



# CITY OF LODI

# COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Report of the City of Lodi Pooled Money Investment Account as Required by SB564

MEETING DATE: August 1, 2001

PREPARED BY: Deputy Treasurer

RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

Vicky McAthie  
Vicky McAthie  
Finance Director/Treasurer

APPROVED: H. Dixon Flynn  
H. Dixon Flynn -- City Manager



**City of Lodi  
Portfolio Management  
Portfolio Summary  
June 30, 2001**

City of Lodi  
212 W. Pine St.  
Lodi, CA 95240  
(209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	14,100,000.00	14,100,000.00	14,100,000.00	59.68	1	1	6.076	6.160
Certificates of Deposit - Bank	2,300,000.00	2,300,000.00	2,300,000.00	9.73	351	104	6.229	6.315
Passbook/Checking Accounts	1,730,901.55	1,730,901.55	1,730,901.55	7.33	1	1	0.000	0.000
Corporate Medium Term Note	1,020,000.00	1,042,093.20	996,618.37	4.22	1,056	687	7.151	7.250
Federal Agency Issues - Coupon	3,500,000.00	3,530,995.00	3,500,000.00	14.81	783	120	6.291	6.379
Treasury Securities - Coupon	1,000,000.00	1,006,090.00	999,853.18	4.23	626	91	6.342	6.430
<b>Investments</b>	<b>23,650,901.55</b>	<b>23,710,079.75</b>	<b>23,627,373.10</b>	<b>100.00%</b>	<b>222</b>	<b>61</b>	<b>5.734</b>	<b>5.814</b>
<b>Cash and Accrued Interest</b>								
Passbook/Checking (not included in yield calculations)	0.00	0.00	0.00		0	0	0.000	0.000
Accrued Interest at Purchase		50,180.32	50,180.32					
Subtotal		50,180.32	50,180.32					
<b>Total Cash and Investments</b>	<b>23,650,901.55</b>	<b>23,760,260.07</b>	<b>23,677,553.42</b>		<b>222</b>	<b>61</b>	<b>5.734</b>	<b>5.814</b>
<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>		<b>Fiscal Year Ending</b>				
Current Year	116,694.43	1,913,872.30		1,913,872.30				
<b>Average Daily Balance</b>	<b>23,841,253.25</b>	<b>33,055,846.23</b>						
<b>Effective Rate of Return</b>	<b>5.96%</b>	<b>5.79%</b>						

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next three to six months. Union Bank of California is the source of market valuation.

Marcella Maxine Cadwallader      7-11-01  
 Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

**City of Lodi**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**June 30, 2001**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>											
LAIF	1000	Local Agency Invest. Fund			9,200,000.00	9,200,000.00	9,200,000.00	6.160	6.160	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			4,900,000.00	4,900,000.00	4,900,000.00	6.160	6.160	1	
<b>Subtotal and Average</b>			<b>13,536,666.67</b>		<b>14,100,000.00</b>	<b>14,100,000.00</b>	<b>14,100,000.00</b>		<b>6.160</b>	<b>1</b>	
<b>Certificates of Deposit - Bank</b>											
WEST	44	Bank of the West		04/18/2001	100,000.00	100,000.00	100,000.00	4.170	4.228	290	04/17/2002
FM08	38	Farmers and Merchants Bank		09/29/2000	1,000,000.00	1,000,000.00	1,000,000.00	6.500	6.590	92	10/01/2001
FM07	37	Farmers & Merchants		09/27/2000	1,000,000.00	1,000,000.00	1,000,000.00	6.500	6.590	88	09/27/2001
GUAR	45	Guaranty Federal Bank		06/12/2001	100,000.00	100,000.00	100,000.00	3.840	3.893	195	01/12/2002
LODI	43	Bank of Lodi		04/09/2001	100,000.00	100,000.00	100,000.00	5.250	5.323	99	10/08/2001
<b>Subtotal and Average</b>			<b>2,296,666.67</b>		<b>2,300,000.00</b>	<b>2,300,000.00</b>	<b>2,300,000.00</b>		<b>6.315</b>	<b>104</b>	
<b>Passbook/Checking Accounts</b>											
BACK	4003	Bank of America		07/01/2000	354,076.67	354,076.67	354,076.67		0.000	1	
	4000	Farmers & Merchants			1,376,824.88	1,376,824.88	1,376,824.88		0.000	1	
<b>Subtotal and Average</b>			<b>1,278,638.48</b>		<b>1,730,901.55</b>	<b>1,730,901.55</b>	<b>1,730,901.55</b>		<b>0.000</b>	<b>1</b>	
<b>Corporate Medium Term Note</b>											
36962GSY1	35	Higgins Capital Management, In		06/27/2000	1,020,000.00	1,042,093.20	996,618.37	5.880	7.250	687	05/19/2003
<b>Subtotal and Average</b>			<b>996,118.32</b>		<b>1,020,000.00</b>	<b>1,042,093.20</b>	<b>996,618.37</b>		<b>7.250</b>	<b>687</b>	
<b>Federal Agency Issues - Coupon</b>											
3133M4TB9	1	Federal Home Loan Bank (call)		07/09/1998	500,000.00	500,155.00	500,000.00	5.910	5.910	8	07/09/2001
3133M9WU2	23	Federal Home Loan Bank (call)		09/28/1999	1,000,000.00	1,005,620.00	1,000,000.00	6.250	6.250	89	09/28/2001
3133MAVS5	30	Federal Home Loan Bank (call)		03/01/2000	1,000,000.00	1,021,250.00	1,000,000.00	7.120	7.120	243	03/01/2002
31364G7G8	22	Fannie Mae Bullet		09/22/1999	1,000,000.00	1,003,970.00	1,000,000.00	6.000	6.000	85	09/24/2001
<b>Subtotal and Average</b>			<b>4,733,333.33</b>		<b>3,500,000.00</b>	<b>3,530,996.00</b>	<b>3,500,000.00</b>		<b>6.379</b>	<b>120</b>	
<b>Treasury Securities - Coupon</b>											
912827Z54	25	U. S. Treasury Notes		01/13/2000	1,000,000.00	1,006,090.00	999,853.18	6.375	6.430	91	09/30/2001
<b>Subtotal and Average</b>			<b>999,829.78</b>		<b>1,000,000.00</b>	<b>1,006,090.00</b>	<b>999,853.18</b>		<b>6.430</b>	<b>91</b>	
<b>Total Investments and Average</b>			<b>23,841,263.25</b>		<b>23,650,901.55</b>	<b>23,710,079.75</b>	<b>23,627,373.10</b>		<b>5.814</b>	<b>61</b>	

**City of Lodi  
Portfolio Management  
Portfolio Details - Cash  
June 30, 2001**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM	Days to 365 Maturity
						Accrued Interest at Purchase	50,180.32	50,180.32		
						Subtotal	50,180.32	50,180.32		
<b>Total Cash and Investments</b>			<b>23,841,253.25</b>		<b>23,650,901.55</b>	<b>23,760,260.07</b>	<b>23,677,553.42</b>	<b>5.814</b>	<b>61</b>	

**City of Lodi**  
**Portfolio Management**  
**Investment Activity By Type**  
**June 1, 2001 through June 30, 2001**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
LPIC	1001	Local Agency Inv Fund (LPIC)	6.160		2,000,000.00	900,000.00	
<b>Subtotal</b>					<b>2,000,000.00</b>	<b>900,000.00</b>	<b>14,100,000.00</b>
<b>Certificates of Deposit - Bank</b>							
GUAR	40	Guaranty Federal Bank	5.150	06/11/2001	0.00	100,000.00	
GUAR	45	Guaranty Federal Bank	3.840	06/12/2001	100,000.00	0.00	
<b>Subtotal</b>					<b>100,000.00</b>	<b>100,000.00</b>	<b>2,300,000.00</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>							
BACK	4003	Bank of America			676,161.02	485,617.98	
	4000	Farmers & Merchants			10,318,754.35	10,041,439.04	
<b>Subtotal</b>					<b>10,994,915.37</b>	<b>10,527,057.02</b>	<b>1,730,901.55</b>
<b>Corporate Medium Term Note</b>							
<b>Subtotal</b>							<b>996,618.37</b>
<b>Federal Agency Issues - Coupon</b>							
3133M8WC4	14	Federal Home Loan Bank	6.040	06/09/2001	0.00	1,000,000.00	
3133M93F7	15	Federal Home Loan Bank (call)	6.175	06/28/2001	0.00	1,000,000.00	
3133M6NQ7	5	Federal Home Loan Bank (call)	5.580	06/03/2001	0.00	1,000,000.00	
<b>Subtotal</b>					<b>0.00</b>	<b>3,000,000.00</b>	<b>3,500,000.00</b>
<b>Treasury Securities - Coupon</b>							
<b>Subtotal</b>							<b>999,853.18</b>
<b>Total</b>					<b>13,094,915.37</b>	<b>14,527,057.02</b>	<b>23,627,373.10</b>

**City of Lodi**  
**Portfolio Management**  
**Investment Activity Summary**  
**June 2000 through June 2001**

Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Securities Purchased	Number of Securities Matured / Sold	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
June	2000	24	41,571,248.71	4.935	5.003	6.190	1	1	366	236
July	2000	24	32,586,090.09	5.726	5.805	6.180	1	0	467	284
August	2000	25	33,370,283.06	5.835	5.916	6.180	1	0	478	283
September	2000	25	34,419,777.82	5.714	5.793	6.180	2	2	468	279
October	2000	26	35,810,005.78	5.363	5.438	6.297	1	0	451	253
November	2000	26	34,104,083.59	5.825	5.906	6.470	0	0	473	249
December	2000	25	30,915,755.76	5.618	5.696	6.540	0	1	507	255
January	2001	24	31,983,164.46	5.907	5.989	6.520	1	2	455	208
February	2001	21	30,698,629.94	5.713	5.792	6.520	0	3	373	151
March	2001	20	27,214,316.25	5.865	5.946	6.520	0	1	380	142
April	2001	19	28,492,110.95	5.957	6.039	6.160	2	3	325	116
May	2001	18	25,058,431.76	5.845	5.926	6.160	0	1	355	119
June	2001	15	23,627,373.10	5.734	5.814	6.160	1	4	222	61
<b>Average</b>		<b>22</b>	<b>31,527,020.87</b>	<b>5.695%</b>	<b>5.774%</b>	<b>6.314</b>	<b>1</b>	<b>1</b>	<b>409</b>	<b>203</b>

**City of Lodi**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**June 2000 through June 2001**

Investment Type	June 2000	July 2000	August 2000	September 2000	October 2000	November 2000	December 2000	January 2001	February 2001	March 2001	April 2001	May 2001	June 2001	Average by Period
<b>Local Agency Investment Funds</b>	39.3	40.8	40.5	39.2	34.7	38.4	32.1	41.9	45.9	45.9	55.5	51.9	59.7	43.5%
<b>Certificates of Deposit - Bank</b>	10.1	12.9	12.6	12.2	12.0	12.6	10.7	10.3	10.8	12.1	11.6	9.2	9.7	11.3%
<b>Certificates of Deposit - S &amp; L</b>														
<b>Passbook/Checking Accounts</b>	18.2	4.9	3.6	6.5	12.9	6.5	10.4	5.6	9.1	7.1	3.2	5.0	7.3	7.7%
<b>Corporate Medium Term Note</b>	2.4	3.0	3.0	2.9	2.8	2.9	3.2	3.1	3.2	3.7	3.5	4.0	4.2	3.2%
<b>Commercial Paper - Interest Bearing</b>														
<b>Repurchase Agreements</b>														
<b>Federal Agency Issues - Coupon</b>	27.7	35.3	37.5	36.3	34.9	36.7	40.4	36.0	27.7	27.6	22.8	25.9	14.8	31.0%
<b>Treasury Securities - Coupon</b>	2.4	3.1	3.0	2.9	2.8	2.9	3.2	3.1	3.3	3.7	3.5	4.0	4.2	3.2%
<b>Mortgage Backed Securities</b>														
<b>Bankers Acceptances -Amortizing</b>														
<b>Commercial Paper Disc. -Amortizing</b>														
<b>Federal Agency Disc. -Amortizing</b>														
<b>Treasury Discounts -Amortizing</b>														
<b>Miscellaneous Discounts -Amortizing</b>														

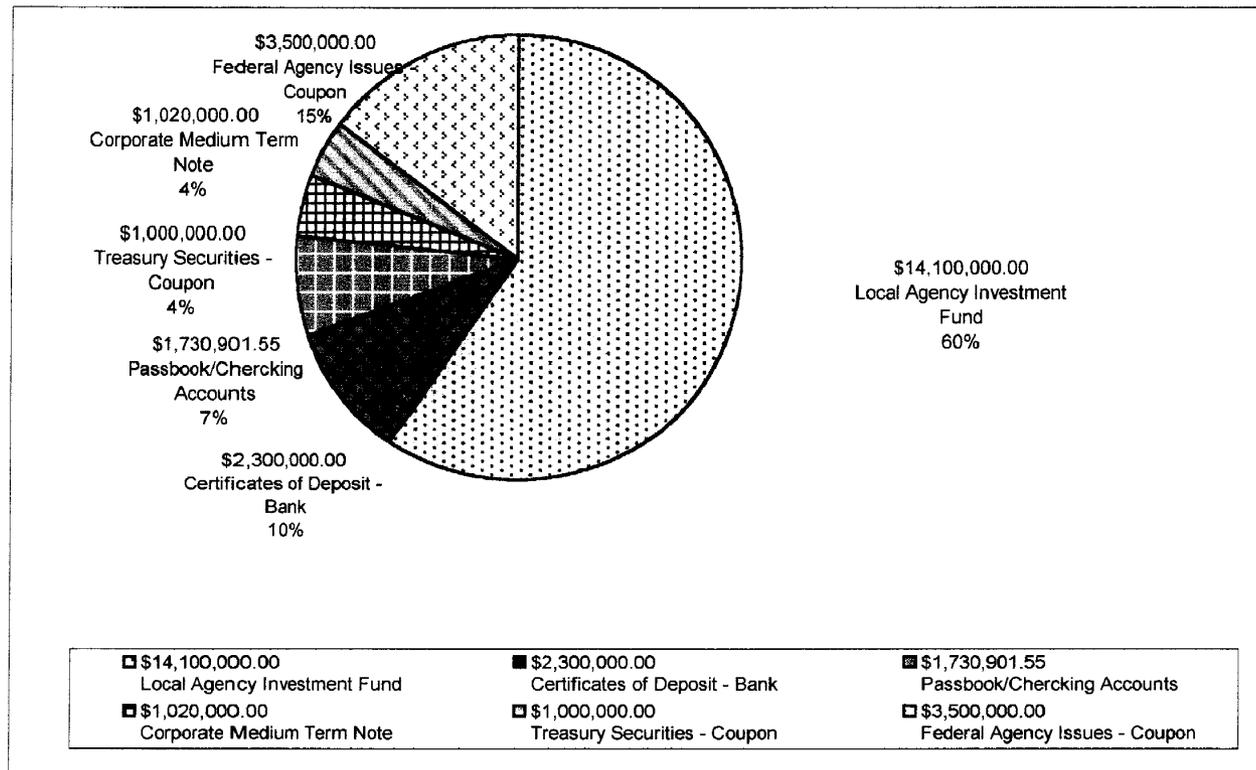
**City of Lodi**  
**Portfolio Management**  
**Interest Earnings Summary**  
**June 30, 2001**

	June 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	89,463.60	1,051,704.92
Plus Accrued Interest at End of Period	87,337.43	87,337.43
Less Accrued Interest at Beginning of Period	( 129,725.92)	( 173,909.75)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	47,075.11	965,132.60
Adjusted by Premiums and Discounts	1,082.99	13,003.93
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	48,158.10	978,136.53
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	809,195.50
Plus Accrued Interest at End of Period	347,598.51	347,598.51
Less Accrued Interest at Beginning of Period	( 279,062.18)	( 221,058.24)
Interest Earned during Period	68,536.33	935,735.77
<b>Total Interest Earned during Period</b>	<b>115,611.44</b>	<b>1,900,868.37</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>1,082.99</b>	<b>13,003.93</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>116,694.43</b>	<b>1,913,872.30</b>

## BREAKDOWN OF TREASURY INVENTORY BY TYPE

June 30, 2001

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$14,100,000.00	59.617178%	Indefinite
Certificates of Deposit - Bank	\$2,300,000.00	9.724788%	5 years
Passbook/Checking Accounts	\$1,730,901.55	7.318544%	Indefinite
Corporate Medium Term Note	\$1,020,000.00	4.312732%	5 years
Treasury Securities - Coupon	\$1,000,000.00	4.228169%	5 years
Federal Agency Issues - Coupon	\$3,500,000.00	14.798590%	5 years
	<u>\$23,650,901.55</u>	<u>100.00%</u>	



**PHILIP ANGELIDES  
TREASURER  
STATE OF CALIFORNIA**

**INVESTMENT DIVISION SELECTED INVESTMENT DATA  
ANALYSIS OF THE POOLED MONEY INVESTMENT ACCOUNT PORTFOLIO  
(000 OMITTED)**

March 31, 2001			
<u>TYPE OF SECURITY</u>	AMOUNT	PERCENT	CHANGE FROM PRIOR MONTH
<b>Government</b>			
Bills	\$ 3,139,215	7.34	-0.55
Bonds	0	0	0
Notes	3,201,182	7.49	+0.51
Strips	<u>0</u>	<u>0</u>	<u>0</u>
Total Governments	\$ 6,340,397	14.83	-0.04
Federal Agency Coupons	\$ 3,205,240	7.50	-0.07
Certificate of Deposits	3,005,048	7.03	-2.11
Bank Notes	1,050,017	2.46	+0.02
Bankers' Acceptances	0	0	0
Repurchases	0	0	0
Federal Agency Discount Notes	9,292,135	21.74	+0.20
Time Deposits	4,693,345	10.98	+0.87
GNMAs	1,106	0	0
Commerical Paper	10,047,850	23.50	-0.01
FHLMC	10,795	0.02	0
Corporate Bonds	2,447,583	5.72	+0.12
Pooled Loans	2,657,552	6.22	+0.06
GF Loans	0	0	0
Reversed Repurchases	<u>0</u>	<u>0</u>	<u>-0.96</u>
Total (All Types)	\$ 42,751,068	100.00	

Average Life of Portfolio as of March 31, 2001 is 187 Days

**State of California  
Pooled Money Investment Account  
Market Valuation  
3/31/01**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 3,139,214,805.60	\$ 3,221,088,409.76	\$ 3,238,099,000.00	NA
Notes	\$ 3,201,182,589.29	\$ 3,199,560,697.01	\$ 3,262,140,000.00	\$ 32,779,308.50
Federal Agency:				
Bonds	\$ 2,246,691,575.60	\$ 2,242,097,949.33	\$ 2,265,668,988.45	\$ 45,173,945.30
Floaters	\$		\$	
MBS	\$ 650,589,532.44	\$ 650,589,532.44	\$ 655,920,575.84	\$ 3,750,083.08
GNMA	\$ 1,106,365.92	\$ 1,106,365.92	\$ 1,253,432.09	\$ 10,910.49
SBA	\$ 307,958,466.20	\$ 307,958,466.20	\$ 306,660,841.62	\$ 3,630,603.02
FHLMC PC	\$ 10,795,171.41	\$ 10,795,171.41	\$ 11,426,969.65	\$ 173,477.46
Discount Notes	\$ 9,292,134,742.78	\$ 9,602,505,591.64	\$ 9,633,880,162.01	NA
Bankers Acceptances	\$ -	\$ -	\$ -	NA
Corporate:				
Bonds	\$ 911,158,821.40	\$ 907,448,281.96	\$ 919,616,249.11	\$ 18,700,473.35
Floaters	\$ 1,536,423,821.60	\$ 1,536,423,821.60	\$ 1,533,109,589.38	\$ 11,401,098.15
CDs	\$ 3,005,048,198.45	\$ 3,005,048,198.45	\$ 3,010,153,970.55	\$ 40,916,188.88
Bank Notes	\$ 1,050,017,557.69	\$ 1,050,017,557.69	\$ 1,051,694,009.00	\$ 17,368,986.82
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Time Deposits	\$ 4,693,345,000.00	\$ 4,693,345,000.00	\$ 4,693,345,000.00	NA
AB 55 & GF Loans	\$ 2,657,551,885.46	\$ 2,657,551,885.46	\$ 2,657,551,885.46	NA
Commercial Paper	\$ 10,047,849,526.49	\$ 10,117,543,685.55	\$ 10,123,007,786.61	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$
<b>TOTAL</b>	<b>\$ 42,751,068,060.33</b>	<b>\$ 43,203,080,614.42</b>	<b>\$ 43,363,528,459.77</b>	<b>\$ 173,905,075.05</b>

Fair Value Including Accrued Interest

\$ 43,537,433,534.82

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.003713806). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,074,276.11 or \$20,000,000.00 x 1.003713806.