

COUNTY OF SACRAMENTO
DEPARTMENT OF FINANCE
TREASURY DISIVION

Inter-Departmental Correspondence

July 28, 2009

To: Sacramento County Pooled Investment Fund Participants

From: Dave Irish *Dave*
Director of Finance

Subject: **Year-end Interest Apportionment**

The County Pooled Investment Fund (Pooled Fund) apportions its earnings, net of associated expenses (pooled interest), and quarterly to all Pooled Fund participants. For the first three-quarters each fiscal year, the earnings are distributed on a cash basis; however, in accordance with Generally Accepted Accounting Principles, the final apportionment (year-end) is based on actual accrued net earnings. For this year the accrued interest rate (based on Average Daily Cash Balances in COMPASS) was 2.4310 for non-school participants and 2.4267% for school participants (these amounts are net of pooled operating expenses of 0.1091%). The yield for a 1-year Treasury Note for the same time frame was 1.06%.

Based upon the projections of receipts of earnings in the Pooled Investment Fund, this year the cash related to the year-end accrual will be available during the second accounting period (August). Consequently, we will not be able to credit actual cash to your account until that time.

As was done last year, COMPASS reports for year-end will reflect your pooled interest as a receivable. This receivable represents the difference between your annual pooled interest earnings and the amounts previously distributed for the first three-quarters and *will* remain at the end of period 1 in fiscal year 2009-10. The Department of Finance will reverse your receivable and cash will be credited to your account by the fifteenth day of period 2 (August). The Department of Finance will take this timing change into account for average daily cash balance on subsequent Pool distributions.

Should you have any questions, please contact Assistant Treasurer Bryan W. Celey-Butlin at 874-6368.

cc: Chief Operating Officer
Administrator, Internal Services Agency
Chief Investment Officer
Assistant Auditor-Controller
Assistant Treasurer
Departmental Fiscal Officers