



**BOARD OF SUPERVISORS
AGENDA LETTER**

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer - Tax
Collector
Department No.: 065
For Agenda Of: 11/15/16
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Harry E. Hagen, CPA, CPFO, ACPFIM, CFIP, Treasurer - Tax
Director(s) Collector
568-2490
Contact Info: Jennifer C. Christensen, JD MBA CPFO CFIP, Chief Investment
Officer
568-2925

SUBJECT: Treasurer's Investment Pool, FY 2016-2017 First Quarter (Jul - Sept 2016)

County Counsel Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

Accept for filing the Fiscal Year 2016-2017 First Quarter (July - September 2016) report on the Treasurer's Investment Pool, pursuant to Government Code section 53646(b).

Summary Text:

The value of the Treasurer's Investment Pool at principal cost on September 30, 2016, was \$1,108,066,044. Market value of the investment pool was \$1,110,453,516. The weighted average days-to-maturity (WAM) for the investment pool was 430 days.

The Treasurer's Investment Pool earned \$1,969,511 for the quarter ending September 30, 2016, an annualized return of 0.677%. The net yield earned over the past year is 0.526%. Per Government Code Section 53600.5, the Santa Barbara County Treasurer has a mandated responsibility to manage and invest public funds with the primary objective of safeguarding principal, the secondary objective of meeting the liquidity needs of pool participants, and thirdly, the objective of attaining a market average rate of return, consistent with the primary objectives of safety and liquidity.

For the quarter ending September 30, 2016, the Treasurer's Investment Pool anticipated and met all liquidity requirements, precluding any need to sell holdings unexpectedly at a potential loss in order to meet cash flow demands.

All investments purchased, met or exceeded state and local policy requirements for credit quality. Credit quality of assets held in the Treasurer's Investment Pool is monitored on an ongoing basis.

The Santa Barbara County Treasurer conforms to all applicable State statutes and County resolutions that govern the investment of public funds.

Background:

This quarterly report is being submitted to you pursuant to California Government Code section 53646 (b). In addition, California Government Code section 53646 (b) (3) requires the Treasurer-Tax Collector to include a statement in the Treasurer's Report affirming the ability of the Santa Barbara County Investment Pool to meet expenditure requirements for the next six months.

Performance Measure:

To ensure the financial stability of the County, monitor and project liquidity requirements as evidenced by zero securities sold at a loss to meet cash flow needs of pool participants: Accomplished.

To ensure the financial stability of the County and secure public agency funds, all investments stay within compliance 100% of the time with the Government Code and the Treasurer's Investment Policy: Accomplished.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

For the quarter ending September 30, 2016, net investment earnings achieved by the Treasurer's Investment Pool were \$1,969,511, with the County receiving 38%, Schools 52%, and Special Districts the balance of 10%. The net yield earned for the quarter on an annualized basis is 0.677% and over the past year is 0.526%.

Attachments:

Treasurer's First Quarter Investment Pool Report (July – September 2016)

Authored by:

Jennifer C. Christensen, JD MBA CPFO CFIP, Chief Investment Officer