

To: Honorable Public Utilities Board

Submitted by: */S/*
Robert J. Orbeta
AGM - Administration

From: Carolina E Mazilu
Senior Utility Accountant

Approved by: */S/*
Nicolas Procos
General Manager

Subject: Treasurer's Report for the Month Ending June 30, 2019

RECOMMENDATION

For information, no action is recommended.

BACKGROUND

This report is submitted in compliance with Alameda Municipal Power's (AMP) policy and the State of California Government Code Sections 53607 and 53646(b).

DISCUSSION

Funds have been managed and invested in compliance with the Public Utilities Board's Resolution No. 5142. AMP's expenditure requirements for the next six-months are covered by anticipated revenues and the liquidity of current investments.

Investments

The total book value of AMP's investment portfolio is \$66,566,695. The current market value of the portfolio totaled \$66,742,951. Investments are held to maturity or may be sold when prices yield a gain on the sale. The overall portfolio has a weighted average interest rate of 2.445 percent.

Interest Rates

During the period, the rate on 90-day T-Bills decreased 22 basis points from 2.30 percent on May 31, 2019 to 2.08 percent on June 30, 2019. The rate on the 30-day London Interbank Offered Rate (LIBOR) decreased 5 basis point from 2.48 percent on May 31, 2019 to 2.43 percent on June 30, 2019.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None

EXHIBITS

- A. Investment Portfolio Summary and Detail
- B. Supplemental Schedule - Sources of Investments & Investment Portfolio

Alameda Municipal Power
INVESTMENT PORTFOLIO SUMMARY
June 30, 2019

	<u>Current Market Value</u>	<u>Book Value</u>	<u>Unrealized Gain (Loss)</u>	<u>Percent of Total</u>	<u>Average Return</u>
Local Agency Investment Fund	\$49,466,724	\$49,382,192	\$84,532	74.19%	2.428%
Cash & Money Market	-169	-169	\$0	0.00%	0.850%
Municipal Bonds	4,142,897	4,111,742	31,156	6.18%	2.956%
Corporate Fixed Income	5,677,830	5,627,021	50,809	8.45%	2.480%
Certificates of Deposit(s)	<u>7,455,669</u>	<u>7,445,910</u>	<u>9,759</u>	<u>11.19%</u>	<u>2.244%</u>
 Total Investment Portfolio and Weighted Average Return	 <u>\$66,742,951</u>	 <u>\$66,566,695</u>	 <u>\$176,256</u>	 <u>100.00%</u>	 <u>2.445%</u>

Fiscal Year (FY) 2019 Budgeted Interest Income	\$300,000
FY2019 Year-to-date Interest Income Estimated	\$1,534,102
Percent of Interest Received To Date	511.4%

	Actual	Budgeted
FY 2018 Interest Income	\$826,098	\$300,000
FY 2017 Interest Income	\$470,818	\$120,000
FY 2016 Interest Income	\$316,332	\$101,000
FY 2015 Interest Income	\$173,594	\$105,000
FY 2014 Interest Income	\$85,857	\$105,000

**Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
June 30, 2019**

<u>Investment Description</u>	<u>Custodian / S&P Rating</u>	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Current Market Value</u>	<u>Date of Investment</u>	<u>Date of Maturity</u>	<u>% of Portfolio</u>	<u>Yield to Maturity</u>	<u>Call Date</u>	<u>Book Value Purchase Price</u>
Local Agency Investment Fund (LAIF)	LAIF		2.428%	49,466,724	05/01/19	05/31/19	74.18%	2.428%		\$49,382,192
Cash & Money Market Funds		-\$169	0.850%	-169	05/01/19	05/31/19	0.00%	0.850%		-\$169
	Subtotal	-\$169		-169						-\$169
Corporate Bonds										
Amgen Inc 3.625%, 05/15/2022	A	\$ 225,000	3.625%	\$ 232,117	04/15/19	05/15/22	0.35%	2.470%	02/15/22	\$ 231,428
Apple Inc. 2.700%, 05/13/2022	AA+	300,000	2.700%	305,175	11/16/17	05/13/22	0.46%	2.080%		305,188
Barclays Bank Plc Mtn 3.250 to 9/19, 9/27/2023	A	250,000	3.250%	249,288	10/23/18	09/27/23	0.37%	4.070%	09/27/19	248,750
Bristol-Myers Squibb Co 2.000%, 8/1/2022	A+	250,000	2.000%	248,363	12/06/17	08/01/22	0.37%	2.420%		246,757
Citibank NA 2.125%, 10/20/2020	A+	250,000	2.125%	249,570	11/16/17	10/20/20	0.38%	2.260%	09/20/20	250,002
Cnooc Limited Sr Gbl NT 3.750% 5/2/2023	A+	225,000	3.750%	232,949	12/20/18	05/02/23	0.34%	2.770%		225,853
Coca-Cola FEMSA SAB CV 3.875%, 11/26/2023	A-	226,000	3.875%	237,031	06/27/19	11/26/23	0.36%	2.690%		239,122
Federal Natl Mtg Assn 2.000%, 11/20/2023	AA+	225,000	2.000%	223,886	03/18/19	11/20/23	0.33%	2.120%	05/20/19	220,300
Federal Natl Mtg Assn 1.625%, 06/23/2022	AA+	225,000	1.625%	224,091	05/16/19	06/23/22	0.33%	1.770%	06/23/19	220,781
Gilead Sciences Inc Sr Nt 4.400% , 12/1/2021	A	250,000	4.400%	261,533	11/14/18	12/01/21	0.39%	2.420%	09/01/21	258,128
Glaxosmithkline Capital 2.850%, 5/8/2022	A+	250,000	2.850%	254,200	11/14/18	05/08/22	0.37%	2.240%		245,953
HSBC USA INC New Srl Gbl 3.000%, 02/20/2024	A	225,000	3.000%	225,630	02/14/19	02/20/24	0.34%	3.480%	02/20/20	225,000
IBM Corp 2.250%, 02/19/2021	A+	150,000	2.250%	149,975	11/16/17	02/19/21	0.23%	2.260%		151,012
International Business Machs Sr Gbl NT2 2.500%, 1/27/2022	A	75,000	2.500%	75,493	11/14/18	01/27/22	0.11%	2.240%		73,103
John Deere Capital Corp 2.750%, 3/15/2022	A+	300,000	2.750%	305,778	11/16/17	03/15/22	0.46%	2.010%		306,379
Occidental Petroleum Corporation 2.700%, 2/15/2023	A	225,000	2.700%	226,913	12/20/18	02/15/23	0.33%	2.450%	11/15/22	218,610
Oracle Corp 1.900%, 9/15/2021	AA-	250,000	1.900%	248,735	12/06/17	09/15/21	0.37%	2.140%	08/15/21	247,992
Pepsico Inc 1.700%, 10/06/2021	A+	250,000	1.700%	248,043	12/06/17	10/06/21	0.37%	2.060%	09/06/21	245,637
Public Storage 2.370%, 9/15/2022	A	250,000	2.370%	251,488	12/06/17	09/15/22	0.37%	2.180%	08/15/22	248,476
Santander UK PLC 4%, 03/13/2024	A	225,000	4.000%	237,418	06/27/19	03/13/24	0.36%	2.740%		239,735
Simon PPTY Group LP NT 4.125, 12/1/2021	A	250,000	4.125%	259,980	11/07/18	12/01/21	0.38%	2.410%	09/01/21	255,855
Toronto Dominion Bank Sr Gbl, 3.500%, 11/30/2023	A	250,000	3.500%	249,968	11/26/18	11/30/23	0.38%	4.050%	11/30/19	250,000
U S Bancorp Mtms Bk Ent , 2.625%, 01/24/2022	A+	225,000	2.625%	227,405	01/16/19	01/24/22	0.33%	2.190%	12/23/21	222,957
Wal-Mart Stores Inc 2.350%, 12/15/2022	AA	250,000	2.350%	252,805	12/06/17	12/15/22	0.38%	2.010%	11/15/22	250,007
	Subtotal	\$5,601,000		5,677,830		average days	8.45%	2.480%		\$5,627,021
Municipal Bonds										
Austin Tex Cmnty College Distpub Fac Corp Lease Rev - 5.703%, 8/1/21	AA	\$ 225,000	5.703%	\$ 240,962	01/28/19	08/01/21	0.36%	2.190%		\$ 241,002
Austin Tex Elec Util Sys Rev 2.524%, 11/15/2023	AA	100,000	2.524%	101,421	05/23/19	11/15/23	0.15%	2.150%		100,000
Camden Cnty N J Impt Auth Lease Rev - 6.720%, 7/1/23	A	225,000	6.720%	233,921	01/16/19	07/01/23	0.36%	5.610%	07/01/20	237,481
Chicago Ill Tran Auth Sales Tax Rcpts Rev, 5.470%, 12/1/23	AA	225,000	5.470%	251,291	01/07/19	12/01/23	0.37%	2.650%		247,275
Connecticut St GO BDS A 5.690%, 3/15/2023	A	225,000	2.690%	250,697	02/25/19	03/15/23	0.37%	2.400%		246,600
Cuyahoga Cnty Ohio Economic Dev Rev 5.034%, 6/1/2023	AA	225,000	5.034%	230,967	12/07/18	06/01/23	0.35%	4.320%	06/01/20	232,553
Evansville Ind Redev Auth Rede Lease rental Rev BDS 5.950%, 2/1/2022	A	225,000	5.950%	233,782	11/28/18	02/01/22	0.36%	4.350%	08/01/20	236,617
Florida Hurricane Catastrophefd Fin Corp Rev 2.995%, 7/1/2020	AA	225,000	2.995%	227,034	12/13/18	07/01/20	0.34%	2.330%		225,767
Mansfield Ohio City Sch Dist 3.000%, 12/01/2022	AA	225,000	3.000%	226,836	03/25/19	12/01/22	0.34%	2.900%	06/01/20	227,311
New York NY GO Bds 5.199%, 12/01/2022	AA	225,000	5.199%	244,917	11/28/18	12/01/22	0.36%	2.410%		241,790
New York ST Dorm Auth St Pers 4.992%, 3/15/2022	AA+	225,000	4.992%	242,627	02/12/19	03/15/22	0.36%	2.210%		239,756
Oneida CNTY NY Pub Impt BDS 6.500%, 04/15/2023	AA	225,000	6.500%	252,614	11/28/18	04/15/23	0.38%	3.670%		250,583
Plum Boro PA Sch Dist GO Bds B 2.976%, 09/15/2021	AA	200,000	2.976%	204,074	02/05/19	09/15/21	0.30%	2.660%		200,876
Pomona Calif Redev Agy Successor Agy Tax Allocation 3.406%, 2/1/2021	A+	225,000	3.406%	229,552	12/07/18	02/01/21	0.34%	2.200%		228,220
Portl & Ore Pension Oblg Rev 7.701%, 06/01/2022		225,000	7.701%	249,858	02/20/19	06/01/22	0.38%	3.770%		251,381
Sacramento Cnty Calif Pensionoblig 5.730%, 08/15/2023	AA-	225,000	5.730%	251,813	03/18/19	08/15/23	0.37%	2.760%		246,094
West Covina Calif Pub Fing Auth Lease Rev 3.768%, 05/01/2022	A+	225,000	3.768%	233,251	12/13/18	05/01/22	0.34%	2.120%		229,500
Yuba Cnty Calif Ctfs Partn - Clean Renew Energy Proj 3.750%, 12/01/2022	AA	225,000	3.750%	237,281	12/13/18	12/01/22	0.34%	2.500%		228,938
	Subtotal	\$3,900,000		4,142,897		average days	6.18%	2.956%		\$4,111,742

**Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
June 30, 2019**

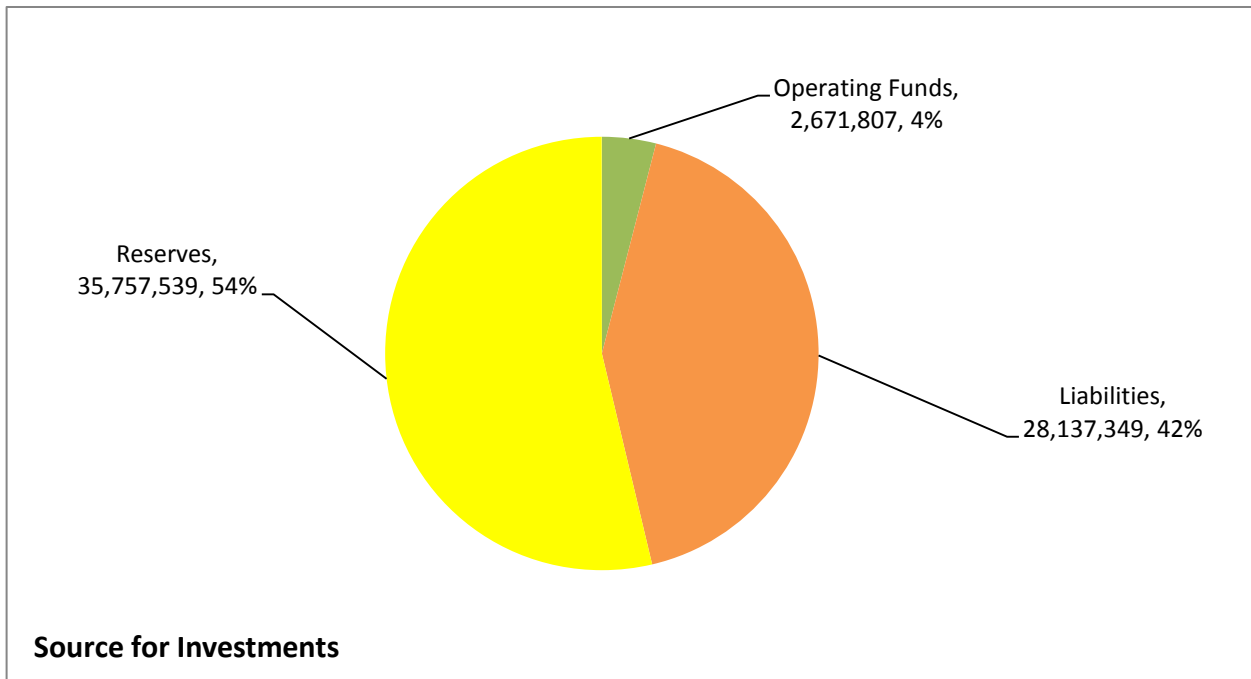
<u>Investment Description</u>	<u>Custodian / S&P Rating</u>	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Current Market Value</u>	<u>Date of Investment</u>	<u>Date of Maturity</u>	<u>% of Portfolio</u>	<u>Yield to Maturity</u>	<u>Call Date</u>	<u>Book Value Purchase Price</u>
Certificates of Deposit										
Allegiance BK Houston, TX		\$ 250,000	2.200%	\$ 248,690	10/26/17	11/03/22	0.38%	2.360%		\$ 250,000
Ally Bk Midvale Utah - Death Put		250,000	2.500%	251,710	05/28/19	06/06/22	0.38%	2.260%		250,000
American Express Centurion Salt Lake City, UT		177,000	3.599%	176,493	09/08/17	09/12/22	0.27%	2.490%		177,000
American Express Centurion Salt Lake City, UT		72,000	3.593%	71,809	09/11/17	09/06/22	0.11%	2.490%		72,252
American Express FED SVGS Bk Instl		245,000	2.569%	244,934	08/15/14	08/21/19	0.37%	2.280%		245,000
Banco Popular Nor New York, NY		245,000	2.792%	245,145	02/28/18	03/09/20	0.37%	2.410%	03/07/19	245,000
Barclays Bank Wilmington, DE		245,000	2.649%	244,936	07/24/14	07/30/19	0.37%	2.380%		245,000
Bristol CO SVGS BK Taunton, MA		250,000	2.500%	250,490	06/04/19	12/10/21	0.38%	2.050%	12/11/19	250,000
C1 Bk Saint Petersburg, FL		245,000	2.179%	244,839	03/03/15	09/19/19	0.37%	1.810%		245,000
Capital One Bank Glen Allen VA		245,000	2.702%	244,919	10/09/14	10/16/19	0.37%	2.260%		245,000
Capital One NA Mclean, VA		176,000	3.011%	176,165	09/16/15	09/23/20	0.26%	2.220%		176,000
Capital One NA Mclean, VA		74,000	3.389%	73,921	09/19/17	09/27/22	0.11%	2.330%		74,000
Celtic Bank Salt Lake City , UT		49,000	1.750%	48,685	12/27/17	12/24/20	0.07%	2.190%		48,503
Cit Bank Salt Lake City, UT		245,000	2.717%	245,093	12/10/14	12/17/19	0.37%	2.110%		245,000
Discover BK Greenwood		250,000	3.000%	252,698	10/30/18	11/02/20	0.38%	2.170%		250,000
Enterprise Bank Allison Park, PA		245,000	2.812%	244,155	03/03/15	03/20/20	0.37%	2.190%		245,000
Everbank, Jacksonville, FL		100,000	2.965%	99,782	10/11/17	09/15/20	0.15%	2.180%		100,300
First Business, Madison WI		245,000	2.885%	244,011	05/27/15	06/11/20	0.37%	2.180%		245,000
Firstmerit Bk, Akron, OH		245,000	2.718%	245,059	07/08/15	07/23/20	0.37%	1.980%		245,000
Goldman Sachs BK New York, NY		249,000	2.500%	249,946	11/21/17	11/29/22	0.37%	2.380%		249,000
Key Bank Cleveland, OH		247,000	2.982%	245,985	09/13/17	09/25/20	0.37%	2.190%		247,000
Merchants Hillsboro, OH		50,000	2.000%	50,034	12/27/17	08/05/20	0.07%	1.940%		49,872
Merrick Bank, South Jordan, UT		223,000	3.182%	221,905	10/03/17	10/12/21	0.34%	2.220%		223,000
Merrick Bank, South Jordan, UT		250,000	3.200%	255,993	11/19/18	01/20/22	0.38%	2.230%		250,000
Peoples United Bridgeport, CT		245,000	2.500%	244,788	02/23/15	03/04/20	0.37%	1.880%		245,000
Private Bank Chicago, IL		245,000	2.445%	244,883	02/19/15	02/27/20	0.37%	1.820%		245,000
Rollstone Bank Fitchburg, MA		245,000	2.569%	244,666	04/01/15	04/15/20	0.37%	1.920%		245,000
Salliema BK, Salt Lake City, UT		245,000	2.640%	244,938	07/24/14	07/30/19	0.37%	2.370%		245,000
Sallie Mae Bk Slit Lake City Ut		250,000	2.500%	251,705	05/20/19	05/23/22	0.38%	2.250%		250,000
Silvergate Bk La Jolla Calif - Callable		250,000	2.650%	250,608	05/28/19	05/31/23	0.38%	2.590%	11/30/19	250,000
State Bank of India New York 2.8%, 05/15/2024		200,000	2.800%	200,146	06/18/19	05/15/19	0.30%	2.780%	08/15/19	200,050
State Bk India New York 2.85%, 05/30/2024		250,000	2.850%	250,260	06/04/19	05/30/24	0.38%	2.830%	08/30/19	249,938
Synchrony BK (Formerly GE Capital Retail Bank) Draper UT, CD		245,000	2.702%	244,884	08/15/14	08/22/19	0.37%	2.430%		245,000
TIAA FSB Jacksonville, FL		149,000	1.900%	148,493	11/09/17	09/14/20	0.22%	2.190%		148,996
UBS BK USA Salt Lake City, UT		250,000	3.050%	252,903	10/30/18	11/09/20	0.38%	2.180%		250,000
Total		<u>7,446,000</u>		<u>7,455,669</u>		average days	11.19%	2.244%		<u>\$7,445,910</u>
Grand Total				<u><u>66,742,951</u></u>				<u><u>2.445%</u></u>		<u><u>\$66,566,695</u></u>

(1) Portfolio details are based on available third-party statements as of 05/31/19

**Alameda Municipal Power
Supplemental Schedule
Sources of Investments & Investment Portfolio
June 30, 2019**

SOURCES FOR INVESTMENTS

	<u>Account</u>		
<u>Operating Funds</u>			\$2,671,807
<u>Liabilities</u>			
Balancing Account	10 3401	***	28,025,714
Clean Future Fund	10 3147		100,439
Donations to Alameda United School District	10 3151		11,196
<u>Reserves For Special Purposes</u>			
Insurance Reserve Special Fund	10 2107		1,200,000
Underground Fund Carryforward 04/30/2019	10 2111	\$ 11,077,927	
Fiscal Year (FY) 2019 - May, 2019 Undergrounding Funding	10 2111	91,625	
Underground Special Fund Used in May, 2019 - FY 2019	10 2111	(10,751)	
Net - Underground Fund Available (Deficiency)			11,158,802
Renewable Energy Credits Net Revenue Reserve	10 2113		19,327,912
Cap & Trade Net Revenue Reserve	10 2114		3,127,934
Low Carbon Fuel Standards Revenue Reserve	10 2115		942,892
Total Sources For Investments			\$66,566,695



*** Balancing Account - preliminary balance, pending additional adjustments.