



**SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE**
*Regular Meeting — Friday, February 18, 2022 / 9:00 a.m.
Zoom Teleconference*

Public Participation Information

Pursuant to AB 361, the Sacramento County Treasury Oversight Committee will hold its February 18, 2022, meeting via teleconferencing and without a physical meeting location. If you wish to watch the meeting and/or address the Committee, you can connect using the Zoom video-conferencing system. In order to do so, you must have an Internet-connected PC or Mac, or an Internet-connected mobile device. To join the meeting on a computer or mobile phone: <https://saccounty-net.zoomgov.com/j/16101266677>

If you wish to address the Committee, you will also need a microphone. If connecting from a mobile device, please download the necessary Zoom app in advance of the meeting.

If you do not have access to Zoom video-conferencing and wish to address the Committee, please contact the Dave Matuskey at matuskeyd@saccounty.net no later than February 17th, 2022 at noon p.m. so that arrangements can be made for you to address the Committee by telephone at a pre-determined time.

If you are an individual with a disability, and you require a modification or accommodation to the above procedures in order to observe or address the meeting, please contact Dave Matuskey at (916) 874-4251.

Out of an abundance of caution, and as a precaution against technical difficulties, we strongly recommend that any member of the public who wishes to address the Committee email their comments to Dave Matuskey in advance to ensure that the Committee will receive and consider them. Such comments may be emailed to matuskeyd@saccounty.net. Failure to submit comments in advance does not preclude addressing the Committee during the meeting.

Please be advised that the Committee meeting will be recorded in its entirety.

AGENDA

ITEM	SUBJECT
1.	Call To Order And Introductions.
2.	Comments From The Public.
3.	Approval Of November 19, 2021, Meeting Minutes.
4.	Presentation Of The Sacramento County Annual Investment Policy Of The Pooled Investment Fund For Calendar Year 2022.
5.	Member Update.
6.	Discussion And Action On The Non-Pooled Funds Portfolio Report And Internal Audit Of Non-Pooled Investment Funds For The Quarter Ended December 31, 2021.
7.	Discussion And Action On The Quarterly Report Of The Pooled Investment Fund For The Quarter Ended December 31, 2021, And Compliance With Investment Policy.
8.	Overview Of Pooled Investment Fund Statistics From Various Jurisdictions For December 2021.
9.	Community Reinvestment Act Program.
10.	FPPC Form 700.
11.	Next Meeting Reminder - Friday, May 20, 2022.
12.	Adjournment.

CALL TO ORDER AND INTRODUCTIONS.

NO WRITTEN REPORT

COMMENTS FROM THE PUBLIC.

NO WRITTEN REPORT

APPROVAL OF NOVEMBER 19, 2021, MEETING MINUTES.



SACRAMENTO COUNTY
TREASURY OVERSIGHT COMMITTEE
Regular Meeting — Friday, November 19, 2021 / 9:00 a.m.
Zoom Teleconference

MINUTES

PRESENT: Mary Beth Barber, Angelica Hernandez, Ben Lamera, Laura Lavallee, Jeremiah Loughry, Michael Smith, Joseph Wilson.

ABSENT: Chris Parker, David Villanueva.

STAFF: Peggy Marti, Dave Matuskey, Bernard Santo Domingo.

GUESTS: Denise de Bombelles.

1. CALL TO ORDER AND INTRODUCTIONS.

Ben Lamera called the meeting to order at 9:02 a.m. Introductions were made for the new Special District Representative, Laura Lavallee.

2. COMMENTS FROM THE PUBLIC.

There were no comments from the public.

3. APPROVAL OF AUGUST 20, 2021, MEETING MINUTES.

The minutes of the August 20, 2021, meeting were approved on a motion made by Jeremiah Loughry, seconded by Joseph Wilson, and carried (5-0) with Ben Lamera and Laura Lavallee abstaining.

4. FEDERAL HOME LOAN BANKS PRESENTATION.

Denise de Bombelles presented an overview of the Federal Home Loan Banks.

5. MEMBER UPDATE.

Dave Matuskey stated that Laura Lavallee won the Special District Representative election and was ratified by the Board of Supervisors on October 19, 2021.

6. DISCUSSION AND ACTION ON THE NON-POOLED FUNDS PORTFOLIO REPORT AND INTERNAL AUDIT OF THE NON-POOLED INVESTMENT FUNDS FOR THE QUARTER ENDED SEPTEMBER 30, 2021.

Bernard Santo Domingo presented the Quarterly Report of the Non-Pooled Funds Portfolio for the Quarter Ended September 30, 2021.

The Non-Pooled Funds Portfolio Report And Internal Audit Of The Non-Pooled Investment Funds For The Quarter Ended September 30, 2021, was accepted on a motion made by Angelica Hernandez, seconded by Michael Smith, and unanimously carried (7-0).

7. DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED INVESTMENT FUND FOR THE QUARTER ENDED SEPTEMBER 30, 2021, AND COMPLIANCE WITH INVESTMENT POLICY.

Bernard Santo Domingo presented the Quarterly Report Of The Pooled Investment Fund For The Quarter Ended September 30, 2021, and Compliance with Investment Policy. He

stated that the Pooled Investment Fund was in compliance with the investment policy and California Government Code.

Bernard Santo Domingo provided his economic commentary. He noted that inflation is picking up and that the Fed has dropped the word “transitory” from their language. Mr. Santo Domingo stated the Fed announced it will begin tapering this month and that the market is currently pricing a first rate hike in July 2022, but that it believes the labor market has room to heal. He stated that he expects the pooled fund yield to decrease and then stabilize over the next one or two quarters.

The Quarterly Report of the Pooled Investment Fund For The Quarter Ended September 30, 2021, were accepted on a motion made by Michael Smith, seconded by Joseph Wilson, and unanimously carried (7-0).

8. OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS JURISDICTION FOR SEPTEMBER 2021.

Bernard Santo Domingo presented the *Investment Fund Statistics Questionnaire Results – September 2021, Comparison of Various County Pooled Investment Funds and LAIF – 12-Month Yield Performance as of September 2021, and Overview of Pooled Investment Fund Statistics from Various Jurisdictions – Comparison of Yields and Average Weighted Maturities from December 31, 2020 – September 30, 2021.*

A 10-year graph of the yields for various jurisdictions was provided to the committee.

9. FISCAL YEAR 2022-2023 BUDGET COMMUNITY ENGAGEMENT.

Dave Matuskey presented the committee’s budget priorities that were submitted to the Chief Fiscal Officer.

10. NEXT MEETING REMINDER.

Ben Lamera reminded the committee that the next regular meeting of the Treasury Oversight Committee is scheduled for Friday, February 18, 2022.

11. ADJOURNMENT.

The meeting was adjourned at 10:14 a.m.

Respectfully submitted:

Approved:

Dave Matuskey
Investment Officer

Chris Parker, Chair
Treasury Oversight Committee

cc: Treasury Oversight Committee Members
Department of Finance Staff

PRESENTATION OF THE SACRAMENTO COUNTY ANNUAL INVESTMENT
POLICY OF THE POOLED INVESTMENT FUND FOR CALENDAR YEAR 2022.

APPROVED
Board of Supervisors
By Reso No. 2021-0770
DEC 07 2021
By *Florence Evans*
Clerk of the Board

COUNTY OF SACRAMENTO
CALIFORNIA

9

For the Agenda of:
December 7, 2021

To: Board of Supervisors

Through: Ann Edwards, County Executive
David Villanueva, Deputy County Executive, Administrative Services

From: Ben Lamera, Director of Finance, Department of Finance

Subject: Delegation Of Investment Authority To The Director Of Finance And Approval Of The Annual Investment Policy Of The Pooled Investment Fund For Calendar Year 2022

District(s): All

RECOMMENDED ACTION

Adopt the attached resolution:

1. Renewing the delegation of authority to the Director of Finance to invest funds in the County Treasury and to sell and exchange securities; and
2. Approving the Annual Investment Policy of the Pooled Investment Fund for Calendar Year 2021.

BACKGROUND

Government Code Section 53607 allows the Board to annually delegate the authority to invest funds in the County Treasury and to sell and exchange securities to the Director of Finance. The Board serves as a fiduciary unless this authority is delegated. The Board has annually delegated the authority to invest funds in the County Treasury and to sell and exchange securities to the Director of Finance since 1996. The Board has also approved the Annual Investment Policy of the Pooled Investment Fund (Investment Policy) every year since 1987.

The changes to the Investment Policy for 2022 include an increase in gift limits and an elimination of redundant and obsolete information. These changes are reflected in the strikethrough version of the policy (ATT 1) and described in the numbered list on the next page.

1. Elimination of Redundant References to Reporting Requirements

References to Annual Investment Policy requirements were included in *Section VI. Implementation* (Page 2), *Section VIII. Sacramento County Treasury Oversight Committee* (Page 4), and *Section X. Reviewing, Monitoring and Reporting of the Portfolio* (Page 11). The references in *Section VIII.* (Page 4) and *Section X.* (Page 11) were deleted.

References to annual audit requirements were included in *Section VII. Internal Controls* (Page 3) and *Section VIII. Sacramento County Treasury Oversight Committee* (page 4). The reference in *Section VII.* (Page 3) was deleted.

References to quarterly reporting requirements were included in *Section VII. Internal Controls* (Page 3), *Section VIII. Sacramento County Treasury Oversight Committee* (Page 4), and *Section X. Reviewing, Monitoring and Reporting of the Portfolio* (Page 11). References to this requirement were deleted in each of these sections and consolidated/expanded in *Section X. Reviewing, Monitoring and Reporting of the Portfolio* (Page 11).

2. Section XII – Limits on Honoraria, Gifts, and Gratuities (Page 11)

The gift limit was updated to reflect the current Fair Political Practices Commission annual limit of \$520, increased from \$500 (Page 12).

3. Appendix A – Fitch Sovereign Risk Ratings (Page 15)

The Fitch Sovereign Risk Rating definitions are no longer applicable and have been removed.

All other changes to the Investment Policy are grammatical corrections or clarifications and do not affect the intent of the policy. A clean version of the policy is provided as Attachment 2.

FINANCIAL ANALYSIS

Investment performance and compliance is evaluated quarterly by the Treasury Oversight Committee and annually by external auditors. Monthly and quarterly reports are also provided to the Board.

Attachment(s):

RES – Delegation of Investment Authority and Approval of Investment Policy

ATT 1 – 2022 Investment Policy (strikethrough)

ATT 2 – 2022 Investment Policy (clean)

RESOLUTION NO. 2021-0770

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO RENEWING THE AUTHORITY OF THE DIRECTOR OF FINANCE TO INVEST FUNDS AND APPROVING THE ANNUAL INVESTMENT POLICY OF THE POOLED INVESTMENT FUND FOR CALENDAR YEAR 2022

WHEREAS, the Board of Supervisors delegated authority to invest funds in the County Treasury to the Director of Finance on December 17, 2019, in accordance with Government Code Sections 27000.1 and 53607; and

WHEREAS, the authority to invest funds in the County Treasury, delegated to the Director of Finance, expires after one year under Government Code Sections 27000.1 and 53607; and

WHEREAS, the Board of Supervisors has reviewed the delegation of authority to the Director of Finance to invest funds in the County Treasury and the Annual Investment Policy of the Pooled Investment Fund for Calendar Year 2022 and finds it to be reasonable and prudent;

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors hereby renews the delegation of authority to the Director of Finance to invest funds in the County Treasury and to sell and exchange securities in accordance with the California Government Code and approves the Annual Investment Policy of the Pooled Investment Fund for Calendar Year 2022.

Resolution Of The Board Of Supervisors Of The County Of Sacramento
Renewing The Authority Of The Director Of Finance To Invest Funds And
Approving The Annual Investment Policy Of The Pooled Investment Fund For
Calendar Year 2022
Page 2

On a motion by Supervisor Desmond, seconded by Supervisor Kennedy,
the foregoing resolution was passed and adopted by the Board of Supervisors
of the County of Sacramento, State of California, this 7th day of December,
2021, by the following vote to wit:

AYES: Supervisors Desmond, Kennedy, Nottoli, Serna, Frost

NOES: None

ABSENT: None

ABSTAIN: None

RECUSAL: None

(PER POLITICAL REFORM ACT (§ 18702.5.))





Chair of the Board of Supervisors
of Sacramento County, California

ATTEST: 
Clerk, Board of Supervisors

FILED
BOARD OF SUPERVISORS

DEC 07 2021

BY 
CLERK OF THE BOARD

In accordance with Section 25103 of the Government Code
of the State of California a copy of the document has been
delivered to the Chair of the Board of Supervisors, County
of Sacramento on December 7, 2021

By 
Deputy Clerk, Board of Supervisors



SACRAMENTO COUNTY

Annual Investment Policy of the Pooled Investment Fund

CALENDAR YEAR ~~2021~~2022

*Approved by the
Sacramento County Board of Supervisors*

December ~~8~~7, ~~2020~~2021
Resolution No. ~~2020-0783~~

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SACRAMENTO COUNTY

Annual Investment Policy of the Pooled Investment Fund

CALENDAR YEAR 202~~2~~¹

I. Authority

Under the Sacramento County Charter, the Board of Supervisors established the position of Director of Finance and by ordinance will annually review and renew the Director of Finance's authority to invest and reinvest all the funds in the County Treasury.

II. Policy Statement

This Investment Policy (Policy) establishes cash management and investment guidelines for the Director of Finance, who is responsible for the stewardship of the Sacramento County Pooled Investment Fund. Each transaction and the entire portfolio must comply with California Government Code and this Policy. All portfolio activities will be judged by the standards of the Policy and its investment objectives. Activities that violate its spirit and intent will be considered contrary to the Policy.

III. Standard of Care

The Director of Finance is the Trustee of the Pooled Investment Fund and therefore, a fiduciary subject to the prudent investor standard. The Director of Finance, employees involved in the investment process, and members of the Sacramento County Treasury Oversight Committee (Oversight Committee) shall refrain from all personal business activities that could conflict with the management of the investment program. All individuals involved will be required to report all gifts and income in accordance with California state law. When investing, reinvesting, purchasing, acquiring, exchanging, selling and managing public funds, the Director of Finance shall act with care, skill, prudence, and diligence to meet the aims of the investment objectives listed in Section IV, Investment Objectives.

IV. Investment Objectives

The Pooled Investment Fund shall be prudently invested in order to earn a reasonable return, while awaiting application for governmental purposes. The specific objectives for the Pooled Investment Fund are ranked in order of importance.

A. Safety of Principal

The preservation of principal is the primary objective. Each transaction shall seek to ensure that capital losses are avoided, whether they be from securities default or erosion of market value.

B. Liquidity

As a second objective, the Pooled Investment Fund should remain sufficiently flexible to enable the Director of Finance to meet all operating requirements that may be reasonably anticipated in any depositor's fund.

C. Public Trust

In managing the Pooled Investment Fund, the Director of Finance and the authorized investment traders should avoid any transactions that might impair public confidence in Sacramento County and the participating local agencies. Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived.

D. Maximum Rate of Return

As the fourth objective, the Pooled Investment Fund should be designed to attain a market average rate of return through budgetary and economic cycles, consistent with the risk limitations, prudent investment principles and cash flow characteristics identified herein. For comparative purposes, the State of California Local Agency Investment Fund (LAIF) will be used as a performance benchmark. The Pooled Investment Fund quarterly performance benchmark target has been set at or above LAIF's yield. This benchmark was chosen because LAIF's portfolio structure is similar to the Pooled Investment Fund.

V. Pooled Investment Fund Investors

The Pooled Investment Fund investors are comprised of Sacramento County, school and community college districts, districts directed by the Board of Supervisors, and independent special districts and joint powers authorities whose treasurer is the Director of Finance. Any local agencies not included in this category are subject to California Government Code section 53684 and are referred to as outside investors.

VI. Implementation

In order to provide direction to those responsible for management of the Pooled Investment Fund, the Director of Finance has established this Policy and will provide it to the Oversight Committee and render it to legislative bodies of local agencies that participate in the Pooled Investment Fund. In accordance with California Government Code section 53646, et seq., the Board of Supervisors shall review and approve this Policy annually at a public meeting.

This Policy provides a detailed description of investment parameters used to implement the investment process and includes the following: investable funds; authorized instruments; prohibited investments; credit requirements; maximum maturities and concentrations; repurchase agreements; Community Reinvestment Act Program; criteria

and qualifications of broker/dealers and direct issuers; investment guidelines, management style and strategy; Approved Lists; and calculation of yield and costs.

VII. Internal Controls

The Director of Finance shall establish internal controls to provide reasonable assurance that the investment objectives are met and to ensure that the assets are protected from loss, theft, or misuse. To assist in implementation and internal controls, the Director of Finance has established an Investment Group and a Review Group.

The Investment Group, which is comprised of the Director of Finance and his/her designees, is responsible for maintenance of the investment guidelines and Approved Lists. These guidelines and lists can be altered daily, if needed, to adjust to the ever-changing financial markets. The guidelines can be more conservative or match the policy language. In no case can the guidelines override the Policy.

The Review Group, which is comprised of the Director of Finance and his/her designees, is responsible for the monthly review and appraisal of all the investments purchased by the Director of Finance and staff. This review includes bond proceeds, which are invested separately from the Pooled Investment Fund and are not governed by this Policy.

The Director of Finance shall establish a process for daily, monthly, quarterly, and annual review and monitoring of the Pooled Investment Fund activity. The following articles, in order of supremacy, govern the Pooled Investment Fund:

1. California Government Code
2. Annual Investment Policy
3. Current Investment Guidelines
4. Approved Lists (see page 9, Section IX.K)

The Director of Finance shall review the daily investment activity and corresponding bank balances.

Monthly, the Review Group shall review all investment activity and its compliance to the corresponding governing articles and investment objectives.

~~Quarterly, the Director of Finance will provide the Oversight Committee with a copy of the Pooled Investment Fund activity and its compliance to the annual Policy and California Government Code.~~

~~Annually, the Oversight Committee shall cause an annual audit of the activities within the Pooled Investment Fund to be conducted to determine compliance to the Policy and California Government Code. This audit will include issues relating to the structure of the investment portfolio and risk.~~

All securities purchased, with the exception of bank deposits, money market mutual funds, and LAIF, shall be delivered to the independent third-party custodian selected by

the Director of Finance. This includes all collateral for repurchase agreements. All trades, where applicable, will be executed by delivery versus payment by the designated third-party custodian.

VIII. Sacramento County Treasury Oversight Committee

In accordance with California Government Code section 27130 et seq., the Board of Supervisors, in consultation with the Director of Finance, has created the Sacramento County Treasury Oversight Committee (Oversight Committee). ~~Annually, the Director of Finance shall prepare an Investment Policy that will be forwarded to and monitored by the Oversight Committee and rendered to Boards of all local agency participants. The Board of Supervisors shall review and approve the Policy during public session. Quarterly, the Director of Finance shall provide the Oversight Committee a report of all investment activities of the Pooled Investment Fund to ensure compliance to the Policy.~~ Annually, the Oversight Committee shall cause an audit to be conducted on the Pooled Investment Fund. The meetings of the Oversight Committee shall be open to the public and subject to the Ralph M. Brown Act.

A member of the Oversight Committee may not be employed by an entity that has contributed to the campaign of a candidate for the office of local treasurer, or contributed to the campaign of a candidate to be a member of a legislative body of any local agency that has deposited funds in the county treasury, in the previous three years or during the period that the employee is a member of the Oversight Committee. A member may not directly or indirectly raise money for a candidate for local treasurer or a member of the Sacramento County Board of Supervisors or governing board of any local agency that has deposited funds in the county treasury while a member of the Oversight Committee. Finally, a member may not secure employment with, or be employed by bond underwriters, bond counsel, security brokerages or dealers, or financial services firms, with whom the treasurer is doing business during the period that the person is a member of the Oversight Committee or for one year after leaving the committee.

The Oversight Committee is not allowed to direct individual investment decisions, select individual investment advisors, brokers or dealers, or impinge on the day-to-day operations of the Department of Finance treasury and investment operations.

IX. Investment Parameters

A. Investable Funds

Total Investable Funds (TIF) for purposes of this Policy are all Pooled Investment Fund moneys that are available for investment at any one time, including the estimated bank account float. Included in TIF are funds of outside investors, if applicable, for which the Director of Finance provides investment services. Excluded from TIF are all funds held in separate portfolios.

The Cash Flow Horizon is the period in which the Pooled Investment Fund cash flow can be reasonably forecasted. This Policy establishes the Cash Flow Horizon to be one (1) year.

Once the Director of Finance has deemed that the cash flow forecast can be met, the Director of Finance may invest funds with maturities beyond one year. These securities will be referred to as the Core Portfolio.

B. Authorized Investments

Authorized investments shall match the general categories established by the California Government Code sections 53601 et seq. and 53635 et seq. Authorized investments shall include, in accordance with California Government Code section 16429.1, investments into LAIF. Authorization for specific instruments within these general categories, as well as narrower portfolio concentration and maturity limits, will be established and maintained by the Investment Group as part of the Investment Guidelines. As the California Government Code is amended, this Policy shall likewise become amended.

C. Prohibited Investments

No investments shall be authorized that have the possibility of returning a zero or negative yield if held to maturity except for securities issued by, or backed by, the United States government during a period of negative market interest rates. Prohibited investments shall include inverse floaters, range notes, and interest only strips derived from a pool of mortgages.

All legal investments issued by a tobacco-related company are prohibited. A tobacco-related company is defined as an entity that makes smoking products from tobacco used in cigarettes, cigars, or snuff or for smoking in pipes. The tobacco-related issuers restricted from any investment are any component companies in the Dow Jones U.S. Tobacco Index or the NYSE Arca Tobacco Index. ~~Annually the Director of Finance and/or his designee will update the list of tobacco-related companies.~~

D. Credit Requirements

Except for municipal obligations and Community Reinvestment Act (CRA) bank deposits and certificates of deposit, the issuer's short-term credit ratings shall be at or above A-1 by Standard & Poor's, P-1 by Moody's, and, if available, F1 by Fitch, and the issuer's long-term credit ratings shall be at or above A by Standard & Poor's, A2 by Moody's, and, if available, A by Fitch. There are no credit requirements for Registered State Warrants. All other municipal obligations shall be at or above a short-term rating of SP-1 by Standard & Poor's, MIG1 by Moody's, and, if available, F1 by Fitch. In addition, domestic banks are limited to those with a Fitch Viability rating of a or better, without regard to modifiers. The Investment Group is granted the authority to specify approved California banks with Fitch Viability ratings of bbb+ but they must have a Support rating of 1 ~~where appropriate~~. Foreign banks with domestic licensed offices must have a Sovereign rating of AAA from Standard and Poor's,

Moody's, or Fitch and a Fitch Viability rating of a or better, without regard to modifiers; however, a foreign bank may have a Fitch Viability rating of bbb+ but they must have a Support rating of 1. Domestic savings banks must ~~be rated~~have a Fitch Viability rating of a or better, without regard to modifiers, or may have a rating of bbb+ but they must a Support rating of 1.

Community Reinvestment Act Program Credit Requirements

Maximum Amount	Minimum Requirements
Up to the FDIC- or NCUSIF-insured limit for the term of the deposit	Banks — FDIC Insurance Coverage
	Credit Unions — NCUSIF Insurance Coverage <i>Credit unions are limited to a maximum deposit of the NCUSIF-insured limit since they are not rated by nationally recognized rating agencies and are not required to provide collateral on public deposits.</i>
Over the FDIC- or NCUSIF-insured limit	<p>(Any 2 of 3 ratings)</p> <p>S&P: A-2 Moody's: P-2 Fitch: F-2</p> <p style="text-align: center;">OR</p> <p>Collateral is required</p> <p>Through a private sector entity that assists in the placement of deposits to achieve FDIC insurance coverage of the full deposit and accrued interest.</p>

Eligible banks must have Community Reinvestment Act performance ratings of "satisfactory" or "outstanding" from ~~each financial institution's~~their federal regulatory ~~authority~~. In addition, deposits greater than the federally-insured amount must be collateralized. Banks must either have a letter of credit issued by the Federal Home Loan Bank of San Francisco or place securities worth between 110% and 150% of the value of the deposit with the Federal Reserve Bank of San Francisco, the Home Loan Bank of San Francisco, or a trust bank.

Since credit unions do not have Community Reinvestment Act performance ratings, they must demonstrate ~~their a~~ commitment to ~~meeting the~~ community reinvestment lending and charitable activities, ~~which are also required of~~ comparable to what is required of banks.

All commercial paper and medium-term note issues must be issued by corporations operating within the United States and having total assets in excess of one billion dollars (\$1,000,000,000).

The Investment Group may raise these credit standards as part of the Investment Guidelines and Approved Lists. Appendix A provides a Comparison and Interpretation of Credit Ratings by Standard & Poor's, Moody's, and Fitch.

E. Maximum Maturities

Due to the nature of the invested funds, no investment with limited market liquidity should be used. Appropriate amounts of highly-liquid investments, such as [U.S. Treasury and Agency securities obligations](#), should be maintained to accommodate unforeseen withdrawals.

The maximum maturity, determined as the term from the date of ownership to the date of maturity, for each investment shall be established as follows:

U.S. Treasury and Agency Obligations	5 years
Washington Supranational Obligations ¹	5 years
Municipal Notes.....	5 years
Registered State Warrants.....	5 years
Bankers Acceptances	180 days
Commercial Paper	270 days
Negotiable Certificates of Deposit.....	180 days
CRA Bank Deposit/Certificates of Deposit	1 year
Repurchase Agreements	1 year
Reverse Repurchase Agreements	92 days
Medium-Term Corporate Notes.....	180 days
Collateralized Mortgage Obligations	180 days

The Investment Group may reduce these maturity limits to a shorter term as part of the Investment Guidelines and the Approved Lists.

The ultimate maximum maturity of any investment shall be five (5) years. The dollar-weighted average maturity of all securities shall be equal to or less than three (3) years.

¹ The International Bank for Reconstruction and Development, International Finance Corporation, and Inter-American Development Bank.

F. Maximum Concentrations

No more than 80% of the portfolio may be invested in issues other than ~~United States~~U.S. Treasuries-Treasury and ~~Government Agencies~~Agency obligations. The maximum allowable percentage for each type of security is set forth as follows:

U.S. Treasury and Agency Obligations.....	100%
Municipal Notes	80%
Registered State Warrants	80%
Bankers Acceptances	40%
Commercial Paper.....	40%
Washington Supranational Obligations	30%
Negotiable Certificates of Deposit and CRA Deposit/Certificates of Deposit	30%
Repurchase Agreements	30%
Reverse Repurchase Agreements.....	20%
Medium-Term Corporate Notes	30%
Money Market Mutual Funds	20%
Collateralized Mortgage Obligations.....	20%
Local Agency Investment Fund (LAIF)	(per State limit)

The Investment Group may reduce these concentrations as part of the Investment Guidelines and the Approved Lists.

~~No~~Excluding U.S. Treasury and Agency obligations, no more than 10% of the portfolio, may be invested in securities of a single issuer including its related entities.

Where a percentage limitation is established above, for the purpose of determining investment compliance, that maximum percentage will be applied on the date of purchase.

G. Repurchase Agreements

Under California Government Code section 53601, paragraph (j) and section 53635, the Director of Finance may enter into Repurchase Agreements and Reverse Repurchase Agreements. The maximum maturity of a Repurchase Agreement shall be one year. The maximum maturity of a reverse repurchase agreement shall be 92 days, and the proceeds of a reverse repurchase agreement may not be invested beyond the expiration of the agreement. The reverse repurchase agreement must be "matched to maturity" and meet all other requirements in the code.

All repurchase agreements must have an executed Sacramento County Master Repurchase Agreement on file with both the Director of Finance and the Broker/Dealer. Repurchase Agreements executed with approved broker-dealers must be collateralized with either: (1) U.S. ~~Treasuries-Treasury or Agencies~~and Agency obligations with a market value of 102% for collateral marked to market daily; or (2)

money market instruments on the Approved Lists of the County that meet the qualifications of the Policy, with a market value of 102%. Since the market value of the underlying securities is subject to daily market fluctuations, investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102% no later than the next business day. Use of mortgage-backed securities for collateral is not permitted. Strictly for purposes of investing the daily excess bank balance, the collateral provided by the Sacramento County's depository bank can be [Treasuries or Agencies U.S. Treasury and Agency obligations](#) valued at 110%, or mortgage-backed securities valued at 150%.

H. Community Reinvestment Act Program

The Director of Finance has allocated within the Pooled Investment Fund, a maximum of \$90 million for the Community Reinvestment Act Program to encourage community investment by financial institutions, which includes community banks and credit unions, and to acknowledge and reward local financial institutions that support the community's financial needs. The Director of Finance may increase this amount, as appropriate, while staying within the investment policy objectives and maximum maturity and concentration limits. The eligible banks and savings banks must have Community Reinvestment Act performance ratings of "satisfactory" or "outstanding" from each financial institution's regulatory authority. The minimum credit requirements are located on page 5 of Section IX.D.

I. Criteria and Qualifications of Brokers/Dealers and Direct Issuers

All transactions initiated on behalf of the Pooled Investment Fund and Sacramento County shall be executed through either government security dealers reporting as primary dealers to the Market Reports Division of the Federal Reserve Bank of New York or direct issuers that directly issue their own securities that have been placed on the Approved List of brokers/dealers and direct issuers. Further, these firms must have an investment grade rating from at least two national rating services, if available.

Brokers/Dealers and direct issuers that have exceeded the political contribution limits, as contained in Rule G-37 of the Municipal Securities Rulemaking Board, within the preceding four-year period to the Director of Finance, any member of the Board of Supervisors, or any candidate for the Board of Supervisors, are prohibited from the Approved List of brokers/dealers and direct issuers.

Each broker/dealer and direct issuer will be sent a copy of this Policy and a list of those persons authorized to execute investment transactions. Each firm must acknowledge receipt of such materials to qualify for the Approved List of brokers/dealers and direct issuers.

Each broker/dealer and direct issuer authorized to do business with Sacramento County shall, at least annually, supply the Director of Finance with audited financial statements.

J. Investment Guidelines, Management Style and Strategy

The Investment Group, named by the Director of Finance, shall issue and maintain Investment Guidelines specifying authorized investments, credit requirements, permitted transactions, and issue maturity and concentration limits consistent with this Policy.

The Investment Group shall also issue a statement describing the investment management style and current strategy for the entire investment program. The management style and strategy can be changed to accommodate shifts in the financial markets, but at all times they must be consistent with this Policy and its objectives.

K. Approved Lists

The Investment Group, named by the Director of Finance, shall issue and maintain various Approved Lists. These lists are:

1. Approved Domestic Banks for all legal investments.
2. Approved Foreign Banks for all legal investments.
3. Approved Commercial Paper and Medium Term Note Issuers.
4. Approved Money Market Mutual Funds.
5. Approved Firms for Purchase or Sale of Securities (Brokers/Dealers and Direct Issuers).
6. Approved Banks / Credit Unions for the Community Reinvestment Act Program.

L. Calculation of Yield and Costs

The costs of managing the investment portfolio, including but not limited to: investment management; accounting for the investment activity; custody of the assets; managing and accounting for the banking; receiving and remitting deposits; oversight controls; and indirect and overhead expenses are charged to the investment earnings based upon actual labor hours worked in respective areas. Costs of these respective areas are accumulated by specific cost accounting projects and charged to the Pooled Investment Fund on a quarterly basis throughout the fiscal year.

The Department of Finance will allocate the net interest earnings of the Pooled Investment Fund quarterly. The net interest earnings are allocated based upon the average daily cash balance of each Pooled Investment Fund participant.

X. Reviewing, Monitoring and Reporting of the Portfolio

The Review Group will prepare and present to the Director of Finance at least monthly a comprehensive review and evaluation of the transactions, positions, performance of the

Pooled Investment Fund and compliance to the California Government Code, Policy, and Investment Guidelines.

Quarterly, the Director of Finance will provide to the [Board of Supervisors](#), the Oversight Committee, and to any local agency participant that requests a copy, a detailed report on the Pooled Investment Fund. [The report will also be posted on the Department of Finance website.](#) Pursuant to California Government Code section 53646, the report will list the type of investments, name of issuer, maturity date, par and dollar amount of the investment. For the total Pooled Investment Fund, the report will list average maturity, the market value, and the pricing source. Additionally, the report will show any funds under the management of contracting parties, a statement of compliance to the Policy and a statement of the Pooled Investment Fund's ability to meet the expected expenditure requirements for the next six months.

~~Each quarter, the Director of Finance shall provide to the Board of Supervisors and interested parties a comprehensive report on the Pooled Investment Fund.~~

~~Annually, the Director of Finance shall provide to the Oversight Committee the Investment Policy. Additionally, the Director of Finance will render a copy of the Investment Policy to the legislative body of the local agencies that participate in the Pooled Investment Fund.~~

XI. Withdrawal Requests for Pooled Fund Investors

The Director of Finance will honor all requests to withdraw funds for normal cash flow purposes that are approved by the Director of Finance at a one dollar net asset value. Any requests to withdraw funds for purposes other than immediate cash flow needs, such as for external investing, are subject to the consent of the Director of Finance. In accordance with California Government Code Sections 27133(h) and 27136, such requests for withdrawals must first be made in writing to the Director of Finance. When evaluating a request to withdraw funds, the Director of Finance will take into account the effect of a withdrawal on the stability and predictability of the Pooled Investment Fund and the interests of other depositors. Any withdrawal for such purposes will be at the market value of the Pooled Investment Fund on the date of the withdrawal.

XII. Limits on Honoraria, Gifts, and Gratuities

In accordance with California Government Code Section 27133(d), this Policy establishes limits for the Director of Finance; individuals responsible for management of the portfolios; and members of the Investment Group and Review Group who direct individual investment decisions, select individual investment advisors and broker/dealers, and conduct day-to-day investment trading activity. The limits also apply to members of the Oversight Committee. Any individual who receives an aggregate total of gifts, honoraria and gratuities in excess of \$50 in a calendar year from a broker/dealer, bank or service provider to the Pooled Investment Fund must report the gifts, dates and firms to the designated filing official and complete the appropriate State forms.

No individual may receive aggregate gifts, honoraria, and gratuities from any single source in a calendar year in excess of the amount specified in Section 18940.2(a) of Title 2, Division 6 of the California Code of Regulations. This limitation ~~was~~ is \$~~500~~520 for the period January 1, ~~2019~~2021, to December 31, ~~2020~~2022, ~~and the State Fair Political Practices Commission will update this limit for inflation by January 2024.~~ Any violation must be reported to the State Fair Political Practices Commission.

XIII. Terms and Conditions for Outside Investors

Outside investors may invest in the Pooled Investment Fund through California Government Code Section 53684. Their deposits are subject to the consent of the Director of Finance. The legislative body of the local agency must approve the Sacramento County Pooled Investment Fund as an authorized investment and execute a Memorandum of Understanding. Any withdrawal of these deposits must be made in writing 30 days in advance and will be paid based upon the market value of the Pooled Investment Fund. If the Director of Finance considers it appropriate, the deposits may be returned at any time to the local agency.

Appendix A

Comparison and Interpretation of Credit Ratings

Long Term Debt & Individual Bank Ratings				
Rating Interpretation	Moody's	S&P	Fitch	Fitch Viability Rating
<i>Best-quality grade</i>	Aaa	AAA	AAA	aaa
<i>High-quality grade</i>	Aa1	AA+	AA+	aa+
	Aa2	AA	AA	aa
	Aa3	AA-	AA-	aa-
<i>Upper Medium Grade</i>	A1	A+	A+	a+
	A2	A	A	a
	A3	A-	A-	a-
<i>Medium Grade</i>	Baa1	BBB+	BBB+	bbb+
	Baa2	BBB	BBB	bbb
	Baa3	BBB-	BBB-	bbb-
<i>Speculative Grade</i>	Ba1	BB+	BB+	bb+
	Ba2	BB	BB	bb
	Ba3	BB-	BB-	bb-
<i>Low Grade</i>	B1	B+	B+	b+
	B2	B	B	b
	B3	B-	B-	b-
<i>Poor Grade to Default</i>	Caa	CCC+	CCC	ccc
<i>In Poor Standing</i>	-	CCC	-	
	-	CCC-	-	
<i>Highly Speculative Default</i>	Ca	CC	CC	cc
	C	-	-	c
<i>Default</i>	-	-	DDD	f
	-	-	DD	f
	-	D	D	f

Short Term / Municipal Note Investment Grade Ratings			
Rating Interpretation	Moody's	S&P	Fitch
<i>Superior Capacity</i>	MIG-1	SP-1+/SP-1	F1+/F1
<i>Strong Capacity</i>	MIG-2	SP-2	F2
<i>Acceptable Capacity</i>	MIG-3	SP-3	F3

Appendix A

Short Term / Commercial Paper Investment Grade Ratings			
Rating Interpretation	Moody's	S&P	Fitch
<i>Superior Capacity</i>	P-1	A-1+/A-1	F1+/F1
<i>Strong Capacity</i>	P-2	A-2	F2
<i>Acceptable Capacity</i>	P-3	A-3	F3

Fitch Support Ratings	
Rating	Interpretation
1	A bank for which there is an extremely high probability of external support. The potential provider of support is very highly rated in its own right and has a very high propensity to support the bank in question. This probability of support indicates a minimum Long-Term Rating floor of 'A-'.
2	A bank for which there is a high probability of external support. The potential provider of support is highly rated in its own right and has a high propensity to provide support to the bank in question. This probability of support indicates a minimum Long-Term Rating floor of <u>in the 'BBB-' category</u> .
3	A bank for which there is a moderate probability of support because of uncertainties about the ability or propensity of the potential provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of <u>in the 'BB-' category</u> .
4	A bank for which there is a limited probability of support because of significant uncertainties about the ability or propensity of any possible provider of support to do so. This probability of support indicates a minimum Long-Term Rating floor of ' <u>B+' or 'B'</u> '.
5	A bank for which <u>there is a possibility of</u> external support, although possible, but it cannot be relied upon. This may be due to a lack of propensity to provide support or to very weak financial ability to do so. This probability of support indicates a Long-Term Rating floor no higher than 'B-' and in many cases no floor at all.

Appendix A

Fitch Sovereign Risk Ratings	
<i>Rating</i>	<i>Interpretation</i>
AAA	Highest credit quality. 'AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
AA	Very high credit quality. 'AA' ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.
BBB	Good credit quality. 'BBB' ratings indicate that expectations of default risk are currently low. The capacity for timely payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.
BB	Speculative. 'BB' ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time.
B	Highly speculative. 'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.
CCC	High default risk. Default is a real possibility.
CC	Very high levels of credit risk. Default of some kind appears probable.
C	Exceptionally high levels of credit risk. Default appears imminent or inevitable.
D	Default. Indicates a default. Default generally is defined as one of the following: <ul style="list-style-type: none"> • Failure to make payment of principal and/or interest under the contractual terms of the rated obligation; • The bankruptcy filings, administration, receivership, liquidation or other winding-up or cessation of the business of an issuer/obligor; or • The coercive exchange of an obligation, where creditors were offered securities with diminished structural or economic terms compared with the existing obligation.

MEMBER UPDATE.

Department of Finance

Ben Lamera
Director



County of Sacramento

Divisions

Administration
Auditor-Controller
Consolidated Utilities Billing & Service
Investments
Revenue Recovery
Tax Collection & Business Licensing
Treasury

Inter-Departmental Memorandum

February 18, 2022

To: Treasury Oversight Committee

From: Ben Lamera 
Director of Finance

Subject: **STATUS REPORT ON MEMBER POSITIONS**

Ex-Officio Members

Michael Smith is resigning from the County Superintendent of Schools Representative position because he is retiring. The superintendent will nominate a replacement for the position.

Elected Members

The term of the Special District Representative position held by Laura Lavallee ends on June 30, 2022. A request for nominations will be sent to all special district pool participants.

Public Members

The Clerk of the Board is accepting applications for the vacant 5th District position. The terms for the 1st District position, held by Joseph Wilson, and 2nd District position, held by Chris Parker, end on June 30, 2022. The Clerk of the Board is currently accepting applications the position.

DISCUSSION AND ACTION ON THE NON-POOLED FUNDS PORTFOLIO
REPORT AND INTERNAL AUDIT OF NON-POOLED INVESTMENT FUNDS FOR
THE QUARTER ENDED DECEMBER 31, 2021.



COUNTY OF SACRAMENTO

DEPARTMENT OF FINANCE

NON-POOLED FUNDS PORTFOLIO REPORT

FOR QUARTER ENDED DECEMBER 31, 2021

**COUNTY OF SACRAMENTO
DEPARTMENT OF FINANCE**

NON-POOLED FUNDS PORTFOLIO REPORT

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PORTFOLIO CONCENTRATION & CREDIT QUALITY

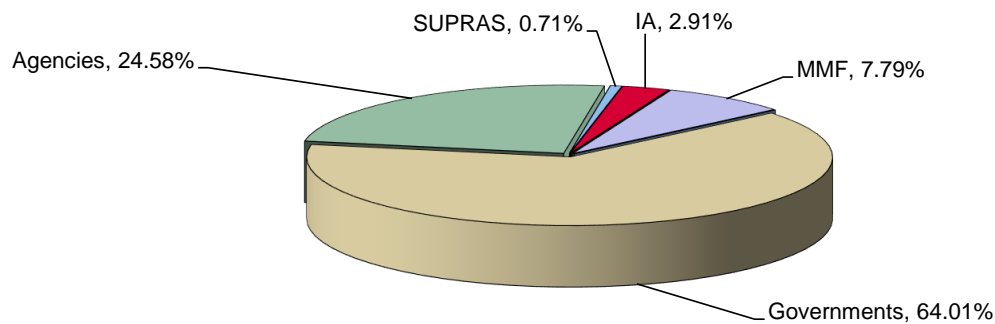
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COUNTY OF SACRAMENTO
Non-Pooled Funds - December 31, 2021

Portfolio Sector Concentration Profile
ALL NON-POOLED FUNDS

Sector	Credit Quality	Dollar Amount At Cost	Percent
GOVERNMENTS	AA+/Aaa/AAA		
Treasury Bills		\$ 491,495,889.05	63.37%
Treasury Notes		\$ -	0.00%
Treasury Bonds		\$ -	0.00%
SLGs		\$ 4,962,480.00	0.64%
SUBTOTAL		\$ 496,458,369.05	64.01%
AGENCIES	AA+/Aaa/AAA		
FHLB		\$ 13,000,000.00	1.68%
FHLB Discount Notes		\$ 177,615,012.90	22.90%
FNMA		\$ -	0.00%
FNMA Discount Notes		\$ -	0.00%
FFCB		\$ -	0.00%
FFCB Discount Notes		\$ -	0.00%
FHLMC		\$ -	0.00%
FHLMC Discount Notes		\$ -	0.00%
SUBTOTAL		\$ 190,615,012.90	24.58%
COMMERCIAL PAPER (CP)	A-1/P-1, or A-1/P-1/F1, or better	\$ -	0.00%
CERTIFICATE OF DEPOSIT (CD)	A-1/P-1, or A-1/P-1/F1, or better	\$ -	0.00%
WASHINGTON SUPRANATIONALS (SUPRAS)	AAA/Aaa/AAA	\$ 5,504,525.96	0.71%
INVESTMENT AGREEMENTS (IA)	Not Rated	\$ 22,595,237.40	2.91%
LOCAL AGENCY INVESTMENT FUND (LAIF)	Not Rated	\$ -	0.00%
MONEY MARKET FUNDS (MMF)	AAA	\$ 60,409,680.51	7.79%
SWEEP	Not Rated		0.00%
TOTAL		\$ 775,582,825.82	100.00%

Sector concentrations are for all non-pooled funds in the aggregate. A detailed listing of all Non-Pooled Funds is provided in Appendix A on page 2 of this report.



County of Sacramento Non-Pooled Investment Funds

As of December 31, 2021

Fund	Description	Type	Funded Date	Maturity Date	Amount Issued	Book Value	Bond/Note TIC/NIC
Fiscal Agent Trustee Funds							
5277	SASD Series 2015 Refunding	REV	5/5/2015	8/1/2035	45,435,000	0.84	3.392%
5390-93	SRCS D REF 2005	REV	9/7/2005	12/1/2023	61,220,000	1.53	4.414%
5455-57	SRCS D 2014A	REV	7/10/2014	12/1/2044	378,510,000	12.44	3.823%
5510-15	Water Financing Authority 2007	REV	5/9/2007	6/1/2039	413,420,000	23,497,543.79	4.260%
5520-23	Metro Air Park 2007B	MR	12/14/2007	8/1/2034	40,200,000	13,999.55	6.886%
5600-02	SRCS D REF 2007	REV	3/1/2007	12/1/2035	443,365,000	9.82	4.165%
5603-04	SRCS D REF 2021	REV	3/10/2021	12/1/2034	269,810,000	1.81	1.460%
5800-07	Airport System 2009 A&B	REV	7/28/2009	7/1/2041	201,800,000	18,383,259.97	5.473%
5810-15	Airport System 2009 C&D	REV	7/28/2009	7/1/2041	278,250,000	18,104,250.22	6.010%
5860-63	SASD Series 2010 A&B	REV	8/11/2010	8/1/2040	126,620,000	2.68	4.069%
5890-92	San Juan USD, Elec 02, Ser 2011	GO	6/10/2011	6/1/2026	10,600,000	5,448,620.36	5.336%
6126-27	FCUSD SFID #3, Series D	GO	7/31/2019	10/1/2044	150,000,000	87,638,174.17	3.460%
6581-84	Elliott Ranch Refunding	MR	8/13/1997	9/1/2021	21,415,000	3,096,900.64	6.231%
6600-04	Laguna Creek Refunding	MR	12/30/1997	12/1/2020	31,980,000	4,079,869.10	5.751%
6680-86	Metro Air Park	MR	12/30/1998	12/1/2021	5,310,000	1,282,958.84	7.000%
6805-07	SRCS D 2020A	REV	7/14/2020	12/1/2044	115,165,000	5.38	3.240%
6980-84	Metro Air Park 2004 A	MR	4/8/2004	8/1/2034	63,460,000	6,534,790.34	6.890%
50A0	Airport System Refund 2016A	REV	12/21/2016	7/1/2041	89,000,000	2,292,849.38	4.332%
50B0	Airport System Refund 2016B	REV	12/21/2016	7/1/2041	92,790,000	2,385,329.78	4.373%
50C0	Sac City USD Series 2017 E	GO	5/25/2017	5/1/2047	112,000,000	5,799,152.19	3.550%
50E0	McClellan Park CFD Ser. 2017A	MR	12/14/2017	9/1/2040	29,470,000	2,584,411.91	3.804%
50G0-H7	Airports System Ref 2018A-C	REV	5/3/2018	7/1/2039	435,510,000	9,678,660.32	3.488%
50I0-J3	Airports System Ref 2018D-F	REV	5/3/2018	7/1/2035	137,590,000	6,206,812.09	3.142%
50K0	FCUSD SFID #5 2018	GO	5/10/2018	10/1/2043	95,000,000	10,135,788.83	3.627%
50L0-L5	Florin Vineyard CFD No. 1 2018	MR	8/16/2018	9/1/2048	6,610,000	691,880.29	3.926%
50M0	Sac City USD Series 2018F	GO	7/25/2018	8/1/2024	10,000,000	4,569,422.40	2.460%
50T0-T1	Fair Oaks Rec & Park Ser 2019	GO	4/10/2019	8/1/2048	9,435,000	3,222,932.85	3.301%
50U0-U6	Robla SD, Series 2019 A & J	GO	6/13/2019	8/1/2048	48,040,000	8,423,846.90	3.446%
50W3-W5	SAFCA CAD, Series 2020	AD	3/25/2020	10/1/2047	57,110,000	20,173,352.75	2.502%
51A0	Fair Oaks Rec & Park Ser 2020	GO	5/27/2020	8/1/2050	9,000,000	9,006,812.35	3.444%
51F0	Airports System Ref 2020	REV	8/20/2020	7/1/2040	79,705,000	1,874,553.85	2.100%
51G0	Natomas USD, Elec 18, 2020A	GO	10/1/2020	8/1/2049	52,980,000	29,279,556.26	3.272%
51H0	Natomas USD, Elec 14, 2020	GO	10/1/2020	8/1/2042	20,500,000	13,052,772.82	2.573%
51J0	San Juan USD, Elec 12, Ser 20	GO	10/29/2020	8/1/2029	30,000,000	15,843,774.30	0.776%
51K0	San Juan USD, Elec 16, Ser 20	GO	10/29/2020	8/1/2041	150,000,000	90,324,150.08	1.941%
51M0	2020 Refunding COP	COP	10/22/2020	10/1/2029	27,080,000	2,708,455.19	1.082%
51Q0	Elk Grove USD, Elec 16, Ser 21	GO	4/20/2021	8/1/2045	140,500,000	105,015,271.55	2.078%
51R0	River Delta USD, SFID #1	GO	4/29/2021	8/1/2049	15,300,000	15,200,891.65	2.450%
51S0	River Delta USD, SFID #2	GO	4/29/2021	10/1/2050	4,900,000	4,798,962.52	2.496%
51T0	North Yineyard CFD No. 2 2021	MR	6/30/2021	9/1/2046	3,895,000	387,921.97	2.987%
51U0-U1	Los Rios CCD Elec 08, Ser E	GO	7/1/2021	8/1/2035	130,000,000	116,907,804.97	1.027%
51W0-W1	Sac City USD Series 2021 G	GO	7/8/2021	8/1/2049	77,100,000	76,892,530.68	2.820%
51Y0	Robla SD, Series 2021D	GO	12/9/2021	8/1/2048	7,296,711	7,150,005.81	2.688%
52A0	Center USD, Series 2021B	GO	12/15/2021	8/1/2051	43,000,000	42,799,037.00	2.694%
Book Value Subtotal Of Fiscal Agent Trustee Funds:						\$775,487,342.17	
Other Separate Trustees							
5410	Tobacco Securitization Authority 2005 Refunding						
	Collection Account		12/6/2005	6/1/2045		145.28	
	Operating Account		12/6/2005	6/1/2045		92,672.34	
	Sr Debt Service Account		12/6/2005	6/1/2045		649.16	
	Sr Liquidity Reserve Account		12/6/2005	6/1/2045		207.27	
	Sr Turbo Redemption Account		12/6/2005	6/1/2045		1,809.60	
	Subtotal					95,483.65	
Book Value Subtotal Of Funds Held By Other Separate Trustees:						\$95,483.65	
TOTAL NON-POOLED INVESTMENT FUNDS BOOK VALUE:						\$775,582,825.82	
New issues are reflected in blue.							
FUND TYPES:							
TSP - Tobacco Securitization Proceeds		MR - Mello Roos Bonds					
TR - Tax & Revenue Anticipation Notes		GO - General Obligation Bonds					
SEP - Funds held for unique purposes		AD - Assessment District Bonds					
REV - Revenue Bonds		COP - Certificates of Participation					
TC - Tax Collection Account							

GLOSSARY OF INVESTMENT TERMS

A-1+/A-1 – Highest short-term credit ratings assigned by Standard & Poor’s.

AAA – Highest long-term credit rating assigned by Standard & Poor’s and Fitch.

Aaa – Highest long-term credit rating assigned by Moody’s.

AA+ – Second highest long-term credit rating assigned by Standard & Poor’s and Fitch.

Cash in Pool – Residual amounts of money invested in the Pooled Investment Fund that cannot be reasonably invested in separate investment securities (amounts typically less than \$100,000 per fund).

F1+/F1 – Highest short-term credit ratings assigned by Fitch.

FFCB – Federal Farm Credit Bank

FHLB – Federal Home Loan Bank

FHLMC – Federal Home Loan Mortgage Corporation

FNMA – Federal National Mortgage Association

Investment Agreement – A contract between a bond issuer and a financial institution that provides the issuer with a guaranteed interest rate for the duration of the contract.

LAIF – Local Agency Investment Fund is the State of California Treasurer’s Pool, which is created under Section 16429.1 of the Government Code. The County uses this account as a late draw savings account and as investments for TRANs proceeds.

P-1 – Highest short-term credit rating assigned by Moody’s.

Sweep – A money market account at Wells Fargo that invests any residual dollars into overnight securities (similar to cash in pool).

Washington Supranational – A Washington, D.C.-based international organization formed by multiple central governments to promote economic development for the member countries.

COUNTY OF SACRAMENTO

Treasury Oversight Committee
Non-Pooled Investments
Performance Audit Report

For the Quarter Ended December 31, 2021

Audit Staff:

Hong Lun (Andy) Yu, CPA
Jennifer Cabrera

Audit Manager
Auditor

**COUNTY OF SACRAMENTO
TREASURY OVERSIGHT COMMITTEE
NON-POOLED INVESTMENTS
PERFORMANCE AUDIT REPORT
FOR THE QUARTER ENDED DECEMBER 31, 2021**

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County of Sacramento

February 1, 2022

The Honorable Board of Supervisors and the
Sacramento County Treasury Oversight Committee
County of Sacramento, California

We have audited the Sacramento County Non-Pooled Investment Fund (Fund) for the quarter ended December 31, 2021.

Our audit was conducted to verify the Fund's compliance with the County of Sacramento, Non-Pooled Investment Policy (Policy) as described below for the quarter ended December 31, 2021, and to verify whether the Department of Finance, Treasury Division (Treasury) and Investment Division (Investment) have adequate internal controls to ensure the Fund's compliance with the policy.

Non-Pooled Investments primarily consist of investments purchased with proceeds from Mello Roos Bonds (MR), Revenue Bonds (REV), General Obligation Bonds (GO), Assessment District Bonds (AD), Community Facilities District Bonds (CFD), Certificates of Participation Notes (COPs) and Tobacco Securitization Proceeds (TSP). The investment policy for the bonds is set forth in either the bond resolution, the bond indenture or by the bond insurer (governing investment policy document). The investment policy for the Tobacco Securitization Proceed is set forth in the Tobacco Securitization bond resolution and bond indenture.

The majority of the bond investments are limited to those authorized by California Government Code Section 53601 et seq. Any other authorized investments are indicated in the governing investment policy document.

Management is responsible for the design, implementation and maintenance of effective internal controls to ensure compliance with the Policy.

The scope of our audit includes all non-pooled investments for the quarter ended December 31, 2021.

The audit methodology utilized to conduct the performance audit included:

Interview:

- We interviewed various Treasury and Investment staff to gain an understanding of policies, procedures and processes for ensuring the Fund's compliance with the Policy.

Document Review:

- We reviewed the organizational chart and written documentation to understand the relevant policies, procedures and processes and to identify any internal control weaknesses, conflicts of interest or inadequate segregation of duties.

Process Walkthrough:

- We had Treasury and Investment staff walk us step-by-step through processes related to the daily activities of the Fund. We verified whether staff had followed the policies and procedures.

Testing:

- We verified the SunGard Financial Services, Inc., Advanced Portfolio System II non-pooled investment balances agreed with the custodian statements.
- We randomly selected 11 out of 45 non-pooled investments based upon outstanding issues at December 31, 2021 including both new issues for the period under audit, to test for compliance with the Policy. All non-pooled investments selected were internally managed funds. There was one externally managed fund but it was not selected for testing this quarter. See Schedule I, *Sample of Non-Pooled Investments*. The non-pooled investments selected for testing totaled 11, which represents approximately 25% of the total 44 internally managed non-pooled investments.
- We inspected the portfolio monitoring report for the 11 selected investments and tested for accuracy.
- We verified investments were made in accordance with the Policy.

We conducted this performance audit in accordance with *Generally Accepted Government Auditing Standards* except for paragraph 3.56 regarding our independence as described in the below paragraph. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence obtained

provides a reasonable basis for our findings and conclusions based on our audit objective.

As required by various statutes within the California Government Code, County Auditor-Controllers or Directors of Finance are mandated to perform certain accounting, auditing and financial reporting functions. These activities, in themselves, necessarily impair *Generally Accepted Government Auditing Standards'* independence standards. Specifically, auditors should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant/material to the subject matter of the audit.

Although the Director of Finance is statutorily obligated to maintain the non-pooled investment in the County Treasury, the staff that has the responsibility to perform audits within the Auditor-Controller Division has no other responsibility regarding the internal control or compliance of the Fund, the accounts or records being audited including the approval or posting of financial transactions that would therefore enable the reader of this report to rely on the information contained herein.

Based on our audit, the Fund complied with the Policy for the quarter ended December 31, 2021. Also, Treasury and Investment have adequate internal controls to ensure the Fund's compliance with the Policy.

This report is intended solely for the information and use of the Sacramento County Board of Supervisors, those charged with governance, Sacramento County Treasury Oversight Committee, Sacramento County Audit Committee, and Treasury and Investment's management, and should not be used for any other purpose. It is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Sincerely,

BEN LAMERA
DIRECTOR OF FINANCE



By: Hong Lun (Andy) Yu, CPA
Audit Manager

Attachment:
Schedule I, *Sample of Non-Pooled Investments*

COUNTY OF SACRAMENTO
 TREASURY OVERSIGHT COMMITTEE
 NON-POOLED INVESTMENTS
 SAMPLE OF NON-POOLED INVESTMENTS
 FOR QUARTER ENDED DECEMBER 31, 2021

<u>Issue</u> ⁽¹⁾	<u>Book Value</u> <u>12/31/2021</u>	<u>% of Portfolio</u>
<u>Internally Managed Non-Pooled Investments</u>		
Los Rios CCD Elec 08, Ser E (GO)	\$ 116,907,804.97	15
Elk Grove USD, Elec 16, Ser 21 (GO)	105,015,271.55	14
San Juan USD, Elec 16, Ser 20 (GO)	90,324,150.08	12
Center USD, Series 2021B (GO)	42,799,037.00	6
Natomas USD, Elec 18, 2020A (GO)	29,279,556.26	4
Airport System 2009 C&D (REV)	18,104,250.22	2
FCUSD SFID #5 2018 (GO)	10,135,788.83	1
Fair Oaks Rec & Park Ser 2020 (GO)	9,006,812.35	1
Robla SD, Series 2021D (GO)	7,150,005.81	<1
Sac City USD Series 2017 E (GO)	5,799,152.19	<1
Fair Oaks Rec & Park Ser 2019 (GO)	3,222,932.85	<1
Total internally managed Non-Pooled Investments tested	<u>\$ 437,744,762.11</u>	<u>56</u>
Total internally managed Non-Pooled Investments	<u>\$ 775,487,342.17</u>	<u>100</u>
<u>Externally Managed Non-Pooled Investments</u>		
Total externally managed Non-Pooled Investments tested	<u>\$ 0</u>	<u>0</u>
Total externally managed Non-Pooled Investments ⁽²⁾	<u>\$ 95,483.65</u>	<u>100</u>

(1) The sample of non-pooled investments was selected based upon outstanding issues on December 31, 2021 plus any untested new issues since quarter ended September 30, 2021. Issues selected were all internally managed non-pooled investments. The one externally managed fund this quarter was not selected for testing.

(2) The total amount of non-pooled investments for the quarter ended December 31, 2021 was \$775,582,825.82 (\$775,487,342.17 internally managed and \$95,483.65 externally managed).

Fund Type

(GO) - General Obligation Bonds

(REV) - Revenue Bonds

Indicates new issues

DISCUSSION AND ACTION ON THE QUARTERLY REPORT OF THE POOLED
INVESTMENT FUND FOR THE QUARTER ENDED DECEMBER 31, 2021, AND
COMPLIANCE WITH INVESTMENT POLICY.



Quarterly Pooled Investment Fund Report
 As Prescribed By
 California Government Code Section 53646
For The Quarter Ended December 31, 2021

Compliance to Investment Policy

Based on the Director of Finance’s Review Group Month-End Reports, there were no items out of compliance with the Calendar Year 2021 Investment Policy during the quarter ended December 31, 2021.

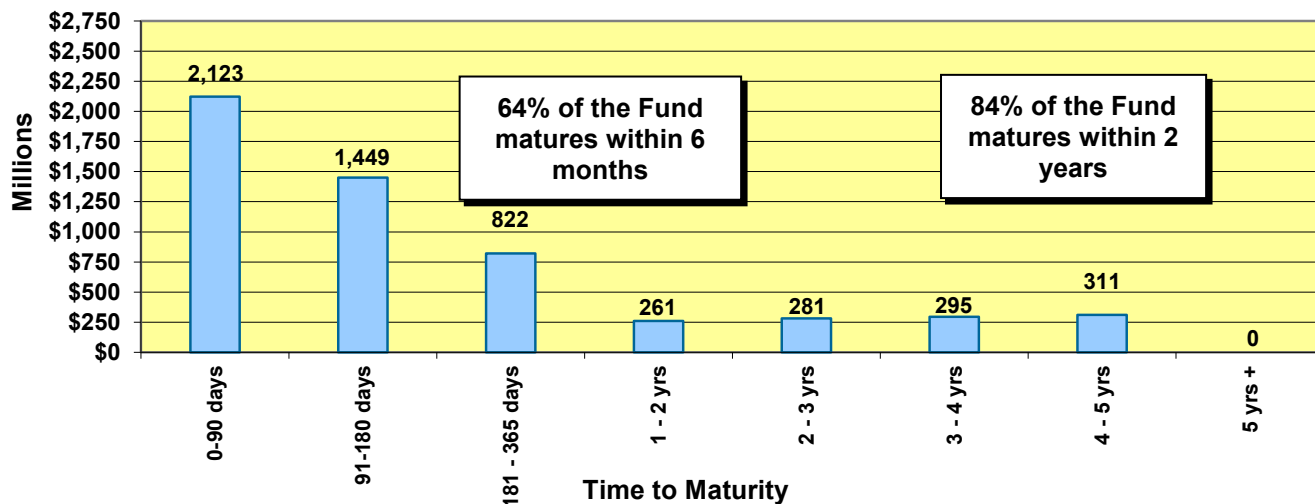
Portfolio Statistics	Quarter Ended 09/30/21	Quarter Ended 12/31/21
Average Daily Balance	\$4,087,627,141	\$4,600,047,635
Period-End Balance	\$4,261,325,234	\$5,541,993,595
Earned Interest Yield	0.665%	0.590%
Weighted Average Maturity	355 Days	315 Days
Duration in Years	0.957	0.850
Amortized Book Value	\$4,260,719,490	\$5,540,453,717
Market Value	\$4,283,668,757	\$5,550,428,490
Percent of Market to Cost	100.54%	100.18%

The earned interest yield presented above does not have any costs deducted. The investment management costs in prior years and this year continue to be approximately 8 basis points or 0.08%. The quarterly apportionment of earnings to participating funds will be made on a cash basis (as opposed to an accrual basis) for the first three quarters of the fiscal year. Earnings to participating funds will be annualized over the fiscal year based on a fund’s cumulative average daily cash balance at each quarter end and fiscal year end. At fiscal year end (fourth quarter), the earnings of the Pool will be converted to an accrual basis for the fourth quarter earnings’ allocation.

Portfolio Structure as of December 31, 2021¹

Investment Description	Percentage of Portfolio at Cost 09/30/21	Percentage of Portfolio at Cost 12/31/21	Percentage of Portfolio at Market 12/31/21	Earned Interest Yield at 12/31/21
<i>US Agency, Treasury & Municipal Notes (USATM):</i>				
<i>US Agency Notes</i>	23.94%	26.89%	26.90%	0.749%
<i>Notes/Discount Notes FFCB</i>	8.97%	5.99%	6.03%	0.826%
<i>Notes/Discount Notes FHLB</i>	8.23%	16.42%	16.41%	0.604%
<i>Notes/Discount Notes FNMA</i>	5.12%	3.22%	3.21%	1.306%
<i>Notes/Discount Notes FHLMC</i>	1.63%	1.26%	1.24%	0.855%
<i>US Treasury Notes/Discount Notes</i>	1.23%	7.73%	7.70%	0.168%
<i>Municipal Notes</i>	0.42%	0.69%	0.68%	0.665%
Total USATM	25.60%	35.30%	35.28%	0.620%
Repurchase Agreements	0.00%	0.00%	0.00%	0.000%
Supranationals	15.57%	12.86%	12.94%	1.748%
Commercial Paper	29.90%	28.67%	28.64%	0.134%
Certificates of Deposit	24.85%	20.03%	20.00%	0.181%
LAIF	1.76%	1.35%	1.35%	0.212%
Bank Money Market	2.32%	1.79%	1.78%	0.100%
Money Market Accounts	0.00%	0.00%	0.00%	0.000%

POOLED INVESTMENT FUND MATURITIES AS OF DECEMBER 31, 2021
\$5.542 Billion



¹ Percentages may not add up to 100% due to rounding

Projected Cash Flow

Based upon our cash flow model projection dated January 12, 2022, summarized below, we have sufficient cash flow to meet expenditures for the next 12 months.

Month	Bank Balance	Receipts & Maturities	Disbursements	Difference	Less Investments Beyond One Year	Funds Available for Future Cash Flow Needs*
<i>Dollar amounts represented in millions</i>						
Jan	20.0	\$1,817.6	\$1,116.2	\$701.4	\$25.0	\$676.4
Feb	20.0	\$1,116.8	\$726.4	\$390.4	\$25.0	\$365.4
Mar	20.0	\$1,396.9	\$883.1	\$513.8	\$25.0	\$488.8
Apr	20.0	\$1,294.7	\$790.7	\$504.0	\$25.0	\$479.0
May	20.0	\$1,513.5	\$1,108.7	\$404.8	\$25.0	\$379.8
Jun	20.0	\$1,195.6	\$909.2	\$286.4	\$25.0	\$261.4
Jul	20.0	\$1,027.6	\$1,164.1	(\$136.5)	\$25.0	(\$161.5)
Aug	20.0	\$985.0	\$1,159.6	(\$174.6)	\$25.0	(\$199.6)
Sep	20.0	\$920.1	\$928.7	(\$8.6)	\$25.0	(\$33.6)
Oct	20.0	\$794.3	\$803.0	(\$8.7)	\$25.0	(\$33.7)
Nov	20.0	\$742.2	\$752.3	(\$10.1)	\$25.0	(\$35.1)
Dec	20.0	\$1,392.6	\$829.8	\$562.8	\$25.0	\$537.8

*Any excess net cash flow amounts in this column will be used to fund negative cash flow positions in later months.

Detailed Listing of Investments

A complete detailed listing of all investments for the Pooled Investment Fund as of December 31, 2021, is contained in the back of this report. This report notes the type of investment; name of the security; the CUSIP; the purchase date; the maturity date; the coupon and the yield; the par value, book value and market value of each security; the pricing source for the market value; and the duration of each security.

External third-party investment manager(s) at December 31, 2021:

<u>Investment</u>	<u>Firm</u>	<u>Amount</u>
Local Agency Investment Fund	State Treasurer's Office	\$75,000,000.00

The Fund uses an external investment accounting system called APS2 by FIS AvantGard. The market valuations are based upon the pricing of Interactive Data Corporation (IDC).

THIS COMPLETES THE QUARTERLY REPORT REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE § 53646.

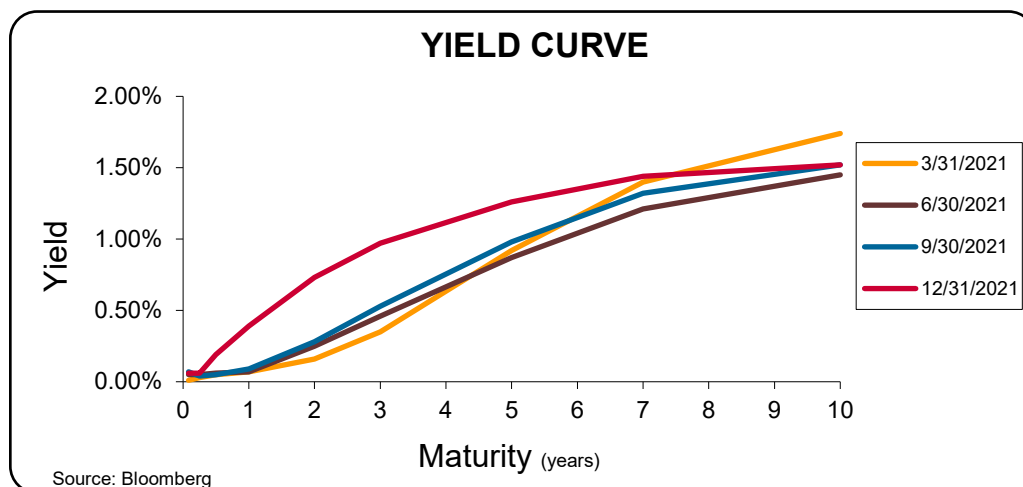
Financial Markets Commentary

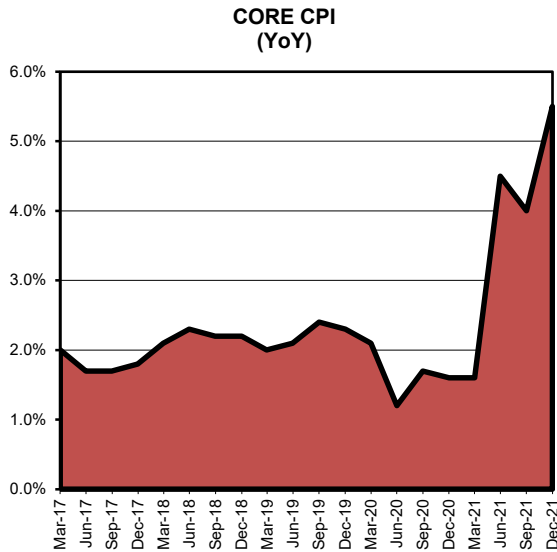
On December 15, 2021, the Federal Open Market Committee (FOMC) left the federal funds rate at a range of 0.00% to 0.25%, where it has been since March 2020 at the onset of the global pandemic. The FOMC reduced its quantitative easing (QE) measures of purchasing \$120 billion of US Treasuries and mortgage-backed securities per month to \$90 billion per month. The FOMC has since indicated that it will conclude its QE measures by early 2022 and begin raising the Federal Funds rate soon after to combat the strongest inflationary pressures the US economy has faced in decades. The FOMC is forecasting 3 to 4 quarter-point rate hikes in 2022 with additional increases in 2023. Chairman Powell has increasingly been hawkish in his statements about future monetary policy, stressing the Federal Reserve's core objectives of price stability and full employment.

The December FOMC meeting minutes revealed the committee's first discussions over reducing the Federal Reserve's \$9 trillion balance sheet and beginning quantitative tightening (QT) measures later in the year to combat inflationary expectations becoming more ingrained in the economy. Consumers are facing the largest rise in prices in nearly 40 years with the Consumer Price Index (CPI) at 7.0% year-over-year in December, the highest reading since June 1982. December Core CPI, which excludes volatile food and energy prices, rose to a new 30-year high of 5.5% year-over-year. The Federal Reserve acknowledged it is fighting the perception that it is behind the curve in fighting inflation, especially with its own assessment of a very strong and healthy US labor market.

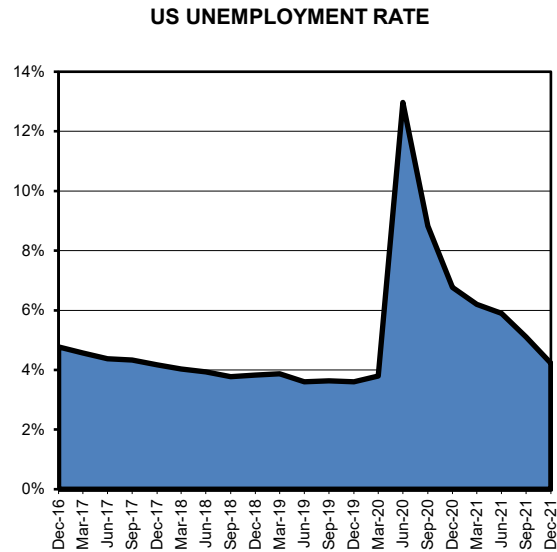
The US unemployment rate fell to 3.9% in December with 2021 seeing the biggest annual percentage decrease in the unemployment rate on record. Wage growth also accelerated, jumping 4.7% year-over-year, contributing to increased inflationary expectations. Nonfarm payrolls have mostly recovered the 22 million jobs lost during the pandemic, but there are still remains 3.3 million fewer jobs than pre-pandemic levels. The Federal Reserve forecasts the unemployment rate to be 3.5% by the end of the year and nonfarm payrolls to average an increase of 175,000 new jobs per month in 2022.

Short and intermediate bond yields have rapidly increased to start the year. The 2-year Treasury note yields, which historically have been the most sensitive maturity along the yield curve to FOMC activity, have doubled to over 1.00% as of this writing from 0.50% in early December 2021. With the both the bond market and the Federal Reserve forecasting several 0.25% rate hikes and moving from QE to QT measures quickly, we should expect the yield on the Pooled Investment Fund to a bottom in the first half of 2022 before moving higher for the remainder of the year.





Source: Bloomberg



Source: Bloomberg

Portfolio Management Strategy

During the past quarter, we continued to provide adequate liquidity to meet the cash flow needs of the Pooled Investment Fund participants. We are currently funding the cash flows for August 2022. We are purchasing five-year U. S. Treasury, U.S. Agency, and Washington Supranational securities on a monthly basis for the “CORE” portfolio, which is composed of all securities maturing beyond one year. This laddered structure stabilizes the yield over longer periods. Over the next quarter, our quarterly yield should range between 0.50% and 0.60%.

Respectfully submitted,
 Bernard Santo Domingo
 Chief Investment Officer

Concur,
 Ben Lamera
 Director of Finance

Attachment County of Sacramento Short-Term Investment Portfolio

Release Date: January 20, 2022

COUNTY OF SACRAMENTO
SHORT-TERM INVESTMENT PORTFOLIO
POOLED FUNDS
AS OF 12/31/2021

<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PURCHASE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TRADING YIELD</u>	<u>PAR VALUE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>SOURCE</u>	<u>DURATION (YEARS)</u>
US TREAS BILL (350)	912796M97	10/25/2021	3/10/2022	0.050%	0.050%	75,000,000.00	74,985,833.33	74,992,916.67	SUNGARD	0.189
US TREAS BILL (86)	912796R43	12/23/2021	6/23/2022	0.157%	0.157%	100,000,000.00	99,920,627.78	99,920,000.00	SUNGARD	0.476
US TREAS BILL (45)	912796K57	12/8/2021	7/14/2022	0.130%	0.130%	125,000,000.00	124,901,597.22	124,880,000.00	SUNGARD	0.534
TOTAL TREASURY BILLS				0.119%	0.119%	300,000,000.00	299,808,058.33	299,792,916.67		0.428
						5.42%	5.41%	5.40%		
US TREAS NOTE (45)	912828XG0	11/30/2021	6/30/2022	2.125%	0.088%	75,000,000.00	75,892,342.50	75,697,500.00	SUNGARD	0.496
US TREASURY NOTE(120)	9128283D0	9/29/2021	10/31/2024	2.250%	0.565%	50,000,000.00	52,574,218.75	51,840,000.00	SUNGARD	2.754
TOTAL TREASURY NOTES				2.176%	0.283%	125,000,000.00	128,466,561.25	127,537,500.00		1.420
						2.26%	2.32%	2.30%		
VR-SAC COUNTY 17-18		11/14/2017	8/1/2022	0.665%	0.665%	1,241,017.04	1,241,017.04	1,241,017.04	BOOK	0.583
VR-SAC COUNTY 18-19		12/4/2018	8/1/2023	0.665%	0.665%	2,155,147.74	2,155,147.74	2,155,147.74	BOOK	1.563
VR-SAC COUNTY 19-20		11/19/2019	8/1/2024	0.665%	0.665%	4,019,442.37	4,019,442.37	4,019,442.37	BOOK	2.516
VR-SAC COUNTY 20-21		1/12/2021	8/1/2025	0.665%	0.665%	7,598,790.97	7,598,790.97	7,598,790.97	BOOK	3.534
VR-SAC COUNTY 21-22		11/16/2021	8/3/2026	0.665%	0.665%	22,967,202.00	22,967,202.00	22,967,202.00	BOOK	4.530
TOTAL VARIABLE RATE(MUNI)QUARTERLY				0.665%	0.665%	37,981,600.12	37,981,600.12	37,981,600.12		3.820
						0.69%	0.69%	0.68%		
FFCB NOTE (260)	3133EHTS2	8/9/2017	8/3/2022	1.900%	1.895%	20,000,000.00	20,004,700.00	20,209,400.00	SUNGARD	0.584
FFCB NOTE (120)	3133EHYR8	9/14/2017	9/13/2022	1.750%	1.849%	20,000,000.00	19,906,200.00	20,227,800.00	SUNGARD	0.696
FFCB NOTE (330)	3133EJ3Q0	12/21/2018	12/21/2023	2.875%	2.852%	20,000,000.00	20,021,380.00	20,928,200.00	SUNGARD	1.930
FFCB NOTE (170)	3133EKQU3	6/26/2019	6/13/2024	1.950%	1.877%	20,000,000.00	20,069,200.00	20,627,200.00	SUNGARD	2.402
FFCB NOTE (170)	3133EKA63	8/23/2019	8/16/2024	1.600%	1.554%	20,000,000.00	20,043,880.00	20,460,000.00	SUNGARD	2.566
FFCB NOTE (0120)	3133EK6J0	11/8/2019	11/8/2024	1.625%	1.821%	20,000,000.00	19,813,600.00	20,470,600.00	SUNGARD	2.793
FFCB NOTE (260)	3133ELKA1	5/20/2021	1/28/2026	1.750%	0.823%	35,802,000.00	37,324,659.06	36,577,471.32	SUNGARD	3.926
TOTAL FED FARM CREDIT BONDS(FFCB)				1.903%	1.701%	155,802,000.00	157,183,619.06	159,500,671.32		2.327
						2.81%	2.84%	2.87%		
FHLB NOTE (170)	313378CR0	3/13/2017	3/11/2022	2.250%	2.129%	20,000,000.00	20,114,200.00	20,081,200.00	SUNGARD	0.192
FHLB NOTE (120)	313379Q69	6/13/2017	6/10/2022	2.125%	1.888%	20,000,000.00	20,225,000.00	20,165,200.00	SUNGARD	0.441
FHLB NOTE (120)	3130ABS23	7/14/2017	7/14/2022	2.000%	2.000%	20,000,000.00	20,000,000.00	20,184,400.00	SUNGARD	0.531
FHLB NOTE (170)	3130A3KM5	12/12/2017	12/9/2022	2.500%	2.240%	20,000,000.00	20,243,840.00	20,397,000.00	SUNGARD	0.933
FHLB NOTE (86)	313383YJ4	11/27/2018	9/8/2023	3.375%	3.038%	20,000,000.00	20,297,200.00	20,913,800.00	SUNGARD	1.637
FHLB NOTE (170)	3130A0F70	1/9/2019	12/8/2023	3.375%	2.734%	20,000,000.00	20,585,640.00	21,014,600.00	SUNGARD	1.887
FHLB NOTE (170)	3130A1XJ2	7/10/2019	6/14/2024	2.875%	1.964%	20,000,000.00	20,851,300.00	20,973,400.00	SUNGARD	2.384
FHLB NOTE (170)	3130A2UW4	9/16/2019	9/13/2024	2.875%	1.802%	20,000,000.00	21,019,820.00	21,021,000.00	SUNGARD	2.598
FHLB NOTE (170)	3130A2UW4	10/16/2019	9/13/2024	2.875%	1.698%	20,000,000.00	21,104,000.00	21,021,000.00	SUNGARD	2.598

COUNTY OF SACRAMENTO
SHORT-TERM INVESTMENT PORTFOLIO
POOLED FUNDS
AS OF 12/31/2021

<u>DESCRIPTION</u>	<u>CUSIP</u>	<u>PURCHASE DATE</u>	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TRADING YIELD</u>	<u>PAR VALUE</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>SOURCE</u>	<u>DURATION (YEARS)</u>
FHLB NOTE (0170)	3130A3GE8	12/13/2019	12/13/2024	2.750%	1.736%	20,000,000.00	20,967,200.00	21,034,200.00	SUNGARD	2.852
FHLB NOTE (20)	3130AQF65	12/22/2021	12/21/2026	1.250%	1.307%	25,000,000.00	24,930,955.75	24,978,000.00	SUNGARD	4.835
TOTAL FED HOME LOAN BANKS				2.547%	2.032%	225,000,000.00	230,339,155.75	231,783,800.00		1.970
				4.06%			4.16%	4.18%		
FNMA NOTE (45)	3135G0S38	1/17/2017	1/5/2022	2.000%	2.043%	20,000,000.00	19,959,800.00	20,002,200.00	SUNGARD	0.014
FNMA NOTE (120)	3135G0T45	5/9/2017	4/5/2022	1.875%	2.005%	20,000,000.00	19,878,800.00	20,082,400.00	SUNGARD	0.260
FNMA NOTE (330)	3135G0T78	10/18/2017	10/5/2022	2.000%	2.031%	20,000,000.00	19,970,560.00	20,254,200.00	SUNGARD	0.756
FNMA NOTE (330)	3135G0T78	11/6/2017	10/5/2022	2.000%	2.065%	20,000,000.00	19,939,400.00	20,254,200.00	SUNGARD	0.756
FNMA NOTE (170)	3135G04Z3	6/25/2021	6/17/2025	0.500%	0.705%	50,000,000.00	49,598,650.00	49,013,500.00	SUNGARD	3.435
FNMA NOTE (170)	3135G05X7	3/25/2021	8/25/2025	0.375%	0.730%	50,000,000.00	49,229,900.00	48,644,500.00	SUNGARD	3.624
TOTAL FED NAT MORT ASSOC				1.121%	1.306%	180,000,000.00	178,577,110.00	178,251,000.00		2.153
				3.25%			3.22%	3.21%		
FFCB DISC NOTE (120)	313313SM1	9/2/2021	1/31/2022	0.040%	0.040%	75,000,000.00	74,987,416.67	74,993,750.00	SUNGARD	0.085
FFCB DISC NOTE (120)	313313TS7	9/20/2021	3/1/2022	0.040%	0.040%	100,000,000.00	99,982,000.00	99,983,611.11	SUNGARD	0.164
TOTAL FFCB DISC NOTES				0.040%	0.040%	175,000,000.00	174,969,416.67	174,977,361.11		0.130
				3.16%			3.16%	3.15%		
FHLB DISC NOTE (120)	313385SM9	8/20/2021	1/31/2022	0.040%	0.040%	100,000,000.00	99,981,777.78	99,999,000.00	SUNGARD	0.085
FHLB DISC NOTE (23)	313385XX9	12/14/2021	6/10/2022	0.125%	0.125%	50,000,000.00	49,969,097.22	49,958,500.00	SUNGARD	0.441
FHLB DISC NOTE (120)	313385YE0	12/17/2021	6/17/2022	0.132%	0.132%	30,000,000.00	29,979,980.00	29,973,900.00	SUNGARD	0.460
FHLB DISC NOTE (120)	313385ZR0	12/9/2021	7/22/2022	0.130%	0.130%	200,000,000.00	199,837,500.00	199,758,000.00	SUNGARD	0.556
FHLB DISC NOTE (86)	313385ZR0	12/9/2021	7/22/2022	0.130%	0.130%	100,000,000.00	99,918,750.00	99,879,000.00	SUNGARD	0.556
FHLB DISC NOTE (260)	313385A30	12/29/2021	8/1/2022	0.140%	0.140%	200,000,000.00	199,832,777.78	199,722,000.00	SUNGARD	0.583
TOTAL FHLB DISC NOTES				0.119%	0.119%	680,000,000.00	679,519,882.78	679,290,400.00		0.482
				12.28%			12.26%	12.24%		
FHLMC NOTE (0170)	3137EAEP0	2/28/2020	2/12/2025	1.500%	1.171%	20,000,000.00	20,315,800.00	20,292,800.00	SUNGARD	3.037
FHLMC NOTE (170)	3137EAEU9	6/22/2021	7/21/2025	0.375%	0.724%	50,000,000.00	49,299,000.00	48,740,000.00	SUNGARD	3.529
TOTAL FHLMC				0.703%	0.855%	70,000,000.00	69,614,800.00	69,032,800.00		3.385
				1.26%			1.26%	1.24%		
IADB NOTE (170)	4581X0CW6	1/9/2020	1/18/2022	2.125%	1.596%	25,000,000.00	25,262,250.00	25,042,250.00	SUNGARD	0.049
IBRD NOTE (85)	459058DY6	2/15/2017	2/10/2022	1.626%	2.177%	20,000,000.00	19,481,600.00	20,029,400.00	SUNGARD	0.112
IBRD NOTE (0170)	459058DY6	2/10/2020	2/10/2022	1.626%	1.510%	25,000,000.00	25,056,750.00	25,036,750.00	SUNGARD	0.112
IBRD NOTE (170)	45905UH23	4/27/2017	4/27/2022	1.930%	1.942%	20,000,000.00	19,989,000.00	19,989,000.00	SUNGARD	0.320

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IADB NOTE (170)	4581X0DA3	1/18/2018	1/18/2023	2.500%	2.482%	20,000,000.00	20,016,840.00	20,411,200.00	SUNGARD	1.029
IADB NOTE (170)	4581X0DA3	2/16/2018	1/18/2023	2.500%	2.788%	20,000,000.00	19,736,200.00	20,411,200.00	SUNGARD	1.029
IBRD NOTE (170)	45905UT53	3/20/2018	3/8/2023	2.720%	2.824%	20,000,000.00	19,904,260.00	20,451,800.00	SUNGARD	1.166
IBRD NOTE (45)	459058FF5	5/11/2018	4/19/2023	1.750%	2.941%	20,000,000.00	18,912,000.00	20,300,800.00	SUNGARD	1.287
IFC NOTE (170)	45950VLV6	4/20/2018	4/20/2023	2.826%	2.826%	20,000,000.00	20,000,000.00	20,000,000.00	SUNGARD	1.282
IADB NOTE (45)	45818WBW5	6/22/2018	6/15/2023	2.976%	2.976%	20,000,000.00	20,000,000.00	20,683,000.00	SUNGARD	1.434
IADB NOTE (170)	45818WBX3	7/26/2018	7/20/2023	2.870%	2.965%	20,000,000.00	19,912,860.00	20,689,000.00	SUNGARD	1.511
IFC NOTE (0170)	45950KCP3	8/28/2018	7/31/2023	2.876%	2.869%	20,000,000.00	20,005,580.00	20,681,400.00	SUNGARD	1.541
IADB NOTE (170)	45818WBXY1	9/11/2018	8/16/2023	2.960%	2.946%	20,000,000.00	20,012,400.00	20,744,000.00	SUNGARD	1.582
IBRD NOTE (170)	459058GL1	10/9/2018	9/27/2023	3.000%	3.187%	20,000,000.00	19,829,440.00	20,786,200.00	SUNGARD	1.695
IADB NOTE (170)	4581X0DF2	2/22/2019	1/16/2024	2.625%	2.640%	20,000,000.00	19,986,000.00	20,743,400.00	SUNGARD	1.978
IBRD NOTE (170)	459058GQ0	3/29/2019	3/19/2024	2.500%	2.307%	20,000,000.00	20,180,700.00	20,728,400.00	SUNGARD	2.156
IADB NOTE (170)	45818WCJ3	4/12/2019	4/9/2024	2.375%	2.401%	20,000,000.00	19,975,940.00	20,707,400.00	SUNGARD	2.214
IADB NOTE	45818WCJ3	5/23/2019	4/9/2024	2.375%	2.326%	20,000,000.00	20,044,360.00	20,707,400.00	SUNGARD	2.214
IFC NOTE (0170)	45950VNP7	1/21/2020	1/10/2025	1.680%	1.721%	20,000,000.00	19,961,060.00	20,155,200.00	SUNGARD	2.939
IBRD NOTE (20)	459058JL8	4/16/2021	10/28/2025	0.500%	0.811%	50,000,000.00	49,309,000.00	48,731,000.00	SUNGARD	3.790
IBRD NOTE(260)	459058JL8	9/20/2021	10/28/2025	0.500%	0.719%	50,000,000.00	49,558,000.00	48,731,000.00	SUNGARD	3.790
IADB NOTE (170)	45818WDA1	3/11/2021	3/4/2026	0.800%	0.859%	25,000,000.00	24,928,250.00	24,625,250.00	SUNGARD	4.104
IFC NOTE (170)	45950VPV2	4/14/2021	4/14/2026	0.970%	0.940%	25,000,000.00	25,036,550.00	24,640,000.00	SUNGARD	4.200
IFC NOTE (170)	45950VPX8	5/14/2021	5/14/2026	0.860%	0.921%	25,000,000.00	24,925,650.00	24,534,750.00	SUNGARD	4.293
IADB NOTE (45)	4581X0CU0	6/18/2021	6/2/2026	2.000%	0.892%	25,000,000.00	26,339,750.00	25,788,250.00	SUNGARD	4.250
IBRD NOTE (170)	459058JX2	7/15/2021	7/15/2026	0.875%	0.843%	25,000,000.00	25,038,700.00	24,566,500.00	SUNGARD	4.417
IBRD NOTE (170)	459058JX2	8/12/2021	7/15/2026	0.875%	0.843%	25,000,000.00	25,038,375.00	24,566,500.00	SUNGARD	4.417
IADB NOTE (170)	45818WDJ2	9/9/2021	8/19/2026	0.800%	0.856%	10,000,000.00	9,972,940.00	9,774,200.00	SUNGARD	4.544
IFC NOTE (170)	45950VQF6	9/15/2021	9/15/2026	0.820%	0.836%	15,000,000.00	14,988,270.00	14,988,270.00	SUNGARD	4.615
IFC NOTE (45)	45950KCX6	10/12/2021	10/8/2026	0.750%	1.041%	25,000,000.00	24,647,250.00	24,647,250.00	SUNGARD	4.672
IFC NOTE (170)	45950KCX6	11/15/2021	10/8/2026	0.750%	1.242%	25,000,000.00	24,417,225.00	24,417,225.00	SUNGARD	4.671
TOTAL SUPRANATIONALS				1.686%	1.748%	715,000,000.00	712,467,200.00	718,307,995.00		2.636
						12.91%	12.86%	12.94%		
CP-NATL SECURITIES CLEARING(260)	63763QA31	7/27/2021	1/3/2022	0.080%	0.080%	50,000,000.00	49,982,222.22	49,999,722.22	SUNGARD	0.008
CP-BANK OF MONTREAL(45)	06366HA31	8/2/2021	1/3/2022	0.120%	0.120%	25,000,000.00	24,987,166.67	24,999,861.11	SUNGARD	0.008
CP-CANADIAN IMP (25)	13607FA30	8/26/2021	1/3/2022	0.120%	0.120%	25,000,000.00	24,989,166.67	24,999,861.11	SUNGARD	0.008
CP-NATL SECURITIES CLEARING(260)	63763QA49	7/27/2021	1/4/2022	0.080%	0.080%	60,000,000.00	59,978,533.33	59,999,500.00	SUNGARD	0.011
CP-BANK OF MONTREAL(45)	06366HA64	8/27/2021	1/6/2022	0.090%	0.090%	25,000,000.00	24,991,750.00	24,999,652.78	SUNGARD	0.016
CP-BANK OF MONTREAL(45)	06366HAA5	7/23/2021	1/10/2022	0.130%	0.130%	45,000,000.00	44,972,212.50	44,998,875.00	SUNGARD	0.027
CP-EXXON MOBIL(23)	30229BAB3	9/13/2021	1/11/2022	0.060%	0.060%	40,000,000.00	39,992,000.00	39,998,888.89	SUNGARD	0.030
CP-EXXON MOBIL (260)	30229BAK3	8/3/2021	1/19/2022	0.070%	0.070%	30,000,000.00	29,990,141.67	29,998,500.00	SUNGARD	0.052
CP-EXXON MOBIL (260)	30229BAM9	8/3/2021	1/21/2022	0.070%	0.070%	50,000,000.00	49,983,375.00	49,997,222.22	SUNGARD	0.057
CP-JP MORGAN (23)	46640QAT8	11/15/2021	1/27/2022	0.120%	0.120%	35,000,000.00	34,991,483.33	34,997,472.22	SUNGARD	0.074
CP-NATIONAL SECURITIES CC(260)	63763QAX5	8/20/2021	1/31/2022	0.080%	0.080%	100,000,000.00	99,963,555.56	99,991,666.67	SUNGARD	0.085

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CP-ING US FUNDING(170)	45685RB14	9/22/2021	2/1/2022	0.100%	0.100%	100,000,000.00	99,963,333.33	99,991,388.89	SUNGARD	0.088
CP-NATIONAL SECURITIES CC(50)	63763QB22	8/26/2021	2/2/2022	0.080%	0.080%	15,000,000.00	14,994,666.67	14,998,666.67	SUNGARD	0.090
CP-NATIONAL SECURITIES CC(50)	63763QB22	8/30/2021	2/2/2022	0.080%	0.080%	5,000,000.00	4,998,266.67	4,999,555.56	SUNGARD	0.090
CP-ING US FUNDING(170)	45685RB48	9/22/2021	2/4/2022	0.100%	0.100%	50,000,000.00	49,981,250.00	49,995,277.78	SUNGARD	0.096
CP-ING US FUNDING(170)	4497W1B70	8/11/2021	2/7/2022	0.120%	0.120%	20,000,000.00	19,988,000.00	19,997,944.44	SUNGARD	0.104
CP-BANK OF MONTREAL (45)	06366HB71	10/5/2021	2/7/2022	0.100%	0.100%	30,000,000.00	29,989,583.33	29,996,916.67	SUNGARD	0.104
CP-JP MORGAN (23)	46640QBEO	12/20/2021	2/14/2022	0.200%	0.200%	40,000,000.00	39,987,555.56	39,995,111.11	SUNGARD	0.123
CP-JP MORGAN (23)	46590EBG2	8/24/2021	2/16/2022	0.120%	0.120%	25,000,000.00	24,985,333.33	24,996,805.56	SUNGARD	0.129
CP-TORONTO DOMINION (20)	89116FBJ8	9/8/2021	2/18/2022	0.080%	0.080%	10,000,000.00	9,996,377.78	9,998,666.67	SUNGARD	0.134
CP-ING US FUNDING(50)	4497W1BN5	8/26/2021	2/22/2022	0.145%	0.145%	15,000,000.00	14,989,125.00	14,997,833.33	SUNGARD	0.145
CP-TORONTO DOMINION (20)	89116FC24	10/21/2021	3/2/2022	0.120%	0.120%	5,000,000.00	4,997,800.00	4,999,166.67	SUNGARD	0.167
CP-TORONTO DOMINION (20)	89116FC32	10/15/2021	3/3/2022	0.110%	0.110%	25,000,000.00	24,989,381.94	24,995,763.89	SUNGARD	0.170
CP-TORONTO DOMINION (20)	89116FC73	10/18/2021	3/7/2022	0.130%	0.130%	75,000,000.00	74,962,083.33	74,986,458.33	SUNGARD	0.181
CP-BANK OF MONTREAL (45)	06366HCJ4	11/5/2021	3/18/2022	0.140%	0.140%	55,000,000.00	54,971,552.78	54,988,388.89	SUNGARD	0.211
CP-ING US FUNDING(50)	45685RCN5	9/24/2021	3/22/2022	0.125%	0.125%	45,000,000.00	44,972,031.25	44,990,000.00	SUNGARD	0.222
CP-JP MORGAN (23)	46590ED13	10/4/2021	4/1/2022	0.130%	0.130%	125,000,000.00	124,919,201.39	124,968,750.00	SUNGARD	0.249
CP-JP MORGAN (23)	46590ED47	10/6/2021	4/4/2022	0.140%	0.140%	50,000,000.00	49,965,000.00	49,987,083.33	SUNGARD	0.257
CP-ROYAL BK OF CANADA (260)	78015DE22	11/1/2021	5/2/2022	0.170%	0.170%	90,000,000.00	89,922,650.00	89,969,750.00	SUNGARD	0.334
CP-ROYAL BK OF CANADA (260)	78015DE30	11/1/2021	5/3/2022	0.170%	0.170%	50,000,000.00	49,956,791.67	49,983,055.56	SUNGARD	0.337
CP-ROYAL BK OF CANADA (260)	78015DE63	11/2/2021	5/6/2022	0.170%	0.170%	50,000,000.00	49,956,319.44	49,982,638.89	SUNGARD	0.345
CP-ROYAL BK OF CANADA (260)	78015DE97	11/2/2021	5/9/2022	0.170%	0.170%	45,000,000.00	44,960,050.00	44,984,000.00	SUNGARD	0.353
CP-BANK OF MONTREAL (45)	06366HED5	11/15/2021	5/13/2022	0.200%	0.200%	55,000,000.00	54,945,305.56	54,979,833.33	SUNGARD	0.364
CP-ROYAL BK OF CANADA (260)	78015DF21	12/9/2021	6/2/2022	0.270%	0.270%	35,000,000.00	34,954,062.50	34,985,222.22	SUNGARD	0.419
CP BANK OF MONTREAL (45)	06366HF36	12/9/2021	6/3/2022	0.270%	0.270%	35,000,000.00	34,953,800.00	34,985,125.00	SUNGARD	0.422
CP-TORONTO DOMINION (20)	89116FF70	12/10/2021	6/7/2022	0.270%	0.270%	25,000,000.00	24,966,437.50	24,989,097.22	SUNGARD	0.433
CP-BANK OF MONTREAL (45)	06366HF77	12/27/2021	6/7/2022	0.250%	0.250%	15,000,000.00	14,983,125.00	14,993,458.33	SUNGARD	0.433
CP-ROYAL BK OF CANADA (260)	78015DF96	12/27/2021	6/9/2022	0.290%	0.290%	15,000,000.00	14,980,183.33	14,993,375.00	SUNGARD	0.438
TOTAL COMMERCIAL PAPER DISC				0.134%	0.134%	1,590,000,000.00	1,589,050,874.31	1,589,710,555.56		0.182
						28.71%	28.67%	28.64%		
CD-CANADIAN IMP (25)	13606CUL6	7/12/2021	1/7/2022	0.120%	0.120%	40,000,000.00	40,000,000.00	40,000,544.22	SUNGARD	0.019
CD-CANADIAN IMP (25)	13606CUN2	7/13/2021	1/7/2022	0.120%	0.120%	50,000,000.00	50,000,000.00	50,000,680.27	SUNGARD	0.019
CD-SVENSKA (120)	86959RSR2	8/30/2021	1/12/2022	0.105%	0.100%	35,000,000.00	35,000,656.00	35,000,641.45	SUNGARD	0.033
CD-TORONTO DOMINION (20)	89114WGS8	9/24/2021	1/24/2022	0.100%	0.100%	25,000,000.00	25,000,000.00	25,000,833.08	SUNGARD	0.066
CD-TORONTO DOMINION(20)	89114WE35	8/5/2021	1/31/2022	0.130%	0.130%	30,000,000.00	30,000,000.00	30,002,065.89	SUNGARD	0.085
CD-SKANDINAVISKA(170)	83050PTQ2	10/21/2021	2/1/2022	0.210%	0.130%	5,000,000.00	5,001,141.90	5,000,710.73	SUNGARD	0.088
CD-CANADIAN IMP (25)	13606CX82	10/1/2021	2/2/2022	0.100%	0.100%	65,000,000.00	65,000,000.00	65,002,978.28	SUNGARD	0.090
CD-TORONTO DOMINION(20)	89114WHA6	10/4/2021	2/7/2022	0.100%	0.100%	25,000,000.00	25,000,000.00	25,001,319.05	SUNGARD	0.104
CD-TORONTO DOMINION (20)	89114WHH1	10/6/2021	2/18/2022	0.110%	0.110%	20,000,000.00	20,000,000.00	20,001,632.86	SUNGARD	0.134
CD-NATIONAL AUSTRALIA (120)	63253TZ27	10/12/2021	2/18/2022	0.090%	0.090%	50,000,000.00	50,000,000.00	50,002,721.36	SUNGARD	0.134
CD-TORONTO DOMINION(20)	89114WFA8	8/27/2021	2/22/2022	0.130%	0.130%	15,000,000.00	15,000,000.00	15,001,766.03	SUNGARD	0.145

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CD-SKANDINAVISKA (120)	83050PXL8	11/17/2021	2/23/2022	0.140%	0.140%	25,000,000.00	25,000,000.00	25,003,374.43	SUNGARD	0.148
CD-AUST & NZ BANK (120)	05252WSN4	10/4/2021	3/4/2022	0.100%	0.100%	50,000,000.00	50,000,000.00	50,004,373.55	SUNGARD	0.172
CD-SKANDINAVISKA (120)	83050PXN4	11/17/2021	3/15/2022	0.140%	0.140%	25,000,000.00	25,000,000.00	25,004,624.09	SUNGARD	0.203
CD-WESTPAC BANKING (120)	96130ALK2	11/4/2021	3/21/2022	0.100%	0.100%	30,000,000.00	30,000,000.00	30,003,332.44	SUNGARD	0.219
CD-EAST WEST BANK (CRA)		4/26/2021	4/25/2022	0.150%	0.150%	20,000,000.00	20,000,000.00	20,000,629.29	SUNGARD	0.315
CD-SKANDINAVISKA(120)	83050PYJ2	12/7/2021	4/29/2022	0.230%	0.230%	45,000,000.00	45,000,000.00	45,013,378.12	SUNGARD	0.326
CD-COMMON WEALTH BK(120)	20271EXF1	11/22/2021	5/11/2022	0.200%	0.200%	50,000,000.00	50,000,000.00	50,010,905.59	SUNGARD	0.359
CD-SVENSKA (260)	86959RUT5	11/15/2021	5/13/2022	0.205%	0.200%	60,000,000.00	60,001,490.18	60,014,392.76	SUNGARD	0.364
CD-CANADIAN IMP (25)	13606CZH0	11/19/2021	5/13/2022	0.220%	0.220%	55,000,000.00	55,000,000.00	55,016,239.85	SUNGARD	0.364
CD-COMMON WEALTH BK(120)	20271EXG9	11/22/2021	5/13/2022	0.200%	0.200%	50,000,000.00	50,000,000.00	50,011,072.00	SUNGARD	0.364
CD-SKANDINAVISKA (120)	83050PXYO	11/23/2021	5/13/2022	0.250%	0.250%	70,000,000.00	70,000,000.00	70,028,422.97	SUNGARD	0.364
CD-TORONTO DOMINION (20)	89114WLV5	12/1/2021	5/18/2022	0.280%	0.280%	15,000,000.00	15,000,000.00	15,008,043.80	SUNGARD	0.378
CD-SVENSKA (120)	86959RVK3	12/2/2021	5/19/2022	0.255%	0.250%	50,000,000.00	50,001,165.31	50,022,183.85	SUNGARD	0.381
CD-SVENSKA (120)	86959RVP2	12/6/2021	6/1/2022	0.305%	0.300%	100,000,000.00	100,002,454.71	100,069,613.00	SUNGARD	0.416
CD-CANADIAN IMP(260)	13606KAL0	12/9/2021	6/6/2022	0.310%	0.310%	35,000,000.00	35,000,000.00	35,025,928.73	SUNGARD	0.430
CD-TORONTO DOMINION (20)	89114WNS0	12/27/2021	6/8/2022	0.260%	0.260%	15,000,000.00	15,000,000.00	15,007,944.82	SUNGARD	0.435
CD-CANADIAN IMP (25)	13606KAY2	12/27/2021	6/14/2022	0.310%	0.310%	15,000,000.00	15,000,000.00	15,011,679.67	SUNGARD	0.452
TOTAL CERT. OF DEPOSIT/THRIFT NOTES				0.184%	0.182%	1,070,000,000.00	1,070,006,908.10	1,070,272,032.18		0.253
						19.32%	19.31%	19.28%		
CD-FIVE STAR BANK (CRA)		4/22/2021	4/21/2022	0.200%	0.200%	10,000,000.00	10,000,000.00	9,995,722.22	SUNGARD	0.304
CD-FIVE STAR BANK (CRA)		4/29/2021	4/28/2022	0.200%	0.200%	10,000,000.00	10,000,000.00	9,995,450.00	SUNGARD	0.323
CD-BANK OF THE WEST(CRA)		5/7/2021	5/6/2022	0.120%	0.120%	20,000,000.00	20,000,000.00	19,990,277.78	SUNGARD	0.345
TOTAL CD-ACT OVER 365/366				0.160%	0.160%	40,000,000.00	40,000,000.00	39,981,450.00		0.329
						0.72%	0.72%	0.72%		
LAIF POOL		7/31/1997	1/31/2022	0.212%	0.212%	75,000,000.00	75,000,000.00	75,000,000.00	BOOK	0.085
BANK MONEY MARKET-BK OF THE WEST		9/29/2021	1/31/2022	0.100%	0.100%	99,008,408.22	99,008,408.22	99,008,408.22	BOOK	0.085
TOTAL PASSBOOK ACCOUNTS				0.148%	0.148%	174,008,408.22	174,008,408.22	174,008,408.22		0.085
						3.14%	3.14%	3.14%		
Grand Total				0.579%	0.523%	5,537,792,008.34	5,541,993,594.59	5,550,428,490.18		0.850



Department of Finance
BEN LAMERA, DIRECTOR OF FINANCE
POOLED INVESTMENT FUND

Monthly Review — December 2021

PORTFOLIO COMPLIANCE

Based on the Director of Finance Review Group Month-End Report, the entire portfolio was in *full compliance* with the Sacramento County Annual Investment Policy for the Pooled Investment Fund for Calendar Year 2021 and California Government Code.¹

PORTFOLIO STATISTICS

Portfolio's Month-End Balance	\$5,541,993,595
<i>Earned Income Yield for the Month</i>	<i>0.543%</i>
Weighted Average Maturity (Days)	315
Estimated Duration (Years)	0.850
Amortized Book Value	\$5,540,453,717
Month-End Market Value	\$5,550,428,490
Percent of Market to Book Value ²	100.18%

Investment Objectives

- **Safety of Principal**
- **Liquidity**
- **Public Trust**
- **Maximum Rate of Return**

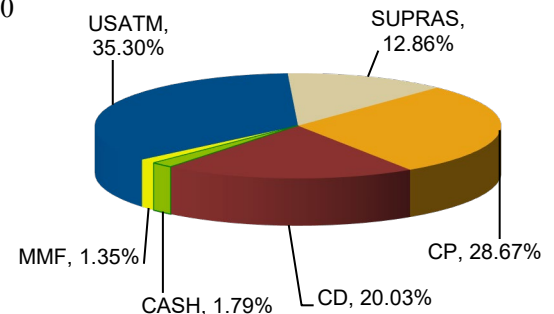
External third party Investment Manager(s) at month end:

State Treasurer's Office (LAIF)	\$75,000,000
---------------------------------	--------------

PORTFOLIO STRUCTURE³

Investment Description	Portfolio at Cost	Yield at Month End
US Agency, Treasury & Municipal Notes (USATM):		
US Agency Notes	26.89%	0.749%
US Treasury Notes	7.73%	0.168%
Municipal Notes	0.69%	0.665%
Total USATM	35.30%	0.620%
Supranationals (SUPRAS)	12.86%	1.748%
Commercial Paper (CP)	28.67%	0.134%
Certificates of Deposit (CD)	20.03%	0.181%
LAIF/Money Market Funds (MMF)	1.35%	0.212%
Bank Money Market	1.79%	0.100%
Repurchase Agreements (REPO)	0.00%	0.000%

Percentage Portfolio Structure by Asset Class³



**US Agency Notes Breakdown
Percent of Portfolio at Cost³**

FFCB Notes/Discount Notes	5.99%
FHLB Notes/Discount Notes	16.42%
FNMA Notes/Discount Notes	3.22%
FHLMC Notes/Discount Notes	1.26%
Total US Agency Notes	26.89%

¹ This monthly review complies with all of the elements required by California Government Code §53646(b), with the exception of a detailed listing of each investment. A complete copy of the *Quarterly Pooled Investment Fund Report*, including a detailed listing of each investment, is available on the Department of Finance, Investment Division Web page at <https://finance.saccounty.gov/Investments/Pages/RptQuarterly.aspx>.

² Percent of market to book value is calculated using amortized book value. The GASB 31 fair value reported in the County's Annual Financial Report is calculated using the book value at purchase.

³ Percentages may not add up to totals due to rounding

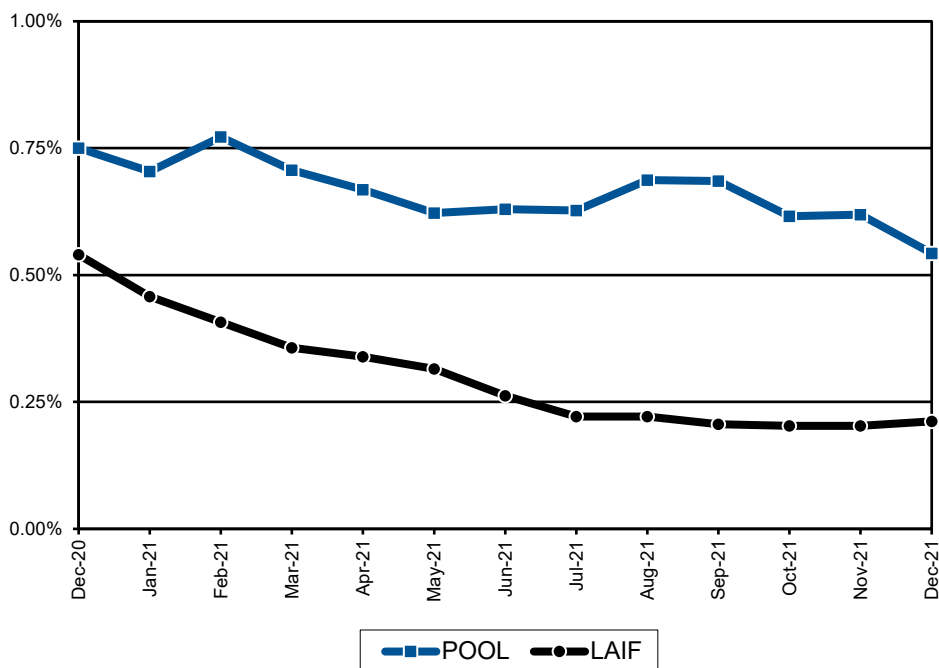
YIELD HISTORY

The earned income yield history represents gross yields; **costs have not been deducted**. The investment management costs in prior years and this year continue to be approximately 8 basis points or 0.08%. The quarterly apportionment of earnings to participating funds will be made on a **cash basis** (as opposed to an accrual basis) for the first three quarters of the fiscal year. Earnings to participating funds will be annualized over the fiscal year based on a fund's cumulative average daily cash balance at each quarter end and fiscal year end. At fiscal year end (fourth quarter), the earnings of the pool will be converted to an accrual basis for the fourth quarter earnings' allocation.

YIELD TRENDS⁴

Earned Income Yield History		
MONTH	POOL	LAIF
Dec-20	0.75%	0.54%
Jan-21	0.70%	0.46%
Feb-21	0.77%	0.41%
Mar-21	0.71%	0.36%
Apr-21	0.67%	0.34%
May-21	0.62%	0.32%
Jun-21	0.63%	0.26%
Jul-21	0.63%	0.22%
Aug-21	0.69%	0.22%
Sep-21	0.69%	0.21%
Oct-21	0.62%	0.20%
Nov-21	0.62%	0.20%
Dec-21	0.54%	0.21%

Earned Income Yield Over Last 12 Months



CASH FLOW PROJECTION

The Pooled Investment Fund cash requirements are based on a 14-month historical cash flow model. The model has been adjusted for expected non-reoccurring participant liquidity needs. This projection, updated on January 12, 2022, is sufficient to meet cash flow expenditures for the next six months.

Month	Beginning Bank Balance	Receipts & Maturities	Disbursements	Difference	Less Investments Beyond 1 year	Funds Available to Invest for Future Cash Flow Needs ⁵
<i>Dollar amounts represented in millions</i>						
Jan	20.0	\$1,817.6	\$1,116.2	\$701.4	\$25.0	\$676.4
Feb	20.0	\$1,116.8	\$726.4	\$390.4	\$25.0	\$365.4
Mar	20.0	\$1,396.9	\$883.1	\$513.8	\$25.0	\$488.8
Apr	20.0	\$1,294.7	\$790.7	\$504.0	\$25.0	\$479.0
May	20.0	\$1,513.5	\$1,108.7	\$404.8	\$25.0	\$379.8
Jun	20.0	\$1,474.9	\$909.2	\$565.7	\$25.0	\$540.7

If you have any questions about the Pooled Investment Fund, please call Chief Investment Officer Bernard Santo Domingo at (916) 874-7320 or Investment Officer Dave Matuskey at (916) 874-4251.

⁴ The earned income yield is the total net earnings divided by the average daily portfolio balance multiplied by 365 and then divided by the actual number of days in the month. The reported yield fluctuates based upon the number of days in the month, thus resulting in the anomaly of higher yields being reported for months with fewer days. February's yield is a prime example of such an anomaly.

⁵ Any excess net cash flow amounts in this column will be used to fund the negative cash flow positions in later months.

Department of Finance

Ben Lamera
Director



Investments Division

Bernard Santo Domingo
Chief Investment Officer

County of Sacramento

Inter-Departmental Memorandum

February 18, 2022

To: Treasury Oversight Committee

From: Bernard Santo Domingo *BSD*
Chief Investment Officer

Subject: **INVESTMENT APPROVED LISTS**

Attached for your review is a report of the changes made to the Investment Approved Lists for the quarter ended December 31, 2021. The report reflects additions, deletions, and reaffirmations of investment providers for the following approved lists:

- Domestic Banks for All Legal Investments;
- Foreign Banks for All Legal Investments;
- Commercial Paper and Medium-Term Note Programs;
- Community Reinvestment Banks and Credit Unions;
- Firms for Purchase and Sale of Securities (Broker/Dealers and Direct Issuers); and
- Money Market Funds.

If you have any questions regarding these changes, please don't hesitate to call me at (916) 874-7320.

**Changes to the Investment Approved Lists
For the Quarter Ended December 31, 2021**

Reaffirmed	Added ¹	Deleted
Domestic Banks for all Legal Investments		
Foreign Banks for all Legal Investments		
Skandinaviska Enskilda Banken		
Commercial Paper & Medium-Term Note Issuers		
JP Morgan Securities LLC		ING Bank ²
Community Reinvestment Act Approved Banks & Credit Unions		
Firms for Purchase and Sale of Securities (Broker/Dealers & Direct Issuers)		

¹ This company or fund satisfies the Annual Investment Policy of the Pooled Investment Fund's minimum credit rating requirement.

² ING Bank's credit ratings dropped below the minimum requirements.

OVERVIEW OF POOLED INVESTMENT FUND STATISTICS FROM VARIOUS
JURISDICTIONS FOR DECEMBER 2021.

**Investment Fund Statistics Questionnaire Results
December 2021**

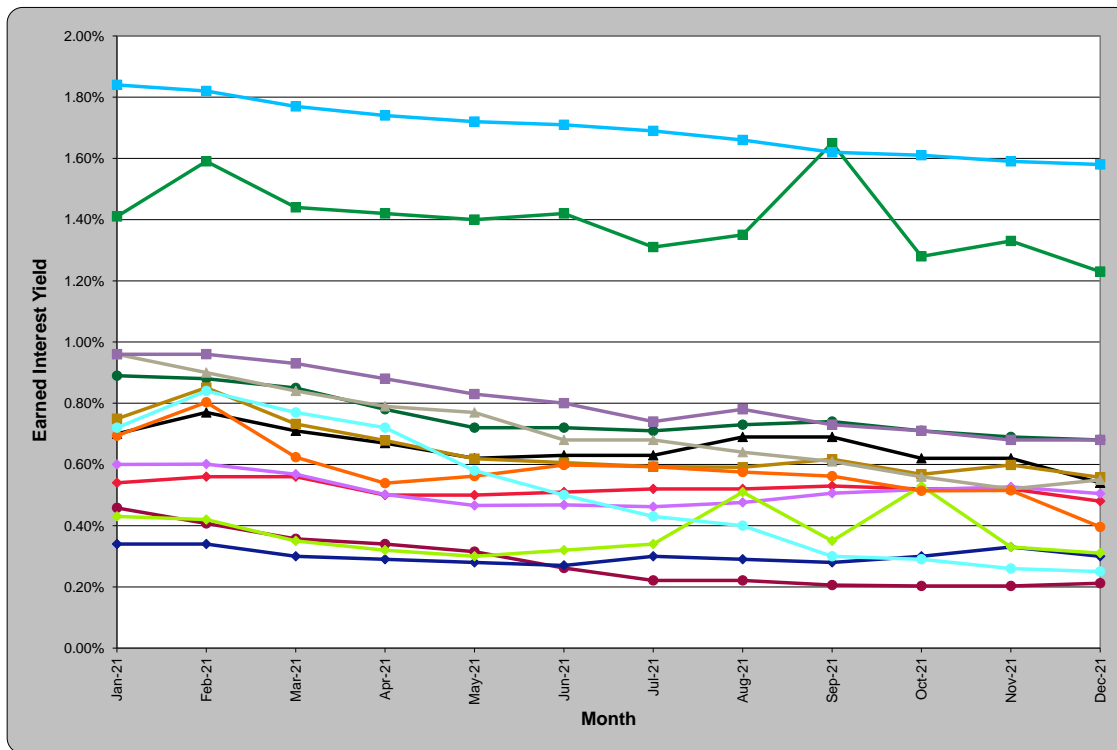
Name of Fund	Earned Interest Yield	Portfolio Size (in millions)	Weighted Average Maturity (in days)	Percent Market Value
Sacramento County (Pooled)	0.54%	\$5,093.8	315	100.18%
Sacramento County (All)	0.64%	\$5,851.6	303	N/A
Local Agency Investment Fund (LAIF)	0.21%	\$36,293.5	340	99.74%
Contra Costa County (Pooled)	0.31%	\$4,076.3	288	99.87%
Contra Costa County (All)	0.36%	\$4,311.7	276	99.88%
Fresno County	1.23%	\$6,078.3	847	100.14%
Los Angeles County	0.48%	\$45,737.7	908	99.83%
Nevada County	1.58%	\$188.2	967	100.39%
Orange County	0.40%	\$6,913.0	356	99.82%
Orange County (Schools)	0.44%	\$5,349.0	356	99.82%
Riverside County	0.30%	\$11,247.6	408	99.73%
San Bernardino County	0.66%	\$10,648.4	432	100.13%
San Diego County	0.68%	\$14,452.2	558	99.84%
San Francisco City and County	0.51%	\$14,182.3	617	99.54%
San Luis Obispo County	0.55%	\$1,419.0	543	99.69%
Solano County	0.25%	\$1,695.2	280	99.83%
Sonoma County (Pooled)	0.56%	\$3,115.8	711	99.46%
Sonoma County (All)	0.58%	\$3,147.6	727	99.63%

NOTE:

When comparing performance returns, it is important to consider the cash flow needs of individual pool participants in relation to the objectives of each county's investment policy.

**COMPARISON OF VARIOUS COUNTY POOLED INVESTMENT FUNDS AND LAIF
12-MONTH YIELD PERFORMANCE AS OF DECEMBER 2021**

Jurisdiction	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
◆ Contra Costa	0.43%	0.42%	0.35%	0.32%	0.30%	0.32%	0.34%	0.51%	0.35%	0.53%	0.33%	0.31%
■ Fresno	1.41%	1.59%	1.44%	1.42%	1.40%	1.42%	1.31%	1.35%	1.65%	1.28%	1.33%	1.23%
● LAIF	0.46%	0.41%	0.36%	0.34%	0.32%	0.26%	0.22%	0.22%	0.21%	0.20%	0.20%	0.21%
◆ Los Angeles	0.54%	0.56%	0.56%	0.50%	0.50%	0.51%	0.52%	0.52%	0.53%	0.52%	0.52%	0.48%
■ Nevada	1.84%	1.82%	1.77%	1.74%	1.72%	1.71%	1.69%	1.66%	1.62%	1.61%	1.59%	1.58%
● Orange	0.69%	0.80%	0.62%	0.54%	0.56%	0.60%	0.59%	0.58%	0.56%	0.51%	0.52%	0.40%
◆ Riverside	0.34%	0.34%	0.30%	0.29%	0.28%	0.27%	0.30%	0.29%	0.28%	0.30%	0.33%	0.30%
▲ Sacramento	0.70%	0.77%	0.71%	0.67%	0.62%	0.63%	0.63%	0.69%	0.69%	0.62%	0.62%	0.54%
■ San Bernardino	0.96%	0.93%	0.88%	0.83%	0.80%	0.74%	0.78%	0.73%	0.71%	0.68%	0.68%	0.66%
● San Diego	0.89%	0.88%	0.85%	0.78%	0.72%	0.72%	0.71%	0.73%	0.74%	0.71%	0.69%	0.68%
◆ San Francisco	0.60%	0.60%	0.57%	0.50%	0.47%	0.47%	0.46%	0.48%	0.51%	0.52%	0.53%	0.51%
▲ San Luis Obispo	0.96%	0.90%	0.84%	0.79%	0.77%	0.68%	0.68%	0.64%	0.61%	0.56%	0.52%	0.55%
● Solano	0.72%	0.84%	0.77%	0.72%	0.58%	0.50%	0.43%	0.40%	0.30%	0.29%	0.26%	0.25%
■ Sonoma	0.75%	0.85%	0.73%	0.68%	0.62%	0.61%	0.59%	0.59%	0.62%	0.57%	0.60%	0.56%



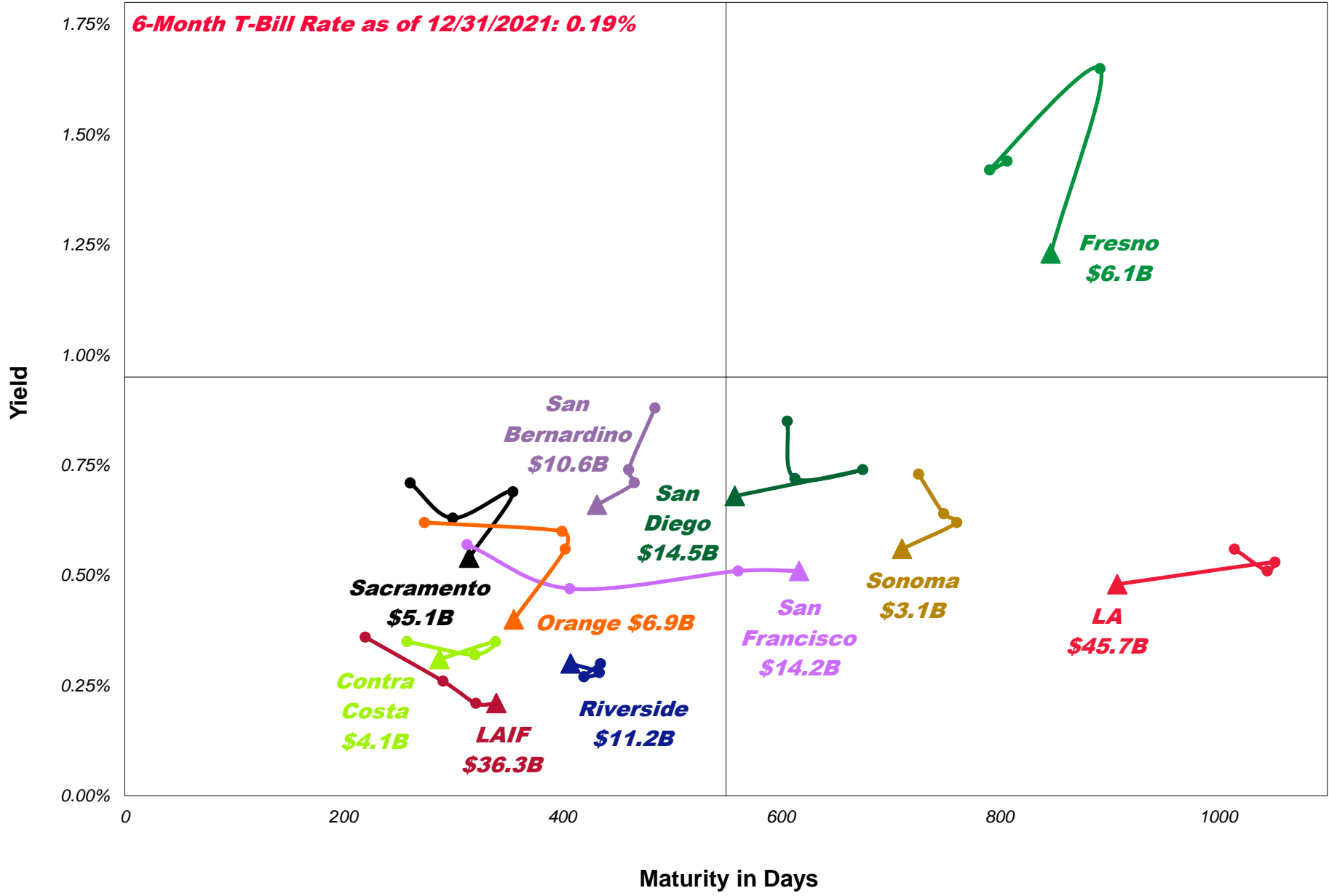
NOTE:

This graph is for illustration purposes only. When comparing performance returns, it is important to consider the cash flow needs of the individual pool fund participants in relation to the objectives of each county's investment policy.

Overview of Pooled Investment Fund Statistics from Various Jurisdictions

Comparison of Yields and Average Weighted Maturities

March 31, 2021 to December 31, 2021



COMMUNITY REINVESTMENT ACT PROGRAM.

Department of Finance

Ben Lamera
Director



County of Sacramento

Divisions

Administration
Auditor-Controller
Consolidated Utilities Billing & Service
Investments
Tax Collection & Business Licensing
Treasury

March 1, 2022

To: Banks Operating in Sacramento County

Subject: **SACRAMENTO COUNTY COMMUNITY REINVESTMENT ACT PROGRAM**

To encourage banks to be active in supporting the community, in 1992 the County of Sacramento Board of Supervisors adopted the Community Reinvestment Act (CRA) Program. The Board instructed the Director of Finance to design and implement a program to acknowledge and reward locally-active banks that support the community's credit needs.

The CRA Program authorizes the placement of public deposits from the County's Pooled Investment Fund in one-year, fixed-rate certificates of deposit up to \$20 million with qualified banks that meets the credit needs of the community. The size of the deposit is dependent on the level of lending activity in low- and moderate-income neighborhoods in Sacramento County.

Qualified banks must have a Community Reinvestment Act rating of Satisfactory or better and offer a competitive yield. Credit rating requirements are waived for deposits covered by FDIC insurance, including deposits made through a placement service such as CDARS. For uninsured collateralized deposits, banks must have at least two of the following short-term ratings: A-2 by Standard & Poor's, P-2 by Moody's, and F2 by Fitch.

We accept applications for the CRA Program on an annual basis every March. You may apply for a CRA Program deposit with the enclosed application. Applications must be received by the County by **April 1, 2022**, and deposits are expected to be placed with qualified banks during April and May.

If you have any questions, please call Investment Officer, Dave Matuskey, at (916) 874-4251.

Sincerely,


Ben Lamera
Director of Finance

Enclosure



COUNTY OF SACRAMENTO COMMUNITY REINVESTMENT ACT PROGRAM

APPLICATION FOR DEPOSIT

Applicant Information

Name of Financial Institution: _____

Address: _____

CRA Coordinator's Name: _____

Phone: _____

I certify to the accuracy of the information provided below: _____ (Signature Required)

Performance Measurements

Bank Short-term Credit Ratings (if applicable)

Fitch: _____

Standard & Poor's: _____

Moody's: _____

CRA Rating: _____

For Most Recent Calendar Year

Loans in low- and moderate-income neighborhoods in Sacramento County only:

Mortgage Related Loans: \$ _____

Mortgage Related Loans: _____ (# of Loans)

Small Business Loans: \$ _____

Small Business Loans: _____ (# of Loans)

Annual Total Shareholders' Equity Position: \$ _____

Maximum Linked Deposit Desired: \$ _____

1-Year CD Rate as of April 1nd: _____ %

Please provide the following:

1) Quarterly and Annual Financial Statements - and - 2) Home Mortgage Disclosure Act Report

Instructions

Complete the application and send it along with the requested documents to:

Ben Lamera, Director of Finance
County of Sacramento
700 H Street, Room 3650
Sacramento, CA 95814
Phone: (916) 874-7248
Fax: (916) 874-6454

For questions, please contact **Dave Matuskey, Investment Officer**, at (916) 874-4251 or via email at matuskeyd@saccounty.gov.

(For Investment Division Use Only)

Recommended: _____ Date: _____

Recommended: _____ Date: _____

(For Department of Finance Use Only)

Approved: _____ Date: _____

FPPC FORM 700.

NO WRITTEN REPORT

NEXT MEETING REMINDER – FRIDAY, MAY 20, 2022.

NO WRITTEN REPORT

ADJOURNMENT

NO WRITTEN REPORT