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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Honorable City Council
of the City of Orange
Orange, California

We have performed the procedures enumerated below, which were agreed to by the City Council and the management of the City of Orange, California (the City), on the Treasurer's Report for the month ended June 30, 2020 for compliance with the provisions of the California Government Code (the Code) and with the City's investment policy, dated June 11, 2019 (the Policy). The City's management is responsible for the Treasurer's Report for the month ended June 30, 2020, the compliance with the Policy and the Code and for selecting the criteria and determining that such criteria are appropriate for your purposes. The sufficiency of these procedures is solely the responsibility of the City Council and management of the City. Consequently, we make no representation regarding the sufficiency of the procedures referred to below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are described below.

1. We obtained a copy of the City Treasurer's Report for the month of June 30, 2020 and reconciled individual investments/deposits to supporting documentation obtained from City staff. Also, we traced total funds reported on the Treasurer's Report to the City's General Ledger at June 30, 2020.

Finding: No exceptions were noted as a result of this procedure.

2. We compared the investments listed on the City Treasurer's Report for the month of June 30, 2020 to the type of investments authorized by the City's Investment Policy and Government Code Section 53601.

Finding: No exceptions were noted as a result of this procedure.

3. We compared the market value of the investments listed on the Treasurer's Report for the month of June 30, 2020 to the City's copies of investment statements.

Finding: No exceptions were noted as a result of this procedure

4. We read the City Treasurer's Report for the month of June 30, 2020 to ascertain that it contains all the information/data required by Government Code Section 53646 and meets the timing requirements of Government Code Section 53646 as follows:
 - a. Was submitted within 30 days following the end of the quarter.
 - b. Included the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and monies held by the City.
 - c. Included those funds under management of contracted parties (fiscal agents, trustee, deferred compensation, plan administrators, etc.).
 - d. Included market value (and source) as of the date of the report for all securities held by the City or under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund.
 - e. Stated compliance of the portfolio to the investment policy of the City.
 - f. Included a statement addressing the ability of the City to meet the pool's expenditure requirements for the next six months.
 - g. Included the most recent statements from the Local Agency Investment Fund and the County Investment Pools, in lieu of the information required by (b) and (d) above, for City investments that have been placed in those pools.

Finding: No exceptions were noted as a result of this procedure.

5. We compared the investments listed in the City Treasurer's Report for the month of June 30, 2020 to the prohibited investments listed in the City's Investment Policy and Government Code Section 53601.6.

Finding: No exceptions were noted as a result of this procedure.

6. We calculated the totals (cost basis) for the investments listed in the City Treasurer's Report for the month of June 30, 2020 and compared those totals to the limitations imposed by the City's Investment Policy and Government Code Section 53601 for specified investment types.

Finding: No exceptions were noted as a result of this procedure.

7. We agreed individual investment maturity dates listed on the City Treasurer's Report for the month of June 30, 2020 to the City's copies of the investment statements to determine if they conformed to the maturity requirements of the City's Investment Policy and Government Code Section 53601.

Finding: No exceptions were noted as a result of this procedure.

8. We were asked to obtain and read any third-party agreements and broker/dealers agreements in effect at June 30, 2020 to determine if the agreement contained a clause addressing delivery of securities and that the delivery method conformed to Government Code Section 53601.

Finding: The City does not have a formal agreement or contract with the broker/dealer since they are not required to use the broker/dealers for trades and there are no fees or commissions charged. The City Treasurer authorizes the use of designated brokers and ensures that the City has written documentation with the brokers' signature stating that the broker will adhere to the City's investment policy.

9. We were asked to recompute and review supporting documentation relevant to and repurchase agreements and any reverse repurchase agreements held by the City at June 30, 2020 to ascertain if these investments conformed to the requirement of Government Code Sections 53601(i) and 53635(i).

Finding: This step was not applicable, as the City did not have these types of investments.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Treasurer's Report for the month ended June 30, 2020, the compliance with the Policy and the Code and for selecting the criteria and determining that such criteria are appropriate for your purposes. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the City Council and management of the City and is not intended to be and should not be used by anyone other than those specified parties.



CliftonLarsonAllen LLP

Irvine, California
December 14, 2020