

City of Alameda, California

Quarterly Investment Report





City of Alameda
Administrative Services - Finance Division
2263 Santa Clara Avenue, Room 220
Alameda, California 94501
(510) 747-4881

September 22, 2014

Honorable Mayor and City Council:

I have reviewed the City of Alameda's Treasury Report for the quarter ending June 30, 2014, and find that it complies with the Investment Policy established by my office.

Sincerely,



Kevin Kennedy
City Treasurer



City of Alameda

Staff Report

File Number:2014-839

City Council

Agenda Date: 10/21/2014

File Type: Consent Calendar Item

Agenda Number:

Recommendation to Accept the Treasury Report for the Quarter Ending June 30, 2014. (Finance 2410)
To: Honorable Mayor and Members of the City Council

From: John A. Russo, City Manager

Re: Recommendation to Accept the Treasury Report for the Quarter Ending June 30, 2014

BACKGROUND

Each fiscal quarter, an Investment Summary Report is provided to the City Council for review, per City policy. Attached is the Treasury Report for the fiscal quarter ending June 30, 2014, which includes detailed information on the City's investments.

DISCUSSION

The investment report includes all cash and investments available as summarized in the six categories listed below as of June 30, 2014. The investment portfolio's average yield of .75% (before adjustments for changes in market value) compares favorably with the two-year rate for U.S. Treasury bills, which was .51% as of June 30, 2014.

Investment Type	Market Value	Amount Over (Under) Cost	Average Length of Duration	Average Yield
Cash on Hand	\$ 10,075	\$ -	1	0.00%
Cash on Deposit	15,954,516	-	1	0.01%
Investments with Bond Trustees	20,739,929	-	1	0.02%
Cash on Hand and with Trustees	36,704,520	-	1	0.01%
Certificates of Deposit	4,711,382	\$ (2,067)	73	0.41%
Federal/Agency Issues	54,558,106	(69,163)	970	0.94%
Medium Term Notes - Commercial Paper	26,820,042	(15,110)	776	1.28%
Local Agency Investment Fund	47,041,347	297	239	0.27%
Total Investment Portfolio	\$ 133,130,877	\$ (86,043)	484	0.75%
Total Portfolio	\$ 169,835,397	\$ (86,043)		

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The investments in Government Treasuries/Agencies and Corporate Bonds are managed by PFM Asset Management and Chandler Asset Management, the City's two registered investment advisors. PFM is responsible for managing investments ranging from one to three years, and Chandler manages investments ranging from one to five years, all of which have been made in accordance with the City's investment policy. These advisors invested approximately 63% of the portfolio investments in U.S. treasuries and agency notes and 37% in Corporate Notes and Commercial Paper. Most of these investments were rated either AA or AAA by independent rating firms, with none having a rating below an A-

As of June 30, 2014, approximately 67% of the State's Local Agency Investment Fund (LAIF) investments were in U.S. treasuries and agency notes, 14% in CDs, and 19% in other types of investments. Additional economic summary and specific information related to each of the investment advisors and LAIF is included in the Quarterly Investment Report, attached to this report.

Governmental Accounting Standards Board Statement 40 requires the City to recognize the fair market value of its investments at the end of each fiscal year. The market values of investments included in this report are obtained from the State Controller's office for LAIF and from the City's registered investment advisors and bond trustees for longer term investments and for funds held with fiscal agents. These market valuations are subject to daily changes in market value. The change in market values is considered to be temporary in nature, as it is the City's general intention to hold its investments until maturity, when they would be redeemed at cost.

Of the total cash and investments reported above, only the portions held in the City's General Fund (approximately \$28.6 million, or 16%) and Internal Service Funds (approximately \$19 million, or 11%) are unrestricted, although a portion of these amounts may be committed for existing obligations or designated for specific purposes. The remaining \$127 million (73%) of the City's cash and investments are restricted for specific uses, in accordance with federal, State or local agency rules and regulations.

FINANCIAL IMPACT

The City's expenditure requirements for the next six months are covered by anticipated revenues from City operations and liquidity from maturing investments. The difference between market value and cost as of June 30, 2014 is reflected in the City's financial statements for Fiscal Year 2013-14 as an adjustment to interest income for each of the City's funds on a pro rata basis.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

All investments were made in accordance with the provisions of the City's approved Investment Policy. The policy emphasizes safety, liquidity and diversification.

ENVIRONMENTAL REVIEW

This activity is not a project and is exempt from the California Environmental Quality Act (CEQA) pursuant to section 15378 (b)(4) of the CEQA Guidelines, because it involves governmental fiscal activities (acceptance of the Treasury report), which does not involve any commitment to any specific project which may result in a

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potentially significant physical impact on the environment.

RECOMMENDATION

Accept the Treasury Report for the quarter ending June 30, 2014.

Respectfully submitted,
Juelle-Ann Boyer, Interim Finance Director

By,
Brad Farmer, Finance Supervisor

Exhibit:

1. Investment Portfolio

cc: Kevin Kennedy, City Treasurer

**City of Alameda - Details on Investment Portfolio Summary Report
For the Quarter Ended June 30, 2014**

DESCRIPTION	BOOK VALUE	RATE	YIELD	PURCHASE DATE	MATURITY DATE	LIFE TO MATURITY DAYS	REMAINING LIFE DAYS	Call Date	S&P RATING	PAR VALUE	MARKET VALUE
CASH ON HAND											
PETTY CASH	\$ 5,330									\$ 5,330	\$ 5,330
CHANGE BOXES	4,745									4,745	4,745
TOTAL	\$ 10,075									\$ 10,075	\$ 10,075
1. CASH IN BANK											
WELLS FARGO GENERAL CHECKING	\$ 13,810,547	0.000%	0.000%							\$ 13,810,546	\$ 13,810,546
BANK OF ALAMEDA TIDELANDS PM REALTY(OPERATING)	19,894	0.000%	0.000%							19,894	19,894
BANK OF ALAMEDA GARAGE LOAN REPAYMENT ACCOUNT	294,491	0.000%	0.000%							294,491	294,491
BANK OF ALAMEDA FISC PM REALTY(BUSINESS)	128,895	0.100%	0.100%							128,895	128,895
BANK OF ALAMEDA FISC PM REALTY(OPERATING)	17,178	0.000%	0.000%							17,178	17,178
BANK OF ALAMEDA ALAMEDA POINT RENTAL G & L CHECKING	12,668	0.040%	0.040%							12,668	12,668
BANK OF ALAMEDA ALAMEDA POINT PM REALTY (BUSINESS)	298,446	0.120%	0.180%							298,446	298,446
BANK OF ALAMEDA ALAMEDA POINT PM REALTY (OPERATING)	10,881	0.250%	0.250%							10,881	10,881
OSHKOSH 701-10507 LEASE ESCROW	40,297	0.000%	0.000%							40,297	40,297
OSHKOSH 701-10509 LEASE ESCROW	140,024	0.000%	0.000%							140,024	140,024
ABAG - DEPOSIT	44,931	0.000%	0.000%							44,931	44,931
OPEB TRUST	25,000	0.000%	0.000%							25,000	25,000
RISK MANAGEMENT ESCROW	50,000	0.000%	0.000%							50,000	50,000
US Bank - Fidelity Institution MMA (Chandler)	63,848	0.000%	0.000%							63,848.20	63,848.20
US Bank - Fidelity Institution MMA (PFM)	131,413	0.000%	0.000%							131,413.00	131,413.80
TOTAL	\$ 15,954,516	0.003%	0.004%							\$ 15,954,515	\$ 15,954,516
2. CERTIFICATES OF DEPOSITS											
BANK OF MARIN	\$ 95,764	0.450%	0.450%	01/30/14	01/30/15	365	214			\$ 95,764	\$ 95,764
BANK OF MARIN - ALAMEDA WEST LAGOON	50,000	0.350%	0.350%	03/30/14	03/30/15	365	273			50,000	50,000
BANK OF MARIN - Harbor Bay CD	25,000	0.500%	0.500%	08/19/13	08/19/15	730	415			25,000	25,000
BANK OF MARIN - MASTIC CD	463,939	0.350%	0.350%	02/05/14	02/04/15	364	219			463,939	463,939
BANK OF NOVA SCOTIA HOUS CD FLOAT	999,396	0.410%	0.280%	06/11/14	06/10/16	730	711		A+	1,000,000	1,000,330
BANK OF TOKYO MITSUBISHI LTD COMM PAPER	884,350	0.000%	0.210%	06/16/14	10/21/14	127	113		A-1	885,000	884,422
RABOBANK NEDERLAND NV NY CD	1,100,000	0.720%	0.710%	05/09/14	05/06/16	728	676		A-1+	1,100,000	1,095,507
TRANS PACIFIC BANK	95,000	0.304%	0.304%	02/05/14	02/05/15	365	220			95,000	95,000
WESTPAC BANKING CORP NY LT FLOAT CD	1,000,000	0.410%	0.410%	04/16/14	04/15/16	730	655		A-1+	1,000,000	1,001,420
TOTAL AND AVERAGES	\$ 4,713,449	0.398%	0.408%			81	73			\$ 4,714,703	\$ 4,711,382
3. GOVERNMENT TREASURIES & AGENCIES											
CA ST DEPT OF WATER TXBL REV BONDS	\$ 400,000	0.650%	0.650%	09/19/12	12/01/15	1,168	519		AAA	\$ 400,000	\$ 400,788
FANNIE MAE BENCHMARK NOTE	250,513	1.875%	1.830%	03/20/14	02/19/19	1,797	1,695		AA+	250,000	253,339
FANNIE MAE BENCHMARK NOTE	636,672	1.875%	1.650%	03/03/14	02/19/19	1,814	1,695		AA+	630,000	638,414
FANNIE MAE GLOBAL NOTES	434,987	0.880%	0.880%	01/04/13	08/28/17	1,697	1,155		AA+	435,000	432,586
FANNIE MAE GLOBAL NOTES	581,316	0.880%	1.570%	09/23/13	05/21/18	1,701	1,421		AA+	600,000	589,930

**City of Alameda - Details on Investment Portfolio Summary Report
For the Quarter Ended June 30, 2014**

DESCRIPTION	BOOK VALUE	RATE	YIELD	PURCHASE DATE	MATURITY DATE	LIFE TO MATURITY DAYS	REMAINING LIFE DAYS	Call Date	S&P RATING	PAR VALUE	MARKET VALUE
FANNIE MAE GLOBAL NOTES	796,816	1.625%	1.710%	12/16/13	11/27/18	1,807	1,611		AA+	800,000	804,282
FANNIE MAE GLOBAL NOTES	872,760	0.880%	0.930%	02/22/13	12/20/17	1,762	1,269		AA+	875,000	868,421
FEDERAL FARM CREDIT BANK BONDS	874,501	0.430%	0.450%	12/24/12	11/16/15	1,057	504		AA+	875,000	876,025
FEDERAL HOME LOAN BANK GLOBAL NOTES	758,123	1.000%	0.740%	03/26/13	06/21/17	1,548	1,087		AA+	750,000	752,482
FEDERAL HOME LOAN BANKS (CALLABLE)	1,036,265	1.625%	1.250%	04/02/14	03/27/17	1,090	1,001	3/27/2015	AA+	1,025,000	1,035,746
FFCB BONDS	237,093	3.000%	2.317%	12/04/09	09/22/14	1,753	84		AA+	230,000	231,508
FFCB BONDS	577,450	3.000%	2.310%	12/04/09	09/22/14	1,753	84		AA+	560,000	563,672
FFCB NOTES	110,189	0.550%	0.490%	10/24/12	08/17/15	1,027	413		AA+	110,000	110,363
FFCB NOTES	440,000	0.830%	0.830%	09/18/12	09/21/17	1,829	1,179		AA+	440,000	436,955
FFCB NOTES	476,720	2.350%	2.270%	03/29/11	12/22/15	1,729	540		AA+	475,000	488,900
FFCB NOTES	712,016	0.550%	0.450%	10/24/12	08/17/15	1,027	413		AA+	710,000	712,340
FHLB (CALLABLE) GLOBAL NOTES	799,760	0.375%	0.390%	12/12/13	12/30/15	748	548	9/30/2014	AA+	800,000	800,101
FHLB NOTES	117,015	2.125%	1.750%	07/20/11	06/10/16	1,787	711		AA+	115,000	118,559
FHLB NOTES	171,554	1.010%	0.820%	07/26/12	06/19/17	1,789	1,085		AA+	170,000	170,833
FHLB NOTES	424,371	0.625%	0.680%	06/26/14	12/28/16	916	912		AA+	425,000	424,622
FHLB NOTES	430,396	1.050%	1.030%	02/28/12	02/27/17	1,826	973		AA+	430,000	433,909
FHLB NOTES	434,386	1.000%	0.780%	09/21/12	06/09/17	1,722	1,075		AA+	430,000	431,265
FHLB NOTES	513,170	2.450%	1.870%	07/08/11	03/30/16	1,727	639		AA+	500,000	517,184
FHLB NOTES	714,821	0.880%	0.700%	03/14/13	03/10/17	1,457	984		AA+	710,000	711,308
FHLB NOTES	747,697	2.125%	1.100%	11/10/11	06/10/16	1,674	711		AA+	715,000	737,129
FHLB NOTES	802,848	1.125%	1.050%	04/25/12	03/10/17	1,780	984		AA+	800,000	806,515
FHLB NOTES	868,534	1.375%	1.540%	08/13/13	03/09/18	1,669	1,348		AA+	875,000	877,808
FHLMC NOTES	334,748	2.500%	1.860%	06/15/11	05/27/16	1,808	697		AA+	325,000	337,093
FHLMC NOTES	435,087	0.750%	1.510%	06/26/13	01/12/18	1,661	1,292		AA+	450,000	443,267
FHLMC NOTES	444,015	0.750%	1.030%	01/28/13	01/12/18	1,810	1,292		AA+	450,000	443,267
FHLMC NOTES	857,882	1.250%	1.060%	05/30/12	05/12/17	1,808	1,047		AA+	850,000	858,623
FNMA (CALLABLE) NOTES	439,133	1.000%	0.750%	04/24/13	02/27/17	1,405	973	2/27/2015	AA+	435,000	436,574
FNMA NOTES	507,503	1.250%	0.740%	10/01/13	09/28/16	1,093	821		AA+	500,000	507,335
FNMA NOTES	855,289	1.250%	1.360%	10/17/11	09/28/16	1,808	821		AA+	860,000	872,616
FNMA NOTES (EX-CALLABLE)	439,603	2.000%	1.220%	08/25/11	03/08/16	1,657	617		AA+	425,000	435,699
FNMA NOTES (EX-CALLABLE)	487,944	1.570%	0.650%	09/27/11	09/24/14	1,093	86		AA+	475,000	476,541
FREDDIE MAC GLOBAL NOTES	101,086	1.000%	0.760%	12/27/12	07/28/17	1,674	1,124		AA+	100,000	100,061
FREDDIE MAC GLOBAL NOTES	363,122	2.000%	1.190%	11/09/11	08/25/16	1,751	787		AA+	350,000	360,536
FREDDIE MAC GLOBAL NOTES	438,154	1.000%	0.850%	07/27/12	06/29/17	1,798	1,095		AA+	435,000	435,941
FREDDIE MAC GLOBAL NOTES	438,336	1.000%	0.840%	08/07/12	07/28/17	1,816	1,124		AA+	435,000	435,267
FREDDIE MAC GLOBAL NOTES	493,497	2.000%	1.190%	09/14/11	08/25/16	1,807	787		AA+	475,000	489,299
FREDDIE MAC GLOBAL NOTES	859,294	0.880%	1.270%	06/12/13	03/07/18	1,729	1,346		AA+	875,000	862,508
IBM CORP (FLOATING) GLOBAL NOTES	1,000,000	0.290%	0.300%	02/07/14	02/05/16	728	585		AA-	1,000,000	1,000,154
TENN VALLEY AUTHORITY	266,950	1.750%	1.590%	10/29/13	10/15/18	1,812	1,568		AA+	265,000	267,136
TENN VALLEY AUTHORITY	358,092	1.750%	1.570%	10/30/13	10/15/18	1,811	1,568		AA+	355,000	357,862
US TREASURY NOTES	97,938	1.250%	1.690%	03/20/14	01/31/19	1,778	1,676		AA+	100,000	98,875
US TREASURY NOTES	154,988	0.500%	0.500%	04/08/14	06/15/16	799	716		AA+	155,000	155,194

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US TREASURY NOTES	171,521	0.880%	0.570%	11/27/13	11/30/16	1,099	884		AA+	170,000	171,049
US TREASURY NOTES	175,479	0.880%	0.780%	05/27/14	04/30/17	1,069	1,035		AA+	175,000	175,314
US TREASURY NOTES	222,470	1.250%	1.490%	03/03/14	01/31/19	1,795	1,676		AA+	225,000	222,469
US TREASURY NOTES	224,403	0.625%	0.720%	12/23/13	11/15/16	1,058	869		AA+	225,000	225,053
US TREASURY NOTES	399,329	0.500%	0.540%	04/30/13	07/31/17	1,553	1,127		AA+	400,000	394,719
US TREASURY NOTES	494,631	0.500%	0.840%	05/30/14	07/31/17	1,158	1,127		AA+	500,000	493,398
US TREASURY NOTES	569,364	1.250%	1.470%	05/27/14	01/31/19	1,710	1,676		AA+	575,000	568,531
US TREASURY NOTES	661,529	1.250%	1.680%	06/11/14	04/30/19	1,784	1,765		AA+	675,000	664,875
US TREASURY NOTES	674,759	3.250%	0.400%	05/10/13	06/30/16	1,147	731		AA+	620,000	654,439
US TREASURY NOTES	734,461	0.880%	0.600%	07/30/12	04/30/17	1,735	1,035		AA+	725,000	726,303
US TREASURY NOTES	831,770	0.880%	0.690%	06/13/12	01/31/17	1,693	946		AA+	825,000	828,674
US TREASURY NOTES	836,520	1.750%	1.990%	04/07/11	07/31/15	1,576	396		AA+	845,000	859,590
US TREASURY NOTES	860,259	2.250%	1.320%	06/28/11	03/31/16	1,738	640		AA+	825,000	852,232
US TREASURY NOTES	878,417	0.750%	1.280%	07/30/13	03/31/18	1,705	1,370		AA+	900,000	884,250
US TREASURY NOTES	885,483	1.375%	1.720%	04/01/14	02/28/19	1,794	1,704		AA+	900,000	893,390
US TREASURY NOTES	889,316	1.250%	1.500%	12/16/13	10/31/18	1,780	1,584		AA+	900,000	893,039
US TREASURY NOTES	889,948	1.375%	1.630%	05/17/11	11/30/15	1,658	518		AA+	900,000	914,555
US TREASURY NOTES	912,062	2.000%	1.700%	05/17/11	01/31/16	1,720	580		AA+	900,000	924,363
US TREASURY NOTES	975,229	0.880%	0.670%	06/02/14	01/31/17	974	946		AA+	970,000	974,319
US TREASURY NOTES	1,002,180	3.250%	0.520%	05/29/13	06/30/16	1,128	731		AA+	925,000	976,381
US TREASURY NOTES	1,007,695	0.880%	0.620%	10/31/13	11/30/16	1,126	884		AA+	1,000,000	1,006,172
US TREASURY NOTES	1,023,369	2.000%	0.380%	03/27/13	04/30/16	1,130	670		AA+	975,000	1,003,717
US TREASURY NOTES	1,294,696	0.375%	0.390%	06/02/14	05/31/16	729	701		AA+	1,295,000	1,293,837
US TREASURY NOTES	1,558,657	3.250%	0.440%	05/22/13	06/30/16	1,135	731		AA+	1,435,000	1,514,710
US TREASURY NOTES	1,618,470	1.000%	0.930%	03/19/14	03/31/17	1,108	1,005		AA+	1,615,000	1,624,590
US TREASURY NOTES	10,242,623	1.000%	0.490%	02/27/14	08/31/16	916	793		AA+	10,115,000	10,219,306
TOTAL AND AVERAGES	\$ 54,627,269	1.301%	0.943%			1,498	970			\$ 54,065,000	\$ 54,558,106
4. MEDIUM-TERM NOTES (CORP. BONDS)											
AMERICAN EXPRESS CORP NOTES	\$ 872,865	1.125%	1.210%	06/02/14	06/05/17	1,099	1,071		A-	\$ 875,000	\$ 874,081
AMERICAN HONDA FINANCE CORPORATE NOTES	297,242	2.125%	1.960%	12/10/13	10/10/18	1,765	1,563		A+	295,000	299,680
AMERICAN HONDA FINANCE GLOBAL NOTES	343,799	1.125%	1.240%	10/03/13	10/07/16	1,100	830		A+	345,000	347,029
APPLE INC GLOBAL NOTES	544,863	1.000%	1.200%	05/20/13	05/03/18	1,809	1,403		AA+	550,000	537,876
BANK OF NEW YORK INC CORPORATE NOTES	295,507	4.950%	2.288%	08/12/10	03/15/15	1,676	258		A	265,000	273,701
BANK OF NEW YORK INC CORPORATE NOTES	332,341	4.950%	1.960%	10/04/10	03/15/15	1,623	258		A	295,000	304,686
BANK OF NEW YORK MELLON (CALLABLE)	449,735	0.700%	0.720%	03/04/13	03/04/16	1,096	613	2/3/2016	A+	450,000	450,891
BANK OF TOKYO MITSUBISHI COMM PAPER	998,807	0.000%	0.240%	05/12/14	11/07/14	179	130		A-1	1,000,000	999,230
BERKSHIRE HATHAWAY FIN CORP NOTES	97,294	3.200%	2.645%	06/10/10	02/11/15	1,707	226		AA	95,000	96,674
BERKSHIRE HATHAWAY FIN CORP NOTES	504,581	3.200%	3.218%	02/08/10	02/11/15	1,829	226		AA	505,000	513,898
BERKSHIRE HATHAWAY FIN GLOBAL NOTES	339,354	0.950%	1.020%	10/08/13	08/15/16	1,042	777		AA	340,000	341,825

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For the Quarter Ended June 30, 2014**

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BLACKROCK INC CORPORATE NOTES	61,349	3.500%	2.963%	06/04/10	12/10/14	1,650	163		AA-	60,000	60,865
BLACKROCK INC CORPORATE NOTES	66,448	3.500%	2.968%	06/04/10	12/10/14	1,650	163		AA-	65,000	65,937
BLACKROCK INC CORPORATE NOTES	123,760	3.500%	2.755%	06/08/10	12/10/14	1,646	163		AA-	120,000	121,730
BLACKROCK INC CORPORATE NOTES	154,343	3.500%	2.809%	06/10/10	12/10/14	1,644	163		AA-	150,000	152,162
CATERPILLAR FINANCIAL SE	1,214,892	1.350%	0.910%	10/22/13	09/06/16	1,050	799		A	1,200,000	1,213,711
CATERPILLAR FINANCIAL SE NOTES	279,653	0.700%	0.740%	02/25/13	02/26/16	1,096	606		A	280,000	280,301
CHEVRON CORP (CALLABLE) GLOBAL NOTES	24,714	1.100%	1.400%	12/05/13	12/05/17	1,461	1,254	11/5/2017	AA	25,000	24,885
CHEVRON CORP (CALLABLE) GLOBAL NOTES	33,174	1.100%	1.700%	08/27/13	12/05/17	1,561	1,254	11/5/2017	AA	34,000	33,844
CHEVRON CORP (CALLABLE) GLOBAL NOTES	100,346	1.100%	1.030%	01/10/13	12/05/17	1,790	1,254	11/5/2017	AA	100,000	99,540
CHEVRON CORP (CALLABLE) GLOBAL NOTES	155,000	1.100%	1.100%	12/05/12	12/05/17	1,826	1,254	11/5/2017	AA	155,000	154,287
CHEVRON CORP (CALLABLE) GLOBAL NOTES	157,120	1.100%	1.690%	08/27/13	12/05/17	1,561	1,254	11/5/2017	AA	161,000	160,260
CISCO SYSTEMS INC GLOBAL NOTES	64,890	2.125%	2.160%	03/07/14	03/01/19	1,820	1,705		AA-	65,000	65,505
CISCO SYSTEMS INC GLOBAL NOTES	170,264	2.125%	2.090%	03/06/14	03/01/19	1,821	1,705		AA-	170,000	171,321
CISCO SYSTEMS INC GLOBAL NOTES	170,891	2.125%	2.010%	03/04/14	03/01/19	1,823	1,705		AA-	170,000	171,321
CISCO SYSTEMS INC GLOBAL NOTES	171,272	2.125%	1.970%	03/04/14	03/01/19	1,823	1,705		AA-	170,000	171,321
COCA-COLA CO CORPORATE NOTES	264,446	0.750%	0.820%	03/14/12	03/13/15	1,094	256		AA	265,000	265,931
COCA-COLA CO CORPORATE NOTES	264,703	0.750%	0.790%	03/13/12	03/13/15	1,095	256		AA	265,000	265,931
COCA-COLA CO/THE GLOBAL NOTES	224,741	0.750%	0.790%	10/29/13	11/01/16	1,099	855		AA	225,000	224,795
EBAY INC CORP NOTES	648,863	1.625%	1.660%	10/25/10	10/15/15	1,816	472		A	650,000	660,250
GENERAL ELEC CAP CORP	1,767,445	1.500%	1.350%	08/15/13	07/12/16	1,062	743		AA+	1,760,000	1,785,286
GENERAL ELEC CAP CORP (FLOATING)	800,000	0.880%	0.930%	07/09/13	07/12/16	1,099	743		AA+	800,000	807,262
GENERAL ELECTRIC CAPITAL CORP NOTES	230,064	2.300%	2.290%	01/08/14	01/14/19	1,832	1,659		AA+	230,000	234,629
GENERAL ELECTRIC CAPITAL CORP NOTES	324,389	2.300%	2.340%	01/08/14	01/14/19	1,832	1,659		AA+	325,000	331,540
GOOGLE INC GLOBAL NOTES	125,672	2.125%	0.750%	11/16/12	05/19/16	1,280	689		AA	120,000	123,624
GOOGLE INC GLOBAL NOTES	267,062	2.125%	0.750%	11/16/12	05/19/16	1,280	689		AA	255,000	262,702
HSBC USA INC COMM PAPER	699,226	0.000%	0.230%	02/19/14	08/13/14	175	44		A-1	700,000	699,889
IBM CORP GLOBAL NOTES	174,144	0.550%	0.720%	02/06/12	02/06/15	1,096	221		AA-	175,000	175,363
INTEL CORP CORPORATE NOTES	215,559	1.350%	1.300%	12/12/12	12/15/17	1,829	1,264		A+	215,000	215,060
INTEL CORP CORPORATE NOTES	336,082	1.350%	1.280%	12/12/12	12/15/17	1,829	1,264		A+	335,000	335,094
JOHN DEERE CAPITAL CORP	499,365	1.050%	1.090%	10/08/13	10/11/16	1,099	834		A	500,000	502,423
JOHN DEERE CAPITAL CORP GLOBAL NOTES	99,938	0.880%	0.900%	04/13/12	04/17/15	1,099	291		A	100,000	100,478
JOHN DEERE CAPITAL CORP NOTES	169,638	1.950%	1.990%	12/12/13	12/13/18	1,827	1,627		A	170,000	170,468
JOHN DEERE CAPITAL CORP NOTES	338,036	2.000%	1.050%	09/11/12	01/13/17	1,585	928		A	325,000	333,573
JP MORGAN CHASE NOTES	131,053	3.700%	3.515%	03/25/10	01/20/15	1,762	204		A	130,000	132,303
JP MORGAN CHASE NOTES	231,613	3.700%	2.900%	02/22/11	01/20/15	1,428	204		A	225,000	228,985
JP MORGAN CHASE NOTES	273,424	3.700%	3.412%	03/19/10	01/20/15	1,768	204		A	270,000	274,783
JPMORGAN CHASE & CO	999,500	1.350%	1.370%	02/12/14	02/15/17	1,099	961		A	1,000,000	1,003,552
OCCIDENTAL PETROLEUM CORPORATE NOTES	445,366	1.750%	1.130%	03/08/13	02/15/17	1,440	961		A	435,000	443,046
ORACLE CORP NOTES	598,557	1.200%	1.480%	11/05/13	10/15/17	1,440	1,203		A+	605,000	604,191
PEPSICO CORP NOTES	749,145	0.950%	0.990%	02/25/14	02/22/17	1,093	968		A-	750,000	748,995
PEPSICO INC CORPORATE NOTES	107,438	3.100%	1.280%	10/22/10	01/15/15	1,546	199		A-	100,000	101,505
PEPSICO INC CORPORATE NOTES	112,665	3.100%	1.320%	10/14/10	01/15/15	1,554	199		A-	105,000	106,580

**City of Alameda - Details on Investment Portfolio Summary Report
For the Quarter Ended June 30, 2014**

DESCRIPTION	BOOK VALUE	RATE	YIELD	PURCHASE DATE	MATURITY DATE	LIFE TO MATURITY DAYS	REMAINING LIFE DAYS	Call Date	S&P RATING	PAR VALUE	MARKET VALUE
PEPSICO INC CORPORATE NOTES	133,072	3.100%	2.552%	06/04/10	01/15/15	1,686	199		A-	130,000	131,956
PEPSICO INC CORPORATE NOTES	273,268	3.100%	2.379%	06/08/10	01/15/15	1,682	199		A-	265,000	268,987
PEPSICO INC GLOBAL NOTES	299,895	0.700%	0.710%	02/25/13	02/26/16	1,096	606		A-	300,000	300,716
PFIZER INC CORPORATE NOTE	179,842	1.100%	1.130%	05/12/14	05/15/17	1,099	1,050		AA	180,000	180,702
PRAXAIR INC CORPORATE NOTES	16,727	4.625%	1.993%	08/20/10	03/30/15	1,683	273		A	15,000	15,478
PRAXAIR INC CORPORATE NOTES	174,293	4.625%	2.633%	06/08/10	03/30/15	1,756	273		A	160,000	165,096
RABOBANK USA FIN CORP COMM PAPER	999,017	0.000%	0.200%	05/05/14	10/31/14	179	123		A-1+	1,000,000	999,409
TOYOTA MOTOR CREDIT CORP	419,828	0.800%	0.810%	05/14/13	05/17/16	1,099	687		AA-	420,000	422,313
TOYOTA MOTOR CREDIT CORP COMM PAPER	848,961	0.000%	0.200%	05/28/14	01/05/15	222	189		A-1+	850,000	849,290
UNITED TECHNOLOGIES CORP NOTES	39,966	1.800%	1.820%	06/01/12	06/01/17	1,826	1,067		A	40,000	40,856
US BANCORP NOTES (CALLABLE)	70,148	1.950%	1.900%	02/12/14	11/15/18	1,737	1,599	10/15/2018	A+	70,000	70,461
US BANK NA (CALLABLE) CORPORATE NOTES	95,641	2.200%	2.050%	06/10/14	04/25/19	1,780	1,760	3/25/2019	A+	95,000	95,874
US BANK NA (CALLABLE) CORPORATE NOTES	154,716	2.200%	2.240%	05/01/14	04/25/19	1,820	1,760	3/25/2019	A+	155,000	156,426
US BANK NA (CALLABLE) CORPORATE NOTES	209,675	2.200%	2.230%	05/01/14	04/25/19	1,820	1,760	3/25/2019	A+	210,000	211,932
WAL-MART STORES INC GLOBAL NOTES	319,706	1.125%	1.140%	04/05/13	04/11/18	1,832	1,381		AA	320,000	315,730
WELLS FARGO & CO CORPORATE NOTES	249,274	4.750%	3.110%	02/22/11	02/09/15	1,448	224		A+	235,000	241,295
WELLS FARGO & CO CORPORATE NOTES	405,787	4.750%	3.830%	03/23/10	02/09/15	1,784	224		A+	390,000	400,447
WELLS FARGO & COMPANY (FLOATING)	825,000	0.760%	0.800%	07/22/13	07/20/16	1,094	751		A+	825,000	830,230
WELLS FARGO & COMPANY COMM PAPER	998,962	0.000%	0.210%	02/19/14	08/18/14	180	49		A-1	1,000,000	999,806
WELLS FARGO & COMPANY NOTES	998,740	1.150%	1.190%	05/27/14	06/02/17	1,102	1,068		A+	1,000,000	998,240
TOTAL AND AVERAGES	\$ 26,835,152	1.443%	1.276%			1,414	776			\$ 26,635,000	\$ 26,820,042
5. INVESTMENTS WITH TRUSTEES											
C.A.M.P. - MONEY MARKET (IMPROVEMENT FUND)	\$ 381,996	0.060%	0.060%	06/30/14	07/01/14	1	1			\$ 381,996	\$ 381,996
BNY -GOLDMAN SACHS FINCIAL FEDERAL	3,016,571	0.000%	0.000%	06/30/14	07/01/14	1	1			3,016,571	3,016,571
UNION BANK - BLACKROCK INST. FUND A/C 6711721201-210	1,008	0.010%	0.010%	06/30/14	07/01/14	1	1			1,008	1,008
UNION BANK - BLACKROCK INST. FUND A/C 6711716401-411	1,262,130	0.010%	0.010%	06/30/14	07/01/14	1	1			1,262,130	1,262,130
UNION BANK - BLACKROCK INST. FUND A/C 6711721401-406	881,951	0.010%	0.010%	06/30/14	07/01/14	1	1			881,951	881,951
UNION BANK - BLACKROCK INST. FUND A/C 6711721401-407	131,391	0.010%	0.010%	06/30/14	07/01/14	1	1			131,391	131,391
UNION BANK - BLACKROCK INST. FUND A/C 6711721301-06	663,172	0.010%	0.010%	06/30/14	07/01/14	1	1			663,172	663,172
UNION BANK - BLACKROCK INST. FUND A/C 6711721307	2,567,921	0.010%	0.010%	06/30/14	07/01/14	1	1			2,567,921	2,567,921
UNION BANK - BLACKROCK INST. FUND A/C 6711721308	48,372	0.010%	0.010%	06/30/14	07/01/14	1	1			48,372	48,372
UNION BANK - BLACKROCK INST. FUND A/C 6711721309	238,607	0.010%	0.010%	06/30/14	07/01/14	1	1			238,607	238,607
UNION BANK - BLACKROCK INST. FUND A/C 6711721310	1,261,475	0.010%	0.010%	06/30/14	07/01/14	1	1			1,261,475	1,261,475
UNION BANK - BLACKROCK INST. FUND A/C 6711909101-07	543,342	0.010%	0.010%	06/30/14	07/01/14	1	1			543,342	543,342
UNION BANK - BLACKROCK INST. FUND A/C 6711909201-02	1,067,751	0.010%	0.010%	06/30/14	07/01/14	1	1			1,067,751	1,067,751
BNY - MBIA FINANCIAL GUARANTY INSURANCE A/C 139010	1	0.000%	0.000%	06/30/14	07/01/14	1	1			1	1
BANK OF MARIN 0020-700283	587,673	0.500%	0.500%	06/30/14	07/01/14	1	1			587,673	587,673
UNION BANK - BLACKROCK LIQUIDITY FUND 6711851901-03	4	0.000%	0.000%	06/30/14	07/01/14	1	1			4	4
UNION BANK - BLACKROCK INST. FUND A/C 6711939800-07	1,103,575	0.010%	0.010%	06/30/14	07/01/14	1	1			1,103,575	1,103,574
DEUTSCHE BANK ESCROW ACCOUNT S71974.1	471	0.010%	0.010%	06/30/14	07/01/14	1	1			471	471
BNY - Goldman Sachs Financial Federal A/C 852792	779,607	0.010%	0.010%	06/30/14	07/01/14	1	1			779,607	779,607
BNY - Goldman Sachs Financial Federal A/C 852795	6,202,911	0.010%	0.010%	06/30/14	07/01/14	1	1			6,202,911	6,202,911

**City of Alameda - Details on Investment Portfolio Summary Report
For the Quarter Ended June 30, 2014**

DESCRIPTION	BOOK VALUE	RATE	YIELD	PURCHASE DATE	MATURITY DATE	LIFE TO MATURITY DAYS	REMAINING LIFE DAYS	Call Date	S&P RATING	PAR VALUE	MARKET VALUE
TOTAL AND AVERAGES	\$ 20,739,930	0.023%	0.023%			1	1			\$ 20,739,930	\$ 20,739,929
6. LOCAL AGENCY INVESTMENT	\$ 47,041,050	0.270%	0.270%	06/30/14	02/24/15	239	239			\$ 47,041,050	\$ 47,041,347
TOTAL AND AVERAGES	\$ 47,041,050	0.270%	0.270%			239	239			\$ 47,041,050	\$ 47,041,347
Total	\$ 169,921,440									\$ 169,160,273	\$ 169,835,397

Economic Summary

Economic Conditions

- The U.S. unemployment rate fell from 6.7% in March to 6.1% at the end of the second quarter.
- First-quarter gross domestic product (GDP) contracted at an annual rate of 2.9%—the first downward move in three years. The harsh winter weather was a primary contributor, and most economists expect a recovery as 2014 further unfolds.
- The housing market continued to show modest strength during the quarter. However, the pace of housing starts remained well below pre-recession levels.
- Geopolitical uncertainty continued to be a primary focus for the markets, as tensions in Ukraine, Iraq, and Syria caused investors to move toward assets that are perceived to have less risk.

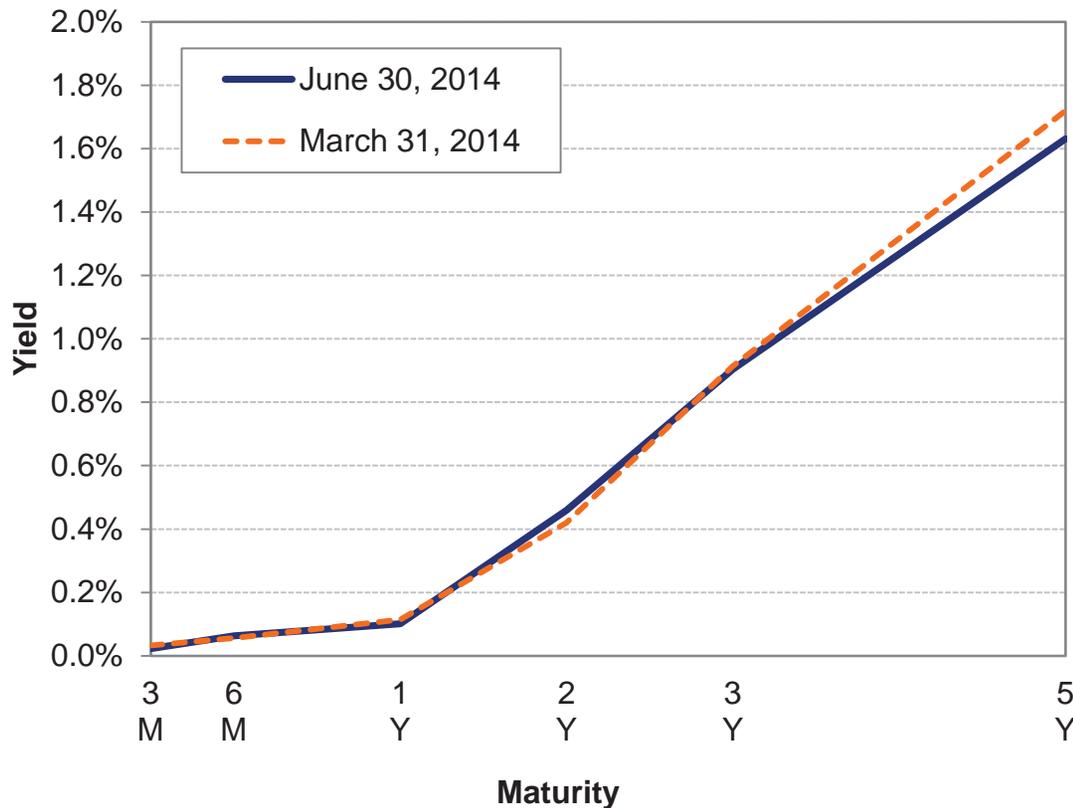
Market Reaction

- Treasury prices rose during the second quarter, marking two consecutive quarters of price rallies—a pattern that has not occurred since 2012.
- The Treasury yield curve, however, flattened over the quarter as intermediate- and long-maturity bond prices led the rally. This flattening expresses the current investor outlook that the Fed tightening will be modest by historical standards and inflation will remain well-contained in coming years.

Yield Curve Remained Steep

- Long-term yields continued to provide a significant pick-up over short-term yields.

U.S. Treasury Yield Curve



Source: Bloomberg

	3/31/14	6/30/14
3 Month	0.03%	0.02%
6 Month	0.06%	0.06%
1 Year	0.11%	0.10%
2 Year	0.42%	0.46%
3 Year	0.91%	0.90%
5 Year	1.72%	1.63%

Strategy—An In-Depth Look

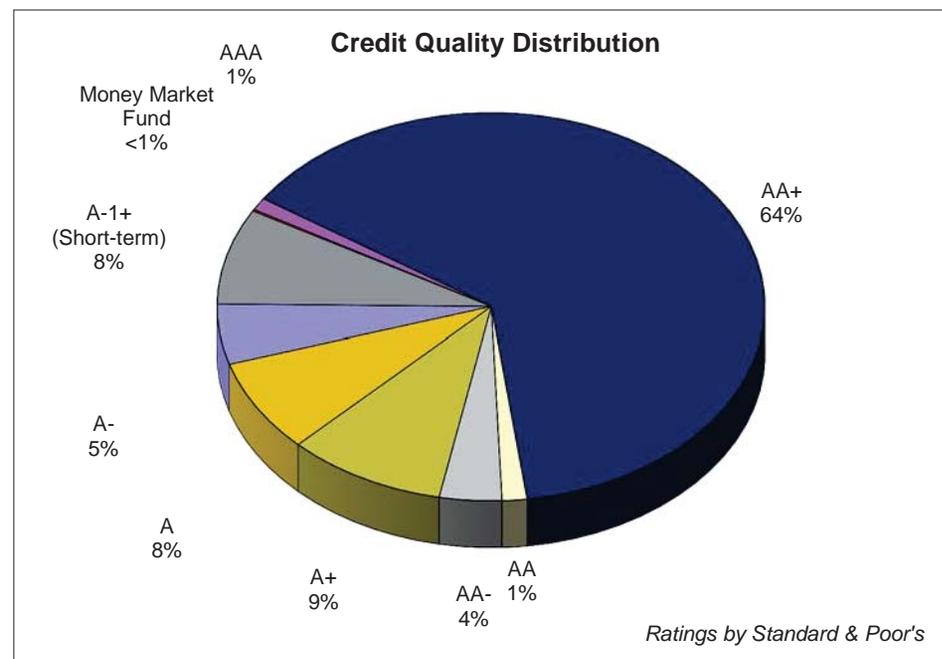
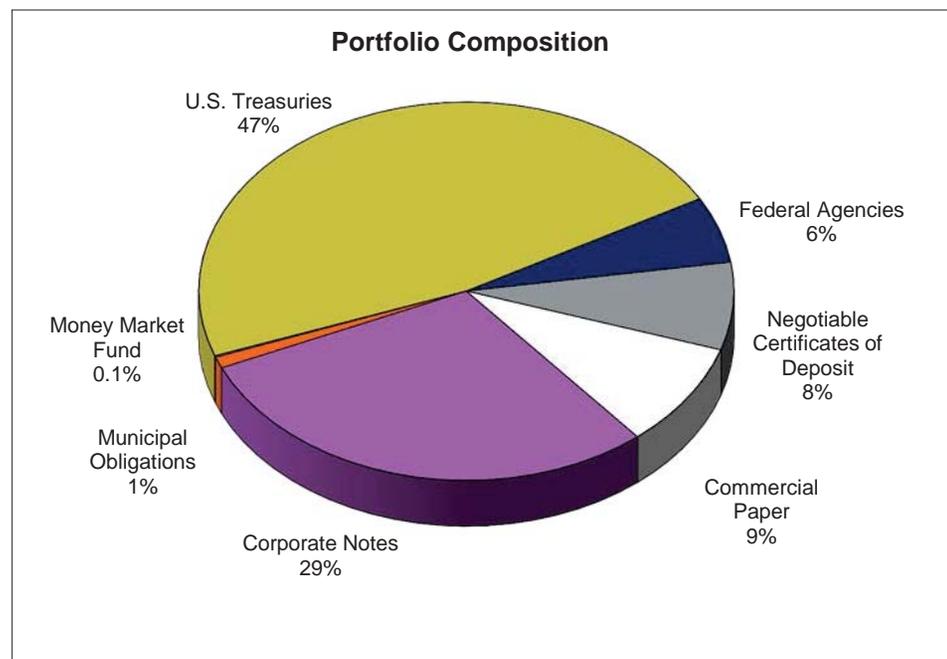
- We maintained a conservative duration position to protect the portfolio against market value losses in case interest rates increase.
- The yield spread between U.S. Treasuries and Agencies of similar maturity remained at historically narrow levels. In fact, in some shorter maturities the spread was zero, or remarkably, negative. Given narrow spreads, we favored Treasuries in all but select issues and maturities.
- The corporate sector offered higher yields and benefited from strong fundamentals and robust investor demand. We participated in several new issues, which came slightly above-market yields to attract investors. The credit strategy has continued to enhance portfolio returns.
- As the yield spread between Treasuries and Agencies remained marginal to negative, PFMAM utilized alternative investments to add value, specifically negotiable CDs.
 - We invested the City’s funds in high-quality negotiable CDs because the difference in yield between CDs and government securities was significant.
 - The coupon payments from these securities will enhance the City’s income and be a buffer against market value losses when rates rise.
 - Several of the negotiable CDs were floating-rates CDs.
 - If short-term rates rise, the coupon will increase, keeping the yield at current rates and protecting against market value declines.

First Quarter Trades

Trade Type	Trade Date	Settle Date	Security Description	Maturity Date	Par Value (000)	Yield to Maturity (Market)
SELL	4/2/2014	4/3/2014	AUSTRALIAN & N ZEALAND BK GRP NY FLT CD	1/29/2015	1,250	0.27%
BUY	4/2/2014	4/4/2014	FEDERAL HOME LOAN BANKS (CALLABLE)	3/27/2017	1,025	1.25%
BUY	4/8/2014	4/11/2014	US TREASURY NOTES	6/15/2016	155	0.50%
SELL	4/8/2014	4/11/2014	APPLE INC GLOBAL NOTES	5/3/2016	155	0.48%
BUY	4/16/2014	4/17/2014	WESTPAC BANKING CORP NY LT FLOAT CD	4/15/2016	1,000	0.41%
MATURITY	5/5/2014	5/5/2014	RABOBANK USA FIN CORP COMM PAPER	5/5/2014	1,000	0.00%
BUY	5/5/2014	5/7/2014	RABOBANK USA FIN CORP COMM PAPER	10/31/2014	1,000	0.20%
BUY	5/6/2014	5/9/2014	US TREASURY NOTES	11/30/2017	970	1.18%
SELL	5/6/2014	5/9/2014	US TREASURY NOTES	4/30/2016	925	0.42%
BUY	5/12/2014	5/12/2014	BANK OF TOKYO MITSUBISHI COMM PAPER	11/7/2014	1,000	0.24%
MATURITY	5/12/2014	5/12/2014	BANK OF TOKYO MITSUBISHI COMM PAPER	5/12/2014	1,000	0.00%
BUY	5/9/2014	5/13/2014	RABOBANK NEDERLAND NV NY CD	5/6/2016	1,100	0.71%
SELL	5/9/2014	5/13/2014	RABOBANK NEDERLAND NV NY CD	4/29/2015	1,100	0.33%
BUY	6/2/2014	6/3/2014	US TREASURY NOTES	1/31/2017	970	0.67%
BUY	6/2/2014	6/3/2014	US TREASURY NOTES	5/31/2016	1,295	0.39%
BUY	5/27/2014	6/3/2014	WELLS FARGO & COMPANY NOTES	6/2/2017	1,000	1.19%
SELL	5/27/2014	6/3/2014	APPLE INC GLOBAL NOTES	5/3/2016	275	0.48%
SELL	6/2/2014	6/3/2014	BANK OF NOVA SCOTIA NY COMM PAPER	7/8/2014	1,000	0.12%
SELL	6/2/2014	6/3/2014	HSBC USA INC COMM PAPER	8/13/2014	300	0.18%
SELL	5/27/2014	6/3/2014	US TREASURY NOTES	3/31/2017	125	0.74%
SELL	6/2/2014	6/3/2014	US TREASURY NOTES	11/30/2017	970	1.04%
SELL	5/27/2014	6/3/2014	WELLS FARGO & COMPANY	7/1/2015	590	0.42%
BUY	6/2/2014	6/5/2014	AMERICAN EXPRESS CORP NOTES	6/5/2017	875	1.21%
SELL	6/3/2014	6/5/2014	JPMORGAN CHASE & CO GLOBAL NOTES	10/15/2015	1,000	0.71%
BUY	6/11/2014	6/13/2014	BANK OF NOVA SCOTIA HOUS CD FLOAT	6/10/2016	1,000	0.28%
SELL	6/11/2014	6/13/2014	FHLB (CALLABLE) GLOBAL NOTES	12/30/2015	200	0.38%
SELL	6/11/2014	6/13/2014	TORONTO DOMINION BANK NY	3/3/2015	700	0.25%
BUY	7/1/2014	7/7/2014	US TREASURY NOTES	7/31/2017	800	0.96%
SELL	7/2/2014	7/7/2014	HSBC USA INC COMM PAPER	8/13/2014	700	0.15%
BUY	7/29/2014	7/31/2014	US TREASURY NOTES	1/31/2017	1,010	0.80%
SELL	7/29/2014	7/31/2014	WELLS FARGO & COMPANY COMM PAPER	8/18/2014	1,000	0.13%

Portfolio Composition and Credit Quality Characteristics

<u>Security Type</u> ¹	<u>June 30, 2014</u>	<u>% of Portfolio</u>	<u>March 31, 2014</u>	<u>% of Portfolio</u>	<u>Permitted by Policy</u>
U.S. Treasuries	\$19,639,983	47%	\$18,295,410	44%	100%
Federal Agencies	\$2,349,154	6%	\$1,505,998	4%	100%
Negotiable Certificates of Deposit	\$3,099,358	7%	\$3,058,263	7%	30%
Commercial Paper	\$3,698,334	9%	\$4,997,565	12%	25%
Municipal Obligations	\$401,005	1%	\$401,859	1%	100%
Medium-Term Corporate Notes	\$12,167,995	29%	\$12,299,469	30%	30%
Money Market Fund	\$52,382	<1%	\$783,716	2%	20%
Totals	\$41,408,210	100.0%	\$41,342,279	100%	



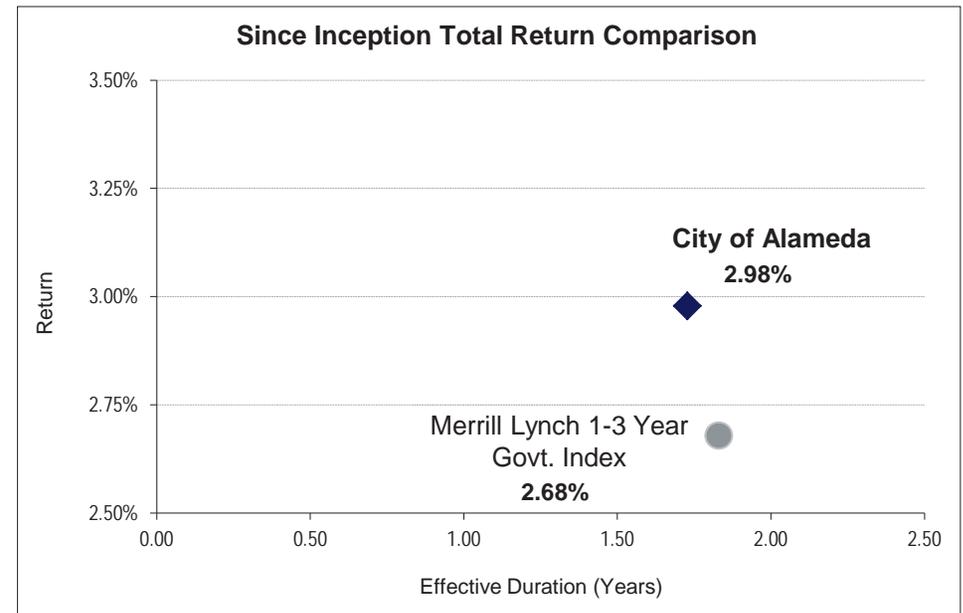
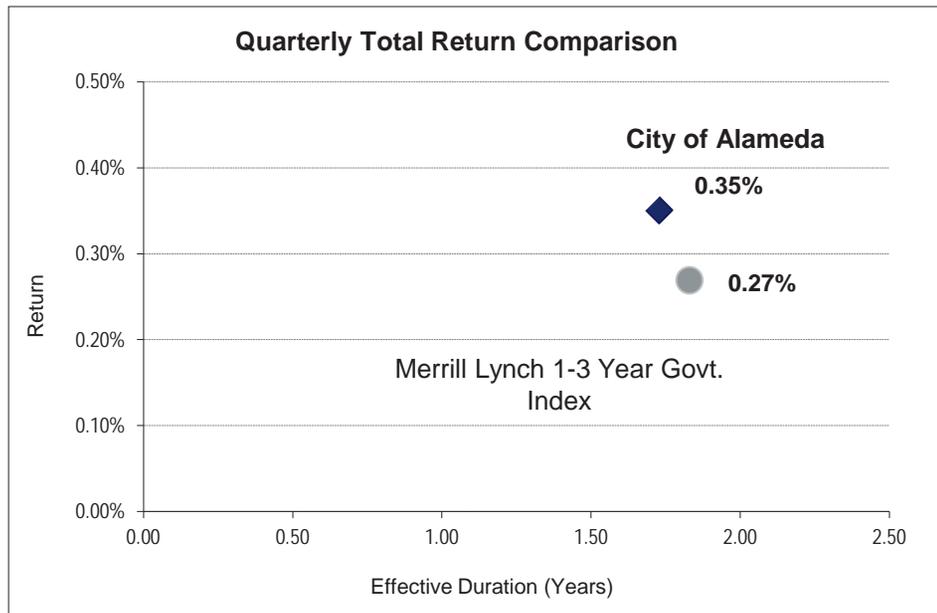
Notes:

1. End of quarter trade-date market values of portfolio holdings, including accrued interest.

Portfolio Performance

Total Return ^{1,2,3,4,5}	Quarter Ended June 30, 2014	Past Year	Past 3 Years	Past 5 Years	Since Inception
City of Alameda	0.35%	1.05%	0.96%	1.41%	2.98%
Merrill Lynch 1-3 Year Govt. Index	0.27%	0.78%	0.65%	1.21%	2.68%

Effective Duration	June 30, 2014	March 31, 2014	Yields	June 30, 2014	March 31, 2014
City of Alameda	1.73	1.78	Yield at Market	0.59%	0.61%
Merrill Lynch 1-3 Year Govt. Index	1.84	1.83	Yield on Cost	0.65%	0.62%

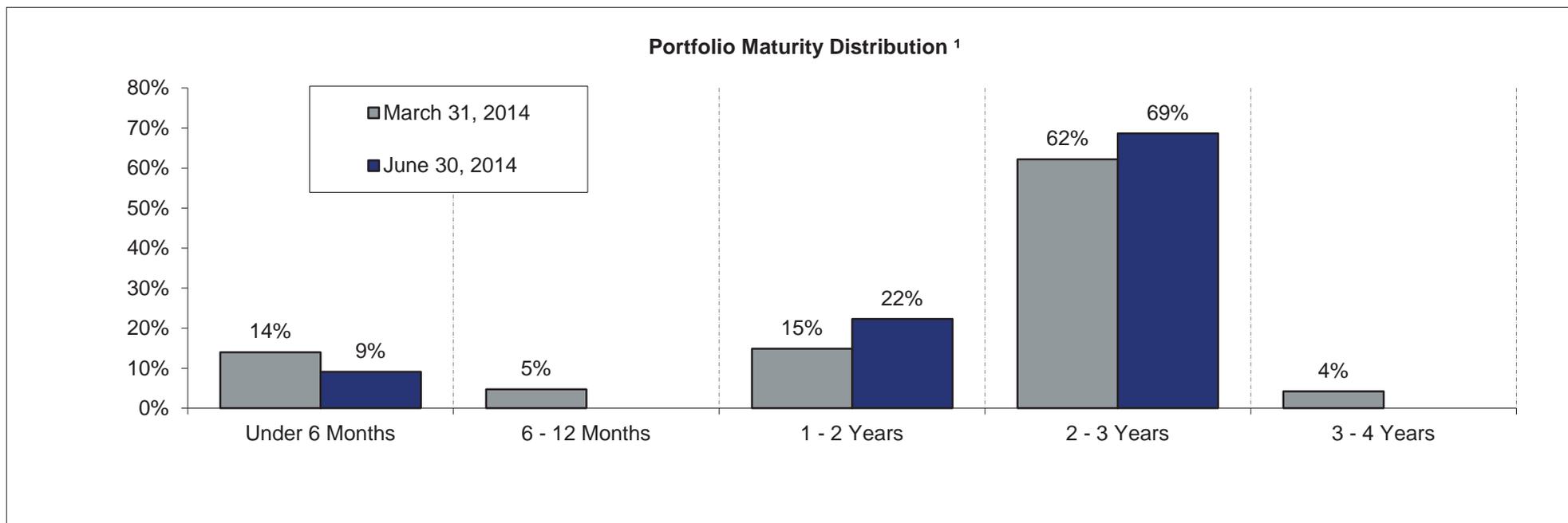


Notes:

1. Performance on trade date basis, gross (i.e., before fees), in accordance with the CFA Institute's Global Investment Performance Standards (GIPS).
2. Quarterly returns are presented on an unannualized basis. Performance numbers for periods greater than one year are presented on an annualized basis.
3. Merrill Lynch Indices provided by Bloomberg Financial Markets.
4. Performance and duration computations include money market fund.
5. Inception Date is Third Quarter 2002.

Portfolio Maturity Distribution

<u>Maturity Distribution</u> ¹	<u>June 30, 2014</u>	<u>March 31, 2014</u>
Under 6 Months	\$3,750,716	\$5,781,281
6 - 12 Months	\$0	\$1,956,212
1 - 2 Years	\$9,214,633	\$6,141,437
2 - 3 Years	\$28,442,861	\$25,718,952
3 - 4 Years	\$0	\$1,744,398
4 - 5 Years	\$0	\$0
5 Years and Over	\$0	\$0
Totals	\$41,408,210	\$41,342,279



Notes:

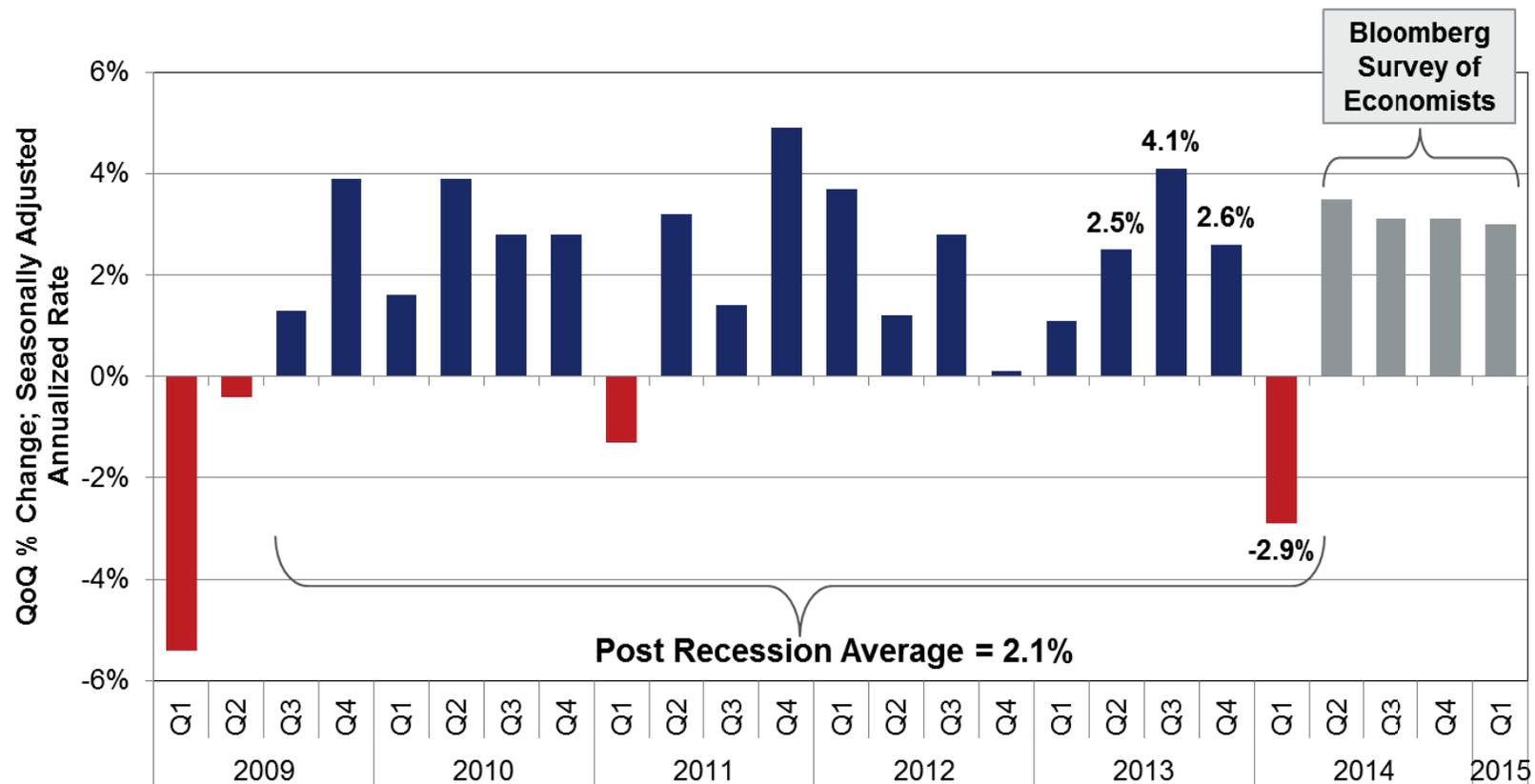
1. Callable securities in portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.

Third Quarter 2014 Investment Strategy Themes

- In the third quarter of 2014, the Fed's monthly bond purchases will be less than half of what they were in the third quarter of 2013.
 - That reduction in demand and consequential rise in risk premium, along with continued improvement in the labor market, should nudge yields higher.
- Credit spreads should remain more or less stable as demand for high-quality investments exceeds supply. Since we do not expect spreads to widen, corporate notes remain an attractive option.
 - Any potential spread widening would likely be viewed as a buying opportunity rather than a reason to sell.
 - Conversely, further rallies may provide a chance to sell individual names and lock in profits.
- Economists expect economic growth in the second half of the year to be stronger than the first half of 2014.
 - Economists are uncertain about the pace of the recovery. Some economists expect a slow rebound from the -2.9% start to 2014, while others expect GDP to gain traction and reach or exceed 3.0%.
 - We believe that economic growth will speed up in the second half of 2014; therefore, we will stay defensively positioned because higher GDP growth could fuel rising rates.

Economy Contracted in First Quarter

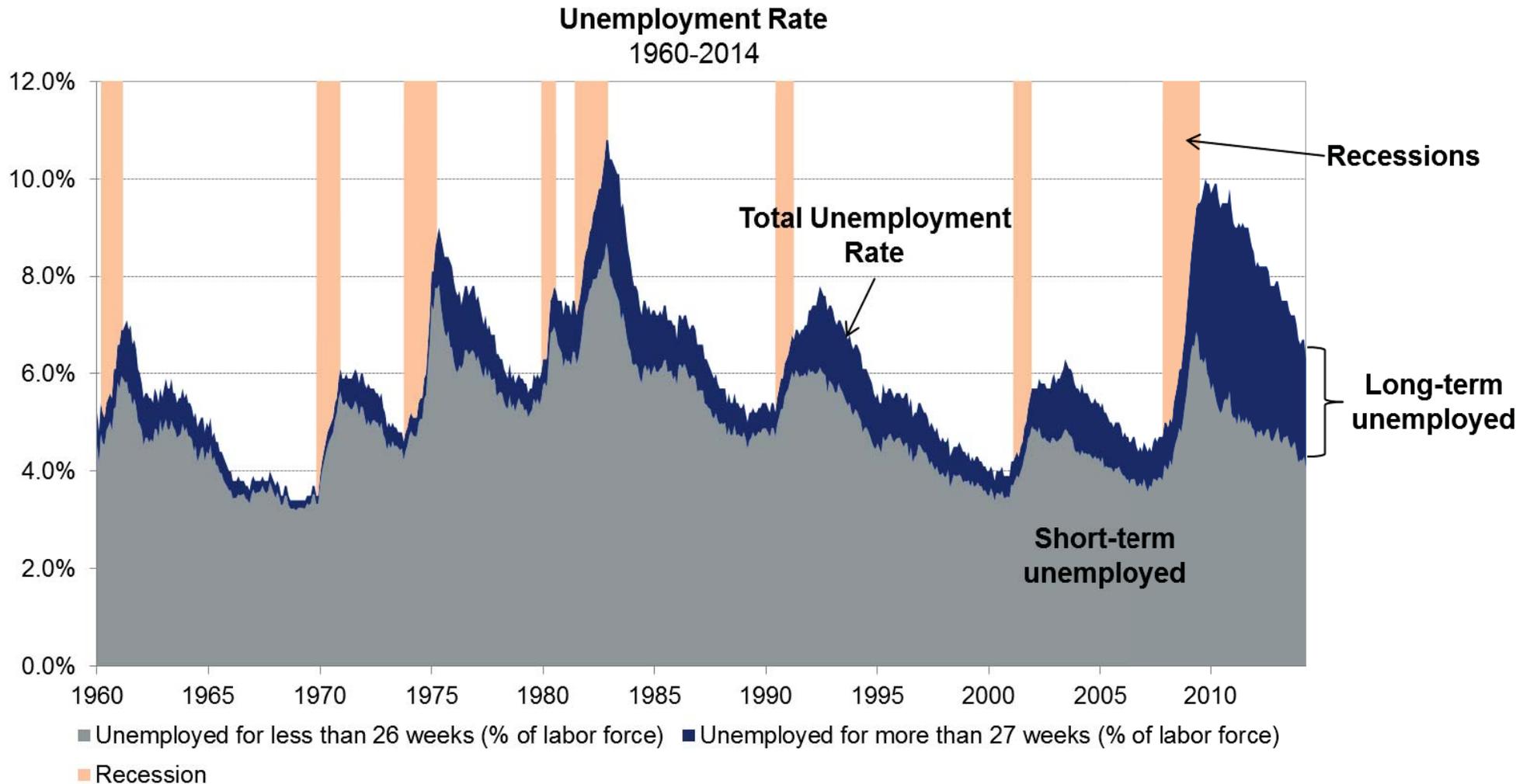
- The economy declined at a 2.9% rate in the first quarter—the first quarter of negative growth in 3 years.
 - This decline reflects a combination of reduced business inventories, a weak pace of healthcare spending, and adverse weather conditions.
- Economists expect second quarter GDP growth to be 3.5%.



Source: Bureau of Economic Analysis

Long-Term Unemployment Problem

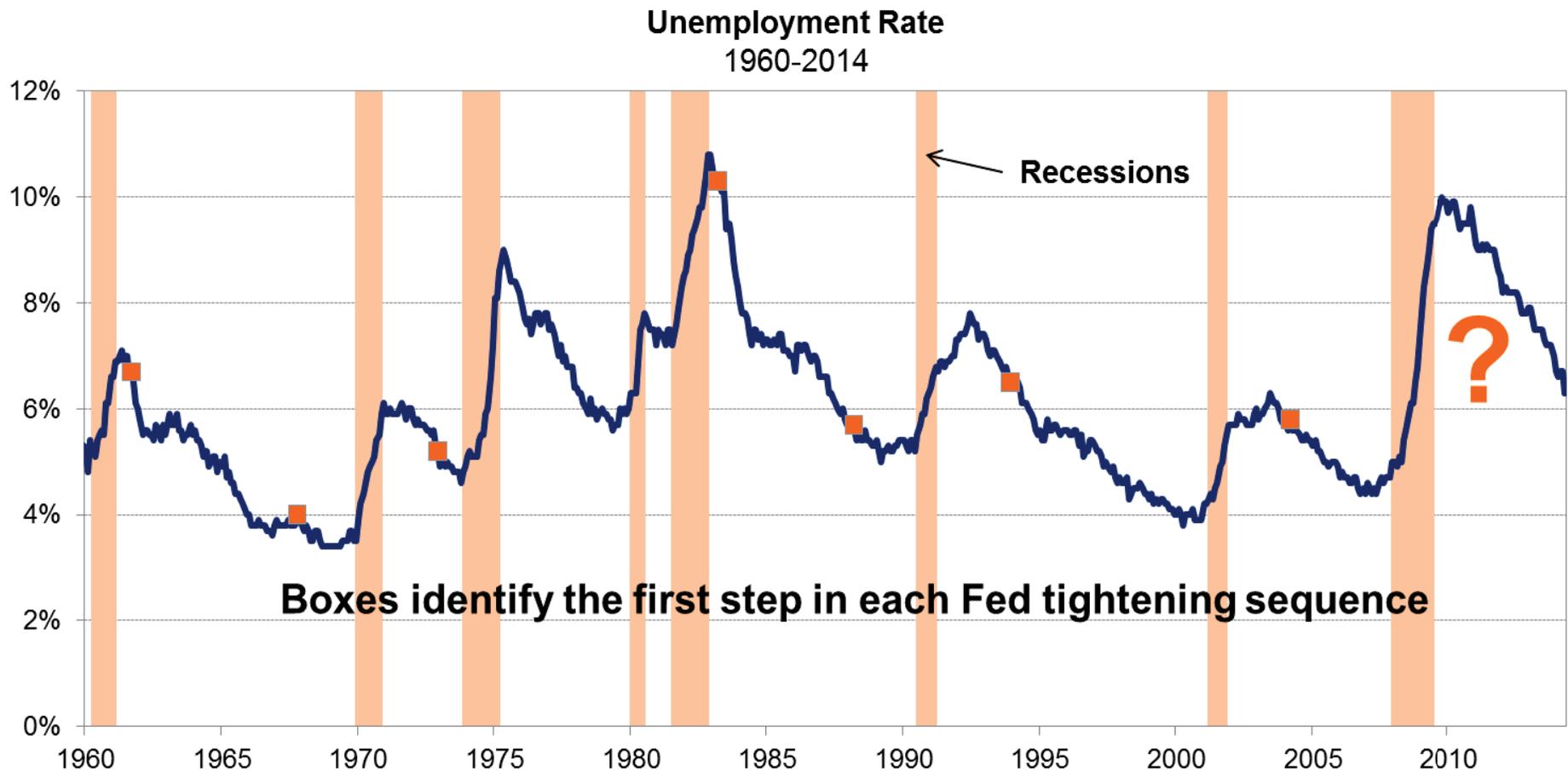
- While unemployment has fallen significantly over the past year, the proportion of long-term unemployed workers remains unusually high by historic standards.



Source: U.S. Department of Labor, Bloomberg. Updated through March 2014.

When Will Fed Respond to Falling Unemployment?

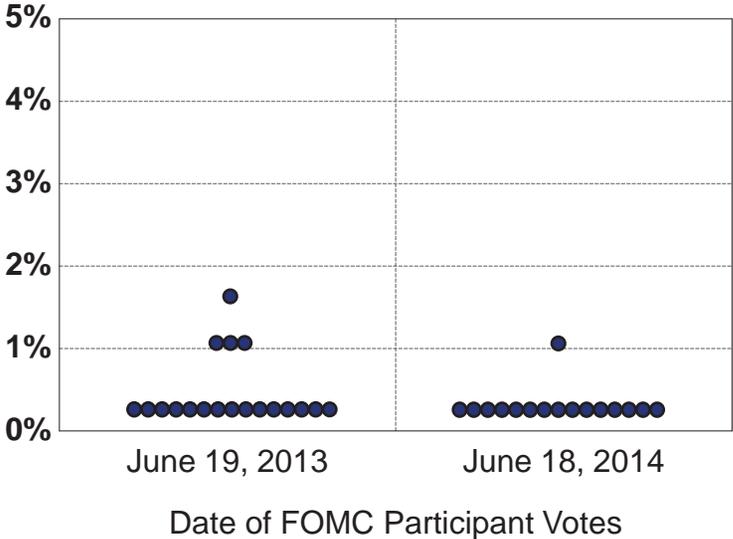
- In previous recessions, the FOMC began tightening monetary policy as the unemployment rate showed signs of recovery.
- While significant strides have been made, the Fed Funds rate remains at a targeted range of 0-0.25%.



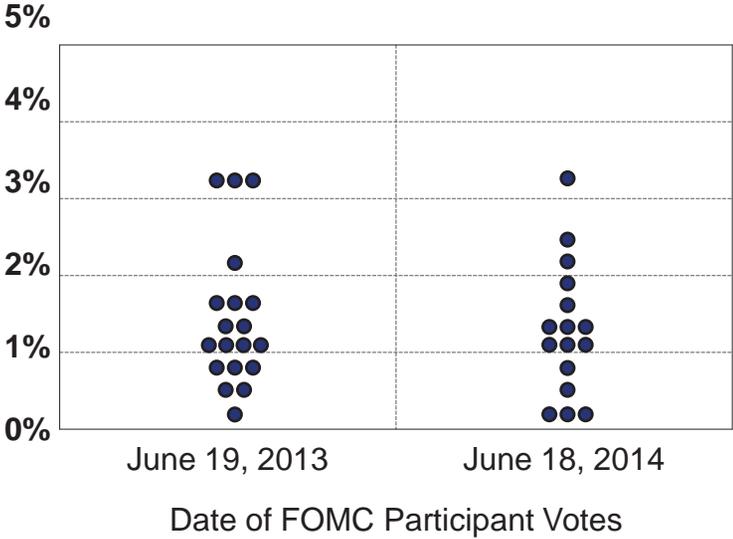
Source: Federal Reserve; Bloomberg. Vertical bars denote recessions and are designated by the NBER. Updated through April 2014.

FOMC Expectations for Federal Funds Rate Then vs. Now

**Targeted Federal Funds Rate
End of 2014**



**Targeted Federal Funds Rate
End of 2015**



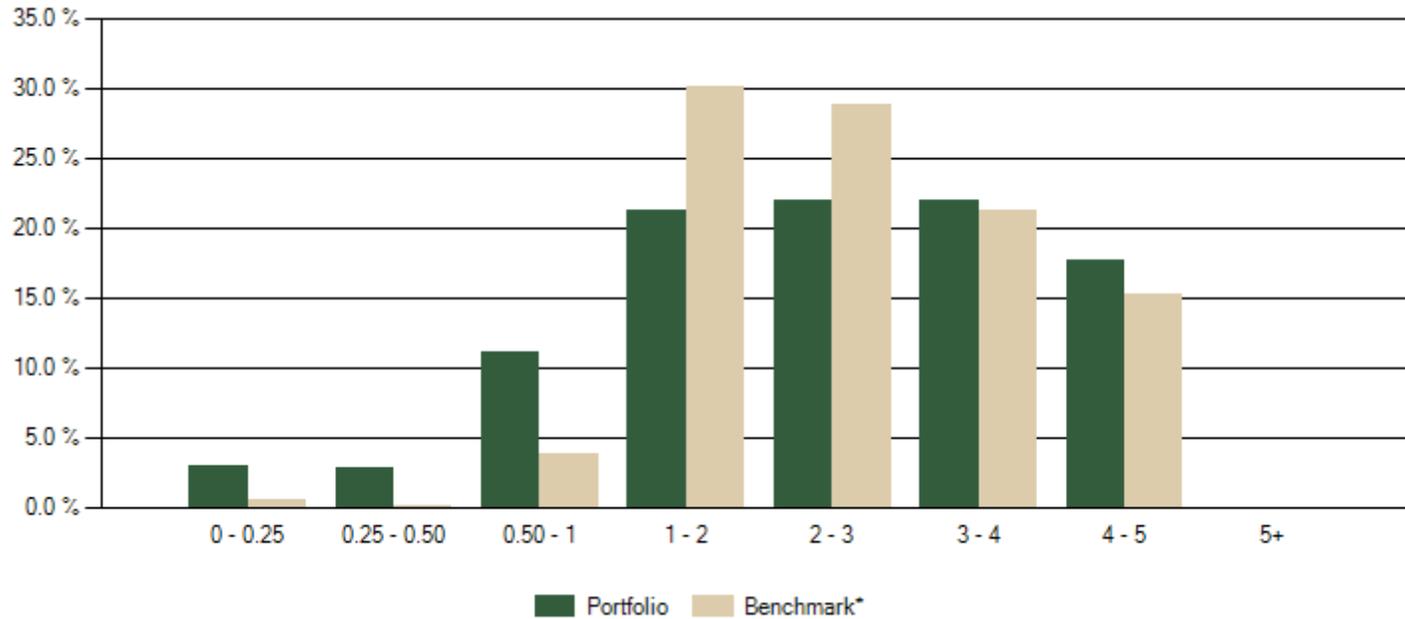
● Individual FOMC participant's judgment of the appropriate level of the target federal funds rate at the end of the specified calendar year.
 Source: Federal Reserve Open Market Committee.



Duration Distribution

City of Alameda

Portfolio Compared to the Benchmark as of June 30, 2014



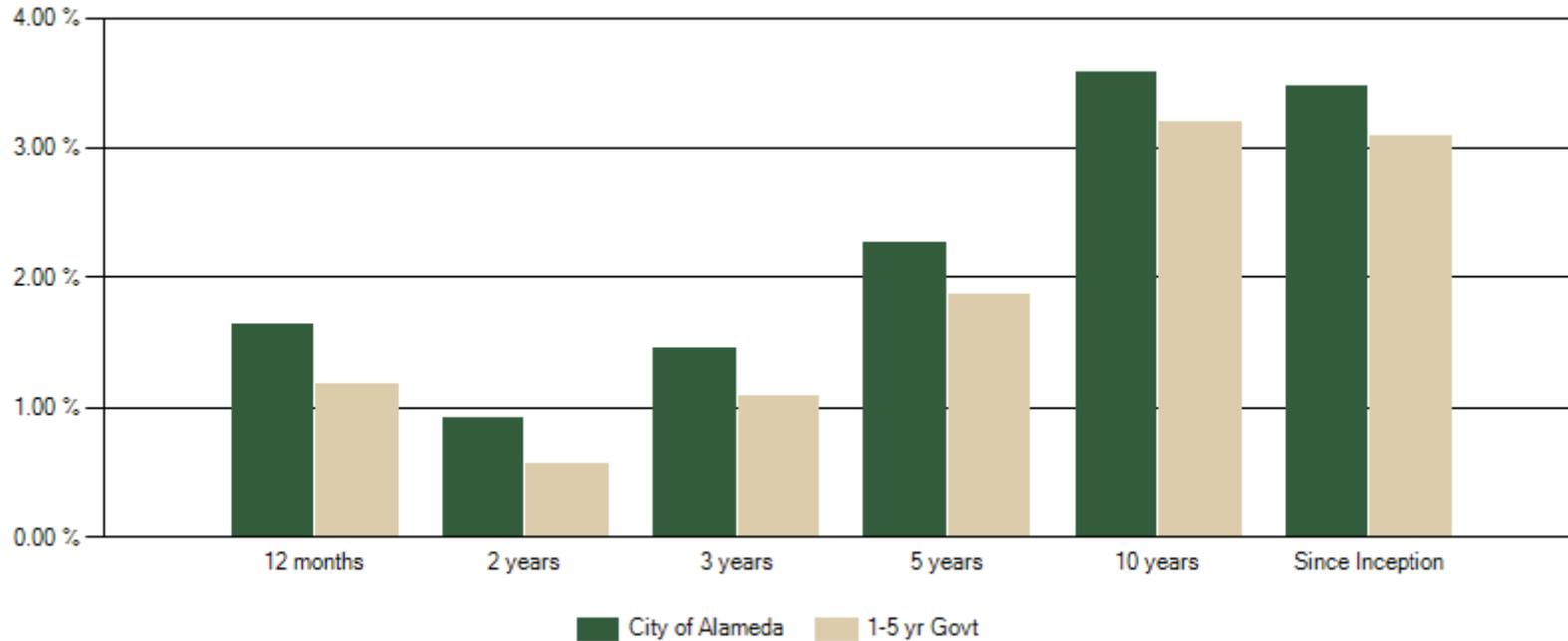
	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
Portfolio	3.0 %	2.9 %	11.2 %	21.2 %	21.9 %	22.0 %	17.7 %	0.0 %
Benchmark*	0.5 %	0.1 %	3.8 %	30.1 %	28.9 %	21.3 %	15.2 %	0.0 %

* 1-5 yr Govt



Investment Performance

City of Alameda
Period Ending
June 30, 2014
 Total Rate of Return
 Annualized Since Inception
 July 31, 2002



	3 months	12 months	Annualized				
			2 years	3 years	5 years	10 years	Since Inception
City of Alameda	0.60 %	1.66 %	0.94 %	1.47 %	2.29 %	3.59 %	3.50 %
1-5 yr Govt	0.55 %	1.19 %	0.58 %	1.11 %	1.89 %	3.22 %	3.11 %

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.



Transactions 3/31/2014 – 6/30/2014

CUSIP	PortfolioName	TranCategory	TranDescription	Amount	Issuer	Issue	SettlementDate	Price	Principal	Interest	Gain	Loss	Yield	SPDesc	MoodyDesc	FitchDesc
912828SH4	City of Alameda	ACQUISITIONS	Purchase	900,000.00	US Treasury	Note	4/1/2014	98.3870533	885,483.48	1,076.09	-	-	1.718672326	AA+	Aaa	AAA
91159HHH6	City of Alameda	ACQUISITIONS	Purchase	155,000.00	US Bancorp	Callable Note Cont 3/25/2019	5/1/2014	99.817	154,716.35	66.31	-	-	2.238958166	A+	A1	AA-
91159HHH6	City of Alameda	ACQUISITIONS	Purchase	210,000.00	US Bancorp	Callable Note Cont 3/25/2019	5/1/2014	99.845	209,674.50	89.84	-	-	2.232983689	A+	A1	AA-
717081DJ9	City of Alameda	ACQUISITIONS	Purchase	180,000.00	Pfizer Inc.	Note	5/15/2014	99.912	179,841.60	-	-	-	1.12991608	AA	A1	A+
912828SD3	City of Alameda	ACQUISITIONS	Purchase	575,000.00	US Treasury	Note	5/28/2014	99.0198661	569,364.23	2,323.03	-	-	1.467499465	AA+	Aaa	AAA
912828SS0	City of Alameda	ACQUISITIONS	Purchase	175,000.00	US Treasury	Note	5/28/2014	100.273771	175,479.10	116.51	-	-	0.78007573	AA+	Aaa	AAA
912828TG5	City of Alameda	ACQUISITIONS	Purchase	500,000.00	US Treasury	Note	5/30/2014	98.926116	494,630.58	821.82	-	-	0.84385603	AA+	Aaa	AAA
89233HN59	City of Alameda	ACQUISITIONS	Purchase	850,000.00	Toyota Motor Credit	Discount CP	5/30/2014	99.8777765	848,961.10	-	-	-	0.202992976	A-1+	P-1	F-1
912828ST8	City of Alameda	ACQUISITIONS	Purchase	675,000.00	US Treasury	Note	6/11/2014	98.0042415	661,528.63	962.97	-	-	1.677049991	AA+	Aaa	AAA
91159HHH6	City of Alameda	ACQUISITIONS	Purchase	95,000.00	US Bancorp	Callable Note Cont 3/25/2019	6/13/2014	100.675	95,641.25	284.47	-	-	2.051032046	A+	A1	AA-
06538CKM2	City of Alameda	ACQUISITIONS	Purchase	885,000.00	Bank of Tokyo Mitsubishi NY	Discount CP	6/17/2014	99.9265006	884,349.53	-	-	-	0.213071636	A-1	P-1	F-1
3130AOC65	City of Alameda	ACQUISITIONS	Purchase	425,000.00	FHLB	Note	6/27/2014	99.852	424,371.00	1,320.75	-	-	0.684742429	AA+	Aaa	AAA
31331GTJ8	City of Alameda	DISPOSITIONS	Maturity	665,000.00	FFCB	Note	4/17/2014	100	665,000.00	-	-	-	0			
665859AK0	City of Alameda	DISPOSITIONS	Maturity	440,000.00	Northern Trust Company	Note	5/1/2014	100	440,000.00	-	-	-	0			
89233HEC4	City of Alameda	DISPOSITIONS	Maturity	850,000.00	Toyota Motor Credit	Discount CP	5/12/2014	99.8215282	848,482.99	1,517.01	-	-	0			
36962G4C5	City of Alameda	DISPOSITIONS	Maturity	240,000.00	General Electric Capital Corp	Note	5/13/2014	100	240,000.00	-	-	-	0			
06416KEP1	City of Alameda	DISPOSITIONS	Maturity	700,000.00	Bank of Nova Scotia	Discount CP	5/23/2014	99.8145829	698,702.08	1,297.92	-	-	0			
31331JQA4	City of Alameda	DISPOSITIONS	Maturity	805,000.00	FFCB	Note	6/2/2014	100	805,000.00	-	-	-	0			
06538CFH9	City of Alameda	DISPOSITIONS	Maturity	880,000.00	Bank of Tokyo Mitsubishi NY	Discount CP	6/17/2014	99.9242216	879,333.15	666.85	-	-	0			
912828RU6	City of Alameda	DISPOSITIONS	Sale	860,000.00	US Treasury	Note	4/1/2014	100.323884	862,785.40	2,522.11	3,056.51	-	0.751941127	AA+	Aaa	AAA
02665WAC5	City of Alameda	Other Transactions	Interest	295,000.00	American Honda Finance	Note	4/10/2014	0	3,134.38	-	-	-	0	A+	A1	NR
931142DF7	City of Alameda	Other Transactions	Interest	320,000.00	Wal-Mart Stores	Note	4/11/2014	0	1,800.00	-	-	-	0	AA	Aa2	AA
68389XAN5	City of Alameda	Other Transactions	Interest	605,000.00	Oracle Corp	Note	4/15/2014	0	3,630.00	-	-	-	0	A+	A1	A+
880591EQ1	City of Alameda	Other Transactions	Interest	620,000.00	Tennessee Valley Authority	Note	4/15/2014	0	5,967.50	-	-	-	0	AA+	Aaa	AAA
278642AB9	City of Alameda	Other Transactions	Interest	650,000.00	Ebay Inc	Note	4/15/2014	0	5,281.25	-	-	-	0	A	A2	A
24422ERQ4	City of Alameda	Other Transactions	Interest	100,000.00	John Deere Capital Corp	Note	4/17/2014	0	437.50	-	-	-	0	A	A2	NR
31331GTJ8	City of Alameda	Other Transactions	Interest	665,000.00	FFCB	Note	4/17/2014	0	8,728.13	-	-	-	0			
912828WD8	City of Alameda	Other Transactions	Interest	900,000.00	US Treasury	Note	4/30/2014	0	5,625.00	-	-	-	0	AA+	Aaa	AAA
912828SS0	City of Alameda	Other Transactions	Interest	725,000.00	US Treasury	Note	4/30/2014	0	3,171.88	-	-	-	0	AA+	Aaa	AAA
665859AK0	City of Alameda	Other Transactions	Interest	440,000.00	Northern Trust Company	Note	5/1/2014	0	10,175.00	-	-	-	0			
037833AJ9	City of Alameda	Other Transactions	Interest	550,000.00	Apple Inc	Note	5/3/2014	0	2,750.00	-	-	-	0	AA+	Aa1	NR
3137EADF3	City of Alameda	Other Transactions	Interest	850,000.00	FHLMC	Note	5/12/2014	0	5,312.50	-	-	-	0	AA+	Aaa	AAA



Transactions 3/31/2014 – 6/30/2014

CUSIP	PortfolioName	TranCategory	TranDescription	Amount	Issuer	Issue	SettlementDate	Price	Principal	Interest	Gain	Loss	Yield	SPDesc	MoodyDesc	FitchDesc
36962G4C5	City of Alameda	Other Transactions	Interest	240,000.00	General Electric Capital Corp	Note	5/13/2014	0	7,080.00	-	-	-	0			
912828WF3	City of Alameda	Other Transactions	Interest	225,000.00	US Treasury	Note	5/15/2014	0	703.13	-	-	-	0	AA+	Aaa	AAA
91159HHE3	City of Alameda	Other Transactions	Interest	70,000.00	US Bancorp	Callable Note Cont 10/15/2018	5/15/2014	0	712.83	-	-	-	0	A+	A1	AA-
3133ECB2	City of Alameda	Other Transactions	Interest	875,000.00	FFCB	Note	5/16/2014	0	1,881.25	-	-	-	0	AA+	Aaa	AAA
38259PAC6	City of Alameda	Other Transactions	Interest	375,000.00	Google Inc	Note	5/19/2014	0	3,984.38	-	-	-	0	AA	Aa2	NR
3135GOWJ8	City of Alameda	Other Transactions	Interest	600,000.00	FNMA	Note	5/21/2014	0	2,625.00	-	-	-	0	AA+	Aaa	AAA
3137EACT4	City of Alameda	Other Transactions	Interest	325,000.00	FHLMC	Note	5/27/2014	0	4,062.50	-	-	-	0	AA+	Aaa	AAA
3135G0YT4	City of Alameda	Other Transactions	Interest	800,000.00	FNMA	Note	5/27/2014	0	6,500.00	-	-	-	0	AA+	Aaa	AAA
912828PJ3	City of Alameda	Other Transactions	Interest	900,000.00	US Treasury	Note	5/31/2014	0	6,187.50	-	-	-	0	AA+	Aaa	AAA
913017BU2	City of Alameda	Other Transactions	Interest	40,000.00	United Tech Corp	Note	6/1/2014	0	360.00	-	-	-	0	A	A2	A
31331JQA4	City of Alameda	Other Transactions	Interest	805,000.00	FFCB	Note	6/2/2014	0	7,647.50	-	-	-	0			
166764AA8	City of Alameda	Other Transactions	Interest	475,000.00	Chevron Corp.	Callable Note Cont 11/5/17	6/5/2014	0	2,622.00	-	-	-	0	AA	Aa1	NR
313379FW4	City of Alameda	Other Transactions	Interest	430,000.00	FHLB	Note	6/9/2014	0	2,150.00	-	-	-	0	AA+	Aaa	AAA
313373SZ6	City of Alameda	Other Transactions	Interest	830,000.00	FHLB	Note	6/10/2014	0	8,818.75	-	-	-	0	AA+	Aaa	AAA
09247XAD3	City of Alameda	Other Transactions	Interest	395,000.00	Blackrock Inc	Note	6/10/2014	0	6,912.50	-	-	-	0	AA-	A1	NR
24422ESF7	City of Alameda	Other Transactions	Interest	170,000.00	John Deere Capital Corp	Note	6/13/2014	0	1,657.50	-	-	-	0	A	A2	NR
458140AL4	City of Alameda	Other Transactions	Interest	550,000.00	Intel Corp	Note	6/15/2014	0	3,712.50	-	-	-	0	A+	A1	A+
313379VE6	City of Alameda	Other Transactions	Interest	170,000.00	FHLB	Note	6/19/2014	0	858.50	-	-	-	0	AA+	Aaa	AAA
3135GORT2	City of Alameda	Other Transactions	Interest	875,000.00	FNMA	Note	6/20/2014	0	3,828.13	-	-	-	0	AA+	Aaa	AAA
313379DD8	City of Alameda	Other Transactions	Interest	750,000.00	FHLB	Note	6/21/2014	0	3,750.00	-	-	-	0	AA+	Aaa	AAA
31331J6C2	City of Alameda	Other Transactions	Interest	475,000.00	FFCB	Note	6/22/2014	0	5,581.25	-	-	-	0	AA+	Aaa	AAA
3130A0C65	City of Alameda	Other Transactions	Interest	425,000.00	FHLB	Note	6/28/2014	0	1,328.13	-	-	-	0	AA+	Aaa	AAA
3137EADH9	City of Alameda	Other Transactions	Interest	435,000.00	FHLMC	Note	6/29/2014	0	2,175.00	-	-	-	0	AA+	Aaa	AAA



**BILL LOCKYER
TREASURER
STATE OF CALIFORNIA**



2014 LAIF Conference Registration

PMIA Performance Report

LAIF Performance Report

Quarter Ending 06/30/14

Apportionment Rate: 0.22%
 Earnings Ratio: .00000606145493377
 Fair Value Factor: 1.00029875
 Daily: 0.23%
 Quarter To Date: 0.23%
 Average Life: 232

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
08/14/14	0.26	0.25	251
08/15/14	0.26	0.25	250
08/16/14	0.26	0.25	250
08/17/14	0.26	0.25	250
08/18/14	0.26	0.25	248
08/19/14	0.26	0.25	246
08/20/14	0.26	0.25	243
08/21/14	0.25	0.25	245
08/22/14	0.25	0.25	241
08/23/14	0.25	0.25	241
08/24/14	0.25	0.25	241
08/25/14	0.24	0.25	233
08/26/14	0.24	0.25	230
08/27/14	0.24	0.25	232

PMIA Average Monthly Effective Yields

JUL 2014 0.244%
 JUN 2014 0.228%
 MAY 2014 0.228%

*Daily yield does not reflect capital gains or losses

**Pooled Money Investment Account
Portfolio Composition
\$57.6 Billion
07/31/14**

