

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Auditor-Controller *AK*

BOARD AGENDA # *B-1

Urgent Routine *AK*

AGENDA DATE April 1, 2014

CEO Concur with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Acceptance of Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of December 27, 2013 prepared by the Auditor-Controller's Office

STAFF RECOMMENDATIONS:

Accept the Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of December 27, 2013. The report was prepared by the Auditor-Controller's Office in conformance with Government Code Section 26920 and 26922. The Statement of Assets was reviewed in conformity with Stanislaus County Treasury Pool Investment Policy and Government Code Section 53601.

FISCAL IMPACT:

There is no fiscal impact for the acceptance of the Accountant's Report on the Stanislaus County Treasurer's Statement of Assets as of December 27, 2013. Total cash and investments as reported on the Treasurer's Statement of Net Assets were \$1,140,384,915 as of December 27, 2013.

BOARD ACTION AS FOLLOWS:

No. 2014-143

On motion of Supervisor O'Brien, Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Withrow, Monteith, and Chairman De Martini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:

Christine Ferraro

CHRISTINE FERRARO TALLMAN, Clerk

ATTEST:

CHRISTINE FERRARO TALLMAN, Clerk

File No.

DISCUSSION:

Government Code Section 26920 mandates the County Auditor-Controller review the Treasurer's Statement of Assets in the County Treasury at least once each quarter. The review shall be accomplished and a report issued to the Board of Supervisors in accordance with the appropriate professional standards, as determined by the County Auditor-Controller.

Government Code Section 26920(b) further mandates the County Auditor-Controller perform or cause to be performed an audit of the assets in the County Treasury, at least annually and express an opinion whether the Treasurer's Statement of Assets is presented fairly and in accordance with Generally Accepted Accounting Principles. To meet this annual audit requirement the County determined the annual external financial audit complies with this mandate.

Additionally, Government Code Section 53601 provides restrictions and guidelines to define the type of investments authorized, maturity limitations, portfolio diversification (maximum percent of portfolio), credit quality standards, and purchase restrictions. All investments held in the County Treasury are physically reviewed for compliance during the quarterly review to ensure conformity with Government Code.

The purpose of the County Auditor-Controller's review was to determine whether cash and investments held by the Treasurer, and as shown on the statement as attached, were as stated.

Based on the review, the statement presents, in all material respects, the Treasurer's Statement of Assets of the County of Stanislaus as of December 27, 2013.

Upon acceptance of the Chairman of the Board, the report will be distributed to the Clerk of the Board as required by Government Code Section 26922.

POLICY ISSUES:

Government Code Section 26920 requires a quarterly review of the County Treasurer's Statement of Assets be performed by the County Auditor-Controller. The Stanislaus County Treasurer's Investment Policy and Government Code Section 53601 provide the guidelines on authorized investments and percentage limits on those investments.

Approval of this agenda item is in alignment with the Board's priority of Efficient Delivery of Public Services.

STAFFING IMPACT:

There is no staffing impact associated with this agenda item.

CONTACT PERSON:

Lauren Klein, CPA Stanislaus County Auditor-Controller Telephone: 209-525-6576

**STANISLAUS COUNTY
TREASURER'S STATEMENT OF ASSETS**

AS OF DECEMBER 27, 2013



AUDITOR-CONTROLLER

Lauren Klein
Auditor-Controller

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ACCOUNTANT'S REPORT

March 21, 2014

Board of Supervisors
County of Stanislaus
Modesto, CA

We have reviewed the Treasurer's Statement of Assets of the County of Stanislaus, California as of December 27, 2013, as required by California State Code Section 26920 (a) and 26922. The County Treasurer is responsible for the Statement of Assets. The purpose of the review was to determine whether cash and investments held by the Treasurer, and as shown on the statement, were as stated.

Our review was conducted in accordance with the International Professional Practices Framework established by the Institute of Internal Auditors. These standards require that we plan and perform the review to provide sufficient, reliable, and useful evidence to achieve the objectives.

The Auditor-Controller is mandated by various statutes within the California Government Code to perform certain accounting, auditing, and financial reporting functions. These activities, in themselves, necessarily impair the auditor's independence. Although the Auditor-Controller is statutorily obligated to maintain the accounts of departments, districts or funds that are contained within the county treasury, we believe adequate safeguards and divisions of responsibility exist.

Based on our review, the statement referred to above presents, in all material respects, the Treasurer's Statement of Assets of the County of Stanislaus as of December 27, 2013.

Lauren Klein
Certified Public Accountant
Auditor-Controller
County of Stanislaus

STANISLAUS COUNTY
TREASURER'S STATEMENT OF ASSETS
As of DECEMBER 27, 2013

| | |
|--|-------------------------|
| Cash and Investments per Auditor-Controller | \$ <u>1,140,384,915</u> |
| Cash in Treasury Per Cash Count: | |
| Cash on Hand: | |
| Currency and Coin | \$ 55,925 |
| Checks | 59,607 |
| Active Bank Deposits | 106,804,457 |
| Union Bank Balance | 5,000,000 |
| Bank Certificates of Deposit | - |
| Negotiated CD | 190,000,000 |
| Commercial Paper | 109,886,392 |
| Bankers Acceptances | - |
| Managed Pool Accounts | 50,000,000 |
| Repurchase Agreements | - |
| Medium Term Corporate Notes | 176,644,601 |
| U. S. Treasury and Federal Agency Securities | 451,742,621 |
| Municipal Revenue Anticipation Note | - |
| Municipal General Obligation Bonds | 10,651,312 |
| Calif Local Agency Indebtness | 19,540,000 |
| Money Market | <u>20,000,000</u> |
| Total Cash and Investments in Treasury | \$ <u>1,140,384,915</u> |