

MARIN GENERAL SERVICES AUTHORITY

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MEMORANDUM

DATE: January 8, 2015
TO: MGSA Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM D: 2013 – 2014 Audit Report

Recommendation: Accept the Audit Report for 2013 – 2014 prepared by John Maher Accountancy.

Background: John Maher Accountancy has prepared the audit report for the 2013 – 2014 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 intent of that statement regarding review, a board member who has substantial municipal finance background reviewed the draft financial statement and audit report. Again this year, Michael Frank, served that role. Thank you, Mr. Frank.

The report’s transmittal letter to the Board includes four comments related to internal controls. Three of the comments regarding collection of taxi permit fee payments and Abandoned Vehicle Abatement (AVA) payments are re-statements of comments made in the auditor’s 2012 – 2013 report. Staff has implemented the agreed upon recommendations for these comments from the 2012-13 report, effective July 1, 2014. However, because the auditor has not (and cannot have) audited the 2014-15 year, implementation of those recommendations has not been noted in the audit report.

One new comment relates to an error found in calculating an AVA payment. The AVA program administrator uses a formula based on population and the number of abatement cases completed to develop a table of payment amounts to the County and towns/cities. Based on that table, the County Auditor’s office initiates the payments to the County and towns/cities. The auditor recommends a review of that table by a second MGSA employee. I have agreed to conduct that review.

c: John Maher

Attachment

2013 – 2014 Audit Report in Electronic Format