

**SUBMITTAL TO THE FLOOD CONTROL AND  
WATER CONSERVATION DISTRICT BOARD  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

501 B



**FROM:** General Manager-Chief Engineer

**SUBMITTAL DATE:**  
October 26, 2004

**SUBJECT:** Quarterly Disclosure Report on Investment Portfolio  
(July through September 2004)

**RECOMMENDED MOTION:**

That the Board of Supervisors receive the attached *Quarterly Disclosure Report on Investment Portfolio* as of September 2004 and file with the Clerk of the Board.

**BACKGROUND:**

On September 12, 1995, the Riverside County Board of Supervisors approved an Investment Policy for all funds held in trust outside the County Treasury including funds managed by a fiscal agent on behalf of the Riverside County Flood Control and Water Conservation District.

On March 18, 1996, the Board approved Policy B-19, *Land Secured Investment Policy* which, in accordance with Government Code Section 53646, provided for quarterly disclosure reports on the Investment Portfolio to be brought before the Board in public session and to be filed with the Clerk of the Board.

SJC:erf

**WARREN D. WILLIAMS**  
General Manager-Chief Engineer

<b>FINANCIAL DATA</b>	Current F.Y. District Cost:	N/A	In Current Year Budget:	N/A
	Current F.Y. County Cost:	N/A	Budget Adjustment:	N/A
	Annual Net District Cost:	N/A	For Fiscal Year:	N/A

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

**APPROVE**

County Executive Office Signature

- Dep't Recomm.:  Policy
- Per Exec. Ofc.:  Policy
- Consent
- Consent

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

**11.1**

Jenni Kay Hawkins  
Departmental Concurrence

**Riverside County Flood Control and Water Conservation District  
Disclosure Report on Investment Portfolio**

Purpose: the Riverside County Flood Control District will provide the following report monthly to members of its Board of Supervisors, County Executive Officer and the County Investment Oversight Committee. The report is placed on the District's Board Agenda quarterly and is available to any member of the public interested in the information.

The report will consider three essential areas involving District 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, (2) the liquidity position of the portfolio, and (3) the current yield on 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 reported by the District's representative fiscal agent (US Bank Corporate Trust) as of September 30, 2004.

Risk	Type	Cost	Market	%
1.2	First American Treas Oblig	\$3,089,554.70	\$3,089,554.70	100.00%
	Totals	\$3,089,554.70	\$3,089,554.70	100.00%
	Paper (Loss)/Gain*		\$0.00	

- Fiscal Year To Date Interest Earnings are \$12,514.72.

Footnotes:

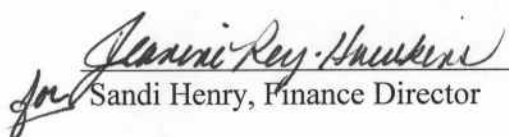
Generally, the level of risk takes into account two major components; the default or credit risk and the market risk associated with the probability that the security will be affected by market changes in short-term interest rates. Risk ranking has been assigned with 1.0 being the lowest level of risk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

- 1.0 U.S. and Federal Agency Securities directly backed by the United States Treasury are considered the safest.
- 1.1 Next in order of safety are those Federal Agency securities that have an implied guarantee of the United States Treasury.
- 1.2 The third category is those securities that have some form of government collateral backing (i.e. Investment Agreements, Repurchase Agreements and Money Market Funds).
- 1.3 The fourth category evaluates the credit worthiness, capitalization and the time duration of the investment.
- 1.4 The fifth category constitutes those that have state and local government collateral backing

**As of September 30, 2004 the liquidity position of the portfolio was:**

Maturities less than 1 Year	\$3,089,554.70	100.00%
-----------------------------	----------------	---------

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

  
Sandi Henry, Finance Director

Riverside County Flood Control and Water Conservation District  
Investment Portfolio Maturity Summary  
September 30, 2004

MONTH	MATURITY	ISSUE	ACCOUNT	PAR	SECURITY	TRUSTEE
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	\$1,015,851.04	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Administrative Expense Fund	\$37,885.37	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Reserve Fund	\$457,200.00	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Earnings Fund	\$334,606.73	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Interest Fund	\$0.00	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Improvement Fund	\$205,026.33	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Principal Fund	\$0.00	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Prepayment Fund	\$6,377.23	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Assessment Fund	\$80,751.87	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Reserve Fund	\$321,657.50	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Administrative Expense Fund	\$7,900.25	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Earnings Fund	\$51,498.41	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	Bradley Road Channel, 1990 Assessment District 4-5	Rebate Fund	\$6,619.96	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	San Jacinto River, 1988 Improvement District 4-2, Zone 4	Bond Service Fund	\$129,781.22	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	San Jacinto River, 1988 Improvement District 4-2, Zone 4	Administrative Expense Fund	\$26,847.97	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	San Jacinto River, 1988 Improvement District 4-2, Zone 4	Redemption Fund	\$4,754.02	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	San Jacinto River, 1988 Improvement District 4-2, Zone 4	Reserve Fund	\$247,815.00	First American Treas Oblig Cl C Instl	First Trust California	
Less Than One Year	San Jacinto River, 1988 Improvement District 4-2, Zone 4	Construction Fund	\$154,981.80	First American Treas Oblig Cl C Instl	First Trust California	
				<b>Total</b>	<b>\$3,089,554.70</b>	

Riverside County Flood Control and Water Conservation District  
 Statement of Investments as of 9/30/2004  
 Elsinore Valley Benefit Assessment District, Zone 3

ACCOUNT NAME	PAR VALUE # OF SHARES	SECURITY PURCHASED	SETTLEMENT DATE	MATURITY DATE	COUPON RATE	YIELD TO MATURITY	INVESTMENT VALUE	MARKET VALUE	RISK LEVEL	PRICE/ COMMENTS
95417380	\$1,015,851.04	First American Treas Oblig CL C Instl				0.97%	\$1,015,851.04	\$1,015,851.04	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$1,015,851.04						\$1,015,851.04	\$1,015,851.04		
95417381	\$37,885.37	First American Treas Oblig CL C Instl				0.97%	\$37,885.37	\$37,885.37	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$37,885.37						\$37,885.37	\$37,885.37		
95417386	\$457,200.00	First American Treas Oblig CL C Instl				0.97%	\$457,200.00	\$457,200.00	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$457,200.00						\$457,200.00	\$457,200.00		
95417387	\$334,606.73	First American Treas Oblig CL C Instl				0.97%	\$334,606.73	\$334,606.73	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$334,606.73						\$334,606.73	\$334,606.73		
95417389	\$205,026.33	First American Treas Oblig CL C Instl				0.97%	\$205,026.33	\$205,026.33	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$205,026.33						\$205,026.33	\$205,026.33		
95417382	\$0.00	First American Treas Oblig CL C Instl				0.0%	\$0.00	\$0.00	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$0.00						\$0.00	\$0.00		
95417383	\$0.00	First American Treas Oblig CL C Instl				0.0%	\$0.00	\$0.00	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$0.00						\$0.00	\$0.00		
<b>TOTAL</b>	<b>\$2,050,569.47</b>						<b>\$2,050,569.47</b>	<b>\$2,050,569.47</b>		

Riverside County Flood Control and Water Conservation District  
 Statement of Investments as of 9/30/2004  
 Assessment District 4-5, Bradley Road Channel, 1990

ACCOUNT NAME	PAR VALUE # OF SHARES	SECURITY PURCHASED	SETTLEMENT DATE	MATURITY DATE	COUPON RATE	YIELD TO MATURITY	INVESTMENT VALUE	MARKET VALUE	RISK LEVEL	PRICE/ COMMENTS
95417355	\$6,377.23	First American Treas Oblig CL C Instl				0.97%	\$6,377.23	\$6,377.23	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$6,377.23						\$6,377.23			
95417350	\$80,751.87	First American Treas Oblig CL C Instl				0.97%	\$80,751.87	\$80,751.87	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$80,751.87						\$80,751.87			
95417356	\$321,657.50	First American Treas Oblig CL C Instl				0.97%	\$321,657.50	\$321,657.50	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$321,657.50						\$321,657.50			
95417351	\$7,900.25	First American Treas Oblig CL C Instl				0.97%	\$7,900.25	\$7,900.25	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$7,900.25						\$7,900.25			
95417357	\$51,498.41	First American Treas Oblig CL C Instl				0.97%	\$51,498.41	\$51,498.41	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$51,498.41						\$51,498.41			
95417358	\$6,619.96	First American Treas Oblig CL C Instl				0.98%	\$6,619.96	\$6,619.96	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$6,619.96						\$6,619.96			
TOTAL	\$474,805.22						\$474,805.22	\$474,805.22		

Riverside County Flood Control and Water Conservation District  
Statement of Investments as of 9/30/2004  
Assessment District 4-2, San Jacinto River, 1988

ACCOUNT NAME	PAR VALUE # OF SHARES	SECURITY PURCHASED	SETTLEMENT DATE	MATURITY DATE	COUPON RATE	YIELD TO MATURITY	INVESTMENT VALUE	MARKET VALUE	RISK LEVEL	PRICE/ COMMENTS
95417330	\$129,781.22	First American Treas Oblig CL C Instl				0.97%	\$129,781.22	\$129,781.22	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$129,781.22						\$129,781.22	\$129,781.22		
95417331	\$26,847.97	First American Treas Oblig CL C Instl				0.98%	\$26,847.97	\$26,847.97	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$26,847.97						\$26,847.97	\$26,847.97		
95417335	\$4,754.02	First American Treas Oblig CL C Instl				0.97%	\$4,754.02	\$4,754.02	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$4,754.02						\$4,754.02	\$4,754.02		
95417336	\$247,815.00	First American Treas Oblig CL C Instl				0.97%	\$247,815.00	\$247,815.00	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$247,815.00						\$247,815.00	\$247,815.00		
95417339	\$154,981.80	First American Treas Oblig CL C Instl				0.97%	\$154,981.80	\$154,981.80	1.2	S&P AAA Rated Mutual Funds Backed By US Treas Bills
Subtotal	\$154,981.80						\$154,981.80	\$154,981.80		
TOTAL	\$564,186.01						\$564,186.01	\$564,186.01		

\$3,089,554.70