



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 13-031, **Version:** 1

Adopt a Resolution to approve the request of Carmel Valley Recreation and Parks District to replace biennial audits with yearly financial reviews as contemplated by California Government Code Section 26909.

(Unanimous Vote Required.)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution approving the request of Carmel Valley Recreation and Parks District to replace biennial audits with yearly financial reviews as contemplated by California Government Code Section 26909.

(Unanimous Vote Required.)

SUMMARY:

Carmel Valley Recreation and Park District (CVRPD) is an independent special district of the County of Monterey for the purpose of managing Carmel Valley Community Park on Ford Road in Carmel Valley Village. The district operates via a benefit assessment totaling \$49,900 per year, with additional revenues of approximately \$15,000 from picnic area and meeting room rentals. CVRPD is managed by an elected board of directors who are responsible for all clerical duties of the district. The district has no paid staff and one independent contractor who maintains the landscape and restrooms.

DISCUSSION:

Since the adoption of the financial audit requirements for special districts, CVRPD has obtained biennial audits pursuant to Government Code Section 26909(b). The latest audit which covered FY08-09 cost the district \$9,500, which equates to over 6.8% of its annual revenues. Section 26909, at subsection (c), states that a special district may, by unanimous request of the governing board of the special district, and with the unanimous approval of the Board of Supervisors, replace the requirement for an with a financial review if all of the special districts revenues and expenditures are transacted through the county's financial system and annual revenues of the special district do not exceed one hundred fifty thousand dollars (\$150,000). The financial review would be in accordance with the appropriate professional standards, as determined by the County Auditor-Controller.

The finances of the CVRPD are run through the County's financial system, and its annual revenues do not exceed \$150,000. The board of the CVRPD adopted a resolution certifying compliance with Government Code prerequisites and requesting to replace the biennial audit with yearly financial reviews on November 14, 2012. The County Auditor-Controller has determined the appropriate professional standards for said review to be those contained in the AICAP Standards AR Section 90.

OTHER AGENCY INVOLVEMENT:

The Carmel Valley Recreation and Parks District and the Monterey County Auditor-Controller have reviewed and recommend approval this change.

FINANCING:

There is no financial impact to the General Fund for this action.

Prepared by: Ron Holly, Chief Deputy Auditor-Controller, x5493
Approved by: Michael J. Miller, CPA, CISA, Auditor-Controller, x5303

Attachments:

Resolution 13-031
CVRPD Board Minutes and Resolution
CVRPD Budgets
Email requesting change
CA Government Code Section 26909