

STAFF REPORT*CITY OF OCEANSIDE*

DATE: December 17, 2014
TO: Honorable Mayor and City Councilmembers
FROM: City Treasurer's Office
SUBJECT: **PRESENTATION OF TREASURER'S REPORT – QUARTER ENDED
SEPTEMBER 30, 2014**

SYNOPSIS

Staff recommends that the City Council accept the Treasurer's Report for the quarter ended September 30, 2014.

BACKGROUND

Since 1994 the City Treasurer has been making quarterly report presentations to City Council regarding the status of the investment portfolio. The last report was for the quarter and year ended June 30, 2014.

ANALYSIS

The quarterly Treasurer's report is intended to provide an awareness of the activity and performance of the City's investment portfolio. The goal of the Treasurer's Office is to make investments in conformance with the investment policy adopted by the City Council.

REVIEW OF QUARTER ENDED SEPTEMBER 30, 2014

For the quarter ended September 30, 2014, the City's portfolio had a book value of \$274,618,302 (book value is the cost of the security plus any amortization or accretion of premiums or discounts). The average yield to maturity of the portfolio was 1.034 percent, which has generated fiscal year to date accrued earnings of \$668,797.

The following table provides a rolling 12-month comparison of the portfolio by quarter:

**City of Oceanside
Portfolio Comparison
Rolling 12-Month Quarterly Comparison**

	Sept 30, 2014	June 30, 2014	Mar 31, 2014	Dec 31, 2013
Book Value	\$274,618,302	\$288,230,929	\$260,479,664	\$253,128,908
Market Value	\$273,133,915	\$287,391,191	\$258,225,201	\$250,406,617
Unrealized Gain/(Loss)	\$(1,484,387)	\$(839,738)	\$(2,254,463)	\$(2,722,291)
Unrealized Gain/(Loss) as a % of Book Value	(0.54%)	(0.29%)	(0.87%)	(1.08%)
Average Yield to Maturity	1.034%	0.944%	0.964%	0.933%
Liquidity 0 – 6 months	8.11	18.22%	12.19%	13.99%
Average Days to Maturity	1,068 (2.93 years)	982 (2.69 years)	1,127 (3.09 years)	1,107 (3.03 years)
Quarterly Earnings	\$668,797	\$659,309	\$622,852	\$584,232
Qtr Capital Gain/(Loss)	\$5,048	\$15,466	\$21,599	\$100

During the first fiscal quarter the portfolio's book value decreased by \$13.6 million. This decline is expected during the first quarter of each fiscal year. From July through September, the City has greater cash disbursements than cash receipts and utilizes portfolio liquidity to bridge the gap. Unrealized losses in the portfolio continue to fluctuate due to volatility in bond prices. As long as the City's fixed income securities are held to maturity, the City will not realize any actual losses. The yield to maturity of the portfolio increased by 9 basis points (0.09 percent) comparative to the prior fiscal quarter end. The increase is attributable to the use of cash balances in LAIF to meet expenses and to investing surplus liquidity farther out the yield curve in higher-yielding securities. In addition to continued investment in the 3 to 4-year sectors of the curve, a trading program of purchasing and selling 5-year treasury notes for the purpose of realizing capital gains is being employed to enhance portfolio income.

During the first quarter of FY 2014-2015, the belly of the curve (2, 3 and 5-year sectors) increased by as much as 15 basis points (.15 percent) and the 30-year bond interest rate decreased by 20 basis points (.20 percent), flattening the long end of the curve. The domestic economy posted stronger than expected data during the quarter, notably in the labor market, one of two key areas the Federal Open Market Committee (FOMC) is monitoring to provide guidance as to when to begin raising the federal funds rate. Since the economy is moving closer to the meeting the FOMC's objectives of full employment and price stability, market analysts are predicting an increase in rates by the FOMC by the second calendar quarter of 2015. Sustainable upward pressure in interest rates has been tempered, however, by geopolitical tensions in the Ukraine and Iraq, as well as a sluggish European economy.

At both of the FOMC meetings held during the quarter, the Committee decided to continue the planned decrease in monthly asset purchases by \$10 billion bringing the monthly purchase levels to \$10 billion in Treasuries and \$5 billion in mortgage-backed securities. At the September FOMC meeting, the Committee announced plans to end the asset purchase program in October, which would conclude the quantitative easing program used to support economic growth.

FISCAL IMPACT

Gross fiscal year to date earnings were \$668,797, which is an increase of \$100,515 from the same period last year (quarter ended September 2013). The City's General Fund has earned \$179,256 fiscal year to date. The following table provides the earnings distribution as recorded in Fund 102, Interest Allocation (1102.4321), grouped into the major fund categories:

INVESTMENT EARNINGS BY FUND FISCAL YEAR 2014-2015 AS OF 9/30/14

Fund Name	FYTD Average Cash Balances	FYTD Investment Earnings
General Fund	91,933,530	179,256
Special Revenue Funds - Police	1,354,350	2,641
Special Revenue Funds - Library	-	-
Special Revenue Funds - Transportation	10,797,323	21,053
Lighting and Landscape Districts	1,467,627	2,862
Federal and State Grants	24,727	48
Housing Agency	8,220,213	16,028
Community Facilities Districts	2,772,858	5,407
General City Capital Improvement	2,504,010	4,882
Development Impact Fees	22,883,337	44,659
Municipal Golf Course Improvement	133,793	261
Water Funds	70,884,585	138,214
Sewer Funds	49,994,213	97,481
Airport Funds	485,760	947
Harbor Fund	3,976,496	7,754
Trust Funds	638,793	1,245
General Debt Service	2,321,675	4,527
Successor Agency	12,263,615	23,912
Banking and Investment Expenses		118,773
Interest Allocated through 09/30/14		\$ 669,950
Earnings Allocation Adjustments		(1,153)
Year to Date Totals as of 09/30/14	\$ 282,656,905	\$ 668,797

The General Fund, in accordance with City Council Policy 200-11, includes cash balances from funds that do not have interest allocation restrictions. These funds are consolidated for purposes of calculating investment earnings. The following table provides the detail for the composition of the General Fund category from the previous table.

**COMPOSITION OF GENERAL FUND
AVERAGE CASH BALANCES
FISCAL YEAR 2014-2015 AS OF 9/30/14**

Fund Name	FYTD Average Cash Balances
General Fund	32,607,907
Grants	134,213
General Fund Capital Improvements	11,262,300
Solid Waste Fund	7,053,026
Internal Service Funds	37,175,712
Trust Funds	3,305,224
Payroll Fund	362,719
City Debt Service Funds	32,429
FYTD Average Cash Balances as of 09/30/14	\$ 91,933,530

City banking and investment expenses are charged on a pro rata basis to all funds that have invested cash balances. Banking and investment expenses (account 200010102.5405), totaled \$118,773 for the quarter ended September 30, 2014. The following chart categorizes the year to date allocated bank and investment charges for Fiscal Year 2014-2015, as well as provides a comparison to Fiscal Year 2013-2014. Bank and investment fees have decreased by approximately \$5,300 comparative to last fiscal year. There was a decrease of approximately \$11,700 in merchant service fees that was partially offset by an increase of approximately \$6,300 in armored carrier expenses. The decline in merchant fees is attributable to lower dollar transaction totals during the quarter comparative to the same quarter last fiscal year. The higher armored carrier costs are attributable to the addition of deposit pickups at the libraries and recreation community centers and pools.

**BANKING AND INVESTMENT EXPENSES
FISCAL YEAR 2014-2015 YEAR TO DATE COMPARISON
AS OF 9/30/14**

Expense Type	FYTD Expenses as of 09/30/14	FYTD Expenses as of 09/30/13
Banking Expenses		
Armored Carrier	11,835	5,537
Bank Fees	-	-
Bank Supplies	-	30
Check Stock	-	-
Merchant Services	94,003	105,681
Investment Expenses		
Bloomberg Services	7,971	7,971
Custody and Safekeeping	-	-
Investment Software Maintenance	4,964	4,819
Total Banking and Investment Expenses	\$ 118,773	\$ 124,038

COMMISSION/COMMITTEE REPORT

The Investment Oversight Committee reviewed the quarter ended September 30, 2014, report at its November 18, 2014, meeting and concurs with its contents. The Committee confirms that the investments are in compliance with the California State Code and the City's adopted investment policy, and that the portfolio is managed in a satisfactory manner.

CITY ATTORNEY'S ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the City Council accept the Treasurer's Report for the quarter ended September 30, 2014.

PREPARED BY:



Michele C. Lund
Treasury Manager

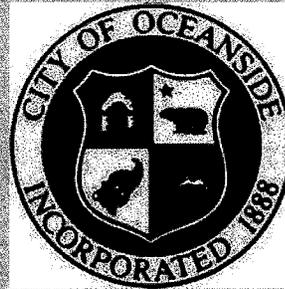
SUBMITTED BY:



Gary M. Ernst
City Treasurer

Attachment: Treasurer's Quarter and Year Ended Report – September 30, 2014

CITY OF OCEANSIDE



TREASURER'S REPORT

*FOR MONTH & QUARTER ENDED
SEPTEMBER 30, 2014*



CITY OF OCEANSIDE

OFFICE OF THE CITY TREASURER

TO: CITY COUNCIL
CITY MANAGER

DATE: OCTOBER 28, 2014

SUBJECT: INVESTMENT REPORT FOR THE MONTH & QUARTER ENDED SEPTEMBER 30, 2014

The following is summary information for the City of Oceanside Investment Portfolio for the month & quarter ended September 30, 2014.

Market/Portfolio Commentary

During the first quarter of FY 2014-2015, the yield curve flattened in the long end, with the 30-year bond interest rate lower by 20 basis points (.20 percent), and the belly of the curve (2, 3 and 5-year sectors) increased by as much as 15 basis points (.15 percent). The domestic economy posted stronger than expected data during the quarter, notably in the labor market, one of two key areas the Federal Open Market Committee (FOMC) is monitoring to provide guidance as to when to begin raising the federal funds rate. Since the economy is moving closer to the meeting the FOMC's objectives of full employment and price stability, market analysts are predicting an increase in rates by the FOMC by the second calendar quarter of 2015. Sustainable upward pressure in interest rates has been tempered, however, by geopolitical tensions in the Ukraine and Iraq and by a sluggish European economy.

The FOMC met twice during the quarter and decided to continue the planned decrease in monthly asset purchases by \$10 billion at each of the meetings, bringing the monthly purchase levels to \$10 billion in Treasuries and \$5 billion in mortgage-backed securities. At the September FOMC meeting, the Committee announced plans to end the asset purchase program in October, which would conclude the quantitative easing program used to support economic growth.

The book value of the portfolio declined by \$13.6 million comparative to the end of the prior fiscal year. During the first quarter of a fiscal year, expenditures outpace revenues until the first installment of property taxes in December are received; therefore portfolio liquidity is used to manage daily cash outflows. Cash balances in LAIF used to meet first quarter expenditures and invest surplus liquidity in higher yielding securities. As a result of reducing LAIF balances and investing farther out the curve, yield to maturity increased 9 basis points (.09%) since the June 2014 fiscal year end.

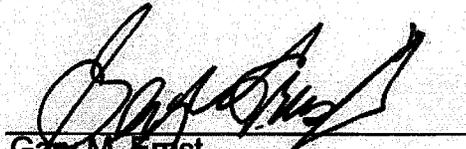
Portfolio Statistics

For month & quarter ended September 30, 2014, portfolio statistics are as follows:

The unrealized losses the portfolio are experiencing is the result of a rapidly rising interest rate environment. When interest rates rise, market values in a fixed income portfolio decline. As long as the portfolio securities are held to maturity, the City will not incur any actual losses.

In compliance with the California Code Section 53646, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months. I also certify that investments in the City's portfolio meet the requirements of the City of Oceanside's adopted investment policy and the California Government Code section 53601. Market Prices are obtained from Bank of New York and the State Treasurer's Office (LAIF).

Respectfully submitted,



Gary M. Ernst
City Treasurer

**CITY OF OCEANSIDE
PORTFOLIO SUMMARY
FOR MONTH & QUARTER ENDED SEPTEMBER 30, 2014**

INVESTMENT TYPE	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	DAYS TO MATURITY	PERCENT OF PORTFOLIO
Month & Quarter Ended September 30, 2014						
LAIF	\$ 18,250,000.00	\$ 18,250,000.00	\$ 18,253,308.43	0.246%	1	6.65%
Treasury Securities-Coupon	6,000,000.00	5,961,135.86	5,928,902.50	1.218%	1,363	2.17%
Federal Agency Non - Callable	17,000,000.00	16,990,539.49	16,877,015.00	0.993%	1,131	6.19%
Federal Agency - Callable	174,970,000.00	174,963,039.10	173,823,324.45	1.077%	1,154	63.71%
Federal Agency Callable - Step Up	34,100,000.00	34,098,867.79	33,913,556.25	1.347%	1,452	12.42%
Medium Term Notes	17,400,000.00	17,573,589.35	17,552,313.00	0.853%	606	6.40%
Municipal Bonds	6,750,000.00	6,781,130.81	6,785,495.50	0.906%	561	2.47%
Total Investments	\$ 274,470,000.00	\$ 274,618,302.40	\$ 273,133,915.13	1.034%	1,068	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			(1,484,387.27)			
Plus Accrued Interest			\$ 653,114.47			
Portfolio Liquidation Unrealized Gain/(Loss)			\$ (831,272.80)			

Prior Period Comparisons

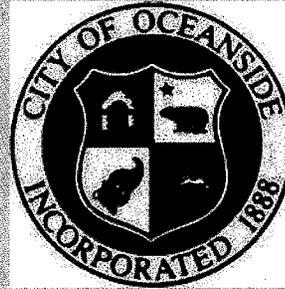
	FACE VALUE	BOOK VALUE	MARKET VALUE	YIELD TO MATURITY	DAYS TO MATURITY	PERCENT OF PORTFOLIO
Month, Quarter & Year Ended June 30, 2014						
LAIF	\$ 46,500,000.00	\$ 46,500,000.00	\$ 46,513,891.88	0.228%	1	16.13%
Treasury Securities-Coupon	4,000,000.00	3,973,819.92	3,953,592.50	0.937%	1,239	1.38%
Federal Agency Non - Callable	13,000,000.00	12,989,882.42	12,960,080.00	0.990%	1,218	4.51%
Federal Agency - Callable	168,900,000.00	168,889,309.15	168,162,821.95	1.048%	1,225	58.60%
Federal Agency Callable - Step Up	28,000,000.00	28,000,000.00	27,884,175.00	1.346%	1,429	9.71%
Medium Term Notes	15,900,000.00	16,097,405.53	16,118,043.00	0.820%	660	5.58%
Municipal Bonds	11,735,000.00	11,780,510.77	11,798,586.20	1.441%	391	4.09%
Total Investments	\$ 288,035,000.00	\$ 288,230,927.79	\$ 287,391,190.53	0.944%	982	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			(839,737.26)			
Plus Accrued Interest			586,262.69			
Portfolio Liquidation Unrealized Gain/(Loss)			\$ (253,474.57)			
Month & Quarter Ended March 31, 2014						
LAIF	\$ 24,750,000.00	\$ 24,750,000.00	\$ 24,757,848.67	2.360%	1	9.50%
Federal Agency Non - Callable	4,000,000.00	3,958,827.25	3,917,340.00	1.302%	1,642	1.52%
Federal Agency - Callable	14,000,000.00	13,983,602.92	13,845,275.00	0.985%	1,295	5.37%
Medium Term Notes	159,900,000.00	159,883,571.88	158,043,760.75	1.003%	1,298	61.38%
Federal Agency - Step Up	30,000,000.00	29,991,346.15	29,707,522.50	1.222%	1,519	11.51%
Medium Term Notes	13,900,000.00	14,113,442.26	14,121,119.00	0.791%	699	5.42%
Municipal Bonds	13,735,000.00	13,798,873.94	13,832,335.45	1.326%	421	5.30%
Total Investments	\$ 260,285,000.00	\$ 260,479,664.40	\$ 258,225,201.37	0.964%	1,127	100.00%
Unrealized Gain/(Loss) (Market Value - Book Value)			(2,254,463.03)			
Plus Accrued Interest			537,031.39			
Portfolio Liquidation Unrealized Gain/(Loss)			\$ (1,717,431.64)			

Market prices used in calculating market values were obtained from Bank of New York and State Treasurer's Office (LAIF).

**CITY OF OCEANSIDE
INTEREST EARNINGS SUMMARY
September 30, 2014**

	Month Ending September 30, 2014	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	\$ 192,690.28	\$ 611,349.51
PLUS Accrued Interest at End of Period	629,870.54	629,870.54
LESS Accrued Interest at Beginning of Period	<u>(591,741.60)</u>	<u>(566,860.52)</u>
Interest Earned during Period	<u>\$ 230,819.22</u>	<u>\$ 674,359.53</u>
ADJUSTED by Premiums and Discounts	(8,509.83)	(29,196.51)
ADJUSTED by Capital Gains or Losses	<u>0.00</u>	<u>5,048.42</u>
Earnings during Period	<u>\$ 222,309.39</u>	<u>\$ 650,211.44</u>
Local Agency Investment Fund (L.A.I.F.):		
Interest Collected	\$ -	\$ 20,643.80
PLUS Accrued Interest at End of Period	23,243.96	23,243.96
LESS Accrued Interest at Beginning of Period	<u>(19,007.39)</u>	<u>(24,336.69)</u>
Interest Earned during Period	<u>\$ 4,236.57</u>	<u>\$ 19,551.07</u>
TOTAL Interest Earned during Period	\$ 235,055.79	\$ 693,910.60
TOTAL Premiums and Discounts	(8,509.83)	(29,196.51)
TOTAL Capital Gains or Losses	<u>0.00</u>	<u>5,048.42</u>
SUB-TOTAL Earnings during Period	\$ 226,545.96	\$ 669,762.51
Earnings Adjustments	<u>-</u>	<u>(965.54)</u>
TOTAL Earnings during Period	<u>\$ 226,545.96</u>	<u>\$ 668,796.97</u>

CITY OF OCEANSIDE



PORTFOLIO DETAILS

AS OF SEPTEMBER 30, 2014

**Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2014**

USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
AIF												
YS18000	18000	Local Agency Investment Fund			8,000,000.00	8,001,450.27	8,000,000.00	0.246		0.246	1	
YS18001	18001	Local Agency Investment Fund			10,250,000.00	10,251,858.16	10,250,000.00	0.246		0.246	1	
Subtotal and Average			32,255,434.78		18,250,000.00	18,253,308.43	18,250,000.00			0.246	1	
reasury Securities - Coupon												
12828WP1	14-0077	Industrial Bank Of Japan NY		06/18/2014	2,000,000.00	1,995,312.50	1,994,350.41	0.875		0.981	988	06/15/2017
12828UZ1	13-0123	Industrial Bank Of Japan NY		05/23/2013	2,000,000.00	1,947,340.00	1,981,311.10	0.625		0.892	1,307	04/30/2018
12828D80	15-0020	U.S. Treasury Note		09/11/2014	2,000,000.00	1,986,250.00	1,985,474.35	1.625		1.780	1,795	08/31/2019
Subtotal and Average			4,514,588.45		6,000,000.00	5,928,902.50	5,961,135.86			1.218	1,363	
ederal Agency - Non Callable												
134G3S50	13-0036	Federal Home Loan Mort Corp		10/18/2012	2,000,000.00	1,994,420.00	2,000,000.00	0.625		0.625	762	11/01/2016
136G0YE5	13-0006	Federal National Mortgage Assc		08/28/2012	2,000,000.00	1,993,200.00	2,000,000.00	1.000		1.000	1,062	08/28/2017
13383JB8	13-0132	Federal Home Loan Bank		06/27/2013	2,000,000.00	1,988,280.00	2,000,000.00	1.000		1.000	1,092	09/27/2017
133ECBX1	13-0068	Federal Farm Credit Bank		12/28/2012	1,000,000.00	993,300.00	1,000,000.00	0.820		0.820	1,093	09/28/2017
133ECBX1	13-0069	Federal Farm Credit Bank		12/28/2012	1,000,000.00	993,300.00	1,000,000.00	0.820		0.820	1,093	09/28/2017
137EADL0	14-0052	Federal Home Loan Mort Corp		03/07/2014	1,000,000.00	995,490.00	999,260.03	1.000		1.025	1,094	09/29/2017
133EDDV1	14-0033	Federal Farm Credit Bank		01/23/2014	1,000,000.00	1,004,375.00	1,000,000.00	1.160		1.160	1,118	10/23/2017
134G32W9	14-0082	Federal Home Loan Mort Corp		06/25/2014	1,000,000.00	1,000,840.00	1,000,628.23	1.250		1.230	1,182	12/26/2017
135G0UE1	13-0088	Federal National Mortgage Assc		02/14/2013	2,000,000.00	1,972,780.00	2,000,000.00	1.000		1.008	1,232	02/14/2018
135G0WJ8	13-0122	Federal National Mortgage Assc		05/23/2013	2,000,000.00	1,958,720.00	1,988,677.75	0.875		1.035	1,328	05/21/2018
13379DT3	13-0126	Federal Home Loan Bank		06/10/2013	1,000,000.00	991,100.00	1,003,225.24	1.250		1.160	1,346	06/08/2018
133EDGW6	14-0053	Federal Farm Credit Bank		03/11/2014	1,000,000.00	991,210.00	998,748.24	1.300		1.335	1,349	06/11/2018
Subtotal and Average			16,990,214.53		17,000,000.00	16,877,015.00	16,990,539.49			0.993	1,131	
ederal Agency - Callable												
133EAU22	13-0024	Federal Farm Credit Bank		09/12/2012	1,000,000.00	997,720.00	1,000,000.00	0.680		0.685	712	09/12/2016
133EAZ76	13-0033	Federal Farm Credit Bank		09/26/2012	1,000,000.00	998,700.00	1,000,000.00	0.690		0.690	726	09/26/2016
134G3P38	13-0031	Federal Home Loan Mort Corp		10/05/2012	1,000,000.00	998,950.00	1,000,000.00	0.750		0.750	735	10/05/2016
133EA5V6	13-0038	Federal Farm Credit Bank		10/24/2012	1,000,000.00	993,490.00	1,000,000.00	0.620		0.620	754	10/24/2016
133EA5V6	13-0039	Federal Farm Credit Bank		10/24/2012	1,000,000.00	993,490.00	1,000,000.00	0.620		0.620	754	10/24/2016
133EA5W4	13-0050	Federal Farm Credit Bank		12/05/2012	1,000,000.00	996,020.00	1,000,000.00	0.650		0.657	754	10/24/2016
133EC5B6	13-0052	Federal Farm Credit Bank		12/05/2012	1,000,000.00	997,850.00	1,000,000.00	0.640		0.646	790	11/29/2016
133EC6S8	13-0059	Federal Farm Credit Bank		12/12/2012	1,000,000.00	996,660.00	1,000,000.00	0.600		0.606	803	12/12/2016
135G0UA9	13-0084	Federal National Mortgage Assc		02/06/2013	2,000,000.00	1,988,620.00	2,000,000.00	0.750		0.750	859	02/06/2017
135G0XL2	13-0127	Federal National Mortgage Assc		06/13/2013	2,000,000.00	1,986,320.00	2,000,000.00	0.650		1.050	880	02/27/2017
133EAW46	13-0029	Federal Farm Credit Bank		09/17/2012	1,000,000.00	993,720.00	1,000,000.00	0.790		0.790	898	03/17/2017
130A1AW8	14-0056	Federal Home Loan Bank		03/27/2014	2,075,000.00	2,076,452.50	2,075,000.00	1.000		1.000	908	03/27/2017

Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2014

JSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
30A1FT0	14-0069	Federal Home Loan Bank		04/17/2014	1,000,000.00	999,540.00	999,363.89	1.050		1.075	929	04/17/2017
33ECMZ4	13-0098	Federal Farm Credit Bank		05/01/2013	1,000,000.00	997,260.00	1,000,000.00	0.690		0.703	943	05/01/2017
33812G9	13-0037	Federal Home Loan Bank		11/08/2012	1,000,000.00	989,780.00	1,000,000.00	0.740		0.740	950	05/08/2017
36G1WV7	14-0011	Federal National Mortgage Assc		11/15/2013	1,000,000.00	999,310.00	1,000,000.00	1.000		1.000	957	05/15/2017
36G1WV7	14-0012	Federal National Mortgage Assc		11/15/2013	1,000,000.00	999,310.00	1,000,000.00	1.000		1.000	957	05/15/2017
36G1XF1	14-0018	Federal National Mortgage Assc		11/27/2013	1,000,000.00	998,180.00	1,000,000.00	1.000		1.000	964	05/22/2017
3381AN5	13-0046	Federal Home Loan Bank		11/23/2012	1,550,000.00	1,537,956.50	1,550,000.00	0.800		0.800	965	05/23/2017
33EC5L4	13-0054	Federal Farm Credit Bank		12/05/2012	2,000,000.00	1,986,100.00	2,000,000.00	0.770		0.780	978	06/05/2017
33ECR30	13-0124	Federal Farm Credit Bank		06/05/2013	2,000,000.00	1,997,020.00	2,000,000.00	0.960		0.960	978	06/05/2017
34G4MD7	14-0020	Federal Home Loan Mort Corp		12/19/2013	1,000,000.00	997,050.00	1,000,000.00	1.000		1.000	992	06/19/2017
3383JK8	13-0135	Federal Home Loan Bank		06/27/2013	1,200,000.00	1,198,968.00	1,200,000.00	1.000		0.000	1,000	06/27/2017
34G32S8	13-0060	Federal Home Loan Mort Corp		12/27/2012	1,000,000.00	991,150.00	1,000,000.00	0.750		0.750	1,000	06/27/2017
34G4PB8	14-0022	Federal Home Loan Mort Corp		12/27/2013	1,000,000.00	996,730.00	1,000,000.00	1.000		1.000	1,000	06/27/2017
34G4PB8	14-0024	Federal Home Loan Mort Corp		12/27/2013	1,000,000.00	996,730.00	1,000,000.00	1.000		1.000	1,000	06/27/2017
34G57G4	14-0080	Federal Home Loan Mort Corp		06/30/2014	2,000,000.00	1,992,960.00	2,000,000.00	1.020		1.037	1,003	06/30/2017
33EA4H8	13-0040	Federal Farm Credit Bank		11/08/2012	2,000,000.00	1,987,120.00	2,000,000.00	0.820		0.820	1,014	07/11/2017
34G4Z50	14-0064	Federal Home Loan Mort Corp		04/17/2014	1,000,000.00	995,450.00	1,000,000.00	1.000		1.085	1,020	07/17/2017
34G4TS7	14-0034	Federal Home Loan Mort Corp		01/28/2014	1,000,000.00	1,003,320.00	1,000,000.00	1.150		1.150	1,031	07/28/2017
34G5DK8	15-0007	Federal Home Loan Mort Corp		07/28/2014	1,000,000.00	997,070.00	1,000,000.00	1.000		1.000	1,031	07/28/2017
36G1BT5	13-0080	Federal National Mortgage Assc		02/07/2013	2,000,000.00	1,981,920.00	2,000,000.00	0.850		0.850	1,041	08/07/2017
36G1BT5	13-0086	Federal National Mortgage Assc		02/07/2013	1,000,000.00	990,960.00	1,000,000.00	0.850		0.856	1,041	08/07/2017
36G1BT5	14-0014	Federal National Mortgage Assc		11/14/2013	1,000,000.00	990,960.00	1,000,000.00	0.850		1.140	1,041	08/07/2017
35G0MW0	14-0007	Federal National Mortgage Assc		10/03/2013	1,000,000.00	996,320.00	1,000,000.00	1.050		1.290	1,043	08/09/2017
35G0NC3	13-0008	Federal National Mortgage Assc		08/16/2012	1,000,000.00	995,730.00	1,000,000.00	1.000		1.057	1,048	08/14/2017
3381Z24	13-0091	Federal Home Loan Bank		02/15/2013	1,000,000.00	992,330.00	1,000,000.00	0.850		0.850	1,049	08/15/2017
33EC3G7	13-0049	Federal Farm Credit Bank		12/03/2012	2,000,000.00	1,983,020.00	2,000,000.00	0.800		0.820	1,055	08/21/2017
33EAP28	13-0010	Federal Farm Credit Bank		08/22/2012	2,000,000.00	1,991,220.00	2,000,000.00	1.100		1.100	1,056	08/22/2017
33EDTR3	15-0018	Federal Farm Credit Bank		08/28/2014	1,000,000.00	998,125.00	999,545.83	1.090		1.107	1,062	08/28/2017
35G0NR0	13-0005	Federal National Mortgage Assc		08/28/2012	2,000,000.00	1,994,820.00	2,000,000.00	1.100		1.100	1,062	08/28/2017
36G1MQ9	13-0109	Federal National Mortgage Assc		05/28/2013	1,000,000.00	987,040.00	1,000,000.00	0.750		0.750	1,062	08/28/2017
3380LL9	13-0014	Federal Home Loan Bank		09/06/2012	1,000,000.00	997,630.00	1,000,000.00	1.080		1.080	1,071	09/06/2017
3380LL9	13-0015	Federal Home Loan Bank		09/06/2012	1,000,000.00	997,630.00	1,000,000.00	1.080		1.080	1,071	09/06/2017
3380MP9	13-0028	Federal Home Loan Bank		09/13/2012	1,000,000.00	991,750.00	1,000,000.00	0.980		1.001	1,076	09/11/2017
33ECA95	13-0063	Federal Farm Credit Bank		12/18/2012	2,000,000.00	1,980,920.00	2,000,000.00	0.790		0.795	1,083	09/18/2017
36G25T0	15-0023	Federal National Mortgage Assc		09/18/2014	1,000,000.00	996,980.00	1,000,000.00	1.150		1.150	1,083	09/18/2017
33EDCJ9	14-0026	Federal Farm Credit Bank		12/26/2013	1,000,000.00	999,300.00	1,000,000.00	1.180		1.195	1,091	09/26/2017
30A14K1	14-0050	Federal Home Loan Bank		03/26/2014	1,000,000.00	998,125.00	1,000,000.00	1.050		1.050	1,091	09/26/2017
34G3J43	13-0021	Federal Home Loan Mort Corp		09/27/2012	1,000,000.00	992,070.00	1,000,000.00	1.040		1.040	1,092	09/27/2017

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USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
134G4PK8	14-0025	Federal Home Loan Mort Corp		12/27/2013	1,000,000.00	994,920.00	1,000,000.00	1.150		1.147	1,092	09/27/2017
135G0PD9	13-0020	Federal National Mortgage Assc		09/27/2012	2,000,000.00	1,998,660.00	2,000,000.00	1.070		1.070	1,092	09/27/2017
136G0B26	13-0027	Federal National Mortgage Assc		09/27/2012	1,000,000.00	992,150.00	1,000,000.00	1.000		1.000	1,092	09/27/2017
130A1H35	14-0065	Federal Home Loan Bank		04/17/2014	1,000,000.00	1,000,520.00	1,000,000.00	1.350		1.350	1,112	10/17/2017
134G4ZU5	14-0067	Federal Home Loan Mort Corp		04/17/2014	2,000,000.00	1,998,260.00	2,000,000.00	1.250		1.250	1,112	10/17/2017
133EA5A2	13-0035	Federal Farm Credit Bank		10/18/2012	1,000,000.00	986,940.00	1,000,000.00	0.870		0.880	1,113	10/18/2017
13381WB7	13-0085	Federal Home Loan Bank		02/07/2013	1,000,000.00	989,310.00	1,000,000.00	0.875		0.902	1,133	11/07/2017
133813R4	13-0053	Federal Home Loan Bank		12/05/2012	2,000,000.00	1,980,800.00	2,000,000.00	1.000		0.979	1,135	11/09/2017
133813R4	13-0065	Federal Home Loan Bank		12/19/2012	2,000,000.00	1,980,800.00	2,000,000.00	1.000		1.000	1,135	11/09/2017
133EC2M5	13-0041	Federal Farm Credit Bank		11/13/2012	1,000,000.00	995,210.00	1,000,000.00	0.940		0.940	1,139	11/13/2017
133EC2M5	13-0042	Federal Farm Credit Bank		11/13/2012	1,000,000.00	995,210.00	1,000,000.00	0.940		0.940	1,139	11/13/2017
133ED7B2	14-0013	Federal Farm Credit Bank		11/14/2013	1,000,000.00	1,001,320.00	999,953.20	1.300		1.310	1,139	11/13/2017
133817D1	13-0044	Federal Home Loan Bank		11/15/2012	1,000,000.00	991,840.00	1,000,000.00	0.980		0.980	1,141	11/15/2017
133EC2Y9	13-0047	Federal Farm Credit Bank		11/20/2012	1,000,000.00	993,410.00	1,000,000.00	0.850		0.850	1,146	11/20/2017
133EC2Y9	13-0051	Federal Farm Credit Bank		12/05/2012	1,445,000.00	1,435,477.45	1,445,000.00	0.850		0.850	1,146	11/20/2017
133EDA69	14-0017	Federal Farm Credit Bank		11/20/2013	1,000,000.00	998,790.00	1,000,000.00	1.330		1.330	1,146	11/20/2017
130A0B90	14-0015	Federal Home Loan Bank		11/20/2013	1,000,000.00	999,520.00	1,000,000.00	1.200		1.200	1,146	11/20/2017
130A0B90	14-0016	Federal Home Loan Bank		11/20/2013	1,000,000.00	999,520.00	1,000,000.00	1.200		1.200	1,146	11/20/2017
136G23N5	15-0014	Federal National Mortgage Assc		08/22/2014	2,000,000.00	1,992,200.00	2,000,000.00	1.200		1.200	1,148	11/22/2017
134G3Y38	13-0048	Federal Home Loan Mort Corp		11/27/2012	2,000,000.00	1,971,250.00	2,000,000.00	0.900		0.900	1,153	11/27/2017
133EC7A6	13-0057	Federal Farm Credit Bank		12/12/2012	1,000,000.00	990,460.00	1,000,000.00	0.820		0.820	1,168	12/12/2017
133EC7A6	13-0058	Federal Farm Credit Bank		12/12/2012	1,000,000.00	990,460.00	1,000,000.00	0.820		0.845	1,168	12/12/2017
133EDC26	14-0028	Federal Farm Credit Bank		12/26/2013	1,000,000.00	994,170.00	999,302.19	1.270		1.353	1,174	12/18/2017
130A14J4	14-0049	Federal Home Loan Bank		03/26/2014	1,000,000.00	994,750.00	1,000,000.00	1.150		1.150	1,182	12/26/2017
130A2D78	14-0079	Federal Home Loan Bank		06/26/2014	1,000,000.00	996,730.00	1,000,000.00	1.300		1.300	1,182	12/26/2017
13381K95	13-0064	Federal Home Loan Bank		12/28/2012	2,000,000.00	1,970,200.00	2,000,000.00	0.840		0.840	1,184	12/28/2017
134G32Y5	13-0067	Federal Home Loan Mort Corp		12/28/2012	2,000,000.00	1,973,780.00	2,000,000.00	0.900		0.931	1,184	12/28/2017
134G5AH8	14-0081	Federal Home Loan Mort Corp		06/30/2014	1,000,000.00	998,900.00	1,000,000.00	1.250		1.250	1,185	12/29/2017
130A0GC8	14-0027	Federal Home Loan Bank		01/09/2014	1,000,000.00	995,730.00	1,000,000.00	1.250		1.400	1,196	01/09/2018
134G33B4	13-0070	Federal Home Loan Mort Corp		01/14/2013	1,000,000.00	988,720.00	1,000,000.00	1.000		1.010	1,198	01/11/2018
130A2KB1	15-0003	Federal Home Loan Bank		07/16/2014	2,000,000.00	1,994,760.00	2,000,000.00	1.350		1.350	1,203	01/16/2018
13381QE8	13-0071	Federal Home Loan Bank		01/22/2013	2,000,000.00	1,982,020.00	2,000,000.00	0.950		0.981	1,209	01/22/2018
130A1XP8	14-0073	Federal Home Loan Bank		05/22/2014	1,000,000.00	998,125.00	1,000,000.00	1.300		1.300	1,209	01/22/2018
134G33Y4	13-0073	Federal Home Loan Mort Corp		01/22/2013	2,000,000.00	1,975,180.00	1,999,537.50	0.950		0.981	1,209	01/22/2018
13381SP1	13-0074	Federal Home Loan Bank		01/30/2013	2,000,000.00	1,995,080.00	2,000,000.00	1.050		1.050	1,217	01/30/2018
13381UJ2	13-0075	Federal Home Loan Bank		01/30/2013	1,000,000.00	990,100.00	1,000,000.00	1.020		1.020	1,217	01/30/2018
136G1AZ2	13-0072	Federal National Mortgage Assc		01/30/2013	2,000,000.00	1,970,240.00	2,000,000.00	1.000		1.000	1,217	01/30/2018
135G0TV5	13-0076	Federal National Mortgage Assc		01/30/2013	1,000,000.00	986,520.00	1,000,000.00	1.030		1.030	1,217	01/30/2018

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JSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
35G0TV5	13-0079	Federal National Mortgage Assc		01/30/2013	2,000,000.00	1,973,040.00	2,000,000.00	1.030		1.030	1,217	01/30/2018
36G1BK4	13-0078	Federal National Mortgage Assc		02/05/2013	1,000,000.00	985,870.00	1,000,000.00	1.000		1.000	1,223	02/05/2018
33ECEQ3	13-0083	Federal Farm Credit Bank		02/06/2013	1,000,000.00	996,093.75	1,000,000.00	1.100		1.100	1,224	02/06/2018
34G34Y3	13-0089	Federal Home Loan Mort Corp		02/14/2013	1,000,000.00	987,730.00	1,000,000.00	1.000		1.005	1,232	02/14/2018
35G0UD3	13-0090	Federal National Mortgage Assc		02/14/2013	1,000,000.00	987,850.00	1,000,000.00	1.010		1.010	1,232	02/14/2018
35G0UD3	14-0019	Federal National Mortgage Assc		11/20/2013	1,450,000.00	1,432,382.50	1,450,000.00	1.010		1.272	1,232	02/14/2018
36G23B1	15-0010	Federal National Mortgage Assc		08/15/2014	1,250,000.00	1,242,875.00	1,250,000.00	1.300		1.300	1,233	02/15/2018
34G5EZ4	15-0013	Federal Home Loan Mort Corp		08/20/2014	2,000,000.00	1,993,060.00	2,000,000.00	1.400		1.400	1,238	02/20/2018
30A0XC9	14-0041	Federal Home Loan Bank		02/26/2014	1,000,000.00	1,001,210.00	1,000,000.00	1.300		1.300	1,244	02/26/2018
30A0XC9	14-0042	Federal Home Loan Bank		02/26/2014	1,000,000.00	1,001,210.00	1,000,000.00	1.300		1.300	1,244	02/26/2018
36G26E2	15-0022	Federal National Mortgage Assc		09/23/2014	1,000,000.00	994,580.00	1,000,000.00	1.400		1.400	1,269	03/23/2018
30A1AG3	14-0062	Federal Home Loan Bank		03/27/2014	1,000,000.00	996,120.00	1,000,000.00	1.400		1.413	1,273	03/27/2018
34G4XK9	14-0057	Federal Home Loan Mort Corp		03/27/2014	1,000,000.00	998,870.00	1,000,000.00	1.300		1.300	1,273	03/27/2018
34G4XK9	14-0058	Federal Home Loan Mort Corp		03/27/2014	1,000,000.00	998,870.00	1,000,000.00	1.300		1.300	1,273	03/27/2018
34G4Z43	14-0063	Federal Home Loan Mort Corp		04/17/2014	2,000,000.00	2,002,280.00	2,000,000.00	1.375		1.375	1,294	04/17/2018
34G4ZR2	14-0066	Federal Home Loan Mort Corp		04/17/2014	1,000,000.00	1,001,950.00	1,000,000.00	1.500		1.500	1,294	04/17/2018
33ECMF8	13-0097	Federal Farm Credit Bank		04/30/2013	2,000,000.00	1,980,440.00	2,000,000.00	0.980		0.980	1,301	04/24/2018
34G42G2	13-0121	Federal Home Loan Mort Corp		05/23/2013	2,000,000.00	1,969,720.00	2,000,000.00	1.050		1.050	1,307	04/30/2018
36G1KD0	13-0102	Federal National Mortgage Assc		05/15/2013	2,000,000.00	1,969,280.00	2,000,000.00	1.000		1.020	1,307	04/30/2018
33ECNY6	13-0100	Federal Farm Credit Bank		05/08/2013	1,000,000.00	987,060.00	1,000,000.00	0.950		0.950	1,315	05/08/2018
33ECNY6	13-0101	Federal Farm Credit Bank		05/08/2013	1,000,000.00	987,060.00	1,000,000.00	0.950		0.950	1,315	05/08/2018
36G1LE7	13-0099	Federal National Mortgage Assc		05/15/2013	1,000,000.00	980,490.00	1,000,000.00	1.010		1.010	1,322	05/15/2018
33ECQ56	13-0104	Federal Farm Credit Bank		05/22/2013	2,000,000.00	1,974,540.00	2,000,000.00	1.080		1.083	1,329	05/22/2018
33ECQ56	13-0105	Federal Farm Credit Bank		05/22/2013	2,000,000.00	1,974,540.00	2,000,000.00	1.080		1.080	1,329	05/22/2018
34G55C5	14-0075	Federal Home Loan Mort Corp		05/28/2014	2,000,000.00	1,996,300.00	2,000,000.00	1.500		1.500	1,332	05/25/2018
35G0XK4	13-0111	Federal National Mortgage Assc		05/30/2013	1,000,000.00	985,420.00	1,000,000.00	1.050		1.069	1,332	05/25/2018
35G0XK4	13-0112	Federal National Mortgage Assc		05/30/2013	2,000,000.00	1,970,840.00	2,000,000.00	1.050		1.050	1,332	05/25/2018
33837A3	13-0115	Federal Home Loan Bank		06/13/2013	1,000,000.00	984,960.00	1,000,000.00	1.100		1.100	1,351	06/13/2018
33837A3	13-0116	Federal Home Loan Bank		06/13/2013	1,000,000.00	984,960.00	1,000,000.00	1.100		1.100	1,351	06/13/2018
33837A3	13-0117	Federal Home Loan Bank		06/13/2013	2,000,000.00	1,969,920.00	2,000,000.00	1.100		1.100	1,351	06/13/2018
3383BD2	13-0119	Federal Home Loan Bank		06/13/2013	1,000,000.00	979,300.00	1,000,000.00	1.100		1.100	1,351	06/13/2018
30A15C8	14-0046	Federal Home Loan Bank		03/20/2014	2,000,000.00	1,994,660.00	2,000,000.00	1.450		1.450	1,358	06/20/2018
33EDP97	14-0083	Federal Farm Credit Bank		06/26/2014	2,000,000.00	1,990,340.00	2,000,000.00	1.500		1.500	1,364	06/26/2018
34G4A99	13-0128	Federal Home Loan Mort Corp		06/26/2013	2,000,000.00	1,990,200.00	2,000,000.00	1.300		1.300	1,364	06/26/2018
34G4A99	13-0129	Federal Home Loan Mort Corp		06/26/2013	2,000,000.00	1,990,200.00	1,996,319.44	1.300		1.404	1,364	06/26/2018
34G46X1	13-0131	Federal Home Loan Mort Corp		06/27/2013	2,000,000.00	1,985,760.00	2,000,000.00	1.250		1.307	1,365	06/27/2018
34G4AE8	13-0134	Federal Home Loan Mort Corp		06/27/2013	1,000,000.00	993,500.00	1,000,000.00	1.400		1.400	1,365	06/27/2018
33EDQZ8	15-0006	Federal Farm Credit Bank		07/25/2014	1,000,000.00	996,406.25	999,469.83	1.520		1.537	1,391	07/23/2018

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USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Federal Agency - Callable												
136G22Z9	15-0011	Federal National Mortgage Assc		08/15/2014	1,000,000.00	989,440.00	1,000,000.00	1.500		1.500	1,414	08/15/2018
133EDTQ5	15-0017	Federal Farm Credit Bank		08/27/2014	1,000,000.00	994,980.00	999,547.22	1.590		1.603	1,426	08/27/2018
134G55J0	14-0074	Federal Home Loan Mort Corp		05/28/2014	1,000,000.00	997,187.50	1,000,000.00	1.670		1.664	1,427	08/28/2018
136G23H8	15-0012	Federal National Mortgage Assc		08/15/2014	1,000,000.00	992,890.00	1,000,000.00	1.600		1.600	1,506	11/15/2018
136G24A2	15-0015	Federal National Mortgage Assc		08/26/2014	2,000,000.00	2,001,060.00	2,000,000.00	2.000		2.000	1,790	08/26/2019
Subtotal and Average			168,434,467.42		174,970,000.00	173,823,324.45	174,963,039.10			1.077	1,154	
Federal Agency Callable - Step Up												
136G0B59	13-0019	Federal National Mortgage Assc		09/20/2012	1,000,000.00	998,160.00	1,000,000.00	0.700		1.095	1,085	09/20/2017
136G03G4	13-0043	Federal National Mortgage Assc		11/15/2012	1,000,000.00	993,640.00	1,000,000.00	0.700		0.976	1,141	11/15/2017
136G1C23	13-0087	Federal National Mortgage Assc		02/13/2013	2,000,000.00	1,993,000.00	2,000,000.00	0.800		0.811	1,231	02/13/2018
136G1CQ0	13-0092	Federal National Mortgage Assc		02/20/2013	1,000,000.00	991,220.00	1,000,000.00	0.750		1.152	1,238	02/20/2018
136G1CJ6	13-0093	Federal National Mortgage Assc		02/21/2013	2,000,000.00	1,965,040.00	2,000,000.00	0.750		1.094	1,239	02/21/2018
136G1DA4	13-0094	Federal National Mortgage Assc		02/28/2013	2,000,000.00	1,991,800.00	2,000,000.00	1.000		1.171	1,246	02/28/2018
130A12D9	14-0045	Federal Home Loan Bank		03/20/2014	1,000,000.00	999,180.00	1,000,000.00	1.000		1.493	1,266	03/20/2018
136G1LV9	13-0110	Federal National Mortgage Assc		05/29/2013	1,000,000.00	990,050.00	1,000,000.00	0.700		1.077	1,336	05/29/2018
136G1MR7	14-0043	Federal National Mortgage Assc		03/03/2014	2,000,000.00	1,990,340.00	2,000,000.00	0.700		1.411	1,342	06/04/2018
133836N6	13-0114	Federal Home Loan Bank		06/12/2013	2,000,000.00	1,983,180.00	2,000,000.00	0.800		1.119	1,350	06/12/2018
136G1MY2	13-0118	Federal National Mortgage Assc		06/13/2013	2,000,000.00	1,979,020.00	2,000,000.00	0.800		1.115	1,351	06/13/2018
13383EM9	13-0125	Federal Home Loan Bank		06/20/2013	1,000,000.00	986,300.00	1,000,000.00	0.900		1.165	1,358	06/20/2018
13383J44	13-0130	Federal Home Loan Bank		06/26/2013	1,000,000.00	999,590.00	1,000,000.00	0.750		1.342	1,364	06/26/2018
13383J28	13-0136	Federal Home Loan Bank		06/27/2013	2,000,000.00	1,998,320.00	2,000,000.00	1.000		1.491	1,365	06/27/2018
130A0ZV5	14-0047	Federal Home Loan Bank		03/20/2014	2,000,000.00	1,996,420.00	2,000,000.00	1.500		2.007	1,631	03/20/2019
130A12M9	15-0016	Federal Home Loan Bank		08/22/2014	1,000,000.00	995,670.00	1,000,000.00	1.000		2.277	1,631	03/20/2019
130A1AY4	14-0059	Federal Home Loan Bank		03/27/2014	1,000,000.00	997,940.00	1,000,000.00	1.500		2.056	1,638	03/27/2019
130A16Q6	14-0061	Federal Home Loan Bank		03/27/2014	1,000,000.00	998,281.25	1,000,000.00	1.500		2.007	1,638	03/27/2019
130A2H41	15-0001	Federal Home Loan Bank		07/09/2014	2,100,000.00	2,084,880.00	2,099,198.35	1.375		1.406	1,729	06/26/2019
130A2LP9	15-0004	Federal Home Loan Bank		07/30/2014	1,000,000.00	994,890.00	1,000,000.00	1.375		1.375	1,763	07/30/2019
130A2MA1	15-0005	Federal Home Loan Bank		07/30/2014	1,000,000.00	999,170.00	1,000,000.00	1.250		1.250	1,763	07/30/2019
130A2M86	15-0008	Federal Home Loan Bank		07/30/2014	1,000,000.00	996,020.00	999,669.44	1.500		1.520	1,763	07/30/2019
130A2UJ3	15-0019	Federal Home Loan Bank		08/28/2014	2,000,000.00	1,995,820.00	2,000,000.00	1.000		1.000	1,792	08/28/2019
134G5H99	15-0021	Federal Home Loan Mort Corp		09/18/2014	1,000,000.00	995,625.00	1,000,000.00	1.750		1.750	1,813	09/18/2019
Subtotal and Average			32,502,981.62		34,100,000.00	33,913,556.25	34,098,867.79			1.347	1,452	
Medium Term Notes												
9233P5Z5	12-0110	Toyota Motor Credit		02/17/2012	2,000,000.00	2,004,840.00	1,999,622.22	1.000		1.051	139	02/17/2015
3254AAA6	13-0009	National Australia Bank Lt		08/21/2012	1,000,000.00	1,007,690.00	1,003,228.85	2.000	AA	1.250	159	03/09/2015
49123BY6	12-0169	Caterpillar Inc		06/26/2012	1,000,000.00	1,004,180.00	999,948.47	0.950		0.957	268	06/26/2015

**Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Investments
September 30, 2014**

JSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
Medium Term Notes												
19604BE2	13-0034	General Electric		10/09/2012	1,250,000.00	1,255,412.50	1,251,601.48	0.850	AA	0.723	373	10/09/2015
1933YAD7	13-0103	Merck & Co Inc. Pharmaceutical		05/21/2013	2,000,000.00	2,003,060.00	2,003,161.19	0.700	AA	0.602	595	05/18/2016
1259PAC6	14-0039	Google Inc.		02/11/2014	1,000,000.00	1,024,130.00	1,026,682.84	2.125		0.480	596	05/19/2016
19200GX3	13-0120	International Business Machine		05/23/2013	2,150,000.00	2,194,440.50	2,196,794.27	1.950	AA	0.730	660	07/22/2016
11216AU4	13-0062	Coca-Cola Compay		12/14/2012	1,500,000.00	1,529,610.00	1,530,910.66	1.800	AA	0.709	701	09/01/2016
3331CDA9	14-0051	Bank of Montreal		03/06/2014	2,000,000.00	2,039,600.00	2,055,515.44	1.950		0.744	852	01/30/2017
14159EK8	14-0072	Bank of Nova Scotia		05/12/2014	1,000,000.00	998,420.00	1,003,296.47	1.250		1.117	923	04/11/2017
17833AM2	14-0076	Apple Inc.		05/30/2014	1,000,000.00	996,600.00	1,003,036.61	1.050	AA	0.931	947	05/05/2017
1665WAF8	15-0002	American Honda Finance Corp		07/15/2014	1,500,000.00	1,494,330.00	1,499,790.85	1.200		1.205	1,017	07/14/2017
Subtotal and Average			17,357,030.30		17,400,000.00	17,552,313.00	17,573,589.35			0.853	606	
Municipal Bonds												
1066KL23	12-0022	California St Dept of Wtr Reso		10/13/2011	1,000,000.00	1,004,670.00	1,003,494.15	3.000	AAA	0.870	61	12/01/2014
11498CK5	13-0108	Loma Prieta CA JT Elem Sch Dis		05/28/2013	180,000.00	180,221.40	180,000.00	0.540	AA	0.540	304	08/01/2015
10264SY1	13-0055	Newark Unified School District		12/20/2012	570,000.00	571,214.10	570,000.00	0.990		0.990	304	08/01/2015
1066KL31	12-0021	California St Dept of Wtr Reso		10/13/2011	1,000,000.00	1,032,730.00	1,020,661.29	3.000	AAA	1.180	426	12/01/2015
1772JKJ0	13-0095	State of Connecticut		03/05/2013	2,000,000.00	2,008,580.00	2,013,336.22	1.032	AA	0.700	745	10/15/2016
1358WKH6	13-0066	Port Authority of NY & NJ		12/21/2012	2,000,000.00	1,988,080.00	1,993,639.15	0.850		1.000	792	12/01/2016
Subtotal and Average			8,732,533.63		6,750,000.00	6,785,495.50	6,781,130.81			0.906	561	
Total and Average			280,787,250.73		274,470,000.00	273,133,915.13	274,618,302.40			1.034	1,068	

**Oceanside Quarterly Report
Portfolio Management
Portfolio Details - Cash
September 30, 2014**

USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity
		Average Balance	0.00								
				Accrued Interest at Purchase		3,713.72	3,713.72				0
				Subtotal		3,713.72	3,713.72				
		Total Cash and Investments	280,787,250.73		274,470,000.00	273,137,628.85	274,622,016.12			1.034	1,068

CITY OF OCEANSIDE



INVESTMENT TRANSACTIONS

7/1/14 THROUGH 9/30/14

**Oceanside Quarterly Report
Purchases Report
Sorted by Fund - Fund
July 1, 2014 - September 30, 2014**

JSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM	Ending Book Value
vestment Clearing													
30A2H41	15-0001	102	MC1	FHLB	2,100,000.00	07/09/2014	12/26 - 06/26	2,098,425.00	721.88	1.375	06/26/2019	1.406	2,099,198.35
665WAF8	15-0002	102	MTN	HNDA	1,500,000.00	07/15/2014	01/14 - 07/14	1,499,775.00		1.200	07/14/2017	1.205	1,499,790.85
30A2KB1	15-0003	102	FAC	FHLB	2,000,000.00	07/16/2014	01/16 - 07/16	2,000,000.00		1.350	01/16/2018	1.350	2,000,000.00
33EDQZ8	15-0006	102	FAC	FFCB	1,000,000.00	07/25/2014	01/23 - 07/23	999,350.00	84.44	1.520	07/23/2018	1.537	999,469.83
34G5DK8	15-0007	102	FAC	FHLMC	1,000,000.00	07/28/2014	10/28 - Quarterly	1,000,000.00		1.000	07/28/2017	1.000	1,000,000.00
30A2LP9	15-0004	102	MC1	FHLB	1,000,000.00	07/30/2014	01/30 - 07/30	1,000,000.00		1.375	07/30/2019	1.375	1,000,000.00
30A2MA1	15-0005	102	MC1	FHLB	1,000,000.00	07/30/2014	01/30 - 07/30	1,000,000.00		1.250	07/30/2019	1.250	1,000,000.00
30A2M86	15-0008	102	MC1	FHLB	1,000,000.00	07/30/2014	01/30 - 07/30	999,500.00		1.500	07/30/2019	1.520	999,669.44
2828VVV6	15-0009	102	TRC	INDJAP	2,000,000.00	07/31/2014	08/05 - Final Pmt.	1,991,410.20		1.625	07/31/2019	1.715	0.00
36G23B1	15-0010	102	FAC	FNMA	1,250,000.00	08/15/2014	02/15 - 08/15	1,250,000.00		1.300	02/15/2018	1.300	1,250,000.00
36G22Z9	15-0011	102	FAC	FNMA	1,000,000.00	08/15/2014	02/15 - 08/15	1,000,000.00		1.500	08/15/2018	1.500	1,000,000.00
36G23H8	15-0012	102	FAC	FNMA	1,000,000.00	08/15/2014	11/15 - 05/15	1,000,000.00		1.600	11/15/2018	1.600	1,000,000.00
34G5EZ4	15-0013	102	FAC	FHLMC	2,000,000.00	08/20/2014	02/20 - 08/20	2,000,000.00		1.400	02/20/2018	1.400	2,000,000.00
30A12M9	15-0016	102	MC1	FHLB	1,000,000.00	08/22/2014	09/20 - 03/20	1,000,000.00	Received	1.000	03/20/2019	2.277	1,000,000.00
36G23N5	15-0014	102	FAC	FNMA	2,000,000.00	08/22/2014	11/22 - 05/22	2,000,000.00		1.200	11/22/2017	1.200	2,000,000.00
36G24A2	15-0015	102	FAC	FNMA	2,000,000.00	08/26/2014	02/26 - 08/26	2,000,000.00		2.000	08/26/2019	2.000	2,000,000.00
33EDTQ5	15-0017	102	FAC	FFCB	1,000,000.00	08/27/2014	02/27 - 08/27	999,500.00		1.590	08/27/2018	1.603	999,547.22
33EDTR3	15-0018	102	FAC	FFCB	1,000,000.00	08/28/2014	02/28 - 08/28	999,500.00		1.090	08/28/2017	1.107	999,545.83
30A2UJ3	15-0019	102	MC1	FHLB	2,000,000.00	08/28/2014	02/28 - 08/28	2,000,000.00		1.000	08/28/2019	1.000	2,000,000.00
2828D80	15-0020	102	TRC	TN	2,000,000.00	09/11/2014	10/02 - Final Pmt.	1,985,312.50	987.57	1.625	08/31/2019	1.780	1,985,474.35
34G5H99	15-0021	102	MC1	FHLMC	1,000,000.00	09/18/2014	03/18 - 09/18	1,000,000.00		1.750	09/18/2019	1.750	1,000,000.00
36G25T0	15-0023	102	FAC	FNMA	1,000,000.00	09/18/2014	03/18 - 09/18	1,000,000.00		1.150	09/18/2017	1.150	1,000,000.00
36G26E2	15-0022	102	FAC	FNMA	1,000,000.00	09/23/2014	03/23 - 09/23	1,000,000.00		1.400	03/23/2018	1.400	1,000,000.00
Subtotal					31,850,000.00			31,822,772.70	1,793.89				29,832,695.87
Total Purchases					31,850,000.00			31,822,772.70	1,793.89				29,832,695.87

Received = Accrued Interest at Purchase was received by report ending date.

**Oceanside Quarterly Report
Sales/Call Report
Sorted by Maturity Date - Fund
July 1, 2014 - September 30, 2014**

P	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
1/2017												
34FD5	14-0005	102	FHLMC FAC	09/13/2013	09/10/2014 03/10/2017	1,180,000.00	1.125	1,180,000.00	1,180,000.00	6,637.50	1,186,637.50	6,637.50
					Subtotal	1,180,000.00		1,180,000.00	1,180,000.00	6,637.50	1,186,637.50	6,637.50
3/2017												
10TR1	14-0038	102	FHLB FAC	02/19/2014	08/19/2014 05/19/2017	1,000,000.00	1.000	1,000,000.00	1,000,000.00	5,000.00	1,005,000.00	5,000.00
					Subtotal	1,000,000.00		1,000,000.00	1,000,000.00	5,000.00	1,005,000.00	5,000.00
7/2017												
34SQ2	14-0029	102	FHLMC FAC	01/17/2014	07/17/2014 07/17/2017	1,000,000.00	1.250	1,000,000.00	1,000,000.00	6,250.00	1,006,250.00	6,250.00
34SQ2	14-0030	102	FHLMC FAC	01/17/2014	07/17/2014 07/17/2017	1,000,000.00	1.250	1,000,000.00	1,000,000.00	6,250.00	1,006,250.00	6,250.00
34SQ2	14-0031	102	FHLMC FAC	01/17/2014	07/17/2014 07/17/2017	1,000,000.00	1.250	1,000,000.00	1,000,000.00	6,250.00	1,006,250.00	6,250.00
					Subtotal	3,000,000.00		3,000,000.00	3,000,000.00	18,750.00	3,018,750.00	18,750.00
2/2017												
30ZM6	13-0012	102	FNMA MC1	09/12/2012	09/12/2014 09/12/2017	2,000,000.00	0.750V	2,000,000.00	2,000,000.00	7,500.00	2,007,500.00	7,500.00
					Subtotal	2,000,000.00		2,000,000.00	2,000,000.00	7,500.00	2,007,500.00	7,500.00
7/2017												
11J41	14-0068	102	FHLB FAC	04/17/2014	07/17/2014 10/17/2017	1,000,000.00	1.375	999,767.86	1,000,000.00	3,437.50	1,003,437.50	3,669.64
					Subtotal	1,000,000.00		999,767.86	1,000,000.00	3,437.50	1,003,437.50	3,669.64
5/2017												
11K80	14-0070	102	FHLB FAC	04/25/2014	07/25/2014 10/25/2017	1,000,000.00	1.375	1,000,000.00	1,000,000.00	3,437.50	1,003,437.50	3,437.50
					Subtotal	1,000,000.00		1,000,000.00	1,000,000.00	3,437.50	1,003,437.50	3,437.50
3/2019												
11WJ3	14-0071	102	FHLB MC1	05/28/2014	08/28/2014 05/28/2019	1,000,000.00	1.000V	1,000,000.00	1,000,000.00	2,500.00	1,002,500.00	2,500.00
					Subtotal	1,000,000.00		1,000,000.00	1,000,000.00	2,500.00	1,002,500.00	2,500.00

Security with variable rate change.

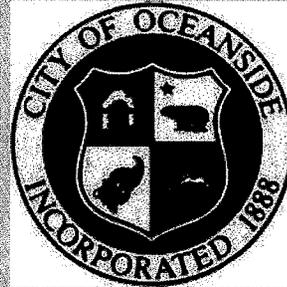
Oceanside Quarterly Report
 Sales/Call Report
 July 1, 2014 - September 30, 2014

IP	Investment #	Fund	Issuer Sec. Type	Purchase Date	Redem. Date Matur. Date	Par Value	Rate at Redem.	Book Value at Redem.	Redemption Principal	Redemption Interest	Total Amount	Net Income
1/2019												
28VWW6	15-0009	102	INDJAP TRC	07/31/2014	08/05/2014 07/31/2019	2,000,000.00	1.625	1,991,433.72	1,996,250.00	441.58	1,996,691.58	5,257.86
					Subtotal	2,000,000.00		1,991,433.72	1,996,250.00	441.58	1,996,691.58	5,257.86
					Total Sales	12,180,000.00		12,171,201.58	12,176,250.00	47,704.08	12,223,954.08	52,752.50

Oceanside Quarterly Report
Maturity Report
Sorted by Maturity Date
Amounts due during July 1, 2014 - September 30, 2014

SIP	Investment #	Fund	Sec. Type	Issuer	Par Value	Maturity Date	Purchase Date at Maturity	Rate	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
3262HN7	12-0044	102	MUN	GROSSM	1,000,000.00	08/01/2014	11/22/2011	1.427	1,000,000.00	7,135.00	1,007,135.00	7,135.00
2246MEO	11-0142	102	MUN	KERSCD	2,070,000.00	08/01/2014	06/29/2011	1.984	2,070,000.00	20,534.40	2,090,534.40	20,534.40
1498CJ8	13-0107	102	MUN	LPTSCD	170,000.00	08/01/2014	05/28/2013	0.340	170,000.00	289.00	170,289.00	289.00
3371AJ7	12-0075	102	MUN	OSIDE	1,745,000.00	08/15/2014	12/21/2011	4.830	1,745,000.00	42,141.75	1,787,141.75	42,141.75
Total Maturities					4,985,000.00				4,985,000.00	70,100.15	5,055,100.15	70,100.15

CITY OF OCEANSIDE



LAIF ACTIVITY GRAPHS

AS OF SEPTEMBER 30, 2014

Oceanside Quarterly Report

Cash/Checking Activity

July 1, 2014 - September 30, 2014

Issuer	Investment #	Fund	Security ID	Current Rate	Transaction Date	Receipt	Deposits	Withdrawals	Interest Received	Balance
IF	Local Agency Investment Fund									
	18000		SYS18000							30,000,000.00
				0.228	07/01/2014					30,000,000.00
				0.228	07/01/2014		750,000.00			30,750,000.00
				0.228	07/03/2014			750,000.00		30,000,000.00
				0.228	07/07/2014		1,000,000.00			31,000,000.00
				0.228	07/09/2014			500,000.00		30,500,000.00
				0.228	07/11/2014			2,250,000.00		28,250,000.00
				0.228	07/15/2014			4,500,000.00		23,750,000.00
				0.228	07/15/2014				12,057.75	23,750,000.00
				0.228	07/16/2014			2,000,000.00		21,750,000.00
				0.228	07/17/2014		3,750,000.00			25,500,000.00
				0.228	07/18/2014		250,000.00			25,750,000.00
				0.228	07/23/2014		1,500,000.00			27,250,000.00
				0.228	07/25/2014			2,500,000.00		24,750,000.00
				0.228	07/28/2014			1,250,000.00		23,500,000.00
				0.228	07/30/2014			1,750,000.00		21,750,000.00
				0.228	07/31/2014			7,750,000.00		14,000,000.00
				0.244	07/31/2014					14,000,000.00
				0.244	08/01/2014		2,750,000.00			16,750,000.00
				0.244	08/04/2014		1,250,000.00			18,000,000.00
				0.244	08/05/2014		2,500,000.00			20,500,000.00
				0.244	08/13/2014		1,500,000.00			22,000,000.00
				0.244	08/15/2014			1,000,000.00		21,000,000.00
				0.244	08/18/2014			2,000,000.00		19,000,000.00
				0.244	08/19/2014		1,000,000.00			20,000,000.00
				0.244	08/20/2014			750,000.00		19,250,000.00
				0.244	08/22/2014			5,000,000.00		14,250,000.00
				0.244	08/26/2014			1,750,000.00		12,500,000.00
				0.244	08/28/2014			2,250,000.00		10,250,000.00
				0.260	08/29/2014					10,250,000.00
				0.260	09/02/2014		1,000,000.00			11,250,000.00
				0.260	09/03/2014			500,000.00		10,750,000.00
				0.260	09/05/2014			1,000,000.00		9,750,000.00
				0.260	09/08/2014		1,250,000.00			11,000,000.00
				0.260	09/10/2014		1,500,000.00			12,500,000.00
				0.260	09/11/2014			1,750,000.00		10,750,000.00

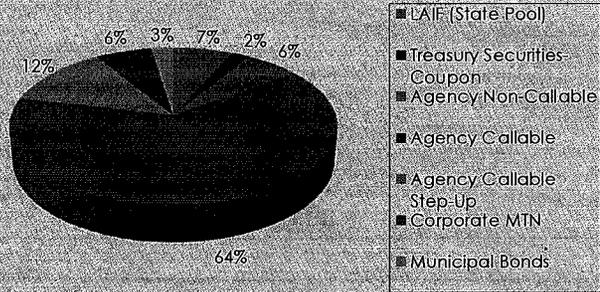
Oceanside Quarterly Report
Cash/Checking Activity
July 1, 2014 - September 30, 2014

Issuer	Investment #	Fund	Security ID	Current Transaction Rate	Date Receipt	Deposits	Withdrawals	Interest Received	Balance
Local Agency Investment Fund									
18000			SYS18000						10,750,000.00
				0.260	09/12/2014	1,750,000.00			12,500,000.00
				0.260	09/16/2014		2,000,000.00		10,500,000.00
				0.260	09/18/2014		1,000,000.00		9,500,000.00
				0.260	09/19/2014		2,250,000.00		7,250,000.00
				0.260	09/23/2014		750,000.00		6,500,000.00
				0.260	09/25/2014	750,000.00			7,250,000.00
				0.260	09/26/2014	750,000.00			8,000,000.00
				0.246	09/30/2014				8,000,000.00
Subtotal and Ending Balance				0.246		23,250,000.00	45,250,000.00	12,057.75	8,000,000.00
18001			SYS18001						16,500,000.00
				0.228	07/01/2014				16,500,000.00
				0.228	07/15/2014			8,586.05	16,500,000.00
				0.244	07/31/2014				16,500,000.00
				0.244	08/29/2014		6,250,000.00		10,250,000.00
				0.260	08/29/2014				10,250,000.00
				0.246	09/30/2014				10,250,000.00
Subtotal and Ending Balance				0.246		0.00	6,250,000.00	8,586.05	10,250,000.00
Total						23,250,000.00	51,500,000.00	20,643.80	18,250,000.00

BREAKDOWN OF INVENTORY BY TYPE

(as a percent of portfolio)

September 2014



Graph 1

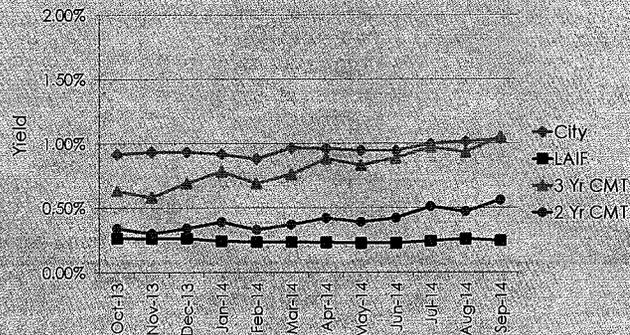
AGING OF MATURING INVESTMENTS

September 2014



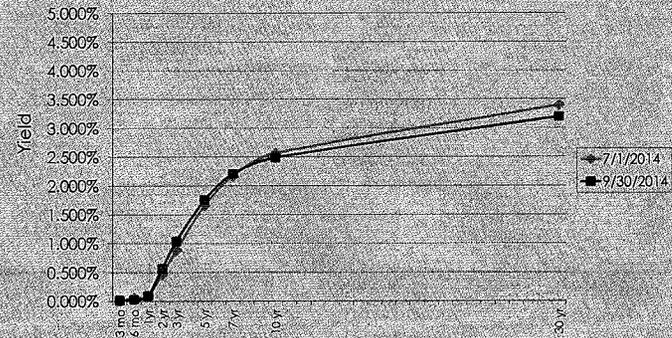
Graph 2

INVESTMENT PORTFOLIO YIELD COMPARISON CITY, LAIF, 2 & 3 YEAR CMT



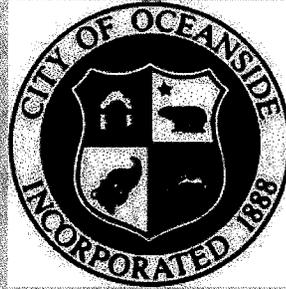
Graph 3

HISTORICAL YIELD CURVE COMPARISON 7/1/14 to 9/30/14



Graph 4

CITY OF OCEANSIDE



FUNDS HELD BY OUTSIDE MANAGEMENT

AS OF SEPTEMBER 30, 2014

**CITY OF OCEANSIDE
FUNDS HELD BY OUTSIDE MANAGEMENT
AS OF SEPTEMBER 30, 2014**

TYPE OF FUND/INSTITUTION	MARKET VALUE	INSTITUTION TOTAL
<u>BOND FUNDS</u>		
Bank of New York		
2002/2003 Tax Allocation Bonds	3,240,640.00	
2002 Community Facilities District Bonds - Morro Hills Development	103,112.33	
2004 Community Facilities District Bonds - Morro Hills Development Imp#1	695.01	
2005 Pension Obligation Bonds	875,502.75	
2008 Community Facilities District Bonds-Pacific Coast Business Park	951,073.77	
2013 Certificates of Participation (2003 Refunding)	675,117.64	
2013 Sewer Revenue Refunding Bonds	1,000,225.64	
2013 Water Revenue Refunding Bonds	11,178,503.08	
2013A Community Facilities District Bonds - Morro Hills Development	542,181.55	
2013 Community Facilities District Bonds - Ocean Ranch Corporate Centre	1,144,432.80	
2013 Harbor Revenue Refunding Bonds	-	
2014A Community Facility District Bonds - Morro Hills Development Imp Area #1	429,801.50	
2014A Community Facility District Bonds - Morro Hills Development	713,619.59	
2014 Community Facilities District Bonds - Ocean Ranch Corporate Centre	478,265.55	
	<u>21,333,171.21</u>	
Deutsche Bank		
2013 Street Light Retrofit Lease Escrow Fund	2,270,622.22	
TOTAL FUNDS MANAGED BY OUTSIDE PARTIES	<u><u>\$ 23,603,793.43</u></u>	