INTRODUCTION

Transmitted herewith is the City Treasurer’s Report for the quarter ended June 30, 2018. This report includes a summary of investment balances and a listing of the portfolio value by each City fund.

The following is a summary of the activity of the City’s portfolio for the fiscal year’s fourth quarter:

<table>
<thead>
<tr>
<th>Period Covered</th>
<th>General Portfolio</th>
<th>Restricted Portfolio</th>
<th>Total Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BNY Mellon / Wells Fargo Bank</td>
<td>Cal Trust / Local Agency Investment Fund</td>
<td>U.S. Bank</td>
</tr>
<tr>
<td>Q4 FY17/18</td>
<td>(-1,320,378.87)</td>
<td>(-5,000,000.00)</td>
<td>-</td>
</tr>
<tr>
<td>Income + Change in Market Value</td>
<td>(924,191.90)</td>
<td>(-392,653.83)</td>
<td>(-192,077.30)</td>
</tr>
<tr>
<td>Ending 06/30/18 @ Market</td>
<td>(588,964,819.41)</td>
<td>(84,001,956.64)</td>
<td>(11,421,096.64)</td>
</tr>
</tbody>
</table>

| Q1 FY17/18     | \(-16,383,064.92\) | - | - | \(-16,383,064.92\) |
| Income + Change in Market Value | \(-228,098.05\) | \(470,361.64\) | \(5,847.84\) | \(704,307.53\) |
| Ending 03/31/18 @ Market | \(589,361,006.36\) | \(88,609,302.81\) | \(11,613,173.91\) | \(689,583,483.10\) |

DISCUSSION

The City’s total investment portfolio of $684.39 million at June 30, 2018 included $672.97 million in general portfolio investments and $11.4 million in restricted investments and is in compliance with the City’s Investment Policy. The average maturity of the BNY portfolio is 223 days. The following chart shows the asset allocation by dollar for the past four quarters.

<table>
<thead>
<tr>
<th>Market Value*</th>
<th>9/30/2017</th>
<th>12/31/2017</th>
<th>3/31/2018</th>
<th>6/30/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Agency</td>
<td>54,820,635.00</td>
<td>113,704,260.00</td>
<td>143,142,190.00</td>
<td>163,189,640.00</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>138,646,911.11</td>
<td>128,337,884.65</td>
<td>167,666,729.10</td>
<td>152,709,229.10</td>
</tr>
<tr>
<td>Negotiable CD</td>
<td>165,004,441.88</td>
<td>160,006,857.00</td>
<td>179,951,107.00</td>
<td>179,936,637.00</td>
</tr>
<tr>
<td>Corporate Securities</td>
<td>75,429,940.00</td>
<td>70,083,470.00</td>
<td>69,466,880.00</td>
<td>64,504,925.00</td>
</tr>
</tbody>
</table>

*Pricing Sources from Interactive Data Corporation (IDC) and Bloomberg Fair Value Price (BVAL)
Adequate liquidity exists within the portfolio to meet all known short-term City requirements through at least December 30, 2018, and we believe the City will have adequate liquidity to meet all requirements for the foreseeable future based upon existing maturity schedules and the current investment policy.*

**FISCAL IMPACT**

None.

**RECOMMENDATION**

None.

*As part of required reporting of the City’s unfunded pension and other post-employment benefits (OPEB) liabilities, PERS provides an annual report for the City’s pension liability and the City contracts with an actuarial services firm for the required biennial reports for assessing the OPEB liability. The next PERS report is anticipated in August 2018 and OPEB actuarial valuation should be completed in the spring of 2018.

Howard Fisher
Approved By

8/3/2018
Attachment 1
As of Quarter Ending
June 30, 2018

Balance Sheet Investment Balances

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Title</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>General Portfolio Bank of New York</td>
<td>$561,266,350</td>
</tr>
<tr>
<td>Special Funds</td>
<td>Book Value Cal Trust</td>
<td>$32,983,771</td>
</tr>
<tr>
<td></td>
<td>Wells Fargo - Stagecoach Sweep</td>
<td>$27,696,470</td>
</tr>
<tr>
<td></td>
<td>State Controllers Local Agency Investment Fund (LAIF)</td>
<td>$51,018,185</td>
</tr>
<tr>
<td></td>
<td>City Treasurer's Portfolio</td>
<td>$672,966,776</td>
</tr>
<tr>
<td></td>
<td>Book Value of Bond Proceeds Held in Trust at US Bank</td>
<td>$11,421,097</td>
</tr>
<tr>
<td><strong>TOTAL PORTFOLIO</strong></td>
<td></td>
<td>$684,387,873</td>
</tr>
</tbody>
</table>

FUND SUMMARY (continued)

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Title</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>General Fund</td>
<td>$158,805,645</td>
</tr>
<tr>
<td>Special Funds</td>
<td>State Gas Tax Fund</td>
<td>$4,579,365</td>
</tr>
<tr>
<td></td>
<td>California State Senate Bill 1186</td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>California State Senate Bill 1473</td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>Community Development Block Grant</td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>In-Lieu Parking Fund</td>
<td>$7,389,755</td>
</tr>
<tr>
<td></td>
<td>Parks &amp; Recreation Facilities Fund</td>
<td>$27,440,313</td>
</tr>
<tr>
<td></td>
<td>Inmate Welfare</td>
<td>$53,993</td>
</tr>
<tr>
<td></td>
<td>Fine Art Fund</td>
<td>$4,939,209</td>
</tr>
<tr>
<td></td>
<td>Air Quality Improvement Fund</td>
<td>$721,330</td>
</tr>
<tr>
<td></td>
<td>Transportation Grants Fund</td>
<td>$5,082,551</td>
</tr>
<tr>
<td></td>
<td>Prop C Fund</td>
<td>$4,946,318</td>
</tr>
<tr>
<td></td>
<td>Measure M - LA Metro Tax</td>
<td>$(58)</td>
</tr>
<tr>
<td></td>
<td>MTA Grant Fund</td>
<td>$1,449,987</td>
</tr>
<tr>
<td></td>
<td>1998 Lease Revenue Bonds Fund</td>
<td>$3,430,390</td>
</tr>
</tbody>
</table>

Internal Service Funds

<table>
<thead>
<tr>
<th>Title</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure Fund</td>
<td>$40,452,248</td>
</tr>
<tr>
<td>Capital Assets Fund</td>
<td>$40,277,378</td>
</tr>
<tr>
<td>Equipment Replacement Fund</td>
<td>$10,914,039</td>
</tr>
<tr>
<td>Information Technology Fund</td>
<td>$34,317,864</td>
</tr>
<tr>
<td>Cable Television Fund</td>
<td>$9,569,369</td>
</tr>
<tr>
<td>Reprographics/Graphics Fund</td>
<td>$3,813,781</td>
</tr>
<tr>
<td>Employee Benefits Fund</td>
<td>$54,082,099</td>
</tr>
<tr>
<td>Compensated Absences Liability Fund</td>
<td>$14,399,385</td>
</tr>
<tr>
<td>Liability Claims Fund</td>
<td>$22,377,361</td>
</tr>
<tr>
<td>Workers' Compensation Fund</td>
<td>$34,777,454</td>
</tr>
<tr>
<td>Unemployment Insurance Fund</td>
<td>$336,128</td>
</tr>
<tr>
<td>Policy, Administration, Legal</td>
<td>$14,403,994</td>
</tr>
<tr>
<td>Vehicle Fund</td>
<td>$13,346,481</td>
</tr>
</tbody>
</table>

Fiduciary Funds

<table>
<thead>
<tr>
<th>Title</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burton Green Scholarship Fund</td>
<td>$163,009</td>
</tr>
<tr>
<td>Buck Endowment Trust Fund</td>
<td>$474,953</td>
</tr>
<tr>
<td>Beverly Hills Beneficial Trust Fund</td>
<td>$5,754</td>
</tr>
<tr>
<td>Westside Cities COG Agency</td>
<td>$-</td>
</tr>
</tbody>
</table>

Enterprise Funds

<table>
<thead>
<tr>
<th>Title</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Enterprise Fund</td>
<td>$47,374,020</td>
</tr>
<tr>
<td>Parking Enterprise Fund</td>
<td>$45,437,275</td>
</tr>
<tr>
<td>Solid Waste Enterprise Fund</td>
<td>$29,505,867</td>
</tr>
<tr>
<td>Wastewater Enterprise Fund</td>
<td>$43,150,847</td>
</tr>
<tr>
<td>Wastewater Capacity Fee Fund</td>
<td>$787</td>
</tr>
<tr>
<td>Stormwater Enterprise Fund</td>
<td>$6,369,531</td>
</tr>
</tbody>
</table>

**Total All Funds**

<table>
<thead>
<tr>
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<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$684,387,873</td>
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