



**CITY OF PACIFIC GROVE**  
300 Forest Avenue, Pacific Grove, California 93950

**AGENDA REPORT**

**TO:** Honorable Mayor and Members of the City Council  
**FROM:** Patty Maitland, Finance Director  
**MEETING DATE:** April 20, 2016  
**SUBJECT:** Treasurer's Quarterly Report  
**CEQA:** Does not constitute a "Project" under California Environmental Quality Act (CEQA) Guidelines

**RECOMMENDATION**

Receive the report.

**DISCUSSION**

Article 19, Section (K) of the City Charter requires that a quarterly statement of all funds in the treasury be submitted to the Council. The Treasurer's report allows the Council and public to verify that the City's funds are invested in a safe and prudent manner, and that such investments comply with City policy and state law. The Treasurer's Report is different from a budget report, as its purpose is to report on cash balances.

This report reflects the City's balances as of March 31, 2016 and shows that cash and investments held citywide, totaled \$19,291,402. All investments are in government securities, certificates of deposit, or other approved investment vehicles. The maturity dates are laddered, to ensure liquidity. All bank balances are insured.

**Summary of Activity from the Quarter and Future Investments:**

1. A Federal Home Loan Bank Fixed Rate 4Y-9016 (.700%) in an endowment account matured in February 2016. These funds were reinvested in a Federal Agricultural Mortgage Corporation medium term note at 1.550% maturing in January 2021. Because the terms of the endowment (Yount) only allow for the City's use of interest earned on the principal, the investment strategy is to migrate the investments into long term, high yield investments.
2. As noted in the report, at the time of this writing Local Agency Investment Fund (LAIF) had not yet published the March 2016 Pooled Money Investment Account average monthly effective yield. To ensure the Council received this report at its second April meeting, the LAIF interest rate stated in the attached report is for the month of February 2016. An updated note providing the March 2016 LAIF rate will be included in the next quarter's report.

Activity in the investment accounts has diminished based on the maturity of the instruments. No new investments are anticipated until November and December 2016. However, the portfolio still contains callable instruments. If those investments are called, the funds will be reinvested and noted in future quarterly reports.

The average return on the City's portfolio for the reported quarter is 1.193% compared to the same quarter in the prior year of .949%.

**FISCAL IMPACT**

None.

**ATTACHMENTS**

1. Treasurer's report for the quarter ended March 31, 2016.

RESPECTFULLY SUBMITTED:

*Patty Maitland*

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Patty Maitland  
Finance Director

REVIEWED BY:

*Ben Harvey*

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Ben Harvey  
Interim City Manager

DEPOSITORY		DESCRIPTION OF SECURITY	MATURITY DATE	INTEREST RATE/YIELD	DOLLAR/PAR AMOUNT	1 of 1 MARKET VALUE
State of California	Local Agency Investment Fund (LAIF)		Immediate	0.467%	7,481,469.06	7,481,469.06
					<b>7,481,469.06</b>	<b>7,481,469.06</b>
Bank of America	Checking	Pooled Cash	Immediate	0.000%	407,562.52	407,562.52
					<b>407,562.52</b>	<b>407,562.52</b>
N/A	Petty Cash	General	Immediate	0.000%	685.00	685.00
					<b>685.00</b>	<b>685.00</b>
Pro Equities	Cash				122,194.95	139,155.13
Pro Equities	Certificate of Deposit	Ally Bank Midvale Utah	12/03/18	1.600%	248,000.00	250,182.40
Pro Equities	Certificate of Deposit	American Express Fed Svgs Bk Instl CTF	01/16/18	1.450%	158,000.00	159,001.72
Pro Equities	Certificate of Deposit	American Express Centurion Bk CTF	07/15/20	2.350%	247,000.00	252,994.69
Pro Equities	Certificate of Deposit	BMW Bk North Amer Salt Lake City Utah	06/19/20	2.100%	247,000.00	249,346.50
Pro Equities	Certificate of Deposit	Capital One Natl Assn Mclean VA CTF	01/16/18	1.350%	248,000.00	249,138.32
Pro Equities	Certificate of Deposit	Capital One Bk USA Natl Assn Glen Allen	11/09/19	2.000%	247,000.00	251,384.25
Pro Equities	Certificate of Deposit	Crescom Bk Myrtle Beach SC	01/25/18	0.950%	248,000.00	247,350.24
Pro Equities	Certificate of Deposit	Discover Bk Greenwood Del CTF	11/14/16	1.200%	248,000.00	248,877.92
Pro Equities	Certificate of Deposit	Eaglebank Bethesda Md	11/08/16	0.700%	249,000.00	249,134.46
Pro Equities	Certificate of Deposit	Everbank Jacksonville Fla	11/15/17	1.000%	248,000.00	247,851.20
Pro Equities	Certificate of Deposit	First Amern Bk Elk Grove	11/15/17	0.900%	249,000.00	248,452.20
Pro Equities	Certificate of Deposit	Firstbank P R Santurce	11/30/17	1.250%	249,000.00	251,659.32
Pro Equities	Certificate of Deposit	GE Cap Bk Retail CTF Dep Program Book	11/09/16	1.350%	248,000.00	249,083.76
Pro Equities	Certificate of Deposit	Goldman Sachs B USA New York	11/14/17	1.500%	248,000.00	249,825.28
Pro Equities	Certificate of Deposit	Investors Cmnty Bk Manitowoc Wis	09/28/17	0.800%	248,000.00	249,765.76
Pro Equities	Certificate of Deposit	Lakeside Bk Chicago Ill	11/09/16	0.650%	249,000.00	249,047.31
Pro Equities	Certificate of Deposit	Medallion Bk Salt Lake City Utah CTF	09/16/19	1.750%	249,000.00	252,959.10
Pro Equities	Certificate of Deposit	Platinum Bk Brandon Fla CTF Dep Act/365	06/28/18	1.000%	248,000.00	246,916.24
Pro Equities	Certificate of Deposit	Privatebank & TC Chicago Ill CTF Dep	01/30/20	1.800%	247,000.00	251,863.43
Pro Equities	Certificate of Deposit	Safra Natl Bk New York NY	11/14/17	1.200%	249,000.00	249,201.69
Pro Equities	Certificate of Deposit	Synchrony Bk Retail CTF Dep Program Book	04/24/20	1.900%	247,000.00	249,768.87
Pro Equities	Government Securities	Federal Farm Cr Bks Cons Systemwide BDS	03/20/17	0.670%	500,000.00	500,025.00
Pro Equities	Government Securities	Federal Farm Cr Bks Cons Systemwide BDS	06/05/17	0.770%	500,000.00	500,040.00
Pro Equities	Government Securities	Federal Home Ln Bks Fixed Rate MC-9017	04/17/17	0.800%	500,000.00	499,865.00
Pro Equities	Government Securities	Federal Natl Mtg Assn Benchmark	11/30/20	1.500%	500,000.00	505,005.00
Pro Equities	Government Securities	Federal Home Ln Mtg Corp Reference Nts	08/01/19	1.250%	250,000.00	252,030.00
Pro Equities	Government Securities	Federal Home Ln Mtg Corp Reference Nts	10/02/19	1.250%	1,000,000.00	1,004,310.00
					<b>8,491,194.95</b>	<b>8,554,234.79</b>
					<b>16,380,911.53</b>	<b>16,443,951.37</b>
Pro Equities	Cash				1,802.50	1,802.50
Pro Equities	Certificate of Deposit	American Express Fed Svgs Bk Instl Ctf	11/06/18	1.800%	90,000.00	90,864.00
Pro Equities	Certificate of Deposit	Sallie Mae Bk Ctf Dep Act/365	12/09/20	2.200%	105,000.00	106,692.60
Pro Equities	Government Securities	Federal Agric Mtf Corp Medium Term Nts	01/25/21	1.550%	95,000.00	95,477.85
Pro Equities	Government Securities	Federal Natl Mtg Assn Benchmark Note	11/15/16	1.375%	97,000.00	97,512.16
Pro Equities	Government Securities	Federal Natl Mtg Assn Fixed Rate	12/20/17	0.875%	85,000.00	85,134.30
Pro Equities	Government Securities	Federal Natl Mtg Assn Fixed Rate	02/08/18	0.875%	100,000.00	100,230.00
Pro Equities	Government Securities	Federal Home Ln Mtg Corp Reference Nts	07/28/17	1.000%	85,000.00	85,306.85
Pro Equities	Government Securities	Federal Home Ln Mtg Corp Reference Nts	10/02/19	1.250%	180,000.00	180,775.80
					<b>838,802.50</b>	<b>843,796.06</b>
					<b>838,802.50</b>	<b>843,796.06</b>
Umpqua Bank	Money Market			0.100%	2,003,655.19	2,003,655.19
					<b>2,003,655.19</b>	<b>2,003,655.19</b>
					<b>2,003,655.19</b>	<b>2,003,655.19</b>
					<b>19,223,369.22</b>	<b>19,291,402.62</b>

\*Due to the timing for placing this item on the Council's Agenda, the LAIF Performance Report had not yet been published by the State Treasurer. The PMIA Average Monthly Effective Yield reflected is for February 2016.