

Portfolio Summary
As of May 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	\$ 156.5	\$ 157.5	69%	None	yes
Local Agency Investment Fund (LAIF)	\$ 26.6	\$ 26.6	12%	\$65 million	yes
Medium Term Notes - IBRD	\$ 5.0	\$ 5.0	2%	10%	yes
Corporate Bonds	\$ 39.5	\$ 39.6	17%	30%	yes
Total Portfolio	\$ 227.6	\$ 228.7	100%		

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

<u>Portfolio Earnings</u>	<u>Month End 5/31/17</u>	<u>FY 2016/2017</u>
Current Year	\$ 243,775	\$ 1,730,535
Current Budget	\$ 140,000	\$ 1,120,000
Last Year Actual	\$ 206,170	\$ 1,486,604
Effective Rate of Return	1.27%	1.24%
Benchmark*	1.28%	

* 2-year Constant Maturity Treasury (CMT) rate

Market Summary
March - May, 2017

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
3/31/2017	0.75 - 1.00 %	2.40%	2,362.72	20,663.22
4/30/2017	0.75 - 1.00 %	2.29%	2,384.20	20,940.51
5/31/2017	0.75 - 1.00 %	2.21%	2,411.80	21,008.65
Apr - May % Change	0.00%	-3.49%	1.16%	0.33%

**Monthly Activity
May, 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)	\$ 20,000,000	\$ 10,000,000
Medium Term Notes - IBRD	\$ -	\$ -
Corporate Bonds	\$ -	\$ -
TOTAL	\$ 25,000,000	\$ 10,000,000

Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate declined slightly in May to 4.3 percent. The labor force participation rate declined 0.2 percentage points to 62.7 percent.

The Dow Jones Industrial Average and the S&P 500 posted increases of 0.33% and 1.16% respectively from the prior month.

The Federal Open Market Committee (FOMC) met in May 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 3/4 to 1 percent and will reconvene in June to discuss additional developments in determining the timing and size of future adjustments to the target range of the federal funds rate.



**City of HB
Portfolio Management
Portfolio Summary
May 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	157,405,000.00	156,499,531.50	157,504,056.11	68.86	1,323	989	1.400	1.419
Local Agency Investment Funds	26,606,161.40	26,606,161.40	26,606,161.40	11.63	1	1	0.912	0.925
Medium Term Notes - IBRD	5,000,000.00	4,975,850.00	4,986,965.72	2.18	608	413	1.093	1.109
Corporate Bonds	39,500,000.00	39,561,325.00	39,626,646.56	17.33	1,146	474	1.436	1.456
Investments	228,511,161.40	227,642,867.90	228,723,829.79	100.00%	1,123	772	1.343	1.361

Cash and Accrued Interest								
Accrued Interest at Purchase		15,583.33	15,583.33					
Subtotal		15,583.33	15,583.33					
Total Cash and Investments	228,511,161.40	227,658,451.23	228,739,413.12		1,123	772	1.343	1.361

Total Earnings	May 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	243,774.74	1,730,535.42	
Current Budget	140,000.00	1,120,000.00	1,680,000.00
Last Year Actual	206,170.44	1,486,603.89	2,299,957.00
Average Daily Balance	225,340,416.22	209,330,088.17	
Effective Rate of Return	1.27%	1.24%	

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

Alisa Cutchen 6-21-17

Reporting period 05/01/2017-05/31/2017

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City of HB
Portfolio Management
Portfolio Details - Investments
May 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	4,950,500.00	5,000,000.00	1.620	AA	1.620	1,474	06/14/2021
3133EG2L8	4160	Federal Farm Credit Bank		12/28/2016	5,000,000.00	5,028,150.00	5,007,999.06	1.920		1.873	1,306	12/28/2020
3130A3TA2	4038	Federal Home Loan Bank		12/30/2014	5,000,000.00	4,999,600.00	4,999,898.20	1.000	AA	1.010	75	08/15/2017
313378A43	4048	Federal Home Loan Bank		02/20/2015	5,000,000.00	5,003,700.00	5,010,409.19	1.375	AA	1.100	281	03/09/2018
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,968,750.00	5,000,000.00	1.250	AA	1.250	722	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,237,287.50	2,250,000.00	1.600	AA	1.600	1,308	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,960,200.00	5,000,000.00	1.050	AA	1.518	1,166	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	5,064,900.00	5,078,522.42	2.000		1.297	834	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	5,001,150.00	5,000,000.00	1.750	AA	1.750	1,791	04/27/2022
3134G7U25	4117	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,995,300.00	5,000,000.00	0.800	AA	0.800	148	10/27/2017
3134G73Q2	4120	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,974,150.00	5,000,000.00	1.000	AAA	0.991	421	07/27/2018
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,963,150.00	5,000,000.00	1.250	AA	1.919	1,118	06/23/2020
3134G9UY1	4142	Federal Home Loan Mort Corp		06/29/2016	5,000,000.00	4,987,450.00	5,000,000.00	1.000	AA	1.000	393	06/29/2018
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,930,350.00	5,000,000.00	1.000	AAA	0.998	757	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,875,250.00	5,000,000.00	1.280	AAA	1.280	1,217	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,560,969.00	4,655,000.00	1.500	AA	1.500	1,490	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,973,850.00	5,000,000.00	1.000	AAA	1.592	1,490	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,895,050.00	5,000,000.00	1.650	AA	1.650	1,635	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,997,250.00	5,000,999.14	1.750		1.744	1,184	08/28/2020
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,990,550.00	5,000,000.00	1.040	AA	1.040	512	10/26/2018
3135G0ZL0	4132	Fed. Nat'l Mort. Assoc.		03/09/2016	5,000,000.00	4,999,300.00	5,003,191.04	1.000	AA	0.800	118	09/27/2017
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,983,600.00	5,000,000.00	1.400	AA	1.400	742	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,920,400.00	4,998,979.86	1.500	AA	1.505	1,490	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,927,700.00	3,000,000.00	1.500	AA	1.500	1,301	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,977,550.00	5,000,000.00	1.250	AA	1.250	757	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,908,950.00	5,000,000.00	1.500	AA	1.500	1,308	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,995,200.00	5,000,000.00	1.125	AA	1.819	1,509	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,427,325.00	7,500,000.00	1.000	AA	1.000	693	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	5,000,000.00	5,000,000.00	1.950		1.950	1,645	12/02/2021
3136G4KN2	4161	Fed. Nat'l Mort. Assoc.		12/30/2016	5,000,000.00	5,000,700.00	5,000,000.00	2.050	AA	2.050	1,308	12/30/2020
3136G4KM4	4162	Fed. Nat'l Mort. Assoc.		01/17/2017	5,000,000.00	5,001,100.00	5,000,000.00	1.750		1.750	960	01/17/2020
3135G0S53	4255	Fed. Nat'l Mort. Assoc.		04/03/2017	5,000,000.00	5,000,150.00	4,999,057.20	1.700	AA	1.707	970	01/27/2020
Subtotal and Average			152,827,998.28		157,405,000.00	156,499,531.50	157,504,056.11			1.419	989	

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City of HB
Portfolio Management
Portfolio Details - Investments
May 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
Local Agency Investment Funds												
SYS982	982	Laif City			26,606,161.40	26,606,161.40	26,606,161.40	0.925		0.925	1	
		Subtotal and Average	27,896,483.98		26,606,161.40	26,606,161.40	26,606,161.40			0.925	1	
Medium Term Notes - IBRD												
459058FE8	4158	Intl Bk Recon & Development		11/18/2016	5,000,000.00	4,975,850.00	4,986,965.72	0.876	AAA	1.109	413	07/19/2018
		Subtotal and Average	4,986,517.44		5,000,000.00	4,975,850.00	4,986,965.72			1.109	413	
Corporate Bonds												
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	5,036,550.00	5,070,530.25	2.150	A	1.617	998	02/24/2020
14912L5P2	4024	Caterpillar Financial Corp.		12/10/2014	3,000,000.00	2,994,300.00	2,994,418.60	1.300	A	1.555	273	03/01/2018
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,983,920.00	3,006,536.20	1.400	AA	1.303	841	09/20/2019
166764AA8	4044	Chevron Corp		02/09/2015	3,000,000.00	2,996,910.00	3,001,521.26	1.104	AA	1.003	187	12/05/2017
268648AP7	4077	EMC Corp		07/14/2015	2,500,000.00	2,485,200.00	2,505,953.71	1.875	AA	1.630	365	06/01/2018
36962G6K5	4007	General Electric Capital Corp		05/12/2014	2,500,000.00	2,503,225.00	2,502,968.83	1.600	AA	1.340	172	11/20/2017
36962G6W9	4036	General Electric Capital Corp		12/19/2014	2,000,000.00	2,003,920.00	2,002,980.49	1.625	AA	1.442	305	04/02/2018
24422ESR1	4126	John Deere Capital		12/08/2015	1,000,000.00	1,001,010.00	1,001,059.39	1.550	A	1.350	197	12/15/2017
24422ESR1	4127	John Deere Capital		12/08/2015	2,000,000.00	2,002,020.00	2,002,252.21	1.550	A	1.337	197	12/15/2017
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,999,400.00	1,991,615.75	1.850		2.008	1,004	03/01/2020
191216BA7	4049	Coca Cola Co		02/24/2015	2,500,000.00	2,495,850.00	2,497,804.39	1.150	AA	1.258	304	04/01/2018
58933YAC9	4045	Merck & Co Inc		02/09/2015	2,000,000.00	1,996,560.00	2,000,517.72	1.100	AA	1.089	244	01/31/2018
68389XAQ8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,041,220.00	3,030,275.20	2.375	AA	1.731	593	01/15/2019
89233P7E0	4023	Toyota Motor Credit		12/10/2014	3,000,000.00	3,001,170.00	2,997,928.38	1.375	AA	1.491	223	01/10/2018
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	3,020,070.00	3,020,284.18	2.000	AA	1.500	510	10/24/2018
		Subtotal and Average	39,629,416.52		39,500,000.00	39,561,325.00	39,626,646.56			1.456	474	
		Total and Average	225,340,416.22		228,511,161.40	227,642,867.90	228,723,829.79			1.361	772	

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**City of HB
Portfolio Management
Portfolio Details - Cash
May 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		15,583.33	15,583.33				
				Subtotal		15,583.33	15,583.33				0
Total Cash and Investments			225,340,416.22	228,511,161.40		227,658,451.23	228,739,413.12				

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

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3134GBNN8	4256	Federal Home Loan Mort Corp	1.750	05/30/2017	5,001,000.00	0.00	
		Subtotal			5,001,000.00	0.00	157,504,056.11
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	0.925		20,000,000.00	10,000,000.00	
		Subtotal			20,000,000.00	10,000,000.00	26,606,161.40
Medium Term Notes - IBRD							
		Subtotal					4,986,965.72
Corporate Bonds							
		Subtotal					39,626,646.56
		Total			25,001,000.00	10,000,000.00	228,723,829.79

**City of HB
Portfolio Management
Activity Summary
May 2016 through May 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					
May	2016	44	208,914,656.20	1.168	1.184	0.552	2	3	976	736
June	2016	46	228,822,479.77	1.156	1.172	0.576	14	12	1,006	806
July	2016	45	230,059,053.62	1.167	1.183	0.588	2	3	1,044	830
August	2016	45	220,520,888.69	1.186	1.203	0.614	1	1	1,074	831
September	2016	43	208,478,917.26	1.205	1.222	0.634	1	3	1,114	835
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
Average		46	213,208,550.23	1.256%	1.274%	0.706	3	2	1,098	818

**City of HB
Portfolio Management
Distribution of Investments By Type
May 2016 through May 2017**

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Security Type	May 2016	June 2016	July 2016	August 2016	September 2016	October 2016	November 2016	December 2016	January 2017	February 2017	March 2017	April 2017	May 2017	Average by Period
Repurchase Agreements														
Certificates of Deposit														
Commercial Paper - Interest Bearing														
Federal Agency Issues - Coupon	59.7	60.0	62.9	65.2	68.8	62.9	61.0	66.7	67.4	69.0	66.7	71.4	68.9	65.4%
Local Agency Investment Funds	24.0	24.0	20.5	17.6	11.7	15.2	15.2	10.1	9.9	7.8	10.1	7.8	11.6	14.3%
Treasury Securities - Coupon														
Medium Term Notes - IBRD							2.5	2.3	2.3	2.3	2.3	2.3	2.2	1.3%
Negotiable CD's														
Certificates of Deposit - Bank														
Corporate Bonds	16.3	16.0	16.6	17.2	19.5	21.9	21.3	20.9	20.4	20.9	20.9	18.5	17.3	19.1%
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														
Money Market Acct														
Passbook/Checking Accounts -3														
Rolling Repurchase Agreements														

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

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	May 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	92,500.00	1,429,945.55
Plus Accrued Interest at End of Period	867,197.35	867,197.35
Less Accrued Interest at Beginning of Period	(727,965.13)	(579,266.66)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	231,732.22	1,717,876.24
Adjusted by Premiums and Discounts	-9,873.42	-103,703.32
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	221,858.80	1,614,172.92
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	143,879.89
Plus Accrued Interest at End of Period	36,393.66	36,393.66
Less Accrued Interest at Beginning of Period	(14,477.72)	(63,911.05)
Interest Earned during Period	21,915.94	116,362.50
Total Interest Earned during Period	253,648.16	1,834,238.74
Total Adjustments from Premiums and Discounts	-9,873.42	-103,703.32
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	243,774.74	1,730,535.42



Fair Value Including Accrued Interest	\$	72,482,429,208.32
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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
May 2017

Cash Receipts and Disbursements	April 2017	May 2017
Receipts		
General Fund		
Property Tax	18,823,270	11,352,213
Local Sales Tax	2,209,800	2,946,500
Public Safety Sales Tax	156,592	153,305
Transient Occupancy Tax Receipts (TOT)	1,020,323	961,779
Utility Users Tax (UUT)	1,591,976	1,581,466
Other Revenue	5,817,919	5,589,554
Total General Fund Revenue	29,619,880	22,584,816
Capital Projects Funds	20,890	42,175
Debt Service Funds	0	0
Enterprise Funds	1,484,587	7,813,270
General Fund Other	128,593	1,100,673
Internal Service Funds	4,470,091	535,018
Special Revenue Funds	340,785	1,709,379
Grant Funds	131,293	737,590
Trust and Agency Funds	2,989,769	1,618,324
Total Receipts	\$39,185,887	\$36,141,245
Disbursements		
General Fund		
Personal Services	(11,660,497)	(11,634,592)
Operating Expenses	(3,085,301)	(3,660,500)
Capital Expenditures	(1,071,850)	(589,086)
Non-Operating Expenses	(3,971,587)	(70,142)
Total General Fund Disbursements	(19,789,236)	(15,954,321)

Capital Projects Funds	(116,563)	(153,997)
Debt Service Funds	(500)	-
Enterprise Funds	(3,982,064)	(5,531,377)
General Fund Other	(1,186,557)	(127,013)
Internal Service Funds	(1,314,001)	(342,994)
Special Revenue Funds	(459,842)	(1,510,992)
Grant Funds	(291,947)	(2,032,757)
Trust and Agency Funds	(898,172)	(958,334)
Total Disbursements	(28,038,882)	(26,611,784)

Net Change in Cash Flow	\$11,147,005	\$9,529,461
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Summary of Cash by Fund	April 2017	May 2017
General Fund	\$72,978,486	\$79,301,251
General Fund Other	4,554,877	5,528,537
Capital Projects Funds	21,063,482	20,951,661
Debt Service Funds	63,923	63,924
Enterprise Funds	71,798,203	73,236,906
Trust and Agency Funds	13,999,653	14,659,941
Internal Service Funds	24,577,346	24,769,370
Special Revenue Funds	28,200,452	27,108,922
General Ledger Cash Balances	\$237,236,423	\$245,620,511

* 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.