



City of Laguna Woods
City Treasurer's Report
For the Month Ended March 31, 2023

ITEM 6.2

CASH AND INVESTMENTS

	Beginning Balances As of 2/28/23	Earnings & Receipts	Disbursements	Purchases, Transfers & Other Adjustments	Ending Balances As of 3/31/23	% of Total Cash & Investment Balances	Maximum % Allowed per Investment Policy
Cash and Cash Equivalents							
Analyzed Checking Account (Note 1)	\$ 789,288	\$ 521,282	\$ (1,163,225)	\$ 600,000	\$ 747,345	5.55%	
Cash Balances, Multi-Bank Securities (MBS) Account (Note 2 and 4)	\$ 6,926	\$ 5,685	\$ (7,885)	\$ -	\$ 4,727	0.04%	
Earned Interest in Transit and Accrued Interest, MBS Account (Note 4)	\$ 15,141	\$ 11,334	\$ (5,685)	\$ -	\$ 20,789	0.15%	
Petty Cash	\$ 1,394	\$ 106	\$ (81)	\$ -	\$ 1,419	0.01%	
Laguna Woods Civic Support Fund Checking Account	\$ 51,002	\$ 0.21	\$ -	\$ -	\$ 51,002	0.38%	
Total Cash and Cash Equivalents	\$ 863,752	\$ 538,407	\$ (1,176,877)	\$ 600,000	\$ 825,282	6.13%	100.00%
Pooled Money Investment Accounts							
Local Agency Investment Fund (LAIF - fair value) (Notes 2 and 3)	\$ 2,959,364	\$ -	\$ -	\$ (1,200,000)	\$ 1,759,364	13.07%	
Orange County Investment Pool (OCIP - fair value) (Notes 2 and 3)	\$ 6,822,049	\$ 6,502	\$ (161)	\$ -	\$ 6,828,390	50.74%	
Total Pooled Money Investment Accounts	\$ 9,781,413	\$ 6,502	\$ (161)	\$ (1,200,000)	\$ 8,587,755	63.82%	90.00%
Investments - Interest and Income Bearing							
Certificates of Deposit - non-negotiable (fair value) (Note 2)	\$ 3,200,489	\$ -	\$ -	\$ 843,296	\$ 4,043,785	30.05%	
Total Investments - Interest and Income Bearing	\$ 3,200,489	\$ -	\$ -	\$ 843,296	\$ 4,043,785	30.05%	90.00%
TOTAL	\$ 13,845,654	\$ 544,909	\$ (1,177,038)	\$ 243,296	\$ 13,456,822	100.00%	

Summary of Total Cash, Cash Equivalents, and Investments:

	General Fund	Special Revenue Funds	Totals
Analyzed Checking Account	\$ (2,883,690)	\$ 3,631,035	\$ 747,345
Cash Balances, MBS Account	\$ 4,727	\$ -	\$ 4,727
Earned Interest in Transit and Accrued Interest, MBS Account	\$ 20,789	\$ -	\$ 20,789
Petty Cash	\$ 1,419	\$ -	\$ 1,419
LAIF	\$ 1,759,364	\$ -	\$ 1,759,364
OCIP	\$ 6,828,390	\$ -	\$ 6,828,390
Certificates of Deposit	\$ 4,043,785	\$ -	\$ 4,043,785
Laguna Woods Civic Support Fund Checking Account	\$ -	\$ 51,002	\$ 51,002
Totals	\$ 9,774,785	\$ 3,682,037	\$ 13,456,822

(See **NOTES** on Page 4 of 4)



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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
Money Funds and Certificate of Deposits (CDs, Federal Deposit Insurance Corporation [FDIC] Insured)														
61760ARV3	2018-7	MORGAN STANLEY PRIVATE BK NATL	60 months	11/06/18	11/15/18	245,000	242,692	245,000	3.550	Semi-Annual	05/15/19	Green***	3.550	11/15/23
02589AA28	2018-9	AMERICAN EXPRESS NATL	60 months	12/04/18	12/04/18	240,000	237,499	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	242,425	245,000	3.600	Monthly	01/12/19	Green***	3.600	12/12/23
052392CK1	2022-6	AUSTIN TELCO FED CR	12 months	12/09/22	12/16/22	245,000	244,934	245,000	5.100	Monthly	01/01/23	Green***	5.100	12/18/23
00833AAB6	2022-7	AFFINITY PLUS CR UN	12 months	12/15/22	12/27/22	245,000	244,912	245,000	5.100	Monthly	01/27/23	Green***	5.100	12/27/23
91334AAM5	2023-3	UNITED HERITAGE CR	12 months	03/07/23	03/21/23	200,000	200,164	200,000	5.200	Monthly	03/31/23	Green***	5.200	03/21/24
949763ZA7	2019-1	WELLS FARGO BK N A	60 months	04/09/19	04/10/19	245,000	239,480	245,000	2.850	Monthly	05/10/19	Green*	2.850	04/10/24
38150VBG3	2022-2	GOLDMAN SACHS BK USA	24 months	05/24/22	06/01/22	245,000	238,956	245,000	2.900	Semi-Annual	12/01/22	Green*	2.900	06/03/24
98138MBA7	2022-8	WORKERS FED CR UN	24 months	12/09/22	12/16/22	245,000	244,814	245,000	4.950	Monthly	01/16/23	Yellow**	4.950	12/16/24
75472RBB6	2020-1	RAYMOND JAMES BK NATL ASSN	60 months	02/06/20	02/14/20	245,000	231,015	245,000	1.750	Semi-Annual	08/14/20	Green***	1.750	02/14/25
59013KGG9	2020-2	MERRICK BANK	60 months	03/24/20	03/31/20	100,000	94,006	100,000	1.800	Monthly	05/01/20	Green***	1.800	03/31/25
14042TGG6	2022-1	CAPITAL ONE BK USA NATL ASSN	36 months	05/24/22	05/25/22	245,000	235,857	245,000	3.100	Semi-Annual	11/25/22	Green*	3.100	05/27/25
59524LAA4	2023-1	MID CAROLINA CR UN	36 months	03/07/23	03/13/23	200,000	200,482	200,000	4.850	Monthly	04/13/23	Green***	4.850	03/13/26
23204HNV6	2023-4	CUSTOMERS BK	36 months	03/30/23	03/31/23	245,000	245,676	245,000	5.000	Semi-Annual	09/30/23	Green**	5.000	03/31/26
32022RRG4	2022-4	1ST FINL BK USA	48 months	06/15/22	06/24/22	245,000	232,174	245,000	3.150	Monthly	07/24/22	Green*	3.150	06/24/26
50625LBN2	2022-3	LAFAYETTE FED CR	60 months	05/24/22	06/15/22	245,000	229,636	245,000	3.250	Monthly	07/15/22	Green***	3.250	06/15/27
14042RUX7	2022-5	CAPITAL ONE NATL ASSN	60 months	10/06/22	10/13/22	245,000	241,259	245,000	4.500	Semi-Annual	04/13/23	Green*	4.500	10/13/27
90355GCE4	2023-2	UBS BANK USA	60 months	03/07/23	03/08/23	200,000	197,804	200,000	4.600	Monthly	04/08/23	Green*	4.600	03/08/28
		Accrued Interest - Month End					20,789							
Total CDs						4,125,000	4,064,574	4,125,000						

(*) 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 beginning in 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 (Note 4)	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	1,771,485	1,759,364	1,771,485	Note 3	Quarterly	N/A	N/A	N/A	N/A
N/A	N/A	Orange County Investment Pool (OCIP)	N/A	Various	Various	6,971,881	6,828,390	6,971,881	Note 3	Monthly	N/A	N/A	N/A	N/A
Total PMIA						8,743,366	8,587,755	8,743,366						

(See NOTES on Page 4 of 4)



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	Beginning Balances As of 2/28/23	Contributions / (Withdrawals)	Administrative Fees & Investment Expense	Unrealized Gain / (Loss)	Ending Balances As of 3/31/23
Other Post-Employment Benefits (OPEB) Trust					
CalPERS California Employers' Retiree Benefit Trust (CERBT) (Note 2) <small>(CERBT holds all assets and administers the OPEB Trust)</small>	\$ 126,953	\$ -	\$ (9)	\$ 2,622	\$ 129,567
Employer Pension Contributions Trust					
CalPERS California Employers' Pension Prefunding Trust (CEPPT) (Note 2) <small>(CEPPT holds all assets and administers the Employer Pension Contributions Trust)</small>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Funds - Held in Trust	<u>\$ 126,953</u>	<u>\$ -</u>	<u>\$ (9)</u>	<u>\$ 2,622</u>	<u>\$ 129,567</u>

(See **NOTES** on Page 4 of 4)



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Notes:

Note 1 - Analyzed Checking Account / Monthly activity reported does not reflect March 2023 vendor invoicing processed after the date of this report. The Customers Bank CD noted in Note 2 below settled on March 31, however, the funds in the amount of \$245,000 were withdrawn from the checking account on April 3.

Note 2 - During March 2023, transaction activity in pooled money investment accounts, investment accounts and fiduciary trusts included:

LAIF / The City made no deposits to the LAIF account and withdrew \$1,200,000, which was deposited in the City's checking account for cash flow and investment purposes. The balance includes an adjustment in the amount of (\$12,120.51) to reflect the fair market value of the investment at June 30, 2022.

OCIP / The City made no deposits to or withdrawals from the OCIP account. The balance includes an adjustment in the amount of (\$143,491.10) to reflect the fair market value of the investment at June 30, 2022.

Investments / There were no maturities of investments. The City invested \$845,000 cash balance in four Certificates of Deposit: \$200,000 in a Mid Carolina Credit Union Certificate of Deposit for a 36 month term at a 4.850% yield rate, \$200,000 in a UBS Bank USA Certificate of Deposit for a 60 month term at a 4.600% yield rate, \$200,000 in a United Heritage Credit Certificate of Deposit for a 12 month term at a 5.200% yield rate, and \$245,000 in a Customers Bank Certificate Deposit for a 36 month term at a 5.000% yield rate. Investments were adjusted in the amount of (\$1,703.60) to report balances at fair market value as of March 31, 2023.

OPEB Trust / The City made no contributions to or withdrawals from the OPEB Trust. The OPEB Trust experienced a net gain of \$2,613.15 in March 2023.

Employer Pension Contributions Trust / In April 2021, the City elected to participate in the CEPPT. The City has not yet made contributions to the CEPPT.

Note 3 - Investment earnings on pooled money investment accounts deposited and reported in March 2023 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	\$0.00	See Notes	See Notes	April 2023	Total pool interest yield for March 2023 was 2.831% and the City's yield will be slightly lower based on allocation ratios and administrative fees to be deducted.
OCIP	Monthly	\$6,501.89	December 2022	See Notes	See Notes	Interest is posted three months in arrears and fees are posted monthly. Accrued interest pending payment at March 31, 2023 was \$43,982.92. March 31, 2023 interest rate was 3.283% and fees were 0.030%, for a net yield of 3.253%.

Note 4 - CDs / The stated earnings rate for CDs is a fixed rate for the full term. The City earned interest of \$5,685.47 and transferred out \$7,884.98 in cash balances to the City's checking account in March 2023. Cash balances to be invested or paid out are classified separately on page 1 of 4. The City's portfolio also has \$20,789.09 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.

 Digitally signed by
 Elizabeth Torres
 Date: 2023.04.13
 16:13:06 -07'00'

Elizabeth Torres, City Treasurer