



JOSEPHINE COUNTY, OREGON

EVA L.I. ARCE, TREASURER

REPORT FOR QUARTER ENDED DECEMBER 31, 2016

Submitted to the Board of County Commissioners

By

Eva L.I. Arce

2/16/17

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 December 31, 2016 all bank accounts are in compliance with ORS 295. (See Attachment B).

SUMMARY OF TREASURER'S REPORT:

Total investments and cash (See page 2 and Attachment A) was \$32,208,063 at December 31, 2016 compared to \$29,175,989 at December 31, 2015. Interest rates on short-term investments at the Local Government Investment Pool (LGIP) is currently at 1.03%, an increase of 0.11% since July 2016 and 0.16% since May 2016. The interest rate has made incremental increases since December 2015. Quarterly statistics for the Treasury Division are shown in Attachment C.

Taxes certified from Assessment on September 30th totaled \$67,028,389.52. The Tax Division mailed 45,786 tax statements on October 14th. At December 31, 2016 total collections for current year property tax levies are at 89.09%. Current year collections at December 31, 2015, were at 88.37%, including discounts of 2.53%. Property taxes and delinquent interest collected and turned over to the 16 taxing entities in Josephine County totaled \$58,517,193 for the quarter ended December 31, 2016. Two refunds over \$10,000 were processed in December due to Tax Roll corrections. Quarterly statistics for the Tax Division are in Attachment C.

RECEIVED BY THE BOARD OF COUNTY COMMISSIONERS:

DATE

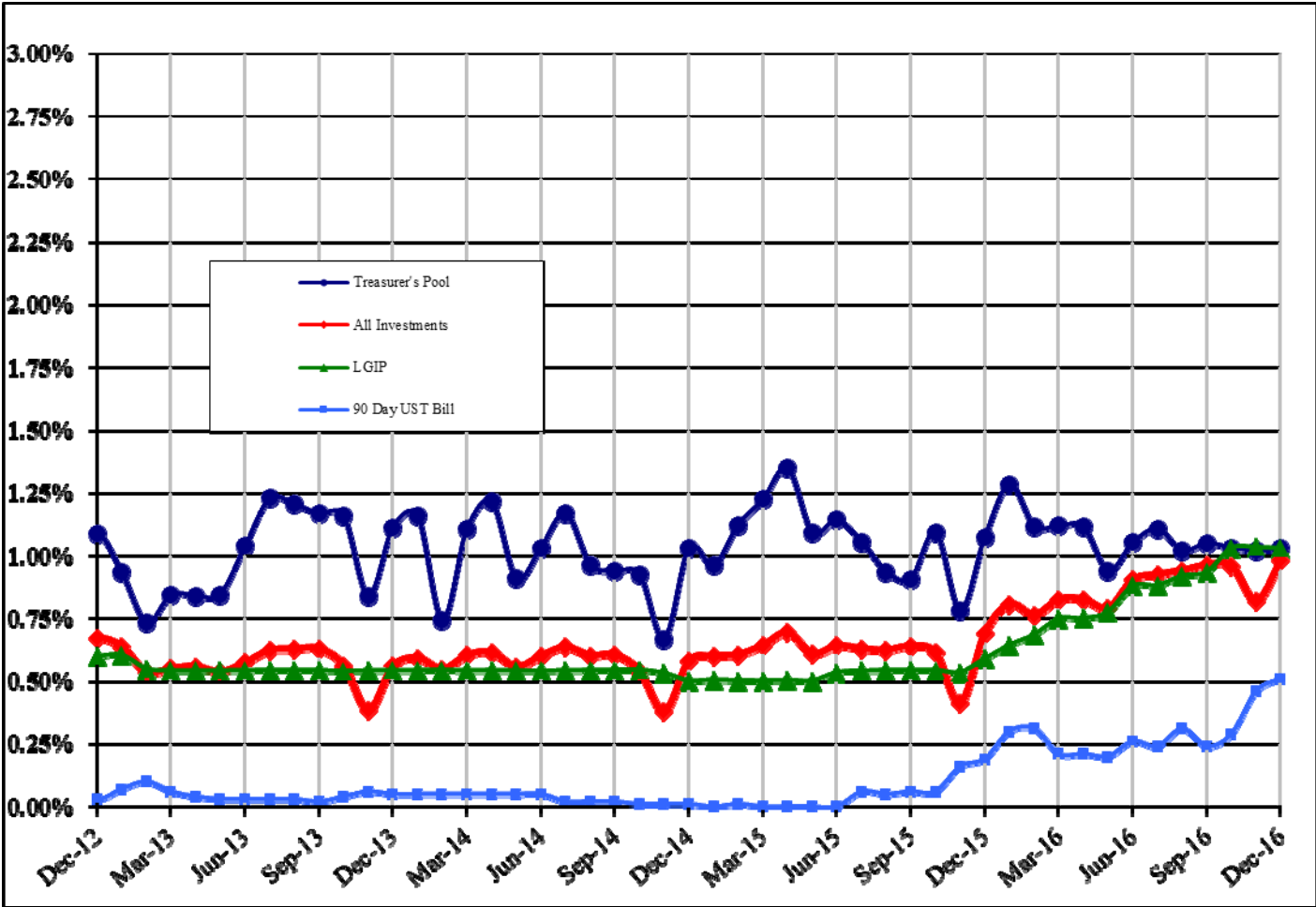
Investments, Cash and Other Accounts

ACCOUNT TYPE	12/31/16 BALANCE	9/30/16 BALANCE	12/31/15 BALANCE
U.S. Govt. guaranteed obligations – Treasurer’s Pool	\$7,975,975.	\$7,975,974.	\$7,722,395.
Commercial Bank Time Certificate of Deposits –Treasurer’s Pool			
Commercial Bank Demand	484,264.	677,795.	569,301.
Commercial Municipal Money Market Accounts –Treasurer’s Pool	50,004.	60,880.	50,005.
County Expenditure Outstanding (ZBA Acct)	(144,442.)	(826,708.)	(485,326.)
Total Treasurer's Accounts	8,365,801.	7,887,941.	7,856,375.
Local Government Investment Pool (LGIP) – Treasurer’s	21,028,823.	19,897,182.	19,260,304.
Local Government Investment Pool (LGIP) – Restricted	2,813,439.	287,242.	2,059,311.
Total Local Government Investment Pool.	23,842,262.	20,184,424.	21,319,615.
Total of All Accounts	\$32,208,063.	\$28,072,365.	\$29,175,990.

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 has 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 December 31, 2016, 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 December 31, 2016, 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 December 31st the Treasurer's investment maturities extend to July 2019. It is difficult to purchase allowable short term securities which are competitive with the Local Government Investment Pool. Details of investments held at December 31, 2016 are shown in Attachment A.
- The Josephine County Investment Policy approved by the Oregon Short Term Fund Board, and re-adopted February 10th, 2016 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).

Investment Returns Analysis – December 31, 2016



ATTACHMENTS

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



Eva L. I. Arce, Treasurer, Josephine County, Oregon
December 31, 2016 ORS 208.090 Report

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 \$	Total Book Value \$	Principal Market Value	Total (ai) Market Value	Over (under) Book Value
USBT	926(1)	FNMA	31359MEL3	6/9/14	6/1/17	975,637	0.8301%	0.8300%	20,957.04	996,594	975,637	996,594	\$ -
USBT	927(2)	FICO	31771KAB3	10/20/14	10/6/17	999,137	1.0100%	1.0100%	22,901.56	1,022,039	999,137	1,022,039	\$ -
USBT	933(1)	FAMCO	31315PR68	8/20/15	11/24/17	1,003,258	0.9040%	1.0400%	1,058.20	1,004,317	1,003,258	1,004,317	\$ -
USBT	934(2)	FICO	31771KAH0	9/11/15	8/3/18	998,883	1.1200%	1.1300%	14,944.41	1,013,828	998,883	1,013,828	\$ -
USBT	935(1)	FFCB	3133EF7L5	5/16/16	5/16/19	1,000,000	1.1700%	1.1700%	1,462.34	1,001,462	1,000,000	1,001,462	\$ -
USBT	935(1)	FFCB	3133EGLC7	7/12/16	7/12/19	1,000,000	1.0800%	1.0800%	5,048.20	1,005,048	1,000,000	1,005,048	\$ -
USBT	937(1)	FFCB	3133EGKZ7	7/18/16	7/18/19	999,559	1.0300%	1.0650%	4,798.80	1,004,358	999,559	1,004,358	\$ -
USBT	938(1)	FNMA	3135G0M59	7/26/16	7/26/19	999,500	1.1250%	1.1420%	4,337.10	1,003,837	999,500	1,003,837	\$ -
Total Treasurer's Direct Investments						\$ 7,975,975			75,507.65	\$8,051,482	\$ 7,975,975	\$ 8,051,482	\$ -

<u>Treasurer's General Purpose Investment Portfolio</u>		Return Rate	Month End Rate
Treasurer's Direct Investments (from above)	\$ 7,975,975		
Local Government Investment Pool - Treasurer's Investment	21,028,823	0.875%	0.875%
Washington Federal Bank Checking	50,004	0.05%	0.05%
Total Treasurer's General Purpose Investment Portfolio	29,054,802		

<u>Treasurer's Restricted Investment Accounts</u>		Return Rate	Month End Rate
Local Government Investment Pool - Unsegregated Taxes	1,866,308	0.875%	0.875%
Local Government Investment Pool - Adult Jail	947,131	0.875%	0.875%
Total Treasurer's Restricted Investment Accounts	2,813,439		

<u>Treasurer's Other Cash and Investments</u>		
US Bank Treasurer's Checking	482,172	N/A
US Bank District Attorney's Witness Checking	2,093	N/A
US Bank Zero Basis Account--A/P Disbursement Account	(75,078)	N/A
US Bank Zero Basis Account--P/R Disbursement Account	(69,364)	
Total Treasurer's Other Cash and Investments	339,822	

Total Investments and Cash	\$ 32,208,063
Other Cash in Treasurer's Change Funds	\$ 2,100

NOTES:
 1) Federal Loan Agencies Interest paid semi annually
 2) FICO Strip Interest paid at maturity

Josephine County Treasurer

Compliance Report December 31, 2016

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	7,975,975	25.0%	100%/25%
C - Commercial Bank Time Certificates	-	0.0%	50%/25%
C - Commercial Bank Municipal Money Market Account	50,004	0.2%	Not Limited
C - Commercial Bank Restricted Bond Account	-	0.0%	Not Limited
F - State Local Government Investment Pool (LGIP)	23,842,262	74.8%	100%
H - State & Local Government Securities	-	0.0%	25%/25%
<i>* Total % and % allowed in one Agency or Financial Institution</i>			
Total Portfolio - Interest Bearing Accounts and Instruments	\$ 31,868,241	100.0%	
C - Commercial Bank Demand	\$ 484,264		Not Limited
C - Commercial Bank Zero Basis Accounts	(144,442)		Not Limited
Total Cash and Other Bank Accounts	\$ 339,822		
Total of All Accounts	\$ 32,208,064		

<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%
Total of TCDs in All Institutions	\$ -	0.0%	50.0%

<u>Portfolio Maturity Dates</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Minimum/Maximum Allowed Percentage</u>
30 Days and Less	\$ 23,892,266	75.0%	10% Minimum
90 Days and Less	23,892,266	75.0%	25% Minimum
366 Days and Less	26,870,299	84.3%	100% None
12 Months to 18 Months	-	0.0%	25% Maximum
18 Months to 36 Months	4,997,942	15.7%	25% Maximum
Matched Long Term Maturities	-	0.0%	Matched
Total Portfolio	\$ 31,868,241	100.0%	

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 December 31, 2016, and at the date of this report, all reporting requirements of ORS 295 are satisfied.

General Ledger

Summary Trial Balance

User: earce
 Period: 04 to 06, 2017



Fund	Description	Balance as of 10/1/2016	Debit This Period	Credit This Period	Balance as of 12/31/2016
10	General Fund	2,639,287.69	4,675,422.54	2,197,326.10	5,117,384.13
11	Public Works	2,671,195.40	1,767,670.13	1,541,706.50	2,897,159.03
12	Public Safety	4,293,480.59	1,636,697.98	3,035,993.08	2,894,185.49
13	Community Corrections	1,484,833.42	1,020,760.81	1,286,343.95	1,219,250.28
14	Public Health	643,562.69	1,215,152.36	879,133.54	979,581.51
15	Mental Health	817,336.63	1,689,757.31	1,689,507.46	817,586.48
16	Grant Projects	1,205,165.99	104,150.71	204,082.65	1,105,234.05
20	Building and Safety	840,819.61	139,076.08	169,293.29	810,602.40
21	Comm Children & Families	7,501.73	15.02	-	7,516.75
22	Court Facilities & Security	8,534.70	17,156.93	17,503.57	8,188.06
23	Fairgrounds	31,356.94	106,478.83	126,391.95	11,443.82
24	Parks	256,250.62	295,772.94	267,451.96	284,571.60
25	Transit	398,316.50	813,035.89	1,253,492.44	(42,140.05)
30	Clerk Records	13,507.17	5,119.38	1,344.74	17,281.81
31	DA Forfeiture	135,995.19	1,724.43	-	137,719.62
32	DA Special Programs	68,700.29	28,584.31	38,350.00	58,934.60
33	Juvenile Justice Special Prgms	62,859.25	33,227.76	59,362.69	36,724.32
34	Public Land Corner Preserv	56,574.18	38,809.00	48,186.01	47,197.17
35	PW Special Projects	200,472.15	43,663.89	64,784.91	179,351.13
40	Administrative Internal Svc	1,103,023.51	1,012,113.00	1,367,193.18	747,943.33
41	County Fleet & Building Ops	473,029.17	887,039.60	697,993.49	662,075.28
42	Insurance Reserve	475,655.44	282,760.82	233,792.27	524,623.99
43	Payroll Reserve	151,379.58	161,591.98	93,876.01	219,095.55
44	Payroll Clearing	1,607,494.48	3,921,681.65	3,931,653.58	1,597,522.55
45	County Bridge Construction	-	-	-	-
46	Roads and Bridges Reserve	3,023,464.91	310,682.18	292,419.21	3,041,727.88
47	Property Reserve	1,991,384.31	472,838.67	405,693.07	2,058,529.91
48	Equipment Reserve	3,633.78	1,013,634.18	412,487.87	604,780.09
50	Commissary	167,779.60	140,024.80	132,694.03	175,110.37
51	G. P. Airport	(28,875.38)	409,491.02	410,736.37	(30,120.73)
52	I. V. Airport	(2,959.84)	60,949.74	78,185.11	(20,195.21)
60	Adult Jail Facility Debt Servi	139,150.18	850,908.17	41,796.49	948,261.86
61	PERS Bond Debt Service	1,283,792.73	377,630.18	177,062.50	1,484,360.41
71	County School	53.56	4,116.80	-	4,170.36
72	Human Service Programs Trust	124,765.64	239.40	84,484.29	40,520.75
74	Library Programs Trust	500,952.38	1,003.38	-	501,955.76
75	PEG Access Trust	32,454.92	64.99	-	32,519.91
76	Sheriff Forfeiture Fund	24,312.59	5,590.09	2,591.07	27,311.61
77	Sheriff Programs Trust	67,557.63	6,878.34	1,600.00	72,835.97
80	4H Extension District	135,757.05	281,678.10	3,398.31	414,036.84
81	4H Building Reserve	283,978.21	568.78	-	284,546.99
82	Deputy Sheriff Relief	5,599.09	11.20	-	5,610.29
83	DA Ckg-USB Witness Revolving	2,240.26	-	141.40	2,098.86
84	Domestic Violence	1,650.40	2,325.00	3,075.00	900.40
85	Expanded Lien Release	6,760.78	798.00	684.00	6,874.78
86	Statutory Liens	16.45	0.03	-	16.48
87	Perform. Bond	191,309.22	9,418.51	20,278.24	180,449.49
88	Pre-Payments Trust	3,416.00	356.12	3,391.71	380.41
90	Uncashed Cks 98.302	0.16	251.67	251.67	0.16
91	Holding Suspense	316.90	820,205.18	819,879.93	642.15
92	Childrens Trust Fund	1,231.29	135.38	132.00	1,234.67
93	Car Seat Trust	2,364.13	4.72	-	2,368.85

94	Assessment & Tax	195,102.14	161,717.63	195,432.16	161,387.61
95	JoCo Juvenile Trust	751.92	1.49	-	753.41
96	Special Advocate Trust	-	-	-	-
97	Tri Trust Fund	2,343.08	4.68	-	2,347.76
98	Unsegregated Taxes	208,452.57	58,887,285.73	57,244,715.42	1,851,022.88
99	Segregated Taxes	19,777.15	51,724,542.88	51,724,904.35	19,415.68
	Report Totals:	<u>28,034,866.73</u>	<u>135,440,820.39</u>	<u>131,260,797.57</u>	<u>32,214,889.55</u>

GL-Summary Trial Balance (2/10/2017 - 11:50 AM)

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/Tax Collector

Report of Activity for the Quarter Ending December 31, 2016

<i>Line</i>		<i>OCT-DEC</i>	<i>OCT-DEC</i>
<i>No.</i>		<i>2015</i>	<i>2016</i>
1	TREASURY DIVISION ACTIVITY		
2	# Receipts Issued	770	719
3	# Revenue Receipts (JV's) (ACH's)	1,279	897
4	# Checks/Wires	555	502
7	\$ Average Portfolio	\$35,444,182	\$40,557,974
8	\$ Interest Earnings Received	\$46,860	\$90,529
9	\$ Interest Earnings Accrued	\$53,150	\$100,363
10	\$ Fees Generated - Treas Investment Fee	\$20,748	\$24,077
11	# Checks Processed (cleared)	2,055	2,144
12	# Tax Distributions	6	7
13	\$ Tax & Delinq. Interest Distributed	\$56,116,539	\$58,517,193
14	TAX DIVISION ACTIVITY		
15	# Statements Mailed	45,786	45,786
16	# Delinquent Notices Mailed	690	0
17	# Tax Warrants Issued on MH & BPP	0	0
18	# Liens Satisfied MH & BPP	41	28
19	# Notices of Foreclosure Cert & 1st Class	0	0
20	# Properties Published as Foreclosed	0	0
21	# Properties Redeemed	99	11
22	# Properties Deeded	0	0
23	# Tax Refunds Processed/Issued	360	222
24	\$ Amount of Tax Refunds Issued	\$231,348	\$308,030
	Refunds over \$10K		2 \$34,157.03
25	# of Tax Journal Vouchers	352	96
26	# of Tax Accounts Re-billed	53	64
27	# Destroyed Property Applications	0	1
28	# Active Bankruptcies # of Properties	118	70
29	# Prepay Receipts Issued	0	2
31	# Register Receipts Issued	18,820	17,735
32	# e-Payments Processed	992	1,123
33	# Lockbox Payments Processed	13,685	13,146
34	# Address Changes	1,329	348
35	\$ Fees Generated	\$31,201	\$4,783
36	% Current Taxes Collected (\$)	88.450%	89.080%
37	\$ Current Year Taxes Uncollected	\$7,425,061	\$7,322,040
38	Number of Current Accounts Uncollected	7,892	7,915
39	% 1-3 Years Delinquent (\$)	1.857%	1.803%
40	\$ 1-3 Years Delinquent Uncollected	\$3,371,949	\$3,330,764
41	Number of accounts 1-3 years Uncollected	3,864	3,536
42	% 4 & More Years Delinquent (\$)	0.090%	0.108%
43	\$ 4 & More Years Delinquent Uncollected	\$787,865	\$1,010,611
44	Number of accounts 4 & More Years Delq Uncollected	552	576
	(% Collected Includes Discounts Given)		

Josephine County Treasurer and Tax Collector History of Property Tax Foreclosures Through December 31, 2016

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	8/4/2015	5	0
2013	2009-10	49	10/29/2013	29	1/28/2016	4	1
2014	2010-11	276	10/15/2014	171	2017		
2015	2011-12	39	10/22/2015	28	2018		