

**SUBMITTAL TO THE BOARD OF DIRECTORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

813



**FROM:** Regional Park & Open-Space District

**SUBMITTAL DATE:**  
11/21/05

**SUBJECT:** ANNUAL AUDIT REPORT FOR FY 2004-05

**RECOMMENDED MOTION:** That the Board of Directors receive and file the FY 2004-2005 Independent Auditor's Report for the Riverside County Regional Park & Open-Space District which includes:

1. Annual Audit Report;
2. Appropriations Limit Annual Review Compliance Letter; and
3. Report on Compliance and on Internal Control over Financial Reporting.

**BACKGROUND:** The reports are rendered by Teaman, Ramirez & Smith Accountancy Corporation of Certified Public Accountants (CPAs) for the fiscal year ended June 30, 2005. The CPA's rendered an unqualified opinion on the financial statements of the District and an opinion that indicated that there were no material weaknesses in the internal controls.

Departmental Concurrence

518/Annual Audit Report for FY 04-05

*Paul Frandsen*

Paul Frandsen, General Manager

<b>FINANCIAL DATA</b> n/a	Current F.Y. Total Cost:	\$	In Current Year Budget: Budget Adjustment: For Fiscal Year:
	Current F.Y. Net County Cost:	\$	
	Annual Net County Cost:	\$	

<b>SOURCE OF FUNDS:</b>	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

**APPROVE**

*H. Duggan*

**County Executive Office Signature**

Consent  
 Policy  
 Consent  
 Policy  
 Dep't Recomm.:  
 Per Exec. Ofc.:

**Prev. Agn. Ref.:** | **District:** All | **Agenda Number:**

13.1

Board of Directors  
Riverside County Regional Park and Open-Space District  
Riverside, California

**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance With *Government Auditing Standards***

We have audited the financial statements of the Riverside County Regional Park and Open-Space District as of and for the year ended June 30, 2005, and have issued our report thereon dated September 2, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Riverside County Regional Park and Open-Space District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have reported to management of the District in a separate letter dated September 2, 2005.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Riverside County Regional Park and Open-Space District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended solely the information and use of the management, and the Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties.

*Teaman Ramirez & Smith*

September 2, 2005

**INDEPENDENT ACCOUNTANT'S REPORT ON AGREED-UPON PROCEDURES  
APPLIED TO APPROPRIATIONS LIMIT WORKSHEETS**

Board of Directors  
Riverside County Regional Park and Open-Space District  
Riverside, California

We have applied the procedures enumerated below to the accompanying Appropriations Limit documents of the Riverside County Regional Park and Open-Space District, for the year ended June 30, 2005. These procedures, which were agreed to by the Riverside County Regional Park and Open-Space District and the League of California Cities (as presented in the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*) were performed solely to assist the District in meeting the requirements of Section 1.5 of Article XIII B of the California Constitution.

This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and our findings were as follows:

1. We obtained the completed documents required by the Article XIII B Appropriations Limitation Uniform Guidelines, and determined that the limit and annual adjustment factors were adopted by resolution of the Board of Directors. We also determined that the population and inflation options were selected by a recorded vote of the Board of Directors.

Finding: No exceptions were noted as a result of our procedures.

2. For the accompanying Appropriations Limit worksheet, we added last year's limit to total adjustments and agreed the resulting amount to this year's limit.

Finding: No exceptions were noted as a result of our procedures.

3. We agreed the current year information presented in the accompanying Appropriations Limit worksheet to the other documents referenced in #1 above.

Finding: No exceptions were noted as a result of our procedures.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit worksheet to the prior year appropriations limit adopted by the Board of Directors during the prior year.

Finding: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the accompanying Appropriations Limit worksheet. Accordingly, we do not express such an opinion. Had we performed additional

procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriation limit for the base year, as defined by the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines*.

This report is intended solely for the use of the Riverside County Regional Park and Open-Space District and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

*Seaman Ramirez & Smith*

September 2, 2005

**RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT  
APPROPRIATIONS LIMIT COMPUTATION  
2004-2005**

	<u>2004-2005</u>
Per Capita Personal Income Change	3.28%
Population Change	
County Population Growth	3.37%
PCI Change Converted to a Ratio	1.0328
Population Change Converted to a Ratio	1.0337
Calculation of Growth Factor	1.0676
2003-2004 Limit	<u>\$ 51,352,728</u>
2004-2005 Appropriations Limit (51,352,728 X 1.0676)	<u>\$ 54,824,172</u>