



**OROPEZA  
& PARKS**  
Certified Public Accountants

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AMERICAN INSTITUTE OF CPA'S  
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*John G. Parks, Jr., CPA - retired*

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October 21, 2015

To the Board of Trustees  
City of Key West General Employees' Pension Fund  
Key West, FL 33040

We are pleased to confirm our understanding of the services we are to provide for City of Key West General Employees' Pension Fund for the period October 1, 2015 to September 30, 2016.

We will prepare the quarterly statements, prepared from trustee provided monthly and quarterly statements, of plan net assets and the related statements of changes in net assets available for benefits for the City of Key West General Employees' Pension Fund beginning with the period October 1, 2015 through September 30, 2016, and perform a compilation engagement with respect to those financial statements. Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. We are not independent with respect to City of Key West General Employees' Pension Fund. We will disclose that we are not independent in our compilation report.

### **Our Responsibilities**

The objective of our engagement is to—

- 1) prepare financial statements in accordance with accounting principles generally accepted in the United States of America based on information provided by you and
- 2) apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with applicable professional standards, including the AICPA's *Code of Professional Conduct*, and its ethical principles of integrity, objectivity, professional competence, and due care, when performing the bookkeeping services, preparing the financial statements, and performing the compilation engagement.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial statements.

Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our compilation procedures regarding any wrongdoing within the entity or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Your Responsibilities**

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with accounting principles generally accepted in the United States of America

and assist you in the presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

- 1) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements.
- 2) The preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America, if applicable.
- 3) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.
- 4) The prevention and detection of fraud.
- 5) To ensure that the entity complies with the laws and regulations applicable to its activities.
- 6) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
- 7) To provide us with—
  - access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - additional information that we may request from you for the purpose of the compilation engagement.
  - unrestricted access to persons within the entity of whom we determine it necessary to make inquiries.
- 8) Including our compilation report in any document containing financial statements that indicate that we have performed a compilation engagement on such financial statements and, prior to the inclusion of the report, to ask our permission to do so.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge, and experience to oversee our bookkeeping services and the preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

### **Our Report**

As part of our engagement, we will issue a report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement. We are not independent with respect to City of Key West General Employees' Pension Fund. We will disclose that we are not independent in our compilation report.

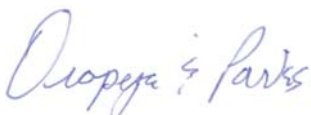
### **Other Relevant Information**

James H. Hill, Jr. is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees for these services will be \$850 per quarter for the financial statement preparation. The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the work performed. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,



Oropeza & Parks  
Certified Public Accountants

Acknowledged:  
City of Key West General Employees' Pension Fund

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Name and Title

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Date