



Agenda Report

Fullerton City Council

MEETING DATE: AUGUST 2, 2022

TO: CITY COUNCIL / CITY MANAGER

SUBMITTED BY: ERIC LEVITT, CITY MANAGER

PREPARED BY: ELLIS CHANG, DIRECTOR OF ADMINISTRATIVE SERVICES
RAMONA CASTAÑEDA, REVENUE MANAGER

SUBJECT: TREASURER'S REPORT FOR QUARTER ENDED JUNE 30, 2022

SUMMARY

Treasurer's Report for quarter ended June 30, 2022, fourth quarter of Fiscal Year 2021-22.

RECOMMENDATION

Receive and file.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Fiscal and Organizational Stability.

FISCAL IMPACT

Staff will use the information provided in this report to ensure continued oversight.

DISCUSSION

The City's operating portfolio ended the quarter with investments totaling \$219.97 million. Investments including:

- \$104.55 million in the State's Local Agency Investment Fund
- \$84.02 million in U.S. Treasury Notes
- \$16.05 million in Federal Agency issues
- \$13.82 million in corporate notes
- \$0.78 million in money market funds
- \$0.75 in municipal bonds.

The market yield equaled 1.62% on June 30, 2022 and the accrued interest income realized for the quarter totaled \$193,552.94.

Cash balances attributable to various City Funds comprise the City's temporarily idle cash invested in these portfolios. The invested cash is restricted to support each Funds' purpose and not transferable between Funds. The invested cash is not discretionary. The City collectively invests and draws upon these funds to support working capital as needed. The City of Fullerton bases its investment practices and policies on state law, prudent money management and the Statement of Investment Policy. The primary goals of these practices are:

- To assure compliance with all federal, state and local laws governing the investment of public funds under the control of the City Treasurer
- To protect the principal monies entrusted to this office
- To achieve a reasonable rate of return within the parameters of prudent risk management while minimizing the potential for capital losses arising from market changes or issuer default.

The City Treasurer controls all investable funds including, but not limited, to the General Fund, special revenue funds, debt service funds, capital project funds, enterprise funds and trust and successor agency funds. The City's Annual Comprehensive Financial Report accounts for these funds. Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies for investment pricing, safekeeping and administration. The City will allocate investment income to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

Attachments:

- Attachment 1 – Quarterly Investment Report for Quarter Ended June 30, 2022