



County of Riverside
INVESTMENT OVERSIGHT COMMITTEE (IOC)
Minutes of Meeting

April 27, 2023
10:00 a.m.

Members Present:

Don Kent	Executive Office
Sergio Vidal	RCTC
John Byerly (alternate)	Treasurer-Tax Collector
Paula Ford (alternate)	Beaumont Unified School District

Members Not Present:

Mays Kakish	Beaumont Unified School District
Dr. Ruth Perez	Riverside County Office of Education
Matt Jennings	Treasurer-Tax Collector

Staff and Guests Present:

Kristine Valdez	County Counsel
Imelda Delos Santos	Executive Office
Ivanka Aghbashian	Executive Office
Jarvyk Punzalan	Executive Office
Jonathan Gutierrez	Executive Office
Giovane Pizano	Treasurer- Tax Collector
Steve Faeth	Treasurer- Tax Collector

1. CALL TO ORDER

Don Kent noted the established quorum and called the meeting to order at 10:00 a.m.

2. APPROVAL OF MINUTES

The January 26, 2023 meeting minutes were reviewed and approved.

**MOTION: Giovane Pizano moved to approve.
Don Kent seconded.
All were in favor. The motion was approved unanimously.**

3. MONTHLY DISCLOSURE REPORT ON INVESTMENT PORTIFOLIO

The TPIF market value balance ending March 31, 2023 was \$13.33 billion, down from \$13.69 billion on December 31, 2022. The portfolio yield on March 31, 2023 was 3.48%, up from 2.92% on December 31, 2022.

The Federal Reserve raised the Fed Funds lower bound rate to 4.50% on February 1st, followed by another increase to 4.75% on March 22nd. Intermediate yields climbed in tandem with short rates for the first two months of the quarter, but saw sharp decreases in March due to the regional banking crisis, led by the shocking failure of SVB Bank, the nation's 17th largest bank.

With our portfolio structure being mostly invested in the 'under 1 year' space, we are still benefiting from higher short rates, but we are now faced with the difficult choice of locking in longer investments at lower rates, but, it is the prudent move just in case the economy slows in the next few years. With many economists predicting a recession ahead, we could see the Fed pause and then even begin an easing cycle. Our longer positions would then protect us in this scenario.

4. INVESTMENT REPORTS OF FUNDS OUTSIDE THE COUNTY TREASURY

CORAL: Jarvyk Punzalan reported slight increase from last quarter. Money market yields are now at 4.72% for the First American treasury money market fund, and 4.73% for the Goldman Sachs government institutional fund, the highest yields available. The Allspring government money market fund is now yielding 4.36%.

All accounts are invested with yields above 4.70% with the exception of CORAL Series 2019A. The cash total of \$10,000 in the prior report of the 2009 Public Safety Communication & Woodcrest Library Projects added to the letter of credit fund for debt service interest was paid in the beginning of January. Increases were due to interest earnings.

LAND SECURED DISTRICTS: Jarvyk Punzalan reported a significant increase in all CFD's and the Assessment District due to deposits received in January. There was only a slight decrease in 2015 CFD 07-2 Clinton Keith due to project improvement expenditures.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY: Imelda Delos Santos reported an increase heavily since last quarter due to deposits made in March for debt service payments. All investments are placed in the highest yields permitted. There are 2020 bonds that Imelda is going to evaluate to move to higher yields. Don Kent stated series 2011 bonds must be invested in non-AMT tax-exempt investments as described in the bond indenture.

PENSION OBLIGATION BONDS: Imelda Delos Santos reported a decrease in the portfolio due to debt service being paid in February.

INFRASTRUCTURE FINANCING AUTHORITY: Imelda Delos Santos reported no significant changes. Accounts will be transferred from Fidelity to the First American Treasury money market fund. The 2017 Lease Revenue Bonds Series A will also be replaced by a higher yielding money market fund investment. The change will be reported in the next quarterly report.

5. PUBLIC COMMENT

None.

6. OTHER BUSINESS

None.

7. ADJOURNMENT

The next IOC meeting is scheduled for Thursday, July 27, 2023, at 10:00 a.m.
Don Kent adjourned the meeting at 10:25 a.m.