

City of Huntington Beach



Quarterly Treasurer's Report Quarter Ending: June 30, 2018

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

Economic and Market Overview:**Market Summary
April - June 2018**

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DOW</u>
4/30/2018	1.50 - 1.75 %	2.95%	2,648.05	24,163.15
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
May. - June. % Change	14.29%	0.71%	0.48%	-0.59%

The Federal Open Market Committee (FOMC) met in June 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 faster rate. They stated, “The Committee expects that further gradual increases in the target range for the federal funds rate will be consistent with sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee’s symmetric 2 percent objective over the medium term.” 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 1-3/4 to 2 percent in June.

Fixed Income/Equity Markets: The yield on the 10-year U.S. Treasury finished the quarter at 2.85%, up from 2.74% from the end of the previous quarter, for a 4.01% increase quarter over quarter. This is down somewhat from the multi-year high reached in mid-May of 3.1%. The S&P 500 and DOW increased by 2.93% and 0.70% respectively, over the same period. Overall, the second quarter of 2018 brought slight increases in the market with less volatility as compared to the first quarter of the year.

Employment: Total nonfarm payroll employment increased by 213,000 in June, and the unemployment rate is steady at 4.0 percent. Over the past 3 months, job gains have averaged 211,000 per month. Average earnings rose by 5 cents an hour to \$26.98, a 2.7 percent increase over last year.

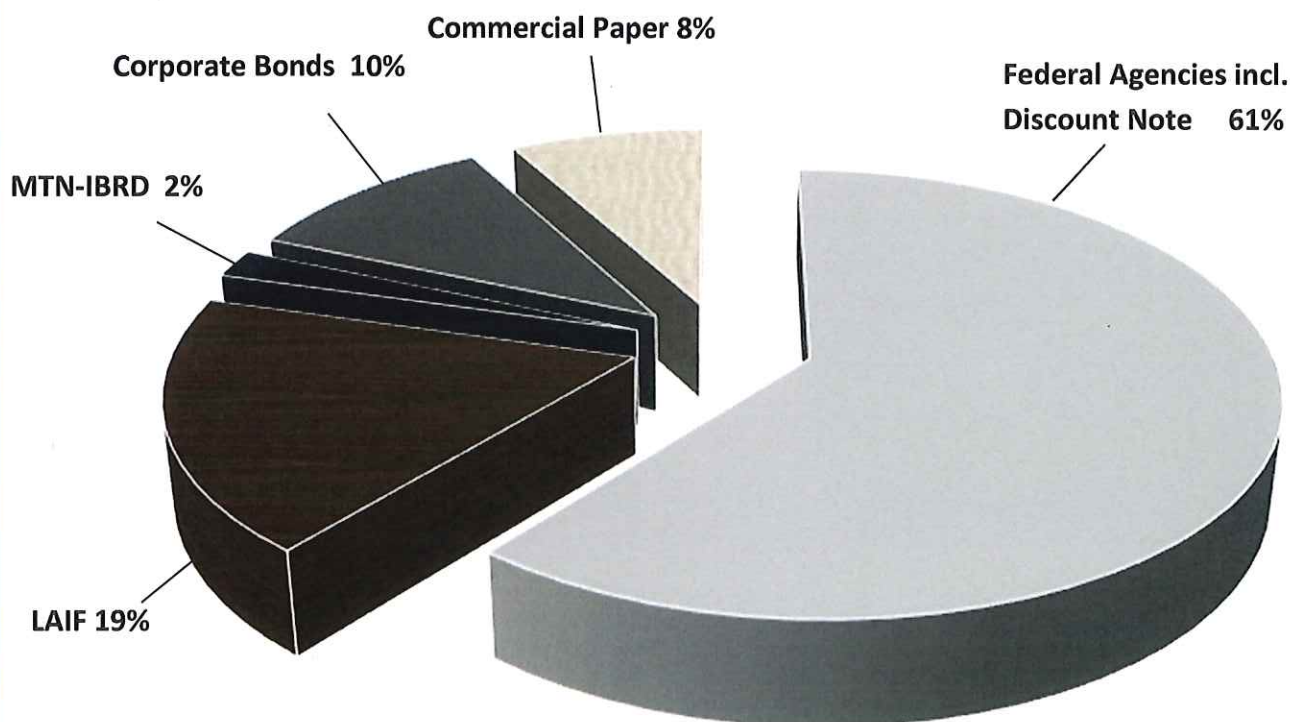
Portfolio Composition:

Portfolio Summary
As of June 30, 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	\$ 137.6	\$ 140.5	57%	None	yes
Local Agency Investment Fund (LAIF)	\$ 45.8	\$ 45.8	19%	\$65 million	yes
Medium Term Notes - IBRD	\$ 5.0	\$ 5.0	2%	10%	yes
Corporate Bonds	\$ 25.8	\$ 26.1	10%	30%	yes
Commercial Paper	\$ 19.9	\$ 19.9	8%	25%	yes
Federal Agency Discount Note	\$ 10.0	\$ 10.0	4%	None	yes
Total Portfolio	\$ 244.1	\$ 247.3	100%		

Currently, funds within this portfolio are invested in federal agency securities, corporate bonds, commercial paper, the International Bank for Reconstruction and Development (“IBRD”) 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 IBRD 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.

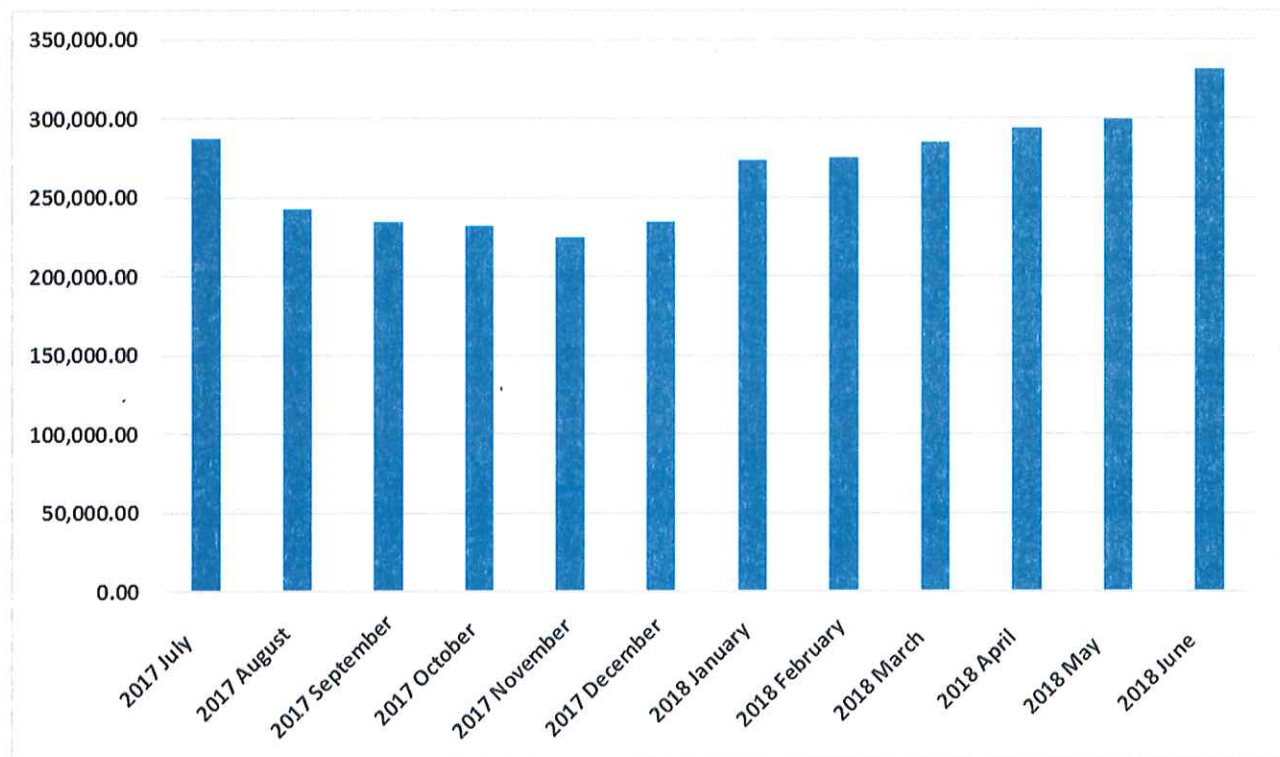
Investments by Type
As of June 30, 2018



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
July 2017 – June 2018
\$ in 000’s



As is typically the case on an annual basis, monthly earnings increase from December through June with the receipt of property taxes, followed by a decrease from July through November as funds are utilized for City operations. Over the past year, interest rates have risen as the Federal Reserve has raised rates four times since June of last year. This has allowed the portfolio to earn additional interest income. The current federal funds rate stands at 1.75 – 2.00%.

**Portfolio Earnings
As of June 30, 2018**

<u>Portfolio Earnings</u>	<u>Month End 6/30/18</u>	<u>FYTD 6/30/18</u>
Current Year	\$ 334,985	\$ 2,458,650
Current Budget	\$ 160,000	\$ 1,440,000
Last Year Actual	\$ 249,026	\$ 1,988,690
Effective Rate of Return	1.63%	1.49%
Benchmark*	1.85%	

*12 month moving average of interpolated 1.5-year treasury

The monthly portfolio earnings for June of 2018 were \$334,985, a 35% increase over earnings for the same month in 2017. Fiscal year-to-date earnings as of 6/30/18 were \$2,458,650, a 24% increase over the same period in 2017.

Interest rates on the shorter end of the curve (0-3 years) have been increasing fairly rapidly over the past year. While the rate increases provide opportunity to invest in higher yielding securities, there must be cash available to invest at these higher rates. In December of 2017, the City Council approved a modification to the timing of the payment of the unfunded portion of the annual Calpers liability. Rather than paying this item monthly, beginning in July of 2018, the City will make the payment annually, in order to take advantage of an approximately \$900,000 discount. Following the City Council's approval of this payment, \$25 million was invested to mature in July of 2018 to fulfill this obligation. Hence, these funds were not available to invest.

Additionally, the portfolio return will lag the market, as securities must mature over time in order to be reinvested at higher rates. As a portion of the portfolio was specifically invested for the July annual Calpers payment, other funds including maturing securities, were utilized for City expenses, and were thusly unavailable to reinvest at these higher rates.

These factors have reduced portfolio liquidity resulting in the inability to fully invest at the higher rates and generate additional earnings. The resulting effective rate of return of 1.63% as of June 30, 2018, is slightly below the benchmark of 1.85%. However, 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
June 2018**

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues	\$ 7,000,000	\$ 5,000,000
Local Agency Investment Fund (LAIF)		\$ 16,000,000
Medium Term Notes - IBRD		
Corporate Bonds	\$ 5,000,000	\$ 2,500,000
Commercial Paper		
Federal Agency Discount Note		
TOTAL	\$ 12,000,000	\$ 23,500,000

For the month of June 2018, \$7 million in Federal Agencies were purchased and \$5 million of corporate bonds were purchased. A net of \$16 million was transferred from LAIF to the operating account, \$5 million in Federal Agencies matured and \$2.5 million in Corporate Bonds matured.

**Quarterly Activity
April – June 2018**

<u>Investment Type</u>	<u>Purchases (PAR)/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues	\$ 7,000,000	\$ 5,000,000
Local Agency Investment Fund (LAIF) *	\$ 34,101,827	\$ 19,000,000
Medium Term Notes - IBRD		
Corporate Bonds	\$ 5,000,000	\$ 5,000,000
Commercial Paper		
Federal Agency Discount Note		
TOTAL	\$ 46,101,827	\$ 29,000,000

*Includes Interest Income

For the quarter ending June 30, 2018, a net of \$15 million was transferred from the operating account to LAIF with interest of \$101,827 received in the LAIF account. \$7 million of Federal Agencies and \$5 million of corporate bonds were purchased. \$5 million of Federal Agencies and \$5 million in corporate bonds matured.

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			
<u>Reporting is Quarterly</u>	Beginning Balance (1-1-18)	Ending Balance (3-31-18)	Ending Balance Nationwide incl. Self Directed Option (3-31-18)
ICMA Retirement Corporation (457 Plan)	\$50,744,210	\$51,470,114	\$51,470,114
Nationwide Retirement Solutions (457 Plan)	\$87,788,264	\$88,340,682	\$89,525,628
Total Deferred Compensation Plan Balances	\$138,532,474	\$139,810,796	\$140,995,742
Retiree Medical Trust - Summary Information			
<u>Reporting is Quarterly</u>	Beginning Balance (1-1-18)	Ending Balance (3-31-18)	
CalPERS Retiree Medical Trust Account	\$25,695,391	\$25,308,535	
Supplemental Pension Trust - Summary Information			
<u>Reporting is Monthly</u>	Beginning Balance (3-1-18)	Ending Balance (3-31-18)	
US Bank Supplemental Pension Trust Account	\$56,303,314	\$56,010,701	
PARS 115 Trust - Summary Information			
<u>Reporting is Monthly</u>	Beginning Balance (3-1-18)	Ending Balance (3-31-18)	
PARS Post Employment Benefits Trust Account	\$3,867,694	\$3,849,032	

Bond Reserve Accounts – Market Value
Balances as of June 30, 2018

Summary of Huntington Beach Bond Issue -- Reserve Accounts As of June 30, 2018 Bond Issue:	Reserve Account Value as of June 30, 2018	Investments			
		LAIF	Federal Agency Issues	Money Market Funds	CAMP
H.B. Public Financing Authority Lease Refunding Bonds 2010 Series A	1,251,034.36	1,246,638		4,395.93	
H.B. Public Financing Authority (Capital Improvement Refinancing/Senior Center) Bonds 2011 Series A	3,355,512.60	3,355,473.36		39.24	
Redevelopment Agency of H.B. - 1999 Tax Allocation Refunding Bonds (1/3 of 1992)	760,173.14	760,154.52		18.62	
Redevelopment Agency of H.B. - 2002 Tax Allocation Refunding Bonds (2/3 of 1992)	1,703,849.11	657,800.72	994,950.00	51,098.39	
H.B. Community Facilities District No. 1990- 1 2001 Special Tax Bonds (Goldenwest- Ellis)	173,609.14	172,643.55		965.59	
H.B. Community Facilities District No. 2000- 1 2013 Special Tax Bonds (Grand Coast- Hyatt)	1,100,566.73			1.40	1,100,565.33
H.B. Community Facilities District No. 2002- 1 2002 Special Tax Bonds (McDonnell Centre Business Park)	465,440.75	462,913.98		2,526.77	
H.B. Community Facilities District No. 2003- 1 2013 Special Tax Bonds (Huntington Center - Bella Terra)	1,693,421.70			2.42	1,693,419.28
TOTALS:	\$ 10,503,608	\$ 6,655,625	\$ 994,950	\$ 59,048	\$ 2,793,985



**City of HB
Portfolio Management
Portfolio Summary
April 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	138,405,000.00	135,355,544.65	138,496,297.47	57.50	1,412	817	1.454	1.474
Local Agency Investment Funds	43,807,921.74	43,807,921.74	43,807,921.74	18.19	1	1	1.638	1.661
Medium Term Notes - IBRD	5,000,000.00	4,987,250.00	4,997,508.15	2.07	608	79	1.093	1.109
Corporate Bonds	23,500,000.00	23,330,730.00	23,691,393.41	9.84	1,254	559	1.667	1.690
Commercial Paper Disc. -Amortizing	20,000,000.00	19,897,000.00	19,911,680.56	8.27	180	82	1.921	1.947
Federal Agency Disc. -Amortizing	10,000,000.00	9,962,700.00	9,968,938.90	4.14	182	73	1.565	1.587
Investments	240,712,921.74	237,341,146.39	240,873,740.23	100.00%	970	536	1.544	1.566

Total Earnings	April 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	293,722.67	1,823,804.90	
Current Budget	160,000.00	1,120,000.00	1,920,000.00
Last Year Actual	234,134.03	1,494,206.36	2,752,784.09
Average Daily Balance	229,750,575.95	212,098,069.92	
Effective Rate of Return	1.56%	1.48%	

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

OC 7.19.18

Reporting period 04/01/2018-04/30/2018

Run Date: 07/18/2018 - 16:42

Portfolio CITY
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PM (PRF_PM1) 7.3.0
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City of HB
Portfolio Management
Portfolio Details - Investments
April 30, 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	4,824,750.00	5,000,000.00	1.620	AA	1.620	1,140	06/14/2021
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,942,800.00	5,000,000.00	1.250	AA	1.250	388	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,183,130.00	2,250,000.00	1.600	AA	1.600	974	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,912,050.00	5,000,000.00	1.050	AA	1.518	832	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,971,700.00	5,046,998.82	2.000	AA	1.297	500	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,914,350.00	5,000,000.00	1.750	AA	1.750	1,457	04/27/2022
3134G73Q2	4120	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,990,450.00	5,000,000.00	1.000	AA	0.991	87	07/27/2018
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,938,950.00	5,000,000.00	1.250	AA	1.919	784	06/23/2020
3134G9UY1	4142	Federal Home Loan Mort Corp		06/29/2016	5,000,000.00	4,993,100.00	5,000,000.00	1.000	AA	1.000	59	06/29/2018
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,903,350.00	5,000,000.00	1.000	AA	0.998	423	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,839,750.00	5,000,000.00	1.280	AA	1.280	883	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,445,664.65	4,655,000.00	1.500	AA	1.500	1,156	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,846,800.00	5,000,000.00	1.500	AA	1.400	1,156	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,750,900.00	5,000,000.00	1.650	AA	1.650	1,301	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,878,250.00	5,000,716.61	1.750	AA	1.744	850	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,867,100.00	5,023,587.32	1.875	AA	1.723	1,183	07/27/2021
3134G9Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,869,050.00	5,022,410.11	1.875	AA	1.733	1,204	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,960,910.00	2,999,188.98	1.500	AA	1.521	484	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,959,290.00	2,999,186.60	1.500	AA	1.521	486	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,833,650.00	5,000,000.00	2.125	AA	2.125	1,520	06/29/2022
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,975,950.00	5,000,000.00	1.040	AA	1.040	178	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,942,950.00	5,000,000.00	1.400	AA	1.400	408	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,795,500.00	4,999,209.03	1.500	AA	1.505	1,156	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,915,850.00	3,000,000.00	1.500	AA	1.500	967	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,934,700.00	5,000,000.00	1.250	AA	1.250	423	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,858,300.00	5,000,000.00	1.500	AA	1.500	974	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,863,700.00	5,000,000.00	2.000	AA	1.825	1,175	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,407,000.00	7,500,000.00	1.000	AA	1.000	359	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,835,600.00	5,000,000.00	1.950	AA	1.950	1,311	12/02/2021
Subtotal and Average			138,498,202.98		138,405,000.00	135,355,544.65	138,496,297.47			1.474	817	
Local Agency Investment Funds												
SYS982	982	Laif City			43,807,921.74	43,807,921.74	43,807,921.74	1.661		1.661	1	
Subtotal and Average			32,700,524.47		43,807,921.74	43,807,921.74	43,807,921.74			1.661	1	

Portfolio CITY
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City of HB
Portfolio Management
Portfolio Details - Investments
April 30, 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 - IBRD												
459058FE8	4158	Intl Bk Recon & Development		11/18/2016	5,000,000.00	4,987,250.00	4,997,508.15	0.876	AAA	1.109	79	07/19/2018
Subtotal and Average			4,997,044.93		5,000,000.00	4,987,250.00	4,997,508.15			1.109	79	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,985,900.00	5,125,555.58	2.850	AA	1.980	1;101	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,933,950.00	5,046,852.75	2.150	A	1.617	664	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,953,380.00	3,003,934.33	1.400	AA	1.303	507	09/20/2019
268648AP7	4077	EMC Corp		07/14/2015	2,500,000.00	2,497,650.00	2,500,496.14	1.875	AA	1.630	31	06/01/2018
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,962,640.00	1,994,410.50	1.850	A	2.008	670	03/01/2020
68389XQA8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,002,880.00	3,013,167.64	2.375	AA	1.731	259	01/15/2019
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	2,994,330.00	3,006,976.47	2.000	AA	1.500	176	10/24/2018
Subtotal and Average			23,695,679.47		23,500,000.00	23,330,730.00	23,691,393.41			1.690	559	
Commercial Paper Disc. -Amortizing												
06538CHT1	4265	BANK OF TOKYO-MIT NY		02/28/2018	5,000,000.00	4,961,800.00	4,964,763.89	2.150		2.204	118	08/27/2018
46640QGA3	4263	JP Morgan		01/11/2018	15,000,000.00	14,935,200.00	14,946,916.67	1.820	A-1	1.862	70	07/10/2018
Subtotal and Average			19,896,354.86		20,000,000.00	19,897,000.00	19,911,680.56			1.947	82	
Federal Agency Disc. -Amortizing												
313385ZG4	4264	Federal Home Loan Bank		01/12/2018	10,000,000.00	9,962,700.00	9,968,938.90	1.532	AA	1.587	73	07/13/2018
Subtotal and Average			9,962,769.23		10,000,000.00	9,962,700.00	9,968,938.90			1.587	73	
Total and Average			229,750,575.95		240,712,921.74	237,341,146.39	240,873,740.23			1.566	536	

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

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
Subtotal							138,496,297.47
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.661		16,101,826.50	3,000,000.00	
Subtotal							43,807,921.74
Medium Term Notes - IBRD							
Subtotal							4,997,508.15
Corporate Bonds							
191216BA7	4049	Coca Cola Co	1.150	04/01/2018	0.00	2,500,000.00	
Subtotal							23,691,393.41
Commercial Paper Disc. -Amortizing							
Subtotal							19,911,680.56
Federal Agency Disc. -Amortizing							
Subtotal							9,968,938.90
Total					16,101,826.50	5,500,000.00	240,873,740.23

**City of HB
Portfolio Management
Activity Summary
April 2017 through April 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					
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
June	2017	52	231,210,075.29	1.402	1.422	0.978	6	3	1,219	866
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
Average		45	214,763,153.98	1.433%	1.453%	1.195	1	1	1,164	747

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

Page 1

	April 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	114,125.00	1,560,768.33
Plus Accrued Interest at End of Period	747,629.63	747,629.63
Less Accrued Interest at Beginning of Period	(645,296.32)	(717,589.16)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	216,458.31	1,590,808.80
Adjusted by Premiums and Discounts	32,621.42	57,837.77
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	249,079.73	1,648,646.57
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	101,826.50	151,901.38
Plus Accrued Interest at End of Period	46,824.23	46,824.23
Less Accrued Interest at Beginning of Period	(104,007.79)	(23,567.28)
	<hr/>	<hr/>
Interest Earned during Period	44,642.94	175,158.33
<hr/>		
Total Interest Earned during Period	261,101.25	1,765,967.13
Total Adjustments from Premiums and Discounts	32,621.42	57,837.77
Total Capital Gains or Losses	0.00	0.00
<hr/>		
Total Earnings during Period	293,722.67	1,823,804.90



Fair Value Including Accrued Interest	\$	85,975,418,448.34
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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
April 2018

Cash Receipts and Disbursements	March 2018	April 2018
Receipts		
General Fund		
Property Tax	4,072,235	17,317,415
Local Sales Tax	3,723,192	2,240,200
Public Safety Sales Tax	260,465	167,809
Transient Occupancy Tax (TOT)	961,424	1,078,384
Utility Users Tax (UUT)	1,538,766	1,615,809
Other Revenue	5,264,950	6,226,051
Total General Fund Revenue	15,821,032	28,645,668
Capital Projects Funds	150,624	385,117
Debt Service Funds	-	-
Enterprise Funds	5,039,746	5,114,509
General Fund Other	251,673	142,696
Internal Service Funds	-	-
Special Revenue Funds	4,937,240	391,578
Grant Funds	1,310,798	557,414
Trust and Agency Funds	1,135,475	3,349,412
Total Receipts	\$28,646,588	\$38,586,394
Disbursements		
General Fund		
Personal Services	(11,358,779)	(11,794,325)
Operating Expenses	(2,879,974)	(4,312,029)
Capital Expenditures	(163,671)	(161,154)
Non-Operating Expenses	(6,965,298)	(4,208)
Total General Fund Disbursements	(21,367,722)	(16,271,716)

Capital Projects Funds	(753,207)	(1,034,389)
Debt Service Funds	-	-
Enterprise Funds	(3,742,535)	(4,198,738)
General Fund Other	(418,725)	(261,988)
Internal Service Funds	(638,463)	(580,191)
Special Revenue Funds	(1,341,246)	(1,506,891)
Grant Funds	(550,914)	(642,017)
Trust and Agency Funds	(2,047,420)	(1,264,857)
Total Disbursements	(30,860,232)	(25,760,789)

Net Change in Cash Flow	(\$2,213,644)	\$12,825,606
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Summary of Cash by Fund	March 2018	April 2018
General Fund	\$63,929,289	\$76,303,021
General Fund Other	4,023,246	3,903,954
Capital Projects Funds	22,359,401	21,710,129
Debt Service Funds	33,751	33,751
Enterprise Funds	76,418,829	77,559,912
Trust and Agency Funds	14,501,547	16,586,102
Internal Service Funds	21,981,767	22,108,283
Special Revenue Funds	34,118,446	32,923,513
General Ledger Cash Balances	\$237,366,277	\$251,128,665

* 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
May 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	138,405,000.00	135,754,414.75	138,492,355.06	53.49	1,412	786	1.454	1.474
Local Agency Investment Funds	61,807,921.74	61,807,921.74	61,807,921.74	23.87	1	1	1.731	1.755
Medium Term Notes - IBRD	5,000,000.00	4,993,250.00	4,998,466.56	1.93	608	48	1.093	1.109
Corporate Bonds	23,500,000.00	23,377,600.00	23,682,525.70	9.15	1,254	528	1.667	1.690
Commercial Paper Disc. -Amortizing	20,000,000.00	19,941,700.00	19,944,445.83	7.70	180	51	1.921	1.947
Federal Agency Disc. -Amortizing	10,000,000.00	9,978,200.00	9,982,129.23	3.86	182	42	1.565	1.587
Investments	258,712,921.74	255,853,086.49	258,907,844.12	100.00%	903	475	1.573	1.595

Total Earnings	May 31 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	299,860.74	2,123,665.64	
Current Budget	160,000.00	1,280,000.00	1,920,000.00
Last Year Actual	245,457.66	1,739,664.02	2,752,784.09
Average Daily Balance	245,084,699.38	216,306,240.76	
Effective Rate of Return	1.44%	1.47%	

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

OC 7-19-18

Reporting period 05/01/2018-05/31/2018

Run Date: 07/18/2018 - 16:56

Portfolio CITY
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City of HB
Portfolio Management
Portfolio Details - Investments
May 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	4,846,550.00	5,000,000.00	1.620	AA	1.620	1,109	06/14/2021
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,949,550.00	5,000,000.00	1.250	AA	1.250	357	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,190,555.00	2,250,000.00	1.600	AA	1.600	943	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,928,850.00	5,000,000.00	1.050	AA	1.518	801	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,979,500.00	5,044,133.04	2.000	AA	1.297	469	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,932,500.00	5,000,000.00	1.750	AA	1.750	1,426	04/27/2022
3134G73Q2	4120	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,992,750.00	5,000,000.00	1.000	AA	0.991	56	07/27/2018
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,949,950.00	5,000,000.00	1.250	AA	1.919	753	06/23/2020
3134G9UY1	4142	Federal Home Loan Mort Corp		06/29/2016	5,000,000.00	4,994,900.00	5,000,000.00	1.000	AA	1.000	28	06/29/2018
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,913,500.00	5,000,000.00	1.000	AA	0.998	392	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,858,050.00	5,000,000.00	1.280	AA	1.280	852	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,466,239.75	4,655,000.00	1.500	AA	1.500	1,125	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,866,700.00	5,000,000.00	1.500	AA	1.400	1,125	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,776,850.00	5,000,000.00	1.650	AA	1.650	1,270	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,895,100.00	5,000,690.92	1.750	AA	1.744	819	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,887,950.00	5,022,980.45	1.875	AA	1.723	1,152	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,890,350.00	5,021,843.25	1.875	AA	1.733	1,173	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,966,160.00	2,999,239.99	1.500	AA	1.521	453	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,964,660.00	2,999,237.55	1.500	AA	1.521	455	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,860,800.00	5,000,000.00	2.125	AA	2.125	1,489	06/29/2022
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,979,050.00	5,000,000.00	1.040	AA	1.040	147	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,950,000.00	5,000,000.00	1.400	AA	1.400	377	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,815,600.00	4,999,229.86	1.500	AA	1.505	1,125	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,925,300.00	3,000,000.00	1.500	AA	1.500	936	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,941,200.00	5,000,000.00	1.250	AA	1.250	392	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,874,150.00	5,000,000.00	1.500	AA	1.500	943	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,882,000.00	5,000,000.00	2.000	AA	1.825	1,144	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,415,700.00	7,500,000.00	1.000	AA	1.000	328	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,859,950.00	5,000,000.00	1.950	AA	1.950	1,280	12/02/2021
Subtotal and Average			138,494,199.01		138,405,000.00	135,754,414.75	138,492,355.06			1.474	786	
Local Agency Investment Funds												
SYS982	982	Laif City			61,807,921.74	61,807,921.74	61,807,921.74	1.755		1.755	1	
Subtotal and Average			48,001,470.13		61,807,921.74	61,807,921.74	61,807,921.74			1.755	1	

Portfolio CITY
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City of HB
Portfolio Management
Portfolio Details - Investments
May 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 - IBRD												
459058FE8	4158	Intl Bk Recon & Development		11/18/2016	5,000,000.00	4,993,250.00	4,998,466.56	0.876	AAA	1.109	48	07/19/2018
Subtotal and Average			4,998,018.27		5,000,000.00	4,993,250.00	4,998,466.56			1.109	48	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	5,010,500.00	5,122,083.99	2.850	AA	1.980	1,070	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,946,300.00	5,044,700.25	2.150	A	1.617	633	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,954,010.00	3,003,697.80	1.400	AA	1.303	476	09/20/2019
268648AP7	4077	EMC Corp		07/14/2015	2,500,000.00	2,500,000.00	2,500,000.00	1.875	AA	1.630	0	06/01/2018
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,971,080.00	1,994,664.57	1.850	A	2.008	639	03/01/2020
68389XAG8	4071	Oracle Corp		05/26/2015	3,000,000.00	3,000,180.00	3,011,612.41	2.375	AA	1.731	228	01/15/2019
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	2,995,530.00	3,005,766.68	2.000	AA	1.500	145	10/24/2018
Subtotal and Average			23,686,673.50		23,500,000.00	23,377,600.00	23,682,525.70			1.690	528	
Commercial Paper Disc. -Amortizing												
06538CHT1	4265	BANK OF TOKYO-MIT NY		02/28/2018	5,000,000.00	4,973,800.00	4,974,020.83	2.150		2.204	87	08/27/2018
46640QGA3	4263	JP Morgan		01/11/2018	15,000,000.00	14,967,900.00	14,970,425.00	1.820	A-1	1.862	39	07/10/2018
Subtotal and Average			19,928,591.67		20,000,000.00	19,941,700.00	19,944,445.83			1.947	51	
Federal Agency Disc. -Amortizing												
313385ZG4	4264	Federal Home Loan Bank		01/12/2018	10,000,000.00	9,978,200.00	9,982,129.23	1.532	AA	1.587	42	07/13/2018
Subtotal and Average			9,975,746.81		10,000,000.00	9,978,200.00	9,982,129.23			1.587	42	
Total and Average			245,084,699.38		258,712,921.74	255,853,086.49	258,907,844.12			1.595	475	

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

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
Subtotal							138,492,355.06
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.755		18,000,000.00	0.00	
Subtotal							61,807,921.74
Medium Term Notes - IBRD							
Subtotal							4,998,466.56
Corporate Bonds							
Subtotal							23,682,525.70
Commercial Paper Disc. -Amortizing							
Subtotal							19,944,445.83
Federal Agency Disc. -Amortizing							
Subtotal							9,982,129.23
Total					18,000,000.00	0.00	258,907,844.12

**City of HB
Portfolio Management
Activity Summary
May 2017 through May 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					
May	2017	49	225,340,416.22	1.343	1.361	0.925	1	0	1,123	772
June	2017	52	231,210,075.29	1.402	1.422	0.978	6	3	1,219	866
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
Average		45	217,215,583.12	1.450%	1.470%	1.262	1	1	1,143	720

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

Page 1

	May 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	188,750.00	1,749,518.33
Plus Accrued Interest at End of Period	753,087.99	753,087.99
Less Accrued Interest at Beginning of Period	(747,629.63)	(717,589.16)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	194,208.36	1,785,017.16
Adjusted by Premiums and Discounts	34,103.89	91,941.66
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	228,312.25	1,876,958.82
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	151,901.38
Plus Accrued Interest at End of Period	118,372.72	118,372.72
Less Accrued Interest at Beginning of Period	(46,824.23)	(23,567.28)
Interest Earned during Period	71,548.49	246,706.82
Total Interest Earned during Period	265,756.85	2,031,723.98
Total Adjustments from Premiums and Discounts	34,103.89	91,941.66
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	299,860.74	2,123,665.64



Fair Value Including Accrued Interest	\$	82,929,518,442.19
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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 2018**

<u>Cash Receipts and Disbursements</u>	<u>April 2018</u>	<u>May 2018</u>
Receipts		
General Fund		
Property Tax	17,317,415	12,559,060
Local Sales Tax	2,240,200	4,119,947
Public Safety Sales Tax	167,809	152,652
Transient Occupancy Tax (TOT)	1,078,384	1,186,226
Utility Users Tax (UUT)	1,615,809	1,563,454
Other Revenue	6,226,051	5,788,819
Total General Fund Revenue	28,645,668	25,370,159
Capital Projects Funds	385,117	38,948
Debt Service Funds	-	-
Enterprise Funds	5,114,509	5,621,413
General Fund Other	142,696	50,899
Internal Service Funds	-	-
Special Revenue Funds	391,578	2,809,122
Grant Funds	557,414	2,285,698
Trust and Agency Funds	3,349,412	7,148,943
Total Receipts	\$38,586,394	\$43,325,181
Disbursements		
General Fund		
Personal Services	(11,794,325)	(11,560,724)
Operating Expenses	(4,312,029)	(2,975,459)
Capital Expenditures	(161,154)	(372,070)
Non-Operating Expenses	(4,208)	(1,070,142)
Total General Fund Disbursements	(16,271,716)	(15,978,395)

Capital Projects Funds	(1,034,389)	(1,245,569)
Debt Service Funds	-	-
Enterprise Funds	(4,198,738)	(4,060,476)
General Fund Other	(261,988)	(197,499)
Internal Service Funds	(580,191)	(594,418)
Special Revenue Funds	(1,506,891)	(707,877)
Grant Funds	(642,017)	(1,000,376)
Trust and Agency Funds	(1,264,857)	(2,873,813)
Total Disbursements	(25,760,789)	(26,658,423)

Net Change in Cash Flow	\$12,825,606	\$16,666,758
--------------------------------	---------------------	---------------------

Summary of Cash by Fund	April 2018	May 2018
General Fund	\$76,303,021	\$84,816,429
General Fund Other	3,903,954	3,757,354
Capital Projects Funds	21,710,129	20,503,508
Debt Service Funds	33,751	33,751
Enterprise Funds	77,559,912	78,996,249
Trust and Agency Funds	16,586,102	20,861,232
Internal Service Funds	22,108,283	22,037,753
Special Revenue Funds	32,923,513	36,308,144
General Ledger Cash Balances	\$251,128,665	\$267,314,421

* 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
June 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	140,405,000.00	137,647,859.55	140,488,412.62	56.80	1,420	799	1.517	1.538
Local Agency Investment Funds	45,807,921.74	45,807,921.74	45,807,921.74	18.52	1	1	1.829	1.854
Medium Term Notes - IBRD	5,000,000.00	4,997,350.00	4,999,424.96	2.02	608	18	1.093	1.109
Corporate Bonds	26,000,000.00	25,745,500.00	26,076,022.54	10.54	1,168	584	1.930	1.957
Commercial Paper Disc. -Amortizing	20,000,000.00	19,976,500.00	19,976,154.17	8.08	180	21	1.921	1.947
Federal Agency Disc. -Amortizing	10,000,000.00	9,994,300.00	9,994,894.07	4.04	182	12	1.565	1.587
Investments	247,212,921.74	244,169,431.29	247,342,830.10	100.00%	964	518	1.644	1.667

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	247,212,921.74	244,179,431.29	247,352,830.10		964	518	1.644	1.667

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	334,984.80	2,458,650.44	2,458,650.44
Current Budget	160,000.00	1,440,000.00	1,920,000.00
Last Year Actual	249,026.43	1,988,690.45	2,752,784.09
Average Daily Balance	250,105,256.16	220,020,418.28	
Effective Rate of Return	1.63%	1.49%	

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 *7-19-18*

Reporting period 06/01/2018-06/30/2018

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City of HB
Portfolio Management
Portfolio Details - Investments
June 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	4,838,050.00	5,000,000.00	1.620	AA	1.620	1,079	06/14/2021
3130A7WK7	4136	Federal Home Loan Bank		05/24/2016	5,000,000.00	4,950,300.00	5,000,000.00	1.250	AA	1.250	327	05/24/2019
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,187,180.00	2,250,000.00	1.600	AA	1.600	913	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	4,923,000.00	5,000,000.00	1.050	AA	1.518	771	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,973,550.00	5,041,267.26	2.000	AA	1.297	439	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	4,929,050.00	5,000,000.00	1.750	AA	1.750	1,396	04/27/2022
3134G73Q2	4120	Federal Home Loan Mort Corp		10/27/2015	5,000,000.00	4,996,800.00	5,000,000.00	1.000	AA	0.991	26	07/27/2018
3134G9RN9	4139	Federal Home Loan Mort Corp		06/23/2016	5,000,000.00	4,949,900.00	5,000,000.00	1.500	AA	1.375	723	06/23/2020
3134G9F93	4148	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,926,650.00	5,000,000.00	1.000	AA	0.998	362	06/28/2019
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,851,850.00	5,000,000.00	1.280	AA	1.280	822	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,462,329.55	4,655,000.00	1.500	AA	1.500	1,095	06/30/2021
3134G9G35	4151	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,853,100.00	5,000,000.00	1.500	AA	1.400	1,095	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	4,769,550.00	5,000,000.00	1.650	AA	1.650	1,240	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,887,850.00	5,000,665.24	1.750	AA	1.744	789	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,883,050.00	5,022,373.57	1.875	AA	1.723	1,122	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	4,880,100.00	5,021,276.38	1.875	AA	1.733	1,143	08/17/2021
3134GBNS7	4259	Federal Home Loan Mort Corp		06/14/2017	3,000,000.00	2,964,330.00	2,999,290.99	1.500	AA	1.521	423	08/28/2019
3134GBLT7	4260	Federal Home Loan Mort Corp		06/15/2017	3,000,000.00	2,962,830.00	2,999,288.49	1.500	AA	1.521	425	08/30/2019
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	4,852,700.00	5,000,000.00	2.125	AA	2.125	1,459	06/29/2022
3134GSNV3	4266	Federal Home Loan Mort Corp		06/14/2018	7,000,000.00	6,990,620.00	7,000,000.00	2.800	AAA	2.800	1,079	06/14/2021
3136G2R58	4122	Fed. Nat'l Mort. Assoc.		10/29/2015	5,000,000.00	4,983,650.00	5,000,000.00	1.040	AA	1.040	117	10/26/2018
3135G0K85	4137	Fed. Nat'l Mort. Assoc.		06/13/2016	5,000,000.00	4,953,800.00	5,000,000.00	1.400	AA	1.400	347	06/13/2019
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,807,100.00	4,999,250.69	1.500	AA	1.505	1,095	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,920,770.00	3,000,000.00	1.500	AA	1.500	906	12/23/2020
3135G0K93	4144	Fed. Nat'l Mort. Assoc.		06/28/2016	5,000,000.00	4,944,150.00	5,000,000.00	1.250	AA	1.250	362	06/28/2019
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,866,550.00	5,000,000.00	1.500	AA	1.500	913	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	4,872,100.00	5,000,000.00	2.000	AA	1.825	1,114	07/19/2021
3136G3YG4	4152	Fed. Nat'l Mort. Assoc.		07/25/2016	7,500,000.00	7,419,450.00	7,500,000.00	1.000	AA	1.000	298	04/25/2019
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	4,847,500.00	5,000,000.00	1.950	AA	1.950	1,250	12/02/2021
Subtotal and Average			142,123,651.46		140,405,000.00	137,647,859.55	140,488,412.62			1.538	799	
Local Agency Investment Funds												
SYS982	982	Laif City			45,807,921.74	45,807,921.74	45,807,921.74	1.854		1.854	1	
Subtotal and Average			50,874,588.41		45,807,921.74	45,807,921.74	45,807,921.74			1.854	1	

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City of HB
Portfolio Management
Portfolio Details - Investments
June 30, 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 - IBRD												
459058FE8	4158	Intl Bk Recon & Development		11/18/2016	5,000,000.00	4,997,350.00	4,999,424.96	0.876	AAA	1.109	18	07/19/2018
Subtotal and Average			4,998,961.73		5,000,000.00	4,997,350.00	4,999,424.96			1.109	18	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	4,988,000.00	5,118,612.41	2.850	AA	1.980	1,040	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,938,100.00	5,042,547.75	2.150	A	1.617	603	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,957,760.00	3,003,461.27	1.400	AA	1.303	446	09/20/2019
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,966,960.00	1,994,918.64	1.850	A	2.008	609	03/01/2020
68389X AQ8	4071	Oracle Corp		05/26/2015	3,000,000.00	2,999,640.00	3,010,057.17	2.375	AA	1.731	198	01/15/2019
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	4,899,900.00	4,901,868.42	2.000		3.080	688	05/19/2020
89236TAY1	4039	Toyota Motor Credit		01/26/2015	3,000,000.00	2,995,140.00	3,004,556.88	2.000	AA	1.500	115	10/24/2018
Subtotal and Average			22,158,501.70		26,000,000.00	25,745,500.00	26,076,022.54			1.957	584	
Commercial Paper Disc. -Amortizing												
06538CHT1	4265	BANK OF TOKYO-MIT NY		02/28/2018	5,000,000.00	4,983,100.00	4,982,979.17	2.150		2.204	57	08/27/2018
46640QGA3	4263	JP Morgan		01/11/2018	15,000,000.00	14,993,400.00	14,993,175.00	1.820	A-1	1.862	9	07/10/2018
Subtotal and Average			19,960,828.47		20,000,000.00	19,976,500.00	19,976,154.17			1.947	21	
Federal Agency Disc. -Amortizing												
313385ZG4	4264	Federal Home Loan Bank		01/12/2018	10,000,000.00	9,994,300.00	9,994,894.07	1.532	AA	1.587	12	07/13/2018
Subtotal and Average			9,988,724.40		10,000,000.00	9,994,300.00	9,994,894.07			1.587	12	
Total and Average			250,105,256.16		247,212,921.74	244,169,431.29	247,342,830.10			1.667	518	

**City of HB
Portfolio Management
Portfolio Details - Cash
June 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		10,000.00	10,000.00				0
				Subtotal		10,000.00	10,000.00				
Total Cash and Investments			250,105,256.16		247,212,921.74	244,179,431.29	247,352,830.10			1.667	518

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

Page 1

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3134G9UY1	4142	Federal Home Loan Mort Corp	1.000	06/29/2018	0.00	5,000,000.00	
3134GSNV3	4266	Federal Home Loan Mort Corp	2.800	06/14/2018	7,000,000.00	0.00	
Subtotal					7,000,000.00	5,000,000.00	140,488,412.62
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	1.854		0.00	16,000,000.00	
Subtotal					0.00	16,000,000.00	45,807,921.74
Medium Term Notes - IBRD							
Subtotal							4,999,424.96
Corporate Bonds							
268648AP7	4077	EMC Corp	1.875	06/01/2018	0.00	2,500,000.00	
69353RFC7	4267	PNC BANK	2.000	06/25/2018	4,901,000.00	0.00	
Subtotal					4,901,000.00	2,500,000.00	26,076,022.54
Commercial Paper Disc. -Amortizing							
Subtotal							19,976,154.17
Federal Agency Disc. -Amortizing							
Subtotal							9,994,894.07
Total					11,901,000.00	23,500,000.00	247,342,830.10

**City of HB
Portfolio Management
Activity Summary
June 2017 through June 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					
June	2017	52	231,210,075.29	1.402	1.422	0.978	6	3	1,219	866
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
Average		44	219,075,887.84	1.473%	1.494%	1.333	1	1	1,131	700

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

Page 1

	June 30 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	335,812.50	2,085,330.83
Plus Accrued Interest at End of Period	640,749.80	640,749.80
Less Accrued Interest at Beginning of Period	(753,087.99)	(717,589.16)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	223,474.31	2,008,491.47
Adjusted by Premiums and Discounts	33,985.98	125,927.64
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	257,460.29	2,134,419.11
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	151,901.38
Plus Accrued Interest at End of Period	195,897.23	195,897.23
Less Accrued Interest at Beginning of Period	(118,372.72)	(23,567.28)
Interest Earned during Period	77,524.51	324,231.33
Total Interest Earned during Period	300,998.82	2,332,722.80
Total Adjustments from Premiums and Discounts	33,985.98	125,927.64
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	334,984.80	2,458,650.44



State of California

Pooled Money Investment Account

Market Valuation

6/30/2018

Description		Carrying Cost Plus Accrued Interest Purch.		Amortized Cost	Fair Value	Accrued Interest
1*	United States Treasury:					
	Bills	\$ 15,515,706,740.80	\$ 15,606,139,290.87	\$ 15,596,583,000.00	NA	
	Notes	\$ 26,759,493,974.77	\$ 26,750,630,461.92	\$ 26,629,882,500.00	\$ 73,723,356.00	
1*	Federal Agency:					
	SBA	\$ 825,001,427.53	\$ 825,001,427.53	\$ 815,954,863.84	\$ 1,381,409.64	
	MBS-REMICs	\$ 29,303,504.33	\$ 29,303,504.33	\$ 29,847,169.21	\$ 136,825.25	
	Debentures	\$ 1,998,416,070.50	\$ 1,997,919,837.87	\$ 1,986,861,900.00	\$ 5,758,745.15	
	Debentures FR	\$ -	\$ -	\$ -	\$ -	
	Debentures CL	\$ 300,000,000.00	\$ 300,000,000.00	\$ 295,668,000.00	\$ 1,921,709.00	
	Discount Notes	\$ 12,856,645,347.11	\$ 12,904,163,694.26	\$ 12,899,708,000.00	NA	
1*	Supranational Debentures	\$ 589,036,885.09	\$ 589,036,885.09	\$ 586,421,000.00	\$ 1,950,779.00	
1*	Supranational Debentures FR	\$ 100,530,876.06	\$ 100,375,183.89	\$ 100,699,984.77	\$ 536,523.90	
2*	CDs and YCDs FR	\$ 425,000,000.00	\$ 425,000,000.00	\$ 425,000,000.00	\$ 1,694,459.24	
2*	Bank Notes	\$ 900,000,000.00	\$ 900,000,000.00	\$ 899,729,548.85	\$ 5,764,500.01	
2*	CDs and YCDs	\$ 15,400,000,000.00	\$ 15,400,000,000.00	\$ 15,394,663,524.14	\$ 58,042,847.26	
2*	Commercial Paper	\$ 7,498,660,819.38	\$ 7,521,101,541.69	\$ 7,521,009,486.12	NA	
1*	Corporate:					
	Bonds FR	\$ -	\$ -	\$ -	\$ -	
	Bonds	\$ -	\$ -	\$ -	\$ -	
1*	Repurchase Agreements	\$ -	\$ -	\$ -	\$ -	
1*	Reverse Repurchase	\$ -	\$ -	\$ -	\$ -	
	Time Deposits	\$ 4,882,240,000.00	\$ 4,882,240,000.00	\$ 4,882,240,000.00	NA	
	AB 55 & GF Loans	\$ 733,964,000.00	\$ 733,964,000.00	\$ 733,964,000.00	NA	
	TOTAL	\$ 88,813,999,645.57	\$ 88,964,875,827.45	\$ 88,798,232,976.93	\$ 150,911,154.45	

Fair Value Including Accrued Interest

\$ 88,949,144,131.38

* 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 (**0.998126869**).
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 **\$19,962,537.38** or $20,000,000.00 \times 0.998126869$.



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

Finance Department
June 2018

<u>Cash Receipts and Disbursements</u>	<u>May 2018</u>	<u>June 2018</u>
Receipts		
General Fund		
Property Tax	12,559,060	546,412
Local Sales Tax	4,119,947	2,973,956
Public Safety Sales Tax	152,652	225,973
Transient Occupancy Tax (TOT)	1,186,226	1,101,416
Utility Users Tax (UUT)	1,563,454	1,492,861
Other Revenue	5,788,819	5,241,429
Total General Fund Revenue	25,370,159	11,582,047
Capital Projects Funds	38,948	6,640,601
Debt Service Funds	-	-
Enterprise Funds	5,621,413	5,558,470
General Fund Other	50,899	427,121
Internal Service Funds	-	-
Special Revenue Funds	2,809,122	1,754,646
Grant Funds	2,285,698	1,449,102
Trust and Agency Funds	7,148,943	3,739,416
Total Receipts	\$43,325,181	\$31,151,403
Disbursements		
General Fund		
Personal Services	(11,560,724)	(18,208,914)
Operating Expenses	(2,975,459)	(3,440,849)
Capital Expenditures	(372,070)	(153,326)
Non-Operating Expenses	(1,070,142)	(14,473,296)
Total General Fund Disbursements	(15,978,395)	(36,276,385)

Capital Projects Funds	(1,245,569)	(818,106)
Debt Service Funds	-	-
Enterprise Funds	(4,060,476)	(4,460,538)
General Fund Other	(197,499)	(180,573)
Internal Service Funds	(594,418)	(3,483,788)
Special Revenue Funds	(707,877)	(1,048,784)
Grant Funds	(1,000,376)	(975,302)
Trust and Agency Funds	(2,873,813)	(7,617,261)
Total Disbursements	(26,658,423)	(54,860,738)

Net Change in Cash Flow	\$16,666,758	(\$23,709,335)
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Summary of Cash by Fund	May 2018	June 2018
General Fund	\$84,816,429	\$61,591,049
General Fund Other	3,757,354	4,003,902
Capital Projects Funds	20,503,508	26,326,003
Debt Service Funds	33,751	4,283,215
Enterprise Funds	78,996,249	80,098,541
Trust and Agency Funds	20,861,232	16,983,387
Internal Service Funds	22,037,753	26,906,541
Special Revenue Funds	36,308,144	37,492,559
General Ledger Cash Balances	\$267,314,421	\$257,685,197

* 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.