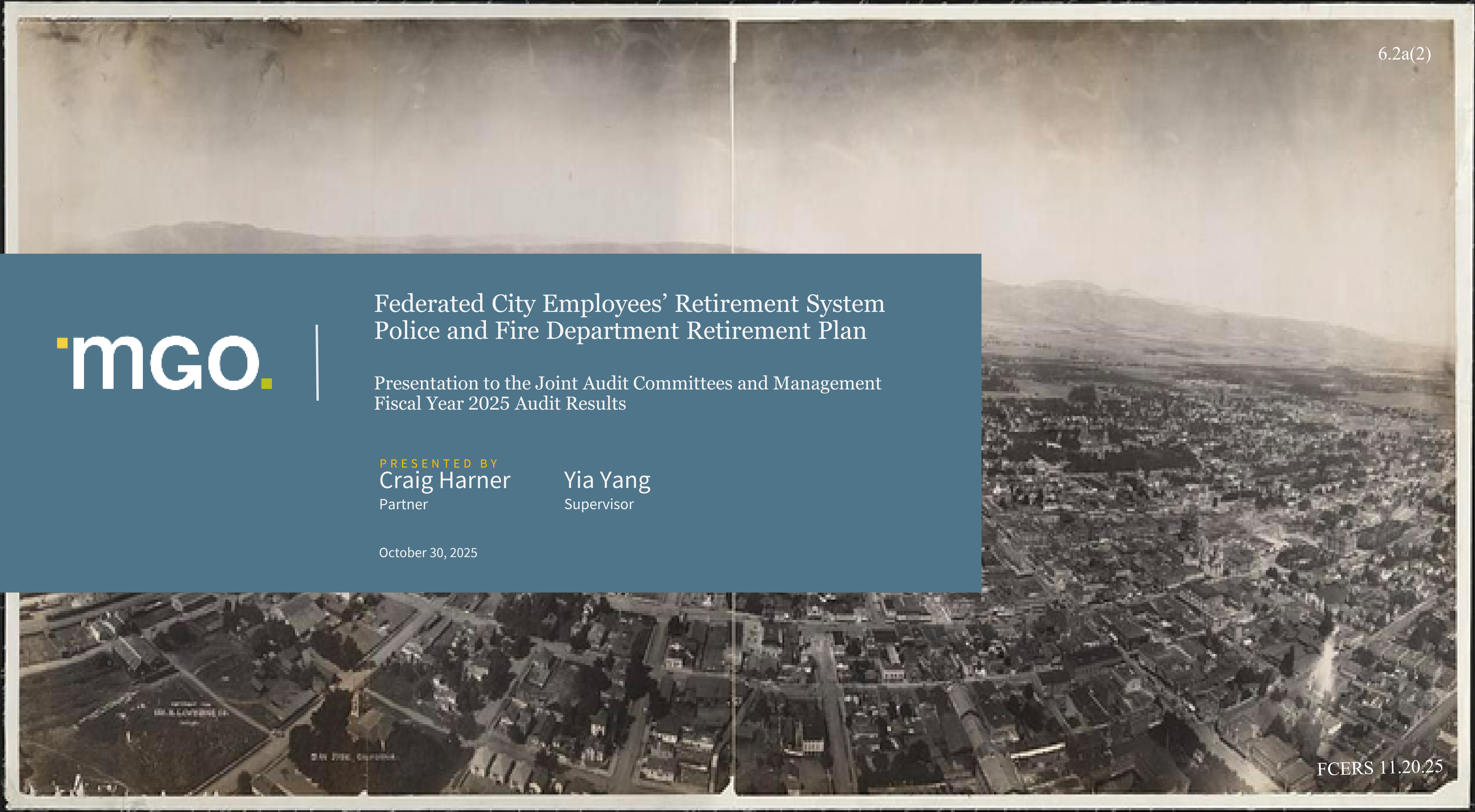

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Federated City Employees' Retirement System
Police and Fire Department Retirement Plan

Presentation to the Joint Audit Committees and Management
Fiscal Year 2025 Audit Results

PRESENTED BY

Craig Harner
Partner

Yia Yang
Supervisor

October 30, 2025

Agenda

Audit Scope, Objectives and Deliverables

Scope

Federated City Employees' Retirement System Basic Financial Statements
- Defined Benefit Pension Plan
- Postemployment Healthcare Plan

Police and Fire Department Retirement Plan Basic Financial Statements
- Defined Benefit Pension Plan
- Postemployment Healthcare Plan
- Police and Fire Department Healthcare Sub trusts

Notes to the Basic Financial Statements

Objectives

Opinions
- Gather sufficient and appropriate audit evidence to obtain reasonable assurance whether financial statements are free of material misstatement

In-Relation to Opinions
- Supplementary information (SI)

Other Information
- Read and consider whether a material inconsistency exists between the other information and the financial statements
- Provide consultation as necessary

Deliverables

Independent Auditor's Reports
- Opinion on basic financial statements
- In-relation to opinion on SI

Internal Controls and Compliance (GAS)
- Report on internal controls
- Report on compliance
- No opinion or assurance

Reports to the Boards of Administration
- Required Communications

Management Letter
- Observations

Audit Timeline

1 | Planning
Initial Data Requests
April – May 2025

2 | Execution
Interim Fieldwork
May – June 2025

3 | Execution
Year-End Fieldwork
Aug – October 2025

4 | Reporting
October 2025

Audit Results

Pending Items

Open Items

- Attorney letters
- Signed management representation letters

Audit Results

Financial Statements

- Unmodified Opinions
- Highest level of assurance

Internal Controls and Compliance

- No material weaknesses or significant deficiencies in internal control
- No material noncompliance

Reporting

Presentation of Audit Results to Audit Committees*

- Significant audit findings
- Audit results

Report Issuance

- Prepare and issue deliverables

Qualitative Aspects of Accounting

Accounting Policies

SSAPs

- Select appropriate policies
- No significant unusual transactions
- Policies changed during the year due to implementation of following GASBS:
- GASB 101
- GASB 102
- GASB 103
- GASB 104

Estimates: Fair Value

Alternative Investments

- Recorded at either net asset value or using significant unobservable inputs
- Management's process is reasonable
- Estimates of fair value are reasonable

Estimates: Actuarial Information

Total Pension and OPEB Liabilities / Actuarial Determined Contribution

- Census data materially complete and accurate
- Calculations, methods, and assumptions reasonable

Significant Audit Findings

Audit Adjustments

No

- Material audit adjustments
- Uncorrected adjustments

Audit Process

No

- Difficulties working with management
- Disagreements with management
- Consultations with other accountants

Independence

Shared Responsibility

Upcoming GASB Pronouncements

None – management implemented them all in FY 2025

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Questions?