

# Michigan Committee on Governmental Auditing and Accounting

Meeting Minutes  
Thursday, January 16, 2020 at 10:00 a.m.

## **CALL TO ORDER**

Cary Vaughn called the meeting to order at 10:02 a.m.

## **ROLL CALL**

### Members Present:

Rod Taylor  
Rana Emmons  
Michael Slater  
Bill Tucker  
Eric Van Dop  
Cary Vaughn  
Michelle Watterworth

### Members Absent:

Pauline Bennett  
Stephen Blann  
Cindy Catanach (sent Hilery DeHate as substitute)

### Vistor:

Nick Brousseau

## **REVIEW OF PRIOR MEETING MINUTES**

Approved with the correction of the spelling of Michelle Watterworth's name.

## **UNIFORM CHART OF ACCOUNTS**

Cary Vaughn: Reviewed revisions of the Chart of Accounts with the committee members and discussed the pros and cons to Chart Chat.

Michelle Watterworth: DDAs, TIFAs, EDCs and Brownfield are currently shown in the chart of accounts under the Special Revenue Fund heading, but in most cases they are actually discretely presented component units. Michelle suggested that instead of changing the chart of accounts, just a notation to avoid any confusion would be beneficial.

Bill Tucker: Page 249 and 251 for Supplies Account 751 should be Account 726. Other Financing Sources Account 999 should be 995. Extraordinary Items are not listed. Check mandatory/primary and optional/secondary language throughout

the chart to make sure the wording makes sense. Page 213 for Journal Entries should be credit deferred outflows instead of debit. Page 39 for Leases (Capital Assets) should be separate Right of Use assets. Accounts 130-179 could be used to add an extra category for Right of Use. Page 211 for Lease Receivables – the wording needs to be updated. Page 143 Fund 643 for Remediation Internal Service Funds should not be Internal Services. Maybe use a Special Revenue Fund Account 242 or 244.

### **GASB 84's IMPACT ON PENSION AND OPEB PLANS**

Cary Vaughn: GASB 84's Impact on Pension and OPEB plans using numbered letter 2020-DRAFT. Michelle Watterworth suggested a change in the second sentence in the first paragraph to read: "This may occur for some single employer systems under GASB 84 that will not be considered a fiduciary component unit."

### **ROAD COMMISSION ACCOUNTING MANUAL**

Cary Vaughn: Treasury is in the final stages of the manual and should be done soon.

### **BUDGET MANUAL AND OTHER MANUALS**

Michelle Watterworth: The MGFOA standards committee has started to work on revisions to the budget manual. The group is making great progress and expects that after another few meetings, the group will have a good final draft for Treasury review.

Also discussed the Audit Manual needs to be looked into being revised. MDOT has revised the Audit Guide for Transportation Authorities and will send to Cary soon who will distribute to the MCGAA Committee members for review. The Uniform Reporting Format using searchable audits numbered letter and will be checking into making it ADA compliant.

### **NUMBERED LETTER 2018-3**

Cary Vaughn: Went over the letter with the committee and Michelle Watterworth would like to change the wording on page 2, number 2 to say: "Pursuant to Michigan's Public Act 2 of 1968....." and take out AICPA all together.

### **FUTURE MEETINGS**

MCGAA Meeting Minutes

Page 3

January 16, 2020

Cary Vaughn: Tweaked calendar for implementation to make them due at the end of the calendar year.

### **ADJOURNMENT**

The Michigan Committee on Governmental Auditing and Accounting meeting adjourned at 11:31 a.m.