

January 26, 2022

Governing Board Communication

TO: MERA Governing Board

FROM: Mary Morris-Mayorga, Interim Executive Officer

SUBJECT: MERA FISCAL YEAR 2020-21 AUDITED FINANCIAL STATEMENTS AND AUDITORS' COMMUNICATION

Recommended Action

Receive and file MERA's Fiscal Year 2020-2021 Audited Financial Statements and Auditors' Communication as recommended by the Finance Committee.

Background

At the April 28, 2021 Governing Board meeting, an agreement for Fiscal Year 2020-2021 annual audit services with Maher Accountancy was approved. They have now completed the annual audit and the final report contains: Communication with the Governing Board, Independent Auditors' Report, Management Discussion and Analysis, Financial Statements, and other Supplemental Information.

Each year, dependent upon activity, the auditors may focus inquiries over and above standard audit procedures on a variety of and/or specific areas. This year the auditors reviewed detail on and staff provided documentation in response in order to confirm:

- capital assets/equipment useful life expectancies to ensure that those assets listed should be retained on the schedule and are depreciated on the appropriate term; and
- Motorola original contract amount, change orders, payments, and remaining balance for verification of MERA's commitments as are listed in the notes to the financial statements.

Staff responded to all auditor requests with the necessary documentation and answered all follow-up inquiries. The draft is being provided with the final to follow which is anticipated to contain minor edits with no substantive changes. As would be expected the auditors' opinion is:

"In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2021, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

John Maher presented the financial statements including auditors' communication to the Finance Committee on January 18, 2022 and responded to questions. The Finance Committee voted unanimously to recommend approval to the Governing Board.

Fiscal Impact

Operating and project costs are in accordance with approved budgets and Board actions.

Attachments: Auditors' Communication
Fiscal Year 2020-21 Audited Financial Statements