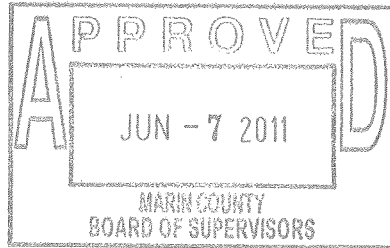


FINANCIAL AUDIT ADVISORY COMMITTEE

Board of Supervisors
Civic Center
County of Marin
San Rafael, CA 94903



Date: June 7, 2011

SUBJECT: The Financial Audit Advisory Committee review of the County of Marin's Financial Statements, Management Report and Single Audit Report for the fiscal year ended June 30, 2010.

RECOMMENDATION: The Financial Audit Advisory Committee recommends the Board of Supervisors accept Management responses to external auditor's findings for the fiscal year ended June 30, 2010.

BACKGROUND: The Financial Audit Advisory Committee reviewed the results of the external auditor's reports for fiscal year ended June 30, 2010. In the future, the committee will review external auditor's reports annually.

DISCUSSION: We reviewed the findings and managements response. We believe Management has appropriately responded to the external auditor's findings.

The financial statements and single audit report was audited by the independent CPA firm, Gallina, LLP, and received an unqualified, "clean," opinion.

The management report contains two recommendations for the year ended June 30, 2010 and Management has implemented corrections related to the recommendations.

The Single Audit reported deficiencies of financial reporting and noncompliance with program requirements. Management has appropriately responded to all findings.

We support and encourage efforts to address pension and retiree health liability, including lower cost tiers for new employees and budgeted set aside funds for retiree health.

FISCAL IMPACT: None.

AL 4b

To increase accessibility of information in an environmentally sensitive way, the Annual Financial Report is presented on the County of Marin's website:

http://www.co.marin.ca.us/depts/AC/Main/finance/docs/financial_report/10MarinFinState.pdf

Sincerely,

A handwritten signature in cursive script that reads "Mary Jane Burke".

Mary Jane Burke
Financial Audit Advisory Committee, Chair

cc: Gary Burroughs, Interim Director of Finance
Margie Roberts, Audit Manager, Department of Finance