



Sacramento Public Library Authority

September 24, 2015

Agenda Item 6.0: Quarterly Investment Performance Report for Q4 – June 2015

TO: Sacramento Public Library Authority Board
FROM: Denise M. Davis, Deputy Library Director
RE: Quarterly Investment Performance Report – June 2015

RECOMMENDED ACTION(S):

None – Information only.

INFORMATION

The Library Authority’s Investment Policy adopted by the Board on May 22, 2014, requires the Authority’s Treasurer to submit quarterly investment reports in compliance with Government Code Section 53646(b) and monthly investment transaction reports consistent with Government Code Section 53607.

Attachment A is the City of Sacramento City Treasurer’s Quarterly Report for the quarter ended June 30, 2015. All Authority investments currently are managed and held by the Sacramento City Treasurer in the City’s Investment Pool “A”.

Certification of Liquidity and Cash Flow for the Next Six-Month Period

Based on the Authority Board’s adopted Fiscal Year 2014-15 budget, past revenue and expenditure trends and current forecasts, the Authority’s Treasurer projects that the Library has sufficient monies on hand, anticipated revenues and/or liquid investments to meet the Library’s expenditure requirements through December 31, 2015.

Compliance with Investment Policy

The Authority’s Investment Policy incorporates the City’s Investment Policy authorized investments by reference. The Authority’s Treasurer accepts the Sacramento City Treasurer’s certification that all City Investment Pool “A” investments held are in compliance with the City Treasurer’s previously reviewed and current investment policy with no exceptions, as stated in Attachment A.

Also attached is the transaction report for the City of Sacramento “Investment Pool A” for the month of June 2015 (Attachment B) and the Library summary of the City’s monthly investment report for June 2015 (Attachment C).

This report satisfies the State’s investment reporting requirements and complies with the Library’s investment policy quarterly and monthly reporting requirements.

FISCAL IMPACT

The Library Authority had investments totaling \$35,266,321 at June 30, 2015. Total cash and investments were \$38,049,051, including a balance of \$2,782,730 in the Authority's Bank of America account. Investment income for the month of June was \$28,380 and totals \$265,636 for FY 2014-15. The June portfolio yield was 1.04%, up 0.08% from the yield in May 2015 of 0.96%. This yield compares favorably to the State of California Local Agency Investment Fund rate of return for June 2015 of 0.30%.

ATTACHMENT(S):

- Attachment A: City of Sacramento Treasurer Report: Quarterly Investment Report for the period ended June 30, 2015

- Attachment B: City of Sacramento Treasurer Report: June 2015 – Monthly Investment Transaction Report (Pool A portion only)

- Attachment C: City of Sacramento Treasurer Report: Monthly Investment Report – June 2015 (Library portion only)

Meeting Date: 8/11/2015

Report Type: Consent

Report ID: 2015-00659



Title: June 2015 Monthly Investment Transactions Report

Location: Citywide

Recommendation: Receive and file.

Contact: John Colville, Chief Investment Officer, (916) 808-8297, Office of the City Treasurer

Presenter: None

Department: City Treasurer

Division: City Treasurer

Dept ID: 05001011

Attachments:

1-Description/Analysis

2-Background

3-Exhibits A to F

City Attorney Review

Approved as to Form

Steve Itagaki

7/23/2015 12:47:50 PM

Approvals/Acknowledgements

Department Director or Designee: Russell Fehr - 7/16/2015 11:42:36 AM

Description/Analysis

Issue Detail: The City Treasurer provides monthly reports to the City Council on current investment activity.

Policy Considerations: The City Treasurer routinely reports on monthly investment transactions to keep the City Council advised of current investment activity.

Economic Impacts: None

Environmental Considerations: None

Sustainability: None

Commission/Committee Action: None

Rationale for Recommendation: The City Treasurer is responsible for investing and reporting in accordance with the authority granted by City Charter Section 73, City Council ordinances and resolutions, and applicable state law.

Financial Considerations: The monthly investment report sets forth the monthly transactions of the City Treasurer's Office Investment Pool A funds. Portfolio value on May 31, 2015 was \$935,430,841 and on June 30, 2015 the value was \$939,862,763. The interest yield for the month was 1.04%. There were 22 total transactions for the period (11 purchases, 3 sales, 5 calls, and 3 maturities). The estimated duration of the portfolio is 2.07 years.

Consistent with the Investment Policy adopted by City Council on August 26, 2014, the monthly report herein includes the content described in Government Code sections 53607 and 53646 (b).

Local Business Enterprise (LBE): Not applicable as this transaction does not involve the purchase of goods or services.

Background Information:

California Statutes Chapter 783, Statutes of 1995 and Chapter 749, Statutes of 1996 were enacted to help avoid a repeat of the December 1994 Orange County investment fiasco which resulted in investment losses exceeding \$1.7 billion for Orange County and other local government entities. These statutes made revisions to certain State laws that addressed the investing of public funds, including, among other things, the requirement of reporting investment activity on a periodic basis. Specifically, Government Code section 53607 requires monthly reports to the City Council.

Commencing March 1997, the City Treasurer, as the person vested with authority to invest City funds, has rendered monthly transaction reports to the City Council. This practice is consistent with prior City Council principles regarding investment authority, which emphasize full disclosure and prompt reporting of investment policy, strategies, programs and actual investments as reflected in Resolution 95-108.

For informational purposes, the City Treasurer also reports on transactions of other funds invested by the Treasurer's Office in addition to the City's funds. The summary and transactions detail for the month ended June 30, 2015 are listed in Exhibits A, B, C, D, E and F.

**City of Sacramento
Summary of Transactions
June-15**

Local Agency Funds:

	<u>Pool A</u>	<u>Ethel Hart Trust</u>	<u>Public Trust</u>	<u>George Clark</u>	<u>Total</u>
Purchases	\$ 52,197,266	\$ -	\$ -	\$ -	\$ 52,197,266
Sales	3,655,000		14	-	3,655,014
Calls	19,545,725	-	-	-	19,545,725
Maturities	29,087,431	-	-	-	29,087,431
Contributions	71,845,639	-	2,454	-	71,848,093
Withdrawals	67,136,539	257,206	21,109	2,752	67,417,606
Total	\$ 243,467,600	\$ 257,206	\$ 23,577	\$ 2,752	\$ 243,751,135

Outside Agency Funds:

Sacramento City Employees' Retirement System (SCERS) Funds:

	<u>Fixed Bonds</u>	<u>Equity Income</u>	<u>Large Cap</u>	<u>International</u>	<u>Total</u>
Purchases	\$ -	\$ -	\$ 2,078,829	\$ -	\$ 2,078,829
Sales	-	-	489,446	-	489,446
Calls	-	-	-	-	-
Maturities	5,078,394	-	-	-	5,078,394
Expenses	377	-	-	-	377
Contributions	-	-	-	-	-
Withdrawals	568,836	239,566	240,610	13,051	1,062,063
Total	\$ 5,647,607	\$ 239,566	\$ 2,808,885	\$ 13,051	\$ 8,709,109

**City of Sacramento
Summary of Transactions
June-15**

SHRA Investment Pool Fund:

	<u>Pool D</u>		<u>Total</u>
Purchases	\$ 928,295		\$ 928,295
Sales	-		-
Calls	-		-
Maturities	-		-
Contributions	156,692		156,692
Withdrawals	-		-
Total	<u>\$ 1,084,987</u>		<u>\$ 1,084,987</u>

Capitol Area Development Authority (CADA) Funds:

	<u>CADA</u>	<u>CADA-A</u>	<u>CADA-B</u>	<u>Total</u>
Contributions	\$ -	\$ -	\$ -	\$ -
Withdrawals	-	-	-	-
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

All Other Funds:

	<u>ARFCD</u>	<u>SPLA</u>	<u>TNBC</u>	<u>Total</u>
Contributions	\$ -	\$ 5,908,900	\$ -	\$ 5,908,900
Withdrawals	-	-	3,645	3,645
Total	<u>\$ -</u>	<u>\$ 5,908,900</u>	<u>\$ 3,645</u>	<u>\$ 5,912,545</u>

GRAND TOTAL

\$ 259,457,776

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
 From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
PURCHASES							
06-03-15	3,000,000	Morgan Stanley 1.500% Due 05-26-20	100.00	3,000,000			
06-04-15	5,000,000	Federal Home Loan Bank 2.100% Due 06-30-20	100.00	5,000,000			
06-05-15	9,000,000	UBS Finance 0.440% Due 12-31-15	99.74	8,977,010			
06-11-15	5,000,000	American Express Credit Corp 2.125% Due 03-18-19	99.80	4,990,000			
06-11-15	3,000,000	Morgan Stanley 2.800% Due 06-16-20	100.34	3,010,200			
06-19-15	3,000,000	California Earthquake Auth Rev 2.805% Due 07-01-19	102.57	3,077,220			
06-23-15	2,000,000	Tennessee Valley Auth 4.500% Due 04-01-18	109.17	2,183,400			
06-25-15	10,000,000	Coca Cola Company 0.340% Due 01-15-16	99.81	9,980,733			
06-26-15	3,000,000	Coca Cola Company 0.340% Due 01-15-16	99.80	2,994,079			
06-26-15	5,000,000	Coca Cola Company 0.360% Due 02-16-16	99.76	4,988,250			
06-26-15	4,000,000	Farmer Mac 0.170% Due 01-04-16	99.91	3,996,373			
TOTAL				52,197,266			

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
 From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
SALES							
06-17-15	1,000,000	Bay Area Wtr Supply & Consv Ag 0.854% Due 10-01-16	100.00	1,000,000	100.00	1,000,000	0
06-17-15	1,250,000	California St Dept Wtr Res Cen 0.991% Due 12-01-16	100.00	1,250,000	100.05	1,250,625	625
06-17-15	1,405,000	Manhattan Beach Calif Uni Sch 0.856% Due 09-01-16	100.00	1,405,000	100.05	1,405,702	702
TOTAL				3,655,000		3,656,327	1,327

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
CALLS							
06-16-15	5,550,000	Freddie Mac 1.625% Due 09-16-19	99.95	5,547,225	100.00	5,550,000	2,775
06-18-15	3,000,000	Federal Home Loan Bank 2.000% Due 06-18-19	100.00	3,000,000	100.00	3,000,000	0
06-26-15	5,000,000	Freddie Mac 1.400% Due 06-26-18	100.00	5,000,000	100.00	5,000,000	0
06-26-15	3,000,000	Freddie Mac 1.850% Due 06-26-19	99.95	2,998,500	100.00	3,000,000	1,500
06-26-15	3,000,000	Federal Home Loan Bank 0.750% Due 12-26-17	100.00	3,000,000	100.00	3,000,000	0
TOTAL				19,545,725		19,550,000	4,275

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
 From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
MATURITIES							
06-01-15	5,000,000	Riverside Calif Pension Oblig 0.600% Due 06-01-15	100.00	5,000,000	100.00	5,000,000	0
06-09-15	14,000,000	UBS Finance 0.220% Due 06-09-15	99.88	13,983,231	99.88	13,983,231	0
06-22-15	10,000,000	California St For Previous Iss 1.500% Due 06-22-15	101.04	10,104,200	100.00	10,000,000	-104,200
TOTAL				29,087,431		28,983,231	-104,200

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
CONTRIBUTIONS							
06-01-15		B Of A Cash		25,806			
06-01-15		B Of A Cash		9,506,712			
06-01-15		Fidelity Fund		2,465			
06-01-15		Fidelity Fund		876			
06-01-15		Fidelity Fund		263,212			
06-01-15		Fidelity Fund		19,635			
06-02-15		B Of A Cash		2,152,619			
06-02-15		Fidelity Fund		840			
06-02-15		Fidelity Fund		564			
06-02-15		Fidelity Fund		26,600			
06-03-15		B Of A Cash		1,462,857			
06-04-15		B Of A Cash		4,000,000			
06-04-15		B Of A Cash		1,643,178			
06-04-15		Fidelity Fund		8,595			
06-05-15		B Of A Cash		2,564,191			
06-08-15		B Of A Cash		1,985,945			
06-09-15		B Of A Cash		2,887,141			
06-09-15		Fidelity Fund		1,120			
06-09-15		Fidelity Fund		375			
06-09-15		Fidelity Fund		375			
06-09-15		Fidelity Fund		12,985			
06-10-15		B Of A Cash		91,415			
06-10-15		Fidelity Fund		887			
06-10-15		Fidelity Fund		711			
06-10-15		Fidelity Fund		267			
06-10-15		Fidelity Fund		27,550			
06-10-15		Fidelity Fund		208			
06-11-15		B Of A Cash		2,390,678			
06-11-15		Fidelity Fund		465			
06-11-15		Fidelity Fund		310			
06-11-15		Fidelity Fund		6,820			
06-12-15		B Of A Cash		1,779,047			
06-12-15		Fidelity Fund		6,181			
06-12-15		Fidelity Fund		5,125			
06-15-15		B Of A Cash		6,993			
06-15-15		B Of A Cash		8,333			
06-15-15		Fidelity Fund		510			
06-15-15		Fidelity Fund		425			
06-15-15		Fidelity Fund		161,805			
06-15-15		Fidelity Fund		5,525			
06-16-15		B Of A Cash		1,653,784			
06-16-15		Fidelity Fund		795			
06-16-15		Fidelity Fund		5,121,250			
06-16-15		Fidelity Fund		9,540			
06-17-15		B Of A Cash		1,397,513			
06-18-15		B Of A Cash		998,674			
06-18-15		Fidelity Fund		236			
06-19-15		B Of A Cash		1,978,840			
06-19-15		Fidelity Fund		909			
06-19-15		Fidelity Fund		595			
06-19-15		Fidelity Fund		446			

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
From 06-01-15 To 06-30-15

<u>Trade Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Unit Price</u>	<u>Total Proceeds</u>	<u>Gain/Loss</u>
06-19-15		Fidelity Fund		21,420			
06-22-15		B Of A Cash		2,226,272			
06-22-15		Fidelity Fund		259			
06-22-15		Fidelity Fund		19,425			
06-23-15		B Of A Cash		1,800,562			
06-24-15		B Of A Cash		1,858			
06-24-15		Fidelity Fund		11,437			
06-24-15		Fidelity Fund		5,040			
06-25-15		B Of A Cash		9,005,318			
06-25-15		Fidelity Fund		5,019			
06-25-15		Fidelity Fund		54			
06-25-15		Fidelity Fund		3,407			
06-26-15		B Of A Cash		4,984,079			
06-26-15		Fidelity Fund		450			
06-26-15		Fidelity Fund		11,250			
06-26-15		Fidelity Fund		13,031			
06-29-15		B Of A Cash		8,373,235			
06-29-15		Fidelity Fund		341			
06-29-15		Fidelity Fund		1,632			
06-29-15		Fidelity Fund		1,113			
06-30-15		B Of A Cash		3,037,156			
06-30-15		Fidelity Fund		3,647			
06-30-15		Fidelity Fund		855			
06-30-15		Fidelity Fund		539			
06-30-15		Fidelity Fund		96,307			
TOTAL				71,845,639			

City of Sacramento
TRANSACTION SUMMARY
City Investment Pool A
From 06-01-15 To 06-30-15

Trade Date	Quantity	Security	Unit Cost	Total Cost	Unit Price	Total Proceeds	Gain/Loss
WITHDRAWALS							
06-01-15		B Of A Cash		3,276,305			
06-01-15		Fidelity Fund		225,273			
06-02-15		B Of A Cash		1,387,718			
06-02-15		Fidelity Fund		156,149			
06-03-15		B Of A Cash		313,200			
06-03-15		Fidelity Fund		921,269			
06-04-15		B Of A Cash		497,325			
06-05-15		B Of A Cash		517,054			
06-05-15		Fidelity Fund		3,838			
06-08-15		B Of A Cash		3,876,517			
06-08-15		Fidelity Fund		4,642			
06-09-15		B Of A Cash		9,026,841			
06-10-15		B Of A Cash		443,638			
06-11-15		B Of A Cash		4,880,809			
06-11-15		Fidelity Fund		470,256			
06-12-15		B Of A Cash		4,753,191			
06-15-15		B Of A Cash		2,853,308			
06-16-15		B Of A Cash		1,035,425			
06-16-15		Fidelity Fund		2,364			
06-17-15		B Of A Cash		1,413,635			
06-17-15		Fidelity Fund		2,526			
06-18-15		B Of A Cash		2,612,737			
06-18-15		Fidelity Fund		9,485			
06-19-15		B Of A Cash		4,796,457			
06-19-15		Fidelity Fund		11,325			
06-22-15		B Of A Cash		2,376,268			
06-22-15		Fidelity Fund		527,586			
06-23-15		B Of A Cash		7,659,786			
06-23-15		B Of A Cash		4,352,751			
06-23-15		Fidelity Fund		348			
06-24-15		B Of A Cash		1,671,457			
06-25-15		B Of A Cash		2,161,706			
06-26-15		B Of A Cash		561,284			
06-26-15		Fidelity Fund		10,041			
06-29-15		B Of A Cash		2,556,275			
06-29-15		Fidelity Fund		151,955			
06-30-15		B Of A Cash		1,409,042			
06-30-15		Fidelity Fund		206,751			
TOTAL				67,136,539			

SACRAMENTO PUBLIC LIBRARY AUTHORITY

MONTHLY REVIEW – JUNE 2015

STRATEGY

The SPLA funds are invested in the City of Sacramento's Pool A investment fund. The Fund seeks to maximize the level of current income consistent with the preservation of principal while meeting the liquidity needs of the City and the pooled investors. The Fund is invested pursuant to the prudent person standards and the California Code Section 53601 (GC 53601).

PORTFOLIO STATISTICS

Portfolio's Beginning Balance	29,351,352
Contributions	5,886,589
Withdrawals	0
Interest Earned	28,380
Month-End Market Value	35,266,321

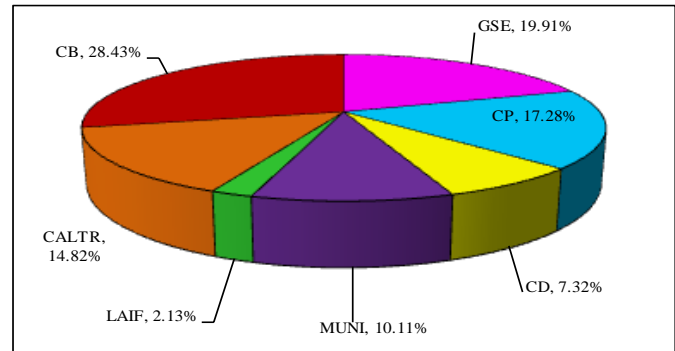
PERFORMANCE

Earned Interest Yield for the Month	1.04%
Laif Rate of Return (book value)	0.30%
ML Ready Asset	0.00%
90 Day T-Bill	0.00%
Federal Funds	0.12%

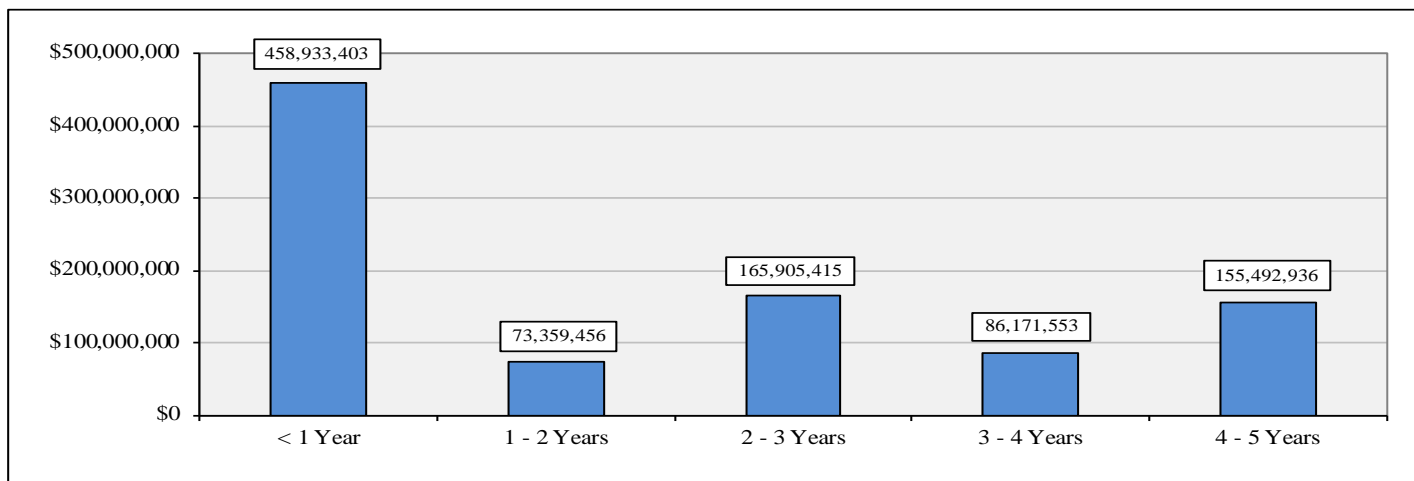
POOL A MATURITY SCHEDULE

Maturity	Market Value	%
< 1 Year	458,933,403	48.83%
1 - 2 Years	73,359,456	7.81%
2 - 3 Years	165,905,415	17.65%
3 - 4 Years	86,171,553	9.17%
4 - 5 Years	155,492,936	16.54%
Total	939,862,763	100.00%

POOL A BY ASSET CLASS



Investment Description	Portfolio at Cost	Yield at Month End
US Agency Notes (GSE)	19.91%	1.37%
Commercial Paper (CP)	17.28%	0.31%
Certificates of Deposit (CD)	7.32%	0.59%
Municipals	10.11%	1.59%
LAIF	2.13%	0.30%
CalTrust	14.82%	0.66%
Corporate Bonds (CB)	28.43%	1.82%



City of Sacramento
CASH LEDGER
Sacramento Public Library Authority
From 06-01-15 To 06-30-15

All Cash Accounts

Trade Date	Settle Date	Tran Code	Quantity	Security	Amount	Cash Balance
Pool A Cash						
06-01-15				Beginning Balance		29,302,510.66
06-01-15	06-01-15	dp		Pool A Cash	26,038.99	29,328,549.65
06-01-15	06-01-15	in		Pool A Cash	230.18	29,328,779.83
				Apr 2015 Pool A interest adjustment		
06-04-15	06-04-15	li		Pool A Cash	4,000,000.00	33,328,779.83
06-30-15	06-30-15	li		Pool A Cash	1,886,589.45	35,215,369.28
				Q4 Gen Fund Contribution to SPLA, per AJ#219534		
					5,912,858.62	
06-30-15				Ending Balance		35,215,369.28
Pool A Interest Receivable						
06-01-15				Beginning Balance		48,841.52
06-01-15	06-01-15	wd		Pool A Interest Receivable	-26,038.99	22,802.53
06-30-15	06-30-15	in		Pool A Cash	28,149.76	50,952.29
				Jun 2015 estimated Pool A interest		
					2,110.77	
06-30-15				Ending Balance		50,952.29