

MARIN GENERAL SERVICES AUTHORITY
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MEMORANDUM

DATE: January 10, 2013
TO: MGSA Board of Directors
FROM: Paul Berlant, Executive Officer
SUBJECT: AGENDA ITEM H: 2010 – 2011 Audit Report

Recommendation: Accept the Audit Report for 2011 – 2012 prepared by John Maher Accountancy.

Background: John Maher Accountancy has prepared the audit report for the 2011 – 2012 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. My thanks to Mr. Frank.

The report’s cover letter to the Board, referred to as the “Auditor’s Communication with the Board,” includes the following paragraph:

The Taxi Program manager maintains documentation to manage tax permits. We noted that the system in place to track permits is maintained in Microsoft Excel which does not provide a permanent transactional history to ensure that entries are not subsequently deleted or modified.

While some progress was made during the 2011-12 year, we recommend that a more formal process is implemented and maintained.

Jeff Rawles and I met with Mr. Maher in December 2011 to review and implement Mr. Maher’s recommendation on this subject in last year’s audit report. A new data base was set up which meets Mr. Rawles objective of tracking all companies, vehicles, and drivers and their respective permits, however does not meet Mr. Maher’s objective of a more

permanent transactional history. I have discussed this with Mr. Maher and will undertake the creation of such a database with Mr. Maher's assistance.

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.

c: John Maher

Attachment

2011 – 2012 Audit Report in Electronic Format (hard copy to follow)