CITY OF DELANO
STAFF REPORT

November 18, 2013
Agenda Item:

TO: Honorable Mayor and Members of the City Council

FROM: Maribel Reyna, City Manager
By: Rosa Rios, Finance Director RR

SUBJECT: Acceptance and Approval of the City of Delano Quarterly Investment Report.

Recommendation

Staff recommends that the City Council accept and approve the Quarterly Investment Report dated November 18, 2013.

Discussion

The Quarterly Investment Report for the quarter ended September 30, 2013, is presented to the City Council for acceptance and approval. This report is required by the City of Delano Investment Policy and the Government Code of the State of California.

This report reflects only the pooled cash managed and invested by the Finance Director on a daily basis. At September 30, 2013, the City of Delano's total investment portfolio of pooled idle cash at cost was $26,128,759 earning a weighted average rate of return of 0.738%. This is equivalent to an average monthly income of $16,072, or $192,866 annually. A summary of the categories of investment is as follows:

INVESTMENT TYPE	BOOK VALUE (COST)	INTEREST RATE AVERAGE	MONTHLY YIELD
Local Agency Investment Fund	$ 11,734,248	0.260%	$ 2,542
Certificates of Deposit	396,011	1.830%	605
US Government Agency	13,998,500	1.108 %	12,925
Total	$ 26,128,759	0.738%	$ 16,072

Budget Impact

Estimated Annual Investment Earnings of $192,866.

Attachment(s): LAIF statement, CD's schedule, Union Bank-Institutional Custody Investment Account Statement, and Corporate Trust Department Account Statement.

CITY OF DELANO

QUARTERLY INVESTMENT REPORT
September 30, 2013

TYPE OF INVESTMENT	INSURER/BROKER OF INVESTMENT	CUSIP	ACQUISITION DATE	MATURITY DATE	DOLLAR AMOUNT/PAR	INTEREST RATE	COST	MARKET VALUE	UNREALIZED (LOSS)GAIN	MONTHLY YIELD	ANNUAL YIELD
Local Agency Investment Fund (LAIF)	California State Treasurer		n/a	On Demand	**11,734,248.04**	0.260%	11,734,248.04	11,734,248.04	-	2,542.42	30,509.04
Certificates of Deposit	Various		See Schedule	See Schedule	**396,011.39**	1.830%	396,011.39	396,011.39	-	604.74	7,256.91
US Government Agency-State Tax Exempt											
Federal National Mtg. Assn.	Gilford Securities	**3136G1U72**	09/17/13	03/17/17	1,000,000.00	1.250%	1,000,000.00	1,003,860.00	3,860.00	1,041.67	12,500.00
Federal Home Loan Bank	Gilford Securities	**313379XM6**	07/10/12	07/10/17	1,000,000.00	1.100%	1,000,000.00	991,440.00	(8,560.00)	916.67	11,000.00
Federal Home Loan Bank	Gilford Securities	**3133802C0**	07/26/12	07/26/17	1,000,000.00	1.050%	1,000,000.00	991,790.00	(8,210.00)	875.00	10,500.00
Federal Farm Credit Banks	Gilford Securities	**3133ECWK6**	08/07/13	08/07/17	1,000,000.00	1.330%	1,000,000.00	1,000,140.00	140.00	1,108.33	13,300.00
Federal Home Loan Bank	Gilford Securities	**313380A80**	08/16/12	08/16/17	1,000,000.00	1.000%	1,000,000.00	989,080.00	(10,920.00)	833.33	10,000.00
Federal Home Loan Bank	Gilford Securities	**313380MF1**	09/18/12	09/18/17	2,000,000.00	1.000%	2,000,000.00	1,970,460.00	(29,540.00)	1,666.67	20,000.00
Federal Home Loan MTG Corp	Gilford Securities	**3134G4D88**	07/30/13	10/30/17	1,000,000.00	1.500%	1,000,000.00	1,000,200.00	200.00	1,250.00	15,000.00
Federal Home Loan MTG Corp	Gilford Securities	**3134G33B4**	01/14/13	01/11/18	1,000,000.00	1.000%	1,000,000.00	980,890.00	(19,110.00)	833.33	10,000.00
Federal Home Loan MTG Corp	Gilford Securities	**3134G34Y3**	02/14/13	02/14/18	1,000,000.00	1.000%	999,750.00	981,740.00	(18,010.00)	833.33	10,000.00
Federal National Mtg. Assn.	Gilford Securities	**3136G1EJ4**	02/28/13	02/28/18	1,000,000.00	1.150%	1,000,000.00	984,350.00	(15,650.00)	958.33	11,500.00
Federal National Mtg. Assn.	Gilford Securities	**3136G1GU7**	03/27/13	03/27/18	1,000,000.00	1.050%	1,000,000.00	980,690.00	(19,310.00)	875.00	10,500.00
Federal Farm Credit Banks	Gilford Securities	**3133ECLJ1**	04/16/13	04/16/18	1,000,000.00	0.980%	999,000.00	978,650.00	(20,350.00)	816.67	9,800.00
Federal Home Loan Bank	Gilford Securities	**313382L76**	04/16/13	04/16/18	1,000,000.00	1.100%	999,750.00	981,870.00	(17,880.00)	916.67	11,000.00
Total US Gov't. Agency State Tax Exempt					14,000,000.00	1.108%	**13,998,500.00**	**13,835,160.00**	(163,340.00)	12,925.00	155,100.00
PRINCIPAL PORTFOLIO TOTAL					**26,130,259.43**	**0.738%**	**26,128,759.43**	**25,965,419.43**	**(163,340.00)**	**16,072.16**	**192,865.95**

CERTIFICATION:

I certify that this report accurately reflects all City and Redevelopment Agency investments, and is in conformance with the adopted investment policy of the City of Delano. Furthermore, I certify to the best of my knowledge, sufficient investment liquidity and anticipated revenues are available to meet the city's budgeted expenditure requirements for the next six months.

Rosa Rios
Finance Director

Date: November 18, 2013

CITY OF DELANO
CERTIFICATES OF DEPOSITS
AS SEPTEMBER 30, 2013

10/31/2013

SAVINGS INSTITUTION	AMOUNT OF INVESTMENT	DATE INVESTMENT	MATURITY DATE	No. of DAYS	INTEREST RATE	MONTHLY INTEREST	DAILY INTEREST	YEARLY INTEREST
COMMUNITY COMMERCE BANK	99,000.00	01/07/11	01/08/14	30	1.80%	148.50	4.95	1,782.00
FIRST CHOICE BANK	99,000.00	03/21/11	03/21/14	30	1.88%	155.10	5.17	1,861.20
HANMI BANK	99,000.00	03/29/11	03/29/14	30	1.85%	152.63	5.09	1,831.50
HUNTINGDON VALLEY BANK	99,011.39	04/01/11	01/01/14	30	1.80%	148.52	4.95	1,782.21
TOTALS	**396,011.39**				**1.83%**	**604.74**	**20.16**	**7,256.91**

Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

www.treasurer.ca.gov/pmia-laif

October 31, 2013

CITY OF DELANO

FINANCE DIRECTOR/TREASURER
P.O. BOX 3010
DELANO, CA 93216

PMIA Average Monthly Yields

Account Number:
98-15-242

Tran Type Definitions

September 2013 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	11,741,119.56
Total Withdrawal:	0.00	Ending Balance:	11,741,119.56

UnionBank

ITC, INSTITUTIONAL CUSTODY
350 CALIFORNIA STREET, 6TH FLOOR
SAN FRANCISCO CA 94104

MB 01 001381 49731 H 10 A

CITY OF DELANO
ATTN: LETTIE DEDIOS
1015 ELEVENTH AVE.
DELANO, CA 93215-2262

Account Statement

Statement Period
September 1, 2013 through September 30, 2013

Account Number
6736305240

Account Name
CITY OF DELANO

Relationship Manager
JEANETTE SIMMONS
415-705-7210

Investment Manager
DIRECTED

Online Access
unionbank.com/trustandcustody

Important Information

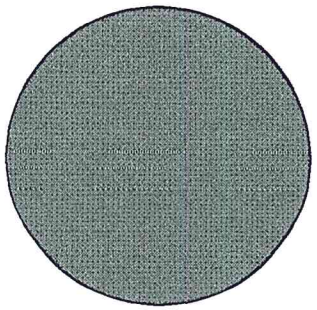
Union Bank was named the #1 most reputable bank in the U.S. among 30 leading banks in the 4th Annual Survey of Bank Reputations by the Reputation Institute and American Banker Magazine. Best of all, our customers did the voting] You're #1 with us. And we thank you.

Overview of Total Account Value

Closing Value on 12/31/2012	$6,501,300.00
Opening Value on 09/01/2013	$12,730,440.00
Closing Value on 09/30/2013	$13,835,160.00
Net Change For Period	***$1,104,720.00***

Overview of Account by Investment Category

Your Current Portfolio Mix



% of Total Account	*Market Value*	*Description*
100.00%	13,835,160.00	Government Obligations
100.00%	**$13,835,160.00**	**Total Account Value**

UnionBank

Account Number
6736305240

Account Name
CITY OF DELANO

Contents

Account Summary
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Unrealized Gain/Loss Summary
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Principal Portfolio Summary

Description	Market Value	Percentage of Portfolio	Current Yield
Government Obligations	13,835,160.00	100.00%	1.12%
Total Principal Portfolio	**$13,835,160.00**	**100.00%**	**1.12%**

Unrealized Gain/Loss Summary

Description	Cost Basis	Market Value	Gain/Loss
Government Obligations	13,998,500.00	13,835,160.00	(163,340.00)
Total Gain/Loss	**$13,998,500.00**	**$13,835,160.00**	**($163,340.00)**

Cash Transactions Summary

	Principal Cash
Receipts	
Checking/Savings Withdrawal	1,000,000.00
Interest	15,250.00
Total Receipts	**$1,015,250.00**

Account Statement

Statement Period
September 1, 2013 through September 30, 2013

Cash Transactions Summary (continued)

	Principal Cash
Disbursements	
Purchases	(1,000,000.00)
Checking / Savings Deposit	(15,250.00)
Total Disbursements	**($1,015,250.00)**
Total Net Transactions	**$0.00**

DST 00073968

UnionBank

Account Number
6736305240

Account Name
CITY OF DELANO

Account Statement

Statement Period
September 1, 2013 through September 30, 2013

Asset Detail - Principal Portfolio

Government Obligations

Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Federal Govt Agency								
FEDERAL NATL MTG ASSN 1.2500% 3/17/2017	3136G1U72	1,000,000.000	1,000,000.00	1,003,860.00	100.3860 09/30/2013	7.26%	1.25%	12,500.00
FEDERAL HOME LOAN BANKS 1.1000% 7/10/2017	313379XM6	1,000,000.000	1,000,000.00	991,440.00	99.1440 09/30/2013	7.17%	1.11%	11,000.00
FEDERAL HOME LOAN BANKS 1.0500% 7/26/2017	3133802C0	1,000,000.000	1,000,000.00	991,790.00	99.1790 09/30/2013	7.17%	1.06%	10,500.00
FEDERAL FARM CR BKS 1.3300% 8/7/2017	3133ECWK6	1,000,000.000	1,000,000.00	1,000,140.00	100.0140 09/30/2013	7.23%	1.33%	13,300.00
FEDERAL HOME LOAN BANKS 1.0000% 8/16/2017	313380A80	1,000,000.000	1,000,000.00	989,080.00	98.9080 09/30/2013	7.15%	1.01%	10,000.00
FEDERAL HOME LOAN BANKS 1.0000% 9/18/2017	313380MF1	2,000,000.000	2,000,000.00	1,970,460.00	98.5230 09/30/2013	14.23%	1.01%	20,000.00
FEDERAL HOME LN MTG CORP 1.5000% 10/30/2017	3134G4D88	1,000,000.000	1,000,000.00	1,000,200.00	100.0200 09/30/2013	7.23%	1.50%	15,000.00
FEDERAL HOME LN MTG CORP 1.0000% 1/11/2018	3134G33B4	1,000,000.000	1,000,000.00	980,890.00	98.0890 09/30/2013	7.09%	1.02%	10,000.00
FEDERAL HOME LN MTG CORP 1.0000% 2/14/2018	3134G34Y3	1,000,000.000	999,750.00	981,740.00	98.1740 09/30/2013	7.10%	1.02%	10,000.00
FEDERAL NATL MTG ASSN 1.1500% 2/28/2018	3136G1EJ4	1,000,000.000	1,000,000.00	984,350.00	98.4350 09/30/2013	7.11%	1.17%	11,500.00
FEDERAL NATL MTG ASSN 1.0500% 3/27/2018	3136G1GU7	1,000,000.000	1,000,000.00	980,690.00	98.0690 09/30/2013	7.09%	1.07%	10,500.00

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Asset Detail - Principal Portfolio (continued)

Government Obligations

Asset Name	CUSIP	Shares/ Units Held	Cost Basis	Market Value	Price/ Date Priced	Percentage of Portfolio	Current Yield	Estimated Annual Income
Federal Govt Agency								
FEDERAL FARM CR BKS 0.9800% 4/16/2018	3133ECLJ1	1,000,000.000	999,000.00	978,650.00	97.8650 09/30/2013	7.07%	1.00%	9,800.00
FEDERAL HOME LOAN BANKS 1.1000% 4/16/2018	313382L76	1,000,000.000	999,750.00	981,870.00	98.1870 09/30/2013	7.10%	1.12%	11,000.00
Total Government Obligations			**$13,998,500.00**	**$13,835,160.00**		**100.00%**	**1.12%**	**$155,100.00**
Total Principal Portfolio			**$13,998,500.00**	**$13,835,160.00**		**100.00%**	**1.12%**	**$155,100.00**
Total Account Values			**$13,998,500.00**	**$13,835,160.00**		**100.00%**	**1.12%**	**$155,100.00**

Maturity Summary

	Face Value	Par Value	Cost Basis	Market Value	Percentage of Market Value
2013					
2014					
2015					
2016					
2017		8,000,000.000	8,000,000.00	7,946,970.00	57.44%
2018		6,000,000.000	5,998,500.00	5,888,190.00	42.56%
2019					
2020					
2021					
2022					
Ten-to-Fourteen Years					
Fifteen-to-Nineteen Years					
Twenty Years and Over					
Total	**$0.00**	**14,000,000.000**	**$13,998,500.00**	**$13,835,160.00**	**100.00%**

UnionBank

Account Number
6736305240

Account Name
CITY OF DELANO

Account Statement

Statement Period
September 1, 2013 through September 30, 2013

Transaction Detail

Date	Activity	Description	CUSIP	Principal Cash	Cost Basis
Beginning Balance				**$0.00**	**$12,998,500.00**
09/17/13	Purchases	PURCHASED 1,000,000 PAR VALUE OF FNMA NT 1.250% 3/17/17 TRADE DATE 08/20/13 PURCHASED THROUGH GILFORD SEC. 1,000,000 PAR VALUE AT 100 %	3136G1U72	(1,000,000.00)	1,000,000.00
09/17/13	Checking/Savings Withdrawal	CASH RECEIPT W/D FROM UB CHECKING/SAVINGS ACCOUNT NUMBER: 2740013281		1,000,000.00	
09/18/13	Interest	CASH RECEIPT OF INTEREST EARNED ON FHLB BDS 1.000% 9/18/17 0.005/$1 PV ON 2,000,000 PAR VALUE DUE 9/18/2013	313380MF1	10,000.00	
09/18/13	Checking / Savings Deposit	CASH DISBURSEMENT TRANSFER TO UB CHKING/SAVING ACCOUNT NUMBER: 2740013281		(10,000.00)	
09/27/13	Interest	CASH RECEIPT OF INTEREST EARNED ON FNMA NTS 1.050% 3/27/18 0.00525/$1 PV ON 1,000,000 PAR VALUE DUE 9/27/201	3136G1GU7	5,250.00	
09/27/13	Checking / Savings Deposit	CASH DISBURSEMENT TRANSFER TO UB CHKING/SAVING ACCOUNT NUMBER: 2740013281		(5,250.00)	
Net Activity				**$0.00**	**$1,000,000.00**
Ending Balance				**$0.00**	**$13,998,500.00**

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