

COUNTY OF RIVERSIDE POOLED INVESTMENT FUND

The County Treasurer maintains one Pooled Investment Fund (the “PIF”) for all local jurisdictions having funds on deposit in the County Treasury. As of October 31, 2023, the portfolio assets comprising the TPIF had a market value of \$ 13,049,914,170.48.

State law requires that all operating moneys of the County, school districts, and certain special districts be held by the County Treasurer. On June 30, 2023, the Auditor-Controller performed an analysis on the County Treasury, which resulted in the identification and classification of “mandatory” vs. “discretionary” depositors. The County Auditor-Controller reports that collectively, these mandatory deposits constituted approximately 79.28% of the funds on deposit in the County Treasury, while approximately 20.72% of the total funds on deposit in the County Treasury represented discretionary deposits.

While State law permits other governmental jurisdictions to participate in the County’s TPIF, the desire of the County Treasurer is to maintain a stable depositor base for those entities participating in the TPIF.

All purchases of securities for the TPIF are to be made in accordance with the County Treasurer’s 2023 Statement of Investment Policy, which is more restrictive than the investments authorized pursuant to Sections 53601 and 53635 of the California Government Code. The Policy Statement requires that all investment transactions be governed by first giving consideration to the safety and preservation of principal and liquidity sufficient to meet daily cash flow needs prior to achieving a reasonable rate of return on the investment. Investments are not authorized in reverse-repurchase agreements except for an unanticipated and immediate cash flow need that would otherwise cause the Treasurer to sell portfolio securities prior to maturity at a principal loss.

The investments in the Treasurer-Tax Collector’s Pooled Investment Fund as of October 31, 2023 were as follows:

Repurchase Agreements	600,000,000.00	4.49%
U.S. Treasury Securities	1,709,882,024.78	12.80%
Federal Agency Securities	7,156,621,460.06	53.59%
Cash Equivalent & Money Market Funds	306,017,200.84	2.29%
Commercial Paper	1,738,122,317.59	13.02%
Int'l Bank for Reconstruction and Development (IBRD) & Int'l Finance Corp (IFC)	153,789,895.17	1.15%
NCD	1,535,000,000.00	11.49%
Medium Term Notes	24,929,497.83	0.19%
Municipal Notes	129,830,738.28	0.97%
Total Book Value*	\$ 13,354,193,134.55	100.00%
Yield		4.07%
Weighted Average Maturity (years)		1.44

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

As of October 31, 2023, the market value of the TPIF was 97.72% of book value. The Treasurer estimates that sufficient liquidity exists within the portfolio to meet daily expenditure needs without requiring any sale of securities at a principal loss prior to their maturity.

In keeping with Sections 53684 and 53844 of the California Government Code, all interest, income, gains and losses on the portfolio are distributed quarterly to participants based upon their average daily balance except for specific investments made on behalf of a particular fund. In these instances, Sections 53844 requires that the investment income be credited to the specific fund in which the investment was made.

The Board has established an "Investment Oversight Committee" in compliance with California Government Code Section 27131. Currently, the Committee is composed of the County Finance Director, the County Treasurer-Tax Collector, the County Superintendent of Schools, a school district representative and a public member at large. The purpose of the committee is to review the prudence of the County's investment policy, portfolio holdings and investment procedures, and to make any findings and recommendations known to the Board. As of September 29, 2004, the State no longer required the County to have a local oversight committee; however, the County has elected to maintain the committee. The committee is utilized by the County to safeguard public funds and to perform other internal control measures.

The County has obtained a rating on the TPIF of "Aaa/MR1" from Moody's Investors Service and "AAAf/S1" rating from Fitch Ratings. There is no assurance that such ratings will continue for any given period of time or that any such rating may not be lowered, suspended or withdrawn entirely by the respective rating agency if, in the judgment of such rating agency, circumstances so warrant.