



Costa Mesa Sanitary District

...an Independent Special District

Memorandum

To: Board of Directors

From: Marc Davis, Treasurer

Date: April 28, 2016

Subject: Investment Report for the Month of March 2016

Summary

Attached is the Investment Report for the month of March 2016. As required by the District's Statement of Investment Policy, the Investment Report delineates all investment activity during the month.

Staff Recommendation

Approve the Investment Report for the month of March 2016.

Analysis

This report lists the types of securities held in the District's portfolio, the institutions from which the securities were purchased, maturity dates and interest rates as of March 31, 2016. The District's investments are in compliance with the Statement of Investment Policy adopted by the Board at the June 25, 2015 regular meeting, as well as the California Government Code. The market values in this report were provided by our third party custodian, Pershing, LLC, except for the Local Agency Investment Fund (LAIF). The market value of LAIF was provided by the State Treasurer's Office. It does not represent the value of the underlying securities within the pool, but rather the par or cost amount, which is the amount the District is entitled to withdraw. This reporting practice is consistent with industry standard practices for similar funds.

The weighted average stated rate of return (current yield) for the District's investment portfolio as of March 31, 2016, was 1.167%. The yield to maturity of the portfolio was 1.172%. The District's weighted average interest rate was 66 basis points (0.661%) above the LAIF average monthly rate for February 2016 of 0.506%. The weighted average number of days to maturity for the District's total portfolio was 858 days (2.35 years). The average duration of the underlying securities in LAIF as of March 31, 2016 was 146 days.



Protecting our community's health and the environment by providing solid waste and sewer collection services.

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The District's investment portfolio is in compliance with its liquidity limitations, which requires that a minimum of 20.00% of the portfolio must mature within one year. The percentage of the portfolio maturing in less than one year as of March 31, 2016 was 29.77%. The District has adequate cash reserves necessary to meet its obligations for the next six months.

Strategic Plan Element & Goal

This item supports achieving Strategic Element No. 7.0, *Finances*, by ensuring the short and long-term fiscal health of the District.

Legal Review

Legal review is not required.

Environmental Review

Subject activity is exempt from the requirements of the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et. seq.). Section 15300.4 of CEQA allows an agency while establishing its own procedures "to list those specific activities which fall within each of the exempt classes", and the District has adopted "CEQA Guidelines and Implementing Procedures" that state on page 6, "'Projects" does not include....C. Continuing administrative or maintenance activities."

Financial Review

The portfolio was budgeted to earn an average rate of 0.900% for the year ending June 30, 2016. Through March 31, 2016, the portfolio has earned a weighted average interest rate of 1.123%.

Public Notice Process

Copies of this report are on file and will be included with the entire agenda packet for the April 28, 2016 Board of Directors regular meeting at District Headquarters (628 W. 19th Street) and on the District's website at www.cmsdca.gov.

Alternative Actions

1. Refer the matter back to staff

Attachments

Treasurer's Report of Pooled Cash and Investments as of March 31, 2016

COSTA MESA SANITARY DISTRICT
Treasurer's Report of Pooled Cash and Investments
March 31, 2016

| | <u>Bank Balance</u> | <u>Deposits In Transits</u> | <u>Outstanding Checks</u> | <u>Book Balance</u> |
|-------------------------------------|----------------------|---------------------------------------|-------------------------------|----------------------|
| Active Accounts: | | | | |
| Bank of America | \$ 697,687.62 | - | 233,638.04 | \$ 464,049.58 |
| Total Active Accounts | 697,687.62 | - | 233,638.04 | 464,049.58 |
| | | | | |
| | <u>Market Value</u> | <u>Market Adjustment Increase</u> | <u>Decrease</u> | <u>Cost</u> |
| Investments: | | | | |
| Local Agency Investment Fund | \$ 4,842,841.25 | - | - | 4,842,841.25 |
| Money Market/Sweep Account | 936,582.66 | - | - | 936,582.66 |
| Negotiable Certificates of Deposit | 3,101,526.70 | 17,624.20 | - | 3,083,902.50 |
| Federal Agency Securities | 11,990,024.60 | 13,579.60 | - | 11,976,445.00 |
| Total Investments | 20,870,975.21 | 31,203.80 | - | 20,839,771.41 |
| Total Pooled Cash & Investments | \$ 21,568,662.83 | \$ 31,203.80 | \$ 233,638.04 | \$ 21,303,820.99 |

Costa Mesa Sanitary District
Pooled Cash and Investments by Fund
March 31, 2016

| | |
|--------------------------------------|----------------------|
| Solid Waste Fund: | |
| Operating Reserve | \$ 1,720,000.00 |
| Unreserved: | |
| Designated for revenue dry period | 1,494,000.00 |
| Undesignated | 1,966,796.75 |
| Liquid Waste Fund: | |
| Operating Reserve | 960,000.00 |
| Reserved for Earthquakes/Emergencies | 1,000,000.00 |
| Reserved for Capital Outlay | 4,960,800.00 |
| Unreserved: | |
| Designated for revenue dry period | 2,467,300.00 |
| Undesignated | (128,878.90) |
| Facilities Revolving Fund | 751,869.34 |
| Asset Replacement Fund | 925,033.36 |
| Asset Management Fund | 5,186,900.44 |
| Total Pooled Cash & Investments | \$ 21,303,820.99 |



Marcus D. Davis
Treasurer

4/19/16
Date

COSTA MESA SANITARY DISTRICT
Investment Activity Summary
March 31, 2016

| | |
|---|------------------------------------|
| Total investments outstanding as of February 29, 2016 | <u>\$ 20,935,378.35</u> |
| Additions: | |
| Investment purchases: | |
| JP Morgan Chase Bank negotiable CD, 2 yr, 1.00%, 3/22/16 | 200,000.00 |
| FHLMC, 3 yr, 1.40%, 3/29/16 | 1,000,000.00 |
| FHLMC, 5 yr, 1.60%, 3/30/16 | 1,000,000.00 |
| BMO Harris Bank negotiable CD, 2 yr, 1.05%, 3/30/16 | <u>245,000.00</u> |
| Total investment purchases | <u>2,445,000.00</u> |
| Deductions: | |
| Investments matured: | |
| Pacific Westin Bank negotiable CD, 1 yr, 0.50%, 3/18/16 | <u>(200,000.00)</u> |
| Total investments matured | <u>(200,000.00)</u> |
| Investments called: | |
| FHLMC, 1.80%, 4 yr, purchased 12/30/15, called 3/30/16 | (500,000.00) |
| FHLMC, 1.75%, 5 yr, purchased 9/30/15, called 3/30/16 | <u>(250,000.00)</u> |
| Total investments called | <u>(750,000.00)</u> |
| Total deductions | <u>(950,000.00)</u> |
| Net increase (decrease) in Sweep Account | <u>(1,490,606.94)</u> |
| Net increase (decrease) in LAIF | <u>(100,000.00)</u> |
| Total investments outstanding as of March 31, 2016 | <u>\$ 20,839,771.41</u> |

COSTA MESA SANITARY DISTRICT
Investment and Investment Earnings
March 31, 2016

| CUSIP Number | Investment | Purchase Date | Maturity Date | Coupon Rate | Investment Cost | Interest Earned at 03/31/16 | Comments |
|-----------------|-----------------------------------|------------------|------------------|----------------|-------------------------|-----------------------------------|----------|
| n/a | Local Agency Investment Fund | n/a | n/a | 0.467% | \$ 4,842,841.25 | n/a | ** |
| n/a | Pershing-Sweep Acct | n/a | n/a | 0.000% | 936,582.66 | n/a | |
| 3135G0RQ8 | Federal National Mortgage Assn | 11/15/12 | 11/15/17 | 1.000% | 1,000,000.00 | 3,777.78 | |
| 313382HR7 | Federal Home Loan Bank | 03/27/13 | 03/27/18 | 1.130% | 1,000,000.00 | 125.56 | |
| 3136G1L31 | Federal National Mortgage Assn | 05/15/13 | 05/15/17 | 0.700% | 1,000,000.00 | 2,644.44 | |
| 87165FAC8 | Synchrony Bank Retail CTF Dep | 06/06/14 | 06/06/19 | 2.000% | 99,500.00 | 624.66 | |
| 06740KGY7 | Barclays Bank Retail CTF Dep | 07/02/14 | 07/05/16 | 0.650% | 99,825.00 | 158.49 | |
| 795450VP7 | Sallie Mae Bank CTF Dep | 12/25/14 | 12/12/16 | 1.050% | 125,000.00 | 402.74 | |
| 38148JGK1 | Goldman Sachs Bank USA CTF Dep | 01/07/15 | 01/07/19 | 1.900% | 200,000.00 | 874.52 | |
| 02587DXL7 | American Exp Centurion CTF Dep | 05/01/15 | 05/01/17 | 0.900% | 199,700.00 | 754.52 | |
| 29976DXK1 | Everbank Jacksonville FLA CTF Dep | 05/28/15 | 05/27/16 | 0.450% | 200,000.00 | 759.45 | |
| 140420SW1 | Capital One Bank CTF Dep | 07/01/15 | 07/01/19 | 1.950% | 245,000.00 | 1,178.01 | |
| 254672QY7 | Discover Bank CTF Dep | 07/01/15 | 07/01/20 | 2.300% | 245,000.00 | 1,389.45 | |
| 3130A5TW9 | Federal Home Loan Bank | 07/27/15 | 07/27/20 | 2.000% | 1,000,000.00 | 3,555.56 | |
| 20451PMU7 | Compass Bank CTF Dep | 08/07/15 | 07/31/17 | 1.300% | 200,000.00 | 427.40 | |
| 02006LTZ6 | Ally Bank CTF Dep | 09/17/15 | 09/17/18 | 1.650% | 245,000.00 | 155.05 | |
| 3133EFJQ1 | Federal Farm Credit Bank | 10/15/15 | 10/15/19 | 1.440% | 1,000,000.00 | 6,640.00 | |
| 3133EFKA4 | Federal Farm Credit Bank | 10/19/15 | 01/14/20 | 1.500% | 499,875.00 | 1,604.17 | |
| 05580ADA9 | BMW Bank CTF Dep | 10/21/15 | 10/16/17 | 1.150% | 244,877.50 | 1,289.10 | |
| 3136G2QA8 | Federal National Mortgage Assn | 10/27/15 | 10/27/20 | 1.470% | 250,000.00 | 1,572.08 | |
| 3133EFMG9 | Federal Farm Credit Bank | 10/29/15 | 10/29/20 | 1.680% | 1,000,000.00 | 7,093.33 | |
| 3133EFNM5 | Federal Farm Credit Bank | 11/09/15 | 11/09/20 | 1.800% | 500,000.00 | 3,550.00 | |
| 3133EFPM3 | Federal Farm Credit Bank | 11/23/15 | 11/23/20 | 1.875% | 1,000,000.00 | 6,666.67 | |
| 3136G2TV9 | Federal National Mortgage Assn | 11/23/15 | 11/20/20 | 1.850% | 429,570.00 | 2,894.74 | |
| 3136G2T72 | Federal National Mortgage Assn | 11/25/15 | 11/25/20 | 1.700% | 997,000.00 | 5,950.00 | |
| 066519BB4 | BankUnited CTF Dep | 11/30/15 | 11/30/18 | 1.450% | 245,000.00 | 1,187.41 | |
| 27113PAW1 | East Boston Savings Bank CTF Dep | 12/18/15 | 04/18/17 | 1.000% | 150,000.00 | 53.42 | |
| 9497483K1 | Wells Fargo CTF Dep | 02/12/16 | 02/12/18 | 1.150% | 140,000.00 | 83.81 | |
| 3134G8KL2 | Federal Home Loan Mortgage Corp | 02/26/16 | 02/26/19 | 1.300% | 300,000.00 | 379.17 | |
| 48125YJ21 | JP Morgan Chase Bank CTF Dep | 03/22/16 | 03/22/18 | 1.000% | 200,000.00 | 49.32 | |
| 3134G8NS4 | Federal Home Loan Mortgage Corp | 03/29/16 | 03/29/19 | 1.400% | 1,000,000.00 | 77.78 | |
| 3134G8VN6 | Federal Home Loan Mortgage Corp | 03/30/16 | 03/29/21 | 1.600% | 1,000,000.00 | 88.89 | |
| 05581WEQ4 | BMO Harris Bank CTF Dep | 03/30/16 | 03/29/18 | 1.050% | 245,000.00 | 7.05 | |
| Totals | | | | | <u>\$ 20,839,771.41</u> | <u>\$ 56,014.57</u> | |

**Represents the LAIF monthly rate for March 2016

COSTA MESA SANITARY DISTRICT
Summary of Policy Limitations
March 31, 2016

| <u>Description</u> | <u>Current % of Market Value 03/31/16</u> | <u>Maximum %</u> |
|--|---|------------------|
| U.S. Treasury Bills | 0.00% | Unlimited |
| U.S. Treasury Notes | 0.00% | Unlimited |
| Federal Agency Issues: | | |
| FICB | 0.00% | Unlimited |
| FLB | 0.00% | Unlimited |
| FHLB | 9.61% | Unlimited |
| FHLMC | 11.02% | Unlimited |
| FNMA | 17.65% | Unlimited |
| FFCB | 19.17% | Unlimited |
| Other * | 0.00% | Unlimited |
| Banker's Acceptances | 0.00% | 25% (1) |
| Certificates of Deposit | 0.00% | 25% |
| Negotiable Certificates of Deposits | 14.86% | 25% (1) |
| Commercial Paper | 0.00% | 25% (1) |
| Medium Term Corporate Notes | 0.00% | 20% (1) |
| LAIF (Local Agency Investment Fund) | 23.20% | 40,000,000 |
| Shares of Beneficial Interest | 0.00% | 20% |
| Money Market/Mutual Funds (Sweep Acct) | 4.49% | 10% per fund (2) |
| Total | <u>100.00%</u> | |
| | | |
| % of portfolio maturing under one year | 29.77% | no less than 20% |
| % of portfolio maturing over one year | 70.23% | |
| | <u>100.00%</u> | |

(1) Further limited to 10% in any single issuer

(2) Also limited to 20% in total.

*These securities are not considered for purchases: SBA, GNMA, TVA and SALLIEMAE

COSTA MESA SANITARY DISTRICT
Schedule of Investments by Instrument Type
March 31, 2016

| Description | Broker/Dealer | Purchase Date | Maturity Date | Coupon Rate | Investment Cost | % of Portfolio | Market Value | % of Portfolio | Comments |
|--|-----------------------|---------------|---------------|-------------|--------------------------------|----------------|--------------------------------|----------------|---------------|
| State Treasurer's Pool | LAIF | n/a | Continuous | 0.467% ** | <u>\$ 4,842,841.25</u> | | <u>\$ 4,842,841.25</u> | | Pool |
| Total State Treasurer's Pool | | | | | <u>4,842,841.25</u> | 23.24% | <u>4,842,841.25</u> | 23.20% | |
| Money Market/Sweep Account | Pershing | n/a | Continuous | 0.000% | <u>936,582.66</u> | | <u>936,582.66</u> | | Sweep |
| Total Money Market/Sweep Account | | | | | <u>936,582.66</u> | 4.49% | <u>936,582.66</u> | 4.49% | |
| Federal Home Loan Mortgage Corp | Multi-Bank Securities | 02/26/16 | 02/26/19 | 1.300% | 300,000.00 | | 300,132.00 | | FHLMC |
| Federal Home Loan Mortgage Corp | Multi-Bank Securities | 03/29/16 | 03/29/19 | 1.400% | 1,000,000.00 | | 1,000,280.00 | | FHLMC |
| Federal Home Loan Mortgage Corp | Multi-Bank Securities | 03/30/16 | 03/29/21 | 1.600% | <u>1,000,000.00</u> | | <u>1,000,590.00</u> | | FHLMC |
| Total Federal Home Loan Mortgage Corp | | | | | <u>2,300,000.00</u> | 11.04% | <u>2,301,002.00</u> | 11.02% | |
| Federal Home Loan Bank | E.J. De La Rosa | 03/27/13 | 03/27/18 | 1.130% | 1,000,000.00 | | 1,000,260.00 | | FHLB |
| Federal Home Loan Bank | Multi-Bank Securities | 07/27/15 | 07/27/20 | 2.000% | <u>1,000,000.00</u> | | <u>1,004,530.00</u> | | FHLB |
| Total Federal Home Loan Bank | | | | | <u>2,000,000.00</u> | 9.60% | <u>2,004,790.00</u> | 9.61% | |
| Federal National Mortgage Association | E.J. De La Rosa | 11/15/12 | 11/15/17 | 1.000% | 1,000,000.00 | | 1,000,130.00 | | FNMA |
| Federal National Mortgage Association | Union Banc | 05/15/13 | 05/15/17 | 0.700% | 1,000,000.00 | | 999,940.00 | | FNMA |
| Federal National Mortgage Association | Multi-Bank Securities | 10/27/15 | 10/20/15 | 1.470% | 250,000.00 | | 250,207.50 | | FNMA |
| Federal National Mortgage Association | Multi-Bank Securities | 11/23/15 | 11/20/20 | 1.850% | 429,570.00 | | 430,245.10 | | FNMA |
| Federal National Mortgage Association | Multi-Bank Securities | 11/25/15 | 11/25/20 | 1.700% | <u>997,000.00</u> | | <u>1,002,490.00</u> | | FNMA |
| Total Federal National Mortgage Association | | | | | <u>3,676,570.00</u> | 17.64% | <u>3,683,012.60</u> | 17.65% | |
| Federal Farm Credit Bank | Multi-Bank Securities | 10/15/15 | 10/15/19 | 1.440% | 1,000,000.00 | | 1,000,040.00 | | FFCB |
| Federal Farm Credit Bank | Multi-Bank Securities | 10/19/15 | 01/14/20 | 1.500% | 499,875.00 | | 500,005.00 | | FFCB |
| Federal Farm Credit Bank | Multi-Bank Securities | 10/29/15 | 10/29/20 | 1.680% | 1,000,000.00 | | 997,970.00 | | FFCB |
| Federal Farm Credit Bank | Multi-Bank Securities | 11/09/15 | 11/09/20 | 1.800% | 500,000.00 | | 500,625.00 | | FFCB |
| Federal Farm Credit Bank | Multi-Bank Securities | 11/23/15 | 11/23/20 | 1.875% | <u>1,000,000.00</u> | | <u>1,002,580.00</u> | | FFCB |
| Total Federal Farm Credit Bank | | | | | <u>3,999,875.00</u> | 19.19% | <u>4,001,220.00</u> | 19.17% | |
| Synchrony Bank Retail Certificate of Deposit | Multi-Bank Securities | 06/06/14 | 06/06/19 | 2.000% | 99,500.00 | | 101,683.00 | | Negotiable CD |
| Barclays Bank Retail Certificate of Deposit | Multi-Bank Securities | 07/02/14 | 07/05/16 | 0.650% | 99,825.00 | | 100,054.00 | | Negotiable CD |
| Sallie Mae Bank CTF Dep | Multi-Bank Securities | 12/25/14 | 12/12/16 | 1.050% | 125,000.00 | | 125,221.25 | | Negotiable CD |
| Goldman Sachs Bk CTF Dep | Multi-Bank Securities | 01/07/15 | 01/07/19 | 1.900% | 200,000.00 | | 201,980.00 | | Negotiable CD |
| American Exp Centurion CTF Dep | Multi-Bank Securities | 05/01/15 | 05/01/17 | 0.900% | 199,700.00 | | 200,230.00 | | Negotiable CD |
| Everbank Jacksonville FLA CTF Dep | Multi-Bank Securities | 05/28/15 | 05/27/16 | 0.450% | 200,000.00 | | 200,002.00 | | Negotiable CD |
| Capital One Bank CTF Dep | Multi-Bank Securities | 07/01/15 | 07/01/19 | 1.950% | 245,000.00 | | 247,344.65 | | Negotiable CD |
| Discover Bank CTF Dep | Multi-Bank Securities | 07/01/15 | 07/01/20 | 2.300% | 245,000.00 | | 248,464.30 | | Negotiable CD |
| Compass Bank CTF Dep | Multi-Bank Securities | 08/07/15 | 07/31/17 | 1.300% | 200,000.00 | | 200,452.00 | | Negotiable CD |
| Ally Bank CTF Dep | Multi-Bank Securities | 09/17/15 | 09/17/18 | 1.650% | 245,000.00 | | 247,638.65 | | Negotiable CD |
| BMW Bank CTF Dep | Multi-Bank Securities | 10/21/15 | 10/16/17 | 1.150% | 244,877.50 | | 245,656.60 | | Negotiable CD |
| BankUnited CTF Dep | Multi-Bank Securities | 11/30/15 | 11/30/18 | 1.450% | 245,000.00 | | 247,234.40 | | Negotiable CD |
| East Boston Savings Bank CTF Dep | Multi-Bank Securities | 12/18/15 | 04/18/17 | 1.000% | 150,000.00 | | 150,009.00 | | Negotiable CD |
| Wells Fargo CTF Dep | Multi-Bank Securities | 02/12/16 | 02/12/18 | 1.150% | 140,000.00 | | 140,460.60 | | Negotiable CD |
| JP Morgan Chase Bank CTF Dep | Multi-Bank Securities | 03/22/16 | 03/22/18 | 1.000% | 200,000.00 | | 200,182.00 | | Negotiable CD |
| BMO Harris Bank CTF Dep | Multi-Bank Securities | 03/30/16 | 03/29/18 | 1.050% | <u>245,000.00</u> | | <u>244,914.25</u> | | Negotiable CD |
| Total Negotiable Certificates of Deposit | | | | | <u>3,083,902.50</u> | 14.80% | <u>3,101,526.70</u> | 14.86% | |
| Total Investments | | | | | <u>\$ 20,839,771.41</u> | 100.00% | <u>\$ 20,870,975.21</u> | 100.00% | |

**Represents the LAIF monthly rate for March 2016

COSTA MESA SANITARY DISTRICT
Investment Portfolio
March 31, 2016

| Broker/Dealer | Investment Type | Purchase Date | Maturity Date | Days to Maturity | Coupon Rate | Yield to Maturity | Investment Cost |
|------------------------------|------------------------|----------------------|----------------------|-------------------------|--------------------|--------------------------|------------------------|
| Local Agency Investment Fund | Pool | | | 1 | 0.467% ** | 0.467% | \$ 4,842,841.25 |
| Pershing-Sweep Acct | Sweep | | | 1 | 0.000% | 0.000% | 936,582.66 |
| Multi-Bank Securities | Negotiable CD | 05/28/15 | 05/27/16 | 57 | 0.450% | 0.450% | 200,000.00 |
| Multi-Bank Securities | Negotiable CD | 07/02/14 | 07/05/16 | 96 | 0.650% | 0.650% | 99,825.00 |
| Multi-Bank Securities | Negotiable CD | 12/25/14 | 12/12/16 | 256 | 1.050% | 1.050% | 125,000.00 |
| Multi-Bank Securities | Negotiable CD | 12/18/15 | 04/18/17 | 383 | 1.000% | 1.000% | 150,000.00 |
| Multi-Bank Securities | Negotiable CD | 05/01/15 | 05/01/17 | 396 | 0.900% | 0.900% | 199,700.00 |
| UnionBanc | FNMA | 05/15/13 | 05/15/17 | 410 | 0.700% | 0.700% | 1,000,000.00 |
| Multi-Bank Securities | Negotiable CD | 08/07/15 | 07/31/17 | 487 | 1.300% | 1.300% | 200,000.00 |
| Multi-Bank Securities | Negotiable CD | 10/21/15 | 10/16/17 | 564 | 1.150% | 1.176% | 244,877.50 |
| E.J. De La Rosa | FNMA | 11/15/12 | 11/15/17 | 594 | 1.000% | 1.000% | 1,000,000.00 |
| Multi-Bank Securities | Negotiable CD | 02/12/16 | 02/12/18 | 683 | 1.150% | 1.150% | 140,000.00 |
| Multi-Bank Securities | Negotiable CD | 03/22/16 | 03/22/18 | 721 | 1.000% | 1.000% | 200,000.00 |
| E.J. De La Rosa | FHLB | 03/27/13 | 03/27/18 | 726 | 1.130% | 1.130% | 1,000,000.00 |
| Multi-Bank Securities | Negotiable CD | 03/30/16 | 03/29/18 | 728 | 1.050% | 1.050% | 245,000.00 |
| Multi-Bank Securities | Negotiable CD | 09/17/15 | 09/17/18 | 900 | 1.650% | 1.650% | 245,000.00 |
| Multi-Bank Securities | Negotiable CD | 11/30/15 | 11/30/18 | 974 | 1.450% | 1.450% | 245,000.00 |
| Multi-Bank Securities | Negotiable CD | 01/07/15 | 01/07/19 | 1,012 | 1.900% | 1.900% | 200,000.00 |
| Multi-Bank Securities | FHLMC | 02/26/16 | 02/26/19 | 1,062 | 1.300% | 1.300% | 300,000.00 |
| Multi-Bank Securities | FHLMC | 03/29/16 | 03/29/19 | 1,093 | 1.400% | 1.400% | 1,000,000.00 |
| Multi-Bank Securities | Negotiable CD | 06/06/14 | 06/06/19 | 1,162 | 2.000% | 2.106% | 99,500.00 |
| Multi-Bank Securities | Negotiable CD | 07/01/15 | 07/01/19 | 1,187 | 1.950% | 1.950% | 245,000.00 |
| Multi-Bank Securities | FFCB | 10/15/15 | 10/15/19 | 1,293 | 1.440% | 1.440% | 1,000,000.00 |
| Multi-Bank Securities | FFCB | 10/19/15 | 01/14/20 | 1,384 | 1.500% | 1.506% | 499,875.00 |
| Multi-Bank Securities | Negotiable CD | 07/01/15 | 07/01/20 | 1,553 | 2.300% | 2.300% | 245,000.00 |
| Multi-Bank Securities | FHLB | 07/27/15 | 07/27/20 | 1,579 | 2.000% | 2.000% | 1,000,000.00 |
| Multi-Bank Securities | FNMA | 10/27/15 | 10/27/20 | 1,671 | 1.470% | 1.470% | 250,000.00 |
| Multi-Bank Securities | FFCB | 10/29/15 | 10/29/20 | 1,673 | 1.680% | 1.680% | 1,000,000.00 |
| Multi-Bank Securities | FFCB | 11/09/15 | 11/09/20 | 1,684 | 1.800% | 1.800% | 500,000.00 |
| Multi-Bank Securities | FNMA | 11/23/15 | 11/20/20 | 1,695 | 1.850% | 1.871% | 429,570.00 |
| Multi-Bank Securities | FFCB | 11/23/15 | 11/23/20 | 1,698 | 1.875% | 1.875% | 1,000,000.00 |
| Multi-Bank Securities | FNMA | 11/25/15 | 11/25/20 | 1,700 | 1.700% | 1.763% | 997,000.00 |
| Multi-Bank Securities | FHLMC | 03/30/16 | 03/29/21 | 1,824 | 1.600% | 1.600% | 1,000,000.00 |

Total Investment Portfolio

\$ 20,839,771.41

Total Portfolio

| | | |
|--------------------------------|----------|------------|
| Weighted Avg Interest Rate | 1.158 % | |
| Weighted Avg Yield to Maturity | 1.163 % | |
| Weighted Avg Days to Maturity | 858 Days | 2.35 Years |

**Represents the LAIF monthly rate for March 2016

COSTA MESA SANITARY DISTRICT
For all Maturities with Market Values
March 31, 2016

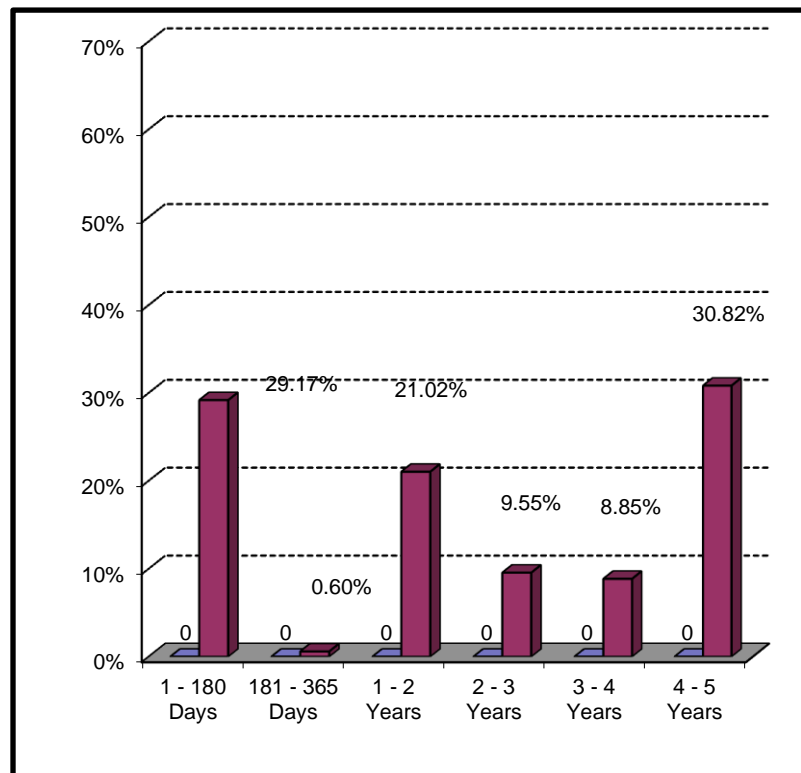
| Purchase Date | Maturity Date | Intuition Broker/Dealer | Investment Type | Par | Coupon Rate | Investment Cost | Market Value | Accrued Interest | Net Gain/(Loss) If Sold |
|--------------------------|---------------|-------------------------|-----------------|-------------------------|-------------|----------------------|----------------------|------------------|-------------------------|
| n/a | Continuous | LAIF | Pool | \$ 4,842,841.25 | 0.467% ** | 4,842,841.25 | 4,842,841.25 | - | - |
| n/a | Continuous | Pershing | Sweep | 936,582.66 | 0.000% | 936,582.66 | 936,582.66 | - | - |
| 11/15/12 | 11/15/17 | E.J. De La Rosa | FNMA | 1,000,000.00 | 1.000% | 1,000,000.00 | 1,000,130.00 | 3,777.78 | 130.00 |
| 03/27/13 | 03/27/18 | E.J. De La Rosa | FHLB | 1,000,000.00 | 1.130% | 1,000,000.00 | 1,000,260.00 | 125.56 | 260.00 |
| 05/15/13 | 05/15/17 | UnionBanc | FNMA | 1,000,000.00 | 0.700% | 1,000,000.00 | 999,940.00 | 2,644.44 | (60.00) |
| 06/06/14 | 06/06/19 | Multi-Bank Securities | Negotiable CD | 100,000.00 | 2.000% | 99,500.00 | 101,683.00 | 624.66 | 2,183.00 |
| 07/02/14 | 07/05/16 | Multi-Bank Securities | Negotiable CD | 100,000.00 | 0.650% | 99,825.00 | 100,054.00 | 158.49 | 229.00 |
| 12/25/14 | 12/12/16 | Multi-Bank Securities | Negotiable CD | 125,000.00 | 1.050% | 125,000.00 | 125,221.25 | 402.74 | 221.25 |
| 01/07/15 | 01/07/19 | Multi-Bank Securities | Negotiable CD | 200,000.00 | 1.900% | 200,000.00 | 201,980.00 | 874.52 | 1,980.00 |
| 05/01/15 | 05/01/17 | Multi-Bank Securities | Negotiable CD | 200,000.00 | 0.900% | 199,700.00 | 200,230.00 | 754.52 | 530.00 |
| 05/28/15 | 05/27/16 | Multi-Bank Securities | Negotiable CD | 200,000.00 | 0.450% | 200,000.00 | 200,002.00 | 759.45 | 2.00 |
| 07/01/15 | 07/01/19 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 1.950% | 245,000.00 | 247,344.65 | 1,178.01 | 2,344.65 |
| 07/01/15 | 07/01/20 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 2.300% | 245,000.00 | 248,464.30 | 1,389.45 | 3,464.30 |
| 07/27/15 | 07/27/20 | Multi-Bank Securities | FHLB | 1,000,000.00 | 2.000% | 1,000,000.00 | 1,004,530.00 | 3,555.56 | 4,530.00 |
| 08/07/15 | 07/31/17 | Multi-Bank Securities | Negotiable CD | 200,000.00 | 1.300% | 200,000.00 | 200,452.00 | 427.40 | 452.00 |
| 09/17/15 | 09/17/18 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 1.650% | 245,000.00 | 247,638.65 | 155.05 | 2,638.65 |
| 10/15/15 | 10/19/15 | Multi-Bank Securities | FFCB | 1,000,000.00 | 1.440% | 1,000,000.00 | 1,000,040.00 | 6,640.00 | 40.00 |
| 10/19/15 | 01/14/20 | Multi-Bank Securities | FFCB | 500,000.00 | 1.500% | 499,875.00 | 500,005.00 | 1,604.17 | 130.00 |
| 10/21/15 | 10/16/17 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 1.150% | 244,877.50 | 245,656.60 | 1,289.10 | 779.10 |
| 10/27/15 | 10/27/20 | Multi-Bank Securities | FNMA | 250,000.00 | 1.470% | 250,000.00 | 250,207.50 | 1,572.08 | 207.50 |
| 10/29/15 | 10/29/20 | Multi-Bank Securities | FFCB | 1,000,000.00 | 1.680% | 1,000,000.00 | 997,970.00 | 7,093.33 | (2,030.00) |
| 11/09/15 | 11/09/20 | Multi-Bank Securities | FFCB | 500,000.00 | 1.800% | 500,000.00 | 500,625.00 | 3,550.00 | 625.00 |
| 11/23/15 | 11/23/20 | Multi-Bank Securities | FFCB | 1,000,000.00 | 1.875% | 1,000,000.00 | 1,002,580.00 | 6,666.67 | 2,580.00 |
| 11/23/15 | 11/20/20 | Multi-Bank Securities | FNMA | 430,000.00 | 1.850% | 429,570.00 | 430,245.10 | 2,894.74 | 675.10 |
| 11/25/15 | 11/25/20 | Multi-Bank Securities | FNMA | 1,000,000.00 | 1.700% | 997,000.00 | 1,002,490.00 | 5,950.00 | 5,490.00 |
| 11/30/15 | 11/30/18 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 1.450% | 245,000.00 | 247,234.40 | 1,187.41 | 2,234.40 |
| 12/18/15 | 04/18/17 | Multi-Bank Securities | Negotiable CD | 150,000.00 | 1.000% | 150,000.00 | 150,009.00 | 53.42 | 9.00 |
| 02/12/16 | 02/12/18 | Multi-Bank Securities | Negotiable CD | 140,000.00 | 1.150% | 140,000.00 | 140,460.60 | 83.81 | 460.60 |
| 02/26/16 | 02/26/19 | Multi-Bank Securities | FHLMC | 300,000.00 | 1.300% | 300,000.00 | 300,132.00 | 379.17 | 132.00 |
| 03/22/16 | 03/22/18 | Multi-Bank Securities | Negotiable CD | 200,000.00 | 1.000% | 200,000.00 | 200,182.00 | 49.32 | 182.00 |
| 03/29/16 | 03/29/19 | Multi-Bank Securities | FHLMC | 1,000,000.00 | 1.400% | 1,000,000.00 | 1,000,280.00 | 77.78 | 280.00 |
| 03/30/16 | 03/29/21 | Multi-Bank Securities | FHLMC | 1,000,000.00 | 1.600% | 1,000,000.00 | 1,000,590.00 | 88.89 | 590.00 |
| 03/30/16 | 03/29/18 | Multi-Bank Securities | Negotiable CD | 245,000.00 | 1.050% | 245,000.00 | 244,914.25 | 7.05 | (85.75) |
| Total Investments | | | | <u>\$ 20,844,423.91</u> | | <u>20,839,771.41</u> | <u>20,870,975.21</u> | <u>56,014.57</u> | <u>31,203.80</u> |

**Represents the LAIF monthly rate for March 2016

COSTA MESA SANITARY DISTRICT
Call Schedule
March 31, 2016

| Type of Investment | Purchase Date | Maturity Date | Coupon Rate | Par Value | Investment Cost | Call Features |
|--------------------|---------------|---------------|-------------|-------------------------|-------------------------|---|
| FNMA | 11/15/12 | 11/15/17 | 1.000% | 1,000,000.00 | 1,000,000.00 | Callable 5/15/13 w/10 days notice, thereafter 8,11,2,5 |
| FHLB | 03/27/13 | 03/27/18 | 1.130% | 1,000,000.00 | 1,000,000.00 | Callable 3/27/15, w/5 days notice, thereafter 3,6,9,12 |
| FNMA | 05/15/13 | 05/15/17 | 0.700% | 1,000,000.00 | 1,000,000.00 | Callable 5/15/14 w/10 days notice, quarterly thereafter |
| Negotiable CD | 06/06/14 | 06/06/19 | 2.000% | 100,000.00 | 99,500.00 | None |
| Negotiable CD | 07/02/14 | 07/05/16 | 0.650% | 100,000.00 | 99,825.00 | None |
| Negotiable CD | 12/25/14 | 12/12/16 | 1.050% | 125,000.00 | 125,000.00 | None |
| Negotiable CD | 01/07/15 | 01/07/19 | 1.900% | 200,000.00 | 200,000.00 | None |
| Negotiable CD | 05/01/15 | 05/01/17 | 0.900% | 200,000.00 | 199,700.00 | None |
| Negotiable CD | 05/28/15 | 05/27/16 | 0.450% | 200,000.00 | 200,000.00 | None |
| Negotiable CD | 07/01/15 | 07/01/19 | 1.950% | 245,000.00 | 245,000.00 | None |
| Negotiable CD | 07/01/15 | 07/01/20 | 2.300% | 245,000.00 | 245,000.00 | None |
| FHLB | 07/27/15 | 07/27/20 | 2.000% | 1,000,000.00 | 1,000,000.00 | Callable 7/27/16 w/5 days notice, quarterly thereafter |
| Negotiable CD | 08/07/15 | 07/31/17 | 1.300% | 200,000.00 | 200,000.00 | None |
| Negotiable CD | 09/17/15 | 09/17/18 | 1.650% | 245,000.00 | 245,000.00 | None |
| FFCB | 10/15/15 | 10/15/19 | 1.440% | 1,000,000.00 | 1,000,000.00 | Callable 1/15/16 w/5 days notice, anytime thereafter |
| FFCB | 10/19/15 | 01/14/20 | 1.500% | 500,000.00 | 499,875.00 | Callable 1/14/16 w/5 days notice, anytime thereafter |
| Negotiable CD | 10/21/15 | 10/17/15 | 1.150% | 245,000.00 | 244,877.50 | None |
| FNMA | 10/27/15 | 10/27/20 | 1.470% | 250,000.00 | 250,000.00 | Callable 10/27/16 |
| FFCB | 10/29/15 | 10/29/20 | 1.680% | 1,000,000.00 | 1,000,000.00 | Callable 1/29/16 w/5 days notice, anytime thereafter |
| FFCB | 11/09/15 | 11/09/20 | 1.800% | 500,000.00 | 500,000.00 | Callable 11/9/16 w/5 days notice, anytime thereafter |
| FFCB | 11/23/15 | 11/23/20 | 1.875% | 1,000,000.00 | 1,000,000.00 | Callable 11/23/16 w/5 days notice, anytime thereafter |
| FNMA | 11/23/15 | 11/20/20 | 1.850% | 430,000.00 | 429,570.00 | Callable 5/20/16, one time only |
| FNMA | 11/25/15 | 11/25/20 | 1.700% | 1,000,000.00 | 997,000.00 | Callable 11/25/16, one time only |
| Negotiable CD | 11/30/15 | 11/30/18 | 1.450% | 245,000.00 | 245,000.00 | None |
| Negotiable CD | 12/18/15 | 04/18/17 | 1.000% | 150,000.00 | 150,000.00 | None |
| Negotiable CD | 02/12/16 | 02/12/18 | 1.150% | 140,000.00 | 140,000.00 | None |
| FHLMC | 02/26/16 | 02/26/19 | 1.300% | 300,000.00 | 300,000.00 | Callable 5/26/16, one time only |
| Negotiable CD | 03/22/16 | 03/22/18 | 1.000% | 200,000.00 | 200,000.00 | None |
| FHLMC | 03/29/16 | 03/29/19 | 1.400% | 1,000,000.00 | 1,000,000.00 | Callable 6/29/16, one time only |
| FHLMC | 03/30/16 | 03/29/21 | 1.600% | 1,000,000.00 | 1,000,000.00 | Callable 3/29/18, one time only |
| Negotiable CD | 03/30/16 | 03/29/18 | 1.050% | 245,000.00 | 245,000.00 | None |
| Totals | | | | <u>\$ 15,065,000.00</u> | <u>\$ 15,060,347.50</u> | |

COSTA MESA SANITARY DISTRICT MATURITIES DISTRIBUTION March 31, 2016



| | Cost In Thousands |
|----------------|----------------------|
| 1 - 180 Days | \$ 6,079 |
| 181 - 365 Days | 125 |
| 1 - 2 Years | 4,380 |
| 2 - 3 Years | 1,990 |
| 3 - 4 Years | 1,844 |
| 4 - 5 Years | 6,422 |
| TOTAL | <u>\$ 20,840</u> |

**Costa Mesa Sanitary District
Portfolio Interest Rate Information
as of March 31, 2016**

