

Q1 FY2017

George H. Clark Memorial Scholarship Fund Quarterly Investment Report September 30, 2016



Office of the City Treasurer - City of Sacramento

John Colville, Interim City Treasurer

Q1 FY2017

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.

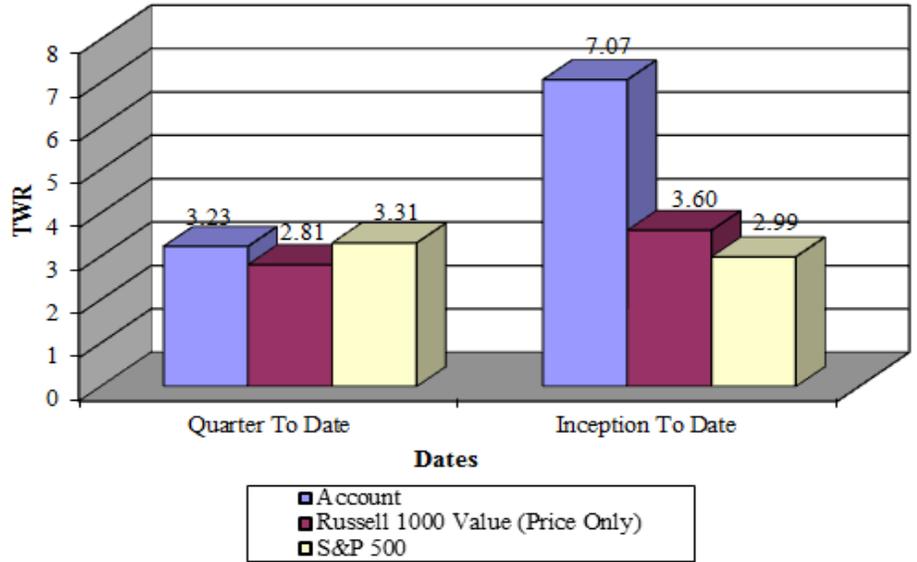
OBJECTIVES

- 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.

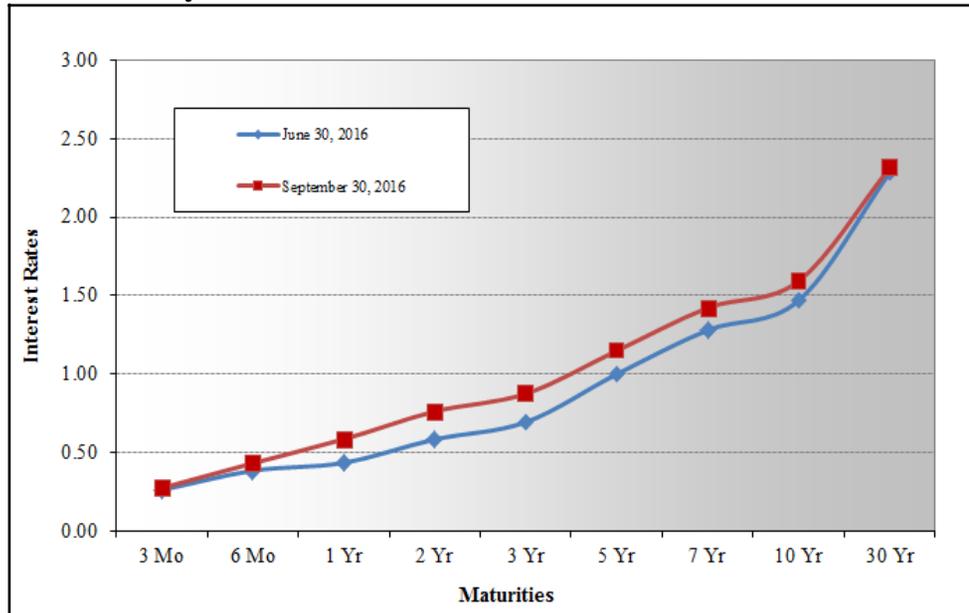
City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2016

Performance

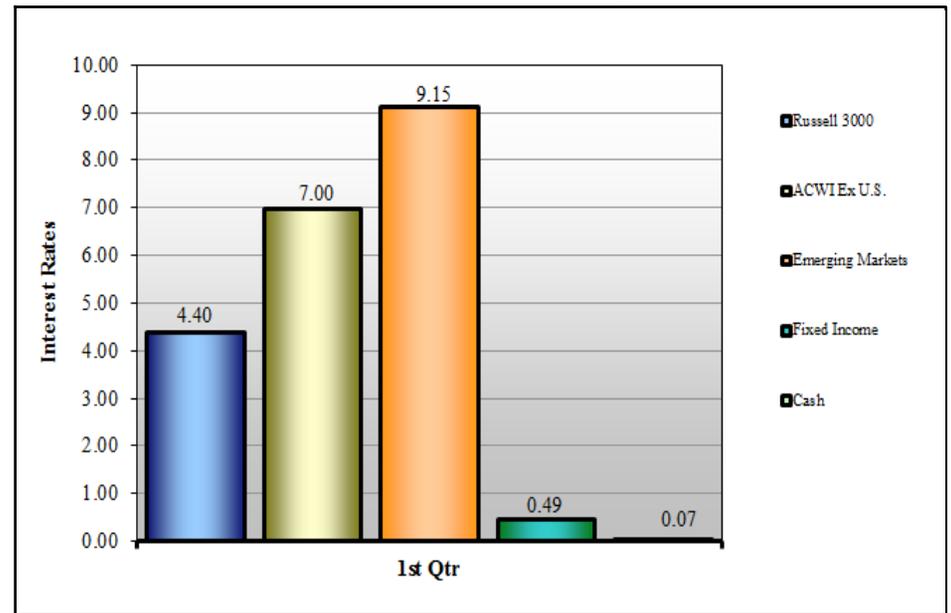
	Quarter To Date	Inception To Date
Account	3.23	7.07
Russell 1000 Value (Price Only)	2.81	3.60
S&P 500	3.31	2.99



U.S. Treasury Yield Curve - Fiscal Year 2016-17



Capital Market Returns - Quarter Ended Sep 30, 2016



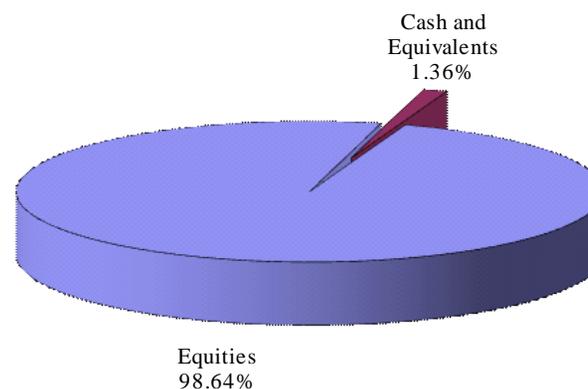
City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2016

Activity

From 06-30-16 to 09-30-16

Portfolio Value on 06-30-16	979,546
Contributions	0
Withdrawals	-6,784
Realized Gains	0
Unrealized Gains	15,913
Interest	40
Dividends	15,650
Portfolio Value on 09-30-16	1,004,366

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 09-30-16

	Inception to FY16	FY17 QE 09-30-16	Inception to FY17
Beginning Balance ¹		55,277	
Initial Contribution	83		83
Cash Transfers In *	390,395	6,784	397,179
Interest Income **	9,470		9,470
Scholarship Payments	-290,000	-20,000	-310,000
Investment Mgt Fees	-54,671		-54,671
Ending Balance	55,277	42,061	42,061

¹ Beginning balance was adjusted to include January to June 2016 Pool A interest earnings and cash transferred from Memorial Investment Cash Account to Operating Cash Account.

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

** July to September 2016 Pool A earnings are yet to be apportioned.

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	142,800	14.22
Select Sector Spdr Tr Sbi Cons Discr	128,064	12.75
Philip Morris Intl Inc Com	63,193	6.29
Johnson & Johnson	59,065	5.88
Monsanto C0 New Com	51,100	5.09
Ishares Tr Transp Ave Idx	43,572	4.34
Select Sector Spdr Tr Sbi Healthcare	43,266	4.31
Altria Group Inc	41,099	4.09
Select Sector Spdr Tr Sbi Int-Finl	38,600	3.84
Verizon Communications Inc	36,386	3.62

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 30, 2016

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		2,104		2,104		2,104	0.21	4.00				
	PoolA	Pool A Cash		11,506		11,506		11,506	1.15	1.34				
	intreceiv	Pool A Interest Receivable		40		40		40	0.00	1.34				
				13,650		13,650		13,650	1.36	1.75				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	102.20	51,100		51,100	5.09	2.11	A			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	88.77	35,508		35,508	3.54	3.47	A-			
400	de	Deere & Co Com	59.47	23,789	85.35	34,140		34,140	3.40	2.81	A-			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	145.24	43,572		43,572	4.34	1.14				
				74,634		113,220		113,220	11.27	2.37				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	40.61	28,427		28,427	2.83	4.73	B+			
700	vz	Verizon Communications Inc	38.05	26,634	51.98	36,386		36,386	3.62	4.44	B			
				54,508		64,813		64,813	6.45	4.57				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	80.04	128,064		128,064	12.75	1.53				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	63.23	41,099		41,099	4.09	3.86	A-			
600	ko	Coca Cola Co Com	32.30	19,383	42.32	25,392		25,392	2.53	3.31	A			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	97.22	63,193		63,193	6.29	4.28				
				70,773		129,684		129,684	12.91	3.96				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	102.92	25,730		25,730	2.56	4.16	B+			
300	eye	Ishares US Energy ETF	37.85	11,356	39.00	11,700		11,700	1.16	2.41				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	23.13	25,744		25,744	2.56	2.16	B			
				88,218		63,174		63,174	6.29	3.02				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.50	23,100		23,100	2.30	10.06	B			
2,000	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.60	27,195	19.30	38,600		38,600	3.84	2.63				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	74.10	33,345		33,345	3.32	1.67				
				78,776		95,045		95,045	9.46	4.10				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	118.13	59,065		59,065	5.88	2.71	A			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 30, 2016

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	xlx	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	72.11	43,266		43,266	4.31	1.53				
				50,016		102,331		102,331	10.19	2.21				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	113.05	35,611		35,611	3.55	2.02	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	119.00	142,800		142,800	14.22	1.16				
				98,836		178,411		178,411	17.76	1.33				
REAL ESTATE INVESTMENT TRUSTS														
278	xlre	Select Sector Spdr Tr RI Est Sel Sec	31.99	8,893	32.77	9,110		9,110	0.91	3.32				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	48.99	29,394		29,394	2.93	3.35				
				626,548		964,346		964,346	96.02	2.65				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored ADR	42.25	31,687	35.16	26,370		26,370	2.63	6.77				
				31,687		26,370		26,370	2.63	6.77				
TOTAL PORTFOLIO				671,885		1,004,366	0	1,004,366	100.00	2.75				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 07-01-16 To 09-30-16

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>09-30-2016 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
09-19-2016	09-22-2016	278	Select Sector Spdr Tr Rl Est Sel Sec	31.99	<u>8,903</u>	32.77	1
					8,903		
Total Purchases					<u>8,903</u>		

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 07-01-16 To 09-30-16

<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							
09-27-2016	09-27-2016	0	Select Sector Spdr Tr Rl Est Sel Sec	32.53	9	31.99	0
					9		0
Total Sales					9		0

Q2 FY2017

George H. Clark Memorial Scholarship Fund Quarterly Investment Report December 31, 2016



Office of the City Treasurer - City of Sacramento

John Colville, Interim City Treasurer

Q2 FY2017

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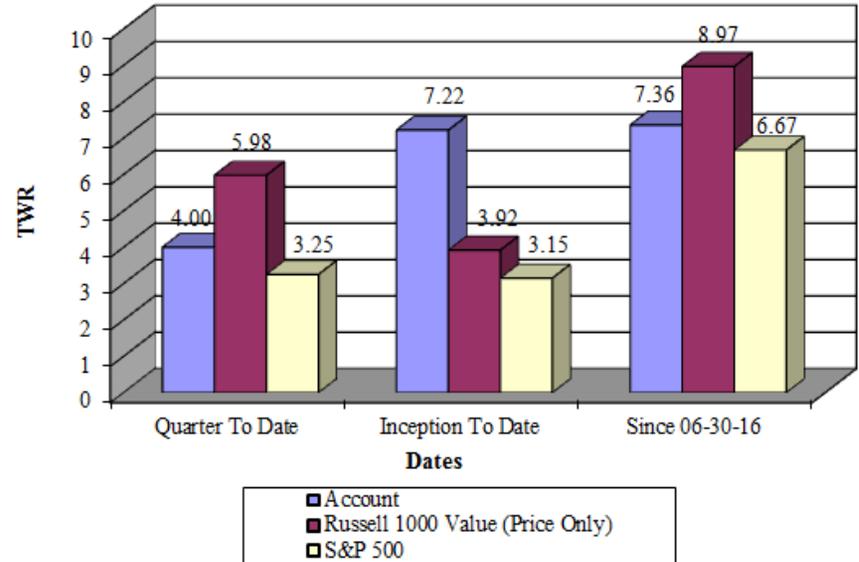
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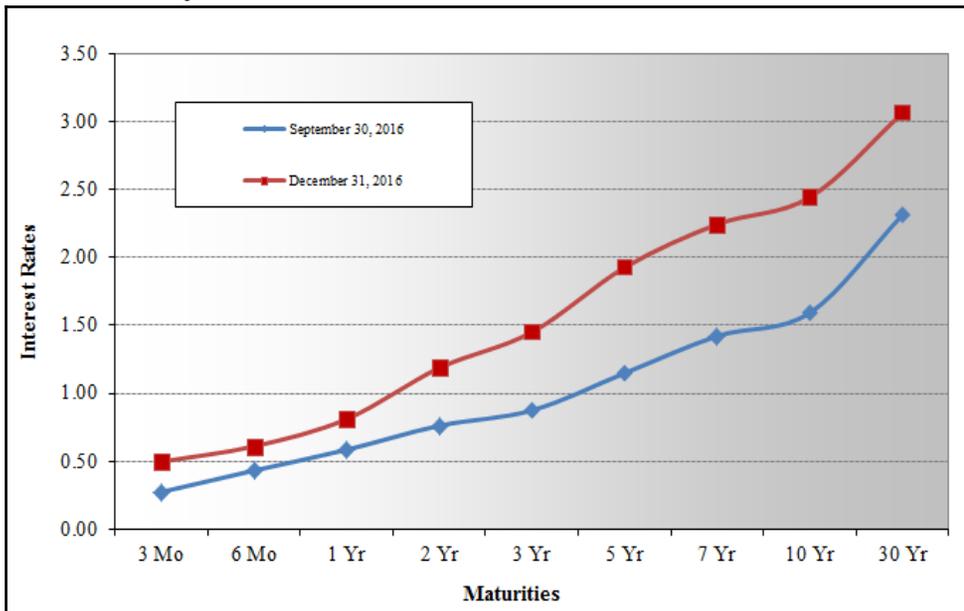
City of Sacramento
George H. Clark Memorial Scholarship Fund
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Performance

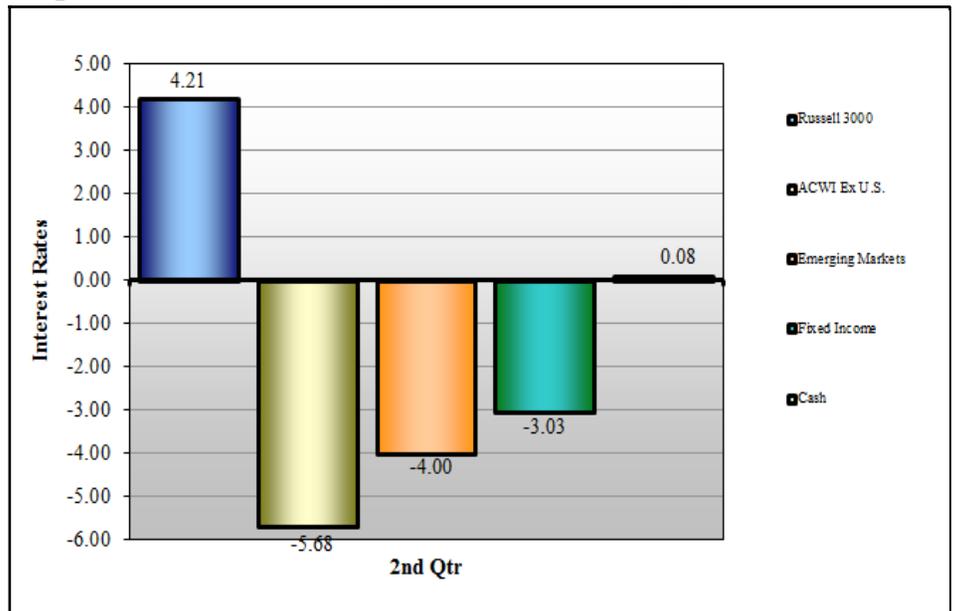
	Quarter To Date	Inception To Date	Since 06-30-16
Account	4.00	7.22	7.36
Russell 1000 Value (Price Only)	5.98	3.92	8.97
S&P 500	3.25	3.15	6.67



U.S. Treasury Yield Curve - Fiscal Year 2016-17



Capital Market Returns - Quarter Ended Dec 31, 2016



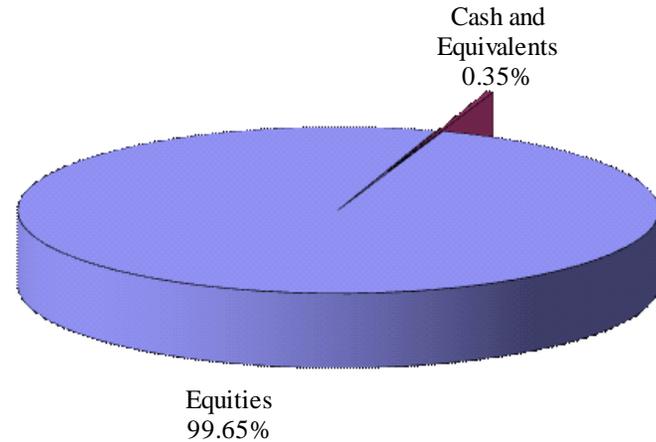
City of Sacramento
George H. Clark Memorial Scholarship Fund
 December 31, 2016

Activity

From 09-30-16 to 12-31-16

Portfolio Value on 09-30-16	1,004,366
Contributions	0
Withdrawals	-7,501
Realized Gains	0
Unrealized Gains	32,644
Interest	19
Dividends	7,370
Portfolio Value on 12-31-16	1,036,898

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 12-31-16

	Inception to FY16	FY17 QE		Inception to FY17
		09-30-16	12-31-16	
Beginning Balance		55,277	42,061	
Initial Contribution	83			83
Cash Transfers In *	390,395	6,784	7,501	404,680
Interest Income **	9,470			9,470
Scholarship Payments	-290,000	-20,000		-310,000
Investment Mgt Fees	-54,671			-54,671
Ending Balance	55,277	42,061	49,562	49,562

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	144,300	13.92
Select Sector Spdr Tr Sbi Cons Discr	130,240	12.56
Philip Morris Intl Inc Com	59,468	5.74
Select Sector Spdr Tr Sbi Int-Finl	58,125	5.61
Johnson & Johnson	57,605	5.56
Monsanto C0 New Com	52,605	5.07
Ishares Tr Transp Ave Idx	48,852	4.71
Altria Group Inc	43,953	4.24
Select Sector Spdr Tr Sbi Healthcare	41,364	3.99
Deere & Co Com	41,216	3.97

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

** July to December 2016 Pool A earnings are yet to be apportioned.

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 31, 2016

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		1,972		1,972		1,972	0.19	4.00				
	PoolA	Pool A Cash		1,621		1,621		1,621	0.16	1.17				
	intreceiv	Pool A Interest Receivable		60		60		60	0.01	1.17				
				3,653		3,653		3,653	0.35	2.70				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	105.21	52,605		52,605	5.07	2.05	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	92.74	37,096		37,096	3.58	3.32	A-			
400	de	Deere & Co Com	59.47	23,789	103.04	41,216		41,216	3.97	2.33	B+			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	162.84	48,852		48,852	4.71	0.96				
				74,634		127,164		127,164	12.26	2.09				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	42.53	29,771		29,771	2.87	4.61	B+			
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				54,508		67,137		67,137	6.47	4.45				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	81.40	130,240		130,240	12.56	1.71				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	67.62	43,953		43,953	4.24	3.61	A-			
600	ko	Coca Cola Co Com	32.30	19,383	41.46	24,876		24,876	2.40	3.38	A			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	91.49	59,468		59,468	5.74	4.55				
				70,773		128,297		128,297	12.37	4.00				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	117.70	29,425		29,425	2.84	3.67	B+			
300	eye	Ishares US Energy ETF	37.85	11,356	41.54	12,462		12,462	1.20	2.11				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	20.71	23,050		23,050	2.22	2.41	B			
				88,218		64,937		64,937	6.26	2.93				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	9.97	21,934		21,934	2.12	12.04	B			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	23.25	58,125		58,125	5.61	2.00				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	82.95	37,327		37,327	3.60	1.55				
				88,661		117,386		117,386	11.32	3.73				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	115.21	57,605		57,605	5.56	2.78	A			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 31, 2016

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	68.94	41,364		41,364	3.99	1.60				
				50,016		98,969		98,969	9.54	2.29				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	115.82	36,483		36,483	3.52	1.97	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	120.25	144,300		144,300	13.92	1.14				
				98,836		180,783		180,783	17.44	1.30				
REAL ESTATE INVESTMENT TRUSTS														
278	xlre	Select Sector Spdr Tr RI Est Sel Sec	31.99	8,893	30.75	8,548		8,548	0.82	4.22				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	48.57	29,142		29,142	2.81	3.41				
				636,433		1,005,210		1,005,210	96.94	2.62				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	37.38	28,035		28,035	2.70	6.37				
				31,687		28,035		28,035	2.70	6.37				
TOTAL PORTFOLIO				671,773		1,036,898	0	1,036,898	100.00	2.72				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 10-01-16 To 12-31-16

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>12-31-2016 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
10-31-2016	11-03-2016	500	Select Sector Spdr Tr Sbi Int-Finl	19.77	9,885	23.25	3
					9,885		
Total Purchases					9,885		

Q3 FY2017

George H. Clark Memorial Scholarship Fund Quarterly Investment Report March 31, 2017



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q3 FY2017

INTRODUCTION

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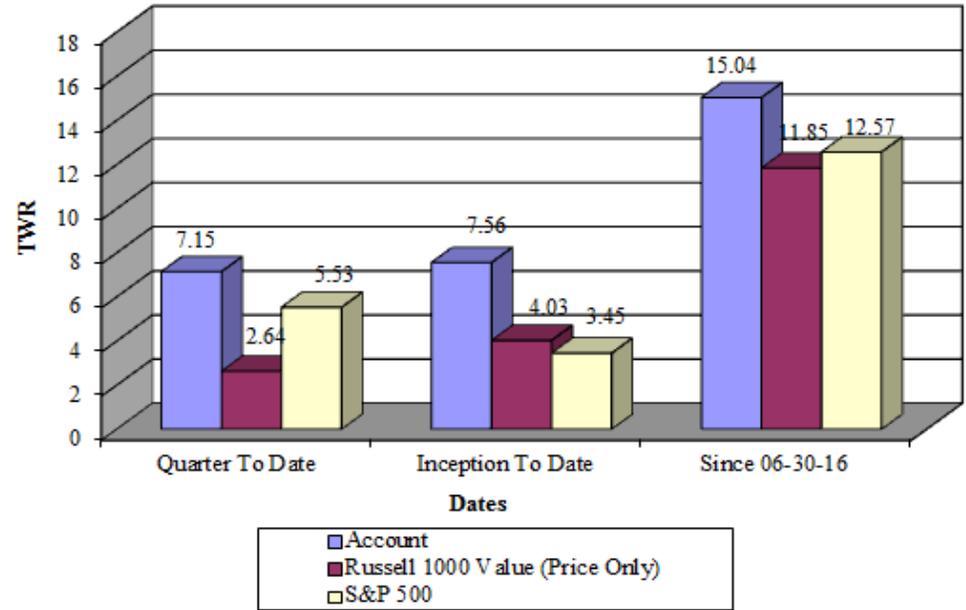
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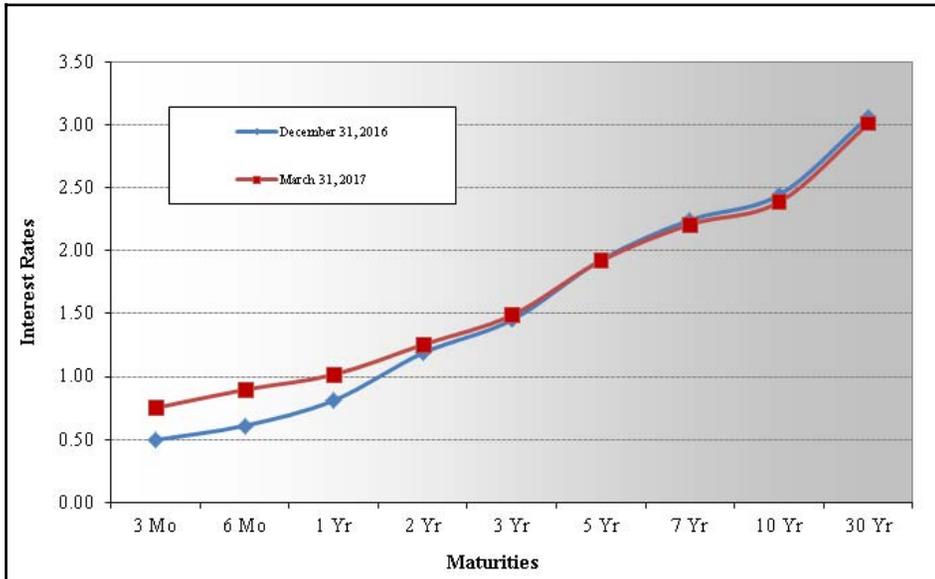
City of Sacramento
George H. Clark Memorial Scholarship Fund
 March 31, 2017

Performance

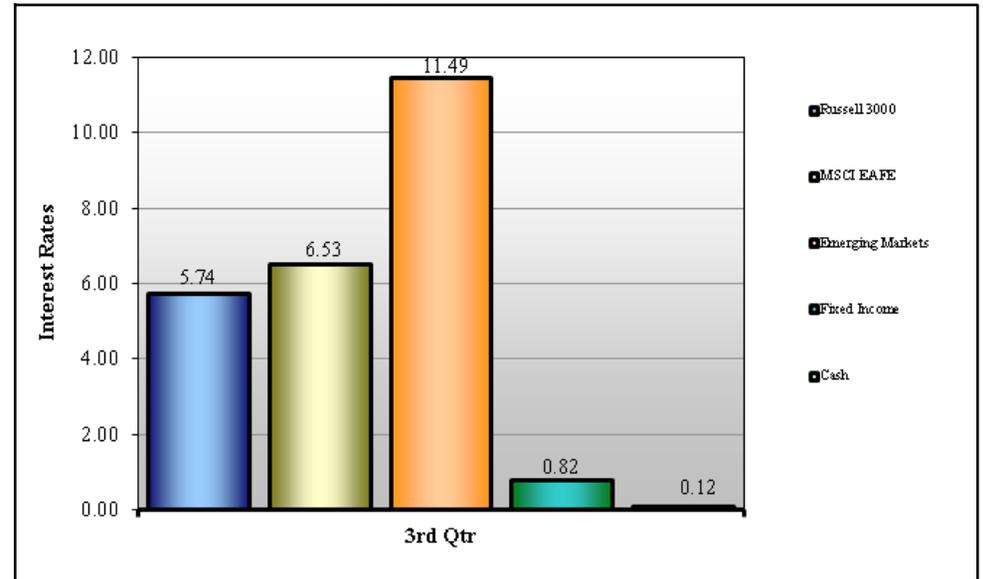
	Quarter To Date	Inception To Date	Since 06-30-16
Account	7.15	7.56	15.04
Russell 1000 Value (Price Only)	2.64	4.03	11.85
S&P 500	5.53	3.45	12.57



U.S. Treasury Yield Curve - Fiscal Year 2016-17



Capital Market Returns - Quarter Ended Mar 31, 2017



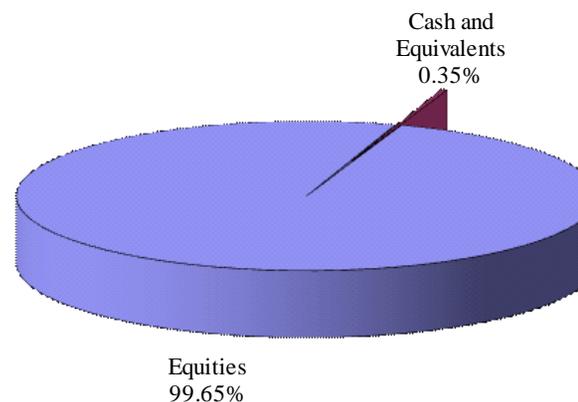
City of Sacramento
George H. Clark Memorial Scholarship Fund
 March 31, 2017

Activity

From 12-31-16 to 03-31-17

Portfolio Value on 12-31-16	1,036,898
Contributions	0
Withdrawals	-6,563
Realized Gains	0
Unrealized Gains	67,252
Interest	9
Dividends	6,785
Portfolio Value on 03-31-17	1,104,381

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 03-31-17

	Inception	FY17 QE			Inception
	to FY16	09-30-16	12-31-16	03-31-17	to FY17
Beginning Balance		55,277	42,061	49,562	
Initial Contribution	83				83
Cash Transfers In *	390,395	6,784	7,501	6,563	411,243
Interest Income **	9,470				9,470
Scholarship Payments	-290,000	-20,000			-310,000
Investment Mgt Fees	-54,671				-54,671
Ending Balance	55,277	42,061	49,562	56,125	56,125

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

** July 2016 to March 2017 Pool A earnings are yet to be apportioned.

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	162,204	14.69
Select Sector Spdr Tr Sbi Cons Discr	140,720	12.74
Philip Morris Intl Inc Com	73,385	6.64
Johnson & Johnson	62,275	5.64
Select Sector Spdr Tr Sbi Int-Finl	59,325	5.37
Monsanto C0 New Com	56,600	5.13
Ishares Tr Transp Ave Idx	49,197	4.45
Altria Group Inc	46,423	4.20
Apple Inc.	45,253	4.10
Select Sector Spdr Tr Sbi Healthcare	44,616	4.04

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 March 31, 2017

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		2,194		2,194		2,194	0.20	4.00				
	PoolA	Pool A Cash		1,621		1,621		1,621	0.15	1.47				
	intreceiv	Pool A Interest Receivable		69		69		69	0.01	1.47				
				3,884		3,884		3,884	0.35	2.90				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	113.20	56,600		56,600	5.13	1.91	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	92.76	37,104		37,104	3.36	3.32	B+			
400	de	Deere & Co Com	59.47	23,789	108.86	43,544		43,544	3.94	2.20	B+			
300	iyt	Ishares Tr Transp Ave Idx	77.22	23,166	163.99	49,197		49,197	4.45	1.00				
				74,634		129,845		129,845	11.76	2.07				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	41.55	29,085		29,085	2.63	4.72	B			
700	vz	Verizon Communications Inc	38.05	26,634	48.75	34,125		34,125	3.09	4.74	B			
				54,508		63,210		63,210	5.72	4.73				
CONSUMER DISCRETIONARY														
1,600	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	53,600	87.95	140,720		140,720	12.74	1.51				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	71.42	46,423		46,423	4.20	3.42	A-			
600	ko	Coca Cola Co Com	32.30	19,383	42.44	25,464		25,464	2.31	3.49	A-			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	112.90	73,385		73,385	6.64	3.68	B			
				70,773		145,272		145,272	13.15	3.56				
ENERGY														
250	cvx	Chevron Corporation	123.23	30,806	107.37	26,842		26,842	2.43	4.02	B			
300	iey	Ishares US Energy ETF	37.85	11,356	38.54	11,562		11,562	1.05	2.23				
1,113	kmi	Kinder Morgan Inc Del Com	41.38	46,056	21.74	24,197		24,197	2.19	2.30	B			
				88,218		62,601		62,601	5.67	3.03				
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	11.11	24,442		24,442	2.21	10.80	B			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	23.73	59,325		59,325	5.37	1.81				
450	kie	Spdr S&p Insurance Etf	41.72	18,775	85.94	38,673		38,673	3.50	1.51				
				88,661		122,440		122,440	11.09	3.51				
HEALTHCARE														
500	jjj	Johnson & Johnson	61.71	30,855	124.55	62,275		62,275	5.64	2.57	A			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 March 31, 2017

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	xlx	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	74.36	44,616		44,616	4.04	1.54				
				50,016		106,891		106,891	9.68	2.14				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	143.66	45,253		45,253	4.10	1.59	B+			
1,200	iyw	Ishares US Technology ETF	58.52	70,227	135.17	162,204		162,204	14.69	0.98				
				98,836		207,457		207,457	18.78	1.11				
REAL ESTATE INVESTMENT TRUSTS														
278	xlre	Select Sector Spdr Tr RI Est Sel Sec	31.99	8,893	31.60	8,785		8,785	0.80	3.77				
UTILITIES														
600	xlu	Select Sector Spdr Tr Sbi Int-Utils	30.14	18,084	51.31	30,786		30,786	2.79	3.27				
				636,433		1,074,607		1,074,607	97.30	2.44				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
750	bp	BP Plc Sponsored Adr	42.25	31,687	34.52	25,890		25,890	2.34	6.89				
				31,687		25,890		25,890	2.34	6.89				
TOTAL PORTFOLIO				672,004		1,104,381	0	1,104,381	100.00	2.54				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 01-01-17 To 03-31-17

<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 FY2017

George H. Clark Memorial Scholarship Fund Quarterly Investment Report June 30, 2017



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q4 FY2017

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.

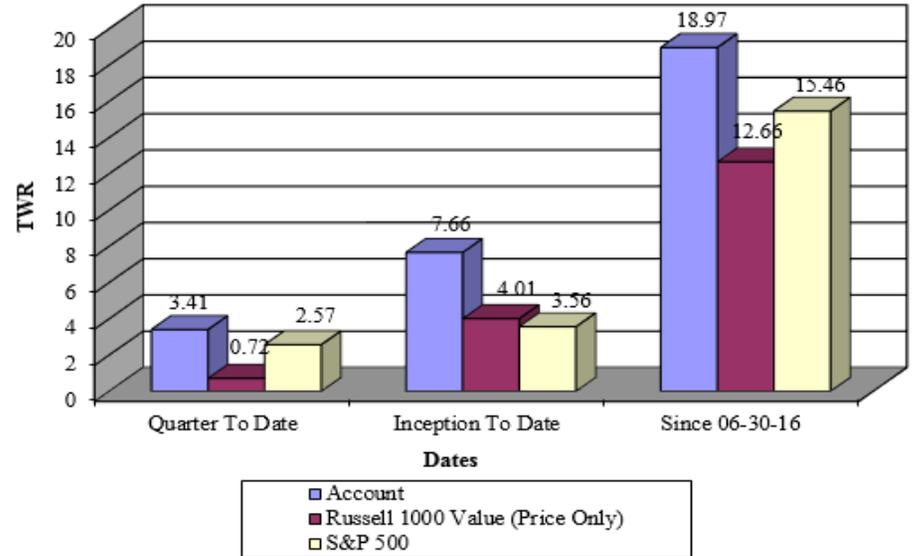
OBJECTIVES

- 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.

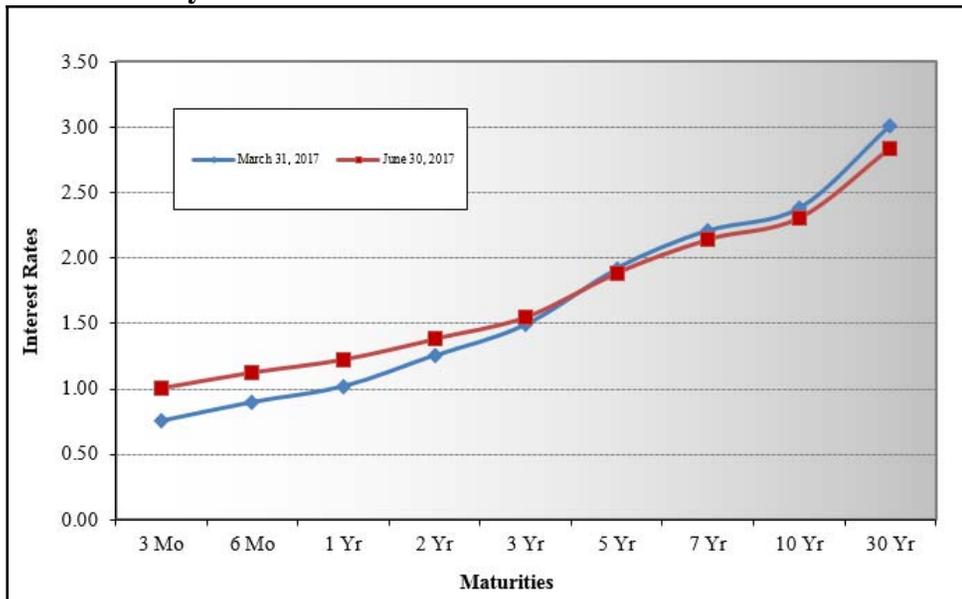
City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2017

Performance

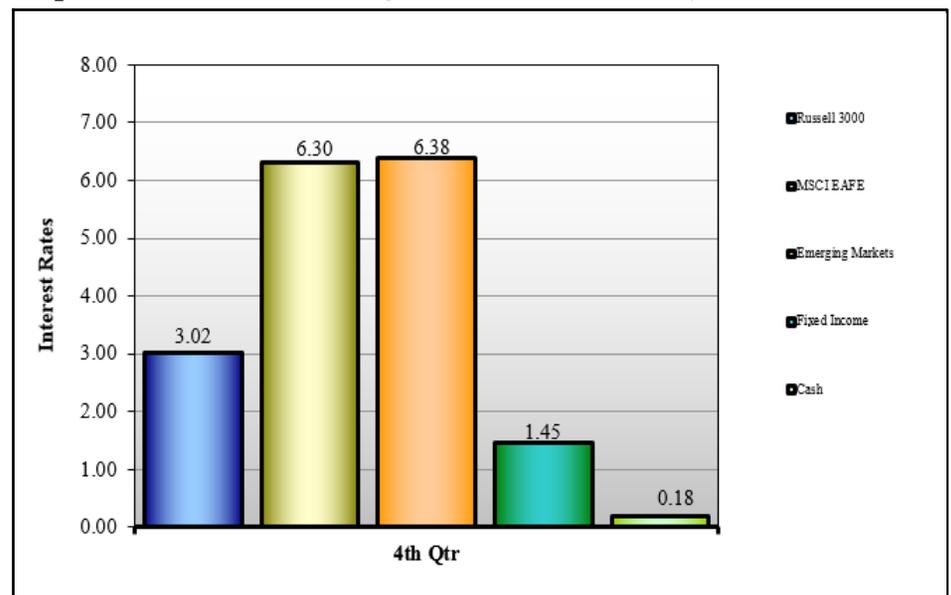
	Quarter To Date	Inception To Date	Since 06-30-2016
Account	3.41	7.66	18.97
Russell 1000 Value (Price Only)	0.72	4.01	12.66
S&P 500	2.57	3.56	15.46



U.S. Treasury Yield Curve - Fiscal Year 2016-17



Capital Market Returns - Quarter Ended June 30, 2017



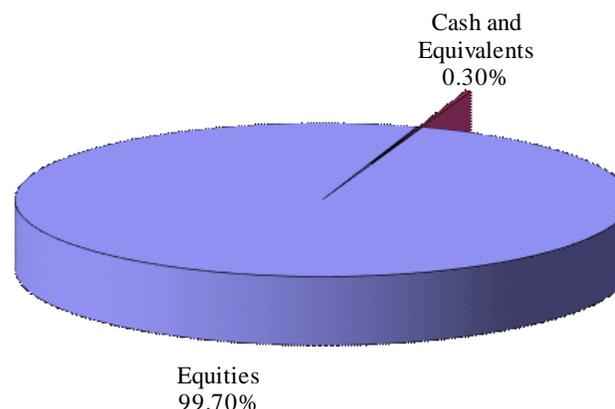
City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2017

Activity

From 03-31-17 to 06-30-17

Portfolio Value on 03-31-17	1,104,381
Contributions	0
Withdrawals	-6,772
Realized Gains	329
Unrealized Gains	30,625
Interest	10
Dividends	6,693
Portfolio Value on 06-30-17	1,135,266

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 06-30-17

	Inception to FY16	FY17 QE				Inception to FY17
		09-30-16	12-31-16	03-31-17	06-30-17	
Beginning Balance		55,277	42,189	49,802	56,525	
Initial Contribution	83					83
Cash Transfers In *	390,395	6,784	7,501	6,563	6,772	418,015
Interest Income	9,470	128	112	160	187	10,057
Scholarship Payments	-290,000	-20,000				-310,000
Investment Mgt Fees	-54,671				-3,113	-57,784
Ending Balance	55,277	42,189	49,802	56,525	60,371	60,371

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

Top 10 Holdings

Securities	Market Value	Pct.
Select Sector Spdr Tr Sbi Cons Discr	118,760	10.46
Ishares US Technology ETF	115,269	10.15
Philip Morris Intl Inc Com	76,342	6.72
Select Sector Spdr Tr Sbi Int-Utils	67,548	5.95
Johnson & Johnson	66,145	5.83
Select Sector Spdr Tr Sbi Int-Finl	61,675	5.43
Monsanto C0 New Com	59,180	5.21
BP Plc Sponsored Adr	56,479	4.98
Deere & Co Com	49,436	4.35
Altria Group Inc	48,405	4.26

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2017

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 PoolA	Dividend Accrual Pool A Cash		2,194 1,229		2,194 1,229		2,194 1,229	0.19 0.11	4.00 1.50				
				<u>3,424</u>		<u>3,424</u>		<u>3,424</u>	0.30	3.10				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	118.36	59,180		59,180	5.21	1.82	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	107.46	42,984		42,984	3.79	2.90	B+			
400	de	Deere & Co Com	59.47	23,789	123.59	49,436		49,436	4.35	1.94	B+			
185	hon	Honeywell	133.09	24,622	133.29	24,659		24,659	2.17	2.00	A			
150	iyt	Ishares Tr Transp Ave Idx	77.22	11,583	172.07	25,810		25,810	2.27	0.98				
225	unp	Union Pac Corp Com	110.02	24,754	108.91	24,505		24,505	2.16	0.99	A			
				<u>112,427</u>		<u>167,394</u>		<u>167,394</u>	14.74	1.91				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	37.73	26,411		26,411	2.33	5.19	B			
700	vz	Verizon Communications Inc	38.05	26,634	44.66	31,262		31,262	2.75	5.17	B			
				<u>54,508</u>		<u>57,673</u>		<u>57,673</u>	5.08	5.18				
CONSUMER DISCRETIONARY														
1,325	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	44,387	89.63	118,760		118,760	10.46	1.48				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	74.47	48,405		48,405	4.26	3.55	A-			
600	ko	Coca Cola Co Com	32.30	19,383	44.85	26,910		26,910	2.37	3.30	A-			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	117.45	76,342		76,342	6.72	3.54	B			
280	pg	Procter & Gamble Co	88.22	24,702	87.15	24,402		24,402	2.15	3.17	A			
				<u>95,474</u>		<u>176,060</u>		<u>176,060</u>	15.51	3.45				
ENERGY														
340	cvx	Chevron Corporation	118.00	40,119	104.33	35,472		35,472	3.12	4.14	B			
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	12.05	26,510		26,510	2.34	9.96	B			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	24.67	61,675		61,675	5.43	1.63				
				<u>69,886</u>		<u>88,185</u>		<u>88,185</u>	7.77	4.13				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	132.29	66,145		66,145	5.83	2.54	A			
600	xlw	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	79.24	47,544		47,544	4.19	1.47				
				<u>50,016</u>		<u>113,689</u>		<u>113,689</u>	10.01	2.09				

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2017

<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>
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	144.02	45,366		45,366	4.00	1.75	B+			
200	ibm	International Bus Mach	152.38	30,476	153.83	30,766		30,766	2.71	3.90	A			
825	iyw	Ishares US Technology ETF	58.52	48,281	139.72	115,269		115,269	10.15	0.96				
				107,366		191,401		191,401	16.86	1.62				
UTILITIES														
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	51.96	67,548		67,548	5.95	3.28				
				660,236		1,075,362		1,075,362	94.72	2.60				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	34.65	56,479		56,479	4.98	6.87				
				63,473		56,479		56,479	4.98	6.87				
TOTAL PORTFOLIO				727,133		1,135,266	0	1,135,266	100.00	2.81				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 04-01-17 To 06-30-17

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>06-30-2017 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
05-31-2017	06-05-2017	90	Chevron Corporation	103.47	9,312	104.33	1
05-31-2017	06-05-2017	185	Honeywell	133.09	24,622	133.29	0
05-31-2017	06-05-2017	200	International Bus Mach	152.38	30,476	153.83	1
05-31-2017	06-05-2017	280	Procter & Gamble Co	88.22	24,702	87.15	-1
05-31-2017	06-05-2017	700	Select Sector Spdr Tr Sbi Int-Utills	53.94	37,758	51.96	-2
05-31-2017	06-05-2017	225	Union Pac Corp Com	110.02	24,754	108.91	-1
					151,624		
AMERICAN DEPOSITORY RECEIPTS							
05-31-2017	06-05-2017	880	BP Plc Sponsored Adr	36.12	31,786	34.65	-1
					31,786		
Total Purchases					183,410		

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 04-01-17 To 06-30-17

<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							
05-31-2017	06-05-2017	150	Ishares Tr Transp Ave Idx	165.04	24,755	77.22	13,172
05-31-2017	06-05-2017	300	Ishares US Energy ETF	35.82	10,746	37.85	-610
05-31-2017	06-05-2017	375	Ishares US Technology ETF	143.95	53,980	58.52	32,034
05-31-2017	06-05-2017	1,113	Kinder Morgan Inc Del Com	18.71	20,824	41.38	-25,232
05-31-2017	06-05-2017	278	Select Sector Spdr Tr RI Est Sel Sec	31.88	8,862	31.99	-31
05-31-2017	06-05-2017	275	Select Sector Spdr Tr Sbi Cons Discr	91.12	25,057	33.50	15,845
05-31-2017	06-05-2017	450	Spdr S&p Insurance Etf	86.21	38,794	41.72	20,019
					183,019		55,198
Total Sales					183,019		55,198