



FINANCIAL AUDIT ADVISORY COMMITTEE

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



May 9, 2017

SUBJECT: The Financial Audit Advisory Committee review of the County of Marin's Comprehensive Annual Financial Report (CAFR), Single Audit Report, and Required Communication Letter for the fiscal year ended June 30, 2016.

RECOMMENDATION: The Financial Audit Advisory Committee recommends the Board of Supervisors accept the Required Communication Letter for the fiscal year ended June 30, 2016.

BACKGROUND Annually, the Financial Audit Advisory Committee reviews results of the external auditor's reports.

DISCUSSION: The CAFR and Single Audit Report was audited by the independent CPA firm, Clifton Larson Allen, LLP, and received unmodified, "clean," opinions.

The Required Communication Letter noted no exceptions for the year ended June 30, 2016. While reviewing the Required Communications Letter, the Committee discussed the 'Significant Accounting Estimates' section in greater detail. This section made reference to specific significant accounting estimates: claims liability, net pension liability, and liability for other post-employment benefits (OPEB), and noted that future events may differ from current estimates. The Committee acknowledged that the Department of Finance maintains a website portal with a display of select financial measures related to Pension and OPEB liability on an annual basis, but recommended that the information be displayed in a multi-year format providing the public ready access to summarized comparative results. Director Given stated that he would pursue a multi-year format to increase transparency and further inform the public on these relevant and contemporary topics.

We commend the efforts of Roy Given, Director of the Department of Finance and his staff for their excellent work on this report and in all of the other areas of responsibility that they have. The Committee appreciates the receptiveness of the Director to consider suggestions made by the Committee. Competent, accurate, reliable and transparent financial data are an essential part of fostering public trust that is the foundation of our government. The residents of Marin County are fortunate to have such a quality Department of Finance.

FISCAL IMPACT: None

Sincerely,

Scott McKown
Financial Audit Advisory Committee, Vice-Chair

cc: Roy Given, Director of Finance
Mina Martinovich, Assistant Director of Finance
Anu Bagchi, Finance Division Chief

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