

Portfolio Summary
As of October 31, 2017
\$ in millions

<u>Investment Type</u>	<u>Market Value</u>	<u>Book Value</u>	<u>% of Portfolio</u>	<u>Policy Limit</u>	<u>In Compliance</u>
Federal Agency Issues	\$ 142.0	\$ 143.5	76%	None	yes
Local Agency Investment Fund (LAIF)	\$ 3.7	\$ 3.7	2%	\$65 million	yes
Medium Term Notes - IBRD	\$ 5.0	\$ 5.0	3%	10%	yes
Corporate Bonds	\$ 36.6	\$ 36.7	19%	30%	yes
Total Portfolio	\$ 187.3	\$ 188.9	100%		

Portfolio Earnings
As of October 31, 2017
\$ in millions

<u>Portfolio Earnings</u>	<u>Month End 10/31/17</u>	<u>FY 2017/2018</u>
Current Year	\$ 231,546	\$ 231,546
Current Budget	\$ 160,000	\$ 160,000
Last Year Actual	\$ 185,004	\$ 185,004
Effective Rate of Return	1.39%	1.39%
Benchmark*	1.27%	

* 12-month moving average of the 2-Year Constant Maturity Treasury (CMT) rate

Monthly Activity
October 2017

<u>Investment Type</u>	<u>Purchases (PAR)/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues	\$ -	\$ 5,000,000
Local Agency Investment Fund (LAIF)	\$ 21,386	\$ 3,000,000
Medium Term Notes - IBRD	\$ -	\$ -
Corporate Bonds	\$ -	\$ -
TOTAL	\$ 21,386	\$ 8,000,000

Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate decreased to 4.1 percent in October. The labor force participation rate also decreased to 62.7 percent and has shown little movement on net over the past 12 months.

The Dow Jones Industrial Average and the S&P 500 posted gains for the month, and the 10-Year Treasury yield also increased as compared to last month.

The Federal Open Market Committee (FOMC) met in September to discuss the current state of the economy and to examine potential future interest rate hikes this year. The Committee decided to maintain the target range for the federal funds rate at 1 to 1-1/4 percent and will reconvene in November to discuss additional developments in determining the timing and size of future adjustments to the target range of the federal funds rate.

Market Summary August – October, 2017

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
8/31/2017	1.00 - 1.25 %	2.12%	2,471.65	21,948.10
9/30/2017	1.00 - 1.25 %	2.33%	2,519.36	22,405.09
10/31/2017	1.00 - 1.25 %	2.38%	2,575.26	23,377.24
Sept. - Oct. % Change	0.00%	2.15%	2.22%	4.34%



**City of HB
Portfolio Management
Portfolio Summary
October 31, 2017**

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	143,405,000.00	142,030,109.05	143,524,744.75	75.96	1,401	967	1.441	1.461
Local Agency Investment Funds	3,677,406.35	3,677,406.35	3,677,406.35	1.95	1	1	1.127	1.143
Medium Term Notes - IBRD	5,000,000.00	4,978,550.00	4,991,757.74	2.64	608	260	1.093	1.109
Corporate Bonds	36,500,000.00	36,647,550.00	36,745,060.64	19.45	1,178	501	1.499	1.519
Investments	188,582,406.35	187,333,615.40	188,938,969.48	100.00%	1,310	839	1.437	1.457

Cash and Accrued Interest								
Accrued Interest at Purchase		21,666.67	21,666.67					
Subtotal		21,666.67	21,666.67					
Total Cash and Investments	188,582,406.35	187,355,282.07	188,960,636.15		1,310	839	1.437	1.457

Total Earnings	October 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year		231,546.49	231,546.49	
Current Budget		160,000.00	160,000.00	1,920,000.00
Last Year Actual		185,003.55	185,003.55	2,752,784.09
Average Daily Balance		196,034,063.90	196,034,063.90	
Effective Rate of Return		1.39%	1.39%	

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 November 7, 2016. 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 Cutchen, CITY TREASURER

AC 11-29-17

Reporting period 10/01/2017-10/31/2017

Run Date: 11/29/2017 - 08:47

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City of HB
Portfolio Management
Portfolio Details - Investments
October 31, 2017

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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												
3133EGEV3	4140	Federal Farm Credit Bank		06/15/2016	5,000,000.00	4,914,250.00	5,000,000.00	1.620	AA	1.620	1,321	06/14/2021
313378A43	4048	Federal Home Loan Bank		02/20/2015	5,000,000.00	5,002,550.00	5,004,792.72	1.375	AA	1.100	128	03/09/2018
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,969,800.00	5,000,000.00	1.250	AA	1.250	569	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,222,685.00	2,250,000.00	1.600	AA	1.600	1,155	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,965,600.00	5,000,000.00	1.050	AA	1.518	1,013	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	5,032,600.00	5,064,193.51	2.000		1.297	681	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,982,950.00	5,000,000.00	1.750	AA	1.750	1,638	04/27/2022
3134G73Q2	4120	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,983,500.00	5,000,000.00	1.000	AAA	0.991	268	07/27/2018
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,961,600.00	5,000,000.00	1.250	AA	1.919	965	06/23/2020
3134G9UY1	4142	Federal Home Loan Mort Corp		06/29/2016	5,000,000.00	4,986,050.00	5,000,000.00	1.000	AA	1.000	240	06/29/2018
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,921,550.00	5,000,000.00	1.000	AAA	0.998	604	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,921,200.00	5,000,000.00	1.280	AAA	1.280	1,064	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,531,689.05	4,655,000.00	1.500	AA	1.500	1,337	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,935,450.00	5,000,000.00	1.500	AAA	1.400	1,337	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,858,700.00	5,000,000.00	1.650	AA	1.650	1,482	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,965,650.00	5,000,870.72	1.750		1.744	1,031	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,987,950.00	5,027,228.59	1.875		1.723	1,364	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,984,400.00	5,025,811.31	1.875		1.733	1,385	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,987,880.00	2,998,882.93	1.500		1.521	665	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,985,630.00	2,998,880.94	1.500		1.521	667	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,972,900.00	5,000,000.00	2.125		2.125	1,701	06/29/2022
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,980,450.00	5,000,000.00	1.040	AA	1.040	359	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,972,050.00	5,000,000.00	1.400	AA	1.400	589	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,886,650.00	4,999,084.03	1.500	AA	1.505	1,337	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,919,600.00	3,000,000.00	1.500	AA	1.500	1,148	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,964,400.00	5,000,000.00	1.250	AA	1.250	604	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,885,550.00	5,000,000.00	1.500	AA	1.500	1,155	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,979,900.00	5,000,000.00	2.000	AA	1.825	1,356	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,412,925.00	7,500,000.00	1.000	AA	1.000	540	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,954,000.00	5,000,000.00	1.950		1.950	1,492	12/02/2021
Subtotal and Average			147,720,662.46		143,405,000.00	142,030,109.05	143,524,744.75			1.461	967	
Local Agency Investment Funds												
SYS982	982	Laif City			3,677,406.35	3,677,406.35	3,677,406.35	1.143		1.143	1	
Subtotal and Average			6,572,353.71		3,677,406.35	3,677,406.35	3,677,406.35			1.143	1	

Run Date: 11/29/2017 - 08:47

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City of HB
Portfolio Management
Portfolio Details - Investments
October 31, 2017

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Medium Term Notes - IBRD												
459058FE8	4158	Intl Bk Recon & Development		11/18/2016	5,000,000.00	4,978,550.00	4,991,757.74	0.876	AAA	1.109	260	07/19/2018
Subtotal and Average			4,991,309.45		5,000,000.00	4,978,550.00	4,991,757.74			1.109	260	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	5,123,950.00	5,146,385.07	2.850		1.980	1,282	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	5,019,600.00	5,059,767.75	2.150	A	1.617	845	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,981,460.00	3,005,353.53	1.400	AA	1.303	688	09/20/2019
166764AA8	4044	Chevron Corp		02/09/2015	3,000,000.00	2,999,310.00	3,000,281.10	1.104	AA	1.003	34	12/05/2017
268648AP7	4077	EMC Corp		07/14/2015	2,500,000.00	2,493,700.00	2,503,473.00	1.875	AA	1.630	212	06/01/2018
36962G6K5	4007	General Electric Capital Corp		05/12/2014	2,500,000.00	2,500,325.00	2,500,333.77	1.600	AA	1.340	19	11/20/2017
24422ESR1	4126	John Deere Capital		12/08/2015	1,000,000.00	1,000,100.00	1,000,240.28	1.550	A	1.350	44	12/15/2017
24422ESR1	4127	John Deere Capital		12/08/2015	2,000,000.00	2,000,200.00	2,000,510.81	1.550	A	1.337	44	12/15/2017
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,999,060.00	1,992,886.09	1.850		2.008	851	03/01/2020
191216BA7	4049	Coca Cola Co		02/24/2015	2,500,000.00	2,496,725.00	2,498,902.19	1.150	AA	1.258	151	04/01/2018
58933YAC9	4045	Merck & Co Inc		02/09/2015	2,000,000.00	1,998,080.00	2,000,192.79	1.100	AA	1.089	91	01/31/2018
68389XAQ8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,024,750.00	3,022,499.04	2.375	AA	1.731	440	01/15/2019
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	3,010,290.00	3,014,235.22	2.000	AA	1.500	357	10/24/2018
Subtotal and Average			36,749,738.28		36,500,000.00	36,647,550.00	36,745,060.64			1.519	501	
Total and Average			196,034,063.90		188,582,406.35	187,333,615.40	188,938,969.48			1.457	839	

**City of HB
Portfolio Management
Portfolio Details - Cash
October 31, 2017**

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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		21,666.67	21,666.67	0			
				Subtotal		21,666.67	21,666.67				
Total Cash and Investments			196,034,063.90		188,582,406.35	187,355,282.07	188,960,636.15			1.457	839

City of HB
Portfolio Management
Activity By Type
October 1, 2017 through October 31, 2017

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3134G7U25	4117	Federal Home Loan Mort Corp	0.800	10/27/2017	0.00	5,000,000.00	
		Subtotal			0.00	5,000,000.00	143,524,744.75
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.143		21,385.99	3,000,000.00	
		Subtotal			21,385.99	3,000,000.00	3,677,406.35
Medium Term Notes - IBRD							
		Subtotal					4,991,757.74
Corporate Bonds							
		Subtotal					36,745,060.64
		Total			21,385.99	8,000,000.00	188,938,969.48

**City of HB
Portfolio Management
Activity Summary
October 2016 through October 2017**

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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					
October	2016	41	196,572,478.10	1.207	1.224	0.654	1	3	1,090	807
November	2016	42	195,690,704.56	1.208	1.225	0.678	3	2	1,053	795
December	2016	47	198,391,624.24	1.329	1.348	0.719	5	0	1,154	886
January	2017	48	216,148,564.96	1.341	1.360	0.751	1	0	1,152	863
February	2017	48	215,339,319.67	1.357	1.376	0.777	0	0	1,179	857
March	2017	47	213,717,521.37	1.315	1.333	0.821	0	1	1,136	788
April	2017	48	213,723,352.90	1.351	1.370	0.884	2	1	1,174	827
May	2017	49	225,340,416.22	1.343	1.361	0.925	1	0	1,123	772
June	2017	52	231,210,075.29	1.402	1.422	0.978	6	3	1,219	866
July	2017	50	227,046,687.72	1.398	1.417	1.051	0	2	1,246	845
August	2017	47	208,273,796.65	1.399	1.418	1.084	0	3	1,258	843
September	2017	46	201,272,141.13	1.415	1.435	1.111	0	1	1,275	835
October	2017	45	196,034,063.90	1.437	1.457	1.143	0	1	1,310	839
Average		47	210,640,578.07	1.346%	1.365%	0.890	1	1	1,182	833

**City of HB
Portfolio Management
Interest Earnings Summary
October 31, 2017**

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	October 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	166,125.00	166,125.00
Plus Accrued Interest at End of Period	790,738.02	790,738.02
Less Accrued Interest at Beginning of Period	(717,589.16)	(717,589.16)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	239,273.86	239,273.86
Adjusted by Premiums and Discounts	-14,107.59	-14,107.59
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	225,166.27	225,166.27
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	21,385.99	21,385.99
Plus Accrued Interest at End of Period	8,561.51	8,561.51
Less Accrued Interest at Beginning of Period	(23,567.28)	(23,567.28)
Interest Earned during Period	6,380.22	6,380.22
Total Interest Earned during Period	245,654.08	245,654.08
Total Adjustments from Premiums and Discounts	-14,107.59	-14,107.59
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	231,546.49	231,546.49



State of California
Pooled Money Investment Account
Market Valuation
10/31/2017

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
United States Treasury:				
Bills	\$	14,571,617,028.20	\$ 14,625,191,000.00	NA
Notes	\$	18,775,856,287.54	\$ 18,715,501,000.00	\$ 40,660,397.50
Federal Agency:				
SBA	\$	873,720,729.05	\$ 863,104,933.35	\$ 1,099,545.15
MBS-REMICs	\$	35,683,029.70	\$ 37,054,381.86	\$ 167,238.71
Debentures	\$	1,378,212,472.56	\$ 1,372,832,150.00	\$ 3,127,490.95
Debentures FR	\$	-	\$ -	\$ -
Debentures CL	\$	250,000,000.00	\$ 248,717,000.00	\$ 1,061,402.00
Discount Notes	\$	7,150,407,458.06	\$ 7,170,445,000.00	NA
GNMA	\$	-	\$ -	\$ -
Supranational Debentures	\$	450,315,184.02	\$ 448,483,000.00	\$ 1,215,590.00
Supranational Debentures FR	\$	50,000,000.00	\$ 50,071,500.00	\$ 38,491.10
CDs and YCDs FR	\$	625,000,000.00	\$ 625,000,000.00	\$ 983,757.63
Bank Notes	\$	500,000,000.00	\$ 499,885,536.20	\$ 1,676,388.89
CDs and YCDs	\$	10,175,000,000.00	\$ 10,173,329,638.98	\$ 26,215,250.01
Commercial Paper	\$	6,775,842,555.54	\$ 6,784,644,874.97	NA
Corporate:				
Bonds FR	\$	-	\$ -	\$ -
Bonds	\$	-	\$ -	\$ -
Repurchase Agreements	\$	-	\$ -	\$ -
Reverse Repurchase	\$	-	\$ -	\$ -
Time Deposits	\$	5,654,240,000.00	\$ 5,654,240,000.00	NA
AB 55 & GF Loans	\$	5,096,486,000.00	\$ 5,096,486,000.00	NA
TOTAL	\$	72,362,380,744.67	\$ 72,364,986,015.36	\$ 76,245,551.94

Fair Value Including Accrued Interest

\$ 72,441,231,567.30

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
October 2017

Cash Receipts and Disbursements	September 2017	October 2017
Receipts		
General Fund		
Property Tax	1,477,819	1,749,465
Local Sales Tax	3,345,237	2,636,900
Public Safety Sales Tax	188,966	176,946
Transient Occupancy Tax Receipts (TOT)	1,281,063	962,273
Utility Users Tax (UUT)	1,726,209	1,714,419
Other Revenue	5,574,670	12,432,163
Total General Fund Revenue	13,593,965	19,672,167
Capital Projects Funds	292,137	8,792
Debt Service Funds	-	-
Enterprise Funds	5,470,088	5,138,560
General Fund Other	33,296	660,914
Internal Service Funds	749,932	499,540
Special Revenue Funds	917,517	1,021,188
Grant Funds	98,797	1,684,329
Trust and Agency Funds	2,638,338	1,104,993
Total Receipts	\$23,794,070	\$29,790,482
Disbursements		
General Fund		
Personal Services	(12,305,249)	(9,753,012)
Operating Expenses	(3,294,538)	(4,013,995)
Capital Expenditures	(1,202,551)	(702,802)
Non-Operating Expenses	(1,538,988)	(4,208)
Total General Fund Disbursements	(18,341,326)	(14,474,017)

Capital Projects Funds	(69,414)	(1,475,505)
Debt Service Funds	-	(1,350)
Enterprise Funds	(2,373,482)	(14,567,414)
General Fund Other	(263,885)	(734,463)
Internal Service Funds	(749,950)	(838,516)
Special Revenue Funds	(1,667,617)	(1,192,035)
Grant Funds	(620,680)	(1,754,872)
Trust and Agency Funds	(5,373,662)	(816,407)
Total Disbursements	(29,460,016)	(35,854,579)

Net Change in Cash Flow	(\$5,665,946)	(\$6,064,096)
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Summary of Cash by Fund	September 2017	October 2017
General Fund	\$50,398,403	\$51,879,426
General Fund Other	4,005,683	3,932,084
Capital Projects Funds	20,212,510	19,070,142
Debt Service Funds	67,186	65,836
Enterprise Funds	77,732,425	69,185,938
Trust and Agency Funds	9,046,594	9,125,265
Internal Service Funds	21,218,409	21,410,184
Special Revenue Funds	27,658,215	28,862,019
General Ledger Cash Balances	* \$210,339,424	\$203,530,895

* 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.