



**City/County Association of Governments  
of San Mateo County**

*Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park  
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, November 16, 2016

**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 Two  
Redwood City, CA

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- 1.0 CALL TO ORDER
- 2.0 PUBLIC COMMENT ON RELATED ITEMS NOT ON THE AGENDA  
*Note: Public comment is limited to two minutes per speaker.*
- 3.0 Approval of minutes of August 24, 2016 meeting. (Action)
- 4.0 Receive copies of monthly investment statements for July, August, and September 2016.  
(Information)
- 5.0 Review of the quarterly investment report and recommend modifications to the C/CAG investment portfolio as needed. (Action)
- 6.0 Develop the 2017 Finance Committee meeting Calendar. (Action)
- 7.0 ADJOURN

**PUBLIC NOTICING:** All notices of C/CAG Board and Committee meetings will be posted at San Mateo County Transit District Office, 1250 San Carlos Ave., San Carlos, CA.

*For questions about the agenda call Sandy Wong at 650 599.1409 or Jean Higaki at 650 599.1462.*

## **C/CAG AGENDA REPORT**

Date: November 16, 2016

To: C/CAG Finance Committee

From: Sandy Wong, Executive Director

Subject: Receive copies of monthly investment statements for July, August, and September 2016.

(For further information or questions contact Jean Higaki at 599-1462)

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### **RECOMMENDATION**

That the C/CAG Finance Committee receives copies of monthly investment statements for July, August, and September 2016.

### **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 September 30, 2016.

### **ATTACHMENTS**

1. C/CAG's Monthly Major Cash Inflows and Outflows, LAIF, and SMC Investment Fund Summary for July, August, and September 2016
2. LAIF Performance Report Quarter Ending September 30, 2016
3. County Summary of Pool Earnings for July, August, and September 2016

CITY & COUNTY ASSOCIATION OF GOVERNMENTS  
Recap of Monthly Major Cash Inflows and Outflows  
for Quarter Ended September 30, 2016

# July Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
July 2016	<b>Beginning book balance (Checking)</b>		<b>1,159,034</b>
	Measure M	DMV	771,880
	NPDES	Town of Woodside	16,666
	Airport Land Use Compatibility Plan	County of San Mateo	50,000
	Member Contributions	Cities: Millbrae, South San Francisco, San Carlos, East Palo Alto, Belmont, and Burlingame; Towns: Hillsborough, Colma, Atherton, Woodside	84,068
	Congestion Relief & Management	Cities: Millbrae, South San Francisco, San Carlos, East Palo Alto, Belmont, and Burlingame; Towns: Hillsborough, Colma, Atherton, Woodside	686,006
	Congestion Relief & Management	Caltrans and Metropolitan Transportation Commssion	403,780
	Energy Watch	PG&E	41,222
	All other Receipts (2)	various	35
	Transfer	LAIF	500,000
		<b>Total July Cash Inflow</b>	<b>2,553,656</b>
	Smart Corridor	Kimley-Horn, Redwood City, and County of San Mateo	(143,130)
	Congestion Relief & Management	County of San Mateo, Commute.Org, Shaw/Yoder/Antwih, William Gray, and Redwood City	(267,552)
	Bay Area Air Quality	Commute.org	(28,133)
	NPDES	S Groner Assoc., EOA	(138,614)
	Energy Watch	DNV GL Services, Joint Venture, County of San Mateo	(87,248)
	Measure M	Redwood City and County of San Mateo	(155,234)
	Measure M	S Groner Assoc., EOA, and Parisi Transportation	(150,176)
	All other payments (31)	various	(92,051)
		<b>Total July Cash Outflow</b>	<b>(1,062,138)</b>
		<b>Net Cash Inflow/(Outflow)</b>	<b>1,491,518</b>
	<b>Ending book balance (Checking)</b>		<b>2,650,552</b>

# July LAIF Statement

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

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

August 01, 2016

PMIA Average Monthly Yields
**Account Number:**

40-41-004

Tran Type Definitions

July 2016 Statement

Effective Date	Transaction Date	Tran Type	Tran Confirm Number	Authorized Caller	Amount
7/12/2016	7/11/2016	RW	1505829	CARRIE TAM	-500,000.00
7/15/2016	7/14/2016	QRD	1509174	SYSTEM	17,013.44

Account Summary

Total Deposit:	17,013.44	Beginning Balance:	12,200,510.13
Total Withdrawal:	-500,000.00	Ending Balance:	11,717,523.57

# July County Pool Statement

To:	City of San Carlos-City/County Association of Govs
Attn:	Rebecca Mendenhall, Finance Manager
From:	San Mateo County Treasurer's Office
Subj:	SM County Investment Fund Summary

Total Transactions	1
Total Debits	\$0.00
Total Credits	\$18,073.86

Account No	03412
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Statement Period Ending 31-Jul-16

Activity	Trans	Date	Debit	Credit	Balance
BEGINNING BALANCE		06/30/16	---	---	\$8,154,442.37
4TH QUARTER INTEREST	1	07/01/16	---	18,073.86	\$8,172,516.23
ENDING BALANCE		07/31/16	---	---	\$8,172,516.23

# August Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
August 2016	<b>Beginning book balance (Checking)</b>		<b>2,650,552</b>
	Measure M	DMV	695,948
		Cities: Brisbane, Foster City, Menlo Park, Redwood City, San Bruno, and San	
	Congestion Relief & Management	Mateo; Towns: Portola Valley; County of San Mateo	1,149,250
	Congestion Relief & Management	Caltrans and Metropolitan Transportation Commssion	282,306
	Bay Area Air Quality	San Mateo County Transit District	143,550
	Smart Corridor	Caltrans	148,344
	Energy Watch	PG&E	90,670
		Cities: Brisbane, Foster City, Menlo Park, Redwood City, San Bruno, and San	
	Member Contributions	Mateo; Towns: Portola Valley; County of San Mateo	134,334
	All other Receipts (5)	various	3,619
		<b>Total August Cash Inflow</b>	<b>2,648,021</b>
	Measure M	S Groner Assoc., EOA, Larry Walker Assoc., and County of San Mateo	(498,691)
	Congestion Relief & Mgmt	County of San Mateo and CDM Smith Inc.	(107,611)
	NPDES	S Groner Assoc., EOA, Larry Walker Assoc., and Shaw/Yoder/Antwih	(236,985)
	All other payments (18)	various	(15,669)
	Transfer	San Mateo County Pool	(1,250,000)
	Transfer	LAIF	(500,000)
		<b>Total August Cash Outflow</b>	<b>(2,608,956)</b>
		<b>Net Cash Inflow/(Outflow)</b>	<b>39,065</b>
	<b>Ending book balance (Checking)</b>		<b>2,689,617</b>

# August LAIF Statement

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

September 02, 2016

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

## PMIA Average Monthly Yields

Account Number:  
40-41-004

## Tran Type Definitions

August 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
8/9/2016	8/8/2016	RD	1511673	CARRIE TAM	500,000.00

## Account Summary

Total Deposit:	500,000.00	Beginning Balance:	11,717,523.57
Total Withdrawal:	0.00	Ending Balance:	12,217,523.57

# August County Pool Statement

To:	City of San Carlos-City/County Association of Govs
Attn:	Rebecca Mendenhall, Finance Manager
From:	San Mateo County Treasurer's Office
Subj:	SM County Investment Fund Summary

Total Transactions	1
Total Debits	\$0.00
Total Credits	\$1,250,000.00

Account No	03412
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Statement Period Ending 31-Aug-16

Activity	Trans	Date	Debit	Credit	Balance
BEGINNING BALANCE		07/31/16	---	---	\$8,172,516.23
WIRE IN	1	08/02/16	---	1,250,000.00	\$9,422,516.23
ENDING BALANCE		08/31/16	---	---	\$9,422,516.23



# September Cash Flow

Major Cash Inflows and Outflows

Month	Program	From/To	Amount - In/(Out)
September	<b>Beginning book balance (Checking)</b>		<b>2,689,617</b>
2016	Congestion Relief & Management	Cities of Half Moon Bay and Pacifica; CA Energy Commission	171,274
	Measure M	Caltrans	239,909
	Member Contributions	Cities of Half Moon Bay and Pacifica	18,521
	Energy Watch	PG&E	39,158
	All other Receipts (4)	various	449
	Transfer	LAIF	400,000
		Total September Cash Inflow	869,311
	Congestion Relief & Management	Cities of Redwood City and Menlo Park, County of San Mateo, Shaw/Yoder/Antwih, and William R Gray	(475,793)
	NPDES	S Groner Assoc., Regional Monitoring, and Redwood City	(133,887)
	Energy Watch	DNV GL Services and County of San Mateo	(67,438)
	All other payments (41)	various	(64,325)
	Transfer	San Mateo County Pool	(250,000)
	Transfer	LAIF	(2,000,000)
		Total September Cash Outflow	(2,991,443)
		<b>Net Cash Inflow/(Outflow)</b>	<b>(2,122,132)</b>
	<b>Ending book balance (Checking)</b>		<b>567,485</b>

## September LAIF Statement

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

October 04, 2016

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

PMIA Average Monthly Yields

Account Number:

40-41-004

Tran Type Definitions

September 2016 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
9/1/2016	9/1/2016	RD	1513382	CARRIE TAM	1,000,000.00
9/19/2016	9/19/2016	RD	1514449	CARRIE TAM	1,000,000.00
9/28/2016	9/28/2016	RW	1515127	CARRIE TAM	-400,000.00

Account Summary

Total Deposit:	2,000,000.00	Beginning Balance:	12,217,523.57
Total Withdrawal:	-400,000.00	Ending Balance:	13,817,523.57

# September County Pool Statement

To:	City of San Carlos-City/County Association of Govs
Attn:	Rebecca Mendenhall, Finance Manager
From:	San Mateo County Treasurer's Office
Subj:	SM County Investment Fund Summary

Total Transactions	1
Total Debits	\$0.00
Total Credits	\$250,000.00

Account No	03412
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Statement Period Ending 30-Sep-16

Activity	Trans	Date	Debit	Credit	Balance
BEGINNING BALANCE		08/31/16	---	---	\$9,422,516.23
WIRE IN	1	09/21/16	---	250,000.00	\$9,672,516.23
ENDING BALANCE		09/30/16	---	---	\$9,672,516.23



**JOHN CHIANG  
TREASURER  
STATE OF CALIFORNIA**



**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/28/16	0.64	0.61	160
09/29/16	0.64	0.61	162
09/30/16	0.65	0.61	165
10/01/16	0.65	0.65	165
10/02/16	0.65	0.65	165
10/03/16	0.65	0.65	169
10/04/16	0.65	0.65	170
10/05/16	0.65	0.65	170
10/06/16	0.65	0.65	169
10/07/16	0.65	0.65	171
10/08/16	0.65	0.65	171
10/09/16	0.65	0.65	171
10/10/16	0.65	0.65	168
10/11/16	0.65	0.65	169
10/12/16	0.65	0.65	168
10/13/16	0.65	0.65	170
10/14/16	0.66	0.65	171
10/15/16	0.66	0.65	171
10/16/16	0.66	0.65	171
10/17/16	0.65	0.65	168
10/18/16	0.65	0.65	167
10/19/16	0.65	0.65	166
10/20/16	0.65	0.65	164
10/21/16	0.66	0.65	165
10/22/16	0.66	0.65	165
10/23/16	0.66	0.65	165
10/24/16	0.66	0.65	164
10/25/16	0.66	0.65	168
10/26/16	0.66	0.65	167
10/27/16	0.66	0.65	171
10/28/16	0.66	0.65	172

\*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

**LAIF Performance Report**

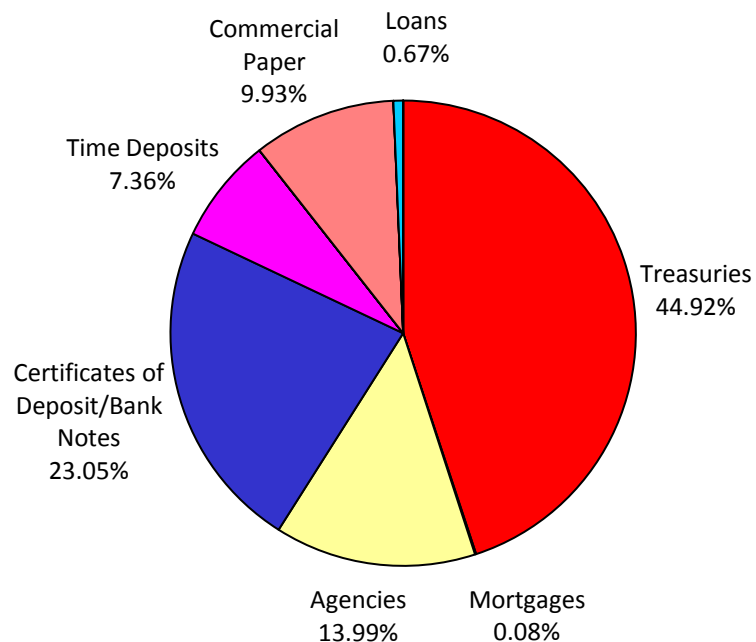
**Quarter Ending 09/30/16**

Apportionment Rate: 0.60%  
 Earnings Ratio: .00001651908048883  
 Fair Value Factor: 1.000306032  
 Daily: 0.65%  
 Quarter to Date: 0.61%  
 Average Life: 165

**PMIA Average Monthly  
Effective Yields**

**Sep 2016 0.634%**  
 Aug 2016 0.614%  
 Jul 2016 0.588%

**Pooled Money Investment Account  
Portfolio Composition  
09/30/16  
\$68.3 billion**



Based on data available as of 11/2/2016

**COUNTY OF SAN MATEO  
ESTIMATED SUMMARY OF POOL EARNINGS  
JULY 2016**

	<u>Par Value</u>	<u>Gross Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>		
U S Treasury Notes	325,000,000	\$192,116.28
Federal Agencies	1,042,550,000	821,230.38
Corporate Notes	357,000,000	400,957.21
Floating Rate Securities	139,000,000	93,412.36
	<b>1,863,550,000</b>	<b>\$1,507,716.23</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>		
U S Treasury Notes	25,000,000	20,401.47
Federal Agencies	1,275,146,000	528,162.46
Corporate Notes	129,595,000	100,479.92
Floating Rate Securities	169,000,000	110,283.23
LAIF	65,000,000	27,602.74
Commercial Paper	417,631,000	196,057.79
Certificate of Deposit	10,000,000	7,219.18
Repurchase Agreements	400,250,000	10,339.79
	<b>2,491,622,000</b>	<b>\$1,000,546.58</b>
<b>Total Accrued Interest</b>	<b>4,355,172,000</b>	<b>\$2,508,262.81</b>
<b><u>Realized Gain/Loss &amp; Interest Received</u></b>		
U S Treasury Notes		\$497,195.07
Federal Agencies		147,496.19
Corporate Notes		53,163.25
Floating Rate Securities		54,552.45
LAIF		7,640.81
Commercial Paper		53,149.12
Repurchase Agreements		76,692.84
<b>Total Realized Income</b>		<b>\$889,889.73</b>
<b>TOTAL DOLLAR EARNINGS</b>		<b>\$3,398,152.54</b>

<b>AVERAGE BALANCE</b>		<b>\$4,444,844,815.25</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>0.900%</b>	<b>\$3,398,152.54</b>
<b>ADMINISTRATION FEES</b>		<b>(\$396,382.74)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.795%</b>	<b>\$3,001,769.80</b>

**COUNTY OF SAN MATEO  
ESTIMATED SUMMARY OF POOL EARNINGS  
AUGUST 2016**

	<u>Par Value</u>	<u>Gross Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>		
U S Treasury Notes	425,000,000	\$281,195.79
Federal Agencies	1,036,355,000	828,617.28
Corporate Notes	372,000,000	453,365.98
Floating Rate Securities	134,000,000	102,929.47
	<b>1,967,355,000</b>	<b>\$1,666,108.52</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>		
U S Treasury Notes	25,000,000	20,401.47
Federal Agencies	1,030,634,000	469,983.93
Corporate Notes	124,595,000	110,343.32
Floating Rate Securities	174,000,000	131,719.12
LAIF	65,000,000	27,602.74
Commercial Paper	602,631,000	285,156.69
Certificate of Deposit	10,000,000	7,219.18
Repurchase Agreements	309,750,000	2,667.29
	<b>2,341,610,000</b>	<b>\$1,055,093.74</b>
<b>Total Accrued Interest</b>	<b>4,308,965,000</b>	<b>\$2,721,202.26</b>
<b><u>Realized Gain/Loss &amp; Interest Received</u></b>		
U S Treasury Notes		\$388,219.64
Federal Agencies		153,154.99
Corporate Notes		2,878.58
Floating Rate Securities		19,327.65
Commercial Paper		32,614.99
Repurchase Agreements		81,059.93
<b>Total Realized Income</b>		<b>\$677,255.78</b>
<b>TOTAL DOLLAR EARNINGS</b>		<b>\$3,398,458.04</b>

<b>AVERAGE BALANCE</b>		<b>\$4,350,624,282.80</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>0.920%</b>	<b>\$3,398,458.04</b>
<b>ADMINISTRATION FEES</b>		<b>(\$387,980.33)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.815%</b>	<b>\$3,010,477.71</b>

**COUNTY OF SAN MATEO  
ESTIMATED SUMMARY OF POOL EARNINGS  
SEPTEMBER 2016**

	<u>Par Value</u>	<u>Gross Earnings</u>
<b><u>Fixed Income Securities Maturing &gt; 1 year</u></b>		
U S Treasury Notes	350,000,000	\$301,311.56
Federal Agencies	938,305,000	701,114.30
Corporate Notes	375,000,000	428,006.07
Floating Rate Securities	136,200,000	103,660.67
	<b>1,799,505,000</b>	<b>\$1,534,092.60</b>
<b><u>Short Term Securities Maturing &lt; 1 year</u></b>		
U S Treasury Notes	50,000,000	28,792.72
Federal Agencies	920,767,000	371,696.88
Corporate Notes	134,595,000	103,136.53
Floating Rate Securities	228,200,000	127,801.98
LAIF	65,000,000	26,712.33
Commercial Paper	585,000,000	338,688.90
U S Treasury Bills	43,500,000	1,413.89
Repurchase Agreements	373,000,000	4,662.50
	<b>2,400,062,000</b>	<b>\$1,002,905.73</b>
<b>Total Accrued Interest</b>	<b>4,199,567,000</b>	<b>\$2,536,998.33</b>
<b><u>Realized Gain/Loss &amp; Interest Received</u></b>		
U S Treasury Notes		\$310,715.31
Federal Agencies		249,907.52
Corporate Notes		50,034.65
Floating Rate Securities		27,170.12
Commercial Paper		56,155.17
Certificate of Deposit		692.10
Repurchase Agreements		81,691.94
<b>Total Realized Income</b>		<b>\$776,366.81</b>
<b>TOTAL DOLLAR EARNINGS</b>		<b>\$3,313,365.14</b>

<b>AVERAGE BALANCE</b>		<b>\$4,269,982,267.07</b>
<b>GROSS EARNINGS RATE / GROSS DOLLAR EARNINGS</b>	<b>0.944%</b>	<b>\$3,313,365.14</b>
<b>ADMINISTRATION FEES</b>		<b>(\$368,505.32)</b>
<b>NET EARNINGS RATE / NET DOLLAR EARNINGS</b>	<b>0.839%</b>	<b>\$2,944,859.82</b>

## **C/CAG AGENDA REPORT**

Date: November 16, 2016

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 Jean Higaki at 599-1462)

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### **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 8, 2016:

*“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.



A summary of the July, August, and September 2016 earning rates are as follows:

	Local Agency Investment Fund (LAIF)	San Mateo County Investment Pool (COPOOL)
July	0.588%	0.795%
August	0.614%	0.815%
September	0.634%	0.839%

On November 13, 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%

At the November 2015 CCAG Finance Committee meeting, the Committee set a goal to keep the investment with the County at 40%-42% of the total pooled investment to earn higher interest.

On August 24, 2016 the Finance Committee reviewed the investment portfolio and recommended no change to the investment portfolio at this time. The Finance Committee requested that staff collect information from PFM (Public Financial Management, Inc.) regarding fees and minimum investment portfolios.

On September 8, 2016 the C/CAG Board approved of no change to the investment portfolio.

Staff researched with PFM Financial regarding minimum fees. Based on that finding, given the size of C/CAG's portfolio, the benefit of potential return on investment would be outweighed by the minimum fee on portfolio management along with the required custodian fee.

The investment portfolio as of September 30, 2016 is as follows:

	6/30/2016		9/30/2016	
	Amount	Percent	Amount	Percent
LAIF	\$12,200,510	60%	\$13,817,524	59%
COPOOL	\$8,154,442	40%	\$9,672,516	41%
Total	\$20,354,953	100%	\$23,490,040	100%

## ATTACHMENTS

1. Quarterly Investment Report as of September 30, 2016 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: November 16, 2016**

**SUBJECT: Quarterly Investment Report as of September 30, 2016**

**RECOMMENDATION:**

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

**ANALYSIS:**

The attached investment report indicates that on September 30, 2016, funds in the amount of \$23,490,040 were invested producing a weighted average yield of 0.69%. Of the total investment portfolio, 58.8% of funds were invested in the Local Agency Investment Fund (LAIF) and 41.2% in the San Mateo County Investment Pool (COPOOL). These percentages are within the range specified by the CCAG Board. Accrued interest earnings for this quarter totaled \$37,527. At the CCAG Finance Committee meeting in November 2015, the Committee set a goal to keep the investment with the County at 40%-42% of the total pooled investment to earn higher interest. The portfolio mix reflects the recommended percentage invested in the County Investment Pool.

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

	<b>Qtr Ended 9/30/16</b>	<b>Qtr Ended 6/30/16</b>	<b>Increase (Decrease)</b>
Total Portfolio	\$ 23,490,040	\$ 20,354,953	\$ 3,135,087
Weighted Average Yield	0.69%	0.69%	0.00%
Accrued Interest Earnings	\$ 37,527	\$ 35,087	\$ 2,440

The higher portfolio balance combining with a slightly higher weighted average yield resulted in higher 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 September 30, 2016, 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 the CCAG 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 September 30, 2016
- 2 – Historical Summary of Investment Portfolio

**CITY & COUNTY ASSOCIATION OF GOVERNMENTS**

**SUMMARY OF ALL INVESTMENTS**

For Quarter Ending September 30, 2016

Category	Weighted Average Interest Rate	Historical Book Value	% of Portfolio	GASB 31 ADJ Market Value
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**Liquid Investments:**

Local Agency Investment Fund (LAIF)	0.60%	13,817,524	58.8%	13,821,752
San Mateo County Investment Pool (COPOOL)	0.82%	9,672,516	41.2%	9,672,516

**Agency Securities**

none

<b>Total - Investments</b>	<b>0.69%</b>	<b>23,490,040</b>	<b>100%</b>	<b>23,494,268</b>
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<b>GRAND TOTAL OF PORTFOLIO</b>	<b>0.69%</b>	<b>\$ 23,490,040</b>	<b>100%</b>	<b>\$ 23,494,268</b>
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<b>Total Interest Earned This Quarter</b>	<b>37,527</b>
<b>Total Interest Earned (Loss) Fiscal Year-to-Date</b>	<b>37,527</b>

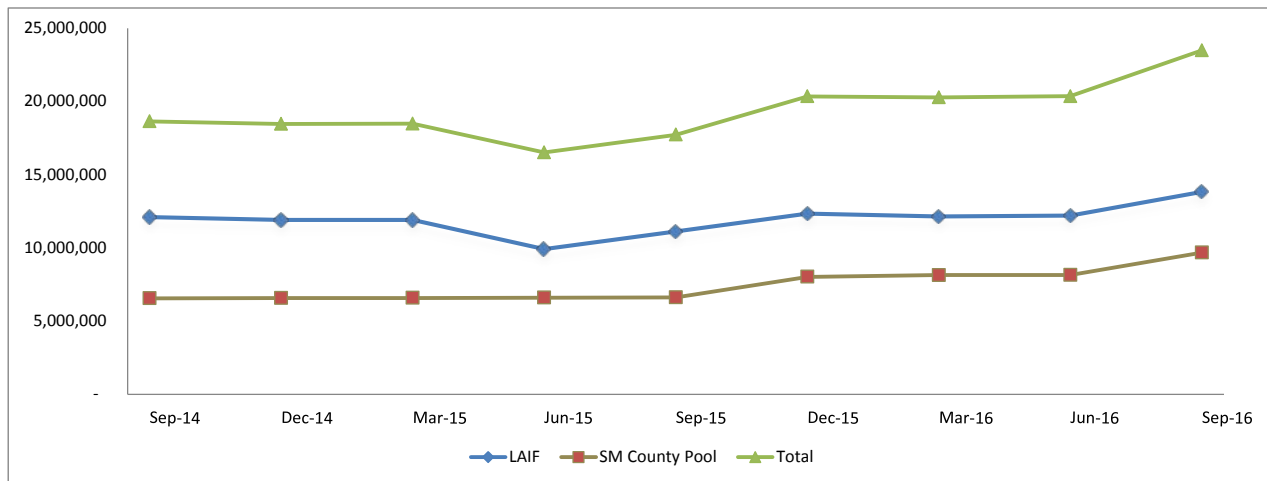
**Note: CCAG Board approved the following investment portfolio mix at its November 14, 2013 meeting:**

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

*At the CCAG Finance Committee meeting in November, the Committee set a goal to keep the investment with the County at 40%-42% of the total pooled investment to earn higher interest.*

\*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.

**City and County Association of Governments**  
**Historical Summary of Investment Portfolio**  
**September 30, 2016**



*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**

	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16
LAIF	12,086,243	11,893,287	11,900,778	9,908,457	11,116,115	12,324,374	12,136,268	12,200,510	13,817,524
SM County Pool	6,559,603	6,570,236	6,581,700	6,601,123	6,612,375	8,024,431	8,138,072	8,154,442	9,672,516
Total	18,645,846	18,463,523	18,482,478	16,509,580	17,728,490	20,348,805	20,274,340	20,354,953	23,490,040

*At the CCAG Finance Committee meeting in November 2015, the Committee set a goal to keep the investment with the County at 40%-42% of the total pooled investment to earn higher interest. As a result, \$1.4 million was transferred to CCAG's County Investment Pool account in the second quarter of FY2015-16. An additional \$100,000 was transferred to the County Pool in third quarter to reach the recommended 40%. There were no additional transfers made in the fourth quarter.*

## C/CAG AGENDA REPORT

Date: November 16, 2016  
To: C/CAG Finance Committee  
From: Sandy Wong, Executive Director  
Subject: Develop the 2017 Finance Committee meeting Calendar

(For further information or response to questions, contact Jean Higaki at 599-1462)

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### RECOMMENDATION

It is recommended that the Finance Committee develop the regular quarterly meeting calendar for 2017.

### FISCAL IMPACT

None

### SOURCE OF FUNDS

None

### BACKGROUND

The Quarterly Investment report developed by San Carlos staff requires an internal review and approval process by the City's Investment Committee. Reports are typically available to C/CAG one and a half months following the end of the quarter.

The following dates are proposed:

Review Quarter	Meeting Date (Noon- 1:00pm)
October-December 2016	Wednesday, February 22, 2017
January-March 2017	Wednesday, May 24, 2017
April-June 2017	Wednesday, August 23, 2017
July- September 2017	Wednesday, November 15, 2017*

\* Moved due to the Thanksgiving Holiday

It is recognized that there may be conflicts with Committee member schedules so it is proposed that the schedule be discussed and modified/refined at the meeting.

### ATTACHMENTS

None