

# Redevelopment Agency of the City of San Diego



*City of San Diego  
Audit Committee*

*February 6, 2012*

## *Overview*

- Fiscal Year June 30, 2011 Redevelopment Agency (RDA) Annual Financial Report
- Statement on Audit Standards (SAS) No. 114 Communication

- Unqualified opinion on financial statements
  - The Agency implemented the following new Government Accounting Standards Board (GASB) Statements:
    - No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*

- Significant transactions and/or sensitive disclosures
  - Note 1(q) – Transfer of funds and assets from the RDA to the City pursuant to the Cooperation Agreement
  - Note 12 – Subsequent Events
    - Assembly Bill X1 26 and Assembly Bill X1 27

- Internal controls and compliance
  - Compliance Finding 2011-1 (page 128 of the Agency's report)
    - Misreporting of a defaulted loan that was not included in the Agency's Annual Report submitted to the State Controller's Office

## *FY2011 RDA Annual Financial Report (Continued)*

- The auditor's communication with those charged with governance (*Refer to separately issued SAS 114 letter dated December 22, 2011*)
  - Auditor's responsibilities
  - Significant audit findings
    - Qualitative aspect of accounting practices
      - Significant accounting policies
      - Accounting estimates
    - Difficulties encountered in performing the audit
    - Corrected and uncorrected misstatements
    - Disagreements with management
    - Management representations

**QUESTIONS?**