



# City of Laguna Beach

# Investment Report

## September 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*

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**Laura Parisi, CPA, CCMT, CFIP**  
**City Treasurer**

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

**Cash Activity for the Month**

Cash and investments, beginning of month	\$	69,505,225.42
Cash receipts		1,910,980.40
Cash disbursements		(4,788,924.47)
<b>Cash and investments, end of month</b>	<b>\$</b>	<b>66,627,281.35</b>

**Cash and Investment Portfolio at Month-End**

	Current Year				Prior Year
	Market Value	Cost	Pct of Total	Avg Return	Cost
<b>Long-term investments:</b>					
Federal agency securities	\$ 42,968,696.62	\$ 43,240,500.00	65%	0.97%	\$ 40,994,750.00
Medium-term corporate notes	5,155,259.90	5,114,055.00	8%	1.74%	5,133,385.00
Negotiable Certificates of Deposit - FDIC insured	5,244,869.96	5,238,000.00	8%	1.06%	4,490,000.00
Municipal bond	1,005,940.00	1,007,080.00	2%	2.23%	-
Subtotal	<u>54,374,766.48</u>	<u>54,599,635.00</u>	82%	1.07%	<u>50,618,135.00</u>
<b>Short-term investments:</b>					
State Local Agency Investment Fund	8,575,705.82	8,574,151.46	13%	0.25%	6,402,145.82
Federal agency securities	-	-	0%	N.D.	999,500.00
Certificates of Deposit - negotiable and local banks	2,249,036.72	2,247,000.00	3%	0.58%	3,248,000.00
Subtotal	<u>10,824,742.54</u>	<u>10,821,151.46</u>	16%	0.31%	<u>10,649,645.82</u>
<b>Savings, checking and change funds</b>					
Savings accounts	185,221.33	185,221.33	0%	0.25%	180,132.38
Checking accounts	418,939.37	418,939.37	1%	Allowance (a).	705,190.16
Investment income in transit	-	-	0%	0.00%	-
Petty cash/change funds	3,617.75	3,617.75	0%	0.00%	3,617.75
Subtotal	<u>607,778.45</u>	<u>607,778.45</u>	1%	N.D.	<u>888,940.29</u>
<b>Trustee-held investments</b>					
	<u>598,716.44</u>	<u>598,716.44</u>	1%	0.25%	<u>596,860.97</u>
<b>Grand total - cash and investments</b>	<b>\$ <u>66,406,003.91</u></b>	<b>\$ <u>66,627,281.35</u></b>	<b>100%</b>		<b>\$ <u>62,753,582.08</u></b>

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

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

Union Bank Institutional Custody	\$ 56,375,803.20	\$ 56,598,635.00	\$ 54,367,635.00
California Local Agency Investment Fund	8,575,705.82	8,574,151.46	6,402,145.82
Bank of New York Trustee	598,716.44	598,716.44	596,860.97
Bank of America	604,160.70	604,160.70	885,322.54
Citizens Business Bank	248,000.00	248,000.00	248,000.00
JP Morgan Chase Bank	0.00	0.00	250,000.00
Internal change funds	3,617.75	3,617.75	3,617.75
<b>Cash and investments total</b>	<b>\$ <u>66,406,003.91</u></b>	<b>\$ <u>66,627,281.35</u></b>	<b>\$ <u>62,753,582.08</u></b>

**City of Laguna Beach**  
**Investment Portfolio Detail - Unaudited**  
**September 30, 2014**

	<b>Investment Type</b>	<b>S&amp;P Rating</b>	<b>Par Value</b>	<b>Market Value (a)</b>	<b>Purchase Price</b>	<b>Premium (Discount)</b>	<b>Purchase or Dated</b>	<b>Maturity Date</b>	<b>Coupon Rate</b>	<b>Purchase Yield (b)</b>	<b>Current Yield (a)</b>	<b>Days to Maturity</b>
(1)	State Investment Pool (LAIF)	NR	\$ 8,574,151.46	\$ 8,575,705.82	\$ 8,574,151.46	\$		Today	0.25%	0.25%	0.25%	Today
(2)	CD Investment in Local Banks	NR	248,000.00	248,000.00	248,000.00		09/20/13	09/20/15	0.35%	0.35%	0.35%	354
(3)	CD Bank of China New York City	NR	250,000.00	250,022.50	250,000.00		05/01/13	11/03/14	0.35%	0.35%	0.35%	34
(4)	CD Synovus Bank GA	NR	249,000.00	249,194.22	249,000.00		11/30/12	11/28/14	0.50%	0.50%	0.50%	59
(5)	CD Huntington National Bk	NR	250,000.00	250,292.50	250,000.00		06/08/12	12/08/14	0.75%	0.75%	0.75%	69
(6)	CD Safra Natl Bank	NR	250,000.00	250,330.00	250,000.00		06/14/12	12/15/14	0.75%	0.75%	0.75%	76
(7)	CD GE Cap Finl Inc.	NR	250,000.00	250,682.50	250,000.00		01/06/12	01/06/15	1.50%	1.50%	1.49%	98
(8)	CD Medallion Bank UT	NR	250,000.00	250,157.50	250,000.00		04/29/13	04/29/15	0.35%	0.35%	0.35%	211
(9)	CD Privatebank & Trust	NR	250,000.00	250,172.50	250,000.00		05/09/13	05/11/15	0.35%	0.35%	0.35%	223
(10)	CD Tennessee State Bank	NR	250,000.00	250,185.00	250,000.00		05/20/13	05/20/15	0.30%	0.30%	0.30%	232
(11)	Corp Bank of New York Melon	A+	1,000,000.00	1,001,250.00	1,002,580.00	2,580.00	02/13/13	10/23/15	0.70%	0.60%	0.70%	388
(12)	Corp General Electric Capital Corp	AA+	1,000,000.00	1,017,600.00	1,000,000.00		08/09/11	11/09/15	2.25%	2.25%	2.20%	405
(13)	CD Key Bank	NR	250,000.00	250,320.00	250,000.00		05/08/13	11/09/15	0.45%	0.45%	0.45%	405
(14)	CD Ally Bank	NR	249,000.00	248,633.97	249,000.00		03/05/14	03/07/16	0.45%	0.45%	0.45%	524
(15)	CD Paragon Comm Bank	NR	249,000.00	248,599.11	249,000.00		03/13/14	03/14/16	0.45%	0.45%	0.45%	531
(16)	CD First Nat Bk WI	NR	249,000.00	248,599.11	249,000.00		03/14/14	03/14/16	0.45%	0.45%	0.45%	531
(17)	Corp General Electric Capital Corp	AA+	1,000,000.00	1,034,970.00	1,000,000.00		08/26/11	05/09/16	2.95%	2.95%	2.83%	587
(18)	CD Eaglebank	NR	249,000.00	250,516.41	249,000.00		11/21/12	05/20/16	0.65%	0.65%	0.64%	598
(19)	CD Georgia Bk & Tr	NR	249,000.00	250,518.90	249,000.00		11/21/12	05/20/16	0.50%	0.50%	0.50%	598
(20)	CD Lakeside Bank Chicago IL	NR	250,000.00	249,095.00	250,000.00		08/12/14	08/12/16	0.80%	0.80%	0.80%	682
(21)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	997,420.00	1,000,000.00		05/15/13	08/15/16	0.50%	0.50%	0.50%	685
(22)	CD Discover Bank Greenwood DEL	NR	250,000.00	248,937.50	250,000.00		08/12/14	08/15/16	0.85%	0.85%	0.85%	685
(23)	CD Goldman Sachs Bank NY	NR	250,000.00	248,420.00	250,000.00		08/12/14	08/15/16	0.80%	0.80%	0.80%	685
(24)	CD Peoples United Bank	NR	250,000.00	248,937.50	250,000.00		08/12/14	08/15/16	0.85%	0.85%	0.85%	685
(25)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	998,450.00	1,000,000.00		02/25/13	08/25/16	0.60%	0.60%	0.60%	695
(26)	CD Heritage Bank Com	NR	249,000.00	250,591.11	249,000.00		11/27/12	08/26/16	0.60%	0.60%	0.59%	696
(27)	Agency Federal Home Loan Bank	AA+	1,000,000.00	998,990.00	1,000,000.00		10/24/12	10/24/16	0.60%	0.60%	0.60%	755
(28)	CD Everbank Jacksonville Fla	NR	250,000.00	251,722.50	250,000.00		10/31/12	10/31/16	0.90%	0.90%	0.89%	762
(29)	CD Abacus Federal Savings	NR	249,000.00	246,360.60	249,000.00		11/28/12	11/28/16	0.60%	0.60%	0.61%	790
(30)	CD Bank of Baroda	NR	250,000.00	250,427.50	250,000.00		12/13/13	12/13/16	1.00%	1.00%	1.00%	805
(31)	CD Merrick Bank	NR	250,000.00	250,405.00	250,000.00		12/17/13	12/19/16	0.85%	0.85%	0.85%	811
(32)	CD First Priority Bank	NR	250,000.00	250,372.50	250,000.00		12/27/13	12/27/16	0.80%	0.80%	0.80%	819
(33)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	999,360.00	1,000,000.00		12/30/13	12/30/16	0.80%	0.80%	0.80%	822
(34)	CD Comenity Capital Bank	NR	250,000.00	250,175.00	250,000.00		01/03/14	01/03/17	0.85%	0.85%	0.85%	826
(35)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	995,270.00	998,000.00	(2,000.00)	10/29/12	01/11/17	0.64%	0.69%	0.64%	834
(36)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,995,880.00	2,000,000.00		02/13/13	02/13/17	0.79%	0.79%	0.79%	867
(37)	CD Capital Bank FL	NR	249,000.00	247,732.59	249,000.00		09/19/14	03/20/17	1.05%	1.05%	1.05%	902
(38)	CD Flushing Bank	NR	249,000.00	247,762.47	249,000.00		09/25/14	03/24/17	1.10%	1.10%	1.10%	906
(39)	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%	909
(40)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	997,260.00	1,000,000.00		05/01/13	05/01/17	0.69%	0.69%	0.69%	944
(41)	CD Sterling Savings Bank	NR	250,000.00	249,832.50	250,000.00		05/03/13	05/03/17	0.65%	0.65%	0.65%	946
(42)	Agency Federal Home Loan Bank	AA+	1,000,000.00	989,780.00	1,000,000.00		11/08/12	05/08/17	0.74%	0.74%	0.75%	951
(43)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	986,590.00	1,000,000.00		05/22/13	05/22/17	0.70%	0.70%	0.71%	965
(44)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	998,840.00	1,000,000.00		06/16/14	06/16/17	1.00%	1.00%	1.00%	990
(45)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,110.00	1,000,000.00		06/20/12	06/20/17	1.10%	1.10%	1.10%	994
(46)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	991,150.00	1,000,000.00		12/27/12	06/27/17	0.75%	0.75%	0.76%	1,001
(47)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	999,020.00	1,000,000.00		07/11/12	07/10/17	1.04%	1.04%	1.04%	1,014
(48)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	996,880.00	1,000,000.00		07/25/12	07/24/17	0.97%	0.97%	0.97%	1,028

**City of Laguna Beach**  
**Investment Portfolio Detail - Unaudited**  
**September 30, 2014**

	<b>Investment Type</b>	<b>S&amp;P Rating</b>	<b>Par Value</b>	<b>Market Value (a)</b>	<b>Purchase Price</b>	<b>Premium (Discount)</b>	<b>Purchase or Dated</b>	<b>Maturity Date</b>	<b>Coupon Rate</b>	<b>Purchase Yield (b)</b>	<b>Current Yield (a)</b>	<b>Days to Maturity</b>
(49)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	998,500.00	1,000,000.00		07/24/12	07/24/17	1.13%	1.13%	1.13%	1,028
(50)	Corp Pepsico Inc	A-	1,110,000.00	1,106,769.90	1,118,325.00	8,325.00	01/07/13	08/13/17	1.25%	1.08%	1.25%	1,048
(51)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	991,230.00	999,000.00	(1,000.00)	09/05/12	09/05/17	0.97%	1.01%	1.00%	1,071
(52)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,993,180.00	1,999,250.00	(750.00)	09/18/12	09/05/17	0.97%	0.98%	0.97%	1,071
(53)	CD State Bank of India	NR	249,000.00	247,722.63	249,000.00		09/11/14	09/11/17	1.40%	1.40%	1.40%	1,077
(54)	CD Bank Hapoalim	NR	249,000.00	247,398.93	249,000.00		09/15/14	09/15/17	1.30%	1.30%	1.30%	1,081
(55)	CD Gold Coast Bank	NR	250,000.00	252,652.50	250,000.00		09/19/12	09/19/17	1.00%	1.00%	0.99%	1,085
(56)	CD World Financial Capital	NR	245,000.00	247,658.25	245,000.00		09/27/12	09/21/17	1.05%	1.05%	1.04%	1,087
(57)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	994,950.00	1,000,000.00		09/27/12	09/27/17	1.00%	1.00%	1.00%	1,093
(58)	CD MUFU Union Bank	NR	250,000.00	250,000.00	250,000.00		09/30/14	09/29/17	1.25%	1.25%	1.25%	1,095
(59)	CD American Express Centurion	NR	250,000.00	252,095.00	250,000.00		10/04/12	10/04/17	1.55%	1.55%	1.53%	1,100
(60)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	986,380.00	1,000,000.00		10/10/12	10/10/17	0.90%	0.90%	0.91%	1,106
(61)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	986,940.00	1,000,000.00		10/18/12	10/18/17	0.87%	0.87%	0.88%	1,114
(62)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	986,620.00	1,000,000.00		10/25/12	10/25/17	0.90%	0.90%	0.91%	1,121
(63)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	987,110.00	1,000,000.00		12/11/12	12/11/17	1.00%	1.00%	1.01%	1,168
(64)	Agency Federal Home Loan Bank	AA+	1,000,000.00	985,100.00	1,000,000.00		12/28/12	12/28/17	0.84%	0.84%	0.85%	1,185
(65)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	993,820.00	999,000.00	(1,000.00)	01/22/13	01/22/18	0.94%	0.96%	0.95%	1,210
(66)	Agency Federal Home Loan Bank	AA+	1,000,000.00	988,110.00	999,750.00	(250.00)	01/30/13	01/30/18	1.00%	1.01%	1.01%	1,218
(67)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	984,860.00	999,750.00	(250.00)	01/30/13	01/30/18	1.02%	1.03%	1.04%	1,218
(68)	Agency Federal Natl Mtg Assn Step	AA+	1,000,000.00	994,760.00	1,000,000.00		01/30/13	01/30/18	0.75%	0.75%	0.75%	1,218
(69)	Agency Federal Home Loan Bank	AA+	1,000,000.00	986,030.00	1,000,000.00		02/05/13	02/05/18	1.00%	1.00%	1.01%	1,224
(70)	Agency Federal Home Loan Bank	AA+	1,000,000.00	989,060.00	1,000,000.00		02/08/13	02/08/18	1.05%	1.05%	1.06%	1,227
(71)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	995,910.00	1,000,000.00		02/20/13	02/20/18	1.12%	1.12%	1.12%	1,239
(72)	Agency Federal Home Loan Bank	AA+	2,000,000.00	1,980,060.00	2,000,000.00		02/22/13	02/22/18	1.15%	1.15%	1.16%	1,241
(73)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	991,590.00	1,000,000.00		02/22/13	02/22/18	1.20%	1.20%	1.21%	1,241
(74)	Agency Federal Natl Mtg Assn Step	AA+	1,000,000.00	993,340.00	1,000,000.00		02/28/13	02/28/18	1.00%	1.00%	1.00%	1,247
(75)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	987,670.00	1,000,000.00		04/25/13	04/25/18	1.15%	1.15%	1.16%	1,303
(76)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	995,340.00	1,000,000.00		08/04/14	05/04/18	1.50%	1.50%	1.50%	1,312
(77)	Corp Microsoft	AAA	1,000,000.00	994,670.00	993,150.00	(6,850.00)	12/11/13	12/06/18	1.63%	1.77%	1.62%	1,528
(78)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	997,700.00	999,750.00	(250.00)	12/27/13	12/27/18	1.85%	1.86%	1.85%	1,549
(79)	Agency Federal Home Loan Bank	AA+	1,000,000.00	1,000,190.00	1,000,000.00		02/19/14	02/19/19	1.88%	1.88%	1.87%	1,603
(80)	Muni California State - Taxable	A	1,000,000.00	1,005,940.00	1,007,080.00	7,080.00	05/02/14	05/01/19	2.25%	2.10%	2.24%	1,674
(81)	Agency Federal Home Loan Bank	AA+	1,000,000.00	993,930.00	1,000,000.00		06/10/14	06/10/19	1.80%	1.80%	1.80%	1,714
(82)	<b>Total Investments</b>		<b>\$ 65,415,151.46</b>	<b>\$ 65,199,509.02</b>	<b>\$ 65,420,786.46</b>	<b>\$ 5,635.00</b>		<b>Averages</b>	<b>0.95%</b>	<b>0.95%</b>	<b>0.95%</b>	<b>881</b>
								<b>2 Year Treasury Bill</b>				<b>0.58%</b>
(83)	Investment income in transit			-	-							
(84)	Savings, checking and change funds			607,778.45	607,778.45							
(85)	Trustee-held investments			598,716.44	598,716.44							
(86)	<b>Grand total - cash and investments</b>			<b>\$ 66,406,003.91</b>	<b>\$ 66,627,281.35</b>							

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

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