

# Q1 FY2022

## George H. Clark Memorial Scholarship Fund Quarterly Investment Report September 30, 2021



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q1 FY2022

## **INTRODUCTION**

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

The City of Sacramento George H. Clark Memorial Scholarship Fund will help deserving senior high school students in their pursuit of a college education that will make them valuable members of the community. Four (4) scholarships per year (\$5,000) each or \$20,000 will be awarded to senior high school students to help provide for a college education. The committee selects the annual recipients from a group of eligible students submitted by SCUSD based on pre-determined achievement criteria.

To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

## **STRATEGY**

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

## **OBJECTIVES**

- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

## Q1 MARKET OVERVIEW

### **Equities:**

The pace of growth in domestic equity markets slowed in Q1, as markets finished mixed. The Dow Jones saw its first quarterly decline in 2021, posting a return of -1.90%, while the S&P 500 posted a very modest gain of 0.23%. Most sectors slowed a bit this quarter as the US economy began to deal with some challenges as it worked back toward full capacity after the Covid shutdown.

### **Fixed Income/Rates:**

Q1 saw the yield curve move very little, as shorter tenors (3 years and under) saw yields hold very steady, while longer yields increased modestly. The 10-year treasury yield began the quarter at 1.47% and finished the quarter at 1.49%. Inflationary pressure was beckoning at quarter end and is something that will need to be monitored closely, as it could bring longer rates up with it. As expected, the Fed Funds Rate remained unchanged. Fed Chair Powell stated that tapering will begin at some point in 2021, meaning the Fed will be injecting less cash into short-term assets each month. This could lead to some upward movement in short-term rates, although it remains to be seen when this will occur and how much it could impact rates.

### **Economy:**

The economy slowed measurably during the quarter, growing at a modest rate following consecutive periods of strong growth on the heels of the economy fully reopening. Last quarter's GDP (June 2021) came in at 6.7%, beating the 6.5% the consensus expected. GDP numbers for the quarter ending September 30, 2021 are more bleak, as widespread shortages of goods and labor are causing a slowing in nearly every sector. The largest declines are showing in the retail, manufacturing, construction, and energy sectors as they are all suffering from the bottlenecks that are keeping goods from making it around the world in a timely fashion.

### **International Markets:**

International and emerging markets underperformed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at -1.10% and -8.65% respectively. The COVID-19 pandemic remains a major driver of how these markets perform, as supply chains are backing up all over the world.

### **Performance vs. Benchmark:**

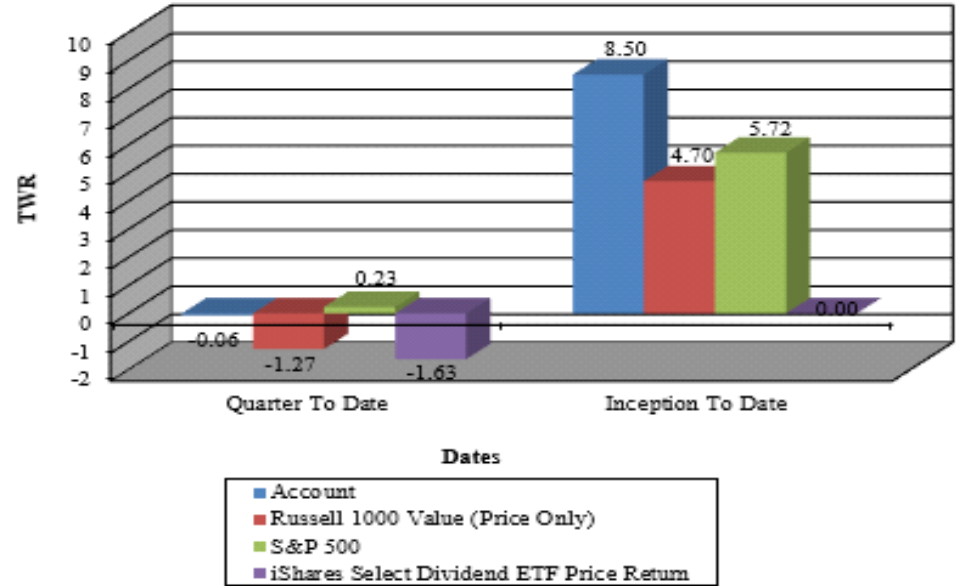
The George H. Clark Memorial Scholarship Fund had a Q1 return of -0.06%, outperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of -1.63%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 September 30, 2021

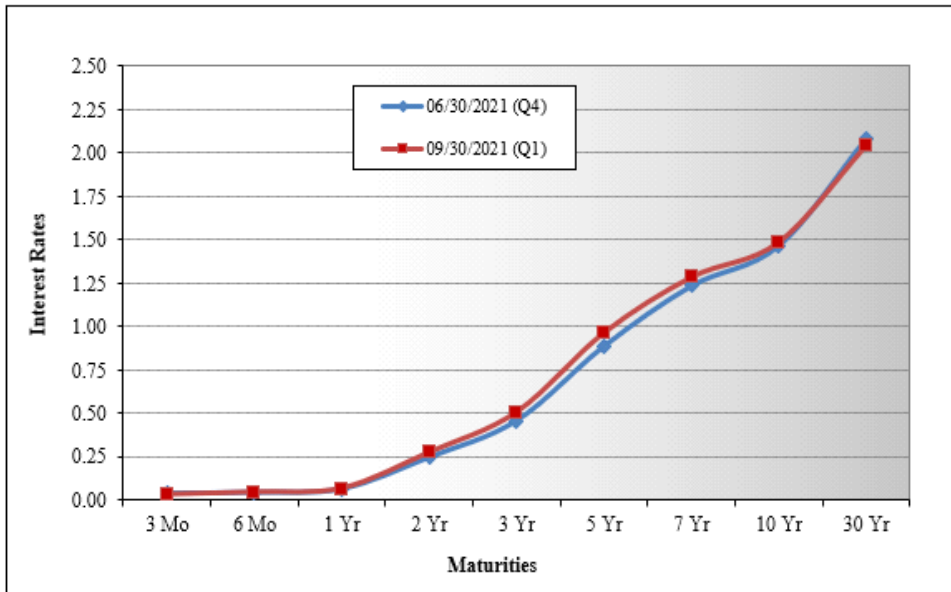
## Performance

	Quarter To Date	Inception To Date
Account	-0.06	8.50
Russell 1000 Value (Price Only)	-1.27	4.70
S&P 500	0.23	5.72
iShares Select Dividend ETF Price Return	-1.63	? *

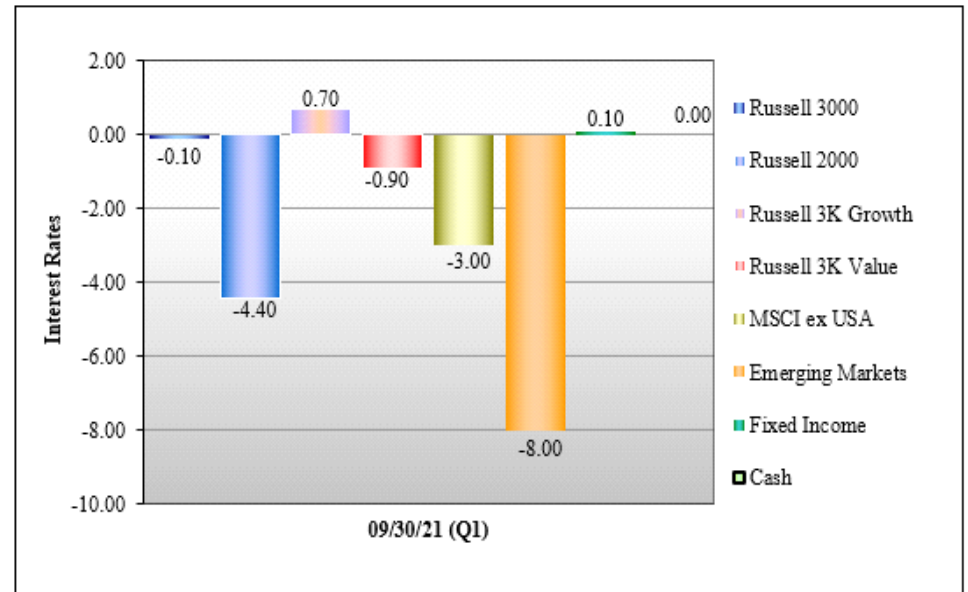
\*Index commencement date was 11/30/2003



U.S. Treasury Yield Curve - QE 06/30/2021 (Q4) vs. QE 09/30/2021 (Q1)



Capital Market Returns - Quarter Ended 9/30/2021 (Q1)



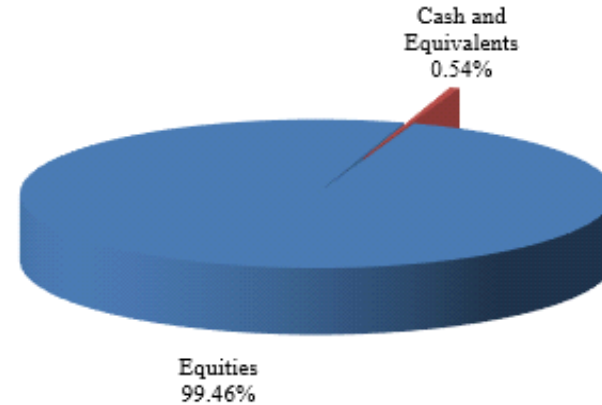
City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 September 30, 2021

**Activity**

From 06-30-21 to 09-30-21

<b>Portfolio Value on 06-30-21</b>	<b>1,627,443</b>
Contributions	0
Withdrawals	-10,221
Realized Gains	0
Unrealized Gains	-11,122
Interest	21
Dividends	10,247
<b>Portfolio Value on 09-30-21</b>	<b>1,616,367</b>

**Actual Asset Allocation**



**Operating Cash Account Activity**

From Inception to 09-30-2021

	Inception to FY21	<u>FY22 QE</u> 09-30-21	Inception to FY22
<b>Beginning Balance</b>		<b>146,839</b>	
Initial Contribution	83		83
Cash Transfers In *	566,875	10,221	577,095
Interest Income **	16,250		16,250
Scholarship Payments	-365,000	-15,000	-380,000
Investment Mgt Fees	-71,369		-71,369
<b>Ending Balance</b>	<b>146,839</b>	<b>142,060</b>	<b>142,060</b>

\* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

\*\* July to September 2021 Pool A earnings are yet to be apportioned.

**Top 10 Holdings**

Securities	Market Value	Pct.
Ishares Tr Russell 1000 Val	237,895	14.72
Apple Inc.	178,290	11.03
Ishares Select Dividend ETF	106,116	6.57
Select Sector Spdr Tr Sbi Int-Finl	97,953	6.06
Select Sector Spdr Tr Sbi Cons Discr	91,519	5.66
Select Sector Spdr Tr Sbi Int-Utils	83,044	5.14
Johnson & Johnson	80,750	5.00
Caterpillar Inc Del Com	76,788	4.75
Ishares US Technology ETF	70,882	4.39
Home Depot Inc	70,576	4.37

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 September 30, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		837		837		837	0.05	4.00			
	PoolA	Pool A Cash		7,934		7,934		7,934	0.49	0.88			
	intreceiv	Pool A Interest Receivable		21		21		21	0.00	0.88			
				<u>8,791</u>		<u>8,791</u>		<u>8,791</u>	0.54	1.18			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
400	cat	Caterpillar Inc Del Com	69.20	27,679	191.97	76,788		76,788	4.75	2.31	B+		
185	hon	Honeywell	127.59	23,605	212.28	39,272		39,272	2.43	1.75	A-		
225	unp	Union Pac Corp Com	110.02	24,754	196.01	44,102		44,102	2.73	2.18	A		
				<u>76,038</u>		<u>160,162</u>		<u>160,162</u>	9.91	2.14			
<b>COMMUNICATION SERVICES</b>													
700	t	At&t Inc	39.82	27,874	27.01	18,907		18,907	1.17	7.70	B		
700	vz	Verizon Communications Inc	38.05	26,634	54.01	37,807		37,807	2.34	4.74	B		
				<u>54,508</u>		<u>56,714</u>		<u>56,714</u>	3.51	5.73			
<b>CONSUMER DISCRETIONARY</b>													
215	hd	Home Depot Inc	235.01	50,527	328.26	70,576		70,576	4.37	2.01	A+		
510	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	17,085	179.45	91,519		91,519	5.66	0.61			
				<u>67,612</u>		<u>162,095</u>		<u>162,095</u>	10.03	1.22			
<b>CONSUMER STAPLES</b>													
650	mo	Altria Group Inc	26.65	17,324	45.52	29,588		29,588	1.83	7.91	A-		
600	ko	Coca Cola Co Com	32.30	19,383	52.47	31,482		31,482	1.95	3.20	B+		
280	pg	Procter & Gamble Co	88.22	24,702	139.80	39,144		39,144	2.42	2.49	A		
				<u>61,408</u>		<u>100,214</u>		<u>100,214</u>	6.20	4.31			
<b>ENERGY</b>													
340	cvx	Chevron Corporation	118.00	40,119	101.45	34,493		34,493	2.13	5.28	B		
800	oke	Oneok Inc New Com	76.09	60,872	57.99	46,392		46,392	2.87	6.45			
				<u>100,991</u>		<u>80,885</u>		<u>80,885</u>	5.00	5.95			
<b>FINANCIAL</b>													
400	jpm	Jpmorgan Chase & Co	124.36	49,744	163.69	65,476		65,476	4.05	2.44	A-		
2,610	xlf	Select Sector Spdr Tr Sbi Int-Finl	21.00	54,823	37.53	97,953		97,953	6.06	1.61			
				<u>104,566</u>		<u>163,429</u>		<u>163,429</u>	10.11	1.94			
<b>HEALTHCARE</b>													
500	jnj	Johnson & Johnson	61.71	30,855	161.50	80,750		80,750	5.00	2.63	A-		
<b>INFORMATION TECHNOLOGY</b>													
1,260	aapl	Apple Inc.	22.71	28,610	141.50	178,290		178,290	11.03	0.62	B+		
200	ibm	International Bus Mach	152.38	30,476	138.93	27,786		27,786	1.72	4.72	A-		

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 September 30, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
700	iyw	Ishares US Technology ETF	14.63	10,241	101.26	70,882		70,882	4.39	0.32			
				69,327		276,958		276,958	17.13	0.96			
<b>UTILITIES</b>													
750	d	Dominion Energy Inc	81.71	61,284	73.02	54,765		54,765	3.39	3.45	B		
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	63.88	83,044		83,044	5.14	3.09			
				117,126		137,809		137,809	8.53	3.24			
<b>PASSIVE INDEX</b>													
925	dvy	Ishares Select Dividend ETF	104.99	97,116	114.72	106,116		106,116	6.57	3.33			
1,520	iwd	Ishares Tr Russell 1000 Val	126.59	192,415	156.51	237,895		237,895	14.72	1.67			
				289,531		344,011		344,011	21.28	2.18			
				971,962		1,563,028		1,563,028	96.70	2.41			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	27.33	44,548		44,548	2.76	4.58			
				63,473		44,548		44,548	2.76	4.58			
<b>TOTAL PORTFOLIO</b>				<b>1,044,226</b>		<b>1,616,367</b>	<b>0</b>	<b>1,616,367</b>	<b>100.00</b>	<b>2.46</b>			

City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
***George H. Clark Memorial Scholarship Fund***  
*From 07-01-21 To 09-30-21*

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
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No transactions within the specified date range were found!



**Q2 FY2022**

**George H. Clark Memorial Scholarship Fund  
Quarterly Investment Report  
December 31, 2021**



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q2 FY2022

## **INTRODUCTION**

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

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To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

## **STRATEGY**

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

## **OBJECTIVES**

- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

## Q2 MARKET OVERVIEW

### Equities:

Domestic equities advanced during the quarter, even with a slight pullback in November as news of the Omicron variant emerged. This was somewhat offset by The Fed announcing they would officially begin their tapering program in 2022. The Dow Jones bounced back from its decline last quarter, posting a return of 7.37%, while the S&P 500 posted a gain of 10.65%. Technology and Real Estate showed the best performance during the quarter, with Financials making a late quarter push on the news of rapidly rising inflation. The Fed could have a major impact on markets over the first half of 2022 as it deals with both inflation and a rapidly tightening labor market.

### Fixed Income/Rates:

The yield curve flattened in Q2, as shorter tenors (3 years and under) saw yields begin to slowly rise after nearly two years of being anchored near zero. The 10-year treasury yield began the quarter at 1.49% and finished the quarter at 1.51%. The quarter ended, however, with data signaling inflation is here to stay and may run higher than projected earlier in the year. The Fed Funds Rate remained unchanged, however, Fed Chair Powell made it clear that rates will rise during 2022. This, along with The Fed cutting back on monthly purchases of corporate credit (tapering) will surely lead to yields increasing across the yield curve.

### Economy:

The economy picked up during the quarter (projected GDP of 6.0%) as businesses stayed open and more workers returned to employment. This growth, however, will lag inflation, which is projected to be north of 7.0%, muting the impact of every extra dollar that consumers earn. Last quarter's GDP (September 2021) came in at 2.3%, widely missing projections. Real Estate surged over the latter part of 2021, pulling with it the related sectors of construction, manufacturing, and retail. The Fed's actions to address inflation and the tight labor market will be critical to the direction of the economy over 2022 and beyond.

### International Markets:

International and emerging markets bounced back as Omicron began to fade in the countries where it first appeared. Overall, international holdings under-performed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at 0.86% and -1.68% respectively. The greatest challenge globally continues to be how to get supply chains fully open and operational again.

### Performance vs. Benchmark:

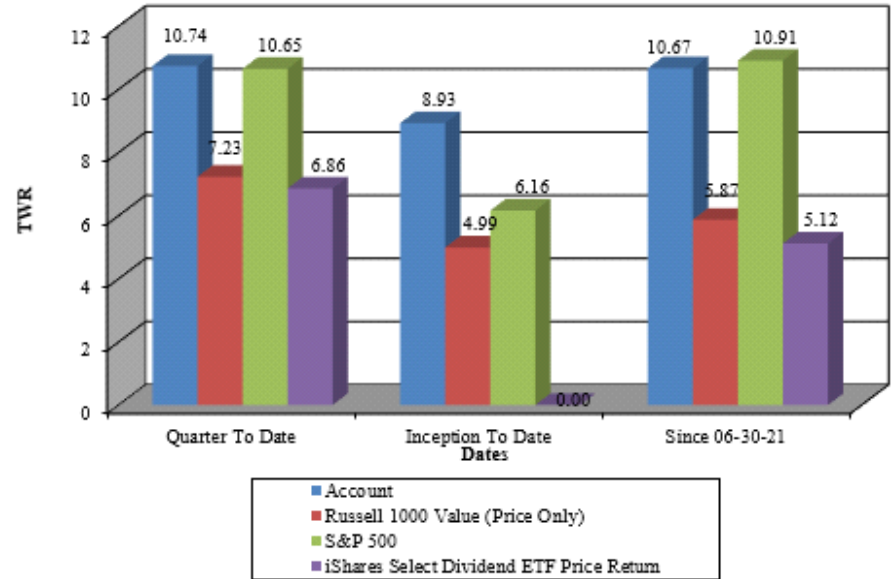
The George H. Clark Memorial Scholarship Fund had a Q2 return of 10.74%, outperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 6.86%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 December 31, 2021

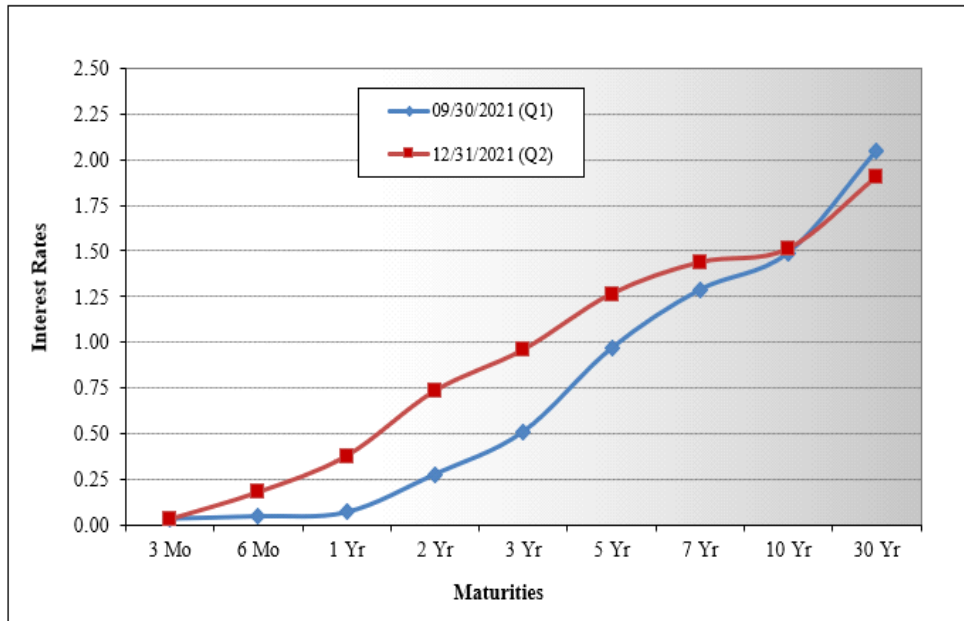
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2021
Account	10.74	8.93	10.67
Russell 1000 Value (Price Only)	7.23	4.99	5.87
S&P 500	10.65	6.16	10.91
iShares Select Dividend ETF Price Return	6.86	?*	5.12

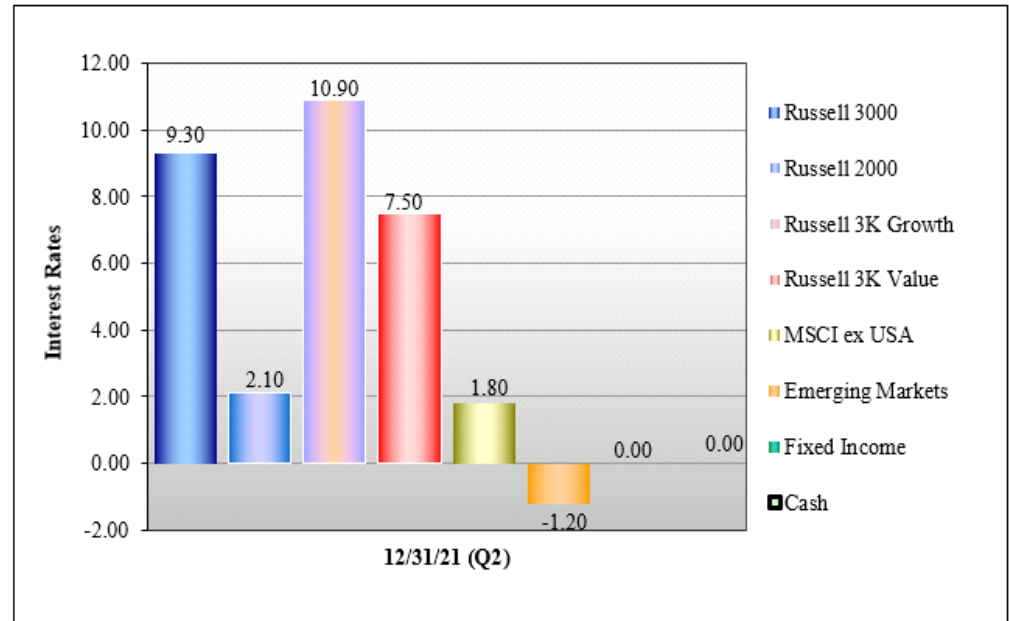
\*Index commencement date was 11/30/2003



U.S. Treasury Yield Curve - QE 09/30/2021 (Q1) vs. QE 12/31/2021 (Q2)



Capital Market Returns - Quarter Ended 12/31/2021 (Q2)



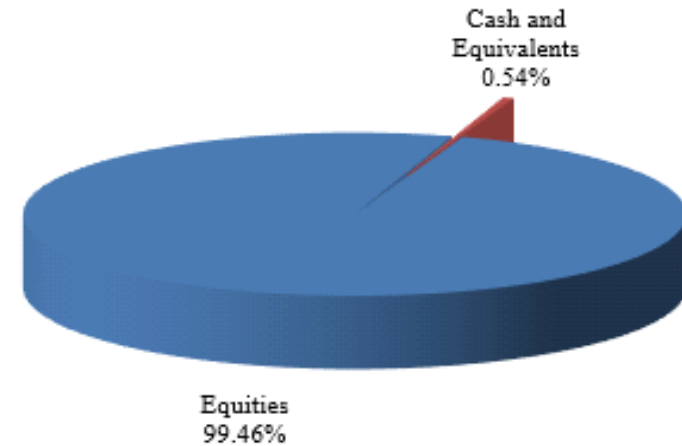
City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 December 31, 2021

**Activity**

From 09-30-21 to 12-31-21

<b>Portfolio Value on 09-30-21</b>	<b>1,616,367</b>
Contributions	0
Withdrawals	-10,411
Realized Gains	-343
Unrealized Gains	163,516
Interest	19
Dividends	10,159
<b>Portfolio Value on 12-31-21</b>	<b>1,779,307</b>

**Actual Asset Allocation**



**Operating Cash Account Activity**

From Inception to 12-31-2021

	Inception to FY21	FY22 QE		Inception to FY22
		09-30-21	12-31-21	
<b>Beginning Balance</b>		<b>146,839</b>	<b>142,060</b>	
Initial Contribution	83			83
Cash Transfers In *	566,875	10,221	10,411	587,506
Interest Income **	16,250			16,250
Scholarship Payments	-365,000	-15,000	-5,000	-385,000
Investment Mgt Fees	-71,369			-71,369
<b>Ending Balance</b>	<b>146,839</b>	<b>142,060</b>	<b>147,471</b>	<b>147,471</b>

\* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

\*\* July to December 2021 Pool A earnings are yet to be apportioned.

**Top 10 Holdings**

Securities	Market Value	Pct.
Ishares Tr Russell 1000 Val	255,254	14.35
Apple Inc.	223,738	12.57
Ishares Select Dividend ETF	113,396	6.37
Select Sector Spdr Tr Sbi Cons Discr	104,264	5.86
Select Sector Spdr Tr Sbi Int-Finl	101,920	5.73
Select Sector Spdr Tr Sbi Int-Utills	93,054	5.23
Home Depot Inc	89,227	5.01
Johnson & Johnson	85,535	4.81
Caterpillar Inc Del Com	82,696	4.65
Ishares US Technology ETF	80,374	4.52

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 December 31, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		585		585		585	0.03	4.00			
	PoolA	Pool A Cash		8,936		8,936		8,936	0.50	0.92			
	intreceiv	Pool A Interest Receivable		40		40		40	0.00	0.92			
				<u>9,560</u>		<u>9,560</u>		<u>9,560</u>	0.54	1.11			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
400	cat	Caterpillar Inc Del Com	69.20	27,679	206.74	82,696		82,696	4.65	2.15	B+		
185	hon	Honeywell	127.59	23,605	208.51	38,574		38,574	2.17	1.88	A-		
225	unp	Union Pac Corp Com	110.02	24,754	251.93	56,684		56,684	3.19	1.87	A		
				<u>76,038</u>		<u>177,955</u>		<u>177,955</u>	10.00	2.00			
<b>COMMUNICATION SERVICES</b>													
700	t	At&t Inc	39.82	27,874	24.60	17,220		17,220	0.97	8.46	B		
700	vz	Verizon Communications Inc	38.05	26,634	51.96	36,372		36,372	2.04	4.93	B		
				<u>54,508</u>		<u>53,592</u>		<u>53,592</u>	3.01	6.06			
<b>CONSUMER DISCRETIONARY</b>													
215	hd	Home Depot Inc	235.01	50,527	415.01	89,227		89,227	5.01	1.59	A+		
510	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	17,085	204.44	104,264		104,264	5.86	0.53			
				<u>67,612</u>		<u>193,492</u>		<u>193,492</u>	10.87	1.02			
<b>CONSUMER STAPLES</b>													
650	mo	Altria Group Inc	26.65	17,324	47.39	30,803		30,803	1.73	7.60	A-		
600	ko	Coca Cola Co Com	32.30	19,383	59.21	35,526		35,526	2.00	2.84	B+		
280	pg	Procter & Gamble Co	88.22	24,702	163.58	45,802		45,802	2.57	2.13	A		
				<u>61,408</u>		<u>112,132</u>		<u>112,132</u>	6.30	3.85			
<b>ENERGY</b>													
340	cvx	Chevron Corporation	118.00	40,119	117.35	39,899		39,899	2.24	4.57	B		
800	oke	Oneok Inc New Com	76.09	60,872	58.76	47,008		47,008	2.64	6.36			
				<u>100,991</u>		<u>86,907</u>		<u>86,907</u>	4.88	5.54			
<b>FINANCIAL</b>													
400	jpm	Jpmorgan Chase & Co	124.36	49,744	158.35	63,340		63,340	3.56	2.53	A-		
2,610	xlf	Select Sector Spdr Tr Sbi Int-Finl	21.00	54,823	39.05	101,920		101,920	5.73	1.63			
				<u>104,566</u>		<u>165,260</u>		<u>165,260</u>	9.29	1.97			
<b>HEALTHCARE</b>													
500	jni	Johnson & Johnson	61.71	30,855	171.07	85,535		85,535	4.81	2.48	A-		
<b>INFORMATION TECHNOLOGY</b>													
1,260	aapl	Apple Inc.	22.71	28,610	177.57	223,738		223,738	12.57	0.50	B+		
200	ibm	International Bus Mach	145.65	29,131	133.66	26,732		26,732	1.50	4.91	A-		

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 December 31, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
700	iyw	Ishares US Technology ETF	14.63	10,241	114.82	80,374		80,374	4.52	0.31			
				67,982		330,844		330,844	18.59	0.81			
<b>UTILITIES</b>													
750	d	Dominion Energy Inc	81.71	61,284	78.56	58,920		58,920	3.31	3.21	B		
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	71.58	93,054		93,054	5.23	2.79			
				117,126		151,974		151,974	8.54	2.95			
<b>PASSIVE INDEX</b>													
925	dvy	Ishares Select Dividend ETF	104.99	97,116	122.59	113,396		113,396	6.37	3.12			
1,520	iwd	Ishares Tr Russell 1000 Val	126.59	192,415	167.93	255,254		255,254	14.35	1.62			
				289,531		368,649		368,649	20.72	2.08			
				970,617		1,726,340		1,726,340	97.02	2.21			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	26.63	43,407		43,407	2.44	4.75			
				63,473		43,407		43,407	2.44	4.75			
<b>TOTAL PORTFOLIO</b>				<b>1,043,650</b>		<b>1,779,307</b>	<b>0</b>	<b>1,779,307</b>	<b>100.00</b>	<b>2.27</b>			

City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*George H. Clark Memorial Scholarship Fund*  
 From 10-01-21 To 12-31-21

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
11-05-2021	11-09-2021	40	Kyndryl Hldgs Inc	25.05	1,002	33.63	-343
					1,002		-343
Total Sales					1,002		-343



**Q3 FY2022**

**George H. Clark Memorial Scholarship Fund  
Quarterly Investment Report  
March 31, 2022**



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q3 FY2022

## **INTRODUCTION**

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

The City of Sacramento George H. Clark Memorial Scholarship Fund will help deserving senior high school students in their pursuit of a college education that will make them valuable members of the community. Four (4) scholarships per year (\$5,000) each or \$20,000 will be awarded to senior high school students to help provide for a college education. The committee selects the annual recipients from a group of eligible students submitted by SCUSD based on pre-determined achievement criteria.

To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

## **STRATEGY**

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

## **OBJECTIVES**

- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

## Q3 MARKET OVERVIEW

### **Equities:**

Domestic equities experienced a slight pullback during the quarter as inflation fully presented itself as a problem that could be significant and long lasting. The Dow Jones dropped **4.35%**, while the S&P 500 tracked closely with a loss of **4.65%**. Energy was the only sector that showed major positive movement, as Russia's invasion of Ukraine pushed the prices of oil and natural gas skyward. Consumer Discretionary was a big loser, as Americans struggled with rapidly rising prices, particularly of food and energy. The Fed is going to have a major impact on the economy and markets as it deals with both high inflation and a tight labor market (two things that do not normally happen simultaneously).

### **Fixed Income/Rates:**

The yield curve inverted in Q3, as shorter tenors (2, 3, and 5 years) saw yields exceed that of the 10-year treasury. The 10-year treasury yield began the quarter at 1.51% and finished the quarter at 2.34%, reflecting The Fed's initial rate hike and the expectation that more will follow. High inflation is here for the foreseeable future, so further rate hikes are more than justified and should factor into the decisions of most investors. The Fed Funds Rate was boosted to 0.50% and could go as high as 3.25% by the end of 2022, according to multiple Fed governors. This, along with The Fed soon eliminating monthly purchases of corporate credit will lead to yields continuing to increase across the yield curve.

### **Economy:**

The Russian invasion of Ukraine contributed to a slowdown of global economies, with the United States at the forefront of this phenomenon. Real GDP is expected to be 1.5% for the quarter, following an expansion of 6.9% during the previous quarter. When growth lags inflation (expected to be near 8.0%) by such a significant margin, the impact of every extra dollar that consumers earn is greatly lessened. The lack of buying power can lead to lower consumption and a further shrinking economy. While many economists are bracing for what they see as an inevitable recession, The Fed's actions to address inflation and the tight labor market will be critical to the direction of the economy over 2022 and beyond.

### **International Markets:**

International and emerging markets were hammered as energy supply became tighter overnight due to the global sanctions placed on Russia following their invasion of Ukraine. Overall, international holdings under-performed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at **-6.60%** and **-7.30%** respectively. The war in Ukraine looks as though it could last years, which will put a massive strain on economies that were dependent upon Russia and the rest of Europe for energy and other commerce.

### **Performance vs. Benchmark:**

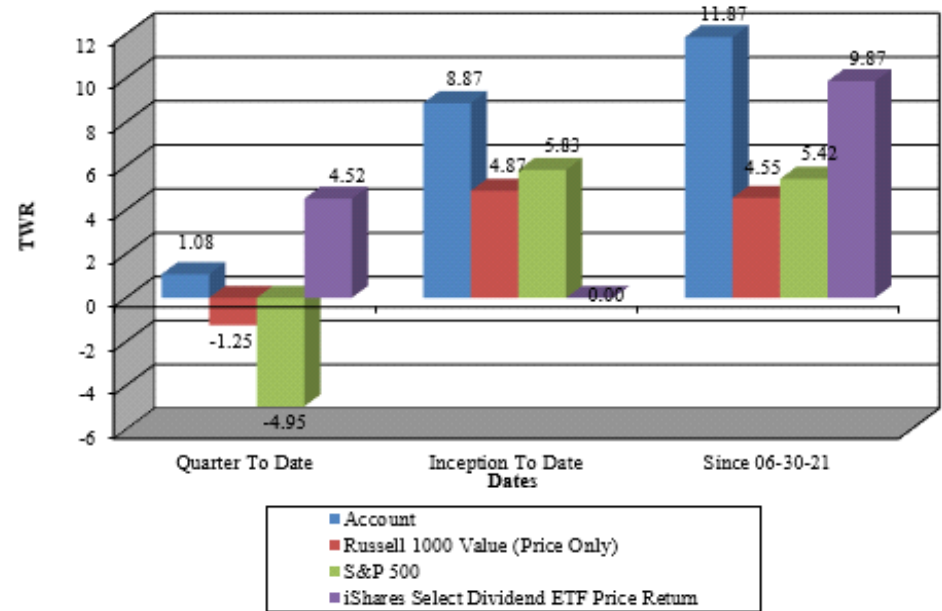
The George H. Clark Memorial Scholarship Fund had a Q3 return of 1.08%, underperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 4.52%.

City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 March 31, 2022

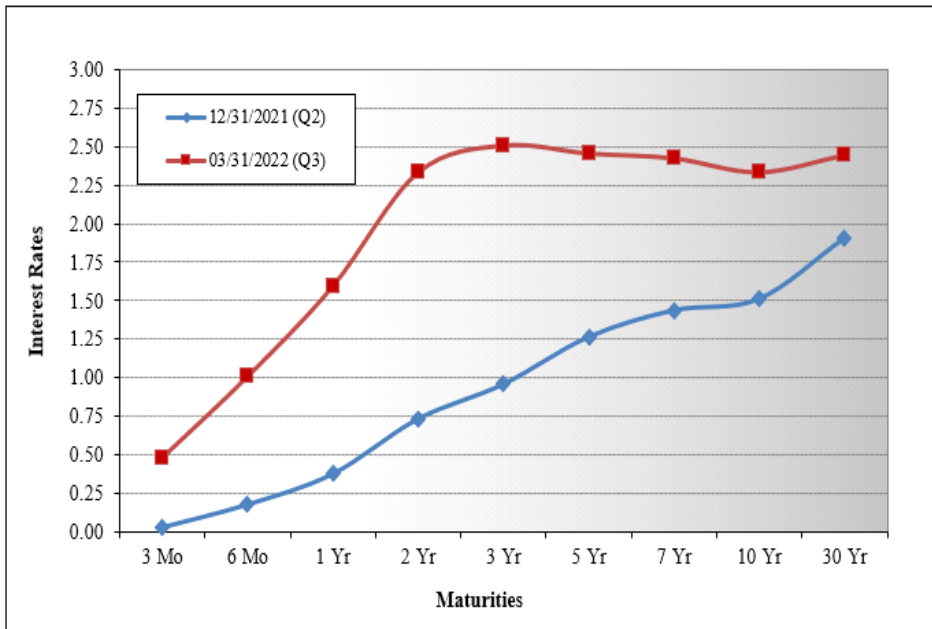
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2021
Account	1.08	8.87	11.87
Russell 1000 Value (Price Only)	-1.25	4.87	4.55
S&P 500	-4.95	5.83	5.42
iShares Select Dividend ETF Price Return	4.52	? *	9.87

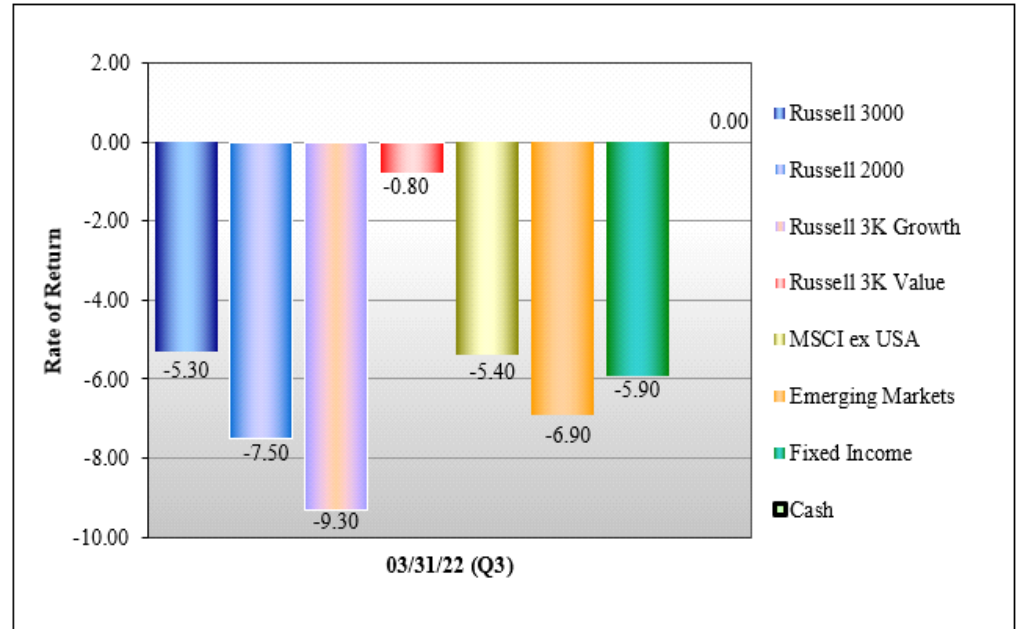
\*Index commencement date was 11/30/2003



U.S. Treasury Yield Curve - QE 12/31/2021 (Q2) vs QE 03/31/2022 (Q3)



Capital Market Returns - Quarter Ended 03/31/2022 (Q3)



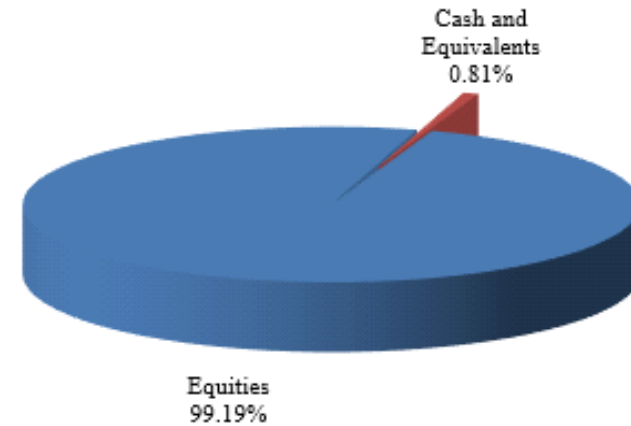
City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 March 31, 2022

**Activity**

From 12-31-21 to 03-31-22

<b>Portfolio Value on 12-31-21</b>	<b>1,779,307</b>
Contributions	0
Withdrawals	-10,631
Realized Gains	-4,585
Unrealized Gains	11,482
Interest	24
Dividends	12,110
<b>Portfolio Value on 03-31-22</b>	<b>1,787,708</b>

**Actual Asset Allocation**



**Operating Cash Account Activity**

From Inception to 03-31-2022

	Inception to FY21	FY22 QE			Inception to FY22
		09-30-21	12-31-21	03-31-22	
<b>Beginning Balance</b>		<b>146,839</b>	<b>142,060</b>	<b>147,471</b>	
Initial Contribution	83				83
Cash Transfers In *	566,875	10,221	10,411	10,631	598,137
Interest Income **	16,250				16,250
Scholarship Payments	-365,000	-15,000	-5,000		-385,000
Investment Mgt Fees	-71,369				-71,369
<b>Ending Balance</b>	<b>146,839</b>	<b>142,060</b>	<b>147,471</b>	<b>158,101</b>	<b>158,101</b>

**Top 10 Holdings**

Securities	Market Value	Pct.
Ishares Tr Russell 1000 Val	152,702	8.54
International Bus Mach	123,519	6.91
Apple Inc.	119,608	6.69
Ishares Select Dividend ETF	118,520	6.63
Block H & R Inc	117,180	6.55
Select Sector Spdr Tr Sbi Int-Finl	100,015	5.59
Select Sector Spdr Tr Sbi Int-Utills	96,798	5.41
Caterpillar Inc Del Com	89,128	4.99
Johnson & Johnson	88,615	4.96
Ishares US Technology ETF	72,128	4.03

\* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

\*\* July 2021 to March 2022 Pool A earnings are yet to be apportioned.

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 March 31, 2022

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		2,064		2,064		2,064	0.12	4.00			
	PoolA	Pool A Cash		12,316		12,316		12,316	0.69	0.89			
	intreceiv	Pool A Interest Receivable		64		64		64	0.00	0.89			
				<u>14,444</u>		<u>14,444</u>		<u>14,444</u>	0.81	1.33			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
400	cat	Caterpillar Inc Del Com	69.20	27,679	222.82	89,128		89,128	4.99	1.99	B+		
185	hon	Honeywell	127.59	23,605	194.58	35,997		35,997	2.01	2.01	A-		
225	unp	Union Pac Corp Com	110.02	24,754	273.21	61,472		61,472	3.44	1.73	A		
				<u>76,038</u>		<u>186,598</u>		<u>186,598</u>	10.44	1.91			
<b>COMMUNICATION SERVICES</b>													
700	t	At&t Inc	39.82	27,874	23.63	16,541		16,541	0.93	4.70	B		
700	vz	Verizon Communications Inc	38.05	26,634	50.94	35,658		35,658	1.99	5.03	B		
				<u>54,508</u>		<u>52,199</u>		<u>52,199</u>	2.92	4.92			
<b>CONSUMER DISCRETIONARY</b>													
215	hd	Home Depot Inc	235.01	50,527	299.33	64,356		64,356	3.60	2.54	A+		
260	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	8,710	185.00	48,100		48,100	2.69	0.60			
450	sbux	Starbucks Corp	100.41	45,186	90.97	40,936		40,936	2.29	2.15	B+		
				<u>104,422</u>		<u>153,392</u>		<u>153,392</u>	8.58	1.83			
<b>CONSUMER STAPLES</b>													
650	mo	Altria Group Inc	26.65	17,324	52.25	33,962		33,962	1.90	6.89	A-		
600	ko	Coca Cola Co Com	32.30	19,383	62.00	37,200		37,200	2.08	2.84	B+		
280	pg	Procter & Gamble Co	88.22	24,702	152.80	42,784		42,784	2.39	2.28	A		
				<u>61,408</u>		<u>113,946</u>		<u>113,946</u>	6.37	3.84			
<b>ENERGY</b>													
340	cvx	Chevron Corporation	118.00	40,119	162.83	55,362		55,362	3.10	3.49	B		
800	oke	Oneok Inc New Com	76.09	60,872	70.63	56,504		56,504	3.16	5.30			
				<u>100,991</u>		<u>111,866</u>		<u>111,866</u>	6.26	4.40			
<b>FINANCIAL</b>													
4,500	hrb	Block H & R Inc	22.17	99,787	26.04	117,180		117,180	6.55	4.15	A-		
400	jpm	Jpmorgan Chase & Co	124.36	49,744	136.32	54,528		54,528	3.05	2.93	A-		
2,610	xlf	Select Sector Spdr Tr Sbi Int-Finl	21.00	54,823	38.32	100,015		100,015	5.59	1.66			
				<u>204,354</u>		<u>271,723</u>		<u>271,723</u>	15.20	2.99			
<b>HEALTHCARE</b>													
500	jnj	Johnson & Johnson	61.71	30,855	177.23	88,615		88,615	4.96	2.39	A-		

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 March 31, 2022

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>INFORMATION TECHNOLOGY</b>													
685	aapl	Apple Inc.	22.71	15,554	174.61	119,608		119,608	6.69	0.50	B+		
950	ibm	International Bus Mach	137.01	130,164	130.02	123,519		123,519	6.91	5.05	A-		
700	iyw	Ishares US Technology ETF	14.63	10,241	103.04	72,128		72,128	4.03	0.29			
				155,959		315,255		315,255	17.63	2.24			
<b>UTILITIES</b>													
750	d	Dominion Energy Inc	81.71	61,284	84.97	63,727		63,727	3.56	3.14	B		
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utils	42.96	55,842	74.46	96,798		96,798	5.41	2.70			
				117,126		160,525		160,525	8.98	2.87			
<b>PASSIVE INDEX</b>													
925	dvy	Ishares Select Dividend ETF	104.99	97,116	128.13	118,520		118,520	6.63	2.93			
920	iwd	Ishares Tr Russell 1000 Val	126.59	116,462	165.98	152,702		152,702	8.54	1.70			
				213,577		271,222		271,222	15.17	2.23			
				1,119,238		1,725,342		1,725,342	96.51	2.68			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	29.40	47,922		47,922	2.68	4.35			
				63,473		47,922		47,922	2.68	4.35			
<b>TOTAL PORTFOLIO</b>				<b>1,197,155</b>		<b>1,787,708</b>	<b>0</b>	<b>1,787,708</b>	<b>100.00</b>	<b>2.71</b>			

City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*George H. Clark Memorial Scholarship Fund*  
 From 01-01-22 To 03-31-22

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>03-31-2022 Price</u>	<u>Difference</u>
<u>Purchases</u>							
<b>COMMON STOCK</b>							
01-14-2022	01-19-2022	4,500	Block H & R Inc	22.17	99,787	26.04	4
01-14-2022	01-19-2022	750	International Bus Mach	134.71	101,033	130.02	-5
01-14-2022	01-19-2022	450	Starbucks Corp	100.41	45,186	90.97	-9
					246,006		
Total Purchases					246,006		



City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*George H. Clark Memorial Scholarship Fund*  
 From 01-01-22 To 03-31-22

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
01-14-2022	01-19-2022	575	Apple Inc.	172.54	99,208	22.71	86,152
01-14-2022	01-19-2022	600	Ishares Tr Russell 1000 Val	168.80	101,280	126.59	25,327
01-14-2022	01-19-2022	250	Select Sector Spdr Tr Sbi Cons Discr	195.59	48,897	33.50	40,522
					249,386		152,002
Total Sales					249,386		152,002

# Q4 FY2022

## George H. Clark Memorial Scholarship Fund Quarterly Investment Report June 30, 2022



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q4 FY2022

## **INTRODUCTION**

In 1951 the George H. Clark Memorial Scholarship was established. In accordance with a will established in 1921, the trustees are to consist of the City Manager, City of Sacramento, and the Superintendent of Sacramento City Unified School District with the highest student populous. On February 2, 2001, the City Treasurer received a contribution of \$627,618 in Memorial Cash Account portfolio.

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To honor Mr. Clark, the committee recommends that the awards be presented by the Mayor at a City Council meeting.

## **STRATEGY**

- Adhere to prudent investment practices to provide for the preservation and growth of principal.
- The City maintains two cash accounts. One cash account (Operating Cash Account) receives interest and dividend income to accrue for scholarship payments. Mutual fund and equity capital gains are placed in the second cash account (Memorial Investment Cash Account) to accumulate until scholarship funds are being paid from the Operating Cash Account. If a shortfall of cash exists in the Operating Cash Account, funds from the Memorial Investment Cash Account will be used to secure the payments. Excess cash in the Memorial Investment Cash Account will be re-allocated as per investment strategy. The City Treasurer will determine the asset allocation deemed prudent to achieve the funds objective.

## **OBJECTIVES**

- The objective of this fund is income. The committee directed the Treasurer's office to invest funds for moderate growth of principal and adequate cash flow to pay for scholarships.
- Goal is to earn a cash return per year of \$20,000 thousand dollars to pay for four (4) scholarships per year.

## Q4 MARKET OVERVIEW

### Equities:

Domestic equities experienced a slight pullback during the quarter as inflation fully presented itself as a problem that could be significant and long lasting. The Dow Jones dropped **11.25%**, while the S&P 500 was hit even harder, losing **16.45%**. Every sector was down during the quarter, as the United States economy reacted to The Federal Funds Rate being raised by 0.75%. Consumer Staples, Utilities, and Energy were sectors that avoided double digit losses over the quarter, a moral victory during an ugly three months for equities. The Fed is expected to raise rates by another 0.75% in July in an attempt to counteract inflation, which continues to rage at levels not seen in over 40 years.

### Fixed Income/Rates:

The yield curve maintained its inverted shape in Q4, as 1, 2, and 3 year tenors saw their yields spike well above the yields for 5, 7, and 10 year tenors. The 10-year treasury yield began the quarter at 2.34% and finished the quarter at 3.01%, in response to The Fed's rate hike and the expectation that more will follow. High inflation is here for the foreseeable future, so further rate hikes are more than justified and should factor into the decisions of most investors. The Fed Funds Rate was boosted to 1.25%, is expected to be at 2.00% at the end of July, and could go as high as 3.25% by the end of 2022. As long as The Fed has to push The Federal Funds Rate higher, we should see a flat or inverted yield curve.

### Economy:

Real GDP is expected to be negative for the quarter. If expectations are met, the United States will officially be in a recession, as there would have been consecutive quarters of economic contraction (Real GDP declined **0.9%** for the quarter ending 6/30/22). Inflation checked in at 9.1% during June, creating a massive gulf between the rise in prices and growth of the economy. Energy and food prices have spiked by an even greater amount, leading over three-quarters of Americans surveyed to list inflation and the condition of the economy as their greatest concerns. Economic concerns typically lead to governmental leadership changes in America. This is an ominous sign for Democrats, who currently have majorities in both houses of Congress heading into the November mid-term elections.

### International Markets:

International and emerging markets continued to struggle, as the war in Ukraine and supply chain issues continued. European reliance on Russian energy has choked economies all over the continent, as Russia began diverting the majority of their oil supplies to China and India. With few alternatives for oil and green energy sources not able to produce at capacities necessary to support the population, much of Europe is experiencing shocks not seen since World War II. Overall, international holdings continued their struggles as the MSCI EAFE & MSCI EM indices closed the quarter down **15.10%** and **11.18%** respectively.

### Performance vs. Benchmark:

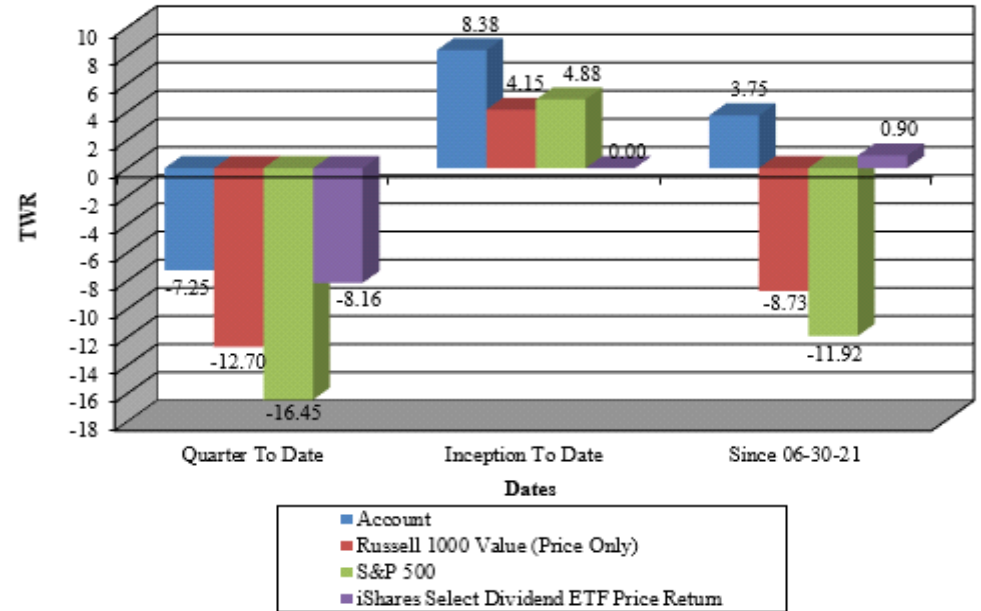
The George H. Clark Memorial Scholarship Fund had a Q4 return of **-7.25%**, outperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of **-8.16%**.

City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 June 30, 2022

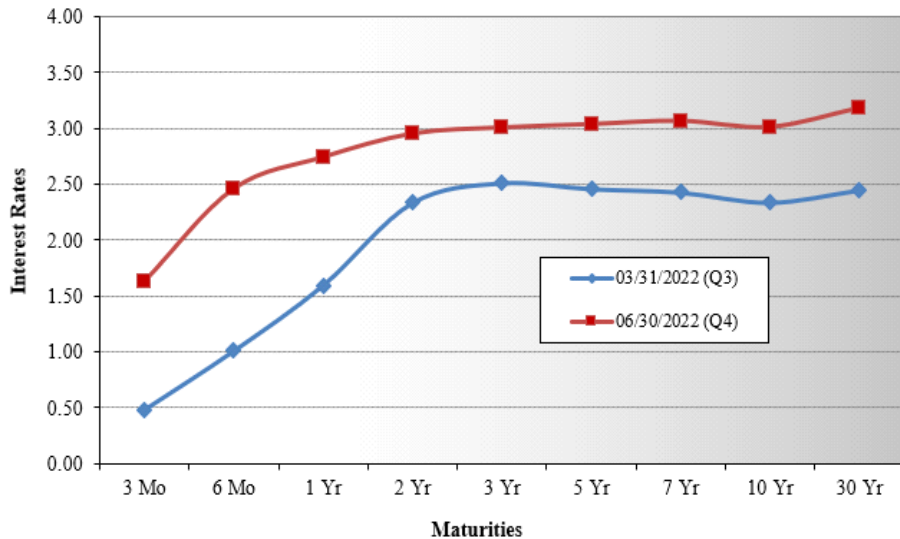
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2021
Account	-7.25	8.38	3.75
Russell 1000 Value (Price Only)	-12.70	4.15	-8.73
S&P 500	-16.45	4.88	-11.92
iShares Select Dividend ETF Price Return	-8.16	? *	0.90

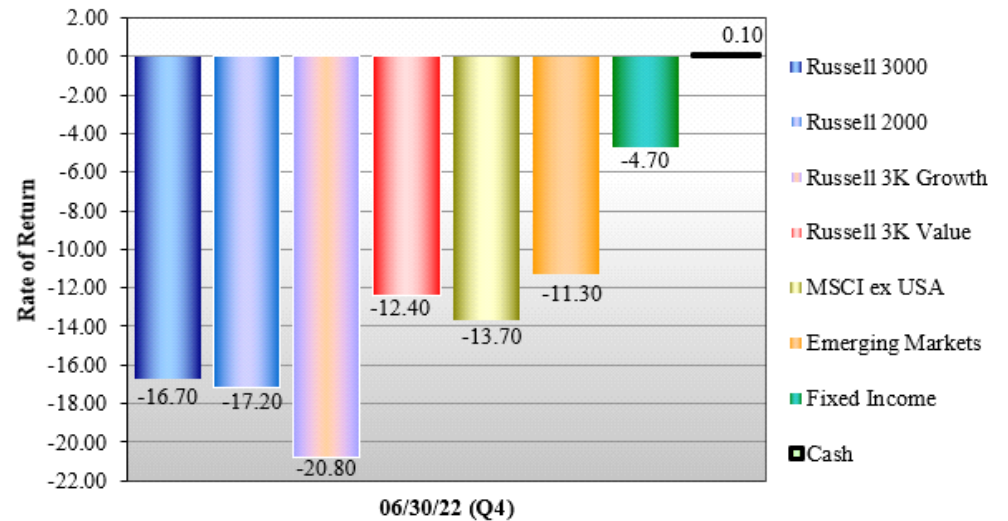
\*Index commencement date was 11/30/2003



U.S. Treasury Yield Curve - QE 06/30/2022 (Q4) vs QE 03/31/2022 (Q3)



Capital Market Returns - Quarter Ended 06/30/2022 (Q4)



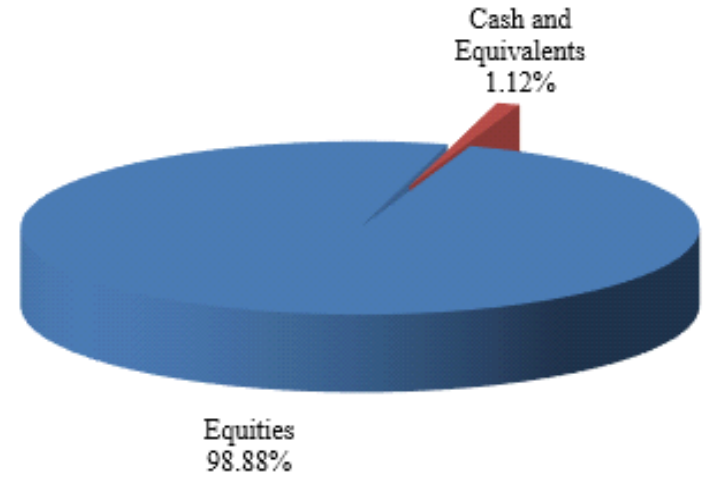
City of Sacramento  
**George H. Clark Memorial Scholarship Fund**  
 June 30, 2022

**Activity**

From 03-31-22 to 06-30-22

<b>Portfolio Value on 03-31-22</b>	<b>1,787,708</b>
Contributions	0
Withdrawals	-12,189
Realized Gains	-2,528
Unrealized Gains	-138,954
Interest	44
Dividends	12,083
<b>Portfolio Value on 06-30-22</b>	<b>1,646,164</b>

**Actual Asset Allocation**



**Operating Cash Account Activity**

From Inception to 06-30-2022

	Inception to FY21	FY22 QE				Inception to FY22
		09-30-21	12-31-21	03-31-22	06-30-22	
<b>Beginning Balance</b>		<b>146,839</b>	<b>142,348</b>	<b>147,999</b>	<b>158,867</b>	
Initial Contribution	83					83
Cash Transfers In *	566,875	10,221	10,411	10,631	12,189	610,325
Interest Income **	16,250	288	240	238	330	17,346
Scholarship Payments	-365,000	-15,000	-5,000			-385,000
Investment Mgt Fees	-71,369				-4,180	-75,548
<b>Ending Balance</b>	<b>146,839</b>	<b>142,348</b>	<b>147,999</b>	<b>158,867</b>	<b>167,206</b>	<b>167,206</b>

\* Cash Transfers In = monies transferred from Memorial Investment Cash Account to Operating Cash Account to pay for scholarships and other expenses.

**Top 10 Holdings**

Securities	Market Value	Pct.
Block H & R Inc	158,940	9.66
International Bus Mach	134,130	8.15
Ishares Tr Russell 1000 Val	133,372	8.10
Ishares Select Dividend ETF	108,845	6.61
Apple Inc.	93,653	5.69
Select Sector Spdr Tr Sbi Int-Utills	91,169	5.54
Johnson & Johnson	88,755	5.39
Select Sector Spdr Tr Sbi Int-Finl	82,084	4.99
Caterpillar Inc Del Com	71,504	4.34
Dominion Energy Inc	59,857	3.64

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 June 30, 2022

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		2,064		2,064		2,064	0.13	4.00			
	miscintrec	Misc Interest Receivable		2		2		2	0.00	0.53			
	PoolA	Pool A Cash		16,356		16,356		16,356	0.99	1.15			
				18,423		18,423		18,423	1.12	1.47			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
400	cat	Caterpillar Inc Del Com	69.20	27,679	178.76	71,504		71,504	4.34	2.69	B+		
185	hon	Honeywell	127.59	23,605	173.81	32,155		32,155	1.95	2.26	A-		
225	unp	Union Pac Corp Com	110.02	24,754	213.28	47,988		47,988	2.92	2.44	A		
				76,038		151,647		151,647	9.21	2.52			
<b>COMMUNICATION SERVICES</b>													
700	t	At&t Inc	30.44	21,305	20.96	14,672		14,672	0.89	5.30	B		
700	vz	Verizon Communications Inc	38.05	26,634	50.75	35,525		35,525	2.16	5.04	B		
				47,939		50,197		50,197	3.05	5.12			
<b>CONSUMER DISCRETIONARY</b>													
215	hd	Home Depot Inc	235.01	50,527	274.27	58,968		58,968	3.58	2.77	A+		
260	xly	Select Sector Spdr Tr Sbi Cons Discr	33.50	8,710	137.48	35,745		35,745	2.17	0.84			
450	sbux	Starbucks Corp	100.41	45,186	76.39	34,375		34,375	2.09	2.57	B+		
				104,422		129,088		129,088	7.84	2.18			
<b>CONSUMER STAPLES</b>													
650	mo	Altria Group Inc	26.65	17,324	41.77	27,150		27,150	1.65	8.62	A-		
600	ko	Coca Cola Co Com	32.30	19,383	62.91	37,746		37,746	2.29	2.80	B+		
280	pg	Procter & Gamble Co	88.22	24,702	143.79	40,261		40,261	2.45	2.54	A		
				61,408		105,158		105,158	6.39	4.20			
<b>ENERGY</b>													
340	cvx	Chevron Corporation	118.00	40,119	144.78	49,225		49,225	2.99	3.92	B		
800	oke	Oneok Inc New Com	76.09	60,872	55.50	44,400		44,400	2.70	6.74			
				100,991		93,625		93,625	5.69	5.26			
<b>FINANCIAL</b>													
4,500	hrb	Block H & R Inc	22.17	99,787	35.32	158,940		158,940	9.66	3.06	A-		
400	jpm	Jpmorgan Chase & Co	124.36	49,744	112.61	45,044		45,044	2.74	3.55	A-		
2,610	xlf	Select Sector Spdr Tr Sbi Int-Finl	21.00	54,823	31.45	82,084		82,084	4.99	2.11			
				204,354		286,068		286,068	17.38	2.86			
<b>HEALTHCARE</b>													
500	jnj	Johnson & Johnson	61.71	30,855	177.51	88,755		88,755	5.39	2.55	A-		

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*George H. Clark Memorial Scholarship Fund*  
 June 30, 2022

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>INFORMATION TECHNOLOGY</b>													
685	aapl	Apple Inc.	22.71	15,554	136.72	93,653		93,653	5.69	0.67	B+		
950	ibm	International Bus Mach	137.01	130,164	141.19	134,130		134,130	8.15	4.67	A-		
700	iyw	Ishares US Technology ETF	14.63	10,241	79.95	55,965		55,965	3.40	0.38			
				155,959		283,749		283,749	17.24	2.51			
<b>UTILITIES</b>													
750	d	Dominion Energy Inc	81.71	61,284	79.81	59,857		59,857	3.64	3.35	B		
1,300	xlu	Select Sector Spdr Tr Sbi Int-Utills	42.96	55,842	70.13	91,169		91,169	5.54	2.89			
				117,126		151,026		151,026	9.17	3.07			
<b>PASSIVE INDEX</b>													
925	dvy	Ishares Select Dividend ETF	104.99	97,116	117.67	108,845		108,845	6.61	3.08			
920	iwd	Ishares Tr Russell 1000 Val	126.59	116,462	144.97	133,372		133,372	8.10	1.98			
				213,577		242,217		242,217	14.71	2.48			
				1,112,670		1,581,531		1,581,531	96.07	2.96			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,630	bp	BP Plc Sponsored Adr	38.94	63,473	28.35	46,210		46,210	2.81	4.55			
				63,473		46,210		46,210	2.81	4.55			
<b>TOTAL PORTFOLIO</b>				<b>1,194,566</b>		<b>1,646,164</b>	<b>0</b>	<b>1,646,164</b>	<b>100.00</b>	<b>2.98</b>			



City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*George H. Clark Memorial Scholarship Fund*  
 From 04-01-22 To 06-30-22

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
04-14-2022	04-14-2022	0	Warner Bros Discovery Inc	23.63	8	38.79	-5
04-18-2022	04-20-2022	169	Warner Bros Discovery Inc	23.86	4,033	38.79	-2,523
					4,041		-2,528
Total Sales					4,041		-2,528