

DATE: October 23, 2001
TO: Honorable Board of Supervisors
FR: Tom Huening, Controller

RECOMMENDATION

Accept the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2001

Background

Last year the Controller's Office received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the first time in the County's history. This is the most prestigious award governmental agencies earn for the presentation and reporting of financial activity. The Controller's Office plans to issue a CAFR and hopes to earn this prestigious distinction and make the information readily available to the public each fiscal year. Last year's CAFR was available and this year's is available online on the County's website, all with the help of ISD.

The Government Accounting Standards Board (GASB), the agency for setting the rules for the reporting of public agency financials, changed the reporting model to include the full accrual method of accounting used by private industry. This change, known as GASB 34, is the most significant change in the history of government accounting.

The Controller's Office challenge was to present the CAFR under the new GASB 34 reporting model, make improvements to last year's CAFR, and provide policymakers and County management with more timely and meaningful information.

Discussion

This year, the Controller's Office presents to this Board and the Citizens of San Mateo County:

- its third annual CAFR (hopefully another GFOA award-winning report)
- the first (apparently) CAFR issued by a county in the State of California using the new GASB 34 reporting format, and
- the CAFR, two months earlier than last year.

The CAFR Project Team, made up of Bob Adler, Assistant Controller, Lorna Uy, head of General Accounting, Tat Ling Chow of Controller Information Systems and Susan Tumang of Audit, restated the County's financial statements using both the new and the old methodology, automated the production of many of its financial reports (including the programming and development of 91 individual reports), and worked closely with Macias, Gini & Company, the County's auditors and GASB to render practical interpretations of the GASB 34 policy. To support the County's goal of an active and informed citizenry, this document is available in its entirety on the County's website at www.co.sanmateo.ca.us under "What's New" and "About County Government" and is also attached as a PDF file on this week's agenda.

Fiscal Impact/Financing Issues

No impact.