

Q1 FY2018

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



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q1 FY2018

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.

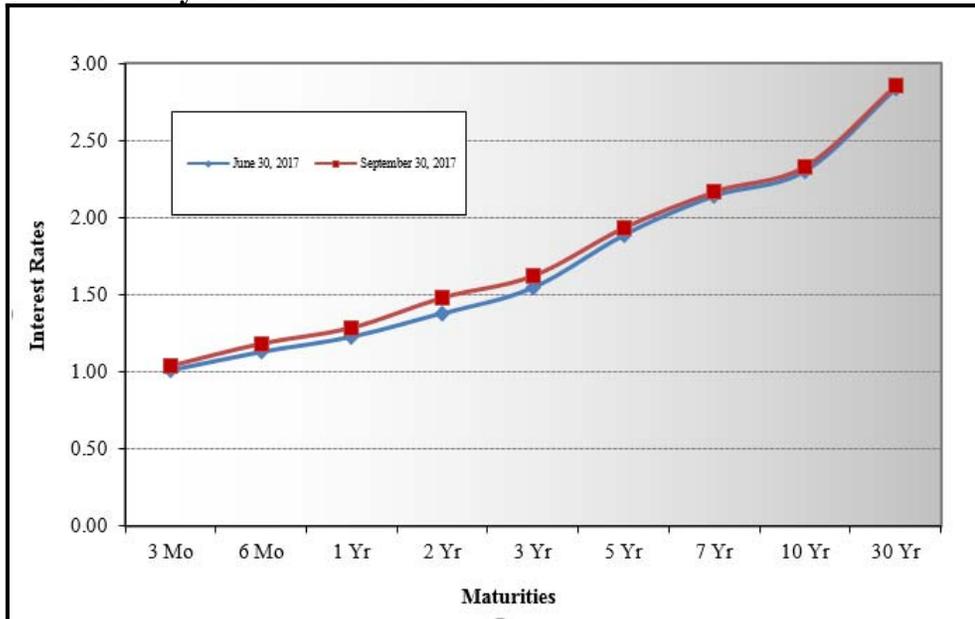
City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2017

Performance

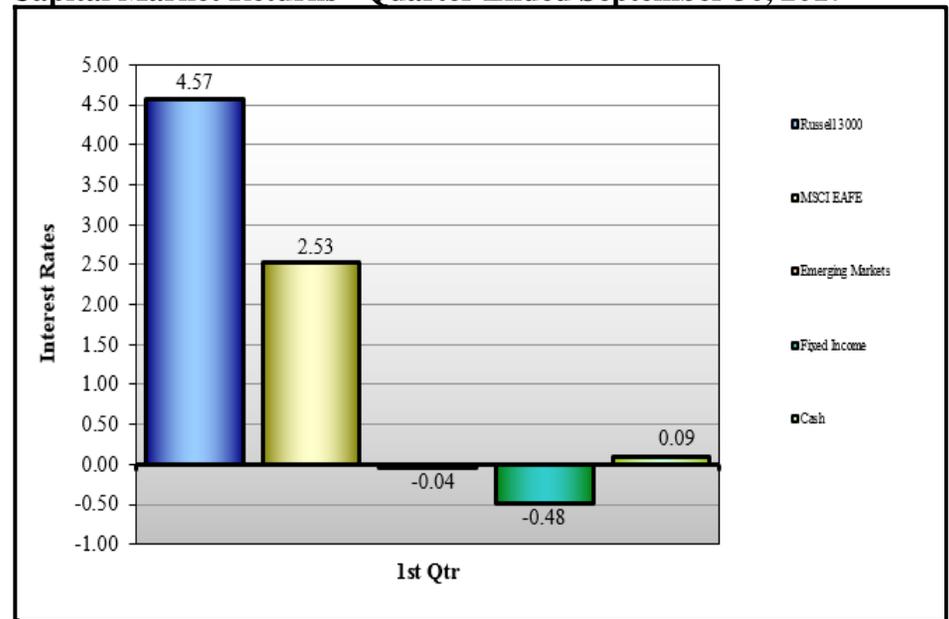
	Quarter To Date	Inception To Date
Account	3.61	7.77
Russell 1000 Value (Price Only)	2.47	4.10
S&P 500	3.96	3.74



U.S. Treasury Yield Curve - Fiscal Year 2017-18



Capital Market Returns - Quarter Ended September 30, 2017



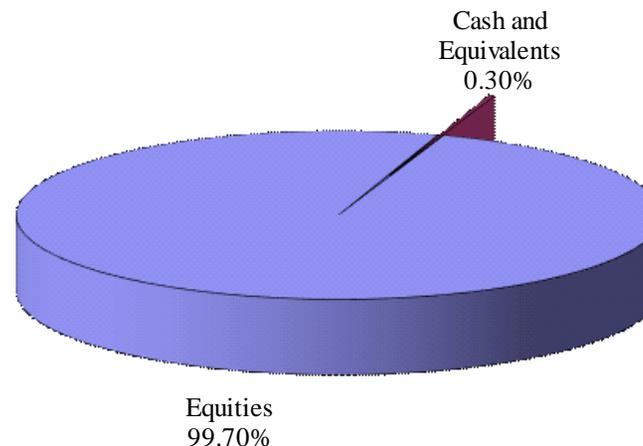
City of Sacramento
George H. Clark Memorial Scholarship Fund
 September 30, 2017

Activity

From 06-30-17 to 09-30-17

Portfolio Value on 06-30-17	1,135,266
Contributions	0
Withdrawals	-8,015
Realized Gains	0
Unrealized Gains	32,859
Interest	42
Dividends	8,033
Portfolio Value on 09-30-17	1,168,185

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 09-30-17

	Inception to FY17	<u>FY18 QE</u> 09-30-17	Inception to FY18
Beginning Balance		60,371	
Initial Contribution	83		83
Cash Transfers In *	418,015	8,015	426,030
Interest Income	10,057		10,057
Scholarship Payments	-310,000	-15,000	-325,000
Investment Mgt Fees	-57,784		-57,784
Ending Balance	60,371	53,386	53,386

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	123,684	10.59
Select Sector Spdr Tr Sbi Cons Discr	119,356	10.22
Philip Morris Intl Inc Com	72,156	6.18
Select Sector Spdr Tr Sbi Int-Utils	68,965	5.90
Johnson & Johnson	65,005	5.56
Select Sector Spdr Tr Sbi Int-Finl	64,650	5.53
BP Plc Sponsored Adr	62,641	5.36
Monsanto C0 New Com	59,910	5.13
Deere & Co Com	50,236	4.30
Caterpillar Inc Del Com	49,884	4.27

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

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

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 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	Dividend Accrual		2,246		2,246		2,246	0.19	4.00				
	miscintrec	Misc Interest Receivable		1		1		1	0.00	4.00				
	PoolA	Pool A Cash		1,229		1,229		1,229	0.11	1.70				
	intreceiv	Pool A Interest Receivable		8		8		8	0.00	1.70				
				<u>3,484</u>		<u>3,484</u>		<u>3,484</u>	0.30	3.18				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	119.82	59,910		59,910	5.13	1.80	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	124.71	49,884		49,884	4.27	2.50	B+			
400	de	Deere & Co Com	59.47	23,789	125.59	50,236		50,236	4.30	1.91	B+			
185	hon	Honeywell	133.09	24,622	141.74	26,222		26,222	2.24	2.10	A			
150	iyt	Ishares Tr Transp Ave Idx	77.22	11,583	178.42	26,763		26,763	2.29	0.97				
225	unp	Union Pac Corp Com	110.02	24,754	115.97	26,093		26,093	2.23	0.93	A			
				<u>112,427</u>		<u>179,198</u>		<u>179,198</u>	15.34	1.82				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	39.17	27,419		27,419	2.35	5.00	B			
700	vz	Verizon Communications Inc	38.05	26,634	49.49	34,643		34,643	2.97	4.77	B			
				<u>54,508</u>		<u>62,062</u>		<u>62,062</u>	5.31	4.87				
CONSUMER DISCRETIONARY														
1,325	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	44,387	90.08	119,356		119,356	10.22	1.49				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	63.42	41,223		41,223	3.53	4.16	A-			
600	ko	Coca Cola Co Com	32.30	19,383	45.01	27,006		27,006	2.31	3.29	A-			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	111.01	72,156		72,156	6.18	3.86	B			
280	pg	Procter & Gamble Co	88.22	24,702	90.98	25,474		25,474	2.18	3.03	A			
				<u>95,474</u>		<u>165,860</u>		<u>165,860</u>	14.20	3.71				
ENERGY														
340	cvx	Chevron Corporation	118.00	40,119	117.50	39,950		39,950	3.42	3.68	B			
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	12.19	26,818		26,818	2.30	9.84	B			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	25.86	64,650		64,650	5.53	1.51				
				<u>69,886</u>		<u>91,468</u>		<u>91,468</u>	7.83	3.95				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	130.01	65,005		65,005	5.56	2.58	A			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 September 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
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	81.73	49,038		49,038	4.20	1.46				
				50,016		114,043		114,043	9.76	2.10				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	154.12	48,548		48,548	4.16	1.64	B+			
200	ibm	International Bus Mach	152.38	30,476	145.08	29,016		29,016	2.48	4.14	A			
825	iyw	Ishares US Technology ETF	58.52	48,281	149.92	123,684		123,684	10.59	0.90				
				107,366		201,248		201,248	17.23	1.54				
UTILITIES														
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	53.05	68,965		68,965	5.90	3.21				
				660,236		1,102,060		1,102,060	94.34	2.55				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	38.43	62,641		62,641	5.36	6.19				
				63,473		62,641		62,641	5.36	6.19				
TOTAL PORTFOLIO				727,193		1,168,185	0	1,168,185	100.00	2.75				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 07-01-17 To 09-30-17

<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>
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No transactions within the specified date range were found!

Q2 FY2018

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



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q2 FY2018

INTRODUCTION

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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.

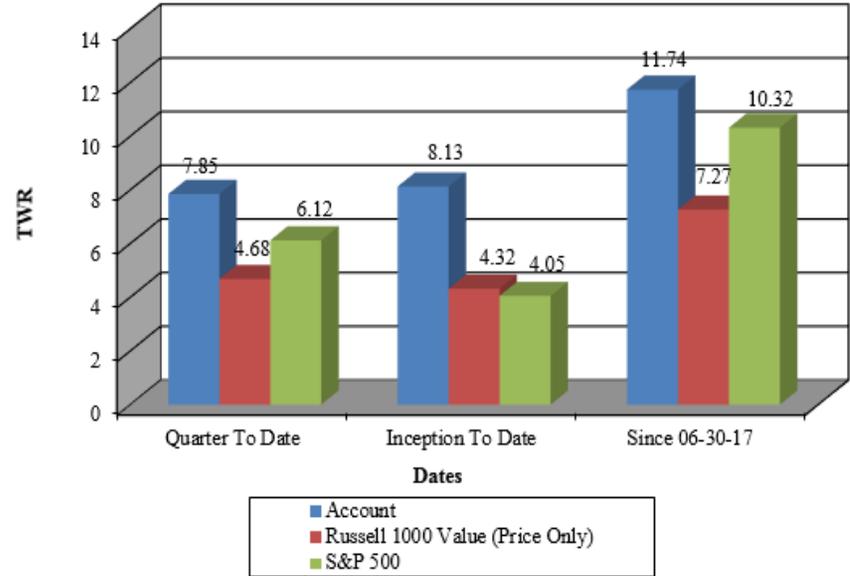
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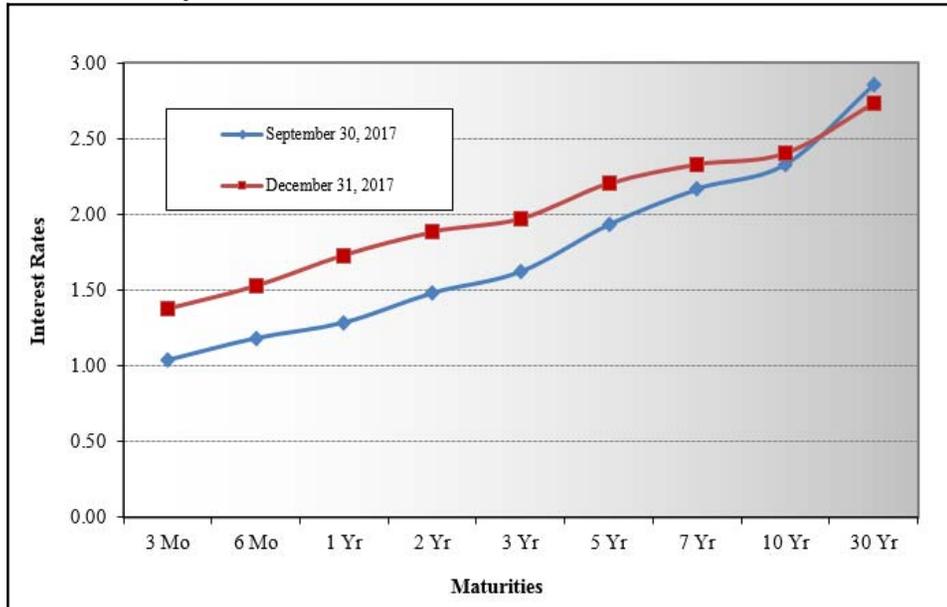
City of Sacramento
George H. Clark Memorial Scholarship Fund
 December 31, 2017

Performance

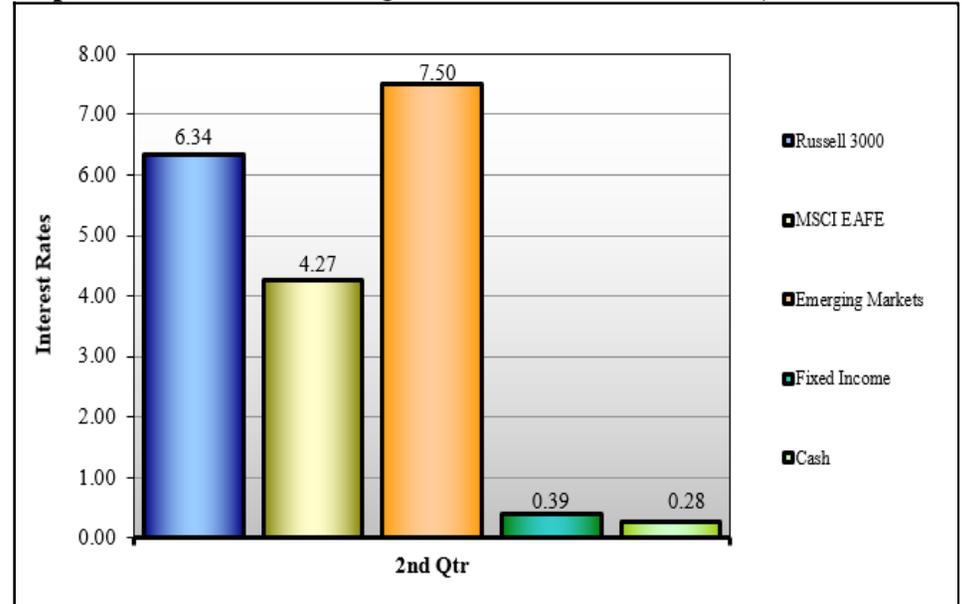
	Quarter To Date	Inception To Date	Since 06-30-2017
Account	7.85	8.13	11.74
Russell 1000 Value (Price Only)	4.68	4.32	7.27
S&P 500	6.12	4.05	10.32



U.S. Treasury Yield Curve - Fiscal Year 2017-18



Capital Market Returns - Quarter Ended December 31, 2017



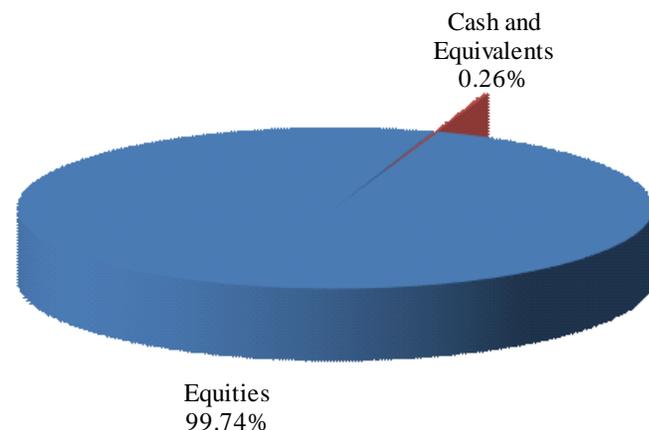
City of Sacramento
George H. Clark Memorial Scholarship Fund
 December 31, 2017

Activity

From 09-30-17 to 12-31-17

Portfolio Value on 09-30-17	1,168,185
Contributions	0
Withdrawals	-8,485
Realized Gains	0
Unrealized Gains	83,224
Interest	8
Dividends	8,261
Portfolio Value on 12-31-17	1,251,193

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 12-31-17

	Inception to FY17	FY18 QE		Inception to FY18
		09-30-17	12-31-17	
Beginning Balance		60,371	53,386	
Initial Contribution	83			83
Cash Transfers In *	418,015	8,015	8,485	434,515
Interest Income	10,057			10,057
Scholarship Payments	-310,000	-15,000		-325,000
Investment Mgt Fees	-57,784			-57,784
Ending Balance	60,371	53,386	61,871	61,871

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

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

Top 10 Holdings

Securities	Market Value	Pct.
Ishares US Technology ETF	134,285	10.73
Select Sector Spdr Tr Sbi Cons Discr	130,764	10.45
Johnson & Johnson	69,860	5.58
Select Sector Spdr Tr Sbi Int-Finl	69,775	5.58
Philip Morris Intl Inc Com	68,672	5.49
BP Plc Sponsored Adr	68,509	5.48
Select Sector Spdr Tr Sbi Int-Utills	68,484	5.47
Caterpillar Inc Del Com	63,032	5.04
Deere & Co Com	62,604	5.00
Monsanto C0 New Com	58,390	4.67

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 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		2,024		2,024		2,024	0.16	4.00				
	miscintrec	Misc Interest Receivable		1		1		1	0.00	4.00				
	PoolA	Pool A Cash		1,229		1,229		1,229	0.10	1.71				
	intreceiv	Pool A Interest Receivable		13		13		13	0.00	1.71				
				<u>3,268</u>		<u>3,268</u>		<u>3,268</u>	0.26	3.13				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	116.78	58,390		58,390	4.67	1.85	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	157.58	63,032		63,032	5.04	1.98	B+			
400	de	Deere & Co Com	59.47	23,789	156.51	62,604		62,604	5.00	1.53	B+			
185	hon	Honeywell	133.09	24,622	153.36	28,372		28,372	2.27	1.94	A			
150	iyt	Ishares Tr Transp Ave Idx	77.22	11,583	191.63	28,744		28,744	2.30	0.92				
225	unp	Union Pac Corp Com	110.02	24,754	134.10	30,172		30,172	2.41	1.98	A			
				<u>112,427</u>		<u>212,925</u>		<u>212,925</u>	17.02	1.70				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	38.88	27,216		27,216	2.18	5.14	B			
700	vz	Verizon Communications Inc	38.05	26,634	52.93	37,051		37,051	2.96	4.46	B			
				<u>54,508</u>		<u>64,267</u>		<u>64,267</u>	5.14	4.75				
CONSUMER DISCRETIONARY														
1,325	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	44,387	98.69	130,764		130,764	10.45	1.20				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	71.41	46,416		46,416	3.71	3.70	A-			
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650	pm	Philip Morris Intl Inc Com	52.41	34,066	105.65	68,672		68,672	5.49	4.05	B			
280	pg	Procter & Gamble Co	88.22	24,702	91.88	25,726		25,726	2.06	3.00	A			
				<u>95,474</u>		<u>168,343</u>		<u>168,343</u>	13.45	3.66				
ENERGY														
340	cvx	Chevron Corporation	118.00	40,119	125.19	42,565		42,565	3.40	3.45	B			
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	11.89	26,158		26,158	2.09	10.09	B			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	27.91	69,775		69,775	5.58	1.48				
				<u>69,886</u>		<u>95,933</u>		<u>95,933</u>	7.67	3.83				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	139.72	69,860		69,860	5.58	2.40	A			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 December 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	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	82.68	49,608		49,608	3.96	1.47				
				<u>50,016</u>		<u>119,468</u>		<u>119,468</u>	9.55	2.02				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	169.23	53,307		53,307	4.26	1.49	B+			
200	ibm	International Bus Mach	152.38	30,476	153.42	30,684		30,684	2.45	3.91	A			
825	iyw	Ishares US Technology ETF	58.52	48,281	162.77	134,285		134,285	10.73	0.82				
				<u>107,366</u>		<u>218,277</u>		<u>218,277</u>	17.45	1.42				
UTILITIES														
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	52.68	68,484		68,484	5.47	3.33				
				<u>660,236</u>		<u>1,179,416</u>		<u>1,179,416</u>	94.26	2.41				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	42.03	68,509		68,509	5.48	5.66				
				<u>63,473</u>		<u>68,509</u>		<u>68,509</u>	5.48	5.66				
TOTAL PORTFOLIO				726,977		1,251,193	0	1,251,193	100.00	2.59				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
From 10-01-17 To 12-31-17

<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!

Q3 FY2018

George H. Clark Memorial Scholarship Fund Quarterly Investment Report March 31, 2018



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q3 FY2018

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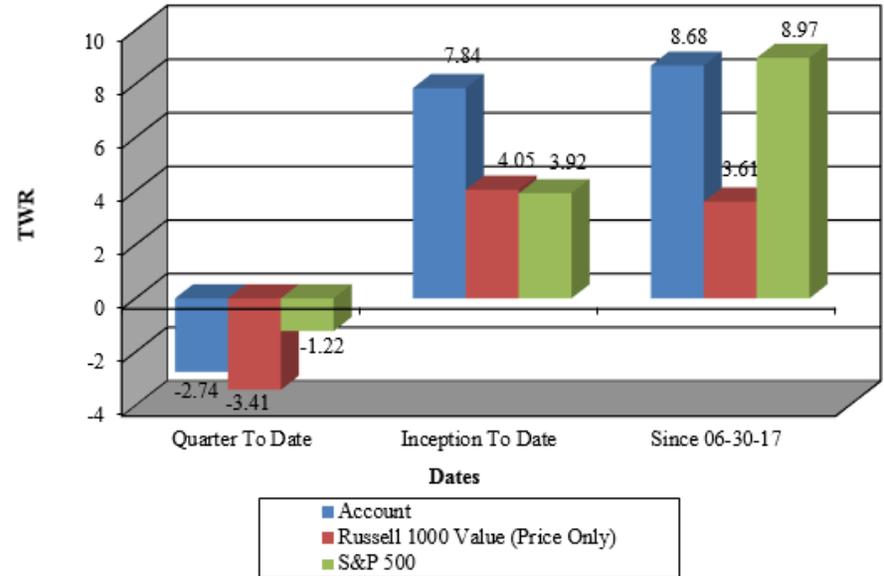
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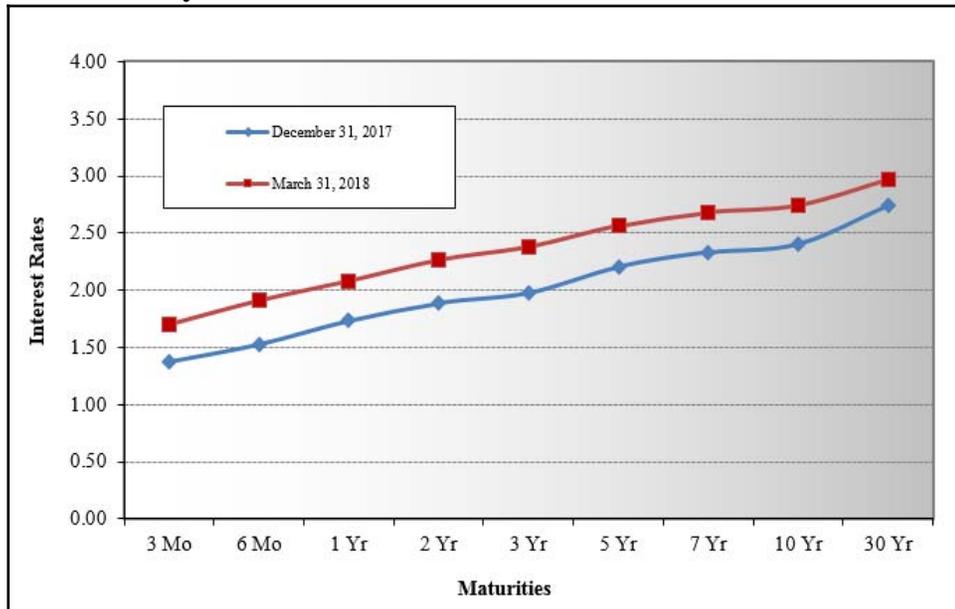
City of Sacramento
George H. Clark Memorial Scholarship Fund
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Performance

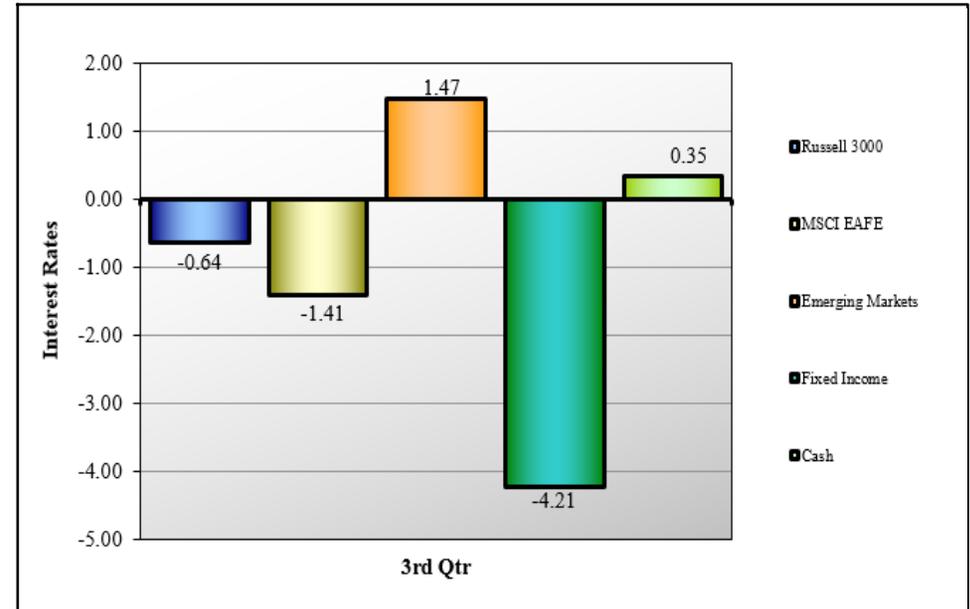
	Quarter To Date	Inception To Date	Since 06-30-2017
Account	-2.74	7.84	8.68
Russell 1000 Value (Price Only)	-3.41	4.05	3.61
S&P 500	-1.22	3.92	8.97



U.S. Treasury Yield Curve - Fiscal Year 2017-18



Capital Market Returns - Quarter Ended March 30, 2018



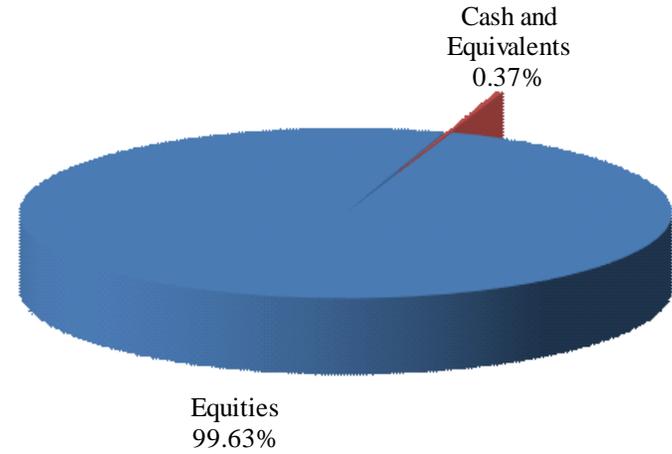
City of Sacramento
George H. Clark Memorial Scholarship Fund
 March 31, 2018

Activity

From 12-31-17 to 03-31-18

Portfolio Value on 12-31-17	1,251,193
Contributions	0
Withdrawals	-8,136
Realized Gains	6,186
Unrealized Gains	-48,777
Interest	11
Dividends	8,393
Portfolio Value on 03-31-18	1,208,870

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 03-31-18

	Inception	FY18 QE			Inception
	to FY17	09-30-17	12-31-17	03-31-18	to FY18
Beginning Balance		60,371	53,386	61,871	
Initial Contribution	83				83
Cash Transfers In *	418,015	8,015	8,485	8,136	442,650
Interest Income	10,057				10,057
Scholarship Payments	-310,000	-15,000			-325,000
Investment Mgt Fees	-57,784				-57,784
Ending Balance	60,371	53,386	61,871	70,006	70,006

Top 10 Holdings

Securities	Market Value	Pct.
Select Sector Spdr Tr Sbi Cons Discr	134,209	11.10
Ishares Tr Russell 1000 Val	71,976	5.95
Select Sector Spdr Tr Sbi Int-Finl	68,925	5.70
BP Plc Sponsored Adr	66,080	5.47
Select Sector Spdr Tr Sbi Int-Utils	65,689	5.43
Philip Morris Intl Inc Com	64,610	5.34
Johnson & Johnson	64,075	5.30
Ishares US Technology ETF	63,079	5.22
Deere & Co Com	62,128	5.14
Caterpillar Inc Del Com	58,952	4.88

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

** July 2017 to March 2018 Pool A earnings are yet to be apportioned.

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 March 31, 2018

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		2,284		2,284		2,284	0.19	4.00				
	fidfund	Fidelity Fund		1,134		1,134		1,134	0.09	1.13				
	miscintrec	Misc Interest Receivable		1		1		1	0.00	4.00				
	PoolA	Pool A Cash		1,036		1,036		1,036	0.09	1.71				
	intreceiv	Pool A Interest Receivable		22		22		22	0.00	1.71				
				<u>4,477</u>		<u>4,477</u>		<u>4,477</u>	<u>0.37</u>	<u>2.73</u>				
COMMON STOCK														
MATERIALS														
500	mon	Monsanto C0 New Com	60.42	30,211	116.69	58,345		58,345	4.83	1.85	A-			
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	147.38	58,952		58,952	4.88	2.12	B+			
400	de	Deere & Co Com	59.47	23,789	155.32	62,128		62,128	5.14	1.55	B+			
185	hon	Honeywell	133.09	24,622	144.51	26,734		26,734	2.21	2.06	A-			
150	iyt	Ishares Tr Transp Ave Idx	77.22	11,583	187.02	28,054		28,054	2.32	1.07				
225	unp	Union Pac Corp Com	110.02	24,754	134.43	30,247		30,247	2.50	2.17	A			
				<u>112,427</u>		<u>206,115</u>		<u>206,115</u>	<u>17.05</u>	<u>1.80</u>				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	35.65	24,955		24,955	2.06	5.61	B			
700	vz	Verizon Communications Inc	38.05	26,634	47.82	33,474		33,474	2.77	4.94	B			
				<u>54,508</u>		<u>58,429</u>		<u>58,429</u>	<u>4.83</u>	<u>5.22</u>				
CONSUMER DISCRETIONARY														
1,325	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	44,387	101.29	134,209		134,209	11.10	1.22				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	62.32	40,508		40,508	3.35	4.49	A-			
600	ko	Coca Cola Co Com	32.30	19,383	43.43	26,058		26,058	2.16	3.59	B+			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	99.40	64,610		64,610	5.34	4.31	B			
280	pg	Procter & Gamble Co	88.22	24,702	79.28	22,198		22,198	1.84	3.48	A			
				<u>95,474</u>		<u>153,374</u>		<u>153,374</u>	<u>12.69</u>	<u>4.11</u>				
ENERGY														
340	cvx	Chevron Corporation	118.00	40,119	114.04	38,774		38,774	3.21	3.93	B			
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.43	22,946		22,946	1.90	11.51	B-			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	27.57	68,925		68,925	5.70	1.56				
				<u>69,886</u>		<u>91,871</u>		<u>91,871</u>	<u>7.60</u>	<u>4.04</u>				
HEALTHCARE														
500	jjj	Johnson & Johnson	61.71	30,855	128.15	64,075		64,075	5.30	2.62	A-			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 March 31, 2018

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	81.40	48,840		48,840	4.04	1.53				
				50,016		112,915		112,915	9.34	2.15				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	167.78	52,851		52,851	4.37	1.50	B+			
200	ibm	International Bus Mach	152.38	30,476	153.43	30,686		30,686	2.54	3.91	A-			
375	iyw	Ishares US Technology ETF	58.52	21,946	168.21	63,079		63,079	5.22	0.80				
				81,031		146,615		146,615	12.13	1.71				
UTILITIES														
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	50.53	65,689		65,689	5.43	3.47				
PASSIVE INDEX														
600	iwd	Ishares Tr Russell 1000 Val	130.82	78,492	119.96	71,976		71,976	5.95	2.25				
				712,393		1,138,313		1,138,313	94.16	2.62				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	40.54	66,080		66,080	5.47	5.87				
				63,473		66,080		66,080	5.47	5.87				
TOTAL PORTFOLIO				780,343		1,208,870	0	1,208,870	100.00	2.80				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 01-01-18 To 03-31-18

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>03-31-2018 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
01-24-2018	01-26-2018	600	Ishares Tr Russell 1000 Val	130.82	78,492	119.96	-11
					78,492		
Total Purchases					78,492		

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 01-01-18 To 03-31-18

<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							
01-24-2018	01-26-2018	450	Ishares US Technology ETF	176.52	79,432	58.52	53,097
					79,432		53,097
Total Sales					79,432		53,097

Q4 FY2018

George H. Clark Memorial Scholarship Fund Quarterly Investment Report June 30, 2018



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q4 FY2018

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.

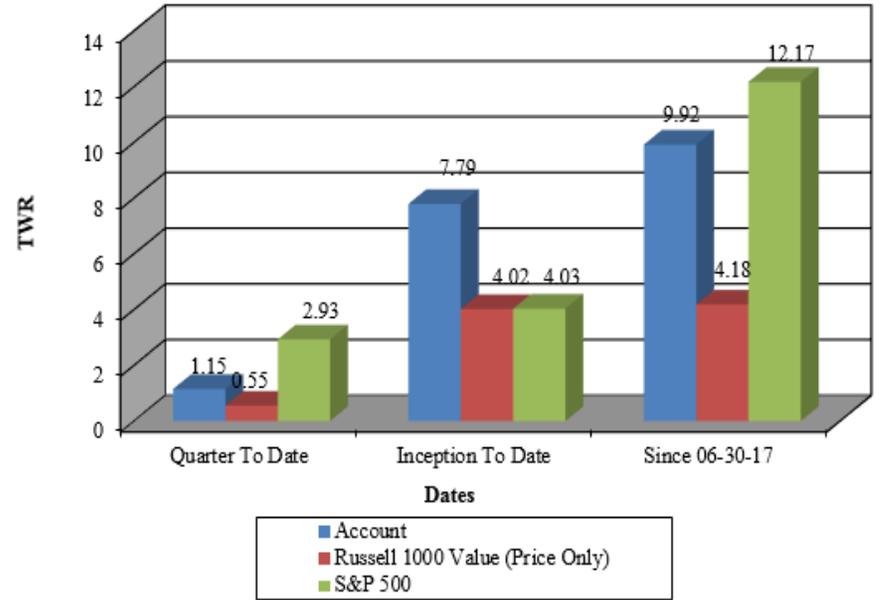
OBJECTIVES

- 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.

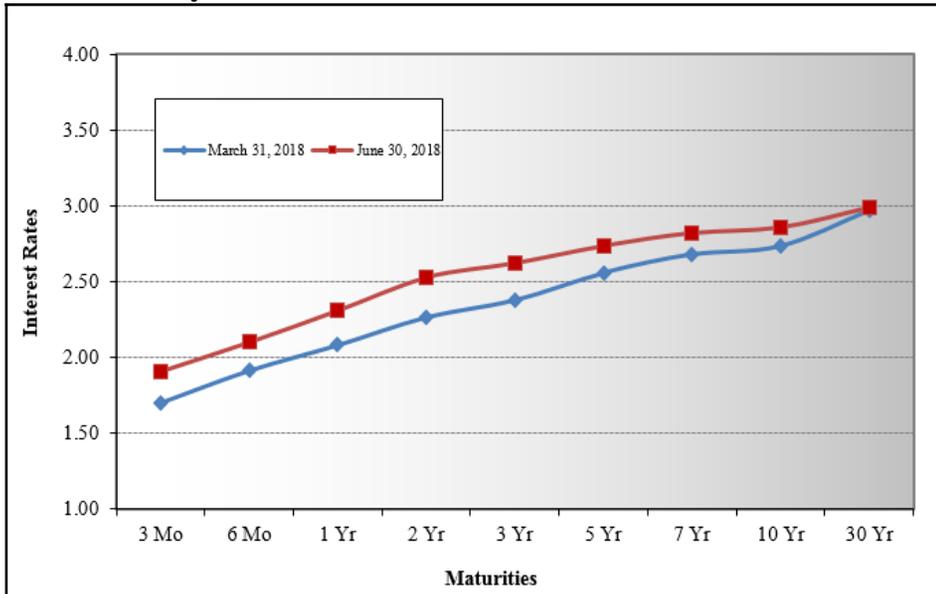
City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2018

Performance

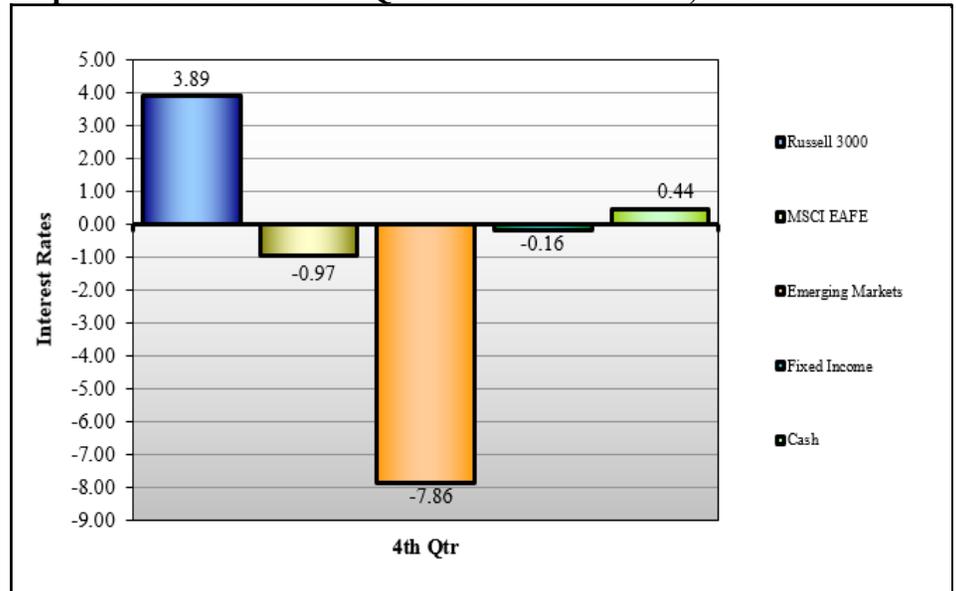
	Quarter To Date	Inception To Date	Since 06-30-2017
Account	1.15	7.79	9.92
Russell 1000 Value (Price Only)	0.55	4.02	4.18
S&P 500	2.93	4.03	12.17



U.S. Treasury Yield Curve - Fiscal Year 2017-18



Capital Market Returns - Quarter Ended June 30, 2018



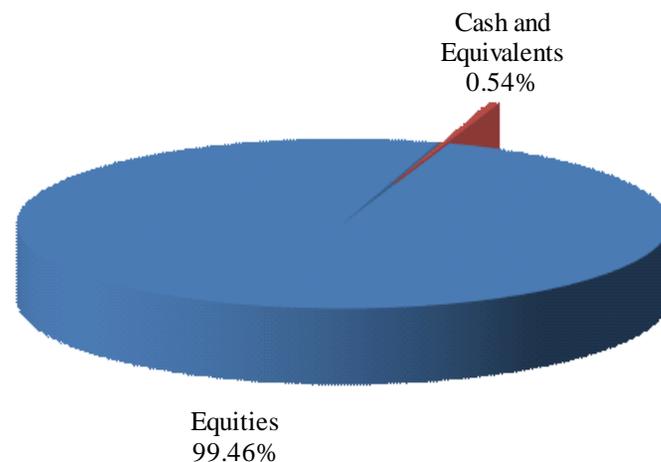
City of Sacramento
George H. Clark Memorial Scholarship Fund
 June 30, 2018

Activity

From 03-31-18 to 06-30-18

Portfolio Value on 03-31-18	1,208,870
Contributions	0
Withdrawals	-7,962
Realized Gains	5,655
Unrealized Gains	-76
Interest	29
Dividends	8,232
Portfolio Value on 06-30-18	1,214,747

Actual Asset Allocation



Operating Cash Account Activity

From Inception to 06-30-18

	Inception to FY17	FY18 QE				Inception to FY18
		09-30-17	12-31-17	03-31-18	06-30-18	
Beginning Balance		60,371	53,568	62,246	70,626	
Initial Contribution	83					83
Cash Transfers In *	418,015	8,015	8,485	8,136	7,963	450,614
Interest Income	10,057	183	192	245	333	11,009
Scholarship Payments	-310,000	-15,000				-325,000
Investment Mgt Fees	-57,784				-3,073	-60,857
Ending Balance	60,371	53,568	62,246	70,626	75,848	75,848

* 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	144,822	11.92
Ishares Tr Russell 1000 Val	133,518	10.99
BP Plc Sponsored Adr	74,426	6.13
Select Sector Spdr Tr Sbi Int-Utills	67,548	5.56
Ishares US Technology ETF	66,851	5.50
Select Sector Spdr Tr Sbi Int-Finl	66,475	5.47
Johnson & Johnson	60,670	4.99
Apple Inc.	58,310	4.80
Deere & Co Com	55,920	4.60
Caterpillar Inc Del Com	54,268	4.47

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2018

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		2,591		2,591		2,591	0.21	4.00				
	miscintrec	Misc Interest Receivable		15		15		15	0.00	4.00				
	PoolA	Pool A Cash		3,970		3,970		3,970	0.33	2.20				
				6,575		6,575		6,575	0.54	2.91				
COMMON STOCK														
INDUSTRIALS														
400	cat	Caterpillar Inc Del Com	69.20	27,679	135.67	54,268		54,268	4.47	2.54	B+			
400	de	Deere & Co Com	59.47	23,789	139.80	55,920		55,920	4.60	1.97	B+			
185	hon	Honeywell	133.09	24,622	144.05	26,649		26,649	2.19	2.07	A-			
150	iyt	Ishares Tr Transp Ave Idx	77.22	11,583	186.23	27,934		27,934	2.30	1.08				
225	unp	Union Pac Corp Com	110.02	24,754	141.68	31,878		31,878	2.62	2.26	A			
				112,427		196,650		196,650	16.19	2.06				
TELECOMMUNICATION SERVICES														
700	t	At&t Inc	39.82	27,874	32.11	22,477		22,477	1.85	6.23	B			
700	vz	Verizon Communications Inc	38.05	26,634	50.31	35,217		35,217	2.90	4.69	B			
				54,508		57,694		57,694	4.75	5.29				
CONSUMER DISCRETIONARY														
1,325	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	44,387	109.30	144,822		144,822	11.92	1.15				
CONSUMER STAPLES														
650	mo	Altria Group Inc	26.65	17,324	56.79	36,913		36,913	3.04	5.63	A-			
600	ko	Coca Cola Co Com	32.30	19,383	43.86	26,316		26,316	2.17	3.56	B+			
650	pm	Philip Morris Intl Inc Com	52.41	34,066	80.74	52,481		52,481	4.32	5.65	B			
280	pg	Procter & Gamble Co	88.22	24,702	78.06	21,857		21,857	1.80	3.68	A			
				95,474		137,567		137,567	11.32	4.93				
ENERGY														
340	cvx	Chevron Corporation	118.00	40,119	126.43	42,986		42,986	3.54	3.54	B			
FINANCIAL														
2,200	nly	Annaly Cap Mgmt Inc Com	14.91	32,805	10.29	22,638		22,638	1.86	11.66	B-			
2,500	xlf	Select Sector Spdr Tr Sbi Int-Finl	14.83	37,081	26.59	66,475		66,475	5.47	1.71				
				69,886		89,113		89,113	7.34	4.24				
HEALTHCARE														
500	jnj	Johnson & Johnson	61.71	30,855	121.34	60,670		60,670	4.99	2.77	A-			
600	xlv	Select Sector Spdr Tr Sbi Healthcare	31.93	19,161	83.46	50,076		50,076	4.12	1.50				
				50,016		110,746		110,746	9.12	2.19				
INFORMATION TECHNOLOGY														
315	aapl	Apple Inc.	90.82	28,610	185.11	58,310		58,310	4.80	1.58	B+			

City of Sacramento
PORTFOLIO APPRAISAL
George H. Clark Memorial Scholarship Fund
 June 30, 2018

<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>
200	ibm	International Bus Mach	152.38	30,476	139.70	27,940		27,940	2.30	4.50	A-			
375	iyw	Ishares US Technology ETF	58.52	<u>21,946</u>	178.27	<u>66,851</u>		<u>66,851</u>	5.50	0.79				
				81,031		153,101		153,101	12.60	1.76				
UTILITIES														
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utills	42.96	55,842	51.96	67,548		67,548	5.56	3.38				
PASSIVE INDEX														
1,100	iwd	Ishares Tr Russell 1000 Val	127.90	<u>140,692</u>	121.38	<u>133,518</u>		<u>133,518</u>	10.99	2.22				
				744,382		1,133,746		1,133,746	93.33	2.75				
AMERICAN DEPOSITORY RECEIPTS														
ENERGY														
1,630	bp	BP Plc Sponsored Adr	38.94	<u>63,473</u>	45.66	<u>74,426</u>		<u>74,426</u>	6.13	5.34				
				63,473		74,426		74,426	6.13	5.34				
TOTAL PORTFOLIO				814,431		1,214,747	0	1,214,747	100.00	2.91				

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 04-01-18 To 06-30-18

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>06-30-2018 Price</u>	<u>Difference</u>
<u>Purchases</u>							
COMMON STOCK							
06-11-2018	06-13-2018	500	Ishares Tr Russell 1000 Val	124.40	62,200	121.38	-3
					62,200		
Total Purchases					62,200		

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
George H. Clark Memorial Scholarship Fund
 From 04-01-18 To 06-30-18

<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							
06-07-2018	06-07-2018	500	Monsanto C0 New Com	128.00	64,000	60.42	33,789
					64,000		33,789
Total Sales					64,000		33,789