

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

811A



**FROM:** Don Kent, Treasurer-Tax Collector

**SUBMITTAL DATE:**  
November 3, 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 October 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".

  
 \_\_\_\_\_  
 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	
<b>SOURCE OF FUNDS:</b>				Budget Adjustment: No	
				For Fiscal Year: 2015/2016	

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
 Samuel Wong

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

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

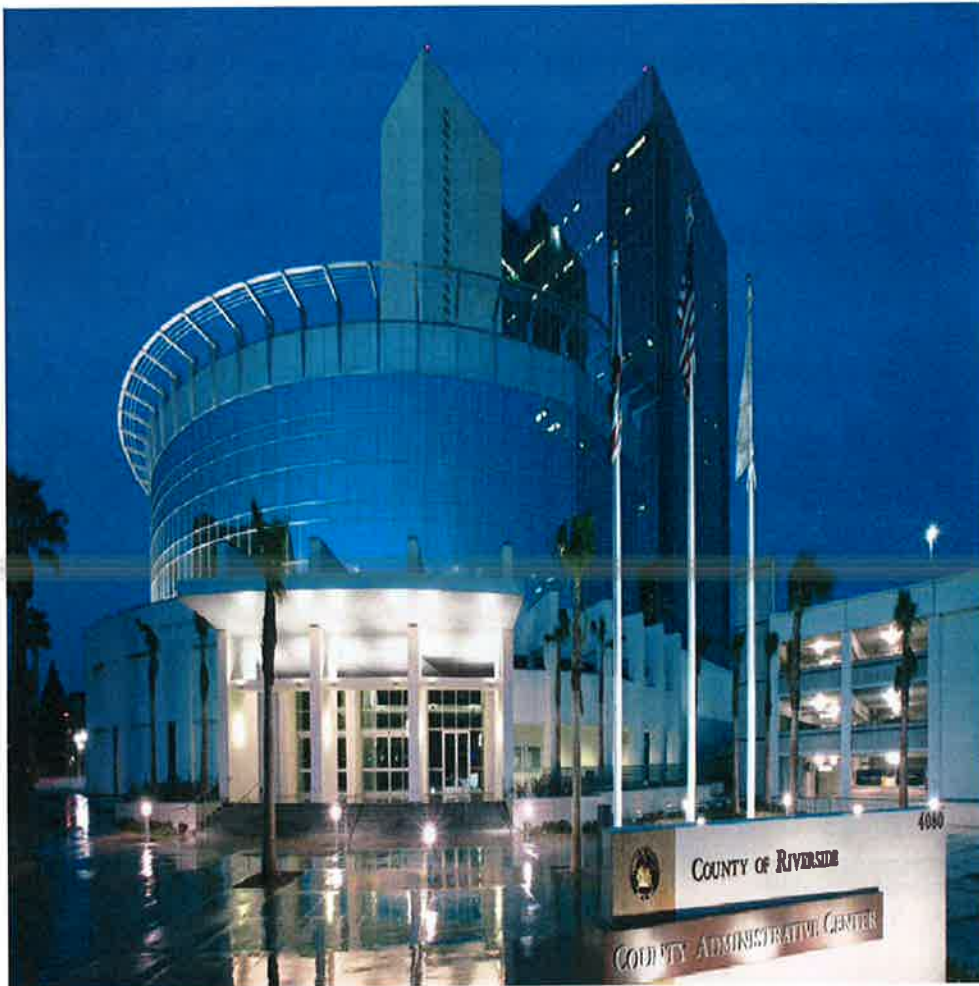
Prev. Agn. Ref.: \_\_\_\_\_ District: \_\_\_\_\_ Agenda Number: \_\_\_\_\_

**2-7**



# County of Riverside October 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
<b>October</b>	5,880,386,136.39	5,878,933,080.22	1,453,056.17	0.02	0.46	0.98	0.95
<b>September</b>	5,735,299,236.42	5,731,768,505.08	3,530,731.34	0.06	0.43	0.93	0.90
<b>August</b>	5,919,900,024.76	5,919,457,634.55	442,390.21	0.01	0.50	1.17	1.14
<b>July</b>	6,376,089,738.27	6,374,589,823.83	1,499,914.44	0.02	0.44	1.05	1.02
<b>June</b>	6,066,709,103.68	6,066,193,436.81	515,666.87	0.01	0.44	1.10	1.07
<b>May</b>	6,231,402,163.99	6,230,332,224.20	1,069,939.79	0.02	0.42	1.09	1.07

*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
10/02/2015	<b>Non-Farm Payrolls M/M change:</b> Counts the number of paid employees working part-time or full-time in the nation's business and government establishments.	203,000	142,000
10/02/2015	<b>Employment Situation:</b> Measures the number of unemployed as a percentage of the labor force.	5.1%	5.1%
10/27/2015	<b>Durable Goods Orders - M/M change:</b> Reflects the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods.	-1.0%	-1.2%
10/29/2015	<b>Real Gross Domestic Product - Q/Q change:</b> The broadest measure of aggregate economic activity and encompasses every sector of the economy. GDP is the country's most comprehensive economic scorecard.	1.7%	1.5%
10/27/2015	<b>Consumer Confidence:</b> Measures consumer attitudes on present economic conditions and expectations of future conditions.	102.5	97.6
10/02/2015	<b>Factory Orders M/M change:</b> Represents the dollar level of new orders for both durable and nondurable goods.	-1.3%	-1.7%
10/15/2015	<b>Consumer Price Index - M/M change:</b> The Consumer Price Index is a measure of the average price level of a fixed basket of goods and services purchased by consumers.	-0.2%	-0.2%

## Stock Indices

	Value	Change
Dow Jones (DJIA)	\$ 16,829.31	\$ 544.61
S&P 500 Index	\$ 1,966.52	\$ 46.49
NASDAQ (NDX)	\$ 4,557.66	\$ 376.60

## Commodities

	Value	Change
Nymex Crude	\$ 49.29	\$ 4.20
Gold (USD/OZ)	\$ 1,069.81	\$ (45.26)

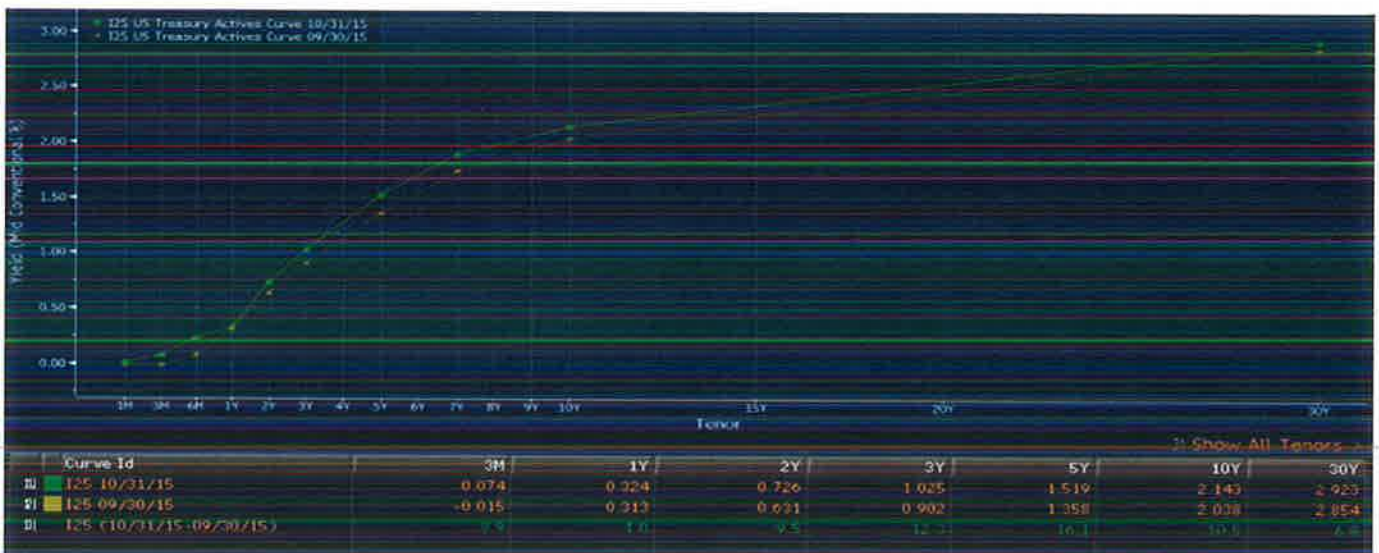
## Fed Funds Target Rate

Current Fed Funds Rate: 0-0.25%		
Fed Move	Probability for FOMC Dates:	
	12/16/2015	01/27/2016
Decrease to 0.00%	48.0%	41.3%
Increase to 0.25%	52.0%	51.4%
Increase to 0.50%	0.0%	7.3%
Increase to 0.75%	0.0%	0.0%
Increase to 1%	0.0%	0.0%

## FOMC Meeting Schedule

Release	%	Risk Assessment
17-Sep	0-.25%	Growth
28-Oct	0-.25%	Growth

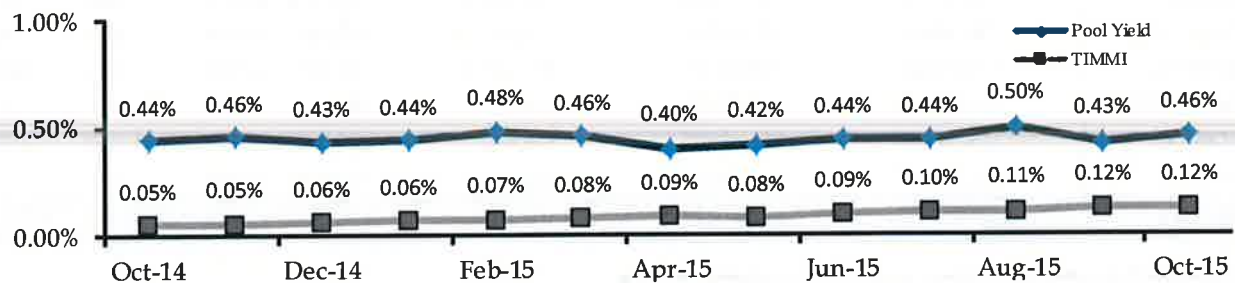
## US Treasury Curve (M/M)



# 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.

Fund	Symbol	7 Day Yield
Fidelity Prime Institutional MMF	FIPXX	0.14%
Federated Prime Obligations Fund	POIXX	0.10%
Wells Fargo Advantage Heritage	WFJXX	0.14%
Morgan Stanley Institutional Prime Liquidity Fund	MPFXX	0.10%
JP Morgan	CJPXX	0.11%



## Cash Flows

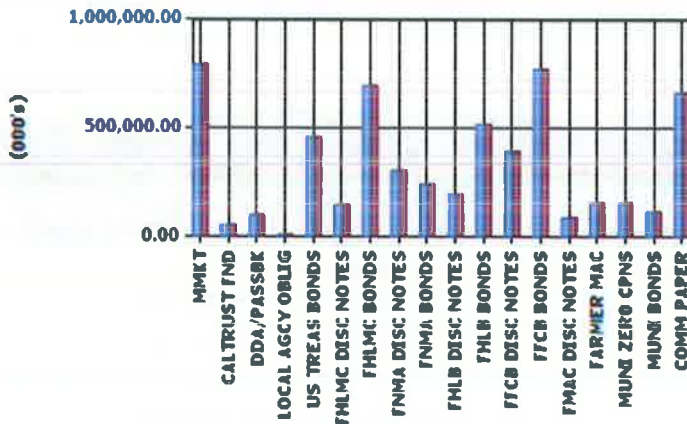
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matured Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
11/2015					145.15		
11/2015	1,150.00	900.00	250.00		395.15	1,264.00	
12/2015	1,900.00	975.00	925.00		1,320.15	0.00	
01/2016	901.94	1,593.66	(691.72)		628.43	600.45	
02/2016	875.00	1,000.00	(125.00)		503.43	552.19	
03/2016	1,100.00	970.00	130.00		633.43	25.00	
04/2016	1,611.36	970.00	641.36		1,274.79	10.00	
05/2016	712.44	1,350.00	(637.56)		637.23	639.73	
06/2016	1,150.00	1,550.00	(400.00)		237.23	449.00	
07/2016	1,100.00	1,050.00	50.00		287.23	326.30	
08/2016	720.00	950.00	(230.00)		57.23	703.63	
09/2016	850.00	1,050.00	(200.00)	142.77	-	240.26	
10/2016	1,040.00	1,175.00	(135.00)	135.00	-	0.00	
<b>TOTALS</b>	<b>13,110.74</b>	<b>13,533.66</b>	<b>(422.92)</b>	<b>277.77</b>	<b>6,119.45</b>	<b>4,810.56</b>	<b>5,601.16</b>
				<b>4.72%</b>		<b>81.83%</b>	<b>95.28%</b>

\* 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.

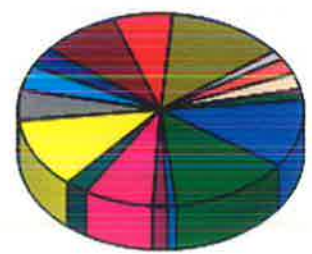
# Asset Allocation

Assets (000's)	Scheduled Par	Scheduled Book	Scheduled Market	Mkt/ Sch Book	Yield	WAL (Yr)	Mat (Yr)
MMKT	795,000.00	795,000.00	795,000.00	100.00%	0.13%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.50%	.003	.003
DDA/PASSBK	100,000.00	100,000.00	100,000.00	100.00%	0.08%	.003	.003
LOCAL AGCY	365.00	365.00	365.00	100.00%	0.93%	4.627	4.627
US TREAS BONDS	460,000.00	460,098.09	460,188.00	100.02%	0.43%	.848	.848
FHLMC DISC	150,000.00	149,679.69	149,854.45	100.12%	0.25%	.461	.461
FHLMC BONDS	697,531.00	697,639.27	697,638.10	100.00%	1.19%	1.184	3.105
FNMA DISC	306,500.00	305,738.82	305,990.16	100.08%	0.29%	.654	.654
FNMA BONDS	242,734.00	242,670.71	242,745.25	100.03%	0.85%	1.772	2.153
FHLB DISC NOTES	195,941.00	195,341.23	195,644.56	100.16%	0.33%	.628	.628
FHLB BONDS	520,169.72	520,151.63	520,280.97	100.02%	0.53%	.890	1.125
FFCB DISC NOTES	394,500.00	393,313.63	393,737.14	100.11%	0.34%	.708	.708
FFCB BONDS	776,516.00	776,631.78	776,232.45	99.95%	0.38%	.920	.937
FMAC DISC NOTES	90,000.00	89,760.80	89,901.55	100.16%	0.30%	.460	.460
FARMER MAC	158,850.00	158,848.00	158,917.40	100.04%	0.87%	.366	2.028
MUNI ZERO CPNS	158,834.00	158,722.77	158,737.74	100.01%	0.22%	.272	.272
MUNI BONDS	115,505.00	116,422.77	116,422.77	100.00%	0.76%	1.359	1.359
COMM PAPER	665,000.00	664,548.90	664,730.59	100.03%	0.21%	.171	.171
<b>Totals (000's):</b>	<b>5,881,445.72</b>	<b>5,878,933.08</b>	<b>5,880,386.14</b>	<b>100.02%</b>	<b>0.46%</b>	<b>.665</b>	<b>.977</b>



SCHEDULED PAR %

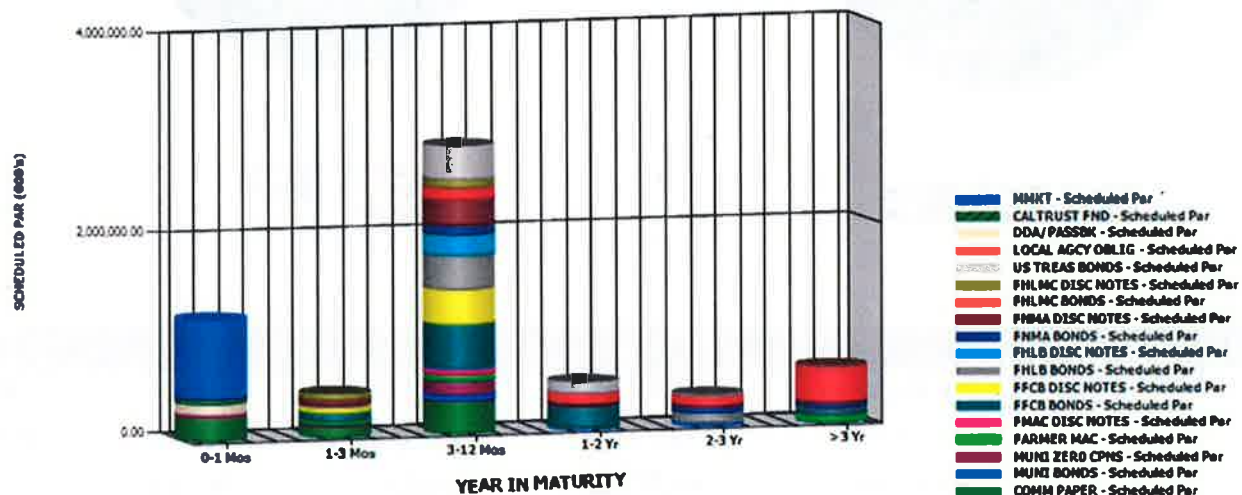
Scheduled Book Market



- MMKT - 14%
- CALTRUST FND - 1%
- DDA/PASSBK - 2%
- LOCAL AGCY OBLIG - 0%
- US TREAS BONDS - 8%
- FHLMC DISC NOTES - 3%
- FHLMC BONDS - 12%
- FNMA DISC NOTES - 5%
- FNMA BONDS - 4%
- FHLB DISC NOTES - 3%
- FHLB BONDS - 9%
- FFCB DISC NOTES - 7%
- FFCB BONDS - 13%
- FMAC DISC NOTES - 2%
- FARMER MAC - 3%
- MUNI ZERO CPNS - 3%
- MUNI BONDS - 2%
- COMM PAPER - 11%

# 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	795,000.00	0	0	0	0	0	795,000.00
CALTRUST FND	54,000.00	0	0	0	0	0	54,000.00
DDA/PASSBK	100,000.00	0	0	0	0	0	100,000.00
LOCAL AGCY OBLIG	0	0	0	0	0	365	365
US TREAS BONDS	0	0	335,000.00	110,000.00	15,000.00	0	460,000.00
FHLMC DISC NOTES	0	60,000.00	90,000.00	0	0	0	150,000.00
FHLMC BONDS	0	5,000.00	115,366.00	114,625.00	102,550.00	359,990.00	697,531.00
FNMA DISC NOTES	0	51,000.00	255,500.00	0	0	0	306,500.00
FNMA BONDS	0	0	96,852.00	22,752.00	66,750.00	56,380.00	242,734.00
FHLB DISC NOTES	0	0	195,941.00	0	0	0	195,941.00
FHLB BONDS	0	25,000.00	351,200.00	17,000.00	100,719.72	26,250.00	520,169.72
FFCB DISC NOTES	0	50,000.00	344,500.00	0	0	0	394,500.00
FFCB BONDS	0	90,070.00	446,546.00	184,900.00	5,000.00	50,000.00	776,516.00
FMAC DISC NOTES	25,000.00	0	65,000.00	0	0	0	90,000.00
FARMER MAC	0	30,000.00	60,000.00	8,850.00	0	60,000.00	158,850.00
MUNI ZERO CPNS	0	25,384.00	133,450.00	0	0	0	158,834.00
MUNI BONDS	0	0	65,120.00	20,385.00	25,000.00	5,000.00	115,505.00
COMM PAPER	240,000.00	100,000.00	325,000.00	0	0	0	665,000.00
<b>Totals (000's):</b>	<b>1,214,000.00</b>	<b>436,454.00</b>	<b>2,879,475.00</b>	<b>478,512.00</b>	<b>315,019.72</b>	<b>557,985.00</b>	<b>5,881,445.72</b>
<b>%</b>	<b>20.64%</b>	<b>7.42%</b>	<b>48.96%</b>	<b>8.14%</b>	<b>5.36%</b>	<b>9.49%</b>	
<b>Cumulative %</b>	<b>20.64%</b>	<b>28.06%</b>	<b>77.02%</b>	<b>85.16%</b>	<b>90.51%</b>	<b>100.00%</b>	



# Credit Quality

Moody (000's)	Par	Book	Market	MKT/Book	Yield
Aaa	4,843,326.72	4,840,603.66	4,841,726.03	100.02%	0.48%
Aa	5,000.00	4,998.50	5,001.55	100.06%	1.01%
Aa1	50,000.00	49,958.33	49,972.81	100.03%	0.25%
Aa2	415,904.00	415,624.34	415,656.82	100.01%	0.23%
Aa3	218,000.00	218,774.44	218,844.98	100.03%	0.44%
NR	349,215.00	348,973.80	349,183.95	100.06%	0.50%
<b>Totals (000's):</b>	<b>5,881,445.72</b>	<b>5,878,933.08</b>	<b>5,880,386.14</b>	<b>100.02%</b>	<b>0.46%</b>

## MOODY'S

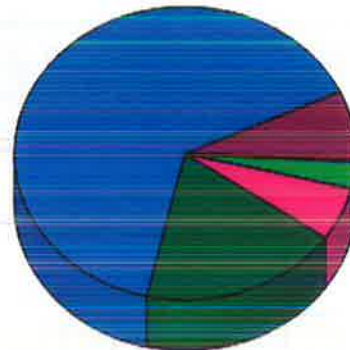
BOOK %



■ Aaa - 82%   
 ■ Aa1 - 1%   
 ■ Aa3 - 4%  
■ Aa - 0%   
 ■ Aa2 - 7%   
 ■ NR - 5%

## S & P

BOOK %



■ AAA - 19%   
 ■ AA+ - 64%   
 ■ AA - 0%  
■ AA- - 3%   
 ■ NR - 6%

S&P (000's)	Par	Book	Market	MKT/Book	Yield
AAA	1,111,550.00	1,111,437.32	1,111,539.30	100.01%	0.17%
AA+	3,786,776.72	3,784,158.12	3,785,183.53	100.03%	0.56%
AA	463,904.00	464,507.17	464,552.14	100.01%	0.32%
AA-	170,000.00	169,856.67	169,927.21	100.04%	0.27%
NR	349,215.00	348,973.80	349,183.95	100.06%	0.50%
<b>Totals (000's):</b>	<b>5,881,445.72</b>	<b>5,878,933.08</b>	<b>5,880,386.14</b>	<b>100.02%</b>	<b>0.46%</b>









Month End Portfolio Holdings

CUSIP	Description	Maturity Date	Coupon	Yield To Maturity	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
<b>COMM PAPER</b>			<b>1.224</b>	<b>.764</b>	<b>115,505,000.00</b>	<b>116,422,770.00</b>	<b>100.794572</b>	<b>116,422,770.00</b>	<b>0.00</b>	<b>1.340</b>	<b>1.364</b>
30229BYC5	EXXON MOBIL	11/12/2015	.140	.140	50,000,000.00	49,976,666.67	99.994500	49,997,250.00	20,583.33	.033	.033
89233HYD0	TOYOTA MOTOR CORP	11/13/2015	.240	.240	40,000,000.00	39,968,000.00	99.994000	39,997,600.00	29,600.00	.036	.036
30229BYD3	EXXON MOBILE	11/13/2015	.150	.150	50,000,000.00	49,975,208.33	99.994000	49,997,000.00	21,791.67	.036	.036
30229BYW1	EXXON MOBIL	11/30/2015	.160	.160	50,000,000.00	49,974,444.44	99.985500	49,992,750.00	18,305.56	.082	.082
30229BYP6	EXXON MOBIL	11/23/2015	.160	.160	50,000,000.00	49,976,000.00	99.989000	49,994,500.00	18,500.00	.063	.063
16677JAV8	CHEVRON CORP	01/29/2016	.250	.250	50,000,000.00	49,958,333.33	99.945611	49,972,805.56	14,472.23	.246	.247
89233GAV8	TOYOTA MOTOR CORP	01/29/2016	.310	.310	50,000,000.00	49,948,333.33	99.945611	49,972,805.56	24,472.23	.246	.247
89233GB47	TOYOTA MOTOR CORP	02/04/2016	.310	.310	30,000,000.00	29,969,000.00	99.931389	29,979,416.67	10,416.67	.262	.263
36960MYL1	GE CAPITAL CORP	11/20/2015	.110	.110	50,000,000.00	49,993,277.78	99.990500	49,995,250.00	1,972.22	.055	.055
64105GB37	NESTLE	02/03/2016	.180	.180	25,000,000.00	24,985,125.00	99.932111	24,983,027.78	-2,097.22	.260	.260
64105GB94	NESTLE	02/09/2016	.240	.240	30,000,000.00	29,975,200.00	99.927778	29,978,333.33	3,133.33	.276	.277
64105GBA1	NESTLE	02/10/2016	.240	.240	50,000,000.00	49,958,666.67	99.927056	49,963,527.78	4,861.11	.279	.279
64105GBA1	NESTLE	02/10/2016	.240	.240	40,000,000.00	39,966,933.33	99.927056	39,970,822.22	3,888.89	.279	.279
64105GBR4	NESTLE	02/25/2016	.270	.270	50,000,000.00	49,952,375.00	99.916222	49,958,111.11	5,736.11	.319	.321
89233GAE6	TOYOTA MOTOR CORP	01/14/2016	.240	.240	50,000,000.00	49,971,333.33	99.954778	49,977,388.89	6,055.56	.205	.205
			.213	.213	665,000,000.00	664,548,897.21	99.959487	664,730,588.90	181,691.69	.171	.171
<b>Total Fund</b>			<b>.472</b>	<b>.459</b>	<b>5,881,445,720.08</b>	<b>5,878,933,080.22</b>	<b>99.981984</b>	<b>5,880,386,136.39</b>	<b>1,453,056.17</b>	<b>.954</b>	<b>.977</b>
<b>Grand Total</b>			<b>.472</b>	<b>.459</b>	<b>5,881,445,720.08</b>	<b>5,878,933,080.22</b>	<b>99.981984</b>	<b>5,880,386,136.39</b>	<b>1,453,056.17</b>	<b>.954</b>	<b>.977</b>

## 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	Maximum Maturity	Authorized % Limit	S&P/ Moody's	Maximum Maturity	Authorized % Limit	S&P/ Moody's	Actual %
MUNICIPAL BONDS (MUNI)	5 YEARS	NO LIMIT	NA	3 YEARS	15%	AA-/Aa3/AA-	4.68%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	7.83%
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	60.04%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	11.30%
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	0.92%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS <sup>(1)</sup>	20%	AAA/Aaa <sup>(2)</sup>	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	13.52%
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	1.70%

<sup>1</sup> Mutual Funds maturity may be interpreted as weighted average maturity not exceeding 60 days.

<sup>2</sup> 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](http://www.treasurer-tax.co.riverside.ca.us)

(951) 955-3979