



# Treasurer's Report

January 8, 2013

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**TO:** Honorable Mayor and Town Council  
**FROM:** Roger Carroll, Treasurer/Finance Officer  
**DATE:** December 28, 2012  
**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:**

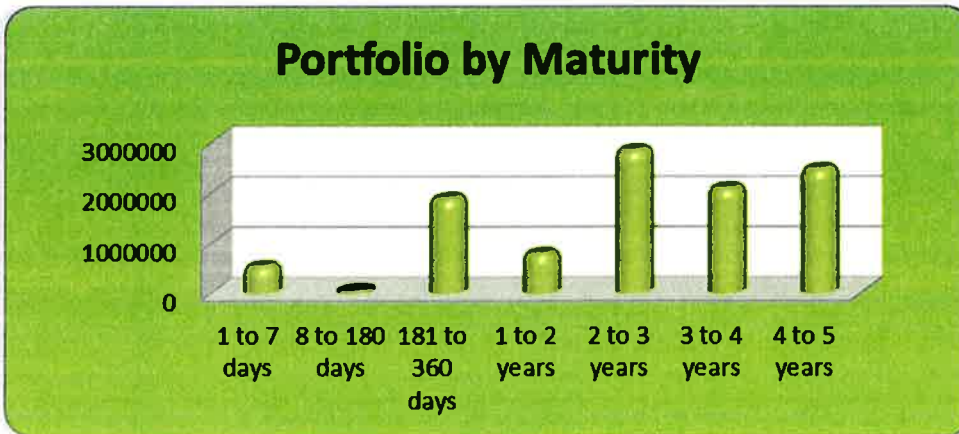
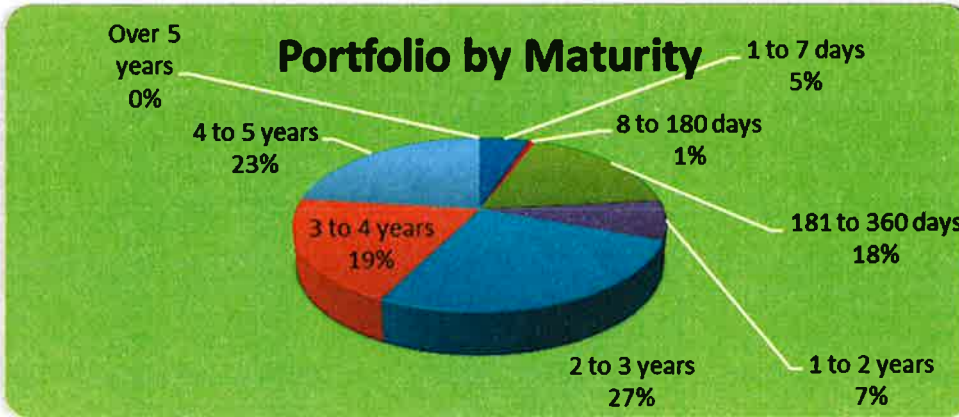
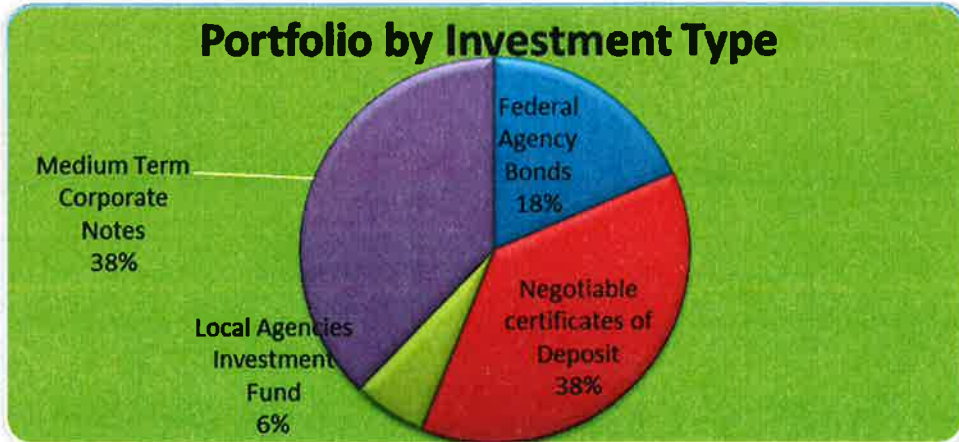
The Town's portfolio is in compliance with our investment policy. Although the balances of negotiable certificates of deposit and medium term corporate notes exceed the allowable percentage of the portfolio, when all the investments were purchased, the proper percentages were intact. The current percentage aberrations were caused by decreases in the overall portfolio balance which raises the individual percentages. The Town's investment policy does not require an immediate liquidation in this situation; rather, the Treasurer is to use his judgment in maintaining or rebalancing the portfolio. The current plan is to hold all current investments until property taxes are received in January and then rebalance as necessary.

### **Other Information**

Benchmarks as of December 28, 2012:

Federal Lending Rate: 0.25%  
 Two Year T-Bill Rate: 0.26%  
 LAIF daily Rate 0.32%

Town of Loomis Weighted Average Rate, excluding LAIF investments: 2.79%  
 Average Maturity is 2.60 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 December 28, 2012

**Current Portfolio Balance: \$ 10,679,233**

Ca Government Code Section 53601	Govt Code Maximum %	Loomis Maximum %	Loomis Actual %	Complies
a Bonds issued by Loomis		5.00%		Yes
b Federal Treasury notes, bonds, bills	100.00%	100.00%		Yes
c State/local agency bonds, etc	100.00%	50.00%	18.94%	Yes
d Local agency bonds, etc	100.00%	50.00%		Yes
e Federal Agency Bonds	100.00%	100.00%	14.99%	Yes
f Bankers Acceptances	40.00%	40.00%		Yes
g Commercial Paper	30.00%	15.00%		Yes
h Negotiable certificates of Deposit	30.00%	30.00%	30.40%	No
l(1) Repurchase Agreements	20.00%	20.00%		Yes
l(3) Reverse Repurchase Agreements	20.00%	20.00%		Yes
Local Agencies Investment Fund		100.00%	4.95%	Yes
h Time Deposits	30.00%	25.00%	0.11%	Yes
j Medium Term Corporate Notes	30.00%	30.00%	30.61%	No
k Shares of Beneficial Interest	20.00%	0.00%		Yes
l Local agency Certificates of Participation, security pledges, lease installments, etc.		0.00%		Yes
m Local agency notes, bonds, etc.	0.00%	0.00%		Yes
n Mortgage pass through security bonds	20.00%	0.00%		Yes
<b>Total</b>			100.00%	

Target Share of Portfolio per Investment Policy			Actual %	Actual \$
Range	Not Less Than	Not More Than		
1 to 7 days	5%	70%	5%	539,393
8 to 180 days	0%	30%	1%	76,905
181 to 360 days	0%	30%	18%	1,884,848
1 to 2 years	0%	40%	7%	794,673
2 to 3 years		40%	27%	2,834,821
3 to 4 years		30%	20%	2,084,540
4 to 5 years		30%	23%	2,464,051
Over 5 years		0%	0%	
<b>Total</b>				10,679,233

Town of Loomis  
Quality Analysis Report

12/31/2012		SETTLEMENT	NEXT	MATURITY		DISCOUNT	BOOK	MARKET	UNREALIZED	
Cusip	NAME	RATE	DATE	COUPON	DATE	UNITS	OR PREMIUM	VALUE	MARKET	MARKET
										GAIN/LOSS
313371NW2	AGY FHLB	1.375%	12/28/2010	6/11/2012	12/11/2015	280,000.00	(6,216.16)	273,783.84	287,974.40	14,190.56
3133XWX95	AGY FHLB	2.750%	3/25/2010	9/13/2012	3/13/2015	500,000.00	(160.56)	499,839.44	526,480.00	26,640.56
3135G0Y3	AGY FNMA	1.250%	3/20/2012	7/30/2012	1/30/2017	250,000.00		250,000.00	256,300.00	6,300.00
3136G0NC1	AGY FNMA	0.750%	6/28/2012	12/28/2012	6/28/2017	250,000.00		250,000.00	250,577.50	577.50
3136G0ZG9	AGY FNMA	1.150%	8/28/2012	2/28/2012	8/28/2017	250,000.00		250,000.00	251,192.50	1,192.50
13034AAP5	A- CA Infra Econ	3.314%	12/16/2011	10/1/2012	10/1/2015	250,000.00	1,048.15	251,048.15	254,105.00	3,056.85
13063A5D2	A1 CA State GOB	5.950%	9/21/2011	10/1/2012	4/1/2016	100,000.00	10,167.88	110,167.88	112,188.00	2,020.12
13124MAE5	A1 Calleguas CA Mun Wa	1.768%	6/20/2012	12/20/2012	7/1/2017	210,000.00		210,000.00	212,963.10	2,963.10
28282QBF8	AA- El Centro Fing	1.180%	2/17/2012	10/1/2012	10/1/2013	175,000.00	1,391.54	176,391.54	176,284.50	(107.04)
4521518V8	A1 Illinois GOB	4.421%	8/3/2010	7/1/2012	1/1/2015	100,000.00		100,000.00	106,011.00	6,011.00
452151LC5	A1 Illinois GOB	4.050%	8/24/2010	6/1/2012	6/1/2015	150,000.00	477.18	150,477.18	157,101.00	6,623.82
544587M28	A1 LA CA Mun Impt	5.640%	7/2/2012	8/1/2012	8/1/2015	200,000.00	17,149.98	217,149.98	217,268.00	118.02
777352BK0	A+ Rosedale Ro Bravo	3.050%	7/27/2012	1/1/2013	1/1/2016	305,000.00	5,833.14	310,833.14	309,629.90	(1,203.24)
913366ET3	A1 UCD	2.875%	11/18/2010	7/15/2012	5/15/2015	140,000.00		140,000.00	143,796.80	3,796.80
952347WA6	A1 W Contra Costa	4.000%	4/13/2012	8/1/2012	8/1/2015	100,000.00	7,095.00	107,095.00	108,085.00	990.00
952357AB7	A1 W Covina	0.550%	8/28/2012	6/27/2013	6/27/2013	250,000.00		250,000.00	249,962.50	(37.50)
02003MBQ6	AA Alstate LF GLB	5.375%	5/1/2009	4/30/2012	4/30/2013	250,000.00		250,000.00	254,140.62	4,140.62
02005QQD8	CD Ally Bank	2.150%	6/2/2011	6/2/2012	6/2/2016	250,000.00		250,000.00	263,557.17	13,557.17
02587DKM9	CD Amex Bank FSB	1.750%	7/19/2012	1/19/2013	7/19/2017	250,000.00		250,000.00	261,191.22	11,191.22
05155THC5	CD Aurora Bank	1.500%	5/23/2011	5/23/2012	5/23/2014	200,000.00		200,000.00	202,873.30	2,873.30
06739FGF2	AA3 Barclays Bank	5.000%	4/3/2012	9/22/2012	9/22/2016	250,000.00	17,150.00	267,150.00	280,227.50	13,077.50
06740KCB1	CD Barclays Bank	3.200%	10/14/2009	5/14/2012	10/14/2014	100,000.00		100,000.00	105,020.02	5,020.02
05568PV95	CD BMW Bank	1.750%	4/13/2012	10/13/2012	4/13/2017	250,000.00		250,000.00	261,108.10	11,108.10
140653E44	CD CAPMARK BANK	5.000%	10/22/2008	10/22/2012	10/22/2013	100,000.00		100,000.00	103,735.33	3,735.33
17284ADC9	CD CIT Bank	3.650%	5/22/2009	5/22/2012	5/22/2014	100,000.00		100,000.00	104,471.25	4,471.25
17284ARS9	CD CIT Bank SLC	2.250%	5/27/2011	5/11/2012	5/11/2016	100,000.00	(162.59)	99,837.41	105,708.48	5,871.07
21686CAD2	Aaa Rabobank	3.375%	2/15/2012	7/19/2012	1/19/2017	150,000.00	4,051.49	154,051.49	160,888.50	6,837.01
2546706U1	CD DISCOVER BANK	1.850%	4/18/2012	10/18/2012	4/18/2017	100,000.00		100,000.00	104,886.64	4,886.64
254671GA2	CD DISCOVER BANK	1.600%	9/5/2012	3/5/2013	9/5/2017	150,000.00		150,000.00	155,612.10	5,612.10
3191404X4	CD Firstbank Highland	3.400%	5/20/2009	5/20/2012	5/20/2014	100,000.00		100,000.00	104,101.99	4,101.99
3615952H3	CD GE Cap Ret Bnk	2.000%	10/11/2011	10/7/2012	10/7/2016	250,000.00		250,000.00	263,037.77	13,037.77
36160XYL5	CD GE Cap Financial	2.050%	10/28/2011	4/28/2012	10/28/2016	250,000.00		250,000.00	263,595.05	13,595.05
36962G3Z5	AA GECC (F)	1.310%	8/3/2010	9/23/2012	9/23/2013	150,000.00	(1,054.25)	148,945.75	150,100.50	1,154.75
36962GK94	AA GECC (F)	0.570%	6/28/2010	9/15/2012	9/15/2014	100,000.00	(2,326.80)	97,673.20	99,880.00	2,206.80
38141EKF5	A GOLDMAN SACHS	0.619%	7/16/2010	7/22/2012	7/22/2015	250,000.00	(9,375.00)	240,625.00	245,110.00	4,485.00
3814264E2	CD GOLDMAN SACHS BAI	1.850%	8/24/2011	8/24/2012	8/24/2016	100,000.00		100,000.00	104,591.60	4,591.60
38143AUR4	CD GOLDMAN SACHS BAI	1.800%	6/13/2012	12/13/2012	6/13/2017	150,000.00		150,000.00	157,021.32	7,021.32
40429XUJ3	AA- HSBC	6.000%	11/16/2009	10/15/2012	4/15/2013	250,000.00	7,470.56	257,470.56	252,997.50	(4,473.06)
428236CB6	A2 Hewlett Packard	2.125%	9/21/2011	9/13/2012	9/13/2015	250,000.00	(1,033.36)	248,966.64	249,742.50	775.86
46625HHB9	AA- JP Morgan	4.750%	5/26/2009	5/1/2012	5/1/2013	250,000.00	2,040.00	252,040.00	253,657.50	1,617.50
46625HHP8	AA- JP Morgan	3.700%	8/23/2011	7/20/2012	1/20/2015	250,000.00	5,836.25	255,836.25	263,187.50	7,351.25
59012YG43	CD Merrick Bank	2.000%	6/15/2011	1/15/2013	6/15/2016	200,000.00		200,000.00	209,926.58	9,926.58
59018YM40	A2 MERIL LYNCH	5.450%	3/28/2008	7/5/2012	2/5/2013	250,000.00		250,000.00	251,150.00	1,150.00
61745EG70	A2 MORGAN STANLEY	3.000%	8/31/2011	9/2/2012	8/31/2015	225,000.00		225,000.00	226,235.25	1,235.25
61747MQF1	CD MORGAN STANLEY CC	5.050%	10/29/2008	4/29/2012	10/29/2013	100,000.00		100,000.00	103,842.27	3,842.27
61747YCL7	A2 MORGAN STANLEY	4.100%	1/29/2010	7/26/2012	1/26/2015	125,000.00		125,000.00	130,516.25	5,516.25
785907AV8	CD Saehan Bank	3.400%	3/31/2009	8/27/2012	3/24/2014	97,000.00		97,000.00	100,533.13	3,533.13
7954550HP3	CD Sallie Mae Bk	3.500%	2/19/2009	8/16/2012	2/19/2014	100,000.00		100,000.00	103,455.18	3,455.18
856284E34	CD State Bnk India	2.000%	4/27/2012	10/27/2012	4/27/2017	200,000.00		200,000.00	211,123.96	11,123.96
92977BQA2	CD WACHOVIA BANK	5.000%	7/25/2008	7/25/2012	7/25/2013	100,000.00		100,000.00	102,677.14	2,677.14
949746QU8	AA Wells Fargo	3.676%	7/6/2011	9/15/2012	6/15/2016	240,000.00	6,552.00	246,552.00	259,716.00	13,164.00
96121BBR7	AA Westpac Banking	2.000%	7/19/2012	1/15/2013	7/15/2017	250,000.00		250,000.00	246,937.50	(3,062.50)
ACCURED INT	AGY					76,904.59		76,904.59		
Sub- total						10,073,904.59	65,934.45	10,139,839.04	10,336,475.92	273,541.47
Balance on account with LAIF						528,130.12		528,130.12	539,393.49	
Balance on account with Money market						11,263.37		11,263.37		
Total Portfolio						10,613,298.08		10,679,232.53		

Town of Looms  
Transaction Ledger  
12/01/12 to 12/28/12

<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>
12/4/2012 Interest Received	0.02	Federated Govt Oblig Fund 0.01% floating 7 day	1.000	0.02	0.02
12/3/2012 Interest Received	2,694.86	Ally Bank 2.15 due 6/21/16	1.000	2,694.86	2,694.86
12/3/2012 Interest Received	3,037.50	Illinois GOB 4.05 due 6/01/15	1.000	3,037.50	3,037.50
12/11/2012 Interest Received	1,925.00	FHLB 1.375 due 12/11/15	1.000	1,925.00	1,925.00
12/11/2012 Interest Received	1,353.70	Goldman Sachs Bank 1.8 due 6/13/17	1.000	1,353.70	1,353.70
12/17/2012 Interest Received	328.77	Merrick Bank 2.0% due 6/15/16	1.000	339.73	339.73
12/17/2012 Interest Received	416.67	Westpac Bank 2.0% due 7/15/15	1.000	416.67	416.67
12/24/2012 Interest Received	520.59	GE FR% due 9/23/13	1.000	520.59	520.59
12/27/2012 Interest Received	822.24	Saehan Bank 3.4% due 3/27/14	1.000	822.24	822.24
12/31/2012 Transfer (expected)	11,263.37	Transfer to Wells Fargo	1.000	11,263.37	-

Local Agency Investment Fund

No Activity