



Schedule of Uncorrected Items
 City of Shoreline
 Audit Period Ending: 12/31/2018

We are providing the following schedule of uncorrected items for management's consideration. They are not referenced in the audit report. We may review the status of the following items in our next audit.

Description	Statement / Schedule	Opinion Unit
Property Tax Revenue The City reported the amount of property taxes collected on modified accrual basis rather than property taxes levied on the Statement of Activities. As a result, property tax revenue was understated by \$223,152.	Statement of Activities	Governmental Activities
Property Tax Revenue Deferred Inflows - Property Tax for General Fund is overstated by \$51,267 and Aggregate Remaining Fund (Other Governmental Fund) is understated by \$31,952.	Governmental Funds Balance Sheet	General Fund
	Governmental Funds Balance Sheet	Aggregate Remaining Fund
GASB 68 Deferred Outflows of Resources for Pension for Governmental Activities is overstated by \$38,100 and Business Type Activities is understated by \$43,017. The net difference is an understatement of \$4,917 due to miscalculation of employer contributions based on the DRS processed date rather than report date.	Statement of Net Position (Gov't Wide)	Governmental Activities
		Business Type Activities
GASB 68 Deferred Outflows of Resources for Pension for Surface Water Utility Fund is overstated by \$2,128 and Wastewater Utility Fund is understated by \$45,145.	Statement of Net Position (Proprietary Funds)	Surface Water Utility Fund
		Wastewater Utility Fund
GASB 68 The City calculated employer contributions based of the DRS processed date rather than report date. As a result, Pension Expense is understated by \$34,251.	Various	Various
Sales Taxes The City reported the January and February 2018 state tax revenue in the current year when they are related to the prior year. As result, the reported Retail Sales Tax balance for Governmental Activities is overstated by \$1,148,210, Taxes for the General Fund is overstated by \$1,149,804. Intergovernmental Revenues for Aggregate Remaining Fund is overstated by \$183,750.	Statement of Activities	Governmental Activities
	Statement of Revenues, Expenses, and Changes in Net Position	General Fund
	Statement of Revenues, Expenses, and Changes in Net Position	Aggregate Remaining Fund



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Capital Assets • The City miscalculated the accumulated depreciation amount for infrastructure by \$24,148 resulting a Known + Likely misstatement of \$140,952. As a result, the reported infrastructure balance is overstated by \$140,952.	Notes to Financial Statement	N/A
	Statement of Net Position (Gov't Wide)	Governmental Activities
Agree to GL •Roads Capital Fund - Operating Expenses Balances misclassified by \$2,282 between the Current and Capital Outlay Transportation balances.	Statement of Revenues, Expenses, and Changes in Net Position	Roads Capital Fund
Fiduciary Funds Statement of Net Position •The City should present the Fiduciary Funds Statement of Net Position as the Statement of Net Position format rather than a balance sheet format per the BARS Manual. •The amounts reported on the statement include cents; whole dollar amounts should be used.	Fiduciary Funds Statements of Net Position	N/A
Proprietary Funds Statement of Net Position •The amounts reported on the statement include cents; whole dollar amounts should be used.	Fiduciary Funds Statements of Net Position	N/A
Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Position •The amounts reported on the statement include cents; whole dollar amounts should be used.	Fiduciary Funds Statement of Revenues, Expenses and Changes in Fund Net Position.	N/A
Governmental Funds Balance Sheet • Noncurrent Liabilities for the Governmental Activities includes a line item for "Due Within One Year" for \$2,345,000. This should be included under Current Liabilities. • Noncurrent Liabilities for the Business-Type Activities includes a line item for "Due Within One Year" for \$816,308. This should be included under Current Liabilities.	Government Wide Statement of Net Position	Governmental Activities
	Government Wide Statement of Net Position	Business Type Activities



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<p>Government Wide Statement of Activities</p> <ul style="list-style-type: none"> • Net Position - Beginning of Year amount in the Governmental Activities column does not tie to the prior year statements. The FY2018 Net Position - Beginning of Year amount reflects \$339,945,246. Per the audited FY2017 Statement of Activities report, the Net Position - End of Year for Governmental Activities was \$339,971,218. The result is an understatement of (\$25,972). • There are no headings above the columns indicating "Program Revenues", or "Primary Government", or "Net (Expense) Revenue and Changes in Net Position". This is a formatting error. 	Government Wide Statement of Activities	Governmental Activities
<p>Notes to Financial Statements</p> <ul style="list-style-type: none"> • Note 1.D.3 - Deficit Fund Net Position states "During 2018, the Roads Capital Projects fund incurred a net fund deficit of \$563,063." The fund name is incorrect; the correct fund name is "General Capital Fund" • Note 2, letter B Investments should include the sentence "Investments are subject to the following risks". • The City will need to disclose the implementation of GASB 89 and 86 in a separate Note "Accounting and Reporting Changes". 	Notes to Financial Statement	Governmental Activities
<p>Government Wide Statement of Net Position Reconciliation:</p> <ul style="list-style-type: none"> • Other long term assets is overstated by \$780,930 • Deferred Inflows of Property taxes is overstated by \$25,579 <p>Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds:</p> <ul style="list-style-type: none"> • Capital outlay is overstated by \$90,860 • Long Term debt is understated by \$36,169 	Reconciliation to Gov't Funds	N/A

