

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 August 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 \$70,945,296. The current market value of the portfolio totaled \$71,086,840. 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 2.273 percent.

Interest Rates

During the period, the rate on 90-day T-Bills decreased 9 basis points from 2.04 percent on July 31, 2019 to 1.95 percent on August 31, 2019. The rate on the 30-day London Interbank Offered Rate (LIBOR) decreased 18 basis points from 2.40 percent on July 31, 2019 to 2.22 percent on August 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
August 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	\$51,197,751	\$51,197,751	\$0	72.17%	2.341%
Cash & Money Market	1,511,327	1,511,327	\$0	2.13%	0.650%
Municipal Bonds	5,441,010	5,423,661	17,349	7.64%	2.707%
Corporate Fixed Income	5,702,870	5,627,021	75,849	7.93%	2.224%
Certificates of Deposit(s)	<u>7,233,883</u>	<u>7,185,537</u>	<u>48,345</u>	<u>10.13%</u>	<u>1.842%</u>
Total Investment Portfolio and Weighted Average Return	<u>\$71,086,840</u>	<u>\$70,945,296</u>	<u>\$141,544</u>	<u>100.00%</u>	<u>2.273%</u>

Fiscal Year (FY) 2020 Budgeted Interest Income	\$1,200,000
FY2020 Year-to-date Interest Income Estimated	\$82,500
Percent of Interest Received To Date	6.9%

	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
August 31, 2019**

Investment Description	Custodian / S&P Rating	Par Value	Coupon Rate	Current Market Value	Date of Investment	Date of Maturity	% of Portfolio	Yield to Maturity	Call Date	Book Value Purchase Price
Local Agency Investment Fund (LAIF)	LAIF		2.341%	\$51,197,751	08/01/19	08/31/19	72.17%	2.341%		\$51,197,751
Cash & Money Market Funds		\$1,511,327	0.650%	\$1,511,327	08/01/19	08/31/19	2.13%	0.650%		\$1,511,327
	Subtotal	\$1,511,327		1,511,327						\$1,511,327
Corporate Bonds										
Amgen Inc 3.625%, 05/15/2022	A	\$ 225,000	3.625%	\$ 233,152	04/15/19	05/15/22	0.33%	2.231%	02/15/22	\$ 231,428
Apple Inc. 2.700%, 05/13/2022	AA+	300,000	2.700%	307,197	11/16/17	05/13/22	0.43%	1.780%		305,188
Barclays Bank Plc Mtn 3.250 to 9/19, 9/27/2023	A	250,000	3.250%	249,280	10/23/18	09/27/23	0.35%	4.110%	09/27/19	248,750
Bristol-Myers Sqibb Co 2.000%, 8/1/2022	A+	250,000	2.000%	250,135	12/06/17	08/01/22	0.35%	1.980%		246,757
Citibank NA 2.125%, 10/20/2020	A+	250,000	2.125%	250,253	11/16/17	10/20/20	0.35%	2.033%	09/20/20	250,002
Cnooc Limited Sr Gbl NT 23 3.750% 5/2/2023	A+	225,000	3.750%	235,607	12/20/18	05/02/23	0.32%	2.400%		225,853
Coca-Cola FEMSA SAB CV 3.875%, 11/26/2023	A-	226,000	3.875%	240,374	06/27/19	11/26/23	0.34%	2.290%		239,122
Federal Natl Mtg Assn 2.000%, 11/20/2023	AA+	225,000	2.000%	225,122	03/18/19	11/20/23	0.31%	1.986%	05/20/19	220,300
Federal Natl Mtg Assn 1.625%, 06/23/2022	AA+	225,000	1.625%	225,018	05/16/19	06/23/22	0.31%	1.622%	06/23/19	220,781
Gilead Sciences Inc Sr Nt 4.400% , 12/1/2021	A	250,000	4.400%	262,190	11/14/18	12/01/21	0.36%	2.156%	09/01/21	258,128
Glaxosmithkline Capital 2.850%, 5/8/2022	A+	250,000	2.850%	255,903	11/14/18	05/08/22	0.35%	1.940%		245,953
HSBC USA INC New Srl Gbl 3.000%, 02/20/2024	A	225,000	3.000%	225,835	02/14/19	02/20/24	0.32%	2.180%	02/20/20	225,000
IBM Corp 2.250%, 02/19/2021	A+	150,000	2.250%	150,576	11/16/17	02/19/21	0.21%	1.980%		151,012
International Business Machs Sr Gbl NT2 2.500%, 1/27/2022	A	75,000	2.500%	75,980	11/14/18	01/27/22	0.10%	1.940%		73,103
John Deere Capital Corp 2.750%, 3/15/2022	A+	300,000	2.750%	306,486	11/16/17	03/15/22	0.43%	1.870%		306,379
Occidental Petroleum Corporation 2.700%, 2/15/2023	A	225,000	2.700%	225,565	12/20/18	02/15/23	0.31%	2.623%	11/15/22	218,610
Oracle Corp 1.900%, 9/15/2021	AA-	250,000	1.900%	249,983	12/06/17	09/15/21	0.35%	1.900%	08/15/21	247,992
Pepsico Inc 1.700%, 10/06/2021	A+	250,000	1.700%	249,460	12/06/17	10/06/21	0.35%	1.810%	09/06/21	245,637
Public Storage 2.370%, 9/15/2022	A	250,000	2.370%	253,183	12/06/17	09/15/22	0.35%	1.935%	08/15/22	248,476
Santander UK PLC 4%, 03/13/2024	A	225,000	4.000%	239,425	06/27/19	03/13/24	0.34%	2.490%		239,735
Simon PPTY Group LP NT 4.125, 12/1/2021	A	250,000	4.125%	260,285	11/07/18	12/01/21	0.36%	2.230%	09/01/21	255,855
Toronto Dominion Bank Sr Gbl, 3.500%, 11/30/2023	A	250,000	3.500%	248,528	11/26/18	11/30/23	0.35%	4.217%	11/30/19	250,000
U S Bancorp Mtms Bk Ent , 2.625%, 01/24/2022	A+	225,000	2.625%	228,728	01/16/19	01/24/22	0.31%	1.911%	12/23/21	222,957
Wal-Mart Stores Inc 2.350%, 12/15/2022	AA	250,000	2.350%	254,610	12/06/17	12/15/22	0.35%	1.768%	11/15/22	250,007
	Subtotal	\$5,601,000		5,702,870		average days	7.93%	2.224%		\$5,627,021
Municipal Bonds										
Austin Tex Cmnty College Distpub Fac Corp Lease Rev - 5.703%, 8/1/21	AA	\$ 225,000	5.703%	\$ 232,364	01/28/19	08/01/21	0.34%	1.910%		\$ 241,002
Austin Tex Elec Util Sys Rev 2.524%, 11/15/2023	AA	100,000	2.524%	102,045	05/23/19	11/15/23	0.14%	1.660%		100,000
Brick Twp N J - 4.000%, 11/15/2023		250,000	4.000%	269,870	08/19/19	11/15/23	0.37%	2.760%		265,308
Camden Cnty N J Impt Auth Lease Rev - 6.720%, 7/1/23	A	225,000	6.720%	232,763	01/16/19	07/01/23	0.33%	5.685%	07/01/20	237,481
Chicago Ill Tran Auth Sales Tax Rcpts Rev, 5.470%, 12/1/23	AA	225,000	5.470%	251,852	01/07/19	12/01/23	0.35%	2.190%		247,275
Clark Cnty Nev Sch Dist 5.51%, 6/15/2024	A+	235,000	5.510%	259,807	08/19/19	06/15/24	0.37%	3.100%		264,464
Clark Cnty Nev Sch Dist - 5.51% 6/15/2024	A+	225,000	5.510%	248,751	07/11/19	06/15/24	0.36%	3.100%		252,092
Connecticut St GO BDS A 5.690%, 3/15/2023	A	225,000	2.690%	251,915	02/25/19	03/15/23	0.35%	2.140%		246,600
Cuyahoga Cnty Ohio Economic Dev Rev 5.034%, 6/1/2023	AA	225,000	5.034%	230,121	12/07/18	06/01/23	0.33%	4.357%	06/01/20	232,553
Evansville Ind Redev Auth Rede Lease rental Rev BDS 5.950%, 2/1/2022	A	225,000	5.950%	232,594	11/28/18	02/01/22	0.33%	4.460%	08/01/20	236,617
Florida Hurricane Catastrophefd Fin Corp Rev 2.995%, 7/1/2020	AA	225,000	2.995%	226,991	12/13/18	07/01/20	0.32%	1.880%		225,767
Greensboro N C LTD Oblig Tax Bds 2018 - 3.074%, 2/1/2024	AA+	250,000	3.074%	261,035	08/22/19	02/01/24	0.37%	1.780%		263,275
Mansfield Ohio City Sch Dist 3.000%, 12/01/2022	AA	225,000	3.000%	226,798	03/25/19	12/01/22	0.32%	2.850%	06/01/20	227,311
New York NY GO Bds 5.199%, 12/01/2022	AA	225,000	5.199%	248,769	11/28/18	12/01/22	0.34%	2.020%		241,790
New York ST Dorm Auth St Pers 4.992%, 3/15/2022	AA+	225,000	4.992%	242,345	02/12/19	03/15/22	0.34%	2.140%		239,756
Oneida CNTY NY Pub Impt BDS 6.500%, 04/15/2023	AA	225,000	6.500%	252,707	11/28/18	04/15/23	0.35%	3.567%		250,583
Pasadena Calif Pension Oblig 3.34%, 5/1/2024	AAA	250,000	3.340%	262,888	08/22/19	05/01/24	0.38%	1.930%		266,780
Plum Boro PA Sch Dist GO Bds B 2.976%, 09/15/2021	AA	200,000	2.976%	204,426	02/05/19	09/15/21	0.28%	2.410%		200,876
Pomona Calif Redev Agy Successor Agy Tax Allocation 3.406%, 2/1/2021	A+	225,000	3.406%	229,482	12/07/18	02/01/21	0.32%	2.040%		228,220
Portl & Ore Pension Oblg Rev 7.701%, 06/01/2022		225,000	7.701%	249,381	02/20/19	06/01/22	0.35%	3.670%		251,381
Sacramento Cnty Calif Pensionoblig 5.730%, 08/15/2023	AA-	225,000	5.730%	252,016	03/18/19	08/15/23	0.35%	2.510%		246,094

**Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
August 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>
West Covina Calif Pub Fing Auth Lease Rev 3.768%, 05/01/2022	A+	225,000	3.768%	234,063	12/13/18	05/01/22	0.32%	1.840%		229,500
Yuba Cnty Calif Cfts Partn - Clean Renew Energy Proj 3.750%, 12/01/2022	AA	225,000	3.750%	238,030	12/13/18	12/01/22	0.32%	2.260%		228,938
	Subtotal	\$5,110,000		5,441,010		average days	7.64%	2.707%		\$5,423,661
Certificates of Deposit										
Allegiance BK Houston, TX		\$ 250,000	2.200%	\$ 252,585	10/26/17	11/03/22	0.35%	1.860%		\$ 250,000
Ally Bk Midvale Utah - Death Put		250,000	2.500%	254,485	05/28/19	06/06/22	0.35%	1.830%		250,000
American Express Centurion Salt Lake City, UT		177,000	3.599%	179,062	09/08/17	09/12/22	0.25%	2.000%		177,000
American Express Centurion Salt Lake City, UT		72,000	3.593%	72,842	09/11/17	09/06/22	0.10%	2.000%		72,252
Bmo Harris Bk Natl Assn Chicago, IL		225,000	2.250%	225,115	07/11/19	01/31/24	0.32%	2.238%	10/31/19	225,000
Banco Popular Nor New York, NY		245,000	2.792%	245,424	02/28/18	03/09/20	0.35%	2.158%	03/07/19	245,000
Bristol CO SVGS BK Taunton, MA		250,000	2.500%	250,445	06/04/19	12/10/21	0.35%	2.419%	12/11/19	250,000
C1 Bk Saint Petersburg, FL		245,000	2.179%	244,998	03/03/15	09/19/19	0.35%	1.530%		245,000
Capital One Bank Glen Allen VA		245,000	2.702%	245,039	10/09/14	10/16/19	0.35%	1.990%		245,000
Capital One NA Mclean, VA		176,000	3.011%	176,964	09/16/15	09/23/20	0.25%	1.770%		176,000
Capital One NA Mclean, VA		74,000	3.389%	74,983	09/19/17	09/27/22	0.10%	1.850%		74,000
Capital One Bank Glen Allen VA		245,000	2.100%	246,443	07/26/19	08/02/21	0.35%	1.780%		245,000
Celtic Bank Salt Lake City, UT		49,000	1.750%	48,998	12/27/17	12/24/20	0.07%	1.750%		48,503
Cit Bank Salt Lake City, UT		245,000	2.717%	245,208	12/10/14	12/17/19	0.35%	1.890%		245,000
Discover BK Greenwood		250,000	3.000%	253,638	10/30/18	11/02/20	0.35%	1.730%		250,000
Enterprise Bank Allison Park, PA		245,000	2.812%	244,814	03/03/15	03/20/20	0.35%	1.840%		245,000
Everbank, Jacksonville, FL		100,000	2.965%	100,270	10/11/17	09/15/20	0.14%	1.730%		100,300
First Business, Madison WI		245,000	2.885%	244,988	05/27/15	06/11/20	0.35%	1.750%		245,000
Firstmerit Bk, Akron, OH		245,000	2.718%	245,997	07/08/15	07/23/20	0.35%	1.530%		245,000
Goldman Sachs BK New York, NY		249,000	2.500%	253,903	11/21/17	11/29/22	0.35%	1.870%		249,000
Goldman Sachs Bk Usa		245,000	2.700%	253,396	07/26/19	06/05/24	0.35%	1.940%		249,628
Key Bank Cleveland, OH		247,000	2.982%	247,291	09/13/17	09/25/20	0.35%	1.740%		247,000
Merchants Hillsboro, OH		50,000	2.000%	50,231	12/27/17	08/05/20	0.07%	1.490%		49,872
Merrick Bank, South Jordan, UT		223,000	3.182%	223,930	10/03/17	10/12/21	0.31%	1.800%		223,000
Merrick Bank, South Jordan, UT		250,000	3.200%	258,108	11/19/18	01/20/22	0.35%	1.810%		250,000
Peoples United Bridgeport, CT		245,000	2.500%	245,230	02/23/15	03/04/20	0.35%	1.560%		245,000
Private Bank Chicago, IL		245,000	2.445%	245,279	02/19/15	02/27/20	0.35%	1.510%		245,000
Rollstone Bank Fitchburg, MA		245,000	2.569%	245,309	04/01/15	04/15/20	0.35%	1.540%		245,000
Sallie Mae Bk Slr Lake City Ut		250,000	2.500%	254,440	05/20/19	05/23/22	0.35%	1.830%		250,000
Silvergate Bk La Jolla Calif - Callable		250,000	2.650%	250,488	05/28/19	05/31/23	0.35%	2.595%	11/30/19	250,000
State Bank of India New York 2.8%, 05/15/2024		200,000	2.800%	200,324	06/18/19	05/15/24	0.28%	1.950%	08/15/19	200,050
State Bk India New York 2.85%, 05/30/2024		250,000	2.850%	250,555	06/04/19	05/30/24	0.35%	1.890%	08/30/19	249,938
TIAA FSB Jacksonville, FL		149,000	1.900%	149,252	11/09/17	09/14/20	0.21%	1.730%		148,996
UBS BK USA Salt Lake City, UT		250,000	3.050%	253,850	10/30/18	11/09/20	0.35%	1.730%		250,000
	Total	7,181,000		7,233,883		average days	10.13%	1.842%		\$7,185,537
	Grand Total			71,086,840				2.273%		\$70,945,296

(1) Portfolio details are based on available third-party statements as of 08/31/19

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

SOURCES FOR INVESTMENTS

	<u>Account</u>	
<u>Operating Funds</u>		\$5,844,340
<u>Liabilities</u>		
Balancing Account	10 3401	28,024,465
Clean Future Fund	10 3147	100,439
Donations to Alameda United School District	10 3151	2,047
<u>Reserves For Special Purposes</u>		
Insurance Reserve Special Fund	10 2107	1,200,000
Underground Fund Carryforward 07/31/2019	10 2111	\$ 11,247,911
Fiscal Year (FY) 2020 - August, 2019 Undergrounding Funding	10 2111	103,333
Underground Special Fund Used in August, 2019 - FY 2020	10 2111	(38,297)
Net - Underground Fund Available (Deficiency)		11,312,947
Renewable Energy Credits Net Revenue Reserve	10 2113	19,512,677
Cap & Trade Net Revenue Reserve	10 2114	3,041,408
Low Carbon Fuel Standards Revenue Reserve	10 2115	1,906,973
Total Sources For Investments		\$70,945,296

