



CITY OF HUNTINGTON BEACH CITY TREASURER'S REPORT

Period Ending: March 31, 2015

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City Treasurer

CITY TREASURER'S MISSION: **PRESERVATION AND RETURN OF INVESTMENTS**

- Portfolio governed by:
 - California State Regulations
 - City's Investment Policy – Certified
by California Municipal Treasurers
Association



CITY TREASURER'S MISSION: **PRESERVATION AND RETURN OF INVESTMENTS**

- Goal: Own Legal AND Suitable Investments to meet the objectives:
 - Safety of Principal
 - Adequate Liquidity
 - Market Rate of Return

In this absolute order of priority



CITY TREASURER'S MISSION: **PRESERVATION AND RETURN OF INVESTMENTS**

- Frequently Utilized Investments:
 - U.S. Treasury Bills, Bonds and Notes
 - U.S. Federal Agency Issues
 - Corporate Notes/Bonds
 - LAIF (CA State Pool)



INTEREST RATE VOLATILITY: 5-YEAR TREASURY YIELD: JAN-MAR 2015



1/2/15: 1.18%

3/6/15: 1.7% (High)

3/31/15: 1.37%



PORTFOLIO OVERVIEW: INVESTMENT SUMMARY

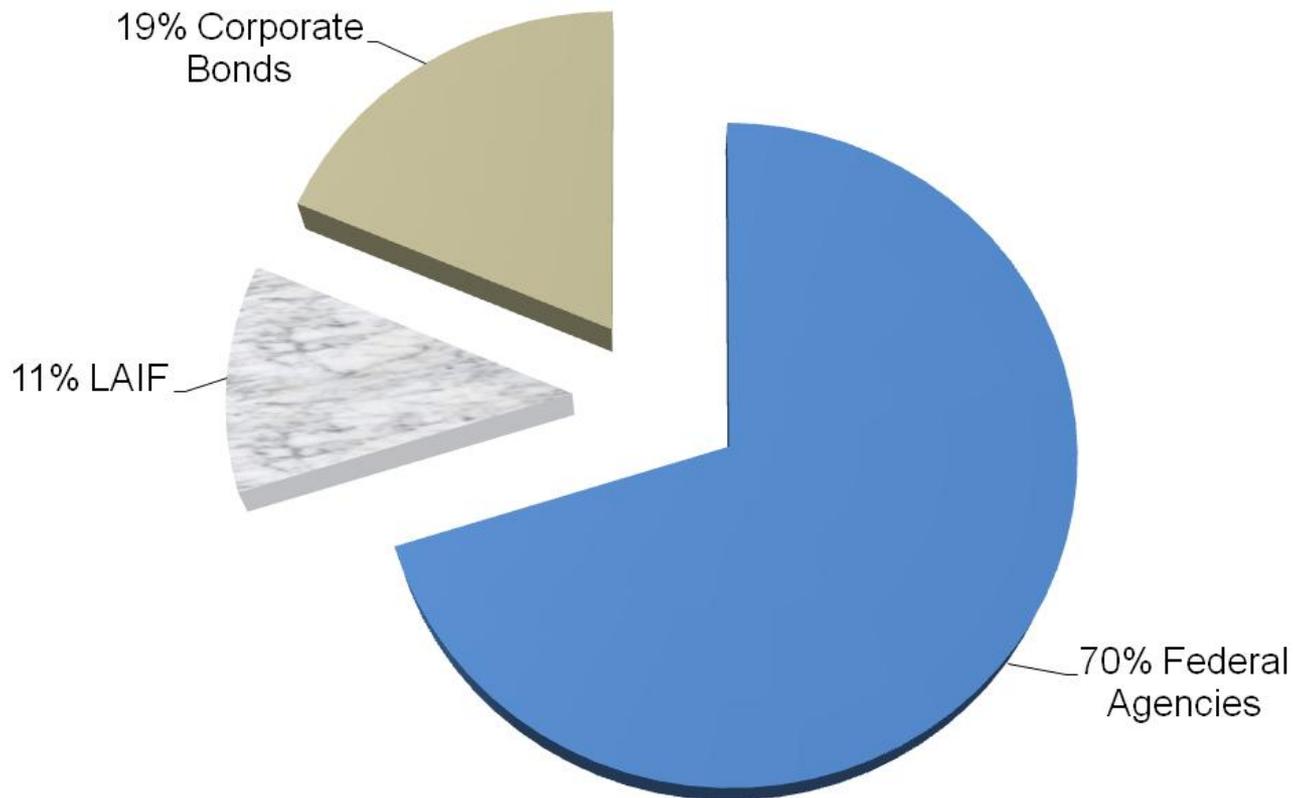
\$ in millions:

<u>Investment Type</u>	<u>Market Value</u>	<u>Book Value</u>	<u>% of Portfolio</u>
Federal Agency Issues	\$ 140.11	\$ 140.02	70%
Local Agency Investment Fund (LAIF)	\$ 22.30	\$ 22.30	11%
Corporate Bonds	\$ 37.28	\$ 37.19	19%
Total Portfolio	\$ 199.68	\$ 199.51	100%



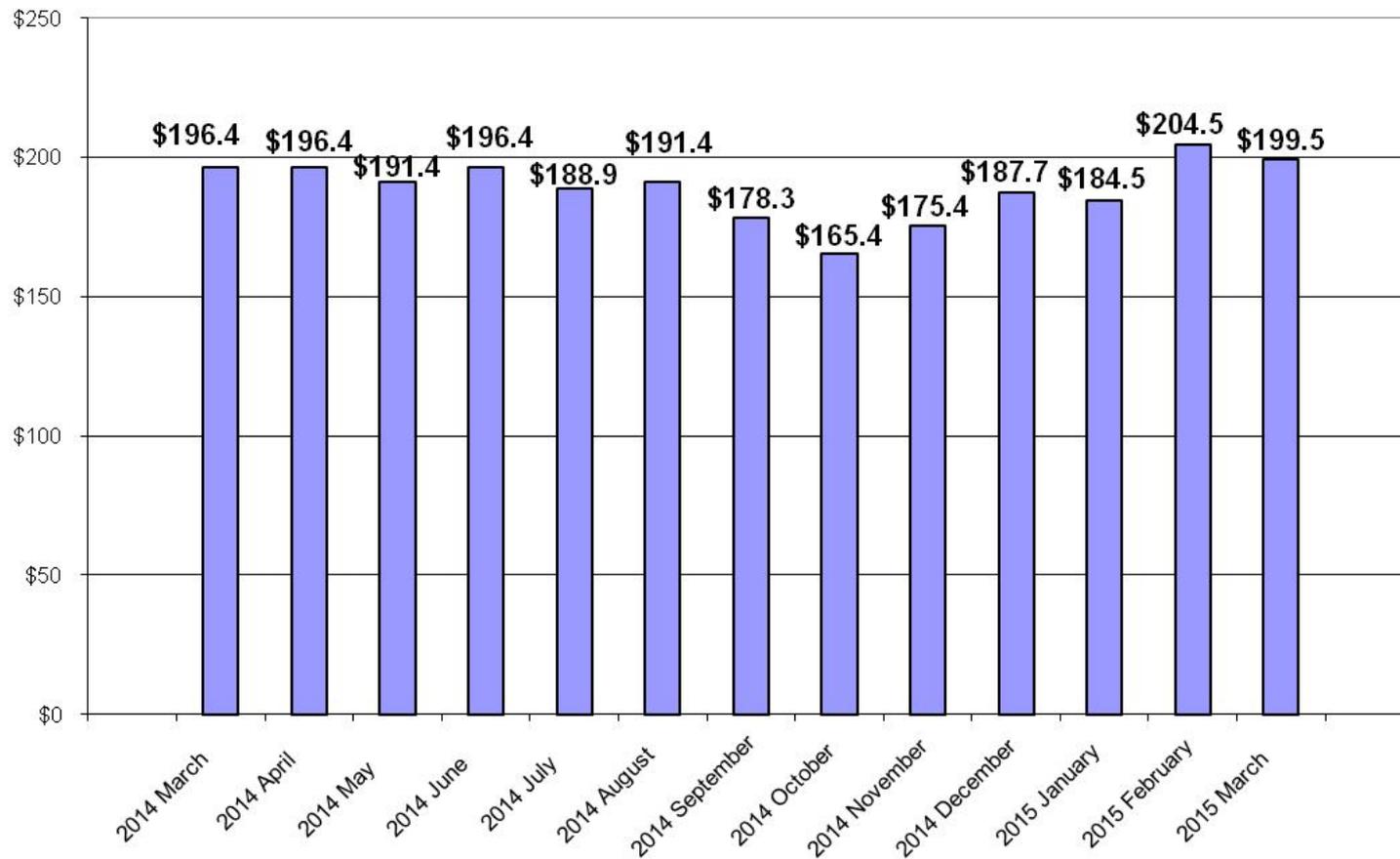
PORTFOLIO OVERVIEW: INVESTMENTS BY TYPE

As a percentage of book value:



PORTFOLIO OVERVIEW: HISTORICAL BOOK VALUE

Book Value History
\$ in millions



PORTFOLIO PERFORMANCE: AS OF MARCH 31, 2015

- **Monthly Earnings** for Mar 2015: \$175,525
vs. budgeted: \$100,000
- **Fiscal YTD Earnings** through Mar 2015: \$893,851
vs. budgeted: \$600,000
- **Fiscal YTD Effective Rate of Return:** 1.02%
vs. benchmark: 0.39%

• Benchmark per Investment Policy: Average of monthly LAIF rate and 12-month rolling average 2-year Constant Maturity Treasury Rate



QUESTIONS?

