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Port of Seattle
Discussion with the Audit Committee
2023 AUDIT ENTRANCE
December 14, 2023
Presented by:
Olga A. Darlington, Anna Waldren, Conor McCauley

Agenda
1. Moss Adams Service Team
2. Scope of Services
3. Responsibilities (Auditor and Management)
4. Audit Process
5. Consideration of Fraud
6. Areas of Audit Emphasis
7. Audit Timeline
8. Recent and Upcoming Accounting Developments

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Scope of Services

? Audit and report on financial statements for the Port's Enterprise Fund and Fiduciary Fund, comprised of the Warehousemen's Pension Trust Fund, included in the Port's Annual Comprehensive Financial Report;
? Communication to Those Charged With Governance and Internal Control Related Matters

Annual Audit Limited Procedures

? Annual audit and report on the financial statements for ? Required Supplementary Information the year ended December 31, 2023;

- Management discussion and analysis

? Audit and report on compliance related to Major

Federal Award Program(s), the Schedule of • Pension schedules and related disclosures

Expenditures of Federal Awards and related internal • Other Postemployment Benefits (OPEB) schedules controls; and related disclosures

? Audit and report on the schedule of Passenger Facility

Charge (PFC) program receipts and expenditures, ? Agreed Upon Procedures and report to State of and related internal controls; Washington Department of Ecology relating to Terminal 91 Facility

? Audit and report on the schedule of net revenues

available for revenue bond debt service; ? Agreed Upon Procedures and report to the Environmental Protection Agency relating to East

Waterway SRI/FS

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Our Responsibilities

Assess if the financial statements prepared by management with your oversight are fairly presented, in all material respects, and in accordance with U.S. GAAP. However, our audit doesn't relieve you or management of your responsibilities.

Perform an audit in accordance with:

- Generally accepted auditing standards issued by the AICPA
- Government Auditing Standards issued by the Comptroller General of the United States

Design the audit to provide reasonable assurance about whether the financial statements are free of material misstatement.

Consider internal controls over financial reporting and compliance as a basis for designing effective audit procedures.

Communicate findings that are relevant to your responsibilities in overseeing the specific matters of the financial reporting process and administering federal awards.

When applicable, communicate particular matters required by law or regulation, by agreement with you, or by other requirements applicable to the engagement.

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Required Communications to Those Charged with Governance

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Significant Audit Areas

INTERNAL CONTROL EXISTENCE AND REVENUE MANAGEMENT COMPLIANCE
OVER FINANCIAL VALUATION OF RECOGNITION AND ESTIMATES – WITH FEDERAL
REPORTING AND CAPITAL ASSETS VALUATION OF ENVIRONMENTAL LAWS AND
SIGNIFICANT AND RECEIVABLES, AND LEGAL REGULATIONS,
BUSINESS CYCLES – CLASSIFICATION OF EVALUATION OF RESERVES, UNIFORM GRANT
CASH RECEIPTS, CONSTRUCTION IN LEASE REVENUE PENSION GUIDANCE
CASH PROGRESS AND RELATED ASSUMPTIONS (SINGLE AUDIT)

DISBURSEMENTS, BALANCES RECEIVABLE
PAYROLL, PROJECT BALANCES
MONITORING & GASB 96
CONSTRUCTION IN IMPLEMENTATION
PROGRESS COST OF SBITA
ADDITIONS ACCOUNTING

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Audit Timeline
2023 2024

SEPTEMBER OCTOBER DECEMBER JANUARY MARCH/ APRIL By APRIL 30 MAY MAY/JUNE
Planning Interim testing Entrance Testing of Perform final Final QC Presentation of Perform AUP
meetings with of internal meeting with GASB 96 SBITA audit fieldwork reviews, and the audit procedures as
management, controls Audit implementation for the financial finalize results to Audit required by the
Committee and testing for statements, auditors' Committee EPA and
Assessment of
the periods Single Audit reports Department of
IT environment
Audit planning 2021 – 2023 and PFC Ecology
and testing of Presentation of
and risk
system internal audit results to
assessment
controls management

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Recent and Upcoming
Accounting Developments
• GASB Statement No. 94 Public-Private and Public-Public
Partnerships and Availability Payment Arrangements
(effective 2023)
• GASB Statement No. 96 Subscription-Based Information
Technology Arrangements (effective 2023)
• GASB Statement No. 99, Omnibus 2022 (effective 2023)
• GASB Statement No. 100, Accounting Changes and Error
Corrections (effective 2024)
• GASB Statement No. 101, Compensated Absences
(effective 2024)

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