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City of Ann Arbor

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Fourth Quarter 2019 Investment Portfolio Report

Attached for your information is the City's investment portfolio report for the second quarter 2019. At December 31, the weighted average yield for the portfolio for the quarter was 1.88%. Our benchmark is the 12-month trailing rate of the 2-year Treasury Note, which earned 1.97 as of December 31. The weighted average effective maturity at quarter end was 683 days.

In addition to the securities disclosed in the attached portfolio report, as of March 31, the City owned Certificates of Deposit as described below:

Institution	Certificate Amount	Maturity Date	Yield
Bank of Ann Arbor	$254,649.10	April 3, 2020	1.10
Ann Arbor State Bank	$259,556.79	May 19, 2021	2.10
Flagstar Bank	$258,548.26	October 5, 2020	2.43

The City also invests in a short-term liquidity investment as described below:

Institution	Balance at Quarter End	Maturity Date	Yield
Michigan Cooperative Liquid Assets Securities System	$3,342,735.27	NA	1.82

The Governmental Accounting Standards Board requires under Statement 31 that all investments be recorded at fair value versus amortized cost. At quarter end, the amortized cost value of the portfolio was $282,232,130.25. If investments were recorded using the fair value method, the value of the portfolio would be $283,330,249.40. Recording investments at fair market value, the portfolio experienced an unrealized gain of $1,098,119.15.

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