

RICHARDSON BAY REGIONAL AGENCY

STAFF REPORT

For the meeting of May 9, 2024

To: Board of Directors
From: Brad Gross, Executive Director
Subject: Draft Lease Capitalization Policy

STAFF RECOMMENDATION:

Staff recommends that this Board receive the staff report, and, after discussion and public comment, adopt Resolution 24-08 approving the Lease Capitalization Policy for the Richardson Bay Regional Agency.

Motion: Approve Resolution 24-08 establishing a Lease Capitalization Policy for Richardson Bay Regional Agency.

BACKGROUND:

On August 31, 2023, RBRA engaged the services of Michal O'Conner, CPS to conduct the regularly scheduled biennial audit of RBRA finances as prescribed in CA Government Code Section 6505 (f).

At the March 14, 2024 meeting this Board received and approved the subsequent Annual Financial Report Years Ended June 30, 2023 and June 30, 2022, and the Board of Directors and Management Report for the year ending June 30, 2023. The attached reports concluded that RBRA finances, policies, and procedures follow standard accounting procedures. The Management Report concluded with a recommendation that RBRA consider formalizing a capitalization policy for lease liabilities and the right to use assets over \$20,000.

Therefore, the attached Draft Lease Capitalization Policy has been developed in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 87, Leases.

FISCAL IMPACT:

None

Attachments:

Attachment 1: Draft Lease Capitalization Policy

Attachment 2: Annual Financial Report Years Ended June 30, 2023 and June 30, 2022

Attachment 3: Board of Directors and Management Report for the year ending June 30, 2023

Attachment 4: DRAFT Resolution 24-08