

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](mailto:mlandrade@cosb.us)

---

EARNINGS RATE OF RETURN ON POOLED INVESTMENTS

- 3.6528% AVERAGE RATE OF RETURN FOR MONTH ENDING SEPTEMBER 30, 2018
- 2.8495% AVERAGE RATE OF RETURN FOR QUARTER ENDING SEPTEMBER 30, 2018
- 2.8495% AVERAGE RATE OF RETURN FOR FISCAL YEAR 2018-19

---

TREASURER'S ACTIVE BALANCE

Treasurer's **ACTIVE ACCOUNT** balance vs. Wells Fargo Balance; differs by the bank amount less **\$3,310,093.87**  
**See attached** to Wells Fargo statement reconciling items that were on deposit **9/30/2018** but not yet posted to **Treasurer's Balance**.

\* weighted average





# San Benito County

## Portfolio Holdings by Asset Class

### Report Group: San Benito County

Date: 9/30/2018

Description CUSIP	Face Amount / Shares	Settlement/Date		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
		YTM @ Cost	YTM @ Market						
<b>Certificate of Deposit - Negotiable</b>									
Bank of Nova Scotia Var. Negotiable CD 9/21/2020		9/24/2018		14,007,498.62	99.98	13,997,340.00	6.6%	S&P-A+	722
06417GZ84	14,000,000.00	2.62		14,007,498.62	2.62	11,202.43	-10,158.62	Moody'sAa2	0
Credit Agricole CIB NY YCD Var. Negotiable CD 7/30		8/10/2018		13,006,291.31	99.98	12,997,660.00	6.12%	S&P-A	669
22532XJRO	13,000,000.00	2.69		13,006,291.31	2.69	60,201.04	-8,631.31	Moody's-A1	0
Credit Suisse NY YCD Var. Negotiable CD 1/16/2019		4/26/2018		8,999,018.98	100.09	9,008,190.00	4.24%	S&P-A	108
22549LHW8	9,000,000.00	2.51		8,999,548.36	2.51	8,779.54	8,641.64	Moody's-A1	0
Credit Suisse NY YCD Var. Negotiable CD 1/16/2019		4/17/2018		4,997,408.66	100.09	5,004,550.00	2.35%	S&P-A	108
22549LHW8	5,000,000.00	2.51		4,998,846.19	2.51	4,877.52	5,703.81	Moody's-A1	0
STANDARD CHARTERED BK NY Var. Negotiable CD 5/13/2		5/11/2018		12,002,408.70	100.02	12,002,412.00	5.65%	S&P-A1	225
85325TD69	12,000,000.00	2.48		12,001,601.42	2.48	15,713.00	810.58	Moody's-A	0
Sumitomo Mitsui BK NY FR YCD Var. Negotiable CD 1/		9/10/2018		7,343,680.15	100.07	7,334,764.50	3.46%	S&P-A	488
86563Y6D0	7,330,000.00	2.71		7,343,680.15	2.71	33,136.24	-8,915.65	Moody's-A	0
<b>Sub Total Certificate of Deposit - Negotiable</b>	<b>60,330,000.00</b>	<b>2.59</b>		<b>60,356,306.42</b>	<b>2.59</b>	<b>60,344,916.50</b>	<b>28.42%</b>		<b>441</b>
				<b>60,357,466.05</b>		<b>133,909.77</b>	<b>-12,549.55</b>		<b>0</b>
<b>Commercial Paper - Discount</b>									
BANCO SANTANDAR 0 12/26/2018		9/27/2018		9,942,500.00	99.45	9,944,600.00	4.68%	S&P-A1	87
05971SMS8	10,000,000.00	2.31		9,942,500.00	2.31	0.00	2,100.00	Moody's-P1	0.24
Crown Point Capital CP 0 11/13/2018		8/9/2018		9,939,466.70	99.74	9,973,700.00	4.68%	S&P-A1	44
2284K1LD3	10,000,000.00	2.28		9,939,466.70	2.16	0.00	34,233.30	Moody's-P1	0.12
Moucliff Funding CP 0 11/6/2018		8/15/2018		9,947,894.40	99.78	9,978,000.00	4.68%	S&P-A1	37
62455BL60	10,000,000.00	2.27		9,947,894.40	2.15	0.00	30,105.60	Moody's-P1	0.1
Natixis NY CP 0 11/7/2018		8/9/2018		9,945,000.00	99.77	9,977,400.00	4.68%	S&P-A1	38
63873KL70	10,000,000.00	2.21		9,945,000.00	2.15	0.00	32,400.00	Moody's-P1	0.1





**San Benito County**  
**Portfolio Holdings by Asset Class**  
**Report Group: San Benito County**

Date: 9/30/2018

Description CUSIP	Face Amount/ Shares	Settlement Date		Cost Value		Market Price		Market Value		Unre. Gain/Loss	% Portfolio	Credit Rating	Days To Call/Maturity
		YTM @ Cost	YTM @ Market	Book Value	Market Value	YTM @ Market	Accrued Interest	Credit Rating	Duration To Maturity				
Sub Total Medium Term Notes	63,794,000.00	2.70	2.70	64,066,622.85	63,933,223.86	2.70	2.70	231,395.34	63,933,223.86	-8,624.30	30.11%		277
<b>Money Market</b>													
Wells Fargo Cash			10/31/2016	5,153,505.47	5,153,505.47	100.00	100.00	5,153,505.47	5,153,505.47		2.43%	None	1
CASH4454	5,153,505.47	0.00	0.00	5,153,505.47	5,153,505.47	0.00	0.00				0.00	None	0
Sub Total Money Market	5,153,505.47	0.00	0.00	5,153,505.47	5,153,505.47	0.00	0.00		5,153,505.47		2.43%		1
TOTAL PORTFOLIO	212,477,505.47	2.41	2.40	212,506,795.84	212,468,705.83	2.40	2.40	365,305.11	212,468,705.83	85,525.05	100.00%		221
													0.03

# 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 agreement 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.

## **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%.