



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:** 11/17/2020  
**Placement:** Administrative  
**Estimated Tme:**  
**Continued Item:** No  
**If Yes, date from:**  
**Vote Required:** Majority

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**TO:** Board of Supervisors

**FROM:** Department Harry E. Hagen, CPA, CPFO, ACPFIM, CFIP, CGIP, Treasurer –  
Director(s) Tax Collector  
(805) 568 - 2490  
Contact Info: Dan Chandler, CPA, CFIP, CGIP, Chief Investment 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

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**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, 2020; 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, 2020; 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, 2020 were audited by Eide Bailly. Management of the Treasurer is responsible for the preparation and fair presentation of the financial statements. Eide Bailly 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, 2020, 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*, Eide Bailly 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 28, 2020, there were no deficiencies identified in the Treasurer’s internal control over financial reporting that were considered to be a material weakness. Further, Eide Bailly did not identify any instances of noncompliance, or other matters that are required to be reported.

Pursuant to Government Code Section 27134, Eide Bailly 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, 2020. Management of the Treasurer is responsible for the compliance with those requirements. The opinion issued by Eide Bailly 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, 2020. This unmodified, “clean” opinion is stated in the Independent Auditor’s Report on State Compliance dated August 28, 2020.

**Fiscal Analysis:**

The annual cost of the audit is \$9,500 and is paid by investment earnings from the treasury pool.

**Attachments:**

Attachment 1: Santa Barbara County Treasurer’s Investment Pool Financial Statements with Independent Auditor’s Reports for the Fiscal Year Ended June 30, 2020

**Authored by:**

Dan Chandler, CPA, CFIP, CGIP, Chief Investment Officer