

Portfolio Summary
As of August 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	\$ 132.8	\$ 135.5	68%	None	yes
Local Agency Investment Fund (LAIF)	\$ 20.0	\$ 20.0	10%	\$65 million	yes
Corporate Bonds	\$ 26.8	\$ 27.1	14%	30%	yes
Medium Term Notes - IADB	\$ 6.9	\$ 6.9	3%	10%	yes
Treasury Securities	\$ 10.0	\$ 9.9	5%	None	yes
Total Portfolio	\$ 196.5	\$ 199.4	100%		

Portfolio Earnings
As of August 31, 2018

<u>Portfolio Earnings</u>	<u>Month End 8/31/18</u>	<u>FYTD 8/31/18</u>
Current Year	\$ 306,651	\$ 621,919
Current Budget	\$ 200,000	\$ 400,000
Last Year Actual	\$ 242,496	\$ 529,711
Effective Rate of Return	1.75%	1.70%
Benchmark*	2.04%	

*12 month moving average of interpolated 1.5-year treasury

Monthly Activity
August 2018

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues		
Local Agency Investment Fund (LAIF)		\$ 28,000,000
Medium Term Notes - IADB	\$ 7,000,000	
Corporate Bonds	\$ 1,000,000	
Commercial Paper		\$ 5,000,000
Treasury Securities	\$ 10,000,000	
Federal Agency Discount Note		
TOTAL	\$ 18,000,000	\$ 33,000,000

Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate in August remained at 3.9 percent. The labor force participation rate, at 62.7 percent, declined by 0.2 percent, as compared to last month.

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

The Federal Open Market Committee (FOMC) met at the beginning 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 June 2018 – August 2018

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
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
8/31/2018	1.75 - 2.00 %	2.86%	2,901.52	25,964.82
July. - Aug. % Change	0.00%	-3.38%	3.02%	2.16%



**City of HB
Portfolio Management
Portfolio Summary
August 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	132,857,833.20	135,480,527.77	67.96	1,435	765	1.537	1.558
Local Agency Investment Funds	20,016,353.25	20,016,353.25	20,016,353.25	10.04	1	1	1.971	1.998
Treasury Securities - Coupon	10,000,000.00	9,891,950.00	9,889,971.01	4.96	687	661	2.597	2.633
Medium Term Notes	7,000,000.00	6,901,720.00	6,897,843.10	3.46	684	654	2.678	2.715
Corporate Bonds	27,000,000.00	26,769,020.00	27,055,577.49	13.57	1,149	526	1.969	1.997
Investments	199,421,353.25	196,436,876.45	199,340,272.62	100.00%	1,189	647	1.731	1.755
Cash and Accrued Interest								
Accrued Interest at Purchase		53,715.81	53,715.81					
Subtotal		53,715.81	53,715.81					
Total Cash and Investments	199,421,353.25	196,490,592.26	199,393,988.43		1,189	647	1.731	1.755

Total Earnings	August 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year		306,651.03	621,918.64	
Current Budget		200,000.00	400,000.00	2,400,000.00
Last Year Actual		242,496.23	529,711.11	2,664,364.38
Average Daily Balance		206,373,589.71	215,137,309.68	
Effective Rate of Return		1.75%	1.70%	

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 *9.26.18*

Reporting period 08/01/2018-08/31/2018

Run Date: 09/25/2018 - 08:22

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City of HB
Portfolio Management
Portfolio Details - Investments
August 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	4,819,700.00	5,000,000.00	1.620	AA	1.620	1,017	06/14/2021
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,959,400.00	5,000,000.00	1.250	AA	1.250	265	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,188,620.00	2,250,000.00	1.600	AA	1.600	851	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,925,300.00	5,000,000.00	2.000	AA	1.525	709	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,971,550.00	5,035,535.69	2.000	AA	1.297	377	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,934,600.00	5,000,000.00	1.750	AA	1.750	1,334	04/27/2022
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,957,100.00	5,000,000.00	1.500	AA	1.375	661	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,942,900.00	5,000,000.00	1.000	AA	0.998	300	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,859,800.00	5,000,000.00	1.280	AA	1.280	760	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,503,433.20	4,655,000.00	1.500	AA	1.500	1,033	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,856,500.00	5,000,000.00	1.500	AA	1.400	1,033	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,832,850.00	5,000,000.00	1.650	AA	1.650	1,178	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,912,150.00	5,000,613.87	1.750	AA	1.744	727	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,885,200.00	5,021,159.81	1.875	AA	1.723	1,060	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,883,050.00	5,020,142.65	1.875	AA	1.733	1,081	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,970,090.00	2,999,393.01	1.500	AA	1.521	361	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,969,910.00	2,999,390.38	1.500	AA	1.521	363	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,856,300.00	5,000,000.00	2.125	AA	2.125	1,397	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	6,980,960.00	7,000,000.00	2.800	AAA	2.800	1,017	06/14/2021
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,991,950.00	5,000,000.00	1.040	AA	1.040	55	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,961,750.00	5,000,000.00	1.400	AA	1.400	285	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,812,750.00	4,999,292.36	1.500	AA	1.505	1,033	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,922,120.00	3,000,000.00	1.500	AA	1.500	844	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,952,600.00	5,000,000.00	1.250	AA	1.250	300	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,854,350.00	5,000,000.00	1.500	AA	1.500	851	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,871,100.00	5,000,000.00	2.000	AA	1.825	1,052	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,435,800.00	7,500,000.00	1.000	AA	1.000	236	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,846,000.00	5,000,000.00	1.950	AA	1.950	1,188	12/02/2021
Subtotal and Average			135,482,371.73		135,405,000.00	132,857,833.20	135,480,527.77			1.558	765	
Local Agency Investment Funds												
SYS982	982	Laif City			20,016,353.25	20,016,353.25	20,016,353.25	1.998		1.998	1	
Subtotal and Average			24,887,320.99		20,016,353.25	20,016,353.25	20,016,353.25			1.998	1	

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City of HB
Portfolio Management
Portfolio Details - Investments
August 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	4,988,650.00	4,987,098.71	2.500		2.645	668	06/30/2020
912828XU9	4270	US Treasury Notes		08/10/2018	5,000,000.00	4,903,300.00	4,902,872.30	1.500		2.620	653	06/15/2020
Subtotal and Average			8,465,158.41		10,000,000.00	9,891,950.00	9,889,971.01			2.633	661	
Medium Term Notes												
4581X0CP1	4268	Inter-American Dev. Bank		08/02/2018	7,000,000.00	6,901,720.00	6,897,843.10	1.875		2.715	654	06/16/2020
Subtotal and Average			6,673,257.73		7,000,000.00	6,901,720.00	6,897,843.10			2.715	654	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,991,250.00	5,111,669.24	2.850	AA	1.980	978	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,947,750.00	5,038,242.75	2.150	A	1.617	541	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,960,220.00	3,002,988.20	1.400	AA	1.303	384	09/20/2019
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,969,240.00	1,995,426.77	1.850	A	2.008	547	03/01/2020
68389XAQ8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,000,870.00	3,006,946.71	2.375	AA	1.731	136	01/15/2019
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,913,600.00	4,910,552.63	2.000		3.080	626	05/19/2020
69353REP9	4271	PNC BANK		08/13/2018	1,000,000.00	987,320.00	987,613.89	2.300		3.031	639	06/01/2020
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	2,998,770.00	3,002,137.30	2.000	AA	1.500	53	10/24/2018
Subtotal and Average			26,675,063.06		27,000,000.00	26,769,020.00	27,055,577.49			1.997	526	
Commercial Paper Disc. -Amortizing												
Subtotal and Average			4,190,417.79									
Total and Average			206,373,589.71		199,421,353.25	196,436,876.45	199,340,272.62			1.755	647	

**City of HB
Portfolio Management
Portfolio Details - Cash
August 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		53,715.81	53,715.81				
				Subtotal		53,715.81	53,715.81				0
Total Cash and Investments			206,373,589.71	199,421,353.25		196,490,592.26	199,393,988.43	1.755		647	

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

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
Subtotal							135,480,527.77
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.998		0.00	28,000,000.00	
Subtotal						0.00	28,000,000.00
Treasury Securities - Coupon							
912828XY1	4269	US Treasury Notes	2.500	08/01/2018	4,986,500.00	0.00	
912828XU9	4270	US Treasury Notes	1.500	08/10/2018	4,899,600.00	0.00	
Subtotal						9,886,100.00	9,889,971.01
Medium Term Notes							
4581X0CP1	4268	Inter-American Dev. Bank	1.875	08/02/2018	6,893,250.00	0.00	
Subtotal						6,893,250.00	6,897,843.10
Corporate Bonds							
69353REP9	4271	PNC BANK	2.300	08/13/2018	987,260.00	0.00	
Subtotal						987,260.00	27,055,577.49
Commercial Paper Disc. -Amortizing							
06538CHT1	4265	BANK OF TOKYO-MIT NY	2.150	08/27/2018	0.00	5,000,000.00	
Subtotal						0.00	5,000,000.00
Total						17,766,610.00	33,000,000.00
							199,340,272.62

City of HB
Portfolio Management
Activity Summary
August 2017 through August 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					
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
August	2018	40	206,373,589.71	1.731	1.755	1.998	4	1	1,189	647
Average		42	216,916,008.38	1.520%	1.542%	1.481	1	1	1,114	662

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

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	August 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	170,625.00	552,937.50
Plus Accrued Interest at End of Period	575,699.41	575,699.41
Less Accrued Interest at Beginning of Period	(490,515.47)	(640,749.80)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	255,808.94	487,887.11
Adjusted by Premiums and Discounts	8,610.01	22,401.01
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	264,418.95	510,288.12
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)
	<hr/>	<hr/>
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
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	208,431.51
Plus Accrued Interest at End of Period	99,096.24	99,096.24
Less Accrued Interest at Beginning of Period	(56,864.16)	(195,897.23)
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Interest Earned during Period	42,232.08	111,630.52
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Total Interest Earned during Period	298,041.02	599,517.63
Total Adjustments from Premiums and Discounts	8,610.01	22,401.01
Total Capital Gains or Losses	0.00	0.00
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Total Earnings during Period	306,651.03	621,918.64



Fair Value Including Accrued Interest	\$	86,440,302,799.64
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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
August 2018

Cash Receipts and Disbursements	July 2018	August 2018
Receipts		
General Fund		
Property Tax	583,230	70,812
Local Sales Tax	3,337,552	3,109,960
Public Safety Sales Tax	172,873	240,554
Transient Occupancy Tax (TOT)	1,305,617	1,773,270
Utility Users Tax (UUT)	1,486,441	1,645,081
Other Revenue	16,693,155	7,012,591
Total General Fund Revenue	23,578,868	13,852,267
Capital Projects Funds	549,007	435,859
Debt Service Funds	-	-
Enterprise Funds	14,097,942	6,942,130
General Fund Other	461,486	167,311
Internal Service Funds	-	-
Special Revenue Funds	1,381,430	787,388
Grant Funds	1,222,364	2,113,715
Trust and Agency Funds	1,483,686	6,211,879
Total Receipts	\$42,774,782	\$30,510,547
Disbursements		
General Fund		
Personal Services	(33,312,168)	(11,139,075)
Operating Expenses	(3,522,746)	(3,625,704)
Capital Expenditures	(45,696)	(29,102)
Non-Operating Expenses	(4,208)	(1,173,714)
Total General Fund Disbursements	(36,884,818)	(15,967,595)

Capital Projects Funds	(775,469)	(817,538)
Debt Service Funds	(3,050)	(4,219,227)
Enterprise Funds	(27,462,934)	(5,260,870)
General Fund Other	(139,230)	(425,772)
Internal Service Funds	(3,920,637)	(756,060)
Special Revenue Funds	(681,701)	(1,112,575)
Grant Funds	(960,521)	(651,121)
Trust and Agency Funds	(5,399,195)	(5,009,693)
Total Disbursements	(76,227,555)	(34,220,451)

Net Change in Cash Flow	(\$33,452,773)	(\$3,709,904)
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Summary of Cash by Fund	July 2018	August 2018
General Fund	\$47,475,639	\$37,800,709
General Fund Other	4,027,145	3,770,503
Capital Projects Funds	26,134,064	25,757,217
Debt Service Funds	4,280,165	60,938
Enterprise Funds	67,118,459	68,557,462
Trust and Agency Funds	12,701,392	13,912,564
Internal Service Funds	23,867,447	23,917,029
Special Revenue Funds	38,456,240	39,783,023
General Ledger Cash Balances	\$224,060,551	\$213,559,444

* 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.