



Northern California Power Agency

Report to Finance Committee

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AGENDA

- Acknowledgements
- Results of Audit Process
- Committee Communications
- New Standards

ACKNOWLEDGEMENTS

- Thank You
 - Prepared
 - Open
 - Responsive
 - Very Knowledgeable and Informative

RESULTS OF AUDIT PROCESS (IN PROCESS)

- Auditor's Report
 - Expect to have Unmodified (What you want!)
- Posted Adjustments
 - None at this time
- Passed Adjustments
 - None at this time
- No Material Weaknesses or Significant Deficiencies Noted

COMMITTEE COMMUNICATIONS

- Auditor's Responsibility under GAAS
 - What is an audit? Financial Statements not Internal Controls
 - Design and Implementation of Controls
 - Risk of Material Misstatement – Error or Fraud
 - IT Controls
- Your Statements
- Fraud and Illegal Acts – no findings
- Reasonable Assurance

COMMITTEE COMMUNICATIONS

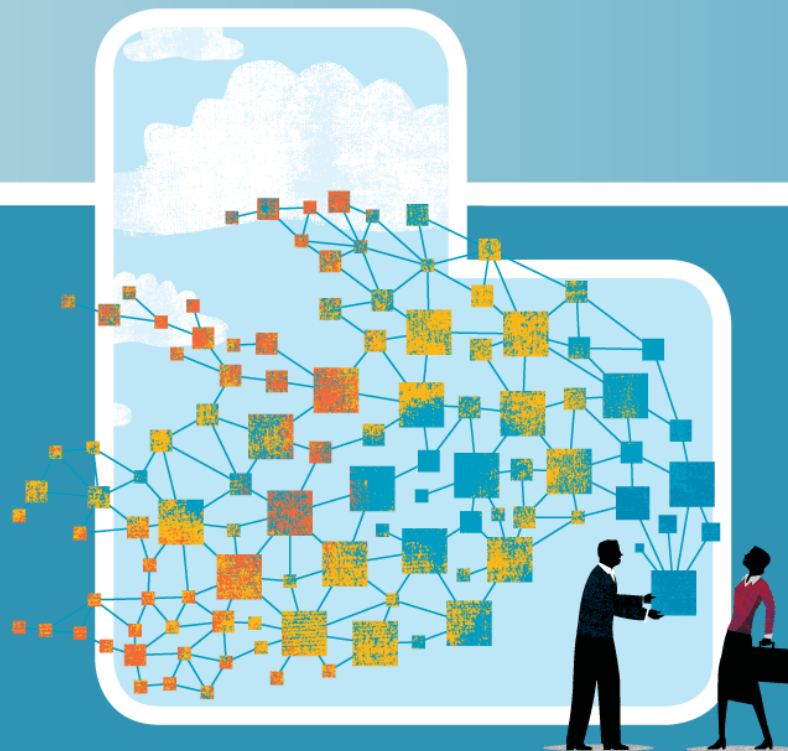
- Significant accounting policies
 - Note B – Nothing unusual or aggressive (deferred expenses to be recovered in future years)
- Accounting estimates – Typical for the industry
- No disagreements with management, consultation with other independent accountants or difficulties encountered in performing the audit
- No Independence Issues

NEW STANDARDS

- This Year –
 - GASB 72 –Fair Value Measurement and Application
 - Fair Value – Exit Price
- On the horizon –
 - GASB 75 – Accounting and Financial Reporting for Other Post Employment Benefits

QUESTIONS OR COMMENTS?

THANK YOU!



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