

MEMORANDUM

DATE: August 15, 2016
TO: Honorable Mayor and Council Members
FROM: Kim Juran-Karageorgiou, Chief Financial Officer
SUBJECT: **TREASURER'S REPORT – JUNE 30, 2016.**



RECOMMENDATION

This report is informational only. It is recommended that the City Council receive and file the June 2016 Treasurer's Report.

RESULT OF RECOMMENDED ACTION

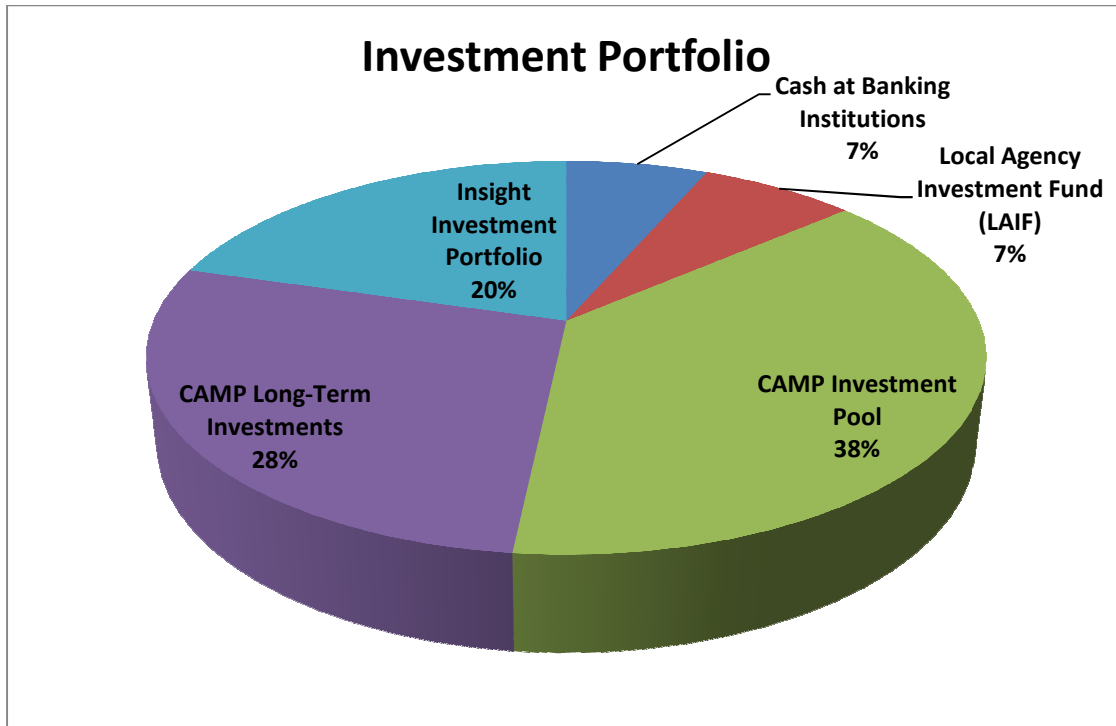
The Treasurer's Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the treasurer's report is to update the City Council and the public on the status of the City's cash balances and investments, and highlight material changes from one period to another. The scope of this report covers the second quarter of calendar year 2016, ending June 30, 2016 and is in compliance with the State's reporting requirements.

BACKGROUND

Attached is the quarterly Treasurer's report for the period ending June 30, 2016. Treasurer's reports are provided to Council on a quarterly basis.

At March 31, 2016 the value of the City's total portfolio was \$119.1 million. Since that time, the balances increased by \$11.4 million with an ending balance of \$130.5 million as of June 30, 2016. The funds are held as follows:

Cash at Banking Institutions	\$ 8,444,333	\$ 8,444,333
Local Agency Investment Fund (LAIF)	9,267,614	9,267,614
CAMP Investment Pool	49,153,189	49,153,189
CAMP Long-Term Investments	35,985,000	36,790,246
Insight Investment Portfolio	26,500,000	26,821,253
Total	\$ 129,350,136	\$ 130,476,635



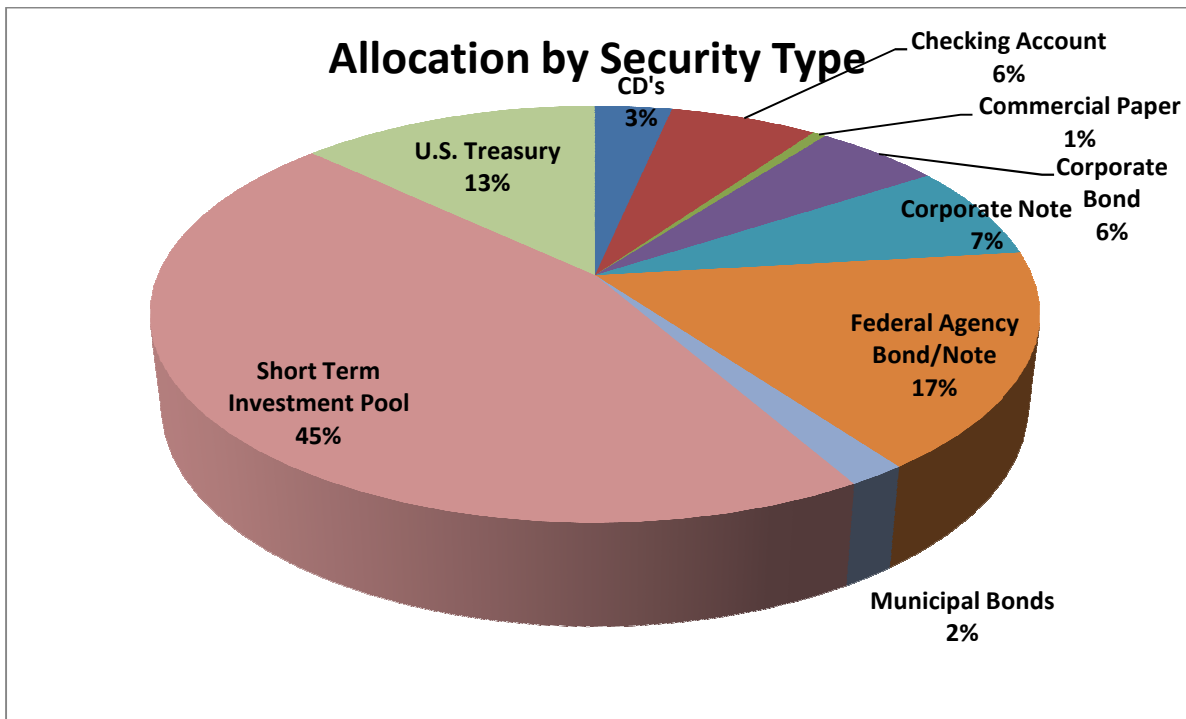
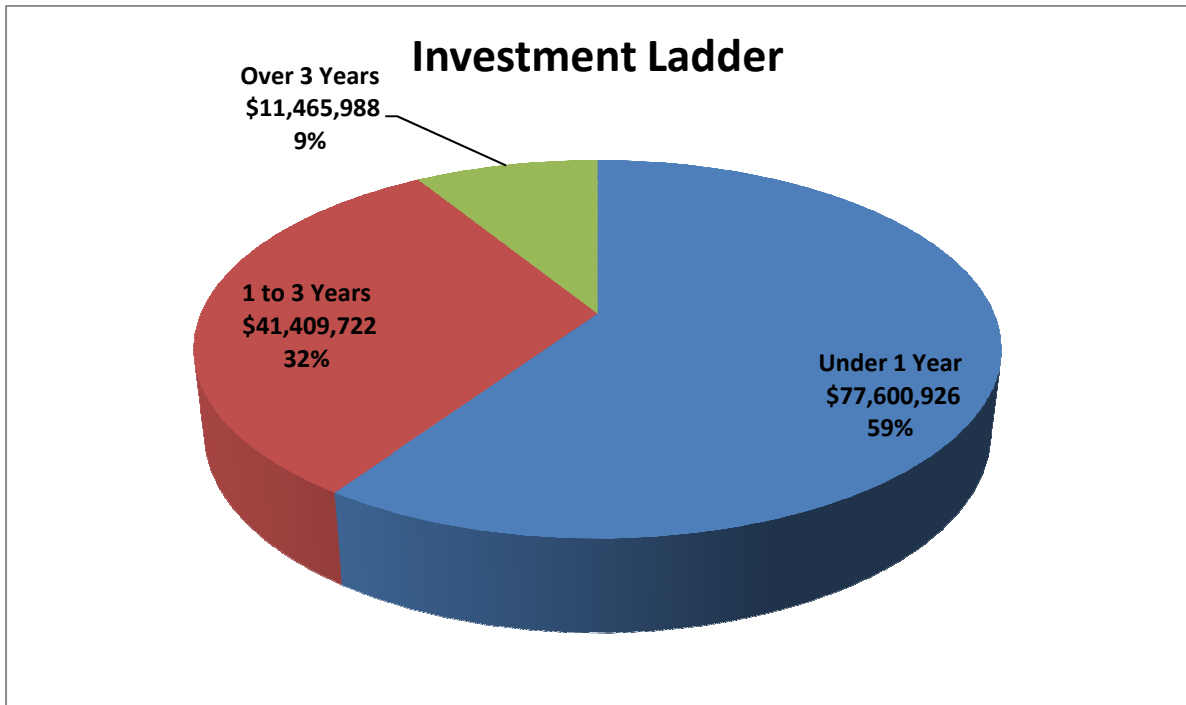
At June 30, 2016 the General Fund Cash and Investments balance was \$27.4 million, while the remaining \$103.1 million were restricted to specific activities and were recorded in Special Revenue, Enterprise, Internal Service or Agency Funds.

The overall portfolio is well diversified with \$63.6 million invested in marketable securities. \$58 million is invested in short-term investments that are considered liquid (LAIF, CAMP, and money markets). Another \$8.4 million is on deposit with our banks. Staff, in conjunction with our financial advisors, periodically reviews the mix of liquid and long-term investments and adjusts the portfolio according to the market conditions and our short-term cash needs.

Cash and short-term investments increased \$11.4 million while long-term investments remained the same. The increase in cash is typical for this time of year due to the May/June property tax distribution.

Staff thoroughly reviews investment statements and makes appropriate inquiries of CAMP, LAIF, and MBIA, as necessary, to confirm the existence and viability of the City's assets. The City invests conservatively in investment policy options in accordance with California State Government Code. The long-term assets are in securities that can be held to maturity, thus are less vulnerable to the fluctuations of the market. All securities are in compliance with the City's investment policy. There are sufficient funds to meet the City's expenditure requirements for the next six months.

The distributions of investments are displayed in the following charts:



ATTACHMENT

Treasurer's Report – June 30, 2016.