



PRICE PAIGE & COMPANY
Accountancy Corporation

The Place to Be

To the Management of
City of Coalinga, California

In planning and performing our audit of the financial statements of the City of Coalinga, California (the City) as of and for the year ended June 30, 2018, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

However, during our audit we became aware of other matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. This letter does not affect our report dated January 20, 2020, on the financial statements of the City.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various City personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing these recommendations.

This communication is intended solely for the information and use of management, the City Council, and others within the City, and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

Price Paige & Company

Clovis, California
January 20, 2020

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CalPERS Census Review

During the fiscal year 2018 audit, we reviewed the personnel records for select employees in order to confirm the data presented is in line with what is being reported to CalPERS, including census data. For one employee, Kristine Anderson, her date of birth was listed incorrectly on the CalPERS website. Although the overall effect to the financial statements and related GASB 68 calculations is immaterial, we recommend this is corrected and any adjustments that are necessary for the employee's account to be updated. Also, we recommend that any information uploaded to CalPERS is periodically reviewed to ensure the City's records are in alignment with CalPERS' presentation.

City Credit Cards

During the fiscal year 2018 audit, we reviewed credit card transactions for four employees across two billing periods. For one employee, Dwayne Gabriel, it was noted that he approved his own transaction during the December 2017 billing period. We recommend that the City implement a policy that requires a person at a higher level always approve the transactions of department heads or equivalent positions.