

City of Huntington Beach



Quarterly Treasurer's Report Quarter Ending: December 31, 2018

**Prepared by:
Alisa Cutchen, CCMT, CPFIM
City Treasurer**

Economic and Market Overview:**Market Summary
Q3 – Q4 2018**

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
9/30/2018	2.00 - 2.25 %	3.05%	2,913.98	26,458.31
12/31/2018	2.25 - 2.50 %	2.69%	2,506.85	23,327.46
Q3-Q4 2018 % Change	11.11%	-11.80%	-13.97%	-11.83%

The Federal Open Market Committee (FOMC) met in December to discuss the current state of the economy and to examine potential future interest rate hikes before year-end. They concluded that the labor market has continued to strengthen and economic activity has been rising at a strong rate. They stated, “Household spending has continued to grow strongly, while growth of business fixed investment has moderated from its rapid pace earlier in the year. On a 12-month basis, both overall inflation and inflation for items other than food and energy remain near 2 percent.” The Committee will continue to monitor actual and expected inflation developments as the year progresses to determine the timing and size of future adjustments to the federal funds rate.

In view of the realized and expected labor market conditions and inflation, the Committee decided to raise the target range for the federal funds rate to 2-1/4 to 2-1/2 percent in December.

Fixed Income/Equity Markets: The yield on the 10-year U.S. Treasury finished the quarter at 2.69%, down from 3.05% from the end of the previous quarter, for a -11.80% decrease quarter over quarter. The S&P 500 and DOW decreased by 13.97% and 11.83% respectively, over the same period. Overall, the fourth quarter of 2018 brought decreases in the market with strong volatility as compared to the earlier quarters of the year.

Employment: Total nonfarm payroll employment increased by 312,000 in December, and the unemployment rate was at 3.9 percent. Over the past 3 months, job gains have averaged 254,000 per month. Average hourly earnings rose 11 cents an hour to \$27.48 for the month of December.

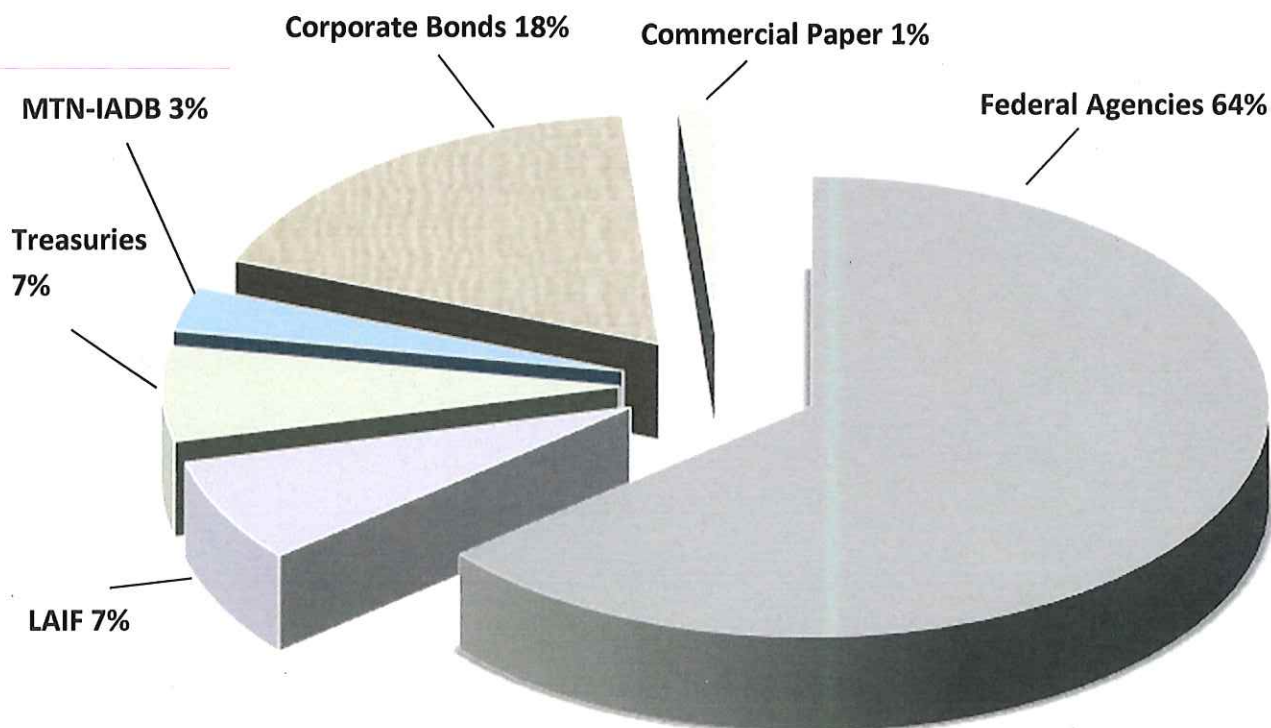
Portfolio Composition:

Portfolio Summary
As of December 31, 2018
\$ in millions

Investment Type	Market Value	Book Value	% of Portfolio	Policy Limit	In Compliance
Federal Agency Issues	\$ 140.8	\$ 142.6	64%	None	yes
Local Agency Investment Fund (LAIF)	\$ 16.2	\$ 16.2	7%	\$65 million	yes
Treasury Securities	\$ 14.8	\$ 14.8	7%	None	yes
Medium Term Notes - IADB	\$ 6.9	\$ 6.9	3%	10%	yes
Corporate Bonds	\$ 39.4	\$ 39.6	18%	30%	yes
Commercial Paper	\$ 3.0	\$ 3.0	1%	25%	yes
Total Portfolio	\$ 221.1	\$ 223.1	100%		

Currently, funds within this portfolio are invested in federal agency securities, corporate bonds, commercial paper, the Inter-American Development Bank (“IADB”), U.S. Treasury Securities, and the State of California’s pooled account (Local Agency Investment Fund “LAIF”). All federal agency bonds and notes purchased by the City are rated “AAA” by Moody’s, as are the IADB bonds. All corporate bonds are “A” rated or its equivalent or better, per the City’s investment policy and State of California regulations. All commercial paper has the highest ratings of A-1/P-1.

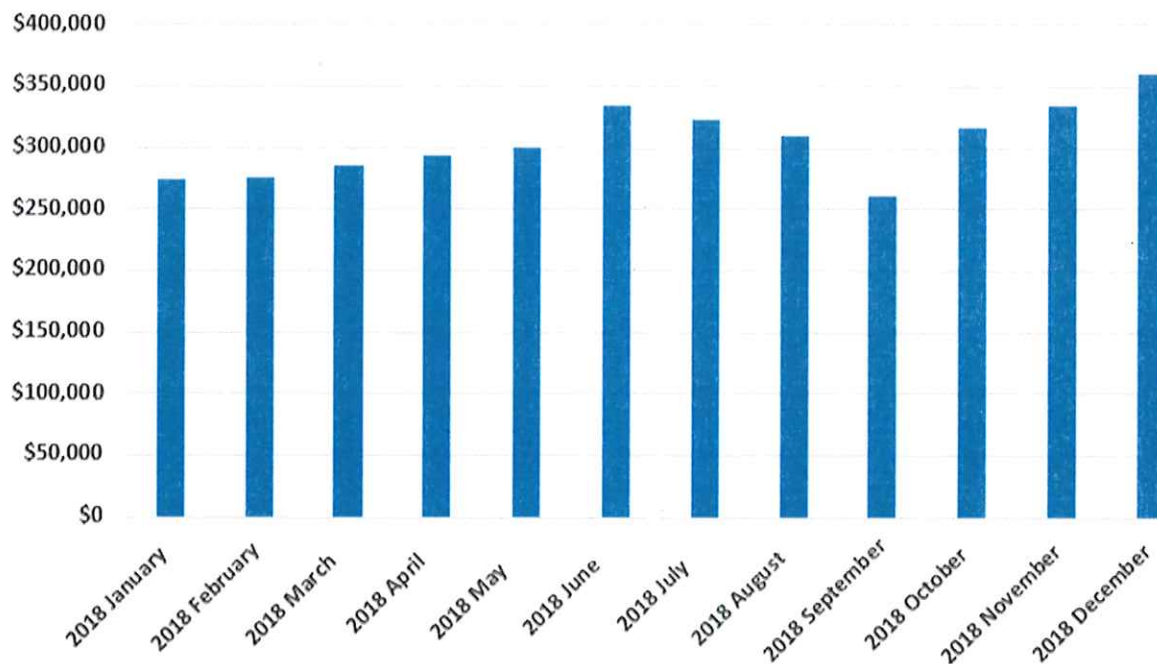
Investments by Type
As of December 31, 2018



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/laif.asp> for more information. LAIF is currently utilized for the liquidity portion of the City’s portfolio as the yield received for overnight availability at this time is similar to or greater than that of alternative liquid investments.

Portfolio Earnings and Performance:

**Monthly Earnings
January 2018 – December 2018**



In September a slight rebalance of the portfolio was enacted in order to take advantage of the rising interest rates, as the Federal Reserve raised rates four times since the beginning of the year. This, combined with the Local Agency Investment Fund (LAIF) continuing to increase its effective monthly yield, has allowed the portfolio to earn additional interest income (as seen by the increases to the monthly earnings above for the months of October, November and December).

**Portfolio Earnings
As of December 31, 2018**

<u>Portfolio Earnings</u>	<u>Month End 12/31/18</u>	<u>FYTD 12/31/18</u>
Current Year	\$ 360,417	\$ 1,904,602
Current Budget	\$ 200,000	\$ 1,200,000
Last Year Actual	\$ 233,822	\$ 1,454,698
Effective Rate of Return	1.98%	1.81%
Yield to Maturity		2.05%
Benchmark*	2.42%	

*12 month moving average of interpolated 1.5-year treasury

The monthly portfolio earnings as of December 31, 2018 were \$360,417, with fiscal year-to-date earnings of \$1,904,602, a 54% and 31% increase, respectively, over the same periods in 2017. The yield to maturity as of 12/31/18 was 2.05%.

The City’s investment policy mandates are safety, liquidity and return, in this absolute order. The investment portfolio is designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the investment risk constraints and the liquidity requirements.

In order to take advantage of approximately \$900,000 in annual savings, the City modified the timing of the payment of the unfunded portion of the annual CalPERS liability from monthly to annually. Having made this approximately \$25 million annual prepayment in June of this year, the City’s investment return is somewhat behind that of the benchmark as these funds were utilized for this payment, hence unavailable for longer-term investment. As well, securities must mature over time in order to be reinvested at higher rates. Therefore, the portfolio return will typically lag the market.

It is anticipated that as funds become available, they will be reinvested at the higher interest rates resulting in an increased rate of return for the portfolio.

Portfolio Activity:**Monthly Activity
December 2018**

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues	\$ 5,000,000	
Local Agency Investment Fund (LAIF)		\$ 9,000,000
Medium Term Notes - IADB		
Corporate Bonds	\$ 10,000,000	
Commercial Paper		
Treasury Securities	\$ 5,000,000	
TOTAL	\$ 20,000,000	\$ 9,000,000

For the month of December 2018, \$5 million in Federal Agencies, \$5 million in Treasuries, and \$10 million in corporate bonds were purchased. \$9 million in the Local Agency Investment Fund (LAIF) was withdrawn for operating expenses.

**Quarterly Activity
October – December, 2018**

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues	\$ 12,000,000	\$ 5,000,000
Local Agency Investment Fund (LAIF) *	\$ 19,158,078	\$ 23,000,000
Medium Term Notes - IADB / IBRD		
Corporate Bonds	\$ 13,000,000	\$ 3,000,000
Commercial Paper	\$ 3,000,000	
Treasury Securities	\$ 5,000,000	
Federal Agency Discount Note		
TOTAL	\$ 52,158,078	\$ 31,000,000

*Includes Interest Income

For the quarter ending December 31, 2018, a net of \$4 million was transferred from LAIF to the operating account, with interest received of \$158,078. \$12 million of Federal Agencies, \$13 million of corporate bonds, \$3 million of commercial paper, and \$5 million of treasuries were purchased. \$5 million of Federal Agencies and \$3 million of corporate bonds matured or was sold during the quarter.

Compliance:

The portfolio is in conformity with all relevant State regulations and the City’s Investment Policy statement as approved by the City Council on February 5, 2018. The investment program herein shown provides sufficient cash flow liquidity to meet the next six months’ obligations.

Additional Information:

Retirement Plans – Market Value

*Due to delay in statement receipt, information is from previous quarter.***Deferred Compensation Plans - Summary Information - Sept 2018****Reporting is Quarterly**

	Beginning Balance (7-1-18)	Ending Balance (9-30-18)	Ending Balance Nationwide incl. Self Directed Option (9-30-18)
ICMA Retirement Corporation (457 Plan)	\$51,979,788	\$53,547,363	\$53,547,363
Nationwide Retirement Solutions (457 Plan)	<u>\$90,075,543</u>	<u>\$98,188,214</u>	<u>\$99,464,089</u>
Total Deferred Compensation Plan Balances	\$142,055,331	\$151,735,577	\$153,011,452

Retiree Medical Trust - Summary Information**Reporting is Quarterly**

	Beginning Balance (7-1-18)	Ending Balance (9-30-18)
CalPERS Retiree Medical Trust Account	\$26,836,941	\$26,992,574

Supplemental Pension Trust - Summary Information**Reporting is Monthly**

	Beginning Balance (9-1-18)	Ending Balance (9-30-18)
US Bank Supplemental Pension Trust Account	\$57,383,892	\$57,224,315

PARS 115 Trust - Summary Information**Reporting is Monthly**

	Beginning Balance (9-1-18)	Ending Balance (9-30-18)
PARS Post Employment Benefits Trust Account	\$5,054,739	\$5,042,147

Bond Reserve Accounts – Market Value

Balances as of December 31, 2018

Summary of Huntington Beach Bond Issue -- Reserve Accounts As of December 31, 2018 Bond Issue:	Reserve Account Value as of December 31, 2018	Investments			
		LAIF	Federal Agency Issues	Money Market Funds	CAMP
H.B. Public Financing Authority Lease Refunding Bonds 2010 Series A	1,249,391.25	1,248,786		605.64	
H.B. Public Financing Authority (Capital Improvement Refinancing/Senior Center) Bonds 2011 Series A	3,389,752.79	3,389,713.30		39.49	
Redevelopment Agency of H.B. - 1999 Tax Allocation Refunding Bonds (1/3 of 1992)	767,912.30	767,911.30		1.00	
Redevelopment Agency of H.B. - 2002 Tax Allocation Refunding Bonds (2/3 of 1992)	1,721,794.38	664,513.05	998,240.00	59,041.33	
H.B. Community Facilities District No. 1990- 1 2001 Special Tax Bonds (Goldenwest- Ellis)	173,344.85	172,942.23		402.62	
H.B. Community Facilities District No. 2000- 1 2013 Special Tax Bonds (Grand Coast- Hyatt)	1,105,612.71				1,105,612.71
H.B. Community Facilities District No. 2002- 1 2002 Special Tax Bonds (McDonnell Centre Business Park)	467,637.65	467,637.65			
H.B. Community Facilities District No. 2003- 1 2013 Special Tax Bonds (Huntington Center - Bella Terra)	1,701,185.59				1,701,185.59
TOTALS:	\$ 10,576,632	\$ 6,711,503	\$ 998,240	\$ 60,090	\$ 2,806,798



**City of HB
Portfolio Management
Portfolio Summary
October 31, 2018**

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	135,405,000.00	132,547,511.80	135,473,150.67	68.33	1,464	783	1.659	1.682
Local Agency Investment Funds	19,174,431.52	19,174,431.52	19,174,431.52	9.67	1	1	2.115	2.144
Treasury Securities - Coupon	10,000,000.00	9,864,450.00	9,900,222.30	4.99	687	600	2.597	2.633
Medium Term Notes	7,000,000.00	6,880,230.00	6,907,346.07	3.48	684	593	2.678	2.715
Corporate Bonds	27,000,000.00	26,423,600.00	26,812,103.11	13.52	1,154	751	2.319	2.351
Investments	198,579,431.52	194,890,223.32	198,267,253.67	100.00%	1,214	687	1.875	1.901

Cash and Accrued Interest								
Accrued Interest at Purchase		83,622.06	83,622.06					
Subtotal		83,622.06	83,622.06					
Total Cash and Investments	198,579,431.52	194,973,845.38	198,350,875.73		1,214	687	1.875	1.901

Total Earnings	October 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	316,184.21	1,209,936.06	
Current Budget	200,000.00	800,000.00	2,400,000.00
Last Year Actual	231,892.07	995,985.71	2,701,953.84
Average Daily Balance	200,610,535.10	207,685,921.83	
Effective Rate of Return	1.86%	1.73%	

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 5, 2018. 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

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Reporting period 10/01/2018-10/31/2018

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City of HB
Portfolio Management
Portfolio Details - Investments
October 31, 2018

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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	4,829,300.00	5,000,000.00	1.620	AA	1.620	956	06/14/2021
3133EJC98	4273	Federal Farm Credit Bank		09/27/2018	3,000,000.00	2,985,420.00	3,000,000.00	3.230	AA	3.230	1,426	09/27/2022
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,963,950.00	5,000,000.00	1.250	AA	1.250	204	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,186,370.00	2,250,000.00	1.600	AA	1.600	790	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,913,500.00	5,000,000.00	2.000	AA	1.525	648	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,969,250.00	5,029,804.13	2.000	AA	1.297	316	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,918,300.00	5,000,000.00	1.750	AA	1.750	1,273	04/27/2022
3130AF4M6	4275	Federal Home Loan Bank		10/18/2018	5,000,000.00	4,988,200.00	5,000,000.00	3.360		3.360	1,447	10/18/2022
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,958,250.00	5,000,000.00	1.500	AA	1.375	600	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,947,150.00	5,000,000.00	1.000	AA	0.998	239	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,845,700.00	5,000,000.00	1.280	AA	1.280	699	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,480,716.80	4,655,000.00	1.500	AA	1.500	972	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,839,050.00	5,000,000.00	1.500	AA	1.400	972	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,805,100.00	5,000,000.00	1.650	AA	1.650	1,117	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,897,800.00	5,000,562.50	1.750	AA	1.744	666	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,856,700.00	5,019,946.06	1.875	AA	1.723	999	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,854,000.00	5,019,008.92	1.875	AA	1.733	1,020	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,969,760.00	2,999,495.03	1.500	AA	1.521	300	08/28/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,821,950.00	5,000,000.00	2.125	AA	2.125	1,336	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	6,942,810.00	7,000,000.00	2.800	AAA	2.800	956	06/14/2021
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,963,550.00	5,000,000.00	1.400	AA	1.400	224	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,790,750.00	4,999,334.03	1.500	AA	1.505	972	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,912,910.00	3,000,000.00	1.500	AA	1.500	783	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,953,750.00	5,000,000.00	1.250	AA	1.250	239	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,846,800.00	5,000,000.00	1.500	AA	1.500	790	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,848,900.00	5,000,000.00	2.000	AA	1.825	991	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,445,025.00	7,500,000.00	1.000	AA	1.000	175	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,812,550.00	5,000,000.00	1.950	AA	1.950	1,127	12/02/2021
Subtotal and Average			136,765,341.08		135,405,000.00	132,547,511.80	135,473,150.67			1.682	783	
Local Agency Investment Funds												
SYS982	982	Laif City			19,174,431.52	19,174,431.52	19,174,431.52	2.144		2.144	1	
Subtotal and Average			18,006,267.14		19,174,431.52	19,174,431.52	19,174,431.52			2.144	1	

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**City of HB
Portfolio Management
Portfolio Details - Investments
October 31, 2018**

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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
Treasury Securities - Coupon												
912828XY1	4269	US Treasury Notes		08/01/2018	5,000,000.00	4,970,900.00	4,988,276.82	2.500		2.645	607	06/30/2020
912828XU9	4270	US Treasury Notes		08/10/2018	5,000,000.00	4,893,550.00	4,911,945.48	1.500		2.620	592	06/15/2020
Subtotal and Average			9,897,701.49		10,000,000.00	9,864,450.00	9,900,222.30			2.633	600	
Medium Term Notes												
4581X0CP1	4268	Inter-American Dev. Bank		08/02/2018	7,000,000.00	6,880,230.00	6,907,346.07	1.875		2.715	593	06/16/2020
Subtotal and Average			6,905,123.60		7,000,000.00	6,880,230.00	6,907,346.07			2.715	593	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,958,600.00	5,104,726.08	2.850	AA	1.980	917	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,940,400.00	5,033,937.75	2.150	A	1.617	480	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,963,130.00	3,002,515.14	1.400	AA	1.303	323	09/20/2019
459200HG9	4274	IBM Corp		09/28/2018	3,000,000.00	2,807,490.00	2,849,186.55	1.875	A	3.257	1,369	08/01/2022
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,965,460.00	1,995,934.91	1.850	A	2.008	486	03/01/2020
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,903,500.00	4,919,236.84	2.000		3.080	565	05/19/2020
69353REP9	4271	PNC BANK		08/13/2018	1,000,000.00	985,040.00	988,793.52	2.300		3.031	578	06/01/2020
828807DB0	4272	Simon Property Group		09/21/2018	3,000,000.00	2,899,980.00	2,917,772.32	2.625	A	3.239	1,322	06/15/2022
Subtotal and Average			29,036,101.78		27,000,000.00	26,423,600.00	26,812,103.11			2.351	751	
Total and Average			200,610,535.10		198,579,431.52	194,890,223.32	198,267,253.67			1.901	687	

**City of HB
Portfolio Management
Portfolio Details - Cash
October 31, 2018**

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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		83,622.06	83,622.06				0
				Subtotal		83,622.06	83,622.06				
Total Cash and Investments			200,610,535.10		198,579,431.52	194,973,845.38	198,350,875.73			1.901	687

City of HB
Portfolio Management
Activity By Type
October 1, 2018 through October 31, 2018

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3130AF4M6	4275	Federal Home Loan Bank	3.360	10/18/2018	5,000,000.00	0.00	
3136G2R58	4122	Fed. Nat'l Mort. Assoc.	1.040	10/26/2018	0.00	5,000,000.00	
Subtotal					5,000,000.00	5,000,000.00	135,473,150.67
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	2.144		7,158,078.27	8,000,000.00	
Subtotal					7,158,078.27	8,000,000.00	19,174,431.52
Treasury Securities - Coupon							
Subtotal							9,900,222.30
Medium Term Notes							
Subtotal							6,907,346.07
Corporate Bonds							
89236TAY1	4039	Toyota Motor Credit	2.000	10/24/2018	0.00	3,000,000.00	
Subtotal					0.00	3,000,000.00	26,812,103.11
Total					12,158,078.27	16,000,000.00	198,267,253.67

**City of HB
Portfolio Management
Activity Summary
October 2017 through October 2018**

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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	2017	45	196,034,063.90	1.437	1.457	1.143	0	1	1,310	839
November	2017	44	188,015,052.55	1.439	1.459	1.172	0	1	1,310	821
December	2017	41	196,385,752.92	1.414	1.433	1.239	0	3	1,114	688
January	2018	42	224,063,945.55	1.473	1.493	1.350	2	1	1,061	642
February	2018	43	227,425,960.54	1.495	1.516	1.412	1	0	1,043	608
March	2018	42	224,287,046.45	1.517	1.539	1.524	0	1	1,027	587
April	2018	41	229,750,575.95	1.544	1.566	1.661	0	1	970	536
May	2018	41	245,084,699.38	1.573	1.595	1.755	0	0	903	475
June	2018	41	250,105,256.16	1.644	1.667	1.854	2	2	964	518
July	2018	37	223,901,029.64	1.685	1.708	1.944	0	4	1,053	571
August	2018	40	206,373,589.71	1.731	1.755	1.998	4	1	1,189	647
September	2018	41	199,597,619.90	1.805	1.830	2.063	3	2	1,203	666
October	2018	40	200,610,535.10	1.875	1.901	2.144	1	2	1,214	687
Average		41	216,189,248.93	1.587%	1.609%	1.635	1	1	1,105	637

**City of HB
Portfolio Management
Interest Earnings Summary
October 31, 2018**

Page 1

	October 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	131,750.00	802,385.42
Plus Accrued Interest at End of Period	861,230.20	861,230.20
Less Accrued Interest at Beginning of Period	(719,193.01)	(640,749.80)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	273,787.19	1,022,865.82
Adjusted by Premiums and Discounts	9,608.84	35,523.43
Adjusted by Capital Gains or Losses	0.00	-39,319.64
Earnings during Periods	283,396.03	1,019,069.61
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	158,078.27	366,509.78
Plus Accrued Interest at End of Period	20,253.90	20,253.90
Less Accrued Interest at Beginning of Period	(145,543.99)	(195,897.23)
Interest Earned during Period	32,788.18	190,866.45
Total Interest Earned during Period	306,575.37	1,213,732.27
Total Adjustments from Premiums and Discounts	9,608.84	35,523.43
Total Capital Gains or Losses	0.00	-39,319.64
Total Earnings during Period	316,184.21	1,209,936.06



Fair Value Including Accrued Interest	\$	84,900,466,984.14
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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
October 2018

Cash Receipts and Disbursements	September 2018	October 2018
Receipts		
General Fund		
Property Tax	1,302,381	318,662
Local Sales Tax	3,539,471	4,119,343
Public Safety Sales Tax	202,372	188,834
Transient Occupancy Tax (TOT)	1,524,046	1,189,100
Utility Users Tax (UUT)	1,918,688	1,721,681
Other Revenue	4,403,233	4,508,359
Total General Fund Revenue	12,890,190	12,045,979
Capital Projects Funds	858,122	35,578
Debt Service Funds	-	-
Enterprise Funds	5,785,871	6,358,688
General Fund Other	52,199	159,714
Internal Service Funds	-	10,920
Special Revenue Funds	3,002,473	2,244,815
Grant Funds	1,059,259	461,604
Trust and Agency Funds	1,136,984	8,321,889
Total Receipts	\$24,785,098	\$29,639,187
Disbursements		
General Fund		
Personal Services	(10,109,489)	(9,926,851)
Operating Expenses	(2,876,885)	(3,496,383)
Capital Expenditures	(76,573)	-
Non-Operating Expenses	(4,208)	(4,208)
Total General Fund Disbursements	(13,067,156)	(13,427,442)

Capital Projects Funds	(33,123)	(991,073)
Debt Service Funds	-	(2,850)
Enterprise Funds	(3,515,171)	(3,223,087)
General Fund Other	(163,199)	(274,233)
Internal Service Funds	(796,499)	(1,699,760)
Special Revenue Funds	(1,542,112)	(980,388)
Grant Funds	(950,831)	(277,795)
Trust and Agency Funds	(7,138,226)	(6,668,808)
Total Disbursements	(27,206,317)	(27,545,436)

Net Change in Cash Flow	(\$2,421,218)	\$2,093,751
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Summary of Cash by Fund	September 2018	October 2018
General Fund	\$38,558,852	\$29,111,802
General Fund Other	3,659,831	3,545,312
Capital Projects Funds	23,254,958	24,197,891
Debt Service Funds	60,938	58,088
Enterprise Funds	71,134,702	74,886,809
Trust and Agency Funds	7,902,748	10,555,828
Internal Service Funds	26,973,346	29,314,171
Special Revenue Funds	41,011,712	42,385,147
General Ledger Cash Balances	* \$212,557,088	\$214,055,049

* 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.



City of HB
Portfolio Management
Portfolio Summary
November 30, 2018

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	137,405,000.00	134,860,071.45	137,451,373.29	64.77	1,446	745	1.672	1.695
Local Agency Investment Funds	25,174,431.52	25,174,431.52	25,174,431.52	11.86	1	1	2.178	2.208
Treasury Securities - Coupon	10,000,000.00	9,877,550.00	9,905,263.92	4.67	687	570	2.597	2.633
Medium Term Notes	7,000,000.00	6,892,200.00	6,912,097.55	3.26	684	563	2.678	2.715
Corporate Bonds	30,000,000.00	29,417,360.00	29,809,629.43	14.05	1,056	665	2.364	2.397
Commercial Paper Disc. -Amortizing	3,000,000.00	2,950,500.00	2,950,188.34	1.39	232	209	2.934	2.975
Investments	212,579,431.52	209,172,112.97	212,202,984.05	100.00%	1,143	624	1.923	1.950

Cash and Accrued Interest

Accrued Interest at Purchase

Subtotal

Total Cash and Investments

82,517.89	82,517.89
82,517.89	82,517.89

1,143 624 1.923 1.950

Total Earnings	November 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	334,248.79	1,544,184.85	
Current Budget	200,000.00	1,000,000.00	2,400,000.00
Last Year Actual	224,890.30	1,220,876.01	2,701,953.84
Average Daily Balance	205,146,929.07	207,188,080.11	
Effective Rate of Return	1.98%	1.78%	

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 5, 2018. 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 *1-17-19*

Reporting period 11/01/2018-11/30/2018

Run Date: 01/17/2019 - 13:20

Portfolio CITY
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City of HB
Portfolio Management
Portfolio Details - Investments
November 30, 2018

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												
3133EGEV3	4140	Federal Farm Credit Bank		06/15/2016	5,000,000.00	4,830,050.00	5,000,000.00	1.620	AA	1.620	926	06/14/2021
3133EJC98	4273	Federal Farm Credit Bank		09/27/2018	3,000,000.00	2,995,500.00	3,000,000.00	3.230	AA	3.230	1,396	09/27/2022
3130A7VK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,970,150.00	5,000,000.00	1.250	AA	1.250	174	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,192,085.00	2,250,000.00	1.600	AA	1.600	760	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,922,650.00	5,000,000.00	2.000	AA	1.525	618	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,971,650.00	5,026,938.35	2.000	AA	1.297	286	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,935,300.00	5,000,000.00	1.750	AA	1.750	1,243	04/27/2022
3130AF4M6	4275	Federal Home Loan Bank		10/18/2018	5,000,000.00	5,001,050.00	5,000,000.00	3.360		3.360	1,417	10/18/2022
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,968,200.00	5,000,000.00	1.500	AA	1.375	570	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,954,250.00	5,000,000.00	1.000	AA	0.998	209	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,858,400.00	5,000,000.00	1.280	AA	1.280	669	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,494,821.45	4,655,000.00	1.500	AA	1.500	942	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,859,700.00	5,000,000.00	1.500	AA	1.400	942	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,822,650.00	5,000,000.00	1.650	AA	1.650	1,087	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,907,200.00	5,000,536.82	1.750	AA	1.744	636	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,870,400.00	5,019,339.18	1.875	AA	1.723	969	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,867,750.00	5,018,442.05	1.875	AA	1.733	990	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,972,790.00	2,999,546.03	1.500	AA	1.521	270	08/28/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,848,400.00	5,000,000.00	2.125	AA	2.125	1,306	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	6,964,510.00	7,000,000.00	2.800	AAA	2.800	926	06/14/2021
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,968,100.00	5,000,000.00	1.400	AA	1.400	194	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,808,400.00	4,999,354.86	1.500	AA	1.505	942	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,919,060.00	3,000,000.00	1.500	AA	1.500	753	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,960,800.00	5,000,000.00	1.250	AA	1.250	209	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,857,450.00	5,000,000.00	1.500	AA	1.500	760	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,867,800.00	5,000,000.00	2.000	AA	1.825	961	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,455,525.00	7,500,000.00	1.000	AA	1.000	145	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,833,350.00	5,000,000.00	1.950	AA	1.950	1,097	12/02/2021
3136G3TR6	4276	Fed. Nat'l Mort. Assoc.		11/08/2018	2,000,000.00	1,982,080.00	1,982,216.00	1.050		2.618	209	06/28/2019
Subtotal and Average			136,990,061.81		137,405,000.00	134,860,071.45	137,451,373.29			1.695	745	
Local Agency Investment Funds												
SYS982	982	Laif City			25,174,431.52	25,174,431.52	25,174,431.52	2.208		2.208	1	
Subtotal and Average			20,474,431.52		25,174,431.52	25,174,431.52	25,174,431.52			2.208	1	

Run Date: 01/17/2019 - 13:20

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**City of HB
Portfolio Management
Portfolio Details - Investments
November 30, 2018**

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
Treasury Securities - Coupon												
912828XY1	4269	US Treasury Notes		08/01/2018	5,000,000.00	4,975,800.00	4,988,856.22	2.500		2.645	577	06/30/2020
912828XU9	4270	US Treasury Notes		08/10/2018	5,000,000.00	4,901,750.00	4,916,407.70	1.500		2.620	562	06/15/2020
Subtotal and Average			9,902,827.14		10,000,000.00	9,877,550.00	9,905,263.92			2.633	570	
Medium Term Notes												
4581X0CP1	4268	Inter-American Dev. Bank		08/02/2018	7,000,000.00	6,892,200.00	6,912,097.55	1.875		2.715	563	06/16/2020
Subtotal and Average			6,909,801.00		7,000,000.00	6,892,200.00	6,912,097.55			2.715	563	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,964,450.00	5,101,254.50	2.850	AA	1.980	887	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,933,850.00	5,031,785.25	2.150	A	1.617	450	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,963,430.00	3,002,278.60	1.400	AA	1.303	293	09/20/2019
459200HG9	4274	IBM Corp		09/28/2018	3,000,000.00	2,807,940.00	2,852,537.96	1.875	A	3.257	1,339	08/01/2022
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,969,080.00	1,996,188.98	1.850	A	2.008	456	03/01/2020
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,902,850.00	4,923,578.95	2.000		3.080	535	05/19/2020
69353REP9	4271	PNC BANK		08/13/2018	1,000,000.00	984,810.00	989,383.33	2.300		3.031	548	06/01/2020
828807DB0	4272	Simon Property Group		09/21/2018	3,000,000.00	2,900,880.00	2,919,664.06	2.625	A	3.239	1,292	06/15/2022
90520EAF8	4278	UNION BANK OF CALIFORNIA		11/13/2018	3,000,000.00	2,990,070.00	2,992,957.80	2.250	AAA	2.801	156	05/06/2019
Subtotal and Average			28,610,006.48		30,000,000.00	29,417,360.00	29,809,629.43			2.397	665	
Commercial Paper Disc. -Amortizing												
46640QTU5	4277	JP Morgan		11/08/2018	3,000,000.00	2,950,500.00	2,950,188.34	2.860	A-1	2.975	209	06/28/2019
Subtotal and Average			2,259,801.11		3,000,000.00	2,950,500.00	2,950,188.34			2.975	209	
Total and Average			205,146,929.07		212,579,431.52	209,172,112.97	212,202,984.05			1.950	624	

**City of HB
Portfolio Management
Portfolio Details - Cash
November 30, 2018**

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		82,517.89	82,517.89				0
				Subtotal		82,517.89	82,517.89				
Total Cash and Investments			205,146,929.07		212,579,431.52	209,254,630.86	212,285,501.94			1.950	624

City of HB
Portfolio Management
Activity By Type
November 1, 2018 through November 30, 2018

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3136G3TR6	4276	Fed. Nat'l Mort. Assoc.	1.050	11/08/2018	1,980,240.00	0.00	
		Subtotal			1,980,240.00	0.00	137,451,373.29
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	2.208		12,000,000.00	6,000,000.00	
		Subtotal			12,000,000.00	6,000,000.00	25,174,431.52
Treasury Securities - Coupon							
		Subtotal					9,905,263.92
Medium Term Notes							
		Subtotal					6,912,097.55
Corporate Bonds							
90520EAF8	4278	UNION BANK OF CALIFORNIA	2.250	11/13/2018	2,992,140.00	0.00	
		Subtotal			2,992,140.00	0.00	29,809,629.43
Commercial Paper Disc. -Amortizing							
46640QTU5	4277	JP Morgan	2.860	11/08/2018	2,944,706.67	0.00	
		Subtotal			2,944,706.67	0.00	2,950,188.34
		Total			19,917,086.67	6,000,000.00	212,202,984.05

**City of HB
Portfolio Management
Activity Summary
November 2017 through November 2018**

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					
November	2017	44	188,015,052.55	1.439	1.459	1.172	0	1	1,310	821
December	2017	41	196,385,752.92	1.414	1.433	1.239	0	3	1,114	688
January	2018	42	224,063,945.55	1.473	1.493	1.350	2	1	1,061	642
February	2018	43	227,425,960.54	1.495	1.516	1.412	1	0	1,043	608
March	2018	42	224,287,046.45	1.517	1.539	1.524	0	1	1,027	587
April	2018	41	229,750,575.95	1.544	1.566	1.661	0	1	970	536
May	2018	41	245,084,699.38	1.573	1.595	1.755	0	0	903	475
June	2018	41	250,105,256.16	1.644	1.667	1.854	2	2	964	518
July	2018	37	223,901,029.64	1.685	1.708	1.944	0	4	1,053	571
August	2018	40	206,373,589.71	1.731	1.755	1.998	4	1	1,189	647
September	2018	41	199,597,619.90	1.805	1.830	2.063	3	2	1,203	666
October	2018	40	200,610,535.10	1.875	1.901	2.144	1	2	1,214	687
November	2018	43	205,146,929.07	1.923	1.950	2.208	3	0	1,143	624
Average		41	216,932,391.05	1.624%	1.647%	1.717	1	1	1,092	621

**City of HB
Portfolio Management
Interest Earnings Summary
November 30, 2018**

Page 1

	November 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	206,250.00	1,008,635.42
Plus Accrued Interest at End of Period	933,428.39	933,428.39
Less Accrued Interest at Beginning of Period	(861,230.20)	(640,749.80)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	278,448.19	1,301,314.01
Adjusted by Premiums and Discounts	18,643.71	54,167.14
Adjusted by Capital Gains or Losses	0.00	-39,319.64
Earnings during Periods	297,091.90	1,316,161.51
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	366,509.78
Plus Accrued Interest at End of Period	57,410.79	57,410.79
Less Accrued Interest at Beginning of Period	(20,253.90)	(195,897.23)
Interest Earned during Period	37,156.89	228,023.34
Total Interest Earned during Period	315,605.08	1,529,337.35
Total Adjustments from Premiums and Discounts	18,643.71	54,167.14
Total Capital Gains or Losses	0.00	-39,319.64
Total Earnings during Period	334,248.79	1,544,184.85



**State of California
Pooled Money Investment Account
Market Valuation
11/30/2018**

Carrying Cost Plus			
Description	Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 17,834,331,743.48	\$ 17,984,428,000.00	NA
Notes	\$ 25,164,100,239.25	\$ 25,063,391,500.00	\$ 94,937,717.56
Federal Agency:			
SBA	\$ 751,977,133.40	\$ 743,809,603.40	\$ 1,415,524.93
MBS-REMICs	\$ 25,686,312.74	\$ 26,022,473.20	\$ 119,893.42
Debentures	\$ 2,067,230,421.62	\$ 2,051,829,700.00	\$ 9,295,494.05
Debentures FR	\$ -	\$ -	\$ -
Debentures CL	\$ 100,000,000.00	\$ 99,387,500.00	\$ 396,250.00
Discount Notes	\$ 10,159,747,875.12	\$ 10,215,334,000.00	NA
Supranational Debentures	\$ 489,118,743.08	\$ 486,602,900.00	\$ 1,951,973.00
Supranational Debentures FR	\$ 150,344,087.56	\$ 150,696,852.73	\$ 464,581.53
CDs and YCDs FR	\$ 425,000,000.00	\$ 425,074,000.00	\$ 1,884,625.74
Bank Notes	\$ 850,000,000.00	\$ 849,276,238.42	\$ 6,447,444.45
CDs and YCDs	\$ 11,500,000,000.00	\$ 11,493,443,085.16	\$ 65,961,166.73
Commercial Paper	\$ 5,407,676,333.36	\$ 5,426,067,444.42	NA
Corporate:			
Bonds FR	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -
Time Deposits	\$ 4,762,240,000.00	\$ 4,762,240,000.00	NA
AB 55 & GF Loans	\$ 758,137,000.00	\$ 758,137,000.00	NA
TOTAL	\$ 80,445,589,889.61	\$ 80,535,740,297.33	\$ 182,874,671.35

Fair Value Including Accrued Interest	\$	80,718,614,968.68
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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
November 2018

Cash Receipts and Disbursements	October 2018	November 2018
Receipts		
General Fund		
Property Tax	318,662	10,918,257
Local Sales Tax	4,119,343	3,986,548
Public Safety Sales Tax	188,834	184,449
Transient Occupancy Tax (TOT)	1,189,100	1,155,610
Utility Users Tax (UUT)	1,721,681	1,607,613
Other Revenue	4,508,359	3,749,159
Total General Fund Revenue	12,045,979	21,601,636
Capital Projects Funds	35,578	32,417
Debt Service Funds	-	-
Enterprise Funds	6,358,688	5,675,838
General Fund Other	159,714	251,933
Internal Service Funds	10,920	1,135
Special Revenue Funds	2,244,815	2,187,744
Grant Funds	461,604	670,476
Trust and Agency Funds	8,321,889	2,932,344
Total Receipts	\$29,639,187	\$33,353,522
Disbursements		
General Fund		
Personal Services	(9,926,851)	(14,910,871)
Operating Expenses	(3,496,383)	(3,631,035)
Capital Expenditures	0	(4,008)
Non-Operating Expenses	(4,208)	(70,142)
Total General Fund Disbursements	(13,427,442)	(18,616,055)

Capital Projects Funds	(991,073)	(375,401)
Debt Service Funds	(2,850)	-
Enterprise Funds	(3,223,087)	(4,853,705)
General Fund Other	(274,233)	(263,968)
Internal Service Funds	(1,699,760)	(524,478)
Special Revenue Funds	(980,388)	(1,740,391)
Grant Funds	(277,795)	(1,390,215)
Trust and Agency Funds	(6,668,808)	(2,113,433)
Total Disbursements	(27,545,436)	(29,877,647)

Net Change in Cash Flow	\$2,093,751	\$3,475,876
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Summary of Cash by Fund	October 2018	November 2018
General Fund	\$29,111,802	\$36,886,945
General Fund Other	3,545,312	4,536,281
Capital Projects Funds	24,197,891	23,890,344
Debt Service Funds	58,088	58,088
Enterprise Funds	74,886,809	74,425,123
Trust and Agency Funds	10,555,828	10,388,857
Internal Service Funds	29,314,171	29,328,722
Special Revenue Funds	42,385,147	42,160,656
General Ledger Cash Balances	\$214,055,049	\$221,675,015

* 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.



City of HB
Portfolio Management
Portfolio Summary
December 31, 2018

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	142,405,000.00	140,775,971.25	142,555,232.63	63.91	1,452	746	1.716	1.739
Local Agency Investment Funds	16,174,431.52	16,174,431.52	16,174,431.52	7.25	1	1	2.260	2.291
Treasury Securities - Coupon	15,000,000.00	14,855,850.00	14,837,086.51	6.65	644	541	2.596	2.632
Medium Term Notes	7,000,000.00	6,925,100.00	6,916,849.04	3.10	684	532	2.678	2.715
Corporate Bonds	40,000,000.00	39,388,210.00	39,610,644.86	17.76	1,109	789	2.599	2.635
Commercial Paper Disc. -Amortizing	3,000,000.00	2,957,220.00	2,957,576.67	1.33	232	178	2.934	2.975
Investments	223,579,431.52	221,076,782.77	223,051,821.23	100.00%	1,193	672	2.017	2.045

Cash and Accrued Interest

Accrued Interest at Purchase		90,739.59	90,739.59					
Subtotal		90,739.59	90,739.59					
Total Cash and Investments	223,579,431.52	221,167,522.36	223,142,560.82		1,193	672	2.017	2.045

Total Earnings	December 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	360,417.02	1,904,601.87	
Current Budget	200,000.00	1,200,000.00	2,400,000.00
Last Year Actual	233,821.73	1,454,697.74	2,701,953.84
Average Daily Balance	214,572,991.48	208,432,277.14	
Effective Rate of Return	1.98%	1.81%	

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 5, 2018. 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.

AC 1-17-19
 Alisa Cutchen, CITY TREASURER

Reporting period 12/01/2018-12/31/2018

Run Date: 01/17/2019 - 13:22

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City of HB
Portfolio Management
Portfolio Details - Investments
December 31, 2018

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												
3133EGEV3	4140	Federal Farm Credit Bank		06/15/2016	5,000,000.00	4,879,100.00	5,000,000.00	1.620	AA	1.620	895	06/14/2021
3133EJC98	4273	Federal Farm Credit Bank		09/27/2018	3,000,000.00	3,002,040.00	3,000,000.00	3.230	AA	3.230	1,365	09/27/2022
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,974,100.00	5,000,000.00	1.250	AA	1.250	143	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,207,970.00	2,250,000.00	1.600	AA	1.600	729	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,946,900.00	5,000,000.00	2.000	AA	1.525	587	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,977,350.00	5,024,072.57	2.000	AA	1.297	255	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,966,500.00	5,000,000.00	1.750	AA	1.750	1,212	04/27/2022
3130AF4M6	4275	Federal Home Loan Bank		10/18/2018	5,000,000.00	5,005,900.00	5,000,000.00	3.360		3.360	1,386	10/18/2022
313383QR5	4281	Federal Home Loan Bank		12/20/2018	5,000,000.00	5,126,700.00	5,105,275.33	3.250		2.743	1,620	06/09/2023
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,981,550.00	5,000,000.00	2.000	AA	1.563	539	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,961,200.00	5,000,000.00	1.000	AA	0.998	178	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,889,200.00	5,000,000.00	1.280	AA	1.280	638	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,537,461.25	4,655,000.00	1.500	AA	1.500	911	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,908,550.00	5,000,000.00	1.500	AA	1.400	911	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,875,500.00	5,000,000.00	1.650	AA	1.650	1,056	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,932,200.00	5,000,511.13	1.750	AA	1.744	605	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,918,600.00	5,018,732.30	1.875	AA	1.723	938	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,917,350.00	5,017,875.18	1.875	AA	1.733	959	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,976,330.00	2,999,597.04	1.500	AA	1.521	239	08/28/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,908,800.00	5,000,000.00	2.125	AA	2.125	1,275	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	7,002,100.00	7,000,000.00	2.800	AAA	2.800	895	06/14/2021
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,974,700.00	5,000,000.00	1.400	AA	1.400	163	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,854,950.00	4,999,375.69	1.500	AA	1.505	911	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,939,760.00	3,000,000.00	1.500	AA	1.500	722	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,968,200.00	5,000,000.00	1.250	AA	1.250	178	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,893,200.00	5,000,000.00	1.500	AA	1.500	729	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,915,700.00	5,000,000.00	2.000	AA	1.825	930	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,464,900.00	7,500,000.00	1.000	AA	1.000	114	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,883,800.00	5,000,000.00	1.950	AA	1.950	1,066	12/02/2021
3136G3TR6	4276	Fed. Nat'l Mort. Assoc.		11/08/2018	2,000,000.00	1,985,360.00	1,984,793.39	1.050		2.618	178	06/28/2019
Subtotal and Average			139,426,972.09		142,405,000.00	140,775,971.25	142,555,232.63			1.739	746	
Local Agency Investment Funds												
SYS982	982	Laif City			16,174,431.52	16,174,431.52	16,174,431.52	2.291		2.291	1	
Subtotal and Average			20,174,431.52		16,174,431.52	16,174,431.52	16,174,431.52			2.291	1	

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**City of HB
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

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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
Treasury Securities - Coupon												
912828XY1	4269	US Treasury Notes		08/01/2018	5,000,000.00	4,996,100.00	4,989,454.94	2.500		2.645	546	06/30/2020
912828XU9	4270	US Treasury Notes		08/10/2018	5,000,000.00	4,927,350.00	4,921,018.67	1.500		2.620	531	06/15/2020
912828XH8	4282	US Treasury Notes		12/20/2018	5,000,000.00	4,932,400.00	4,926,612.90	1.625		2.632	546	06/30/2020
Subtotal and Average			11,814,742.59		15,000,000.00	14,855,850.00	14,837,086.51			2.632	541	
Medium Term Notes												
4581X0CP1	4268	Inter-American Dev. Bank		08/02/2018	7,000,000.00	6,925,100.00	6,916,849.04	1.875		2.715	532	06/16/2020
Subtotal and Average			6,914,626.57		7,000,000.00	6,925,100.00	6,916,849.04			2.715	532	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	5,006,100.00	5,097,782.91	2.850	AA	1.980	856	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,956,200.00	5,029,632.75	2.150	A	1.617	419	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,973,090.00	3,002,042.07	1.400	AA	1.303	262	09/20/2019
459200HG9	4274	IBM Corp		09/28/2018	3,000,000.00	2,832,120.00	2,855,889.37	1.875	A	3.257	1,308	08/01/2022
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,975,760.00	1,996,443.04	1.850	A	2.008	425	03/01/2020
713448CX4	4280	PEPSICO INC		12/21/2018	5,000,000.00	5,002,050.00	4,989,928.93	3.100		3.160	1,293	07/17/2022
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,922,200.00	4,927,921.05	2.000		3.080	504	05/19/2020
69353REP9	4271	PNC BANK		08/13/2018	1,000,000.00	986,540.00	989,973.15	2.300		3.031	517	06/01/2020
828807DB0	4272	Simon Property Group		09/21/2018	3,000,000.00	2,918,100.00	2,921,555.80	2.625	A	3.239	1,261	06/15/2022
882508BA1	4279	Texas Instruments Inc		12/21/2018	5,000,000.00	4,825,650.00	4,805,154.98	1.850		3.564	1,230	05/15/2022
90520EAF8	4278	UNION BANK OF CALIFORNIA		11/13/2018	3,000,000.00	2,990,400.00	2,994,320.81	2.250	AAA	2.801	125	05/06/2019
Subtotal and Average			33,288,217.03		40,000,000.00	39,388,210.00	39,610,644.86			2.635	789	
Commercial Paper Disc. -Amortizing												
46640QTU5	4277	JP Morgan		11/08/2018	3,000,000.00	2,957,220.00	2,957,576.67	2.860	A-1	2.975	178	06/28/2019
Subtotal and Average			2,954,001.67		3,000,000.00	2,957,220.00	2,957,576.67			2.975	178	
Total and Average			214,572,991.48		223,579,431.52	221,076,782.77	223,051,821.23			2.045	672	

**City of HB
Portfolio Management
Portfolio Details - Cash
December 31, 2018**

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		90,739.59	90,739.59				0
				Subtotal		90,739.59	90,739.59				
Total Cash and Investments			214,572,991.48	223,579,431.52		221,167,522.36	223,142,560.82			2.045	672

City of HB
Portfolio Management
Activity By Type
December 1, 2018 through December 31, 2018

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
313383QR5	4281	Federal Home Loan Bank	3.250	12/20/2018	5,106,000.00	0.00	
		Subtotal			5,106,000.00	0.00	142,555,232.63
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	2.291		0.00	9,000,000.00	
		Subtotal			0.00	9,000,000.00	16,174,431.52
Treasury Securities - Coupon							
912828XH8	4282	US Treasury Notes	1.625	12/20/2018	4,925,000.00	0.00	
		Subtotal			4,925,000.00	0.00	14,837,086.51
Medium Term Notes							
		Subtotal					6,916,849.04
Corporate Bonds							
713448CX4	4280	PEPSICO INC	3.100	12/21/2018	4,989,850.00	0.00	
882508BA1	4279	Texas Instruments Inc	1.850	12/21/2018	4,803,550.00	0.00	
		Subtotal			9,793,400.00	0.00	39,610,644.86
Commercial Paper Disc. -Amortizing							
		Subtotal					2,957,576.67
		Total			19,824,400.00	9,000,000.00	223,051,821.23

**City of HB
Portfolio Management
Activity Summary
December 2017 through December 2018**

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					
December	2017	41	196,385,752.92	1.414	1.433	1.239	0	3	1,114	688
January	2018	42	224,063,945.55	1.473	1.493	1.350	2	1	1,061	642
February	2018	43	227,425,960.54	1.495	1.516	1.412	1	0	1,043	608
March	2018	42	224,287,046.45	1.517	1.539	1.524	0	1	1,027	587
April	2018	41	229,750,575.95	1.544	1.566	1.661	0	1	970	536
May	2018	41	245,084,699.38	1.573	1.595	1.755	0	0	903	475
June	2018	41	250,105,256.16	1.644	1.667	1.854	2	2	964	518
July	2018	37	223,901,029.64	1.685	1.708	1.944	0	4	1,053	571
August	2018	40	206,373,589.71	1.731	1.755	1.998	4	1	1,189	647
September	2018	41	199,597,619.90	1.805	1.830	2.063	3	2	1,203	666
October	2018	40	200,610,535.10	1.875	1.901	2.144	1	2	1,214	687
November	2018	43	205,146,929.07	1.923	1.950	2.208	3	0	1,143	624
December	2018	47	214,572,991.48	2.017	2.045	2.291	4	0	1,193	672
Average		41	218,938,398.04	1.669%	1.692%	1.803	2	1	1,083	609

**City of HB
Portfolio Management
Interest Earnings Summary
December 31, 2018**

Page 1

	December 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	714,167.03	1,722,802.45
Plus Accrued Interest at End of Period	515,986.18	515,986.18
Less Accrued Interest at Beginning of Period	(933,428.39)	(640,749.80)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	296,724.82	1,598,038.83
Adjusted by Premiums and Discounts	24,437.18	78,604.32
Adjusted by Capital Gains or Losses	0.00	-39,319.64
Earnings during Periods	321,162.00	1,637,323.51
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	366,509.78
Plus Accrued Interest at End of Period	96,665.81	96,665.81
Less Accrued Interest at Beginning of Period	(57,410.79)	(195,897.23)
Interest Earned during Period	39,255.02	267,278.36
Total Interest Earned during Period	335,979.84	1,865,317.19
Total Adjustments from Premiums and Discounts	24,437.18	78,604.32
Total Capital Gains or Losses	0.00	-39,319.64
Total Earnings during Period	360,417.02	1,904,601.87



State of California

Pooled Money Investment Account

Market Valuation

12/31/2018

		Carrying Cost Plus			
Description		Accrued Interest	Purch.	Amortized Cost	Fair Value
				Accrued Interest	
1*	United States Treasury:				
	Bills	\$	16,494,774,781.04	\$	16,650,272,651.45
	Notes	\$	26,084,822,813.35	\$	26,080,601,689.42
1*	Federal Agency:				
	SBA	\$	733,319,305.60	\$	733,319,305.60
	MBS-REMICs	\$	25,252,637.32	\$	25,252,637.32
	Debentures	\$	2,067,679,296.33	\$	2,067,564,886.61
	Debentures FR	\$	-	\$	-
	Debentures CL	\$	100,000,000.00	\$	100,000,000.00
	Discount Notes	\$	11,645,482,250.14	\$	11,720,182,916.69
1*	Supranational Debentures	\$	489,261,978.98	\$	489,261,978.98
1*	Supranational Debentures FR	\$	150,312,991.24	\$	150,312,991.24
2*	CDs and YCDs FR	\$	525,000,000.00	\$	525,000,000.00
2*	Bank Notes	\$	850,000,000.00	\$	850,000,000.00
2*	CDs and YCDs	\$	12,900,000,000.00	\$	12,900,000,000.00
2*	Commercial Paper	\$	5,751,563,722.24	\$	5,773,027,569.44
1*	Corporate:				
	Bonds FR	\$	-	\$	-
	Bonds	\$	-	\$	-
1*	Repurchase Agreements	\$	-	\$	-
1*	Reverse Repurchase	\$	-	\$	-
	Time Deposits	\$	4,647,740,000.00	\$	4,647,740,000.00
	AB 55 & GF Loans	\$	797,898,000.00	\$	797,898,000.00
	TOTAL	\$	83,263,107,776.24	\$	83,510,434,626.75

Fair Value Including Accrued Interest

\$ 83,628,953,129.84

* Governmental Accounting Standards Board (GASB) Statement #72

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (**0.999051127**).
As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at **\$19,981,022.54** or \$20,000,000.00 x **0.999051127**.



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

Finance Department
December 2018

<u>Cash Receipts and Disbursements</u>	<u>November 2018</u>	<u>December 2018</u>
Receipts		
General Fund		
Property Tax	10,918,257	21,247,382
Local Sales Tax	3,986,548	3,396,146
Public Safety Sales Tax	184,449	239,096
Transient Occupancy Tax (TOT)	1,155,610	929,315
Utility Users Tax (UUT)	1,607,613	1,398,040
Other Revenue	3,749,159	4,083,438
Total General Fund Revenue	21,601,636	31,293,417
Capital Projects Funds	32,417	166,557
Debt Service Funds	-	-
Enterprise Funds	5,675,838	5,465,001
General Fund Other	251,933	228,792
Internal Service Funds	1,135	-
Special Revenue Funds	2,187,744	273,352
Grant Funds	670,476	1,305,085
Trust and Agency Funds	2,932,344	3,428,320
Total Receipts	\$33,353,522	\$42,160,523
Disbursements		
General Fund		
Personal Services	(14,910,871)	(10,069,690)
Operating Expenses	(3,631,035)	(3,013,836)
Capital Expenditures	(4,008)	(16,099)
Non-Operating Expenses	(70,142)	(3,820,876)
Total General Fund Disbursements	(18,616,055)	(16,920,501)

Capital Projects Funds	(375,401)	(1,291,004)
Debt Service Funds	-	-
Enterprise Funds	(4,853,705)	(3,309,437)
General Fund Other	(263,968)	(85,724)
Internal Service Funds	(524,478)	(2,436,551)
Special Revenue Funds	(1,740,391)	(2,675,090)
Grant Funds	(1,390,215)	(791,336)
Trust and Agency Funds	(2,113,433)	(1,787,517)
Total Disbursements	(29,877,647)	(29,297,159)

Net Change in Cash Flow	\$3,475,876	\$12,863,364
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Summary of Cash by Fund	November 2018	December 2018
General Fund	\$36,886,945	\$50,673,159
General Fund Other	4,536,281	4,679,348
Capital Projects Funds	23,890,344	22,765,898
Debt Service Funds	58,088	4,280,156
Enterprise Funds	74,425,123	76,776,560
Trust and Agency Funds	10,388,857	12,029,660
Internal Service Funds	29,328,722	27,492,011
Special Revenue Funds	42,160,656	40,291,501
General Ledger Cash Balances	* \$221,675,015	\$238,988,295

* 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.