



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Legislation Details (With Board Report)

File #: 21-900 **Name:** Treasury Quarterly Investment Report
Type: General Agenda Item **Status:** Passed - Treasurer Tax Collector
File created: 10/18/2021 **In control:** Board of Supervisors
On agenda: 10/26/2021 **Final action:** 10/26/2021
Title: Receive and Accept the Treasurer's Report of Investments for the Quarter Ending September 30, 2021.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Board Report, 2. Exhibit A – Investment Portfolio Review 09.30.21, 3. Exhibit B – Portfolio Management Report 09.30.21, 4. Exhibit C – Aging Summary 10.01.21, 5. Completed Board Order Item No. 28

Date	Ver.	Action By	Action	Result
10/26/2021	1	Board of Supervisors		

Receive and Accept the Treasurer's Report of Investments for the Quarter Ending September 30, 2021.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Receive and Accept the Treasurer's Report of Investments for the Quarter Ending September 30, 2021.

SUMMARY:

Government Code Section 53646 (b) (1) states the Treasurer may submit a quarterly report of investments. The attached exhibits provide a narrative portfolio review of economic and market conditions that support the investment activity during the July-September period, the investment portfolio position by investment type, and the investment portfolio by maturity range.

DISCUSSION:

COVID-19 continued to overshadow the entire economic and market landscape. The U.S. economy during the quarter was characterized by the following factors: continued recovery aided by supportive fiscal and monetary policy, potentially stagnating labor market growth, and heightened inflationary pressures.

The Federal Open Market Committee (FOMC) support continued during the quarter. The FOMC maintained its target rate at 0%-0.25%. The Federal Reserve also continued its large-scale asset purchases.

On September 30, 2021, the Monterey County investment portfolio contained an amortized book value of \$2,141,468,541 spread among 228 separate securities and funds. The par value of those funds was \$2,129,066,306 with a market value of \$2,140,839,224 or 100% of amortized book value. The portfolio's net earned income yield for the period was 0.57%. The portfolio produced an estimated quarterly income of \$2,945,448 that will be distributed proportionally to all agencies participating in the investment pool. The investment portfolio had a weighted average maturity of 571 days. The County Treasury continues to use shorter term debt to provide portfolio liquidity and enhanced investment opportunities.

The investment portfolio follows all applicable provisions of state law and the adopted Investment Policy and contains sufficient liquidity to meet all projected outflows over the next six months. Market value pricings were obtained through resources such as Bloomberg LLP, US Bank, and live-bid pricing of corporate securities.

OTHER AGENCY INVOLVEMENT:

A copy of this report will be distributed to all agencies participating in the investment pool. The Treasury Quarterly Reports are also posted on the County Treasurer's website. A monthly report of investment transactions is provided to the Board of Supervisors as required by Government Code 53607.

FINANCING:

The investment portfolio contains sufficient liquidity to meet all projected expenditures over the next six months. Investment earnings in the General Fund appear to be trending at a rate that will meet the FY 2021-22 budgeted total.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation supports the Administration initiative by providing transparency and accountability in the management of County funds in the Treasurer's investment portfolio.

Mark a check to the related Board of Supervisors Strategic Initiatives
X Administration

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Approved by Mary A. Zeeb, Treasurer-Tax Collector, x5015

Attachments:

Exhibit A - Investment Portfolio Review 09.30.21

Exhibit B - Portfolio Management Report 09.30.21

Exhibit C - Aging Summary 10.01.21

cc:

Auditor-Controller - Internal Audit Section

All depositors

County Administrative Office

County Counsel