



TREASURER-TAX COLLECTOR VENTURA COUNTY

SUE HORGAN
TREASURER-
TAX COLLECTOR

Marilou Tan
Assistant Treasurer-Tax Collector

October 29, 2024

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

SUBJECT: Receive and File Report of Investments for the Month Ending August 31, 2024.

RECOMMENDATION: Receive and File

FISCAL/MANDATES IMPACT: None

STRATEGIC PLAN PRIORITY: The item presented in this Board letter supports making responsible and efficient use of public funds and promotes economic stability and growth during a changing economy.

DISCUSSION:

The report covers the one-month period ending August 31, 2024.

Economic Update

Key Economic Data		
	8/31/2024	7/31/2024
Effective Fed Funds Rate	5.33%	5.33%
Unemployment Rate	4.2%	4.3%
Consumer Price Index	2.5%	2.9%
Core Consumer Price Index	3.2%	3.2%

Recent economic data suggests positive but slower growth fueled by consumer spending this year. A moderating labor market poses potential headwinds to future economic growth. Inflationary trends are subsiding, but core levels remain above the Federal Reserve's target. Indications are that the Federal Open Market Committee will begin to reduce rates by at least 25 basis points in September.

Investment Pool Activity

Portfolio At a Glance		
	8/31/2024	7/31/2024
Portfolio Average Balance	\$4.13 billion	\$4.40 billion
Weighted Average Maturity	329 days	322 days
Effective Duration	0.803	0.783
Monthly Earnings	\$16,011,087	\$17,049,744
Effective Rate of Return Net of Administrative Fees	4.52%	4.51%

August earnings were \$16,011,087, a 6.09% decline from July due to the smaller portfolio balance. The August **effective Rate of Return**, net of administrative fees, was 4.52%, a slight increase over the 4.51% earned in July.

The portfolio balance shifts in a cyclical pattern. It will continue to decline until November when the first installment of secured property taxes will begin to be collected. If the current portfolio investments are all held to maturity, the portfolio's gross **approximate yield to maturity** would be 4.54%.

The **weighted average days to maturity** increased slightly to 329 days, and the interest-rate sensitivity measure of **effective duration** also increased slightly to 0.803. Both numbers comfortably meet expectations for LGIP programs like ours.

The portfolio has been managed with the objectives of safety, liquidity, and earning a competitive return, as outlined in the Statement of Investment Policy and as required by California Government Code 53601 and 53635, and continues to comply with the policy and all related statutes governing the management of public funds. The pool maintains its rating of AAf/S1+ by Standard & Poor's, the highest rating given by that rating organization. The Ventura County Investment Pool complies with Government Code Section 53646, which requires meeting its expenditure requirements for the next six months.

The County's investment program continues to comply with the requirements of state statutes that govern the investment of public funds. The program focuses on risk management, is prudently managed, and is well-positioned to provide competitive returns while maintaining safety and liquidity.

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 805-654-3771 if you have any questions or require further information regarding this item.

Sincerely,



Sue Horgan
Treasurer-Tax Collector

Exhibit 1 - Portfolio Summary - August 2024
Exhibit 2 - Monthly Transactions Report - August 2024
Exhibit 3 - Portfolio Holdings - August 2024