



# CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

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February 17, 2015

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive and file the Investment Report for Quarter Ending December 31, 2014.  
(Citywide)

## DISCUSSION

The Department of Financial Management, City Treasurer's Office, invests the City's funds in compliance with the California Government Code, Section 53600 et. seq., and the City's Investment Policy. As of December 31, 2014, these funds had a book value of approximately \$1.585 billion.

Approximately \$735 million of the total investment pool, or approximately 46 percent of funds, will mature within six months, ensuring that sufficient funds are available to meet the City's liquidity needs.

### **Statutory Compliance**

All investment transactions have been executed in conformance with the City's Investment Policy and the California Government Code. According to the California Government Code, the maturity term of all investments is limited to a maximum of five years, unless the local agency legislative body gives prior approval to exceed this limitation. The City's Investment Policy currently requires that all funds invested in the City's investment pool not exceed a weighted average maturity of three years. In addition, the Investment Advisory Committee, composed of the Assistant City Auditor, Deputy City Attorney, Director of Financial Management, City Treasurer, City Controller, Budget Management Bureau staff, and designated representatives from the Harbor and Water departments, meets monthly, or as needed, to review investment policies, strategies and performance.

### **Investment Pool Rating**

Standard and Poor's (S&P) rates the City's investment portfolio at AA Af with one of the lowest volatility ratings of S1; however, this rating will likely be downgraded in the near future due to the downgrading of United States Treasuries (U.S. Treasuries). The S&P rating is based on a credit-scoring matrix that looks at the underlying rating of the securities in the portfolio and the weighted average life of the securities. The prior downgrade of the U.S. Treasuries long-term debt by S&P from AAA+ to AA+, will have an impact on portfolios that have substantial holdings of U.S. Treasuries. As holdings of longer termed U.S.

Treasuries increase, the risk of a potential downgrade increases. The potential change means that our rating may go from "extremely strong protection" against losses to a "very strong protection" against losses. This change in the rating will have no impact on the eligibility of the investment portfolio as an alternative investment of bond proceeds.

**Overall Investment Pool Performance**

The City Treasurer's Office invests in a variety of fixed-income securities that vary in maturity from one day to five years, as authorized by the City's Investment Policy and the California Government Code. The City's adopted 2014 Investment Policy divides the City's investment portfolio into a short-term, intermediate-term and a long-term portfolio whose benchmarks are the Three-Month Treasury Bill, One-Year Constant Maturity Treasury (CMT) and the Merrill Lynch One-to-Five Year Treasury/Agency Index, respectively. All are market indices that change daily; therefore, actual returns can vary depending on book yields and security calls before the final maturity date. The weighted average book yield for the period was 0.30 percent (annualized). Book yield represents the return received on the total investment portfolio on an annualized basis.

As of December 31, 2014, the City's investment pool market yield was 0.48 percent (annualized) with a weighted average maturity of one year. During the quarter, all benchmark indices were, on average, higher than the previous quarter. The following table summarizes the City's investment pool market yield and performance for the quarter ending December 31, 2014:

**Investment Pool Performance – Quarter Ending December 31, 2014**

Investment Portfolio Funds	Amount of Funds	Quarter End Values		
		Benchmark Return*	Market Yield*	Over/(Under) Benchmark
Short-Term Pool	\$ 570,071,847	0.04 percent	0.38 percent	0.34 percent
Intermediate-Term Pool	\$ 590,534,705	0.25 percent	0.43 percent	0.18 percent
Long-Term Pool	\$ 424,384,736	0.41 percent	0.70 percent	0.29 percent
Total Pool	\$ 1,584,991,289	0.22 percent	0.48 percent	0.26 percent

\* Benchmark Return and Market Yield of Portfolio are at quarter end.

The City's investment pool consists of all City funds except certain bond and special assessment district proceeds. The non-pooled investments are invested separately in accordance with bond indenture provisions or other legal requirements. A complete listing of pooled investment balances, portfolio distribution and performance values can be found in Attachment A.

**Unrealized Gains and Losses**

Unrealized gains or losses are the difference between market value and book value, and result from changing investment values during the period they are held in the portfolio. Unrealized gains or losses are only recognized when the investment(s) are sold prior to the maturity date. Since the City generally holds securities to maturity, unrealized gains or losses are rarely realized. As of December 31, 2014, market and book value of the total

investment portfolio were approximately \$1.585 billion, with a difference of approximately \$0.014 million (unrealized loss) that represents the decline in market value of the portfolio over book value on that date.

### **Quarterly Investment Activity**

Over \$117 million in new short-term investment transactions (excluding LAIF transactions) were executed. The weighted average book yield of the total transactions was approximately 0.29 percent (annualized). There were no sales of securities in the short-term portfolio during the quarter.

Over \$255 million in new intermediate-term investment transactions were executed. The weighted average book yield of the total transactions was approximately 0.26 percent (annualized). There were no sales of securities in the intermediate-term portfolio during the quarter.

Over \$51 million in new long-term investment transactions were executed. The weighted average book yield of the total transactions was approximately 0.95 percent (annualized). There were no sales in the long-term portfolio during the quarter. The Health Department paid off the Health Select Auction Variable Rate Securities loan during the quarter. The City's Investment Advisor manages the long-term portfolio, excluding the Health Select Auction Variable Rate Securities loan.

As of December 31, 2014, the City's investment in the State Treasurer's Local Agency Investment Fund (LAIF) pool was approximately \$120.7 million.

### **Investment Strategies**

The City consulted with its Investment Advisor and set investment strategies for the various portfolios. The short-term portfolio maintains sufficient liquidity within a rolling 12-month period to satisfy the City's cash needs. The intermediate-term portfolio maintains a weighted maturity of one year and provides cash needs for maturities greater than six months. Given the historically low interest rates, the Investment Advisory Committee recommended temporarily benchmarking the long-term portfolio to the One-Three Year Treasury/Agency Index. This new benchmark is reflected in the Investment Pool Performance table on page two.

### **Cash Management Goals**

The City's cash management goals are to maintain and preserve the safety of funds in custody and provide adequate liquidity for anticipated expenditure needs.

This matter was reviewed by Deputy City Attorney Linda T. Vu on January 27, 2015 and by Budget Management Officer Victoria Bell on January 29, 2015.

### **TIMING CONSIDERATIONS**

This item is not time critical.

HONORABLE MAYOR AND CITY COUNCIL

February 17, 2015

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FISCAL IMPACT

There is no fiscal or local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DN:GN  
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ATTACHMENT A – INVESTMENT PORTFOLIO AS OF DECEMBER 31, 2014

APPROVED:



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PATRICK H. WEST  
CITY MANAGER

ATTACHMENT A  
CITY OF LONG BEACH INVESTMENT PORTFOLIO  
As of December 31, 2014

Investment Number	Security Description	CUSIP Number	S&P	Par Value	Book Value	Market Value	Accrued Interest	Maturity Date	Market Yield
Cash	UNION BANK N.A.			129,567,008	129,567,008	129,567,008			0.600
Cash	BANK OF AMERICA			42,070,787	42,070,787	42,070,787			0.250
8083	LOCAL AGENCY INVESTMENT FUND			120,686,186	120,686,186	120,686,186	73,539	1/1/2015	0.258
	<b>TOTAL CASH AND EQUIVALENTS</b>			<b>292,323,981</b>	<b>292,323,981</b>	<b>292,323,981</b>	<b>73,539</b>		<b>0.41</b>
14916	U.S. TREASURY NOTES	912828RZ5	AA+	15,000,000	15,001,178	15,000,000	17,323	1/15/2015	0.250
14972	FEDERAL HOME LOAN BANK	313381H24	AA+	6,875,000	6,875,478	6,875,206	7,878	1/16/2015	0.178
14841	U.S. TREASURY NOTES	912828MH0	AA+	7,000,000	7,012,420	7,011,760	65,910	1/31/2015	0.253
14839	U.S. TREASURY NOTES	912828SE1	AA+	10,000,000	10,001,999	10,001,900	9,443	2/15/2015	0.098
14853	U.S. TREASURY NOTES	912828SE1	AA+	10,000,000	10,002,043	10,001,900	9,443	2/15/2015	0.098
14902	FEDERAL HOME LOAN BANK	313384CK3	AA+	10,000,000	9,998,417	9,999,208	-	2/27/2015	0.049
14922	FED. HOME LOAN MTG. ASSOC.	313396CK7	AA+	15,000,000	14,997,863	14,998,813	-	2/27/2015	0.049
14852	U.S. TREASURY NOTES	912828MR8	AA+	15,000,000	15,054,467	15,053,850	121,046	2/28/2015	0.170
14891	FEDERAL NATIONAL MTG. ASSOC.	313500HG1	AA+	12,835,000	12,841,772	12,840,647	14,038	3/16/2015	0.164
14893	FED. HOME LOAN MTG. ASSOC.	3137EADD8	AA+	8,000,000	8,008,772	8,007,600	8,222	4/17/2015	0.177
14930	FEDERAL HOME LOAN BANK	3130A1PH5	AA+	7,500,000	7,500,307	7,499,100	2,004	4/17/2015	0.171
14850	FEDERAL HOME LOAN BANK	3130A1UX4	AA+	15,000,000	14,999,762	14,996,700	3,125	5/1/2015	0.191
14960	FED. HOME LOAN MTG. ASSOC.	313396FH1	AA+	10,000,000	9,996,472	9,996,800	-	5/8/2015	0.090
14961	U.S. TREASURY BILLS	912796FH7	AA+	10,000,000	9,997,968	9,998,100	-	5/14/2015	0.051
14936	FEDERAL NATIONAL MTG. ASSOC.	313598JF3	AA+	7,000,000	6,995,212	6,995,590	-	7/17/2015	0.115
14985	FED. HOME LOAN MTG. ASSOC.	3137EACM9	AA+	7,505,000	7,583,607	7,581,926	40,496	9/10/2015	0.266
14983	FEDERAL NATIONAL MTG. ASSOC.	31359MZO0	AA+	13,252,000	13,683,220	13,681,232	122,397	10/15/2015	0.262
14986	U.S. TREASURY NOTES	912828TT7	AA+	10,000,000	10,003,114	10,000,800	5,357	10/15/2015	0.240
14966	FEDERAL NATIONAL MTG. ASSOC.	313588PE9	AA+	10,000,000	9,988,589	9,984,700	-	11/13/2015	0.174
14887	FEDERAL FARM CREDIT BANK	3133EDNX6	AA+	5,500,000	5,500,000	5,496,755	391	12/23/2015	0.381
14931	FEDERAL NATIONAL MTG. ASSOC.	313590UM3	AA+	10,000,000	10,003,758	9,993,400	18,056	2/26/2016	0.577
14897	FED. HOME LOAN MTG. ASSOC.	3134G5BV6	AA+	10,000,000	10,000,000	9,986,600	24,292	7/22/2016	0.637
14928	FED. HOME LOAN MTG. ASSOC.	3134G4UC0	AA+	7,000,000	7,005,842	6,990,060	19,211	7/29/2016	0.741
14982	FEDERAL HOME LOAN BANK	3130A2T48	AA+	7,000,000	7,045,500	7,040,180	35,389	8/11/2016	0.940
14949	FEDERAL HOME LOAN BANK	3130A3FD1	AA+	7,000,000	7,009,590	6,992,160	6,271	11/18/2016	0.810
14687	FEDERAL NATIONAL MTG. ASSOC.	3135G0YA5	AA+	7,000,000	7,000,000	6,981,660	1,750	12/19/2016	0.885
14963	FEDERAL HOME LOAN BANK	3130A3B29	AA+	5,000,000	5,051,789	5,048,000	17,378	4/13/2017	1.197
14845	FEDERAL HOME LOAN BANK	3130A1LJ5	AA+	8,000,000	8,031,226	8,034,480	22,750	4/28/2017	1.436
14964	FEDERAL HOME LOAN BANK	3130A3J21	AA+	6,050,000	6,050,000	6,039,897	2,773	11/27/2017	0.558
14967	FED. HOME LOAN MTG. ASSOC.	3134G5PX7	AA+	4,630,000	4,630,000	4,618,842	3,183	11/27/2017	0.834
	<b>TOTAL SHORT TERM PORTFOLIO</b>			<b>277,147,000</b>	<b>277,870,363</b>	<b>277,747,866</b>	<b>578,127</b>		<b>0.34</b>
	<b>TOTAL CASH AND SHORT TERM PORTFOLIO</b>			<b>569,470,981</b>	<b>570,194,344</b>	<b>570,071,847</b>	<b>651,666</b>		<b>0.38</b>

ATTACHMENT A  
CITY OF LONG BEACH INVESTMENT PORTFOLIO  
As of December 31, 2014

Investment Number	Security Description	CUSIP Number	S&P	Par Value	Book Value	Market Value	Accrued Interest	Maturity Date	Market Yield
<b>INTERMEDIATE PORTFOLIO</b>									
14861	U.S. TREASURY NOTES	912828RZ5	AA+	25,000,000	25,001,776	25,000,000	28,872	1/15/2015	0.250
14911	FEDERAL HOME LOAN BANK	3133XBDM4	AA+	5,190,000	5,218,000	5,217,092	93,132	2/13/2015	0.269
14912	FEDERAL HOME LOAN BANK	313384CF4	AA+	8,000,000	7,998,881	7,999,411	-	2/23/2015	0.049
14937	FEDERAL NATIONAL MTG. ASSOC.	3135G0HG1	AA+	7,145,000	7,149,124	7,148,144	7,815	3/16/2015	0.164
14825	FEDERAL HOME LOAN BANK	3130A1DR6	AA+	10,000,000	9,998,966	9,998,500	3,507	3/20/2015	0.193
14840	U.S. TREASURY NOTES	912828MW7	AA+	7,000,000	7,040,867	7,040,740	44,712	3/31/2015	0.144
14832	FEDERAL HOME LOAN BANK	3130A1NY0	AA+	7,000,000	6,999,575	6,999,720	1,969	4/10/2015	0.140
14903	FEDERAL HOME LOAN BANK	3130A2LG9	AA+	10,000,000	9,999,534	9,998,500	2,700	4/10/2015	0.175
14910	FEDERAL HOME LOAN BANK	3130A1U97	AA+	10,000,000	9,999,455	9,998,500	2,153	4/29/2015	0.171
14941	U.S. TREASURY NOTES	912828MZ0	AA+	10,000,000	10,080,208	10,078,900	42,818	4/30/2015	0.118
14946	U.S. TREASURY NOTES	912828UY4	AA+	15,000,000	15,002,967	15,003,450	3,211	4/30/2015	0.056
14854	FEDERAL HOME LOAN BANK	3130A1WS3	AA+	10,000,000	10,000,000	9,997,500	1,806	5/8/2015	0.196
14855	FEDERAL HOME LOAN BANK	3130A1WS3	AA+	10,000,000	9,999,759	9,997,500	1,806	5/8/2015	0.196
14952	FEDERAL HOME LOAN BANK	313384FH7	AA+	15,000,000	14,995,767	14,996,296	-	5/8/2015	0.069
14958	FEDERAL HOME LOAN BANK	313384FN4	AA+	12,000,000	11,995,820	11,996,920	-	5/13/2015	0.069
14857	FEDERAL HOME LOAN BANK	3130A1Z43	AA+	10,000,000	9,999,748	9,997,400	1,632	5/14/2015	0.195
14953	FEDERAL HOME LOAN BANK	3130A3H31	AA+	10,000,000	10,000,347	9,996,500	13	5/14/2015	0.096
14956	U.S. TREASURY BILLS	912796FH7	AA+	15,000,000	14,996,675	14,997,150	-	5/14/2015	0.051
14955	U.S. TREASURY NOTES	912828JU5	AA+	15,000,000	15,010,393	15,010,500	4,869	5/15/2015	0.062
14867	FEDERAL HOME LOAN BANK	3130A2AV8	AA+	10,000,000	9,999,496	9,996,000	938	6/4/2015	0.219
14886	FEDERAL FARM CREDIT BANK	3133EDNE8	AA+	10,000,000	9,998,284	9,997,700	506	6/17/2015	0.180
14889	FEDERAL HOME LOAN BANK	3130A2G83	AA+	10,000,000	10,000,000	9,997,600	283	6/25/2015	0.220
14656	U.S. TREASURY NOTES	912828NLO	AA+	3,500,000	3,527,997	3,530,065	181	6/30/2015	0.156
14812	FED. HOME LOAN MTG. ASSOC.	3134G4TH1	AA+	8,000,000	8,003,315	8,002,000	11,533	7/8/2015	0.252
14976	U.S. TREASURY NOTES	912828TD2	AA+	10,000,000	10,005,749	10,006,300	11,549	7/15/2015	0.133
14934	FED. HOME LOAN MTG. ASSOC.	313396KK8	AA+	7,000,000	6,994,094	6,994,260	-	8/14/2015	0.131
14975	FEDERAL NATIONAL MTG. ASSOC.	313588KK0	AA+	10,000,000	9,991,250	9,991,800	-	8/14/2015	0.131
14935	FED. HOME LOAN MTG. ASSOC.	3134G3ZA1	AA+	7,700,000	7,716,595	7,713,244	13,154	8/28/2015	0.238
14977	FEDERAL HOME LOAN BANK	313383V81	AA+	5,900,000	5,907,478	5,905,133	7,559	8/28/2015	0.243
14890	FEDERAL FARM CREDIT BANK	3133EDNB4	AA+	8,000,000	7,998,442	7,996,480	4,729	9/9/2015	0.254
14927	FED. HOME LOAN MTG. ASSOC.	3137EACM9	AA+	10,000,000	10,106,831	10,102,500	53,958	9/10/2015	0.266
14932	FEDERAL HOME LOAN BANK	3130A33A0	AA+	10,000,000	9,999,069	9,993,800	5,667	9/18/2015	0.287
14938	TIME CD - Union Bank	N A	AA+	10,000,000	10,000,000	9,981,597	5,500	9/23/2015	0.454
14926	FEDERAL NATIONAL MTG. ASSOC.	31359MZC0	AA+	7,555,000	7,802,015	7,799,706	69,779	10/15/2015	0.262
14885	FEDERAL NATIONAL MTG. ASSOC.	31398A4M1	AA+	10,000,000	10,108,247	10,113,800	29,340	10/26/2015	0.234
14965	U.S. TREASURY NOTES	912828WB2	AA+	10,000,000	10,009,952	9,999,200	4,282	10/31/2015	0.260
14969	FEDERAL NATIONAL MTG. ASSOC.	31398A5R9	AA+	5,000,000	5,061,323	5,055,150	11,059	11/12/2015	0.345
14973	FED. HOME LOAN MTG. ASSOC.	3134G3W55	AA+	2,000,000	2,004,319	2,002,280	925	11/24/2015	0.323
14974	FEDERAL HOME LOAN BANK	313371NW2	AA+	4,575,000	4,624,897	4,617,044	3,495	12/11/2015	0.399
14793	FEDERAL HOME LOAN BANK	3130A0GK0	AA+	6,000,000	6,000,000	6,001,320	63	12/30/2015	0.353
14881	FEDERAL FARM CREDIT BANK	3133ECFV1	AA+	5,000,000	5,003,004	5,005,300	9,078	1/29/2016	0.331
14675	FEDERAL NATIONAL MTG. ASSOC.	3135G0XC2	AA+	7,000,000	7,000,000	6,961,850	3,792	8/22/2016	0.835

ATTACHMENT A  
CITY OF LONG BEACH INVESTMENT PORTFOLIO  
As of December 31, 2014

Investment Number	Security Description	CUSIP Number	S&P	Par Value	Book Value	Market Value	Accrued Interest	Maturity Date	Market Yield
14919	FED. HOME LOAN MTG. ASSOC.	3134G5GE9	AA+	5,000,000	5,000,000	4,985,100	9,896	8/26/2016	0.752
14686	FEDERAL NATIONAL MTG. ASSOC.	3135GQXR9	AA+	7,000,000	7,000,000	6,978,650	12,299	9/6/2016	0.733
14690	FEDERAL NATIONAL MTG. ASSOC.	3135GQXR9	AA+	7,000,000	6,997,833	6,978,650	12,299	9/6/2016	0.733
14826	FEDERAL HOME LOAN BANK	3130A1CD8	AA+	10,000,000	10,045,341	10,053,900	29,063	9/28/2016	0.813
14837	FEDERAL HOME LOAN BANK	3130A1CD8	AA+	8,000,000	8,043,120	8,043,120	23,250	9/28/2016	0.813
14892	FEDERAL HOME LOAN BANK	3130A1CD8	AA+	18,000,000	18,103,776	18,097,020	52,313	9/28/2016	0.813
14933	FEDERAL HOME LOAN BANK	3130A1CD8	AA+	10,000,000	10,048,676	10,053,900	29,063	9/28/2016	0.813
14979	FEDERAL HOME LOAN BANK	3130A1CD8	AA+	7,000,000	7,040,658	7,037,730	20,344	9/28/2016	0.813
14900	U.S. TREASURY NOTES	912828RJ1	AA+	5,000,000	5,037,549	5,036,700	12,775	9/30/2016	0.577
14643	FEDERAL HOME LOAN BANK	31338ZH9	AA+	10,000,000	10,000,000	9,980,100	15,644	10/3/2016	0.754
14888	FED. HOME LOAN MTG. ASSOC.	3134G5B87	AA+	8,200,000	8,200,000	8,185,978	12,277	10/14/2016	0.797
14951	FED. HOME LOAN MTG. ASSOC.	3134G5N9	AA+	13,000,000	13,000,000	12,934,610	5,850	11/25/2016	0.717
14848	FED. HOME LOAN MTG. ASSOC.	3134G5A11	AA+	5,300,000	5,300,000	5,299,417	3,401	11/28/2016	0.706
14984	FEDERAL HOME LOAN BANK	3130A3U85	AA+	5,800,000	5,800,000	5,796,230	129	12/30/2016	0.833
14925	FEDERAL HOME LOAN BANK	3130AZTX4	AA+	10,000,000	10,071,429	10,060,500	51,250	2/28/2017	1.215
14676	FEDERAL NATIONAL MTG. ASSOC.	3135G0VM2	AA+	8,000,000	8,010,187	7,970,720	17,833	3/14/2017	0.918
14823	FEDERAL HOME LOAN BANK	3130A1CR7	AA+	8,000,000	8,023,316	8,024,880	33,944	3/27/2017	1.483
14924	FED. HOME LOAN MTG. ASSOC.	3134G5AJ4	AA+	7,000,000	6,996,090	6,996,220	16,279	3/30/2017	0.944
14846	FEDERAL HOME LOAN BANK	3130A1TY4	AA+	10,000,000	10,038,525	10,040,200	19,167	5/15/2017	1.327
14689	FEDERAL NATIONAL MTG. ASSOC.	3135G0XF8	AA+	4,000,000	3,992,772	3,953,880	3,033	5/22/2017	1.190
14681	FED. HOME LOAN MTG. ASSOC.	3134G3ZH6	AA+	10,000,000	10,039,704	10,006,000	43,333	7/25/2017	0.976
14827	FEDERAL NATIONAL MTG. ASSOC.	3136G0TC5	AA+	5,000,000	5,007,468	5,008,150	19,861	8/8/2017	0.936
14929	FED. HOME LOAN MTG. ASSOC.	3134G5HN8	AA+	5,000,000	5,000,000	4,999,900	6,597	9/26/2017	0.501
14866	FEDERAL NATIONAL MTG. ASSOC.	3136G0C74	AA+	1,800,000	1,803,954	1,803,438	4,700	9/27/2017	0.929
14980	FEDERAL HOME LOAN BANK	3130A3LQ5	AA+	7,000,000	6,993,759	6,991,040	1,167	12/19/2017	0.544
14968	FEDERAL HOME LOAN BANK	3130A3NQ3	AA+	6,000,000	6,000,000	5,981,820	625	12/26/2017	0.853
<b>TOTAL INTERMEDIATE PORTFOLIO</b>				<b>589,665,000</b>	<b>590,943,767</b>	<b>590,534,705</b>	<b>944,772</b>		<b>0.43</b>

LONG TERM PORTFOLIO									
Investment Number	Security Description	CUSIP Number	S&P	Par Value	Book Value	Market Value	Accrued Interest	Maturity Date	Market Yield
14250	WFC Advantage Govt. Money Mkt	VP4560000		26,132	26,132	26,132	445	1/1/2015	0.100
14283	U.S. TREASURY NOTES	912828MH0	AA+	11,000,000	11,015,803	11,018,480	103,573	1/31/2015	0.253
14169	FEDERAL HOME LOAN BANK	3133XWX95	AAA	5,000,000	5,008,919	5,025,250	41,250	3/13/2015	0.222
14340	FEDERAL HOME LOAN BANK	3133XWX95	AA+	1,000,000	1,003,808	1,005,050	8,250	3/13/2015	0.222
14401	FEDERAL HOME LOAN BANK	313376ZQ1	AA+	10,500,000	10,495,129	10,503,465	11,813	3/13/2015	0.210
14662	FEDERAL HOME LOAN BANK	3133XWX95	AA+	1,150,000	1,155,729	1,155,808	9,488	3/13/2015	0.222
14596	U.S. TREASURY NOTES	912828SP6	AA+	10,550,000	10,552,781	10,558,229	8,478	4/15/2015	0.104
14607	FED. HOME LOAN MTG. ASSOC.	3137EADD8	AA+	10,400,000	10,405,357	10,409,880	10,689	4/17/2015	0.177
14300	FEDERAL NATIONAL MTG. ASSOC.	31398AU34	AA+	9,600,000	9,685,574	9,719,136	96,900	7/28/2015	0.214
14310	U.S. TREASURY NOTES	912828NP1	AA+	9,950,000	10,007,525	10,041,341	72,868	7/31/2015	0.177
14445	FEDERAL FARM CREDIT BANK	3133EADW5	AA+	10,900,000	10,896,201	10,919,620	22,315	8/17/2015	0.263
14299	FED. HOME LOAN MTG. ASSOC.	3137EACM9	AA+	9,425,000	9,484,206	9,521,606	50,856	9/10/2015	0.266
14387	FEDERAL NATIONAL MTG. ASSOC.	31398A4M1	AA+	10,225,000	10,290,999	10,341,361	30,000	10/26/2015	0.234
14586	FEDERAL HOME LOAN BANK	313380L96	AA+	9,925,000	9,934,980	9,939,590	5,652	11/20/2015	0.354
14594	FED. HOME LOAN MTG. ASSOC.	3134A4ZT4	AA+	9,000,000	9,409,301	9,414,180	192,375	1/19/2016	0.355

ATTACHMENT A  
CITY OF LONG BEACH INVESTMENT PORTFOLIO  
As of December 31, 2014

Investment Number	Security Description	CUSIP Number	S&P	Par Value	Book Value	Market Value	Accrued Interest	Maturity Date	Market Yield
14858	U.S. TREASURY NOTES	912828B82	AA+	10,350,000	10,345,312	10,337,063	8,792	2/29/2016	0.358
14356	FEDERAL HOME LOAN BANK	3133XFGT7	AA+	8,700,000	9,136,295	9,200,946	142,885	3/11/2016	0.532
14462	U.S. TREASURY NOTES	912828QA1	AA+	9,875,000	10,082,819	10,104,890	56,768	3/31/2016	0.377
14542	FEDERAL NATIONAL MTG. ASSOC.	3135G0BA0	AA+	9,300,000	9,515,834	9,529,245	49,083	4/11/2016	0.478
14494	FED. HOME LOAN MTG. ASSOC.	3137EACT4	AA+	9,490,000	9,738,451	9,758,282	22,407	5/27/2016	0.439
14859	U.S. TREASURY NOTES	912828VL1	AA+	10,400,000	10,430,744	10,420,280	30,027	7/15/2016	0.498
14560	U.S. TREASURY NOTES	912828RF9	AA+	11,000,000	11,094,295	11,082,500	37,376	8/31/2016	0.546
14416	FEDERAL NATIONAL MTG. ASSOC.	3135G0CM3	AA+	10,500,000	10,500,724	10,607,205	33,906	9/28/2016	0.659
14800	FED. HOME LOAN MTG. ASSOC.	3137EADS5	AA+	10,200,000	10,221,906	10,238,046	19,090	10/14/2016	0.664
14842	U.S. TREASURY NOTES	912828WF3	AA+	10,150,000	10,135,264	10,150,812	8,236	11/15/2016	0.621
14523	FEDERAL HOME LOAN BANK	3133XHZK1	AA+	9,250,000	9,964,148	10,015,900	18,307	12/16/2016	0.496
14822	U.S. TREASURY NOTES	912828SC5	AA+	11,400,000	11,440,655	11,432,946	41,743	1/31/2017	0.735
14668	FEDERAL FARM CREDIT BANK	3133ECKC7	AA+	8,500,000	8,505,973	8,459,965	14,273	3/28/2017	0.863
14815	FEDERAL NATIONAL MTG. ASSOC.	3135G0JA2	AA+	10,725,000	10,790,124	10,784,846	21,450	4/27/2017	0.882
14780	U.S. TREASURY NOTES	912828SY7	AA+	11,800,000	11,757,382	11,732,740	6,484	5/31/2017	0.864
14667	FEDERAL FARM CREDIT BANK	3133ECKV5	AA+	8,400,000	8,404,651	8,332,212	4,247	6/5/2017	1.037
14644	FEDERAL HOME LOAN BANK	313379DD8	AA+	10,600,000	10,675,792	10,608,692	2,944	6/21/2017	0.966
14711	FEDERAL HOME LOAN BANK	313379DD8	AA+	950,000	947,868	950,779	264	6/21/2017	0.966
14732	FED. HOME LOAN MTG. ASSOC.	3137EADJ5	AA+	10,750,000	10,702,880	10,745,915	45,688	7/28/2017	1.015
14876	U.S. TREASURY NOTES	912828TM2	AA+	7,625,000	7,545,398	7,552,334	16,193	8/31/2017	0.988
14381	U.S. TREASURY NOTES	325,000	AA+	325,000	321,466	321,903	690	8/31/2017	0.988
14735	FEDERAL HOME LOAN BANK	313370SZ2	AA+	9,350,000	9,597,150	9,623,581	66,034	9/8/2017	1.141
14791	FEDERAL NATIONAL MTG. ASSOC.	3135G0PQ0	AA+	11,000,000	10,910,632	10,907,050	17,378	10/26/2017	1.180
14921	FED. HOME LOAN MTG. ASSOC.	3137EABA6	AA+	9,100,000	10,132,835	10,129,756	57,001	11/17/2017	1.118
14942	U.S. TREASURY NOTES	912828UA6	AA+	10,475,000	10,387,731	10,340,815	5,755	11/30/2017	1.073
14835	FEDERAL NATIONAL MTG. ASSOC.	3135G0RT2	AA+	10,600,000	10,488,142	10,493,682	2,834	12/20/2017	1.220
14909	FED. HOME LOAN MTG. ASSOC.	3137EADN6	AA+	11,000,000	10,821,771	10,842,150	38,729	1/12/2018	1.234
14701	FEDERAL NATIONAL MTG. ASSOC.	3135G0TG8	AA+	11,100,000	10,825,484	10,972,794	38,580	2/8/2018	1.253
14721	FEDERAL HOME LOAN BANK	313378A43	AA+	4,345,000	4,321,668	4,355,558	18,587	3/9/2018	1.297
14722	FEDERAL HOME LOAN BANK	313378A43	AA+	5,505,000	5,476,246	5,518,377	23,549	3/9/2018	1.297
14939	FEDERAL NATIONAL MTG. ASSOC.	3135G0WJ8	AA+	10,350,000	10,141,936	10,177,880	10,063	5/21/2018	1.379
14978	U.S. TREASURY NOTES	912828VE7	AA+	8,000,000	7,957,790	7,922,480	7,033	5/31/2018	1.291
14959	FED. HOME LOAN MTG. ASSOC.	3137EABP3	AA+	9,960,000	11,175,740	11,133,985	24,278	6/13/2018	1.366
<b>TOTAL LONG TERM PORTFOLIO</b>				<b>419,726,132</b>	<b>423,867,548</b>	<b>424,384,736</b>	<b>1,555,625</b>		<b>0.70</b>
<b>TOTAL PORTFOLIO</b>				<b>1,578,862,113</b>	<b>1,585,005,659</b>	<b>1,584,991,289</b>			<b>0.48</b>