

**CITY OF TRACY**  
**CITY TREASURER'S REPORT**  
**SUMMARY OF ALL INVESTMENTS**  
For the Month ending July 31, 2013

| Category                              | Maturity |       | Average Interest Rate | HISTORICAL Book Value | GASB 31 ADJ Market Value |
|---------------------------------------|----------|-------|-----------------------|-----------------------|--------------------------|
|                                       | Days     | Years |                       |                       |                          |
| <b>Pooled Investments:</b>            |          |       |                       |                       |                          |
| 1. ON DEMAND DEPOSITS                 |          |       | 0.020%                | 12,075,656.94         | 12,075,656.94            |
| 2. TREASURER'S INVESTMENTS            |          |       |                       | 168,472,507.15        | 167,206,412.78           |
| <b>Total - Pooled Investments</b>     | 574      | 1.57  | 1.332%                | <b>180,548,164.09</b> | <b>179,282,069.72</b>    |
| 3. PROCEEDS FROM BOND ISSUES          |          |       |                       | 32,103,875.87         | 32,103,875.87            |
| <b>Total - Non-Pooled Investments</b> |          |       |                       | <b>32,103,875.87</b>  | <b>32,103,875.87</b>     |
| <b>GRAND TOTAL ALL INVESTMENTS</b>    |          |       |                       | <b>212,652,039.96</b> | <b>211,385,945.59</b>    |

I certify that categories #1 & #2 above comply with the City's investment policy in all respects including maturity length and permitted investments. A listing of assets owned by the City is available at the Treasurer's Office. Category #3 is not managed by the City Treasurer but must be carried on the City's books. A copy of the City's "Investment Policy" is available at the office of the City Clerk.  
The City has the ability to meet projected expenditures for the next six months.

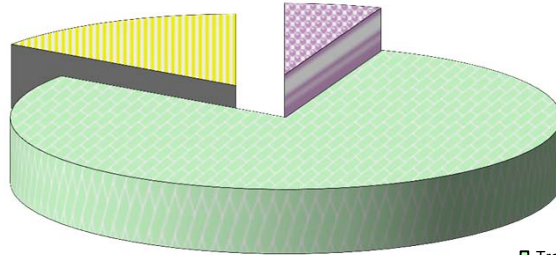
\_\_\_\_\_  
**Raymond McCray**  
City Treasurer

\_\_\_\_\_  
Date

**City of Tracy - Investment Summary**  
**JULY 31, 2013 \$211,385,945.59 Market value**

■ Proceeds from Bonds  
15%

■ On Demand Deposits  
6%



■ Treasurer's Pool  
79%

## 2. TREASURER'S INVESTMENTS

GASB 31 Adjusted

These investments comply with the City's adopted investment policy.

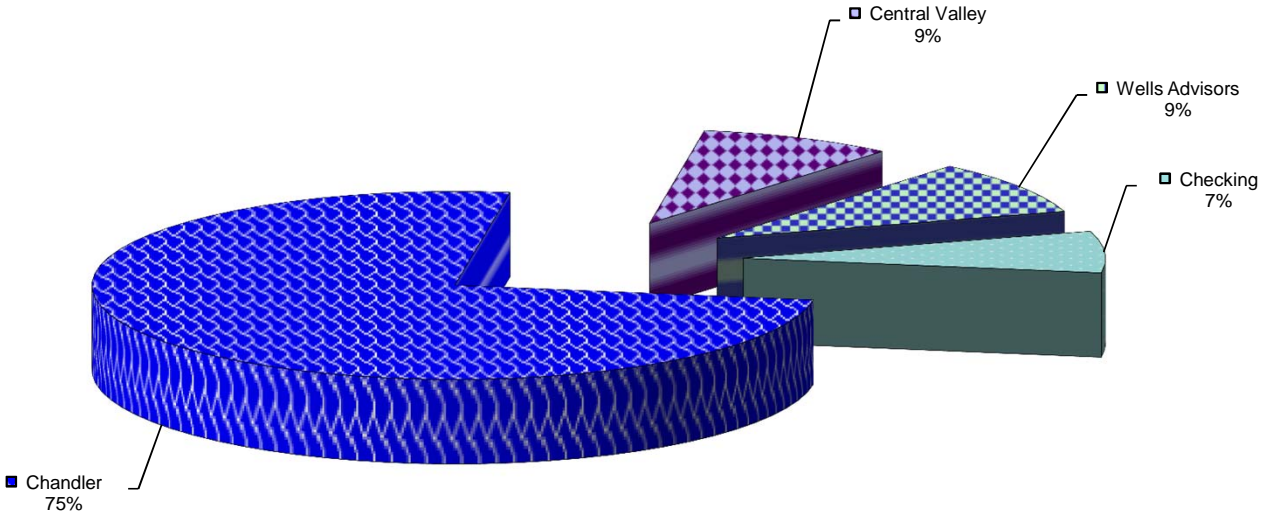
July 31, 2013

| Custodian/Description                         | Average Purchase YTM      | Days to Maturity | Interest Rate | HISTORICAL Book Value | Market Value (no accruals) |
|---|---------------------------|------------------|---------------|-----------------------|----------------------------|
| WELLS FARGO, Sweep                            |                           | 1                | 0.02%         | <b>11,713,461.94</b>  | 11,713,461.94              |
| WELLS FARGO, Checking                         |                           | 1                |               | <b>362,195.00</b>     | 362,195.00                 |
| CHANDLER ASSET MNGT (120)                     | * 0.928%                  | 697              | 1.65%         | <b>128,446,822.08</b> | 127,304,512.71             |
|   | *                         |                  |               |                       |                            |
| J.P. Morgan Securities (992)                  | * 1.089%                  | 843              | 1.43%         | <b>15,877,784.98</b>  | 15,753,999.98              |
|   | *                         |                  |               |                       |                            |
| Central Valley Community Bank MM(col)         |                           | 1                | 0.25%         | <b>14,757,283.61</b>  | 14,757,283.61              |
| LOCAL AGENCY INVESTMENT FUND<br>City of Tracy |                           | 1                | 0.24%         | <b>9,390,616.48</b>   | 9,390,616.48               |
|   | Yield to Maturity/Market  |                  |               |                       |                            |
|   | Benchmark 2 year treasury | 0.313            |               |                       |                            |
|   | ML 1-5 year YTM GVAO      | 0.63             | BVAO 0.98%    |                       |                            |

\* Priced By Union Bank of Cal

|                        |                                    |                       |                |
|------------------------|------------------------------------|-----------------------|----------------|
| TOTAL INVESTMENTS      | <b>THIS MONTH</b>                  | <b>180,548,164.09</b> | 179,282,069.72 |
| GASB 31 180,073,714.81 | <b>LAST MONTH</b>                  | 181,491,728.04        | 180,073,714.81 |
|                        | INCREASE(DECREASE) FROM LAST MONTH | (943,563.95)          | (791,645.09)   |
|                        | AVERAGE INTEREST RATE              | 1.332%                |                |
|                        | AVERAGE DAYS TO MATURITY           | 574                   |                |

**City of Tracy's Investments**  
**July 31, 2013 - \$179,282,069.72 Market Value**



### 3. PROCEEDS FROM BOND ISSUES

Funds in this category are held by a Trustee or other investment  
which is governed by the bond documents.

July 31, 2013

| District              | Description                   |                    | Book Value   |
|-----------------------|-------------------------------|--------------------|--------------|
| 93 Bonds              | Water Revenue Bonds           | Reserve Fund       | 357,615.30   |
| 1994-Re AD2002        | TopJPA Naglee                 | Reserve Fund       | 137,374.52   |
| 2002TOPJPA            | RFD 94-1                      | Reserve&Redemption | 538,881.40   |
| CFD1993-1             | Series 2002 I-205             | Reserve Fund       | 226,110.39   |
| 2003 Wastewater       | Wastewater Refunding          | Reserve Fund       | 342,150.21   |
| Wastewater 2003       | Berg Avenue                   | Reserve Fund       | 113,077.97   |
| TOPJPA Series 2003A   | Consolidated 5 Bond Issues    | Reserve Fund       | 1,613,663.30 |
| TOPJPA 2003A          | Junior Lien                   | Reserve Fund       | 60,825.86    |
| 89-1                  | 87-3 Refinancing Senior*      | Reserve Fund       | 7,034,565.10 |
| CDF 89-1              | Junior Lien                   | Reserve Fund       | 122,673.49   |
| CFD 89-1 2003 A       | 89-1 Refinancing*             | Reserve Fund       | 3,737,454.21 |
| Plant Upgrade         | 2004 wastewater               | Installment Fund   |              |
| CFD 99-1              | Refinance of CDF 98-1,01 & 03 | Multi Funds        | 1,058,133.77 |
| CFD 98-1              | 2005 Series B                 | Reserve Fund       | 1,742,795.62 |
| CFD98-1               | 2005-A                        | Reserve Fund       | 109,596.82   |
| TOPJA 2005 Clearing   | Plan C                        | Reserve Fund       | 3,131,625.60 |
| TOPJA 2005 Series B   | Presidio                      | Multi Funds        | 235,213.71   |
| CFD 2006-01 NEI       | NEI Phase 2                   | Multi Funds        | 5,189,209.48 |
| TOPJPA 2007 A & B     | NEI - Phase 2                 | Improvement Fund   |              |
| TOPJA JPA 2008        |                               | Improvement Fund   | 3,832,755.55 |
| TOPJA Rev Bonds 2011A | Revenue Bond                  | Improvement Fund   | 1,403,103.06 |
| Tracy LOB 2011-1      |                               | Revenue            | 195,309.73   |
| Tracy CFD 2011A       |                               | Reserve            | 921,740.78   |

*\*These accounts may also have tax receipts in balance of account until next bond principal or interest payment*

|                            |                                    |                      |
|----------------------------|------------------------------------|----------------------|
| <b>TOTAL BOND PROCEEDS</b> | <b>THIS MONTH</b>                  | <b>32,103,875.87</b> |
|                            | LAST MONTH                         | 32,094,947.80        |
|                            | Increase(Decrease) From Last Month | 8,928.07             |

#### 4. STATISTICAL SUMMARY

GASB 31 Adjusted

The following is selected statistical information and trends concerning the Investment Portfolio.

July 31, 2013

#### TRENDS

|                            | Days  | Maturity<br>Years | Average<br>Int Rate | Historical<br>Book Value | Market Value   | Difference    |
|----------------------------|-------|-------------------|---------------------|--------------------------|----------------|---------------|
| Bench Mark Month (3/95)    | 5,993 | 16.42             | 4.577%              | 46,953,583.62            | 27,962,754.31  | 18,990,829.31 |
| <b>Last Month (6/13)</b>   | 569   | 1.56              | 1.460%              | 181,491,728.04           | 180,073,714.81 | 1,418,013.23  |
| <b>This Month (7/13)</b>   | 574   | 1.57              | 1.332%              | 180,548,164.09           | 179,282,069.72 | 1,266,094.37  |
| <u>FISCAL YEAR AVERAGE</u> | 574   | 1.57              | 1.332%              | 180,548,164.09           | 179,282,069.72 | 1,266,094.37  |

#### HISTORICAL

| Pooled<br>Investments | Pooled<br>Investments | Monthly<br>Totals    | Total<br>Investments | Total<br>Investments |
|-----------------------|-----------------------|----------------------|----------------------|----------------------|
| <u>Market Value</u>   | <u>Book Value</u>     | <u>Compared</u>      | <u>Market Value</u>  | <u>Book Value</u>    |
| 170,030,622.79        | 170,721,393.92        | <b>June, 12</b>      | 210,261,570.85       | 210,952,340.98       |
| 169,866,160.31        | 170,338,547.63        | <b>July, 12</b>      | 210,112,679.80       | 210,585,067.12       |
| 168,741,672.47        | 169,309,492.49        | <b>August, 12</b>    | 202,301,006.71       | 20,288,986.73        |
| 169,682,109.00        | 170,156,968.57        | <b>September, 12</b> | 197,343,205.56       | 197,818,065.23       |
| 168,401,738.00        | 168,867,094.07        | <b>October, 12</b>   | 195,332,253.39       | 195,797,609.46       |
| 159,566,634.06        | 159,895,811.55        | <b>November, 12</b>  | 185,429,142.93       | 186,100,265.44       |
| 176,891,368.09        | 177,330,109.63        | <b>December, 12</b>  | 200,113,459.56       | 200,552,201.10       |
| 174,412,246.48        | 174,860,897.65        | <b>January, 13</b>   | 203,984,542.30       | 204,433,193.47       |
| 175,374,322.27        | 175,775,498.67        | <b>February, 13</b>  | 206,329,264.55       | 206,730,440.95       |
| 173,221,818.27        | 173,755,159.95        | <b>March, 13</b>     | 200,556,596.42       | 201,089,938.10       |
| 171,104,048.46        | 171,534,409.89        | <b>April, 13</b>     | 197,866,308.95       | 198,296,672.38       |
| 179,014,579.74        | 179,913,725.97        | <b>May, 13</b>       | 206,404,991.60       | 207,304,137.83       |
| 180,073,714.81        | 181,491,728.04        | <b>June, 13</b>      | 212,168,662.61       | 213,586,675.84       |
| 179,282,069.72        | 180,548,164.09        | <b>July, 13</b>      | 211,385,945.59       | 212,652,039.96       |

|                       | Total                    | Total           | Total           | Total           |
|-----------------------|--------------------------|-----------------|-----------------|-----------------|
|                       | <u>FY 13-14</u>          | <u>FY 12-13</u> | <u>FY 11-12</u> | <u>FY 10-11</u> |
| INTEREST EARNINGS     |                          |                 |                 |                 |
| Pooled Investments    | <b>Month</b>             |                 |                 |                 |
| Interest Earnings Net | 207,346.72               | 207,346.72      | 2,861,632.36    | 4,383,252.57    |
| Pooled Investments    | <b>Capital gain/loss</b> |                 |                 |                 |
| Gain (loss) on sale   | (17,406.51)              |                 |                 |                 |

## 5. TRACY CONSOLIDATED

Portfolio Summary Information

Period Ending July 31, 2013

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### Sector/Quality Distribution

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| <u>Sector</u>             | <u>Market Value</u> | <u>% of Portfolio</u> | <u>Quality</u> |
|---------------------------|---------------------|-----------------------|----------------|
| Treasury                  |                     | 7.8%                  | TSY            |
| Agency                    |                     | 40.4%                 | AAA            |
| Corporate                 |                     | 27.1%                 | AA-            |
| ABS                       |                     | 0.0%                  |                |
| CMO                       |                     | 0.0%                  |                |
| Time Deposits             |                     | 0.0%                  | NR             |
| LAIF                      |                     | 5.2%                  | NR             |
| Negotiable CD             |                     | 1.4%                  |                |
| Commercial Paper          |                     | 2.9%                  | AAA            |
| Money Market Funds        |                     | 14.9%                 | TSY            |
| Municipal Bonds           |                     | 0.3%                  | AAA            |
| Corporate FDIC Guaranteed |                     | 0.0%                  | AAA            |

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### Duration/Maturity Distribution

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% of Portfolio

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| <u>Years</u>    | <u>Maturity</u> |
|-----------------|-----------------|
| 0 - .25         | 28.8%           |
| .25 -.50        | 10.5%           |
| .5 - 1          | 6.1%            |
| 1 year-2 year   | 21.1%           |
| 2 year-3 year   | 13.2%           |
| 3 year- 4 year  | 11.0%           |
| 4 -year- 5 year | 9.2%            |
| 5 year +        | 0.0%            |