

C/CAG

City/County Association of Governments of San Mateo County

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Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

C/CAG FINANCE COMMITTEE AGENDA

Date: Wednesday, February 26, 2020

Time: 12:00 noon – 1:00 p.m.
(Lunch will be provided at the Redwood City location)

Place: County Government Center
555 County Center, Fifth Floor
Conference Room One (Enchanted Hills)
Redwood City, CA

1. CALL TO ORDER
2. PUBLIC COMMENT ON RELATED ITEMS NOT ON THE AGENDA
Note: Public comment is limited to two minutes per speaker.
3. Approval of minutes of December 4, 2019 meeting. (Action)
4. Receive copies of monthly investment statements for October, November, and December 2019.
(Information)
5. Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed. (Action)
6. ADJOURN

PUBLIC NOTICING: All notices of C/CAG regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA, and on C/CAG's website at: <http://www.ccag.ca.gov>.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the City/County Association of Governments of San Mateo County (C/CAG), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on C/CAG's website at: <http://www.ccag.ca.gov>.

PUBLIC PARTICIPATION: Public comment is limited to two minutes per speaker. Persons with disabilities who require auxiliary aids or services in attending and participating in this meeting should contact Mima Guilles at (650) 599-1406, five working days prior to the meeting date.

For questions about the agenda call Sandy Wong at 650 599.1409 or Kim Wever at 650 599.1451.

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
FINANCE COMMITTEE
MEETING MINUTES
December 4, 2019**

Committee Members Attending:

Jay Benton (Town of Hillsborough)
Maryann Moise Derwin (Town of Portola Valley) (arrived 12:07 P.M.)
Ann Wengert (Town of Portola Valley) – Committee Chair
Marie Chuang (Town of Hillsborough) – Committee Vice Chair

Committee Member(s) Absent:

Ricardo Ortiz (City of Burlingame)

Guests or Staff Attending:

Sandy Wong, Jean Higaki, Kim Wever – C/CAG Staff
Tammy Mak, Rebecca Mendenhall – City of San Carlos Finance Staff
Grace Zhang, CPA – Maze & Associates

1. Call to order

At 12:05 P.M. Chair Wengert called Finance Committee meeting to order.

2. Public comment on related items not on the agenda.

None

3. Approval of minutes of August 28, 2019 meeting. (Action)

Vice Chair Chuang moved and Chair Wengert seconded approval of the minutes. Motioned passed 3-0 (Wengert, Chuang, Benton)

4. Receive copies of monthly investment statements for July, August, and September 2019. (Information)

Finance committee members reviewed the investment statements and cash flow reports. As a follow-up from last meeting's discussion about the difference between net and gross interest rates, Jean Higaki, C/CAG Program Director, explained the addition of page 18 showing the quarterly interest rate for the County Pool as well as page 14 showing the monthly earnings rates chart that compares gross interest rates for County and LAIF. Member Benton commented how LAIF is outperforming the County and the yields have dropped in the last few months.

5. Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed. (Action)

The committee discussed confusion stemming from differing terminology that the County Pool and LAIF use when describing interest rates. Since LAIF does not calculate net rates monthly, future investment reports will just compare the quarterly net interest rate, in lieu of a monthly table. Chair Wengert wanted confirmation that the “Quarter to Date” listed LAIF rate was net. Tammy Mak, San Carlos Senior Accountant, confirmed it is net and that the “average effective monthly yields,” shown is after fees.

The Finance Committee reviewed the investment portfolio. Member Benton asked about the quarterly interest rate of LAIF on page 23 showing as 2.45%. Chair Wengert stated that it is the “apportionment rate”. Chair Wengert and Member Benton expressed that 2.34% from page 13 appears to be a more appropriate number to compare with the County Pool on that report since Tammy Mak determined 2.34% to be the net for the quarter. Rebecca Mendenhall, San Carlos Administrative Services Director, confirmed the number will be updated with the appropriate rate in future reports.

Chair Wengert stated that San Carlos staff is managing the investment portfolio well by staying close to the 70%. Member Benton added that there is no need for a change to the portfolio.

Member Benton moved to recommend no change to the portfolio. Member Moise Derwin seconded. Motioned passed unanimously (4-0).

6. Accept the C/CAG Financial Statements (Audit) for Fiscal Year Ended June 30, 2019 and the Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2019 and communicate with representative from auditing firm. (Action)

Jean Higaki introduced Grace Zhang, a representative from Maze & Associates, whose firm performed the annual audits. Ms. Zhang reported that no findings were found and answered committee questions. Chair Wengert asked if auditors focused on specific area or sections. Ms. Zhang, stated that focus areas vary every year. Supervisors and partners at the firm remain the same but auditors change every year.

Member Benton commented on how the restricted funds appear to keep increasing and asked if there were process or procedural concerns that made it more difficult to expend the funds. Sandy Wong, C/CAG Executive Director, stated she will provide an updated plan for fund allocation on the balance. Vice Chair Chuang commented that C/CAG should highlight how funds are spent on projects and programs.

Vice Chair Chuang moved, and Member Benton seconded the acceptance of the C/CAG Financial Statements (Audit) for Fiscal Year Ended June 30, 2019 and the Memorandum on Internal Control and Required Communications for the Year Ended June 30, 2019. Motioned passed unanimously (4-0).

7. Accept the C/CAG Single Audit Report for the Year Ended June 30, 2019 (Action)

Jean Higaki mentioned a typo on page 26 in the first sentence under Background. June 30, 2018 should be June 30, 2019.

Sandy Wong explained how the Single Audit Report is a specific requirement when we receive over \$750,000 of federal money.

Member Benton moved and Vice Chair Chuang seconded the acceptance of the C/CAG Single Audit Report for the Year Ended June 30, 2019. Motioned passed unanimously (4-0).

8. Accept the C/CAG State Transportation Improvement Program (STIP) Planning, Programming & Monitoring Program (PPM) Final Project Expenditure Audit Report from August 17, 2017 through September 30, 2018 (Action)

Member Benton moved and Vice Chair Chuang seconded the acceptance of the C/CAG State Transportation Improvement Program (STIP) Planning, Programming & Monitoring Program (PPM) Final Project Expenditure Audit Report from August 17, 2017 through September 30, 2018. Motioned passed unanimously (4-0).

9. Review Accept the following Measure M Fund Financial Statements (Audit) for the Year Ended June 30, 2019 (Action)

Member Benton moved and Vice Chair Chuang seconded the acceptance of the Measure M Fund Financial Statements (Audit) for the Year Ended June 30, 2019. Motioned passed unanimously (4-0).

10. Review and approval of the 2020 Finance Committee Meeting Calendar. (Action)

The Finance Committee reviewed the proposed 2020 Finance Committee Meeting Calendar and discussed how they can work around potential conflicts.

Member Moise Derwin moved and Vice Chair Chuang seconded approval of the 2020 Finance Committee Meeting Calendar. Motioned passed unanimously (4-0).

11. Adjournment

The meeting adjourned at approximately 12:55 P.M.

C/CAG AGENDA REPORT

Date: February 26, 2020
To: C/CAG Finance Committee
From: Sandy Wong, Executive Director
Subject: Receive copies of monthly investment statements for October, November, and December 2019.

(For further information or questions contact Kim Wever at 650-599-1451)

RECOMMENDATION

That the C/CAG Finance Committee receives copies of monthly investment statements for October, November, and December 2019.

FISCAL IMPACT

None

SOURCE OF FUNDS

C/CAG funds are held by the C/CAG Financial Agent (City of San Carlos)

BACKGROUND

The current C/CAG Investment Policy states that the C/CAG Finance Committee shall analyze investment portfolio at least every quarter. Attached are the monthly statements for C/CAG investment funds for the quarter ending on December 31, 2019.

ATTACHMENTS

1. C/CAG's Monthly Major Cash Inflows and Outflows, LAIF, and SMC Investment Fund Summary for October, November, and December 2019
2. LAIF Performance Report Quarter Ending December 31, 2019
3. San Mateo County Treasurer's Office Portfolio Report December 31, 2019
4. County Summary of Pool Earnings for October, November, and December 2019

CITY & COUNTY ASSOCIATION OF GOVERNMENTS
 Recap of Monthly Major Cash Inflows and Outflows
 for Quarter Ended December 31, 2019

October Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
October	Beginning book balance (Checking)		1,801,908
2019	Measure M	DMV	1,281,391
	Congestion Relief & Management	Caltrans	294,839
	NPDES	Caltrans	161,741
	All other Receipts (3)	various	3,302
	Transfer	LAIF	1,000,000
		Total October Cash Inflow	2,741,272
	Smart Corridor	Aegis ITS and Kimley-Horn & Assoc. Co-Plan LLC, County of San Mateo, San Mateo County Housing Authority, and City of Menlo Park	(81,278)
	Congestion Relief & Management	Samtrans and San Mateo County	(232,654)
	Bay Area Air Quality	San Mateo County	(57,908)
	Express Lane JPA	San Mateo County	(14,921)
	NPDES	City of Brisbane, Paradigm Environment, Groner S Assoc, Shaw/Yoder/Antwih, and County of San Mateo	(124,001)
	Energy Watch	DNV GL Services and County of San Mateo	(27,392)
	Measure M	County School Service Fund, Cities: Daly City, Pacifica, and San Bruno, Towns: Atherton and Woodside, and County of San Mateo	(833,720)
	All other payments (12)	various	(21,399)
	Transfer	San Mateo County Pool	(300,000)
	Transfer	LAIF	(700,000)
		Total October Cash Outflow	(2,393,273)
		Net Cash Inflow/(Outflow)	348,000
	Ending book balance (Checking)		2,149,908

October LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

November 04,
 2019

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CITY/COUNTY ASSOCIATION OF GOVERNMENTS
 OF SAN MATEO COUNTY
 FINANCE OFFICER
 600 ELM STREET
 SAN CARLOS, CA 94070

[Tran Type](#)
[Definitions](#)

Account Number: 40-41-004

October 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
10/9/2019	10/9/2019	RD	1618998	CARRIE TAM	700,000.00
10/15/2019	10/15/2019	QRD	1620234	SYSTEM	106,574.83
10/24/2019	10/23/2019	RW	1622300	CARRIE TAM	-1,000,000.00

Account Summary

Total Deposit:	806,574.83	Beginning Balance:	17,679,855.96
Total Withdrawal:	-1,000,000.00	Ending Balance:	17,486,430.79

October County Pool Statement



San Mateo County Treasurer
 555 County Center
 Redwood City, 94063
 (650) 363-4978 or (650) 599-7206

Statement Ending Date: 10/31/2019
 Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
9/30/2019	Balance brought forward		\$7,651,914.39	\$7,651,914.39
10/1/2019	INTEREST ALLOCATION POOL. 1		\$41,578.33	\$7,693,492.72
10/10/2019	WIRE IN		\$300,000.00	\$7,993,492.72
10/31/2019	Ending Balance			\$7,993,492.72

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
November 2019	Beginning book balance (Checking)		2,149,908
	NPDES	Caltrans, Cities: Brisbane and San Mateo	330,140
	Measure M	DMV	593,804
	Energy Watch	PG&E	81,069
	All other Receipts (2)	various	2,872
		Total November Cash Inflow	1,007,885
	Measure M	Cities: Belmont, Redwood City, and Half Moon Bay, EOA Inc., and County of San Mateo	(319,479)
	Congestion Relief & Mgmt	Commute.org, Co-Plan LLC, Gray Bowen Scott, Redwood City, Unnasch Stefan., and County of San Mateo	(262,125)
	AB1546	EOA Inc., Paradigm Environment, Sustainable Silicon, and Larry Walker Associates	(31,780)
	NPDES	EOA Inc., Groner S Assoc, Paradigm Environment, County of San Mateo, Redwood City, Urban Rain Design, and Larry Walker Associates	(235,992)
	Energy Watch	DNV GL Services, Redwood City, and County of San Mateo	(52,823)
	Smart Corridor	Aegis ITS and Redwood City	(9,955)
	Bay Area Air Quality	Commute.org and County of San Mateo	(189,029)
	Express Lane JPA	County of San Mateo and City of Redwood City	(10,288)
	All other payments (27)	various	(50,772)
		Total November Cash Outflow	(1,162,242)
		Net Cash Inflow/(Outflow)	(154,357)
	Ending book balance (Checking)		1,995,550

November LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

December 02, 2019

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CITY/COUNTY ASSOCIATION OF GOVERNMENTS
OF SAN MATEO COUNTY
FINANCE OFFICER
600 ELM STREET
SAN CARLOS, CA 94070

[Tran Type](#)
[Definitions](#)

Account Number: 40-41-004

November 2019 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	17,486,430.79
Total Withdrawal:	0.00	Ending Balance:	17,486,430.79

November County Pool Statement



San Mateo County Treasurer
 555 County Center
 Redwood City, 94063
 (650) 363-4978 or (650) 599-7206

Statement Ending Date: 11/30/2019
 Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
9/30/2019	Balance brought forward		\$7,993,492.72	\$7,993,492.72
10/31/2019	Ending Balance			\$7,993,492.72

CITY & COUNTY ASSOCIATION OF GOVERNMENTS
 Recap of Monthly Major Cash Inflows and Outflows
 for Quarter Ended December 31, 2019

December Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)	
December 2019	Beginning book balance (Checking)		1,995,550	
	Congestion Relief & Management	Fehr & Peers	10,000	
	NPDES	Caltrans	775,108	
	Energy Watch	PG&E	26,144	
	Measure M	DMV	583,876	
	All other Receipts (3)	various	2,827	
	Transfer	San Mateo County Pool	400,000	
	Total December Cash Inflow			<u>1,797,955</u>
	Measure M	County School Service Fund, EOA Inc., Cities: Menlo Park, Millbrae, and Redwood City, County of San Mateo		(466,090)
	Congestion Relief & Management	Gray Bowen Scott, Placeworks, Redwood City, Shaw/Yoder/Antwih Inc., and County of San Mateo		(113,745)
	NPDES	Cities: Brisbane and Redwood City, EOA Inc., Groner S Assoc., Paradigm Environment, Larry Walker Assoc., and County of San Mateo		(201,539)
	Bay Area Air Quality	Redwood City and County of San Mateo		(3,908)
	Express Lane JPA	Redwood City and County of San Mateo		(15,772)
	Smart Corridor	Iteris Inc., Kimley-Horn & Assoc., and Redwood City		(122,693)
	Energy Watch	DNV GL Services Inc. and County of San Mateo		(23,405)
	AB1546	EOA Inc., Paradigm Environment, and Larry Walker Assoc.		(25,785)
	All other payments (22)	various		(15,054)
	Transfer	San Mateo County Pool		(250,000)
	Transfer	LAIF		(700,000)
	Total December Cash Outflow			<u>(1,937,991)</u>
Net Cash Inflow/(Outflow)			<u>(140,036)</u>	
Ending book balance (Checking)			<u>1,855,514</u>	

December LAIF Statement

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

January 06, 2020

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CITY/COUNTY ASSOCIATION OF GOVERNMENTS
 OF SAN MATEO COUNTY
 FINANCE OFFICER
 600 ELM STREET
 SAN CARLOS, CA 94070

[Tran Type](#)
[Definitions](#)

Account Number: 40-41-004

December 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
12/20/2019	12/19/2019	RD	1626078	CARRIE TAM	700,000.00

Account Summary

Total Deposit:	700,000.00	Beginning Balance:	17,486,430.79
Total Withdrawal:	0.00	Ending Balance:	18,186,430.79

December County Pool Statement



San Mateo County Treasurer
 555 County Center
 Redwood City, 94063
 (650) 363-4978 or (650) 599-7206

Statement Ending Date: 12/31/2019
 Account: 03412

STATEMENT OF ACCOUNT

City/County Association of Governments

DATE	DESCRIPTION	DEBITS	CREDITS	ACCOUNT BALANCE
11/30/2019	Balance brought forward		\$7,993,492.72	\$7,993,492.72
12/13/2019	WIRE OUT	\$400,000.00		\$7,593,492.72
12/20/2019	WIRE IN		\$250,000.00	\$7,843,492.72
12/31/2019	Ending Balance			\$7,843,492.72

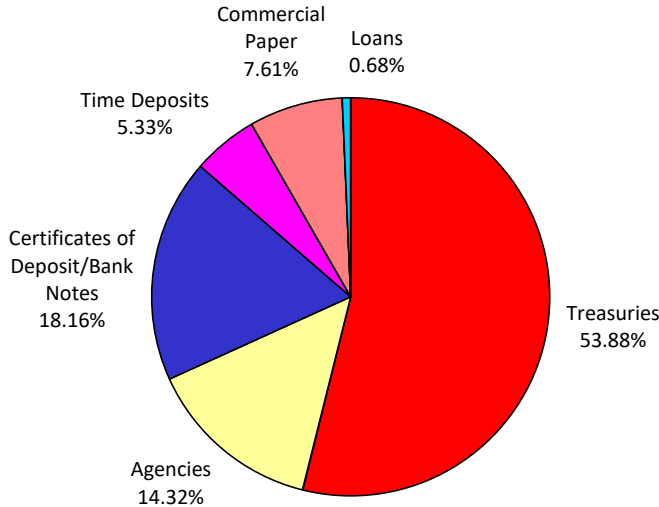


PMIA/LAIF Performance Report as of 01/29/2020



Pooled Money Investment Account Portfolio Composition ⁽¹⁾

12/31/19
\$88.9 billion



Percentages may not total 100% due to rounding

PMIA Average Monthly Effective Yields⁽¹⁾

Dec 2019	2.043
Nov 2019	2.103
Oct 2019	2.190

LAIF Quarterly Performance Quarter Ended 12/31/19

Apportionment Rate ⁽²⁾ :	2.29
Earnings Ratio ⁽²⁾ :	0.0000625008577897
Fair Value Factor ⁽¹⁾ :	1.001770298
Daily ⁽¹⁾ :	2.02%
Quarter to Date ⁽¹⁾ :	2.11%
Average Life ⁽¹⁾ :	226

PMIA Daily Rates⁽¹⁾

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
12/30/19	2.03	2.11	224
12/31/19	2.02	2.11	226
01/01/20	2.03	2.03	224
01/02/20	2.00	2.02	231
01/03/20	2.00	2.01	229
01/04/20	2.00	2.01	229
01/05/20	2.00	2.01	229
01/06/20	2.00	2.00	226
01/07/20	1.99	2.00	224
01/08/20	1.99	2.00	224
01/09/20	1.99	2.00	224
01/10/20	1.98	2.00	223
01/11/20	1.98	2.00	223
01/12/20	1.98	2.00	223
01/13/20	1.98	1.99	220
01/14/20	1.97	1.99	221
01/15/20	1.96	1.99	228
01/16/20	1.95	1.99	226
01/17/20	1.95	1.99	224
01/18/20	1.95	1.98	224
01/19/20	1.95	1.98	224
01/20/20	1.95	1.98	224
01/21/20	1.95	1.98	219
01/22/20	1.95	1.98	218
01/23/20	1.94	1.98	216
01/24/20	1.94	1.98	218
01/25/20	1.94	1.97	218
01/26/20	1.94	1.97	218
01/27/20	1.94	1.97	216
01/28/20	1.94	1.97	215
01/29/20	1.94	1.97	216

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund pursuant to Public Utility Code 3288 (a).

Source:

(1) State of California, Office of the Treasurer

(2) State of California, Office of the Controller



California State Treasurer
Fiona Ma, CPA



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POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967											

.



SAN MATEO COUNTY TREASURER'S OFFICE PORTFOLIO REPORT

December 31, 2019

Earnings Summary

Average Balance		\$	5,815,860,312.63
Gross Earnings Rate/Dollar	1.879%	\$	9,282,198.89
Administration Fees		\$	(469,252.29)
Net Earnings Rates/Dollar		\$	8,812,946.60

Portfolio Summary

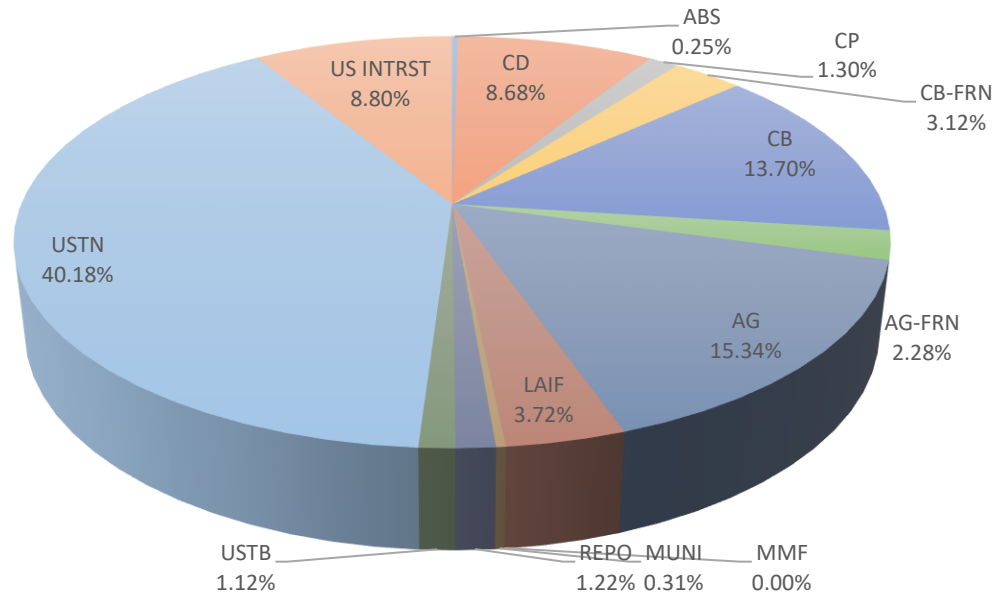
Average Yield to Maturity	1.75
Average Maturity (yrs)	1.74
Average Coupon	1.93
Average Duration	1.66
Average Moody Rating	Aa1/P-1
Average S&P Rating	AA/A-1
Net Gain/Loss	\$ 34,438,432.28
Annual Income	\$ 111,071,871.63
Accrued Interest	\$ 29,270,341.17
Number of Issues	246

Monthly Earnings Rates

Month	SMC	LAIF
July-19	2.336%	2.379%
August-19	2.281%	2.341%
September-19	2.186%	2.280%
October-19	2.105%	2.190%
November-19	1.959%	2.103%
December-19	1.879%	2.043%

Investment Type	Par	Book	Market
Asset Backed Securities	14,260	14,547	14,452
Certificate of Deposit	501,978	502,225	506,372
Commercial Paper	75,000	73,576	74,755
Corporate Bond - Floaters	180,211	180,139	181,576
Corporate Bonds	792,083	796,396	808,295
Federal Agency - Floaters	131,650	131,674	131,730
Federal Agency Securities	887,420	889,750	894,242
Local Agency Investment Fund	215,000	215,000	215,378
Money Market Funds	19	19	19
Municipal Bonds	17,650	18,085	18,339
Repurchase Agreement	70,700	70,700	70,703
United States Treasury Bills	65,000	64,078	64,782
United States Treasury Notes	2,323,715	2,358,468	2,366,924
US Instrumentalities	509,000	507,994	509,523
Grand Total	5,783,686	5,822,651	5,857,089

Values in \$Thousands, Book Value does not reflect amortizations or accretions but includes purchased accrued interest. Market Value includes accrued Interest for reporting period and downloaded through Interactive Data Corp.





SUMMARY OF POOL EARNINGS

COUNTY OF SAN MATEO ESTIMATED SUMMARY OF POOL EARNINGS OCTOBER 2019

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 1,801,235,000.00	\$ 2,021,621.77	U S Treasury Notes	\$ 331,219.18
U.S. Instrumentalities	\$ 70,000,000.00	\$ 103,743.64	U.S. Instrumentalities	\$ 19,744.21
Federal Agencies	\$ 595,290,000.00	\$ 894,976.15	Federal Agencies	\$ 209,174.48
Corporate Notes	\$ 465,654,000.00	\$ 926,178.98	Corporate Notes	\$ 279,272.77
Certificate of Deposit	\$ 210,000,000.00	\$ 356,714.05	Floating Rate Securities	\$ 85,197.12
Floating Rate Securities	\$ 138,190,000.00	\$ 237,485.66	Commercial Paper	\$ 98,312.79
	\$ 3,280,369,000.00	\$ 4,540,720.25	Certificate of Deposit	\$ 310,631.61
			U S Treasury Bills	\$ 68,515.05
			Repurchase Agreements	\$ 179,418.07
			Total Realized Income	\$ 1,581,485.28
Short Term Securities Maturing < 1 year				
U S Treasury Notes	\$ -	\$ -		
U.S. Instrumentalities	\$ 85,000,000.00	\$ 126,884.68		
Federal Agencies	\$ 289,150,000.00	\$ 450,815.37		
Corporate Notes	\$ 244,139,000.00	\$ 524,861.06		
Floating Rate Securities	\$ 69,521,000.00	\$ 118,667.72		
LAIF	\$ 65,000,000.00	\$ 132,493.15		
Commercial Paper	\$ 185,000,000.00	\$ 361,999.75		
Certificate of Deposit	\$ 478,988,000.00	\$ 809,014.72		
U S Treasury Bills	\$ 54,500,000.00	\$ 102,557.68		
Repurchase Agreements	\$ 146,621,353.95	\$ 6,731.67		
	\$ 1,617,919,353.95	\$ 2,634,025.80		
Total Accrued Interest	\$ 4,898,288,353.95	\$ 7,174,746.05		
Total Dollar Earnings for October		\$ 8,756,231.33		

	AVERAGE BALANCE		\$ 4,898,763,630.08
	GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	2.105%	\$ 8,756,231.33
	ADMINISTRATION FEES		(\$395,256.41)
	NET EARNINGS RATE / NET DOLLAR EARNINGS	2.010%	\$8,360,974.93



SUMMARY OF POOL EARNINGS

COUNTY OF SAN MATEO ESTIMATED SUMMARY OF POOL EARNINGS NOVEMBER 2019

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 2,008,335,000.00	\$ 2,248,458.89	U S Treasury Notes	\$ 457,033.55
Corporate Notes	\$ 500,134,000.00	\$ 954,244.77	Corporate Notes	\$ 21,478.42
Floating Rate Securities	\$ 138,190,000.00	\$ 210,215.31	Certificate of Deposit	\$ 176,120.57
Federal Agencies	\$ 503,290,000.00	\$ 724,368.20	Federal Agencies	\$ 293,160.40
U.S. Instrumentalities	\$ 70,000,000.00	\$ 90,495.34	U.S. Instrumentalities	\$ 31,953.83
Asset Backed Securities	\$ 14,260,000.00	\$ 3,429.67	Floating Rate Securities	\$ 50,918.05
Certificate of Deposit	\$ 200,000,000.00	\$ 341,350.32	Commercial Paper	\$ 34,293.30
	\$3,434,209,000	\$ 4,572,562.49	U S Treasury Bills	\$ -
			Repurchase Agreements	\$ 129,929.78
			Total Realized Income	\$ 1,194,887.90
Short Term Securities Maturing < 1 year				
Repurchase Agreements	\$ 31,894,515.15	\$ 6,415.28		
U S Treasury Notes	\$ 108,400,000.00	\$ 91,147.22		
Corporate Notes	\$ 241,139,000.00	\$ 509,570.82		
Floating Rate Securities	\$ 59,021,000.00	\$ 91,979.64		
Federal Agencies	\$ 445,550,000.00	\$ 472,285.57		
U.S. Instrumentalities	\$ 249,000,000.00	\$ 247,006.04		
U S Treasury Bills	\$ 124,500,000.00	\$ 134,765.95		
Certificate of Deposit	\$ 418,988,000.00	\$ 720,428.00		
Commercial Paper	\$ 75,000,000.00	\$ 159,291.67		
LAIF	\$ 65,000,000.00	\$ 128,219.18		
	\$ 1,818,492,515.15	\$ 2,561,109.36		
Total Accrued Interest	\$ 5,252,701,515.15	\$ 7,133,671.86		
Total Dollar Earnings for November		\$ 8,328,559.75		

	AVERAGE BALANCE		\$ 5,173,486,383.86
	GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	1.959%	\$ 8,328,559.75
	ADMINISTRATION FEES		(\$403,957.16)
	NET EARNINGS RATE / NET DOLLAR EARNINGS	1.864%	\$ 7,924,602.60



SUMMARY OF POOL EARNINGS

COUNTY OF SAN MATEO ESTIMATED SUMMARY OF POOL EARNINGS DECEMBER 2019

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
<u>Fixed Income Securities Maturing > 1 year</u>				
U S Treasury Notes	\$ 2,130,315,000.00	\$ 2,378,452.77	U S Treasury Notes	\$ 539,923.89
Corporate Notes	\$ 566,494,000.00	\$ 1,094,664.21	Corporate Notes	\$ 50,295.99
Floating Rate Securities	\$ 138,190,000.00	\$ 258,505.26	Certificate of Deposit	\$ 141,576.95
Federal Agencies	\$ 478,290,000.00	\$ 563,326.30	Federal Agencies	\$ 237,434.67
U.S. Instrumentalities	\$ 70,000,000.00	\$ 111,418.25	U.S. Instrumentalities	\$ 43,215.25
Asset Backed Securities	\$ 14,260,000.00	\$ 12,359.03	Floating Rate Securities	\$ 51,663.35
Certificate of Deposit	\$ 200,000,000.00	\$ 370,944.30	U S Treasury Bills	\$ 22,861.12
	\$3,597,549,000	\$ 4,789,670.13	Asset Backed Securities	\$ 14,474.88
			Repurchase Agreements	\$ 315,123.62
			Total Realized Income	\$ 1,416,569.73
<u>Short Term Securities Maturing < 1 year</u>				
Repurchase Agreements	\$ 70,718,845.62	\$ 9,132.08		
U S Treasury Notes	\$ 173,400,000.00	\$ 221,939.42		
Corporate Notes	\$ 224,139,000.00	\$ 488,997.72		
Floating Rate Securities	\$ 49,021,000.00	\$ 64,999.53		
Federal Agencies	\$ 556,570,000.00	\$ 783,672.31		
U.S. Instrumentalities	\$ 449,000,000.00	\$ 497,781.47		
U S Treasury Bills	\$ 85,000,000.00	\$ 102,342.80		
Certificate of Deposit	\$ 288,288,000.00	\$ 521,232.05		
Commercial Paper	\$ 75,000,000.00	\$ 164,601.39		
CAMP	\$ 150,000,000.00	\$ 88,767.12		
LAIF	\$ 65,000,000.00	\$ 132,493.15		
	\$ 2,186,136,845.62	\$ 3,075,959.04		
Total Accrued Interest	\$ 5,783,685,845.62	\$ 7,865,629.16		
Total Dollar Earnings for December		\$ 9,282,198.89		

	AVERAGE BALANCE		\$ 5,815,860,312.63
	GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	1.879%	\$ 9,282,198.89
	ADMINISTRATION FEES		(\$469,252.29)
	NET EARNINGS RATE / NET DOLLAR EARNINGS	1.784%	\$8,812,946.60



SUMMARY OF POOL EARNINGS

COUNTY OF SAN MATEO SUMMARY OF POOL EARNINGS Q2 FISCAL YEAR 2019-2020

	<u>Par Value</u>	<u>Gross Earnings</u>	<u>Realized Gain/Loss & Interest Received</u>	<u>Period Earnings</u>
Fixed Income Securities Maturing > 1 year				
U S Treasury Notes	\$ 2,130,315,000.00	\$ 5,251,585.56	U S Treasury Notes	\$ 2,646,956.52
Corporate Notes	\$ 566,494,000.00	\$ 2,799,960.46	Corporate Notes	\$ 597,185.17
Floating Rate Securities	\$ 138,190,000.00	\$ 431,455.57	Certificate of Deposit	\$ 1,688,649.07
Federal Agencies	\$ 478,290,000.00	\$ 896,080.89	Federal Agencies	\$ 2,425,504.93
U.S. Instrumentalities	\$ 70,000,000.00	\$ 282,301.06	U.S. Instrumentalities	\$ 182,605.08
Asset Backed Securities	\$ 14,260,000.00	\$ 11,725.58	Floating Rate Securities	\$ 578,761.41
Certificate of Deposit	\$ 200,000,000.00	\$ 976,199.77	U S Treasury Bills	\$ 156,291.93
	\$3,597,549,000	\$ 10,649,308.91	Commercial Paper	\$ 330,004.46
			Asset Backed Securities	\$ 18,538.00
Short Term Securities Maturing < 1 year				
Repurchase Agreements	\$ 70,718,845.62	\$ 9,132.08	Repurchase Agreements	\$ 637,618.42
U S Treasury Notes	\$ 173,400,000.00	\$ 317,553.20	Total Realized Income	\$ 9,262,114.99
Corporate Notes	\$ 224,139,000.00	\$ 1,452,624.21		
Floating Rate Securities	\$ 49,021,000.00	\$ 113,221.51		
Federal Agencies	\$ 556,570,000.00	\$ 1,406,271.71		
U.S. Instrumentalities	\$ 449,000,000.00	\$ 807,336.56		
U S Treasury Bills	\$ 85,000,000.00	\$ 274,750.67		
Certificate of Deposit	\$ 288,288,000.00	\$ 1,112,376.19		
Commercial Paper	\$ 75,000,000.00	\$ 488,494.44		
CAMP	\$ 150,000,000.00	\$ 88,767.12		
LAIF	\$ 65,000,000.00	\$ 393,205.48		
	\$ 2,186,136,845.62	\$ 6,463,733.18		
Total Accrued Interest	\$ 5,783,685,845.62	\$ 17,113,042.09		
Total Dollar Earnings for Q2 FY 2019-2020		\$ 26,375,157.08		

	AVERAGE BALANCE		\$ 5,297,488,532.97
	GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS	1.975%	\$ 26,375,157.08
	ADMINISTRATION FEES		(\$1,268,494.51)
	NET EARNINGS RATE / NET DOLLAR EARNINGS	1.880%	\$25,106,662.56

C/CAG AGENDA REPORT

Date: February 26, 2020
To: C/CAG Finance Committee
From: Sandy Wong, Executive Director
Subject: Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed.

(For further information or questions contact Kim Wever at 650-599-1451)

RECOMMENDATION

That the C/CAG Finance Committee review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed.

FISCAL IMPACT

Potential for higher or lower yields and risk associated with C/CAG investments.

SOURCE OF FUNDS

The Investment Policy applies to all C/CAG funds held by the C/CAG Financial Agent (City of San Carlos).

BACKGROUND

According to the C/CAG Investment Policy adopted on September 12, 2019:

“The portfolio should be analyzed not less than quarterly by the C/CAG Finance Committee, and modified as appropriate periodically as recommended by the Finance Committee and approved by the C/CAG Board, to respond to changing circumstances in order to achieve the Safety of Principal.”

The Finance Committee will seek to provide a balance between the various investments and maturities in order to give C/CAG the optimum combination of Safety of Principal, necessary liquidity, and optimal yield based on cash flow projections.

The LAIF Quarter Ending 12/31/19 net interest earning rate is 2.11%
San Mateo County Pool Quarter Ending 12/31/19 net interest earning rate is 1.88%

On November 14, 2013 the C/CAG Board approved the C/CAG investment portfolio as follows:

Local Agency Investment Fund (LAIF)	50% to 70%
San Mateo County Investment Pool (COPOOL)	30% to 50%

On December 4, 2019, the Finance Committee reviewed the investment portfolio and recommend no change to the investment portfolio.

On December 12, 2019, the C/CAG Board approved of no change to the investment portfolio.

The investment portfolio as of December 31, 2019 is as follows:

	9/30/2019		12/31/2019	
	Amount	Percent	Amount	Percent
LAIF	\$17,679,856	70%	\$18,186,431	70%
COPOOL	\$7,651,914	30%	\$7,843,493	30%
Total	\$25,331,770	100%	\$26,029,924	100%

ATTACHMENTS

1. Quarterly Investment Report as of December 31, 2019 from San Carlos

C/CAG
CITY/COUNTY ASSOCIATION OF GOVERNMENTS
of San Mateo County

Board of Directors Agenda Report

To: Sandy Wong, Executive Director
From: Carrie Tam, Financial Services Manager
Date: February 26, 2020

SUBJECT: Quarterly Investment Report as of December 31, 2019

RECOMMENDATION:

It is recommended that the C/CAG Board review and accept the Quarterly Investment Report.

ANALYSIS:

The attached investment report indicates that on December 31, 2019, funds in the amount of \$26,029,924 were invested producing a weighted average yield of 2.04%. Of the total investment portfolio, 69.9% of funds were invested in the Local Agency Investment Fund (LAIF) and 30.1% in the San Mateo County Investment Pool (COPOOL). These percentages are within the range specified by the C/CAG Board. Accrued interest earnings for this quarter totaled \$139,576. The portfolio mix reflects the Board approved percentage invested in the County Investment Pool and LAIF.

Below is a summary of the changes from the prior quarter:

	Qtr Ended 12/31/19	Qtr Ended 9/30/19	Increase (Decrease)
Total Portfolio	\$ 26,029,924	\$ 25,331,770	\$ 698,154
Weighted Average Yield	2.04%	2.29%	-0.25%
Accrued Interest Earnings	\$ 139,576	\$ 148,153	\$ (8,577)

There was an increase of \$0.7 million in the portfolio balance this quarter compared to the previous quarter mainly due to cash receipts offset by cash disbursements in the second quarter for Measure M, National Pollutant Discharge Elimination System (NPDES), Bay Area Air Quality Management (BAAQM), and Congestion Relief and Management. The slightly lower quarterly interest rate resulted in slightly lower interest earnings for this quarter.

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis to ensure that C/CAG’s investment portfolio will remain sufficiently liquid to meet all reasonably anticipated operating requirements. As of December 31, 2019, the portfolio contains sufficient liquidity to meet the next six months of expected expenditures by C/CAG. All investments are in compliance with the Investment Policy. Attachment 2 shows a historical comparison of the portfolio for the past nine quarters.

The primary objective of the investment policy of C/CAG remains to be the SAFETY OF PRINCIPAL. The permitted investments section of the investment policy also states:

Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, and San Mateo County Investment pool, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments.

The Investment Advisory Committee has reviewed and approved the attached Investment Report.

Attachments

- 1 – Investment Portfolio Summary for the Quarter Ended December 31, 2019
- 2 – Historical Summary of Investment Portfolio

CITY & COUNTY ASSOCIATION OF GOVERNMENTS

SUMMARY OF ALL INVESTMENTS
For Quarter Ending December 31, 2019

Category	Quarterly Interest Rate**	Historical Book Value	% of Portfolio	GASB 31 ADJ Market Value
Liquid Investments:				
Local Agency Investment Fund (LAIF)	2.11%	18,186,431	69.9%	18,218,626
San Mateo County Investment Pool (COPOOL)	1.88%	7,843,493	30.1%	7,843,493
Agency Securities				
<i>none</i>				
Total - Investments	2.04%	26,029,924	100%	26,062,119
GRAND TOTAL OF PORTFOLIO	2.04%	\$ 26,029,924	100%	\$ 26,062,119
Total Interest Earned This Quarter				139,576
Total Interest Earned (Loss) Fiscal Year-to-Date				287,729

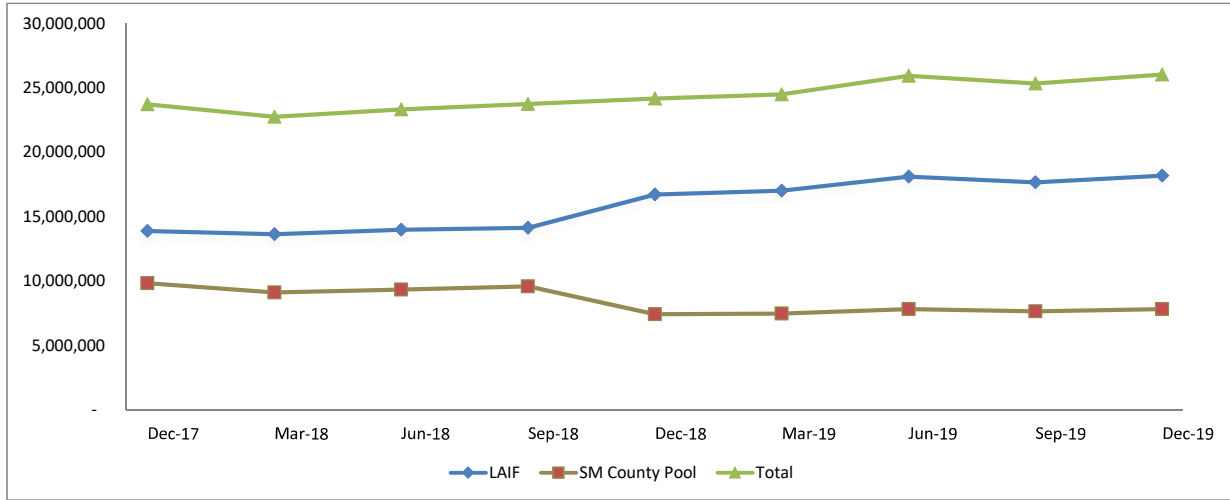
Note: CCAG Board approved the following investment portfolio mix at its November 14, 2013 meeting:

LAIF - 50% to 70%
COPOOL - 30% to 50%

*Difference in value between Historical Value and Market Value may be due to timing of purchase. Investments in the investment pools may have been purchased when interest rates were lower or higher than the end date of this report. As interest rates increase or decrease, the value of the investment pools will decrease or increase accordingly. However, interest rate fluctuations does not have any impact to CCAG's balance in the investment pools. The market values are presented as a reference only.

**Presented net of administrative fees

City and County Association of Governments Historical Summary of Investment Portfolio December 31, 2019



Note: The chart type has been changed from Column to Line after receiving feedback from CCAG's Finance Committee

City/County Association of Governments Investment Portfolio

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19
LAIF	13,896,995	13,637,606	13,988,892	14,152,699	16,728,451	17,017,482	18,118,668	17,679,856	18,186,431
SM County Pool	9,838,593	9,117,611	9,350,753	9,590,815	7,436,613	7,488,352	7,832,078	7,651,914	7,843,493
Total	23,735,588	22,755,217	23,339,645	23,743,514	24,165,064	24,505,834	25,950,746	25,331,770	26,029,924