



November 13, 2024

To the Governing Board of  
Fresno Council of Governments  
Fresno, California

We have audited the financial statements of the governmental activities, the General Fund, and the aggregate remaining fund information of the Fresno Council of Governments (Fresno COG) for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter previously provided to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Fresno COG are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the fiscal year. We noted no transactions entered into by Fresno COG during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

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. We are not aware of any significant estimates for the fiscal year ended June 30, 2024.

The financial statement disclosures are neutral, consistent, and clear.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

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### *Disagreements with Management*

For purposes of this letter, a disagreement with management is 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. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated November 13, 2024.

### *Management Consultations 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 Fresno COG'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 Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Fresno COG's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

In our audit engagement letter previously provided to you, we communicated the following significant risks of material misstatement (significant risks) as part of our audit planning:

- Management override of controls
- Improper revenue recognition due to fraud

These risks were addressed within our audit procedures and we have no findings to report related to these risks.

### Other Matters

We applied certain limited procedures to the management's discussion and analysis and budgetary comparison information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on Supplementary Information as listed in the table of contents within the financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Fresno COG and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Price Waterhouse  
Coopers & Lybrand  
Company*

**Client:** FCOG - FRESNO COUNCIL OF GOVERNMENTS  
**Engagement:** 6-30-24 Audit  
**Current Period:** 06/30/2024  
**Workpaper:** Attachment: Uncorrected Audit Differences

Account	Description	Misstatement	Workpaper Reference	Debit	Credit	Net Income Effect	Workpaper ID
<b>PJE01</b>		<b>Known Misstatement</b>	<b>O200</b>				
To correct deposit liability owed at the end of the fiscal year related to REAP reallocation. Client doesn't have a misc. expenditure account.							
018-070-559-00-000	Misc. expense (PPC act)			140,000.00	0.00		
018-010-483-00-000	IN KIND - CASH MATCH			0.00	140,000.00		
<b>Total</b>				<b>140,000.00</b>	<b>140,000.00</b>	<b>0.00</b>	
<b>GRAND TOTAL</b>				<b>140,000.00</b>	<b>140,000.00</b>	<b>0.00</b>	