

*Finance Department
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Date: August 20, 2018
To: Mayor and City Council
From: David Persselin, Finance Director
Subject: Cash and Investments Report – May 2018

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 handwritten signature in blue ink, appearing to read "David Persselin", is written over a horizontal line.

David Persselin
Finance Director

**CITY OF FREMONT
NARRATIVES AND HIGHLIGHTS
May 2018**

EXECUTIVE SUMMARY

City liquidity needs were met in May 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 remained at 1.89% this month. The yield for the same month last year was 1.53%. The LAIF (State of California Local Agency Investment Funds) apportionment yield of 1.76% was 0.13% lower than the City’s average month end yield. (See the portfolio-benchmark comparative yield graph on page 5.) The CAMP (California Asset Management Program) yield was 1.95%. The Federal Reserve Open Market Committee federal funds rate target remained in the range of 1.50%-1.75%. The two-year U.S. Treasury Note yield decreased from 2.49% to 2.40% and the five-year U.S. Treasury Note yield decreased from 2.79% to 2.68%.

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

Pooled cash and investment balances increased by \$7.0 million during May to a total of \$375.3 million. Pooled cash and investment balances were \$30.8 million higher than the \$344.5 million on hand last year. Compared to April, cash increased in the General Fund by \$4.3 million, in the Development Cost Center Funds by \$1.1 million, and in the Housing Funds by \$1.1 million. Cash decreased in the Local Improvement District Funds by \$2.1 million. All the remaining funds combined netted an increase of \$2.6 million. General Fund cash flows were as follows:

<u>Inflows:</u>	<u>Millions</u>	<u>Totals (Millions)</u>
Property tax	\$ 1.7	
Sales and use tax	8.3	
Business license fees	0.7	
Franchises	0.9	
Transient occupancy tax	0.8	
Other revenues (net receivables)	1.5	
Transfers-in	<u>0.6</u>	\$14.5
 <u>Outflows:</u>		
Payroll (net payables)	\$ 7.3	
Supplies, services, and other	1.5	
Internal service allocations	1.1	
Transfers-out	<u>0.3</u>	<u>(10.2)</u>
Net General Fund cash increase		<u>\$ 4.3</u>

Other Fund changes greater than \$1 million

1. The Development Cost Center Funds increased by \$1.1 million due to the receipt of development fees.

2. The Housing Funds increased \$1.1 million due to the receipt of inclusionary housing in lieu fees.
3. Cash in the Local Improvement District Funds decreased by \$1.9 million, offset by a corresponding increase in the General Fund, to recognize the cash impact of a March 2018 debt service payment for CFD No. 1.

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 May negative month end estimated valuation adjustment of \$3.6 million increased by \$434 thousand from the prior month. Valuations for the portfolio taken as a whole are shown in Chart 2 on page 3 for 2016, 2017, and 2018.

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

Money market and pooled funds account percentages of the pooled portfolio increased from 39.8% to 43.9% compared to last year. These highly liquid investments enable the City to meet its near-term operating needs and reserve requirements. The yield of the LAIF and CAMP investment pools is roughly equivalent to that of a one-month U.S. Treasury bill.

Current month interest income of \$665 thousand, exclusive of the fair value adjustment, was \$511 thousand more than the prior month. Accrued interest (earned but not yet received) related to City investments at the end of May was \$846 thousand.

This month, \$7.2 million of available funds were newly invested at an average rate of 0.01% (1 day average maturity), compared to \$62.8 million at 0.54% (270 days) in April, and \$9.1 million at 1.28% (767 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.

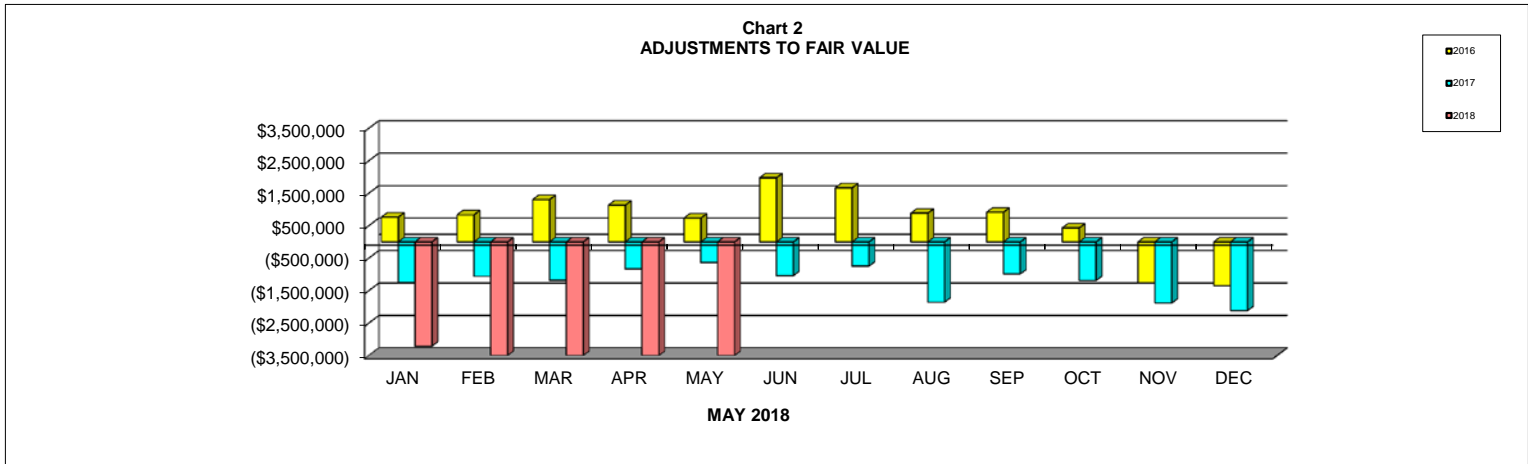
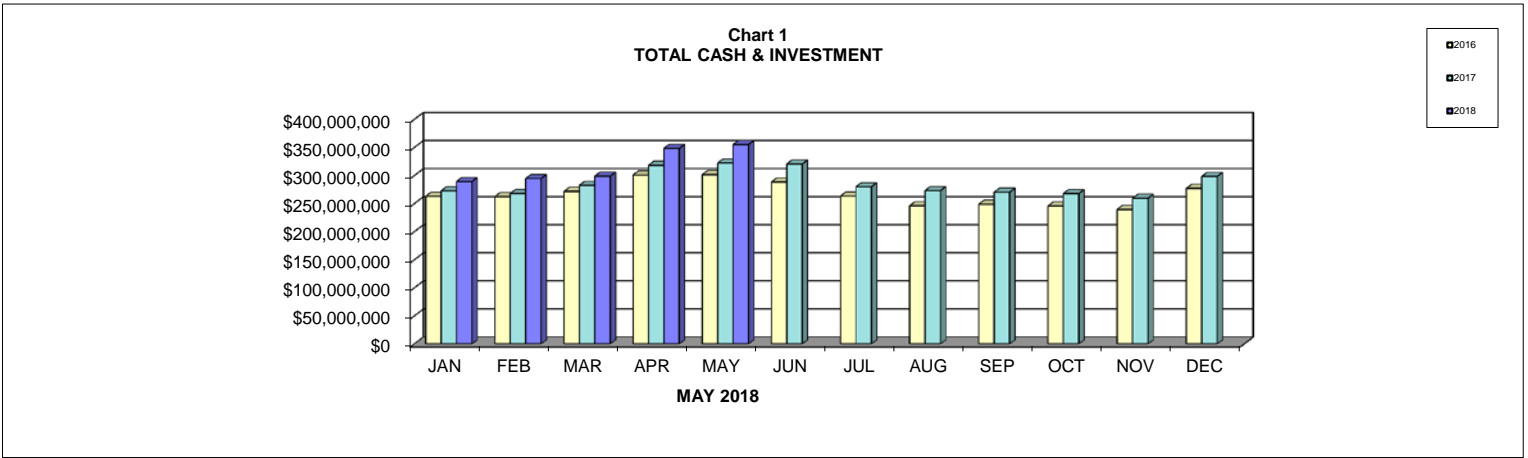
The dollar weighted-average portfolio life decreased by 24 days compared to last month and was a decrease of 71 days from the prior year. The dollar weighted-average portfolio life only uses maturity dates and does not take early calls into account so it overstates the actual expected portfolio life. 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 May 2018, April 2018, and May 2017. 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.

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

	Current Month 05/31/2018	Prior Month 04/30/2018	Prior Year 05/31/2017	Change from Prior Month 05/18 to 04/18	Change from Prior Year 05/18 to 05/17
CASH AND INVESTMENTS - TOTAL CITY					
INVESTMENTS CITY POOL					
Investment in Securities at Cost	\$ 203,052,872	\$ 197,742,028	\$ 194,592,913	\$ 5,310,844	\$ 8,459,959
Adjustments to Fair Value (Chart 2)	(3,611,140)	(4,044,765)	(631,382)	433,625	(2,979,758)
State of California Local Agency Investment Funds (LAIF)	65,000,000	65,000,000	65,000,000	-	-
California Asset Management Program	90,799,154	89,686,427	63,199,971	1,112,727	27,599,183
Subtotal - Investments (City Pool)	355,240,886	348,383,690	322,161,502	6,857,196	33,079,384
Impound and Other Cash	1,704,895	478,321	972,446	1,226,574	732,449
General Checking Account	18,363,585	19,456,543	21,331,535	(1,092,958)	(2,967,950)
Total - Cash and Investments (Chart 1)	375,309,366	368,318,554	344,465,483	6,990,812	30,843,883
PETTY CASH	32,304	25,860	32,304	6,444	-
CASH WITH FISCAL AGENTS	5,829,565	5,822,231	11,864,636	7,334	(6,035,071)
GRAND TOTAL - CASH AND INVESTMENTS, PETTY CASH & CASH WITH FISCAL AGENTS	\$ 381,171,235	\$ 374,166,645	\$ 356,362,423	\$ 7,004,590	\$ 24,808,812



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

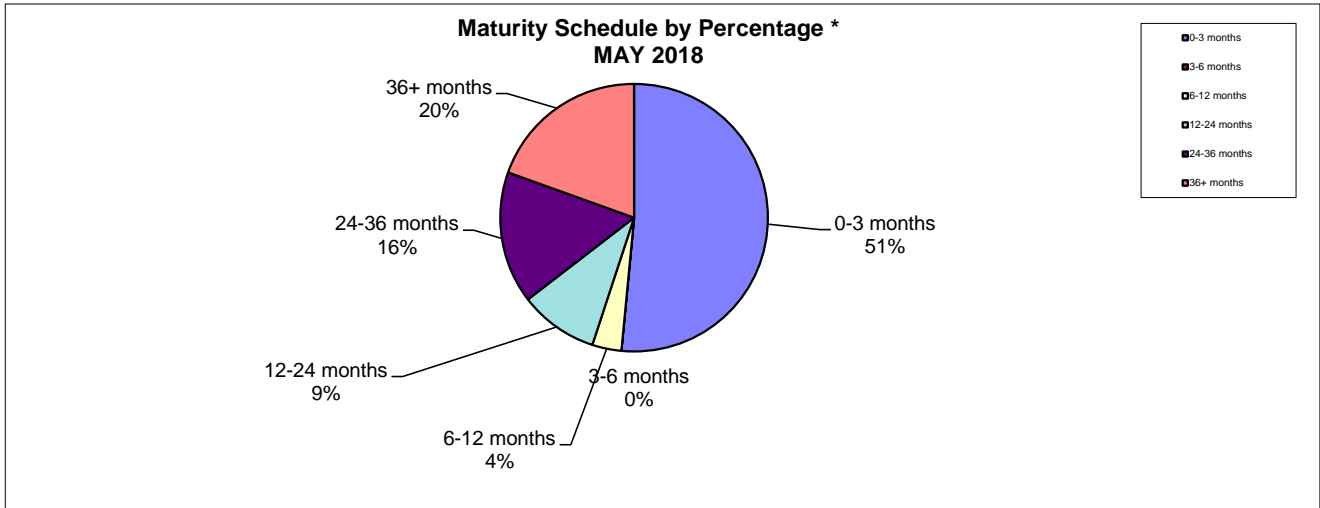
	Current Month 05/31/2018	Prior Month 04/30/2018	Prior Year 05/31/2017	Change from Prior Month 05/18 to 04/18	Change from Prior Year 05/18 to 05/17
CASH AND INVESTMENT BALANCES BY FUND					
General Fund	\$ 42,461,962	\$ 38,180,020	\$ 35,747,812	\$ 4,281,942	\$ 6,714,150
Capital Improvement Funds	77,838,009	77,378,684	68,760,620	459,325	9,077,389
Park Benefit & Impact Fee Funds	77,147,260	77,192,045	69,799,203	(44,785)	7,348,057
Internal Service Funds	27,400,167	26,642,742	25,709,682	757,425	1,690,485
Housing Funds	56,024,121	54,916,744	44,380,351	1,107,377	11,643,770
Development Cost Center Funds	23,353,475	22,273,328	19,877,314	1,080,147	3,476,161
Traffic Impact Fee Funds	13,939,382	13,682,048	13,516,661	257,334	422,721
Recreation Fund	11,341,908	10,814,076	10,832,030	527,832	509,878
Gas Tax Funds	6,471,504	6,019,017	7,389,479	452,487	(917,975)
Local Improvement Districts	11,383,246	13,486,093	10,810,102	(2,102,847)	573,144
Integrated Waste Management Fund	7,240,101	7,429,122	6,901,324	(189,021)	338,777
Other Agency Funds	2,777,664	2,874,988	7,389,904	(97,324)	(4,612,240)
Low and Moderate Income Housing Asset Fund	3,342,092	3,218,566	6,156,354	123,526	(2,814,262)
Community Assistance	3,783,609	4,147,858	3,923,650	(364,249)	(140,041)
County Roads Measure B Fund	4,308,985	3,707,938	5,969,592	601,047	(1,660,607)
Other Funds	2,892,408	2,212,827	2,628,389	679,581	264,019
Family Resource Center	-	-	1,215,859	-	(1,215,859)
Police Grants	439,672	287,419	119,286	152,253	320,386
Urban Runoff Funds	558,508	613,830	869,623	(55,322)	(311,115)
General Obligation Bond - Fire	2,605,293	3,241,209	2,468,248	(635,916)	137,045
Total - Cash and Investments	<u>375,309,366</u>	<u>368,318,554</u>	<u>344,465,483</u>	<u>6,990,812</u>	<u>30,843,883</u>
PETTY CASH	<u>32,304</u>	<u>25,860</u>	<u>32,304</u>	<u>6,444</u>	<u>-</u>
CASH WITH FISCAL AGENTS					
Local Improvement District Trust Accounts	5,106,984	5,100,659	5,055,459	6,325	51,525
Other Agency Trust Accounts	100	100	1,806,421	-	(1,806,321)
Lease Revenue Bonds	210,834	210,550	337,615	284	(126,781)
Lease Financing	511,647	510,922	4,665,141	725	(4,153,494)
Total - Cash with Fiscal Agents	<u>5,829,565</u>	<u>5,822,231</u>	<u>11,864,636</u>	<u>7,334</u>	<u>(6,035,071)</u>
GRAND TOTAL - CASH & INVESTMENTS, PETTY CASH AND CASH WITH FISCAL AGENT	<u>\$ 381,171,235</u>	<u>\$ 374,166,645</u>	<u>\$ 356,362,423</u>	<u>\$ 7,004,590</u>	<u>\$ 24,808,812</u>

CITY OF FREMONT
Summary of Cash and Investments by Funds

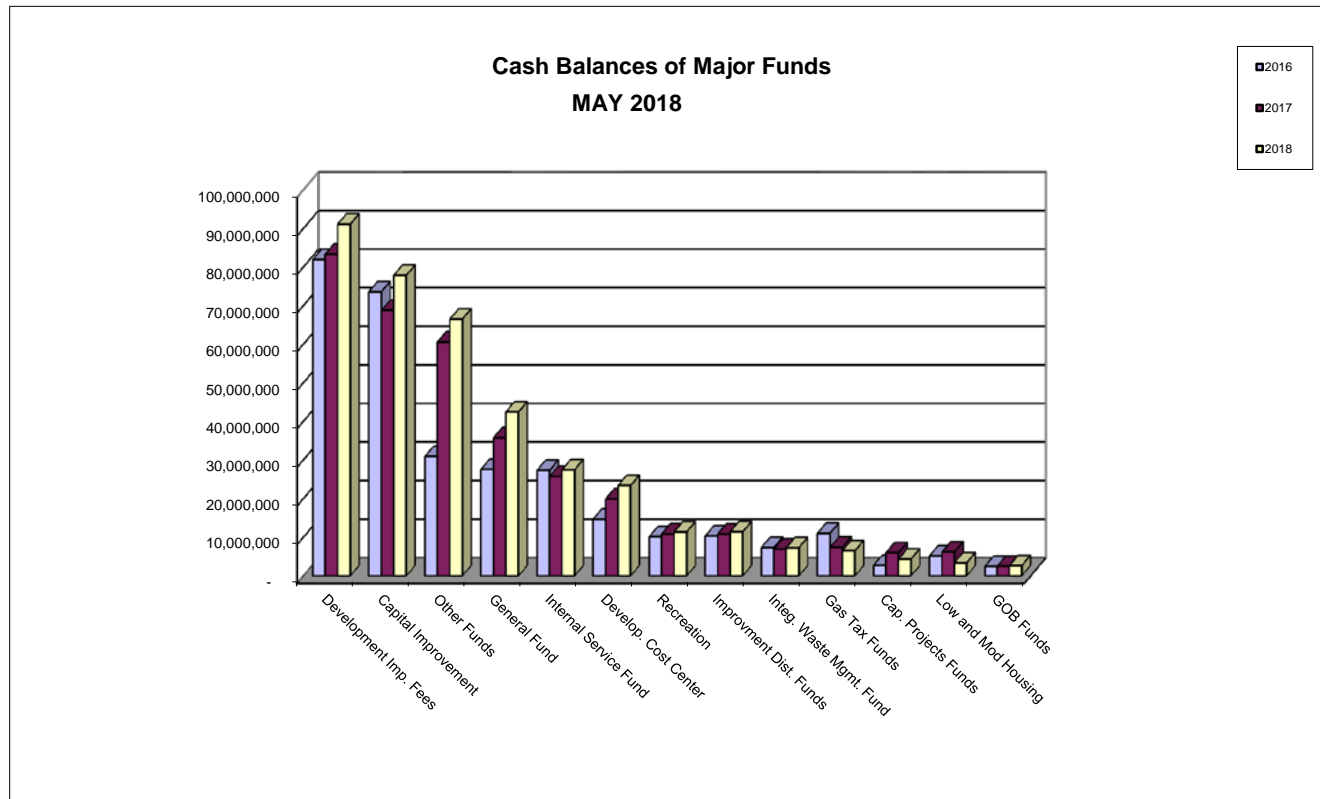
Cash Balance

Cash & Investments April 2018	\$ 368,318,554
Receipts for the month of May 2018	24,492,259
Disbursements for the month of May 2018	(17,935,072)
May 2018 Fair Value Adjustment	433,625
Total Cash & Investments May 2018	<u>\$ 375,309,366</u>

Cash & Investments City Pool	\$ 355,240,886
Cash & Investments, Impound and Other Cash	1,704,895
Bank of America Checking Account	18,363,585
Total Cash & Investments May 2018	<u>\$ 375,309,366</u>



* Subject to bond call provisions



**INVESTMENT PERFORMANCE
WITH COMPARISON
CITY POOLED INVESTMENTS**

	Current Month 05/31/2018	Prior Month 04/30/2018	Prior Year 05/31/2017	Change from Prior Month 05/18 to 04/18	Change from Prior Year 05/18 to 05/17
INVESTMENT YIELD					
State Pool	1.76%	1.66%	0.93%	0.10%	0.83%
California Asset Management Program	1.95%	1.84%	0.97%	0.11%	0.98%
City of Fremont - End of Month	1.89%	1.89%	1.53%	0.00%	0.36%
City of Fremont - Fiscal Year to Date	1.73%	1.71%	1.42%	0.02%	0.31%

AVERAGE LIFE OF PORTFOLIO (In Days)

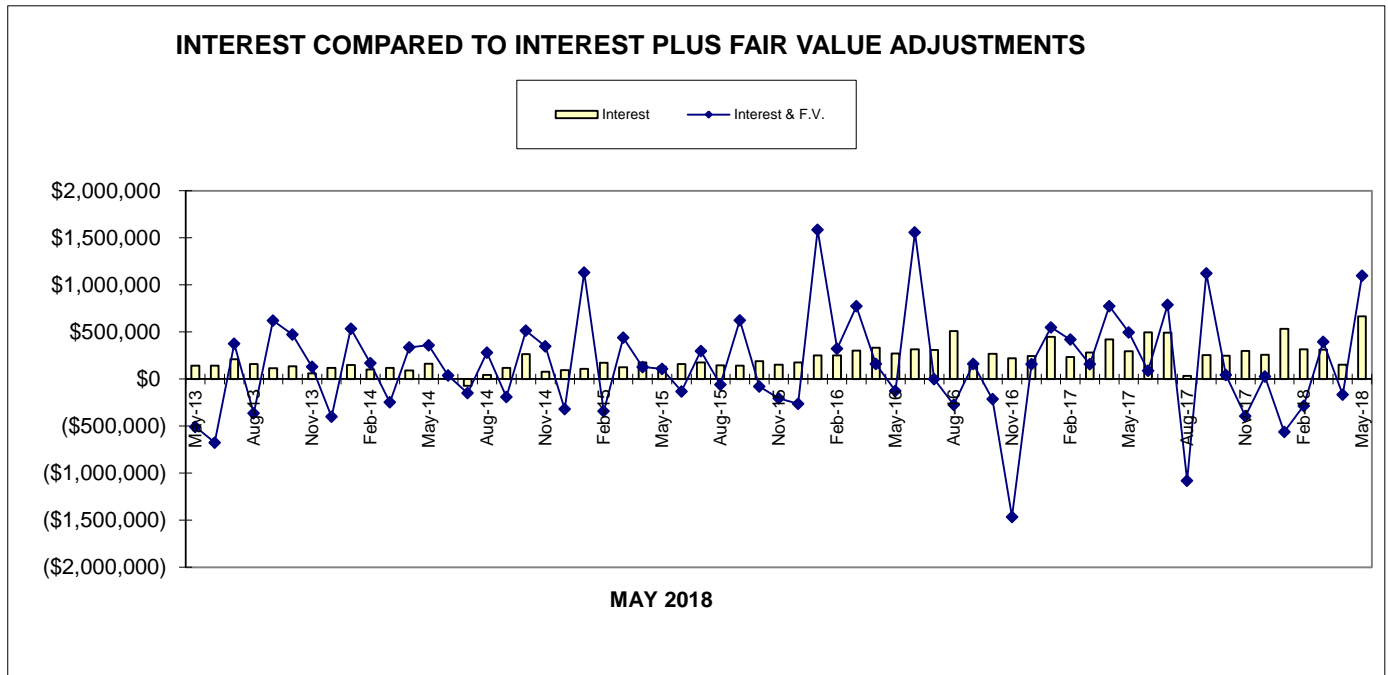
State Pool	190	184	186	6	4
City of Fremont	466	490	537	(24)	(71)

EARNINGS CURRENT MONTH

INTEREST EARNINGS (DISTRIBUTED)					
General, Capital and Grant Funds	\$ 641,448	\$ 148,121	\$ 289,262	\$ 493,327	\$ 352,186
Local Improvement Districts	23,355	5,516	7,674	17,839	15,681
Total	664,803	153,637	296,936	511,166	367,867
FAIR VALUE ADJUSTMENTS	433,625	(320,496)	197,800	754,121	235,825
TOTAL INTEREST EARNINGS	\$ 1,098,428	\$ (166,859)	\$ 494,736	\$ 1,265,287	\$ 603,692

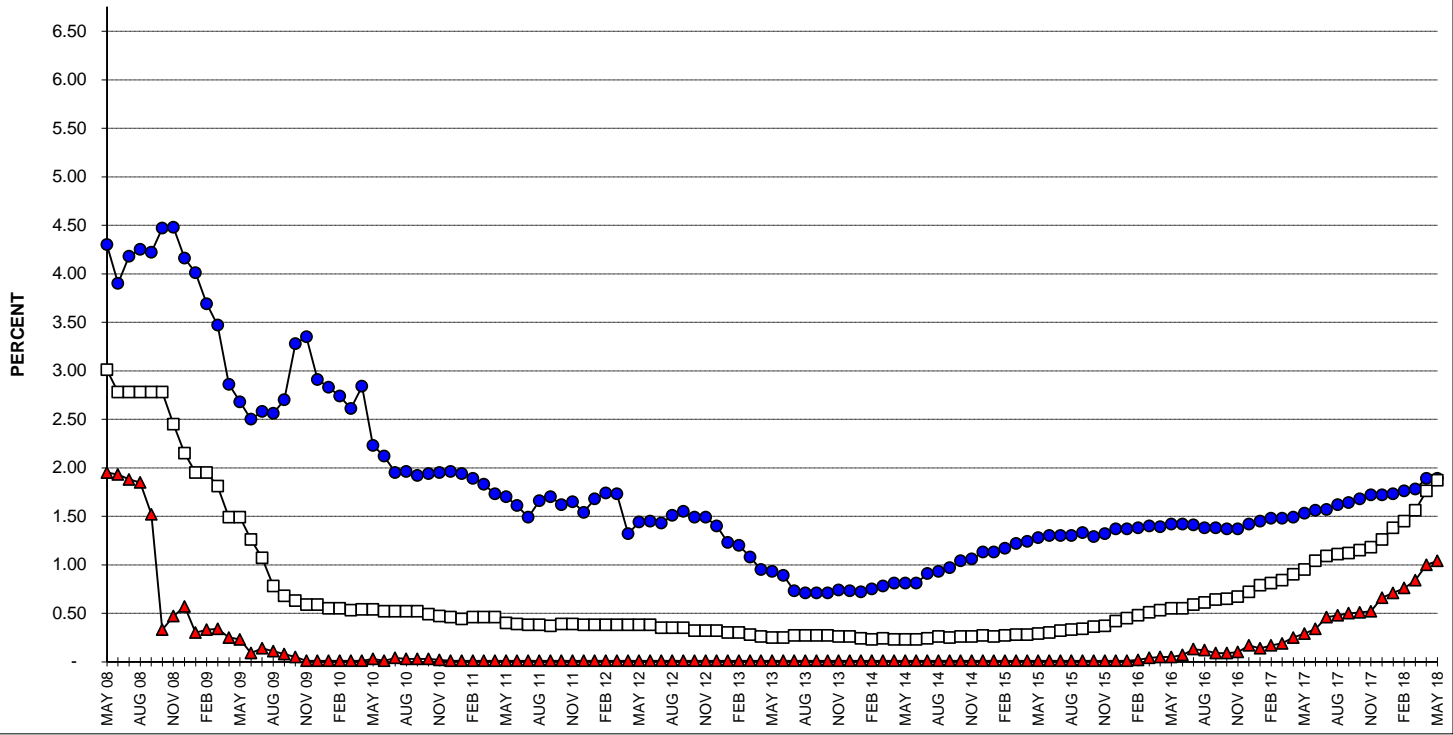
FISCAL YEAR TO DATE EARNINGS

General, Capital and Grant Funds	\$ 951,443	\$ (107,356)	\$ 735,421	\$ 1,058,799	\$ 216,022
Local Improvement Districts	34,185	(5,444)	24,325	39,629	9,860
Total	\$ 985,628	\$ (112,800)	\$ 759,746	\$ 1,098,428	\$ 225,882



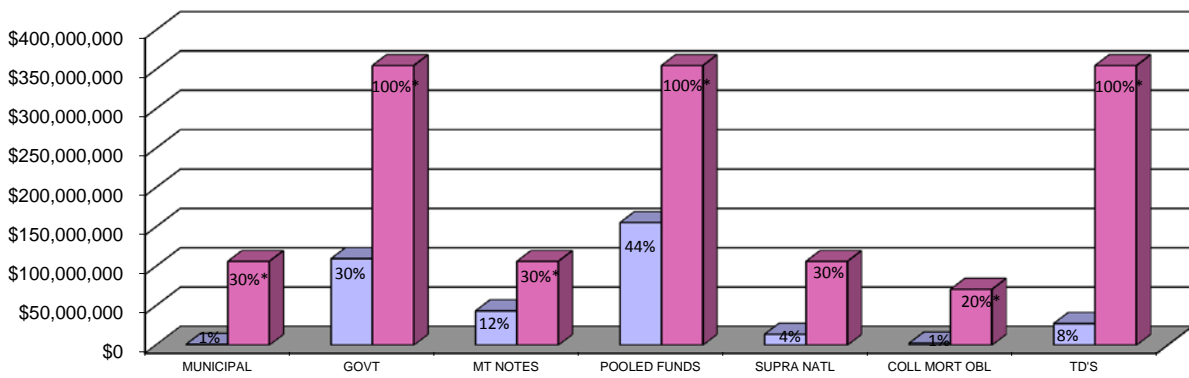
INTEREST RATE PERFORMANCE

MAY 2018



INVESTMENTS COMPARED TO LIMITS

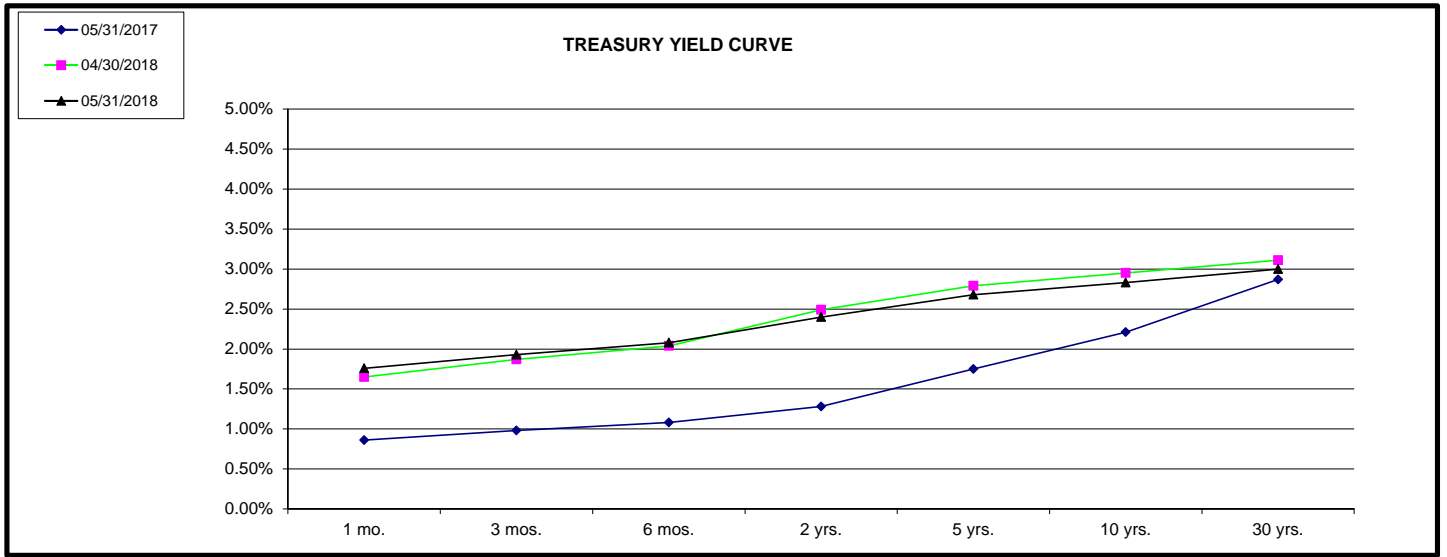
MAY 2018



*Limit represents maximum allowable percentage portion of portfolio.

INVESTMENT ACTIVITY MAY 2018

DATE	REDEMPTION POOLS / MONEY MARKET			PURCHASES POOLS / MONEY MARKET			AVG. RATE	AVG. MAT. DAYS
	SECURITIES		TOTAL	SECURITIES		TOTAL		
05/01/2018	\$0.00	\$0.00	\$0.00	\$0.00	\$112,727.08	\$112,727.08	0.01%	1
05/15/2018	(420,000.00)	-	(420,000.00)	-	-	-	-	-
5/18/2018	(376,862.03)	-	(376,862.03)	-	-	-	-	-
05/31/2018	-	-	-	-	7,107,706.12	7,107,706.12	0.01%	1
TOTAL 05/18	(\$796,862.03)	\$0.00	(\$796,862.03)	\$0.00	\$7,220,433.20	\$7,220,433.20	0.01%	1
TOTAL 04/18	(\$13,004,253.67)	\$0.00	(\$13,004,253.67)	\$12,688,139.31	\$50,090,483.82	\$62,778,623.13	0.54%	270
TOTAL 05/17	(\$5,379,649.37)	\$0.00	(\$5,379,649.37)	\$5,719,031.39	\$3,427,988.70	\$9,147,020.09	1.28%	767



Graph Source: US Treasury - Daily Treasury Yield Curve Rates, May 31, 2018

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS
MAY 2018**

LD.#	SECURITY LISTING	FACE RATE	MATURITY DATE	PURCHASE YIELD	PAR	ORIGINAL COST	MARKET VALUE	ACCRUED INTEREST	CREDIT RATING	CREDIT RATING	
GENERAL CITY INVESTMENTS										S & P	Moody's
CORPORATE NOTES - ISSUER											
02665WAH4	American Honda Finance	2.25%	08/15/19	2.29%	\$ 2,450,000.00	\$ 2,445,467.50	\$ 2,436,752.85	\$ 16,231.25	A+	A2	
12189TBC7	Burlington Northern Santa Fe	4.70%	10/01/19	1.47%	800,000.00	883,120.00	820,504.80	6,266.67	A+	A3	
38145GAJ9	Goldman Sachs	2.30%	12/31/19	2.33%	1,700,000.00	1,698,725.00	1,685,266.10	18,246.67	BBB+	A3	
94974BGF1	Wells Fargo & Company	2.15%	01/30/20	2.00%	1,000,000.00	1,006,990.00	987,264.00	7,226.39	A-	A2	
94974BGF1	Wells Fargo & Company	2.15%	01/30/20	2.11%	1,000,000.00	1,001,590.00	987,264.00	7,226.39	A-	A2	
89236TCF0	Toyota Motor Corp	2.15%	03/12/20	1.96%	800,000.00	807,104.00	790,543.20	3,774.44	AA-	Aa3	
437076BQ4	Home Depot Inc	1.80%	06/05/20	1.82%	705,000.00	704,591.10	694,310.09	6,204.00	A	A2	
25468PDU7	The Walt Disney Corporation	1.80%	06/05/20	1.84%	1,000,000.00	998,840.00	980,832.00	8,800.00	A+	A2	
46625HLW8	JP Morgan Chase	2.75%	06/23/20	2.49%	1,000,000.00	1,011,320.00	992,869.00	12,069.44	A-	A3	
94974BGM6	Wells Fargo & Company	2.60%	07/22/20	2.48%	450,000.00	452,524.50	445,063.50	4,192.50	A-	A2	
94974BGM6	Wells Fargo & Company	2.60%	07/22/20	2.31%	1,000,000.00	1,013,030.00	989,030.00	9,316.67	A-	A2	
06406HDD8	Bank of New York	2.60%	08/17/20	2.21%	1,000,000.00	1,017,630.00	992,355.00	7,511.11	A	A1	
14913Q2A6	Caterpillar	1.85%	09/04/20	1.88%	1,120,000.00	1,119,059.20	1,094,472.96	5,007.33	A	A3	
71344DCD9	Pepsico	2.15%	10/14/20	2.09%	1,250,000.00	1,253,400.00	1,232,787.50	3,508.68	A+	A1	
594918BG8	Microsoft	2.00%	11/03/20	2.69%	2,000,000.00	1,965,500.00	1,972,152.00	3,111.11	AAA	Aaa	
03783JDJ6	Apple, Inc.	2.00%	11/13/20	2.03%	1,700,000.00	1,698,572.00	1,672,250.90	1,700.00	AA+	Aa1	
931142EA7	Wal-Mart Stores Inc	1.90%	12/15/20	1.95%	3,210,000.00	3,205,345.50	3,154,694.91	37,441.08	AA	Aa2	
24422ETZ2	Deere & Company	2.35%	01/08/21	2.37%	640,000.00	639,667.20	631,117.44	5,974.22	A	A2	
44932HAB9	IBM Credit	1.80%	01/20/21	1.86%	1,500,000.00	1,496,895.00	1,458,816.00	9,825.00	A+	A1	
882508AY0	Texas Instruments Inc	2.75%	03/12/21	2.12%	320,000.00	327,292.80	319,804.48	1,931.11	A+	A1	
61746BEA0	Morgan Stanley	2.50%	04/21/21	2.36%	850,000.00	855,440.00	832,489.15	2,361.11	BBB+	A3	
06406FAB9	Bank of New York	2.05%	05/03/21	2.00%	1,000,000.00	1,002,130.00	973,091.00	1,594.44	A	A1	
0258MOE01	American Express Credit	2.25%	05/05/21	2.13%	850,000.00	854,649.50	829,769.15	1,381.25	A-	A2	
05531FAV5	BB&T Corporation	2.05%	05/10/21	2.06%	850,000.00	849,439.00	823,391.60	1,016.46	A-	A2	
857477AV5	State Street Corporation	1.95%	05/19/21	2.04%	460,000.00	458,045.00	447,081.36	299.00	A	A1	
68389XBK0	Oracle Corp	1.90%	09/15/21	2.44%	1,045,000.00	1,020,432.05	1,011,045.86	4,191.61	AA-	A1	
71344DDL9	Pepsico	1.70%	10/06/21	2.34%	925,000.00	899,044.50	890,367.08	2,402.43	A+	A1	
20030NBV2	Comcast Corp	1.63%	01/15/22	2.65%	850,000.00	809,939.50	802,915.95	5,218.06	A-	A3	
91159HHP8	US Bancorp	2.62%	01/24/22	2.55%	1,000,000.00	1,003,430.00	985,215.00	9,260.42	A+	A1	
037833AY6	Apple, Inc.	2.15%	02/09/22	2.18%	1,000,000.00	998,660.00	972,999.00	6,688.89	AA+	Aa1	
594918BA1	Microsoft	2.38%	02/12/22	2.27%	850,000.00	853,927.00	834,677.90	6,112.33	AAA	Aaa	
0258MOE00	American Express Credit	2.70%	03/03/22	2.49%	675,000.00	680,805.00	662,201.33	4,455.00	A-	A2	
25468PDU6	The Walt Disney Corporation	2.45%	03/04/22	2.44%	575,000.00	575,184.00	563,467.23	3,404.48	A+	A2	
05531FAX1	BB&T Corporation	2.75%	04/01/22	2.30%	850,000.00	866,124.50	833,218.45	3,895.83	A-	A2	
468140BB5	Intel Corporation	2.35%	05/11/22	2.22%	1,000,000.00	1,005,870.00	976,362.00	1,305.56	A+	A1	
68389XB00	Oracle Corp	2.50%	05/15/22	2.19%	1,000,000.00	1,013,490.00	979,632.00	1,111.11	AA-	A1	
911312BC9	United Parcel Service	2.35%	05/16/22	2.11%	1,000,000.00	1,010,920.00	975,631.00	879.17	A+	A1	
459200HG9	IBM Corp	1.87%	08/01/22	2.24%	1,000,000.00	1,719,550.00	1,663,912.25	10,937.50	A+	A1	
89236TEC5	Toyota	2.15%	09/08/22	2.18%	1,500,000.00	998,820.00	961,925.00	4,856.94	AA-	Aa3	
06051GGE3	Bank of America	3.12%	01/20/23	3.33%	1,500,000.00	1,486,785.00	1,480,533.00	17,051.83	A-	A3	
SUBTOTAL					43,675,000.00	43,709,348.85	42,838,076.04	264,187.48			
FEDERAL AGENCY BOND / NOTE - BROKER											
3130AA3R7	FHLB - MERRILL LYNCH	1.37%	11/15/19	1.38%	3,685,000.00	3,684,152.45	3,632,392.94	2,251.94	AA+	Aaa	
3135G0Z2	FNMA - MORGAN STANLEY DEAN WITTER	1.75%	11/26/19	1.62%	2,000,000.00	2,012,900.00	1,982,716.00	486.11	AA+	Aaa	
3135G0T29	FNMA - JP MORGAN SECURITIES INC	1.50%	02/28/20	1.52%	3,700,000.00	3,697,632.00	3,642,416.90	14,337.50	AA+	Aaa	
3130A0S55	FHLB - KEYBANC CAPITAL MARKETS	1.12%	07/14/21	1.16%	1,450,000.00	1,446,926.00	1,405,661.43	18,088.28	AA+	Aaa	
3130A0S55	FHLB - TD SECURITIES LLC	1.13%	07/14/21	1.25%	4,225,000.00	4,199,307.78	1,388,451.85	2,607.81	AA+	Aaa	
3135G0N82	FNMA - TD SECURITIES (USA) LLC	1.25%	08/17/21	1.32%	415,000.00	413,580.29	397,395.29	1,498.61	AA+	Aaa	
3135G0N82	FNMA - CITIGROUP GLOBAL MARKETS INC	1.25%	08/17/21	1.33%	1,335,000.00	1,329,593.25	1,278,367.97	4,820.83	AA+	Aaa	
SUBTOTAL					16,810,000.00	16,784,091.77	16,367,402.38	47,691.08			
FEDERAL AGENCY COLLATERALIZED MORTGAGE OBLIGATION											
3136AQSW1	Federal National Mortgage Association	1.90%	01/01/19	1.20%	117,845.25	119,023.69	117,440.97	186.40	AA+	Aaa	
3136AQDQ0	Federal National Mortgage Association	1.65%	09/01/19	1.08%	392,075.92	392,075.92	389,836.97	537.80	AA+	Aaa	
3136B1XP4	Federal National Mortgage Association	3.56%	09/25/21	2.27%	1,170,000.00	1,193,272.47	1,190,665.13	3,471.00	AA+	Aaa	
3137BM6P6	Federal Home Loan Mortgage Corp	3.09%	08/25/22	2.61%	875,000.00	882,451.17	879,576.25	2,253.13	AA+	Aaa	
SUBTOTAL					2,554,921.17	2,590,749.45	2,577,519.32	6,448.33			
US TREASURY NOTES - BROKER											
912828J84	CITIGROUP	1.38%	03/31/20	1.04%	325,000.00	328,986.33	319,058.68	757.00	AA+	Aaa	
912828J84	CITIGROUP	1.38%	03/31/20	1.04%	455,000.00	460,794.14	446,682.15	1,059.80	AA+	Aaa	
912828J84	CITIGROUP	1.38%	03/31/20	1.04%	1,010,000.00	1,021,480.86	991,536.19	2,352.53	AA+	Aaa	
912828VV9	MORGAN STANLEY	2.13%	08/31/20	1.74%	1,180,000.00	1,200,419.53	1,171,334.08	6,336.89	AA+	Aaa	
912828VV9	MORGAN STANLEY	2.13%	08/31/20	1.23%	700,000.00	727,289.06	694,859.20	3,759.17	AA+	Aaa	
912828WC0	MERRILL LYNCH	1.75%	10/31/20	1.35%	4,050,000.00	4,124,988.28	3,980,388.60	6,163.04	AA+	Aaa	
912828PC8	HSBC	2.63%	11/15/20	1.21%	2,560,000.00	2,718,800.00	2,568,099.84	3,104.35	AA+	Aaa	
912828A83	MERRILL LYNCH	2.38%	12/31/20	1.28%	2,550,000.00	2,678,097.66	2,542,031.25	25,429.56	AA+	Aaa	
912828N89	CITIGROUP	1.38%	01/31/21	1.35%	2,500,000.00	2,502,636.72	2,427,345.00	11,489.99	AA+	Aaa	
912828B90	MORGAN STANLEY	2.00%	02/28/21	0.92%	875,000.00	917,792.97	863,105.25	4,422.55	AA+	Aaa	
912828Q37	CITIGROUP	1.25%	03/31/21	0.98%	1,415,000.00	1,433,019.14	1,365,973.08	2,996.24	AA+	Aaa	
912828WN6		2.00%	05/31/21	1.22%	3,450,000.00	3,573,984.38	3,396,093.75	188.52	AA+	Aaa	
912828WN6	BARCLAYS	2.00%	05/31/21	1.87%	3,500,000.00	3,518,867.19	3,445,312.50	191.26	AA+	Aaa	
912828D72	HSB SECURITIES (USA) Inc	2.00%	08/31/21	1.93%	1,400,000.00	1,452,554.69	1,374,898.00	7,076.09	AA+	Aaa	
912828D72	HSBC	2.00%	08/31/21	1.93%	5,450,000.00	5,466,179.69	5,352,281.50	27,546.20	AA+	Aaa	
912828F96	CITIGROUP	2.00%	10/31/21	1.64%	3,400,000.00	3,448,476.56	3,334,788.00	5,913.04	AA+	Aaa	
912828T67	MERRILL LYNCH	1.25%	10/31/21	2.11%	655,000.00	630,181.64	626,574.31	711.96	AA+	Aaa	
912828U65	MERRILL LYNCH	1.75%	11/30/21	1.82%	3,000,000.00	2,991,093.75	2,915,976.00	143.44	AA+	Aaa	
912828G87	BARCLAYS	2.13%	12/31/21	1.72%	7,250,000.00	7,377,441.41	7,132,753.00	64,689.23	AA+	Aaa	
912828V72	BARCLAYS	1.88%	01/31/22	1.88%	700,000.00	699,699.22	682,171.70	4,387.09	AA+	Aaa	
912828L24	BNP-PARI	1.88%	02/01/22	2.08%	3,000,000.00	2,972,343.75	2,908,125.00	14,215.35	AA+	Aaa	
912828W9	MERRILL LYNCH	1.88%	09/30/22	2.24%	2,000,000.00	1,967,656.25	1,937,656.00	6,352.46	AA+	Aaa	
9128283C2		2.00%	10/31/22	2.56%	4,500,000.00	4,148,730.47	4,136,775.75	7,391.30	AA+	Aaa	
SUBTOTAL					55,675,000.00	56,361,513.69	54,613,818.83	206,677.06			
MUNICIPAL BONDS											
20772JZK1	CONNECTICUT STATE TAXABLE GO BONDS	1.97%	03/15/19	1.90%	700,000.00	701,967.00	694,743.00	2,917.13	A	A1	
13063DGAO	STATE OF CALIFORNIA	2.80%	04/01/21	2.80%	880,000.00	880,035.20	879,128.80	2,464.00	AA-	Aa3	
SUBTOTAL					1,580,000.00	1,582,002.20	1,573,871.80	5,381.13			

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS
MAY 2018**

LD.#	SECURITY LISTING	FACE RATE	MATURITY DATE	PURCHASE YIELD	PAR	ORIGINAL COST	MARKET VALUE	ACCRUED INTEREST	CREDIT RATING	CREDIT RATING
GENERAL CITY INVESTMENTS (CONTINUED)										
ASSET-BACKED SECURITY / COLLATERALIZED MTG OBLIGATION - BROKER										
89237CAD3	TOYOTA ABS 2015-B A3	1.27%	05/15/19	1.27%	\$ 74,599.68	\$ 74,595.64	\$ 74,539.96	\$ 42.11	AAA	Aaa
65477UAC4	NISSAN ABS 2015-A A3	1.05%	10/15/19	1.06%	83,254.05	83,236.55	83,122.92	38.85	NR	Aaa
34530VAD1	FORD ABS 2015-B A3	1.16%	11/15/19	1.16%	68,778.88	68,772.52	68,675.36	35.46	NR	Aaa
43814NAC9	HONDA ABS 2015-1 A3	1.22%	12/18/19	1.23%	165,879.94	165,856.37	165,082.02	73.08	AAA	NR
34530YAD5	FORD ABS 2015-C A3	1.41%	02/15/20	1.42%	145,843.64	145,815.25	145,495.86	91.40	AAA	Aaa
65475WAD0	NISSAN ABS 2015-B A3	1.34%	03/15/20	1.34%	218,025.76	218,008.42	217,213.68	129.85	NR	Aaa
89237KAD5	TOYOTA ABS 2016-A A3	1.25%	03/15/20	1.25%	187,882.50	187,871.85	186,978.67	104.38	AAA	Aaa
47788NAC2	JOHN DEERE ABS 2016-B-A3	1.25%	06/15/20	1.25%	292,700.80	292,677.50	290,763.44	162.61	NR	Aaa
02007LAC6	ALLY ABS 2016-3 A3	1.44%	08/15/20	1.44%	365,197.61	365,162.15	363,537.90	233.73	AAA	Aaa
44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	09/15/20	1.57%	84,910.22	84,893.75	84,458.37	58.87	AAA	Aaa
34532EAD7	FORD ABS 2016-B A3	1.33%	10/15/20	1.33%	176,041.94	176,025.25	174,847.27	104.06	AAA	NR
65478WAD7	NISSAN ABS 2016-C A3	1.18%	01/15/21	1.18%	320,000.00	319,969.41	316,454.21	167.82	NR	Aaa
17305EGAD7	CCCT ABS 2017-A2-A2	1.74%	01/17/21	1.75%	1,450,000.00	1,449,722.33	1,443,369.01	9,391.17	AAA	Aaa
89238MAD0	TOYOTA ABS 2017-A A3	1.73%	02/15/21	1.74%	310,000.00	309,963.51	307,162.97	236.36	AAA	Aaa
44891EAC3	HYUNDAI ABS 2016-B A3	1.29%	04/15/21	1.30%	880,000.00	879,981.55	869,286.97	504.53	AAA	Aaa
34531EAD8	FORD ABS 2017-A A3	1.67%	06/15/21	1.67%	475,000.00	474,988.24	469,742.32	352.56	NR	Aaa
43811BAC8	HYUNDAI ABS 2017-2 A3	1.68%	08/15/21	1.68%	1,500,000.00	1,499,870.25	1,478,389.65	1,120.00	AAA	Aaa
44931PAD8	HAROT ABS 2017-A A3	1.76%	08/15/21	1.76%	430,000.00	429,965.21	424,363.73	336.36	AAA	NR
47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	1.82%	600,000.00	599,956.08	591,335.82	485.33	NR	Aaa
89237RAD0	TOYOTA ABS 2017-C A3	1.78%	11/15/21	2.00%	250,000.00	249,980.08	245,900.18	197.78	AAA	Aaa
02582JHG8	AMXCA 2017-4 A	1.64%	12/15/21	1.65%	560,000.00	559,910.29	555,522.24	408.18	AAA	NR
89238KAD4	TOYOTA AUTO RECEIVABLES	1.93%	01/15/22	2.26%	635,000.00	634,941.45	625,948.71	544.69	AAA	Aaa
02007YAC8	ALLY AUTO RECEIVABLES TRUST	1.99%	01/15/22	1.99%	1,370,000.00	1,369,893.69	1,355,806.39	1,211.69	AAA	Aaa
34532AAD5	FORD CREDIT AUTO OWNER TRUST	2.01%	03/15/22	2.02%	1,765,000.00	1,764,681.77	1,743,767.05	1,576.73	AAA	NR
02582JH06	AMXCA 2018-1 A	2.67%	10/17/22	2.67%	850,000.00	849,901.32	849,107.08	1,008.67	NR	Aaa
	SUBTOTAL				13,258,115.02	13,256,550.43	13,129,870.78	18,618.27		
CERTIFICATES OF DEPOSIT										
06427KRC3	BANK OF MONTREAL CHICAGO	1.88%	02/07/19	1.88%	2,500,000.00	2,500,000.00	2,496,202.50	14,883.33	A-1	P-1
06417GUE6	BANK OF NOVA SCOTIA	1.91%	04/05/19	1.91%	3,400,000.00	3,400,000.00	3,380,851.20	10,282.17	A-1	P-1
86563YVNO	SUMITOMO MITSUI BANK NY	2.05%	05/03/19	2.05%	2,450,000.00	2,450,000.00	2,440,378.85	4,045.90	A-1	P-1
83050FXT3	SKANDINAV ENSKILDA BK NY	1.84%	08/02/19	1.85%	3,400,000.00	3,398,674.00	3,370,743.00	20,679.50	A+	Aa2
06539RGM3	MITSUBISHI UFJ FINANCIAL GROUP	2.07%	09/25/19	2.07%	1,700,000.00	1,700,000.00	1,683,030.60	24,144.25	A	A1
22549LFR1	CREDIT SUISSE NEW YORK	2.67%	02/7/2020	2.67%	1,000,000.00	1,000,000.00	1,000,642.00	8,380.83	A	A1
65590ASN7	NORDEA BANK	2.72%	02/20/20	2.72%	3,400,000.00	3,400,000.00	3,383,125.80	25,432.00	AA-	Aa3
13606BVF0	CANADIAN IMPERIAL BANK NY	2.74%	04/10/20	2.78%	2,675,000.00	2,675,000.00	2,674,983.95	10,577.24	A+	A1
96121TA43	WESTPAC BANKING CORP	2.05%	08/03/20	2.05%	2,660,000.00	2,660,000.00	2,618,389.62	17,267.83	AA-	Aa3
87019UD6	SWEDBANK	2.27%	11/16/20	2.30%	3,400,000.00	3,400,000.00	3,329,042.00	3,430.22	AA-	Aa2
	SUBTOTAL				26,585,000.00	26,585,674.00	26,377,389.52	139,123.27		
SUPRA-NATIONAL AGENCY BOND / NOTE										
458182DX7	INTER-AMERICAN DEVELOPMENT BANK SN	1.00%	05/13/19	1.10%	2,380,000.00	2,372,860.00	2,347,703.40	1,190.00	AAA	Aaa
459058FS7	INTL BK RECON & DEVELOPMENT	1.12%	11/27/19	1.49%	1,750,000.00	1,735,647.67	1,715,777.00	218.75	AAA	Aaa
459058GA5	INTL BK RECON & DEVELOPMENT	1.62%	09/04/20	1.63%	2,000,000.00	1,999,580.00	1,957,474.00	7,854.17	AAA	Aaa
45905UP32	INTL BANK OF RECONSTRUCTION AND DEV	1.56%	09/12/20	1.64%	3,000,000.00	2,992,800.00	2,930,478.00	10,276.58	AAA	Aaa
4581XOCD8	INTER-AMERICAN DEVELOPMENT BANK	2.13%	11/09/20	1.81%	3,500,000.00	3,532,441.86	3,461,087.00	4,545.14	AAA	Aaa
4581XODB1	INTER-AMERICAN DEVELOPMENT BANK	2.63%	04/19/21	2.70%	1,425,000.00	1,421,865.00	1,421,517.30	4,364.06	AAA	Aaa
	SUBTOTAL				14,055,000.00	14,055,194.53	13,834,036.70	28,448.70		
ADJUST INVESTMENTS FROM AMORTIZED COST TO FAIR VALUE										
						(3,611,139.55)				
TOTAL INVESTMENTS PFM ASSET MANAGEMENT					174,193,036.19	171,311,985.37	171,311,985.37	716,575.32		
TIME DEPOSITS - ISSUER										
273941000	FREMONT BANK	1.37%	12/29/18	1.37%	1,000,000.00	1,000,000.00	993,439.69	114.22		
	SUBTOTAL				1,000,000.00	1,000,000.00	993,439.69	114.22		
MONEY MARKET ACCOUNTS										
5080200	MMA/BANK OF AMERICA SWEEP ACCOUNT	1.04%	Daily	1.00%	27,129,746.75	27,129,746.75	27,129,746.75	16,927.68		
					27,129,746.75	27,129,746.75	27,129,746.75	16,927.68		
POOLED INVESTMENT FUNDS										
6037-001	CAMP (California Asset Management Program)	1.95%	Daily	1.95%	90,799,154.25	90,799,154.25	90,799,154.25	112,727.08		
98-01-318	LAIF (State of California Local Agency Investment Funds)	1.76%	Daily	1.76%	65,000,000.00	65,000,000.00	65,000,000.00	-		
	SUBTOTAL				155,799,154.25	155,799,154.25	155,799,154.25	112,727.08		
TOTAL GENERAL CITY INVESTMENTS					\$ 358,121,937.19	355,240,886.37	\$ 355,234,326.06	\$ 846,344.30		
MORGAN STANLEY GOVT INSTL SWEEP ACCOUNT						1,670,743.31				
BANK OF AMERICA CHECKING ACCOUNT						18,363,585.34				
POLICE-NARCOTIC(SACMCTF FLASH FUND)/ BOFA						33,651.80				
POLICE-BAIL ACCOUNT/ BOFA						500.00				
TOTAL CASH & INVESTMENTS						375,309,366.82				
PETTY CASH										
	CITY MANAGER (12001)						500.00			
	FINANCE (14000)						2,750.00			
	HUMAN RESOURCES (15000)						200.00			
	POLICE CHIEF'S OFF (21010)						7,000.00			
	POLICE ADMINISTRATION (21020)						7,400.00			
	ANIMAL CONTROL (21910)						500.00			
	POLICE INVESTIGATIVE SERVICES-BAIL (21999)						200.00			
	YOUTH & FAMILY SERVICES-PETTY CASH (53410, 10853990)						270.00			
	FRC SUPPORT SVC PRG (530304)						40.00			
	SENIOR CENTER #188 (53310)						250.00			
	RECREATION SNACK BARS #189 (00000)						3,500.00			
	RECREATION ADMIN #189 (61002)						2,000.00			
	RECR REGISTRATION #189 (61003)						200.00			
	RECR WATER PARK #189 (61011)						6,944.00			
	SPORTS TENNIS CENTER #189 (61022)						175.00			
	PKS BOAT RENTAL #189 (61047)						375.00			
TOTAL CITY PETTY CASH						32,304.00				

**DETAIL OF CASH AND INVESTMENT, PETTY CASH AND CASH WITH FISCAL AGENTS
MAY 2018**

LD. #	SECURITY LISTING	FACE RATE	MATURITY DATE	PURCHASE YIELD	PAR	ORIGINAL COST	MARKET VALUE	ACCRUED INTEREST	CREDIT RATING	CREDIT RATING
CASH WITH FISCAL AGENTS										
LOCAL IMPROVEMENT/COMMUNITY FACILITY DISTRICTS										
515408	2015 CFD#1 (PACIFIC COMMONS) RESERVE FUND - BNY	0.00%		0.0000%		5,079,943.24				
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%		1,006.08				
515439	2015 CFD#1 (PACIFIC COMMONS) IMPROVEMENT FUND - BNY	0.00%		0.0000%		25,980.22				
515454	2015 CFD#1 (PACIFIC COMMONS) ESCROW FUND - BNY	0.00%		0.0000%		2.00				
						5,106,983.61				
CERTIFICATES OF PARTICIPATION/GO BONDS										
6711981500	2012 - FIXED COP, SERIES A - FEE ACCOUNT - Union Bank					1.00				
6711981501	2012 - FIXED COP, SERIES A - LEASE PMT FUND - Union Bank	0.59%		0.5900%		97.67				
6711981502	2012 - FIXED COP, SERIES A - RESERVE FUND - Union Bank	0.00%		0.0000%		1.00				
						99.67				
LEASE REVENUE BONDS										
6712196601	2017A - LRB REVENUE FUND- Union Bank	0.60%		0.6000%		995.22				
6712196605	2017A - LRB PROJECT FUND- Union Bank	0.06%		0.0600%		209,719.51				
657938	2017B - BOND FUND-BNY					119.71				
						210,834.44				
LEASE FINANCING										
743930	2016 - ENERGY & WATER EFFICIENCY LEASE - ESCROW FUND - BNY	0.01%		0.0100%		511,646.90				
TOTAL CASH WITH FISCAL AGENTS						5,829,564.62				
GRAND TOTAL						\$ 381,171,235.44				