



Meeting Date: 11/05/13

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. S-3

Reviewed By: City Manager

City Attorney

Finance

Other (Specify)

DATE: October 10, 2013**TO:** City Council**FROM:** Danielle M. Navas, City Treasurer**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)

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

October 10, 2013

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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

Inventory by Market Value

As Of Date: 09/30/2013

Date Basis: Settlement

City of Oxnard - Treasurer's Office

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par /Share Current Book	Market Value Market Price	Curr Accr Int Price Source
Inv Type: 12 FEDERAL HOME LOAN BANK BONDS							
16924	FHLB	313379J34	06/06/2012	1.150000	2,000,000.00	1,986,960.00	7,347.22
			06/06/2017	1.160322	1,999,200.44	99.348000	SUNGARD
16938	FHLB	313381RE7	01/30/2013	1.000000	2,000,000.00	1,965,100.00	3,388.89
			01/30/2018	1.000000	2,000,000.00	98.255000	SUNGARD
16951	FHLB	313383AV3	06/12/2013	1.000000	2,000,000.00	1,951,200.00	6,055.56
			06/12/2018	1.000000	2,000,000.00	97.560000	SUNGARD
16952	FHLB	313383A68	06/13/2013	1.080000	2,000,000.00	1,955,940.00	6,480.00
			06/13/2018	1.080000	2,000,000.00	97.797000	SUNGARD
16954	FHLB	313383HQ7	06/27/2013	1.200000	2,000,000.00	1,978,780.00	6,266.67
			06/27/2018	1.200000	2,000,000.00	98.939000	SUNGARD
16955	FHLB	313383HQ7	06/27/2013	1.200000	2,000,000.00	1,978,780.00	6,266.67
			06/27/2018	1.200000	2,000,000.00	98.939000	SUNGARD
Subtotal				1.104997	12,000,000.00	11,816,760.00	35,805.01
				1.106717	11,999,200.44	98.473000	
Inv Type: 13 FEDERAL NATIONAL MORTGAGE ASSN							
16860	FNMA	3136FPEX1	09/17/2010	1.125000	2,000,000.00	2,004,400.00	6,500.00
			12/17/2013	1.125000	2,000,000.00	100.220000	SUNGARD
16923	FNMA	3136G0KQ3	05/25/2012	1.200000	2,000,000.00	1,994,580.00	8,533.33
			05/23/2017	1.200000	2,000,000.00	99.729000	SUNGARD
16931	FNMA	3136G0ZG9	08/28/2012	1.150000	2,000,000.00	1,990,060.00	2,108.33
			08/28/2017	1.150000	2,000,000.00	99.503000	SUNGARD
16935	FNMA	3136G02U4	11/14/2012	.625000	2,000,000.00	1,987,020.00	4,756.94
			11/14/2016	.625000	2,000,000.00	99.351000	SUNGARD
16936	FNMA	3136G04S7	11/21/2012	.750000	2,000,000.00	1,984,920.00	1,666.67
			02/21/2017	.750000	2,000,000.00	99.246000	SUNGARD
16939	FNMA	3135G0TV5	01/30/2013	1.030000	2,000,000.00	1,964,400.00	3,490.56
			01/30/2018	1.030000	2,000,000.00	98.220000	SUNGARD
16942	FNMA	3136G1BK4	02/05/2013	1.000000	2,000,000.00	1,962,700.00	3,111.11
			02/05/2018	1.000000	2,000,000.00	98.135000	SUNGARD
16947	FNMA	3136G1LE7	05/15/2013	1.010000	1,000,000.00	974,070.00	3,815.56
			05/15/2018	1.010000	1,000,000.00	97.407000	SUNGARD
16948	FNMA	3135G0XG3	05/21/2013	1.000000	1,000,000.00	975,330.00	3,611.11
			05/21/2018	1.000000	1,000,000.00	97.533000	SUNGARD
Subtotal				.985625	16,000,000.00	15,837,480.00	37,593.61
				.985625	16,000,000.00	98.984250	
Inv Type: 17 FEDERAL FARM CREDIT BANK BONDS							
16928	FFCB	3133EAP28	08/22/2012	1.100000	2,000,000.00	1,987,100.00	2,383.33

Inventory by Market Value

As Of Date: 09/30/2013

Date Basis: Settlement

City of Oxnard - Treasurer's Office

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par /Share Current Book	Market Value Market Price	Curr Accr Int Price Source
16929	FFCB	3133EAP28	08/22/2017	1.100000	2,000,000.00	99.355000	SUNGARD
			08/22/2012	1.100000	2,000,000.00	1,987,100.00	2,383.33
			08/22/2017	1.100000	2,000,000.00	99.355000	SUNGARD
16933	FFCB	3133EA3J5	10/10/2012	.900000	2,000,000.00	1,947,000.00	8,550.00
			10/10/2017	.900000	2,000,000.00	97.350000	SUNGARD
16934	FFCB	3133EA4H8	10/11/2012	.820000	2,000,000.00	1,968,560.00	3,644.44
			07/11/2017	.820000	2,000,000.00	98.428000	SUNGARD
16940	FFCB	3133ECEQ3	02/06/2013	1.100000	2,000,000.00	1,972,460.00	3,361.11
			02/06/2018	1.100000	2,000,000.00	98.623000	SUNGARD
16941	FFCB	3133ECEQ3	02/06/2013	1.100000	2,000,000.00	1,972,460.00	3,361.11
			02/06/2018	1.100000	2,000,000.00	98.623000	SUNGARD
16944	FFCB	3133ECL44	04/11/2013	1.000000	2,000,000.00	1,958,080.00	9,444.44
			04/11/2018	1.000000	2,000,000.00	97.904000	SUNGARD
16949	FFCB	3133ECQ56	05/22/2013	1.080000	2,000,000.00	1,963,600.00	7,740.00
			05/22/2018	1.080000	2,000,000.00	98.180000	SUNGARD
16950	FFCB	3133ECRP1	06/11/2013	1.150000	1,250,000.00	1,230,650.00	4,392.36
			06/11/2018	1.150000	1,250,000.00	98.452000	SUNGARD
16953	FFCB	3133ECSQ8	06/25/2013	1.375000	2,000,000.00	1,979,240.00	7,333.33
			06/25/2018	1.375000	2,000,000.00	98.962000	SUNGARD
16957	FFCB	3133ECY57	08/28/2013	1.580000	2,000,000.00	2,005,120.00	2,896.67
			08/28/2017	1.580000	2,000,000.00	100.256000	SUNGARD
16958	FFCB	3133ECYG3	08/28/2013	2.125000	2,000,000.00	2,020,880.00	3,895.83
			08/28/2018	2.125000	2,000,000.00	101.044000	SUNGARD
Subtotal				1.204194	23,250,000.00	22,992,250.00	59,385.95
				1.204194	23,250,000.00	98.891398	

Inv Type: 23 OTHER GOVERNMENT AGENCIES

16915	FHLMC	3134G3PE4	02/24/2012	.850000	2,000,000.00	2,000,000.00	1,747.22
			02/24/2016	.850000	2,000,000.00	100.000000	UPRICE
16922	FHLMC	3134G3UQ1	05/15/2012	1.150000	2,000,000.00	1,992,160.00	8,688.89
			05/15/2017	1.150000	2,000,000.00	99.608000	SUNGARD
16927	FHLMC	3134G3ZR4	08/07/2012	1.000000	2,000,000.00	1,974,080.00	3,000.00
			08/07/2017	1.000000	2,000,000.00	98.704000	SUNGARD
16945	FHLMC	3134G42G2	04/30/2013	1.050000	2,000,000.00	1,952,840.00	8,808.33
			04/30/2018	1.050000	2,000,000.00	97.642000	SUNGARD
16956	FHLMC	3134G4CS5	07/25/2013	1.800000	2,000,000.00	2,015,300.00	6,600.00
			07/25/2018	1.800000	2,000,000.00	100.765000	SUNGARD
Subtotal				1.170000	10,000,000.00	9,934,380.00	28,844.44
				1.170000	10,000,000.00	99.343800	

Inventory by Market Value

As Of Date: 09/30/2013

Date Basis: Settlement

City of Oxnard - Treasurer's Office

Inv. No.	Description	CUSIP	Purchase Maturity	Coupon YTM TR	Current Par /Share Current Book	Market Value Market Price	Curr Accr Int Price Source
Inv Type: 81 MUNICIPAL BONDS							
16873	MUNI	544587US5	11/23/2010	3.185000	1,000,000.00	1,000,000.00	13,270.83
			11/01/2013	3.185000	1,000,000.00	100.000000	BOOK
			Subtotal	3.185000	1,000,000.00	1,000,000.00	13,270.83
				3.185000	1,000,000.00	100.000000	
Inv Type: 85 DEPOSIT NOTES							
16943	MTN	25468PCV6	03/05/2013	1.100000	2,000,000.00	1,963,900.00	7,333.33
			12/01/2017	1.100000	2,000,000.00	98.195000	SUNGARD
			Subtotal	1.100000	2,000,000.00	1,963,900.00	7,333.33
				1.100000	2,000,000.00	98.195000	
Inv Type: 86 DEPOSIT NOTES QUARTERLY							
16932	MTN	36962G5Y6	06/07/2012	1.450000	2,000,000.00	1,966,300.00	2,413.90
			05/30/2017	1.456211	1,999,548.51	98.315000	SUNGARD
			Subtotal	1.450000	2,000,000.00	1,966,300.00	2,413.90
				1.456211	1,999,548.51	98.315000	
Inv Type: 99 PASSBOOK INTEREST							
16434	LOCAL AGENCY INVEST		07/01/2002	.152081	22,000,000.00	22,000,000.00	5,094.92
			10/01/2013	.152081	22,000,000.00	100.000000	BOOK
			Subtotal	.152081	22,000,000.00	22,000,000.00	5,094.92
				.152081	22,000,000.00	100.000000	
Grand Total			Count 36	.910571	88,250,000.00	87,511,070.00	189,741.99
				.910945	88,248,748.95	99.162686	

*Includes Accrued Discount: **\$348.95**
 Earned Interest Yield This Period: **5.07%**

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

Inventory by Market Value

As Of Date: 09/30/2013

Date Basis: Settlement

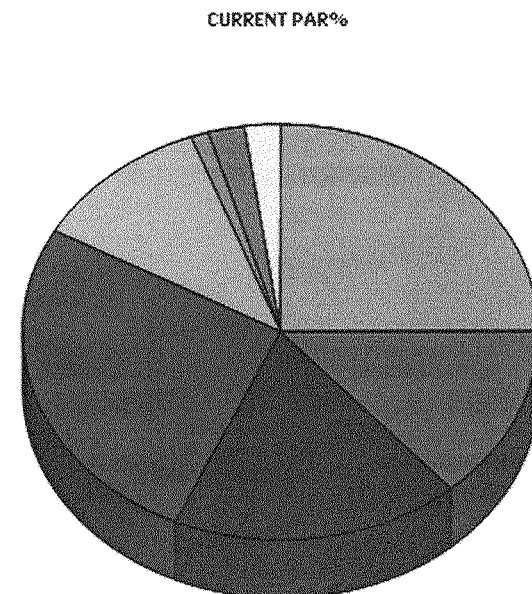
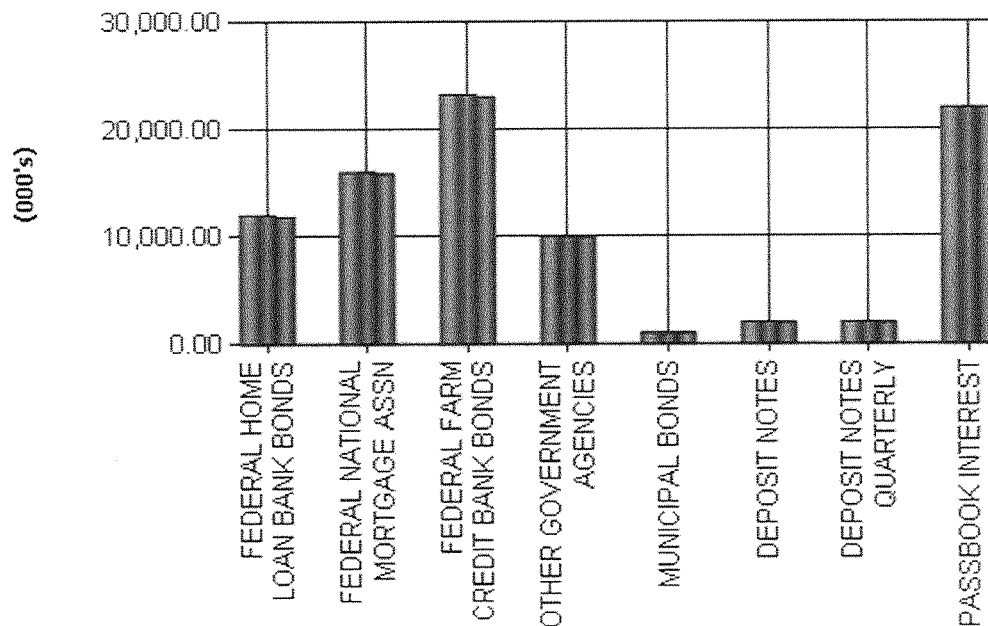
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Reporting Currency: Local

City of Oxnard - Treasurer's Office

Assets	Current Par	Current Book	Market	MKT/Book	Yield
FEDERAL HOME LOAN BANK BONDS	12,000,000.00	11,999,200.44	11,816,760.00	98.48%	1.11%
FEDERAL NATIONAL MORTGAGE ASSN	16,000,000.00	16,000,000.00	15,837,480.00	98.98%	0.99%
FEDERAL FARM CREDIT BANK BONDS	23,250,000.00	23,250,000.00	22,992,250.00	98.89%	1.20%
OTHER GOVERNMENT AGENCIES	10,000,000.00	10,000,000.00	9,934,380.00	99.34%	1.17%
MUNICIPAL BONDS	1,000,000.00	1,000,000.00	1,000,000.00	100.00%	3.19%
DEPOSIT NOTES	2,000,000.00	2,000,000.00	1,963,900.00	98.20%	1.10%
DEPOSIT NOTES QUARTERLY	2,000,000.00	1,999,548.51	1,966,300.00	98.34%	1.46%
PASSBOOK INTEREST	22,000,000.00	22,000,000.00	22,000,000.00	100.00%	0.15%
Totals	88,250,000.00	88,248,748.95	87,511,070.00	99.16%	0.91%

Asset Allocation



FEDERAL HOME LOAN BANK BONDS - 14%
 FEDERAL NATIONAL MORTGAGE ASSN - 18%
 FEDERAL FARM CREDIT BANK BONDS - 26%
 OTHER GOVERNMENT AGENCIES - 11%
 MUNICIPAL BONDS - 1%
 DEPOSIT NOTES - 2%
 DEPOSIT NOTES QUARTERLY - 2%
 PASSBOOK INTEREST - 25%

Par Book Market

**CITY OF OXNARD BENCHMARK COMPARISON
VS. LAIF AND 2-YR TREASURIES
as of September 30, 2013**

<u>FISCAL YEAR</u>		<u>CITY</u>	<u>LAIF</u>	<u>2 YR TREASURY</u>
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
2010/11	12 mo avg	2.02	0.49	0.55
2011/12	12 mo avg	1.34	0.38	0.28
2012/13	12 mo avg	0.91	0.25	0.30
SUBTOTAL - 7 Years		19.32	12.15	11.39
Annual Average (7 years)		2.76	1.74	1.63
<u>Quarterly Average FY 2013-14</u>		<u>CITY</u>	<u>LAIF</u>	<u>2 YR TREAS</u>
	First Quarter	2.40	0.27	0.36
	Second Quarter			
	Third Quarter			
	Fourth Quarter			
		<u>2.40</u>	<u>0.27</u>	<u>0.36</u>
CITY = CITY OF OXNARD				
LAIF = STATE LOCAL AGENCY INVESTMENT FUND				
2 YR TREASURY = U S GOVERNMENT TREASURY BILLS - 2 YR MATURITY				