



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: January 10, 2024

AGENDA ITEM: Review CLA assessment report of the accounting and financial reporting requirements of Federal Energy Regulatory Commission (FERC) and Governmental Accounting Standards Board (GASB).

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

In October 2023, the Business Services Manager presented a Clifton Larson Allen (CLA) contract to prepare an assessment of FERC and GASB accounting and financial reporting with the following objectives:

- (a) What accounting policies differ between regular GAAP/GASB accounting and FERC accounting and are they actually fully using all FERC policies or just with regards to the meters and transformers.
- (b) What would the yearly impact be if water meters and transformers were not depreciated until placed into service.
- (c) What kinds of things the FERC chart of accounts (COA) requires or clearly defines that they may want to consider including in their COA in case they ever need to do any FERC reporting.

The deliverable, a memo on recommendation of what accounting regulations to use, is attached and in draft for your review and comments.

I will lead the discussion on the draft assessment and CLA team members will be available, virtually, to discuss and answer questions at the meeting.

Any action item would need to be on a regular GRPU Commission meeting.

RECOMMENDATION:

Review and discuss CLA assessment.