



MOORE STEPHENS
LOVELACE CPAs & ADVISORS

CITY OF VENICE, FLORIDA

REQUIRED AUDITOR COMMUNICATIONS
FISCAL YEAR ENDED SEPTEMBER 30, 2016

PRESENTED BY
BILL BLEND, CPA, CFE
SHAREHOLDER
JEFF WOLF, CPA
MANAGER

AUDIT OVERVIEW

Required Communications

- **Auditor Responsibilities**
- **Management Responsibilities**
- **Internal Controls and Compliance**
- **Significant Matters**
- **Management Representations**
- **Assigned Individual for Oversight**
- **Audit Schedule**

Services and Deliverables

Independent Auditor's Report (Pages 1 & 2)

Report on Internal Control over Financial Reporting and on Compliance (Pages 168 & 169)

Single Audit Report (Pages 170-172)

Independent Accountant's Report (Page 179)

Management Letter (Page 180 & 181)



FINANCIAL HIGHLIGHTS

City-Wide Analysis (Pages 23-25)

	Governmental Activities		Business-type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current Ratio	8.79	5.00	6.00	4.15
Total Assets	\$91.6M	\$95.2M	\$183.1M	\$176.6M
Total Deferred Outflows of Resources	\$15.6M	\$11.6M	\$3.1M	\$2.6M
Total Liabilities	\$59.1M	\$58.3M	\$52.4M	\$56.1M
Total Deferred Inflows of Resources	\$3.6M	\$2.4M	\$0.7M	\$0.8M
Total Net Position				
Investment in Capital Assets	\$53.7M	\$52.3M	\$99.3M	\$91.9M
Restricted	11.4M	10.9M	9.0M	9.3M
Unrestricted	(20.6M)	(17.1M)	24.8M	21.1M
Unrestricted NP as a % of Total Expenses	(53.8%)	(58.6%)	105.7%	101.8%
Change in Net Position	(\$1.7M)	\$5.3M	\$10.8M	\$12.2M

General Fund (Pages 26-30)

	<u>2016</u>	<u>2015</u>
Total Assets	\$12.5M	\$15.1M
Total Liabilities	1.3M	2.9M
Fund Balance:		
Nonspendable	\$0.0M	\$0.0M
Restricted	0.0M	0.2M
Committed	0.5M	0.3M
Unassigned	10.7M	11.7M
Unassigned FB as a % of Total Expenditures and Transfers Out	41.1%	49.0%
Net Change in Fund Balance	(\$1.0M)	\$1.7M

General Fund Budget (Page 30)

	Final Budget	Actual	Variance
Resources:			
Beginning Fund Balance	\$12.2M	\$12.2M	
Total Revenues & Transfers In	<u>24.3M</u>	<u>25.1M</u>	\$0.8M
Total Resources	36.5M	37.3M	
Total Expenditures & Transfers Out	<u>27.1M</u>	<u>26.1M</u>	<u>1.0M</u>
Ending Fund Balance	\$9.3M	\$11.2M	
Net Change in Fund Balance	(\$2.8M)	(\$1.0M)	\$1.8M

Enterprise Funds (Pages 32-39)

	Water and Sewer Utility		Solid Waste	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Total Assets & Deferred Outflows	\$137.6M	\$135.7M	\$5.5M	\$6.8M
Total Liabilities & Deferred Inflows	49.2M	52.9M	2.4M	2.4M
Net Position:				
Net Investment in Capital Assets	64.9M	49.6M	1.3M	1.9M
Restricted	5.6M	17.3M	0.0M	0.0M
Unrestricted	<u>17.9M</u>	<u>15.9M</u>	<u>1.8M</u>	<u>2.5M</u>
Total Net Position	\$82.8M	\$82.8M	\$3.1M	\$4.4M
Total Operating Revenues	\$22.4M	\$21.0M	\$5.3M	\$5.3M
Total Operating Expenses	<u>14.1M</u>	<u>14.6M</u>	<u>4.5M</u>	<u>4.5M</u>
Operating Income	\$8.3M	\$6.4M	\$0.8M	\$0.8M

Enterprise Funds (Pages 32-39)

	Airport		Storm Water Drainage	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Total Assets & Deferred Outflows	\$33.4M	\$26.7M	\$9.6M	\$9.5M
Total Liabilities & Deferred Inflows	1.0M	1.0M	0.4M	0.7M
Net Position:				
Net Investment in Capital Assets	25.7M	18.4M	7.4M	7.5M
Restricted	3.4M	3.4M	0.0M	0.0M
Unrestricted	<u>3.3M</u>	<u>3.9M</u>	<u>1.8M</u>	<u>1.3M</u>
Total Net Position	\$32.4M	\$25.7M	\$9.2M	\$8.8M
Total Operating Revenues	\$1.8M	\$1.9M	\$ 1.5M	\$ 1.4M
Total Operating Expenses	<u>2.3M</u>	<u>3.0M</u>	<u>1.1M</u>	<u>0.9M</u>
Operating Income (Loss)	(\$0.5M)	(\$1.1M)	\$0.4M	\$0.5M

New Accounting Standards

- **GASB 77 – Tax Abatement Disclosures (effective for FY17)**
- **GASB 75 – OPEB Standard (effective for FY18)**

Questions or Comments



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