

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

Board of Trustees
City of Gainesville, Florida

We have audited the financial statements of the Consolidated Police Officers' and Firefighters' Retirement Plan (the Consolidated Plan), a fiduciary fund of the City of Gainesville, Florida (the City) for the year ended September 30, 2020. Professional standards require that we provide you with the information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated October 12, 2020. Professional standards also require that we communicate to you the following information related to our audit:

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended September 30, 2020.

We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events, and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements are:

■ **Fair Value of Financial Instruments**

As discussed in the notes to the financial statements, the Consolidated Plan uses third party valuations for determining the fair value of its investments, which are based on quoted prices in active markets, matrix pricing techniques based on certain investments' relationships to benchmark quoted prices, or net asset value (NAV) per share if fair value is not readily determinable.

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■ **Net Pension Liability**

The net pension liability disclosed in Note 5 to the financial statements is determined by an actuarial valuation using actuarial methods and assumptions, which were selected based on risk and market factors affecting governmental entities of similar sizes, pension plan policies, and employee census information.

We evaluated the key factors and assumptions used to develop these estimate in determining that they were reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

The completion of our audit was delayed due to the delay in the audit of the City's 2020 annual comprehensive financial report as previously reported.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements were identified.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 10, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Consolidated Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

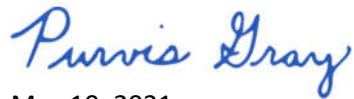
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Other Matters

We applied certain limited procedures on the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Board of Trustees and management of the City, and is not intended to be, and should not be, used by anyone other than these specified parties.



May 10, 2021
Gainesville, Florida