



STAFF REPORT

Meeting Date: August 21, 2018
To: Honorable Mayor & City Council
From: Howard Fisher, City Treasurer
Subject: Treasurer's Report for Quarter Ended June 30, 2018
Attachments: 1. Fund Summary Schedule

INTRODUCTION

Transmitted herewith is the City Treasurer's Report for the quarter ended June 30, 2018. This report includes a summary of investment balances and a listing of the portfolio value by each City fund.

The following is a summary of the activity of the City's portfolio for the fiscal year's fourth quarter:

	Period Covered	General Portfolio		Restricted Portfolio	Total Portfolio
		BNY Mellon / Wells Fargo Bank	Cal Trust / Local Agency Investment Fund	U.S. Bank	
Q4	Net Investment Activity	\$ (1,320,378.87)	\$ (5,000,000.00)	\$ -	\$ (6,320,378.87)
FY17/18	Income + Change in Market Value	\$ 924,191.90	\$ 392,653.83	\$ (192,077.30)	\$ 1,124,768.43
	Ending 06/30/18 @ Market	\$ 588,964,819.41	\$ 84,001,956.64	\$ 11,421,096.61	\$ 684,387,872.66
Q1	Net Investment Activity	\$ (16,383,064.92)	\$ -	\$ -	\$ (16,383,064.92)
FY17/18	Income + Change in Market Value	\$ 228,098.05	\$ 470,361.64	\$ 5,847.84	\$ 704,307.53
Q2	Net Investment Activity	\$ 19,254,712.26	\$ (20,000,000.00)	\$ -	\$ (745,287.74)
FY17/18	Income + Change in Market Value	\$ (1,805,654.59)	\$ 173,583.61	\$ 3,018.70	\$ (1,629,052.28)
Q3	Net Investment Activity	\$ 107,373,808.30	\$ (43,500,000.00)	\$ -	\$ 63,873,808.30
FY17/18	Income + Change in Market Value	\$ (852,099.88)	\$ 99,933.96	\$ 5,725.11	\$ (746,440.81)
	Ending 3/31/18 @ Market	\$ 589,361,006.38	\$ 88,609,302.81	\$ 11,613,173.91	\$ 689,583,483.10

DISCUSSION

The City's total investment portfolio of \$684.39 million at June 30, 2018 included \$672.97 million in general portfolio investments and \$11.4 million in restricted investments and is in compliance with the City's Investment Policy. The average maturity of the BNY portfolio is 223 days. The following chart shows the asset allocation by dollar for the past four quarters.

Market Value*	9/30/2017	12/31/2017	3/31/2018	6/30/2018
Federal Agency	54,820,635.00	113,704,260.00	143,142,190.00	163,189,640.00
Commercial Paper	138,646,911.11	128,337,884.65	167,666,729.10	152,709,229.10
Negotiable CD	165,004,441.88	160,006,857.00	179,951,107.00	179,936,637.00
Corporate Securities	75,429,940.00	70,083,470.00	69,466,880.00	64,504,925.00

*Pricing Sources from interactive Data Corporation (IDC) and Bloomberg Fair Value Price (BVAL)

Adequate liquidity exists within the portfolio to meet all known short-term City requirements through at least December 30, 2018, and we believe the City will have adequate liquidity to meet all requirements for the foreseeable future based upon existing maturity schedules and the current investment policy.*

FISCAL IMPACT

None.

RECOMMENDATION

None.

*As part of required reporting of the City's unfunded pension and other post-employment benefits (OPEB) liabilities, PERS provides an annual report for the City's pension liability and the City contracts with an actuarial services firm for the required biennial reports for assessing the OPEB liability. The next PERS report is anticipated in August 2018 and OPEB actuarial valuation should be completed in the spring of 2018.



Howard Fisher

Approved By

Attachment 1

**As of Quarter Ending
June 30, 2018**

Balance Sheet Investment Balances		
Book Value General Portfolio Bank of New York	\$	561,266,350
Book Value Cal Trust		32,983,771
Book Value Wells Fargo - Stagecoach Sweep		27,698,470
Book Value State Controllers Local Agency Investment Fund (LAIF)		<u>51,018,185</u>
City Treasurer's Portfolio		672,966,776
Book Value of Bond Proceeds Held in Trust at US Bank		<u>11,421,097</u>
TOTAL PORTFOLIO	\$	684,387,873

FUND SUMMARY		
Fund Type	Title	Balance
General Fund	General Fund	\$ 158,805,645
Special Funds	State Gas Tax Fund	\$ 4,579,365
	California State Senate Bill 1186	\$ -
	California State Senate Bill 1473	\$ -
	Community Development Block Grant	\$ -
	In-Lieu Parking Fund	\$ 7,389,755
	Parks & Recreation Facilities Fund	\$ 27,440,313
	Inmate Welfare	\$ 53,993
	Fine Art Fund	\$ 4,939,209
	Air Quality Improvement Fund	\$ 721,330
	Transportation Grants Fund	\$ 5,082,551
	Prop C Fund	\$ 4,946,318
	Measure M-LA Metro Tax	\$ (58)
	MTA Grant Fund	\$ 1,448,987
	1998 Lease Revenue Bonds Fund	\$ 3,430,390

FUND SUMMARY (continued)			
Internal Service Funds	Infrastructure Fund	\$	40,452,248
	Capital Assets Fund	\$	40,277,378
	Equipment Replacement Fund	\$	10,914,039
	Information Technology Fund	\$	34,317,864
	Cable Television Fund	\$	9,569,369
	Reprographics/Graphics Fund	\$	3,813,781
	Employee Benefits Fund	\$	54,082,099
	Compensated Absences Liability Fund	\$	14,399,385
	Liability Claims Fund	\$	22,377,361
	Workers' Compensation Fund	\$	34,777,454
	Unemployment Insurance Fund	\$	336,128
	Policy, Administration, Legal	\$	14,403,994
	Vehicle Fund	\$	13,346,481
Fiduciary Funds	Burton Green Scholarship Fund	\$	163,009
	Buck Endowment Trust Fund	\$	474,953
	Beverly Hills Beneficial Trust Fund	\$	5,754
	Westside Cities COG Agency	\$	-
Enterprise Funds	Water Enterprise Fund	\$	47,374,020
	Parking Enterprise Fund	\$	45,437,725
	Solid Waste Enterprise Fund	\$	29,505,867
	Wastewater Enterprise Fund	\$	43,150,847
	Wastewater Capacity Fee Fund	\$	787
	Stormwater Enterprise Fund	\$	6,369,531
Total All Funds		\$	684,387,873