

**METROPOLITAN SEWER DISTRICT  
OF  
GREATER CINCINNATI**



**Management Letter**

**December 31, 2012**

## MANAGEMENT LETTER

Board of County Commissioners, Hamilton County, Ohio  
Owner of the County Sewer District known as the  
Metropolitan Sewer District of Greater Cincinnati

In accordance with *Government Auditing Standards* applicable to financial audits, we have audited the financial statements of the Metropolitan Sewer District of Greater Cincinnati, (MSD) an enterprise fund of the County of Hamilton, Ohio, as of and for the year ended December 31, 2012 and 2011, and have issued our report thereon dated June 14, 2013.

*Government Auditing Standards* require us to report significant internal control deficiencies and material weaknesses, fraud, and illegal acts (including noncompliance with laws and regulations), and also abuse and noncompliance with contracts and grant agreements that could directly and materially affect the determination of financial statement amounts. We have issued the required report dated June 14, 2013, for the year ended December 31, 2012.

Office of Management and Budget Circular A-133 requires that we report all material (and certain immaterial) instances of noncompliance, significant deficiencies, and material weaknesses in internal control related to major federal financial assistance programs. We have issued the required report dated June 14, 2013, for the year ended December 31, 2012.

We are also submitting for your consideration the following comments on the MSD's compliance with applicable laws and regulations and on its internal controls. These comments reflect matters that, while in our opinion do not represent material instances of noncompliance or significant deficiencies in internal control conditions, we believe represent matters for which improvements in compliance or internal controls or operational efficiencies might be achieved. Due to the limited nature of our audit, we have not fully assessed the cost-benefit relationship of implementing the recommendations suggested below. However, these comments reflect our continuing desire to assist your government. If you have any questions or concerns regarding these comments, please do not hesitate to contact us.

### Recommendations

#### **Capital Assets**

Currently the MSD has several spreadsheets for different asset classes. We noted some of these spreadsheets did not reconcile to the financial statements by immaterial amounts. With the high volume of transactions and high dollar amount of capital assets, we recommend the MSD implement a capital asset software system that will capture all asset classes, additions, deletions and calculate depreciation and accumulated depreciation.

These comments are intended for the information and use of management, the Auditor of State, County Commissioners, federal awarding agencies, and pass-through entities and are not intended to be and should not be used by anyone other than these specified parties.

*Plattenburg & Associates, Inc.*

Cincinnati, Ohio

June 14, 2013