

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
BOARD ACTION SUMMARY**

DEPT: Treasurer / Tax Collector

BOARD AGENDA: 5.B.3  
AGENDA DATE: August 28, 2018

**SUBJECT:**

Acceptance of the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2018

**BOARD ACTION AS FOLLOWS:**

**RESOLUTION NO. 2018-0431**

On motion of Supervisor Withrow \_\_\_\_\_, Seconded by Supervisor Chiesa \_\_\_\_\_  
and approved by the following vote,  
Ayes: Supervisors: Olsen, Chiesa, Withrow, Monteith, and Chairman DeMartini \_\_\_\_\_  
Noes: Supervisors: \_\_\_\_\_ None \_\_\_\_\_  
Excused or Absent: Supervisors: None \_\_\_\_\_  
Abstaining: Supervisor: \_\_\_\_\_ None \_\_\_\_\_

- 1)  Approved as recommended
- 2) \_\_\_\_\_ Denied
- 3) \_\_\_\_\_ Approved as amended
- 4) \_\_\_\_\_ Other:

**MOTION:**

ATTEST:   
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
AGENDA ITEM**

DEPT: Treasurer / Tax Collector

BOARD AGENDA:5.B.3  
AGENDA DATE: August 28, 2018

CONSENT:

CEO CONCURRENCE: YES

4/5 Vote Required: No

---

**SUBJECT:**

Acceptance of the Annual Reports for the County of Stanislaus Tobacco Endowment Funds - Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2018

**STAFF RECOMMENDATION:**

1. Review and Accept the Annual Reports for the County of Stanislaus Tobacco Endowment Funds – Series 2002 and Series 2006 for Fiscal Year Ending June 30, 2018.
2. Authorize the Chairman of the Board of Supervisors to sign on behalf of the Board that the reports have been reviewed and accepted.

**DISCUSSION:**

On August 5, 1998 the counsel for the State of California and various cities and counties therein (participating jurisdictions) entered a Memorandum of Understanding (MOU). Pursuant to the MOU, participating jurisdictions were entitled to receive a portion of the payments made to the State of California in accordance with the master settlement agreement. In an effort to manage or mitigate the risks associated with the receipt of the Tobacco Settlement Revenues (TSRs), some jurisdictions opted to securitize this revenue stream.

In November 1998, the Attorneys General of 46 states (including California), the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa and the Territory of the Northern Marianas (collectively, the Settling States) and the four largest United States tobacco manufacturers (OPM's) entered into a master settlement agreement in resolution of cigarette-smoking related litigation. The master settlement agreement released the OPM's from past, present and future smoking-related claims in exchange for, among other things, certain payments to be made to the settling states.

On June 6, 2000, the Board of Supervisors authorized the Chief Executive Officer and the Debt Advisory Committee to proceed with the securitization of the County's share of the TSRs by issuing Tobacco Settlement Asset-Backed Bonds. In March 2002, the County sold their interest in the TSRs, received \$52,403,206 and subsequently placed the funds in an endowment.

In January 2002, the County Board of Supervisors delegated responsibility for the investment of the TSRs to the County Treasurer-Tax Collector in accordance with Stanislaus County's Investment Policy for the Investment of the Proceeds from the

Securitization of the Tobacco Industry's Master Settlement Agreement. This policy includes language that mandates preparation of an annual report by the Office of the Treasurer-Tax Collector no later than August 15<sup>th</sup> following the close of each Fiscal Year on June 30. The report is to be forwarded to the Board of Supervisors for final review and acceptance.

### **Tobacco Endowment Funds – Series 2002**

The 2002 Tobacco Portfolio includes investments in long-term municipal bonds. During Fiscal Year 2017-2018, the portfolio experienced one municipal bond call with a par value of \$1,715,000. As of June 30, 2018, the Series 2002 Tobacco Portfolio balance was \$58,363,046 with a market-to-par value of 107%.

Interest earnings in the Tobacco Endowment Fund Series 2002 for Fiscal Year 2017-2018 were \$2,068,261. Costs associated with managing the fund were \$7,879. In accordance with the investment policy, \$2,060,382 in interest and net gains, less expenses, have been distributed to the General Fund as discretionary revenue.

### **Tobacco Endowment Funds – Series 2006**

Since the offering of the 2002 Tobacco Bonds, interest rates have declined and investor demand for tobacco settlement asset-backed bonds greatly improved giving the County the opportunity to either refund or restructure the 2002 bonds or issue additional bonds. In January 2006, the Board of Supervisors authorized the Chief Executive Officer and the Debt Advisory Committee to proceed with determining the optimal bond structure for the County.

On March 29, 2006, Stanislaus County issued \$42,153,611 in bonds to further securitize the Tobacco Settlement Revenues. Of that amount, \$40,971,291 was placed in an endowment titled, County of Stanislaus Tobacco Endowment Fund Series 2006.

The 2006 Tobacco Portfolio includes investments in long-term municipal bonds. During the Fiscal Year 2017-2018, there were no municipal bond calls or sales. As of June 30, 2018, the Series 2006 Tobacco Portfolio balance was \$28,046,288 and had a market-to-par value of 105%.

Interest earnings in the Tobacco Endowment Fund Series 2006 for Fiscal Year 2017-2018 were \$1,117,369. Costs associated with managing the fund were \$7,648. In accordance with the investment policy, \$1,109,721 in interest and net gains, less expenses, have been distributed to the General Fund as discretionary revenue.

Each endowment is held separately in its own investment portfolio. Funds are invested within the parameters of the Stanislaus County's Investment Policy for the Investment of the Proceeds from the Securitization of the Tobacco Industry's Master Settlement Agreement.

### **POLICY ISSUE:**

Stanislaus County's Investment Policy for the Investment of the Proceeds from the Securitization of the Tobacco Industry's Master Settlement Agreement mandates that the Office of the Treasurer-Tax Collector prepare an annual report for the Board of Supervisors.

**FISCAL IMPACT:**

Preparation of these annual reports is a minimal cost to the County. Costs associated with managing the Tobacco Endowment Fund Series 2002 were \$7,879 for Fiscal Year 2017-2018. The Tobacco Endowment Fund Series 2002 fund generated \$2,068,261 in interest earnings for the Fiscal Year ending June 30, 2018, of which \$2,060,382 (earnings, net of expenses) has been transferred to the General Fund as discretionary revenue in the current Fiscal Year 2018-2019.

Costs associated with managing the Tobacco Endowment Fund Series 2006 were \$7,648 for Fiscal Year 2017-2018. The Tobacco Endowment Fund Series 2006 generated \$1,117,369 in interest earnings for the Fiscal Year ending June 30, 2018, of which \$1,109,720 (earnings, net of expenses) has been transferred to the General Fund as discretionary revenue in the current Fiscal Year 2018-2019.

**BOARD OF SUPERVISORS' PRIORITY:**

Approval of the recommended actions support the Board's priority of *Delivering Efficient Public Services and Community Infrastructure* by providing prudent investment of government funds.

**STAFFING IMPACT:**

Existing Treasurer-Tax Collector staff will continue to manage Tobacco Endowment Funds and prepare the annual reports.

**CONTACT PERSON:**

Donna Riley, Interim Treasurer-Tax Collector

Telephone: 209.525.4463

Dolores Sarenana, Chief Deputy Treasurer

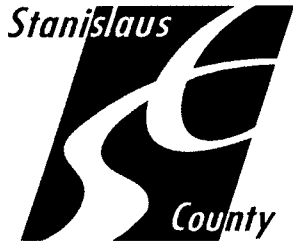
Telephone: 209.525.4466

**ATTACHMENT(S):**

1. Stanislaus County Tobacco Endowment Series 2002- Annual Report FY 17-18
2. Stanislaus County Tobacco Endowment Series 2006- Annual Report FY 17-18

ATTACHMENT 1

COUNTY OF STANISLAUS TOBACCO ENDOWMENT SERIES 2002 FUND –  
ANNUAL REPORT



Striving to be the Best

**OFFICE OF TREASURER/TAX COLLECTOR**

**Donna Riley**  
**Interim Treasurer/Tax Collector**

PO Box 3052, Modesto, CA 95353-0859  
Phone: 209.525.6524 Fax: 209.525-4333

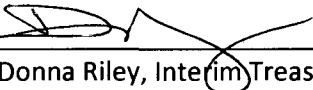
County of Stanislaus Tobacco Endowment Series 2002 Fund  
Annual Report  
June 2018

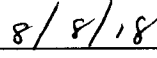
The Stanislaus County Tobacco Endowment Series 2002 generated \$2,068,261 in interest income for the fiscal year ending June 30, 2018. The invested funds yielded an average interest rate of 2.7%. There was one municipal bond call with a par value of \$1,715,000. Costs associated with managing the fund were \$7,879, giving a net distribution to the County of \$2,060,382 which was distributed to the County on July 12, 2018.

The portfolio has been reviewed by both the Treasurer and the Chief Deputy Treasurer for compliance with the investment policy. All investments are non-AMT investments and no taxable interest was generated. The Union Bank custodial statement has been reviewed by both the Interim Treasurer and Chief Deputy Treasurer for accuracy and completeness. The custodial statement is the source of market valuation for securities held by our custodial agent. All other securities are valued at cost.

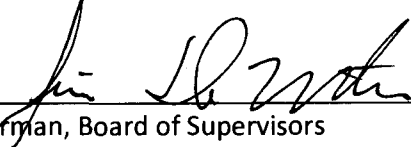
  
\_\_\_\_\_  
Dolores Sarenana, Chief Deputy Treasurer

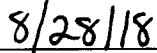
  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Donna Riley, Interim Treasurer/Tax Collector

  
\_\_\_\_\_  
Date

The County of Stanislaus Board of Supervisors has reviewed and accepted the Stanislaus County Tobacco Endowment Series 2002 Fund Annual Report

  
\_\_\_\_\_  
Chairman, Board of Supervisors

  
\_\_\_\_\_  
Date

STANISLAUS COUNTY 2002 TOBACCO SERIES  
 STANISLAUS TOBACCO TRUST ACCOUNT  
 FISCAL YEAR ENDING JUNE 2018

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
BEGINNING	3,898,240.46	1,384,920.19	1,598,354.57	1,817,729.57	2,085,354.57	2,257,354.57
ADDITIONS	102,925.00	213,434.38	219,375.00	267,625.00	172,000.00	106,250.00
WITHDRAWALS	(2,616,245.27)	0.00	0.00	0.00	0.00	0.00
ENDING VALUE	1,384,920.19	1,598,354.57	1,817,729.57	2,085,354.57	2,257,354.57	2,363,604.57

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
BEGINNING	2,363,604.57	2,466,529.57	2,679,963.95	2,899,338.95	4,885,536.30	5,057,536.30	3,898,240.46
ADDITIONS	102,925.00	213,434.38	219,375.00	1,986,197.35	172,000.00	106,250.00	3,881,791.11
WITHDRAWALS							(2,616,245.27)
TOTAL	2,466,529.57	2,679,963.95	2,899,338.95	4,885,536.30	5,057,536.30	5,163,786.30	5,163,786.30

STANISLAUS COUNTY 2002 TOBACCO SERIES  
MUNICIPAL BOND ACTIVITY  
UNION BANK OF CALIFORNIA, ACCOUNT# XXXXXX0241  
FISCAL YEAR ENDING JUNE 2018

DATE:	INV#	CUSIP	AGENCY	PAR	COST	PAR PAID @CALL/SALE	COUPON	YIELD	MATURITY
-------	------	-------	--------	-----	------	------------------------	--------	-------	----------

HOLDINGS ON JUNE 30, 2017				51,245,000.00	52,893,211.41				
---------------------------	--	--	--	---------------	---------------	--	--	--	--

PRE-REFUNDING (NON-CASH TRANSACTION - CHANGE OF CUSIP NUMBERS)

12/27/17	58	91412GHV0	UNIVERSITY OF CALIF REVENUE BONDS	(2,000,000.00)	(2,150,200.00)	-	5.00%	3.98%	5/15/2030
12/27/17	91	91412G6B6	UNIVERSITY OF CALIF REVENUE BONDS	910,000.00	978,341.00	-	5.00%	3.98%	5/15/2030
12/27/17	92	91412G6U4	UNIVERSITY OF CALIF REVENUE BONDS	1,090,000.00	1,171,859.00	-	5.00%	3.98%	5/15/2030
TOTAL PRE-REFUNDING:				0.00	0.00				

PURCHASES:

				0.00	0.00				
TOTAL PURCHASES:				0.00	0.00				

SALES:

				0.00	0.00				
TOTAL SALES:				0.00	0.00				

CALLS / MATURITIES:

04/16/18	57	13063B5F5	CALIFORNIA STATE GENERAL OBL BONDS	1,715,000.00	1,876,227.15	1,715,000.00	5.00%	2.85%	10/1/2025
TOTAL CALLS / MATURITIES:				1,715,000.00	1,876,227.15				

HOLDINGS ON JUNE 30, 2018				49,530,000.00	51,016,984.26				
---------------------------	--	--	--	---------------	---------------	--	--	--	--






**2002 Tobacco Series 2017/18  
Portfolio Management  
Portfolio Summary  
June 30, 2018**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Municipal Bonds	49,530,000.00	53,199,259.20	53,488,431.88	91.20	4,948	3,827	2.953	2.894
Stanislaus Tobacco Trust Account	5,163,786.30	5,163,786.30	5,163,786.30	8.80	1	1	0.000	0.000
<b>Investments</b>	<b>54,693,786.30</b>	<b>58,363,045.50</b>	<b>58,652,217.96</b>	<b>100.00%</b>	<b>4,512</b>	<b>3,308</b>	<b>2.693</b>	<b>2.731</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	130,739.39	1,418,559.25	1,418,559.25
Average Daily Balance	58,672,644.56	60,371,469.04	
Effective Rate of Return	2.71%	2.35%	

  
 Donna Riley, Interim Treasurer/Tax Collector

8/8/18

**2002 Tobacco Series 2017/18  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Municipal Bonds</b>												
13063B3Q3	55	California State		06/25/2013	1,990,000.00	2,077,022.70	2,059,798.19	5.000	1.968	1.995	457	10/01/2019
13063BWM0	46	California State		04/24/2012	2,000,000.00	2,045,940.00	1,991,241.72	2.500	2.644	2.680	1,005	04/01/2021
13063CVJ6	82	California State		09/12/2016	1,925,000.00	2,166,934.00	2,227,872.72	5.000	1.006	1.020	1,492	08/01/2022
156809CV5	21	Cerritos Pub Fing Auth Rev Tax		10/21/2002	1,000,000.00	1,022,630.00	1,000,000.00	5.000	4.931	5.000	1,584	11/01/2022
13063CT75	86	California State		09/13/2016	750,000.00	862,575.00	888,721.29	5.000	1.234	1.251	1,888	09/01/2023
13077CA46	59	California State Univ Revenue		08/07/2013	3,880,000.00	4,484,504.00	4,202,661.72	5.000	3.362	3.409	2,315	11/01/2024
797400JH2	66	San Diego Reg Transp Comm		09/30/2014	2,000,000.00	2,314,600.00	2,307,674.81	5.000	2.643	2.680	2,831	04/01/2026
544646S94	64	Los Angeles Unified School Dis		09/30/2014	1,250,000.00	1,450,125.00	1,437,172.77	5.000	2.747	2.785	2,922	07/01/2026
6966673W2	88	Palm Spring Unified School Dis		09/16/2016	800,000.00	754,824.00	804,176.25	2.000	1.909	1.936	3,318	08/01/2027
556437BT7	73	Madera Calif Irr Dist Wtr Rev		02/26/2016	2,000,000.00	2,324,480.00	2,393,213.51	5.000	2.482	2.516	3,349	09/01/2027
786134UC8	69	Sacramento Cnty Ca Santn Dists		10/28/2014	2,000,000.00	2,318,400.00	2,318,716.10	5.000	2.907	2.948	3,440	12/01/2027
072024RS3	60	Bay Area CA Toll Auth Toll Bri		08/12/2013	2,000,000.00	2,225,320.00	2,111,595.22	5.000	4.168	4.226	3,562	04/01/2028
072024RS3	63	Bay Area CA Toll Auth Toll Bri		08/07/2013	2,000,000.00	2,225,320.00	2,111,995.22	5.000	4.160	4.217	3,562	04/01/2028
344640VQ7	83	Fontana Unified School Distr		09/12/2016	2,045,000.00	1,838,557.25	2,027,721.06	2.000	2.066	2.095	3,684	08/01/2028
13063BLW0	44	California State		09/28/2011	2,500,000.00	2,669,050.00	2,489,202.61	4.250	4.251	4.311	3,715	09/01/2028
786009CD0	80	Sacramento MUD		09/09/2016	1,130,000.00	1,314,981.00	1,399,157.47	5.000	2.428	2.462	4,018	07/01/2029
13063CX39	84	California State		09/13/2016	1,950,000.00	2,307,805.50	2,413,622.78	5.000	2.461	2.495	4,080	09/01/2029
91412G6B6	91	Univ of California Revenue		12/27/2017	910,000.00	1,020,455.80	958,245.96	5.000	4.665	4.730	4,336	05/15/2030
91412G6U4	92	Univ of California Revenue		12/27/2017	1,090,000.00	1,209,780.10	1,147,797.67	5.000	4.597	4.660	4,336	05/15/2030
271014YC0	65	East Bay Mun Util Dist Wtr		09/30/2014	2,250,000.00	2,598,727.50	2,589,334.74	5.000	3.315	3.361	4,353	06/01/2030
801495G30	54	Santa Clara Calif Uni Sch Dist		08/28/2012	2,895,000.00	2,889,210.00	2,796,416.93	3.000	3.326	3.372	4,383	07/01/2030
13063CX47	85	California State		09/13/2016	1,950,000.00	2,303,086.50	2,410,157.42	5.000	2.628	2.665	4,445	09/01/2030
801181AS7	71	Santa Ana Cig Impt Dist #1		10/30/2014	1,620,000.00	1,608,076.80	1,572,983.82	3.000	3.245	3.291	4,779	08/01/2031
304747FY9	89	Fairfield-Suisan Unif Sch Dist		09/28/2016	1,215,000.00	1,052,554.50	1,174,170.63	2.250	2.507	2.541	5,145	08/01/2032
988176HN6	79	Yuba Community College Dist		09/09/2016	3,590,000.00	3,439,040.50	3,716,194.41	3.000	2.685	2.722	5,875	08/01/2034
032555NG5	81	Anaheim Elementary School Dist		09/09/2016	1,565,000.00	1,384,586.80	1,555,576.18	2.625	2.634	2.670	6,240	08/01/2035
15722TGS4	78	Chabot Las Positas Calif Coll		08/31/2016	1,225,000.00	1,290,672.25	1,383,010.46	4.000	3.036	3.078	6,971	08/01/2037
<b>Subtotal and Average</b>			<b>53,508,858.26</b>		<b>49,530,000.00</b>	<b>53,199,259.20</b>	<b>53,488,431.66</b>		<b>2.953</b>	<b>2.994</b>	<b>3,627</b>	
<b>Stanislaus Tobacco Trust Account</b>												
SYS90	90	Stanislaus Tobacco Trust Acct		07/01/2017	5,163,786.30	5,163,786.30	5,163,786.30		0.000	0.000	1	
<b>Subtotal and Average</b>			<b>5,163,786.30</b>		<b>5,163,786.30</b>	<b>5,163,786.30</b>	<b>5,163,786.30</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>	

**2002 Tobacco Series 2017/18  
Portfolio Management  
Portfolio Details - Investments  
June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Total and Average			58,672,644.56		54,693,786.30	58,363,045.50	58,652,217.96		2.693	2.731	3,308

**2002 Tobacco Series 2017/18  
Portfolio Management  
Activity Summary  
June 2017 through June 2018**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2017	30	59,717,863.18	2.775	2.814	0.000	0	0	4,659	3,695
July	2017	28	59,777,429.23	2.771	2.809	0.000	1	0	4,651	3,660
August	2017	28	59,947,504.67	2.761	2.800	0.000	0	0	4,635	3,618
September	2017	28	60,123,510.83	2.751	2.790	0.000	0	0	4,619	3,578
October	2017	28	60,347,776.89	2.739	2.777	0.000	0	0	4,599	3,534
November	2017	28	60,476,408.10	2.732	2.770	0.000	0	0	4,586	3,496
December	2017	30	60,539,228.63	2.738	2.776	0.000	2	1	4,522	3,462
January	2018	29	60,598,787.44	2.734	2.772	0.000	0	0	4,515	3,428
February	2018	29	60,768,866.17	2.725	2.762	0.000	0	0	4,499	3,391
March	2018	29	60,944,875.00	2.715	2.753	0.000	0	0	4,484	3,351
April	2018	29	60,967,206.47	2.597	2.633	0.000	0	1	4,339	3,232
May	2018	28	61,097,692.96	2.590	2.626	0.000	0	0	4,327	3,196
June	2018	28	58,652,217.96	2.693	2.731	0.000	0	0	4,512	3,308
<b>Average</b>		<b>29</b>	<b>60,304,566.73</b>	<b>2.717%</b>	<b>2.755%</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>4,534</b>	<b>3,458</b>

**2002 Tobacco Series 2017/18  
Portfolio Management  
Distribution of Investments By Type  
June 2017 through June 2018**

Security Type	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018	Average by Period
<b>Money Market Funds</b>														
<b>Mutual Fund</b>														
<b>Municipal Bonds</b>	93.5	93.3	93.0	92.6	92.2	91.9	91.8	91.6	91.3	91.0	87.7	87.4	91.2	91.4%
<b>Stanislaus Tobacco Trust Account</b>	6.5	6.7	7.0	7.4	7.8	8.1	8.2	8.4	8.7	9.1	12.3	12.6	8.8	8.6%
<b>Municipal Anticipation Notes</b>														

ATTACHMENT 2

COUNTY OF STANISLAUS TOBACCO ENDOWMENT SERIES 2006 FUND –  
ANNUAL REPORT



Striving to be the Best

**OFFICE OF TREASURER/TAX COLLECTOR**

**Donna Riley  
Interim Treasurer/Tax Collector**

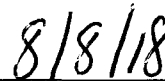
PO Box 3052, Modesto, CA 95353-0859  
Phone: 209.525.6524 Fax: 209.525-4333

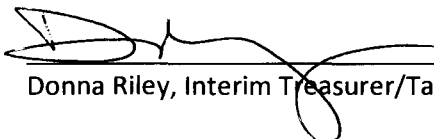
County of Stanislaus Tobacco Endowment Series 2006 Fund  
Annual Report  
June 2018

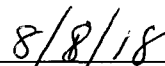
The Stanislaus County Tobacco Endowment Series 2006 generated \$1,117,369 in interest income for the fiscal year ending June 30, 2018. The invested funds yielded an average interest rate of 3.4%. Costs associated with managing the fund were \$7,648, giving a net distribution to the County of \$1,109,721 which was distributed to the County on July 12, 2018.

The portfolio has been reviewed by both the Interim Treasurer and the Chief Deputy Treasurer for compliance with the investment policy. All investments are non-AMT investments and no taxable interest was generated. The Union Bank custodial statement has been reviewed by both the Treasurer and Chief Deputy Treasurer for accuracy and completeness. The custodial statement is the source of market valuation for securities held by our custodial agent. All other securities are valued at cost.

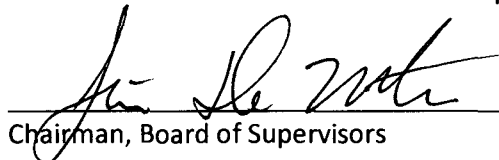
  
\_\_\_\_\_  
Dolores Sarenana, Chief Deputy Treasurer

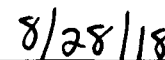
  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Donna Riley, Interim Treasurer/Tax Collector

  
\_\_\_\_\_  
Date

The County of Stanislaus Board of Supervisors has reviewed and accepted the Stanislaus County Tobacco Endowment Series 2006 Fund Annual Report

  
\_\_\_\_\_  
Chairman, Board of Supervisors

  
\_\_\_\_\_  
Date

STANISLAUS COUNTY 2006 TOBACCO SERIES  
 STANISLAUS TOBACCO TRUST ACCOUNT  
 FISCAL YEAR ENDING JUNE 2018

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
BEGINNING	1,482,640.94	664,823.64	664,823.64	908,158.02	1,045,908.02	1,070,908.02
ADDITIONS	43,000.00	0.00	243,334.38	137,750.00	25,000.00	109,600.00
WITHDRAWALS	(860,817.30)	0.00	0.00	0.00	0.00	0.00
ENDING VALUE	664,823.64	664,823.64	908,158.02	1,045,908.02	1,070,908.02	1,180,508.02

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD
BEGINNING	1,180,508.02	1,223,508.02	1,223,508.02	1,466,842.40	1,604,592.40	1,629,592.40	1,482,640.94
ADDITIONS	43,000.00		243,334.38	137,750.00	25,000.00	109,600.00	1,117,368.76
WITHDRAWALS	0.00	0.00	0.00	0.00	0.00	0.00	(860,817.30)
TOTAL	1,223,508.02	1,223,508.02	1,466,842.40	1,604,592.40	1,629,592.40	1,739,192.40	1,739,192.40



STANISLAUS COUNTY 2006 TOBACCO SERIES  
MUNICIPAL BOND ACTIVITY  
UNION BANK OF CALIFORNIA, ACCOUNT# XXXXXX0242  
FISCAL YEAR ENDING JUNE 2018

DATE:	INV#	CUSIP	AGENCY	PAR	COST	PAR PAID @CALL/SALE	COUPON	YIELD	MATURITY
HOLDINGS ON JUNE 30, 2017				24,945,000.00	26,882,991.95				
PURCHASES:									
				0.00	0.00				
TOTAL PURCHASES:				0.00	0.00				
SALES:									
				0.00	0.00				
TOTAL SALES:				0.00	0.00				
CALLS / MATURITIES									
				0.00	0.00				
TOTAL CALLS / MATURITIES				0.00	0.00				
HOLDINGS ON JUNE 30, 2018				24,945,000.00	26,882,991.95				



**2006 Tobacco Series 2017/18  
Portfolio Management  
Portfolio Summary  
June 30, 2018**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Stanislaus Tobacco Trust Account	1,739,192.40	1,739,192.40	1,739,192.40	6.23	1	1	0.000	0.000
Municipal Bonds	24,945,000.00	26,307,095.60	26,194,389.99	93.77	5,721	3,809	3.661	3.711
<b>Investments</b>	<b>26,684,192.40</b>	<b>28,046,288.00</b>	<b>27,933,582.39</b>	<b>100.00%</b>	<b>5,365</b>	<b>3,572</b>	<b>3.433</b>	<b>3.480</b>

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	80,073.67	961,693.45	961,693.45
<b>Average Daily Balance</b>	<b>27,900,361.48</b>	<b>28,254,937.72</b>	
<b>Effective Rate of Return</b>	<b>3.49%</b>	<b>3.40%</b>	

  
 Donna Riley, Interim Treasurer/Tax Collector

8/8/18

**2006 Tobacco Series 2017/18**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Stanislaus Tobacco Trust Account</b>												
SYS10026	10026	Stanislaus Tobacco Trust Acct		07/01/2017	1,739,192.40	1,739,192.40	1,739,192.40		0.000	0.000	1	
<b>Subtotal and Average</b>			<b>1,699,712.40</b>		<b>1,739,192.40</b>	<b>1,739,192.40</b>	<b>1,739,192.40</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Municipal Bonds</b>												
544351HH5	10015	Los Angeles Calif		04/03/2012	2,110,000.00	2,172,434.90	2,161,979.55	4.000	1.804	1.829	427	09/01/2019
797646RB4	10016	San Francisco Calif City & Cty		04/03/2012	2,000,000.00	2,085,880.00	2,071,644.82	4.000	3.381	3.428	2,906	06/15/2026
797646RB4	10017	San Francisco Calif City & Cty		04/03/2012	2,230,000.00	2,325,756.20	2,309,883.97	4.000	3.381	3.428	2,906	06/15/2026
13063BNC2	10014	California State		09/28/2011	1,500,000.00	1,655,370.00	1,573,500.00	5.250	4.364	4.424	2,984	09/01/2026
49228YAL2	10020	Kern County Water Agency		04/07/2016	1,000,000.00	1,182,160.00	1,179,022.64	5.000	2.769	2.807	3,226	05/01/2027
13063BLV2	10013	California State		09/28/2011	2,500,000.00	2,756,525.00	2,616,691.52	5.250	4.468	4.530	3,349	09/01/2027
13063CS27	10022	California State		04/28/2016	1,000,000.00	1,183,490.00	1,226,335.29	5.000	2.555	2.590	4,080	09/01/2029
13063BAS1	10007	California State		10/27/2010	2,000,000.00	2,090,560.00	2,079,775.61	5.250	4.645	4.710	4,110	10/01/2029
13063BAR3	10008	California State		01/19/2011	3,410,000.00	3,553,936.10	3,245,964.41	5.000	5.622	5.700	4,110	10/01/2029
13063BEP3	10006	California State		10/07/2010	1,205,000.00	1,282,120.00	1,259,950.69	5.375	4.699	4.764	4,261	03/01/2030
80168QDS8	10019	Santa Clara Valley Ca Wtr Dist		03/30/2016	1,000,000.00	1,173,320.00	1,190,002.01	5.000	3.097	3.140	4,718	06/01/2031
817409G66	10024	Sequoia Union High School Dist		09/22/2016	3,440,000.00	3,034,802.40	3,400,426.94	2.500	2.555	2.590	5,844	07/01/2034
13063CC40	10021	California State		04/28/2016	1,550,000.00	1,810,741.00	1,879,212.54	5.000	3.202	3.246	5,906	09/01/2034
<b>Subtotal and Average</b>			<b>26,200,649.08</b>		<b>24,945,000.00</b>	<b>26,307,095.60</b>	<b>26,194,389.99</b>		<b>3.661</b>	<b>3.711</b>	<b>3,809</b>	
<b>Total and Average</b>			<b>27,900,361.48</b>		<b>26,684,192.40</b>	<b>28,046,288.00</b>	<b>27,933,582.39</b>		<b>3.433</b>	<b>3.480</b>	<b>3,572</b>	

**2006 Tobacco Series 2017/18  
Portfolio Management  
Activity Summary  
June 2017 through June 2018**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2017	16	27,832,706.23	3.460	3.509	0.000	0	0	5,409	3,946
July	2017	14	27,862,700.92	3.455	3.503	0.000	1	0	5,401	3,911
August	2017	14	27,849,695.59	3.456	3.504	0.000	0	0	5,402	3,882
September	2017	14	28,080,080.17	3.426	3.474	0.000	0	0	5,355	3,821
October	2017	14	28,204,824.86	3.410	3.457	0.000	0	0	5,330	3,774
November	2017	14	28,216,875.05	3.407	3.454	0.000	0	0	5,325	3,743
December	2017	14	28,313,469.73	3.394	3.441	0.000	0	0	5,305	3,700
January	2018	14	28,343,464.41	3.389	3.436	0.000	0	0	5,297	3,666
February	2018	14	28,330,625.58	3.390	3.437	0.000	0	0	5,298	3,640
March	2018	14	28,560,954.65	3.361	3.408	0.000	0	0	5,253	3,581
April	2018	14	28,685,754.83	3.345	3.392	0.000	0	0	5,228	3,536
May	2018	14	28,697,749.51	3.343	3.389	0.000	0	0	5,224	3,505
June	2018	14	27,933,582.39	3.433	3.480	0.000	0	0	5,365	3,572
Average		14	28,224,037.22	3.405%	3.453%	0.000	0	0	5,322	3,714

**2006 Tobacco Series 2017/18  
Portfolio Management  
Distribution of Investments By Type  
June 2017 through June 2018**

Security Type	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	May 2018	June 2018	Average by Period
<b>Money Market Fund</b>														
Stanislaus Tobacco Trust Account	5.3	5.5	5.5	6.3	6.8	6.9	7.2	7.4	7.4	8.2	8.6	8.7	6.2	6.9%
<b>Mutual Fund</b>														
Municipal Bonds	94.7	94.5	94.5	93.7	93.2	93.2	92.8	92.7	92.6	91.9	91.4	91.3	93.8	93.1%