



COUNTY OF RIVERSIDE
INVESTMENT OVERSIGHT COMMITTEE (IOC)

Minutes of Meeting

July 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

Members Not Present:

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

Staff and Guests Present:

Michael Thomas	County Counsel
Imelda Delos Santos	Executive Office
Ivanka Aghbashian	Executive Office
Jarvyk Punzalan	Executive Office
Jonathan Gutierrez	Executive Office
Trina Head	Executive Office
Laura Sanchez	Executive Office
Jodi McClay	Riverside County Office of Education
John Byerly	Treasurer-Tax Collector
Giovane Pizano	Treasurer-Tax Collector
Isela Licea	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 April 25, 2024, meeting minutes were reviewed and approved.

MOTION: Matt Jennings Price moved to approve.
Scott Price seconded.
All were in favor. The motion was approved unanimously.

3. MONTHLY DISCLOSURE REPORT ON INVESTMENT PORTIFOLIO

The TPIF market value balance ending June 30, 2024, was \$15.29 billion, up from \$15.16 billion on March 31, 2024. The portfolio yield on June 30, 2024, was 4.38%, up from 4.34% on March 31, 2024. The Federal Reserve made no changes to the Fed Funds rate at its two FOMC meetings during the quarter, leaving the rate at a range of 5.25% – 5.50%. Money market rates again remained in a very tight range around 5.30% during the entire quarter.

As some inflation and economic data have shown slight cooling, many bond market participants are beginning to anticipate a 25-basis point rate cut in September 2024, with another possible similar cut late in the year. Despite this dovish change in their outlook, intermediate interest rates rose slightly. The quarter saw the yield on the 2-year Treasury increase from 4.62% early in early March to 4.75% in late June. 5-year Treasury yields began the quarter at 4.21% and ended at 4.37%.

4. INVESTMENT REPORTS OF FUNDS OUTSIDE THE COUNTY TREASURY

CORAL: Jarvyk Punzalan reported overall, a significant decrease in the portfolio in the hospital project from prior quarter due to the hospital bond debt service payment that occurred this past month in June. All securities are yielding 5.21%.

LAND SECURED DISTRICTS: Jarvyk Punzalan reported overall, a slight decrease in the portfolio from prior quarter due to increases in most CFDs and Assessment District from SS2 apportionment checks deposited this quarter to pay the upcoming debt service of P&I due next quarter in September. There was a significant decrease in CFD 07-2 Clinton Keith for final project improvement invoices received from TLMA. All securities are yielding 5.21%-5.22%.

SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY: Imelda Delos Santos reported during the 4th quarter, the Successor Agency paid interest debt service so the portfolio went down by about \$9.8 million. Interest rates on the Dreyfus Tax Exempt Non-AMT MMF increased from 3.65% last quarter to 4.21% this quarter: others remained the same.

An update was provided on the Successor Agency refunding of the 2014 Series A, D and E bonds. We are in the final stages and are looking to price by the end of the month and looking to close on 8/15. The Non-Housing series that will be refunded is on page 10 of the report or page 84 of the PDF. The Housing Series that will be refunded is on page 21 of the report or page 95 of the PDF. Some good news: last week, we submitted to EMMA a Notice of Rating Change for S&P's rating upgrade for some series of Successor Agency Bonds.

PENSION OBLIGATION BONDS: Imelda Delos Santos reported that no significant change from the last quarter. Interest rates are the same. Total interest earned in our POB portfolio for the whole fiscal year 2023/24 between the Mass Mutual GIC and the MMF, is about \$2.1 million.

INFRASTRUCTURE FINANCING AUTHORITY: Imelda Delos Santos reported No significant change from last quarter. The County transferred funds in April for payment of debt service interest in May. There is a net decrease in the portfolio by about \$143,000 due to interest offsets.

5. PUBLIC COMMENT

None.

6. OTHER BUSINESS

Nomination for new Committee member Jodi McClay with the Riverside County Office of Education will be going to the Board of Supervisors on August 27th for approval.

7. ADJOURNMENT

The next IOC meeting is scheduled for Thursday, October 24, 2024, at 10:00 a.m. Don Kent adjourned the meeting at 10:30 a.m.