



Meeting Notice

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Commission Chair
Supervisor Scott Haggerty, District 1

Commission Vice Chair
Councilmember Rebecca Kaplan,
City of Oakland

AC Transit
Director Elsa Ortiz

Alameda County
Supervisor Richard Valle, District 2
Supervisor Wilma Chan, District 3
Supervisor Nate Miley, District 4
Supervisor Keith Carson, District 5

BART
Director Thomas Blalock

City of Alameda
Mayor Marie Gilmore

City of Albany
Mayor Peggy Thomsen

City of Berkeley
Councilmember Laurie Capitelli

City of Dublin
Mayor Tim Sbranti

City of Emeryville
Councilmember Ruth Atkin

City of Fremont
Mayor Bill Harrison

City of Hayward
Councilmember Marvin Peixoto

City of Livermore
Mayor John Marchand

City of Newark
Councilmember Luis Freitas

City of Oakland
Vice Mayor Larry Reid

City of Piedmont
Mayor John Chiang

City of Pleasanton
Mayor Jerry Thome

City of San Leandro
Vice Mayor Michael Gregory

City of Union City
Mayor Carol Dufré-Vernaci

Executive Director
Arthur L. Dao

Finance and Administration Committee

Monday, February 3, 2014, 1:30 p.m.*

*Or immediately following the Programs and Projects Committee meeting

**1111 Broadway, Suite 800
Oakland, CA 94607**

Mission Statement

The mission of the Alameda County Transportation Commission (Alameda CTC) is to plan, fund and deliver transportation programs and projects that expand access and improve mobility to foster a vibrant and livable Alameda County.

Public Comments

Public comments are limited to 3 minutes. Items not on the agenda are covered during the Public Comment section of the meeting, and items specific to an agenda item are covered during that agenda item discussion. If you wish to make a comment, fill out a speaker card, hand it to the clerk of the Commission, and wait until the chair calls your name. When you are summoned, come to the microphone and give your name and comment.

Reminder

Please turn off your cell phones during the meeting. Please do not wear scented products so individuals with environmental sensitivities may attend the meeting.

Glossary of Acronyms

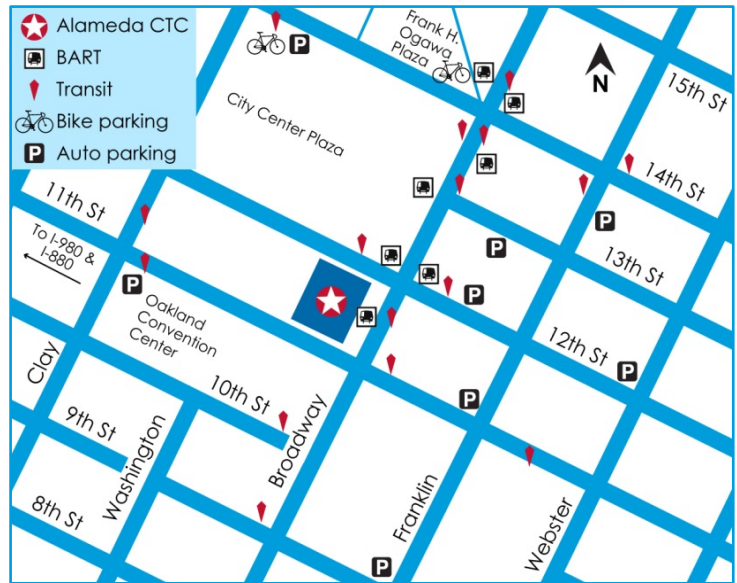
A glossary that includes frequently used acronyms is available on the Alameda CTC website at www.AlamedaCTC.org/app_pages/view/8081.

Location Map

Alameda CTC

1111 Broadway, Suite 800
Oakland, CA 94607

Alameda CTC is accessible by multiple transportation modes. The office is conveniently located near the 12th Street/City Center BART station and many AC Transit bus lines. Bicycle parking is available on the street and in the BART station as well as in electronic lockers at 14th Street and Broadway near Frank Ogawa Plaza (requires purchase of key card from bikelink.org).



Garage parking is located beneath City Center, accessible via entrances on 14th Street between 1300 Clay Street and 505 14th Street buildings, or via 11th Street just past Clay Street. To plan your trip to Alameda CTC visit www.511.org.

Accessibility

Public meetings at Alameda CTC are wheelchair accessible under the Americans with Disabilities Act. Guide and assistance dogs are welcome. Call 510-893-3347 (Voice) or 510-834-6754 (TTD) five days in advance to request a sign-language interpreter.



Meeting Schedule

The Alameda CTC meeting calendar lists all public meetings and is available at www.AlamedaCTC.org/events/upcoming/now.

Paperless Policy

On March 28, 2013, the Alameda CTC Commission approved the implementation of paperless meeting packet distribution. Hard copies are available by request only. Agendas and all accompanying staff reports are available electronically on the Alameda CTC website at www.AlamedaCTC.org/events/month/now.

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Finance and Administration Committee Meeting Agenda

Monday, February 3, 2014, 1:30 p.m.*

*Or immediately following the Programs and Projects Committee meeting

1111 Broadway, Suite 800, Oakland, CA 94607

PH: (510) 208-7400

www.AlamedaCTC.org

Chair: Mayor John Chiang, City of Piedmont
Vice Chair: Director Tom Blalock, BART
Commissioners: Marie Gilmore, Peggy Thomsen, Richard Valle
Ex-Officio Members: Scott Haggerty, Rebecca Kaplan
Staff Liaison: Patricia Reavey
Executive Director: Arthur L. Dao
Clerk: Vanessa Lee

1. Roll Call

2. Public Comment

3. Consent Calendar

3.1 [January 13, 2014 FAC Meeting Minutes](#)

Recommendation: Approve the January 13, 2014 meeting minutes.

4. Regular Matters

4.1. [Alameda CTC FY2013-14 Second Quarter Investment Report](#)

Recommendation: Approve the Alameda CTC FY2013-14 Second Quarter Investment Report

4.2. [Alameda CTC Loan Policy](#)

Recommendation: Approve the Alameda CTC Loan Policy

5. Committee Member Reports (Verbal)

6. Staff reports (Verbal)

7. Adjournment

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Next Meeting: March 10, 2014

All items on the agenda are subject to action and/or change by the Commission.

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1. Roll Call

A roll call was conducted and a quorum was confirmed.

2. Public Comment

There were no public comments.

3. Consent Calendar

3.1. November 4, 2013 FAC Meeting Minutes

Commissioner Blalock motioned to approve the Consent Calendar. Commissioner Kaplan seconded the motion. The motion passed unanimously.

4. Regular Matters

4.1. FY2014-15 Administration Support Professional Contracts Plan

Seung Cho recommended that the commission approve the FY2014-15 Administration Support Professional Services Contracts Plan. He stated that the recommendation was to issue one RFP and/or solicit quotations for paratransit coordination services, enter into negotiation with the top-ranked firm and execute a contract and enter into negotiations with existing consultant firms and execute contracts for six types of services. Seung concluded by stating that the terms for each of the administration support professional services contracts will be negotiated and all contracts will be executed by July 1, 2014.

Commissioner Kaplan motioned to approve the item as amended. Commissioner Thomsen seconded the motion. The motion passed unanimously.

4.2. Results of Solicitation of Ratings for Debt Issuance

Patricia Reavey provided the committee with an update on the results of the solicitation for debt issuance. She informed the Commission that the Alameda CTC received a rating of AAA from both Standard and Poor's Rating Services and Fitch Ratings. She concluded by informing the committee that the Alameda CTC is now the first and only self-help county in the State of California to receive a AAA rating from Fitch Ratings on a sales tax revenue bond.

This item was for information only.

4.3 Debt Issuance for the 2000 Measure B Capital Program

Patricia Reavey recommended that the Commission approve the following:

1. Structure and Issuance of Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014 for the delivery of the 2000 Measure B Capital Program for a Par Amount

- Not to Exceed \$165 Million;
2. The Bond Documents and Bond Authorizing Resolution, in their substantially final form;
 3. The State Board of Equalization (SBOE) Amended and Restated Agreement and SBOE Authorizing Resolution;

Adopt Post-Issuance Tax Compliance Procedures for Tax-Exempt Bonds; and

Authorize the Chair, the Executive Director and/or the Director of Finance to Execute all Documents Required for the Issuance of the Sales Tax Revenue Bonds (Limited Tax Bonds), Series 2014.

Patricia stated that the requested actions allow for the bond issuance process to proceed and will give the Alameda CTC the opportunity to take advantage of the low interest rate environment. She provided an overview of security and preliminary structure elements and reviewed bonding documents drafting by the bond financing team.

Commissioner Chiang asked if we had any preliminary estimates of what the interest rate will be on the bonds for the eight year term. Darren Hodge, from Citigroup stated that the last set of numbers that they ran were in the low 2% range for the all in cost of borrowing.

Commissioner Kaplan motioned to approve this item. Commissioner Blalock seconded the motion. The motion passed unanimously.

4.4. Alameda CTC HRA Retiree Health Benefit for the 2014 Calendar Year

Patricia Reavey recommended that the Commission approve the Alameda CTC retiree health benefit for the 2014 calendar year. She stated that the recommended HRA contribution amount is \$1,367 per retiree per month (\$1,485.44 Kaiser Bay Area Employee [Retiree] Plus One Rate, less \$119 PEMHCA-required minimum contribution). She concluded by stating that 2014 retiree HRA contribution amount will be included in the FY13-14 budget update and in the FY14-15 proposed budget.

Commissioner Kaplan motioned to approve this item. Commissioner Valle seconded the motion. The motion passed unanimously.

4.5. Alameda CTC General Fund Balance Reserve Policy

Patricia Reavey recommended that the Commission approve the Alameda CTC General Fund Balance Reserve Policy. She stated that the policy will allow the Alameda CTC to continue to accumulate excess general fund balances not used for one-time costs until we have two months' worth of expenditures for the general fund and one months' worth of expenditures for all other funds established as a reserve.

The policy will help to ensure that the agency is able to deliver all of its programs and projects, in particular those approved in the Transportation Expenditure Plan.

Commissioner Blalock motioned to approve this item. Commissioner Thomsen seconded the motion. The motion passed unanimously.

4.6. Alameda CTC 2014 Meeting Schedule

Art Dao recommended that the Commission approve the Alameda CTC meeting schedule for the 2014 Calendar Year.

Commissioner Blalock motioned to approve this item. Commissioner Kaplan seconded the motion. The motion passed unanimously.

5. Committee Member Reports (Verbal)

There were no committee reports.

6. Staff Reports

There were no staff reports.

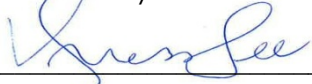
7. Adjournment/ Next Meeting

The meeting adjourned at 2:30 p.m. The next meeting is:

Date/Time: Monday, February 3, 2014 @1:30 p.m.

Location: Alameda CTC Offices, 1111 Broadway, Suite 800, Oakland, CA 94607

Attested by:



Vanessa Lee,
Clerk of the Commission

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Memorandum

4.1

1111 Broadway, Suite 800, Oakland, CA 94607 • PH: (510) 208-7400 • www.AlamedaCTC.org

DATE: January 27, 2014

SUBJECT: Alameda CTC FY2013-14 Second Quarter Investment Report

RECOMMENDATION: Approve the Alameda CTC FY2013-14 Second Quarter Investment Report

Summary

The Quarterly Investment Report (Attachment A) provides balance and average return on investment information for all cash and investments held by the Alameda CTC as of December 31, 2013. The report also shows balances as of June 30, 2013 for comparison purposes. The *Portfolio Review for Quarter Ending December 31, 2013* (Attachment B) prepared by SunTrust Bank provides an outlook of current market conditions and an investment strategy to maximize return without compromising safety and liquidity. Alameda CTC investments are in compliance with the adopted investment policy as of December 31, 2013. Alameda CTC has sufficient cash flow to meet expenditure requirements over the next six months.

Activity

The following are key highlights of cash and investment information as of December 31, 2013:

- As of December 31 2013, total cash and investments held by the Alameda CTC were \$225.7 million. This total is a decrease of \$10.5 million or 4.5% over the prior year-end balance of \$236.2 million.
- The ACTA investment balance decreased \$1.6 million or 1.2% due to capital projects expenditures. The ACTIA investment balance decreased \$10.7 million or 12.3% also due to capital project expenditures. The ACCMA investment balance increased \$1.8 million or 7.8% resulting from the timing between VRF collections and VRF program expenditures.
- Investment yields have declined with the return on investments for the Alameda CTC at 0.34% compared to the prior year's return of 0.57%. Return on investments

were projected for the FY2013-14 budget year at varying rates ranging from 0.3% - 0.5% depending on investment type.

- Staff has been working diligently over the past several months to bring on a financing team and prepare all of the required documents for a debt issuance designed to meet ACTIA's Capital Project Fund obligations. Staff is expected to price and sell the bonds in February. The "AAA" ratings Alameda CTC received from rating agencies, both Standard & Poor's Rating Services and Fitch Ratings, should reduce the cost of borrowing for this bond issuance.

Fiscal Impact

There is no fiscal impact.

Attachments

- A. Consolidated Investment Report as of December 31, 2013
- B. Portfolio Review for Quarter Ending December 31, 2013 (provided by SunTrust Bank)
- C. Fixed Income Portfolio as of December 31, 2013

Staff Contact

[Patricia Reavey](#), Director of Finance

[Lily Balinton](#), Accounting Manager

Alameda CTC									
Consolidated Investment Report									
As of December 31, 2013									
	Un-Audited			Interest Earned			FY 2012-2013		
	Investment Balance	Interest earned	As of December 31, 2013 Approx. ROI	Budget	Difference	Investment Balance June 30, 2013	Interest earned FY 2012-2013	Interest earned FY 2012-2013	
ACTA									
Checking Account	\$ 62,770	\$ 6	0.02%			\$ 990,642	\$ 35		
State Treasurer Pool (LAIF)	48,903,476	57,225	0.23%			26,312,847	37,613		
Investment Advisor ⁽¹⁾	65,894,362	189,635	0.58%			89,135,230	994,095		
Loan to ACCMA	10,000,000	-				10,000,000	-		
ACTA Total	\$ 124,860,609	\$ 246,866	0.40%	\$ 215,000	\$ 31,866	\$ 126,438,719	\$ 1,031,742		0.82%
						Approx. ROI			
ACTIA									
Checking Account	\$ 1,862,112	\$ 175	0.02%			\$ 10,825,653	\$ 235		
State Treasurer Pool (LAIF)	51,768,001	48,092	0.19%			32,405,385	78,105		
Investment Advisor ⁽¹⁾	22,863,882	43,184	0.38%			43,976,235	148,637		
ACTIA Total	\$ 76,493,995	\$ 91,450	0.24%	\$ 21,000	\$ 70,450	\$ 87,207,273	\$ 226,977		0.26%
						Approx. ROI			
ACCMA									
Checking Account	\$ 2,576,518	\$ -	0.00%			\$ 2,713,936	\$ -		
State Treasurer Pool (LAIF)	17,010,148	23,820	0.28%			14,848,174	44,446		
Project Deferred Revenue ⁽²⁾	14,775,983	19,188	0.26%			15,030,817	52,207		
Loan from ACTA	(10,000,000)	-				(10,000,000)	-		
ACCMA Total	\$ 24,362,648	\$ 43,008	0.35%	\$ -	\$ 43,008	\$ 22,592,926	\$ 96,653		0.43%
						Approx. ROI			
ACTC TOTAL	\$ 225,717,252	\$ 381,324	0.34%	\$ 236,000	\$ 145,324	\$ 236,238,919	\$ 1,355,373		

Notes:

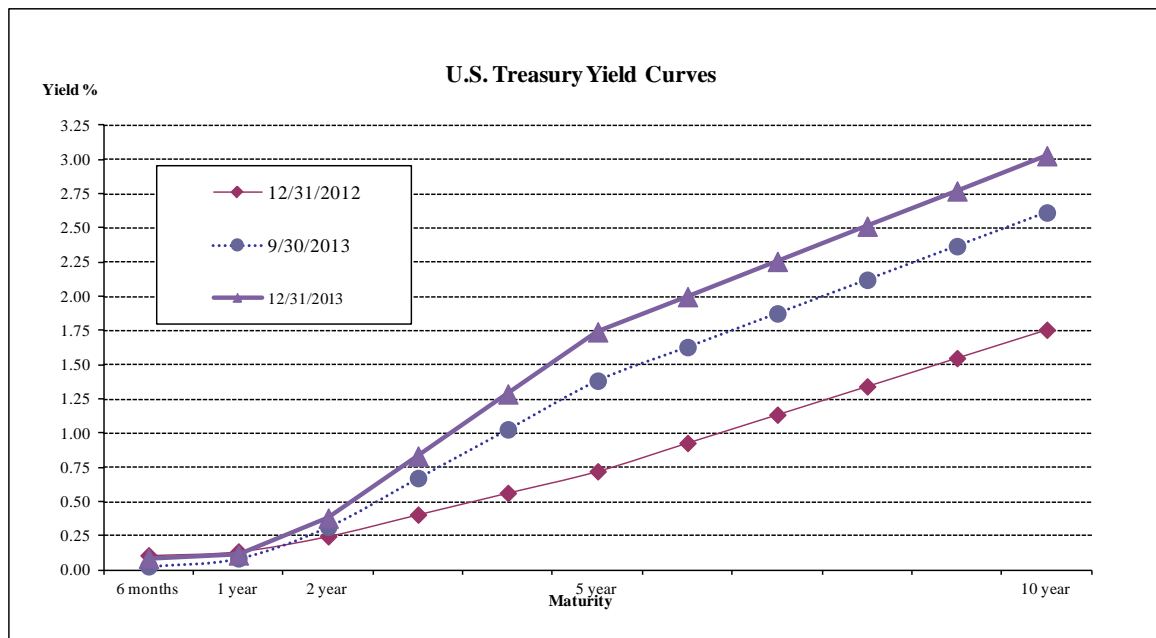
- (1) See attachments for detail of investment holdings managed by Investment Advisor.
- (2) Project funds in deferred revenue are invested in LAIF with interest accruing back to the respective fund which include TVTC, San Leandro Marina, TCRP, PTMISEA and Cal EMA.
- (3) All investments are marked to market on the financial statements at the end of the fiscal year per GASB 31 requirements.
- (4) Alameda CTC investments are in compliance with the currently adopted investment policies.
- (5) Alameda CTC has sufficient cash flow to meet expenditure requirements over the next six months.

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Alameda County Transportation Commission Portfolio Review for Quarter Ending December 31, 2013

Fixed Income Market Review and Outlook

Stronger than expected news on the economy, a better than expected compromise on the Federal Budget Deficit, and the announcement of a reduction in the pace of long-term bond purchases by the Federal Reserve drove interest rates higher in the fourth quarter of 2013. As illustrated in the graph below, for both the quarter and the year, the character of recent rate increases has been for long-term rates to move higher while short-term rates remain anchored.



Data Source: Bloomberg Finance L.P.

Interest rates on long-term bonds are being driven primarily by expectations for the Federal Reserve Board's (Fed) tapering of its purchases of longer term Treasury bonds and mortgage backed securities. Late in the quarter, the Fed announced its intention to reduce the pace of its recent purchases from \$85 billion per month to \$75 billion per month beginning in January of 2014. Although this might appear as a rather modest reduction, the market expects the pace of the Fed's bond purchases to continue to decline throughout the year.

Interest rates on short-term bonds are being driven by expectations for the Fed's eventual increase in the level of the Federal Funds Rate. Earlier expectations had been for the Fed to begin to raise the Fed Funds rate by the middle of 2015. At most, recent

events have pushed these expectations out by a few months. The timing and pace of any increases in the Fed Funds rate will be highly influenced by the employment situation. Most market participants believe the Fed will refrain from raising short term interest rates until the unemployment rate is near 6.0%. Currently, the national rate is 7.0%.

Going forward, the direction of interest rates will continue to revolve around the changing expectations for monetary policy. Monetary policy, in turn, will hinge on the pace of economic growth and improvement in the labor market. SunTrust remains optimistic that growth will pick up and there will be continued modest employment growth as we move through 2014. Barring some form of an exogenous shock, stronger growth should lead to higher rates.

Strategy

Over the foreseeable future SunTrust expects interest rates to move gradually higher. Currently, the portfolio's sensitivity to a change in interest rates is modestly below that of the benchmark. The current low rate environment leaves the bond market without much of a yield cushion to avoid negative rates of returns should interest rates begin to rise more than already anticipated by the market.

Given our outlook and the current level of uncertainty in the markets, we are comfortable keeping the portfolio's exposure to a change in interest rates near that of the benchmark.

For the time being we are recommending any surplus cash flows from maturing issues be rolled over into LAIF. As opportunities present themselves, we will be strategically placing investments where we believe they can provide a higher return than LAIF.

As of the end of the quarter, the consolidated Alameda CTC portfolio consisted of 63.2% US Government Agency securities, 0.0% US Treasury securities, 26.3% High Grade Corporate Bonds, 4.8% Certificates of Deposit, 4.5% Commercial Paper and 1.2% in cash and cash equivalents.

Compliance with Investment Policy Statement

For the quarter ending December 31, 2013, the Alameda CTC portfolio was in compliance with the investment policy statement.

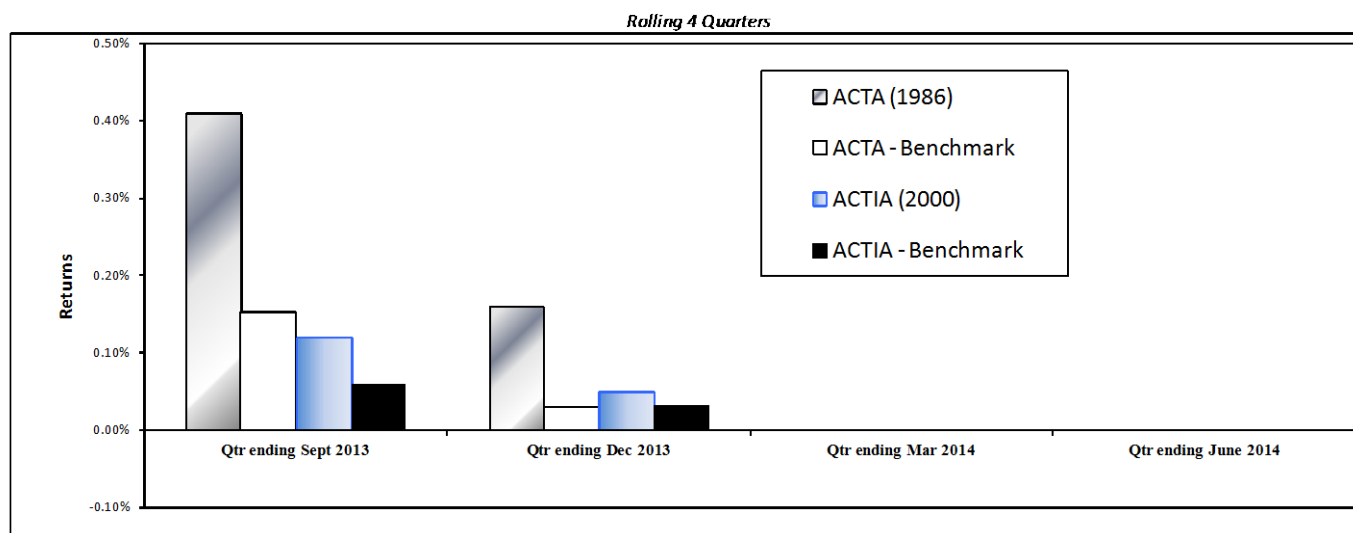
(Note: The Investment Policy allows for a greater than specified percentage of a particular asset class if at the time of original purchase the portfolio was in line with policy. While the combined portfolio currently contains 1.3% more in corporate bonds than is specified by the policy, at the time of initial purchase the percent of corporate bonds in the portfolio was below the specified 25% limit.)

Budget Impact

The portfolio's performance is reported on a total economic return basis. This method includes the coupon interest, amortization of discounts and premiums, capital gains and losses and price changes (i.e., unrealized gains and losses). For the quarter ending December 31, the ACTA (1986) portfolio returned 0.16%. This compares to the benchmark return of 0.03%. For the quarter ending December 31, the ACTIA (2000) portfolio returned 0.05%. This compares to the benchmark return of 0.03%. The exhibit below shows the performance of the Alameda CTC's portfolios relative to their respective benchmarks for the quarter.

The portfolio's yield to maturity and the return the portfolio will earn in the future if all securities are held to maturity is also reported. This calculation is based on the current market value of the portfolio including unrealized gains and losses. For the quarter ending December 31, the ACTA (1986) portfolio's yield to maturity or call was 0.32%. The benchmark's yield to maturity was 0.19%. For the quarter ending December 31, the ACTIA (2000) portfolio's yield to maturity or call was 0.30%. The benchmark's yield to maturity was 0.06%.

Quarterly Review - Account vs. Benchmark



Trailing 12 Months	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Inception to Date
MONTHLY PERFORMANCE DATA													
Alameda ACTA (1986)	0.34%	-0.01%	0.08%	0.09%	0.06%	0.01%							0.57%
Alameda ACTIA (2000)	0.10%	0.00%	0.02%	0.03%	0.01%	0.01%							0.17%
Benchmark - ACTA	0.08%	-0.01%	0.09%	0.03%	0.02%	-0.02%							0.18%
Benchmark - ACTIA	0.02%	0.02%	0.02%	-0.01%	0.01%	0.03%							0.09%

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SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTA 1986 Measure B
 December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Duration
CORPORATE BONDS													
3,000,000	452308ah2	Illinois Tool Works Inc 5.150% Due 04-01-14	A2	A+	101.98	3,059,445.00	101.13	3,033,906.00	38,625.00	3,072,531.00	4.6	0.61	0.3
3,500,000	94974bfe5	Wells Fargo 1.500% Due 07-01-15	A2	A+	101.28	3,544,660.00	101.41	3,549,217.00	26,250.00	3,575,467.00	5.4	0.56	1.5
3,500,000	46623ejr1	JPMorgan Chase & Co MTN BE 1.100% Due 10-15-15	A3	A	100.02	3,500,875.00	100.38	3,513,349.00	8,127.78	3,521,476.78	5.3	0.88	1.8
3,500,000	36962g4t8	GE Capital Corp MTN BE 2.250% Due 11-09-15	A1	AA+	102.62	3,591,700.00	103.06	3,607,138.50	11,375.00	3,618,513.50	5.5	0.59	1.8
1,600,000	06406heg2	Bank New York MTN BE 0.700% Due 03-04-16	A1	A+	99.82	1,597,200.00	99.48	1,591,616.00	3,640.00	1,595,256.00	2.4	0.94	2.2
900,000	064159bv7	Bank of Nova Scotia 0.950% Due 03-15-16	Aa2	A+	100.21	901,854.00	100.14	901,279.80	2,517.50	903,797.30	1.4	0.88	2.2
CORPORATE BONDS Total								16,196,506.30	90,535.28	16,287,041.58	24.6	0.70	1.5
GOVERNMENT AGENCY ISSUES													
3,319,000	31398a3g5	Federal Natl Mtg Assn 1.500% Due 09-08-14	Aaa	AA+	101.68	3,374,626.44	100.91	3,349,302.47	15,626.96	3,364,929.43	5.1	0.17	0.7
2,500,000	3135g0dw0	Federal Natl Mtg Assn 0.625% Due 10-30-14	Aaa	AA+	100.59	2,514,650.00	100.37	2,509,207.50	2,604.17	2,511,811.67	3.8	0.18	0.8
5,000,000	3134g4er5	Federal Home Loan Mtg Corp 0.500% Due 08-19-15	Aaa	AA+	100.01	5,000,550.00	100.09	5,004,575.00	9,166.67	5,013,741.67	7.6	0.44	1.6
700,000	3135g0nv1	Federal Natl Mtg Assn 0.500% Due 09-28-15	Aaa	AA+	100.40	702,814.00	100.18	701,236.90	904.17	702,141.07	1.1	0.40	1.7
5,000,000	3135g0xh1	Federal Natl Mtg Assn 0.500% Due 05-20-16	Aaa	AA+	99.54	4,977,000.00	99.69	4,984,385.00	2,847.22	4,987,232.22	7.5	0.63	2.4
675,000	3133834r9	Federal Home Loan Banks 0.375% Due 06-24-16	Aaa	AA+	99.69	672,934.50	99.66	672,709.72	49.22	672,758.94	1.0	0.51	2.5
GOVERNMENT AGENCY ISSU Total								17,221,416.59	31,198.40	17,252,614.99	26.1	0.41	1.6
GOVERNMENT BONDS - ZERO COUPON													
3,000,000	313589tp8	Federal Natl Mtg Assn Disc Nt 0.000% Due 02-26-14	Aaa	AA+	99.98	2,999,311.67	100.00	2,999,862.00	0.00	2,999,862.00	4.5	0.03	0.2
4,000,000	313385un4	Federal Home Loan Bank Cons Disc Nt 0.000% Due 03-21-14	Aaa	AA+	99.97	3,998,816.68	99.99	3,999,652.00	0.00	3,999,652.00	6.1	0.04	0.2
5,000,000	313589xy4	Federal Natl Mtg Assn Disc Nt 0.000% Due 06-11-14	Aaa	AA+	99.94	4,996,875.00	99.96	4,998,225.00	0.00	4,998,225.00	7.6	0.08	0.4

SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTA 1986 Measure B
 December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Duration
11,500,000	313397yn5	Federal Home Loan Mtg Corp Disc Nt	Aaa	AA+	99.93	11,492,192.77	99.96	11,495,549.50	0.00	11,495,549.50	17.4	0.08	0.5
		0.000% Due 06-25-14											
		GOVERNMENT BONDS - ZER Total				23,487,196.12		23,493,288.50	0.00	23,493,288.50	35.5	0.07	0.4
CERTIFICATES OF DEPOSIT													
4,300,000	16144rts2	Chase Bank USA NA Inst Ctf Dep	P-1	A-1	100.00	4,300,000.00	100.02	4,301,023.40	8,902.77	4,309,926.17	6.5	0.13	0.1
		0.330% Due 02-12-14											
		CERTIFICATES OF DEPOSIT Total				4,300,000.00		4,301,023.40	8,902.77	4,309,926.17	6.5	0.13	0.1
COMMERCIAL PAPER													
4,000,000	90262db79	UBS Fin Del Inc	P-1	A-1	99.74	3,989,726.67	99.99	3,999,577.84	0.00	3,999,577.84	6.1	0.10	0.1
		0.000% Due 02-07-14											
		COMMERCIAL PAPER Total				3,989,726.67		3,999,577.84	0.00	3,999,577.84	6.1	0.10	0.1
CASH AND EQUIVALENTS													
	61747c70s	Morgan Stanley Government Inst				747,351.20		747,351.20		747,351.20	1.1		
	cash	Cash Account Balance				105.63		105.63		105.63	0.0		
		CASH AND EQUIVALENTS Total				747,456.83		747,456.83		747,456.83	1.1		
TOTAL PORTFOLIO						65,962,688.56		65,959,269.46	130,636.44	66,089,905.91	100.0	0.32	0.9

SunTrust Bank
FIXED INCOME PORTFOLIO
Alameda CTC
ACTIA 2000 Measure B
 December 31, 2013

Par Value	Symbol	Security	Moody Rating	S&P Rating	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value +Accr.Int.	Pct. Assets	Yield To Mat.	Duration
CORPORATE BONDS													
1,500,000	46623eje0	JPMorgan Chase & Co MTN BE	A3	A	100.67	1,510,125.00	100.00	1,500,000.00	13,410.42	1,513,410.42	6.6	1.95	0.1
500,000	532457be7	2.050% Due 01-24-14 Lilly Eli & Co	A2	AA-	101.13	505,655.00	100.66	503,287.50	6,708.33	509,995.83	2.2	0.54	0.2
2,500,000	10138mah8	4.200% Due 03-06-14 Bottling Group LLC (Pepsi)	A1	A	103.45	2,586,350.00	101.30	2,532,507.50	51,159.72	2,583,667.22	11.3	0.60	0.2
2,500,000	911312a10	6.950% Due 03-15-14 United Parcel Service Inc	Aa3	A+	102.07	2,551,775.00	100.83	2,520,670.00	24,218.75	2,544,888.75	11.1	0.55	0.3
		3.875% Due 04-01-14											
		CORPORATE BONDS Total				7,153,905.00		7,056,465.00	95,497.22	7,151,962.22	31.2	0.86	0.2
GOVERNMENT BONDS - ZERO COUPON													
3,000,000	313385sk3	Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.99	2,999,587.50	100.00	2,999,955.00	0.00	2,999,955.00	13.1	0.02	0.1
2,000,000	313385tm8	0.000% Due 01-29-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.95	1,998,916.67	100.00	1,999,912.00	0.00	1,999,912.00	8.7	0.03	0.2
5,000,000	313385un4	0.000% Due 02-24-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.95	4,997,734.73	99.99	4,999,565.00	0.00	4,999,565.00	21.8	0.04	0.2
2,000,000	313385vq6	0.000% Due 03-21-14 Federal Home Loan Bank Cons Disc Nt	Aaa	AA+	99.92	1,998,340.83	99.98	1,999,654.00	0.00	1,999,654.00	8.7	0.06	0.3
3,500,000	313397yn5	0.000% Due 04-16-14 Federal Home Loan Mfg Corp Disc Nt	Aaa	AA+	99.93	3,497,623.89	99.96	3,498,645.50	0.00	3,498,645.50	15.2	0.08	0.5
		0.000% Due 06-25-14											
		GOVERNMENT BONDS - ZER Total				15,492,203.62		15,497,731.50	0.00	15,497,731.50	67.5	0.05	0.3
CASH AND EQUIVALENTS													
	61747c70s	Morgan Stanley Government Inst				308,495.73		308,495.73		308,495.73	1.3		
	cash	Cash Account Balance				60.99		60.99		60.99	0.0		
		CASH AND EQUIVALENTS Total				308,556.72		308,556.72		308,556.72	1.3		
TOTAL PORTFOLIO						22,954,665.34		22,862,753.22	95,497.22	22,958,250.44	100.0	0.30	0.2

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Memorandum

4.2

1111 Broadway, Suite 800, Oakland, CA 94607

PH: (510) 208-7400

www.AlamedaCTC.org

DATE: January 27, 2014

SUBJECT: Loan Policy

RECOMMENDATION: Approve the Alameda CTC Loan Policy

Summary

The policy of the Alameda CTC will be to evaluate requests for loans, from member agencies only, on a case by case basis. Loans will not be utilized as an investment vehicle by the Alameda CTC as they are not commensurate with the requirements of California Government Code authorized investments.

The evaluation and review of loan requests will include:

- Liquidity - Availability of excess funds (assumes all Alameda CTC liquidity needs are met including the general fund balance reserve requirement) over the term of the loan request while considering the needs of any additional member agency loan requests submitted simultaneously.
- Purpose - Funds loaned must be used to fund transportation related programs or projects within Alameda County that would be eligible for the related pass through funding.
- Amount - Loan amount must be less than or equal to the projected Measure B Sales Tax pass through receipts over the loan term or the remainder of the measure, whichever is shorter.
- Security - Loan payments must be withheld from the monthly pass through payments and must begin with the next pass through payment scheduled to be made by the Alameda CTC once the agreement is executed. If any monthly pass through payment amount is not sufficient to cover the loan payment amount due, the member agency would be required to submit the balance due within ten days of receiving notification from the Alameda CTC.
- Term - Loans can be made for a term of up to 2 years or up to the expiration of the measure, whichever is shorter.
- Interest - Interest would be set at the current rate of Prime +1, at the time of the loan, as publicized in the Wall Street Journal.

If the loan request is within the requirements above, the loans will be brought before the Commission for approval.

Background

Historically the Alameda CTC's predecessor agency, Alameda County Transportation Improvement Authority (ACTIA), allowed loans to both member agencies and unrelated jurisdictions as an investment vehicle. This proposed policy does not allow loans to unrelated jurisdictions because they are not commensurate with the California Government Code nor are they in keeping with the objectives of Measure B. Loans to unrelated jurisdiction would also limit the availability of funds if and when a member agency ever had need for a loan. Removing the allowance of loans to unrelated jurisdictions is one of the most pressing priorities for bringing this updated policy before the Commission today.

Currently the majority of Alameda CTC funds have been designated towards specific purposes, with short term cash flow needs in some funds exceeding what is currently available. Therefore the Alameda CTC is in the process of preparing to do a debt financing. However, this will not always be the case as the current Measure B winds down and the Alameda CTC goes to the voters for approval of a new Transportation Expenditure Plan. Approval of this policy will allow the Alameda CTC to be in a position to loan funds to member agencies for transportation purposes when it is in a better position to do so.

Fiscal Impact: There is no fiscal impact.

Staff Contact

[Patricia Reavey](#), Director of Finance