

County of Mono | CA
Treasury Oversight Committee
Compliance Examination
For the Year Ended June 30, 2023



PRICE PAIGE & COMPANY
Certified Public Accountants

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INDEPENDENT ACCOUNTANT'S REPORT

To the Members of the
Treasury Oversight Committee
County of Mono
Bridgeport, California

We have examined the County of Mono's (the County) compliance with the Treasury Oversight Committee provisions contained in Sections 27130-27137 of the California Government Code for the fiscal year ended June 30, 2023. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our qualified opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the County's compliance with specified requirements.

Our examination disclosed material noncompliance with Government Code section 27133(a) applicable to the County during the fiscal year ended June 30, 2023. The County's investment policy states that corporate bonds must be issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. For the year ended June 30, 2023, the County investment portfolio contained a corporate bond issued from outside the United States. The noncompliance was cured on July 14, 2023.

In our opinion, except for the material noncompliance described in the preceding paragraph, the County complied, in all material respects, with Government Code sections 27130-27137 during the fiscal year ended June 30, 2023.

This report is intended solely for the information and use of the County's management, Treasury Oversight Committee, the Board of Supervisors, and others within the County, and is not intended to be and should not be used by anyone other than these specified parties.

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May 16, 2024

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COUNTY OF MONO | FOR THE YEAR ENDED JUNE 30, 2023

TREASURE OVERSIGHT COMMITTEE

Committee Members

<u>Members</u>	<u>Organizations</u>
Janet Dutcher	Finance Director, Mono County
Gerald Frank	Asst. Finance Director, Treasurer/Tax Collector, Mono County
Jennifer Kreitz	Supervisor, Mono County Board of Supervisors
Jennifer Weston	Chief Business Officer, Mono County Office of Education
George R. Savage	Retired CPA/Court Fiscal Officer (At Large)
Daniel C. Holler	Town Manager, Town of Mammoth Lakes, Alternate Member
Rob Patterson	Town Finance Director, Town of Mammoth Lakes, Alternate Member
Bob Gardner	Supervisor, Mono County Board of Supervisors, Alternate Member

Background and General

In 1995, the California legislature passed provisions requiring each county to establish an oversight committee from 3 to 11 members representing various organizations (the pool of organizations was also specified in the legislation). The purpose of this committee was to oversee the policies that guide the investment of public funds. The committee was not to impinge on the day-to-day operations of the County Treasurer, but rather to review and monitor the Treasurer’s investment policy and reporting.

Certain statutory changes enacted by the California legislature, effective January 1, 2005, established the Treasury Oversight Committee according to Government Code section 27131. The Treasury Oversight Committee has the option to continue with the committee in future years. Other statutory changes also include the removal of the mandatory filing of the County’s annual investment policy and the County’s quarterly investment report. The County’s annual investment policy should be submitted to the County’s Board of Supervisors, and the quarterly investment reports should be submitted to the County’s administrative office, auditor-controller or Board of Supervisors.

Compliance Requirement

The oversight legislation included many specific requirements such as the required contents of the Treasurer’s Investment Policy. Government Code section 27134 requires an annual audit to determine compliance with the provisions. This examination serves to comply with that requirement.

Committee Formation and Operation

In 2013, Mono County issued a Resolution, which established the Mono County Treasury Oversight Committee (the Committee), membership, term of members, organization, powers and duties.

Meetings were held during the fiscal year on August 18, 2022, November 09, 2022, February 16, 2023, and June 01, 2023. We reviewed the minutes and believe the meetings were properly conducted in order to provide oversight.

Investment Policy Statement

Government Code section 53646 requires the County Treasurer to annually prepare an investment policy statement even if there were no policy changes. The statement was reviewed by the Treasury Oversight Committee and submitted to the Board of Supervisors for approval. We noted that when the Committee was formed, on December 17, 2013, the Committee adopted the investment policy that was submitted and approved by the Board of Supervisors on July 3, 2012. The updated investment policy statement was approved by the Mono County Board of Supervisors on January 11, 2022. All adopted changes are consistent with state law requirements.

COUNTY OF MONO | FOR THE YEAR ENDED JUNE 30, 2023
TREASURY OVERSIGHT COMMITTEE

Investment Policy Review

We reviewed the requirements specified in Government Code section 27133, items a - h. We believe the policy addressed all the required provisions as follows:

	Requirement	Policy Section Number(s)	Deemed Compliant
(a)	Authorized securities	VIII	No
	Maximum percentage by type	VIII	Yes
(b)	Maximum terms	VIII	Yes
(c)	Criteria for selection of brokers	VI	Yes
	Prohibition of political contribution	V	Yes
(d)	Limits on gifts	V	Yes
(e)	Reporting to Oversight Committee	X	Yes
(f)	Calculation of treasurer's costs (Government Code section 27013)	XI	Yes
(g)	Voluntary depositors	XIV	Yes
(h)	Requests for withdrawal	XIII	Yes

As shown above, we believe the policy adopted contained all the provisions specified in the oversight legislation. The policy appears to be complete in all respects.

Compliance to Policy

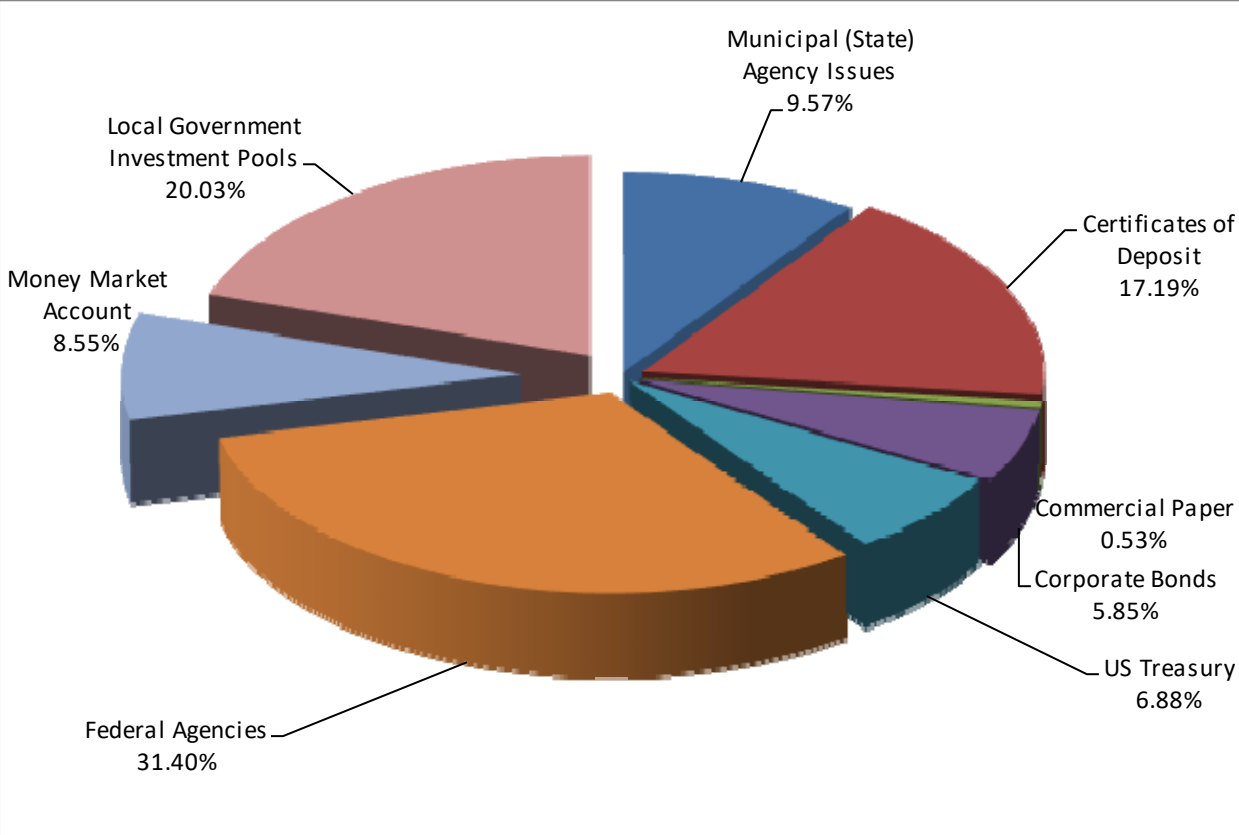
We reviewed the County's actual practices during 2022-2023 to determine compliance to the investment policy. We verified that the maximum percentages by category of investment were not exceeded during the year. We also verified that maximums for single issuers and maximum term limits specified in the policy were not exceeded. We noted one instance of noncompliance over an unauthorized corporate bond that was issued outside of the United States. The noncompliance was cured on July 14, 2023.

Reporting

We reviewed the quarterly reports, which were submitted to the Board of Supervisors and to the Committee to verify that they contained the information specified in the law. They appeared to be complete with all the required information and included the cash needs disclosure, compliance to policy, and the source of the market value information.

TREASURY OVERSIGHT COMMITTEE

Exhibit A – Composition of Treasury



COUNTY OF MONO | FOR THE YEAR ENDED JUNE 30, 2023

TREASURY OVERSIGHT COMMITTEE

Exhibit B – Total Investments by Quarter

