COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2706
PHONE: (213) 974-8301 FAX: (213) 626-5427

J. TYLER McCAULEY
AUDITOR-CONTROLLER

WENDY L. WATANABE
CHIEF DEPUTY

December 11, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Review of the Treasury's Statement of Net Assets for the Quarter Ended March 31, 2007

County Code Section 2.10.070 requires the Auditor-Controller to perform reviews of the County Treasurer and Tax Collector's (Treasury) statement of assets every quarter, and to compare those amounts to the corresponding records of the Treasury and the Auditor-Controller. This report covers our review for the quarter ended March 31, 2007. Our review was limited to the following procedures:

1. Counted cash on hand as of March 6, 2007.

2. Confirmed Treasury's cash held by banks and investments held by the Treasury's safekeeping agent and other custodians as of March 31, 2007.

3. Tested bank account and investment reconciliations as of March 31, 2007.

4. Reconciled the total cash on hand and investments on hand, and cash and investments held by banks and other safekeeping agents as of March 31, 2007, to the totals shown on the books and records of the Treasury and the Auditor-Controller.

The County Code provides for limited reviews of the County Treasury for each quarter of the fiscal year and an audit in accordance with generally accepted auditing standards for at least one quarter each fiscal year. Our review for the quarter ended March 31, 2007 was limited to performing the procedures discussed above, as prescribed by the County Code. Accordingly, we cannot express an opinion on the accuracy of the Treasury's books and records. During the annual audit of the Treasury as of June 30, 2007, a contract Certified

Public Accountant will perform additional procedures in order to express an opinion on the Treasury's records. The Treasury's quarterly Statement of Net Assets is attached.

This report is intended for the information of the Board of Supervisors and Treasury management. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Please call me if you have any questions, or your staff may call Jim Schneiderman at (626) 293-1101.

Very truly yours,

J. Tyler McCauley
Auditor-Controller

JTM:MMO:JLS:TK

Attachment

c: William T Fujioka, Chief Executive Officer
Mark J. Saladino, Treasurer and Tax Collector
Sachi A. Hamai, Executive Officer
Public Information Office
Audit Committee

Attachment

LOS ANGELES COUNTY TREASURY
STATEMENT OF NET ASSETS
MARCH 31, 2007

ASSETS		
Total Treasury Cash On Hand	$ 360,140	
Adjusted Bank Balance:		
Bank of America	93,096,822	
Bank of the West	183,323	
Citibank	265,880	
Union Bank	601,801	
Wells Fargo Bank	6,494,892	
Total Treasury Cash		$ 101,002,858
Investments (Fair Market Value):		
Pooled Surplus Investments	19,426,199,961	
Specific Purpose Investments	1,863,280,885	
Other Specific Investments (1)	43,590,553	
Total Investments		21,333,071,399
Interest Receivable:		
Pooled Surplus Investments	161,948,788	
Specific Purpose Investments	21,673,782	
Other Specific Investments (1)	3	
Total Interest Receivable		183,622,573
TOTAL ASSETS		21,617,696,830
LIABILITIES		
Trade Payables:		
Pooled Surplus Investments	195,753,250	
Specific Purpose Investments	-	
Other Specific Investments (1)	-	
TOTAL LIABILITIES		195,753,250
TOTAL NET ASSETS HELD IN TRUST		$ 21,421,943,580

(1) These investments are not County Funds. The Treasury's involvement is stipulated by court orders and/or limited to accounting for the investments and providing custodial services through the Treasury's bank contract.