



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Committee Members

Supervisor Peter C. Foy
District 4, Chair

Judge Steven Hintz
Treasurer-Tax Collector

Ms. Misty Key
Associate Superintendent
County Superintendent of Schools

Ms. Lori Mahoney
Investment Advisor

MEETING AGENDA

**VENTURA COUNTY GOVERNMENT CENTER
HALL OF ADMINISTRATION
MAIN PLAZA-CARIBBEAN ROOM
(ADJACENT TO THE ASSESSOR'S OFFICE)
800 South Victoria Avenue
Ventura, California 93009**

March 25, 2015

1:00 P.M.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Carla Alvara 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 <http://www.ventura.org/ttc/treasury-oversight-committee>

OPENING

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 November 17, 2014.
5. Committee Members' and Staff Comments.

INFORMATIONAL AGENDA

6. Receive and File January 2015 Investment Report

AGENDA

7. Receive and File the Brown Armstrong Audit Report dated March 12, 2015.
8. Receive An Oral Report Regarding New Investment Purchases, and Receive and File a Report "October 2014-January 2015 Transactions."
9. Approval of a Recommendation to the Board of Supervisors to Renew the Current Delegation of Authority to Invest from May 2, 2015 through June 30, 2015; and Approval of a Recommendation to the Board of Supervisors to Renew the Delegation of Authority to Invest from July 1, 2015 through June 30, 2016.
10. Public Comment - Time set aside for public comments regarding matters not appearing on the regular agenda. (Five minutes total per person).
11. Adjournment/Next Scheduled Meeting: November 4, 2015 at 1:00 P.M. Hall of Administration, Mediterranean Conference Room, Third Floor, Ventura, CA



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: March 25, 2015

Agenda Item #4 - Approval of Meeting Minutes for November 17, 2014

Recommendation

Review and approve the meeting minutes for November 17, 2014 (Exhibit 4.1).



**VENTURA COUNTY
TREASURY OVERSIGHT COMMITTEE**

November 17, 2014

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

MINUTES

Committee Members

Supervisor Peter C. Foy Chair, Board of Supervisor
Judge Steven Hintz Treasurer-Tax Collector
Ms. Misty Key Associate Superintendent
Ms. Lori Mahoney Investment Advisor

Staff

Linda Catherine Le Assistant Treasurer-Tax Collector
Connie Mah Treasury Management Division Manager

OPENING (Items 1-5)

CALL TO ORDER & ROLL CALL

At 1:03 p.m., Judge Steven Hintz called the meeting of the Ventura County Treasury Oversight Committee (“TOC”) to order. Roll is called. All committee members are present, with the exception of Mr. Robert Riggs. Supervisor Foy arrived at 1:20 p.m.

AGENDA REVIEW & APPROVAL OF MEETING MINUTES FOR APRIL 9, 2014.

There were no additions or revisions of the Agenda.

Motion: Approve the Meeting Minutes for April 9, 2014.
Moved by Ms. Misty Key, seconded by Judge Steven Hintz.

Vote: Motion carried 3-0
Absent: Supervisor Peter Foy.

COMMITTEE MEMBERS' AND STAFF COMMENTS

Judge Hintz informed the Committee that Mr. Robert Riggs tendered his resignation on October 28, 2014. Judge Hintz is seeking a public member to fill this vacant seat.

INFORMATIONAL AGENDA

AGENDA ITEM 6

Receive and File the Association of Public Treasurers of the United States and Canada's Investment Policy Certificate of Excellence Award, dated July 22, 2014.

The Committee received and filed a Staff Report as presented.

AGENDA ITEM 7

Receive and File Resolutions from the City of Simi Valley and the City of Thousand Oaks and the Liquidation Orders (Ventura County Public Financing Authority Lease Revenue Bonds) to Participate in the Ventura County Treasury Pool.

The Committee received and filed a Staff Report as presented.

AGENDA ITEM 8

Receive and File September 2014 Monthly Investment Report.

The Committee received and filed a Staff Report as presented.

REGULAR AGENDA

AGENDA ITEM 9

Review, Discuss, Receive and File the Standard and Poor's Ventura County Treasury Portfolio Pool Profile Report.

Motion: Approve

Moved by Ms. Misty Key, seconded by Supervisor Peter Foy.

Vote: Motion carried 4-0

AGENDA ITEM 10

Discuss, Review, and Approve the Recommended Proposed Modifications to Statement of Investment Policy.

Motion: Approve

Moved by Ms. Misty Key, seconded by Supervisor Peter Foy.

Vote: Motion carried 4-0

AGENDA ITEM 11

Receive and File the Independent Auditors' Report on Statement of Money in County Treasury for FY 2012-2013.

Motion: Approve

Moved by Supervisor Peter Foy, seconded by Ms. Lori Mahoney.

Vote: Motion carried 4-0

AGENDA ITEM 12

Receive and File a Report "July 2014-September 2014 Transactions."

Motion: Approve

Moved by Supervisor Peter Foy, seconded by Ms. Misty Key.

Vote: Motion carried 4-0

AGENDA ITEM 13

Review, Discuss, Receive and File Broker-Dealers.

Motion: Approve

Moved by Supervisor Peter Foy, seconded by Ms. Misty Key.

Vote: Motion carried 4-0

AGENDA ITEM 14

Receive and File the "Annual Treasury Oversight Committee Audit Engagement Letter."

Motion: Approve

Moved by Ms. Lori Mahoney, seconded by Supervisor Peter Foy.

Vote: Motion carried 4-0

AGENDA ITEM 15

Public Comment.

There were no public comments.

With no further items to discuss, Supervisor Foy and Judge Hintz adjourn the meeting at 1:50 p.m. The next meeting will be Wednesday, March 25, 2015, 1:00 P.M. in the Caribbean Conference Room, Main Plaza, Hall of Administration/Ventura County Government Center.

By: 
Carla Alvara
Administrative Assistant



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: March 25, 2015

Informational Agenda Item #6 – Receive and File January 2015 Investment Report

Recommendation

Receive and file the January 2015 Investment Report (Exhibit 6.1).



TREASURER-TAX COLLECTOR VENTURA COUNTY

EXHIBIT 6.1

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Linda Catherine Le, MPPA
Assistant Treasurer-Tax Collector

March 3, 2015

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

SUBJECT: Receive and File Report of Investments, Including Market Values for Investments for the Month Ending January, 2015.

RECOMMENDATION: Receive and File

FISCAL/MANDATES IMPACT: None

DISCUSSION:

The average daily portfolio balance for the month of January was \$2.14 billion. The annualized yield for the month of January was .410%. The weighted average days to maturity increased from 243 days to 268 days. The total net monthly earnings for January were \$746,000. The portfolio has been structured to satisfy the anticipated cash flow needs of the participants and to accommodate the anticipated earnings apportionments. The investment practices and portfolio holdings are in compliance with the investment policy.

The portfolio has been managed with the stated objectives of safety, liquidity and earning a competitive rate of return, outlined in the Statement of Investment Policy. In striving to maintain the primary objective, safety of principal, the County portfolio has received a rating of "AAAf" by Standard & Poor's (S&P), the highest possible ranking given by the agency. Regarding the secondary objective, maintaining sufficient liquidity to meet cash flow needs, the portfolio is rated "S1+," also the highest ranking given by S&P. In light of the first two objectives, the portfolio has on balance outperformed its benchmarks, satisfying the final objective, that of earning a competitive rate of return.

The average daily portfolio balance is the highest January figure ever. The portfolio balance is likely to exceed historic February levels as well. The fund's annualized yield improved again for January, up to 0.410 from 0.306 and 0.334 in November and December, respectively. The January return restored the long-term differential of 0.16+/- between our fund and LAIF, and matched the annualized yield of CALTRUST, our most competitive benchmark. At the time of the writing of this report (12 February) the estimated annualized yield for February will be +/- 0.400, a level at which it is likely to stay until anticipated cash inflows in April allow the fund to invest in longer-maturity instruments.

This report reflects two sales in January. The first was to improve our Standard & Poor's reporting number. The second was to promptly correct my inadvertent purchase of a corporate medium term note with a maturity date outside the limits of the investment policy. A significant capital gain was incurred in each sale transaction. The question whether the 2-year limit on corporate medium term notes is necessary, a limitation that is substantially shorter than State law allows, will be addressed at some point later this year.

Both actual and probable actions of the national ratings service organizations (S&P, Moody's, and Fitch) have caused the Investment Work Group to temporarily suspend future purchases of investment instruments of Credit Suisse, BNP Paribas, Credit Industrial et Commercial, Societe Generale, and Standard Chartered Bank. We are also minimizing purchases of Yankee CD's from the four Canadian banks on our approved lists while they go through their periodic "stress test" procedures that often yield a harvest of bad news and ratings reductions. The good news, albeit a faint glimmer of candlelight on a rainy night, is that enough issuers still remain to provide adequate investment options in the short-term sectors.

The Ventura County investment fund is a fixed-income, interest-rate-sensitive portfolio with no direct exposure to equities, commodities or global markets. Accordingly, this report will more specifically focus on factors related to U.S. interest rates.

I write this report in mid-February, for delivery on 3 March. The short-term interest rate market in the United States is dependent on the actions of the Federal Open Market Committee. The most recent report of the FOMC suggests its intent to allow interest rates to rise in mid-2015, based on favorable employment reports and low inflation figures. The FOMC perceives the national economy as having gained strength, but with some cautions based on slow growth in consumer spending and the likely rebound in oil prices. Yields have generally been rising for two-and-three-year instruments, to over 1% annualized for both callable and non-callable Treasury and agency issues. However, the market is volatile because of the uncertainty caused by the present international trend toward reducing interest rates to enhance their economic recovery. If that trend continues, US Treasuries and agencies will be more attractive; their prices will rise; and their yields will fall. This has already occurred in late January and early February. I regard this as a particularly good time to stay short, liquid, and conservative.

Accordingly, it is my intent to continue to manage the portfolio based on the cautious assumption that interest rates within our horizon will rise gradually, if at all. While we will use commercial paper and Yankee certificates of deposit to manage the anticipated cash flow needs of the fund participants, we will only seek out higher-yielding instruments with maturities over one year on a very limited basis. I do not expect the fund's yield to rise above 44 basis points (0.44%) during the next four months.

County of Ventura
March 3, 2015
Page 3 of 3

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

This report is on the consent agenda. I intend to request a ten-minute time certain on 24 March for delivery of the February report. I intend to be present on 3 March, or Mrs. Le will be present, when the consent agenda is called. Please call me at 654-3726 if you have any questions regarding this item.



Steven Hintz
Treasurer-Tax Collector

- Exhibit 1 – Market Values of Investments
- Exhibit 2 – Monthly Transactions
- Exhibit 3 – Summary of Government Agency Securities
- Exhibit 4 – Graphs
- Exhibit 5 – Portfolio Holdings

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

EXHIBIT 6.1

General Reporting
 From Month End 01/31/2015
 02/02/2015 03:14:28 PM EST

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 | | | | | | | | | | |
| GOVERNMENT AGENCY DISCOUNT | | | | | | | | | | |
| 313384FN4 | 5,000,000.0000 | 05/13/2015 | \$4,999,200.00 | \$4,999,000.00 | \$200.00 | .00 | N/A | N/A | .0000 | .00 |
| | | | FED HOME LN BK DISC NOTE DTD 05/13/14 05/13/2015 | | | | | | | |
| 313384JL4 | 5,000,000.0000 | 07/22/2015 | \$4,998,100.00 | \$4,997,555.56 | \$544.44 | .01 | N/A | N/A | .0000 | .00 |
| | | | FED HOME LN BK DISC NOTE DTD 07/22/14 07/22/2015 | | | | | | | |
| 313396FQ1 | 30,000,000.0000 | 05/15/2015 | \$29,995,200.00 | \$29,986,704.16 | \$8,495.84 | .03 | N/A | N/A | .0000 | .00 |
| | | | FED HOME LN MTG CORP DISC NOTE DTD 05/15/14 05/15/2015 | | | | | | | |
| 313396JD6 | 10,000,000.0000 | 07/15/2015 | \$9,996,400.00 | \$9,994,200.00 | \$2,200.00 | .02 | N/A | N/A | .0000 | .00 |
| | | | FED HOME LN MTG CORP DISC NOTE DTD 07/15/14 07/15/2015 | | | | | | | |
| SUBTOTAL | 50,000,000.0000 | | \$49,988,900.00 | \$49,977,459.72 | \$11,440.28 | .02 | | | .0000 | .00 |
| SAVINGS & CERTIFICATES OF DEPOSIT | | | | | | | | | | |
| MARKETABLE CERTIFICATES OF DEPOSIT | | | | | | | | | | |
| 06366CPS1 | 15,000,000.0000 | 04/15/2015 | \$15,000,900.00 | \$15,000,260.25 | \$639.75 | .00 | N/A | N/A | .0000 | .00 |
| | | | BANK OF MONTREAL CERT OF DEPOSIT | | | | | | | |
| 06538H6Y1 | 20,000,000.0000 | 03/03/2015 | \$19,999,600.00 | \$20,000,000.00 | (\$400.00) | .00 | N/A | N/A | .0000 | .00 |
| | | | BNK OF TKYO-MTBSHI LTD CERT OF DEPOSIT | | | | | | | |
| 06538HX39 | 10,000,000.0000 | 02/17/2015 | \$10,000,000.00 | \$10,000,000.00 | \$.00 | .00 | N/A | N/A | .0000 | .00 |
| | | | BNK OF TKYO-MTBSHI LTD CERT OF DEPOSIT | | | | | | | |
| 06538JEL6 | 20,000,000.0000 | 06/15/2015 | \$19,994,600.00 | \$20,000,000.00 | (\$5,400.00) | (.03) | N/A | N/A | .0000 | .00 |
| | | | BNK OF TKYO-MTBSHI LTD CERT OF DEPOSIT | | | | | | | |
| 16706BPK8 | 25,000,000.0000 | 05/15/2015 | \$25,000,750.00 | \$25,002,684.90 | (\$1,934.90) | (.01) | N/A | N/A | .0000 | .00 |
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 16706BPN2 | 15,000,000.0000 | 05/14/2015 | \$15,000,450.00 | \$15,001,573.51 | (\$1,123.51) | (.01) | N/A | N/A | .0000 | .00 |
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 16706BPP7 | 20,000,000.0000 | 06/15/2015 | \$20,000,000.00 | \$20,000,854.42 | (\$854.42) | .00 | 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 01/31/2015
 02/02/2015 03:14:28 PM EST

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> |
|---------------------------|-------------------------|----------------------|--|-------------------------|-------------------------|--------------|-------------------------|-----------------------|----------------------------|-----------------------|
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 16706BPR3 | 20,000,000.0000 | 07/20/2015 | \$19,998,000.00 | \$20,002,007.88 | (\$4,007.88) | (.02) | N/A | N/A | .0000 | .00 |
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 16706BPS1 | 20,000,000.0000 | 06/15/2015 | \$20,000,000.00 | \$20,001,609.17 | (\$1,609.17) | (.01) | N/A | N/A | .0000 | .00 |
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 16706BPT9 | 20,000,000.0000 | 06/22/2015 | \$19,997,600.00 | \$20,000,000.00 | (\$2,400.00) | (.01) | N/A | N/A | .0000 | .00 |
| | | | CHIBA BK LTD NY BRANCH CERT OF DEPOSIT | | | | | | | |
| 22536TFQ1 | 20,000,000.0000 | 06/22/2015 | \$20,000,000.00 | \$20,000,000.00 | \$0.00 | .00 | | | .0000 | .00 |
| | | | CREDIT IND ET CM NY CERT OF DEPOSIT | | | | | | | |
| 63375PJM2 | 10,000,000.0000 | 02/13/2015 | \$10,000,300.00 | \$10,000,138.79 | \$161.21 | .00 | N/A | N/A | .0000 | .00 |
| | | | NATIONAL BANK OF KUWAI CERT OF DEPOSIT | | | | | | | |
| 63375PKT5 | 10,000,000.0000 | 04/15/2015 | \$10,000,800.00 | \$10,000,355.20 | \$444.80 | .00 | N/A | N/A | .0000 | .00 |
| | | | NATIONAL BANK OF KUWAI CERT OF DEPOSIT | | | | | | | |
| 63375PLN7 | 15,000,000.0000 | 05/14/2015 | \$15,001,350.00 | \$15,000,528.61 | \$821.39 | .01 | N/A | N/A | .0000 | .00 |
| | | | NATIONAL BANK OF KUWAI CERT OF DEPOSIT | | | | | | | |
| 63375PLY3 | 15,000,000.0000 | 07/20/2015 | \$15,001,350.00 | \$15,002,258.64 | (\$908.64) | (.01) | N/A | N/A | .0000 | .00 |
| | | | NATIONAL BANK OF KUWAI CERT OF DEPOSIT | | | | | | | |
| 63375PMB2 | 20,000,000.0000 | 06/22/2015 | \$20,001,620.00 | \$20,001,620.12 | (\$0.12) | .00 | | | .0000 | .00 |
| | | | NATIONAL BANK OF KUWAI CERT OF DEPOSIT | | | | | | | |
| 85325B3Z5 | 10,000,000.0000 | 05/15/2015 | \$9,999,700.00 | \$10,000,216.42 | (\$516.42) | (.01) | N/A | N/A | .0000 | .00 |
| | | | STANDARD CHRTRD BNKN CERT OF DEPOSIT | | | | | | | |
| 85325B4H4 | 15,000,000.0000 | 05/15/2015 | \$14,998,650.00 | \$15,002,364.71 | (\$3,714.71) | (.02) | N/A | N/A | .0000 | .00 |
| | | | STANDARD CHRTRD BNK NY CERT OF DEPOSIT | | | | | | | |
| 85325B5B6 | 25,000,000.0000 | 06/22/2015 | \$24,998,000.00 | \$25,000,000.00 | (\$2,000.00) | (.01) | N/A | N/A | .0000 | .00 |
| | | | STANDARD CHRTRD BNK NY CERT OF DEPOSIT | | | | | | | |
| 85325B5D2 | 25,000,000.0000 | 07/22/2015 | \$25,000,000.00 | \$25,000,000.00 | \$0.00 | .00 | | | .0000 | .00 |
| | | | STANDARD CHRTRD BNK NY CERT OF DEPOSIT | | | | | | | |
| 85325B5J9 | 20,000,000.0000 | 07/22/2015 | \$19,998,000.00 | \$20,000,000.00 | (\$2,000.00) | (.01) | N/A | N/A | .0000 | .00 |
| | | | STANDARD CHRTRD BNKN CERT OF DEPOSIT | | | | | | | |
| SUBTOTAL | 370,000,000.0000 | | \$369,991,670.00 | \$370,016,472.62 | (\$24,802.62) | (.01) | | | .0000 | .00 |
| COMMERCIAL PAPER | | | | | | | | | | |
| COMMERCIAL PAPER DISCOUNT | | | | | | | | | | |
| 06538CP21 | 13,000,000.0000 | 02/02/2015 | \$13,000,000.00 | \$12,991,940.00 | \$8,060.00 | .06 | | | .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 01/31/2015
 02/02/2015 03:14:28 PM EST

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> |
|---------------------------|-----------------|----------------------|---------------------|---------------------|-------------------------|----------|-------------------------|-----------------------|----------------------------|-----------------------|
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 06538CP39 | 20,000,000.0000 | 02/03/2015 | \$20,000,000.00 | \$19,989,694.44 | \$10,305.56 | .05 | | | .0000 | .00 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| 06538CPA3 | 6,000,000.0000 | 02/10/2015 | \$5,999,820.00 | \$5,996,310.00 | \$3,510.00 | .06 | | | .0000 | .00 |
| | | | | | | | | | | |
| 06538CPH8 | 10,000,000.0000 | 02/17/2015 | \$9,999,400.00 | \$9,995,500.00 | \$3,900.00 | .04 | | | .0000 | .00 |
| | | | | | | | | | | |
| 06538CTG6 | 10,000,000.0000 | 06/16/2015 | \$9,989,200.00 | \$9,989,513.90 | (\$313.90) | .00 | | | .0000 | .00 |
| | | | | | | | | | | |
| 06538CUL3 | 10,000,000.0000 | 07/20/2015 | \$9,985,100.00 | \$9,985,922.20 | (\$822.20) | (.01) | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBRF0 | 22,000,000.0000 | 04/15/2015 | \$21,990,760.00 | \$21,981,171.05 | \$9,588.95 | .04 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBSE2 | 25,000,000.0000 | 05/14/2015 | \$24,982,500.00 | \$24,978,055.56 | \$4,444.44 | .02 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBSF9 | 25,000,000.0000 | 05/15/2015 | \$24,982,250.00 | \$24,972,550.00 | \$9,700.00 | .04 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBTF8 | 30,000,000.0000 | 06/15/2015 | \$29,967,900.00 | \$29,963,969.44 | \$3,930.56 | .01 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBUL3 | 10,000,000.0000 | 07/20/2015 | \$9,985,100.00 | \$9,968,558.35 | \$16,541.65 | .17 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBUP4 | 12,000,000.0000 | 07/23/2015 | \$11,981,760.00 | \$11,962,701.67 | \$19,058.33 | .16 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBUQ2 | 5,000,000.0000 | 07/24/2015 | \$4,992,350.00 | \$4,984,250.00 | \$8,100.00 | .16 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBVE8 | 20,000,000.0000 | 08/14/2015 | \$19,962,400.00 | \$19,943,233.40 | \$19,166.60 | .10 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBVJ7 | 10,000,000.0000 | 08/18/2015 | \$9,980,800.00 | \$9,968,500.00 | \$12,300.00 | .12 | | | .0000 | .00 |
| | | | | | | | | | | |
| 2254EBVM0 | 15,000,000.0000 | 08/21/2015 | \$14,970,900.00 | \$14,952,750.00 | \$18,150.00 | .12 | | | .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 01/31/2015
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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> |
|---------------------------|-----------------|---|---------------------|---------------------|-------------------------|----------|-------------------------|-----------------------|----------------------------|-----------------------|
| 46590ESB5 | 10,000,000.0000 | 05/11/2015 | \$9,993,200.00 | \$9,979,583.33 | \$13,616.67 | .14 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 09/08/14 05/11/2015 | | | | | | | | |
| 46590ESL3 | 10,000,000.0000 | 05/20/2015 | \$9,992,600.00 | \$9,979,583.33 | \$13,016.67 | .13 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 09/17/14 05/20/2015 | | | | | | | | |
| 46640QP21 | 10,000,000.0000 | 02/02/2015 | \$10,000,000.00 | \$9,994,722.22 | \$5,277.78 | .05 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 05/08/14 02/02/2015 | | | | | | | | |
| 46640QSF9 | 10,000,000.0000 | 05/15/2015 | \$9,992,900.00 | \$9,990,555.56 | \$2,344.44 | .02 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 12/30/14 05/15/2015 | | | | | | | | |
| 46640QT27 | 10,000,000.0000 | 06/02/2015 | \$9,991,700.00 | \$9,976,266.67 | \$15,433.33 | .15 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 09/08/14 06/02/2015 | | | | | | | | |
| 46640QT50 | 20,000,000.0000 | 06/05/2015 | \$19,980,200.00 | \$19,950,866.67 | \$29,333.33 | .15 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 09/09/14 06/05/2015 | | | | | | | | |
| 46640QTC5 | 30,000,000.0000 | 06/12/2015 | \$29,968,500.00 | \$29,926,116.66 | \$42,383.34 | .14 | | | .0000 | .00 |
| | | J.P. MORGAN SECURITIES CPDN DTD 09/16/14 06/12/2015 | | | | | | | | |
| 5006E1S13 | 5,000,000.0000 | 05/01/2015 | \$4,997,450.00 | \$4,987,344.45 | \$10,105.55 | .20 | | | .0000 | .00 |
| | | KOREA DEVELOPMENT BK CPDN DTD 08/06/14 05/01/2015 | | | | | | | | |
| 5006E1SF2 | 12,000,000.0000 | 05/15/2015 | \$11,991,480.00 | \$11,986,750.00 | \$4,730.00 | .04 | | | .0000 | .00 |
| | | KOREA DEVELOPMENT BK CPDN DTD 12/16/14 05/15/2015 | | | | | | | | |
| 5006E1SS4 | 25,000,000.0000 | 05/26/2015 | \$24,980,500.00 | \$24,932,250.00 | \$48,250.00 | .19 | | | .0000 | .00 |
| | | KOREA DEVELOPMENT BK CPDN DTD 08/28/14 05/26/2015 | | | | | | | | |
| 62478YP28 | 10,000,000.0000 | 02/02/2015 | \$10,000,000.00 | \$9,993,508.33 | \$6,491.67 | .06 | | | .0000 | .00 |
| | | MUFU UNION BANK CPDN DTD 09/29/14 02/02/2015 | | | | | | | | |
| 62478YPH5 | 10,000,000.0000 | 02/17/2015 | \$9,999,400.00 | \$9,995,050.00 | \$4,350.00 | .04 | | | .0000 | .00 |
| | | MUFU UNION BANK CPDN DTD 11/10/14 02/17/2015 | | | | | | | | |
| 65558GUL5 | 20,000,000.0000 | 07/20/2015 | \$19,970,200.00 | \$19,975,636.11 | (\$5,436.11) | (.03) | | | .0000 | .00 |
| | | NORDEA BANK AB (PUBL) CPDN DTD 10/22/14 07/20/2015 | | | | | | | | |
| 69349KS43 | 18,000,000.0000 | 05/04/2015 | \$17,988,660.00 | \$17,968,275.00 | \$20,385.00 | .11 | | | .0000 | .00 |
| | | PNC BANK NA CPDN DTD 09/10/14 05/04/2015 | | | | | | | | |
| 69349KT83 | 10,000,000.0000 | 06/08/2015 | \$9,989,900.00 | \$9,980,275.00 | \$9,625.00 | .10 | | | .0000 | .00 |
| | | PNC BANK NA CPDN DTD 09/17/14 06/08/2015 | | | | | | | | |
| 69349KU16 | 30,000,000.0000 | 07/01/2015 | \$29,964,000.00 | \$29,941,994.44 | \$22,005.56 | .07 | | | .0000 | .00 |

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

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General Reporting
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 02/02/2015 03:14:28 PM EST

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|---------------------------|-------------------------|----------------------|---|-------------------------|-------------------------|------------|-------------------------|-----------------------|----------------------------|-----------------------|
| | | | PNC BANK NA CPDN DTD 10/15/14 07/01/2015 | | | | | | | |
| 69349KVA5 | 10,000,000.0000 | 08/10/2015 | \$9,981,600.00 | \$9,979,666.70 | \$1,933.30 | .02 | | | .0000 | .00 |
| | | | PNC BANK NA CPDN DTD 11/19/14 08/10/2015 | | | | | | | |
| 89233HPD0 | 20,000,000.0000 | 02/13/2015 | \$19,999,000.00 | \$19,993,855.56 | \$5,144.44 | .03 | | | .0000 | .00 |
| | | | TOYOTA MOTOR CREDIT CO CPDN DTD 05/22/14 02/13/2015 | | | | | | | |
| 89233HSF2 | 15,000,000.0000 | 05/15/2015 | \$14,989,350.00 | \$14,986,525.00 | \$2,825.00 | .02 | | | .0000 | .00 |
| | | | TOYOTA MOTOR CREDIT CO CPDN DTD 08/18/14 05/15/2015 | | | | | | | |
| 8923A1RF0 | 20,000,000.0000 | 04/15/2015 | \$19,991,600.00 | \$19,985,116.67 | \$6,483.33 | .03 | | | .0000 | .00 |
| | | | TOYOTA CDT DE PR CORP CPDN DTD 11/25/14 04/15/2015 | | | | | | | |
| SUBTOTAL | 548,000,000.0000 | | \$547,532,480.00 | \$547,128,561.71 | \$403,918.29 | .07 | | | .0000 | .00 |
| CORPORATE BONDS | | | | | | | | | | |
| CORPORATE BONDS | | | | | | | | | | |
| 06406HBQ1 | 4,200,000.0000 | 06/18/2015 | \$4,240,110.00 | \$4,303,362.00 | (\$63,252.00) | (1.47) | A+ | A1 | .0000 | .00 |
| | | | BANK OF NEW YORK MELLON MED TERM NOTE | | | | | | | |
| 06406HCD9 | 6,053,000.0000 | 10/23/2015 | \$6,070,069.46 | \$6,073,364.71 | (\$3,295.25) | (.05) | A+ | A1 | .0000 | .00 |
| | | | BANK OF NEW YORK MELLON DTD 10/25/12 0.700 10/23/2015 | | | | | | | |
| 06406HCG2 | 2,000,000.0000 | 03/04/2016 | \$2,002,380.00 | \$2,004,120.00 | (\$1,740.00) | (.09) | A+ | A1 | .0000 | .00 |
| | | | BANK OF NEW YORK MELLON MED TERM NOTE | | | | | | | |
| 064149C47 | 2,500,000.0000 | 10/07/2015 | \$2,527,775.00 | \$2,540,875.00 | (\$13,100.00) | (.52) | A+ | AA2 | .0000 | .00 |
| | | | BANK OF NOVA SCOTIA DTD 10/07/10 2.050 10/07/2015 | | | | | | | |
| 084664CC3 | 3,000,000.0000 | 01/13/2017 | \$3,000,540.00 | \$3,000,000.00 | \$540.00 | .02 | AA | AA2 | .0000 | .00 |
| | | | BERKSHIRE HATHAWAY FIN DTD 01/15/15 01/13/2017 | | | | | | | |
| 22546QAE7 | 19,655,000.0000 | 03/23/2015 | \$19,744,430.25 | \$20,503,247.92 | (\$758,817.67) | (3.70) | A | A1 | .0000 | .00 |
| | | | CREDIT SUISSE NEW YORK DTD 03/23/10 3.500 03/23/2015 | | | | | | | |
| 36962G4F8 | 2,125,000.0000 | 09/21/2015 | \$2,177,041.25 | \$2,210,722.50 | (\$33,681.25) | (1.52) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP DTD 09/21/09 4.375 09/21/2015 | | | | | | | |
| 36962G4L5 | 6,683,000.0000 | 06/29/2015 | \$6,769,745.34 | \$6,878,884.54 | (\$109,139.20) | (1.59) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP DTD 06/28/10 3.500 06/29/2015 | | | | | | | |
| 36962G4T8 | 11,262,000.0000 | 11/09/2015 | \$11,422,483.50 | \$11,627,170.35 | (\$204,686.85) | (1.76) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP DTD 11/09/10 2.250 11/09/2015 | | | | | | | |
| 36962G5C4 | 2,000,000.0000 | 05/09/2016 | \$2,059,600.00 | \$2,087,880.00 | (\$28,280.00) | (1.35) | AA+ | A1 | .0000 | .00 |

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|---------------------------|-----------------|----------------------|--|---------------------|-------------------------|----------|-------------------------|-----------------------|----------------------------|-----------------------|
| | | | | | | | | | | |
| | | | GENERAL ELEC CAP CORP DTD 05/09/11 2.950 05/09/2016 | | | | | | | |
| 36962G5F7 | 1,700,000.0000 | 06/30/2015 | \$1,712,648.00 | \$1,748,356.50 | (\$35,708.50) | (2.04) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP MED TERM NOTE | | | | | | | |
| 36962G5Z3 | 6,000,000.0000 | 07/02/2015 | \$6,032,880.00 | \$6,078,440.00 | (\$45,560.00) | (.75) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP DTD 07/02/12 1.625 07/02/2015 | | | | | | | |
| 36962GLF9 | 2,000,000.0000 | 09/15/2015 | \$2,081,820.00 | \$2,169,938.00 | (\$88,118.00) | (4.06) | AA+ | A1 | .0000 | .00 |
| | | | GENERAL ELEC CAP CORP MED TERM NTS TRANCHE # TR 00246 DTD 09/10/97 | | | | | | | |
| 45905URG1 | 25,000,000.0000 | 01/17/2017 | \$25,067,500.00 | \$25,000,000.00 | \$67,500.00 | .27 | N/A | AAA | .0000 | .00 |
| | | | INTL BK RECON & DEVELOP MED TERM NOTE | | | | | | | |
| 46623EJW0 | 2,784,000.0000 | 04/23/2015 | \$2,785,698.24 | \$2,786,747.81 | (\$1,049.57) | (.04) | A | A3 | .0000 | .00 |
| | | | JPMORGAN CHASE & CO DTD 04/23/13 0.800 04/23/2015 | | | | | | | |
| 46625HCE8 | 5,000,000.0000 | 03/01/2015 | \$5,016,650.00 | \$5,336,880.00 | (\$320,230.00) | (6.00) | A | A3 | .0000 | .00 |
| | | | JP MORGAN CHASE & CO DTD 02/25/05 4.750 03/01/2015 | | | | | | | |
| 594918AG9 | 12,152,000.0000 | 09/25/2015 | \$12,257,357.84 | \$12,319,941.01 | (\$62,583.17) | (.51) | AAA | AAA | .0000 | .00 |
| | | | MICROSOFT CORP DTD 09/27/10 1.625 09/25/2015 | | | | | | | |
| 89233P5Z5 | 1,000,000.0000 | 02/17/2015 | \$1,000,230.00 | \$1,004,360.00 | (\$4,130.00) | (.41) | AA- | AA3 | .0000 | .00 |
| | | | TOYOTA MOTOR CREDIT CORP MED TERM NOTE | | | | | | | |
| 91159HGU8 | 7,500,000.0000 | 03/04/2015 | \$7,519,275.00 | \$7,695,711.00 | (\$176,436.00) | (2.29) | A+ | A1 | .0000 | .00 |
| | | | US BANCORP MED TERM NOTE | | | | | | | |
| 92976GAA9 | 18,040,000.0000 | 08/15/2015 | \$18,468,450.00 | \$18,808,786.62 | (\$340,336.62) | (1.81) | A+ | A1 | .0000 | .00 |
| | | | WACHOVIA BK NATL TRANCHE # SB00001 DTD 07/25/03 5.000 08/15/2015 | | | | | | | |
| 92976GAD3 | 3,000,000.0000 | 02/01/2015 | \$3,000,000.00 | \$3,073,620.00 | (\$73,620.00) | (2.40) | A+ | A1 | .0000 | .00 |
| | | | WACHOVIA BANK NA DTD 01/31/05 4.875 02/01/2015 | | | | | | | |
| 931142DE0 | 7,070,000.0000 | 04/11/2016 | \$7,088,382.00 | \$7,081,524.10 | \$6,857.90 | .10 | AA | AA2 | .0000 | .00 |
| | | | WAL-MART STORES INC DTD 04/11/13 0.600 04/11/2016 | | | | | | | |
| 94974BEU0 | 13,450,000.0000 | 04/15/2015 | \$13,539,308.00 | \$13,734,618.50 | (\$195,310.50) | (1.42) | A+ | A2 | .0000 | .00 |
| | | | WELLS FARGO & COMPANY DTD 03/30/10 3.625 04/15/2015 | | | | | | | |
| 94974BFA3 | 38,131,000.0000 | 02/13/2015 | \$38,139,770.13 | \$38,446,431.58 | (\$306,661.45) | (.80) | A+ | A2 | .0000 | .00 |
| | | | WELLS FARGO & COMPANY DTD 02/15/12 1.250 02/13/2015 | | | | | | | |
| 94974BFE5 | 33,385,000.0000 | 07/01/2015 | \$33,541,241.80 | \$33,738,154.20 | (\$196,912.40) | (.58) | A+ | A2 | .0000 | .00 |
| | | | WELLS FARGO & COMPANY DTD 06/27/12 1.500 07/01/2015 | | | | | | | |

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|--------------------------------|-------------------------|----------------------|---|-------------------------|-------------------------|---------------|-------------------------|-----------------------|----------------------------|-----------------------|
| 94974BFL9 | 10,000,000.0000 | 07/20/2016 | \$10,064,500.00 | \$10,081,300.00 | (\$16,800.00) | (.17) | A+ | A2 | .0000 | .00 |
| | | | WELLS FARGO & COMPANY DTD 07/29/13 1.250 07/20/2016 | | | | | | | |
| 94980VAA6 | 54,691,000.0000 | 02/09/2015 | \$54,723,267.69 | \$56,551,496.13 | (\$1,828,228.44) | (3.23) | A+ | A1 | .0000 | .00 |
| | | | WELLS FARGO BANK DTD 02/07/05 4.750 02/09/2015 | | | | | | | |
| 94985H5F7 | 23,000,000.0000 | 07/20/2015 | \$23,054,280.00 | \$23,106,795.90 | (\$52,515.90) | (.23) | AA- | AA3 | .0000 | .00 |
| | | | WELLS FARGO BANK NA DTD 07/29/13 0.750 07/20/2015 | | | | | | | |
| CORPORATE STRIPPED/ZERO COUPON | | | | | | | | | | |
| 45818KBZ4 | 10,000,000.0000 | 02/17/2015 | \$9,999,900.00 | \$9,999,358.33 | \$541.67 | .01 | N/A | N/A | .0000 | .00 |
| | | | IADB DISCOUNT NOTE ZERO CPN DTD 02/18/14 02/17/2015 | | | | | | | |
| 459052FH4 | 5,000,000.0000 | 05/08/2015 | \$4,999,250.00 | \$4,998,583.33 | \$666.67 | .01 | N/A | N/A | .0000 | .00 |
| | | | IBRD DISCOUNT NOTE ZERO CPN DTD 05/08/14 05/08/2015 | | | | | | | |
| SUBTOTAL | 338,381,000.0000 | | \$340,106,583.50 | \$344,990,670.03 | (\$4,884,086.53) | (1.42) | | | .0000 | .00 |
| US GOVERNMENT | | | | | | | | | | |
| US TREASURY NOTES AND BONDS | | | | | | | | | | |
| 912828B74 | 5,000,000.0000 | 02/15/2017 | \$5,012,100.00 | \$4,997,656.25 | \$14,443.75 | .29 | N/A | AAA | .0000 | .00 |
| | | | US TREASURY NOTE DTD 02/18/14 0.625 02/15/2017 | | | | | | | |
| 912828VC1 | 30,000,000.0000 | 05/15/2016 | \$29,985,900.00 | \$29,929,719.20 | \$56,180.80 | .19 | N/A | AAA | .0000 | .00 |
| | | | US TREASURY NOTE DTD 05/15/13 0.250 05/15/2016 | | | | | | | |
| SUBTOTAL | 35,000,000.0000 | | \$34,998,000.00 | \$34,927,375.45 | \$70,624.55 | .20 | | | .0000 | .00 |
| FEDERAL AGENCY | | | | | | | | | | |
| GOVERNMENT AGENCIES | | | | | | | | | | |
| 3130A1EL8 | 3,190,000.0000 | 05/27/2016 | \$3,177,654.70 | \$3,189,840.50 | (\$12,185.80) | (.38) | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN BK SER 0000 | | | | | | | |
| 3130A2LJ3 | 25,000,000.0000 | 07/22/2015 | \$25,006,250.00 | \$24,997,565.28 | \$8,684.72 | .03 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN BK DTD 07/22/14 0.170 07/22/2015 | | | | | | | |
| 3130A2NH5 | 5,000,000.0000 | 07/22/2015 | \$5,000,100.00 | \$5,000,000.00 | \$100.00 | .00 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN BK SER 0000 | | | | | | | |
| 3130A2QZ2 | 10,000,000.0000 | 08/25/2015 | \$10,003,100.00 | \$10,000,700.00 | \$2,400.00 | .02 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN BK DTD 07/30/14 0.200 08/25/2015 | | | | | | | |
| 3130A2RG3 | 25,000,000.0000 | 07/29/2015 | \$25,011,000.00 | \$25,000,000.00 | \$11,000.00 | .04 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN BK SER 0000 | | | | | | | |
| 3130A2WV4 | 10,000,000.0000 | 09/02/2015 | \$9,998,000.00 | \$9,992,390.00 | \$5,610.00 | .06 | AA+ | AAA | .0000 | .00 |

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|---------------------------|-----------------|----------------------|--|---------------------|-------------------------|----------|-------------------------|-----------------------|----------------------------|-----------------------|
| 3133EBBY5 | 7,000,000.0000 | 02/17/2017 | \$7,001,890.00 | \$6,998,250.00 | \$3,640.00 | .05 | AA+ | N/A | .0000 | .00 |
| | | | FED FARM CREDIT BK DTD 11/17/14 0.740 02/17/2017 | | | | | | | |
| 3133EEDQ0 | 30,000,000.0000 | 12/01/2016 | \$30,048,900.00 | \$29,994,000.00 | \$54,900.00 | .18 | AA+ | AAA | .0000 | .00 |
| | | | FED FARM CREDIT BK DTD 12/01/14 0.580 12/01/2016 | | | | | | | |
| 3134G4N53 | 20,000,000.0000 | 12/19/2016 | \$20,011,600.00 | \$20,000,000.00 | \$11,600.00 | .06 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE SER 0000 | | | | | | | |
| 3134G4NH7 | 25,000,000.0000 | 06/24/2016 | \$25,001,250.00 | \$25,000,000.00 | \$1,250.00 | .01 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G4NJ3 | 12,000,000.0000 | 12/20/2016 | \$12,009,120.00 | \$12,000,000.00 | \$9,120.00 | .08 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G4NK0 | 15,000,000.0000 | 12/09/2016 | \$15,007,650.00 | \$14,998,500.00 | \$9,150.00 | .06 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G4NT1 | 25,000,000.0000 | 06/09/2016 | \$24,990,750.00 | \$25,000,000.00 | (\$9,250.00) | (.04) | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G4Q76 | 20,000,000.0000 | 12/19/2016 | \$20,016,200.00 | \$20,000,000.00 | \$16,200.00 | .08 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G4QW1 | 31,500,000.0000 | 12/30/2016 | \$31,535,595.00 | \$31,500,000.00 | \$35,595.00 | .11 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP DTD 12/30/13 0.850 12/30/2016 | | | | | | | |
| 3134G5NY7 | 10,000,000.0000 | 02/28/2017 | \$10,019,300.00 | \$10,000,000.00 | \$19,300.00 | .19 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE SER 0000 | | | | | | | |
| 3134G5P58 | 7,000,000.0000 | 02/13/2017 | \$7,001,470.00 | \$7,000,000.00 | \$1,470.00 | .02 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 3134G5PF6 | 15,000,000.0000 | 02/15/2017 | \$15,029,250.00 | \$14,983,350.00 | \$45,900.00 | .31 | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP DTD 11/14/14 0.650 02/15/2017 | | | | | | | |
| 3134G5RH0 | 10,000,000.0000 | 02/15/2017 | \$10,031,200.00 | \$9,997,900.00 | \$33,300.00 | .33 | AA+ | N/A | .0000 | .00 |
| | | | FED HOME LN MTG CORP DTD 12/17/14 0.690 02/15/2017 | | | | | | | |
| 3134G5SC0 | 15,000,000.0000 | 07/15/2016 | \$14,974,050.00 | \$14,989,050.00 | (\$15,000.00) | (.10) | AA+ | AAA | .0000 | .00 |
| | | | FED HOME LN MTG CORP DTD 12/02/14 0.375 07/15/2016 | | | | | | | |
| 3134G5SH9 | 20,000,000.0000 | 11/15/2016 | \$20,014,800.00 | \$20,000,000.00 | \$14,800.00 | .07 | AA+ | N/A | .0000 | .00 |
| | | | FED HOME LN MTG CORP MED TERM NOTE | | | | | | | |
| 31359MW41 | 1,260,000.0000 | 09/15/2016 | \$1,358,217.00 | \$1,420,020.00 | (\$61,803.00) | (4.35) | AA+ | AAA | .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 01/31/2015
 02/02/2015 03:14:28 PM EST

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> |
|---------------------------|------------------------|----------------------|---|------------------------|-------------------------|---------------|-------------------------|-----------------------|----------------------------|-----------------------|
| | | | CALIFORNIA ST DEPT OF WTR RESO TXBL-WTR SYS-SER AO | | | | | | | |
| 399262HQ0 | 1,120,000.0000 | 08/01/2016 | \$1,146,297.60 | \$1,157,060.80 | (\$10,763.20) | (.93) | AA- | AA3 | .0000 | .00 |
| | | | GROSSMONT CA UNION HIGH SCH DI TXBL-REF-ELECTION OF 2004-SER | | | | | | | |
| 5446462C5 | 2,000,000.0000 | 07/01/2015 | \$1,998,100.00 | \$2,000,000.00 | (\$1,900.00) | (.10) | AA- | AA2 | .0000 | .00 |
| | | | LOS ANGELES CA UNIF SCH DIST TXBL-ELECTION 2005-SER L | | | | | | | |
| 544646Z96 | 1,120,000.0000 | 07/01/2015 | \$1,118,936.00 | \$1,120,000.00 | (\$1,064.00) | (.10) | AA- | AA2 | .0000 | .00 |
| | | | LOS ANGELES CA UNIF SCH DIST TXBL-ELECTION 2004-SER K | | | | | | | |
| 630266AE4 | 2,125,000.0000 | 09/01/2015 | \$2,124,362.50 | \$2,125,000.00 | (\$637.50) | (.03) | A+ | N/R | .0000 | .00 |
| | | | NAPA CA CMNTY REDEV AGY SUCCES REF-TXBL | | | | | | | |
| 630266AF1 | 145,000.0000 | 09/01/2016 | \$145,120.35 | \$145,000.00 | \$120.35 | .08 | A+ | N/R | .0000 | .00 |
| | | | NAPA CA CMNTY REDEV AGY SUCCES REF-TXBL | | | | | | | |
| 76911ADK8 | 425,000.0000 | 11/01/2015 | \$424,375.25 | \$425,000.00 | (\$624.75) | (.15) | AA- | N/R | .0000 | .00 |
| | | | RIVERSIDE CNTY CA ASSET LEASIN TXBL-REF-COURT FACS PROJ-SER B | | | | | | | |
| 76911ADL6 | 350,000.0000 | 11/01/2016 | \$349,874.00 | \$350,000.00 | (\$126.00) | (.04) | AA- | N/R | .0000 | .00 |
| | | | RIVERSIDE CNTY CA ASSET LEASIN TXBL-REF-COURT FACS PROJ-SER B | | | | | | | |
| 796711VK2 | 1,000,000.0000 | 08/01/2015 | \$1,000,290.00 | \$1,008,530.00 | (\$8,240.00) | (.82) | A | A2 | .0000 | .00 |
| | | | SAN BERNARDINO CITY CA UNIF SC TXBL-ELECTION OF 2012-SER B | | | | | | | |
| 797646JW7 | 1,565,000.0000 | 06/15/2015 | \$1,592,090.15 | \$1,628,820.70 | (\$36,730.55) | (2.26) | AA+ | AA1 | .0000 | .00 |
| | | | SAN FRANCISCO CALIF CITY & TXBLE | | | | | | | |
| 802626AR2 | 540,000.0000 | 09/01/2015 | \$543,283.20 | \$549,568.80 | (\$6,285.60) | (1.14) | AA- | N/R | .0000 | .00 |
| | | | SANTA ROSA CA PENSN OBLG TXBL-REF | | | | | | | |
| 91412GSW6 | 5,000,000.0000 | 05/15/2015 | \$5,002,900.00 | \$5,000,000.00 | \$2,900.00 | .06 | AA | AA2 | .0000 | .00 |
| | | | UNIV OF CALIFORNIA CA REVENUES TXBL-GEN-SER AJ | | | | | | | |
| 91412GUT0 | 1,750,000.0000 | 05/15/2016 | \$1,750,665.00 | \$1,750,000.00 | \$665.00 | .04 | AA | AA2 | .0000 | .00 |
| | | | UNIV OF CALIFORNIA CA REVENUES TXBL-SER AN | | | | | | | |
| SUBTOTAL | 54,265,000.0000 | | \$54,630,815.60 | \$55,208,081.35 | (\$577,265.75) | (1.05) | | | .0000 | .00 |
| OTHER ASSETS | | | | | | | | | | |
| OTHER ASSETS | | | | | | | | | | |
| MS6232818 | 47,000,000.0000 | | \$47,000,000.00 | \$47,000,000.00 | \$0.00 | .00 | | | .0000 | .00 |
| | | | CA LAIF STATE OF CALIFORNIA INVESTMENT FD | | | | | | | |
| MS6615459 | 15,000,000.0000 | | \$15,014,970.00 | \$15,000,000.00 | \$14,970.00 | .10 | | | .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 01/31/2015
 02/02/2015 03:14:28 PM EST

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> |
|--------------------------|--------------------|----------------------|---------------------|---------------------|-------------------------|----------|-------------------------|-----------------------|----------------------------|-----------------------|
| CALTRUST SHORT TERM ACCT | | | | | | | | | | |
| SUBTOTAL | 62,000,000.0000 | | \$62,014,970.00 | \$62,000,000.00 | \$14,970.00 | .02 | | | .0000 | .00 |
| ACCOUNT 11435100 TOTAL | 2,086,272,000.0000 | | \$2,088,407,810.33 | \$2,092,813,218.01 | (\$4,405,407.68) | (.21) | | | .0000 | .00 |
| GRAND TOTAL | 2,086,272,000.0000 | | \$2,088,407,810.33 | \$2,092,813,218.01 | (\$4,405,407.68) | (.21) | | | .0000 | .00 |

END OF REPORT

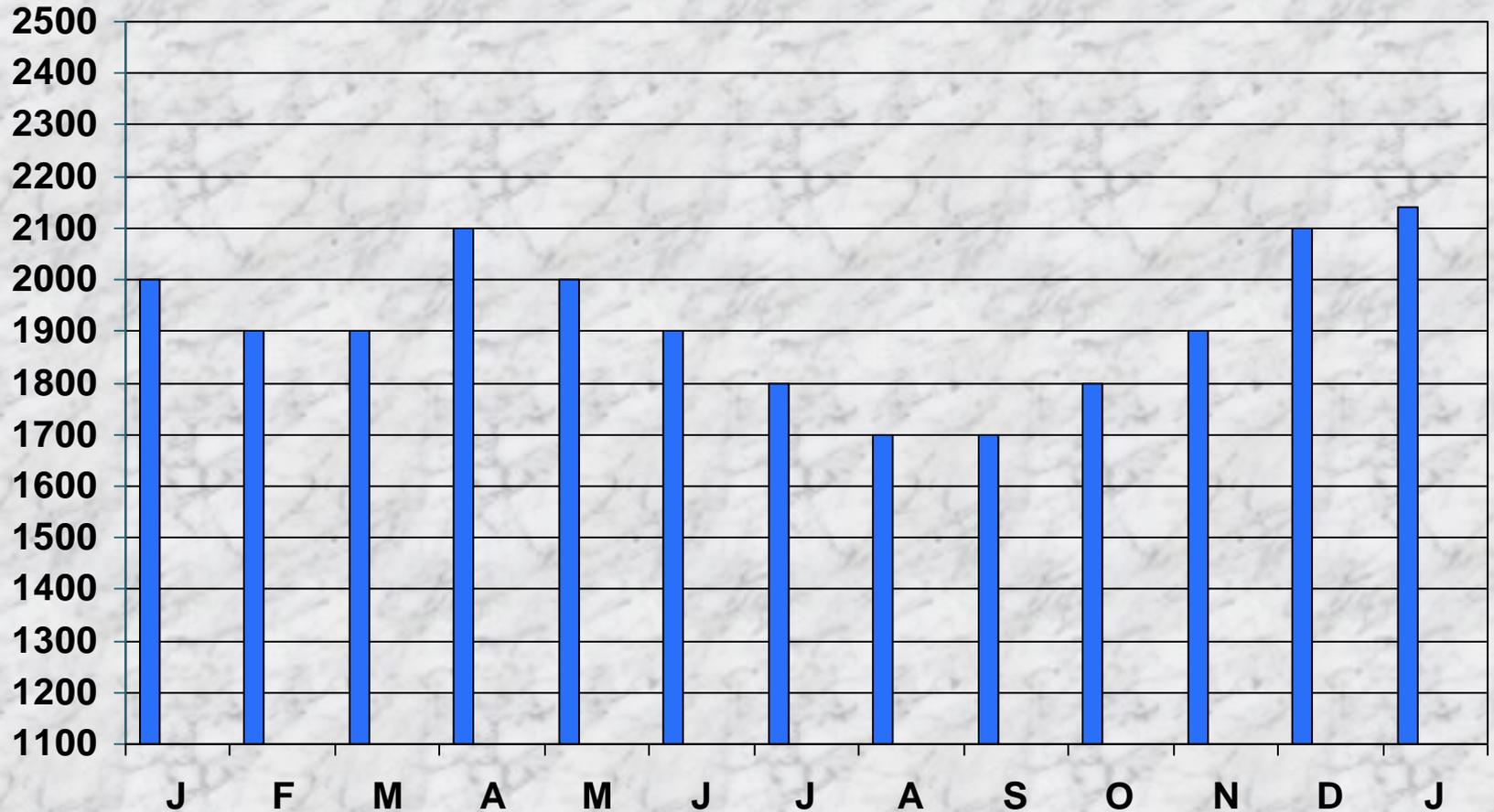
JANUARY 2015 TRANSACTIONS

| Transaction Date | Purchase/ Sale | Par Amount | Security Type | Security Name | Maturity Date | Yield |
|------------------|-------------------|------------|----------------|-----------------------------|---------------|----------|
| 01/05/15 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 06/15/15 | 0.27 |
| 01/06/15 | Purchase | 10.00 | US TREAS | US TREASURY NB | 05/15/16 | 0.40502 |
| 01/06/15 | Purchase | 25.00 | YCD | CHIBA BANK | 05/15/15 | 0.27 |
| 01/07/15 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 05/14/15 | 0.25 |
| 01/07/15 | Purchase | 15.00 | YCD | NATIONAL BANK OF KUWAIT NY | 05/14/15 | 0.30 |
| 01/08/15 | Purchase | 2.125 | MUNI | NAPA CA COMMUNITY | 09/01/15 | 0.55 |
| 01/08/15 | Purchase | 0.145 | MUNI | NAPA CA COMMUNITY | 09/01/16 | 1.100 |
| 01/08/15 | Purchase | 15.00 | YCD | CHIBA BANK | 05/14/15 | 0.27 |
| 01/08/15 | Purchase | 5.00 | SUPRANATIONALS | IBRD DISCOUNT NOTE | 05/08/15 | 0.086205 |
| 01/08/15 | Purchase | 15.00 | CP | CREDIT SUISSE NEW YORK | 05/14/15 | 0.25 |
| 01/12/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/15/15 | 0.31 |
| 01/12/15 | Purchase | 20.00 | CP | CREDIT SUISSE NEW YORK | 06/15/15 | 0.28 |
| 01/13/15 | Purchase | 5.00 | GA | FHLB DISCOUNT NOTE | 05/13/15 | 0.06085 |
| 01/13/15 | Purchase | 20.00 | YCD | BANK OF TOKYO MIT UFJ NY | 06/15/15 | 0.25 |
| 01/15/15 | Purchase | 3.00 | MTN | BERKSHIRE HATHAWAY | 01/13/17 | 0.4233 |
| 01/15/15 | Purchase | 10.00 | SUPRANATIONALS | IABD DISCOUNT NOTE | 02/17/15 | 0.070977 |
| 01/16/15 | Purchase | 25.00 | SUPRANATIONALS | INTL BK RECON & DEVELOP | 01/17/17 | 0.70 |
| 01/16/15 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 06/16/15 | 0.25 |
| 01/20/15 | Purchase | 20.00 | YCD | CHIBA BANK | 07/20/15 | 0.32 |
| 01/20/15 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 07/20/15 | 0.280395 |
| 01/20/15 | Purchase | 15.00 | YCD | NATIONAL BANK OF KUWAIT NY | 07/20/15 | 0.34 |
| 01/21/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/15/15 | 0.30 |
| 01/21/15 | Sale | 30.00 | US TREAS | US TREASURY NB | 05/15/16 | 0.289 |
| 01/22/15 | Purchase | 10.00 | GA | FHLB | 02/22/16 | 0.270012 |
| 01/22/15 | Purchase | 20.00 | CP | NORDEA BANK | 07/20/15 | 0.245 |
| 01/26/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/22/15 | 0.29 |
| 01/26/15 | Purchase | 25.00 | YCD | STANDARD CHARTERED BANK NY | 06/22/15 | 0.29 |
| 01/27/15 | Sale | 5.00 | MTN | 3 M COMPANY | 06/26/17 | 0.853972 |
| 01/27/15 | Purchase | 5.00 | GA | FHLB DISCOUNT NOTE | 07/22/15 | 0.101438 |
| 01/27/15 | Purchase | 25.00 | YCD | STANDARD CHARTERED BANK NY | 07/22/15 | 0.32 |
| 01/27/15 | Purchase | 20.00 | YCD | NATIONAL BANK OF KUWAIT NY | 06/22/15 | 0.32 |
| 01/28/15 | Purchase | 0.600 | MUNI | CA ST DEPT OF WTR RESOURCES | 12/01/16 | 0.660 |
| 01/28/15 | Purchase | 20.00 | YCD | STANDARD CHARTERED BANK NY | 07/22/15 | 0.32 |

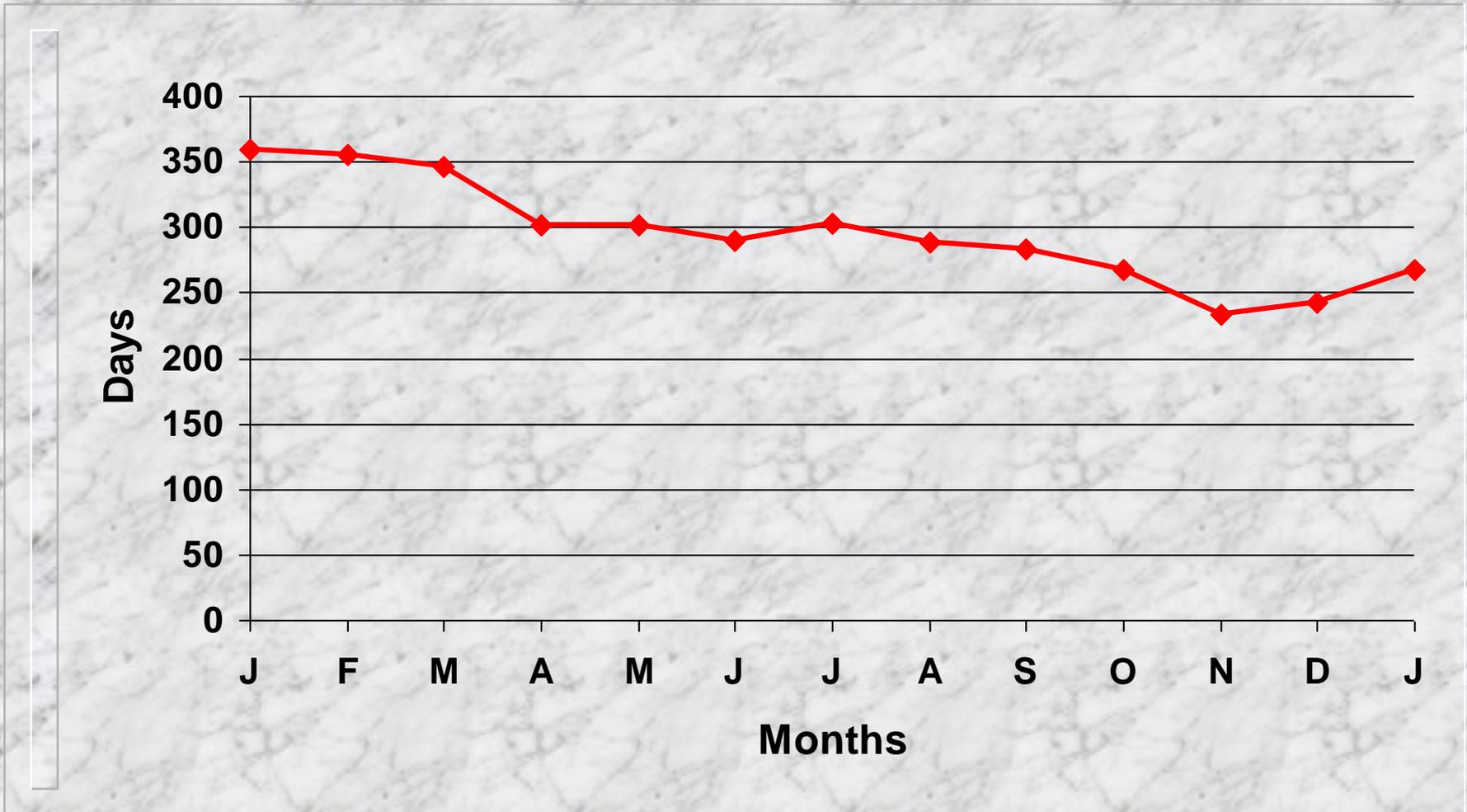
| | | | | | |
|--|-----------|--|----------------|---------|----------------------|
| TOTAL PORTFOLIO = | 2,086.272 | | | | |
| FEDERAL AGENCIES | | | 1/30/2015 | | Percent of Portfolio |
| | NOTES | | Discount Notes | TOTAL | |
| Federal Home Loan Bank | 180.190 | | 10.000 | 190.190 | 9.116% |
| Federal National Mortgage Association | 66.260 | | 0.000 | 66.260 | 3.176% |
| Federal Home Loan Mortgage Corporation | 225.500 | | 40.000 | 265.500 | 12.726% |
| Federal Farm Credit Bank | 121.676 | | 0.000 | 121.676 | 5.832% |
| Federal Agricultural Mortgage Corp | 35.000 | | 0.000 | 35.000 | 1.678% |
| Tennessee Valley Authority | 0.000 | | 0.000 | 0.000 | 0.000% |
| | 628.626 | | 50.000 | 678.626 | 32.528% |
| | | | | 678.626 | |

PORTFOLIO AVERAGE MONTHLY BALANCE

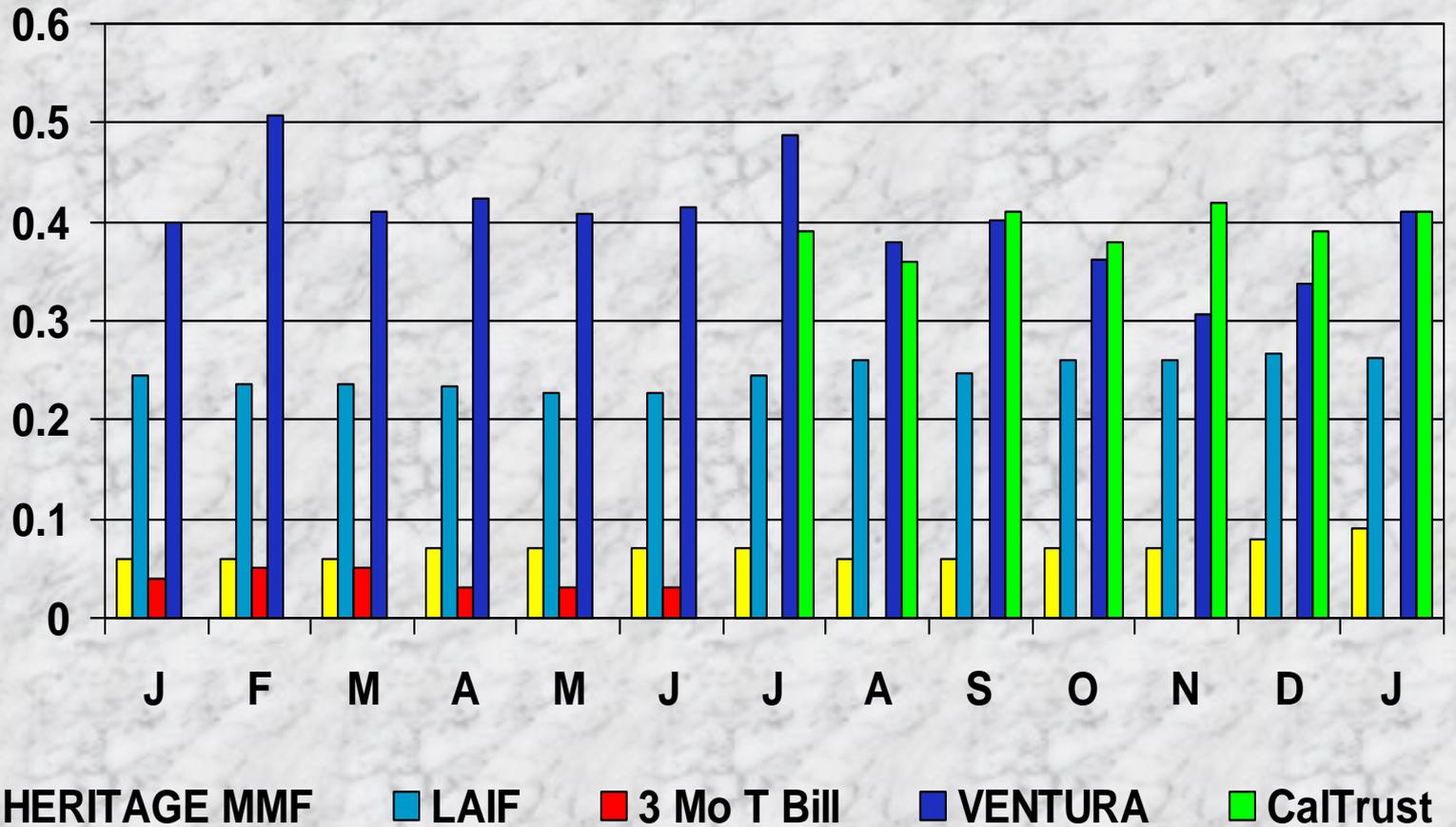
EXHIBIT 6.1



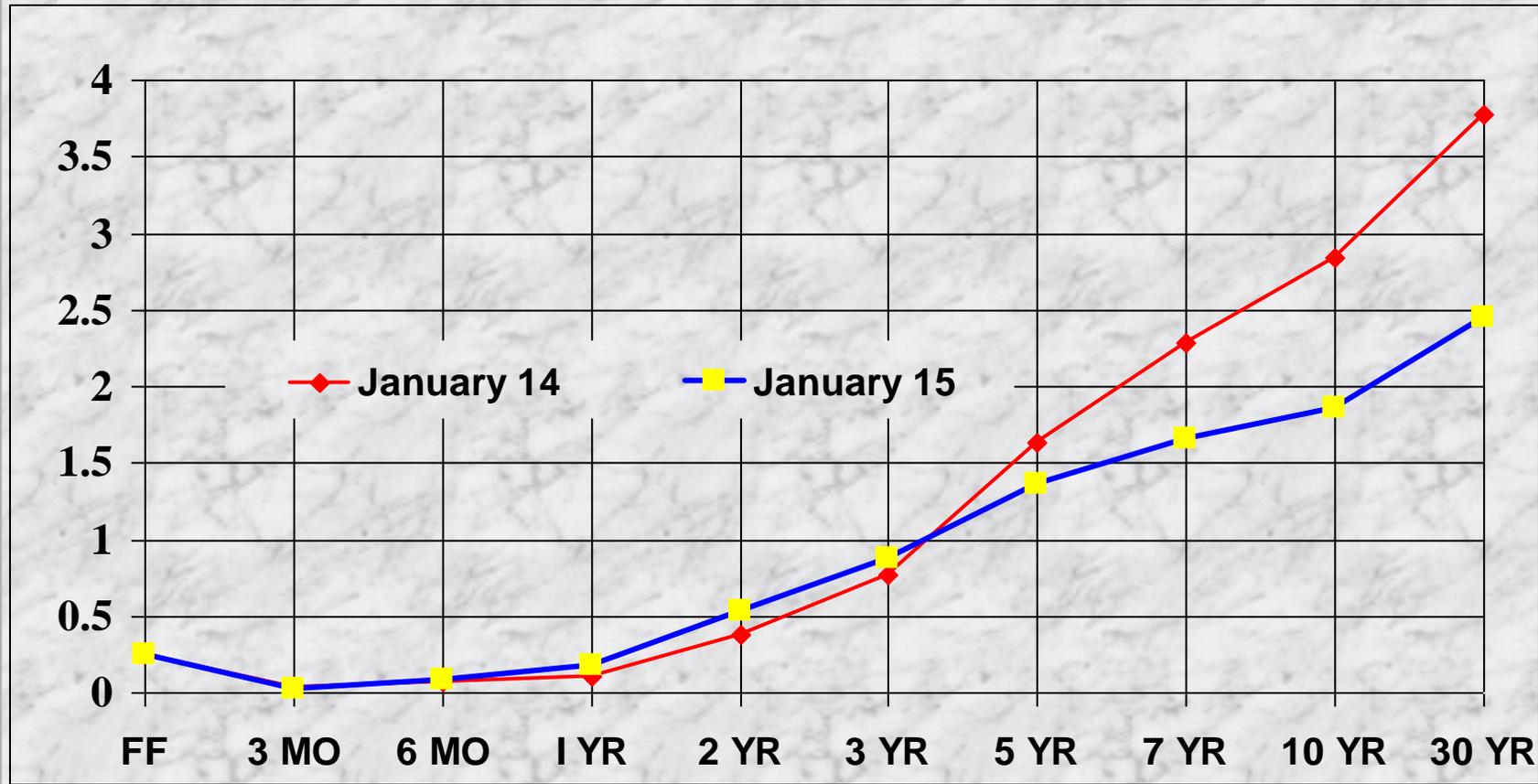
AVERAGE MATURITY



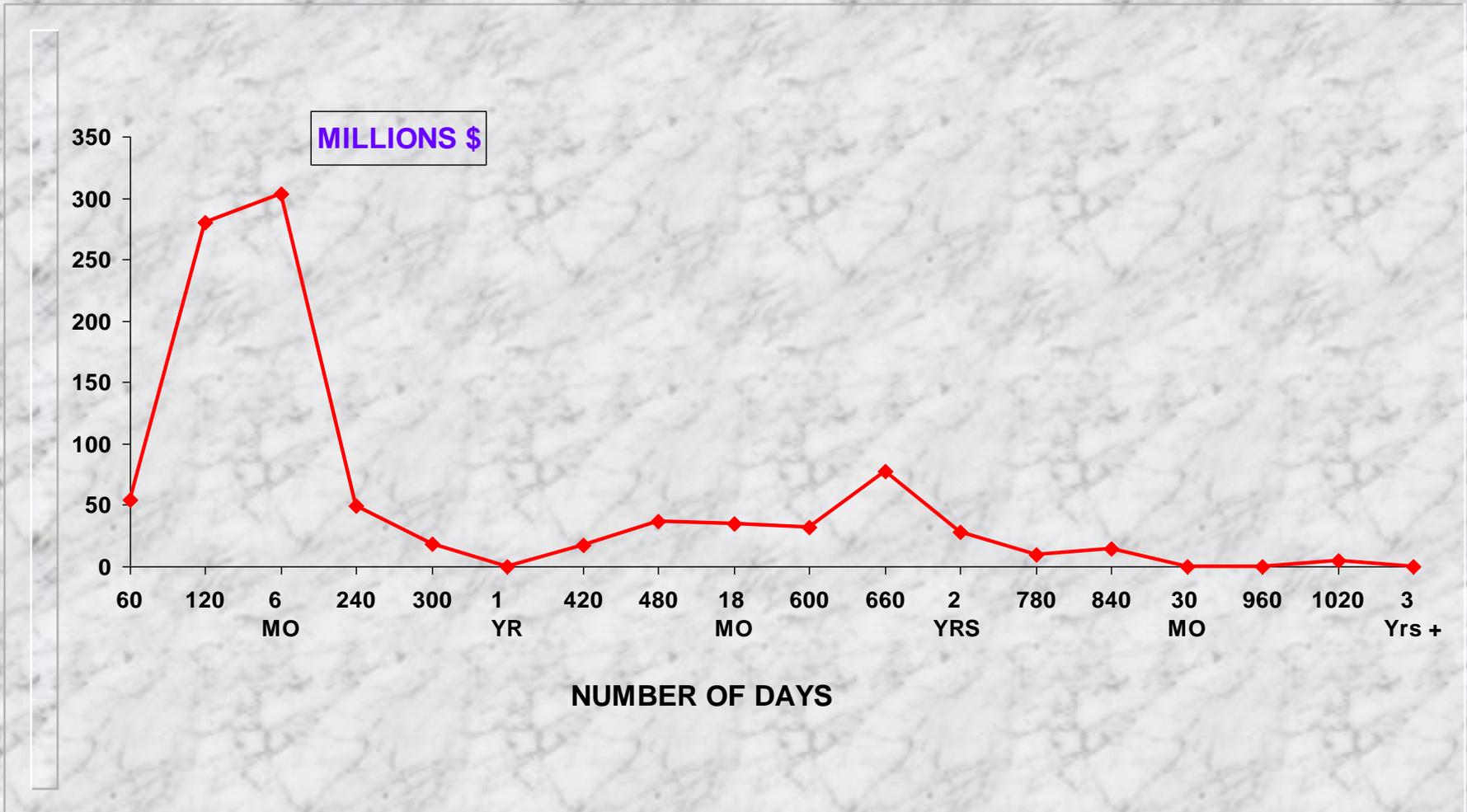
++++YIELD COMPARISON



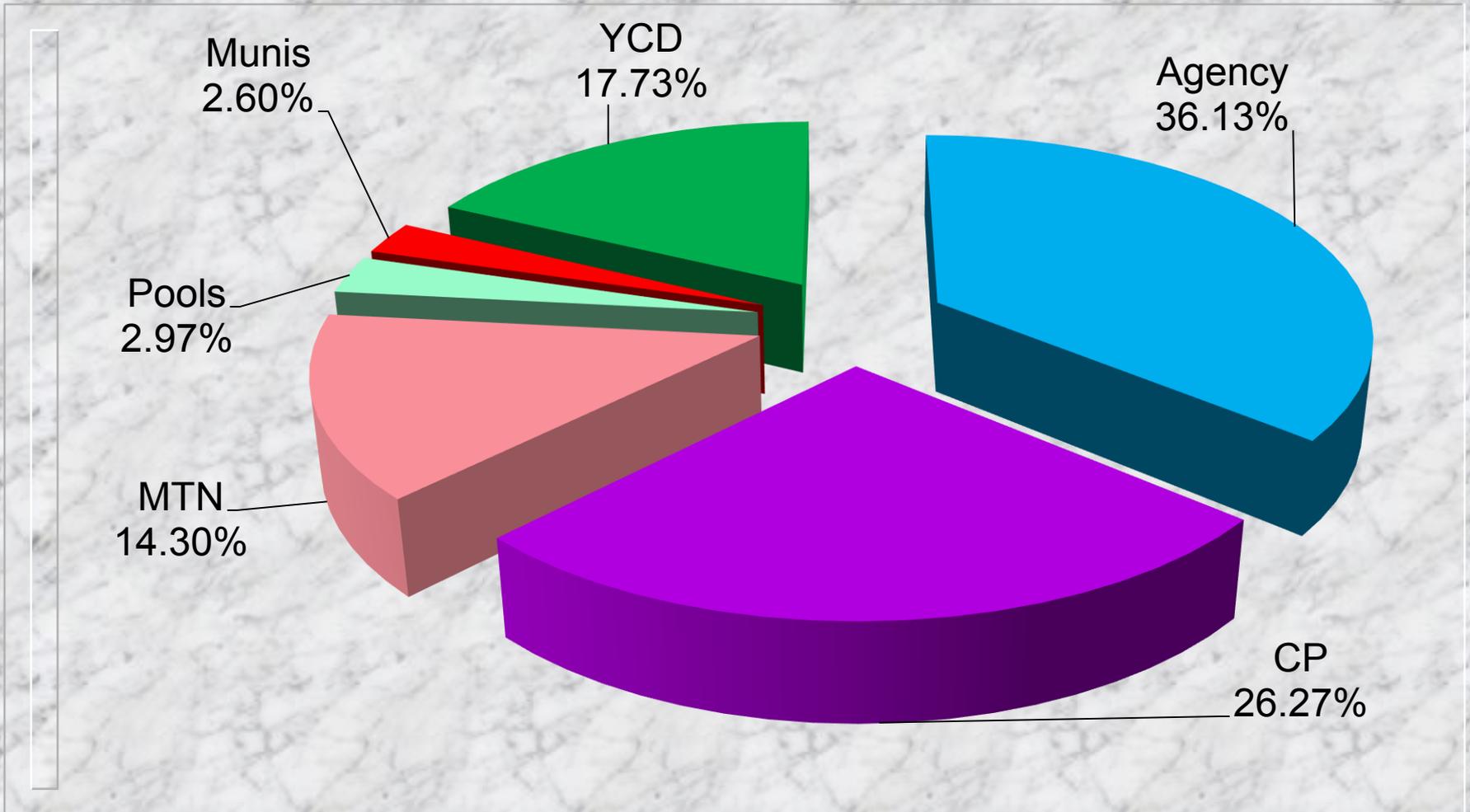
YIELD CURVE



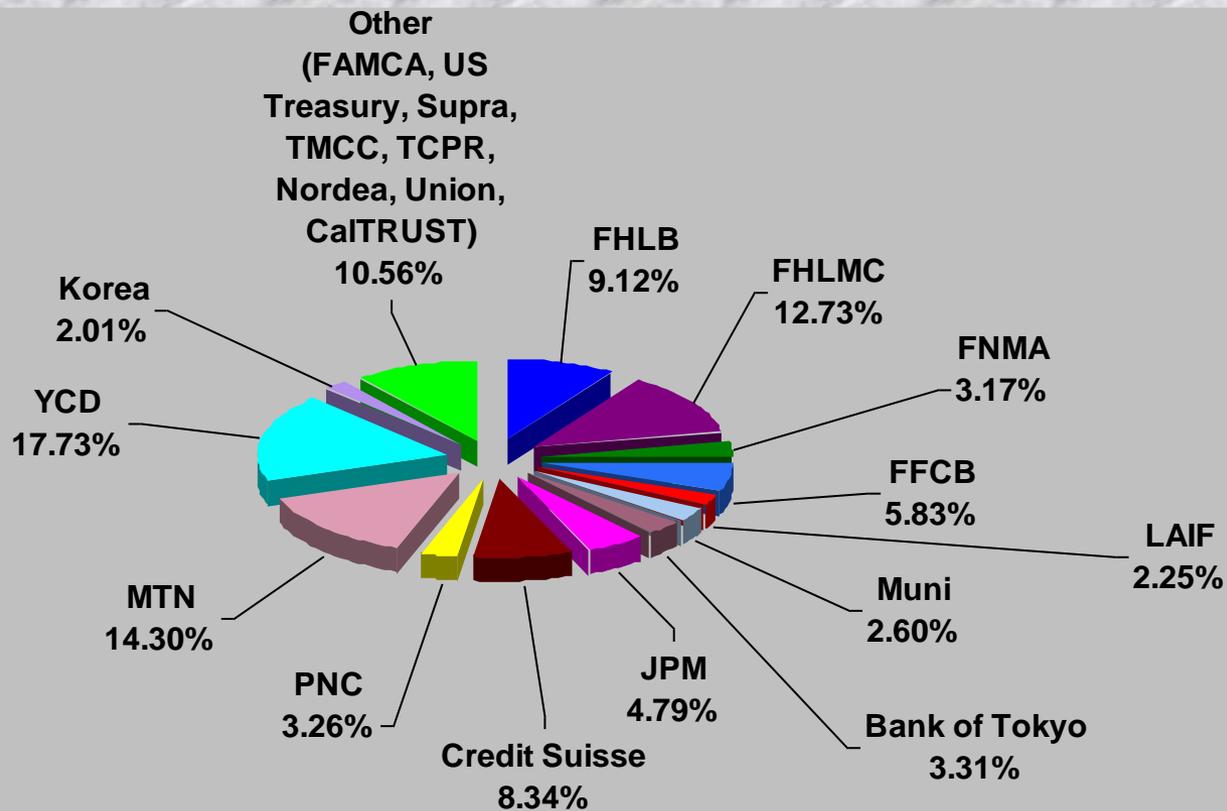
MATURITY DISTRIBUTION



PORTFOLIO HOLDINGS BY CLASS



PORTFOLIO HOLDINGS





VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

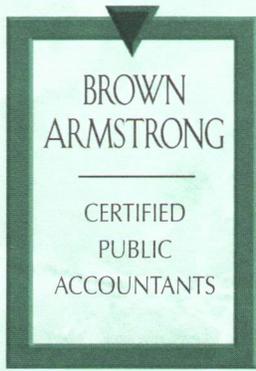
Date: March 25, 2015

Agenda Item #7 – Receive and File the Brown Armstrong Audit Report dated March 12, 2015

Recommendation

Government Code (GC) Section (§) 27134 requires an annual compliance audit regarding the investment pool portfolio and the County Treasurer-Tax Collector's investment policy.

Receive and file the Brown Armstrong Audit Report (Exhibit 7.1) dated March 12, 2015.



BROWN ARMSTRONG

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Ventura County
Treasury Oversight Committee
Ventura, California

Report on Compliance

We have audited management's assertion, included in its representation letter dated March 12, 2015, that the County of Ventura Treasurer-Tax Collector (the County TTC) complied with the provisions of the California Government Code and the County TTC's Investment Policy during the year ended June 30, 2014.

Management's Responsibility

As discussed in the representation letter, management is responsible for the County TTC's compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the County TTC's compliance based on our examination.

Auditor's Responsibility

Our audit was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County TTC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County TTC's compliance with the specified requirements.

Opinion

In our opinion, management's assertion that the County TTC complied with the aforementioned requirements for the year ended June 30, 2014, is fairly stated in all material respects.

This report is intended solely for the information of the Ventura County Treasury Oversight Committee, the County Board of Supervisors, management, and applicable legislative bodies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

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221 E. WALNUT STREET

SUITE 260
PASADENA, CALIFORNIA 91101
TEL 626.204.6542
FAX 626.204.6547

5250 CLAREMONT AVENUE

SUITE 237
STOCKTON, CA 95207
TEL 209.451.4833



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: March 25, 2015

Agenda Item #8 – Receive an Oral Report Regarding New Investment Purchases, and Receive and File a Report “October 2014-January 2015 Transactions.”

Recommendation

Receive an oral report regarding new investment purchases.

Receive and file “October 2014-January 2015” transactions report (Exhibit 8.1).

OCTOBER 2014 - JANUARY 2015 TRANSACTIONS

| | Transaction Date | Purchase/ Sale | Par Amount | Security Type | Security Name | Maturity Date | Yield |
|----|---------------------|-------------------|---------------|------------------|--------------------------------|------------------|---------|
| 1 | 10/01/14 | Purchase | 13.00 | CP | BANK OF TOKYO MIT UFJ NY | 02/02/15 | 0.18 |
| 2 | 10/02/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 02/02/15 | 0.19 |
| 3 | 10/02/14 | Purchase | 3.970 | MUNI | CAL MUNI | 02/01/15 | 0.186 |
| 4 | 10/03/14 | Purchase | 5.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/16/15 | 0.245 |
| 5 | 10/03/14 | Purchase | 4.307 | MTN | WELLS FARGO BANK NA | 08/15/15 | 0.33652 |
| 6 | 10/06/14 | Purchase | 15.00 | GA | FHLB | 01/16/15 | 0.04085 |
| 7 | 10/07/14 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/07/15 | 0.17 |
| 8 | 10/08/14 | Purchase | 10.00 | GA | FHLMC DISCOUNT NOTE | 01/13/15 | 0.035 |
| 9 | 10/09/14 | Purchase | 7.00 | GA | FAMCA DISCOUNT NOTE | 01/16/15 | 0.045 |
| 10 | 10/09/14 | Purchase | 5.00 | CP | MUFG UNION BANK NA | 01/16/15 | 0.18 |
| 11 | 10/10/14 | Purchase | 6.00 | CP | BANK OF TOKYO MIT UFJ NY | 02/10/15 | 0.18 |
| 12 | 10/10/14 | Purchase | 6.055 | MTN | MICROSOFT CORP | 09/25/15 | 0.17254 |
| 13 | 10/14/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/14/15 | 0.18 |
| 14 | 10/14/14 | Purchase | 1.120 | MUNI | ROSSMONT CA UNION HIGH SCH DIS | 08/01/16 | 0.70 |
| 15 | 10/15/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/15/15 | 0.18 |
| 16 | 10/15/14 | Purchase | 3.190 | GA | FHLB | 05/27/16 | 0.51314 |
| 17 | 10/16/14 | Purchase | 10.00 | YCD | BANK OF TOKYO MIT UFJ NY | 02/17/15 | 0.19 |
| 18 | 10/16/14 | Purchase | 2.50 | MTN | BANK OF NOVA SCOTIA | 10/07/15 | 0.3445 |
| 19 | 10/16/14 | Sale | 20.00 | CP | BNP PARIBAS FINANCE | 11/14/14 | 0.17 |
| 20 | 10/16/14 | Sale | 10.525 | CP | BNP PARIBAS FINANCE | 11/14/14 | 0.17 |
| 21 | 10/16/14 | Sale | 10.00 | CP | BNP PARIBAS FINANCE | 12/01/14 | 0.22 |
| 22 | 10/16/14 | Sale | 15.00 | CP | BNP PARIBAS FINANCE | 12/01/14 | 0.22 |
| 23 | 10/17/14 | Purchase | 10.00 | CP | PNC BANK NA | 07/01/15 | 0.27 |
| 24 | 10/17/14 | Purchase | 10.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/20/15 | 0.25 |
| 25 | 10/20/14 | Purchase | 10.00 | CP | PNC BANK NA | 07/01/15 | 0.28 |
| 26 | 10/20/14 | Purchase | 20.00 | CP | BANK OF TOKYO MIT UFJ NY | 02/03/15 | 0.175 |

EXHIBIT 8.1

| | | | | | | | |
|----|----------|----------|-------|----------|----------------------------|----------|---------|
| 27 | 10/21/14 | Purchase | 10.00 | CP | PNC BANK NA | 07/01/15 | 0.27 |
| 28 | 10/21/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/30/15 | 0.17 |
| 29 | 10/22/14 | Purchase | 15.00 | CP | MUFG UNION BANK NA | 01/22/15 | 0.17 |
| 30 | 10/23/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/23/15 | 0.17 |
| 31 | 10/23/14 | Purchase | 5.00 | CP | CREDIT SUISSE NY | 07/20/15 | 0.42 |
| 32 | 10/24/14 | Purchase | 15.00 | CP | KOREA DEVELOPMENT BANK NY | 01/26/15 | 0.18 |
| 33 | 10/24/14 | Purchase | 5.00 | CP | CREDIT SUISSE NY | 07/20/15 | 0.42 |
| 34 | 10/27/14 | Purchase | 5.00 | CP | CREDIT SUISSE NY | 07/24/15 | 0.42 |
| 35 | 10/27/14 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/27/15 | 0.17 |
| 36 | 10/28/14 | Purchase | 15.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/28/15 | 0.175 |
| 37 | 10/29/14 | Purchase | 5.00 | CP | CREDIT SUISSE NY | 07/23/15 | 0.42 |
| 38 | 10/29/14 | Purchase | 10.00 | CP | JP MORGAN SEC LLC | 02/02/15 | 0.20 |
| 39 | 10/30/14 | Purchase | 7.00 | CP | CREDIT SUISSE NY | 07/23/15 | 0.42 |
| 40 | 10/30/14 | Purchase | 13.00 | CP | KOREA DEVELOPMENT BANK NY | 01/30/15 | 0.18 |
| 41 | 11/03/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/15/15 | 0.15 |
| 42 | 11/03/14 | Purchase | 10.00 | GA | FNMA | 07/05/16 | 0.41005 |
| 43 | 11/04/14 | Purchase | 20.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/15/15 | 0.225 |
| 44 | 11/04/14 | Purchase | 5.00 | US Treas | US TREASURY NB | 02/15/17 | 0.64572 |
| 45 | 11/05/14 | Purchase | 10.00 | YCD | NATIONAL BANK OF KUWAIT NY | 02/13/15 | 0.255 |
| 46 | 11/05/14 | Purchase | 7.00 | GA | FHLMC | 02/13/17 | 0.75 |
| 47 | 11/06/14 | Purchase | 5.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/23/15 | 0.15 |
| 48 | 11/06/14 | Purchase | 15.00 | GA | FHLMC | 02/15/17 | 0.69981 |
| 49 | 11/07/14 | Purchase | 10.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/15/15 | 0.245 |
| 50 | 11/10/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 02/17/15 | 0.18 |
| 51 | 11/10/14 | Purchase | 7.00 | GA | FFCB | 02/17/17 | 0.7513 |
| 52 | 11/12/14 | Purchase | 10.00 | GA | FHLMC | 02/28/17 | 0.75 |
| 53 | 11/14/14 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/16/15 | 0.15 |
| 54 | 11/17/14 | Purchase | 15.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/15/15 | 0.23 |
| 55 | 11/18/14 | Purchase | 20.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/15/15 | 0.225 |
| 56 | 11/19/14 | Purchase | 10.00 | CP | MUFG UNION BANK NA | 01/07/15 | 0.14 |

EXHIBIT 8.1

| | | | | | | | |
|----|----------|----------|-------|----------|----------------------------|----------|---------|
| 57 | 11/19/14 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 02/17/15 | 0.18 |
| 58 | 11/19/14 | Purchase | 10.00 | MUNI | CALIFORNIA ST | 11/01/16 | 0.64 |
| 59 | 11/19/14 | Purchase | 0.305 | MUNI | ANAHEIM CA CITY SCH DIST | 11/01/16 | 1.291 |
| 60 | 11/19/14 | Purchase | 1.000 | MUNI | ANAHEIM CA CITY SCH DIST | 11/01/16 | 1.291 |
| 61 | 11/20/14 | Purchase | 15.00 | CP | BANK OF TOKYO MIT UFJ NY | 01/05/15 | 0.14 |
| 62 | 11/20/14 | Purchase | 7.00 | GA | FHLB | 11/23/16 | 0.59003 |
| 63 | 11/21/14 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 08/18/15 | 0.42 |
| 64 | 11/21/14 | Purchase | 10.00 | US Treas | US TREASURY NB | 05/15/16 | 0.28169 |
| 65 | 11/21/14 | Purchase | 10.00 | CP | TOYOTA MOTOR CREDIT CORP | 01/06/15 | 0.11 |
| 66 | 11/24/14 | Purchase | 15.00 | CP | CREDIT SUISSE NEW YORK | 08/21/15 | 0.42 |
| 67 | 11/24/14 | Purchase | 10.00 | CP | TOYOTA MOTOR CREDIT CORP | 01/09/15 | 0.11 |
| 68 | 11/24/14 | Purchase | 7.070 | MTN | WAL-MART STORES | 04/11/16 | 0.48039 |
| 69 | 11/25/14 | Purchase | 20.00 | CP | TOYOTA CREDIT PUERTO RICO | 04/15/15 | 0.19 |
| 70 | 11/25/14 | Purchase | 20.00 | CP | CREDIT SUISSE NEW YORK | 08/14/15 | 0.39 |
| 71 | 11/25/14 | Purchase | 10.00 | GA | FHLMC DISCOUNT NOTE | 07/15/15 | 0.09129 |
| 72 | 11/25/14 | Purchase | 20.00 | YCD | NATIONAL BANK OF KUWAIT NY | 01/05/15 | 0.21 |
| 73 | 11/25/14 | Purchase | 20.00 | GA | FHLMC | 11/15/16 | 0.60 |
| 74 | 11/26/14 | Purchase | 20.00 | GA | FHLB | 04/13/15 | 0.10154 |
| 75 | 11/26/14 | Purchase | 20.00 | CP | TOYOTA MOTOR CREDIT CORP | 02/13/15 | 0.14 |
| 76 | 12/01/14 | Purchase | 30.00 | GA | FFCB | 12/01/16 | 0.59007 |
| 77 | 12/02/14 | Purchase | 15.00 | GA | FHLMC | 07/15/16 | 0.4203 |
| 78 | 12/02/14 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 04/15/15 | 0.25 |
| 79 | 12/03/14 | Purchase | 20.00 | YCD | BANK OF TOKYO MIT UFJ NY | 03/03/15 | 0.19 |
| 80 | 12/08/14 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 05/15/15 | 0.27 |
| 81 | 12/08/14 | Purchase | 10.00 | GA | FHLMC DISCOUNT NOTE | 05/15/15 | 0.09129 |
| 82 | 12/08/14 | Purchase | 10.00 | YCD | NATIONAL BANK OF KUWAIT NY | 04/15/15 | 0.28 |
| 83 | 12/09/14 | Purchase | 10.00 | CP | PNC BANK NA | 08/10/15 | 0.30 |
| 84 | 12/09/14 | Purchase | 10.00 | GA | FHLMC DISCOUNT NOTE | 05/15/15 | 0.10651 |
| 85 | 12/09/14 | Purchase | 15.00 | GA | FFCB | 11/14/16 | 0.63756 |
| 86 | 12/10/14 | Purchase | 10.00 | GA | FHLMC DISCOUNT NOTE | 05/15/15 | 0.11158 |

EXHIBIT 8.1

| | | | | | | | |
|-----|----------|----------|-------|----------|----------------------------|----------|---------|
| 87 | 12/10/14 | Purchase | 10.00 | YCD | STANDARD CHARTERED BANK NY | 05/15/15 | 0.265 |
| 88 | 12/11/14 | Purchase | 10.00 | GA | FFCB | 11/14/16 | 0.63002 |
| 89 | 12/11/14 | Purchase | 15.00 | YCD | BANK OF MONTREAL CHICAGO | 04/15/15 | 0.185 |
| 90 | 12/15/14 | Purchase | 15.00 | GA | FAMCA | 03/15/16 | 0.31414 |
| 91 | 12/15/14 | Purchase | 15.00 | GA | FHLB | 11/15/16 | 0.57525 |
| 92 | 12/15/14 | Purchase | 5.00 | CP | CREDIT SUISSE NEW YORK | 04/15/15 | 0.25 |
| 93 | 12/16/14 | Purchase | 5.00 | MUNI | CALIFORNIA ST | 11/01/17 | 1.232 |
| 94 | 12/16/14 | Purchase | 12.00 | CP | KOREA DEVELOPMENT BANK NY | 05/15/15 | 0.26529 |
| 95 | 12/17/14 | Purchase | 10.00 | GA | FHLMC | 02/15/17 | 0.69987 |
| 96 | 12/17/14 | Purchase | 7.00 | CP | CREDIT SUISSE NEW YORK | 04/15/15 | 0.23 |
| 97 | 12/19/14 | Purchase | 15.00 | GA | FHLB | 10/14/16 | 0.57972 |
| 98 | 12/19/14 | Purchase | 15.00 | CP | TOYOTA MOTOR CREDIT CORP | 05/15/15 | 0.22 |
| 99 | 12/22/14 | Purchase | 15.00 | CP | CREDIT SUISSE NEW YORK | 05/15/15 | 0.26 |
| 100 | 12/24/14 | Purchase | 15.00 | YCD | STANDARD CHARTERED BANK NY | 05/15/15 | 0.21 |
| 101 | 12/26/14 | Purchase | 5.00 | MTN | 3 M COMPANY | 06/26/17 | 1.07032 |
| 102 | 12/26/14 | Purchase | 10.00 | GA | FHLB | 10/14/16 | 0.68003 |
| 103 | 12/30/14 | Purchase | 15.00 | GA | FHLB | 05/15/17 | 0.97011 |
| 104 | 12/30/14 | Purchase | 10.00 | CP | JP MORGAN SEC LLC | 05/15/15 | 0.25 |
| 105 | 12/30/14 | Purchase | 10.00 | Us Treas | US TREASURY | 05/15/16 | 0.40355 |
| 106 | 12/30/14 | Purchase | 30.00 | Us Treas | US TREASURY | 05/15/16 | 0.43 |
| 107 | 01/05/15 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 06/15/15 | 0.27 |
| 108 | 01/06/15 | Purchase | 10.00 | JS TREA: | US TREASURY NB | 05/15/16 | 0.40502 |
| 109 | 01/06/15 | Purchase | 25.00 | YCD | CHIBA BANK | 05/15/15 | 0.27 |
| 110 | 01/07/15 | Purchase | 10.00 | CP | CREDIT SUISSE NEW YORK | 05/14/15 | 0.25 |
| 111 | 01/07/15 | Purchase | 15.00 | YCD | NATIONAL BANK OF KUWAIT NY | 05/14/15 | 0.30 |
| 112 | 01/08/15 | Purchase | 2.125 | MUNI | NAPA CA COMMUNITY | 09/01/15 | 0.55 |
| 113 | 01/08/15 | Purchase | 0.145 | MUNI | NAPA CA COMMUNITY | 09/01/16 | 1.100 |
| 114 | 01/08/15 | Purchase | 15.00 | YCD | CHIBA BANK | 05/14/15 | 0.27 |
| 115 | 01/08/15 | Purchase | 5.00 | ANATIO | IBRD DISCOUNT NOTE | 05/08/15 | 0.08621 |
| 116 | 01/08/15 | Purchase | 15.00 | CP | CREDIT SUISSE NEW YORK | 05/14/15 | 0.25 |

EXHIBIT 8.1

| | | | | | | | |
|-----|----------|----------|-------|---------|-----------------------------|----------|---------|
| 117 | 01/12/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/15/15 | 0.31 |
| 118 | 01/12/15 | Purchase | 20.00 | CP | CREDIT SUISSE NEW YORK | 06/15/15 | 0.28 |
| 119 | 01/13/15 | Purchase | 5.00 | GA | FHLB DISCOUNT NOTE | 05/13/15 | 0.06085 |
| 120 | 01/13/15 | Purchase | 20.00 | YCD | BANK OF TOKYO MIT UFJ NY | 06/15/15 | 0.25 |
| 121 | 01/15/15 | Purchase | 3.00 | MTN | BERKSHIRE HATHAWAY | 01/13/17 | 0.4233 |
| 122 | 01/15/15 | Purchase | 10.00 | ANATIO | IABD DISCOUNT NOTE | 02/17/15 | 0.07098 |
| 123 | 01/16/15 | Purchase | 25.00 | ANATIO | INTL BK RECON & DEVELOP | 01/17/17 | 0.70 |
| 124 | 01/16/15 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 06/16/15 | 0.25 |
| 125 | 01/20/15 | Purchase | 20.00 | YCD | CHIBA BANK | 07/20/15 | 0.32 |
| 126 | 01/20/15 | Purchase | 10.00 | CP | BANK OF TOKYO MIT UFJ NY | 07/20/15 | 0.2804 |
| 127 | 01/20/15 | Purchase | 15.00 | YCD | NATIONAL BANK OF KUWAIT NY | 07/20/15 | 0.34 |
| 128 | 01/21/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/15/15 | 0.30 |
| 129 | 01/21/15 | Sale | 30.00 | JS TREA | US TREASURY NB | 05/15/16 | 0.289 |
| 130 | 01/22/15 | Purchase | 10.00 | GA | FHLB | 02/22/16 | 0.27001 |
| 131 | 01/22/15 | Purchase | 20.00 | CP | NORDEA BANK | 07/20/15 | 0.245 |
| 132 | 01/26/15 | Purchase | 20.00 | YCD | CHIBA BANK | 06/22/15 | 0.29 |
| 133 | 01/26/15 | Purchase | 25.00 | YCD | STANDARD CHARTERED BANK NY | 06/22/15 | 0.29 |
| 134 | 01/27/15 | Sale | 5.00 | MTN | 3 M COMPANY | 06/26/17 | 0.85397 |
| 135 | 01/27/15 | Purchase | 5.00 | GA | FHLB DISCOUNT NOTE | 07/22/15 | 0.10144 |
| 136 | 01/27/15 | Purchase | 25.00 | YCD | STANDARD CHARTERED BANK NY | 07/22/15 | 0.32 |
| 137 | 01/27/15 | Purchase | 20.00 | YCD | NATIONAL BANK OF KUWAIT NY | 06/22/15 | 0.32 |
| 138 | 01/28/15 | Purchase | 0.600 | MUNI | CA ST DEPT OF WTR RESOURCES | 12/01/16 | 0.660 |
| 139 | 01/28/15 | Purchase | 20.00 | YCD | STANDARD CHARTERED BANK NY | 07/22/15 | 0.32 |



VENTURA COUNTY TREASURY OVERSIGHT COMMITTEE

Date: March 25, 2015

Agenda Item #9 – Approval of a Recommendation to the Board of Supervisors to Renew the Current Delegation of Authority to Invest from May 2, 2015 through June 30, 2015; and Approval of a Recommendation to the Board of Supervisors to Renew the Delegation of Authority to Invest from July 1, 2015 through June 30, 2016.

Background

A delegation of authority to invest must be reviewed and renewed by the Board of Supervisors annually pursuant to Government Code Section 53607.

Resolution #14-020 of the Board of Supervisors of the County of Ventura (“Board”) renewing the delegation of authority to the Treasurer to invest or reinvest the funds of the County and the funds of other depositors in the County Treasury was adopted and passed on April 22, 2014. This delegation took effect May 2, 2014 and will expire on May 2, 2015 (Exhibit 9.1).

The Investment Policy (Exhibit 9.2), adopted by the Board of Supervisors in December 2014, is attached for the Treasury Oversight Committee (“Committee”) perusal.

Recommendations

It is recommended that the Committee take two separate actions to effectuate and align the annual renewal with the fiscal year, for operational efficiency.

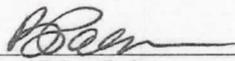
1. Approval to recommend to the Board to renew the current delegation of authority to invest for a short period, from May 2, 2015 through June 30, 2015; AND
2. Approval to recommend to the Board to renew the short-term delegation of authority to invest that will expire on June 30, 2015 effective July 1, 2015 through June 30, 2016.

BOARD MINUTES
BOARD OF SUPERVISORS, COUNTY OF VENTURA, STATE OF CALIFORNIA

SUPERVISORS STEVE BENNETT, LINDA PARKS,
KATHY I. LONG, PETER C. FOY AND JOHN ZARAGOZA
April 22, 2014 at 10:00 a.m.

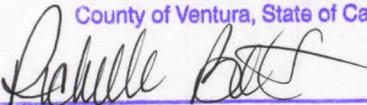
Adoption of a Resolution to Renew the Delegation of Authority to the Treasurer to Invest or Reinvest the Funds of the County and the Funds of All Depositors in the County Treasury. (Treasurer-Tax Collector)

- (X) All Board members are present.
- (X) The following person is heard: Steven Hintz.
- (X) Upon motion of Supervisor Zaragoza, seconded by Supervisor Bennett, and duly carried, the Board hereby approves the recommendation as stated in the Board letter.

By: 
Brian Palmer
Chief Deputy Clerk of the Board

I hereby certify that the annexed instrument is a true and correct copy of the document which is on file in this office.

Dated: MICHAEL POWERS
Clerk of the Board of Supervisors
County of Ventura, State of California

By: 
Deputy Clerk of the Board





TREASURER-TAX COLLECTOR VENTURA COUNTY

EXHIBIT 9.1

STEVEN HINTZ
TREASURER
TAX COLLECTOR

Linda Catherine Le, MPPA
Assistant Treasurer-Tax Collector

April 22, 2014

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

SUBJECT: Delegation of Authority to Invest

RECOMMENDATION:

Adoption of the Attached Resolution to Renew the Delegation of Authority to the Treasurer to Invest or Reinvest the Funds of the County and the Funds of All Depositors in the County Treasury.

FISCAL/MANDATES IMPACT:

There is no fiscal impact to the County of Ventura.

DISCUSSION:

Pursuant to Government Code Section 27000.1, the Board may, by ordinance, delegate to the Treasurer the authority to invest or reinvest the funds of the County and the funds of all depositors in the County Treasury. This delegation must be reviewed by the Board of Supervisors annually, and may be renewed each year by resolution pursuant to Government Code Section 53607.

The most recent delegation was accomplished by resolution passed on April 23, 2013, pursuant to Government Code Section 53607, and became effective May 2, 2013. This delegation expires at 12:01 a.m., Pacific Standard Time, on May 2, 2014, unless renewed by your Board under the provisions of Government Code Section 53607. At its biannual meetings, the Treasury Oversight Committee reviews the County's investment policy and performance and has consistently supported annual renewal of this delegation. Further, as demonstrated by the monthly report on investments, the Treasurer continues to successfully implement the County's investment policy and achieve its objectives of safety, liquidity and earning a competitive rate of return. It is therefore, recommended that your Board renew the delegation of authority to invest for another one-year period. This delegation shall take effect May 2, 2014, and shall expire, unless earlier revoked, at 12:01 a.m., Pacific Standard Time, on May 2, 2015.

Board of Supervisors
April 22, 2014
Page 2

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

If you have any questions regarding this item, please call me at 654-3726.



Steven Hintz
Treasurer-Tax Collector

Exhibit – Delegation of Authority to Invest Resolution

RESOLUTION 14-020

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF VENTURA, RENEWING THE DELEGATION OF AUTHORITY TO THE TREASURER TO INVEST OR REINVEST THE FUNDS OF THE COUNTY AND THE FUNDS OF OTHER DEPOSITORS IN THE COUNTY TREASURY

WHEREAS, Pursuant to Government Code Section 27000.1, the Board may, by ordinance, delegate to the Treasurer the authority to invest or reinvest the funds of the County and the funds of all depositors in the County Treasury;

WHEREAS, A delegation of authority to invest must be reviewed by the Board of Supervisors annually, and may be renewed each year by resolution pursuant to Government Code Section 53607;

WHEREAS, the most recent delegation by the Board of Supervisors was accomplished by resolution, adopted April 23, 2013, effective May 2, 2013, and expires at 12:01 a.m., Pacific Standard Time, on May 2, 2014, unless renewed by your Board under the provisions of Government Code Section 53607;

WHEREAS, the Board of Supervisors has reviewed the delegation of authority to the Treasurer to invest funds and desires to renew this delegation for another year pursuant to Government Code Section 53607;

NOW, THEREFORE, BE IT RESOLVED, the Board hereby renews the delegation of authority to the Treasurer to invest or reinvest the funds of the County and the funds of all depositors in the County Treasury. This delegation shall take effect May 2, 2014 and shall expire, unless earlier revoked, at 12:01 a.m., Pacific Standard Time, on May 2, 2015.

Upon motion of Supervisor Zaragoza, seconded by Supervisor Bennett, and duly carried, the Board hereby adopts the foregoing resolution on April 22, 2014.

[Signature]
Chair, Board of Supervisors
County of Ventura

ATTEST:

MICHAEL POWERS
Clerk of the Board of Supervisors
County of Ventura, State of California

By: [Signature]
Deputy Clerk of the Board



VENTURA COUNTY

STATEMENT OF INVESTMENT POLICY

AS APPROVED DECEMBER 16, 2014



BOARD OF SUPERVISORS

SUPERVISOR STEVE BENNETT, DISTRICT 1, CHAIRMAN

SUPERVISOR LINDA PARKS, DISTRICT 2

SUPERVISOR KATHY I. LONG, DISTRICT 3

SUPERVISOR PETER C. FOY, DISTRICT 4

SUPERVISOR JOHN C. ZARAGOZA, DISTRICT 5

Judge Steven Hintz
Treasurer-Tax Collector

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 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.

SECURITIY 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 and as requested by the Treasurer-Tax Collector, all the firms are required to 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, any financial information regarding credit lines and debt support provided by the parent firm and any other data required.

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 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.

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 270 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.

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 375 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 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, cashiering, 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.

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 | 25% | 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) | 270 days | 30% | Yes |
| Negotiable Certificates of Deposit (NCD) | 186 days | 30% | Yes |
| Certificates of Deposits (CD) | 375 days | 30% | Yes |
| Local Agency Investment Fund (LAIF) | N/A | \$50 MM | |
| CalTrust/CAMP | | \$25 MM | |
| Cal-based Munis | 3 years or 1150 days | | |