

Internal Services
Department of Finance
Treasury Division

Peggy Marti,
Assistant Treasurer



Navdeep S. Gill,
County Executive

David Villanueva,
Chief Deputy County Executive

Ben Lamera,
Director of Finance

County of Sacramento

July 25, 2016

To: Sacramento County Pooled Investment Fund Participants

Subject: **YEAR-END INTEREST APPORTIONMENT**

The County Pooled Investment Fund (Pooled Fund) apportions its earnings, net of associated expenses (pooled interest), to all Pooled Fund participants. For the first three quarters each fiscal year, the earnings are distributed on a cash basis; however, in accordance with Generally Accepted Accounting Principles, the final apportionment (year-end) is based on actual accrued net earnings. For this year the accrued interest rate (based on Average Daily Cash Balances in COMPASS) was 0.5231% for non-school participants and 0.5186% for school participants (these amounts are net of pooled operating expenses of 0.0970%). The yield for a 1-year Treasury Note for the same time frame was 0.49%.

Based upon the projections of receipts of earnings in the Pooled Investment Fund, this year the cash related to the year-end accrual will be available by the end of the first accounting period (July). Consequently, we will credit the actual cash to your account at that time.

As was done last year, COMPASS reports for year-end will reflect your pooled interest as a receivable. This receivable represents the difference between your annual pooled interest earnings and the amounts previously distributed for the first three quarters and *will* be available by the end of period 1 in fiscal year 2016-17. The Department of Finance will reverse your receivable and cash will be credited to your account by the end of period 1. The Department of Finance will take this timing change into account for average daily cash balance on subsequent Pool distributions.

Should you have any questions, please contact the Assistant Treasurer Peggy Marti at 874-6368.

Sincerely,

Ben Lamera

Director of Finance

cc: Assistant County Executive
Assistant Auditor-Controller
Chief Deputy County Executive, Internal Services
Chief Investment Officer
Assistant Treasurer
Departmental Fiscal Officers