Handout 6 7/12/18 TERS meeting

Office of the Washington State Auditor

Pat McCarthy

Exit Conference: Tacoma Employees' Retirement System

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independence and transparent examinations of how state and local governments use public funds, and develop strategies that make government more efficient and effective.

The purpose of this meeting is to share the results of your audit and our draft reporting. We value and appreciate your participation.

Audit Reports

We have published the following reports:

- Financial statement for January 1, 2017 through December 31, 2017 - see report.
- Comprehensive Annual Financial Report opinion letter – see letter.

Audit Highlights

We would like to thank Tacoma Employees' Retirement System (TERS) staff for their cooperation and timely response to our requests during the audit.

Tim and Catherine responded promptly our requests and provided all the documents necessary to complete the audit in a timely manner.

As observed during fieldwork, Retirement System staff work diligently to foster a strong culture of internal controls and have a strong commitment to fiscal accountability and accurate financial reporting.

Recommendations not included in the Audit Reports

Exit Items

We have provided exit recommendations for management's consideration. Exit items address control deficiencies or non-compliance with laws or regulation that have an insignificant or immaterial effect on the entity, or errors with an immaterial effect on the financial statements. Exit items are not referenced in the audit report.

Communications required by audit standards

In relation to our financial statement audit report, we would like to bring to your attention:

- There were no uncorrected misstatements in the audited financial statements.
- There were no material misstatements in the financial statements corrected by management during the audit.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in an electronic .pdf file. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: https://portal.sao.wa.gov/saoportal/Login.aspx

Management Representation Letter

We have included a copy of representations received from management.

Audit Cost

At the entrance conference, we estimated the cost of the audit to be $20,000. Actual audit costs will approximate $25,000. The additional cost and hours were due to additional work with the requirements of GASB 72, investment reporting.

Your Next Scheduled Audit

Your next audit is scheduled to be conducted in May 2019 and will cover the following general area:

- Financial Statements and CAFR letter

Working Together to Improve Government

Audit Survey

When your report is released you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Local Government Support Team

This team provides support services to local governments through technical assistance, comparative statistics, training, and tools to help prevent and detect a loss of public funds. Our website and client portal offers many resources, including a client Help Desk that answers auditing and accounting questions. Additionally this team assists with the online filing of your financial statements.

Performance Center

The Performance Center is a resource for local governments that need to solve problems, reduce costs, and improve the value of their services to citizens. The Center offers training and tools to help local governments improve performance and effectiveness.

Questions?

Please contact us with any questions about information in this document or related audit reports.

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