

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



**ITEM: 2.9  
(ID # 21047)**

**MEETING DATE:**  
Tuesday, January 31, 2023

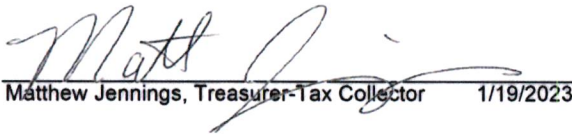
**FROM :** TREASURER-TAX COLLECTOR:

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

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

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

**ACTION:Consent**

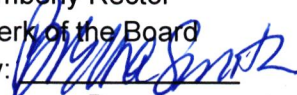
  
Matthew Jennings, Treasurer-Tax Collector 1/19/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez, and Gutierrez  
Nays: None  
Absent: None  
Date: January 31, 2023  
xc: Tax Collector

Kimberly Rector  
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'.

  
 Stephanie Perez, Principal Management Analyst 1/24/2023

# COUNTY OF RIVERSIDE

## TREASURER-TAX COLLECTOR'S

MANAGED BY

**Matt Jennings**  
Treasurer-Tax Collector

Giovane Pizano  
Assistant Treasurer

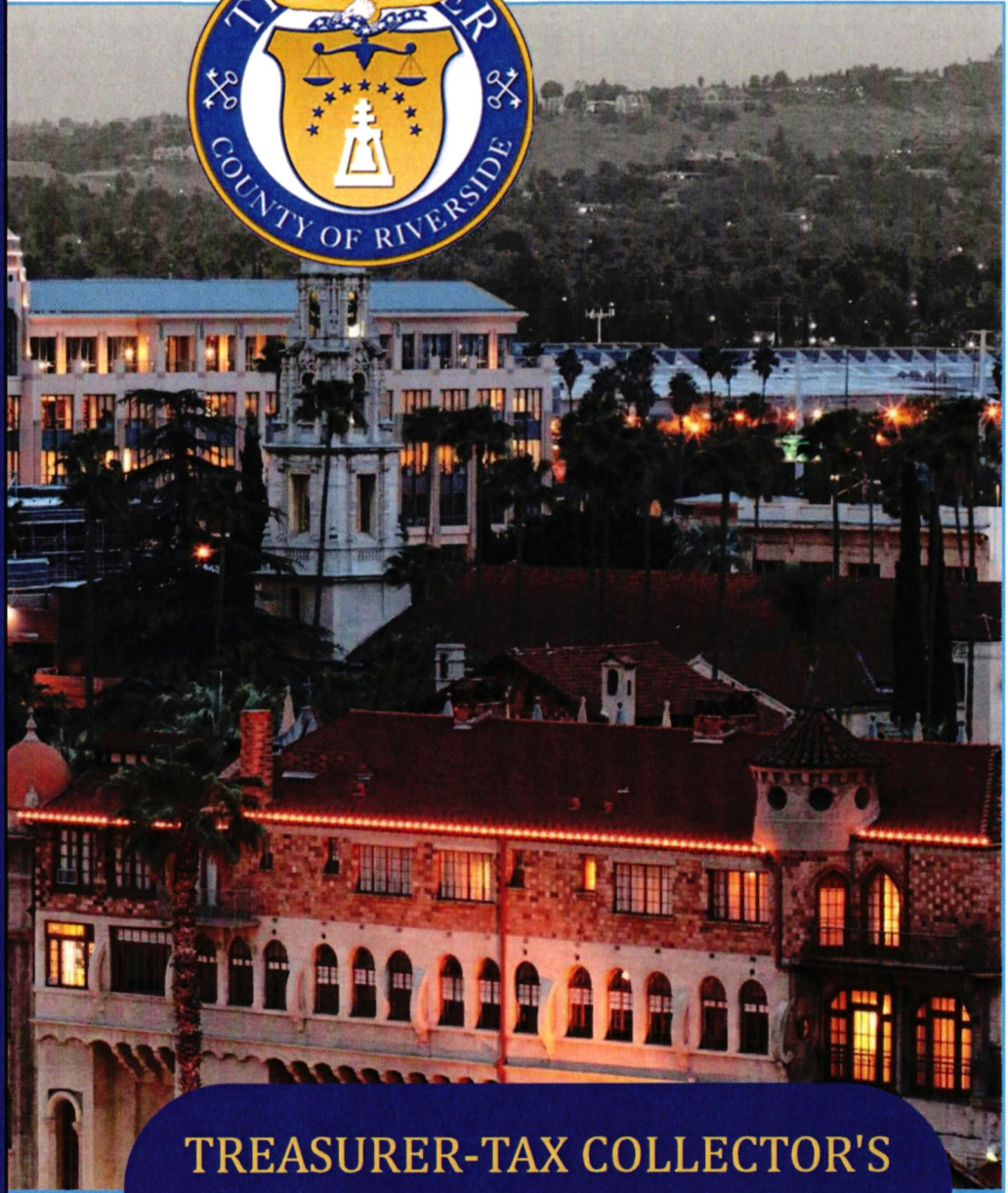
John Byerly  
Chief Investment Officer

Steve Faeth  
Senior Investment Officer

Isela Licea  
Investment Officer

COUNTY ADMINISTRATIVE CENTER  
4080 LEMON STREET,  
4TH FLOOR,  
RIVERSIDE, CA 92502-2205

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



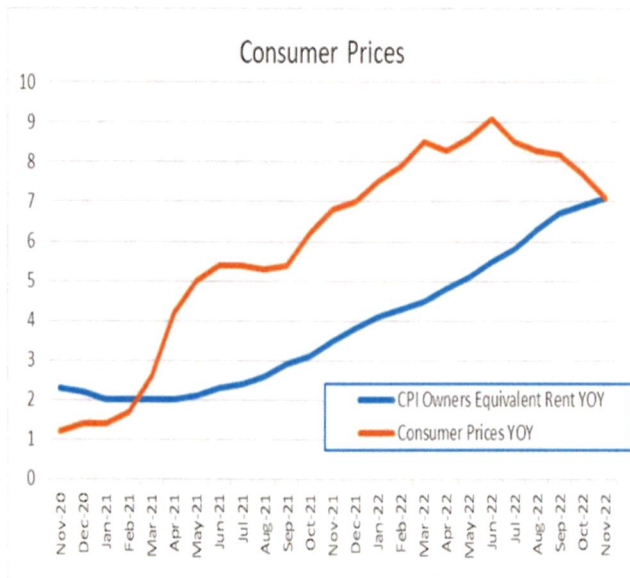
**TREASURER-TAX COLLECTOR'S  
POOLED INVESTMENT FUND**

## DECEMBER 2022 REPORT

# FED FUNDS RATE INCREASES CONTINUE

Yields on short-maturity bonds continued to increase in December. On December 14, the Federal Reserve raised its Funds Rate by another 50 basis points, to a range of 4.25% - 4.50%. For fixed income investors like the Treasurer's Investment Pool, this is a welcome change from the beginning of the year when the range was 0.00% - 0.25%.

Economic indicators continued to show economic growth and price inflation that remains too strong for the Fed's comfort level. The ISM services index kicked off the month with a surprisingly strong reading, rising 2.1% to 56.5 despite consensus expectations for a 1.0% decline, driven by a 9.0% increase in the business activity component, it's highest reading in the past year. The headline Consumer Price Index (CPI) rose 7.1% year over year, down from 7.7% the previous month, but still far above the Fed's goal of just 2.0%. Owner's equivalent rent picked up over the month, as did recreation and personal care services.



The one segment of the economy that continues to show slowing is housing. The deterioration in affordability has sent potential buyers to the sidelines, and as a result, home builders have scaled back single-

family home construction. Housing Starts fell 4.2% in the most recent monthly reading. Building permits dropped, with single family permits retreating for the eighth straight month.



The FED's Open Market Committee participants noted higher interest rates had notably restrained housing activity and they expected housing activity to remain weak. Some recounted hearing from builders who have had contract cancellations by purchasers who no longer qualified for loans at these higher interest rates.

The bond market pushed intermediate interest rates higher with the 2-year Treasury beginning the month at a yield of 4.23% and ending at 4.43%. The 5-year Treasury began the month at a yield of 3.66% and ended at 4.00%. Stocks fell, with the Dow Jones Industrial Average beginning the month at 34,600 and ending at 33,150.

**Matt Jennings**

**Treasurer-Tax Collector**

## Treasurer Tax-Collector Statement



### PORTFOLIO SUMMARY

Month End Values \$  
are Expressed in  
000,000

	Dec-22	Jun-22	Dec-21
Principal Value	13,980.27	11,769.16	11,247.58
Market Value*	13,694.33	11,553.41	11,219.00
Book Value*	14,008.04	11,769.16	11,247.58
Unrealized Gain/Loss*	(313.71)	(222.64)	(28.57)
Paper Gain or Loss %	-2.239%	-1.892%	-0.254%
Yield	2.92	1.08	0.3
WAM (Yrs)	1.22	1.19	1.12

\* Market values do not include accrued interest.

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

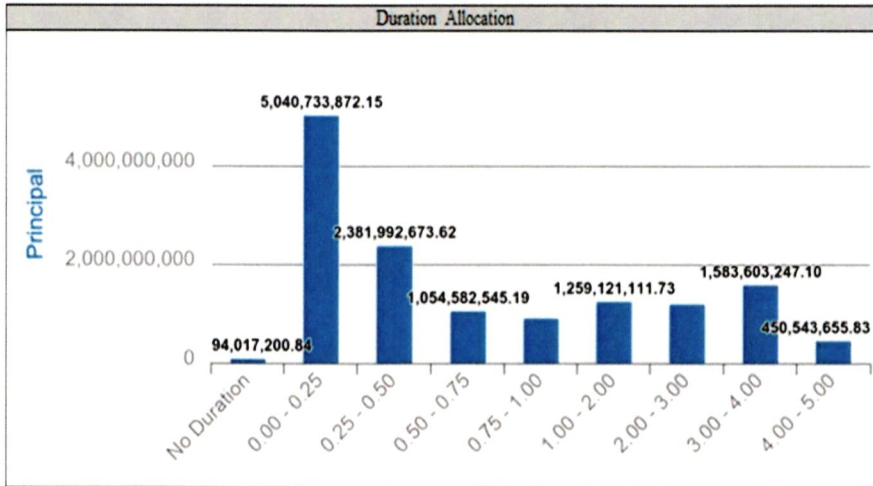
\* Unrealized Gain/Loss is Market Value - Book Value

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.

# TPIF STATS



**Composite Credit Ratings**

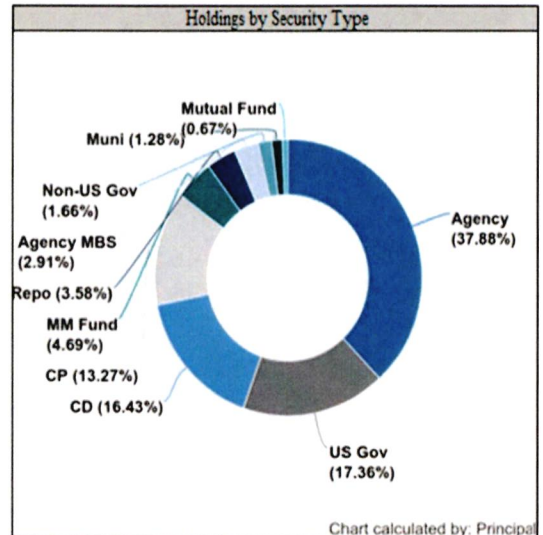
Rating	Moody's Rating	Market Value	Fitch Rating
AAA	Aaa	6,552,207,663.69	AAA
AA+	Aaa	291,606,559.43	AAA
AA	Aa2	74,453,295.25	AA
NA	NA	713,482,400.84	NA
A-1+	P-1	5,850,833,107.10	AAA
A-1	P-1	391,277,005.14	F1

Footnotes: 1,2,3,4

**Holdings by Security Type**

Security Type	Category	Days to Final Maturity	Par Value	Market Price	Yield	Principal
Agency CMO		687	40,528,442.37	97.2956	4.259	40,002,155.26
Other		---	93,213,169.12	1.0086	---	94,017,200.84
Muni		645	178,030,000.00	95.6269	1.610	178,880,815.00
Non-US Gov		396	233,895,000.00	95.6078	2.503	231,547,832.58
Agency MBS		958	412,954,801.90	96.9835	3.959	406,780,953.50
Repo		3	500,000,000.00	100.0000	4.220	500,000,000.00
MM Fund		0	655,000,000.00	1.0000	4.156	655,000,000.00
CP		52	1,877,178,000.00	99.3867	4.189	1,854,676,106.43
CD		138	2,297,000,000.00	100.0000	3.953	2,297,002,456.82
US Gov		491	2,435,000,000.00	96.8717	1.451	2,426,610,945.62
Agency		745	5,342,759,250.00	95.2696	2.408	5,295,760,044.39
<b>Total</b>		<b>446</b>	<b>14,065,558,663.39</b>	<b>92.0888</b>	<b>2.924</b>	<b>13,980,278,510.44</b>

Footnotes: 9,10,11,12,13



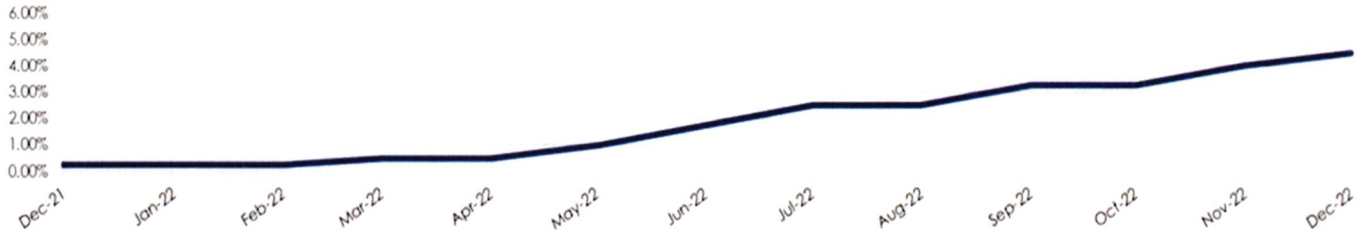
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matured Investments	Actual Investments	Balance	Available to Invest > 1 Year
01/2023						35.61	
01/2023	1,600.00	2,400.00	-800.00	764.39	300.00	0.00	2,525.55
02/2023	1,500.00	1,800.00	-300.00			0.00	1,239.00
03/2023	2,350.00	1,800.00	550.00			550.00	644.06
04/2023	2,750.00	2,070.00	680.00			1,230.00	165.46
05/2023	1,600.00	2,500.00	-900.00			330.00	1,571.45
06/2023	2,300.00	2,400.00	-100.00			230.00	758.56
07/2023	1,400.00	2,100.00	-700.00	470.00		0.00	157.40
08/2023	1,800.00	1,600.00	200.00			200.00	404.38
09/2023	2,100.00	1,750.00	350.00			550.00	606.23
10/2023	1,750.00	2,100.00	-350.00			200.00	371.38
11/2023	1,670.00	1,800.00	-130.00			70.00	327.27
12/2023	3,900.00	1,800.00	2100.00			2,170.00	223.41
<b>TOTALS</b>	<b>24,720.00</b>	<b>24,120.00</b>	<b>600.00</b>	<b>1,534.39</b>	<b>10.91%</b>	<b>5,565.61</b>	<b>8,994.16</b>
							<b>12,531.16</b>
							<b>89.09%</b>

# FIXED INCOME MARKETS

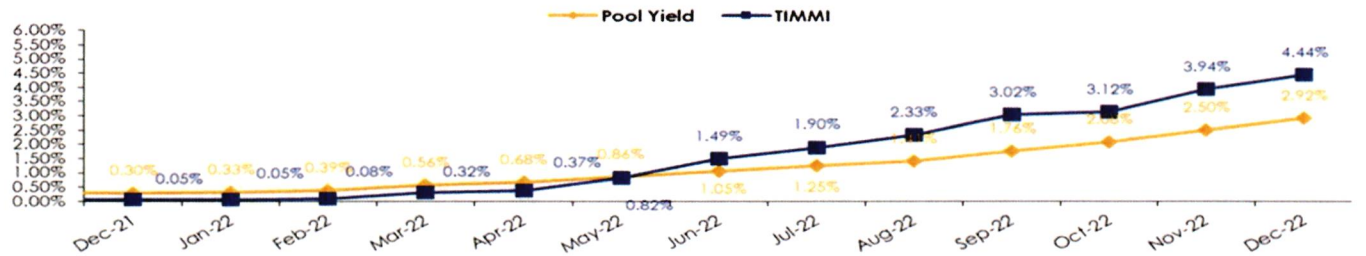
## FED FUNDS RATE

Fed Fund Rate: 4.25% to 4.50%

Next FOMC Scheduled Meeting: 02/01/2023



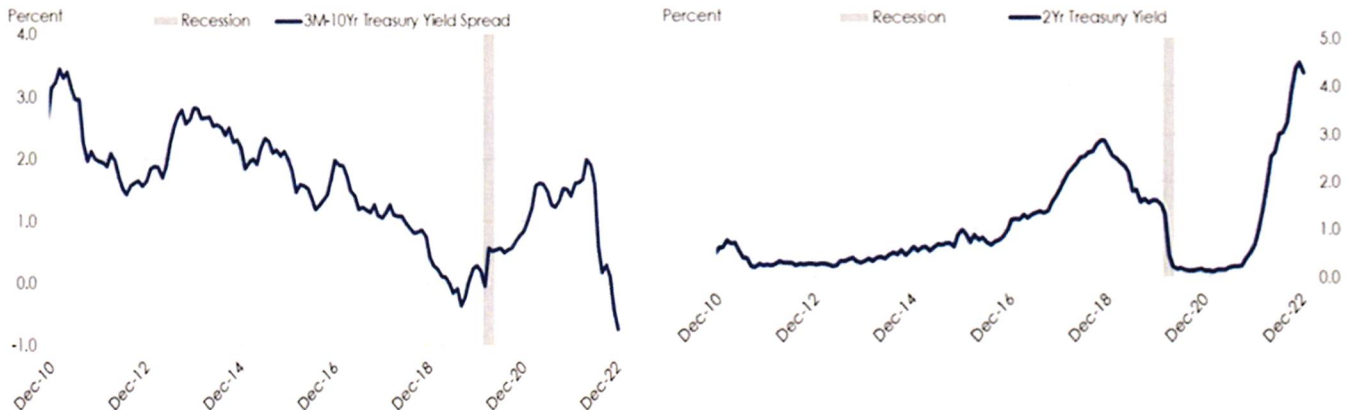
## TIMMI



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
12/30/2022 - 12/01/2022	0.09	0.11	0.07	0.16	0.24	0.31	0.35	0.33
12/30/2022	4.42	4.76	4.73	4.41	4.22	3.99	3.88	3.97
12/01/2022	4.33	4.65	4.66	4.25	3.98	3.68	3.53	3.64

# 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>1.28%</b>
<b>U.S. TREASURIES</b>	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	<b>17.36%</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>40.79%</b>
<b>NEGOTIABLE CERTIFICATE OF DEPOSITS &amp; COLLATERALIZED TIME DEPOSITS (NCD &amp; TCD)</b>	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	<b>13.27%</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>16.43%</b>
<b>REPURCHASE AGREEMENTS (REPO)</b>	NA	NA	NA	4 YEARS	20%	AA/Aa/AA	<b>1.66%</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>3.58%</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%	A/A2/A	<b>0.00%</b>
<b>MONEY MARKET MUTUAL FUNDS (MMF)</b>	NA	NA	NA	DAILY LIQUIDITY	1.00%	NA	<b>0.67%</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>4.69%</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>















91282CAM3	UNITED STATES TREASURY	0.950	89.8438	09/30/2025	25,000,000.00	22,460,937.50	24,529,273.17	(2,068,335.67)
91282CB4	UNITED STATES TREASURY	0.700	89.4063	12/31/2025	25,000,000.00	22,351,562.50	24,760,425.68	(2,408,863.18)
91282CBH3	UNITED STATES TREASURY	2.447	89.0313	01/31/2026	15,000,000.00	13,354,687.50	14,091,301.53	(736,614.03)
91282CBH3	UNITED STATES TREASURY	0.586	89.0313	01/31/2026	10,000,000.00	8,903,125.00	9,935,980.09	(1,032,855.09)
91282CBH3	UNITED STATES TREASURY	0.593	89.0313	01/31/2026	10,000,000.00	8,903,125.00	9,933,849.77	(1,030,724.77)
912828P46	UNITED STATES TREASURY	0.799	92.5469	02/15/2026	10,000,000.00	9,254,687.50	10,252,590.21	(997,902.71)
912828P46	UNITED STATES TREASURY	0.670	92.5469	02/15/2026	10,000,000.00	9,254,687.50	10,293,134.24	(1,038,446.74)
91282CBQ3	UNITED STATES TREASURY	0.591	89.1719	02/28/2026	20,000,000.00	17,834,375.00	19,943,378.77	(2,109,003.77)
91282CBT7	UNITED STATES TREASURY	0.715	89.7188	03/31/2026	25,000,000.00	22,429,687.50	25,027,935.46	(2,598,247.96)
91282CCJ8	UNITED STATES TREASURY	0.882	89.4844	06/30/2026	20,000,000.00	17,896,875.00	19,995,222.37	(2,098,347.37)
91282CCJ8	UNITED STATES TREASURY	0.906	89.4844	06/30/2026	35,000,000.00	31,319,531.25	34,962,719.60	(3,643,188.35)
91282CCW9	UNITED STATES TREASURY	0.832	88.6250	08/31/2026	25,000,000.00	22,156,250.00	24,927,030.09	(2,770,780.09)
91282CCW9	UNITED STATES TREASURY	0.902	88.6250	08/31/2026	25,000,000.00	22,156,250.00	24,864,405.22	(2,708,155.22)
91282CCZ2	UNITED STATES TREASURY	0.982	88.8906	09/30/2026	20,000,000.00	17,778,125.00	19,921,960.77	(2,143,835.77)
91282CCZ2	UNITED STATES TREASURY	2.540	88.8906	09/30/2026	15,000,000.00	13,333,593.75	14,121,448.52	(787,854.77)
91282CDG3	UNITED STATES TREASURY	2.884	89.5313	10/31/2026	10,000,000.00	8,953,125.00	9,372,946.33	(419,821.33)
912810EY0	UNITED STATES TREASURY	4.205	108.1875	11/15/2026	25,000,000.00	27,046,875.00	27,019,599.14	27,275.86
91282CDK4	UNITED STATES TREASURY	4.099	89.7969	11/30/2026	25,000,000.00	22,449,218.75	22,455,026.93	(5,808.18)
912810EZ7	UNITED STATES TREASURY	3.048	109.1406	02/15/2027	15,000,000.00	16,371,093.75	17,050,081.82	(678,988.07)
91282CEF4	UNITED STATES TREASURY	2.502	93.9531	03/31/2027	25,000,000.00	23,488,281.25	24,998,342.09	(1,510,060.84)
91282CEF4	UNITED STATES TREASURY	2.503	93.9531	03/31/2027	25,000,000.00	23,488,281.25	24,996,684.18	(1,508,402.93)
912828ZS2	UNITED STATES TREASURY	2.845	85.8438	05/31/2027	20,000,000.00	17,168,750.00	18,084,538.87	(915,788.87)
91282CEW7	UNITED STATES TREASURY	3.109	96.7969	06/30/2027	15,000,000.00	14,519,531.25	15,087,312.62	(567,781.37)
91282CEW7	UNITED STATES TREASURY	3.213	96.7969	06/30/2027	15,000,000.00	14,519,531.25	15,022,815.82	(503,284.57)
912810FA1	UNITED STATES TREASURY	3.247	109.3438	08/15/2027	15,000,000.00	16,401,562.50	16,986,772.43	(585,209.93)
912810FA1	UNITED STATES TREASURY	3.483	109.3438	08/15/2027	15,000,000.00	16,401,562.50	16,826,057.37	(424,494.87)
91282CFH9	UNITED STATES TREASURY	3.269	96.3281	08/31/2027	5,000,000.00	4,816,406.25	4,969,215.61	(152,809.36)
912810FB9	UNITED STATES TREASURY	4.003	109.0469	11/15/2027	15,000,000.00	16,357,031.25	16,392,898.35	(35,867.10)
91282CFZ9	UNITED STATES TREASURY	3.840	99.5938	11/30/2027	15,000,000.00	14,939,062.50	15,022,737.49	(83,674.99)
—	UNITED STATES TREASURY	1.291	96.4950	07/29/2024	2,035,000,000.00	1,961,834,378.00	2,034,242,303.19	(72,407,928.19)

Summary	Cusip	Description	Yield	Market Price	Final Maturity	Par Value	Market Value	Book Value	Net Unrealized Gain/Loss
—	—	—	2.920	92.0843	03/20/2024	14,065,588,663.39	13,694,333,509.15	14,008,041,239.77	(313,707,730.62)



COUNTY OF RIVERSIDE  
TREASURER-TAX COLLECTOR  
CAPITAL MARKETS

COUNTY ADMINISTRATIVE CENTER  
4080 LEMON STREET,  
4TH FLOOR,  
RIVERSIDE, CA 92502-2205