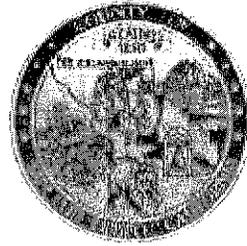


**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 9/13/2016	(3) CONTACT/PHONE Kerry Bailey 788-2979	
(4) SUBJECT Submittal of the Brown Armstrong CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the 4th quarter of FY 2015-16 conducted on June 30, 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>May 10, 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: 9/13/2016

SUBJECT: Submittal of a Brown Armstrong CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the 4th quarter of FY 2015-16 conducted on June 30, 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 June 30, 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 \$8,411,017 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$884,713,022 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 June 30, 2016 were \$893,124,039.

## **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 the public on the status of the County Treasury.

## **ATTACHMENTS**

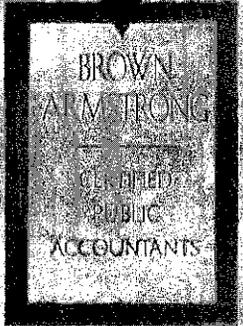
1. Independent Auditor's Report Q4 FY 2015-16

**COUNTY OF SAN LUIS OBISPO**  
**QUARTERLY CASH COUNT**  
**JUNE 30, 2016**

COUNTY OF SAN LUIS OBISPO  
QUARTERLY CASH COUNT  
JUNE 30, 2016

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# BROWN ARMSTRONG

*Certified Public Accountants*

## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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 June 30, 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 June 30, 2016, and cash funds of \$8,411,017 were accounted for and balanced to the Treasurer's Daily Report. Investments in the County Treasury totaled \$884,713,022 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 June 30, 2016, were \$893,124,039.

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  
August 12, 2016

**BAKERSFIELD OFFICE  
(MAIN OFFICE)**  
COTTELL AVENUE  
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**PALM SPRINGS OFFICE**  
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PALM SPRINGS, CA 92262  
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FAX: 951.224.6397

**STOCKTON OFFICE**  
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TEL: 209.481.9633

MEMBER OF THE CALIFORNIA  
INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

**COUNTY OF SAN LUIS OBISPO  
TREASURER'S DAILY REPORT  
JUNE 30, 2016**

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

DATE: 30-Jun-16  
12:55:27 PM

<p><b>DISBURSEMENT SUMMARY:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>Union Bank Control/Disb.</td><td style="text-align: right;">1,081,148.71</td></tr> <tr><td>EBT</td><td style="text-align: right;">3,794.09</td></tr> <tr><td>Cuesta Envoy</td><td style="text-align: right;">36,217.24</td></tr> <tr><td>SLOCOE Envoy</td><td style="text-align: right;">395,830.44</td></tr> <tr><td>Cuesta Pers</td><td style="text-align: right;">268,160.74</td></tr> <tr><td>SLOCOE Pers</td><td style="text-align: right;">113,184.30</td></tr> <tr><td>SLOCOE Def.Comp</td><td style="text-align: right;">80,573.67</td></tr> <tr><td>Cuesta AUL Special Pay Trust</td><td style="text-align: right;">23,327.85</td></tr> <tr><td><b>TOTAL DISBURSEMENTS:</b></td><td style="text-align: right;"><b>2,004,715.14</b></td></tr> </table>	Union Bank Control/Disb.	1,081,148.71	EBT	3,794.09	Cuesta Envoy	36,217.24	SLOCOE Envoy	395,830.44	Cuesta Pers	268,160.74	SLOCOE Pers	113,184.30	SLOCOE Def.Comp	80,573.67	Cuesta AUL Special Pay Trust	23,327.85	<b>TOTAL DISBURSEMENTS:</b>	<b>2,004,715.14</b>	<p><b>INVESTMENT PURCHASE SUMMARY:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>CalTrust (daily balance)</td><td style="text-align: right;">15,000,000.00</td></tr> <tr><td>BA and CIP</td><td></td></tr> <tr><td>PIMMA (daily balance)</td><td style="text-align: right;">255,000,000.00</td></tr> <tr><td><b>AGENCIES</b></td><td></td></tr> <tr><td><b>TREASURIES</b></td><td></td></tr> <tr><td>F.I.C.A. (daily balance)</td><td style="text-align: right;">0.00</td></tr> <tr><td>REPO (daily balance)</td><td style="text-align: right;">0.00</td></tr> <tr><td>LAIF (daily balance)</td><td style="text-align: right;">83,000,000.00</td></tr> <tr><td><b>TOTAL INV. PURCHASES:</b></td><td style="text-align: right;"><b>333,000,000.00</b></td></tr> </table> <p><b>COMBINED POOL INVESTMENTS:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>CalTrust</td><td style="text-align: right;">15,000,000.00</td></tr> <tr><td>F.I.C.A.</td><td style="text-align: right;">0.00</td></tr> <tr><td>CDARS</td><td style="text-align: right;">38,000,000.00</td></tr> <tr><td>Bankers Acceptance/Com.Paper</td><td style="text-align: right;">0.00</td></tr> <tr><td>PIMMA</td><td style="text-align: right;">255,000,000.00</td></tr> <tr><td>Agencies</td><td style="text-align: right;">341,461,436.00</td></tr> <tr><td>Treasuries</td><td style="text-align: right;">171,640,301.87</td></tr> <tr><td>L.A.I.F.</td><td style="text-align: right;">83,000,000.00</td></tr> <tr><td>Repurchase Agreements</td><td style="text-align: right;">0.00</td></tr> <tr><td><b>TREN</b></td><td style="text-align: right;"><b>305,885.55</b></td></tr> <tr><td><b>INACTIVE TOTAL:</b></td><td style="text-align: right;"><b>884,733,022.32</b></td></tr> </table>	CalTrust (daily balance)	15,000,000.00	BA and CIP		PIMMA (daily balance)	255,000,000.00	<b>AGENCIES</b>		<b>TREASURIES</b>		F.I.C.A. (daily balance)	0.00	REPO (daily balance)	0.00	LAIF (daily balance)	83,000,000.00	<b>TOTAL INV. PURCHASES:</b>	<b>333,000,000.00</b>	CalTrust	15,000,000.00	F.I.C.A.	0.00	CDARS	38,000,000.00	Bankers Acceptance/Com.Paper	0.00	PIMMA	255,000,000.00	Agencies	341,461,436.00	Treasuries	171,640,301.87	L.A.I.F.	83,000,000.00	Repurchase Agreements	0.00	<b>TREN</b>	<b>305,885.55</b>	<b>INACTIVE TOTAL:</b>	<b>884,733,022.32</b>		
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<p><b>BALANCE FORWARD</b> 888,928,119.40</p> <p>Receipts for Day 6,200,634.87</p> <p>Returned Cks-JE -</p> <p>Disbursements for Day (2,004,715.14)</p> <p><b>BALANCE</b> 893,124,039.83</p>	<p><b>Bank Accounts:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>Wells Fargo</td><td style="text-align: right;">1,544,133.35</td></tr> <tr><td>Union Bank-Depository Accl.</td><td style="text-align: right;">4,548,819.82</td></tr> <tr><td>Union Bank-Deferred Comp.</td><td style="text-align: right;">0.00</td></tr> <tr><td>Union Bank-DSS Direct Dep.</td><td style="text-align: right;">429,802.03</td></tr> <tr><td>Union Bank-EBT</td><td style="text-align: right;">1,051,394.57</td></tr> <tr><td>Union Bank-Elect. C.Gent Fund</td><td style="text-align: right;">682,111.21</td></tr> <tr><td>Union Bank - US Govt. Loans</td><td style="text-align: right;">44,155.83</td></tr> <tr><td>East West Bank</td><td style="text-align: right;">50,835.92</td></tr> </table> <p><b>Office Funds:</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>Vault Currency</td><td style="text-align: right;">39,400.00</td></tr> <tr><td>Vault Silver</td><td></td></tr> <tr><td>  Dollars</td><td style="text-align: right;">25.00</td></tr> <tr><td>  Halves</td><td></td></tr> <tr><td>  Quarters</td><td style="text-align: right;">110.00</td></tr> <tr><td>  Dimes</td><td style="text-align: right;">180.00</td></tr> <tr><td>  Nickels</td><td style="text-align: right;">30.00</td></tr> <tr><td>  Pennies</td><td style="text-align: right;">11.00</td></tr> <tr><td>Vault Cash Drawer</td><td></td></tr> <tr><td>  Currency: (100/50's)</td><td style="text-align: right;">0.00</td></tr> <tr><td>  " (20's)</td><td style="text-align: right;">1,480.00</td></tr> <tr><td>  " (10's)</td><td style="text-align: right;">470.00</td></tr> <tr><td>  " (5's)</td><td style="text-align: right;">410.00</td></tr> <tr><td>  " (2's)</td><td style="text-align: right;">2.00</td></tr> <tr><td>  " (1's)</td><td style="text-align: right;">105.00</td></tr> <tr><td>  Coin: Dollars</td><td style="text-align: right;">0.00</td></tr> <tr><td>  " Halves</td><td style="text-align: right;">19.00</td></tr> <tr><td>  " Quarters</td><td style="text-align: right;">38.25</td></tr> <tr><td>  " Dimes</td><td style="text-align: right;">12.50</td></tr> <tr><td>  " Nickels</td><td style="text-align: right;">6.45</td></tr> <tr><td>  " Pennies</td><td style="text-align: right;">0.64</td></tr> <tr><td><b>TOTAL OFFICE FUNDS</b></td><td style="text-align: right;"><b>42,298.64</b></td></tr> </table>	Wells Fargo	1,544,133.35	Union Bank-Depository Accl.	4,548,819.82	Union Bank-Deferred Comp.	0.00	Union Bank-DSS Direct Dep.	429,802.03	Union Bank-EBT	1,051,394.57	Union Bank-Elect. C.Gent Fund	682,111.21	Union Bank - US Govt. Loans	44,155.83	East West Bank	50,835.92	Vault Currency	39,400.00	Vault Silver		Dollars	25.00	Halves		Quarters	110.00	Dimes	180.00	Nickels	30.00	Pennies	11.00	Vault Cash Drawer		Currency: (100/50's)	0.00	" (20's)	1,480.00	" (10's)	470.00	" (5's)	410.00	" (2's)	2.00	" (1's)	105.00	Coin: Dollars	0.00	" Halves	19.00	" Quarters	38.25	" Dimes	12.50	" Nickels	6.45	" Pennies	0.64	<b>TOTAL OFFICE FUNDS</b>	<b>42,298.64</b>
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