



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer – Tax
Collector
Department No.: 065
For Agenda Of: 9/15/2015
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Harry E. Hagen, CPA, CPFO, ACPFIM, CFIP, Treasurer – Tax
Director(s) Collector
(805) 568 - 2490
Contact Info: Jennifer Christensen, JD MBA CPFO CFIP, Investment & Debt
Officer
(805) 568 – 2925

SUBJECT: External Auditor’s Reports on the Treasurer’s Financial Statements and the
Treasurer’s Compliance with the Treasury Oversight Committee Provisions
Contained in Sections 27130-27137 of the California Government Code

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file the Santa Barbara County Treasurer’s Investment Pool Financial Statements with Independent Auditor’s Reports for the fiscal year ended June 30, 2015; and
- b) Receive and file the Independent Accountant’s Report on the Treasurer’s Compliance with the Treasury Oversight provisions contained in Sections 27130-27137 of the California Government Code for the fiscal year ended June 30, 2015; and
- c) Determine that the above action involves government funding mechanisms and/or fiscal activities and is not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines.

Summary Text:

The Audit Reports are being submitted pursuant to California Government Code Sections 26920(b), 26922, and 27134 as well as the Santa Barbara County Code Section 2-23.2.

Background: Pursuant to Government Code Section 26920(b) and Section 26922, the financial statements of the Santa Barbara County Treasurer's Investment Pool (the "Pool") as of and for the year ended June 30, 2015 were audited by Brown Armstrong. Management of the Treasurer is responsible for the preparation and fair presentation of the financial statements. Brown Armstrong was engaged to express an opinion on the financial statements based on this audit.

The audit included procedures performed to obtain evidence about the amounts and disclosures in the financial statements. The Independent Auditor's Report indicates that the financial statements present fairly, in all material respects, the respective financial position of the Pool, as of June 30, 2015, and the respective changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. This represents an unmodified, "clean" opinion.

In accordance with *Government Auditing Standards*, Brown Armstrong has also issued a report on the consideration of the Treasurer's internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts and other matters. As stated in that report dated August 19, 2015, there were no deficiencies identified in the Treasurer's internal control over financial reporting that were considered to be a material weakness. Further, Brown Armstrong did not identify any instances of noncompliance, or other matters that are required to be reported.

Pursuant to Government Code Section 27134, Brown Armstrong also examined the Treasurer's compliance with the Treasury Oversight Committee provisions contained in Section 27130-27137 of the Government Code for the year ended June 30, 2015. Management of the Treasurer is responsible for the compliance with those requirements. The opinion issued by Brown Armstrong indicates that the Treasurer is in compliance, in all material respects, with the provisions contained in Section 27130-27137 of the Government Code for the fiscal year ended June 30, 2015. This unmodified, "clean" opinion is stated in the Independent Accountant's Report on Compliance dated August 19, 2015.

Fiscal Analysis:

The annual cost of the audit is \$10,000 and is paid by investment earnings from the treasury pool.

Attachments:

Santa Barbara County Treasurer's Investment Pool Financial Statements with Independent Auditor's Reports for the Fiscal Year Ended June 30, 2015

Authored by:

Jennifer C. Christensen, JD MBA CPFO CFIP, Investment & Debt Officer