



Information Item

Date: February 22, 2019

To: Mayor and City Council
From: Gigi Decavalles-Hughes, Director of Finance/City Treasurer
Subject: City Monthly Cash and Investment Report for December 2018

Introduction

In compliance with the City Charter, State law, and the City's Investment Policy, the attached monthly report provides information concerning City investments and cash held and/or managed by the Director of Finance/City Treasurer as of December 31, 2018.

Discussion

The December 2018 Cash and Investment Report provides an updated review of the City's investment portfolio and cash position. The book value of cash and investments held in the pooled portfolio decreased by \$0.3 million in December to \$772.9 million. The pooled portfolio yield-to-maturity of 1.97% was up two basis points from the prior month and is up forty-eight basis points over the last twelve months. Net investment earnings on a cash basis for the month were \$1.5 million. Year-to-date investment earnings are 32.6% greater than one year earlier. The portfolio yield is expected to continue to increase in the short term as older investments mature and are replaced by higher yielding instruments. The Federal Reserve has increased the target range for the federal funds rate by 225 basis points since December 2016. However, the prospect for future increases is now uncertain.

In addition to the pooled portfolio, the City's total cash holdings as of December 31, 2018 included \$97 million in debt proceeds held in trust with various fiscal agents, primarily reflecting City Services Building and Downtown Fire Station bond proceeds, \$13.4 million in other funds held in trust, and \$26,772 in petty cash/change funds for a total balance of \$883.3 million.

Green Bonds

The City's investment policy dictates certain socially responsible guidelines that should be adhered to in the investment of the City's excess funds. A prime example of this is the prohibition of investments in fossil fuel-related companies. In an effort to enhance the socially responsible nature of the City's investment portfolio, staff continues to research and analyze green bonds as a potential investment alternative. Green bonds are bonds that specifically finance projects that benefit the climate and produce other environmentally beneficial projects. Green bonds are issued by government agencies, private corporations, and institutions such as the World Bank. Investments in green bonds still need to meet the City's legal and strategic investment parameters. As of December 31, 2018 the City's portfolio had a total of \$24.5 million in green bonds or approximately 3.3% of total invested funds.

In compliance with Governmental Accounting Standards, the Monthly Cash and Investment Report provides the fair market value of all investments held by the City, with certain exceptions, as of the last day of the month. The fair market value may be greater or less than the original purchase price (book/reported value) of the investments due to fluctuations in the market resulting in either an unrealized gain or loss for financial disclosure purposes only. Since it is the City's policy to hold most securities to maturity, these fluctuations in market value do not affect the redemption value of the securities or the overall yield-to-maturity of the portfolio. The book values of investments shown in this report are exclusive of amortization/accretion of premiums/discounts. As of December 31, 2018 the market value of the City's portfolio was approximately \$7.6 million less than the book value, primarily due to the rise in interest rates over the last two years. However, over the last two months, the difference between market value and book value has decreased by approximately \$5 million reflecting a sharp decline in rates. Interest rates move in an inverse relationship to the market prices of investments.

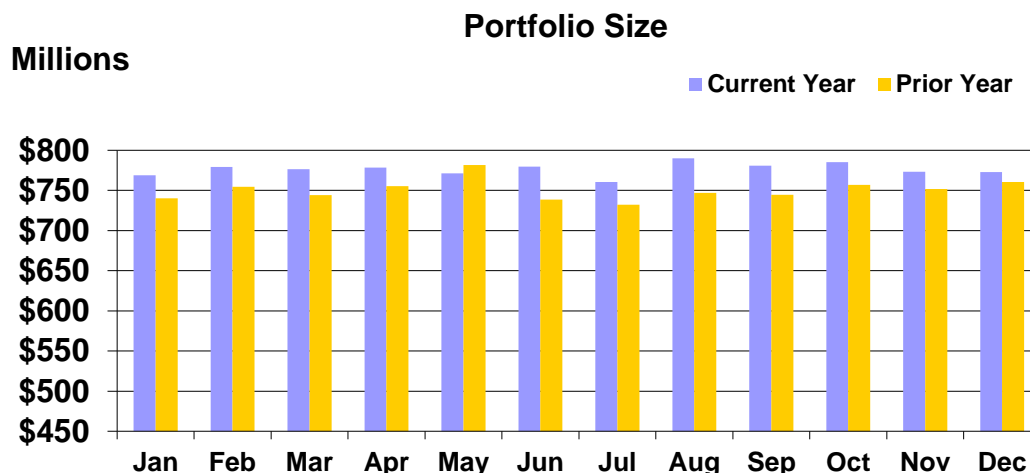
Attached is a summary of investment activity as well as a detailed report of public monies held by the City Treasurer as of December 31, 2018.

Prepared by: David Carr, Assistant City Treasurer

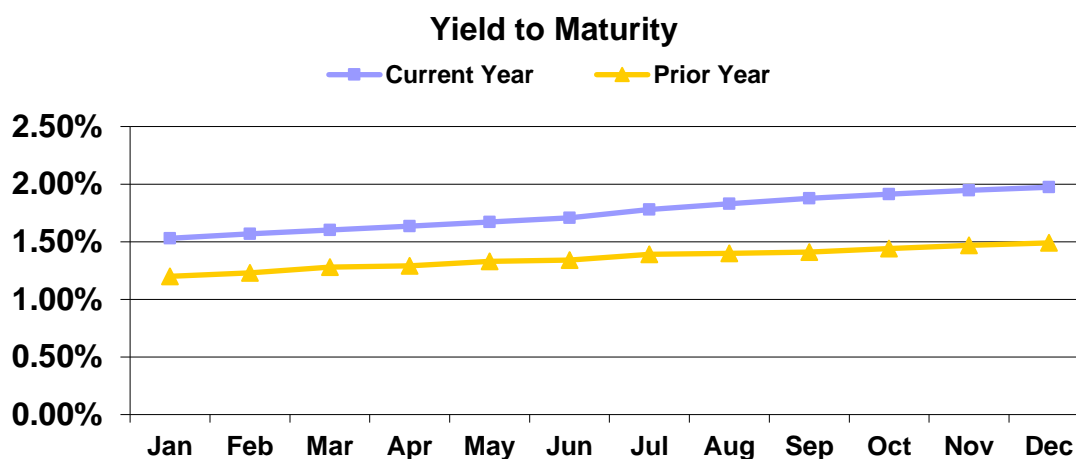
Attachments: 1 – Investment Highlights
2 – Investment Report

Investment Highlights

December 31, 2018



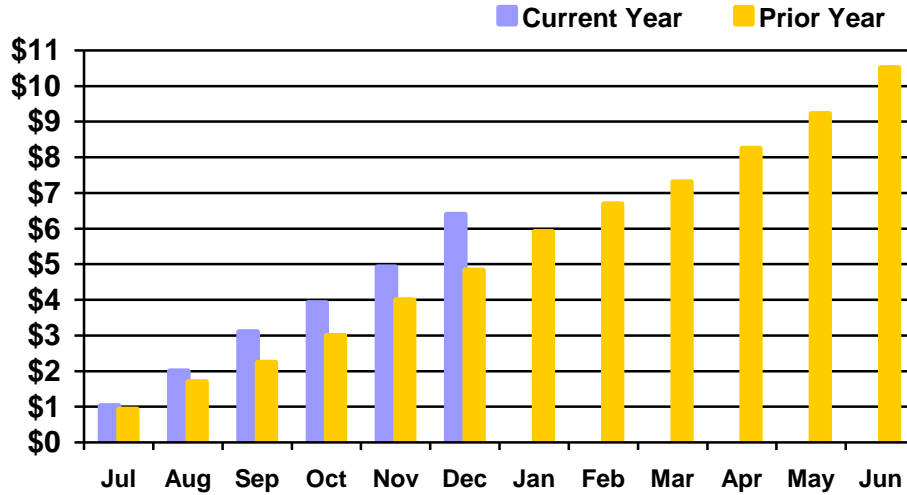
- As of December 31, 2018, the book value of the pooled cash and investment portfolio was \$772.9 million, \$0.3 million less than in the prior month.
- Portfolio value is \$12.3 million greater than one year ago.



- As of December 31, 2018, yield to maturity is 1.97%.
- The yield is two basis points greater than in the prior month and up forty-eight basis points from December 2017.

**Fiscal Year-to-Date Investment Earnings
(Cumulative by Month)**

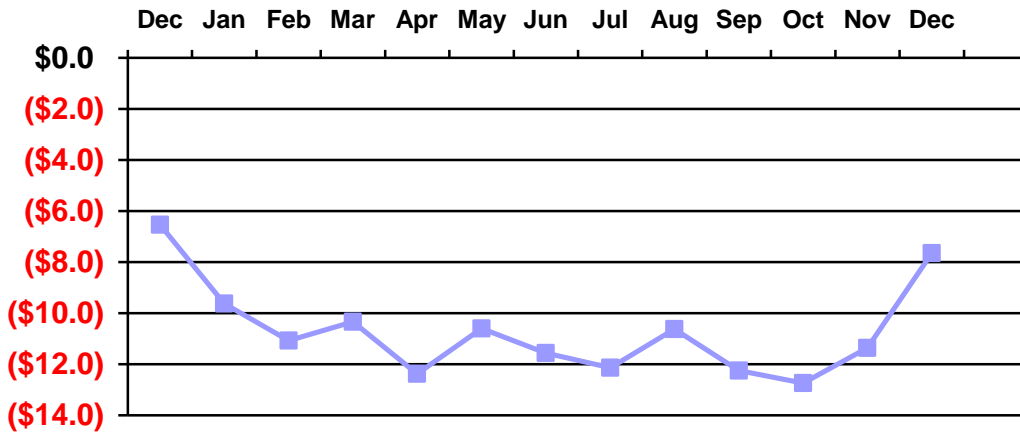
Millions



- Year-to-date investment income (cash basis) is 32.6% greater than one year earlier.

Millions

Unrealized Gain/(Loss)



- As of December 31, 2018, the market value was approximately \$7.6 million less than the unamortized book value (purchase price). Interest rate declines over the last two months have reduced the difference between market and book value by about \$5 million.



Investment Report

December 31, 2018

Prepared by:
Gigi Decavalles-Hughes, Director of Finance/City Treasurer
David R. Carr, Assistant City Treasurer

City of Santa Monica
Cash Receipts, Disbursements and Cash Balances
December 31, 2018

Petty Cash/Change Funds		\$26,772.00
Cash Held in General Bank Account		
Union Bank (1)	\$28,228,170.60	
Total Cash Held in General Bank Account	<u>\$28,228,170.60</u>	
Invested Funds		
BNY Mellon Custodial Account		
Corporate Bonds	\$125,509,373.68	
Municipal Bonds	\$26,302,460.70	
Supranationals	\$56,541,095.00	
Commercial Paper	\$2,974,270.83	
Federal Agencies Securities	<u>\$478,898,263.54</u>	
Total BNY Mellon Custodial Account	\$690,225,463.75	
State of California Local Agency Investment Fund - City	\$54,446,076.08	
Total Invested Funds	<u>\$744,671,539.83</u>	
Total Pooled Cash and Invested Funds		\$772,899,710.43
Restricted Cash/Investments Held in Trust/Debt Proceeds		
Union Bank-Earthquake Recovery Redevelopment 2006		
Tax Allocation Refunding Bonds Series A & B	\$857,531.88	
Union Bank-Civic Center Parking Project 2015 Lease Revenue Bonds	\$468,597.78	
Union Bank-RDA 2011 Tax Allocation Bonds	\$3,397,082.94	
BNY-2011 Parking Structure Series A & B	\$1,032.31	
BNY-2017 City Services Building PFA	\$56,833,901.24	
BNY-2018 Fire Station 1 PFA	\$35,393,183.95	
BNY-Public Safety Facility Bonds 2009 Refunding	\$84,440.90	
U.S. Bank-Wastewater Enterprise Revenue Bonds-2012 Refunding	<u>\$29.82</u>	
Total Restricted Cash/Investments Held in Trust		\$97,035,800.82
Other Restricted Funds/Funds Held in Trust		
Cemetery Perpetual Care Fund (3)	\$11,333,854.26	
Mausoleum Perpetual Care Fund (3)	\$1,354,619.07	
Union Bank - Santa Monica Redevelopment Successor Agency RPTTF	\$60,177.03	
Union Bank - HUD Depository Account (4)	\$145,612.67	
Union Bank - Payroll Account	\$184,325.94	
Unon Bank - Public Agency Family Self Sufficiency Program (2)	\$118,046.89	
State of California Local Agency Investment Fund - RDA	<u>\$175,510.80</u>	
Total Other Funds Held in Trust		\$13,372,146.66
GRAND TOTAL		\$883,334,429.91

City of Santa Monica
Cash Receipts, Disbursements and Cash Balances
December 31, 2018

- (1) This is the actual general bank account balance as of 12/31/18. This only reflects checks and warrants that have been presented for payment and deposits received by the bank. The balance on deposit per the City's books would reflect reductions for all checks and warrants issued and an increase for all deposits transmitted. Housing Authority, Rent Control Board, and Parking Authority Funds are included in the totals. However, Successor Agency funds are not included in the pooled portfolio.
- (2) The City of Santa Monica Housing Authority administers the Family Self Sufficiency Program. An escrow account is set up for each family in the program. The Housing Authority maintains and releases the escrow funds as required by HUD regulations.
- (3) The Cemetery Perpetual Care Funds and the Mausoleum Perpetual Care Funds are held in trust by Charles Schwab & Company, Inc. and administered by the investment firm RNC Genter Capital Management. Market value is shown since a large portion of the portfolio is in equities.
- (4) HUD Depository account is used to receive monthly housing assistance payments from HUD.

Pursuant to Section 711d of the City Charter, I submit the following:

Cash and Investments - November 30, 2018	\$	773,155,543.99
Receipts - Union Bank	\$	72,861,018.65
Disbursements - Union Bank	\$	(73,116,852.21)
Cash and Investments - December 31, 2018	\$	772,899,710.43

Pooled portfolio only (cash and investments). Excludes certain investments held in trust by third parties such as bond proceeds, perpetual care funds, and other escrow accounts. Also excludes payroll account and Successor Agency account at Union Bank.

Gigi Decavalles-Hughes
Director of Finance/City Treasurer

Overview

As of December 31, 2018, total City cash and investments (including cash held for the Successor Agency to the Redevelopment Agency) were \$883.3 million, a \$1.1 million decrease from the prior month. The pooled portfolio decreased by \$0.3 million as the first large property tax apportionment from Los Angeles County for the fiscal year was more than offset by bus purchases and the semi-annual Master Facilities Use Agreement payment to the Santa Monica/Malibu Unified School District. Restricted Cash/Investments Held in Trust/Debt Proceeds increased by \$1.7 million, and Other Restricted Funds/Funds Held in Trust decreased \$2.4 million as compared to prior month balances. Total cash and investments are categorized as follows:

Petty Cash/Change Funds	\$	26,772.00
Pooled Cash and Investments	\$	772,899,710.43
Restricted Cash/Investment Held in Trust	\$	97,035,800.82
Other Funds Held in Trust	\$	13,372,146.66
Total	\$	883,334,429.91

Definitions

- Basis Point – One hundredth of one percent (.01%).
- Book (Reported) Value – The price paid for the security at purchase.
- Bullets – A security with a fixed coupon or interest rate that cannot be redeemed by the issuer before the maturity date.
- Callable Securities – A security that can be redeemed by the issuer before the maturity date.
- Duration – A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a security. The duration of a security is a useful indicator of its price volatility for given changes in interest rates.
- Green Bonds – Green bonds are used to finance projects that promote environmental and/or climate benefits. Green bonds eligible for inclusion in the City’s investment portfolio are issued by government agencies, private corporations, and institutions such as the World Bank.
- Market Value – The price at which a security is currently trading and could be presumably bought or sold.
- Par Value – The full face value of the security.
- Rebalancing – Strategy whereby low yielding securities are sold at a loss with the proceeds used to purchase higher

yielding securities.

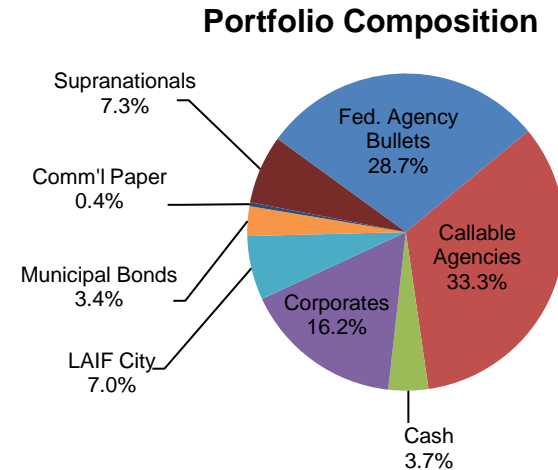
- Supranational – Supranational organizations are international financial institutions that are generally established by agreements among nations, with member nations contributing capital and participating in management. Supranational bonds finance economic and infrastructure development and support environmental protection, poverty reduction, and renewable energy around the globe, which are issued by International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- Unrealized Gain/Loss – Difference between the current market value and purchase price (book value) of a security.
- Yield to Maturity – The rate of return of a security held to maturity when both interest payments and the investor's gain or loss (premium paid or discount taken) on the security is taken into account.

Pooled Investment Portfolio

As of December 31, 2018, the portfolio size (unamortized book value/purchase price) of City pooled cash and investments is \$772.9 million, \$0.3 million less than in the prior month. Since the City holds most investments to maturity, variations in portfolio book value are typically due to receipt and expenditure patterns during the month rather than any realized gains or losses on securities. Additionally, the City does not amortize premiums or accrete discounts except for financial reporting purposes on the last day of each fiscal year. Four investments were made during the month (\$7.9 million), three investments matured (\$8.9 million), no investments were sold, and no investments were called. The month-end balance of cash held in the City's general bank account decreased by about \$3.3 million in December.

Portfolio Composition

The portfolio is appropriately diversified and is in compliance with the City’s Investment Policy and applicable provisions of the State Government Code. The largest sector of the portfolio is Federal Agency Securities (62.0%). The remaining 38.0% includes Corporates (16.2%), State Local Agency Investment Fund [City account] (7.0%), Supranationals (7.3%), Cash (3.7%), Municipal Bonds (3.4%), Commercial Paper (0.4%). This portfolio mix allows the City to maintain its primary investment objectives of safety and liquidity while attaining a rate of return consistent with the City’s Investment Policy and investment strategy.

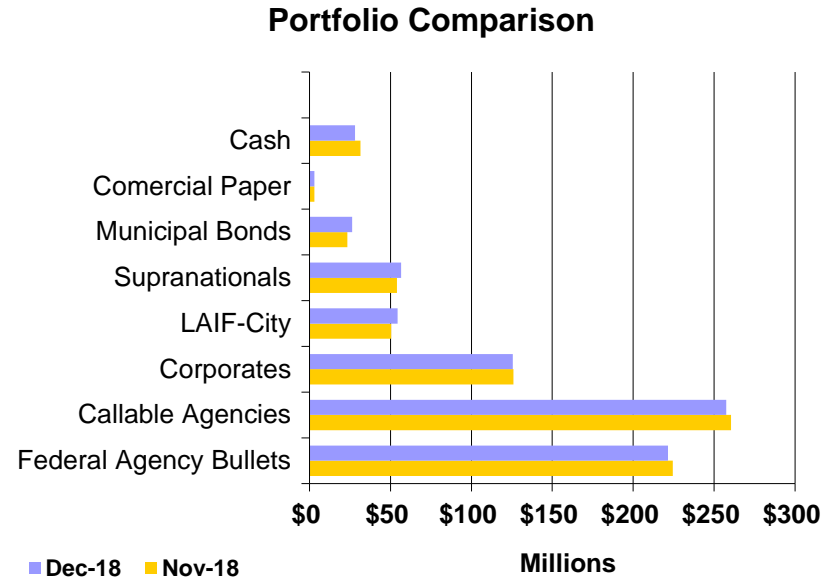


Green Bonds

The City’s investment policy dictates certain socially responsible guidelines that should be adhered to in the investment of the City’s excess funds. A prime example of this is the prohibition of investments in fossil fuel-related companies. In an effort to enhance the socially responsible nature of the City’s investment portfolio, staff continues to research and analyze green bonds as a potential investment alternative. Green bonds are bonds that specifically finance projects that benefit the climate and produce other environmentally beneficial projects. Green bonds are issued by government agencies, private corporations, and institutions such as the World Bank. Investments in green bonds still need to meet the City’s legal and strategic investment parameters. The bond proceeds are to be used for projects designated as climate-beneficial projects. No new green bonds were purchased in December. The total amount (book value) of green bonds is just under 3.3% of total invested funds.

Portfolio Comparison

The chart to the right shows the overall structure of the portfolio by type of investment compared to last month. There was no significant change from the prior month. The bond market, financial and economic conditions, and portfolio structure are continuously evaluated when making investment decisions.



Rebalancing of Portfolio

As noted in the previous reports, staff has expanded the parameters of rebalancing to look for opportunities to improve portfolio performance even in times of low interest rates. When conducting rebalancing, the primary portfolio objectives of safety and liquidity must be maintained. Specifically, the City may realize a book gain or loss due to the sale of a security. These rebalancing sales only occur if:

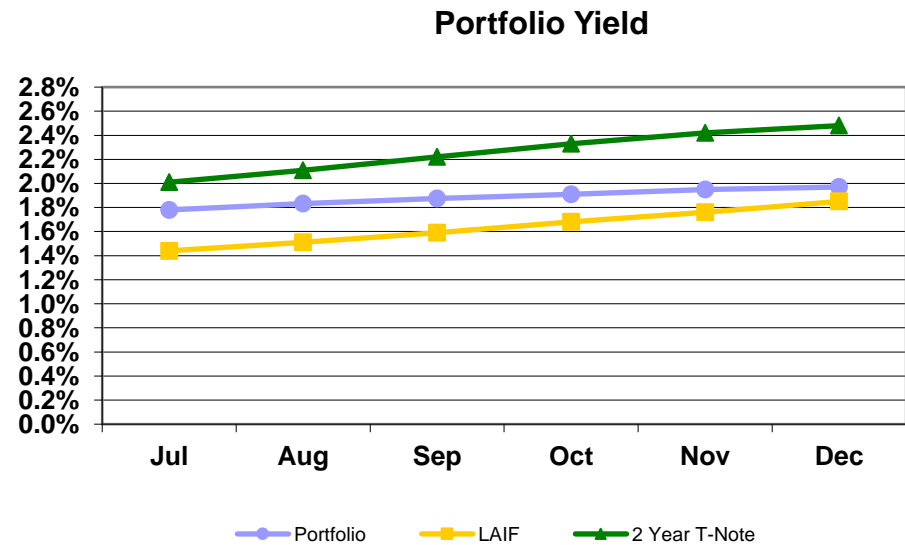
1. A net gain on the sale is realized and there is net positive cash flow going forward (inclusive of the book gain), or
2. If a security is sold at a book loss, cash flow from any loss is made up by additional income resulting from the higher yield on the purchased bonds on or before the maturity date of the sold bonds or the first call date of the newly purchased bonds.

No rebalancing actions occurred in December.

Staff will continue to look for prudent opportunities, more of which should become available as interest rates show a consistent upward trend.

Portfolio Yield

Benchmark interest rates fell sharply in December for the second consecutive month. The month-end two-year Constant Maturing Treasury security yield (CMT) fell 32 basis points to 2.48% after hitting an eleven year high in October. The twelve-month moving average did rise six basis points to 2.48% reflecting the continuing long-term upward trend in rates. The portfolio yield-to-maturity rose two basis points to 1.97%, the highest level in nine years. While short-term rates may continue to show a gradual increase, they still remain at relatively low levels from a historical perspective and will likely show some volatility from month-to-month. The Portfolio Yield chart compares the month-end portfolio yield to the twelve-month moving averages of the two-year Constant Maturing Treasury (CMT) security yield and State Local Agency Investment Fund (LAIF) yield. The yield-to-maturity does not include the impact of the earnings allowance earned on deposits in the City’s general bank account. This allowance is not payable to the City in cash and can only be used to offset bank fees. Therefore, this allowance is not included in the yield-to-maturity calculation.



As indicated above, interest rates in the two to five-year maturity range, while pulling back recently, remain near the highest levels since the start of the “Great Recession.”

Financial markets continue to try and assess U.S. and global economic data, the long-term impacts of the administration’s policies, particularly in the area of trade and tariffs, and the timing of future action by the Federal Reserve. The twelve-month moving average LAIF yield rose to 1.85% in December, nine basis points higher than last month and is now at the highest level since September 2009. The LAIF month-end rate was 2.29%, the highest level since December 2008.

The Federal Reserve Open Market Committee (Fed) increased the benchmark target Fed Funds rate to a range of 2.25 - 2.5% at its December meeting. Job growth remained strong with the December unemployment rate at 3.9%, near the lowest rate in nearly 50 years. Household spending and fixed business investment continue to show strength, and inflation is near Fed policy levels. Third quarter GDP grew at a rate of 3.4% after a 4.2% increase in the previous quarter. Fourth quarter GDP reporting has been delayed due to the federal government shutdown. Most recent economic projections predict annualized growth in the 2.5% range in 2019. Recent economic data has put the size and dates of future rate increases in question. In fact, futures markets are projecting no rate increases in 2019 and possibly rate cuts in 2020. The stock market as measured by the Dow Jones Industrial Average had a difficult month, falling 8.6% in December. One area of concern continues to be the relative flat shape of the yield curve, particularly in the 2 to 10-year maturity ranges, and on some days the curve has actually inverted in certain parts of the curve. More often than not, an extended period of inversion is a strong indicator of an upcoming economic downturn.

The City's portfolio yield-to-maturity is expected to continue to exhibit a gradual upward trend over at least the next several months, but a flattening thereafter is possible. Net investment income on a cash basis in December was \$1.5 million. Fiscal year-to-date income is 32.6% greater than the previous fiscal year.

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Federal Agency Coupon												
3133EFRL3	11665	Federal Farm Credit Bank		11/30/2015	3,000,000.00	2,960,850.00	3,000,000.00	1.890	1,827	1.890	699	11/30/2020
3133EF3P0	11723	Federal Farm Credit Bank		04/20/2016	5,000,000.00	4,917,550.00	5,000,000.00	1.490	1,552	1.490	566	07/20/2020
3133EGKU8	11771	Federal Farm Credit Bank		07/14/2016	3,000,000.00	2,972,460.00	2,987,490.00	0.760	1,089	0.902	188	07/08/2019
3133EGNK7	11779	Federal Farm Credit Bank		07/27/2016	2,500,000.00	2,451,675.00	2,500,000.00	1.320	1,461	1.320	573	07/27/2020
3133EGA62	11817	Federal Farm Credit Bank		11/01/2016	3,000,000.00	2,962,590.00	3,000,000.00	1.160	1,095	1.160	304	11/01/2019
3133EGC29	11820	Federal Farm Credit Bank		11/03/2016	3,000,000.00	2,933,580.00	2,998,200.00	1.350	1,460	1.365	671	11/02/2020
3133EG2P9	11833	Federal Farm Credit Bank		12/29/2016	3,000,000.00	2,966,340.00	3,000,000.00	2.320	1,826	2.320	1,093	12/29/2021
3133EHWQ2	11921	Federal Farm Credit Bank		09/01/2017	3,000,000.00	2,955,660.00	3,000,000.00	1.680	1,096	1.680	609	09/01/2020
3133EHQG1	11927	Federal Farm Credit Bank		08/31/2017	3,000,000.00	2,939,910.00	3,000,000.00	2.000	1,678	2.000	1,190	04/05/2022
3133EHD83	11939	Federal Farm Credit Bank		10/05/2017	2,000,000.00	1,969,200.00	2,000,000.00	2.000	1,461	2.000	1,008	10/05/2021
3133EH4T7	11957	Federal Farm Credit Bank		12/27/2017	4,000,000.00	3,966,840.00	4,000,000.00	2.440	1,643	2.440	1,273	06/27/2022
3133EJBX6	11972	Federal Farm Credit Bank		02/08/2018	3,000,000.00	2,995,200.00	3,000,000.00	2.400	1,096	2.400	769	02/08/2021
3133EJCK3	11974	Federal Farm Credit Bank		02/12/2018	2,500,000.00	2,492,800.00	2,500,000.00	2.470	1,096	2.470	773	02/12/2021
3133EH7F4	11983	Federal Farm Credit Bank		04/04/2018	2,500,000.00	2,466,550.00	2,473,650.00	2.350	1,749	2.585	1,477	01/17/2023
3133EJME6	11988	Federal Farm Credit Bank		04/27/2018	3,000,000.00	2,998,320.00	3,000,000.00	2.500	731	2.500	482	04/27/2020
3133EJC98	12018	Federal Farm Credit Bank		09/27/2018	2,000,000.00	2,001,360.00	2,000,000.00	3.230	1,461	3.230	1,365	09/27/2022
3133EJJU4	12022	Federal Farm Credit Bank		09/21/2018	1,000,000.00	1,000,030.00	1,000,128.33	3.170	1,746	3.323	1,644	07/03/2023
3133EJR27	12027	Federal Farm Credit Bank		11/08/2018	3,000,000.00	3,000,480.00	3,000,000.00	3.440	1,642	3.440	1,588	05/08/2023
313379EE5	11596	Federal Home Loan Bank		05/21/2015	3,000,000.00	2,987,010.00	3,021,810.00	1.625	1,485	1.592	164	06/14/2019
3130A6MH7	11645	Federal Home Loan Bank		10/28/2015	3,000,000.00	2,954,340.00	3,000,000.00	1.720	1,827	1.720	666	10/28/2020
3130A6UX3	11673	Federal Home Loan Bank		12/28/2015	4,000,000.00	3,978,560.00	4,000,000.00	1.500	1,278	1.500	178	06/28/2019
3130A87H0	11747	Federal Home Loan Bank		05/26/2016	2,500,000.00	2,460,550.00	2,500,000.00	1.400	1,461	1.400	511	05/26/2020
3130A8LS0	11760	Federal Home Loan Bank		06/30/2016	5,000,000.00	4,875,900.00	5,000,000.00	1.500	1,826	1.500	911	06/30/2021
3130A8QD8	11764	Federal Home Loan Bank		07/14/2016	3,000,000.00	2,941,050.00	3,000,000.00	1.230	1,461	1.230	560	07/14/2020
3130A8QS5	11772	Federal Home Loan Bank		07/14/2016	5,000,000.00	4,828,800.00	4,981,350.00	1.125	1,826	1.202	925	07/14/2021
3130A93A7	11796	Federal Home Loan Bank		08/24/2016	3,000,000.00	2,953,290.00	3,000,000.00	1.750	1,826	1.600	966	08/24/2021
3130A9A68	11801	Federal Home Loan Bank		09/14/2016	5,500,000.00	5,464,085.00	5,500,000.00	1.125	1,003	1.125	164	06/14/2019
3130A9TP6	11818	Federal Home Loan Bank		11/15/2016	4,000,000.00	3,971,160.00	4,000,000.00	1.500	1,277	1.286	500	05/15/2020
3130A9W49	11821	Federal Home Loan Bank		11/25/2016	2,000,000.00	1,970,100.00	2,000,000.00	1.250	1,186	1.250	419	02/24/2020
3130AA5A2	11823	Federal Home Loan Bank		12/08/2016	5,000,000.00	4,937,450.00	5,000,000.00	1.700	1,826	1.700	1,072	12/08/2021
3130AAGR3	11830	Federal Home Loan Bank		12/20/2016	2,500,000.00	2,453,625.00	2,500,000.00	2.040	1,826	2.040	1,084	12/20/2021
3130AAQE1	11846	Federal Home Loan Bank		01/30/2017	4,000,000.00	3,952,920.00	4,000,000.00	1.650	1,186	1.650	485	04/30/2020
3130AARD2	11847	Federal Home Loan Bank		02/15/2017	5,000,000.00	4,947,750.00	5,000,000.00	2.210	1,826	2.210	1,141	02/15/2022
3130ABAD8	11876	Federal Home Loan Bank		04/27/2017	1,000,000.00	990,760.00	1,000,000.00	2.300	1,826	2.090	1,212	04/27/2022
3130ABBZ8	11878	Federal Home Loan Bank		05/24/2017	2,500,000.00	2,460,100.00	2,500,000.00	2.050	1,826	2.050	1,239	05/24/2022
3130ABBY1	11879	Federal Home Loan Bank		05/24/2017	2,500,000.00	2,462,825.00	2,500,000.00	1.750	1,280	1.750	693	11/24/2020

Portfolio INVT

CC

PM (PRF_PM2) 7.3.0

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM	Days to 365 Maturity	Maturity Date
Federal Agency Coupon												
3130ABSP2	11904	Federal Home Loan Bank		07/26/2017	3,000,000.00	2,980,680.00	3,001,200.00	1.500	730	1.480	206	07/26/2019
3130AAM88	11907	Federal Home Loan Bank		07/26/2017	2,000,000.00	1,999,220.00	2,003,700.00	1.625	541	1.498	17	01/18/2019
3130ABX76	11908	Federal Home Loan Bank		08/22/2017	2,000,000.00	1,987,080.00	2,000,000.00	2.000	1,826	1.900	1,329	08/22/2022
3130ABYK6	11910	Federal Home Loan Bank		08/07/2017	2,500,000.00	2,473,325.00	2,500,000.00	1.600	914	1.600	402	02/07/2020
3130ABXH4	11913	Federal Home Loan Bank		08/10/2017	4,000,000.00	3,994,320.00	4,000,000.00	2.000	1,826	2.662	1,317	08/10/2022
3130ABZE9	11915	Federal Home Loan Bank		08/28/2017	3,000,000.00	2,956,920.00	3,000,000.00	1.650	1,096	1.650	605	08/28/2020
3130AC6W9	11919	Federal Home Loan Bank		08/28/2017	2,500,000.00	2,471,925.00	2,500,000.00	1.600	914	1.600	423	02/28/2020
3130ACCS1	11926	Federal Home Loan Bank		09/27/2017	3,000,000.00	2,974,530.00	3,000,000.00	1.500	730	1.500	269	09/27/2019
3130ACLX0	11941	Federal Home Loan Bank		10/30/2017	4,000,000.00	3,966,000.00	4,000,000.00	1.625	730	1.625	302	10/30/2019
3130ACLH5	11944	Federal Home Loan Bank		10/30/2017	4,000,000.00	3,940,280.00	4,000,000.00	2.000	1,278	2.000	850	04/30/2021
3130A8HX4	11951	Federal Home Loan Bank		11/17/2017	4,600,000.00	4,564,994.00	4,574,700.00	1.625	1,321	1.575	911	06/30/2021
3130ADG48	11969	Federal Home Loan Bank		01/31/2018	2,500,000.00	2,484,400.00	2,492,075.00	2.250	1,094	2.360	759	01/29/2021
3130ADMS8	11975	Federal Home Loan Bank		02/14/2018	2,500,000.00	2,488,475.00	2,500,000.00	2.150	730	2.150	409	02/14/2020
3130ADJV5	11976	Federal Home Loan Bank		02/20/2018	3,000,000.00	2,994,990.00	3,000,000.00	2.125	1,277	2.107	962	08/20/2021
3130ADM66	11977	Federal Home Loan Bank		02/28/2018	3,000,000.00	3,002,760.00	3,000,000.00	2.650	1,826	2.650	1,519	02/28/2023
3130ADXF4	11984	Federal Home Loan Bank		04/18/2018	3,000,000.00	3,000,450.00	3,000,000.00	2.840	1,461	2.840	1,203	04/18/2022
3133782M2	11998	Federal Home Loan Bank		06/27/2018	3,950,000.00	3,943,048.00	3,930,131.50	1.500	254	2.230	66	03/08/2019
3130AELY4	12004	Federal Home Loan Bank		07/19/2018	2,000,000.00	2,002,540.00	2,000,000.00	3.240	1,826	3.240	1,660	07/19/2023
3130AERW2	12011	Federal Home Loan Bank		08/09/2018	4,000,000.00	3,993,760.00	3,995,880.00	2.375	365	2.480	220	08/09/2019
3130AEYH7	12021	Federal Home Loan Bank		09/28/2018	3,000,000.00	3,001,710.00	3,000,000.00	3.420	1,826	3.420	1,731	09/28/2023
3130AF2A4	12025	Federal Home Loan Bank		10/26/2018	2,000,000.00	2,012,480.00	2,000,000.00	3.000	1,096	3.000	1,029	10/26/2021
3130AF4A2	12026	Federal Home Loan Bank		10/18/2018	2,500,000.00	2,510,125.00	2,500,000.00	3.300	1,461	3.300	1,386	10/18/2022
3130AF4M6	12028	Federal Home Loan Bank		10/31/2018	2,500,000.00	2,502,950.00	2,501,658.33	3.360	1,448	3.375	1,386	10/18/2022
3130AFAC1	12029	Federal Home Loan Bank		10/31/2018	2,500,000.00	2,507,300.00	2,500,695.83	3.170	1,090	3.179	1,028	10/25/2021
3134G8VC0	11711	Fed Home Loan Mortgage Corp		03/28/2016	0.00	0.00	0.00	1.200	1,005	1.200	-4	12/28/2018
3134G8VC0	11712	Fed Home Loan Mortgage Corp		03/28/2016	0.00	0.00	0.00	1.200	1,005	1.200	-4	12/28/2018
3134G8TY5	11714	Fed Home Loan Mortgage Corp		03/30/2016	5,000,000.00	4,929,250.00	5,000,000.00	1.420	1,461	1.420	454	03/30/2020
3134G9AH0	11724	Fed Home Loan Mortgage Corp		04/27/2016	5,000,000.00	4,930,500.00	5,000,000.00	1.300	1,370	1.300	391	01/27/2020
3134G9AA5	11726	Fed Home Loan Mortgage Corp		04/28/2016	5,000,000.00	4,941,550.00	5,000,000.00	1.225	1,278	1.225	300	10/28/2019
3134G9AD9	11734	Fed Home Loan Mortgage Corp		04/28/2016	5,005,000.00	4,887,532.65	5,003,748.75	1.500	1,826	1.505	848	04/28/2021
3134G9HM2	11736	Fed Home Loan Mortgage Corp		05/26/2016	4,000,000.00	3,952,000.00	4,000,000.00	1.300	1,279	1.300	329	11/26/2019
3134G9MW4	11740	Fed Home Loan Mortgage Corp		05/31/2016	4,000,000.00	3,933,480.00	4,000,000.00	1.350	1,456	1.350	511	05/26/2020
3134G9QV2	11750	Fed Home Loan Mortgage Corp		06/15/2016	2,500,000.00	2,460,700.00	2,500,000.00	1.450	1,461	1.450	531	06/15/2020
3134G9SA6	11754	Fed Home Loan Mortgage Corp		06/23/2016	4,400,000.00	4,332,724.00	4,400,000.00	1.500	1,461	1.500	539	06/23/2020
3134G9SB4	11755	Fed Home Loan Mortgage Corp		06/22/2016	2,500,000.00	2,493,575.00	2,500,000.00	1.250	1,003	1.250	80	03/22/2019
3134G33Z1	11770	Fed Home Loan Mortgage Corp		07/14/2016	2,000,000.00	1,968,060.00	2,037,880.00	1.550	1,477	1.070	576	07/30/2020

Portfolio INVT
CC

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM	Days to 365 Maturity	Maturity Date
Federal Agency Coupon												
3134G9U54	11775	Fed Home Loan Mortgage Corp		07/26/2016	3,000,000.00	2,979,750.00	3,000,000.00	1.500	1,095	1.267	206	07/26/2019
3134G9V87	11778	Fed Home Loan Mortgage Corp		07/26/2016	3,000,000.00	2,986,770.00	3,000,000.00	1.050	1,004	1.050	115	04/26/2019
3134GABM5	11793	Fed Home Loan Mortgage Corp		08/30/2016	4,000,000.00	3,917,200.00	4,000,000.00	1.300	1,459	1.300	605	08/28/2020
3134GARV8	11810	Fed Home Loan Mortgage Corp		10/28/2016	2,500,000.00	2,473,125.00	2,500,000.00	1.300	1,092	1.300	297	10/25/2019
3134GARL0	11812	Fed Home Loan Mortgage Corp		10/28/2016	3,000,000.00	2,970,960.00	3,000,000.00	1.500	1,826	1.400	1,031	10/28/2021
3134GA2P8	11851	Fed Home Loan Mortgage Corp		02/27/2017	4,000,000.00	3,961,320.00	4,000,000.00	1.550	1,003	1.550	330	11/27/2019
3134G9M79	11859	Fed Home Loan Mortgage Corp		02/15/2017	2,000,000.00	1,967,460.00	1,991,680.00	1.875	1,622	1.973	937	07/26/2021
3134G9M79	11860	Fed Home Loan Mortgage Corp		02/15/2017	2,000,000.00	1,967,460.00	1,992,100.00	1.875	1,622	1.968	937	07/26/2021
3134GA6G4	11861	Fed Home Loan Mortgage Corp		03/29/2017	3,000,000.00	2,993,220.00	3,000,000.00	1.420	730	1.420	87	03/29/2019
3134GA6W9	11862	Fed Home Loan Mortgage Corp		02/28/2017	4,000,000.00	3,968,280.00	4,000,000.00	1.500	911	1.500	239	08/28/2019
3134GBGG1	11871	Fed Home Loan Mortgage Corp		04/26/2017	4,000,000.00	3,973,040.00	4,000,000.00	1.500	821	1.500	206	07/26/2019
3134GBGR7	11872	Fed Home Loan Mortgage Corp		04/27/2017	2,000,000.00	1,973,900.00	2,000,000.00	2.000	1,461	2.000	847	04/27/2021
3134GBHW5	11874	Fed Home Loan Mortgage Corp		04/27/2017	4,000,000.00	3,941,920.00	4,000,000.00	1.625	1,187	1.625	573	07/27/2020
3134GBNA6	11881	Fed Home Loan Mortgage Corp		05/25/2017	2,500,000.00	2,453,050.00	2,500,000.00	2.050	1,826	2.050	1,240	05/25/2022
3134GBMQ2	11883	Fed Home Loan Mortgage Corp		05/24/2017	2,000,000.00	1,973,200.00	2,000,000.00	2.000	1,461	2.000	874	05/24/2021
3134GBRJ3	11892	Fed Home Loan Mortgage Corp		05/30/2017	4,000,000.00	3,947,640.00	4,000,000.00	1.600	1,095	1.600	514	05/29/2020
3134GBUH3	11895	Fed Home Loan Mortgage Corp		06/29/2017	2,856,000.00	2,830,181.76	2,854,857.60	1.750	1,826	1.758	1,275	06/29/2022
3134GBXU1	11897	Fed Home Loan Mortgage Corp		07/27/2017	4,000,000.00	3,927,720.00	4,000,000.00	2.250	1,826	2.250	1,303	07/27/2022
3134GBZF2	11900	Fed Home Loan Mortgage Corp		07/27/2017	2,000,000.00	1,972,300.00	2,000,000.00	1.770	1,096	1.770	573	07/27/2020
3134GBF64	11930	Fed Home Loan Mortgage Corp		09/28/2017	2,000,000.00	1,966,480.00	2,000,000.00	1.600	1,096	1.600	636	09/28/2020
3134GBL59	11932	Fed Home Loan Mortgage Corp		09/29/2017	4,000,000.00	3,952,200.00	3,996,000.00	1.750	1,826	2.322	1,367	09/29/2022
3134GBG30	11933	Fed Home Loan Mortgage Corp		09/27/2017	3,000,000.00	2,975,790.00	3,000,000.00	1.500	730	1.500	269	09/27/2019
3134GBM90	11934	Fed Home Loan Mortgage Corp		09/26/2017	2,500,000.00	2,455,675.00	2,500,000.00	1.750	1,277	1.750	815	03/26/2021
3134GBTX0	11936	Fed Home Loan Mortgage Corp		09/28/2017	2,000,000.00	1,973,520.00	1,999,440.00	1.750	1,005	1.760	545	06/29/2020
3134GBU75	11946	Fed Home Loan Mortgage Corp		11/16/2017	5,000,000.00	4,923,350.00	5,000,000.00	2.000	1,188	2.000	777	02/16/2021
3134GBV82	11947	Fed Home Loan Mortgage Corp		10/30/2017	3,000,000.00	2,957,340.00	3,000,000.00	2.000	1,369	2.000	941	07/30/2021
3134GBTJ1	11950	Fed Home Loan Mortgage Corp		11/16/2017	2,500,000.00	2,456,475.00	2,481,000.00	1.830	1,293	2.053	882	06/01/2021
3134GB5R9	11953	Fed Home Loan Mortgage Corp		12/29/2017	3,000,000.00	2,967,990.00	3,000,000.00	2.250	1,461	2.250	1,093	12/29/2021
3134GSAD7	11956	Fed Home Loan Mortgage Corp		12/28/2017	3,000,000.00	2,964,330.00	3,000,000.00	2.050	1,096	2.050	727	12/28/2020
3134GSCT0	11968	Fed Home Loan Mortgage Corp		01/31/2018	3,000,000.00	2,991,480.00	3,000,000.00	2.753	1,825	2.753	1,490	01/30/2023
3134GSEQ4	11978	Fed Home Loan Mortgage Corp		03/15/2018	5,000,000.00	5,001,050.00	5,000,000.00	3.000	1,826	3.000	1,534	03/15/2023
3134GSGT6	11981	Fed Home Loan Mortgage Corp		03/29/2018	3,000,000.00	3,000,030.00	3,000,000.00	2.530	1,096	2.530	818	03/29/2021
3134GSGL36	11982	Fed Home Loan Mortgage Corp		03/21/2018	2,500,000.00	2,507,650.00	2,500,000.00	2.500	1,188	2.423	902	06/21/2021
3134GSLU7	11992	Fed Home Loan Mortgage Corp		05/24/2018	2,000,000.00	2,000,260.00	2,000,000.00	2.750	1,826	2.750	1,604	05/24/2023
3134GSNE1	11995	Fed Home Loan Mortgage Corp		06/14/2018	2,000,000.00	2,000,520.00	2,000,000.00	2.700	1,826	2.700	1,625	06/14/2023
3134GSPR0	11996	Fed Home Loan Mortgage Corp		06/28/2018	2,000,000.00	2,002,460.00	2,000,000.00	3.000	1,461	3.000	1,274	06/28/2022

Portfolio INVT
CC

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Federal Agency Coupon												
3134GSQB4	11997	Fed Home Loan Mortgage Corp		06/28/2018	2,000,000.00	2,003,860.00	2,000,000.00	3.250	1,826	3.250	1,639	06/28/2023
3134GSPL3	12000	Fed Home Loan Mortgage Corp		06/28/2018	3,335,000.00	3,336,133.90	3,333,999.50	2.550	1,096	2.560	909	06/28/2021
3134GSRD9	12001	Fed Home Loan Mortgage Corp		07/12/2018	3,000,000.00	3,000,210.00	3,000,000.00	3.300	1,826	3.300	1,653	07/12/2023
3134GSRY3	12003	Fed Home Loan Mortgage Corp		07/25/2018	4,000,000.00	4,000,640.00	4,000,000.00	3.150	1,461	3.150	1,301	07/25/2022
3134GSRY3	12005	Fed Home Loan Mortgage Corp		07/25/2018	4,000,000.00	4,000,640.00	4,000,000.00	3.150	1,461	3.150	1,301	07/25/2022
3134GSVD4	12015	Fed Home Loan Mortgage Corp		08/28/2018	4,000,000.00	4,016,600.00	4,000,000.00	3.000	1,645	3.000	1,519	02/28/2023
3134GSNW1	12016	Fed Home Loan Mortgage Corp		08/30/2018	3,000,000.00	3,003,030.00	2,993,220.00	3.125	1,763	3.175	1,639	06/28/2023
3134GSP5	12019	Fed Home Loan Mortgage Corp		09/28/2018	3,000,000.00	3,002,760.00	3,000,000.00	3.350	1,826	3.350	1,731	09/28/2023
3132X0GA3	11735	Farmer Mac		04/29/2016	2,500,000.00	2,489,325.00	2,500,000.00	1.080	1,095	1.080	118	04/29/2019
3132X0RX1	11868	Farmer Mac		04/10/2017	3,000,000.00	2,958,090.00	3,000,000.00	2.080	1,663	2.080	1,032	10/29/2021
3132X0UC3	11909	Farmer Mac		07/28/2017	2,350,000.00	2,322,387.50	2,348,237.50	1.650	1,067	1.676	545	06/29/2020
3132X0TZ4	11948	Farmer Mac		11/02/2017	3,000,000.00	2,961,240.00	2,983,800.00	1.570	970	1.779	545	06/29/2020
3132X0TZ4	11958	Farmer Mac		12/21/2017	3,000,000.00	2,961,240.00	2,967,498.00	1.570	921	2.013	545	06/29/2020
3132X0G54	11962	Farmer Mac		01/30/2018	1,900,000.00	1,900,019.00	1,900,000.00	2.690	1,826	2.690	1,490	01/30/2023
3132X0G21	11971	Farmer Mac		02/02/2018	2,500,000.00	2,492,850.00	2,500,000.00	2.100	731	2.100	398	02/03/2020
3134GSKX2	11991	Farmer Mac		05/30/2018	2,500,000.00	2,500,900.00	2,500,000.00	3.000	1,820	3.000	1,604	05/24/2023
3136G2RQ2	11656	Federal National Mort Assoc		10/29/2015	3,000,000.00	2,969,400.00	3,000,000.00	1.400	1,461	1.400	301	10/29/2019
3136G2WV5	11684	Federal National Mort Assoc		01/29/2016	3,500,000.00	3,497,305.00	3,500,000.00	1.220	1,092	1.220	24	01/25/2019
3136G2XZ5	11689	Federal National Mort Assoc		02/24/2016	2,500,000.00	2,466,850.00	2,500,000.00	1.350	1,461	1.350	419	02/24/2020
3136G3AM7	11695	Federal National Mort Assoc		02/26/2016	5,000,000.00	4,976,600.00	5,000,000.00	1.500	1,827	1.400	787	02/26/2021
3136G3CT0	11705	Federal National Mort Assoc		03/15/2016	2,400,000.00	2,385,408.00	2,400,000.00	1.750	1,826	1.610	804	03/15/2021
3136G3JR7	11725	Federal National Mort Assoc		04/26/2016	2,000,000.00	1,990,500.00	1,995,000.00	1.000	1,095	1.085	115	04/26/2019
3136G3ML6	11738	Federal National Mort Assoc		05/24/2016	5,000,000.00	4,972,650.00	5,000,000.00	1.125	1,095	1.125	143	05/24/2019
3136G3QZ1	11751	Federal National Mort Assoc		05/27/2016	2,500,000.00	2,487,000.00	2,500,000.00	1.250	1,098	1.250	149	05/30/2019
3136G3RM9	11752	Federal National Mort Assoc		06/21/2016	4,000,000.00	3,978,760.00	4,000,000.00	1.400	1,095	1.400	171	06/21/2019
3136G3XJ9	11761	Federal National Mort Assoc		07/26/2016	4,000,000.00	3,963,840.00	4,000,000.00	1.000	1,095	1.000	206	07/26/2019
3136G3YJ8	11762	Federal National Mort Assoc		07/26/2016	4,000,000.00	3,963,840.00	4,000,000.00	1.000	1,095	1.000	206	07/26/2019
3136G3ZV0	11767	Federal National Mort Assoc		07/26/2016	5,000,000.00	4,956,200.00	5,000,000.00	1.050	1,095	1.050	206	07/26/2019
3136G1BL2	11774	Federal National Mort Assoc		07/14/2016	1,750,000.00	1,725,377.50	1,787,485.00	1.625	1,477	1.082	576	07/30/2020
3136G3L45	11776	Federal National Mort Assoc		07/28/2016	4,000,000.00	3,920,880.00	4,000,000.00	1.250	1,461	1.250	574	07/28/2020
3136G3L37	11777	Federal National Mort Assoc		07/28/2016	5,000,000.00	4,938,100.00	5,000,000.00	1.125	1,187	1.125	300	10/28/2019
3136G3S22	11783	Federal National Mort Assoc		08/16/2016	5,000,000.00	4,925,450.00	5,000,000.00	1.500	1,826	1.400	958	08/16/2021
3136G3W84	11787	Federal National Mort Assoc		08/30/2016	2,000,000.00	1,978,780.00	2,000,000.00	1.000	1,093	1.000	239	08/28/2019
3136G3Y58	11789	Federal National Mort Assoc		08/30/2016	5,000,000.00	4,890,850.00	5,000,000.00	1.250	1,459	1.250	605	08/28/2020
3136G3Q73	11794	Federal National Mort Assoc		08/10/2016	2,000,000.00	1,983,740.00	1,999,200.00	1.150	1,080	1.164	206	07/26/2019
3136G35R2	11804	Federal National Mort Assoc		09/20/2016	3,000,000.00	2,954,670.00	3,000,000.00	1.250	1,277	1.250	444	03/20/2020

Portfolio INVT
CC

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Federal Agency Coupon												
3136G4CT8	11808	Federal National Mort Assoc		09/29/2016	5,000,000.00	4,902,550.00	5,000,000.00	1.190	1,369	1.190	545	06/29/2020
3136G4EX7	11811	Federal National Mort Assoc		10/18/2016	2,500,000.00	2,500,075.00	2,500,000.00	2.700	1,095	1.700	290	10/18/2019
3136G4BV4	11813	Federal National Mort Assoc		10/07/2016	4,000,000.00	3,915,360.00	3,999,600.00	1.450	1,454	1.453	638	09/30/2020
3136G4KM4	11834	Federal National Mort Assoc		01/17/2017	2,000,000.00	1,982,400.00	2,000,000.00	1.750	1,095	1.750	381	01/17/2020
3136G4LG6	11855	Federal National Mort Assoc		02/28/2017	2,500,000.00	2,466,750.00	2,500,000.00	1.800	1,277	1.800	605	08/28/2020
3136G4MT7	11864	Federal National Mort Assoc		03/27/2017	2,000,000.00	1,981,560.00	2,000,000.00	1.750	1,096	1.750	451	03/27/2020
3136G4NL3	11877	Federal National Mort Assoc		05/22/2017	2,500,000.00	2,470,150.00	2,500,000.00	1.660	1,096	1.660	507	05/22/2020
3136G4PJ6	11940	Federal National Mort Assoc		10/13/2017	3,000,000.00	2,956,590.00	2,999,250.00	1.850	1,096	1.859	651	10/13/2020
3136G4SW4	11999	Federal National Mort Assoc		06/28/2018	2,000,000.00	2,001,400.00	2,000,000.00	2.900	1,096	2.900	909	06/28/2021
Subtotal and Average			480,166,534.29		475,046,000.00	470,453,361.31	474,926,665.34		1,352	1.848	726	
Federal Agency Discount												
313384CC1	12031	Federal Home Loan Bank		11/02/2018	2,000,000.00	2,000,000.00	1,985,944.40	2.300	110	2.348	50	02/20/2019
313396AT0	12023	Freddie mac Discount NT		09/21/2018	2,000,000.00	1,997,880.00	1,985,653.80	2.170	119	2.216	17	01/18/2019
Subtotal and Average			3,971,598.20		4,000,000.00	3,997,880.00	3,971,598.20		114	2.282	34	
Local Agency Investment Funds												
SYS10090	10090	Local Agency Investment Fund			54,446,076.08	54,446,076.08	54,446,076.08	2.291	1	2.291	1	
Subtotal and Average			46,575,108.34		54,446,076.08	54,446,076.08	54,446,076.08		1	2.291	1	
Columbia Money Market Fund												
SYS10091	10091	Columbia Money Market Reserves		09/15/2006	0.00	0.00	0.00	0.010	1	0.010	1	
Subtotal and Average			0.00		0.00	0.00	0.00		0	0.000	0	
Local Agency Investment Funds - RDA												
SYS10092	10092	LAIF - Successor Agency		03/17/2009	0.00	0.00	0.00	1.143	1	1.143	1	
Subtotal and Average			0.00		0.00	0.00	0.00		0	0.000	0	
Corporate Bonds												
053015AD5	11632	AUTOMATIC DATA PROCESSING		09/24/2015	2,500,000.00	2,486,300.00	2,516,775.00	2.250	1,818	2.107	623	09/15/2020
037833CC2	11806	Apple Inc.		09/14/2016	2,000,000.00	1,939,180.00	1,992,720.00	1.550	1,785	1.628	946	08/04/2021
037833BU3	11979	Apple Inc.		02/23/2018	2,500,000.00	2,469,350.00	2,485,000.00	2.850	1,826	2.980	1,514	02/23/2023
037833DE7	11994	Apple Inc.		05/21/2018	2,500,000.00	2,426,025.00	2,409,625.00	2.400	1,698	2.867	1,473	01/13/2023
037833AR1	12032	Apple Inc.		11/05/2018	3,000,000.00	3,003,660.00	2,981,490.00	2.850	913	3.108	856	05/06/2021
17275RAR3	11502	Cisco Systems		10/30/2014	2,500,000.00	2,496,475.00	2,531,750.00	2.125	1,583	1.819	59	03/01/2019

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Corporate Bonds												
17275RBJ0	11873	Cisco Systems		04/21/2017	4,000,000.00	3,889,440.00	3,974,746.20	1.850	1,613	2.000	993	09/20/2021
17275RBG6	11920	Cisco Systems		08/25/2017	3,000,000.00	2,973,090.00	2,987,640.00	1.400	756	1.603	262	09/20/2019
25468PDA1	11519	Walt Disney Company		11/28/2014	4,000,000.00	3,984,280.00	3,991,229.24	1.850	1,644	1.901	149	05/30/2019
25468PDA1	11551	Walt Disney Company		02/23/2015	2,000,000.00	1,992,140.00	2,006,230.00	1.850	1,557	1.774	149	05/30/2019
25468PDQ6	11870	Walt Disney Company		04/10/2017	4,000,000.00	3,915,600.00	4,024,800.00	2.450	1,789	2.315	1,158	03/04/2022
25468PDU7	12035	Walt Disney Company		12/03/2018	2,500,000.00	2,463,350.00	2,452,725.00	1.800	550	3.095	521	06/05/2020
02079KAA5	11884	Google		05/08/2017	4,800,000.00	4,896,480.00	5,122,896.00	3.625	1,472	1.884	869	05/19/2021
437076BG6	11931	Home Depot Inc.		09/12/2017	3,000,000.00	2,968,530.00	3,077,298.00	2.625	1,723	2.049	1,247	06/01/2022
437076BG6	11952	Home Depot Inc.		11/20/2017	4,000,000.00	3,958,040.00	4,058,436.00	2.625	1,654	2.284	1,247	06/01/2022
459200JQ5	12007	IBM Corp		07/23/2018	4,000,000.00	3,894,480.00	3,915,240.00	2.500	1,284	3.142	1,122	01/27/2022
44932HAG8	11990	IBM CREDIT, LLC		04/26/2018	2,500,000.00	2,471,875.00	2,479,100.00	2.650	1,016	2.965	766	02/05/2021
478160BM5	11743	Johnson & Johnson		05/23/2016	4,000,000.00	3,967,920.00	4,090,320.00	1.875	1,291	1.220	338	12/05/2019
478160BN3	11826	Johnson & Johnson		12/05/2016	4,000,000.00	3,938,320.00	4,081,640.00	2.450	1,826	2.019	1,069	12/05/2021
478160BS2	11917	Johnson & Johnson		08/08/2017	2,000,000.00	1,948,960.00	1,997,720.00	1.650	1,301	1.683	790	03/01/2021
478160CD4	12009	Johnson & Johnson		08/10/2018	2,000,000.00	1,950,940.00	1,956,200.00	2.250	1,301	2.901	1,157	03/03/2022
191216BT6	11659	Coca Cola		11/09/2015	3,000,000.00	2,948,610.00	2,975,400.00	1.875	1,814	2.049	665	10/27/2020
191216AR1	11694	Coca Cola		02/22/2016	4,000,000.00	4,027,440.00	4,253,040.00	3.150	1,728	1.750	684	11/15/2020
594918BG8	11661	Microsoft		11/10/2015	2,500,000.00	2,472,150.00	2,497,150.00	2.000	1,820	2.024	672	11/03/2020
594918BN3	11788	Microsoft		08/08/2016	3,000,000.00	2,970,150.00	2,996,910.00	1.100	1,095	1.135	219	08/08/2019
594918BW3	11882	Microsoft		03/10/2017	4,000,000.00	3,953,920.00	4,008,132.00	2.400	1,794	2.356	1,132	02/06/2022
594918BW3	12010	Microsoft		08/10/2018	2,000,000.00	1,976,960.00	1,962,153.33	2.400	1,276	2.983	1,132	02/06/2022
68389XAQ8	11576	Oracle		04/13/2015	3,000,000.00	2,999,280.00	3,099,990.00	2.375	1,373	1.459	14	01/15/2019
68389XBK0	11842	Oracle		01/09/2017	2,500,000.00	2,425,525.00	2,449,037.50	1.900	1,710	2.206	988	09/15/2021
68389XBA2	12002	Oracle		07/05/2018	3,000,000.00	2,985,450.00	2,982,720.00	2.800	1,099	3.002	919	07/08/2021
713448DL9	11827	Pepsi Bottling		12/05/2016	4,000,000.00	3,868,800.00	3,906,000.00	1.700	1,766	2.215	1,009	10/06/2021
713448DT2	11887	Pepsi Bottling		05/15/2017	3,000,000.00	2,922,420.00	2,990,850.00	2.250	1,813	2.315	1,217	05/02/2022
717081EM1	12020	Pfizer Inc		09/07/2018	4,000,000.00	4,023,880.00	4,000,000.00	3.000	1,104	3.000	988	09/15/2021
747525AE3	11918	Qualcomm Inc.		08/14/2017	5,000,000.00	4,919,000.00	5,168,500.00	3.000	1,740	2.250	1,235	05/20/2022
747525AE3	11945	Qualcomm Inc.		10/20/2017	2,500,000.00	2,459,500.00	2,564,337.50	3.000	1,673	2.403	1,235	05/20/2022
855244AF6	11866	Starbucks Corp		03/10/2017	0.00	0.00	0.00	2.000	635	1.453	-27	12/05/2018
855244AJ8	11899	Starbucks Corp		06/30/2017	3,084,000.00	3,008,226.12	3,109,257.96	2.100	1,315	1.863	765	02/04/2021
855244AG4	11901	Starbucks Corp		07/14/2017	3,000,000.00	2,940,210.00	3,056,508.00	2.700	1,797	2.293	1,261	06/15/2022
855244AG4	11902	Starbucks Corp		07/17/2017	2,000,000.00	1,960,140.00	2,046,826.92	2.700	1,794	2.194	1,261	06/15/2022
87612EAV8	12006	Target Corp.		07/23/2018	2,196,000.00	2,228,961.96	2,241,679.24	3.875	723	2.831	561	07/15/2020
89236TEH4	11961	Toyota Motor Credit Corp		01/25/2018	1,434,000.00	1,399,540.98	1,427,704.74	2.250	1,229	2.386	888	06/07/2021
89236TCU7	11973	Toyota Motor Credit Corp		02/08/2018	2,649,000.00	2,644,099.35	2,639,596.05	1.700	376	2.050	49	02/19/2019

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Subtotal and Average			125,730,257.36		124,663,000.00	123,168,698.41	125,509,373.68		1,474	2.220	845	
Commercial Paper Disc. -At Cost												
79584SQ74	12030	Salvation Army		11/02/2018	3,000,000.00	2,986,811.10	2,974,270.83	2.470	125	2.561	65	03/07/2019
Subtotal and Average			2,974,270.83		3,000,000.00	2,986,811.10	2,974,270.83		125	2.561	65	
Supranationals												
458182DX7	11888	Inter-American Develop Bank		05/15/2017	3,000,000.00	2,981,790.00	2,972,430.00	1.000	728	1.469	132	05/13/2019
4581X0CW6	11937	Inter-American Develop Bank		09/29/2017	3,000,000.00	2,956,860.00	3,018,990.00	2.125	1,572	1.971	1,113	01/18/2022
45905UVK7	11706	IBRD (World Bank)		03/17/2016	5,000,000.00	4,909,500.00	5,000,000.00	1.750	1,826	1.750	806	03/17/2021
459058FB4	11719	IBRD (World Bank)		04/26/2016	4,000,000.00	3,984,440.00	4,000,000.00	1.300	1,095	1.300	115	04/26/2019
459058FC2	11819	IBRD (World Bank)		10/26/2016	2,500,000.00	2,489,375.00	2,503,075.00	1.250	912	1.200	115	04/26/2019
45905UZZ0	11824	IBRD (World Bank)		11/28/2016	2,500,000.00	2,472,150.00	2,500,000.00	1.500	1,813	1.500	1,049	11/15/2021
459058DT7	11935	IBRD (World Bank)		09/20/2017	2,500,000.00	2,480,825.00	2,541,975.00	2.250	1,373	1.786	905	06/24/2021
45905UW59	12017	IBRD (World Bank)		09/13/2018	3,000,000.00	3,001,680.00	3,000,000.00	3.050	1,096	3.050	986	09/13/2021
45950VJT4	11802	International Finance Corp.		09/02/2016	3,000,000.00	2,895,930.00	3,000,000.00	1.250	1,839	1.149	988	09/15/2021
45950VJS6	11803	International Finance Corp.		08/19/2016	5,000,000.00	4,833,050.00	5,000,000.00	1.250	1,822	1.150	957	08/15/2021
45905UZT4	11822	International Finance Corp.		11/22/2016	3,000,000.00	2,926,710.00	3,000,000.00	1.750	1,826	1.750	1,056	11/22/2021
45950VKX3	11903	International Finance Corp.		07/21/2017	2,000,000.00	1,938,500.00	2,000,000.00	1.625	1,820	1.625	1,291	07/15/2022
45950VLK0	11960	International Finance Corp.		01/22/2018	4,000,000.00	3,962,520.00	4,000,000.00	2.000	1,819	2.000	1,475	01/15/2023
45950VLP9	11980	International Finance Corp.		03/09/2018	2,000,000.00	1,990,060.00	2,000,000.00	2.500	1,832	2.500	1,534	03/15/2023
45950VLR5	11986	International Finance Corp.		04/16/2018	2,500,000.00	2,487,025.00	2,500,000.00	2.500	1,825	2.500	1,565	04/15/2023
45950VME3	12012	International Finance Corp.		08/17/2018	3,000,000.00	2,998,500.00	3,000,000.00	2.750	1,824	2.750	1,687	08/15/2023
45950VMP8	12034	International Finance Corp.		11/15/2018	4,000,000.00	4,008,440.00	4,002,333.33	3.000	1,826	2.669	1,779	11/15/2023
45950VMW3	12036	International Finance Corp.		12/17/2018	2,500,000.00	2,509,900.00	2,502,291.67	3.000	1,824	3.000	1,809	12/15/2023
Subtotal and Average			55,249,589.62		56,500,000.00	55,827,255.00	56,541,095.00		1,602	1.912	1,052	
Municipal Bonds												
13063CKL3	11459	State of California		06/09/2014	3,000,000.00	2,994,870.00	3,020,790.00	2.250	1,787	2.100	120	05/01/2019
13063CSQ4	11583	State of California		04/29/2015	2,500,000.00	2,466,750.00	2,507,050.00	1.800	1,799	1.740	456	04/01/2020
13066YTZ2	12024	State of California		09/24/2018	3,000,000.00	2,913,780.00	2,891,460.00	2.000	1,315	3.068	1,216	05/01/2022
797669XU7	12037	San Francisco BART		12/10/2018	2,000,000.00	1,986,500.00	1,995,305.17	2.387	934	2.913	912	07/01/2021
7976462S4	11993	City & County of San Francisco		05/23/2018	2,450,000.00	2,451,347.50	2,469,502.00	3.000	754	2.601	531	06/15/2020
798170AE6	11954	SAN JOSE REDEVELOPMENT AGENCY		12/21/2017	1,300,000.00	1,287,871.00	1,300,000.00	2.630	1,684	2.630	1,308	08/01/2022
798170AB2	11955	SAN JOSE REDEVELOPMENT AGENCY		12/21/2017	1,500,000.00	1,493,880.00	1,500,000.00	2.098	588	2.099	212	08/01/2019
798170AF3	12008	SAN JOSE REDEVELOPMENT AGENCY		08/09/2018	3,000,000.00	2,976,870.00	2,964,475.33	2.828	1,818	3.100	1,673	08/01/2023
799408Z36	12038	San Ramon Valley USD		12/20/2018	1,000,000.00	999,980.00	1,000,000.00	2.500	43	2.500	31	02/01/2019

**City of Santa Monica
Portfolio Management
Portfolio Details - Investments
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity	Maturity Date
Municipal Bonds												
13063DAD0	11885	California Statewide Communiti		05/09/2017	3,000,000.00	2,956,170.00	3,004,770.00	2.367	1,788	2.333	1,186	04/01/2022
91412GSB2	11532	University of California		01/12/2015	1,130,000.00	1,124,982.80	1,127,333.20	1.796	1,631	1.851	181	07/01/2019
91412GSB2	11638	University of California		09/29/2015	2,500,000.00	2,488,900.00	2,521,775.00	1.796	1,371	1.556	181	07/01/2019
Subtotal and Average			25,110,275.33		26,380,000.00	26,141,901.30	26,302,460.70		1,392	2.399	737	
Total and Average			739,777,633.96		744,035,076.08	737,021,983.20	744,671,539.83		1,283	1.973	712	

**City of Santa Monica
Portfolio Management
Portfolio Details - Cash
December 31, 2018**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Term	YTM 365	Days to Maturity
Average Balance			0.00						0		0
Total Cash and Investments			739,777,633.96		744,035,076.08	737,021,983.20	744,671,539.83		1,283	1.973	712

**City of Santa Monica
Portfolio Management
Activity By Type
December 1, 2018 through December 31, 2018**

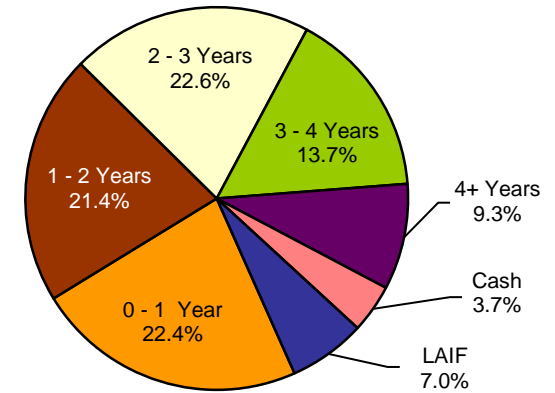
CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Federal Agency Coupon							
3134G8VC0	11711	Fed Home Loan Mortgage Corp	1.200	12/28/2018	0.00	3,000,000.00	
3134G8VC0	11712	Fed Home Loan Mortgage Corp	1.200	12/28/2018	0.00	3,000,000.00	
Subtotal					0.00	6,000,000.00	474,926,665.34
Federal Agency Discount							
Subtotal							3,971,598.20
Local Agency Investment Funds (Monthly Summary)							
SYS10090	10090	Local Agency Investment Fund	2.291		14,000,000.00	10,000,000.00	
Subtotal					14,000,000.00	10,000,000.00	54,446,076.08
Columbia Money Market Fund (Monthly Summary)							
Subtotal							0.00
Local Agency Investment Funds - RDA (Monthly Summary)							
Subtotal							0.00
Corporate Bonds							
25468PDU7	12035	Walt Disney Company	1.800	12/03/2018	2,452,725.00	0.00	
855244AF6	11866	Starbucks Corp	2.000	12/05/2018	0.00	2,927,086.00	
Subtotal					2,452,725.00	2,927,086.00	125,509,373.68
Commercial Paper Disc. -At Cost							
Subtotal							2,974,270.83
Supranationals							
45950VMW3	12036	International Finance Corp.	3.000	12/17/2018	2,500,000.00	0.00	
Subtotal					2,500,000.00	0.00	56,541,095.00
Municipal Bonds							
797669XU7	12037	San Francisco BART	2.387	12/10/2018	1,974,220.00	0.00	
799408Z36	12038	San Ramon Valley USD	2.500	12/20/2018	1,000,000.00	0.00	
Subtotal					2,974,220.00	0.00	26,302,460.70
Total					21,926,945.00	18,927,086.00	744,671,539.83

Maturity Distribution

The weighted average days-to-maturity of the portfolio as of December 31, 2018 is 712 days (1.95 years). This calculation is for invested funds only and does not reflect the City’s primary liquidity funds being held in cash in the City’s general bank account. Approximately 54.5% of the portfolio continues to be held in maturities of 2 years or less (including cash and LAIF balances).

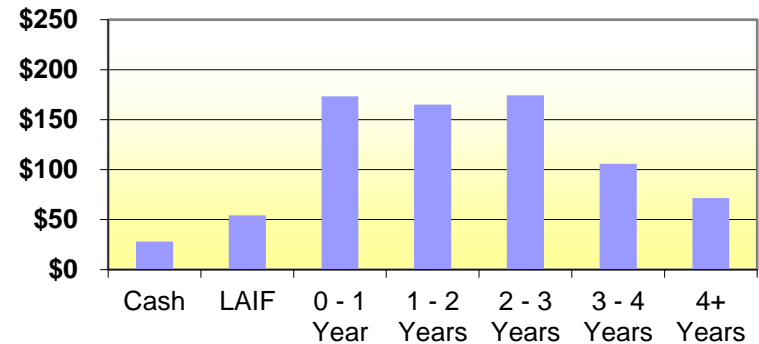
The current interest rate environment, while significantly increasing for nearly two years, remains relatively low compared to historical standards. Based on this, the portfolio’s average days to maturity should be relatively stable over the next several months. While some investments are still being made in shorter term securities to maintain proper cash liquidity, investments in longer term securities are also being made to take advantage of the higher interest rates. The outlook for rate changes is unclear for 2019 and will depend on economic conditions and action from the Fed.

Portfolio Maturities



Millions

Maturity Distribution



Unrealized Gains/Losses

The Governmental Accounting Standards Board Statement No. 31 (GASB 31) requires public agencies to report all investments, with certain exceptions, at current fair market value rather than at the original purchase price. Current fair market value is defined in GASB 31 as “the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.”

The current fair market value and unrealized gain/loss of a security do not affect its redemption value or yield if held to maturity. There is an inverse relationship between the price of the bond and the market interest rate, so the growing unrealized loss is a direct result of the increases in interest rates. The City’s practice is to purchase most securities with the intent to hold them to maturity. Book values are exclusive of interest realized to date on investments. Also, the book value shown is the purchase price and is exclusive of any amortization of premiums or accretion of discounts. As of December 31, 2018, the market value and the book value of the City’s pooled investments (excluding cash) are:

\$	737,021,983.20	Market Value
\$	<u>744,671,539.83</u>	Book Value
\$	(7,649,556.63)	Unrealized Gain/(Loss)

Compliance

California State law and the City’s Investment Policy set certain legal standards for allowable investments that can be included in the City’s portfolio. Additionally, there are certain maximum limits for classes of investments, as well as minimum credit quality requirements. In testing for compliance, the City considers all funds under its direct control and invested directly by the City. Bond and loan proceeds, as well as the Cemetery and Mausoleum Perpetual Care Funds are excluded.

The following tables summarize portfolio compliance as of December 31, 2018. All investments were in compliance with State law and the City’s Investment Policy at the time of purchase. State law requires that any investment subject to a credit downgrade subsequent to the time of purchase shall be reviewed for possible sale within a reasonable amount of time after the downgrade. The City’s investment portfolio includes several bonds that have been downgraded since purchase. In all cases, staff believes that the underlying financial strength of the companies is adequate to recommend holding the bonds at this time. However, staff will continue to monitor the status of all these companies and may recommend (on a case by case basis) selling some bonds if an opportunity presents itself to realize a gain on the sale while not negatively impacting the portfolio’s risk/return profile. These downgrades are discussed in further detail below:

- The portfolio holds two Coca-Cola bonds (book value of \$7,228,440 or about 0.9% of total invested funds) that were downgraded by S&P from AA to AA- in February 2016 and again to A+ in April 2018. The rating is still considered a strong rating and analysis shows a very low probability of default over the remaining term of the bonds (less than 0.005%). The City would realize a loss of approximately \$250,000 from selling the bonds at this time.
- The portfolio holds two Starbucks bonds (book value of \$8,210,592.88 or about 1.1% of total invested funds) that were downgraded by S&P from A to A- in November 2017 and further downgraded to BBB+ in June 2018. Staff

reviewed the reason for the most recent downgrade as well as analyzed the financial status of the company over the remaining life of the bonds. The estimated probability of default of the bonds ranges from 0.03 to 0.08% depending on the maturity dates of the bonds. Weighing this very low risk of default against the fact that the City would realize a loss of approximately \$300,000 from selling the bonds at this time, staff concluded that holding the bonds is the appropriate course of action at this time. Staff will continue to monitor the status of Starbucks.

- The portfolio holds one bond issued by Qualcomm with a book value of \$7,732,837.50 (about 1.0% of total invested funds). The bond was rated A when purchased (portions of the bond were purchased at different times) but was downgraded on July 30, 2018 from A to A-. The revised rating of A- is still considered “Upper Medium Grade” and analysis shows a very low probability of default over the remaining term of the bond (about 0.3%). Weighing this very low risk of default against the fact that the City would realize a loss of approximately \$350,000 from selling the bond at this time, staff concluded that holding the bond is the appropriate course of action at this time. Staff will continue to monitor the status of Qualcomm.
- The portfolio holds one bond issued by IBM Corporation and another issued by IBM Credit LLC with a combined book value of \$6,394,340.00 (about 0.8% of total invested funds). The bonds were rated A+ at the time of purchase but were downgraded to A in October 2018. Selling the bonds at this time would result in a total net loss of approximately \$30,000. Given that and a relatively low default risk (approximately 0.4% for IBM Corporation and less than 3% for IBM Credit LLC), staff has concluded that holding the bonds are the appropriate course of action at this time. Staff will continue to monitor the status of both entities.

Further detail regarding City compliance with State law and City investment guidelines is presented as follows:

Credit Ratings - Corporate Medium Term Notes

	Standard & Poors/ Fitch	Moody's	In Compliance (Yes/No)
Best Quality	AAA	Aaa	Yes
	AA+	Aa1	Yes
High Quality	AA	Aa2	Yes
	AA-	Aa3	Yes
	A+	A1	Yes
Upper Medium Grade	A	A2	Yes
	A-	A3	Yes
	BBB+	Baa1	No
Medium Grade	BBB	Baa2	No
	BBB-	Baa3	No

Portfolio Allocation as of 12/31/18

	Pooled Portfolio (1) (3)	% of Portfolio	Legal/ Policy Limit	In Compliance (Yes/No)
Federal Agency Securities				
Federal Home Loan Bank	\$135,489,145.06	17.5%	50.0%	Yes
Federal National Mortgage Association	96,180,535.00	12.4%	50.0%	Yes
Federal Home Loan Mortgage Corporation	173,083,925.85	22.4%	50.0%	Yes
Farmer Mac	20,699,535.50	2.7%	50.0%	Yes
Freddie Mac DN	1,985,653.80	0.3%	50.0%	Yes
Federal Farm Credit Bank	51,459,468.33	6.7%	50.0%	Yes
Total Federal Agency Securities	\$478,898,263.54	62.0%		
Commercial Paper	\$2,974,270.83	0.4%	n/a	Yes
Municipal Bonds	\$26,302,460.70	3.4%	n/a	Yes
Corporate Bonds	\$125,509,373.68	16.2%	30.0%	Yes
Supranationals	\$56,541,095.00	7.3%	30.0%	Yes
State Local Agency Investment Fund-City	\$54,446,076.08	7.0%	\$65 million	Yes
Cash (2)	\$28,228,170.60	3.7%	None	Yes
Total (Book Value)	\$772,899,710.43	100.0%		

Notes:

(1) Excludes bond proceeds, funds held in trust for others, petty cash accounts, and other funds which are not entirely under City ownership and control.

(2) Does not include balance of HUD depository account (\$145,612.67), Successor Agency RPTTF account (\$60,177.03), Payroll account (\$184,325.94) or other cash accounts that are restricted as to use.

(3) Value used to test compliance is reported value (book value plus unrealized purchased interest).

City Portfolio as of 12/31/18 (Book Value)

<u>Corporate Security</u>	<u>Pooled Portfolio</u>	<u>Credit Rating*</u>	<u>In Compliance (Yes/No)</u>	<u>Corporate Security</u>	<u>Pooled Portfolio</u>	<u>Credit Rating*</u>	<u>In Compliance (Yes/No)</u>
Oracle 2.375% maturing 1/15/19	\$3,099,990.00	AA-	Yes	Microsoft 2.4% maturing 02/06/22	\$5,970,285.33	AAA	Yes
Toyota Motor Credit Corp. 1.7% maturing 2/19/19	\$2,639,596.05	AA-	Yes	Johnson & Johnson 2.25%, maturing 3/3/22	\$1,956,200.00	AAA	Yes
Cisco Systems 2.125% maturing 3/01/19	\$2,531,750.00	AA-	Yes	Walt Disney Company 2.45%, maturing 3/04/22	\$4,024,800.00	A+	Yes
Walt Disney Company 1.85%, maturing 5/30/19	\$5,997,459.24	A+	Yes	Pepsi Bottling 2.25% maturing 5/02/22	\$2,990,850.00	A+	Yes
Microsoft 1.10% maturing 08/08/19	\$2,996,910.00	AAA	Yes	Qualcomm 3% maturing 5/20/22	\$7,732,837.50	A-	Yes
Cisco Systems 1.4% maturing 9/20/19	\$2,987,640.00	AA-	Yes	Home Depot 2.625% maturing 06/01/22	\$7,135,734.00	A	Yes
Johnson & Johnson 1.875%, maturing 12/05/19	\$4,090,320.00	AAA	Yes	Starbucks 2.7% maturing 06/15/22	\$5,103,334.92	BBB+	Yes**
Walt Disney Company 1.8%, maturing 6/05/20	\$2,452,725.00	A+	Yes	Apple Inc. 2.4% maturing 1/13/23	\$2,409,625.00	AA+	Yes
Target Corp 3.875%, maturing 7/15/20	\$2,241,679.24	A	Yes	Apple Inc. 2.85% maturing 2/23/23	\$2,485,000.00	AA+	Yes
Automatic Data Processing 2.25% maturing 9/15/20	\$2,516,775.00	AA	Yes				
Coca Cola 1.875% maturing 10/27/20	\$2,975,400.00	A+	Yes				
Microsoft 2.00% maturing 11/03/20	\$2,497,150.00	AAA	Yes				
Coca Cola 3.15% maturing 11/15/20	\$4,253,040.00	A+	Yes				
Starbucks 2.1% maturing 02/04/21	\$3,109,257.96	BBB+	Yes**				
IBM Credit LLC 2.65% maturing 2/05/21	\$2,479,100.00	A	Yes				
Johnson & Johnson 1.65%, maturing 3/01/21	\$1,997,720.00	AAA	Yes				
Apple Inc. 2.85% maturing 5/06/21	\$2,981,490.00	AA+	Yes				
Google 3.625% maturing 5/19/21	\$5,122,896.00	AA+	Yes				
Toyota Motor Credit Corp 2.25% maturing 6/07/21	\$1,427,704.74	AA-	Yes				
Oracle Corp 2.8%, maturing 7/08/21	\$2,982,720.00	AA-	Yes				
Apple Inc. 1.55% maturing 08/04/21	\$1,992,720.00	AA+	Yes				
Oracle 1.90% maturing 09/15/21	\$2,449,037.50	AA-	Yes				
Pfizer Inc. 3.00% maturing 9/15/21	\$4,000,000.00	AA	Yes				
Cisco Systems 1.850% maturing 9/20/21	\$3,974,746.20	AA-	Yes				
Pepsi Bottling 1.70%, maturing 10/06/21	\$3,906,000.00	A+	Yes				
Johnson & Johnson 2.45%, maturing 12/05/21	\$4,081,640.00	AAA	Yes				
IBM Corp 2.5%, maturing 1/27/22	\$3,915,240.00	A	Yes				

* Per Standard and Poors

** Although bonds rated BBB+ would not be eligible for purchase, they were within legal rating guidelines at the time of purchase. In accordance with State law, staff has reviewed the status of the bonds and concluded holding onto the bonds is in the best financial interests of the City. Therefore, holding of these bonds is in compliance.

Certification

In compliance with California Government Code Section 53546 as amended February 1, 1996, I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City's budgeted expenditure requirements for the next six months.



Gigi Decavalles-Hughes, Director of Finance/City Treasurer