

09.19.2014

Memo

To: Board of Commissioners
From: General Manager
Re: Bond Purchase Presentation
Date: Saturday, September 20, 2014

RECOMMENDATIONS:

It is recommended the Board approve the investment of between \$250,000 and \$500,000 of the District's Capital Reserve funds in treasury bonds.

BACKGROUND

The Pacific County Treasurer invests a percentage of their reserve money in treasury bonds to achieve higher yields than those offered in the governmental investment pool. The Pacific County Treasurer is able to invest the District's reserve funds in treasury bonds, with board approval, for higher yields as well.

The general manager has discussed the benefits and the risks with Pacific County's bond agent and believes there District would benefit from investing a portion of its funds in Treasury Bonds.

The General Manager will make a presentation at the Board meeting.

NORTH BEACH WATER DISTRICT

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Bond: 4 Year 3 Month - Callable Next Month and Quarterly Thereafter

Settlement Date	9/2/2014	Basis	0	Sell Bond On:	Purchase Price	\$	244,173
Maturity Date	12/27/2018	Yield	1.56%	12/27/2016	Interest Earned	\$	5,801
Interest	1.00%			95.3486 ←	Brake Even Point	\$	238,371
Price	97.6691						
Value	100.0000						
Frequency	4						

		\$	244,173	\$	250,000	\$	5,827	Investment Pool
		0.08%						
Date	Yield	Interest	Return	Return	Days	Per Day	Per Day	
9/27/2014	35.3246%	\$ 171.23	\$ 5,998.48	\$ 13.70	25	\$ 239.94	0.55	
12/27/2014	8.4712%	\$ 794.52	\$ 6,621.77	\$ 63.56	116	\$ 57.08	0.55	
3/27/2015	5.1798%	\$ 1,410.96	\$ 7,238.21	\$ 112.88	206	\$ 35.14	0.55	
6/27/2015	3.9038%	\$ 2,041.10	\$ 7,868.35	\$ 163.29	298	\$ 26.40	0.55	
9/27/2015	3.2259%	\$ 2,671.23	\$ 8,498.48	\$ 213.70	390	\$ 21.79	0.55	
12/27/2015	2.8055%	\$ 3,294.52	\$ 9,121.77	\$ 263.56	481	\$ 18.96	0.55	
3/27/2016	2.5193%	\$ 3,917.81	\$ 9,745.06	\$ 313.42	572	\$ 17.04	0.55	
6/27/2016	2.3119%	\$ 4,547.95	\$ 10,375.20	\$ 363.84	664	\$ 15.63	0.55	
9/27/2016	2.1546%	\$ 5,178.08	\$ 11,005.33	\$ 414.25	756	\$ 14.56	0.55	
12/27/2016	2.0313%	\$ 5,801.37	\$ 11,628.62	\$ 464.11	847	\$ 13.73	0.55	
3/27/2017	1.9320%	\$ 6,417.81	\$ 12,245.06	\$ 513.42	937	\$ 13.07	0.55	
6/27/2017	1.8503%	\$ 7,047.95	\$ 12,875.20	\$ 563.84	1029	\$ 12.51	0.55	
9/27/2017	1.7820%	\$ 7,678.08	\$ 13,505.33	\$ 614.25	1121	\$ 12.05	0.55	
12/27/2017	1.7240%	\$ 8,301.37	\$ 14,128.62	\$ 664.11	1212	\$ 11.66	0.55	
3/27/2018	1.6741%	\$ 8,917.81	\$ 14,745.06	\$ 713.42	1302	\$ 11.32	0.55	
6/27/2018	1.6307%	\$ 9,547.95	\$ 15,375.20	\$ 763.84	1394	\$ 11.03	0.55	
9/27/2018	1.5927%	\$ 10,178.08	\$ 16,005.33	\$ 814.25	1486	\$ 10.77	0.55	
12/27/2018	1.5590%	\$ 10,801.37	\$ 16,628.62	\$ 864.11	1577	\$ 10.54	0.55	

Bond: 3 Year 7 Month - Callable in 1 Month and Quarterly Thereafter

Settlement Date 9/2/2014 Basis 0
 Maturity Date 4/18/2018 Yield 1.31%
 Interest 1.20%
 Price 99.611
 Value 100.0000
 Frequency 4

\$ 249,028		\$ 250,000		Investment Pool				
				0.080%				
Date	Price	Yield	Interest	Return	Return	Days	Per Day	Per Day
10/18/2014	100.00	4.25%	\$ 378.08	\$ 1,350.58	\$ 25.21	46	\$ 29.36	0.55
1/18/2015	100.00	2.24%	\$ 1,134.25	\$ 2,106.75	\$ 75.62	138	\$ 15.27	0.55
4/18/2015	100.00	1.82%	\$ 1,873.97	\$ 2,846.47	\$ 124.93	228	\$ 12.48	0.55
7/18/2015	100.00	1.65%	\$ 2,621.92	\$ 3,594.42	\$ 174.79	319	\$ 11.27	0.55
10/18/2015	100.00	1.55%	\$ 3,378.08	\$ 4,350.58	\$ 225.21	411	\$ 10.59	0.55
1/18/2016	100.00	1.49%	\$ 4,134.25	\$ 5,106.75	\$ 275.62	503	\$ 10.15	0.55
4/18/2016	100.00	1.44%	\$ 4,882.19	\$ 5,854.69	\$ 325.48	594	\$ 9.86	0.55
7/18/2016	100.00	1.41%	\$ 5,630.14	\$ 6,602.64	\$ 375.34	685	\$ 9.64	0.55
10/18/2016	100.00	1.39%	\$ 6,386.30	\$ 7,358.80	\$ 425.75	777	\$ 9.47	0.55
1/18/2017	100.00	1.37%	\$ 7,142.47	\$ 8,114.97	\$ 476.16	869	\$ 9.34	0.55
4/18/2017	100.00	1.35%	\$ 7,882.19	\$ 8,854.69	\$ 525.48	959	\$ 9.23	0.55
7/18/2017	100.00	1.34%	\$ 8,630.14	\$ 9,602.64	\$ 575.34	1050	\$ 9.15	0.55
10/18/2017	100.00	1.33%	\$ 9,386.30	\$ 10,358.80	\$ 625.75	1142	\$ 9.07	0.55
1/18/2018	100.00	1.32%	\$ 10,142.47	\$ 11,114.97	\$ 676.16	1234	\$ 9.01	0.55
4/18/2018	100.00	1.31%	\$ 10,882.19	\$ 11,854.69	\$ 725.48	1324	\$ 8.95	0.55

