

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 May 31, 2018

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. 5119. AMP's expenditure requirements for the next six-months are covered by anticipated revenues and the liquidity of current investments.

Investments

The stated value of AMP's investment portfolio total at maturity is \$60,199,693. The current market value of the portfolio totaled \$59,509,099. Investments are held to maturity or may be sold when prices yield a gain on the sale. The overall portfolio had a weighted average interest rate yield of 1.754%.

Interest Rates

During the period, rates on 90-day T-Bills increased 4 basis points to 1.89% on May 31, 2018 from 1.84% on April 30, 2018. Rates on the 30-day London Interbank Offered Rate (LIBOR) increased 12 basis points to 2.00% on May 31, 2018 from 1.88% on April 30, 2018.

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
May 31, 2018

	<u>Stated</u> <u>Value</u>	<u>Current</u> <u>Market Value</u>	<u>Book</u> <u>Value</u>	<u>Percent of</u> <u>Total</u>	<u>Average</u> <u>Return</u>
Local Agency Investment Fund	\$46,808,912	\$46,808,912	\$46,808,912	78.47%	1.755%
Cash - Uninvested	273,798	273,798	273,798	0.46%	0.000%
Money Market Funds	1,282,040	1,282,040	1,282,040	2.15%	1.120%
Corporate Fixed Income	2,441,699	2,191,397	2,251,448	3.77%	2.238%
Certificates of Deposit(s)	<u>9,095,074</u>	<u>8,654,782</u>	<u>8,740,269</u>	<u>14.65%</u>	<u>1.917%</u>
 Total Investment Portfolio and Weighted Average Return	 <u>\$60,199,693</u>	 <u>\$59,509,099</u>	 <u>\$59,654,637</u>	 100.00%	 <u>1.754%</u>

FY 2018 Budgeted Interest Income	\$300,000
FY2018 Year-to-date Interest Income Estimated	\$474,637
Percent of Interest Received To Date	158.2%

	Actual	Budgeted
FY2017 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
FY 2013 Interest Income	\$98,920	\$120,000

Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
May 31, 2018

<u>Investment Description</u>	<u>Custodian / S&P Rating</u>	<u>Stated Value</u>	<u>Coupon Rate</u>	<u>Current Market Value</u>	<u>Date of Investment</u>	<u>Date of Maturity</u>	<u>Days to Maturity</u>	<u>Yield to Maturity</u>	<u>Book Value Purchase Price</u>
Local Agency Invstmnt. Fd.(LAIF)	LAIF	\$46,808,912	1.755%	\$46,808,912	01-May-18	31-May-18	31	1.755%	\$46,808,912
U.S. Government Agencies									
US Treasury Bill Zero Coupon		\$298,170	0.735%	\$298,170	01-May-18	31-May-18	30	0.000%	298,170
Subtotal		\$298,170		\$298,170				0.000%	\$298,170
Cash-Morgan Stanley Bank NA #		\$245,024	0.200%	\$245,024	01-May-18	31-May-18	31	0.200%	\$245,024
Cash-Morgan Stanley Private Bank NA #		\$28,774	0.200%	\$28,774	01-May-18	31-May-18	31	0.200%	\$28,774
Subtotal		\$273,798		\$273,798					\$273,798
Money Market Funds									
MSILF Government PTF INST		\$782,040	1.120%	\$782,040	01-May-18	31-May-18	31	1.120%	\$782,040
MSILF Government PTF INST		\$500,000	0.025%	\$500,000	01-May-18	31-May-18	31	0.025%	\$500,000
Subtotal		\$1,282,040		\$1,282,040				0.573%	\$1,282,040
Corporate Bonds									
Citibank NA 2.125% Matures 10/20/2020	A+	\$262,904	2.125%	\$244,248	16-Nov-17	20-Oct-20	1069	2.125%	\$250,001
IBM Corp 2.25% Matures 02/19/2021	A+	\$159,352	2.250%	\$147,555	16-Nov-17	19-Feb-21	1191	2.035%	\$151,012
John Deere Capital Corp 2.75% Matures 03/15/2022	A+	\$331,842	2.750%	\$295,320	16-Nov-17	15-Mar-22	1580	2.231%	\$306,379
Apple Inc. 2.70% Matures 05/13/2022	AA+	\$332,562	2.700%	\$297,054	16-Nov-17	13-May-22	1639	2.293%	\$305,188
Oracle Corp 1.900% Matures 9/15/2021	AA-	\$265,508	1.900%	\$241,878	06-Dec-17	15-Sep-21	1379	2.123%	\$247,992
Pepsico Inc 1.700% Matures 10/06/2021	A+	\$264,032	1.700%	\$240,640	06-Dec-17	06-Oct-21	1400	2.178%	\$245,637
Public Storage 2.370% Matures 9/15/2022	A	\$275,327	2.370%	\$240,548	06-Dec-17	15-Sep-22	1744	2.507%	\$248,476
Wal-Mart Stores Inc 2.350% Matures 12/15/2022	AA	\$279,544	2.350%	\$243,113	06-Dec-17	15-Dec-22	1835	2.350%	\$250,007
Bristol-Myers Sqibb Co 2.000% Matures 8/1/2022	A+	\$270,628	2.000%	\$241,043	06-Dec-17	01-Aug-22	1699	2.296%	\$246,756
Subtotal		\$2,441,699		\$2,191,397		average days	521	2.238%	\$2,251,448
Certificates of Deposit									
Cardinal Bank, Mclean, VA		\$244,992	1.250%	\$244,951	19-Jun-15	19-Jun-18	1096	1.250%	\$245,000
Discover BK Greenwood, DE		\$249,165	1.700%	\$244,985	06-Aug-14	06-Aug-18	1461	1.700%	\$245,000
Third Federal Cleveland, OH		\$246,519	1.250%	\$244,985	13-Feb-15	13-Aug-18	1277	1.250%	\$245,000
Goldman Sachs(Formerly GE Capital Financial)		\$251,414	1.750%	\$244,878	15-Aug-14	15-Aug-18	1461	1.750%	\$245,000
MS Salt Lake City, UT		\$254,347	1.900%	\$250,065	21-Sep-17	21-Aug-18	334	1.900%	\$250,000
MS Private Bk CD Purchase, NY		\$254,347	1.900%	\$250,065	21-Sep-17	21-Aug-18	334	1.900%	\$250,000
Medallion Bank, Salt Lake City, UT		\$249,992	1.750%	\$244,961	08-Sep-14	07-Sep-18	1460	1.750%	\$245,000
Union Bank Market Fixed to FLT LKD to 3 months USD LBR		\$106,803	1.685%	\$98,931	30-Sep-13	01-Oct-18	1827	1.685%	\$99,347
Comenity Bank, Salt Lake City, UT		\$249,708	1.900%	\$244,743	22-Oct-14	22-Oct-18	1461	1.900%	\$245,000
ST BK of India CD New York, NY		\$257,257	2.000%	\$244,853	05-Dec-14	05-Dec-18	1461	2.000%	\$245,000
BMW Salt Lake City, UT		\$245,973	1.400%	\$244,177	14-Dec-16	14-Dec-18	730	1.400%	\$245,000
Ally BK Midvale, UT		\$246,115	1.450%	\$244,226	15-Dec-16	17-Dec-18	732	1.450%	\$245,000
Flushing BK NY CD, Flushing, NY		\$249,146	1.450%	\$243,902	15-Apr-15	15-Apr-19	1461	1.450%	\$245,000
ST BK of India Chicago, IL		\$246,586	1.650%	\$243,457	28-May-15	28-May-19	1461	1.650%	\$245,000
Barclays Bank Wilmington, DE		\$255,045	2.050%	\$243,956	30-Jul-14	30-Jul-19	1826	2.050%	\$245,000

**Alameda Municipal Power
DETAIL OF INVESTMENT PORTFOLIO
May 31, 2018**

Investment Description	Custodian / S&P Rating	Stated Value	Coupon Rate	Current Market Value	Date of Investment	Date of Maturity	Days to Maturity	Yield to Maturity	Book Value Purchase Price
Salliemae BK, Salt Lake City, UT		\$255,045	2.050%	\$243,983	30-Jul-14	30-Jul-19	1826	2.050%	\$245,000
American Exp Salt Lake City, UT		\$255,290	2.100%	\$244,130	21-Aug-14	21-Aug-19	1826	2.100%	\$245,000
Synchrony BK (Formerly GE Capital Retail Bank) Draper UT, CD		\$253,164	2.100%	\$243,841	22-Aug-14	22-Aug-19	1826	2.100%	\$245,000
C1 Saint Petersburg, FL		\$251,142	1.500%	\$243,466	19-Mar-15	19-Sep-19	1645	1.500%	\$245,000
Capital One Bank Glen Allen VA		\$255,535	2.150%	\$243,765	16-Oct-14	16-Oct-19	1826	2.150%	\$245,000
Citi Salt Lake City, UT		\$261,170	2.200%	\$243,736	17-Dec-14	17-Dec-19	1826	2.200%	\$245,000
Private Bank Chicago, IL		\$253,575	1.750%	\$242,726	27-Feb-15	27-Feb-20	1826	1.750%	\$245,000
People United Bridgeport, CT		\$255,678	1.750%	\$242,459	04-Mar-15	04-Mar-20	1827	1.750%	\$245,000
Banco Popular Nor New York, NY		\$256,277	2.500%	\$244,373	07-Mar-18	09-Mar-20	733	2.500%	\$245,000
Enterprise Bank Allison Park, PA		\$253,684	1.700%	\$240,847	20-Mar-15	20-Mar-20	1827	1.700%	\$245,000
Rollstone Bank Fitchburg, MA		\$253,587	1.750%	\$241,928	15-Apr-15	15-Apr-20	1827	1.750%	\$245,000
First Business, Madison WI		\$257,874	1.750%	\$240,139	11-Jun-15	11-Jun-20	1827	1.750%	\$245,000
Comenity Bank Jumbo (formerly World Finl Network Bank) DE		\$209,472	2.150%	\$196,993	17-Jun-15	17-Jun-20	1827	2.150%	\$200,000
1st Merit Bk, Akron, OH		\$257,243	2.000%	\$242,016	23-Jul-15	23-Jul-20	1827	2.000%	\$245,000
TIAA FSB Jacksonville, FL		\$155,658	1.900%	\$145,966	09-Nov-17	14-Sep-20	1040	1.900%	\$148,996
Everbank, Jacksonville, FL		\$109,349	2.000%	\$98,191	15-Sep-15	15-Sep-20	1827	2.000%	\$100,300
Capital One NA Mclean, VA		\$184,107	2.300%	\$173,788	23-Sep-15	23-Sep-20	1827	2.300%	\$176,000
Key Bank Cleveland, OH		\$258,430	1.850%	\$241,593	27-Sep-17	25-Sep-20	1094	1.850%	\$247,000
Merchants Hillsboro, OH		\$52,060	2.000%	\$49,413	27-Dec-17	05-Aug-20	952	2.102%	\$49,872
Celtic Bank Salt Lake City, UT		\$50,690	1.750%	\$47,635	27-Dec-17	24-Dec-20	1093	2.100%	\$48,503
Merrick Bank, South Jordan, UT		\$238,653	2.000%	\$215,891	11-Oct-17	12-Oct-21	1462	2.000%	\$223,000
Amex Centurion Salt Lake City, UT		\$80,070	2.400%	\$69,501	06-Sep-17	06-Sep-22	1826	2.400%	\$72,252
Amex Centurion Salt Lake City, UT		\$196,145	2.400%	\$170,840	12-Sep-17	12-Sep-22	1826	2.400%	\$177,000
Capital One NA Mclean, VA		\$81,671	2.300%	\$71,602	27-Sep-17	27-Sep-22	1826	2.300%	\$74,000
Goldman Sachs BK New York, NY		\$277,192	2.500%	\$242,367	21-Nov-17	29-Nov-22	1834	2.500%	\$249,000
Allegiance BK Houston, TX		\$274,908	2.200%	\$240,458	26-Oct-17	03-Nov-22	1834	2.200%	\$250,000
Total		<u>\$9,095,074</u>		<u>\$8,654,782</u>		average days	1491	1.917%	<u>\$8,740,269</u>
Grand Total		<u>\$60,199,693</u>		<u>\$59,509,099</u>		Weighted Average Interest Rate		1.754%	<u>\$59,654,637</u>

(1) LAIF & MS are based on stated value.

Stated value = the total value at maturity date

(2) Portfolio details are based on available third-party statements as of 05-31-18

**Alameda Municipal Power
Supplemental Schedule
Sources of Investments & Investment Portfolio
May 31, 2018**

SOURCES FOR INVESTMENTS

	<u>Account</u>	
<u>Operating Funds</u>		\$8,639,906
<u>Liabilities</u>		
Balancing Account	10 3401	\$18,648,533
Clean Future Fund	10 3147	\$100,439
Donations to AUSD	10 3151	\$9,806
<u>Reserves For Special Purposes</u>		
Insurance Reserve Special Fund	10 2107	\$1,200,000
Underground Fund Carryforward 7/1/2017	10 2111	8,885,465
FY 2018 Undergrounding Funding	10 2111	870,000
Underground Special Fund Used in FY 2018	10 2111	(\$48,984)
Net - Underground Fund Available (Deficiency)		\$9,706,481
Solar PV Rebate Reserve	10 2112	\$329,890
REC Net Revenue Reserve	10 2113	\$18,284,170
Cap & Trade Net Revenue Reserve	10 2114	\$2,595,362
Low Carbon Fuel St Revenue Reserve	10 2115	\$140,049
Total Sources For Investments		\$59,654,637

