

Q1
FY2015

George H. Clark Memorial Scholarship Fund

Quarterly Investment Report

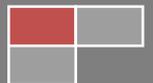
September 30, 2014

City of
SACRAMENTO
Office of the City Treasurer

www.cityofsacramento.org/treasurer/

Russell Fehr, City Treasurer

Q1 FY2015



INTRODUCTION

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

The City of Sacramento George H. Clark Memorial Scholarship Fund will help deserving senior high school students in their pursuit of a college education that will make them valuable members of the community. Four (4) scholarships per year (\$5,000) each or \$20,000 will be awarded to senior high school students to help provide for a college education. The committee selects the annual recipients from a group of eligible students submitted by SCUSD based on pre-determined achievement criteria.

To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

STRATEGY

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

OBJECTIVES

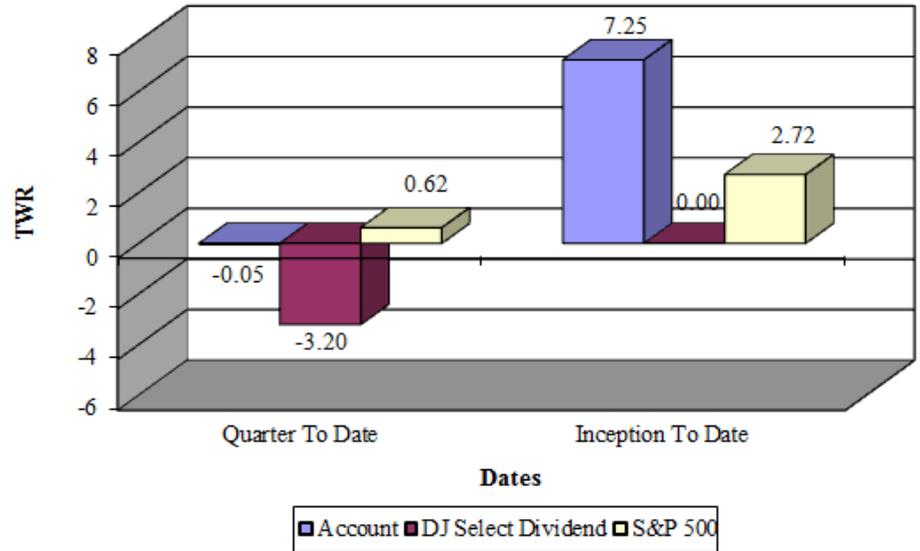
- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2014

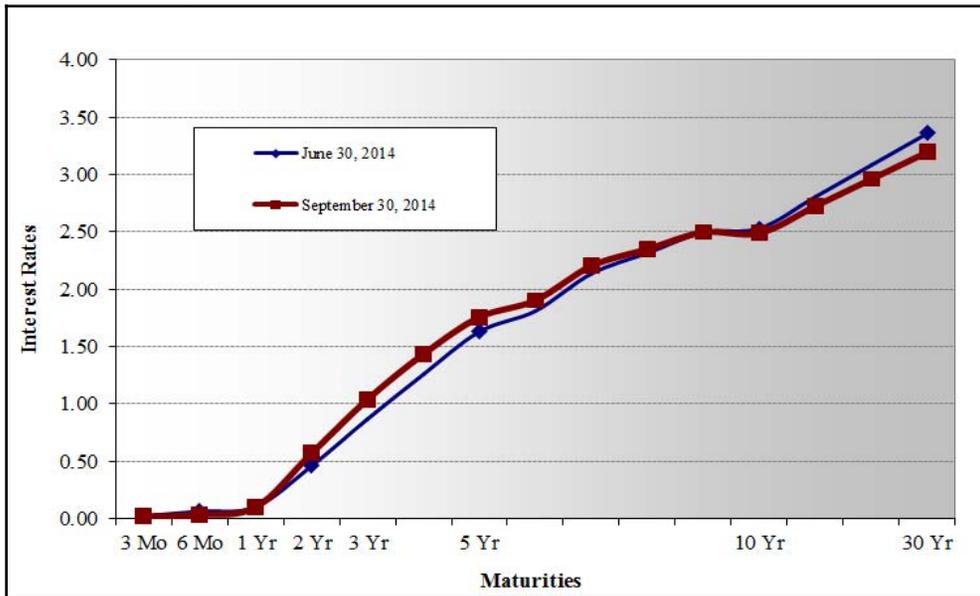
Performance

	Quarter To Date	Inception To Date
Account	-0.05	7.25
DJ Select Dividend	-3.20	?*
S&P 500	0.62	2.72

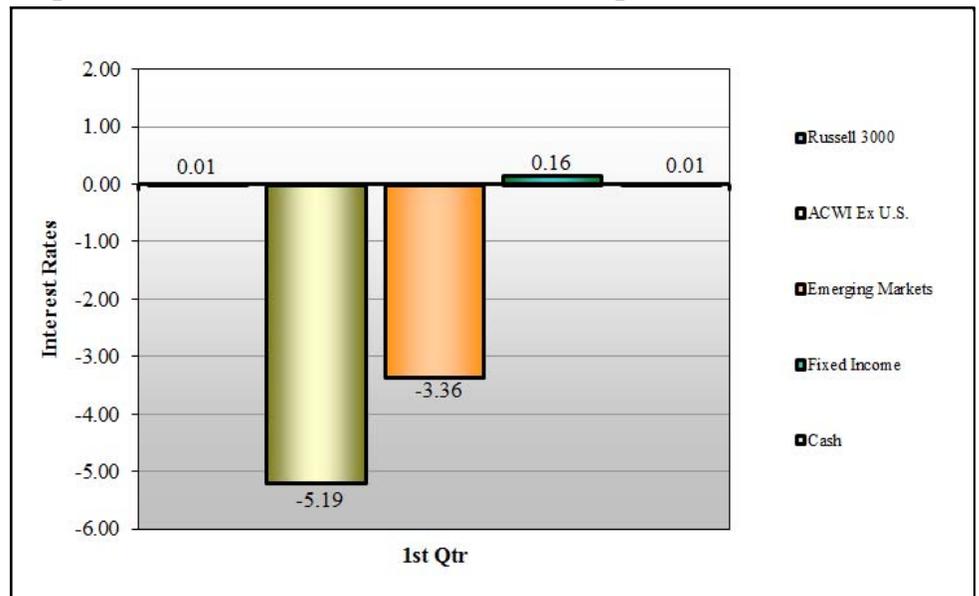
* Index commencement date was 11/30/03



U.S. Treasury Yield Curve - Fiscal Year 2014-15



Capital Market Returns - Quarter Ended September 30, 2014



City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2014

Activity

From 06-30-14 to 09-30-14

Portfolio Value on 06-30-14	958,380
Contributions	0
Withdrawals	-7,220
Realized Gains	0
Unrealized Gains	-7,808
Interest	739
Dividends	6,583
Portfolio Value on 09-30-14	950,674

Operating Cash Account Activity

From Inception to 09-30-14

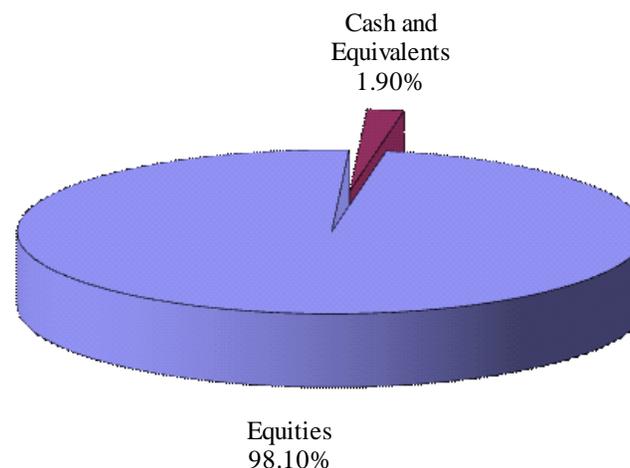
	Inception to FY14	<u>FY15 QE</u> 09-30-14	Inception to FY15
Beginning Balance ¹		43,681	
Initial Contribution	83		83
Cash Transfers In *	333,523	7,220	340,743
Interest Income **	8,738		8,738
Scholarship Payments	-250,000	-20,000	-270,000
Investment Mgt Fees	-48,663		-48,663
Ending Balance	43,681	30,901	30,901

* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

** July to September 2014 Pool A earnings are yet to be apportioned.

¹ Beginning balance was adjusted to include June 2014 Pool A interest earnings and cash transferred from Memorial Investment Cash Account to Operating Cash Account.

Actual Asset Allocation



Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	120,912	12.72
Select Sector Spdr Tr Sbi Cons Discr	106,704	11.22
Monsanto C0 New Com	56,255	5.92
Philip Morris Intl Inc Com	54,210	5.70
Johnson & Johnson	53,295	5.61
Kinder Morgan Energy Partners Ltd	46,640	4.91
Select Sector Spdr Tr Sbi Int-Finl	46,340	4.87
Ishares Tr Transp Ave Idx	45,270	4.76
Caterpillar Inc Del Com	39,612	4.17
Select Sector Spdr Tr Sbi Healthcare	38,346	4.03

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 30, 2014

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
CASH AND EQUIVALENTS														
	divacc	Dividend Accrual		2,071		2,071		2,071	0.22	4.00				
	miscintrec	Misc Interest Receivable		103		103		103	0.01	4.00				
	PoolA	Pool A Cash		18,039		18,039		18,039	1.90	0.88				
	intreceiv	Pool A Interest Receivable		42		42		42	0.00	0.88				
	slliab	Securities Lending Liability		-2,154		-2,154		-2,154	-0.23	0.00				
				<u>18,101</u>		<u>18,101</u>		<u>18,101</u>	1.90	1.36				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	112.51	56,255		56,255	5.92	1.74	A			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	99.03	39,612		39,612	4.17	2.83	A+			
400	de	Deere & Co Com	59.47	23,789	81.99	32,796		32,796	3.45	2.93	A			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	150.90	45,270		45,270	4.76	0.78				
				<u>74,634</u>		<u>117,678</u>		<u>117,678</u>	12.38	2.07				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	35.24	24,668		24,668	2.59	5.22	B+			
500	vz	Verizon Communications Inc	34.95	17,474	49.99	24,995		24,995	2.63	4.40	B			
				<u>45,348</u>		<u>49,663</u>		<u>49,663</u>	5.22	4.81				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	66.69	106,704		106,704	11.22	1.36				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	45.94	29,861		29,861	3.14	4.53	A-			
600	ko	Coca Cola Co Com	32.30	19,383	42.66	25,596		25,596	2.69	2.86	A+			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	83.40	54,210		54,210	5.70	4.80				
				<u>70,773</u>		<u>109,667</u>		<u>109,667</u>	11.54	4.27				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	119.32	29,830		29,830	3.14	3.59	A+			
300	iey	Ishares US Energy ETF	37.85	11,356	51.54	15,462		15,462	1.63	1.73				
500	kmp	Kinder Morgan Energy Partners Ltd	48.23	24,114	93.28	46,640		46,640	4.91	5.96				
				<u>66,277</u>		<u>91,932</u>		<u>91,932</u>	9.67	4.48				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.68	23,496		23,496	2.47	11.24	B			
2,000	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.60	27,195	23.17	46,340		46,340	4.87	1.61				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	62.96	28,332		28,332	2.98	1.54				
				<u>78,776</u>		<u>98,168</u>		<u>98,168</u>	10.33	3.89				

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 30, 2014

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HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	106.59	53,295		53,295	5.61	2.63	A+			
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	63.91	38,346		38,346	4.03	1.39				
				50,016		91,641		91,641	9.64	2.11				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	100.75	31,736		31,736	3.34	1.87	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	100.76	120,912		120,912	12.72	1.07				
				98,836		152,648		152,648	16.06	1.23				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	42.09	25,254		25,254	2.66	3.54				
				586,553		899,610		899,610	94.63	2.73				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	43.95	32,962		32,962	3.47	5.32				
				31,687		32,962		32,962	3.47	5.32				
TOTAL PORTFOLIO				636,342		950,674	0	950,674	100.00	2.80				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 07-01-14 To 09-30-14

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
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No transactions within the specified date range were found!

Q2
FY2015

George H. Clark Memorial Scholarship Fund

Quarterly Investment Report

December 31, 2014

City of
SACRAMENTO
Office of the City Treasurer

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Russell Fehr, City Treasurer

Q2 FY2015



INTRODUCTION

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OBJECTIVES

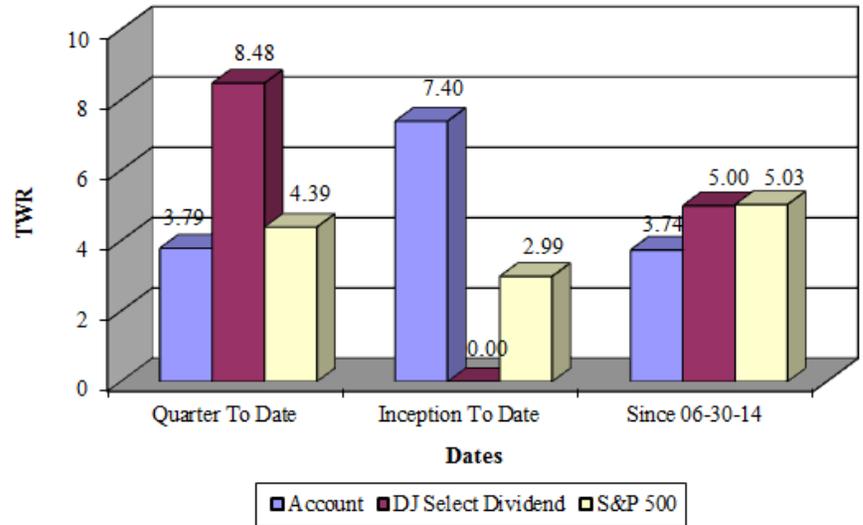
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City of Sacramento
George H. Clark Memorial Scholarship Fund
 December 31, 2014

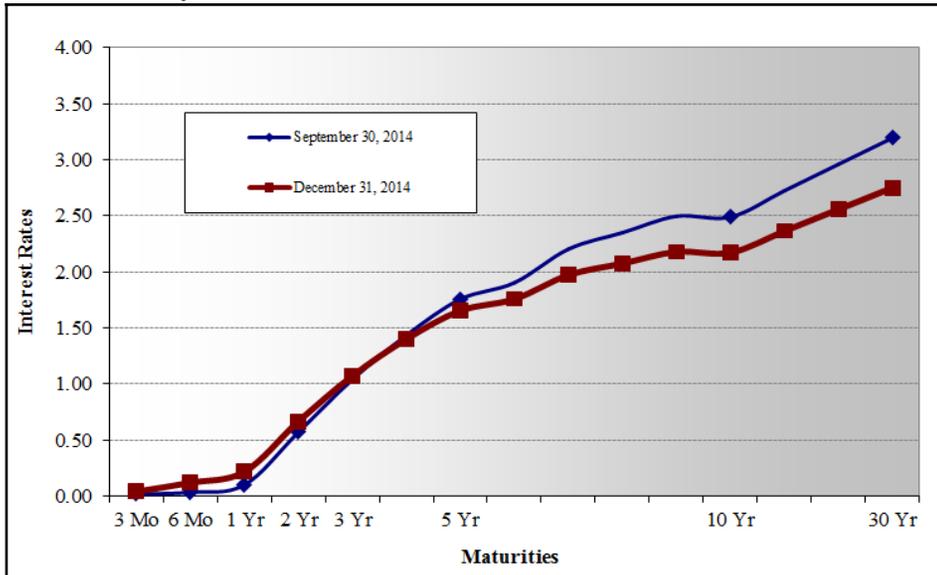
Performance

	Quarter To Date	Inception To Date	Since 06-30-14
Account	3.79	7.40	3.74
DJ Select Dividend	8.48	?*	5.00
S&P 500	4.39	2.99	5.03

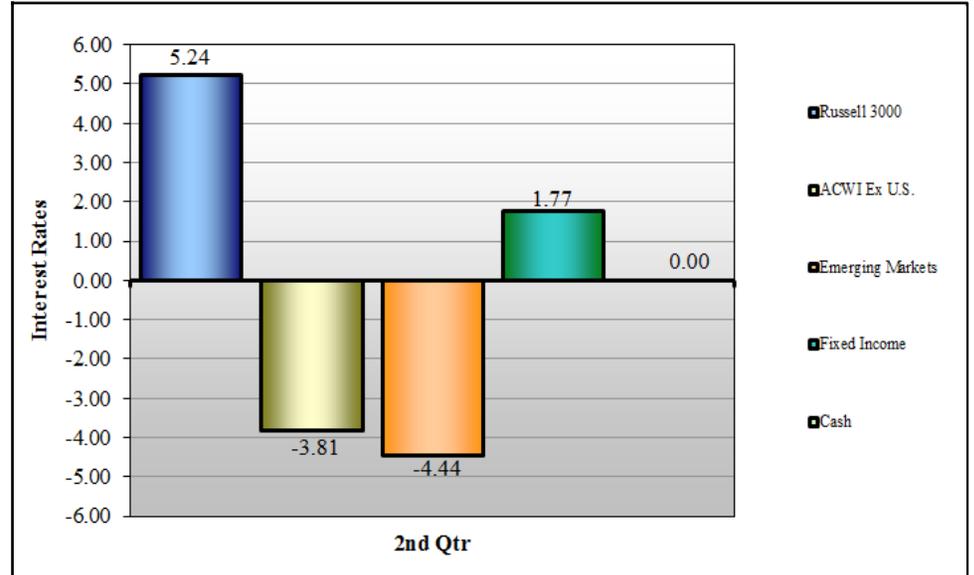
* Index commencement date was 11/30/03



U.S. Treasury Yield Curve - Fiscal Year 2014-15



Capital Market Returns - Quarter Ended December 31, 2014



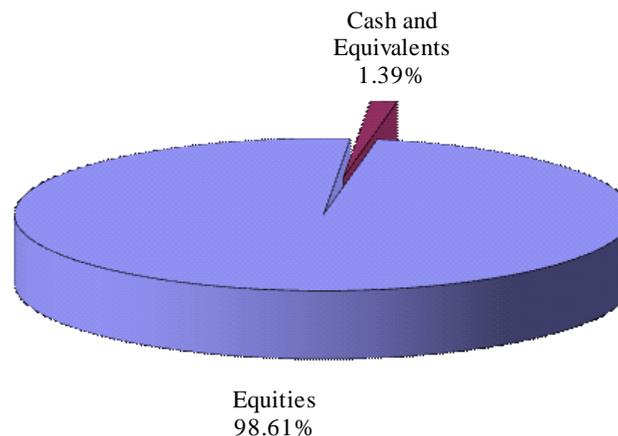
City of Sacramento
George H. Clark Memorial Scholarship Fund
 December 31, 2014

Activity

From 09-30-14 to 12-31-14

Portfolio Value on 09-30-14	950,674
Contributions	0
Withdrawals	-8,081
Realized Gains	4,187
Unrealized Gains	23,923
Interest	872
Dividends	7,055
Portfolio Value on 12-31-14	978,629

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 12-31-14

	Inception to FY14	FY15 QE		Inception to FY15
		09-30-14	12-31-14	
Beginning Balance		43,681	30,901	
Initial Contribution	83			83
Cash Transfers In *	333,523	7,220	8,080	348,823
Interest Income **	8,738		27	8,765
Scholarship Payments	-250,000	-20,000		-270,000
Investment Mgt Fees	-48,663			-48,663
Ending Balance	43,681	30,901	39,008	39,008

* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

** July to December 2014 Pool A earnings are yet to be apportioned.

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	125,280	12.80
Select Sector Spdr Tr Sbi Cons Discr	115,440	11.80
Monsanto C0 New Com	59,735	6.10
Philip Morris Intl Inc Com	52,942	5.41
Johnson & Johnson	52,285	5.34
Select Sector Spdr Tr Sbi Int-Finl	49,460	5.05
Ishares Tr Transp Ave Idx	49,221	5.03
Kinder Morgan Inc Del Com	47,091	4.81
Select Sector Spdr Tr Sbi Healthcare	41,028	4.19
Caterpillar Inc Del Com	36,612	3.74

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 31, 2014

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
CASH AND EQUIVALENTS														
	divacc	Dividend Accrual		1,888		1,888		1,888	0.19	4.00				
	miscintrec	Misc Interest Receivable		75		75		75	0.01	4.00				
	PoolA	Pool A Cash		11,506		11,506		11,506	1.18	2.10				
	intreceiv	Pool A Interest Receivable		89		89		89	0.01	2.10				
				<u>13,558</u>		<u>13,558</u>		<u>13,558</u>	1.39	2.38				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	119.47	59,735		59,735	6.10	1.64	A			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	91.53	36,612		36,612	3.74	3.06	A+			
400	de	Deere & Co Com	59.47	23,789	88.47	35,388		35,388	3.62	2.71	A			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	164.07	49,221		49,221	5.03	0.70				
				<u>74,634</u>		<u>121,221</u>		<u>121,221</u>	12.39	2.00				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	33.59	23,513		23,513	2.40	5.60	B+			
700	vz	Verizon Communications Inc	38.05	26,634	46.78	32,746		32,746	3.35	4.70	B			
				<u>54,508</u>		<u>56,259</u>		<u>56,259</u>	5.75	5.08				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	72.15	115,440		115,440	11.80	1.31				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	49.27	32,025		32,025	3.27	4.22	A-			
600	ko	Coca Cola Co Com	32.30	19,383	42.22	25,332		25,332	2.59	2.89	A+			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	81.45	52,942		52,942	5.41	4.91				
				<u>70,773</u>		<u>110,300</u>		<u>110,300</u>	11.27	4.25				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	112.18	28,045		28,045	2.87	3.82	A+			
300	iye	Ishares US Energy ETF	37.85	11,356	44.81	13,443		13,443	1.37	2.05				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	42.31	47,091		47,091	4.81	4.16	B			
				<u>88,218</u>		<u>88,579</u>		<u>88,579</u>	9.05	3.73				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.81	23,782		23,782	2.43	11.10	B			
2,000	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.60	27,195	24.73	49,460		49,460	5.05	1.61				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	66.69	30,010		30,010	3.07	1.81				
				<u>78,776</u>		<u>103,252</u>		<u>103,252</u>	10.55	3.85				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	104.57	52,285		52,285	5.34	2.68	A+			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 31, 2014

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	68.38	41,028		41,028	4.19	1.35				
				50,016		93,313		93,313	9.54	2.09				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	110.38	34,770		34,770	3.55	1.70	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	104.40	125,280		125,280	12.80	1.13				
				98,836		160,050		160,050	16.35	1.26				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	47.22	28,332		28,332	2.90	3.19				
				617,654		936,481		936,481	95.69	2.63				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	38.12	28,590		28,590	2.92	6.30				
				31,687		28,590		28,590	2.92	6.30				
TOTAL PORTFOLIO				662,900		978,629	0	978,629	100.00	2.73				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 10-01-14 To 12-31-14

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>12-31-2014 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
11-28-2014	11-28-2014	1,113	Kinder Morgan Inc Del Com	41.38	46,056	42.31	1
12-12-2014	12-17-2014	200	Verizon Communications Inc	45.80	9,160	46.78	1
					55,216		
Total Purchases					55,216		

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 10-01-14 To 12-31-14

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
COMMON STOCK							
11-28-2014	11-28-2014	500	Kinder Morgan Energy Partners Ltd	101.65	<u>50,827</u>	48.23	<u>26,712</u>
					50,827		26,712
Total Sales					<u>50,827</u>		<u>26,712</u>

Q3
FY2015

George H. Clark Memorial Scholarship Fund

Quarterly Investment Report

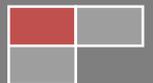
March 31, 2015

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Q3 FY2015



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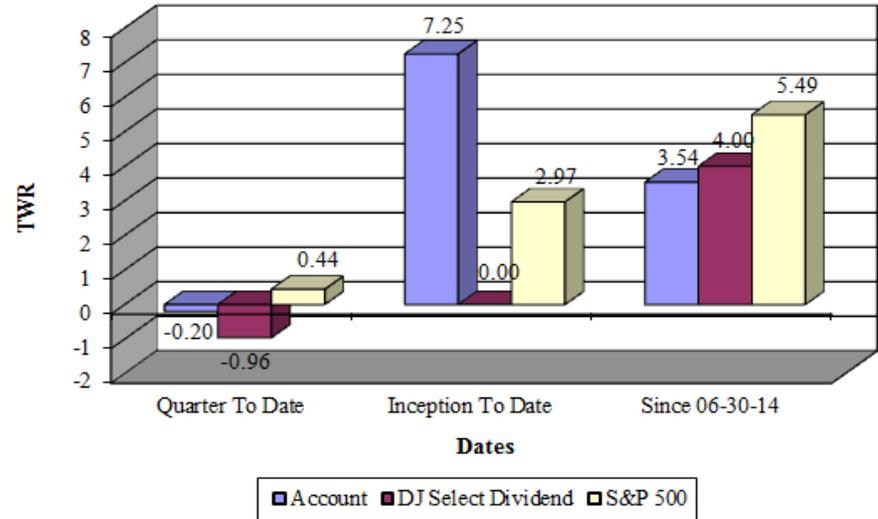
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City of Sacramento
George H. Clark Memorial Scholarship Fund
 March 31, 2015

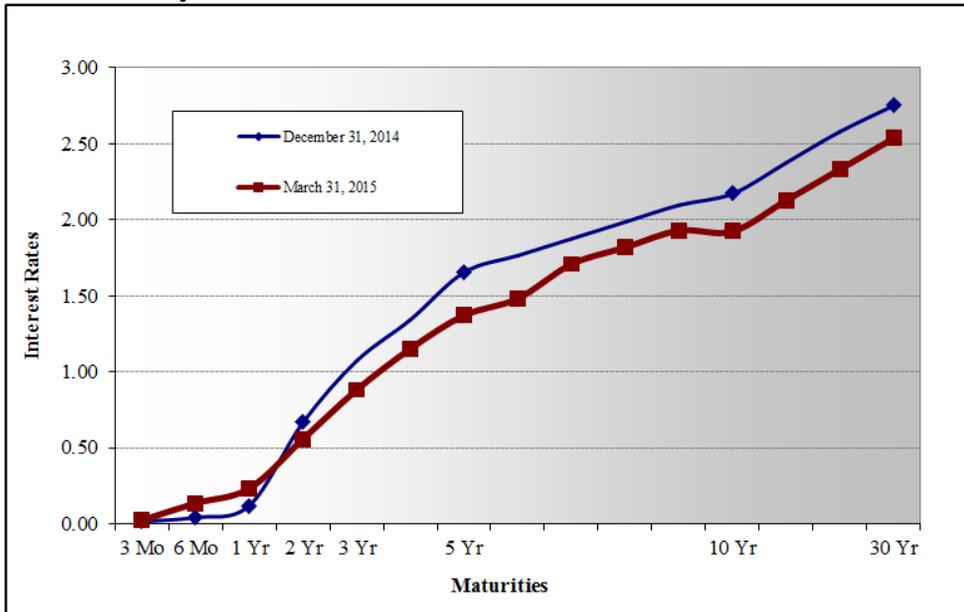
Performance

	Quarter To Date	Inception To Date	Since 06-30-14
Account	-0.20	7.25	3.54
DJ Select Dividend	-0.96	?*	4.00
S&P 500	0.44	2.97	5.49

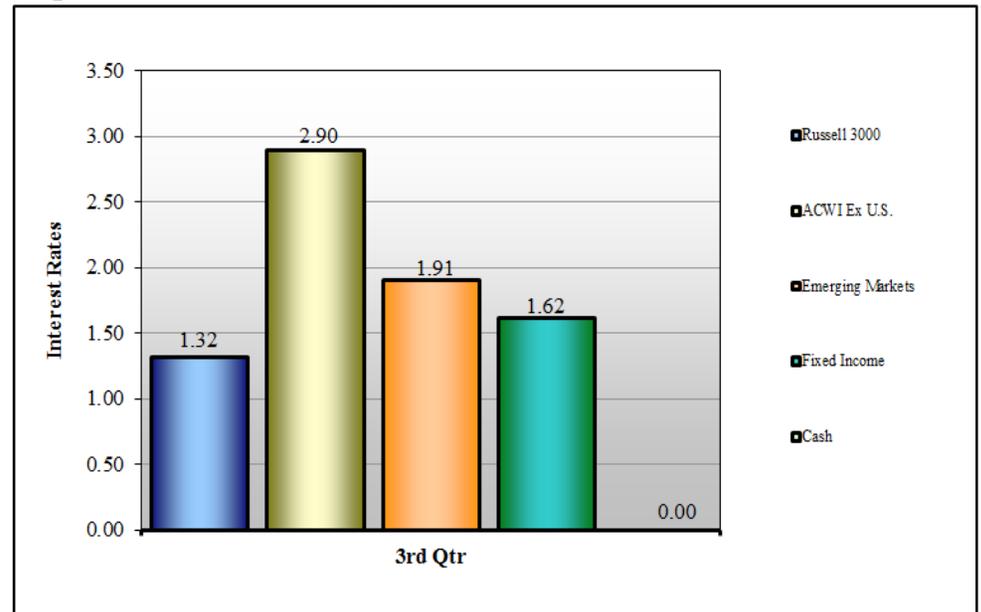
* Index commencement date was 11/30/03



U.S. Treasury Yield Curve - Fiscal Year 2014-15



Capital Market Returns - Quarter Ended March 31, 2015



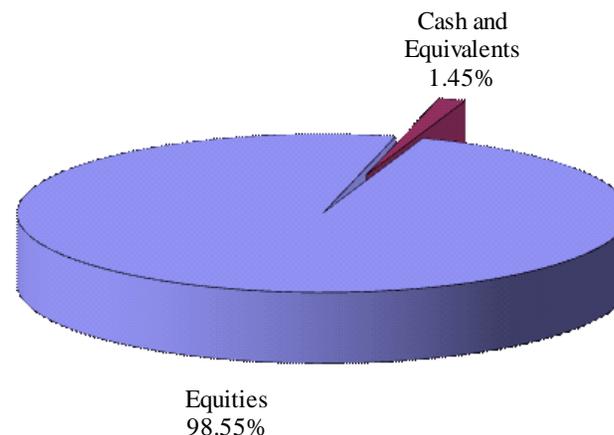
City of Sacramento
George H. Clark Memorial Scholarship Fund
 March 31, 2015

Activity

From 12-31-14 to 03-31-15

Portfolio Value on 12-31-14	978,629
Contributions	0
Withdrawals	-6,719
Realized Gains	0
Unrealized Gains	-9,097
Interest	305
Dividends	6,873
Portfolio Value on 03-31-15	969,991

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 03-31-15

	Inception to FY14	FY15 QE			Inception to FY15
		09-30-14	12-31-14	03-31-15	
Beginning Balance		43,681	30,956	39,125	
Initial Contribution	83				83
Cash Transfers In *	333,523	7,220	8,080	6,719	355,542
Interest Income **	8,738	55	89		8,882
Scholarship Payments	-250,000	-20,000			-270,000
Investment Mgt Fees	-48,663				-48,663
Ending Balance	43,681	30,956	39,125	45,844	45,844

* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

** January to March 2015 Pool A earnings are yet to be apportioned.

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	125,952	12.98
Select Sector Spdr Tr Sbi Cons Discr	120,560	12.43
Monsanto C0 New Com	56,270	5.80
Johnson & Johnson	50,300	5.19
Philip Morris Intl Inc Com	48,964	5.05
Select Sector Spdr Tr Sbi Int-Finl	48,220	4.97
Ishares Tr Transp Ave Idx	46,986	4.84
Kinder Morgan Inc Del Com	46,813	4.83
Select Sector Spdr Tr Sbi Healthcare	43,500	4.48
Apple Inc.	39,195	4.04

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 March 31, 2015

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
CASH AND EQUIVALENTS														
	divacc	Dividend Accrual		2,331		2,331		2,331	0.24	4.00				
	miscintrec	Misc Interest Receivable		158		158		158	0.02	4.00				
	PoolA	Pool A Cash		11,496		11,496		11,496	1.19	0.94				
	intreceiv	Pool A Interest Receivable		32		32		32	0.00	0.94				
				<u>14,017</u>		<u>14,017</u>		<u>14,017</u>	1.45	1.48				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	112.54	56,270		56,270	5.80	1.74	A			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	80.03	32,012		32,012	3.30	3.50	A+			
400	de	Deere & Co Com	59.47	23,789	87.69	35,076		35,076	3.62	2.74	A			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	156.62	46,986		46,986	4.84	0.80				
				<u>74,634</u>		<u>114,074</u>		<u>114,074</u>	11.76	2.15				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	32.65	22,855		22,855	2.36	5.76	B+			
700	vz	Verizon Communications Inc	38.05	26,634	48.63	34,041		34,041	3.51	4.52	B			
				<u>54,508</u>		<u>56,896</u>		<u>56,896</u>	5.87	5.02				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	75.35	120,560		120,560	12.43	1.31				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	50.02	32,513		32,513	3.35	4.16	A-			
600	ko	Coca Cola Co Com	32.30	19,383	40.55	24,330		24,330	2.51	3.26	A			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	75.33	48,964		48,964	5.05	5.31				
				<u>70,773</u>		<u>105,807</u>		<u>105,807</u>	10.91	4.48				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	104.98	26,245		26,245	2.71	4.08	A-			
300	iye	Ishares US Energy ETF	37.85	11,356	43.60	13,080		13,080	1.35	2.33				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	42.06	46,813		46,813	4.83	4.18	B			
				<u>88,218</u>		<u>86,138</u>		<u>86,138</u>	8.88	3.87				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.40	22,880		22,880	2.36	11.54	B			
2,000	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.60	27,195	24.11	48,220		48,220	4.97	1.68				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	67.09	30,190		30,190	3.11	1.75				
				<u>78,776</u>		<u>101,290</u>		<u>101,290</u>	10.44	3.93				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	100.60	50,300		50,300	5.19	2.78	A+			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
March 31, 2015

<u>Quantity</u>	<u>Security Symbol</u>	<u>Security</u>	<u>Unit Cost</u>	<u>Total Cost</u>	<u>Price</u>	<u>Market Value</u>	<u>Accrued Interest</u>	<u>Market Value + Accrd. Int.</u>	<u>Pct. Assets</u>	<u>Cur. Yield</u>	<u>S & P</u>	<u>Moody</u>	<u>Bond Status</u>	<u>Call Put Date</u>
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	72.50	43,500		43,500	4.48	1.28				
				50,016		93,800		93,800	9.67	2.08				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	124.43	39,195		39,195	4.04	1.51	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	104.96	125,952		125,952	12.98	1.16				
				98,836		165,147		165,147	17.03	1.25				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	44.43	26,658		26,658	2.75	3.43				
				617,654		926,641		926,641	95.53	2.68				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	39.11	29,332		29,332	3.02	6.14				
				31,687		29,332		29,332	3.02	6.14				
TOTAL PORTFOLIO				663,359		969,991	0	969,991	100.00	2.77				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 01-01-15 To 03-31-15

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
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No transactions within the specified date range were found!

Q4
FY2015

George H. Clark Memorial Scholarship Fund

Quarterly Investment Report

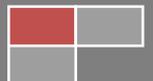
June 30, 2015

City of
SACRAMENTO
Office of the City Treasurer

[Office of the City Treasurer - City of Sacramento](#)

Russell Fehr, City Treasurer

Q4 FY2015



INTRODUCTION

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

The City of Sacramento George H. Clark Memorial Scholarship Fund will help deserving senior high school students in their pursuit of a college education that will make them valuable members of the community. Four (4) scholarships per year (\$5,000) each or \$20,000 will be awarded to senior high school students to help provide for a college education. The committee selects the annual recipients from a group of eligible students submitted by SCUSD based on pre-determined achievement criteria.

To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

STRATEGY

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

OBJECTIVES

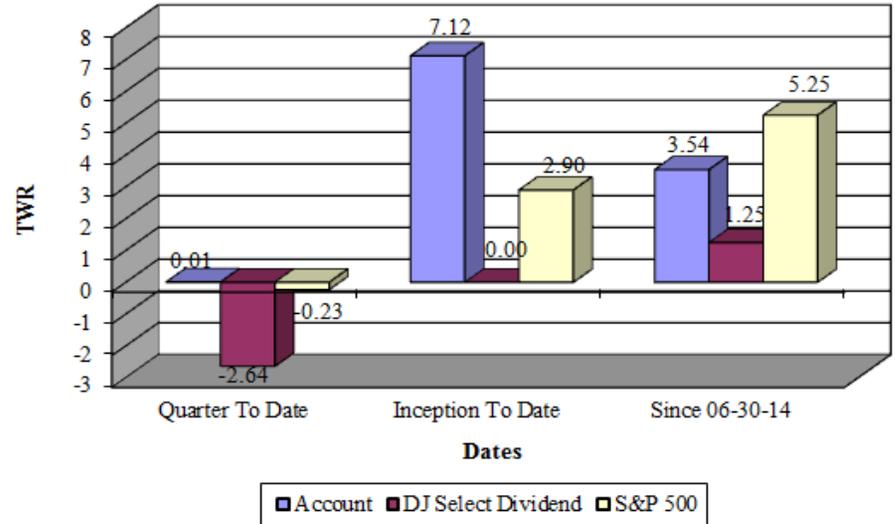
- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2015

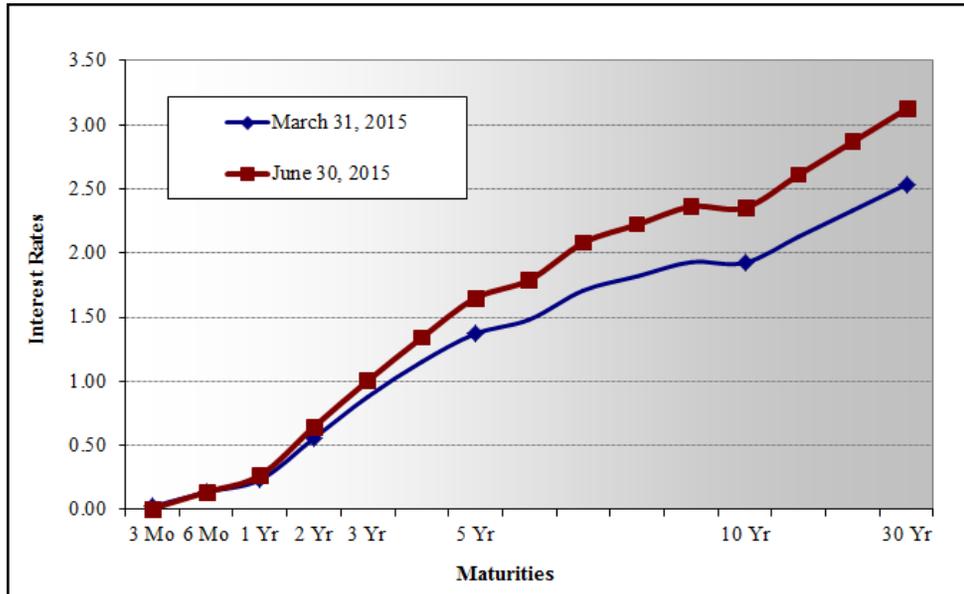
Performance

	Quarter To Date	Inception To Date	Since 06-30-14
Account	0.01	7.12	3.54
DJ Select Dividend	-2.64	?*	1.25
S&P 500	-0.23	2.90	5.25

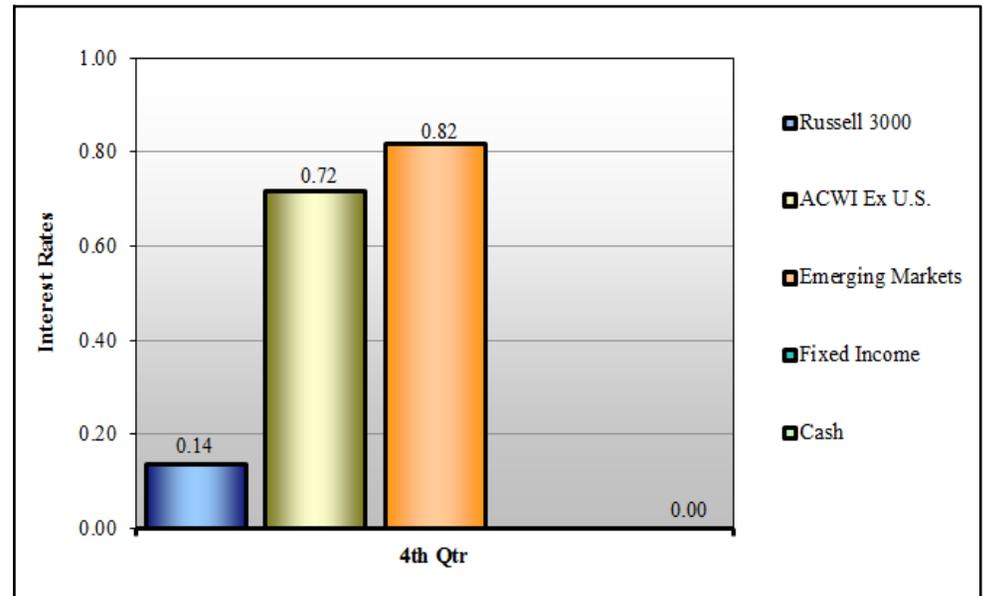
* Index commencement date was 11/30/03



U.S. Treasury Yield Curve - Fiscal Year 2014-15



Capital Market Returns - Quarter Ended June 30, 2015



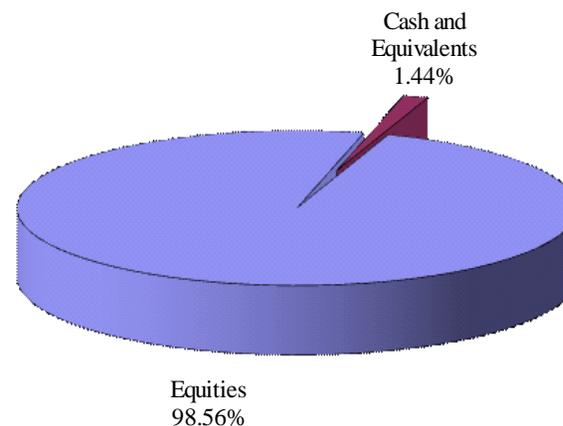
City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2015

Activity

From 03-31-15 to 06-30-15

Portfolio Value on 03-31-15	969,991
Contributions	0
Withdrawals	-6,966
Realized Gains	0
Unrealized Gains	-6,641
Interest	33
Dividends	6,764
Portfolio Value on 06-30-15	963,181

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 06-30-15

	Inception to FY14	FY15 QE				Inception to FY15
		09-30-14	12-31-14	03-31-15	06-30-15	
Beginning Balance		43,681	30,956	39,125	45,927	
Initial Contribution	83					83
Cash Transfers In *	333,523	7,220	8,080	6,719	6,966	362,508
Interest Income **	8,738	55	89	83	33	8,998
Scholarship Payments	-250,000	-20,000				-270,000
Investment Mgt Fees	-48,663				-3,008	-51,671
Ending Balance	43,681	30,956	39,125	45,927	49,918	49,918

* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

** May to June 2015 Pool A earnings are yet to be apportioned.

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	125,604	13.04
Select Sector Spdr Tr Sbi Cons Discr	122,368	12.70
Monsanto C0 New Com	53,295	5.53
Philip Morris Intl Inc Com	52,110	5.41
Select Sector Spdr Tr Sbi Int-Finl	48,760	5.06
Johnson & Johnson	48,730	5.06
Select Sector Spdr Tr Sbi Healthcare	44,634	4.63
Ishares Tr Transp Ave Idx	43,494	4.52
Kinder Morgan Inc Del Com	42,728	4.44
Apple Inc.	39,509	4.10

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2015

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
CASH AND EQUIVALENTS														
	divacc	Dividend Accrual		2,331		2,331		2,331	0.24	4.00				
	PoolA	Pool A Cash		11,496		11,496		11,496	1.19	1.04				
	intreceiv	Pool A Interest Receivable		21		21		21	0.00	1.04				
				<u>13,848</u>		<u>13,848</u>		<u>13,848</u>	1.44	1.54				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	106.59	53,295		53,295	5.53	1.84	A			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	84.82	33,928		33,928	3.52	3.63	A+			
400	de	Deere & Co Com	59.47	23,789	97.05	38,820		38,820	4.03	2.47	A			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	144.98	43,494		43,494	4.52	1.00				
				<u>74,634</u>		<u>116,242</u>		<u>116,242</u>	12.07	2.26				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	35.52	24,864		24,864	2.58	5.29	B+			
700	vz	Verizon Communications Inc	38.05	26,634	46.61	32,627		32,627	3.39	4.72	B			
				<u>54,508</u>		<u>57,491</u>		<u>57,491</u>	5.97	4.97				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	76.48	122,368		122,368	12.70	1.34				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	48.91	31,791		31,791	3.30	4.25	A-			
600	ko	Coca Cola Co Com	32.30	19,383	39.23	23,538		23,538	2.44	3.36	A			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	80.17	52,110		52,110	5.41	4.99				
				<u>70,773</u>		<u>107,440</u>		<u>107,440</u>	11.15	4.42				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	96.47	24,117		24,117	2.50	4.44	A-			
300	eye	Ishares US Energy ETF	37.85	11,356	42.38	12,714		12,714	1.32	2.54				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	38.39	42,728		42,728	4.44	5.00	B			
				<u>88,218</u>		<u>79,560</u>		<u>79,560</u>	8.26	4.44				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	9.19	20,218		20,218	2.10	13.06	B			
2,000	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.60	27,195	24.38	48,760		48,760	5.06	1.74				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	68.08	30,636		30,636	3.18	1.73				
				<u>78,776</u>		<u>99,614</u>		<u>99,614</u>	10.34	4.04				
HEALTHCARE														
500	jjj	Johnson & Johnson	61.71	30,855	97.46	48,730		48,730	5.06	3.08	A+			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2015

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Moody	Bond Status	Call Put Date
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	74.39	44,634		44,634	4.63	1.29				
				50,016		93,364		93,364	9.69	2.22				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	125.43	39,509		39,509	4.10	1.66	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	104.67	125,604		125,604	13.04	1.14				
				98,836		165,113		165,113	17.14	1.26				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	41.46	24,876		24,876	2.58	3.72				
				617,654		919,362		919,362	95.45	2.77				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	39.96	29,970		29,970	3.11	5.96				
				31,687		29,970		29,970	3.11	5.96				
TOTAL PORTFOLIO				663,190		963,181	0	963,181	100.00	2.85				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 04-01-15 To 06-30-15

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
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No transactions within the specified date range were found!