FISCAL PROCEDURES APPROVED
JEANINE J. REY, FINANCE DIRECTOR
BY Jeanine J. Rey 4/9/13
JEANINE J. REY

Departmental Concurrence

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

205B

FROM: General Manager-Chief Engineer

SUBMITTAL DATE: April 23, 2013

SUBJECT: Quarterly Disclosure Report on Investment Portfolio (January thru March 2013)

RECOMMENDED MOTION:
That the Board of Supervisors receives the attached *Quarterly Disclosure Report* on Investment Portfolio as of March 2013 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.

Continued on Page 2.

SJ:mc

WARREN D. WILLIAMS
General Manager-Chief Engineer

FINANCIAL DATA				
	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

SOURCE OF FUNDS: N/A

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

County Executive Office Signature

APPROVE
BY: Steven C. Horn, MPA

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

Prev. Agn. Ref.: | **District:** All | **Agenda Number:** 11-1

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

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

SUBJECT: Quarterly Disclosure Report on Investment Portfolio
(January thru March 2013)

SUBMITTAL DATE: April 23, 2013
Page 2

BACKGROUND: Continued

On March 18, 1996, the Board approved Policy B-19, *Land Secured Investment Policy* which, in accordance with Government Code Section 53646, proved 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.

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 March 31, 2013.

Risk	Type	Cost	Market	%
1.0	US Treasury Bond	$ 915,092.86	$1,106,262.12	69.84%
1.2	US Bank Term CD	$ 425,500.00	$ 425,500.00	26.86%
1.2	US Bank Money Market	$ 52,071.01	$ 52,071.01	3.30%
	Totals	$1,392,663.87	$1,583,833.13	100.00%
	Paper (Loss)/Gain*		$ 191,169.26	

- Fiscal Year to Date Interest Earnings is $8,831.22.

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 March 31, 2013 the liquidity position of the portfolio was:

Maturities less than 1 Year	$ 52,071.01	3.30%
Maturities more than 1 Year	$1,531,762.12	96.70%

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

Jeanine J. Rey April 9, 2013

Jeanine J. Rey, Finance Director

Riverside County Flood Control and Water Conservation District
Investment Portfolio Maturity Summary
March 31, 2013

MONTH	MATURITY	ISSUE	ACCOUNT	PAR	SECURITY	TRUSTEE
	8/30/2013	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	$217,000.00	US Bank Term CD	U S Bank
	9/2/2014	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	$208,500.00	US Bank Term CD	U S Bank
	8/15/2015	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	$230,292.48	US Treasury Bond	U S Bank
	8/15/2016	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	$307,020.48	US Treasury Bond	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Assessment Fund	$31,180.84	US Bank Money Market	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Reserve Fund	$7.30	US Bank Money Market	U S Bank
	8/15/2017	Elsinore Valley Benefit Assessment District, Zone 3	Reserve Fund	$480,506.40	US Treasury Bond Stripped Int Pmt	U S Bank
	8/15/2016	Elsinore Valley Benefit Assessment District, Zone 3	Reserve Fund	$69,866.84	US Treasury Bond	U S Bank
	2/15/2017	Elsinore Valley Benefit Assessment District, Zone 3	Reserve Fund	$18,575.92	US Treasury Bond	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Administrative Expense Fund	$9,056.19	US Bank Money Market	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Earnings Fund	$11,826.68	US Bank Money Market	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Interest Fund	$0.00	US Bank Money Market	U S Bank
	Less Than One Year	Elsinore Valley Benefit Assessment District, Zone 3	Principal Fund	$0.00	US Bank Money Market	U S Bank
			Total	**$1,583,833.13**		

Riverside County Flood Control and Water Conservation District
Statement of Investments as of 3/31/13
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	217,000.00	Certificate of Deposit				2.140%	$217,000.00	$217,000.00	1.2	US Bank Term CD Cash Equivalents
95417380	208,500.00	Certificate of Deposit				2.770%	$208,500.00	$208,500.00	1.2	US Bank Term CD Cash Equivalents
95417380	31,180.84	Money Market				0.040%	$31,180.84	$31,180.84	1.2	US Bank Money Market Cash Equivalents
95417380	232,000.00	US Treasury Bond Generic Int Prmt				0.000%	$201,545.36	$230,292.48	1.0	S&P - AA+ Rated Backed By US Treasury Bd
95417380	312,000.00	US Treasury Bond Generic Int Prmt				0.000%	$256,354.80	$307,020.48	1.0	S&P - AA+ Rated Backed By US Treasury Bd
95417380	**Subtotal**						**$914,581.00**	**$993,993.80**		
95417386	7.30	US Bank Money Market				0.000%	$7.30	$7.30	1.2	US Bank Money Market Cash Equivalents
95417386	71,000.00	US Treasury Bond				0.000%	$58,337.15	$69,866.84	1.0	S&P - AA+ Rated Generic Int Payment
95417386	19,000.00	US Treasury Bond				2.950%	$15,156.30	$18,575.92	1.0	S&P - AA+ Rated Generic Int Payment
95417386	495,000.00	US Treasury Bond				0.000%	$383,699.25	$480,506.40	1.0	S&P - AA+ Rated Stripped Interest
95417386	**Subtotal**						**$457,200.00**	**$568,956.46**		
95417382	0.00	US Bank Money Market				0.040%	$0.00	$0.00	1.2	US Bank Money Market Cash Equivalents
95417382	**Subtotal**						**$0.00**	**$0.00**		
95417383	0.00	US Bank Money Market				0.000%	$0.00	$0.00	1.2	US Bank Money Market Cash Equivalents
95417383	**Subtotal**						**$0.00**	**$0.00**		
95417381	9,055.86	US Bank Money Market				0.040%	$9,056.19	$9,056.19	1.2	US Bank Money Market Cash Equivalents
95417381	**Subtotal**						**$9,056.19**	**$9,056.19**		
95417387	11,823.17	US Bank Money Market				0.040%	$11,826.68	$11,826.68	1.2	US Bank Money Market Cash Equivalents
95417387	**Subtotal**						**$11,826.68**	**$11,826.68**		
Grand Total							**$1,392,663.87**	**$1,583,833.13**		