

**Red Hill Community Park Joint Powers Authority**

Staff Report  
June 28, 2010

For the meeting of June 30, 2010

TO: RHCP JPA Board of Directors  
FROM: David Donery, Executive Director  
SUBJECT: Biennial Audit

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**RECOMMENDATION**

That the Board approves conducting a biennial audit for the fiscal years of 2009/10 and 2010/11

**BACKGROUND**

The Red Hill Community Park Joint Powers Authority maintains an account with Wells Fargo Bank that is used to receive and disperse funds related to the Red Hill Community Park and costs related to the operation of the JPA. As per the Joint Powers Agreement, the Town's Finance and Administrative Director serves as the Treasurer to the JPA.

**DISCUSSION**

Since its inception, the JPA has conducted an annual audit, as per Section 8 of the Joint Powers Agreement to Establish The Red Hill Joint Powers Authority. The annual cost for these audits has been \$9,000. The Government Code 6500 has a provision which allows JPA's to conduct an audit every two years. Section 6505(f) is the provision for the Board to elect an audit covering a two-year period.

(f) All agencies or entities may, by unanimous request of the governing body thereof, replace the annual special audit with an audit covering a two-year period.

The cost for a two-year (biennial) audit would range between \$10,000 and \$14,000. In the interest of reducing the audit costs associated with the JPA, staff recommends that the board vote to replace the annual special audit with an audit covering two years. This audit would cover July1, 2009 through June 30, 2011. This change will only take effect if the vote is unanimous.

Respectfully submitted,

David Donery  
Executive Director