

GASB Update and Financial Reporting Hot Topics

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Shareholders

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CELEBRATING **50** *Years* AS FLORIDA'S FIRM



GASB Update

Effective Dates

June 30 and Sept. 30: Fiscal Year 2024

- Statement 99—*Omnibus 2022* (financial guarantees and classification of derivatives)
- Statement 100—*Accounting Changes and Error Corrections*
- IG 2021-1—*Implementation Guidance Update—2021* (5.1)
- IG 2023-1—*Implementation Guidance Update—2023*

June 30 and Sept. 30: Fiscal Year 2025

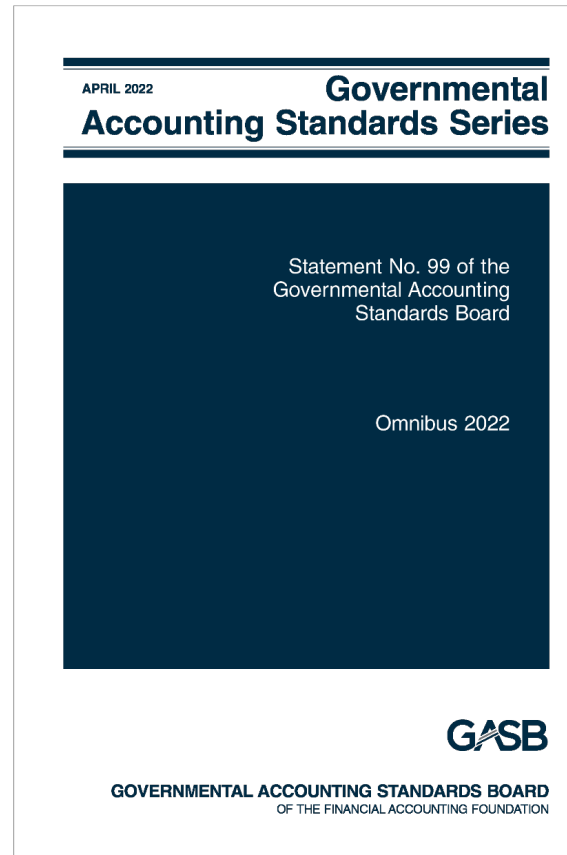
- Statement 101—*Compensated Absences*
- Statement 102—*Certain Risk Disclosures*

June 30 and Sept. 30: Fiscal Year 2026

- Statement 103—*Financial Reporting Model Improvements*

Omnibus 2022

Statement No. 99



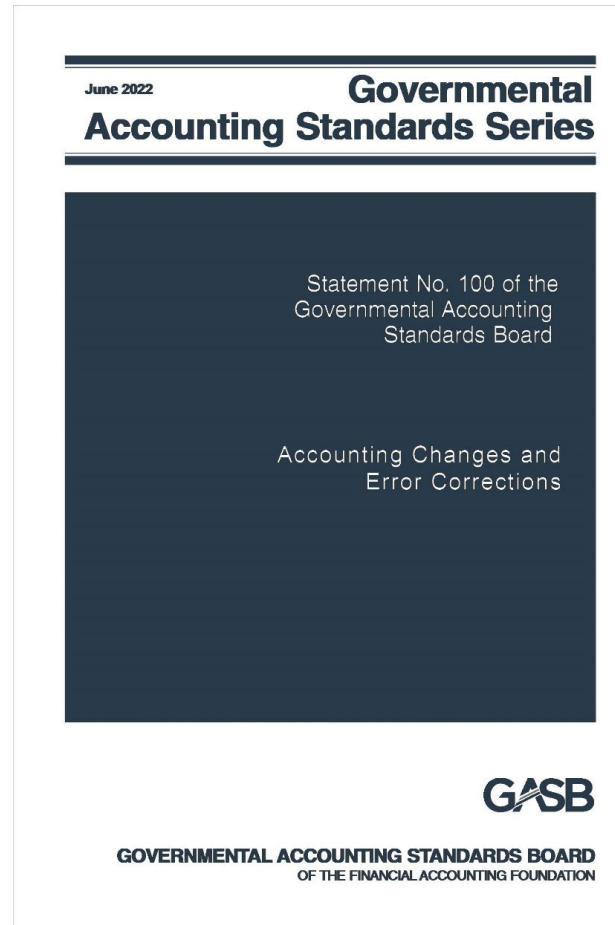
Other Derivative Instruments

New Category – Other Derivative Instruments

- Derivative Instruments that do not meet the definition of investment derivative instruments or hedging derivative instruments.
- Change in fair value should be reported on the flows statement separately from investment revenues.
- Disclosures should be distinguished from hedging derivative instruments and investment derivative instruments.
- Fair value of derivative instruments that were reclassified from hedging derivative instruments should be disclosed.

Accounting Changes and Error Corrections

Statement No. 100



Classification

Accounting Changes

Change in accounting principle

Change in accounting estimate

Change to or within the financial reporting entity

Correction of an Error in Previously Issued Financial Statements

Change in Accounting Principle

A change in accounting principle results from either:

- A **change** from one generally accepted accounting principle to another that is justified on the basis that the newly adopted accounting principle is preferable
 - Preferability based on the qualitative characteristics of financial reporting
- Implementation of new pronouncements.

Accounting Estimates

Accounting estimates are:

- Amounts subject to measurement uncertainty that are recognized or disclosed in basic financial statements.
- Outputs determined based on inputs such as data, assumptions, and measurement methodologies.

Change in Accounting Estimate

A *change* in accounting estimate occurs when the inputs change.

- Inputs include data, assumptions, and measurement methodologies.

Changes in inputs result from:

- Change in circumstance
- New information
- More experience.

Change in measurement methodology should be justified on the basis that new methodology is preferable.

- Based on qualitative characteristics of financial reporting.

Change to or within the Financial Reporting Entity

A change to or within the financial reporting entity results from:

- Addition/removal of a fund that results from movement of continuing operations within the primary government, including its blended component units
- A change in the fund presentation as major or nonmajor
- Addition/removal of a component unit (except for acquisitions, mergers, and transfers of operations, and Statement 90 component units)
- Change in presentation (blended or discrete) of a component unit.

Correction of an Error

An error results from:

- Mathematical mistakes
- Misapplication of accounting principles
- Oversight or misuse of facts that existed at the time the financial statements were issued about conditions that existed as of the financial statement date.
 - Facts that could reasonably be expected to have been obtained and taken into account at that time about conditions that existed as of the financial statement date

Accounting for Accounting Changes and Error Corrections

Change in accounting principle

- Reported retroactively by restating prior periods presented, if practicable
- If not practicable, restate beginning balances of current period

Change in accounting estimate

- Reported prospectively
- Recognized in current-period flows

Change to or within the reporting entity

- Reported by adjusting current period beginning balances

Error correction

- Reported retroactively by restating prior periods presented, if practicable

Display

Shown separately

- Aggregate amount of adjustments to and restatements of beginning balances should be displayed for each reporting unit.

Note Disclosures

Disclosures vary depending on the type of item, but common disclosures include:

The nature of the change or error and its correction

Reason for the change

The effects on beginning net position, fund balance, or fund net position, as applicable, presented in a tabular format

Disclosure

Reclassifications and Restatements consisted of the following (amounts in thousands):

	12/31/20X1 As Previously Reported	Changes to or within the Financial Reporting Entity	Changes in Accounting Principle	Error Corrections	12/31/20X1 As Restated
Governmental Funds and Activities					
Major Funds:					
General Fund	\$ 6,806,931	\$ -	\$ -	\$ (99,403)	\$ 6,707,528
Fund A	1,087,648	-	-	(1,231)	1,086,417
Nonmajor Funds	436,328	-	-	(4,413)	436,328
Total Governmental Funds	8,330,908	-	-	(105,046)	8,225,861
Government-Wide Adjustments					
Capital Assets, net of depreciation	26,903,086	-	-	(66,723)	26,836,364
Other Noncurrent Assets and Liabilities	(709,340)	-	-	60	(709,280)
Inclusion of Internal Service Funds in Governmental Activities	559,343	-	-	6,402	565,745
Total Governmental Funds and Activities	\$ 35,083,996	\$ -	\$ -	\$ (165,306)	\$ 34,918,690
Proprietary Funds and Business-Type Activities					
Major Funds:					
Fund B	4,514,667	69,597	4,501	2,756	4,591,521
Nonmajor Funds	532,633	(165,977)	-	6,400	373,055
Removal of Internal Service Funds in Governmental Activities	(559,343)	-	-	(6,402)	(565,745)
Total Proprietary Funds and Business-Type Activities	\$ 4,487,957	\$ (96,381)	\$ 4,501	\$ 2,753	\$ 4,398,831
Fiduciary Funds					
Pension and Other Employee Benefit Trust Funds	115,095,653	-	-	5,240	115,100,893
Total Fiduciary Funds	\$ 115,095,653	\$ -	\$ -	\$ 5,240	\$ 115,100,893
Discretely Presented Component Units					
	\$ 10,967,062	\$ 147,061	\$ (1,388)	\$ 123,946	\$ 11,236,680
Total Reporting Entity	\$ 165,634,668	\$ 50,680	\$ 3,113	\$ (33,367)	\$ 165,655,094

RSI and SI

The Statement addresses how to present in RSI and SI information that is affected by an accounting change or error correction.

Changes in Accounting Principle

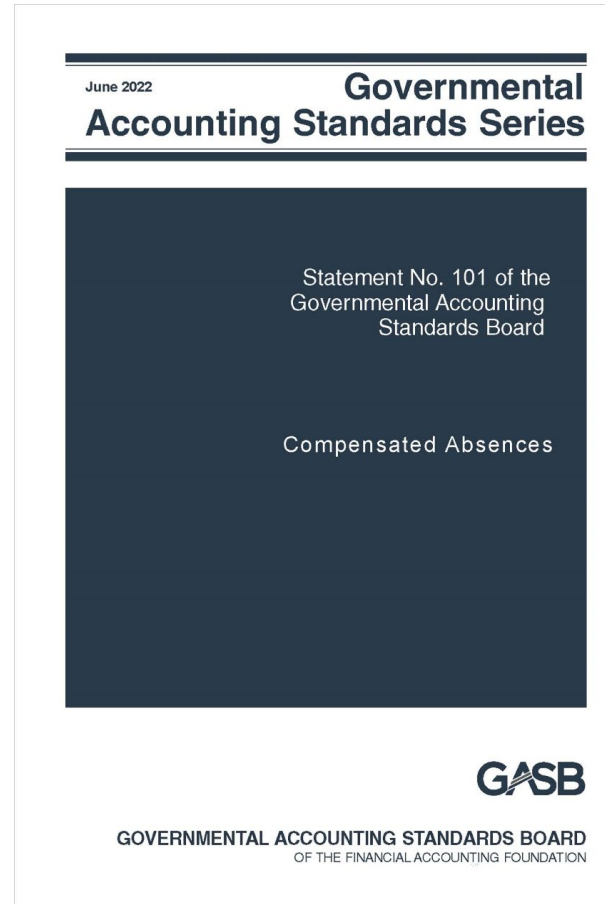
Periods earlier than those presented in basic financial statements should ***not*** be restated.

Error Corrections

Periods earlier than those presented in basic financial statements should be restated, if practicable.

Compensated Absences

Statement No. 101



Scope and Applicability

A compensated absence is

- Leave for which employees may receive one or more:
 - Cash payments when the leave is used for time off
 - Other cash payments, such as payment for unused leave upon termination of employment
 - Noncash settlement, such as conversion to postemployment benefits

Examples:

- Vacation and sick leave
- Paid time off (PTO)
- Holidays
- Parental leave
- Certain types of sabbatical leave

Recognition Criteria—Leave That Has Not Been Used

Leave is attributable to services already rendered

- Employee has performed the services required to earn the leave

Leave accumulates

- Can be carried forward from reporting period when earned to a future reporting period when it will be used or otherwise paid or settled

Leave is *more likely than not* to be used for time off or otherwise paid or settled

- Likelihood of more than 50 percent

Exceptions to the General Recognition Approach

Leave more likely than not to be settled through conversion to defined benefit postemployment benefits

- Excluded from liability

Leave that is dependent upon the occurrence of a sporadic event that affects a relatively small proportion of employees in any particular reporting period

- Recognize liability when leave commences
- Parental leave, military leave, jury duty recognized when commences
- Not sick leave or sabbatical leave

Unlimited leave and holiday leave taken on specific date

- Recognize liability when used

Measurement

Pay rate

Generally the employee's pay rate at financial reporting date

Exception: more likely than not to be paid at a different rate

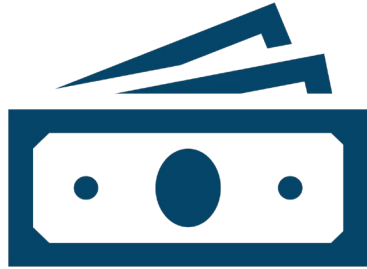
Salary-related payments

Directly and incrementally related

DC pension or OPEB recognized as related leave is earned – not pension or OPEB liability

DB pension or OPEB excluded

Leave Used but Not Paid



Liability for amount of cash payment or noncash settlement

Include applicable salary-related payments



Note Disclosures and Effective Date

Note disclosures

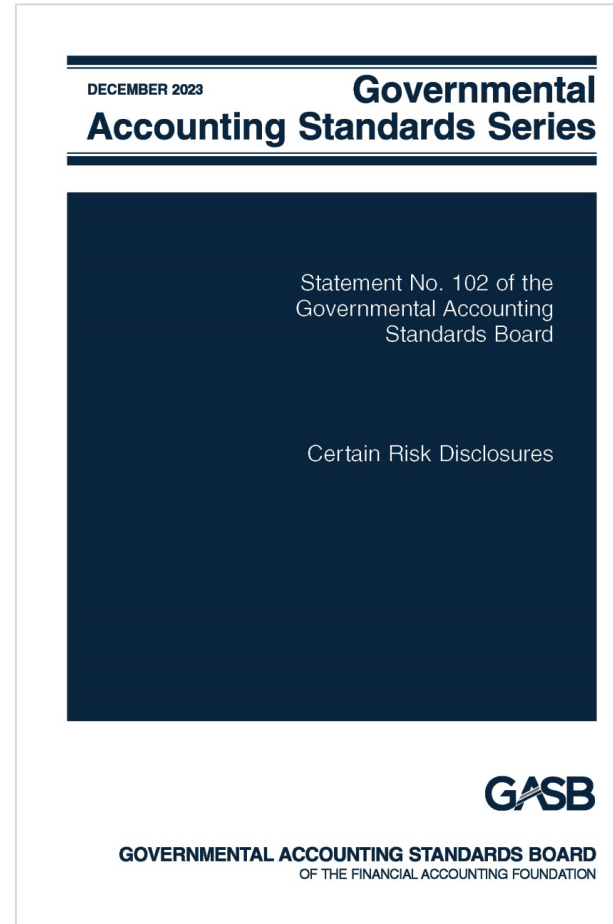
- No new note disclosures
- Exceptions to existing long-term liability disclosures for compensated absences:
 - Option to present net increase or decrease with indication that it is a net amount
 - Not required to disclose governmental fund used to liquidate

Effective date

- Fiscal years beginning after December 15, 2023

Certain Risk Disclosures

Statement No. 102



Application of Disclosure Criteria

Primary government reporting unit, including blended component units, AND

Other reporting units that report a liability for revenue debt

Disclosure Criteria

Disclosures would be required if a government determines that:

- A concentration or constraint is known to the government prior to the issuance of financial statements.
- The concentration or constraint makes the reporting unit vulnerable to the risk of a substantial impact.
- An event or events associated with the concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

General Disclosure Principles

If comparative financial statements are presented, disclosure requirements only apply to the current period.

Some requirements may supplement other note disclosures; combine to avoid unnecessary duplication.

Information that is the same for more than one reporting unit should be combined to avoid unnecessary duplication.

Disclosure for discretely presented component units subject to paragraph 63 of Statement No. 14, *The Financial Reporting Entity*.

Disclosure Requirements

Provide information in sufficient detail to enable users to understand the nature of the circumstances and the government's vulnerability to the risk of a substantial impact:

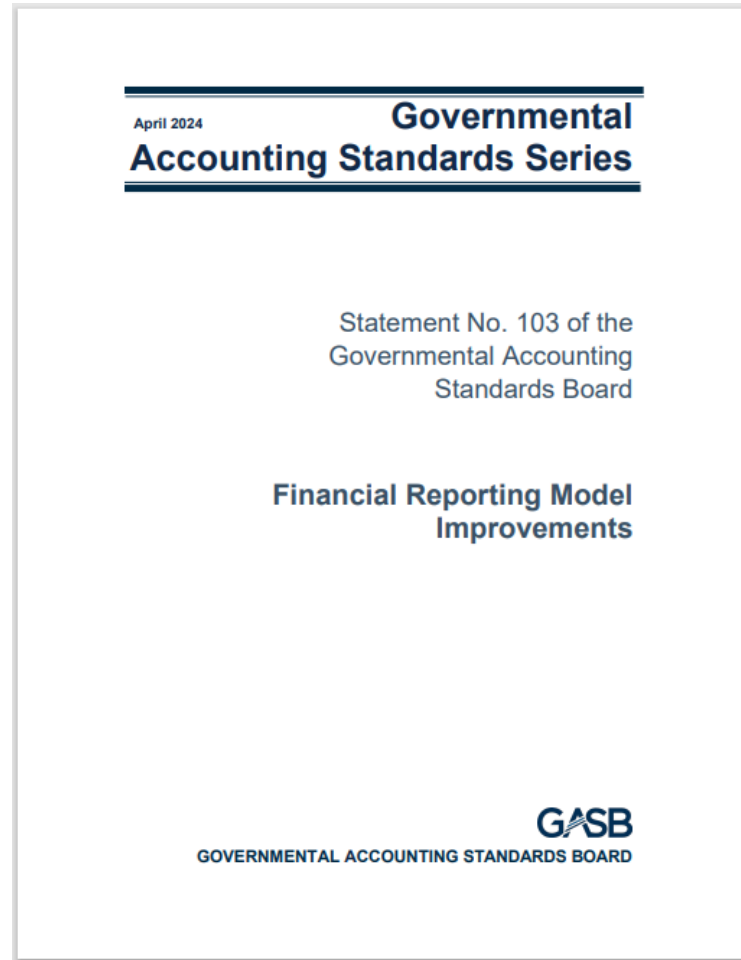
Description of the concentration or constraint

If they have occurred, description of each event associated with the concentration or constraint that could cause a substantial impact

Description of actions taken by the government to mitigate the risk

Financial Reporting Model Improvements

Statement No. 103



Overview of GASB 103

~~Measurement focus and basis of accounting for the governmental funds~~

~~Format of governmental funds financial statements~~

Management's discussion and analysis

Unusual or infrequent items

Presentation of proprietary funds statement of revenues, expenses, and changes in fund net position

Clarification of operating and nonoperating in proprietary funds

Major component unit presentations

Budgetary comparisons

MD&A

- Limits information to presented to the following five sections:
 1. Overview of the Financial Statements
 2. Financial Summary
 3. Detailed Analyses
 4. Significant Capital Asset and Long-Term Financing Activity
 5. Currently Known Facts, Decisions, or Conditions
- Detailed analyses should explain why balances and results of operations changed
- Avoid unnecessary duplication by not repeating explanations

Unusual or Infrequent Items

- Transactions and other events that are either unusual in nature or infrequent in occurrence
- Use this terminology in lieu of special and extraordinary items
- Present these items as the last presented flow(s) of resources prior to the net change on the income statements

Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position

- Distinguish between operating and nonoperating revenues and expenses, as well as separately report noncapital subsidies (a type of nonoperating revenue and expense)
- Order of presentation on income statement is as follows:
 - Operating revenues
 - Operating expenses
 - Noncapital subsidies
 - Other nonoperating revenues and expenses
 - Unusual or infrequent items

Definitions of Operating Revenues and Expenses and of Nonoperating Revenues and Expenses

- Operating revenues and expenses are revenues and expenses other than nonoperating revenues and expenses
- Nonoperating revenues and expenses are:
 - a. Subsidies received and provided
 - b. Contributions to permanent and term endowments
 - c. Revenues and expenses related to financing
 - d. Resources from disposal of capital assets and inventory
 - e. Investment income and expenses

Major Component Units

- Present each major component unit separately in the government-wide (GW) financial statements if it does not reduce the readability of the statements.
- If it does reduce readability, combine the component units in the GW statements and include combining statements of major component units in the basic financial statements after the fund financial statements.

Budgetary Comparison Information

- Budgetary comparison schedules should be presented as RSI for the general fund and each major special revenue fund that has a legally adopted annual budget
- Report separate columns for the variances between:
 - a. Original and final budget amounts
 - b. Final budget amounts and actual results
- Explanations of significant variations between original and final budget amounts and final budget amounts and actual results is required to be presented in the notes to the RSI

Statistical Section – Financial Trends Information

- Governments engaged only in business-type activities or only in business-type activities and fiduciary activities should present revenues by major source for their business-type activities, distinguishing between operating, noncapital subsidy, and other nonoperating revenues and expenses



Financial Reporting Hot Topics

Leases & SBITAs

Lessons Learned Leases and SBITA

- What is material?
- The use of interest rates
- Financial Reporting risk
- Benefits of utilizing or not utilizing vendor software for reporting

Lessons Learned Leases and SBITA

Reporting Issues for Leases and SBITAs

- Separate, but included in capital assets and LT liabilities
- Remember, it's amortization, not depreciation
- Did you include in your Net Investment in Capital Assets?
- Lease vs. SBITA vs. Financed Purchase Agreements
- Stat Table for Outstanding Debt
- Terminology: Subscription vs. SBITA

Lessons Learned Leases and SBITA

Lease Modifications – What if a lease is extended or shortened?
Do you modify the existing lease or add a new lease/delete the old one?

Answer – Once the lessor and the lessee agree to exercise the option to extend, the extended period becomes noncancellable and should be accounted for as a lease modification.

Paragraph 72 of Statement 87 - report as separate new lease if both of the following are present: a) additional underlying asset and b) increase in lease payments for the additional lease asset is reasonable.

Lessons Learned Leases and SBITA

Paragraph 73 of Statement 87 - if par. 72 conditions not met, then remeasure the lease liability.

The lease asset should be adjusted by the difference between the remeasured liability and the liability immediately before the lease modification. However, if the change reduces the carrying value of the lease asset to zero (i.e. partial termination), any remaining amount should be reported in the resource flows statement (for example, a gain).

Review of GASB 87 - Leases

- 12.17.9 Q—A lease contract states that it will remain in effect for three years unless terminated before then. The contract allows the lessee to terminate the lease for any reason with 60 days notice. The contract allows the lessor to terminate the lease with 60 days notice only if the lessee defaults on payments. Is this a short-term lease?
- A—No. Although the lessee has an unconditional right to terminate, the lessor does not have an unconditional right to terminate because the lessor is allowed to terminate the lease only on the condition that the lessee defaults on payments. Accordingly, there are no periods for which both the lessee and lessor have an option to terminate and, therefore, no cancellable periods to exclude from the maximum possible term, which is three years.

Review of GASB 87 - Leases

- 12.21.2 Q—A government leases a building. The lease term is 10 years. At the commencement of the lease, the government provides payment for the first three years and recognizes a liability for the present value of the payments for the remaining seven years, which will be paid starting in the fourth year of the lease. Should the government recognize interest expense during the first three years of the lease?
- A—Yes. In accordance with paragraph 24 of Statement 87, interest expense represents the amortization of the discount on the lease liability. That discount should be amortized over the entire lease term, including the first three years during which the government is not making payments. The interest liability will continue to accrue until the government starts making payments in the fourth year.

GASB 96 - SBITA

Z.96.1. Q—Is a licensing agreement for a vendor’s computer software that automatically renews until cancelled a licensing agreement that provides a perpetual license?

A—No. A provision under which a licensing agreement automatically renews until cancelled is an option to terminate the agreement at each renewal date. An agreement that includes an option to terminate is not a purchase, whereas a perpetual license is a purchase in which a government is granted a permanent right to use the vendor’s computer software. Therefore, a licensing agreement for a vendor’s computer software that automatically renews until cancelled does not provide a perpetual license

GASB 96 - SBITA

Z.96.2. Q—For purposes of determining the applicability of Statement 96, do Software as a Service, Platform as a Service, and Infrastructure as a Service contain a combination of IT software and tangible capital assets?

A—Yes. Software as a Service, Platform as a Service, and Infrastructure as a Service are three common deployment models of cloud computing arrangements. Notwithstanding the labels of those arrangements, each deployment model contains IT software used in combination with tangible capital assets. To further assess the applicability of Statement 96, the substance of the arrangement should be evaluated in accordance with all aspects of paragraph 6 of that Statement to determine whether the arrangement meets the definition of a subscription-based information technology arrangement (SBITA).

GASB 96 - SBITA

Z.96.3. Q—A government enters into a six-year subscription-based information technology arrangement (SBITA) contract with no options to extend or terminate the contract and begins making semiannual subscription payments to the SBITA vendor immediately after the contract takes effect. The initial implementation stage is not completed until the end of the second year after the contract takes effect. What is the subscription term?

A—The subscription term is four years. The initial implementation stage is completed at the end of the second year of the contract. Therefore, in accordance with paragraphs 9 and 15 of Statement 96, the subscription term commences at the beginning of the third year and ends at the conclusion of the sixth year when the SBITA contract ends.

Other Financial Reporting Hot Topics

Financial Reporting – Hot Topics

GFOA focus on the calculation components of “Net Investment in Capital Assets”

Note 16 – Net Investment in Capital Assets Calculation

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Non depreciable	\$ 9,294,031	\$ 60,429,726
Depreciable, net	116,370,270	161,170,644
Leases, net	1,832,321	145,853
	<u>127,496,622</u>	<u>221,746,223</u>
Debt related to capital assets:		
Accounts/Retainage payable	731,377	2,828,708
Loans	19,909,768	50,223,222
Leases	2,693,544	145,668
	<u>23,334,689</u>	<u>53,197,598</u>
Difference	104,161,933	168,548,625
Unspent debt proceeds	-	-
Invested in capital assets	<u>\$ 104,161,933</u>	<u>\$ 168,548,625</u>

Financial Reporting – Hot Topics

Calculation components of “Net Investment in Capital Assets”

- Include premiums and discounts on capital-related debt
- Included deferred amounts on refunding for capital-related debt
- Include Leases and SBITAs
- Included capital-related current liabilities (A/P and Retainage)
- Add back unspent bond proceeds

Financial Reporting – Hot Topics/Improvements

How to Report Restricted Assets?

- Not required to be separately presented in GW statements for either governmental or business-type activities
- In a classified format, noncurrent restricted assets may need to be reported
- In “order of liquidity” format, noncurrent restricted assets should be reported lower (as less liquid)

Financial Reporting – Hot Topics/Improvements

Reporting Restricted Net Position

What if you have restricted assets accumulated to pay current maturity of capital-related debt?

7.24.2. A—Bonds issued for the acquisition, construction, or improvement of capital assets should be regarded as capital-related debt. Despite the fact that financial resources have been set aside in a restricted account to pay the current installment, the debt meets the definition of capital-related debt and should be treated as such in the calculation of the net position components.

Financial Reporting – Hot Topics/Improvements

Reporting Restricted Net Position

Does restricted component of net position represent only restricted asset, or do liabilities or deferred inflows of resources related to those assets affect the balance?

7.24.7. A—The restricted component of net position represents restricted assets reduced by liabilities, as well as deferred inflows of resources, related to those assets. Generally, a liability relates to restricted assets if the assets result from incurring the liability or if the liability will be liquidated with the restricted assets.

Financial Reporting – Hot Topics/Improvements

Can restricted net position be a negative amount?

7.24.13. A—No. Negative amounts should not be reported for any category of restricted net position. If liabilities and deferred inflows of resources that relate to specific restricted assets exceed those assets, no restricted component of net position should be reported—the net negative amount (“shortfall”) should reduce unrestricted net position.

Financial Reporting – Hot Topics/Improvements

If a government uses bond proceeds to establish a bond and interest reserve, what category of net position should the related debt be reported in, Restricted or NICA?

7.24.25. A—Restricted net position. Because the resources initially deposited into the reserve account represent proceeds of debt that were not “attributable to the acquisition, construction, or improvement” of capital assets, that portion of the debt should be included in the calculation of restricted net position. The resources in the reserve constitute *unspent proceeds*.

Financial Reporting – Hot Topics/Improvements

What category of net position does a net pension asset get reported in, Restricted or Unrestricted, and how is it calculated?

- There is no explicit GASB guidance in the literature to address, but the GFOA position is that it's a restricted asset so report as restricted net position. GASB has informally agreed.
- To calculate, it's not as simple as taking the restricted net pension asset less the DOR and DIR related to pensions (GASB Codification Section 2200.119)

Financial Reporting – Hot Topics/Improvements

- Don't net the DOR and DIR related to pensions to calculate restricted net position because they don't relate to the pension asset; rather, they relate to pension expense.
- At the end of the day, net pension asset should equal restricted net position with no adjustment for pension deferrals.

Financial Reporting – Hot Topics/Improvements

Capital grants and cash flow reporting:

- Capital grants/contributions on income statement should reconcile to capital grants/contributions in cash flows from capital and related financing activities
- Difference should be disclosed as noncash capital activity in the cash flow statement (i.e. change in capital grants receivable, donated capital, etc.)

Financial Reporting – Hot Topics/Improvements

If you only have one fund, remember GASB 34 allows for a single statement presentation.

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2023

	General Fund	Adjustments (Note 2)	Statement of Net Position
ASSETS			
Cash and cash equivalents	\$ 2,015,155	\$ -	\$ 2,015,155
Receivables, net	785,709	-	785,709
Inventories	90,456	-	90,456
Prepays	261,787	-	261,787
Other asset	31,000	-	31,000
Capital assets, nondepreciable	-	4,451,343	4,451,343
Capital assets, depreciable, net	-	5,625,977	5,625,977
Intangible assets, amortizable, net	-	49,977	49,977
TOTAL ASSETS	<u>3,184,107</u>	<u>10,127,297</u>	<u>13,311,404</u>
DEFERRED OUTFLOWS			
OPEB	-	7,045	7,045
TOTAL DEFERRED OUTFLOWS	<u>-</u>	<u>7,045</u>	<u>7,045</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 3,184,107</u>	<u>\$ 10,134,342</u>	<u>\$ 13,318,449</u>

Financial Reporting – Hot Topics/Improvements

STATEMENT OF NET POSITION AND GOVERNMENTAL FUND BALANCE SHEET

September 30, 2023

LIABILITIES			
Accounts payable	\$ 81,612	\$ -	\$ 81,612
Accrued payroll and related liabilities	41,831	-	41,831
Accrued expenses, other	22,892	-	22,892
Due to other governments	12,940	-	12,940
Unearned revenue	9,171	-	9,171
Escrow deposits	6,777	-	6,777
Noncurrent liabilities:			
Due within one year	-	80,996	80,996
Due in more than one year	-	192,705	192,705
TOTAL LIABILITIES	<u>175,223</u>	<u>273,701</u>	<u>448,924</u>
DEFERRED INFLOWS			
Leases	692,193	-	692,193
OPEB	-	21,700	21,700
TOTAL DEFERRED INFLOWS	<u>692,193</u>	<u>21,700</u>	<u>713,893</u>
FUND BALANCE / NET POSITION			
FUND BALANCE			
Nonspendable for inventories and prepaids	352,243	(352,243)	-
Unassigned	1,964,448	(1,964,448)	-
TOTAL FUND BALANCE	<u>2,316,691</u>	<u>(2,316,691)</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 3,184,107</u>		
NET POSITION			
Net investment in capital assets		10,049,915	10,049,915
Unrestricted		2,105,717	2,105,717
TOTAL NET POSITION		<u>\$ 12,155,632</u>	<u>\$ 12,155,632</u>

Financial Reporting – Hot Topics/Improvements

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE

For the Year Ended September 30, 2023

	General Fund	Adjustments (Note 2)	Statement of Activities
REVENUES			
Assessments	\$ 4,212,605	\$ -	\$ 4,212,605
Charges for services	2,718,589	-	2,718,589
Operating grants and contributions	50,000	(50,000)	-
Investment income	131,685	-	131,685
Other miscellaneous	482,239	-	482,239
TOTAL REVENUES	<u>7,595,118</u>	<u>(50,000)</u>	<u>7,545,118</u>
EXPENDITURES / EXPENSES			
General government/recreation	6,355,300	41,532	6,396,832
Debt service:			
Principal	45,327	(45,327)	-
Interest	2,197	-	2,197
Depreciation	-	730,154	730,154
Capital outlay	678,819	(678,819)	-
TOTAL EXPENDITURES / EXPENSES	<u>7,081,643</u>	<u>47,540</u>	<u>7,129,183</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>513,475</u>	<u>(513,475)</u>	<u>-</u>
OTHER FINANCING SOURCES			
Issuance of Lease	21,435	(21,435)	-
CHANGE IN FUND BALANCE / CHANGE IN NET POSITION	<u>534,910</u>	<u>(118,975)</u>	<u>415,935</u>
FUND BALANCE / NET POSITION BEGINNING OF THE YEAR	<u>1,781,781</u>	<u>9,957,916</u>	<u>11,739,697</u>
FUND BALANCE / NET POSITION END OF THE YEAR	<u>\$ 2,316,691</u>	<u>\$ 9,838,941</u>	<u>\$ 12,155,632</u>

Financial Reporting – Hot Topics/Improvements

Other financial reporting suggestions:

- Have you considered rounding
- If it's fully disclosed in the notes, don't duplicate on the face or in the fund reconciliation
- Notes should easily tie to face of F/S (i.e. aggregate multiple pension plans)
- Remember, no negative disclosures
- A fund for accounting purposes doesn't necessarily mean a financial reporting fund



QUESTIONS????

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