

Portfolio Summary
As of July 31, 2018
\$ 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	\$ 132.6	\$ 135.5	63%	None	yes
Local Agency Investment Fund (LAIF)	\$ 48.0	\$ 48.0	23%	\$65 million	yes
Corporate Bonds	\$ 25.7	\$ 26.1	12%	30%	yes
Commercial Paper	\$ 5.0	\$ 5.0	2%	25%	yes
Total Portfolio	\$ 211.3	\$ 214.6	100%		

Portfolio Earnings
As of July 31, 2018

<u>Portfolio Earnings</u>	<u>Month End 7/31/18</u>	<u>FYTD 7/31/18</u>
Current Year	\$ 315,268	\$ 315,268
Current Budget	\$ 200,000	\$ 200,000
Last Year Actual	\$ 287,215	\$ 287,215
Effective Rate of Return	1.66%	1.66%
Benchmark*	1.95%	

*12 month moving average of interpolated 1.5-year treasury

Monthly Activity
July 2018

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues		\$ 15,000,000
Local Agency Investment Fund (LAIF)	\$ 7,208,432	\$ 5,000,000
Medium Term Notes - IBRD		\$ 5,000,000
Corporate Bonds		
Commercial Paper		\$ 15,000,000
Federal Agency Discount Note		
TOTAL	\$ 7,208,432	\$ 40,000,000

Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate in July declined slightly to 3.9 percent compared to last month. The labor force participation rate, at 62.9 percent, was unchanged over the month.

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

The Federal Open Market Committee (FOMC) met at the end of the month to discuss the current state of the economy and to examine potential future interest rate hikes this year. The Committee decided to maintain the target range for the federal funds rate at 1-3/4 to 2 percent and will reconvene in September to discuss additional developments in determining the timing and size of future adjustments to the target range of the federal funds rate.

Market Summary May 2018 – July 2018

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
5/31/2018	1.50 - 1.75 %	2.83%	2,705.27	24,415.84
6/30/2018	1.75 - 2.00 %	2.85%	2,718.37	24,271.41
7/31/2018	1.75 - 2.00 %	2.96%	2,816.29	25,415.19
June. - July. % Change	0.00%	3.86%	3.60%	4.71%



City of HB
Portfolio Management
Portfolio Summary
July 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	132,572,584.80	135,484,470.18	63.14	1,435	796	1.537	1.558
Local Agency Investment Funds	48,016,353.25	48,016,353.25	48,016,353.25	22.38	1	1	1.917	1.944
Corporate Bonds	26,000,000.00	25,746,680.00	26,071,993.07	12.15	1,168	553	1.930	1.957
Commercial Paper Disc. -Amortizing	5,000,000.00	4,992,400.00	4,992,236.11	2.33	180	26	2.173	2.204
Investments	214,421,353.25	211,328,018.05	214,565,052.61	100.00%	1,053	571	1.685	1.708

Cash and Accrued Interest								
Accrued Interest at Purchase		10,000.00	10,000.00					
Subtotal		10,000.00	10,000.00					
Total Cash and Investments	214,421,353.25	211,338,018.05	214,575,052.61		1,053	571	1.685	1.708

Total Earnings	July 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	315,267.61	315,267.61	
Current Budget	200,000.00	200,000.00	2,400,000.00
Last Year Actual	287,214.88	287,214.88	2,609,539.76
Average Daily Balance	223,901,029.64	223,901,029.64	
Effective Rate of Return	1.66%	1.66%	

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 8-23-18

Reporting period 07/01/2018-07/31/2018

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City of HB
Portfolio Management
Portfolio Details - Investments
July 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	4,827,800.00	5,000,000.00	1.620	AA	1.620	1,048	06/14/2021
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,954,050.00	5,000,000.00	1.250	AA	1.250	296	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,182,792.50	2,250,000.00	1.600	AA	1.600	882	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,916,950.00	5,000,000.00	1.050	AA	1.518	740	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,971,350.00	5,038,401.47	2.000	AA	1.297	408	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,919,550.00	5,000,000.00	1.750	AA	1.750	1,365	04/27/2022
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,949,350.00	5,000,000.00	1.500	AA	1.375	692	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,936,350.00	5,000,000.00	1.000	AA	0.998	331	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,845,050.00	5,000,000.00	1.280	AA	1.280	791	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,485,837.30	4,655,000.00	1.500	AA	1.500	1,064	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,839,000.00	5,000,000.00	1.500	AA	1.400	1,064	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,813,100.00	5,000,000.00	1.650	AA	1.650	1,209	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,901,000.00	5,000,639.55	1.750	AA	1.744	758	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,867,050.00	5,021,766.69	1.875	AA	1.723	1,091	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,864,450.00	5,020,709.51	1.875	AA	1.733	1,112	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,967,390.00	2,999,342.00	1.500	AA	1.521	392	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,967,150.00	2,999,339.43	1.500	AA	1.521	394	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,834,200.00	5,000,000.00	2.125	AA	2.125	1,428	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	6,964,160.00	7,000,000.00	2.800	AAA	2.800	1,048	06/14/2021
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,987,350.00	5,000,000.00	1.040	AA	1.040	86	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,956,400.00	5,000,000.00	1.400	AA	1.400	316	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,793,850.00	4,999,271.53	1.500	AA	1.505	1,064	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,914,830.00	3,000,000.00	1.500	AA	1.500	875	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,946,650.00	5,000,000.00	1.250	AA	1.250	331	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,856,550.00	5,000,000.00	1.500	AA	1.500	882	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,855,900.00	5,000,000.00	2.000	AA	1.825	1,083	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,425,225.00	7,500,000.00	1.000	AA	1.000	267	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,829,250.00	5,000,000.00	1.950	AA	1.950	1,219	12/02/2021
Subtotal and Average			139,679,862.55		135,405,000.00	132,572,584.80	135,484,470.18			1.558	796	
Local Agency Investment Funds												
SYS982	982	Laif City			48,016,353.25	48,016,353.25	48,016,353.25	1.944		1.944	1	
Subtotal and Average			42,032,444.28		48,016,353.25	48,016,353.25	48,016,353.25			1.944	1	

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City of HB
Portfolio Management
Portfolio Details - Investments
July 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
Medium Term Notes												
Subtotal and Average			2,903,068.13									
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,986,200.00	5,115,140.83	2.850	AA	1.980	1,009	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,938,500.00	5,040,395.25	2.150	A	1.617	572	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,958,690.00	3,003,224.73	1.400	AA	1.303	415	09/20/2019
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,964,380.00	1,995,172.70	1.850	A	2.008	578	03/01/2020
68389XQ8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,001,980.00	3,008,501.94	2.375	AA	1.731	167	01/15/2019
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,899,600.00	4,906,210.53	2.000		3.080	657	05/19/2020
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	2,997,330.00	3,003,347.09	2.000	AA	1.500	84	10/24/2018
Subtotal and Average			26,073,877.82		26,000,000.00	25,746,680.00	26,071,993.07			1.957	553	
Commercial Paper Disc. -Amortizing												
06538CHT1	4265	BANK OF TOKYO-MIT NY		02/28/2018	5,000,000.00	4,992,400.00	4,992,236.11	2.150		2.204	26	08/27/2018
Subtotal and Average			9,341,715.01		5,000,000.00	4,992,400.00	4,992,236.11			2.204	26	
Federal Agency Disc. -Amortizing												
Subtotal and Average			3,870,061.85									
Total and Average			223,901,029.64		214,421,353.25	211,328,018.05	214,565,052.61			1.708	571	

City of HB
Portfolio Management
Portfolio Details - Cash
July 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		10,000.00	10,000.00	0			
				Subtotal		10,000.00	10,000.00				
Total Cash and Investments			223,901,029.64	214,421,353.25		211,338,018.05	214,575,052.61			1.708	571

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

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3134G73Q2	4120	Federal Home Loan Mort Corp	1.000	07/27/2018	0.00	5,000,000.00	
		Subtotal			0.00	5,000,000.00	135,484,470.18
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.944		7,208,431.51	5,000,000.00	
		Subtotal			7,208,431.51	5,000,000.00	48,016,353.25
Medium Term Notes							
459058FE8	4158	Intl Bk Recon & Development	0.876	07/19/2018	0.00	5,000,000.00	
		Subtotal			0.00	5,000,000.00	0.00
Corporate Bonds							
		Subtotal					26,071,993.07
Commercial Paper Disc. -Amortizing							
46640QGA3	4263	JP Morgan	1.820	07/10/2018	0.00	15,000,000.00	
		Subtotal			0.00	15,000,000.00	4,992,236.11
Federal Agency Disc. -Amortizing							
313385ZG4	4264	Federal Home Loan Bank	1.532	07/13/2018	0.00	10,000,000.00	
		Subtotal			0.00	10,000,000.00	0.00
		Total			7,208,431.51	40,000,000.00	214,565,052.61

**City of HB
Portfolio Management
Activity Summary
July 2017 through July 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					
July	2017	50	227,046,687.72	1.398	1.417	1.051	0	2	1,246	845
August	2017	47	208,273,796.65	1.399	1.418	1.084	0	3	1,258	843
September	2017	46	201,272,141.13	1.415	1.435	1.111	0	1	1,275	835
October	2017	45	196,034,063.90	1.437	1.457	1.143	0	1	1,310	839
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
Average		43	218,534,356.96	1.495%	1.516%	1.408	0	2	1,118	678

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

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July 31 Month Ending

Fiscal Year To Date

CD/Coupon/Discount Investments:		
Interest Collected	382,312.50	382,312.50
Plus Accrued Interest at End of Period	490,515.47	490,515.47
Less Accrued Interest at Beginning of Period	(640,749.80)	(640,749.80)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	232,078.17	232,078.17
Adjusted by Premiums and Discounts	13,791.00	13,791.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	245,869.17	245,869.17
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	208,431.51	208,431.51
Plus Accrued Interest at End of Period	56,864.16	56,864.16
Less Accrued Interest at Beginning of Period	(195,897.23)	(195,897.23)
Interest Earned during Period	69,398.44	69,398.44
Total Interest Earned during Period	301,476.61	301,476.61
Total Adjustments from Premiums and Discounts	13,791.00	13,791.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	315,267.61	315,267.61



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
July 2018

<u>Cash Receipts and Disbursements</u>	<u>June 2018</u>	<u>July 2018</u>
Receipts		
General Fund		
Property Tax	546,412	583,230
Local Sales Tax	2,973,956	3,337,552
Public Safety Sales Tax	225,973	172,873
Transient Occupancy Tax (TOT)	1,101,416	1,305,617
Utility Users Tax (UUT)	1,492,861	1,486,441
Other Revenue	5,241,429	16,693,155
Total General Fund Revenue	11,582,047	23,578,868
Capital Projects Funds	6,640,601	549,007
Debt Service Funds	-	-
Enterprise Funds	5,558,470	14,097,942
General Fund Other	427,121	461,486
Internal Service Funds	-	-
Special Revenue Funds	1,754,646	1,381,430
Grant Funds	1,449,102	1,222,364
Trust and Agency Funds	3,739,416	1,483,686
Total Receipts	\$31,151,403	\$42,774,782
Disbursements		
General Fund		
Personal Services	(18,208,914)	(33,312,168)
Operating Expenses	(3,440,849)	(3,522,746)
Capital Expenditures	(153,326)	(45,696)
Non-Operating Expenses	(14,473,296)	(4,208)
Total General Fund Disbursements	(36,276,385)	(36,884,818)

Capital Projects Funds	(818,106)	(775,469)
Debt Service Funds	-	(3,050)
Enterprise Funds	(4,460,538)	(27,462,934)
General Fund Other	(180,573)	(139,230)
Internal Service Funds	(3,483,788)	(3,920,637)
Special Revenue Funds	(1,048,784)	(681,701)
Grant Funds	(975,302)	(960,521)
Trust and Agency Funds	(7,617,261)	(5,399,195)
Total Disbursements	(54,860,738)	(76,227,555)
Net Change in Cash Flow	(\$23,709,335)	(\$33,452,773)
Summary of Cash by Fund	June 2018	July 2018
General Fund	\$61,591,049	\$47,475,639
General Fund Other	4,003,902	4,027,145
Capital Projects Funds	26,326,003	26,134,064
Debt Service Funds	4,283,215	4,280,165
Enterprise Funds	80,098,541	67,118,459
Trust and Agency Funds	16,983,387	12,701,392
Internal Service Funds	26,906,541	23,867,447
Special Revenue Funds	37,492,559	38,456,240
General Ledger Cash Balances	\$257,685,197	\$224,060,551

* 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.