



M E M O R A N D U M
F i n a n c e D e p a r t m e n t

DATE: March 22, 2011

TO: City Council

FROM: Dave Warren
Director of Finance

SUBJECT: QUARTERLY INVESTMENT REPORT

RECOMMENDATION:

Acknowledge and file the quarterly investment report for the period ending March 31, 2009.

BACKGROUND:

Section 5 of the City's investment policy requires the Finance Department to submit a quarterly investment report to the City Council as prescribed by California Government Code, Section 53646. This report presents the City's investment portfolio as of March 31, 2009. It includes all investments managed by the City as well as those held by the City's trustee and provides information on the institution, investment type, value, and yield for all securities. As of March 31, 2009, the investment portfolio complied with all State laws and the City's investment policy.

ANALYSIS:

Short-term excess cash is currently invested in the Local Agency Investment Fund (LAIF) which is a money market fund that is administered by the State Treasurer. LAIF is a high quality investment in terms of safety, liquidity and yield which are the primary objectives of the City's investment policy. The City also holds restricted public savings accounts required for certain grant proceeds.

The Placerville Public Financing Authority's trustee, Union Bank of California, is currently investing the proceeds from the Wastewater System Refinancing and Improvement Project Revenue Bonds, Series 2006 in the Blackrock T-Fund which is a money market fund.

The following is a summary of all investments held by the City and its trustee:

INVESTMENTS HELD BY THE CITY				
Investment	Percent of Portfolio	Current Yield	Accrued Quarterly Interest	Market Value
Local Agency Investment Fund	60.41%	4.66%	\$ 7,903.45	\$ 687,873.78
Bank of America (Restricted Public Savings Account)	39.59%	4.68%	5,200.97	450,753.52
Total investments held by the City	100.00%	4.67%	\$ 13,104.42	\$ 1,138,627.30

INVESTMENTS HELD BY TRUSTEE				
Investment	Percent of Portfolio	Current Yield	Accrued Quarterly Interest	Market Value
Blackrock T-Fund	100.00%	0.02%	\$ 205.34	\$ 4,734,239.76

Staff believes the City has adequate cash flow liquidity to meet anticipated expenditures for the remainder of the fiscal year.

Dave Warren
Director of Finance