

MARIN EMERGENCY RADIO AUTHORITY

c/o Novato Fire Protection District
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MEMORANDUM

DATE: December 8, 2010
TO: MERA Board of Directors
FROM: Maureen Cassingham, Executive Officer
SUBJECT: **AGENDA ITEM B-9:** FINAL FY09-10 AUDITED FINANCIAL STATEMENTS AND AUDITORS' REPORT

Recommended Action: Based on the review and recommendations of the Finance and Executive Committees, accept the final MERA's Audited Financial Statements and Auditors' Report for FY09-10 as presented.

Background: Attached are Maher Accountancy's Independent Auditors' Report, Management Discussion and Analysis, Financial Statements and Required and other Supplemental Information for MERA for the year ended June 30, 2010. Maher has conducted MERA's audits since FY03-04 and thus has particular insight to our operations and financing. The MERA Finance and Executive Committees and MERA staff have reviewed these documents and made comments which have been included in the final presentation before you. The letter to the Board concludes that there are no indications of internal control deficiencies.

Once again, additional schedules are provided at the back of the report, which present budget and actual activity and ending fund balances for each of the individual funds along with Bond and Note principal and interest payment schedules. Also included are the listings of site lease commitments and contract commitments for the current and future fiscal years. All of these schedules are useful references for MERA's member agencies, staff and the public.

Per Board action on May 19, 2010, transfer from the Operating Fund Balance will be made to the Replacement Reserve upon acceptance of the FY09-10 Audit. Based on the end of year balance of \$439,314, the amount of \$400,000 will be transferred to the Replacement Reserve while maintaining \$39,314 carry forward in the Operating Fund for any prior year expenses.

ATTACHMENTS: MERA 2010 Auditor Communication with Board and
Financial Statements and Auditors' Report –
Year Ended June 30, 2010