

# **Regional Raw Water System of Broward County, Florida**

Schedule of Large User Annual Adjustments  
Year Ended September 30, 2017

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## **Independent Auditor's Report**

Board of County Commissioners  
Broward County, Florida

### **Report on the Schedule**

We have audited the accompanying Schedule of Large User Annual Adjustments of the Regional Raw Water System (the Schedule) of Broward County, Florida (the County) for the year ended September 30, 2017, and the related notes to the Schedule.

### **Management's Responsibility for the Schedule**

Management is responsible for the preparation and fair presentation of the Schedule in accordance with the financial reporting provisions of the Large User Agreements. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the Schedule referred to above presents fairly, in all material respects, the Regional Raw Water System Large User Annual Adjustments for the year ended September 30, 2017 in accordance with the financial reporting provisions of the Large User Agreements referred to in Note 2.

### **Basis of Accounting**

We draw attention to Note 1 to the schedule, which describes the basis of accounting. The schedule was prepared by the County on the basis of the financial reporting provisions of the Large User Agreements, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the financial reporting provisions of the Large User Agreements. Our opinion is not modified with respect to this matter.

**Emphasis-of-Matter**

As discussed in Note 1 to the Schedule, the accompanying Schedule was prepared for the purpose of complying with the Large User Agreements, as described in Note 2, and does not purport to, and does not, present fairly the financial position, changes in financial position and cash flows of the Water and Wastewater Services Department or County in conformity with accounting principles generally accepted in the United States of America.

**Restriction on Use**

This report is intended solely for the information and use of the Board of County Commissioners, management of the County and the Large Users and is not intended to be, and should not be, used by anyone other than these specified parties.

*RSM US LLP*

Fort Lauderdale, Florida  
March 23, 2018

Regional Raw Water System of Broward County, Florida

Schedule of Large User Annual Adjustments  
Year Ended September 30, 2017

	City of Hollywood	City of Dania Beach	City of Hallandale	City of Deerfield Beach	Total Cities	FPL	Total Cities/ FPL	Broward County	Total
Total actual flows (in 1,000 gallons)	1,401,756	647,368	1,363,827	193,873	3,606,824	437,357	4,044,181	2,146,048	6,190,229
Operation and maintenance costs	\$ 278,232	\$ 128,495	\$ 270,703	\$ 38,481	\$ 715,911	\$ 86,810	\$ 802,721	\$ 425,965	\$ 1,228,686
Less amount billed	(295,771)	(136,595)	(287,768)	(40,907)	(761,041)	(92,282)	(853,323)	(452,816)	(1,306,139)
Total due to large users	\$ (17,539)	\$ (8,100)	\$ (17,065)	\$ (2,426)	\$ (45,130)	\$ (5,472)	\$ (50,602)	\$ (26,851)	\$ (77,453)
Future year's monthly fiscal adjustment charges due (to) from large users	\$ (1,462)	\$ (675)	\$ (1,422)	\$ (202)	\$ (3,761)	\$ (456)	\$ (4,217)	\$ (2,238)	\$ (6,455)

See accompanying notes to schedules

**Note 1. Summary of Significant Accounting Policies**

**Reporting presentation:** The accompanying Schedule of Large User Annual Adjustments (Schedule) has been prepared in accordance with the requirements of the Large User Agreements, and under the basis of accounting which are described below. The Schedule is not intended to present and does not present the financial position and changes in financial position and cash flows of the Water and Wastewater Services Department or Broward County, Florida (the County) in conformity with accounting principles generally accepted in the United States of America.

**Basis of accounting:** The financial transactions are reported following the accrual basis of accounting for the reporting of operating costs, but excludes depreciation. Amounts reported as billed to users represents the annual estimated billings including adjustments related to prior year true up.

**Note 2. Large User Agreements**

The County has entered into user agreements with large wholesale users of the Raw Water Regional System (the System). The agreements provide that the cost of operating the System as defined be charged to each large user on the basis of each user's proportionate share of total actual flows. The actual flows were based on the County's monthly meter reading for the period. In accordance with the large user agreements the monthly fiscal adjustment charges will be applied to the bills for the next fiscal year.