

CITY OF YUBA CITY
STAFF REPORT

Date: February 19, 2019

To: Honorable Mayor & Members of the City Council

From: City Treasurer

Presentation By: Spencer Morrison, Accounting Manager/City Treasurer

Summary

Subject: Presentation of Investment Report – Quarter Ended December 31, 2018

Recommendation: Note & File Quarterly Investment Report

Fiscal Impact: Informational item only

Purpose:

To provide information regarding the investment of city funds.

Background:

In accordance with the City's adopted Investment Policies, staff has prepared the attached investment report for City Council review for the previous quarter (October, November, and December).

Analysis:

Portfolio Highlights:

- As of December 31, 2018, the City's overall investment portfolio (estimated market value) totaled \$112,694,747, a decrease of \$11,513,362 from the previous quarter. The Sutter Butte Regional Flood Control Agency (SBFCA) portion of the City's pooled cash is \$6.35 million.
- Notable transactions during the quarter that affected cash flows included:

Expenditures

- Salaries and benefits, \$8.9 million;
- Water and Wastewater Bonds debt service, \$1.6 million;
- SBFCA construction related costs, \$11.7 million;

Receipts

- Receipt of 5th Street Bridge construction reimbursement claims 11 and 12, \$6.0 million;
 - Received advance from Department of Water Resources for SBFCA construction expenditures, \$1.2 million;
 - Sales tax receipts, \$3.9 million;
 - FEMA and OES grants for SBFCA damage from the 2017 storms, \$3.7 million.
- The portfolio shows a "paper loss" of \$443,247 as of December 31st. This represents the amount of value that the City would lose if it were to liquidate its entire portfolio at the end of the reporting period. However, such losses will not be realized if the investments are held until maturity (which is the City's general investment strategy). This variance happens when

the cost basis is different than the market value for each investment and is quite normal and can be a factor of purchasing bonds at a premium or discount, fluctuating market interest rates, etc., but our contract with the bond seller is that we receive the face amount of the bond at maturity, no matter how the market value fluctuates while we hold it in our portfolio.

- The City's portfolio continues to collect higher yields with each maturing bond lifting the overall portfolio yield compared to past quarters. The portfolio remains positioned for large cash flow needs due to the 5th St. Bridge and SBFCA construction projects, and has been positioned well for future rate increases by keeping the maturity dates of our purchases on the shorter side, 0.85 average years to maturity, while watching for early signs of an inevitable economic downturn. For the quarter ended 12/31/18, nine investments matured or sold with an average yield of 1.60%. The funds were re-invested in ten instruments with an average yield of 2.91%. The Weighted Average Yield to Maturity of the City's total investment portfolio increased slightly from 1.79 to 1.83% for the quarter.
- The City's cash flow needs will be met by roughly \$35.0 million as of December 31st (approximately 40.2% of the City Held Investments portfolio value) that is currently invested in LAIF, CAMP, Dreyfus money management funds, and in the City's Wells Fargo account, which are wholly liquid.

Outlook: Portfolio yield continues to grow and higher yield bonds are still replacing lower yield bonds as explained above. Expect to see the City's portfolio duration to begin increasing as news from the Federal Reserve indicates slowing of the rate hikes. Purchases of federal agencies will be very limited in favor of Treasuries and other sectors. AAA-rated asset-backed securities are expected to serve as a lower volatility alternative.

Summary Overview: The City's investment portfolio continues to remain safe and stable. Each investment continues to be in compliance with state law and the City's formal Investment Policies. Our three primary objectives for the City's portfolio are safety, liquidity, and then yield. With this in mind, staff continues to conservatively look for opportunities in today's marketplace while remaining focused on our primary objectives.

Fiscal Impact:

Informational Item only.

Recommendation:

Staff recommends for council to note and file the Quarterly Investment Report for the period ending December 31, 2018.

Prepared and Submitted By:

1st Spencer Morrison

Spencer Morrison
City Treasurer

Reviewed By:

City Manager

DL

Finance

RB

City Attorney

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ATTACHMENT 1



City of Yuba City

Treasurer's Quarterly Investment Report

AS PRESCRIBED BY CALIFORNIA GOVERNMENT CODE SECTION 53646

December 31, 2018

**City of Yuba City – Month-By-Month Comparison Report
December 31, 2018**

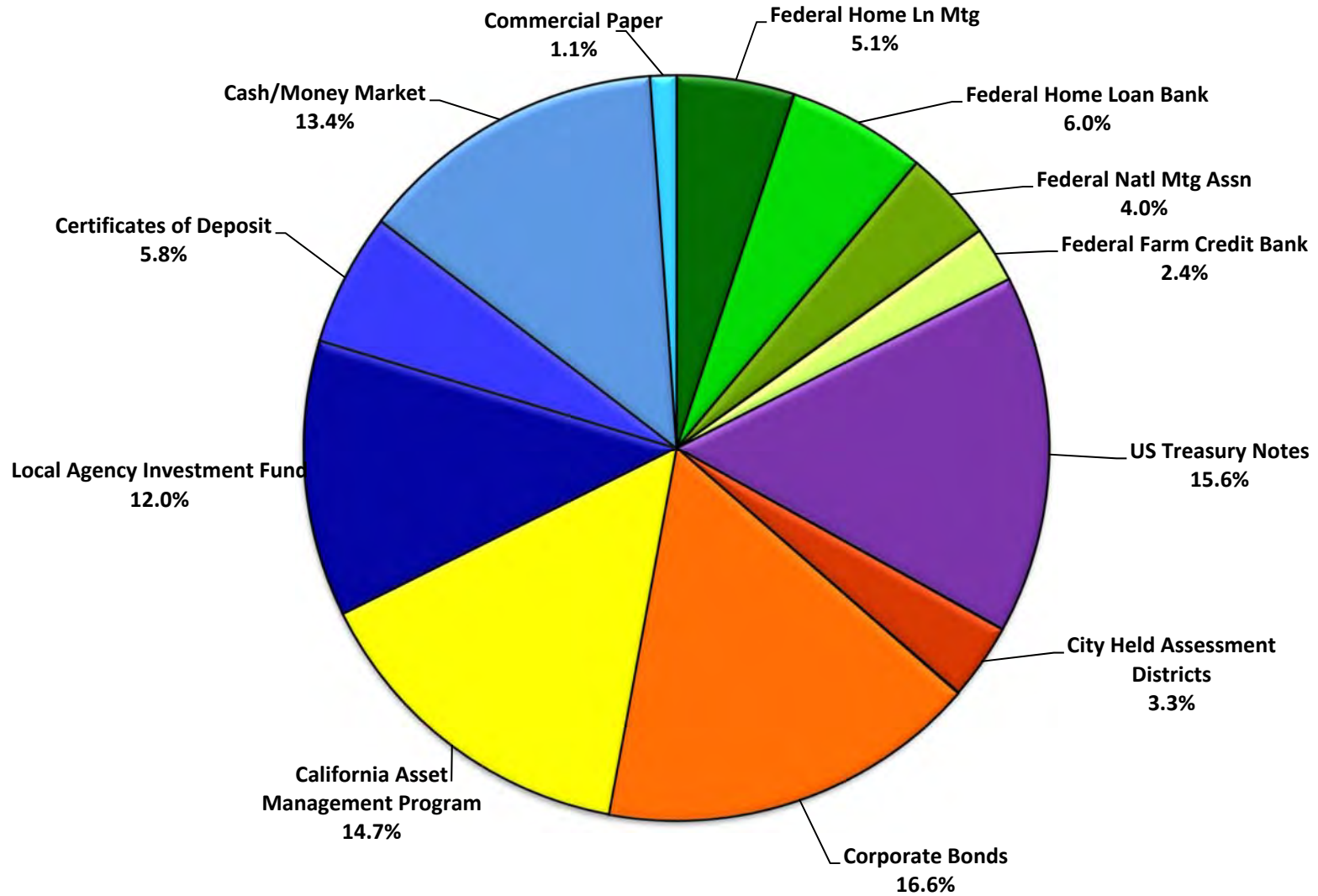
The following table provides a comparison of the portfolio for the quarter ended December 31, 2018, and the previous quarters ended March, June, and September 2018.

Portfolio Comparison				
	03/31/2018	06/30/2018	09/30/2018	12/31/2018
Cost Basis	\$109,790,170	\$106,624,089	\$124,955,340	\$113,138,004
Estimated Market Value	109,009,556	105,749,024	124,208,109	112,694,747
Unrealized Gains/(Losses) ⁽¹⁾	(780,614)	(875,065)	(747,231)	(443,247)
Liquidity	51.99%	50.24%	46.47%	40.18%
Weighted Average Years: Maturity of City Held Funds	1.17 years	1.16 years	1.15 years	0.85 years
LAIF Interest Rate	1.590%	1.900%	2.160%	2.160%
CAMP Interest Rate	1.620%	2.050%	2.140%	2.140%
Portfolio: Weighted Average Yield to Maturity at Market	1.53%	1.75%	1.79%	1.92%
CPI (Annualized)	2.4%	2.9%	2.3%	1.9%

Note: (1) This represents the amount of money that the City would gain (or lose) if it were to liquidate its entire portfolio at the end of the reporting period. However, such gains (or losses) will not be realized if the investments are held until maturity (which is the City's historical investment strategy).

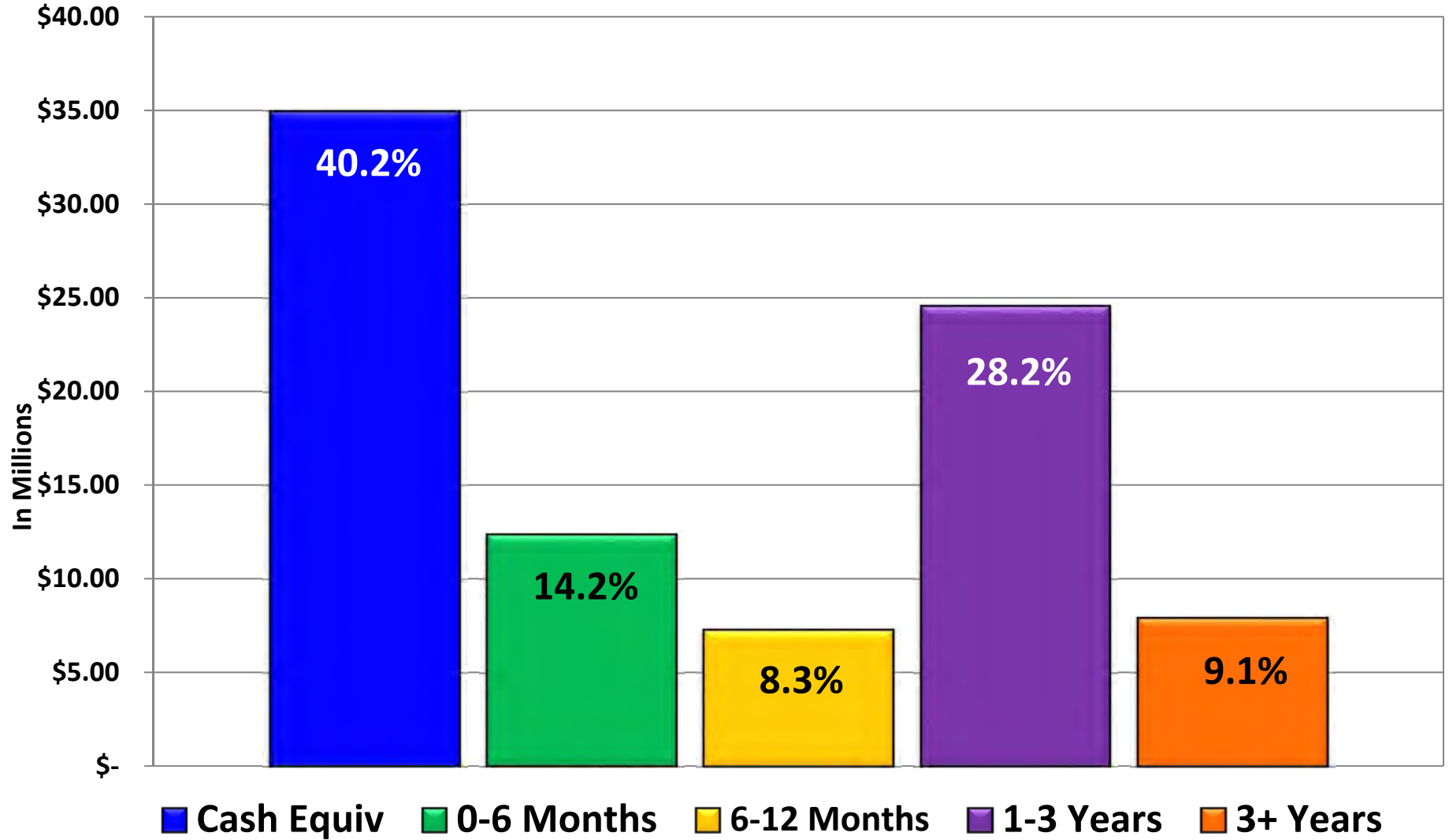
City of Yuba City – Quarterly Investment Report
December 31, 2018

Composition of City Held Investments



City of Yuba City – Quarterly Investment Report
December 31, 2018

City Held Investment Portfolio Maturity Distribution



**City of Yuba City
Monthly Investment Statement
City Held Investments**

December 2018

No.	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
	U.S. Consumer Price Index (Inflation)	12/31/18		1.900%			
1	Local Agency Investment Fund (LAIF)	Daily	2.160%	2.160%	\$ 10,454,508	\$ 10,444,588	\$ (9,920)
2	Calif. Asset Management Program (CAMP)	Daily	2.140%	2.140%	\$ 12,818,997	\$ 12,818,997	-
3	Wells Fargo Money Market & Checking Accts.	Daily (Sweep)	0.196%	0.196%	\$ 7,669,025	\$ 7,669,025	-
4	Dreyfus Govt Cash Management Fund	Daily	2.220%	2.220%	\$ 4,020,613	\$ 4,020,613	-
5	FNMA Series 2015-M15 ASQ2	01/25/19	1.898%	1.197%	\$ 3,121	\$ 3,083	(37)
6	Pepsico Inc Notes	01/07/19	2.250%	1.620%	\$ 505,565	\$ 499,940	(5,625)
7	Svenska Handelsbanken NY LT CD	01/10/19	1.890%	1.914%	\$ 475,000	\$ 474,929	(71)
8	Apple Inc.	02/22/19	1.700%	1.480%	\$ 503,220	\$ 499,085	(4,135)
9	US Treasury Notes	02/28/19	1.500%	1.210%	\$ 603,750	\$ 599,142	(4,608)
10	Federal Home Loan Bank	03/08/19	1.500%	1.500%	\$ 1,507,110	\$ 1,497,360	(9,750)
11	Bank Of Nova Scotia Houston CD	04/05/19	1.910%	1.910%	\$ 250,000	\$ 249,370	(630)
12	Freddie Mac	04/15/19	1.125%	1.130%	\$ 1,004,110	\$ 996,270	(7,840)
13	MUFG Bank Ltd NY DC/P	04/19/19	0.000%	2.620%	\$ 490,363	\$ 495,885	5,523
14	Goldman Sachs Grp Inc Corp NT (Callable)	04/25/19	2.000%	2.096%	\$ 34,903	\$ 34,878	(25)
15	Goldman Sachs Grp Inc Corp NT (Callable)	04/25/19	2.000%	2.022%	\$ 199,872	\$ 199,302	(570)
16	Dexia Credit Local DC/P	04/29/19	0.000%	2.600%	\$ 490,685	\$ 495,370	4,685
17	US Treasury Notes	04/30/19	1.250%	1.280%	\$ 499,648	\$ 497,950	(1,698)
18	Pfizer Inc	05/15/19	2.100%	2.220%	\$ 499,320	\$ 498,690	(630)
19	Caterpillar Financial Service	05/18/19	1.350%	1.380%	\$ 999,260	\$ 994,060	(5,200)
20	Wells Fargo Bank NA	05/24/19	1.750%	1.260%	\$ 1,013,560	\$ 994,920	(18,640)
21	Citigroup Inc Corp Notes	06/07/19	2.050%	2.068%	\$ 99,948	\$ 99,578	(370)
22	Federal Home Loan Bank	06/14/19	1.625%	2.190%	\$ 1,240,977	\$ 1,244,588	3,611
23	Federal Farm Credit Bank	06/25/19	2.350%	2.404%	\$ 999,472	\$ 999,390	(82)
24	Federal Home Loan Bank	06/28/19	0.800%	0.810%	\$ 996,726	\$ 991,140	(5,586)
25	Oracle Corp Bonds	07/08/19	5.000%	2.544%	\$ 514,150	\$ 505,325	(8,825)
26	US Treasury Notes	07/31/19	1.625%	2.205%	\$ 545,896	\$ 547,058	1,161
27	Freddie Mac	08/01/19	1.250%	2.180%	\$ 582,334	\$ 585,091	2,757
28	Skandinav Enskilda Banken NY CD	08/02/19	1.840%	1.851%	\$ 499,805	\$ 497,205	(2,600)
29	America Honda Finance	08/15/19	2.250%	2.290%	\$ 249,538	\$ 248,825	(712)
29	FNMA Notes	08/23/19	1.150%	1.160%	\$ 850,000	\$ 842,019	(7,982)
30	Federal Home Loan Bank	09/13/19	2.000%	2.478%	\$ 995,020	\$ 995,470	450
31	Bank of Feather River CD	09/17/19	2.000%	2.000%	\$ 1,002,735	\$ 1,002,735	-

**City of Yuba City
Monthly Investment Statement
City Held Investments**

December 2018

No.	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
32	Fannie Mae Series 2015-M13 ASQ2	09/25/19	1.646%	1.084%	\$ 14,877	\$ 14,640	(237)
33	Bank Tokyo Mitsubishi UFJ Ltd LT CD	09/25/19	2.070%	2.070%	\$ 250,000	\$ 248,255	(1,745)
34	US Treasury Notes	09/30/19	1.750%	1.740%	\$ 502,852	\$ 496,760	(6,092)
35	Burlington Northern Corp	10/01/19	4.700%	1.465%	\$ 138,033	\$ 126,524	(11,509)
36	US Treasury Notes	10/31/19	1.500%	1.500%	\$ 551,225	\$ 544,863	(6,362)
37	US Treasury Notes	12/31/19	1.875%	2.580%	\$ 594,141	\$ 595,638	1,497
38	General Electric Cap Corp Notes	01/08/20	5.500%	2.233%	\$ 482,031	\$ 430,007	(52,024)
39	Federal Home Loan Mortgage Corp (Freddie Mac)	01/17/20	1.500%	2.780%	\$ 1,479,051	\$ 1,483,170	4,119
40	US Bank NA Cincinnati	01/24/20	2.000%	3.068%	\$ 986,820	\$ 990,660	3,840
41	Credit Suisse New York CD	02/07/20	2.670%	2.670%	\$ 250,000	\$ 249,573	(428)
42	American Honda Finance Global Notes	02/14/20	2.000%	2.050%	\$ 470,524	\$ 472,427	1,902
43	FNMA Notes	02/28/20	1.500%	1.522%	\$ 89,942	\$ 88,976	(967)
44	Walt Disney Co	03/04/20	1.950%	1.830%	\$ 601,854	\$ 594,192	(7,662)
45	Federal Farm Credit Bank	03/25/20	2.730%	2.840%	\$ 1,098,262	\$ 1,102,695	4,433
46	FNMA Notes	03/27/20	1.625%	1.630%	\$ 999,650	\$ 989,270	(10,380)
47	FNMA Series 2015-M12 FA	04/01/20	2.502%	0.540%	\$ 24,964	\$ 24,948	(15)
48	Toyota Motor Credit Corp	04/17/20	1.950%	1.950%	\$ 501,810	\$ 493,790	(8,020)
49	FHLMC Agency Notes	04/20/20	1.375%	1.492%	\$ 219,248	\$ 216,669	(2,578)
50	FNMA Notes	04/30/20	1.500%	1.930%	\$ 495,035	\$ 493,355	(1,680)
51	Freddie Mac	05/22/20	1.500%	2.070%	\$ 1,044,151	\$ 1,042,924	(1,227)
52	US Treasury Notes	05/31/20	1.500%	1.880%	\$ 544,951	\$ 541,921	(3,031)
53	Bank Of Nova Scotia Houston CD	06/05/20	3.080%	3.100%	\$ 249,905	\$ 250,730	825
54	John Deere ABS 2016-B A3	06/15/20	1.250%	1.250%	\$ 20,970	\$ 20,877	(94)
55	JP Morgan Chase & Co Corp Note (Callable)	06/23/20	2.750%	2.639%	\$ 477,361	\$ 472,278	(5,083)
56	US Treasury Notes	07/31/20	2.000%	1.229%	\$ 129,136	\$ 123,970	(5,166)
57	Westpac Banking Corp NY CD	08/03/20	2.050%	2.050%	\$ 450,000	\$ 424,507	(25,493)
58	Bank Of Montreal Chicago CD	08/03/20	3.190%	3.230%	\$ 425,000	\$ 443,898	18,898
59	Ally ABS 2016-3 A3	08/15/20	1.440%	1.445%	\$ 21,505	\$ 21,430	(75)
60	US Treasury Notes	08/31/20	2.125%	1.761%	\$ 345,525	\$ 337,742	(7,783)
61	Ford ABS 2016-B A3	10/15/20	1.330%	1.334%	\$ 19,153	\$ 19,067	(86)
62	FNMA Notes	10/16/20	2.350%	1.990%	\$ 504,935	\$ 497,800	(7,135)
63	Sumitomo Mitsui CD	10/16/20	3.390%	2.990%	\$ 249,660	\$ 251,725	2,065
64	Paccar Financial Corp Notes	11/13/20	2.050%	2.053%	\$ 124,989	\$ 122,983	(2,006)
65	US Treasury Notes	11/15/20	2.625%	1.212%	\$ 249,577	\$ 235,432	(14,145)
66	Swedbank (New York) CD	11/16/20	2.270%	2.301%	\$ 500,000	\$ 490,520	(9,480)

**City of Yuba City
Monthly Investment Statement
City Held Investments**

December 2018

No.	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
67	US Treasury Notes	11/30/20	2.000%	1.351%	\$ 566,307	\$ 544,907	(21,400)
68	Wells Fargo & Company Notes	12/07/20	2.550%	2.028%	\$ 255,653	\$ 246,478	(9,175)
69	Wal-Mart Stores Inc Corp Note	12/15/20	1.900%	1.947%	\$ 249,638	\$ 246,078	(3,560)
70	Honda ABS 2016-4 A3	12/18/20	1.210%	1.043%	\$ 115,238	\$ 114,207	(1,031)
71	John Deere Captial Corp Notes	01/08/21	2.350%	2.368%	\$ 149,922	\$ 147,944	(1,979)
72	Nissan ABS	01/15/21	1.320%	1.870%	\$ 26,274	\$ 26,068	(206)
73	IBM Corp Corp Notes	02/05/21	2.650%	2.667%	\$ 249,878	\$ 247,188	(2,690)
74	National Rural Util Co-Op	03/15/21	2.900%	2.938%	\$ 99,889	\$ 99,545	(344)
75	National Rural Util Co-Op	03/15/21	2.900%	3.050%	\$ 149,366	\$ 149,317	(48)
76	Toyota Motor Credit Corp	04/13/21	2.950%	2.960%	\$ 239,904	\$ 240,036	132
77	Hyundai ABS 2016-B A3	04/15/21	1.290%	1.296%	\$ 101,508	\$ 100,537	(971)
78	Morgan Stanley Corp Notes	04/21/21	2.500%	2.402%	\$ 250,810	\$ 244,700	(6,110)
79	US Treasury Notes	04/30/21	1.375%	1.816%	\$ 613,794	\$ 609,569	(4,225)
80	Bank Of New York Mellon (Callable) Notes	05/03/21	2.050%	2.072%	\$ 249,743	\$ 244,008	(5,735)
81	American Express Credit (Callable) Notes	05/05/21	2.250%	2.290%	\$ 124,768	\$ 122,321	(2,446)
82	FNMA Benchmark Note	05/06/21	1.250%	1.115%	\$ 503,170	\$ 485,515	(17,655)
83	Branch Banking & Trust (Callable) Note	05/10/21	2.050%	2.069%	\$ 124,888	\$ 121,716	(3,171)
84	Hershey Co Corp Notes	05/15/21	3.100%	3.120%	\$ 99,931	\$ 100,885	954
85	American Express Co Notes	05/17/21	3.375%	3.380%	\$ 124,979	\$ 125,199	220
86	Charles Schwab Corp Notes	05/21/21	3.250%	3.250%	\$ 159,995	\$ 160,781	786
87	US Treasury Notes	05/31/21	2.000%	1.186%	\$ 518,711	\$ 494,455	(24,256)
88	Royal Bank Of Canada NY CD	06/07/21	3.240%	3.240%	\$ 425,000	\$ 425,043	43
89	FHLB Global Notes	07/14/21	1.125%	1.246%	\$ 521,939	\$ 507,024	(14,915)
90	US Treasury Notes	08/31/21	2.000%	1.926%	\$ 476,577	\$ 469,100	(7,478)
91	US Treasury Notes	08/31/21	2.000%	1.226%	\$ 414,688	\$ 395,031	(19,656)
92	US Treasury Notes	08/31/21	2.000%	1.810%	\$ 856,807	\$ 839,441	(17,365)
93	US Treasury Notes	08/31/21	2.000%	1.720%	\$ 960,650	\$ 938,199	(22,451)
94	US Treasury Notes	08/31/21	2.000%	1.828%	\$ 604,102	\$ 592,547	(11,555)
95	Bank Of America Corp (Callable)	10/01/21	2.328%	2.328%	\$ 160,000	\$ 156,877	(3,123)
96	John Deere ABS 2017-B A3	10/15/21	1.820%	1.824%	\$ 129,990	\$ 128,531	(1,459)
97	US Treasury Notes	10/31/21	1.250%	1.641%	\$ 1,082,770	\$ 1,063,305	(19,464)
98	US Treasury Notes	10/31/21	1.250%	1.840%	\$ 527,576	\$ 521,986	(5,590)
99	Citigroup Inc Corp (Callable) Notes	12/08/21	2.900%	2.592%	\$ 151,785	\$ 147,575	(4,211)
100	America Honda Finance	12/10/21	3.375%	3.200%	\$ 249,880	\$ 251,228	1,348

**City of Yuba City
Monthly Investment Statement
City Held Investments**

December 2018

No.	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
101	Ally ABS 2017-4 A3	12/15/21	1.750%	1.751%	\$ 299,996	\$ 297,063	(2,933)
102	AllyA 2017-5 A3	03/15/22	1.990%	1.994%	\$ 274,979	\$ 272,261	(2,718)
103	JDOT 2018-A A3	04/16/22	2.660%	2.664%	\$ 164,988	\$ 164,465	(523)
104	US Treasury Notes	04/30/22	1.875%	2.132%	\$ 346,240	\$ 343,301	(2,940)
105	US Treasury Notes	04/30/22	1.875%	2.236%	\$ 591,141	\$ 588,515	(2,625)
106	US Treasury Notes	04/30/22	1.875%	2.790%	\$ 579,492	\$ 588,515	9,023
107	HART 2018-A A3	07/15/22	2.790%	2.800%	\$ 149,977	\$ 149,880	(97)
108	US Treasury Notes	08/15/22	1.625%	2.820%	\$ 645,284	\$ 654,882	9,597
109	AllyA 2018-2 A3	11/15/22	2.920%	2.930%	\$ 184,966	\$ 184,678	(288)
110	US Treasury Notes	12/31/22	2.125%	2.500%	\$ 386,219	\$ 394,359	8,140
111	AllyA 2018-3 A3	01/15/23	3.000%	3.090%	\$ 249,983	\$ 249,795	(188)
112	HAROT 2018-4 A3	01/15/23	3.160%	2.920%	\$ 224,966	\$ 226,069	1,103
113	CCCIT 2018-A1 A1	01/20/23	2.490%	2.544%	\$ 499,931	\$ 495,970	(3,961)
114	Valet 2018-2 A3	04/20/23	3.250%	2.860%	\$ 199,992	\$ 201,656	1,664
115	GMCAR 2018-3 A3	05/16/23	3.020%	3.030%	\$ 139,967	\$ 140,498	531
116	CARMAX Auto Owner Tr.	06/15/23	3.130%	3.360%	\$ 124,983	\$ 125,478	495
117	FHLMC REMIC K-P05 Structured Pass-Through Notes	07/01/23	3.203%	2.850%	\$ 125,000	\$ 125,743	743
118	CARMAX Auto Owner Tr.	09/15/23	3.360%	3.060%	\$ 114,999	\$ 115,788	789
119	Darrough Drive AD	09/02/24	6.000%	6.000%	\$ 63,829	\$ 63,829	-
120	Buttes Vista 2000-1 AD, 2013 Refunding	09/02/25	2.730%	2.730%	\$ 363,792	\$ 363,792	-
121	Buttes Vista 2002-1 AD, 2013 Refunding	09/02/27	2.730%	2.730%	\$ 404,850	\$ 404,850	-
122	Staple/Ashley/Cornwell AD	09/02/30	6.000%	6.000%	\$ 104,091	\$ 104,091	-
123	WWTP Solar System (DS, June 30)	06/30/33	4.000%	4.000%	\$ 1,926,978	\$ 1,926,978	-
Total City Held Investments					\$ 87,429,134	\$ 86,985,887	\$ (443,247)

**City of Yuba City Investment Report
Investments Held By Trustees
December 2018**

No.	Description of Debt Issuance	Account Type	Description of Security	Maturity Date	Coupon Rate	Yield to Maturity	Cost Basis	Estimated Market Value	Unrealized Gain/(Loss)
123	2013 Water Rev COP	Debt Service	Dreyfus Treas Csh	Daily	0.000%	0.000%	81	81	-
124	TABs Refunding - 2015	Debt Service	Dreyfus Treas Csh	Daily	1.860%	1.860%	147	147	-
125		Interest	Dreyfus Treas Csh	Daily	1.860%	1.860%	298	298	-
126		Principal	Dreyfus Treas Csh	Daily	1.860%	1.860%	381	381	-
126		Reserve	Dreyfus Treas Csh	Daily	0.250%	0.010%	129,584	129,584	-
127		Reserve	Dreyfus Treas Csh	Daily	0.000%	0.000%	1	1	-
128		Reserve	Dreyfus Treas Csh	Daily	0.250%	0.250%	482,331	482,331	-
129	Gauche Park Refunding - 2015	Debt Service	Dreyfus Treas Csh	Daily	1.660%	1.660%	69	69	-
130		Debt Service	Dreyfus Treas Csh	Daily	0.000%	0.000%	-	-	-
131		Interest	Dreyfus Treas Csh	Daily	0.000%	0.000%	-	-	-
132		Reserve	Assured Guaranty	Daily	Discount	0.000%	1	1	-
133		COI	Dreyfus Treas Csh	Daily	0.000%	0.000%	-	-	-
134	CFD Refund 2016	Debt Service	Dreyfus Treas Csh	Daily	1.860%	1.860%	173	173	-
135		Reserve	Dreyfus Treas Csh	Daily	0.000%	0.000%	43,126	43,126	-
136		Special Tax	Dreyfus Treas Csh	Daily	0.000%	0.000%	97	97	-
137	Wastewater Revenue Bonds (CREBS) - 2017	Bond	Dreyfus Treas Csh	Daily	1.860%	1.860%	4,790	4,790	-
138		Project	Dreyfus Treas Csh	Daily	1.860%	1.860%	1,357,727	1,357,727	-
139		COI	Dreyfus Treas Csh	Daily	0.000%	0.000%	0	0	-
140	Authority 2018 Wastewater Revenue Bonds	Bond	Dreyfus Treas Csh	Daily	0.000%	0.000%	79,232	79,232	-
141	Authority 2018 Wastewater Revenue Bonds	Bond	Dreyfus Treas Csh	Daily	1.770%	1.770%	1	1	-
142		Project	Dreyfus Treas Csh	Daily	1.770%	1.770%	23,610,822	23,610,822	-
Total Trustee-Held Investments							\$ 25,708,859	\$ 25,708,859	\$ -

TOTAL CITY & TRUSTEE-HELD INVESTMENTS	\$ 113,137,994	\$ 112,694,747	\$ (443,247)
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I certify to the best of my knowledge: (i) That this statement reflecting all City investments is accurate and complete; (ii) That each investment conforms with the City's investment policies, as well as California's Government Code; and (iii) That sufficient cash flow liquidity is available to meet the next six months of estimated disbursements.

Signed: /s/ Spencer Morrison
Spencer Morrison, City Treasurer

Date: 2/6/2019

Investment Activity
October, November, December 2018

Description of Security	Broker	Settlement Date	Maturity Date	Trade Date	Activity Type	Coupon Rate	Yield to Maturity	Cost Basis
SALES/REDEMPTIONS								
Federal Farm Credit Bank Bonds		10/09/18	10/09/18	10/09/18	Maturity	0.875%	0.880%	996,850
American Honda Finance	Wells Fargo Securities	10/10/18	08/15/19	10/03/18	Sales	2.250%	2.290%	249,538
US Bancorp Medium Term Notes (MTN)		10/15/18	11/15/18	10/15/18	Called	1.950%	1.070%	1,019,670
Sumitomo Mitsui C/D	Merrill Lynch Fixed Income	10/18/18	05/03/19	10/16/18	Sales	2.050%	2.050%	500,000
Federal Home Loan Mortgage Bank MTN	Merrill Lynch Fixed Income	10/24/18	04/20/20	10/17/18	Sales	1.375%	1.492%	114,607
BNP Paribas DC/P		10/26/18	10/26/18	10/26/18	Maturity	0.000%	2.061%	590,899
Nordea Bank Finland NY C/D		11/30/18	11/30/18	11/30/18	Maturity	1.760%	1.740%	475,000
Canadian Imperial Bank NY C/D		11/30/18	11/30/18	11/30/18	Maturity	1.760%	1.779%	474,630
Federal Farm Credit Bank Bonds		12/05/18	12/05/18	12/05/18	Maturity	1.100%	1.100%	1,495,980
Total Sales/Redemptions								\$ 5,917,173
PURCHASES								
Federal Farm Credit	Jefferies	10/09/18	03/25/20	10/04/18	Buy	2.730%	2.840%	1,098,262
American Honda Finance	Government Perspectives, LLC/Chase	10/10/18	12/10/21	10/03/18	Buy	3.375%	3.200%	249,880
US Bank, NA Cincinnati	US Bancorp Investments, Inc.	10/18/18	01/24/20	10/17/18	Buy	2.000%	3.068%	986,820
Sumitomo Mitsui YC/D	Goldman Sachs	10/18/18	10/16/20	10/16/18	Buy	3.390%	2.990%	249,660
Carmax 2018-4 A3	Merrill Lynch Fixed Income	10/24/18	09/15/23	10/17/18	Buy	3.360%	3.060%	114,999
US Treasury Notes	BNP Paribas Securities Corp	11/06/18	12/31/22	11/05/18	Buy	2.125%	2.500%	386,219
Valet 2018-2 A3	Salomon Bros.	11/21/18	04/20/23	11/15/18	Buy	3.250%	2.860%	199,992
Honda Auto Receivables (HAROT) 2018-4 A3	Government Perspectives, LLC/Chase	11/28/18	01/15/23	11/20/18	Buy	3.160%	2.920%	224,966
Federal Home Loan Mortgage Corp Notes	Wells Fargo Securities	12/06/18	01/17/20	12/04/18	Buy	1.500%	2.780%	1,479,051
Freddie Mac REMIC K-P05 Struc Pass-thru	Credit Suisse	12/17/18	07/01/23	12/06/18	Buy	3.203%	2.850%	125,000
Total Purchases								\$ 5,114,848

**City of Yuba City - Quarterly Investment Transaction Report
September 2018 - Market Value Summary**

Account Types	Balance 9/30/2018	Balance 12/31/2018	Period Activity
City Held Investments			
Local Agency Investment Fund	\$ 28,728,266	\$ 10,444,588	\$ (18,283,679)
California Asset Management Program	5,242,683	12,818,997	7,576,314
Cash/Money Market	11,839,002	11,689,637	(149,365)
Commercial Paper	1,584,849	991,255	(593,594)
Federal Agency Securities	15,153,117	15,227,139	74,022
US Treasuries	13,029,071	13,558,588	529,517
Certificates of Deposit	6,205,041	5,008,489	(1,196,552)
Corporate Bonds	13,927,404	14,383,654	456,250
City-held Assessment Districts	2,863,540	2,863,540	0
Total City Held Investments	\$ 98,572,973	\$ 86,985,887	\$ (11,587,086)
Trustee Held Investments			
Sunsweet Blvd CFD - 2015 Refund	\$ 43,159	\$ 43,396	\$ 236
Water Refunding 2013	149	81	(68)
TABs Refunding - 2015	609,468	612,741	3,273
Gauche Park Refunding	200	70	(130)
Wastewater Revenue Bonds - 2017	1,371,335	1,362,518	(8,818)
Wastewater Revenue Bonds - 2018	23,610,823	23,690,054	79,231
Total Trustee Held Investments	\$ 25,635,135	\$ 25,708,860	\$ 73,725
Total			
	\$ 124,208,109	\$ 112,694,747	\$ (11,513,362)