

**Portfolio Summary**  
**As of October 31, 2018**  
**\$ in millions**

<b><u>Investment Type</u></b>	<b><u>Market Value</u></b>	<b><u>Book Value</u></b>	<b><u>% of Portfolio</u></b>	<b><u>Policy Limit</u></b>	<b><u>In Compliance</u></b>
Federal Agency Issues	\$ 132.5	\$ 135.5	68%	None	yes
Local Agency Investment Fund (LAIF)	\$ 22.2	\$ 22.2	11%	\$65 million	yes
Treasury Securities	\$ 9.9	\$ 9.9	5%	None	yes
Medium Term Notes - IADB	\$ 6.9	\$ 6.9	3%	10%	yes
Corporate Bonds	\$ 26.4	\$ 26.8	13%	30%	yes
<b>Total Portfolio</b>	<b>\$ 197.9</b>	<b>\$ 201.3</b>	<b>100%</b>		

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

<b><u>Portfolio Earnings</u></b>	<b><u>Month End 10/31/18</u></b>	<b><u>FYTD 10/31/18</u></b>
Current Year	\$ 316,360	\$ 1,189,550
Current Budget	\$ 200,000	\$ 800,000
Last Year Actual	\$ 231,892	\$ 995,986
Effective Rate of Return	1.86%	1.70%
Benchmark*	2.26%	

\*12 month moving average of interpolated 1.5-year treasury

**Monthly Activity**  
**October 2018**

<b><u>Investment Type</u></b>	<b><u>Purchases/Deposits</u></b>	<b><u>Sales/Maturities/Withdrawals</u></b>
Federal Agency Issues	\$ 5,000,000	\$ 5,000,000
Local Agency Investment Fund (LAIF)	\$ 10,158,078	\$ 8,000,000
Medium Term Notes - IADB		
Corporate Bonds		\$ 3,000,000
Commercial Paper		
Treasury Securities		
Federal Agency Discount Note		
<b>TOTAL</b>	<b>\$ 15,158,078</b>	<b>\$ 16,000,000</b>

### Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate in October remained at 3.7 percent. The labor force participation rate, at 62.9 percent, changed little over the year.

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

The Federal Open Market Committee (FOMC) met at the end of last month to discuss the current state of the economy and to examine potential future interest rate hikes this year. The Committee decided to raise the target range for the federal funds rate to 2 to 2-1/4 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 2018 – October 2018

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&amp;P 500</u>	<u>DOW</u>
8/31/2018	1.75 - 2.00 %	2.86%	2,901.52	25,964.82
9/30/2018	2.00 - 2.25 %	3.05%	2,913.98	26,458.31
10/31/2018	2.00 - 2.25 %	3.15%	2,711.74	25,115.76
<b>Sep. - Oct. % Change</b>	<b>0.00%</b>	<b>3.28%</b>	<b>-6.94%</b>	<b>-5.07%</b>



**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	67.31	1,464	783	1.659	1.682
Local Agency Investment Funds	22,174,431.52	22,174,431.52	22,174,431.52	11.02	1	1	2.115	2.144
Treasury Securities - Coupon	10,000,000.00	9,864,450.00	9,900,222.30	4.92	687	600	2.597	2.633
Medium Term Notes	7,000,000.00	6,880,230.00	6,907,346.07	3.43	684	593	2.678	2.715
Corporate Bonds	27,000,000.00	26,423,600.00	26,812,103.11	13.32	1,154	751	2.340	2.373
<b>Investments</b>	<b>201,579,431.52</b>	<b>197,890,223.32</b>	<b>201,267,253.67</b>	<b>100.00%</b>	<b>1,196</b>	<b>677</b>	<b>1.881</b>	<b>1.907</b>
<b>Cash and Accrued Interest</b>								
Accrued Interest at Purchase		83,622.06	83,622.06					
Subtotal		83,622.06	83,622.06					
<b>Total Cash and Investments</b>	<b>201,579,431.52</b>	<b>197,973,845.38</b>	<b>201,350,875.73</b>		<b>1,196</b>	<b>677</b>	<b>1.881</b>	<b>1.907</b>

Total Earnings	October 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year		316,360.43	1,189,549.78	
Current Budget		200,000.00	800,000.00	2,400,000.00
Last Year Actual		231,892.07	995,985.71	2,702,195.62
<b>Average Daily Balance</b>		<b>200,707,309.29</b>	<b>207,710,312.07</b>	
<b>Effective Rate of Return</b>		<b>1.86%</b>	<b>1.70%</b>	

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  
Alisa Cutchen, CITY TREASURER

11-28-18

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

Run Date: 11/27/2018 - 16:07

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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
<b>Federal Agency Issues - Coupon</b>												
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
<b>Subtotal and Average</b>			<b>136,765,341.08</b>		<b>135,405,000.00</b>	<b>132,547,511.80</b>	<b>135,473,150.67</b>			<b>1.682</b>	<b>783</b>	
<b>Local Agency Investment Funds</b>												
SYS982	982	Laif City			22,174,431.52	22,174,431.52	22,174,431.52	2.144		2.144	1	
<b>Subtotal and Average</b>			<b>18,103,041.33</b>		<b>22,174,431.52</b>	<b>22,174,431.52</b>	<b>22,174,431.52</b>			<b>2.144</b>	<b>1</b>	

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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
<b>Treasury Securities - Coupon</b>												
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
<b>Subtotal and Average</b>			<b>9,897,701.49</b>		<b>10,000,000.00</b>	<b>9,864,450.00</b>	<b>9,900,222.30</b>			<b>2.633</b>	<b>600</b>	
<b>Medium Term Notes</b>												
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
<b>Subtotal and Average</b>			<b>6,905,123.60</b>		<b>7,000,000.00</b>	<b>6,880,230.00</b>	<b>6,907,346.07</b>			<b>2.715</b>	<b>593</b>	
<b>Corporate Bonds</b>												
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	3.437	1,322	06/15/2022
<b>Subtotal and Average</b>			<b>29,036,101.78</b>		<b>27,000,000.00</b>	<b>26,423,600.00</b>	<b>26,812,103.11</b>			<b>2.373</b>	<b>751</b>	
<b>Total and Average</b>			<b>200,707,309.29</b>		<b>201,579,431.52</b>	<b>197,890,223.32</b>	<b>201,267,253.67</b>			<b>1.907</b>	<b>677</b>	

**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			200,707,309.29		201,579,431.52	197,973,845.38	201,350,875.73			1.907	677

**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
<b>Federal Agency Issues - Coupon</b>							
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	
		<b>Subtotal</b>			<b>5,000,000.00</b>	<b>5,000,000.00</b>	<b>135,473,150.67</b>
<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS982	982	Laif City	2.144		10,158,078.27	8,000,000.00	
		<b>Subtotal</b>			<b>10,158,078.27</b>	<b>8,000,000.00</b>	<b>22,174,431.52</b>
<b>Treasury Securities - Coupon</b>							
		<b>Subtotal</b>					<b>9,900,222.30</b>
<b>Medium Term Notes</b>							
		<b>Subtotal</b>					<b>6,907,346.07</b>
<b>Corporate Bonds</b>							
89236TAY1	4039	Toyota Motor Credit	2.000	10/24/2018	0.00	3,000,000.00	
		<b>Subtotal</b>			<b>0.00</b>	<b>3,000,000.00</b>	<b>26,812,103.11</b>
		<b>Total</b>			<b>15,158,078.27</b>	<b>16,000,000.00</b>	<b>201,267,253.67</b>

**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	1.808	1.833	2.063	3	2	1,203	666
October	2018	40	200,707,309.29	1.881	1.907	2.144	1	2	1,196	677
Average		41	216,196,824.68	1.588%	1.610%	1.635	1	1	1,103	637



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

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	October 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	131,750.00	802,385.42
Plus Accrued Interest at End of Period	840,667.70	840,667.70
Less Accrued Interest at Beginning of Period	( 698,630.51)	( 640,749.80)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	273,787.19	1,002,303.32
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	998,507.11
<b>Pass Through Securities:</b>		
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
<b>Cash/Checking Accounts:</b>		
Interest Collected	158,078.27	366,509.78
Plus Accrued Interest at End of Period	20,430.12	20,430.12
Less Accrued Interest at Beginning of Period	( 145,543.99)	( 195,897.23)
Interest Earned during Period	32,964.40	191,042.67
<b>Total Interest Earned during Period</b>	<b>306,751.59</b>	<b>1,193,345.99</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>9,608.84</b>	<b>35,523.43</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>-39,319.64</b>
<b>Total Earnings during Period</b>	<b>316,360.43</b>	<b>1,189,549.78</b>



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
<b>Receipts</b>		
<b>General Fund</b>		
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
<b>Total General Fund Revenue</b>	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
<b>Total Receipts</b>	<b>\$24,785,098</b>	<b>\$29,639,187</b>
<b>Disbursements</b>		
<b>General Fund</b>		
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)
<b>Total General Fund Disbursements</b>	<b>(13,067,156)</b>	<b>(13,427,442)</b>

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)
<b>Total Disbursements</b>	<b>(27,206,317)</b>	<b>(27,545,436)</b>

<b>Net Change in Cash Flow</b>	<b>(\$2,421,218)</b>	<b>\$2,093,751</b>
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<b>Summary of Cash by Fund</b>	<b>September 2018</b>	<b>October 2018</b>
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
<b>General Ledger Cash Balances</b>	<b>* \$212,557,088</b>	<b>\$214,055,049</b>

\* 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.