

20. Accept and file report for the 3rd Quarter Review of the Statement of Assets in the County Treasury ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Auditor-Controller-Treasurer-Tax-Collector

Subject: 3rd Quarter Review of the Statement of Assets in the County Treasury

Meeting Date: May 6, 2025

Formal Title: Accept and file report for the 3rd Quarter Review of the Statement of Assets in the County Treasury

Recommended Actions

Accept and file report for the 3rd Quarter Review of the Statement of Assets in the County Treasury.

Executive Summary

The County's quarterly review of the Statement of Assets in the County Treasury was performed by the County's independent audit firm of Brown Armstrong Certified Public Accountants, in accordance with Section 26920 of the California Government Code. Brown Armstrong Certified Public Accountants certified that the money in the Treasury of the County of Santa Cruz was counted and matched what is shown in the County's books.

Discussion

Government Code §26920(a) mandates the County Auditor-Controller review the Treasurer's Statement of Assets in the County Treasury at least once each quarter. The review is required to include:

- Counting cash in the County Treasury;
- Verifying that records of the County Treasurer and County Auditor-Controller are reconciled pursuant to §26905; and,
- A report issued to the Board of Supervisors in accordance with the appropriate professional standards, as determined by the County Auditor-Controller.

Since the Auditor-Controller and Treasurer-Tax Collector were consolidated into one office, to meet this requirement, the County must contract with an independent audit firm.

Based upon the review, the County's Statement of Assets for the last quarter, and the amounts reported were supported by the County's books and complied with above-mentioned Government Code sections.

Financial Impact

There is no financial impact.

Strategic Initiatives

Operational Plan - Operational Excellence

Submitted By:

Edith Driscoll, Auditor-Controller-Treasurer-Tax Collector

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Supervisors
County of Santa Cruz, California

We have performed the procedures enumerated below on the cash and securities of the County of Santa Cruz, California, (the County) as of January 17, 2025. The County's management is responsible for the cash and securities of the County.

The Board of Supervisors of the County has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the cash and securities in the custody of the County. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

- 1) We observed the cash and securities count in the custody of the County Treasurer, as of the close of business on January 17, 2025, as set forth in the accompanying statement.
- 2) We compared the totals counted with the cash and securities as shown by the accounts of the Treasurer of the County and as shown in the accounts of the custodians and found them to be in agreement.
- 3) We verified that records of the County Treasury for cash and investments were reconciled.
- 4) We verified that the investments were in compliance with the 2025 Investment Policy as of January 17, 2025.

We were engaged by the Board of Supervisors of the County to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the cash and securities of the County. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Supervisors of the County, and is not intended to be, and should not be, used by anyone other than this specified party.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
March 11, 2025

BAKERSFIELD
4200 Truxtun Avenue, Suite 300
Bakersfield, CA 93309
661-324-4971

FRESNO
10 River Park Place East, Suite 208
Fresno, CA 93720
559-476-3592

STOCKTON
2423 West March Lane, Suite 202
Stockton, CA 95207
209-451-4833

STATEMENT OF ASSETS IN THE COUNTY TREASURY

TO WHOM IT MAY CONCERN:

Brown Armstrong Accountancy Corporation hereby certifies that on the 21st of January 2025, at 7 A.M., the money in the Treasury of the County of Santa Cruz (the County) was counted pursuant to the provisions of Section 26920 et seq. of the Government Code of the State of California. We hereby make the following statement:

The money and receipts for bank deposits and investments in the County Treasury on January 17th, 2025, as shown by the books in the Auditor-Controller's Office should have been:

\$ 1,584,032,223.29

The amounts of money and receipts for bank deposits and investments in the County Treasury actually were:

\$ 1,584,032,223.29

The amounts and detail of money and the amounts of receipts for bank deposits and investments, which were actually in the County Treasury are described below:

Transactions after close of business

Currency and coin on hand at close of business	\$ 2,654.48
Deposits in transit	12,200.00
Cash in banks	10,754,101.63
Pooled investments	
U.S. Treasury notes/bonds and discounts	437,501,896.53
Federal agency issues	180,952,000.00
Negotiable certificates of deposit	230,000,000.00
Medium-term notes	223,523,007.85
Municipal bonds	66,808,167.05
Other investments	<u>434,478,195.75</u>
GRAND TOTAL	<u>\$ 1,584,032,223.29</u>

FILED

MAR 24 2025

By TRICIA WEBBER, CLERK
Deputy
Santa Cruz County