

VILLAGE OF ROUND LAKE BEACH

AUDIT PRESENTATION
YEAR ENDED APRIL 30, 2016

RSM US LLP

November 7, 2016

This report is intended solely for the information and use of management and the Administration and Development Committee of the Village of Cary and is not intended to be and should not be used by anyone other than these specified parties.

Client Service Team

- Bill Sarb – Senior Manager
 - Replaced Sean Hickey as Mr. Hickey left the firm
- Jessica West – Manager
- Erik Ginter – Senior Associate

Required Communications

- Opinions on the financial statements are unmodified “clean” opinions
- Significant judgments or accounting estimates by management
 - Pension liabilities for Police Pension and IMRF
 - Other post employee benefit (OPEB) obligations
 - Depreciation and accumulated depreciation
 - Self-Insurance Liabilities
 - Allowance for uncollectible receivables
 - Parking Tickets
 - Liens

Required Communications (cont.)

- Other communications:
 - No disagreements with management
 - No consultations with other accountants
 - No alternative accounting treatments discussed
 - Management letter indicating a significant deficiency due to six adjustments that were identified by the auditors.

Required Communications (cont.)

- Other written communication
 - Management representation letter
 - Management letter
- Excellent cooperation from the Village management and staff
- Full and open access to entire organization

New Accounting Pronouncements in 2016

- *GASB 68 – Accounting and Financial Reporting for Pensions* – had a significant impact on the Village in 2016.
 - Required the Village report the net pension liability and corresponding pension amounts on the Government-Wide financial statements
 - New disclosures supporting the amounts reported
 - New Required Supplementary Information

New Accounting Pronouncements in 2017 and beyond

- GASB 72, *Fair Value Measurement and Application* – April 30, 2017
- GASB 77, *Tax Abatement Disclosures* – April 30, 2017
- GASB 79, *Certain External Investment Pools and Pool Participants* – April 30, 2017
- GASB 74 & 75, OPEB Standards (Similar to GASB 67 and 68's impact on pensions but for the OPEB) – April 30, 2019

THANK YOU FOR
YOUR TIME AND
ATTENTION