



mgo Certified Public Accountants

Agenda

- Introduction
- Our Audit Responsibilities
- Deliverables
- Communications to the Finance Committee

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Auditor Responsibilities

- Perform an audit of the City's basic financial statements as of and for the year ended June 30, 2015.
- The objective of an audit of financial statements is to express an opinion that the basic financial statements are presented fairly in conformity with generally accepted accounting principles (GAAP).
- The audit was performed in accordance with auditing standards generally accepted in the United States and *Government Auditing Standards*.
- Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

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Deliverables

- (1) Comprehensive Annual Financial Report
- (2) Air Quality Management District
- (3) Single Audit
- (4) Agreed-upon procedures report
 - o City's GANN Limit calculation
 - o Sanitary District's GANN Limit calculation
 - o One More Production
 - o Willowick Golf Course
 - o Solid Waste Hauling Services
- (5) Required Auditor communications to the City Council
- (6) State Controller's Office Report
- (7) Sanitary District - Tax Return
- (8) HUD REAC

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Communications to the Finance Committee

- Auditor's responsibility under professional standards
- Accounting policies and estimates
- Financial statement disclosures
- Adjustments/reclassifications
- Disagreements with management
- Management representations
- Management consultations with other accountants
- Issues and difficulties encountered during the audit

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Net Pension Liability

The City's Net Pension Liability at June 30, 2015:

Statement of Net Position

- o Governmental Activities: \$177,685,621
- o Business-type Activities: \$15,870,105

Statement of Net Position - Proprietary Funds

- o Water Utility Fund: \$10,009,783
- o Sewage Collection Fund \$4,880,361
- o Solid Waste Disposal Fund: \$979,951
- o Internal Service Funds \$2,807,073

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Single Audit Findings

Finding #	CFDA#	Program Name	Compliance Requirement
2015-001	14.218	Community Development Block Grant	Subrecipient Monitoring

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Management Letter Comment

Finding #	Area	Finding
FS-2015-01	Capital Assets: Completion of Capital Projects	Assets were placed into service in a prior year; however, these were not transferred in the accounting records to a depreciable asset category in the year placed into service. Depreciation for these assets was also under recorded.

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- ### Emerging Issues
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- o GASB Statement No. 72, *Fair Value Measurement and Application*, is effective for the City's fiscal year ending June 30, 2016.
 - o Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, is effective for the City's fiscal year ending June 30, 2018.
 - o Uniform Guidance

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Comments/Questions?

Thank you.

