



**TREASURER-TAX COLLECTOR
PUBLIC ADMINISTRATOR
COUNTY OF SAN BENITO**

Memorandum
To: Joe Paul Gonzalez, County Auditor

From: **Mary Lou Andrade**
Treasurer-Tax Collector
440 Fifth St., Rm. 107
Hollister, Ca. 95023
(831) 636-4043 FAX (831) 636-4014
mlandrade@cosb.us

EARNINGS RATE OF RETURN ON POOLED INVESTMENTS

1.4721% AVERAGE RATE OF RETURN FOR MONTH ENDING JUNE 30, 2017
1.2417% AVERAGE RATE OF RETURN FOR QUARTER ENDING JUNE 30, 2017
1.1274% AVERAGE RATE OF RETURN FOR FISCAL YEAR 2016-2017
X.XXX% OF FUNDS INVESTED (Effective June 2017, this information is no longer available)

TREASURER'S ACTIVE BALANCE

Treasurer's **ACTIVE ACCOUNT** balance vs. Bank of America and Wells Fargo Balance; differs by the amount of less **\$3,874,250.07**
See attached BofA and Wells Fargo statement reconciling items that were on deposit **06/30/2017** but not yet posted to **Treasurer's Balance**.

* weighted average

Weighted Average Interest Rate – this rate is listed under “YTM @ Cost” in the Portfolio Management Summary Page

“The weighted average differs from an average in that a weighted average shows a percentage that depends on the variables of both the dollar amount of interest earned and the actual interest rate paid.

The average interest rate percentage is not an accurate measure of the interest rate paid over the month because it doesn't take the amount of interest earned into consideration.

For example if we had two investments, and one earned \$10.00 of interest at 1.20% and the other earned \$75,000.00 of interest at 3.09% the average rate would be 2.15%. This is not an accurate reflection, because the majority of the earnings were at 3.09%. The weighted average of 3.0897% would more correctly represent the interest rate for the period.

Conversely, if the numbers in the example were switched to the \$10.00 earned at 3.09% and the \$75,000.00 at 1.20%, the weighted average would be 1.2003%.”

SAN BENITO COUNTY
PORTFOLIO MANAGEMENT SUMMARY
June 30, 2017

STATEMENT OF COMPLIANCE AND AVAILABILITY: I hereby declare, that to the best of knowledge, all investments held within the County Investment Pool meet the requisites of the government codes and the terms of the County Investment Policy and are valued currently within this report. Market valuations are provided by the County's Custody / Safekeeping Bank, Union Bank. Furthermore, the Investment Portfolio is structured in such a way that sufficient cash shall be available to meet the normal, projected cash needs of the County and the Investment Pool participants during the next six months.

Asset Class	Face Amount/Shares	Market Value	Book Value	% of Portfolio	YTM @ Cost	Days To Maturity
Certificate of Deposit - Negotiable	65,250,000.00	65,296,130.00	65,273,876.64	32.47	1.62	164
Commercial Paper - Discount	30,000,000.00	29,942,100.00	29,905,869.50	14.93	1.24	58
Managed Pool Accounts	43,300,007.00	43,300,007.00	43,300,007.00	21.55	1.00	1
Medium Term Notes	60,202,000.00	60,483,371.65	60,598,048.19	29.96	3.18	253
Money Market	2,036,641.55	2,036,641.55	2,036,641.55	1.01	0.00	1
Passbook Checking Accounts	143,613.76	143,613.76	143,613.76	0.07	0.00	1
Total / Average	200,932,262.31	201,201,863.96	201,258,056.64	100.00	1.88	138

____s/Mary Lou Andrade _____ 8-29-2017
 Mary Lou Andrade, Treasurer-Tax Collector Date

Addendum

Legal Pool Investments*

Investment Type	Max.% of Portfolio	Max. Maturity	Quality Requirements
a) Bonds issued by a local agency	None	None	None
b) Treasury obligations	None	None	None
c) State of California Obligations	None	None	None
d) Obligation of Calif. local agency	None	None	None
e) Obligations issued by Federal Agencies, and U.S. Government sponsored enterprises.	None	None	None
f) Bankers Acceptances	40%	180 days max	None
g) Commercial Paper	40%	270 days max.	U.S. entity with credit enhancements resulting in paper rating A1/P1 or better; with \$500MM in assets; A or higher long term rating if any; max. 10% of portfolio per issuer
h) Negotiable C.D.s	30%	5 years	None
i) Repurchase Agreements Reverse Repurchase Agreements	None 20% of base	1 year 92 days maximum, or to maturity	Collateral must be a legal investment None
j) Medium Term Note	30%	5 years	U.S. Corporations, or Banks licensed within any State of the U.S., "A" or better rating by major rating service.
k) Mutual Funds	20%, 10% per fund	NA	A defined money market fund: or invest only in a-j, m, n, of this list, as restricted; Highest letter and number ranking of 2 of 3 rating services; or a SEC Registered Advisor with 5 Yrs. experience; managing assets of \$500MM or more; No load.
l) Investments as permitted by provision in agreements of indebtedness	As per bond documentation	NA	Not contrary to 53601 & 53635 and other pertinent law.
m) Asset secured indebtedness	None	None	As required by 53652
n) Collateralized Mortgage obligations	20%	5 years	Issuer must be rated "A" minimum, security must be "AA" by national rating service.
o) Contracted Non-Neg. Time Deposits	None	None	None
p) Sec. 53635.8 Deposited Pooled sm CDs 30%	None	None	Insured as to principle and interest

These tables are not meant to be a replacement for the Government Code. Involved parties should obtain a valid, updated copy of the pertinent Code sections to fully understand all the details included within these Codes.

***Other Temporary Constraints & Restrictions may be in effect on these permitted investments.**

This page has been added as a guide. The law states that all required percentages included within investment related sections of the Government Codes are only binding on the day the investment is purchased and that future changes in the size of the portfolio do not require the Treasurer to readjust the total percentage of each security type within the portfolio to reflect the change in size. Neither is it necessary to sell an investment when changes occur such that the security no longer meets the minimum requirements of the Codes, or the Codes are changed such as to no longer include certain current holdings. The Treasurer shall weigh the change in risk and determine whether or not a security should be sold or retained within the Portfolio after a change in conditions or the Codes result in a particular security no longer meeting existing or new regulations.

San Benito County

Portfolio Holdings by Asset Class

Report Group: San Benito County

Date: 6/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP	Shares	YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Certificate of Deposit - Negotiable								
Bank of Montreal Chicago YCD Var. Negotiable CD 9/		2/23/2016	1,999,702.68	100.08	2,001,560.00	0.99%	S&P-A+	63
06427EBW0	2,000,000.00	1.68	1,999,950.80	1.68	2,709.53	1,609.20	Moody's-Aa3	0
BK NOVA SCOTIA HOUSTON YCD Var. Negotiable CD 12/5		12/5/2016	13,000,000.00	100.17	13,022,100.00	6.46%	S&P-A+	158
06417GRA8	13,000,000.00	1.59	13,000,000.00	1.59	14,317.06	22,100.00	Moody's-Aa3	0
BK of Montreal Chicago FR YCD Var. Negotiable CD		5/3/2017	5,000,503.27	100.02	5,000,850.00	2.48%	S&P-A+	306
06427KXW2	5,000,000.00	1.32	5,000,461.79	1.32	5,118.56	388.21	Moody's-Aa3	0
BK of Montreal Chicago FR YCD Var. Negotiable CD 3		5/6/2016	4,008,232.17	99.98	3,999,280.00	1.99%	S&P-A+	259
06427EVK1	4,000,000.00	1.95	4,003,309.84	1.95	3,033.85	-4,029.84	Moody's-Aa3	0
Credit Agricole CIB NY YCD Var. Negotiable CD 7/1		4/5/2017	7,264,896.66	99.98	7,248,550.00	3.61%	S&P-A1	378
22532XFB9	7,250,000.00	1.72	7,264,639.82	1.72	26,941.52	-16,089.82	S&P-A	0
Credit Suisse NY FR YCD Var. Negotiable CD 10/26/		4/27/2017	9,002,250.00	100.03	9,002,250.00	4.47%	S&P-A	118
22549VAV2	9,000,000.00	1.47	9,001,508.24	1.47	1,466.11	741.76	Moody's-A1	0
Mizuho BK LTD NY YCD Var. Negotiable CD 7/13/2017		1/19/2017	3,001,489.77	100.02	3,000,600.00	1.49%	S&P-A1	13
60689D2P7	3,000,000.00	1.74	3,000,255.39	1.74	2,460.91	344.61	Moody's-A1	0
Natixis NY FR YCD Var. Negotiable CD 10/31/2017		3/31/2017	3,001,231.37	100.07	3,002,190.00	1.49%	S&P-A2	123
63673NCG4	3,000,000.00	1.55	3,000,707.75	1.55	0.00	1,482.25	Moody's-A	0
Norinchukin BK NY FR YCD Var. Negotiable CD 10/13		4/18/2017	9,002,250.00	100.05	9,004,050.00	4.47%	S&P-A1	105
65602UQY7	9,000,000.00	1.40	9,001,542.13	1.40	5,933.85	2,507.87	Moody's-P1	0
STANDARD CHARTER NY YCD Var. Negotiable CD 9/19/2		12/19/2016	10,004,470.00	100.15	10,014,700.00	4.97%	Moody's-Aa3	81
85325TPU3	10,000,000.00	1.90	10,001,500.88	1.90	5,803.84	13,199.12	S&P-A1	0
Sub Total Certificate of Deposit - Negotiable	65,250,000.00	1.62	65,285,025.92	1.62	65,296,130.00	32.42%		164
			65,273,876.64		67,785.23	22,253.36		0

San Benito County

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Date: 6/30/2017

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CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unre. Gain/Loss	Credit Rating	Duration To Maturity
Commercial Paper - Discount								
Angelsea Funding CP 0 7/7/2017		4/7/2017	9,970,677.80	99.99	9,998,700.00	4.95%	S&P-A1	7
0347MZU79	10,000,000.00	1.18	9,970,677.80	0.67	0.00	28,022.20	Moody's-P1	0.02
Chesham Finance CP 0 9/22/2017		6/23/2017	9,968,402.80	99.72	9,971,700.00	4.95%	S&P-A1	84
16536HWN7	10,000,000.00	1.28	9,968,402.80	1.24	0.00	3,297.20	Moody's-P1	0.23
Manhattan Asset CP 0 9/22/2017		6/16/2017	9,966,788.90	99.72	9,971,700.00	4.95%	S&P-A1	84
56274LWN0	10,000,000.00	1.25	9,966,788.90	1.24	0.00	4,911.10	Moody's-P1	0.23
Sub Total Commercial Paper - Discount	30,000,000.00	1.24	29,905,869.50	1.05	29,942,100.00	14.85%		58
					0.00	36,230.50		0.16
Managed Pool Accounts								
CAMP LGIP		4/7/2014	14,800,000.00	100.00	14,800,000.00	7.35%	None	1
CAMP4500	14,800,000.00	1.05	14,800,000.00	1.05	0.00	0.00	None	0
LAIF LGIP		6/30/2013	28,500,000.00	100.00	28,500,000.00	14.16%	None	1
LAIF5000	28,500,000.00	0.98	28,500,000.00	0.98	0.00	0.00	None	0
Union Bank of California MM		6/30/2013	7.00	100.00	7.00	0%	None	1
MM3920	7.00	0.74	7.00	0.74	0.00	0.00	None	0
Sub Total Managed Pool Accounts	43,300,007.00	1.00	43,300,007.00	1.00	43,300,007.00	21.51%		1
					0.00	0.00		0
Medium Term Notes								
American Express Bank MTN Var. Corp		6/5/2017	5,266,404.00	100.82	5,242,484.00	2.62%	S&P-A-	75
9/13/2017								
02581FYE3	5,200,000.00	6.00	5,266,404.00	6.00	92,733.33	-23,920.00	Moody's-A2	0
AUST. & NZ BANKING GROUP Var. Corp		1/27/2014	3,011,670.00	100.41	3,012,330.00	1.49%	Moody's-A2	319
5/15/2018								
05253JAD3	3,000,000.00	1.74	3,002,714.82	1.74	6,676.82	9,615.18	S&P-AA-	0
Bank of Montreal FR MTN Var. Corp		9/20/2016	4,009,760.00	100.36	4,014,400.00	1.99%	Moody's-A3	283
4/9/2018								
06366RMT9	4,000,000.00	1.76	4,006,293.99	1.76	15,977.32	8,106.01	S&P-A+	0

San Benito County
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Report Group: San Benito County

Date: 6/30/2017

Description	Face Amount / Shares	Settlement Date	Cost Value	Market Price	Market Value	% Portfolio	Credit Rating	Days To Call/Maturity
CUSIP		YTM @ Cost	Book Value	YTM @ Market	Accrued Interest	Unra. Gain/Loss	Credit Rating	Duration To Maturity
Bank of America Cash		6/30/2013	143,613.76	100.00	143,613.76	0.07%	None	1
CASH1283	143,613.76	0.00	143,613.76	0.00		0.00	None	0
			143,613.76		143,613.76	0.07%		1
Sub Total Passbook Checking Accounts	143,613.76	0.00	143,613.76	0.00		0.00		0
			201,301,591.17		201,201,863.96	100.00%		138
TOTAL PORTFOLIO	200,932,262.31	1.88	201,258,056.64	1.86	570,320.88	-56,192.68		0.02