



**City of Huntington Beach**  
**Monthly Investment Report**  
**Period Ending: April 30, 2013**  
**Prepared by: Alisa Cutchen, City Treasurer**

**Portfolio Overview:**

*As of April 30, 2013:*

<u>Investment Type</u>	<u>Market Value</u>	<u>Book Value</u>	<u>% of Portfolio</u>	<u>YTM 365-day</u>	<u>Policy Limit</u>
Certificates of Deposit	250,000	250,000	0.1%	0.61%	30%
Federal Agency Issues	128,298,790	127,983,876	69%	0.94%	None
Local Agency Investment Fund (LAIF)	38,178,396	38,178,396	20%	26.00%	\$50 million
Corporate Bonds	20,370,163	20,281,322	11%	0.80%	20%
<b>Totals</b>	<b>187,097,349</b>	<b>186,693,594</b>	<b>100%</b>	<b>0.79%</b>	

- **Market value = \$187.1million** (The current quoted price at which investors can buy/sell a security)
- **Book value = \$186.7 million** (The accounting value of the security as shown on the balance sheet)
- The market value is slightly higher than the book value because the City's portfolio currently owns some securities with higher interest rates than similar securities that would currently be available for purchase. (Such portfolio securities were purchased when interest rates were slightly higher.)
- As interest rates start to rise, some securities that are owned in the portfolio will have interest rates that are lower than the securities that will currently be available in the market. This will result in a market value that is lower than the book value.
- There is no actual loss to a security when interest rates rise and the market value of the security falls. If the security is held to maturity, which is the typically the case within such a portfolio, no loss is realized.

**Portfolio Earnings and Performance:**

<u>Total Earnings</u>	<u>April, 2013 Month Ending</u>	<u>Fiscal Year To Date</u>
Current Year	\$ 107,009	\$ 798,431
Effective Rate of Return	0.70%	0.79%

- **Monthly Income = \$107,009**
- **Fiscal Year To Date Income = \$798,431**

The income generated by the investment portfolio is available to the City for operational liquidity, for meeting the City's financial obligations, and to offset funds required from the citizens and businesses of Huntington Beach.

**Portfolio Activity:**

For the month of April 2013, there were no purchases, calls or maturities of Federal Agency Securities or Corporate Bonds. There were no transfers to/from the City's operating account to/from LAIF.

**Compliance:**

The portfolio is in conformity with all State laws and the Investment Policy statement filed with the City Council on November 5, 2012. 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 months' obligations.



City of Huntington Beach  
2000 Main St.  
Huntington Beach,

**City of HB  
Portfolio Management  
Portfolio Summary  
April 30, 2013**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Certificates of Deposit	250,000.00	250,000.00	250,000.00	0.13	296	85	0.600	0.608
Federal Agency Issues - Coupon	128,000,000.00	128,298,790.00	127,983,876.37	68.55	1,584	1,353	0.931	0.944
Local Agency Investment Funds	38,178,395.84	38,178,395.84	38,178,395.84	20.45	1	1	0.260	0.264
Corporate Bonds	19,960,000.00	20,370,162.80	20,281,322.47	10.86	975	687	0.784	0.795
<b>Investments</b>	<b>186,388,395.84</b>	<b>187,097,348.64</b>	<b>186,693,594.68</b>	<b>100.00%</b>	<b>1,193</b>	<b>1,002</b>	<b>0.777</b>	<b>0.788</b>

**Cash and Accrued Interest**

Accrued Interest at Purchase	6,197.91	6,197.91	6,197.91					
Subtotal	6,197.91	6,197.91	6,197.91					
<b>Total Cash and Investments</b>	<b>186,388,395.84</b>	<b>187,103,546.55</b>	<b>186,699,792.59</b>		<b>1,193</b>	<b>1,002</b>	<b>0.777</b>	<b>0.788</b>

**Total Earnings**

	April 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	107,008.74	798,431.19	
Current Budget	112,000.00	784,000.00	1,344,000.00
Last Year Actual	156,250.00	1,093,750.00	1,875,000.00
<b>Average Daily Balance</b>	<b>186,686,547.88</b>	<b>174,823,503.30</b>	
<b>Effective Rate of Return</b>	<b>0.70%</b>	<b>0.79%</b>	

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 November 5, 2012. 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*  
Alisa Cutchen, CITY TREASURER 5.28.13

Reporting period 04/01/2013-04/30/2013

Run Date: 05/28/2013 - 09:30

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**City of HB**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**April 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Certificates of Deposit</b>												
06426GAA5	3946	Bank of the West	250,000.00	10/02/2012	250,000.00	250,000.00	250,000.00	0.600		0.608	85	07/25/2013
			<b>Subtotal and Average</b>		<b>250,000.00</b>	<b>250,000.00</b>	<b>250,000.00</b>			<b>0.608</b>	<b>85</b>	
<b>Federal Agency Issues - Coupon</b>												
3133EAUE6	3932	Federal Farm Credit Bank		06/14/2012	5,000,000.00	5,004,050.00	5,000,000.00	0.875	AA	0.875	1,140	06/14/2016
3133EAUE6	3933	Federal Farm Credit Bank		06/14/2012	5,000,000.00	5,004,050.00	5,000,000.00	0.875	AA	0.875	1,140	06/14/2016
3133EAI33	3942	Federal Farm Credit Bank		08/15/2012	5,000,000.00	5,008,200.00	4,997,944.44	0.730	AA	0.743	1,202	08/15/2016
3133EAP77	3944	Federal Farm Credit Bank		08/27/2012	5,000,000.00	5,006,000.00	5,000,000.00	0.480	AA	0.480	848	08/27/2015
3133805K9	3941	Federal Home Loan Bank		08/08/2012	5,000,000.00	5,000,300.00	4,999,399.24	0.720	AA	0.724	1,195	08/08/2016
313381M44	3953	Federal Home Loan Bank		12/28/2012	5,000,000.00	5,004,600.00	5,000,000.00	0.650	AA	0.650	1,337	12/28/2016
3134G3FC9	3920	Federal Home Loan Mort Corp		01/09/2012	5,000,000.00	5,021,650.00	5,000,000.00	1.000	AA	1.000	882	09/30/2015
3134G3KC3	3922	Federal Home Loan Mort Corp		01/27/2012	5,000,000.00	5,027,000.00	5,000,000.00	1.000	AA	1.000	1,001	01/27/2016
3134G3LU2	3925	Federal Home Loan Mort Corp		02/14/2012	5,000,000.00	5,035,500.00	5,000,000.00	1.050	AA	1.316	1,385	02/14/2017
3134G3B90	3940	Federal Home Loan Mort Corp		08/15/2012	5,000,000.00	5,024,650.00	5,000,000.00	0.875	AA	0.875	1,567	08/15/2017
3134G33B4	3952	Federal Home Loan Mort Corp		01/11/2013	5,000,000.00	5,004,650.00	5,000,000.00	1.000	AA	1.000	1,716	01/11/2018
31398A3L4	3854	Fed. Natl Mort. Assoc.		09/17/2010	3,000,000.00	3,011,490.00	3,000,000.00	1.125	AA	1.125	139	09/17/2013
3136G0JL6	3929	Fed. Natl Mort. Assoc.		06/07/2012	5,000,000.00	5,001,800.00	5,000,000.00	1.000	AA	1.257	1,498	06/07/2017
3136G0MK4	3931	Fed. Natl Mort. Assoc.		06/21/2012	5,000,000.00	5,006,500.00	5,000,000.00	1.000	AA	1.246	1,512	06/21/2017
3136G0NR8	3935	Fed. Natl Mort. Assoc.		06/28/2012	5,000,000.00	5,002,800.00	4,995,065.10	0.500	AA	0.966	1,154	06/28/2016
3135G0RK1	3945	Fed. Natl Mort. Assoc.		11/07/2012	5,000,000.00	5,008,750.00	5,000,000.00	0.900	AA	0.900	1,651	11/07/2017
3136G07K1	3947	Fed. Natl Mort. Assoc.		12/07/2012	5,000,000.00	5,009,500.00	5,000,000.00	0.700	AA	1.002	1,680	12/06/2017
3136G17E3	3950	Fed. Natl Mort. Assoc.		12/26/2012	5,000,000.00	5,012,850.00	5,000,000.00	0.650	AA	1.042	1,700	12/26/2017
3136G1A66	3951	Fed. Natl Mort. Assoc.		12/26/2012	5,000,000.00	5,018,050.00	5,000,000.00	0.700	AA	1.053	1,700	12/26/2017
3135G0SB0	3954	Fed. Natl Mort. Assoc.		12/21/2012	5,000,000.00	5,000,450.00	4,991,467.59	0.375	AA	0.452	964	12/21/2015
3136G1AY5	3955	Fed. Natl Mort. Assoc.		01/30/2013	5,000,000.00	5,024,750.00	5,000,000.00	0.750	AA	1.078	1,735	01/30/2018
3136G1CJ6	3957	Fed. Natl Mort. Assoc.		02/21/2013	5,000,000.00	5,011,250.00	5,000,000.00	0.750	AA	1.193	1,757	02/21/2018
3136G1E62	3961	Fed. Natl Mort. Assoc.		02/25/2013	5,000,000.00	5,015,200.00	5,000,000.00	0.600	AA	0.600	1,212	08/25/2016
3135G0NL3	3962	Fed. Natl Mort. Assoc.		02/11/2013	5,000,000.00	5,001,250.00	5,000,000.00	0.625	AA	0.625	1,027	02/22/2016
3136G1FB0	3963	Fed. Natl Mort. Assoc.		02/28/2013	5,000,000.00	5,005,800.00	5,000,000.00	0.750	AA	1.435	1,764	02/28/2018
3136G1EP0	3964	Fed. Natl Mort. Assoc.		03/12/2013	5,000,000.00	5,027,700.00	5,000,000.00	1.100	AA	1.100	1,776	03/12/2018
			<b>Subtotal and Average</b>		<b>128,000,000.00</b>	<b>128,298,790.00</b>	<b>127,983,876.37</b>			<b>0.944</b>	<b>1,353</b>	
<b>Local Agency Investment Funds</b>												
SYS982	982	Laif City			38,178,395.84	38,178,395.84	38,178,395.84	0.264		0.264	1	
			<b>Subtotal and Average</b>		<b>38,178,395.84</b>	<b>38,178,395.84</b>	<b>38,178,395.84</b>			<b>0.264</b>	<b>1</b>	

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**City of HB  
Portfolio Management  
Portfolio Details - Investments  
April 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Corporate Bonds</b>												
084664AT8	3895	Berkshire Hathaway Fin		08/26/2011	1,310,000.00	1,407,699.80	1,385,247.69	4.850	AA	1.390	624	01/15/2015
14912L4Y4	3930	Caterpillar Financial Corp.		05/30/2012	2,000,000.00	2,024,280.00	2,006,842.05	1.125	A	0.911	593	12/15/2014
14912L5D9	3936	Caterpillar Financial Corp.		08/03/2012	3,000,000.00	3,038,250.00	3,035,824.49	1.100	A	0.520	758	05/29/2015
36962G4X9	3906	General Electric Capital Corp		09/29/2011	2,000,000.00	2,024,680.00	2,007,079.27	2.100	AA	1.570	251	01/07/2014
36962G4G6	3949	General Electric Capital Corp		12/14/2012	1,650,000.00	1,729,563.00	1,726,077.17	3.750	AA	0.722	562	11/14/2014
36962G6R0	3956	General Electric Capital Corp		01/25/2013	2,000,000.00	2,010,160.00	2,001,055.24	1.000	AA	0.980	982	01/08/2016
24422ERK7	3937	John Deere Capital		08/03/2012	3,000,000.00	3,041,520.00	3,037,097.99	1.250	A	0.465	580	12/02/2014
24422ERS0	3948	John Deere Capital		12/11/2012	2,000,000.00	2,018,800.00	2,016,271.90	0.950	A	0.570	789	06/29/2015
931142CX9	3943	Wal-Mart Stores		08/14/2012	3,000,000.00	3,075,210.00	3,065,826.67	1.500	AA	0.606	907	10/25/2015
		<b>Subtotal and Average</b>	<b>20,288,704.71</b>		<b>19,960,000.00</b>	<b>20,370,162.80</b>	<b>20,281,322.47</b>			<b>0.795</b>	<b>687</b>	
		<b>Total and Average</b>	<b>186,686,547.88</b>		<b>186,388,395.84</b>	<b>187,097,348.64</b>	<b>186,693,594.68</b>			<b>0.788</b>	<b>1,002</b>	

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**City of HB  
Portfolio Management  
Portfolio Details - Cash  
April 30, 2013**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to 365 Maturity
		Average Balance	0.00	Accrued Interest at Purchase		6,197.91	6,197.91				0
		Subtotal				6,197.91	6,197.91				
		<b>Total Cash and Investments</b>	<b>186,686,547.88</b>		<b>186,388,395.84</b>	<b>187,103,546.55</b>	<b>186,699,792.59</b>			<b>0.788</b>	<b>1,002</b>

**City of HB**  
**Portfolio Management**  
**Activity By Type**  
**April 1, 2013 through April 30, 2013**

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Certificates of Deposit</b>							
		Subtotal					250,000.00
<b>Federal Agency Issues - Coupon</b>							
		Subtotal					127,983,876.37
<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS982	982	Laif City	0.264		30,435.66	0.00	
		Subtotal			30,435.66	0.00	38,178,395.84
<b>Corporate Bonds</b>							
		Subtotal					20,281,322.47
		Total			30,435.66	0.00	186,693,594.68

**City of HB  
Portfolio Management  
Activity Summary  
April 2012 through April 2013**

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	2012	40	173,406,734.12	1.174	1.191	0.367	2	0	1,221	1,015
May	2012	40	181,650,062.55	1.168	1.184	0.363	1	1	1,218	994
June	2012	37	188,798,856.18	1.078	1.093	0.358	6	9	1,264	1,106
July	2012	33	178,453,606.72	1.011	1.025	0.363	0	4	1,133	964
August	2012	39	178,919,282.36	1.034	1.049	0.377	7	1	1,320	1,129
September	2012	37	169,501,918.57	1.000	1.014	0.348	0	2	1,299	1,099
October	2012	35	163,378,685.54	0.968	0.981	0.348	1	2	1,283	1,071
November	2012	36	161,479,959.57	0.963	0.976	0.324	1	0	1,299	1,068
December	2012	35	160,292,718.24	0.903	0.915	0.326	7	8	1,340	1,159
January	2013	34	182,030,048.28	0.755	0.765	0.300	3	4	1,102	959
February	2013	37	183,986,101.22	0.756	0.767	0.286	4	1	1,125	983
March	2013	37	186,749,407.36	0.782	0.793	0.285	1	1	1,193	1,026
April	2013	37	186,686,547.88	0.777	0.788	0.264	0	0	1,193	1,002
<b>Average</b>		<b>37</b>	<b>176,515,239.15</b>	<b>0.951%</b>	<b>0.965%</b>	<b>0.331</b>	<b>3</b>	<b>3</b>	<b>1,230</b>	<b>1,044</b>



**City of HB**  
**Portfolio Management**  
**Interest Earnings Summary**  
**April 30, 2013**

	April 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	22,500.00	812,576.52
Plus Accrued Interest at End of Period	398,001.69	398,001.69
Less Accrued Interest at Beginning of Period	( 306,967.49)	( 355,348.37)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
<b>Interest Earned during Period</b>	<b>113,534.20</b>	<b>855,229.84</b>
Adjusted by Premiums and Discounts	-14,806.57	-110,224.65
Adjusted by Capital Gains or Losses	0.00	0.00
<b>Earnings during Periods</b>	<b>98,727.63</b>	<b>745,005.19</b>
<b>Pass Through Securities:</b>		
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)
<b>Interest Earned during Period</b>	<b>0.00</b>	<b>0.00</b>
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
<b>Earnings during Periods</b>	<b>0.00</b>	<b>0.00</b>
<b>Cash/Checking Accounts:</b>		
Interest Collected	30,435.66	70,521.27
Plus Accrued Interest at End of Period	10,462.40	10,462.40
Less Accrued Interest at Beginning of Period	( 32,616.95)	( 27,557.67)
<b>Interest Earned during Period</b>	<b>8,281.11</b>	<b>53,426.00</b>
<b>Total Interest Earned during Period</b>	<b>121,815.31</b>	<b>908,655.84</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>-14,806.57</b>	<b>-110,224.65</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>107,008.74</b>	<b>798,431.19</b>





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

**Finance Department  
April 2013**

<b>Cash Receipts and Disbursements</b>	<b>March 2013</b>	<b>April 2013</b>
<b>Receipts</b>		
Property Tax Receipts	\$2,550,165	\$18,062,248
Utility Tax Receipts (UUT)	1,776,783	1,777,337
Sales Tax Receipts	2,522,330	1,562,800
1/2 Cent Safety Sales Tax Receipts	229,653	139,903
Highway Users Tax Receipts (HUT)	537,120	677,725
Transient Occupancy Tax Receipts (TOT)	530,761	671,061
Government Funds	97,683	41,038
Capital Funds	815,647	846,292
Debt Service Funds	1,189,307	-
Enterprise Funds	4,530,396	4,737,086
Fiduciary Funds	954,162	2,774,194
Special Revenue Funds	1,739,244	1,779,665
All Other Receipts	4,769,838	4,122,806
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<b>Total Receipts</b>	<b>\$22,243,089</b>	<b>\$37,192,154</b>
<b>Disbursements</b>		
<b>Total Disbursements</b>	<b>(28,376,797)</b>	<b>(19,967,335)</b>
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<b>Net Change in Cash Flow</b>	<b>(\$6,133,708)</b>	<b>\$17,224,819</b>
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<b>Summary of Cash by Fund</b>		
	<b>March 2013</b>	<b>April 2013</b>
General Fund	65,851,340	79,707,670
Government Funds	1,246,289	1,172,042
Capital Funds	11,436,847	11,290,215
Debt Service Funds	12,572	15,630
Enterprise Funds	90,342,965	91,886,850
Fiduciary Funds	16,995,449	19,164,562
Special Revenue Funds	14,716,843	15,549,844
<b>General Ledger Cash Balances</b>	<b>200,602,304</b>	<b>218,786,812 *</b>
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\* 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.