



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: 12/12/17
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 2017-2018 First Quarter (Jul - Sept 2017)

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Accept for filing the Fiscal Year 2017-2018 First Quarter (July - September 2017) 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, 2017, was \$1,321,998,730. Market value of the investment pool was \$1,321,011,630. The weighted average days-to-maturity (WAM) for the investment pool was 471 days.

The Treasurer's Investment Pool earned \$3,320,867 for the quarter ending September 30, 2017, an annualized return of 0.987%. The net yield earned over the past year is 0.826%. 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, 2017, 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.

This report was reviewed and discussed by the Treasury Oversight Committee at its quarterly meeting. The Treasury Oversight committee promotes the public interest and is governed by California Government Code sections 27130 through 27133.

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, 2017, net investment earnings achieved by the Treasurer's Investment Pool were \$3,320,867, with the County receiving 37%, Schools 54%, and Special Districts the balance of 9%. The net yield earned for the quarter on an annualized basis is 0.987% and over the past year is 0.826%.

Attachments:

1. Treasurer's First Quarter Investment Pool Report (July – September 2017)

Authored by:

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