



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Committee Members
Supervisor John C. Zaragoza
District 5, Committee Chair
Judge Steven Hintz
Treasurer-Tax Collector
Jeffery S. Burgh
Auditor-Controller
Ms. Misty Key
Associate Superintendent
County Superintendent of Schools
Ms. Lori Mahoney
Investment Advisor

AGENDA

**VENTURA COUNTY GOVERNMENT CENTER
HALL OF ADMINISTRATION
MAIN PLAZA-ATLANTIC CONFERENCE ROOM
800 South Victoria Avenue
Ventura, California 93009**

November 7, 2018

1:00 P.M.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Patricia Kipp Holland at (805) 654-3728. Reasonable advance notification of the need for accommodation prior to the meeting (48 hours advance notice is preferable) will enable us to make reasonable arrangements to ensure accessibility to this meeting.

The following information is provided to help you understand, follow, and participate in the Committee meeting:

Pursuant to California Government Code Section 54953 (a) et seq. time is set aside for citizen presentations regarding Committee related issues. Those wishing to speak must fill out a speaker card and submit it to any staff members in attendance. Speaker cards for issues not on the agenda must be submitted to the committee staff prior to the beginning of the public comment period. For agenda item, speaker cards must also be submitted before the item is taken up for consideration.

Members of the public making oral presentations to the Committee in connection with one or more agenda or non-agenda items at a single meeting are limited to a cumulative total of time not to exceed five (5) minutes for all of their oral presentations at such meeting unless otherwise provided. NOTE: The Committee Chair may limit the number or duration of speakers on a matter.

Agenda material is available at <https://www.ventura.org/ttc/treasury-oversight-committee/>

VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE -

AGENDA

November 7, 2018 at 1:00 P.M.

1. Call to Order.
2. Roll Call.
3. Agenda Review – Consider and approve by majority vote minor revisions and/or ratify inclusion of new items.
4. Approval of Meeting Minutes for April 18, 2018.
5. Committee Members’ and Staff Comments.
6. Receive and File the August 31, 2018 Investment Report Presentation, approved by the Ventura County Board of Supervisors on October 9, 2018.
7. Receive and File a Report of the Authorized Issuers List, dated October 1, 2018.
8. Review and Discuss the Proposed Modifications to the Statement of Investment Policy. Recommend to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the December 4th, 2018 Board of Supervisors’ Meeting.
9. Receive and File the June 30, 2018 Receipts and Disbursements Report.
10. Receive and File a Board Letter of Certified Fixed Income Practitioner “CFIP” Designations to the Investment Work Group Team.
11. Public Comment - Time set aside for public comments regarding matters not appearing on the regular agenda. (Five minutes total per person).
12. Adjournment/Next Scheduled Meeting: Wednesday, April 24, 2019 at 1:00 P.M. Hall of Administration, Atlantic Conference Room, Ventura, CA 93009.
13. Treasurer-Tax Collector’s Office Tour of the “Investment Command Center”.



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 4 - Approval of Meeting Minutes for April 18, 2018

Recommendation

Review and approve the meeting minutes for April 18, 2018. (Exhibit 4.1)



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

April 18, 2018

**Ventura County Government Center
Hall of Administration, Atlantic Conference Room
800 South Victoria Avenue
Ventura, CA 93009**

MINUTES

COMMITTEE MEMBERS

Supervisor John Zaragoza Chair, Board of Supervisors
 Judge Steven Hintz Treasurer-Tax Collector
 Jeffery S. Burgh Auditor-Controller (Absent)
 Ms. Misty Key Associate Superintendent
 Ms. Lori Mahoney Investment Advisor

STAFF

Sue Horgan Assistant Treasurer-Tax Collector
 Connie Mah Treasury Management Division Manager
 Patricia Kipp Holland Management Assistant to Treasurer-Tax Collector

GUEST(S)

None

OPENING (Items 1-5)

CALL TO ORDER & ROLL CALL

At 1:05 P.M., Chair John Zaragoza called the meeting of the Ventura County Treasury Oversight Committee ("TOC") to order. Roll is called.

AGENDA REVIEW & APPROVAL OF MEETING MINUTES FOR APRIL 12, 2017

There were no additions or revisions of the Agenda.

Motion: Approve the Meeting Minutes for APRIL 12, 2017

Moved by Judge Hintz, seconded by Ms. Lori Mahoney

Vote: Motion carried 4-0

COMMITTEE MEMBERS' AND STAFF COMMENTS

Supervisor John Zaragoza welcomed all in attendance and each participant introduced him/herself.

INFORMATIONAL AGENDA

AGENDA ITEM 6

Receive and File the Investment Presentation to the Ventura County Board of Supervisors on April 10, 2018 and February 2018 Monthly Investment Report.

The Committee received and filed the April 10, 2018 Board of Supervisor's Investment Presentation and February 2018 Monthly Investment Report as presented.

REGULAR AGENDA

AGENDA ITEM 7

Receive and File the Standard & Poor's RatingsDirect letter affirming the Ventura County Treasury Portfolio AAAf/S-1+ rating, dated December 11, 2017.

The Committee received and filed the Standard & Poor's RatingsDirect letter as presented.

AGENDA ITEM 8

Review and File the Standard & Poor's Ventura County Treasury Portfolio Pool Profile Report, dated September 29, 2017.

The Committee reviewed and filed the Standard & Poor's Ventura County Treasury Portfolio Pool Profile Report as presented.

AGENDA ITEM 9

Receive and File the Brown Armstrong Independent Auditor's Report, dated January 8, 2018.

The Committee received and filed the Brown Armstrong Independent Auditor's Report as presented.

AGENDA ITEM 10

Receive and File a Report of "October 2017-February 2018 Transactions."

The Committee received and filed the "October 2017-February 2018 Transactions" Report as presented.

Ms. Key reminded the TOC that the Schools Pool has a debt payoff of \$10 million in December, 2020 and to please plan ahead for this transaction. Ms. Mah confirmed that the Treasurer-Tax Collector's Office is aware of this upcoming item and has planned accordingly.

AGENDA ITEM 11

Receive and File a Report of the Authorized Issuers List, dated April 2, 2018.

The Committee received and filed the Authorized Issuers List Report as presented.

AGENDA ITEM 12

Approval of a Recommendation to the Board of Supervisors to Renew the Delegation of Authority to Invest from July 1, 2018 through June 30, 2019.

Motion: Approve

Moved by Ms. Key, and seconded by Ms. Mahoney

Vote: Motion carried 4-0

AGENDA ITEM 13

Review and File the 2017 Amended Conflict of Interest Code for the Treasurer-Tax Collector, as approved by the Board of Supervisors on January 17, 2018.

The Committee reviewed and filed the 2017 Amended Conflict of Interest Code for the Treasurer-Tax Collector, as approved by the Board of Supervisors on January 17, 2018, as presented.

AGENDA ITEM 14

Receive and File the Investment Work Group's Biographies.

The Committee received and filed the Investment Work Group's Biographies as presented.

Judge Hintz congratulated Mrs. Horgan on her completing her California Treasury Certificate. Supervisor Zaragoza said he would like to have Ms. Horgan appear before the Board of Supervisors to acknowledge her achievement.

AGENDA ITEM 15

Public Comment.

The Committee addressed all questions.

ADJOURN

With no further items to discuss, the meeting was adjourned at 1:58 P.M.

NEXT TREASURY OVERSIGHT COMMITTEE MEETING

The next meeting is scheduled for Wednesday, November 7, 2018 at 1:00 P.M.



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 6 – Receive and File the August 31, 2018 Investment Presentation, approved by the Ventura County Board of Supervisors on October 9, 2018.

Recommendation

It is recommended that the Treasury Oversight Committee receive and file the August 31, 2018 Investment Presentation, approved by the Ventura County Board of Supervisors on October 9, 2018. (Exhibit 6.1)



TREASURER-TAX COLLECTOR VENTURA COUNTY

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Sue Horgan
Assistant Treasurer-Tax Collector

October 9, 2018

Ventura County Board of Supervisors
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Receive and File Report of Investments, Including Market Values for Investments for the Month Ending August 31, 2018.

RECOMMENDATION: Receive and File

FISCAL/MANDATES IMPACT: None

DISCUSSION:

This report covers the one-month period ending August 31, 2018. It reflects continuing positive trends in the investment portfolio results.

The **average daily portfolio balance** for the period was \$2.098 Billion, the highest August average balance ever. It is a decrease of \$222 Million from July. I expect the average balance to hold steady in September and October, and then rise as secured property tax payments arrive.

The **annualized percentage yield** for August was 2.136%, an increase of 0.064% over July. I expect the annualized yield to continue to rise at about this rate for the next several months, based on expectations of interest rate increases by the Federal Open Market Committee.

Going forward, if the current pool investments were all held to their maturity, the pool's **approximate yield to maturity** is 2.14%, an increase of 0.04% over July. As I write this report on September 11, that figure is 2.16%.

The **total net earnings** were \$3.807 million, a decrease of \$276,000. This is consistent with my expectations that a temporarily shrinking pool will reduce the total net earnings.

The **weighted average days to maturity** fell to 139 days. The interest-rate sensitive measure of **effective duration** ended at 0.355, reflecting the pool's very low sensitivity to interest-rate changes. I had expected both numbers to increase in August. Summer is a period of limited inflow of deposits; and, correspondingly, fewer investment opportunities. I expect both numbers to increase as secured tax payments start arriving in October.

The **three largest sectors**, by percentage, were: Yankee Certificates of Deposit (28.27%), Commercial Paper (26.64%), and Supranationals (16.14%). The **three largest individual issuers**, by percentage, were: Toronto Dominion Bank (7.91%), Federal Home Loan Bank (7.55%) and International Bank for Reconstruction and Development (7.42%).

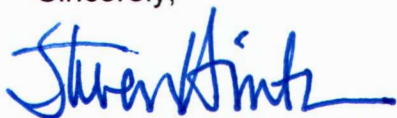
The portfolio has been managed with the stated objectives of safety, liquidity, and earning a competitive return, as outlined in the Statement of Investment Policy. In striving to maintain **the primary objective, safety of principal**, the County portfolio has for several years received a rating of AAf/S1+ by Standard & Poor's, the highest rating given by that agency. On December 11, 2017, our rating of AAf/S1+ was reaffirmed by S & P after an intensive 9 month review under the new, more conservative rating criteria. The portfolio is well diversified and has a low sensitivity to interest rate variations. Regarding **the secondary objective of maintaining sufficient liquidity** to meet cash flow needs, the portfolio maintains significant cash reserves in the County's bank, as well as significant holdings with ready access in LAIF and CalTrust. All of the pool's assets have a well-developed resale market, although of course it is our policy not to sell. **Earning a competitive rate of return** is reflected by our performance against our benchmarks, even though they all have less restrictive investment policies than ours.

Accordingly, the portfolio will continue to be managed based on the assumption that interest rates within our horizon will rise gradually over the next several months. The Federal Open Market Committee seems certain to raise interest rates twice more in 2018, at 0.25% each time. Commentators suggest the increasing possibility of at least two similar increases in 2019. The Investment Work Group monitors the interest rate news daily. We will focus our investing on issues with maturity dates of one year or less for the next several months.

This letter has been reviewed and approved as to form by the County Executive Office, the Auditor-Controller's Office, and County Counsel.

Please contact me at 805-654-3726 if you have any questions regarding this item.

Sincerely,



STEVEN HINTZ
Treasurer-Tax Collector

- Exhibit 1 – Wells Fargo Market/Cost Value Comparison Report – Month End 8/31/2018
- Exhibit 2 – Monthly Transactions Report – August 2018
- Exhibit 3 – Portfolio Average Monthly Balance Graph – August 2016-2018
- Exhibit 4 – Average Maturity Graph – August 2016-2018
- Exhibit 5 – Yield Comparison Graph – August 2017-2018
- Exhibit 6 – Rolling 2-Year % Yield Graph – August 2016-2018 (Ventura)
- Exhibit 7 – Rolling 2-Year \$ Yield Graph – August 2016-2018
- Exhibit 8 – Maturity Distribution Graph 2018
- Exhibit 9 – Portfolio Holdings by Class Graph – August 2018

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

General Reporting
 From Month End 08/31/2018
 09/04/2018 07:01:16 AM PDT

ACCOUNT: All Accounts Selected

* = Trade or Other Activity Pending

<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
ACCOUNT: 11435100 COUNTY OF VENTURA										
NET CASH										
NET CASH	.0000		\$.00	\$.00	\$.00	.00			.0000	.00
	U.S. DOLLARS									
SUBTOTAL	.0000		\$.00	\$.00	\$.00	.00			.0000	.00
US GOVERNMENT SHORT-TERM										
US TREASURY BILLS										
912796PT0	10,000,000.0000	02/28/2019	\$9,890,900.00	\$9,826,925.00	\$63,975.00	.65	N/A	N/A	.0000	.00
		US TREASURY BILL DTD 03/01/18 02/28/2019								
912796QC6	5,000,000.0000	04/25/2019	\$4,926,800.00	\$4,893,694.44	\$33,105.56	.68	N/A	N/A	.0000	.00
		US TREASURY BILL DTD 04/26/18 04/25/2019								
912796QM4	10,000,000.0000	06/20/2019	\$9,814,100.00	\$9,783,194.44	\$30,905.56	.32	N/A	N/A	.0000	.00
		US TREASURY BILL DTD 06/21/18 06/20/2019								
GOVERNMENT AGENCY DISCOUNT										
313312BT6	10,000,000.0000	02/11/2019	\$9,900,900.00	\$9,825,583.30	\$75,316.70	.77	N/A	N/A	.0000	.00
		FED FARM CREDIT BK DISC NOTE DTD 02/12/18 02/11/2019								
313312CU2	5,000,000.0000	03/08/2019	\$4,941,950.00	\$4,896,866.50	\$45,083.50	.92	N/A	N/A	.0000	.00
		FED FARM CREDIT BK DISC NOTE DTD 03/08/18 03/08/2019								
313384EM7	10,000,000.0000	04/18/2019	\$9,856,200.00	\$9,782,611.11	\$73,588.89	.75	N/A	N/A	.0000	.00
		FED HOME LN BK DISC NOTE DTD 04/18/18 04/18/2019								
313384FC8	10,000,000.0000	05/03/2019	\$9,844,700.00	\$9,822,155.56	\$22,544.44	.23	N/A	N/A	.0000	.00
		FED HOME LN BK DISC NOTE DTD 05/03/18 05/03/2019								
313385P59	8,000,000.0000	11/15/2018	\$7,966,560.00	\$7,892,120.00	\$74,440.00	.94	N/A	N/A	.0000	.00
		FED HOME LN BK DISC NOTE DTD 11/15/17 11/15/2018								
SUBTOTAL	68,000,000.0000		\$67,142,110.00	\$66,723,150.35	\$418,959.65	.63			.0000	.00
SAVINGS & CERTIFICATES OF DEPOSIT										
MARKETABLE CERTIFICATES OF DEPOSIT										
05252WNS8	10,000,000.0000	11/15/2018	\$9,999,400.00	\$10,000,724.64	(\$1,324.64)	(.01)	N/A	N/A	.0000	.00
		AUSTR & NEW ZEALND BKG CERT OF DEPOSIT								
05971XGM7	10,000,000.0000	01/02/2019	\$9,999,400.00	\$10,000,000.00	(\$600.00)	(.01)	N/A	N/A	.0000	.00
		BANCO DEL ESTA DE CHLE CERT OF DEPOSIT								
22549LHR9	10,000,000.0000	01/10/2019	\$9,991,400.00	\$10,001,984.20	(\$10,584.20)	(.11)	N/A	N/A	.0000	.00

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

Exhibit 6.1

General Reporting
 From Month End 08/31/2018
 09/04/2018 07:01:16 AM PDT

ACCOUNT: All Accounts Selected

* = Trade or Other Activity Pending

<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
			CREDIT SUISSE AG CERT OF DEPOSIT							
22549LQA6	10,000,000.0000	01/18/2019	\$9,993,300.00	\$10,001,982.80	(\$8,682.80)	(.09)	N/A	N/A	.0000	.00
			CREDIT SUISSE AG CERT OF DEPOSIT							
48668MYQ0	15,000,000.0000	01/03/2019	\$14,998,050.00	\$15,001,561.80	(\$3,511.80)	(.02)	N/A	N/A	.0000	.00
			KOOKMIN BANK NY BRCH CERT OF DEPOSIT							
50066BMX6	10,000,000.0000	01/18/2019	\$9,986,400.00	\$10,002,946.29	(\$16,546.29)	(.17)	N/A	N/A	.0000	.00
			KOREA DEVELOPMENT BK CERT OF DEPOSIT							
50066BNC1	10,000,000.0000	02/14/2019	\$10,003,900.00	\$10,003,284.46	\$615.54	.01	N/A	N/A	.0000	.00
			KOREA DEVELOPMENT BK CERT OF DEPOSIT							
50066BNJ6	10,000,000.0000	02/01/2019	\$10,003,500.00	\$10,002,095.33	\$1,404.67	.01	N/A	N/A	.0000	.00
			KOREA DEVELOPMENT BK CERT OF DEPOSIT							
50066BNK3	10,000,000.0000	03/29/2019	\$10,000,800.00	\$10,003,242.66	(\$2,442.66)	(.02)	N/A	N/A	.0000	.00
			KOREA DEVELOPMENT BK CERT OF DEPOSIT							
63375PG94	10,000,000.0000	02/04/2019	\$10,005,600.00	\$10,002,389.74	\$3,210.26	.03	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PJ42	10,000,000.0000	02/01/2019	\$10,004,500.00	\$10,000,716.63	\$3,783.37	.04	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PJ75	10,000,000.0000	03/07/2019	\$10,005,600.00	\$10,001,944.78	\$3,655.22	.04	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PK32	10,000,000.0000	03/15/2019	\$10,004,600.00	\$10,001,951.59	\$2,648.41	.03	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PL49	20,000,000.0000	09/27/2018	\$20,003,400.00	\$20,001,375.88	\$2,024.12	.01	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PM48	20,000,000.0000	09/04/2018	\$20,000,200.00	\$20,000,542.85	(\$342.85)	.00	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PP78	10,000,000.0000	01/02/2019	\$9,999,800.00	\$10,000,346.98	(\$546.98)	(.01)	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
63375PP94	10,000,000.0000	01/02/2019	\$9,999,800.00	\$10,000,344.25	(\$544.25)	(.01)	N/A	N/A	.0000	.00
			NATIONAL BANK OF KUWAI CERT OF DEPOSIT							
65590AUG9	10,000,000.0000	03/28/2019	\$9,995,700.00	\$10,000,000.00	(\$4,300.00)	(.04)			.0000	.00
			NORDEA BK AB (PUBL) NY CERT OF DEPOSIT							

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

Exhibit 6.1

General Reporting
From Month End 08/31/2018
09/04/2018 07:01:16 AM PDT

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65590AUL8	20,000,000.0000	01/03/2019	\$19,999,600.00	\$20,000,000.00	(\$400.00)	.00			.0000	.00
		NORDEA BK AB (PUBL) NY CERT OF DEPOSIT								
65590AUW4	10,000,000.0000	04/09/2019	\$9,996,700.00	\$10,000,000.00	(\$3,300.00)	(.03)			.0000	.00
		NORDEA BK AB (PUBL) NY CERT OF DEPOSIT								
65590AWW2	20,000,000.0000	05/10/2019	\$20,003,760.00	\$20,003,757.76	\$2.24	.00			.0000	.00
		NORDEA BK AB (PUBL) NY CERT OF DEPOSIT								
69033L3N7	20,000,000.0000	01/04/2019	\$20,013,200.00	\$20,004,497.40	\$8,702.60	.04	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANKING CERT OF DEPOSIT								
69033L4Z9	10,000,000.0000	02/07/2019	\$10,003,300.00	\$10,002,233.67	\$1,066.33	.01	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANK CERT OF DEPOSIT								
69033L6E4	10,000,000.0000	06/07/2019	\$10,008,900.00	\$10,002,906.45	\$5,993.55	.06	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANKING CERT OF DEPOSIT								
69033L7J2	10,000,000.0000	09/04/2018	\$10,000,200.00	\$10,000,407.20	(\$207.20)	.00	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANKING CERT OF DEPOSIT								
69033LX46	20,000,000.0000	10/01/2018	\$20,000,600.00	\$20,002,627.40	(\$2,027.40)	(.01)	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANKING CERT OF DEPOSIT								
69033LX79	10,000,000.0000	10/19/2018	\$9,998,800.00	\$10,001,402.30	(\$2,602.30)	(.03)	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANKING CERT OF DEPOSIT								
69033LY29	10,000,000.0000	10/15/2018	\$10,000,300.00	\$10,002,005.00	(\$1,705.00)	(.02)	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANK CERT OF DEPOSIT								
69033LY52	10,000,000.0000	10/15/2018	\$10,000,500.00	\$10,001,325.60	(\$825.60)	(.01)	N/A	N/A	.0000	.00
		OVERSEA-CHINESE BANK CERT OF DEPOSIT								
78009N7F7	10,000,000.0000	01/25/2019	\$9,989,700.00	\$10,000,000.00	(\$10,300.00)	(.10)	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UAM7	10,000,000.0000	11/09/2018	\$9,998,200.00	\$10,000,000.00	(\$1,800.00)	(.02)	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UCA1	10,000,000.0000	09/24/2018	\$10,002,700.00	\$10,000,000.00	\$2,700.00	.03	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UCJ2	10,000,000.0000	03/28/2019	\$10,004,200.00	\$10,000,000.00	\$4,200.00	.04	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UEA9	10,000,000.0000	03/28/2019	\$10,002,600.00	\$10,000,000.00	\$2,600.00	.03	N/A	N/A	.0000	.00

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

Exhibit 6.1

General Reporting
 From Month End 08/31/2018
 09/04/2018 07:01:16 AM PDT

ACCOUNT: All Accounts Selected

* = Trade or Other Activity Pending

<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UER2	10,000,000.0000	07/05/2019	\$10,005,300.00	\$10,000,000.00	\$5,300.00	.05	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
78012UET8	10,000,000.0000	06/04/2019	\$10,003,600.00	\$10,000,000.00	\$3,600.00	.04	N/A	N/A	.0000	.00
		ROYAL BK OF CANADA CERT OF DEPOSIT								
89113X5R1	10,000,000.0000	07/05/2019	\$9,999,900.00	\$10,001,974.91	(\$2,074.91)	(.02)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XB86	10,000,000.0000	09/11/2018	\$10,001,100.00	\$10,001,393.16	(\$293.16)	.00	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XC51	25,000,000.0000	11/26/2018	\$25,013,250.00	\$25,002,500.32	\$10,749.68	.04	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XC93	10,000,000.0000	03/28/2019	\$10,005,300.00	\$10,002,963.00	\$2,337.00	.02	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XD92	20,000,000.0000	01/02/2019	\$20,011,400.00	\$20,004,449.95	\$6,950.05	.03	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XSD7	10,000,000.0000	12/18/2018	\$9,989,500.00	\$10,002,983.20	(\$13,483.20)	(.13)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XTR5	10,000,000.0000	01/02/2019	\$9,988,000.00	\$10,000,993.84	(\$12,993.84)	(.13)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XUD4	10,000,000.0000	01/09/2019	\$9,988,200.00	\$10,000,993.44	(\$12,793.44)	(.13)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XUW2	10,000,000.0000	01/18/2019	\$9,989,300.00	\$10,002,448.94	(\$13,148.94)	(.13)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XVN1	10,000,000.0000	01/30/2019	\$9,991,000.00	\$10,001,983.80	(\$10,983.80)	(.11)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XY81	20,000,000.0000	03/05/2019	\$19,998,400.00	\$20,003,052.94	(\$4,652.94)	(.02)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XYC2	10,000,000.0000	11/09/2018	\$10,001,200.00	\$10,002,497.50	(\$1,297.50)	(.01)	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								
89113XYE8	10,000,000.0000	11/09/2018	\$10,001,800.00	\$10,002,132.10	(\$332.10)	.00	N/A	N/A	.0000	.00
		TORONTO-DOMINION CERT OF DEPOSIT								

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SUBTOTAL	590,000,000.0000		\$590,005,860.00	\$590,078,964.76	(\$73,104.76)	(.01)			.0000	.00
COMMERCIAL PAPER										
COMMERCIAL PAPER DISCOUNT										
06406XKW3	10,000,000.0000	10/30/2018	\$9,966,400.00	\$9,864,300.00	\$102,100.00	1.04			.0000	.00
		BNY MELLON CPDN DTD 04/06/18 10/30/2018								
22533UL68	10,000,000.0000	11/06/2018	\$9,960,800.00	\$9,943,011.10	\$17,788.90	.18			.0000	.00
		CREDIT AGRICOLE CRP&IN CPDN DTD 05/11/18 11/06/2018								
22533UP15	10,000,000.0000	02/01/2019	\$9,901,300.00	\$9,825,375.00	\$75,925.00	.77			.0000	.00
		CREDIT AGRICOLE CRP&IN CPDN DTD 05/08/18 02/01/2019								
22533UQ89	10,000,000.0000	03/08/2019	\$9,872,600.00	\$9,816,808.30	\$55,791.70	.57			.0000	.00
		CREDIT AGRICOLE CRP&IN CPDN DTD 06/14/18 03/08/2019								
2254EBJ77	10,000,000.0000	09/07/2018	\$9,998,400.00	\$9,865,066.60	\$133,333.40	1.35			.0000	.00
		CREDIT SUISSE AG CPDN DTD 12/11/17 09/07/2018								
2254EBKC4	10,000,000.0000	10/12/2018	\$9,977,700.00	\$9,856,000.00	\$121,700.00	1.23			.0000	.00
		CREDIT SUISSE AG CPDN DTD 01/18/18 10/12/2018								
2254EBMU2	10,000,000.0000	12/28/2018	\$9,926,200.00	\$9,811,655.56	\$114,544.44	1.17			.0000	.00
		CREDIT SUISSE AG CPDN DTD 04/03/18 12/28/2018								
2254EBN49	10,000,000.0000	01/04/2019	\$9,919,700.00	\$9,808,000.00	\$111,700.00	1.14			.0000	.00
		CREDIT SUISSE AG CPDN DTD 04/09/18 01/04/2019								
36164KJA0	20,000,000.0000	09/10/2018	\$19,993,600.00	\$19,731,044.44	\$262,555.56	1.33			.0000	.00
		GE CAPITAL TREASURY CPDN DTD 12/15/17 09/10/2018								
36164KJB8	10,000,000.0000	09/11/2018	\$9,996,300.00	\$9,866,027.78	\$130,272.22	1.32			.0000	.00
		GE CAPITAL TREASURY CPDN DTD 12/15/17 09/11/2018								
36960MJ46	25,000,000.0000	09/04/2018	\$25,000,000.00	\$24,981,138.89	\$18,861.11	.08			.0000	.00
		GENERAL ELECTRIC CO. CPDN DTD 04/04/18 09/04/2018								
46640QOC8	10,000,000.0000	03/12/2019	\$9,869,800.00	\$9,808,750.00	\$61,050.00	.62			.0000	.00
		J.P. MORGAN SECURITIES CPDN DTD 06/15/18 03/12/2019								
46640QQF1	10,000,000.0000	03/15/2019	\$9,867,700.00	\$9,808,000.00	\$59,700.00	.61			.0000	.00
		J.P. MORGAN SECURITIES CPDN DTD 06/18/18 03/15/2019								
46640QR11	10,000,000.0000	04/01/2019	\$9,856,000.00	\$9,807,250.00	\$48,750.00	.50			.0000	.00
		J.P. MORGAN SECURITIES CPDN DTD 07/05/18 04/01/2019								

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48306BJC0	41,086,000.0000	09/12/2018	\$41,068,333.02	\$40,667,353.98	\$400,979.04	.99			.0000	.00
		KAISER FOUNDATION CPDN DTD 04/04/18 09/12/2018								
5006E1KA1	20,000,000.0000	10/10/2018	\$19,957,800.00	\$19,726,738.89	\$231,061.11	1.17			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 02/05/18 10/10/2018								
5006E1KP8	10,000,000.0000	10/23/2018	\$9,970,600.00	\$9,847,750.00	\$122,850.00	1.25			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 01/26/18 10/23/2018								
5006E1MT8	10,000,000.0000	12/27/2018	\$9,926,900.00	\$9,817,550.00	\$109,350.00	1.11			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 04/04/18 12/27/2018								
5006E1N42	10,000,000.0000	01/04/2019	\$9,919,700.00	\$9,814,688.90	\$105,011.10	1.07			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 04/10/18 01/04/2019								
5006E1Q56	10,000,000.0000	03/05/2019	\$9,874,600.00	\$9,813,100.00	\$61,500.00	.63			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 06/11/18 03/05/2019								
5006E1QF4	20,000,000.0000	03/15/2019	\$19,735,400.00	\$19,616,000.00	\$119,400.00	.61			.0000	.00
		KOREA DEVELOPMENT BK CPDN DTD 06/18/18 03/15/2019								
62479MJ46	15,000,000.0000	09/04/2018	\$15,000,000.00	\$14,988,683.33	\$11,316.67	.08			.0000	.00
		MUFG BANK LTD NY BRAN CPDN DTD 05/01/18 09/04/2018								
62479ML68	10,000,000.0000	11/06/2018	\$9,960,800.00	\$9,942,755.56	\$18,044.44	.18			.0000	.00
		MUFG BANK LTD NY BRAN CPDN DTD 04/17/18 11/06/2018								
79572QJC9	10,000,000.0000	09/12/2018	\$9,995,700.00	\$9,943,777.80	\$51,922.20	.52			.0000	.00
		SALT RIVER PROJECT CPDN DTD 06/12/18 09/12/2018								
89233HK37	10,000,000.0000	10/03/2018	\$9,983,600.00	\$9,868,666.67	\$114,933.33	1.16			.0000	.00
		TOYOTA MOTOR CREDIT CO CPDN DTD 01/10/18 10/03/2018								
89233HK45	10,000,000.0000	10/04/2018	\$9,983,000.00	\$9,870,666.67	\$112,333.33	1.14			.0000	.00
		TOYOTA MOTOR CREDIT CO CPDN DTD 02/06/18 10/04/2018								
89233HKK9	20,000,000.0000	10/19/2018	\$19,947,200.00	\$19,711,363.89	\$235,836.11	1.20			.0000	.00
		TOYOTA MOTOR CREDIT CO CPDN DTD 01/22/18 10/19/2018								
89233HKQ6	10,000,000.0000	10/24/2018	\$9,970,000.00	\$9,853,333.33	\$116,666.67	1.18			.0000	.00
		TOYOTA MOTOR CREDIT CO CPDN DTD 02/26/18 10/24/2018								
89233HL28	20,000,000.0000	11/02/2018	\$19,929,200.00	\$19,690,977.78	\$238,222.22	1.21			.0000	.00
		TOYOTA MOTOR CREDIT CO CPDN DTD 02/06/18 11/02/2018								
89233HP16	5,000,000.0000	02/01/2019	\$4,950,650.00	\$4,914,612.50	\$36,037.50	.73			.0000	.00

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TOYOTA MOTOR CREDIT CO CPDN DTD 05/08/18 02/01/2019										
89233HQ80	15,000,000.0000	03/08/2019	\$14,808,900.00	\$14,719,875.00	\$89,025.00	.60			.0000	.00
TOYOTA MOTOR CREDIT CO CPDN DTD 06/11/18 03/08/2019										
89233HQC1	20,000,000.0000	03/12/2019	\$19,739,600.00	\$19,626,500.00	\$113,100.00	.58			.0000	.00
TOYOTA MOTOR CREDIT CO CPDN DTD 06/15/18 03/12/2019										
89233HQE7	10,000,000.0000	03/14/2019	\$9,868,400.00	\$9,813,941.67	\$54,458.33	.55			.0000	.00
TOYOTA MOTOR CREDIT CO CPDN DTD 06/18/18 03/14/2019										
8923A1JH5	10,000,000.0000	09/17/2018	\$9,993,000.00	\$9,860,500.00	\$132,500.00	1.34			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 12/21/17 09/17/2018										
8923A1KA8	15,000,000.0000	10/10/2018	\$14,968,350.00	\$14,797,000.00	\$171,350.00	1.16			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 02/12/18 10/10/2018										
8923A1KB6	15,000,000.0000	10/11/2018	\$14,967,450.00	\$14,795,000.00	\$172,450.00	1.17			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 02/13/18 10/11/2018										
8923A1KP5	10,000,000.0000	10/23/2018	\$9,970,600.00	\$9,850,000.00	\$120,600.00	1.22			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 01/26/18 10/23/2018										
8923A1MU2	20,000,000.0000	12/28/2018	\$19,852,400.00	\$19,640,900.00	\$211,500.00	1.08			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 04/06/18 12/28/2018										
8923A1NB3	20,000,000.0000	01/11/2019	\$19,830,200.00	\$19,626,500.00	\$203,700.00	1.04			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 04/16/18 01/11/2019										
8923A1PS4	15,000,000.0000	02/26/2019	\$14,822,850.00	\$14,723,958.33	\$98,891.67	.67			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 06/06/18 02/26/2019										
8923A1PT2	10,000,000.0000	02/27/2019	\$9,881,200.00	\$9,815,972.22	\$65,227.78	.66			.0000	.00
TOYOTA CDT DE PR CORP CPDN DTD 06/07/18 02/27/2019										
SUBTOTAL	556,086,000.0000		\$552,982,933.02	\$548,150,594.19	\$4,832,338.83	.88			.0000	.00
CORPORATE BONDS										
CORPORATE BONDS										
037833CE8	10,000,000.0000	02/08/2019	\$9,964,100.00	\$9,992,400.00	(\$28,300.00)	(.28)	AA+	AA1	.0000	.00
APPLE INC DTD 02/09/17 1.550 02/08/2019										
037833CZ1	5,000,000.0000	09/12/2019	\$4,950,600.00	\$4,995,700.00	(\$45,100.00)	(.90)	AA+	AA1	.0000	.00
APPLE INC DTD 09/12/17 1.500 09/12/2019										
084664CG4	1,700,000.0000	03/15/2019	\$1,693,914.00	\$1,690,667.00	\$3,247.00	.19	AA	AA2	.0000	.00

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		BERKSHIRE HATHAWAY FIN DTD 03/15/16 1.700 03/15/2019								
084664CK5	4,697,000.0000	08/15/2019	\$4,640,776.91	\$4,642,279.95	(\$1,503.04)	(.03)	AA	AA2	.0000	.00
		BERKSHIRE HATHAWAY FIN DTD 08/15/16 1.300 08/15/2019								
166764BH2	20,000,000.0000	05/16/2019	\$19,837,200.00	\$19,824,890.00	\$12,310.00	.06	AA-	AA2	.0000	.00
		CHEVRON CORP DTD 05/16/16 1.561 05/16/2019								
19416QEF3	2,000,000.0000	03/15/2019	\$1,991,200.00	\$1,989,660.00	\$1,540.00	.08	AA-	AA3	.0000	.00
		COLGATE-PALMOLIVE CO MED TERM NOTE								
25468PCK0	1,958,000.0000	03/15/2019	\$1,986,586.80	\$2,014,879.90	(\$28,293.10)	(1.40)	A+	A2	.0000	.00
		WALT DISNEY COMPANY DTD 03/16/09 5.500 03/15/2019								
30231GAP7	6,420,000.0000	03/01/2019	\$6,398,236.20	\$6,387,001.20	\$11,235.00	.18	AA+	AAA	.0000	.00
		EXXON MOBIL CORPORATION DTD 03/03/16 1.708 03/01/2019								
459058ER0	55,000,000.0000	10/05/2018	\$54,947,200.00	\$54,867,250.00	\$79,950.00	.15	AAA	AAA	.0000	.00
		INTL BK RECON & DEVELOP DTD 10/07/15 1.000 10/05/2018								
459058FB4	5,000,000.0000	04/26/2019	\$4,963,550.00	\$5,000,000.00	(\$36,450.00)	(.73)	N/A	N/A	.0000	.00
		INTL BK RECON & DEVELOP DTD 04/26/16 1.300 04/26/2019								
459058FC2	15,000,000.0000	04/26/2019	\$14,881,650.00	\$14,995,000.00	(\$113,350.00)	(.76)	AAA	AAA	.0000	.00
		INTL BK RECON & DEVELOP DTD 04/26/16 1.250 04/26/2019								
45905UTH7	10,000,000.0000	09/25/2018	\$9,926,800.00	\$10,000,000.00	(\$73,200.00)	(.73)			.0000	.00
		INTL BK RECON & DEVELOP DTD 09/25/15 1.100 09/25/2018								
45905UTW4	5,000,000.0000	11/10/2018	\$4,990,650.00	\$5,000,000.00	(\$9,350.00)	(.19)	N/A	AAA	.0000	.00
		INTL BK RECON & DEVELOP DTD 11/10/15 1.190 11/10/2018								
45905UVC5	15,000,000.0000	02/26/2019	\$14,929,350.00	\$14,990,000.00	(\$60,650.00)	(.40)	N/A	AAA	.0000	.00
		INTL BK RECON & DEVELOP DTD 02/26/16 1.350 02/26/2019								
45905UVZ4	10,000,000.0000	01/18/2019	\$9,952,000.00	\$9,997,300.00	(\$45,300.00)	(.45)	N/A	N/R	.0000	.00
		INTL BK RECON & DEVELOP DTD 04/18/16 1.000 01/18/2019								
459200JE2	29,775,000.0000	05/17/2019	\$29,626,125.00	\$29,602,165.22	\$23,959.78	.08	A+	A1	.0000	.00
		IBM CORP DTD 02/19/16 1.800 05/17/2019								
45950VHE9	1,926,000.0000	11/27/2018	\$1,921,589.46	\$1,915,476.34	\$6,113.12	.32	AAA	AAA	.0000	.00
		INTL FINANCE CORP DTD 11/27/15 1.250 11/27/2018								
594918AV6	3,425,000.0000	12/06/2018	\$3,418,835.00	\$3,419,314.50	(\$479.50)	(.01)	AAA	AAA	.0000	.00
		MICROSOFT CORP DTD 12/06/13 1.625 12/06/2018								

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594918BN3	10,000,000.0000	08/08/2019	\$9,872,600.00	\$9,877,910.00	(\$5,310.00)	(.05)	AAA	AAA	.0000	.00
		MICROSOFT CORP DTD 08/08/16 1.100 08/08/2019								
717081DL4	1,455,000.0000	05/15/2019	\$1,453,326.75	\$1,450,635.00	\$2,691.75	.19	AA	A1	.0000	.00
		PFIZER INC DTD 05/15/14 2.100 05/15/2019								
89236TDE2	337,000.0000	05/20/2019	\$334,239.97	\$333,754.69	\$485.28	.15	AA-	AA3	.0000	.00
		TOYOTA MOTOR CREDIT CORP DTD 05/20/16 1.400 05/20/2019								
89236TDM4	1,225,000.0000	01/09/2019	\$1,221,851.75	\$1,221,386.25	\$465.50	.04	AA-	AA3	.0000	.00
		TOYOTA MOTOR CREDIT CORP MED TERM NOTE								
89236TDY8	180,000.0000	12/24/2018	\$180,120.60	\$180,111.60	\$9.00	.00	AA-	AA3	.0000	.00
		TOYOTA MOTOR CREDIT CORP MED TERM NOTE								
91159HHH6	5,000,000.0000	04/25/2019	\$4,992,650.00	\$4,984,400.00	\$8,250.00	.17	A+	A1	.0000	.00
		US BANCORP MED TERM NOTE								
CORPORATE STRIPPED/ZERO COUPON										
45818KAC6	10,000,000.0000	01/03/2019	\$9,926,700.00	\$9,923,800.00	\$2,900.00	.03	N/A	N/A	.0000	.00
		IADB DISCOUNT NOTE ZERO CPN DTD 01/03/18 01/03/2019								
45818LF47	25,000,000.0000	09/11/2018	\$24,990,500.00	\$24,775,840.00	\$214,660.00	.87	N/A	N/A	.0000	.00
		IADB DISCOUNT NOTE ZERO CPN DTD 09/11/17 09/11/2018								
459052AB2	10,000,000.0000	01/02/2019	\$9,927,300.00	\$9,852,600.00	\$74,700.00	.76	N/A	N/A	.0000	.00
		IBRD DISCOUNT NOTE ZERO CPN DTD 01/02/18 01/02/2019								
459052BL9	10,000,000.0000	02/04/2019	\$9,905,200.00	\$9,876,933.33	\$28,266.67	.29	N/A	N/A	.0000	.00
		IBRD DISCOUNT NOTE ZERO CPN DTD 02/05/18 02/04/2019								
459052DB9	10,000,000.0000	03/15/2019	\$9,879,500.00	\$9,843,250.00	\$36,250.00	.37	N/A	N/A	.0000	.00
		IBRD DISCOUNT NOTE ZERO CPN DTD 03/15/18 03/15/2019								
459053E59	10,000,000.0000	09/04/2018	\$10,000,000.00	\$9,992,611.00	\$7,389.00	.07	N/A	N/A	.0000	.00
		IBRD DISCOUNT NOTE ZERO CPN DTD 09/05/17 09/04/2018								
459515Q88	25,000,000.0000	11/26/2018	\$24,879,500.00	\$24,678,055.00	\$201,445.00	.82	N/A	N/A	.0000	.00
		IFC DISCOUNT NOTE ZERO CPN DTD 11/27/17 11/26/2018								
459516BH2	10,000,000.0000	02/01/2019	\$9,907,100.00	\$9,853,950.00	\$53,150.00	.54	N/A	N/A	.0000	.00
		IFC DISCOUNT NOTE ZERO CPN DTD 02/01/18 02/01/2019								
459516BP4	10,000,000.0000	02/07/2019	\$9,903,400.00	\$9,828,977.80	\$74,422.20	.76	N/A	N/A	.0000	.00
		IFC DISCOUNT NOTE ZERO CPN DTD 02/07/18 02/07/2019								

WELLS FARGO
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COUNTY OF VENTURA

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ACCOUNT: All Accounts Selected

* = Trade or Other Activity Pending

<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
459516BW9	20,000,000.0000	02/14/2019	\$19,798,000.00	\$19,651,022.20	\$146,977.80	.75	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 02/14/18 02/14/2019									
459516BX7	10,000,000.0000	02/15/2019	\$9,898,400.00	\$9,845,733.30	\$52,666.70	.53	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 02/15/18 02/15/2019									
459516DB3	10,000,000.0000	03/15/2019	\$9,879,500.00	\$9,843,250.00	\$36,250.00	.37	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 03/15/18 03/15/2019									
459516DR8	5,000,000.0000	03/29/2019	\$4,935,350.00	\$4,911,013.89	\$24,336.11	.50	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 03/29/18 03/29/2019									
459516EF3	10,000,000.0000	04/12/2019	\$9,860,100.00	\$9,786,238.90	\$73,861.10	.75	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 04/12/18 04/12/2019									
459516EM8	5,000,000.0000	04/18/2019	\$4,928,100.00	\$4,891,908.35	\$36,191.65	.74	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 04/18/18 04/18/2019									
459516FN5	10,000,000.0000	05/13/2019	\$9,838,200.00	\$9,784,808.33	\$53,391.67	.55	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 05/14/18 05/13/2019									
459516GP9	20,000,000.0000	06/07/2019	\$19,639,600.00	\$19,551,766.60	\$87,833.40	.45	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 06/07/18 06/07/2019									
459516HG8	10,000,000.0000	06/24/2019	\$9,808,700.00	\$9,786,616.70	\$22,083.30	.23	N/A	N/A	.0000	.00
	IFC DISCOUNT NOTE ZERO CPN DTD 06/25/18 06/24/2019									
SUBTOTAL	440,098,000.0000		\$436,980,302.44	\$436,050,557.05	\$929,745.39	.21			.0000	.00
FEDERAL AGENCY										
GOVERNMENT AGENCIES										
3130A6RC3	5,000,000.0000	11/02/2018	\$4,991,500.00	\$5,000,000.00	(\$8,500.00)	(.17)	AA+	AAA	.0000	.00
	FED HOME LN BK DTD 11/04/15 1.150 11/02/2018									
3130A7RT4	20,000,000.0000	04/18/2019	\$19,859,600.00	\$19,989,000.00	(\$129,400.00)	(.65)	AA+	AAA	.0000	.00
	FED HOME LN BK DTD 04/18/16 1.200 04/18/2019									
3130AAE46	5,000,000.0000	01/16/2019	\$4,981,650.00	\$4,971,840.00	\$9,810.00	.20	AA+	AAA	.0000	.00
	FED HOME LN BK DTD 12/08/16 1.250 01/16/2019									
3130AAXX1	10,000,000.0000	03/18/2019	\$9,950,400.00	\$9,929,330.00	\$21,070.00	.21	AA+	N/A	.0000	.00
	FED HOME LN BK DTD 03/10/17 1.375 03/18/2019									
3130ADF23	15,000,000.0000	01/18/2019	\$14,971,200.00	\$14,987,344.00	(\$16,144.00)	(.11)	N/A	AAA	.0000	.00
	FED HOME LN BK DTD 01/18/18 1.750 01/18/2019									

WELLS FARGO
Market/Cost Value Comparison Report
By Account By Industry Class
COUNTY OF VENTURA

Exhibit 6.1

General Reporting
From Month End 08/31/2018
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ACCOUNT: All Accounts Selected

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<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
3130ADGE6	10,000,000.0000	01/22/2019 FED HOME LN BK DTD 01/22/18 1.750 01/22/2019	\$9,980,300.00	\$9,990,186.80	(\$9,886.80)	(.10)	N/A	AAA	.0000	.00
3130ADL26	5,000,000.0000	02/01/2019 FED HOME LN BK SER 0000	\$4,992,000.00	\$4,997,180.00	(\$5,180.00)	(.10)	N/A	AAA	.0000	.00
3130ADRY0	5,370,000.0000	03/05/2019 FED HOME LN BK DTD 03/05/18 2.000 03/05/2019	\$5,362,159.80	\$5,366,826.33	(\$4,666.53)	(.09)	N/A	AAA	.0000	.00
3130ADUL4	10,000,000.0000	03/19/2019 FED HOME LN BK DTD 03/19/18 2.125 03/19/2019	\$9,990,300.00	\$10,000,000.00	(\$9,700.00)	(.10)	N/A	AAA	.0000	.00
3130ADWH1	8,250,000.0000	03/28/2019 FED HOME LN BK DTD 03/28/18 2.125 03/28/2019	\$8,241,090.00	\$8,247,987.00	(\$6,897.00)	(.08)	N/A	AAA	.0000	.00
3130AE5E6	10,300,000.0000	04/23/2019 FED HOME LN BK DTD 04/23/18 2.250 04/23/2019	\$10,293,408.00	\$10,299,485.00	(\$6,077.00)	(.06)	N/A	AAA	.0000	.00
3130AE6P0	5,000,000.0000	04/26/2019 FED HOME LN BK DTD 04/26/18 2.250 04/26/2019	\$4,996,650.00	\$4,998,605.00	(\$1,955.00)	(.04)	N/A	AAA	.0000	.00
3130AEAT7	2,500,000.0000	05/07/2019 FED HOME LN BK DTD 05/07/18 2.250 05/07/2019	\$2,498,025.00	\$2,500,000.00	(\$1,975.00)	(.08)	N/A	AAA	.0000	.00
3130AECL2	10,000,000.0000	05/21/2019 FED HOME LN BK DTD 05/21/18 2.250 05/21/2019	\$9,990,500.00	\$9,997,000.00	(\$6,500.00)	(.07)	N/A	AAA	.0000	.00
3130AERW2	8,145,000.0000	08/09/2019 FED HOME LN BK DTD 08/09/18 2.375 08/09/2019	\$8,136,447.75	\$8,137,482.17	(\$1,034.42)	(.01)	N/A	AAA	.0000	.00
3133EDVK5	1,000,000.0000	03/18/2019 FED FARM CREDIT BK DTD 09/18/14 1.750 03/18/2019	\$996,760.00	\$996,356.00	\$404.00	.04	AA+	AAA	.0000	.00
3133EGBE4	10,830,000.0000	11/19/2018 FED FARM CREDIT BK DTD 05/19/16 1.060 11/19/2018	\$10,802,275.20	\$10,819,170.00	(\$16,894.80)	(.16)	AA+	AAA	.0000	.00
3133EJAC3	12,150,000.0000	01/22/2019 FED FARM CREDIT BK DTD 01/22/18 1.850 01/22/2019	\$12,129,588.00	\$12,150,000.00	(\$20,412.00)	(.17)	N/A	AAA	.0000	.00
3133EJAS8	23,750,000.0000	02/28/2019 FED FARM CREDIT BK DTD 01/29/18 1.880 02/28/2019	\$23,697,037.50	\$23,741,090.00	(\$44,052.50)	(.19)	AA+	AAA	.0000	.00
3133EJAU3	10,000,000.0000	04/29/2019 FED FARM CREDIT BK DTD 01/29/18 1.920 04/29/2019	\$9,969,400.00	\$10,000,000.00	(\$30,600.00)	(.31)	AA+	AAA	.0000	.00
3133EJXR5	12,500,000.0000	08/22/2019	\$12,493,625.00	\$12,500,000.00	(\$6,375.00)	(.05)	N/A	AAA	.0000	.00

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FED FARM CREDIT BK DTD 08/22/18 2.450 08/22/2019										
3134G8TV1	5,350,000.0000	03/29/2019	\$5,316,188.00	\$5,347,271.50	(\$31,083.50)	(.58)	AA+	AAA	.0000	.00
FED HOME LN MTG CORP MED TERM NOTE SER 0000										
3134G8ZZ5	10,000,000.0000	04/26/2019	\$9,920,600.00	\$10,000,000.00	(\$79,400.00)	(.79)	AA+	AAA	.0000	.00
FED HOME LN MTG CORP MED TERM NOTE										
3134G9AQ0	10,000,000.0000	10/26/2018	\$9,983,900.00	\$9,995,000.00	(\$11,100.00)	(.11)	AA+	N/A	.0000	.00
FED HOME LN MTG CORP MED TERM NOTE SER 0000										
3134GAYE8	7,100,000.0000	11/28/2018	\$7,082,889.00	\$7,064,429.00	\$18,460.00	.26	AA+	AAA	.0000	.00
FED HOME LN MTG CORP MED TERM NOTE										
3135G0H63	25,000,000.0000	01/28/2019	\$24,910,750.00	\$24,849,225.40	\$61,524.60	.25	AA+	AAA	.0000	.00
FED NATL MTG ASSN DTD 01/08/16 1.375 01/28/2019										
3135G0J53	20,514,000.0000	02/26/2019	\$20,386,402.92	\$20,309,513.00	\$76,889.92	.38	AA+	AAA	.0000	.00
FED NATL MTG ASSN SER *										
3136G3AG0	4,290,000.0000	02/26/2019	\$4,267,263.00	\$4,284,637.50	(\$17,374.50)	(.41)	AA+	AAA	.0000	.00
FED NATL MTG ASSN SER 0001										
STRIPPED AND ZERO-COUPON										
912833KU3	5,000,000.0000	02/15/2019	\$4,949,650.00	\$4,899,250.00	\$50,400.00	1.03	N/A	N/A	.0000	.00
U S TREASURY SEC STRIPPED ZERO CPN GENERIC TINT PMT										
SUBTOTAL	287,049,000.0000		\$286,141,559.17	\$286,368,208.70	(\$226,649.53)	(.08)			.0000	.00
MUNICIPAL BONDS										
MUNICIPAL TAXABLE										
13063C4V9	10,000,000.0000	11/01/2018	\$9,980,800.00	\$10,000,000.00	(\$19,200.00)	(.19)	AA-	AA3	.0000	.00
CALIFORNIA ST TXBL-BID GROUP A										
13063DAB4	2,310,000.0000	04/01/2019	\$2,299,836.00	\$2,298,172.80	\$1,663.20	.07	AA-	AA3	.0000	.00
CALIFORNIA ST TXBL-HIGH-SPEED PASSENGER TRAI										
13063DFZ6	16,000,000.0000	04/01/2020	\$15,957,920.00	\$16,022,880.00	(\$64,960.00)	(.41)	AA-	AA3	.0000	.00
CALIFORNIA ST TXBL										
13077DBJ0	560,000.0000	11/01/2019	\$551,958.40	\$560,000.00	(\$8,041.60)	(1.44)	AA-	AA2	.0000	.00
CALIFORNIA ST UNIV REVENUE TXBL-REF-SYSTEMWIDE-SER B										
221623XF3	575,000.0000	08/01/2019	\$569,163.75	\$575,000.00	(\$5,836.25)	(1.01)	AA	A1	.0000	.00
COTATI-ROHNERT PARK CA UNIF SC TXBL-ELECTION 2016-SER B										
432272EX6	395,000.0000	09/01/2018	\$395,000.00	\$395,000.00	\$0.00	.00	AAA	N/A	.0000	.00

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HILLSBOROUGH CA SCH DIST TXBL-REF-SER B										
68609BUR6	100,000.0000	05/01/2019	\$99,134.00	\$100,000.00	(\$866.00)	(.87)	AA+	AA1	.0000	.00
OREGON ST TXBL-ARTICLE XI-Q-SER E										
697364DU8	180,000.0000	11/01/2019	\$179,712.00	\$180,000.00	(\$288.00)	(.16)	AA+	N/A	.0000	.00
PALO ALTO CA COPS TXBL-REF-CAPITAL IMPT PROJ-GRE										
79730WBF6	5,915,000.0000	09/01/2018	\$5,915,000.00	\$5,889,979.55	\$25,020.45	.42	AA	N/A	.0000	.00
SAN DIEGO CA REDEV AGY SUCCESS TXBL-REF-SUB-SER B										
797330AC1	3,045,000.0000	06/01/2019	\$3,036,808.95	\$3,045,000.00	(\$8,191.05)	(.27)	A	N/A	.0000	.00
SAN DIEGO CA TOBACCO SETTLEMEN TXBL-REF-SER A										
797330AD9	3,060,000.0000	06/01/2020	\$3,039,253.20	\$3,060,000.00	(\$20,746.80)	(.68)	A	N/A	.0000	.00
SAN DIEGO CA TOBACCO SETTLEMEN TXBL-REF-SER A										
7976462R6	10,000,000.0000	06/15/2019	\$10,018,500.00	\$10,062,300.00	(\$43,800.00)	(.44)	AA+	AAA	.0000	.00
SAN FRANCISCO CITY & CNTY CA TXBL-SER D										
798339GP6	300,000.0000	08/01/2019	\$297,186.00	\$300,000.00	(\$2,814.00)	(.94)	AAA	N/A	.0000	.00
SAN JUAN CAPISTRANO CA TXBL-REF-OPEN SPACE MEASURE										
798455BJ9	635,000.0000	09/01/2019	\$634,276.10	\$635,000.00	(\$723.90)	(.11)	AA-	N/A	.0000	.00
SAN LEANDRO CA REDEV AGY SUCCE TXBL-REF-REDEV PROJ-SER B										
899154AR9	1,500,000.0000	06/01/2019	\$1,498,650.00	\$1,500,000.00	(\$1,350.00)	(.09)	AA-	A1	.0000	.00
TULARE CNTY CA PENSN OBLG TXBL										
899154AS7	5,000,000.0000	06/01/2020	\$4,987,800.00	\$5,000,000.00	(\$12,200.00)	(.24)	AA-	A1	.0000	.00
TULARE CNTY CA PENSN OBLG TXBL										
91412GD36	3,000,000.0000	05/15/2019	\$2,969,520.00	\$3,000,000.00	(\$30,480.00)	(1.02)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-REF-GEN-SER AS										
91412GS71	2,000,000.0000	05/15/2019	\$1,985,840.00	\$2,000,000.00	(\$14,160.00)	(.71)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-GEN-SER AW										
91412HBF9	1,470,000.0000	05/15/2019	\$1,467,618.60	\$1,470,000.00	(\$2,381.40)	(.16)	AA	AA2	.0000	.00
UNIV OF CALIFORNIA CA REVENUES TXBL-SER BA										
SUBTOTAL	66,045,000.0000		\$65,883,977.00	\$66,093,332.35	(\$209,355.35)	(.32)			.0000	.00
OTHER ASSETS										
OTHER ASSETS										
MS6232818	55,000,000.0000		\$55,000,000.00	\$55,000,000.00	\$.00	.00			.0000	.00

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COUNTY OF VENTURA

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 From Month End 08/31/2018
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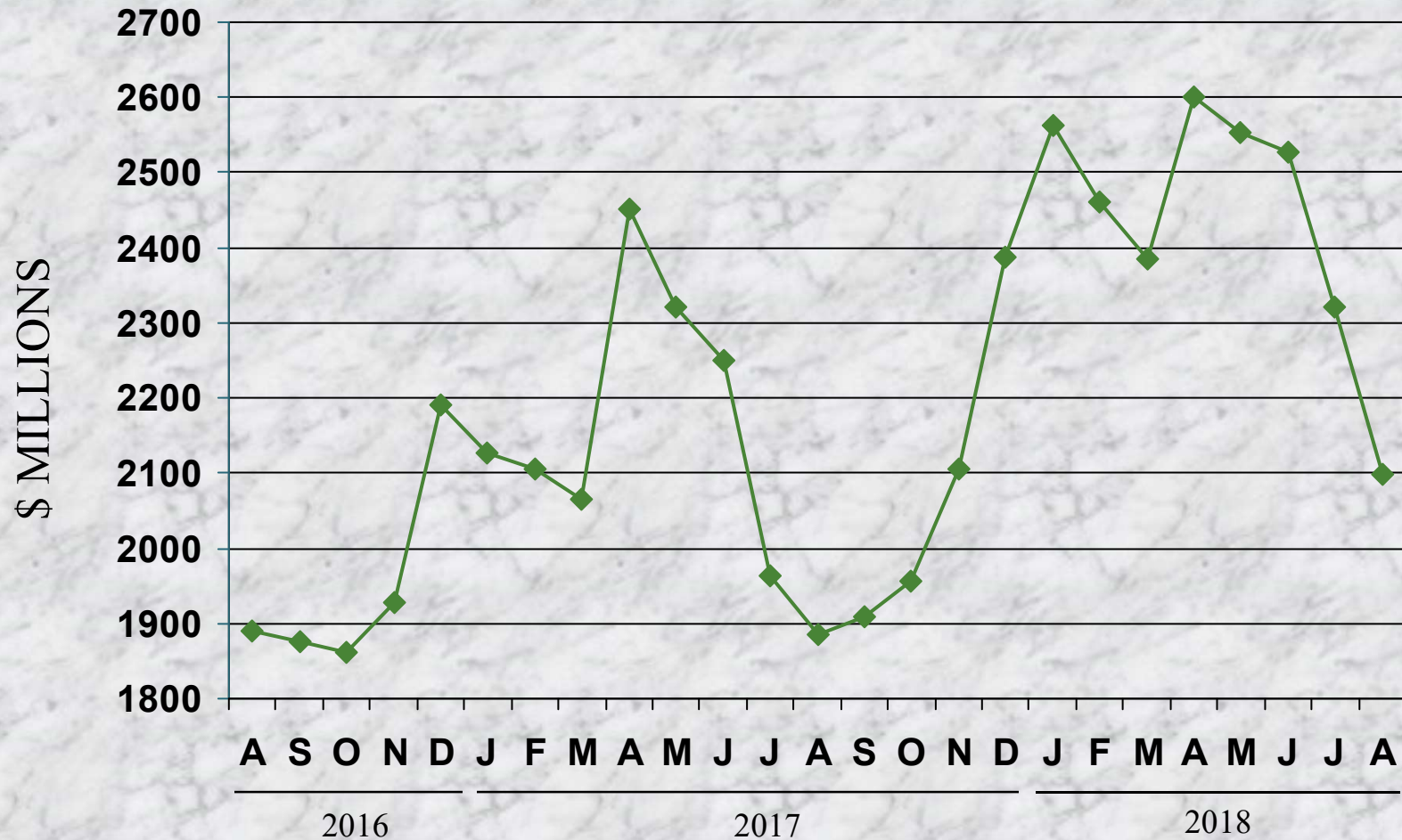
<u>Asset ID</u>	<u>Units</u>	<u>Maturity Date</u>	<u>Market Value</u>	<u>Fed Tax Cost</u>	<u>Gain/Loss Amount</u>	<u>%</u>	<u>S & P Rating</u>	<u>Moody's Rating</u>	<u>Units in Transition</u>	<u>Encumbrd Units</u>
CA LAIF STATE OF CALIFORNIA INVESTMENT FD										
MS6615459	25,000,000.0000		\$24,965,100.00	\$25,000,000.00	(\$34,900.00)	(.14)			.0000	.00
CALTRUST SHORT TERM ACCT										
SUBTOTAL	80,000,000.0000		\$79,965,100.00	\$80,000,000.00	(\$34,900.00)	(.04)			.0000	.00
ACCOUNT 11435100 TOTAL	2,087,278,000.0000		\$2,079,101,841.63	\$2,073,464,807.40	\$5,637,034.23	.27			.0000	.00
GRAND TOTAL	2,087,278,000.0000		\$2,079,101,841.63	\$2,073,464,807.40	\$5,637,034.23	.27			.0000	.00

END OF REPORT

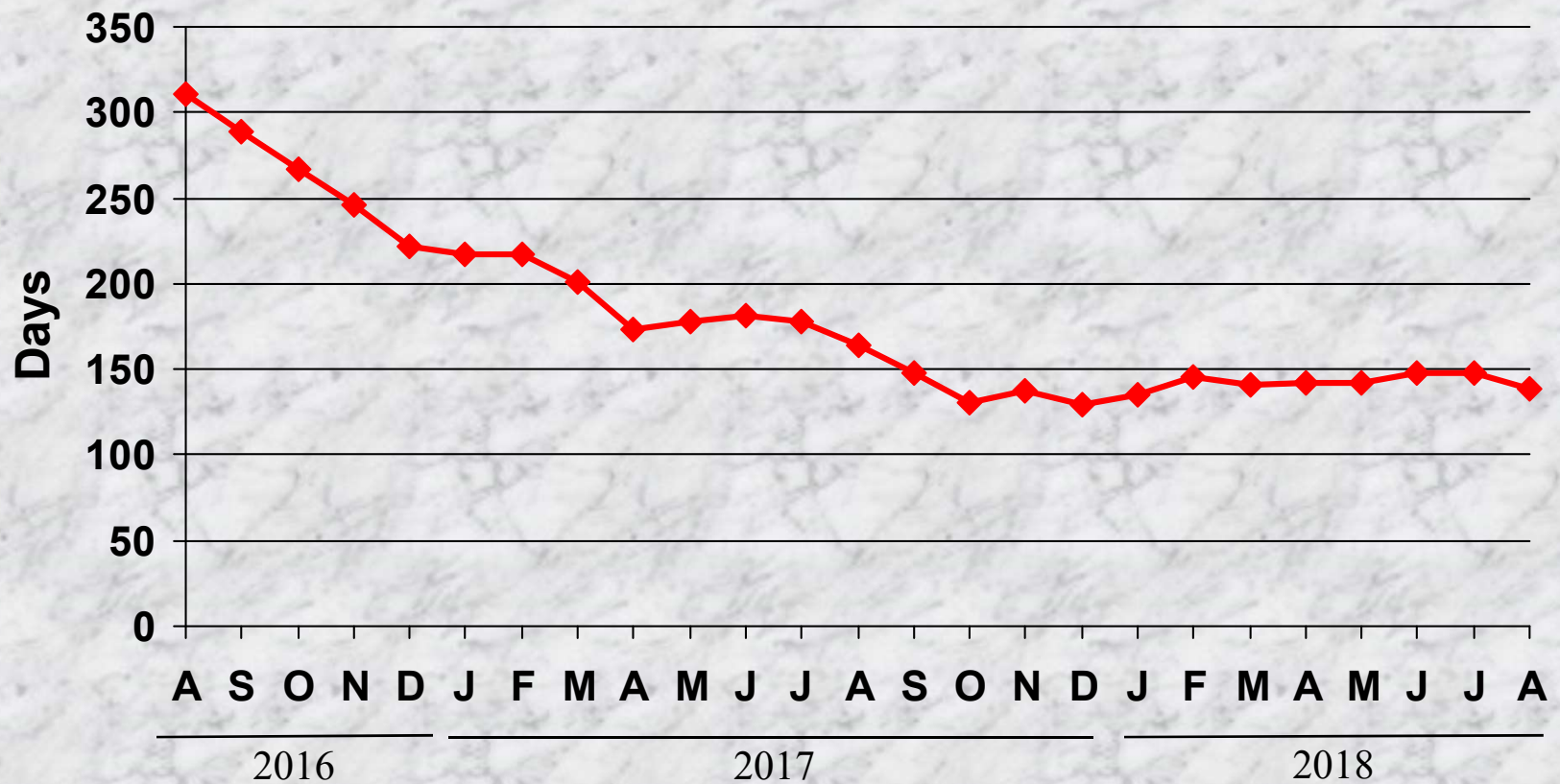
MONTHLY TRANSACTIONS REPORT - AUGUST 2018

Transaction Date	Purchase/ Sale	Par Amount	Security Type	Security Name	Maturity Date	Yield
08/06/18	Purchase	10,000,000.00	CP	CREDIT AGRICOLE CIB NY	11/06/18	2.230
08/06/18	Purchase	10,000,000.00	CP	MUFG BANK LTD NY	11/06/18	2.240
08/09/18	Purchase	8,145,000.00	GA	FHLB	08/09/19	2.469
08/16/18	Purchase	20,000,000.00	GA	FHLB DISCOUNT NOTE	08/22/18	1.900
08/16/18	Purchase	20,000,000.00	CP	JP MORGAN SECURITIES LLC	08/22/18	1.910
08/17/18	Purchase	4,697,000.00	MTN	BERKSHIRE HATHAWAY	08/15/19	2.493
08/21/18	Purchase	10,000,000.00	SUPRANATIONAL	IBRD DISCOUNT NOTE	09/04/18	1.900
08/21/18	Purchase	25,000,000.00	CP	GE COMPANY	09/04/18	1.940
08/21/18	Purchase	15,000,000.00	CP	MUFG BANK LTD NY	09/04/18	1.940
08/22/18	Purchase	12,500,000.00	GA	FFCB	08/22/19	2.450
08/29/18	Purchase	10,000,000.00	YCD	NATL BANK OF KUWAIT NY	01/02/19	2.490
08/29/18	Purchase	10,000,000.00	YCD	BANCO ESTADO CHILE NY	01/02/19	2.320
08/29/18	Purchase	10,000,000.00	SUPRANATIONAL	IADB DISCOUNT NOTE	01/03/19	2.160
08/30/18	Purchase	10,000,000.00	MTN	MICROSOFT CORP	08/08/19	2.423
08/30/18	Purchase	15,000,000.00	YCD	KOOKMIN BANK NEW YORK	01/03/19	2.410
08/30/18	Purchase	10,000,000.00	YCD	NATL BANK OF KUWAIT NY	01/02/19	2.490

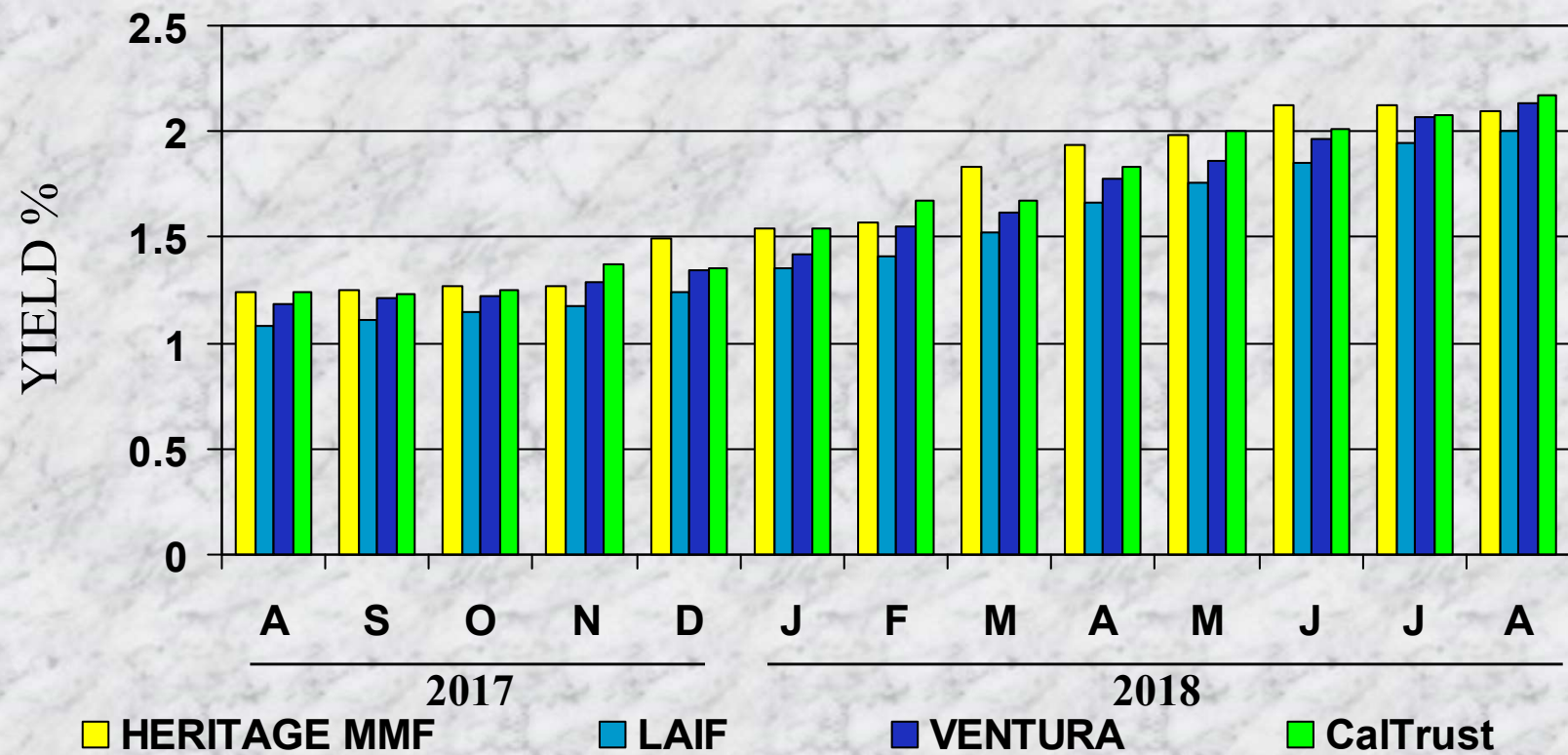
PORTFOLIO AVERAGE MONTHLY BALANCE



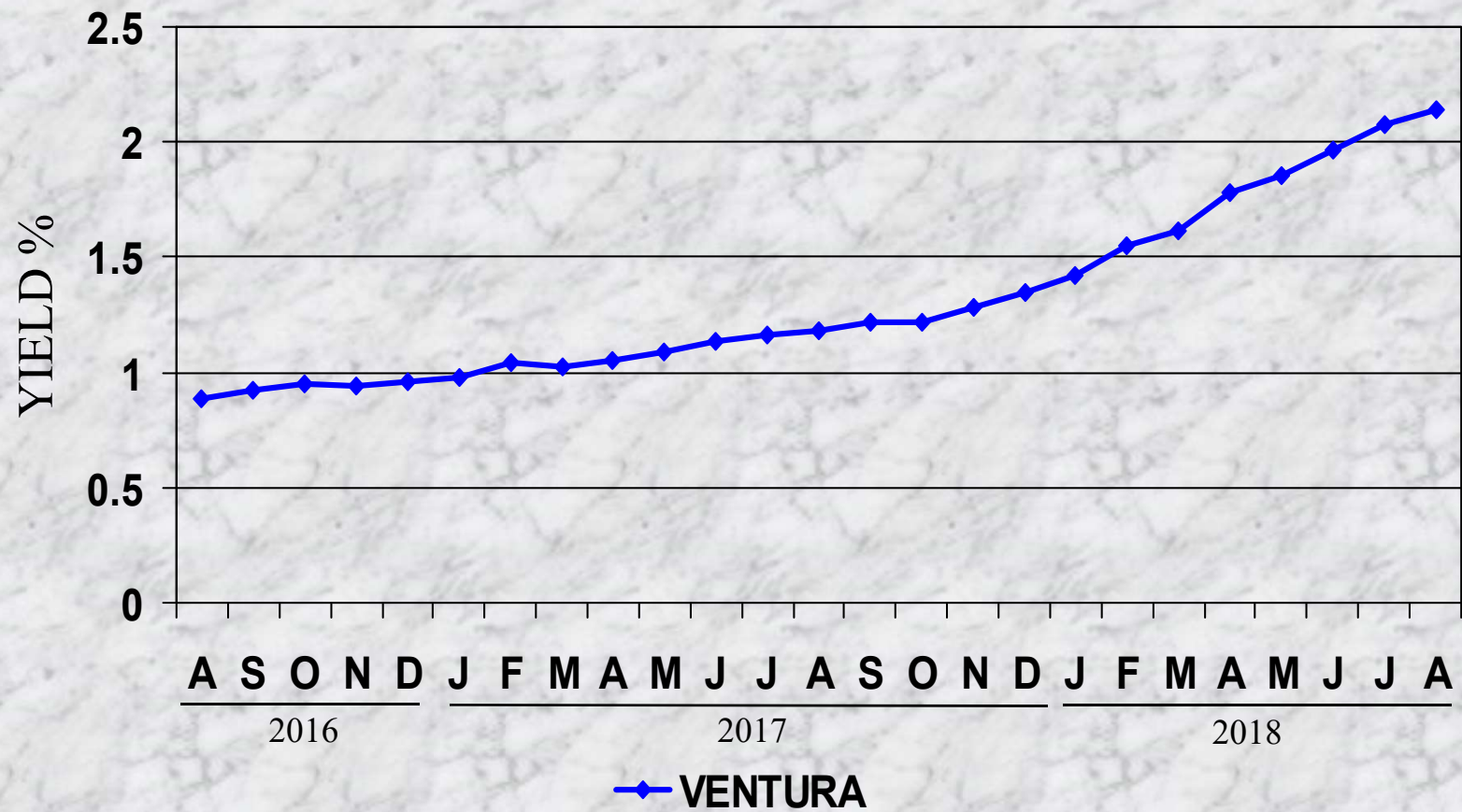
AVERAGE MATURITY



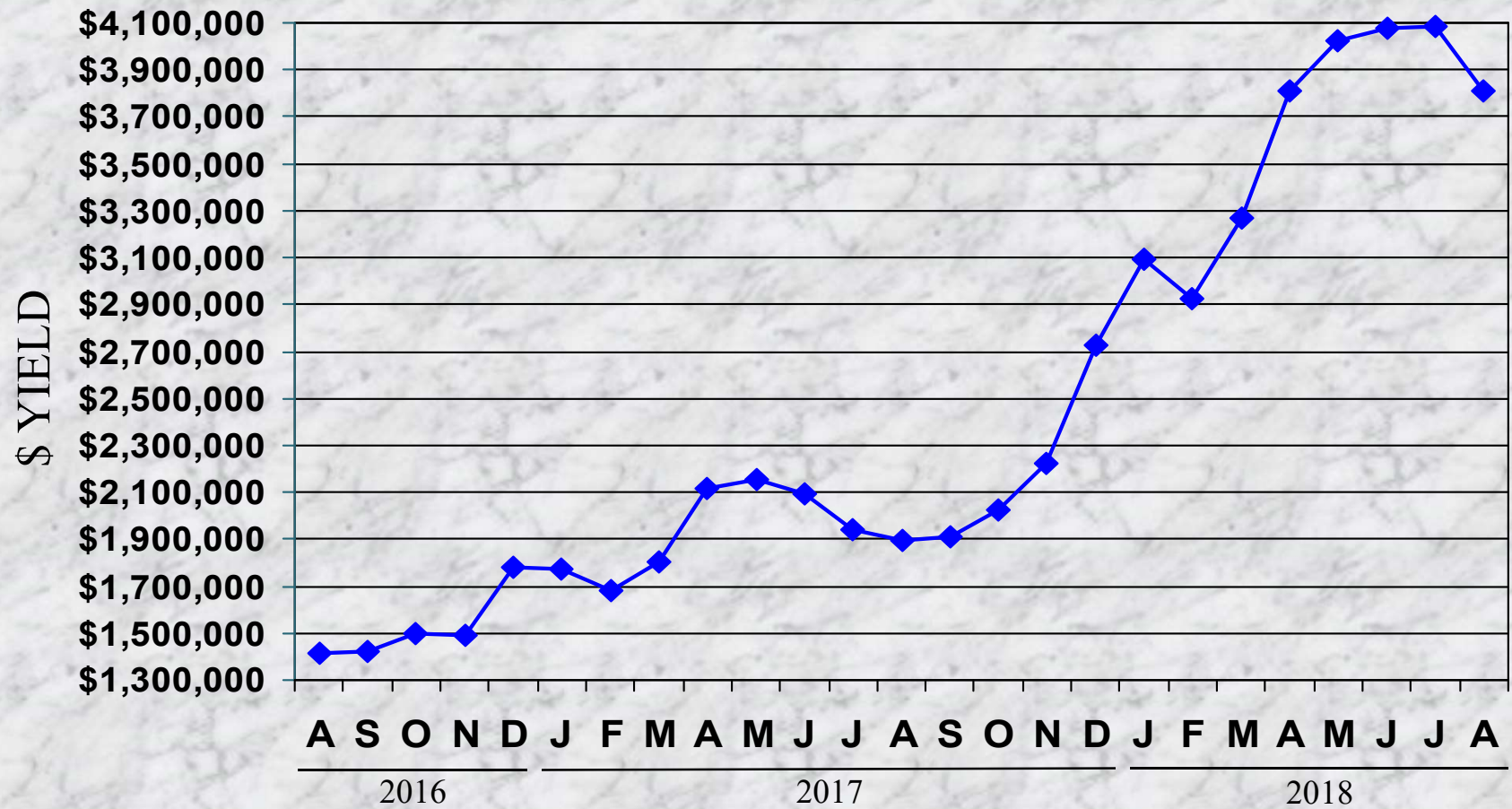
++++YIELD COMPARISON



ROLLING 2-YEAR % YIELD



ROLLING 2-YEAR \$ YIELD



MATURITY DISTRIBUTION

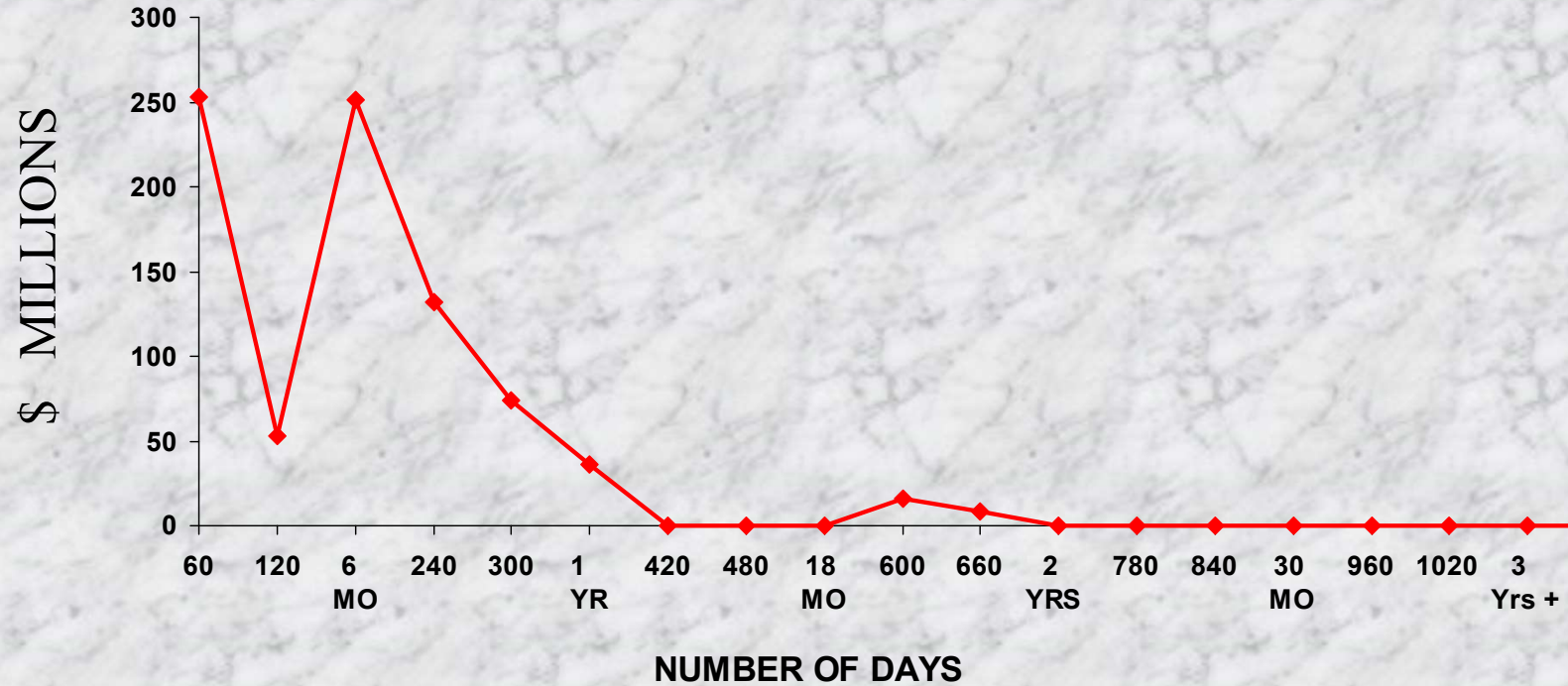


EXHIBIT 8

8-18 INV.PPT

PORTFOLIO HOLDINGS BY CLASS

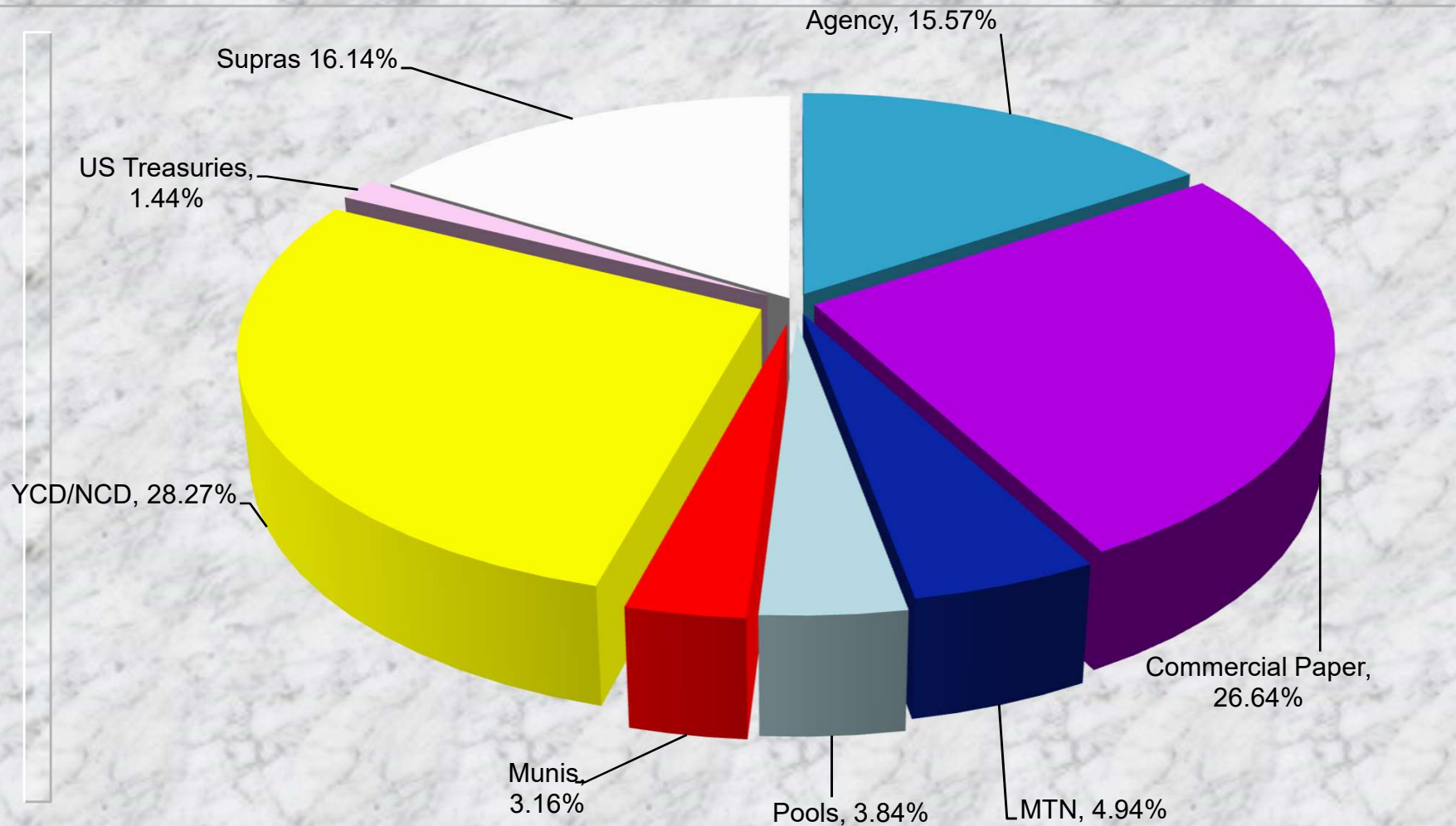


EXHIBIT 9

8-18 INV.PPT



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 7 – Receive and file a Report of the Authorized Issuers List, dated October 1, 2018.

Recommendation

Receive and file a Report of the Authorized Issuers List, dated October 1, 2018.
(Exhibit 7.1)

U.S. Treasury & Agencies										
Issuer	Credit Watch			Ratings						Comments:
	Moody's	S&P	Fitch	Short Term			Long Term			
				Moody	S&P	Fitch	Moody	S&P	Fitch	
Federal Home Loan Bank (FHLB)	Stable	Stable	Stable	P-1	A-1+		Aaa	AA+		
Federal National Mortgage Association (FNMA)	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AA+	AAA	
Federal Home Loan Mortgage Corporation (FHLMC)	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AA+	AAA	
Federal Farm Credit Bank (FFCB)	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AA+	AAA	
U.S. Treasury	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AA+	AAA	
Supranationals										
Issuer	Credit Watch			Ratings						Comments:
	Moody's	S&P	Fitch	Short Term			Long Term			
				Moody	S&P	Fitch	Moody	S&P	Fitch	
Inter'l Bk Recon & Dev IBRD	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AAA	AAA	
Inter'l Finance Corp IFC	Stable	Stable	NR	P-1	A-1+	NR	Aaa	AAA	NR	
Inter-American Dev Bk IADB	Stable	Stable	Stable	P-1	A-1+	F1+	Aaa	AAA	AAA	

Changes during month:

Upgrade Caution Downgrade Activity

Bold = no change caution

* = Parent Rating



STEVEN HINTZ
Ventura County Treasurer-Tax Collector



Date Approved

APPROVED COMMERCIAL PAPER (CP) ISSUERS

Exhibit 7.1

October 01, 2018

Issuer	Credit Watch/Rating						Comments:
	Moody's		S&P		Fitch		
Bank of New York Mellon	Stable	P-1	Stable	A-1+	Stable	F1+	
Bank of Nova Scotia NY	Stable	P-1	Stable	A-1	Stable	F1+	
BNP Paribas (New York Branch)	Stable	P-1	Positive	A-1	Stable	F1	VC watch
Canadian Imperial Bank of Commerce, NY	Stable	P-1	Stable	A-1	Negative	F1+	
Chevron Corp	Stable	P-1*	Stable	A-1+	NR	NR	
Coca-Cola Co	Under Review	P-1	Stable	A-1	Stable	F1	
Credit Agricole CIB, NY	Positive	P-1	Positive	A-1	Stable	F1	
Credit Suisse New York	Stable	P-1	Positive	A-1	Positive	F1	VC watch
Dexia Credit Local, NY	Stable	P-1	No Outlook	A-1+*	Stable	F1+	VC Watch, *Program Rating only
Eli Lilly & Co	Stable	P-1	Stable	A-1+	Stable	F1	
Exxon Mobil Corp	Stable	P-1	Negative	A-1+	NR	NR	
Grainger Inc.	Stable	P-2	Stable	A-1	NR	NR	VC Watch
Great-West Life & Annuity Insurance Co.	Stable	P-1	Stable	A-1+	Stable	F1+	
HSBC Bank USA	Stable	P-1	Stable	A-1	Stable	F1+	
IBM Corp	Stable	P-1	Stable	A-1	Negative	F1	
John Deere Capital Corp	Stable	P-1	Stable	A-1	Stable	F1	
JPMorgan Securities LLC	Under Review	P-1	Stable	A-1	Stable	F1+	
Kaiser Foundation Hospital	NR	NR	NR	A-1+*	NR	F1*	*Program Rating Only
Korea Development Bk NY	Stable	P-1	Stable	A-1+	Stable	F1+	
Lehigh University	Stable	P-1	No Outlook	A-1+	NR	NR	
Los Angeles Department of Airport	Stable	P-1*	NR	A-1*	NR	WD	*Prog Rating
MetLife Funding, Inc	No Outlook	P-1	No Outlook	A-1+	Stable	F1	
MUFG Bank LTD (Bank of Tokyo-Mitsubishi)	Stable	P-1	Positive	A-1	Stable	F1	
PNC Bank NA	Stable	P-1	Stable	A-1	Stable	F1	
Procter & Gamble Co	Stable	P-1	Stable	A-1+	NR	NR	

APPROVED COMMERCIAL PAPER (CP) ISSUERS

Exhibit 7.1

October 01, 2018

Issuer	Credit Watch/Rating						Comments:
	Moody's		S&P		Fitch		
Prudential Funding, LLC	Positive	P-1	Stable	A-1+	NR	NR	
RaboBank / Cooperatieve RaboBank U.A, NY	Stable	P-1	Positive	A-1	Stable	F1+	VC watch
Salvation Army United States Eastern	Negative	P-1	Stable	A-1*	NR	NR	*Program Rating only
Salt River Project Ag Improvement	No Outlook	P-1	No Outlook	A-1+	NR	NR	
Toyota Credit de Puerto Rico	No Outlook	P-1	No Outlook	A-1+	NR	NR	\$50M VC CAP
Toyota Motor Credit Corp	Stable	P-1	Stable	A-1+	Stable	F1	
University of California	Stable	P-1*	NR	A-1*	NR	F1+*	*Program Rating Only
US Bank NA / USBancorp	Stable	P-1	Stable	A-1+	Stable	F1+	
USAA Capital Corp	Stable	P-1	Stable	A-1+	NR	NR	
Wal-Mart Stores, Inc	Stable	P-1	Negative	A-1+	Stable	F1+	
Walt Disney Company	Possible Downgrade	P-1	Negative	A-1+	Negative	F1	
Wells Fargo & Company	Negative	P-1	Stable	A-2	Stable	F1	
Wells Fargo Bank N.A.	Negative	P-1	Stable	A-1	Stable	F1+	
Westpac Capital Corp / Westpac Banking Corp	Stable	P-1	Negative	A-1+	Stable	F1+	

Changes during month:

Upgrade

Caution

Downgrade

Activity

Bold = no change caution

* = parent rating / program rating



STEVEN HINTZ

Ventura County Treasurer-Tax Collector



Date Approved

APPROVED MEDIUM TERM NOTE (MTN) ISSUERS
October 01, 2018

Exhibit 7.1

Issuer	Credit Watch/Rating						Comments:
	Moody's		S&P		Fitch		
3M Company / 3M Co	Stable	A1	Stable	AA-	NR	NR	NEW
Alphabet Inc.	Stable	Aa2	Stable	AA+	NR	NR	
American Honda Finance Corporation	Stable	A2	Negative	A+	NR	NR	
Apple Inc	Stable	Aa1	Stable	AA+	NR	NR	
Aust & NZ Banking Grp NY	Stable	Aa3	Negative	AA-	Stable	AA-	
Bank of New York Mellon	Stable	Aa1	Stable	AA-	Stable	AA-	
Berkshire Hathaway Inc.	Stable	Aa2	Stable	AA	Stable	AA-	
Chevron Corp.	Stable	Aa2	Stable	AA-	NR	NR	
Cisco Systems Inc.	Stable	A1	Stable	AA-	NR	NR	
Coca-Cola Co.	Negative	Aa3	Stable	A+	Stable	A	
Colgate-Palmolive Co.	Stable	Aa3	Stable	AA-	NR	NR	VC Watch
Credit Suisse AG (NY)	Stable	A1	Positive	A	Positive	A	
Eli Lilly & Co.	Stable	A2	Stable	AA-	Stable	A	
Exxon Mobil Corp	Stable	Aaa	Negative	AA+	NR	NR	
IBM Corp	Stable	A1	Stable	A+	Negative	A+	
John Deere Capital Corp.	Stable	A2	Stable	A	Stable	A	
Johnson & Johnson	Stable	Aaa	Stable	AAA	Stable	AAA	
JPMorgan Chase Bank, N.A.	Possible Upgrade	Aa2	Stable	A+	Stable	AA	
Merck & Co., Inc.	Stable	A1	Stable	AA	Stable	A+	
Microsoft Corp.	Stable	Aaa	Stable	AAA	Stable	AA+	
MUFG Union Bank	Stable	Aa2	Positive	A	Stable	A	NEW
National Rural Utilities Cooperative Finance Corp	Stable	A2	Stable	A	Stable	A	
Pfizer	Stable	A1	Stable	AA	Negative	A+	
Procter & Gamble Co.	Stable	Aa3	Stable	AA-	NR	NR	
Rabobank Nederland NY	Stable	Aa3	Positive	A+	Stable	AA-	
							VC Watch

APPROVED MEDIUM TERM NOTE (MTN) ISSUERS
October 01, 2018

Exhibit 7.1

Issuer	Credit Watch/Rating						Comments:
	Moody's		S&P		Fitch		
Toyota Motor Credit Corp.	Stable	Aa3	Stable	AA-	Stable	A	
US Bancorp	Stable	A1	Stable	A+	Stable	AA-	
Wal-Mart Stores, Inc.	Stable	Aa2	Negative	AA	Stable	AA	
Walt Disney Co.	Possible Downgrade	A2	Negative	A+	Negative	A	
Wells Fargo & Co.	Negative	A2	Stable	A-	Stable	A+	
Wells Fargo Bank NA	Negative	Aa1	Stable	A+	Stable	AA-	

Changes during month:

Upgrade
Caution
Downgrade
Activity

Bold = no change caution

*** = Parent Rating**



STEVEN HINTZ

Ventura County Treasurer-Tax Collector



Date Approved

APPROVED YANKEE AND NEGOTIABLE CD PROGRAMS

October 01, 2018

Exhibit 7.1

YANKEE CD PROGRAMS

Issuer	Country	Credit Watch			Ratings						Comments:
		Moody's	S&P	Fitch	Short Term			Long Term			
					M	S&P	F	M	S&P	F	
Aust & NZ Banking Grp NY	Australia	Stable	Negative	Stable	P-1	A-1+	F1+	Aa3	AA-	AA-	
Banco Estado (Chile) NY	Chile	Stable	Stable	Stable	P-1	A-1	F1	A1	A+	A	VC watch
Bank of Montreal Chicago	Canada	Stable	Stable	Stable	P-1	A-1	F1+	Aa2	A+	AA-	
Bank of Nova Scotia NY / Hous	Canada	Stable	Stable	Stable	P-1	A-1	F1+	Aa2	A+	AA-	
BNP Paribas NY	France	Stable	Positive	Stable	P-1	A-1	F1	Aa3	A	A+	VC watch, NPCRSP
Canadian Imp Bk Comm NY	Canada	Stable	Stable	Negative	P-1	A-1	F1+	Aa2	A+	AA-	
Chiba Bank Ltd New York	Japan	Stable	Stable	NR	P-1	A-1	NR	A1	A	NR	
Commonwealth Bk Austr NY	Australia	Stable	Negative	Negative	P-1	A-1+	F1+	Aa3	AA-	AA-	
Credit Agricole CIB NY	France	Positive	Positive	Stable	P-1	A-1	F1	A1	A	A+	NPCRSP
Credit Indust et Comm NY	France	Stable	Stable	Stable	P-1	A-1	F1	Aa3	A	A+	VC watch
Credit Suisse NY	Switz'land	Stable	Positive	Positive	P-1	A-1	F1	A1	A	A	VC watch, NPCRSP
DZ Bank NY	Germany	Stable	Stable	Stable	P-1	A-1+	F1+	Aa1	AA-	AA-	VC watch
Kookmin Bank	South Korea	Stable	Stable	Stable	P-1	A-1	F1	A1	A+	A	
Korea Development Bk NY	South Korea	Stable	Stable	Stable	P-1	A-1+	F1+	Aa2	AA	AA-	
MUFG Bank LTD (Bank of Tokyo-Mitsubishi)	Japan	Stable	Positive	Stable	P-1	A-1	F1	A1	A	A	VC watch
National Australia Bk NY	Australia	Stable	Negative	Stable	P-1	A-1+	F1+	Aa3	AA-	AA-	
Natl Bank of Kuwait NY	Kuwait	Stable	Stable	Stable	P-1	A-1	F1+	Aa3	A+	AA-	
Nordea Bank Abp	Finland	Stable	Stable	Stable	P-1	A-1+	F1+	Aa3	AA-	AA-	VC watch NAME CHANGE S&P affirmed 10/1/18
Oversea-Chinese Bk Co NY	Singapore	Stable	Stable	Stable	P-1	A-1+	F1+	Aa1	AA-	AA-	
Rabobank Nederland NY	Netherlands	Stable	Positive	Stable	P-1	A-1	F1+	Aa3	A+	AA-	NPCRSP
Royal Bank of Canada NY	Canada	Stable	Stable	Stable	P-1	A-1+	F1+	Aa2	AA-	AA	
Societe Generale NY	France	Stable	Stable	Stable	P-1	A-1	F1	A1	A	A	VC watch, NPCRSP
Standard Chartered Bk NY	UnKngdm	Stable	Stable	Stable	P-1	A-1	F1	A1	A	A+	VC watch
Svenska Handelsbanken NY	Sweden	Stable	Stable	Stable	P-1	A-1+	F1+	Aa2	AA-	AA	
Swedbank NY	Sweden	Stable	Stable	Stable	P-1	A-1+	F1+	Aa2	AA-	AA-	
Toronto Dominion Bank NY	Canada	Stable	Stable	Stable	P-1	A-1+	F1+	Aa1	AA-	AA-	

APPROVED YANKEE AND NEGOTIABLE CD PROGRAMS

October 01, 2018

YANKEE CD PROGRAMS

Issuer	Country	Credit Watch			Ratings						Comments:
					Short Term			Long Term			
		Moody's	S&P	Fitch	M	S&P	F	M	S&P	F	
Westpac Banking Corp NY	Australia	Stable	Negative	Stable	P-1	A-1+	F1+	Aa3	AA-	AA-	

NEGOTIABLE CD PROGRAMS

Wells Fargo Bank N.A.	United States	Negative	Stable	Stable	P-1	A-1	F1+	Aa1	A+	AA-	
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Changes during month

Upgrade

Caution

Downgrade

Activity

Bold = no change caution

NPCRSP = Non parent credit rating S&P

*Steven Hintz**8 October 2018*

STEVEN HINTZ

Date Approved

Ventura County Treasurer-Tax Collector



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 8 – Review and Discuss the Proposed Modifications to the Statement of Investment Policy. Recommend to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the December 4th, 2018 Board of Supervisors’ Meeting.

Recommendations

It is recommended that the Treasury Oversight Committee Review and Discuss the Proposed Modifications to the Statement of Investment Policy. Recommend to the Ventura County Board of Supervisors the Approval of these Statement of Investment Policy changes, scheduled for the December 4th, 2018 Board of Supervisors’ Meeting. (Exhibits 8.1, 8.2 and 8.3)



TREASURER-TAX COLLECTOR VENTURA COUNTY

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Sue Horgan
Assistant Treasurer-Tax Collector

MEMORANDUM

November 7, 2018

TO: Treasury Oversight Committee

FROM: Steven Hintz, Ventura County Treasurer-Tax Collector *[Signature]*

SUBJECT: Proposed Changes to the Statement of Investment Policy

I have submitted proposed modifications to the Statement of Investment Policy for your consideration. I solicit your approval and recommendation to the Board of Supervisors for its approval on December 4, 2018.

Most of the changes are ministerial and/or corrections and clarifications:

- Updating the cover page;
- Adding "weighted" to the average maturity of the portfolio holdings which results in a more relevant statistic;
- Deleting "internal audit division of the" Auditor-Controller's Office;
- Eliminating redundancies: "if the rating of any investment drops during the course of time with which the County has placed an investment, the investment will be matured at the earliest possible convenience";
- Eliminating unnecessary language: "resulting in a split rating.";
- Replacing "agency's surplus funds" with "investment pool";
- As to providing copies of the Investment Report to this committee, deleting "monthly" and "each month" and adding "at scheduled meetings." The approved Investment Report is posted on the website;
- Correcting the Maximum Specified Percentage of Portfolio for U.S. Agencies to N/A in Appendix A;
- Eliminating the unnecessary column "Approved Selected Agencies" in Appendix A

The significant policy changes include:

- Expanding the allowable municipal investments to include registered securities issued by any of the other 49 states. (Registered securities issued by the State of California and local California government agencies have always been allowed);
- Restricting investments in municipal notes, bonds and other obligations to 30 percent of the investment portfolio at the time of purchase;
- Correcting Appendix A to reflect those changes

Please contact me at 805-654-3726, or at steven.hintz@ventura.org, or at steven.hintz@gmail.com if I may provide further information for your consideration.

VENTURA COUNTY STATEMENT OF INVESTMENT POLICY

AS APPROVED DECEMBER ~~64~~, 20186



BOARD OF SUPERVISORS

~~SUPERVISOR PETER C. FOY, DISTRICT 4, CHAIR~~

~~SUPERVISOR LINDA PARKS, DISTRICT 2, CHAIR~~

SUPERVISOR STEVE BENNETT, DISTRICT 1

~~SUPERVISOR LINDA PARKS, DISTRICT 2, CHAIR~~

SUPERVISOR ~~KELLYATHY I.~~ LONG, DISTRICT 3

~~SUPERVISOR PETER C. FOY, DISTRICT 4~~

SUPERVISOR JOHN C. ZARAGOZA, DISTRICT 5

Judge Steven Hintz
Treasurer-Tax Collector

~~Sue Horgan Linda Catherine Le~~
Assistant Treasurer-Tax Collector

Ventura County Treasurer-Tax Collector's Office
800 South Victoria Avenue, L#1290
Ventura, CA 93009-1290

E-mail helpinghand@ventura.org
Website: www.ventura.org/ttc

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STATEMENT OF INVESTMENT POLICY

This Statement of Investment Policy ("Policy") provides the guidelines for prudent investment of public funds in a manner which will provide the highest investment return with optimal security and liquidity. The Policy and practices of the County Treasurer are based on prudent money management principles and California State Law, specifically Government Code Sections 27000 - 27000.5; 27130 - 27137; and 53600 - 53686. Furthermore, it outlines the policies essential to ensuring the safety and financial strength of the County's investment portfolio.

This Policy is based on the principles of prudent money management and conforms to all applicable Federal and State laws governing the investment of public funds. In instances in which the Policy is more restrictive than Federal or State law, the Policy will supersede.

The Policy shall be reviewed annually and any modifications made thereto must be approved by the Board of Supervisors.

Introduction

The Treasurer-Tax Collector of Ventura County manages pooled cash under the prudent investor rule. This rule states that:

"Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

This rule allows the County the option to operate over a broad spectrum of investment opportunity defined within Section 53601 *et seq* of the California Government Code. Therefore, the County's portfolio will be made up of a selection of investments that ensure diversification and meet the liquidity needs of the organization. The major overriding premise underlying the County's investment objective is always to ensure that funds are available when needed.

Investment Objective

It is the policy of the County to invest public funds in a manner which will provide for the preservation of capital while meeting the daily cash flow requirements of the County and other participants, while attaining a market average yield within an acceptable and defined level of risk.

The Policy has three primary objectives, in order of priority:

- 1) The safety of principal.
- 2) Maintenance of liquidity to meet cash flow needs.
- 3) To earn a competitive rate of return (i.e., yield) within the confines of the California Government Code, this policy, and procedural structure.

In order to accomplish the objectives of safety, liquidity, and yield, the economy and various financial markets are monitored daily in order to assess the probable course of interest rates and thus maximize yield on the County's temporarily idle funds. In a market with increasing interest rates, the Treasury will attempt to invest in securities with shorter maturities. This strategy allows funds to be available for other investments when interest rates are at higher levels. Conversely, when interest rates appear to be near a plateau, the Treasury will attempt to lock in a higher rate of return. The length of term for all investments shall be commensurate with the short, medium, and long-term cash flow needs of the County and other investment pool participants.

Investment and the Notion of Risk

In order to accomplish the investment philosophy outlined above, the concept of risk must be clearly defined as it relates to the investment of public funds. This concept of risk finds its ultimate translation into a structured and well-diversified portfolio.

The County shall ensure the safety of its idle funds by limiting credit and interest rate risk. These are the two types of risk that can clearly damage a public sector portfolio.

Credit risk is defined as the risk of loss due to the failure of the issuer of a security and shall be mitigated by:

- 1) Pre-qualifying financial institutions with which it will do business through the utilization of Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch Ratings.
- 2) Diversifying the portfolio so that the failure of any one issuer or backer will not place any undue financial burden on the County.
- 3) Monitor all County investments on a daily basis to anticipate and respond appropriately to a significant reduction in the credit worthiness of a depository.

Interest rate risk is defined as the risk that the market value of portfolio securities will fall due to an increase in interest rates. This risk shall be mitigated by:

- 1) Structuring the portfolio so that securities mature at times to meet the ongoing cash needs of the County.
- 2) Restructure of the portfolio to minimize the loss of market value or cash flow.
- 3) Limit the weighted average maturity of the portfolio holdings to 375 days.

The investment program of Ventura County shall be managed with a degree of professionalism that is worthy of the public trust and adheres to the tenets of modern portfolio theory.

The Treasury is very cognizant of past losses of public funds by local agencies throughout California. Those losses resulted in a loss of confidence by the public in public sector investment expertise. This policy seeks to ensure that proper controls are maintained by the Treasurer-Tax Collector and subordinate staff.

There are times when it becomes necessary for losses to be taken:

- A) Interest rates appear to be rising and the funds can be invested shorter term at higher rates.
- B) When opportunities arise that will result in an increase in overall interest income to the County.
- C) When cash needs are greater than expected.

Therefore, in order to mitigate these event risks to the County's portfolio all investment losses shall be approved by the Treasurer-Tax Collector, exclusively. This authority shall not be delegated.

Liquidity

The County's portfolio will be structured so that securities will mature at or about the same time as cash is needed to meet demand and in accordance with the economic projections mentioned above.

The Treasury will construct a portfolio that will consist of securities with active secondary and resale markets. Any investments for which no secondary market exists, such as time deposits, shall not exceed 375 days and no investment will have a maturity of more than 1150 days.

Yield

The Treasurer-Tax Collector shall always attempt to obtain a competitive rate of return on any investment type consistent with the required safety, liquidity, and other parameters of this policy, departmental procedures, and the laws of the State of California.

INTERNAL CONTROLS

The Treasurer-Tax Collector shall establish a system of internal controls, which shall be documented in writing. The controls will be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, and unanticipated changes in financial markets.

Except for declared emergencies, the County Treasurer-Tax Collector's Office shall observe the following procedures on a daily basis:

- All investment transactions shall be entered into the accounting system.
- County investments shall be transacted, confirmed, accounted for, and audited by different people.

Safekeeping of Securities

To protect against potential losses caused by the collapse of individual securities dealers, all securities owned by the County, including collateral on repurchase agreements, shall be held in safekeeping by a third party bank trust department, acting as agent for the County under the terms of a custody agreement executed by the bank and the Treasurer-Tax Collector. All trades executed between the County and a dealer will settle on a delivery vs. payment basis with a custodial bank. All security transactions engaged in by the Treasurer-Tax Collector shall be countersigned by another authorized treasury department employee.

Security Custody & Deliveries

All securities purchased shall be deposited for safekeeping with the custodial bank that has contracted to provide the County Treasurer with custodial security clearance services.

All security holdings shall be reconciled monthly by the County Treasurer-Tax Collector's Office and audited at least quarterly by the ~~internal audit division of the~~ Auditor-Controller's Office.

All security transactions are to be conducted on a "delivery-versus-payment basis". Confirmation receipts on all investments are to be reviewed immediately for conformity with County transaction documentation. Confirmations resulting from securities purchased under repurchase agreements should clearly state the exact and complete nomenclature of the underlying securities purchased, that these securities have been sold to the County under a repurchase agreement, and the stipulated date and amount of the resale by the County back to the seller of the securities.

SECURITY INSTRUMENTS***Qualifications of Brokers, Dealers, and Financial Institutions***

The Treasurer-Tax Collector will maintain a list of approved financial institutions authorized to provide investment services. Additionally, the Treasurer-Tax Collector shall transact business only with approved direct issuers; security brokers/dealers selected by credit worthiness that licensed by the State of California and licensed by the Financial Industry Regulatory Authority (FINRA); National or State chartered bank or savings institutions; and primary government dealers designated by the Federal Reserve.

Any broker/dealer interested in conducting business with the County must have an office within the State of California and is required to fill out an extensive questionnaire maintained by the Treasurer-Tax Collector. This questionnaire is then reviewed by the Treasurer-Tax Collector and upon acceptance permits the County to deal with the broker/dealer.

The Treasurer-Tax Collector views the relationship of the firm and its representatives to the County as being a long-term mutually beneficial business relationship. The Treasurer-Tax Collector expects the firm and its staff to act with integrity and trust. The firm must ensure that its staff is aware of the County Treasurer's Investment Policy as well as California Government Code sections 53601 and 53635 that govern the securities transactions of the County. The firm will be required to annually issue written acknowledgment that it has read and will comply with the County's Investment Policy.

No broker/dealer may have made political contributions greater than the limits expressed in Rule G-37 of the Municipal Securities Rule Making Body to the Treasurer-Tax Collector, Board of Supervisors, or candidate for those offices, or Treasury Oversight Committee members.

The Treasury staff shall investigate dealers with which it will conduct business in order to determine: if the firm is adequately capitalized and meets the Federal Reserve's minimum capital requirements for broker/dealer operations, makes markets in securities appropriate to the County's investment policy, the individual covering the account has a minimum of three years dealing with large institutional accounts, and receives three favorable recommendations from other short term cash portfolio managers.

Upon application, all firms will provide a copy of their most recent published annual report; quarterly reports issued since the last annual report; Financial and Operational Combined Uniform Single (FOCUS) Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Furthermore, no later than July 31 of each calendar year, in addition to the required annual written acknowledgment of the Investment Policy compliance, only as requested by the Treasurer-Tax Collector, all firms will provide a copy of their most recent published annual report; FOCUS Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Ratings

With the exception of LAIF, insured deposits, and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably as determined by the Treasurer-Tax Collector in accordance with this Statement and with the assistance of Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch Ratings.

~~If the rating of any investment drops during the course of time with which the County has placed an investment, the investment will be matured at the earliest possible convenience. If the rating of any security drops below the minimum acceptable rating for that security class, resulting in a split rating, the investment will be sold if no significant loss of principal is involved, or matured at the earliest possible convenience. These sales must be individually approved by the Treasurer-Tax Collector. A rating of "NR" by one rating service is not a split rating and does not bar the purchase of the security.~~

U.S. Agencies

The purchase of U.S. agency securities shall be limited to issues of the Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corp. (Freddie Mac/FHLMC), the Federal National Mortgage Corporation (Fannie Mae/FNMA), Federal Agricultural Mortgage Corporation (Farmer Mac/FAMCA), or in obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored or backed entity. The fund's holdings of any one federal agency security shall not exceed 25% of the total fund at the time of purchase. The maximum maturity of any one agency investment shall not exceed three years or 1150 days.

U. S. Government

United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio which can be invested in this category. The maturity of a security is limited to a maximum of three years or 1150 days.

Commercial Paper

Commercial Paper is a short term unsecured promissory note issued to finance short term credit needs. Commercial Paper eligible for investment must be of “prime” quality of the highest ranking or of the highest short-term letter and numerical rating as provided for by Standard and Poor's Ratings Services, Moody's Investors Service, and Fitch Ratings (S&P A-1+, A-1; Moody's P-1; Fitch F1+, F1). Eligible paper is further limited to issuing corporations that are organized and operating within the United States and have total assets in excess of \$500 million and an “A” or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by S&P (A or higher), Moody's (A2 or higher) and Fitch (A or higher). Purchases of eligible Commercial Paper may not exceed 270 days to maturity. Purchases of Commercial Paper may not exceed 40 percent of the investment portfolio at the time of the purchase. No more than 10 percent of the total assets of the pool at the time of the purchase may be invested in the outstanding paper of any single issuing corporation. The Treasurer-Tax Collector shall establish a list of approved Commercial Paper issuers in which investments may be made.

Medium-Term Notes and Deposit Notes

Medium-Term Notes eligible for investment must be rated in the same categories described in **Commercial Paper**, above, to wit: Short-term ratings by S&P A-1 or higher; Moody's P-1; and Fitch F1 or higher; and long-term ratings of S&P A or higher, Moody's A2 or higher, and Fitch A or higher. Medium-Term Notes may not exceed 20 percent of the investment portfolio at the time of the purchase and may not have a maturity of longer than 2 years or 735 days.

Municipal Notes, Bonds and Other Obligations

Municipal notes, bonds, and other obligations eligible for investment are registered securities issued by the State of California and local California government agencies as well as registered securities issued by any of the other 49 states to finance capital and operating expenses. ~~are securities issued by California state and local government agencies to finance capital and operating expenses.~~ The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed 30 percent of the investment portfolio at the time of purchase and the maturity may not exceed three years or 1150 days ~~a maximum of three years or 1150 days~~. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

Bankers Acceptances

A Bankers Acceptance is a draft or bill of exchange accepted by a bank or trust company and brokered to investors in the secondary market. Bankers Acceptances may be purchased for a period of up to 180 days and in an amount not to exceed 40 percent of the investment portfolio

at the time of the purchase, with no more than 30 percent of the investment portfolio at the time of the purchase in the Bankers Acceptances of any one commercial bank. The Treasurer-Tax Collector shall establish a list of those banks deemed most credit worthy for the investment in Bankers Acceptances, limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

Negotiable Certificates of Deposit and Yankee Certificates of Deposit

Negotiable Certificates of Deposit (NCD) are issued by commercial banks, foreign banks, and thrift institutions against funds deposited for a specified period of time and earn specified or variable rates of interest. The Treasurer-Tax Collector may invest up to 30 percent of the investment portfolio at the time of the purchase in NCD's. Negotiable certificates of deposit shall be limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

NCD's differ from other Certificates of Deposit in that they are illiquid instruments which are traded in secondary markets. The maximum term to maturity of any NCD shall be one year or 365 days. The Treasurer-Tax Collector shall establish a list of eligible domestic commercial banks, thrifts and state licensed foreign banks (Yankee Certificates of Deposit) which will be eligible for investment.

Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of \$100,000, making them appropriate for large investors. The maximum term to maturity of any YCD shall be one year or 365 days.

Certificates of Deposit

Certificates of Deposit are deposits by the Treasurer-Tax Collector in commercial banks or savings and loan associations within the State of California and shall be limited to those institutions rated as noted above in **Negotiable Certificates of Deposit**. Local institutions shall receive preference for deposits up to \$250,000 if competitive rates are offered. These investments are non-negotiable. The maximum term to maturity shall not exceed one year or 365 days and shall be fully insured by the FDIC.

Repurchase Agreements

The County may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the County has entered into a repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the Treasurer-Tax Collector and will not be allowed to fall below 102% of the value borrowed against those funds. The value is adjusted quarterly based on the value of the repurchase agreement.

In order to conform with provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible bankers' acceptances, or securities that are direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States. Furthermore, this collateral shall not exceed three years or 1150 days to maturity.

There shall be a \$75 million limitation in repurchase agreements entered into with any one institution.

Securities Lending

Securities Lending is permissible as an agreement to lend securities to a borrower who provides collateral to the local agency. The local agency retains ownership and continues to receive all interest, dividends, and capital appreciation. Both securities and collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

Local Agency Investment Fund

The Treasurer-Tax Collector may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

CalTrust and California Asset Management Program (CAMP)

The Treasurer-Tax Collector may invest in The Investment Trust of California, doing business as CalTRUST, and in California Asset Management Program (CAMP), California joint powers authorities in which local agencies may invest funds pursuant to Government Code section 53601(p). The combined investment in CalTrust and CAMP shall not exceed \$25,000,000 at the time of the purchase. The Treasurer-Tax Collector shall withdraw its entire investment in a program if the S&P rating falls below Aaf/S-1+ for CalTrust or AAAM for CAMP.

Local Agency Debt and State Warrants

The Treasurer-Tax Collector may invest in bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

The Treasurer-Tax Collector may invest in registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state, or by a department, board, agency, or authority of the state.

Supranationals

The Treasurer-Tax Collector may invest surplus funds to include United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

These instruments must have a maximum remaining maturity of three years (1150 days) or less, be eligible for purchase and sale within the United States, be S&P rated "AAA" and shall not exceed 30% of the ~~agency's investment pool~~ surplus funds.

Prohibited Transactions and Asset-Backed Securities

At the time of purchase, all permitted investments shall conform in all respects with this Investment Policy Statement and with applicable provisions of the California Government Code.

The Treasurer-Tax Collector may not invest in asset backed securities such as Collateralized Mortgage Obligations.

Apportionment of Interest and Costs

Interest shall be apportioned to all pool participants quarterly, based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the Investment Pool. The amount of interest apportioned shall be determined using the accrual method of accounting, whereby interest will be apportioned for the quarter in which it was actually earned. The Treasurer-Tax Collector may deduct from the gross interest earnings those administrative costs relating to the management of the Treasury, including salaries and other compensation, banking costs, equipment costs, supplies, the cost of information services, cashing, accounting, reporting remittance processing, depositing of public funds, audit, and any other costs as provided by Section 27013, 27133(f), and 27135.

AUTHORITY AND RESPONSIBILITIES OF THE TREASURER-TAX COLLECTOR

Delegation to Authority to Invest

The Treasurer-Tax Collector's authority to invest is delegated by the Board of Supervisors in accordance with the California Government Code Sections 27000.1 and 53607. Statutory authority for the investment and safekeeping functions are found in Sections 53600 et seq., and 53630 et seq., of the California Government Code.

The Treasurer-Tax Collector has the authority to react to unstable market conditions in order to preserve the safety, liquidity or yield of the portfolio. The Treasurer-Tax Collector's reaction may temporarily change the investment parameters or investment practices of the County until the market has stabilized or until the Board of Supervisors has approved a revised Investment Policy.

The Treasurer-Tax Collector shall immediately notify the Treasury Oversight Committee members and the Board of Supervisors at their next scheduled meeting of any changes to the investment parameters or practices that were precipitated by the unstable market conditions.

Authority to Execute Investment Transactions

The authority to execute investment transactions on a daily basis is limited to the Treasurer-Tax Collector. This function may be delegated to the Assistant Treasurer-Tax Collector and/or other Treasury personnel at the discretion of the Treasurer-Tax Collector.

Competitive Bidding

All purchase/sales shall be made only after a process of competitive bidding, unless information provided on electronic market quotation services, faxes, or email transmissions show current market rates. A minimum of three offer/bids should be obtained before an investment is purchased or sold. Exceptions to the above would involve transactions in U.S. Treasury or agency obligations, repurchase agreements, securities possessing unique characteristics which would make competitive bidding impractical, or market circumstances in which competitive bidding could be adverse to the best interest of the Treasurer-Tax Collector's investment program.

Place and Time for Conducting Business

Investment transactions shall not be conducted from any place other than the office of the Treasurer-Tax Collector during normal business hours established for Treasury operations. Exceptions must have the approval of the Treasurer-Tax Collector.

Conflict of Interest

No agency employee nor Treasury Oversight Committee member may directly or indirectly accept or solicit from any persons, corporations, or group having a business relationship with this Agency anything of economic value as a gift, gratuity, or favor which would be in conflict with the County Administrative Policy.

No agency employee nor Treasury Oversight Committee member shall, outside of regular working hours, engage in any profession, trade, business, or occupation which is incompatible or involves a conflict of interest with his duties as a county officer or employee, or which in any way may reflect unfavorably on this Agency, the appointing authority, or his fellow employees.

Portfolio Reporting

The Treasurer-Tax Collector shall prepare a monthly Investment Report to be presented at a regularly scheduled meeting of the Board of Supervisors, including a succinct management summary that provides a clear picture of the status of the current investment portfolio, market conditions and strategy for the coming months. The report will also include a listing of all investments by type, name of issuer, date of maturity, par and dollars amount invested in each security, investment, and the money within the Treasury. There will be a separate statement advising the Board of the longest maturity of a security in the portfolio. The report will contain a statement assuring the Board that the anticipated cash flow needs of the participants will be met. The report will also include a statement that the investment practices and portfolio holdings are in compliance with the investment policy or an explanation as to why there is a condition which exists outside of the investment policy. The Treasurer-Tax Collector will also provide a copy of the ~~monthly~~ Investment Report to the Treasury Oversight Committee members ~~each month at scheduled meetings~~.

Disaster Recovery Program

The Treasurer-Tax Collector's Disaster Plan includes critical phone numbers and addresses of key Treasury and investment personnel, as well as, currently approved bankers and broker/dealers. The plan provides for an offsite location to be communicated at the time of readiness if the Treasurer-Tax Collector's offices are uninhabitable. In the event the Treasurer or authorized staff is unable to invest the portfolio, the Treasurer has an agreement with the custodian for a daily sweep of all uninvested cash with the custody bank into an interest-bearing account.

Until normal operations of the Treasurer's office have been restored, the limitations on the size of an Individual issuer and the percentage restrictions by investment type would be allowed to exceed those approved in this Investment Policy Statement and would be

required to be reported to the Board of Supervisors and Pool Participants in a timely manner.

Extraordinary Withdrawals

The Treasurer-Tax Collector will maintain a schedule of seasonal deposits into and withdrawals from the investment pool by participating districts. Constant contact with the pool participants will be maintained to ascertain any cash needs beyond the anticipated cash-flow patterns. Our investment strategy is based upon the known cash-flow patterns, which allow the Treasurer-Tax Collector to maximize interest earnings for the County and other pool participants.

Extraordinary withdrawals could create a liquidity problem and negatively impact the earnings of the remaining pool participants if the Treasurer-Tax Collector is forced to liquidate securities before their scheduled maturity date. A pool participant who wishes to withdraw from the pool or make an extraordinary withdrawal, will be encouraged to work with the Treasury to arrange a withdrawal schedule that would prevent losses to the withdrawing district or the remaining pool participants. Losses experienced by the County investment pool, which were precipitated by the unnoticed extraordinary withdrawal of funds, will be borne by the district who caused such losses to occur. The Treasurer-Tax Collector reserves the right to choose which securities to liquidate and could choose to sell the securities that have the lowest earnings.

Terms and Conditions that a Local Agency May Participate in the Pool

Local agencies may, by resolution of their governing bodies and the approval of the Treasurer-Tax Collector, deposit excess funds in the County Treasury for the purpose of investment by the Treasurer-Tax Collector. The procedures for this process are contained in the Treasury Procedural Manual.

INVESTMENT GLOSSARY

Accrued Interest – Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

Agency Issues – Securities issued by federal agencies, those chartered by the federal government or Government Sponsored Enterprises that are considered to be backed by the federal government. See also Government Sponsored Enterprises.

Amortized Cost – The original cost of the principal adjusted for the periodic reduction of any discount or premium from the purchase date until a specific date (also called “Book Value”).

Bankers Acceptance – Money market instrument created from transactions involving foreign trade. In its simplest and most traditional form, a bankers’ acceptance is merely a check, drawn on a bank by an importer or exporter of goods.

Basis Point – A unit of measurement equal to 1/100 of 1 percent. As an example, the difference between a security yielding 3.25% and one yielding 3.20% is five basis points.

Benchmark – An index or security used to compare the performance of a portfolio.

Bond – A long-term debt instrument of a government or corporation promising payment of the original investment plus interest by a specified future date.

Bullet – A colloquial term for a bond that cannot be redeemed, or called, prior to maturity.

Callable Bond – A bond in which all or a portion of its outstanding principal may be redeemed prior to maturity by the issuer under specified conditions.

Collateralization – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized Certificate of Deposit – An instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is collateralized by the bank with securities at a minimum of 110% of the deposit amount.

Commercial Paper – Money Market instrument representing an unsecured short-term promissory note of a corporation at a specified rate of return for a specified period of time.

Coupon – The stated interest rate on a debt security that an issuer promises to pay.

Credit Quality – An indication of risk that an issuer of a security will fulfill its obligation, as rated by a rating agency.

Credit Rating – A standardized assessment, expressed in alphanumeric characters, of a company's creditworthiness.

Credit Risk – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Derivatives – Securities which derive their value from that of another security or an underlying index, currency or other measure. Floating rate notes (also “floaters”) are not considered derivatives.

Discount Instruments – Securities that are sold at a discount to face value.

Diversification – The practice or concept of investing in a range of securities by sector, maturity, asset class or credit quality in order to reduce and spread financial risk.

Dollar Weighted Average Maturity – The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

Duration – Is a measure of the price volatility of a portfolio and reflects an estimate of the projected increase or decrease in the value of that portfolio based upon a decrease or increase in the interest rates. A duration of 1.0 means that for every one percent increase in interest rates, the market value of the Portfolio would decrease by 1.0 percent.

Earnings Apportionment – Is the quarterly interest distribution to the Pool Participants where the actual investment costs incurred by the Treasurer are deducted from the interest earnings of the Pool.

Government Obligations – Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations of the Federal Government, but involve Federal sponsorship or guarantees.

Government Sponsored Enterprises (GSE'S) – Private, shareholder-owned companies with a relationship with government agencies. These agencies generally are viewed to have an implied guarantee of the U.S. government.

Highly Liquid – The most eminent type of security that is easily converted to cash because there are many interested buyers and sellers to trade large quantities at a reasonable price.

Illiquid – A security that is difficult to buy or sell or has a wide spread between the bid price and offer price in the secondary market. There are few buyers and sellers willing to trade large quantities at a reasonable price.

Interest Rate Risk – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. Also called “Market Risk”.

Liquid – A security that is easily bought and sold because of the willingness of interested buyers and sellers to trade large quantities at a reasonable price.

Local Agency Obligation – An indebtedness issued by a local agency, department, board, or authority within the State of California.

Long-Term – The term used to describe a security when the maturity is greater than one year.

Market Value – An estimate of the value of a security at which the principal would be sold from a willing seller to a willing buyer at the date of pricing.

Medium-Term Notes – These are Corporate Notes and Bank Notes that are debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

Money Market Mutual Fund – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

Municipal Notes, Bonds and Other Obligations - Municipal notes, bonds, and other obligations are securities issued by state and local government agencies to finance capital and operating expenses. The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed a maximum of three years or 1150 days. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

Negotiable Certificate of Deposit – A Money Market instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is traded in secondary markets.

Par – The stated maturity value, or face value, of a security.

Pass-Through Securities – A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

Pool – In this context, the pooled monies of different government agencies administered by the County Treasurer. Each pool member owns a fractional interest in the securities held in the Pool.

Portfolio Value – The total book value amount of all the securities held in the Treasurer's Pooled Money Fund.

Primary Dealer – A group of dealers and banks that can buy and sell securities directly with the Federal Reserve Bank of New York.

Private Placements – Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

Range Notes – Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

Repurchase Agreement – A repurchase agreement consists of two simultaneous transactions. One is the purchase of securities by an investor (i.e., the County), the other is the commitment by the seller (i.e. a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

Reverse Repurchase Agreement – The mirror image of Repurchase Agreements. In this instance the County Pool is the seller of securities to an investor (i.e. brokers).

Safekeeping – A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

Securities Lending – A transaction wherein the Treasurer's Pool transfers its securities to broker/dealers and other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future.

Short-Term – The term used to describe a security when the maturity is one year or less.

Supranationals – Senior unsecured unsubordinated obligations that are issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. They are eligible for purchase and sale within the United States and approved for investments by local agencies in California as of January 1, 2015.

Total Return – The sum of all investment income plus changes in the capital value of a portfolio for a given period.

Voluntary Participants – Local agencies that are not required to deposit their funds with the County Treasurer.

Weighted Average Maturity – The remaining average maturity of all securities held in a portfolio.

Yankee Certificates of Deposit - Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of \$100,000, making them appropriate for large investors.

Yield – The gain, expressed as a percentage that an investor derives from a financial asset.

Yield to Maturity – The percentage rate of return paid if the security is held to its maturity date. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate.

APPENDIX A: INVESTMENT INSTRUMENTS

Investment Instruments	Maximum Maturity	Maximum Specified Percentage of Portfolio	<u>Approved</u> <u>Selected</u> <u>Agencies</u>
U.S. Agencies	3 years or 1150 days	N/A 25%	<u>Yes</u>
Commercial Paper (CP)	270 days	40%	<u>Yes</u>
Medium Term Notes (MTN)	2 years or 735 days	20%	<u>Yes</u>
Supranationals	3 years (1150 days) or less	30%	<u>Yes</u>
U.S. Government Treasury Bills, Notes, and Bonds	3 years or 1150 days	N/A	
Yankee Certificates of Deposit (YCD)	1 year or 365 days	30%	<u>Yes</u>
Negotiable Certificates of Deposit (NCD)	1 year or 365 days	30%	<u>Yes</u>
Certificates of Deposits (CD)	1 year or 365 days	30%	<u>Yes</u>
Local Agency Investment Fund (LAIF)	N/A	Maximum As Permitted by State Law	
CalTrust/CAMP		\$25 MM	
Cal-based Munis	3 years or 1150 days	<u>30%</u>	

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VENTURA COUNTY

STATEMENT OF INVESTMENT POLICY

AS APPROVED DECEMBER 4, 2018



BOARD OF SUPERVISORS

SUPERVISOR PETER C. FOY, DISTRICT 4, CHAIR

SUPERVISOR STEVE BENNETT, DISTRICT 1

SUPERVISOR LINDA PARKS, DISTRICT 2,

SUPERVISOR KELLY LONG, DISTRICT 3

SUPERVISOR JOHN C. ZARAGOZA, DISTRICT 5

Judge Steven Hintz
Treasurer-Tax Collector

Sue Horgan
Assistant Treasurer-Tax Collector

Ventura County Treasurer-Tax Collector's Office
800 South Victoria Avenue, L#1290
Ventura, CA 93009-1290
E-mail helpinghand@ventura.org
Website: www.ventura.org/ttc

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STATEMENT OF INVESTMENT POLICY

This Statement of Investment Policy (“Policy”) provides the guidelines for prudent investment of public funds in a manner which will provide the highest investment return with optimal security and liquidity. The Policy and practices of the County Treasurer are based on prudent money management principles and California State Law, specifically Government Code Sections 27000 - 27000.5; 27130 - 27137; and 53600 - 53686. Furthermore, it outlines the policies essential to ensuring the safety and financial strength of the County’s investment portfolio.

This Policy is based on the principles of prudent money management and conforms to all applicable Federal and State laws governing the investment of public funds. In instances in which the Policy is more restrictive than Federal or State law, the Policy will supersede.

The Policy shall be reviewed annually and any modifications made thereto must be approved by the Board of Supervisors.

Introduction

The Treasurer-Tax Collector of Ventura County manages pooled cash under the prudent investor rule. This rule states that:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

This rule allows the County the option to operate over a broad spectrum of investment opportunity defined within Section 53601 *et seq* of the California Government Code. Therefore, the County's portfolio will be made up of a selection of investments that ensure diversification and meet the liquidity needs of the organization. The major overriding premise underlying the County's investment objective is always to ensure that funds are available when needed.

Investment Objective

It is the policy of the County to invest public funds in a manner which will provide for the preservation of capital while meeting the daily cash flow requirements of the County and other participants, while attaining a market average yield within an acceptable and defined level of risk.

The Policy has three primary objectives, in order of priority:

- 1) The safety of principal.
- 2) Maintenance of liquidity to meet cash flow needs.
- 3) To earn a competitive rate of return (i.e., yield) within the confines of the California Government Code, this policy, and procedural structure.

In order to accomplish the objectives of safety, liquidity, and yield, the economy and various financial markets are monitored daily in order to assess the probable course of interest rates and thus maximize yield on the County's temporarily idle funds. In a market with increasing interest rates, the Treasury will attempt to invest in securities with shorter maturities. This strategy allows funds to be available for other investments when interest rates are at higher levels. Conversely, when interest rates appear to be near a plateau, the Treasury will attempt to lock in a higher rate of return. The length of term for all investments shall be commensurate with the short, medium, and long-term cash flow needs of the County and other investment pool participants.

Investment and the Notion of Risk

In order to accomplish the investment philosophy outlined above, the concept of risk must be clearly defined as it relates to the investment of public funds. This concept of risk finds its ultimate translation into a structured and well-diversified portfolio.

The County shall ensure the safety of its idle funds by limiting credit and interest rate risk. These are the two types of risk that can clearly damage a public sector portfolio.

Credit risk is defined as the risk of loss due to the failure of the issuer of a security and shall be mitigated by:

- 1) Pre-qualifying financial institutions with which it will do business through the utilization of Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch Ratings.
- 2) Diversifying the portfolio so that the failure of any one issuer or backer will not place any undue financial burden on the County.
- 3) Monitor all County investments on a daily basis to anticipate and respond appropriately to a significant reduction in the credit worthiness of a depository.

Interest rate risk is defined as the risk that the market value of portfolio securities will fall due to an increase in interest rates. This risk shall be mitigated by:

- 1) Structuring the portfolio so that securities mature at times to meet the ongoing cash needs of the County.
- 2) Restructure of the portfolio to minimize the loss of market value or cash flow.
- 3) Limit the weighted average maturity of the portfolio holdings to 375 days.

The investment program of Ventura County shall be managed with a degree of professionalism that is worthy of the public trust and adheres to the tenets of modern portfolio theory.

The Treasury is very cognizant of past losses of public funds by local agencies throughout California. Those losses resulted in a loss of confidence by the public in public sector investment expertise. This policy seeks to ensure that proper controls are maintained by the Treasurer-Tax Collector and subordinate staff.

There are times when it becomes necessary for losses to be taken:

- A) Interest rates appear to be rising and the funds can be invested shorter term at higher rates.
- B) When opportunities arise that will result in an increase in overall interest income to the County.
- C) When cash needs are greater than expected.

Therefore, in order to mitigate these event risks to the County's portfolio all investment losses shall be approved by the Treasurer-Tax Collector, exclusively. This authority shall not be delegated.

Liquidity

The County's portfolio will be structured so that securities will mature at or about the same time as cash is needed to meet demand and in accordance with the economic projections mentioned above.

The Treasury will construct a portfolio that will consist of securities with active secondary and resale markets. Any investments for which no secondary market exists, such as time deposits, shall not exceed 375 days and no investment will have a maturity of more than 1150 days.

Yield

The Treasurer-Tax Collector shall always attempt to obtain a competitive rate of return on any investment type consistent with the required safety, liquidity, and other parameters of this policy, departmental procedures, and the laws of the State of California.

INTERNAL CONTROLS

The Treasurer-Tax Collector shall establish a system of internal controls, which shall be documented in writing. The controls will be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, and unanticipated changes in financial markets.

Except for declared emergencies, the County Treasurer-Tax Collector's Office shall observe the following procedures on a daily basis:

- All investment transactions shall be entered into the accounting system.
- County investments shall be transacted, confirmed, accounted for, and audited by different people.

Safekeeping of Securities

To protect against potential losses caused by the collapse of individual securities dealers, all securities owned by the County, including collateral on repurchase agreements, shall be held in safekeeping by a third party bank trust department, acting as agent for the County under the terms of a custody agreement executed by the bank and the Treasurer-Tax Collector. All trades executed between the County and a dealer will settle on a delivery vs. payment basis with a custodial bank. All security transactions engaged in by the Treasurer-Tax Collector shall be countersigned by another authorized treasury department employee.

Security Custody & Deliveries

All securities purchased shall be deposited for safekeeping with the custodial bank that has contracted to provide the County Treasurer with custodial security clearance services.

All security holdings shall be reconciled monthly by the County Treasurer-Tax Collector's Office and audited at least quarterly by the Auditor-Controller's Office.

All security transactions are to be conducted on a "delivery-versus-payment basis". Confirmation receipts on all investments are to be reviewed immediately for conformity with County transaction documentation. Confirmations resulting from securities purchased under repurchase agreements should clearly state the exact and complete nomenclature of the underlying securities purchased, that these securities have been sold to the County under a repurchase agreement, and the stipulated date and amount of the resale by the County back to the seller of the securities.

SECURITY INSTRUMENTS

Qualifications of Brokers, Dealers, and Financial Institutions

The Treasurer-Tax Collector will maintain a list of approved financial institutions authorized to provide investment services. Additionally, the Treasurer-Tax Collector shall transact business only with approved direct issuers; security brokers/dealers selected by credit worthiness that licensed by the State of California and licensed by the Financial Industry Regulatory Authority (FINRA); National or State chartered bank or savings institutions; and primary government dealers designated by the Federal Reserve.

Any broker/dealer interested in conducting business with the County must have an office within the State of California and is required to fill out an extensive questionnaire maintained by the Treasurer-Tax Collector. This questionnaire is then reviewed by the Treasurer-Tax Collector and upon acceptance permits the County to deal with the broker/dealer.

The Treasurer-Tax Collector views the relationship of the firm and its representatives to the County as being a long-term mutually beneficial business relationship. The Treasurer-Tax Collector expects the firm and its staff to act with integrity and trust. The firm must ensure that its staff is aware of the County Treasurer's Investment Policy as well as California Government Code sections 53601 and 53635 that govern the securities transactions of the County. The firm will be required to annually issue written acknowledgment that it has read and will comply with the County's Investment Policy.

No broker/dealer may have made political contributions greater than the limits expressed in Rule G-37 of the Municipal Securities Rule Making Body to the Treasurer-Tax Collector, Board of Supervisors, or candidate for those offices, or Treasury Oversight Committee members.

The Treasury staff shall investigate dealers with which it will conduct business in order to determine: if the firm is adequately capitalized and meets the Federal Reserve's minimum capital requirements for broker/dealer operations, makes markets in securities appropriate to the County's investment policy, the individual covering the account has a minimum of three years dealing with large institutional accounts, and receives three favorable recommendations from other short term cash portfolio managers.

Upon application, all firms will provide a copy of their most recent published annual report; quarterly reports issued since the last annual report; Financial and Operational Combined Uniform Single (FOCUS) Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Furthermore, no later than July 31 of each calendar year, in addition to the required annual written acknowledgment of the Investment Policy compliance, only as requested by the Treasurer-Tax Collector, all firms will provide a copy of their most recent published annual report; FOCUS Report; organization chart; and any financial information regarding credit lines and debt support provided by the parent firm.

Ratings

With the exception of LAIF, insured deposits, and U.S. Treasury and Government Agency issues, investments shall be placed only in those instruments and institutions rated favorably as determined by the Treasurer-Tax Collector in accordance with this Statement and with the assistance of Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch Ratings.

If the rating of any security drops below the minimum acceptable rating for that security class, the investment will be sold if no significant loss of principal is involved or matured at the earliest possible convenience. These sales must be individually approved by the Treasurer-Tax Collector. A rating of "NR" by one rating service is not a split rating and does not bar the purchase of the security.

U.S. Agencies

The purchase of U.S. agency securities shall be limited to issues of the Federal Farm Credit Banks (FFCB), Federal Home Loan Banks (FHLB), Federal Home Loan Mortgage Corp. (Freddie Mac/FHLMC), the Federal National Mortgage Corporation (Fannie Mae/FNMA), Federal Agricultural Mortgage Corporation (Farmer Mac/FAMCA), or in obligations, participations, or other instruments of, or issued by, a federal agency or a United States government-sponsored or backed entity. The fund's holdings of any one federal agency security shall not exceed 25% of the total fund at the time of purchase. The maximum maturity of any one agency investment shall not exceed three years or 1150 days.

U. S. Government

United States Treasury Bills, Notes, and Bonds are backed by the full faith and credit of the United States Government. There shall be no limitation as to the percentage of the portfolio which can be invested in this category. The maturity of a security is limited to a maximum of three years or 1150 days.

Commercial Paper

Commercial Paper is a short term unsecured promissory note issued to finance short term credit needs. Commercial Paper eligible for investment must be of “prime” quality of the highest ranking or of the highest short-term letter and numerical rating as provided for by Standard and Poor's Ratings Services, Moody's Investors Service, and Fitch Ratings (S&P A-1+, A-1; Moody's P-1; Fitch F1+, F1). Eligible paper is further limited to issuing corporations that are organized and operating within the United States and have total assets in excess of \$500 million and an “A” or higher rating for the issuer's debt, other than commercial paper, if any, as provided for by S&P (A or higher), Moody's (A2 or higher) and Fitch (A or higher). Purchases of eligible Commercial Paper may not exceed 270 days to maturity. Purchases of Commercial Paper may not exceed 40 percent of the investment portfolio at the time of the purchase. No more than 10 percent of the total assets of the pool at the time of the purchase may be invested in the outstanding paper of any single issuing corporation. The Treasurer-Tax Collector shall establish a list of approved Commercial Paper issuers in which investments may be made.

Medium-Term Notes and Deposit Notes

Medium-Term Notes eligible for investment must be rated in the same categories described in **Commercial Paper**, above, to wit: Short-term ratings by S&P A-1 or higher; Moody's P-1; and Fitch F1 or higher; and long-term ratings of S&P A or higher, Moody's A2 or higher, and Fitch A or higher. Medium-Term Notes may not exceed 20 percent of the investment portfolio at the time of the purchase and may not have a maturity of longer than 2 years or 735 days.

Municipal Notes, Bonds and Other Obligations

Municipal notes, bonds, and other obligations eligible for investment are registered securities issued by the State of California and local California government agencies as well as registered securities issued by any of the other 49 states to finance capital and operating expenses. The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed 30 percent of the investment portfolio at the time of purchase and the maturity may not exceed three years or 1150 days. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

Bankers Acceptances

A Bankers Acceptance is a draft or bill of exchange accepted by a bank or trust company and brokered to investors in the secondary market. Bankers Acceptances may be purchased for a period of up to 180 days and in an amount not to exceed 40 percent of the investment portfolio at the time of the purchase, with no more than 30 percent of the investment portfolio at the time of the purchase in the Bankers Acceptances of any one commercial bank. The Treasurer-

Tax Collector shall establish a list of those banks deemed most credit worthy for the investment in Bankers Acceptances, limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

Negotiable Certificates of Deposit and Yankee Certificates of Deposit

Negotiable Certificates of Deposit (NCD) are issued by commercial banks, foreign banks, and thrift institutions against funds deposited for a specified period of time and earn specified or variable rates of interest. The Treasurer-Tax Collector may invest up to 30 percent of the investment portfolio at the time of the purchase in NCD's. Negotiable certificates of deposit shall be limited to those institutions rated as noted in **Commercial Paper** and **Medium-Term Notes**, above.

NCD's differ from other Certificates of Deposit in that they are illiquid instruments which are traded in secondary markets. The maximum term to maturity of any NCD shall be one year or 365 days. The Treasurer-Tax Collector shall establish a list of eligible domestic commercial banks, thrifts and state licensed foreign banks (Yankee Certificates of Deposit) which will be eligible for investment.

Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of \$100,000, making them appropriate for large investors. The maximum term to maturity of any YCD shall be one year or 365 days.

Certificates of Deposit

Certificates of Deposit are deposits by the Treasurer-Tax Collector in commercial banks or savings and loan associations within the State of California and shall be limited to those institutions rated as noted above in **Negotiable Certificates of Deposit**. Local institutions shall receive preference for deposits up to \$250,000 if competitive rates are offered. These investments are non-negotiable. The maximum term to maturity shall not exceed one year or 365 days and shall be fully insured by the FDIC.

Repurchase Agreements

The County may invest in repurchase agreements with banks and dealers of primary dealer status recognized by the Federal Reserve with which the County has entered into a repurchase contract which specifies terms and conditions of repurchase agreements. The maturity of repurchase agreements shall not exceed 90 days. The market value of securities used as collateral for repurchase agreements shall be monitored daily by the Treasurer-Tax Collector and will not be allowed to fall below 102% of the value borrowed against those funds. The value is adjusted quarterly based on the value of the repurchase agreement.

In order to conform with provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable as collateral shall be certificates of deposit, commercial paper, eligible bankers' acceptances, or securities that are direct obligations of, or that are fully guaranteed as to principal and interest by the United States or any agency of the United States. Furthermore, this collateral shall not exceed three years or 1150 days to maturity.

There shall be a \$75 million limitation in repurchase agreements entered into with any one institution.

Securities Lending

Securities Lending is permissible as an agreement to lend securities to a borrower who provides collateral to the local agency. The local agency retains ownership and continues to receive all interest, dividends, and capital appreciation. Both securities and collateral are held by a third party. At the conclusion of the agreement, the securities are transferred back to the local agency in return for the collateral.

Local Agency Investment Fund

The Treasurer-Tax Collector may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the maximum permitted by State law.

CalTrust and California Asset Management Program (CAMP)

The Treasurer-Tax Collector may invest in The Investment Trust of California, doing business as CalTRUST, and in California Asset Management Program (CAMP), California joint powers authorities in which local agencies may invest funds pursuant to Government Code section 53601(p). The combined investment in CalTrust and CAMP shall not exceed \$25,000,000 at the time of the purchase. The Treasurer-Tax Collector shall withdraw its entire investment in a program if the S&P rating falls below AAf/S-1+ for CalTrust or AAAm for CAMP.

Local Agency Debt and State Warrants

The Treasurer-Tax Collector may invest in bonds, notes, warrants, or other evidences of indebtedness of any local agency within this state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

The Treasurer-Tax Collector may invest in registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state, or by a department, board, agency, or authority of the state.

Supranationals

The Treasurer-Tax Collector may invest surplus funds to include United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB).

These instruments must have a maximum remaining maturity of three years (1150 days) or less, be eligible for purchase and sale within the United States, be S&P rated "AAA" and shall not exceed 30% of the investment pool.

Prohibited Transactions and Asset-Backed Securities

At the time of purchase, all permitted investments shall conform in all respects with this Investment Policy Statement and with applicable provisions of the California Government Code.

The Treasurer-Tax Collector may not invest in asset backed securities such as Collateralized Mortgage Obligations.

Apportionment of Interest and Costs

Interest shall be apportioned to all pool participants quarterly, based upon the ratio of the average daily balance of each individual fund to the average daily balance of all funds in the Investment Pool. The amount of interest apportioned shall be determined using the accrual method of accounting, whereby interest will be apportioned for the quarter in which it was actually earned. The Treasurer-Tax Collector may deduct from the gross interest earnings those administrative costs relating to the management of the Treasury, including salaries and other compensation, banking costs, equipment costs, supplies, the cost of information services, cashing, accounting, reporting remittance processing, depositing of public funds, audit, and any other costs as provided by Section 27013, 27133(f), and 27135.

AUTHORITY AND RESPONSIBILITIES OF THE TREASURER-TAX COLLECTOR

Delegation to Authority to Invest

The Treasurer-Tax Collector's authority to invest is delegated by the Board of Supervisors in accordance with the California Government Code Sections 27000.1 and 53607. Statutory authority for the investment and safekeeping functions are found in Sections 53600 et seq., and 53630 et seq., of the California Government Code.

The Treasurer-Tax Collector has the authority to react to unstable market conditions in order to preserve the safety, liquidity or yield of the portfolio. The Treasurer-Tax Collector's reaction may temporarily change the investment parameters or investment practices of the County until the market has stabilized or until the Board of Supervisors has approved a revised Investment Policy.

The Treasurer-Tax Collector shall immediately notify the Treasury Oversight Committee members and the Board of Supervisors at their next scheduled meeting of any changes to the investment parameters or practices that were precipitated by the unstable market conditions.

Authority to Execute Investment Transactions

The authority to execute investment transactions on a daily basis is limited to the Treasurer-Tax Collector. This function may be delegated to the Assistant Treasurer-Tax Collector and/or other Treasury personnel at the discretion of the Treasurer-Tax Collector.

Competitive Bidding

All purchase/sales shall be made only after a process of competitive bidding, unless information provided on electronic market quotation services, faxes, or email transmissions show current market rates. A minimum of three offer/bids should be obtained before an investment is purchased or sold. Exceptions to the above would involve transactions in U.S. Treasury or agency obligations, repurchase agreements, securities possessing unique characteristics which would make competitive bidding impractical, or market circumstances in which competitive bidding could be adverse to the best interest of the Treasurer-Tax Collector's investment program.

Place and Time for Conducting Business

Investment transactions shall not be conducted from any place other than the office of the Treasurer-Tax Collector during normal business hours established for Treasury operations. Exceptions must have the approval of the Treasurer-Tax Collector.

Conflict of Interest

No agency employee nor Treasury Oversight Committee member may directly or indirectly accept or solicit from any persons, corporations, or group having a business relationship with this Agency anything of economic value as a gift, gratuity, or favor which would be in conflict with the County Administrative Policy.

No agency employee nor Treasury Oversight Committee member shall, outside of regular working hours, engage in any profession, trade, business, or occupation which is incompatible or involves a conflict of interest with his duties as a county officer or employee, or which in any way may reflect unfavorably on this Agency, the appointing authority, or his fellow employees.

Portfolio Reporting

The Treasurer-Tax Collector shall prepare a monthly Investment Report to be presented at a regularly scheduled meeting of the Board of Supervisors, including a succinct management summary that provides a clear picture of the status of the current investment portfolio, market conditions and strategy for the coming months. The report will also include a listing of all investments by type, name of issuer, date of maturity, par and dollars amount invested in each security, investment, and the money within the Treasury. There will be a separate statement advising the Board of the longest maturity of a security in the portfolio. The report will contain a statement assuring the Board that the anticipated cash flow needs of the participants will be met. The report will also include a statement that the investment practices and portfolio holdings are in compliance with the investment policy or an explanation as to why there is a condition which exists outside of the investment policy. The Treasurer-Tax Collector will also provide a copy of the Investment Report to the Treasury Oversight Committee members at scheduled meetings.

Disaster Recovery Program

The Treasurer-Tax Collector's Disaster Plan includes critical phone numbers and addresses of key Treasury and investment personnel, as well as, currently approved bankers and broker/dealers. The plan provides for an offsite location to be communicated at the time of readiness if the Treasurer-Tax Collector's offices are uninhabitable. In the event the Treasurer or authorized staff is unable to invest the portfolio, the Treasurer has an agreement with the custodian for a daily sweep of all uninvested cash with the custody bank into an interest-bearing account.

Until normal operations of the Treasurer's office have been restored, the limitations on the size of an Individual issuer and the percentage restrictions by investment type would be allowed to exceed those approved in this Investment Policy Statement and would be required to be reported to the Board of Supervisors and Pool Participants in a timely manner.

Extraordinary Withdrawals

The Treasurer-Tax Collector will maintain a schedule of seasonal deposits into and withdrawals from the investment pool by participating districts. Constant contact with the pool participants will be maintained to ascertain any cash needs beyond the anticipated cash-flow patterns. Our investment strategy is based upon the known cash-flow patterns, which allow the Treasurer-Tax Collector to maximize interest earnings for the County and other pool participants.

Extraordinary withdrawals could create a liquidity problem and negatively impact the earnings of the remaining pool participants if the Treasurer-Tax Collector is forced to liquidate securities before their scheduled maturity date. A pool participant who wishes to withdraw from the pool or make an extraordinary withdrawal, will be encouraged to work with the Treasury to arrange a withdrawal schedule that would prevent losses to the withdrawing district or the remaining pool participants. Losses experienced by the County investment pool, which were precipitated by the unnoticed extraordinary withdrawal of funds, will be borne by the district who caused such losses to occur. The Treasurer-Tax Collector reserves the right to choose which securities to liquidate and could choose to sell the securities that have the lowest earnings.

Terms and Conditions that a Local Agency May Participate in the Pool

Local agencies may, by resolution of their governing bodies and the approval of the Treasurer-Tax Collector, deposit excess funds in the County Treasury for the purpose of investment by the Treasurer-Tax Collector. The procedures for this process are contained in the Treasury Procedural Manual.

INVESTMENT GLOSSARY

Accrued Interest – Interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

Agency Issues – Securities issued by federal agencies, those chartered by the federal government or Government Sponsored Enterprises that are considered to be backed by the federal government. See also Government Sponsored Enterprises.

Amortized Cost – The original cost of the principal adjusted for the periodic reduction of any discount or premium from the purchase date until a specific date (also called “Book Value”).

Bankers Acceptance – Money market instrument created from transactions involving foreign trade. In its simplest and most traditional form, a bankers’ acceptance is merely a check, drawn on a bank by an importer or exporter of goods.

Basis Point – A unit of measurement equal to 1/100 of 1 percent. As an example, the difference between a security yielding 3.25% and one yielding 3.20% is five basis points.

Benchmark – An index or security used to compare the performance of a portfolio.

Bond – A long-term debt instrument of a government or corporation promising payment of the original investment plus interest by a specified future date.

Bullet – A colloquial term for a bond that cannot be redeemed, or called, prior to maturity.

Callable Bond – A bond in which all or a portion of its outstanding principal may be redeemed prior to maturity by the issuer under specified conditions.

Collateralization – Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized Certificate of Deposit – An instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is collateralized by the bank with securities at a minimum of 110% of the deposit amount.

Commercial Paper – Money Market instrument representing an unsecured short-term promissory note of a corporation at a specified rate of return for a specified period of time.

Coupon – The stated interest rate on a debt security that an issuer promises to pay.

Credit Quality – An indication of risk that an issuer of a security will fulfill its obligation, as rated by a rating agency.

Credit Rating – A standardized assessment, expressed in alphanumeric characters, of a company’s creditworthiness.

Credit Risk – The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Derivatives – Securities which derive their value from that of another security or an underlying index, currency or other measure. Floating rate notes (also “floaters”) are not considered derivatives.

Discount Instruments – Securities that are sold at a discount to face value.

Diversification – The practice or concept of investing in a range of securities by sector, maturity, asset class or credit quality in order to reduce and spread financial risk.

Dollar Weighted Average Maturity – The sum of the amount of each security investment multiplied by the number of days to maturity, divided by the total amount of security investments.

Duration – Is a measure of the price volatility of a portfolio and reflects an estimate of the projected increase or decrease in the value of that portfolio based upon a decrease or increase in the interest rates. A duration of 1.0 means that for every one percent increase in interest rates, the market value of the Portfolio would decrease by 1.0 percent.

Earnings Apportionment – Is the quarterly interest distribution to the Pool Participants where the actual investment costs incurred by the Treasurer are deducted from the interest earnings of the Pool.

Government Obligations – Securities issued by the U.S. Treasury and Federal Agencies. U.S. Treasuries are direct obligations of the Federal Government. Agencies are not direct obligations of the Federal Government, but involve Federal sponsorship or guarantees.

Government Sponsored Enterprises (GSE’S) – Private, shareholder-owned companies with a relationship with government agencies. These agencies generally are viewed to have an implied guarantee of the U.S. government.

Highly Liquid – The most eminent type of security that is easily converted to cash because there are many interested buyers and sellers to trade large quantities at a reasonable price.

Illiquid – A security that is difficult to buy or sell or has a wide spread between the bid price and offer price in the secondary market. There are few buyers and sellers willing to trade large quantities at a reasonable price.

Interest Rate Risk – The risk associated with declines or rises in interest rates which cause an investment in a fixed-income security to increase or decrease in value. Also called “Market Risk”.

Liquid – A security that is easily bought and sold because of the willingness of interested buyers and sellers to trade large quantities at a reasonable price.

Local Agency Obligation – An indebtedness issued by a local agency, department, board, or authority within the State of California.

Long-Term – The term used to describe a security when the maturity is greater than one year.

Market Value – An estimate of the value of a security at which the principal would be sold from a willing seller to a willing buyer at the date of pricing.

Medium-Term Notes – These are Corporate Notes and Bank Notes that are debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

Money Market Mutual Fund – A mutual fund with investments directed in short-term money market instruments only, which can be withdrawn daily without penalty.

Municipal Notes, Bonds and Other Obligations - Municipal notes, bonds, and other obligations are securities issued by state and local government agencies to finance capital and operating expenses. The characteristics of a municipal bond or note often are similar to the characteristics of corporate bonds and notes or the U.S. government and federal agency bonds and notes. Municipal notes normally have a specific maturity date, and bear interest that is scheduled to be paid at specific intervals. Municipal notes, bonds and other obligations may not exceed a maximum of three years or 1150 days. Municipal notes must meet the minimum debt rating described above in Medium Term Notes and Deposit Notes.

Negotiable Certificate of Deposit – A Money Market instrument representing a receipt from a bank for a deposit at a specified rate of interest for a specified period of time that is traded in secondary markets.

Par – The stated maturity value, or face value, of a security.

Pass-Through Securities – A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

Pool – In this context, the pooled monies of different government agencies administered by the County Treasurer. Each pool member owns a fractional interest in the securities held in the Pool.

Portfolio Value – The total book value amount of all the securities held in the Treasurer's Pooled Money Fund.

Primary Dealer – A group of dealers and banks that can buy and sell securities directly with the Federal Reserve Bank of New York.

Private Placements – Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

Range Notes – Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

Repurchase Agreement – A repurchase agreement consists of two simultaneous transactions. One is the purchase of securities by an investor (i.e., the County), the other is the commitment by the seller (i.e. a broker/dealer) to repurchase the securities at the same price, plus interest, at some mutually agreed future date.

Reverse Repurchase Agreement – The mirror image of Repurchase Agreements. In this instance the County Pool is the seller of securities to an investor (i.e. brokers).

Safekeeping – A custodian bank's action to store and protect an investor's securities by segregating and identifying the securities.

Securities Lending – A transaction wherein the Treasurer's Pool transfers its securities to broker/dealers and other entities for collateral which may be cash or securities and simultaneously agrees to return the collateral for the same securities in the future.

Short-Term – The term used to describe a security when the maturity is one year or less.

Supranationals – Senior unsecured unsubordinated obligations that are issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank. They are eligible for purchase and sale within the United States and approved for investments by local agencies in California as of January 1, 2015.

Total Return – The sum of all investment income plus changes in the capital value of a portfolio for a given period.

Voluntary Participants – Local agencies that are not required to deposit their funds with the County Treasurer.

Weighted Average Maturity – The remaining average maturity of all securities held in a portfolio.

Yankee Certificates of Deposit - Yankee Certificates of Deposit (YCD) are issued in the United States by a branch or agency of a foreign bank. They are negotiable instruments, and most have a minimum face value of \$100,000, making them appropriate for large investors.

Yield – The gain, expressed as a percentage that an investor derives from a financial asset.

Yield to Maturity – The percentage rate of return paid if the security is held to its maturity date. The calculation is based on the coupon rate, length of time to maturity, and market price. It assumes that coupon interest paid over the life of the security is reinvested at the same rate.

APPENDIX A: INVESTMENT INSTRUMENTS

Investment Instruments	Maximum Maturity	Maximum Specified Percentage of Portfolio	Approved Selected Agencies
U.S. Agencies	3 years or 1150 days	N/A	Yes
Commercial Paper (CP)	270 days	40%	Yes
Medium Term Notes (MTN)	2 years or 735 days	20%	Yes
Supranationals	3 years (1150 days) or less	30%	Yes
U.S. Government Treasury Bills, Notes, and Bonds	3 years or 1150 days	N/A	
Yankee Certificates of Deposit (YCD)	1 year or 365 days	30%	Yes
Negotiable Certificates of Deposit (NCD)	1 year or 365 days	30%	Yes
Certificates of Deposits (CD)	1 year or 365 days	30%	Yes
Local Agency Investment Fund (LAIF)	N/A	Maximum As Permitted by State Law	
CalTrust/CAMP		\$25 MM	
Munis	3 years or 1150 days	30%	



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 9 – Receive and File the June 30, 2018 Receipts and Disbursements Report.

Recommendation

Receive and File the June 30, 2018 Receipts and Disbursements Report. (Exhibit 9.1)



TREASURER-TAX COLLECTOR VENTURA COUNTY

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Sue Horgan
Assistant Treasurer-Tax Collector

To: All Interested Parties

From: Steven Hintz, Treasurer-Tax Collector

SUBJECT: Report of Treasury Receipts and Disbursements
For the Month Ending June 30, 2018

I, STEVEN HINTZ, TREASURER - TAX COLLECTOR, of the County of Ventura, State of California, report the Treasury Division's daily receipt and disbursement activity for the month ending June 30, 2018. A Fiscal Year-To-Date schedule is also included with this report.


Steven Hintz, Treasurer-Tax Collector

Month of June		
Date	Receipts	Disbursements
1	5,722,029.58	6,992,219.32
4	11,019,498.16	13,534,031.22
5	5,206,145.41	9,274,390.27
6	5,654,495.23	8,836,000.00
7	12,619,930.70	25,189,806.38
8	5,987,236.39	37,078,740.27
11	5,516,879.52	11,522,447.52
12	11,935,305.55	6,972,297.68
13	4,869,283.78	6,660,690.00
14	5,946,959.07	9,434,804.82
15	6,356,478.99	10,838,947.85
18	14,214,274.14	10,615,279.73
19	13,165,290.14	3,571,230.36
20	5,166,920.47	5,405,783.67
21	8,041,395.45	13,043,853.47
22	59,619,261.97	33,425,133.26
25	20,555,768.69	13,121,824.01
26	20,816,092.11	11,881,609.61
27	22,402,105.67	46,444,030.82
28	83,900,862.67	61,922,582.94
29	51,610,386.08	106,003,803.47
Totals	380,326,599.77	451,769,506.67

Fiscal Year To Date		
2017-2018	Receipts	Disbursements
July	411,367,886.23	519,790,388.06
August	281,503,769.91	448,385,718.96
September	333,433,858.30	398,153,370.74
October	401,050,165.50	401,009,782.44
November	537,454,439.02	351,130,041.04
December	888,719,531.12	517,716,260.34
January	393,242,187.64	406,972,725.94
February	302,358,808.96	396,221,264.64
March	427,462,635.90	426,784,071.62
April	682,638,115.55	478,244,766.31
May	364,703,436.74	456,942,182.23
June	380,326,599.77	451,769,506.67
Totals	5,404,261,434.64	5,253,120,078.99



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: November 7, 2018

Agenda Item 10 – Receive and File a Board Letter of Certified Fixed Income Practitioner “CFIP” Designations to the Investment Work Group Team.

Recommendation

It is recommended that the Treasury Oversight Committee receive and file the attached Letter presented to the Board of Supervisors on October 30, 2018 (Exhibit 10.1).



TREASURER-TAX COLLECTOR VENTURA COUNTY

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Sue Horgan
Assistant Treasurer-Tax Collector

October 30, 2018

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Receive and File a Presentation of Certified Fixed Income Practitioner "CFIP"
Designations to Treasurer-Tax Collector's Staff

RECOMMENDATION:

It is recommended that your Board receive and file a presentation recognizing the CFIP recipients.

DISCUSSION:

Sue Horgan, Assistant Treasurer-Tax Collector; and John Powers, Treasury Accounting Technician, recently earned the Certified Fixed Income Practitioner ("CFIP") designation by completing Fixed Income Academy's ("Academy") comprehensive training curriculum designed for public agencies, institutional bond investors and fiduciaries.

One of my main organizational goals was to create a professional financial institution through a "signature initiative" that draws on the implementation of best practice models in banking, tax collections and investment management. I am extremely proud to be part of the professional endeavor towards financial literacy, transparency and excellence in fixed income investment practices.

Ms. Susan Munson, Founder and Chief Executive Officer of the Academy, developed the program to deliver world-class knowledge in an easy to use platform to help committed professionals across the nation to achieve the learning objectives of finances. Please join Ms. Munson and me in congratulating my staff in achieving this excellence that represents commitment, dedication and integrity to financial prudence.

Regards,

STEVEN HINTZ
Treasurer/Tax Collector

800 South Victoria Avenue, Ventura, California 93009-1290

www.venturapropertytax.org (805) 654-3734