

COUNTY OF FRESNO

DEPARTMENT OF AUDITOR-CONTROLLER

INTERNAL AUDIT DIVISION

EMPLOYEES' RETIREMENT ASSOCIATION

AUDIT REPORT

FOR YEAR ENDED DECEMBER 31, 1978



COUNTY OF FRESNO
OFFICE OF THE AUDITOR-CONTROLLER
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VRENCE D. JERNAGAN, C.I.A.
AUDITOR-CONTROLLER

GARY W. PETERSON
ASSISTANT AUDITOR-CONTROLLER

June 13, 1979

Board of Retirement
Fresno County Employees'
Retirement Association
Hall of Records
Fresno, California

Members of the Board:

We have examined the comparative statements of assets, liabilities, reserves, and undistributed earnings arising from cash transactions of the Fresno County Employees' Retirement Association as of December 31, 1978 and December 31, 1977, and the related comparative statements of changes in undistributed earnings and statements of cash receipts and disbursements for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as were considered necessary under the circumstances.

As described in Note 1d, the Association's policy is to prepare its financial statements on a modified basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, certain expenses are recognized when paid rather than when the obligation is incurred and certain losses on disposal of assets are deferred and amortized in future periods rather than recognized upon occurrence. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly the assets, liabilities, reserves and undistributed earnings arising from cash transactions of the Fresno County Employees' Retirement Association as of December 31, 1978 and December 31, 1977 and the changes in undistributed earnings and cash received and disbursed during the years then ended, on the basis of accounting described in Note 1d, which basis has been applied in a manner consistent with that of the preceding years.

Sincerely,

L. D. JERNAGAN
AUDITOR-CONTROLLER

Fred Ley
Chief, Internal Audit Division

LDJ:L:fw