

City of Piedmont

DATE: January 26, 2022
TO: Police and Fire Pension Board & City Investment Sub-Committee
FROM: Michael Szczech, Finance Director
SUBJECT: Fiscal Year 2021-22: 2nd Quarter Report on the City's Investment Portfolio

RECOMMENDATION

Accept the FY 2021-22 2nd Quarter Report on the City's Investment Portfolio

REPORT

On December 8, 2021, the City completed its issuance of General Obligation bonds pursuant to voter approved Measure UU receiving \$24.4 million in proceeds for the construction of a Community Pool. These proceeds are being tracked in a separate fund and, accordingly, the investment of such monies is reported separately.

Throughout the 2nd Quarter of Fiscal year 2021-22, all financial assets were invested in either the Local Agency Investment Fund (LAIF) or in Certificates of Deposit and U.S. Agency Securities through MBS Securities. Below is a recap of the investment results:

City Funds

On December 31, 2021 our financial assets were invested as follows:

<u>Institution</u>	<u>Security Type</u>	<u>Maturity</u>	<u>Amount</u>	<u>Yield</u>
LAIF	Money Market	Daily	\$ 20,532,573	0.22%
MBS Securities	Money Market	Daily	3,667	0.18%
	Sub-Total		20,536,240	0.22%
MBS Securities				
	Certificates of Deposit	1 year or less	\$ 1,233,000	2.07%
	Certificates of Deposit	1-2 Years	2,486,000	1.04%
	Certificates of Deposit	2-3 Years	1,494,000	0.70%
	Certificates of Deposit	3-4 Years	498,000	0.78%
	Certificates of Deposit	4-5 Years	498,000	0.98%
	Sub-Total		6,209,000	1.14%
	U.S. Agency	1 year or less	-	
	U.S. Agency	1-2 Years	250,000	0.65%
	U.S. Agency	2-3 Years	1,250,000	0.73%
	U.S. Agency	3-4 Years	500,000	1.06%
	U.S. Agency	4-5 Years	1,750,000	1.13%
	Sub-Total		3,750,000	0.95%
	Total		30,495,240	0.50%

		Interest Earned			
		2nd Quarter		Fiscal Year	
		Amount	Yield	Amount	Yield
Local Agency Investment Fund (LAIF)		\$ 7,673	0.22%	\$ 17,075	0.23%
MBS Securities		27,433	1.38%	52,415	1.41%
Total		\$ 35,106	0.64%	\$ 69,490	0.63%

Community Pool Fund

On December 31, 2021 the financial assets were invested as follows:

Institution	Security Type	Maturity	Amount	Yield
LAIF	Money Market	Daily	\$ 4,218,002	0.22%
MBS Securities	Certificates of Deposit	1 year or less	249,000	0.35%
	Certificates of Deposit	1-2 Years	249,000	0.45%
	Sub-Total		498,000	0.40%
	U.S. Agency	1 year or less	-	
	U.S. Agency	1-2 Years	17,450,000	0.62%
	U.S. Agency	2-3 Years	2,000,000	0.85%
	Sub-Total		19,450,000	0.64%
	TOTAL		24,166,002	0.56%

		Interest Earned			
		2nd Quarter		Fiscal Year	
		Amount	Yield	Amount	Yield
Local Agency Investment Fund (LAIF)		\$ 2,458	0.22%	\$ 2,458	0.22%
MBS Securities		1,706	0.64%	1,706	0.64%
Total		\$ 4,164	0.39%	\$ 4,164	0.39%

By: Michael Szczech, Finance Director