

**SAN JOAQUIN COUNTY TREASURY**

Statement of Assets with  
Independent Accountants' Review Report  
As of September 30, 2018

**SAN JOAQUIN COUNTY TREASURY**  
**As of September 30, 2018**

*Table of Contents*

*Page*

**Independent Accountants' Review Report**..... 1

**Statement of Assets** ..... 2

Notes to Statement of Assets ..... 3



**VAVRINEK, TRINE, DAY & CO., LLP**  
Certified Public Accountants

VALUE THE *difference*

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Honorable Board of Supervisors  
County of San Joaquin, California

We have reviewed the accompanying special-purpose statement of assets of the San Joaquin County (County) Treasurer-Tax Collector's (County Treasurer) Pooled Investment Fund as of September 30, 2018, and the related notes. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the statement of assets in accordance with the basis of accounting prescribed by California Government Code §26920(a); this includes determining that the basis of accounting is an acceptable basis for the preparation of the statement of assets in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of assets that are free from material misstatement whether due to fraud or error.

### Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the basis of accounting prescribed by California Government Code §26920(a). We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying special purpose statement of assets in order for them to be in accordance with the basis of accounting prescribed by California Government Code §26920(a).

### Emphasis of Matter

We draw attention to Note 1 of the statement of assets, which describes the basis of accounting. The accompanying statement of assets was prepared in accordance with California Government Code §26920(a), which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

*Vavrinek, Trine, Day & Co. LLP*

Sacramento, California  
June 7, 2019

**COUNTY OF SAN JOAQUIN  
SAN JOAQUIN COUNTY TREASURER-TAX COLLECTOR'S POOLED INVESTMENT FUND  
STATEMENT OF ASSETS  
AS OF SEPTEMBER 30, 2018**

	<b>Pool Investment</b>			<b>Total Treasurer's Investment Funds</b>
	<b>Superior Court, School/Local Board Districts</b>	<b>Un-apportioned Interest Earnings Trust</b>	<b>County Funds</b>	<b>As of September 30, 2018</b>
<b>Cash and Investments</b>				
Book Value	\$ 1,363,441,120	\$ (648,481)	\$ 1,609,650,619	\$ 2,972,443,258
Market value appreciation (depreciation)	(15,049,069)	7,158	(17,766,622)	(32,808,533)
<b>Cash &amp; Investments Held in Treasury, at Market Value</b>	<u>1,348,392,051</u>	<u>(641,323)</u>	<u>1,591,883,997</u>	<u>2,939,634,725</u>
<b>Receivables</b>				
Investment income receivable	-	14,336,620	-	14,336,620
Investment income apportionment receivable	6,522,694	(13,406,169)	6,883,475	-
Investment expenses payable	-	(246,958)	-	(246,958)
<b>Total Receivables</b>	<u>6,522,694</u>	<u>683,493</u>	<u>6,883,475</u>	<u>14,089,662</u>
<b>Total Assets</b>	<u>\$ 1,354,914,745</u>	<u>\$ 42,170</u>	<u>\$ 1,598,767,472</u>	<u>\$ 2,953,724,387</u>

See Independent Accountants' Review Report  
The accompanying note is an integral part of this financial statement.

**COUNTY OF SAN JOAQUIN  
SAN JOAQUIN COUNTY TREASURER-TAX COLLECTOR'S POOLED INVESTMENT FUND  
NOTES TO STATEMENT OF ASSETS  
AS OF SEPTEMBER 30, 2018**

**1. Summary of Significant Accounting Policies**

a. Financial Reporting Entity

In accordance with California Government Code (CGC) §27000, the Treasurer of the County of San Joaquin (County) has the fiduciary responsibility of receiving and keeping safely “all money belonging to the County and all other money directed by law to be paid to him and apply and pay it out, rendering the account as required by law”.

According to CGC §53607, the County Treasurer, as delegated by the Board of Supervisors (BOS) and legislative body of other agencies, has the authority and responsibility to invest or reinvest funds so deposited with the County Treasury. This authority and responsibility are renewable annually and were first formalized by County Ordinance Section 2-2951 in March 1996. The most recent renewal was made on April 24, 2018 (Board Order B-18-235).

Pursuant to CGC §27130 - §27137, the BOS has established a County Treasury Oversight Committee to review and monitor the Investment Policy. Committee membership includes the Treasurer-Tax Collector, Auditor Controller, Assistant County Administrator, Assistant Superintendent of Schools, and a non-County representative.

The Pool is not registered with the Securities and Exchange Commission (SEC) as an investment company. The County's pooled investments and securities are reported at fair value.

b. Treasury's Investment Strategy

The County Treasury's investment strategy for the Pool is to maintain the principal and to provide sufficient cash to meet disbursement needs. The cash flow needs of the Pool members are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of participants. The County Treasury's basic investment strategy is to buy and hold, to a designated maturity, high quality fixed income investments.

The investment pool participants are classified into two major groups, “Superior Court, Schools and Local Board Districts” and “County Funds”. The Superior Court is governed by the State's Administrative Office of the Courts, and the Schools and Local Board Districts represent all school districts and special districts governed by local boards within the County of San Joaquin. These entities are either required by law or have chosen to maintain funds with the County Treasurer.

County Funds include all of the County's operating and trust funds, the County's clearing (holding) accounts and special districts funds controlled by the County BOS. The *Un-apportioned Interest Earnings Trust Fund*, a County holding fund, is presented separately on the financial statements to provide an accounting of the operational results of the pool investments.

c. Financial Statement Presentation

The accompanying special purpose statement of assets was prepared for the purpose of presenting the total assets of the Treasury pursuant to CGC §26920(a) and is not intended to be a presentation in conformity with generally accepted accounting principles. Accordingly, note disclosures required by Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, and amendment to GASB Statement No. 3, and Statement No. 72, *Fair Value Measurement and Application*, are not presented, since such disclosures are not required by CGC §26920(a).

**COUNTY OF SAN JOAQUIN  
SAN JOAQUIN COUNTY TREASURER-TAX COLLECTOR'S POOLED INVESTMENT FUND  
NOTES TO STATEMENT OF ASSETS  
AS OF SEPTEMBER 30, 2018**

**1. Summary of Significant Accounting Policies (Continued)**

d. Use of Estimates

The preparation of statement of assets in conformity with CGC §26920(a) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.