

To: Honorable Public Utilities Board

Submitted by: *ISI*
Robert J. Orbeta
AGM - Administration

From: Carolina E Mazilu
Senior Utility Accountant

Approved by: *ISI*
Nicolas Procos
General Manager

Subject: Treasurer's Report for the Month Ending July 31, 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. 5162. 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 \$68,907,732. The current market value of the portfolio totaled \$69,061,301. 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 2.404 percent.

Interest Rates

During the period, the rate on 90-day T-Bills decreased 4 basis points from 2.08 percent on June 30, 2019 to 2.04 percent on July 31, 2019. The rate on the 30-day London Interbank Offered Rate (LIBOR) decreased 3 basis point from 2.43 percent on June 30, 2019 to 2.40 percent on July 31, 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
July 31, 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	\$51,285,391	\$51,197,751	\$87,640	74.30%	2.379%
Cash & Money Market	43,589	43,589	\$0	0.06%	0.850%
Municipal Bonds	4,372,860	4,363,834	9,027	6.33%	3.046%
Corporate Fixed Income	5,663,421	5,627,021	36,400	8.17%	2.551%
Certificates of Deposit(s)	<u>7,696,041</u>	<u>7,675,537</u>	<u>20,503</u>	<u>11.14%</u>	<u>2.106%</u>
Total Investment Portfolio and Weighted Average Return	<u>\$69,061,301</u>	<u>\$68,907,732</u>	<u>\$153,570</u>	<u>100.00%</u>	<u>2.404%</u>

Fiscal Year (FY) 2020 Budgeted Interest Income	\$1,200,000
FY2020 Year-to-date Interest Income Estimated	\$33,626
Percent of Interest Received To Date	2.8%

	Actual	Budgeted
FY 2019 Interest Income	\$1,534,102	\$300,000
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

**Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
July 31, 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		2.379%	51,285,391	05/01/19	05/31/19	74.30%	2.379%		\$51,197,751
Cash & Money Market Funds		\$43,589	0.850%	43,589	05/01/19	05/31/19	0.06%	0.850%		\$43,589
	Subtotal	\$43,589		43,589						\$43,589
Corporate Bonds										
Amgen Inc 3.625%, 05/15/2022	A	\$ 225,000	3.625%	\$ 232,322	04/15/19	05/15/22	0.34%	2.406%	02/15/22	\$ 231,428
Apple Inc. 2.700%, 05/13/2022	AA+	300,000	2.700%	304,704	11/16/17	05/13/22	0.44%	2.110%		305,188
Barclays Bank Plc Mtn 3.250 to 9/19, 9/27/2023	A	250,000	3.250%	249,248	10/23/18	09/27/23	0.36%	4.095%	09/27/19	248,750
Bristol-Myers Sqibb Co 2.000%, 8/1/2022	A+	250,000	2.000%	247,638	12/06/17	08/01/22	0.36%	2.330%		246,757
Citibank NA 2.125%, 10/20/2020	A+	250,000	2.125%	249,540	11/16/17	10/20/20	0.36%	2.280%	09/20/20	250,002
Cnooc Limited Sr Gbl NT 23 3.750% 5/2/2023	A+	225,000	3.750%	232,830	12/20/18	05/02/23	0.33%	2.760%		225,853
Coca-Cola FEMSA SAB CV 3.875%, 11/26/2023	A-	226,000	3.875%	237,560	06/27/19	11/26/23	0.35%	2.610%		239,122
Federal Natl Mtg Assn 2.000%, 11/20/2023	AA+	225,000	2.000%	223,184	03/18/19	11/20/23	0.32%	2.197%	05/20/19	220,300
Federal Natl Mtg Assn 1.625%, 06/23/2022	AA+	225,000	1.625%	223,175	05/16/19	06/23/22	0.32%	1.910%	06/23/19	220,781
Gilead Sciences Inc Sr Nt 4.400% , 12/1/2021	A	250,000	4.400%	260,648	11/14/18	12/01/21	0.37%	2.499%	09/01/21	258,128
Glaxosmithkline Capital 2.850%, 5/8/2022	A+	250,000	2.850%	253,538	11/14/18	05/08/22	0.36%	2.320%		245,953
HSBC USA INC New Srl Gbl 3.000%, 02/20/2024	A	225,000	3.000%	225,450	02/14/19	02/20/24	0.33%	3.511%	02/20/20	225,000
IBM Corp 2.250%, 02/19/2021	A+	150,000	2.250%	149,909	11/16/17	02/19/21	0.22%	2.290%		151,012
International Business Machs Sr Gbl NT2 2.500%, 1/27/2022	A	75,000	2.500%	75,233	11/14/18	01/27/22	0.11%	2.370%		73,103
John Deere Capital Corp 2.750%, 3/15/2022	A+	300,000	2.750%	303,408	11/16/17	03/15/22	0.44%	2.300%		306,379
Occidental Petroleum Corporation 2.700%, 2/15/2023	A	225,000	2.700%	225,547	12/20/18	02/15/23	0.32%	2.627%	11/15/22	218,610
Oracle Corp 1.900%, 9/15/2021	AA-	250,000	1.900%	248,118	12/06/17	09/15/21	0.36%	2.270%	08/15/21	247,992
Pepsico Inc 1.700%, 10/06/2021	A+	250,000	1.700%	247,470	12/06/17	10/06/21	0.36%	2.180%	09/06/21	245,637
Public Storage 2.370%, 9/15/2022	A	250,000	2.370%	250,908	12/06/17	09/15/22	0.36%	2.248%	08/15/22	248,476
Santander UK PLC 4%, 03/13/2024	A	225,000	4.000%	236,036	06/27/19	03/13/24	0.35%	2.860%		239,735
Simon PPTY Group LP NT 4.125, 12/1/2021	A	250,000	4.125%	259,010	11/07/18	12/01/21	0.37%	2.516%	09/01/21	255,855
Toronto Dominion Bank Sr Gbl, 3.500%, 11/30/2023	A	250,000	3.500%	249,695	11/26/18	11/30/23	0.36%	4.084%	11/30/19	250,000
U S Bancorp Mtms Bk Ent , 2.625%, 01/24/2022	A+	225,000	2.625%	226,771	01/16/19	01/24/22	0.32%	2.295%	12/23/21	222,957
Wal-Mart Stores Inc 2.350%, 12/15/2022	AA	250,000	2.350%	251,483	12/06/17	12/15/22	0.36%	2.166%	11/15/22	250,007
	Subtotal	\$5,601,000		5,663,421		average days	8.17%	2.551%		\$5,627,021
Municipal Bonds										
Austin Tex Cmnty College Distpub Fac Corp Lease Rev - 5.703%, 8/1/21	AA	\$ 225,000	5.703%	\$ 239,663	01/28/19	08/01/21	0.35%	2.300%		\$ 241,002
Austin Tex Elec Util Sys Rev 2.524%, 11/15/2023	AA	100,000	2.524%	100,936	05/23/19	11/15/23	0.15%	2.080%		100,000
Camden Cnty N J Impt Auth Lease Rev - 6.720%, 7/1/23	A	225,000	6.720%	232,976	01/16/19	07/01/23	0.34%	5.707%	07/01/20	237,481
Chicago Ill Tran Auth Sales Tax Rcpts Rev, 5.470%, 12/1/23	AA	225,000	5.470%	249,545	01/07/19	12/01/23	0.36%	2.610%		247,275
Clark Cnty Nev Sch Dist 5.51%, 6/15/2024	A+	225,000	5.510%	246,141	07/11/19	06/15/24	0.37%	3.410%		252,092
Connecticut St GO BDS A 5.690%, 3/15/2023	A	225,000	2.690%	250,121	02/25/19	03/15/23	0.36%	2.460%		246,600
Cuyahoga Cnty Ohio Economic Dev Rev 5.034%, 6/1/2023	AA	225,000	5.034%	230,175	12/07/18	06/01/23	0.34%	4.390%	06/01/20	232,553
Evansville Ind Redev Auth Rede Lease rental Rev BDS 5.950%, 2/1/2022	A	225,000	5.950%	232,931	11/28/18	02/01/22	0.34%	4.460%	08/01/20	236,617
Florida Hurricane Catastrophefd Fin Corp Rev 2.995%, 7/1/2020	AA	225,000	2.995%	226,537	12/13/18	07/01/20	0.33%	2.240%		225,767
Mansfield Ohio City Sch Dist 3.000%, 12/01/2022	AA	225,000	3.000%	226,402	03/25/19	12/01/22	0.33%	2.941%	06/01/20	227,311
New York NY GO Bds 5.199%, 12/01/2022	AA	225,000	5.199%	246,877	11/28/18	12/01/22	0.35%	2.530%		241,790
New York ST Dorm Auth St Pers 4.992%, 3/15/2022	AA+	225,000	4.992%	241,268	02/12/19	03/15/22	0.35%	2.330%		239,756
Oneida CNTY NY Pub Impt BDS 6.500%, 04/15/2023	AA	225,000	6.500%	250,778	11/28/18	04/15/23	0.36%	3.770%		250,583
Plum Boro PA Sch Dist GO Bds B 2.976%, 09/15/2021	AA	200,000	2.976%	203,310	02/05/19	09/15/21	0.29%	2.770%		200,876
Pomona Calif Redev Agy Successor Agy Tax Allocation 3.406%, 2/1/2021	A+	225,000	3.406%	228,969	12/07/18	02/01/21	0.33%	2.310%		228,220
Portl & Ore Pension Oblg Rev 7.701%, 06/01/2022		225,000	7.701%	248,004	02/20/19	06/01/22	0.36%	3.880%		251,381
Sacramento Cnty Calif Pensionoblig 5.730%, 08/15/2023	AA-	225,000	5.730%	249,964	03/18/19	08/15/23	0.36%	2.845%		246,094
West Covina Calif Pub Fing Auth Lease Rev 3.768%, 05/01/2022	A+	225,000	3.768%	232,342	12/13/18	05/01/22	0.33%	2.240%		229,500
Yuba Cnty Calif Ctfs Partn - Clean Renew Energy Proj 3.750%, 12/01/2022	AA	225,000	3.750%	235,922	12/13/18	12/01/22	0.33%	2.600%		228,938

Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
July 31, 2019

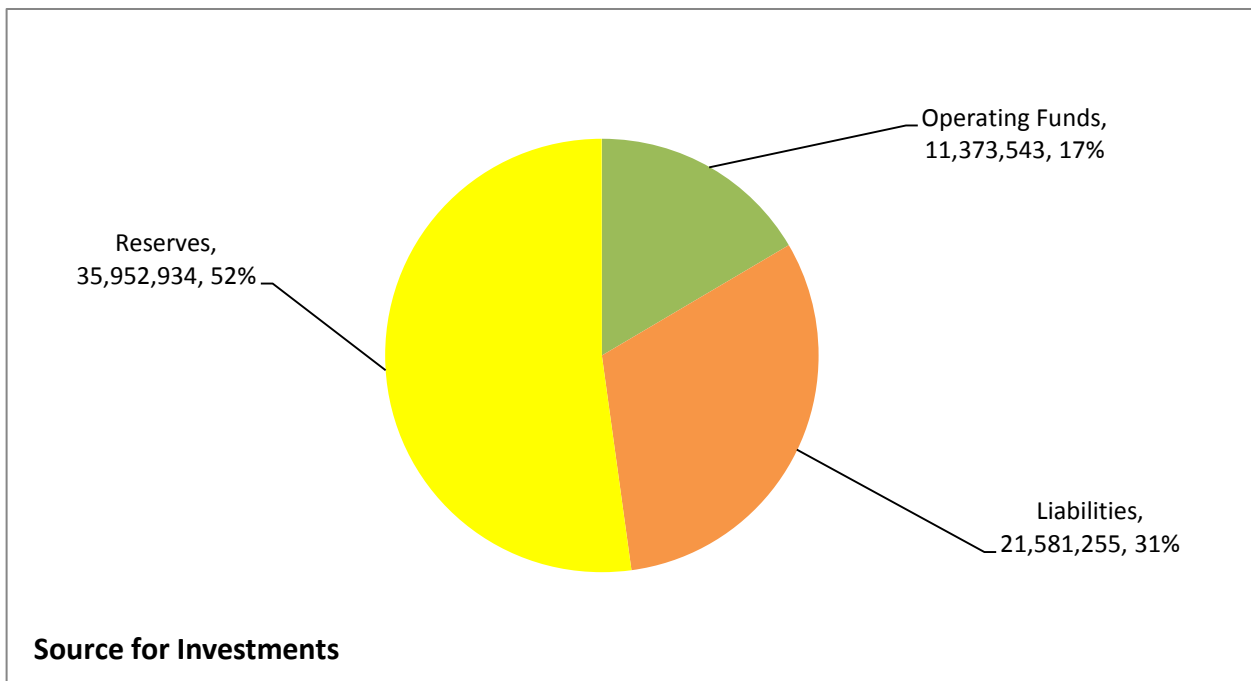
<u>Investment Description</u>	<u>Custodian / S&P Rating</u>	<u>Par Value</u>	<u>Coupon Rate</u>	<u>Current Market Value</u>	<u>Date of Investment</u>	<u>Date of Maturity</u>	<u>% of Portfolio</u>	<u>Yield to Maturity</u>	<u>Call Date</u>	<u>Book Value Purchase Price</u>
	Subtotal	\$4,125,000		4,372,860		average days	6.33%	3.046%		\$4,363,834
Certificates of Deposit										
Allegiance BK Houston, TX		\$ 250,000	2.200%	\$ 250,053	10/26/17	11/03/22	0.36%	2.190%		\$ 250,000
Ally Bk Midvale Utah - Death Put		250,000	2.500%	252,645	05/28/19	06/06/22	0.36%	2.110%		250,000
American Express Centurion Salt Lake City, UT		177,000	3.599%	177,437	09/08/17	09/12/22	0.26%	2.320%		177,000
American Express Centurion Salt Lake City, UT		72,000	3.593%	72,189	09/11/17	09/06/22	0.10%	2.310%		72,252
American Express FED SVGS Bk Instl, TX		245,000	2.569%	245,012	08/15/14	08/21/19	0.36%	1.970%		245,000
Bmo Harris Bk Natl Assn Chicago, IL		225,000	2.250%	224,213	07/11/19	01/31/24	0.33%	2.410%	10/31/19	225,000
Banco Popular Nor New York, NY		245,000	2.792%	245,159	02/28/18	03/09/20	0.36%	2.390%	03/07/19	245,000
Bristol CO SVGS BK Taunton, MA		250,000	2.500%	250,510	06/04/19	12/10/21	0.36%	2.410%	12/11/19	250,000
C1 Bk Saint Petersburg, FL		245,000	2.179%	244,978	03/03/15	09/19/19	0.36%	1.570%		245,000
Capital One Bank Glen Allen VA		245,000	2.702%	245,044	10/09/14	10/16/19	0.36%	2.050%		245,000
Capital One NA Mclean, VA		176,000	3.011%	176,516	09/16/15	09/23/20	0.26%	2.040%		176,000
Capital One NA Mclean, VA		74,000	3.389%	74,300	09/19/17	09/27/22	0.11%	2.170%		74,000
Capital One Bank Glen Allen VA		245,000	2.100%	245,147	07/26/19	08/02/21	0.36%	2.070%		245,000
Celtic Bank Salt Lake City , UT		49,000	1.750%	48,817	12/27/17	12/24/20	0.07%	2.020%		48,503
Cit Bank Salt Lake City, UT		245,000	2.717%	245,198	12/10/14	12/17/19	0.36%	1.970%		245,000
Discover BK Greenwood		250,000	3.000%	253,065	10/30/18	11/02/20	0.36%	2.000%		250,000
Enterprise Bank Allison Park, PA		245,000	2.812%	244,567	03/03/15	03/20/20	0.36%	1.990%		245,000
Everbank, Jacksonville, FL		100,000	2.965%	100,001	10/11/17	09/15/20	0.15%	2.000%		100,300
First Business, Madison WI		245,000	2.885%	244,505	05/27/15	06/11/20	0.36%	1.990%		245,000
Firstmerit Bk, Akron, OH		245,000	2.718%	245,507	07/08/15	07/23/20	0.36%	1.780%		245,000
Goldman Sachs BK New York, NY		249,000	2.500%	251,288	11/21/17	11/29/22	0.36%	2.210%		249,000
Goldman Sachs Bk Usa		245,000	2.700%	248,075	07/26/19	06/05/24	0.36%	2.420%		249,628
Key Bank Cleveland, OH		247,000	2.982%	246,571	09/13/17	09/25/20	0.36%	2.000%		247,000
Merchants Hillsboro, OH		50,000	2.000%	50,126	12/27/17	08/05/20	0.07%	1.750%		49,872
Merrick Bank, South Jordan, UT		223,000	3.182%	222,617	10/03/17	10/12/21	0.32%	2.080%		223,000
Merrick Bank, South Jordan, UT		250,000	3.200%	256,650	11/19/18	01/20/22	0.36%	2.090%		250,000
Peoples United Bridgeport, CT		245,000	2.500%	245,088	02/23/15	03/04/20	0.36%	1.690%		245,000
Private Bank Chicago, IL		245,000	2.445%	245,157	02/19/15	02/27/20	0.36%	1.630%		245,000
Rollstone Bank Fitchburg, MA		245,000	2.569%	245,049	04/01/15	04/15/20	0.36%	1.720%		245,000
Sallie Mae Bk Slr Lake City Ut		250,000	2.500%	252,625	05/20/19	05/23/22	0.36%	2.110%		250,000
Silvergate Bk La Jolla Calif - Callable		250,000	2.650%	250,575	05/28/19	05/31/23	0.36%	2.586%	11/30/19	250,000
State Bank of India New York 2.8%, 05/15/2024		200,000	2.800%	200,078	06/18/19	05/15/24	0.29%	2.790%	08/15/19	200,050
State Bk India New York 2.85%, 05/30/2024		250,000	2.850%	250,180	06/04/19	05/30/24	0.36%	2.833%	08/30/19	249,938
Synchrony BK (Formerly GE Capital Retail Bank) Draper UT, CD		245,000	2.702%	244,993	08/15/14	08/22/19	0.36%	2.140%		245,000
TIAA FSB Jacksonville, FL		149,000	1.900%	148,835	11/09/17	09/14/20	0.22%	2.000%		148,996
UBS BK USA Salt Lake City, UT		250,000	3.050%	253,270	10/30/18	11/09/20	0.36%	2.000%		250,000
	Total	7,671,000		7,696,041		average days	11.14%	2.106%		\$7,675,537
	Grand Total			69,061,301				2.404%		\$68,907,732

(1) Portfolio details are based on available third-party statements as of 07/31/19

**Alameda Municipal Power
Supplemental Schedule
Sources of Investments & Investment Portfolio
July 31, 2019**

SOURCES FOR INVESTMENTS

	<u>Account</u>		
<u>Operating Funds</u>			\$11,373,543
<u>Liabilities</u>			
Balancing Account	10 3401	***	21,469,620
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	\$ 11,158,802	
Fiscal Year (FY) 2019 - May, 2019 Undergrounding Funding	10 2111	103,333	
Underground Special Fund Used in May, 2019 - FY 2019	10 2111	(14,224)	
Net - Underground Fund Available (Deficiency)			11,247,911
Renewable Energy Credits Net Revenue Reserve	10 2113		19,434,784
Cap & Trade Net Revenue Reserve	10 2114		3,127,347
Low Carbon Fuel Standards Revenue Reserve	10 2115		942,892
Total Sources For Investments			\$68,907,732



*** Balancing Account - does not include FY19 year end adjustment of approximately \$6.5M.