



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 12/06/2016

ITEM NO: 8

DATE: NOVEMBER 17, 2016

TO: MAYOR AND TOWN COUNCIL

FROM: LAUREL PREVETTI, TOWN MANAGER

SUBJECT: RECEIVE THE FIRST QUARTER INVESTMENT REPORT (JULY THROUGH SEPTEMBER 2016) FOR FISCAL YEAR 2016/17 AND ACCEPT THE RECONCILED DEMAND ACCOUNT BALANCES (FEBRUARY THROUGH JUNE 2016) AS RESTATED FOR JUNE 30, 2016.

RECOMMENDATION:

Receive the First Quarter Investment Report (July through September 2016) for Fiscal Year 2016/17 and accept the reconciled demand account balances (February through June 2016) as restated for June 30, 2016.

BACKGROUND:

At its November 21, 2016 meeting, the Council Finance Committee heard public testimony, reviewed, and discussed the First Quarter Investment Report (Attachment 1) and the corrected February through June 2016 Reports (Attachment 2). Most of the written public comments (Attachment 3), verbal testimony, and Committee discussion focused on the corrected reports. Attachment 4 contains staff responses to the questions raised in written public comments. These responses were provided verbally to the Committee. The Committee acted to move these Reports forward to the Town Council based on the information provided at the Committee meeting.

PREPARED BY: STEPHEN CONWAY
FINANCE DIRECTOR

Reviewed by: Town Manager, Interim Assistant Town Manager, and Town Attorney

DISCUSSION:

Attachment 1 contains the First Quarter Investment Report (July through September 2016). The Town's weighted portfolio yield of 0.84% for first quarter) is still outperforming the Local Agency Investment Fund (LAIF) yield of 0.63% (difference of 21 basis points). Therefore, staff continues to replace matured or called investments with similar investments with respect to maturity and credit quality. For the quarter, the Town's weighted average rate of return lowered by 1 basis point from 0.85% rate earned in the fourth quarter of FY 2015/16.

The economic climate remains guardedly optimistic with signs of moderate growth in the gross domestic product (GDP). The United States GDP expanded at a 1.4% rate in the second quarter (April through June 2016), up from the first quarter's rate of 1.1%. The increase beat analysts' expectations. Consumer spending, the most important component of economic growth remained nearly unchanged. The Federal Reserve governors continue to give signals that the economy may warrant an interest rate increase as some point early next year.

Staff continues to concentrate on short-term (two years or less in maturity) for its new investments with a potential shift from treasuries as they mature to high quality corporate medium term notes (higher yield). All investments are consistent with the Council adopted Investment Policy.

Corrected Demand Account Balances: Staff discovered through its own internal control bank reconciliation process that there was an error in the treasurers' cash worksheet beginning in February 2016 that caused the demand account (checking) balances to be reported too low in the Investment Reports submitted for February through June 30, 2016 of this year. The spreadsheet column for bank wires for the month erroneously omitted the wired in cash receipts for the monthly total cash receipts.

Specifically, in February 2016 staff created a separate column on the treasurer's cash worksheet for bank wire, breaking them out for tracking purposes for the Town's books, but this column was erroneously omitted from the formula determining monthly total cash receipts shown on the investment report. As a result, cash receipt totals previously reported need to be corrected by increasing 2016 calendar year receipts for February (\$925K), March (\$1.77M), April (\$4.55M), May (\$1.1M), and June (\$4.6M). The correction is for the cash receipts totals on the Investment Reports only.

This error impacted the Investment Report only. There was no impact to the actual investment balances presented in the Report or the actual general ledger cash account balances. There was no loss of interest or any corrections required to be made to the invested balances

DISCUSSION (Continued):

reported on the prior quarterly reports. There was no impact or correction required for in the Town's official books and records. All receipts, disbursements and demand account balances for the year included the cash wires in were correctly stated on the Town's books. The error also had no impact on the actual investment balances (other than the demand accounts) presented in the Report. They too were correctly stated for each month of the year on the Town's books.

Unrelated to the error discussed above, there is also a year-end revision to the historical cost of cash and investments of \$105,410.66 based on a final third party audit to recognize annual amortization of premiums and discounts on the portfolio, prepaid interest adjustments, and other standard bank reconciliation adjustments resulting from completed bank reconciliations for the entire FY 2015/16.

This error and corrective actions to aid in preventing a future error were discussed in detail with the Town Council Finance Committee at its meeting on November 21, 2016. Attachment 4 contains detailed staff responses to questions in this regard.

CONCLUSION:

Staff recommends that the Town Council receive the First Quarter Investment Report (July through September 2016) for Fiscal Year 2016/17 and accept the corrected reports (February through June 2016) as restated for June 30, 2016.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. First Quarter Investment Report for FY 2016/17 (July through September 2016)
2. Updated FY 15/16 Investment Report second pages (February through June 2016) to reflect cash wire receipts and year-end revision
3. Public comments received on November 21, 2016
4. Staff responses to questions received from the public

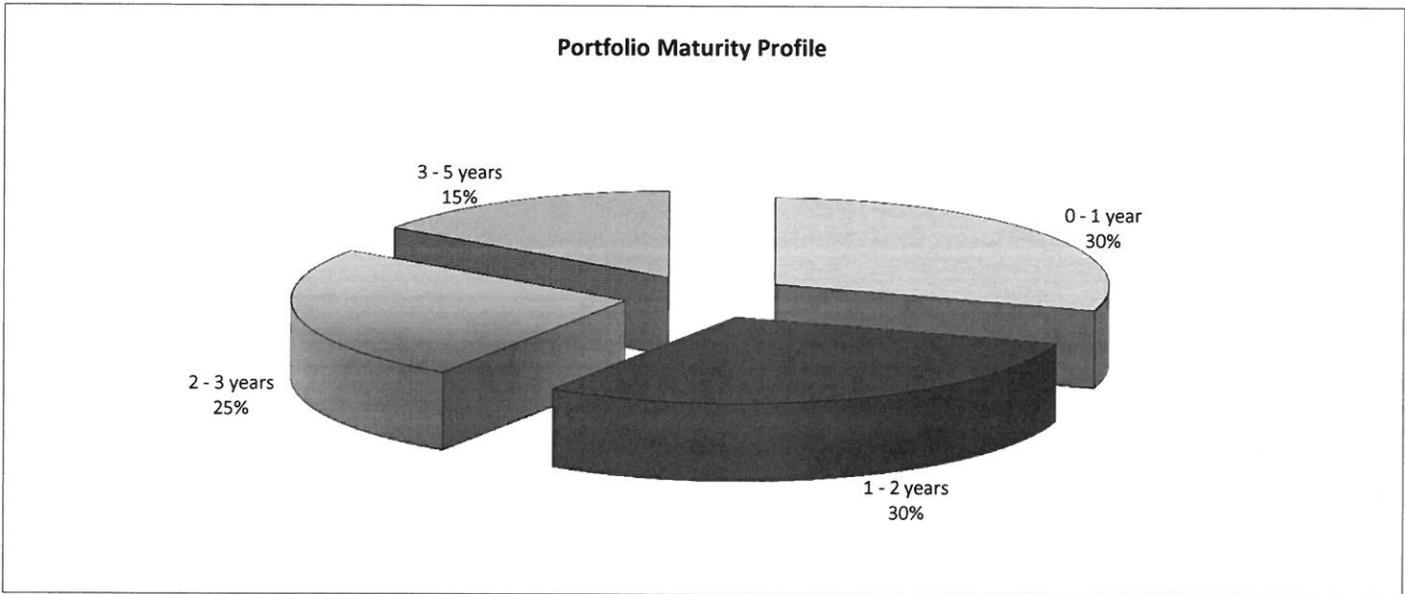
**Town of Los Gatos
Summary Investment Information
July 31, 2016**

Weighted Average Portfolio Yield: **0.86%** **Weighted Average Maturity (days)** **437**

	<u>This Month</u>	<u>Last Month</u>	<u>One year ago</u>
Portfolio Balance	\$72,971,658	\$74,913,936	\$68,176,317

Benchmarks/ References:

Town's Average Yield	0.86%	0.85%	0.79%
LAIF Yield for month	0.57%	0.57%	0.28%
3 mo. Treasury	0.26%	0.26%	0.08%
6 mo. Treasury	0.38%	0.35%	0.14%
2 yr. Treasury	0.68%	0.58%	0.67%
5 yr. Treasury (most recent)	1.06%	0.99%	1.54%
10 Yr. Treasury	1.50%	1.44%	2.20%



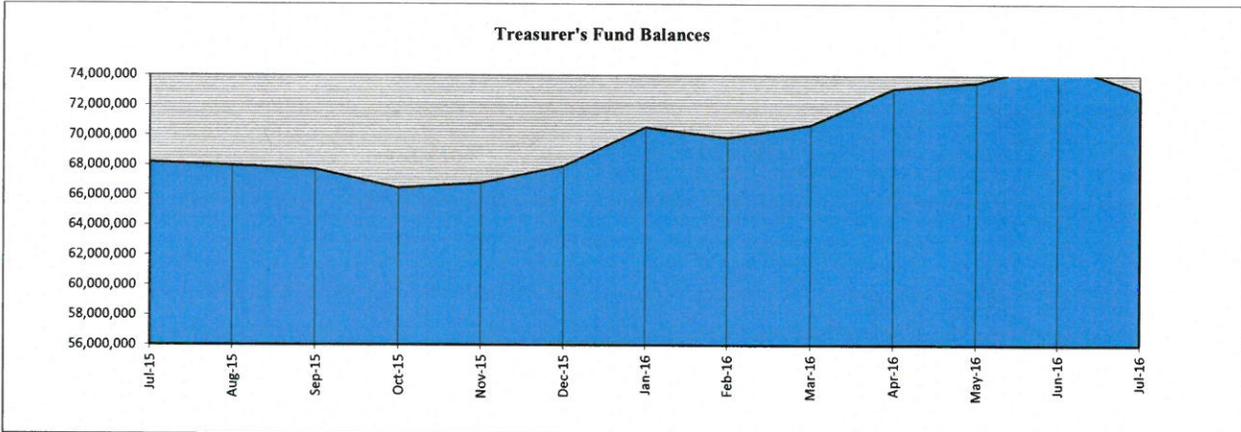
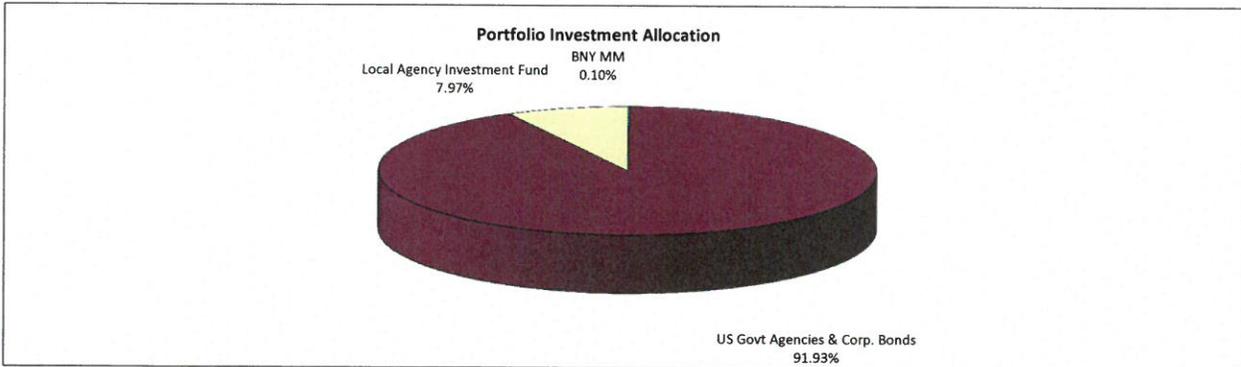
Compliance: The Town's investments are in compliance with the Town's investment policy dated November 1, 2016 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
July 31, 2016

	<u>Month</u>	<u>YTD</u>
Cash Fund Balances - All Cash Accts G/L Beginning of Month/Period	74,913,936.39 *	74,913,936.39
Receipts Per Books	3,189,703.76	3,189,703.76
Disbursements Per Books	<u>(5,131,982.13)</u>	<u>(5,131,982.13)</u>
Fund Balances - End of Month/Period	<u>\$72,971,658.02</u>	<u>\$72,971,658.02</u>

Portfolio Allocation:

BNY MM	\$53,469.49
US Govt Agencies & Corp. Bonds	48,338,854.55
Local Agency Investment Fund	<u>4,192,309.28</u>
Subtotal - Investments	52,584,633.32
Demand Deposit Balances	<u>20,387,024.70</u>
 Total Treasurer's Fund	 <u>\$72,971,658.02</u>



* adjusted June 30, 2016 to agree to final reconciled cash balance all funds per reconciliation prepared for 15/16 audit

Town of Los Gatos
Non-Treasury Restricted Fund Balances
July 31, 2016

	<u>Previous Balance</u>	<u>Deposits</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>Ending Balance</u>	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 686,285.52	\$ 5.66	\$ -	\$ -	\$ 686,291.18	Note 1
Cert. Of Participation 2002 Ser A Lease Pymt Fund	0.35	501,181.35	0.00	0.00	501,181.70	Note 1
Cert. of Participation 2002 Series A Const. Fund	12.93		0.00	12.93	0.00	Note 1
COP 2010 Library Reserve Fund	<u>1,277,371.65</u>		<u>51.28</u>	<u>0.00</u>	1,277,422.93	Note 2
Total Restricted Funds:	<u>\$1,963,670.45</u>	<u>\$501,187.01</u>	<u>\$51.28</u>	<u>\$12.93</u>	<u>\$2,464,895.81</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

Note 1: The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

Note 2: The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Town of Los Gatos
Statement of Interest Earned
July 31, 2016**

Interest by Month

July 2016	\$40,143.04
August 2016	
September 2016	
October 2016	
November 2016	
December 2016	
January 2017	
February 2017	
March 2017	
April 2017	
May 2017	
June 2017	
	<u>\$40,143.04</u>

**Town of Los Gatos
Investment Schedule
July 31, 2016**

Institution	Security	Deposit Date	Par Value	Original Cost	Market Value	Maturity Date or Call Date	Yield to Maturity or Call	Interest Received to Date	Interest Earned Prior Yrs.	Interest Earned Current FY	Days to Maturity
PFIZER	Corporate Note	03/11/15	750,000.00	753,037.50	750,595.50	5/15/2017	0.91%	\$ 9,602.08	\$ 8,855.98	\$ 581.64	288
Treasury	Note	08/16/11	1,000,000.00	1,025,390.63	1,000,000.00	7/31/2016	0.97%	\$ 66,847.83	\$ 48,194.68	\$ 839.35	0
FNMA	Callable Note	03/28/14	1,000,000.00	1,014,600.00	1,001,307.00	9/28/2016	0.66%	\$ 25,000.00	\$ 15,089.49	\$ 567.00	59
Toyota Motor Credit	Coupon Note	01/00/00	500,000.00	502,200.00	501,510.00	10/5/2017	1.05%	\$ 4,600.69	\$ 5,138.43	\$ 447.45	431
Toyota Motor Credit	Corporate Note	07/25/16	950,000.00	954,246.50	956,343.15	5/20/2019	1.24%	\$ (2,401.39)	\$ -	\$ 193.87	1023
FNMA	Callable Note	05/14/13	1,500,000.00	1,500,000.00	1,500,780.00	11/14/2016	0.55%	\$ 24,750.00	\$ 25,834.93	\$ 700.68	106
Treasury	Note	06/10/14	1,000,000.00	1,000,000.00	1,000,877.00	11/15/2016	0.63%	\$ 12,058.42	\$ 12,859.59	\$ 530.82	107
Treasury	Note	06/10/14	1,000,000.00	1,004,062.50	1,002,227.00	1/31/2017	0.72%	\$ 14,357.73	\$ 14,845.10	\$ 612.78	184
FNMA	Callable Note	04/04/13	4,000,000.00	4,004,800.00	4,005,040.00	3/14/2017	0.72%	\$ 88,333.33	\$ 93,289.54	\$ 2,444.61	226
Treasury	Note	05/27/14	2,000,000.00	2,015,156.25	2,006,586.00	3/31/2017	0.73%	\$ 36,885.25	\$ 30,758.49	\$ 1,246.42	243
Treasury	Note	06/23/14	500,000.00	499,804.69	501,270.00	4/30/2017	0.89%	\$ 8,108.02	\$ 8,984.22	\$ 377.39	273
Berk Hath	Coupon Note	01/11/13	500,000.00	509,280.00	502,893.50	5/15/2017	1.61%	\$ 26,755.56	\$ 20,335.65	\$ 497.95	288
FNMA	Callable Note	10/19/12	1,500,000.00	1,504,050.00	1,505,433.00	9/20/2017	0.94%	\$ 51,291.67	\$ 52,436.88	\$ 1,204.11	416
FNMA	Callable Note	11/30/12	1,000,000.00	1,003,200.00	1,003,622.00	9/20/2017	0.93%	\$ 33,055.56	\$ 33,450.66	\$ 792.79	416
FNMA	Callable Note	12/04/12	1,000,000.00	1,002,750.00	1,003,622.00	9/20/2017	0.94%	\$ 32,916.67	\$ 33,651.06	\$ 800.60	416
FFCB	Coupon Note	10/18/12	2,000,000.00	1,996,960.00	2,003,620.00	9/21/2017	0.86%	\$ 56,855.00	\$ 63,725.70	\$ 1,462.25	417
FHBL	Coupon Note	12/12/12	2,000,000.00	1,998,720.00	2,000,420.00	12/8/2017	0.76%	\$ 51,083.33	\$ 54,170.75	\$ 1,295.75	495
FNMA	Callable Note	04/17/13	1,000,000.00	1,004,400.00	1,006,230.00	3/5/2018	1.03%	\$ 32,437.50	\$ 33,174.38	\$ 878.98	582
AAPL	Corporate Note	05/16/13	1,000,000.00	991,680.01	1,001,774.00	5/3/2018	1.17%	\$ 29,638.89	\$ 36,496.41	\$ 991.58	641
FHBL	Coupon Note	6/9/2015	1,000,000.00	997,710.00	1,007,710.00	8/27/2018	1.22%	\$ 8,241.66	\$ 12,947.39	\$ 1,037.13	757
Treasury	Note	6/9/2015	1,000,000.00	1,000,468.75	1,001,445.00	6/30/2017	0.73%	\$ 7,935.08	\$ 7,710.82	\$ 617.66	334
Treasury	Note	6/9/2015	1,000,000.00	1,004,140.63	1,004,219.00	9/15/2017	0.82%	\$ 7,663.04	\$ 8,669.78	\$ 694.48	411
Treasury	Note	6/11/2015	1,000,000.00	990,468.75	1,001,328.00	4/15/2018	1.09%	\$ 6,331.97	\$ 11,442.75	\$ 921.36	623
FHBL	Coupon Note	6/11/2015	2,000,000.00	1,991,820.00	2,010,080.00	5/25/2018	1.19%	\$ 20,533.33	\$ 25,069.41	\$ 2,018.58	663
Treasury	Note	7/31/2015	1,000,000.00	1,010,625.00	1,013,281.00	6/30/2018	1.00%	\$ 12,591.71	\$ 9,277.73	\$ 858.54	699
FFCB	Coupon Note	7/30/2015	2,500,000.00	2,509,525.00	2,514,770.00	12/18/2017	0.96%	\$ 24,843.75	\$ 22,220.23	\$ 2,050.08	505
FHBL	Coupon Note	8/20/2015	1,250,000.00	1,247,075.00	1,256,162.50	7/25/2018	1.13%	\$ 12,541.67	\$ 12,188.15	\$ 1,199.47	724
FHBL	Coupon Note	8/25/2015	1,000,000.00	999,500.00	1,004,930.00	7/25/2018	1.07%	\$ 9,887.50	\$ 9,063.35	\$ 906.33	724
FFCB	Coupon Note	8/27/2015	1,000,000.00	1,002,060.00	1,001,460.00	4/24/2017	0.63%	\$ 7,437.50	\$ 5,281.77	\$ 531.61	267
Walmart	Corporate Note	9/25/2015	1,000,000.00	998,960.00	1,005,248.00	4/11/2018	1.17%	\$ 6,125.00	\$ 8,911.65	\$ 990.18	619
Disney	Corporate Note	9/25/2015	995,000.00	995,298.50	998,691.45	12/1/2017	1.09%	\$ 7,479.08	\$ 8,261.82	\$ 917.98	488
FFCB	Coupon Note	10/27/2015	1,000,000.00	1,048,230.00	1,036,150.00	6/1/2018	0.86%	\$ 16,347.22	\$ 6,043.33	\$ 758.48	670
FHBL	Coupon Note	10/27/2015	1,000,000.00	1,005,030.00	1,007,260.00	9/14/2018	0.95%	\$ 4,281.25	\$ 6,433.14	\$ 807.40	775
FFCB	Coupon Note	10/29/2015	1,500,000.00	1,494,840.00	1,501,470.00	10/9/2018	0.99%	\$ 5,833.33	\$ 9,984.84	\$ 1,263.39	800
Chevron	Corporate Note	12/15/2015	1,250,000.00	1,252,262.50	1,254,912.50	11/9/2017	1.25%	\$ 7,068.33	\$ 8,441.73	\$ 1,321.69	466
Treasury	Note	1/26/2016	1,500,000.00	1,494,902.34	1,502,167.50	2/28/2018	0.91%	\$ 1,050.82	\$ 5,849.10	\$ 1,162.32	577
Wells Fargo	Corporate Note	2/2/2016	1,000,000.00	1,001,680.00	1,007,471.00	1/22/2018	1.56%	\$ 8,112.50	\$ 6,387.95	\$ 1,329.04	540
FHLMC	Coupon Note	4/29/2016	1,000,000.00	1,008,050.00	1,013,310.00	12/17/2018	1.04%	\$ 1,800.00	\$ 1,774.34	\$ 887.17	869
FFCB	Coupon Note	4/29/2016	1,000,000.00	1,001,870.00	1,007,240.00	3/21/2019	1.09%	\$ (1,224.44)	\$ 1,860.62	\$ 930.31	963

Subtotal			\$ 48,338,854.55	\$ 48,403,456.10			\$ 777,056.44	\$ 779,111.83	\$ 37,669.20	
BNY MM				53,469.49	53,469.49					
LAIF	N/A	12/31/14		4,192,309.28	4,192,309.28					2,123.22
			\$52,584,633.32	\$52,649,234.87			\$ 777,056.44	\$ 779,111.83	\$ 39,792.42	

Bank of the West											
Matured Assets											
IBM Corporation	Corporate Note	11/13/12	750,000.00	782,505.00		7/22/2016	0.76%	\$ 53,990.62	\$ 21,116.64	\$ 350.62	

Total Investments "Matured"			\$782,505.00				\$ 831,047.06	\$ 800,228.47	\$ 40,143.04	
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Maturity Profile		Amount
0-1 year		\$19,574,439.09
1-2 years		\$24,301,872.73
2-3 years		\$8,708,321.50
3-5 years		\$0.00
		\$52,584,633.32

Market to Cost Position Report		
		Amortized
Institution		Cost
BNY Assets		\$48,338,854.55
BNY MM		53,469.49
LAIF		4,192,309.28
Totals:		\$52,584,633.32

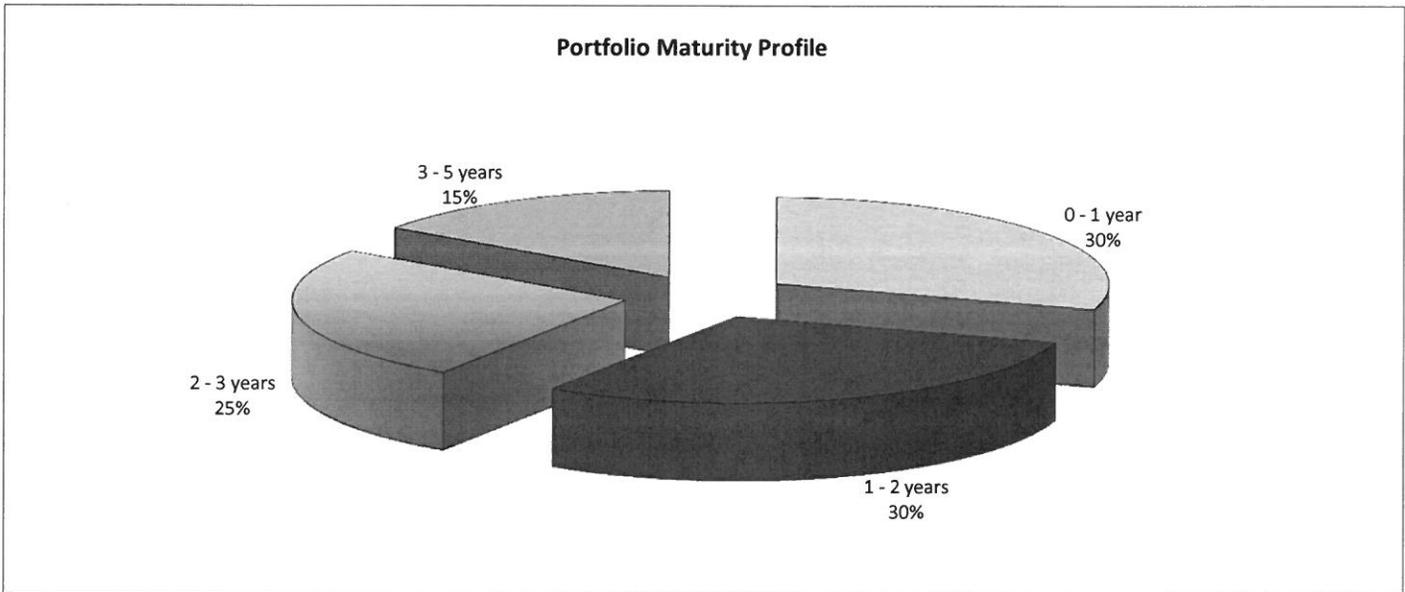
**Town of Los Gatos
Summary Investment Information
August 31, 2016**

Weighted Average Portfolio Yield: **0.88%** **Weighted Average Maturity (days)** **458**

	<u>This Month</u>	<u>Last Month</u>	<u>One year ago</u>
Portfolio Balance	\$72,070,685	\$72,971,658	\$67,968,168

Benchmarks/ References:

Town's Average Yield	0.88%	0.86%	0.85%
LAIF Yield for month	0.57%	0.57%	0.30%
3 mo. Treasury	0.26%	0.26%	0.08%
6 mo. Treasury	0.35%	0.38%	0.27%
2 yr. Treasury	0.58%	0.68%	0.74%
5 yr. Treasury (most recent)	0.99%	1.06%	1.54%
10 Yr. Treasury	1.44%	1.50%	2.21%



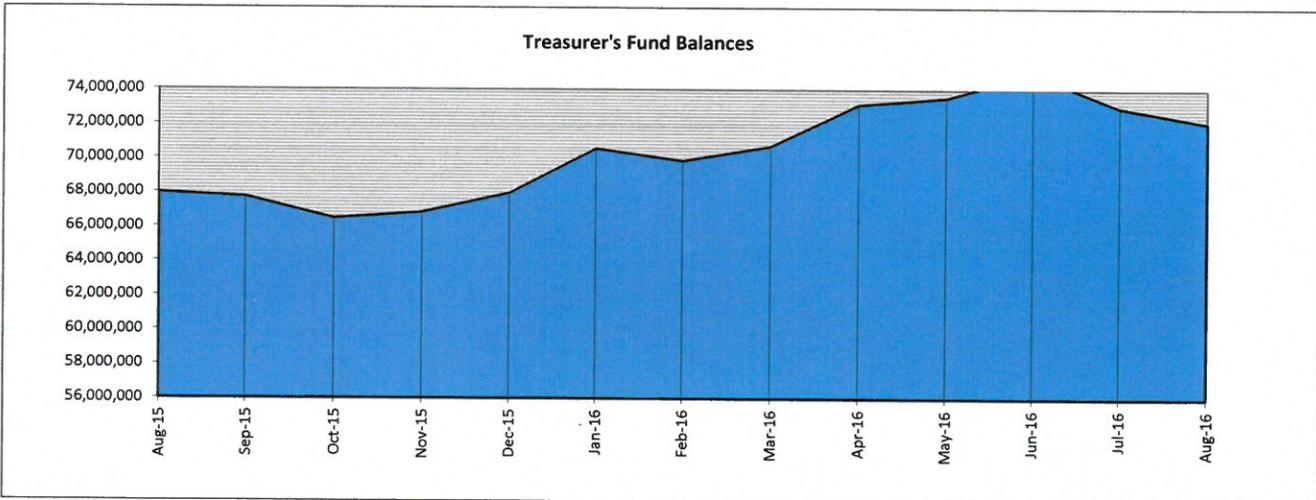
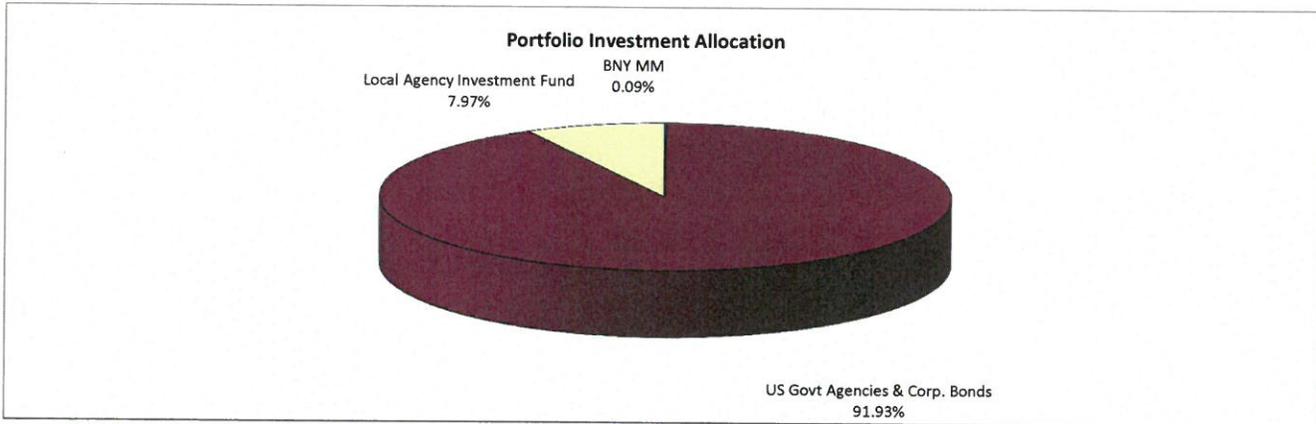
Compliance: The Town's investments are in compliance with the Town's investment policy dated November 1, 2016 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
August 31, 2016

	<u>Month</u>	<u>YTD</u>
Fund Balances - Beginning of Month/Period	\$72,971,658.02	\$74,913,936.39
Receipts	2,320,202.60	5,509,906.36
Disbursements	(3,221,176.10)	(8,353,158.23)
Fund Balances - End of Month/Period	<u>\$72,070,684.52</u>	<u>\$72,070,684.52</u>

Portfolio Allocation:

BNY MM	\$48,262.39
US Govt Agencies & Corp. Bonds	48,333,981.42
Local Agency Investment Fund	<u>4,192,309.28</u>
Subtotal - Investments	52,574,553.09
Reconciled Demand Deposit Balances	<u>19,496,131.43</u>
 Total Treasurer's Fund	 <u>\$72,070,684.52</u>



Town of Los Gatos
Non-Treasury Restricted Fund Balances
August 31, 2016

	<u>Previous Balance</u>	<u>Deposits</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>Ending Balance</u>	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 686,291.18	\$ -	\$ 5.84	\$ -	\$ 686,297.02	Note 1
Cert. Of Participation 2002 Ser A Lease Pymt Fund	501,181.70	0.00	1.86	501,168.75	14.81	Note 1
Cert. of Participation 2002 Series A Const. Fund	0.00		0.00		0.00	Note 1
COP 2010 Library Reserve Fund	<u>1,277,422.93</u>	<u>0.00</u>	<u>37.79</u>	<u>0.00</u>	<u>1,277,460.72</u>	Note 2
Total Restricted Funds:	<u>\$2,464,895.81</u>	<u>\$0.00</u>	<u>\$45.49</u>	<u>\$501,168.75</u>	<u>\$1,963,772.55</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

Note 1: The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

Note 2: The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Town of Los Gatos
Statement of Interest Earned
August 31, 2016**

Interest by Month

July 2016	\$40,143.04
August 2016	41,290.98
September 2016	
October 2016	
November 2016	
December 2016	
January 2017	
February 2017	
March 2017	
April 2017	
May 2017	
June 2017	
	<u>\$81,434.02</u>

**Town of Los Gatos
Investment Schedule
August 31, 2016**

Institution	Security	Deposit Date	Par Value	Original Cost	Original Issue (Discount) Premium	Market Value	Maturity Date or Call Date	Yield to Maturity or Call	Interest Received to Date	Interest Earned Prior Yrs.	Interest Earned Current FY	Days to Maturity
PFIZER	Corporate Note	03/11/15	750,000.00	753,037.50	3,037.50	750,682.13	5/15/2017	0.91%	\$ 9,602.08	\$ 8,855.98	\$ 1,163.29	257
Freddie Mac	Coupon Note	08/01/16	1,000,000.00	1,005,560.00	5,560.00	1,003,920.00	4/15/2019	0.92%	\$ (4,062.50)	\$ -	\$ 755.66	957
FNMA	Callable Note	03/28/14	1,000,000.00	1,014,600.00	14,600.00	1,000,671.00	9/28/2016	0.66%	\$ 25,000.00	\$ 15,089.49	\$ 1,134.00	28
Toyota Motor Credit	Coupon Note	07/10/15	500,000.00	502,200.00	2,200.00	501,323.50	10/5/2017	1.05%	\$ 4,600.69	\$ 5,138.43	\$ 894.90	400
Toyota Motor Credit	Corporate Note	07/25/16	950,000.00	954,246.50	4,246.50	952,679.95	5/20/2019	1.24%	\$ (2,401.39)	\$ -	\$ 1,195.53	992
FNMA	Callable Note	05/14/13	1,500,000.00	1,500,000.00	0.00	1,500,450.00	11/14/2016	0.55%	\$ 24,750.00	\$ 25,834.93	\$ 1,401.37	75
FNMA	Callable Note	04/04/13	4,000,000.00	4,004,800.00	4,800.00	4,004,040.00	3/14/2017	0.72%	\$ 88,333.33	\$ 93,289.54	\$ 4,889.22	195
Treasury	Note	05/27/14	2,000,000.00	2,015,156.25	15,156.25	2,005,000.00	3/31/2017	0.73%	\$ 36,885.25	\$ 30,758.49	\$ 2,492.84	212
Treasury	Note	06/23/14	500,000.00	499,804.69	(195.31)	500,996.00	4/30/2017	0.89%	\$ 8,108.02	\$ 8,984.22	\$ 754.77	242
Berk Hath	Coupon Note	01/11/13	500,000.00	509,280.00	9,280.00	502,093.00	5/15/2017	1.61%	\$ 26,755.56	\$ 20,335.65	\$ 995.90	257
FNMA	Callable Note	10/19/12	1,500,000.00	1,504,050.00	4,050.00	1,504,887.00	9/20/2017	0.94%	\$ 51,291.67	\$ 52,436.88	\$ 2,408.21	385
US Bancorp	Corporate Note	8/8/2016	1,000,000.00	1,019,550.00	19,550.00	1,015,459.00	10/15/2018	1.08%	\$ (4,495.83)	\$ -	\$ 665.30	775
Microsoft	Corporate Note	8/8/2016	1,000,000.00	999,470.00	(530.00)	998,050.00	8/8/2019	1.12%	\$ -	\$ -	\$ 704.28	1072
FNMA	Callable Note	11/30/12	1,000,000.00	1,003,200.00	3,200.00	1,003,258.00	9/20/2017	0.93%	\$ 33,055.56	\$ 33,450.66	\$ 1,585.58	385
FNMA	Callable Note	12/04/12	1,000,000.00	1,002,750.00	2,750.00	1,003,258.00	9/20/2017	0.94%	\$ 32,916.67	\$ 33,651.06	\$ 1,601.20	385
FFCB	Coupon Note	10/18/12	2,000,000.00	1,996,960.00	(3,040.00)	1,999,780.00	9/21/2017	0.86%	\$ 56,855.00	\$ 63,725.70	\$ 2,924.50	386
FHLB	Coupon Note	12/12/12	2,000,000.00	1,998,720.00	(1,280.00)	1,999,000.00	12/8/2017	0.76%	\$ 51,083.33	\$ 54,170.75	\$ 2,591.50	464
FNMA	Callable Note	04/17/13	1,000,000.00	1,004,400.00	4,400.00	1,004,100.00	3/5/2018	1.03%	\$ 32,437.50	\$ 33,174.38	\$ 1,757.96	551
AAPL	Corporate Note	05/16/13	1,000,000.00	991,680.01	(8,319.99)	999,833.00	5/3/2018	1.17%	\$ 29,638.89	\$ 36,496.41	\$ 1,983.15	610
FHLB	Coupon Note	6/9/2015	1,000,000.00	997,710.00	(2,290.00)	1,004,830.00	8/27/2018	1.22%	\$ 13,991.66	\$ 12,947.39	\$ 2,074.26	726
Treasury	Note	6/9/2015	1,000,000.00	1,000,468.75	468.75	1,000,859.00	6/30/2017	0.73%	\$ 7,935.08	\$ 7,710.82	\$ 1,235.33	303
Treasury	Note	6/9/2015	1,000,000.00	1,004,140.63	4,140.63	1,003,047.00	9/15/2017	0.82%	\$ 7,663.04	\$ 8,669.78	\$ 1,888.96	380
Treasury	Note	6/11/2015	1,000,000.00	990,468.75	(9,531.25)	999,531.00	4/15/2018	1.09%	\$ 6,331.97	\$ 11,442.75	\$ 1,842.73	592
FHLB	Coupon Note	6/11/2015	2,000,000.00	1,991,820.00	(8,180.00)	2,005,140.00	5/25/2018	1.19%	\$ 20,533.33	\$ 25,069.41	\$ 4,037.15	632
Treasury	Note	7/31/2015	1,000,000.00	1,010,625.00	10,625.00	1,010,352.00	6/30/2018	1.00%	\$ 12,591.71	\$ 9,277.73	\$ 1,717.07	668
FFCB	Coupon Note	7/30/2015	2,500,000.00	2,509,525.00	9,525.00	2,510,095.00	12/18/2017	0.96%	\$ 24,843.75	\$ 22,220.23	\$ 4,100.16	474
FHLB	Coupon Note	8/20/2015	1,250,000.00	1,247,075.00	(2,925.00)	1,252,825.00	7/25/2018	1.13%	\$ 12,541.67	\$ 12,188.15	\$ 2,398.94	693
FHLB	Coupon Note	8/25/2015	1,000,000.00	999,500.00	(500.00)	1,002,260.00	7/25/2018	1.07%	\$ 9,887.50	\$ 9,063.35	\$ 1,812.67	693
FFCB	Coupon Note	8/27/2015	1,000,000.00	1,002,060.00	2,060.00	1,001,170.00	4/24/2017	0.63%	\$ 7,437.50	\$ 5,281.77	\$ 1,063.21	236
Walmart	Corporate Note	9/25/2015	1,000,000.00	998,960.00	(1,040.00)	1,003,323.00	4/11/2018	1.17%	\$ 6,125.00	\$ 8,911.65	\$ 1,980.37	588
Disney	Corporate Note	9/25/2015	995,000.00	995,298.50	298.50	995,238.80	12/1/2017	1.09%	\$ 7,479.08	\$ 8,261.82	\$ 1,835.96	457
FFCB	Coupon Note	10/27/2015	1,000,000.00	1,048,230.00	48,230.00	1,030,600.00	6/1/2018	0.86%	\$ 16,347.22	\$ 6,043.33	\$ 1,516.95	639
FHLB	Coupon Note	10/27/2015	1,000,000.00	1,005,030.00	5,030.00	1,003,540.00	9/14/2018	0.95%	\$ 4,281.25	\$ 6,433.14	\$ 1,614.80	744
FFCB	Coupon Note	10/29/2015	1,500,000.00	1,494,840.00	(5,160.00)	1,497,345.00	10/9/2018	0.99%	\$ 5,833.33	\$ 9,984.84	\$ 2,526.78	769
Chevron	Corporate Note	12/15/2015	1,250,000.00	1,252,262.50	2,262.50	1,254,270.00	11/9/2017	1.25%	\$ 7,068.33	\$ 8,441.73	\$ 2,643.37	435
Treasury	Note	1/26/2016	1,500,000.00	1,494,902.34	(5,097.66)	1,499,590.50	2/28/2018	0.91%	\$ 6,675.82	\$ 5,849.10	\$ 2,324.64	546
Wells Fargo	Corporate Note	2/2/2016	1,000,000.00	1,001,680.00	1,680.00	1,005,946.00	1/22/2018	1.56%	\$ 8,112.50	\$ 6,387.95	\$ 2,658.07	509
FHLMC	Coupon Note	4/29/2016	1,000,000.00	1,008,050.00	8,050.00	1,010,100.00	12/17/2018	1.04%	\$ 1,800.00	\$ 1,774.34	\$ 1,774.34	838
FFCB	Coupon Note	4/29/2016	1,000,000.00	1,001,870.00	1,870.00	1,003,470.00	3/21/2019	1.09%	\$ (1,224.44)	\$ 1,860.62	\$ 1,860.62	932

Subtotal			\$ 48,333,981.42	\$ 138,981.42	\$ 48,343,012.88			\$ 686,609.13	\$ 703,212.45	\$ 74,305.52
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BNY MM				48,262.39		48,262.39				
LAIF	N/A	12/31/14		4,192,309.28		4,192,309.28				4,246.45

			\$52,574,553.09		\$52,583,584.55			\$ 686,609.13	\$ 703,212.45	\$ 78,551.97
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Bank of the West

Matured Assets

IBM Corporation	Corporate Note	11/13/12	750,000.00	782,505.00	32,505.00		7/22/2016	0.76%	\$ 53,990.62	\$ 21,116.64	\$ 350.62
Treasury	Note	08/16/11	1,000,000.00	1,025,390.63	25,390.63		8/1/2016	0.97%	\$ 74,347.83	\$ 48,194.68	\$ 1,273.97
Treasury	Note	06/10/14	1,000,000.00	1,000,000.00	0.00		8/4/2016	0.00%	\$ 12,058.42	\$ 12,859.59	\$ 599.32
Treasury	Note	06/10/14	1,000,000.00	1,004,062.50	4,062.50		8/4/2016	0.42%	\$ 18,732.73	\$ 14,121.82	\$ 658.14

Total Investments "Matured"			\$3,811,958.13					\$ 845,738.73	\$ 799,505.19	\$ 81,434.02
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Maturity Profile

	Amount
0-1 year	\$16,539,778.86
1-2 years	\$26,548,447.73
2-3 years	\$9,486,326.50
3-5 years	\$0.00
	\$52,574,553.09

Market to Cost Position Report

Institution	Cost
BNY Assets	\$48,333,981.42
BNY MM	48,262.39
LAIF	4,192,309.28
Totals:	\$52,574,553.09

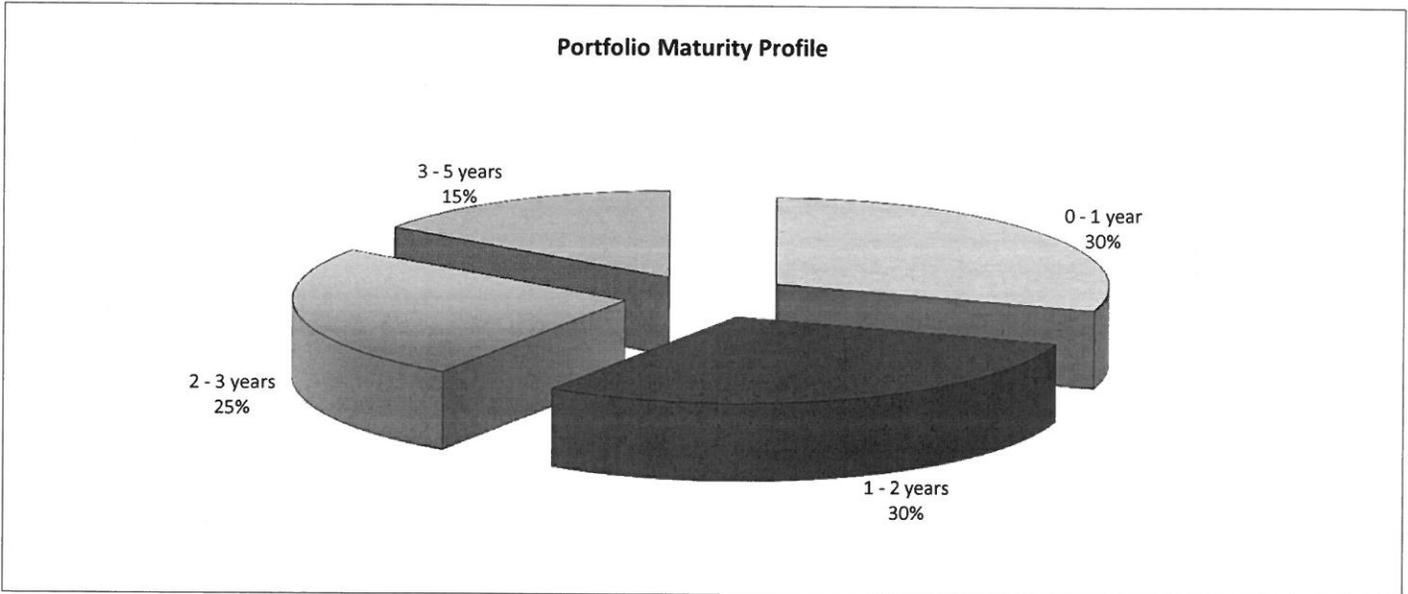
**Town of Los Gatos
Summary Investment Information
September 30, 2016**

Weighted Average Portfolio Yield: **0.84%** **Weighted Average Maturity (days)** **430**

	<u>This Month</u>	<u>Last Month</u>	<u>One year ago</u>
Portfolio Balance	\$69,818,409	\$72,070,685	\$67,716,336

Benchmarks/ References:

Town's Average Yield	0.84%	0.86%	0.81%
LAIF Yield for month	0.57%	0.57%	0.30%
3 mo. Treasury	0.26%	0.26%	0.00%
6 mo. Treasury	0.35%	0.35%	0.08%
2 yr. Treasury	0.58%	0.58%	0.64%
5 yr. Treasury (most recent)	0.99%	0.99%	1.37%
10 Yr. Treasury	1.44%	1.44%	2.06%



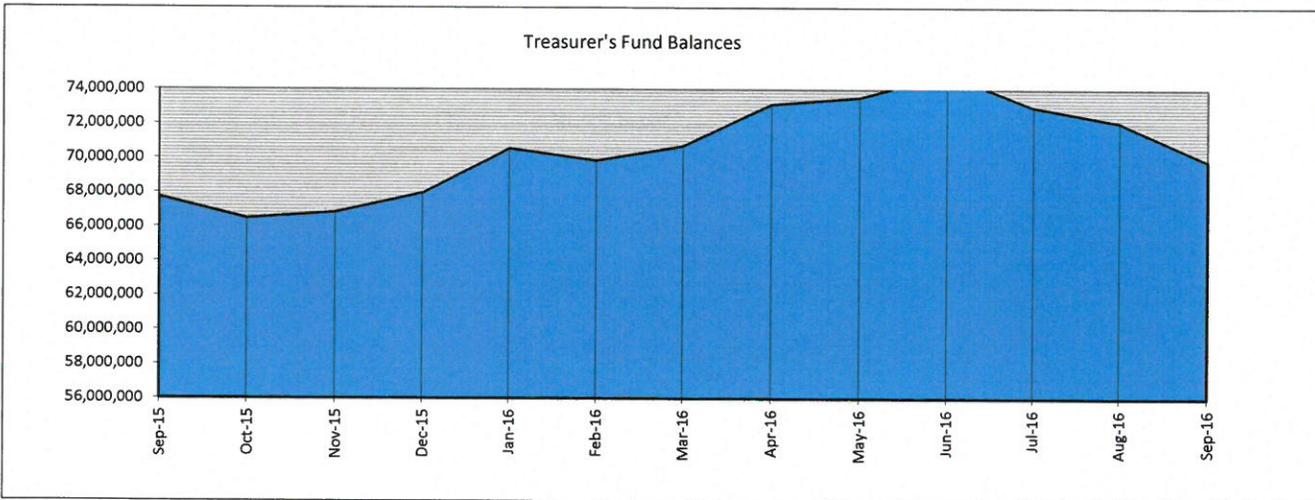
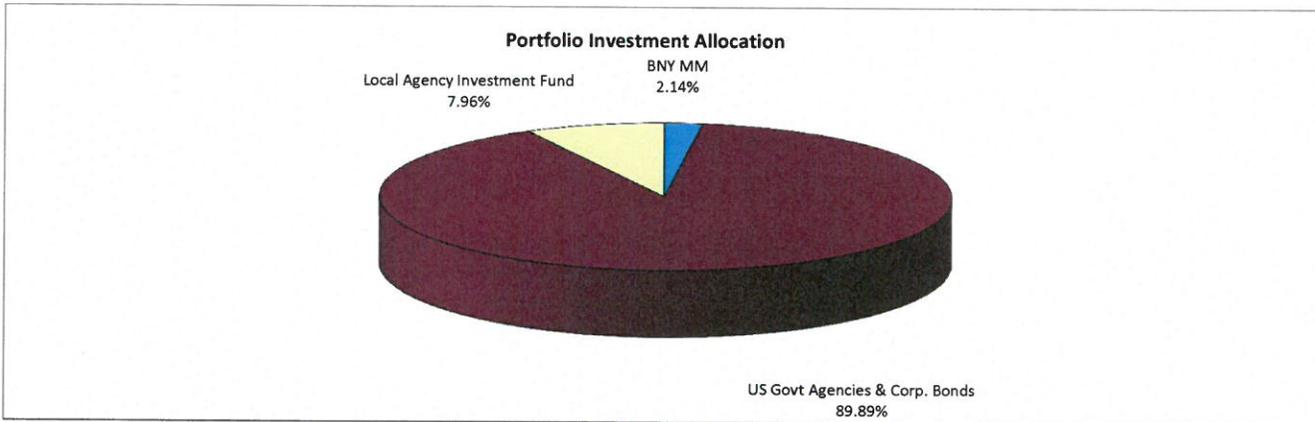
Compliance: The Town's investments are in compliance with the Town's investment policy dated November 1, 2016 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

**Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
September 30, 2016**

	<u>Month</u>	<u>YTD</u>
Fund Balances - Beginning of Month/Period	\$72,070,684.52	\$74,913,936.39
Receipts	2,469,598.82	7,979,505.18
Disbursements	<u>(4,721,874.72)</u>	<u>(13,075,032.95)</u>
Fund Balances - End of Month/Period	<u>\$69,818,408.62</u>	<u>\$69,818,408.62</u>

Portfolio Allocation:

BNY MM	\$1,127,413.27
US Govt Agencies & Corp. Bonds	47,319,381.42
Local Agency Investment Fund	<u>4,192,309.28</u>
Subtotal - Investments	52,639,103.97
Reconciled Demand Deposit Balances	<u>17,179,304.65</u>
 Total Treasurer's Fund	 <u>\$69,818,408.62</u>



**Town of Los Gatos
Non-Treasury Restricted Fund Balances
September 30, 2016**

	<u>Previous Balance</u>	<u>Deposits</u>	<u>Interest</u>	<u>Withdrawals</u>	<u>Ending Balance</u>	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 686,279.67	\$ -	\$ 5.85	\$ -	\$ 686,285.52	Note 1
Cert. Of Participation 2002 Ser A Lease Pymt Fund	0.35	0.00	0.00	0.00	0.35	Note 1
Cert. of Participation 2002 Series A Const. Fund	12.93		0.00		12.93	Note 1
COP 2010 Library Reserve Fund	<u>1,277,312.72</u>	<u>0.00</u>	<u>58.93</u>	<u>0.00</u>	<u>1,277,371.65</u>	Note 2
Total Restricted Funds:	<u>\$1,963,605.67</u>	<u>\$0.00</u>	<u>\$64.78</u>	<u>\$0.00</u>	<u>\$1,963,670.45</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

Note 1: The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

Note 2: The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Town of Los Gatos
Statement of Interest Earned
September 30, 2016**

Interest by Month

July 2016	\$40,143.04
August 2016	41,290.98
September 2016	39,945.53
October 2016	
November 2016	
December 2016	
January 2017	
February 2017	
March 2017	
April 2017	
May 2017	
June 2017	
	<u>\$121,379.55</u>

**Town of Los Gatos
Investment Schedule
September 30, 2016**

Institution	Security	Deposit Date	Par Value	Original Cost	Original Issue (Discount) Premium	Market Value	Maturity Date or Call Date	Yield to Maturity or Call	Interest Received to Date	Interest Earned Prior Yrs.	Interest Earned Current FY	Days to Maturity
PFIZER	Corporate Note	03/11/15	750,000.00	753,037.50	3,037.50	750,621.38	5/15/2017	0.91%	\$ 9,602.08	\$ 8,855.98	\$ 1,726.17	227
Freddie Mac	Coupon Note	08/01/16	1,000,000.00	1,005,560.00	5,560.00	1,004,441.00	4/15/2019	0.92%	\$ (4,062.50)	\$ -	\$ 1,511.32	927
Toyota Motor Credit	Coupon Note	07/10/15	500,000.00	502,200.00	2,200.00	500,445.00	10/5/2017	1.05%	\$ 4,600.69	\$ 5,138.43	\$ 1,327.91	370
Toyota Motor Credit	Corporate Note	07/25/16	950,000.00	954,246.50	4,246.50	951,193.20	5/20/2019	1.24%	\$ (2,401.39)	\$ -	\$ 2,164.87	962
FNMA	Callable Note	05/14/13	1,500,000.00	1,500,000.00	0.00	1,500,435.00	11/14/2016	0.55%	\$ 24,750.00	\$ 25,834.93	\$ 2,079.45	45
FNMA	Callable Note	04/04/13	4,000,000.00	4,004,800.00	4,800.00	4,005,040.00	3/14/2017	0.72%	\$ 103,333.33	\$ 93,289.54	\$ 7,254.98	165
Treasury	Note	05/27/14	2,000,000.00	2,015,156.25	15,156.25	2,005,004.00	3/31/2017	0.73%	\$ 36,885.25	\$ 30,758.49	\$ 3,699.06	182
Treasury	Note	06/23/14	500,000.00	499,804.69	(195.31)	500,986.50	4/30/2017	0.89%	\$ 8,108.02	\$ 8,984.22	\$ 1,119.98	212
Berk Hath	Coupon Note	01/11/13	500,000.00	509,280.00	9,280.00	501,705.50	5/15/2017	1.61%	\$ 26,755.56	\$ 20,335.65	\$ 1,477.79	227
FNMA	Callable Note	10/19/12	1,500,000.00	1,504,050.00	4,050.00	1,503,882.00	9/20/2017	0.94%	\$ 58,791.67	\$ 52,436.88	\$ 3,573.48	355
US Bancorp	Corporate Note	8/8/2016	1,000,000.00	1,019,550.00	19,550.00	1,012,703.00	10/15/2018	1.08%	\$ (4,495.83)	\$ -	\$ 1,533.07	745
Microsoft	Corporate Note	8/8/2016	1,000,000.00	999,470.00	(530.00)	996,811.00	8/8/2019	1.12%	\$ -	\$ -	\$ 1,622.91	1042
FNMA	Callable Note	11/30/12	1,000,000.00	1,003,200.00	3,200.00	1,002,588.00	9/20/2017	0.93%	\$ 38,055.56	\$ 33,450.66	\$ 2,352.80	355
FNMA	Callable Note	12/04/12	1,000,000.00	1,002,750.00	2,750.00	1,002,588.00	9/20/2017	0.94%	\$ 37,916.67	\$ 33,651.06	\$ 2,375.98	355
FFCB	Coupon Note	10/18/12	2,000,000.00	1,996,960.00	(3,040.00)	2,001,060.00	9/21/2017	0.86%	\$ 65,155.00	\$ 63,725.70	\$ 4,339.57	356
FHLB	Coupon Note	12/12/12	2,000,000.00	1,998,720.00	(1,280.00)	2,000,440.00	12/8/2017	0.76%	\$ 51,083.33	\$ 54,170.75	\$ 3,845.45	434
FNMA	Callable Note	04/17/13	1,000,000.00	1,004,400.00	4,400.00	1,004,500.00	3/5/2018	1.03%	\$ 38,062.50	\$ 33,174.38	\$ 2,608.58	521
AAPL	Corporate Note	05/16/13	1,000,000.00	991,680.01	(8,319.99)	998,606.00	5/3/2018	1.17%	\$ 29,638.89	\$ 36,496.41	\$ 2,942.74	580
FHLB	Coupon Note	6/9/2015	1,000,000.00	997,710.00	(2,290.00)	1,005,510.00	8/27/2018	1.22%	\$ 13,991.66	\$ 12,947.39	\$ 3,077.93	696
Treasury	Note	6/9/2015	1,000,000.00	1,000,468.75	468.75	1,001,092.00	6/30/2017	0.73%	\$ 7,935.08	\$ 7,710.82	\$ 1,833.06	273
Treasury	Note	6/9/2015	1,000,000.00	1,004,140.63	4,140.63	1,003,086.00	9/15/2017	0.82%	\$ 12,663.04	\$ 8,669.78	\$ 2,061.03	350
Treasury	Note	6/11/2015	1,000,000.00	990,468.75	(9,531.25)	1,000,156.00	4/15/2018	1.09%	\$ 6,331.97	\$ 11,442.75	\$ 2,734.37	562
FHLB	Coupon Note	6/11/2015	2,000,000.00	1,991,820.00	(8,180.00)	2,007,080.00	5/25/2018	1.19%	\$ 20,533.33	\$ 25,069.41	\$ 5,990.61	602
Treasury	Note	7/31/2015	1,000,000.00	1,010,625.00	10,625.00	1,010,469.00	6/30/2018	1.00%	\$ 12,591.71	\$ 9,277.73	\$ 2,547.91	638
FFCB	Coupon Note	7/30/2015	2,500,000.00	2,509,525.00	9,525.00	2,510,845.00	12/18/2017	0.96%	\$ 24,843.75	\$ 22,220.23	\$ 6,084.11	444
FHLB	Coupon Note	8/20/2015	1,250,000.00	1,247,075.00	(2,925.00)	1,254,200.00	7/25/2018	1.13%	\$ 12,541.67	\$ 12,188.15	\$ 3,559.71	663
FHLB	Coupon Note	8/25/2015	1,000,000.00	999,500.00	(500.00)	1,003,360.00	7/25/2018	1.07%	\$ 9,887.50	\$ 9,063.35	\$ 2,689.77	663
FFCB	Coupon Note	8/27/2015	1,000,000.00	1,002,060.00	2,060.00	1,001,200.00	4/24/2017	0.63%	\$ 7,437.50	\$ 5,281.77	\$ 1,577.67	206
Walmart	Corporate Note	9/25/2015	1,000,000.00	998,960.00	(1,040.00)	1,002,146.00	4/11/2018	1.17%	\$ 6,125.00	\$ 8,911.65	\$ 2,938.61	558
Disney	Corporate Note	9/25/2015	995,000.00	995,298.50	298.50	995,688.54	12/1/2017	1.09%	\$ 7,479.08	\$ 8,261.82	\$ 2,724.33	427
FFCB	Coupon Note	10/27/2015	1,000,000.00	1,048,230.00	48,230.00	1,030,170.00	6/1/2018	0.86%	\$ 16,347.22	\$ 6,043.33	\$ 2,250.96	609
FHLB	Coupon Note	10/27/2015	1,000,000.00	1,005,030.00	5,030.00	1,004,376.00	9/14/2018	0.95%	\$ 9,906.25	\$ 6,433.14	\$ 2,396.15	714
FFCB	Coupon Note	10/29/2015	1,500,000.00	1,494,840.00	(5,160.00)	1,499,460.00	10/9/2018	0.99%	\$ 5,833.33	\$ 9,984.84	\$ 3,749.41	739
Chevron	Corporate Note	12/15/2015	1,250,000.00	1,252,262.50	2,262.50	1,252,418.75	11/9/2017	1.25%	\$ 7,068.33	\$ 8,441.73	\$ 3,922.42	405
Treasury	Note	1/26/2016	1,500,000.00	1,494,902.34	(5,097.66)	1,500,468.00	2/28/2018	0.91%	\$ 6,675.82	\$ 5,849.10	\$ 3,449.47	516
Wells Fargo	Corporate Note	2/2/2016	1,000,000.00	1,001,680.00	1,680.00	1,002,899.00	1/22/2018	1.56%	\$ 8,112.50	\$ 6,387.95	\$ 3,944.24	479
FHLMC	Coupon Note	4/29/2016	1,000,000.00	1,008,050.00	8,050.00	1,010,760.00	12/17/2018	1.04%	\$ 1,800.00	\$ 1,774.34	\$ 2,632.89	808
FFCB	Coupon Note	4/29/2016	1,000,000.00	1,001,870.00	1,870.00	1,004,460.00	3/21/2019	1.09%	\$ 4,575.56	\$ 1,860.62	\$ 2,760.92	902
Subtotal				\$ 47,319,381.42	\$ 124,381.42	\$ 47,342,893.87			\$ 724,459.13	\$ 688,122.96	\$ 110,481.70	
BNY MM				1,127,413.27		1,127,413.27						
LAIF	N/A	12/31/14		4,192,309.28		4,192,309.28					6,369.67	
				\$52,639,103.97		\$52,662,616.42			\$ 724,459.13	\$ 688,122.96	\$ 116,851.37	

Bank of the West												
Matured Assets												
IBM Corporation	Corporate Note	11/13/12	750,000.00	782,505.00	32,505.00		7/22/2016	0.76%	\$ 53,990.62	\$ 21,116.64	\$ 350.62	
Treasury	Note	08/16/11	1,000,000.00	1,025,390.63	25,390.63		8/1/2016	0.97%	\$ 74,347.83	\$ 48,194.68	\$ 1,273.97	
Treasury	Note	06/10/14	1,000,000.00	1,000,000.00	0.00		8/4/2016	0.00%	\$ 12,058.42	\$ 12,859.59	\$ 599.32	
Treasury	Note	06/10/14	1,000,000.00	1,004,062.50	4,062.50		8/4/2016	0.42%	\$ 18,732.73	\$ 14,121.82	\$ 658.14	
FNMA	Callable Note	03/28/14	1,000,000.00	1,014,600.00	14,600.00		9/28/2016	0.66%	\$ 31,250.00	\$ 15,089.49	\$ 1,646.13	

Total Investments "Matured"				\$4,826,558.13					\$ 914,838.73	\$ 799,505.19	\$ 121,379.55	
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Maturity Profile	Amount
0-1 year	\$23,115,430.37
1-2 years	\$22,040,087.10
2-3 years	\$7,483,586.50
3-5 years	\$0.00
	\$52,639,103.97

Market to Cost Position Report

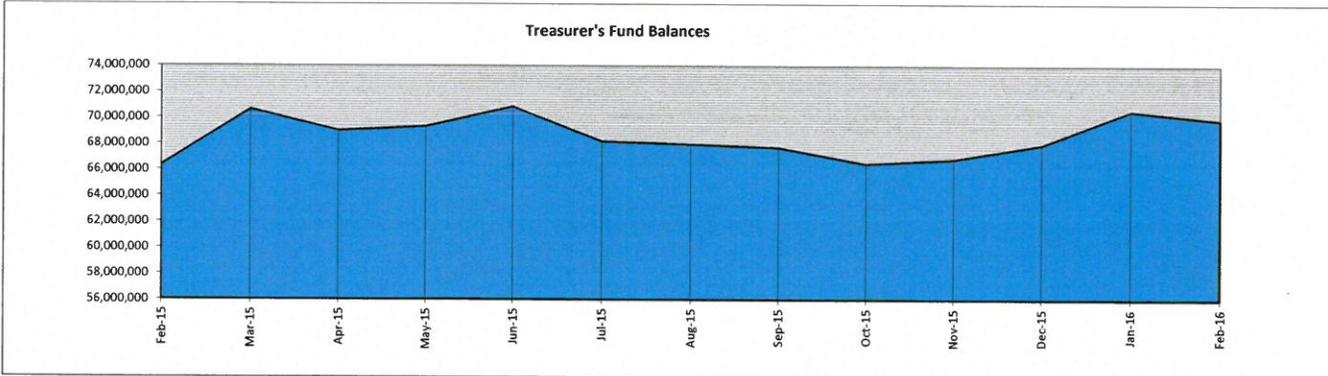
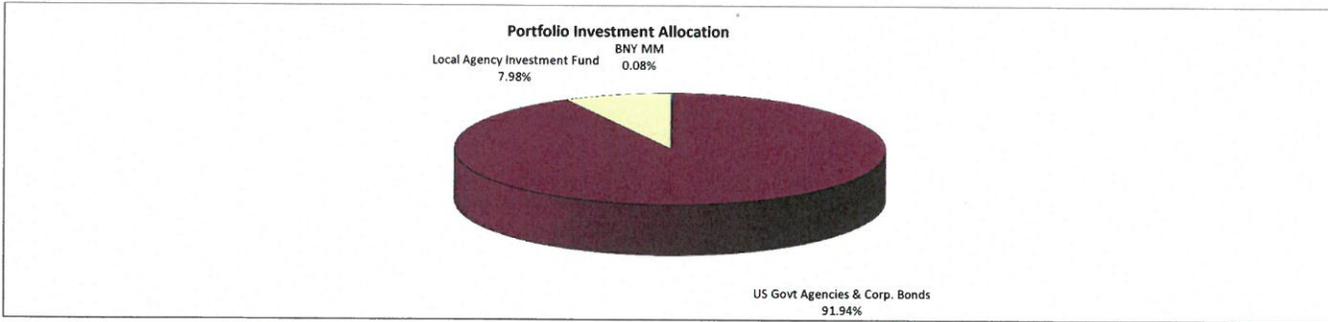
Institution	Amortized Cost
BNY Assets	\$47,319,381.42
BNY MM	1,127,413.27
LAIF	4,192,309.28
Totals:	\$52,639,103.97

Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
February 29, 2016

	Month	Month	YTD	YTD
		<u>CORRECTED</u>		<u>CORRECTED</u>
Fund Balances - Beginning of Month/Period	\$70,618,926.85	\$70,618,926.85	\$70,832,337.72	\$70,832,337.72
Receipts	1,215,053.18	2,138,790.39	24,881,603.21	25,805,340.42
Disbursements	(2,835,731.84)	(2,835,731.84)	(26,715,692.74)	(26,715,692.74)
Fund Balances - End of Month/Period	<u>\$68,998,248.19</u>	<u>\$69,921,985.40</u>	<u>\$68,998,248.19</u>	<u>\$69,921,985.40</u>

Portfolio Allocation:

BNY MM	\$42,913.19	\$42,913.19
US Govt Agencies & Corp. Bonds	48,167,385.57	48,167,385.57
Local Agency Investment Fund	<u>4,181,786.38</u>	<u>4,181,786.38</u>
Subtotal - Investments	52,392,085.14	52,392,085.14
Reconciled Demand Deposit Balances	<u>16,606,163.05</u>	<u>17,529,900.26</u>
Total Treasurer's Fund	<u>\$68,998,248.19</u>	<u>\$69,921,985.40</u>

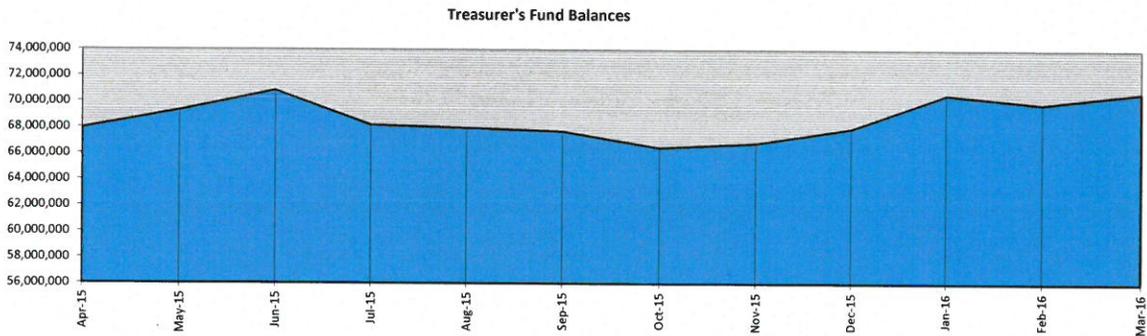
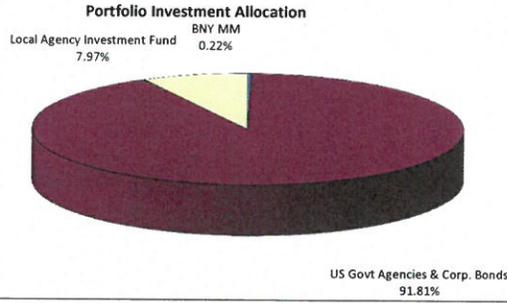


Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
March 31, 2016

	<u>Month</u>	<u>Month</u> <u>CORRECTED</u>	<u>YTD</u>	<u>YTD</u> <u>CORRECTED</u>
Fund Balances - Beginning of Month/Period	\$68,998,248.19	\$69,921,985.40	\$70,832,337.72	\$70,832,337.72
Receipts	1,569,849.86	3,340,077.40	26,451,453.07	29,145,417.82
Disbursements	<u>(2,623,642.07)</u>	<u>(2,623,642.07)</u>	<u>(29,339,334.81)</u>	<u>(29,339,334.81)</u>
Fund Balances - End of Month/Period	<u>\$67,944,455.98</u>	<u>\$70,638,420.73</u>	<u>\$67,944,455.98</u>	<u>\$70,638,420.73</u>

Portfolio Allocation:

BNY MM	\$117,378.95	\$117,378.95
US Govt Agencies & Corp. Bonds	48,164,885.57	48,164,885.57
Local Agency Investment Fund	<u>4,181,786.38</u>	<u>4,181,786.38</u>
Subtotal - Investments	52,464,050.90	52,464,050.90
Reconciled Demand Deposit Balances	<u>15,480,405.08</u>	<u>18,174,369.83</u>
Total Treasurer's Fund	<u>\$67,944,455.98</u>	<u>\$70,638,420.73</u>

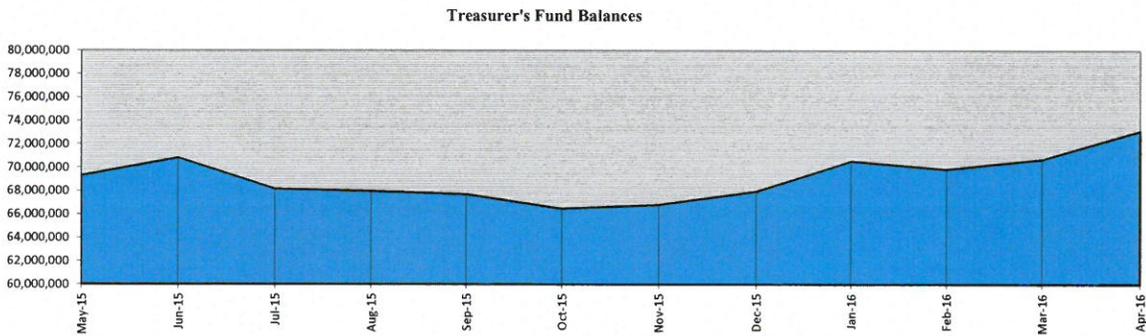
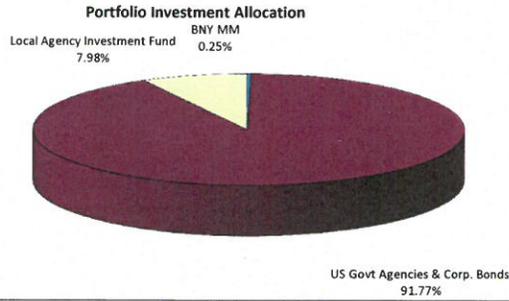


Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
April 30, 2016

	Month	Month	YTD	YTD
		<u>CORRECTED</u>		<u>CORRECTED</u>
Fund Balances - Beginning of Month/Period	\$67,944,455.98	\$70,638,420.73	\$70,832,337.72	\$70,832,337.72
Receipts	1,467,266.49	6,030,503.08	27,918,719.56	35,175,920.90
Disbursements	(3,279,285.84)	(3,279,285.84)	(32,618,620.65)	(32,618,620.65)
Fund Balances - End of Month/Period	<u>\$66,132,436.63</u>	<u>\$73,389,637.97</u>	<u>\$66,132,436.63</u>	<u>\$73,389,637.97</u>

Portfolio Allocation:

BNY MM	\$133,721.00	\$117,378.95
US Govt Agencies & Corp. Bonds	48,174,731.66	48,164,885.57
Local Agency Investment Fund	<u>4,186,613.48</u>	<u>4,181,786.38</u>
Subtotal - Investments	52,495,066.14	52,464,050.90
Reconciled Demand Deposit Balances	<u>13,637,370.49</u>	<u>20,925,587.07</u>
Total Treasurer's Fund	<u>\$66,132,436.63</u>	<u>\$73,389,637.97</u>

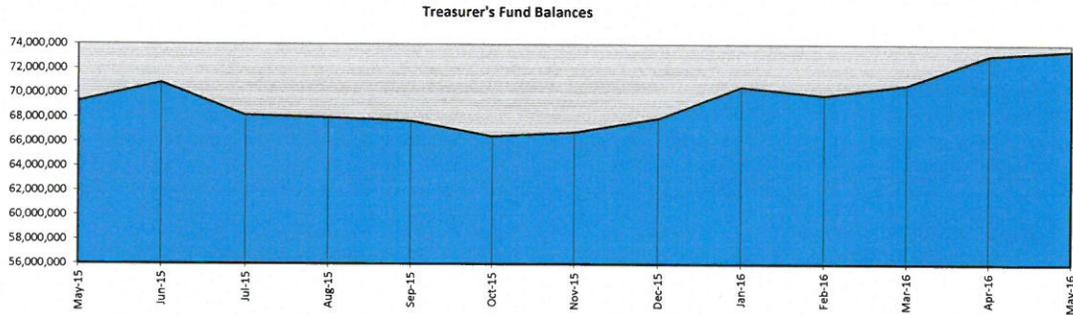
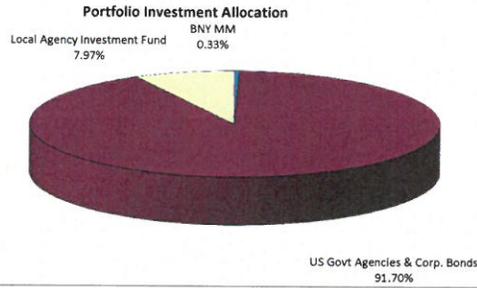


Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
May 31, 2016

	Month	Month <u>CORRECTED</u>	YTD	YTD <u>CORRECTED</u>
Fund Balances - Beginning of Month/Period	\$66,132,436.63	\$73,389,637.97	\$70,832,337.72	\$70,832,337.72
Receipts	1,515,551.49	2,517,668.21	29,434,271.05	37,693,589.11
Disbursements	(2,348,767.35)	(2,348,767.35)	(34,967,388.00)	(34,967,388.00)
Fund Balances - End of Month/Period	<u>\$65,299,220.77</u>	<u>\$73,558,538.83</u>	<u>\$65,299,220.77</u>	<u>\$73,558,538.83</u>

Portfolio Allocation:

BNY MM	\$174,844.84	\$174,844.84
US Govt Agencies & Corp. Bonds	48,173,424.99	48,173,424.99
Local Agency Investment Fund	<u>4,186,613.48</u>	<u>4,186,613.48</u>
Subtotal - Investments	52,534,883.31	52,534,883.31
Reconciled Demand Deposit Balances	<u>12,764,337.46</u>	<u>21,023,655.52</u>
Total Treasurer's Fund	<u>\$65,299,220.77</u>	<u>\$73,558,538.83</u>



Town of Los Gatos
Portfolio Allocation & Treasurer's Fund Balances
June 30, 2016

	Month	Month	YTD	YTD
		<u>CORRECTED</u>		<u>CORRECTED</u>
Fund Balances - Beginning of Month/Period	\$65,299,220.77	\$73,558,538.83	\$70,832,337.72	\$70,832,337.72
Receipts	1,292,406.21	5,551,888.89	30,726,677.26	43,245,478.00
Disbursements	<u>(4,091,080.67)</u>	<u>(4,091,080.67)</u>	<u>(39,058,468.67)</u>	<u>(39,058,468.67)</u>
FY 15/16 Final Audit Adjustments *				<u>(105,410.66)</u>
Fund Balances - End of Month/Period	<u>\$62,500,546.31</u>	<u>\$74,913,936.39</u>	<u>\$62,500,546.31</u>	<u>\$74,913,936.39</u>

Portfolio Allocation:

BNY MM	\$233,030.26	\$233,030.26
US Govt Agencies & Corp. Bonds	48,168,474.99	48,168,474.99
Local Agency Investment Fund	<u>4,186,613.48</u>	<u>4,186,613.48</u>
Subtotal - Investments	52,588,118.73	52,588,118.73
Reconciled Demand Deposit Balances	<u>9,912,427.58</u>	<u>22,325,817.66</u>
Total Treasurer's Fund	<u>\$62,500,546.31</u>	<u>\$74,913,936.39</u>

* Standard year end adjustments to adjust to amortized cost and other misc. adjustments per monthly bank reconciliations completed for the FY 15/16.

