

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



301B

FROM: General Manager-Chief Engineer

SUBMITTAL DATE:
November 5, 2013

SUBJECT: Quarterly Disclosure Report on Investment Portfolio
(July thru September 2013), District 1, 3/District 1, [Total Cost \$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive the attached *Quarterly Disclosure Report* on Investment Portfolio as of September 2013 and file with the Clerk of the Board.

BACKGROUND:

Summary

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

SOURCE OF FUNDS: N/A	Budget Adjustment: N/A
	For Fiscal Year: N/A

C.E.O. RECOMMENDATION:

APPROVE

BY:
Steven C. Horn, MPA

County Executive Office Signature

MINUTES OF THE FLOOD CONTROL AND WATER CONSERVATION DISTRICT

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Stone and Ashley
Nays: None
Absent: Benoit
Date: November 5, 2013
xc: Flood

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. Ref.: | **District:** 1st, 3rd/1st | **Agenda Number:**

11-1

FISCAL PROCEDURES APPROVED
 JEANINE J. REY, FINANCE DIRECTOR
 BY:
 JEANINE J. REY, Finance Director
 10/9/2013

- A-30
- 4/5 Vote
- Positions Added
- Change Order

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

FORM 11: Quarterly Disclosure Report on Investment Portfolio

(July thru September 2013), District 1, 3/District 1, [Total Cost \$0]

DATE: November 5, 2013

PAGE: Page 2 of 2

BACKGROUND:

Summary (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.

Impact on Residents and Businesses

N/A

SJ:mc

P8/156293

**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, 2013.

Risk	Type	Cost	Market	%
1.0	US Treasury Bond	\$ 912,486.67	\$ 1,097,890.99	83.98%
1.0	Cash	\$ 928.89	\$ 928.89	0.07%
1.2	US Bank Money Market	\$ 62.60	\$ 62.60	0.00%
1.2	US Bank Term CD	\$ 208,500.00	\$ 208,500.00	15.95%
	Totals	\$1,121,978.16	\$ 1,307,382.48	100.00%
	Paper (Loss)/Gain*		\$ 185,404.32	

- Fiscal Year to Date Interest Earnings is \$16,873.33.

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, 2013 the liquidity position of the portfolio was:

Maturities less than 1 Year	\$ 991.49	0.07%
Maturities more than 1 Year	\$1,306,390.99	99.93%

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

Jeanine J. Rey, October 8, 2013

 Jeanine J. Rey, Finance Director