

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

120



FROM: Executive Office

SUBMITTAL DATE:

October 23, 2014

SUBJECT: County Treasury Oversight Committee Annual Investment Compliance Review Report

RECOMMENDED MOTION: That the Board of Supervisors receive and file the FY 13-14 Annual Investment Compliance Review Report.

BACKGROUND: The County has established and maintains the County Treasury Oversight Committee, and, per California state laws as well as the Treasurer's Statement of Investment Policy, a compliance review is to be conducted annually. The agreed-upon procedures and investment compliance evaluation is to include the verification of the identification, classification, market value, and rating of each investment. The Board expanded this requirement to include County agency investment funds held outside of the County Treasury.

The report was performed by Van Lant & Fankhanel, LLP. Based on the results of the audit procedures, there were no findings found in the audit. The report was reviewed and approved by the Investment Oversight Committee (IOC) on October 23, 2014 meeting.

Lani Sioson
Lani Sioson

Principal Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	Consent X Policy <input type="checkbox"/>
NET COUNTY COST	\$ N/A	\$ N/A	\$ N/A	\$ N/A	

SOURCE OF FUNDS: N/A

Budget Adjustment: N/A

For Fiscal Year: FY 13-14

C.E.O. RECOMMENDATION:

APPROVE

BY: *Ivan M. Chand*

County Executive Office Signature

Ivan M. Chand

10/27/2014

MINUTES OF THE BOARD OF SUPERVISORS

☐ Positions Added
☐ Change Order

☐ A-30
☐ 4/5 Vote

Prev. Agn. Ref.:

District: All

Agenda Number:

2-3



County of Riverside Investment Oversight Committee

Independent Accountant's Report on Applying Agreed-upon Procedures

June 30, 2014

AGREED-UPON PROCEDURES

County Treasury:

Concerning the structure and risk of the Treasurer's portfolio, we selected the quarter ending June 30, 2014:

1. Determine that all securities within the portfolio are legally authorized and met the credit quality and other purchase restrictions set forth in Government Code Section 53601, 53635, and Investment Policy. Identify any securities held which met the purchase restrictions referenced above, but would not currently meet such requirements.

Results:

Legal Authorization: No exceptions were noted as a result of our procedures.

Credit Quality: No exceptions were noted as a result of our procedures.

Other Purchase Restrictions: No exceptions were noted as a result of our procedures.

2. Determine that all securities meet the five-year maximum or earlier maturity restriction established by Government Code Sections 53601, 53635, and Investment Policy or have been duly authorized as an exception thereto.

Results: No exceptions were noted as a result of our procedures.

3. Determine if the Treasury is engaged in reverse repurchase agreements and whether or not the portfolio is in compliance with the restrictions noted in Government Code Section 53601(1) and whether the Treasury is engaged in any form of leverage (i.e., security lending agreements, taxable Tax and Revenue Anticipation Notes), not otherwise permitted by the Treasurer's Statement of Investment Policy and approved by the Board of Supervisors.

Results: No exceptions were noted as a result of our procedures.

4. Determine that the Treasury is not engaged in any prohibited investments such as those noted in Government Code Section 53601.6 (inverse floaters, range notes, or mortgage-derived, interest-only strips).

Results: No exceptions were noted as a result of our procedures.

5. Determine that investments or reinvestments of note proceeds are limited to and do not exceed the maturity date of the notes, in keeping with Government Code Sections 53821.5, 53852.5, and 53859.02.

Results: No exceptions were noted as a result of our procedures.

County of Riverside Palm Desert Financing Authority

Results: No exceptions were noted as a result of our procedures.

County of Riverside Pension Obligation Bonds

Results: No exceptions were noted as a result of our procedures.

County of Riverside Public Financing Authority

Results: No exceptions were noted as a result of our procedures.

2. Assure accurate market value pricing of all securities and identify the source of the pricing information.

County of Riverside Asset Leasing Corporation

Results: No exceptions were noted as a result of our procedures.

County Housing Authority

Results: No exceptions were noted as a result of our procedures.

County of Riverside Successor Agency to the Redevelopment Agency

Results: No exceptions were noted as a result of our procedures.

Riverside County Flood Control and Water Conservation District

Results: No exceptions were noted as a result of our procedures.

County Executive Office for:

Community Facility Districts/Assessment Districts

Results: No exceptions were noted as a result of our procedures.

County of Riverside Court Financing Corporation

Results: No exceptions were noted as a result of our procedures.

County of Riverside District Court Financing Corporation

Results: No exceptions were noted as a result of our procedures.

County of Riverside Palm Desert Financing Authority

Results: No exceptions were noted as a result of our procedures.

County of Riverside Public Financing Authority

Results: No exceptions were noted as a result of our procedures.

B. For each entity listed above, perform the following procedures on the investments:

1. Confirm that maturities on investments coincide with cash-flow requirements (i.e. debt service and claim disbursement requirements).

County of Riverside Asset Leasing Corporation

Results: No exceptions were noted as a result of our procedures.

County Housing Authority

Results: No exceptions were noted as a result of our procedures.

County of Riverside Successor Agency to the Redevelopment Agency

Results: No exceptions were noted as a result of our procedures.

Riverside County Flood Control and Water Conservation District

Results: No exceptions were noted as a result of our procedures.

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County of Riverside Palm Desert Financing Authority

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County of Riverside Pension Obligation Bonds

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County of Riverside Public Financing Authority

Results: No exceptions were noted as a result of our procedures.



VLF Van Lant &
Fankhanel, LLP
— Certified Public Accountants —