THE CITY OF SAN DIEGO

April 14, 2006

Councilmember Scott Peters
Taxpayers Against Recall Abuse (ID 1256428)
202 C Street, 10th Floor
San Diego, CA 92101

Re: Ethics Commission Audit

Dear Councilmember Peters:

The Ethics Commission audit of the above-referenced committee is now concluded, and the Final Audit Report is enclosed. This report was presented to the Ethics Commission at its regularly scheduled meeting held on April 13, 2006.

If you have any questions concerning the foregoing, please contact me at your convenience. Thank you for your assistance and cooperation during the course of the audit.

Sincerely,

Lauri Davis
Ethics Commission Investigator

Enclosure

THE CITY OF SAN DIEGO

April 14, 2006

F. Laurence Scott, Treasurer
Taxpayers Against Recall Abuse (ID 1256428)
c/o Scott & Cronin, LLP
330 Encinitas Blvd., Suite 101
Encinitas, CA 92024

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Lauri Davis
Ethics Commission Investigator

Enclosure

Ethics Commission
1010 Second Avenue, Suite 1530 • San Diego, CA 92101
Tel (619) 533-3476 Fax (619) 533-3448

THE CITY OF SAN DIEGO

FINAL AUDIT REPORT

April 13, 2006

Council President Scott Peters
Taxpayers Against Recall Abuse (ID# 1256428)
202 C Street, 10th Floor
San Diego, CA 92101

F. Laurence Scott, Treasurer
Taxpayers Against Recall Abuse (ID# 1256428)
330 Encinitas Blvd., Suite 101
Encinitas, CA 92024

SAN DIEGO ETHICS COMMISSION
AUDIT REPORT:
Taxpayers Against Recall Abuse

I. Introduction

This Audit Report contains information pertaining to the audit of the Taxpayers Against Recall Abuse Committee, Identification Number 1256428 (the "Committee") for the period from January 1, 2003, through June 30, 2004. The audit was conducted to determine whether the Committee materially complied with the requirements and prohibitions imposed by the Political Reform Act ("the Act") (Government Code Section 81000, *et seq.*) and San Diego's Election Campaign Control Ordinance (San Diego Municipal Code Chapter 2, Article 7, Division 29). The Election Campaign Control Ordinance (ECCO) was amended on January 5, 2005. This Committee operated under the previous ECCO, therefore all Code references in this report relate to the provisions of ECCO effective prior to January 5, 2005.

During the period covered by the audit, the Committee reported total contributions received of $29,400 and total expenditures made of $29,400. **The audit revealed no material findings.**

II. Committee Information

The Committee was formed to oppose the recall of Councilmember Scott Peters in Council District 1. On July 15, 2003, Councilmember Peters filed a Candidate Intention Statement with the San Diego City Clerk. On July 28, 2003, the Committee filed a Statement of Organization

with the San Diego City Clerk indicating it qualified as a committee on July 22, 2003. On July 9, 2004, the Committee filed a Statement of Termination indicating that its filing obligations were completed on June 30, 2004. The Committee's treasurer was F. Laurence Scott.

III. Audit Authority

The San Diego Ethics Commission (the "Commission") is mandated by San Diego Municipal Code section 26.0414 to audit campaign statements and other relevant documents to determine whether campaign committees comply with applicable requirements and prohibitions imposed by State and local law.

IV. Audit Scope and Procedures

This audit was performed in accordance with generally accepted auditing standards. The audit involved a thorough review of the Committee's records for the time period covered by the audit. This review was conducted to determine:

1. Compliance with all disclosure requirements, pertaining to contributions, expenditures, accrued expenditures, and loans, including itemization when required;
2. Compliance with applicable filing deadlines;
3. Compliance with restrictions on contributions, loans and expenditures;
4. Accuracy of total reported receipts, disbursements and cash balances as compared to bank records; and
5. Compliance with all record-keeping requirements.

V. Conclusion

Through the examination of the Committee's records and campaign disclosure statements, the Auditor verified that the Committee accurately and timely disclosed all contributions received and all expenditures made and that the Committee maintained the necessary documentation regarding contributions and expenditures. **The audit revealed no material findings.**

_____ _____

DeeDee Alari, CPA — Date
Financial Investigator

_____ _____

Lauri Davis — Date
Senior Investigator