

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Placer County Board of Supervisors

FROM: Thomas Miller, County Executive Officer
By: Holly Heinzen, Assistant County Executive Officer

DATE: March 22, 2011

RE: Resolution Amending Joint Exercise of Powers Agreement for
Placer County Public Financing Authority

ACTION REQUESTED

Adopt the attached resolution amending the Joint Exercise of Powers Agreement between the County of Placer and the Placer County Redevelopment Agency, which created the Placer County Public Financing Authority, to provide for a five year audit period in the place of the requirement for an annual audit set out in the Agreement.

BACKGROUND

On February 22, 2011, the Placer County Public Financing Authority (hereafter "the Authority") adopted a change to its audit requirements on the recommendation of the County Auditor Controller. That change was subsequently approved by the Board of Supervisors, and allowed for a five year audit period instead of an annual audit. However, Article X of the Joint Exercise of Powers Agreement (hereafter "the Agreement") creating the Authority provides that if the Authority comes into possession of any money or tangible assets, it shall cause an annual audit to be performed. The Agreement states that the minimum requirements of that audit are prescribed by Government Code Section 26909.

The annual audit requirement set out in Article X of the Agreement is in conflict with the recent determination of the Authority to adopt a five year audit period, although this determination was made pursuant to Government Code Section 26909. In order to clarify this apparent conflict, this office recommends that the Board of Supervisors and the Board of the Redevelopment Agency amend the Joint Exercise of Powers Agreement to document this recent change in the auditing requirement for the Authority. This action will bring the Agreement to conformity with the recent action of the Authority and the Board of Supervisors in adopting the five year audit period.

FISCAL IMPACT

The action amending the Joint Exercise of Powers Agreement to allow for an audit every five years instead of annually will result in significant savings to the County.

Attachment: Resolution

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No: _____

**A RESOLUTION AMENDING JOINT EXERCISE OF
POWERS AGREEMENT FOR THE PLACER COUNTY
PUBLIC FINANCING AUTHORITY**

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____ by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, the County of Placer (the "County") is a political subdivision of the State of California, organized and existing pursuant to the Constitution and laws of the State of California; and

WHEREAS, the County upon authorization of this Board of Supervisors may pursuant to Article 1 of Chapter 5 of Division 7 of Title 1 of the California Government Code enter into and amend a Joint Exercise of Powers Agreement; and

WHEREAS, the County and the Placer County Redevelopment Agency have entered into a joint exercise of powers agreement through Resolution No. 2006-112 and Placer County Redevelopment Agency Resolution No. 12-2006 thereby creating the Placer County Public Financing Authority; and

WHEREAS, the County proposes to authorize the execution of an amendment to the joint exercise of powers agreement governing the Placer County Public Financing Authority to allow for a five year audit period as prescribed by Government Code Section 26909 in place of the requirement of an annual audit currently provided by the Agreement;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Placer, State of California that the Joint Exercise of Powers Agreement as approved in Resolution No. 2006-112 shall be amended as follows:

ARTICLE X

ANNUAL AUDIT AND REVIEW

In the unanticipated event that the Authority comes into the possession of any money or other tangible assets, the Authority shall cause an annual (**or such other period as prescribed by and consistent with California Government Code Section 26909**) financial audit of the accounts and records made by a certified public accountant in compliance with California Government Code Section Sections 6505 and 6505.5 or 6505.6 with respect to all receipts, disbursements, other transactions, and entries into the books of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under California Government Code Section 26909 and shall conform to generally accepted auditing standards. A report of each audit shall be filed as a public record with each of the Members and also with the County Auditor of the County. The report shall be filed within twelve months of the end of the Fiscal Year under examination. The Authority shall pay all costs of such financial audits.

BE IT FURTHER RESOLVED, the Chairman of the Board of the Supervisors, the Vice Chair, the Clerk of the Board and the County Executive Officer are hereby authorized and directed to do any and all things to execute and deliver any and all documents necessary to carry out, give effect to and comply with the terms and intent of this resolution and the Amendment of the Joint Exercise of Powers Agreement.

