

Treasurer's Report

October 11, 2016

TO: Honorable Mayor and Town Council
FROM: Roger Carroll, Treasurer/Finance Officer
DATE: September 30, 2016
RE: Monthly Treasurer's Report

RECOMMENDED ACTION:

Receive and file.

ISSUE STATEMENT AND DISCUSSION:

California Government Code and Town Municipal Code require monthly Treasurer's reports. The reports attached are as follows:

- Investment Policy Compliance Report - lists the types of investments allowable by the State and the Town and whether our investments comply.
- Quality Analysis Report - groups the investments by Moody Rating Group.
- Transaction Ledger Report – shows the purchases, sales, interest payments and redemptions during the report period.

Other Information

COMPLIANCE WITH INVESTMENT POLICY:

The Town's portfolio is in compliance with our investment policy.

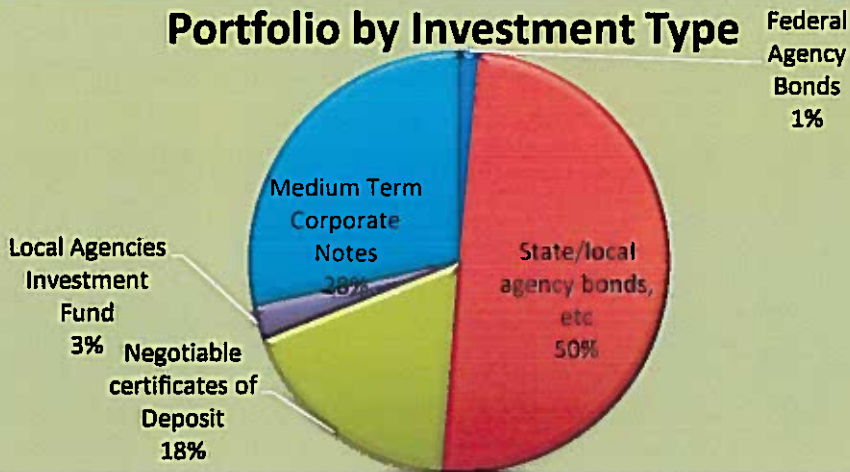
Other Information

Benchmarks as of September 30, 2016:

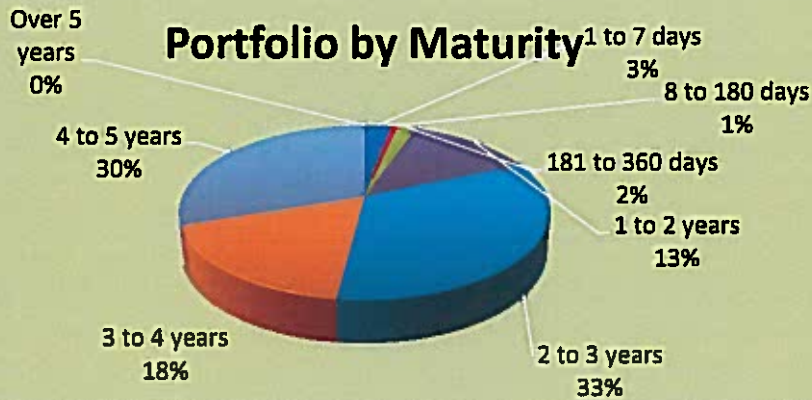
| | |
|-----------------------|-------|
| Federal Lending Rate: | 0.50% |
| Two Year T-Bill Rate: | 0.75% |
| LAIF daily Rate | 0.64% |

Town of Loomis Weighted Average Rate, excluding LAIF investments: 2.52%
 Average Maturity is 3.09 years.

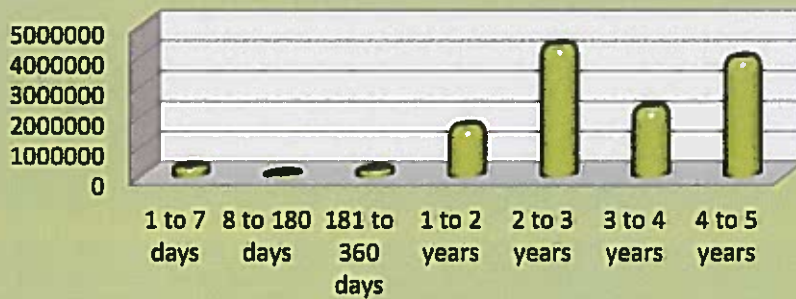
Portfolio by Investment Type



Portfolio by Maturity



Portfolio by Maturity



Strategy

The Treasurer's current practice is:

- Sell bonds with higher interest rates to capture the market gain before it evaporates, but only if replacement earnings plus the market gain exceed the current projected earnings.
- Approximate a "barbell" strategy by investing in higher earning investments in the four to five year maturity range, and shorter term investments to be in position for as rates start to climb.

POLICY AND/OR FINANCIAL IMPLICATIONS:

None.

Attachments: Investment Policy Compliance Report
Quality Analysis Report
Transaction Ledger Report

Town of Loomis
Investment Policy Compliance
with Government Code Standards, and the Town of Loomis Investment Plan Standards
As of September 30, 2016

Current Portfolio Balance: \$ 12,988,605

| Ca Government Code Section 53601 | Govt Code Maximum % | Loomis Maximum % | Loomis Actual % | Complies |
|--------------------------------------|---------------------------|------------------------|-----------------------|----------|
| Bonds issued by Loomis | | 5.00% | | Yes |
| Federal Treasury notes, bonds, bills | 100.00% | 100.00% | | Yes |
| State/local agency bonds, etc | 100.00% | 50.00% | 49.79% | Yes |
| Local agency bonds, etc | 100.00% | 50.00% | | Yes |
| Federal Agency Bonds | 100.00% | 100.00% | 1.46% | Yes |
| Bankers Acceptances | 40.00% | 40.00% | | Yes |
| Commercial Paper | 30.00% | 15.00% | | Yes |
| Negotiable certificates of Deposit | 30.00% | 30.00% | 17.68% | Yes |
| Repurchase Agreements | 20.00% | 20.00% | | Yes |
| Reverse Repurchase Agreements | 20.00% | 20.00% | | Yes |
| Local Agencies Investment Fund | | 100.00% | 2.67% | Yes |
| Time Deposits | 30.00% | 25.00% | 0.09% | Yes |
| Medium Term Corporate Notes | 30.00% | 30.00% | 28.31% | Yes |
| Shares of Beneficial Interest | 20.00% | 0.00% | | Yes |
| Mortgage pass through security bonds | 20.00% | 0.00% | | Yes |
| Total | | | 100.00% | |

| Target Share of Portfolio per Investment Policy | | | Actual % | Actual \$ |
|---|------------------|------------------|-------------|-------------------|
| Range | Not Less Than | Not More Than | | |
| 1 to 7 days | 5% | 70% | 3% | 358,391 |
| 8 to 180 days | 0% | 30% | 1% | 90,220 |
| 181 to 360 days | 0% | 30% | 2% | 250,755 |
| 1 to 2 years | 0% | 40% | 13% | 1,700,584 |
| 2 to 3 years | | 40% | 34% | 4,356,278 |
| 3 to 4 years | | 30% | 18% | 2,296,745 |
| 4 to 5 years | | 30% | 30% | 3,935,631 |
| Over 5 years | | 0% | 0% | |
| Total | | | | 12,988,605 |

Town of Loomis
Quality Analysis Report
9/30/2016

| Cusip | NAME | RATE | NEXT COUPON | MATURITY DATE | UNITS | DISCOUNT OR PREMIUM | BOOK VALUE | MARKET VALUE | UNREALIZED MARKET GAIN/LOSS |
|--------------------------------------|-------------------------------|--------|-------------|---------------|---------------|---------------------|---------------|---------------|-----------------------------|
| 3134G9RK5 | AGY RE FHLMC | 1.100% | 12/7/2016 | 6/7/2021 | 100,000.00 | | 100,000.00 | 100,020.00 | 20.00 |
| 01030LBY0 | AA- MD Alabama St Inc | 4.967% | 3/1/2017 | 9/1/2019 | 255,000.00 | 21,029.00 | 276,029.00 | 272,773.50 | (3,255.50) |
| 013141DA1 | AA DY Albertville AL BOE | 2.375% | 2/1/2017 | 2/1/2019 | 150,000.00 | | 150,000.00 | 153,471.00 | 3,471.00 |
| 098786FD3 | A+ MD Boone County | 2.000% | 10/1/2016 | 4/1/2019 | 255,000.00 | 3,200.25 | 258,200.25 | 257,544.90 | (655.35) |
| 13017HAE6 | A3 MD CA Earthquake Auth | 2.805% | 1/1/2017 | 7/1/2019 | 500,000.00 | | 506,258.00 | 511,110.00 | 4,852.00 |
| 13034PYJ0 | A2 MD CA Housing Fin | 2.339% | 2/1/2017 | 2/1/2021 | 200,000.00 | 2,424.00 | 202,424.00 | 201,676.00 | (748.00) |
| 170016YX1 | Aa2 MD Chippewa Val Schls | 2.350% | 12/1/2016 | 5/1/2020 | 100,000.00 | | 100,000.00 | 102,793.00 | 2,793.00 |
| 186387LR5 | A1 MD Cleveland OH | 2.100% | 10/1/2016 | 10/1/2019 | 250,000.00 | 830.00 | 250,830.00 | 253,820.00 | 2,990.00 |
| 277335YD1 | A2 DY Eastlake OH | 2.600% | 2/1/2017 | 8/1/2020 | 100,000.00 | | 100,000.00 | 102,864.00 | 2,864.00 |
| 34074GDH4 | Aa3 MD Florida Hurricane Fund | 2.995% | 1/1/2017 | 7/1/2020 | 250,000.00 | 8,800.00 | 258,800.00 | 262,147.50 | 3,347.50 |
| 3599007E1 | A2 MD Fulton County Dev Auth | 2.628% | 3/15/2017 | 3/15/2019 | 315,000.00 | 3,203.00 | 318,203.00 | 320,836.95 | 2,633.95 |
| 404476HG1 | Aa3 MD Hathersham Cnty Hosp | 2.000% | 2/1/2017 | 2/1/2018 | 100,000.00 | | 100,000.00 | 101,101.00 | 1,101.00 |
| 452151LD3 | A1 DY Illinois GOB | 4.350% | 12/1/2016 | 6/1/2018 | 73,333.32 | 1,353.00 | 74,686.32 | 74,975.27 | 288.95 |
| 454624S40 | AA MD Kent Spl Ev Rev bonds | 5.504% | 12/1/2016 | 12/1/2018 | 250,000.00 | 16,845.00 | 266,845.00 | 271,455.00 | 4,610.00 |
| 45571LCQ8 | A+ MD Indio, CA Pub Fing | 2.540% | 11/1/2016 | 11/1/2020 | 100,000.00 | 906.00 | 100,906.00 | 101,670.00 | 764.00 |
| 544587C30 | A+ MD LA Muni Improvements | 3.146% | 11/1/2016 | 11/1/2020 | 200,000.00 | 4,138.00 | 204,138.00 | 211,188.00 | 7,050.00 |
| 57563RMN6 | AA MD Mass Ed Fin | 3.100% | 1/1/2017 | 7/1/2020 | 250,000.00 | 2,152.00 | 252,152.00 | 257,887.50 | 5,735.50 |
| 612496AH2 | A MD Monterey Fire | 4.200% | 3/1/2017 | 9/1/2019 | 275,000.00 | 11,726.00 | 286,726.00 | 292,006.00 | 5,280.00 |
| 64579RAR8 | A1 MD NJ Inst Tech | 2.170% | 11/1/2017 | 7/1/2017 | 250,000.00 | 755.00 | 250,755.00 | 251,537.50 | 782.50 |
| 700773LN2 | Aa2 MD Park Ridge Ill | 2.100% | 12/1/2016 | 12/1/2017 | 270,000.00 | 1,474.00 | 271,474.00 | 272,597.40 | 1,123.40 |
| 736746TR9 | Aa3 MD Portland OR | 6.031% | 12/15/2016 | 6/15/2018 | 130,607.73 | 5,138.00 | 135,745.73 | 137,263.50 | 1,517.77 |
| 777543UT4 | A2 MD Rosemont IL | 3.021% | 12/1/2016 | 12/1/2019 | 250,000.00 | 7,682.00 | 257,682.00 | 258,315.00 | 633.00 |
| 79165TSN2 | A MD St Louis Fin | 2.411% | 10/15/2016 | 4/15/2021 | 250,000.00 | 4,367.00 | 254,367.00 | 252,590.00 | (1,777.00) |
| 79678RAR6 | AA MD San Bern Red | 2.625% | 12/1/2016 | 12/1/2020 | 250,000.00 | 7,187.00 | 257,187.00 | 253,100.00 | (4,087.00) |
| 79854WBD1 | A+ MD San Luis Rev | 2.400% | 11/1/2017 | 7/1/2018 | 175,000.00 | 1,036.00 | 176,036.00 | 177,514.75 | 1,478.75 |
| 83866PAB9 | AA- MD S Lake Tahoe | 2.250% | 12/1/2016 | 6/1/2019 | 250,000.00 | 1,060.00 | 251,060.00 | 254,080.00 | 3,020.00 |
| 86657MAT3 | A+ MD Sumter Landing CDD | 2.000% | 10/1/2016 | 10/1/2018 | 245,000.00 | 740.00 | 245,740.00 | 247,628.85 | 1,888.85 |
| 914402T44 | AA+ MD US Maryland | 2.000% | 10/1/2016 | 4/1/2018 | 140,000.00 | 1,062.00 | 141,062.00 | 142,172.80 | 1,110.80 |
| 942860MY0 | A2 MD Waukegan, Il | 5.250% | 12/30/2016 | 12/30/2018 | 305,000.00 | 13,014.00 | 318,014.00 | 319,325.85 | 1,311.85 |
| 968254BB7 | A- MD Wilkes-Barre Fin Auth | 2.622% | 11/1/2016 | 11/1/2019 | 200,000.00 | 1,191.00 | 201,191.00 | 201,070.00 | (121.00) |
| 02587DC89 | CD MD Amex Bank Cent | 2.350% | 10/7/2016 | 10/7/2020 | 50,000.00 | | 50,000.00 | 52,462.53 | 2,462.53 |
| 02587DYM4 | CD DY Amex Bank Cent | 2.100% | 12/3/2016 | 6/3/2020 | 200,000.00 | | 200,000.00 | 207,332.76 | 7,332.76 |
| 0258M0EB1 | A2 MD American Express | 2.250% | 11/5/2016 | 5/5/2021 | 250,000.00 | 1,400.00 | 251,400.00 | 254,255.00 | 2,855.00 |
| 02665WBG5 | A+ MD American Honda Fin | 1.700% | 3/9/2017 | 9/9/2021 | 200,000.00 | | 200,000.00 | 198,976.00 | (1,024.00) |
| 05531FAV5 | A2 MD BB&T | 2.050% | 11/10/2016 | 5/10/2021 | 250,000.00 | 1,062.00 | 251,062.00 | 252,292.50 | 1,230.50 |
| 05574LTX6 | A+ DY BNP Paribas | 2.400% | 12/12/2016 | 12/12/2018 | 100,000.00 | 741.00 | 100,741.00 | 101,555.00 | 814.00 |
| 05580AD87 | CD DY BMW Bank | 2.200% | 10/16/2016 | 10/16/2020 | 250,000.00 | | 250,000.00 | 260,885.04 | 10,885.04 |
| 06050TLY6 | A1 MD Bank of America | 1.650% | 3/26/2017 | 3/26/2018 | 200,000.00 | | 200,000.00 | 200,858.00 | 858.00 |
| 0606246L2 | CD MD Bank of Baroda | 2.150% | 10/29/2016 | 10/29/2018 | 200,000.00 | | 200,000.00 | 204,757.68 | 4,757.68 |
| 06406HDF3 | A1 MD Bank of NY Mellon | 2.450% | 11/27/2016 | 11/27/2020 | 250,000.00 | 6,230.00 | 256,230.00 | 256,967.50 | 737.50 |
| 14042RCH2 | CD DY Capital One Bank McCie | 1.700% | 3/28/2017 | 9/28/2021 | 150,000.00 | | 150,000.00 | 153,961.52 | 3,961.52 |
| 140420SH4 | CD MD Capital One Bank | 2.150% | 12/17/2016 | 6/17/2020 | 100,000.00 | | 100,000.00 | 103,887.88 | 3,887.88 |
| 140420SJ0 | CD MD Capital One Bank | 1.500% | 12/18/2016 | 6/18/2018 | 100,000.00 | | 100,000.00 | 100,538.66 | 538.66 |
| 140420WD8 | CD MD Capital One Bank | 2.250% | 3/30/2017 | 9/30/2020 | 50,000.00 | | 50,000.00 | 52,245.03 | 2,245.03 |
| 166764AE0 | AA1 SB Chevron Corp | 1.718% | 12/24/2016 | 6/24/2018 | 100,000.00 | | 100,000.00 | 100,906.00 | 906.00 |
| 166764AR1 | AA1 DY Chevron Corp | 1.961% | 3/3/2017 | 3/3/2020 | 100,000.00 | (840.00) | 99,160.00 | 101,496.00 | 2,336.00 |
| 17284CCS1 | CD DY CIT Bank SLC | 1.150% | 10/24/2016 | 4/24/2018 | 200,000.00 | | 200,000.00 | 199,597.69 | (402.31) |
| 31938QJ47 | CD SB First Business Bnk | 1.750% | 11/30/2016 | 5/30/2019 | 100,000.00 | | 100,000.00 | 101,875.75 | 1,875.75 |
| 31677QBF5 | A3 MD Fifth Third Bank | 2.300% | 3/15/2017 | 3/15/2019 | 250,000.00 | 1,480.00 | 251,480.00 | 254,502.50 | 3,022.50 |
| 40428HPV8 | A2 MD HSBC | 2.750% | 2/7/2017 | 8/7/2020 | 375,000.00 | 1,930.00 | 376,930.00 | 384,270.00 | 7,340.00 |
| 46625HNX4 | A3 DY JP Morgan Chase | 2.550% | 10/29/2016 | 10/29/2020 | 100,000.00 | - | 100,000.00 | 102,151.00 | 2,151.00 |
| 46625HRT9 | A3 MD JP Morgan Chase | 2.400% | 12/7/2016 | 6/7/2021 | 200,000.00 | 3,510.00 | 203,510.00 | 202,596.00 | (914.00) |
| 55279HAE0 | A2 MD Manuf/Trade Trust | 2.300% | 1/30/2017 | 1/30/2019 | 125,000.00 | 710.00 | 125,710.00 | 127,181.25 | 1,471.25 |
| 58733AAE9 | CD SB Mercantill Commerceban | 1.100% | 2/13/2017 | 2/13/2018 | 97,000.00 | | 97,000.00 | 96,640.03 | (359.97) |
| 63743FXE1 | A2 DY Natl Rural Util Coop | 2.500% | 10/15/2016 | 8/15/2020 | 100,000.00 | | 100,000.00 | 101,827.00 | 1,827.00 |
| 69353REU8 | A2 MD PNC Bank | 2.450% | 11/5/2016 | 11/5/2020 | 100,000.00 | 1,122.00 | 101,122.00 | 102,516.00 | 1,394.00 |
| 69353REW4 | A2 MD PNC Bank | 2.150% | 10/29/2016 | 4/29/2021 | 100,000.00 | | 100,000.00 | 101,210.00 | 1,210.00 |
| 75951AAA6 | A2 DY Reliance Stand Life | 2.500% | 10/24/2016 | 4/24/2019 | 100,000.00 | | 100,000.00 | 101,604.00 | 1,604.00 |
| 822582BP6 | AA1 DY Shell Internat Fin | 2.250% | 11/10/2016 | 11/10/2020 | 100,000.00 | | 100,000.00 | 102,024.00 | 2,024.00 |
| 856283VD5 | CD DY Slate Bnk India | 2.050% | 10/11/2016 | 10/11/2018 | 200,000.00 | | 200,000.00 | 204,256.33 | 4,256.33 |
| 87165FJT2 | CD MD Synchrony Bank | 2.250% | 10/2/2016 | 10/2/2020 | 150,000.00 | | 150,000.00 | 156,768.42 | 6,768.42 |
| 871829AL1 | A1 DY SYSCO Corp | 5.250% | 2/12/2017 | 2/12/2018 | 100,000.00 | 4,580.00 | 104,580.00 | 105,028.00 | 448.00 |
| 88413QAP3 | CD MD Third Federal S&L | 1.800% | 11/23/2016 | 5/23/2019 | 100,000.00 | | 100,000.00 | 102,018.48 | 2,018.48 |
| 90950EAF8 | A2 MD Union Bank | 2.250% | 11/6/2016 | 5/6/2019 | 200,000.00 | 1,272.00 | 201,272.00 | 202,860.00 | 1,588.00 |
| 94974BGR5 | A2 - Wells Fargo | 2.550% | 12/7/2016 | 12/7/2020 | 350,000.00 | 3,285.00 | 353,285.00 | 357,423.50 | 4,138.50 |
| 9497485W3 | CD DY Wells Fargo | 1.750% | 10/17/2016 | 6/17/2021 | 250,000.00 | | 250,000.00 | 256,989.65 | 6,989.65 |
| 981571CM2 | CD SB Worlds Foremost Bnk | 1.300% | 10/28/2016 | 5/28/2019 | 100,000.00 | | 100,000.00 | 100,704.57 | 704.57 |
| ACCruED INT AGY | | | | | 90,220.39 | | 90,220.39 | | |
| Sub- total | | | | | 12,476,161.44 | 154,052.25 | 12,630,213.69 | 12,683,956.54 | 143,963.24 |
| Balance on account with LAIF | | | | | 346,209.66 | | 346,209.66 | 358,390.90 | |
| Balance on account with Money market | | | | | 12,181.24 | | 12,181.24 | | |
| Total Portfolio | | | | | 12,834,552.34 | | 12,988,604.59 | | |

**Town of Looms
Transaction Ledger
9/01/16 to 9/30/16**

| <u>Trans Date</u> | <u>Quantity</u> | <u>Description</u> | <u>Price</u> | <u>Amount Int Purch/Sold</u> | <u>Premium/Gain (Discount)/(Loss)</u> |
|--------------------------------|-----------------|---|--------------|----------------------------------|---|
| 9/1/2016 Interest Received | 6,332.93 | Alabama Incentives 4.967% due 9/01/19 | 1.000 | 6,332.93 | 6,332.93 |
| 9/1/2016 Interest Received | 5,775.00 | Monterey County Fire 4.2% due 9/01/19 | 1.000 | 5,775.00 | 5,775.00 |
| 9/2/2016 Interest Received | 1.04 | Federated Govt Oblig Fund 0.01% floating 7 day | 1.000 | 1.04 | 1.04 |
| 9/6/2016 Interest Received | 980.50 | Chevron 1.961% due 3/03/20 | 1.000 | 980.50 | 980.50 |
| 9/6/2016 Bond purchased | 255,000.00 | Boone County 5.25% due 02/12/18 | 1.013 | 258,200.25 85.00 | 258,200.25 |
| 9/13/2016 Bond purchased | 200,000.00 | American Honda Finance 1.7% due 09/09/21 | 1.002 | 200,400.00 37.78 | 200,400.00 |
| 9/13/2016 Bond sold | 200,000.00 | Barclay's Bank 2.25% due 2/20/19 | 1.010 | 201,942.00 319.44 | 2,261.44 |
| 9/15/2016 Interest Received | 208.33 | Nat Rural Utility 2.5% due 8/15/20 | 1.000 | 208.33 | 208.33 |
| 9/15/2016 Interest Received | 2,875.00 | Fifth Third Bank 2.3% due 3/15/19 | 1.000 | 2,875.00 | 2,875.00 |
| 9/15/2016 Interest Received | 4,139.10 | Fulton, GA 2.628% due 3/15/19 | 1.000 | 4,139.10 | 4,139.10 |
| 9/19/2016 Interest Received | 371.58 | Wells Fargo Bank 1.75% due 6/17/21 | 1.000 | 371.58 | 371.58 |
| 9/26/2016 Interest Received | 1,650.00 | Bank of America 1.65% due 3/26/18 | 1.000 | 1,650.00 | 1,650.00 |
| 9/26/2016 Interest Received | 110.41 | Worlds Foremost Bank 1.3% due 5/28/19 | 1.000 | 110.41 | 110.41 |
| 9/28/2016 CD sold | 150,000.00 | American Express Bank 1.05% due 7/17/17 | 1.001 | 150,120.00 315.00 | 435.00 |
| 9/28/2016 | 150,000.00 | Capital One McLean | 1.000 | 150,000.00 | 150,000.00 |

| | | | | | |
|-------------------|--------|-------------------|-------|--------|--------|
| CD purchased | | 1.7% due 09/28/21 | | | |
| 9/30/2016 | 567.12 | Capital One Bank | 1.000 | 567.12 | 567.12 |
| Interest Received | | 2.25% due 9/30/20 | | | |

Local Agency Investment Fund

| | | | | | |
|----------|------------|----------------|-------|------------|--|
| 9/1/2016 | 100,000.00 | Transfer LAIF | 1.000 | 100,000.00 | |
| Transfer | | to Wells Fargo | | | |