

City of Sacramento
Ethel MacLeod Hart Trust Fund Advisory Committee
Report
915 I Street Sacramento, CA 95814
www.cityofsacramento.org

File ID: 2026-00915

5/4/2026

Ethel MacLeod Trust Fund Financial Report

File ID: 2026-00915

Location: Citywide

Recommendation: Receive and file.

Contact: Javier Rivas, Recreation General Supervisor, (916) 808-1573,
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Presenter: Javier Rivas, Recreation General Supervisor, (916) 808-1573,
jrvivas@cityofsacramento.org, Youth, Parks, and Community Enrichment Department

Attachments:

1-Description/Analysis

2-Ethel Hart Mutual Endowment Fund Quarterly Investment Report - Q3 FY2026

3-Fund 2503 Financial Update

Description/Analysis

Issue Detail: Financial updates for Ethel Hart Trust Fund.

Policy Considerations: Not applicable.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): This action is not a project that is subject to CEQA because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines §15378(b)(5).)

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Not applicable.

Financial Considerations: Not applicable.

Local Business Enterprise (LBE): Not applicable.

Q3 FY2026

**Ethel Hart Mutual Endowment Fund
Quarterly Investment Report
March 31, 2026**



Office of the City Treasurer - City of Sacramento

John Colville, City Treasurer

Q3 FY2026

INTRODUCTION

In 1993, Ethel MacLeod Hart left a bequest of \$1,498,719.07 to the City of Sacramento for the “.. use, enjoyment and comfort of senior citizens.” On the recommendation of the Ethel MacLeod Hart Advisory Committee a permanent endowment of \$1,000,000 was established. The balance of the bequest was retained in an operating fund account (Hart Operating Fund) and used over the next five-year period for appropriate projects. Annually the amount available for disbursement will be reported to the Board by Katie Houser, Recreation Superintendent for the Department of Youth, Parks, and Community Enrichment. The Hart Trust Endowment Fund (“the Fund”) will be invested with a growth objective. The minimum return objective over a five-year period is \$400,000 or roughly 1.91% compounded annually based on current Fund market value.

The Advisory Committee is responsible for providing advice to City staff and the City Council on the appropriate use of the Ethel MacLeod Hart Trust Fund for Senior Citizens consistent with the terms of the bequest, the interest of the donor, and the approved general guidelines. The Advisory Committee consists of seven members appointed by the Mayor. Appointees must be residents of the City and at least sixty (60) years of age. Two Advisory Committee members must be representatives of specific organizations: American Association of Retired Persons and Sacramento County Adult and Aging Commission.

STRATEGY

- * Adhere to prudent investment practices to provide for the preservation and growth of principal; and

OBJECTIVES

- * The objective for this fund is growth and capital preservation; and
- * To earn a total rate of return on the Hart Trust Endowment Fund to meet the minimum return objective of \$400,000 over subsequent five-year period; and
- * Provide liquidity for the Hart Operating Fund for the “..use, enjoyment and comfort of senior citizens” based on recommendations to City Council by the Advisory Committee.

Q3 MARKET OVERVIEW

Equities:

Equity markets dropped during the quarter, mostly due to hostilities in the Middle East. This time, the key combatants are the United States and Iran. In a joint effort with Israel, a majority of Iran's leadership was eliminated, along with most of their navy and air force/defense systems. These actions led to global uncertainty since vast quantities of oil and natural gas flow out of Iran and its neighbors to nearly every corner of the world. The action against Iran coincided with a government shutdown centered around funding for border security and ICE. Markets hate uncertainty and there is currently plenty of it. The S&P 500 lost **4.63%** during the quarter while the Dow Jones lost **3.59%**.

Fixed Income/Rates:

Treasury yields fell across the Yield Curve early in the quarter as economic data was strong. They rose over the rest of the quarter as the federal government shut down, followed by the conflict with Iran. The 90-Day Treasury yield dropped below 3.60% for the first time since 2022 before moving upward and finishing the quarter at 3.67%. Further out on the curve, 5-year Treasury yields touched 3.50% in late February before rising to end the quarter at 3.94% as investors flocked to the safety of fixed income. Messaging from The Fed indicated that patience was their preferred strategy, as economic data remained strong. The Yield Curve continued to steepen over the quarter, with only slight inversions on the short end.

Economy:

Inflation was steady in January and February, holding around 2.7%. It jumped to 3.3% in March due to the rise in energy prices resulting from the hostilities in Iran. Aside from that, the economy was steady, bordering on strong. The labor market added more jobs than expected during the quarter, headlined by an expanding healthcare sector. Consumer spending lagged a bit, but there is optimism that it will pick up as Americans receive larger than expected tax refunds on account of changes made to the tax code through legislation Congress passed in March of 2025. GDP is expected to drop to 2.5% for the first quarter of 2026, mostly due to a slowing of consumer spending. Globally, the trade deficit dropped to levels last seen early in the century, although global commerce is currently unsettled as the conflict in the Middle East puts a strain on the distribution of energy to major markets in Europe and Asia.

International Markets:

International and emerging markets bounced around during the quarter. Global optimism led to gains in January and February, but the actions against Iran in March brought great uncertainty and market retreat. The United States assured global energy consumers that oil and natural gas would be available for them in the U.S. if the actions in Iran lingered into the summer. Even with that assurance, global equity markets were weaker at the end of the quarter than they were at the beginning. The MSCI EAFE dropped **1.87%** while MSCI Emerging Markets effectively held steady.

Performance vs. Benchmark:

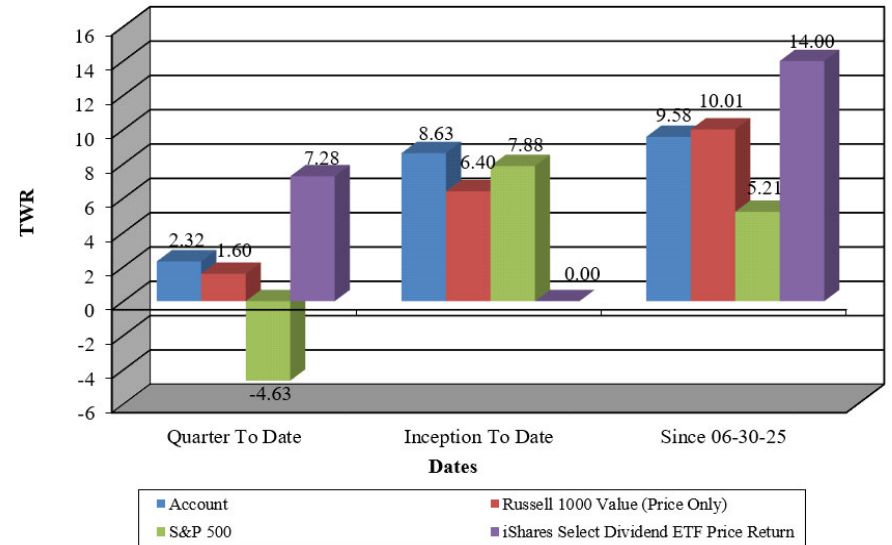
The Ethel Hart Endowment Fund gained 2.32% during Q3, lagging its benchmark, the iShares Select Dividend ETF (PR), which gained 7.28%.

City of Sacramento
Ethel Hart Mutual Endowment Fund
 March 31, 2026

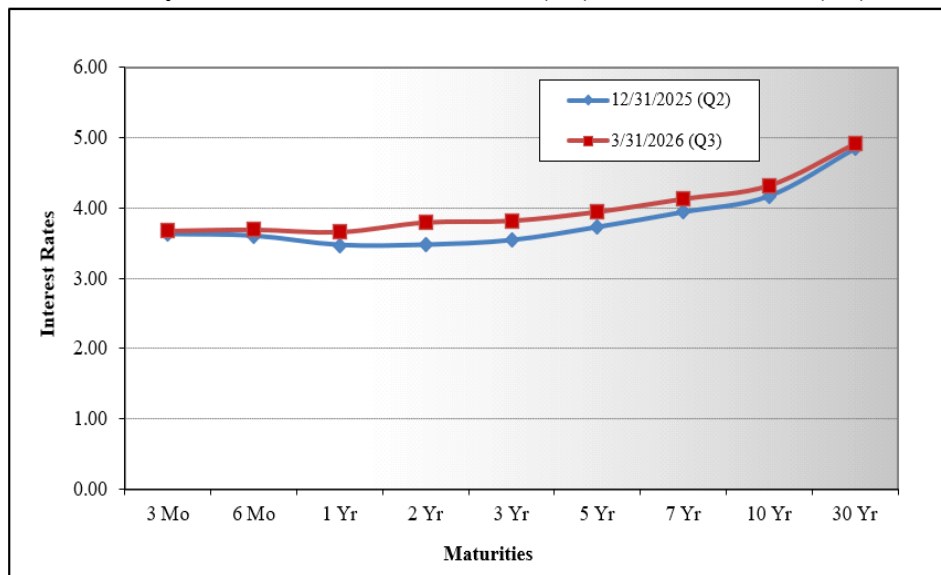
Performance

	Quarter To Date	Inception To Date	Since 06-30-2025
Account	2.32	8.63	9.58
Russell 1000 Value (Price Only)	1.60	6.40	10.01
S&P 500	-4.63	7.88	5.21
iShares Select Dividend ETF Price Return	7.28	?*	14.00

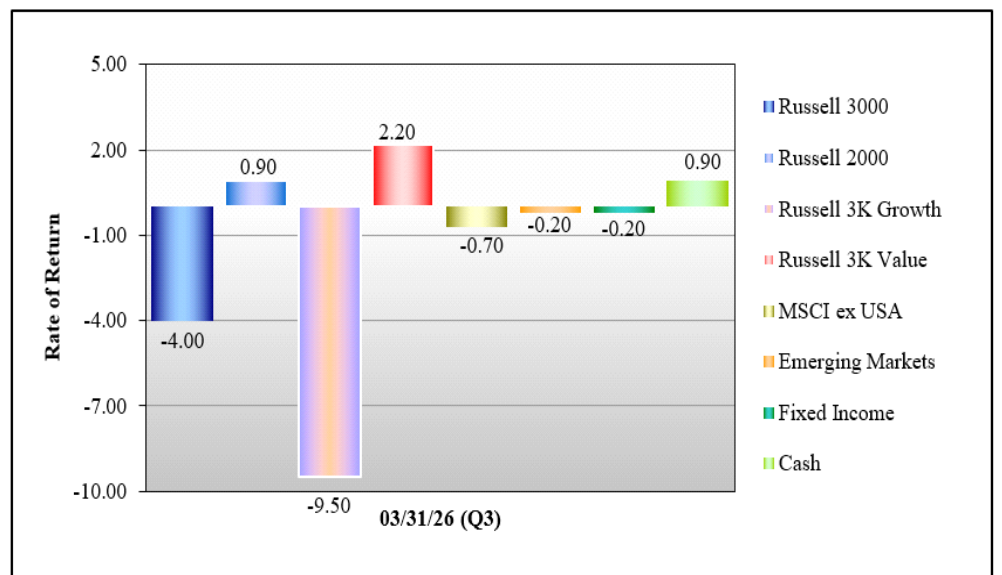
* Index commencement date was 11/30/2003



U.S. Treasury Yield Curve - QE 12/31/2025 (Q2) vs QE 03/31/2026 (Q3)



Capital Market Returns - Quarter Ended 03/31/2026 (Q3)



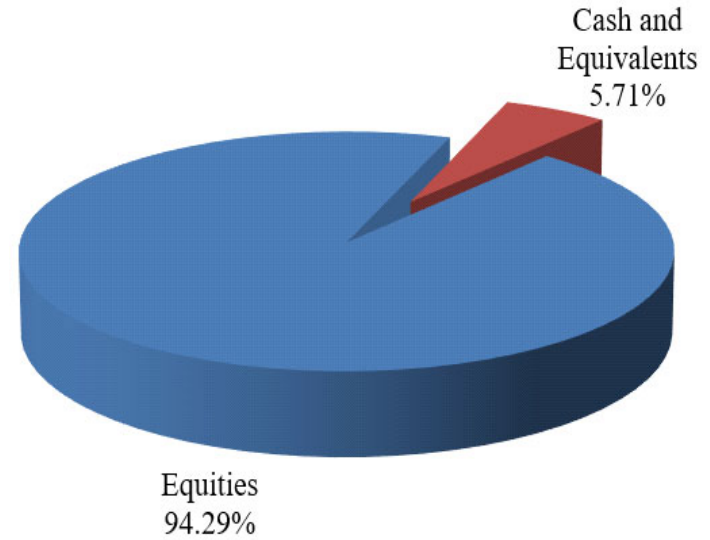
City of Sacramento
Ethel Hart Mutual Endowment Fund
 March 31, 2026

Activity

From 12-31-25 to 03-31-26

Portfolio Value on 12-31-25	4,088,812
Contributions	0
Withdrawals	0
Realized Gains	0
Unrealized Gains	64,708
Interest	1,802
Dividends	28,308
Portfolio Value on 03-31-26	4,183,630

Actual Asset Allocation



Top 10 Holdings

Securities	Market Value	Pct.
Citigroup Inc	249,502	5.96
Pool A Cash	230,318	5.51
Jpmorgan Chase & Co	220,620	5.27
International Bus Mach	181,792	4.35
Bank Of America Corp	163,312	3.90
At&t Inc	156,546	3.74
Apple Inc.	142,122	3.40
Select Sector Spdr Tr Sbi Int-Energy	137,835	3.29
Oneok Inc New Com	126,546	3.02
Home Depot Inc	123,334	2.95

City of Sacramento
PORTFOLIO APPRAISAL
Ethel Hart Mutual Endowment Fund
 March 31, 2026

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
CASH AND EQUIVALENTS													
	divacc	Dividend Accrual		4,423		4,423		4,423	0.11	4.00			
	miscintrec	Misc Interest Receivable		22		22		22	0.00	3.55			
	PoolA	Pool A Cash		230,318		230,318		230,318	5.51	3.89			
	intreceiv	Pool A Interest Receivable		4,191		4,191		4,191	0.10	3.89			
				<u>238,954</u>		<u>238,954</u>		<u>238,954</u>	5.71	3.89			
COMMON STOCK													
MATERIALS													
75	sols	Solstice Advanced Materia	23.91	1,793	76.16	5,712		5,712	0.14	0.39			
INDUSTRIALS													
300	hon	Honeywell	99.27	29,780	226.03	67,809		67,809	1.62	2.11	A-		
800	ip	Intl Paper Co	51.93	41,544	35.70	28,560		28,560	0.68	5.18	B-		
380	unp	Union Pac Corp Com	109.96	41,786	242.62	92,196		92,196	2.20	2.28	A		
				<u>113,110</u>		<u>188,565</u>		<u>188,565</u>	4.51	2.65			
COMMUNICATION SERVICES													
5,400	t	At&t Inc	22.25	120,163	28.99	156,546		156,546	3.74	3.83	B		
1,000	vz	Verizon Communications Inc	39.15	39,153	50.20	50,200		50,200	1.20	5.64	B		
				<u>159,316</u>		<u>206,746</u>		<u>206,746</u>	4.94	4.27			
CONSUMER DISCRETIONARY													
375	hd	Home Depot Inc	119.60	44,849	328.89	123,334		123,334	2.95	2.83	A+		
CONSUMER STAPLES													
1,100	mo	Altria Group Inc	26.65	29,317	65.99	72,589		72,589	1.74	6.43	A-		
790	ko	Coca Cola Co Com	36.12	28,535	76.05	60,079		60,079	1.44	2.79	B+		
2,000	cag	Conagra Inc Com	36.46	72,922	15.72	31,440		31,440	0.75	8.91	B+		
300	pep	Pepsico Inc	117.43	35,229	155.29	46,587		46,587	1.11	3.66	A-		
300	pg	Procter & Gamble Co	88.20	26,460	144.44	43,332		43,332	1.04	2.93	A		
				<u>192,463</u>		<u>254,027</u>		<u>254,027</u>	6.07	4.77			
ENERGY													
540	cvx	Chevron Corporation	102.80	55,510	206.90	111,726		111,726	2.67	3.44	B		
1,000	etr	Entergy Corp New Com	59.88	59,885	112.36	112,360		112,360	2.69	2.28	B		
580	xom	Exxon Mobil Corporation	83.25	48,286	169.66	98,403		98,403	2.35	2.43	B+		
1,400	oke	Oneok Inc New Com	76.09	106,527	90.39	126,546		126,546	3.02	4.74			
2,250	xle	Select Sector Spdr Tr Sbi Int-Energy	32.97	74,185	61.26	137,835		137,835	3.29	2.44			
				<u>344,393</u>		<u>586,870</u>		<u>586,870</u>	14.03	3.09			
FINANCIAL													
3,350	bac	Bank Of America Corp	44.76	149,959	48.75	163,312		163,312	3.90	2.30	B		
2,250	hrb	Block H & R Inc	20.94	47,118	31.74	71,415		71,415	1.71	5.29	A-		
2,200	c	Citigroup Inc	68.46	150,603	113.41	249,502		249,502	5.96	2.12	B-		
750	jpm	Jpmorgan Chase & Co	45.10	33,825	294.16	220,620		220,620	5.27	2.04	A-		

City of Sacramento
PORTFOLIO APPRAISAL
Ethel Hart Mutual Endowment Fund
 March 31, 2026

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
1,450	met	Metlife Inc Com	46.62	67,593	70.72	102,544		102,544	2.45	3.21	B+		
1,000	pru	Prudential Finl Inc Com	81.94	81,936	97.69	97,690		97,690	2.34	5.73	B-		
2,300	xlfi	Select Sector Spdr Tr Sbi Int-Finl	13.41	30,847	49.37	113,551		113,551	2.71	1.60			
2,300	usb	U. S. Bancorp	38.09	87,615	52.01	119,623		119,623	2.86	4.00	A		
				649,497		1,138,257		1,138,257	27.21	2.88			
HEALTHCARE													
880	gild	Gilead Sciences Inc	83.18	73,199	139.37	122,646		122,646	2.93	2.35	B+		
260	jnj	Johnson & Johnson	61.41	15,966	244.44	63,554		63,554	1.52	2.13	A-		
820	mrk	Merck & Co Inc (new)	45.06	36,947	120.29	98,638		98,638	2.36	2.83	B-		
660	pfe	Pfizer Inc	23.78	15,692	28.08	18,533		18,533	0.44	6.13	B+		
				141,805		303,371		303,371	7.25	2.69			
INFORMATION TECHNOLOGY													
560	aapl	Apple Inc.	22.59	12,650	253.79	142,122		142,122	3.40	0.41	B+		
750	ibm	International Bus Mach	123.42	92,568	242.39	181,792		181,792	4.35	2.77	A-		
650	iyw	Ishares US Technology ETF	11.13	7,235	181.42	117,923		117,923	2.82	0.15			
320	msft	Microsoft Corp	24.44	7,819	370.17	118,454		118,454	2.83	0.98	B+		
				120,272		560,292		560,292	13.39	1.24			
UTILITIES													
1,100	d	Dominion Energy Inc	64.67	71,132	61.82	68,002		68,002	1.63	4.32	B		
825	nee	NextEra Energy Inc Com	85.94	70,901	92.88	76,626		76,626	1.83	2.68			
600	pnw	Pinnacle West Cap Corp	47.13	28,276	100.75	60,450		60,450	1.44	3.61	A-		
2,640	xlu	Select Sector Spdr Tr Sbi Int-Utills	25.89	68,342	45.89	121,150		121,150	2.90	2.59			
				238,651		326,228		326,228	7.80	3.16			
PASSIVE INDEX													
700	dvy	Ishares Select Dividend ETF	102.98	72,086	151.41	105,987		105,987	2.53	3.46			
460	iwd	Ishares Tr Russell 1000 Val	129.47	59,556	213.67	98,288		98,288	2.35	1.67			
				131,642		204,275		204,275	4.88	2.60			
				2,137,791		3,897,677		3,897,677	93.16	2.85			
AMERICAN DEPOSITORY RECEIPTS													
ENERGY													
1,000	bp	BP Plc Sponsored ADR	42.25	42,250	47.00	47,000		47,000	1.12	4.21			
				42,250		47,000		47,000	1.12	4.21			
TOTAL PORTFOLIO				2,418,995		4,183,630	0	4,183,630	100.00	2.93			

City of Sacramento
PURCHASE/SALE AND GAIN/LOSS
Ethel Hart Mutual Endowment Fund
From 01-01-26 To 03-31-26

<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!

FUND 2503 ETHEL MACLEOD HART OPERATING FUND

QUARTERLY STATEMENT OVERVIEW

Total Five Year Funding Budget	\$871,580
Less expenditures - child project expenditures to date captured in sections below	\$540,081
Total Unspent Funds	\$331,499
Approved Project Total: \$701,034	Total Unallocated to Date: \$170,546

PROJECT ALLOCATIONS

I19122001 PROGRAM OUTREACH AND ACCESS FOR LOW-INCOME SENIORS			
Approved Budget	584,392.00		
Remaining Funds	143,606.76	Allocated	Expenditures to Date
Fun Pass Vouchers		90,000.00	89,732.37
Triple-R Outreach		10,000.00	7,242.38
Triple-R Sliding Scale		210,000.00	178,830.00
Meals on Wheels Expansion & Staff Support		274,392.00	164,980.49
		TOTAL EXPENDITURES:	440,785.24

I19122002 FACILITY SUPPORT & UPGRADES			
Approved Budget	37,500.00		
Remaining Funds	3,830.00	Allocated	Expenditures to Date
Belle Cooleedge Community Center Furniture		37,500.00	33,670.00
0			-
0			-
		TOTAL EXPENDITURES:	33,670.00

I19122003 SUPPORT FOR COMMUNITY LIVING			
Approved Budget	60,150.00		
Remaining Funds	7,467.50	Allocated	Expenditures to Date
Most Important Meal of the Day		24,000.00	19,950.00
Bridging Digital Divide		30,150.00	30,150.00
Hart Senior Center Parking Permit Pilot Program		6,000.00	2,582.50
		TOTAL EXPENDITURES:	52,682.50

I19122004 HEALTH & WELL-BEING			
Approved Budget	13,300.00		
Remaining Funds	6,048.31	Allocated	Expenditures to Date
		-	-
Neighborhood Walk Program		5,500.00	-
Exercise Equipment		1,500.00	951.69
Grief Support for Caregivers		6,300.00	6,300.00
		TOTAL EXPENDITURES:	7,251.69

I19122005 CREATIVE AGING			
Approved Budget	5,692.00		
Remaining Funds	-	Allocated	Expenditures to Date
		-	-
Sensory Room		5,692.00	5,692.00
		TOTAL EXPENDITURES:	5,692.00

Description / Project ID		Q1
I19122001	Fun Pass Vouchers	1,032.25
	Triple-R Outreach	
	Triple-R Sliding Scale	4,335.00
I19122002		
I19122003	Most Important Meal of the Day	2,700.00
I19122004	Iu Mien Exercise Program	
I19122005	Singers with Hart Choral Program	

