

Treasurer's Monthly **INVESTMENT** JULY 2018 **REPORT**

From the Office of
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM
Orange County Treasurer



COUNTY OF ORANGE

TREASURER'S INVESTMENT REPORT
For July 30, 2018

Table of Contents

I.	Memo to Board of Supervisors-Executive Summary	3
II.	Investment Pool Summary, Statistics and Charts, Fund Composition, Top Ten Participants	5
III.	Investment Objectives	12
	- <i>Safety - Investment Type/Credit Quality/Issuer Concentration/Issuer List</i>	
	- <i>Liquidity - Maturities Distribution</i>	
	- <i>Yield - Interest Rate Yield</i>	
IV.	Cash Availability Projection per California Government Code Section 53646(b)(3)	21
V.	Statement of Accountability	22
VI.	Investment Policy and Treasury Oversight Committee (TOC) Bylaws Compliance Summary	23
	- <i>Investment Policy Compliance Summary</i>	
	- <i>Investment Policy and TOC Bylaws Compliance Summary</i>	
	- <i>Noncompliance Detail</i>	
VII.	Portfolio Investment Inventory with Market Values	26
	- <i>Extended Fund, County and Educational Money Market Funds</i>	
	- <i>John Wayne Airport Investment Pool/Non-pooled Investments</i>	
	- <i>Investments with Trustees - CEO/Public Finance</i>	
	- <i>Investments with Trustees - John Wayne Airport</i>	
	- <i>Portfolio Holdings of Debt Issued by Pool Participants</i>	
	- <i>Temporary Transfers to School Districts</i>	
VIII.	Detailed Transaction Reports	65
	- <i>Transaction Report by Fund for all Funds</i>	
	- <i>Money Market Mutual Fund and LAIF Transactions</i>	
IX.	Distribution List	93



OFFICE OF THE TREASURER-TAX COLLECTOR
SHARI L. FREIDENRICH, CPA, CCMT, CPFA, ACPFIM



INTERDEPARTMENTAL COMMUNICATION

Date: August 17, 2018

To: Supervisor Andrew Do, Chairman
Supervisor Shawn Nelson, Vice-Chairman
Supervisor Michelle Steel
Supervisor Todd Spitzer
Supervisor Lisa Bartlett

From: Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM

Subject: Treasurer's Investment Report for the Month Ended July 31, 2018

Attached please find the Treasurer's Investment Report for the County of Orange for the month ended July 31, 2018. The County Treasurer provides this report in compliance with California Government Code Sections 53607, 53646, and 27134 and the County's Investment Policy Statement (IPS). We have included some charts and other data for your information including charts on fund composition and the top ten pool participants. This report is also publicly available on our website at ocgov.com/ocinvestments.

INVESTMENT POOL COMPOSITION

The investments contained within this report are as of July 31, 2018. The Investment Pool Statistics summary shows the total investment responsibility of the County Treasurer as delegated by the Board of Supervisors: the Orange County Investment Pool (OCIP) that includes the Voluntary Participants' funds, the Orange County Educational Investment Pool (OCEIP), the John Wayne Airport Investment Fund and various other non-Pooled investment funds. The investment practices and policies of the Treasurer are based on compliance with State law and prudent money management. The primary goal is to invest public funds in a manner which will provide maximum security of principal invested with secondary emphasis on providing adequate liquidity to Pool Participants and lastly to achieve a market rate of return within the parameters of prudent risk management while conforming to all applicable statutes and resolutions governing the investment of public funds.

The County Treasurer established three Money Market Funds, the Orange County Money Market Fund (OCMMF), the Orange County Educational Money Market Fund (OCEMMF), and the John Wayne Airport Investment Fund, which all are invested in cash-equivalent securities and provide liquidity for immediate cash needs. Standard & Poor's, on March 6, 2017, reaffirmed their highest rating of AAAM on the OCMMF and the OCEMMF. The County Treasurer also established the Extended Fund that is invested to meet cash needs between one and five years out. The Orange County Investment Pool is comprised of the Orange County Money Market Fund and portions of the Extended Fund. The Orange County Educational Investment Pool is comprised of the Orange County Educational Money Market Fund and portions of the Extended Fund.

The maximum maturity of investments for the OCMMF and the OCEMMF is 13 months, with a maximum weighted average maturity (WAM) of 60 days, and they have a current WAM of 58 and 56, respectively. The maximum maturity of investments for the John Wayne Airport Investment Fund is 15 months, with a maximum WAM of 90 days, and a current WAM of 82. The maximum maturity of the Extended Fund is five years, with duration not to exceed the Merrill Lynch 1-3 Year index +25% (2.30), and the duration is currently at 1.17. The investments in all of the funds are marked to market daily to determine the value of the funds. To further maintain safety, adherence to an investment strategy of only purchasing top-rated securities and diversification of instrument types and maturities is required.

ECONOMIC UPDATE

In July 2018, the job market added 157,000 new jobs, and June's job numbers were revised upward by 35,000 to 248,000. The U.S. unemployment rate for July decreased to 3.9% from 4.0% in the prior month. The U.S. Gross Domestic Product second quarter rate increased from the prior quarter rate of 2.0% to 4.1%. The Empire State

Mission: Ensure safe and timely receipt, deposit, collection and investment of public funds.

Manufacturing Index decreased to 22.6 from 25.0 in June, while the Philadelphia Fed Index increased to 25.7 from 19.9 in June. The Federal Reserve uses these indexes as regional economic gauges, and a reading above zero signals economic expansion. With respect to housing, S&P/CaseShiller reported that housing prices continue to show positive momentum as year-over-year prices increased for the seventy-third consecutive month in May up 6.38% from a year ago. The index for pending home sales decreased 4.0% on a year-over-year basis in June. As reported last month, on June 13, 2018, the Federal Open Markets Committee (FOMC) raised the benchmark Federal Funds rate by 0.25 percent resulting in a new target range of 1.75 percent to 2.00 percent.

The 10-year Treasury rate rose from 2.85% in June to 2.96% in July. The short-term 90-day T-bill increased from 1.93% at the end of June to 2.03% at the end of July. The rate on the 2-year Treasury note was 2.67% at the end of July, up from 2.52% in June.

INVESTMENT INTEREST YIELDS AND FORECAST

The current gross interest yield year-to-date for fiscal year 2018/2019 is 1.64% for OCIP and 1.68% for OCEIP. The current net yield for fiscal year 2018/2019 is 1.58 for OCIP and 1.62% for OCEIP. The forecasted net yield for fiscal year 2018/2019 for both OCIP and OCEIP is 1.81%.

APPORTIONMENT OF COMMINGLED POOL INTEREST EARNINGS

Each month, the County Treasurer apportions the accrued interest earnings to each pool participant. As of the first business day of the following month accrued, but unpaid, interest earnings are added to pool participants' average balances in determining a participant's relative share of the pool's monthly earnings. The actual cash distribution will generally be paid in the month following. The May 2018, June 2018, and July 2018 interest apportionments are expected to be paid in August 2018, September 2018 and October 2018, respectively. The investment administrative fee (Fee) for fiscal year 2018/2019 is estimated at 5.9 basis points.

TEMPORARY TRANSFERS

The County Treasurer, as required by Constitution Article XVI, Section 6, and per the Board of Supervisor's Resolution 15-016, is authorized to make temporary transfers to school districts to address their short-term cash flow needs. The loans are secured by tax receipts to be received by the County Treasurer, as the banker for the school districts. There are no temporary transfers outstanding as of July 31, 2018.

PORTFOLIO HOLDINGS OF DEBT ISSUED BY POOL PARTICIPANTS

Under guidelines outlined in the current IPS, the County Treasurer may invest in "A" or above rated securities issued by municipalities. Municipal debt issued by the County of Orange is exempt from this credit rating requirement. The Investment Pools may invest no more than 5% of individual pool assets in any one issuer, with the exception of the County of Orange which has a 10% limit. The Investment Pools have a total market value of \$357 million in County of Orange debt, which represents approximately 4.2% of total pooled assets. Prior to purchasing any pool participant debt, a standardized credit analysis is performed.

COMPLIANCE SUMMARY

The investment portfolios had two IPS compliance exceptions in the month of July. On July 30, 2018, the OCIP (in its short-term pool OCMMF) had 21.42% in the Money Market Mutual Funds investment category exceeding the limit of 20% and the OCIP (in its short-term pool OCMMF) had a weighted average maturity (WAM) of 65.11, exceeding the 60 day limit for short-term pools. On the next business day, these violations were cured, and OCIP was back in compliance on July 31st. These compliance exceptions were self-identified on July 30th by the County Treasurer. The County Treasurer is reviewing the investment processes to strengthen the system so that these do not happen again.

CREDIT UPDATE

During July, there were six changes to the Treasurer's Approved Issuer List. The Credit Investment Committee placed Walmart Inc. on hold and removed the Orange County CA Pension Obligation 2017 A bonds as they matured on June 29, 2018. The four other changes occurred when Moody's upgraded their credit ratings and outlooks on two issuers that the Credit Investment Committee had previously placed on hold prior to being downgraded. An ongoing credit analysis of all issuers owned in the Investment Pools is reviewed on a daily, monthly, quarterly, and annual basis.

I certify that this report includes all pooled and non-pooled investments as of July 31, 2018 and is in conformity with all State laws and the IPS approved by the Board of Supervisors on November 14, 2017. The investments herein shown provide adequate liquidity to meet the next six months of projected cash flow requirements. I am available if you have any questions on this Investment Report at (714) 834-7625.

Enclosures
cc: Distribution List

ORANGE COUNTY TREASURER-TAX COLLECTOR

SUMMARY OF INVESTMENT DATA

INVESTMENT TRENDS

	JULY 2018	JUNE 2018	INCREASE (DECREASE)	NET CHANGE %	JULY 2017	INCREASE (DECREASE)	NET CHANGE %
Orange County Investment Pool (OCIP)							
End Of Month Market Value ¹	\$ 3,699,655,626	\$ 4,018,864,086	\$ (319,208,460)	-7.94%	\$ 3,747,344,022	\$ (47,688,396)	-1.27%
End Of Month Book Value ¹	\$ 3,720,637,614	\$ 4,039,514,424	\$ (318,876,810)	-7.89%	\$ 3,753,831,847	\$ (33,194,233)	-0.88%
Monthly Average Balance	\$ 3,957,348,486	\$ 4,344,890,956	\$ (387,542,470)	-8.92%	\$ 3,959,368,022	\$ (2,019,536)	-0.05%
Year-To-Date Average Balance ²	\$ 3,957,348,486	\$ 4,480,291,250	\$ (522,942,764)	-11.67%	\$ 3,959,368,022	\$ (2,019,536)	-0.05%
Monthly Accrued Earnings ³	\$ 5,532,831	\$ 5,708,843	\$ (176,012)	-3.08%	\$ 3,646,310	\$ 1,886,521	51.74%
Monthly Net Yield ³	1.58%	1.54%	0.04%	2.79%	1.02%	0.56%	55.20%
Year-To-Date Net Yield ³	1.58%	1.22%	0.36%	29.80%	1.02%	0.56%	55.25%
Annual Estimated Gross Yield ⁴	1.87%	1.28%	0.59%	46.09%	1.28%	0.59%	46.09%
Weighted Average Maturity (WAM)	380	350	30	8.57%	364	16	4.40%
Orange County Educational Investment Pool (OCEIP)							
End Of Month Market Value ¹	\$ 4,894,537,916	\$ 4,932,226,510	\$ (37,688,594)	-0.76%	\$ 4,624,742,969	\$ 269,794,947	5.83%
End Of Month Book Value ¹	\$ 4,917,462,588	\$ 4,953,551,827	\$ (36,089,239)	-0.73%	\$ 4,631,366,007	\$ 286,096,581	6.18%
Monthly Average Balance	\$ 4,991,639,662	\$ 4,876,022,430	\$ 115,617,232	2.37%	\$ 4,739,317,357	\$ 252,322,305	5.32%
Year-To-Date Average Balance	\$ 4,991,639,662	\$ 4,634,872,915	\$ 356,766,747	7.70%	\$ 4,739,317,357	\$ 252,322,305	5.32%
Monthly Accrued Earnings ³	\$ 7,146,878	\$ 6,650,118	\$ 496,760	7.47%	\$ 4,335,290	\$ 2,811,588	64.85%
Monthly Net Yield ³	1.62%	1.59%	0.03%	1.70%	1.02%	0.60%	58.53%
Year-To-Date Net Yield ³	1.62%	1.24%	0.38%	30.41%	1.02%	0.60%	58.54%
Annual Estimated Gross Yield ⁴	1.87%	1.30%	0.57%	43.85%	1.30%	0.57%	43.85%
Weighted Average Maturity (WAM)	323	302	21	6.95%	321	2	0.62%

¹ Market values provided by Bloomberg and Northern Trust. The OCIP and OCEIP market values are slightly lower than book value due to the several Federal Reserve short-term rate increases totaling 1.50% since November 2016. Note that, as disclosed on page 6, the OCIP has a NAV of .99 and the OCEIP has a net asset value (NAV) of 1.00. They both have sufficient liquidity to meet projected cash flow needs.

² The one-month July average is significantly less than the FY 2017/2018 yearly averages, consistent with prior years as the summer months have the lowest pool balances during the year.

³ In July 2018, OCIP and OCEIP Monthly Accrued Earnings, Monthly Net Yields, and Year-To-Date Net Yields were higher than prior year and also July Year-To-Date Net Yields higher than prior month primarily due to the continued increases in the Federal Reserve short-term rates.

⁴ The OCIP and OCEIP Annual Estimated Gross Yields for June 2018 and July 2017 are reported at the actual annual gross yields for FY 17/18, and their Annual Estimated Gross Yield for July 2018 is reported at the latest forecasted gross yield of 1.87%.

ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POOL STATISTICS
FOR THE MONTH ENDED: July 31, 2018

INVESTMENT STATISTICS - By Investment Pool ⁽¹⁾					
DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 7/31/18	MONTHLY Gross Yield	Current NAV ⁽⁵⁾
<u>COMBINED POOL BALANCES (includes the Extended Fund)</u>					
	MARKET Value \$ 3,699,655,626	380	1.72%	1.64%	0.99 ⁽⁶⁾
	COST (Capital) \$ 3,721,709,436				
	MONTHLY AVG Balance \$ 3,957,348,486				
Orange County Investment Pool (OCIP)	BOOK Value \$ 3,720,637,614				
	MARKET Value \$ 4,894,537,916	323	1.77%	1.68%	1.00
	COST (Capital) \$ 4,917,722,470				
	MONTHLY AVG Balance \$ 4,991,639,662				
Orange County Educational Investment Pool (OCEIP)	BOOK Value \$ 4,917,462,588				
INVESTMENT STATISTICS - Non Pooled Investments ⁽²⁾					
DESCRIPTION	CURRENT BALANCE ⁽³⁾	INVESTMENT BALANCES AT COST			
Specific Investment					
Funds:	MARKET Value \$ 106,043,732	John Wayne Airport Investment Fund	\$	51,135,133	
283, 505, FVSD, CCCD	COST (Capital) \$ 107,243,230	Fountain Valley School District Fund 40	\$	34,790,770	
	MONTHLY AVG Balance \$ 106,873,389	Repurchase Agreement ⁽³⁾	\$	1,081,500	
	BOOK Value \$ 107,136,104	CCCD Series 2017E Bonds	\$	20,235,827	
					\$ 107,243,230
MONTH END TOTALS					
INVESTMENTS & CASH			INVESTMENTS & CASH		
<u>COUNTY MONEY MARKET FUND (OCMMF)</u>					
County Money Market Fund	\$ 518,751,835	OCIP	\$	3,726,321,612	
County Cash	\$ 4,612,176	OCEIP	\$	4,929,593,655	
<u>EXTENDED FUND</u>	\$ 6,691,761,504	Specific Investment Funds	\$	107,243,230	
<u>EDUCATIONAL MONEY MARKET FUND (OCEMMF)</u>		Non-Pooled Cash	\$	17,918,236	
Educational Money Market Fund	\$ 1,428,918,567				
Educational Cash	\$ 11,871,185				
<u>NON-POOLED INVESTMENTS & CASH</u>					
Non-Pooled Investments	\$ 107,243,230				
Non-Pooled Cash	\$ 17,918,236				
	\$ 8,781,076,733				\$ 8,781,076,733
KEY POOL STATISTICS					
INTEREST RATE YIELD			WEIGHTED AVERAGE MATURITY (WAM)		
OCMMF - MONTHLY GROSS YIELD	1.64%	OCMMF		58	
OCEMMF - MONTHLY GROSS YIELD	1.77%	OCEMMF		56	
JOHN WAYNE AIRPORT - MONTHLY GROSS YIELD	1.88%	JOHN WAYNE AIRPORT WAM		82	
OCIP - YTD NET YIELD ⁽⁴⁾	1.58%	LGIP WAM (Standard & Poors)		39	
OCEIP - YTD NET YIELD ⁽⁴⁾	1.62%				
90-DAY T-BILL YIELD - MONTHLY AVERAGE	1.97%				

ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POOL STATISTICS
FOR THE MONTH ENDED: July 31, 2018

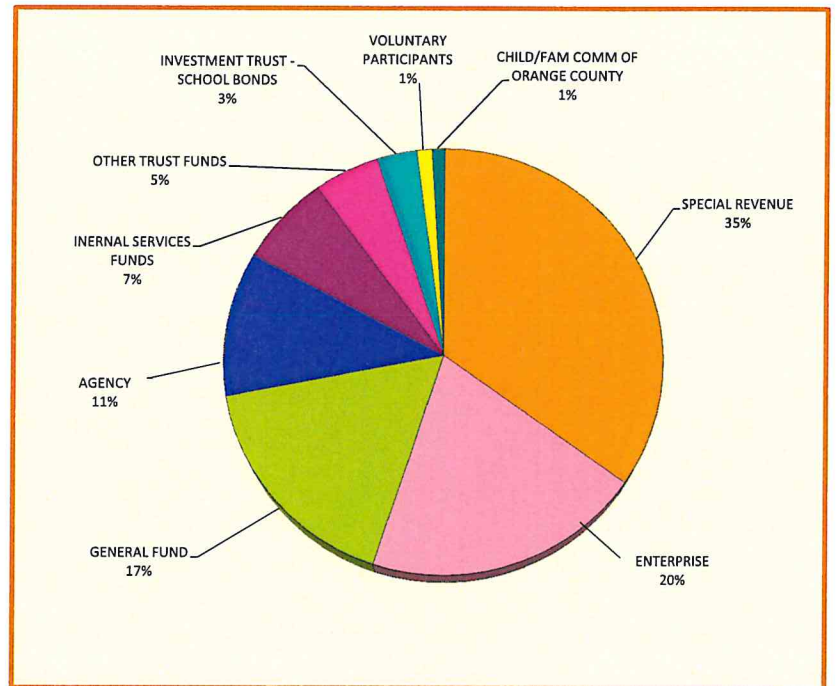
INVESTMENT STATISTICS - By Investment Fund

DESCRIPTION	CURRENT BALANCES	Average Days to Maturity	Daily Yield as of 7/31/18	MONTHLY Gross Yield	Current NAV ⁽⁵⁾
<u>County Money Market Fund (OCMMF)</u>	MARKET Value \$ 519,462,662 COST (Capital) \$ 518,751,835 MONTHLY AVG Balance \$ 683,611,078 BOOK Value \$ 519,393,752	58	1.87%	1.64%	1.00
<u>Educational Money Market Fund (OCEMMF)</u>	MARKET Value \$ 1,430,530,269 COST (Capital) \$ 1,428,918,567 MONTHLY AVG Balance \$ 1,503,241,675 BOOK Value \$ 1,430,525,366	56	1.94%	1.77%	1.00
<u>Extended Fund</u>	MARKET Value \$ 6,644,200,611 COST (Capital) \$ 6,691,761,504 MONTHLY AVG Balance \$ 6,762,135,395 BOOK Value \$ 6,688,181,084	432	1.69%	1.65%	0.99 ⁽⁶⁾
ALLOCATION OF EXTENDED FUND					
<u>Extended Fund</u> <u>OCIP Share</u>	MARKET Value \$ 3,180,192,964 COST (Capital) \$ 3,202,957,601 MONTHLY AVG Balance \$ 3,273,737,408 BOOK Value \$ 3,201,243,862	432	1.69%	1.65%	0.99
<u>OCEIP Share</u>	MARKET Value \$ 3,464,007,647 COST (Capital) \$ 3,488,803,903 MONTHLY AVG Balance \$ 3,488,397,987 BOOK Value \$ 3,486,937,222	432	1.69%	1.65%	0.99
<u>Modified Duration</u>	1.17				

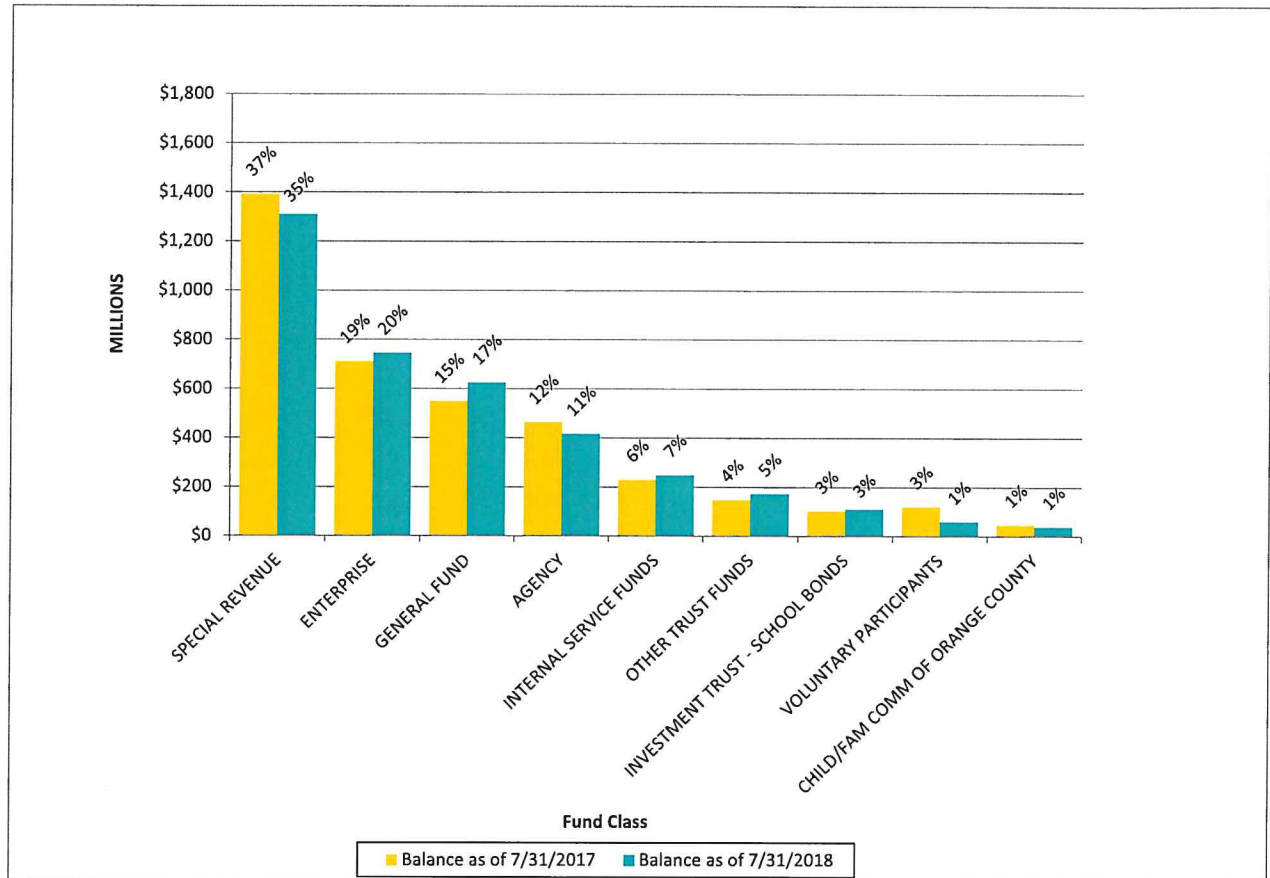
- (1) The Combined Pool Balances include the County and Educational Money Market Funds and their respective portions of the Extended Fund.
- (2) Specific non-pooled investments are reported in compliance with Government Code Section 53646 (b)(1). Detailed descriptions are included in the inventory listing in Section VII of this report.
- (3) This investment was liquidated July 9, 2018, but not recorded in the County books until August, 2018. The related bonds, Series A of 1997 Special Tax Bonds of Community Facilities District No. 87-4 (Foothill Ranch), were paid off August 15, 2018.
- (4) The Net Yield differs from the Monthly Gross Yield as it includes the Treasury Investment administrative fees.
- (5) Book Value is computed as Cost reduced by amortization of premium and increased by the accretion of discount of the Investment Portfolio. Net Asset Value (NAV) is equal to Market Value divided by Book Value.
- (6) The OCIP market values in the current year have caused the current NAV to drop to .99, as the Extended Fund represents 86% of the OCIP and its NAV is .99. The Extended Fund generally purchases investments between 1 and 5 years and the decrease in NAV of 1% is due to several Federal Reserve short-term rate increases totaling 1.50% since November 2016. The OCIP does have sufficient liquidity to meet projected cash flow needs.

**ORANGE COUNTY INVESTMENT POOL
COMPOSITION BY FUND
AS OF JULY 31, 2018**

FUNDS	BALANCE
SPECIAL REVENUE	\$ 1,310,415,891
ENTERPRISE	746,195,600
GENERAL FUND	625,593,532
AGENCY	416,507,811
INTERNAL SERVICE FUNDS	248,357,459
OTHER TRUST FUNDS	172,168,294
INVESTMENT TRUST - SCHOOL BONDS	109,356,230
VOLUNTARY PARTICIPANTS	59,082,215
CHILD/FAM COMM OF ORANGE COUNTY	38,644,580
TOTAL	\$ 3,726,321,612

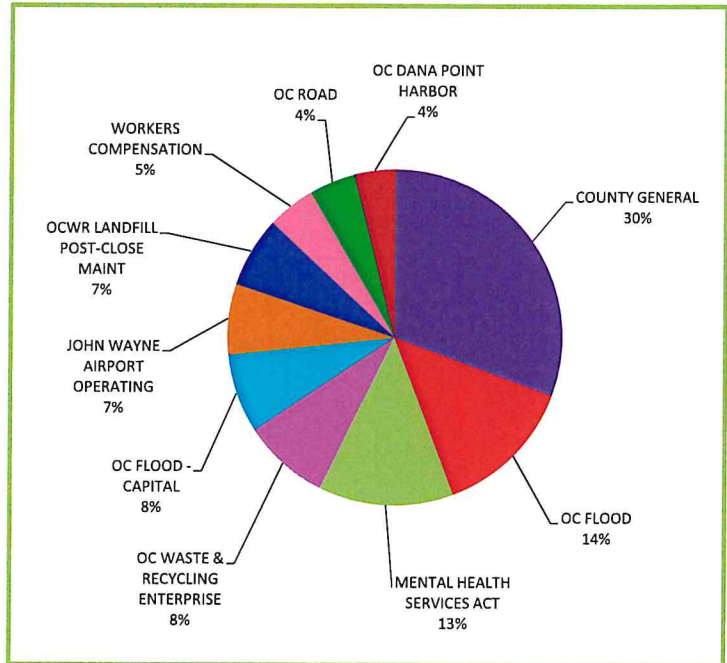


**ORANGE COUNTY INVESTMENT POOL
COMPOSITION BY FUND
AS OF JULY 31**



**ORANGE COUNTY INVESTMENT POOL
TOP TEN POOL PARTICIPANTS
AS OF JULY 31, 2018**

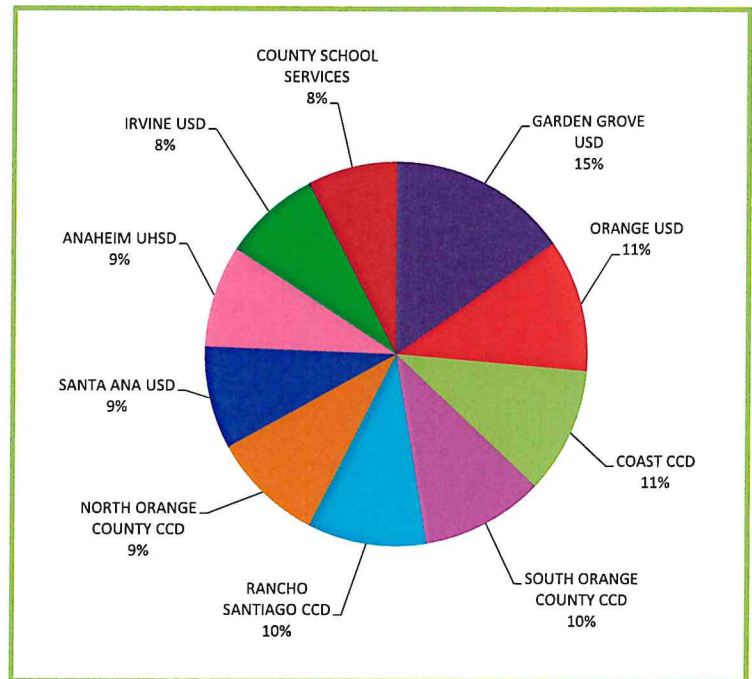
FUND #	FUND NAME	BALANCE
100	COUNTY GENERAL	\$ 585,270,497
400	OC FLOOD	260,250,826
13Y	MENTAL HEALTH SERVICES ACT	249,652,372
299	OC WASTE & RECYCLING ENTERPRISE	161,885,966
404	OC FLOOD - CAPITAL	145,905,661
280	JOHN WAYNE AIRPORT OPERATING	129,901,361
279	OCWR LANDFILL POST-CLOSE MAINT	129,392,192
293	WORKERS COMP	88,808,561
115	OC ROAD	86,668,864
108	OC DANA POINT HARBOR	75,059,829
TOTAL		\$ 1,912,796,129



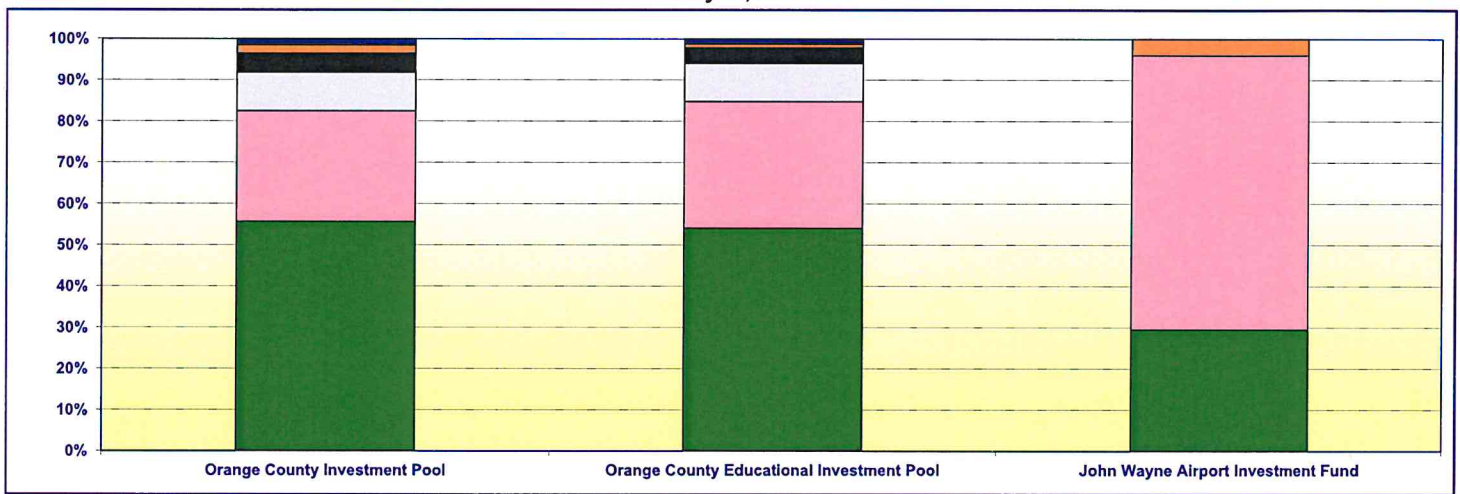
**ORANGE COUNTY EDUCATIONAL INVESTMENT POOL
TOP TEN POOL PARTICIPANTS
AS OF JULY 31, 2018**

DISTRICT #	SCHOOL DISTRICT	BALANCE ⁽¹⁾
72	GARDEN GROVE USD	\$ 477,709,580 (1)
80	ORANGE USD	352,864,996 (1)
90	COAST CCD	334,141,712 (1)
96	SOUTH ORANGE COUNTY CCD	326,405,322
92	RANCHO SANTIAGO CCD	317,420,611 (1)
88	NORTH ORANGE COUNTY CCD	298,574,685 (1)
84	SANTA ANA USD	272,560,586 (1)
64	ANAHEIM UHSD	270,736,040 (1)
75	IRVINE USD	257,945,780 (1)
94	COUNTY SCHOOL SERVICES	239,599,720
TOTAL		\$ 3,147,959,032

(1) BALANCES INCLUDE GENERAL OBLIGATION BONDS PROCEEDS



ORANGE COUNTY TREASURER - TAX COLLECTOR
BY INVESTMENT TYPE - By Percentage Holdings
July 31, 2018



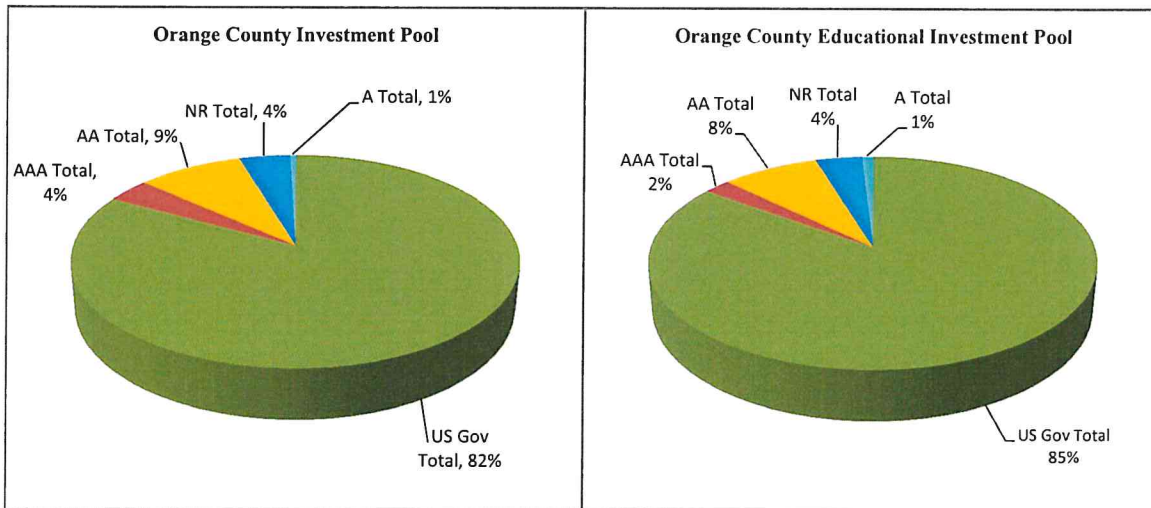
Orange County Investment Pool		
	In Thousands	%
U. S. GOVERNMENT AGENCIES	\$ 2,056,565	55.59%
U. S. TREASURIES	993,129	26.84%
MEDIUM-TERM NOTES	346,291	9.36%
MUNICIPAL DEBT	170,705	4.62%
MONEY MARKET MUTUAL FUNDS	75,275	2.03%
CERTIFICATES OF DEPOSIT	53,015	1.43%
LOCAL AGENCY INVESTMENT FUND	4,676	0.13%
	<u>\$ 3,699,656</u>	<u>100.00%</u>

Orange County Educational Investment Pool		
	In Thousands	%
U. S. GOVERNMENT AGENCIES	\$ 2,645,157	54.04%
U. S. TREASURIES	1,506,869	30.79%
MEDIUM-TERM NOTES	450,112	9.20%
MUNICIPAL DEBT	185,940	3.80%
MONEY MARKET MUTUAL FUNDS	43,621	0.89%
CERTIFICATES OF DEPOSIT	57,746	1.18%
LOCAL AGENCY INVESTMENT FUND	5,093	0.10%
	<u>\$ 4,894,538</u>	<u>100.00%</u>

John Wayne Airport Investment Fund		
	In Thousands	%
U. S. GOVERNMENT AGENCIES	\$ 15,099	29.50%
U. S. TREASURIES	34,042	66.50%
MONEY MARKET MUTUAL FUNDS	2,049	4.00%
	<u>\$ 51,190</u>	<u>100.00%</u>

Calculated Using Market Value at 7/31/2018

ORANGE COUNTY TREASURER - TAX COLLECTOR
CREDIT QUALITY BY MARKET VALUE
 July 31, 2018



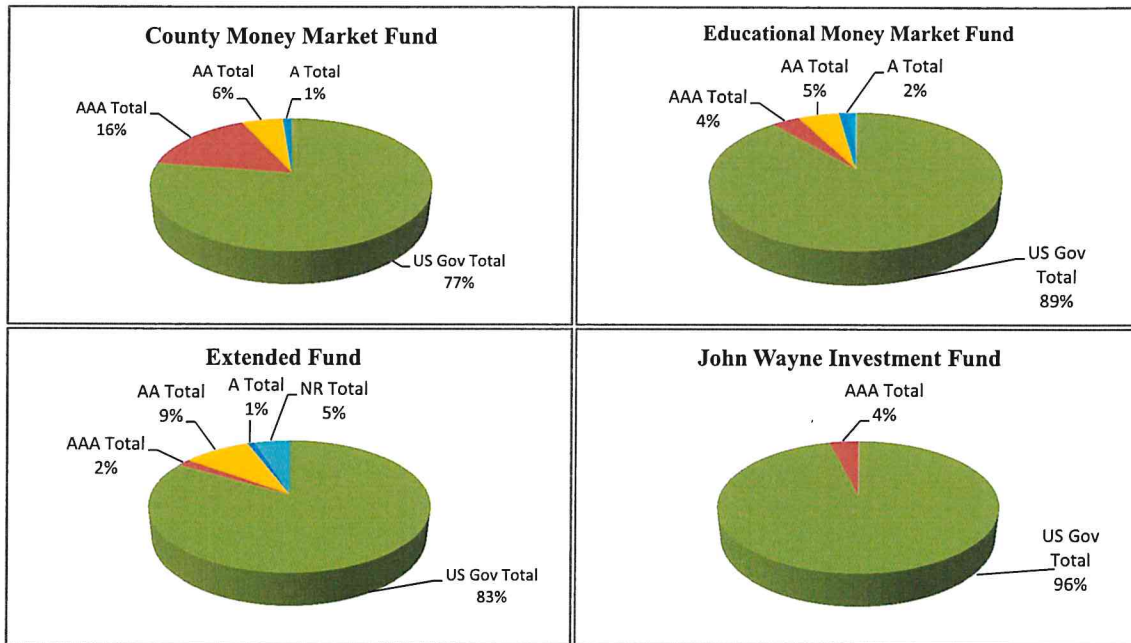
US GOV Includes Agency & Treasury Debt

AA includes AA+, AA-, & AA

A includes A+, A-, & A

NR Includes LAIF and Orange County Pension Obligation Bonds

ORANGE COUNTY TREASURER - TAX COLLECTOR
CREDIT QUALITY BY MARKET VALUE
 July 31, 2018



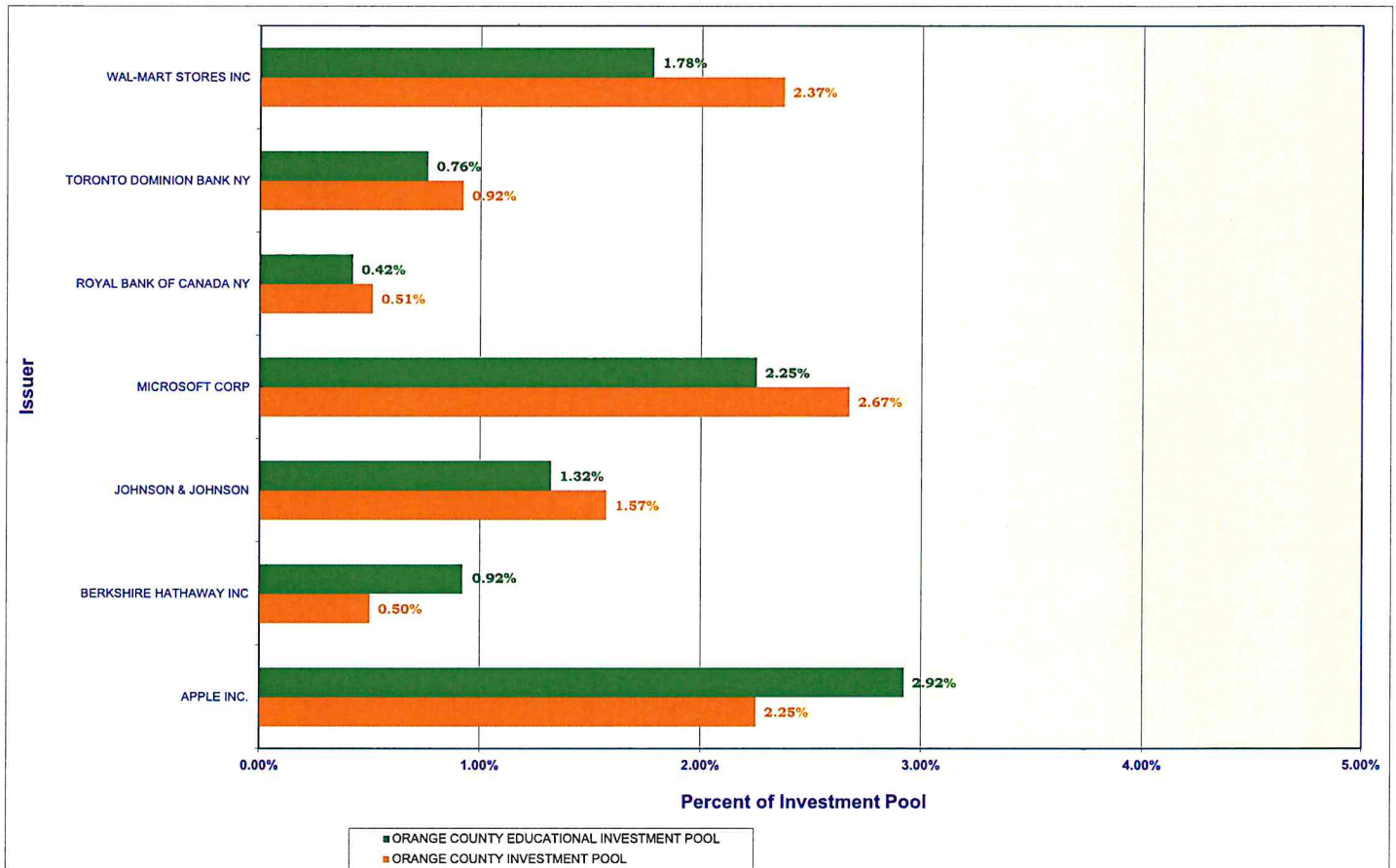
US GOV Includes Agency & Treasury Debt

AA includes AA+, AA-, & AA

A includes A+, A-, & A

NR Includes LAIF and Orange County Pension Obligation Bonds

ORANGE COUNTY TREASURER - TAX COLLECTOR
MEDIUM-TERM NOTES / CERTIFICATES OF DEPOSIT
ISSUER CONCENTRATION-By Investment Pool
 July 31, 2018



ORANGE COUNTY TREASURER-TAX COLLECTOR
APPROVED ISSUER LIST - OCIP, OCEIP, and JWA
 July 31, 2018

ISSUER	S/T RATINGS			L/T RATINGS		
	S&P	Moody's	Fitch	S&P	Moody's	Fitch
U.S. TREASURY SECURITIES						
U.S. GOVERNMENT	A-1+	P-1	F1+	AA+	Aaa	AAA
U.S. GOVERNMENT AGENCY SECURITIES						
FEDERAL NATIONAL MORTGAGE ASSOCIATION	A-1+	P-1	F1+	AA+	Aaa	AAA
FEDERAL HOME LOAN MORTGAGE CORPORATION	A-1+	P-1	F1+	AA+	Aaa	AAA
FEDERAL HOME LOAN BANKS	A-1+	P-1	NR	AA+	Aaa	NR
FEDERAL FARM CREDIT BANKS	A-1+	P-1	F1+	AA+	Aaa	AAA
MEDIUM-TERM NOTES						
APPLE INC	A-1+	P-1	NR	AA+	Aa1	NR
JOHNSON & JOHNSON	A-1+	P-1	F1+	AAA	Aaa	AAA
MICROSOFT CORPORATION	A-1+	P-1	F1+	AAA	Aaa	AA+
BERKSHIRE HATHAWAY INC *	A-1+	P-1	NR	AA	Aa2	A+
BERKSHIRE HATHAWAY FINANCE *	NR	NR	NR	NR	Aa2	A+
ISSUERS ON HOLD						
ROYAL BANK OF CANADA NY (JULY, 2016) **	A-1+	P-1	F1+	AA-	Aa2	AA
TORONTO DOMINION BANK NY (MARCH, 2017) ***	A-1+	P-1	F1+	AA-	Aa1	AA-
WALMART INC (JULY, 2018)****	A-1+	P-1	F1+	AA	Aa2	AA
MUNICIPAL BONDS						
ORANGE CNTY CA PENSION OBLG 2018 A	NR	NR	NR	NR	NR	NR
STATE POOL - LOCAL AGENCY INVESTMENT FUND						
LOCAL AGENCY INVESTMENT FUND	NR	NR	NR	NR	NR	NR
MONEY MARKET MUTUAL FUNDS *****						
NAME OF FUND	S & P	Moody's	Fitch			
INVESCO GOVERNMENT & AGENCY SHORT-TERM INVESTMENTS TRUST (AIM)	AAAm	Aaa-mf	AAAmf			
GOLDMAN SACHS FINANCIAL SQUARE GOVT FUND	AAAm	Aaa-mf	NR			
MORGAN STANLEY INSTITUTIONAL LIQUIDITY FUNDS - GOVT	AAAm	Aaa-mf	NR			
NORTHERN INSTITUTIONAL TREASURY PORTFOLIO	AAAm	NR	NR			

* Further purchase restrictions apply due to Investment Policy Statement rating limits.

** S&P changed its outlook from Negative to Stable on June 27, 2018. Moody's upgraded its L/T issuer credit rating from A1 to Aa2 and changed its outlook from Negative to Stable on July 16, 2018.

*** Moody's upgraded its L/T issuer credit rating from Aa2 to Aa1 and changed its outlook from Negative to Stable on July 16, 2018

**** S&P placed its L/T issuer credit rating on Negative Outlook (S&P - May 9, 2018).

***** All money market funds are institutional money market funds investing in debt issued or guaranteed by the U.S. Government and its agencies.

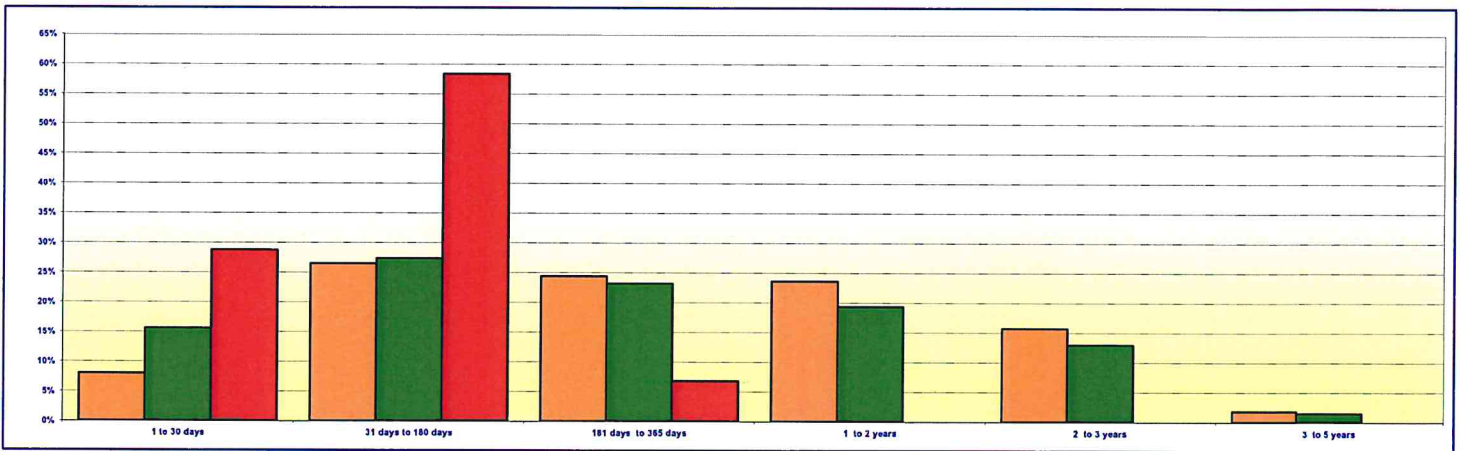
**Orange County Treasurer-Tax Collector
Changes in Approved Issuer's List
For the Month Ended July 31, 2018**

During July, there were six changes made to the Treasurer's Approved Issuer List.

- On July 16, 2018, Moody's upgraded Royal Bank of Canada NY's:
 - Outlook from Negative to Stable
 - L/T issuer rating from A1 to Aa2
- On July 16, 2018, Moody's upgraded Toronto Dominion Bank NY's:
 - Outlook from Negative to Stable
 - L/T issuer rating from Aa2 to Aa1
- In July, the Credit Investment Committee placed Walmart Inc. on hold.
- On July 1, 2018, the Orange County CA Pension Obligation 2017 A was removed as all associated debt matured June 29, 2018.

An ongoing credit analysis of all issuers owned in the Investment Pools is reviewed on a daily, monthly, quarterly, and annual basis.

ORANGE COUNTY TREASURER - TAX COLLECTOR
MATURITIES DISTRIBUTION
July 31, 2018

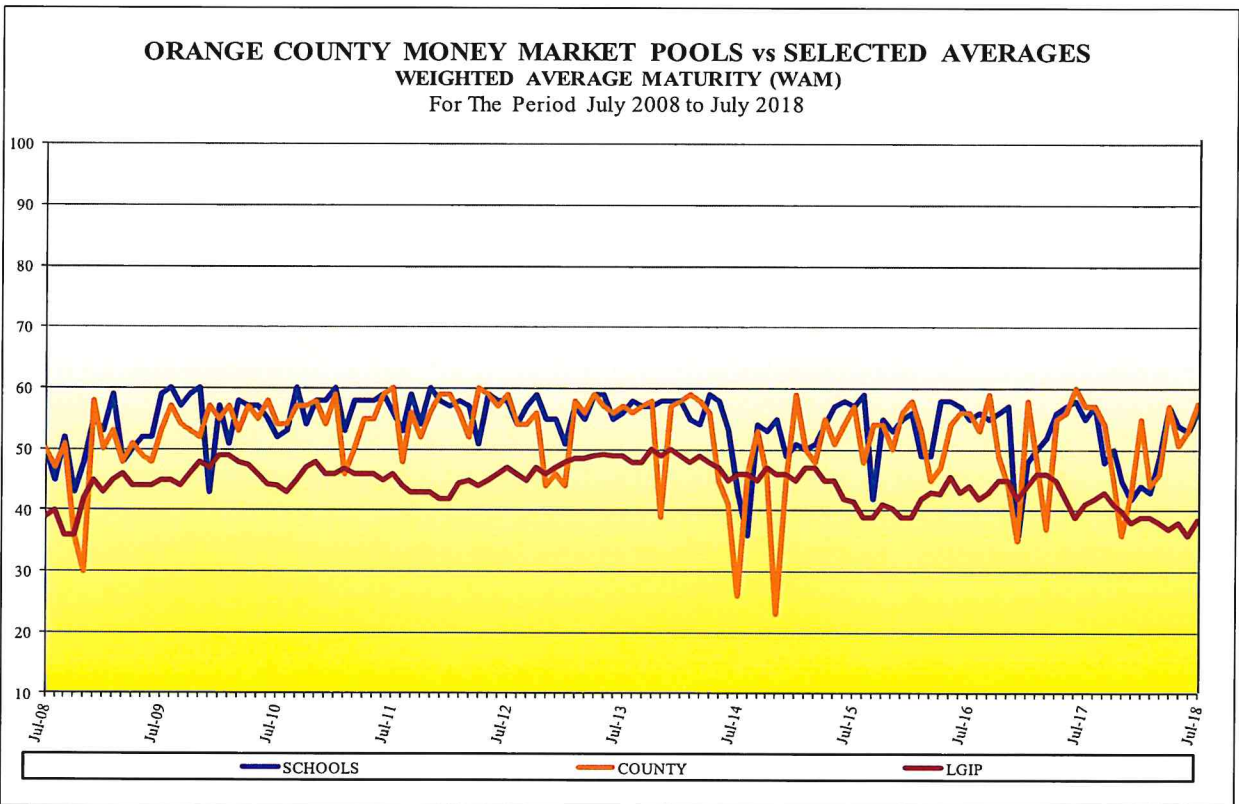
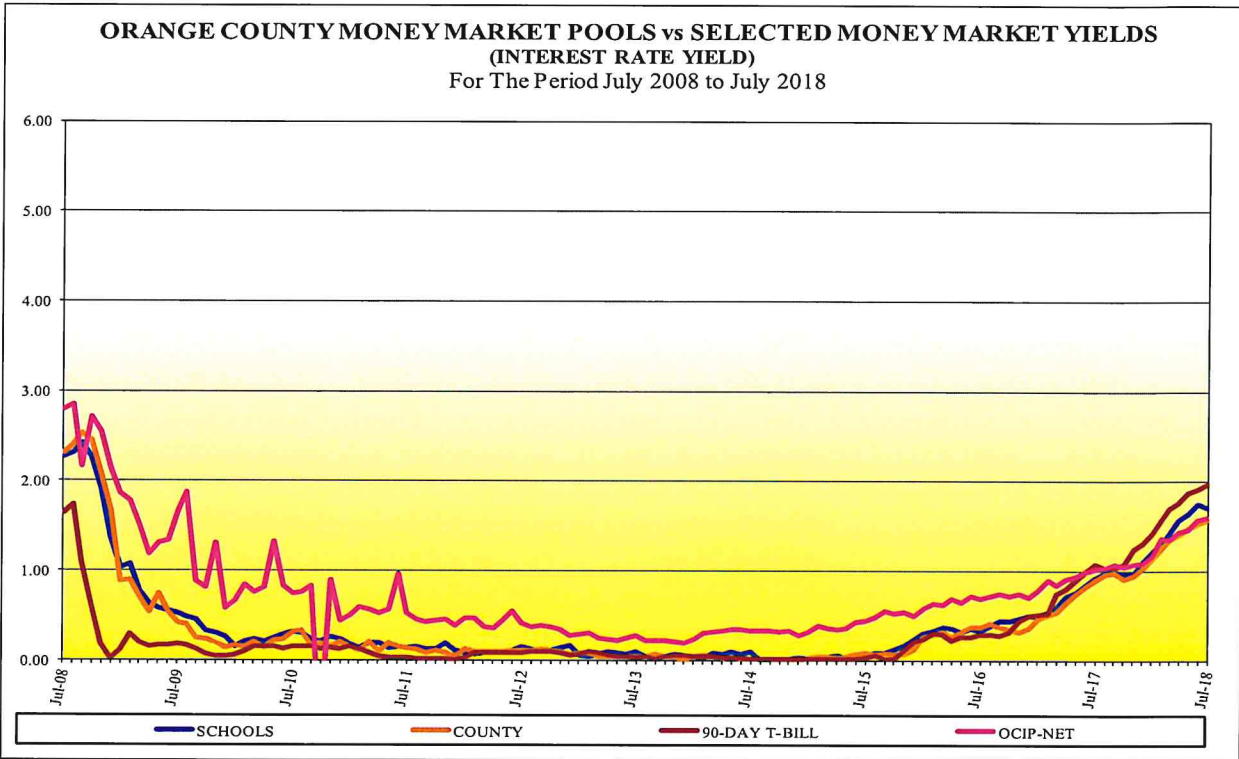


ORANGE COUNTY INVESTMENT POOL			
	In Thousands ¹		%
1 TO 30 DAYS	\$	298,359	8.01%
31 TO 180 DAYS		986,255	26.48%
181 TO 365 DAYS		907,893	24.38%
1 YEAR TO 2 YEARS		877,876	23.57%
2 YEARS TO 3 YEARS		586,056	15.73%
3 YEARS TO 5 YEARS		67,787	1.83%
TOTAL	\$	3,724,226	100.00%

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL			
	In Thousands ¹		%
1 TO 30 DAYS	\$	768,028	15.60%
31 TO 180 DAYS		1,347,737	27.38%
181 TO 365 DAYS		1,141,236	23.19%
1 YEAR TO 2 YEARS		952,972	19.36%
2 YEARS TO 3 YEARS		638,358	12.97%
3 YEARS TO 5 YEARS		73,837	1.50%
TOTAL	\$	4,922,168	100.00%

JOHN WAYNE AIRPORT INVESTMENT FUND			
	In Thousands ¹		%
1 TO 30 DAYS	\$	14,764	28.79%
31 TO 180 DAYS		29,925	58.35%
181 TO 365 DAYS		3,500	6.82%
1 YEAR TO 5 YEARS		3,100	6.04%
TOTAL	\$	51,289	100.00%

¹ Maturity Limits are calculated using face value.



•For the Month Ended July 31, 2018, S&P LGIP – 1.93; S&P LGIP WAM -39; 90-Day T-Bill – 1.97; OCIP – Net – 1.58

ORANGE COUNTY TREASURER-TAX COLLECTOR

INVESTMENT POOL YIELDS

August 1, 2017 - July 31, 2018

PERIOD ENDING - MONTH / YEAR	MONTH END MARKET VALUE	EARNINGS FOR MONTH	GROSS AVERAGE YIELD FOR MONTH	MONTH END WAM
<i>Current Month July 2018</i>				
County Pool - Money Market Fund	\$ 519,462,662	\$ 949,885	1.64%	58
Educational Pool - Money Market Fund	\$ 1,430,530,269	\$ 2,265,416	1.77%	56
Extended Fund	\$ 6,644,200,611	\$ 9,464,408	1.65%	432
<i>June 2018</i>				
County Pool - Money Market Fund	\$ 763,523,217	\$ 1,395,560	1.60%	53
Educational Pool - Money Market Fund	\$ 1,586,960,674	\$ 2,142,715	1.81%	53
Extended Fund	\$ 6,600,606,705	\$ 8,820,686	1.60%	419
<i>May 2018</i>				
County Pool - Money Market Fund	\$ 1,271,767,146	\$ 1,895,963	1.54%	51
Educational Pool - Money Market Fund	\$ 1,507,610,060	\$ 2,273,000	1.71%	54
Extended Fund	\$ 6,615,441,734	\$ 8,444,349	1.48%	414
<i>April 2018</i>				
County Pool - Money Market Fund	\$ 1,677,026,990	\$ 2,621,771	1.47%	57
Educational Pool - Money Market Fund	\$ 1,715,592,154	\$ 1,887,341	1.64%	57
Extended Fund	\$ 6,661,112,140	\$ 8,045,347	1.46%	397
<i>March 2018</i>				
County Pool - Money Market Fund	\$ 1,466,459,327	\$ 1,551,676	1.41%	46
Educational Pool - Money Market Fund	\$ 1,149,359,827	\$ 1,585,016	1.48%	49
Extended Fund	\$ 6,652,243,109	\$ 7,957,780	1.40%	415
<i>February 2018</i>				
County Pool - Money Market Fund	\$ 1,396,683,700	\$ 1,284,889	1.32%	44
Educational Pool - Money Market Fund	\$ 1,273,494,829	\$ 1,464,904	1.37%	43
Extended Fund	\$ 6,647,720,511	\$ 7,473,044	1.46%	428
<i>January 2018</i>				
County Pool - Money Market Fund	\$ 1,245,291,533	\$ 1,659,517	1.21%	55
Educational Pool - Money Market Fund	\$ 1,594,050,298	\$ 2,213,711	1.28%	44
Extended Fund	\$ 6,595,804,419	\$ 6,473,087	1.24%	423
<i>December 2017</i>				
County Pool - Money Market Fund	\$ 2,128,947,374	\$ 2,182,701	1.10%	43
Educational Pool - Money Market Fund	\$ 2,136,417,171	\$ 1,446,683	1.17%	42
Extended Fund	\$ 5,906,097,678	\$ 6,050,707	1.18%	375
<i>November 2017</i>				
County Pool - Money Market Fund	\$ 1,459,897,098	\$ 1,124,024	1.02%	36
Educational Pool - Money Market Fund	\$ 1,154,471,530	\$ 889,369	1.03%	45
Extended Fund	\$ 5,996,926,512	\$ 5,910,266	1.19%	399
<i>October 2017</i>				
County Pool - Money Market Fund	\$ 1,387,117,541	\$ 983,038	0.97%	45
Educational Pool - Money Market Fund	\$ 1,008,484,106	\$ 1,026,340	1.03%	50
Extended Fund	\$ 5,975,091,002	\$ 5,972,076	1.17%	416
<i>September 2017</i>				
County Pool - Money Market Fund	\$ 885,572,484	\$ 752,100	1.05%	54
Educational Pool - Money Market Fund	\$ 1,319,525,808	\$ 1,129,853	1.06%	48
Extended Fund	\$ 5,974,063,472	\$ 5,798,039	1.18%	443
<i>August 2017</i>				
County Pool - Money Market Fund	\$ 912,746,691	\$ 748,603	1.03%	57
Educational Pool - Money Market Fund	\$ 1,342,259,072	\$ 1,320,805	1.04%	57
Extended Fund	\$ 5,975,786,893	\$ 5,754,302	1.13%	454
Fiscal Year July 1, 2018 - June 30, 2019	Average Month End Market Value Balance	YTD Interest Income	YTD Gross Yield	YTD Average
Orange County Investment Pool	\$ 3,699,655,626	\$ 5,532,831	1.64%	380
Orange County Educational Investment Pool	\$ 4,894,537,916	\$ 7,146,878	1.68%	323

ORANGE COUNTY TREASURER-TAX COLLECTOR

CASH AVAILABILITY PROJECTION

FOR THE SIX MONTHS ENDING JANUARY 31, 2019

Government Code Section 53646 (b) (3), effective on January 1, 1996, requires the Treasurer-Tax Collector to include a statement in the investment report, denoting the ability of the Orange County Investment Pool (OCIP) and the Orange County Educational Investment Pool (OCEIP) to meet their expenditure requirements for the next six months.

The OCIP and OCEIP consist of funds in the treasury deposited by various entities required to do so by statute, as well as those entities voluntarily depositing monies in accordance with Government Code Section 53684.

The Treasurer-Tax Collector is required to disburse monies placed in the treasury as directed by the Auditor-Controller and the Department of Education, except for the making of legal investments, to the extent funds are transferred to one or more clearing funds in accordance with Government Code Section 29808.

The Treasurer-Tax Collector, in her projection of cash availability to disburse funds as directed by the Auditor-Controller and the Department of Education, is primarily relying on historical trends involving deposits and withdrawals and known future cash flows. No representation is made as to an individual depositor's ability to meet their anticipated expenditures with anticipated revenues.

The Cash Availability Projection for the six months ending January 31, 2019, indicates the ability of the pools to meet projected cash flow requirements. However, there will usually be differences between projected and actual results because events and circumstances frequently do not occur as expected and those differences may be material.

ORANGE COUNTY INVESTMENT POOL				
Month	Investment Maturities	Projected Deposits	Projected Disbursements	Cumulative Available Cash
July 2018 - Ending Cash				\$ 4,612,176
August	\$ 344,681,037	\$ 441,512,289	\$ 399,128,938	391,676,564
September	292,703,287	377,011,049	373,639,607	687,751,293
October	236,479,276	982,475,626	498,229,831	1,408,476,364
November	158,251,694	1,185,277,842	1,133,616,747	1,618,389,153
December	157,181,934	2,565,809,044	1,845,919,278	2,495,460,853
January	182,518,956	584,029,910	1,320,087,797	1,941,921,922

ORANGE COUNTY EDUCATIONAL INVESTMENT POOL				
Month	Investment Maturities	Projected Deposits	Projected Disbursements	Cumulative Available Cash
July 2018 - Ending Cash				\$ 11,871,185
August	\$ 1,017,857,598	\$ 264,553,363	\$ 604,262,951	690,019,195
September	417,890,039	566,974,481	607,365,625	1,067,518,090
October	336,761,533	315,686,564	712,298,064	1,007,668,123
November	134,535,266	756,452,721	698,090,277	1,200,565,833
December	111,629,079	1,427,899,972	493,718,171	2,246,376,713
January	218,963,235	634,942,623	933,847,073	2,166,435,498

ORANGE COUNTY TREASURER-TAX COLLECTOR
STATEMENT OF ACCOUNTABILITY
For the Month Ended July 31, 2018

	<u>Month</u>
Treasurer's Accountability at the Beginning of the Period:	\$ 9,387,613,004
Cash Receipts:	
County	388,349,635
School and Community College Districts	286,850,058
Total Cash Receipts	675,199,693
Cash Disbursements:	
County	712,764,284
School and Community College Districts	569,347,898
Total Cash Disbursements	1,282,112,182
Net Change in Cost Value of Pooled Assets	(606,912,489)
Net Increase in Non-Pooled Investments	218,168
Net Increase in Non-Pooled Cash	158,050
Treasurer's Accountability at the End of the Period:	\$ 8,781,076,733
Assets in the Treasury at the End of the Period (at Cost Value):	
Pooled Investments:	
Orange County Investment Pool	\$ 3,721,709,436
Orange County Educational Investment Pool	4,917,722,470
Total Pooled Investments	8,639,431,906
Non-Pooled Investments:	
Non-Pooled Investments - John Wayne Airport	51,135,133
Non-Pooled Investments - Fountain Valley School District Fund 40	34,790,770
Non-Pooled Investments - CCCD Series 2017E Bonds	20,235,827
Non-Pooled Investments - Other ⁽¹⁾	1,081,500
Total Non-Pooled Investments	107,243,230
Cash:	
Cash in banks - County	4,583,948
Cash in banks - Schools	11,871,185
Cash in banks - OC Sheriff	15,718,756
Cash in banks - John Wayne Airport	2,199,480
Cash - Other	28,228
Total Cash	34,401,597
Total Assets in the Treasury at the End of the Period:	\$ 8,781,076,733

⁽¹⁾ This investment was liquidated July 9, 2018, but not recorded in the County books until August, 2018. The related bonds, Series A of 1997 Special Tax Bonds of Community Facilities District No. 87-4 (Foothill Ranch), were paid off August 15, 2018.

**ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) COMPLIANCE SUMMARY
July 31, 2018**

Investment Policy (IPS) Guidelines		Orange County Money Market Fund		Extended Fund		Orange County Educational Money Market Fund		John Wayne Airport Investment Fund	
Diversification Limit	Investment Type	Market Value of Investments ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio	Market Value of Investments ⁽¹⁾	Percent of Portfolio
100%	U.S. Treasuries Securities	\$ 131,171,908	25.25%	\$ 1,800,838,640	27.10%	\$ 567,986,816	39.70%	\$ 34,042,382	66.50%
100%	U.S. Government Agency Securities	270,875,432	52.15%	3,730,742,873	56.15%	700,104,523	48.94%	15,098,898	29.50%
30%	Municipal Debt	-	0.00%	356,645,565	5.37%	-	0.00%	-	0.00%
30%	Medium-Term Notes	42,140,522	8.11%	635,443,822	9.56%	118,817,863	8.31%	-	0.00%
40%	Banker Acceptances	-	0.00%	-	0.00%	-	0.00%	-	0.00%
40%	Commercial Paper	-	0.00%	-	0.00%	-	0.00%	-	0.00%
30%	Negotiable Certificates of Deposits	-	0.00%	110,760,840	1.67%	-	0.00%	-	0.00%
\$65MM	Local Agency Investment Fund (LAIF)	-	0.00%	9,768,871	0.15%	-	0.00%	-	0.00%
20%	Repurchase Agreements	-	0.00%	-	0.00%	-	0.00%	-	0.00%
20%	Money Market Mutual Funds (MMMFs)	75,274,800	14.49%	-	0.00%	43,621,067	3.05%	2,048,518	4.00%
20%	Investment Pools	-	0.00%	-	0.00%	-	0.00%	-	0.00%
30%	Supranationals	-	0.00%	-	0.00%	-	0.00%	-	0.00%
		\$ 519,462,662	100.00%	\$ 6,644,200,611	100.00%	\$ 1,430,530,269	100.00%	\$ 51,189,798	100.00%

Investment Policy (IPS) Guidelines	Compliance Category (Yes/No)	Orange County Money Market Fund	Extended Fund	Orange County Educational Money Market Fund	John Wayne Airport Investment Fund
5%	Percentage Limits	Yes	Yes	Yes	Yes
20%	Issuer Limit	Yes	N/A	Yes ⁽²⁾	Yes
50%	Money Market Mutual Fund Issuer	No ⁽³⁾	N/A	Yes ⁽²⁾	Yes
See Above	Government Agencies Issuer	Yes ⁽⁴⁾	Yes ⁽⁴⁾	Yes ⁽⁴⁾	Yes ⁽⁴⁾
	Diversification Limit	Yes	Yes	Yes	Yes
60 Days	Maturity/Duration Limits	No/57.55 ⁽⁵⁾	N/A	Yes/56.31	N/A
90 Days	Weighted Average Maturity - Money Market Fund	N/A	N/A	N/A	Yes/81.53
>Merrill 1-3 Year Index+25% (2.30)	Weighted Average Maturity - JWA Investment Fund	N/A	N/A	N/A	N/A
13 Months/397 days	Duration ⁽⁵⁾	N/A	Yes/1.17	N/A	N/A
15 Months/458 days	Final Maturity - Money Market Fund	Yes/380	N/A	Yes/353	N/A
5 Years/1826 days	Final Maturity - John Wayne Airport Investment Fund	N/A	N/A	N/A	Yes/422
	Final Maturity - Extended Fund	N/A	Yes/1448	N/A	N/A
A-1/≥ A	Rating Limits	Yes	N/A	Yes	Yes
≥ A-1/P-1/F2	Money Market Fund Short Term/Long Term	Yes	N/A	Yes	Yes
A-1/≥ AA ⁽²⁾	Short Term Debt/No Split Ratings	N/A	Yes	N/A	N/A
Approved Issuer List	Extended Fund Short Term/Long Term	Yes	Yes	Yes	Yes
Broker/Dealer List	Authorized Issuer	Yes	Yes	Yes	Yes
0.995 - 1.005	Authorized Financial Dealer/Institution	Yes	Yes	Yes	Yes
	Net Asset Value - Money Market Fund and JWA	Yes/1.0001	N/A	Yes/1.0000	Yes/1.0008

(1) All investments are marked to market in compliance with the narrow valuation range prescribed by the IPS and market values are provided by Bloomberg Professional Services and Northern Trust.

(2) Excludes US Government Debt per the 2018 IPS policy approved by the Board of Supervisors on November 14, 2017 effective on January 1, 2018.

(3) Rating Agency requirements limit investment in each Money Market Mutual Fund to 10%.

(4) GSE issuers rated 'AA-' or higher with final maturities of 30 days or less are excluded from the calculation of the 50% limit per IPS for the Extended Fund and the JWA Investment Fund and from the Rating Agency limit of 33% for the two Money Market Funds.

(5) IPS states all pools, except short-term pools, shall have an effective duration not to exceed a leading 1-3 year index +25%. Duration provided above (1.17) is a modified duration, which does not take into consideration all embedded options such as callable bonds. This presentation is not considered materially different from the effective duration requirement specified in IPS.

(6) Percentage of MMMFs for the County of Orange was 21.24% on July 30, 2018 exceeding the 20% IPS limit. On July 31, 2018, percentage of MMMFs was at 14.49% and back in compliance with the IPS.

(7) WAM for the County of Orange was 65.11 on July 30, 2018 exceeding the 60 day IPS limit. On July 31, 2018, WAM was at 57.55 days and back in compliance with the IPS.

N/A Not applicable

Note: Compliance exceptions, if any, are noted by red shading for the specific IPS guideline and investment pool.

ORANGE COUNTY TREASURER-TAX COLLECTOR
INVESTMENT POLICY (IPS) AND TREASURY OVERSIGHT COMMITTEE (TOC) COMPLIANCE SUMMARY
July 31, 2018

COMPLIANCE CATEGORY	RESPONSIBLE PARTY	REGULATORY/POLICY GUIDELINES	CURRENT STATUS
Annual Compliance Audit	TOC	Performance Evaluation-Cal Govt. Code 27134	Calendar year 2016 and six months ended 6/30/17 in progress.
Quarterly Schedule of Assets Review	AC	Performance Evaluation-Cal Govt. Code 26920(a)	March 31, 2018 in progress.
Annual Schedule of Assets Audit	AC	Performance Evaluation-Cal Govt. Code 26920(b)	June 30, 2017 in progress.
Quarterly Continuous Compliance Auditing	TOC	TOC Directive	June 30, 2018 in progress.
Investment Administrative Fee	TTC	Compensation Agreement-Cal Govt. Code 27013	FY 16/17 and FY 17/18 in progress.
Annual Broker/Dealer Review	TTC	Authorized Financial Dealers and Qualified Institutions	Calendar year 2017 in progress.
Annual Broker/Dealer IPS Certification	TTC	Authorized Financial Dealers and Qualified Institutions	All 2018 IPS certifications received for active approved brokers.
IPS Compliance Deficiencies	TTC	Investment/Diversification/Maturity Restrictions/Form 700	FY 18/19 identified two compliance incidents as of July 31, 2018
TOC Bylaw Changes	BOS	TOC Review and BOS Annual Approval	The TOC reviewed Bylaws and made one change at the October 18, 2017 meeting. The BOS approved on November 14, 2017.
Annual IPS Approval	BOS	TOC Review and BOS Annual Approval	The TOC reviewed proposed IPS changes at the October 18, 2017 meeting and did not make any additional changes. The BOS approved on November 14, 2017.
TOC Annual Report	BOS	TOC Bylaws Rule 30 - Oral and Written Report	The TOC 2017 Annual Report was presented to BOS meeting on February 27, 2018.
Broker/Financial Institution List	TTC	OC Gift Ban Ordinance and Form 700	The TOC members were provided a list of active TTC Broker/Dealers and Financial Institutions at the TOC meeting on October 18, 2017.
Certificates of Compliance	TTC	TOC Bylaws Rule 34 - Annual	The TOC members are in compliance for calendar year 2018.
Ethics Training	TTC	TOC Bylaws Rule 34 - Every Two Years	The TOC members are in compliance for calendar year 2016 (one submitted in January 2017).
Conflict of Interest Form 700 Filing	TTC	TOC Bylaws Rule 34 / IPS - Every Year	All TOC members and designated employees are in compliance for calendar year 2017.

LEGEND	
Auditor-Controller	AC
Board of Supervisors	BOS
Treasury Oversight Committee	TOC
Office of Treasurer-Tax Collector	TTC

Orange County Treasurer-Tax Collector
Noncompliance Detail
For the Month Ended July 31, 2018

During July, the Orange County Educational Investment Pool (OCEIP) did not have any IPS compliance deficiencies. However, on July 30, 2018 the Orange County Investment Pool's (OCIP) short-term pool, the Orange County Money Market Fund (OCMMF), had two IPS compliance deficiencies.

Compliance Deficiency

Orange County Investment Pool

07-30-2018 (1) OCIP (in its short-term pool OCMMF) had 21.42% in the Money Market Mutual Funds (MMMF) investment category violating Section VIII.1 that has a 20% limit. (2) OCIP (in its short-term pool OCMMF) had a weighted average maturity (WAM) of 65.11 days violating Section VIII.2 (a) that has a 60 day limit on the WAM of any short-term pool.

The violations were cured by selling MMMF holdings on the next business day, and the portfolio was back in compliance on July 31st. These exceptions were detected on July 30th by the County Treasurer. The County Treasurer is reviewing the investment processes in order to strengthen the system so that they do not happen again.

MONTHLY TREASURER'S INVESTMENT REPORT

Distribution List

County of Orange Elected Officials

Honorable Sandra Hutchens, Sheriff-Coroner
Honorable Hugh Nguyen, Clerk-Recorder
Honorable Claude Parrish, Assessor
Honorable Anthony J. Rackauckas, Jr., District Attorney/Public Administrator
Honorable Eric Woolery, Auditor-Controller

Treasury Oversight Committee

Gary Capata
Frank Kim
Al Mijares
Laura Parisi
Richard Rohm
Eric Woolery

County of Orange Departments

Assessor
Auditor-Controller
Child Support Services
Clerk of the Board
Clerk-Recorder
County Counsel
County Executive Office
District Attorney/Public Administrator
Health Care Agency
Human Resources Services
Independent Review
In-Home Supportive Services
John Wayne Airport
OC Community Resources
OC Dana Point Harbor
OC Public Works
OC Waste & Recycling
Performance Audit
Probation
Public Defender
Registrar of Voters
Sheriff-Coroner
Social Services Agency

County Agencies

Children & Families Commission
Civic Center Commission
Law Library
Orange County Employees Retirement System
Orange County Cemetery District
Orange County Fire Authority
Orange County Transportation Authority
Transportation Corridor Agencies

State of California

CDIAC
Superior Court

Orange County School Districts

Orange County Department of Education
Anaheim City School District
Anaheim Union High School District
Brea-Olinda Unified School District
Buena Park School District
Capistrano Unified School District
Centralia School District

Cypress School District
Fountain Valley School District
Fullerton School District
Fullerton Joint Union High School District
Garden Grove Unified School District
Huntington Beach City School District
Huntington Beach Union High School District
Irvine Unified School District
Laguna Beach Unified School District
La Habra City School District
Los Alamitos Unified School District
Lowell Joint School District
Magnolia School District
Newport-Mesa Unified School District
Ocean View School District
Orange Unified School District
Placentia-Yorba Linda Unified School District
Saddleback Valley Unified School District
Santa Ana Unified School District
Savanna School District
Tustin Unified School District
Westminster School District

Orange County Community College Districts (CCD)

Coast Community CCD
North Orange County CCD
Rancho-Santiago CCD
South Orange County CCD

Orange County Regional Occupational Programs (ROP)

Capistrano-Laguna Beach ROP
Coastline ROP
North Orange County ROP

Voluntary Pool Participants (date approved)

Serrano Water District (6-22-99)
City of Villa Park (10-2-01)
City of Tustin (5-21-02)
Mesa Water District (8-9-02)
Orange County Water District (3-30-04)
Municipal Water District of OC (7-27-04)
Orange County Mosquito and Vector Control District (11-14-06)
Buena Park Library District (2-9-10)
Local Agency Formation Commission (10-5-10)
Villa Park Community Services Foundation (4-5-11)
City of Laguna Niguel (3-13-14)
City of Lake Forest (12-16-15)
Foothill/Eastern TCA (10-14-16)
San Joaquin Hills TCA (10-14-16)
Foothill/Eastern TCA/RCC (11-17-16)
City of Laguna Woods (5-10-17)
City of Mission Viejo (10-2-17)
Placentia Library District (10-16-17)