

Item 2b



STAFF REPORT

Meeting Date: May 3, 2016
To: Honorable Mayor & City Council
From: Eliot Finkel, City Treasurer
Subject: Treasurer's Report for Quarter Ended December 31, 2015

INTRODUCTION

Transmitted herewith is the City Treasurer's Report for the quarter ended December 31, 2015. This report includes a summary of investment balances and a listing of the portfolio value by each City fund.

The following is a summary of the activity of the City's portfolio for the fiscal year's last quarter:

Period Covered	General Portfolio				Restricted Portfolio	Total Portfolio
	BNY Mellon	Wells Fargo Bank	Cal Trust	Local Agency Investment Fund	U.S. Bank	
Beginning 10/01/15 @ Market	\$ 337,924,613.53	\$ 41,241,513.23	\$ 100,486,465.78	\$ 20,250,504.45	\$ 11,576,497.08	\$ 511,479,594.07
Net Investment Activity	(5,585,425.75)	9,482,032.32	-	16,303.27	10,706.04	3,923,615.88
Income + Change in Market Value	(2,717,862.19)	-	(132,804.23)	-	98.27	(2,850,568.15)
Ending 12/31/15 @ Market	\$ 329,621,325.59	\$ 50,723,545.55	\$ 100,353,661.55	\$ 20,266,807.72	\$ 11,587,301.39	\$ 512,552,641.80

DISCUSSION

The City's total investment portfolio of \$512.6 million at December 31, 2015 included \$500.1 million in general portfolio investments and \$11.6 million in restricted investments and is in compliance with the City's Investment Policy. Normally, the first and second quarters (July through December) of the fiscal year show a decrease in our investment holdings (or idle cash), in the instant case our securities held by BNY Mellon declined \$5.6 million while our short term funds in Wells Fargo increased by \$9.5 million as a result of proceeds from securities calls and maturities held by BNY Mellon and receipt of the first installment of property tax revenues. The third and fourth quarters (January through June) are when we receive our largest revenues, the remaining Property Tax collections and full Business Tax renewals causing significant growth in the portfolio.

Adequate liquidity exists within the portfolio to meet all known City requirements through at least April 30, 2016, and we believe the City will have adequate liquidity to meet all requirements for the foreseeable future based upon existing maturity schedules and the current investment policy.

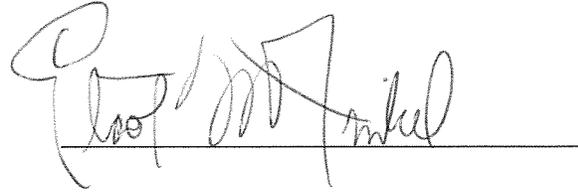
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FISCAL IMPACT

None.

RECOMMENDATION

None. This report is for information only.

A handwritten signature in black ink, written over a horizontal line. The signature is cursive and appears to read "Gregory M. [unclear]".

