

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

749 A



FROM: Don Kent, Treasurer-Tax Collector

SUBMITTAL DATE:
June 5, 2014

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 May 2014.

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

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

Prev. Agn. Ref.:

District: ALL

Agenda Number:

2-19



County of Riverside

Treasurer's Pooled Investment Fund

May 2014

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
May	5,023,163,902.85	5,024,111,097.73	(947,194.88)	(0.02)	0.40	1.31
April	5,767,857,211.55	5,771,530,528.38	(3,673,316.83)	(0.06)	0.37	1.23
March	5,248,803,539.81	5,256,255,341.77	(7,451,801.96)	(0.14)	0.40	1.37
February	5,163,904,049.52	5,166,397,974.45	(2,493,924.93)	(0.05)	0.39	1.31
January	5,300,848,415.52	5,304,115,565.40	(3,267,149.88)	(0.06)	0.37	1.26
December	5,992,725,493.93	6,004,394,253.64	(11,668,759.71)	(0.19)	0.33	1.14

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
5/2/2014	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.	215,000	288,000
5/2/2014	Employment Situation: Measures the number of unemployed as a percentage of the labor force.	6.6%	6.3%
5/27/2014	Durable Goods Orders - M/M change: Reflects the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods.	-0.8%	0.8%
5/29/2014	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.	-0.5%	-1.0%
5/27/2014	Consumer Confidence: Measures consumer attitudes on present economic conditions and expectations of future conditions.	83.0	83.0%
5/2/2014	Factory Orders M/M change: Represents the dollar level of new orders for both durable and nondurable goods.	1.4%	1.1%
5/15/2014	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.	0.3%	0.3%

Stock Indices

	Value	Change
Dow Jones (DJIA)	\$ 16,717.17	\$ 136.33
S&P 500 Index	\$ 1,923.57	\$ 39.62
NASDAQ (NDX)	\$ 4,242.62	\$ 128.06

Commodities

	Value	Change
Nymex Crude	\$ 102.71	\$ 2.97
Gold (USD/OZ)	\$ 1,249.73	\$ (41.82)

Fed Funds Target Rate

Current Fed Funds Rate: 0-0.25%		
Probability for FOMC Dates:		
Fed Move	6/18/2014	7/30/2014
Decrease to 0.00%	62.0%	59.5%
Increase to 0.25%	38.0%	39.0%
Increase to 0.50%	0.0%	0.0%
Increase to 0.75%	0.0%	0.0%
Increase to 1%	0.0%	0.0%

FOMC Meeting Schedule

Release	%	Risk Assessment
March 19	0-.25%	Risk to Growth
April 30	0-.25%	Risk to Growth

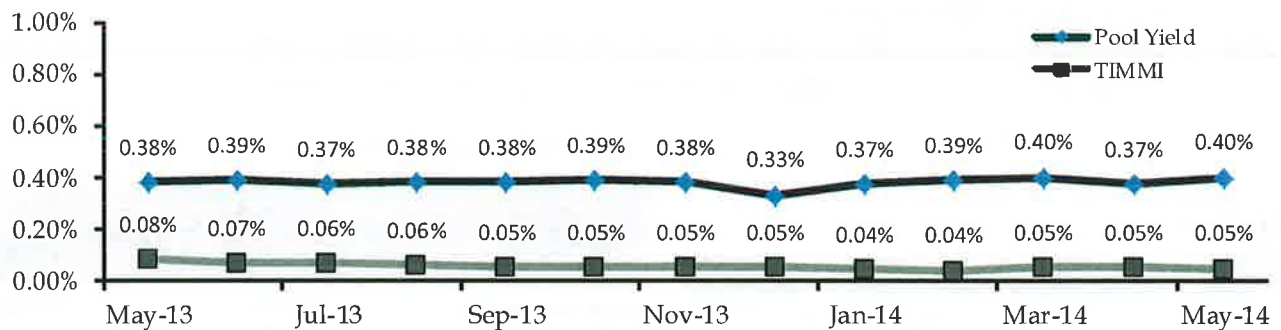
US Treasury Curve (M/M)



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 five multi billion dollar funds listed below.

AAA Rated Prime Institutional Money-Market Funds		
Fund	Symbol	7 Day Yield
Fidelity Prime Institutional MMF	FIPXX	0.06%
Federated Prime Obligations Fund	POIXX	0.02%
Wells Fargo Advantage Heritage	WFJXX	0.06%
Morgan Stanley Institutional Prime Liquidity Fund	MPFXX	0.06%
JP Morgan	CJPXX	0.03%



Cash Flows

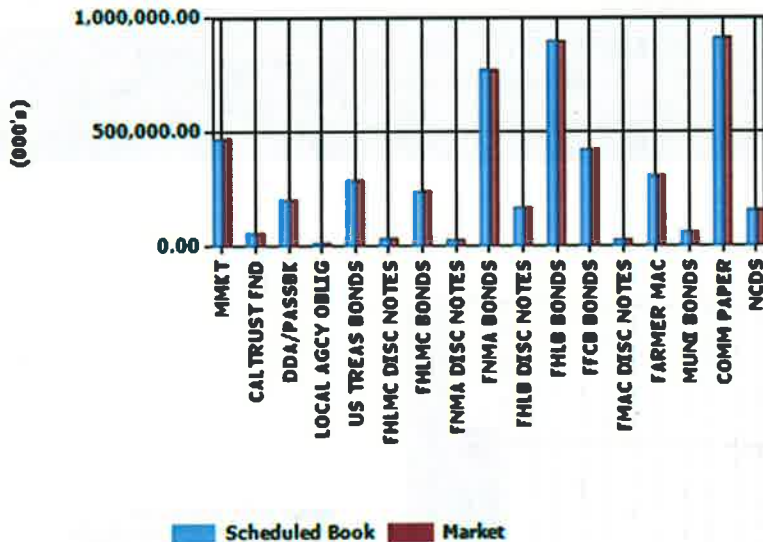
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matured Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
06/2014					289.35		
06/2014	542.82	1,124.81	(581.99)	292.64	-	1,200.60	
07/2014	1,000.00	950.00	50.00		50.00	335.00	
08/2014	600.00	725.41	(125.41)	75.41	-	364.70	
09/2014	700.00	830.00	(130.00)	130.00	-	173.80	
10/2014	757.29	890.00	(132.71)	132.71	-	172.10	
11/2014	919.01	703.43	215.58		215.58	119.40	
12/2014	1,691.73	850.00	841.73		1,057.31	5.00	
01/2015	650.00	1,289.48	(639.48)		417.83	405.00	
02/2015	650.00	910.86	(260.86)		156.97	331.30	
03/2015	1,000.00	920.00	80.00		236.97	5.00	
04/2015	1,375.00	950.00	425.00		661.97	25.00	
05/2015	520.00	1,185.89	(665.89)	3.92	-	153.20	
TOTALS	10,405.85	11,329.88	(924.03)	634.68	3,085.98	3,290.10	4,389.43
				12.63%		65.49%	87.37%

* All values reported in millions (\$).

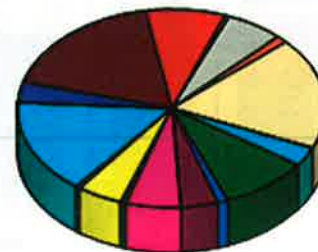
The Pooled Investment Fund cash flow requirements are based upon a 12 month historical cash flow model. Based upon projected cash receipts and maturing investments, there are sufficient funds to meet future cash flow disbursements over the next 12 months.

Asset Allocation

Assets (000's)	Scheduled Par	Scheduled Book	Scheduled Market	Mkt/ Sch Book	Yield	WAL (Yr)	Mat (Yr)
MMKT	470,000.00	470,000.00	470,000.00	100.00%	0.06%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.40%	.003	.003
DDA/PASSBK	200,000.00	200,000.00	200,000.00	100.00%	0.08%	.003	.003
LOCAL AGCY OBLIG	455.00	455.00	455.00	100.00%	0.88%	6.047	6.047
US TREAS BONDS	285,000.00	285,120.90	285,223.05	100.04%	0.21%	.716	.716
FHLMC DISC NOTES	30,000.00	29,981.22	29,994.10	100.04%	0.10%	.330	.330
FHLMC BONDS	238,350.00	238,326.92	238,665.64	100.14%	1.10%	1.138	3.567
FNMA DISC NOTES	25,000.00	24,992.10	24,993.75	100.01%	0.07%	.444	.444
FNMA BONDS	772,814.00	772,851.36	771,137.71	99.78%	0.71%	2.779	2.969
FHLB DISC NOTES	167,500.00	167,398.97	167,467.88	100.04%	0.09%	.352	.352
FHLB BONDS	900,709.74	900,688.50	900,344.08	99.96%	0.80%	1.034	2.636
FFCB BONDS	421,950.00	421,938.70	422,238.25	100.07%	0.23%	.848	.872
FMAC DISC NOTES	25,000.00	24,981.39	24,999.90	100.07%	0.11%	.016	.016
FARMER MAC	305,000.00	304,979.77	305,144.10	100.05%	0.24%	.674	.674
MUNIBONDS	59,405.00	59,397.82	59,397.82	100.00%	0.31%	.887	.887
COMM PAPER	914,300.00	913,998.37	914,102.63	100.01%	0.11%	.138	.138
NCDS	155,000.00	155,000.00	155,000.00	100.00%	0.14%	.144	.144
Totals (000's):	5,024,483.74	5,024,111.10	5,023,163.90	99.98%	0.40%	.876	1.310



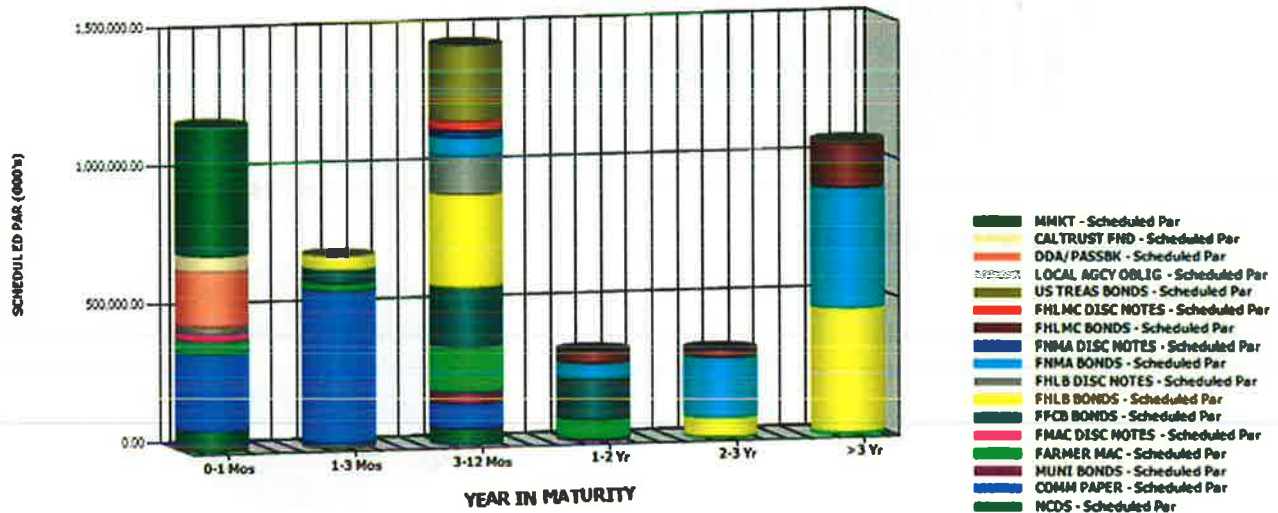
SCHEDULED PAR %



- MMKT - 9%
- CALTRUST FND - 1%
- DDA/PASSBK - 4%
- LOCAL AGCY OBLIG - 0%
- US TREAS BONDS - 6%
- FHLMC DISC NOTES - 1%
- FHLMC BONDS - 5%
- FNMA DISC NOTES - 0%
- FNMA BONDS - 15%
- FHLB DISC NOTES - 3%
- FHLB BONDS - 18%
- FFCB BONDS - 8%
- FARMER MAC - 6%
- MUNI BONDS - 1%
- COMM PAPER - 18%
- NCDS - 3%

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	470,000.00	-	-	-	-	-	470,000.00
CALTRUST FND	54,000.00	-	-	-	-	-	54,000.00
DDA/PASSBK	200,000.00	-	-	-	-	-	200,000.00
LOCAL AGCY OBLIG	-	-	-	-	-	455.00	455.00
US TREAS BONDS	-	-	275,000.00	-	-	10,000.00	285,000.00
FHLMC DISC NOTES	-	-	30,000.00	-	-	-	30,000.00
FHLMC BONDS	-	-	5,000.00	46,000.00	29,625.00	157,725.00	238,350.00
FNMA DISC NOTES	-	-	25,000.00	-	-	-	25,000.00
FNMA BONDS	-	-	65,000.00	55,000.00	216,887.00	435,927.00	772,814.00
FHLB DISC NOTES	27,000.00	-	140,500.00	-	-	-	167,500.00
FHLB BONDS	-	50,000.00	335,000.00	-	68,685.71	447,024.03	900,709.74
FFCB BONDS	-	50,000.00	216,950.00	150,000.00	5,000.00	-	421,950.00
FMAC DISC NOTES	25,000.00	-	-	-	-	-	25,000.00
FARMER MAC	45,000.00	25,000.00	160,000.00	65,000.00	-	10,000.00	305,000.00
MUNI BONDS	-	-	47,335.00	12,070.00	-	-	59,405.00
COMM PAPER	279,600.00	549,700.00	85,000.00	-	-	-	914,300.00
NCDS	75,000.00	20,000.00	60,000.00	-	-	-	155,000.00
Totals (000's):	1,175,600.00	694,700.00	1,444,785.00	328,070.00	320,197.71	1,061,131.03	5,024,483.74
%	23.40%	13.83%	28.75%	6.53%	6.37%	21.12%	
Cumulative %	23.40%	37.22%	65.98%	72.51%	78.88%	100.00%	



Month End Portfolio Holdings

CUSIP	Description	Maturity Date	Coupon	Maturity To Mat	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
64105HG71	NESTLE	07/07/2014	.100	.100	35,000,000.00	34,988,138.89	99.987000	34,995,450.00	7,311.11	.101	.101
89233HG99	TOYOTA MOTOR CORP	07/09/2014	.150	.150	10,000,000.00	9,995,000.00	99.986278	9,998,627.78	3,627.78	.107	.107
91411UFR1	UC REGENTS	06/25/2014	.130	.130	25,000,000.00	24,990,430.56	99.991333	24,997,833.33	7,402.77	.068	.068
19121BF95	COCA-COLA CO	06/09/2014	.110	.110	15,000,000.00	14,996,012.50	99.997111	14,999,566.67	3,554.17	.025	.025
64105HFC1	NESTLE	06/12/2014	.110	.110	35,000,000.00	34,990,695.83	99.996028	34,998,609.72	7,913.89	.033	.033
19121BFQ7	COCA-COLA CO	06/24/2014	.100	.100	7,500,000.00	7,498,104.17	99.991694	7,499,377.08	1,272.91	.066	.066
19121BGM5	COCA-COLA CO	07/21/2014	.130	.130	30,000,000.00	29,987,216.67	99.981944	29,994,583.33	7,366.66	.139	.140
74271UFP0	PROCTOR & GAMBLE	06/23/2014	.090	.090	20,000,000.00	19,995,500.00	99.992056	19,998,411.11	2,911.11	.063	.063
64105HFQ0	NESTLE	06/24/2014	.080	.080	20,000,000.00	19,996,044.44	99.991694	19,998,338.89	2,294.45	.066	.066
64105HFQ0	NESTLE	06/24/2014	.080	.080	50,000,000.00	49,990,111.11	99.991694	49,995,847.22	5,736.11	.066	.066
74271UFQ8	PROCTER & GAMBLE	06/24/2014	.080	.080	23,500,000.00	23,495,561.11	99.991694	23,498,048.19	2,487.08	.066	.066
89233HGW8	TOYOTA MOTOR CORP	07/30/2014	.150	.150	15,000,000.00	14,992,500.00	99.978694	14,996,804.17	4,304.17	.164	.164
36959JGW7	GE CAPITAL CORP	07/30/2014	.120	.120	20,000,000.00	19,992,000.00	99.978694	19,995,738.89	3,738.89	.164	.164
19121BGX1	COCA-COLA CO	07/31/2014	.130	.130	25,000,000.00	24,989,166.67	99.971667	24,992,916.67	3,750.00	.167	.167
64105HH47	NESTLE	08/04/2014	.120	.120	10,000,000.00	9,995,933.33	99.969778	9,996,977.78	1,044.45	.178	.178
89233HH56	TOYOTA MOTOR CORP	08/05/2014	.150	.150	10,000,000.00	9,995,041.67	99.969306	9,996,930.56	1,888.89	.180	.181
19121BGA1	COCA-COLA CO	07/10/2014	.090	.090	15,000,000.00	14,996,512.50	99.985917	14,997,887.50	1,375.00	.109	.110
36959JH71	GE CAPITAL CORP	08/07/2014	.120	.120	25,000,000.00	24,990,000.00	99.968361	24,992,090.28	2,090.28	.186	.186
91411UH73	UC REGENTS	08/07/2014	.150	.150	25,000,000.00	24,987,500.00	99.968361	24,992,090.28	4,590.28	.186	.186
36959JH82	GE CAPITAL CORP	08/11/2014	.120	.120	10,000,000.00	9,995,933.33	99.966472	9,996,647.22	713.89	.197	.197
74271UG95	PROCTER & GAMBLE	07/09/2014	.080	.080	5,000,000.00	4,999,011.11	99.986278	4,999,313.89	302.78	.107	.107
64105HHB1	NESTLE	08/11/2014	.110	.110	15,000,000.00	14,994,408.33	99.966472	14,994,970.83	562.50	.197	.197
16677KFS7	CHEVRON	06/26/2014	.080	.080	8,600,000.00	8,598,547.56	99.990972	8,599,223.61	676.05	.071	.071
89233HH89	TOYOTA MOTOR CORP	08/13/2014	.140	.140	35,000,000.00	34,983,666.67	99.965528	34,987,934.72	4,268.05	.202	.203
74271UGH7	PROCTER & GAMBLE	07/17/2014	.090	.090	25,000,000.00	24,994,187.50	99.983389	24,995,847.22	1,659.72	.129	.129
64105HHE5	NESTLE	08/14/2014	.100	.100	9,000,000.00	8,997,000.00	99.965056	8,996,855.00	-145.00	.205	.205
91411UH73	UC REGENTS	08/07/2014	.150	.150	7,700,000.00	7,696,567.08	99.968361	7,697,563.81	996.73	.186	.186
19121BH51	COCA-COLA CO	08/05/2014	.110	.110	8,000,000.00	7,997,628.89	99.969306	7,997,544.44	-84.45	.180	.181
93114FGU2	WAL-MART	07/28/2014	.090	.090	25,000,000.00	24,994,500.00	99.979417	24,994,854.17	354.17	.159	.159
93114FGU2	WAL-MART	07/28/2014	.090	.090	25,000,000.00	24,994,500.00	99.979417	24,994,854.17	354.17	.159	.159
74271UH86	PROCTER & GAMBLE	08/08/2014	.080	.080	40,000,000.00	39,991,644.44	99.967889	39,987,155.56	-4,488.88	.189	.189
74271UH78	PROCTER & GAMBLE	08/07/2014	.080	.080	25,000,000.00	24,994,944.44	99.968361	24,992,090.28	-2,854.16	.186	.186
89233JH88	TOYOTA MOTOR CORP	09/08/2014	.130	.130	30,000,000.00	29,987,108.33	99.947750	29,984,325.00	-2,783.33	.273	.274
36959JJB0	GE CAPITAL CORP	09/11/2014	.140	.140	40,000,000.00	39,981,333.33	99.946167	39,978,466.67	-2,866.66	.282	.282
16677KGF4	CHEVRON	07/15/2014	.070	.070	75,000,000.00	74,991,104.17	99.984111	74,988,083.33	-3,020.84	.123	.123
89233HH81	TOYOTA MOTOR CORP	08/12/2014	.130	.130	15,000,000.00	14,995,179.17	99.966000	14,994,900.00	-279.17	.200	.200
89233HJC9	TOYOTA MOTOR CORP	09/12/2014	.150	.150	15,000,000.00	14,992,500.00	99.945639	14,991,845.83	-654.17	.284	.285
			.111	.111	914,300,000.00	913,998,367.10	99.978413	914,102,628.81	104,261.71	.138	.138
NCDS											
89112TQ64	TORONTO DOMINION	06/12/2014	.140	.140	25,000,000.00	25,000,000.00	100.000000	25,000,000.00	0.00	.033	.033
89112T3E2	TORONTO DOMINION	07/14/2014	.150	.150	20,000,000.00	20,000,000.00	100.000000	20,000,000.00	0.00	.120	.121
89112T3T9	TORONTO DOMINION	06/20/2014	.150	.150	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.055	.055
89112UBB6	TORONTO DOMINION	08/29/2014	.130	.130	30,000,000.00	30,000,000.00	100.000000	30,000,000.00	0.00	.246	.247
89112UED9	TORONTO DOMINION	09/17/2014	.140	.140	30,000,000.00	30,000,000.00	100.000000	30,000,000.00	0.00	.298	.299
			.143	.143	155,000,000.00	155,000,000.00	100.000000	155,000,000.00	0.00	.144	.144
Total Fund			.404	.397	5,024,483,744.00	5,024,111,097.73	99.973732	5,023,163,902.85	-947,194.88	1.278	1.309
Grand Total			.404	.397	5,024,483,744.00	5,024,111,097.73	99.973732	5,023,163,902.85	-947,194.88	1.278	1.309



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-	1.18%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	5.68%
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	57.45%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	18.19%
CERTIFICATE & TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	3.09%
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.	9.35%
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	3.98%

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



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