

*Finance Department  
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**Date:** December 21, 2017  
**To:** Mayor and City Council  
**From:** David Persselin, Finance Director  
**Subject:** Cash and Investments Report – July 2017

The following information concerning cash and investments is hereby transmitted to the City Council:

*Cash & Investments*

- Narrative and Highlights
- Summary of Cash and Investments
- Investment Performance
- Investment Rate Performance
- Investments Compared to Limits
- Investment Summary
- Investment Activity
- Detail of Cash and Investments, Petty Cash and Cash with Fiscal Agents

The treasurer's report has been prepared to comply with state regulations contained in Government Code Section 53646. Detailed information is provided on all investments and monies held by fiscal agents.

I verify that all investment activities since the last report have been made in full compliance with the City's investment policy, which has been approved by the City Council. The Treasurer's cash management program provides sufficient liquidity to meet expenditures for the next six months.

This report is available on the City's internet site.

A blue ink signature of David Persselin, consisting of a large, stylized initial 'D' followed by a cursive 'P' and 'ersselin'.

David Persselin  
Finance Director

jab

**CITY OF FREMONT  
NARRATIVES AND HIGHLIGHTS  
July 2017**

***EXECUTIVE SUMMARY***

City liquidity needs were met in July and investment categories were well within the allowed percentages under California law and the City investment policy (see page 5 for component percentages).

The overall portfolio month end yield increased from 1.56% last month to 1.57% this month. The yield for the same month last year was 1.41%. The LAIF (State of California Local Agency Investment Funds) apportionment yield of 1.05% was 0.52% lower than the City’s average month end yield. (See the portfolio-benchmark comparative yield graph on page 5.) The California Asset Management Program yield was 1.09%. The Federal Reserve Open Market Committee federal funds rate target remained in the range of 1.00%-1.25%. The two-year U.S. Treasury Note yield decreased from 1.38% to 1.34% and the five-year U.S. Treasury Note yield decreased from 1.89% to 1.84%.

***CHANGES IN CASH AND INVESTMENT POOLED BALANCES (Pages 3, 3.1, and 3.2)***

Pooled cash and investment balances decreased by \$47.3 million during July to a total of \$299.4 million. Pooled cash and investment balances were \$28.7 million higher than the \$270.7 million on hand last year. Compared to June, cash decreased in the General Fund by \$36.0 million, in General Obligation Bond Fund by \$2.4 million, in the County Roads Funds by \$1.9 million, in the Internal Service Funds by \$1.7 million, in the Other Agency Funds by \$4.5 million, in the Other Funds by \$1.3 million, and in the Development Cost Center Funds by \$5.0 million. Cash increased in the Capital Improvement Funds by \$3.1 million, in the Park Benefit Impact Funds by \$1.2 million, in the Housing Funds by \$2.0 million, and in the Community Assistance Funds by \$1.2 million. All the remaining funds combined netted a decrease of \$2.0 million. General Fund cash flows were as follows:

<u>Inflows:</u>	<u>Millions</u>	<u>Totals (Millions)</u>
Sales and use tax	\$ 3.3	
Business license fees	0.8	
Transient occupancy tax	0.7	
Transfer from other funds	3.8	
Other revenues	1.9	
Transfers-in	<u>0.9</u>	\$11.4
 <u>Outflows:</u>		
Payroll	\$34.6	
Supplies, services, and other	2.9	
Internal service allocations	1.6	
Transfers-out	<u>8.3</u>	(47.4)
Net General Fund cash decrease		<u>(\$36.0)</u>

*Other Fund changes greater than \$1 million*

1. The General Obligation Bond Fund decreased by \$2.4 million due to debt service payments.
2. The County Roads Funds decreased by \$1.9 million as a result of payments made for slurry cape and seal projects.
3. The Internal Service Funds decreased by \$1.7 million due to payments for CSAC and liability insurance.
4. The Other Agency Funds decreased by \$4.5 million due to a payment to Fremont Hills for early grading surety.
5. The Other Funds decreased by \$1.3 million mostly as a result of payments for concrete projects.
6. The Development Cost Center Funds decreased by \$5.0 million as a result of a \$2.5 million transfer to the Capital Improvement Funds for building improvements along with pension payments.
7. The Capital Improvement Funds increased \$3.1 million mostly as a result of the \$2.5 million transfer from the Development Cost Center Funds.
8. The Park Benefit Impact Funds increased by \$1.2 million due to the receipt of impact fees.
9. The Housing Funds increased \$2.0 million due to the receipt of inclusionary housing in lieu fees.
10. The Community Assistance Funds increased \$1.2 million mostly as a result of the receipt of CDBG funds from the prior fiscal year.

***CHANGES IN THE PORTFOLIO FAIR MARKET VALUE ADJUSTMENT (Page 3)***

The City periodically adjusts its investment carrying value to fair market value to comply with governmental accounting standards. Market Prices are supplied by PFM Asset Management. The graph entitled *Interest Compared to Interest plus Fair Value Adjustments* on page 4 shows the impact of unrealized gains/(losses) on the actual interest revenue.

The July negative month end estimated valuation adjustment of \$743 thousand increased by \$296 thousand from the prior month. Valuations for the portfolio taken as a whole are shown in Chart 2 on page 3 for 2015, 2016, and 2017.

***INVESTMENT ACTIVITY AND INTEREST RATE PERFORMANCE (Pages 4, 5 and 6)***

Money market and pooled funds account percentages of the pooled portfolio increased from 33% to 43.1% compared to last year. These short term investments will help the City to more rapidly

reallocate its portfolio if interest rates begin to rise from their current low levels. LAIF appears to remain safe and its yield of 1.05% remains significantly better than other investments of one year or less.

Current month interest income of \$494 thousand, exclusive of the fair value adjustment, was \$1 thousand less than the prior month. Accrued interest (earned but not yet received) related to City investments at the end of July 2017 was \$1.0 million.

This month, \$3.3 million of available funds were newly invested at an average rate of 2.02% (1619 day average maturity), compared to \$20.9 million at 1.96% (1508 days) in June, and \$12.2 million at 0.92% (1098 days) in the same month one year ago. (See page 7) The City did not enter into any repurchase or reverse repurchase agreements during the month.

The dollar weighted-average portfolio life increased by 75 days compared to last month and was a decrease of 45 days from the prior year. The dollar weighted-average portfolio life only uses maturity dates and does not take early calls into account so it overstates the actual expected portfolio life. However, the statistic is a useful trend indicator.

### ***THE YIELD CURVE (Page 6)***

Page 6 compares U.S. Treasury bill and note yield curves at the end of July 2017, June 2017, and July 2016. The U.S. Treasury yield curve and comparable yield curves for other types of investments retained their “normal-curve” shape and are expected to do so for at least the next year. Interest rates for U.S. Treasuries of about six months and less remain near zero percent.

**SUMMARY OF CASH AND INVESTMENTS - TOTAL CITY  
WITH COMPARISON**

	<b>Current Month 07/31/2017</b>	<b>Prior Month 06/30/2017</b>	<b>Prior Year 07/31/2016</b>	<b>Change from Prior Month 07/17 to 06/17</b>	<b>Change from Prior Year 07/17 to 07/16</b>
<b>CASH AND INVESTMENTS - TOTAL CITY</b>					
<b>INVESTMENTS CITY POOL</b>					
Investment in Securities at Cost	\$ 177,296,945	\$ 183,331,833	\$ 174,708,781	\$ (6,034,888)	\$ 2,588,164
Adjustments to Fair Value (Chart 2)	(742,594)	(1,038,091)	1,666,479	295,497	(2,409,073)
State of California Local Agency Investment Funds (LAIF)	65,000,000	65,000,000	65,000,000	-	-
California Asset Management Program	38,307,771	73,252,210	22,061,259	(34,944,439)	16,246,512
<b>Subtotal - Investments (City Pool)</b>	<u>279,862,122</u>	<u>320,545,952</u>	<u>263,436,519</u>	<u>(40,683,830)</u>	<u>16,425,603</u>
Impound and Other Cash	755,431	632,999	214,982	122,432	540,449
General Checking Account	18,756,013	25,508,474	7,012,570	(6,752,461)	11,743,443
<b>Total - Cash and Investments (Chart 1)</b>	<u>299,373,566</u>	<u>346,687,425</u>	<u>270,664,071</u>	<u>(47,313,859)</u>	<u>28,709,495</u>
<b>PETTY CASH</b>	32,304	32,304	32,304	-	-
<b>CASH WITH FISCAL AGENTS</b>	<u>17,899,263</u>	<u>11,809,298</u>	<u>23,487,346</u>	<u>6,089,965</u>	<u>(5,588,083)</u>
<b>GRAND TOTAL - CASH AND INVESTMENTS, PETTY CASH &amp; CASH WITH FISCAL AGENTS</b>	<u>\$ 317,305,133</u>	<u>\$ 358,529,027</u>	<u>\$ 294,183,721</u>	<u>\$ (41,223,894)</u>	<u>\$ 23,121,412</u>

Chart 1  
TOTAL CASH & INVESTMENT

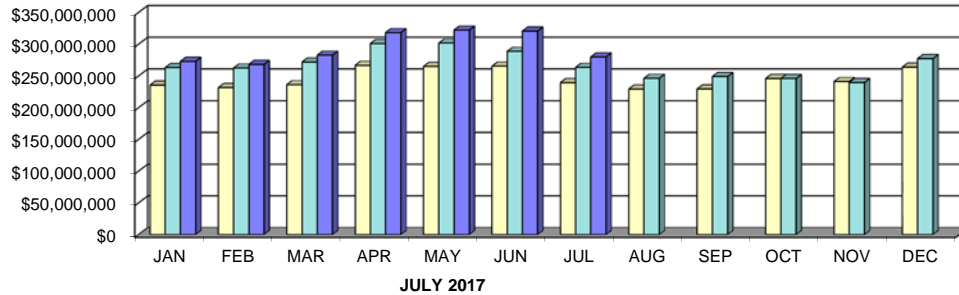
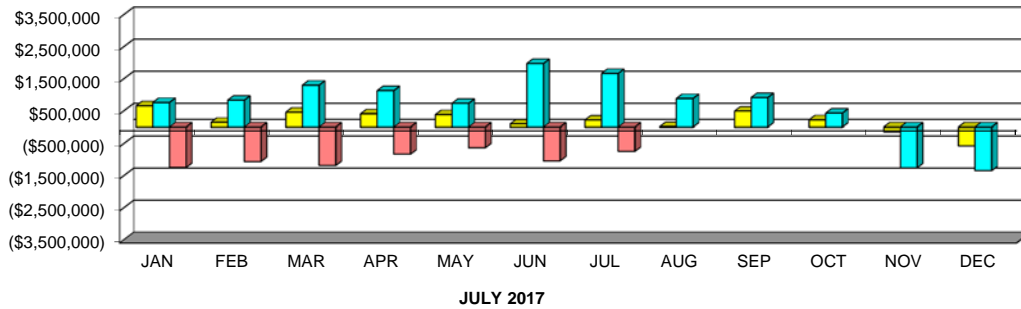


Chart 2  
ADJUSTMENTS TO FAIR VALUE



**SUMMARY OF CASH AND INVESTMENTS BY FUND  
WITH COMPARISON**

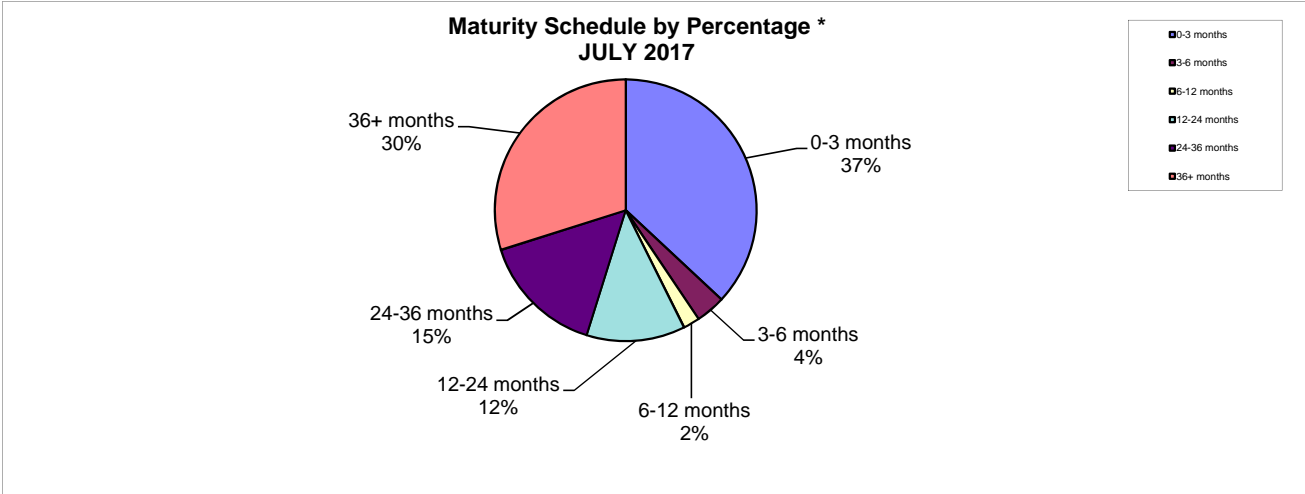
	Current Month <i>07/31/2017</i>	Prior Month <i>06/30/2017</i>	Prior Year <i>07/31/2016</i>	Change from Prior Month <i>07/17 to 06/17</i>	Change from Prior Year <i>07/17 to 07/16</i>
<b>CASH AND INVESTMENT BALANCES BY FUND</b>					
General Fund	\$ (5,718,154)	\$ 30,309,715	\$ 8,775,447	\$ (36,027,869)	\$ (14,493,601)
Capital Improvement Funds	74,270,509	71,214,946	63,995,324	3,055,563	10,275,185
Park Benefit & Impact Fee Funds	72,879,684	71,703,620	60,034,465	1,176,064	12,845,219
Internal Service Funds	24,139,958	25,799,720	22,496,193	(1,659,762)	1,643,765
Housing Funds	46,475,339	44,502,146	22,275,022	1,973,193	24,200,317
Development Cost Center Funds	16,153,553	21,203,682	14,889,637	(5,050,129)	1,263,916
Traffic Impact Fee Funds	12,948,010	13,600,808	18,740,804	(652,798)	(5,792,794)
Recreation Fund	10,902,809	10,910,265	10,955,281	(7,456)	(52,472)
Gas Tax Funds	8,156,674	8,888,543	10,659,991	(731,869)	(2,503,317)
Local Improvement Districts	11,323,996	11,300,426	10,148,496	23,570	1,175,500
Integrated Waste Management Fund	6,857,849	7,112,005	6,964,384	(254,156)	(106,535)
Other Agency Funds	2,836,495	7,369,245	3,147,574	(4,532,750)	(311,079)
Low and Moderate Income Housing Asset Fund	6,333,444	6,348,683	5,253,993	(15,239)	1,079,451
Community Assistance	6,772,493	5,522,665	4,946,689	1,249,828	1,825,804
County Roads Measure B Fund	2,724,568	4,584,076	3,347,269	(1,859,508)	(622,701)
Other Funds	1,456,846	2,784,494	922,823	(1,327,648)	534,023
Family Resource Center	(15,552)	(15,552)	1,124,478	-	(1,140,030)
Police Grants	22,679	167,526	750,405	(144,847)	(727,726)
Urban Runoff Funds	620,526	788,272	1,010,033	(167,746)	(389,507)
General Obligation Bond - Fire	231,840	2,592,140	225,763	(2,360,300)	6,077
<b>Total - Cash and Investments</b>	<u>299,373,566</u>	<u>346,687,425</u>	<u>270,664,071</u>	<u>(47,313,859)</u>	<u>28,709,495</u>
<b>PETTY CASH</b>	<u>32,304</u>	<u>32,304</u>	<u>32,304</u>	<u>-</u>	<u>-</u>
<b>CASH WITH FISCAL AGENTS</b>					
Local Improvement District Trust Accounts	5,061,096	5,058,056	6,209,368	3,040	(1,148,272)
Other Agency Trust Accounts	4,047,948	1,807,422	9,149,138	2,240,526	(5,101,190)
Lease Revenue Bonds	4,119,528	276,074	-	3,843,454	4,119,528
Lease Financing	4,670,691	4,667,746	8,128,840	2,945	(3,458,149)
<b>Total - Cash with Fiscal Agents</b>	<u>17,899,263</u>	<u>11,809,298</u>	<u>23,487,346</u>	<u>6,089,965</u>	<u>(5,588,083)</u>
<b>GRAND TOTAL - CASH &amp; INVESTMENTS, PETTY CASH AND CASH WITH FISCAL AGENT</b>	<u>\$ 317,305,133</u>	<u>\$ 358,529,027</u>	<u>\$ 294,183,721</u>	<u>\$ (41,223,894)</u>	<u>\$ 23,121,412</u>

**CITY OF FREMONT**  
**Summary of Cash and Investments by Funds**

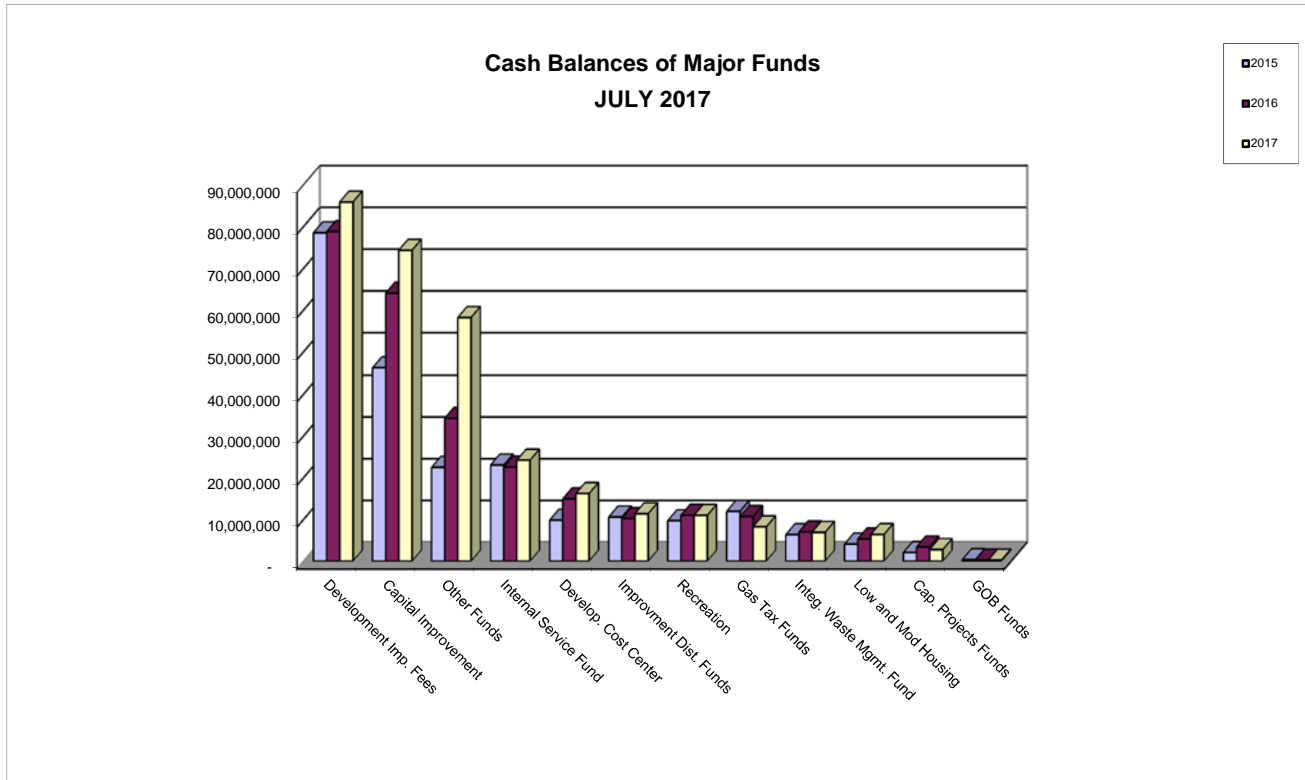
**Cash Balance**

Cash & Investments June 2017	\$ 346,687,425
Receipts for the month of July 2017	19,696,052
Disbursements for the month of July 2017	(67,305,408)
July 2017 Fair Value Adjustment	295,497
<b>Total Cash &amp; Investments July 2017</b>	<b><u>\$ 299,373,566</u></b>

Cash & Investments City Pool	\$ 279,862,122
Cash & Investments, Impound and Other Cash	755,431
Bank of America Checking Account	18,756,013
<b>Total Cash &amp; Investments July 2017</b>	<b><u>\$ 299,373,566</u></b>



\* Subject to bond call provisions



**INVESTMENT PERFORMANCE  
WITH COMPARISON  
CITY POOLED INVESTMENTS**

	<b>Current Month 07/31/2017</b>	<b>Prior Month 06/30/2017</b>	<b>Prior Year 07/31/2016</b>	<b>Change from Prior Month 07/17 to 06/17</b>	<b>Change from Prior Year 07/17 to 07/16</b>
<b>INVESTMENT YIELD</b>					
State Pool	1.05%	0.98%	0.59%	0.07%	0.46%
California Asset Management Program	1.09%	1.09%	0.55%	0.00%	0.54%
City of Fremont - End of Month	1.57%	1.56%	1.41%	0.01%	0.16%
City of Fremont - Fiscal Year to Date	1.57%	1.44%	1.41%	0.13%	0.16%

**AVERAGE LIFE OF PORTFOLIO (In Days)**

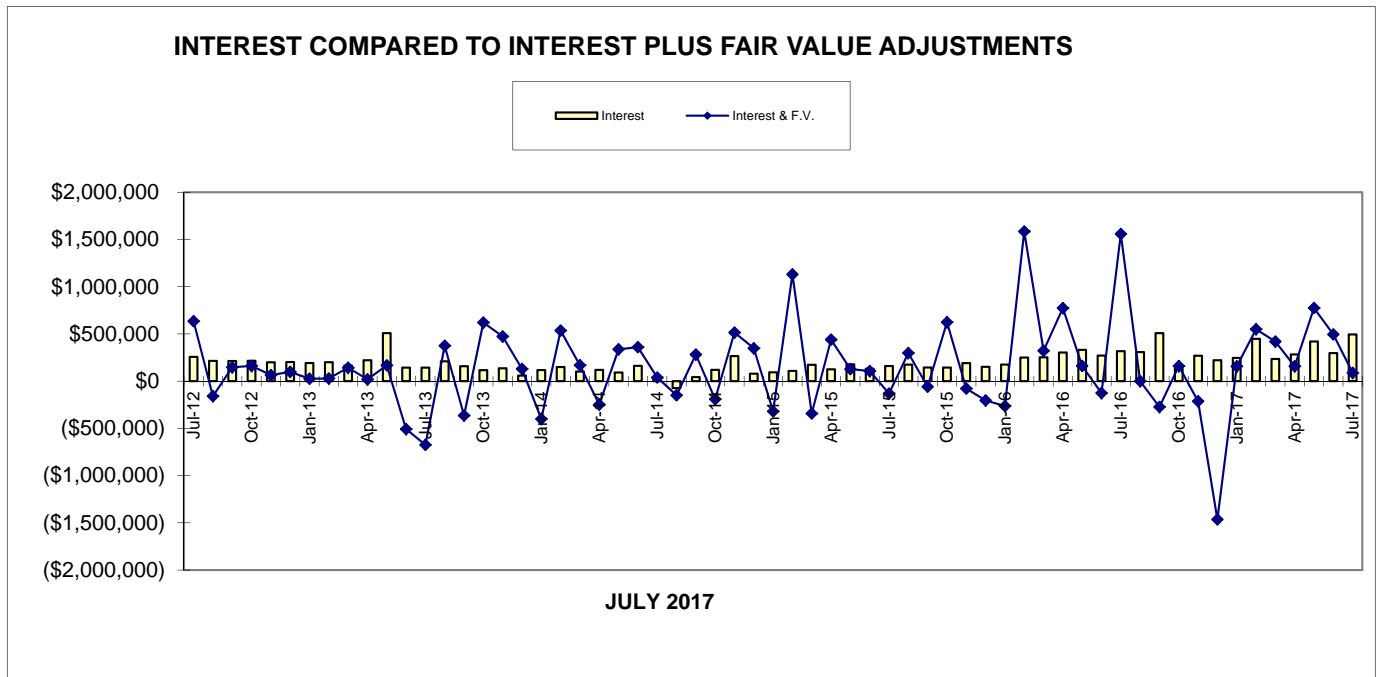
State Pool	192	194	169	(2)	23
City of Fremont	630	555	675	75	(45)

**EARNINGS CURRENT MONTH**

<b>INTEREST EARNINGS (DISTRIBUTED)</b>					
General, Capital and Grant Funds	\$ 480,685	\$ 481,705	\$ 299,306	\$ (1,020)	\$ 181,379
Local Improvement Districts	12,913	12,686	8,263	227	4,650
Total	493,598	494,391	307,569	(793)	186,029
<b>FAIR VALUE ADJUSTMENTS</b>	295,497	(406,709)	(308,242)	702,206	603,739
<b>TOTAL INTEREST EARNINGS</b>	<b>\$ 789,095</b>	<b>\$ 87,682</b>	<b>\$ (673)</b>	<b>\$ 701,413</b>	<b>\$ 789,768</b>

**FISCAL YEAR TO DATE EARNINGS**

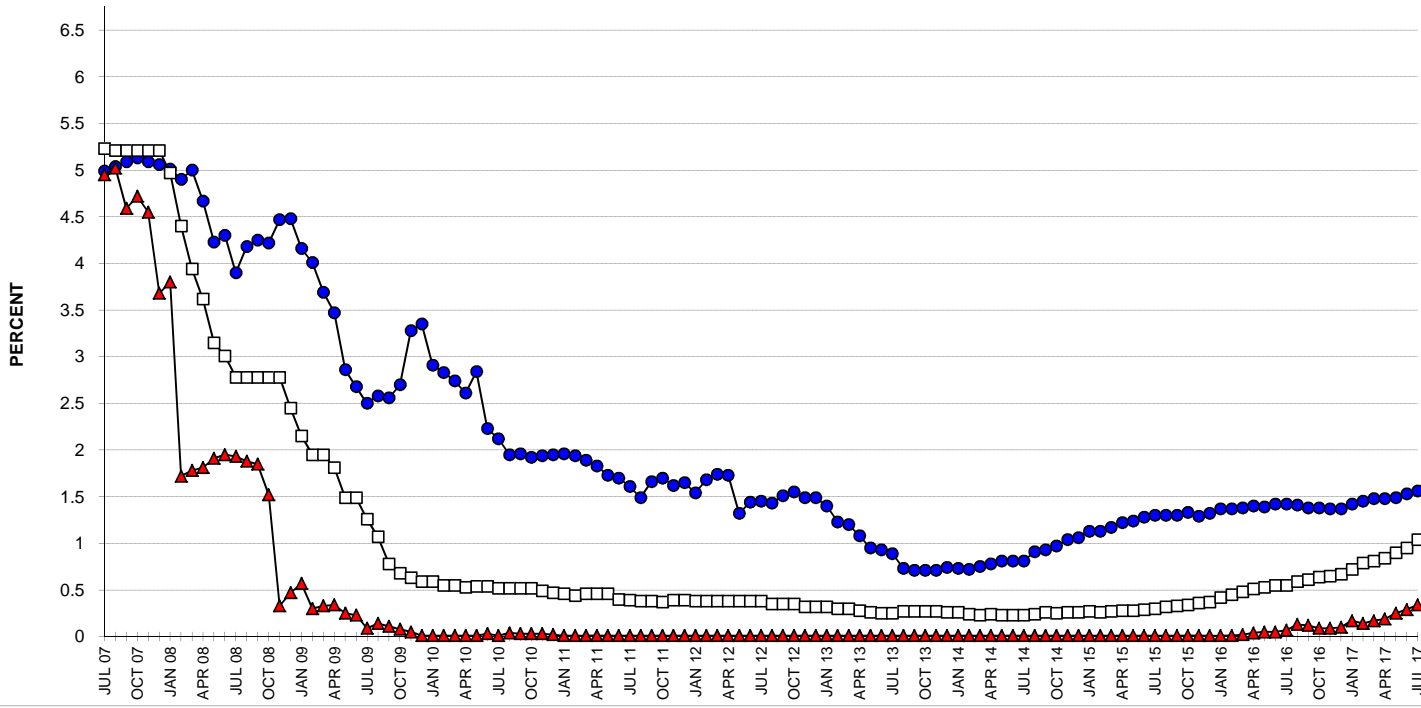
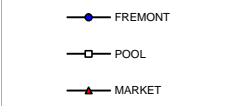
General, Capital and Grant Funds	\$ 765,796	\$ 824,251	\$ 2,084	\$ (58,455)	\$ 763,712
Local Improvement Districts	23,299	23,177	(2,757)	122	26,056
Total	\$ 789,095	\$ 847,428	\$ (673)	\$ (58,333)	\$ 789,768





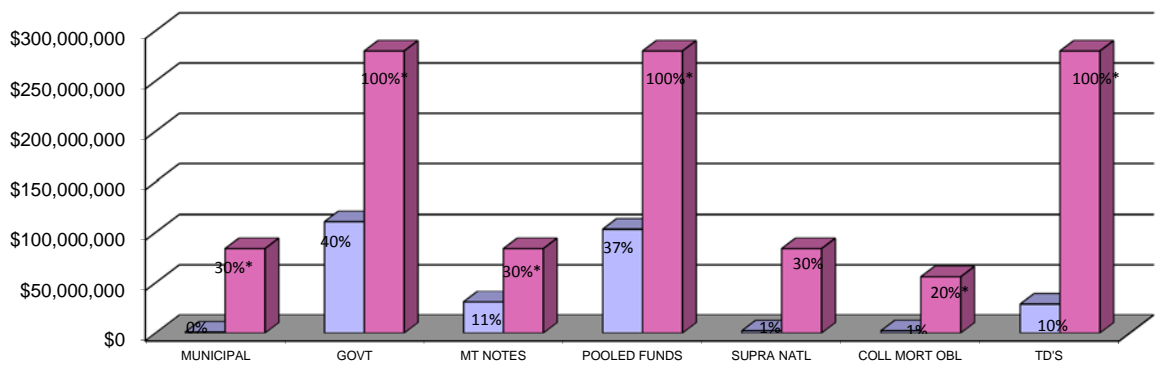
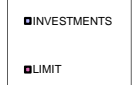
### INTEREST RATE PERFORMANCE

JULY 2017



### INVESTMENTS COMPARED TO LIMITS

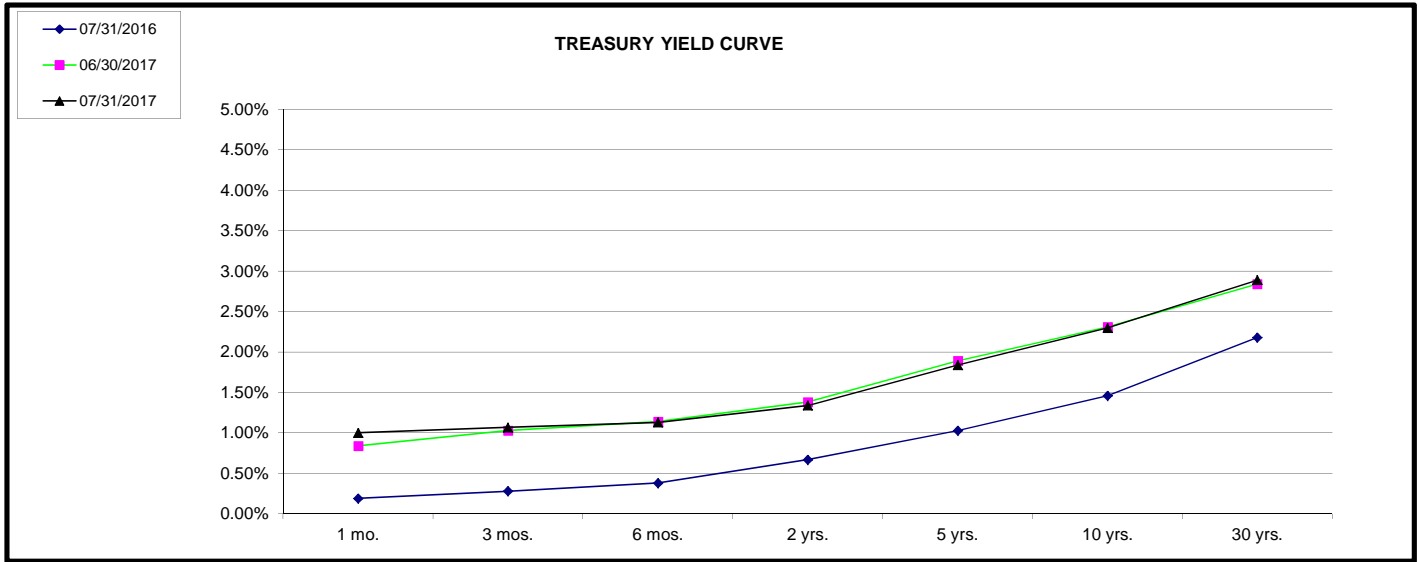
JULY 2017



\*Limit represents maximum allowable percentage portion of portfolio.

## INVESTMENT ACTIVITY JULY 2017

DATE	REDEMPTION POOLS / MONEY MARKET			PURCHASES POOLS / MONEY MARKET			AVG. RATE	AVG. MAT. DAYS
	SECURITIES		TOTAL	SECURITIES		TOTAL		
07/01/2017	\$0.00	\$0.00	\$0.00	\$0.00	\$55,560.25	\$55,560.25	0.01%	1
07/06/2017	(1,221,495.00)	-	(1,221,495.00)	2,380,074.53	-	2,380,074.53	2.12%	1679
07/10/2017	(679,947.75)	-	(679,947.75)	-	-	-	-	-
07/11/2017	-	(10,000,000.00)	(10,000,000.00)	-	-	-	-	-
07/18/2017	(606,562.50)	-	(606,562.50)	599,956.08	-	599,956.08	1.82%	1550
07/21/2017	(426,323.81)	-	(426,323.81)	-	-	-	-	-
07/25/2017	-	(25,000,000.00)	(25,000,000.00)	-	-	-	-	-
07/30/2017	-	-	-	249,980.08	-	249,980.08	2.00%	1566
07/31/2017	-	(6,330,569.07)	(6,330,569.07)	-	-	-	-	-
<b>TOTAL 07/17</b>	<b>(\$2,934,329.06)</b>	<b>(\$41,330,569.07)</b>	<b>(\$44,264,898.13)</b>	<b>\$3,230,010.69</b>	<b>\$55,560.25</b>	<b>\$3,285,570.94</b>	<b>2.02%</b>	<b>1619</b>
<b>TOTAL 06/17</b>	<b>(\$10,416,576.44)</b>	<b>(\$11,731,574.72)</b>	<b>(\$22,148,151.16)</b>	<b>\$10,887,071.66</b>	<b>\$10,052,238.86</b>	<b>\$20,939,310.52</b>	<b>1.96%</b>	<b>1508</b>
<b>TOTAL 07/16</b>	<b>(\$12,044,798.71)</b>	<b>(\$25,000,000.00)</b>	<b>(\$37,044,798.71)</b>	<b>\$12,223,215.59</b>	<b>\$20,635.70</b>	<b>\$12,243,851.29</b>	<b>0.92%</b>	<b>1098</b>



Graph Source: US Treasury - Daily Treasury Yield Curve Rates, July 31, 2017

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS  
JULY 2017**

LD.#	SECURITY LISTING	FACE RATE	MATURITY DATE	PURCHASE YIELD	PAR	ORIGINAL COST	MARKET VALUE	ACCRUED INTEREST	CREDIT RATING	CREDIT RATING
<b>GENERAL CITY INVESTMENTS</b>										
<b>CORPORATE NOTES - ISSUER</b>										
46625HJR2	JP MORGAN CHASE & CO	2.35%	01/28/19	2.16%	2,450,000.00	2,469,208.00	2,471,871.15	479.79	A-	A3
17275RAR3	CISCO SYSTEMS	2.13%	03/01/19	1.90%	1,143,000.00	1,153,858.50	1,153,681.34	10,120.31	AA-	A1
2665WAH4	AMERICAN HONDA FINANCE	2.25%	08/15/19	2.29%	2,450,000.00	2,445,467.50	2,474,059.00	25,418.75	A+	A1
12189TBC7	BURLINGTON NORTH CORP	4.70%	10/01/19	1.47%	800,000.00	883,120.00	850,012.00	12,533.33	A	A3
38145GAJ9	GOLDMAN SACHS GROUP INC	2.30%	12/13/19	2.33%	1,700,000.00	1,698,725.00	1,709,781.80	5,213.33	BBB+	A3
94974BGF1	WELLS FARGO & COMPANY	2.15%	10/13/20	2.00%	1,000,000.00	1,006,990.00	1,005,336.00	59.72	A	A2
94974BGF1	WELLS FARGO & COMPANY	2.15%	01/30/20	2.11%	1,000,000.00	1,001,590.00	1,005,336.00	59.72	A	A2
89236TCF0	TOYOTA MOTOR CREDIT	2.15%	03/12/20	1.96%	800,000.00	807,104.00	806,611.20	6,841.11	AA-	Aa3
437076B04	HOME DEPOT INC	1.80%	06/05/20	1.82%	705,000.00	704,591.10	707,946.90	1,974.00	A	A2
25468PDU7	WALT DISNEY COMPANY	1.80%	06/05/20	1.84%	1,000,000.00	998,840.00	1,000,240.00	2,750.00	A+	A2
46625HLW8	JP MORGAN CHASE & CO	2.75%	06/23/20	2.49%	1,000,000.00	1,011,320.00	1,019,953.00	2,902.78	A-	A3
94974BGM6	WELLS FARGO & COMPANY	2.60%	07/22/20	2.48%	450,000.00	452,524.50	457,614.00	292.50	A	A2
94974BGM6	WELLS FARGO & COMPANY	2.60%	07/22/20	2.31%	1,000,000.00	1,013,030.00	1,016,920.00	850.00	A	A2
06406HDD8	BNY MELLON CORP	2.60%	08/17/20	2.21%	1,000,000.00	1,017,630.00	1,017,746.00	11,844.44	A	A1
713448DC9	PEPSICO	2.15%	10/14/20	2.09%	1,250,000.00	1,253,400.00	1,261,661.25	7,987.85	A+	A1
882508AY0	TEXAS INSTRUMENTS INC	2.75%	03/12/21	2.12%	320,000.00	327,292.80	327,804.48	3,397.78	A+	A1
61746BEA0	MORGAN STANLEY CORP	2.50%	04/21/21	2.36%	850,000.00	855,440.00	852,660.50	5,902.78	BBB+	A3
06406FAB9	BANK OF NEW YORK MELLON CORP.	2.05%	05/03/21	2.00%	1,000,000.00	1,002,130.00	995,181.00	5,011.11	A	A1
0258MOEB1	AMERICAN EXPRESS CREDIT	2.25%	05/05/21	2.13%	850,000.00	854,649.50	851,400.80	4,568.75	A-	A2
05531FAV5	BRANCH BANKING & TRUST	2.05%	05/10/21	2.06%	850,000.00	849,439.00	846,743.65	3,920.63	A-	A2
857477AV5	STATE STREET	1.95%	05/19/21	2.04%	460,000.00	458,045.00	457,223.90	1,794.00	A	A1
68389XBK0	ORACLE CORP	1.90%	09/15/21	2.44%	1,045,000.00	1,020,432.05	1,040,174.19	7,500.78	AA-	A1
713448DL9	PEPSICO	1.70%	10/06/21	2.34%	925,000.00	899,044.50	914,726.03	5,023.26	A+	A1
20030NBV2	COMCAST CORP	1.63%	01/15/22	2.65%	850,000.00	809,939.50	831,166.00	613.89	A-	A3
91159HHP8	US BANCORP	2.62%	01/24/22	2.55%	1,000,000.00	1,003,430.00	1,014,381.00	510.42	A+	A1
037833AY6	APPLE INC	2.15%	02/09/22	2.18%	1,000,000.00	998,660.00	998,499.00	10,272.22	AA+	Aa1
594918BA1	MICROSOFT CORP	2.38%	02/12/22	2.27%	850,000.00	853,927.00	859,418.00	9,476.91	AAA	Aaa
0258MOEG0	AMERICAN EXPRESS CREDIT	2.70%	03/03/22	2.49%	675,000.00	680,805.00	684,310.95	7,492.50	A-	A2
25468PDO6	WALT DISNEY COMPANY	2.45%	03/04/22	2.44%	575,000.00	575,184.00	580,859.83	5,674.13	A+	A2
458140BB5	INTEL CORP	2.35%	05/11/22	2.22%	1,000,000.00	1,005,870.00	1,007,296.00	5,222.22	A+	A1
911312BC9	UNITED PARCEL SERVICE	2.35%	05/16/22	2.11%	1,000,000.00	1,010,920.00	1,008,127.00	4,895.83	A+	A1
	SUBTOTAL				30,998,000.00	31,122,606.95	31,228,739.97	170,204.84		
<b>FEDERAL AGENCY BOND / NOTE - BROKER</b>										
3133ECCJ1	FFCB - UBS FINANCIAL SERVICES	0.93%	01/10/18	0.93%	1,000,000.00	1,000,000.00	999,063.00	542.50	AA+	Aaa
3135G0J53	FNMA - JP MORGAN SECURITIES INC	1.00%	02/26/19	1.00%	2,500,000.00	2,494,100.00	2,485,875.00	10,763.89	AA+	Aaa
3137EADZ9	FMCN - TD SECURITIES (USA) LLC	1.12%	04/15/19	0.86%	3,050,000.00	3,068,361.00	3,038,037.90	10,103.13	AA+	Aaa
3135G0N33	FNMA - GOLDMAN SACHS	0.87%	08/02/19	0.93%	4,250,000.00	4,242,860.00	4,204,163.75	18,490.45	AA+	Aaa
3130A8Y72	FHLB - WELLS FARGO SECURITIES LLC	0.87%	08/05/19	0.94%	2,875,000.00	2,869,480.00	2,844,384.13	12,298.61	AA+	Aaa
3135G0P49	FNMA - GOLDMAN SACHS & CO	1.00%	08/28/19	1.05%	3,400,000.00	3,394,696.00	3,370,080.00	14,450.00	AA+	Aaa
3130AA3R7	FHLB - MERRILL LYNCH	1.37%	11/15/19	1.38%	3,685,000.00	3,684,152.45	3,678,764.98	10,696.74	AA+	Aaa
3135G0Z02	FNMA - MORGAN STANLEY DEAN WITTER	1.75%	11/26/19	1.62%	2,000,000.00	2,012,900.00	2,013,594.00	6,319.44	AA+	Aaa
3135G0T29	FNMA - JP MORGAN SECURITIES INC	1.50%	02/28/20	1.52%	3,700,000.00	3,697,632.00	3,696,984.50	23,587.50	AA+	Aaa
3130A8Q55	FHLB - KEYBANC CAPITAL MARKETS	1.12%	07/14/21	1.16%	1,450,000.00	1,446,926.00	1,417,493.90	770.31	AA+	Aaa
3130A8Q55	FHLB - TD SECURITIES LLC	1.13%	07/14/21	1.25%	4,225,000.00	4,199,307.78	4,130,283.95	2,244.53	AA+	Aaa
3135G0N82	FNMA - TD SECURITIES (USA) LLC	1.25%	08/17/21	1.32%	415,000.00	413,580.29	406,939.87	2,363.19	AA+	Aaa
3135G0N82	FNMA - CITIGROUP GLOBAL MARKETS INC	1.25%	08/17/21	1.33%	1,335,000.00	1,329,593.25	1,309,071.63	7,602.08	AA+	Aaa
	SUBTOTAL				33,885,000.00	33,853,588.77	33,594,736.61	120,232.37		
<b>FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION</b>										
3136AMKW8	MERRILL LYNCH - FNMA Series 2015-M1-ASQ2	1.63%	02/01/18	1.26%	411,118.47	415,226.57	410,902.10	557.07	AA+	Aaa
3136ANJY4	GOLDMAN SACHS - FNMA Series 2015-M7 ASQ2	1.55%	04/01/18	0.83%	472,648.14	477,372.92	472,131.16	610.50	AA+	Aaa
3136AQSW1	GOLDMAN SACHS - FNMA Series 2015-M15 ASQ2	1.90%	01/25/19	1.20%	525,000.00	530,249.95	525,199.92	830.41	AA+	Aaa
3136AQD00	MORGAN STANLEY - FNMA Series 2015-M13 ASQ2	1.64%	09/01/19	1.08%	963,385.87	973,033.12	963,261.02	1,321.44	AA+	Aaa
	SUBTOTAL				2,372,152.48	2,395,882.56	2,371,494.20	3,319.42		
<b>US TREASURY NOTES - BROKER</b>										
912828D23	CITIGROUP	1.62%	04/30/19	1.06%	3,040,000.00	3,081,562.50	3,054,725.76	12,484.24	AA+	Aaa
912828W0	MORGAN STANLEY	1.50%	05/31/19	1.06%	2,420,000.00	2,446,468.75	2,426,996.22	6,149.18	AA+	Aaa
912828G61	BARCLAYS	1.50%	11/30/19	1.33%	1,750,000.00	1,761,552.73	1,754,033.75	4,446.72	AA+	Aaa
912828UQ1	MERRILL LYNCH	1.25%	02/29/20	1.32%	245,000.00	244,282.23	243,861.24	1,281.59	AA+	Aaa
912828UQ1	CITIGROUP	1.25%	02/29/20	1.55%	2,750,000.00	2,715,625.00	2,737,218.00	14,385.19	AA+	Aaa
912828J84	CITIGROUP	1.37%	03/31/20	1.04%	325,000.00	328,986.33	324,390.63	1,501.79	AA+	Aaa
912828J84	CITIGROUP	1.37%	03/31/20	1.03%	455,000.00	460,794.14	454,146.88	2,102.51	AA+	Aaa
912828J84	CITIGROUP	1.37%	03/31/20	1.06%	1,010,000.00	1,021,480.86	1,008,106.25	4,667.11	AA+	Aaa
912828VP2	MERRILL LYNCH	2.00%	07/31/20	1.57%	1,000,000.00	1,018,867.19	1,014,141.00	54.35	AA+	Aaa
912828VV9	CITIGROUP	2.12%	08/31/20	1.23%	700,000.00	727,289.06	712,441.10	6,224.86	AA+	Aaa
912828VV9	MORGAN STANLEY	2.12%	08/31/20	1.73%	5,300,000.00	5,391,714.84	5,394,196.90	47,131.11	AA+	Aaa
912828WC0	MERRILL LYNCH	1.75%	10/31/20	1.34%	4,050,000.00	4,124,988.28	4,073,571.00	17,911.35	AA+	Aaa
912828PC8	HSBC	2.63%	11/15/20	1.21%	2,560,000.00	2,716,800.00	2,645,498.88	14,243.48	AA+	Aaa
912828A42	MERRILL LYNCH	2.00%	11/30/20	1.37%	375,000.00	385,708.01	380,039.25	1,270.49	AA+	Aaa
912828A83	MERRILL LYNCH	2.38%	12/31/20	1.28%	2,550,000.00	2,678,097.66	2,615,841.00	5,266.30	AA+	Aaa
912828N48	MORGAN STANLEY	1.75%	12/31/20	1.36%	3,075,000.00	3,127,851.56	3,089,895.30	4,679.35	AA+	Aaa
912828N89	CITIGROUP	1.38%	01/31/21	1.35%	2,500,000.00	2,502,636.72	2,479,200.00	93.41	AA+	Aaa
912828B90	MORGAN STANLEY	2.00%	02/28/21	92%	2,375,000.00	2,491,152.34	2,405,894.00	19,877.72	AA+	Aaa
912828Q37	CITIGROUP	1.25%	03/31/21	0.97%	1,415,000.00	1,433,019.14	1,394,824.93	5,944.16	AA+	Aaa
912828WN6	BARCLAYS	2.00%	05/31/21	1.87%	3,500,000.00	3,518,867.19	3,542,108.50	11,857.92	AA+	Aaa
912828WN6	HSBC	2.00%	05/31/21	1.12%	4,950,000.00	5,127,890.63	5,009,553.45	16,770.49	AA+	Aaa
912828D72	HSB SECURITIES (USA) Inc	2.00%	08/31/21	1.20%	3,150,000.00	3,268,248.05	3,184,454.70	26,364.13	AA+	Aaa
912828D72	HSBC	2.00%	08/31/21	1.93%	5,450,000.00	5,466,179.69	5,509,612.10	45,614.13	AA+	Aaa
912828T67	MERRILL LYNCH	1.25%	10/31/21	1.94%	655,000.00	630,181.64	641,567.26	2,069.12	AA+	Aaa
912828G87	BARCLAYS	2.13%	12/31/21	1.71%	7,250,000.00	7,377,441.41	7,358,750.00	13,396.74	AA+	Aaa
912828V72	BARCLAYS	1.97%	01/31/22	1.88%	1,700,000.00	1,699,269.53	1,706,308.70	86.62	AA+	Aaa
	SUBTOTAL				64,550,000.00	65,748,955.48	65,161,376.80	285,874.06		
<b>MUNICIPAL BONDS</b>										
91412GUV5	UNIVERSITY OF CALIFORNIA TAXABLE REV BONDS	1.90%	05/15/18	1.90%	420,000.00	420,000.00	421,667.40	1,688.21	AA	Aa2
20772JZK1	CONNECTICUT STATE TAXABLE GO BONDS	1.97%	03/15/19	1.90%	700,000.00	701,967.00	700,490.00	5,220.13	A+	A1
	SUBTOTAL				1,120,000.00	1,121,967.00	1,122,157.40	6,908.34		

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS  
JULY 2017**

LD.#	SECURITY LISTING	FACE RATE	MATURITY DATE	PURCHASE YIELD	PAR	ORIGINAL COST	MARKET VALUE	ACCRUED INTEREST	CREDIT RATING	CREDIT RATING
<b>GENERAL CITY INVESTMENTS (CONTINUED)</b>										
<b>ASSET-BACKED SECURITY / COLLATERALIZED MTG OBLIGATION - BROKER</b>										
89237CAD3	TOYOTA ABS 2015-B A3	1.27%	05/15/19	1.27%	697,880.17	697,842.41	697,388.44	393.91	AAA	Aaa
14314EAB7	CARMAX ABS 2016-3 A2A	1.17%	08/15/19	1.17%	571,536.82	571,489.78	570,871.61	297.20	AAA	NR
65477UAC4	NISSAN ABS 2015-A A3	1.05%	10/15/19	1.06%	435,708.82	435,617.24	435,001.80	202.33	NR	Aaa
34530VAD1	FORD ABS 2015-B A3	1.16%	11/15/19	1.16%	348,622.61	348,590.36	348,199.91	179.73	NR	Aaa
43814NAC9	HONDA ABS 2016-1 A3	1.22%	12/18/19	1.22%	360,000.00	359,948.84	359,200.62	158.60	AAA	NR
34530YAD5	FORD ABS 2015-C A3	1.41%	02/15/20	1.42%	455,149.50	455,060.93	454,954.70	285.23	AAA	Aaa
89237KAD5	TOYOTA ABS 2016-A A3	1.25%	03/16/20	1.25%	355,000.00	354,979.87	354,216.66	197.22	AAA	Aaa
65475WAD0	NISSAN ABS 2015-B A3	1.34%	03/15/20	1.34%	546,161.48	546,118.06	545,586.37	304.94	NR	Aaa
47788NAC2	JOHN DEERE ABS 2016-B-A3	1.25%	06/15/20	1.25%	365,000.00	364,970.95	363,539.60	202.78	NR	Aaa
02007LAC6	ALLY ABS 2016-3 A3	1.44%	08/15/20	1.44%	600,000.00	599,941.74	599,388.54	384.00	AAA	Aaa
44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	09/15/20	1.56%	95,000.00	94,981.57	94,995.26	65.87	AAA	Aaa
34532EAD7	FORD ABS 2016-B A3	1.33%	10/15/20	1.33%	230,000.00	229,978.20	229,302.36	135.96	Aaa	Aaa
65478WAD7	NISSAN ABS 2016-C A3	1.18%	01/15/21	1.19%	320,000.00	319,969.41	317,991.81	167.82	NR	Aaa
17305EG47	CCIT ABS 2017-A2-A2	1.74%	01/19/21	1.74%	1,450,000.00	1,449,722.33	1,452,590.43	981.17	AAA	Aaa
89238MAD0	TOYOTA ABS 2017-A A3	1.73%	02/16/21	1.46%	310,000.00	309,963.51	310,503.01	238.36	AAA	Aaa
44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	04/15/21	1.29%	880,000.00	879,881.55	873,668.05	504.53	AAA	Aaa
34531EAD8	FORD ABS 2017-A A3	1.67%	05/15/21	1.68%	475,000.00	474,998.24	474,934.78	352.56	NR	Aaa
44931PAD8	HAROT ABS 2017-A A3	1.76%	08/16/21	1.76%	430,000.00	429,965.21	430,458.21	336.36	AAA	Aaa
43811BAC8	HYUNDAI ABS 2017-2 A3	1.68%	08/15/21	1.00%	1,500,000.00	1,499,870.25	1,498,716.90	1,120.00	AAA	NR
47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1.83%	600,000.00	599,956.08	600,495.60	485.33	NR	Aaa
89237RAD0	TOYOTA ABS 2017-C A3	2.00%	11/15/21	2.01%	250,000.00	249,980.08	249,980.08	-	AAA	Aaa
02582JHG8	AMXCA 2017-4 A	1.64%	12/15/21	1.66%	560,000.00	559,910.29	559,734.95	408.18	AAA	NR
	SUBTOTAL				11,835,059.00	11,833,736.90	11,821,719.69	7,403.08		
<b>CERTIFICATES OF DEPOSIT</b>										
83050FBG5	SKANDINAVISKA ENSKILDA BANKEN NY	1.48%	11/16/17	1.48%	3,400,000.00	3,400,000.00	3,398,130.00	36,062.67	A+	P-1
40428AR58	HSBC BANK USA NA	1.54%	11/17/17	1.54%	3,400,000.00	3,400,000.00	3,402,159.00	90,466.44	A-1+	P-1
78009NZ22	ROYAL BANK OF CANADA NY	1.70%	03/09/18	1.70%	3,400,000.00	3,400,000.00	3,405,814.00	22,998.89	AA-	Aa3
13606A5Z7	CANADIAN IMPERIAL BANK NY	1.76%	11/30/18	1.80%	3,400,000.00	3,397,348.00	3,411,356.00	10,139.56	A+	Aa3
85358UW46	NORDEA BANK FINLAND NY	1.78%	11/30/18	1.76%	3,400,000.00	3,400,000.00	3,411,356.00	10,472.00	AA-	Aa3
06427KRC3	BANK OF MONTREAL CHICAGO	1.89%	02/07/19	1.88%	2,500,000.00	2,500,000.00	2,512,697.50	22,886.11	A+	Aa3
06417GUE6	BANK OF NOVA SCOTIA	1.91%	4/5/2019	1.91%	3,400,000.00	3,400,000.00	3,397,218.80	21,105.50	A+	A1
86563YVNO	SUMITOMO MITSUI BANK NY	2.05%	5/3/2019	2.05%	2,450,000.00	2,450,000.00	2,457,999.25	12,137.71	A	A1
	SUBTOTAL				25,350,000.00	25,347,348.00	25,396,720.55	225,768.88		
<b>SUPRA-NATIONAL AGENCY BOND / NOTE</b>										
458182DX7	INTER-AMERICAN DEVELOPMENT BANK SN	1.00%	05/13/19	1.10%	2,380,000.00	2,372,860.00	2,357,406.66	5,156.67	AAA	Aaa
	SUBTOTAL				2,380,000.00	2,372,860.00	2,357,406.66	5,156.67		
<b>ADJUST INVESTMENTS FROM AMORTIZED COST TO FAIR VALUE</b>										
						(742,593.78)				
<b>TOTAL INVESTMENTS PFM ASSET MANAGEMENT</b>					<b>172,490,211.48</b>	<b>173,054,351.88</b>	<b>173,054,351.88</b>	<b>824,867.66</b>		
<b>TIME DEPOSITS - ISSUER</b>										
1413714	HERITAGE BANK OF COMMERCE	0.50%	12/14/17	0.50%	500,000.00	500,000.00	496,672.55	123.29		
273941000	FREMONT BANK	0.50%	12/29/17	0.50%	1,000,000.00	1,000,000.00	992,422.84	41.10		
272111000	FREMONT BANK	0.50%	12/31/17	0.50%	1,000,000.00	1,000,000.00	992,297.11	13.70		
1414442	HERITAGE BANK OF COMMERCE	0.60%	05/01/18	0.60%	1,000,000.00	1,000,000.00	992,148.53	849.31		
	SUBTOTAL				3,500,000.00	3,500,000.00	3,473,541.03	1,027.40		
<b>MONEY MARKET ACCOUNTS</b>										
5080200	MMA/BANK OF AMERICA SWEEP ACCOUNT	0.87%	Daily	0.87%	-	-	-	3,203.56		
					-	-	-	3,203.56		
<b>POOLED INVESTMENT FUNDS</b>										
6037-001	CAMP (California Asset Management Program)	1.13%	Daily	1.13%	38,307,770.56	38,307,770.56	38,307,770.56	57,732.51		
98-01-318	LAIF (State of California Local Agency Investment Funds)	1.07%	Daily	1.07%	65,000,000.00	65,000,000.00	65,000,000.00	149,736.40		
	SUBTOTAL				103,307,770.56	103,307,770.56	103,307,770.56	207,468.91		
<b>TOTAL GENERAL CITY INVESTMENTS</b>					<b>\$ 279,297,982.04</b>	<b>\$ 279,862,122.44</b>	<b>\$ 279,835,663.47</b>	<b>\$ 1,036,567.53</b>		
<b>MORGAN STANLEY GOVT INSTL SWEEP ACCOUNT</b>						<b>721,335.32</b>				
<b>BANK OF AMERICA CHECKING ACCOUNT</b>						<b>18,756,012.72</b>				
<b>POLICE-NARCOTIC(SACMCTF FLASH FUND)/ BOFA</b>						<b>33,595.79</b>				
<b>POLICE-BAIL ACCOUNT/ BOFA</b>						<b>500.00</b>				
<b>TOTAL CASH &amp; INVESTMENTS</b>						<b>299,373,566.27</b>				
<b>PETTY CASH</b>										
	CITY MANAGER (12001)					500.00				
	REVENUE & TAXATION (14000)					750.00				
	PURCHASING (14000)					2,000.00				
	HUMAN RESOURCES (15000)					200.00				
	POLICE ADMINISTRATION (21010)					7,000.00				
	POLICE ADMINISTRATION (21110)					7,400.00				
	POLICE INVESTIGATIVE SERVICES-BAIL (21999)					200.00				
	ANIMAL CONTROL (21910)					500.00				
	YOUTH & FAMILY SERVICES-PETTY CASH (53410, 10853990)					310.00				
	SENIOR CENTER #186 (53310)					250.00				
	RECREATION ADMIN #189 (61002)					2,000.00				
	RECR REGISTRATION #189 (61003)					200.00				
	SPORTS TENNIS CENTER #189 (61022)					175.00				
	RECR WATER PARK #189 (61011)					6,944.00				
	RECREATION SNACK BARS #189 (00000)					3,500.00				
	PKS BOAT RENTAL #189 (61047)					375.00				
	TOTAL CITY PETTY CASH					<b>32,304.00</b>				
<b>CASH WITH FISCAL AGENTS</b>										
<b>LOCAL IMPROVEMENT/ COMMUNITY FACILITY DISTRICTS</b>										
515408	2015 CFD#1 (PACIFIC COMMONS) RESERVE FUND - BNY	0.00%		0.0000%		5,035,146.95				
515409	2015 CFD#1 (PACIFIC COMMONS) BOND FUND - BNY	0.00%		0.0000%		52.07				
515437	2015 CFD#1 (PACIFIC COMMONS) SPECTAX FUND - BNY	0.00%		0.0000%		144.36				
515439	2015 CFD#1 (PACIFIC COMMONS) IMPROVEMENT FUND - BNY	0.00%		0.0000%		25,750.98				
515454	2015 CFD#1 (PACIFIC COMMONS) ESCROW FUND - BNY	0.00%		0.0000%		2.00				
						<b>5,061,096.36</b>				

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS  
JULY 2017**

<b>ID.#</b>	<b>SECURITY LISTING</b>	<b>FACE RATE</b>	<b>MATURITY DATE</b>	<b>PURCHASE YIELD</b>	<b>PAR</b>	<b>ORIGINAL COST</b>	<b>MARKET VALUE</b>	<b>ACCRUED INTEREST</b>	<b>CREDIT RATING</b>	<b>CREDIT RATING</b>
<b>CASH WITH FISCAL AGENTS (CONTINUED)</b>										
<b>CERTIFICATES OF PARTICIPATION/GO BONDS</b>										
110485	2008 - FIXED COP LEASE PAYMENT FUND - BNY	0.00%		0.0000%		1,217,124.21				
110487	2008 - FIXED COP RESERVE FUND - BNY	0.00%		0.0000%		1,805,842.91				
6711981501	2012 - FIXED COP. SERIES A - LEASE PMT FUND - Union Bank	0.59%		0.5900%		1,024,981.25				
6711981502	2012 - FIXED COP. SERIES A - RESERVE FUND - Union Bank	0.00%		0.0000%		-				
						4,047,948.37				
<b>LEASE REVENUE BONDS</b>										
6712196601	2017A - VRD LRB PROJECT REVENUE FUND- Union Bank	0.60%		0.6000%		3,897,285.98				
6712196604	2017A - VRD LRB PROJECT COI FUND- Union Bank	0.60%		0.6000%		2,943.69				
6712196605	2017A - VRD LRB PROJECT FUND- Union Bank	0.06%		0.0600%		219,297.79				
						4,119,527.46				
<b>LEASE FINANCING</b>										
743930	2016 - ENERGY & WATER EFFICIENCY LEASE - ESCROW FUND - BNY	0.01%		0.0100%		4,670,691.02				
	<b>TOTAL CASH WITH FISCAL AGENTS</b>					<b>17,899,263.21</b>				
	<b>GRAND TOTAL</b>					<b>\$ 317,305,133.48</b>				