



City of Villa Park
17855 Santiago Boulevard
Villa Park, California 92861
(714) 998-1500

INVESTMENT ADVISORY COMMITTEE

July 22, 2015

8:00 a.m.

The Investment Advisory Committee of the City of Villa Park welcomes you to this meeting. We encourage your participation. This agenda contains a brief description of each item to be considered.

If you wish to speak on an item contained on the agenda, please approach the podium at the time the item is being considered. Upon recognition by the Chair, state your name and address for the record prior to providing your comments. Speakers will be limited to a time period set by the presiding officer.

All supporting information is available for public review in the City Hall offices.

Please Note: In compliance with the Americans with Disabilities Act, the City of Villa Park will make every reasonable attempt to accommodate attendees or participants at this meeting who need special assistance beyond what is normally provided. Please contact the City Hall at (714) 998-1500 at least 48 hours prior to this meeting to inform us of particular needs and to determine if accommodation is feasible. Please advise us at the time of your call if special assistance is required to attend or participate in meetings on a regular basis.

ORDER OF BUSINESS

1. CALL TO ORDER
2. ROLL CALL
 - William Underwood, Chair, Investment Advisory Committee
 - Steven Pollack, Vice-Chair
 - Dan Carlberg, Member
 - James Rheins, Member
 - Brad Reese, Member
 - Lynne Doti, Member
 - Joe McCarthy, Member
 - Diana Fascenelli, Mayor, Chair, City Council Finance Committee
 - Rick Barnett, Councilmember, City Council Finance Committee
 - Dennis Kuli, City Treasurer
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT
5. DISCUSSION ITEMS
 - a) Brown Act Training and FPPC Form 700 reporting requirements presented by City Manager Hildenbrand.
 - b) Review of April Minutes.
 - c) Review and discuss current investment activities.
 - d) City Treasurer Kuli to present investment and interest analysis of laddering strategy performance versus former LAIF and OCIP investment strategy.
 - e) Receive and file Adopted 2015 Investment Policy.
 - f) Finance Director to explain structurally balanced budget versus news account of 2015-16 budget that has expenditures exceeding revenues.
 - g) Finance Director to report back to IAC regarding Time Deposits.
 - h) Finance Director to present the Council Approved Reserve Policy.
 - i) Chair Underwood to discuss citizens led IAC meeting requirements.
 - j) Solicitation of any items desired to be added by any member to the Agenda for October meeting.
6. ADJOURNMENT
 - Next regular meeting date is October 21, 2015 at 8:00 AM.



City of Villa Park
17855 Santiago Boulevard
Villa Park, California 92861
(714) 998-1500

INVESTMENT ADVISORY COMMITTEE

Summary Minutes

April 17, 2015

1. CALL TO ORDER

The meeting was called to order at 8:05 a.m. by Mayor Fascenelli.

2. ROLL CALL

The following members and attendees were present:

Diana Fascenelli, Mayor, Chair, City Council Finance Committee

Bill Underwood, Chair, Investment Advisory Committee (IAC) – **appointed 4/17/15**

Steven Pollack, Vice Chair, IAC - **appointed 4/17/15**

James Rheins, Member

Brad Reese, Member

Lynne Doti, Member

Michelle Danaher, Finance Director

Dennis Kuli, City Treasurer

The following members and attendees were absent:

Rick Barnett, Councilmember, City Council Finance Committee

Dan Carlberg, Member

Joe McCarthy, Member

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

None

5. DISCUSSION ITEMS

a. Reorganize IAC to accommodate Council election, annual appointments and nominations for Chair and Vice-Chair.

- Finance Director Danaher requested nominations for Chairman of the IAC. Member Pollack nominated Bill Underwood. Member Doti seconded. Motion carried.
- Chair Underwood requested nominations for Vice-Chairman of the IAC. Member Reese nominated Steven Pollack. Treasurer Kuli seconded. Motion carried.

b. Review of January Minutes.

- Chair Pollack moved the minutes for approval, seconded by Member Doti. Motion carried.

c. Review and discuss revisions to Investment Policy.

- Finance Director Danaher presented the redlined version of the Investment Policy. Discussion ensued and there were some minor working revisions. The majority of the discussion was regarding the wording specifically in section 8 about the makeup of the IAC. Finance Director Danaher was directed to make the discussed revisions and submit them back for a final review (via email) to the IAC Members.
- Vice-Chair Pollack moved that the updated final document (reviewed via email by the IAC) reflecting what was discussed, be the recommended Investment Policy that is presented to Council for adoption at the May 26, 2015 City Council Meeting. Member Reese seconded. Motion carried.

d. Review and Discuss Current Investments.

- Finance Director Danaher presented current investment activities for the last quarter. Finance Director Danaher discussed the two new investments purchased in February.
- Finance Director Danaher gave an overview on the strength of the first quarter invested in CalTRUST. CalTRUST was earning greater than .36% more than both LAIF and OCIP. After the second quarter review and a cash flow analysis, Finance Director Danaher will potentially recommend more cash being invested in CalTRUST.
- Finance Director Danaher was directed to research potential investments in Time Deposits and to present back to the IAC on July 22, 2015.

e. Finance Director Danaher to provide Resolution 2015-3311 formally updating the Investment Advisory Committee, and minutes of IAC formalization discussion from Council.

- Finance Director presented Resolution 2015-3311 and discussion ensued on the decisions made by Council. IAC liked the Resolution and requested that it be placed as an attachment to the Investment Policy to ensure it was up to date each year when the Investment Policy was reviewed.

f. Discussion of new ideas/concerns from each member.

- Mayor Fascenelli informed that Form 700 will not be necessary from this point forward for any IAC member, as members don't make the financial decisions for the City, they just make recommendations that Council approves and staff implements.
- Vice-Chair Underwood challenged all IAC members to bring two new ideas to the IAC within the next year to continue to assist the City in making great investment decisions.

6. ADJOURNMENT

The meeting was adjourned at 9:10 am. The next regular meeting of the IAC will be held on Wednesday, October 21, at 8:00 a.m.

CITY OF VILLA PARK
TREASURER'S REPORT OF CASH ON DEPOSIT AND INVESTED
30-Apr-15

	Purchase Date	Maturity Date	Callable Date	Guaranteed Rate	Market Value	Estimated Annual Yield to Maturity	Book Value	Par Value	Balance Amount	% of Total Investment
Cash on Deposit										
F&M Checking Account				0.01%					\$ 6,422.92	0%
F&M Parking Citation Account				0.10%					1,400.00	0%
F&M Money Market Account									25,473.87	1%
Petty Cash									400.00	0%
WF Cash Bank Deposit Sweep									-	0%
Union Cash Bank Deposit Sweep									-	0%
Short Term - Investments										
State-Local Agency Investment Fund				0.28%	1,158,350.78	+			1,158,004.83	1
Orange County Investment Pool				0.30%	1,453,445.22	+			1,454,608.91	1
Medium Term - Investments										
CalTRUST				0.74%	502,086.51				501,588.73	2
Long Term - Investments										
Government Bonds:										
Federal Home Ln Bank	11/9/2012	11/9/2017	4/9/2015	1.00%	99,743.00	^	100,005.00	100,000.00	100,220.78	#5
Federal Home Ln Mig Corp Notes	8/20/2014	8/20/2019	5/20/2015	2.00%	100,023.00	^	100,000.00	100,000.00	100,417.44	#5
<i>Subtotal of Government Bonds</i>										
Medium Term Notes:										
Barclays bank PLC	1/23/2013	6/24/2016		1.20%	93,743.65	^,6	99,883.87	91,000.00	95,067.89	#4
Goldman Sachs Grp Inc	7/17/2013	1/22/2018		2.38%	99,780.66	^,6	97,954.06	98,000.00	100,420.72	#4
JP Morgan Chase & Co	7/24/2014	1/28/2019		2.35%	101,581.00	^,6	101,770.00	100,000.00	102,188.08	#4
US Bancorp	2/9/2015	11/15/2018	10/15/2018	1.95%	101,714.00	^,6	101,326.00	100,000.00	102,613.17	#4
<i>Subtotal of Medium Term Notes</i>										
Certificates of Deposits:										
State Bank India	8/12/2011	8/12/2016		2.00%	101,550.00	^	100,000.00	100,000.00	101,977.40	#4
Goldman Sachs Bk USA CD	8/8/2012	8/8/2017		1.80%	101,436.00	^	100,000.00	100,000.00	101,840.38	#4
Barclays bank CD	7/23/2014	7/23/2019		2.10%	100,942.00	^	100,000.00	100,000.00	101,505.83	#4
Goldman Sachs Bk USA CD	2/1/2015	2/11/2020		1.90%	99,867.00	^	100,000.00	100,000.00	100,278.24	#4
GE Cap Retail Bk Draper Utah	2/14/2014	2/14/2019		1.95%	101,542.60	"	100,003.50	100,000.00	101,943.28	#4
Discover Bk	11/5/2014	11/5/2019		2.15%	101,112.70	"	100,005.00	100,000.00	102,149.41	#4
Union Bank	7/18/2012	7/18/2017		1.39%	99,359.91	"	99,999.00	99,999.00	99,410.10	#4
<i>Subtotal of Certificates of Deposits</i>										
									\$ 4,457,931.98	100%

TOTAL CASH ON DEPOSIT & INVESTED

- ** Prior Months Annualized Interest Rate
 - *** Monthly Annualized Interest Rate
 - + Market Value as of June 2014.
 - ^ Investments were purchased through our authorized broker dealer, Wells Fargo Advisors, LLC.
 - * Investments were purchased through Union Bank.
 - # Market value plus accrued interest at the end of the month.
 - 1 Not to exceed 35% of total investments
 - 2 Not to exceed 40% of total investments
 - 3 Not to exceed 30% of total investments at time of purchase.
 - 4 Not to exceed 5% of a single issuer at the time of purchase.
 - 5 Not to exceed 40% of a single issuer at the time of purchase.
 - 6 Investments were rated A or above at the time of purchase.
- Note: Short term, liquid investments represent 59% of the total portfolio.**

I hereby certify that this report accurately reflects all the City of Villa Park investments and complies with the investment policy of the City of Villa Park as approved by the City Council. I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.

City Treasurer

Date Submitted to City Council
\$ 4,448,845.69

CITY OF VILLA PARK
TREASURER'S REPORT OF CASH ON DEPOSIT AND INVESTED
31-May-15

	Purchase Date	Maturity Date	Callable Date	Guaranteed Rate	Market Value	Estimated Annual Yield to Maturity	Book Value	Par Value	Balance Amount	% of Total Investment
Cash on Deposit										
F&M Checking Account				0.01%	***				\$ 31,163.43	1%
F&M Parking Citation Account				0.10%	***				1,230.00	0%
F&M Money Market Account									51,222.63	1%
Petty Cash									400.00	0%
WF Cash Bank Deposit Sweep									-	0%
Union Cash Bank Deposit Sweep									-	0%
Short Term - Investments										
State-Local Agency Investment Fund				0.28%	**	1,212,366.92	+		1,212,004.83	1 26%
Orange County Investment Pool				0.37%	***	1,553,646.94	+		1,554,890.85	1 33%
Medium Term - Investments										
CalTRUST				0.77%	**	501,911.64			501,912.28	2 11%
Long Term - Investments										
Government Bonds:										
Federal Home Ln Bank	11/9/2012	11/9/2017	4/9/2015	1.00%	^	99,885.00		100,000.00	99,946.11	^5 2%
Federal Home Ln Mtg Corp Notes										
<i>Subtotal of Government Bonds</i>										
Medium Term Notes:										
Barclays bank PLC	1/23/2013	6/24/2016		1.20%	^,6	93,485.21		91,000.00	95,122.26	^4 2%
Goldman Sachs Grp Inc	7/17/2013	1/22/2018		2.38%	^,6	99,678.74		98,000.00	100,512.76	^4 2%
JP Morgan Chase & Co	7/24/2014	1/28/2019		2.35%	^,6	101,336.00		100,000.00	102,138.92	^4 2%
US Bancorp	2/9/2015	11/15/2018	10/15/2018	1.95%	^,6	101,609.00		100,000.00	101,695.67	^4 2%
JP Morgan Chase & Co	5/26/2015	1/23/2020	12/23/2019	2.25%	^,6	99,478.00		100,000.00	100,278.00	^4 2%
<i>Subtotal of Medium Term Notes</i>										
Certificates of Deposits:										
Slate Bank India	8/12/2011	8/12/2016		2.00%	^	101,380.00		100,000.00	101,977.26	^4 2%
Goldman Sachs Bk USA CD	8/8/2012	8/8/2017		1.80%	^	101,104.00		100,000.00	101,661.26	^4 2%
Barclays bank CD	7/23/2014	7/23/2019		2.10%	^	100,781.00		100,000.00	101,523.19	^4 2%
Goldman Sachs Bk USA CD	2/11/2015	2/11/2020		1.90%	^	99,838.00		100,000.00	100,410.61	^4 2%
Synchrony Bank Retail x	2/14/2014	2/14/2019		1.95%	"	101,626.00		100,000.00	102,197.64	^4 2%
Discover Bk	11/5/2014	11/5/2019		2.15%	"	101,212.00		100,000.00	101,371.04	^4 2%
Union Bank	7/18/2012	7/18/2017		1.39%	"	99,491.19		99,999.00	99,672.66	^4 2%
<i>Subtotal of Certificates of Deposits</i>										
TOTAL CASH ON DEPOSIT & INVESTED										
** Prior Months Annualized Interest Rate										
*** Monthly Annualized Interest Rate										
+ Market Value as of June 2014										
^ Investments were purchased through our authorized broker dealer, Wells Fargo Advisors, LLC.										
^ Investments were purchased through Union Bank.										
* Market value plus accrued interest at the end of the month.										
x Renamed from GE Capital Retail Bank										
1 Not to exceed 35% of total investments										
2 Not to exceed 40% of total investments										
3 Not to exceed 30% of total investments at time of purchase.										
4 Not to exceed 5% of a single issuer at the time of purchase.										
5 Not to exceed 40% of a single issuer at the time of purchase.										
6 Investments were rated A or above at the time of purchase.										
Note: Short term, liquid investments represent 59% of the total portfolio.										
I hereby certify that this report accurately reflects all the City of Villa Park investments and complies with the investment policy of the City of Villa Park as approved by the City Council.										
I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.										

TOTAL CASH ON DEPOSIT & INVESTED

** Prior Months Annualized Interest Rate

*** Monthly Annualized Interest Rate

+ Market Value as of June 2014

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I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.

City Treasurer

Date Submitted to City Council

\$ 4,661,331.40

U:\Michael\Treasurer's Report\Treasure Report 2015.xls\May 15

CITY OF VILLA PARK
TREASURER'S REPORT OF CASH ON DEPOSIT AND INVESTED
30-Jun-15

	Purchase Date	Maturity Date	Callable Date	Guaranteed Rate	Market Value	Estimated Annual Yield to Maturity	Book Value	Par Value	Balance Amount	% of Total Investment
Cash on Deposit										
F&M Checking Account				0.01%					\$ 31,585.41	1%
F&M Parking Citation Account				0.10%					1,000.04	0%
F&M Money Market Account									34,448.84	1%
Petty Cash									400.00	0%
WF Cash Bank Deposit Sweep									1,876.88	0%
Union Cash Bank Deposit Sweep									-	0%
Short Term - Investments										
State-Local Agency Investment Fund				0.29%	1,092,331.07	+			1,092,004.83	1 25%
Orange County Investment Pool				0.44%	1,344,293.48	+			1,345,369.78	1 31%
Medium Term - Investments										
CalTRUST				0.77%	501,741.47				502,240.86	2 12%
Long Term - Investments										
Government Bonds:										
Federal Home Ln Bank	11/9/2012	11/9/2017	4/9/2015	1.00%	99,838.00	^	100,005.00	100,000.00	99,982.44	#5 2%
<i>Subtotal of Government Bonds</i>										
					99,838.00		100,005.00	100,000.00		2%
Medium Term Notes:										
Barclays bank PLC	1/23/2013	6/24/2016		1.20%	93,143.05	^,6	99,883.87	91,000.00	93,216.04	#4 2%
Goldman Sachs Grp Inc	7/17/2013	1/22/2018		2.38%	99,453.34	^,6	97,954.06	98,000.00	100,481.32	#4 2%
JP Morgan Chase & Co	7/24/2014	1/28/2019		2.35%	100,341.00	^,6	101,770.00	100,000.00	101,339.75	#4 2%
US Bancorp	2/9/2015	11/15/2018	10/15/2018	1.95%	100,796.00	^,6	101,326.00	100,000.00	101,045.17	#4 2%
JP Morgan Chase & Co	5/26/2015	1/23/2020	12/23/2019	2.25%	98,268.00	^,6	100,486.75	100,000.00	99,249.25	#4 2%
<i>Subtotal of Medium Term Notes</i>										
					492,001.39		501,420.68	489,000.00		3 12%
Certificates of Deposits:										
State Bank India	8/12/2011	8/12/2016		2.00%	101,238.00	^	100,000.00	100,000.00	101,999.64	#4 2%
Goldman Sachs Bk USA CD	8/8/2012	8/8/2017		1.80%	100,877.00	^	100,000.00	100,000.00	101,582.20	#4 2%
Barclays bank CD	7/23/2014	7/23/2019		2.10%	100,100.00	^	100,000.00	100,000.00	101,014.79	#4 2%
Goldman Sachs Bk USA CD	2/11/2015	2/11/2020		1.90%	98,966.00	^	100,000.00	100,000.00	99,694.77	#4 2%
Synchrony Bank Retail x	2/14/2014	2/14/2019		1.95%	100,832.00	"	100,003.50	100,000.00	101,563.92	#4 2%
Discover Bk	11/5/2014	11/5/2019		2.15%	100,276.00	"	100,005.00	100,000.00	100,611.75	#4 2%
Union Bank	7/18/2012	7/18/2017		1.39%	99,595.44	"	99,999.00	99,999.00	99,881.16	#4 2%
<i>Subtotal of Certificates of Deposits</i>										
					701,884.44		700,007.50	699,999.00		3 16%
TOTAL CASH ON DEPOSIT & INVESTED									\$ 4,310,588.94	100%

** Prior Months Annualized Interest Rate
 *** Monthly Annualized Interest Rate
 + Market Value as of June 2014 (as of print date, June 2015 was not available).
 ^ Investments were purchased through our authorized broker dealer, Wells Fargo Advisors, LLC.
 # Investments were purchased through Union Bank.
 * Market value plus accrued interest at the end of the month.
 x Renamed from GE Capital Retail Bank
 1 Not to exceed 35% of total investments
 2 Not to exceed 40% of total investments
 3 Not to exceed 30% of total investments at time of purchase.
 4 Not to exceed 5% of a single issuer at the time of purchase.
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 6 Investments were rated A or above at the time of purchase.

Note: Short term, liquid investments represent 50% of the total portfolio.

I hereby certify that this report accurately reflects all the City of Villa Park investments and complies with the investment policy of the City of Villa Park as approved by the City Council.
 I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.

City Treasurer

Date Submitted to City Council
 \$ 4,308,482.94

Monthly Cash Analysis As of 6/30/15

Ending cash balance at 6/30/15	\$ 4,308,483
Estimated expenditures through 12/2015	(2,071,265)
Estimated revenues through 12/2015	1,617,402
Estimated cash balance at 12/2015	3,854,620
Estimated LT investments (GF reserve amount)	(1,401,433.18)
MT investments as of 6/30/15	(501,912.28)
	1,951,275
Add to MT investments	(300,000)
ST liquid cash estimated at 43% of 12/15 cash	1,651,275
	\$ 801,912
Recommended MT investment	

**City of Villa Park
Investment Purchase Request
FY 2014-2015**

CALLED INVESTMENT

NEW INVESTMENT

<u>Type of Investment:</u>	<u>Government Bonds with Wells</u>	<u>Type of Investment:</u>	<u>MTN with Union</u>
<u>Name of Investment:</u>	<u>Federal Home Mtg Corp Notes</u>	<u>Name of Investment:</u>	<u>JP Morgan Chase & CO</u>
<u>Purchase Date:</u>	<u>8/20/2014</u>	<u>Purchase Date:</u>	<u>5/26/2015</u>
<u>Called Date:</u>	<u>5/20/2015</u>	<u>Maturing Date:</u>	<u>1/23/2020</u>
<u>Guaranteed Rate:</u>	<u>1.99%</u>	<u>Guaranteed Rate:</u>	<u>2.31%</u>
<u>Purchase Price:</u>	<u>100,000.00</u>	<u>Purchase Price:</u>	<u>100,486.75</u>
<u>Par Value:</u>	<u>100,000.00</u>	<u>Par Value:</u>	<u>99,718.00</u>
<u>Is maturity date</u>	<u>Less than 5 years?</u>	<u>yes</u>	
<u>Is investment instrument totals</u>	<u>Less than 30% of portfolio?</u>	<u>yes</u>	
<u>Is investment in a single issuer</u>	<u>Less than 5% of issuer?</u>	<u>yes</u>	4.54%
<u>Is investment rated A or above</u>	<u>Moody's or Standard & Poors</u>	<u>yes</u>	

Check # Wire

CUSIP # 46625HKA7

Requested By: Michelle Danaher - Finance Director

Purpose for Transfer: Purchased a new MTN with matured money received from Wells called agency.

Approved By: 

Date Processed: 5/20/2015

Proof of Receipt in Bank: MD 5/26/15

CONFIRMATION

DATED 05/20/15

WELLS FARGO ADVISORS

RECEIVED

MAY 26 2015

Account Number 4921-7297
YOUR FINANCIAL ADVISOR
SANDRA WHEELER

805-783-7942 / 800-300-2878

CITY OF VILLA PARK

PCG33140 002589
CITY OF VILLA PARK
INVESTMENT ACCOUNT
17855 SANTIAGO BLVD.
VILLA PARK CA 92861-4105



IF YOU WOULD LIKE TO ENROLL IN OUR ACCESS ONLINE SERVICE OR SIGN UP TO RECEIVE THIS CONFIRMATION ELECTRONICALLY, VISIT US AT WWW.WELLSFARGOADVISORS.COM

REDEEMED	QUANTITY	RATE	PRINCIPAL
FEDERAL HOME LN MTG CORP MEDIUM TERM NOTE CALLABLE CPN 2.000% DUE 08/20/19 DTD 08/20/14 FC 02/20/15	100,000	100.000000000	100,000.00
SECURITY NUMBER 5964-640 CUSIP 3134G5-E4-3	ACCOUNT TYPE CASH TRADE DATE 05/20/15 SETTLEMENT DATE 05/20/15	NET AMOUNT	\$100,000.00

TRADE INFORMATION: NOTICE OF REDEMPTION/MATURITY. IF THIS REDEMPTION IS THE RESULT OF A PARTIAL CALL, THE MATURITY DATE ON THIS CONFIRMATION MAY REFLECT THE CALL DATE RATHER THAN THE MATURITY DATE OF YOUR ORIGINAL PURCHASE.

SECURITY INFORMATION: SEMI-ANNUALLY PAY.

Wells Fargo Advisors, LLC, brokerage account(s) carried by First Clearing, LLC. Wells Fargo Advisors, LLC and First Clearing, LLC, Members FINRA/SIPC are separate registered broker-dealers and non-bank affiliates of Wells Fargo & Company.

Investments and insurance products are: **NOT FDIC-INSURED** **NO BANK GUARANTEE** **MAY LOSE VALUE**

Page 10 of 12 For Address Correction And Payment Due Instructions Please Refer To Contact Information On Page 2 Of This Confirmation

UNIONBANC INVESTMENT SERVICES
 P.O. BOX 513100
 LOS ANGELES, CA 90051

0101733E
 A710017338
 CITY OF VILLA PARK
 17855 SANTIAGO BLVD
 VILLA PARK CA 92861



RECEIVED

MAY 26 2015

CITY OF VILLA PARK

Account: WBB-022303
 Confirm Date: 05/20/2015
 Investment Rep Name: MARK MORRISSEY
 For Questions Call: (213) 236-7070

IMPORTANT MESSAGE

Should you wish to make a deposit
 or a contribution by check, please make check
 payable to: NATIONAL FINANCIAL SERVICES LLC.
 Please include your account number

TRADE CONFIRMATION SUMMARY REPORT

YOU BOUGHT		Trade Date: 05-20-15	Settlement Date: 05-26-15
Symbol	Ref #	Qty	Price
15140-0CVJ5Z		100,000	99.718
			Cusip 46625HKA7
			Type 1*
			Reg Rep 307 307

DESCRIPTION AND DISCLOSURES
 JPMORGAN CHASE & CO SR NT
 WE HAVE ACTED AS PRINCIPAL.
 COUPON 2.25000% MATURITY DATE 01/23/2020
 CALLABLE NEXT CALL 12/23/19 @ 100.000
 CURRENT YIELD 2.256 YIELD TO MATURITY 2.313%
 CONTINUOUSLY CALLABLE FROM 12/23/19
 MOODY'S A3 STANDARD & POOR'S A
 INTEREST PAID SEMI-ANNUALLY DTD 01/23/2015
 ADDITIONAL CALL FEATURES MAY EXIST THAT COULD AFFECT YIELD;
 COMPLETE INFORMATION WILL BE PROVIDED UPON REQUEST

Principal Amount 99,718.00
 Interest 768.75
 Settlement Amount 100,486.75

UnionBanc Investment Services LLC is a registered broker-dealer, investment
 adviser, member FINRA/SIPC, and subsidiary of MUFG Union Bank N.A. NOT
 FDIC INSURED, NO BANK GUARANTEE, MAY LOSE VALUE Information for
 Federal Home Loan Banks 'FHLB' Discount Notes, Annual Financing Report and
 Offering Notice can be obtained from www.fhfb-of.com

ACCOUNT CARRIED WITH NATIONAL FINANCIAL SERVICES LLC. ALL
 ORDERS ARE UNSOLICITED UNLESS SPECIFIED ABOVE.

EXPLANATIONS OF CODED SYMBOLS

***T - TYPE OF ACCOUNT:**

- 0 - Deliver/Receive Vs Payment
- 1 - Cash Account
- 2 - Margin Account
- 3 - Short Account
- 6 - Special Account
- 8 - When Issued TBA
- 9 - Income Account

If an odd-lot differential is indicated on the face of this confirmation, an amount of 12-1/2 cents per share was added to the price of purchase or deducted from the price of sale

D1 Additional call features exist that may affect yield, complete information will be provided upon request
 D2 No periodic interest payments - Callable below maturity value without notice by mail to holder unless registered
 D4 An asset-backed security represents an interest in or is secured by a pool of financial assets that may be subject to continuous prepayment The actual yield may vary based on prepayment rates of the underlying receivable or other financial assets Information concerning factors that affect yield will be furnished upon written request
 Ratings information, when provided, has been obtained from select ratings services which NFS believes to be reliable, however, NFS cannot guarantee its timeliness, accuracy or completeness Ratings are opinions and not recommendations or investment advice Ratings or the absence of ratings should not alone be relied upon when assessing the credit quality of a security or making an investment decision Ratings are subject to change or withdrawal by the ratings services at any time Ratings information may not be provided for all debt securities When indicated, NR denotes that the security is not rated by the listed rating organization The security may be rated by other rating services Please contact your broker dealer if you need more information about a security

Certain securities, including bonds, preferred stocks, and common stocks, may be subject to call or redemption (prior to maturity, if applicable) Call features may exist in addition to those which may appear on the front of the confirmation Early call or redemption could affect yield Complete information will be provided upon written request

Descriptive words in the "Description and Disclosures" of any security are used for identification purposes only and do not constitute representations

Please inform your broker dealer promptly if there is an error in this confirmation Your failure to do so may result in the inability to amend a transaction Please address all communications to your broker dealer and not to individuals and include your brokerage account number on all checks and communications

It is understood and agreed that all transactions made for you are subject to the rules and customs of the exchange or market (and its clearing house, if any) where executed by us or by our agents and to any applicable SRO State and/or Federal regulations It is further understood and agreed that on margin business all securities or other assets bought or held by us are pledged as collateral security for any and all claims and demands we then or thereafter may have against the party giving such orders whether arising there under or not It is further understood and agreed that we have the right to close transactions without further notice, at our sole discretion, without liability for subsequent difference in value when such a sale or purchase is deemed necessary by us for our protection, with the right upon our part of becoming the purchaser thereof (free from all trust, that securities held by us in margin accounts (and in cash accounts until paid for, in full) are or may be hypothecated for the sum, due thereon, or for a greater sum, under circumstances which will permit the commingling thereof with securities carried for the account of other customers, and that we have the right to loan such securities held by us

When-issued, When-Distributed, or TBA Transactions The information contained herein is an estimate based upon information available at the time of your order The final figures will be forwarded to you when obtainable upon issue, delivery, or pool allocation Such transactions shall be settled at such time, place and in such manner and by delivery of such securities and/or other property as determined by the exchange or association to whose requirements the transaction is subject, or shall be cancelled if such exchange or association shall so determine National Financial Services LLC ("NFS") may demand deposits to secure this transaction and reserves the right to close this transaction upon the failure of the customer to tender such deposit

An open order will remain in effect until executed or cancelled Customers may cancel open orders at any time prior to execution NFS will cancel open orders after 120 calendar days, and we reserve the right, but are not obligated to, cancel open orders when the limit price becomes unrealistic in relation to the market price A cancellation notice will be delivered to you in this event Limits on OPEN ORDERS TO BUY and STOP ORDERS TO SELL, subject to the rules of the exchange or association where the securities are traded, may be automatically adjusted on the date the security trades, "ex-dividend", "ex-rights", "ex-distribution", or "ex-interest" Unexecuted portions of an open order which are executed on subsequent days are treated as separate orders for commission purposes, in accordance with industry practices

In connection with access to, purchase of, and/or maintenance of positions in mutual funds and other investment products ("funds"), your introducing broker dealer and/or NFS may receive the sales loads and 12b-1 fees described in the prospectus as well as additional compensation, paid by the funds, their investment advisors or affiliates Additional information about the source(s) of compensation as well as other remuneration received by your introducing broker dealer and/or NFS will be furnished to you upon written request At time of purchase fund shares may be assigned a load, transaction fee or no transaction fee status At time of sale, any fees applicable to your transaction will be assessed based on the status assigned to the shares at time of purchase

Currency exchanges may be effected by Fidelity FOREX, Inc. on a principal basis Fidelity FOREX, Inc. an affiliate of NFS, may impose a commission or markup on the prevailing interbank market price Fidelity FOREX may in turn share a portion of any foreign exchange commission or markup with NFS and/or FBS The currency exchange rate applicable to any foreign security trade is available upon request The local broker in a foreign securities transaction may be Fidelity Clearing Canada ULC, an affiliate of NFS and FBS

Other remuneration may have been received and information will be furnished on request

This statement is compiled for payment by bank draft on settlement date If payment is made at a later date, additional interest to date of payment will be charged Name of the other party, time of execution and remuneration furnished on request

Payment for Order Flow Disclosure [Exchange Act Rule 10b-70(a)(2)(i)(C)] Your broker dealer and/or NFS receives remuneration, compensation, or consideration for directing orders in securities to particular broker dealers or market centers for execution The source and nature of any compensation received in connection with your particular transaction will be disclosed upon written request to your broker dealer Please review your broker dealer's annual disclosure on payment for order flow policies and order routing policies

For trades of positions set up for average cost, the cost basis per share is calculated as the average price of all shares in the position and shares are depleted on a first-in-first-out basis

When there are multiple lots for the particular date indicated via versus purchase, the system depletes lots starting with the highest quantity lot and moves through the lots in descending order of quantity until the order is filled If an order cannot be matched versus purchase, or if the order quantity exceeds the matched lots, lots are depleted using the account-level default disposal method If more than one lot has the same date and quantity, selection among such lots is random

REV A 02/13/15 690511 2 0

REFERENCE NUMBER:

CONTROL:

FARMERS & MERCHANTS BANK OF LONG BEACH
OUTGOING WIRE TRANSFER REQUEST AND AUTHORIZATION FORM
For Domestic Wires & USD International Wires Sent via US Correspondent Bank

FARMERS & MERCHANTS BANK	122201198	\$100,486.75	
SENDING BANK	SENDING BANK ABA	AMOUNT	

JP Morgan Chase/NFSC	021000021	<input type="text"/>	<input type="text"/>
RECEIVER BANK	RECEIVER BANK ABA	COUNTRY CODE	FEE

City of Villa Park
 ORIGINATING CUSTOMER

National Financial Services LLC
 BENEFICIARY

12044970
 ORIGINATOR ACCOUNT NUMBER

WBB022303
 BENEFICIARY ACCOUNT NUMBER/ABA

17855 Santiago Blvd.
 ORIGINATOR STREET ADDRESS

200 Liberty Street
 BENEFICIARY STREET ADDRESS

Villa Park, CA 92861
 ORIGINATOR CITY, STATE & ZIP CODE

New York, New York, 10281
 BENEFICIARY CITY, STATE & ZIP CODE

ORIGINATOR EMAIL ADDRESS

ORIGINATOR TO BENEFICIARY INFORMATION (80 CHARACTER LIMIT)

Transfer money to National Financial Services for the purchase of a MTN CSUIP #46625HKA7.

PURPOSE OF WIRE (CUSTOMER DEFINED)

BENEFICIARY BANK

INTERMEDIARY BANK

BENEFICIARY BANK ACCOUNT NUMBER/ABA/SWIFT

INTERMEDIARY BANK ACCOUNT NUMBER/ABA/SWIFT

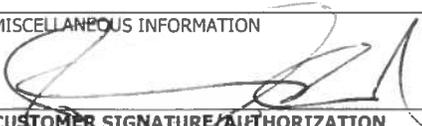
BENEFICIARY BANK STREET ADDRESS

INTERMEDIARY STREET ADDRESS

BENEFICIARY BANK CITY, STATE & ZIP CODE

INTERMEDIARY CITY, STATE & ZIP CODE

MISCELLANEOUS INFORMATION


 CUSTOMER SIGNATURE/AUTHORIZATION

5/21/15
 DATE

714-998-1500
 CUSTOMER PHONE NUMBER

CITY OF VILLA PARK
TREASURER'S REPORT OF CASH ON DEPOSIT AND INVESTED
30-Apr-15

	Purchase Date	Maturity Date	Callable Date	Guaranteed Rate	Market Value	Estimated Annual Yield to Maturity	Book Value	Par Value	Balance Amount	% of Total Investment
Cash on Deposit										
F&M Checking Account				0.01%	***				\$ 6,422.92	0%
F&M Parking Citation Account				0.10%	***				1,400.00	0%
F&M Money Market Account									25,473.87	1%
Petty Cash									400.00	0%
WF Cash Bank Deposit Sweep									-	0%
Union Cash Bank Deposit Sweep									-	0%
Short Term - Investments										
State-Local Agency Investment Fund				0.28%	**	1,158,350.78			1,158,004.83	1
Orange County Investment Pool				0.30%	***	1,453,445.22			1,454,608.91	1
Medium Term - Investments										
CalTRUST				0.74%	**	502,086.51			501,568.73	2
Long Term - Investments										
Government Bonds:										
Federal Home Ln Bank	11/9/2012	11/9/2017	4/9/2015	1.00%	A	99,743.00	100,005.00	100,000.00	100,220.78	#5
Federal Home Ln Mtg Corp Notes	8/20/2014	8/20/2019	5/20/2015	2.00%	A	100,023.00	100,000.00	100,000.00	100,417.44	#5
Subtotal of Government Bonds						199,766.00	200,005.00	200,000.00		4%
Medium Term Notes:										
Barclays bank PLC	1/23/2013	6/24/2016		1.20%	A,6	93,743.65	99,863.87	91,000.00	95,067.89	#4
Goldman Sachs Grp Inc	7/17/2013	1/22/2018		2.38%	A,6	99,780.66	97,954.06	98,000.00	100,420.72	#4
JP Morgan Chase & Co	7/24/2014	1/28/2019		2.35%	A,6	101,581.00	101,770.00	100,000.00	102,188.08	#4
US Bancorp	2/9/2015	11/15/2018	10/15/2018	1.95%	A,6	101,714.00	101,326.00	100,000.00	102,613.17	#4
Subtotal of Medium Term Notes						396,819.31	400,933.93	389,000.00		9%
Certificates of Deposits:										
State Bank India	8/12/2011	8/12/2016		2.00%	A	101,550.00	100,000.00	100,000.00	101,977.40	#4
Goldman Sachs Bk USA CD	8/8/2012	8/8/2017		1.80%	A	101,436.00	100,000.00	100,000.00	101,840.38	#4
Barclays bank CD	7/23/2014	7/23/2019		2.10%	A	100,942.00	100,000.00	100,000.00	101,505.83	#4
Goldman Sachs Bk USA CD	2/11/2015	2/11/2020		1.90%	A	99,867.00	100,000.00	100,000.00	100,278.24	#4
GE Cap Retail Bk Draper Utah	2/14/2014	2/14/2019		1.95%	"	101,542.60	100,003.50	100,000.00	101,943.28	#4
Discover Bk	11/5/2014	11/5/2019		2.15%	"	101,112.70	100,005.00	100,000.00	102,149.41	#4
Union Bank	7/18/2012	7/18/2017		1.39%	"	99,359.91	99,999.00	99,999.00	99,410.10	#4
Subtotal of Certificates of Deposits						705,810.21	700,007.50	699,999.00		3
TOTAL CASH ON DEPOSIT & INVESTED										
									\$ 4,457,931.98	100%
									4,54%	
									202,256.75	

TOTAL CASH ON DEPOSIT & INVESTED

- ** Prior Months Annualized Interest Rate
 - *** Monthly Annualized Interest Rate
 - + Market Value as of June 2014
 - A Investments were purchased through our authorized broker dealer, Wells Fargo Advisors, LLC.
 - # Market value plus accrued interest at the end of the month
 - 1 Not to exceed 35% of total investments
 - 2 Not to exceed 40% of total investments
 - 3 Not to exceed 30% of total investments at time of purchase
 - 4 Not to exceed 5% of a single issuer at the time of purchase
 - 5 Not to exceed 40% of a single issuer at the time of purchase
 - 6 Investments were rated A or above at the time of purchase
- Note: Short term, liquid investments represent 59% of the total portfolio.

I hereby certify that this report accurately reflects all the City of Villa Park investments and complies with the investment policy of the City of Villa Park as approved by the City Council. I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.

City Treasurer

U:\Michelle\Investments\14-15\JPR 5.20.15.rptApr 15

Date Submitted to City Council
\$ 4,448,845.69

Michelle Danaher

From: sandra.wheeler@wellsfargoadvisors.com
Sent: Tuesday, May 19, 2015 10:48 AM
To: Michelle Danaher
Subject: bond call
Attachments: offerreport.pdf

Hello Michelle,

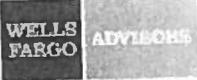
I received a call notice for Govt Agency bond FHLMC 2% Mty 08/2019 Callable 05/20/2015

Funds available for reinvestment \$100,000 I have attached bonds for your review.

Please call me with any questions.

Thank you,
Sandra

Click on my business card and its tabs to learn more.

Schedule a consultation	Are you on track?	Investment tools and insights
		
Sandra Wheeler Associate Vice President - Investment Officer		
	Wells Fargo Advisors, LLC 1160 Marsh Street, Suite 200 San Luis Obispo, CA 93401 Tel: 805-783-7942 Toll Free: 855-999-7942 Fax: 805-546-8998	
sandra.wheeler@wfadvisors.com http://home.wellsfargoadvisors.com/sandra.wheeler		
Together we'll go far 		

 Save details to address book

Sandra Wheeler
Associate Vice President - Investment Officer
CA Insurance Lic. #0806589

Wells Fargo Advisors, LLC | 1160 Marsh Street, Suite 200 | San Luis Obispo, CA 93401
Tel 805-783-7942 | Toll-free 855-999-7942 | Fax 805-546-8998

sandra.wheeler@wfadvisors.com | <http://home.wellsfargoadvisors.com/sandra.wheeler>

Michelle Danaher

From: Mark Morrissey [Mark.Morrissey@unionbank.com]
Sent: Wednesday, May 20, 2015 9:15 AM
To: Michelle Danaher
Cc: William Nolan
Subject: JP Morgan 2.25 1/23/20 -- trade ticket
Attachments: JPM 2.25 1-23-20 -- cash flow.pdf; JPM 2.25 1-23-20 -- description.pdf; JPM 2.25 1-23-20 -- trade ticket.pdf; JPM 2.25 1-23-20 -- yield analysis.pdf

Confirmed, \$100,000 JP Morgan (A3/A) 2.25 1/23/20 @ 99.718 = 2.314% = \$100,486.75 total proceeds for settlement 5/26/15. See attached trade ticket and Bloomberg pages.

Thank you.

Mark Morrissey | Vice President | Institutional Sales
445 S. Figueroa St., 11th Floor | Los Angeles, CA 90071
Office 213.236.7070 | 800.358.8771
Mobile 714.624.1822 | Fax 866.721.1180
Email mark.morrissey@unionbank.com

MEMBER FINRA/SIPC SUBSIDIARY OF MUFG UNION BANK, N.A.

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From: Mark Morrissey
Sent: Wednesday, May 20, 2015 7:31 AM
To: 'Michelle Danaher'
Subject: RE: Corporate Bond Offers

Yields are lower today. HSBC corporate bond maturing 3/5/20 is now 2.318%. Also, call me to discuss your investment policy. HSBC USA is the US subsidiary of HSBC Plc headquartered in London. Many of our public sector clients buy only domestic corporate bonds (either by investment policy or in practice).

I also forwarded today's corporate bond offerings – look at the following alternatives:

- GE Capital (A1/AA+) 2.20 1/9/20 @ 1.906%
- JP Morgan (A3/A) 2.25 1/23/20 @ 2.318% -- same yield as HSBC
- Bank of New York (A1/A+) 2.15 2/24/20 @ 2.078%
- GE Capital (A1/AA+) 5.55 5/4/20 @ 2.108%

Thank you!

Mark Morrissey | Vice President | Institutional Sales
445 S. Figueroa St., 11th Floor | Los Angeles, CA 90071
Office 213.236.7070 | 800.358.8771
Mobile 714.624.1822 | Fax 866.721.1180
Email mark.morrissey@unionbank.com

MEMBER FINRA/SIPC SUBSIDIARY OF MUFG UNION BANK, N.A.

<HELP> for explanation.

JPM 2 1/4 01/23/20 Corp 1) Export Cashflow Analysis
 99.718/99.718 2.314/2.314 TRAC @ 09:06 95) Buy 96) Sell 97) Settings
 Cash Flow Present Values Distressed Analysis ID EK7020424
 Price 99.718000 Settlement 05/26/15 Issue 01/23/2015 Maturity 01/23/2020
 Yield 2.313888 to Maturity 01/23/20 @ 100.000000 Face Amt 100M

Payment Date	Interest	Principal	Total
07/23/2015	1,125.00	0.00	1,125.00
01/23/2016	1,125.00	0.00	1,125.00
07/23/2016	1,125.00	0.00	1,125.00
01/23/2017	1,125.00	0.00	1,125.00
07/23/2017	1,125.00	0.00	1,125.00
01/23/2018	1,125.00	0.00	1,125.00
07/23/2018	1,125.00	0.00	1,125.00
01/23/2019	1,125.00	0.00	1,125.00
07/23/2019	1,125.00	0.00	1,125.00
01/23/2020	1,125.00	100,000.00	101,125.00

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
 SN 263976 PDT GMT-7:00 H143-2249-1 20-May-2015 09:10:12

DES
 JPMORGAN CHASE JPM2 1/4 01/23/20 99.718/99.718 (2.314/2.314) TRAC
 JPM 2 1/4 01/23/20 Corp

Page 1/11 Description: Bond

94) Notes

95) Buy

96) Sell

97) Settings

21) Bond Description

22) Issuer Description

Pages	Issuer Information	Identifiers
1) Bond Info	Name JPMORGAN CHASE & CO	ID Number EK7020424
2) Addtl Info	Industry Diversified Banks	CUSIP 46625HKA7
3) Covenants	Security Information	ISIN US46625HKA76
4) Guarantors	Mkt Iss Global	Bond Ratings
5) Bond Ratings	Country US Currency USD	Moody's A3
6) Identifiers	Rank Sr Unsecured Series	S&P A
7) Exchanges	Coupon 2.25 Type Fixed	Fitch A+
8) Inv Parties	Cpn Freq S/A	DBRS AHu
9) Fees, Restrict	Day Cnt 30/360 Iss Price 100.00000	Issuance & Trading
10) Schedules	Maturity 01/23/2020	Amt Issued/Outstanding
11) Coupons	CALL 12/23/19@100.00	USD 3,750,000.00 (M) /
Quick Links	Iss Sprd 95.00bp vs T 1 3/8 02/29/20	USD 3,750,000.00 (M)
32) ALLQ Pricing	Calc Type (1) STREET CONVENTION	Min Piece/Increment
33) QRD Quote Recap	Announcement Date 01/15/2015	2,000.00 / 1,000.00
34) TDH Trade Hist	Interest Accrual Date 01/23/2015	Par Amount 1,000.00
35) CACSCorp Action	1st Settle Date 01/23/2015	Book Runner JPM-sole
36) CF Prospectus	1st Coupon Date 07/23/2015	Reporting TRACE
37) CN Sec News	ORIG SPR AT ISS: 110.00bp vs T 1 5/8 12/31/19.	
38) HDS Holders		
39) VPR Underly Info		
66) Send Bond		

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000
 SN 263976 PDT GMT-7:00 H143-2249-1 20-May-2015 09:09:48
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SXT 100 99.718
 1<Go> to send to MSG & VCON, View other options under Settings

JPM 2 1/4 01/23/20 Corp 1) Send (VCON) Sell Ticket
 05/20/2015 09:03 Trade Date 05/20/15 97) Settings

Trade Information

Trader	MARK MORRISSEY	CUSIP	46625HKA7
At	UNIONBANC INVESTMENT SERVICES LLC	ISIN	US46625HKA76

9) SELL	100M	of JPM 2 1/4 01/23/20	Issuer	JPMORGAN CHASE
			Dated	01/23/15
Price	99.718000	Yield	2.313888	to Worst
				01/23/20 @ 100
Settlement	05/26/15	(T+3 for calendar 'US')		

Notes UBIS sells to City of Villa Park. Thank you.

Trade Numbers

View Amounts in **USD**

Principal	USD	99,718.00
Accrued (123 days)		768.75
Total	USD	100,486.75

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2015 Bloomberg Finance L.P.
 SN 263976 PDT GMT-7:00 H143-2249-1 20-May-2015 09:04:09

<HELP> for explanation.
Screen Printed

JPM 2 1/4 01/23/20 Corp

Yield and Spread Analysis

95) Buy 96) Sell 97) Settings

1) Yield & Spread 2) Graphs 3) Pricing 4) Descriptive 5) Custom 6) Calls

JPM 2 1/4 01/23/20 (46625HKA7)				Risk	
Spread	73.6bp vs	5y T 1 3/8	04/30/20	Workout	OAS
Price	99.718	99-01 1/4		Mod Dur	Dur
Yield	2.314	Wst	1.578	S/A	
Wkout	01/23/2020 @ 100.00	Consensus Yld	3.3		
Settle	05/26/15	05/21/15			
				4.364	4.409
				4.386	4.431
				0.219	0.196
				DV 01 on 100M	43.86
				44.31	
				Benchmark Risk	4.712
				4.771	
				Risk Hedge	93M
				93M	
				Proceeds Hedge	101M

Spreads		Yield Calculations		Invoice	
11) G-Sprd	81.6	Street Convention	2.314	Face	100M
12) I-Sprd	68.2	Equiv 1 /Yr	2.327	Principal	99,718.00
13) Basis	-6.5	Mmkt (Act/ 360)		Accrued (123 Days)	768.75
14) Z-Sprd	68.4	True Yield	2.314	Total (USD)	100,486.75
15) ASW	66.4	Current Yield	2.256		
16) OAS	82.3				
17) TED	-63.1				

After Tax (Inc 43.400% CG 23.800%) 1.322

WELLS
FARGO

ADVISORS

Fixed Income Investment Portfolio

Prepared By: Sandra Wheeler

Phone: 8057837942

Email: sandra.wheeler@wfadvisors.com

Wells Fargo Advisors

05/19/2015

Together we'll go far



Wells Fargo Advisors Fixed Income Offerings

Tuesday, May 19, 2015

Qty (000)	Cusip	Rating Underlying	FDIC#	Issue	Sec Type	Coupon	Maturity	Price	YTW YTM	DTW DTM
4,739	02587DYG7	-/- -/-	27471	AMERICAN EXPRESS CENTURION BANK PRIMARY Conditional Puts - Death of holder - Restricted States: OH, TX	CD	1.750%	05/28/2019	\$100.000	1.750% 1.750%	3.85 3.85
3,500	3134G6V67	-/- -/-	-	FHLMC-FED HOME LOAN MTG C Callable 09/15@100	Agency	1.850%	12/16/2019	\$100.000	1.850% 1.850%	4.30 4.30
3,173	02587DYH5	-/- -/-	27471	AMERICAN EXPRESS CENTURION BANK Conditional Puts - Death of holder - Restricted States: OH, TX	CD	2.050%	05/28/2020	\$100.000	2.050% 2.050%	4.73 4.73
105	3134G6G64	Aaa/AA+ -/-	-	FHLMC-FED HOME LOAN MTG C Callable 08/15@100	Agency	2.000%	05/28/2020	\$100.000	2.000% 2.000%	4.74 4.74

(n) Floating/Variable Rate - (c) Yield to Call - (p) Yield to Par Call - (w) Yield to Middle Call - (u) Yield to Put
 - (dis) Discount Yield - (r) Pre-Refund - (t) Mandatory Put - (f) Called in Full - (mmy) Money Market Yield

DTW - Modified Duration to Worst Yield - DTM - Modified Duration to Maturity

Wells Fargo Advisors Fixed Income Offerings

Tuesday, May 19, 2015

DISCLOSURE

Prices, yields and ratings are as of 05/19/2015 13:42:37 ET. Availability, quantities, ratings and prices for offerings are subject to change.

General - Bond prices fluctuate inversely to changes in interest rates. Therefore, a general rise in interest rates can result in the decline of the value of your investment. Fixed income securities are subject to market risk and if sold prior to maturity, proceeds may be more or less than the initial investment. Securities offered through Tradeweb Direct may not be suitable for all investors. Contact your Financial Advisor for more information.

- Offerings of New Issues may be made only by the official statement for the bonds.
- Discount Bonds may be subject to capital gains taxes. Wells Fargo Advisors is not a tax or legal advisor.
- Conditional Calls or Puts. There are specific requirements related to these features. Please see the bond indenture or offering document for a complete description of restrictions and limitations for these features.
- The market value of zero coupon bonds fluctuates more to changes in market conditions than regular coupon bonds and, therefore, may not be suitable for all investors. These bonds may be subject to "phantom income tax" please consult with your tax advisor.
- Bond laddering does not assure a profit or protect against loss in a declining market.

TEY - The Taxable Equivalent Yields shown are assuming the highest state rate. These rates are believed to be reliable, but Wells Fargo Advisors cannot guarantee their accuracy. Federal and state income tax can change without prior notification.

Duration - The securities listed may include long term Fixed Income Products. A rise in interest rates will cause the value of these investments to decrease. You should consider the risks of owning these investments and the effect on your overall portfolio and asset allocation strategy.

Agency - There is no guarantee as to the market value of these securities if they are sold prior to maturity or redemption. Agency Terms: Freddie Mac is Federal Home Loan Mortgage Corp. Fannie Mae is Federal National Mortgage Association. Sallie Mae is Student Loan Marketing Association.

Certificates of Deposit - The standard maximum FDIC deposit insurance is \$250,000 per depositor, per insured depository institution for each account ownership category. FDIC insurance does not apply for any loss of principal due to market fluctuations and does not cover any premium paid over the face value of the CD.

Corporate - High-yield bonds, commonly known as junk bonds, are subject to greater risk of loss of principal and interest, including default risk, than higher-rated bonds. Therefore, their prices may be more volatile. Insurance pertains to the timely payment of principal (at maturity) and interest by the issuer of the underlying securities and not to the price of the bond, which will fluctuate prior to maturity. For insured bonds the guarantees are backed by the paying ability of the listed insurance company.

International - Currency: United States Dollar. Investing in foreign securities presents certain risks not associated with domestic investments, such as currency fluctuation, political and economic instability, and different accounting standards. This may result in greater share price volatility. These risks are heightened in emerging markets.

Medium Term Note - Medium Term Notes are sold only by the prospectus or offering circular of the individual issuer. An investor should read the prospectus or offering circular carefully before investing or sending money. This is neither an offer to sell nor the solicitation of an offer to buy any financial instruments. There can be no assurance that a trading market will ever develop or be maintained. Medium Term Notes are the unsecured debt of each respective issuer, subject to both market and credit risk.

Municipal - Municipal bonds may be investment grade (Aaa/AAA - Baa/BBB) or high yield (Ba/BB - C). High yield bonds are subject to greater risk of loss of principal and interest, including default risk, than higher rated bonds. Income may be subject to state and/or local income taxes and/or the alternative minimum tax (AMT). Municipal Securities subject to AMT assume a "non taxable" status for yield calculations. Certain municipal bonds income may be subject to federal income tax. Those bonds are identified as "taxable". Gains on sales/redemptions of municipal bond may be taxed as capital gains. If the bonds are insured, the insurance pertains to the timely payment of principal (at maturity) and interest by the insurer of the underlying securities and not to the price of the bond, which will fluctuate prior to maturity. The guarantees are backed by the paying ability of the listed insurance company.

Step-up, Agency - Most step up bonds have embedded call options, as a trade-off for the competitive yields offered by agency step-ups, investors must be able to accept the risk of their offering being called prior to maturity. This creates an element of reinvestment risk, meaning the investor may have to reinvest principal at a lower interest rate. As with traditional bonds, holders wishing to sell their agency step-ups before maturity will be subject to market risk. **CD** - As a trade-off for the competitive yields offered by CD step-ups, investors must be able to accept the risk of their CD being called prior to maturity. This means the investor may have to reinvest principal at a lower interest rate. Investors should purchase callable CD step-ups only if they are prepared to hold the CDs until they mature or are called. As with traditional CDs, holders wishing to sell their CD step-ups before maturity will be subject to market risk. Additionally, liquidity in the secondary market can be limited. **Corporate** - Most step up bonds have embedded call options, as a trade-off for the competitive yields offered by corporate step-ups, investors must be able to accept the risk of their bond being called prior to maturity. This creates an element of reinvestment risk, meaning the investor may have to reinvest principal at a lower interest rate. As with traditional bonds, holders wishing to sell their corporate step-ups before maturity will be subject to market risk.

Treasury - Principal and interest payments of the U.S. treasury securities are backed by the full faith and credit of the U.S. treasury for the timely payment of interest and principal if held to maturity. There is no guarantee as to the market value of these securities if they are sold prior to maturity or redemption.

Rating is Moody's/Standard & Poor's.

Moody's - Aaa, Highest quality, with minimal credit risk. Aa, High quality and are subject to very low credit risk. A, Upper-medium grade and are subject to low credit risk. Baa, Medium grade and as such may possess certain speculative characteristics. Ba, Speculative elements and are subject to substantial credit risk. B, Speculative and are subject to high credit risk. Caa, Poor standing and are subject to very high credit risk. Ca - Highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest. C - Lowest rated class and are typically in default, with little prospect for recovery of principal or interest. NR, Insufficient information on which to base a rating, or that no rating has been requested. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

S&P - AAA, Extremely strong capacity to meet financial commitments. Highest Rating. AA, Very strong capacity to meet financial commitments. A, Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances. BBB, Adequate capacity to meet financial commitments, but more subject to adverse economic conditions. BB, Less vulnerable in the near-term but faces major ongoing uncertainties to adverse business, financial and economic conditions. B, More vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments. CCC, Currently vulnerable and dependent on favorable business, financial and economic conditions to meet financial commitments. CC, Currently highly vulnerable. C, Currently highly vulnerable obligations and other defined circumstances. D, Payment default on financial commitments. NR, This indicates that there is insufficient information on which to base a rating, that no rating has been requested or that S&P does not rate a particular obligation. The addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

Underlying Rating - A Rating on the underlying issuer of the insured holding. Issues with higher underlying ratings could be viewed as less likely to need the insurance for repayment, and thus their market values may be less impacted if their insurer was downgraded. Issues with lower underlying rating (or unrated) could see their market values more negatively impacted if their insurer was downgraded.

Wells Fargo Advisors Fixed Income Offerings

Tuesday, May 19, 2015

Tradeweb Direct Alternative Trading System and believe the information provided through Tradeweb Direct to be accurate, we assume no responsibility for inaccurate information. This communication does not constitute an offer to sell or a solicitation of an offer to buy these securities. Some securities offered through Tradeweb Direct may not be suitable for all investors.

Investment and insurance products:

NOT FDIC-Insured	NO Bank Guarantee	MAY Lose Value
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Wells Fargo Advisors is the trade name used by two separate registered broker-dealers: Wells Fargo Advisors, LLC, Wells Fargo Advisors Financial Network, LLC, Members SIPC, non-bank affiliates of Wells Fargo & Company.

Issuer	Ticker	Coupon	Maturity	Spread to Bench	G-Spread	Approx Price	Yield to Maturity	Call Provision	Benchmark	S&P Rating	Moody's Rating
GENERAL ELEC CAP CORP	GE	2.200	1/9/2020	33	44.4	101.296	1.901	12/9/2019 AT \$100	T 1 3/8 04/30/20	AA+	A1
CONOCOPHILLIPS	COP	6.000	1/15/2020	54	62.6	117.125	2.111	MW +50 BPS	T 1 3/8 04/30/20	A	A1
BBT CORPORATION	BBT	2.450	1/15/2020	64	74.9	101.031	2.211	12/15/2019 AT \$100	T 1 3/8 04/30/20	A-	A2
GILDAD SCIENCES INC	GILD	2.350	2/1/2020	35	42.1	101.913	1.921	MW +12.5 BPS	T 1 3/8 04/30/20	A-	A3
MERCK & CO INC	MRK	1.850	2/10/2020	27	33.3	100.039	1.841	MW +10 BPS	T 1 3/8 04/30/20	AA	A2
NEW YORK LIFE GLOBAL FDG	NYLIFE	1.950	2/11/2020	50	56.4	99.457	2.071	NON-CALL	T 1 3/8 04/30/20	AA+	Aaa
BOEING CO	BA	4.875	2/15/2020	21	26.9	113.974	1.781	MW +25 BPS	T 1 3/8 04/30/20	A	A2
COSTCO WHOLESALE CORP	COST	1.750	2/15/2020	22	27.9	99.814	1.791	MW +10 BPS	T 1 3/8 04/30/20	A+	A1
CHEVRON CORP	CVX	1.961	3/3/2020	34	40.9	100.223	1.911	MW +7.5 BPS	T 1 3/8 04/30/20	AA	Aa1
HSBC USA INC	HSBC	2.350	3/5/2020	77	81.4	100.039	2.341	NON-CALL	T 1 3/8 04/30/20	A	A2
JOHN DEERE CAPITAL CORP	DE	2.050	3/10/2020	39	43.1	100.404	1.961	NON-CALL	T 1 3/8 04/30/20	A	A2
TOYOTA MOTOR CREDIT CORP	TOYOTA	2.150	3/12/2020	42	46.0	100.724	1.991	MW +10 BPS	T 1 3/8 04/30/20	AA-	Aa3
AMERIPRISE FINANCIAL INC	AMP	5.300	3/15/2020	56	59.6	114.422	2.131	MW +25 BPS	T 1 3/8 04/30/20	A	A3
MEDTRONIC INC	MDT	2.500	3/15/2020	53	56.6	101.816	2.101	MW +15 BPS	T 1 3/8 04/30/20	A	A3
MEDTRONIC INC	MDT	2.500	3/15/2020	53	56.6	101.816	2.101	MW +15 BPS	T 1 3/8 04/30/20	A	A3
KEY BANK NA	KEY	2.250	3/16/2020	65	68.7	100.129	2.221	NON-CALL	T 1 3/8 04/30/20	A-	A3 /-
TEVA PHARMA FIN IV LLC	TEVA	2.250	3/18/2020	69	72.5	99.948	2.261	MW +20 BPS	T 1 3/8 04/30/20	A- /-	A3
TEXAS INSTRUMENTS INC	TXN	1.750	5/1/2020	42	41.9	98.871	1.991	MW +10 BPS	T 1 3/8 04/30/20	A+	A1e
APPLE INC	AAPL	2.000	5/6/2020	36	35.5	100.324	1.931	MW +10 BPS	T 1 3/8 04/30/20	AA+	Aa1

City of Villa Park Investment History

Page	Old Funds	Name	Type	Date Started	Date Ended/Called	Par Value	Interest Earned	Potential LAIF Int.	Gain	Potential OCIP Int.	Gain
27		Midfirst Bank	CD	2/3/2010	2/3/2014	\$100,000.00	\$9,006.17	\$1,583.21	\$7,422.96	\$2,073.41	\$6,932.76
of		Columbus Bank	CD	1/29/2010	7/30/2012	\$100,000.00	\$3,877.34	1,146.47	\$2,730.87	1,663.77	\$2,213.57
42		Associated Bank	CD	2/3/2010	8/3/2011		\$1,271.51	\$762.73	\$508.78	\$1,177.73	\$93.78
		AMEX !	CD	2/3/2010	8/12/2010		\$991.78	\$277.90	\$713.88	\$420.31	\$571.47
		GE Money Bank	CD	8/13/2010	8/14/2013		\$4,654.25	\$1,169.67	\$3,484.58	\$1,522.67	\$3,131.58
		Fed Home Ln Mtg Corp Notes	GB	6/14/2011	12/2/2011		\$545.86	\$200.25	\$345.61	\$292.02	\$253.84
		Fed Home Ln Bank Bonds	GB	6/14/2011	9/14/2011		\$351.00	\$134.65	\$216.35	\$196.81	\$154.19
		Fed Home Ln Bank Bonds Ser 1	GB	6/14/2011	9/30/2011		\$367.00	\$166.78	\$200.22	\$242.74	\$124.26
		Fed. Natl. Mtg. Assn Notes	GB	6/15/2011	4/4/2012		\$939.00	\$328.82	\$610.18	\$434.34	\$504.66
		Fed Home Ln Mtg Corp Notes - 2	GB	6/15/2011	1/9/2013		\$2,062.50	\$618.98	\$1,443.52	\$741.93	\$1,320.57
		Fed. Natl. Mtg. Assn Notes - 2	GB	12/28/2011	6/28/2012		\$875.00	\$185.39	\$689.61	\$215.36	\$659.64
		Fed Home Ln Mtg Corp Notes - 3	GB	1/30/2012	1/30/2013		\$1,000.00	\$321.22	\$678.78	\$339.02	\$660.98
		Fed. Natl. Mtg. Assn Notes - 3	GB	4/24/2012	10/24/2012		\$750.00	\$175.96	\$574.04	\$176.80	\$573.20
		Fed. Natl. Mtg. Assn Notes - 4	GB	7/26/2012	10/27/2014	\$100,000.00	\$2,818.60	\$560.25	\$2,258.35	\$584.21	\$2,234.39
		Dell Inc.	MTN	1/30/2013	7/3/2013	\$100,090.00	\$1,785.00	\$108.80	\$1,676.20	\$108.13	\$1,676.87
		Fed Home Ln Mtg Corp Notes - 3	GB	8/14/2013	11/13/2013		\$500.00	\$66.10	\$433.90	\$58.26	\$441.74
		Fed Home Ln Mtg Corp Notes - 4	GB	1/16/2014	7/16/2014	\$100,000.00	\$1,000.00	\$116.31	\$883.69	\$164.36	\$835.64
		Total All Funds							\$24,871.52		\$22,383.14

City of Villa Park Investment History

Page Name	Figures thru 5/31/14	Type	Date Started	Date Ended/Called	Par Value	Interest Earned	Potential LAIF Int.	Gain	Potential OCIP Int.	Gain
Totals Funds called/termed out before 11/30/14										
AMEX Centurion Bank	CD	2/3/2010	2/3/2015	\$100,000.00	\$14,007.67	\$1,830.74	\$2,390.73	\$12,176.93	\$2,390.73	\$11,616.94
Fed. Farm Credit Bank	GB	11/18/2013	2/6/2015	\$100,000.00	\$2,129.72	\$299.08	\$371.95	\$1,830.64	\$371.95	\$1,757.77
Fed Home Ln Mfg Corp Notes - 5	GB	8/20/2014	5/2/2015	\$100,000.00	\$1,500.00	\$185.54	\$234.84	\$1,314.46	\$234.84	\$1,265.16
Total funds called/termed out in last 6 months										
State Bank of India	CD	8/12/2011	Open	\$100,000.00	\$7,610.96	\$1,145.30	\$1,311.17	\$6,465.66	\$1,311.17	\$6,299.79
Union Bank	CD	7/18/2012	Open	\$99,999.00	\$3,702.79	\$787.49	\$857.81	\$2,915.30	\$857.81	\$2,844.98
Goldman Sachs Bank	CD	8/8/2012	Open	\$100,000.00	\$5,064.66	\$766.58	\$834.86	\$4,298.08	\$834.86	\$4,229.80
Fed Home Ln Bank	GB	11/9/2012	Open	\$100,000.00	\$2,561.11	\$677.09	\$753.00	\$1,884.02	\$753.00	\$1,808.11
Barclay's Bank PLC	MTN	1/23/2013	Open	\$91,000.00	\$144.57	\$611.97	\$690.75	-\$467.40	\$690.75	-\$546.18 (i)
Goldman Sachs Group Inc	MTN	7/17/2013	Open	\$100,000.00	\$4,325.27	\$481.49	\$569.99	\$3,843.78	\$569.99	\$3,755.28
GE Cap Retail Bank Draper Utah	CD	2/14/2014	Open	\$100,000.00	\$2,517.97	\$331.30	\$427.77	\$2,186.67	\$427.77	\$2,090.20
Barclay's Bank	CD	7/23/2014	Open	\$100,000.00	\$1,800.82	\$239.49	\$305.01	\$1,561.33	\$305.01	\$1,495.81
JP Morgan Chase	MTN	7/24/2014	Open	\$98,000.00	-\$22.08	\$238.83	\$304.15	-\$260.91	\$304.15	-\$326.23 (ii)
Discover Bank	CD	11/5/2014	Open	\$100,000.00	\$1,225.20	\$156.12	\$193.65	\$1,069.08	\$193.65	\$1,031.55
Goldman Sachs Bank	CD	2/4/2015	Open	\$100,000.00	\$572.61	\$89.95	\$117.23	\$482.66	\$117.23	\$455.38
US Bancorp	MTN	2/9/2015	Open	\$100,000.00	\$1,061.67	\$102.11	\$111.20	\$959.56	\$111.20	\$950.47
J Morgan Chase & Co	MTN	5/26/2015	Open	\$100,000.00	No real data					
Total All Active Funds										
Total All Funds										

(i) Includes effect of initial \$9000 buy-in
(ii) Includes effect of initial \$2000 buy-in

SUMMARY OF REVENUES

Account	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	2014-15 Est. Actual	2015-16 Budget	
<u>GENERAL FUND - 01</u>							
<u>Taxes</u>							
3010 Secured - Property Tax(Suppl/Pub Util)	\$ 1,361,504	1,411,731	1,502,916	1,429,700	1,560,400	1,591,600	1
3020 Unsecured - Property Tax	55,043	51,202	53,671	49,700	50,000	50,000	
3030 Prior Years Property Tax (Sec/Unsec)	22,508	20,665	16,039	15,200	12,700	12,700	
3035 Prop Tax in lieu of VLF	456,720	468,604	496,391	480,500	505,000	515,100	1
3040 Interest/Penalties(Sec PY Pen)	7,517	5,727	4,682	3,900	4,000	4,000	
3120 Sales & Use Tax	188,721	163,309	249,065	176,900	222,000	180,000	2
3121 Sales & Use Tax - Public S.(1/2 Cent)	54,120	58,620	61,066	56,700	58,000	59,000	
3151 Business License Tax	29,824	30,009	32,983	32,000	31,700	31,700	
3160 Property Transfer Tax	26,680	57,492	40,101	42,200	40,500	40,500	
SUBTOTAL	2,202,637	2,267,359	2,456,914	2,286,800	2,484,300	2,484,600	
<u>Intergovernmental</u>							
3520 Other Local Agency	11,021	73,069	17,573	9,500	9,900	9,900	
3531 State Motor Vehicle Fees (VLF)	3,120	3,233	2,676	-	2,600	-	
3536 State Homeowners Property Relief	10,133	11,695	11,499	11,000	11,000	11,000	
3539 Other State Revenues	2,769	644	-	-	-	-	
SUBTOTAL	27,043	88,641	31,748	20,500	23,500	20,900	
<u>Licenses & Permits</u>							
3140 Franchise Fees	228,368	239,342	243,188	227,000	246,000	249,000	
3210 Building Permits	82,646	116,574	141,734	148,600	138,000	131,500	3
3220 Miscellaneous Permits (sign, film, etc.)	2,049	2,042	2,817	2,200	1,500	2,000	
3280 Encroachment Permits	5,898	8,441	12,048	10,100	7,000	7,000	
3325 Fireworks Permits	-	-	5,000	3,000	3,000	3,000	
SUBTOTAL	318,961	366,399	404,787	390,900	395,500	392,500	
<u>Fines & Forfeitures</u>							
3302 Parking Citation Fees	16,519	13,176	16,798	14,600	15,000	15,000	
SUBTOTAL	16,519	13,176	16,798	14,600	15,000	15,000	
<u>Rental & Investment Income</u>							
3410 Investment Earnings	14,389	16,158	30,272	20,500	23,000	26,000	
SUBTOTAL	14,389	16,158	30,272	20,500	23,000	26,000	
<u>Charges for Services</u>							
3152 Business License Administration Fee	15,740	16,130	27,981	22,000	26,000	24,000	
3610 Zoning Fees	10,800	12,775	20,419	13,500	27,000	23,000	
3615 NPDES Fee	3,500	8,150	6,186	5,800	6,500	6,500	
3620 Grading Inspection/Issue Fees	-	820	2,508	1,700	1,800	1,800	
3625 Plan/Map Check Fees	-	700	-	500	500	500	
3626 Building Plan Check Fees	9,816	38,344	33,148	36,000	30,300	29,000	
3630 Sewer Acreage Fees	-	990	-	500	500	500	
3640 Administrative Service Fees	2,828	5,982	5,751	6,000	3,400	4,500	
3642 Plans/Specs	1,230	423	350	800	700	700	
SUBTOTAL	43,914	84,314	96,343	86,800	96,700	90,500	
<u>Miscellaneous</u>							
3900 Miscellaneous	34,848	31,996	28,231	15,000	8,000	10,000	
3902 City Council Chambers Support	7,195	7,068	8,350	8,200	10,000	10,000	
3908 Administrative Citations	217	1,007	300	1,000	500	500	
SUBTOTAL	42,260	40,071	36,881	24,200	18,500	20,500	
TOTAL GENERAL FUND REVENUES	2,665,723	2,876,118	3,073,743	2,844,300	3,056,500	3,050,000	A

A = 3,050,000
 B = (3,322,600)
 (272,600) exp over rev

Expenditure Analysis by Fund
Fiscal Year 2015-2016

Department	2015-16 Proposed	General Fund (01)	Gas Tax (02)	Aid to Cities (03)	Traffic Safety (04)	Measure M				City Sewer		
						- Local Sales Tax (05)	Assess District (06)	Capital Improv (07)	AQMD (08)	COPS (09)	Maint. / Improv. (11)	CLEEP (12)
CITY COUNCIL	\$ 33,300	33,300	-	-	-	-	-	-	-	-	-	-
CITY MANAGER	96,800	96,800	-	-	-	-	-	-	-	-	-	-
CITY CLERK	52,200	52,200	-	-	-	-	-	-	-	-	-	-
FINANCE	124,800	124,800	-	-	-	-	-	-	-	-	-	-
CITY ATTORNEY	54,000	54,000	-	-	-	-	-	-	-	-	-	-
SUPPORT SERVICES	304,300	294,300	-	10,000	-	-	-	-	-	-	-	-
LAW ENFORCEMENT	1,444,700	1,276,800	-	-	14,000	-	-	-	-	145,000	-	8,900
EMERGENCY PREPAREDNESS	13,600	13,600	-	-	-	-	-	-	-	-	-	-
CIVIC CENTER	72,000	72,000	-	-	-	-	-	-	-	-	-	-
PUBLIC WORKS GENERAL	253,400	248,400	-	5,000	-	-	-	-	-	-	-	-
STREET MAINTENANCE	437,600	56,500	226,700	-	-	154,400	-	-	-	-	-	-
STORM DRAIN MAINTENANCE	82,100	82,100	-	-	-	-	-	-	-	-	-	-
CITY SEWER MAINT./IMPROV.	404,000	-	-	-	-	-	-	-	-	-	404,000	-
BUILDING	115,400	115,400	-	-	-	-	-	-	-	-	-	-
SEWER PUMP MAINT. DIST. 1	10,500	-	-	-	-	-	10,500	-	-	-	-	-
COMMUNITY PRESERVATION	22,300	22,300	-	-	-	-	-	-	-	-	-	-
PLANNING	76,300	76,300	-	-	-	-	-	-	-	-	-	-
ENGINEERING	94,400	94,400	-	-	-	-	-	-	-	-	-	-
SUBTOTAL	3,691,700	2,713,200	226,700	15,000	14,000	154,400	10,500	-	145,000	404,000	8,900	-
CAPITAL IMPROVEMENTS	1,287,900	609,400	100,000	-	-	-	-	578,500	-	-	-	-
TOTAL ALL EXPENDITURES	\$ 4,979,600	3,322,600	326,700	15,000	14,000	154,400	10,500	578,500	145,000	404,000	8,900	-

Administration \$ 665,400 The City Budget can be thought of as five distinct parts: Administration (to include the departments of City Council, City Manager, City Clerk, Public Safety 1,458,300 Finance, City Attorney and Support Services); Public Safety (Law Enforcement and Emergency Preparedness); Development Services (to include Building, Community Preservation, Planning, and Engineering); Public Works (to include Civic Center, Public Works General, Street Maintenance, Storm Drain Maintenance, City Sewer Improvement and Sewer Pump Maintenance); and, Capital Improvements (Capital Public Works 1,259,600 Improvement projects and infrastructure).
Capital Improvements
\$ 1,287,900
\$ 4,979,600

General Fund Review

	2011-2012 Actual	2012-2013 Actual	2013-2014 Actual	2014-2015 Est. Actual	2015-2016 Budgeted	Change From Prior Year	
						In \$	In %
Financial Sources:							
Property Taxes	\$ 1,903,292	1,957,929	2,073,699	2,132,100	2,173,400	\$ 41,300	2%
Sales & Use Tax	188,721	163,309	249,065	222,000	180,000	(42,000)	-19%
Sales & Use Tax - Public S.	54,120	58,620	61,066	58,000	59,000	1,000	2%
Business License Tax	29,824	30,009	32,983	31,700	31,700	-	0%
Property Transfer Tax	26,680	57,492	40,101	40,500	40,500	-	0%
State Motor Vehicle Fees (VLF)	3,120	3,233	2,676	2,600	-	(2,600)	-100%
State Homeowners Prop. Relief	10,133	11,695	11,499	11,000	11,000	-	0%
Other Agency Revenue	13,790	73,713	17,573	9,900	9,900	-	0%
Licenses & Permits	318,961	366,399	404,787	395,500	392,500	(3,000)	-1%
Fines, Forfeitures & Penalties	16,519	13,176	16,798	15,000	15,000	-	0%
Charges for Current Services	43,914	84,314	96,343	96,700	90,500	(6,200)	-6%
Revenue from Use of Monies	14,389	16,158	30,272	23,000	26,000	3,000	13%
All Other Revenues	42,260	40,071	36,881	18,500	20,500	2,000	11%
Total Financial Sources	2,665,723	2,876,118	3,073,743	3,056,500	3,050,000	(6,500)	0%
Expenditures:							
City Council	5,891	9,763	6,501	22,100	33,300	11,200	51%
City Manager	84,610	71,530	75,772	112,800	96,800	(16,000)	-14%
City Clerk	72,126	55,927	41,643	78,200	52,200	(26,000)	-33%
Finance	139,369	116,824	101,493	147,800	124,800	(23,000)	-16%
City Attorney	42,367	42,439	48,113	53,100	54,000	900	2%
Support Services	120,897	119,623	169,972	156,200	294,300	138,100	88%
Law Enforcement	1,120,436	1,129,953	1,151,123	1,219,100	1,276,800	57,700	5%
Emergency Preparedness	58	-	576	4,800	13,600	8,800	100%
Civic Center	62,848	58,060	58,516	89,000	72,000	(17,000)	-19%
Public Works	282,204	224,208	270,590	308,400	248,400	(60,000)	-19%
Street Maintenance	167,272	70,561	243,394	103,200	56,500	(46,700)	-45%
Storm Drain Maintenance	50,966	54,568	55,670	79,200	82,100	2,900	4%
Building	77,746	76,192	103,942	160,100	115,400	(44,700)	-28%
Community Preservation	58,073	53,365	51,765	54,800	22,300	(32,500)	-59%
Planning	96,034	73,070	83,267	91,400	76,300	(15,100)	-17%
Engineering	68,254	73,156	78,516	93,700	94,400	700	1%
Total Budget Expenditures	2,449,151	2,229,239	2,540,853	2,773,900	2,713,200	(60,700)	-2%
Net Increase (Decrease) In Fund Before Capital Project Expenditures	\$ 216,572	646,879	532,890	282,600	336,800	54,200	19%
						<i>structurally balanced</i>	
Reserves:							
Undesignated Reserve	\$ 859,800	871,800	1,000,000	1,300,000	1,400,000	100,000	8%
Designated for:							
Vehicle replacement	5,000	10,000	-	25,000	30,000	5,000	20%
Infrastructure replacement	57,100	62,100	70,000	100,000	140,000	40,000	40%
Town Center improvements	-	-	-	-	-	-	0%
Villa Park TV capital	3,700	9,000	14,000	17,000	12,000	(5,000)	-29%
Accrued leave	5,000	15,000	16,000	25,000	60,000	35,000	140%
CJPIA retro deposit repayment	-	32,000	40,000	45,000	45,000	-	0%
Towne Centre plaza	-	100,000	150,000	-	-	-	0%
Capital improvements	-	-	-	100,000	166,000	66,000	66%
Contingency	-	5,000	-	50,000	-	(50,000)	-100%
Subtotal of designations	70,800	233,100	290,000	362,000	453,000	91,000	25%
Total Reserves	\$ 930,600	1,104,900	1,290,000	1,662,000	1,853,000	191,000	11%
Total Reserves as a % of Operating Expenditures	38.00%	49.56%	50.77%	59.92%	68.30%		

Brokered certificates of deposits

A guide to what you should know before you buy

Are brokered CDs right for you?

Brokered CDs are designed for investors who:

- Want access to a wide selection of issuers
- Would like to choose a CD structure that best fits their investment needs
- Desire the protection afforded by FDIC coverage
- Can accept the risks associated with investing in CDs

Wells Fargo Advisors does not offer traditional CDs

Wells Fargo Advisors wants to ensure that you are investing in brokered certificates of deposits (CDs) that best suit your investment objectives, risk tolerance, time horizon and diversification needs. This guide will help you better understand the features, benefits, risks and costs associated with brokered CDs, as well as how your Financial Advisor and Wells Fargo Advisors are compensated.

What are CDs?

Bank deposits have a special role in the economy as a significant source of funds for banks, savings and loans, and thrifts. Banks lend money to businesses, homeowners, corporations and others for years at a time. To balance their assets and liabilities, banks must attract funds that will remain on deposit for a fixed term.

CDs represent “time deposits” that earn a contractual rate of interest over a specified period of time. Investors agree to lend money to a bank for a fixed period of time. In return, investors receive a stated rate of interest that is paid in various installments (“coupon payments”) over the life of that loan. Because investors give up the right to withdraw their money without penalty (and possibly at all) before the CD matures, they generally receive a higher interest rate than they would on “demand deposit” accounts, such as savings or money market accounts.

What are brokered CDs?

Most investors are familiar with the type of CDs that can be purchased at a local bank branch. Many banks are highly motivated to gain depositors beyond local walk-in customers. As a result, banks may use the nationwide brokerage community for distribution of CDs. The CDs obtained in this manner are referred to as “brokered” CDs. Like CDs purchased at a bank, or any other bank deposit, brokered CDs are backed by the full faith and credit of the U.S. government through Federal Deposit Insurance Corporation (FDIC) insurance up to FDIC limits. Keep in mind that FDIC insurance does not cover losses of principal (the initial investment amount) that are due to market fluctuation of principal or any amounts paid over the face value of the CD.

Brokered CDs, then, are simply CDs that are issued by banks, purchased in bulk by securities firms and sold to clients through Financial Advisors. CD transactions can be easily executed within a brokerage account with just a phone call to a Financial Advisor. Investors do not receive physical certificates for their brokered CDs, but instead receive a periodic account statement detailing their CD holdings.

Brokered CDs come in two basic forms — non-callable and callable.

Non-callable “Bullet” CDs

The most basic kind of brokered CD has a fixed (“bullet”) maturity date. Maturities generally range from three months to 10 years. Non-callable CDs are available in fixed-rate or zero-coupon structures.

Callable CDs

Callable CDs can be called by the issuing bank (the “issuer”) before maturity. To achieve flexibility in managing their balance sheets, banks generally reward CD investors with a higher rate of interest on callable CDs in return for the right to call (pay back) the investor’s principal before the CD’s stated maturity date. A CD is called at the bank’s discretion only. Callable CDs are offered in a wide range of maturities — typically three to 20 years. The non-call or “lockout” period (the time during which an issuer cannot call the CD) is usually six months to five years. Callable CDs are generally available in fixed-rate, step-up and zero-coupon structures.

What causes a callable CD to be called?

After the initial non-call period, the issuing bank has the right (but not the obligation) to call the CD for any reason before its stated maturity. As a practical matter, an issuer will generally decide to call a CD when it can issue a new CD at a lower interest rate than the existing CD. Individuals considering an investment in callable CDs should note that it is unlikely that they would be able to replace their called CD with one that pays an equivalent interest rate under this scenario.

Risks of callable CDs

Callable CDs are typically issued with longer maturities. For this reason, investors should purchase a callable CD only if they understand that the timing of the return of principal may be uncertain because of the call feature and may, in fact, be at the maturity date.

Callable CDs may be paid off before maturity as a result of a call by the issuer. In certain cases, the total return may be less than the yield the CD would have earned had it been held to maturity. As noted earlier, if the issuer calls the CD, investors may be unable to reinvest the funds at the rate of the original CD. If it is not called, investors should be prepared to hold the CD until maturity.

If a callable CD is sold before maturity, the value of the CD will be subject to market conditions, including, but not limited to, interest rate changes, which could result in a significant loss from the initial investment amount. This feature is true of all brokered CDs. However, because callable CDs tend to have longer maturities, their price sensitivity to interest rate changes is greater.

Types of CDs

Fixed-rate CDs — This CD structure is the simplest and most common in the marketplace. Fixed-rate CDs can be issued as either non-callable or callable. The CD's coupon, or interest rate, is set at issuance and remains the same until maturity or until the CD is called by the issuing bank. Interest payments are made monthly or semiannually, or at maturity for issues of one year or less. Investors who require consistent income may find fixed-rate CDs appropriate.

Step-up CDs — The step-up CD is typically issued only in callable form. It provides a variation on the simple fixed-rate CD by offering a predetermined schedule of coupon rates, which begin somewhat below those of current fixed-rate CDs and gradually increase over a specified timeframe. The coupon may "step up" (increase) only once or as often as annually until the issuer calls the CD or the CD matures.

Floating-rate CDs — Floating-rate CDs are CDs that pay interest based upon a predetermined spread over a reference rate or index. Floating-rate CDs present different investment considerations than fixed-rate or step-rate CDs. Depending on the type of floating-rate CD and the interest rate environment, the CD may pay substantially more, or substantially less, interest over the term of the CD than would be paid on a fixed-rate or step-rate CD of the same maturity. In addition, if the CD is subject to call by the issuer: (1) you may not receive the benefits of any anticipated increase in rates paid on a floating-rate CD if the CD is called, or (2) you may be required to hold the CD at a lower rate than prevailing market interest rates if the CD is not called. You should carefully review any supplemental material that describes the floating-rate and the basis for resetting the coupon. Also, if the CD is subject to call by the issuer, learn about the time periods when the issuer may call the CD.

Zero-coupon CDs (ZCDs) — For investors who do not require current income, ZCDs may be appealing. ZCDs are available in bullet or callable form. With ZCDs, there are no coupon payments. Instead, the CDs are issued at a deep discount to their face value (par) and then gradually accrete in value until they reach par at maturity and are retired. With ZCDs, there is no need to reinvest periodic coupon payments - a plus for investors who are saving for future expenditures such as education or retirement. Note that interest earned on ZCDs is taxable each year, even though it is not received until maturity.

Important investment considerations

CDs are most suitable for purchasing and holding to maturity and, depending on the individual terms of your CD, early withdrawal may not be permitted. If your CD is callable by the issuer, you should be prepared to hold it according to its terms. Although not obligated to do so, Wells Fargo Advisors may maintain a secondary market in the CDs after their settlement date. If you are able to sell your CD before maturity, the price you receive will reflect prevailing market conditions, and your sales proceeds may be less than the amount you paid for your CD.

Compare features

You should compare the rates of return and other features of the CDs to other available investments before deciding to purchase a CD. The rates paid with respect to the CDs may be higher or lower than the rates on deposits or other instruments available directly from the issuer or through Wells Fargo Advisors.

Secondary market

The price at which a CD may be sold if a secondary market is available will reflect a markdown retained by Wells Fargo Advisors. Similarly, the price you may pay for any CD purchased in the secondary market will include a mark-up established by Wells Fargo Advisors. In the event you choose to sell a CD in the secondary market, you may receive less in sale proceeds than the original principal (par) amount of the CD or the estimated price on your account statement.

In the event that a CD is purchased in the secondary market at a premium over the par amount (or accreted value in the case of a ZCD), the premium is not insured. Therefore, if deposit insurance payments become necessary for the issuer, the owner of a CD purchased in the secondary market can incur a loss up to the amount of the premium paid for the CD.

Features and characteristics

Brokered CDs offer investors the following features:

Wider selection of issuers — Brokered CDs are available from many institutions across the country. Investors can choose from a wide selection of maturities and coupon frequencies to find a CD suited to their particular investment needs.

FDIC coverage — The standard insurance amount is \$250,000 per depositor, per insured depository institution for each account ownership category. These limits apply to all deposits with a particular issuer even if purchased through multiple institutions. You can learn more about FDIC insurance coverage at the FDIC website at www.fdic.gov or by calling 1-877-ASK-FDIC (1-877-275-3342) Monday through Friday from 8:00 a.m. to 8:00 p.m. and Saturday and Sunday from 9:00 a.m. to 5:00 p.m., Eastern Time. For the hearing-impaired, the number is 1-800-925-4618.

Structure variety — Brokered CDs are available in a variety of structures, such as non-callable, callable, fixed-rate, variable-rate, market-index-linked and zero-coupon. Interest payments may be made monthly or semiannually, or at maturity in the case of ZCDs and issues of one year or less.

Estate feature — A feature of some brokered CDs is commonly referred to as the “survivor’s option,” which is designed to protect estate assets. This provision allows for the full withdrawal of the principal and interest in the event of the death or adjudication of incompetence of the beneficial owner of a CD, regardless of whether the current market value has fallen. The terms of this feature vary by issuer and there may be limitations on the use of this feature.

Risks

Investors need to be aware of certain risk factors associated with CDs – including limited liquidity, market risk and tax implications. Investors who purchase CDs should do so only with the intent of holding the investment until maturity.

Redemption before maturity – Banks are not required to permit early withdrawal. You should determine whether early withdrawal is permitted and, if so, the amount of the penalty that the bank would impose if you withdrew your funds. If you think you may need your money before the CD matures, you should decide whether the penalty is a reasonable amount to pay for the opportunity to get your money early. If not, you should place your money in a shorter term CD or keep it in a different type of account.

Although not required to do so, banks may permit early withdrawal without penalty in certain circumstances, such as death or incapacity. Brokered CDs do not carry early withdrawal penalties as they can be sold in a secondary market if a market exists. However, selling prior to maturity could result in the brokered CD being worth less than your original investment

Market risk – If an investor must sell a CD before maturity, the CD will be subject to market risk for early withdrawal, and so it may be worth more or less than its purchase price. When interest rates are moving higher, new CDs are issued with higher coupon rates, and the value of your CD will decline. When interest rates are moving lower, new CDs are issued with lower income payments, and the value of your CD will rise. In addition, there is no guarantee that your principal will be returned unless the investment is held to maturity.

Liquidity risk – Although CDs offer a set maturity, investors have limited opportunities to liquidate before maturity on certain specified dates. It is important that you refer to the CD offering term sheet or the disclosure statement and supplement for more detailed information.

Thus, unlike a security with an exchange listing and an active secondary market, redemption opportunities are limited. CDs may not be redeemable at the investor's option, because limited secondary markets exist for the sale of the CD. In other words, you may not be able to get the money you invested in the CD back when you want to liquidate.

Tax treatment

Interest – Interest earned on CDs is taxable as ordinary income. You may be able to defer taxes on your CD by holding it in an IRA or other retirement account.

You may be required to pay taxes annually on ZCDs and some contingent interest CDs if you hold the CD outside a retirement account, even though these CDs do not pay interest annually. This form of taxable income, referred to as “original issue discount,” may be significant to you. If you have questions about the tax consequences of CDs, you should consult your tax advisor.

Gains and losses — Selling your CD in the secondary market before maturity may generate capital gains or capital losses. Depending on the amount of time you held the CD prior to liquidating will determine how any gains will be taxed. Capital losses may offset dollar-for-dollar capital gains you have realized on other investments (bonds, stocks, mutual funds, real estate, etc.). Please note that Wells Fargo Advisors, its affiliates and Financial Advisors may not offer tax, legal or accounting advice. Due to the potential complexities of the tax treatment of CDs and the tax reporting requirements for CDs, you should consult with your tax or legal advisor before investing in any CD.

Costs of investing in brokered CDs

Secondary CDs are bought and sold between dealers and investors much like other fixed-income instruments. Dealers trade the securities at a net cost, which includes their own spread, or profit, on the transaction.

Upon purchase of a new issue CD, you typically will not incur a commission in processing the transaction. Generally, the CD is sold without a fee because your Financial Advisor receives compensation from the issuing bank. The compensation covers all costs incurred, including administration, transaction and a sales concession paid to your Financial Advisor.

Investor characteristics

Suitability — Purchasers of CDs should be buy-and-hold investors seeking to earn a stated interest rate and protect their principal. Because of limited liquidity, CDs are not suited for short-term trading. You should not purchase CDs based on yield alone; you should also consider the credit risk or risk of default associated with the issuer, and the way in which that risk might affect the safety of the invested principal. In addition, you should not purchase a CD unless you can understand and bear the associated market, liquidity and yield risks. CD investors should have the financial status, knowledge and experience in financial and business matters to evaluate the merits and risks in light of their particular circumstances.

Diversification — Wells Fargo Advisors believes that investors should diversify their investments. It is recommended that investors observe an asset allocation strategy and not overweight their overall portfolio in any one class of securities. Although asset allocation can be an effective investment strategy, it cannot eliminate counterparty risk as well as the risk of fluctuating prices and uncertain returns.

FDIC coverage — Generally, any accounts or deposits that you may maintain directly with a particular issuer, or through any other intermediary in the same insurable capacity in which the CDs are maintained, would be aggregated with the CDs for purposes of the maximum applicable deposit insurance amount. You are responsible for monitoring the total amount of deposits that you hold with any one issuer, directly or through an intermediary, so that you can determine the extent of deposit insurance coverage available to you on all your deposits, including the CDs. Wells Fargo Advisors is not responsible for any insured or uninsured portion of the CDs or any other deposits.

Additional information

To learn more about CDs, ask your Financial Advisor or visit the following web sites:

Wells Fargo Advisors
wellsfargoadvisors.com

Federal Deposit Insurance
Corporation
fdic.gov

Financial Industry Regulatory
Authority (FINRA)
finra.org

U.S. Securities and Exchange
Commission
sec.gov

Securities Industry and Financial
Markets Association (SIFMA)
sifma.org

How your Financial Advisor and Wells Fargo Advisors are compensated on CDs

For helping you invest in the most appropriate CDs, Wells Fargo Advisors and your Financial Advisor are compensated in ways that vary depending on the selected investment. Your Financial Advisor will receive compensation in the form of a commission or markup from most transactions.

For most purchases, a Financial Advisor's compensation is based on the dollar amount purchased or sold. In certain fee-based accounts, a Financial Advisor's compensation is based on a percentage of assets in the account rather than on the sales concession, as mentioned above. The compensation formula that determines the amount of payment to your Financial Advisor in certain fee-based accounts is generally the same for all CDs.

Wells Fargo Advisors may receive compensation for making a market and keeping an inventory on select CD offerings. Wells Fargo Advisors may have an investment banking relationship with CD issuers. Disclosures of any such conflicts are noted on research reports.

Talk with your Financial Advisor

Determining whether brokered CDs are an appropriate investment strategy for you requires an in-depth evaluation of your individual financial situation and the objectives you want to achieve. Talk with your Financial Advisor today about how brokered CDs may help you work toward your investment goals.

Investment and Insurance Products: ► NOT FDIC Insured ► NO Bank Guarantee ► MAY Lose Value

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RESOLUTION NO. 2015-3329

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VILLA PARK
ESTABLISHING A POLICY FOR FINANCIAL RESERVES**

WHEREAS, the City of Villa Park wishes to preserve its financial security and sustain financial viability into the future; and

WHEREAS, the establishment of reserve funds is an essential part of creating a stable fiscal environment to ensure the continuity of services in the event of unforeseen emergencies, and to plan wisely for future expenditures; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Villa Park hereby establish the following Policy for Financial Reserves:

SECTION 1: General Fund Undesignated Reserve.

a. The General Fund Undesignated Reserve shall contain an amount designated annually in the City's budget. The funds shall be restricted for use as approved by a 4/5th vote of the City Council to insulate General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in state or federal legislation, impacts from adverse litigation or environmental occurrences/disasters, or similar unforeseen action and economic uncertainty.

b. The General Fund Undesignated Reserve shall be increased by a percentage equal to the percentage of total investment gain realized by the City's investment portfolio in the prior fiscal year. This increase will be estimated by the City Treasurer and Finance Director in May of each year (during the budget preparation process), based on the prior ten (10) months of actual investment returns. Annual increases to the reserves shall continue until the City's Undesignated Reserves reach an amount equal to fifty percent (50%) of General Fund budgeted expenditures.

c. In any fiscal year when Undesignated Reserves equal or exceed 50% of budgeted General Fund expenditures, the reserve amount shall not be increased pursuant to Part B above. The City Manager, City Treasurer and Finance Director will then evaluate the reserve amount annually, and increases to reserves will resume in any year when reserves fall below the 50% threshold as calculated during the budget preparation process.

d. The City Council may, as part of the annual budget review, suspend increases to the Undesignated Reserve pursuant to this section, if the City experiences any of the financial anomalies listed in Part A above.

SECTION 2: General Fund Designated Reserves.

As part of the budget process each fiscal year, and upon the recommendation of the City Manager, the City Council may designate reserves in the General Fund for future obligations. These funds shall be restricted for use until appropriated by a majority of the City Council as those obligations arise.

SECTION 3: Other Designated Reserves.

As part of the budget process each fiscal year, and upon the recommendation of the City Manager, the City Council may designate reserves in special revenue funds for future obligations. These funds shall be restricted for use until appropriated by a majority of the City Council as those obligations arise.

SECTION 4: Annual updates.

Annually, the Finance Director shall make recommendations to the City Council regarding any potential updates to this Reserve Policy.

SECTION 5: Inclusion in the City Council Policy Manual.

City staff is directed to incorporate this Reserve Policy, as it may be amended from time to time, into the City Council Policy Manual.

PASSED AND ADOPTED by the City Council of the City of Villa Park at a regular meeting held on the 23rd day of June, 2015.



Diana Fascenelli, Mayor
City of Villa Park

ATTEST:

Jarad L. Hildenbrand, City Clerk
City of Villa Park

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS
CITY OF VILLA PARK }

I, **Jarad L. Hildenbrand**, City Clerk of the City of Villa Park **DO HEREBY CERTIFY** that the foregoing Resolution was adopted at a regular meeting of the City Council of the City of Villa Park held on the 23rd day of June, 2015, and was carried by the following roll call vote, to wit:

AYES: COUNCILMEMBERS: *Fascenelli, Mills, Barnett, Collocott*

NOES: COUNCILMEMBERS: *Nelson*

ABSENT: COUNCILMEMBERS: *None*

ABSTAIN: COUNCILMEMBERS: *None*



Jarad L. Hildenbrand, City Clerk
City of Villa Park

General Fund Reserves

A long term policy of prudent management and conservative spending has placed the City of Villa Park in a secure financial position. Fiscal stability will allow the City to respond to fiscal changes at the State level and prepare for emergency situations that may arise.

In FY 2015-16 the City Council adopted Resolution 2015-3329 which establishes a formal policy regarding financial reserves. The policy establishes undesignated General Fund reserves, along with a formula that will recognize interest earnings to grow the reserve until it reaches 50% of General Fund budgeted expenditures.

Fiscal Year	Undesignated General Fund Reserves	General Fund Budgeted Expenditures	Undesignated GF Reserves as a % of Expenditures
2011-12	859,800	3,032,900	28.35%
2012-13	871,800	2,569,800	33.92%
2013-14	1,000,000	2,610,400	38.31%
2014-15	1,300,000	2,794,800	46.51%
2015-16	1,400,000	3,322,600	42.14%

The allowable uses of General Fund Reserves include insulating General Fund programs and current service levels from large and unanticipated one-time expenditure requirements. The use of reserves may also offset revenue reductions due to a change in state or federal legislation, impacts from adverse litigation or environmental occurrences/disasters, safety issues, or similar unforeseen action and economic uncertainty to include the continual State budget deficit. Use of reserves in any of these circumstances would require a four-fifths vote of the City Council.

The Council's reserve policy also establishes designated reserves for anticipated future expenditures, such as vehicle replacement, infrastructure replacement, VPTV capital improvements, accrued leave, CJPIA retroactive deposit repayment, and capital improvements reserves.

For Fiscal Year 2015-16, the proposed undesignated General Fund Reserve level is \$1,400,000. This level is 46% of the General Fund revenues projected to be received during the fiscal year. In addition, \$453,000 is proposed to be set aside in designated General Fund Reserves for future use for vehicle replacement, infrastructure replacement, VPTV capital, accrued leave, CJPIA retroactive deposit repayment, and capital improvement reserves.



City of Villa Park
17855 Santiago Boulevard
Villa Park, California 92861
(714) 998-1500

INVESTMENT ADVISORY COMMITTEE

Summary Minutes

April 17, 2015

1. CALL TO ORDER

The meeting was called to order at 8:05 a.m. by Mayor Fascenelli.

2. ROLL CALL

The following members and attendees were present:

Diana Fascenelli, Mayor, Chair, City Council Finance Committee
Bill Underwood, Chair, Investment Advisory Committee (IAC) – **elected 4/17/15**
Steven Pollack, Vice Chair, IAC - **elected 4/17/15**
James Rheins, Member
Brad Reese, Member
Lynne Doti, Member
Michelle Danaher, Finance Director
Dennis Kuli, City Treasurer

The following members and attendees were absent:

Rick Barnett, Councilmember, City Council Finance Committee
Dan Carlberg, Member
Joe McCarthy, Member

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT

None

5. DISCUSSION ITEMS

a. Reorganize IAC to accommodate Council election, annual appointments and nominations for Chair and Vice-Chair.

- Finance Director Danaher requested nominations for Chairman of the IAC. Member Pollack nominated Bill Underwood. Member Doti seconded. Motion carried.
- Chair Underwood requested nominations for Vice-Chairman of the IAC. Member Reese nominated Steven Pollack. Treasurer Kuli seconded. Motion carried.

b. Review of January Minutes.

- Vice-Chair Pollack moved the minutes for approval, seconded by Member Doti. Motion carried.

c. Review and discuss revisions to Investment Policy.

- Finance Director Danaher presented the redlined version of the Investment Policy. Discussion ensued and there were some minor working revisions. The majority of the discussion was regarding the wording specifically in section 8 about the makeup of the IAC. Finance Director Danaher was directed to make the discussed revisions and submit them back for a final review (via email) to the IAC Members.
- Vice-Chair Pollack moved that the updated final document (reviewed via email by the IAC) reflecting what was discussed, be the recommended Investment Policy that is presented to Council for adoption at the May 26, 2015 City Council Meeting. Member Reese seconded. Motion carried.

d. Review and Discuss Current Investments.

- Finance Director Danaher presented current investment activities for the last quarter. Finance Director Danaher discussed the two new investments purchased in February.
- Finance Director Danaher gave an overview on the strength of the first quarter invested in CalTRUST. CalTRUST was earning greater than .36% more than both LAIF and OCIP. After the second quarter review and a cash flow analysis, Finance Director Danaher will potentially recommend more cash being invested in CalTRUST.
- Finance Director Danaher was directed to research potential investments in Time Deposits and to present back to the IAC on July 22, 2015.

e. Finance Director Danaher to provide Resolution 2015-3311 formally updating the Investment Advisory Committee, and minutes of IAC formalization discussion from Council.

- Finance Director presented Resolution 2015-3311 and discussion ensued on the decisions made by Council. IAC liked the Resolution and requested that it be placed as an attachment to the Investment Policy to ensure it was up to date each year when the Investment Policy was reviewed.

f. Discussion of new ideas/concerns from each member.

- Mayor Fascenelli informed that Form 700 will not be necessary from this point forward for any IAC member, as members don't make the financial decisions for the City, they just make recommendations that Council approves and staff implements.
- Chair Underwood challenged all IAC members to bring two new ideas to the IAC within the next year to continue to assist the City in making great investment decisions.

6. ADJOURNMENT

The meeting was adjourned at 9:10 am. The next regular meeting of the IAC will be held on Wednesday, July 22, at 8:00 a.m.