

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



ITEM: 2.21  
(ID # 20548)

**MEETING DATE:**  
Tuesday, November 29, 2022

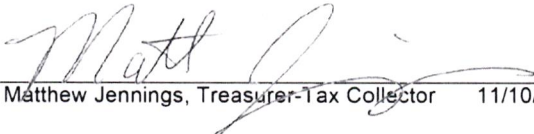
**FROM :** TREASURER-TAX COLLECTOR:

**SUBJECT:** TREASURER-TAX COLLECTOR: Receive and File the Treasurer's Monthly Disclosure Report on Investments dated October, 2022, All Districts. [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receives and files the 'Monthly Disclosure Report on Investments dated October, 2022'.

**ACTION:Consent**

  
Matthew Jennings, Treasurer-Tax Collector 11/10/2022

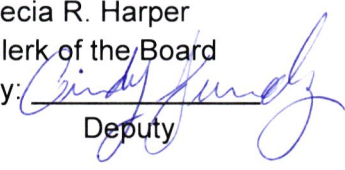
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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Spiegel, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Spiegel, Washington, Hewitt, and Perez  
Nays: None  
Absent: None  
Date: November 29, 2022  
xc: Tax Collector

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: NA</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 2022-2023</b>	

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

**BACKGROUND:**

**Summary**

The County Treasurer -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 various statistics on the portfolio as to overall composition, liquidity, credit quality on the various securities and provides several trends on earning performance, average weighted maturity, and the portfolio's 'paper loss or gain'.

# COUNTY OF RIVERSIDE TREASURER-TAX COLLECTOR'S

MANAGED BY

**Matt Jennings**

**Treasurer-Tax Collector**

Giovane Pizano  
Assistant Treasurer

John Byerly  
Chief Investment Officer

Steve Faeth  
Senior Investment Officer

Isela Licea  
Investment Officer

COUNTY ADMINISTRATIVE CENTER  
4080 LEMON STREET,  
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RIVERSIDE, CA 92502-2205

[WWW.COUNTYTREASURER.ORG](http://WWW.COUNTYTREASURER.ORG)



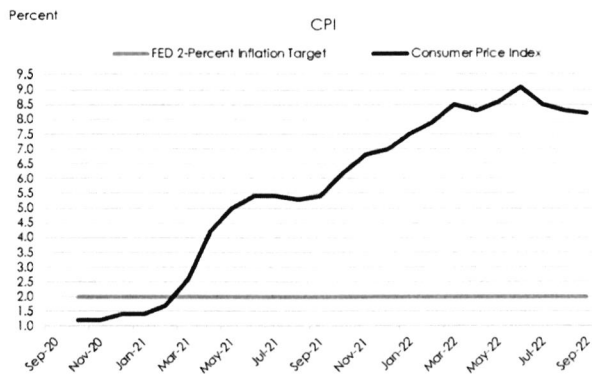
**TREASURER-TAX COLLECTOR'S  
POOLED INVESTMENT FUND**

**OCTOBER 2022 REPORT**

# WORLD OF A DIFFERENCE

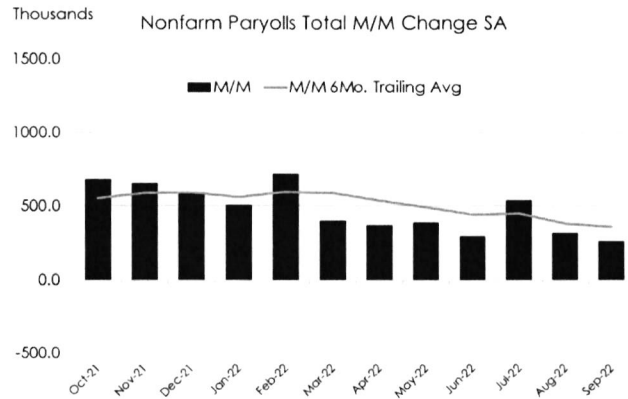
From October 2021 to October 2022 the Federal Reserve (FED) increased the FED fund rates from the target range of 0.00%-0.25% to 3.00%-3.25%, and front-page news stories went from COVID to Inflation. The increase in rates has been a welcome change for short-term funds like the Treasurer Tax-Collectors Pooled Investment Fund (TPIF).

U.S. inflation rates remain far above the FED target, with the Consumer Price Index release showing a year over year gain of 8.2%. That is only slightly lower than the previous month reading which came in at 8.3%. The Federal Reserve's target rate of inflation is 2.0%, so it is clear that their fight is nowhere near ending. Food, rent, medical care and fuel all contributed to the increase. Consumers have proven to be resilient to date, but spending is beginning to show some pullback as their reserves run out.



On the jobs front, higher interest rates have not yet put much of a dent in hiring. The monthly Non-Farm Payrolls number released in October showed 263,000 jobs created in the U.S. The Unemployment Rate dropped to 3.5%, matching a

50 year low.



The one weak spot in the economy is the housing market. Higher mortgage rates are dramatically reducing consumer's buying power and home prices have actually seen price drops in some areas of the country. Total housing starts are now down 20.3% from the peak in April. The biggest drop occurred in the single-family sector, with multifamily projects staying almost steady. As prospective home buyers are priced out of the market, many are opting for rental apartments, so builders are taking advantage of that trend.

In fixed income markets, the 2-Year Treasury Note yield began the month at a yield of 4.28% and ended the month at 4.50%. 5-Year Treasury Note yield began the month at 4.09% and ended the month at 4.22%. Stocks rose during October, with the Dow Jones Industrial Average beginning the month at 28,800 and ending the month at 32,700.

Matt Jennings  
Treasurer-Tax Collector



## Treasurer Tax-Collector Statement

The Treasurer's Pooled Investment Fund is comprised of contributions from the county, schools, special districts, and other discretionary depositors throughout the County of Riverside. 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 to maximize a **return on the funds** within the given parameters.

The Treasurer-Tax Collector and the Capital Markets team are committed to maintaining the highest credit ratings. The Treasurer's Pooled Investment Fund is currently rated **Aaa-bf** by **Moody's Investor Service** and **AAAf/S1** by **Fitch Ratings**, two of the nation's most trusted bond credit rating services.

Since its inception, the Treasurer's Pooled Investment Fund has been in **full compliance** with the Treasurer's Statement of Investment Policy, which is more restrictive than California Government Code 53646.

### PORTFOLIO SUMMARY

Month End Values \$ are

Expressed in 000,000	Oct-22	Apr-22	Oct-21
Principal Value	\$ 11,223.66	\$ 12,388.30	\$ 9,437.88
Market Value*	10,880.32	12,223.50	9,422.57
Book Value*	11,239.22	12,388.30	9,437.88
Unrealized Gain/Loss*	(358.90)	(164.80)	(15.31)
Paper Gain or Loss %	-3.193%	-1.330%	-0.162%
Yield	2.08	0.68	0.3
WAM (Yrs)	1.35	1.1	1.27

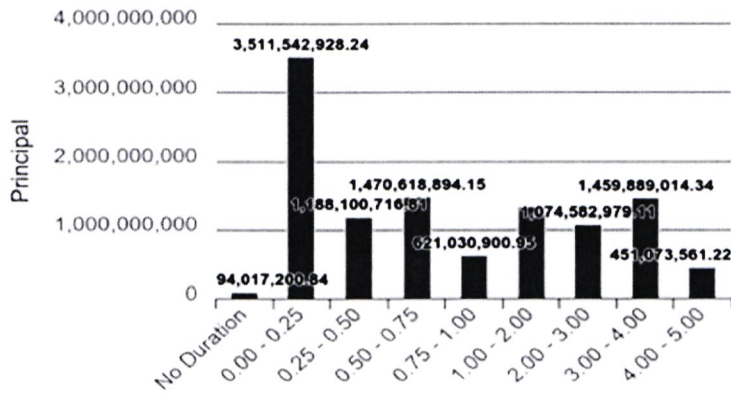
\* Market values do not include accrued interest.

\* Book Value is amount paid changed by amortization, accretion, adjustments, write downs

\* Unrealized Gain/Loss is Market Value - Book Value

# TPIF STATS

**Duration Allocation**



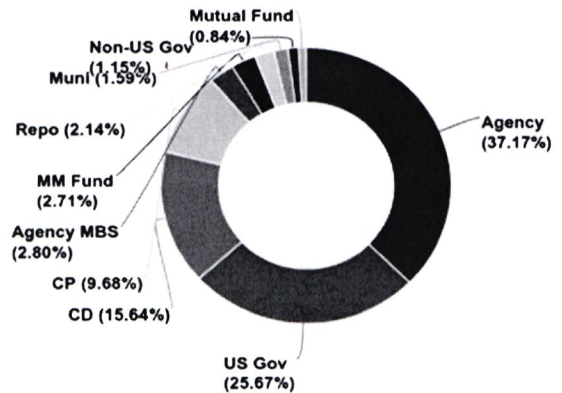
**Composite Credit Ratings**

Rating	Moody's Rating	Market Value	Fitch Rating
AAA	Aaa	5,882,477,152.25	AAA
AA+	Aaa	298,053,847.71	AAA
AA	Aa2	73,443,057.95	AA
NA	NA	404,112,700.84	NA
A-1+	P-1	4,328,251,404.87	AAA

**Holdings by Security Type**

Security Type Category	Days to Final Maturity	Par Value	Market Price	Yield	Principal
Agency CMO	416	69,690,118.82	98.3369	3.699	69,307,043.66
Mutual Fund	---	93,213,169.12	1.0086	---	94,017,200.84
Non-US Gov	664	128,895,000.00	93.0073	0.737	128,730,013.14
Muni	707	178,030,000.00	94.5740	1.608	178,880,815.00
Repo	1	240,000,000.00	100.0000	3.010	240,000,000.00
MM Fund	0	304,000,000.00	1.0000	3.067	304,000,000.00
Agency MBS	741	318,437,338.21	96.4311	3.803	314,619,473.66
CP	70	1,098,425,000.00	99.2786	3.480	1,086,894,418.87
CD	114	1,755,000,000.00	100.0001	2.685	1,755,002,456.82
US Gov	471	2,890,000,000.00	96.8378	1.387	2,880,691,818.56
Agency	803	4,204,609,250.00	93.6263	1.729	4,171,525,969.05
<b>Total</b>	<b>490</b>	<b>11,280,299,876.15</b>	<b>92.9665</b>	<b>2.084</b>	<b>11,223,669,209.60</b>

**Holdings by Security Type**



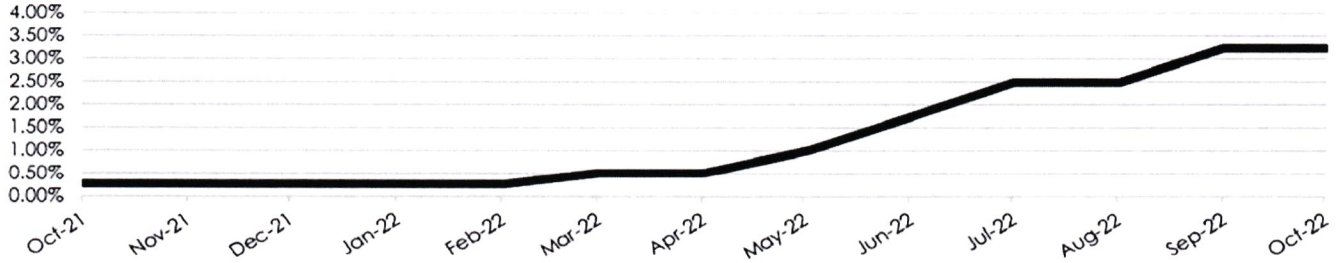
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matured Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
11/2022					60.40		
11/2022	1,600.00	1,700.00	-100.00	39.60	0.00	2,290.64	
12/2022	3,500.00	1,800.00	1700.00		1,700.00	253.25	
01/2023	1,600.00	2,400.00	-800.00		900.00	1,555.00	
02/2023	1,500.00	1,800.00	-300.00		600.00	697.56	
03/2023	2,350.00	1,800.00	550.00		1,150.00	411.75	
04/2023	2,750.00	2,070.00	680.00		1,830.00	99.72	
05/2023	1,600.00	2,500.00	-900.00		930.00	1,017.19	
06/2023	2,300.00	2,400.00	-100.00		830.00	477.83	
07/2023	1,400.00	2,100.00	-700.00		130.00	119.63	
08/2023	1,800.00	1,600.00	200.00		330.00	272.69	
09/2023	2,100.00	1,750.00	350.00		680.00	200.50	
10/2023	1,750.00	2,100.00	-350.00		330.00	216.64	
<b>TOTALS</b>	<b>24,250.00</b>	<b>24,020.00</b>	<b>230.00</b>	<b>39.60</b>	<b>9,470.40</b>	<b>7,612.39</b>	<b>11,240.69</b>
				<b>0.35%</b>		<b>67.48%</b>	<b>99.65%</b>

# FIXED INCOME MARKETS

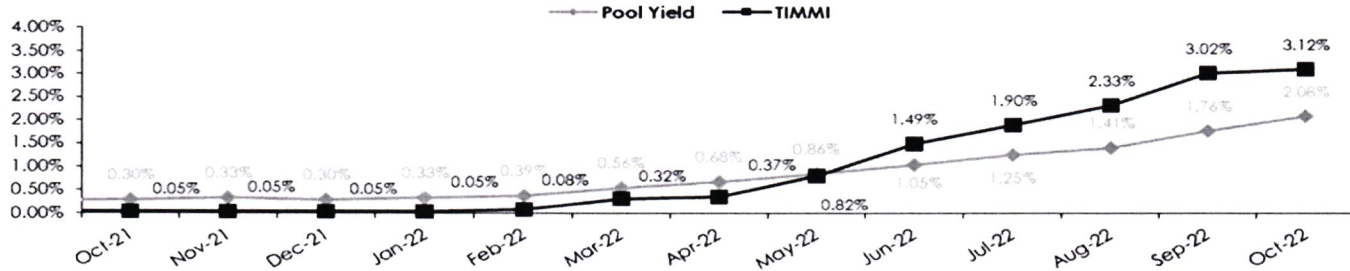
## FED FUNDS RATE

Fed Fund Rate: 3.00% to 3.25%

Next FOMC Scheduled Meeting: 11/02/2022



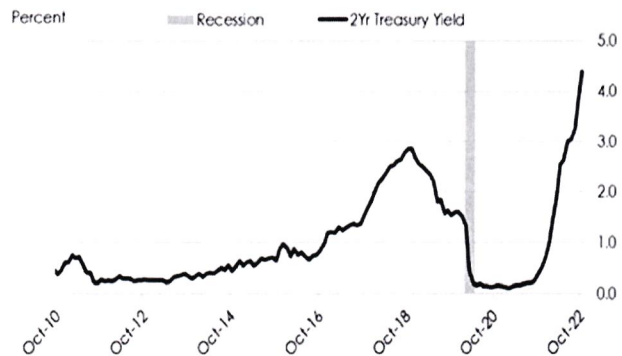
## TIMMI



The Treasurer's Institutional Money Market Index (TIMMI) is a composite index of four AAA rated prime institutional money market funds.

Their average yield is compared to the yield of the Treasurer's Pooled Investment Fund in the above graph.

## US Treasury Market



US Treasury Yield Curve	3 Mo	6 Mo	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr	30 Yr
10/31/2022 - 10/03/2022	0.76	0.60	0.65	0.39	0.33	0.37	0.43	0.49
10/31/2022	4.22	4.57	4.66	4.51	4.45	4.27	4.10	4.22
10/03/2022	3.46	3.97	4.01	4.12	4.12	3.90	3.67	3.73

# Compliance Status: Full Compliance

The Treasurer's Pooled Investment Fund was in full compliance with the County of Riverside's Treasurer's Statement of Investment Policy. The County's Statement of Investment Policy is more restrictive than California Government Code 53646. The County's Investment Policy is reviewed annually by the County of Riverside's Oversight Committee and approved by the 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	
<b>MUNICIPAL BONDS (MUNI)</b>	5 YEARS	NO LIMIT	NA	4 YEARS	15%	AA-/Aa3/AA-	<b>1.59%</b>
<b>U.S. TREASURIES</b>	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	<b>25.67%</b>
<b>LOCAL AGENCY OBLIGATIONS (LAO)</b>	5 YEARS	NO LIMIT	NA	3 YEARS	2.50%	INVESTMENT GRADE	<b>0.00%</b>
<b>FEDERAL AGENCIES COMMERCIAL PAPER (CP)</b>	5 YEARS	NO LIMIT	AAA	5 YEARS	100%	NA	<b>39.97%</b>
<b>CERTIFICATE &amp; TIME DEPOSITS (NCD &amp; TCD)</b>	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	<b>9.68%</b>
<b>INT'L BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INT'L FINANCE CORPORATION</b>	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	<b>15.64%</b>
<b>REPURCHASE AGREEMENTS (REPO)</b>	NA	NA	NA	4 YEARS	20%	AA/Aa/AA	<b>1.15%</b>
<b>REVERSE REPOS</b>	1 YEARS	NO LIMIT	NA	45 DAYS	40% max, 25% in term repo over 7 days	A1/P1/F1	<b>2.14%</b>
<b>MEDIUM TERM NOTES (MTNO)</b>	92 DAYS	20%	NA	60 DAYS	10%	NA	<b>0.00%</b>
<b>CALTRUST SHORT TERM FUND</b>	5 YEARS	30%	A	3 YEARS	20%	AA/Aa2/AA	<b>1.59%</b>
<b>MONEY MARKET MUTUAL FUNDS (MMF)</b>	NA	NA	NA	DAILY LIQUIDITY	1.00%	NA	<b>0.84%</b>
<b>LOCAL AGENCY INVESTMENT FUND (LAIF)</b>	60 DAYS <sup>(1)</sup>	20%	AAA/Aaa <sup>(2)</sup>	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	<b>2.71%</b>
<b>CASH/DEPOSIT ACCOUNT</b>	NA	NA	NA	DAILY LIQUIDITY	Max \$50 million	NA	<b>0.00%</b>
	NA	NA	NA	NA	NA	NA	<b>0.00%</b>

















912810EY0	UNITED STATES TREASURY	4.205	107.6250	11/15/2026	25,000,000.00	26,906,250.00	27,106,724.70	(200,474.70)
912828W71	UNITED STATES TREASURY	2.395	96.5781	03/31/2024	30,000,000.00	28,973,437.50	29,889,154.41	(915,716.91)
91282CCJ8	UNITED STATES TREASURY	0.906	88.1563	06/30/2026	35,000,000.00	30,854,687.50	34,960,937.38	(4,106,249.88)
91282CDA6	UNITED STATES TREASURY	2.157	96.0313	09/30/2023	50,000,000.00	48,015,625.00	49,149,398.05	(1,133,773.05)
912828VB3	UNITED STATES TREASURY	2.080	98.4844	05/15/2023	50,000,000.00	49,242,187.50	49,913,155.69	(670,968.19)
912828ZU7	UNITED STATES TREASURY	0.469	97.3594	06/15/2023	50,000,000.00	48,679,687.50	49,932,390.24	(1,252,702.74)
91282CBG5	UNITED STATES TREASURY	0.506	98.9844	01/31/2023	50,000,000.00	49,492,187.50	49,952,666.04	(460,478.54)
912828ZP8	UNITED STATES TREASURY	0.293	97.6563	05/15/2023	50,000,000.00	48,828,125.00	49,955,115.36	(1,126,990.36)
91282CBG5	UNITED STATES TREASURY	0.475	98.9844	01/31/2023	50,000,000.00	49,492,187.50	49,956,594.43	(464,406.93)
91282CBN0	UNITED STATES TREASURY	0.301	98.6250	02/28/2023	50,000,000.00	49,312,500.00	49,971,364.86	(658,864.86)
91282CBR1	UNITED STATES TREASURY	0.287	94.1563	03/15/2024	50,000,000.00	47,078,125.00	49,974,796.08	(2,896,671.08)
91282CBG5	UNITED STATES TREASURY	0.259	98.9844	01/31/2023	50,000,000.00	49,492,187.50	49,983,385.70	(491,198.20)
91282CAX9	UNITED STATES TREASURY	0.318	99.6875	11/30/2022	50,000,000.00	49,843,750.00	49,992,363.06	(148,613.06)
91282CBU4	UNITED STATES TREASURY	0.159	98.2656	03/31/2023	50,000,000.00	49,132,812.50	49,993,100.57	(860,288.07)
91282CBU4	UNITED STATES TREASURY	0.147	98.2656	03/31/2023	50,000,000.00	49,132,812.50	49,995,529.48	(862,716.98)
912828TY6	UNITED STATES TREASURY	1.482	99.8906	11/15/2022	50,000,000.00	49,945,312.50	50,002,704.33	(57,391.83)
912828S92	UNITED STATES TREASURY	0.334	97.5000	07/31/2023	50,000,000.00	48,750,000.00	50,340,357.42	(1,590,357.42)
912828Z29	UNITED STATES TREASURY	0.581	99.4844	01/15/2023	100,000,000.00	99,484,375.00	100,187,988.28	(703,613.28)
---	<b>UNITED STATES TREASURY</b>	<b>1.263</b>	<b>96.0838</b>	<b>06/20/2024</b>	<b>2,185,000,000.00</b>	<b>2,097,855,468.75</b>	<b>2,184,626,980.30</b>	<b>(86,771,511.55)</b>

**Summary**

Cusip	Description	Yield	Market Price	Final Maturity	Par Value	Market Value	Book Value	Net Unrealized Gain/Loss
---	---	2.084	92.9665	03/04/2024	11,280,299,876.15	10,880,326,101.87	11,239,227,340.25	(358,901,238.38)





COUNTY OF RIVERSIDE  
TREASURER-TAX COLLECTOR  
CAPITAL MARKETS

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