



Meeting Date: 11/9/10

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Danielle M. Navas

Agenda Item No. F-4

Reviewed By: [Signature] City Manager

[Signature] City Attorney

[Signature] Finance

Other (Specify) \_\_\_\_\_

**DATE:** October 22, 2010

**TO:** City Council

**FROM:** Danielle M. Navas, City Treasurer

*Danielle M. Navas*

**SUBJECT: Quarterly Investment Report for the First Quarter F/Y 2010-2011**

**RECOMMENDATION**

That City Council accept the quarterly Investment Report for the First Quarter F/Y 2010-2011.

**DISCUSSION**

The City Treasurer will continue to provide this quarterly report to keep you informed of the status of the investment portfolio, however, it is no longer required by state law. This is one of many previously reimbursable state mandated items not required due to lack of state funding. The Investment Policy was presented to City Council with the Annual Report of Investment Policy on September 21, 2010. The City of Oxnard Treasurer's Office Market Report as of September 30, 2010 is provided as Attachment 1. The source of the market values is Sungard, the vendor of the City's investment reporting system. Investments in the City's portfolio meet the requirements of the City of Oxnard's adopted investment policy. Detailed information regarding individual investments is maintained in the City Treasurer's Office.

The following statistics provide a summary on the status of the portfolio as of September 30, 2010:

Original cost of investments	\$ 123,589,794	Book Value
Total to be received at maturity	\$ 123,560,000	Par Value
If sold on September 30, 2010	\$ 124,496,455	Market Value
Gain/ (Loss) if sold on September 30, 2010	\$ 906,661*	

\*All investments purchased are held to maturity. Sufficient liquidity is maintained for unexpected needs so that sale of an investment is not necessary. Any gain or loss related to changing market value is only a "paper" gain or loss, not an increase or decrease in the funds of the City.

Total earnings (1st quarter)	\$ 714,557	
Average yield (1st quarter)	2.13%	(for the month 2.33%)
Average days to maturity (1st quarter)	946	(for the month 1056 days)

**Subject: Quarterly Investment Report for the First Quarter F/Y 2010-2011**

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The quarterly yield on the portfolio was 2.13 percent compared with the Local Agency Investment Fund (LAIF) yield of .52 percent for the same period. The LAIF portfolio is comprised of public funds invested on a short-term basis with priority of safety first followed by need for liquidity and yield, the priorities of the City Treasurer's Investment Policy.

The federal funds rate remains unchanged at .00 to .25 percent.

In compliance with California Government Code section 53646, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted and anticipated expenditure requirements for the next six months.

**FINANCIAL IMPACT**

None at this time.

Attachment #1 –Investment Inventory as of September 30, 2010

Attachment #2 – Benchmark Rate Comparison

(WRRPT)

CITY OF OXNARD  
 TREASURER'S OFFICE  
 MARKET REPORT  
 REPORT WRITER  
 AS OF DATE: 09/30/10  
 SORTING ORDER: ICC# MATD

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DESCRIPTION	PURCHASE SET DATE	MATURITY DATE	INTEREST RATE	YTM TRADING	CURRENT PAR VALUE	CURRENT BOOK VALUE	MARKET VALUE
FHLB	04/13/06	02/04/11	4.8500 %	5.230	2,000,000.00	1,996,658.95	2,031,250.00
FHLB	11/23/09	11/23/11	1.2500 %	1.250	2,000,000.00	2,000,000.00	2,001,875.00
FHLB	06/26/09	02/24/12	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,043,750.00
FHLB	08/10/09	08/10/12	2.0500 %	2.050	2,000,000.00	2,000,000.00	2,025,000.00
FHLB	10/05/07	10/05/12	5.0000 %	5.000	2,000,000.00	2,000,000.00	2,001,250.00
FHLB	03/24/10	12/24/12	1.5500 %	1.550	2,000,000.00	2,000,000.00	2,003,750.00
FHLB	03/04/10	03/04/13	1.8500 %	1.850	2,000,000.00	2,000,000.00	2,010,000.00
FHLB	03/10/10	09/10/13	2.0000 %	2.000	1,560,000.00	1,560,000.00	1,571,212.50
FHLB	03/10/10	09/10/13	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,014,375.00
FHLB	02/25/10	11/25/13	2.1250 %	2.125	2,000,000.00	2,000,000.00	2,014,375.00
FHLB	03/30/10	12/30/13	2.1500 %	2.150	2,000,000.00	2,000,000.00	2,017,500.00
FHLB	09/20/10	12/30/13	1.1250 %	1.125	2,000,000.00	2,000,000.00	2,013,125.00
FHLB	09/13/10	03/13/14	1.1500 %	1.150	2,000,000.00	2,000,000.00	2,001,250.00
FHLB	06/30/09	06/30/14	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,025,625.00
FHLB	08/26/09	08/26/14	2.0500 %	2.050	2,000,000.00	2,000,000.00	2,030,625.00
FHLB	07/29/10	10/29/14	1.2500 %	1.250	2,000,000.00	2,000,000.00	2,006,250.00
FHLB	11/24/09	11/24/14	1.2500 %	1.250	2,000,000.00	2,000,000.00	2,001,875.00
FHLB	08/16/10	11/28/14	1.5000 %	1.500	2,000,000.00	2,000,000.00	2,017,500.00
FHLB	09/10/10	06/10/15	1.7000 %	1.700	2,000,000.00	2,000,000.00	2,000,000.00
SUBTOTAL (Inv Type) 12 FEDERAL HOME LOAN BANK BONDS					37,560,000.00	37,556,658.95	37,830,587.50
FNMA	05/25/10	05/25/12	1.3000 %	1.300	2,000,000.00	2,000,000.00	2,008,125.00
FNMA	03/18/09	09/18/12	2.5000 %	2.500	2,000,000.00	2,000,000.00	2,020,000.00
FNMA	05/24/10	06/24/13	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,016,875.00
FNMA	09/27/10	09/27/13	1.2000 %	1.200	2,000,000.00	2,000,000.00	2,005,000.00
FNMA	09/27/10	09/27/13	1.2000 %	1.200	2,000,000.00	2,000,000.00	2,005,000.00
FNMA	09/17/10	12/17/13	1.1250 %	1.125	2,000,000.00	2,000,000.00	2,003,750.00
FNMA	03/20/09	03/20/14	3.0000 %	3.000	2,000,000.00	2,000,000.00	2,058,125.00
FNMA	03/20/09	03/20/14	3.0000 %	3.000	2,000,000.00	2,000,000.00	2,058,125.00
FNMA	09/20/10	03/20/14	1.2500 %	1.250	2,000,000.00	2,000,000.00	2,008,750.00
FNMA	08/25/10	08/25/14	1.0000 %	1.000	2,000,000.00	2,000,000.00	2,003,125.00
FNMA	09/08/10	09/08/14	1.5000 %	1.500	2,000,000.00	2,000,000.00	2,000,000.00
FNMA	09/16/10	12/16/14	1.5000 %	1.500	2,000,000.00	2,000,000.00	2,003,750.00
FNMA	07/13/10	07/13/15	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,006,875.00
FNMA	08/24/10	08/24/15	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,014,375.00
FNMA	08/25/10	08/25/15	1.7500 %	1.750	2,000,000.00	2,000,000.00	2,006,875.00
FNMA	09/24/10	09/24/15	1.5000 %	1.500	2,000,000.00	2,000,000.00	2,000,000.00
SUBTOTAL (Inv Type) 13 FEDERAL NATIONAL MORTGAGE ASSN					32,000,000.00	32,000,000.00	32,218,750.00

ATTACHMENT /  
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CITY OF OXNARD  
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FPCB	05/25/07	05/25/11	5.0500 %	5.050	2,000,000.00	2,000,000.00	2,061,250.00
FPCB	02/05/07	01/24/12	5.0400 %	5.135	2,000,000.00	1,997,492.61	2,120,625.00
FPCB	05/25/07	04/12/12	4.8750 %	5.070	2,000,000.00	1,993,125.56	2,133,750.00
FPCB	05/17/10	05/17/12	1.1400 %	1.140	2,000,000.00	2,000,000.00	2,010,000.00
FPCB	05/17/10	05/17/12	1.1400 %	1.140	2,000,000.00	2,000,000.00	2,010,000.00
FPCB	01/14/10	01/14/13	2.0000 %	2.000	2,000,000.00	2,000,000.00	2,007,500.00
FPCB	07/08/10	04/08/13	1.2000 %	1.200	2,000,000.00	2,000,000.00	2,000,000.00
FPCB	05/21/10	05/21/13	1.7500 %	1.750	2,000,000.00	2,000,000.00	2,023,125.00
FPCB	07/22/10	07/22/13	1.3500 %	1.350	2,000,000.00	2,000,000.00	2,001,250.00
FPCB	09/23/10	09/23/13	1.1000 %	1.100	2,000,000.00	2,000,000.00	2,004,375.00
FPCB	07/21/10	04/21/14	1.6900 %	1.699	2,000,000.00	1,999,375.00	2,001,250.00
FPCB	01/13/10	01/13/15	3.1800 %	3.180	2,000,000.00	2,000,000.00	2,016,250.00
FPCB	05/18/10	05/18/15	2.9700 %	2.970	2,000,000.00	2,000,000.00	2,027,500.00
FPCB	05/18/10	05/18/15	2.9700 %	2.970	2,000,000.00	2,000,000.00	2,027,500.00
SUBTOTAL (Inv Type) 17 FEDERAL FARM CREDIT BANK BONDS					28,000,000.00	27,989,993.17	28,444,375.00
FHLMC	05/18/10	11/18/11	1.0000 %	1.000	2,000,000.00	2,000,000.00	2,001,250.00
FHLMC	01/29/10	10/29/12	1.6000 %	1.600	2,000,000.00	2,000,000.00	2,001,875.00
FHLMC	05/23/08	11/23/12	3.7000 %	4.002	2,000,000.00	1,986,309.45	2,009,375.00
FHLMC	03/24/09	03/24/14	2.3750 %	2.375	2,000,000.00	2,000,000.00	2,020,000.00
FHLMC	06/30/10	06/30/14	2.0500 %	2.058	2,000,000.00	1,999,375.00	2,023,750.00
FHLMC	06/30/10	06/30/14	2.0500 %	2.058	2,000,000.00	1,999,375.00	2,023,750.00
FHLMC	08/25/10	08/25/15	2.1250 %	2.125	2,000,000.00	2,000,000.00	2,009,375.00
SUBTOTAL (Inv Type) 23 OTHER GOVERNMENT AGENCIES					14,000,000.00	13,985,059.45	14,089,375.00
MTN	02/15/07	02/01/11	5.2000 %	5.200	2,000,000.00	1,999,992.26	1,920,000.00
MTN	03/17/08	04/10/12	5.0000 %	4.100	2,000,000.00	2,032,778.72	1,970,000.00
MTN	01/15/08	05/15/12	4.7500 %	4.105	2,000,000.00	2,023,367.38	2,023,367.38
MTN	07/08/10	06/29/15	3.5000 %	3.500	2,000,000.00	2,001,944.44	2,000,000.00
SUBTOTAL (Inv Type) 85 DEPOSIT NOTES					8,000,000.00	8,058,082.80	7,913,367.38
LOCAL AGENCY INVEST.	07/01/02	10/01/10	.5200 %	.520	4,000,000.00	4,000,000.00	4,000,000.00
SUBTOTAL (Inv Type) 99 PASSBOOK INTEREST					4,000,000.00	4,000,000.00	4,000,000.00

(WRRPT)

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GRAND TOTALS					123,560,000.00	123,589,794.37	124,496,454.88

\*Includes Accrued Discount: \$55,476.05  
Earned Interest Yield This Period: 2.334 %

"Per Government Requirements, there are adequate funds available to meet budgeted and actual expenses for the next thirty days"

**CITY OF OXNARD BENCHMARK COMPARISON  
VS. LAIF AND 2-YR TREASURIES  
as of September 30, 2010**

<u>FISCAL YEAR</u>		<u>CITY</u>	<u>LAIF</u>	<u>2 YR TREASURY</u>	
2003/04	12 mo avg	2.32	1.54	1.93	FY 1.63 Calendar
2004/05	12 mo avg	2.78	2.17	3.08	FY 2.38 Calendar
2005/06	12 mo avg	3.70	3.84	4.46	FY 3.85 Calendar
2006/07	12 mo avg	4.24	5.11	4.81	
2007/08	12 mo avg	4.68	3.11	3.08	
2008/09	12 mo avg	3.79	2.16	1.51	
2009/10	12 mo avg	2.34	0.65	0.86	
<b>SUBTOTAL - 7 Years</b>		<b>23.85</b>	<b>18.58</b>	<b>19.73</b>	
<b>Annual Average (7 years)</b>		<b>3.41</b>	<b>2.66</b>	<b>2.82</b>	
<u>Quarterly Average FY 2010-11</u>		<u>CITY</u>	<u>LAIF</u>	<u>2 YR TREAS</u>	
<i>First Quarter</i>		2.13	0.52	0.54	
CITY = CITY OF OXNARD					
LAIF = STATE LOCAL AGENCY INVESTMENT FUND					
2 YR TREASURY = U S GOVERNMENT TREASURY BILLS - 2 YR MATURITY					