



City of Huntington Beach
Monthly Investment Report
Month Ending: August 31, 2014
Prepared by: Alisa Cutchen, City Treasurer

Portfolio Overview:

<u>Investment Type</u>	<u>Market Value</u>	<u>Book Value</u>	<u>% of Portfolio</u>	<u>YTM 365-day</u>	<u>Policy Limit</u>
Federal Agency Issues	131,523,292	131,855,180	69%	1.17%	None
Local Agency Investment Fund (LAIF)	25,270,760	25,270,760	13%	0.24%	\$50 million
Corporate Bonds	34,236,700	34,234,363	18%	0.89%	20%
Total Portfolio	191,030,752	191,360,303	100%		

As of August 31, 2014 the market value of the city's investment portfolio was \$191.0 million, with a book value of \$191.4 million. The portfolio is invested in only those investments allowable by state regulations and the City's investment policy. Such investments are purchased to meet the portfolio objectives of preservation of principal, maintenance of sufficient operating liquidity, and to attain a market rate of return throughout budgetary and economic cycles, in that order of absolute priority.

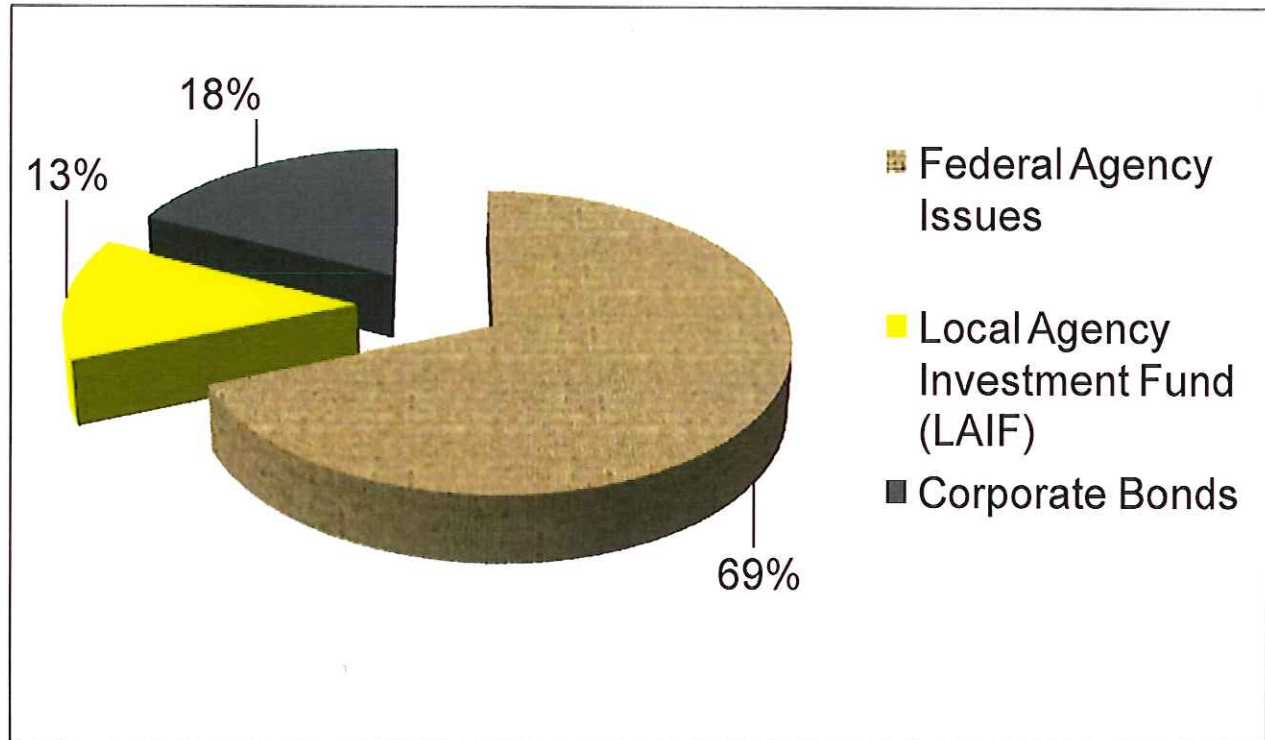
Earnings and Performance:

<u>For month of August 2014:</u>		<u>Fiscal YTD at August 31, 2014:</u>	
Total Monthly Earnings	\$132,924	Fiscal YTD Earnings	\$1,339,278
Monthly Budget	\$100,000	Fiscal TYD Budget	\$1,100,000
Average Daily Balance	\$187,498,756	Average Daily Balance	\$184,997,989
Effective Rate of Return	0.83%	Effective Rate of Return	0.79%

The income generated by the investment portfolio is available to the City for operational liquidity, for meeting the City's financial obligations, and to offset funds required from the citizens and businesses of Huntington Beach.

Asset Allocation:

Asset Allocation by Book Value:



Currently, City funds are invested in federal agency securities, corporate bonds and the State of California's pooled account, the Local Agency Investment Fund (LAIF). LAIF offers local agencies the opportunity to participate in a major portfolio with overnight liquidity managed by the State of California Treasurer's Office (please see <http://www.treasurer.ca.gov/pmia-laif> for more information).

Compliance:

The portfolio is in conformity with all State laws and the Investment Policy statement filed with the City Council on February 3, 2014. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet the next six months' obligations.



**City of HB
Portfolio Management
Portfolio Summary
August 31, 2014**

City of Huntington Beach
2000 Main St.
Huntington Beach,

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Federal Agency Issues - Coupon	131,875,862.07	131,523,291.59	131,855,179.87	68.90	1,634	1,242	1.214	1.231
Local Agency Investment Funds	25,270,759.65	25,270,759.65	25,270,759.65	13.21	1	1	0.256	0.260
Corporate Bonds	33,960,000.00	34,236,700.10	34,234,362.88	17.89	1,124	584	0.880	0.893
Investments	191,106,621.72	191,030,751.34	191,360,302.40	100.00%	1,327	960	1.028	1.042
<hr/>								
Cash and Accrued Interest								
Accrued Interest at Purchase		15,020.83	15,020.83					
Subtotal		15,020.83	15,020.83					
Total Cash and Investments	191,106,621.72	191,045,772.17	191,375,323.23		1,327	960	1.028	1.042

Total Earnings	August 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	132,924.09	1,339,278.00	
Current Budget	100,000.00	1,100,000.00	1,200,000.00
Last Year Actual	112,000.00	1,232,000.00	1,344,000.00
Average Daily Balance	187,498,755.91	184,997,988.90	
Effective Rate of Return	0.83%	0.79%	

I certify that this report accurately reflects all City pooled investments and is in conformity with all State laws and the investment policy statement filed with the City Council on February 3, 2014. A copy of this policy is available at the office of the City Clerk. The investment program herein shown provides sufficient cash flow liquidity to meet the next six month's obligations. Market Values provided by Union Bank via Interactive Data Corporation.

Alisa Cutchner 9.18.14
Alisa Cutchner, CITY TREASURER

Reporting period 08/01/2014-08/31/2014

Run Date: 09/18/2014 - 13:01

Portfolio CITY
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City of HB
Portfolio Management
Portfolio Details - Investments
August 31, 2014

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
3133EDTN2	4018	Federal Farm Credit Bank		08/26/2014	5,000,000.00	4,997,450.00	5,000,000.00	1.330	AA	1.330	1,274	02/26/2018
3133805K9	3941	Federal Home Loan Bank		08/08/2012	3,275,862.07	3,275,927.59	3,275,628.99	0.720	AA	0.724	707	08/08/2016
313381M44	3953	Federal Home Loan Bank		12/28/2012	5,000,000.00	4,993,100.00	5,000,000.00	0.650	AA	0.650	849	12/28/2016
3130A0GL8	3996	Federal Home Loan Bank		12/27/2013	3,600,000.00	3,602,664.00	3,600,000.00	1.250	AA	1.250	1,578	12/27/2018
3130A0YE4	4004	Federal Home Loan Bank		03/12/2014	5,000,000.00	5,000,950.00	5,000,000.00	1.000	AA	1.000	1,015	06/12/2017
3130A0ZB9	4006	Federal Home Loan Bank		02/28/2014	5,000,000.00	5,005,450.00	5,000,000.00	1.050	AA	2.125	1,641	02/28/2019
3130A1UV8	4008	Federal Home Loan Bank		05/21/2014	5,000,000.00	4,996,050.00	5,000,000.00	1.250	AA	2.263	1,723	05/21/2019
3130A2B62	4012	Federal Home Loan Bank		06/26/2014	5,000,000.00	5,004,650.00	5,000,000.00	1.500	AA	2.025	1,759	06/26/2019
3130A2AH9	4013	Federal Home Loan Bank		06/26/2014	5,000,000.00	5,003,800.00	4,998,433.68	1.500	AA	2.035	1,759	06/26/2019
3130A2TG1	4017	Federal Home Loan Bank		08/27/2014	5,000,000.00	4,981,850.00	5,000,000.00	1.500	AA	2.052	1,821	08/27/2019
3134G3B90	3940	Federal Home Loan Mort Corp		08/15/2012	5,000,000.00	4,970,400.00	5,000,000.00	0.875	AA	0.875	1,079	08/15/2017
3134G33B4	3952	Federal Home Loan Mort Corp		01/11/2013	5,000,000.00	4,957,700.00	5,000,000.00	1.000	AA	1.000	1,228	01/11/2018
3134G47G7	3980	Federal Home Loan Mort Corp		06/26/2013	5,000,000.00	4,976,000.00	5,000,000.00	1.400	AA	1.400	1,394	06/26/2018
3134G4RC4	3995	Federal Home Loan Mort Corp		12/27/2013	5,000,000.00	5,003,700.00	5,000,000.00	1.150	AA	1.944	1,578	12/27/2018
3134G55H4	4010	Federal Home Loan Mort Corp		05/28/2014	5,000,000.00	5,016,950.00	5,000,000.00	1.625	AA	1.625	1,549	11/28/2018
3134G55T8	4011	Federal Home Loan Mort Corp		06/12/2014	5,000,000.00	4,999,300.00	5,000,000.00	0.700	AA	0.700	833	12/12/2016
3135G0RK1	3945	Fed. Nat'l Mort. Assoc.		11/07/2012	5,000,000.00	4,956,650.00	5,000,000.00	0.900	AA	0.900	1,163	11/07/2017
3136G07K1	3947	Fed. Nat'l Mort. Assoc.		12/07/2012	5,000,000.00	4,977,700.00	5,000,000.00	0.700	AA	1.002	1,192	12/06/2017
3136G17E3	3950	Fed. Nat'l Mort. Assoc.		12/26/2012	5,000,000.00	4,994,250.00	5,000,000.00	0.700	AA	1.042	1,212	12/26/2017
3136G1A66	3951	Fed. Nat'l Mort. Assoc.		12/26/2012	5,000,000.00	4,996,300.00	5,000,000.00	0.700	AA	1.053	1,212	12/26/2017
3135G0SB0	3954	Fed. Nat'l Mort. Assoc.		12/21/2012	5,000,000.00	5,005,400.00	4,995,778.70	0.375	AA	0.440	476	12/21/2015
3136G1AY5	3955	Fed. Nat'l Mort. Assoc.		01/30/2013	5,000,000.00	4,996,650.00	5,000,000.00	0.750	AA	1.078	1,247	01/30/2018
3136G1CJ6	3957	Fed. Nat'l Mort. Assoc.		02/21/2013	5,000,000.00	4,928,900.00	5,000,000.00	0.750	AA	1.193	1,269	02/21/2018
3136G1E62	3961	Fed. Nat'l Mort. Assoc.		02/25/2013	5,000,000.00	4,995,550.00	5,000,000.00	0.600	AA	0.600	724	08/25/2016
3136G1EP0	3964	Fed. Nat'l Mort. Assoc.		03/12/2013	5,000,000.00	4,952,000.00	5,000,000.00	1.100	AA	1.100	1,288	03/12/2018
3135G0YA5	3978	Fed. Nat'l Mort. Assoc.		06/19/2013	5,000,000.00	4,991,150.00	5,000,000.00	0.750	AA	0.750	840	12/19/2016
3136G1NB1	3979	Fed. Nat'l Mort. Assoc.		06/19/2013	5,000,000.00	4,942,800.00	4,985,338.50	0.800	AA	0.907	1,022	06/19/2017
Subtotal and Average			127,983,864.64		131,875,862.07	131,523,291.59	131,855,179.87			1.231	1,242	
Local Agency Investment Funds												
SYS982	982	Laif City			25,270,759.65	25,270,759.65	25,270,759.65	0.260		0.260	1	
Subtotal and Average			25,270,759.65		25,270,759.65	25,270,759.65	25,270,759.65			0.260	1	
Corporate Bonds												
037833AJ9	3976	Apple Inc.		05/28/2013	3,000,000.00	2,941,110.00	2,983,912.56	1.000	AA	1.151	1,340	05/03/2018
084664AT8	3895	Berkshire Hathaway Fin		08/26/2011	1,310,000.00	1,331,890.10	1,326,422.13	4.850	AA	1.390	136	01/15/2015

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City of HB
Portfolio Management
Portfolio Details - Investments
August 31, 2014

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Corporate Bonds												
14912L4Y4	3930	Caterpillar Financial Corp.		05/30/2012	2,000,000.00	2,004,540.00	2,001,218.45	1.125	A	0.911	105	12/15/2014
14912L5D9	3936	Caterpillar Financial Corp.		08/03/2012	3,000,000.00	3,017,880.00	3,012,835.51	1.100	A	0.520	270	05/29/2015
36962G4G6	3949	General Electric Capital Corp		12/14/2012	1,650,000.00	1,660,890.00	1,660,042.74	3.750	AA	0.722	74	11/14/2014
36962G6R0	3956	General Electric Capital Corp		01/25/2013	2,000,000.00	2,010,400.00	2,000,531.44	1.000	AA	0.980	494	01/08/2016
36962G5W0	3994	General Electric Capital Corp		12/26/2013	5,000,000.00	5,140,350.00	5,130,703.75	2.300	AAA	1.291	969	04/27/2017
36962G6K5	4007	General Electric Capital Corp		05/12/2014	2,500,000.00	2,515,725.00	2,520,360.19	1.600	AA	1.340	1,176	11/20/2017
24422ERK7	3937	John Deere Capital		08/03/2012	3,000,000.00	3,007,470.00	3,005,912.29	1.250	A	0.465	92	12/02/2014
24422ERS0	3948	John Deere Capital		12/11/2012	2,000,000.00	2,010,320.00	2,006,232.68	0.950	A	0.570	301	06/29/2015
674599CB9	3977	Occidental Petroleum		05/28/2013	3,000,000.00	3,046,320.00	3,049,747.31	1.750	A	1.059	898	02/15/2017
713448CA4	3988	PEPSICO INC		11/19/2013	2,500,000.00	2,509,875.00	2,505,960.34	0.700	A	0.448	346	08/13/2015
931142CX9	3943	Wal-Mart Stores		08/14/2012	3,000,000.00	3,039,930.00	3,030,483.49	1.500	AA	0.606	419	10/25/2015
Subtotal and Average			34,244,131.63		33,960,000.00	34,236,700.10	34,234,362.88			0.893	584	
Total and Average			187,498,755.91		191,106,621.72	191,030,751.34	191,360,302.40			1.042	960	

**City of HB
Portfolio Management
Portfolio Details - Cash
August 31, 2014**

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Average Balance			0.00	Accrued Interest at Purchase		15,020.83	15,020.83				
				Subtotal		15,020.83	15,020.83				0
Total Cash and Investments			187,498,755.91		191,106,621.72	191,045,772.17	191,375,323.23			1.042	960

City of HB
Portfolio Management
Activity By Type
August 1, 2014 through August 31, 2014

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3133EDTN2	4018	Federal Farm Credit Bank	1.330	08/26/2014	5,000,000.00	0.00	
3130A0SR2	4002	Federal Home Loan Bank	0.700	08/19/2014	0.00	7,500,000.00	
3130A2TG1	4017	Federal Home Loan Bank	1.500	08/27/2014	5,000,000.00	0.00	
Subtotal					10,000,000.00	7,500,000.00	131,855,179.87
Local Agency Investment Funds (Monthly Summary)							
Subtotal							25,270,759.65
Corporate Bonds							
Subtotal							34,234,362.88
Total					10,000,000.00	7,500,000.00	191,360,302.40

**City of HB
Portfolio Management
Activity Summary
August 2013 through August 2014**

Page 1

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
August	2013	41	198,208,053.41	0.806	0.817	0.271	2	0	1,198	955
September	2013	40	199,307,438.40	0.843	0.854	0.257	0	1	1,296	1,021
October	2013	37	179,253,024.68	0.813	0.825	0.257	0	3	1,306	1,018
November	2013	36	165,557,574.93	0.809	0.820	0.263	2	3	1,279	992
December	2013	40	165,737,784.63	0.916	0.929	0.264	5	1	1,304	1,031
January	2014	40	177,491,428.43	0.892	0.904	0.244	2	1	1,259	988
February	2014	40	188,868,178.60	0.851	0.863	0.236	3	3	1,180	936
March	2014	42	197,031,584.93	0.909	0.921	0.236	2	0	1,284	1,003
April	2014	42	196,436,692.66	0.908	0.921	0.233	0	0	1,284	977
May	2014	41	193,837,931.04	0.962	0.975	0.228	3	4	1,286	977
June	2014	42	189,731,088.09	0.984	0.997	0.228	3	2	1,298	979
July	2014	40	193,802,929.47	0.978	0.992	0.244	0	2	1,298	946
August	2014	41	187,498,755.91	1.028	1.042	0.260	2	1	1,327	960
Average		40	187,116,159.32	0.900%	0.912%	0.248	2	2	1,277	983

**City of HB
Portfolio Management
Interest Earnings Summary
August 31, 2014**

Page 1

	August 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	128,668.10	1,447,028.83
Plus Accrued Interest at End of Period	416,648.50	416,648.50
Less Accrued Interest at Beginning of Period	(397,830.88)	(361,583.64)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	147,485.72	1,502,093.69
Adjusted by Premiums and Discounts	-20,141.97	-228,748.72
Adjusted by Capital Gains or Losses	0.00	10,012.19
Earnings during Periods	127,343.75	1,283,357.16
Pass Through Securities:		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	(0.00)	(0.00)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	69,182.33
Plus Accrued Interest at End of Period	12,997.26	12,997.26
Less Accrued Interest at Beginning of Period	(7,416.92)	(26,258.75)
Interest Earned during Period	5,580.34	55,920.84
Total Interest Earned during Period	153,066.06	1,558,014.53
Total Adjustments from Premiums and Discounts	-20,141.97	-228,748.72
Total Capital Gains or Losses	0.00	10,012.19
Total Earnings during Period	132,924.09	1,339,278.00

State of California
Pooled Money Investment Account
Market Valuation
8/31/2014

Carrying Cost Plus			
Description	Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 11,337,702,416.48	\$ 11,347,203,500.00	NA
Notes	\$ 20,963,749,276.64	\$ 20,979,492,500.00	\$ 17,255,748.00
Federal Agency:			
SBA	\$ 574,538,034.57	\$ 571,141,911.05	\$ 525,162.18
MBS-REMICs	\$ 114,523,260.77	\$ 122,656,458.65	\$ 545,455.32
Debentures	\$ 1,811,757,060.04	\$ 1,809,416,400.00	\$ 5,740,238.00
Debentures FR	\$ -	\$ -	\$ -
Discount Notes	\$ 1,419,400,222.20	\$ 1,419,718,800.00	NA
GNMA	\$ -	\$ -	\$ -
Supranational Debentures	\$ 149,917,129.22	\$ 150,100,000.00	\$ 99,325.00
CDs and YCDs FR	\$ -	\$ -	\$ -
Bank Notes	\$ 300,000,000.00	\$ 300,001,091.98	\$ 123,694.44
CDs and YCDs	\$ 8,500,015,389.30	\$ 8,496,403,948.00	\$ 4,349,437.49
Commercial Paper	\$ 3,708,839,386.11	\$ 3,709,246,611.11	NA
Corporate:			
Bonds FR	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -
Time Deposits	\$ 5,000,240,000.00	\$ 5,000,240,000.00	NA
AB 55 & GF Loans	\$ 978,969,721.22	\$ 978,969,721.22	NA
TOTAL	\$ 54,859,651,896.55	\$ 54,884,590,942.01	\$ 28,639,060.43

Fair Value Including Accrued Interest	\$	54,913,230,002.44
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Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).



Statement of Cash Receipts and Disbursements and Summary of Cash by Fund

Finance Department

August 2014

<u>Cash Receipts and Disbursements</u>	<u>July 2014</u>	<u>August 2014</u>
Receipts		
Property Tax Receipts	\$621,650	\$363,796
Utility Tax Receipts (UUT)	1,643,089	1,809,741
Sales Tax Receipts	1,787,700	2,380,800
1/2 Cent Safety Sales Tax Receipts	163,087	207,201
Highway Users Tax Receipts (HUT)	589,987	-
Transient Occupancy Tax Receipts (TOT)	815,616	1,071,243
Government Funds	39,608	27,626
Capital Funds	116,518	8,916
Debt Service Funds	5,462,254	-
Enterprise Funds	5,253,982	5,382,771
Fiduciary Funds	1,238,594	1,089,606
Internal Service Funds	648,121	407,603
Special Revenue Funds	2,176,648	807,410
All Other Receipts	5,033,130	6,035,800
Total Receipts	\$25,589,983	\$19,592,515
Disbursements		
Total Disbursements	(32,705,787)	(45,040,104)
Net Change in Cash Flow	(\$7,115,804)	(\$25,447,589)
Summary of Cash by Fund	July 2014	August 2014
General Fund	76,078,977	67,673,089
Government Funds	945,988	652,107
Capital Funds	11,615,684	11,598,599
Debt Service Funds	5,477,042	1,671,664
Enterprise Funds	86,268,467	82,081,752
Fiduciary Funds	18,869,381	12,119,810
Internal Service Funds	4,826,600	4,741,989
Special Revenue Funds	22,668,423	21,444,608
General Ledger Cash Balances	226,750,563	201,983,618 *

* Total cash will differ from investment portfolio total due to outstanding checks and/or other timing differences.

Note: Above information was obtained from the City's accounting system records. The above information includes receipts from maturing investments and payments for purchased investments in the city investment portfolio. This statement is prepared in compliance with the City's Charter.