

RESOLUTION NO. 365

AUTHORIZING STAFF TO UTILIZE REPOE ACCOUNT WITH METROPOLITAN SAVINGS AND LOAN.


WHEREAS, the City staff has prepared a report on the above captioned subject which is attached hereto as Exhibit "A"; and

WHEREAS, the City Council has duly considered the subject and the recommendation(s) contained in the staff report; and

WHEREAS, interested parties, if any, have had an opportunity to be heard on the subject.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Wilsonville does hereby adopt the staff report attached hereto as Exhibit "A", with the recommendation(s) contained therein and further instructs that action appropriate to the recommendation(s) be taken.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof this 21st day of November, 198 , and filed with the Wilsonville City Recorder this same day.

  
\_\_\_\_\_  
WILLIAM G. LOWRIE, Mayor

ATTEST:

  
\_\_\_\_\_  
DEANNA J. THOM, City Recorder

CITY OF WILSONVILLE  
**MEMO**

November 17, 1983

**DATE**

TO: ... MAYOR AND CITY COUNCIL

FROM: RAY SHORTEN *RS*

RE: INVESTMENTS WITH METROPOLITAN FEDERAL SAVINGS & LOAN.

I enclose documents received from Metropolitan asking that the City invest with their firm. As you can determine from the financial statement, they appear to be in a reasonably good financial condition. Their short term percentage rate is very good. I have discussed this rate with Steve Sims of 1st Interstate Bank, and he tells me that 1st Interstate can not offer competitive interest rates.

Steve assures me, that there would be no problem in having them transfer funds by wire to accomplish the investing. There would be a \$5.00 wire charge for each investment made by wire. This could be accomplished by telephone and by authorized staff personnel.

The charge for the wire service, to return the funds to 1st Interstate, would be paid by Metropolitan Federal Savings and Loan.

For comparison purposes, 1st Interstate Repoe is now at 7.50 to 8.50%.

RECOMMENDATION:

Authorize staff to set up procedures to utilize Metropolitan Federal Savings and Loan for short term investment of City funds.

RS:b1

# Metropolitan

Statewide Services Company  
Financial Services

RECORDED  
OCT 11 1983  
CITY OF WILSONVILLE

October 7, 1983

Ray Shorten,  
Finance Director  
City of Wilsonville  
PO Box 220  
Wilsonville, OR 97070

Dear Mr. Shorten:

In this proposal we request that Metropolitan Federal Savings and Loan be approved by you as a financial institution for investing in U.S. Government Securities backed Repurchase Agreements (REPOS).

We have furnished you with the following information for consideration: an Annual Report issued on Metropolitan Federal; a copy of Metropolitan's "LOOK" publication; an updated Statement of Condition for August 31, 1983; a copy of the REPO collateral agreement (Cash Growth Agreement) with its terms and conditions, and analyses of our Repo's earnings performance for the past several weeks.

In addition, a few facts merit mentioning.....In these economic sluggish years, since 1980 Metropolitan has grown in assets from \$348 million to \$817 million. We have more than doubled in size and that is without mergers, acquisitions, or use of "good-will" to bolster our reserves. From our financial statement, you can see we are extremely solvent with more liquid assets - cash, bonds, and debentures - than first mortgage loans and contracts. This is a turn around from our way of doing business three years ago and has contributed to our profitability. Our quick response to changing market conditions spared us many of the problems others in our industry have experienced. Metropolitan is a healthy company and has been well managed for all of its approximately 50 years in business.

To eliminate any concern about risk and exposure, Metropolitan collateralizes all investment 110% with U.S. Government Securities. We do this through a Repurchase Agreement at rates comparable to bank and thrift rates. Our many customers have known this to be the case over and over again. Another feature they like is that their securities are held in trust for them at the Oregon Bank (Orbanco Securities) in Portland for the entire term of the in-

vestment.

In summary, we feel our Repurchase Agreement suits your needs for the following specific reasons:

1. Safety - fully collateralized with U.S. Government Securities.
2. Liquidity - Money available at all times for wire transfer to your commercial bank checking account.
3. Top-of-the Market Yields - Today's rate is 9.44%. The average for the month of September was 9.66%
4. Daily Rate - This has two advantages: Your investment earns a compounded rate because each day interest is credited to your account. Secondly, interest rate risk is eliminated, your investment is immunized from losses due to locking in a rate during times of uncertainty when there is a chance the market rates may move up, putting your portfolio "under water".

In conclusion, we know that we can help your city in its quest to maintain fiscal responsibility and ask that you join our many pleased customers in taking advantage of all that Metropolitan has to offer.

Kindest regards,



Brian L. Menten  
METROPOLITAN STATEWIDE SERVICES CO.  
Oregon Division

BLM:jh

INVESTMENTS TO MEET ALL YOUR NEEDS  
FROM METROPOLITAN FEDERAL SAVINGS AND LOAN

RECEIVED  
NOV 20 1988  
CITY OF TROY, OHIO

Short Term?

Our Overnight Repo is totally liquid.  
You may make withdrawal at anytime.

7 day  
9.45

\*Repurchase Agreements - Backed 100% by U.S. Government  
Securities or agency securities.

Overnight Repo - \$250,000 minimum

Term Repo - \$100,000 minimum

Rate Guaranteed for 2-31 days 9.15 %

9.25 %

9.45

\*Market Yield Account - Rate variable weekly

8.80 %

FSLIC Insured to \$100,000. \$50,000 minimum deposit.

Intermediate Term?

Not as liquid, but you may choose the term  
that matches your needs; 14 days and longer.

\*Metropolitan TCD - Rate guaranteed for 14-31 days. 9.45 %

FSLIC Insured to \$100,000, which is the minimum deposit.

Long Term?

This account rewards you for a commitment  
to Metropolitan for a term of one year or  
longer. The rate changes monthly and is  
indexed to 50 basis points above the clos-  
ing T-bill Auction for the prior month (26  
Week T-Bill).

\*Metropolitan Variable Rate CD - For month of Nov. 9.180 %

FSLIC Insured to \$100,000, which is minimum deposit.

These rates are good for November 9th only. Rates are  
subject to change; so for current quotes, please call your Metro-  
politan Federal representative:

11/9/88  
Bays  
T. [unclear]

STATEMENT OF CONDITION

August 31, 1983

ASSETS:

Cash, Gov't Bonds, & Debentures	\$ 422,574,904
Stock in FHLB	8,172,500
First Mtg. Loans & Contracts	310,329,833
Insured and Guaranteed Loans	32,839,810
Property Improvement Loans	19,289,526
Loans Secured by Savings Accounts	625,176
Real Estate Owned and in Judgement	769,977
Furniture, Fixtures, and Appliances	1,428,297
Metropolitan Federal Office Buildings	16,599,906
Other Assets	5,184,979
<b>TOTAL ASSETS</b>	<b>\$ 817,814,908</b>

LIABILITIES AND NET WORTH

Savings	\$ 373,409,566
Mortgage Loans in Process	35,640,837
ADVANCES	
FHLB Advances	19,950,000
Other Borrowed Money	133,326,750
Cash Repurchase Agreements	222,882,301
Other Liabilities	14,189,012
Unearned Income Reserves	979,158
Reserves and Undivided Profits	17,437,284
<b>TOTAL LIABILITIES AND NET WORTH</b>	<b>\$ 817,814,908</b>