



# End of Year Report FY 2018/19



City Manager's Office

November 5, 2019

Honorable Mayor and Council Members:

Presented for your review and approval is the City of Napa's end of year financial report for FY2018/19. The intent of this report is to provide Council with current information regarding the status of the City's financial position. The report describes the revenue collection numbers from major sources and also provides information on fiscal year expenditures.

The report also includes a section addressing the City's investment portfolio. This section outlines the status of the investment portfolio and provides information on the performance, or return on investments.

In order to better serve your needs, please let me know if you have comments or suggestions regarding the content or organization of this report.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Potter", is written over the word "Sincerely,".

Steve Potter  
City Manager



End-of-Year Financial Report  
*As of June 30, 2019*  
***Preliminary, Unaudited***

### **Introduction**

This End-of-Year Financial Report provides an analysis of the City's General Fund and Proprietary Fund revenues and expenditures for the 2018/19 fiscal year. The numbers in this report are preliminary and subject to change, as the year is not yet officially closed.

The audited Comprehensive Annual Financial Report (CAFR) will be presented to the City Council in early 2020.

### **Management's Overview**

The City's two-year budget for fiscal years 2017/18 and 2018/19 was adopted by the City Council on June 20, 2017. The FY 2018/19 budget with mid-cycle modifications was adopted by City Council on June 5, 2018. Additional changes were made on both the first quarter and the second quarter report. The purpose of this report is to provide regular updates to the Council regarding revenue and expenditure trends to ensure the City Council has a strong understanding of the City's current financial condition. The numbers in this report are based on the preliminary, unaudited FY 2018/19 revenues and expenditures through June 30, 2019. A discussion of the significant budget items is presented below.

### **FY 2018/19 General Fund Budget**

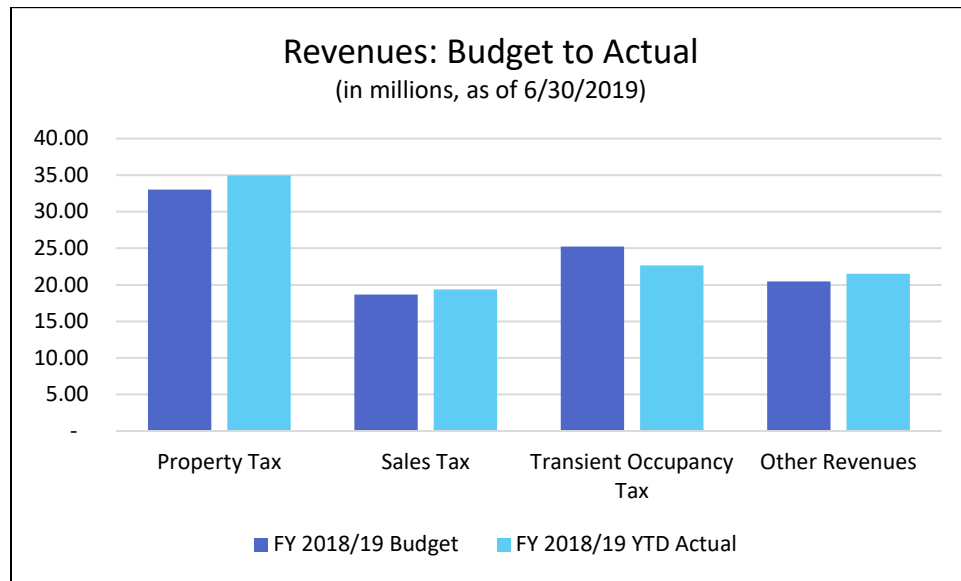
The FY 2018/19 budget as originally adopted estimated revenues of \$96.9 million to fund expenditures of \$95.4 million, resulting in a \$0.8 million surplus after funding incremental increases to emergency, operating and contingency reserves in accordance with the Council adopted fiscal policy. Changes adopted in the Mid-Cycle Budget increased revenues to \$97.0 million and expenditures to \$96.0 million, leaving a projected surplus of \$0.2 million after funding reserves. Carryforwards from FY17/18 increased expenditure budgets by \$3.2 million (includes \$2.6 million Set-Aside for Civic Center Termination Payment). Carryforward budgets are funded with available fund balance, rather than current year operating revenue. Additional minor adjustments resulted in a revenue budget of \$97.42 million and an operating expenditure budget of \$97.04 million.

## General Fund Summary (in millions)

|                                                    | FY 2018/19<br>Budget<br>(as of 6/30/2019) | FY 2018/19<br>YTD Actual<br>(as of 6/30/2019) | % to date<br>(Budget to<br>Actual) | FY 2017/18<br>Annual<br>Totals |
|----------------------------------------------------|-------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------------|
| <b>Operating Revenues</b>                          |                                           |                                               |                                    |                                |
| Property Tax                                       | 33.05                                     | 34.97                                         | 106%                               | 32.13                          |
| Sales Tax                                          | 18.67                                     | 19.39                                         | 104%                               | 17.94                          |
| Transient Occupancy Tax                            | 25.22                                     | 22.66                                         | 90%                                | 20.09                          |
| Business License Tax                               | 3.66                                      | 3.86                                          | 106%                               | 3.72                           |
| Other Taxes                                        | 2.87                                      | 2.57                                          | 90%                                | 2.69                           |
| Licenses and Permits                               | 3.08                                      | 2.33                                          | 76%                                | 2.59                           |
| Charges for Services                               | 5.47                                      | 5.93                                          | 108%                               | 6.21                           |
| Intergovernmental                                  | 0.79                                      | 0.65                                          | 82%                                | 1.20                           |
| Investment Earnings                                | 0.29                                      | 1.91                                          | 668%                               | (0.12)                         |
| Miscellaneous / Other Revenues                     | 0.33                                      | 0.34                                          | 103%                               | 0.34                           |
| Transfers In                                       | 4.00                                      | 3.92                                          | 98%                                | 7.31                           |
| <b>Total Operating Revenues</b>                    | <b>97.42</b>                              | <b>98.54</b>                                  | <b>101%</b>                        | <b>94.09</b>                   |
| <b>Operating Expenditures</b>                      |                                           |                                               |                                    |                                |
| City Council / City Clerk                          | 1.20                                      | 1.16                                          | 96%                                | 1.07                           |
| City Manager                                       | 1.54                                      | 1.23                                          | 80%                                | 1.22                           |
| Finance                                            | 7.20                                      | 6.49                                          | 90%                                | 6.21                           |
| City Attorney                                      | 1.22                                      | 1.04                                          | 85%                                | 1.10                           |
| Human Resources                                    | 1.31                                      | 1.12                                          | 85%                                | 1.20                           |
| Community Development                              | 6.22                                      | 5.36                                          | 86%                                | 5.03                           |
| General Government                                 | 8.92                                      | 9.68                                          | 109%                               | 9.02                           |
| <u>Included in General Government:</u>             |                                           |                                               |                                    |                                |
| Transfer to CIP Facilities Reserve (current FY)    | 1.79                                      | 1.85                                          | 104%                               | 1.78                           |
| Transfer to CIP General Reserve (current FY)       | 3.57                                      | 3.60                                          | 101%                               | 0.89                           |
| Transfer to CIP General Reserve (prior FY surplus) | -                                         | -                                             | 0%                                 | 1.92                           |
| Police Department                                  | 29.92                                     | 29.13                                         | 97%                                | 27.91                          |
| Fire Department                                    | 18.79                                     | 19.28                                         | 103%                               | 18.17                          |
| Public Works                                       | 12.32                                     | 10.95                                         | 89%                                | 9.35                           |
| Parks & Recreation                                 | 8.41                                      | 8.31                                          | 99%                                | 9.99                           |
| <b>Total Operating Expenditures</b>                | <b>97.04</b>                              | <b>93.74</b>                                  | <b>97%</b>                         | <b>90.27</b>                   |
| Operating Reserve                                  | 0.20                                      | 0.22                                          |                                    |                                |
| Emergency Reserve                                  | 0.56                                      | 0.55                                          |                                    |                                |
| Contingency Reserve                                | 0.04                                      | 0.12                                          |                                    |                                |
| <b>Projected Ending Surplus</b>                    | <b>(0.42)</b>                             | <b>3.90</b>                                   |                                    |                                |
| <b>Non-Operating Expenditures</b>                  |                                           |                                               |                                    |                                |
| Set-Aside for Civic Center Termination Payment [1] | 2.60                                      | -                                             | 0%                                 | -                              |

[1] The budgeted Set-Aside for Civic Center Termination Payment, if required to be paid, will be paid out of the General Fund Operating Reserve rather than operating revenue.

## Major Revenues



### Property Tax

The FY 2018/19 Property Tax revenues ended the year with a budget of \$33.1 million and revenue of \$35.0 million. Actual revenue was 8.7% higher than FY 2017/18. The City's major source of property tax revenue to the General Fund is residential property (77.6%), followed by commercial property (13.3%) and industrial property (6.4%). Housing prices appear to be stabilizing, with the median single-family home price at \$705,750 as of June 2019 (a decrease of 4.6% as compared to June 2018). By August, the median had declined to \$699,000, and home sales were down by 20.2% as compared to August 2018. Assessed values in the county continue to increase, with the City's FY 2019/20 assessment roll 6.83% higher than FY 2018/19.

### Sales Tax

Sales Tax revenues for FY 2018/19 ended the year with a budget of \$18.7 million and revenues of \$19.4 million. Actual revenue was 8.1% higher than FY 2017.18. Sales tax is received in monthly advances from the Board of Equalization based on prior year actual revenues received, and lag two (2) months behind.

The top 3 Sales Tax generating categories in Napa continue to be Food Products, General Retail and Transportation. Restaurants and New Auto Sales make up the two largest economic segments within the broader categories above, with 16.2% and 8.5% of total taxable sales respectively for the year ending March 31, 2019.

Other items we continue to track include gasoline prices, which have been rising since 2016. The average price in June 2019 was 3.1% higher than in June 2018; these higher gas prices help the City to collect more in sales tax for our transportation category, while also costing the City more to operate its vehicles.

For the year ended March 31, 2019, all our six local business sales tax categories showed increases over the prior year. While the City's share of county pool sales tax revenues decreased, overall local business sales tax increased by 5.8% over the prior year.

### Transient Occupancy Tax

FY 2018/19 Transient Occupancy Tax (TOT) revenue ended the year with a budget of \$25.2 million and revenue of \$22.7 million. There were 26 hotels, 21 bed and breakfast establishments, 41 non-hosted and 51 hosted vacation rentals generating transient occupancy tax revenue within the City as of the end of the fiscal year. While actuals were lower than budgeted, actual TOT was 12.8% higher than FY 2017/18 revenue. Most of the revenue growth was attributable to more recent development rather than increases in room or occupancy rates. The FY 2019/20 adopted budget includes more conservative TOT budgets, based on the data from FY 2018/19.

### Other Revenues

*Business License Tax* was 3.9% higher than FY 2017/18 actuals.

*Other Taxes* were 4.2% lower than FY 2017/18 actuals.

*Licenses and Permits* has been trending lower than anticipated since FY 2016/17. The revenue budget was reduced in the Mid-Cycle Budget process, but actuals for FY 2018/19 were 24.3% under budget. FY 2018/19 actuals were also 10.2% lower than FY 2017/18 actuals. As these revenues are an indicator of the amount of building and development in the City, they will be closely monitored going forward to determine if further adjustments are needed.

*Charges for Services* were 8.4% over budget, largely due to strong growth in Planning and a one-time accounting adjustment to correct for a prior fiscal year.

*Intergovernmental* revenues were 45.3% lower than FY 2017/18, primarily due to much lower reimbursements from CalOES for Fire services provided by the City.

*Investment Earnings* ended the year at \$1.9 million, much higher than the budget of \$0.29 million. This is due both to high investment returns and a large mark-to-market adjustment of \$0.9 million.

*Miscellaneous Revenues* include Rents and Royalties, as well as Contributions/Donations from Private Sources. This category ended the year just 0.14% lower than FY 2017/18.

**Expenditures**

The FY 2018/19 adjusted expenditure budget as of June 30, 2019 was \$99.6 million. It is projected that FY 2018/19 expenditures will total \$93.7 million which is \$5.9 million (5.9%) under budget. Of this \$5.90 million, \$2.6 million was due to the budgeted Set-Aside for Civic Center Termination Payment, which was still unspent as of the end of the fiscal year (if this amount needs to be paid in the future, it will use dollars from the City's Operating Reserve). The remaining \$2.3 million of underspending is primarily due to savings in professional services.

Savings in services were found across City departments, with the greatest savings found in Public Works (\$0.8 million), Community Development (\$0.8 million), the Finance Department (\$0.4 million), and the Police Department (\$0.2 million).

The Fire Department was overexpended at the end of the fiscal year, entirely due to overtime expenses that were over \$0.5 million higher than budgeted.

At the end of each fiscal year, unspent budget for CalPERS is transferred into the City's 115 trust. This transfer is recorded in the General Government Department, making the department appear to be overexpended.

The following table provides the operating expenditure budget and preliminary, unaudited actual spent to date for each department through June 30, 2019:

| <b>Operating Expenditures by Department</b> | <b>Budget</b>                       | <b>Actual</b>                       | <b>%</b>   |
|---------------------------------------------|-------------------------------------|-------------------------------------|------------|
|                                             | <i>6/30/2019<br/>\$ in millions</i> | <i>6/30/2019<br/>\$ in millions</i> |            |
| City Council / City Clerk                   | 1.20                                | 1.16                                | 96%        |
| City Manager                                | 1.54                                | 1.23                                | 80%        |
| Finance                                     | 7.20                                | 6.49                                | 90%        |
| City Attorney                               | 1.22                                | 1.04                                | 85%        |
| Human Resources                             | 1.31                                | 1.12                                | 85%        |
| Community Development                       | 6.22                                | 5.36                                | 86%        |
| General Government                          | 8.92                                | 9.68                                | 109%       |
| Police Department                           | 29.92                               | 29.13                               | 97%        |
| Fire Department                             | 18.79                               | 19.28                               | 103%       |
| Public Works                                | 12.32                               | 10.95                               | 89%        |
| Parks & Recreation                          | 8.41                                | 8.31                                | 99%        |
| <b>Total Expenditures</b>                   | <b>97.04</b>                        | <b>93.74</b>                        | <b>97%</b> |

**Non-Recurring General Fund**

It is estimated the Non-Recurring General Fund will have received 97% of budgeted revenues and spent 27% of budgeted expenditures through the end of the fiscal year. This is typical as non-recurring items are typically multi-year projects or grants and do not generally follow normal annual revenue and expenditure patterns.

**Non-Recurring General Fund Summary (in millions)**

|                                         | <b>FY 2018/19<br/>Budget<br/>(as of 6/30/2019)</b> | <b>FY 2018/19<br/>YTD Actual<br/>(as of 6/30/2019)</b> | <b>% to date<br/>(Budget to<br/>Actual)</b> | <b>FY 2017/18<br/>Annual<br/>Totals</b> |
|-----------------------------------------|----------------------------------------------------|--------------------------------------------------------|---------------------------------------------|-----------------------------------------|
| <b>Beginning Fund Balance</b>           | <b>5.01</b>                                        | <b>5.01</b>                                            |                                             |                                         |
| <b>Non-Recurring Revenues</b>           |                                                    |                                                        |                                             |                                         |
| Property Tax (Excess ERAF)              | 0.50                                               | 2.39                                                   | 479%                                        | 1.28                                    |
| Sales Tax (Unwind Triple Flip)          | -                                                  | -                                                      | 0%                                          | -                                       |
| Licenses and Permits                    | 0.30                                               | 0.16                                                   | 52%                                         | 0.15                                    |
| Charges for Services                    | 0.95                                               | 0.23                                                   | 25%                                         | 1.03                                    |
| Intergovernmental                       | 5.33                                               | 3.91                                                   | 73%                                         | 1.82                                    |
| Investment Earnings                     | -                                                  | 0.12                                                   | 0%                                          | (0.05)                                  |
| Miscellaneous / Other Revenues          | -                                                  | -                                                      | 0%                                          | 0.64                                    |
| Transfers In                            | 0.52                                               | 0.52                                                   | 100%                                        | 0.44                                    |
| <b>Total Non-Recurring Revenues</b>     | <b>7.60</b>                                        | <b>7.33</b>                                            | <b>97%</b>                                  | <b>5.31</b>                             |
| <b>Non-Recurring Expenditures</b>       |                                                    |                                                        |                                             |                                         |
| Salaries & Wages                        | 0.44                                               | 0.32                                                   | 73%                                         | 1.08                                    |
| Benefits                                | 0.01                                               | 0.14                                                   | 1102%                                       | 0.29                                    |
| Services                                | 6.68                                               | 1.69                                                   | 25%                                         | 2.82                                    |
| Materials and Supplies                  | 0.52                                               | 0.26                                                   | 49%                                         | 0.29                                    |
| Capital Outlay                          | 1.49                                               | 0.07                                                   | 4%                                          | 0.19                                    |
| Transfers Out                           | 0.45                                               | 0.07                                                   | 0%                                          | 0.15                                    |
| <b>Total Non-Recurring Expenditures</b> | <b>9.59</b>                                        | <b>2.54</b>                                            | <b>27%</b>                                  | <b>4.82</b>                             |
| <b>Net Impact of Non Recurring</b>      | <b>(1.99)</b>                                      | <b>4.79</b>                                            |                                             |                                         |
| <b>Projected Ending Fund Balance</b>    | <b>3.02</b>                                        | <b>9.80</b>                                            |                                             |                                         |

The budget for anticipated Excess ERAF revenue was split between the General Fund (\$0.5 million/year) and the Non-Recurring General Fund (any excess received over \$0.5 million/year). Given the large amount received this fiscal year, the FY 2019/20 budget includes \$1.0 million in the General Fund and \$1.5 million in the Non-Recurring General Fund.

**General Fund Reserves**

In accordance with the City's Fiscal Policy, the City maintains an Operating Reserve of 5%, an Emergency Reserve of 14% and a Contingency Reserve of 1% of the annual General Fund Operating Budget. The CIP Facilities Reserve receives a transfer equal to 2% of the General Fund Operating Budget, and the CIP General Fund Reserve a transfer of 1% of the General Fund Operating Budget.

Resolution R2017-110 approved the use of up \$2.6 million of the Operating Reserve to cover the potential termination payment for the Civic Center Project. This payment (or a



portion thereof) would only be made if the project does not move forward. The \$2.6 million is currently budgeted as a General Government department expense.

| <b>Reserves</b><br><i>(in millions)</i> | <b>FY 2018/19<br/>Beginning<br/>Balance</b> | <b>Actual<br/>Expenditures</b> | <b>Actual<br/>Transfers<br/>In</b> | <b>FY 2018/19<br/>Ending<br/>Balance</b> |
|-----------------------------------------|---------------------------------------------|--------------------------------|------------------------------------|------------------------------------------|
| Emergency Reserve                       | 12.50                                       | -                              | 0.55                               | 13.05                                    |
| Operating Reserve                       | 4.44                                        | -                              | 0.22                               | 4.66                                     |
| Contingency Reserve                     | 0.89                                        | (0.08)                         | 0.12                               | 0.93                                     |
| CIP Facilities Reserve                  | 4.59                                        | (2.00)                         | 2.05                               | 4.64                                     |
| General Fund Projects Reserve           | 8.73                                        | (2.85)                         | 1.45                               | 7.33                                     |
| <b>Total Reserves</b>                   | <b>31.15</b>                                | <b>(4.92)</b>                  | <b>4.39</b>                        | <b>30.62</b>                             |

### **Proprietary Funds**

In addition to the General Fund, the End of Year Financial Report also provides a snapshot of the City's Proprietary Funds. Proprietary funds are those funds in which the City charges a fee to customers to recover the cost of providing the service. These funds are made up of Enterprise Funds and Internal Service Funds. Both types of funds are presented separately below, along with summary information for each of the individual funds within each category.

### **Enterprise Funds**

Enterprise Funds are those funds that provide goods or services to the public for a fee that makes the entity self-supporting. Napa's Enterprise Funds include: Solid Waste & Materials Diversion and Water. A listing of these funds and summary of the quarterly activity follows below:

#### **Solid Waste & Materials Diversion Fund**

The Solid Waste & Materials Diversion Fund is responsible for the collection, processing, public education and long-term planning related to solid waste materials generated in the City of Napa. Beyond the safe and cost-effective handling of solid waste materials, the fund's primary mission is to maximize the diversion of solid waste materials from landfill disposal in order to meet or exceed State mandates. A summary of the preliminary, unaudited Solid Waste & Materials Diversion Fund activity through June 30, 2019 is provided below:

### Solid Waste & Materials Diversion Fund

|                                       | <b>FY 2018/19<br/>Budget<br/>(as of<br/>6/30/2019)</b> | <b>FY 2018/19<br/>YTD Actual<br/>(as of<br/>6/30/2019)</b> | <b>% to date<br/>(Budget to<br/>Actual)</b> | <b>FY 2017/18<br/>Annual<br/>Totals</b> |
|---------------------------------------|--------------------------------------------------------|------------------------------------------------------------|---------------------------------------------|-----------------------------------------|
| <b>Operating Revenues</b>             |                                                        |                                                            |                                             |                                         |
| Refuse Collection Charges             | 19.60                                                  | 19.64                                                      | 100%                                        | 19.21                                   |
| MDF Gate Fees                         | 3.50                                                   | 3.08                                                       | 88%                                         | 3.19                                    |
| Material Sales                        | 6.20                                                   | 5.79                                                       | 93%                                         | 6.13                                    |
| Other Revenues                        | 0.24                                                   | 0.60                                                       | 247%                                        | 0.38                                    |
| <b>Total Operating Revenues</b>       | <b>29.54</b>                                           | <b>29.11</b>                                               | <b>99%</b>                                  | <b>28.91</b>                            |
| <b>Operating Expenditures</b>         |                                                        |                                                            |                                             |                                         |
| Salaries and Benefits                 | 1.20                                                   | 1.36                                                       | 113%                                        | 1.13                                    |
| Contractor Service                    | 20.27                                                  | 19.98                                                      | 99%                                         | 17.21                                   |
| Transfer Station Disposal Fees        | 3.30                                                   | 3.28                                                       | 99%                                         | 3.24                                    |
| MDF Facility Materials                | 2.77                                                   | 2.71                                                       | 98%                                         | 2.71                                    |
| Other Materials, Supplies & Services  | 2.47                                                   | 2.08                                                       | 84%                                         | 1.78                                    |
| Administrative Support & Transfers    | 0.88                                                   | 0.31                                                       | 36%                                         | 0.31                                    |
| <b>Total Operating Expenditures</b>   | <b>30.89</b>                                           | <b>29.72</b>                                               | <b>96%</b>                                  | <b>26.39</b>                            |
| <b>Operating Surplus / (Deficit)</b>  | <b>(1.35)</b>                                          | <b>(0.61)</b>                                              |                                             |                                         |
| <b>Non-Recurring Revenues</b>         | 0.57                                                   | -                                                          | 0%                                          | (0.00)                                  |
| <b>Non-Recurring Expenditures</b>     | 0.06                                                   | 0.06                                                       | 101%                                        | 0.05                                    |
| <b>Capital Expenditures</b>           | 10.69                                                  | 0.74                                                       | 7%                                          | 0.63                                    |
| <b>Transfer to Street Resurfacing</b> | 1.96                                                   | 1.96                                                       | 100%                                        | 1.92                                    |
| <b>Debt Service Expenditures</b>      | 0.87                                                   | 0.20                                                       | 23%                                         | 0.57                                    |
| <b>Total Surplus / (Deficit)</b>      | <b>(14.36)</b>                                         | <b>(3.57)</b>                                              |                                             |                                         |

| <b>MDF Fund Balances</b>   | <b>7/1/2018</b>  | <b>Additions</b>  | <b>Uses</b>         | <b>6/30/2019</b> |
|----------------------------|------------------|-------------------|---------------------|------------------|
| Available Fund Balance     | 1,007,939        | 11,413,461        | (12,421,400)        | -                |
| Operating Reserve          | 5,047,644        | -                 | (2,835,067)         | 2,212,577        |
| Rate Stabilization Reserve | 1,817,935        | -                 | (1,817,935)         | -                |
| Liability Reserve          | 350,000          | -                 | -                   | 350,000          |
| <b>Total</b>               | <b>8,223,518</b> | <b>11,413,461</b> | <b>(17,074,402)</b> | <b>2,562,577</b> |

Operating revenues were close to expected, with preliminary totals \$0.4 million under budget (1.4%). Operating expenditures were at 96% of budget, a savings of \$1.2 million. The net operating deficit was largely a one-time impact of previous fiscal year contractual operating costs which were carried forward as a result of the 2018 Contract Amendment. It also reflects higher-than-expected fuel costs for the heavy refuse and recycling fleet.

Materials Sales revenue continues to be negatively impacted by declining world markets for recyclables, but the impact has been somewhat mitigated by higher volumes of recyclables being processed through the City's Materials Diversion Facility (MDF).

The most significant capital project expenditures are in support of the covered compost/stormwater upgrades at the City's MDF. In late 2016, the City approved a \$12.5 million direct bond issuance for the covered compost, storm water upgrades, roof extensions and a southeast corner concrete pad at the City MDF. Design Build (DB) RFPs were issued for all these improvements and approximately \$2 million dollars was spent in FY 2017/18 on the roof extensions and concrete pad. On February 6, 2018, Council approved a resolution to authorize a not-to-exceed \$10.4 million DB construction contract with Overaa Construction for compost operations and stormwater improvements. The DB agreement was finalized in April 2018, and Overaa began their DB work with the majority of the covered compost construction work completed during FY 2018/19. In fact, while not shown in the table above, there was approximately \$6.7 million in actual bond-funded capital expenditures completed in FY 2018/19. Because the capital expenditures become capital assets as facility improvements are completed, the \$6.7 million (along with approximately \$0.5 million in principal payment to debt service) are balanced out between expenditures and net capital assets. The remainder of the Overaa work in FY 2019/20 will be devoted to necessary stormwater management improvements to the MDF. For both the anaerobic digestion to biofuel system and potential bioenergy (biomass gasification) facility, ongoing cost/benefit analysis continue as both estimated necessary capital costs and market conditions (e.g., retail cost of compressed natural gas, limited outlets for chipped wood energy production) continue to change significantly. Staff is currently investigating the best available financing options and possible contract amendment(s) with NRWS to deliver these potential projects to the City MDF if the final cost-benefit analysis seem advantageous to the City Council and rate payers.

### Water Fund

The Water Fund is responsible for the operation, maintenance and improvement of the municipal water system serving the City and adjacent areas. The Fund's mission is to provide an uninterrupted supply of high quality and low-cost water to the community for consumption, sanitary needs, irrigation and fire protection. The Water Fund's Administration, Engineering, Treatment, and Distribution sections accomplish this mission by delivering over 13,200 acre-feet (4.3 billion gallons) of water meeting State and Federal drinking water regulations, investing in capital improvements, planning for long-term water supply needs, responding to emergency repairs, and maintaining a proactive water conservation program. A summary of the preliminary, unaudited Water Fund activity through June 30, 2019 is provided below:

## Water Fund

|                                               | <b>FY 2018/19<br/>Budget<br/>(as of<br/>6/30/2019)</b> | <b>FY 2018/19<br/>YTD Actual<br/>(as of<br/>6/30/2019)</b> | <b>% to date<br/>(Budget to<br/>Actual)</b> | <b>FY 2017/18<br/>Annual<br/>Totals</b> |
|-----------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|---------------------------------------------|-----------------------------------------|
| <b>Operating Revenues</b>                     |                                                        |                                                            |                                             |                                         |
| Charges for Services                          | 30.15                                                  | 32.10                                                      | 106%                                        | 29.39                                   |
| Other Revenues                                | 0.28                                                   | 1.43                                                       | 514%                                        | 0.25                                    |
| <b>Total Operating Revenues</b>               | <b>30.43</b>                                           | <b>33.53</b>                                               | <b>110%</b>                                 | <b>29.64</b>                            |
| <b>Operating Expenditures</b>                 |                                                        |                                                            |                                             |                                         |
| Salaries and Benefits                         | 9.23                                                   | 9.20                                                       | 100%                                        | 8.50                                    |
| Services, Materials and Supplies              | 12.61                                                  | 11.45                                                      | 91%                                         | 11.51                                   |
| Administrative Support                        | 1.72                                                   | 1.67                                                       | 97%                                         | 1.58                                    |
| <b>Total Operating Expenditures</b>           | <b>23.56</b>                                           | <b>22.33</b>                                               | <b>95%</b>                                  | <b>21.60</b>                            |
| <b>Operating Surplus / (Deficit)</b>          | <b>6.86</b>                                            | <b>11.20</b>                                               |                                             | <b>8.04</b>                             |
| <b>Capital and Non-Recurring Revenues</b>     | 4.23                                                   | 1.40                                                       | 33%                                         | 2.21                                    |
| <b>Capital and Non-Recurring Expenditures</b> | 16.27                                                  | 4.57                                                       | 28%                                         | 5.43                                    |
| <b>2014 Earthquake Revenues (FEMA/CalOES)</b> | 2.65                                                   | 3.01                                                       | 0%                                          | 0.29                                    |
| <b>2014 Earthquake Expenditures</b>           | 2.78                                                   | 0.33                                                       | 0%                                          | 0.04                                    |
| <b>2017 Fire Revenues (FEMA/CalOES)</b>       | 1.66                                                   | 0.73                                                       | 0%                                          | 1.18                                    |
| <b>2017 Fire Expenditures</b>                 | 2.37                                                   | 0.43                                                       | 0%                                          | 0.44                                    |
| <b>Debt Service Expenditures</b>              | 3.42                                                   | 1.55                                                       | 45%                                         | 1.64                                    |
| <b>Water Interfund Transfer Revenue</b>       | 2.17                                                   | 2.17                                                       | 100%                                        | 0.07                                    |
| <b>Water Interfund Transfer Expenditures</b>  | 2.17                                                   | 2.17                                                       | 100%                                        | 0.07                                    |
| <b>Total Surplus / (Deficit)</b>              | <b>(9.45)</b>                                          | <b>9.47</b>                                                |                                             |                                         |

| <b>Water Fund Balances</b>  | <b>7/1/2018</b>   | <b>Additions</b>  | <b>Uses</b>        | <b>6/30/2019</b>  |
|-----------------------------|-------------------|-------------------|--------------------|-------------------|
| Available Fund Balance      | 10,237,665        | 14,083,233        | (8,056,608)        | 16,264,290        |
| CIP Reserve                 | 3,532,522         | 1,068,000         | -                  | 4,600,522         |
| Operating Reserve           | 2,549,221         | -                 | -                  | 2,549,221         |
| Rate Stabilization Reserve  | 2,590,000         | -                 | -                  | 2,590,000         |
| Capital Replacement Reserve | 400,000           | -                 | -                  | 400,000           |
| Water Supply Reserve        | 1,125,000         | -                 | -                  | 1,125,000         |
| Emergency Reserve           | 1,100,461         | -                 | -                  | 1,100,461         |
| <b>Total</b>                | <b>21,534,870</b> | <b>15,151,233</b> | <b>(8,056,608)</b> | <b>28,629,494</b> |

Operating revenues were greater than anticipated, with preliminary totals \$3.1 million over budget (10.2%). Interest earnings, contract water sales and inside/outside customer charges exceeded budget by approximately \$1 million each. Operating expenditures were at 95% of budget, a savings of \$1.2 million. Savings are largely due to staff vacancies and reduced maintenance costs due to no major transmission main failures during the fiscal year.

Most capital improvement projects (CIP) are either not started or are currently in the design phase, therefore actual expenditures are just 28% of budgeted costs for design and construction.

In addition to planned capital projects, staff have focused on disaster recovery projects through FEMA/OES from the 2014 Earthquake and the 2017 Napa Sonoma Fire complex. Disaster recovery projects are expected to be reimbursed 93.75% of actual costs incurred at a rate of 75% from FEMA and 18.75% from the California Governor's Office of Emergency Services (OES). Construction completion and reimbursement for the Earthquake projects will occur in FY 2019/20. For fire recovery projects, FY 2018/19 progress included authorizations for projects through OES/FEMA with minimal expenditures other than staff time. Expenditures and corresponding reimbursement revenue for implementation of fire recovery projects will be realized in FY 2019/20.

The projected ending fund balance will be used as follows: approximately \$8.0 million is reserved to fund the CIP budget for FY 2019/20 and FY 2020/21, \$3.4 million will fully fund Water Fund reserves per the Fiscal Policy and \$8.3 million will be transferred to the Water Fund CIP reserve per the Fiscal Policy to fund future projects.

### Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments of the city. Napa's Internal Service Funds include: Fleet Management, Information Technology Replacement, Risk Management, Post-Employment Benefits, and Equipment Replacement.

| <b>Internal Service Funds</b>                  | <b>FY 2018/19<br/>Budget<br/>(as of<br/>6/30/2019)</b> | <b>FY 2018/19<br/>YTD Actual<br/>(as of<br/>6/30/2019)</b> | <b>% to date<br/>(as of<br/>6/30/2019)</b> | <b>FY 2017/18<br/>Actual<br/>(as of<br/>6/30/2018)</b> |
|------------------------------------------------|--------------------------------------------------------|------------------------------------------------------------|--------------------------------------------|--------------------------------------------------------|
| <b>Fleet Management Fund</b>                   |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>1.95</b>                                            | <b>1.95</b>                                                |                                            | <b>2.19</b>                                            |
| Revenues                                       | 4.87                                                   | 5.01                                                       | 103%                                       | 2.86                                                   |
| Expenditures                                   | 3.61                                                   | 4.10                                                       | 114%                                       | 1.61                                                   |
| Fund Balance Addition/(Reduction)              | 1.26                                                   | 0.91                                                       |                                            | 1.25                                                   |
| <b>Projected Ending Available Balance</b>      | <b>3.20</b>                                            | <b>2.85</b>                                                |                                            |                                                        |
| <b>Fleet - Fire Apparatus Replacement Fund</b> |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>2.53</b>                                            | <b>2.53</b>                                                |                                            | <b>0.26</b>                                            |
| Revenues                                       | 0.37                                                   | 0.42                                                       | 114%                                       | 0.17                                                   |
| Expenditures                                   | -                                                      | 0.00                                                       | -                                          | 0.00                                                   |
| Fund Balance Addition/(Reduction)              | 0.37                                                   | 0.42                                                       |                                            | 0.17                                                   |
| <b>Projected Ending Available Balance</b>      | <b>2.89</b>                                            | <b>2.94</b>                                                |                                            |                                                        |
| <b>IT Replacement</b>                          |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>0.03</b>                                            | <b>0.03</b>                                                |                                            | <b>0.07</b>                                            |
| Revenues                                       | 0.16                                                   | 0.16                                                       | 100%                                       | 0.09                                                   |
| Expenditures                                   | 0.16                                                   | 0.14                                                       | 89%                                        | 0.05                                                   |
| Fund Balance Addition/(Reduction)              | -                                                      | 0.02                                                       |                                            | 0.03                                                   |
| <b>Projected Ending Available Balance</b>      | <b>0.03</b>                                            | <b>0.05</b>                                                |                                            |                                                        |
| <b>Risk Management</b>                         |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>4.37</b>                                            | <b>4.37</b>                                                |                                            | <b>3.98</b>                                            |
| Revenues                                       | 5.54                                                   | 6.90                                                       | 125%                                       | 2.39                                                   |
| Expenditures                                   | 8.27                                                   | 5.83                                                       | 71%                                        | 2.27                                                   |
| Fund Balance Addition/(Reduction)              | (2.73)                                                 | 1.07                                                       |                                            | 0.12                                                   |
| <b>Projected Ending Available Balance</b>      | <b>1.64</b>                                            | <b>5.43</b>                                                |                                            |                                                        |
| <b>Post Employment Benefits (PEB)</b>          |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>3.91</b>                                            | <b>3.91</b>                                                |                                            | <b>(0.29)</b>                                          |
| Revenues                                       | 1.07                                                   | 2.64                                                       | 246%                                       | 0.52                                                   |
| Expenditures                                   | 1.11                                                   | 1.67                                                       | 151%                                       | 1.80                                                   |
| Fund Balance Addition/(Reduction)              | (0.03)                                                 | 0.96                                                       |                                            | (1.28)                                                 |
| <b>Projected Ending Available Balance</b>      | <b>3.87</b>                                            | <b>4.87</b>                                                |                                            |                                                        |
| <b>Equipment Replacement</b>                   |                                                        |                                                            |                                            |                                                        |
| <b>Available Capital [1]</b>                   | <b>0.30</b>                                            | <b>0.30</b>                                                |                                            | <b>0.10</b>                                            |
| Revenues                                       | 0.10                                                   | 0.11                                                       | 111%                                       | 0.05                                                   |
| Expenditures                                   | -                                                      | 0.00                                                       | -                                          | -                                                      |
| Fund Balance Addition/(Reduction)              | 0.10                                                   | 0.11                                                       |                                            | 0.05                                                   |
| <b>Projected Ending Available Balance</b>      | <b>0.40</b>                                            | <b>0.41</b>                                                |                                            |                                                        |

[1] Available Capital = Fund Balance available for Appropriation

### **What We Are Watching**

#### **Nationally:**

The Federal Reserve Board decreased rates by a quarter percentage July, and then by another quarter percentage in September, bringing the benchmark funds rate to 2.0 percent. There is potential for another rate decrease in December. These decreases are meant to protect the economy against slow growth in Europe and Asia, as well as ongoing trade and tariff issues. However, there are concerns that these historically low rates could contribute to financial bubbles.

The second estimate for April-June 2019 GDP is 2.0%, lower than last quarter's growth of 3.1%. The slight reduction in GDP growth is largely due to reduced exports and business fixed and inventory investment. The Congressional Budget Office Economic Forecast projects a slowdown in GDP growth over the next few years as consumer and government spending declines.

#### **State:**

California's unemployment rate in June 2019 was at 4.2%, slightly lower than the June 2018 rate of 4.5%. Over the last 12 months, the labor force decreased by 58,700 people and the number of unemployed people increased by 8,000.

The California Legislative Analyst's Office's August report on the State Fiscal Health Index states that a slowdown could be on the horizon. The Index tracks the strength of various economic conditions that are relevant to the state's fiscal health, such as home sales, building permits, and unemployment claims. As of August 2019, the Index had declined for five straight months. Declines of this duration and magnitude have not been observed since the last recession, however the actions the Fed has taken by lowering interest rates may mitigate the slowdown.

California home sales have been relatively weak for the past year. As of September sales have stabilized and are no longer declining from month to month, but are now at low levels that could signal weakening economic conditions.

Unemployment continues to decline, with the California June 2019 unemployment rate at only 4.2% This is 0.3% lower than the June 2018 rate of 4.5%.

#### **Local Economic Condition:**

TOT baseline revenue growth has slowed over the past two years, with FY 2018/19 preliminary revenue ending \$2.5 million under budget. Growth assumptions have been greatly reduced in both the adopted FY 2019/20 budget and the forthcoming Long-Term Financial Forecast.

The City has projects related to the January and February 2017 winter storms and to the October 2017 Atlas fire going through the approval process with FEMA.

As of June the median sold price for existing single-family homes in Napa County was \$705,750, and it has climbed to \$787,500 by September. As of September home sales were up 25.3% as compared to September 2018.

Real estate agents that spoke to the North Bay Business Journal stated that the market in the North Bay appeared to be cooling. In Napa, the median time on the market was 68 days for existing single-family homes, while other counties in the North Bay Area ranged from 36-45 days. We will be watching the housing market closely for impact on property tax and other City revenues.

Napa County's unemployment rate continues to be lower than California's overall rate, and was 2.8% for June 2019. Over the last twelve months, the labor force in the County increased by 900 people and the number of unemployed people increased by 1,100. The June 2019 rate of 2.8% is lower than the June 2018 rate of 3.1%. As unemployment rates continue to decrease, employers are having more difficulty finding and retaining workers.

### **Disaster Projects**

FEMA formally obligated one project related to the October 2017 fires in the second quarter. The budget adjustments for this project are included in the "Recommendation" section below. The City received \$105,084 in Federal and State funds for the Emergency Response – Milliken Watershed Protections Project. The project total is \$109,892, reflecting the City's 6.25% share of the total project (\$6,868).

### **FY 2018/19 Appropriation Adjustments**

In accordance with Resolution R2017-091 Section 7 and 8, as part of the Budget Adoption, the City Manager is authorized to increase appropriations for specific purposes, as long as the expenditure appropriations do not exceed the amount of the donation, and the adjustment is reported to the City Council as part of the End of Year Financial Report. The tables below show adjustments made from January 1 through June 30, 2019:

| <b>Budget Adjustment Summary (Fund / Department / Purpose)</b>       | <b>Revenues</b>   | <b>Expenditures</b> |
|----------------------------------------------------------------------|-------------------|---------------------|
| Fund 100 / Fire Department / CalOES Reimbursements                   | 93,106.00         | 93,106.00           |
| Fund 100 / Parks and Recreation / Donations for Lighted Art Festival | 6,850.00          | 6,850.00            |
| Fund 100 / Parks and Recreation / Donations for Fourth of July       | 7,500.00          | 7,500.00            |
| <b>Total General Fund</b>                                            | <b>107,456.00</b> | <b>107,456.00</b>   |

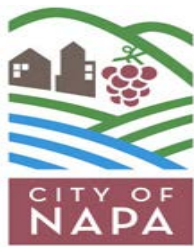
| <b>Budget Adjustment Summary (Fund / Department / Purpose)</b>                | <b>Revenues</b>   | <b>Expenditures</b> |
|-------------------------------------------------------------------------------|-------------------|---------------------|
| Fund 101 / Community Development / Developer Paid Contract - various projects | 250,017.50        | 250,017.50          |
| Fund 101 / Police Department / COPS                                           | 122,199.00        | 122,199.00          |
| <b>Total Non-Recurring General Fund</b>                                       | <b>372,216.50</b> | <b>372,216.50</b>   |



**Recommendation**

Approve a resolution to transfer \$2 million of unassigned fund balance from the General Fund to the IT Replacement Fund for future appropriation for City IT projects. The City is currently working on contract negotiations for a new Enterprise Resource Planning (ERP) system, and has several large projects in the pipeline to replace other software programs and update obsolete IT infrastructure. Committing these funds to the IT Replacement Reserve gives the City a dedicated funding source for IT projects when they are brought to Council for approval.

When all entries and calculations for FY 2018/19 are complete, the remaining General Fund unassigned Fund Balance (approximately \$1.25 million) will be transferred to the Non-Recurring General Fund, as per Fiscal Policy 3.a.vi.1.



**City of Napa**  
**Quarterly Investment Report**  
as of June 30, 2019

**Introduction**

This report represents the City's investment portfolio as of June 30, 2019. The report includes all invested City funds with the exception of bond proceeds. All investments are in compliance with the City's adopted Statement of Investment Policy.

**Investment Approach**

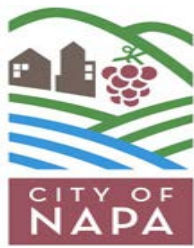
The City's investments are guided by an Investment Policy, which is reviewed and approved by the Council annually. The Investment Policy was last approved by the City Council in May 2018 and is provided as an appendix to this report for reference. The policy directs that investment goals, in order by priority, are safety, liquidity, and yield. This conservative approach ensures assets are available for use while also allowing the City to earn additional resources on idle funds. The City relies on an investment advisor and the State investment pool known as the Local Agency Investment Fund (LAIF).

**Current Market Conditions**

The second quarter saw plunging interest rates, surging equity prices, and increasing global growth concerns. Recent economic data has been mixed, with a 49-year low unemployment rate and a pickup in retail sales, but a slowing of manufacturing activity and sub-target inflation. While few economists expect the decade-long U.S. expansion to end soon, the Federal Reserve's (Fed) cautionary tone set the stage for rate cuts in the second half of the year.

At its June meeting, the Federal Open Market Committee (FOMC) maintained the overnight fed funds rate at a target range of 2.25% – 2.50% but acknowledged soft business investment, declining market-based inflation measures, enhanced trade tensions, and increased uncertainty to the outlook. In their latest assessment of monetary policy, nearly half of respondents viewed two rate cuts as appropriate by year-end. Fed Chair Jerome Powell affirmed that the Fed will “act as appropriate to sustain the expansion.” Powell also acknowledged that acting preemptively to cut rates in light of a possible slowdown may be best for the economy, stating that “an ounce of prevention is worth a pound of cure.”

U.S economic growth is expected to slow from a surprisingly fast economic spurt in the previous quarter. The U.S. Gross Domestic Product (GDP) grew 3.1% in the first quarter, up from 2.2% in the fourth quarter of 2018. Growth was driven by an unexpected improvement in net exports and outsized growth in inventories, factors which are unlikely to be sustained. But consumer spending, which makes



**City of Napa**  
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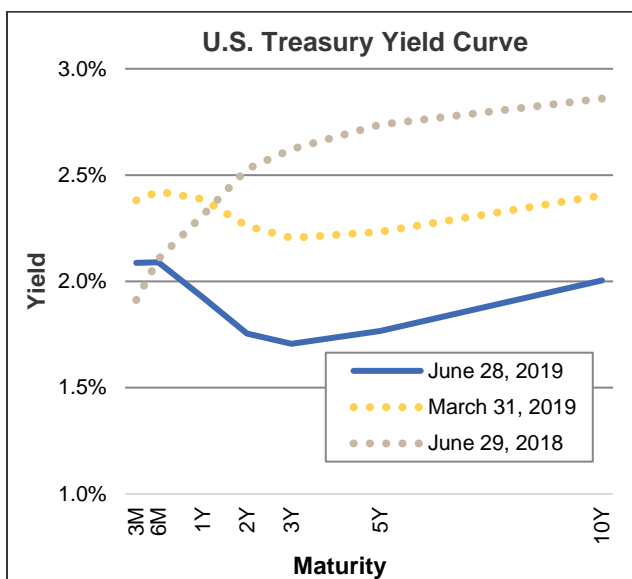
up more than two-thirds of total economic output, increased at a slower pace relative to prior quarters. Forecasts for the second quarter are substantially lower—generally in the 1.5% to 2.0% range.

The U.S. labor market continues to remain strong, with average job growth of 172,000 jobs per month in 2019 compared with average gains of 223,000 in 2018. The unemployment rate stood at 3.7% in June, as the economy remains at what is considered “full employment”, while wages rose a modest 3.1% over the past year.

Inflation pressures have been tame. The Consumer Price Index (CPI) rose 1.6% over the past year. The Fed’s preferred inflation gauge, the Core Personal Consumption Expenditure (PCE) Price Index, which excludes food and energy prices, also rose 1.6% over the past year, below the Fed’s target of 2%.

While the equity markets climbed to new record highs with the S&P 500 returning 4.3% for the second quarter and 17.4% for the first half of 2019, U.S. Treasury yields continued their downward trend and the yield curve flattened further. U.S. Treasury yields fell for a third consecutive quarter, with maturities beyond one year falling 40 to 50 basis points (bps). The yields on longer Treasury maturities are now near 18-month lows. At quarter-end, the yield on a 3-month Treasury bill stood at 2.09%, the 2-year note was 1.75%, the 5-year was 1.77%, and the 10-year was yielding 2.01%. The yield curve reached its greatest level of inversion since 2007. The spread between the 10-year and 3-month Treasuries widened to -28 bps, although it finished the quarter narrower as short-term rates trended lower in expectation of rate cuts.

**Yield Curve History**



Source: Bloomberg

| Maturity | 6/30/19 | 3/31/19 | Change |
|----------|---------|---------|--------|
| 3-Mo.    | 2.09%   | 2.38%   | -0.29% |
| 6-Mo.    | 2.09%   | 2.42%   | -0.33% |
| 1-Yr.    | 1.93%   | 2.39%   | -0.46% |
| 2-Yr.    | 1.75%   | 2.26%   | -0.51% |
| 3-Yr.    | 1.71%   | 2.20%   | -0.49% |
| 5-Yr.    | 1.77%   | 2.23%   | -0.46% |
| 10-Yr.   | 2.01%   | 2.41%   | -0.40% |



**City of Napa**  
**Quarterly Investment Report**  
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Total return performance was very strong across government and credit-sensitive fixed income assets in the second quarter. Lower yields pushed prices higher, with Treasury benchmarks posting some of their strongest quarterly returns in three years. The increasing yield curve inversion further boosted the returns of longer duration securities, outperforming shorter-maturity counterparts. Federal agency returns underperformed similar-duration Treasury securities for the quarter, as agency yield spreads continued to trade at very narrow levels. Following a superb performance in the first quarter, investment-grade corporates continued to be one of the best performing sectors for the second quarter of 2019. Despite temporarily increased volatility, the incremental income from the sector added positive excess returns to the City's portfolio. AAA-rated asset-backed securities (ABS) were modestly additive to the City's performance for the quarter, despite spreads bouncing off 10-year lows in June. The City's diversified sector allocation and extension of duration relative to the benchmark during the last two quarters led to modest outperformance over the benchmark.

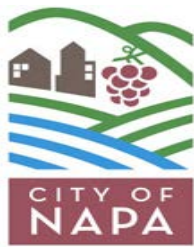
Amid slowing global growth expectations, weakness in manufacturing due to renewed trade disputes, low inflation, falling yields, and the expectation for multiple rates cuts by year-end, we will continue to maintain a portfolio duration in line with the benchmark to minimize risk and optimize performance relative to the benchmark. Going forward, the portfolio will continue to maintain its diversification among investment-grade sectors with an emphasis on higher grade corporate bonds given their income-producing potential.

**Total Return Comparison**  
**Periods Ending June 30, 2019**

|                                         | Past<br>Quarter | Past<br>Year | Past<br>3 Years | Past<br>5 Years |
|-----------------------------------------|-----------------|--------------|-----------------|-----------------|
| <b>City of Napa</b>                     | <b>1.83%</b>    | <b>5.23%</b> | <b>1.73%</b>    | <b>1.81%</b>    |
| ICE BofAML 1-5 Year<br>Government Index | 1.81%           | 4.87%        | 1.32%           | 1.54%           |
|                                         |                 |              |                 |                 |
| LAIF Yield                              | 0.63%           | 2.42%        | 1.52%           | 1.05%           |

\* Returns for periods under one year are periodic; all other returns are annualized.

\*\* Source of LAIF yield is State Treasurer's website. Reflects quarterly apportionment rate of LAIF de-annualized and linked over the specified time periods.

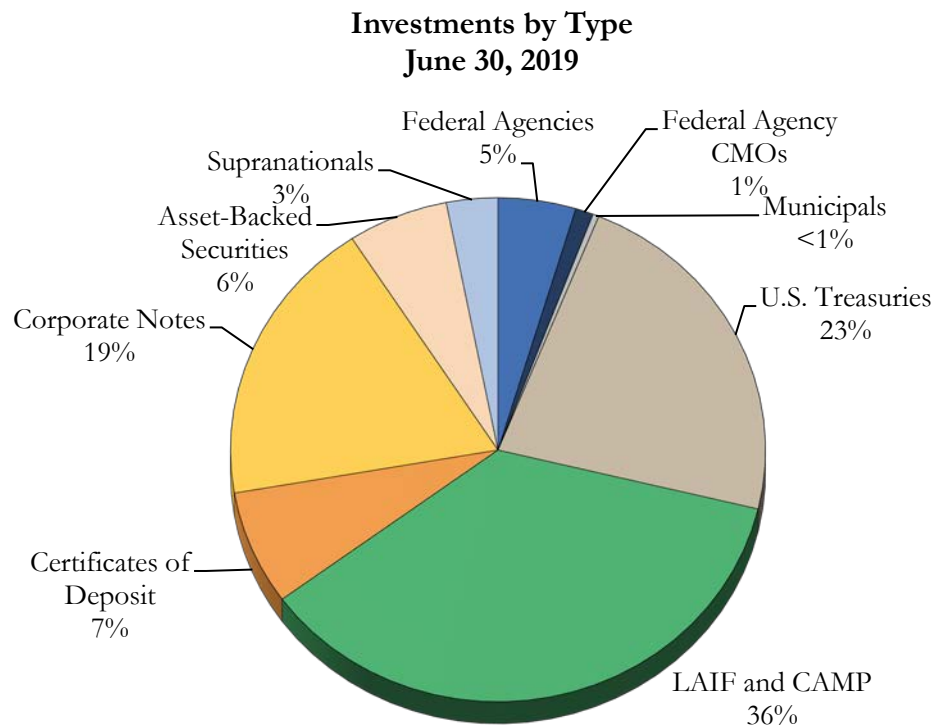


**City of Napa**  
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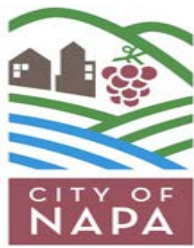
**Portfolio Information**

The City's cash, excluding bond proceeds, is pooled for investment purposes. As of June 30, 2019, invested funds totaled \$175,810,424. These investments belong to the General Fund and restricted funds such as the Developer, Special District, Water, Solid Waste, and Recycling Funds.

The City's portfolio is well diversified by investment type and consists of U.S. Treasuries, federal agencies, federal agency collateralized mortgage obligations (CMOs), municipals, supranationals, corporate notes, negotiable certificates of deposit, asset-backed securities, and cash instruments such as CAMP and LAIF. As noted in the chart below and on the attached investment detail report, as of June 30, 2019, approximately 65% of the City's investment portfolio was invested in the State Local Agency Investment Fund (LAIF), the California Asset Management Program (CAMP) and high-quality U.S. Treasury and federal agency securities to maintain the focus on safety and liquidity. Approximately 32% of the portfolio is allocated to high quality credit instruments including negotiable certificates of deposit, corporate notes, and asset-backed securities as yields and return potential on these investment types continued to be attractive relative to comparable-maturity government securities.

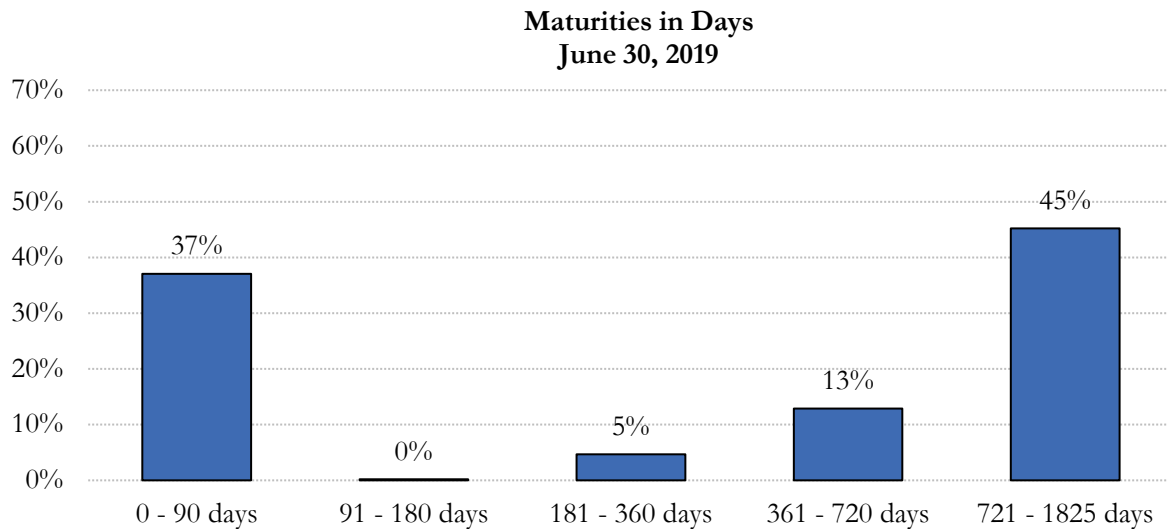


The City's Investment Policy allows for a 5-year time horizon with an emphasis on liquidity. As of June 30, 2019, 37% of the City's funds were invested in very short-term liquid investments, 18% of



**City of Napa**  
**Quarterly Investment Report**  
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the funds were invested with maturities between 91 days and 2 years, and 45% of the investment portfolio had a maturity ranging from 2 to 5 years. This distribution allows the City the necessary liquidity to meet operational and emergency cash needs while maximizing returns on funds not needed in the immediate future.



### **Conclusion**

All City funds are invested in accordance with the approved Investment Policy with an emphasis on safety, liquidity, and yield (in that order). The City's investment strategy of balancing the investment portfolio between short-term investments (to meet cash flow needs) and longer-term maturities (to realize a higher rate of return) is appropriate given the current market conditions.

The investment portfolio will continue to be closely monitored to ensure the avoidance of risk and to respond to changes in market conditions.



City of Napa  
Quarterly Investment Report - Summary and Performance  
as of June 30, 2019

| Sector                            | Par Value             | Original Cost         | Market Value*         |
|-----------------------------------|-----------------------|-----------------------|-----------------------|
| U.S. Treasuries                   | 39,635,000.00         | 38,545,825.38         | 39,736,164.32         |
| Federal Agencies                  | 7,890,000.00          | 7,978,099.83          | 8,270,090.36          |
| Federal Agency CMOs               | 1,858,442.87          | 1,876,625.73          | 1,898,987.51          |
| Municipals                        | 635,000.00            | 635,025.40            | 644,912.35            |
| Supra-National Agencies           | 5,435,000.00          | 5,383,895.68          | 5,463,629.71          |
| Certificates of Deposit           | 12,810,000.00         | 12,809,620.00         | 12,893,013.44         |
| Corporate Notes                   | 32,245,000.00         | 32,701,920.30         | 32,604,397.41         |
| Asset-Backed Securities           | 10,641,532.79         | 10,640,308.28         | 10,687,381.49         |
| California Asset Management Trust | 59,201,498.98         | 59,201,498.98         | 59,201,498.98         |
| Local Agency Investment Fund      | 4,410,348.80          | 4,410,348.80          | 4,410,348.80          |
| <b>Total</b>                      | <b>174,761,823.44</b> | <b>174,183,168.38</b> | <b>175,810,424.37</b> |

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|                             | Portfolio Earnings |                  | Total Return Performance |        |        |                           |
|-----------------------------|--------------------|------------------|--------------------------|--------|--------|---------------------------|
|                             | Market Value Basis | Accrual Basis    | Current Quarter          | 1 Year | 5 Year | Since Inception (3/31/99) |
| Beginning Value (3/31/2019) | \$110,758,728.17   | \$110,147,421.06 |                          |        |        |                           |
| Net Purchases/Sales         | \$489,552.12       | \$489,552.12     |                          |        |        |                           |
| Change in Value             | \$1,364,677.72     | \$121,873.13     |                          |        |        |                           |
| Ending Value (6/30/2019)    | \$112,612,958.01   | \$110,758,846.31 |                          |        |        |                           |
| Interest Earned             | \$670,764.63       | \$670,764.63     |                          |        |        |                           |
| Portfolio Earnings          | \$2,035,442.35     | \$792,637.76     |                          |        |        |                           |

Portfolio values as of June 30, 2019 excluding accrued interest  
Portfolio earnings and performance excludes funds in the California Asset Management Trust and the Local Agency Investment Fund.



**City of Napa**  
**Quarterly Investment Report - Holdings Report**  
as of June 30, 2019

| CUSIP                     | Description                            | S&P Rating      |                 | Par Value     | Purchase Date | Coupon Rate | Maturity Date | Original Cost | Yield to Maturity | Accrued Interest | Market Value  |
|---------------------------|----------------------------------------|-----------------|-----------------|---------------|---------------|-------------|---------------|---------------|-------------------|------------------|---------------|
|                           |                                        | FY Quarter 1Q19 | FY Quarter 2Q19 |               |               |             |               |               |                   |                  |               |
| LAIF and CAMP             |                                        |                 |                 |               |               |             |               |               |                   |                  |               |
| N/A                       | California Asset Management Trust      | AAAm            | AAAm            | 59,201,498.98 | 6/30/2019     | 2.48%       | 7/1/2019      | 59,201,498.98 | 2.48%             | -                | 59,201,498.98 |
| N/A                       | Local Agency Investment Fund           | NR              | NR              | 4,410,348.80  | 6/30/2019     | 2.57%       | 7/1/2019      | 4,410,348.80  | 2.57%             | -                | 4,410,348.80  |
| Total LAIF and CAMP       |                                        |                 |                 | 63,611,847.78 |               |             |               | 63,611,847.78 | 2.49%             | -                | 63,611,847.78 |
| U.S. Treasuries           |                                        |                 |                 |               |               |             |               |               |                   |                  |               |
| 912828H86                 | U.S. Treasury                          | AA+             | AA+             | 470,000.00    | 7/7/2017      | 1.50%       | 1/31/2022     | 462,270.70    | 1.72%             | 2,940.75         | 467,356.25    |
| 912828W9                  | U.S. Treasury                          | AA+             | AA+             | 2,130,000.00  | 4/4/2018      | 1.88%       | 9/30/2022     | 2,069,844.14  | 1.72%             | 10,038.93        | 2,140,483.86  |
| 912828Q29                 | U.S. Treasury                          | AA+             | AA+             | 1,575,000.00  | 5/2/2018      | 1.50%       | 3/31/2023     | 1,480,500.00  | 1.73%             | 5,938.52         | 1,561,896.00  |
| 912828W9                  | U.S. Treasury                          | AA+             | AA+             | 250,000.00    | 6/8/2018      | 1.88%       | 9/30/2022     | 241,308.59    | 1.72%             | 1,178.28         | 251,230.50    |
| 912828N30                 | U.S. Treasury                          | AA+             | AA+             | 550,000.00    | 7/6/2018      | 2.13%       | 12/31/2022    | 536,056.64    | 1.72%             | 31.76            | 557,498.15    |
| 912828N30                 | U.S. Treasury                          | AA+             | AA+             | 2,700,000.00  | 9/6/2018      | 2.13%       | 12/31/2022    | 2,628,808.59  | 1.72%             | 155.91           | 2,736,809.10  |
| 912828P38                 | U.S. Treasury                          | AA+             | AA+             | 2,425,000.00  | 10/3/2018     | 1.75%       | 1/31/2023     | 2,307,539.06  | 1.73%             | 17,701.83        | 2,426,704.78  |
| 912828P38                 | U.S. Treasury                          | AA+             | AA+             | 2,000,000.00  | 11/6/2018     | 1.75%       | 1/31/2023     | 1,904,609.38  | 1.73%             | 14,599.45        | 2,001,406.00  |
| 912828Q29                 | U.S. Treasury                          | AA+             | AA+             | 800,000.00    | 12/6/2018     | 1.50%       | 3/31/2023     | 756,437.50    | 1.73%             | 3,016.39         | 793,344.00    |
| 912828N30                 | U.S. Treasury                          | AA+             | AA+             | 8,825,000.00  | 1/31/2019     | 2.13%       | 12/31/2022    | 8,685,041.02  | 1.72%             | 509.60           | 8,945,311.23  |
| 912828R69                 | U.S. Treasury                          | AA+             | AA+             | 6,700,000.00  | 3/6/2019      | 1.63%       | 5/31/2023     | 6,456,863.28  | 1.73%             | 9,221.65         | 6,673,568.50  |
| 912828R69                 | U.S. Treasury                          | AA+             | AA+             | 2,400,000.00  | 4/5/2019      | 1.63%       | 5/31/2023     | 2,334,656.25  | 1.73%             | 3,303.28         | 2,390,532.00  |
| 912828X70                 | U.S. Treasury                          | N/A             | AA+             | 2,700,000.00  | 5/6/2019      | 2.00%       | 4/30/2024     | 2,656,863.28  | 1.76%             | 9,097.83         | 2,729,424.60  |
| 912828F53                 | U.S. Treasury                          | N/A             | AA+             | 1,045,000.00  | 6/5/2019      | 2.88%       | 10/15/2021    | 1,069,043.16  | 1.74%             | 6,320.68         | 1,071,574.35  |
| 912828T26                 | U.S. Treasury                          | N/A             | AA+             | 5,065,000.00  | 6/5/2019      | 1.38%       | 9/30/2023     | 4,955,983.79  | 1.74%             | 17,506.08        | 4,989,025.00  |
| Total U.S. Treasuries     |                                        |                 |                 | 39,635,000.00 |               |             |               | 38,545,825.38 | 1.73%             | 101,560.94       | 39,736,164.32 |
| Federal Agencies          |                                        |                 |                 |               |               |             |               |               |                   |                  |               |
| 313383YJ4                 | Federal Home Loan Banks                | AA+             | AA+             | 2,455,000.00  | 12/6/2018     | 3.38%       | 9/8/2023      | 2,497,707.18  | 1.79%             | 26,007.66        | 2,610,941.60  |
| 313383YJ4                 | Federal Home Loan Banks                | AA+             | AA+             | 1,400,000.00  | 1/9/2019      | 3.38%       | 9/8/2023      | 1,443,246.00  | 1.79%             | 14,831.25        | 1,488,928.00  |
| 3135G0U43                 | Federal National Mortgage Association  | AA+             | AA+             | 1,135,000.00  | 1/9/2019      | 2.88%       | 9/12/2023     | 1,147,700.65  | 1.84%             | 9,880.02         | 1,192,094.56  |
| 3135G0V34                 | Federal National Mortgage Association  | AA+             | AA+             | 1,600,000.00  | 2/8/2019      | 2.50%       | 2/5/2024      | 1,594,048.00  | 1.82%             | 15,888.89        | 1,648,078.40  |
| 3130AFW94                 | Federal Home Loan Banks                | AA+             | AA+             | 1,300,000.00  | 2/15/2019     | 2.50%       | 2/13/2024     | 1,295,398.00  | 1.80%             | 12,277.78        | 1,340,047.80  |
| Total Federal Agencies    |                                        |                 |                 | 7,890,000.00  |               |             |               | 7,978,099.83  | 1.81%             | 78,885.60        | 8,270,090.36  |
| Federal Agency CMOs       |                                        |                 |                 |               |               |             |               |               |                   |                  |               |
| 3136AQDQ0                 | Federal National Mortgage Association  | AA+             | AA+             | 1,160.10      | 10/30/2015    | 1.65%       | 9/1/2019      | 1,171.72      | 2.09%             | 1.59             | 1,157.96      |
| 3137BNN26                 | Federal Home Loan Mortgage Corporation | AA+             | AA+             | 6,306.50      | 4/28/2016     | 1.78%       | 7/1/2019      | 6,369.41      | 2.53%             | 9.35             | 6,295.72      |
| 3137BMM6P6                | Federal Home Loan Mortgage Corporation | AA+             | AA+             | 840,000.00    | 4/9/2018      | 3.09%       | 8/25/2022     | 847,153.13    | 1.34%             | 2,163.00         | 861,985.91    |
| 3136B1XP4                 | Federal National Mortgage Association  | AA+             | AA+             | 550,830.77    | 4/30/2018     | 3.56%       | 9/25/2021     | 561,787.36    | 1.65%             | 1,634.13         | 561,654.21    |
| 3137FKK39                 | Federal Home Loan Mortgage Corporation | AA+             | AA+             | 460,145.50    | 12/17/2018    | 3.20%       | 7/1/2023      | 460,144.11    | 2.28%             | 1,228.20         | 467,893.71    |
| Total Federal Agency CMOs |                                        |                 |                 | 1,858,442.87  |               |             |               | 1,876,625.73  | 1.67%             | 5,036.27         | 1,898,987.51  |
| Municipals                |                                        |                 |                 |               |               |             |               |               |                   |                  |               |
| 13063DGA0                 | State of California                    | AA-             | AA-             | 635,000.00    | 4/25/2018     | 2.80%       | 4/1/2021      | 635,025.40    | 1.89%             | 4,445.00         | 644,912.35    |
| Total Municipals          |                                        |                 |                 | 635,000.00    |               |             |               | 635,025.40    | 1.89%             | 4,445.00         | 644,912.35    |





**City of Napa**  
**Quarterly Investment Report - Holdings Report**  
as of June 30, 2019

| CUSIP                         | Description                                   | S&P Rating |      | Par Value     | Purchase Date | Coupon Rate | Maturity Date | Original Cost | Yield to Maturity | Accrued Interest | Market Value  |
|-------------------------------|-----------------------------------------------|------------|------|---------------|---------------|-------------|---------------|---------------|-------------------|------------------|---------------|
|                               |                                               | 1Q19       | 2Q19 |               |               |             |               |               |                   |                  |               |
| Supra-National Agencies       |                                               |            |      |               |               |             |               |               |                   |                  |               |
| 45905UP32                     | International Bank of Reconstruction and Dev. | AAA        | AAA  | 1,370,000.00  | 9/19/2017     | 1.56%       | 9/12/2020     | 1,366,712.00  | 1.99%             | 6,475.11         | 1,363,113.01  |
| 4581XOCD8                     | Inter-American Development Bank               | AAA        | AAA  | 415,000.00    | 10/10/2017    | 2.13%       | 11/9/2020     | 418,846.68    | 1.94%             | 1,273.82         | 416,029.20    |
| 4581XOCZ9                     | Inter-American Development Bank               | AAA        | AAA  | 1,080,000.00  | 2/23/2018     | 1.75%       | 9/14/2022     | 1,032,760.80  | 1.80%             | 5,617.50         | 1,078,403.76  |
| 45905VLQ7                     | International Finance Corporation             | AAA        | AAA  | 1,000,000.00  | 3/16/2018     | 2.64%       | 3/9/2021      | 999,250.00    | 2.21%             | 8,197.78         | 1,007,067.00  |
| 459058GH0                     | International Bank of Reconstruction and Dev. | AAA        | AAA  | 1,570,000.00  | 7/25/2018     | 2.75%       | 7/23/2021     | 1,566,326.20  | 1.83%             | 18,949.03        | 1,599,016.74  |
| Total Supranationals          |                                               |            |      | 5,435,000.00  |               |             |               | 5,383,895.68  | 1.94%             | 40,513.24        | 5,463,629.71  |
| Certificates of Deposit       |                                               |            |      |               |               |             |               |               |                   |                  |               |
| 96121T4A3                     | Westpac Bank NY                               | AA-        | AA-  | 1,685,000.00  | 8/7/2017      | 2.05%       | 8/3/2020      | 1,685,000.00  | 2.09%             | 13,817.00        | 1,682,646.06  |
| 87019U6D6                     | Swedbank NY                                   | AA-        | AA-  | 1,830,000.00  | 11/17/2017    | 2.27%       | 11/16/2020    | 1,830,000.00  | 2.51%             | 5,308.02         | 1,824,605.16  |
| 22549LFR1                     | Credit Suisse NY                              | A-1        | A-1  | 1,080,000.00  | 2/8/2018      | 2.67%       | 2/7/2020      | 1,080,000.00  | 2.19%             | 40,290.30        | 1,082,947.32  |
| 65590ASN7                     | Nordea Bank NY                                | A-1+       | A-1+ | 1,815,000.00  | 2/22/2018     | 2.72%       | 2/20/2020     | 1,815,000.00  | 2.15%             | 17,964.47        | 1,821,521.30  |
| 90275DHG8                     | UBS CT                                        | A-1        | A-1  | 1,900,000.00  | 3/6/2018      | 2.90%       | 3/2/2020      | 1,900,000.00  | 2.26%             | 18,213.61        | 1,908,407.50  |
| 06417GU22                     | Bank of Nova Scotia Houston                   | A+         | A-1  | 1,000,000.00  | 6/7/2018      | 3.08%       | 6/5/2020      | 999,620.00    | 2.16%             | 2,224.44         | 1,008,388.00  |
| 78012UEE1                     | Royal Bank of Canada NY                       | AA-        | AA-  | 1,500,000.00  | 6/8/2018      | 3.24%       | 6/7/2021      | 1,500,000.00  | 2.19%             | 3,240.00         | 1,529,644.50  |
| 55379WZU3                     | Mitsubishi Ujf Financial Group Inc            | A          | A    | 1,000,000.00  | 2/28/2019     | 2.98%       | 2/25/2022     | 1,000,000.00  | 2.05%             | 10,181.67        | 1,024,748.60  |
| 22535CDV0                     | Royal Bank of Canada NY CD                    | N/A        | A+   | 1,000,000.00  | 4/4/2019      | 2.83%       | 4/1/2022      | 1,000,000.00  | 2.47%             | 6,917.78         | 1,010,105.00  |
| Total Certificates of Deposit |                                               |            |      | 12,810,000.00 |               |             |               | 12,809,620.00 | 2.24%             | 118,157.29       | 12,893,013.44 |
| Corporate Notes               |                                               |            |      |               |               |             |               |               |                   |                  |               |
| 36962G4D3                     | General Electric Capital Corporation          | BBB+       | BBB+ | 1,470,000.00  | 4/15/2015     | 6.00%       | 8/7/2019      | 1,728,822.90  | 2.74%             | 35,280.00        | 1,474,818.66  |
| 12189TBC7                     | Burlington Northern Santa Fe                  | A+         | A+   | 350,000.00    | 6/8/2016      | 4.70%       | 10/1/2019     | 386,365.00    | 2.64%             | 4,112.50         | 351,784.65    |
| 94974BGR5                     | Wells Fargo                                   | A-         | A-   | 1,345,000.00  | 2/3/2017      | 2.55%       | 12/7/2020     | 1,348,160.75  | 2.35%             | 2,286.50         | 1,348,770.04  |
| 06406RAA5                     | Bank of New York Mellon                       | A          | A    | 1,395,000.00  | 2/10/2017     | 2.60%       | 2/7/2022      | 1,395,641.70  | 2.20%             | 14,508.00        | 1,409,074.16  |
| 0258M0EE5                     | American Express                              | A-         | A-   | 840,000.00    | 3/3/2017      | 2.20%       | 3/3/2020      | 839,126.40    | 2.36%             | 6,057.33         | 839,119.68    |
| 25468PDP8                     | Walt Disney                                   | A          | A    | 285,000.00    | 3/6/2017      | 1.95%       | 3/4/2020      | 284,925.90    | 2.34%             | 1,806.19         | 284,249.60    |
| 24422ETL3                     | John Deere Capital                            | A          | A    | 595,000.00    | 3/15/2017     | 2.65%       | 1/6/2022      | 592,376.05    | 2.21%             | 7,664.76         | 601,389.71    |
| 61747WAL3                     | Morgan Stanley                                | BBB+       | BBB+ | 845,000.00    | 3/29/2017     | 5.50%       | 7/28/2021     | 938,930.20    | 2.40%             | 19,751.88        | 897,781.24    |
| 05531FAX1                     | BB&T                                          | A-         | A-   | 1,375,000.00  | 4/6/2017      | 2.75%       | 4/1/2022      | 1,385,381.25  | 2.29%             | 9,453.13         | 1,391,644.38  |
| 904764AV9                     | Unilever Capital                              | A+         | A+   | 175,000.00    | 5/5/2017      | 1.80%       | 5/5/2020      | 174,441.75    | 2.25%             | 490.00           | 174,341.48    |
| 0258M0EB1                     | American Express                              | A-         | A-   | 1,635,000.00  | 5/15/2017     | 2.25%       | 5/5/2021      | 1,625,271.75  | 2.23%             | 5,722.50         | 1,635,483.96  |
| 38141GWG5                     | Goldman Sachs Bank                            | BBB+       | BBB+ | 1,615,000.00  | 5/15/2017     | 2.60%       | 12/27/2020    | 1,622,945.80  | 2.53%             | 466.56           | 1,616,550.40  |
| 437076BQ4                     | Home Depot Inc.                               | A          | A    | 455,000.00    | 6/5/2017      | 1.80%       | 6/5/2020      | 454,736.10    | 2.18%             | 591.50           | 453,420.24    |
| 06051GEM7                     | Bank of America Corp.                         | A-         | A-   | 395,000.00    | 6/22/2017     | 5.70%       | 1/24/2022     | 446,831.90    | 2.27%             | 9,819.04         | 428,624.77    |
| 02665WB7                      | American Honda Finance                        | A          | A    | 125,000.00    | 7/20/2017     | 1.95%       | 7/20/2020     | 124,873.75    | 2.26%             | 1,090.10         | 124,592.13    |
| 20030NBD2                     | Comcast Corporation                           | A-         | A-   | 915,000.00    | 9/1/2017      | 3.13%       | 7/15/2022     | 953,969.85    | 2.14%             | 13,184.90        | 941,309.00    |
| 14913Q2A6                     | Caterpillar Financial                         | A          | A    | 685,000.00    | 9/7/2017      | 1.85%       | 9/4/2020      | 684,424.60    | 2.15%             | 4,118.56         | 682,587.43    |
| 44932HAB9                     | IBM                                           | A          | A    | 915,000.00    | 9/8/2017      | 1.80%       | 1/20/2021     | 913,105.95    | 2.21%             | 7,365.75         | 909,282.17    |
| 89236TEC5                     | Toyota Motor Credit Corporation               | AA-        | AA-  | 915,000.00    | 9/12/2017     | 2.15%       | 9/8/2022      | 913,920.30    | 2.11%             | 6,174.98         | 916,053.17    |
| 06051GGS2                     | Bank of America Corp.                         | A-         | A-   | 385,000.00    | 9/18/2017     | 2.33%       | 10/1/2021     | 385,000.00    | 2.38%             | 2,240.70         | 384,534.15    |
| 713448DX3                     | PepsiCo                                       | A+         | A+   | 580,000.00    | 10/10/2017    | 2.00%       | 4/15/2021     | 579,884.00    | 2.01%             | 2,448.89         | 579,841.08    |
| 931142EA7                     | Wal-Mart Stores                               | AA         | AA   | 1,630,000.00  | 10/20/2017    | 1.90%       | 12/15/2020    | 1,627,636.50  | 2.03%             | 1,376.44         | 1,627,072.52  |
| 69371RN85                     | Paccar Financial Corp.                        | A+         | A+   | 255,000.00    | 11/13/2017    | 2.05%       | 11/13/2020    | 254,977.05    | 2.11%             | 697.00           | 254,805.44    |
| 911312BP0                     | UPS                                           | A+         | A+   | 730,000.00    | 11/14/2017    | 2.05%       | 4/1/2021      | 728,846.60    | 2.15%             | 3,741.25         | 728,791.12    |



City of Napa  
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as of June 30, 2019

| CUSIP                         | Description                                    | S&P Rating |      | Par Value      | Purchase Date | Coupon Rate | Maturity Date | Original Cost  | Yield to Maturity | Accrued Interest | Market Value   |
|-------------------------------|------------------------------------------------|------------|------|----------------|---------------|-------------|---------------|----------------|-------------------|------------------|----------------|
|                               |                                                | 1Q19       | 2Q19 |                |               |             |               |                |                   |                  |                |
| 24422ETZ2                     | John Deere Capital                             | A          | A    | 175,000.00     | 1/8/2018      | 2.35%       | 1/8/2021      | 174,909.00     | 2.15%             | 1,976.28         | 175,522.38     |
| 44932HAG8                     | IBM                                            | A          | A    | 175,000.00     | 2/6/2018      | 2.65%       | 2/5/2021      | 174,914.25     | 2.29%             | 1,880.76         | 175,967.05     |
| 63743HER9                     | National Rural Utilities Co Finance Corp       | A          | A    | 450,000.00     | 2/26/2018     | 2.90%       | 3/15/2021     | 449,500.50     | 2.19%             | 3,842.50         | 455,328.00     |
| 69371RN93                     | Paccar Financial Corp.                         | A+         | A+   | 550,000.00     | 2/27/2018     | 2.80%       | 3/1/2021      | 549,730.50     | 2.24%             | 5,133.33         | 555,049.00     |
| 24422EUD9                     | John Deere Capital                             | A          | A    | 310,000.00     | 3/13/2018     | 2.88%       | 3/12/2021     | 309,789.20     | 2.17%             | 2,698.51         | 313,645.91     |
| 14913Q2G3                     | Caterpillar Financial                          | A          | A    | 400,000.00     | 3/15/2018     | 2.90%       | 3/15/2021     | 399,784.00     | 2.21%             | 3,415.56         | 404,608.80     |
| 904764AZ0                     | Unilever Capital                               | A+         | A+   | 835,000.00     | 3/22/2018     | 2.75%       | 3/22/2021     | 830,733.15     | 2.15%             | 6,314.69         | 843,475.25     |
| 63743HER9                     | National Rural Utilities Co Finance Corp       | A          | A    | 600,000.00     | 4/19/2018     | 2.90%       | 3/15/2021     | 597,462.00     | 2.19%             | 5,123.33         | 607,104.00     |
| 427866BA5                     | Hershey Co.                                    | A          | A    | 450,000.00     | 5/10/2018     | 3.10%       | 5/15/2021     | 449,689.50     | 2.16%             | 1,782.50         | 457,706.70     |
| 369550BA5                     | General Dynamics Corp.                         | A+         | A+   | 630,000.00     | 5/11/2018     | 2.88%       | 5/11/2020     | 627,769.80     | 2.29%             | 2,515.63         | 633,124.17     |
| 02665WCP4                     | American Honda Finance                         | A          | A    | 575,000.00     | 10/10/2018    | 3.38%       | 12/10/2021    | 574,724.00     | 2.28%             | 1,132.03         | 589,822.93     |
| 437076BV3                     | Home Depot Inc.                                | A          | A    | 430,000.00     | 12/6/2018     | 3.25%       | 3/1/2022      | 428,821.80     | 2.01%             | 4,658.33         | 443,770.75     |
| 458140AM2                     | Intel Corporation                              | A+         | A+   | 900,000.00     | 12/28/2018    | 2.70%       | 12/15/2022    | 882,414.00     | 2.17%             | 1,080.00         | 915,707.70     |
| 097023BQ7                     | Boeing Company                                 | A          | A    | 1,025,000.00   | 1/4/2019      | 1.88%       | 6/15/2023     | 974,190.75     | 2.36%             | 854.17           | 1,006,155.38   |
| 46647PBB1                     | JPMorgan Chase                                 | A-         | A-   | 1,625,000.00   | 3/22/2019     | 3.21%       | 4/1/2023      | 1,625,000.00   | 2.63%             | 14,331.28        | 1,658,455.50   |
| 808513AY1                     | Charles Schwab                                 | A          | A    | 1,000,000.00   | 4/29/2019     | 3.55%       | 2/1/2024      | 1,034,750.00   | 2.20%             | 14,791.67        | 1,058,474.00   |
| 002824BE9                     | Abbott Laboratories                            | BBB+       | BBB+ | 990,000.00     | 5/14/2019     | 3.40%       | 11/30/2023    | 1,015,730.10   | 2.38%             | 2,898.50         | 1,032,187.86   |
| 172967LQ2                     | Citigroup                                      | BBB+       | BBB+ | 915,000.00     | 6/4/2019      | 2.70%       | 10/27/2022    | 911,687.70     | 2.43%             | 4,392.00         | 922,731.75     |
| 02665WCV5                     | American Honda Finance                         | A          | A    | 300,000.00     | 6/27/2019     | 2.20%       | 6/27/2022     | 299,724.00     | 2.24%             | 73.33            | 299,639.10     |
| Total Corporate Notes         |                                                |            |      | 32,245,000.00  |               |             |               | 32,701,920.30  | 2.29%             | 239,342.86       | 32,604,397.41  |
| Asset-Backed Securities       |                                                |            |      |                |               |             |               |                |                   |                  |                |
| 44930UAD8                     | Hyundai Auto Receivables                       | AAA        | AAA  | 12,053.72      | 3/30/2016     | 1.56%       | 9/15/2020     | 12,051.38      | 1.61%             | 8.36             | 12,048.66      |
| 65478VAD9                     | Nissan Auto Receivables                        | NR         | NR   | 38,675.74      | 4/27/2016     | 1.32%       | 1/15/2021     | 38,669.74      | 1.61%             | 22.69            | 38,570.74      |
| 89231UAD9                     | Toyota Auto Receivables                        | AAA        | AAA  | 1,918.27       | 5/11/2016     | 1.30%       | 4/15/2020     | 1,918.17       | 1.43%             | 1.11             | 1,917.12       |
| 47788NAC2                     | John Deere                                     | NR         | NR   | 7,548.32       | 7/27/2016     | 1.25%       | 6/15/2020     | 7,547.71       | 1.41%             | 4.19             | 7,541.42       |
| 44891EAC3                     | Hyundai Auto Receivables                       | AAA        | AAA  | 195,773.90     | 9/21/2016     | 1.29%       | 4/15/2021     | 195,747.56     | 1.55%             | 112.24           | 195,110.99     |
| 34531EAD8                     | Ford Credit Auto Owner Trust                   | NR         | NR   | 336,166.80     | 1/25/2017     | 1.67%       | 6/15/2021     | 336,165.55     | 1.91%             | 249.51           | 335,154.40     |
| 02007PAC7                     | Ally Auto Receivables Trust                    | NR         | NR   | 100,185.78     | 1/31/2017     | 1.70%       | 6/15/2021     | 100,177.03     | 1.84%             | 75.70            | 99,949.80      |
| 47788BAD6                     | John Deere Owners Trust                        | NR         | NR   | 218,841.59     | 7/18/2017     | 1.82%       | 10/15/2021    | 218,825.58     | 2.07%             | 177.02           | 218,278.93     |
| 89237RAD0                     | Toyota Motor Corp                              | AAA        | AAA  | 570,000.00     | 8/2/2017      | 1.78%       | 11/15/2021    | 569,954.57     | 2.07%             | 450.93           | 567,990.35     |
| 44932GAD7                     | Hyundai Auto Receivables                       | AAA        | AAA  | 752,687.39     | 8/16/2017     | 1.77%       | 1/15/2022     | 752,556.95     | 1.99%             | 592.11           | 750,602.82     |
| 02007FAC9                     | Ally Auto Receivables Trust                    | AAA        | AAA  | 531,639.25     | 8/23/2017     | 1.75%       | 12/15/2021    | 531,632.39     | 1.99%             | 413.50           | 530,040.45     |
| 34532AAD5                     | Ford Credit Auto Owner Trust                   | AAA        | AAA  | 915,000.00     | 11/21/2017    | 2.01%       | 3/15/2022     | 914,835.03     | 2.13%             | 817.40           | 913,537.37     |
| 02007YAC8                     | Ally Auto Receivables Trust                    | AAA        | AAA  | 671,042.03     | 1/22/2017     | 1.99%       | 3/15/2022     | 670,989.95     | 2.10%             | 593.50           | 670,054.05     |
| 43814UAC3                     | Honda Auto Receivables                         | AAA        | AAA  | 945,000.00     | 2/28/2018     | 2.64%       | 2/15/2022     | 944,877.81     | 2.32%             | 1,108.80         | 949,048.19     |
| 47788AC6                      | John Deere Owners Trust                        | NR         | NR   | 250,000.00     | 2/28/2018     | 2.66%       | 4/15/2022     | 249,982.03     | 2.29%             | 295.56           | 251,145.08     |
| 65478DAD9                     | Nissan Auto Receivables                        | AAA        | AAA  | 570,000.00     | 2/28/2018     | 2.65%       | 5/15/2022     | 569,934.85     | 2.29%             | 671.33           | 572,977.22     |
| 02582JHQ6                     | American Express Credit Account Master Account | NR         | NR   | 915,000.00     | 3/21/2018     | 2.67%       | 10/17/2022    | 914,893.77     | 2.48%             | 1,085.80         | 917,894.60     |
| 43814UAG4                     | Honda Auto Receivables                         | AAA        | AAA  | 235,000.00     | 5/30/2018     | 3.01%       | 5/18/2022     | 234,994.88     | 2.15%             | 255.43           | 237,925.63     |
| 02007JAC1                     | Ally Auto Receivables Trust                    | AAA        | AAA  | 800,000.00     | 6/27/2018     | 3.00%       | 1/15/2023     | 799,945.28     | 2.47%             | 1,066.67         | 807,526.08     |
| 36255JAD6                     | GM Financial Securitized Term                  | AAA        | AAA  | 450,000.00     | 7/18/2018     | 3.02%       | 5/16/2023     | 449,895.06     | 2.23%             | 566.25           | 456,921.86     |
| 14313FAD1                     | Carmax Auto Owner Trust                        | AAA        | AAA  | 520,000.00     | 7/25/2018     | 3.13%       | 6/15/2023     | 519,929.12     | 2.27%             | 723.38           | 528,827.93     |
| 89231AAD3                     | Toyota Motor Corp                              | AAA        | AAA  | 490,000.00     | 8/22/2018     | 3.02%       | 12/15/2022    | 489,912.83     | 2.07%             | 657.69           | 498,087.25     |
| 34531LAD2                     | Ford Credit Auto Lease Trust                   | NR         | NR   | 465,000.00     | 9/21/2018     | 3.19%       | 12/15/2021    | 464,960.71     | 2.33%             | 659.27           | 469,948.86     |
| 36256GAD1                     | GM Financial Auto Leasing Trust                | AAA        | AAA  | 340,000.00     | 9/26/2018     | 3.18%       | 6/20/2021     | 339,973.14     | 2.37%             | 330.37           | 342,769.66     |
| 14042WAC4                     | Capital One Auto Receivables Trust             | AAA        | AAA  | 310,000.00     | 5/30/2019     | 2.51%       | 11/15/2023    | 309,937.19     | 1.99%             | 345.82           | 313,512.02     |
| Total Asset-Backed Securities |                                                |            |      | 10,641,532.79  |               |             |               | 10,640,308.28  | 2.19%             | 11,284.63        | 10,687,381.49  |
| Total                         |                                                |            |      | 174,761,823.44 |               |             |               | 174,183,168.38 | 2.18%             | 599,225.83       | 175,810,424.37 |



**City of Napa**  
**Quarterly Investment Report - Maturity Report**  
as of June 30, 2019

| CUSIP                      | Description                                   | S&P Rating | Par Value            | Purchase Date | Coupon Rate | Maturity Date | Original Cost        | Yield to Maturity | Accrued Interest | Market Value         | Days to Maturity |
|----------------------------|-----------------------------------------------|------------|----------------------|---------------|-------------|---------------|----------------------|-------------------|------------------|----------------------|------------------|
| <b>LAIF and CAMP</b>       |                                               |            |                      |               |             |               |                      |                   |                  |                      |                  |
| N/A                        | California Asset Management Trust             | AAAm       | 59,201,498.98        | 6/30/2019     | 2.48%       | 7/1/2019      | 59,201,498.98        | 2.48%             | -                | 59,201,498.98        | 1                |
| N/A                        | Local Agency Investment Fund                  | NR         | 4,410,348.80         | 6/30/2019     | 2.57%       | 7/1/2019      | 4,410,348.80         | 2.57%             | -                | 4,410,348.80         | 1                |
| <b>Total LAIF and CAMP</b> |                                               |            | <b>63,611,847.78</b> |               |             |               | <b>63,611,847.78</b> |                   | <b>-</b>         | <b>63,611,847.78</b> |                  |
| <b>Other</b>               |                                               |            |                      |               |             |               |                      |                   |                  |                      |                  |
| 3137BNN26                  | Federal Home Loan Mortgage Corporation        | AA+        | 6,306.50             | 4/28/2016     | 1.78%       | 7/1/2019      | 6,369.41             | 1.10%             | 9.35             | 6,295.72             | 1                |
| 36962G4D3                  | General Electric Capital Corporation          | BBB+       | 1,470,000.00         | 4/15/2015     | 6.00%       | 8/7/2019      | 1,728,822.90         | 1.74%             | 35,280.00        | 1,474,818.66         | 38               |
| 3136AQDQ0                  | Federal National Mortgage Association         | AA+        | 1,160.10             | 10/30/2015    | 1.65%       | 9/1/2019      | 1,171.72             | 1.08%             | 1.59             | 1,157.96             | 63               |
| 12189TBC7                  | Burlington Northern Santa Fe                  | A+         | 350,000.00           | 6/8/2016      | 4.70%       | 10/1/2019     | 386,365.00           | 1.48%             | 4,112.50         | 351,784.65           | 93               |
| 22549LFR1                  | Credit Suisse NY                              | A-1        | 1,080,000.00         | 2/8/2018      | 2.67%       | 2/7/2020      | 1,080,000.00         | 2.67%             | 40,290.30        | 1,082,947.32         | 222              |
| 65590ASN7                  | Nordea Bank NY                                | A-1+       | 1,815,000.00         | 2/22/2018     | 2.72%       | 2/20/2020     | 1,815,000.00         | 2.72%             | 17,964.47        | 1,821,521.30         | 235              |
| 90275DHG8                  | UBS CT                                        | A-1        | 1,900,000.00         | 3/6/2018      | 2.90%       | 3/2/2020      | 1,900,000.00         | 2.93%             | 18,213.61        | 1,908,407.50         | 246              |
| 0258MDEE5                  | American Express                              | A-         | 840,000.00           | 3/3/2017      | 2.20%       | 3/3/2020      | 839,126.40           | 2.24%             | 6,057.33         | 839,119.68           | 247              |
| 25468PDP8                  | Walt Disney                                   | A          | 285,000.00           | 3/6/2017      | 1.95%       | 3/4/2020      | 284,925.90           | 1.96%             | 1,806.19         | 284,249.60           | 248              |
| 89231UAD9                  | Toyota Auto Receivables                       | AAA        | 1,918.27             | 5/11/2016     | 1.30%       | 4/15/2020     | 1,918.17             | 1.30%             | 1.11             | 1,917.12             | 290              |
| 904764AV9                  | Unilever Capital                              | A+         | 175,000.00           | 5/5/2017      | 1.80%       | 5/5/2020      | 174,441.75           | 1.91%             | 490.00           | 174,341.48           | 310              |
| 369550BA5                  | General Dynamics Corp.                        | A+         | 630,000.00           | 5/11/2018     | 2.88%       | 5/11/2020     | 627,769.80           | 3.06%             | 2,515.63         | 633,124.17           | 316              |
| 437076BQ4                  | Home Depot Inc.                               | A          | 455,000.00           | 6/5/2017      | 1.80%       | 6/5/2020      | 454,736.10           | 1.82%             | 591.50           | 453,420.24           | 341              |
| 06417GU22                  | Bank of Nova Scotia Houston                   | A-1        | 1,000,000.00         | 6/7/2018      | 3.08%       | 6/5/2020      | 999,620.00           | 3.10%             | 2,224.44         | 1,008,388.00         | 341              |
| 47788NAC2                  | John Deere                                    | NR         | 7,548.32             | 7/27/2016     | 1.25%       | 6/15/2020     | 7,547.71             | 1.25%             | 4.19             | 7,541.42             | 351              |
| 02665WBT7                  | American Honda Finance                        | A          | 125,000.00           | 7/20/2017     | 1.95%       | 7/20/2020     | 124,873.75           | 1.98%             | 1,090.10         | 124,592.13           | 386              |
| 96121T4A3                  | Westpac Bank NY                               | AA-        | 1,685,000.00         | 8/7/2017      | 2.05%       | 8/3/2020      | 1,685,000.00         | 2.05%             | 13,817.00        | 1,682,646.06         | 400              |
| 14913Q2A6                  | Caterpillar Financial                         | A          | 685,000.00           | 9/7/2017      | 1.85%       | 9/4/2020      | 684,424.60           | 1.88%             | 4,118.56         | 682,587.43           | 432              |
| 45905UP32                  | International Bank of Reconstruction and Dev. | AAA        | 1,370,000.00         | 9/19/2017     | 1.56%       | 9/12/2020     | 1,366,712.00         | 1.64%             | 6,475.11         | 1,363,113.01         | 440              |
| 44930UAD8                  | Hyundai Auto Receivables                      | AAA        | 12,053.72            | 3/30/2016     | 1.56%       | 9/15/2020     | 12,051.38            | 1.57%             | 8.36             | 12,048.66            | 443              |
| 4581X0CD8                  | Inter-American Development Bank               | AAA        | 415,000.00           | 10/10/2017    | 2.13%       | 11/9/2020     | 418,846.68           | 1.81%             | 1,273.82         | 416,029.20           | 498              |
| 69371RN85                  | Paccar Financial Corp.                        | A+         | 255,000.00           | 11/13/2017    | 2.05%       | 11/13/2020    | 254,977.05           | 2.05%             | 697.00           | 254,805.44           | 502              |
| 87019U6D6                  | Swedbank NY                                   | AA-        | 1,830,000.00         | 11/17/2017    | 2.27%       | 11/16/2020    | 1,830,000.00         | 2.30%             | 5,308.02         | 1,824,605.16         | 505              |
| 94974BGR5                  | Wells Fargo                                   | A-         | 1,345,000.00         | 2/3/2017      | 2.55%       | 12/7/2020     | 1,348,160.75         | 2.49%             | 2,286.50         | 1,348,770.04         | 526              |
| 931142EA7                  | Wal-Mart Stores                               | AA         | 1,630,000.00         | 10/20/2017    | 1.90%       | 12/15/2020    | 1,627,636.50         | 1.95%             | 1,376.44         | 1,627,072.52         | 534              |
| 38141GWG5                  | Goldman Sachs Bank                            | BBB+       | 1,615,000.00         | 5/15/2017     | 2.60%       | 12/27/2020    | 1,622,945.80         | 2.46%             | 466.56           | 1,616,550.40         | 546              |
| 24422ETZ2                  | John Deere Capital                            | A          | 175,000.00           | 1/8/2018      | 2.35%       | 1/8/2021      | 174,909.00           | 2.37%             | 1,976.28         | 175,522.38           | 558              |
| 65478VAD9                  | Nissan Auto Receivables                       | NR         | 38,675.74            | 4/27/2016     | 1.32%       | 1/15/2021     | 38,669.74            | 1.33%             | 22.69            | 38,570.74            | 565              |
| 44932HAB9                  | IBM                                           | A          | 915,000.00           | 9/8/2017      | 1.80%       | 1/20/2021     | 913,105.95           | 1.86%             | 7,365.75         | 909,282.17           | 570              |
| 44932HAG8                  | IBM                                           | A          | 175,000.00           | 2/6/2018      | 2.65%       | 2/5/2021      | 174,914.25           | 2.67%             | 1,880.76         | 175,967.05           | 586              |
| 69371RN93                  | Paccar Financial Corp.                        | A+         | 550,000.00           | 2/27/2018     | 2.80%       | 3/1/2021      | 549,730.50           | 2.82%             | 5,133.33         | 555,049.00           | 610              |
| 45950VLQ7                  | International Finance Corporation             | AAA        | 1,000,000.00         | 3/16/2018     | 2.64%       | 3/9/2021      | 999,250.00           | 2.66%             | 8,197.78         | 1,007,067.00         | 618              |
| 24422EUD9                  | John Deere Capital                            | A          | 310,000.00           | 3/13/2018     | 2.88%       | 3/12/2021     | 309,789.20           | 2.90%             | 2,698.51         | 313,645.91           | 621              |
| 63743HER9                  | National Rural Utilities Co Finance Corp      | A          | 450,000.00           | 2/26/2018     | 2.90%       | 3/15/2021     | 449,500.50           | 2.94%             | 3,842.50         | 455,328.00           | 624              |
| 14913Q2G3                  | Caterpillar Financial                         | A          | 400,000.00           | 3/15/2018     | 2.90%       | 3/15/2021     | 399,784.00           | 2.92%             | 3,415.56         | 404,608.80           | 624              |
| 63743HER9                  | National Rural Utilities Co Finance Corp      | A          | 600,000.00           | 4/19/2018     | 2.90%       | 3/15/2021     | 597,462.00           | 3.05%             | 5,123.33         | 607,104.00           | 624              |
| 904764AZ0                  | Unilever Capital                              | A+         | 835,000.00           | 3/22/2018     | 2.75%       | 3/22/2021     | 830,733.15           | 2.93%             | 6,314.69         | 843,475.25           | 631              |
| 911312BP0                  | UPS                                           | A+         | 730,000.00           | 11/14/2017    | 2.05%       | 4/1/2021      | 728,846.60           | 2.10%             | 3,741.25         | 728,791.12           | 641              |
| 13063DGA0                  | State of California                           | AA-        | 635,000.00           | 4/25/2018     | 2.80%       | 4/1/2021      | 635,025.40           | 2.80%             | 4,445.00         | 644,912.35           | 641              |



**City of Napa**  
**Quarterly Investment Report - Maturity Report**  
as of June 30, 2019

| CUSIP     | Description                                    | S&P<br>Rating | Par<br>Value | Purchase<br>Date | Coupon<br>Rate | Maturity<br>Date | Original<br>Cost | Yield to<br>Maturity | Accrued<br>Interest | Market<br>Value | Days to<br>Maturity |
|-----------|------------------------------------------------|---------------|--------------|------------------|----------------|------------------|------------------|----------------------|---------------------|-----------------|---------------------|
| 713448DX3 | PepsiCo                                        | A+            | 580,000.00   | 10/10/2017       | 2.00%          | 4/15/2021        | 579,884.00       | 2.01%                | 2,448.89            | 579,841.08      | 655                 |
| 44891EAC3 | Hyundai Auto Receivables                       | AAA           | 195,773.90   | 9/21/2016        | 1.29%          | 4/15/2021        | 195,747.56       | 1.30%                | 112.24              | 195,110.99      | 655                 |
| 0258M0EB1 | American Express                               | A-            | 1,635,000.00 | 5/15/2017        | 2.25%          | 5/5/2021         | 1,625,271.75     | 2.41%                | 5,722.50            | 1,635,483.96    | 675                 |
| 427866BA5 | Hershey Co.                                    | A             | 450,000.00   | 5/10/2018        | 3.10%          | 5/15/2021        | 449,689.50       | 3.12%                | 1,782.50            | 457,706.70      | 685                 |
| 78012UEE1 | Royal Bank of Canada NY                        | AA-           | 1,500,000.00 | 6/8/2018         | 3.24%          | 6/7/2021         | 1,500,000.00     | 3.24%                | 3,240.00            | 1,529,644.50    | 708                 |
| 34531EAD8 | Ford Credit Auto Owner Trust                   | NR            | 336,166.80   | 1/25/2017        | 1.67%          | 6/15/2021        | 336,165.55       | 1.67%                | 249.51              | 335,154.40      | 716                 |
| 02007PAC7 | Ally Auto Receivables Trust                    | NR            | 100,185.78   | 1/31/2017        | 1.70%          | 6/15/2021        | 100,177.03       | 1.70%                | 75.70               | 99,949.80       | 716                 |
| 36256GAD1 | GM Financial Auto Leasing Trust                | AAA           | 340,000.00   | 9/26/2018        | 3.18%          | 6/20/2021        | 339,973.14       | 3.19%                | 330.37              | 342,769.61      | 721                 |
| 459058GH0 | International Bank of Reconstruction and Dev.  | AAA           | 1,570,000.00 | 7/25/2018        | 2.75%          | 7/23/2021        | 1,566,326.20     | 2.83%                | 18,949.03           | 1,599,016.74    | 754                 |
| 61747WAL3 | Morgan Stanley                                 | BBB+          | 845,000.00   | 3/29/2017        | 5.50%          | 7/28/2021        | 938,930.20       | 2.76%                | 19,751.88           | 897,781.24      | 759                 |
| 3136B1XP4 | Federal National Mortgage Association          | AA+           | 550,830.77   | 4/30/2018        | 3.56%          | 9/25/2021        | 561,787.36       | 2.27%                | 1,634.13            | 561,654.21      | 818                 |
| 06051GGS2 | Bank of America Corp.                          | A-            | 385,000.00   | 9/18/2017        | 2.33%          | 10/1/2021        | 385,000.00       | 2.33%                | 2,240.70            | 384,534.15      | 824                 |
| 9128285F3 | U.S. Treasury                                  | AA+           | 1,045,000.00 | 6/5/2019         | 2.88%          | 10/15/2021       | 1,069,043.16     | 1.87%                | 6,320.68            | 1,071,574.35    | 838                 |
| 47788BAD6 | John Deere Owners Trust                        | NR            | 218,841.59   | 7/18/2017        | 1.82%          | 10/15/2021       | 218,825.58       | 1.82%                | 177.02              | 218,278.93      | 838                 |
| 89237RAD0 | Toyota Motor Corp                              | AAA           | 570,000.00   | 8/2/2017         | 1.78%          | 11/15/2021       | 569,954.57       | 2.00%                | 450.93              | 567,990.35      | 869                 |
| 02665WCP4 | American Honda Finance                         | A             | 575,000.00   | 10/10/2018       | 3.38%          | 12/10/2021       | 574,724.00       | 3.39%                | 1,132.03            | 589,822.93      | 894                 |
| 02007FAC9 | Ally Auto Receivables Trust                    | AAA           | 531,639.25   | 8/23/2017        | 1.75%          | 12/15/2021       | 531,632.39       | 1.75%                | 413.50              | 530,040.45      | 899                 |
| 34531LAD2 | Ford Credit Auto Lease Trust                   | NR            | 465,000.00   | 9/21/2018        | 3.19%          | 12/15/2021       | 464,960.71       | 3.41%                | 659.27              | 469,948.86      | 899                 |
| 24422ETL3 | John Deere Capital                             | A             | 595,000.00   | 3/15/2017        | 2.65%          | 1/6/2022         | 592,376.05       | 2.75%                | 7,664.76            | 601,389.71      | 921                 |
| 44932GAD7 | Hyundai Auto Receivables                       | AAA           | 752,687.39   | 8/16/2017        | 1.77%          | 1/15/2022        | 752,556.95       | 1.78%                | 592.11              | 750,602.82      | 930                 |
| 06051GEM7 | Bank of America Corp.                          | A-            | 395,000.00   | 6/22/2017        | 5.70%          | 1/24/2022        | 446,831.90       | 2.64%                | 9,819.04            | 428,624.77      | 939                 |
| 912828H86 | U.S. Treasury                                  | AA+           | 470,000.00   | 7/7/2017         | 1.50%          | 1/31/2022        | 462,270.70       | 1.88%                | 2,940.75            | 467,356.25      | 946                 |
| 06406RAA5 | Bank of New York Mellon                        | A             | 1,395,000.00 | 2/10/2017        | 2.60%          | 2/7/2022         | 1,395,641.70     | 2.59%                | 14,508.00           | 1,409,074.16    | 953                 |
| 43814UAC3 | Honda Auto Receivables                         | AAA           | 945,000.00   | 2/28/2018        | 2.64%          | 2/15/2022        | 944,877.81       | 2.65%                | 1,108.80            | 949,048.19      | 961                 |
| 55379WZU3 | Mitsubishi Ufi Financial Group Inc             | A             | 1,000,000.00 | 2/28/2018        | 2.98%          | 2/25/2022        | 1,000,000.00     | 3.01%                | 10,181.67           | 1,024,748.60    | 971                 |
| 437076BV3 | Home Depot Inc.                                | A             | 430,000.00   | 12/6/2018        | 3.25%          | 3/1/2022         | 428,821.80       | 3.34%                | 4,658.33            | 443,770.75      | 975                 |
| 34532AAD5 | Ford Credit Auto Owner Trust                   | AAA           | 915,000.00   | 11/21/2017       | 2.01%          | 3/15/2022        | 914,835.03       | 2.02%                | 817.40              | 913,537.37      | 989                 |
| 02007YAC8 | Ally Auto Receivables Trust                    | AAA           | 671,042.03   | 1/22/2017        | 1.99%          | 3/15/2022        | 670,989.95       | 1.99%                | 593.50              | 670,054.05      | 989                 |
| 05531FAX1 | BB&T                                           | A-            | 1,375,000.00 | 4/6/2017         | 2.75%          | 4/1/2022         | 1,385,381.25     | 2.59%                | 9,453.13            | 1,391,644.38    | 1,006               |
| 22535CDV0 | Royal Bank of Canada NY CD                     | A+            | 1,000,000.00 | 4/4/2019         | 2.83%          | 4/1/2022         | 1,000,000.00     | 2.86%                | 6,917.78            | 1,010,105.00    | 1,006               |
| 47788CAC6 | John Deere Owners Trust                        | NR            | 250,000.00   | 2/28/2018        | 2.66%          | 4/15/2022        | 249,982.03       | 2.66%                | 295.56              | 251,145.08      | 1,020               |
| 65478DAD9 | Nissan Auto Receivables                        | AAA           | 570,000.00   | 2/28/2018        | 2.65%          | 5/15/2022        | 569,934.85       | 2.66%                | 671.33              | 572,977.22      | 1,050               |
| 43814UAG4 | Honda Auto Receivables                         | AAA           | 235,000.00   | 5/30/2018        | 3.01%          | 5/18/2022        | 234,994.88       | 3.01%                | 255.43              | 237,925.63      | 1,053               |
| 02665WCY5 | American Honda Finance                         | A             | 300,000.00   | 6/27/2019        | 2.20%          | 6/27/2022        | 299,724.00       | 2.23%                | 73.33               | 299,639.10      | 1,093               |
| 20030NBD2 | Comcast Corporation                            | A-            | 915,000.00   | 9/1/2017         | 3.13%          | 7/15/2022        | 953,969.85       | 2.20%                | 13,184.90           | 941,309.00      | 1,111               |
| 3137BM6P6 | Federal Home Loan Mortgage Corporation         | AA+           | 840,000.00   | 4/9/2018         | 3.09%          | 8/25/2022        | 847,153.13       | 2.61%                | 2,163.00            | 861,985.91      | 1,152               |
| 89236TEC5 | Toyota Motor Credit Corporation                | AA-           | 915,000.00   | 9/12/2017        | 2.15%          | 9/8/2022         | 913,920.30       | 2.18%                | 6,174.98            | 916,053.17      | 1,166               |
| 4581X0CZ9 | Inter-American Development Bank                | AAA           | 1,080,000.00 | 2/23/2018        | 1.75%          | 9/14/2022        | 1,032,760.80     | 2.78%                | 5,617.50            | 1,078,403.76    | 1,172               |
| 9128282W9 | U.S. Treasury                                  | AA+           | 2,130,000.00 | 4/4/2018         | 1.88%          | 9/30/2022        | 2,069,844.14     | 2.54%                | 10,038.93           | 2,140,483.86    | 1,188               |
| 9128282W9 | U.S. Treasury                                  | AA+           | 250,000.00   | 6/8/2018         | 1.88%          | 9/30/2022        | 241,308.59       | 2.73%                | 1,178.28            | 251,230.50      | 1,188               |
| 02582JHQ6 | American Express Credit Account Master Account | NR            | 915,000.00   | 3/21/2018        | 2.67%          | 10/17/2022       | 914,893.77       | 2.68%                | 1,085.80            | 917,894.60      | 1,205               |
| 172967LQ2 | Citigroup                                      | BBB+          | 915,000.00   | 6/4/2019         | 2.70%          | 10/27/2022       | 911,687.70       | 2.81%                | 4,392.00            | 922,731.75      | 1,219               |
| 458140AM2 | Intel Corporation                              | A+            | 900,000.00   | 12/28/2018       | 2.70%          | 12/15/2022       | 882,414.00       | 3.23%                | 1,080.00            | 915,707.70      | 1,264               |
| 89231AAD3 | Toyota Motor Corp                              | AAA           | 490,000.00   | 8/22/2018        | 3.02%          | 12/15/2022       | 489,912.83       | 3.03%                | 657.69              | 498,087.25      | 1,264               |
| 912828N30 | U.S. Treasury                                  | AA+           | 550,000.00   | 7/6/2018         | 2.13%          | 12/31/2022       | 536,056.64       | 2.73%                | 31.76               | 557,498.15      | 1,280               |
| 912828N30 | U.S. Treasury                                  | AA+           | 2,700,000.00 | 9/6/2018         | 2.13%          | 12/31/2022       | 2,628,808.59     | 2.78%                | 155.91              | 2,736,809.10    | 1,280               |



**City of Napa**  
**Quarterly Investment Report - Maturity Report**  
as of June 30, 2019

| CUSIP                                   | Description                            | S&P<br>Rating | Par<br>Value          | Purchase<br>Date | Coupon<br>Rate | Maturity<br>Date | Original<br>Cost      | Yield to<br>Maturity | Accrued<br>Interest | Market<br>Value       | Days to<br>Maturity |
|-----------------------------------------|----------------------------------------|---------------|-----------------------|------------------|----------------|------------------|-----------------------|----------------------|---------------------|-----------------------|---------------------|
| 912828N30                               | U.S. Treasury                          | AA+           | 8,825,000.00          | 1/31/2019        | 2.13%          | 12/31/2022       | 8,685,041.02          | 2.55%                | 509.60              | 8,945,311.23          | 1,280               |
| 02007JAC1                               | Ally Auto Receivables Trust            | AAA           | 800,000.00            | 6/27/2018        | 3.00%          | 1/15/2023        | 799,945.28            | 3.09%                | 1,066.67            | 807,526.08            | 1,295               |
| 912828P38                               | U.S. Treasury                          | AA+           | 2,425,000.00          | 10/3/2018        | 1.75%          | 1/31/2023        | 2,307,539.06          | 2.95%                | 17,701.83           | 2,426,704.78          | 1,311               |
| 912828P38                               | U.S. Treasury                          | AA+           | 2,000,000.00          | 11/6/2018        | 1.75%          | 1/31/2023        | 1,904,609.38          | 2.96%                | 14,599.45           | 2,001,406.00          | 1,311               |
| 912828Q29                               | U.S. Treasury                          | AA+           | 1,575,000.00          | 5/2/2018         | 1.50%          | 3/31/2023        | 1,480,500.00          | 2.82%                | 5,938.52            | 1,561,896.00          | 1,370               |
| 912828Q29                               | U.S. Treasury                          | AA+           | 800,000.00            | 12/6/2018        | 1.50%          | 3/31/2023        | 756,437.50            | 2.85%                | 3,016.39            | 793,344.00            | 1,370               |
| 46647PBB1                               | JPMorgan Chase                         | A-            | 1,625,000.00          | 3/22/2019        | 3.21%          | 4/1/2023         | 1,625,000.00          | 3.21%                | 14,331.28           | 1,658,455.50          | 1,371               |
| 36255JAD6                               | GM Financial Securitized Term          | AAA           | 450,000.00            | 7/18/2018        | 3.02%          | 5/16/2023        | 449,895.06            | 3.03%                | 566.25              | 456,921.86            | 1,416               |
| 912828R69                               | U.S. Treasury                          | AA+           | 6,700,000.00          | 3/6/2019         | 1.63%          | 5/31/2023        | 6,456,863.28          | 2.53%                | 9,221.65            | 6,673,568.50          | 1,431               |
| 912828R69                               | U.S. Treasury                          | AA+           | 2,400,000.00          | 4/5/2019         | 1.63%          | 5/31/2023        | 2,334,656.25          | 2.32%                | 3,303.28            | 2,390,532.00          | 1,431               |
| 097023BQ7                               | Boeing Company                         | A             | 1,025,000.00          | 1/4/2019         | 1.88%          | 6/15/2023        | 974,190.75            | 3.08%                | 854.17              | 1,006,155.38          | 1,446               |
| 14313FAD1                               | Carmax Auto Owner Trust                | AAA           | 520,000.00            | 7/25/2018        | 3.13%          | 6/15/2023        | 519,929.12            | 3.36%                | 723.38              | 528,827.99            | 1,446               |
| 3137FKK39                               | Federal Home Loan Mortgage Corporation | AA+           | 460,145.50            | 12/17/2018       | 3.20%          | 7/1/2023         | 460,144.11            | 3.11%                | 1,228.20            | 467,893.71            | 1,462               |
| 313383YJ4                               | Federal Home Loan Banks                | AA+           | 2,455,000.00          | 12/6/2018        | 3.38%          | 9/8/2023         | 2,497,707.18          | 2.98%                | 26,007.66           | 2,610,941.60          | 1,531               |
| 313383YJ4                               | Federal Home Loan Banks                | AA+           | 1,400,000.00          | 1/9/2019         | 3.38%          | 9/8/2023         | 1,443,246.00          | 2.67%                | 14,831.25           | 1,488,928.00          | 1,531               |
| 3135G0U43                               | Federal National Mortgage Association  | AA+           | 1,135,000.00          | 1/9/2019         | 2.88%          | 9/12/2023        | 1,147,700.65          | 2.62%                | 9,880.02            | 1,182,094.56          | 1,535               |
| 912828T26                               | U.S. Treasury                          | AA+           | 5,065,000.00          | 6/5/2019         | 1.38%          | 9/30/2023        | 4,955,983.79          | 1.90%                | 17,506.08           | 4,989,025.00          | 1,553               |
| 14042WAC4                               | Capital One Auto Receivables Trust     | AAA           | 310,000.00            | 5/30/2019        | 2.51%          | 11/15/2023       | 309,937.19            | 2.52%                | 345.82              | 313,512.02            | 1,599               |
| 002824BE9                               | Abbot Laboratories                     | BBB+          | 990,000.00            | 5/14/2019        | 3.40%          | 11/30/2023       | 1,015,730.10          | 2.79%                | 2,898.50            | 1,032,187.86          | 1,614               |
| 808513AY1                               | Charles Schwab                         | A             | 1,000,000.00          | 4/29/2019        | 3.55%          | 2/1/2024         | 1,034,750.00          | 2.76%                | 14,791.67           | 1,058,474.00          | 1,677               |
| 3135G0V34                               | Federal National Mortgage Association  | AA+           | 1,600,000.00          | 2/8/2019         | 2.50%          | 2/5/2024         | 1,594,048.00          | 2.58%                | 15,888.89           | 1,648,078.40          | 1,681               |
| 3130AFW94                               | Federal Home Loan Banks                | AA+           | 1,300,000.00          | 2/15/2019        | 2.50%          | 2/13/2024        | 1,295,398.00          | 2.58%                | 12,277.78           | 1,340,047.80          | 1,689               |
| 912828X70                               | U.S. Treasury                          | AA+           | 2,700,000.00          | 5/6/2019         | 2.00%          | 4/30/2024        | 2,656,863.28          | 2.34%                | 9,097.83            | 2,729,424.60          | 1,766               |
| <b>Total Other</b>                      |                                        |               | <b>111,149,975.66</b> |                  |                |                  | <b>110,571,320.60</b> |                      | <b>599,225.83</b>   | <b>112,198,576.59</b> |                     |
| <b>Total LAIF, CAMP, and Securities</b> |                                        |               | <b>174,761,823.44</b> |                  |                |                  | <b>174,183,168.38</b> |                      | <b>599,225.83</b>   | <b>175,810,424.37</b> |                     |