Treasurer's Report

March 13, 2012

TO:	Honorable Mayor and Town Council
FROM:	Roger Carroll, Treasurer/Finance Officer
DATE:	March 6, 2012
RE:	Monthly Treasurer's Report

RECOMMENDED ACTION:

Receive and file.

ISSUE STATEMENT AND DISCUSSION:

California Government Code and Town Municipal Code require monthly Treasurer's reports. The reports attached are as follows:

- Investment Policy Compliance Report - lists the types of investments allowable by the State and the Town and whether our investments comply.
- Quality Analysis Report - groups the investments by Moody Rating Group.
- Transaction Ledger Report – shows the purchases, sales, interest payments and redemptions during the report period.

Other Information

COMPLIANCE WITH INVESTMENT POLICY:

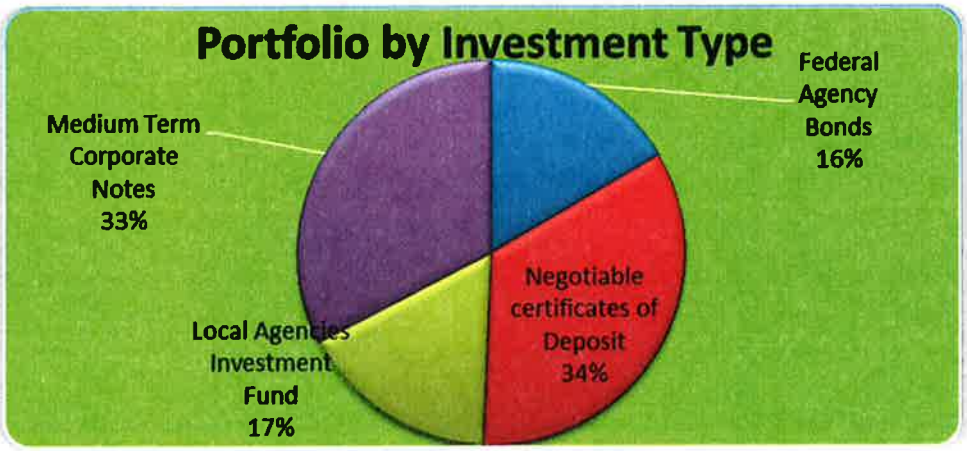
Although the Town's portfolio currently exceeds the allowable limit on Negotiable Certificates of Deposit (CD's), the CD's were purchased when the current volume was allowable, and therefore is in compliance with our investment policy. All CD's are Federally insured and pose no risk of loss. Over the next few months, the Treasurer will sell some of the CD's as values allow.

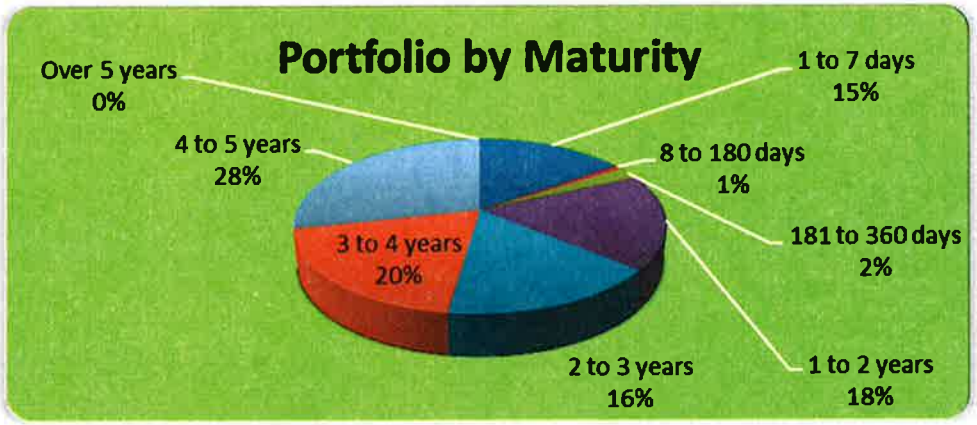
Other Information

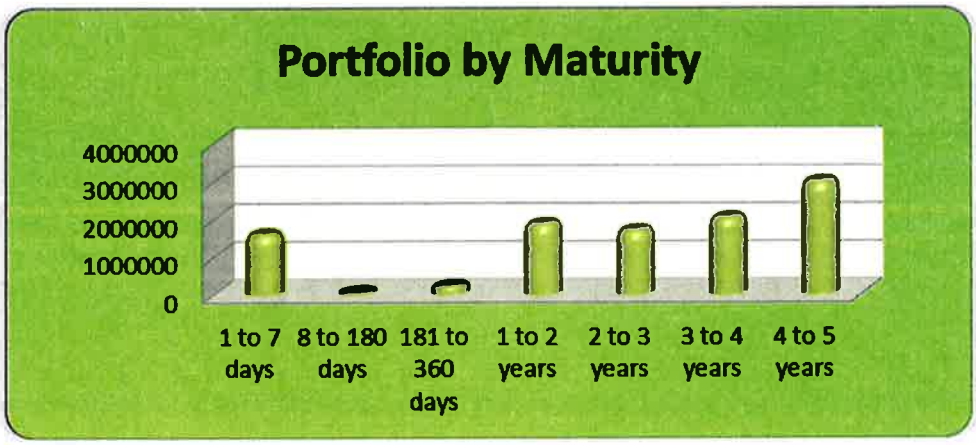
Benchmarks as of February 29, 2012:

Federal Lending Rate:	0.25%
Two Year T-Bill Rate:	0.29%
LAIF daily Rate	0.38%

Town of Loomis Weighted Average Rate, excluding LAIF investments: 3.06%
Average Maturity is 2.93.years.







Strategy

The Treasurer's current practice is:

- Sell bonds with higher interest rates to capture the market gain before it evaporates, but only if replacement earnings plus the market gain exceed the current projected earnings.
- Approximate a "barbell" strategy by investing in higher earning investments in the four to five year maturity range, and shorter term investments to be in position for as rates start to climb.

POLICY AND/OR FINANCIAL IMPLICATIONS:

None.

Attachments: Investment Policy Compliance Report
Quality Analysis Report
Transaction Ledger Report

Town of Loomis
Investment Policy Compliance
with Government Code Standards, and the Town of Loomis Investment Plan Standards
As of February 29, 2012

Current Portfolio Balance:	**$ 10,610,600**

Ca Government Code Section 53601		**Govt Code Maximum %**	**Loomis Maximum %**	**Loomis Actual %**	**Complies**
a	Bonds issued by Loomis		5.00%		Yes
b	Federal Treasury notes, bonds, bills	100.00%	100.00%		Yes
c	State/local agency bonds, etc	100.00%	50.00%	9.07%	Yes
d	Local agency bonds, etc	100.00%	50.00%		Yes
e	Federal Agency Bonds	100.00%	100.00%	15.04%	Yes
f	Bankers Acceptances	40.00%	40.00%		Yes
g	Commercial Paper	30.00%	15.00%		Yes
h	Negotiable certificates of Deposit	30.00%	30.00%	31.04%	No
l(1)	Repurchase Agreements	20.00%	20.00%		Yes
l(3)	Reverse Repurchase Agreements	20.00%	20.00%		Yes
	Local Agencies Investment Fund		100.00%	15.22%	Yes
h	Time Deposits	30.00%	25.00%		Yes
j	Medium Term Corporate Notes	30.00%	30.00%	29.62%	Yes
k	Shares of Beneficial Interest	20.00%	0.00%		Yes
l	Local agency Certificates of Participation, security pledges, lease installments, etc.		0.00%		Yes
m	Local agency notes, bonds, etc.	0.00%	0.00%		Yes
n	Mortgage pass through security bonds	20.00%	0.00%		Yes
	Total			100.00%	

Target Share of Portfolio per Investment Policy			Actual %	Actual $
Range	Not Less Than	Not More Than		
1 to 7 days	5%	70%	15%	1,615,197
8 to 180 days	0%	30%	1%	73,775
181 to 360 days	0%	30%	2%	250,000
1 to 2 years	0%	40%	18%	1,888,903
2 to 3 years		40%	16%	1,723,823
3 to 4 years		30%	19%	2,054,968
4 to 5 years		30%	28%	3,003,936
Over 5 years		0%	0%	
	Total			10,610,600

Town of Loomis
Quality Analysis Report
2/29/2012

Cusip		NAME	RATE	SETTLMENT DATE	NEXT COUPON	MATURITY DATE	UNITS	DISCOUNT OR PREMIUM	BOOK VALUE	MARKET VALUE	UNREALIZED MARKET GAIN/LOSS
313371NW2	AGY	FHLB	1.375%	12/28/2010	6/11/2012	12/11/2015	280,000.00	(7,942.76)	272,057.24	286,650.00	14,592.76
3133XWX95	AGY	FHLB	2.750%	3/25/2010	3/13/2012	3/13/2015	500,000.00	(222.16)	499,777.84	531,135.00	31,357.16
3134G2V66	AGY	FHLMC	1.500%	10/19/2011	4/19/2012	10/16/2016	250,000.00		250,000.00	250,867.50	867.50
3136FTHU6	AGY	FNMA	1.800%	11/16/2011	5/16/2012	11/16/2016	250,000.00		250,000.00	250,522.50	522.50
3136FRUM3	AGY	FNMA	2.000%	6/29/2011	12/29/2011	6/29/2016	250,000.00		250,000.00	251,337.50	1,337.50
13034AAP4	A-	CA Infra Econ	3.314%	12/16/2011	4/1/2012	10/1/2015	250,000.00	1,347.65	251,347.65	253,922.50	2,574.85
13063A5D2	A1	CA State GOB	5.950%	9/21/2011	3/21/2012	4/1/2016	100,000.00	12,843.58	112,843.58	114,177.00	1,333.42
28282QBF8	AA-	El Centro Fing	1.180%	2/17/2012	4/1/2012	10/1/2013	175,000.00	2,937.64	177,937.64	177,474.50	(463.14)
4521518V8	A1	Illnois GOB	4.421%	8/3/2010	1/1/2012	1/1/2015	100,000.00		100,000.00	105,061.00	5,061.00
452151LC5	A1	Illnois GOB	4.050%	8/24/2010	12/1/2011	6/1/2015	150,000.00	641.58	150,641.58	156,852.00	6,210.42
913366ET3	A1	UCD	2.875%	11/18/2010	1/15/2012	5/15/2015	170,000.00		170,000.00	174,299.30	4,299.30
02003MBQ6	AA	Alstate LF GLB	5.375%	5/1/2009	10/30/2011	4/30/2013	250,000.00		250,000.00	263,480.00	13,480.00
02005QQD8	CD	Ally Bank	2.150%	6/2/2011	12/2/2011	6/2/2016	250,000.00		250,000.00	262,349.03	12,349.03
02580VBJ3	CD	Amex Bank FSB	5.000%	11/26/2008	11/26/2011	11/26/2013	100,000.00		100,000.00	107,566.58	7,566.58
02586TBJ2	CD	Amex Bank	5.000%	11/26/2008	11/26/2011	11/26/2013	100,000.00		100,000.00	107,566.58	7,566.58
05155THC5	CD	Aurora Bank	1.500%	5/23/2011	11/23/2011	5/23/2014	200,000.00		200,000.00	204,062.88	4,062.88
05967EGY9	CD	Banco Popular	1.200%	8/24/2011	2/24/2012	8/24/2014	200,000.00		200,000.00	200,000.00	-
06740KCB1	CD	Barclays Bank	3.200%	10/14/2009	11/14/2011	10/14/2014	100,000.00		100,000.00	106,718.64	6,718.64
05568PPD3	CD	BMW Bank	3.550%	3/31/2009	9/30/2011	3/31/2014	97,000.00		97,000.00	97,000.00	-
140653TS5	CD	CAPMARK BANK	5.000%	10/22/2008	10/22/2011	10/22/2013	100,000.00		100,000.00	107,081.54	7,081.54
17284ADC9	CD	CIT Bank	3.650%	5/22/2009	11/22/2011	5/22/2014	100,000.00		100,000.00	106,844.35	6,844.35
17284ARS9	CD	CIT Bank SLC	2.250%	5/27/2011	11/11/2011	5/11/2016	100,000.00	(202.29)	99,797.71	105,373.02	5,575.31
254670F49	CD	DISCOVER BANK	2.150%	6/3/2011	12/1/2011	5/31/2016	150,000.00		150,000.00	150,000.00	-
25469J5W5	CD	DISCOVER BANK	3.550%	5/20/2009	11/20/2011	5/20/2014	100,000.00		100,000.00	106,604.20	6,604.20
3191404X4	CD	Firstbank Highland	3.400%	5/20/2009	11/20/2011	5/20/2014	100,000.00		100,000.00	106,269.06	6,269.06
36160XLY5	CD	GE Cap Financial	2.050%	10/28/2011	4/28/2012	10/28/2016	250,000.00		250,000.00	261,399.03	11,399.03
36159S2H3	CD	GE Cap Ret Bnk	2.000%	10/11/2011	4/7/2012	10/7/2016	250,000.00		250,000.00	260,694.15	10,694.15
36962G3Z5	AA	GECC (F)	1.570%	8/3/2010	9/23/2011	9/23/2013	150,000.00	(2,371.75)	147,628.25	150,906.00	3,277.75
36962GK94	AA	GECC (F)	0.810%	6/28/2010	9/15/2011	9/15/2014	100,000.00	(3,551.20)	96,448.80	98,408.00	1,959.20
38141EKF5	A	GOLDMAN SACHS	0.869%	7/16/2010	1/22/2012	7/22/2015	250,000.00	(12,500.00)	237,500.00	232,262.50	(5,237.50)
3814264E2	CD	GOLDMAN SACHS BAI	1.850%	8/24/2011	2/24/2012	8/24/2016	100,000.00		100,000.00	103,685.34	3,685.34
428236BC6	A2	Hewlett Packard	2.125%	9/21/2011	3/13/2012	9/13/2015	250,000.00	(1,356.26)	248,643.74	253,789.06	5,145.32
40429XUJ3	AA-	HSBC	6.000%	11/16/2009	10/15/2011	4/15/2013	250,000.00	10,096.76	260,096.76	258,570.00	(1,526.76)
46625HHB9	AA-	JP Morgan	4.750%	5/26/2009	11/1/2011	5/1/2013	250,000.00	3,240.00	253,240.00	261,035.00	7,795.00
46625HHP8	AA-	JP Morgan	3.700%	8/23/2011	1/20/2012	1/20/2015	250,000.00	8,373.75	258,373.75	265,417.50	7,043.75
59012YG43	CD	Merrick Bank	2.000%	6/15/2011	3/15/2012	6/15/2016	200,000.00		200,000.00	208,703.52	8,703.52
59018YM40	A2	MERIL LYNCH	5.450%	3/28/2008	1/5/2012	2/5/2013	250,000.00		250,000.00	256,752.50	6,752.50
61747MQF1	CD	MORGAN STANLEY CE	5.050%	10/29/2008	10/29/2011	10/29/2013	100,000.00		100,000.00	107,319.27	7,319.27
61745EG70	A2	MORGAN STANLEY	4.500%	8/31/2011	3/2/2012	8/31/2015	225,000.00		225,000.00	220,774.50	(4,225.50)
61747YCL7	A2	MORGAN STANLEY	4.100%	1/29/2010	2/26/2011	1/26/2015	275,000.00		275,000.00	275,437.25	437.25
21686CAD2	Aaa	Rabobank	3.375%	2/15/2012	7/19/2012	1/19/2017	150,000.00	4,895.59	154,895.59	154,417.50	(478.09)
785907AV8	CD	Saehan Bank	3.400%	3/31/2009	2/27/2011	3/24/2014	97,000.00		97,000.00	102,729.43	5,729.43
7954550HP3	CD	Sallie Mae Bk	3.500%	2/19/2009	2/19/2011	2/19/2014	100,000.00		100,000.00	105,844.79	5,844.79
856283RL2	CD	State Bnk India	2.000%	8/12/2011	2/12/2012	8/12/2016	200,000.00		200,000.00	208,638.40	8,638.40
92979HFG6	CD	WACHOVIA BANK	5.000%	7/25/2008	1/25/2012	7/25/2013	100,000.00		100,000.00	105,859.05	5,859.05
92977BQA2	CD	WACHOVIA BANK	5.000%	7/25/2008	1/25/2012	7/25/2013	100,000.00		100,000.00	105,859.05	5,859.05
92976GAF8	AA	WACHOVIA Bank	0.883%	7/6/2011	3/15/2012	3/15/2016	250,000.00	(11,713.04)	238,286.96	234,312.50	(3,974.46)
929781FF4	CD	WACHOVIA MTG	5.000%	7/25/2008	1/25/2012	7/25/2013	100,000.00		100,000.00	105,859.05	5,859.05
949746QU8	AA	Wells Fargo	3.676%	7/6/2011	3/15/2012	6/15/2016	240,000.00	8,112.00	248,112.00	257,181.60	9,069.60
ACCRUED INT	AGY						73,774.59		73,774.59		
		Sub- total					8,982,774.59	12,629.09	8,995,403.68	9,179,069.67	257,440.58
		Balance on account with LAIF/Money market					1,615,196.51		1,615,196.51	1,615,196.51	
		Total Portfolio					10,597,971.10		10,610,600.19		

Town of Looms
Transaction Ledger
2/01/12 to 2/29/12

Trans Date Trans Type	Quanity	Description	Price	Amount Int Purch/Sold	Premium/Gain (Discount)/(Loss)
2/1/2012 Interest Received	-	Highmark Treas Fund 0.00% floating 7 day	1.000	-	-
2/6/2012 Interest Received	6,812.50	Merrill Lynch 5.45% due 2/5/13	1.000	6,812.50	6,812.50
2/13/2012 Interest Received	2,016.44	Bank of India 2.0% due 8/12/16	1.000	2,016.44 703.13	2,016.44
2/14/2012 Transfer	146,516.69	Transfer from Wells Fargo	1.000	146,516.69	146,516.69
2/15/2012 Bond Purchase	150,000.00	Rabobank 3.375% due 1/19/17	1.033	154,980.00 365.63	154,980.00
2/15/2012 Interest Received	339.73	Merrick Bank 2.0% due 6/15/16	1.000	339.73	339.73
2/16/2012 Bond called	250,000.00	FHLB 1.2% due 1/6/16	1.000	250,000.00 333.33	250,000.00
2/17/2012 Bond Purchase	175,000.00	El Centro Rev Bond 2.0% due 10/1/13	1.018	178,092.25 9.72	178,092.25
2/21/2012 Interest Received	1,764.38	Sallie Mae Bank 3.5% due 2/19/14	1.000	1,764.38	1,764.38
2/22/2012 Bond called	250,000.00	FNMA 2.45% due 2/22/16	1.000	250,000.00 3,062.50	250,000.00
2/22/2012 Transfer	327,397.97	Transfer to Wells Fargo	1.000	327,397.97 -	-
2/24/2012 Interest Received	932.60	Goldman Sachs Bank 1.85% due 8/24/16	1.000	932.60	932.60
2/24/2012 Interest Received	1,209.86	Banco Popular 1.2% due 8/25/14	1.000	1,209.86	1,209.86
2/29/2012 Month end Transfer	951.76	Transfer to Wells Fargo	1.000	951.76 -	-

Local Agency Investment Fund

2/10/2012 Withdrawal	(175,000.00)	Local Agency Investment Fund State Pool	1.000	(175,000.00)
2/24/2012 Quarterly interest	375,000.00	Local Agency Investment Fund State Pool	1.000	375,000.00
2/28/2012 Withdrawal	(250,000.00)	Local Agency Investment Fund State Pool	1.000	(250,000.00)