

**CITY OF HOLLYWOOD, FLORIDA
THIRD QUARTER INVESTMENT REPORT**

For the Quarter Ended June 30, 2019

**CITY OF HOLLYWOOD, FLORIDA
SUMMARY OF QUARTERLY INVESTMENT
AND EARNINGS ACTIVITY**

The following is a comparison of the City's investments (by type) and earnings at June 30, 2019 and June 30, 2018:

Investment Type	At 06/30/19		At 06/30/18	
	In Millions	% of Total	In Millions	% of Total
Demand Deposits	\$ 82.1	18%	\$ 96.2	24%
U.S. Instrumentalities	30.0	7%	55.0	13%
Certificate of Deposit	106.8	23%	152.9	37%
Money Market	102.6	23%	83.0	20%
LGIP	91.7	20%	25.1	6%
Overnight Sweep Repur Ag	41.1	9%	0	0%
	\$454.3	100%	\$412.2	100%

Av. Investment Bal For Quarter	\$457,160,661	\$418,258,889
Interest for the Quarter	\$2,442,995	\$1,685,322
Interest Year-To-Date	\$6,581,723	\$4,129,253

Portfolio Average Yield:

For the Quarter	2.22%	1.62%
Year-To-Date	2.11%	1.37%

Av. 91-Day Treasury Bill Rate:

For the Quarter	2.30%	1.84%
Year-To-Date	2.33%	1.54%

Average Fed Funds Rate:

For the Quarter	2.40%	1.74%
Year-To-Date	2.34%	1.46%

All year-to-date information shown above is presented on a fiscal year basis.

The City of Hollywood's goal for overall investment performance is to regularly exceed the average rate for 91-day U.S. Treasury Bills and the average Fed Funds rate, which are considered benchmarks for riskless investment transactions and minimum standards to measure the portfolio's overall rate of return.

Schedules 1, 2 and 3, as follows, provide further detail regarding the above information. Schedule 4 provides a short glossary of terms.

**CITY OF HOLLYWOOD, FLORIDA
INVESTMENT PORTFOLIO SUMMARY
BY INVESTMENT TYPE**

SCHEDULE 1

INVESTMENT TYPE	AT JUNE 30, 2019		AT JUNE 30, 2018	
	Book Value	%	Book Value	%
DEMAND DEPOSITS, INTEREST BEARING				
Pooled	20,502,808		36,471,707	
SRF Loan Debt Service	3,523,664		1,786,095	
SRF Loan Repayment Reserve	664,335		650,969	
2010 Water & Sewer Bonds - DS Reserve	3,064,415		3,002,762	
2010 Water & Sewer Bonds - Wells Fargo	0		296,449	
2015 Bch CRA Bonds Account	6,379,479		8,332,924	
2015 Bch CRA Bonds Acct Debt Svc Res	5,765,407		5,649,413	
2016A CAP IMP REV REF Bonds	3,566,884		3,597,667	
CRA Beach	38,532,856		17,309,437	
Hollywood Beach CRA	125,000		19,069,825	
Total Demand Deposits	82,124,848	18%	96,167,249	24%
U.S. INSTRUMENTALITIES:				
Pooled	30,000,000		55,000,000	
Total U.S. Instrumentalities	30,000,000	7%	55,000,000	13%
CERTIFICATE OF DEPOSIT:				
Pooled	106,815,668		152,930,510	
Total Certificate of Deposit	106,815,668	23%	152,930,510	37%
MONEY MARKET:				
Pooled	81,774,572		66,395,451	
2003 Water & Sewer Rate Stabilization Fund	10,000,000		10,000,000	
DT CRA Note 2015 Series-TIAA Bank	0		(15)	
CRA Downtown-TIAA Bank	10,840,703		6,582,429	
Total Money Market	102,615,275	23%	82,977,865	20%
Local Government Investment Pool (LGIP):				
Pooled	91,692,857		25,091,274	
Total LGIP	91,692,857	20%	25,091,274	6%
OVERNIGHT SWEEP REPURCHASE AGREEMENT:				
Sweep Master Concentration Acct (Wells Fargo)	25,575,823		-	
Sweep HWD Beach CRA (Wells Fargo)	15,498,523		-	
Total Overnight Sweep Repur Agree:	41,074,346	9%	-	0%
TOTAL INVESTMENTS	454,322,994	100%	412,166,898	100%

CITY OF HOLLYWOOD, FLORIDA
INVESTMENT PORTFOLIO SUMMARY
Pooled Investments vs. Restricted Use

SCHEDULE 1A

<u>INVESTMENT TYPE</u>	<u>AT JUNE 30, 2019</u>		<u>AT JUNE 30, 2018</u>	
	<u>Book Value</u>	<u>%</u>	<u>Book Value</u>	<u>%</u>
POOLED INVESTMENTS:				
DEMAND DEPOSITS	20,502,808	5%	36,471,707	9%
U.S. INSTRUMENTALITIES	30,000,000	7%	55,000,000	13%
CERTIFICATE OF DEPOSIT	106,815,668	24%	152,930,510	37%
MONEY MARKET	81,774,572	18%	66,395,451	16%
LGIP	91,692,857	20%	25,091,274	6%
OVERNIGHT SWEEP REPUR AGREEMENT	25,575,823	6%		
Total Pooled Investments	<u>356,361,728</u>	<u>80%</u>	<u>335,888,942</u>	<u>81%</u>
RESTRICTED USE:				
DEMAND DEPOSITS				
SRF Loan Debt Service	3,523,664		1,786,095	
SRF Loan Repayment Reserve	664,335		650,969	
2010 Water & Sewer Bonds - DS Reserve	3,064,415		3,002,762	
2010 Water & Sewer Bonds - Wells Fargo	0		296,449	
2015 Bch CRA Bonds Account-SYN	6,379,479		8,332,924	
2015 Bch CRA Bonds Acct Debt Svc Res-SYN	5,765,407		5,649,413	
2016A CAP IMP REV REF Bonds-SYN	3,566,884		3,597,667	
CRA Beach-SYN	38,532,856		17,309,437	
Hollywood Beach CRA-Wells Fargo	125,000		19,069,825	
Total Demand Deposits	<u>61,622,040</u>	15%	<u>59,695,542</u>	15%
U.S. INSTRUMENTALITIES				
Total U.S. Instrumentalities	<u>-</u>	0%	<u>-</u>	0%
MONEY MARKET				
2003 Water & Sewer Rate Stabilization Fund	10,000,000		10,000,000	
DT CRA Note 2015 Series-TIAA Bank	-		(15)	
CRA Downtown-TIAA Bank	10,840,703		6,582,429	
Total Money Market	<u>20,840,703</u>	5%	<u>16,582,414</u>	4%
OVERNIGHT SWEEP REPURCHASE AGREEMENT				
Sweep HWD Beach CRA (Wells Fargo)	15,498,523		-	
Total Overnight Sweep Repur Agree	<u>15,498,523</u>	3%	<u>-</u>	0%
Total Restricted Use	<u>97,961,266</u>	<u>20%</u>	<u>76,277,956</u>	<u>19%</u>
TOTAL INVESTMENTS	<u>454,322,994</u>	<u>100%</u>	<u>412,166,898</u>	<u>100%</u>

CITY OF HOLLYWOOD, FLORIDA
 U.S. SECURITIES HELD AT JUNE 30, 2019

SCHEDULE 2

<u>INVESTMENT TYPE</u>	<u>Maturity Date</u>	<u>Stated Interest Rate</u>	<u>Yield To Maturity</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>
U.S. INSTRUMENTALITIES:						
Purchased FHLMC Note 08/23/16	08/23/19	1.300%	1.300%	5,000,000	5,000,000	4,993,044
Purchased FFCB Note 10/24/16	10/24/19	1.210%	1.210%	5,000,000	5,000,000	4,983,312
Purchased FFCB Note 12/27/16	12/27/19	1.700%	1.700%	10,000,000	10,000,000	9,986,054
Purchased FHLMC Note 12/30/16	12/30/19	1.500%	1.500%	10,000,000	10,000,000	9,969,919
Total U.S. Instrumentalities				<u>30,000,000</u>	<u>30,000,000</u>	<u>29,932,329</u>
TOTAL U.S. SECURITIES				<u>30,000,000</u>	<u>30,000,000</u>	<u>29,932,329</u>

CITY OF HOLLYWOOD, FLORIDA
INVESTMENT INCOME SUMMARY
AT JUNE 30, 2019

SCHEDULE 3

INVESTMENT TYPE	BALANCE AT 6/30/19	INTEREST INCOME				WEIGHTED AVG YLD	
		YTD 6/30/19	% OF TOTAL	QTR 6/30/19	% OF TOTAL	YTD* 6/30/19	QTD** 6/30/19
DEMAND DEPOSITS, INTEREST BEARING:							
Pooled (Wells Fargo)	8,752,784	55,658		8,966			
(TD Bank)	5,132,221	9,397		8,184			
Pooled (Synovus Bank)	6,617,803	124,803		35,367			
SRF Loan Debt Service	3,523,664	54,786		18,831			
SRF Loan Repayment Reserve	664,335	10,378		3,550			
2010 Water Sewer Bonds - DS Reserve	3,064,415	47,873		16,377			
2015 Bch CRA Bonds Account- SYN	6,379,479	99,661		34,093			
2015 Bch CRA Bonds Acct Debt Svc Res- SYN	5,765,407	90,068		30,812			
2016A CAP IMP REV REF Bonds- SYN	3,566,884	55,722		19,062			
CRA Beach-SYN	38,532,856	494,500		205,929			
CRA BCH-Wells Fargo	125,000	0		-			
Total Demand Deposits	82,124,848	1,042,847	16%	381,172	16%	0.34%	0.35%
U.S. INSTRUMENTALITIES:							
Pooled	30,000,000	551,589		169,533			
Total U.S. Instrumentalities	30,000,000	551,589	8%	169,533	7%	0.11%	0.10%
CERTIFICATE OF DEPOSIT:							
Pooled	106,815,668	1,589,288		514,763			
Total Certificate of Deposit	106,815,668	1,589,288	24%	514,763	21%	0.47%	0.43%
MONEY MARKET:							
Pooled (BankUnited)	10,613,595	110,595		70,189			
Pooled (City National Bank)	39,449,101	377,539		181,695			
2003 Water & Sewer Rate Stabilization Fund	10,000,000	173,104		59,391			
CRA Downtown (TIAA Bank)	10,840,703	118,759		53,431			
Pooled (TIAA Bank)	6,027,733	29,738		20,717			
Pooled (Iberia Bank)	15,623,955	226,014		75,713			
Pooled (Leumi Bank)	34,422	146,241		47,898			
Pooled (Centennial Bank)	10,025,766	25,766		25,766			
Total Money Market	102,615,275	1,207,756	18%	534,800	22%	0.38%	0.49%
LOCAL GOVERNMENT INVESTMENT POOL(LGIP):							
Pooled (FLCLASS)	91,692,857	1,445,191		587,550			
Total LGIP	91,692,857	1,445,191	22%	587,550	24%	0.56%	0.62%
OVERNIGHT SWEEP REPURCHASE AGREEMENT:							
Sweep Master Concentration Acct (Wells Fargo)	25,575,823	495,966		167,369			
Sweep HWD Beach CRA (Wells Fargo)	15,498,523	249,086		87,808			
Total Overnight Sweep Repur Agmt	41,074,346	745,052	11%	255,177	10%	0.25%	0.23%
TOTAL INVESTMENTS	454,322,994	6,581,723	100%	2,442,995	100%	2.11%	2.22%

Note: Interest does not reflect change in FV of investments and arbitrage rebate liabilities.

BENCHMARKS (Average Rates):	YTD*	QTD**
91 Day Treasury Bill:	2.33%	2.30%
Fed Funds Rate:	2.34%	2.40%

*YTD - 10/01/18-06/30/19 **QTD - 04/01/19-06/30/19

CITY OF HOLLYWOOD, FLORIDA
SCHEDULE 4: INVESTMENT REPORT GLOSSARY

Book Value - The carrying amount of the investment in the City's financial records, in accordance with generally accepted accounting principles.

Certificate of Deposit - A non-negotiable certificate proving the deposit of a sum of money for a specified period of time at a specified interest rate with a bank. The City invests only with banks participating in the State of Florida's "Public Depository" program which guarantees such investments.

Demand Deposit – An account balance that can be drawn on by check, cash withdrawal, or wire transfer without prior notice to the bank (also referred to as a checking account). All of the City's demand deposit accounts are interest-bearing. Monies maintained in this account are considered public deposits and collateralized by the corresponding bank in accordance with Florida Statutes Chapter 280.

Fed Funds Rate - The interest rate that banks charge each other for overnight loans generally to meet Fed reserve requirements.

Money Market Account - An investment vehicle that allows for the pooling and investing of numerous investors' assets in traditional money market instruments, typically U.S. government securities and instrumentalities. With the exception of some small balance reserve accounts overseen by a bank trustee, all the money market accounts included in the report total are considered public deposits and collateralized by the corresponding bank in accordance with Florida Statutes Chapter 280.

Par Value - The face (stated) value of the security.

Stated Interest Rate - The annual rate of interest that the issuer promises to pay to the security holder.

U.S. Government Agencies – Bonds, debentures, notes or callables issued or guaranteed by United States Government agencies, provided such obligations are backed by the full faith and credit of the United States Government and have an active secondary market.

U.S. Treasury Bills and Notes - Obligations of the United States Treasury. These securities are among the most widely used investment vehicles. Payment of principal and interest is backed by the full faith and credit of the United States government. The market for Treasury securities is among the most liquid in the world, with billions of dollars in securities changing hands daily. Treasury bills are short-term investments of under one year, while Treasury notes have a duration of between one and ten years.

U.S. Instrumentalities - Securities issued by banks or corporations chartered by the Federal government. Although they are not backed by the full faith and credit of the U.S. government, applicable federal law makes them highly secure. Among these investments are notes and bonds issued by the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), Federal National Mortgage Association (FNMA), and the Federal Farm Credit Banks (FFCB).

Weighted Average Yield - Daily averages are used to calculate all quarter-to-date and year-to-date yields. All year-to-date percentages shown are presented on a fiscal year basis.

Yield to Maturity - Annualized overall rate of return, considering the time value of money and compounding of interest.