

OAKLEY



STAFF REPORT

DATE: May 11, 2021

TO: Bryan Montgomery, City Manager

Approved and Forwarded to the City Council

FROM: Tim Przybyla, Finance Director

SUBJECT: City of Oakley as Successor Agency to the Oakley Redevelopment Agency – Quarterly Investment Report (3rd Quarter FY 2020/21)

Background and Analysis

California law and the City's Investment Policy require the Agency's fiscal officer to submit a quarterly investment report to the Agency's governing board. The report should contain information on all securities held, and include a statement denoting the ability of the local agency to meet its expenditure requirements for the next six months.

Fiscal Impact

The Investment Report for the Period Ending March 31, 2021 attached shows a balance of \$1,403,027.90 in cash for operations. To increase annual cash flow savings of refunding bonds, cash reserves were applied to bond insurance with Build America Mutual (BAM). The Reserve Requirements are satisfied in face amounts of \$571,000 for 2015 Bonds and \$1,827,318.76 for 2018 Bonds.

The Agency is in compliance with the City's annually adopted investment policy. The tax revenues distributed to the Agency is sufficient to make the Agency's enforceable obligation payments as approved by the Department of Finance.

Staff Recommendation

Staff recommends the City Council, as the Board of the Successor Agency, accept the investment report for the 3rd Quarter of Fiscal Year 2020/21.

Attachments

City of Oakley as Successor Agency to the Redevelopment Agency Investment Report for the quarter ended March 31, 2021.

Type*	Name of Institution	Rate	Maturity****	Cost Amount	Market Value**
Investments in Wells Fargo Bank Account					
12	Overnight Sweep Investment	0.000%	3/31/2021	\$ 3,955,439.01	\$ 3,955,439.01
Investments with Wells Fargo Investment Advisors:					
9	Institutional Money Market	0.010%	N/A	1,814,272.08	1,814,272.08
Investments with State of California:					
3	Local Agency Investment Fund (LAIF)-City	2.030%	N/A	57,642,600.44	57,715,798.07
Investments with CalTRUST					
11	Short-Term Investment Account-City	0.026%	N/A	273,854.30	273,854.30
Total Investments Other than Bond Proceeds				63,686,165.83	63,759,363.46
Investments with Wells Fargo Trust (bond proceeds): ***					
2012 Refunding Revenue Bonds					
9	<i>Government Money Market</i> Wells Fargo Advantage Gov MM Svc	0.002%	N/A	931,909.60	931,909.60
4	<i>Certificates of Deposit (3)</i>				
2014 Refunding Revenue Bonds					
9	<i>Government Money Market</i> Wells Fargo Advantage Gov MM Svc	0.002%	N/A	350,850.80	350,850.80
Investments with USBank Trust (bond proceeds): ***					
2016 Lease Revenue Bonds					
9	<i>Government Money Market</i> USBank - First American Government Obligation	0.000%	N/A	321.27	321.27
Total Investments of Bond Proceeds				1,283,081.67	1,283,081.67
Total All City Investments				\$ 64,969,247.50	\$ 65,042,445.13

Accrued Interest of Investments other than Bond Proceeds:

Wells Fargo Investment Advisors	15.41
Local Agency Investment Fund	160,184.46
Accrued Interest as of 03/31/21	<u>\$ 160,199.87</u>

* Type of investment as described in Authorized Investments section of the City's adopted Investment Policy

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|--------------------------------------|-----------------------|---------------------------------|
| 1. U.S. Government Securities | 5. Bankers Acceptance | 9. Money market funds |
| 2. U.S. Government Agency Securities | 6. Commercial Paper | 10. Repurchase agreements |
| 3. Local Agency Investment Fund | 7. Medium term notes | 11. CalTRUST Short Term Account |
| 4. Certificates of Deposit | 8. Mutual funds | 12. Overnight Sweep |

** Market Valuation for LAIF was obtained at <https://www.treasurer.ca.gov/pmia-laif/mktvalue/2021/202103.pdf>

Market value for all other investments was obtained from FT Interactive Data. As the City holds its investments to maturity, market value fluctuations are not significant.

*** Investment of bond proceeds is governed by each bond's Trust Agreement. All of the amounts with Wells Fargo Trust are debt service reserve funds. Investment income remains with the individual bond accounts.

**** With the exception of CD's, all accounts have same day or next day liquidity

The City of Oakley is in compliance with the City's annually adopted investment policy and is able to meet its operating expenditure requirements for the next six months.


 Approved by Tim Przybyla
 Finance Director

4/30/21
 Date