LONG BEACH
TRANSIT

Agenda Item No. 7
July 28, 2014

SUBJECT
Quarterly Investment Report

BACKGROUND

Under the provisions of Section 53600 et seq. of the California government code, Long Beach Public Transportation Company is required to submit a quarterly report of our investment holdings to all Board members.

Attached is the Quarterly Investment Report as of June 30, 2014. The Company's assets are held at the State's Local Agency Investment Fund (LAIF), Bank of America general and payroll accounts, Wells Fargo worker's compensation account and the Corporate Investment Account which contains investment vehicles similarly structured to LAIF.

Our cash and investment balance at June 30, 2014 increased by $882,259 when compared to the prior quarter. This increase is primarily attributed to the receipt of Measure R and Proposition 1B funds.

Our objectives in this financial market continue to be to preserve principal and maintain liquidity. Meeting these objectives requires us to assume less portfolio risk resulting in lower investment returns.

The $64.5 million total cash and investment balance includes $39.5 million in restricted funds. The restricted funds are designated for various capital grants and self-insurance programs. These funds are held until related expenditures are incurred.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Quarterly Investment Report

As of June 30, 2014

	September 30, 2013 Amount Invested	December 31, 2013 Amount Invested	March 31, 2014 Amount Invested	June 30, 2014 Amount Invested
Cash on Hand				
Bank Accounts:				
General	$557,836	$5,857,473	$862,936	$1,730,411
Workers Compensation	$218,341	$295,989	$276,786	$229,260
Payroll	$377,446	$1,441,217	$487,954	$244,775
Investments				
Local Agency Investment Fund (LAIF)	$34,438,230	$29,931,599	$36,151,685	$36,384,622
Money Market Funds: Fidelity Municipal	$667,118	$1,149,927	$287,564	$180,081
Corporate Investment Account	$21,129,989	$24,703,106	$25,580,207	$25,760,242
Total Cash & Investments	$57,388,960	$63,379,311	$63,647,132	$64,529,391

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Effective Yield												
LAIF	0.27%	0.27%	0.26%	0.27%	0.26%	0.26%	0.24%	0.24%	0.24%	0.23%	0.23%	0.23%
90 - Day Treasury Bill	0.04%	0.05%	0.02%	0.04%	0.06%	0.07%	0.04%	0.05%	0.04%	0.03%	0.03%	0.04%
Portfolio Return (Time weighted by Month)												
Investments	0.01%	-0.08%	-0.22%	0.07%	-0.02%	0.33%	0.27%	-0.18%	0.03%	0.11%	0.10%	0.05%

* See attached listing for investment account details provided by Fidelity and investment manager Halbert Hargrove

The Company's investment portfolio is in compliance with the Statement of Investment Policy and does not impede the Company from meeting its expenditure requirements over the next six months.

LONG BEACH PUBLIC TRANSPORTATION COMPANY

Corporate Investment Account

As of June 30, 2014

Corporate Bonds	Due	Market Value	Cost Basis	Duration (yrs)	Rating
AMAZON.COM INC	11/27/2015	$ 700,406	$ 699,331	1.40	AA-
AMERIPRISE FINL INC	11/15/2015	$ 369,078	$ 391,738	1.33	A
AMGEN INC	5/15/2017	$ 717,458	$ 718,028	2.78	A
ANHEUSER-BUSCH INBEV WOR	11/15/2014	$ 712,586	$ 759,150	0.37	A
BELLSOUTH CORP	9/15/2014	$ 706,839	$ 753,657	0.04	A-
BERKSHIRE HATHAWAY FIN	1/15/2015	$ 614,862	$ 629,404	0.53	AA
GENERAL ELECTRIC CAP CORP	5/1/2018	$ 802,081	$ 803,134	3.47	AA+
GOLDMAN SACHS GROUP INC	10/1/2014	$ 708,036	$ 760,419	0.25	A-
MERRILL LYNCH CO INC MTN BE	7/15/2014	$ 701,511	$ 739,690	0.04	A-
PRUDENTIAL FINANCIAL INC.	1/15/2015	$ 721,308	$ 768,662	0.53	A
TARGET CORP	7/15/2016	$ 772,527	$ 798,157	1.91	A
	Corporate Bonds Total	$ 7,526,693	$ 7,821,370		

Government & Government Agency Bonds	Due	Market Value	Cost Basis	Duration (yrs)	Rating
FEDERAL HM LOAN BKS	6/17/2016	$ 1,499,055	$ 1,500,010	1.95	AA+
FEDERAL HM LN BK	9/11/2015	$ 1,323,608	$ 1,333,550	1.18	AA+
FEDERAL FARM CR BKS CONS BD	11/9/2015	$ 1,252,163	$ 1,250,735	1.35	AA+
FEDERAL HM LOAN BKS CONS BD	11/17/2017	$ 1,692,330	$ 1,716,378	3.13	AA+
FEDERAL HM LOAN BK	6/12/2015	$ 1,002,550	$ 1,003,207	0.95	AA+
FEDERAL NATL MTG ASSN	5/27/2015	$ 1,253,450	$ 1,255,835	0.91	AA+
FEDERAL NATL MTG ASSN	5/26/2016	$ 998,380	$ 1,000,010	1.90	AA+
FEDERAL NATL MTG ASSN	5/25/2018	$ 996,470	$ 981,260	3.77	AA+
FEDERAL NATL MTG ASSN	9/28/2015	$ 1,276,500	$ 1,289,648	1.23	AA+
FEDERAL NATL MTG ASSN	11/14/2016	$ 996,760	$ 999,510	2.35	AA+
FEDERAL NATL MTG ASSN	11/14/2017	$ 990,880	$ 998,510	3.31	AA+
FEDERAL HOME LN MTG CORP	1/16/2019	$ 1,000,730	$ 1,000,010	4.55	AA+
FEDERAL NATL MTG ASSN	2/19/2019	$ 1,773,380	$ 1,758,228	4.40	AA+
U.S. TREASURY NOTE	5/31/2016	$ 1,025,310	$ 1,026,885	1.89	AA+
U.S. TREASURY NOTE	12/31/2014	$ 1,000,190	$ 997,276	0.50	AA+
	Government & Government Agency Bonds	$ 18,081,756	$ 18,111,052		

Total Market Value	$ 25,608,449
Accrued Interest - Fidelity	$ 151,793
Total Investment Value	**$ 25,760,242**

BILL LOCKYER
TREASURER
STATE OF CALIFORNIA

PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
07/01/14	0.24	0.24	246
07/02/14	0.24	0.24	246
07/03/14	0.24	0.24	244
07/04/14	0.24	0.24	244
07/05/14	0.24	0.24	244
07/06/14	0.24	0.24	244
07/07/14	0.24	0.24	241
07/08/14	0.24	0.24	240
07/09/14	0.24	0.24	239
07/10/14	0.24	0.24	238
07/11/14	0.24	0.24	238
07/12/14	0.24	0.24	238
07/13/14	0.24	0.24	238
07/14/14	0.25	0.24	249

*Daily yield does not reflect capital gains or losses

LAIF Performance Report

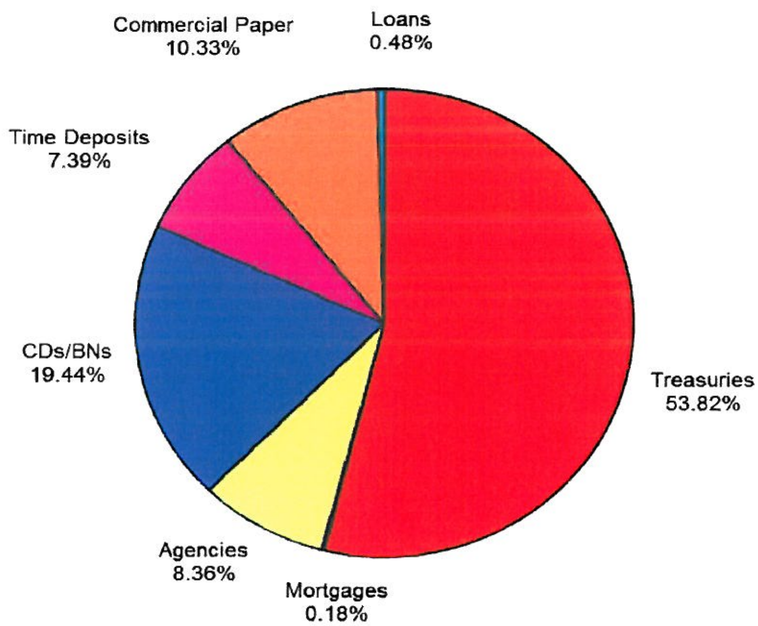
Quarter Ending 06/30/14

Apportionment Rate:	0.22%
Earnings Ratio:	.00000606145493377
Fair Value Factor:	1.00029875
Daily:	0.23%
Quarter To Date:	0.23%
Average Life:	232

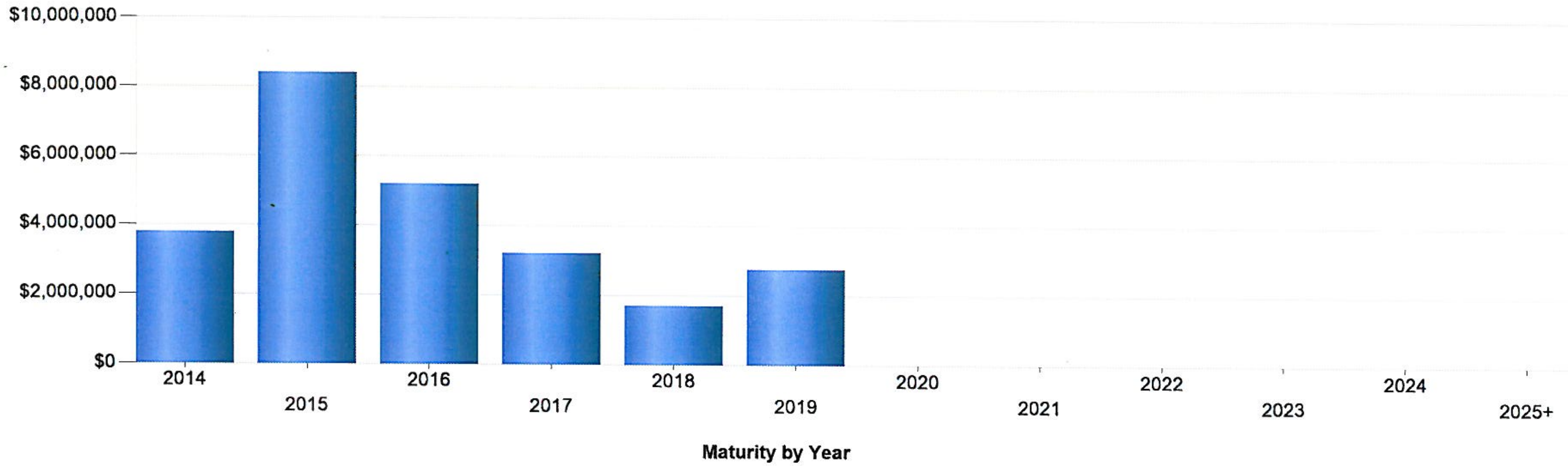
PMIA Average Monthly Effective Yields

JUN 2014	**0.228%**
MAY 2014	0.228%
APR 2014	0.233%

Pooled Money Investment Account
Portfolio Composition
$64.8 Billion
06/30/14



BOND AND NOTE ANALYSIS



Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
Redeems in 2014	3,800,000.00	3,871,032.51	148,425.00	1.0%
Merrill Lynch Co Inc Mtn Be 07/15/2014 5.450%	700,000.00	701,511.30	38,150.00	1.1%
Accrued Income		17,591.39		
Bellsouth Corp Bonds 09/15/2014 5.200%	700,000.00	706,839.00	36,400.00	0.7%
Accrued Income		10,717.78		
Goldman Sachs Group Inc Notes 10/01/2014 5.000%	700,000.00	708,036.00	35,000.00	2.6%
Accrued Income		8,750.00		
Anheuser Busch Inbev Worldwide 11/15/2014 5.375%	700,000.00	712,586.00	37,625.00	0.7%
Accrued Income		4,807.64		
United States Treas Nts 12/31/2014 0.125%	1,000,000.00	1,000,190.00	1,250.00	0.3%
Accrued Income		3.40		

BOND AND NOTE ANALYSIS

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
Redeems in 2015	8,396,000.00	8,565,269.01	160,599.00	0.5%
Berkshire Hathaway Fin Corp 01/15/2015 4.850%	600,000.00	614,862.00	29,100.00	0.4%
Accrued Income		13,418.33		
Prudential Finl Inc Mtns Book 01/15/2015 6.200%	700,000.00	721,308.00	43,400.00	0.9%
Accrued Income		20,012.22		
Federal Natl Mtg Assn 05/27/2015 0.500%	1,250,000.00	1,253,450.00	6,250.00	0.3%
Accrued Income		590.28		
Federal Home Loan Banks 06/12/2015 0.500%	1,000,000.00	1,002,550.00	5,000.00	0.3%
Accrued Income		263.89		
Federal Home Loan Banks 09/11/2015 1.750%	1,300,000.00	1,323,608.00	22,750.00	0.3%
Accrued Income		6,951.39		
Federal Natl Mtg Assn 09/28/2015 2.000%	1,250,000.00	1,276,500.00	25,000.00	0.6%
Accrued Income		6,458.33		
Federal Farm Cr Bks Cons Bd 11/09/2015 0.400%	1,250,000.00	1,252,162.50	5,000.00	0.4%
Accrued Income		722.22		
Ameriprise Financial Inc Senior Note 11/15/2015 5.650%	346,000.00	369,078.20	19,549.00	2.8%
Accrued Income		2,497.93		
Amazon Com Inc Sr Nt 11/27/2015 0.650%	700,000.00	700,406.00	4,550.00	0.7%
Accrued Income		429.72		
Redeems in 2016	5,200,000.00	5,314,090.62	77,125.00	0.6%
Federal Natl Mtg Assn 05/26/2016 0.550% Call 11/26/2014 100.00	1,000,000.00	998,380.00	5,500.00	0.5%
Accrued Income		534.72		

BOND AND NOTE ANALYSIS

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
Redeems in 2016	**5,200,000.00**	**5,314,090.62**	**77,125.00**	**0.6%**
United States Treas Nts 05/31/2016 1.750%	1,000,000.00	1,025,310.00	17,500.00	0.4%
Accrued Income		1,482.24		
Federal Home Loan Banks 06/17/2016 0.450% Call 09/17/2014 100.00	1,500,000.00	1,499,055.00	6,750.00	0.4%
Accrued Income		262.50		
Target Corp Notes Make Whole 07/15/2016 5.875%	700,000.00	772,527.00	41,125.00	1.1%
Accrued Income		18,963.19		
Federal Natl Mtg Assn 11/14/2016 0.625% Call 08/14/2014 100.00	1,000,000.00	996,760.00	6,250.00	0.6%
Accrued Income		815.97		
Redeems in 2017	**3,200,000.00**	**3,412,910.36**	**98,875.00**	**1.1%**
Amgen Inc Bond 05/15/2017 2.125%	700,000.00	717,458.00	14,875.00	1.2%
Accrued Income		1,900.69		
Federal Natl Mtg Assn 11/14/2017 0.900% Call 08/14/2014 100.00	1,000,000.00	990,880.00	9,000.00	0.9%
Accrued Income		1,175.00		
Federal Home Ln Bks Cons Bd 11/17/2017 5.000%	1,500,000.00	1,692,330.00	75,000.00	1.1%
Accrued Income		9,166.67		
Redeems in 2018	**1,700,000.00**	**1,806,613.50**	**54,375.00**	**1.8%**
General Elec Cap Corp Mtn Be 05/01/2018 5.625%	700,000.00	802,081.00	39,375.00	1.7%
Accrued Income		6,562.50		
Federal Natl Mtg Assn 05/25/2018 1.500% Call 08/25/2014 100.00	1,000,000.00	996,470.00	15,000.00	1.9%
Accrued Income		1,500.00		

BOND AND NOTE ANALYSIS

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
Redeems in 2019	2,750,000.00	2,795,307.92	52,812.50	1.9%
Federal Home Ln Mtg Corp 01/16/2019 2.000% Call 07/16/2014 100.00	1,000,000.00	1,000,730.00	20,000.00	2.0%
Accrued Income		9,166.67		
Federal Natl Mtg Assn 02/19/2019 1.875%	1,750,000.00	1,773,380.00	32,812.50	1.8%
Accrued Income		12,031.25		
Total	**25,046,000.00**	**25,765,223.92**	**592,211.50**	**0.9%**