

Portfolio Summary
As of August 31, 2019
\$ 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	\$ 125.2	\$ 124.2	57%	None	yes
Local Agency Investment Fund (LAIF)	\$ 8.7	\$ 8.7	4%	\$65 million	yes
Treasury Securities	\$ 15.0	\$ 14.9	7%	None	yes
Medium Term Notes - IADB	\$ 16.5	\$ 16.2	7%	10%	yes
Corporate Bonds	\$ 55.2	\$ 54.2	25%	30%	yes
Total Portfolio	\$ 220.6	\$ 218.2	100%		

Portfolio Earnings
As of August 31, 2019

<u>Portfolio Earnings</u>	<u>Month End 8/31/19</u>	<u>FYTD 8/31/19</u>
Current Year	\$ 413,190	\$ 869,772
Current Budget	\$ 300,000	\$ 600,000
Last Year Actual	\$ 310,011	\$ 632,881
Effective Rate of Return	2.17%	2.18%
Benchmark*	2.37%	

*12 month moving average of interpolated 1.5-year treasury

Monthly Activity
August 2019

<u>Investment Type</u>	<u>Purchases/Deposits</u>	<u>Sales/Maturities/Withdrawals</u>
Federal Agency Issues		\$ 3,000,000
Local Agency Investment Fund (LAIF)		\$ 15,000,000
Medium Term Notes - IADB		
Corporate Bonds		
Commercial Paper		
Treasury Securities		
TOTAL	\$ -	\$ 18,000,000

Economic Summary

According to the Bureau of Labor Statistics, the unemployment rate in August was unchanged at 3.7 percent for the third month in a row. The labor force participation rate edged up slightly to 63.2 percent but overall has not changed much over the year.

The Dow Jones Industrial Average, the S&P 500, and the 10-Year Treasury yield all posted decreases as compared to the previous month.

The Federal Open Market Committee (FOMC) met in July to discuss the current state of the economy and to examine potential future interest rate adjustments. The Committee decided to lower the target range for the federal funds rate to 2 to 2-1/4 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 2019 - August 2019

<u>Market Summary</u>	<u>Federal Funds Rate</u>	<u>10-Year Treasury</u>	<u>S&P 500</u>	<u>DJIA</u>
6/30/2019	2.25 - 2.50 %	2.00%	2,941.76	26,599.96
7/31/2019	2.00 - 2.25 %	2.02%	2,980.38	26,864.27
8/31/2019	2.00 - 2.25 %	1.50%	2,926.46	26,362.25
Jul. - Aug. % Change	0.00%	-25.70%	-1.81%	-1.87%



**City of HB
Portfolio Management
Portfolio Summary
August 31, 2019**

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	123,905,000.00	125,253,431.25	124,197,275.88	56.92	1,586	875	1.893	1.919
Local Agency Investment Funds	8,685,668.84	8,685,668.84	8,685,668.84	3.98	1	1	2.309	2.341
Treasury Securities - Coupon	15,000,000.00	15,004,900.00	14,910,584.93	6.83	644	298	2.596	2.632
Medium Term Notes	16,000,000.00	16,450,140.00	16,172,217.54	7.41	1,200	941	2.428	2.462
Corporate Bonds	54,500,000.00	55,227,555.00	54,219,634.01	24.85	1,190	749	2.602	2.638
Investments	218,090,668.84	220,621,695.09	218,185,381.20	100.00%	1,331	774	2.173	2.204
Cash and Accrued Interest								
Accrued Interest at Purchase		28,170.14	28,170.14					
Subtotal		28,170.14	28,170.14					
Total Cash and Investments	218,090,668.84	220,649,865.23	218,213,551.34		1,331	774	2.173	2.204

Total Earnings	August 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	413,190.00		869,771.57	
Current Budget	300,000.00		600,000.00	3,600,000.00
Last Year Actual	310,010.85		632,880.63	3,225,311.33
Average Daily Balance	224,277,639.58		235,012,999.10	
Effective Rate of Return	2.17%		2.18%	

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 4, 2019. 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.

AB
Alisa Backstrom, CITY TREASURER

9-26-19

Reporting period 08/01/2019-08/31/2019

Run Date: 09/26/2019 - 09:56

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City of HB
Portfolio Management
Portfolio Details - Investments
August 31, 2019

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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	4,990,000.00	5,000,000.00	1.620	AA	1.620	652	06/14/2021
3133ECHX5	4292	Federal Farm Credit Bank		05/23/2019	5,000,000.00	5,173,100.00	5,005,094.10	2.260	AA	2.236	1,655	03/13/2024
3133EKTG1	4296	Federal Farm Credit Bank		07/01/2019	5,000,000.00	5,031,900.00	4,990,319.44	1.750		1.821	1,034	07/01/2022
3130A8DC4	4138	Federal Home Loan Bank		06/30/2016	2,250,000.00	2,246,265.00	2,250,000.00	1.600	AA	1.600	486	12/30/2020
3130A8T94	4153	Federal Home Loan Bank		08/10/2016	5,000,000.00	5,000,450.00	5,000,000.00	2.000	AA	1.525	344	08/10/2020
313383VN8	4157	Federal Home Loan Bank		11/16/2016	5,000,000.00	4,999,600.00	5,001,146.31	2.000	AA	1.297	12	09/13/2019
3130AB3L8	4166	Federal Home Loan Bank		04/27/2017	5,000,000.00	5,002,650.00	5,000,000.00	1.750	AA	1.750	969	04/27/2022
313383QR5	4281	Federal Home Loan Bank		12/20/2018	5,000,000.00	5,323,300.00	5,089,464.26	3.250		2.743	1,377	06/09/2023
3130AFTA5	4284	Federal Home Loan Bank		01/30/2019	5,000,000.00	5,026,900.00	5,000,000.00	3.050		3.050	1,612	01/30/2024
3130AFWX1	4285	Federal Home Loan Bank		02/26/2019	5,000,000.00	5,190,100.00	5,000,000.00	2.550		2.550	1,367	05/30/2023
3130A1W95	4297	Federal Home Loan Bank		06/27/2019	5,000,000.00	5,059,550.00	5,035,590.91	2.250		1.840	649	06/11/2021
3134G9E78	4149	Federal Home Loan Mort Corp		06/30/2016	5,000,000.00	4,976,650.00	5,000,000.00	1.280	AA	1.280	395	09/30/2020
3134G9C54	4150	Federal Home Loan Mort Corp		06/30/2016	4,655,000.00	4,635,216.25	4,655,000.00	1.500	AA	1.500	668	06/30/2021
3134GAUB8	4156	Federal Home Loan Mort Corp		11/22/2016	5,000,000.00	5,000,150.00	5,000,000.00	1.650	AA	1.650	813	11/22/2021
3134GBNN8	4256	Federal Home Loan Mort Corp		05/30/2017	5,000,000.00	4,993,150.00	5,000,305.65	1.750	AA	1.744	362	08/28/2020
3134G9N94	4257	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	5,028,400.00	5,013,877.28	1.875	AA	1.723	695	07/27/2021
3134G92Y2	4258	Federal Home Loan Mort Corp		06/14/2017	5,000,000.00	5,029,550.00	5,013,340.25	1.875	AA	1.733	716	08/17/2021
3134GBTS1	4261	Federal Home Loan Mort Corp		06/29/2017	5,000,000.00	5,001,950.00	5,000,000.00	2.125	AA	2.125	1,032	06/29/2022
3137EAEN5	4287	Federal Home Loan Mort Corp		03/08/2019	3,000,000.00	3,138,750.00	3,032,224.79	2.750		2.450	1,387	06/19/2023
3137EAEN5	4288	Federal Home Loan Mort Corp		03/14/2019	3,000,000.00	3,138,750.00	3,033,660.82	2.750		2.437	1,387	06/19/2023
3134GTRN5	4295	Federal Home Loan Mort Corp		06/17/2019	3,000,000.00	3,000,660.00	3,000,000.00	2.750		2.750	1,751	06/17/2024
3136G3SJ5	4141	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,997,500.00	4,999,542.36	1.500	AA	1.505	668	06/30/2021
3136G3SN6	4143	Fed. Nat'l Mort. Assoc.		06/23/2016	3,000,000.00	2,996,040.00	3,000,000.00	1.500	AA	1.500	479	12/23/2020
3136G3UT0	4146	Fed. Nat'l Mort. Assoc.		06/30/2016	5,000,000.00	4,989,900.00	5,000,000.00	1.500	AA	1.500	486	12/30/2020
3136G3VU6	4147	Fed. Nat'l Mort. Assoc.		07/19/2016	5,000,000.00	5,001,800.00	5,000,000.00	2.000	AA	1.825	687	07/19/2021
3136G4HM8	4159	Fed. Nat'l Mort. Assoc.		12/02/2016	5,000,000.00	5,004,500.00	5,000,000.00	1.950	AA	1.950	823	12/02/2021
3135G0U43	4289	Fed. Nat'l Mort. Assoc.		03/15/2019	5,000,000.00	5,276,650.00	5,077,709.71	2.875		2.465	1,472	09/12/2023
Subtotal and Average			126,815,094.31		123,905,000.00	125,253,431.25	124,197,275.88			1.919	875	
Local Agency Investment Funds												
SYS982	982	Laif City			8,685,668.84	8,685,668.84	8,685,668.84	2.341		2.341	1	
Subtotal and Average			12,169,539.81		8,685,668.84	8,685,668.84	8,685,668.84			2.341	1	
Treasury Securities - Coupon												
912828XY1	4269	US Treasury Notes		08/01/2018	5,000,000.00	5,027,550.00	4,994,148.07	2.500		2.645	303	06/30/2020
912828XU9	4270	US Treasury Notes		08/10/2018	5,000,000.00	4,985,950.00	4,957,162.67	1.500		2.620	288	06/15/2020

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**City of HB
Portfolio Management
Portfolio Details - Investments
August 31, 2019**

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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												
912828XH8	4282	US Treasury Notes		12/20/2018	5,000,000.00	4,991,400.00	4,959,274.19	1.625		2.632	303	06/30/2020
Subtotal and Average			14,906,047.99		15,000,000.00	15,004,900.00	14,910,584.93			2.632	298	
Medium Term Notes												
4581X0CP1	4268	Inter-American Dev. Bank		08/02/2018	7,000,000.00	6,999,440.00	6,954,860.91	1.875		2.715	289	06/16/2020
45818WBX3	4290	Inter-American Dev. Bank		03/28/2019	4,000,000.00	4,196,000.00	4,088,266.80	2.870		2.270	1,418	07/20/2023
45818WBY1	4291	Inter-American Dev. Bank		03/28/2019	5,000,000.00	5,254,700.00	5,129,089.83	2.960		2.271	1,445	08/16/2023
Subtotal and Average			16,172,151.58		16,000,000.00	16,450,140.00	16,172,217.54			2.462	941	
Corporate Bonds												
037833AR1	4262	Apple Inc.		06/26/2017	5,000,000.00	5,084,900.00	5,070,010.25	2.850	AA	1.980	613	05/06/2021
06406HCZ0	4155	Bank of New York		10/24/2016	5,000,000.00	4,999,850.00	5,012,412.75	2.150	A	1.617	176	02/24/2020
17275RBG6	4154	Cisco Systems Inc		09/27/2016	3,000,000.00	2,998,890.00	3,000,149.80	1.400	AA	1.303	19	09/20/2019
166764AH3	4294	Chevron Corp		05/24/2019	5,000,000.00	5,234,550.00	5,112,548.64	3.191	AA	2.528	1,392	06/24/2023
437076BG6	4293	Home Depot Inc		05/24/2019	5,000,000.00	5,119,850.00	5,019,353.73	2.625	A	2.474	1,004	06/01/2022
459200HG9	4274	IBM Corp		09/28/2018	3,000,000.00	2,992,860.00	2,882,700.65	1.875	A	3.257	1,065	08/01/2022
46625HRT9	4283	JP Morgan		01/31/2019	2,500,000.00	2,515,375.00	2,471,169.50	2.400		3.081	645	06/07/2021
494368BP7	4164	Kimberly Clark Corp		12/28/2016	2,000,000.00	1,997,560.00	1,998,475.59	1.850	A	2.008	182	03/01/2020
713448CX4	4280	PEPSICO INC		12/21/2018	5,000,000.00	5,176,100.00	4,991,823.17	3.100		3.160	1,050	07/17/2022
69353RFC7	4267	PNC BANK		06/25/2018	5,000,000.00	5,000,200.00	4,962,657.89	2.000		3.080	261	05/19/2020
69353REP9	4271	PNC BANK		08/13/2018	1,000,000.00	1,001,690.00	994,691.67	2.300		3.031	274	06/01/2020
828807DB0	4272	Simon Property Group		09/21/2018	3,000,000.00	3,052,530.00	2,936,689.73	2.625	A	3.239	1,018	06/15/2022
882508BA1	4279	Texas Instruments Inc		12/21/2018	5,000,000.00	5,008,500.00	4,843,674.59	1.850		3.564	987	05/15/2022
904764AW7	4286	Unilever		03/01/2019	5,000,000.00	5,044,700.00	4,923,276.05	2.200		2.802	977	05/05/2022
Subtotal and Average			54,214,805.90		54,500,000.00	55,227,555.00	54,219,634.01			2.638	749	
Total and Average			224,277,639.58		218,090,668.84	220,621,695.09	218,185,381.20			2.204	774	

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**City of HB
Portfolio Management
Portfolio Details - Cash
August 31, 2019**

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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		28,170.14	28,170.14				0
				Subtotal		28,170.14	28,170.14				
Total Cash and Investments			224,277,639.58		218,090,668.84	220,649,865.23	218,213,551.34			2.204	774

**City of HB
Portfolio Management
Activity By Type
August 1, 2019 through August 31, 2019**

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Issues - Coupon							
3134GBNS7	4259	Federal Home Loan Mort Corp	1.500	08/28/2019	0.00	3,000,000.00	
		Subtotal			0.00	3,000,000.00	124,197,275.88
Local Agency Investment Funds (Monthly Summary)							
SYS982	982	Laif City	2.341		0.00	15,000,000.00	
		Subtotal			0.00	15,000,000.00	8,685,668.84
Treasury Securities - Coupon							
		Subtotal					14,910,584.93
Medium Term Notes							
		Subtotal					16,172,217.54
Corporate Bonds							
		Subtotal					54,219,634.01
		Total			0.00	18,000,000.00	218,185,381.20

**City of HB
Portfolio Management
Activity Summary
August 2018 through August 2019**

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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	2018	40	206,373,589.71	1.731	1.755	1.998	4	1	1,189	647
September	2018	41	199,597,619.90	1.805	1.830	2.063	3	2	1,203	666
October	2018	40	200,610,535.10	1.875	1.901	2.144	1	2	1,214	687
November	2018	43	205,146,929.07	1.923	1.950	2.208	3	0	1,143	624
December	2018	47	214,572,991.48	2.017	2.045	2.291	4	0	1,193	672
January	2019	48	237,888,789.20	2.110	2.140	2.355	2	1	1,100	629
February	2019	49	239,354,027.47	2.108	2.138	2.392	1	0	1,185	667
March	2019	53	239,114,873.33	2.101	2.130	2.436	6	2	1,268	743
April	2019	52	245,334,343.80	2.108	2.137	2.445	0	1	1,141	634
May	2019	53	265,615,018.09	2.135	2.165	2.449	3	2	1,162	669
June	2019	49	248,814,733.00	2.198	2.228	2.428	2	6	1,115	680
July	2019	49	245,748,358.62	2.177	2.207	2.379	1	1	1,240	743
August	2019	48	224,277,639.58	2.173	2.204	2.341	0	1	1,331	774
Average		47	228,608,528.26	2.035%	2.064%	2.302	2	1	1,191	680

**City of HB
Portfolio Management
Interest Earnings Summary
August 31, 2019**

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	August 31 Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	290,483.33	898,486.39
Plus Accrued Interest at End of Period	906,654.42	906,654.42
Less Accrued Interest at Beginning of Period	(817,479.72)	(1,045,449.77)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
Interest Earned during Period	379,658.03	759,691.04
Adjusted by Premiums and Discounts	9,335.92	18,676.91
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	388,993.95	778,367.95
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	222,725.24
Plus Accrued Interest at End of Period	67,982.05	67,982.05
Less Accrued Interest at Beginning of Period	(43,786.00)	(199,303.67)
Interest Earned during Period	24,196.05	91,403.62
Total Interest Earned during Period	403,854.08	851,094.66
Total Adjustments from Premiums and Discounts	9,335.92	18,676.91
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	413,190.00	869,771.57



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 2019

Cash Receipts and Disbursements	July 2019	August 2019
Receipts		
General Fund		
Property Tax	\$ 644,894	\$ 86,594
Local Sales Tax	3,780,895	2,859,173
Public Safety Sales Tax	191,614	233,027
Transient Occupancy Tax (TOT)	1,347,823	1,784,837
Utility Users Tax (UUT)	1,396,361	1,560,412
Other Revenue	16,815,896	6,249,655
Total General Fund Revenue	24,177,483	12,773,698
Total All Other Funds Revenue	23,021,394	11,124,819
Total Receipts	\$ 47,198,877	\$ 23,898,518
Disbursements		
General Fund		
Personal Services	(37,293,849)	(15,336,578)
Operating Expenses	(3,543,364)	(3,353,390)
Capital Expenditures	(109,034)	(19,411)
Non-Operating Expenses	(4,208)	(1,199,776)
Total General Fund Disbursements	(40,950,456)	(19,909,155)
Total All Other Funds Disbursements	(41,113,116)	(18,280,202)
Total Disbursements	(82,063,572)	(38,189,357)
Net Change in Cash Flow	\$ (34,864,695)	\$ (14,290,839)
Summary of Cash by Fund	July 2019	August 2019
General Fund	\$ 48,730,438	\$ 41,594,981
General Fund Other	4,617,227	4,416,309
Capital Projects Funds	25,723,391	25,093,148
Debt Service Funds	4,315,578	41,668
Enterprise Funds	68,681,961	69,551,430
Trust and Agency Funds	14,192,160	11,992,169
Internal Service Funds	31,801,114	31,150,195
Special Revenue Funds	45,482,135	45,413,264
General Ledger Cash Balances	* \$ 243,544,003	\$ 229,253,163

* 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.