



Independent Auditor Presentation
For fiscal year ended June 30, 2018
City of Los Altos

Katherine Yuen, CPA
Partner

Annual Audit

- Background:

- Independent of the City

- Conducted according to:

- Auditing standards generally accepted in the USA

- *Government Auditing Standards* issued by the Comptroller General of the United States of America

Annual Audit

- Audit timing:
 - Interim – one week in April 2018
 - Final – one week in October 2018
 - Conclusion – November 15, 2018

Audit Results

- Unmodified opinions:
 - City financial audit
 - TDA audit

- No exception noted:
 - FY 2017/18 Appropriations Limit calculation
AUP



Comprehensive Annual Financial Report (CAFR)



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Los Altos
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

New Accounting Pronouncement

- GASB No. 75 -- *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*

- Effects:
 - Net OPEB Liability \$1.5m
 - Revised footnote disclosure: Note 12

Financial Highlights:

General Purpose Subfund

	Amount	# of Months
Average monthly expenditures	\$2.9m	
Months of expenditures that can be covered by Fund Balance:		
• Unassigned + Assigned	\$20.0m	6.9 months
• Unassigned + Assigned for emergency and operating	\$12.1m	4.2 months
• Unassigned fund balance	\$4.9m	1.9 months

Financial Highlights:

Other Governmental Major Funds

- Change in fund balances:
 - In-Lieu Park Land Fund – ↑ \$866k
 - Capital Projects Fund – ↓ \$140k

Financial Highlights: Utility Funds

	Sewer	Solid Waste	Storm Drain
Working capital	\$9.9m	\$3.9m	(\$9.5k)
Average daily operating expenses	\$13,617	\$1,264	\$3
# of days working capital can cover average daily operating expenses	727 days	3,085 days	0 day



QUESTIONS?



Memorandum on Internal Control and Required Communication

Definitions

- Control Deficiency
 - Material Weakness
 - Significant Deficiency
- Other Matters

Significant Deficiency

- Carry forward item:
 - Super-user Rights

QUESTIONS?



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