

**TOWN OF  
APPLE VALLEY, CALIFORNIA**

**AGENDA MATTER**

**Subject Item:**

**APPROVAL FOR THE TRANSFER OF THE VICTOR VALLEY MATERIALS RECOVERY FACILITY TREASURER FUNCTION FROM THE CITY OF VICTORVILLE TO THE TOWN OF APPLE VALLEY**

**Summary Statement:**

At the November 12, 2009 Victor Valley Materials Recovery Facility (MRF) Board meeting the recommendation and approval, pending approval of the Town of Apple Valley Council, to transfer the treasurer function from the City of Victorville to the Town of Apple Valley was made. The recommendation for transfer was based upon the results of the audited financial statements for the MRF for the year ended June 30, 2008. The results of the audit disclosed that the auditor could not state an opinion on the financial statements due to a lack of internal controls at the City of Victorville.

Based on correspondence with the Executive Director of the MRF it is estimated that Town of Apple Valley staff will spend approximately 150 hours annually to perform the function of treasurer for the MRF. The Town will be responsible for the staffing and reporting requirements for the annual audit and preparation of quarterly financial statements.

The expenses incurred for the preparation of the annual audit will be budgeted as an administrative expense of the MRF and will be shared by all member agencies.

The fiscal impact for the Town of Apple Valley taking over the treasurer function of the MRF is estimated to be \$12,800 annually. This is based on the estimated time to record cash receipts, cash disbursements, prepare quarterly financial statements and assist the audit function.

The transfer is scheduled for February 01, 2010.

**Recommended Action:**

Approve the recommendation of staff to transfer the MRF treasurer function from the City of Victorville to the Town of Apple Valley.

**Proposed by:** William B. Pattison Assistant Town Manager      **Item Number** \_\_\_\_\_

**T. M. Approval:** \_\_\_\_\_      **Budgeted Item**     Yes     No     N/A