

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



**ITEM: 5B.1  
(ID # 23369)**

**MEETING DATE:**  
Tuesday, October 31, 2023

**FROM :** EXECUTIVE OFFICE:

**SUBJECT:** EXECUTIVE OFFICE: Receive and File the Independent Accountant's Report on Agreed Upon Procedures for the fiscal year ended June 30, 2023, and, the Investment Report as of June 30, 2023 for the County of Riverside Asset Leasing Corporation. All Districts. [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file the Independent Accountant's Report on Agreed Upon Procedures for the County of Riverside Asset Leasing Corporation for the fiscal year ended June 30, 2023; and
2. Receive and file the Investment Report of the County of Riverside Asset Leasing Corporation as of June 30, 2023.

**ACTION:Consent**

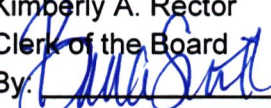
  
\_\_\_\_\_  
Don Kent, Director of Finance 10/20/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington and Gutierrez  
Nays: None  
Absent: Perez  
Date: October 31, 2023  
xc: E.O.

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	22/23

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

**BACKGROUND:**

**Summary**

Pursuant to Board Policy B-21, section IV.A., the County of Riverside Investment Oversight Committee (IOC) engaged the external auditors of Van Lant & Fankhanel, LLP to perform an Agreed Upon Procedures (AUP) engagement to meet the intended purpose of assisting users in understanding the County's compliance with the Treasurer's annual investment policy and the California Government Code, for the Treasurer's investment portfolio and the investment portfolios of other entities (in this case, the County of Riverside Asset Leasing Corporation). The AUP engagement was performed in accordance with the attestation standards established by the American Institute of Certified Public Accountants.

The annual engagement includes the following: A.) assure accurate identification and classification of all securities noted on portfolio reports, B.) assure accurate market value pricing of all securities and identify the source of the pricing information, C.) confirm present ratings assigned by the nationally recognized statistical rating organizations on all commercial paper, medium term notes, money market funds, municipal securities and investment contracts, D.) confirm that maturities on investments coincide with cash-flow requirements, (i.e., debt service and claim disbursement requirements), and E.) determine that policies governing bond fund investments are current and internal control measures are deemed adequate.

Pursuant to the Policy, on October 26, 2023, the IOC reviewed the Independent Accountant's Report which showed no exceptions (no findings noted) on all areas of the AUP, including the County of Riverside Asset Leasing Corporation (CORAL). At its July 27, 2023 meeting, the IOC reviewed the Investment Report.

In compliance with the Policy, the CORAL now submits the Independent Accountant's Report on AUP and the Investment Report to the Board of Supervisors, as the Corporation's governing board, for review.

**Impact on Residents and Businesses**

No impact on residents and businesses.

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

**ATTACHMENTS:**

1. Independent Accountant's Report on Agreed Upon Procedures for the fiscal year ended June 30, 2023
2. Investment Report of the County of Riverside Asset Leasing Corporation as of June 30, 2023

  
Michael Ambolo, Chief Finance Officer 10/23/2023



**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

The Investment Oversight Committee  
County of Riverside, California

We have performed the procedures enumerated below on the County's compliance with the Treasurer's annual investment policy and the California Government Code, for the Treasurer's investment portfolio and the investment portfolios of the other entities listed in the attached procedures, for the fiscal year ended June 30, 2023. The County's management is responsible for the County's compliance with those requirements.

The Investment Oversight Committee of the County of Riverside has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the County's compliance with the Treasurer's annual investment policy and the California Government Code, for the Treasurer's investment portfolio and the investment portfolios of the other entities listed in the attached procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are included in the attached schedule.

We were engaged by the Investment Oversight Committee of the County of Riverside to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the County's compliance with the Treasurer's annual investment policy and the California Government Code, for the Treasurer's investment portfolio and the investment portfolios of the other entities listed in the attached procedures. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the County of Riverside and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Investment Oversight Committee, the County of Riverside Board of Supervisors, and Management, and is not intended to be and should not be used by anyone other than these specified parties.

*Van Lant & Fankhanel, LLP*

Murrieta, California

October 9, 2023

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**Van Lant & Fankhanel, LLP**

29970 Technology Drive, Suite 105 A  
Murrieta, CA 92563  
909.856.6879

## AGREED-UPON PROCEDURES

### County Treasury:

Concerning the structure and risk of the Treasurer's portfolio, we selected the quarter ended June 30, 2023:

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. We did not identify any securities held which met the purchase restrictions when purchased, but would not currently meet such requirements.

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. As of June 30, 2023, the Treasury was not engaged in any reverse repurchase agreements or any form of leverage as listed above.

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.



**Other Investing Activities Outside of the County Treasury:**

County of Riverside Asset Leasing Corporation  
County of Riverside Successor Agency to the Redevelopment Agency  
County Executive Office for:  
Community Facility Districts/Assessment Districts  
County of Riverside Infrastructure Financing Authority  
County of Riverside Pension Obligation Bonds

1. For each of the aforementioned entities, the following procedures were performed on the quarterly portfolio disclosure report for the quarter ended June 30, 2023:

A. Assure accurate identification and classification of all securities noted on portfolio reports.

*County of Riverside Asset Leasing Corporation*

**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.

*County Executive Office for:*

*Community Facility Districts/Assessment Districts*

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

*County of Riverside Infrastructure 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.

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

**Results:** For all the entities below, the market values provided in the Fiscal Agent statements as of June 30, 2023 were used as the source of pricing information.

*County of Riverside Asset Leasing Corporation*

**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.

County Executive Office for:

Community Facility Districts/Assessment Districts

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

County of Riverside Infrastructure 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.

- C. Confirm present rating assigned by New York Rating Agencies on all commercial paper, medium term notes, money market funds, municipal securities and investment agreement contracts. Confirm other ratings assigned, if available, for any investments not rated by New York Rating Agencies.

County of Riverside Asset Leasing Corporation

**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.

County Executive Office for:

Community Facility Districts/Assessment Districts

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

County of Riverside Infrastructure 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.

2. For each entity listed above, perform the following procedures on the investments:
- A. 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 of Riverside Successor Agency to the Redevelopment Agency*

**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 Infrastructure 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.

- B. Determine that policies governing bond fund investments are current and internal control measures are deemed adequate.

*County of Riverside Asset Leasing Corporation*

**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.

*County Executive Office for:*

*Community Facility Districts/Assessment Districts*

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

*County of Riverside Infrastructure 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.





**COLUMBIA CAPITAL**  
MUNICIPAL ADVISORS

6700 Antioch., Suite 250  
Merriam, Kansas 66204

July 19, 2023

Mr. Don Kent  
Director of Finance  
County of Riverside  
4080 Lemon Street, 4<sup>th</sup> Floor  
Riverside, CA 92501

Dear Mr. Kent:

Enclosed is the Investment Holdings Report for the Asset Leasing Corporation for the County of Riverside for the period ending June 30, 2023 (the "Report Date"). This report contains various summaries and underlying details of the issues and accounts, as well as a detailed listing of investment holdings for each individual series of bonds outstanding as of the Report Date.

Please let me know if you have any questions and thank you for the opportunity serve the County.

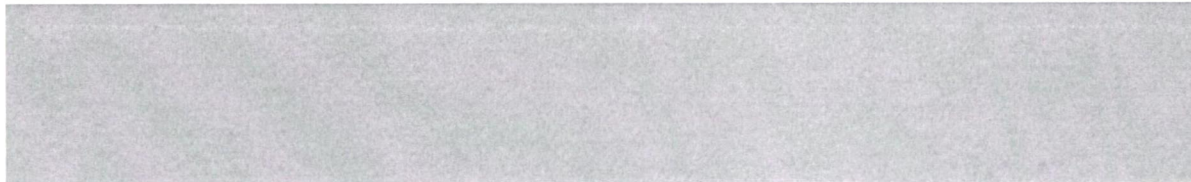
Sincerely,

Jeff White  
Managing Member



# COUNTY OF RIVERSIDE CALIFORNIA

June 30, 2023  
Quarterly Investment Report  
County of Riverside, California  
Asset Leasing Corporation



### Asset Leasing Corporation Summary by Asset:

Security	Quantity	Total Cost	Market Value	Percentage of Portfolio
FIRST AMERICAN TREASURY Total	6,367,185.67	\$6,367,185.67	\$6,367,185.67	69%
GOLDMAN SACHS GOV INST FUND Total	2,852,683.85	2,852,683.85	2,852,683.85	31%
ALLSPRING Govt Money Market #743	438.06	438.06	438.06	0%
<b>Grand Total</b>	<b>9,220,307.58</b>	<b>\$9,220,307.58</b>	<b>\$9,220,307.58</b>	<b>100%</b>

### Asset Leasing Corporation Summary by Series:

Issue	Market Value
1993 A&B Hospital Project Total	\$6,321,722.57
1997 Series A Hospital Bonds Total	45,463.10
2009 Public Safety Communication and Woodcrest Library Projects Total	2,852,683.85
2019 A Lease Revenue Refunding Bonds - Tech Refunding Project	438.06
<b>Grand Total</b>	<b>\$9,220,307.58</b>

**Asset Leasing Corporation Market Value by Account:**

<b>1993 A&amp;B Hospital Project</b>	<b>Market Value</b>
94605802 - Earnings	\$785,841.55
94605805 - Reserve	4,117,007.27
94605807 - Construction	1,418,840.16
94605814 - Reimbursement	33.59
<b>Total:</b>	<b>\$6,321,722.57</b>
<b>1997 Series A Hospital Bonds</b>	
95435464 - Debt Service Fund	\$45,463.10
<b>Total:</b>	<b>\$45,463.10</b>
<b>2009 Public Safety Communication and Woodcrest Library Projects</b>	
23817502 - Base Rental Account	\$778,299.99
23817503 - Adj Rate Sec Deposit Acc	465,611.52
23817504 - Interest Account	16.70
23817506 - Admin Expense Account	1,522,997.67
23817508 - Investment Earnings Acco	84,385.10
23817513 - Principal Account	1,372.87
<b>Total:</b>	<b>\$2,852,683.85</b>
<b>2019 A Lease Revenue Refunding Bonds - Tech Refunding Project</b>	
83918300 – Bond Fund	\$438.06
<b>Total:</b>	<b>\$438.06</b>
<b>Grand Total:</b>	<b>\$9,220,307.58</b>

# Asset Leasing Corporation

## ISSUES

1. 1993 A&B HOSPITAL PROJECT
2. 1997 SERIES A HOSPITAL BONDS
3. 2009 PUBLIC SAFETY COMMUNICATION & WOODCREST LIBRARY
4. 2019A LEASE REVENUE REFUNDING – TECH REFUNDING PROJECT

# ASSET LEASING CORPORATION

**1993 A&B Hospital Project**  
**\$149,060,000**

Dated Date: 1/1/1993	S&P: NR	Arbitrage Yield:
Due:	Moody's: WR	Arbitrage Position:
Call Date:	Fitch:	Arbitrage Last Calc:
Trustee: US Bank		
Base CUSIP: 768903		

FIXED INCOME PORTFOLIO								
June 30, 2023								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>1993 A&amp;B Hospital Project</b>								
94605802 - Earnings	FIRST AMERICAN TREASURY	5.04%			Aaa	785,841.55	\$ 785,841.55	\$ 785,841.55
94605805 - Reserve	FIRST AMERICAN TREASURY	5.04%			Aaa	4,117,007.27	4,117,007.27	4,117,007.27
94605807 - Construction	FIRST AMERICAN TREASURY	5.04%			Aaa	1,418,840.16	1,418,840.16	1,418,840.16
94605814 - Reimbursement	FIRST AMERICAN TREASURY	5.04%			Aaa	33.59	33.59	33.59
						6,321,722.57	\$ 6,321,722.57	\$ 6,321,722.57



# ASSET LEASING CORPORATION

## 1997 Series A Hospital Bonds \$41,170,072.65

Dated Date: 2/20/1997	S&P:	Arbitrage Yield: 6.032960%
Due: 6/1/2026	Moody's: Aa3	Arbitrage Position: \$0.00
Call Date:	Fitch: A+	Arbitrage Last Calc: 6/1/2013
Trustee: US Bank		
Base CUSIP: 768903		

### FIXED INCOME PORTFOLIO

June 30, 2023

Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>1997 Series A Hospital Bonds</b>								
95435464 - Debt Service Fund	FIRST AMERICAN TREASURY	5.04%			Aaa	45,463.10	\$ 45,463.10	\$ 45,463.10
						45,463.10	\$ 45,463.10	\$ 45,463.10

# ASSET LEASING CORPORATION

## 2009 Public Safety Communication & Woodcrest Library \$45,685,000

Dated Date: 12/10/2009	S&P: A+/A-1	Arbitrage Yield: 1.802087%
Due: 11/1/2039	Moody's: Aa2/VMIG	Arbitrage Position: (\$1,732,191.16)
Call Date:	Fitch:	Arbitrage Last Calc: 12/10/2022
Trustee: Wells Fargo		
Base CUSIP: 768901		

FIXED INCOME PORTFOLIO								
June 30, 2023								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>2009 Public Safety Communication and Woodcrest Library Projects</b>								
23817502 - Base Rental Account	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	778,299.99	\$ 778,299.99	\$ 778,299.99
23817503 - Adj Rate Sec Deposit Acc	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	465,611.52	465,611.52	465,611.52
23817504 - Interest Account	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	16.70	16.70	16.70
23817506 - Admin Expense Account	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	1,522,997.67	1,522,997.67	1,522,997.67
23817508 - Investment Earnings Acco	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	84,385.10	84,385.10	84,385.10
23817513 - Principal Account	GOLDMAN SACHS GOVT INST FUND	5.02%			Aaa	1,372.87	1,372.87	1,372.87
						2,852,683.85	\$ 2,852,683.85	\$ 2,852,683.85

# ASSET LEASING CORPORATION

## 2019A Lease Revenue Refunding Bonds – Tech Refunding Project \$12,875,000

Dated Date: 09/26/2019	S&P: AA-	Arbitrage Yield: Taxable
Due: 11/01/2043	Moody's:	Arbitrage Position: Taxable
Call Date:	Fitch:	Arbitrage Last Calc: Taxable
Trustee: Wells Fargo		
Base CUSIP: 76911A		

FIXED INCOME PORTFOLIO								
June 30, 2023								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>2019 A Lease Revenue Refunding Bonds - Tech Refunding Project</b>								
83918300 - Bond Fund	ALLSPRING Govt Money Market	4.65%				438.06	\$ 438.06	\$ 438.06
						438.06	\$ 438.06	\$ 438.06