



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

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector		(2) MEETING DATE 4/17/2018		(3) CONTACT/PHONE Kerry Bailey 788-2979	
(4) SUBJECT Submittal of a Brown Armstrong, CPAs Independent Accountant's Report on the County Treasury's cash balance and accountability for the third quarter of FY 2017-18 conducted on March 5, 2018. All Districts.					
(5) RECOMMENDED ACTION It is recommended the Board receive, review, and file the Independent Accountant'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>12/5/17</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Nikki J. Schmidt					
(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: 4/17/2018

SUBJECT: Submittal of a Brown Armstrong, CPAs Independent Accountant's Report on the County Treasury's cash balance and accountability for the third quarter of FY 2017-18 conducted on March 5, 2018. All Districts.

RECOMMENDATION

It is recommended the Board receive, review, and file the Independent Accountant'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 5, 2018, and the reconciliation of records was verified. The procedures were performed by the independent public accounting firm, Brown Armstrong, CPAs.

In the attached Independent Accountant's Report, Brown Armstrong states cash funds of \$18,898,733 were accounted for and balanced to the Treasurer's Daily Cash Report. Investments in the County Treasury totaled \$975,095,870 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 5, 2018, were \$993,991,603.

OTHER AGENCY INVOLVEMENT/IMPACT

The cash procedures were conducted at the County Treasury.

FINANCIAL CONSIDERATIONS

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

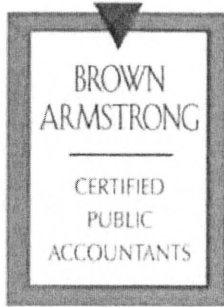
1. Independent Auditor's Report Q3 FY 2017-18

COUNTY OF SAN LUIS OBISPO
QUARTERLY CASH COUNT
THIRD QUARTER
FISCAL YEAR 2017-18

COUNTY OF SAN LUIS OBISPO
QUARTERLY CASH COUNT
THIRD QUARTER FISCAL YEAR 2017-18

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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

BAKERSFIELD OFFICE

(MAIN OFFICE)

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SUITE 300
BAKERSFIELD, CA 93309
TEL 661.324.4971
FAX 661.324.4997
EMAIL info@bacpas.com

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TEL 559.476.3592

LAGUNA HILLS OFFICE

23272 MILL CREEK DRIVE
SUITE 255
LAGUNA HILLS, CA 92653
TEL 949.652.5422

STOCKTON OFFICE

5250 CLAREMONT
AVENUE
SUITE 150
STOCKTON, CA 95207
TEL 209.451.4833

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, 2018. 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 5, 2018, and cash funds of \$18,898,733 were accounted for and balanced to the Treasurer's Daily Report. Investments in the County Treasury totaled \$975,092,870 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 5, 2018, were \$993,991,603.

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

Bakersfield, California
March 28, 2018

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

**COUNTY OF SAN LUIS OBISPO
TREASURER'S DAILY REPORT
THIRD QUARTER FISCAL YEAR 2017-18**

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

DATE 05-Mar-18
1:07:29 PM

<p>DISBURSEMENT SUMMARY</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>Union Bank Control Disb</td><td style="text-align: right;">1,852,483.04</td></tr> <tr><td>EBT</td><td style="text-align: right;">256,495.07</td></tr> <tr><td>FSA</td><td style="text-align: right;">5,178.65</td></tr> <tr><td>SSDO</td><td style="text-align: right;">3,600.00</td></tr> <tr><td>State Payroll Taxes</td><td style="text-align: right;">318,391.33</td></tr> <tr><td>Federal Payroll Taxes</td><td style="text-align: right;">1,629,942.65</td></tr> <tr><td>Deferred Comp</td><td style="text-align: right;">268,578.13</td></tr> <tr><td>SLOCOE Workers' Comp</td><td style="text-align: right;">137,776.70</td></tr> <tr><td>TOTAL DISBURSEMENTS</td><td style="text-align: right;">4,772,436.63</td></tr> </table>	Union Bank Control Disb	1,852,483.04	EBT	256,495.07	FSA	5,178.65	SSDO	3,600.00	State Payroll Taxes	318,391.33	Federal Payroll Taxes	1,629,942.65	Deferred Comp	268,578.13	SLOCOE Workers' Comp	137,776.70	TOTAL DISBURSEMENTS	4,772,436.63	<p>INVESTMENT PURCHASE SUMMARY</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>CalTrust (daily balance)</td><td style="text-align: right;">100,000,000.00</td></tr> <tr><td>LAIF (daily balance)</td><td style="text-align: right;">65,000,000.00</td></tr> <tr><td>PIPMA (daily balance)</td><td style="text-align: right;">185,000,000.00</td></tr> <tr><td>FICA (daily balance)</td><td></td></tr> <tr><td>AGENCIES</td><td></td></tr> <tr><td>TREASURIES</td><td></td></tr> <tr><td>SUPRANATIONALS</td><td></td></tr> <tr><td>BA and CP</td><td></td></tr> <tr><td>TOTAL INV. PURCHASES</td><td style="text-align: right;">350,000,000.00</td></tr> </table> <p>COMBINED POOL INVESTMENTS</p> <table style="width: 100%; border-collapse: collapse;"> <tr><td>COARS</td><td style="text-align: right;">21,500,000.00</td></tr> <tr><td>CalTrust</td><td style="text-align: right;">100,000,000.00</td></tr> <tr><td>Agencies</td><td style="text-align: right;">303,733,736.73</td></tr> <tr><td>LAIF</td><td style="text-align: right;">65,000,000.00</td></tr> <tr><td>PIPMA</td><td style="text-align: right;">185,000,000.00</td></tr> <tr><td>Treasuries</td><td style="text-align: right;">276,990,941.23</td></tr> <tr><td>Supranationals</td><td style="text-align: right;">22,888,192.67</td></tr> <tr><td>FICA</td><td></td></tr> <tr><td>INACTIVE TOTAL</td><td style="text-align: right;">975,092,810.63</td></tr> </table>	CalTrust (daily balance)	100,000,000.00	LAIF (daily balance)	65,000,000.00	PIPMA (daily balance)	185,000,000.00	FICA (daily balance)		AGENCIES		TREASURIES		SUPRANATIONALS		BA and CP		TOTAL INV. PURCHASES	350,000,000.00	COARS	21,500,000.00	CalTrust	100,000,000.00	Agencies	303,733,736.73	LAIF	65,000,000.00	PIPMA	185,000,000.00	Treasuries	276,990,941.23	Supranationals	22,888,192.67	FICA		INACTIVE TOTAL	975,092,810.63								
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