



# Treasurer's Report

November 12, 2014

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**TO:** Honorable Mayor and Town Council  
**FROM:** Roger Carroll, Treasurer/Finance Officer  
**DATE:** November 4, 2014  
**RE:** Monthly Treasurer's Report

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**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:**

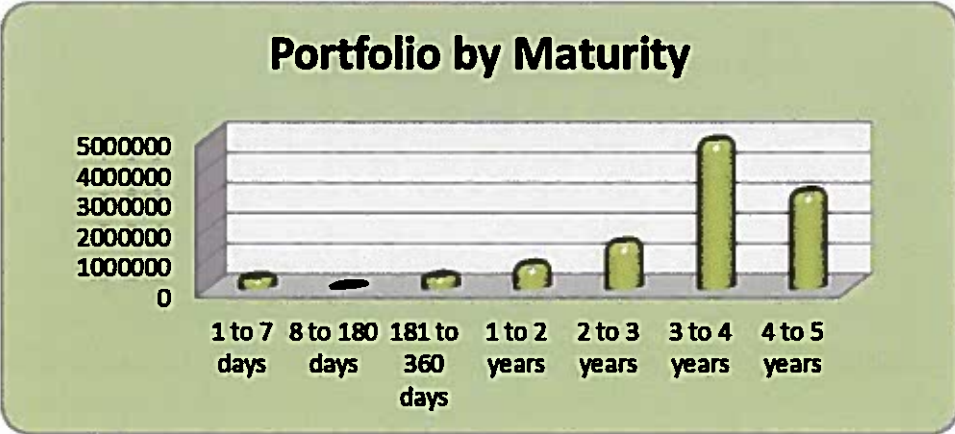
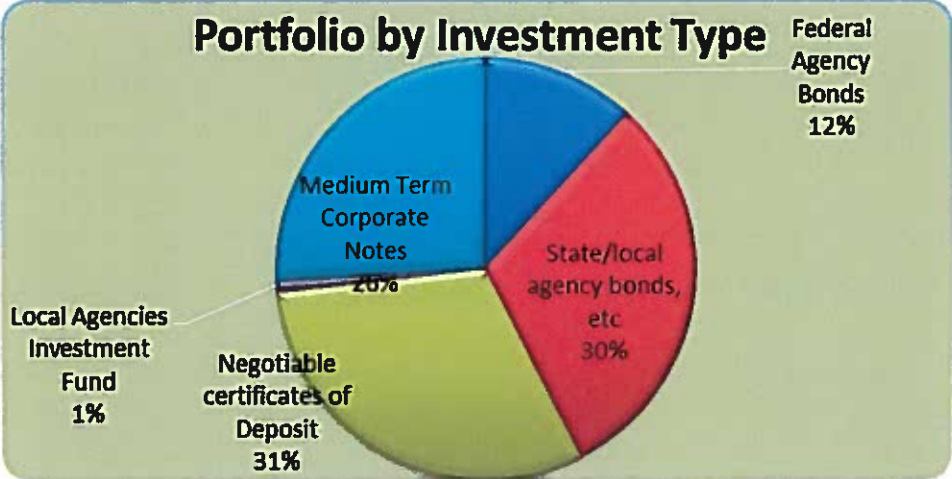
The Town's portfolio is in compliance with our investment policy. The negotiable certificates of deposit compromise 30.02% of the portfolio. According to State Code, we are only allowed to invest 30% of our portfolio in negotiable CD's. At the time that the current investments were purchased, all were acquired within the proper maximum levels required by State Code. Since we recently made a large payment to a contractor, some investments needed to be liquidated which lowered our total portfolio, and subsequently changed the relative percentages of each investment category. State Code does not require that we rebalance the portfolio just to accomplish these percentages. As other investment decisions are made, these balances will correct themselves.

**Other Information**

Benchmarks as of October 31, 2014:

Federal Lending Rate: 0.25%  
 Two Year T-Bill Rate: 0.50%  
 LAIF daily Rate 0.25%

Town of Loomis Weighted Average Rate, excluding LAIF investments: 2.46%  
 Average Maturity is 3.51 years.



## **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 October 31, 2014

**Current Portfolio Balance: \$ 11,314,900**

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%	29.75%	Yes
Local agency bonds, etc	100.00%	50.00%		Yes
Federal Agency Bonds	100.00%	100.00%	11.56%	Yes
Bankers Acceptances	40.00%	40.00%		Yes
Commercial Paper	30.00%	15.00%		Yes
Negotiable certificates of Deposit	30.00%	30.00%	30.02%	No
Repurchase Agreements	20.00%	20.00%		Yes
Reverse Repurchase Agreements	20.00%	20.00%		Yes
Local Agencies Investment Fund		100.00%	0.89%	Yes
Time Deposits	30.00%	25.00%	2.57%	Yes
Medium Term Corporate Notes	30.00%	30.00%	25.21%	Yes
Shares of Beneficial Interest	20.00%	0.00%		Yes
Mortgage pass through security bonds	20.00%	0.00%		Yes
<b>Total</b>			<b>100.00%</b>	

Target Share of Portfolio per Investment Policy			Actual %	Actual \$
Range	Not Less Than	Not More Than		
1 to 7 days	5%	70%	3%	391,299
8 to 180 days	0%	30%	1%	61,358
181 to 360 days	0%	30%	4%	429,527
1 to 2 years	0%	40%	7%	814,297
2 to 3 years		40%	14%	1,531,577
3 to 4 years		30%	43%	4,887,904
4 to 5 years		30%	28%	3,198,939
Over 5 years		0%	0%	
<b>Total</b>				<b>11,314,900</b>

Town of Loomis  
Quality Analysis Report  
10/31/2014

Cusip	NAME	RATE	SETTLEMENT DATE	NEXT COUPON	MATURITY DATE	UNITS	DISCOUNT OR PREMIUM	BOOK VALUE	MARKET VALUE	UNREALIZED MARKET GAIN/LOSS
3130A15C8	AGY FHLB	1.450%	3/20/2014	6/20/2014	6/20/2018	100,000.00		100,000.00	100,007.00	7.00
313379EE5	AGY FHLB	1.625%	6/11/2014	6/14/2014	6/14/2019	100,000.00		100,000.00	99,508.00	(492.00)
313380YX9	AGY FHLB	1.140%	3/5/2014	4/25/2014	10/25/2018	100,000.00	(1,458.19)	98,541.81	98,507.00	(34.81)
3133EDMM1	AGY FFCEB	1.770%	5/29/2014	11/29/2014	5/29/2019	100,000.00		100,000.00	100,765.63	765.63
3135G0WJ8	AGY FNMA	0.875%	5/31/2013	5/21/2014	5/21/2018	250,000.00	(2,152.16)	247,847.84	246,115.00	(1,732.84)
3136G1FR5	AGY FNMA	1.000%	3/19/2013	3/19/2014	3/19/2018	200,000.00		200,000.00	200,198.00	198.00
3136G1L56	AGY FHLMC	0.750%	5/29/2013	5/15/2014	5/15/2018	200,000.00		200,000.00	199,774.00	(226.00)
3134G36X3	AGY FHLMC	1.125%	3/28/2012	3/28/2014	3/28/2018	200,000.00		200,000.00	199,164.00	(836.00)
13124MAE5	A1 Calleguas CA Mun Wate	1.768%	6/20/2012	7/1/2014	7/1/2017	210,000.00		210,000.00	212,060.10	2,060.10
34074GDG6	Aa3 Florida State Hurrigan C	2.107%	1/22/2014	7/1/2014	7/1/2018	100,000.00		100,000.00	101,038.00	1,038.00
404476HG1	Aa3 Habersham Cnty Hosp	2.000%	8/13/2014	2/1/2015	2/1/2018	100,000.00	1,099.00	101,099.00	99,874.00	(1,225.00)
452151LD3	A1 Illinois GOB	4.350%	3/24/2014	6/1/2014	6/1/2018	100,000.00	4,535.00	104,535.00	104,696.00	161.00
454624S40	AA+ Indiana State Bond Banl	4.302%	1/21/2014	8/1/2014	8/1/2018	100,000.00	8,602.00	108,602.00	107,960.00	(642.00)
544587MZ8	A1 LA CA Mun Impt	5.640%	7/2/2012	8/1/2014	8/1/2015	200,000.00	4,526.62	204,526.62	206,750.00	2,223.38
596566WB1	AAA Middlesex IA	2.250%	10/30/2013	8/1/2014	6/1/2018	280,000.00	3,321.20	283,321.20	282,013.20	(1,308.00)
64579RAR8	AA- NJ Inst Tech	2.170%	9/25/2014	1/1/2015	7/1/2017	250,000.00	3,285.00	253,285.00	252,462.50	(822.50)
64971QGU1	A2 NYC Trans Fin Auth	3.050%	5/28/2014	1/1/2014	5/1/2019	200,000.00	9,837.00	209,837.00	210,180.00	343.00
700773LN2	Aa2 Park Ridge Ill	2.100%	7/8/2014	12/1/2014	12/1/2017	270,000.00	4,004.20	274,004.20	274,274.10	269.90
71781LBM0	Aa1 Phil PA Auth	0.000%	5/29/2014	4/15/2018	4/15/2018	100,000.00	(7,862.00)	92,138.00	92,962.00	824.00
777352BK0	A+ Rosedale Rio Bravo	3.050%	7/27/2012	6/1/2014	1/1/2016	305,000.00	2,010.66	307,010.66	305,616.10	(1,394.56)
796720JG8	AA- San Bern CCD	1.686%	5/2/2013	8/1/2014	8/1/2017	190,000.00	802.00	190,802.00	190,587.10	(214.90)
797398EG5	Aa3 San Diego County	5.728%	1/21/2014	8/15/2014	8/15/2017	200,000.00	21,658.00	221,658.00	223,144.00	1,486.00
895139CB7	A3 Trenton NJ	4.000%	2/19/2014	8/15/2014	2/15/2016	200,000.00	7,286.00	207,286.00	206,624.00	(662.00)
898735RS6	A1 Tuscon AZ	1.101%	6/25/2014	1/1/2015	7/1/2016	100,000.00	-	100,000.00	99,985.00	(15.00)
92830MAC8	A- Vista CA Comm Dev	7.000%	6/23/2014	9/1/2014	3/17/2017	250,000.00	5,832.00	255,832.00	254,947.50	(884.50)
94402T44	AA+ US Maryland	2.000%	3/11/2014	4/1/2014	4/1/2018	140,000.00	2,442.60	142,442.60	141,755.60	(687.00)
00206RAJ1	A3 AT&T Inc	5.500%	2/13/2013	8/1/2014	2/1/2018	250,000.00	29,757.72	279,757.72	279,820.00	62.28
02587CAD2	CD Amex Bank	1.050%	7/17/2014	1/17/2015	7/17/2017	150,000.00		150,000.00	150,063.87	63.87
02587DQZ4	CD Amex Bank	1.950%	8/1/2013	8/1/2014	8/1/2018	250,000.00		250,000.00	254,710.18	4,710.18
05574LTX6	A+ BNP Paribas	2.400%	4/21/2014	6/12/2014	12/12/2018	100,000.00	1,316.00	101,316.00	100,746.00	(570.00)
06050WBM6	A Bank of America	5.100%	3/6/2013	11/15/2014	10/15/2018	100,000.00	7,206.28	107,206.28	108,376.00	1,169.72
060624L2	CD Bank of Baroda	2.150%	10/28/2013	5/21/2014	10/29/2018	200,000.00		200,000.00	200,000.00	-
06251AB41	CD Bank Hapoalim NY	1.050%	4/10/2014	10/10/2014	4/10/2019	100,000.00		100,000.00	100,000.00	-
06739FHT1	A2 Barclays Bank	2.500%	6/10/2014	8/20/2014	2/20/2019	200,000.00	3,482.00	203,482.00	201,552.00	(1,930.00)
06740KGG6	CD Barclays Bank	1.900%	4/15/2014	10/15/2014	4/15/2019	100,000.00		100,000.00	101,158.03	1,158.03
05568P5N3	CD BMW Bank	2.050%	9/30/2013	4/1/2014	10/1/2018	250,000.00		250,000.00	250,000.00	-
084664BE0	Aa2 Berkshire Hathaway	5.400%	5/29/2013	5/15/2014	5/15/2018	100,000.00	13,390.00	113,390.00	112,640.00	(750.00)
17284CCS1	CD CIT Bank SLC	1.150%	4/24/2013	4/24/2014	4/24/2018	200,000.00		200,000.00	198,830.66	(1,169.34)
172967HM6	A- Citigroup Inc	2.550%	4/21/2014	10/8/2014	4/8/2019	200,000.00	1,108.00	201,108.00	202,102.00	994.00
20451EV4	CD Compass Bank	2.000%	10/2/2013	4/2/2014	10/2/2018	250,000.00		250,000.00	254,826.25	4,826.25
254671M72	CD DISCOVER BANK	1.950%	4/16/2014	10/16/2014	4/16/2019	250,000.00		250,000.00	253,439.60	3,439.60
31938QJ47	CD First Business Bnk	1.750%	5/30/2014	11/30/2014	5/30/2019	100,000.00		100,000.00	100,319.37	319.37
36157PUP2	CD GE Cap Ret Bnk	2.000%	1/13/2014	6/20/2014	12/20/2018	250,000.00		250,000.00	254,622.33	4,622.33
36966R5W2	AA GECC	4.550%	4/2/2013	9/15/2014	3/15/2018	200,000.00	16,308.35	216,308.35	213,840.00	(2,468.35)
36966RY26	AA GECC	5.250%	11/26/2013	5/15/2014	5/15/2018	100,000.00	10,000.00	110,000.00	109,058.00	(942.00)
38147J3S9	CD GOLDMAN SACHS BAF	2.050%	9/4/2014	3/3/2015	9/3/2019	250,000.00		250,000.00	253,569.05	3,569.05
46625HJR2	A3 JP Morgan	2.350%	5/13/2014	7/28/2014	1/28/2019	250,000.00	2,985.00	252,985.00	251,718.75	(1,266.25)
55279HAE0	A2 Manul/Trade Trust	2.300%	4/21/2014	7/30/2014	1/30/2019	125,000.00	1,400.00	126,400.00	125,846.25	(553.75)
58733AAE9	CD Mercantil Commercebar	1.100%	2/13/2013	8/13/2014	2/13/2018	97,000.00		97,000.00	96,493.63	(506.37)
59012YG43	CD Merrick Bank	2.000%	6/15/2011	11/15/2014	6/15/2016	200,000.00		200,000.00	204,518.68	4,518.68
61745EG70	A2 MORGAN STANLEY	3.000%	8/31/2011	9/2/2014	8/31/2015	225,000.00		225,000.00	228,093.75	3,093.75
717081DL4	A1 Pfizer	2.100%	5/16/2014	11/15/2014	5/15/2019	250,000.00	1,595.00	251,595.00	251,252.50	(342.50)
75951AAA6	A2 Reliance Stand Life	2.500%	5/28/2014	10/24/2014	4/24/2019	100,000.00	961.00	100,961.00	100,638.00	(323.00)
795450RA5	CD Sallie Mae Bk	2.150%	10/30/2013	4/30/2014	10/30/2018	250,000.00		250,000.00	256,190.73	6,190.73
856283VD5	CD State Bnk India	2.050%	10/11/2013	4/11/2014	10/11/2018	200,000.00		200,000.00	204,272.12	4,272.12
871829AL1	A1 SYSCO Corp	5.250%	5/29/2013	8/12/2014	2/12/2018	100,000.00	11,710.00	111,710.00	111,212.00	(498.00)
88413AQP3	CD Third Federal S&L	1.800%	5/23/2014	11/23/2014	5/23/2019	100,000.00		100,000.00	100,642.19	642.19
94974BFU9	A2 Wells Fargo	2.125%	6/10/2014	10/22/2014	4/22/2019	200,000.00	1,255.00	201,255.00	200,012.00	(1,243.00)
96121BBR7	AA Westpac Banking	2.000%	7/19/2012	11/15/2014	7/15/2017	250,000.00	-	250,000.00	251,385.00	1,385.00
981571AS1	CD Worlds Foremost Bnk	2.100%	8/27/2014	11/27/2014	8/27/2019	200,000.00		200,000.00	203,534.64	3,534.64
ACCRUED IN AGY						61,358.15		61,358.15		
Sub- total						10,753,358.15	170,243.28	10,923,601.43	10,896,451.41	34,208.13
Balance on account with LAIF						100,521.19		100,521.19	391,298.95	
Balance on account with Money market						290,777.76		290,777.76		
Total Portfolio						11,144,657.10		11,314,900.38		

Town of Looms  
Transaction Ledger  
10/01/14 to 10/31/14

<u>Trans Date</u>	<u>Quantity</u>	<u>Description</u>	<u>Price</u>	<u>Amount</u> <u>Int Purch/Sold</u>	<u>Premium/Gain</u> <u>(Discount)/(Loss)</u>
10/1/2014 Transfer Out	126,792.05	Transfer to Wells Fargo	1.000	126,792.05	126,792.05
10/1/2014 Interest Received	4,142.50	Ca Infra 3.314% due 10/1/15	1.000	4,142.50	4,142.50
10/1/2014 Interest Received	1,400.00	Univ Maryland 2.0% due 4/1/18	1.000	1,400.00	1,400.00
10/2/2014 Interest Received	0.52	Federated Govt Oblig Fund 0.01% floating 7 day	1.000	0.52	0.52
10/2/2014 Interest Received	2,506.85	Compass Bank 2.0% due 10/2/18	1.000	2,506.85	2,506.85
10/8/2014 Interest Received	2,550.00	Citigroup 2.55% due 4/8/19	1.000	2,550.00	2,550.00
10/8/2014 Sold	100,000.00	W Contra Costa 4.0% due 8/1/15	1.026	102,646.00 744.44	3,390.44
10/9/2014 Sold	250,000.00	CA Infrastructure 3.314% due 10/1/15	1.021	255,362.50 184.11	5,546.61
10/9/2014 Sold	150,000.00	Rabobank 3.375% due 1/19/17	1.048	157,200.00 1,125.00	8,325.00
10/9/2014 Sold	250,000.00	Ally Bank 2.15% due 6/02/16	1.014	253,601.00 1,899.66	5,500.66
10/9/2014 Transfer Out	783,362.53	Transfer to Wells Fargo	1.000	783,362.53	783,362.53
10/15/2014 Interest Received	328.77	Merrick Bank 2.0% due 6/15/16	1.000	328.77	328.77
10/15/2014 Interest Received	416.67	Westpac Bank 2.0% due 7/15/17	1.000	416.67	416.67
10/15/2014 Interest Received	425.00	Bank of America 5.1% due 2/15/18	1.000	425.00	425.00
10/15/2014	952.60	Barclay's Bank	1.000	952.60	952.60

Interest Received		1.9% due 4/15/19			
10/15/2014	2,055.62	St Bank of India	1.000	2,055.62	2,055.62
Interest Received		2.05% due 10/11/18			
10/16/2014	2,444.18	Discover Bank	1.000	2,444.18	2,444.18
Interest Received		1.95% due 4/16/19			
10/16/2014	526.44	Bank Hapoalim	1.000	526.44	526.44
Interest Received		FR% due 4/10/19			
10/22/2014	2,125.00	Wells Fargo	1.000	2,125.00	2,125.00
Interest Received		2.125% due 4/22/19			
10/24/2014	1,153.15	CIT Bank	1.000	1,153.15	1,153.15
Interest Received		1.15% due 4/24/18			
10/24/2014	1,250.00	Reliance	1.000	1,250.00	1,250.00
Interest Received		2.5% due 4/24/19			
10/27/2014	570.00	FHLB	1.000	570.00	570.00
Interest Received		1.14% due 10/25/18			
10/27/2014	345.21	World's Foremost Bank	1.000	345.21	345.21
Interest Received		2.1% due 8/27/19			
10/28/2014	2,155.89	Bank Baroda	1.000	2,155.89	2,155.89
Interest Received		2.15% due 10/29/18			
10/30/2014	170,000.00	FHLB	1.000	170,000.00	1,275.00
Called		1.5% due 4/30/19		1,275.00	
10/30/2014	2,694.86	Sallie Mae Bank	1.000	2,694.86	2,694.86
Interest Received		2.15% due 10/30/18			
10/30/2014	100,000.00	AT&T	1.011	101,050.00	2,059.38
Sold		2.375% due 11/27/18		1,009.38	
<b>Local Agency Investment Fund</b>					
10/14/2014	195,000.00	Local Agency Investment	1.000	195,000.00	
Withdrawal		Fund State Pool			
10/14/2014	117.06	Local Agency Investment	1.000	117.06	
Qtrly interest		Fund State Pool			