

MEMORANDUM

TO: City Council
FROM: Tim McGallian, City Treasurer
DATE: September 1, 2015
SUBJECT: Treasurer's Report: April 1 – June 30, 2015

The attached report presents the City's investment portfolio as of the quarter ending June 30, 2015 and has been prepared in compliance with California Code Section 53646. Market values have been provided by PFM Asset Management on the attached detail.

On April 1, 2013, the City contracted with investment advisor PFM Asset Management to manage the City's portfolio. The City's strategy is to retain sufficient cash flow to manage day-to-day operations and have PFM focus on longer-term investment management. All investments are held by the City in a safekeeping accounts through BNY Mellon and US Bank, except for investments held by trustees related to bond financings, which are held by BNY Mellon and Union Bank.

	City Managed	Cal Trust	Trustee Account	PFM Managed	Total Portfolio
	Cash/LAIF/CAMP	Other	(Non-PFM)	Portfolio	(Market Value)
Portfolio Balance	\$70,786,004.50	\$20,000,059.40	\$845,645.64	\$ 54,662,454.23	\$ 146,294,163.77
Effective Yield	0.27%	0.69%	0.03%	1.11%	0.64%
Avg. Weighted Maturity	1-day	1-day	1-day	2.27 Years	0.85 Years

Treasurer Certification:

I certify that these reports accurately reflect all pooled investments, are in compliance with California Government Code Section 53646 and are in conformity with the investment policy adopted by City Council, May 26, 2015.

As Treasurer of the City of Concord, I hereby certify that sufficient investment liquidity and anticipated revenue are available to meet the next six month's estimated expenditures.

Tim McGallian, CITY TREASURER

Date

**City of Concord
Investment Summary
as of June 30, 2015**

Sector	Average Maturity	Par Amount	Adjusted Cost	Market Value	Coupon	Yield to Maturity
Cash Equivalents						
Cash on Hand*	1 Day	2,502,209.16	2,502,209.16	2,502,209.16	0.01%	0.01%
Portfolio Cash	1 Day	83,258.51	83,258.51	83,258.51	0.01%	0.01%
LAIF*	1 Day	68,200,536.83	68,200,536.83	68,200,536.83	0.28%	0.28%
Cash Equivalents Subtotal	1 Day	70,786,004.50	70,786,004.50	70,786,004.50		0.27%
Other Investments						
CalTrust	1 Day	20,000,059.40	20,000,059.40	20,000,059.40	0.69%	0.69%
Other Investments Subtotal	1 Day	20,000,059.40	20,000,059.40	20,000,059.40		0.69%
Trusteed Accounts						
BNY-Trustee Accounts*	1 Day	236,432.19	236,432.19	236,432.19	0.09%	0.09%
Union Bank-Trustee Accounts*	1 Day	609,213.45	609,213.45	609,213.45	0.00%	0.00%
Trusteed Accounts Subtotal	1 Day	845,645.64	845,645.64	845,645.64		0.03%
PFM Managed Portfolio						
U.S. Treasuries	2.38 Years	14,060,000.00	14,165,855.62	14,202,394.68	1.45%	0.91%
Federal Agencies	2.08 Years	10,900,000.00	10,891,317.29	10,919,093.84	0.95%	0.98%
Federal Agency CMO	2.92 Years	423,724.32	424,850.40	425,960.45	1.09%	0.65%
Municipal Obligations	2.11 Years	2,575,000.00	2,578,133.62	2,595,081.15	1.54%	1.49%
Corporate Notes	2.88 Years	15,628,000.00	15,782,488.90	15,750,932.84	1.74%	1.48%
Certificates of Deposit	1.45 Years	10,775,000.00	10,773,401.90	10,768,991.27	0.92%	0.90%
PFM Managed Portfolio Subtotal	2.27 Years	54,361,724.32	54,616,047.73	54,662,454.23		1.11%
Total	0.85 Years	145,993,433.86	146,247,757.27	146,294,163.77		0.64%

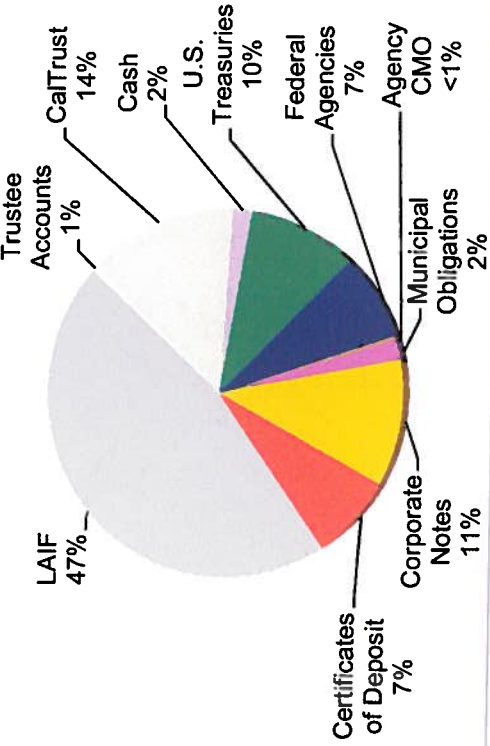
Earnings Summary April 1, 2015 - June 30, 2015 (Accrual Basis)

Portfolio Securities	
Ending Amortized Value of Securities	54,616,047.73
Ending Accrued Interest	185,416.76
Plus Proceeds from Sales	4,814,917.33
Plus Proceeds of Maturities/Calls/Principal Payments	1,011,275.68
Plus Coupons Received	118,291.03
Less Cost of New Purchases	(5,957,768.48)
Less Beginning Amortized Value of Securities	(54,485,665.91)
Less Beginning Accrued Interest	(139,779.19)
Portfolio Securities Subtotal	162,734.95
LAIF	
LAIF Subtotal	\$48,980.86
Grand Total	211,715.81

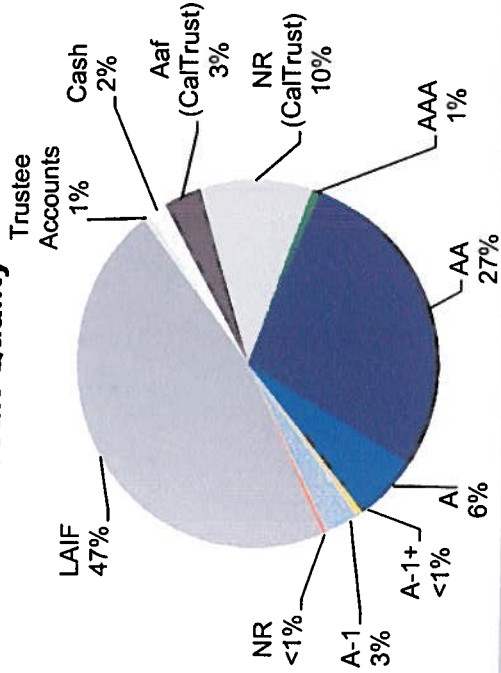
*Values provided by the City of Concord

**City of Concord
Investment Summary
as of June 30, 2015**

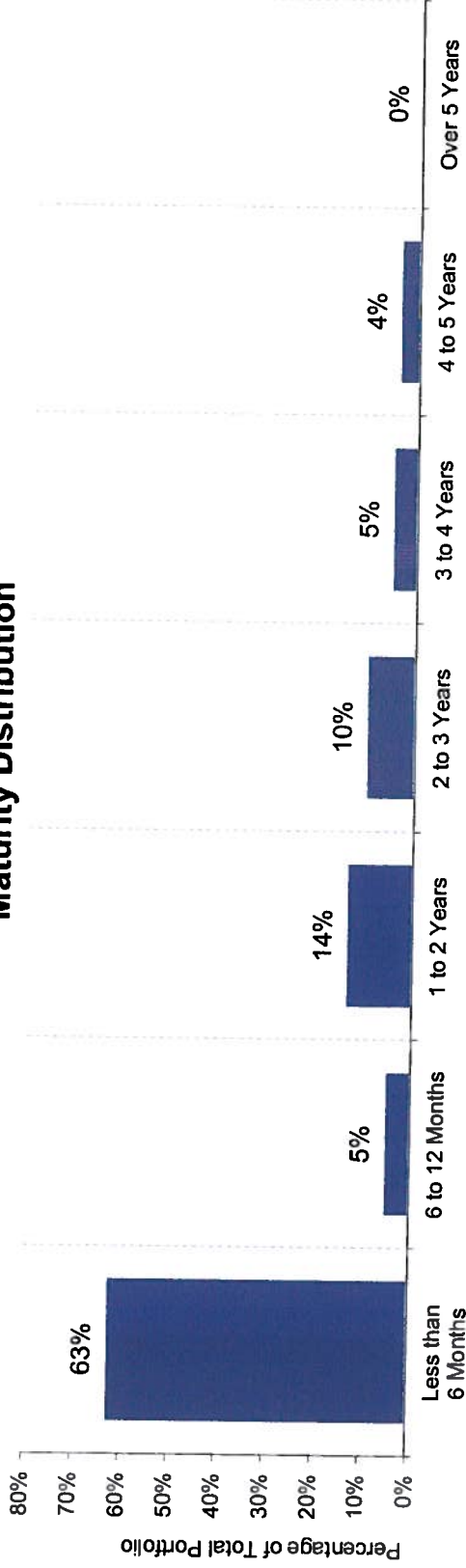
Sector Breakdown



Credit Quality



Maturity Distribution



**City of Concord
Investment Detail
as of June 30, 2015**

Issuer	S&P Rating	Coupon	Maturity	Purchased	Days to Maturity	Par Amount	Adjusted Cost	Market Value	Yield to Maturity
Operating Funds									
Cash Equivalents									
Cash on Hand	NR	0.01%	7/1/2015	6/30/2015	1	2,502,209.16	2,502,209.16	2,502,209.16	0.01%
Portfolio Cash Account	NR	0.01%	7/1/2015	6/30/2015	1	83,258.51	83,258.51	83,258.51	0.01%
LALF-City of Concord	NR	0.28%	7/1/2015	6/30/2015	1	43,909,071.43	43,909,071.43	43,909,071.43	0.28%
LALF-Sewer Enterprise District	NR	0.28%	7/1/2015	6/30/2015	1	24,291,465.40	24,291,465.40	24,291,465.40	0.28%
				Cash Equivalents Subtotal	1	70,786,004.50	70,786,004.50	70,786,004.50	0.27%
U.S. Treasuries									
U.S. Treasury	AA+	2.00%	4/30/2016	4/23/2013	305	495,000.00	501,798.29	501,960.69	0.34%
U.S. Treasury	AA+	1.50%	7/31/2016	2/6/2015	397	2,000,000.00	2,024,596.48	2,024,376.00	0.36%
U.S. Treasury	AA+	3.25%	12/31/2016	11/3/2014	550	950,000.00	987,827.54	989,261.60	0.58%
U.S. Treasury	AA+	0.88%	2/28/2017	2/24/2014	609	925,000.00	926,948.54	929,986.68	0.75%
U.S. Treasury	AA+	1.00%	3/31/2017	3/3/2014	640	875,000.00	879,059.97	881,699.00	0.73%
U.S. Treasury	AA+	1.00%	3/31/2017	3/21/2014	640	725,000.00	725,970.86	730,550.60	0.92%
U.S. Treasury	AA+	0.88%	4/30/2017	3/27/2015	670	1,500,000.00	1,505,797.25	1,507,617.00	0.66%
U.S. Treasury	AA+	2.50%	6/30/2017	12/9/2014	731	525,000.00	541,412.56	544,400.33	0.92%
U.S. Treasury	AA+	1.38%	7/31/2018	2/4/2015	1,127	2,300,000.00	2,331,653.70	2,323,000.00	0.92%
U.S. Treasury	AA+	1.25%	11/30/2018	6/3/2014	1,249	520,000.00	517,214.98	521,300.00	1.41%
U.S. Treasury	AA+	1.50%	1/31/2019	7/31/2014	1,311	1,205,000.00	1,200,508.05	1,216,014.91	1.61%
U.S. Treasury	AA+	1.63%	3/31/2019	9/4/2014	1,370	190,000.00	190,172.13	192,271.07	1.60%
U.S. Treasury	AA+	1.63%	3/31/2019	10/6/2014	1,370	800,000.00	801,051.70	809,562.40	1.59%
U.S. Treasury	AA+	1.00%	9/30/2019	2/27/2015	1,553	1,050,000.00	1,031,843.57	1,030,394.40	1.42%
				U.S. Treasuries Subtotal	869	14,060,000.00	14,165,855.62	14,202,394.68	0.91%
Federal Agencies									
Federal Home Loan Banks	AA+	1.00%	3/11/2016	2/29/2012	255	1,000,000.00	1,001,831.33	1,004,316.00	0.74%
Federal Farm Credit Bureau	AA+	1.05%	3/28/2016	3/28/2012	272	1,000,000.00	1,000,000.00	1,005,617.00	1.05%
Federal Home Loan Banks	AA+	0.50%	9/28/2016	8/7/2014	456	1,050,000.00	1,048,626.32	1,050,248.85	0.61%
Federal Farm Credit Bureau	AA+	0.62%	10/24/2016	10/24/2012	482	1,000,000.00	1,000,000.00	999,682.00	0.62%
Federal Home Loan Mortgage Corporation	AA+	0.60%	1/3/2017	1/3/2013	553	1,000,000.00	1,000,000.00	1,000,443.00	0.60%
Federal Home Loan Mortgage Corporation	AA+	1.00%	6/29/2017	8/13/2014	730	225,000.00	225,183.56	226,234.58	0.96%
Federal National Mortgage Association	AA+	0.88%	10/26/2017	12/3/2013	849	2,150,000.00	2,140,132.23	2,150,984.70	1.08%
Federal National Mortgage Association	AA+	0.88%	5/21/2018	5/23/2013	1,056	1,000,000.00	995,211.33	994,015.00	1.04%
Federal National Mortgage Association	AA+	0.88%	5/21/2018	5/31/2013	1,056	750,000.00	743,317.78	745,511.25	1.19%
Federal National Mortgage Association	AA+	1.63%	11/27/2018	6/19/2014	1,246	200,000.00	200,005.19	202,420.20	1.62%
Federal National Mortgage Association	AA+	1.63%	11/27/2018	10/23/2014	1,246	575,000.00	579,566.63	581,958.08	1.39%
Federal Home Loan Mortgage Corporation	AA+	1.75%	5/30/2019	12/3/2014	1,430	475,000.00	479,721.77	480,168.95	1.49%
Federal National Mortgage Association	AA+	1.75%	11/26/2019	12/3/2014	1,610	475,000.00	477,721.15	477,494.23	1.61%
				Federal Agencies Subtotal	761	10,900,000.00	10,891,317.29	10,919,093.84	0.98%

City of Concord
Investment Detail
as of June 30, 2015

Issuer	S&P Rating	Coupon	Maturity	Purchased	Days to Maturity	Par Amount	Adjusted Cost	Market Value	Yield to Maturity
Federal Agency CMO									
Federal National Mortgage Association	AA+	1.55%	4/1/2018	4/30/2015	1,006	255,000.00	256,168.43	256,902.56	0.83%
Federal National Mortgage Association	AA+	0.38%	9/1/2018	3/31/2015	1,159	168,724.32	168,681.97	169,057.89	0.38%
			Federal Agency CMO Subtotal	1066.72361		423,724.32	424,850.40	425,960.45	0.65%
Municipal Obligations									
Orange County, CA	AA-	0.78%	5/2/2016	1/13/2015	307	690,000.00	690,000.00	691,628.40	0.78%
California Earthquake Authority	NR	1.82%	7/1/2017	11/6/2014	732	295,000.00	295,000.00	296,351.10	1.82%
State of California	AA-	1.75%	11/1/2017	11/5/2013	855	1,090,000.00	1,092,306.33	1,101,466.80	1.66%
University of California	AA	1.90%	5/15/2018	4/10/2014	1,050	185,000.00	185,000.00	187,878.60	1.90%
State of Connecticut	AA	1.97%	3/15/2019	3/25/2015	1,354	315,000.00	315,827.29	317,756.25	1.90%
			Municipal Obligations Subtotal	770		2,575,000.00	2,578,133.62	2,595,081.15	1.49%
Corporate Notes									
JP Morgan Chase	A	0.90%	2/26/2016	12/30/2013	241	513,000.00	513,909.05	513,700.25	0.63%
Toyota Motor Credit Corp	AA-	0.80%	5/17/2016	5/17/2013	322	565,000.00	564,931.65	565,368.38	0.81%
Coca Cola Company	AA	1.80%	9/1/2016	2/9/2012	429	1,000,000.00	1,008,902.09	1,012,087.00	1.03%
JP Morgan Chase	A	1.35%	2/15/2017	2/18/2014	596	700,000.00	699,808.34	700,611.10	1.37%
John Deere Capital	A	1.13%	6/12/2017	6/12/2014	713	830,000.00	829,745.30	830,556.93	1.14%
HSBC USA	A	1.30%	6/23/2017	6/23/2014	724	350,000.00	349,646.88	349,832.35	1.35%
Caterpillar	A	1.25%	8/18/2017	8/20/2014	780	595,000.00	594,787.11	595,931.77	1.27%
American Express	A-	1.55%	9/22/2017	9/23/2014	815	290,000.00	289,709.78	290,944.82	1.20%
IBM Corp	AA-	1.13%	2/6/2018	2/6/2015	952	1,375,000.00	1,371,360.72	1,366,268.75	1.23%
Exxon Mobil	AAA	1.31%	3/6/2018	3/6/2015	980	1,100,000.00	1,100,000.00	1,099,106.80	1.31%
Colgate-Palmolive Company	AA-	0.90%	5/1/2018	5/2/2013	1,036	790,000.00	787,840.64	784,187.18	1.00%
Apple Inc	AA+	1.00%	5/3/2018	5/3/2013	1,038	585,000.00	583,760.30	579,085.65	1.08%
Berkshire Hathaway	AA	1.30%	5/15/2018	5/15/2013	1,050	470,000.00	469,841.25	470,051.70	1.31%
Bank of New York	A+	1.60%	5/22/2018	5/29/2015	1,057	1,100,000.00	1,099,903.70	1,099,351.00	1.60%
Chevron Corp	AA	1.72%	6/24/2018	6/24/2013	1,090	840,000.00	840,000.00	845,009.76	1.72%
Cisco Systems	AA-	2.13%	3/1/2019	9/4/2014	1,340	500,000.00	503,718.35	503,477.00	1.91%
American Honda Finance	A+	2.25%	8/15/2019	9/9/2014	1,507	1,100,000.00	1,098,277.49	1,107,462.40	2.29%
General Electric Capital Corp	AA+	5.50%	1/8/2020	3/25/2015	1,653	950,000.00	1,090,642.32	1,076,939.00	2.05%
Wells Fargo & Co	A+	2.15%	1/30/2020	3/27/2015	1,675	800,000.00	802,571.22	792,363.20	2.08%
Toyota Motor Corp	AA-	2.15%	3/12/2020	3/27/2015	1,717	350,000.00	352,952.15	349,892.55	1.96%
Abbott Laboratories	A+	2.00%	3/15/2020	3/27/2015	1,720	825,000.00	830,180.56	818,705.25	1.86%
			Corporate Notes Subtotal	1,050		15,628,000.00	15,782,488.90	15,750,932.84	1.48%

**City of Concord
Investment Detail
as of June 30, 2015**

Issuer	S&P Rating	Coupon	Maturity	Purchased	Days to Maturity	Par Amount	Adjusted Cost	Market Value	Yield to Maturity	
Certificates of Deposit										
BMO Harris Bank	A-1	0.54%	2/10/2016	2/13/2015	225	1,050,000.00	1,050,000.00	1,050,373.59	0.54%	
Westpac Banking Corp NY	AA-	0.47%	4/15/2016	4/17/2014	290	1,050,000.00	1,050,000.00	1,050,635.25	0.41%	
Bank of Nova Scotia Houston	A+	0.46%	6/10/2016	6/13/2014	346	1,050,000.00	1,049,699.45	1,049,834.10	0.28%	
Goldman Sachs Bank	A-1	0.90%	8/12/2016	8/19/2014	409	1,100,000.00	1,100,000.00	1,102,051.50	0.90%	
HSBC USA	A-1+	0.88%	8/15/2016	2/13/2015	412	825,000.00	825,000.00	825,515.63	0.88%	
Canadian Imperial Bank NY	A-1	1.01%	4/6/2017	4/10/2015	646	1,100,000.00	1,100,000.00	1,098,185.00	1.01%	
Rabobank Nederland NV NY	A-1	1.07%	4/21/2017	4/27/2015	661	1,300,000.00	1,300,000.00	1,296,178.00	1.07%	
Nordea Bank NY	AA-	1.15%	5/26/2017	5/29/2015	696	1,100,000.00	1,100,000.00	1,096,837.50	1.15%	
Toronto Dominion Bank NY	AA-	1.24%	6/16/2017	6/19/2015	717	1,100,000.00	1,100,000.00	1,099,994.50	1.25%	
US Bank NA	AA-	1.38%	9/11/2017	9/11/2014	804	1,100,000.00	1,098,702.45	1,099,386.20	1.41%	
			Certificates of Deposit Subtotal			529	10,775,000.00	10,773,401.90	10,768,991.27	0.90%
Other Investments										
CallTrust Short Term Fund	AAF	0.45%	7/11/2015	6/30/2015	1	5,014,955.13	5,014,955.13	5,014,955.13	0.45%	
CallTrust Medium Term Fund	NR	0.77%	7/11/2015	6/30/2015	1	14,985,104.27	14,985,104.27	14,985,104.27	0.77%	
			Other Investments Subtotal			1	20,000,059.40	20,000,059.40	20,000,059.40	0.69%
			Operating Total			312	145,147,788.22	145,402,111.63	145,448,518.13	0.64%

**City of Concord
Investment Detail
as of June 30, 2015**

Issuer	S&P Rating	Coupon	Maturity	Days to Maturity	Par Amount	Original Cost	Market Value	Current Yield
Cash Equivalents								
BNY-ABAG 41 (Parking Struc 2001)	AAA	0.09%	7/1/2015	1	236,431.19	236,431.19	236,431.19	0.09%
BNY-Concord Wastewater 2012	AAA	0.09%	7/1/2015	1	1.00	1.00	1.00	0.09%
Blackrock Institutional Money Market Fund*	AAA	0.00%	7/1/2015	1	609,213.45	609,213.45	609,213.45	0.00%
				1	845,645.64	845,645.64	845,645.64	0.03%
Total Funds Held in Trust					1	845,645.64	845,645.64	0.03%

*Values provided by the City of Concord

City of Concord
Transactions Detail
 April 1, 2015 - June 30, 2015

Trade Date	Settle Date	Transaction	CUSIP	Issuer	Coupon	Maturity	Par Value	Yield to Maturity
Purchases								
4/6/2015	4/10/2015	Purchase	13606JYY9	Canadian Imperial Bank NY	1.01%	4/6/2017	\$ 1,100,000.00	1.00%
4/22/2015	4/27/2015	Purchase	21684BXH2	Rabobank Nederland NY	1.07%	4/21/2017	\$ 1,300,000.00	1.06%
4/15/2015	4/30/2015	Purchase	3136ANJY4	FNMA	1.55%	4/1/2018	\$ 255,000.00	0.83%
5/22/2015	5/29/2015	Purchase	06406HDB2	Bank of New York	1.60%	5/22/2018	\$ 1,100,000.00	1.60%
5/27/2015	5/29/2015	Purchase	65558LFA5	Nordea Bank NY	1.15%	5/26/2017	\$ 1,100,000.00	1.15%
6/16/2015	6/19/2015	Purchase	89113ESN7	Toronto Dominion Bank NY	1.24%	6/16/2017	\$ 1,100,000.00	1.24%
Sales								
4/6/2015	4/10/2015	Sell	912828SM3	U.S. Treasury	1.00%	3/31/2017	\$ 100,000.00	0.52%
4/22/2015	4/27/2015	Sell	21684BPV0	Rabobank Nederland NV NY	0.72%	5/6/2016	\$ 1,325,000.00	0.58%
4/28/2015	4/30/2015	Sell	912828QF0	U.S. Treasury	2.00%	4/30/2016	\$ 200,000.00	0.28%
5/22/2015	5/29/2015	Sell	084664BX8	Berkshire Hathaway	0.95%	8/15/2016	\$ 725,000.00	0.68%
5/27/2015	5/29/2015	Sell	3135G0AL7	FNMA	2.25%	3/15/2016	\$ 1,000,000.00	0.29%
5/22/2015	5/29/2015	Sell	594918AS3	Microsoft	1.00%	5/1/2018	\$ 320,000.00	1.08%
6/16/2015	6/19/2015	Sell	3137EADH9	FHLMC	1.00%	6/29/2017	\$ 275,000.00	0.78%
6/16/2015	6/19/2015	Sell	3137EADH9	FHLMC	1.00%	6/29/2017	\$ 825,000.00	0.78%
Maturities								
4/8/2015	4/8/2015	Maturity	3133EAU22	FFCB	0.68%	4/8/2015	\$ 1,000,000.00	
Paydowns								
4/1/2015	4/1/2015	Paydown	3136AMTM1	FNMA	0.38%	9/1/2018	\$ 10,960.76	
5/1/2015	5/1/2015	Paydown	3136AMTM1	FNMA	0.38%	9/1/2018	\$ 166.59	
6/1/2015	6/1/2015	Paydown	3136AMTM1	FNMA	0.38%	9/1/2018	\$ 148.33	

City of Concord
Operating Funds Compliance Report
as of June 30, 2015

Credit Quality

	Minimum Permitted Rating	Lowest Rated Security (S&P)	In Compliance?
U.S. Treasuries	N/A	AA+	Yes
Federal Agencies	N/A	AA+	Yes
Federal Agency CMO	N/A	AA+	Yes
Municipal Obligations	"A" Category by a NRSRO	NR*	Yes
Corporate Notes	"A" Category by a NRSRO	A-	Yes
Negotiable CDs	"A" Category by a NRSRO	A+	Yes

**Rated A3 by Moody's*

Maturity Limits

	Maximum Permitted Maturity	Maximum Maturity	In Compliance?
U.S. Treasuries	5 Years	4.25 Years	Yes
Federal Agencies	5 Years	4.41 Years	Yes
Federal Agency CMO	5 Years	4.70 Years	Yes
Municipal Obligations	5 Years	3.71 Years	Yes
Corporate Notes	5 Years	4.71 Years	Yes
Negotiable CDs	5 Years	2.20 Years	Yes

Sector Allocations

	Maximum Allocation	Current Allocation	In Compliance?
U.S. Treasuries	100%	9.76%	Yes
Federal Agencies	100%	7.51%	Yes
Federal Agency CMO	20%	0.29%	Yes
Municipal Obligations	30%	1.78%	Yes
Corporate Notes	30%	10.83%	Yes
Negotiable CDs	30%	7.40%	Yes