



Meeting Date: 11/05/13

<b>ACTION</b>	<b>TYPE OF ITEM</b>
<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 *DNavas* Agenda Item No. S-3  
 Reviewed By: City Manager *WED* City Attorney *SMF* Finance *JK* Other (Specify) \_\_\_\_\_

**DATE:** October 10, 2013

**TO:** City Council

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

**SUBJECT:** Quarterly Investment Report for the First Quarter F/Y 2013-2014

**RECOMMENDATION**

That City Council accepts the quarterly Investment Report for the First Quarter F/Y 2013-2014.

**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 October 1, 2013. The City of Oxnard Treasurer’s Office Market Report as of September 30, 2013 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 Sept. 30, 2013:

Original cost of investments	\$ 88,248,749	Book Value
Total to be received at maturity	\$ 88,250,000	Par Value
If sold on Sept. 30, 2013	\$ 87,511,070	Market Value
Gain/ (Loss) if sold on Sept 30, 2013	\$ (737,679)*	

\*All investments purchased are held to maturity. Sufficient liquidity is maintained for unexpected needs so that sale of an investment may not be 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)	\$ 520,936**	
Average yield (1st quarter)	2.40%**	(for the month 5.07%**)
Average days to maturity (1st quarter)	1175	(for the month 1089 days)

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\*\*Favorable market conditions allowed selected securities to be sold at a profit. The securities sold would have matured at par value but were sold for a principal gain of \$276,600. The total earnings, average yield for the first quarter and the current monthly yield include the profit for the sale and are not typical.

The quarterly average yield on the portfolio was 2.40 percent compared with the Local Agency Investment Fund (LAIF) yield of .27 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**

Principal gain of \$276,600.

Attachment #1 –Investment Inventory as of Sept 30, 2013

Attachment #2 – Benchmark Rate Comparison









