

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 5/10/2016	(3) CONTACT/PHONE Kerry Bailey, 788-2979	
(4) SUBJECT Submittal of Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the third quarter of FY 2015-16 conducted on March 14, 2016. All Districts.			
(5) RECOMMENDED ACTION It is recommended the Board receive, review, and file the Independent Auditor's Report.			
(6) FUNDING SOURCE(S) n/a	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) n/a		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP n/a	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>3/8/2016</u>	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: James P. Erb, CPA, Auditor - Controller - Treasurer - Tax Collector

DATE: 5/10/2016

SUBJECT: Submittal of Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the third quarter of FY 2015-16 conducted on March 14, 2016. All Districts.

RECOMMENDATION

It is recommended the Board receive, review, and file the Independent Auditor's Report.

DISCUSSION

California Government Code Sections 26920 and 26922, require quarterly reviews and reporting of the County Treasurer's statement of assets. The review may occur any time during the quarter. To comply with government code, an unannounced cash count was conducted at the County Treasurer's Office on March 14, 2016, and the reconciliation of records was verified. The procedures were performed by the independent public accounting firm, Brown Armstrong CPAs.

In the attached Independent Auditor's Report Brown Armstrong states cash funds of \$10,629,257 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$861,955,507 and were reconciled from investment reports to the Treasurer's Daily Report. The investments were also reviewed and found to be in compliance with the current County Treasury's Investment Policy. Total funds in the County Treasury on March 14, 2016 were \$872,584,764.

OTHER AGENCY INVOLVEMENT/IMPACT

The cash procedures were conducted at the County Treasury.

FINANCIAL CONSIDERATIONS

The procedures verified that funds reported by the County Treasury equaled cash on hand and funds held by financial institutions.

RESULTS

Quarterly cash and investment reviews of the Treasury fulfill Government Code requirements and inform the Board of Supervisors and public on the status of the County Treasury.

ATTACHMENTS

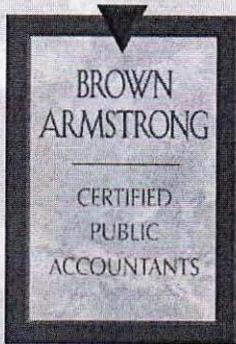
1. Brown Armstrong, CPAs Q3 FY 15-16 Independent Auditor's Report

COUNTY OF SAN LUIS OBISPO
QUARTERLY CASH COUNT
MARCH 31, 2016

COUNTY OF SAN LUIS OBISPO
QUARTERLY CASH COUNT
MARCH 31, 2016

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BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
County of San Luis Obispo
San Luis Obispo, California

We have performed the procedures enumerated below to the proper balance and accountability of cash as directed by California Government Code Sections 26920 and 26922 as of the quarter ended March 31, 2016. These procedures, which were agreed to by the County of San Luis Obispo, were performed in accordance with the aforementioned code sections. The County of San Luis Obispo's management is responsible for the safe keeping and preparation of cash and cash reconciliations. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the County of San Luis Obispo. 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.

As directed by California Government Code Sections 26920 and 26922, an unannounced cash count and review was conducted at the County Treasurer's Office on March 14, 2016, and cash funds of \$10,629,257 were accounted for and balanced to the Treasurer's Daily Report. Investments in the County Treasury totaled \$861,955,507 and were reconciled from investment reports to the Treasurer's Daily Report. The investments were also reviewed and found to be in compliance with the current County Treasury Investment Policy. Total funds in the County Treasury on March 14, 2016, were \$872,584,764.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on the proper balance and accountability of cash in the County Treasury at quarter end. 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.

This report is intended solely for the information and use of the County of San Luis Obispo and management of the County of San Luis Obispo and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
April 8, 2016

**COUNTY OF SAN LUIS OBISPO
TREASURER'S DAILY REPORT
MARCH 31, 2016**

JAMES P. ERB, CPA, COUNTY TREASURER
SAN LUIS OBISPO COUNTY
TREASURER'S DAILY REPORT

DATE: 14-Mar-16
12:55:30 PM

DISBURSEMENT SUMMARY: Union Bank Control Disb. 1,462,061.93 EBT 35,182.67 Cuesta Envoy 300.00 TOTAL DISBURSEMENTS: 1,497,544.60		INVESTMENT PURCHASE SUMMARY: CalTrust (daily balance) 15,000,000.00 BA and C/P PIMMA (daily balance) 245,222,352.75 AGENCIES TREASURIES F.I.C.A. (daily balance) 0.00 REPO (daily balance) 0.00 LAIF (daily balance) 44,000,000.00 TOTAL INV. PURCHASES: 304,222,352.75	
		COMBINED POOL INVESTMENTS: CalTrust 15,000,000.00 F.I.C.A. 0.00 CDARS 38,000,000.00 Bankers Acceptances/Com.Paper 0.00 PIMMA 245,222,352.75 Agencies 323,459,090.60 Treasuries 195,970,152.10 L.A.I.F. 44,000,000.00 Repurchase Agreements 0.00 TRAN 303,921.65 INACTIVE TOTAL 861,955,507.10	
Approved: <i>James P. Erb</i> 3/14/16			
BALANCE FORWARD 871,382,136.76 Receipts for Day 2,700,172.34 Returned Cks-JE - Disbursements for Day (1,497,544.60) BALANCE 872,584,764.50		Bank Accounts: Rabobank 4,621,536.13 Union Bank-Depository Acct. 4,197,338.13 Union Bank-Deferred Comp. 0.00 Union Bank-DSS Direct Dep. 10,058.63 Union Bank-EBT 396,938.09 Union Bank-Elect. C.Card Pmt 480,887.09 Union Bank - US Govt. Loans 163.65 East West Bank 0.00 Office Funds: Vault Currency 59,450.00 Vault Silver Dollars Halves Quarters 110.00 Dimes 115.00 Nickels 24.00 Pennies 10.00 Vault Cash Drawer Currency: (100/50's) 0.00 " (20's) 1,120.00 " (10's) 440.00 " (5's) 270.00 " (2's) 28.00 " (1's) 150.00 Coin: Dollars 19.00 " Halves 9.00 " Quarters 16.00 " Dimes 13.40 " Nickels 4.60 " Pennies 2.12 TOTAL OFFICE FUNDS 61,790.12	
CURRENT MONTH RECEIPTS BALANCE FORWARD 19,352,749.40 Receipts for Day 2,700,172.34 Returned Cks-JE - MONTH TO DATE 22,052,921.74			
CURRENT MONTH DISBURSEMENTS BALANCE FORWARD (35,956,579.68) Disbursements for Day (1,497,544.60) MONTH TO DATE (37,454,124.28)			
BALANCE 1ST OF MONTH 887,985,967.04 Receipts for Month 22,052,921.74 Disbursements for Month (37,454,124.28)		Credit Card for Collection 10,767.79 Online Payments for Collection 642,558.92 Returned Items 7,218.85 BALANCE ON HAND 10,629,257.40	
BALANCE 872,584,764.50		BALANCE 872,584,764.50	

DATE: 14-Mar-16