

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

803A



FROM: Don Kent, Treasurer-Tax Collector

SUBMITTAL DATE:
December 9, 2013

SUBJECT: Treasurer's Monthly Disclosure Report on Investments

RECOMMENDED MOTION: That the Board of Supervisors receives and files the Treasurer's "Monthly Disclosure Report on Investments" dated November 2013.

BACKGROUND:

Summary

The County Treasurer and Tax Collector is submitting the above noted report to the County Board of Supervisors in keeping with Section 53607 of the California Government Code, which requires a quarterly report on the status of investments. The practice has been to provide the Board with a monthly report. The report gives the various statistics on the portfolio as to overall composition, liquidity structure, credit quality on the various securities, and provides several trends on earning performance, average weighted maturity, and the portfolio's "paper loss or gain".

Departmental Concurrence

Don Kent
Treasurer-Tax Collector

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS:

Budget Adjustment: No
For Fiscal Year: 2013/2014

C.E.O. RECOMMENDATION:

APPROVE

BY:
Karen L. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Prev. Agn. Ref.:

District: ALL

Agenda Number:

2-13

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County of Riverside

Treasurer's Pooled Investment Fund

November 2013



Capital Markets Team

Don Kent

Treasurer-Tax Collector

Jon Christensen

Asst. Treasurer-Tax Collector

Giovane Pizano

Investment Manager

Erika Clark

Asst. Investment Manager

Investment Objectives

The primary objective of the treasurer shall be to **safeguard the principal** of the funds under the treasurer's control, meet the **liquidity needs** of the depositor, and achieve a **return on the funds** under his or her control.

**RIVERSIDE COUNTY TREASURER'S POOLED INVESTMENT FUND IS CURRENTLY RATED:
Aaa-bf BY MOODY'S INVESTOR'S SERVICE AND AAA/V1 BY FITCH RATINGS**

	Month End Market Value (\$)*	Month End Book Value (\$)	Paper Gain or Loss (\$)	Paper Gain or Loss (%)	Book Yield (%)	Yrs to Maturity	Modified Duration
November	5,032,655,881.68	5,035,567,606.25	(2,911,724.57)	(0.06)	0.38	1.34	1.32
October	4,703,816,806.01	4,708,007,227.09	(4,190,421.08)	(0.09)	0.39	1.39	1.37
September	4,667,700,837.97	4,676,504,716.51	(8,803,878.54)	(0.19)	0.38	1.37	1.34
August	5,126,815,145.73	5,143,739,370.71	(16,924,224.98)	(0.33)	0.38	1.31	1.28
July	5,056,902,977.23	5,068,151,243.56	(11,248,266.33)	(0.22)	0.37	1.32	1.30
June	4,955,274,812.46	4,969,751,125.22	(14,476,312.76)	(0.29)	0.39	1.41	1.39

*The Treasurer's Pooled Investment Fund is comprised of the
County, Schools, Special Districts, and other Discretionary Depositors.*



Current Market Data

Economic Indicators

Release Date	Indicator	Consensus	Actual
12/6/2013	Non-Farm Payrolls M/M change: Counts the number of paid employees working part-time or full-time in the nation's business and government establishments.	180,000	203,000
12/6/2013	Employment Situation: Measures the number of unemployed as a percentage of the labor force.	7.2%	7.0%
11/27/2013	Durable Goods Orders - M/M change: Reflects the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods.	-2.0%	-2.0%
12/5/2013	Real Gross Domestic Product - Q/Q change: The broadest measure of aggregate economic activity and encompasses every sector of the economy. GDP is the country's most comprehensive economic scorecard.	3.1%	3.6%
11/26/2013	Consumer Confidence: Measures consumer attitudes on present economic conditions and expectations of future conditions.	72.9	70.4%
12/5/2013	Factory Orders M/M change: Represents the dollar level of new orders for both durable and nondurable goods.	-1.2%	-0.9
11/20/2013	Consumer Price Index - M/M change: The Consumer Price Index is a measure of the average price level of a fixed basket of goods and services purchased by consumers.	0.0%	-0.1%

Stock Indices

	Value	Change
Dow Jones (DJIA)	16,086.41	540.66
S&P 500 Index	1,805.81	49.27
NASDAQ (NDX)	4,059.89	140.18

Commodities

	Value	Change
Nymex Crude	\$ 92.72	\$ (3.66)
Gold (USD/OZ)	\$ 1,253.49	\$ (69.61)

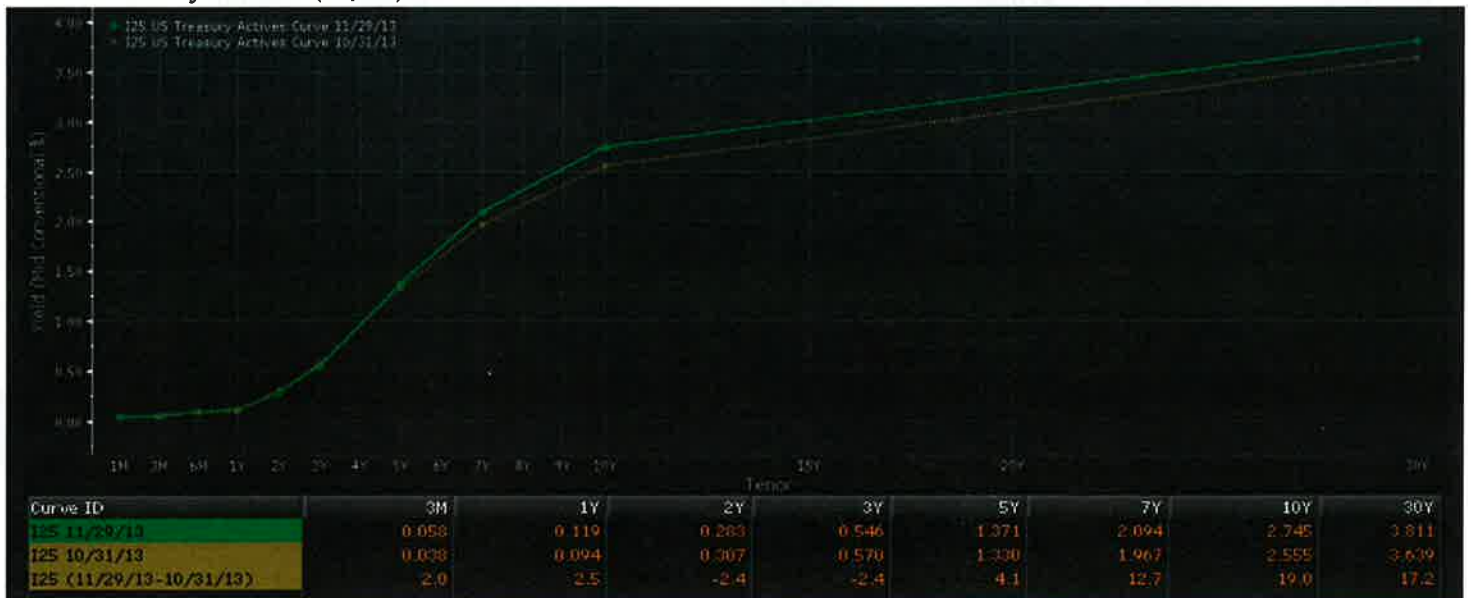
Fed Funds Target Rate

Current Fed Funds Rate: 0-0.25%		
Probability for FOMC Dates:		
Fed Move	12/18/2013	1/29/2014
Decrease to 0.00%	66.0%	64.7%
Increase to 0.25%	34.0%	34.6%
Increase to 0.50%	0.0%	0.7%
Increase to 0.75%	0.0%	0.0%
Increase to 1%	0.0%	0.0%

FOMC Meeting Schedule

Release	%	Risk Assessment
October 29-30	0-.25%	Risk to Growth
November	N/A	N/A

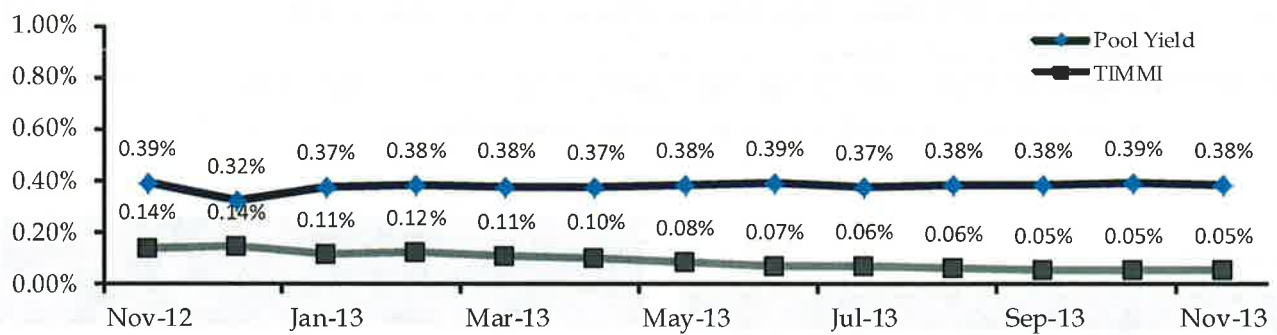
US Treasury Curve (M/M)



TIMMI

The Treasurer’s Institutional Money Market Index (TIMMI) is compiled and reported by the Riverside County Treasurer’s Capital Markets division. It is a composite index derived from four AAA rated prime institutional money market funds. Similar to the Treasurer’s Office, prime money market funds invest in a diversified portfolio of U.S. dollar denominated money market instruments including U.S. Treasuries, government agencies, commercial paper, certificates of deposits, repurchase agreements, etc. TIMMI is currently comprised of the four multi billion dollar funds listed below.

AAA Rated Prime Institutional Money-Market Funds		
Fund	Symbol	7 Day Yield
Fidelity Prime Institutional MMF	FIPXX	0.05%
Federated Prime Obligations Fund	POIXX	0.03%
Wells Fargo Advantage Heritage	WFJXX	0.07%
Morgan Stanley Institutional Prime Liquidity Fund	MPFXX	0.06%



Cash Flows

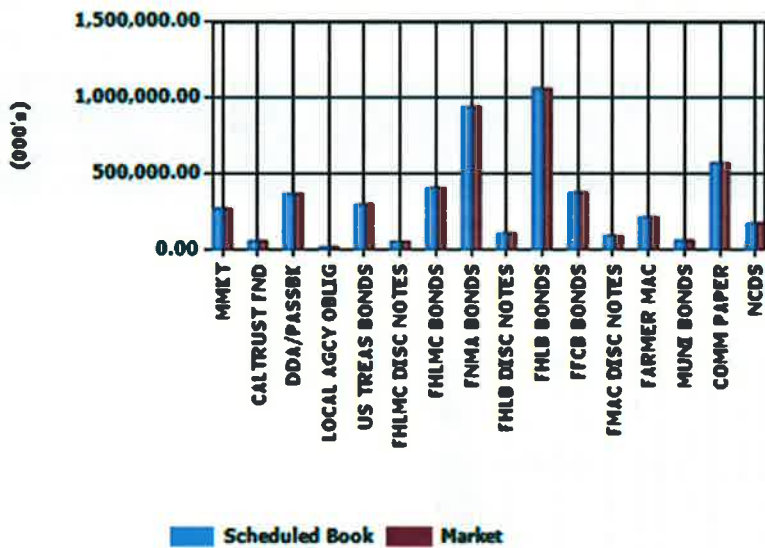
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matured Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
12/2013					220.73		
12/2013	1,539.11	813.41	725.70		946.43	865.10	
01/2014	676.58	1,293.98	(617.40)		329.03	427.00	
02/2014	560.00	820.00	(260.00)		69.03	240.00	
03/2014	839.70	820.45	19.25		88.28	215.00	
04/2014	1,320.00	738.06	581.94		670.22	82.11	
05/2014	550.00	1,190.04	(640.04)		30.18	412.35	
06/2014	542.82	1,124.81	(581.99)	551.81	-	302.00	
07/2014	1,000.00	950.00	50.00		50.00	121.70	
08/2014	600.00	725.41	(125.41)	75.41	-	175.00	
09/2014	700.00	830.00	(130.00)	130.00	-	68.80	
10/2014	757.29	890.00	(132.71)	132.71	-	151.64	
11/2014	919.01	703.43	215.58		215.58	64.36	
TOTALS	10,004.51	10,899.59	(895.08)	889.93	2,619.48	3,125.06	4,145.64
				17.67%		62.06%	82.33%

* All values reported in millions (\$).

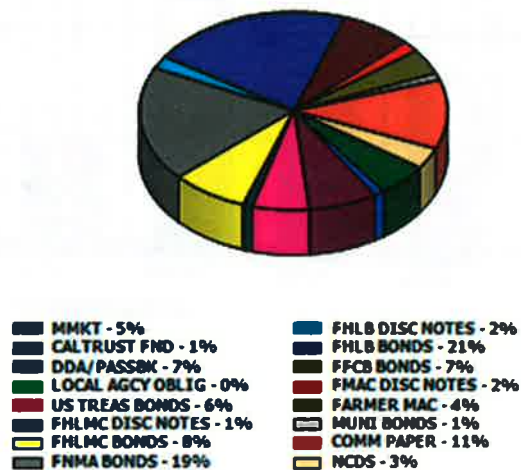
The Pooled Investment Fund cash flow requirements are based upon a 12 month historical cash flow model. Based upon projected cash receipts and maturing investments, there are sufficient funds to meet future cash flow disbursements over the next 12 months.

Asset Allocation

Assets (000's)	Scheduled Par	Scheduled Book	Scheduled Market	Mkt/ Sch Book	Yield	WAL (Yr)	Mat (Yr)
MMKT	271,000.00	271,000.00	271,000.00	100.00%	0.05%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.38%	.003	.003
DDA/PASSBK	365,000.00	365,000.00	365,000.00	100.00%	0.15%	.003	.003
LOCAL AGCY OBLIG	485.00	485.00	485.00	100.00%	0.89%	6.545	6.545
US TREAS BONDS	295,000.00	295,148.83	295,202.45	100.02%	0.20%	.954	.954
FHLMC DISC NOTES	50,000.00	49,922.08	49,979.00	100.11%	0.17%	.468	.468
FHLMC BONDS	407,660.00	407,587.51	408,063.45	100.12%	0.80%	.768	2.335
FNMA BONDS	943,029.00	943,328.58	940,569.97	99.71%	0.71%	1.852	3.239
FHLB DISC NOTES	107,000.00	106,872.97	106,953.77	100.08%	0.17%	.483	.483
FHLB BONDS	1,063,325.71	1,063,368.77	1,062,099.05	99.88%	0.43%	1.078	1.562
FFCB BONDS	375,145.00	375,035.54	375,271.26	100.06%	0.23%	.829	.856
FMAC DISC NOTES	90,000.00	89,909.40	89,962.85	100.06%	0.14%	.454	.454
FARMER MAC	212,568.00	212,546.99	212,641.64	100.04%	0.27%	.896	.896
MUNIBONDS	56,555.00	56,555.00	56,555.00	100.00%	0.45%	1.205	1.205
COMM PAPER	570,000.00	569,806.93	569,872.44	100.01%	0.12%	.142	.142
NCDS	175,000.00	175,000.00	175,000.00	100.00%	0.13%	.224	.224
Totals (000's):	5,035,767.71	5,035,567.61	5,032,655.88	99.94%	0.38%	.854	1.344

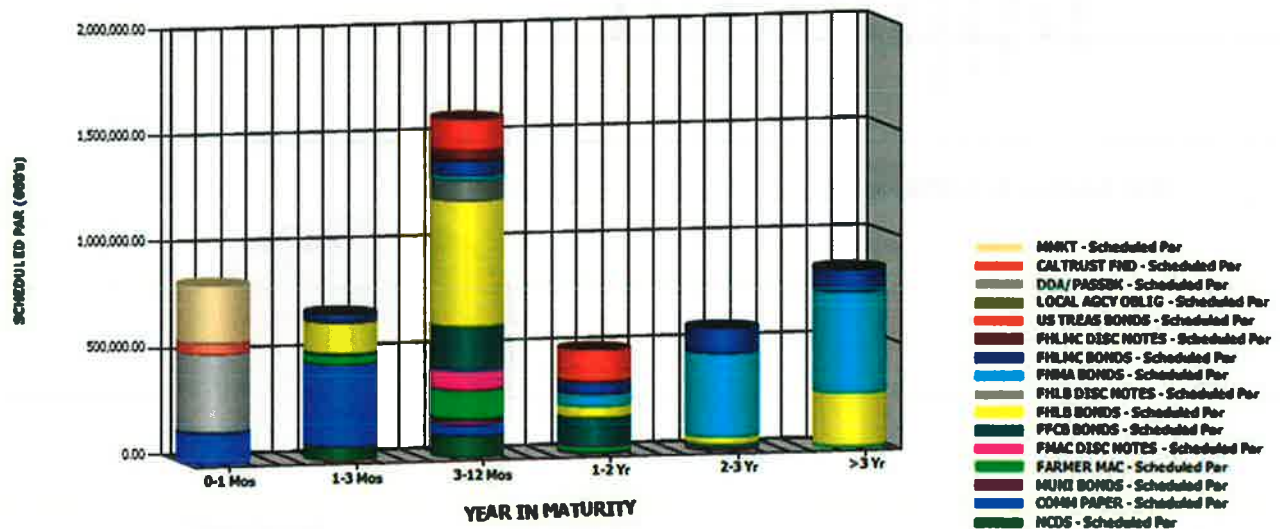


SCHEDULED PAR %



Maturity Distribution

Scheduled Par (000's)	0-1 Mos	1-3 Mos	3-12 Mos	1-2 Yr	2-3 Yr	>3 Yr	Totals (000's)
MMKT	271,000.00	-	-	-	-	-	271,000.00
CALTRUST FND	54,000.00	-	-	-	-	-	54,000.00
DDA/PASSBK	365,000.00	-	-	-	-	-	365,000.00
LOCAL AGCY OBLIG	-	-	-	-	-	485.00	485.00
US TREAS BONDS	-	-	145,000.00	150,000.00	-	-	295,000.00
FHLMC DISC NOTES	-	-	50,000.00	-	-	-	50,000.00
FHLMC BONDS	10,100.00	35,000.00	72,000.00	60,000.00	120,625.00	109,935.00	407,660.00
FNMA BONDS	-	-	20,000.00	56,850.00	391,137.00	475,042.00	943,029.00
FHLB DISC NOTES	-	10,000.00	97,000.00	-	-	-	107,000.00
FHLB BONDS	-	141,000.00	591,700.00	50,000.00	33,685.71	246,940.00	1,063,325.71
FFCB BONDS	-	10,995.00	209,150.00	140,000.00	15,000.00	-	375,145.00
FMAC DISC NOTES	-	-	90,000.00	-	-	-	90,000.00
FARMER MAC	-	40,000.00	135,000.00	22,568.00	5,000.00	10,000.00	212,568.00
MUNI BONDS	-	-	33,095.00	11,390.00	12,070.00	-	56,555.00
COMM PAPER	140,000.00	385,000.00	45,000.00	-	-	-	570,000.00
NCDS	-	70,000.00	105,000.00	-	-	-	175,000.00
Totals (000's):	840,100.00	691,995.00	1,592,945.00	490,808.00	577,517.71	842,402.00	5,035,767.71
%	16.68%	13.74%	31.63%	9.75%	11.47%	16.73%	
Cumulative %	16.68%	30.42%	62.06%	71.80%	83.27%	100.00%	

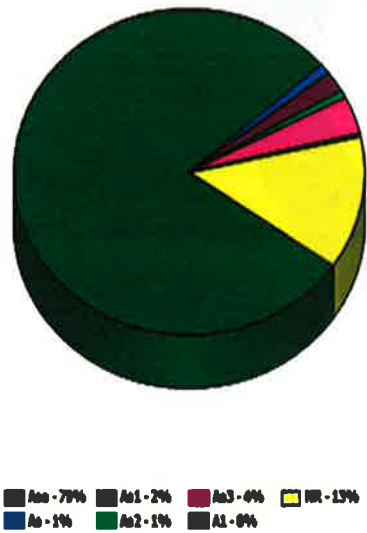


Credit Quality

Moody (000's)	Par	Book	Market	MKT/Book	Yield
Aaa	3,969,264.71	3,969,265.17	3,966,188.80	99.92%	0.43%
Aa	50,000.00	49,998.50	49,987.50	99.98%	0.22%
Aa1	105,745.00	105,743.15	105,742.19	100.00%	0.22%
Aa2	37,070.00	37,060.42	37,060.32	100.00%	0.28%
Aa3	190,635.00	190,565.97	190,597.24	100.02%	0.15%
A1	15,000.00	14,993.00	14,990.33	99.98%	0.14%
NR	668,053.00	667,941.40	668,089.49	100.02%	0.19%
Totals (000's):	5,035,767.71	5,035,567.61	5,032,655.88	99.94%	0.38%

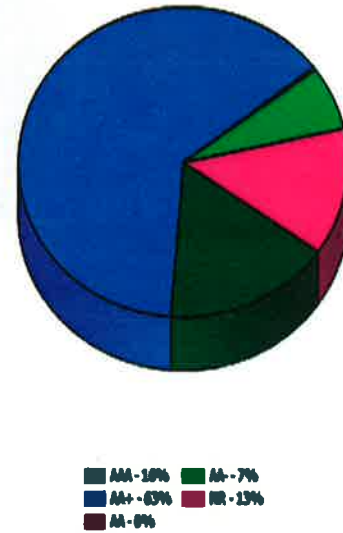
MOODY'S

BOOK %



S & P

BOOK %



S&P (000's)	Par	Book	Market	MKT/Book	Yield
AAA	830,000.00	830,467.05	830,265.05	99.98%	0.21%
AA+	3,185,009.71	3,184,532.77	3,181,643.78	99.91%	0.49%
AA	17,705.00	17,705.00	17,705.00	100.00%	0.53%
AA-	335,000.00	334,921.39	334,952.56	100.01%	0.14%
NR	668,053.00	667,941.40	668,089.49	100.02%	0.19%
Totals (000's):	5,035,767.71	5,035,567.61	5,032,655.88	99.94%	0.38%





Full Compliance

The Treasurer's Pooled Investment Fund was in **FULL COMPLIANCE** with the Treasurer's Statement of Investment Policy. The County's Investment Policy is more restrictive than the California Government Code. This policy is reviewed annually by the County's Investment Oversight Committee and approved by the County Board of Supervisors.



Investment Category	GOVERNMENT CODE			COUNTY INVESTMENT POLICY			Actual %
	Maximum Maturity	Authorized % Limit	S&P/ Moody's	Maximum Maturity	Authorized % Limit	S&P/ Moody's	
MUNICIPAL BONDS (MUNI)	5 YEARS	NO LIMIT	NA	3 YEARS	15%	AA-/Aa3/AA-	1.12%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	5.86%
LOCAL AGENCY OBLIGATIONS (LAO)	5 YEARS	NO LIMIT	NA	3 YEARS	2.5%	INVESTMENT GRADE	0.01%
FEDERAL AGENCIES	5 YEARS	NO LIMIT	AAA	5 YEARS	100%	NA	64.51%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	11.32%
CERTIFICATE & TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	3.48%
REPURCHASE AGREEMENTS (REPO)	1 YEARS	NO LIMIT	NA	45 DAYS	40% max, 25% in term repo over 7 days	A1/P1/F1	0.00%
REVERSE REPOS	92 DAYS	20%	NA	60 DAYS	10%	NA	0.00%
MEDIUM TERM NOTES (MTNO)	5 YEARS	30%	A	3 YEARS	20%	AA/Aa2/AA	0.00%
CALTRUST SHORT TERM FUND	NA	NA	NA	DAILY LIQUIDITY	1.0%	NA	1.07%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS ⁽¹⁾	20%	AAA/Aaa ⁽²⁾	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	5.38%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	DAILY LIQUIDITY	Max \$50 million	NA	0.00%
CASH/DEPOSIT ACCOUNT	NA	NA	NA	NA	NA	NA	7.25%

¹ Mutual Funds maturity may be interpreted as weighted average maturity not exceeding 60 days.

² Or must have an investment advisor with not less than 5 years experience and with assets under management of \$500,000,000.



THIS COMPLETES THE REPORT REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE 53646



County of Riverside
Treasurer-Tax Collector
Capital Markets

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