



**City of Laguna Woods**  
**City Treasurer's Report**  
 For the Month Ended February 29, 2020

ITEM 6.2

**CASH AND INVESTMENTS**

|   | Beginning<br>Balances<br>As of 1/31/20 | Earnings &<br>Receipts | Disbursements       | Purchases,<br>Transfers &<br>Other<br>Adjustments | Ending<br>Balances<br>As of 2/29/20 | % of Total Cash<br>& Investment<br>Balances | Maximum %<br>Allowed per<br>Investment<br>Policy |
|---|--|------------------------|---------------------|---|-------------------------------------|---|--|
| <b>Cash and Cash Equivalents</b>                                      |  |                        |                     |   |                                     |   |  |
| Analyzed Checking Account (Note 1)                                    | \$ 647,994                             | \$ 330,247             | \$ (652,718)        | \$ -  | \$ 325,523                          | 2.91%                                       |  |
| Cash Balances, Multi-Bank Securities (MBS) Account (Note 4)           | \$ 250,724                             | \$ 3,329               | \$ (5,724)          | \$ (245,000)                                      | \$ 3,329                            | 0.03%                                       |  |
| Earned Interest in Transit and Accrued Interest, MBS Account (Note 4) | \$ 10,555                              | \$ 5,533               | \$ (3,329)          | \$ -  | \$ 12,759                           | 0.11%                                       |  |
| Petty Cash  | \$ 1,480                               | \$ 20                  | \$ (150)            | \$ -  | \$ 1,350                            | 0.01%                                       |  |
| <b>Total Cash and Cash Equivalents</b>                                | <b>\$ 910,753</b>                      | <b>\$ 339,129</b>      | <b>\$ (661,921)</b> | <b>\$ (245,000)</b>                               | <b>\$ 342,962</b>                   | <b>3.07%</b>                                | <b>100.00%</b>                                   |
| <b>Pooled Money Investment Accounts</b>                               |  |                        |                     |   |                                     |   |  |
| Local Agency Investment Fund (LAIF) (Notes 2 and 3)                   | \$ 6,115,678                           | \$ -                   | \$ -                | \$ -  | \$ 6,115,678                        | 54.69%                                      |  |
| Orange County Investment Pool (OCIP) (Notes 2 and 3)                  | \$ 2,136,017                           | \$ -                   | \$ -                | \$ -  | \$ 2,136,017                        | 19.10%                                      |  |
| <b>Total Pooled Money Investment Accounts</b>                         | <b>\$ 8,251,695</b>                    | <b>\$ -</b>            | <b>\$ -</b>         | <b>\$ -</b>                                       | <b>\$ 8,251,695</b>                 | <b>73.79%</b>                               | <b>90.00%</b>                                    |
| <b>Investments - Interest and Income Bearing</b>                      |  |                        |                     |   |                                     |   |  |
| Certificates of Deposit (fair value) (Note 2 and 4)                   | \$ 2,332,228                           | \$ -                   | \$ -                | \$ 255,563  | \$ 2,587,790                        | 23.14%                                      |  |
| <b>Total Investments - Interest and Income Bearing</b>                | <b>\$ 2,332,228</b>                    | <b>\$ -</b>            | <b>\$ -</b>         | <b>\$ 255,563</b>                                 | <b>\$ 2,587,790</b>                 | <b>23.14%</b>                               | <b>30.00%</b>                                    |
| <b>TOTAL</b>  | <b>\$ 11,494,675</b>                   | <b>\$ 339,129</b>      | <b>\$ (661,921)</b> | <b>\$ 10,563</b>                                  | <b>\$ 11,182,446</b>                | <b>100.00%</b>                              |  |

Summary of Total Cash, Cash Equivalents, and Investments:

|  | General Fund        | Special<br>Revenue Funds | Totals               |
|--|---------------------|--------------------------|----------------------|
| Analyzed Checking Account                                    | \$ (1,121,946)      | \$ 1,447,469             | \$ 325,523           |
| Cash Balances, MBS Account                                   | \$ 3,329            | \$ -                     | \$ 3,329             |
| Earned Interest in Transit and Accrued Interest, MBS Account | \$ 12,759           | \$ -                     | \$ 12,759            |
| Petty Cash   | \$ 1,350            | \$ -                     | \$ 1,350             |
| LAIF   | \$ 6,115,678        | \$ -                     | \$ 6,115,678         |
| OCIP   | \$ 2,136,017        | \$ -                     | \$ 2,136,017         |
| Certificates of Deposit                                      | \$ 2,587,790        | \$ -                     | \$ 2,587,790         |
| <b>Totals</b>  | <b>\$ 9,734,977</b> | <b>\$ 1,447,469</b>      | <b>\$ 11,182,446</b> |

(See NOTES on Page 3 of 3)



**City of Laguna Woods**  
**City Treasurer's Report**  
**For the Month Ended February 29, 2020**

ITEM 6.2

**CASH AND INVESTMENTS**

| CUSIP  | Investment # | Issuer                           | Term      | Purchase Date | Settlement Date | Par Value        | Market Value     | Book Value       | Stated Rate (Note 4) | Coupon Type | 1st Coupon Date | Rating or Rank (*) | Yield to Maturity 365 Days | Maturity Date |
|--|--------------|----------------------------------|-----------|---------------|-----------------|------------------|------------------|------------------|----------------------|-------------|-----------------|--------------------|----------------------------|---------------|
| <b>Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)</b> |              |                                  |           |               |                 |                  |                  |                  |                      |             |                 |                    |                            |               |
| 38148PTD9  | 2017-6       | GOLDMAN SACHS BANK USA           | 36 months | 11/16/17      | 11/22/17        | 245,000          | 246,068          | 245,000          | 2.050                | Semi-Annual | 05/22/18        | Green*             | 2.050                      | 11/23/20      |
| 61747ML58  | 2018-1       | MORGAN STANLEY BK N A SALT LAKE  | 36 months | 02/14/18      | 02/22/18        | 100,000          | 101,125          | 100,000          | 2.600                | Semi-Annual | 08/22/18        | Green***           | 2.600                      | 02/22/21      |
| 649447RJO  | 2018-3       | NEW YORK COMMUNITY BANK          | 24 months | 03/23/18      | 03/28/18        | 100,000          | 100,071          | 100,000          | 2.450                | Semi-Annual | 09/28/18        | Green***           | 2.450                      | 03/27/20      |
| 05580AMD3  | 2018-4       | BMW BANK NORTH AMERICA           | 36 months | 03/23/18      | 03/29/18        | 245,000          | 248,278          | 245,000          | 2.700                | Semi-Annual | 09/29/18        | Green***           | 2.700                      | 03/29/21      |
| 254673RS7  | 2018-5       | DISCOVER BANK (#5649)            | 36 months | 07/11/18      | 07/18/18        | 245,000          | 250,221          | 245,000          | 3.000                | Semi-Annual | 01/18/19        | Green***           | 3.000                      | 07/19/21      |
| 90348JEA4  | 2018-6       | UBS BANK USA                     | 48 months | 10/01/18      | 10/05/18        | 245,000          | 255,905          | 245,000          | 3.250                | Monthly     | 11/05/18        | Green***           | 3.250                      | 10/05/22      |
| 61760ARV3  | 2018-7       | MORGAN STANLEY PRIVATE BK NATL   | 60 months | 11/06/18      | 11/15/18        | 245,000          | 262,446          | 245,000          | 3.550                | Semi-Annual | 05/15/19        | Green***           | 3.550                      | 11/15/23      |
| 87164YQG2  | 2018-8       | SYNCHRONY BANK RETAIL/MORGAN     | 60 months | 05/19/17      | 05/19/17        | 100,000          | 102,028          | 97,859           | 2.470                | Semi-Annual | 11/19/17        | Green***           | 2.400                      | 05/19/22      |
| 02589AA28  | 2018-9       | AMERICAN EXPRESS NATL            | 60 months | 12/04/18      | 12/04/18        | 240,000          | 257,318          | 240,000          | 3.550                | Semi-Annual | 06/04/19        | Green***           | 3.550                      | 12/04/23      |
| 33715LCZ1  | 2018-10      | FIRST TECHNOLOGY FED CU MTN VIEW | 60 months | 12/07/18      | 12/12/18        | 245,000          | 263,257          | 245,000          | 3.600                | Monthly     | 01/12/19        | Green***           | 3.600                      | 12/12/23      |
| 949763ZA7  | 2019-1       | WELLS FARGO BK N A               | 60 months | 04/09/19      | 04/10/19        | 245,000          | 255,079          | 245,000          | 2.850                | Monthly     | 05/10/19        | Green*             | 2.850                      | 04/10/24      |
| 75472RBB6  | 2020-1       | RAYMOND JAMES BK NATL ASSN       | 60 months | 02/06/19      | 04/10/19        | 245,000          | 245,992          | 245,000          | 1.750                | Semi-Annual | 08/14/20        | Green***           | 1.750                      | 02/14/25      |
| Accrued Interest - Month End   |              |                                  |           |               |                 |                  | 12,759           |                  |                      |             |                 |                    |                            |               |
| <b>Total CDs</b>   |              |                                  |           |               |                 | <b>2,500,000</b> | <b>2,600,549</b> | <b>2,497,859</b> |                      |             |                 |                    |                            |               |

(\*) At the time of purchase and until September 2017, CDs were rated or ranked using an IDC Financial Publishing, Inc. (IDC) compiled ranking, and includes a one-number summary rank of quality comprised of 35 key financial ratios. Ranks range from 1 (the lowest) to 300 (the highest) and fall into one of the following six groups per Table 1. Post September 2017, CDs are ranked using the Veribanc Rating System, a two-part color code and star classification system which tests the present standing and future outlook by reviewing an institution's capital strength, asset quality, management ability, earnings sufficiency, liquidity, and sensitivity to market risk. Table 2 below summarizes the Veribanc color rankings. Veribanc star ratings of one to three, with three being best, are used to help review a possible future trend of an institutions health based on metrics from ten prior quarters. A rating of one, two, or three, are not necessarily an indicator of risk or an undesirable investment. The City reviews other rating systems and issuer financials before choosing any investment.

Table 1: CD Rankings (used prior to September 2017)

| IDC Rank | Group Meaning                  |
|----------|--------------------------------|
| 200-300  | Superior                       |
| 165-199  | Excellent                      |
| 125-164  | Average                        |
| 75-124   | Below Average                  |
| 2-74     | Lowest Ratios                  |
| 1        | Highest Probability of Failure |

Table 2: Veribanc Color Rankings (used post September 2017)

| Veribanc Rank | Color Meaning   |
|---------------|---|
| Green         | Highest rating, exceeds qualifications in equity and income tests   |
| Yellow        | Merits attention, meets minimal qualifications in equity and income tests                                   |
| Red           | Merits close attention, does not meet minimal qualifications for equity and has incurred significant losses |

**Government Pooled Money Investment Accounts (PMIA) (Notes 2 and 3)**

| CUSIP             | Investment # | Issuer                               | Term | Purchase Date | Settlement Date | Par Value        | Market Value     | Book Value       | Stated Rate | Coupon Type | 1st Coupon Date | Rating or Rank (*) | Yield to Maturity 365 Days | Maturity Date |
|-------------------|--------------|--------------------------------------|------|---------------|-----------------|------------------|------------------|------------------|-------------|-------------|-----------------|--------------------|----------------------------|---------------|
| N/A               | N/A          | Local Agency Investment Fund (LAIF)  | N/A  | Various       | Various         | 6,115,678        | 6,115,678        | 6,115,678        | Pending     | N/A         | N/A             | N/A                | N/A                        | N/A           |
| N/A               | N/A          | Orange County Investment Pool (OCIP) | N/A  | Various       | Various         | 2,136,017        | 2,136,017        | 2,136,017        | Pending     | N/A         | N/A             | N/A                | N/A                        | N/A           |
| <b>Total PMIA</b> |              |                                      |      |               |                 | <b>8,251,695</b> | <b>8,251,695</b> | <b>8,251,695</b> |             |             |                 |                    |                            |               |

(See NOTES on Page 3 of 3)



**City of Laguna Woods**  
**City Treasurer's Report**  
 For the Month Ended February 29, 2020

ITEM 6.2

**CASH AND INVESTMENTS**

|  | Beginning<br>Balances<br>As of 1/31/20 | Contributions /<br>(Withdrawals) | Administrative<br>Fees &<br>Investment<br>Expense | Unrealized Gain<br>/ (Loss) | Ending<br>Balances<br>As of 2/29/20 |
|--|--|----------------------------------|---|-----------------------------|-------------------------------------|
| <b>Other Post-Employment Benefits (OPEB) Trust</b>   |  |                                  |   |                             |                                     |
| CalPERS California Employers' Retiree Benefit Trust (CERBT)<br>(CERBT holds all assets and administers the OPEB Trust) | \$ 107,235                             | \$ -                             | \$ (7)  | \$ (1,160)                  | \$ 106,067                          |
| <b>Total Other Funds - Held in Trust</b>   | <u>\$ 107,235</u>                      | <u>\$ -</u>                      | <u>\$ (7)</u>                                     | <u>\$ (1,160)</u>           | <u>\$ 106,067</u>                   |

**Notes:**

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect February 2020 vendor invoicing processed after the date of this report.

Note 2 - During February 2020, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to or withdrawals from the LAIF account. The balance includes an adjustment in the amount of \$10,615.43 to report balances at fair market value as of June 2019.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of \$8,597.30 to report balances at fair market value as of June 2019.

Investments / Upon maturity of the Boston Private Bank Certificate of Deposit in December 2019, \$245,000 principal amount was received. The amount was re-invested in Raymond James Bank Certificate of Deposit for a 60 month term at a 1.750% yield rate. Investments were adjusted in the amount of \$10,562.50 to report balances at fair market value as of February 2020.

OPEB Trust / The City made no contributions to the OPEB Trust in February 2020. The Trust experienced a net loss of \$1,167.18 in February 2020.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported January 2020 net of related fees were:

| Pool | Earnings Post | Prior Period Earnings Deposited | Deposit for Period Ended | Current Month / Quarter Gross Yield | Current Month / Quarter Earnings Will Post | Notes  |
|------|---------------|---------------------------------|--------------------------|-------------------------------------|--|--|
| LAIF | Quarterly     | \$0                             | N/A                      | See Notes                           | April 2020                                 | Total pool interest for February 2020 was 1.912% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.  |
| OCIP | Monthly       | \$0                             | N/A                      | See Notes                           | See Notes                                  | The OCIP February 2020 statement had not been received at the time of this report; balance reported is as of January 31, 2020. Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at January 31, 2020 was \$10,798.03. January 2020 interest rate was 1.968% and fees were 0.059%. |

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$3,329.08 and transferred out \$5,723.61 in cash balances to the City's checking account in February 2020. Cash balances to be invested or paid out are classified separately on page 1 of 3. The City's portfolio also has \$12,759.21 in accrued interest, not yet vested.

**City Treasurer's Certification**

I, Elizabeth Torres, City Treasurer, do hereby certify:

- That all investment actions executed since the last report have been made in full compliance with the City's Investment of Financial Assets Policy; and
- That the City is able to meet all cash flow needs which might reasonably be anticipated for the next 12 months.

Elizabeth Torres, City Treasurer

3/12/20  
 Date