



# JOSEPHINE COUNTY, OREGON

EVA L.I. ARCE, TREASURER

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## REPORT FOR QUARTER ENDED MARCH 31, 2015

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3,198,568 Submitted to the Board of County Commissioners

By Eva L.I. Arce

4/15/15

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### STATEMENT OF THE TREASURER AND INVESTMENT OFFICER:

The reporting requirements of ORS 208.090 and ORS 294.085 are fulfilled by this report and the report issued earlier. The investments of Josephine County are in compliance with the objectives and the requirements of the Investment Policy. At March 31, 2015 all bank accounts are in compliance with ORS 295. (See Attachment E).

### SUMMARY OF TREASURER'S REPORT:

Total investments and cash (See page 2 and Attachment A) was \$26,631,315 at March 31, 2015 compared to \$23,837,770 at March 31, 2014. Interest rates on short-term investments at the Local Government Investment Pool (LGIP) is currently at 0.50%, a reduction of 0.04% in November 2014. The prior rate of 0.54% had been in place since February 4, 2013. The LGIP interest rate on June 30, 2012 was 0.60%. Quarterly statistics for the Treasury Division are shown in Attachment C.

The Tax Division mailed 6,176 trimester reminder notices in January 2015. At March 31<sup>st</sup>, total collections for property tax levies are at 99.19%. Current year collections at March 31, 2015, are at 92.51%, including discounts of 2.49%. Property taxes and delinquent interest collected and turned over to taxing districts totaled \$3,198,568 for the quarter ended March 31, 2015. Quarterly statistics for the Tax Division are in Attachment C.

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RECEIVED BY THE BOARD OF COUNTY COMMISSIONERS:

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DATE

## Investments, Cash and Other Accounts

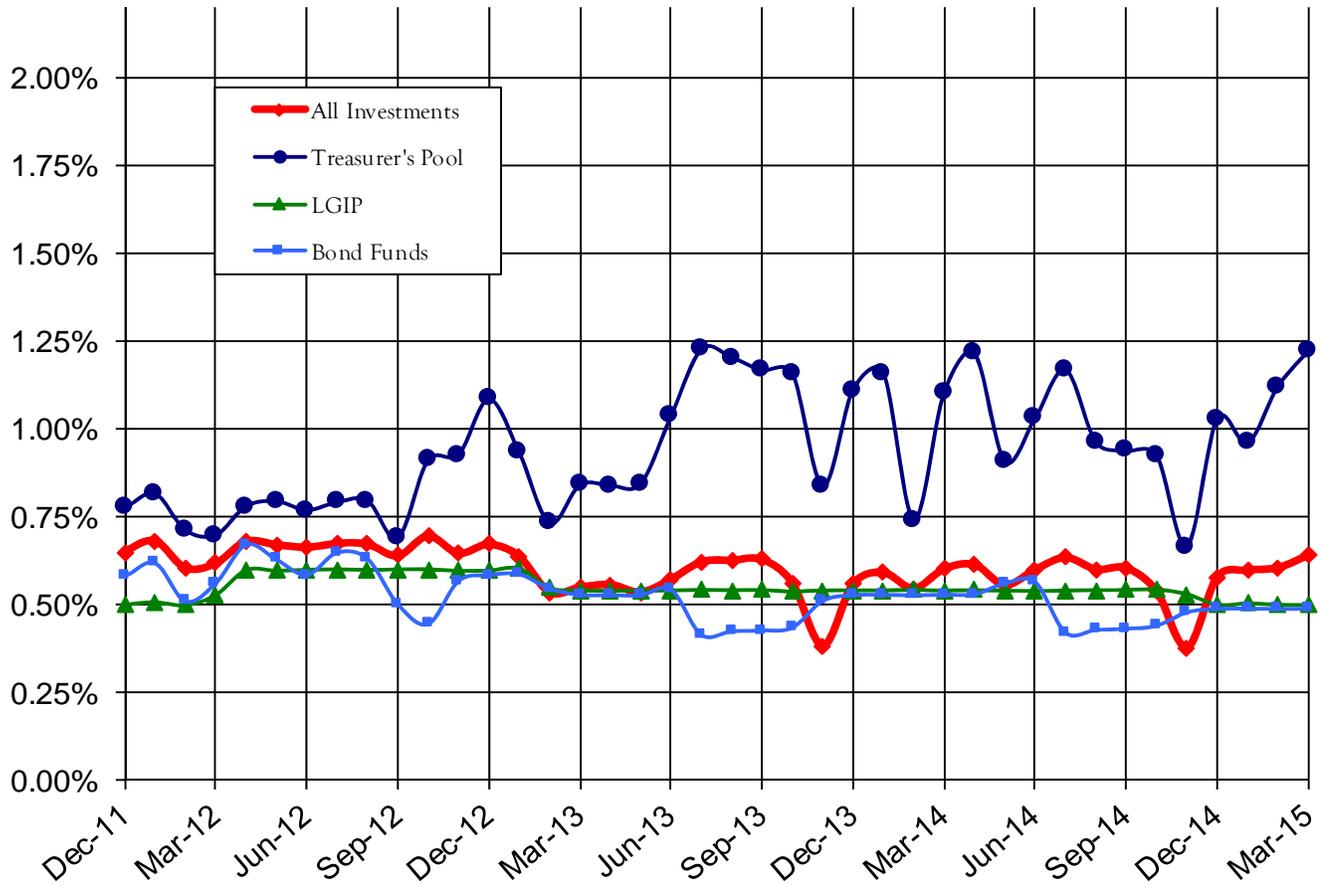
ACCOUNT TYPE	3/31/15 BALANCE	12/31/14 BALANCE	3/31/14 BALANCE
U.S. Govt. guaranteed obligations – Treasurer’s Pool	\$6,139,212.	\$6,138,944.	\$3,968,952.
Commercial Bank Time Certificate of Deposits –Treasurer’s Pool			
Commercial Bank Demand	714,679.	1,059,831.	470,722.
Commercial Municipal Money Market Accounts –Treasurer’s Pool	62,615.	151,935.	36,161.
County Expenditure Outstanding (ZBA Acct)	(303,168.)	(414,674.)	(373,625.)
<b>Total Treasurer's Accounts</b>	<b>6,613,338.</b>	<b>6,936,086.</b>	<b>4,102,210.</b>
Local Government Investment Pool (LGIP) – Treasurer’s	17,984,787.	17,890,253.	17,223,166.
Local Government Investment Pool (LGIP) – Restricted	2,033,190.	2,411,706.	2,512,394.
<b>Total Local Government Investment Pool.</b>	<b>20,017,977.</b>	<b>20,301,959.</b>	<b>19,735,560.</b>
<b>Total of All Accounts</b>	<b>\$26,631,315.</b>	<b>\$27,238,045</b>	<b>\$23,837,770.</b>

### Treasurer’s Statements

- Commercial bank demand deposit accounts are non-interest bearing. Interest rates on investment accounts are shown in Attachment A. Other bank account information is shown elsewhere in this report.
- All Treasury investments are permitted by the Josephine County Investment Policy, and are within the percentage requirements of the Policy. The Policy has no restrictions on investments in commercial bank demand and commercial money market accounts. The Oregon Short Term Fund Board approved the Policy in June 2007; the Board of Commissioners adopted the Policy in 2007 and re-adopted it each year since.
- ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss. According to the Oregon State Treasurer, ORS 295 creates a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100% protected. It is the opinion of the Josephine County Treasurer, and other county treasurers, that the collateralization program essentially guarantees 100% of the balances, in excess of FDIC coverage, of each compliant public depositor. As of March 31, 2015, and as of the date of this report, all county deposits comply with the requirements of the Josephine County Investment Policy and ORS chapters 295 and 294.
- A “third party” custodial agreement for investment safekeeping was completed in June, 2007. As of March 31, 2015, all securities were held by US Bank Institutional Trust & Custody. All investment transactions, except for direct purchase of bank TCDs, are cleared through this safekeeping arrangement.
- On March 31st the Treasurer's investment maturities extend to January 2018. It is difficult to purchase allowable short term securities which are competitive with the Local Government Investment Pool. Details of investments held at March 31, 2015 are shown in Attachment A.
- The Josephine County Investment Policy approved by the Oregon Short Term Fund Board, and re-adopted February 18th, 2015 by the Board of Commissioners, measures performance of the County’s investment portfolio against the performance of the Oregon Local Government Investment Pool and the 90 day Treasury bill rate. The graph shown below compares the performance of the “Treasurer's Pool” with the LGIP and the 90 day US Treasury Bill, along with the returns on all Treasury investments. Historically the LGIP yield is higher than the Treasurer's Pool in a rising interest rate environment and lower when rates are dropping. These yields are calculated and presented using the Bond Equivalent Yield method (i.e. annual percentage return calculated over 365 days vs. 360 days).

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Investment Returns Analysis – March 31, 2015



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ATTACHMENTS

- Attachment A Investment Analysis
- Attachment B Compliance Report
- Attachment C Quarterly Report of Department Activity by Division
- Attachment D Permitted Investments
- Attachment E History of Property Tax Foreclosures



## Eva L. I. Arce, Treasurer, Josephine County, Oregon - Investment Analysis - March 31, 2015

### Investments, Cash and Other Accounts

#### Investments, Cash and Other Accounts

##### Treasurer's Direct Investments

Bank	Investment Number	Investment Type	CUSIP or Acct. Number	Purchase Date	Maturity Date	Book Value	Return Rate	Coupon Rate	Accrued Interest	ai	Total Book Value (ai)	Principal Market Value	Total (ai) Market Value	Over (under) Book Value
USBT	922(4)	OSB Muni	686053CE7	9/5/12	6/30/15	1,210,563	1.1500%	1.1567%	35,943.71	ai	1,246,506	1,246,506	1,282,450	\$ 35,944
USBT	923(1)	U of CA Muni	91412GGQ2	6/12/13	5/15/16	757,690	0.9000%	0.9172%	3,897.46	ai	761,587	761,587	765,485	\$ 3,897
USBT	926(2)	FNMA	31359MEL3	6/9/14	6/1/17	975,637	0.8301%	0.8300%	6,605.28	ai	982,242	982,242	988,848	\$ 6,605
USBT	927(3)	FICO	31771KAB3	10/20/14	10/6/17	999,137	1.0100%	1.0100%	4,620.59	ai	1,003,758	1,003,758	1,008,378	\$ 4,621
USBT	929(2)	FHLMC	3134G5GB5	11/26/14	8/28/17	199,945	1.1500%	1.1500%	175.03	ai	200,120	200,120	200,295	\$ 175
USBT	930(2)	FNMA	3136G07M7	12/15/14	11/7/17	996,240	1.0450%	1.0400%	2,666.99	ai	998,907	998,907	1,001,574	\$ 2,667
USBT	931(2)	FFCB	3133EEKV1	1/22/15	1/22/18	1,000,000	1.0200%	1.0200%	1,898.45	ai	1,001,898	1,001,898	1,003,797	\$ 1,898
<b>Total Treasurer's Direct Investments</b>						<b>\$ 6,139,211</b>			<b>\$ 55,808</b>		<b>\$ 6,195,019</b>	<b>\$ 6,195,019</b>	<b>\$ 6,250,826</b>	<b>\$ 55,808</b>

##### Treasurer's General Purpose Investment Portfolio

	Book Value	Return Rate	Month End Rate
Treasurer's Direct Investments (from above)	\$ 6,139,211		
Local Government Investment Pool - Treasurer's Investment	17,984,787	0.54%	0.50%
Washington Federal Bank Checking	39,816	0.14%	0.15%
Bank of the Cascades	22,799	0.10%	0.10%
<b>Total Treasurer's General Purpose Investment Portfolio</b>	<b>24,186,614</b>		

##### Treasurer's Restricted Investment Accounts

Local Government Investment Pool - OTIA Bridge Projects <i>Restricted</i>	554,546	0.48%	0.50%
Local Government Investment Pool - Unsegregated Taxes	403,732	0.49%	0.50%
Local Government Investment Pool - Adult Jail	1,074,913	0.49%	0.50%
<b>Total Treasurer's Restricted Investment Accounts</b>	<b>2,033,190</b>		

##### Treasurer's Other Cash and Investments

US Bank Treasurer's Checking	712,552	N/A
US Bank District Attorney's Witness Checking	2,127	N/A
US Bank Zero Basis Account--A/P Disbursement Account	(292,012)	N/A
US Bank Zero Basis Account--P/R Disbursement Account	(11,156)	
<b>Total Treasurer's Other Cash and Investments</b>	<b>411,511</b>	

##### Deposit in Transit

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##### Total Investments and Cash

**\$ 26,631,315**

##### Other Cash in Treasurer's Change Funds

**\$ 2,100**

##### **NOTES:**

- |     |                         |                             |
|-----|-------------------------|-----------------------------|
| (1) | University of CA        | Interest paid semi annually |
| (2) | Federal Loan Agencies   | Interest paid semi annually |
| (3) | FICO Strip              | Interest paid at maturity   |
| (4) | OR State Bond Municipal | Interest paid at maturity   |

# Josephine County Treasurer

## Compliance Report March 31, 2015

### Percentages Allowed by Account Type

<u>Permitted Account Types</u>	<u>Account Balance</u>	<u>Actual Percent</u>	<u>Allowed Percent</u>
A - Investments in U. S. Govt. Obligations	\$ -	0.0%	100%
B - Investments in U.S. Govt. guaranteed obligations	4,170,959	15.9%	100%/25% *
C - Commercial Bank Time Certificates	-	0.0%	50%/25% *
C - Commercial Bank Municipal Money Market Account	62,616	0.2%	Not Limited
C - Commercial Bank Restricted Bond Account	-	0.0%	Not Limited
F - State Local Government Investment Pool (LGIP)	20,017,977	76.3%	100%
H - State & Local Government Securities	1,968,252	7.5%	25%/25% *
<i>* Total % and % allowed in one Agency or Financial Institution</i>			
<b>Total Portfolio - Interest Bearing Accounts and Instruments</b>	<b>\$ 26,219,804</b>	<b>100.0%</b>	
C - Commercial Bank Demand	\$ 714,679		Not Limited
C - Commercial Bank Zero Basis Accounts	(303,168)		Not Limited
Cash on Hand to Deposit	-		Not Limited
<b>Total Cash and Other Bank Accounts</b>	<b>\$ 411,511</b>		
<b>Total of All Accounts</b>	<b>\$ 26,631,315</b>		

<u>TCD Percentages Allowed by Institution</u>	<u>Time Certificate Balance</u>	<u>Percent of Portfolio</u>	<u>Allowed Percentage</u>
	\$ -	0.0%	25%
	-	0.0%	25%
<b>Total of TCDs in All Institutions</b>	<b>\$ -</b>	<b>0.0%</b>	<b>50.0%</b>

<u>Portfolio Maturity Dates</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Minimum/Maximum Allowed Percentage</u>
30 Days and Less	\$ 20,453,895	76.9%	10% Minimum
90 Days and Less	20,453,895	76.9%	25% Minimum
366 Days and Less	21,664,458	81.5%	100% None
12 Months to 18 Months	757,690	2.8%	25% Maximum
18 Months to 36 Months	4,170,741	15.7%	25% Maximum
Matched Long Term Maturities	-	0.0%	Matched
<b>Total Portfolio</b>	<b>\$ 26,592,889</b>	<b>100.0%</b>	

#### PUBLIC FUNDS COLLATERALIZATION PROGRAM (Effective July 1, 2008)

ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. This provides additional protection for public funds in the event of a bank loss.

Banks are required to report quarterly to the Oregon State Treasury, providing quarter-end public funds balances in excess of the FDIC limits, net worth, and FDIC capitalization information.

Public officials are required to verify that deposit accounts in excess of deposit insurance limits are only maintained at financial institutions included on the list of qualified depositories found on the Oregon State Treasurer's web site at:

<http://www.ost.state.or.us/divisions/finance/collateral/qualifieddepositoriespublicfunds.htm>

**On March 31, 2015, and at the date of this report, all reporting requirements of ORS 295 are satisfied.**

# Josephine County Treasurer/Tax Collector

Report of Activity for the Quarter Ending March 31, 2015

<b>Line</b>		<b>JAN-MAR</b>
<b>No.</b>		<b>2015</b>
<b>1</b>	<b>TREASURY DIVISION ACTIVITY</b>	
<b>2</b>	# Receipts Issued	706
<b>3</b>	# Revenue Receipts (JV's) (ACH's)	1,178
<b>4</b>	# Checks/Wires	168
<b>7</b>	\$ Average Portfolio	\$27,601,932
<b>8</b>	\$ Interest Earnings Received	\$30,359
<b>9</b>	\$ Interest Earnings Accrued	\$42,734
<b>10</b>	\$ Fees Generated - Treas Investment Fee	\$15,870
<b>11</b>	# Checks Processed (cleared)	1,917
<b>12</b>	# Tax Distributions	3
<b>13</b>	\$ Tax & Delinq. Interest Distributed	\$3,198,568
<b>14</b>	<b>TAX DIVISION ACTIVITY</b>	
<b>15</b>	# Statements Mailed	6,176
<b>16</b>	# Delinquent Notices Mailed	0
<b>17</b>	# Tax Warrants Issued on MH & BPP	119
<b>18</b>	# Liens Satisfied MH & BPP	49
<b>19</b>	# Notices of Foreclosure Cert & 1st Class	0
<b>20</b>	# Properties Published as Foreclosed	0
<b>21</b>	# Properties Redeemed	7
<b>22</b>	# Properties Deeded	0
<b>23</b>	# Tax Refunds Processed/Issued	50
<b>24</b>	\$ Amount of Tax Refunds Issued	\$29,683
<b>25</b>	# of Tax Journal Vouchers	27
<b>26</b>	# of Tax Accounts Re-billed	2
<b>27</b>	# Destroyed Property Applications	2
<b>28</b>	# Active Bankruptcies # of Properties	88
<b>29</b>	# Prepay Receipts Issued	3
<b>31</b>	# Register Receipts Issued	6,092
<b>32</b>	# e-Payments Processed	443
<b>33</b>	# Lockbox Payments Processed	0
<b>34</b>	# Address Changes	178
<b>35</b>	\$ Other Fees Generated	\$150
<b>36</b>	% Current Taxes Collected (\$)	92.510%
<b>37</b>	\$ Current Year Taxes Uncollected	\$4,629,893
<b>38</b>	Number of Current Accounts Uncollected	6,831
<b>39</b>	% 1-3 Years Delinquent (\$)	1.753%
<b>40</b>	\$ 1-3 Years Delinquent Uncollected	\$3,155,743
<b>41</b>	Number of accounts 1-3 years Uncollected	3,969
<b>42</b>	% 4 & More Years Delinquent (\$)	0.088%
<b>43</b>	\$ 4 & More Years Delinquent Uncollected	\$711,525
<b>44</b>	Number of accounts 4 & More Years Delq Uncollected	741
	(% Collected Includes Discounts Given)	

PERMITTED INVESTMENTS UNDER THE JOSEPHINE COUNTY INVESTMENT POLICY

Type **A.** Legally issued general obligations of the United States:

<u>Code</u>	<u>Description</u>
USTRS	U.S. Treasury Bills, Notes, Bonds,
STRIPS	U.S. Treasury Strips.

Type **B.** US Government Agency Securities and Instruments of Government-Sponsored Enterprises:

<u>Code</u>	<u>Description</u>
FFCB	Federal Farm Credit Banks,
FHLB	Federal Home Loan Banks,
FHLMC	Federal Home Loan Mortgage Corp.,
FICB	Federal Intermediate Credit Bank,
FICO	Financing Corporation,
FLB	Federal Land Bank,
FNMA	Federal National Mortgage Assoc.,
SLMA	Student Loan Marketing Assoc.,
TVA	Tennessee Valley Authority.

Type **C.** Deposits in Commercial Banks which maintain a head office or branch in the State of Oregon in the capacity of a bank. As required by ORS Chapter 295, the County Treasurer will be responsible to ensure that a Certificate of Collateral Participation has been issued by the institution to collateralize outstanding demand deposits and Time Certificates of Deposits:

<u>Code</u>	<u>Description</u>
TCD	Time Certificate of Deposits,
CDARS	TCDs issued through the Certificate of Deposit Registry Service as allowed by ORS 295.004
DDA	Demand Deposit Accounts,
MMA	Municipal Money Market Accounts.

Type **D.** Deposits in Mutual Savings Banks, Savings and Loan Associations and Federal Credit Unions which maintain a head office or branch in the State of Oregon in the capacity of a Mutual Savings Bank, Savings and Loan Association or Credit Union. The County Treasurer will be responsible to ensure that a Certificate of Collateral Participation has been issued by the institution to collateralize outstanding Certificates of Deposits:

<u>Code</u>	<u>Description</u>
CD	Certificate of Deposit.

Type **E.** Repurchase Agreements (Repo's): Master Repurchase agreements are required with any bank dealing in Repurchase Agreements.

<u>Code</u>	<u>Description</u>
REPO	Repurchase Agreements

Type **F.** Local Government Investment Pool (LGIP): To the limit of ORS 294.810, \$43,889,508 Effective 1/1/2011, not limited for funds invested temporarily on behalf of another government unit.

Type **G.** Bankers Acceptances:

<u>Code</u>	<u>Description</u>
BA	Bankers Acceptances

Type **H.** Municipal Securities :

<u>Code</u>	<u>Description</u>
MUNI	State and Local Government Securities

## Attachment D – Permitted Investments

# Josephine County Treasurer and Tax Collector History of Property Tax Foreclosures Through March 31, 2015

Year of Foreclosure	Year Delinquent	Number of Properties Published	Date of Foreclosure Judgment	Number of Properties With Judgment	Date Foreclosed Property Deeded	Number of Properties Deeded	Number of Properties Owner Occupied
1987	1984/85	188	11/4/1988	52	4/16/1991	10	?
1989	1985/86	130	11/24/1989	51	4/13/1992	13	?
1990	1986/87	133	10/25/1990	54	7/27/1994	8	?
1991	1987/88	125	12/13/1991	51	8/6/1994	9	?
1995	1988/89	110	10/8/1992	54	4/24/1995	6	?
1993	1989/90	133	10/22/1993	35	6/6/1996	8	?
1994	1990/91	100	10/21/1994	38	4/10/1997	5	0
1995	1991/92	97	10/18/1995	38	4/28/1998	6	0
1996	1992/93	94	10/8/1996	45	5/10/1999	11	1
1997	1993/94	104	10/8/1997	43	6/9/2000	4	0
1998	1994-95	111	10/5/1998	40	10/15/2001	6	1
1999	1995-96	73	10/18/1999	32	6/19/2002	2	0
2000	1996-97	57	10/18/2000	28	5/14/2003	2	0
2001	1997-98	38	10/5/2001	23	5/11/2004	3	0
2002	1998-99	33	10/9/2002	23	9/5/2005	2	0
2003	1999-00	20	10/9/2003	11	7/28/2006	2	0
2004	2000-01	33	10/6/2004	14	12/21/2006	1	0
2005	2001-02	35	10/28/2005	13	3/18/2008	1	0
2006	2002-03	21	10/17/2006	10	1/27/2009	2	0
2007	2003-04	18	10/10/2007	7	11/30/2009	0	0
2008	2004-05	21	10/6/2008	10	2/22/2011	2	0
2009	2005-06	33	10/14/2009	16	3/26/2012	1	0
2010	2006-07	63	10/12/2010	37	4/22/2013	3	0
2011	2007-08	54	10/11/2011	29	5/9/2014	5	0
2012	2008-09	71	10/9/2012	45	2015	5	0
2013	2009-10	49	10/29/2013	29	2016		
2014	2010-11	276	10/15/2014	171	2017		