



COUNTY OF RIVERSIDE
INVESTMENT OVERSIGHT COMMITTEE (IOC)

Minutes of Meeting
January 25, 2024
10:00 a.m.

Members Present:

Don Kent	Executive Office
Michelle Cisneros (Alternate)	RCTC
Matt Jennings	Treasurer-Tax Collector
Dr. Scott Price (Alternate)	Riverside County Office of Education
Paula Ford (Alternate)	Beaumont Unified School District

Members Not Present:

Dr. Ruth Perez	Riverside County Office of Education
Mays Kakish	Beaumont Unified School District
Sergio Vidal	RCTC

Staff and Guests Present:

Minh Tran	County Counsel
Imelda Delos Santos	Executive Office
Kathleen Ponce	Executive Office
Jarvyk Punzalan	Executive Office
Jonathan Gutierrez	Executive Office
John Byerly	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 October 27, 2024, meeting minutes were reviewed and approved.

MOTION: Dr. Scott Price moved to approve.
Michelle Cisneros seconded.
All were in favor. The motion was approved unanimously.

3. MONTHLY DISCLOSURE REPORT ON INVESTMENT PORTIFOLIO

John Byerly reported the TPIF market value balance ending December 31, 2023 was \$15.69 billion, up from \$13.88 billion on September 30, 2023. The portfolio yield on December 31, 2023 was 4.33%, up from 4.07% on September 30, 2023. The Federal Reserve made no changes to the Funds rate during the quarter, leaving it at a range of 5.25 – 5.50%. Money market rates remained in a very tight range of around 5.30% during the entire quarter. As inflation has cooled and economic growth has slowed, many bond market participants are beginning to anticipate rate cuts in 2024, with some predicting this action to begin as early as March and others as late as June or even September.

In light of this expected move, intermediate interest rates have fallen. The 4th quarter saw the yield on the 2-year Treasury fall from 5.00% early in the quarter to 4.25% in late December. 5-year Treasury yields began the quarter at 4.60% and ended at 3.85%. Fortunately, we were able to lock in a sizeable amount of the portfolio into longer maturities mid-year 2023 while rates were still higher, but because our investment policy mandates that we keep the majority of our portfolio under 1 year, we may see the liquidity portion of our 2024 activity being placed at lower yields as we replace maturing positions.

4. INVESTMENT REPORTS OF FUNDS OUTSIDE THE COUNTY TREASURY

CORAL

Jarvyk Punzalan reported that overall, there is no significant change from the prior quarter portfolio, however, a few items to note. First, the 2009 Public Safety Communication & Woodcrest Library Certificates of Participation had a slight decrease in the balance of the Base Rental Account due to the principal payment that was made in November. Secondly, the Letter of Credit account which shows cash on this report as of December 31, 2023, was used to pay debt service interest, and therefore has been expensed this month (January).

Jarvyk stated that the Finance Team is currently in the process of switching to a higher yielding security the account pertaining to the 2019A Lease Revenue Refunding Bonds Technology Refunding Project. The change will be reflected in the report next quarter.

LAND SECURED DISTRICTS

Jarvyk Punzalan reported that the portfolio decreased approximately 15% from prior quarter, which is due to CFD 07-2 (Clinton Keith) as well as invoices from TLMA for the continued construction of Clinton Keith.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY

Imelda Delos Santos reported the total portfolio of Successor Agency for this second quarter is \$33 million, lower by \$34.7 million from last quarter. The reduction is due to the payment of debt service last October. Money market rates are up slightly. So far, we have recorded about \$943,000 in interest income.

PENSION OBLIGATION BONDS

Imelda Delos Santos reported that there was no significant change in the portfolio. The total portfolio increased by \$720,000 from last quarter. The composition of investment in the Mass Mutual GIC went up by \$926,000.

INFRASTRUCTURE FINANCING AUTHORITY

Imelda Delos Santos reported no significant change in the portfolio, just an increase of about \$93,000 from last quarter. The arbitrage positions for several IFA bonds were updated in the report based on recent arbitrage reports.

5. PUBLIC COMMENT

None.

6. OTHER BUSINESS

None.

7. ADJOURNMENT

The next IOC meeting is scheduled for Thursday, April 25, 2024, at 10:00 a.m. Don Kent adjourned the meeting at 10:25 a.m.