



Communications with Those  
Charged with Governance

**Kings County Association of Governments**

June 30, 2024

## Communications with Those Charged with Governance

To the Kings County Association of Governments Commission  
Kings County Association of Governments

We have audited the financial statements of Kings County Association of Governments (KCAG) as of and for the year ended June 30, 2024, and have issued our report thereon dated March 18, 2025. Professional standards require that we provide you with the following information related to our audit.

### **Our Responsibility under Auditing Standards Generally Accepted in the United States of America, *Government Audit Standards*, Issued by The Comptroller General of the United States; and the Provisions of the *OMB Uniform Guidance***

As stated in our engagement letter dated March 12, 2025, we are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of KCAG's internal control over financial reporting. Accordingly, we considered KCAG's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

As part of obtaining reasonable assurance about whether KCAG's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit. Also, in accordance with Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), we examined, on a test basis, evidence about KCAG's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of its major federal programs for the purpose of expressing an opinion on KCAG's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on KCAG's compliance with those requirements.

The supplementary information was subject to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

### **Other Information Included in the Annual Report**

Management is responsible for the other information included in the financial statements. The other information comprises the schedule of expenditures by work element by funding source budget and actual – planning and administration fund but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. We have read the information, and nothing came to our attention that caused us to believe that such information is materially inconsistent with the financial statements.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in the planning letter and engagement letter dated March 12, 2025.

### **Significant Audit Findings and Issues**

#### ***Qualitative Aspects of Accounting Practices***

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by KCAG are described in Note 1 to the financial statements. No new accounting policies were adopted that had an impact to the financial statements and there were no changes in the application of existing policies during 2024. We noted no transactions entered into by KCAG during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

#### ***Significant Accounting Estimates***

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Post-employment benefit obligations for retirement
- Leases

### ***Financial Statement Disclosures***

The disclosures in the financial statements are consistent, clear, and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of the reporting entity and significant accounting policies in Note 1 to the financial statements. This disclosure reports the more significant policies used by KCAG in the preparation of the financial statements.
- Disclosure of post-employment pension in Note 6 to the financial statements. This required disclosure includes details on the pension KCAG provides its employees. The recorded liabilities for benefits included in the financial statements are an estimate based on assumptions regarding future personnel costs and discount rates that attempt to match anticipated returns on the cash and investment resources used to make benefit payments, and many other actuarial assumptions.

### ***Significant Unusual Transactions***

We encountered no significant unusual transactions during our audit of KCAG's financial statements.

### ***Significant Difficulties Encountered in Performing the Audit***

Professional standards require us to inform you of any significant difficulties encountered in performing the audit. No significant difficulties were encountered during our audit of KCAG's financial statements.

### ***Disagreements with Management***

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of our audit.

### ***Circumstances that Affect the Form and Content of the Auditor's Report***

There may be circumstances in which we would consider it necessary to include additional information in the auditor's report in accordance with Auditing Standards Generally Accepted in the United States of America, *Government Audit Standards*, issued by The Comptroller General of the United States; and the Provisions of the OMB Uniform Guidance. There were no circumstances that affected the form and content of the auditor's report.

### ***Uncorrected Misstatements***

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

Uncorrected Misstatements: There were no uncorrected misstatements.

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated March 18, 2025.

***Management Consultation with Other Independent Accountants***

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to KCAG’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

***Other Significant Audit Findings or Issues***

We are required to communicate to you other findings or issues arising from the audit that are, in our professional judgment, significant and relevant to your oversight of the financial reporting process. There were no such items identified.

This information is intended solely for the use of the Commission and management of Kings County Association of Governments and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Moss Adams LLP".

Medford, Oregon

March 18, 2025

