



City of Laguna Beach

Investment Report

September 2016

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,

A handwritten signature in blue ink that reads "Laura Parisi".

Laura Parisi, CPA, CCMT, CFIP
City Treasurer

City of Laguna Beach
City Treasurer Monthly Report - Unaudited
For the Month of September 2016

Cash Activity for the Month

Cash and investments, beginning of month	\$	99,133,253.21
Cash receipts		1,823,344.27
Cash disbursements		<u>(11,077,822.02)</u>
Cash and investments, end of month	\$	<u>89,878,775.46</u>

Cash and Investment Portfolio at Month-End

	Current Year				Prior Year
	Fair Value	Cost	Pct. of Total	Avg. Return	Cost
Long-term marketable securities					
Federal agency securities	\$ 40,697,001.24	\$ 40,711,495.00	44%	1.42%	\$ 44,633,192.31
Medium-term corporate notes	5,539,490.00	5,492,570.00	6%	1.57%	3,110,895.00
Negotiable Certificates of Deposit - FDIC insured	7,809,130.66	7,698,000.00	8%	1.51%	7,440,000.00
Municipal bonds	4,732,494.30	4,707,080.00	5%	1.66%	1,837,080.00
Supranational security	1,002,080.00	1,001,790.00	1%	1.00%	-
Subtotal	<u>59,780,196.20</u>	<u>59,610,935.00</u>	65%	1.46%	<u>57,021,167.31</u>
Short-term marketable securities					
State Local Agency Investment Fund (LAIF)	13,761,690.59	13,753,146.83	15%	0.63%	10,316,813.05
Negotiable Certificates of Deposit - FDIC insured	4,747,012.13	4,740,000.00	5%	0.91%	2,742,876.74
Federal agency securities	3,006,560.00	2,999,380.00	3%	0.93%	-
Medium-term corporate notes	1,112,353.20	1,118,325.00	1%	1.24%	2,000,000.00
Subtotal	<u>22,627,615.92</u>	<u>22,610,851.83</u>	25%	0.76%	<u>15,059,689.79</u>
Savings, checking and change funds					
Savings accounts	417,317.69	417,317.69	0%	0.25%	340,102.43
Checking accounts	947,437.29	947,437.29	1%	Allowance (a).	1,551,829.80
Transfer from custodian in transit	35,288.09	35,288.09	0%	0.00%	11,915.71
Petty cash/change funds	5,500.00	5,500.00	0%	0.00%	5,400.00
Subtotal	<u>1,405,543.07</u>	<u>1,405,543.07</u>	2%	N.D.	<u>1,909,247.94</u>
Tax-exempt bond proceeds - State LAIF	4,890,035.91	4,887,000.00	5%	0.63%	-
Trustee-held assessment district funds	1,364,445.56	1,364,445.56	1%	0.63%	1,186,394.71
Total cash and marketable securities	<u>90,067,836.66</u>	<u>89,878,775.46</u>	98%		<u>75,176,499.75</u>
Long-term non-marketable investments:					
Assessment district bonds/loans	Not Available	632,993.00	1%	2.12%	-
Essential employee loan program	Available	1,015,354.81	1%	2.00%	670,913.51
Total Investments	\$	<u>91,527,123.27</u>	100%		\$ <u>75,847,413.26</u>

(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 upon request)

Union Bank Institutional Custody	\$	73,571,445.53	\$	73,390,928.09	\$	61,527,083.02
California Local Agency Investment Fund		13,761,690.59		13,753,146.83		10,316,813.05
Bank of New York Trustee		1,364,445.56		1,364,445.56		1,186,394.71
Bank of America		1,364,754.98		1,364,754.98		1,891,932.23
Citizens Business Bank		0.00		0.00		248,876.74
Internal change funds		5,500.00		5,500.00		5,400.00
Cash and marketable security total	\$	<u>90,067,836.66</u>	\$	<u>89,878,775.46</u>	\$	<u>75,176,499.75</u>

City of Laguna Beach
Investment Portfolio Detail - Unaudited
September 30, 2016

	Investment Type	S&P Rating	Par Value	Fair 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) see note	NR	\$ 8,866,146.83	\$ 8,871,654.68	\$ 8,866,146.83			Today	0.63%	0.63%	0.63%	Today
(2)	LAIF Bond Proceeds see note	NR	4,887,000.00	4,890,035.91	4,887,000.00			Today	0.63%	0.63%	0.63%	Today
(3)	CD Everbank Jacksonville Fla	NR	250,000.00	250,080.00	250,000.00		10/31/12	10/31/16	0.90%	0.90%	0.90%	31
(4)	CD EnerBank USA	NR	250,000.00	250,025.00	250,000.00		10/31/15	10/31/16	0.60%	0.60%	0.60%	31
(5)	CD Beal Bank USA	NR	250,000.00	250,035.00	250,000.00		11/10/15	11/09/16	0.65%	0.65%	0.65%	40
(6)	CD Santander Bank, N.A.	NR	250,000.00	250,035.00	250,000.00		11/12/15	11/10/16	0.65%	0.65%	0.65%	41
(7)	CD Abacus Federal Savings	NR	249,000.00	249,047.31	249,000.00		11/28/12	11/28/16	0.60%	0.60%	0.60%	59
(8)	CD Bank of Baroda	NR	250,000.00	250,245.00	250,000.00		12/13/13	12/13/16	1.00%	1.00%	1.00%	74
(9)	CD Merrick Bank	NR	250,000.00	250,187.50	250,000.00		12/17/13	12/19/16	0.85%	0.85%	0.85%	80
(10)	CD First Priority Bank	NR	250,000.00	250,177.50	250,000.00		12/27/13	12/27/16	0.80%	0.80%	0.80%	88
(11)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	1,001,280.00	1,000,000.00		12/30/13	12/30/16	0.80%	0.80%	0.80%	91
(12)	CD Capital Bank FL	NR	249,000.00	249,493.02	249,000.00		09/19/14	03/20/17	1.05%	1.05%	1.05%	171
(13)	CD Flushing Bank	NR	249,000.00	249,517.92	249,000.00		09/25/14	03/24/17	1.10%	1.10%	1.10%	175
(14)	CD Sterling Savings Bank	NR	250,000.00	250,112.50	250,000.00		05/03/13	05/03/17	0.65%	0.65%	0.65%	215
(15)	CD Wells Fargo Bank, National Assn	NR	250,000.00	250,470.00	250,000.00		11/12/15	05/12/17	0.90%	0.90%	0.90%	224
(16)	CD Rancho Santa Fe Thrift & Loan Assn	NR	250,000.00	250,475.00	250,000.00		11/13/15	05/15/17	0.80%	0.80%	0.80%	227
(17)	CD Independent Bank	NR	250,000.00	250,612.50	250,000.00		11/26/14	05/26/17	0.85%	0.85%	0.85%	238
(18)	Agency Federal Home Loan Bank	AA+	2,000,000.00	2,005,280.00	1,999,380.00	(620.00)	12/29/15	06/09/17	1.00%	1.02%	1.00%	252
(19)	Corp Pepsico Inc	A	1,110,000.00	1,112,353.20	1,118,325.00	8,325.00	01/07/13	08/13/17	1.25%	1.08%	1.25%	317
(20)	CD State Bank of India	NR	249,000.00	250,108.05	249,000.00		09/11/14	09/11/17	1.40%	1.40%	1.39%	346
(21)	CD Bank Hapoalim	NR	249,000.00	250,013.43	249,000.00		09/15/14	09/15/17	1.30%	1.30%	1.29%	350
(22)	CD Gold Coast Bank	NR	250,000.00	250,637.50	250,000.00		09/19/12	09/19/17	1.00%	1.00%	1.00%	354
(23)	CD World Financial Capital	NR	245,000.00	245,739.90	245,000.00		09/27/12	09/21/17	1.05%	1.05%	1.05%	356
(24)	CD MUFG Union Bank	NR	250,000.00	250,000.00	250,000.00		09/30/14	09/29/17	1.25%	1.25%	1.25%	364
(25)	CD American Express Centurion	NR	250,000.00	252,325.00	250,000.00		10/04/12	10/04/17	1.55%	1.55%	1.54%	369
(26)	Agency Federal Home Loan Bank	AA+	1,000,000.00	997,230.00	1,000,000.00		10/05/15	10/05/17	0.73%	0.73%	0.73%	370
(27)	CD First Niagara Bk NA NY	NR	250,000.00	251,022.50	250,000.00		10/30/15	10/30/17	1.15%	1.15%	1.15%	395
(28)	Muni California State - Taxable	AA-	1,000,000.00	999,740.00	1,000,000.00		11/25/15	11/01/17	1.00%	1.00%	1.00%	397
(29)	Supra Intl Bk Recon & Development	AAA	1,000,000.00	1,002,080.00	1,001,790.00	1,790.00	08/25/16	11/15/17	1.00%	0.85%	1.00%	411
(30)	CD Capital One Bank	NR	250,000.00	251,330.00	250,000.00		11/26/14	11/27/17	1.35%	1.35%	1.34%	423
(31)	Agency Federal Home Loan Bank	AA+	1,000,000.00	999,520.00	1,000,000.00		12/28/12	12/28/17	0.84%	0.84%	0.84%	454
(32)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,010.00	999,000.00	(1,000.00)	01/22/13	01/22/18	0.94%	0.96%	0.94%	479
(33)	CD Israel Disc Bank New York	NR	250,000.00	252,025.00	250,000.00		01/21/16	01/22/18	1.25%	1.25%	1.24%	479
(34)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	1,000,430.00	999,750.00	(250.00)	01/30/13	01/30/18	1.02%	1.03%	1.02%	487
(35)	Corp IBM	AA-	1,000,000.00	999,870.00	999,420.00	(580.00)	09/28/15	02/06/18	1.13%	1.15%	1.13%	494
(36)	CD BMW Bank NA	NR	250,000.00	251,105.00	250,000.00		03/27/15	03/27/18	1.15%	1.15%	1.14%	543
(37)	CD JP Morgan Chase Bank NA	NR	250,000.00	250,542.50	250,000.00		04/10/15	04/10/18	1.30%	1.31%	1.30%	557
(38)	CD Washington Tr	NR	250,000.00	252,260.00	250,000.00		12/15/14	06/15/18	1.40%	1.40%	1.39%	623
(39)	CD Compass Bank	NR	250,000.00	252,312.50	250,000.00		12/23/15	06/25/18	1.50%	1.50%	1.49%	633
(40)	Corp John Deere Capital Corp	A	1,000,000.00	1,005,770.00	1,000,000.00		01/07/16	07/13/18	1.60%	1.60%	1.59%	651
(41)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,000.00	1,000,000.00		10/15/15	10/15/18	1.11%	1.11%	1.11%	745
(42)	CD Sallie Mae	NR	250,000.00	253,467.50	250,000.00		10/22/14	10/22/18	1.90%	1.90%	1.87%	752
(43)	CD American Express	NR	250,000.00	253,467.50	250,000.00		10/23/14	10/23/18	1.95%	1.95%	1.92%	753
(44)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,000,190.00	1,000,000.00		10/29/15	10/29/18	1.16%	1.16%	1.17%	759
(45)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,000,140.00	1,000,000.00		10/29/15	10/29/18	1.10%	1.10%	1.10%	759
(46)	CD Hardin County Savings Bank	NR	248,000.00	251,700.16	248,000.00		10/30/15	10/30/18	1.10%	1.10%	1.08%	760
(47)	Corp Microsoft	AAA	1,000,000.00	1,012,230.00	993,150.00	(6,850.00)	12/11/13	12/06/18	1.63%	1.77%	1.61%	797

City of Laguna Beach
Investment Portfolio Detail - Unaudited
September 30, 2016

	Investment Type	S&P Rating	Par Value	Fair Value (a)	Purchase Price	Premium (Discount)	Purchase or Dated	Maturity Date	Coupon Rate	Purchase Yield (b)	Current Yield (a)	Days to Maturity
(48)	Agency Federal Natl Mtg Assn	AAA	2,000,000.00	2,009,600.00	1,997,020.00	(2,980.00)	11/03/15	12/14/18	1.13%	1.13%	1.12%	805
(49)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,010,760.00	1,000,000.00		06/17/15	12/17/18	1.35%	1.35%	1.34%	808
(50)	CD Barclays Bank	NR	250,000.00	253,557.50	250,000.00		12/17/14	12/17/18	1.85%	1.85%	1.82%	808
(51)	CD Mercantil Commercebank	NR	250,000.00	253,530.00	250,000.00		12/28/15	12/28/18	1.60%	1.60%	1.58%	819
(52)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	998,370.00	1,000,000.00		10/27/15	01/08/19	1.20%	1.20%	1.20%	830
(53)	CD Key Bank National Assn Ohio	NR	250,000.00	254,997.50	250,000.00		01/20/16	01/22/19	1.55%	1.55%	1.52%	844
(54)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	997,160.00	1,000,000.00		07/28/16	01/28/19	1.11%	1.11%	1.11%	850
(55)	CD Ally Bank	NR	250,000.00	252,335.00	250,000.00		03/25/16	03/25/19	1.35%	1.35%	1.34%	906
(56)	CD Commercial Bank	NR	250,000.00	253,312.50	250,000.00		06/30/15	03/29/19	1.50%	1.50%	1.48%	910
(57)	Agency Federal Farm Credit Bank	AA+	1,520,000.00	1,517,492.00	1,520,000.00		07/06/16	04/05/19	1.03%	1.03%	1.03%	917
(58)	Muni California State - Taxable	AA-	1,000,000.00	1,018,970.00	1,007,080.00	7,080.00	05/02/14	05/01/19	2.25%	2.10%	2.21%	943
(59)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,100.00	1,000,000.00		06/27/16	06/27/19	1.12%	1.12%	1.12%	1,000
(60)	Muni Univ California - Taxable	AA	830,000.00	840,308.60	830,000.00		01/29/15	07/01/19	1.80%	1.80%	1.77%	1,004
(61)	CD Luana Savings Bank	NR	250,000.00	250,702.50	250,000.00		07/08/16	07/08/19	1.00%	1.00%	1.00%	1,011
(62)	CD PrivateBank & TC	NR	250,000.00	249,995.00	250,000.00		07/21/16	07/22/19	1.05%	1.05%	1.05%	1,025
(63)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,000,020.00	1,000,000.00		07/26/16	07/26/19	1.25%	1.25%	1.25%	1,029
(64)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	999,160.00	1,000,000.00		07/26/16	07/26/19	1.05%	1.05%	1.05%	1,029
(65)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	999,990.00	998,970.00	(1,030.00)	07/26/16	07/26/19	1.13%	1.16%	1.13%	1,029
(66)	Corp Microsoft	AAA	1,000,000.00	996,810.00	1,000,000.00		08/18/16	08/08/19	1.10%	1.10%	1.10%	1,042
(67)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	999,870.00	1,000,000.00		08/23/16	08/23/19	1.13%	1.13%	1.13%	1,057
(68)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,995,260.00	2,000,000.00		08/23/16	08/23/19	1.10%	1.10%	1.13%	1,057
(69)	CD Discover Bank	NR	250,000.00	249,997.50	250,000.00		08/24/16	08/26/19	1.20%	1.20%	1.20%	1,060
(70)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	999,950.00	1,000,000.00		09/27/16	09/27/19	1.20%	1.20%	1.20%	1,092
(71)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,001,470.00	1,000,000.00		03/30/16	09/30/19	1.35%	1.35%	1.35%	1,095
(72)	CD FSG Bank Chattanooga TN	NR	250,000.00	257,667.50	250,000.00		02/11/15	10/11/19	1.50%	1.50%	1.46%	1,106
(73)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,020.00	1,000,000.00		10/30/15	10/28/19	1.36%	1.36%	1.36%	1,123
(74)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,000,740.00	1,000,000.00		12/02/15	12/02/19	1.64%	1.64%	1.64%	1,158
(75)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	996,480.00	1,000,000.00		06/30/16	12/30/19	1.15%	1.15%	1.15%	1,186
(76)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	996,610.00	1,000,000.00		07/06/16	01/06/20	1.20%	1.20%	1.20%	1,193
(77)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	997,180.00	999,350.00	(650.00)	07/13/16	01/13/20	1.24%	1.26%	1.24%	1,200
(78)	CD Synchrony Bank	NR	250,000.00	257,540.00	250,000.00		01/30/15	01/30/20	1.80%	1.80%	1.75%	1,217
(79)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	1,001,000.00	1,000,000.00		02/24/16	02/24/20	1.40%	1.40%	1.40%	1,242
(80)	CD RiverWood Bank	NR	250,000.00	258,007.50	250,000.00		09/29/15	03/30/20	1.65%	1.65%	1.60%	1,277
(81)	CD Goldman Sac for GE Capital Bank	NR	250,000.00	256,755.00	250,000.00		04/10/15	04/13/20	1.80%	1.80%	1.75%	1,291
(82)	CD CIT Bank	NR	250,000.00	256,380.00	250,000.00		05/28/15	05/28/20	2.00%	2.00%	1.95%	1,336
(83)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	999,270.00	1,000,000.00		07/20/16	07/20/20	1.32%	1.32%	1.32%	1,389
(84)	CD Celtic Bank	NR	250,000.00	250,417.50	250,000.00		07/26/16	07/27/20	1.20%	1.20%	1.20%	1,396
(85)	CD Capital One, National Assn	NR	250,000.00	259,617.50	250,000.00		08/19/15	08/19/20	2.40%	2.40%	2.31%	1,419
(86)	CD Goldman Sachs Bank NY	NR	250,000.00	260,120.00	250,000.00		08/26/15	08/26/20	2.35%	2.35%	2.26%	1,426
(87)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	998,000.00	1,000,000.00		09/29/16	09/29/20	1.30%	1.30%	1.30%	1,460
(88)	CD Worlds Foremost Bk NB	NR	200,000.00	207,368.00	200,000.00		09/30/15	09/30/20	2.30%	2.30%	2.22%	1,461
(89)	Agency Federal Farm Credit Bank	AA+	1,000,000.00	997,700.00	1,000,000.00		07/19/16	10/19/20	1.38%	1.38%	1.38%	1,480
(90)	CD HSBC Bank USA, NA - Step	NR	250,000.00	252,427.50	250,000.00		11/17/15	11/17/20	1.60%	1.60%	1.58%	1,509
(91)	Agency Federal Natl Mtg Assn Step	AA+	1,000,000.00	1,000,030.00	1,000,000.00		11/19/15	11/19/20	1.50%	1.50%	1.50%	1,511
(92)	Agency Federal Farm Credit Bank	AA+	340,000.00	339,466.20	339,405.00	(595.00)	07/19/16	01/19/21	1.42%	1.46%	1.42%	1,572
(93)	Agency Federal Farm Credit Bank	AA+	2,000,000.00	1,997,540.00	2,000,000.00		07/19/16	01/19/21	1.44%	1.44%	1.44%	1,572
(94)	Agency Federal Natl Mtg Assn step	AA+	1,000,000.00	1,000,520.00	1,000,000.00		03/23/16	03/23/21	0.85%	0.85%	0.85%	1,635
(95)	Muni California State - Taxable	AA-	870,000.00	872,705.70	870,000.00		07/06/16	04/01/21	1.50%	1.50%	1.50%	1,644
(96)	Agency Federal Home Loan Bank step	AA+	1,000,000.00	1,000,100.00	1,000,000.00		04/21/16	04/21/21	1.50%	1.50%	1.50%	1,664

City of Laguna Beach
Investment Portfolio Detail - Unaudited
September 30, 2016

	Investment Type	S&P Rating	Par Value	Fair Value (a)	Purchase Price	Premium (Discount)	Purchase or Dated	Maturity Date	Coupon Rate	Purchase Yield (b)	Current Yield (a)	Days to Maturity
(97)	CD First Business Bk Madison WI	NR	250,000.00	253,090.00	250,000.00		05/13/16	05/13/21	1.50%	1.50%	1.48%	1,686
(98)	Muni Ca Univ Rgts-Txbl-L	AA-	1,000,000.00	1,000,770.00	1,000,000.00		06/30/16	05/15/21	1.78%	1.78%	1.78%	1,688
(99)	Corp Chevron Corp	AA-	1,500,000.00	1,524,810.00	1,500,000.00		05/26/16	05/16/21	2.10%	2.10%	2.07%	1,689
(100)	Agency Federal Home Loan Bank	AA+	920,000.00	920,193.20	920,000.00		06/21/16	06/14/21	1.64%	1.64%	1.64%	1,718
(101)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	1,000,010.00	1,000,000.00		07/27/16	07/27/21	1.50%	1.50%	1.50%	1,761
(102)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	995,270.00	1,000,000.00		07/28/16	07/28/21	1.50%	1.50%	1.51%	1,762
(103)	Agency Federal Natl Mtg Assn	AA+	2,825,000.00	2,821,355.75	2,825,000.00		07/28/16	07/28/21	1.60%	1.60%	1.60%	1,762
(104)	Agency Federal Natl Mtg Assn	AA+	1,000,000.00	1,000,120.00	1,000,000.00		08/25/16	08/25/21	1.40%	1.40%	1.40%	1,790
(105)	CD Beneficial Bank	NR	250,000.00	249,755.00	250,000.00		09/12/16	09/13/21	1.50%	1.50%	1.50%	1,809
(106)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	998,380.00	1,000,000.00		09/29/16	09/29/21	1.65%	1.65%	1.65%	1,825
(107)	Agency Federal Home Ln Mtg Corp	AA+	1,000,000.00	1,000,330.00	1,000,000.00		09/30/16	09/30/21	1.60%	1.60%	1.60%	1,826
(108)	Total Investments		\$ 87,106,146.83	\$ 87,297,848.03	\$ 87,108,786.83	\$ 2,640.00	Averages			1.20%	1.19%	2.4
							2 Year Treasury Bill				0.77%	yrs

Note: Bond proceeds have been separately stated to more easily evaluate LAIF operating account levels.

(109)	Savings, checking and change funds		\$	1,405,543.07	\$	1,405,543.07
(110)	Trustee-held investments			1,364,445.56		1,364,445.56
(111)	Other investments			Pending		1,648,347.81
(112)	Grand total - cash and investments		\$	90,067,836.66	\$	91,527,123.27

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

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