



City of Laguna Beach

Investment Report

July 2014

Honorable Mayor and Members of the City Council,

The requested monthly Investment Report follows. I verify that the investment portfolio is in conformity with California laws and the Treasurer's Investment Policy which is approved annually by the City Council. The Treasurer's cash management program provides sufficient liquidity to meet expenditure requirements for the next six months.

Respectfully submitted,

Laura Parisi

Laura Parisi, CPA, CCMT, CFIP
City Treasurer

City of Laguna Beach
City Treasurer Monthly Report - Unaudited
For the Month of July 2014

Cash Activity for the Month

Cash and investments, beginning of month	\$	76,155,501.87
Cash receipts		6,523,659.72
Cash disbursements		<u>(6,970,247.56)</u>
Cash and investments, end of month	\$	<u>75,708,914.03</u>

Cash and Investment Portfolio at Month-End

	<u>Current Year</u>				<u>Prior Year</u>
	<u>Market Value</u>	<u>Cost</u>	<u>Pct of Total</u>	<u>Avg Return</u>	
Long-term investments:					
Federal agency securities	\$ 41,966,930.00	\$ 42,244,710.00	56%	0.97%	\$ 39,994,750.00
Medium-term corporate notes	5,168,563.30	5,114,055.00	7%	1.74%	5,133,385.00
Negotiable Certificates of Deposit - FDIC insured	4,256,145.85	4,238,000.00	6%	0.75%	4,990,000.00
Municipal bond	<u>1,006,120.00</u>	<u>1,007,080.00</u>	1%	2.23%	
Subtotal	<u>52,397,759.15</u>	<u>52,603,845.00</u>	69%	1.06%	<u>50,118,135.00</u>
Short-term investments:					
State Local Agency Investment Fund	15,270,151.46	15,270,151.46	20%	0.24%	13,818,145.82
Federal agency securities	-	-	0%	N.D.	999,500.00
Certificates of Deposit - negotiable and local banks	2,502,118.39	2,499,000.00	3%	0.69%	2,750,000.00
Municipal bond	-	-	0%	N.D.	<u>1,009,430.00</u>
Subtotal	<u>17,772,269.85</u>	<u>17,769,151.46</u>	23%	0.31%	<u>18,577,075.82</u>
Savings, checking and change funds					
Savings accounts	209,613.82	209,613.82	0%	0.25%	166,330.74
Checking accounts (b).	4,520,220.19	4,520,220.19	6%	Allowance (a).	872,186.61
Investment income in transit	3,750.00	3,750.00	0%	0.00%	
Petty cash/change funds	<u>3,617.75</u>	<u>3,617.75</u>	0%	0.00%	3,617.75
Subtotal	<u>4,737,201.76</u>	<u>4,737,201.76</u>	6%	N.D.	<u>1,042,135.10</u>
Trustee-held investments					
	<u>598,715.81</u>	<u>598,715.81</u>	1%	0.24%	<u>596,860.35</u>
Grand total - cash and investments	\$ <u>75,505,946.57</u>	\$ <u>75,708,914.03</u>	100%		\$ <u>70,334,206.27</u>

(a). The earnings allowance credit applies to funds held by Bank of America and partially offset the bank fees.

(b). The high balance was a timing difference. The August 1 warrants totaled \$2,507,688, the last day of the month receipts totaled \$1,073,088 and the \$493,055 July 25 property tax payment was recorded in the cash flow on August 13.

Cash and Investment Custody (statements and reconciliations are available on request)

Union Bank Institutional Custody	\$	54,655,627.54	\$	54,858,595.00	\$	54,377,065.00
California Local Agency Investment Fund		15,270,151.46		15,270,151.46		13,818,145.82
Bank of New York Trustee		598,715.81		598,715.81		596,860.35
Bank of America		4,729,834.01		4,729,834.01		1,038,517.35
Citizens Business Bank		248,000.00		248,000.00		250,000.00
JP Morgan Chase Bank		0.00		0.00		250,000.00
Internal change funds		<u>3,617.75</u>		<u>3,617.75</u>		<u>3,617.75</u>
Cash and investments total	\$	<u>75,505,946.57</u>	\$	<u>75,708,914.03</u>	\$	<u>70,334,206.27</u>

City of Laguna Beach
Investment Portfolio Detail - Unaudited
July 31, 2014

	Investment Type	S&P Rating	Par Value	Market Value (a)	Purchase Price	Premium (Discount)	Purchase or Dated	Maturity Date	Coupon Rate	Purchase Yield (b)	Current Yield (a)	Days to Maturity
(1)	State Investment Pool (LAIF)	NR	\$ 15,270,151.46	\$ 15,270,151.46	\$ 15,270,151.46			Today	0.24%	0.24%	0.24%	Today
(2)	CD Investment in Local Banks	NR	248,000.00	248,000.00	248,000.00		09/20/13	09/20/14	0.36%	0.36%	0.36%	50
(3)	CD Sallie Mae Bank	NR	250,000.00	250,035.00	250,000.00		08/15/12	08/15/14	0.90%	0.90%	0.90%	15
(4)	CD Sovereign Bank	NR	250,000.00	250,050.00	250,000.00		08/29/12	08/29/14	0.75%	0.75%	0.75%	29
(5)	CD Bank of China New York City	NR	250,000.00	250,067.50	250,000.00		05/01/13	11/03/14	0.35%	0.35%	0.35%	95
(6)	CD Synovus Bank GA	NR	249,000.00	249,400.89	249,000.00		11/30/12	11/28/14	0.50%	0.50%	0.50%	120
(7)	CD Huntington National Bk	NR	250,000.00	250,552.50	250,000.00		06/08/12	12/08/14	0.75%	0.75%	0.75%	130
(8)	CD Safra Natl Bank	NR	250,000.00	250,587.50	250,000.00		06/14/12	12/15/14	0.75%	0.75%	0.75%	137
(9)	CD GE Cap Finl Inc.	NR	250,000.00	251,077.50	250,000.00		01/06/12	01/06/15	1.50%	1.50%	1.49%	159
(10)	CD Medallion Bank UT	NR	250,000.00	250,112.50	250,000.00		04/29/13	04/29/15	0.35%	0.35%	0.35%	272
(11)	CD Privatebank & Trust	NR	250,000.00	250,115.00	250,000.00		05/09/13	05/11/15	0.35%	0.35%	0.35%	284
(12)	CD Tennessee State Bank	NR	250,000.00	250,120.00	250,000.00		05/20/13	05/20/15	0.30%	0.30%	0.30%	293
(13)	Corp Bank of New York Melon	A+	1,000,000.00	1,001,370.00	1,002,580.00	2,580.00	02/13/13	10/23/15	0.70%	0.60%	0.70%	449
(14)	Corp General Electric Capital Corp	AA+	1,000,000.00	1,020,720.00	1,000,000.00		08/09/11	11/09/15	2.25%	2.25%	2.20%	466
(15)	CD Key Bank	NR	250,000.00	250,330.00	250,000.00		05/08/13	11/09/15	0.45%	0.45%	0.45%	466
(16)	CD Ally Bank	NR	249,000.00	248,800.80	249,000.00		03/05/14	03/07/16	0.45%	0.45%	0.45%	585
(17)	CD Paragon Comm Bank	NR	249,000.00	248,783.37	249,000.00		03/13/14	03/14/16	0.45%	0.45%	0.45%	592
(18)	CD First Nat Bk WI	NR	249,000.00	248,783.37	249,000.00		03/14/14	03/14/16	0.45%	0.45%	0.45%	592
(19)	Corp General Electric Capital Corp	AA+	1,000,000.00	1,039,430.00	1,000,000.00		08/26/11	05/09/16	2.95%	2.95%	2.83%	648
(20)	CD Eaglebank	NR	249,000.00	251,086.62	249,000.00		11/21/12	05/20/16	0.65%	0.65%	0.64%	659
(21)	CD Georgia Bk & Tr	NR	249,000.00	251,089.11	249,000.00		11/21/12	05/20/16	0.50%	0.50%	0.50%	659
(22)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,000,140.00	1,002,210.00	2,210.00	01/02/14	08/08/16	0.85%	0.76%	0.85%	739
(23)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	996,140.00	1,000,000.00		05/15/13	08/15/16	0.50%	0.50%	0.50%	746
(24)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	997,330.00	1,000,000.00		02/25/13	08/25/16	0.60%	0.60%	0.60%	756
(25)	CD Heritage Bank Com	NR	249,000.00	251,353.05	249,000.00		11/27/12	08/26/16	0.60%	0.60%	0.59%	757
(26)	Agency Federal Home Loan Bank	AA+	1,000,000.00	997,670.00	1,000,000.00		10/24/12	10/24/16	0.60%	0.60%	0.60%	816
(27)	CD Everbank Jacksonville Fla	NR	250,000.00	252,325.00	250,000.00		10/31/12	10/31/16	0.90%	0.90%	0.89%	823
(28)	CD Abacus Federal Savings	NR	249,000.00	246,527.43	249,000.00		11/28/12	11/28/16	0.60%	0.60%	0.61%	851
(29)	CD Bank of Baroda	NR	250,000.00	250,770.00	250,000.00		12/13/13	12/13/16	1.00%	1.00%	1.00%	866
(30)	CD Merrick Bank	NR	250,000.00	250,722.50	250,000.00		12/17/13	12/19/16	0.85%	0.85%	0.85%	872
(31)	CD First Priority Bank	NR	250,000.00	250,655.00	250,000.00		12/27/13	12/27/16	0.80%	0.80%	0.80%	880
(32)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	998,780.00	1,000,000.00		12/30/13	12/30/16	0.80%	0.80%	0.80%	883
(33)	CD Comenity Capital Bank	NR	250,000.00	250,417.50	250,000.00		01/03/14	01/03/17	0.85%	0.85%	0.85%	887
(34)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	994,220.00	998,000.00	(2,000.00)	10/29/12	01/11/17	0.64%	0.69%	0.64%	895
(35)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,996,240.00	2,000,000.00		02/13/13	02/13/17	0.79%	0.79%	0.79%	928
(36)	Agency Federal Home Loan Bank	AA+	1,000,000.00	1,000,700.00	1,000,000.00		03/27/14	03/27/17	1.00%	1.00%	1.00%	970
(37)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	996,020.00	1,000,000.00		05/01/13	05/01/17	0.69%	0.69%	0.69%	1,005
(38)	CD Sterling Savings Bank	NR	250,000.00	250,125.00	250,000.00		05/03/13	05/03/17	0.65%	0.65%	0.65%	1,007
(39)	Agency Federal Home Loan Bank	AA+	1,000,000.00	989,190.00	1,000,000.00		11/08/12	05/08/17	0.74%	0.74%	0.75%	1,012
(40)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	986,170.00	1,000,000.00		05/22/13	05/22/17	0.70%	0.70%	0.71%	1,026
(41)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	998,110.00	1,000,000.00		06/16/14	06/16/17	1.00%	1.00%	1.00%	1,051
(42)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	999,280.00	1,000,000.00		06/20/12	06/20/17	1.10%	1.10%	1.10%	1,055
(43)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	990,000.00	1,000,000.00		12/27/12	06/27/17	0.75%	0.75%	0.76%	1,062
(44)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	997,900.00	1,000,000.00		07/11/12	07/10/17	1.04%	1.04%	1.04%	1,075
(45)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	995,640.00	1,000,000.00		07/25/12	07/24/17	0.97%	0.97%	0.97%	1,089

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July 31, 2014

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(46)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	997,820.00	1,000,000.00		07/24/12	07/24/17	1.13%	1.13%	1.12%	1,089
(47)	Corp Pepsico Inc	A-	1,110,000.00	1,110,033.30	1,118,325.00	8,325.00	01/07/13	08/13/17	1.25%	1.08%	1.25%	1,109
(48)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	990,080.00	999,000.00	(1,000.00)	09/05/12	09/05/17	0.97%	1.01%	1.00%	1,132
(49)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,991,460.00	1,999,250.00	(750.00)	09/18/12	09/05/17	0.97%	0.98%	0.97%	1,132
(50)	CD Gold Coast Bank	NR	250,000.00	253,335.00	250,000.00		09/19/12	09/19/17	1.00%	1.00%	0.99%	1,146
(51)	CD World Financial Capital	NR	245,000.00	248,327.10	245,000.00		09/27/12	09/21/17	1.05%	1.05%	1.04%	1,148
(52)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	995,820.00	1,000,000.00		09/27/12	09/27/17	1.00%	1.00%	1.00%	1,154
(53)	CD American Express Centurion	NR	250,000.00	252,715.00	250,000.00		10/04/12	10/04/17	1.55%	1.55%	1.53%	1,161
(54)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	985,290.00	1,000,000.00		10/10/12	10/10/17	0.90%	0.90%	0.91%	1,167
(55)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	995,160.00	1,000,000.00		10/18/12	10/18/17	0.87%	0.87%	0.87%	1,175
(56)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	990,570.00	1,000,000.00		10/25/12	10/25/17	0.90%	0.90%	0.91%	1,182
(57)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	986,750.00	1,000,000.00		12/11/12	12/11/17	1.00%	1.00%	1.01%	1,229
(58)	Agency Federal Home Loan Bank	AA+	1,000,000.00	984,050.00	1,000,000.00		12/28/12	12/28/17	0.84%	0.84%	0.85%	1,246
(59)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	993,100.00	999,000.00	(1,000.00)	01/22/13	01/22/18	0.94%	0.96%	0.94%	1,271
(60)	Agency Federal Home Loan Bank	AA+	1,000,000.00	987,120.00	999,750.00	(250.00)	01/30/13	01/30/18	1.00%	1.01%	1.01%	1,279
(61)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	984,670.00	999,750.00	(250.00)	01/30/13	01/30/18	1.02%	1.03%	1.04%	1,279
(62)	Agency Federal Natl Mtg Assn Step	AA+	1,000,000.00	994,220.00	1,000,000.00		01/30/13	01/30/18	0.75%	0.75%	0.75%	1,279
(63)	Agency Federal Home Loan Bank	AA+	1,000,000.00	984,940.00	1,000,000.00		02/05/13	02/05/18	1.00%	1.00%	1.01%	1,285
(64)	Agency Federal Home Loan Bank	AA+	1,000,000.00	988,110.00	1,000,000.00		02/08/13	02/08/18	1.05%	1.05%	1.06%	1,288
(65)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	995,890.00	1,000,000.00		02/20/13	02/20/18	1.12%	1.12%	1.12%	1,300
(66)	Agency Federal Home Loan Bank	AA+	2,000,000.00	1,978,140.00	2,000,000.00		02/22/13	02/22/18	1.15%	1.15%	1.16%	1,302
(67)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	991,420.00	1,000,000.00		02/22/13	02/22/18	1.20%	1.20%	1.21%	1,302
(68)	Agency Federal Natl Mtg Assn Step	AA+	1,000,000.00	992,810.00	1,000,000.00		02/28/13	02/28/18	1.00%	1.00%	1.00%	1,308
(69)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	986,530.00	1,000,000.00		04/25/13	04/25/18	1.15%	1.15%	1.16%	1,364
(70)	Corp Microsoft	AAA	1,000,000.00	997,010.00	993,150.00	(6,850.00)	12/11/13	12/06/18	1.63%	1.77%	1.62%	1,589
(71)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	995,950.00	999,750.00	(250.00)	12/27/13	12/27/18	1.85%	1.86%	1.85%	1,610
(72)	Agency Federal Home Loan Bank	AA+	1,000,000.00	997,840.00	1,000,000.00		02/19/14	02/19/19	1.88%	1.88%	1.87%	1,664
(73)	Muni California State - Taxable	A	1,000,000.00	1,006,120.00	1,007,080.00	7,080.00	05/02/14	05/01/19	2.25%	2.10%	2.24%	1,735
(74)	Agency Federal Home Loan Bank	AA+	1,000,000.00	997,660.00	1,000,000.00		06/10/14	06/10/19	1.80%	1.80%	1.80%	1,775
(75)	Total Investments		\$ 70,365,151.46	\$ 70,170,029.00	\$ 70,372,996.46	\$ 7,845.00		Averages		0.87%	0.87%	828
								2 Year Treasury Bill			0.53%	
(76)	Investment income in transit			3,750.00	3,750.00							
(77)	Savings, checking and change funds			4,737,201.76	4,737,201.76							
(78)	Trustee-held investments			598,715.81	598,715.81							
(79)	Grand total - cash and investments			\$ 75,505,946.57	\$ 75,708,914.03							

(a) Provided by Union Bank, Institutional Custody at month end excluding LAIF and local CDs.

(b) Provided by Bloomberg at the time of purchase.