



Agenda Report

Fullerton City Council

MEETING DATE: OCTOBER 19, 2021

TO: CITY COUNCIL / CITY MANAGER

SUBMITTED BY: STEVE DANLEY, ACTING CITY MANAGER

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

SUBJECT: TREASURER'S REPORT FOR QUARTER ENDED SEPTEMBER 30, 2021

SUMMARY

Treasurer's Report for quarter ended September 30, 2021, first 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 of City finances.

DISCUSSION

The City's operating portfolio ended the quarter with investments totaling \$148.84 million. Investments included \$39.40 million in the State's Local Agency Investment Fund, \$60.49 million in U.S. Treasury Notes, \$34.11 million in Federal Agency issues, \$11.22 million in corporate notes, \$1.25 million in Certificates of Deposit, \$1.60 million in money market funds and \$0.77 in municipal bonds and receivables of \$266.80 reported as cash. The market yield was 0.34% on September 30, 2021 and the net income realized for the quarter totaled \$342,126.11.

The City's temporarily idle cash invested in these portfolios are comprised of cash balances attributable to various City Funds. The invested cash is restricted to support each Funds' purpose and thus not transferable between Funds. The invested cash is not discretionary. It is collectively invested and drawn upon to support working capital as needed. The investment practices and policies of the City of Fullerton are based upon state law, prudent money management and dictated in the Statement of Investment Policy. The primary goals of these practices are:

- A) To assure compliance with all federal, state and local laws governing the investment of public funds under the control of the City Treasurer.
- B) To protect the principal monies entrusted to this office.
- C.) 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.

Investable funds are all funds under the City Treasurer's control 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 Comprehensive Annual 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 in 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 September 30, 2021