

**Appalachian Council of Governments
Finance Committee Meeting
Friday, December 11, 2015, 9:30 AM – ACOG Offices**

Agenda

1. Call to Order
2. ACOG 2015 Audit Presentation
3. Other Business
4. Adjourn

MEMORANDUM

To: ACOG Finance Committee Members
Mr. Francis Crowder Ms. Jan Scalisi
Senator Thomas Alexander Mr. Neil Smith
Mr. Rufus Foster Ms. Gaye Sprague

CC: Ms. Jane Hall

From: Steve Pelissier

Date: December 4, 2015

Subject: Finance Committee Meeting to Receive the ACOG FY 2015 Audit – **Friday, December 11, 2015 at 9:30 AM**

I am requesting a meeting of the Finance Committee for Friday, December 11, 2015 at 9:30 AM, just prior to the full Board of Directors meeting. The purpose will be to receive a presentation on the agency's FY 2015 audit. The auditor will provide a full presentation at the Finance Committee meeting and then will provide a very brief summary at the full Board meeting. All Board members will be notified of the opportunity to hear the full presentation at the committee meeting.

A significant change you will notice in the audit this year is the treatment of GASB 68 – Accounting and Financial Reporting for Pension Liabilities. Narrative related to GASB 68 is included on page 20, as well as pages 26 through 35. ACOG's identified net pension liability of \$ 3,843,281 impacts our Statement of Net Position significantly. The ACOG FY 2014 audit showed an ending net position of \$ 2,446,007 (prior to making an adjustment for GASB 68). After accounting for the pension liability, that figure for FY 2015 is (\$ 1,400,290) (Page 6, Table 1). Since ACOG is a member of the South Carolina State Retirement System, our liability is calculated as our share of the total statewide system liability. As a result, any action to address the liability will be formulated by the state and applied to participating members.

Please find a copy of the meeting agenda, as well as a copy of the audit, enclosed. Please let me know if you have any questions regarding this material. I look forward to seeing you on Friday morning.