

Charter Township of Oshtemo

Board Presentation
Presented by: Seber
Tans, PLC
June 25, 2019

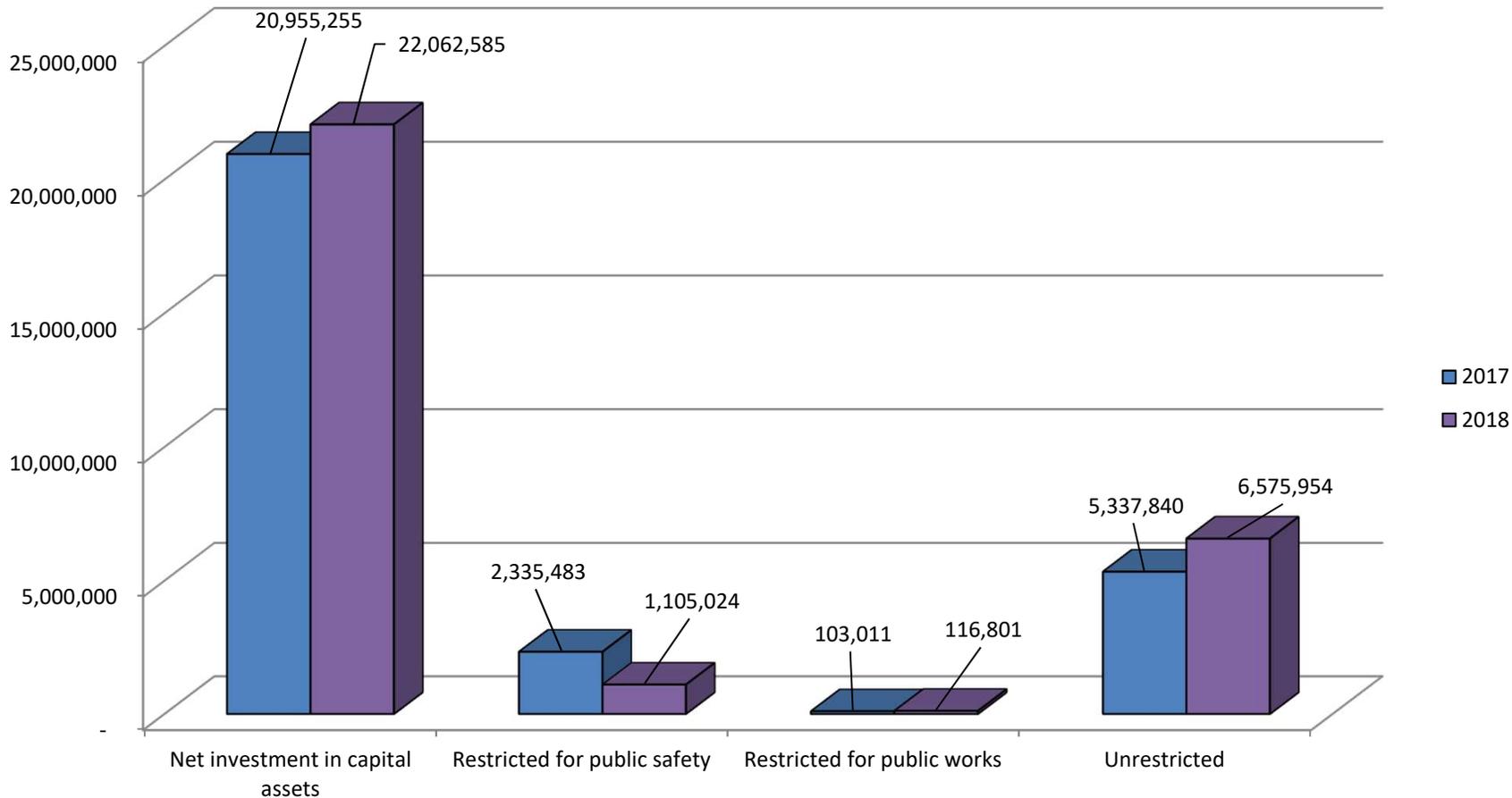


Results of Our Audit

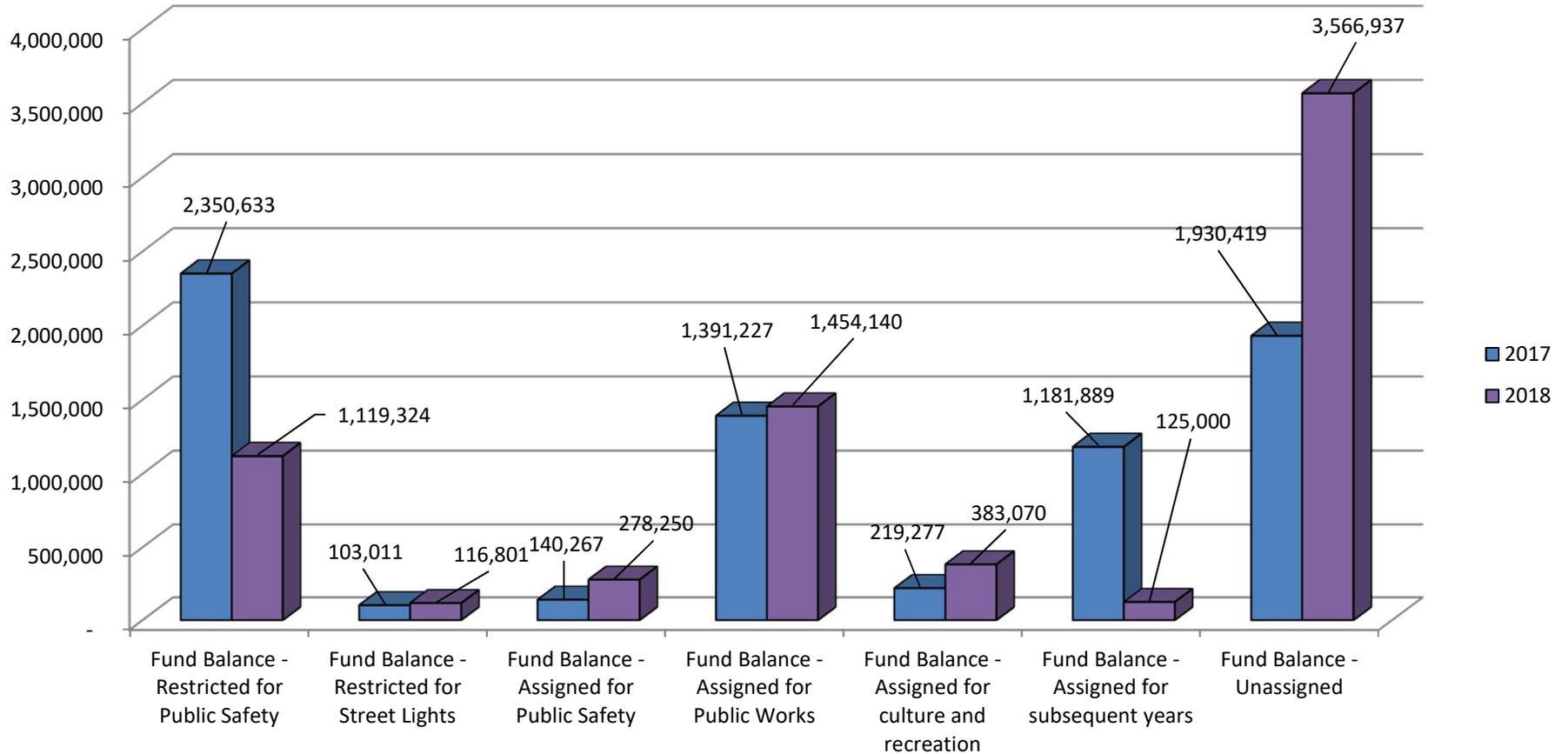
- Audit of Financial Statements
 - Management
 - Standards
 - Objective
 - Opinion
- Internal Control Over Financial Reporting
- Key Audit Areas:

Primary Areas of Focus	
Cash and Investments	Accounts Receivable
Property and Equipment	Accounts Payable
Deferred Inflows	Special Assessments
Net Position	Revenue Recognition
Expense Recognition	Required Disclosures

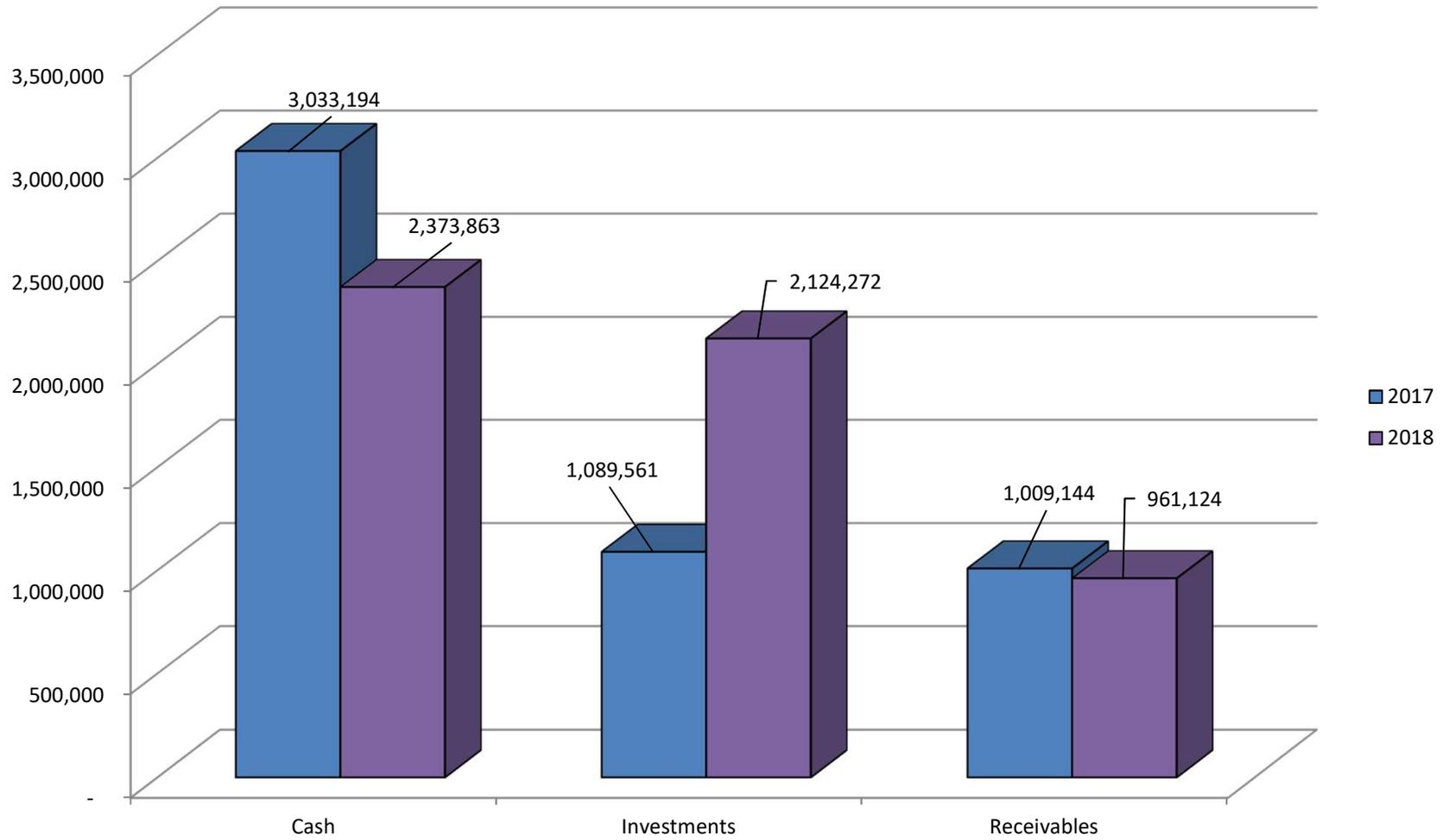
Charter Township of Oshtemo Net Position Breakdown - Primary Government December 31, 2018



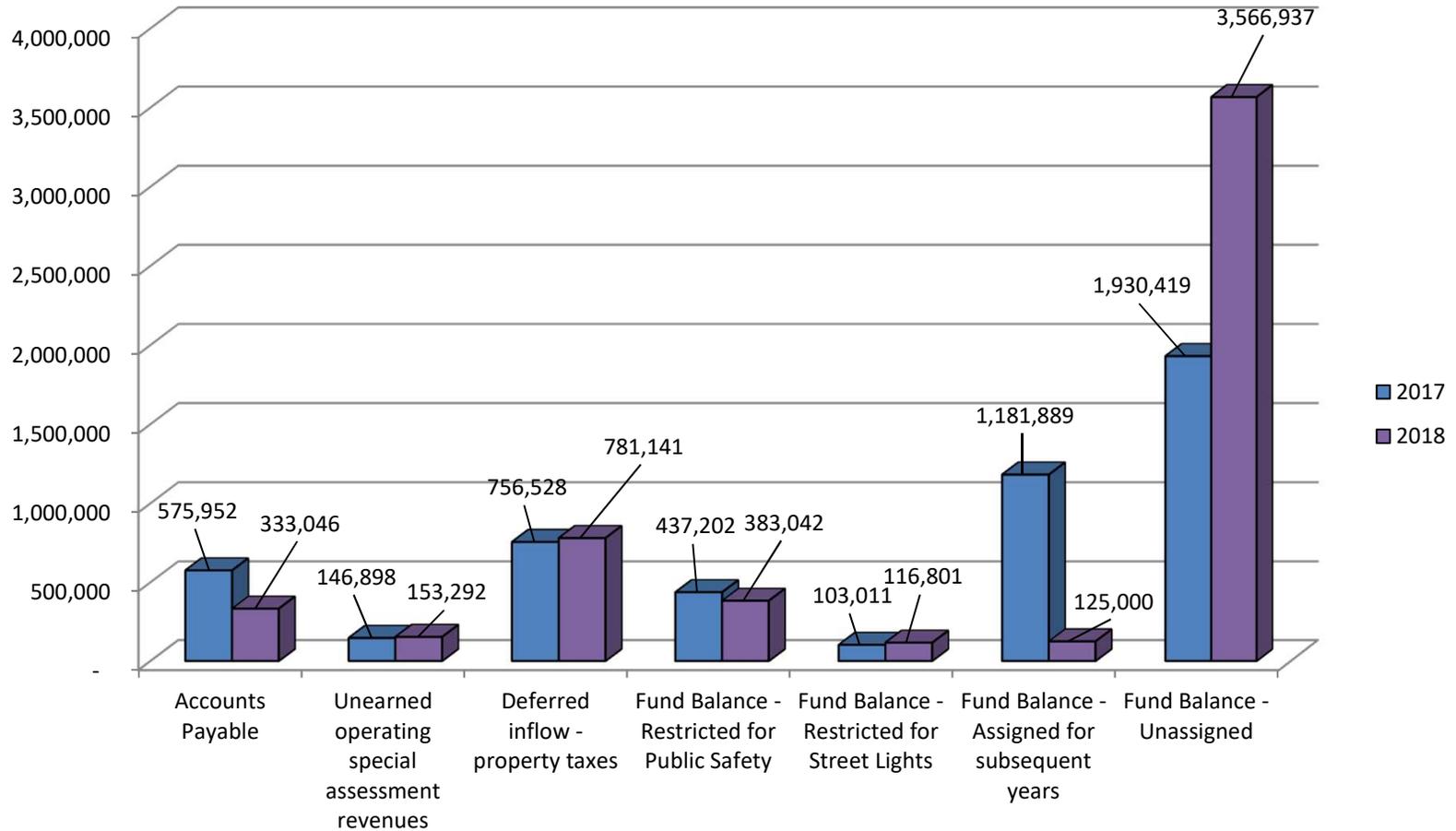
Charter Township of Oshtemo Fund Balance Breakdown - Fund Statements December 31, 2018



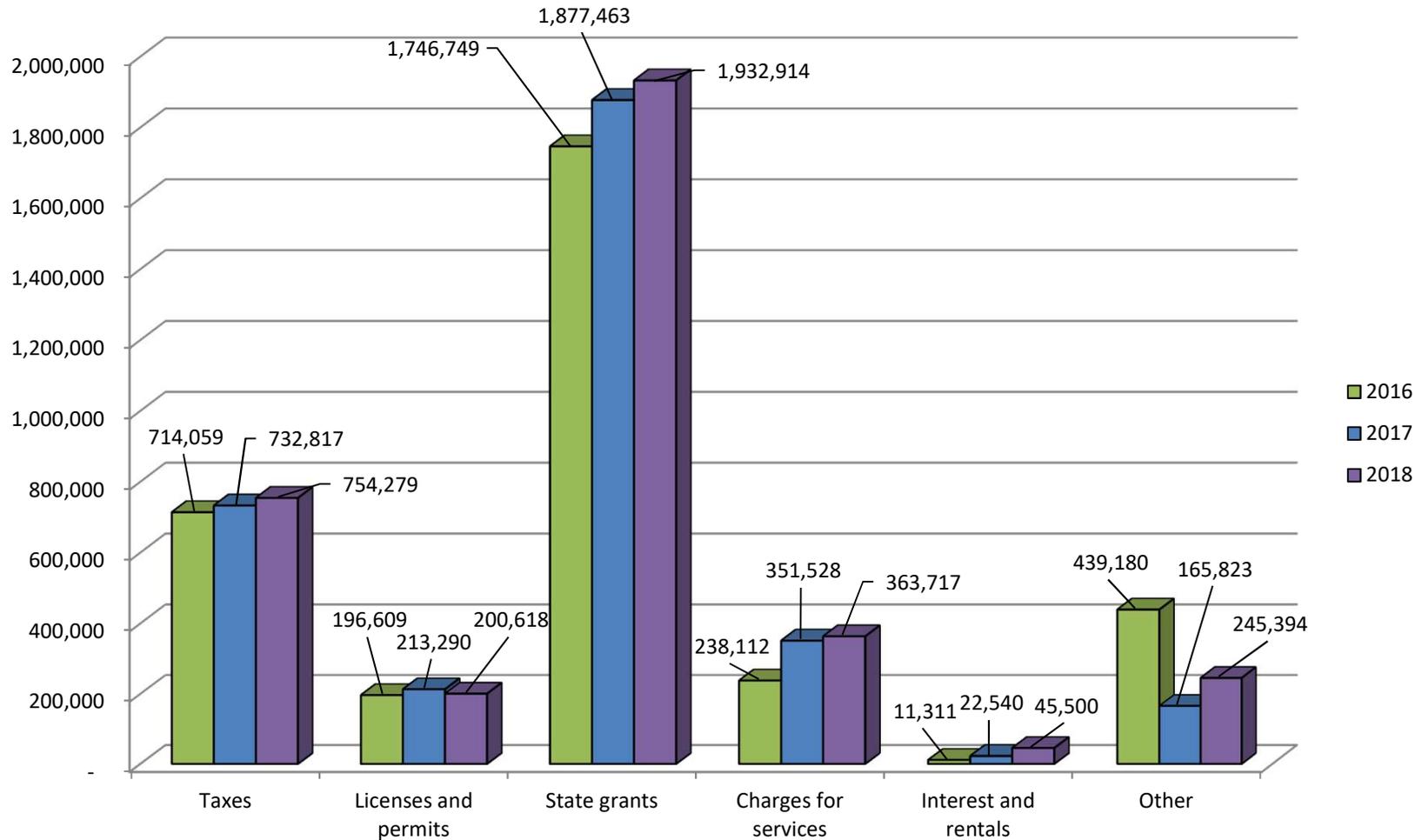
Charter Township of Oshtemo General Fund - Balance Sheet - Assets December 31, 2018



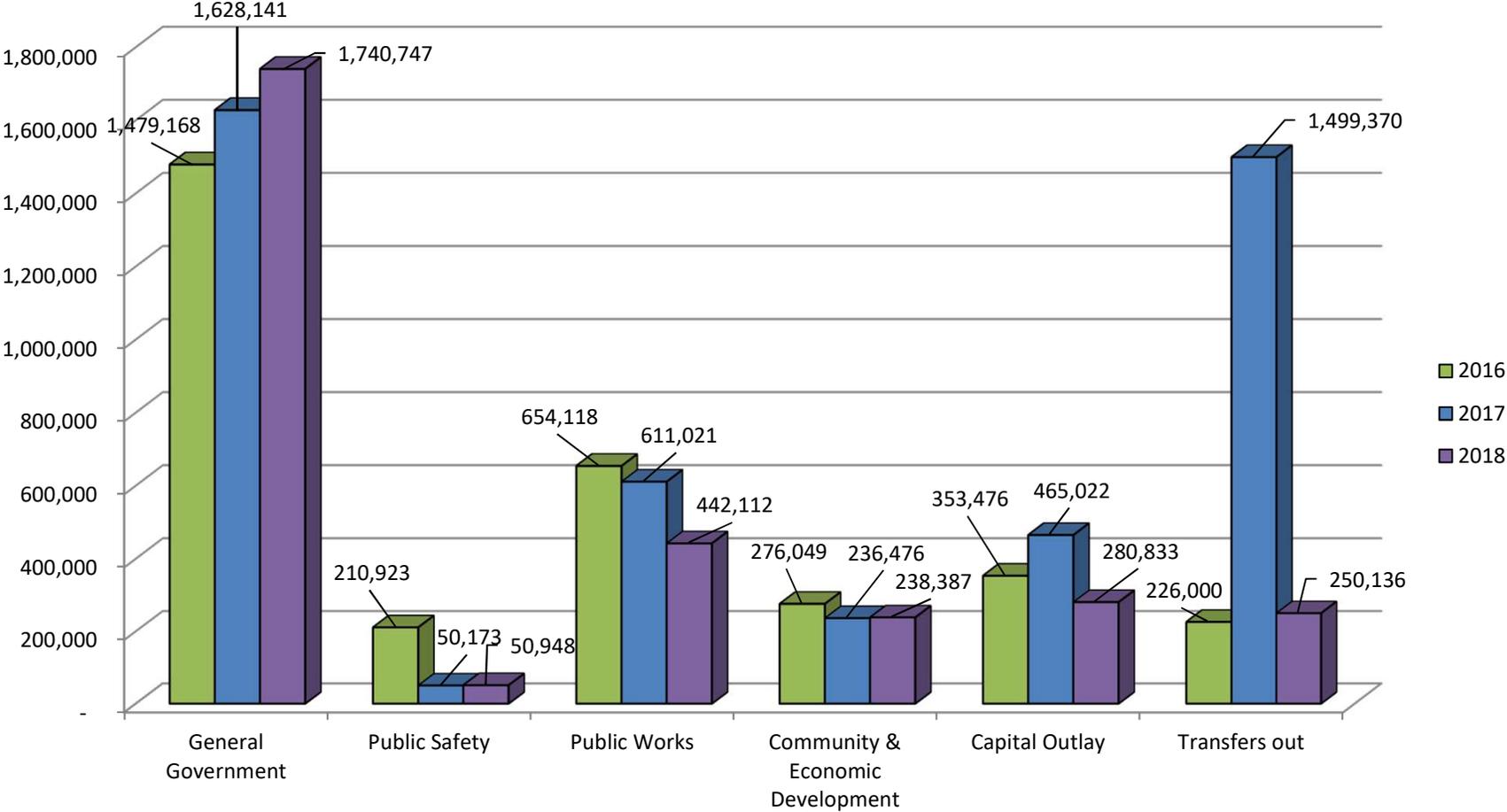
Charter Township of Oshtemo General Fund - Balance Sheet - Liabilities, Deferred Inflows and Fund Balance December 31, 2018



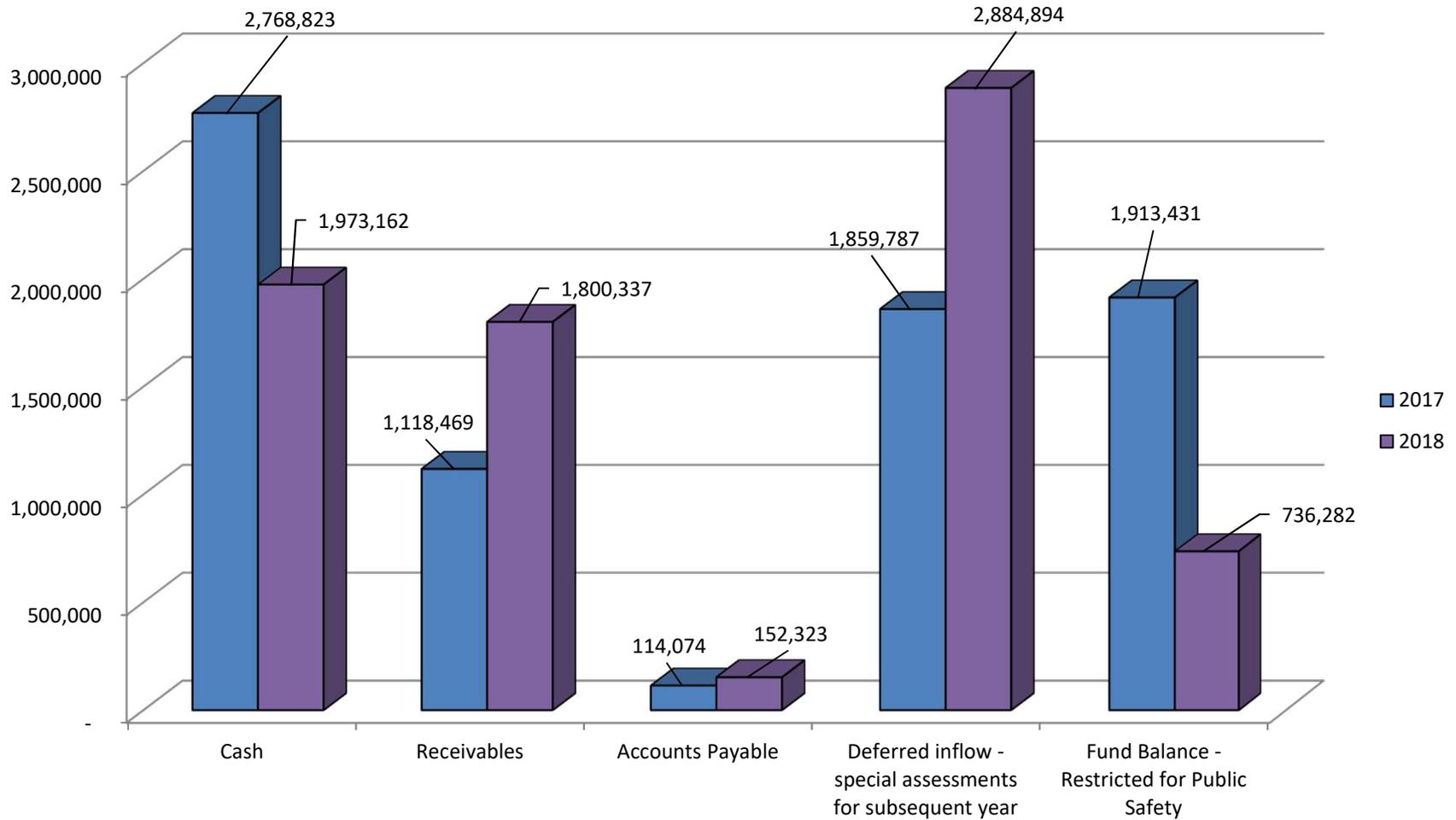
Charter Township of Oshtemo General Fund - Revenue Comparison December 31, 2018



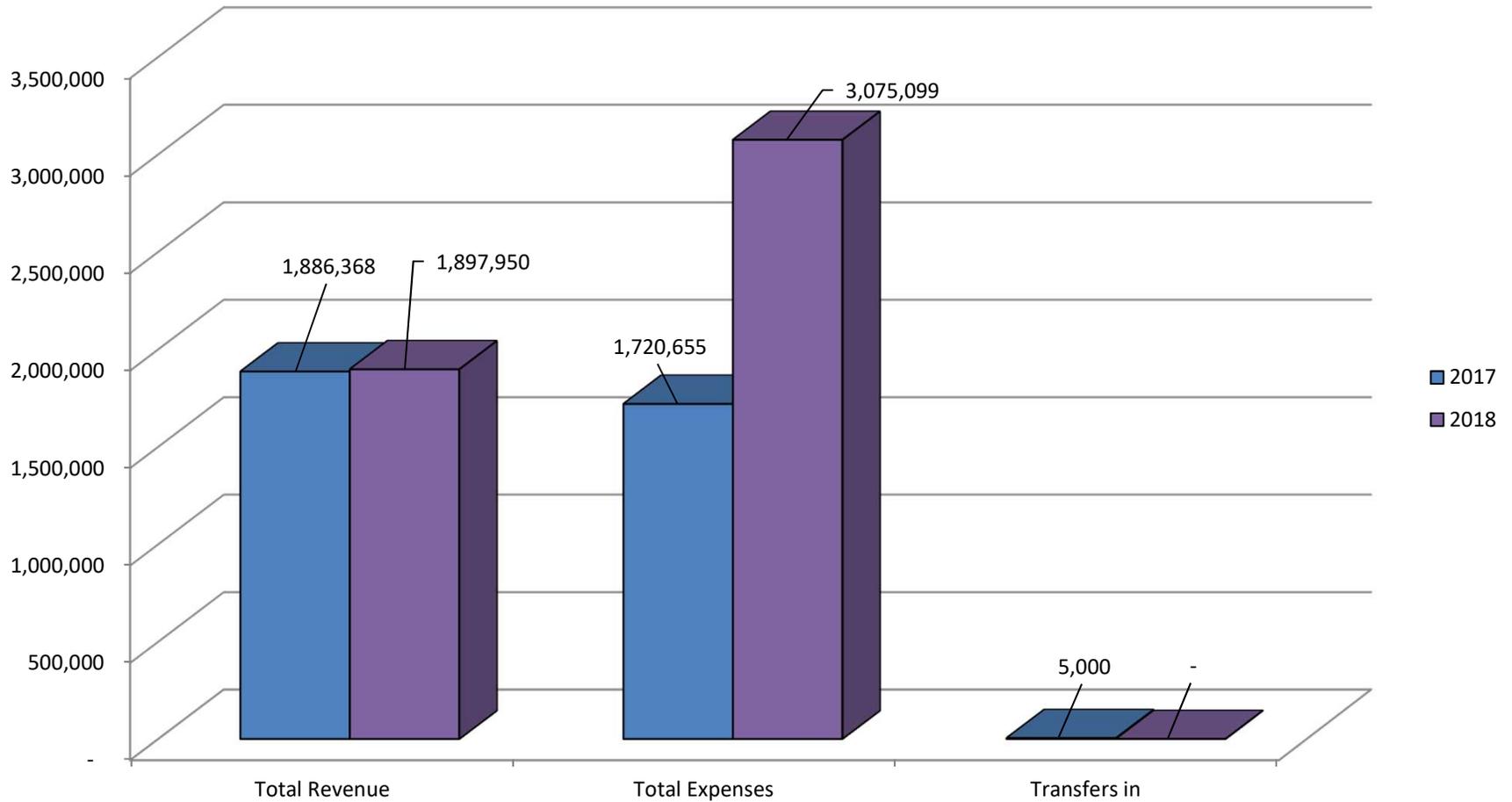
Charter Township of Oshtemo General Fund - Expenditure Comparison December 31, 2018



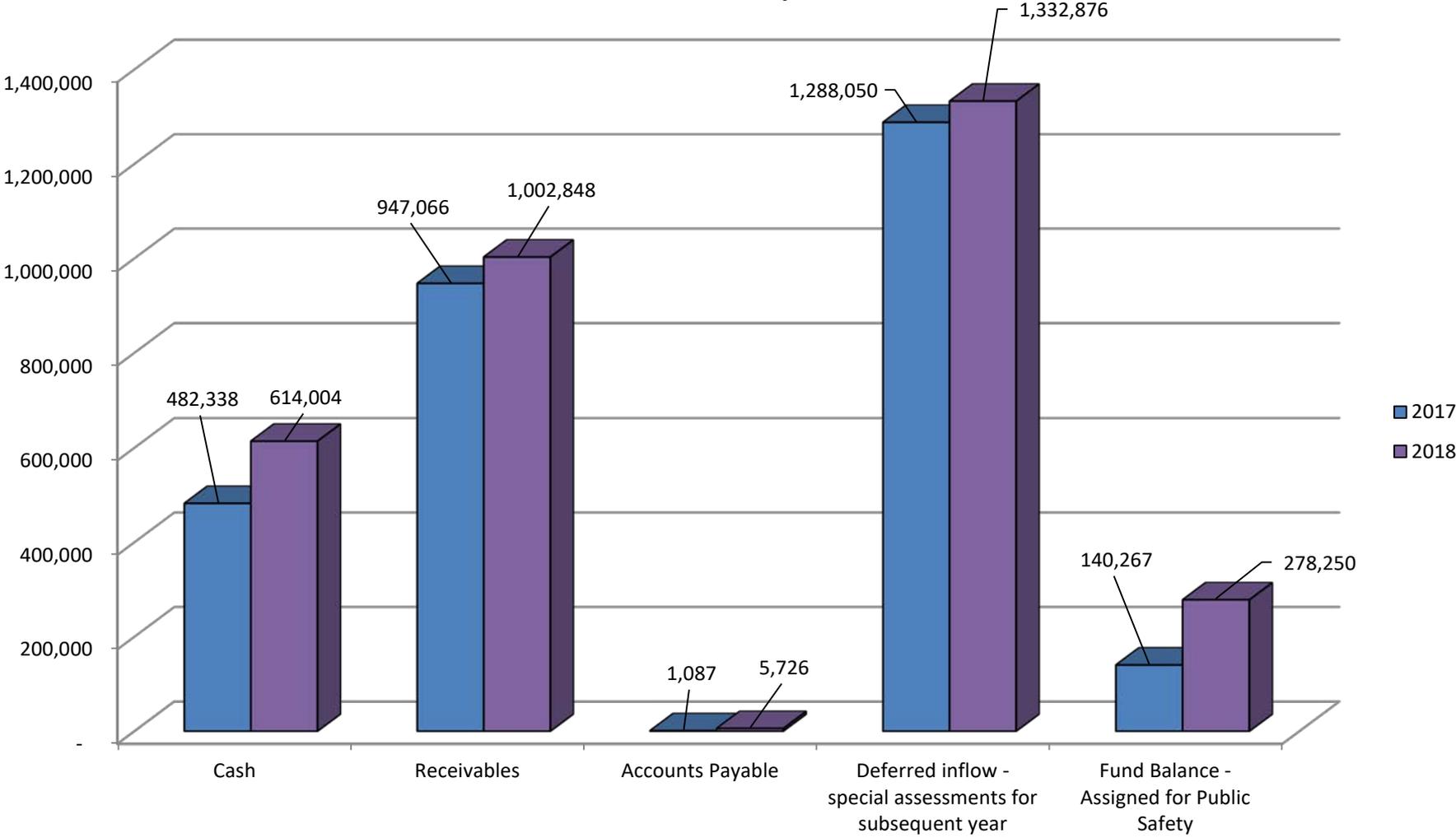
Charter Township of Oshtemo Fire Fund - Balance Sheet December 31, 2018



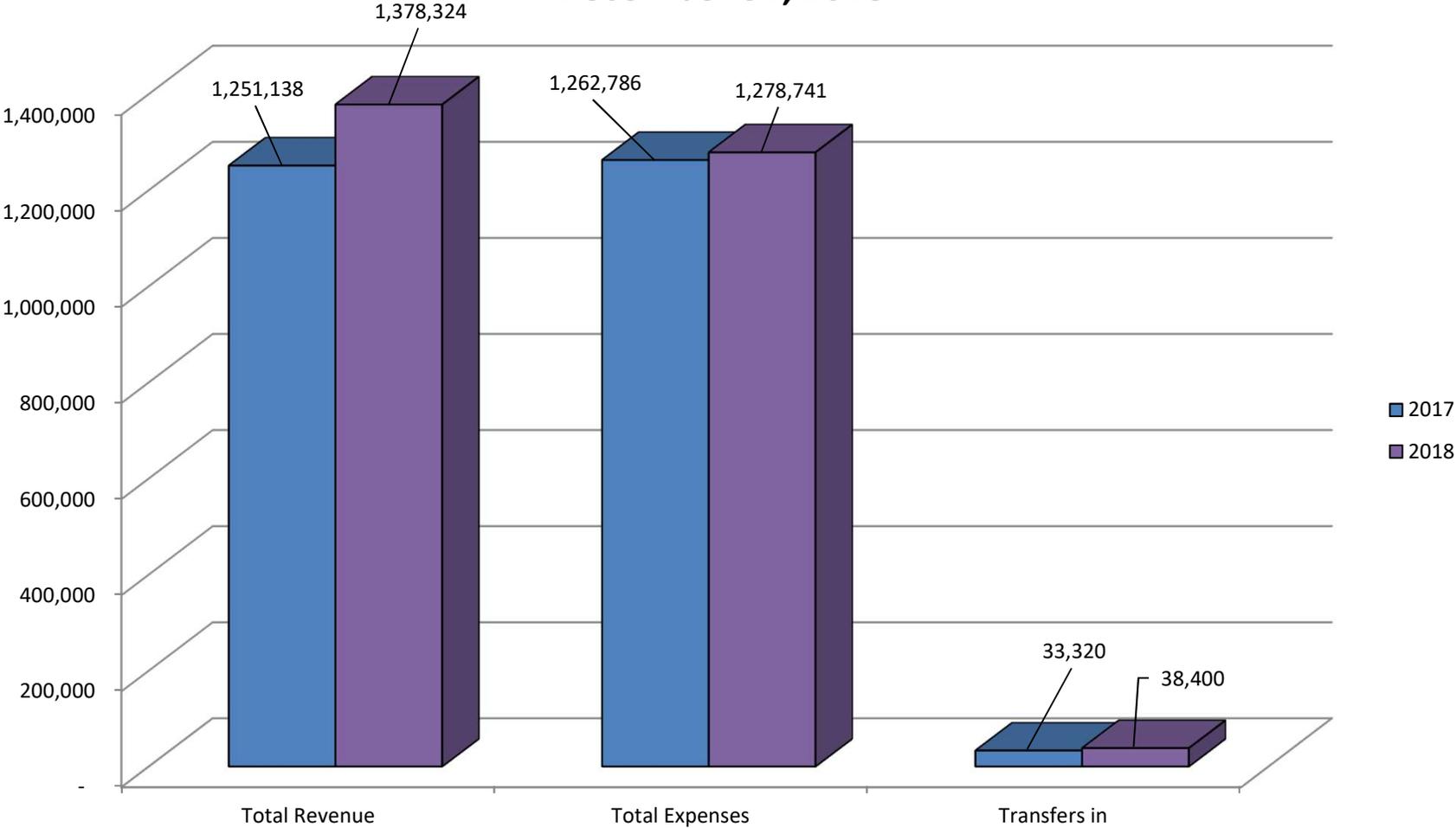
Charter Township of Oshtemo Fire Fund - Statement of Revenues & Expenditures December 31, 2018



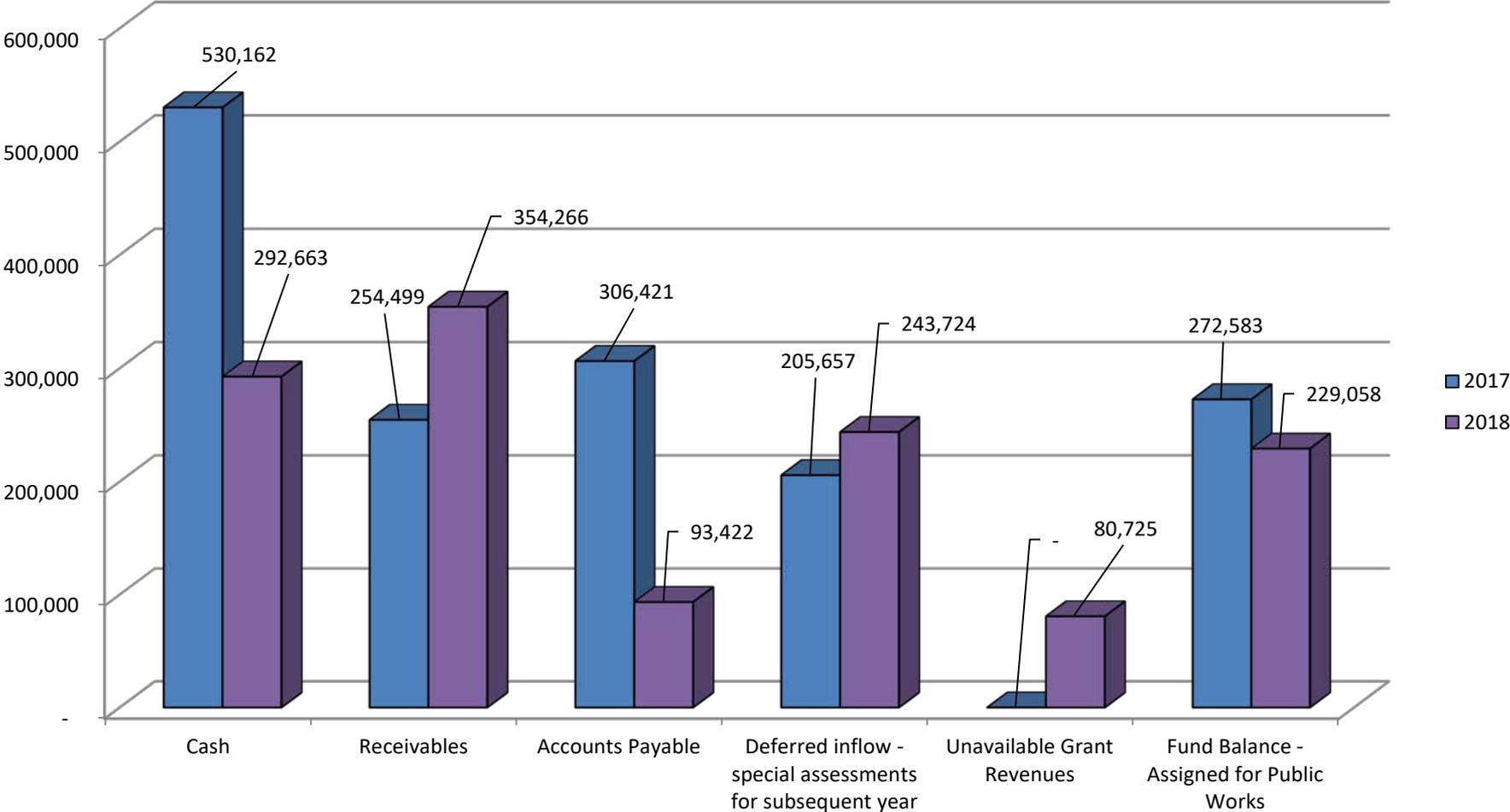
Charter Township of Oshtemo Police Fund - Balance Sheet December 31, 2018



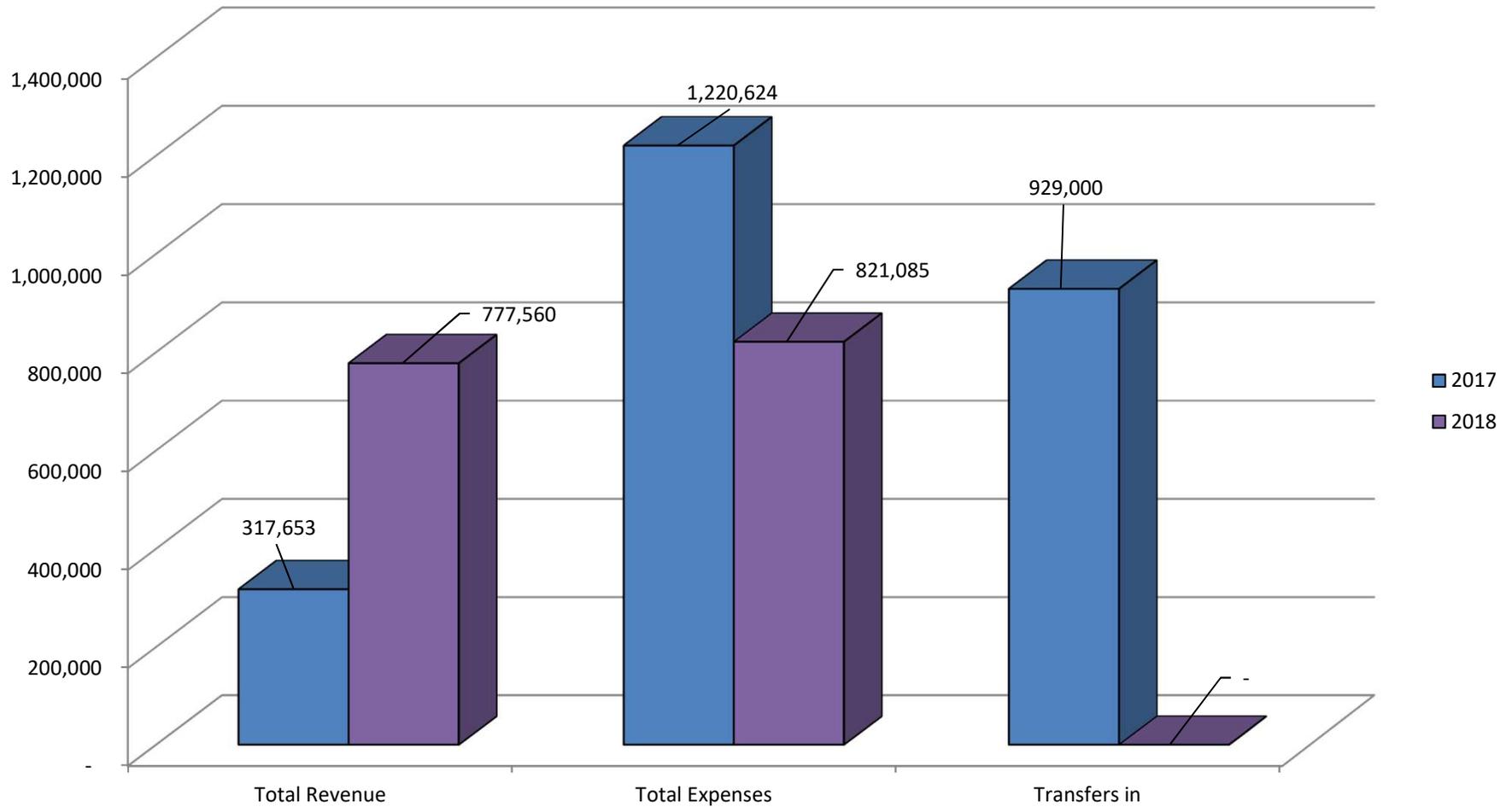
**Charter Township of Oshtemo
Police Fund - Statement of Revenues & Expenditures
December 31, 2018**



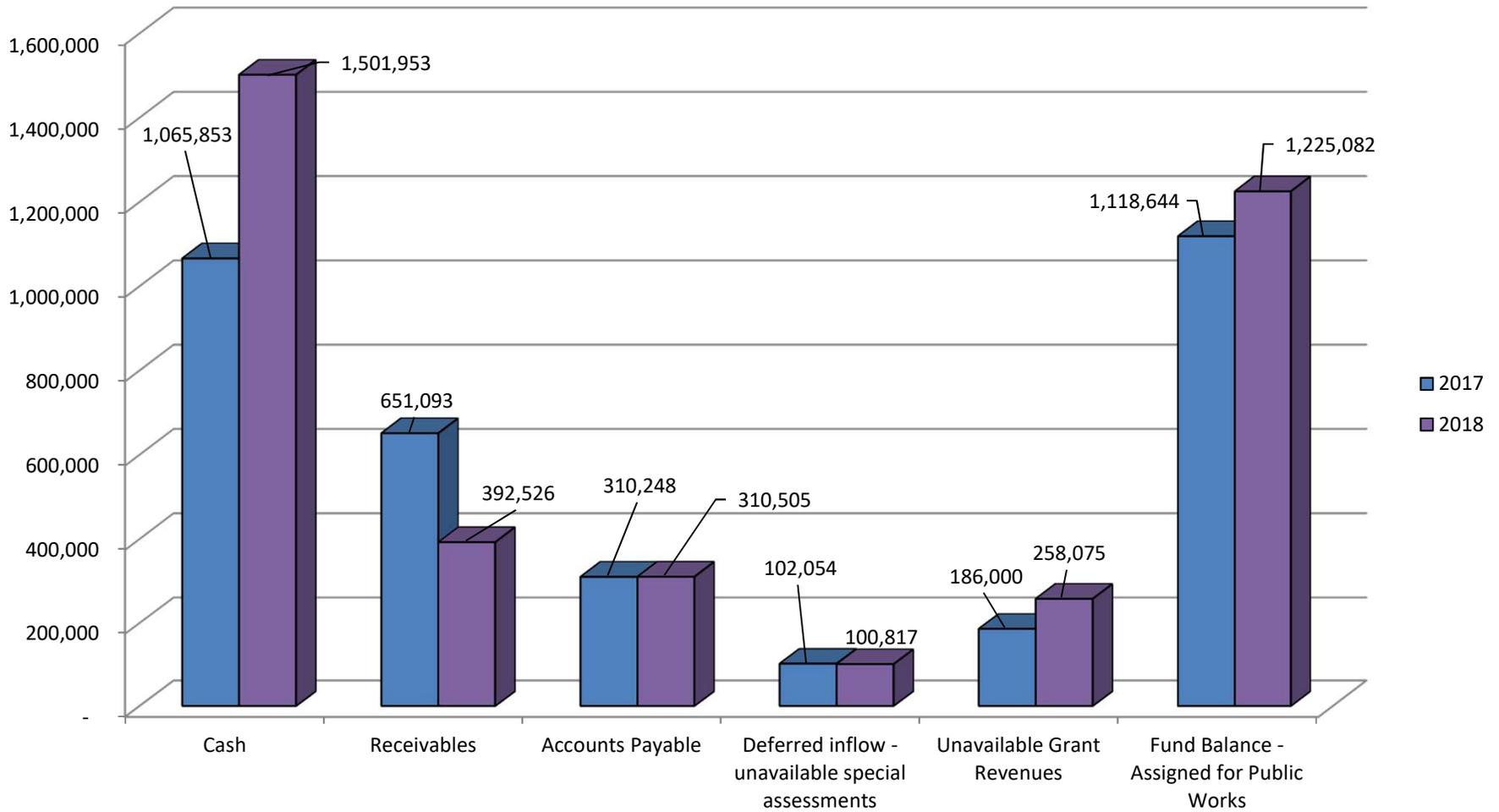
Charter Township of Oshtemo General Sewer Fund - Balance Sheet December 31, 2018



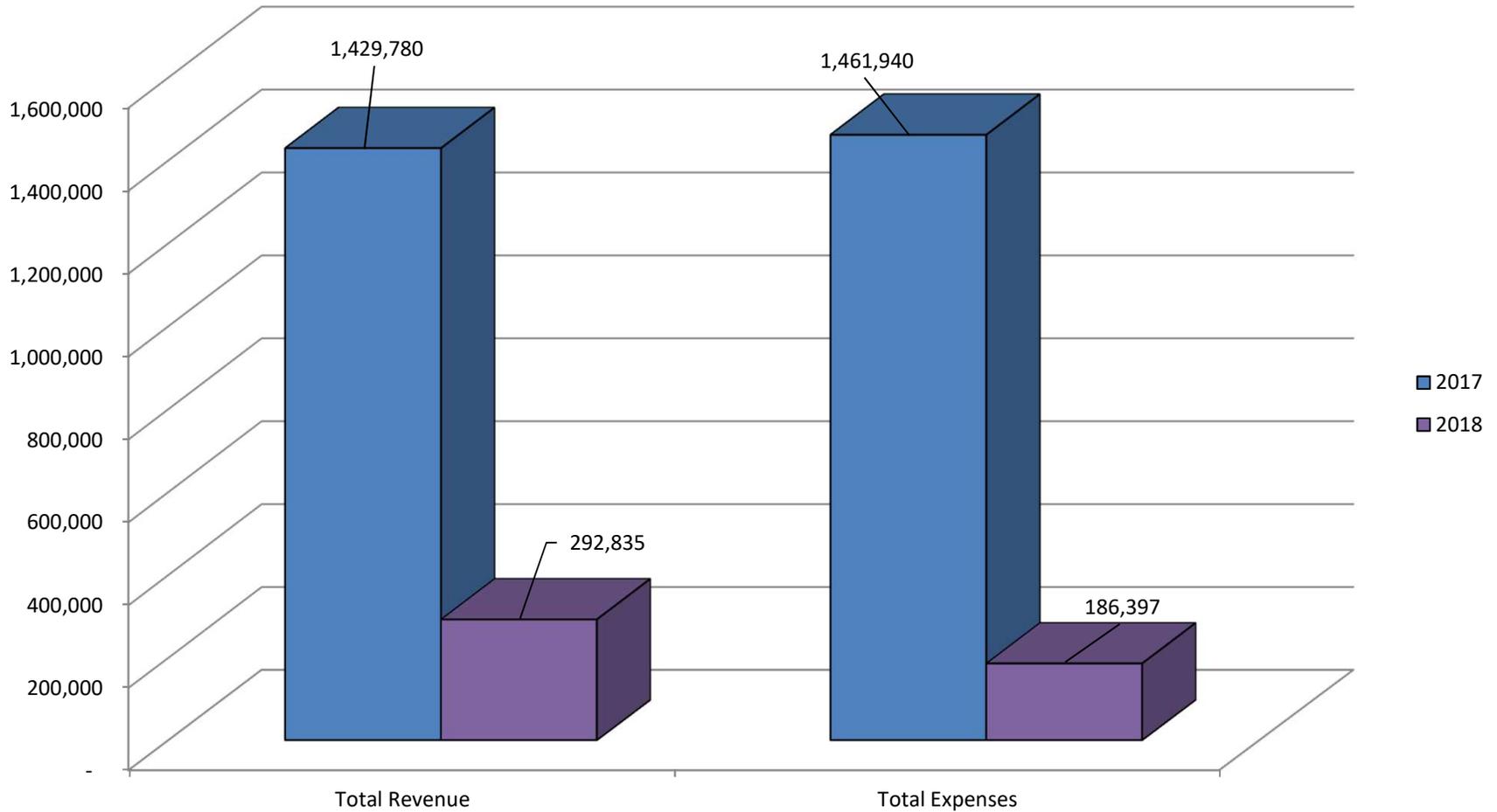
**Charter Township of Oshtemo
General Sewer Fund - Statement of Revenues & Expenditures
December 31, 2018**

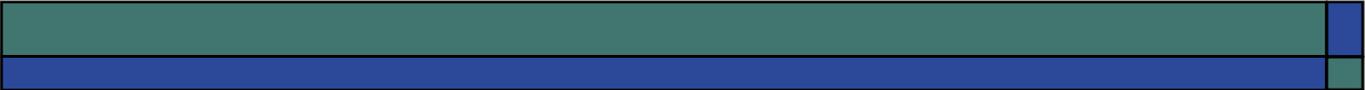


Charter Township of Oshtemo General Water Fund - Balance Sheet December 31, 2018



**Charter Township of Oshtemo
General Water Fund - Statement of Revenues & Expenditures
December 31, 2018**





Footnotes

- Summary of Significant Accounting Policies
- Stewardship, Compliance, and Accountability
- Cash and Investments
- Receivables
- Beneficial Interest in Assets Held by Foundation
- Capital Assets
- Payables
- Long-Term Obligations
- Property Taxes
- Defined Contribution and Money Purchase Plan
- Defined Benefit Postemployment Healthcare Plan
- Defined Contribution Postemployment Healthcare Savings Plan
- Interfund Balances and Transfers
- Joint Venture
- Risk Management
- Contingencies
- Construction Commitment
- Change in Accounting Principle
- Pending Accounting Pronouncement
- Subsequent Events

Communication with Those Charged with Governance

- Auditor's judgment about the quality of the Township's accounting policies, estimates and financial statement disclosures
 - Discussions with management were held regarding the quality of financial reporting, which included significant accounting practices, estimates and financial statement disclosures.
- Critical accounting policies and practices
 - Listed under "Primary Areas of Focus".
- Adoption of a change in accounting principle
 - GASB 75 adopted.
- Significant difficulties encountered during the audit
 - There were no difficulties in dealing with management.
- Material, corrected adjustments brought to the attention of management by the auditor
 - Included in letter

Communication with Those Charged with Governance

- Uncorrected adjustments, other than those the auditor believes are trivial
 - There were no uncorrected adjustments.
- Disagreements with management
 - There were no disagreements with management on financial or accounting matters that were not satisfactorily resolved.
- Representations requested from management
 - Management made certain written representations on June 25, 2019.
- Consultations with other accountants
 - We are not aware of any consultations about accounting or auditing matters between management and other independent public accountants.
- Major issues discussed with management prior to retention
 - Prior to being retained as auditors, there were no major accounting or other issues of concern discussed with management.
- Other issues arising from the audit the auditor considers significant and relevant to those charged with governance.
 - There were no other issues arising from the audit that we consider significant and relevant to those charged with governance.

Communication on Internal Controls

- We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Township's internal controls over financial reporting. The definitions of material weakness, significant deficiencies and control deficiencies follow:

Category	Definition
Material Weakness	A deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Township's financial statements will not be prevented, or detected and corrected on a timely basis.
Significant Deficiency	A deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Deficiency in Internal Control	A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

Communication on Internal Controls

- We did not note any deficiency in the Township's internal control that we consider to be a material weakness. However, material weaknesses may exist that have not been identified.
- We noted the following deficiency in the Township's internal control that we consider to be a significant deficiency:
 - Receipts under single control