

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 December 31, 2013. 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 December 31, 2013 increased by \$2 million when compared to the prior quarter. This increase is primarily attributed to the receipt of operating subsidies.

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 \$63.4 million total cash and investment balance includes \$38.5 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 December 31, 2013**

	March 31, 2013			June 30, 2013			September 30, 2013			December 31, 2013		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Cash on Hand</b>												
Bank Accounts:												
General		\$2,496,506			\$13,073,714			\$557,836			\$5,857,473	
Workers Compensation		\$267,137			\$308,937			\$218,341			\$295,989	
Payroll		\$897,982			\$1,265,818			\$377,446			\$1,441,217	
<b>Investments</b>												
Local Agency												
Investment Fund (LAIF)		\$22,663,580			\$22,429,267			\$34,438,230			\$29,931,599	
Money Market Funds:												
Fidelity Municipal		\$667,118			\$228,191			\$174,265			\$1,149,927	
Corporate Investment Account *		\$21,129,989			\$21,515,824			\$25,659,293			\$24,703,106	
<b>Total Cash &amp; Investments</b>		<b>\$48,122,312</b>			<b>\$58,821,751</b>			<b>\$61,425,411</b>			<b>\$63,379,311</b>	
<b>Effective Yield</b>												
LAIF	0.30%	0.29%	0.29%	0.24%	0.25%	0.26%	0.27%	0.27%	0.26%	0.27%	0.26%	0.26%
90 - Day Treasury Bill	0.07%	0.10%	0.09%	0.06%	0.04%	0.05%	0.04%	0.05%	0.02%	0.04%	0.06%	0.07%
<b>Portfolio Return (Time weighted by Month)</b>												
Investments	-0.17%	0.08%	0.05%	0.01%	-0.08%	-0.22%	0.07%	-0.02%	0.33%	0.16%	0.08%	-0.17%

\* 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 December 31, 2013

Corporate Bonds	Due	Market Value	Cost Basis	Duration (yrs)	Rating
AMAZON.COM INC	11/27/2015	\$ 699,685	\$ 699,331	1.89	AA-
AMERIPRISE FINL INC	11/15/2015	\$ 375,784	\$ 391,738	1.79	A
ANHEUSER-BUSCH INBEV WOR	11/15/2014	\$ 729,071	\$ 759,150	0.86	A
BELLSOUTH CORP	9/15/2014	\$ 722,827	\$ 753,657	0.69	A-
BERKSHIRE HATHAWAY FIN	1/15/2015	\$ 628,032	\$ 629,404	1.01	AA
GENERAL ELECTRIC CAP CORP	5/13/2014	\$ 714,161	\$ 761,834	0.37	AA+
GOLDMAN SACHS GROUP INC	10/1/2014	\$ 722,253	\$ 760,419	0.74	A-
JPMORGAN CHASE & CO.	6/1/2014	\$ 712,257	\$ 750,911	0.42	A
MERRILL LYNCH CO INC MTN BE	7/15/2014	\$ 718,267	\$ 739,690	0.52	A-
PRUDENTIAL FINANCIAL INC.	1/15/2015	\$ 739,165	\$ 768,662	0.99	A
TARGET CORP	7/15/2016	\$ 787,696	\$ 798,157	2.34	A+
<b>Corporate Bonds Total</b>		<b>\$ 7,549,197</b>	<b>\$ 7,812,953</b>		

Government & Government Agency Bonds	Due	Market Value	Cost Basis	Duration (yrs)	Rating
FEDERAL HM LOAN BKS	9/25/2017	\$ 1,253,588	\$ 1,253,885	3.59	AA+
FEDERAL HM LN BK	9/11/2015	\$ 1,329,848	\$ 1,333,550	1.66	AA+
FEDERAL FARM CR BKS CONS BD	11/9/2015	\$ 1,250,163	\$ 1,250,735	1.85	AA+
FEDERAL HM LOAN BKS CONS BD	11/17/2017	\$ 1,141,170	\$ 1,149,103	3.56	AA+
FEDERAL HM LOAN BKS CONS BD	3/13/2015	\$ 1,287,350	\$ 1,305,985	1.18	AA+
FEDERAL NATL MTG ASSN	5/27/2015	\$ 1,253,313	\$ 1,255,835	1.40	AA+
FEDERAL NATL MTG ASSN	5/26/2016	\$ 997,260	\$ 1,000,010	2.38	AA+
FEDERAL NATL MTG ASSN	5/25/2018	\$ 989,890	\$ 981,260	4.23	AA+
FEDERAL NATL MTG ASSN	9/28/2015	\$ 1,282,463	\$ 1,289,648	1.71	AA+
FEDERAL NATL MTG ASSN	11/14/2016	\$ 995,320	\$ 999,510	2.84	AA+
FEDERAL NATL MTG ASSN	11/14/2017	\$ 980,450	\$ 998,510	3.78	AA+
US TREASURY NOTE	5/31/2014	\$ 2,001,180	\$ 2,000,010	0.41	AA+
US TREASURY NOTE	12/31/2014	\$ 999,690	\$ 997,276	1.00	AA+
U.S. TREASURY NOTE	2/15/2016	\$ 1,248,825	\$ 1,250,003	2.11	AA+
<b>Government &amp; Government Agency Bonds</b>		<b>\$ 17,010,508</b>	<b>\$ 17,065,320</b>		

**Total Market Value** \$ 24,559,705  
**Accrued Interest - Fidelity** \$ 143,401  
**Total Investment Value** \$ 24,703,106

**BILL LOCKYER  
TREASURER  
STATE OF CALIFORNIA**

**LOCAL AGENCY INVESTMENT FUND (LAIF)**

**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
1/15/2014	0.24	0.26	231
1/16/2014	0.24	0.25	233
1/17/2014	0.24	0.25	232
1/18/2014	0.24	0.25	232
1/19/2014	0.24	0.25	232
1/20/2014	0.24	0.25	232
1/21/2014	0.24	0.25	231
1/22/2014	0.24	0.25	229
1/23/2014	0.23	0.25	228
1/24/2014	0.23	0.25	227
1/25/2014	0.23	0.25	227
1/26/2014	0.23	0.25	227
1/27/2014	0.23	0.25	224
1/28/2014	0.23	0.25	222

\*Daily yield does not reflect capital gains or losses

**LAIF Performance Report**

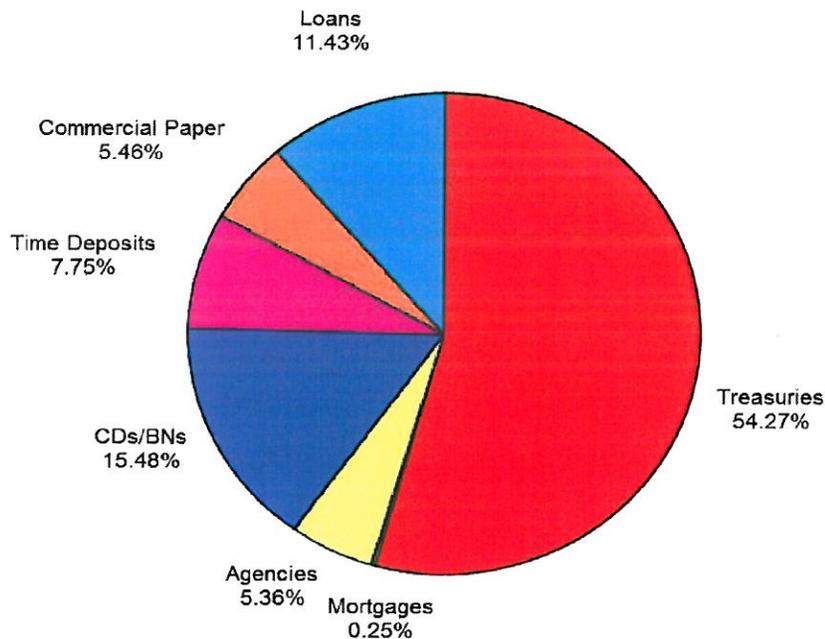
**Quarter Ending 12/31/2013**

Apportionment Rate: 0.26%  
 Earnings Ratio: .00000700426120353  
 Fair Value Factor: 1.00028762  
     Daily: 0.26%  
 Quarter To Date: 0.26%  
 Average Life: 209

**PMIA Average Monthly Effective Yields**

**DEC 2013 0.264%**  
 NOV 2013 0.263%  
 OCT 2013 0.266%

Pooled Money Investment Account  
 Portfolio Composition  
 \$57.7 Billion  
 12/31/13







## BOND AND NOTE ANALYSIS

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
<b>Redeems in 2014</b>				
Goldman Sachs Group Inc Notes 10/01/2014 5.000%	7,200,000.00	7,370,395.52	227,275.00	2.6%
Accrued Income	700,000.00	722,253.00	35,000.00	
Anheuser Busch Inbev Worldwide 11/15/2014 5.375%	700,000.00	8,750.00	37,625.00	0.7%
Accrued Income		4,885.01		
United States Treas Nts 12/31/2014 0.125%	1,000,000.00	999,690.00	1,250.00	0.3%
Accrued Income		3.45		
<b>Redeems in 2015</b>				
Berkshire Hathaway Fin Corp 01/15/2015 4.850%	8,646,000.00	8,907,468.93	189,974.00	0.4%
Accrued Income	600,000.00	628,032.00	29,100.00	
Prudential Finl Inc Mtns Book 01/15/2015 6.200%	700,000.00	13,442.93	43,400.00	0.9%
Accrued Income		20,048.91		
Federal Home Ln Bks Cons Bd 03/13/2015 2.750%	1,250,000.00	1,287,350.00	34,375.00	0.3%
Accrued Income		10,312.50		
Federal Natl Mtg Assn 05/27/2015 0.500%	1,250,000.00	1,253,312.50	6,250.00	0.3%
Accrued Income		604.28		
Federal Home Loan Banks 09/11/2015 1.750%	1,300,000.00	1,329,848.00	22,750.00	0.3%
Accrued Income		7,038.67		
Federal Natl Mtg Assn 09/28/2015 2.000%	1,250,000.00	1,282,462.50	25,000.00	0.6%
Accrued Income		6,560.77		
Federal Farm Cr Bks Cons Bd 11/09/2015 0.400%	1,250,000.00	1,250,162.50	5,000.00	0.4%
Accrued Income		732.04		



**BOND AND NOTE ANALYSIS**

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
<b>Redeems in 2015</b>				
Ameriprise Financial Inc Senior Note 11/15/2015 5.650%	8,646,000.00	8,907,468.93	189,974.00	2.8%
Accrued Income	346,000.00	375,783.68	19,549.00	
Amazon Com Inc Sr Nt 11/27/2015 0.650%	700,000.00	2,497.93	4,550.00	0.7%
Accrued Income		429.72		
<b>Redeems in 2016</b>				
United States Treas Nts 02/15/2016 0.375%	3,950,000.00	4,051,210.43	57,562.50	0.4%
Accrued Income	1,250,000.00	1,248,825.00	4,687.50	
Federal Natl Mtg Assn 05/26/2016 0.550%	1,000,000.00	1,770.55	5,500.00	0.5%
Call 11/26/2014 100.00		997,260.00		
Accrued Income		546.96		
Target Corp Notes Make Whole 07/15/2016 5.875%	700,000.00	787,696.00	41,125.00	1.1%
Accrued Income		18,963.19		
Federal Natl Mtg Assn 11/14/2016 0.625%	1,000,000.00	995,320.00	6,250.00	0.6%
Call 02/14/2014 100.00				
Accrued Income		828.73		
<b>Redeems in 2017</b>				
Federal Home Loan Banks 09/25/2017 1.625%	3,250,000.00	3,388,115.30	79,312.50	1.5%
Call 03/25/2014 100.00	1,250,000.00	1,253,587.50	20,312.50	
Accrued Income		5,498.96		
Federal Natl Mtg Assn 11/14/2017 0.900%	1,000,000.00	980,450.00	9,000.00	0.9%
Call 02/14/2014 100.00				
Accrued Income		1,193.37		



## BOND AND NOTE ANALYSIS

Description	Principal	Value	Annual Income	Yield to Maturity (Cost)
<b>Redeems in 2017</b>				
Federal Home Ln Bks Cons Bd 11/17/2017 5.000%	3,250,000.00	3,388,115.30	79,312.50	1.1%
Accrued Income	1,000,000.00	1,141,170.00	50,000.00	
		6,215.47		
<b>Redeems in 2018</b>				
Federal Natl Mtg Assn 05/25/2018 1.500%	1,000,000.00	991,423.15	15,000.00	1.9%
Call 02/25/2014 100.00	1,000,000.00	989,890.00	15,000.00	
Accrued Income		1,533.15		
<b>Redeems in 2019</b>				
Federal Home Ln Mtg Corp 01/16/2019 2.000%	1,000,000.00	994,490.00	20,000.00	2.0%
Call 07/16/2014 100.00	1,000,000.00	994,490.00	20,000.00	
<b>Total</b>	<b>25,046,000.00</b>	<b>25,703,103.33</b>	<b>589,124.00</b>	<b>0.9%</b>