



Gainesville Regional Utilities 2019 Financial Statement Audit Auditor's Report to Governing Body

April 7, 2020





GRU
Audit Discussion

Agenda

What was covered by this year's audit

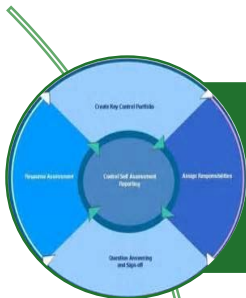
Required communication to Governing
Body

Impact of future standards

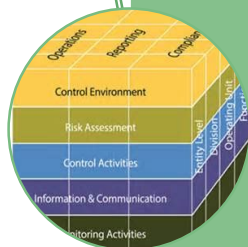
Discussion

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Audit Overview



Audit assesses internal controls



“...a means by which an organization’s resources are directed, monitored, and measured. It plays an important role in preventing and detecting fraud and protecting the organization’s resources”



Controls must meet the goal and objectives of Operations, Reporting and Compliance

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Testing methods



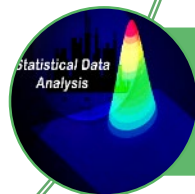
Evaluating and assessing risk



Interviewing employees and documenting business processes



Testing business processes for weaknesses and adherence to policies



Statistical sampling

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Testing methods



Independent confirmations



Use of specialist reports



Tracing to source documents


GRU**Major transactional areas tested**

Controls
reviewed
in key
transacti
on areas

Expenditures

Payroll

Revenues

Cash and investments

Capital assets

Information technology

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What were the audit results?



Audit performed in accordance with *Generally Accepted Auditing Standards*



Audit objective - reasonable assurance that financial statements are free from material misstatement



Financial statements of GRU received an *Unmodified Opinion*



There were no material weaknesses or significant deficiencies in controls



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Auditor communication to those charged with governance

Auditor
responsibility &
independence

Board responsibility

Accounting policies
and estimates






Baker Tilly agrees with GRU's accounting
policies and disclosures

There were no
adjustments to the
financial
statements

No audit findings or concerns

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Upcoming accounting impacts

-  **GASB 84– Fiduciary activities – FY 2021**
-  **GASB 87– Leases – FY 2022**
-  **GASB 89– Capitalized interest – FY 2022**
-  **GASB 91– Conduit Debt Obligations – FY 2023**
-  **GASB93 – Replacement of Interbank Offered Rates – FY 2022**



We appreciate the help of the GRU Accounting team
in preparing for and assisting in the audit!



Discussion



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