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:	Auditor-Controller
Department No.:	061
For Agenda Of:	12/09/14
Placement:	Administrative
Estimated Tme:	
Continued Item:	No
If Yes, date from:	
Vote Required:	Majority

TO: Board of Supervisors

FROM: Department   Robert W. Geis, CPA, Auditor-Controller, 568-2100
              Director(s)
              Contact Info: Heather Fletcher, CPA, Audit Manager, 568-2456

SUBJECT: **Auditor-Controller's Report on the Statement of Assets of the Santa Barbara County Treasurer's Investment Pool – As of September 30, 2014**

County Counsel Concurrence
As to form: N/A

Auditor-Controller Concurrence
As to form: N/A

Other Concurrence: N/A
As to form: N/A

Recommended Actions:

That the Board of Supervisors: Receive and file the Auditor-Controller's Report on the Statement of Assets of the Santa Barbara County Treasurer's Investment Pool as of September 30, 2014.

Summary Text:

The Auditor-Controller's Report is being submitted pursuant to California Government Code Section 26920 and Santa Barbara County Code Section 2-23.2.

Background:

Funds that are controlled by the County Treasurer include currently available cash of the County as well as the cash invested into the pool by other governments (such as school districts, special districts and others). The Treasurer is responsible for investing all of these funds in accordance with California Government Code and the Treasurer's Investment Policy.

The goals of the Treasurer's Investment Policy are safety, liquidity, and yield, in that order. Types of securities in which the Treasurer may invest include U.S. Treasury and U.S. Government agency securities; state and/or local agency bonds, notes, warrants or certificates of indebtedness; bankers' acceptances; commercial paper; corporate bonds and notes; negotiable certificates of deposit; repurchase agreements; reverse repurchase agreements; securities lending; bank deposits; money market mutual funds; State of California Local Agency Investment Fund (LAIF); and investment pools managed by a Joint Powers Authority.

Furthermore, pursuant to California Government Code Section 27131, the Treasurer has established a County Treasury Oversight Committee to review and monitor the Treasurer's Investment Policy and to promote public interest in the investment of public funds.

In accordance with California Government Code Section 26920, at least once in each quarter, the Auditor-Controller shall review the Treasurer's Statement of Assets of the Santa Barbara County Treasurer's Pool (the Statement).

At the end of each quarter, the Treasurer elects to prepare the Statement using the modified cash basis of accounting and omit note disclosures required by generally accepted accounting principles. At the end of each fiscal year, the Treasurer prepares a set of financial statements and note disclosures under generally accepted accounting principles.

We have completed the required review of the Statement as of September 30, 2014. The purpose of the review was to determine whether cash and investments shown on the Statement are reasonably stated.

Our review included the following procedures: 1) Counting cash in the County Treasury and cash and investments held on behalf of the Treasurer's Office; and 2) Verifying that the records of the County Treasurer and the Auditor-Controller reconcile pursuant to Government Code Section 26905.

Based on our review, the amounts shown on the Statement as of September 30, 2014 are reasonably stated.

Performance Measure: N/A

Fiscal and Facilities Impacts: None

Budgeted: N/A

Fiscal Analysis: N/A

Staffing Impacts:

Legal Positions:	**FTEs:**
N/A	N/A

Special Instructions:

None

Attachments:

Auditor-Controller's Report and Statement of Assets as of September 30 2014, with accompanying note

Authored by: Heather Fletcher, Audit Manager

cc: Harry Hagen, Treasurer-Tax Collector