



Finance and Administration Committee Meeting Agenda Monday, May 14, 2018, 8:30 a.m.

Committee Chair:	Scott Haggerty, Alameda County, District 1	Executive Director:	Arthur L. Dao
Vice Chair:	Luis Freitas, City of Newark	Staff Liaison:	Patricia Reavey
Members:	Wilma Chan, David Haubert, Teddy King, Jerry Thorne	Clerk of the Commission:	Vanessa Lee
Ex-Officio:	Richard Valle, Pauline Cutter		

1. Call to Order/Pledge of Allegiance

2. Roll Call

3. Public Comment

4. Consent Calendar

Page/Action

- | | | |
|--|---|---|
| 4.1. Approve the April 9, 2018 FAC Meeting Minutes | 1 | A |
| 4.2. FY2017-18 Third Quarter Report of Claims Acted upon Under the Government Claims Act | 3 | I |

5. Regular Matters

- | | | |
|---|----|---|
| 5.1. Approve the Alameda CTC Proposed Consolidated Budget for FY2018-19 | 5 | A |
| 5.2. Approve the Alameda CTC FY2017-18 Third Quarter Consolidated Financial Report | 15 | A |
| 5.3. Approve the Alameda CTC FY2017-18 Third Quarter Consolidated Investment Report | 21 | A |
| 5.4. Approve updates to the Alameda CTC Investment Policy | 43 | A |
| 5.5. Approve an Administrative Amendment to the Acumen Building Enterprise Professional Services Agreement No. A13-0088 | 57 | A |

6. Committee Member Reports

7. Staff Reports

8. Adjournment

Next Meeting: Monday, June 11, 2018

Notes:

- All items on the agenda are subject to action and/or change by the Commission.
- To comment on an item not on the agenda (3-minute limit), submit a speaker card to the clerk.
- Call 510.208.7450 (Voice) or 1.800.855.7100 (TTY) five days in advance to request a sign-language interpreter.

- If information is needed in another language, contact 510.208.7400. Hard copies available only by request.
- Call 510.208.7400 48 hours in advance to request accommodation or assistance at this meeting.
- Meeting agendas and staff reports are available on the [website calendar](#).
- Alameda CTC is located near 12th St. Oakland City Center BART station and AC Transit bus lines. [Directions and parking information](#) are available online.



Alameda CTC Schedule of Upcoming Meetings:

Commission Chair

Supervisor Richard Valle, District 2

Commission Vice Chair

Mayor Pauline Cutter,
City of San Leandro

AC Transit

Board President Elsa Ortiz

Alameda County

Supervisor Scott Haggerty, District 1
Supervisor Wilma Chan, District 3
Supervisor Nate Miley, District 4
Supervisor Keith Carson, District 5

BART

Director Rebecca Saltzman

City of Alameda

Mayor Trish Spencer

City of Albany

Councilmember Peter Maass

City of Berkeley

Mayor Jesse Arreguin

City of Dublin

Mayor David Haubert

City of Emeryville

Mayor John Bauters

City of Fremont

Mayor Lily Mei

City of Hayward

Mayor Barbara Halliday

City of Livermore

Mayor John Marchand

City of Newark

Councilmember Luis Freitas

City of Oakland

Councilmember At-Large
Rebecca Kaplan
Councilmember Dan Kalb

City of Piedmont

Vice Mayor Teddy Gray King

City of Pleasanton

Mayor Jerry Thorne

City of Union City

Mayor Carol Dutra-Vernaci

Executive Director

Arthur L. Dao

Description	Date	Time
Alameda County Technical Advisory Committee (ACTAC)	June 7, 2018	1:30 p.m.
Finance and Administration Committee (FAC)	June 11, 2018	8:30 a.m.
I-680 Sunol Smart Carpool Lane Joint Powers Authority (I-680 JPA)		9:30 a.m.
I-580 Express Lane Policy Committee (I-580 PC)		10:00 a.m.
Planning, Policy and Legislation Committee (PPLC)		10:30 a.m.
Programs and Projects Committee (PPC)		12:00 p.m.
Independent Watchdog Committee (IWC)	July 9, 2018	5:30 p.m.
Paratransit Technical Advisory Committee (ParaTAC)	September 11, 2018	9:30 a.m.
Alameda CTC Commission Meeting	May 24, 2018	2:00 p.m.
Paratransit Advisory and Planning Committee (PAPCO)	May 21, 2018	1:30 p.m.
Bicycle and Pedestrian Community Advisory Committee (BPAC)	June 28, 2018	5:30 p.m.

All meetings are held at Alameda CTC offices located at 1111 Broadway, Suite 800, Oakland, CA 94607. Meeting materials, directions and parking information are all available on the [Alameda CTC website](http://www.AlamedaCTC.org).

This page intentionally left blank



Finance and Administration Committee Meeting Minutes Monday, April 9, 2018, 10:30 a.m.

4.1

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

1. Pledge of Allegiance

2. Roll Call

A roll call was conducted. All members were present with the exception of Commissioner Chan, Commissioner King and Commissioner Valle.

3. Public Comment

There were no public comments.

4. Consent Calendar

4.1. Approve the February 12, 2018 FAC Meeting Minutes

4.2. 2017 Alameda CTC Annual Report

Commissioner Haubert moved to approve the Consent Calendar. Commissioner Thorne seconded the motion. The motion passed with the following votes:

Yes: Haggerty, Freitas, Haubert, Thorne, Cutter
No: None
Abstain: None
Absent: Chan, King, Valle

5. Regular Matters

5.1. Approve the Proposed FY2017-18 Mid-Year Budget Update

Patricia Reavey recommended that the Commission approve the proposed FY2017-18 Mid-Year Budget Update. Ms. Reavey stated that the proposed budget update includes an increase of \$127.7 million to actual audited FY2016-17 fund balances rolled forward into FY2017-18 for a total beginning fund balance of \$437.5 million. It also contains revenues totaling \$364.8 million of which sales tax revenues comprise \$298.0 million. The total revenue amount proposed is an increase of \$43.7 million over the currently adopted budget mostly related to external funding sources in the capital project funds that have rolled forward to the FY2017-18 budget because they had not yet been utilized by the end of fiscal year 2016-2017 (FY2016-17) and an increase in sales tax revenue projections. Revenues are offset in the proposed budget update by \$461.6 million in total expenditures of which \$219.9 million are allocated for capital project expenditures and \$5.6 million, or 1.21 percent, is allocated for salaries and benefits. The total salaries and benefits amount proposed in this budget update is an increase of \$0.15 million over the currently adopted budget due to a change in the way in which Sunol Smart Carpool Lane JPA salaries and benefits are budgeted. The total expenditure amount is an increase of \$149.5 million over the currently adopted budget. This significant increase is due to the adjustment for the capital roll forward balance from FY2016-17. Ms. Reavey noted that the budget was consistent with the 2018 Comprehensive Investment Plan and the update includes revenues and expenditures necessary to develop and implement vital planning projects and programs and to fund and deliver significant capital projects. The fiscal impact of

approving the proposed FY2017-18 budget update would be to allow the roll forward of audited fund balances from FY2016-17 of \$127.7 million, provide additional resources of \$43.7 million, and authorize additional expenditures of \$149.5 million, reflecting an overall increase in fund balance of \$21.9 million for a projected ending fund balance of \$340.8 million.

Commissioner Haggerty wanted clarification on the variances between the gross adjustments column for salary and benefits. Ms. Reavey stated that the salary and benefits are shown across several different categories but there is an approximate \$150,000 increase in salaries and benefits.

Commissioner Haggerty asked what the percentage cap for salary and benefits was. Ms. Reavey stated that the cap is 1%.

Commissioner Haubert stated that showing a percent change in each column would help interpret the budget. Staff stated that information on percent changes could be added to the data.

Commissioner Haubert moved to approve this item. Commissioner Thorne seconded the motion. The motion passed with the following votes:

Yes: Haggerty, Freitas, Haubert, Thorne, Cutter
No: None
Abstain: None
Absent: Chan, King, Valle

6. Committee Member Reports

There were no committee reports.

7. Staff Reports

Art Dao informed the Committee that a well-attended Business Outreach Network Event was held on March 30th in Hayward, and he informed the committee that there was an East Bay EDA legislation reception scheduled for April 12, 2018.

8. Adjournment/ Next Meeting

The next meeting is:

Date/Time: Monday, May 14, 2018 at 8:30a.m.

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

Attested by:



Vanessa Lee,
Clerk of the Commission



Memorandum

4.2

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

TO: Finance and Administration Committee

FROM: Patricia Reavey, Deputy Executive Director of Finance and Administration

SUBJECT: FY2017-18 Third Quarter Report of Claims Acted Upon Under the Government Claims Act

Recommendation

Receive the FY2017-18 Third Quarter Report of Claims Acted Upon Under the Government Claims Act. This item is for information only.

Summary

There were no actions taken by staff under the Government Claims Act during the third quarter of FY2017-18.

Background

Tort claims against Alameda CTC and other California government entities are governed by the Government Claims Act (Act). The Act allows the Commission to delegate authority to an agency employee to review, reject, allow, settle, or compromise tort claims pursuant to a resolution adopted by the Commission. If the authority is delegated to an employee, that employee can only reject claims or allow, settle, or compromise claims \$50,000 or less. The decision to allow, settle, or compromise claims over \$50,000 must go before the Commission for review and approval.

California Government Code section 935.4 states:

"A charter provision, or a local public entity by ordinance or resolution, may authorize an employee of the local public entity to perform those functions of the governing body of the public entity under this part that are prescribed by the local public entity, but only a charter provision may authorize that employee to allow, compromise, or settle a claim against the local public entity if the amount to be paid pursuant to the allowance, compromise or settlement exceeds fifty thousand dollars (\$50,000). A Charter provision, ordinance, or resolution may provide that, upon the written order of that

employee, the auditor or other fiscal officer of the local public entity shall cause a warrant to be issued upon the treasury of the local public entity in the amount for which a claim has been allowed, compromised, or settled."

On June 30, 2016, the Commission adopted a resolution which authorized the Executive Director to reject claims or allow, settle, or compromise claims up to and including \$50,000.

There have only been a handful of small claims filed against Alameda CTC and its predecessors over the years, and many of these claims were erroneously filed, and should have been filed with other agencies (such as Alameda County, AC Transit, and Caltrans). As staff moves forward with the implementation of Measure BB, Alameda CTC may experience an increase in claims against the agency as Alameda CTC puts more projects on the streets and highways of Alameda County and as Alameda CTC's name is recognized as a funding agency on these projects. Staff works directly with the agency's insurance provider, the Special District Risk Management Authority (SDRMA), when claims are received so that responsibility may be determined promptly and they might be resolved expediently or referred to the appropriate agency. This saves Alameda CTC money because when working with the SDRMA directly, much of the legal costs to address these claims are covered by insurance.

Fiscal Impact: There is no fiscal impact associated with the requested action.



Memorandum

5.1

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

TO: Finance and Administration Committee

FROM: Patricia Reavey, Deputy Executive Director of Finance and Admin.
Seung Cho, Director of Budgets and Administration

SUBJECT: Alameda CTC Proposed Consolidated Budget for FY2018-19

Recommendation

It is recommended that the Commission approve the Alameda CTC Proposed Consolidated Budget for FY2018-19.

Summary

The Alameda County Transportation Commission's (Alameda CTC) FY2018-19 Proposed Consolidated Budget (Proposed Budget) demonstrates a sustainable, balanced budget utilizing projected revenues and fund balance to fund total expenditures. A budget is considered balanced when (1) total revenues equal total expenditures, (2) total revenues are greater than total expenditures, or (3) total revenues plus fund balance are greater than total expenditures. As a funding agency, the overall consolidated Alameda CTC budget fits into the third category due to the accumulation of sales tax funds within the Special Revenue Funds and Capital Project Funds which are utilized to fund transportation capital projects and programs in Alameda County; however, this varies by fund type as the Debt Service Fund fits into the first category with total revenues equal to total expenditures, and other funds fit into the second category with total revenues greater than total expenditures, including the General Fund, I-580 Express Lanes Fund, and Exchange Fund.

The Proposed Budget has been prepared based on the modified accrual basis of accounting, which is consistent with the basis of accounting utilized to prepare the agency's audited financial statements. It has been segregated by fund type and includes an adjustment column to eliminate interagency revenues and expenditures on a consolidated basis. The funds are comprised of General Funds, I-580 Express Lanes Fund, Special Revenue Funds, Exchange Fund, Debt Service Fund and Capital Projects Funds.

The Proposed Budget contains projected revenues totaling \$354.1 million of which sales tax revenues comprise \$304.0 million, or 85.8 percent, I-580 Express Lanes revenues (including toll, violation, and penalty revenues) comprise \$13.9 million, or 3.9 percent, and VRF revenues comprise \$12.0 million, or 3.4 percent. In addition, the Proposed Budget includes the projected FY2017-18 ending fund balance of \$340.8 million for total available resources of \$694.9 million. The projected revenues are offset by \$365.3 million in anticipated expenditures of which \$125.6 million, or 34.4 percent, are allocated to Capital Projects Funds, and \$6.4 million, or 1.28 percent when including the roll forward capital budget, is allocated for salaries and benefits. Salaries and benefits expenditures are nominal as compared to total budgeted expenditures. These revenue and expenditure totals constitute a net decrease in fund balance of \$11.2 million and a projected consolidated ending fund balance of \$329.6 million.

Approval of the Proposed Capital Projects budget is requested for the amount found in the "Proposed FY2018-19 Capital Budget with Estimated Roll Over" column on the attached FY2018-19 Proposed Capital Programs Budget sheet. This column includes both the additional capital budget amount requested for FY2018-19 as well as an estimated roll over balance from the adopted FY2017-18 budget. The capital program amount carried forward to the Alameda CTC FY2018-19 Proposed Budget does not include the roll forward budget authority because the expenditure amount is still included in the approved budget for FY2017-18 and, therefore, is already netted out of the projected roll forward fund balance from the FY2017-18 adopted budget. During the mid-year budget update process, the roll forward fund balance will be updated to actual based on audited financial statements. Consequently, the capital budget amount on the consolidated budget spreadsheet for the mid-year budget update will be for the full capital budget including both the actual roll forward balance from FY2017-18 and any additional requested capital budget for FY2018-19. This methodology is necessary to ensure accurate and reliable fund balance information in the Alameda CTC budget.

The Proposed Budget includes revenues and expenditures necessary to provide vital programs and planning projects for Alameda County and to deliver significant capital projects that expand access and improve mobility in Alameda County consistent with the 2018 Comprehensive Investment Plan (CIP) which was approved by the Commission in April 2017.

In January 2014, the Commission adopted a General Fund Balance Reserve Policy to conform to best practices in mitigating risk for the agency. The policy was developed in accordance with best practice recommendations by the Government Finance Officers' Association. Alameda CTC has included the General Fund balance reserve amount in this budget, which is calculated based on 2 months' worth of expenditures in the General Fund and 1 months' worth of expenditures in all other funds. In addition, an additional amount of \$2.9 million has been set aside towards the I-580 operational reserve goal of \$20 million, which was established in the I-580 Express Lane 20 Year Expenditure Plan approved by the Commission in April 2018, for a total operational reserve set aside of \$16.6 million. This

operational reserve was established in order to ensure financial stability for the agency and to address requirements established in agreements with the State of California. The total amount of reserves in the Proposed Budget is \$50.2 million, or 13.7 percent of total expenditures. The fund balance section of the Proposed Budget also indicates a \$5 million maintenance contribution amount in the I-580 Express Lanes Fund which was set aside in the FY17-18 budget to cover upcoming maintenance needs. This amount has not been increased in the FY18-19 budget.

Background

Development of the Proposed Budget for FY2018-19 focused on the mission and core functions of Alameda CTC that will enable Alameda CTC to plan, fund and deliver transportation programs and projects that expand access and improve mobility in Alameda County.

Staffing levels assumed in the Proposed Budget for FY2018-19 are based on the organizational structure and salary ranges approved by the Commission in December 2017, which allows for staffing of up to 37 full time equivalent (FTE) positions within 32 job classifications. Salaries and benefits in the Proposed Budget account for 1.28 percent of budgeted expenditures including roll forward capital budget authority. The approved organizational structure was designed to prepare the agency to meet the many challenges and expanded responsibilities of administering the 2014 Measure BB sales tax, implementing the CIP, and managing and maintaining the I-580 Express Lanes and the I-680 Southbound Express Lane.

The 2000 Measure B and 2014 Measure BB Salary and Benefits Limitation ratio and the Administrative Cost Limitation ratio were calculated based on the revenues and expenditures in the Proposed Budget and were found to be in compliance with requirements in the Transportation Expenditure Plans and the Public Utility Code.

Fiscal Impact: The fiscal impact of the FY2018-19 Proposed Consolidated Budget would be to provide resources of \$354.1 million and authorize expenditures of \$365.3 million, with an overall decrease in fund balance of \$11.2 million for a projected ending fund balance of \$329.6 million.

Attachments:

- A. Alameda CTC FY2018-19 Proposed Consolidated Budget
- B. Alameda CTC FY2018-19 Proposed Capital Programs Budget
- C. Alameda CTC FY2018-19 Proposed Salaries and Benefits Budget

This page intentionally left blank

**Alameda County Transportation Commission
Fiscal Year 2018-19 Proposed Consolidated Budget**

5.1A

	General Funds	I-580 Express Lanes Fund	Special Revenue Funds	Exchange Fund	Debt Service Fund	Capital Projects Funds	Inter-Agency Adjustments/ Eliminations	Total
Projected Beginning Fund Balance	\$ 56,437,187	\$ 18,749,755	\$ 91,079,423	\$ 5,222,660	\$ 8,867,927	\$ 160,425,449	\$ -	\$ 340,782,401
Revenues:								
Sales Tax Revenues	\$ 12,920,000	\$ -	\$ 188,292,117	\$ -	\$ -	\$ 102,787,883	\$ -	\$ 304,000,000
Investment Income	880,000	200,000	2,020,000	285,000	-	4,500,000	-	7,885,000
Member Agency Fees	1,394,819	-	-	-	-	-	-	1,394,819
VRF Funds	-	-	12,000,000	-	-	-	-	12,000,000
Toll Revenues	-	11,800,000	-	-	-	-	-	11,800,000
Other Revenues	-	2,100,000	30,050	-	26,472,450	-	(26,502,500)	2,100,000
Regional/State/Federal Grants	2,493,361	-	4,076,348	-	-	3,383,166	(136,000)	9,816,876
Local and Other Grants	-	-	1,100,000	4,568,575	-	1,360,371	(1,901,981)	5,126,965
Total Revenues	17,688,180	14,100,000	207,518,515	4,853,575	26,472,450	112,031,420	(28,540,481)	354,123,660
Expenditures:								
<u>Administration</u>								
Salaries and Benefits	2,184,190	-	-	-	-	64,127	-	2,248,317
General Office Expenses	1,644,691	-	1,800	-	-	72,682	(1,800)	1,717,373
Travel Expense	43,200	-	-	-	-	1,800	-	45,000
Debt Service	-	-	-	-	26,472,450	26,472,450	(26,472,450)	26,472,450
Professional Services	3,212,020	-	-	-	-	225,895	-	3,437,915
Commission and Community Support	252,750	-	28,250	-	-	-	(28,250)	252,750
Contingency	194,000	-	-	-	-	6,000	-	200,000
<u>Freeway Operations</u>								
Salaries and Benefits	-	388,213	-	-	-	-	-	388,213
Other Operating Expenditures	-	5,360,000	-	-	-	-	-	5,360,000
Non-Operating Expenditures	-	5,480,000	-	-	-	-	-	5,480,000
<u>Planning</u>								
Salaries and Benefits	781,543	-	-	-	-	-	-	781,543
Planning Management and Support	-	-	-	-	-	-	-	-
Transportation Planning	944,612	-	-	-	-	-	-	944,612
Congestion Management Program	-	-	-	-	-	-	-	-
Other Planning Projects	132,795	-	-	-	-	-	-	132,795
<u>Programs</u>								
Salaries and Benefits	139,164	-	1,634,087	58,473	-	-	(194,571)	1,637,153
Programs Management and Support	-	-	2,686,150	-	-	-	-	2,686,150
Safe Routes to School Programs	-	-	2,251,403	-	-	-	-	2,251,403
VRF Programming	-	-	11,940,000	-	-	-	-	11,940,000
Measure B/BB Direct Local Distribution	-	-	157,083,170	-	-	-	-	157,083,170
Grant Awards	-	-	12,875,045	-	-	-	-	12,875,045
TFCA Programming	-	-	2,786,285	-	-	-	-	2,786,285
CMA TIP Programming	-	-	-	4,510,102	-	-	-	4,510,102
<u>Capital Projects</u>								
Salaries and Benefits	-	-	-	-	-	1,457,818	(148,766)	1,309,051
Project Management and Support	-	-	-	-	-	2,710,000	-	2,710,000
Capital Project Expenditures	-	-	25,504,000	-	-	94,589,321	(2,037,981)	118,055,340
<u>Indirect Cost Recovery/Allocation</u>								
Indirect Cost Recovery from Capital, Spec Rev & Exch Funds	(343,338)	-	-	-	-	-	343,338	-
Total Expenditures	9,185,626	11,228,213	216,790,190	4,568,575	26,472,450	125,600,093	(28,540,481)	365,304,667
Net Change in Fund Balance	8,502,554	2,871,787	(9,271,675)	285,000	-	(13,568,673)	-	(11,181,007)
Projected Ending Fund Balance	64,939,741	21,621,542	81,807,748	5,507,660	8,867,927	146,856,776	-	329,601,394
Freeway Maintenance Contributions		5,000,000						5,000,000
Fund Balance/Operational Reserves	33,585,898	16,621,542	-	-	-	-	-	50,207,440
Projected Net Fund Balance	\$ 31,353,843	\$ -	\$ 81,807,748	\$ 5,507,660	\$ 8,867,927	\$ 146,856,776	\$ -	\$ 274,393,954

This page intentionally left blank

**Alameda CTC
Fiscal Year 2018-19
Proposed Capital Programs Budget**

Capital Programs	(A)	(B)	(A) - (B) = (C)	(D)	(C) + (D) = (E)	Funding			
	Adopted FY 2017-18 Capital Budget	Estimated FY2017-18 Expenditures	Estimated FY 2017-18 Rollover to FY 2018-19	Proposed FY 2018-19 Adjustment to Capital Budget	Proposed FY 2018-19 Capital Budget w/ Estimated Rollover	Total Local	Total Regional	Total State	Total Federal
1986 Measure B Capital Program	\$ 22,397,898	\$ 455,553	\$ 21,942,345	\$ (17,500,000)	\$ 4,442,345	\$ 4,442,345	\$ -	\$ -	\$ -
2000 Measure B Capital Program	84,931,398	52,502,650	32,428,748	58,872,203	91,300,951	90,429,146	-	-	871,805
2014 Measure BB Capital Program	100,027,913	34,434,168	65,593,745	56,418,947	122,012,691	118,371,530	-	3,000,000	641,161
2014 Measure BB SRF Discretionary Capital Program	-	-	-	25,504,000	25,504,000	25,368,000	136,000	-	-
Non-Sales Tax Capital Program	17,108,123	6,105,217	11,002,906	965,988	11,968,894	9,531,356	3,074,209	(636,671)	-
	<u>\$ 224,465,333</u>	<u>\$ 93,497,589</u>	<u>\$ 130,967,744</u>	<u>\$ 124,261,138</u>	<u>\$ 255,228,883</u>	<u>\$ 248,142,377</u>	<u>\$ 3,210,209</u>	<u>\$ 2,363,329</u>	<u>\$ 1,512,966</u>

This page intentionally left blank

ALAMEDA COUNTY TRANSPORTATION COMMISSION
Salaries and Benefits
FY2018-19

	<u>Proposed Budget</u>	
Administration	\$ 2,248,317	35.3%
Operations	388,213	6.1%
Planning	781,543	12.3%
Programs	1,637,153	25.7%
Capital Projects	1,309,051	20.6%
Total Salaries and Benefits Expenditure	<u><u>\$ 6,364,277</u></u>	
Total Budgeted Expenditures (Incl. Rollover)	496,272,411	
Salaries and Benefits as a Percent of Total Expenditures	1.28%	

This page intentionally left blank



Memorandum

5.2

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

TO: Finance and Administration Committee

FROM: Patricia Reavey, Deputy Executive Director of Finance/Administration

SUBJECT: Alameda CTC FY2017-18 Third Quarter Consolidated Financial Report

Recommendation

It is recommended that the Commission approve the Alameda CTC FY2017-18 Third Quarter Consolidated Financial Report.

Summary

Alameda CTC's expenditures through March 31, 2018 are within year-to-date budget authority per the currently adopted budget. The agency remains in a strong financial position as compared to budget through the third quarter of FY2017-18.

The attached FY2017-18 Third Quarter Financial Report has been prepared on a consolidated basis and is compared to the year-to-date currently adopted budget. This report provides a summary of FY2017-18 actual revenues and expenditures through March 31, 2018. Variances from the year-to-date budget are demonstrated as a percentage of the budget used by line item as well as stating either a favorable or unfavorable variance in dollars. Percentages over 100 percent indicate that actual revenue or expenditure items are over 75 percent of the total annual budget through the third quarter of the fiscal year, and percentages under 100 percent indicate that actual revenue or expenditure items are under 75 percent of the total annual budget through the third quarter of the fiscal year. As of March 31, 2018, Alameda CTC activity for the fiscal year results in a net increase in fund balance in the amount of \$77.1 million mostly due to sales tax revenues received but not yet spent, primarily in the 2000 Measure B and Measure BB Capital Projects and Special Revenue Funds.

Background

The following are highlights of actual revenues and expenditures compared to budget as of March 31, 2018 by expenditure category:

Revenues

Sales tax revenues are over budget by \$8.9 million, or 4.0 percent, and investment income is over budget by \$1.2 million or 37.7 percent as interest rates have slowly risen. Toll and toll violation revenues are over budget by \$1.3 million which can help to fund the targeted operational reserve, and grant revenues are under budget by \$10.4 million mostly related to capital projects. Grant revenues are recognized on a reimbursement basis, therefore correlated with directly related expenditures, so capital and other project expenditures also will be under budget.

Salaries and Benefits

Salaries and benefits are slightly under budget by \$0.03 million, or 0.8 percent, as of March 31, 2018.

Administration

Costs for overall administration is over budget by \$5.5 million, or 21.5 percent, on an annualized basis due to debt service costs which incurred 100 percent of the annual costs by March 31, 2018 and will not incur any additional costs in the fourth quarter of this fiscal year. Debt service costs are required to be recorded when incurred per government accounting standards. Actual expenditures in the debt service fund will equal 100% of the budget by the end of the fiscal year.

I-580 Express Lanes Operations

The I-580 Express Lanes Operations expenditures are under budget by \$1.3 million, or 28.3 percent, mostly related to operations and maintenance costs which has two components; one for consistent monthly expenditures throughout the year, and another for on call services for which staff is in the process of negotiating a contract for work that is expected towards the end of the fiscal year.

Planning

Planning expenditures are under budget by \$1.2 million, or 47.0 percent mostly related to staffing turnover and partner agency coordination.

Programs

Program expenditures are under budget by \$17.1 million, or 11.5 percent, mostly related to grants and other programming awards. Many agreements for discretionary projects were recently finalized, and it is expected that activity will ramp up in the next few months with expenditures approaching budget by the end of the fiscal year.

Capital Projects

Capital Projects expenditures are under budget by \$133.9 million, or 81.2 percent. This variance is related to delays on certain capital projects and delays in finalizing funding agreements with sponsor agencies. Project construction activity is expected to increase next fiscal year. There are currently no real budget issues on capital projects.

Limitations Calculations

Staff has completed the limitation calculations required for both 2000 Measure B and 2014 Measure BB related to salary and benefits and administration costs, and Alameda CTC is in compliance with all limitation requirements.

Fiscal Impact: There is no fiscal impact associated with the requested action.

Attachment:

- A. Alameda CTC Consolidated Revenues/Expenditures as of March 31, 2018

This page intentionally left blank

ALAMEDA COUNTY TRANSPORTATION COMMISSION
Consolidated Revenues/Expenditures
March 31, 2018

	Total Consolidated			
	YTD	YTD		
	Actuals	Budget	% Used	Variance
REVENUES				
Sales Tax Revenue	\$ 232,359,211	\$ 223,500,000	103.96	\$ 8,859,211
Investment Income	4,382,959	3,183,750	137.67	1,199,209
Member Agency Fees	1,046,114	1,046,114	100.00	-
VRF Funds	9,697,885	9,000,000	107.75	697,885
Toll Revenues	8,828,345	8,625,000	102.36	203,345
Toll Violation Revenues	2,606,755	1,500,000	173.78	1,106,755
Other Revenues	3,041	-	-	3,041
Regional/State/Federal Grants	5,745,736	12,050,823	47.68	(6,305,087)
Local and Other Grants	10,633,313	14,713,771	72.27	(4,080,458)
Total Revenues	\$ 275,303,359	\$ 273,619,458		\$ 1,683,901
EXPENDITURES				
Administration				
Salaries and Benefits ⁽¹⁾	1,899,860	1,610,620	117.96	(289,240)
General Office Expenses	1,048,559	1,270,208	82.55	221,649
Travel Expense	17,347	33,750	51.40	16,403
Debt Service ⁽²⁾	26,473,250	19,854,938	133.33	(6,618,312)
Other Administration	1,611,230	2,553,882	63.09	942,652
Commission and Community Support	123,842	189,563	65.33	65,721
Contingency	-	150,000	-	150,000
Subtotal	31,174,088	25,662,961		(5,511,127)
I-580 Operations				
Salaries and Benefits ⁽¹⁾	174,285	216,402	80.54	42,117
Other Operating Expenditures	2,660,974	3,915,000	67.97	1,254,026
Non-Operating Expenditures	390,553	370,295	105.47	(20,258)
Subtotal	3,225,812	4,501,697		1,275,885
Planning				
Salaries and Benefits ⁽¹⁾	478,797	511,161	93.67	32,364
Transportation Planning	833,035	1,711,291	48.68	878,256
Congestion Management Program	95,739	431,584	22.18	335,845
Subtotal	1,407,571	2,654,036		1,246,465
Programs				
Salaries and Benefits ⁽¹⁾	1,003,318	1,069,378	93.82	66,060
Programs Management and Support	559,224	1,367,803	40.88	808,579
Safe Routes to School Program	863,058	1,642,378	52.55	779,320
VRF Programming	6,376,344	9,949,202	64.09	3,572,858
Measure B/BB Direct Local Distribution	120,098,222	115,487,134	103.99	(4,611,088)
Grant Awards	1,040,831	10,181,058	10.22	9,140,227
TFCA Programming	207,600	3,112,188	6.67	2,904,588
CMA TIP Programming	1,185,221	5,641,238	21.01	4,456,017
Subtotal	131,333,818	148,450,379		17,116,561
Capital Projects				
Salaries and Benefits ⁽¹⁾	603,999	785,209	76.92	181,210
Capital Project Expenditures	30,429,794	164,123,041	18.54	133,693,247
Subtotal	31,033,793	164,908,250		133,874,457
Total Expenditures	\$ 198,175,082	\$ 346,177,323		\$ 148,002,241
Net revenue over / (under) expenditures	\$ 77,128,277	\$ (72,557,865)		

(1) Salaries and benefits are under budget by \$32,511 or 0.8% as of March 31, 2018.

(2) Debt service cost are required to be recorded when incurred per government accounting standards and will equal budget by year end.

This page intentionally left blank



Memorandum

5.3

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

TO: Finance and Administration Committee

FROM: Patricia Reavey, Deputy Executive Director of Finance/Administration
Lily Balinton, Director of Finance

SUBJECT: Approve Alameda CTC FY2017-18 Third Quarter Consolidated Investment Report

Recommendation

It is recommended that the Commission approve the Alameda CTC FY2017-18 Third Quarter Consolidated Investment Report.

Summary

As of the end of the third quarter, Alameda CTC has sufficient cash flow to meet expenditure requirements over the next six months and all portfolios have met the benchmark goals on a yield to maturity basis for the quarter.

The third quarter Consolidated Investment Report (Attachment A) provides balance and average return on investment information for all cash and investments held by Alameda CTC as of March 31, 2018. The report also shows balances as of June 30, 2017 for comparison purposes. The *Portfolio Review for Quarter Ending March 31, 2018* (Attachment B), prepared by SunTrust Advisory Services, provides a review and outlook of current market conditions, an investment strategy to maximize return without compromising safety and liquidity, and an overview of the original strategy that was used to develop the bond portfolios.

Background

The following are key highlights of the investment report as of March 31, 2018:

- As of March 31, 2018, total cash and investments held by the Alameda CTC was \$530.7 million, an increase of \$69.8 million or 15.1 percent over June 30, 2017 mostly related to Measure BB sales tax collections and receipt of non-sales tax project reimbursements which outpaced expenditures as the activities on non-sales tax related capital projects continue to wind down.

- Compared to prior year-end balances:
 - The 1986 Measure B investment balance decreased slightly by \$0.05 million due to capital projects expenditures.
 - The 2000 Measure B investment balance increased \$6.0 million or 3.7 percent by the end of March mainly due the timing of payments for some significant capital project invoices which are slated to be paid at the beginning of the next quarter.
 - The 2014 Measure BB investment balance increased \$40.9 million or 41.6 percent due to the accumulation of sales tax revenues for funding the various projects and programs of the 2018 Comprehensive Investment Plan. Many contracts for construction projects as well as agreements for discretionary projects were finalized earlier this fiscal year. It is expected that activity will ramp up and the related invoices will be paid over the next few months.
 - The Non-Sales Tax investment balance increased \$22.9 million or 34.9 percent primarily due to the reimbursement of grant funds which outpaced expenditures as non-sales tax capital projects continue to wind down, in addition to the collection of toll revenues on the I-580 Express Lanes as the agency accumulates funds for an operational risk reserve as defined in the I-580 Express Lanes 20-Year Expenditure Plan.

For the quarter ending March 31, 2018 the Alameda CTC portfolio was in compliance with the adopted investment policy statement in almost all respects; however, the 1986 Measure B portfolio was out of compliance with regards to the requirement that the duration of the portfolio be approximately equal to the duration of the benchmark, plus or minus 25%. The duration of the current benchmark is six months shorter than the benchmark in the 1986 Measure B portfolio producing a variance greater than 25%. The variance from the established benchmark is due to the recent reset of the 1986 Measure B portfolio benchmark which was set as a goal to drive the duration of the portfolio to move out slightly longer. The benchmark in the 1986 Measure B portfolio is expected to be more in line with the new target as the portfolio is adjusted over time.

Investment yields have increased at the end of the third quarter with the approximate average return on investments through March 31, 2018 at 1.13 percent compared to the prior year's average return of 0.72 percent. Return on investments were projected for the FY2017-18 budget year at varying rates ranging from 0.2 - 0.7 percent depending on investment type.

Fiscal Impact: There is no fiscal impact associated with the requested action.

Attachments:

- A. Consolidated Investment Report as of March 31, 2018
- B. Portfolio Review for Quarter Ending March 31, 2018 (provided by SunTrust)
- C. Fixed Income Portfolio as of March 31, 2018

This page intentionally left blank

Alameda CTC Consolidated Investment Report As of March 31, 2018									
1986 Measure B	Un-Audited	Interest Earned				FY 2016-2017			
		As of March 31, 2018				Investment Balance	Interest earned		
	Investment Balance	Interest earned	Approx. ROI	Budget	Difference	June 30, 2017	FY 2016-2017		
Bank Accounts	\$ 937,795	\$ 1,205	0.17%			\$ 1,408,153	3,139		
State Treasurer Pool (LAIF) ⁽¹⁾	8,451,075	82,976	1.31%			8,879,453	77,688		
Investment Advisor ^{(1) (2)}	126,053,695	1,056,511	1.12%			115,203,638	985,723		
Loan to Non-Sales Tax General Fund	-	-	-			10,000,000	-		
1986 Measure B Total	\$ 135,442,565	\$ 1,140,692	1.12%	\$ 975,000	\$ 165,692	\$ 135,491,244	\$ 1,066,550		
							Approx. ROI		0.79%
2000 Measure B	Un-Audited	Interest Earned				FY 2016-2017			
		As of March 31, 2018				Investment Balance	Interest earned		
	Investment Balance	Interest earned	Approx. ROI	Budget	Difference	June 30, 2017	FY 2016-2017		
Bank Accounts	\$ 10,794,294	\$ 12,703	0.16%			\$ 10,111,276	\$	6,716	
State Treasurer Pool (LAIF) ⁽¹⁾	21,026,088	210,635	1.34%			30,112,605		205,571	
Investment Advisor ^{(1) (2)}	131,264,600	1,096,024	1.11%			105,422,594		829,679	
2014 Series A Bond Project Fund ^{(1) (2)}	1	8,825	0.99%			1,157		2,294	
2014 Series A Bond Interest Fund ^{(1) (2)}	645,973	16,371	1.14%			3,523,762		54,637	
2014 Series A Bond Principal Fund ^{(1) (2)}	1,998,014	106,395	1.13%			7,158,485		42,523	
Project Deferred Revenue ^{(1) (3)}	1,723,595	36,778	2.85%			5,090,072		51,415	
2000 Measure B Total	\$ 167,452,565	\$ 1,487,731	1.18%	\$ 1,181,250	\$ 306,481	\$ 161,419,952	\$	1,192,835	
							Approx. ROI		0.74%
2014 Measure BB	Un-Audited	Interest Earned				FY 2016-2017			
		As of March 31, 2018				Investment Balance	Interest earned		
	Investment Balance	Interest earned	Approx. ROI	Budget	Difference	June 30, 2017	FY 2016-2017		
Bank Accounts	\$ 13,006,933	\$ 12,008	0.12%			\$ 7,207,912	\$	10,950	
State Treasurer Pool (LAIF) ⁽¹⁾	45,971,497	518,299	1.50%			61,191,321		415,322	
Investment Advisor ^{(1) (2)}	80,400,102	584,308	0.97%			30,064,935		147,966	
2014 Measure BB Total	\$ 139,378,532	\$ 1,114,615	1.07%	\$ 592,500	\$ 522,115	\$ 98,464,167	\$	574,238	
							Approx. ROI		0.58%
Non-Sales Tax	Un-Audited	Interest Earned				FY 2016-2017			
		As of March 31, 2018				Investment Balance	Interest earned		
	Investment Balance	Interest earned	Approx. ROI	Budget	Difference	June 30, 2017	FY 2016-2017		
Bank Accounts	\$ 6,593,765	\$ 24,086	0.49%			\$ 7,411,637	\$	17,508	
State Treasurer Pool (LAIF) ⁽¹⁾	24,058,533	292,333	1.62%			46,505,800		374,559	
California Asset Management Program (CAMP)	49,374,962	360,279	0.97%			14,014,683		14,683	
Project Deferred Revenue ^{(1) (4)}	8,390,276	72,985	1.16%			7,594,944		67,802	
Loan from 1986 Measure B	-	-	-			(10,000,000)		-	
Non-Sales Tax Total	\$ 88,417,536	\$ 749,683	1.13%	\$ 435,000	\$ 314,683	\$ 65,527,065	\$	474,553	
							Approx. ROI		0.72%
Alameda CTC TOTAL	\$ 530,691,198	\$ 4,492,721	1.13%	\$ 3,183,750	\$ 1,308,971	\$ 460,902,428	\$	3,308,176	

Notes:

- (1) All investments are marked to market on the financial statements at the end of the fiscal year per GASB 31 requirements.
- (2) See attachments for detail of investment holdings managed by Investment Advisor.
- (3) Project funds in deferred revenue are invested in LAIF with interest accruing back to the respective fund which includes TVTC funds.
- (4) Project funds in deferred revenue are invested in LAIF with interest accruing back to the respective fund which include VRF, TVTC, San Leandro Marina, TCRP, PTMISEA and Cal OES.

This page intentionally left blank

Alameda County Transportation Commission
Portfolio Review for the Quarter Ending
March 31, 2018

Fixed Income Market Review and Outlook

As widely anticipated, the Federal Reserve raised the federal funds target rate by a quarter point to a range of 1.50% to 1.75% at its March meeting. It was the sixth quarter-point rate hike in the past 28 months. With inflation fears and rising rates, most fixed income asset classes had negative returns for the quarter. High quality taxable bonds were down 1% on average while investment grade municipal bonds declined 0.7%.

The yield curve flattened somewhat during March as yields for shorter maturities rose and longer yields fell. The 10-year US Treasury yield flirted with 3% during February, but drifted lower and eventually ended March at 2.73%.

Within the high quality space, investment grade corporate bonds underperformed government bonds and mortgage-backed securities given the higher rate environment and volatility in the equity markets. While the yield advantage of corporate bonds to Treasury bonds moved modestly higher from the lows in January, valuations are still somewhat rich.

The story is similar for high yield corporate bonds. Spreads widened since January; however, they outperformed their investment grade counterparts due to their shorter duration. While gross issuance is down from this time last year for both investment grade and high yield debt, there have been headwinds in terms of outflows from both.

We expect to see the benefits of the tax reform and the recently approved federal budget eventually boost US growth and create some upside pressure on bond yields. Also, we believe year-over-year inflation will hold firm into the summer since oil prices are well above the June 2017 lows.

Furthermore, monetary policy will gradually tighten, balance sheet reduction will likely ramp up towards the end of the year, and we expect two more Fed rate hikes before the end of 2018. These factors could push the 10-year Treasury yield closer to 3% with the strong possibility for an overshoot, and we believe the yield curve will flatten a bit more by year's end.

Portfolio Allocation

As of the end of the quarter, the consolidated Alameda CTC portfolio consisted of 38.1% US Government Agency securities, 34.1% US Treasury securities, 24.1% High Grade Corporate Bonds and 3.7% cash and cash equivalents.

Compliance with Investment Policy Statement

For the quarter ending March 31, 2018 the Alameda CTC portfolios were in compliance with the adopted investment policy statement in almost all respects; however the 1986 Measure B portfolio is out of compliance with regards to item X.2.f. under Market Risk in the Investment Parameter section of the investment policy, which requires that the duration of the portfolio be approximately equal to the duration of the benchmark, plus or minus 25%. The duration variance from the current benchmark is about 6 months shorter than the benchmark in the 1986 Measure B portfolio.

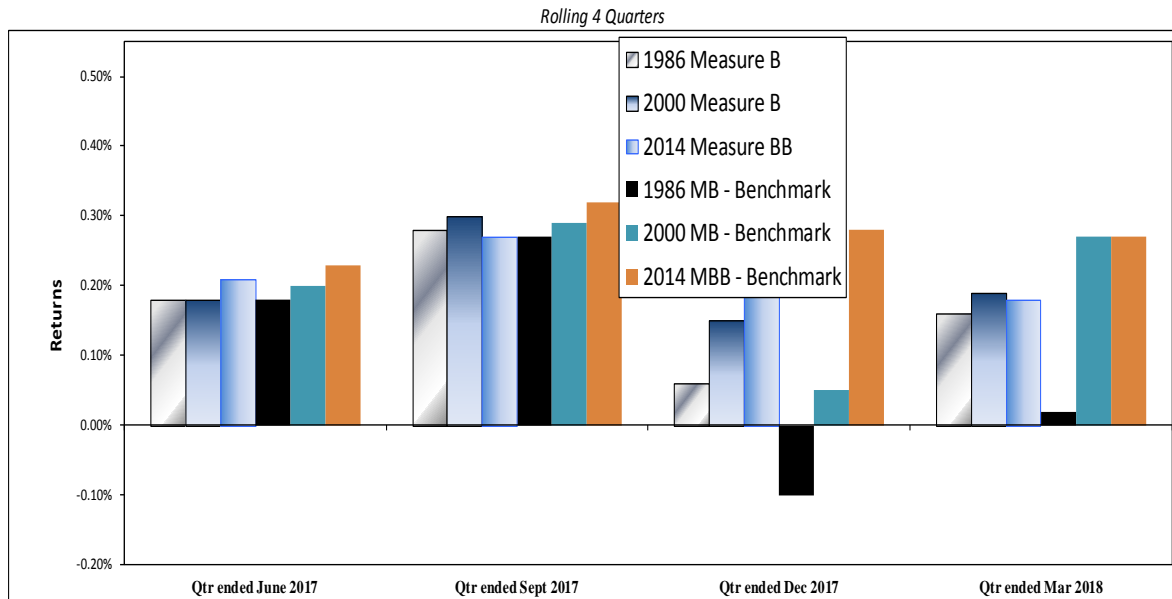
Budget Impact

The portfolio's performance is reported on a total 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), but does not include the deduction of management fees. For the quarter ending March 31, 2018, the 1986 Measure B portfolio returned **0.16%**. This compares to the benchmark return of **0.02%**. For the quarter ending March 31, 2018, the 2000 Measure B portfolio returned **0.19%**. This compares to the benchmark return of **0.27%**. For the quarter ending March 31, 2018, the 2014 Measure BB portfolio returned **0.18%**. This compares to the benchmark return of **0.27%**. The exhibit below shows the performance of the Alameda CTC's portfolios relative to their respective benchmarks.

The portfolio's yield to maturity, 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 March 31, 2018, the 1986 Measure B portfolio's yield to maturity or call was **2.06%**. The benchmark's yield to maturity was **2.11%**. For the quarter ending March 31, 2018, the 2000 Measure B portfolio's yield to maturity or call was **2.06%**. The benchmark's yield to maturity was **2.06%**. For the quarter ending March 31, 2018, the 2014 Measure BB portfolio's yield to maturity or call was **2.10%**. The benchmark's yield to maturity was **2.06%**.

Alameda CTC

Quarterly Review - Account vs. Benchmark



Trailing 12 Months	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Trailing 12 Months
MONTHLY PERFORMANCE DATA													
1986 Measure B	0.09%	0.08%	0.01%	0.15%	0.12%	0.01%	0.04%	-0.05%	0.07%	-0.01%	0.02%	0.15%	0.68%
2000 Measure B	0.08%	0.06%	0.04%	0.15%	0.11%	0.04%	0.09%	0.00%	0.06%	0.02%	0.03%	0.14%	0.82%
2014 Measure BB	0.07%	0.07%	0.07%	0.11%	0.09%	0.07%	0.16%	0.04%	0.04%	0.01%	0.01%	0.16%	0.90%
Benchmark - 1986 MB ¹	0.09%	0.06%	0.03%	0.15%	0.14%	-0.02%	-0.02%	-0.12%	0.04%	-0.16%	0.00%	0.18%	0.37%
Benchmark - 2000 MB ²	0.08%	0.04%	0.08%	0.12%	0.13%	0.04%	0.07%	-0.04%	0.02%	0.13%	0.01%	0.13%	0.81%
Benchmark - 2014 MBB ³	0.08%	0.06%	0.09%	0.11%	0.14%	0.07%	0.09%	0.08%	0.11%	0.13%	0.01%	0.13%	1.11%

Note: Past performance is not an indication of future results. Performance is presented prior to the deduction of investment management fees.

¹ (1986 Measure B) Benchmark is the BofAML 0-3 Year US Treasury Index. Previously the Benchmark was a customized benchmark comprised of 25% ML 1-3 year Tsy index, 25% ML 6mo. Tsy index and 50% ML 1 year Tsy index

² (2000 Measure B) Benchmark is the BofAML 1-Year US Treasury Index. Previously the Benchmark was a customized benchmark comprised of 50% ML 6mo. Tsy index and 50% ML 1 year Tsy index.

³ (2014 Measure BB) Benchmark is the BofAML 1-Year US Treasury Index. Previously the Benchmark was the ML 6mo. Treasury index

Bond Portfolios

The Bond portfolios, including the Interest, Project and Principal Funds, were originally invested by buying allowable high grade fixed income securities. As of March 31, 2018 the average life of the cash flows for the Interest Fund was roughly **0.10** years, the average life of the cash flows of the Project Fund was anticipated to be approximately **0.10** years, and the average life of the cash flows of the Principal Fund was **0.10** years.

One way to measure the anticipated return of the portfolios is their *yield to maturity*. This is the return the portfolio will earn in the future if all securities are held to maturity. This calculation is based on the current market value of the portfolio. As of the end of the quarter

the yield to maturity for the Interest Fund, Project Fund and Principal Fund portfolio's was **1.60%** (the current money market fund yield). By comparison, an investment in a U.S. Treasury note of comparable average maturity at the end of the month would yield approximately **1.61%**.

For the quarter ending March 31, 2018, the Alameda CTC Series 2014 Bonds Interest Fund, Project Fund, and Principal Fund portfolios were invested in compliance with Section 5.11 of the Bond Indenture dated February 1, 2014.

SunTrust Advisory Services, LLC has prepared this customized report regarding your portfolio based on sources we believe to be reliable and accurate. We have relied upon and assumed without independent verification, the accuracy and completeness of all information from public sources. This report is not intended to replace your custodial statements, which should be considered your official record for all pertinent account information. While this report is provided in a different format from your custodian, and may vary in content and scope, you should compare the asset information to that of your custody statement. The data herein is unaudited. Views and opinions are current as of the date of the report and are subject to change. Past performance is not indicative of future results.

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTA 1986 Measure B
Account # N001
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
CASH													
	61747c70s	MORGAN STANLEY GOVERNMENT INST				92,608.25		92,608.25		92,608.25	0.07		0.0
	pendingcash	PENDING SETTLEMENT				3,127,619.12		3,127,619.12		3,127,619.12	2.49		0.0
						3,220,227.37		3,220,227.37		3,220,227.37	2.57		0.0
CORPORATE BONDS													
2,500,000.0000	594918as3	MICROSOFT CORP	AAA	AAA	99.70	2,492,500.00	99.89	2,497,335.00	10,416.67	2,507,751.67	1.99	2.20	0.1
		1.000% Due 05-01-18											
2,000,000.0000	037833aj9	APPLE INC	AA1	AA+	99.75	1,994,940.00	99.90	1,998,000.00	8,222.22	2,006,222.22	1.59	2.05	0.1
		1.000% Due 05-03-18											
1,000,000.0000	58933yag0	MERCK & CO INC	A1	AA	100.05	1,000,510.00	99.88	998,830.00	4,802.78	1,003,632.78	0.80	2.14	0.1
		1.300% Due 05-18-18											
2,000,000.0000	717081dw0	PFIZER INC	A1	AA	99.92	1,998,360.00	99.86	1,997,250.00	8,000.00	2,005,250.00	1.59	1.99	0.2
		1.200% Due 06-01-18											
1,000,000.0000	89236tcp8	TOYOTA MOTOR CREDIT CORP	AA3	AA-	100.08	1,000,807.00	99.83	998,275.00	3,358.33	1,001,633.33	0.80	2.13	0.3
		1.550% Due 07-13-18											
1,000,000.0000	478160br4	JOHNSON & JOHNSON	AAA	AAA	99.64	996,390.00	98.92	989,170.00	937.50	990,107.50	0.79	2.32	0.9
		1.125% Due 03-01-19											
1,000,000.0000	06406hcr8	BANK NEW YORK MTN BK ENT	A1	A	100.85	1,008,470.00	99.64	996,384.00	1,650.00	998,034.00	0.79	2.59	0.9
		2.200% Due 03-04-19											
2,000,000.0000	084664cg4	BERKSHIRE HATHAWAY FIN CORP	AA2	AA	100.29	2,005,840.00	99.32	1,986,354.00	1,511.11	1,987,865.11	1.58	2.42	0.9
		1.700% Due 03-15-19											
2,000,000.0000	459200je2	INTERNATIONAL BUSINESS MACHS	A1	A+	100.49	2,009,800.00	99.23	1,984,502.00	13,400.00	1,997,902.00	1.58	2.49	1.1
		1.800% Due 05-17-19											
2,000,000.0000	191216bv1	COCA COLA CO	AA3	AA-	99.85	1,997,040.00	98.77	1,975,360.00	9,243.06	1,984,603.06	1.58	2.45	1.1
		1.375% Due 05-30-19											
1,000,000.0000	06406hew7	BANK NEW YORK MTN BK ENT	A1	A	101.23	1,012,340.00	99.23	992,288.00	1,277.78	993,565.78	0.79	2.84	1.4
		2.300% Due 09-11-19											
1,000,000.0000	17275rbg6	CISCO SYS INC	A1	AA-	99.60	995,950.00	98.40	984,016.00	427.78	984,443.78	0.78	2.51	1.4
		1.400% Due 09-20-19											
2,000,000.0000	90331hml4	US BANK ASSN CINCINNATI OH MTN	A1	AA-	100.82	2,016,400.00	98.99	1,979,888.00	18,062.50	1,997,950.50	1.58	2.78	1.5
		2.125% Due 10-28-19											
2,000,000.0000	037833ck4	APPLE INC	AA1	AA+	99.66	1,993,200.00	98.85	1,977,050.00	5,700.00	1,982,750.00	1.58	2.53	1.8
		1.900% Due 02-07-20											
2,000,000.0000	857477as2	STATE STR CORP	A1	A	100.17	2,003,300.00	99.42	1,988,340.00	6,091.67	1,994,431.67	1.59	2.80	2.3
		2.550% Due 08-18-20											
2,000,000.0000	437076at9	HOME DEPOT INC	A2	A	102.81	2,056,240.00	102.71	2,054,258.00	3,511.11	2,057,769.11	1.64	2.80	2.3
		3.950% Due 09-15-20											
2,000,000.0000	713448dc9	PEPSICO INC	A1	A+	99.88	1,997,540.00	98.72	1,974,382.00	19,947.22	1,994,329.22	1.57	2.67	2.4
		2.150% Due 10-14-20											
1,000,000.0000	084664bz3	BERKSHIRE HATHAWAY FIN CORP	AA2	AA	100.63	1,006,310.00	100.62	1,006,230.00	13,372.22	1,019,602.22	0.80	2.64	2.4
		2.900% Due 10-15-20											
1,000,000.0000	594918bg8	MICROSOFT CORP	AAA	AAA	99.67	996,730.00	98.34	983,360.00	8,222.22	991,582.22	0.78	2.67	2.5
		2.000% Due 11-03-20											
						30,582,667.00		30,361,272.00	138,154.17	30,499,426.17	24.21	2.47	1.2
GOVERNMENT BONDS													
2,500,000.0000	3130a4gj5	FEDERAL HOME LOAN BANKS	AAA	AA+	100.02	2,500,500.00	99.96	2,498,962.50	12,187.50	2,511,150.00	1.99	1.67	0.1
		1.125% Due 04-25-18											

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTA 1986 Measure B
Account # N001
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
6,000,000.0000	912828xa3	UNITED STATES TREAS NTS 1.000% Due 05-15-18	AAA	AA+	100.48	6,029,062.50	99.92	5,995,188.00	22,707.18	6,017,895.18	4.78	1.64	0.1
5,000,000.0000	3135g0wj8	FEDERAL NATL MTG ASSN 0.875% Due 05-21-18	AAA	AA+	100.20	5,010,000.00	99.88	4,994,200.00	15,798.61	5,009,998.61	3.98	1.67	0.1
2,500,000.0000	912828qq6	UNITED STATES TREAS NTS 2.375% Due 05-31-18	AAA	AA+	103.19	2,579,687.50	100.11	2,502,632.50	19,956.60	2,522,589.10	2.00	1.73	0.2
5,000,000.0000	3137eabp3	FEDERAL HOME LN MTG CORP 4.875% Due 06-13-18	AAA	AA+	106.92	5,346,000.00	100.59	5,029,450.00	73,125.00	5,102,575.00	4.01	1.87	0.2
5,000,000.0000	3135g0e33	FEDERAL NATL MTG ASSN 1.125% Due 07-20-18	AAA	AA+	100.57	5,028,500.00	99.78	4,989,000.00	11,093.75	5,000,093.75	3.98	1.83	0.3
3,000,000.0000	3130a8pk3	FEDERAL HOME LOAN BANKS 0.625% Due 08-07-18	AAA	AA+	99.65	2,989,500.00	99.53	2,986,020.00	2,812.50	2,988,832.50	2.38	1.95	0.4
2,500,000.0000	912828re2	UNITED STATES TREAS NTS 1.500% Due 08-31-18	AAA	AA+	101.40	2,535,066.98	99.84	2,495,897.50	3,260.87	2,499,158.37	1.99	1.90	0.4
5,000,000.0000	3135g0ym9	FEDERAL NATL MTG ASSN 1.875% Due 09-18-18	AAA	AA+	102.08	5,104,000.00	99.95	4,997,260.00	3,385.42	5,000,645.42	3.98	1.98	0.5
5,000,000.0000	912828rh5	UNITED STATES TREAS NTS 1.375% Due 09-30-18	AAA	AA+	101.18	5,059,001.10	99.73	4,986,330.00	187.84	4,986,517.84	3.98	1.93	0.5
3,000,000.0000	3137eaed7	FEDERAL HOME LN MTG CORP 0.875% Due 10-12-18	AAA	AA+	99.85	2,995,620.00	99.44	2,983,296.00	12,322.92	2,995,618.92	2.38	1.92	0.5
3,000,000.0000	3136g0x22	FEDERAL NATL MTG ASSN 1.000% Due 10-29-18	AAA	AA+	100.06	3,001,740.00	99.40	2,982,066.00	12,666.67	2,994,732.67	2.38	2.04	0.6
4,000,000.0000	912828rp7	UNITED STATES TREAS NTS 1.750% Due 10-31-18	AAA	AA+	101.77	4,070,625.00	99.87	3,994,688.00	29,392.27	4,024,080.27	3.19	1.98	0.6
1,970,000.0000	313376br5	FEDERAL HOME LOAN BANKS 1.750% Due 12-14-18	AAA	AA+	100.85	1,986,745.00	99.79	1,965,799.96	10,246.74	1,976,046.70	1.57	2.05	0.7
1,300,000.0000	912828n22	UNITED STATES TREAS NTS 1.250% Due 12-15-18	AAA	AA+	100.00	1,300,000.00	99.45	1,292,837.00	4,776.79	1,297,613.79	1.03	2.04	0.7
1,590,000.0000	912828b33	UNITED STATES TREAS NTS 1.500% Due 01-31-19	AAA	AA+	100.38	1,596,024.61	99.49	1,581,925.98	4,041.25	1,585,967.23	1.26	2.12	0.8
1,950,000.0000	912828c24	UNITED STATES TREAS NTS 1.500% Due 02-28-19	AAA	AA+	100.66	1,962,796.88	99.45	1,939,183.35	2,543.48	1,941,726.83	1.55	2.11	0.9
1,500,000.0000	912828sh4	UNITED STATES TREAS NTS 1.375% Due 02-28-19	AAA	AA+	100.13	1,501,933.59	99.32	1,489,863.00	1,793.48	1,491,656.48	1.19	2.12	0.9
5,000,000.0000	912828sn1	UNITED STATES TREAS NTS 1.500% Due 03-31-19	AAA	AA+	100.29	5,014,453.15	99.38	4,968,945.00	204.92	4,969,149.92	3.96	2.13	1.0
3,500,000.0000	912828st8	UNITED STATES TREAS NTS 1.250% Due 04-30-19	AAA	AA+	99.89	3,496,308.59	99.03	3,466,085.00	18,350.69	3,484,435.69	2.76	2.16	1.1
4,000,000.0000	3130abf92	FEDERAL HOME LOAN BANKS 1.375% Due 05-28-19	AAA	AA+	99.96	3,998,360.00	99.08	3,963,188.00	18,791.67	3,981,979.67	3.16	2.18	1.1
4,000,000.0000	912828xv7	UNITED STATES TREAS NTS 1.250% Due 06-30-19	AAA	AA+	99.82	3,992,656.24	98.84	3,953,752.00	12,569.06	3,966,321.06	3.15	2.19	1.2
2,000,000.0000	3137eacb1	FEDERAL HOME LN MTG CORP 0.875% Due 07-19-19	AAA	AA+	98.91	1,978,200.00	98.28	1,965,650.00	3,500.00	1,969,150.00	1.57	2.22	1.3
3,000,000.0000	912828lj7	UNITED STATES TREAS NTS 3.625% Due 08-15-19	AAA	AA+	104.61	3,138,398.43	101.87	3,056,016.00	13,518.65	3,069,534.65	2.44	2.24	1.3
4,000,000.0000	3130a9ep2	FEDERAL HOME LOAN BANKS 1.000% Due 09-26-19	AAA	AA+	99.13	3,965,240.00	98.19	3,927,524.00	555.56	3,928,079.56	3.13	2.24	1.5
1,500,000.0000	912828nt3	UNITED STATES TREAS NTS 2.625% Due 08-15-20	AAA	AA+	102.64	1,539,667.97	100.63	1,509,433.50	4,894.68	1,514,328.18	1.20	2.35	2.3

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTA 1986 Measure B
Account # N001
March 31, 2018

												Yield	
Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	To Mat	Dur- ation
1,400,000.0000	3130ace26	FEDERAL HOME LOAN BANKS 1.375% Due 09-28-20	AAA	AA+	97.49	1,364,860.00	97.55	1,365,674.80	160.42	1,365,835.22	1.09	2.39	2.4
2,000,000.0000	3137eaej4	FEDERAL HOME LN MTG CORP 1.625% Due 09-29-20	AAA	AA+	99.66	1,993,156.00	98.13	1,962,530.00	180.56	1,962,710.56	1.56	2.40	2.4
1,000,000.0000	912828vz0	UNITED STATES TREAS NTS 2.000% Due 09-30-20	AAA	AA+	99.08	990,820.31	99.14	991,406.00	54.64	991,460.64	0.79	2.36	2.4
1,000,000.0000	3135g0h55	FEDERAL NATL MTG ASSN 1.875% Due 12-28-20	AAA	AA+	99.57	995,700.00	98.56	985,605.00	4,843.75	990,448.75	0.79	2.42	2.6
						93,064,623.85		91,820,409.09	319,923.44	92,140,332.53	73.22	2.00	0.8
TOTAL PORTFOLIO						126,867,518.22		125,401,908.46	458,077.60	125,859,986.06	100.00	2.06	0.9

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTIA 2000 Measure B
Account # N001UNBI
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
CASH													
	61747c70s	MORGAN STANLEY GOVERNMENT INST				177,286.05		177,286.05		177,286.05	0.14		0.0
	pendingcash	PENDING SETTLEMENT				7,030,556.89		7,030,556.89		7,030,556.89	5.38		0.0
						7,207,842.94		7,207,842.94		7,207,842.94	5.51		0.0
CORPORATE BONDS													
1,500,000.0000	36962g6w9	GENERAL ELEC CAP CORP MTN BE	A2	A	100.35	1,505,235.00	100.00	1,500,000.00	12,119.79	1,512,119.79	1.15	0.81	0.0
		1.625% Due 04-02-18											
2,000,000.0000	68389xac9	ORACLE CORP	A1	AA-	104.21	2,084,120.00	100.09	2,001,860.00	53,027.78	2,054,887.78	1.53	3.05	0.0
		5.750% Due 04-15-18											
3,000,000.0000	037833aj9	APPLE INC	AA1	AA+	99.75	2,992,410.00	99.90	2,997,000.00	12,333.33	3,009,333.33	2.29	2.05	0.1
		1.000% Due 05-03-18											
2,000,000.0000	89236tcp8	TOYOTA MOTOR CREDIT CORP	AA3	AA-	100.15	2,002,900.00	99.83	1,996,550.00	6,716.67	2,003,266.67	1.53	2.13	0.3
		1.550% Due 07-13-18											
1,000,000.0000	084664by6	BERKSHIRE HATHAWAY FIN CORP	AA2	AA	101.50	1,015,000.00	99.80	997,984.00	2,555.56	1,000,539.56	0.76	2.52	0.4
		2.000% Due 08-15-18											
1,000,000.0000	25468pdd5	DISNEY WALT CO MTNS BE	A2	A+	100.67	1,006,670.00	99.58	995,799.00	583.33	996,382.33	0.76	2.41	0.5
		1.500% Due 09-17-18											
1,000,000.0000	07330nad7	BB&T BRH BKG & TR CO GLOBAL BK	A1	A	101.67	1,016,700.00	99.92	999,221.00	10,605.56	1,009,826.56	0.76	2.43	0.5
		2.300% Due 10-15-18											
1,000,000.0000	291011ax2	EMERSON ELEC CO	A2	A	108.13	1,081,300.00	101.55	1,015,485.00	24,208.33	1,039,693.33	0.78	2.33	0.5
		5.250% Due 10-15-18											
2,000,000.0000	191216bf6	COCA COLA CO	AA3	AA-	100.58	2,011,540.00	99.63	1,992,584.00	13,750.00	2,006,334.00	1.52	2.28	0.6
		1.650% Due 11-01-18											
1,000,000.0000	594918bf0	MICROSOFT CORP	AAA	AAA	99.93	999,280.00	99.46	994,607.00	5,344.44	999,951.44	0.76	2.22	0.6
		1.300% Due 11-03-18											
1,000,000.0000	69353ret1	PNC BK N A PITTSBURGH PA	A2	A	100.31	1,003,120.00	99.56	995,646.00	7,300.00	1,002,946.00	0.76	2.53	0.6
		1.800% Due 11-05-18											
3,000,000.0000	478160bg8	JOHNSON & JOHNSON	AAA	AAA	100.55	3,016,590.00	99.54	2,986,152.00	15,950.00	3,002,102.00	2.28	2.33	0.7
		1.650% Due 12-05-18											
2,000,000.0000	69353rch9	PNC BK N A PITTSBURGH PA	A2	A	100.72	2,014,360.00	99.57	1,991,344.00	7,700.00	1,999,044.00	1.52	2.72	0.8
		2.200% Due 01-28-19											
1,500,000.0000	713448de5	PEPSICO INC	A1	A+	100.15	1,502,295.00	99.18	1,487,754.00	2,437.50	1,490,191.50	1.14	2.42	0.9
		1.500% Due 02-22-19											
2,000,000.0000	17275rbg6	CISCO SYS INC	A1	AA-	99.03	1,980,500.00	98.40	1,968,032.00	855.56	1,968,887.56	1.51	2.51	1.4
		1.400% Due 09-20-19											
2,000,000.0000	68389xax3	ORACLE CORP	A1	AA-	100.52	2,010,320.00	99.41	1,988,210.00	21,625.00	2,009,835.00	1.52	2.64	1.5
		2.250% Due 10-08-19											
2,500,000.0000	07330nan5	BB&T CO GLOBAL BK MTN	A1	A	99.78	2,494,450.00	98.58	2,464,595.00	11,083.33	2,475,678.33	1.88	2.91	1.7
		2.100% Due 01-15-20											
2,000,000.0000	713448bn7	PEPSICO INC	A1	A+	105.16	2,103,180.00	103.20	2,064,030.00	19,000.00	2,083,030.00	1.58	2.65	1.7
		4.500% Due 01-15-20											
						31,839,970.00		31,436,853.00	227,196.18	31,664,049.18	24.04	2.40	0.8
GOVERNMENT BONDS													
1,525,000.0000	912828qg8	UNITED STATES TREAS NTS	AAA	AA+	101.66	1,550,376.96	100.08	1,526,198.65	16,808.70	1,543,007.35	1.17	1.66	0.1
		2.625% Due 04-30-18											
4,000,000.0000	3135g0wj8	FEDERAL NATL MTG ASSN	AAA	AA+	99.90	3,996,036.00	99.88	3,995,360.00	12,638.89	4,007,998.89	3.06	1.67	0.1
		0.875% Due 05-21-18											

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTIA 2000 Measure B
Account # N001UNBI
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
2,000,000.0000	3137eabp3	FEDERAL HOME LN MTG CORP 4.875% Due 06-13-18	AAA	AA+	106.92	2,138,400.00	100.59	2,011,780.00	29,250.00	2,041,030.00	1.54	1.87	0.2
2,000,000.0000	3130a8pk3	FEDERAL HOME LOAN BANKS 0.625% Due 08-07-18	AAA	AA+	99.65	1,993,000.00	99.53	1,990,680.00	1,875.00	1,992,555.00	1.52	1.95	0.4
4,000,000.0000	912828re2	UNITED STATES TREAS NTS 1.500% Due 08-31-18	AAA	AA+	100.83	4,033,209.84	99.84	3,993,436.00	5,217.39	3,998,653.39	3.05	1.90	0.4
3,000,000.0000	313375k48	FEDERAL HOME LOAN BANKS 2.000% Due 09-14-18	AAA	AA+	101.15	3,034,449.00	100.00	2,999,889.00	2,833.33	3,002,722.33	2.29	1.99	0.5
2,000,000.0000	3135g0ym9	FEDERAL NATL MTG ASSN 1.875% Due 09-18-18	AAA	AA+	102.08	2,041,600.00	99.95	1,998,904.00	1,354.17	2,000,258.17	1.53	1.98	0.5
3,000,000.0000	912828rh5	UNITED STATES TREAS NTS 1.375% Due 09-30-18	AAA	AA+	101.18	3,035,400.66	99.73	2,991,798.00	112.70	2,991,910.70	2.29	1.93	0.5
4,000,000.0000	3135g0e58	FEDERAL NATL MTG ASSN 1.125% Due 10-19-18	AAA	AA+	99.79	3,991,720.00	99.51	3,980,560.00	20,250.00	4,000,810.00	3.04	2.01	0.5
3,000,000.0000	912828rp7	UNITED STATES TREAS NTS 1.750% Due 10-31-18	AAA	AA+	102.00	3,059,892.87	99.87	2,996,016.00	22,044.20	3,018,060.20	2.29	1.98	0.6
3,750,000.0000	912828wd8	UNITED STATES TREAS NTS 1.250% Due 10-31-18	AAA	AA+	100.32	3,762,031.26	99.57	3,734,032.50	19,682.32	3,753,714.82	2.86	1.99	0.6
3,000,000.0000	3135g0yt4	FEDERAL NATL MTG ASSN 1.625% Due 11-27-18	AAA	AA+	100.46	3,013,740.00	99.74	2,992,230.00	16,791.67	3,009,021.67	2.29	2.01	0.6
2,000,000.0000	3135g0g72	FEDERAL NATL MTG ASSN 1.125% Due 12-14-18	AAA	AA+	99.67	1,993,380.00	99.35	1,986,980.00	6,687.50	1,993,667.50	1.52	2.05	0.7
3,500,000.0000	912828n22	UNITED STATES TREAS NTS 1.250% Due 12-15-18	AAA	AA+	100.00	3,500,000.00	99.45	3,480,715.00	12,860.58	3,493,575.58	2.66	2.04	0.7
3,000,000.0000	912828n63	UNITED STATES TREAS NTS 1.125% Due 01-15-19	AAA	AA+	99.81	2,994,257.82	99.24	2,977,260.00	7,085.64	2,984,345.64	2.28	2.09	0.8
3,000,000.0000	3135g0h63	FEDERAL NATL MTG ASSN 1.375% Due 01-28-19	AAA	AA+	100.23	3,006,858.00	99.43	2,982,906.00	7,218.75	2,990,124.75	2.28	2.07	0.8
2,250,000.0000	3135g0za4	FEDERAL NATL MTG ASSN 1.875% Due 02-19-19	AAA	AA+	101.36	2,280,559.50	99.78	2,244,975.75	4,921.88	2,249,897.63	1.72	2.12	0.9
3,000,000.0000	313378qk0	FEDERAL HOME LOAN BANKS 1.875% Due 03-08-19	AAA	AA+	100.89	3,026,550.00	99.72	2,991,564.00	3,593.75	2,995,157.75	2.29	2.17	0.9
2,000,000.0000	912828c65	UNITED STATES TREAS NTS 1.625% Due 03-31-19	AAA	AA+	100.36	2,007,109.38	99.50	1,989,922.00	88.80	1,990,010.80	1.52	2.14	1.0
1,000,000.0000	912828kq2	UNITED STATES TREAS NTS 3.125% Due 05-15-19	AAA	AA+	102.77	1,027,734.38	101.03	1,010,312.00	11,805.56	1,022,117.56	0.77	2.18	1.1
3,000,000.0000	912828ws5	UNITED STATES TREAS NTS 1.625% Due 06-30-19	AAA	AA+	99.43	2,983,007.82	99.32	2,979,492.00	12,254.83	2,991,746.83	2.28	2.18	1.2
2,000,000.0000	912828lj7	UNITED STATES TREAS NTS 3.625% Due 08-15-19	AAA	AA+	103.78	2,075,546.88	101.87	2,037,344.00	9,012.43	2,046,356.43	1.56	2.24	1.3
3,000,000.0000	3135g0zg1	FEDERAL NATL MTG ASSN 1.750% Due 09-12-19	AAA	AA+	100.32	3,009,648.00	99.29	2,978,646.00	2,770.83	2,981,416.83	2.28	2.25	1.4
3,500,000.0000	3133eh2s1	FEDERAL FARM CR BKS 1.875% Due 12-12-19	AAA	AA+	99.97	3,498,950.00	99.32	3,476,112.50	19,869.79	3,495,982.29	2.66	2.28	1.7
3,500,000.0000	3130a0jr2	FEDERAL HOME LOAN BANKS 2.375% Due 12-13-19	AAA	AA+	100.94	3,533,005.00	100.08	3,502,919.00	24,937.50	3,527,856.50	2.68	2.32	1.6
3,500,000.0000	912828u73	UNITED STATES TREAS NTS 1.375% Due 12-15-19	AAA	AA+	99.13	3,469,511.71	98.51	3,447,773.00	14,146.63	3,461,919.63	2.64	2.27	1.7
3,500,000.0000	912828g95	UNITED STATES TREAS NTS 1.625% Due 12-31-19	AAA	AA+	99.59	3,485,781.25	98.91	3,461,717.00	14,297.31	3,476,014.31	2.65	2.26	1.7

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
ACTIA 2000 Measure B
Account # N001UNB1
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
3,000,000.0000	3137eae5	FEDERAL HOME LN MTG CORP 1.500% Due 01-17-20	AAA	AA+	98.61	2,958,420.00	98.57	2,957,208.00	9,250.00	2,966,458.00	2.26	2.31	1.8
3,500,000.0000	9128283s7	UNITED STATES TREAS NTS 2.000% Due 01-31-20	AAA	AA+	99.73	3,490,566.42	99.52	3,483,319.00	11,602.21	3,494,921.21	2.66	2.27	1.8
3,000,000.0000	3135g0t29	FEDERAL NATL MTG ASSN 1.500% Due 02-28-20	AAA	AA+	98.46	2,953,842.00	98.49	2,954,718.00	4,125.00	2,958,843.00	2.26	2.31	1.9
4,000,000.0000	3133ejhl6	FEDERAL FARM CR BKS 2.375% Due 03-27-20	AAA	AA+	100.00	3,999,920.00	100.00	4,000,124.00	1,055.56	4,001,179.56	3.06	2.37	1.9
2,000,000.0000	912828uv0	UNITED STATES TREAS NTS 1.125% Due 03-31-20	AAA	AA+	97.62	1,952,343.76	97.72	1,954,376.00	61.48	1,954,437.48	1.49	2.30	2.0
						92,896,848.51		92,109,267.40	326,504.39	92,435,771.79	70.44	2.10	1.0
TOTAL PORTFOLIO						131,944,661.45		130,753,963.34	553,700.57	131,307,663.91	100.00	2.06	0.9

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
2014 Measure BB
Account # N001UNB4
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
CASH													
	61747c70s pendingcash	MORGAN STANLEY GOVERNMENT INST PENDING SETTLEMENT				129,912.25 2,024,397.11 2,154,309.36		129,912.25 2,024,397.11 2,154,309.36		129,912.25 2,024,397.11 2,154,309.36	0.16 2.53 2.69		0.0 0.0 0.0
CORPORATE BONDS													
600,000.0000	191216ba7	COCA COLA CO 1.150% Due 04-01-18	AA3	AA-	99.92	599,532.00	100.00	600,000.00	3,450.00	603,450.00	0.75	0.00	0.0
300,000.0000	89236tcx1	TOYOTA MOTOR CREDIT CORP 1.200% Due 04-06-18	AA3	AA-	99.89	299,655.00	99.99	299,963.70	1,750.00	301,713.70	0.37	1.72	0.0
300,000.0000	68389xac9	ORACLE CORP 5.750% Due 04-15-18	A1	AA-	104.21	312,618.00	100.09	300,279.00	7,954.17	308,233.17	0.37	3.05	0.0
600,000.0000	36962g3u6	GENERAL ELEC CAP CORP MTN BE 5.625% Due 05-01-18	A2	A	103.08	618,480.00	100.23	601,380.00	14,062.50	615,442.50	0.75	2.70	0.1
600,000.0000	69353rem6	PNC BK N A PITTSBURGH PA 1.600% Due 06-01-18	A2	A	100.10	600,612.00	99.87	599,238.00	3,200.00	602,438.00	0.75	2.31	0.2
1,100,000.0000	17275rau6	CISCO SYS INC 1.650% Due 06-15-18	A1	AA-	100.25	1,102,709.00	99.92	1,099,151.90	5,344.17	1,104,496.07	1.37	1.99	0.2
500,000.0000	478160au8	JOHNSON & JOHNSON 5.150% Due 07-15-18	AAA	AAA	103.49	517,470.00	100.85	504,258.50	5,436.11	509,694.61	0.63	2.14	0.3
700,000.0000	07330nad7	BB&T BRH BKG & TR CO GLOBAL BK 2.300% Due 10-15-18	A1	A	100.62	704,368.00	99.92	699,454.70	7,423.89	706,878.59	0.87	2.43	0.5
2,000,000.0000	478160bg8	JOHNSON & JOHNSON 1.650% Due 12-05-18	AAA	AAA	99.94	1,998,800.00	99.54	1,990,768.00	10,633.33	2,001,401.33	2.48	2.33	0.7
2,000,000.0000	110122av0	BRISTOL MYERS SQUIBB CO 1.750% Due 03-01-19	A2	A+	99.83	1,996,580.00	99.33	1,986,508.00	2,916.67	1,989,424.67	2.48	2.49	0.9
2,000,000.0000	717081du4	PFIZER INC 1.450% Due 06-03-19	A1	AA	99.42	1,988,360.00	98.87	1,977,332.00	9,505.56	1,986,837.56	2.47	2.43	1.2
2,000,000.0000	87612ebb1	TARGET CORP 2.300% Due 06-26-19	A2	A	100.69	2,013,820.00	99.77	1,995,458.00	12,138.89	2,007,596.89	2.49	2.48	1.2
1,500,000.0000	06406hcw7	BANK NEW YORK MTN BK ENT 2.300% Due 09-11-19	A1	A	99.41	1,491,165.00	99.23	1,488,432.00	1,916.67	1,490,348.67	1.86	2.84	1.4
2,000,000.0000	713448bn7	PEPSICO INC 4.500% Due 01-15-20	A1	A+	105.16	2,103,180.00	103.20	2,064,030.00	19,000.00	2,083,030.00	2.58	2.65	1.7
3,000,000.0000	037833ck4	APPLE INC 1.900% Due 02-07-20	AA1	AA+	99.66	2,989,800.00	98.85	2,965,575.00	8,550.00	2,974,125.00	3.70	2.53	1.8
						19,337,149.00		19,171,828.80	113,281.94	19,285,110.74	23.93	2.40	1.0
GOVERNMENT BONDS													
1,500,000.0000	912828uz1	UNITED STATES TREAS NTS 0.625% Due 04-30-18	AAA	AA+	99.50	1,492,441.40	99.93	1,498,876.50	3,936.46	1,502,812.96	1.87	1.53	0.1
2,000,000.0000	3135g0wj8	FEDERAL NATL MTG ASSN 0.875% Due 05-21-18	AAA	AA+	99.66	1,993,232.00	99.88	1,997,680.00	6,319.44	2,003,999.44	2.49	1.67	0.1
1,000,000.0000	313373uu4	FEDERAL HOME LOAN BANKS 2.750% Due 06-08-18	AAA	AA+	101.24	1,012,400.00	100.17	1,001,710.00	8,631.94	1,010,341.94	1.25	1.79	0.2
1,000,000.0000	912828vk3	UNITED STATES TREAS NTS 1.375% Due 06-30-18	AAA	AA+	100.12	1,001,210.94	99.89	998,920.00	3,456.49	1,002,376.49	1.25	1.80	0.3
1,000,000.0000	3134g92h9	FEDERAL HOME LN MTG CORP 0.850% Due 07-27-18	AAA	AA+	99.60	996,044.00	99.65	996,470.00	1,511.11	997,981.11	1.24	1.93	0.3

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
2014 Measure BB
Account # N001UNB4
March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
1,000,000.0000	912828qy9	UNITED STATES TREAS NTS 2.250% Due 07-31-18	AAA	AA+	100.96	1,009,648.44	100.14	1,001,367.00	3,729.28	1,005,096.28	1.25	1.84	0.3
1,000,000.0000	912828vq0	UNITED STATES TREAS NTS 1.375% Due 07-31-18	AAA	AA+	100.14	1,001,445.31	99.86	998,560.00	2,279.01	1,000,839.01	1.25	1.80	0.3
900,000.0000	912828jh4	UNITED STATES TREAS NTS 4.000% Due 08-15-18	AAA	AA+	102.42	921,796.88	100.77	906,953.40	4,600.00	911,553.40	1.13	1.89	0.4
1,000,000.0000	3130acfa7	FEDERAL HOME LOAN BANKS 1.250% Due 09-17-18	AAA	AA+	99.96	999,620.00	99.66	996,567.00	486.11	997,053.11	1.24	1.99	0.5
2,000,000.0000	3137eae7	FEDERAL HOME LN MTG CORP 0.875% Due 10-12-18	AAA	AA+	99.46	1,989,200.00	99.44	1,988,864.00	8,215.28	1,997,079.28	2.48	1.92	0.5
2,000,000.0000	912828i81	UNITED STATES TREAS NTS 0.875% Due 10-15-18	AAA	AA+	99.45	1,988,906.26	99.41	1,988,204.00	8,076.92	1,996,280.92	2.48	1.98	0.5
2,000,000.0000	912828t83	UNITED STATES TREAS NTS 0.750% Due 10-31-18	AAA	AA+	99.29	1,985,859.38	99.30	1,985,940.00	6,298.34	1,992,238.34	2.48	1.97	0.6
3,000,000.0000	3135g0yt4	FEDERAL NATL MTG ASSN 1.625% Due 11-27-18	AAA	AA+	99.97	2,999,140.00	99.74	2,992,230.00	16,791.67	3,009,021.67	3.73	2.01	0.6
1,000,000.0000	912828rt9	UNITED STATES TREAS NTS 1.375% Due 11-30-18	AAA	AA+	99.93	999,257.81	99.57	995,703.00	4,608.52	1,000,311.52	1.24	2.03	0.7
2,000,000.0000	3135g0g72	FEDERAL NATL MTG ASSN 1.125% Due 12-14-18	AAA	AA+	99.41	1,988,160.00	99.35	1,986,980.00	6,687.50	1,993,667.50	2.48	2.05	0.7
2,000,000.0000	912828n22	UNITED STATES TREAS NTS 1.250% Due 12-15-18	AAA	AA+	99.54	1,990,703.12	99.45	1,988,980.00	7,348.90	1,996,328.90	2.48	2.04	0.7
2,000,000.0000	912828a75	UNITED STATES TREAS NTS 1.500% Due 12-31-18	AAA	AA+	99.77	1,995,468.76	99.57	1,991,320.00	7,541.44	1,998,861.44	2.49	2.08	0.7
2,000,000.0000	912828ry8	UNITED STATES TREAS NTS 1.375% Due 12-31-18	AAA	AA+	99.65	1,993,046.88	99.48	1,989,620.00	6,912.98	1,996,532.98	2.48	2.07	0.7
2,000,000.0000	3130aae46	FEDERAL HOME LOAN BANKS 1.250% Due 01-16-19	AAA	AA+	99.42	1,988,320.00	99.33	1,986,520.00	5,208.33	1,991,728.33	2.48	2.10	0.8
2,000,000.0000	912828p95	UNITED STATES TREAS NTS 1.000% Due 03-15-19	AAA	AA+	99.06	1,981,171.88	98.94	1,978,760.00	923.91	1,979,683.91	2.47	2.13	0.9
2,000,000.0000	3130aaxx1	FEDERAL HOME LOAN BANKS 1.375% Due 03-18-19	AAA	AA+	99.50	1,990,040.00	99.23	1,984,682.00	993.06	1,985,675.06	2.48	2.18	1.0
2,000,000.0000	3137eaca5	FEDERAL HOME LN MTG CORP 3.750% Due 03-27-19	AAA	AA+	102.54	2,050,798.00	101.51	2,030,140.00	833.33	2,030,973.33	2.53	2.19	1.0
2,000,000.0000	912828w97	UNITED STATES TREAS NTS 1.250% Due 03-31-19	AAA	AA+	99.35	1,986,953.12	99.13	1,982,500.00	68.31	1,982,568.31	2.47	2.14	1.0
2,000,000.0000	3135g0ze6	FEDERAL NATL MTG ASSN 1.750% Due 06-20-19	AAA	AA+	99.95	1,998,900.00	99.49	1,989,752.00	9,819.44	1,999,571.44	2.48	2.17	1.2
2,000,000.0000	912828ws5	UNITED STATES TREAS NTS 1.625% Due 06-30-19	AAA	AA+	99.77	1,995,312.50	99.32	1,986,328.00	8,169.89	1,994,497.89	2.48	2.18	1.2
2,000,000.0000	912828xv7	UNITED STATES TREAS NTS 1.250% Due 06-30-19	AAA	AA+	99.20	1,983,984.38	98.84	1,976,876.00	6,284.53	1,983,160.53	2.47	2.19	1.2
2,000,000.0000	3133eh2s1	FEDERAL FARM CR BKS 1.875% Due 12-12-19	AAA	AA+	99.97	1,999,400.00	99.32	1,986,350.00	11,354.17	1,997,704.17	2.48	2.28	1.7
2,000,000.0000	3130a0jr2	FEDERAL HOME LOAN BANKS 2.375% Due 12-13-19	AAA	AA+	100.94	2,018,860.00	100.08	2,001,668.00	14,250.00	2,015,918.00	2.50	2.32	1.6
2,000,000.0000	912828g95	UNITED STATES TREAS NTS 1.625% Due 12-31-19	AAA	AA+	99.59	1,991,875.00	98.91	1,978,124.00	8,169.89	1,986,293.89	2.47	2.26	1.7
2,523,000.0000	3135g0a78	FEDERAL NATL MTG ASSN 1.625% Due 01-21-20	AAA	AA+	99.06	2,499,258.57	98.84	2,493,682.74	7,971.98	2,501,654.72	3.11	2.28	1.8

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
2014 Measure BB
Account # N001UNB4
 March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Duration
2,102,000.0000	912828mp2	UNITED STATES TREAS NTS 3.625% Due 02-15-20	AAA	AA+	102.97	2,164,485.23	102.45	2,153,562.06	9,736.35	2,163,298.41	2.69	2.27	1.8
2,000,000.0000	3135g0t29	FEDERAL NATL MTG ASSN 1.500% Due 02-28-20	AAA	AA+	98.45	1,969,074.00	98.49	1,969,812.00	2,750.00	1,972,562.00	2.46	2.31	1.9
2,000,000.0000	3133ejhl6	FEDERAL FARM CR BKS 2.375% Due 03-27-20	AAA	AA+	100.00	1,999,960.00	100.00	2,000,062.00	527.78	2,000,589.78	2.50	2.37	1.9
						58,975,973.86		58,803,763.70	194,492.37	58,998,256.07	73.39	2.08	1.0
TOTAL PORTFOLIO						80,467,432.22		80,129,901.86	307,774.31	80,437,676.17	100.00	2.10	1.0

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
Interest Fund
Account # N001UNB2
 March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Dur- ation
CASH													
	61747c70s	MORGAN STANLEY GOVERNMENT INST				645,973.16		645,973.16		645,973.16	99.92		0.0
	pendingcash	PENDING SETTLEMENT				490.18		490.18		490.18	0.08		0.0
						646,463.34		646,463.34		646,463.34	100.00		0.0
TOTAL PORTFOLIO						646,463.34		646,463.34	0.00	646,463.34	100.00	0.00	0.0

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
Project Fund
Account # N001UNB3
 March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Dur- ation
CASH													
	61747c70s	MORGAN STANLEY GOVERNMENT INST				1.02		1.02		1.02	0.13		0.0
	pendingcash	PENDING SETTLEMENT				806.79		806.79		806.79	99.87		0.0
						807.81		807.81		807.81	100.00		0.0
TOTAL PORTFOLIO						807.81		807.81	0.00	807.81	100.00	0.00	0.0

FIXED INCOME PORTFOLIO
Alameda County Transportation Commission
Alameda CTC 2014 Principal
Account # N001UNB5
 March 31, 2018

Quantity	Security Symbol	Security	Moody	S & P	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Total Market Value	Pct Assets	Yield To Mat	Dur- ation
CASH													
	61747c70s	MORGAN STANLEY GOVERNMENT INST				1,998,014.26		1,998,014.26		1,998,014.26	99.95		0.0
	pendingcash	PENDING SETTLEMENT				903.22		903.22		903.22	0.05		0.0
						1,998,917.48		1,998,917.48		1,998,917.48	100.00		0.0
TOTAL PORTFOLIO						1,998,917.48		1,998,917.48	0.00	1,998,917.48	100.00	0.00	0.0



Memorandum

5.4

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

FROM: Patricia Reavey, Deputy Executive Director of Finance
and Administration
Lily Balinton, Director of Finance

SUBJECT: Approve Alameda CTC Investment Policy

Recommendation

It is recommended that the Commission review and approve an update to the Alameda CTC investment policy adopted in May 2017.

Summary

An update to the Alameda CTC investment policy is attached as a red line version to show the one change recommended since the investment policy was adopted in May 2017. The one change is in *Section X. Investment Parameters Item 2.f*. This one small change is recommended in order to state the comparison of investment duration as a time frame, as opposed to a percentage, which will allow for better analysis of the portfolio's performance.

Background

The California Government Code Section 53600.5 states, "... the primary objective of a trustee shall be to safeguard the principal of the funds under its control. The secondary objective shall be to meet the liquidity needs of the depositor. The third objective shall be to achieve a return on the funds under its control." These objectives also are reflected in Alameda CTC's investment policy, in the order of priority demonstrated in the California Government Code. Staff has reviewed the investment policy in consultation with investment advisors and is recommending one small change to the currently adopted investment policy. Staff is recommending that the Commission review and approve an update to the Alameda CTC investment policy as it is best practice for an investment policy to be reviewed and approved on an annual basis. The current investment policy was adopted by the Commission in May 2017.

The attached investment policy (Attachment A) was developed in accordance with the California Government Code in order to define parameters and guide staff and investment advisors in managing Alameda CTC's investment portfolio. The policy formalizes the framework

for Alameda CTC's investment activities that must be exercised to ensure effective and prudent fiscal management of Alameda CTC's funds. The guidelines are intended to be broad enough to allow staff and the investment advisors to function properly within the parameters of fiscal responsibility and authority, yet specific enough to adequately safeguard the investment assets.

The primary objectives of the investment activities within the policy safeguard Alameda CTC assets by mitigating credit and interest rate risk, provide adequate liquidity to meet all operating requirements of Alameda CTC, and attain a market rate of return on investments taking into account the investment risk constraints of safety and liquidity needs.

Through the proposed investment policy, the Commission appoints the Executive Director and the Deputy Executive Director of Finance and Administration as Investment Officers who are responsible for the investment program of the Alameda CTC and will act responsibly as custodians of the public trust. The policy requires the Investment Officers to design internal controls around investments that would prevent the loss of public funds from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by employees and officers of Alameda CTC. It also allows the Investment Officers to periodically reset performance benchmarks to reflect changing investment objectives and constraints.

Fiscal Impact: There is no fiscal impact to the approval of this investment policy.

Attachment:

- A. Draft Alameda CTC Investment Policy May 2018

Alameda County Transportation Commission
DRAFT
Investment Policy
May 2018

I. Introduction

The intent of the Investment Policy of the Alameda County Transportation Commission (Alameda CTC) is to define the parameters within which funds are to be managed. The policy formalizes the framework for Alameda CTC's investment activities that must be exercised to ensure effective and prudent fiscal and investment management of Alameda CTC's funds. The guidelines are intended to be broad enough to allow Alameda CTC's Investment Officers (as defined below) to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

II. Governing Authority

The investment program shall be operated in conformance with federal, state, and other legal requirements, including the California Government Code.

III. Scope

This policy applies to activities of Alameda CTC with regard to investing the financial assets of all funds (except bond funds and retirement funds). In addition, any funds held by trustees or fiscal agents are excluded from these rules; however, all such funds are subject to regulations established by the State of California.

Note that any excluded funds such as employee retirement funds, proceeds from certain bond issuances and Other Postemployment Benefits (OPEB) trust assets are covered by separate policies.

IV. General Objectives

The primary objectives, in order of priority, of investment activities shall be:

1. *Safety*

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal will be to mitigate credit and interest rate risk.

2. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

3. *Return*

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs.

V. Standard of Care

1. Prudence

The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment Officers acting in accordance with written procedures and the investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

"When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

2. Delegation of Authority and Responsibilities

Responsibilities of the Commission - The Commission, in its role as Alameda CTC's governing body, will retain ultimate fiduciary responsibility for the portfolios. They will receive quarterly reports for review, designate Investment Officers and annually review and adopt the investment policy.

The Commission hereby designates the Executive Director and the Deputy Executive Director of Finance and Administration, as Treasurer, as the Investment Officers.

Responsibilities of the Investment Officers - The Investment Officers are jointly responsible for the operation of the investment program. The Investment Officers shall act in accordance with written procedures and internal controls for the operation of the investment program consistent with the Investment Policy. All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

Responsibilities of the Investment Advisor - Alameda CTC may engage the services of one or more external investment advisors to assist in the management of the investment portfolio in a manner consistent with Alameda CTC's objectives. Investment advisors may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy and the California Government Code and must be registered under the Investment Advisors Act of 1940 or be a bank, regulated by the Office of the Comptroller of the Currency (OCC) or Federal Reserve operating under the fiduciary exemption from the Security and Exchange Commission. Any investment advisor shall be required to prepare and provide comprehensive reports on Alameda CTC's investments on a monthly

Alameda CTC Investment Policy May 2018

and quarterly basis, and as requested by Alameda CTC's Investment Officers. At no time shall the investment advisor maintain custody of Alameda CTC cash or assets.

Responsibilities of the Custodian - A third party bank custodian shall hold Alameda CTC cash and assets under management by any investment advisor in the name of Alameda CTC. The custodian shall receive direction from the investment advisor on settlement of investment transactions.

VI. Selection of Financial Institutions and Broker/Dealers

Alameda CTC's procedures are designed to encourage competitive bidding on transactions from an approved list of broker/dealers in order to provide for the best execution on transactions.

The Investment Officer, or the investment advisors, shall maintain a list of authorized broker/dealers and financial institutions that are approved for investment purposes. This list will be developed after a process of due diligence confirming that the firms qualify under the Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Alameda CTC shall purchase securities only from authorized institutions or firms.

The Investment Officer, or the investment advisor, shall obtain competitive offers on all purchases of investment instruments purchased on the secondary market. A competitive bid can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

VII. Safekeeping and Custody

1. Delivery vs. Payment

All trades of marketable securities will be executed on a delivery vs. payment (DVP) basis to ensure that securities are deposited in Alameda CTC's safekeeping institution prior to the release of funds.

2. Third-Party Safekeeping

Securities will be held by an independent third-party safekeeping institution selected by Alameda CTC's Investment Officers. All securities will be evidenced by safekeeping receipts in Alameda CTC's name. The safekeeping institution shall annually provide a copy of its most recent report on internal controls – Service Organization Control Reports (formerly SAS 70) prepared in accordance with the Statement on Standards for Attestation Engagements (SSAE) No. 16 (effective June 15, 2011.)

3. Internal Controls

The Investment Officers are responsible for establishing, maintaining and documenting an internal control structure designed to ensure that the assets of Alameda CTC are protected from loss, theft or misuse. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of Alameda CTC.

VIII. Authorized Investments

The following investments will be permitted by this policy and are those authorized in the California Government Code.

Alameda CTC Investment Policy May 2018

1. United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 100%
2. Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 100%
 - c. Type: Senior debt obligations
 - d. Maximum per issuer: 35%
3. Repurchase Agreements used solely as short-term investments.

The following collateral restrictions will be observed: Only U.S. Treasury securities or Federal Agency securities, as described in VIII 1 and 2 above, will be acceptable collateral. All securities underlying Repurchase Agreements must be delivered to Alameda CTC's custodian bank versus payment or be handled under a tri-party repurchase agreement. The total of all collateral for each Repurchase Agreement must equal or exceed, on the basis of market value plus accrued interest, 102 percent of the total dollar value of the money invested by Alameda CTC for the term of the investment. Since the market value of the underlying securities is subject to daily market fluctuations, the investments in repurchase agreements shall be in compliance if the value of the underlying securities is brought back up to 102 percent no later than the next business day. For any Repurchase Agreement with a term of more than one day, the value of the underlying securities must be reviewed on a regular basis.

Market value must be calculated each time there is a substitution of collateral.

Alameda CTC or its trustee shall have a perfected first security interest under the Uniform Commercial Code in all securities subject to Repurchase Agreement.

Alameda CTC may enter into Repurchase Agreements with (1) primary dealers in U.S. Government securities who are eligible to transact business with, and who report to, the Federal Reserve Bank of New York, and (2) California and non-California banking institutions having assets in excess of \$25 billion and having debt rated in the highest short-term rating category as provided by a nationally recognized statistical rating organization.

Alameda CTC will enter into a Master Repurchase Agreement, substantially in the form approved by the Securities Industry and Financial Markets Association

Alameda CTC Investment Policy May 2018

(SIFMA) and by Alameda CTC's counsel, with each firm with which it enters into Repurchase Agreements.

- a. Maximum maturity: 90 days
 - b. Maximum percent of portfolio: 20%
4. Obligations of the State of California or any local agency within the state, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or any local agency or by a department, board, agency or authority of the state or any local agency.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 10%
 - c. Minimum credit quality: A (S&P); or A2 (Moody's); or A (Fitch)
 - d. Maximum per issuer: 5%
5. Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of any of the other 49 states, in addition to California.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 10%
 - c. Minimum credit quality: A (S&P); or A2 (Moody's); or A (Fitch)
 - d. Maximum per issuer: 5%
6. Bankers' Acceptances, otherwise known as bills of exchange or time drafts which are drawn on and accepted by a commercial bank.
 - a. Maximum maturity: 180 days
 - b. Maximum percent of portfolio: 40%
 - c. Minimum credit quality: A1 (S&P); or P1 (Moody's); or F1 (Fitch)
 - d. Maximum per issuer: 5%
7. Commercial paper rated in the highest two short-term rating categories, as provided by a nationally recognized statistical rating organization. The entity that issues the commercial paper shall meet all of the following conditions: (a) is organized and operating in the United States as a general corporation; (b) has total assets in excess of five hundred million dollars (\$500,000,000); and (c) has debt other than commercial paper, if any, that is rated "A" or higher by a nationally recognized statistical-rating organization.
 - a. Maximum maturity: 270 days
 - b. Maximum percent of portfolio: 25%
 - c. Minimum credit quality: A1 (S&P); or P1 (Moody's); or F1 (Fitch)
 - d. Maximum per issuer: 5%

8. Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the U.S. or any state and operating within the U.S. Medium-term corporate notes shall be rated a minimum of "A" or its equivalent by a nationally recognized statistical rating organization.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 30%
 - c. Minimum credit quality: A (S&P); or A2 (Moody's); or A (Fitch)
 - d. Maximum per issuer: 5%
9. FDIC insured or fully collateralized time certificates of deposit in financial institutions located in California.
 - a. Maximum maturity: 1 year
 - b. Maximum percent of portfolio: 10%
 - c. Maximum per issuer: 5%
10. Negotiable certificates of deposit or deposit notes issued by a nationally or state-chartered bank, a savings association or a federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank.
 - a. Maximum maturity: 3 years
 - b. Maximum percent of portfolio: 30%
 - c. Minimum credit quality: A (S&P); or A2 (Moody's); or A (Fitch)
 - d. Maximum per issuer: 5%
11. State of California Local Agency Investment Fund (LAIF)

Although LAIF may invest in securities not permitted in the Alameda CTC's Investment Policy, such investments shall not exclude LAIF from the Alameda CTC's list of eligible investments, provided that LAIF's periodic reports allow the Investment Officer to adequately assess the risk inherent in LAIF's portfolio. Funds invested in LAIF will follow LAIF policies and procedures.

- a. Maximum percent of portfolio: as determined by LAIF

The LAIF portfolio shall be reviewed annually in order to monitor its continuing suitability as an investment option for the Alameda CTC.

12. The California Asset Management Program (CAMP)

- a. Maximum percent of portfolio: 10%

The CAMP shall be reviewed annually in order to monitor its continuing suitability as an investment option for Alameda CTC. Funds invested in CAMP will follow CAMP policies and procedures.

13. Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, et seq.). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) attain the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or (2) retain an investment advisor registered or exempt from registration with the Securities and Exchange Commission with not less than five years experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).
 - a. Maximum percent of portfolio: 20%
 - b. Maximum per Prime Money Market Fund: 5%
 - c. Maximum per Government Money Market Fund: 10%
 - d. Minimum credit quality: AAAm (S&P); or Aaa-mf (Moody's); AAAmmf (Fitch)
14. United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank and eligible for purchase and sale within the United States.
 - a. Maximum maturity: 5 years
 - b. Maximum percent of portfolio: 10%
 - c. Minimum credit quality: AA (S&P); or Aa (Moody's); or AA (Fitch)

Important Notes:

- a) The percentage limitation for all categories of investments refers to the percentage in the overall Alameda CTC portfolio on the date the security or shares are purchased.
- b) If the credit rating of a security is downgraded below the minimum required rating level for a new investment of that security type subsequent to its purchase, the investment advisor shall promptly notify the Investment Officer. The Investment Officer shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Investment Officer will apply the general objectives of safety, liquidity, yield and legality to make the decision.

IX. Ineligible Investments

Any security type or structure not specifically approved by this policy is hereby specifically prohibited. Security types which are thereby prohibited include, but are not limited to:

1. "Complex" derivative structures such as range notes, dual index notes, inverse floaters, leveraged or de-leveraged floating-rate notes, or any other complex variable-rate or structured note;

Alameda CTC Investment Policy May 2018

2. Interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity;
3. Mortgage-backed pass-through securities;
4. Other mortgage-backed securities;
5. Collateralized mortgage obligations; and
6. Asset-backed securities.

X. Investment Parameters

1. Credit Risk – Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The diversification requirements included in Section VIII are designed to mitigate credit risk. Alameda CTC shall additionally mitigate credit risk by adopting the following diversification strategies:
 - a. Avoiding overconcentration in any one issuer or business sector;
 - b. Limiting investments in securities with higher credit risks; and
 - c. Maintaining a portion of the portfolio in a highly liquid investment such as LAIF
2. Market Risk - Market risk is the risk that the portfolio will fluctuate due to changes in the general level of interest rates. Alameda CTC recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. Alameda CTC shall mitigate market risk by providing adequate liquidity for short-term cash needs, and by making some longer-term investments only with funds that are not needed for current cash flow purposes. Alameda CTC further recognizes that certain types of securities, including variable rate securities, securities with principal paydowns prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. Alameda CTC, therefore, adopts the following strategies to control and mitigate its exposure to market risk:
 - a. Alameda CTC shall invest in securities with varying maturities, maintaining a minimum of three months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements;
 - b. The maximum percent of callable securities in the portfolio shall be 25%;
 - c. The maximum stated final maturity of individual securities in the portfolio shall be five years, except as otherwise stated in this policy;

- d. Liquidity funds will be held in LAIF, CAMP or in money market instruments maturing within one year or less;
 - e. Longer term/Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will only be invested in higher quality and liquid securities; and
 - f. The duration of the portfolio shall at all times be approximately equal to the duration of a Market Benchmark Index selected by Alameda CTC based on Alameda CTC's investment objectives, constraints and risk tolerances, plus or minus 6 months. Duration flexibility is necessary because of the short-term benchmarks utilized on the portfolio due to capital project cashflow demands.
3. Maximum percentages for a particular issuer or investment type may be exceeded at a point in time subsequent to the purchase of a particular issuer or investment type. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

XI. Performance and Program Evaluation

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmarks shall have a similar weighted average maturity and credit profile commensurate with investment risk constraints and liquidity needs of Alameda CTC.

Alameda CTC may periodically update the performance benchmarks to reflect current investment objectives and constraints and shall communicate such changes to the investment advisor.

Appendix I

AUTHORIZED INVESTMENTS SUMMARY TABLE

INVESTMENT	% OF PORTFOLIO		PURCHASE RESTRICTIONS	MAXIMUM MATURITY		MINIMUM CREDIT QUALITY	
	Per Cal. Gov't Code	Alameda CTC Policy	Alameda CTC Policy	Per Cal. Gov't Code	Alameda CTC Policy	Per Cal. Gov't Code	Alameda CTC Policy
US. Treasury Notes, Bonds, Bills or Certificates of Indebtedness	100%	100%	None	5 years	5 years	NA	NA
Federal or U.S. Sponsored Obligations fully guaranteed by Federal Agencies or U.S. Government Sponsored Enterprises	100%	100%	Max 35% per issuer	5 years	5 years	NA	Senior Debt
Repurchase Agreements	NA	20%	Strict collateral requirements; Master Repurchase Agreement	1 year	90 days	NA	NA
State of California and California Local Agency Bonds	NA	10%	Max 5% per issuer	5 years	5 years	NA	A (S&P) or A2 (Moody's) or A (Fitch)
Bonds of any of the other 49 states in addition to California	NA	10%	Max 5% per issuer	5 years	5 years	NA	A (S&P) or A2 (Moody's) or A (Fitch)
Bankers' Acceptances	40%	40%	Max 5% per issuer	180 days	180 days	NA	A1 (S&P) or P1 (Moody's) or F1 (Fitch)

Alameda CTC Investment Policy May 2018

INVESTMENT	% OF PORTFOLIO		PURCHASE RESTRICTIONS	MAXIMUM MATURITY		MINIMUM CREDIT QUALITY	
	Per Cal. Gov't Code	Alameda CTC Policy	Alameda CTC Policy	Per Cal. Gov't Code	Alameda CTC Policy	Per Cal. Gov't Code	Alameda CTC Policy
Commercial paper of US corporations with total assets exceeding \$500,000,000	25%	25%	Max 5% of outstanding paper of any single issuer & max 5% of portfolio of any one issuer	270 days	270 days	A1 or P1 or F1	A1 (S&P) or P1 (Moody's) or F1 (Fitch)
Medium Term Corporate Notes of U.S. Corporations	30%	30%	Max 5% per issuer	5 years	5 years	A	A (S&P) or A2 (Moody's) or A (Fitch)
California Collateralized Time Deposits	NA	10%	Max 5% per issuer	NA	1 year	NA	NA
Negotiable Certificate of Deposits	30%	30%	Max 5% per issuer	5 years	3 years	NA	A (S&P) or A2 (Moody's) or A (Fitch)
State of California- Local Agency Investment Fund (LAIF)	NA	NA	As limited by LAIF (currently \$65 million)	NA	NA	NA	NA
California Asset Management Program	NA	10%	NA	NA	NA	NA	NA
Shares of Beneficial Interests (Money Market Funds)	20%	20%	Max 5% per Prime fund, Max 10% per Government fund	NA	N/A	AAA	AAAm (S&P) or Aaa-mf (Moody's) or AAAMmf (Fitch)
Obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank	30%	10%	NA	5 years	5 years	AA	AA (S&P) or Aa (Moody's) or AA (Fitch)

This page intentionally left blank



Memorandum

5.5

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: May 7, 2018

TO: Finance and Administration Committee

FROM: Seung Cho, Director of Budgets and Administration
E.W. Cheng, Associate Administrative Analyst

SUBJECT: Approve an Administrative Amendment to the Acumen Building Enterprise Professional Services Agreement No. A13-0088

Recommendation

It is recommended that the Commission approve an administrative amendment to Agreement No. A13-0088 with Acumen Building Enterprise, Inc., to extend the period of performance for one additional year, from June 30, 2018 to June 30, 2019.

Summary

Alameda CTC issued a Request for Proposal for administrative, policy, planning and communications support services in September 2013, which covers an array of general services such as public meeting support for Alameda CTC's Commission and Community Advisory Committees, and technical support for Alameda CTC's planning, policy, communications, projects and programs. Acumen Building Enterprise, Inc., an Alameda CTC-certified Small Local Business Enterprise (SLBE) firm with offices in Oakland, California, was selected as the top-ranked firm as a result of the RFP. Alameda CTC now wishes to amend the existing Agreement to allow for additional time for consultant to complete its existing assignments and transition key tasks to other members within the organization.

Acumen Building Enterprise, Inc. did not report a conflict in accordance with the Levine Act.

Fiscal Impact: The proposed action does not encumber any additional Alameda CTC funds. Staff intends to utilize the remaining balance from the existing contract budget to cover the anticipated expenditures in fiscal year 2018-2019, and will include the budget in Alameda CTC's fiscal year 2018-2019 proposed budget.

This page intentionally left blank