility

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- Management, with oversight from those charged with governance, is responsible for:
  - Establishing and maintaining internal controls, including monitoring ongoing activities
  - The selection and application of accounting principles
  - The fair presentation in the financial statements of financial position and results of operations in conformity with the applicable framework
- Management is responsible for the design and implementation of programs and controls to prevent and detect fraud
- The governing board participated in the entrance and exit conferences, and were sent the communications required by audit standards

# New Standard Implementation

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- BDD implemented the following standard during fiscal year 2024. There was a material impact to BDD's 2024 financial statements as described in Note 2 to the financial statements.
  - GASB Statement No. 100, *Accounting Changes and Error Corrections*
    - New presentation and note disclosures
      - Changes in Major Funds – Change to and/or within reporting entity
      - Error Correction
      - Reclassification
      - Accounting principle implementation
      - Change in accounting estimates

# Upcoming Standards

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GASBS No. 101 *Compensated Absences* (FYE 2025)

GASBS No. 102 *Certain Risk Disclosures* (FYE 2025)

GASBS No. 103 *Financial Reporting Model Improvements* (FYE 2026)

GASBS No. 104 *Disclosure of Certain Capital Assets* (FYE 2026)

# Value-Added Suggestions

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- Treat CRI as a year round resource
- GASB Training and Guidance
  - The governmental financial reporting standards are changing at a rapid pace. We are available to BDD for questions and are to provide training, if needed.
- Information Technology
  - The IT landscape is continually changing and a rapid pace. BDD should continue to assess and test the IT Environment and Cybersecurity to help BDD adapt (whether internally or with through outside consultation).

# Concluding Comments

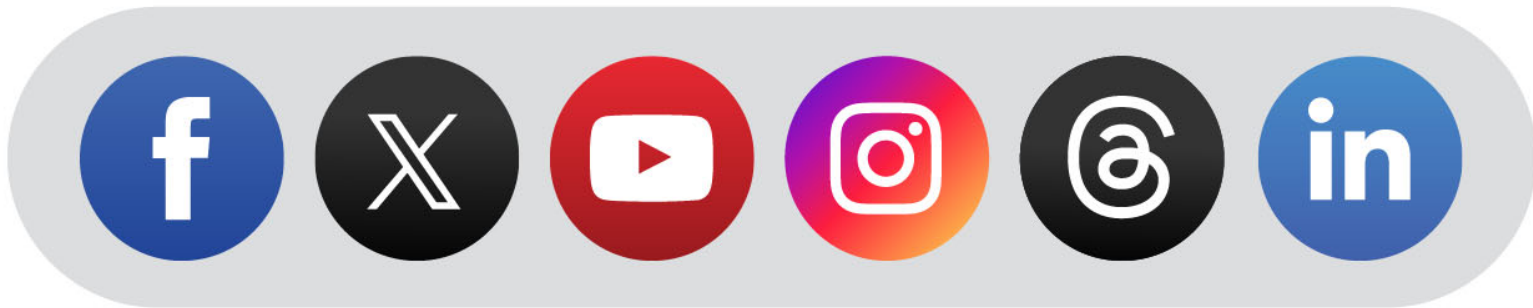
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- The Finance Manager and all of BDD's team members were very helpful and great to work with.
- Thank you for the opportunity to serve the BDD.
- We value our relationship and hope to continue to build on it.

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# - Today's Presenter -

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