



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Accept the Quarterly Investment Account report as required by law SB564

MEETING DATE: August 20, 2003

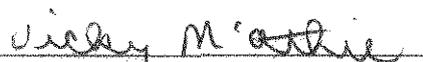
PREPARED BY: Deputy Treasurer

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.

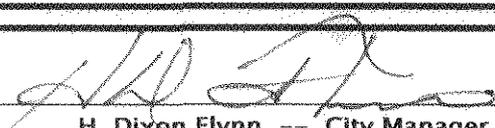
BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval 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 McAthle
Finance Director/Treasurer

APPROVED: _____


H. Dixon Flynn -- City Manager



**City of Lodi
Portfolio Management
Portfolio Summary
June 30, 2003**

City of Lodi
212 W. Pine St.
Lodi, CA 95240
(209)333-8800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	11,948,685.92	11,948,685.92	11,948,685.92	71.61	1	1	1.953	1.980
Certificates of Deposit - Bank	1,300,000.00	1,300,000.00	1,300,000.00	7.79	209	130	1.413	1.433
Passbook/Checking Accounts	3,437,527.47	3,437,527.47	3,437,527.47	20.60	1	1	0.000	0.000
Investments	16,686,213.39	16,686,213.39	16,686,213.39	100.00%	17	11	1.509	1.529

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	20,976.11	303,020.64	303,020.64
Average Daily Balance	18,005,279.24	15,882,184.12	
Effective Rate of Return	1.42%	1.91%	

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next 30 days. Union Bank of California is the source of market valuation.

M. Maxine Cadwallader 7-7-03
 Marcella Maxine Cadwallader, Revenue Manager/Deputy Treas.

City of Lodi
Portfolio Management
Portfolio Details - Investments
June 30, 2003

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity	Maturity Date
Local Agency Investment Funds												
LAIF	1000	Local Agency Invest. Fund			11,040,203.03	11,040,203.03	11,040,203.03	1.980		1.953	1	
LPIC	1001	Local Agency Inv Fund (LPIC)			908,482.89	908,482.89	908,482.89	1.980		1.953	1	
Subtotal and Average			11,948,685.92		11,948,685.92	11,948,685.92	11,948,685.92			1.953	1	
Certificates of Deposit - Bank												
WEST	59	Bank of the West		04/17/2003	100,000.00	100,000.00	100,000.00	1.190		1.190	291	04/17/2004
BA	57	Bank of America		12/17/2002	100,000.00	100,000.00	100,000.00	1.300		1.300	169	12/17/2003
FM	60	Farmers and Merchants Bank		04/26/2003	1,000,000.00	1,000,000.00	1,000,000.00	1.400		1.400	114	10/23/2003
LODI	58	Bank of Lodi		04/01/2003	100,000.00	100,000.00	100,000.00	1.880		1.880	89	09/28/2003
Subtotal and Average			1,300,000.00		1,300,000.00	1,300,000.00	1,300,000.00			1.413	130	
Passbook/Checking Accounts												
BACK	4003	Bank of America		07/01/2002	253,889.03	253,889.03	253,889.03			0.000	1	
	4000	Farmers & Merchants			3,183,638.44	3,183,638.44	3,183,638.44			0.000	1	
Subtotal and Average			4,756,593.32		3,437,527.47	3,437,527.47	3,437,527.47			0.000	1	
Total Investments and Average			18,005,279.24		16,686,213.39	16,686,213.39	16,686,213.39			1.509	11	

City of Lodi
Portfolio Management
Portfolio Details - Cash
June 30, 2003

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 360	Days to Maturity
Total Cash and Investments			18,005,279.24		16,686,213.39	16,686,213.39	16,686,213.39			1.509	11

City of Lodi
Portfolio Management
Investment Activity By Type
June 1, 2003 through June 30, 2003

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
Local Agency Investment Funds (Monthly Summary)							
		Subtotal					<u>11,948,686.92</u>
Certificates of Deposit - Bank							
		Subtotal					<u>1,300,000.00</u>
Passbook/Checking Accounts (Monthly Summary)							
BACK	4003	Bank of America			390,677.62	448,685.47	
	4000	Farmers & Merchants			<u>10,950,486.73</u>	<u>12,257,049.76</u>	
		Subtotal			<u>11,341,164.35</u>	<u>12,705,715.23</u>	<u>3,437,527.47</u>
		Total			<u>11,341,164.35</u>	<u>12,705,715.23</u>	<u>16,666,213.39</u>

City of Lodi
Portfolio Management
Investment Activity Summary
June 2002 through June 2003

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	2002	10	16,909,650.78	2.769	2.807	2.760	0	0	144	74
July	2002	8	15,114,380.20	2.407	2.440	2.750	1	1	87	28
August	2002	8	17,709,502.46	2.054	2.083	2.750	0	0	74	20
September	2002	8	12,183,102.24	2.430	2.464	2.750	0	0	108	24
October	2002	8	14,537,636.82	1.966	1.994	2.630	2	2	91	29
November	2002	8	12,026,947.82	2.377	2.410	2.630	0	0	109	29
December	2002	9	14,147,608.12	2.031	2.059	2.630	1	0	96	23
January	2003	9	14,999,501.80	1.767	1.792	2.310	0	0	90	17
February	2003	9	17,129,142.84	1.879	1.905	2.310	0	0	79	11
March	2003	9	17,242,066.90	1.867	1.893	2.310	0	0	79	7
April	2003	9	17,437,901.80	1.638	1.660	1.980	3	2	78	16
May	2003	8	18,050,764.27	1.394	1.414	1.980	0	1	16	12
June	2003	8	16,686,213.39	1.509	1.529	1.980	0	0	17	11
Average		9	16,706,724.57	2.007%	2.035%	2.444	1	0	82	23

City of Lodi
Portfolio Management
Distribution of Investments By Type
June 2002 through June 2003

Investment Type	June 2002	July 2002	August 2002	September 2002	October 2002	November 2002	December 2002	January 2003	February 2003	March 2003	April 2003	May 2003	June 2003	Average by Period
Local Agency Investment Funds	69.2	64.8	55.3	59.9	50.7	61.3	52.1	49.4	57.8	57.4	57.1	66.2	71.6	59.4%
Certificates of Deposit - Bank	7.7	7.9	6.8	9.9	8.3	10.0	9.2	8.7	7.6	7.5	7.5	7.2	7.8	8.2%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	11.2	20.5	32.2	21.9	34.1	20.3	31.6	35.2	28.7	29.1	29.7	26.6	20.6	26.3%
Corporate Medium Term Note	6.0	6.7	5.7	8.3	7.0	8.4	7.2	6.8	5.9	5.9	5.9			5.7%
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon	5.9													0.5%
Treasury Securities - Coupon														
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

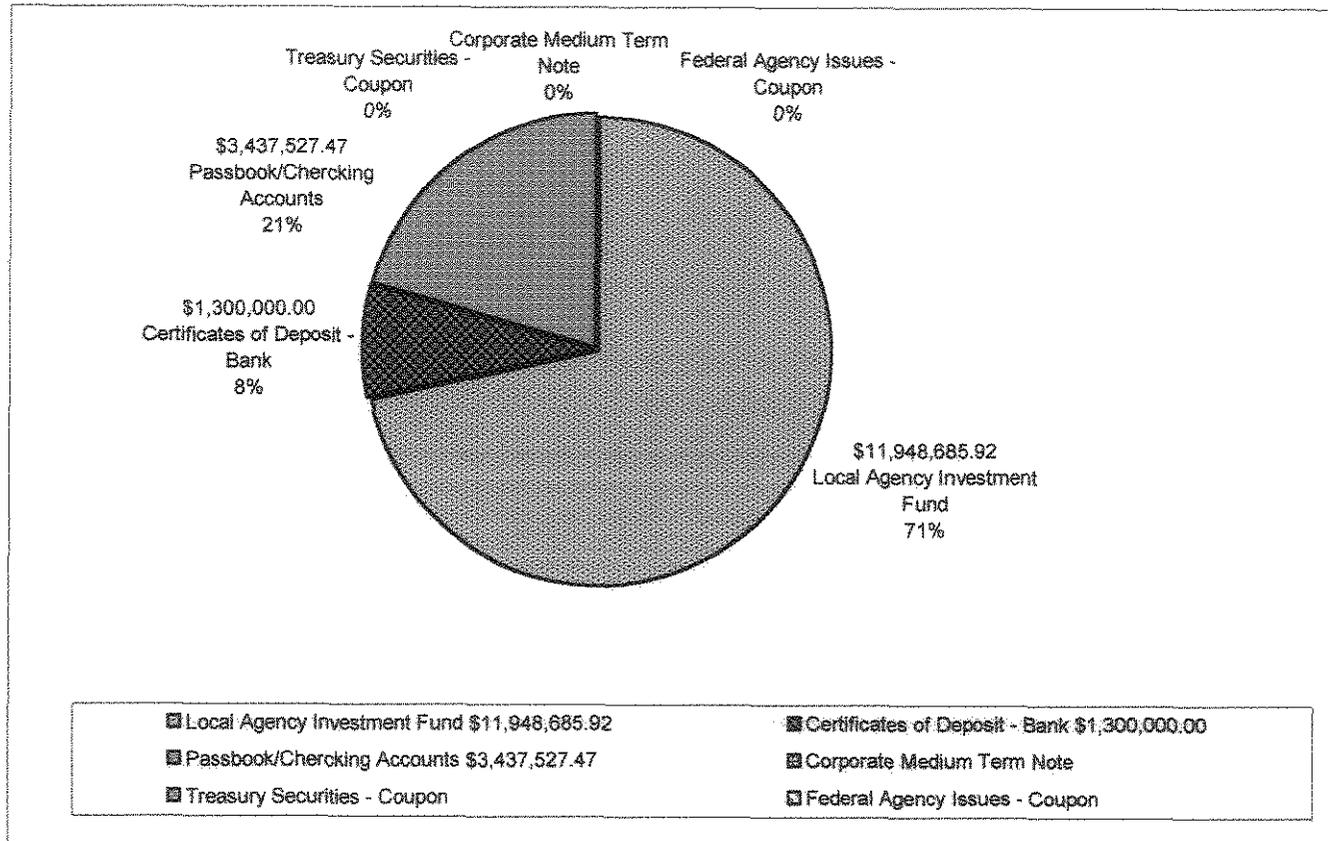
**City of Lodi
Portfolio Management
Interest Earnings Summary
June 30, 2003**

	June 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	111.95	120,292.55
Plus Accrued Interest at End of Period	3,095.12	3,095.12
Less Accrued Interest at Beginning of Period	(1,676.23)	(44,359.29)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	1,530.84	79,028.38
Adjusted by Premiums and Discounts	0.00	10,966.61
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	1,530.84	89,994.99
Pass Through Securities:		
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
Cash/Checking Accounts:		
Interest Collected	0.00	258,300.01
Plus Accrued Interest at End of Period	54,656.28	54,656.28
Less Accrued Interest at Beginning of Period	(35,211.01)	(99,930.64)
Interest Earned during Period	19,445.27	213,025.65
Total Interest Earned during Period	20,976.11	292,054.03
Total Adjustments from Premiums and Discounts	0.00	10,966.61
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	20,976.11	303,020.64

BREAKDOWN OF TREASURY INVENTORY BY TYPE

June 30, 2003

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$11,948,685.92	71.608133%	Indefinite
Certificates of Deposit - Bank	\$1,300,000.00	7.790863%	5 years
Passbook/Checking Accounts	\$3,437,527.47	20.601004%	Indefinite
Corporate Medium Term Note		0.000000%	5 years
Treasury Securities - Coupon		0.000000%	5 years
Federal Agency Issues - Coupon		0.000000%	5 years
	\$16,686,213.39	100.00%	



PHILIP ANGELES
TREASURER
STATE OF CALIFORNIA

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

March 31, 2003

PERCENTAGE CHANGE FROM PRIOR MONTH	PERCENT	AMOUNT	TYPE OF SECURITY	Government
+0.02	0.92	\$ 497,500	Bills	
0	0	0	Bonds	
-0.46	10.61	5,736,360	Notes	
0	0	0	Strips	
-0.44	11.53	\$ 6,233,860	Total Governments	
+0.08	6.36	\$ 3,435,434	Federal Agency Coupons	
+0.13	15.88	8,585,124	Certificate of Deposits	
+0.16	0.74	400,000	Bank Notes	
0	0	0	Bankers' Acceptances	
-0.90	0	0	Repurchases	
-3.58	15.95	8,620,195	Federal Agency Discount Notes	
+0.28	10.15	5,486,095	Time Deposits	
0	0	631	GNMAs	
-1.95	18.95	10,240,072	Commercial Paper	
0	0.01	5,473	FHLMC	
-0.16	3.89	2,100,566	Corporate Bonds	
-1.39	8.45	4,568,481	Pooled Loans	
+8.09	8.09	4,370,700	GF Loans	
0	0	0	Reversed Repurchases	
	100.00	\$ 54,046,631	Total (All Types)	

Average Life of Portfolio as of March 31, 2003 is 161 Days

State of California
Pooled Money Investment Account
Market Valuation
3/31/03

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 497,500,319.42	\$ 499,201,736.10	\$ 499,262,000.00	NA
Notes	\$ 5,736,360,421.16	\$ 5,735,483,521.97	\$ 5,825,817,500.00	\$ 69,701,583.50
Federal Agency:				
SBA	\$ 370,592,259.72	\$ 370,571,195.66	\$ 368,310,804.96	\$ 1,051,172.09
MBS	\$ 433,554,403.64	\$ 433,554,403.64	\$ 431,661,074.15	\$ 2,222,632.75
Bonds	\$ 2,631,287,689.67	\$ 2,631,046,023.00	\$ 2,689,297,333.00	\$ 37,602,624.09
Floater	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 8,620,194,515.84	\$ 8,653,849,040.36	\$ 8,656,858,441.20	NA
FHLMC PC	\$ 5,472,752.54	\$ 5,472,752.54	\$ 6,014,617.03	\$ 87,977.09
GNMA	\$ 631,416.54	\$ 631,416.54	\$ 742,878.11	\$ 6,275.50
Bankers Acceptances				
Bankers Acceptances	\$ -	\$ -	\$ -	NA
Bank Notes	\$ 400,000,000.00	\$ 400,000,000.00	\$ 400,043,782.00	\$ 1,275,611.11
CDs	\$ 8,585,124,083.24	\$ 8,585,124,083.24	\$ 8,586,645,116.70	\$ 32,858,772.27
Commercial Paper	\$ 10,240,071,762.37	\$ 10,262,084,215.14	\$ 10,263,752,918.23	NA
Corporate:				
Floater	\$ 313,415,866.28	\$ 313,415,866.28	\$ 310,735,340.00	\$ 622,396.98
Bonds	\$ 1,787,149,716.10	\$ 1,785,164,185.15	\$ 1,821,766,723.27	\$ 29,708,106.12
Repurchase Agreements	\$ -	\$ -	\$ -	NA
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,486,095,000.00	\$ 5,486,095,000.00	\$ 5,486,095,000.00	NA
AB 55 & GF Loans	\$ 8,939,180,836.32	\$ 8,939,180,836.32	\$ 8,939,180,836.32	NA
TOTAL	\$ 54,046,631,042.84	\$ 54,100,874,275.95	\$ 54,286,184,364.97	\$ 175,137,151.50

Fair Value Including Accrued Interest \$ 54,461,321,516.47

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 (1.003425270). 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 \$20,068,505.40 or \$20,000,000.00 x 1.003425270.