

M E M O

TO: Board of Directors
FROM: David Shank, Assistant General Manager/CFO 
DATE: May 20, 2019
SUBJECT: Treasurer's Report

Purpose

Provide the April 30, 2019 Treasurer's Report. Confirm that the District's investment portfolio is in compliance with the Investment Policy and that the District is able to meet the expenditure requirements for the next 6-months.

Notes

The final Board directed transfers of the proceeds from the sale of the Santa Margarita River properties have been completed. The temporary CAMP Santa Margarita Loan Payment Fund and CAMP Pension Obligation Off-set Fund have been closed and the balance transferred as Directed by the Board. The deposit into the PARS account is comprised of the remaining balance in the Camp Pension Off-set Fund (\$1.95 million) and a budgeted deposit of \$350,000 from the District's liquidity portfolio. A small transfer of accrued interest from the prior month in the CAMP Santa Margarita Loan Payment Fund was transferred to the PFM Long-term Investment Portfolio. Operating revenues continue to be impacted by lower sales resulting in a reduction in Money Market funds held.

Summary

Treasurer's Report April 30, 2019

Operations Summary

Disbursements	\$	3,672,435
Receipts	\$	3,672,438
Net change	\$	2

Account	Beginning Market Value	Ending Market Value	Change in Market Value	(Withdrawals)/ Deposits	Yield	Percent of Total Investments
Operating Fund	\$ 18,875	\$ 18,877	NA	\$ 2	0.4%	0.1%
Money Market	\$ 1,419,450	\$ 1,000,474	NA	\$ (418,977)	0.4%	3.9%
LAIF	\$ 230,217	\$ 231,661	NA	\$ 1,444	2.4%	0.9%
County Pool	\$ 15,002	\$ 15,077	NA	\$ 75	1.8%	0.1%
CAMP Liquidity Account	\$ 3,355,028	\$ 2,710,760	NA	\$ (644,267)	2.6%	10.5%
District's Liquidity Portfolio	\$ 5,038,572	\$ 3,976,849	\$ -	\$ (1,061,723)	2.0%	15.4%
PFM Managed Long-term Investment Portfolio*	\$ 14,508,946	\$ 14,776,693	\$ 260,212	\$ 7,535	2.2%	57.3%
CAMP Santa Margarita Loan Payment Fund	\$ 7,526	\$ -	\$ 9	\$ (7,535)	2.6%	0.0%
CAMP Pension Obligation Off-Set Fund	\$ 1,950,812	\$ -	\$ 2,324	\$ (1,953,136)	2.6%	0.0%
PARS (OPEB & Pension Trust)**	\$ 4,622,499	\$ 7,027,997	\$ 102,362	\$ 2,303,136	6.5%	27.3%
District Accounts Total	\$ 26,128,355	\$ 25,781,539	\$ 364,906	\$ (711,723)	3.0%	100.0%

*\$6.21M of funds are from the sale of the Santa Margarita properties.

**\$3.78M of funds are from the sale of the Santa Margarita Properties.



David Shank
May 20, 2019



Fallbrook Public Utilities District - Holdings Summary

Security Type	March 31, 2019	April 30, 2019	Change (\$)	Change (%)
U.S. Treasury	\$4,008,014.46	\$7,641,062.21	\$3,633,047.75	90.6%
Supranational	\$138,489.12	\$138,656.00	\$166.88	0.1%
Municipal	\$171,535.10	\$171,344.70	(\$190.40)	-0.1%
Federal Agency CMO	\$112,029.28	\$111,868.63	(\$160.65)	-0.1%
Federal Agency	\$251,187.24	\$251,573.06	\$385.82	0.2%
Corporate Note	\$3,788,491.82	\$3,788,037.38	(\$454.44)	0.0%
Negotiable CD	\$2,025,438.64	\$1,781,444.54	(\$243,994.10)	-12.0%
Asset-Backed Security	\$918,953.84	\$892,706.39	(\$26,247.45)	-2.9%
Securities Total	\$11,414,139.50	\$14,776,692.91	\$3,362,553.41	29.5%
Money Market Fund	\$3,094,806.85	\$8,717.67	(\$3,086,089.18)	-99.7%
Total Investments	\$14,508,946.35	\$14,785,410.58	\$276,464.23	1.9%

Summary

FY18-19 Accrual Earnings	\$201,062.15
Yield to Maturity at Cost	2.15%
Weighted Average Maturity	2.52 Years

Maturity Distribution





Managed Account Security Transactions & Interest

For the Month Ending April 30, 2019

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
INTEREST											
	04/01/19	04/25/19	FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	431.93	0.00	0.64	0.64			
	04/01/19	04/25/19	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	110,000.00	0.00	283.25	283.25			
	04/15/19	04/15/19	ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	100,000.00	0.00	145.83	145.83			
	04/15/19	04/15/19	FORDO 2017-C A3 DTD 11/21/2017 2.010% 03/15/2022	34532AAD5	140,000.00	0.00	234.50	234.50			
	04/15/19	04/15/19	TOYOTA ABS 2016-C A3 DTD 08/10/2016 1.140% 08/15/2020	89237WAD9	12,387.37	0.00	11.77	11.77			
	04/15/19	04/15/19	TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	14,207.62	0.00	15.39	15.39			
	04/15/19	04/15/19	JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	20,010.91	0.00	29.68	29.68			
	04/15/19	04/15/19	ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	110,000.00	0.00	182.42	182.42			
	04/15/19	04/15/19	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	6,759.20	0.00	7.04	7.04			
	04/15/19	04/15/19	NAROT 2018-A A3 DTD 02/28/2018 2.650% 05/15/2022	65478DAD9	75,000.00	0.00	165.63	165.63			
	04/15/19	04/15/19	JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	30,000.00	0.00	45.50	45.50			
	04/15/19	04/15/19	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	44,651.23	0.00	48.00	48.00			
	04/15/19	04/15/19	JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	35,000.00	0.00	77.58	77.58			
	04/15/19	04/15/19	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	69,419.69	0.00	96.61	96.61			
	04/15/19	04/15/19	HAROT 2018-1 A3 DTD 02/28/2018 2.640% 02/15/2022	43814UAC3	125,000.00	0.00	275.00	275.00			
	04/21/19	04/21/19	MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	260,000.00	0.00	3,250.00	3,250.00			



Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2019**

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
INTEREST										
04/25/19	04/25/19	GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	290,000.00	0.00	3,806.25	3,806.25			
04/30/19	04/30/19	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	250,000.00	0.00	1,562.50	1,562.50			
04/30/19	04/30/19	US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	245,000.00	0.00	1,531.25	1,531.25			
Transaction Type Sub-Total				2,807,867.95	0.00	26,851.20	26,851.20			
PAYDOWNS										
04/01/19	04/25/19	FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	180.82	180.82	0.00	180.82	(1.80)	0.00	
04/15/19	04/15/19	ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	5,320.11	5,320.11	0.00	5,320.11	0.07	0.00	
04/15/19	04/15/19	FORD ABS 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021	34531EAD8	5,887.59	5,887.59	0.00	5,887.59	0.02	0.00	
04/15/19	04/15/19	TOYOTA ABS 2016-C A3 DTD 08/10/2016 1.140% 08/15/2020	89237WAD9	2,049.06	2,049.06	0.00	2,049.06	0.06	0.00	
04/15/19	04/15/19	JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	756.74	756.74	0.00	756.74	0.06	0.00	
04/15/19	04/15/19	HYUNDAI ABS 2016-B A3 DTD 09/21/2016 1.290% 04/15/2021	44891EAC3	4,750.82	4,750.82	0.00	4,750.82	0.64	0.00	
04/15/19	04/15/19	JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	1,979.05	1,979.05	0.00	1,979.05	0.28	0.00	
04/15/19	04/15/19	TOYOTA ABS 2016-B A3 DTD 05/11/2016 1.300% 04/15/2020	89231UAD9	4,617.39	4,617.39	0.00	4,617.39	0.24	0.00	
04/15/19	04/15/19	JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020	47788NAC2	1,567.53	1,567.53	0.00	1,567.53	0.13	0.00	
Transaction Type Sub-Total				27,109.11	27,109.11	0.00	27,109.11	(0.30)	0.00	
SELL										



Managed Account Security Transactions & Interest

For the Month Ending **April 30, 2019**

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
SELL										
04/30/19	05/01/19	CAPTIAL ONE BANK USA NA LT CD DTD 08/12/2015 2.000% 08/12/2019	140420UE8	245,000.00	244,512.45	1,047.12	245,559.57	(487.55)	(487.55)	FIFO
Transaction Type Sub-Total				245,000.00	244,512.45	1,047.12	245,559.57	(487.55)	(487.55)	
Managed Account Sub-Total					(3,360,316.72)	16,692.62	(3,343,624.10)	(487.85)	(487.55)	
Total Security Transactions					(3,360,316.72)	\$16,692.62	(\$3,343,624.10)	(\$487.85)	(\$487.55)	

Bolded items are forward settling trades.



Account Statement - Transaction Summary

For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Pension Obligation Off-Set Fund - 6050-002

CAMP Pool	
Opening Market Value	1,950,812.27
Purchases	2,323.81
Redemptions	(1,953,136.08)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$0.00
Cash Dividends and Income	2,323.81

Asset Summary		
	April 30, 2019	March 31, 2019
CAMP Pool	0.00	1,950,812.27
Total	\$0.00	\$1,950,812.27
Asset Allocation		



Account Statement

For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Pension Obligation Off-Set Fund - 6050-002

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					1,950,812.27
04/18/19	04/18/19	Redemption - Closeout Wire Redemption	1.00	(1,953,136.08)	(2,323.81)
04/18/19	04/18/19	Accrual Income Div Reinvestment - Closeout Wire Redemption	1.00	2,323.81	0.00
Closing Balance					0.00

	Month of April	Fiscal YTD July-April
Opening Balance	1,950,812.27	0.00
Purchases	2,323.81	3,803,136.08
Redemptions (Excl. Checks)	(1,953,136.08)	(3,803,136.08)
Check Disbursements	0.00	0.00
Closing Balance	0.00	0.00
Cash Dividends and Income	2,323.81	27,184.08

Closing Balance	0.00
Average Monthly Balance	1,105,460.29
Monthly Distribution Yield	2.55%



Account Statement - Transaction Summary

For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Water Rate Stabilization Fund - 6050-003

CAMP Pool	
Opening Market Value	7,525.96
Purchases	8.96
Redemptions	(7,534.92)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$0.00
Cash Dividends and Income	8.96

Asset Summary		
	April 30, 2019	March 31, 2019
CAMP Pool	0.00	7,525.96
Total	\$0.00	\$7,525.96
Asset Allocation		



Account Statement

For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Water Rate Stabilization Fund - 6050-003

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					7,525.96
04/18/19	04/18/19	Redemption - Closeout Wire Redemption	1.00	(7,534.92)	(8.96)
04/18/19	04/18/19	Accrual Income Div Reinvestment - Closeout Wire Redemption	1.00	8.96	0.00
Closing Balance					0.00

	Month of April	Fiscal YTD July-April
Opening Balance	7,525.96	0.00
Purchases	8.96	6,239,108.92
Redemptions (Excl. Checks)	(7,534.92)	(6,239,108.92)
Check Disbursements	0.00	0.00
Closing Balance	0.00	0.00
Cash Dividends and Income	8.96	39,108.92

Closing Balance	0.00
Average Monthly Balance	4,264.71
Monthly Distribution Yield	2.55%



Account Statement - Transaction Summary

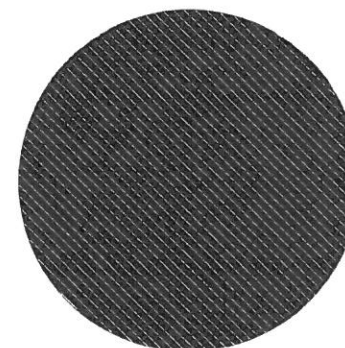
For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Liquidity - 6050-004

CAMP Pool	
Opening Market Value	3,355,027.64
Purchases	305,732.68
Redemptions	(950,000.00)
Unsettled Trades	0.00
Change in Value	0.00
Closing Market Value	\$2,710,760.32
Cash Dividends and Income	5,732.68

Asset Summary		
	April 30, 2019	March 31, 2019
CAMP Pool	2,710,760.32	3,355,027.64
Total	\$2,710,760.32	\$3,355,027.64

Asset Allocation	
CAMP Pool	100.00%



CAMP Pool
100.00%



Account Statement

For the Month Ending **April 30, 2019**

Fallbrook Public Utility District - Liquidity - 6050-004

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
CAMP Pool					
Opening Balance					3,355,027.64
04/03/19	04/03/19	Redemption - Outgoing Wires	1.00	(300,000.00)	3,055,027.64
04/11/19	04/11/19	Redemption - Outgoing Wires	1.00	(300,000.00)	2,755,027.64
04/18/19	04/18/19	Redemption - Outgoing Wires	1.00	(350,000.00)	2,405,027.64
04/30/19	04/30/19	Purchase - Incoming Wires	1.00	300,000.00	2,705,027.64
04/30/19	05/01/19	Accrual Income Div Reinvestment - Distributions	1.00	5,732.68	2,710,760.32
Closing Balance					2,710,760.32

	Month of April	Fiscal YTD July-April
Opening Balance	3,355,027.64	0.00
Purchases	305,732.68	4,010,760.32
Redemptions (Excl. Checks)	(950,000.00)	(1,300,000.00)
Check Disbursements	0.00	0.00
Closing Balance	2,710,760.32	2,710,760.32
Cash Dividends and Income	5,732.68	10,760.32

Closing Balance	2,710,760.32
Average Monthly Balance	2,733,552.06
Monthly Distribution Yield	2.55%

FALLBROOK PUBLIC UTILITY DISTRICT
PARS Post-Employment Benefits Trust

Account Report for the Period
4/1/2019 to 4/30/2019

David Shank
Assistant General Manager/CFO
Fallbrook Public Utility District
PO Box 2290
Fallbrook, CA 92088

Account Summary

Source	Beginning Balance as of 4/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 4/30/2019
OPEB	\$976,345.03	\$0.00	\$19,163.88	\$203.41	\$0.00	\$0.00	\$995,305.50
PENSION	\$3,646,153.98	\$2,303,136.08	\$84,160.82	\$759.61	\$0.00	\$0.00	\$6,032,691.27
Totals	\$4,622,499.01	\$2,303,136.08	\$103,324.70	\$963.02	\$0.00	\$0.00	\$7,027,996.77

Investment Selection

Source

OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

Investment Objective

Source

OPEB	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.
PENSION	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.96%	3.92%	6.62%	-	-	-	2/16/2017
PENSION	1.83%	3.74%	6.42%	-	-	-	2/16/2017

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

MEMO

TO: Board of Directors
FROM: David Shank, Assistant General Manager/CFO 
DATE: May 20, 2019
SUBJECT: Budget Status Report

Purpose

Provide a Budget Status Report (BSR) to the Board.

Summary

The BSR shows the District's financial performance compared to the budget for the month of September, Year-to-Date and the annual budgeted amount.

Total revenues are under budget expectations due to water and wastewater sales levels. Wastewater Service Charges revenues continue to lag budget expectations and will continue to do so until the billable flow levels reset to normal winter weather conditions. Water Sales are 14% below budget due to extreme wet weather and are expected to trend towards projections later in the spring. Sundry has been lumped into the Other Non-operating revenues until staff is able to split these revenues out better.

Non-operating revenue shows the higher than expected capacity charge revenues. Property tax receipts are lagging budget projections but are expected to still be at the budgeted levels. Other Non-Operating revenues are over the budgeted levels even after adjusting for the temporary inclusion of Sundry Other Revenues.

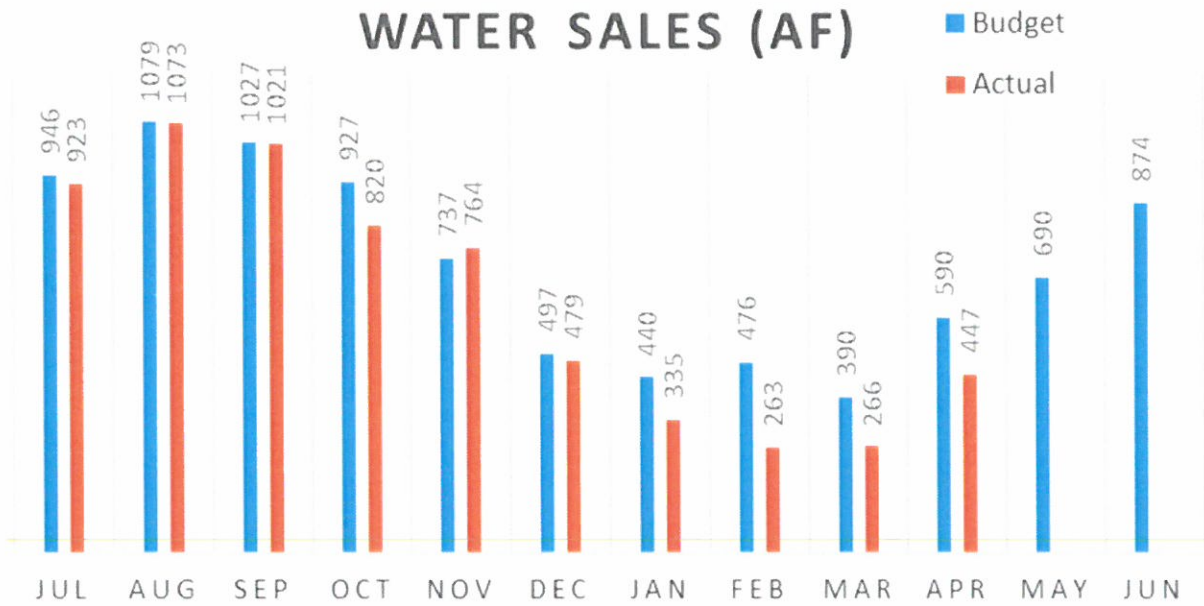
The District's expenditures are under budget due to the lower than budgeted purchased water expense, which is a result of lower sales, and the District's operations and maintenance expenses.

Total revenue is \$27,291,594 or 10.0% under budget and expenditures are \$23,502,531 or 8.3% under budget. Capital spending is currently 30.9% under budget but expected to trend towards budget. As a result, the District financial position is better than budget expectations.

Recommended Action

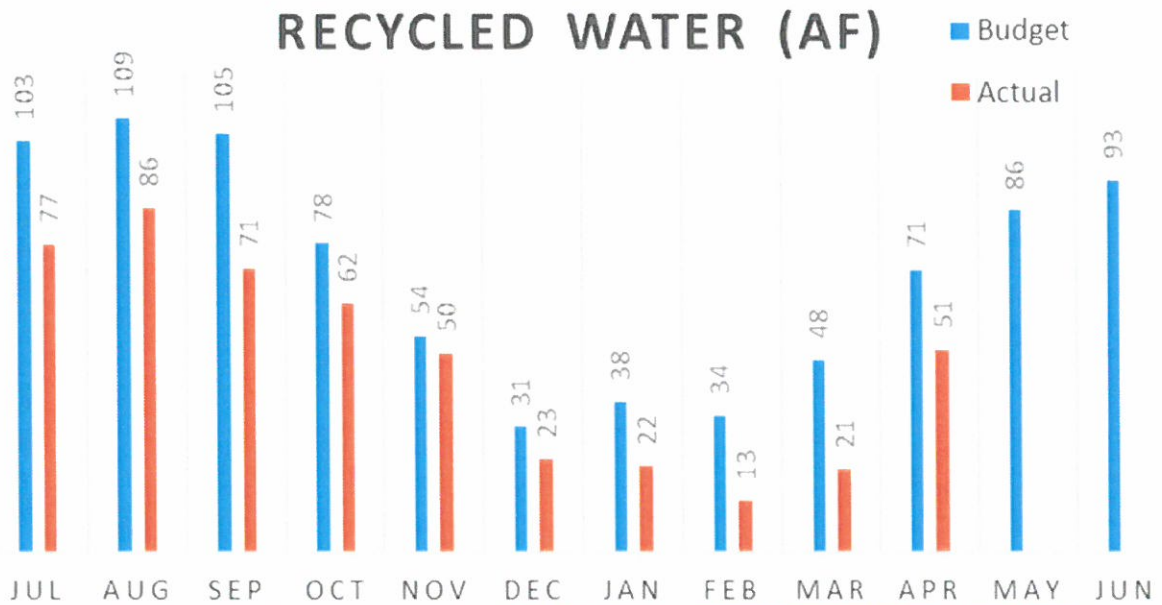
This item is for discussion only. No action is required.

WATER SALES (AF)



Year-to-Date Actual 6,392 AF Year-to-Date Budget 7,110 AF

RECYCLED WATER (AF)



Year-to-Date Actual 477 AF Year-to-Date Budget 671 AF