

**METROPOLITAN ZOOLOGICAL
PARK AND MUSEUM DISTRICT
REPORT TO THE BOARD OF DIRECTORS**

December 31, 2014

Board of Directors
Metropolitan Zoological Park and Museum District

We have audited the financial statements of business-type activities and the aggregate remaining fund information of Metropolitan Zoological Park and Museum District (the District) for the years ended December 31, 2014 and 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 7, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's financial statements was:

Management's estimate of the allowance for uncollectible property taxes is based on past experience and other general, economic, and political factors. We evaluated the key factors and assumptions used to develop the allowance for uncollectible property taxes in determining that it is reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached schedule summarizes misstatements detected as a result of audit procedures that were corrected by management.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 10, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Metropolitan Zoological Park and Museum District and is not intended to be, and should not be, used by anyone other than these specified parties.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
April 10, 2015

Client: **Metropolitan Zoological Park and Museum District**
Engagement: **Metro Zoo 2014 Audit**
Workpaper: **31-01 - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To adjust current year county tax revenue			
10677.014.007	A/R for Real Estate-Cnty 2014	96,000.00	
10679.014.007	A/R for Prop Taxes Cnty 2014	2,946,000.00	
30220.000.007	County Surtax-Current Year	99,000.00	
10683.014.007	A/R for Surtax - County 2014		99,000.00
30201.000.007	County Real EstateCurrent Year		96,000.00
30203.000.007	County PersonProp Current Year		2,946,000.00
Total		3,141,000.00	3,141,000.00
Adjusting Journal Entries JE # 2			
To adjust current year city tax revenue			
10678.014.007	A/R for Prop Taxes-City 2014	15,000.00	
10682.014.007	A/R for Surtax - City 2014	54,000.00	
30101.000.007	City Real Estate-Current Year	14,000.00	
30110.000.007	City M&M-Current Year	1,000.00	
10676.014.007	A/R for Real Estate-City 2014		14,000.00
10680.014.007	A/R for M&M - City 2014		1,000.00
30103.000.007	City PersonProp Current Year		15,000.00
30120.000.007	City Surtax-Current Year		54,000.00
Total		84,000.00	84,000.00

Client: *Metropolitan Zoological Park and Museum District*
Engagement: *Metro Zoo 2014 Audit*
Workpaper: *31-01 - Adjusting Journal Entries Report*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 3			
To adjust allowance for uncollectible property taxes			
10876.014.007	Allow.Uncoll.R.E.Tax City 2014	93,198.00	
10878.014.007	Allow.Uncoll.PropTax City 2014	11,000.00	
10880.014.007	Allow.Uncoll M&M - City 2014	16,253.00	
10883.014.007	Allow.Uncoll Surtax Cnty 2014	39,800.00	
30676.010.007	Prov.Uncoll.R.E. Tax-City 2010	35,823.00	
30676.011.007	Prov.Uncoll.R.E. Tax-City 2011	36,176.00	
30676.012.007	Prov.Uncoll.R.E. Tax-City 2012	36,309.00	
30676.013.007	Prov.Uncoll.R.E. Tax City 2013	35,539.00	
30677.012.007	Prov.Uncoll.R.E. Tax-Cnty 2012	4,365.00	
30677.013.007	Prov.Uncoll.R.E. Tax Cnty 2013	4,443.00	
30677.014.007	Prov.Uncoll.R.E. Tax Cnty 2014	148,850.00	
30679.010.007	Prov.Uncoll Prop Tax-Cnty 2010	8,878.00	
30679.013.007	Prov.Uncoll.Prop Tax Cnty 2013	9,785.00	
30679.014.007	Prov.Uncoll Prop Tax Cnty 2014	21,313.00	
30680.010.007	Prov.Uncoll.Surtax City 2010	11,166.00	
30680.014.007	Prov.Uncoll.Surtax City 2014	8,316.00	
30681.010.007	Prov.Uncoll Surtax County 2010	26,928.00	
30683.011.007	Prov.Uncoll M&M County 2011	2,896.00	
30683.012.007	Prov.Uncoll M&M County 2012	13,645.00	
30683.013.007	Prov.Uncoll M&M County 2013	15,612.00	
30683.014.007	Prov.Uncoll M&M County 2014	1,897.00	
10876.010.007	Allow Uncoll R.E.Tax-City 2010		35,823.00
10876.011.007	Allow Uncoll R.E.Tax-City 2011		36,176.00
10876.012.007	Allow Uncoll R.E.Tax City 2012		36,309.00
10876.013.007	Allow Uncoll R.E.Tax City 2013		35,539.00
10877.012.007	Allow Uncoll.R.E.Tax-Cnty 2012		4,365.00
10877.013.007	Allow Uncoll R.E.Tax Cnty 2013		4,443.00
10877.014.007	Allow.Uncoll.R.E.Tax Cnty 2014		148,850.00
10879.010.007	Allow Uncoll PropTax Cnty 2010		8,877.00
10879.013.007	Allow Uncoll PropTax Cnty 2013		9,785.00
10879.014.007	Allow.Uncoll.PropTax Cnty 2014		21,314.00
10881.011.007	Allow Uncoll M&M - County 2011		2,896.00
10881.012.007	Allow Uncoll M&M - County 2012		13,645.00
10881.013.007	Allow Uncoll M&M - County 2013		15,612.00
10881.014.007	Allow.Uncoll M&M - County 2014		1,897.00
10882.010.007	Allow Uncoll Surtax-City 2010		11,166.00
10882.014.007	Allow.Uncoll Surtax City 2014		8,316.00
10883.010.007	Allow Uncoll Surtax-Cnty 2010		26,928.00
30676.014.007	Prov.Uncoll.R.E. Tax City 2014		93,198.00
30678.014.007	Prov.Uncoll.Prop Tax City 2014		11,000.00
30681.014.007	Prov.Uncoll Surtax County 2014		39,800.00
30682.014.007	Prov.Uncoll M&M City 2014		16,253.00
Total		582,192.00	582,192.00

Client: **Metropolitan Zoological Park and Museum District**
Engagement: **Metro Zoo 2014 Audit**
Workpaper: **31-01 - Adjusting Journal Entries Report**

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 4			
To adjust accounts payable balance for Subdistricts			
50001.000.002	To Be Distributed Subdistrict	383,132.00	
50001.000.003	To Be Distributed Subdistrict	383,132.00	
50001.000.004	To Be Distributed Subdistrict	191,087.00	
50001.000.005	To Be Distributed Subdistrict	191,087.00	
50001.000.006	To Be Distributed Subdistrict	191,087.00	
10950.000.007	Taxes Payable - Zoo Park		383,132.00
10951.000.007	Taxes Payable - Art Museum		383,132.00
10952.000.007	Taxes Payable - Science Center		191,087.00
10953.000.007	Taxes Payable - Botanical Gdn		191,087.00
10954.000.007	Taxes Payable - History Museum		191,087.00
Total		1,339,525.00	1,339,525.00
Adjusting Journal Entries JE # 5			
To adjust accounts payable balance			
20100.000.001	Accounts Payable-Legal, Audit	5,682.00	
40100.000.001	Gross Salaries	33,186.00	
41100.000.001	Pension Plan, Life Insurance	3,068.00	
42000.000.001	Office Rent	50.00	
42100.000.001	Supplies, Printing, Postage	12.00	
43100.000.001	MD/Subdistrict/TIF Meetings	79.00	
43200.000.001	Miscellaneous Expense	163.00	
44000.000.001	Legal Fees and Expenses	7,294.00	
44200.000.001	Audit Fees	8,011.00	
44400.000.001	Other Professional Fees	1,063.00	
46100.000.001	Computer Programs	215.00	
20300.000.001	Miscellaneous Payables		45,847.00
44200.000.001	Audit Fees		12,976.00
Total		58,823.00	58,823.00
Adjusting Journal Entries JE # 6			
To reverse client AJE 5-7 in order to not capitalize installation expense			
44400.000.001	Other Professional Fees	375.00	
11201.000.001	Accum.Deprec.Office Furn&Equip		375.00
Total		375.00	375.00
Adjusting Journal Entries JE # 7			
To record Pension Expense Accrual			
41100.000.001	Pension Plan, Life Insurance	17,921.00	
20300.000.001	Miscellaneous Payables		17,921.00
Total		17,921.00	17,921.00

Client: *Metropolitan Zoological Park and Museum District*
Engagement: *Metro Zoo 2014 Audit*
Workpaper: *31-01 - Adjusting Journal Entries Report*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 8			
To adjust accumulated depreciation and depreciation expense			
11201.000.001	Accum.Deprec.Office Furn&Equip	125.00	
46200.000.001	Depreciation Expense		125.00
Total		125.00	125.00