

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



ITEM: 5.4  
(ID # 26391)

MEETING DATE:  
Tuesday, November 05, 2024

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, 2024, and, the Investment Report as of June 30, 2024 for the Riverside County Infrastructure Financing Authority. 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 fiscal year ended June 30, 2024; and
2. Receive and file the Investment Report of the Riverside County Infrastructure Financing Authority as of June 30, 2024.

ACTION: Consent

  
Don Kent, Chief Finance Officer 10/28/2024

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: November 5, 2024  
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>	2023-24

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

**BACKGROUND:**

**Summary**

Pursuant to Board Policy B-21, section IV, 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 such as the Riverside County Infrastructure Financing Authority (IFA). 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.

On July 25, 2024, the IOC reviewed the Investment Report of the Riverside County Infrastructure Financing Authority. Also, on October 24, 2024, the IOC reviewed the Independent Accountant's Report on Agreed Upon Procedures, which showed no exceptions (no findings) on all areas of the AUP.

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

**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, 2024
2. Investment Report of the Riverside County Infrastructure Financing Authority as of June 30, 2024



## 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, 2024. 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 14, 2024

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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, 2024:

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, 2024, 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, 2024:

- 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, 2024 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.



July 22, 2024


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 Infrastructure Financing Authority of the County of Riverside for the period ending June 30, 2024 (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, 2024  
Quarterly Investment Report  
County of Riverside, California  
Infrastructure Financing Authority



### Infrastructure Financing Authority Summary by Asset:

Security	Quantity	Total Cost	Market Value	Percentage of Portfolio
FIRST AMERICAN TREASURY	669,665.10	\$669,665.10	\$669,665.10	99%
GOLDMAN SACHS GOVT INST FUND	3,373.37	3,373.37	3,373.37	1%
<b>Grand Total:</b>	<b>673,038.47</b>	<b>\$673,038.47</b>	<b>\$673,038.47</b>	<b>100%</b>

### Infrastructure Financing Authority Summary by Series:

Issue	Market Value
Lease Revenue Refunding Bonds Series 2015 A	\$3,373.37
2016 Series A & A-T IFA Lease Revenue Refunding Bonds	364,699.83
2017 Lease Revenue Bonds, Series A	171,603.74
2017 Lease Revenue Bonds, Series B & C	3,314.97
2021 Lease Revenue Refunding Bonds, Series A & B	130,046.56
<b>Grand Total:</b>	<b>\$673,038.47</b>

### Infrastructure Financing Authority Market Value by Account:

<b>Lease Revenue Refunding Bonds Series 2015 A</b>	
84401900 - Revenue Account	\$3,189.68
84401901 - Interest Account	183.66
84401902 - Principal Account	0.03
<b>Total:</b>	<b>\$3,373.37</b>
<b>2016 Series A &amp; A-T IFA Lease Revenue Refunding Bonds</b>	
222483000 – Bond Fund	\$1,493.78
222483001 - Interest	0.04
222483002 - Principal	0.08
222483003 - Construction	363,205.93
<b>Total:</b>	<b>\$364,699.83</b>

<b>2017 Lease Revenue Bonds, Series A</b>	
256547000 - Revenue	\$2,403.44
256547001 - Interest	0.12
256547002 - Principal	0.04
256547004 - Capital Repair Fund	169,200.14
<b>Total:</b>	<b>\$171,603.74</b>
<b>2017 Lease Revenue Bonds, Series B &amp; C</b>	
240490000 - B Bond Fund	\$3,314.81
240490001 – Interest	0.06
240490002 - Principal	0.10
<b>Total:</b>	<b>\$3,314.97</b>
<b>2021 Lease Revenue Refunding Bonds, Series A &amp; B</b>	
264786000 – Payment Fund	\$20,737.73
264786001 – Interest Account	646.53
264786002 – Principal	0.60
264786004 – Property Conveyance Cost Fund	108,661.70
<b>Total:</b>	<b>\$130,046.56</b>
<b>Grand Total:</b>	<b>\$673,038.47</b>

# Infrastructure Financing Authority

## ISSUES

1. 2015A Capital Improvement Project Ref
2. 2016 Series A & A-T Infrastructure Financing Auth
3. 2017 Lease Revenue Bonds, Series A
4. 2017 Lease Revenue Bonds, Series B & C
5. 2021 Lease Revenue Refunding Bonds, Series A & B

# INFRASTRUCTURE FINANCING AUTHORITY

**2015A Capital Improvement Project Ref**  
**\$72,825,000**

Dated Date: 11/4/2015	S&P: AA-	Arbitrage Yield: 3.135634%
Due: 11/1/2037	Moody's:	Arbitrage Position: (\$983,648.12)
Call Date: 11/1/2025	Fitch:	Arbitrage Last Calc: 11/4/2023
Trustee: Computershare		
Base CUSIP: 76913D		

FIXED INCOME PORTFOLIO									
June 30, 2024									
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value	
<b>Lease Revenue Refunding Bonds Series 2015 A</b>									
84401900 - Revenue Account	GOLDMAN SACHS GOVT INST FUND	5.21%			Aaa	3,189.68	\$ 3,189.68	\$ 3,189.68	
84401901 - Interest Account	GOLDMAN SACHS GOVT INST FUND	5.21%			Aaa	183.66	183.66	183.66	
84401902 - Principal Account	GOLDMAN SACHS GOVT INST FUND	5.21%			Aaa	0.03	0.03	0.03	
						3,373.37	\$ 3,373.37	\$ 3,373.37	

# INFRASTRUCTURE FINANCING AUTHORITY

## 2016 Series A & A-T Infrastructure Financing Auth \$36,740,000 & \$3,245,000

Dated Date: 10/4/2016	S&P: AA-	Arbitrage Yield: 1.930650%
Due: 11/1/2031	Moody's:	Arbitrage Position: (\$845,623.74)
Call Date:	Fitch:	Arbitrage Last Calc: 10/4/2023
Trustee: US Bank		
Base CUSIP: 76913D		

FIXED INCOME PORTFOLIO								
June 30, 2024								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>2016 Series A &amp; A-T IFA Lease Revenue Refunding Bonds</b>								
222483000 - Bond	FIRST AMERICAN TREASURY	5.21%			Aaa	1,493.78	\$ 1,493.78	\$ 1,493.78
222483001 - Interest	FIRST AMERICAN TREASURY	5.21%			Aaa	0.04	0.04	0.04
222483002 - Principal	FIRST AMERICAN TREASURY	5.21%			Aaa	0.08	0.08	0.08
222483003 - Construction	FIRST AMERICAN TREASURY	5.21%			Aaa	363,205.93	363,205.93	363,205.93
						364,699.83	\$ 364,699.83	\$ 364,699.83

# INFRASTRUCTURE FINANCING AUTHORITY

## 2017 Lease Revenue Bonds, Series A \$46,970,000

Dated Date: 12/14/2017	S&P: AA-	Arbitrage Yield: 3.058773%
Due: 11/1/2044	Moody's:	Arbitrage Position: (\$2,066,537.10)
Call Date:	Fitch:	Arbitrage Last Calc: 6/30/2023
Trustee: US Bank		
Base CUSIP: 76913D		

FIXED INCOME PORTFOLIO								
June 30, 2024								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>2017 Lease Revenue Bonds, Series A</b>								
256547000 - Revenue	FIRST AMERICAN TREASURY	5.21%			Aaa	2,403.44	\$ 2,403.44	\$ 2,403.44
256547001 - Interest	FIRST AMERICAN TREASURY	5.21%			Aaa	0.12	0.12	0.12
256547002 - Principal Account	FIRST AMERICAN TREASURY	5.21%			Aaa	0.04	0.04	0.04
256547004 - Capital Repair Fund	FIRST AMERICAN TREASURY	5.21%			Aaa	169,200.14	169,200.14	169,200.14
						171,603.74	\$ 171,603.74	\$ 171,603.74



# INFRASTRUCTURE FINANCING AUTHORITY

## 2017 Lease Revenue Bonds, Series B & C \$11,595,000 & \$10,610,000

Dated Date: 12/28/2017	S&P: AA-	Arbitrage Yield: 3.112117%
Due: B - 5/1/2038 C - 5/1/2047	Moody's:	Arbitrage Position: (\$625,816.89)
Call Date:	Fitch:	Arbitrage Last Calc: 5/1/2023
Trustee: US Bank		
Base CUSIP: 76913D		

FIXED INCOME PORTFOLIO									
June 30, 2024									
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value	
<b>2017 Lease Revenue Bonds, Series B &amp; C</b>									
240490000 - B Bond Fund	FIRST AMERICAN TREASURY	5.21%			Aaa	3,314.81	\$ 3,314.81	\$ 3,314.81	
240490001 - Interest	FIRST AMERICAN TREASURY	5.21%			Aaa	0.06	0.06	0.06	
240490002 - Principal	FIRST AMERICAN TREASURY	5.21%			Aaa	0.10	0.10	0.10	
						3,314.97	\$ 3,314.97	\$ 3,314.97	

# INFRASTRUCTURE FINANCING AUTHORITY

## 2021 Lease Revenue Refunding Bonds, Series A \$59,090,000

Dated Date: 10/19/2021	S&P: AA-	Arbitrage Yield: 1.009175%
Due: 11/1/2032	Moody's:	Arbitrage Position: (\$3,570.29)
Call Date:	Fitch:	Arbitrage Last Calc: 10/19/2023
Trustee: US Bank		
Base CUSIP: 76913D		

## 2021 Lease Revenue Refunding Bonds, Series B \$440,710,000

Dated Date: 10/19/2021	S&P: AA-	Arbitrage Yield: Taxable
Due: 11/1/2045	Moody's:	Arbitrage Position: Taxable
Call Date:	Fitch:	Arbitrage Last Calc: Taxable
Trustee: US Bank		
Base CUSIP: 76913D		

FIXED INCOME PORTFOLIO								
June 30, 2024								
Portfolio	Security	Yield	Maturity	S & P	Moody's	Shares	Total Cost	Market Value
<b>2021 Lease Revenue Refunding Bonds, Series A &amp; B</b>								
264786000 - Payment Fund	FIRST AMERICAN TREASURY	5.21%			Aaa	20,737.73	\$ 20,737.73	\$ 20,737.73
264786001 - Interest Account	FIRST AMERICAN TREASURY	5.21%			Aaa	646.53	646.53	646.53
264786002 - Principal Account	FIRST AMERICAN TREASURY	5.21%			Aaa	0.60	0.60	0.60
264786004 - Property Conveyance	FIRST AMERICAN TREASURY	5.21%			Aaa	108,661.70	108,661.70	108,661.70
						130,046.56	\$ 130,046.56	\$ 130,046.56