

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



ITEM: 2.13
(ID # 23229)

MEETING DATE:
Tuesday, October 31, 2023

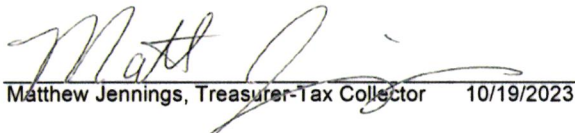
FROM : TREASURER-TAX COLLECTOR:

SUBJECT: TREASURER-TAX COLLECTOR: Receive and File the Treasurer's Monthly Disclosure Report on Investments dated September, 2023, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receives and files the 'Monthly Disclosure Report on Investments dated September, 2023'.

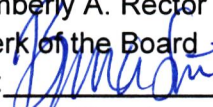
ACTION: Consent


Matthew Jennings, Treasurer-Tax Collector 10/19/2023

MINUTES OF THE BOARD OF SUPERVISORS

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

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

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: NA			Budget Adjustment:	No
			For Fiscal Year:	2023-2024

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

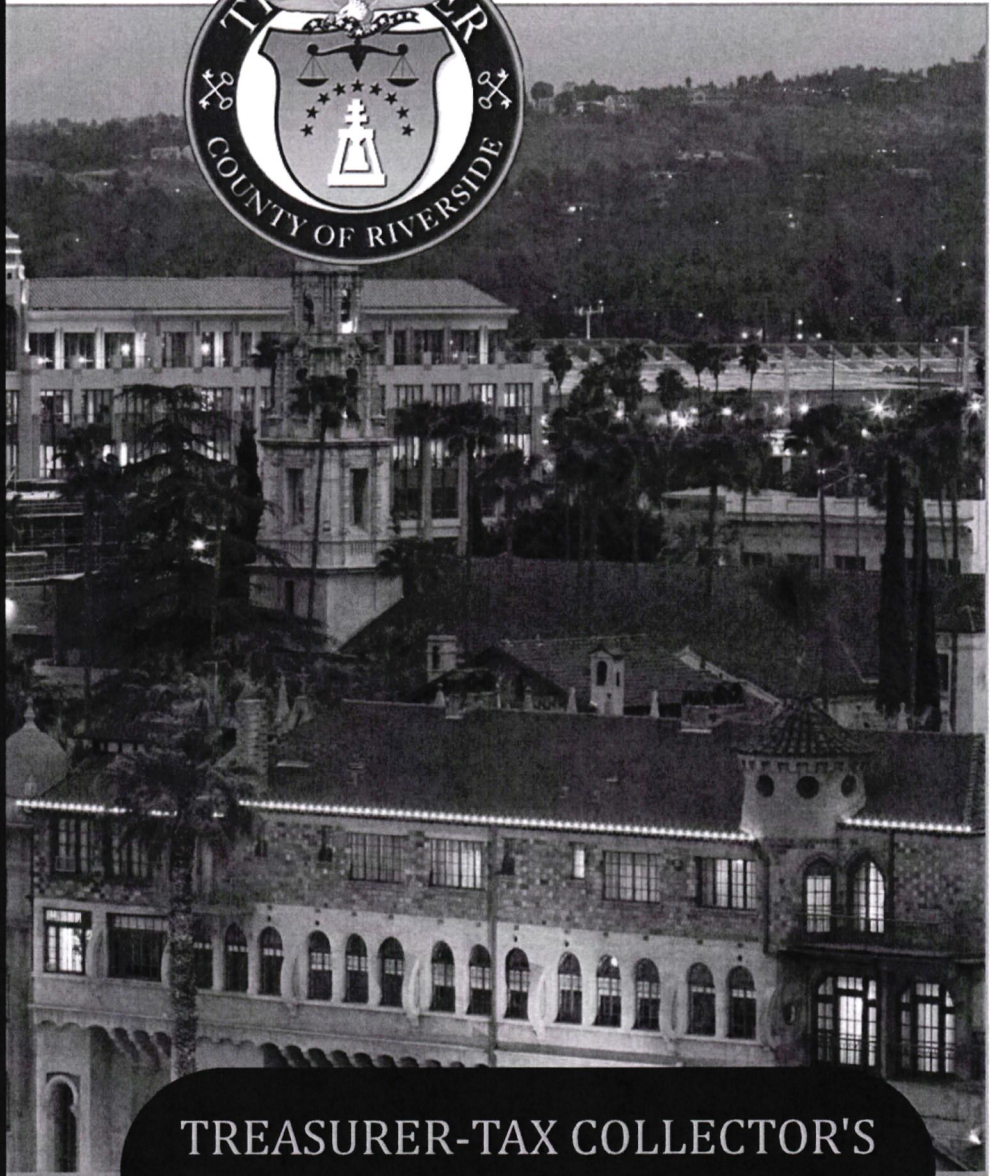
COUNTY ADMINISTRATIVE CENTER

4080 LEMON STREET,

4TH FLOOR,

RIVERSIDE, CA 92502-2205

WWW.COUNTYTREASURER.ORG



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

September 2023 REPORT

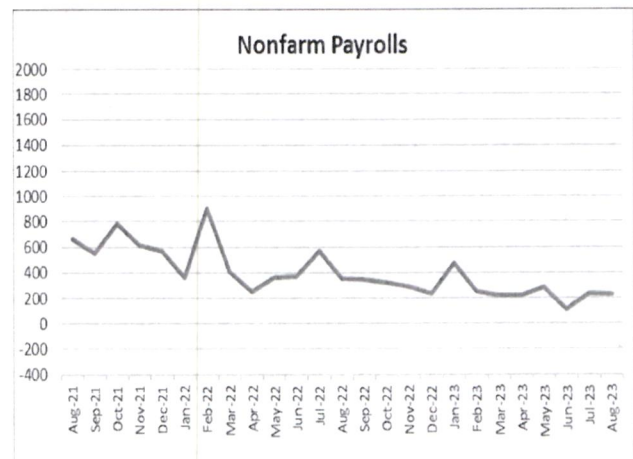
Strong Labor Market Continues to Fuel Inflation

While the Federal Reserve (FED) tries to decide if they've applied the brakes to the economy sufficiently enough to rein in inflation, a common measure of prices jumped in September and measures of the labor market were surprisingly robust. The United States economy continues to plod along even in the face of the central bank's sustained barrage of interest rate hikes. This higher interest-rate environment provides investors like the Treasurer-Tax Collector's Pooled Investment Fund with more income.

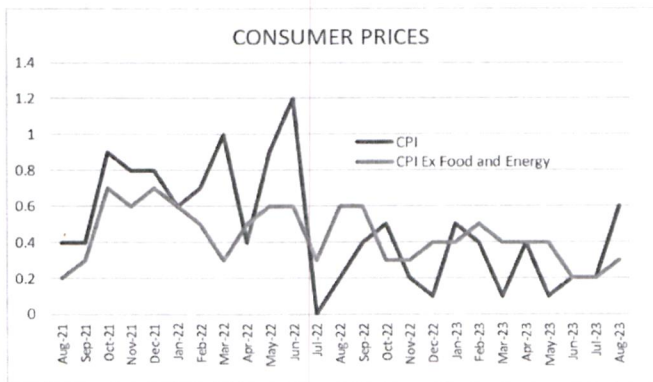
Weighing current perceptions of waning economic strength against a desired disinflation, the Federal Open Market Committee (FOMC) made no change on September 20, standing pat with their target rate range of 5.25 – 5.50%, a level not seen since 2001. The FOMC warned if inflation continues to remain above target, more rate hikes could occur later this year. This statement supports bond investors' view that current rate levels may endure into 2024. Very recently, the consensus was that rate cuts would begin early next year.

The Consumer Price Inflation Index (CPI) released in September rose 0.6% month over month, much higher than the FED's desired target. CPI on an annual basis spiked 3.7%, up from 3.2% the prior month, a disappointing uptick following an improving trend since June 2022. The upturn was driven by higher, albeit volatile, oil and gasoline prices. The more stable CPI ex-Food and Energy Index also increased which carries more weight with analysts and...the FED.

Non-farm payrolls added 236,000 jobs, well above expectations of 170,000. As the labor market continues to tighten, employers are forced to raise wages to attract workers, which in turn drives goods and services prices higher.



Responding to these September economic releases, bonds yields ratcheted higher. The yield on the 2-year Treasury Note began the month at 4.87% and ended the month at 5.05%. 5-year Treasury Notes began the month at a yield of 4.30% and ended the month at 4.61%. Stocks dropped, with the Dow Jones Industrial Average beginning the month at 34,800 and ending at 33,500.



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

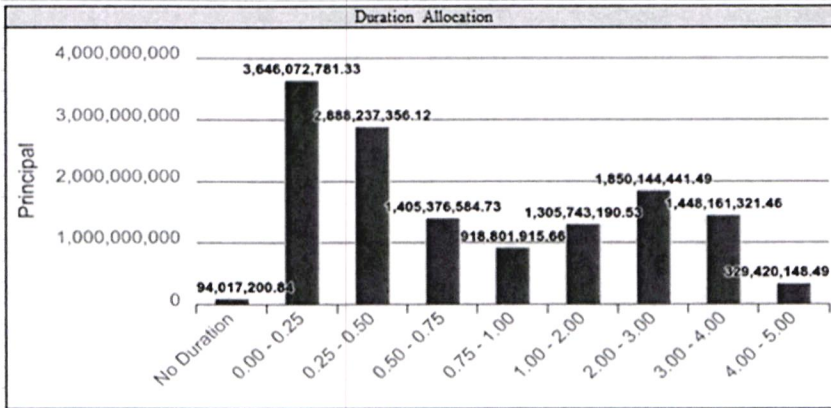
000,000	Sep-23	Mar-23	Sep-22
Principal Value	13,886.00	13,533.09	11,388.37
Market Value*	13,630.77	13,329.73	11,069.50
Book Value*	13,932.05	13,573.74	11,402.43
Unrealized Gain/Loss [†]	(301.28)	(244.01)	(332.93)
Paper Gain or Loss %	-2.162%	-1.798%	-2.920%
Yield	4.07	3.48	1.76
WAM (Yrs)	1.31	1.27	1.27

* 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

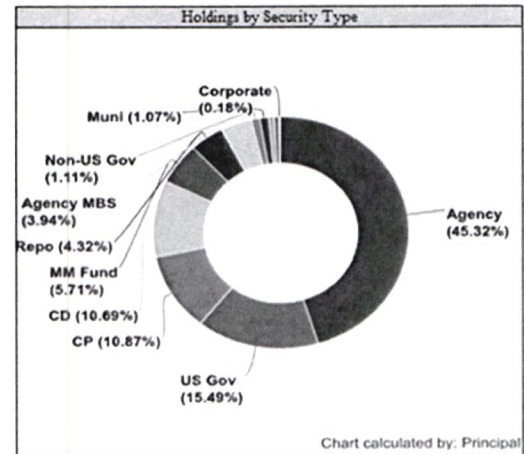


Composite Credit Ratings

Rating	Moody's Rating	Market Value	S&P Rating
AAA	Aaa	1,343,760,729.50	AAA
AA+	Aaa	6,588,265,715.10	AA+
AA	Aa2	57,075,677.30	AA+
AA-	Aa2	9,263,265.00	AA-
NA	NA	765,812,275.84	NA
A-1+	P-1	4,214,864,720.94	AAA
A-1	P-1	777,468,151.66	A-1

Holdings by Security Type

Security Type	Categories to Final Maturity	Par Value	Market Price	Yield	Principal
Corporate	107	25,000,000.00	99.3995	4.967	24,674,750.00
Agency CMO	553	89,037,136.45	96.9164	5.022	86,826,271.53
Mutual Fund	---	93,213,169.12	1.0086	4.800	94,017,200.84
Muni	544	147,425,000.00	96.3763	1.775	148,275,815.00
Non-US Gov	474	153,895,000.00	95.8202	1.279	153,660,513.14
Agency MBS	1318	556,958,505.10	94.9109	4.268	547,480,066.69
Repo	2	600,000,000.00	100.0000	5.320	600,000,000.00
MM Fund	0	793,000,000.00	1.0000	5.256	793,000,000.00
CD	182	1,485,000,000.00	100.0000	5.696	1,485,000,000.00
CP	88	1,537,806,000.00	98.8656	5.479	1,509,214,941.82
US Gov	448	2,170,000,000.00	96.7785	3.534	2,150,882,086.95
Agency	683	6,345,996,250.00	96.2655	3.348	6,292,971,122.50
Total	478	13,997,331,060.67	91.1076	4.073	13,886,002,768.47



PORTFOLIO CASHFLOWS

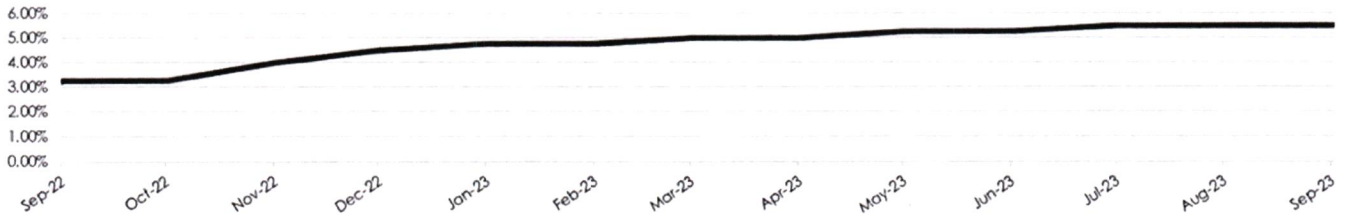
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Matures Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
10/2023					54.61		
10/2023	1,750.00	2,100.00	-350.00		200.00	2,792.59	
11/2023	1,670.00	1,800.00	-130.00		70.00	718.72	
12/2023	3,900.00	1,800.00	2100.00		2,170.00	336.97	
01/2024	1,800.00	2,800.00	-1000.00		1,170.00	1,296.56	
02/2024	1,600.00	2,200.00	-600.00		570.00	687.87	
03/2024	2,600.00	1,900.00	700.00		1,270.00	743.55	
04/2024	3,131.00	2,100.00	1031.00		2,301.00	203.71	
05/2024	2,300.00	3,075.25	-775.25		1,525.75	947.81	
06/2024	2,100.00	2,300.00	-200.00		1,325.75	481.49	
07/2024	1,200.00	2,300.00	-1100.00		225.75	237.93	
08/2024	1,700.00	2,000.00	-300.00	74.25	0.00	414.53	
09/2024	2,300.00	1,900.00	400.00		400.00	418.53	
TOTALS	26,051.00	26,275.25	(224.25)	74.25	11,282.86	9,280.26	13,923.08
				0.53%		66.30%	99.47%

FIXED INCOME MARKETS

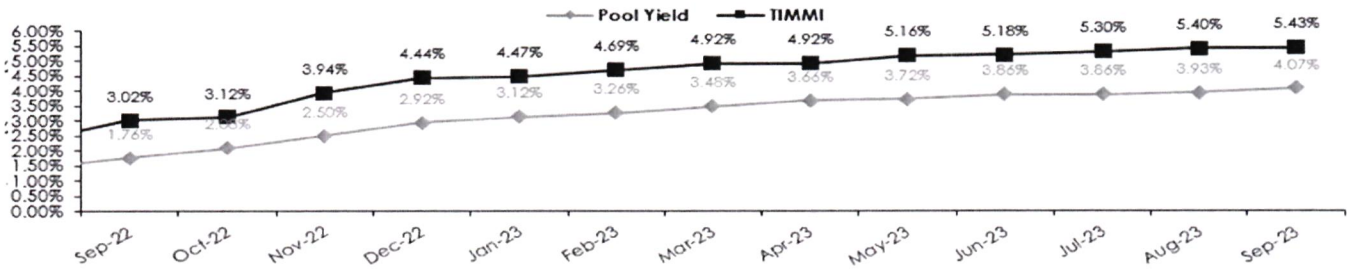
FED FUNDS UPPER LIMIT RATE

Fed Fund Rate: 5.25% to 5.50%

Next FOMC Scheduled Meeting: 09/20/2023



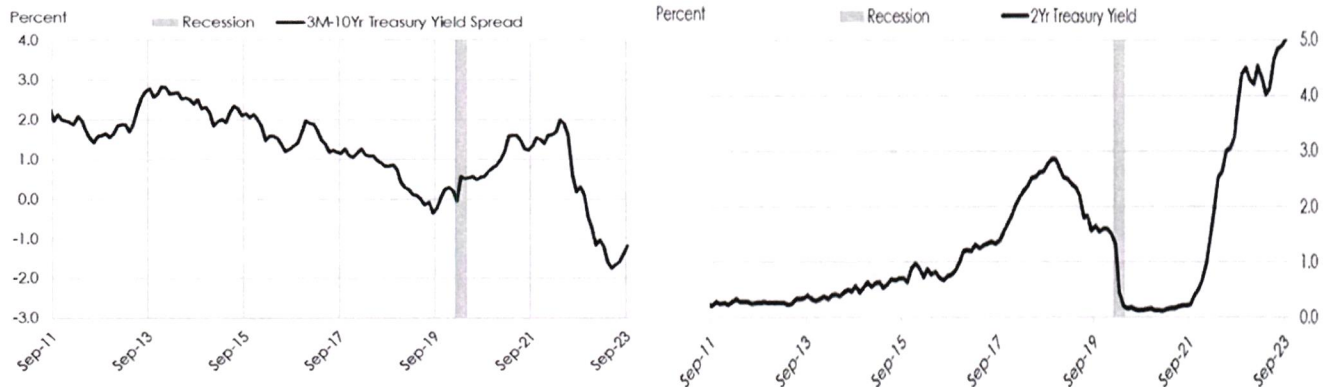
TIMMI



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
08/31/2023 - 08/01/2023	0.02	-0.06	-0.01	-0.07	-0.03	-0.01	0.04	0.09
08/31/2023	5.56	5.48	5.37	4.85	4.54	4.23	4.09	4.20
08/01/2023	5.54	5.54	5.38	4.92	4.57	4.24	4.05	4.11

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 % of Book Value
	Maximum Maturity	Authorized % Limit	S&P/ Moody's	Maximum Maturity	Authorized % Limit	S&P/ Moody's	
MUNICIPAL BONDS (MUNI)	5 YEARS	NO LIMIT	NA	4 YEARS	15%	AA-/Aa3/AA-	1.06%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	15.50%
LOCAL AGENCY OBLIGATIONS (LAO)	5 YEARS	NO LIMIT	NA	3 YEARS	2.50%	INVESTMENT GRADE	0.00%
FEDERAL AGENCIES	5 YEARS	NO LIMIT	AAA	5 YEARS	100%	NA	49.91%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	10.91%
NEGOTIABLE CERTIFICATE OF DEPOSITS & COLLATERALIZED TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	10.66%
INT'L BANK FOR RECONSTRUCTION AND DEVELOPMENT AND INT'L FINANCE CORPORATION	NA	NA	NA	4 YEARS	20%	AA/Aa/AA	1.10%
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%	A/A2/A	0.18%
CALTRUST SHORT TERM FUND	NA	NA	NA	DAILY LIQUIDITY	1.00%	NA	0.67%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS ⁽¹⁾	20%	AAA/Aaa ⁽²⁾	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	5.69%
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	0.0%

Summary	Cusip	Description	Yield	Market Price	Final Maturity	Par Value	Market Value	Book Value	Net Unrealized Gain/Loss
91282CCW9	91282CCW9	UNITED STATES TREASURY	0.832	89.6469	08/31/2026	25,000,000.00	22,261,718.75	24,961,918.57	(2,699,599.82)
91282CCZ2	91282CCZ2	UNITED STATES TREASURY	0.902	89.2344	09/30/2026	20,000,000.00	17,846,875.00	19,927,534.59	(2,090,659.59)
91282CCZ7	91282CCZ7	UNITED STATES TREASURY	0.982	89.2344	09/30/2026	15,000,000.00	13,385,156.25	14,296,773.49	(911,617.24)
91282CCG3	91282CCG3	UNITED STATES TREASURY	2.844	89.2344	10/31/2026	10,000,000.00	8,939,575.00	9,493,309.20	(553,934.20)
91282CCG4	91282CCG4	UNITED STATES TREASURY	4.205	104.5156	11/15/2026	25,000,000.00	26,128,906.25	26,693,676.53	(560,570.28)
91282CE4	91282CE4	UNITED STATES TREASURY	2.502	105.4375	02/15/2027	15,000,000.00	15,815,625.00	16,678,453.44	(862,828.44)
91282CE4	91282CE4	UNITED STATES TREASURY	2.502	105.4375	03/31/2027	25,000,000.00	25,242,687.50	22,941,225.53	(2,301,461.97)
91282CE4	91282CE4	UNITED STATES TREASURY	2.505	92.8750	03/31/2027	20,000,000.00	23,218,750.00	24,997,268.10	(1,779,884.10)
91282CE4	91282CE4	UNITED STATES TREASURY	2.845	85.9063	05/31/2027	20,000,000.00	17,181,250.00	18,409,132.84	(1,227,882.84)
91282CEW7	91282CEW7	UNITED STATES TREASURY	3.109	95.0000	06/30/2027	15,000,000.00	14,250,000.00	14,250,000.00	(822,787.12)
91282CEW7	91282CEW7	UNITED STATES TREASURY	3.213	95.0000	06/30/2027	15,000,000.00	14,250,000.00	15,019,020.13	(769,020.13)
912810FA1	912810FA1	UNITED STATES TREASURY	3.213	105.4063	08/15/2027	15,000,000.00	15,810,937.50	16,663,261.54	(854,324.04)
912810FA1	912810FA1	UNITED STATES TREASURY	3.483	105.4063	08/15/2027	15,000,000.00	15,810,937.50	16,530,554.31	(719,616.81)
912810FB9	912810FB9	UNITED STATES TREASURY	3.269	94.1750	08/31/2027	5,000,000.00	4,718,750.00	4,974,154.51	(255,400.51)
912810FB9	912810FB9	UNITED STATES TREASURY	4.003	105.1406	11/15/2027	15,000,000.00	15,271,993.75	16,179,148.55	(898,654.80)
91282CFZ9	91282CFZ9	UNITED STATES TREASURY	3.840	96.9375	11/30/2027	15,000,000.00	14,540,625.00	15,019,277.44	(478,652.44)
91282CHK0	91282CHK0	UNITED STATES TREASURY	4.125	97.3281	06/30/2028	25,000,000.00	24,332,031.25	24,867,460.10	(535,428.85)
91282CEW9	91282CEW9	UNITED STATES TREASURY	0.832	89.6469	08/31/2026	25,000,000.00	22,261,718.75	24,961,918.57	(2,699,599.82)
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91282CE4	91282CE4	UNITED STATES TREASURY	2.845	85.9063	05/31/2027	20,000,000.00	17,181,250.00	18,409,132.84	(1,227,882.84)
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4.070	91.0890	01/21/2025	13,997,331,060.67	13,630,776,873.14	13,912,050,040.88	13,912,050,040.88	13,912,050,040.88	(301,273,167.74)	
2.567	95.5595	07/18/2025	1,425,000,000.00	1,360,676,562.50	1,419,622,619.50	1,419,622,619.50	1,419,622,619.50	(58,946,057.00)	

COUNTY OF RIVERSIDE
TREASURER-TAX COLLECTOR
CAPITAL MARKETS
COUNTY ADMINISTRATIVE CENTER
4080 LEMON STREET,
4TH FLOOR,
RIVERSIDE, CA 92502-2205

