REBECCA VALENZUELA, CPA, CGMA - DIRECTOR OF FINANCE

KINGS COUNTY GOVERNMENT CENTER
1400 W. LACEY BLVD.
HANFORD, CALIFORNIA 93230

ACCOUNTING DIVISION
(559) 582-3211, EXT. 2455
FAX (559) 587-9935

TREASURY DIVISION
TAX COLLECTION: (559) 582-3211, EXT. 2479
TREASURY: (559) 582-3211, EXT. 2477
FAX: (559) 582-1236

DATE: August 12, 2015

TO: All Treasury Depositing Entities

FROM: Rebecca Valenzuela, CPA, CGMA - Director of Finance

Subject: June 30, 2015 Kings County's Government Accounting Standard 31 (GASB 31) Report

This letter is a recap of the unaudited GASB 31 reports produced by our Sympro Portfolio Management system. The full reports are available from the Treasury. The investments were Fair Market Valued by our custodian, Union Bank of California, as of June 30, 2015.

The reports indicate a Reported Fair Value, which is the calculated market price at day's end, of $302,880,510. The Portfolio Book Value, which is the carrying cost of the investments, was $302,936,714. To calculate the GASB-31 fair value factor, divide the Fair Market Value by the Portfolio Book Value, which equals .99981447. This is the fair value of each participating dollar in the pool. As an example: if an agency has an account balance of $1,000,000 on June 30th, then the agency's fair value participation would be $999,814.47 (1,000,000 * .99981447).

Now having gone through the fair value calculation, what does this mean for treasury depositors and pool participants?

First, no loss has occurred to your funds deposited into the county treasury. Your cash value is still at 100%. For an actual loss to occur, we would have had to sell the entire investment portfolio on June 30th at the quoted market prices. Gains and losses are only paper entries. The Fair Market value will fluctuate with interest rate changes.

Second, your external auditors must make a determination on the significance of the information for your financial statements. Give a copy of this report to your auditor.

Third, treasury depositors are reminded not to use the fair value fund balance for budget purposes, cash flow forecasting, or anticipated spending.

If you have any questions, please feel free to contact Tammy Phelps, Kings County Assistant Director of Finance - Treasury at (559)852-2462.

COUNTY OF KINGS
GASB 31 Factor Calculations
FY 2014-2015

Kings County Investment Pool

Sympro Calculated Reported Value		$261,347,958
Cash Balances 6/30/15		41,532,552
Total Treasury Reported Value (TTRV)		$302,880,510
Sympro Book Value		$261,404,162
Cash Balances 6/30/15		41,532,552
Total Treasury Book Value (TTBV)		$302,936,714
Total Treasury Reported Value (TTRV)		$302,880,510
Total Treasury Book Value (TTBV)		302,936,714
TTRV minus TTBV = gain/(loss)		$(56,204)
Gain/(loss) divided TTBV	(56,204) / 302,936,714	-0.00018553
GASB 31 Pool Factor	(+ l.0 - . 00018553)	.99981447