

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



Memorandum

To: **Joe Paul Gonzalez, County Auditor**

From: **Mary Lou Andrade**
Treasurer-Tax Collector
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EARNINGS RATE OF RETURN ON POOLED INVESTMENTS

- 1.1863% AVERAGE RATE OF RETURN FOR MONTH ENDING MARCH 31, 2018**
- 1.048% AVERAGE RATE OF RETURN FOR QUARTER ENDING MARCH 31, 2018**
- 1.1274% AVERAGE RATE OF RETURN FOR FISCAL YEAR 2017-2018**

TREASURER'S ACTIVE BALANCE

Treasurer's **ACTIVE ACCOUNT** balance vs. Wells Fargo Balance; differs by the bank amount less **\$556,873.52**
See attached to Wells Fargo statement reconciling items that were on deposit **3/31/2018** but not yet posted to **Treasurer's Balance**.

* **weighted average**

Weighted Average Interest Rate

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%.

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	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: 3/31/2018

Description CUSIP	Face Amount / Shares	Settlement Date YTM @ Cost	Cost Value Book Value	Market Price YTM @ Market	Market Value Accrued Interest	% Portfolio Unre. Gain/Loss	Credit Rating Credit Rating	Days To Call/Maturity Duration To Maturity
Certificate of Deposit - Negotiable								
Abbeey Natl Treasury Serv Var. CD 4/30/2018 00279JSD5	9,000,000.00	10/31/2017	9,000,000.00	100.00	9,000,000.00	4.78%	Fitch-A+	30
BK of Montreal Chicago FR YCD Var. Negotiable CD	5,000,000.00	5/3/2017	5,000,503.27	100.02	5,001,050.00	2.65%	S&P-A+	32
06427KXW2	5,000,000.00	1.86	5,000,084.34	1.86	7,491.95	965.66	Moody's-Aa3	0
Credit Agricole CIB NY YCD Var. Negotiable CD 7/1	7,250,000.00	4/5/2017	7,264,896.66	100.09	7,256,815.00	3.95%	S&P-A1	104
22532XFB9	9,000,000.00	2.28	7,255,810.98	2.28	35,160.15	1,004.02	S&P-A	0
Credit Suisse FR YCD Var. Negotiable CD 4/26/2018	9,000,000.00	10/18/2017	9,005,279.67	100.03	9,002,340.00	4.78%	S&P-A1	26
22549LFN0	10,000,000.00	2.13	9,000,861.42	2.13	2,664.38	1,478.58	Moody's-A	0
Norinchukin Bank (NY) Var. Negotiable CD 5/31/2018	10,000,000.00	10/31/2017	10,002,939.30	100.03	10,002,500.00	5.31%	S&P-A1	61
65602UXP8	6,000,000.00	2.08	10,000,859.61	2.08	576.91	1,640.39	Moody's-A	0
Sumitomo Mitsubishi BK Var. Negotiable CD 6/1/201	6,000,000.00	12/12/2017	6,000,306.00	99.99	5,999,160.00	3.18%	S&P-A	62
86564E2B1	11,000,000.00	1.89	6,000,159.26	1.89	8,470.11	-999.26	Moody's-A1	0
Sumitomo Mitsui Bank Var. Negotiable CD 5/22/2018	11,000,000.00	12/5/2017	11,001,594.57	99.99	10,998,790.00	5.84%	S&P-A	52
86563Y2J1	57,250,000.00	2.05	11,000,578.98	2.05	5,648.00	-1,788.98	Moody's-A1	0
Sub Total Certificate of Deposit - Negotiable	57,250,000.00	2.05	57,275,519.47	2.05	57,260,655.00	30.39%		52
Commercial Paper - Discount								
Angelsea CP 0 4/3/2018 0347M3D35	10,000,000.00	1/5/2018	9,957,955.60	100.00	9,999,500.00	5.26%	S&P-A1	3
0347M3D35	12,400,000.00	1.75	9,957,955.60	0.60	0.00	41,544.40	Moody's-P1	0.01
Gotham Funding CP 0 6/13/2018 38346MFD1	12,400,000.00	3/27/2018	12,342,236.71	99.56	12,345,192.00	6.55%	S&P-A1	74
38346MFD1	10,000,000.00	2.16	12,342,236.71	2.16	0.00	2,955.29	Moody's-P1	0.2
Met-Life Short Term Funding CP 0 5/25/2018 59157UER7	10,000,000.00	3/19/2018	9,963,708.30	99.69	9,969,200.00	5.29%	S&P-A+	55
59157UER7	10,000,000.00	1.96	9,963,708.30	2.02	0.00	5,491.70	Moody's-P1	0.15



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Date: 3/31/2018

Description CUSIP	Face Amount / Shares	Settlement Date		Cost Value Book Value	Market Price		Market Value Accrued Interest	% Portfolio		Credit Rating	Days To Call/Maturity	
		YTM @ Cost	YTM @ Market		Unre. Gain/Loss	Credit Rating		Duration To Maturity				
Mountcliff Funding CP 0 6/12/2018 62455BFC4	13,000,000.00	3/28/2018	2.09	12,942,915.57	99.56	12,943,320.00	6.87%	S&P-A1	73			
Oversea-Chinese BK Corp NY CP 1.962 5/16/2018		3/19/2018		9,999,286.89	99.75	9,975,300.00	404.43	Moody's-P1	0.2			
69034CDX3	10,000,000.00	2.01		9,999,286.89	3.95	8,175.29	5.31%	S&P-A1+	46			
							-23,986.89	Moody's-P1	0.13			
Sub Total Commercial Paper - Discount	55,400,000.00	2.00		55,206,103.07	2.18	55,232,512.00	29.3%		52			
Managed Pool Accounts							26,408.93		0.14			
CAMP LGIP		4/7/2014		12,119,872.68	100.00	12,119,872.68	6.43%	None	1			
CAMP4500	12,119,872.68	1.62		12,119,872.68	1.62		0.00	None	0			
LAIF LGIP		6/30/2013		7,863,052.94	100.00	7,863,052.94	4.17%	None	1			
LAIF5000	7,863,052.94	1.52		7,863,052.94	1.52		0.00	None	0			
Sub Total Managed Pool Accounts	19,982,925.62	1.58		19,982,925.62	1.58	19,982,925.62	10.6%		1			
Medium Term Notes							0.00		0			
AUST. & NZ BANKING GROUP Var. Corp 5/15/2018		1/27/2014		3,011,670.00	100.04	3,001,080.00	1.59%	Moody's-Aa2	45			
06253JAD3	3,000,000.00	2.40		3,000,661.97	2.40	8,795.42	418.03	S&P-AA-	0			
Australia New Zealand BK MTN Var. Corp 9/23/2019		8/15/2017		9,390,675.29	100.60	9,361,929.06	4.97%	S&P-AA-	541			
05252ACS8	9,306,000.00	2.93		9,366,450.89	2.93	6,061.47	-4,521.83	Moody's-Aa3	0			
Bank of Montreal FR MTN Var. Corp 4/9/2018		9/20/2016		4,009,760.00	100.01	4,000,200.00	2.12%	Moody's-Aa3	9			
06366RMT9	4,000,000.00	2.30		4,001,551.94	2.30	20,656.78	-1,351.94	S&P-A+	0			
HSBC Bank PLC FR MTN Var. Corp 5/15/2018		12/12/2017		5,117,670.97	100.01	5,105,612.60	2.71%	S&P-AA-	45			
44328MBU7	5,105,000.00	2.06		5,112,322.83	2.06	12,827.42	-6,710.23	Moody's-Aa3	0			
HSBC BANK USA FR MTN Var. Corp 9/24/2018		3/13/2017		7,049,819.00	100.31	7,021,560.00	3.72%	S&P-A	177			
40428HPK2	7,000,000.00	3.17		7,016,369.10	3.17	4,071.11	5,190.90	Moody's-A2	0			



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JP Morgan Chase & CO MTN Var. Corp 4/25/2018		12/1/2017	11,874,967.95	100.02	11,852,133.00	6.3%	S&P-A-	25
46623EKA6	11,850,000.00	2.30	11,865,497.35	2.30	49,107.72	-13,364.35	Moody's-A3	0
National Australia BK MTN Var. Corp 7/12/2021		8/9/2017	5,096,160.00	101.65	5,082,500.00	2.7%	Moody's-Aa3	1199
6325C0DF5	5,000,000.00	2.71	5,085,691.78	2.71	29,348.69	-3,191.78	S&P-AA-	0
Wells Fargo FR Bank Note Var. Corp 5/24/2019		4/28/2017	9,478,255.00	100.43	9,440,608.00	5.01%	S&P-AA-	419
94988J5E3	9,400,000.00	2.06	9,446,994.41	2.06	18,847.41	-6,386.41	Moody's-Aa2	0
Sub Total Medium Term Notes	54,661,000.00	2.50	55,028,978.21	2.50	54,865,622.66	29.12%		311
Money Market								
Wells Fargo Cash		10/31/2016	1,090,613.87	100.00	1,090,613.87	0.58%	None	1
CASH4454	1,090,613.87	0.00	1,090,613.87	0.00		0.00	None	0
Sub Total Money Market	1,090,613.87	0.00	1,090,613.87	0.00	1,090,613.87	0.58%		1
TOTAL PORTFOLIO	188,384,539.49	2.11	188,584,140.24	2.16	188,432,329.15	100.00%		122
			188,433,537.42		218,397.03	-1,208.27		0.04