



# CITY OF LONG BEACH

# R-14

DEPARTMENT OF FINANCIAL MANAGEMENT

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May 20, 2014

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Receive and file the Investment Report for Quarter Ending March 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 March 31, 2014, these funds had a book value of approximately \$1.330 billion.

Approximately \$733 million of the total investment pool, or approximately 54 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 Manager, the Deputy City Auditor, Deputy City Attorney, Director of Financial Management, City Treasurer, City Controller, Budget and Performance 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 rates the City's investment portfolio at AA Af and one of the lowest volatility ratings of S1. This rating confirms the safety of the City's invested funds and qualifies the investment pool as an alternative investment for proceeds from bonds issued by the City.

**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 (excluding the Health Select Auction Variable Rate Securities loan) 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 0.28 percent (annualized). Book yield represents the return received on the total investment portfolio on an annualized basis.

On March 31, 2014, the City's investment pool market yield was 0.39 percent (annualized) with a weighted average maturity of less than one year. During the quarter, all benchmark indices were higher than the previous quarter. The following table summarizes the City's investment pool market yield and performance for the quarter ending March 31, 2014:

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

Investment Portfolio Funds	Amount of Funds	Quarter End Values		
		Benchmark Return*	Market Yield*	Over/(Under) Benchmark
Short-Term Pool	\$ 589,312,551	0.03 percent	0.31 percent	0.28 percent
Intermediate-Term Pool	\$ 317,219,730	0.13 percent	0.38 percent	0.25 percent
Long-Term Pool	\$ 423,653,716	0.45 percent	0.52 percent	0.07 percent
Total Pool	\$ 1,330,185,997	0.19 percent	0.39 percent	0.20 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 March 31, 2014, market and book value of the total investment portfolio was approximately \$1.330 billion, with a difference of approximately \$300 thousand (unrealized gain) that represents the excess market value of the portfolio over book value on that date.

### **Quarterly Investment Activity**

Over \$77 million in new short-term investment transactions (excluding LAIF transactions) were executed. The weighted average book yield of the total transactions was approximately 0.19 percent (annualized). There were no sales of securities in the short-term portfolio during the quarter.

Over \$154 million in new intermediate-term investment transactions were executed. The weighted average book yield of the total transactions was approximately 0.27 percent (annualized). There were no sales of securities in the intermediate-term portfolio during the quarter.

Over \$32 million in new long-term investment transactions were approved and executed. The weighted average book yield of the total transactions was approximately 0.77 percent (annualized). There were no sales in the long-term portfolio during the quarter. The City's Investment Advisor, Chandler Asset Management, manages the long-term portfolio through activity pre-approved by the City Treasurer or a designated representative before executing trades.

As of March 31, 2014, the City's investment in the State Treasurer's Local Agency Investment Fund (LAIF) pool was approximately \$120.5 million.

### **Investment Strategies**

The City has adopted 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 a temporary strategy to benchmark 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 Amy Webber on April 16, 2014 and by Budget Management Officer Victoria Bell on April 22, 2014.

### **TIMING CONSIDERATIONS**

This item is not time critical.

HONORABLE MAYOR AND CITY COUNCIL  
May 20, 2014  
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FISCAL IMPACT

There is no fiscal impact or local job impact associated with the submission of this report.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

JG:DSN:DT  
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ATTACHMENT A – INVESTMENT PORTFOLIO AS OF MARCH 31, 2014

APPROVED:



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PATRICK H. WEST  
CITY MANAGER

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

FUND NO.	INVEST. NO.	SECURITY DESCRIPTION	S&P	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	MARKET YIELD
		UNION BANK N.A.		161,420,185	161,420,185	161,420,185	0	04/01/14	0.60
		BANK OF AMERICA		33,880,159	33,880,159	33,880,159	0	04/01/14	0.35
		LOCAL AGENCY INVESTMENT FUND		120,477,726	120,477,726	120,477,726	67,037	04/01/14	0.23
		TOTAL CASH AND EQUIVALENTS		315,778,070	315,778,070	315,778,070	67,037	1	0.43
97	14799	U.S. TREASURY BILLS	AA+	20,000,000	19,999,933	20,000,000	0	04/03/14	0.060
97	14754	FEDERAL HOME LOAN BANK	AA+	20,000,000	19,999,500	19,999,889	0	04/11/14	0.018
97	14704	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	6,999,697	6,999,930	0	04/14/14	0.026
97	14768	FEDERAL HOME LOAN BANK	AA+	8,000,000	7,999,957	7,999,920	3,333	05/01/14	0.112
97	14726	U.S. TREASURY BILLS	AA+	10,000,000	9,999,333	9,999,800	0	05/01/14	0.023
97	14755	FED. HOME LOAN MTG. ASSOC.	AA+	20,000,000	19,997,850	19,999,200	0	05/14/14	0.033
97	14725	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,000,000	9,998,567	9,999,600	0	05/14/14	0.033
97	14730	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,000,000	10,029,303	10,029,400	94,444	05/15/14	0.093
97	14813	U.S. TREASURY BILLS	AA+	20,000,000	19,999,389	19,999,400	0	05/15/14	0.024
97	14728	FED. HOME LOAN MTG. ASSOC.	AA+	6,000,000	5,999,183	5,999,760	0	05/20/14	0.029
97	14797	FEDERAL HOME LOAN BANK	AA+	6,000,000	6,000,000	6,000,360	2,480	05/27/14	0.081
97	14756	U.S. TREASURY NOTES	AA+	10,000,000	10,002,432	10,003,100	8,379	05/31/14	0.065
97	14804	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,998,581	9,999,392	0	06/13/14	0.030
97	14697	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,998,909	10,000,800	3,576	06/18/14	0.088
97	14763	FEDERAL NATIONAL MTG. ASSOC.	AA+	5,000,000	5,011,913	5,012,400	14,688	06/27/14	0.086
97	14767	FEDERAL HOME LOAN BANK	AA+	8,000,000	7,999,342	8,000,320	1,660	07/08/14	0.075
97	14811	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,999,471	10,001,000	1,694	07/30/14	0.070
97	14759	U.S. TREASURY NOTES	AA+	10,000,000	10,014,129	10,016,000	6,215	08/15/14	0.077
97	14750	FED. HOME LOAN MTG. ASSOC.	AA+	8,000,000	8,027,985	8,023,760	7,556	08/27/14	0.267
97	14746	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,999,361	10,001,700	972	09/03/14	0.085
97	14747	FEDERAL HOME LOAN BANK	AA+	10,000,000	10,001,010	10,003,300	614	09/18/14	0.099
97	14787	FEDERAL NATIONAL MTG. ASSOC.	AA+	6,000,000	6,000,179	6,000,840	6,333	01/15/16	0.492
97	14814	FEDERAL NATIONAL MTG. ASSOC.	AA+	5,000,000	5,000,656	5,000,700	5,278	01/15/16	0.492
97	14678	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,000,000	6,992,650	17,593	04/25/16	0.631
97	14805	FEDERAL HOME LOAN BANK	AA+	5,000,000	5,000,000	4,997,800	6,028	07/29/16	0.719
97	14816	FED. HOME LOAN MTG. ASSOC.	AA+	7,500,000	7,501,800	7,493,550	6,125	08/19/16	0.736
97	14687	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,000,000	6,978,230	14,875	12/19/16	0.866
97	14688	FEDERAL NATIONAL MTG. ASSOC.	AA+	8,000,000	8,002,145	7,981,680	12,639	07/26/17	0.945
		SHORT-TERM TERM PORTFOLIO		273,500,000	273,580,625	273,534,481	214,483	199	0.171
		TOTAL CASH AND SHORT - TERM PORTFOLIO		589,278,070	589,358,696	589,312,551	281,521	93	0.311

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

FUND NO.	INVEST. NO.	SECURITY DESCRIPTION	S&P	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	MARKET YIELD
99	14817	U.S. TREASURY BILLS	AA+	15,000,000	14,999,425	14,999,700	0	04/24/14	0.030
99	14808	U.S. TREASURY BILLS	AA+	20,000,000	19,999,167	19,999,600	0	05/01/14	0.023
99	14821	U.S. TREASURY BILLS	AA+	20,000,000	19,998,972	19,999,400	0	05/08/14	0.028
99	14803	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,999,667	10,000,900	1,861	07/24/14	0.071
99	14708	FEDERAL HOME LOAN BANK	AA+	7,000,000	6,999,601	7,002,590	2,438	07/25/14	0.073
99	14790	FED. HOME LOAN MTG. ASSOC.	AA+	4,825,000	4,869,731	4,869,342	25,331	07/28/14	0.170
99	14798	FED. HOME LOAN MTG. ASSOC.	AA+	4,890,000	4,906,911	4,904,523	4,618	08/27/14	0.267
99	14762	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,305,000	10,365,751	10,368,685	9,876	09/08/14	0.082
99	14751	FEDERAL NATIONAL MTG. ASSOC.	AA+	8,000,000	8,193,058	8,195,360	170,611	10/15/14	0.091
99	14761	FEDERAL HOME LOAN BANK	AA+	7,000,000	6,998,667	7,000,070	3,573	11/04/14	0.123
99	14752	FEDERAL HOME LOAN BANK	AA+	8,000,000	8,002,254	8,005,120	6,720	11/07/14	0.103
99	14785	U.S. TREASURY BILLS	AA+	10,000,000	9,992,624	9,995,800	0	11/13/14	0.067
99	14769	FEDERAL HOME LOAN BANK	AA+	7,000,000	6,997,970	7,001,960	3,233	11/18/14	0.081
99	14807	FEDERAL HOME LOAN BANK	AA+	7,000,000	6,999,670	7,000,280	1,906	11/21/14	0.134
99	14765	FED. HOME LOAN MTG. ASSOC.	AA+	8,000,000	8,030,538	8,022,160	21,000	11/25/14	0.323
99	14810	FED. HOME LOAN MTG. ASSOC.	AA+	6,541,000	6,549,543	6,543,420	7,377	12/05/14	0.295
99	14742	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,000,000	10,039,882	10,044,600	21,250	12/19/14	0.127
99	14809	FED. HOME LOAN MTG. ASSOC.	AA+	4,802,000	4,818,715	4,814,005	7,670	12/29/14	0.289
99	14825	FEDERAL HOME LOAN BANK	AA+	10,000,000	9,995,431	9,994,000	382	03/20/15	0.187
99	14556	U.S. TREASURY NOTE(Pledged to Consent Agreement)	AA+	3,500,000	3,570,771	3,573,955	16,497	06/30/15	0.184
99	14812	FED. HOME LOAN MTG. ASSOC.	AA+	8,000,000	8,008,102	8,002,960	5,533	07/08/15	0.271
99	14723	FED. HOME LOAN MTG. ASSOC.	AA+	5,000,000	5,001,898	5,004,900	2,917	08/19/15	0.429
99	14724	FED. HOME LOAN MTG. ASSOC.	AA+	6,000,000	6,000,000	6,005,640	3,000	08/21/15	0.382
99	14635	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,002,910	7,010,220	16,053	10/09/15	0.384
99	14661	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,000,000	10,000,000	9,995,400	15,833	10/29/15	0.404
99	14793	FEDERAL HOME LOAN BANK	AA+	6,000,000	6,000,000	5,987,760	5,688	12/30/15	0.492
99	14801	FED. HOME LOAN MTG. ASSOC.	AA+	5,000,000	5,000,000	5,001,650	6,125	07/28/16	0.686
99	14675	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,000,000	6,964,860	12,542	08/22/16	0.712
99	14686	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,000,000	6,975,080	2,674	09/06/16	0.698

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INVESTMENT PORTFOLIO  
As of March 31, 2014

FUND NO.	INVEST. NO.	SECURITY DESCRIPTION	S&P	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	MARKET YIELD
99	14690	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	6,988,833	6,975,080	2,674	09/06/16	0.698
99	14826	FEDERAL HOME LOAN BANK	AA+	10,000,000	10,091,191	10,072,400	938	09/28/16	0.831
99	14643	FEDERAL HOME LOAN BANK	AA+	10,000,000	10,000,000	9,971,900	31,644	10/03/16	0.753
99	14782	FEDERAL NATIONAL MTG. ASSOC.	AA+	7,000,000	7,007,467	6,972,980	18,375	11/25/16	0.898
99	14796	FED. HOME LOAN MTG. ASSOC.	AA+	5,000,000	5,000,000	4,999,300	9,444	01/23/17	1.005
99	14676	FEDERAL NATIONAL MTG. ASSOC.	AA+	8,000,000	8,013,656	7,946,560	2,833	03/14/17	0.980
99	14823	FEDERAL HOME LOAN BANK	AA+	8,000,000	8,096,516	8,094,240	1,444	03/27/17	1.222
99	14689	FEDERAL NATIONAL MTG. ASSOC.	AA+	4,000,000	3,984,324	3,930,280	10,033	05/22/17	1.268
99	14681	FED. HOME LOAN MTG. ASSOC.	AA+	10,000,000	10,017,347	9,961,300	18,333	07/25/17	1.119
99	14827	FEDERAL NATIONAL MTG. ASSOC.	AA+	5,000,000	5,016,759	5,011,750	7,361	08/08/17	0.929
		<b>INTERMEDIATE TERM PORTFOLIO</b>		<b>316,863,000</b>	<b>317,557,349</b>	<b>317,219,730</b>	<b>477,787</b>	<b>459</b>	<b>0.378</b>
FUND NO.	INVEST. NO.	SECURITY DESCRIPTION	S&P	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	MARKET YIELD
98	14250	WFC Advantage Govt Money Mkt	AA+	231,180	231,180	231,180	184	04/01/14	0.100
98	14168	FEDERAL FARM CREDIT BANK	AA+	10,000,000	10,005,620	10,011,300	118,854	04/17/14	0.081
98	14056	FED. HOME LOAN MTG. ASSOC.	AA+	10,000,000	10,009,480	10,014,800	109,722	04/23/14	0.077
98	14235	U.S. TREASURY NOTES	AA+	10,500,000	10,504,513	10,511,865	39,738	05/15/14	0.091
98	14255	FEDERAL HOME LOAN BANK	AA+	9,900,000	9,909,558	9,919,998	46,509	05/28/14	0.099
98	14624	U.S. TREASURY NOTES	AA+	7,325,000	7,333,113	7,335,328	16,149	06/15/14	0.074
98	14173	FED. HOME LOAN MTG. ASSOC.	AA+	9,950,000	9,997,878	10,041,441	52,238	07/28/14	0.170
98	14311	FED. HOME LOAN MTG. ASSOC.	AA+	10,000,000	10,008,877	10,029,500	11,389	08/20/14	0.235
98	14254	FEDERAL NATIONAL MTG. ASSOC.	AA+	9,325,000	9,411,704	9,447,624	11,656	09/16/14	0.129
98	14355	U.S. TREASURY NOTES	AA+	10,200,000	10,208,045	10,222,746	23,538	10/15/14	0.088
98	14213	FEDERAL FARM CREDIT BANK	AA+	10,700,000	10,717,484	10,802,399	63,271	11/19/14	0.113
98	14622	U.S. TREASURY NOTES	AA+	4,500,000	4,499,870	4,505,085	3,307	12/15/14	0.090
98	14625	U.S. TREASURY NOTES	AA+	2,950,000	2,949,869	2,953,334	2,168	12/15/14	0.090
98	14283	U.S. TREASURY NOTES	AA+	11,000,000	11,160,660	11,194,260	41,022	01/31/15	0.138
98	14169	FEDERAL HOME LOAN BANK	AA+	5,000,000	5,042,365	5,122,500	6,875	03/13/15	0.168
98	14340	FEDERAL HOME LOAN BANK	AA+	1,000,000	1,018,090	1,024,500	1,375	03/13/15	0.168
98	14662	FEDERAL HOME LOAN BANK	AA+	1,150,000	1,177,211	1,178,175	1,581	03/13/15	0.168
98	14401	FEDERAL HOME LOAN BANK	AA+	10,500,000	10,476,864	10,519,845	1,969	03/13/15	0.176
98	14596	U.S. TREASURY NOTES	AA+	10,550,000	10,560,134	10,574,687	18,260	04/15/15	0.150
98	14607	FED. HOME LOAN MTG. ASSOC.	AA+	10,400,000	10,419,002	10,433,280	23,689	04/17/15	0.193

ATTACHMENT A  
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INVESTMENT PORTFOLIO  
As of March 31, 2014

FUND NO.	INVEST. NO.	SECURITY DESCRIPTION	S&P	PAR VALUE	BOOK VALUE	MARKET VALUE	ACCRUED INTEREST	MATURITY DATE	MARKET YIELD
98	14300	FEDERAL NATIONAL MTG. ASSOC.	AA+	9,600,000	9,797,192	9,871,680	39,900	07/28/15	0.234
98	14310	U.S. TREASURY NOTES	AA+	9,950,000	10,082,497	10,157,159	28,861	07/31/15	0.190
98	14445	FEDERAL FARM CREDIT BANK	AA+	10,900,000	10,891,662	10,943,382	7,161	08/17/15	0.260
98	14299	FED. HOME LOAN MTG. ASSOC.	AA+	9,425,000	9,548,405	9,625,753	9,621	09/10/15	0.269
98	14387	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,225,000	10,351,405	10,434,408	71,540	10/26/15	0.316
98	14586	FEDERAL HOME LOAN BANK	AA+	9,925,000	9,943,426	9,943,659	18,058	11/20/15	0.385
98	14594	FED. HOME LOAN MTG. ASSOC.	AA+	9,000,000	9,701,659	9,711,180	85,500	01/19/16	0.342
98	14356	FEDERAL HOME LOAN BANK	AA+	8,700,000	9,410,247	9,508,143	25,979	03/11/16	0.565
98	14462	U.S. TREASURY NOTES	AA+	9,875,000	10,208,423	10,230,698	607	03/31/16	0.439
98	14542	FEDERAL NATIONAL MTG. ASSOC.	AA+	9,300,000	9,642,519	9,651,912	104,302	04/11/16	0.497
98	14494	FED. HOME LOAN MTG. ASSOC.	AA+	9,490,000	9,871,024	9,892,091	81,719	05/27/16	0.521
98	14560	U.S. TREASURY NOTES	AA+	11,000,000	11,136,944	11,097,130	9,565	08/31/16	0.631
98	14416	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,500,000	10,501,036	10,647,735	1,094	09/28/16	0.680
98	14800	FED. HOME LOAN MTG. ASSOC.	AA+	10,200,000	10,231,104	10,230,804	41,402	10/14/16	0.755
98	14523	FEDERAL HOME LOAN BANK	AA+	9,250,000	10,237,652	10,211,353	128,151	12/16/16	0.859
98	14822	U.S. TREASURY NOTES	AA+	11,400,000	11,455,346	11,414,250	16,533	01/31/17	0.830
98	14668	FEDERAL FARM CREDIT BANK	AA+	8,500,000	8,507,972	8,415,510	307	03/28/17	0.988
98	14815	FEDERAL NATIONAL MTG. ASSOC.	AA+	10,725,000	10,811,157	10,778,732	51,614	04/27/17	0.959
98	14780	U.S. TREASURY NOTES	AA+	11,800,000	11,744,079	11,663,592	24,718	05/31/17	0.997
98	14667	FEDERAL FARM CREDIT BANK	AA+	8,400,000	8,406,088	8,297,184	18,783	06/05/17	1.093
98	14644	FEDERAL HOME LOAN BANK	AA+	10,600,000	10,698,786	10,574,560	29,444	06/21/17	1.076
98	14711	FEDERAL HOME LOAN BANK	AA+	950,000	947,221	947,720	2,639	06/21/17	1.076
98	14732	FED. HOME LOAN MTG. ASSOC.	AA+	10,750,000	10,689,155	10,701,625	18,813	07/28/17	1.138
98	14735	FEDERAL HOME LOAN BANK	AA+	9,350,000	9,666,158	9,676,876	13,441	09/08/17	1.208
98	14791	FEDERAL NATIONAL MTG. ASSOC.	AA+	11,000,000	10,886,859	10,843,470	41,441	10/26/17	1.284
98	14701	FEDERAL NATIONAL MTG. ASSOC.	AA+	11,100,000	10,759,128	10,865,568	14,299	02/08/18	1.440
98	14721	FEDERAL HOME LOAN BANK	AA+	4,345,000	4,316,180	4,335,528	3,651	03/09/18	1.432
98	14722	FEDERAL HOME LOAN BANK	AA+	5,505,000	5,469,483	5,492,999	4,626	03/09/18	1.432
		<b>LONG TERM PORTFOLIO</b>		416,946,180	421,554,323	422,238,546	1,487,264	654	0.52
98	14352	Health Savors Loan	N/A	1,415,171	1,415,171	1,415,171	578	04/22/19	0.490
		<b>TOTAL PORTFOLIO</b>		1,324,502,421	1,329,885,540	1,330,185,997	2,247,150	360	0.39
		Unrealized gain/(loss)				300,458			