

City of Huntington Beach Quarterly Treasurer's Report

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Quarter Ending: September 30, 2017

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

Market Overview - At 9/30/17

Economic Indicators

- PCE 1.3%
- Unemployment rate 4.2%
- Labor Participation rate 63.1%
- Federal Funds Rate: 1.00-1.25%

Debt/Equity Markets

		<u>% QTRLY CHANGE</u>
• S&P 500:	2,519.36	+4.0%
• DOW:	22,405.09	+4.9%
• 10 YR Treasury:	2.33%	+0.9%

Overview of City Investments

Pooled Cash Portfolio

- City's cash resources available to fund operations, capital projects, debt service and other items
- Pooled to facilitate cash management
- Excess cash invested

Governance

- CA Government Code
- City's Investment Policy
- Monthly/quarterly reporting:

http://www.huntingtonbeachca.gov/government/elected_officials/city_treasurer/

Other Investments

- Supplemental Retiree Pension
- Deferred Compensation Plan
- Other Pension Benefits 115 Trust
- Retiree Medical Trust (CalPERS)
- Joint Powers Accounts
- Bond Reserve Accounts

Portfolio Summary

As of 9/30/17

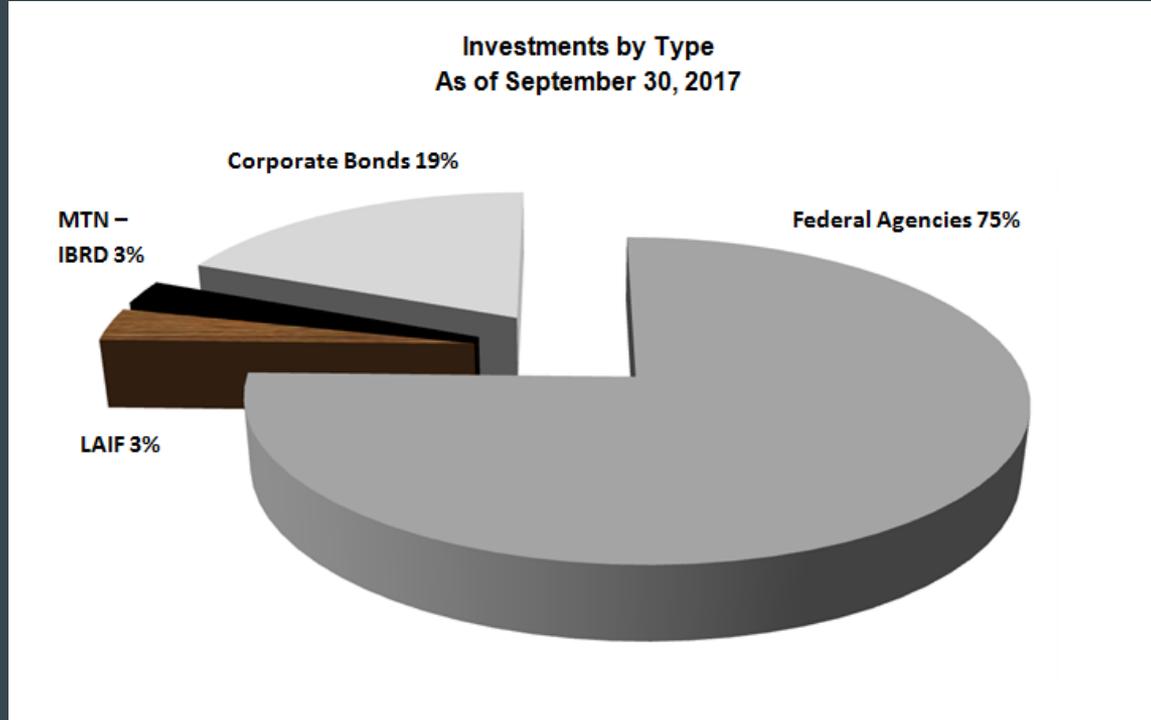
Investment Type / Market Value:

- Federal Agencies - \$147.3MM
- Corporate Bonds - \$36.7MM
- LAIF - \$6.6MM
- IBRD - \$5.0MM

TOTAL PORTFOLIO: \$195.6MM

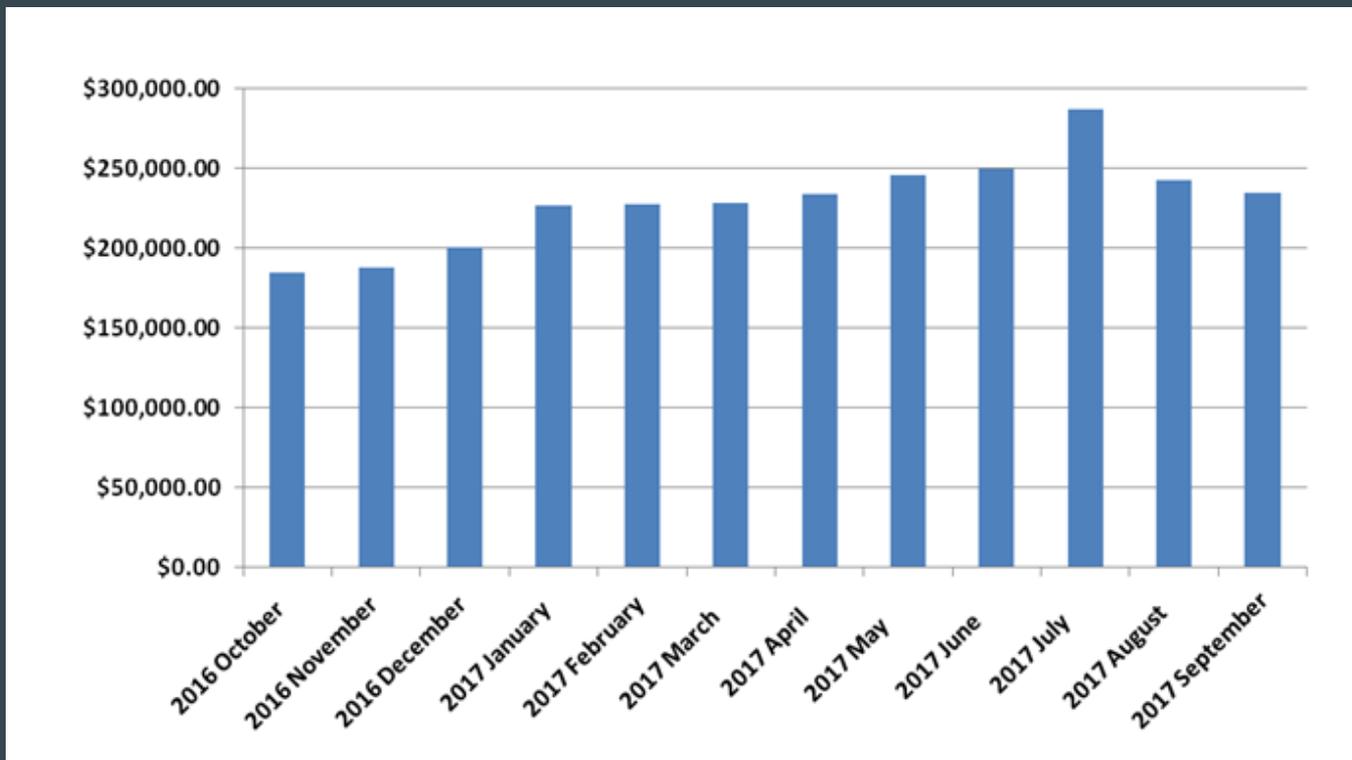
Investments by Type

As of September 30, 2017



Monthly Earnings - October 2016 to September 2017

\$ in thousands



Portfolio Earnings - As of September 30, 2017

Current Year - Month

- ❑ September 2017: \$234,585
- ❑ vs. last year: \$196,054

Current Year - Fiscal YTD

- ❑ Through 9/30/17: \$2,752,839
- ❑ vs. last year: \$2,300,386

Effective Rate of Return

- ❑ September 2017: 1.42% *Benchmark: 1.21%
- ❑ Fiscal YTD: 1.30% *12mo. moving avg. 2YR CMT

Total Earnings
Fiscal Year 2016-17

- ❑ \$2,752,839 to be utilized for City operations
- ❑ Offset taxpayer \$

Compliance

Selected Investment Policy Requirements:

<u>Investment Type</u>	<u>Max. Maturity</u>	<u>Max. % of Portfolio</u>	<u>Ratings</u>
Federal Agencies	5 yrs	none	AAA/Aa
IBRD	5 yrs	10%	AAA/Aaa
Corporate Bonds	5 yrs	30%	A or above
LAIF	n/a	\$65MM per account	n/a

The portfolio is in compliance with all relevant State regulations and the City's Investment Policy