



COUNTY OF MENDOCINO

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Shari L. Schapmire
Treasurer-Tax Collector

DATE: FEBRUARY 7, 2017

TO: HONORABLE BOARD OF SUPERVISORS

FROM: SHARI L. SCHAPMIRE, TREASURER-TAX COLLECTOR

SUBJECT: INVESTMENT REPORT – DECEMBER 31, 2016

Attached herewith is a listing of all investments held by the Mendocino County Investment Pool as of December 31, 2016. The investments have been made in accordance with the Investment Policy and are permitted investments according to current California law. Due to the nature of a public funds portfolio, it is mandatory that moneys be available to meet the monetary requirements inherent to operating a public entity. The attached Investment Report demonstrates that sufficient liquidity is available to meet anticipated expenditures during the next six months.

The primary and overriding objective for the investment pool is to protect the safety of the principal. The second objective is to ensure a sufficient portion of all funds are invested in securities providing a high degree of liquidity and availability. The third objective is to obtain a yield commensurate to current conditions; yield shall not be the driving force in determining which investments are to be selected for purchase. In the event all general objectives mandated by State law are met and created equal, investments in corporate securities and depository institutions will be evaluated for social and environmental concerns.

On December 14, 2016, as widely anticipated, the Federal Open Market Committee (FOMC) unanimously voted to increase the target fed funds rate by 25 basis points to a range of .50% - .75%. Projections going forward for 2017 indicate two or three more 25 basis point increases will take place by the end of this year. The portfolio should experience a modest increase in interest apportionment rates as we move through the new year.

As always, feel free to contact me directly with any questions or concerns.