Date: January 13, 2016

To: Mayor and City Council

From: Carolyn Robinson, City Treasurer

Prepared By: Cathy Spinella, Finance Manager

Subject: Cash & Investment Report for December 31, 2015

Recommendation
Receive and file the City's December 31, 2015 Investment Report.

Background
The City Treasurer files an investment report with the City Council on the status of City investments on a quarterly basis. City resources are organized and accounted for on a fund basis with some of those funds being restricted for specific purposes and others that are unrestricted. For investment purposes, however, funds are invested as a pool, except for the Measure H bond proceeds which are held separately.

The Investment Report provides a summary of the status and activity in the City's pooled investment portfolio and investments held by our bond trustee US Bank. The City manages its investment portfolio consistent with the guidelines established by the City Council via its formally adopted investment policy. The City's investment priorities are:

1. Safety
2. Liquidity
3. Yield

Discussion
The City investments are primarily in the State's Local Agency Investment Fund (LAIF) for both pooled cash and construction Measure H bond funds which are recognized as "safe" investments. LAIF provides the primary liquidity, with other investments serving to maximize yield. Securities are priced using December 31, 2015 market values. In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the marketplace having no effect on yield, as the City does not intend to sell securities or certificate of deposits prior to maturity.

The City is in compliance with the adopted investment policy and able to meet its expenditure requirements for the next six months.

Fiscal Impact
None.

Attachment
Cash and Investment Report for December 31, 2015

APPROVED BY
Interim City Manager

CITY OF MARTINEZ
Cash and Investment Report
December 31, 2015

Cash Equivalent Investments	Maturity Date	Yield	Par Value	Market Value December 31, 2015
Bank of America - Parking Fund	N/A		512,608.08	512,608.08
US Bank - General Account	N/A		140,456.64	140,456.64
CalTrust - General Account	N/A	0.56%	5,002,801.49	5,002,801.49
LAIF - General Account	N/A	0.41%	29,350,856.53	29,350,856.53
LAIF - 2008, Series B Bond Proceeds	N/A	0.41%	4,828,947.00	4,828,947.00
Total Cash Equivalent Investments			$ 39,835,669.74	$ 39,835,669.74

US Bank Safekeeping:

Purchased Investments	Type				
US Government Agency Securities	FNMA	11/26/19	1.750%	1,463,000.00	1,487,988.04
US Government Agency Securities	FNMA	11/27/18	1.625%	2,000,000.00	2,025,800.00
Total Purchased Investments				$ 3,463,000.00	$ 3,513,788.04

Held by US Bank Trustee Services:		Maturity Date	Yield	Par Value	Market Value December 31, 2015
Purchased Investments	Type				
Ally Bank	Certificate of Deposit	04/25/16	0.650%	225,000.00	225,049.50
Discover Bank	Certificate of Deposit	04/24/17	0.850%	240,000.00	239,265.60
American Express Centurion	Certificate of Deposit	04/25/17	0.800%	240,000.00	240,340.80
Total Purchased Investments held by Trustee				$ 705,000.00	$ 704,655.90
Cash Equivalent Investments					
First American Prime Obligations Fund	Money Market Funds	N/A	0.02%	105,852.65	105,852.65
First American Government Obligations Fund	Money Market Funds	N/A	0.00%	0.28	0.28
US Bank	Money Market Funds	N/A	0.02%	467,302.69	467,302.69
Total Cash Equivalent Investments				$ 573,155.62	$ 573,155.62
TOTAL PORTFOLIO				$ 44,576,825.36	$ 44,627,269.30

I hereby certify that this report accurately reflects all CITY investments, and is in conformance with the adopted CITY investment policy. Furthermore, I certify to the best of my knowledge, that there are sufficient investment liquidity and anticipated revenues to meet the CITY's budgeted expenditure requirements for the next six months.

Carolyn Robinson
City Treasurer