

November 13, 2003

**To:** LCOG Executive Committee

**From:** George Kloeppe

**Subject:** FY 2002-03 Financial Statements and Audit Report

At the Board's December 11 meeting, the Financial Statements for the fiscal year that ended June 30 will be presented along with the Report of the independent auditor. The Board will be asked to accept the Statements and Report and authorize their submission to the State. The full document will be mailed to the Board as a part of the pre-meeting material on December 4.

Under this item, the Committee can have a preview of the auditor's Report and is invited to pose questions to the staff, the answers to which may be useful to the full Board in December.

In short, the auditor has given LCOG a clean bill of health. After a review of the Statements, it was concluded that our practices were carried out "in conformity with accounting principles generally accepted." For the Committee's consideration, several excerpts from the Statements are attached. First, labeled pages 12 and 13, are a "Statement of Net Assets" as of June 30 and "Statement of Activities for the Year ended June 30, 2003"; and, labeled pages 52-59, are the "Schedule of Resources and Requirements—Budget and Actual" for the entire organization (page 52) and subsequently for the component sub-units of the agency.