

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

403A



FROM: Don Kent, Treasurer-Tax Collector

SUBMITTAL DATE:
August 5, 2015


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 July 2015.

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".


 Jon Christensen
 Asst. Treasurer-Tax Collector
 For 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: 2014/2015

C.E.O. RECOMMENDATION:

APPROVE

BY: 
Samuel Wong

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Prev. Agn. Ref.: _____ District: _____ Agenda Number: _____

2-48



County of Riverside *July* 2015

Treasurer's Pooled Investment Fund



Capital Markets Team

Don Kent

Treasurer-Tax Collector

Jon Christensen

Asst. Treasurer-Tax Collector

Giovane Pizano

Investment Manager

Isela Licea

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.

COUNTY OF RIVERSIDE 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
July	6,376,089,738.27	6,374,589,823.83	1,499,914.44	0.02	0.44	1.05	1.02
June	6,066,709,103.68	6,066,193,436.81	515,666.87	0.01	0.44	1.10	1.07
May	6,231,402,163.99	6,230,332,224.20	1,069,939.79	0.02	0.42	1.09	1.07
April	6,834,465,478.09	6,833,283,754.08	1,181,724.01	0.02	0.40	1.04	1.02
March	5,730,402,540.40	5,728,600,174.74	1,802,365.66	0.03	0.46	1.25	1.22
February	5,517,030,770.65	5,517,608,884.48	(578,113.83)	(0.01)	0.48	1.35	1.32

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
07/02/2015	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.	230,000	223,000
07/02/2015	Employment Situation: Measures the number of unemployed as a percentage of the labor force.	5.4%	5.3%
07/27/2015	Durable Goods Orders - M/M change: Reflects the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods.	3.1%	3.4%
07/30/2015	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.	2.9%	2.3%
07/28/2015	Consumer Confidence: Measures consumer attitudes on present economic conditions and expectations of future conditions.	99.6	90.9
07/02/2015	Factory Orders M/M change: Represents the dollar level of new orders for both durable and nondurable goods.	-0.3%	-1.0%
07/17/2015	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)	\$ 17,745.98	\$ 126.47
S&P 500 Index	\$ 2,108.63	\$ 45.52
NASDAQ (NDX)	\$ 4,598.59	\$ 201.83

Commodities

	Value	Change
Nymex Crude	\$ 48.52	\$ (10.95)
Gold (USD/OZ)	\$ 1,088.57	\$ (83.85)

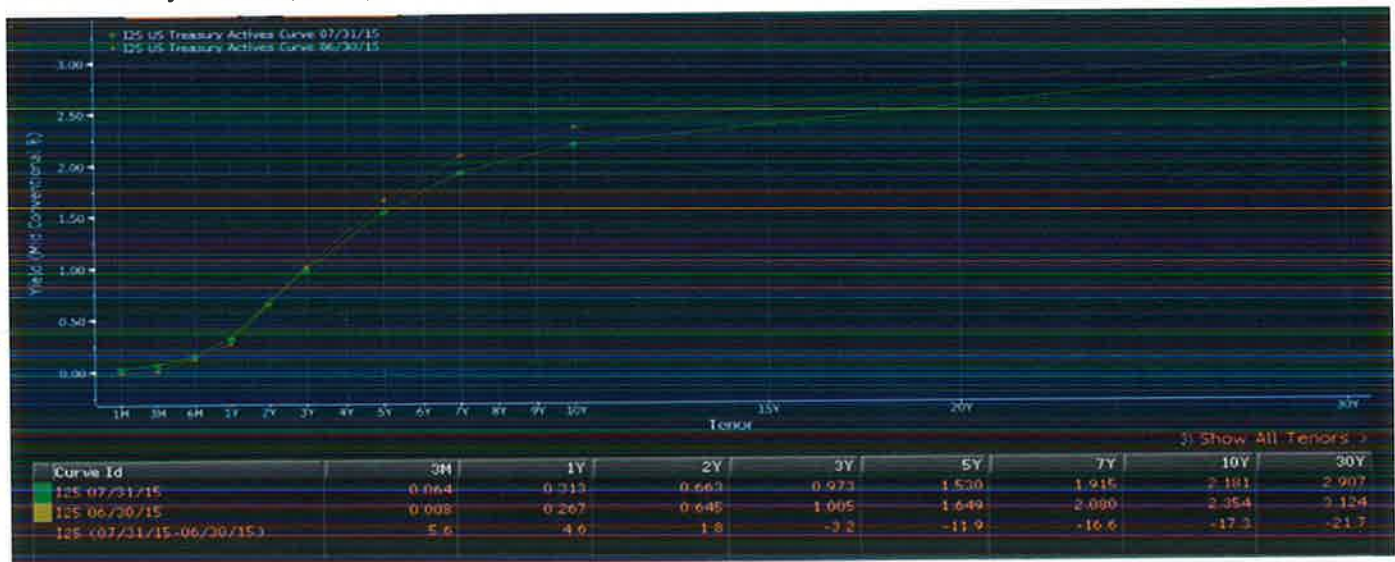
Fed Funds Target Rate

Current Fed Funds Rate: 0-0.25%		
Fed Move	Probability for FOMC Dates:	
	09/17/2015	10/28/2015
Decrease to 0.00%	62.0%	55.8%
Increase to 0.25%	38.0%	40.4%
Increase to 0.50%	0.0%	3.8%
Increase to 0.75%	0.0%	0.0%
Increase to 1%	0.0%	0.0%

FOMC Meeting Schedule

Release	%	Risk Assessment
17-Jun	0-.25%	Growth
29-Jul	0-.25%	Growth

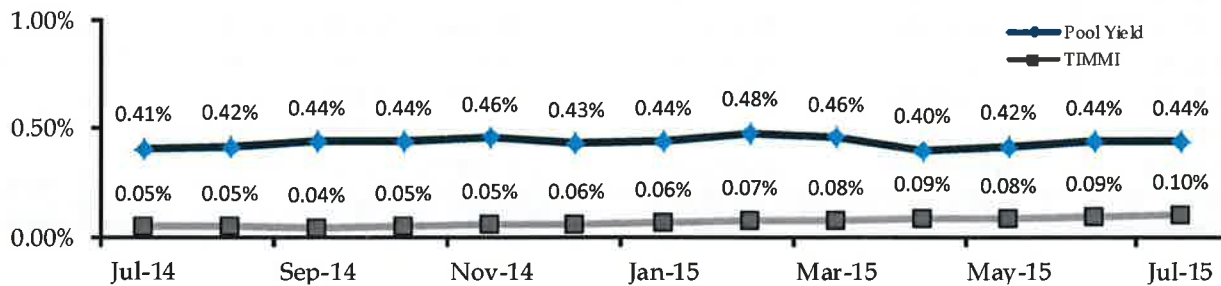
US Treasury Curve (M/M)



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	0.12%
Federated Prime Obligations Fund	POIXX	0.08%
Wells Fargo Advantage Heritage	WFJXX	0.12%
Morgan Stanley Institutional Prime Liquidity Fund	MPFXX	0.08%
JP Morgan	CJPXX	0.10%



Cash Flows

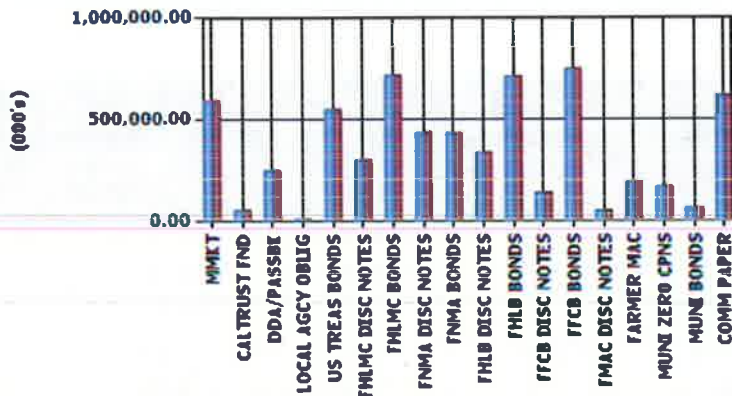
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Maturated Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
08/2015					243.14		
08/2015	725.00	850.00	(125.00)		118.14	1,276.34	
09/2015	800.00	1,000.00	(200.00)	81.86	-	366.00	
10/2015	975.00	1,150.00	(175.00)	175.00	-	433.63	
11/2015	1,150.00	900.00	250.00		250.00	236.81	
12/2015	1,900.00	975.00	925.00		1,175.00	0.00	
01/2016	901.94	1,593.66	(691.72)		483.28	675.07	
02/2016	875.00	1,000.00	(125.00)		358.28	709.23	
03/2016	1,100.00	970.00	130.00		488.28	40.00	
04/2016	1,611.36	970.00	641.36		1,129.64	10.00	
05/2016	712.44	1,350.00	(637.56)		492.08	639.73	
06/2016	1,150.00	1,550.00	(400.00)		92.08	374.00	
07/2016	1,100.00	1,050.00	50.00		142.08	59.70	
TOTALS	13,000.74	13,358.66	(357.92)	256.86	4,972.00	4,820.51	6,117.72
				4.03%		75.62%	95.97%

* All values reported in millions (\$).

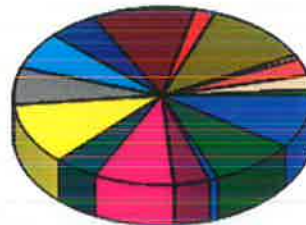
The Pooled Investment Fund cash flow requirements are based upon a 12 month historical cash flow model. Based upon projected cash receipts and maturing investments, there are sufficient funds to meet future cash flow disbursements over the next 12 months.

Asset Allocation

Assets (000's)	Scheduled Par	Scheduled Book	Scheduled Market	Mkt/ Sch Book	Yield	WAL (Yr)	Mat (Yr)
MMKT	595,000.00	595,000.00	595,000.00	100.00%	0.10%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.50%	.003	.003
DDA/PASSBK	250,000.00	250,000.00	250,000.00	100.00%	0.08%	.003	.003
LOCAL AGCY	365.00	365.00	365.00	100.00%	0.94%	4.879	4.879
US TREAS BONDS	550,000.00	550,189.56	550,466.35	100.05%	0.35%	.805	.805
FHLMC DISC	302,302.00	301,960.43	302,106.56	100.05%	0.17%	.438	.438
FHLMC BONDS	718,811.00	718,892.00	719,125.47	100.03%	1.31%	1.527	3.421
FNMA DISC	435,188.00	434,766.85	434,977.97	100.05%	0.15%	.332	.332
FNMA BONDS	433,179.00	433,104.52	433,295.41	100.04%	0.78%	1.849	2.065
FHLB DISC NOTES	337,103.00	336,569.03	336,816.47	100.07%	0.20%	.460	.460
FHLB BONDS	714,632.14	714,569.85	714,498.25	99.99%	0.55%	1.060	1.378
FFCB DISC NOTES	140,000.00	139,820.96	139,913.90	100.07%	0.18%	.441	.441
FFCB BONDS	750,616.00	750,560.42	750,464.08	99.99%	0.34%	.963	.963
FMAC DISC NOTES	50,000.00	49,878.49	49,969.25	100.18%	0.26%	.425	.425
FARMER MAC	193,850.00	193,848.00	193,907.15	100.03%	1.02%	1.972	2.669
MUNI ZERO CPNS	168,834.00	168,753.36	168,791.26	100.02%	0.16%	.152	.152
MUNI BONDS	63,610.00	63,602.92	63,602.92	100.00%	0.32%	.426	.426
COMM PAPER	619,000.00	618,708.46	618,789.71	100.01%	0.15%	.161	.161
Totals (000's):	6,376,490.14	6,374,589.82	6,376,089.74	100.02%	0.44%	.765	1.050



SCHEDULED PAR %



- MMKT - 9%
- FHLB DISC NOTES - 5%
- CALTRUST FND - 1%
- FHLB BONDS - 11%
- DDA/PASSBK - 4%
- FFCB DISC NOTES - 2%
- LOCAL AGCY OBLIG - 0%
- FFCB BONDS - 12%
- US TREAS BONDS - 9%
- FMAC DISC NOTES - 1%
- FHLMC DISC NOTES - 5%
- FARMER MAC - 3%
- FHLMC BONDS - 11%
- MUNI ZERO CPNS - 3%
- FNMA DISC NOTES - 7%
- MUNI BONDS - 1%
- FNMA BONDS - 7%
- COMM PAPER - 10%

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	595,000.00	-	-	-	-	-	595,000.00
CALTRUST FND	54,000.00	-	-	-	-	-	54,000.00
DDA/PASSBK	250,000.00	-	-	-	-	-	250,000.00
LOCAL AGCY OBLIG	-	-	-	-	-	365.00	365.00
US TREAS BONDS	-	-	490,000.00	55,000.00	5,000.00	-	550,000.00
FHLMC DISC NOTES	20,000.00	25,000.00	257,302.00	-	-	-	302,302.00
FHLMC BONDS	-	-	120,366.00	85,130.00	97,550.00	415,765.00	718,811.00
FNMA DISC NOTES	31,000.00	180,000.00	224,188.00	-	-	-	435,188.00
FNMA BONDS	-	5,000.00	35,000.00	141,642.00	231,562.00	19,975.00	433,179.00
FHLB DISC NOTES	50,000.00	4,352.00	282,751.00	-	-	-	337,103.00
FHLB BONDS	-	73,000.00	431,200.00	21,285.71	130,000.00	59,146.43	714,632.14
FFCB DISC NOTES	-	20,000.00	120,000.00	-	-	-	140,000.00
FFCB BONDS	69,000.00	30,000.00	461,616.00	135,000.00	5,000.00	50,000.00	750,616.00
FMAC DISC NOTES	-	-	50,000.00	-	-	-	50,000.00
FARMER MAC	-	-	90,000.00	-	8,850.00	95,000.00	193,850.00
MUNI ZERO CPNS	-	168,834.00	-	-	-	-	168,834.00
MUNI BONDS	8,335.00	13,155.00	42,120.00	-	-	-	63,610.00
COMM PAPER	199,000.00	280,000.00	140,000.00	-	-	-	619,000.00
Totals (000's):	1,276,335.00	799,341.00	2,744,543.00	438,057.71	477,962.00	640,251.43	6,376,490.14
%	20.02%	12.54%	43.04%	6.87%	7.50%	10.04%	
Cumulative %	20.02%	32.55%	75.59%	82.46%	89.96%	100.00%	

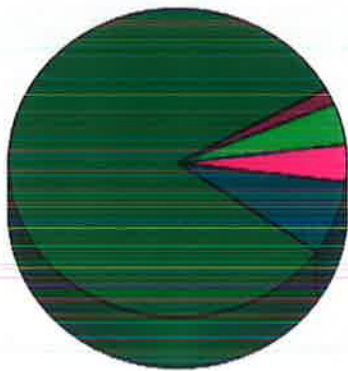


Credit Quality

Moody (000's)	Par	Book	Market	MKT/Book	Yield
Aaa	5,244,346.14	5,242,869.22	5,244,082.26	100.02%	0.47%
Aa	5,000.00	4,998.50	5,001.85	100.07%	1.01%
Aa1	108,335.00	108,286.21	108,286.53	100.00%	0.14%
Aa2	274,904.00	274,798.86	274,852.35	100.02%	0.17%
Aa3	249,690.00	249,545.55	249,625.35	100.03%	0.18%
NR	494,215.00	494,091.49	494,241.40	100.03%	0.47%
Totals (000's):	6,376,490.14	6,374,589.82	6,376,089.74	100.02%	0.44%

MOODY'S

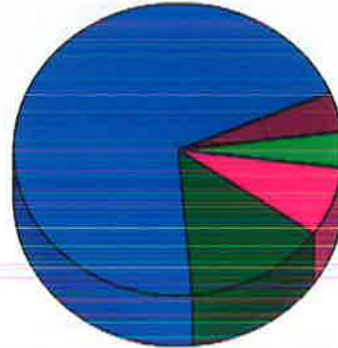
BOOK %



■ Aaa - 82%
 ■ Aa1 - 2%
 ■ Aa3 - 4%
■ Aa - 0%
 ■ Aa2 - 4%
 ■ NR - 0%

S & P

BOOK %



■ AAA - 14%
 ■ AA- - 4%
■ AA+ - 70%
 ■ NR - 5%
■ AA - 4%

S&P (000's)	Par	Book	Market	MKT/Book	Yield
AAA	889,703.00	889,595.14	889,603.39	100.00%	0.15%
AA+	4,457,978.14	4,456,575.46	4,457,798.30	100.03%	0.52%
AA	284,904.00	284,782.19	284,821.30	100.01%	0.17%
AA-	249,690.00	249,545.55	249,625.35	100.03%	0.18%
NR	494,215.00	494,091.49	494,241.40	100.03%	0.47%
Totals (000's):	6,376,490.14	6,374,589.82	6,376,089.74	100.02%	0.44%

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-	3.65%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	8.63%
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	63.90%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	9.71%
CERTIFICATE & TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	0.00%
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	0.85%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS ⁽¹⁾	20%	AAA/ Aaa ⁽²⁾	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	9.33%
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	3.92%

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

4080 Lemon Street, 4th Floor
Riverside, CA 92502-2205

www.treasurer-tax.co.riverside.ca.us

(951) 955-3979