



Agenda Item #: \_\_\_\_\_

# Staff Report

## City of Manhattan Beach

**TO:** Members of the Finance Subcommittee

**THROUGH:** Steve S. Charelian, Finance Director *SSC*

**FROM:** Henry Mitzner, Controller *H*  
Libby Bretthauer, Financial Analyst *LB*

**DATE:** February 21, 2019

**SUBJECT:** Investment Portfolio for January 2019

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### **RECOMMENDATION:**

Staff recommends that the Finance Subcommittee accepts the status report on the City's investment portfolio as of January 31, 2019.

### **FISCAL IMPLICATION:**

There are no fiscal implications associated with the recommended action. As of January 31, 2019, the City's investment portfolio totaled \$114.3 million in book value (\$114.7 million par value).

### **DISCUSSION:**

Since the last update as of September 2018, the City's investment portfolio has increased \$8.0 million in par value due to a \$6.0 million net increase in investments (purchases less redemptions) and a \$2.0 million increase in investment in the Local Agency Investment Fund (LAIF). Consistent with prior years, the receipt of Property Taxes in December and January significantly contributed to this increase. Overall, Property Taxes received during the months of December, January, April and May offset summer months when normal operating activities (warrants and payroll coverage) cause the City to operate at a deficit.

In October 2017, the City deposited \$750,000 into the PARS Pension Rate Stabilization Trust as approved by the City Council. This balance, plus the gains and losses received on the funds, is presented with each monthly Portfolio Report below the total Treasurer's Balance (page 10). At the time of posting the Finance Subcommittee's Agenda packet, the January 2019 statement had not been received. The January 2019 balance will be provided during the Finance Subcommittee's meeting.

**Activity**

The following purchase and redemption activity took place between October 1, 2018 and January 31, 2019:

<b>RECENT ACTIVITY</b>					
<b>Security</b>	<b>Date of Activity</b>	<b>Maturity Date</b>	<b>Purchase (Par)</b>	<b>Maturing/Call</b>	<b>YTM</b>
FFCB - 3.23% Coupon	10/3/2018	9/27/2022	1,000,000		3.257%
FFCB - 2.89% Coupon	10/3/2018	6/19/2023	2,000,000		3.000%
MTN - 2.35% Coupon	10/4/2018	5/16/2022	1,000,000		3.193%
TVA - 1.875% Coupon	12/12/2018	8/15/2022	2,000,000		2.840%
FFCB - 3.08% Coupon	12/12/2018	7/24/2023	2,000,000		2.840%
T - 2% Coupon	12/12/2018	7/31/2022	2,000,000		2.681%
<b>Total Purchases</b>			<b>\$10,000,000</b>		<b>2.917%</b>
Matured: TVA - 1.75% Coupon	10/15/2018	10/15/2018		2,000,000	1.395%
Matured: FHLB - 1.55% Coupon	11/21/2018	11/21/2018		1,000,000	1.550%
Matured: FHLB - 1.75% Coupon	12/14/2018	12/14/2018		1,000,000	1.780%
<b>Total Maturing/Calls</b>				<b>\$4,000,000</b>	<b>1.530%</b>

*FFCB = Federal Farm Credit Bank; FHLB = Federal Home Loan Bank; FHLMC = Federal Home Loan Mortgage Corporation (Freddie Mac); FNMA = Federal National Mortgage Association (Fannie Mae); MTN = Corporate Medium Term Note*

Average Yield to Maturity on the City's portfolio book value increased to 2.150% in January from 1.986% in September. During this time frame, one corporate security, four government agency securities and one U.S. treasury security totaling \$10.0 million were purchased. Maturing securities included three government agency securities.

Market conditions and investment opportunities in accordance with the City's Investment Policy are monitored regularly. Efforts are made to ensure the portfolio is well-balanced for the safety of principal by investing in high-grade securities that are diversified in origin and maturity date.

Attachment: Investment Portfolio as of January 31, 2019

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Summary**  
**January 1, 2019 through January 31, 2019**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
LAIF	26,200,000.00	26,200,000.00	26,200,000.00	22.92	1	1	2.323	2.355
Medium Term Notes	20,500,000.00	20,362,395.00	20,417,678.38	17.86	1,284	617	2.103	2.132
Federal Agency Issues - Coupon	62,000,000.00	61,325,590.00	61,807,180.51	54.06	1,524	822	2.002	2.030
Treasury Securities - Coupon	6,000,000.00	5,935,630.00	5,908,964.27	5.17	1,155	935	2.534	2.569
<b>Investments</b>	<b>114,700,000.00</b>	<b>113,823,615.00</b>	<b>114,333,823.16</b>	<b>100.00%</b>	<b>1,113</b>	<b>603</b>	<b>2.121</b>	<b>2.150</b>
<b>Cash</b>								
Passbook/Checking (not included in yield calculations)	2,296,652.48	2,296,652.48	2,296,652.48		1	1	0.000	0.000
<b>Total Cash and Investments</b>	<b>116,996,652.48</b>	<b>116,120,267.48</b>	<b>116,630,475.64</b>		<b>1,113</b>	<b>603</b>	<b>2.121</b>	<b>2.150</b>
<b>Total Earnings</b>								
	<b>January 31</b>	<b>Month Ending</b>	<b>Fiscal Year To Date</b>					
Current Year		192,667.77	1,243,749.90					

STEVE S. CHARELIAN, FINANCE DIRECTOR

Reporting period 01/01/2019-01/31/2019

Run Date: 02/14/2019 - 07:51

Portfolio CITY  
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**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>LAIF</b>											
SYS3000	3000	Local Agency Invest. Fund	07/01/2000	26,200,000.00	26,200,000.00	26,200,000.00	2.355		2.355	1	
<b>Subtotal and Average</b>				<b>26,200,000.00</b>	<b>26,200,000.00</b>	<b>26,200,000.00</b>			<b>2.355</b>	<b>1</b>	
<b>Money Market Fund</b>											
SYSGMRA39907	GMRA39907	Union Bank of California	10/09/2008	0.00	0.00	0.00	0.350		0.350	1	
<b>Subtotal and Average</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>			<b>0.000</b>	<b>0</b>	
<b>Medium Term Notes</b>											
037833DC1	MTN0096	APPLE INC	04/23/2018	1,000,000.00	978,190.00	966,983.44	2.100	AA+	3.060	1,319	09/12/2022
037833AK6	MTN0098	APPLE INC	05/22/2018	1,000,000.00	984,290.00	964,987.40	2.400	AA+	3.298	1,552	05/03/2023
110122BA5	MTN0089	Bristol-Myers	03/15/2017	1,000,000.00	999,680.00	999,040.00	1.600	A+	1.650	26	02/27/2019
084670BC1	MTN0094	BERKSHIRE HATHWY	11/03/2017	1,000,000.00	1,022,070.00	1,042,705.40	3.750	AA	2.148	926	08/15/2021
22160KAF2	MTN0080	COSTCO COMPANIES	12/30/2015	1,000,000.00	991,720.00	993,880.00	1.700	A+	1.861	317	12/15/2019
36962G4D3	MTN0083	Gen elec Cap Corp	06/01/2016	1,000,000.00	1,013,590.00	1,027,467.73	6.000	AA+	1.720	187	08/07/2019
478160CH5	MTN0095	Johnson & Johnson	01/25/2018	2,000,000.00	1,973,040.00	1,992,078.67	1.950	AAA	2.167	648	11/10/2020
48125LRG9	MTN0091	JP MORGAN CHASE	05/24/2017	1,000,000.00	993,140.00	997,260.00	1.650	A+	1.770	234	09/23/2019
191216BY5	MTN0085	COCA-COLA CO	10/18/2016	1,000,000.00	971,870.00	997,190.00	1.550	AA-	1.610	943	09/01/2021
594918AC8	MTN0075	MICROSOFT CORP.	05/19/2015	1,000,000.00	1,005,330.00	1,010,862.22	4.200	AAA	1.783	120	06/01/2019
594918BN3	MTN0084	MICROSOFT CORP.	09/02/2016	1,000,000.00	992,720.00	999,710.00	1.100	AAA	1.110	188	08/08/2019
63254AAQ1	MTN0087	NATL AUSTRALIA BANK	12/28/2016	1,000,000.00	994,410.00	996,302.84	1.375	AA-	1.992	161	07/12/2019
717081DX8	MTN0097	Pfizer Inc	04/23/2018	1,000,000.00	984,380.00	980,836.09	1.950	AA	2.709	853	06/03/2021
742718EN5	MTN0090	Procter & Gamble	03/15/2017	1,000,000.00	985,530.00	990,350.00	1.850	AA-	2.110	732	02/02/2021
89236TFN0	MTN0099	TOYOTA MOTOR CREDIT	09/21/2018	1,000,000.00	1,017,640.00	999,500.00	3.450	AA-	3.461	1,692	09/20/2023
904764AT4	MTN0086	UNILEVER CAPITAL	10/18/2016	500,000.00	481,995.00	495,980.00	1.375	A+	1.550	908	07/28/2021
91324PCB6	MTN0088	United Healthcare Group Inc	12/28/2016	1,000,000.00	998,420.00	995,990.00	1.625	A+	1.810	42	03/15/2019
911312BC9	MTN0100	United Parcel Service	10/04/2018	1,000,000.00	984,530.00	971,514.59	2.350	A+	3.193	1,200	05/16/2022
90331HMY6	MTN0081	US BANK NA OHIO	06/01/2016	1,000,000.00	997,220.00	999,710.00	1.400	AA-	1.410	84	04/26/2019
30231GAG7	MTN0077	EXXON MOBIL CORPORATION	08/21/2015	1,000,000.00	992,630.00	995,330.00	1.912	AAA	2.020	399	03/06/2020
<b>Subtotal and Average</b>				<b>20,500,000.00</b>	<b>20,362,395.00</b>	<b>20,417,678.38</b>			<b>2.132</b>	<b>617</b>	
<b>Federal Agency Issues - Coupon</b>											
3133EDLR1	FAC0222	FED FARM CR BK	05/29/2014	2,000,000.00	1,995,940.00	2,000,826.93	1.650	AA+	1.542	103	05/15/2019
3133EEW55	FAC0236	FED FARM CR BK	06/19/2015	2,000,000.00	1,980,760.00	2,001,898.00	1.800	AA+	1.780	500	06/15/2020
3133EGYB5	FAC0253	FED FARM CR BK	10/14/2016	2,000,000.00	1,946,720.00	1,999,000.00	1.540	AA+	1.550	984	10/12/2021
3133EGW92	FAC0255	FED FARM CR BK	12/28/2016	1,000,000.00	990,790.00	997,682.00	1.500	AA+	1.580	321	12/19/2019
3133EG2P9	FAC0257	FED FARM CR BK	12/29/2016	1,000,000.00	990,620.00	1,000,000.00	2.320	AA+	2.320	1,062	12/29/2021

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Federal Agency Issues - Coupon</b>											
3133EHCT8	FAC0259	FED FARM CR BK	05/22/2017	1,000,000.00	987,240.00	1,008,390.91	2.150	AA+	1.894	1,138	03/15/2022
3133EJDE6	FAC0271	FED FARM CR BK	02/16/2018	2,000,000.00	1,999,140.00	1,990,786.80	2.570	AA+	2.708	1,476	02/16/2023
3133EJC98	FAC0275	FED FARM CR BK	10/03/2018	1,000,000.00	1,000,500.00	999,000.00	3.230	AA+	3.257	1,334	09/27/2022
3133EJSD2	FAC0276	FED FARM CR BK	10/02/2018	2,000,000.00	2,028,560.00	1,990,360.00	2.890	AA+	3.000	1,599	06/19/2023
3133EJK57	FAC0278	FED FARM CR BK	12/12/2018	2,000,000.00	2,041,280.00	2,023,824.65	3.080	AA+	2.840	1,634	07/24/2023
3130A8BQ5	FAC0248	Federal Home Loan Bank	06/15/2016	2,000,000.00	1,966,140.00	2,000,000.00	1.690	AA+	1.690	773	03/15/2021
3130A8NT6	FAC0251	Federal Home Loan Bank	07/13/2016	2,000,000.00	1,952,260.00	2,000,000.00	1.480	AA+	1.480	893	07/13/2021
3130AC3B8	FAC0264	Federal Home Loan Bank	08/16/2017	1,000,000.00	983,770.00	1,000,000.00	2.000	AA+	2.000	1,111	02/16/2022
3130AC2H6	FAC0265	Federal Home Loan Bank	08/30/2017	2,000,000.00	1,957,180.00	2,000,000.00	2.160	AA+	2.160	1,300	08/24/2022
3130A3KM5	FAC0268	Federal Home Loan Bank	01/10/2018	2,000,000.00	1,993,480.00	2,011,833.29	2.500	AA+	2.357	1,407	12/09/2022
3130ADF98	FAC0270	Federal Home Loan Bank	01/30/2018	2,000,000.00	1,987,300.00	2,000,000.00	2.170	AA+	2.170	545	07/30/2020
3130ACE26	FAC0273	Federal Home Loan Bank	05/21/2018	2,000,000.00	1,963,440.00	1,958,126.41	1.375	AA+	2.564	605	09/28/2020
3137EADK2	FAC0224	Federal Home Loan Mortgage	08/01/2014	2,000,000.00	1,987,620.00	1,994,080.28	1.250	AA+	1.788	181	08/01/2019
3134G3P53	FAC0245	Federal Home Loan Mortgage	03/17/2016	1,000,000.00	996,250.00	1,004,748.66	2.000	AA+	1.364	250	10/09/2019
3134G9E52	FAC0250	Federal Home Loan Mortgage	07/05/2016	1,000,000.00	978,990.00	1,000,000.00	1.330	AA+	1.330	698	12/30/2020
3134G9M79	FAC0258	Federal Home Loan Mortgage	03/13/2017	2,000,000.00	1,970,620.00	1,990,439.77	1.875	AA+	2.076	906	07/26/2021
3134G3K58	FAC0260	Federal Home Loan Mortgage	05/22/2017	1,000,000.00	987,680.00	999,850.00	1.500	AA+	1.505	412	03/19/2020
3134GBSB9	FAC0263	Federal Home Loan Mortgage	08/11/2017	2,000,000.00	1,986,760.00	2,000,000.00	1.500	AA+	1.500	231	09/20/2019
3134GBX64	FAC0266	Federal Home Loan Mortgage	11/22/2017	2,000,000.00	1,967,040.00	2,000,000.00	2.350	AA+	2.350	1,390	11/22/2022
3137EAEC9	FAC0269	Federal Home Loan Mortgage	01/25/2018	2,000,000.00	1,937,160.00	1,942,733.48	1.125	AA+	2.154	923	08/12/2021
3134GSFK6	FAC0272	Federal Home Loan Mortgage	03/15/2018	2,000,000.00	2,000,480.00	2,000,000.00	3.000	AA+	3.000	1,503	03/15/2023
3135G0ZA4	FAC0221	Fannie Mae	05/29/2014	1,000,000.00	999,660.00	1,000,556.89	1.875	AA+	1.478	18	02/19/2019
3135G0ZY2	FAC0231	Fannie Mae	02/20/2015	2,000,000.00	1,987,280.00	2,002,078.34	1.750	AA+	1.642	298	11/26/2019
3135G0ZA4	FAC0235	Fannie Mae	06/19/2015	2,000,000.00	1,999,320.00	2,001,469.26	1.875	AA+	1.370	18	02/19/2019
3136G0X55	FAC0246	Fannie Mae	03/17/2016	1,000,000.00	983,090.00	995,550.00	1.500	AA+	1.600	637	10/30/2020
3136G36C4	FAC0252	Fannie Mae	09/29/2016	2,000,000.00	1,943,460.00	2,000,000.00	1.600	AA+	1.600	971	09/29/2021
3136G4EK5	FAC0254	Fannie Mae	10/28/2016	2,000,000.00	1,962,360.00	1,996,000.00	1.200	AA+	1.255	543	07/28/2020
3135G0J20	FAC0256	Fannie Mae	12/28/2016	1,000,000.00	977,830.00	988,146.57	1.375	AA+	1.917	756	02/26/2021
3135G0T45	FAC0261	Fannie Mae	05/22/2017	1,000,000.00	980,330.00	1,001,150.00	1.875	AA+	1.850	1,159	04/05/2022
3135G0T60	FAC0267	Fannie Mae	01/10/2018	2,000,000.00	1,971,000.00	1,983,110.65	1.500	AA+	1.978	545	07/30/2020
880591EV0	FAC0274	Tennessee Valley Authority	05/21/2018	2,000,000.00	1,994,260.00	1,992,217.89	2.250		2.568	408	03/15/2020
880591EN8	FAC0277	Tennessee Valley Authority	12/12/2018	2,000,000.00	1,949,280.00	1,933,319.73	1.875	AA+	2.793	1,291	08/15/2022
<b>Subtotal and Average</b>				<b>62,000,000.00</b>	<b>61,325,590.00</b>	<b>61,807,180.51</b>			<b>2.030</b>	<b>822</b>	

**CITY OF MANHATTAN BEACH**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**January 31, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Treasury Securities - Coupon</b>											
912828D72	UST0023	US TREASURY	02/16/2018	1,000,000.00	988,670.00	987,869.73	2.000		2.439	942	08/31/2021
912828F21	UST0024	US TREASURY	02/16/2018	1,000,000.00	991,680.00	990,277.46	2.125		2.478	972	09/30/2021
912828NT3	UST0025	US TREASURY	05/21/2018	1,000,000.00	1,001,840.00	1,000,312.50	2.625		2.610	561	08/15/2020
9128282V1	UST0026	US TREASURY	05/21/2018	1,000,000.00	982,500.00	979,778.84	1.375		2.529	592	09/15/2020
912828XQ8	UST0027	US TREASURY	12/12/2018	2,000,000.00	1,970,940.00	1,950,725.74	2.000		2.681	1,276	07/31/2022
<b>Subtotal and Average</b>				<b>6,000,000.00</b>	<b>5,935,630.00</b>	<b>5,908,964.27</b>			<b>2.569</b>	<b>935</b>	
<b>Total and Average</b>				<b>114,700,000.00</b>	<b>113,823,615.00</b>	<b>114,333,823.16</b>			<b>2.150</b>	<b>603</b>	

**CITY OF MANHATTAN BEACH  
Portfolio Management  
Portfolio Details - Cash  
January 31, 2019**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Money Market Fund</b>										
SYS39903-39902	39901	UNION BANK	06/01/2003	2,296,652.48	2,296,652.48	2,296,652.48			0.000	1
<b>Subtotal and Average</b>										1
<b>Total Cash and Investments</b>				<b>116,996,652.48</b>	<b>116,120,267.48</b>	<b>116,630,475.64</b>			<b>2.150</b>	<b>603</b>

**City of Manhattan Beach**  
**Investment Portfolio Summary**  
*As of January 31, 2019*

<b>PORTFOLIO PROFILE</b>	<b>Jan 31, 2019</b>	<b>Dec 31, 2018</b>	<b>Nov 30, 2018</b>	<b>Oct 31, 2018</b>	<b>Sep 30, 2018</b>
Total Book Value (Excluding Trust Funds)	\$114,333,823	\$112,333,823	\$103,411,668	\$106,411,668	\$106,454,894
Increase/(Decrease) from Prior Period	2,000,000	8,922,156	(3,000,000)	(43,227)	(2,008,379)
Percentage Change	1.8%	8.6%	(2.8%)	(0.0%)	(1.9%)
Average Yield to Maturity (365 Days)	2.150%	2.133%	2.070%	2.055%	1.986%
Increase/(Decrease) from Prior Period	0.017%	0.063%	0.016%	0.068%	0.050%

**PORTFOLIO ALLOCATIONS**

<b>By Security</b>	<b>Value (Par)</b>	<b>Percent</b>	<b>Par YTM</b>	<b>Time Horizon</b>	<b>Percent</b>
LAIF*	\$26,200,000	22.84%	2.355%	Next 12 months	42%
Medium Term Notes	20,500,000	17.9%	2.132%	Months 13-24	17%
Federal Agencies	62,000,000	54.1%	2.030%	Months 25-36	18%
U.S. Treasuries	6,000,000	5.2%	2.569%	Months 37-48	14%
<b>Total</b>	<b>\$114,700,000</b>	<b>100.0%</b>	<b>2.151%</b>	Months 49-60	9%
				<b>Total</b>	<b>100.0%</b>

\*LAIF YTM as of January 31, 2019

**RECENT ACTIVITY**

<b>Security</b>	<b>Date of Activity</b>	<b>Maturity Date</b>	<b>Purchase (Par)</b>	<b>Maturing/Call</b>	<b>YTM</b>
FFCB - 3.23% Coupon	10/3/2018	9/27/2022	1,000,000		3.257%
FFCB - 2.89% Coupon	10/3/2018	6/19/2023	2,000,000		3.000%
MTN - 2.35% Coupon	10/4/2018	5/16/2022	1,000,000		3.193%
TVA - 1.875% Coupon	12/12/2018	8/15/2022	2,000,000		2.840%
FFCB - 3.08% Coupon	12/12/2018	7/24/2023	2,000,000		2.840%
T - 2% Coupon	12/12/2018	7/31/2022	2,000,000		2.681%
<b>Total Purchases</b>			<b>\$10,000,000</b>		<b>2.917%</b>
Matured: TVA - 1.75% Coupon	10/15/2018	10/15/2018		2,000,000	1.395%
Matured: FHLB - 1.55% Coupon	11/21/2018	11/21/2018		1,000,000	1.550%
Matured: FHLB - 1.75% Coupon	12/14/2018	12/14/2018		1,000,000	1.780%
<b>Total Maturing/Calls</b>				<b>\$4,000,000</b>	<b>1.530%</b>



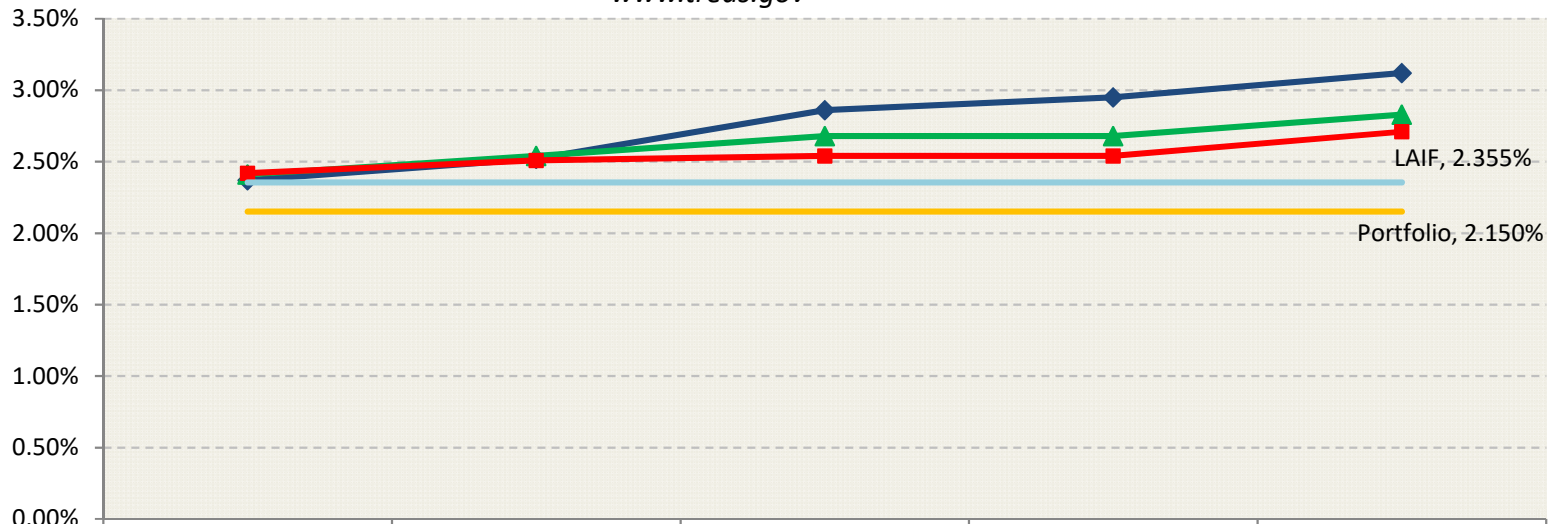
**City of Manhattan Beach**  
**Investment Portfolio Summary**  
*As of January 31, 2019*

FUNDS HELD IN TRUST	Value
Police/Fire Refunding Bonds	\$681
Marine Avenue Refunding Bonds	80
Metlox & Water/Wastewater Refunding Bonds	166
UUAD Assessment Refunding Bonds	518,470
PARS Investment Trust	729,177
<b>Total Funds Held in Trust</b>	<b>\$1,248,574</b>

*As of January 31, 2019*

**US Treasuries Yield Curve**

*www.treas.gov*



	3-Month	6-Month	2-Year	5-Year	10-Year
◆ November 2018	2.37%	2.52%	2.86%	2.95%	3.12%
▲ December 2018	2.41%	2.54%	2.68%	2.68%	2.83%
■ January 2019	2.42%	2.51%	2.54%	2.54%	2.71%

Monthly yields are interpolated by the Treasury from the daily yield curve.

**CITY OF MANHATTAN BEACH**

**Portfolio Maturity Structure**

February 2019 through January 2024

**HELD TO MATURITY**

**Rolling 60 Months**

Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt
Feb 19	2/19/19	1.5%	FNMA	nc	\$1.0M	Feb 20						Feb 21	2/2/21	2.11%	MTN	MW: 10	\$1.0M	Feb 22	2/16/22	2.00%	FHLB	2/16/18	\$1.0M	Feb 23	2/16/23	2.71%	FFCB	nc	\$2.0M
	2/19/19	1.4%	FNMA	nc	\$2.0M								2/26/21	1.92%	FNMA	nc	\$1.0M												
	2/27/19	1.7%	MTN	MW:10	\$1.0M																								
Mar 19	3/15/19	1.8%	MTN	MW: 10	\$1.0M	Mar 20	3/6/20	2.02%	MTN	MW: 5	\$1.0M	Mar 21	3/15/21	1.69%	FHLB	3/15/17	\$2.0M	Mar 22	3/15/22	1.89%	FFCB	nc	\$1.0M	Mar 23	3/15/23	3.00%	FHLMC	3/15/19	\$2.0M
							3/19/20	1.51%	FHLMC	nc	\$1.0M																		
							3/15/20	2.57%	TVA	nc	\$2.0M																		
Apr 19	4/26/19	1.4%	MTN	3/26/19	\$1.0M	Apr 20						Apr 21						Apr 22	4/5/22	1.85%	FNMA	nc	\$1.0M	Apr 23					
May 19	5/15/19	1.5%	FFCB	nc	\$2.0M	May 20						May 21						May 22	5/16/22	3.19%	MTN	MW: 10	\$1.0M	May 23	5/3/23	3.30%	MTN	MW: 15	\$1.0M
Jun 19	6/1/19	1.8%	MTN	nc	\$1.0M	Jun 20	6/15/20	1.78%	FFCB	nc	\$2.0M	Jun 21	6/3/21	2.71%	MTN	MW: 10	\$1.0M	Jun 22						Jun 23	6/19/23	3.00%	FFCB	nc	\$2.0M
Jul 19	7/12/19	2.0%	MTN	nc	\$1.0M	Jul 20	7/28/20	1.25%	FNMA	7/28/17	\$2.0M	Jul 21	7/13/21	1.48%	FHLB	1/13/17	\$2.0M	Jul 22	7/31/22	2.68%	T	nc	\$2.0M	Jul 23	7/24/23	2.84%	FFCB	nc	\$2.0M
							7/30/20	1.98%	FNMA	nc	\$2.0M		7/26/21	2.08%	FHLMC	nc	\$2.0M												
							7/30/20	2.17%	FHLB	nc	\$2.0M		7/28/21	1.55%	MTN	nc	\$0.5M												
Aug 19	8/1/19	1.8%	FHLMC	nc	\$2.0M	Aug 20	8/15/20	2.61%	T	nc	\$1.0M	Aug 21	8/15/21	2.15%	MTN	nc	\$1.0M	Aug 22	8/24/22	2.16%	FHLB	11/24/17	\$2.0M	Aug 23					
	8/7/19	1.7%	MTN	nc	\$1.0M								8/12/21	2.15%	FHLMC	nc	\$2.0M		8/15/22	2.79%	TVA	nc	\$2.0M						
	8/8/19	1.1%	MTN	nc	\$1.0M								8/31/21	2.44%	T	nc	\$1.0M												
Sep 19	9/20/19	1.5%	FHLMC	9/20/17	\$2.0M	Sep 20	9/15/20	2.53%	T	nc	\$1.0M	Sep 21	9/1/21	1.61%	MTN	nc	\$1.0M	Sep 22	9/12/22	3.06%	MTN	MW: 7.5	\$1.0M	Sep 23	9/20/23	3.46%	MTN	nc	\$1.0M
	9/23/19	1.8%	MTN	8/23/19	\$1.0M		9/28/20	2.56%	FHLB	nc	\$2.0M		9/29/21	1.60%	FNMA	3/29/17	\$2.0M		9/27/22	3.26%	FFCB	3/27/19	\$1.0M						
													9/30/21	2.48%	T	nc	\$1.0M												
Oct 19	10/9/19	1.4%	FHLMC	nc	\$1.0M	Oct 20	10/30/20	1.60%	FNMA	nc	\$1.0M	Oct 21	10/12/21	1.55%	FFCB	10/12/17	\$2.0M	Oct 22						Oct 23					
Nov 19	11/26/19	1.6%	FNMA	nc	\$2.0M	Nov 20	11/10/20	2.17%	MTN	nc	\$2.0M	Nov 21						Nov 22	11/22/22	2.35%	FHLMC	5/22/18	\$2.0M	Nov 23					
Dec 19	12/15/19	1.9%	MTN	nc	\$1.0M	Dec 20	12/30/20	1.33%	FHLMC	12/30/16	\$1.0M	Dec 21	12/29/21	2.32%	FFCB	12/29/17	\$1.0M	Dec 22	12/9/22	2.36%	FHLB	nc	\$2.0M	Dec 23					
	12/19/19	1.6%	FFCB	nc	\$1.0M																								
Jan 20						Jan 21						Jan 22						Jan 23						Jan 24					
<b>Total By Year (excl LAIF)</b>					<b>\$22.00m</b>						<b>\$20.00m</b>						<b>\$20.50m</b>						<b>\$16.00m</b>						<b>\$10.00m</b>
<b>% of Total Securities (excl LAIF)</b>					<b>25%</b>						<b>23%</b>						<b>23%</b>						<b>18%</b>						<b>11%</b>
<b>% of Total Investments (incl LAIF)</b>					<b>42%</b>						<b>17%</b>						<b>18%</b>						<b>14%</b>						<b>9%</b>

Total Securities	77%	\$88.5M
LAIF	23%	\$26.2M
<b>Total Investments</b>	<b>100%</b>	<b>\$114.7M</b>

Shaded rows indicate months with significant cash inflows.

# City of Manhattan Beach

## Investment Policy Compliance Chart

As of January 31, 2019

Instrument		% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
<b>Local Agency Investment Fund (LAIF)</b>	<b>\$26,200,000</b>	<b>22.8%</b>	<b>\$50,000,000</b>	<b>Yes</b>	<i>Temporary Suspension</i>			
<b>U.S. Treasuries</b>								
US Treasury	1,000,000	0.9%					5 Years	Yes
US Treasury	1,000,000	0.9%					5 Years	Yes
US Treasury	1,000,000	0.9%					5 Years	Yes
US Treasury	1,000,000	0.9%					5 Years	Yes
US Treasury	2,000,000	1.7%					5 Years	Yes
<b>Total Certificates of Deposit (7)</b>	<b>\$6,000,000</b>	<b>5.2%</b>						
<b>Medium Term (Corporate) Notes</b>								
Costco	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Staples Sector</i>	<i>\$1,000,000</i>	<i>0.9%</i>			<i>10.0%</i>	<i>Yes</i>		
Coca-Cola	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Unilever Capital	500,000	0.4%			5.0%	Yes	5 Years	Yes
Proctor & Gamble	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Goods Sector</i>	<i>\$2,500,000</i>	<i>2.2%</i>			<i>10.0%</i>	<i>Yes</i>		
US Bank NA Ohio	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Natl Australia Bank/NY	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
JP Morgan Chase	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Berkshire Hathaway	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Berkshire Hathaway	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
<i>Total Financial Sector</i>	<i>\$5,000,000</i>	<i>4.4%</i>			<i>10.0%</i>	<i>Yes</i>		
Exxon Mobil	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
<i>Total Energy Sector</i>	<i>\$1,000,000</i>	<i>0.9%</i>			<i>10.0%</i>	<i>Yes</i>		
United Health Group Inc.	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Pfizer Inc	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Bristol-Myers	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
Johnson & Johnson	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
<i>Total Healthcare Sector</i>	<i>\$5,000,000</i>	<i>4.4%</i>			<i>10.0%</i>	<i>Yes</i>		
GE Company	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
United Parcel Service	1,000,000	0.9%			5.0%	Yes	5 Years	Yes
<i>Total Industrials Sector</i>	<i>\$2,000,000</i>	<i>1.7%</i>			<i>10.0%</i>	<i>Yes</i>		
Microsoft	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
Apple Inc	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
<i>Total Technology Sector</i>	<i>\$4,000,000</i>	<i>3.5%</i>			<i>10.0%</i>	<i>Yes</i>		
<b>Total Medium Term Notes (18) *</b>	<b>\$20,500,000</b>	<b>17.9%</b>			<b>20.0%</b>	<b>Yes</b>		
<b>Federal Agencies</b>								
Federal Home Loan Bank (FHLB)	\$13,000,000	11.3%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	16,000,000	13.9%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	14,000,000	12.2%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMC)	15,000,000	13.1%			33.3%	Yes	5 Years	Yes
Tennessee Valley Authority (TVA)	4,000,000	3.5%			33.3%	Yes	5 Years	Yes
<b>Total Federal Agencies (11)</b>	<b>\$62,000,000</b>	<b>54.1%</b>			<b>60.0%</b>	<b>Yes</b>		
<b>Total Portfolio</b>	<b>\$114,700,000</b>	<b>94.8%</b>						



**CITY OF MANHATTAN BEACH  
TREASURER'S REPORT  
January 31, 2019**

<b><u>Investments</u></b>	<b>Book Value</b>
LAIF	\$26,200,000.00
Medium Term Notes	20,417,678.38
Federal Agency Issues-Coupon	61,807,180.51
Treasury Securities	5,908,964.27
<b>Subtotal Investments</b>	<b><u>\$114,333,823.16</u></b>
<b><u>Demand Deposit/Petty Cash</u></b>	
Cash in Bank	\$2,296,652.48
Petty Cash	3,640.25
<b>Subtotal Demand Deposit</b>	<b><u>\$2,300,292.73</u></b>
<b>Subtotal City Cash &amp; Investments</b>	<b><u>\$116,634,115.89</u></b>
<b><u>Bond Funds Held in Trust</u></b>	
Police Fire Refund Delivery Cost	\$680.87
Marine	80.18
Metlox & Water/Wastewater Refunding	165.58
Utility Assessment Districts	518,469.63
<b>Subtotal Bonds Held in Trust</b>	<b><u>\$519,396.26</u></b>
<b><u>Investment Trust Funds</u></b>	
PARS Pension Rate Stabilization Trust*	729,177.40
<b>Treasurer's Balance</b>	<b><u>\$117,882,689.55</u></b>

\*PARS Pension Rate Stabilization Trust balance through December 2018. January statement was unavailable at the time the Finance Subcommittee packet was published.



# CALIFORNIA STATE TREASURER FIONA MA, CPA



## PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
01/07/19	2.34	2.33	192
01/08/19	2.34	2.33	190
01/09/19	2.34	2.33	191
01/10/19	2.34	2.34	189
01/11/19	2.34	2.34	188
01/12/19	2.34	2.34	188
01/13/19	2.34	2.34	188
01/14/19	2.35	2.34	185
01/15/19	2.36	2.34	187
01/16/19	2.36	2.34	188
01/17/19	2.36	2.34	189
01/18/19	2.37	2.34	190
01/19/19	2.37	2.35	190
01/20/19	2.37	2.35	190
01/21/19	2.37	2.35	190
01/22/19	2.37	2.35	188
01/23/19	2.37	2.35	187
01/24/19	2.37	2.35	188
01/25/19	2.38	2.35	188
01/26/19	2.38	2.35	188
01/27/19	2.38	2.35	188
01/28/19	2.38	2.35	185
01/29/19	2.38	2.35	187
01/30/19	2.38	2.35	186
01/31/19	2.39	2.36	188
02/01/19	2.39	2.36	191
02/02/19	2.39	2.36	191
02/03/19	2.39	2.36	191
02/04/19	2.39	2.36	189
02/05/19	2.39	2.36	187
02/06/19	2.39	2.36	187

\*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

## LAIF Performance Report

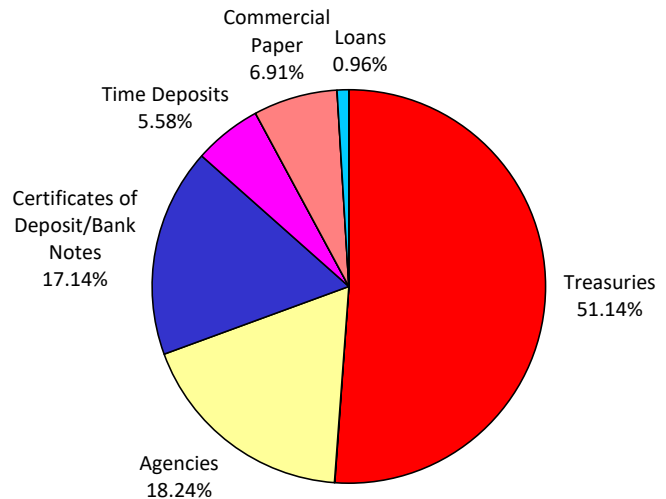
### Quarter Ending 12/31/18

Apportionment Rate: 2.40  
 Earnings Ratio: 0.00006573663340150  
 Fair Value Factor: 0.999051127  
     Daily: 2.32%  
 Quarter to Date: 2.21%  
 Average Life: 192

### PMIA Average Monthly Effective Yields

**Jan 2019 2.355**  
 Dec 2018 2.291  
 Nov 2018 2.208

## Pooled Money Investment Account Portfolio Composition 12/31/18 \$83.3 billion



Percentages may not total 100%, due to rounding.

Based on data available as of 2/6/2019