

**SUBMITTAL TO THE BOARD OF DIRECTORS
RIVERSIDE DISTRICT COURT FINANCING CORPORATION
STATE OF CALIFORNIA**

199



FROM: Executive Office

SUBMITTAL DATE:
August 24, 2004

SUBJECT: Annual Investment Report (Riverside District Court Financing Corporation)

RECOMMENDED MOTION: Receive and File the attached Annual Investment Report.

BACKGROUND: Board Policy B-21 requires that all funds held in trust outside the County Treasury have an annual report on its investments prepared for review by the Investment Oversight Committee and the fund's governing board. In accordance with that policy, the attached Annual Investment Report was reviewed by the Investment Oversight committee on August 5, 2004, and is now being presented for the governing board's review.

Departmental Concurrence

Lani Sioson

Lani Sioson, Associate Management Analyst

FINANCIAL DATA

Current F.Y. Total Cost:	\$ N/A
Current F.Y. Net County Cost:	\$ N/A
Annual Net County Cost:	\$ N/A

In Current Year Budget:
Budget Adjustment:
For Fiscal Year:

SOURCE OF FUNDS:

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: Receive and File.

County Executive Office Signature

[Handwritten Signature]

- Consent
- Policy
- Consent
- Policy

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: | **District:** | **Agenda Number:**

5.1

**RIVERSIDE DISTRICT COURT FINANCING CORPORATION (RDCFC)
 REPORT ON INVESTMENT PORTFOLIO
 YEAR ENDING JUNE 30, 2004**

PURPOSE:

The following report will be provided annually by the Riverside County Executive Office to the members of the Riverside District Court Financing Corporation, Board of Supervisors, County Executive Officer, County Auditor-Controller, and the County Investment Oversight Committee; and, as requested, to any member of the public interested in the information.

The report will consider two essential areas involving Riverside District Court Financing Corporation's management of the portfolio; namely (1) the preservation of principal in the funds invested, the cost (i.e., book value) vs. the current market value of the securities in the portfolio, and (2) the liquidity position of the portfolio as of the report date.

PORTFOLIO:

The following is the composition of the portfolio ranked in accordance with the perceived market risk of the securities within the portfolio. Also displayed is the book and current market value of the securities in the portfolio reported by Riverside District Court Financing Corporation's fiscal agent (i.e., BNY) as of June 30, 2004.

Risk	Type	Cost	Market	%
1.0	Cash	\$0.00	\$0.00	0.00%
1.0	U.S. Treasury Bills	\$0.00	\$0.00	0.00%
1.0	U.S. Treasury Notes	\$0.00	\$0.00	0.00%
1.1	Federal Agency Securities (FNMA & FHLB)	\$0.00	\$0.00	0.00%
1.2	Investment Agreements (Govt Coll)	\$0.00	\$0.00	0.00%
1.2	Repurchase Agreements (Govt Coll)	\$0.00	\$0.00	0.00%
1.3	Taxable Money Market Fund	\$839,145.53	\$839,145.53	100.00%
1.3	Tax-Exempt Money Market Fund	\$0.00	\$0.00	0.00%
1.3	Commercial Paper (A-1/P-1)	\$0.00	\$0.00	0.00%
1.3	Bankers Acceptances	\$0.00	\$0.00	0.00%
1.4	State, local govt. bonds, notes, etc.	\$0.00	\$0.00	0.00%
2.0	Reverse Repurchase Agreements	\$0.00	\$0.00	0.00%
	Total	\$839,145.53	\$839,145.53	100.00%
	Paper (Loss)/Gain		\$0.00	0.00%

**RIVERSIDE DISTRICT COURT FINANCING CORPORATION (RDCFC)
 REPORT ON INVESTMENT PORTFOLIO
 YEAR ENDING JUNE 30, 2004**

Generally, the level of risk takes into account two major components; the default or credit risk and the market risk associates with the probability that the security will be affected by market changes in short-term interest rates. Risk ranking have been assigned with 1.0 being the lowest level of risk and 2.0 being the highest.


- 1.0 U.S. and Federal Agency Securities directly backed and fully guaranteed by the United States Treasury are considered the safest.
- 1.1 Next in order of safety are those Federal Agency securities that have the ability to borrow from the United States Treasury.
- 1.2 The third category are those securities that have some form of government collateral backing (i.e. Investment Agreements, Repurchase Agreements and federally chartered agencies (i.e. Federal Farm Credit).
- 1.3 The fourth category evaluates the credit worthiness, capitalization and the time duration of the investment. Money markets, both taxable and tax-exempt, fall under this category.
- 1.4 The fifth category constitutes those that have state and local government collateral backing.
- 2.0 The sixth category reflects the risks associates with the Executive Office having loaned securities to a brokerage firm in meeting temporary cash flow needs by way of Reverse-Repurchase Agreements and the fact that the County could be subject to margin calls should the collateral have a reduced market value. Margin calls can affect the liquidity position of the portfolio in meeting current expenditure requirements.

LIQUIDITY:

As of June 30, 2004, the liquidity position of the portfolio was:

Maturities less than 1 Year	\$839,145.53	100.00%
Maturities 1 to 2 Years	\$0.00	0.00%
Maturities 2 to 3 Years	\$0.00	0.00%
Maturities 3 to 4 Years	\$0.00	0.00%
Maturities 4 to 5 Years	\$0.00	0.00%
Maturities Greater than 5 Years	\$0.00	0.00%
Weighted Average Maturity (1 Day) Total:	\$839,145.53	100.00%

I certify that the above information is true and correct as of the date of this report.



 Lani A. Sioson
 Associate Management Analyst

Riverside District Court Financing Corporation
Statement of Investments as of: 06/30/2004

Issuing Authority: Riverside District Court Financing Corporation
Investment Portfolio: U.S. District Court Project

ACCOUNT NAME	PAR VALUE # of SHARES	SECURITY PURCHASED	MATURITY DATE	COUPON RATE	YIELD TO MATURITY	BOOK VALUE	MARKET VALUE	RISK RATING	RATING
Acct # 804154									
GSA Cert DS	\$150,439.80	AIM Short Term Inv Trsy Priv	7/1/2004	Variable	0.62%	\$150,439.80	\$150,439.80	1.3	AAAm/Aaa
Sub-Total	\$150,439.80					\$150,439.80	\$150,439.80		
Acct # 804156									
GSA Certificate Payment	\$10,431.99	AIM Short Term Inv Trsy Priv	7/1/2004	variable	0.62%	\$10,431.99	\$10,431.99	1.3	AAAm/Aaa
Sub-Total	\$10,431.99					\$10,431.99	\$10,431.99		
Acct # 804157									
Base Rental Account	\$815.37	AIM Short Term Inv Trsy Priv	7/1/2004	variable	0.62%	\$815.37	\$815.37	1.3	AAAm/Aaa
Sub-Total	\$815.37					\$815.37	\$815.37		
Acct # 804161									
GSA Certificate Excess Pay	\$286,824.70	Aim Short Term Inv Trsy Priv	7/1/2004	variable	0.61%	\$286,824.70	\$286,824.70	1.3	AAAm/Aaa
Sub-Total	\$286,824.70					\$286,824.70	\$286,824.70		
Acct # 804162									
Reserve Fund	\$209,806.25	Federated US Treasury	7/1/2004	variable	0.61%	\$209,806.25	\$209,806.25	1.3	AAAm/Aaa
GSA Certificate Payment	\$16,981.08	AIM Short Term Inv Trsy Priv	7/1/2004	variable	0.61%	\$16,981.08	\$16,981.08	1.3	AAAm/Aaa
Sub-Total	\$226,787.33					\$226,787.33	\$226,787.33		
Acct # 804163									
Construction Fund	\$144,726.71	Federated US Treasury	7/1/2004	variable	0.61%	\$144,726.71	\$144,726.71	1.3	AAAm/Aaa
Sub-Total	\$144,937.12					\$144,937.12	\$144,937.12		
Acct # 804206									
Cost of Issuance	\$18,881.85	Federated US Treasury	7/1/2004	variable	0.61%	\$18,881.85	\$18,881.85	1.3	AAAm/Aaa
Sub-Total	\$27.37					\$27.37	\$27.37		
Grand Total	\$18,909.22					\$18,909.22	\$18,909.22		
	\$839,145.53					\$839,145.53	\$839,145.53		