



# TOWN OF KILL DEVIL HILLS

*Land Where Flight Began*

MEMORANDUM

January 24, 2024

TO: KDH Board of Commissioners

FROM: Debora P. Díaz, Town Manager 

REF: Introductions and Presentations

**2. Presentation of Annual Comprehensive Financial Report for FY 2022/2023 and Certificate for Excellence in Financial Reporting for Fiscal Year ended June 30, 2022 (Attached IP-2)**

Through a video presentation, Emily Mills, CPA and Partner, of Potter and Company, Certified Public Accountants, will present the results of Kill Devil Hills' audit for the 2022/2023 Fiscal Year. Ms. Mills' comments will include her firm's unmodified "clean" opinion, the best that can be issued, of the Town's financial condition. She will also be available via conference call to answer any questions.

Finance Director Angell Doughtie will then present a summary of the Town's financial operations for the 2022/2023 fiscal year through review of the Town's Annual Comprehensive Financial Report (ACFR).

The Town will then be presented the Certificate for Excellence in Financial Reporting for Fiscal Year ended June 30, 2022. The entire Finance Department is congratulated for its diligent efforts in maintaining such a high standard of financial, budgetary, and accounting practices.

The Finance Department will also present its first Popular Annual Finance Report (PAFR) to highlight the Town's overall financial condition. This new report provides a user-friendly format to better convey the Town's financial status to the public.

To reference the Annual Comprehensive Financial Report (ACFR):



To reference the Popular Annual Financial Report (PAFR):





## TOWN OF KILL DEVIL HILLS

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MEMORANDUM

January 24, 2024

To: Debora P. Díaz, Town Manager

From: Angell Doughtie, Finance Director *AD*  
Sam Angelo, Assistant Finance Director *SA*

RE: June 30, 2023 Audit

We are pleased to have Emily Mills, CPA and Partner, of Potter & Company present our audit for the 2022/2023 fiscal year. This audit received an unmodified or “clean” opinion, the best that can be issued. Emily will provide a video presentation and will be on the phone to answer any questions. In addition, I would like to present the Certificate for Excellence in Financial Reporting for Fiscal Year Ended June 30, 2022.

While an unmodified opinion was issued for the 2022/2023 fiscal year and no material weaknesses or significant deficiencies were found by the auditors, a response is required regarding the capital asset ratio of water and wastewater assets. This number calculates the remaining useful life of the assets and is recommended to be 0.50 or higher. The water and wastewater assets of the Town of Kill Devil Hills are slightly below this at 0.49. Because this is strictly a calculation based on estimated useful life it does not consider the actual physical condition of the assets. The Town updated the Water System Master Plan in 2022 and the engineers concluded the water system is in good financial condition and has no critical infrastructure projects required in the next 10 years. The Town of Kill Devil Hills remains confident in the condition of our assets and expects to see this number go up in the next few years as we remain committed to following the recommendations of the engineers.

At the conclusion of the audit presentation, Finance would like to present the Popular Annual Financial Report to highlight the overall financial condition of the Town. This is the first year the Town has published this report and it is our hope that it will be valuable to the Board, citizens and anyone interested in the finances of the Town.