COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: October 14, 2019
AGENDA NUMBER: 12
ITEM: Review State Auditor’s Report for 2018

AGENDA: Policy

REQUEST
Adopt a response to the Office of the State Auditor concerning Other Post-Employment Benefits (OPEB)

BACKGROUND
On Wednesday, October 9 the District met with Randy Vogt, OSA for the exit meeting on the 2018 audit. President Anthony Wilder and Treasurer Warren Hoffman were present.

All Managers should have received a copy of the Audit directly from the Office of the State Auditor.

ISSUES/CONCERNS
Finding: The auditor is set to release the 2018 audit. The auditor’s opinion will be “unqualified” which is the best they offer.

Heads Up: Other Post-Employment Benefits (OPEB): Effective December 31, 2018 the Government accounting Standards Board (GASB) issued statement No. 75, Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions, which modifies the standards for accounting and financial reporting for OPEB. Additional footnote disclosures and a required supplementary schedule are also required.

Auditor’s Recommendation: Determine the District’s net OPEB liability and OPEB cost in accordance with the requirements of GASB 75. This will require the District to contract with an actuarial service to determine liability.

Potential Response: The Board acknowledges the auditor’s recommendation to determine the District’s net OPEB liability and annual OPEB cost in accordance with GASB 75.

Heads Up: GASB 87: Leases: Effective 2020, financial statements must reflect leased assets and liabilities of leased assets. This reporting may change the District’s net position. The auditor recommends that the District should begin inventorying its various lease agreement, including identifying key lease provisions.

RECOMMENDATION
Discuss and adopt a response to the Auditor concerning OPEB