



### **Staff Report**

**Date:** November 13, 2014  
**To:** Mayor Elizabeth Brekhus and Councilmembers  
**From:** Rob Braulik, Town Manager  
**Subject:** Investment Report for the First Quarter of FY2015

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#### **Recommendation**

The Council accepts the report for the First Quarter of FY2015 ending September 30, 2014, as presented.

#### **Background and discussion**

This update is provided on the Town's investments as of September 30<sup>th</sup>. The Council should reference the attached report. The statement notes show the report dates for the investment amounts.

#### **Fiscal, resource and timeline impacts**

No financial impact from accepting the report. The Town continues to meet the priority principals of investing: safety, liquidity and yield in respective order. The portfolio is conservatively invested. Sufficient liquidity exists to fund operating and capital project requirements for the next six months.

Investment income as of September 30<sup>th</sup>, 2014 is \$3K greater than budget. The cash in Wells is for day to day short term operations and there is no return on these funds. The return on LAIF funds is .25% and the latest yield for the CalTRUST short term fund .41%. The current RBC account now consists of taxable fixed income securities.

#### **Alternative actions**

No alternative actions are suggested

#### **Environmental review (if applicable)**

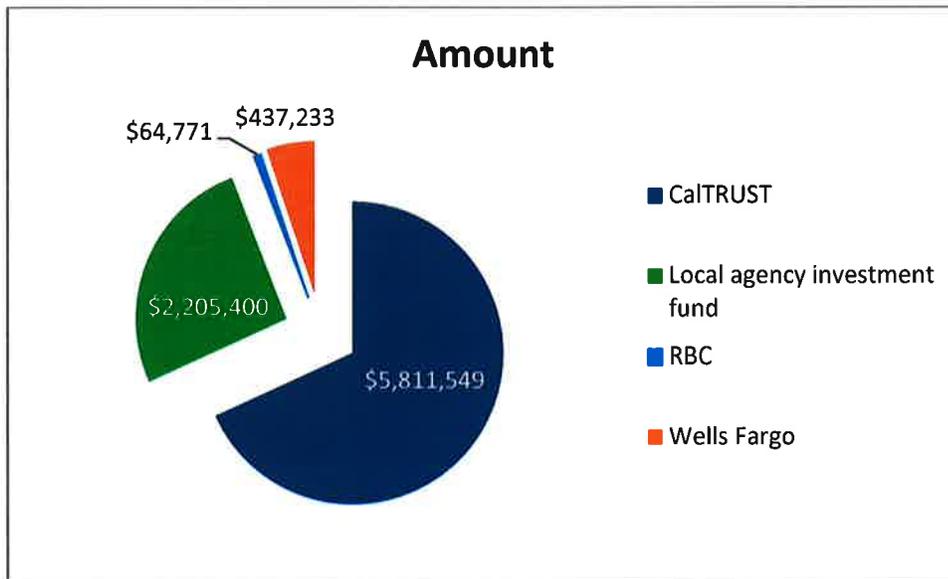
N/A

#### **Attachments**

- Investment Summary Report
- CalTRUST statement 9.30.14
- LAIF quarterly rates data and LAIF Average Monthly Yields, September 2014
- RBC summary statement as of 9.30.14 summary sheet
- Wells Fargo summary statement as of 9.30.14

**Town of Ross  
Quarterly Investment Portfolio Summary Report**

	Amount	%
CalTRUST	\$5,811,549	68%
Local agency investment fund	\$2,205,400	26%
RBC	\$64,771	1%
Wells Fargo	\$437,233	5%
<b>Total investments</b>	<b>\$8,518,953</b>	<b>100%</b>



- (1) LAIF September 2014 statement
- (2) RBC 9.30.14
- (3) Wells Fargo 9.30.14
- (4) The Town Council approved new Annual Investment Policy March 14<sup>th</sup>, 2013. As part of approval, Council agreed to continue investments in mortgage backed securities less than five years to protect current investment returns. The new policy does not permit investments in these securities other than this stipulation approved by Council.
- (5) Numbers rounded

The above investments are consistent with the Town’s Annual Investment Policy and are allowable under current legislation of the State of California. Investments are selected using safety, liquidity and yield as the criteria.



TOWN OF ROSS  
STATEMENT FOR PERIOD  
September 01, 2014 - September 30, 2014

The Heritage Money Market Fund - Select Class

Date	Transaction	Shares	Price Per Share	Amount	Average Cost NAV	Average Cost Amount	Realized Gain/Loss*
08/31/2014	BALANCE FORWARD	1,000,431.180	1.00	1,000,431.18	1.00	1,000,431.18	0.00
09/02/2014	INCOME DISTRIBUTION - AUGUST	55.200	1.00	55.20	1.00	55.20	0.00
09/30/2014	UNREALIZED GAIN (LOSS)	0.000		0.00		0.00	
09/30/2014	ENDING BALANCE	1,000,486.380	1.00	1,000,486.38		1,000,486.38	
	INCOME DISTRIBUTION PAID - AUGUST			0.00			
	INCOME ACCRUAL - SEPTEMBER			54.55			
	CUMULATIVE UNREALIZED GAIN (LOSS)			0.00			

\* Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

CalTrust Short Term Fund

Date	Transaction	Shares	Price Per Share	Amount	Average Cost NAV	Average Cost Amount	Realized Gain/Loss*
08/31/2014	BALANCE FORWARD	479,761.470	10.03	4,812,007.54	10.02479934	4,809,512.47	
09/02/2014	INCOME DISTRIBUTION - AUGUST	154.550	10.03	1,550.14	10.02480103	1,550.14	0.00
09/30/2014	UNREALIZED GAIN (LOSS)	0.000		0.00		0.00	
09/30/2014	ENDING BALANCE	479,916.020	10.03	4,813,557.68		4,811,062.61	
	INCOME DISTRIBUTION PAID - AUGUST			0.00			
	INCOME ACCRUAL - SEPTEMBER			1,602.32			
	CUMULATIVE UNREALIZED GAIN (LOSS)			2,495.07			

\* Please note that this information should not be construed as tax advice and it is recommended that you consult with a tax professional regarding your account.

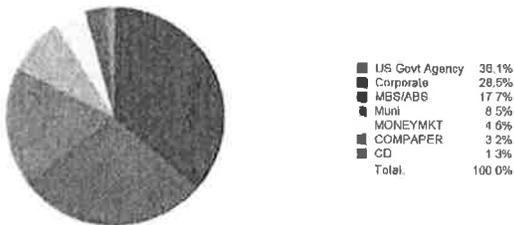
For Inquiries About Your Account, Contact:

Nottingham Investment Administration  
116 South Franklin Street  
Rocky Mount, NC 27804  
Attention: CalTRUST Shareholder Services  
Phone: 800.773.3863  
Fax: 252-972-1908  
Email: caltrustsupport@ncfunds.com

TOWN OF ROSS  
ATTN: ROB BRAULIK  
PO BOX 320  
ROSS, CA 94957

	CalTrust Short Term	LAIF		CalTrust Short Term Total Return	CalTrust Short Term Yield Return	LAIF Yield Return
Market Value	\$763,395,963.50	N/A	One Month	0.00%	0.03%	0.02%
NAV per Share	\$10.03	N/A	Three Month	0.06%	0.10%	0.06%
Yield	0.41%	0.24%	Six Month	0.17%	0.20%	0.12%
Period Total Return	0.00%	N/A	Calendar Y-T-D	0.28%	0.29%	0.18%
Period Yield Return	0.03%	0.02%	One Year*	0.44%	0.39%	0.25%
Effective Duration	0.78 yrs.	N/A	Two Year*	0.38%	0.36%	0.26%
Average Maturity	1.37 yrs	0.63 yrs	Three Year*	0.46%	0.40%	0.30%
			Five Year*	0.52%	0.47%	0.38%
			Since Inception*	2.04%	2.00%	1.95%
			*Annualized			

### Portfolio Sector Breakdown



### Portfolio Quality Breakdown



### Disclosure to Performance Information

- This performance information is based on an inception date of February 13, 2005, when the CalTrust Short-Term portfolio commenced investment operations according to its investment objective, and does not include any investment returns from temporary investments held before the commencement of those operations.
- First-month index returns, February 13-28, 2005, are intra-period and were calculated by calculating the average daily return during the month and multiplying the average daily return by number of days in the shortened period.
- Performance was calculated net of investment advisory and program administration fees.
- The Local Agency Investment Fund (LAIF) is a diversified portfolio managed by the State of California for local governments and special districts.
- Performance for the CalTrust Short Term Account is on a trade date basis. LAIF's monthly performance was calculated by taking the average monthly effective yield and dividing it by 365 then multiplying the result by the number of days in the month.
- Yield represents the 7-day net distribution on investments for the period.
- Rating source - Standard & Poor's.
- Past performance is no guarantee of future results.

**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 01, 2014

TOWN OF ROSS

PMIA Average Monthly Yields

TREASURER  
P.O. BOX 320  
ROSS, CA 94957

**Account Number:**

Tran Type Definitions

September 2014 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	2,205,399.76
Total Withdrawal:	0.00	Ending Balance:	2,205,399.76



**BILL LOCKYER  
TREASURER  
STATE OF CALIFORNIA**



**2014 LAIF Conference Registration**

**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (In days)
09/15/14	0.24	0.25	225
09/16/14	0.24	0.25	223
09/17/14	0.24	0.25	221
09/18/14	0.24	0.25	222
09/19/14	0.24	0.25	221
09/20/14	0.24	0.25	221
09/21/14	0.24	0.25	221
09/22/14	0.24	0.25	218
09/23/14	0.24	0.25	219
09/24/14	0.24	0.25	218
09/25/14	0.24	0.25	217
09/26/14	0.25	0.25	230
09/27/14	0.25	0.25	230
09/28/14	0.25	0.25	230

\*Daily yield does not reflect capital gains or losses

**LAIF Performance Report**

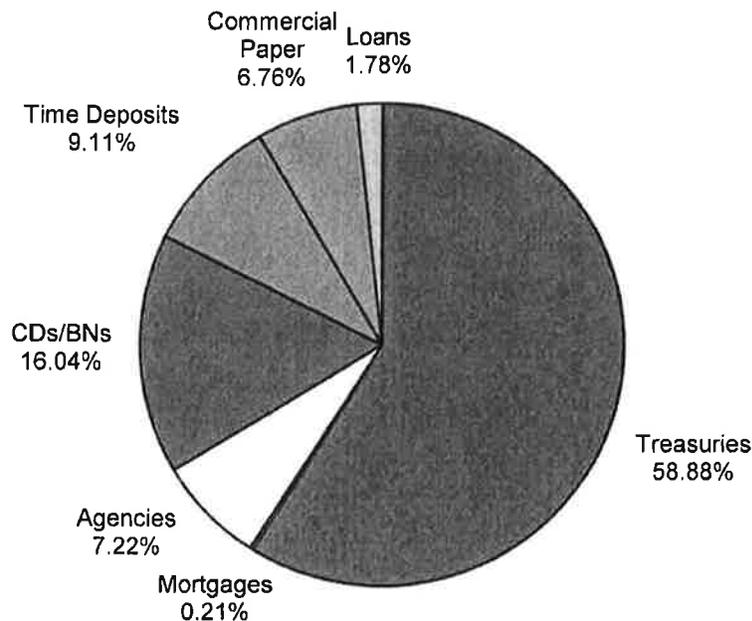
**Quarter Ending 06/30/14**

Apportionment Rate: 0.22%  
 Earnings Ratio: .0000606145493377  
 Fair Value Factor: 1.00029875  
 Daily: 0.23%  
 Quarter To Date: 0.23%  
 Average Life: 232

**PMIA Average Monthly Effective Yields**

AUG 2014 0.260%  
 JUL 2014 0.244%  
 JUN 2014 0.228%

**Pooled Money Investment Account  
Portfolio Composition  
\$54.9 Billion  
08/31/14**





RBC Wealth Management

A division of RBC Capital Markets, LLC, Member NYSE/FINRA/SIPC.

TOWN OF ROSS  
ATTN: ROB BRAULIK  
PO BOX 320  
ROSS CA 94957-0320

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**YOUR INFORMATION**

**Government Account**

PLEASE USE THE FRONT SIDE OF THIS STATEMENT

**ACCOUNT STATEMENT**

SEPTEMBER 1, 2014 - SEPTEMBER 30, 2014

**ACCOUNT VALUE SUMMARY**

	THIS PERIOD	THIS YEAR
Beginning account value	\$211,015.95	\$606,839.27
Return of principal	9,586.81	43,775.69
Withdrawals	-146,494.09	-546,494.09
Taxable income	358.02	5,950.42
Change in asset value	-9,989.17	-45,593.77
Ending account value	\$64,477.52	\$64,477.52

**TOTAL PORTFOLIO VALUE**

Ending account value	\$64,477.52
Estimated accrued interest	293.80
Total portfolio value	\$64,771.32

# Business Checking - Public Funds

■ September 1, 2014 - September 30, 2014 ■ Page 1 of 8



TOWN OF ROSS  
3 TUNSTEAD AVE  
SAN ANSELMO CA 94960-2658

## Questions?

Available by phone 24 hours a day, 7 days a week:

**1-800-CALL-WELLS** (1-800-225-5935)

TTY: 1-800-877-4833

En español: 1-877-337-7454

Online: [wellsfargo.com/biz](http://wellsfargo.com/biz)

Write: Wells Fargo Bank, N.A. (114)  
P.O. Box 6995  
Portland, OR 97228-6995

## Your Business and Wells Fargo

### Wells Fargo Works for Small Business website

The Wells Fargo Works site offers free access to business information and advice through videos, articles, and other small business resources. This site offers objective information from industry experts, best practices from real business owners, as well as numerous Wells Fargo solutions that can help you run your business. Learn more about Wells Fargo Works at [wellsfargoworks.com](http://wellsfargoworks.com)

## Account options

A check mark in the box indicates you have these convenient services with your account(s). Go to [wellsfargo.com/biz](http://wellsfargo.com/biz) or call the number above if you have questions or if you would like to add new services.

Business Online Banking	<input checked="" type="checkbox"/>
Online Statements	<input checked="" type="checkbox"/>
Business Bill Pay	<input type="checkbox"/>
Business Spending Report	<input checked="" type="checkbox"/>
Overdraft Protection	<input type="checkbox"/>



## IMPORTANT ACCOUNT INFORMATION

### Enhancements coming to your transaction descriptions including cash back detail

Over the next few months, you will notice changes to the descriptions for debit, ATM or prepaid card transactions. These enhancements provide more detail about your transactions, and include new descriptions for purchases with cash back. For debit, ATM, or prepaid card merchant purchases with a request for cash back, the transaction description will include the words "cash" or "cash back," and may include the dollar amount of cash requested.

### Activity summary

Beginning balance on 9/1	\$805,008.49
Deposits/Credits	320,231.07
Withdrawals/Debits	- 688,006.16
<b>Ending balance on 9/30</b>	<b>\$437,233.40</b>
Average ledger balance this period	\$526,315.82

Account number:

**TOWN OF ROSS**

California account terms and conditions apply

For Direct Deposit use

Routing Number (RTN): 121042882

For Wire Transfers use

Routing Number (RTN): 121000248