

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

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 3/8/2016	(3) CONTACT/PHONE Kerry Bailey, 788-2979/Mark Maier 781-4267	
(4) SUBJECT Submittal of the Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the second quarter of FY 2015-16 conducted on October 30, 2015. 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> 1/5/2016 </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: 3/8/2016

SUBJECT: Submittal of the Brown Armstrong, CPAs Independent Auditor's Report on the County Treasury's cash balance and accountability for the second quarter of FY 2015-16 conducted on October 30, 2015. 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 October 30, 2015, 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 \$19,866,458 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$737,600,192 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 October 30, 2015 were \$757,466,650.

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. Brown Armstrong, CPA's Q2 15-16 Independent Auditor's Report

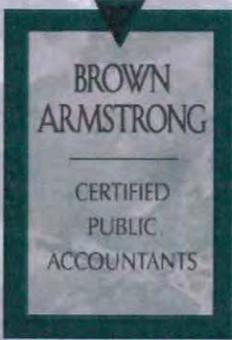
COUNTY OF SAN LUIS OBISPO

**QUARTERLY CASH COUNT
DECEMBER 31, 2015**

COUNTY OF SAN LUIS OBISPO
QUARTERLY CASH COUNT
DECEMBER 31, 2015

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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

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REGISTERED with the Public Company
Accounting Oversight Board and
MEMBER of the American Institute of
Certified Public Accountants

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. 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 October 30, 2015, and cash funds of \$19,866,458 were accounted for and balanced to the Treasurer's Daily Report. Investments in the County Treasury totaled \$737,600,192 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 October 30, 2015, were \$757,466,650.

We were not engaged to, and did not, conduct an examination, 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

Bakersfield, California
February 10, 2016

**COUNTY OF SAN LUIS OBISPO
TREASURER'S DAILY REPORT
DECEMBER 31, 2015**

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

DATE: 30-Oct-15
12:48:18 PM

DISBURSEMENT SUMMARY: Union Bank Control Disb. 957,244.83 EBT 4,968.72 SSDD 3,491.00 Vendor Pay 4,550,029.73 SDU 8,204.04 APD 4,779,778.54 SLOCOE Envoy PCG2 2,016.59 SLOCOE Envoy PCG 367,422.82 SLOCOE CalPERS 109,133.11 CSA 13 Debt Service Pay 16,875.00 SLOCOE Deferred Comp 77,716.67 TOTAL DISBURSEMENTS: 10,876,881.05		INVESTMENT PURCHASE SUMMARY: BA and C/P PIMMA (daily balance) 246,272,105.95 AGENCIES TREASURIES F.I.C.A. (daily balance) 0.00 REPO (daily balance) 0.00 LAIF (daily balance) 11,000,000.00 TOTAL INV. PURCHASES: 257,272,105.95	
		COMBINED POOL INVESTMENTS: F.I.C.A. 0.00 CDARS 38,000,000.00 Bankers Acceptances/Com.Paper 0.00 PIMMA 246,272,105.95 Agencies 317,782,496.55 Treasuries 124,046,742.88 L.A.I.F. 11,000,000.00 Repurchase Agreements 0.00 TRAN 496,847.18 INACTIVE TOTAL 737,600,192.56	
Approved: <i>Ruby Engel</i> Date: <i>10/31/15</i>			
BALANCE FORWARD 763,767,291.60 Receipts for Day 4,576,239.58 Returned Cks-JE - Disbursements for Day (10,876,881.05) BALANCE 767,466,650.13		Bank Accounts: Rabobank 7,799,177.76 Union Bank-Depository Acct. 8,591,143.94 Union Bank-Deferred Comp. 222,939.69 Union Bank-DSS Direct Dep. 408,672.03 Union Bank-EBT 1,129,428.26 Union Bank-Elect. C.Card Pmt 1,243,893.29 Union Bank - US Govt. Loans 163.65 East West Bank 38,198.57 Office Funds: Vault Currency 55,400.00 Vault Silver Dollars 25.00 Halves Quarters 120.00 Dimes 210.00 Nickels 36.00 Pennies 17.00 Vault Cash Drawer Currency: (100/50's) 0.00 " (20's) 1,040.00 " (10's) 500.00 " (5's) 615.00 " (2's) 8.00 " (1's) 156.00 Coin: Dollars 4.00 " Halves 6.50 " Quarters 50.00 " Dimes 14.80 " Nickels 6.45 " Pennies 1.53 TOTAL OFFICE FUNDS 58,210.28	
CURRENT MONTH RECEIPTS BALANCE FORWARD 109,828,062.15 Receipts for Day 4,576,239.58 Returned Cks-JE - MONTH TO DATE 114,404,301.73			
CURRENT MONTH DISBURSEMENTS BALANCE FORWARD (94,863,999.02) Disbursements for Day (10,876,881.05) MONTH TO DATE (105,740,880.07)			
BALANCE 1ST OF MONTH 748,803,228.47 Receipts for Month 114,404,301.73 Disbursements for Month (105,740,880.07)		Credit Card for Collection 10,711.33 Online Payments for Collection 345,939.19 Returned Items 17,979.58 BALANCE ON HAND 19,886,457.57	
BALANCE 767,466,650.13		BALANCE 767,466,650.13	

DATE: 30-Oct-15