



Fred Keeley
Treasurer-Tax Collector

County of Santa Cruz

TREASURER-TAX COLLECTOR

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January 28, 2008

AGENDA: February 12, 2008

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

COUNTY OF SANTA CRUZ TREASURY OVERSIGHT COMMISSION COMPLIANCE AUDIT

Dear Members of the Board:

Pursuant to Government Code Section 27134, each year the Treasury Oversight Commission, in conjunction with the Auditor-Controller's annual audit program, directs that an audit be performed to determine the Treasury's compliance with various state laws and the County's investment policy. The audit was completed for the year ended June 30, 2007, and it was accepted by the Commission at their January meeting. The audit, which has been placed on file with the Clerk of the Board, concludes with the following:

“The Treasury pool appears to be diversified. Since the portfolio is short-term in nature, the market value and the cost are very nearly the same (only 0.04% difference). Investments in the portfolio appear to have been prudent and were of the type common to investment pools of other counties. Safekeeping agents were properly used for custody of investments.

We believe the County of Santa Cruz Treasury Oversight Commission is operating as intended by legislation. Regular meetings have been held to perform the oversight responsibilities. Comprehensive quarterly investment reports were distributed to the Commission members. These were reviewed at the quarterly Oversight Commission meetings. Our review confirmed that the actual practices during the year were in compliance with California Government Code and the Investment Policies in effect.”

It is therefore **RECOMMENDED** that your Board accept and file the Treasury Oversight Commission Compliance Audit for the year ended June 30, 2007.

Sincerely,

Fred Keeley
Treasurer-Tax Collector

RECOMMENDED:

SUSAN MAURELLO
County Administrative Officer