



# City of Woodland

## REPORT TO MAYOR AND CITY COUNCIL

AGENDA ITEM

TO: THE HONORABLE MAYOR  
AND CITY COUNCIL

DATE: September 1, 2009

SUBJECT: Treasurer's Investment Report - Quarter Ending June 30, 2009

### **Report in Brief**

The City's securities are held in custodial care by U.S. Bank N.A., Custody Treasury Division, located in Minneapolis, MN and administered by its Sacramento office. U.S. Bank N.A. provides monthly statements to the City of Woodland. The source of valuations for the securities is marked to market by U.S. Bank N.A.

Based on current budget projections, the City's cash liquidity is sufficient to cover the expenditures anticipated for the next six months and the monthly cash flow and maturity of the investments are scheduled to meet the expected cash disbursements.

The average yield on the Local Agency Investment Fund (LAIF) balances for the quarter ending June 2009 was 1.51%. The average yield on the City of Woodland's investments as of June 30, 2009 was 4.24%. This higher yield was attained through prudent financial planning enabling the City to lock in very safe investments to higher yields than are currently available on the open market. This higher yield places a premium on the City's investments which is evidenced by its quarter ending market value of \$15,907,500, which is \$407,500 higher than the City's cost of \$15,500,000.

The prudent investment policies of the City of Woodland have insulated its investments well in the face of such turbulent and uncertain economic times. In determining placements of investments, safety is the number one priority which is followed by liquidity and finally yield on investments.

The City of Woodland does not have any holdings in the riskier corporate notes which have historically yielded only slightly higher yields as compared to our Agency Investments which have the implicit backing of the Federal Government. Unlike many other government agencies that have had to write off significant portions of their investments in corporate notes, the City of Woodland has not had to write off any investments.

Attached are the monthly reports along with the corresponding investment activity charts. The charts include the investment interest rates as they have matured and current rates for new investments. All activities comply with the existing Investment Policy approved by City Council. Additionally, a report entitled "Cash with Fiscal Agent" is included which lists the most recent information available regarding investments for the assessment districts/bond reserve fund dollars. The source of this information is monthly reports from the various district/bond Trustees.

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Mark G. Deven  
City Manager  
Attachments

**CITY OF WOODLAND  
INVESTMENT REPORT**

June-09

**SUMMARY OF INVESTMENTS**

| TYPE OF INVESTMENT                  | AMOUNT               | TOTAL         |
|-------------------------------------|----------------------|---------------|
| Local Agency Investment Fund (LAIF) | 34,327,087.29        | 68.9%         |
| TRANS bond proceeds                 | 0.00                 | 0.0%          |
| FHLB Bonds                          | 7,500,000.00         | 15.1%         |
| FFCP Bonds                          | 7,000,000.00         | 14.0%         |
| FNMA                                | 1,000,000.00         | 2.0%          |
| <b>TOTAL</b>                        | <b>49,827,087.29</b> | <b>100.0%</b> |

**PORTFOLIO**

|                     | <i>Interest</i> | <i>Amount</i>        |
|---------------------|-----------------|----------------------|
| LAIF                |                 | 34,327,087.29        |
| TRANS bond proceeds |                 | 0.00                 |
| <b>SUBTOTAL</b>     |                 | <b>34,327,087.29</b> |

|   | <i>Maturity Date</i> | <i>Interest</i> | <i>Call Date</i>    | <i>PAR Amount</i>    | <i>Purchase Price</i> | <i>Current Market Value</i> |
|---|----------------------|-----------------|---------------------|----------------------|-----------------------|-----------------------------|
| Federal Home Loan Bond                              | 8/7/2009             | 5.00            | 8/8/2007            | 1,500,000            | 1,500,000             | 1,507,500.00                |
| Federal Home Loan Bond                              | 11/20/2012           | 4.85            | On & After 11/20/09 | 4,000,000            | 4,000,000             | 4,067,500.00                |
| Federal Home Loan Bond                              | 12/21/2012           | 4.60            | 12/21/2009          | 2,000,000            | 2,000,000             | 2,039,375.00                |
|   |                      |                 | <b>TOTAL FHLB</b>   | <b>7,500,000</b>     |                       | <b>7,614,375.00</b>         |
| Federal Natl Mtg Assn                               | 11/16/2009           | 4.00            | 5/26/2008           | 1,000,000            | 997,301               | 1,013,437.50                |
|   |                      |                 |                     | <b>1,000,000</b>     |                       | <b>1,013,437.50</b>         |
| Federal Farm Credit                                 | 11/21/2011           | 4.35            | Bullet              | 1,000,000            | 1,000,000             | 1,065,937.50                |
| Federal Farm Credit                                 | 12/7/2012            | 4.49            | 12/7/2009           | 1,000,000            | 1,000,000             | 1,016,875.00                |
| Federal Farm Credit                                 | 2/7/2013             | 3.40            |                     | 5,000,000            | 5,002,361             | 5,196,875.00                |
|   |                      |                 |                     | <b>7,000,000</b>     |                       | <b>7,279,687.50</b>         |
| Total Investments                                   |                      |                 |                     | <b>15,500,000.00</b> |                       | <b>15,907,500.00</b>        |
| <b>Total of LAIF Funds &amp; Investments Detail</b> |                      |                 |                     | <b>49,827,087.29</b> |                       |                             |
| Check Total (Should be zero)                        |                      |                 |                     |                      |                       |                             |

CITY OF WOODLAND  
INVESTMENT REPORT

CASH ACCOUNTS as of 6/30/09

|                              |                   |
|------------------------------|-------------------|
| Bank Accounts with U.S. Bank | \$2,537,278.61    |
| Petty Cash                   | <b>\$2,990.00</b> |
| Cash with Fiscal Agent       | \$8,739,684.26    |

INTEREST SUMMARY

|   |                              |
|---|------------------------------|
| Interest Received in Quarter - Investments            | \$203,226.70                 |
| Interest Received in Quarter - LAIF                   | \$145,569.36                 |
| Total Interest Received                               | <u>\$348,796.06</u>          |
| Interest Received from July 1, 2008 to April 30, 2009 | <u>\$1,413,032.45</u>        |
| Total Fiscal Year-to-Date Interest Received           | <u><b>\$1,761,828.51</b></u> |

The interest received does not always represent the interest earned. LAIF records interest on a quarterly basis but does not report it until the 15th of the month following the end of the quarter. The interest received on Treasury Notes is received every six months either on the 15th or the last day of the month. Bond interest is posted every six months to the date of settlement.

**CITY OF WOODLAND  
ACTIVITY REPORT**

| DATE        | DESCRIPTION        | DEBIT         | CREDIT       | DEBITS        |
|-------------|--------------------|---------------|--------------|---------------|
| <b>LAIF</b> | <b>TREASURER</b>   |               |              |               |
| 03/31/09    | BEGINNING BALANCE  |               |              | 28,231,517.93 |
| 04/01/09    | Deposit to LAIF    | 1,100,000.00  |              | 29,331,517.93 |
| 04/03/09    | Deposit to LAIF    | 1,000,000.00  |              | 30,331,517.93 |
| 04/06/09    | Withdrew fr LAIF   |               | 500,000.00   | 29,831,517.93 |
| 04/14/09    | Deposit to LAIF    | 500,000.00    |              | 30,331,517.93 |
| 04/15/09    | Deposit to LAIF    | 300,000.00    |              | 30,631,517.93 |
| 04/15/09    | Quarterly Interest | 145,569.36    |              | 30,777,087.29 |
| 04/17/09    | Deposit to LAIF    | 500,000.00    |              | 31,277,087.29 |
| 04/21/09    | Deposit to LAIF    | 300,000.00    |              | 31,577,087.29 |
| 04/27/09    | Withdrew fr LAIF   |               | 1,200,000.00 | 30,377,087.29 |
| 04/30/09    | Withdrew fr LAIF   |               | 1,500,000.00 | 28,877,087.29 |
| 05/04/09    | Withdrew fr LAIF   |               | 300,000.00   | 28,577,087.29 |
| 05/06/09    | Withdrew fr LAIF   |               | 200,000.00   | 28,377,087.29 |
| 05/13/09    | Deposit to LAIF    | 11,600,000.00 |              | 39,977,087.29 |
| 05/18/09    | Withdrew fr LAIF   |               | 300,000.00   | 39,677,087.29 |
| 05/21/09    | Deposit to LAIF    | 800,000.00    |              | 40,477,087.29 |
| 05/22/09    | Deposit to LAIF    | 200,000.00    |              | 40,677,087.29 |
| 05/26/09    | Withdrew fr LAIF   |               | 700,000.00   | 39,977,087.29 |
| 05/27/09    | Withdrew fr LAIF   |               | 500,000.00   | 39,477,087.29 |
| 05/29/09    | Withdrew fr LAIF   |               | 1,400,000.00 | 38,077,087.29 |
| 06/04/09    | Withdrew fr LAIF   |               | 250,000.00   | 37,827,087.29 |
| 06/08/09    | Withdrew fr LAIF   |               | 400,000.00   | 37,427,087.29 |
| 06/09/09    | Deposit to LAIF    | 300,000.00    |              | 37,727,087.29 |
| 06/11/09    | Deposit to LAIF    | 2,200,000.00  |              | 39,927,087.29 |
| 06/15/09    | Withdrew fr LAIF   |               | 800,000.00   | 39,127,087.29 |
| 06/23/09    | Withdrew fr LAIF   |               | 3,500,000.00 | 35,627,087.29 |
| 06/30/09    | Withdrew fr LAIF   |               | 1,300,000.00 | 34,327,087.29 |
| 06/30/09    | Month End Balance  |               |              | 34,327,087.29 |

**TRANS bond proceeds in Guaranteed Investment Contract**

0.00

**Bonds and Other Investments**

|          |                             |  |              |               |
|----------|-----------------------------|--|--------------|---------------|
| 03/31/09 | BEGINNING BALANCE           |  |              | 20,099,000.00 |
| 04/02/09 | Call FHLB #3133XQJX1        |  | 2,000,000.00 | 18,099,000.00 |
| 04/13/09 | Matured FHLB #3133X5D39     |  | 500,000.00   | 17,599,000.00 |
| 05/28/09 | Matured Prod Bank #743837AD |  | 99,000.00    | 17,500,000.00 |
| 06/11/09 | Called FHLB #3133XREC0      |  | 2,000,000.00 | 15,500,000.00 |
| 06/30/09 | Month End Balance           |  |              | 15,500,000.00 |

**END OF MONTH TOTAL DEBITS**

49,827,087.29

Check Total (Should be Zero)

-

|                       |    |
|-----------------------|----|
| Transactions w/LAIF   | 26 |
| Purchase of New Bonds | 0  |
| Bonds Called          | 2  |
| Purchase of New CD    | 0  |
| CD Matured            | 0  |
| Bonds Sold            | 0  |
| Bonds Matured         | 2  |

**East-Main Assessment District**

| Series 2001 RDM FD issue | Current Balance |  | Current Balance | Int Earned<br>Current Month      |
|--------------------------|-----------------|--|-----------------|----------------------------------|
| Reserve Account          | \$951,587.75    |  | \$951,587.75    | Cash Mgmt-1st Am Treasury 101.67 |
| Refunding Bonds          | \$1.44          |  | \$1.44          | Cash Mgmt-1st Am Treasury 0.00   |

**1992 Wastewater**

|                      | Current Balance | AIG-Notes, Mortgages,<br>etc | Current Balance | Int Earned<br>Current Month   |
|----------------------|-----------------|------------------------------|-----------------|-------------------------------|
| reserve fund         | \$920,025.15    | \$920,025.00                 | \$0.15          | Cash Management-Fidelity      |
| installment pmt fund | \$2.82          |                              | \$2.82          | Cash Management-Fidelity 0.00 |
| Revenue Fund         | \$3.01          |                              | \$3.01          | Cash Management-Fidelity 0.00 |

**CFD - Gibson Ranch**

|                                 |                |  |                |                                |
|---------------------------------|----------------|--|----------------|--------------------------------|
| 94-1                            |                |  |                |                                |
| Spc tax debt svc                | \$0.00         |  | \$0.00         | Cash Mgmt-1st Am Treasury 0.00 |
| reserve acct                    | \$177,590.09   |  | \$177,590.09   | Cash Mgmt-1st Am Treasury 0.00 |
| Spc tax debt svc                | \$0.00         |  | \$0.00         | Cash Mgmt-1st Am Treasury 0.00 |
| Series 2001 Acct                | \$444.88       |  | \$444.88       | Cash Mgmt-1st Am Treasury 0.00 |
| 2004 Refunding spc tax          | \$1.72         |  | \$1.72         | Cash Mgmt-1st Am Treasury 0.00 |
| 2004 refund spc tax rsv         | \$1,107,671.62 |  | \$1,107,671.62 | Cash Mgmt-1st Am Treasury 0.01 |
| 2004 Subordinate (Incl Reserve) | \$227,074.05   |  | \$227,074.05   | Cash Mgmt-1st Am Treasury 0.00 |

**Spring Lake 2004**

|                  |                |  |                |   |
|------------------|----------------|--|----------------|---|
| Special Tax Fund | \$6.28         |  | \$6.28         | Cash Mgmt-1st Am Treasury 0.00            |
| Bond Reserve     | \$2,406,409.27 |  | \$2,406,409.27 | Cash Mgmt-1st Am Prime<br>Obligation 0.01 |

**Revenue Anticipation Notes**

**Cap Projects/Revenue Bonds**

|               |              |        |              |   |
|---------------|--------------|--------|--------------|---|
| reserve acct. | \$757,323.05 | \$0.00 | \$757,323.05 | Cash mgmt-1st Am Treasury<br>FSA Capital Mgmt Svcs LLC<br>Cash Mgmt-1st Am Prime<br>Obligation 0.00 |
| revenue fund  | \$52.13      |        | \$52.13      | Obligation 0.00   |

**Cap Projects/Revenue Bonds 2005**

|               |          |  |          |   |
|---------------|----------|--|----------|---|
| reserve acct. | \$272.86 |  | \$272.86 | Cash mgmt-1st Am Treasury<br>FSA Capital Mgmt Svcs LLC<br>Cash Mgmt-1st Am Prime<br>Obligation 0.03 |
| Interest acct | \$0.00   |  | \$0.00   | Obligation  |
| revenue acct. |          |  |          |   |

**Cap Projects/Revenue Bonds 2007**

|                |                |  |                |   |
|----------------|----------------|--|----------------|---|
| reserve acct.  | \$1,035,273.34 |  | \$1,035,273.34 | Cash mgmt-1st Am Treasury<br>FSA Capital Mgmt Svcs LLC 110.62 |
| interest acct. | \$0.01         |  | \$0.01         | Obligation 0.00   |
| revenue acct.  | \$34.64        |  | \$34.64        | Obligation 0.00   |

**Bond Anticipation Notes**

**2007 RDA TABS**

|                          |              |  |              |  |
|--------------------------|--------------|--|--------------|--|
| Tax Revenue Fund         | \$370,681.59 |  | \$370,681.59 | Cash Mgmt - 1st Am Treasury<br>Oblig 37.39 |
| Interest Account         | \$10.39      |  | \$10.39      | Cash Mgmt - 1st Am Treasury<br>Oblig 10.39 |
| Principal Account        | \$0.78       |  | \$0.78       | Cash Mgmt - 1st Am Treasury<br>Oblig 0.00  |
| reserve account - 2007 A | \$497,284.35 |  | \$497,284.35 | Cash Mgmt - 1st Am Treasury<br>Oblig 53.13 |
| reserve account - 2007 B | \$114,150.44 |  | \$114,150.44 | Cash Mgmt - 1st Am Treasury<br>Oblig 12.20 |

**Certificate of Deposit/(Fund 582)**

|                  |              |              |  |      |
|------------------|--------------|--------------|--|------|
|                  | \$30,000.00  | \$30,000.00  | River City Bank                            |      |
| CDBG Account     |              |              |  |      |
| Savings Account  | \$114,645.17 | \$114,645.17 | Bank of America - Quarterly Bank Statement | 0.00 |
| Checking account | \$29,137.43  | \$29,137.43  | Bank of America - Monthly Bank Statement   |      |

|                                      |                |  |  |  |
|--------------------------------------|----------------|--|--|--|
| TOTAL                                | \$8,739,684.26 |  |  |  |
| Check Summary Total (Should be zero) | \$0.00         |  |  |  |

**CITY OF WOODLAND**  
**CITY TREASURER**  
**GOVERNMENT-BACKED AGENCIES**  
**MATURITIES BY DATE            6/30/2009**

|               |                 |                 |              |                     |          |
|---------------|-----------------|-----------------|--------------|---------------------|----------|
| <b>Aug-09</b> | 8/8/2009 Bond   | FHLB Bond @5.0% |              | 1,500,000.00        | 5.0YTM   |
|               |                 |                 | <b>TOTAL</b> | <b>1,500,000.00</b> |          |
| <b>Nov-09</b> | 11/17/2009 FNMA | FNMA @ 4.00D    |              | 1,000,000.00        | 4.186YTM |
|               |                 |                 | <b>TOTAL</b> | <b>1,000,000.00</b> |          |
| <b>Nov-11</b> | 11/21/2011 FFCB | FFCB @ 4.35%    |              | 1,000,000.00        | 4.35 YTM |
|               |                 |                 | <b>TOTAL</b> | <b>1,000,000.00</b> |          |
| <b>Nov-12</b> | 11/20/2012 FHLB | FHLB @ 4.85%    |              | 4,000,000.00        | 4.85 YTM |
|               |                 |                 | <b>TOTAL</b> | <b>4,000,000.00</b> |          |
| <b>Dec-12</b> | 12/7/2012 FFCB  | FFCB @ 4.49%    |              | 1,000,000.00        | 4.49 YTM |
|               | 12/21/2012 FHLB | FHLB @ 4.60%    |              | 2,000,000.00        | 4.60 YTM |
|               |                 |                 | <b>TOTAL</b> | <b>3,000,000.00</b> |          |
| <b>Feb-13</b> | 2/7/2013 FFCB   | FFCB @ 3.40%    |              | 5,000,000.00        | 3.40 YTM |
|               |                 |                 | <b>TOTAL</b> | <b>5,000,000.00</b> |          |

All Investments Total            **15,500,000.00**

Check Difference (Should be zero)            -