

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 July 31, 2018

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### 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 \$60,205,196. The current market value of the portfolio totaled \$59,538,597. 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 1.90%.

#### ***Interest Rates***

During the period, rates on 90-day T-Bills increased 10 basis points from 1.89% on June 30, 2018 to 1.99% on July 31, 2018. Rates on the 30-day London Interbank Offered Rate (LIBOR) increased 9 basis points to 2.09% on July 31, 2018 from 2.00% on June 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  
July 31, 2018**

	<u>Stated Value</u>	<u>Current Market Value</u>	<u>Book Value</u>	<u>Percent of Total</u>	<u>Average Return</u>
Local Agency Investment Fund	\$46,808,912	\$46,808,912	\$46,808,912	78.42%	1.944%
Cash - Uninvested	549,009	549,009	549,009	0.92%	0.000%
Money Market Funds	1,285,850	1,285,850	1,285,850	2.15%	1.120%
Corporate Fixed Income	2,737,278	2,481,583	2,548,950	4.27%	2.014%
Certificates of Deposit(s)	<u>8,824,147</u>	<u>8,413,243</u>	<u>8,495,269</u>	<u>14.23%</u>	<u>1.933%</u>
 Total Investment Portfolio and Weighted Average Return	 <u>\$60,205,196</u>	 <u>\$59,538,597</u>	 <u>\$59,687,990</u>	 100.00%	 <u>1.898%</u>

FY 2019 Budgeted Interest Income	\$300,000
FY2019 Year-to-date Interest Income Estimated	\$13,662
Percent of Interest Received To Date	4.6%

	<b>Actual</b>	<b>Budgeted</b>
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**  
**July 31, 2018**

<u>Investment Description</u>	<u>Custodian / S&amp;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>
<b>Local Agency Invstmnt. Fd.(LAIF)</b>	LAIF	\$46,808,912	1.944%	\$46,808,912	01-Jul-18	31-Jul-18	31	1.944%	\$46,808,912
<b>Cash-Morgan Stanley Bank NA #</b>		\$245,052	0.250%	\$245,052	01-Jul-18	31-Jul-18	31	0.250%	\$245,052
<b>Cash-Morgan Stanley Private Bank NA #</b>		\$303,958	0.250%	\$303,958	01-Jul-18	31-Jul-18	31	0.250%	\$303,958
<b>Subtotal</b>		<u>\$549,009</u>		<u>\$549,009</u>					<u>\$549,009</u>
<b>Money Market Funds</b>									
MSILF Government PTF INST		\$785,850	1.120%	\$785,850	01-Jul-18	31-Jul-18	31	1.120%	\$785,850
MSILF Government PTF INST		\$500,000	0.025%	\$500,000	01-Jul-18	31-Jul-18	31	0.025%	\$500,000
<b>Subtotal</b>		<u>\$1,285,850</u>		<u>\$1,285,850</u>				<u>0.573%</u>	<u>\$1,285,850</u>
<b>Corporate Bonds</b>									
Citibank NA 2.125% Matures 10/20/2020	A+	\$262,904	2.125%	\$243,885	16-Nov-17	20-Oct-20	1069	2.125%	\$250,002
IBM Corp 2.25% Matures 02/19/2021	A+	\$159,352	2.250%	147,338	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%	295,539	16-Nov-17	15-Mar-22	1580	2.231%	306,379
Apple Inc. 2.70% Matures 05/13/2022	AA+	\$332,562	2.700%	295,521	16-Nov-17	13-May-22	1639	2.293%	305,188
Oracle Corp 1.900% Matures 9/15/2021	AA-	\$265,508	1.900%	241,243	06-Dec-17	15-Sep-21	1379	2.123%	247,992
Pepsico Inc 1.700% Matures 10/06/2021	A+	\$264,032	1.700%	239,823	06-Dec-17	06-Oct-21	1400	2.178%	245,637
Public Storage 2.370% Matures 9/15/2022	A	\$275,327	2.370%	239,953	06-Dec-17	15-Sep-22	1744	2.507%	248,476
Wal-Mart Stores Inc 2.350% Matures 12/15/2022	AA	\$275,708	2.350%	241,640	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%	237,228	06-Dec-17	01-Aug-22	1699	2.296%	246,757
General Electric C/P 0 coupon Matures 09/04/2018	A1	\$299,415	0.735%	299,415	01-Jun-18	30-Jun-18	29	0.000%	297,503
<b>Subtotal</b>		<u>\$2,737,278</u>		<u>\$2,481,583</u>		average days	503	2.014%	<u>\$2,548,950</u>
<b>Certificates of Deposit</b>									
Discover BK Greenwood, DE		\$249,165	1.700%	\$244,995	06-Aug-14	06-Aug-18	1461	1.700%	\$245,000
Third Federal Cleveland, OH		\$246,519	1.250%	244,990	13-Feb-15	13-Aug-18	1277	1.250%	245,000
Goldman Sachs(Formerly GE Capital Financial)		\$251,414	1.750%	244,968	15-Aug-14	15-Aug-18	1461	1.750%	245,000
MS Salt Lake City, UT		\$254,347	1.900%	250,008	21-Sep-17	21-Aug-18	334	1.900%	250,000
MS Private Bk CD Purchase, NY		\$254,347	1.900%	250,008	21-Sep-17	21-Aug-18	334	1.900%	250,000
Medallion Bank, Salt Lake City, UT		\$249,276	1.750%	244,978	08-Sep-14	07-Sep-18	1460	1.750%	245,000
Union Bank Market Fixed to FLT LKD to 3 months USD LBR		\$106,145	1.685%	99,139	30-Sep-13	01-Oct-18	1827	1.685%	99,347
Comenity Bank, Salt Lake City, UT		\$248,930	1.900%	244,831	22-Oct-14	22-Oct-18	1461	1.900%	245,000
ST BK of India CD New York, NY		\$254,813	2.000%	244,904	05-Dec-14	05-Dec-18	1461	2.000%	245,000
BMW Salt Lake City, UT		\$244,263	1.400%	244,434	14-Dec-16	14-Dec-18	730	1.400%	245,000
Ally BK Midvale, UT		\$244,344	1.450%	244,468	15-Dec-16	17-Dec-18	732	1.450%	245,000
Flushing BK NY CD, Flushing, NY		\$248,552	1.450%	244,182	15-Apr-15	15-Apr-19	1461	1.450%	245,000
ST BK of India Chicago, IL		\$246,586	1.650%	243,765	28-May-15	28-May-19	1461	1.650%	245,000
Barclays Bank Wilmington, DE		\$252,554	2.050%	244,010	30-Jul-14	30-Jul-19	1826	2.050%	245,000
Salliemae BK, Salt Lake City, UT		\$252,554	2.050%	244,035	30-Jul-14	30-Jul-19	1826	2.050%	245,000
American Exp Salt Lake City, UT		\$255,290	2.100%	244,231	21-Aug-14	21-Aug-19	1826	2.100%	245,000

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

<u>Investment Description</u>	<u>Custodian / S&amp;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>
Synchrony BK (Formerly GE Capital Retail Bank) Draper UT, CD		\$253,164	2.100%	243,917	22-Aug-14	22-Aug-19	1826	2.100%	245,000
C1 Saint Petersburg, FL		\$250,528	1.500%	243,586	19-Mar-15	19-Sep-19	1645	1.500%	245,000
Capital One Bank Glen Allen VA		\$255,535	2.150%	243,851	16-Oct-14	16-Oct-19	1826	2.150%	245,000
Citi Salt Lake City, UT		\$258,482	2.200%	243,834	17-Dec-14	17-Dec-19	1826	2.200%	245,000
Private Bank Chicago, IL		\$253,575	1.750%	242,969	27-Feb-15	27-Feb-20	1826	1.750%	245,000
People United Bridgeport, CT		\$255,678	1.750%	242,729	04-Mar-15	04-Mar-20	1827	1.750%	245,000
Banco Popular Nor New York, NY		\$255,253	2.500%	244,463	07-Mar-18	09-Mar-20	733	2.500%	245,000
Enterprise Bank Allison Park, PA		\$252,988	1.700%	241,266	20-Mar-15	20-Mar-20	1827	1.700%	245,000
Rollstone Bank Fitchburg, MA		\$253,587	1.750%	242,263	15-Apr-15	15-Apr-20	1827	1.750%	245,000
First Business, Madison WI		\$255,736	1.750%	240,602	11-Jun-15	11-Jun-20	1827	1.750%	245,000
Comenity Bank Jumbo (formerly World Finl Network Bank) DE		\$208,753	2.150%	196,525	17-Jun-15	17-Jun-20	1827	2.150%	200,000
1st Merit Bk, Akron, OH		\$254,813	2.000%	242,232	23-Jul-15	23-Jul-20	1827	2.000%	245,000
TIAA FSB Jacksonville, FL		\$155,658	1.900%	146,178	09-Nov-17	14-Sep-20	1040	1.900%	148,996
Everbank, Jacksonville, FL		\$109,349	2.000%	98,317	15-Sep-15	15-Sep-20	1827	2.000%	100,300
Capital One NA Mclean, VA		\$184,107	2.300%	173,941	23-Sep-15	23-Sep-20	1827	2.300%	176,000
Key Bank Cleveland, OH		\$258,430	1.850%	241,969	27-Sep-17	25-Sep-20	1094	1.850%	247,000
Merchants Hillsboro, OH		\$51,892	2.000%	49,453	27-Dec-17	05-Aug-20	952	2.102%	49,872
Celtic Bank Salt Lake City, UT		\$50,547	1.750%	47,724	27-Dec-17	24-Dec-20	1093	2.100%	48,503
Merrick Bank, South Jordan, UT		\$237,907	2.000%	216,051	11-Oct-17	12-Oct-21	1462	2.000%	223,000
Amex Centurion Salt Lake City, UT		\$80,070	2.400%	69,308	06-Sep-17	06-Sep-22	1826	2.400%	72,252
Amex Centurion Salt Lake City, UT		\$196,145	2.400%	170,366	12-Sep-17	12-Sep-22	1826	2.400%	177,000
Capital One NA Mclean, VA		\$81,671	2.300%	71,513	27-Sep-17	27-Sep-22	1826	2.300%	74,000
Goldman Sachs BK New York, NY		\$277,192	2.500%	242,028	21-Nov-17	29-Nov-22	1834	2.500%	249,000
Allegiance BK Houston, TX		\$273,989	2.200%	240,213	26-Oct-17	03-Nov-22	1834	2.200%	250,000
<b>Total</b>		<b>\$8,824,147</b>		<b>\$8,413,243</b>		average days	1501	1.933%	\$8,495,269
<b>Grand Total</b>		<b>\$60,205,196</b>		<b>\$59,538,597</b>		<b>Weighted Average Interest Rate</b>		<b>1.898%</b>	<b>\$59,687,990</b>

(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 07/31/18

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

**SOURCES FOR INVESTMENTS**

	<u>Account</u>	
<b><u>Operating Funds</u></b>		\$7,649,345
<b><u>Liabilities</u></b>		
Balancing Account	10 3401	\$18,648,533
Clean Future Fund	10 3147	\$100,439
Donations to AUSD	10 3151	\$697
<b><u>Reserves For Special Purposes</u></b>		
Insurance Reserve Special Fund	10 2107	\$1,200,000
Underground Fund Carryforward 7/1/2018	10 2111	10,013,913
FY 2019 Undergrounding Funding	10 2111	96,667
Underground Special Fund Used in FY 2019	10 2111	(\$4,561)
Net - Underground Fund Available (Deficiency)		\$10,106,018
Solar PV Rebate Reserve	10 2112	\$364,557
REC Net Revenue Reserve	10 2113	\$18,667,221
Cap & Trade Net Revenue Reserve	10 2114	\$2,825,543
Low Carbon Fuel St Revenue Reserve	10 2115	\$125,638
<b>Total Sources For Investments</b>		<b>\$59,687,990</b>

