

MARIN GENERAL SERVICES AUTHORITY
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MEMORANDUM

DATE: March 3, 2011
TO: MGSA Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM G: 2009 – 2010 Audit Report

Recommendation: Accept the Audit Report for 2009 – 2010 prepared by John Maher Accountancy.

Background: John Maher Accountancy has prepared the audit report for the 2009 – 2010 fiscal year. In the Management Representation letter to Maher Accountancy, we included the following statement: “As part of your audit, you prepared the draft financial statements and related notes. We have designated a competent employee to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.” As we have done in the past, in order to meet the letter and intent of that statement, a board member who has substantial municipal finance background, reviewed the draft financial statement and audit report. This year, Michael Frank, served that role. My thanks to Mr. Frank.

Although not stated in the report, John Maher has recommended that we adjust the current year budget (2010-11) to back out the \$49,000 that MGSA collected from its members on behalf of the County’s mediation program. These funds are not actual revenue for MGSA and there is not a commensurate expenditure, merely a transfer of the funds to the County for the mediation program. I will include in the May board meeting agenda an item to make this change. Mr. Maher did not think it necessary to adjust the 2009-10 budget, since he identified the transfer in his audit report.

The report contains no exceptions or other management recommendations. Given the clean report and lack of any issues found in the audit, Mr. Maher has not been asked to attend the Board meeting.

Attachment
2009 – 2010 Audit Report & Audit Letter