

# Cash and Investments Debt Administration Report FY 2022/23 Fourth Quarter Update

Finance Department

**City Council**  
December 19, 2023

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## BACKGROUND

1. Improve reporting of treasury and debt administrative activities
  - A. Separate process for management of investment and debt
  - B. Different metrics of performance for debt and investments
2. Keep Council updated on debt and investment portfolio management activities
3. July 18, 2023, the City Council received and provided input on the Fiscal Year 2022/23 Third Quarter report



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## TREASURY FINANCIAL GOALS

1. Safety of Principal
2. Liquidity for Cash Flow
3. Yield return on investment
  - A. Ensure sufficient cash on hand to meet obligations
  - B. Adhere to City Investment Policy and bond covenants related to Permitted Investments for Bond Proceeds
  - C. Annual requirement to delegate investment authority to Chief Financial Officer/Treasurer



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## CASH AND TREASURY PERFORMANCE – END OF Q4

1. Pooled Investment Portfolio - \$994 million
2. Investments held by fiscal agent - \$181 million
3. Weighted average yield of pooled investment portfolio – 2.89%
4. No fund's cash balance is currently a concern



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## DEBT SUMMARY ANALYSIS – FOURTH QUARTER

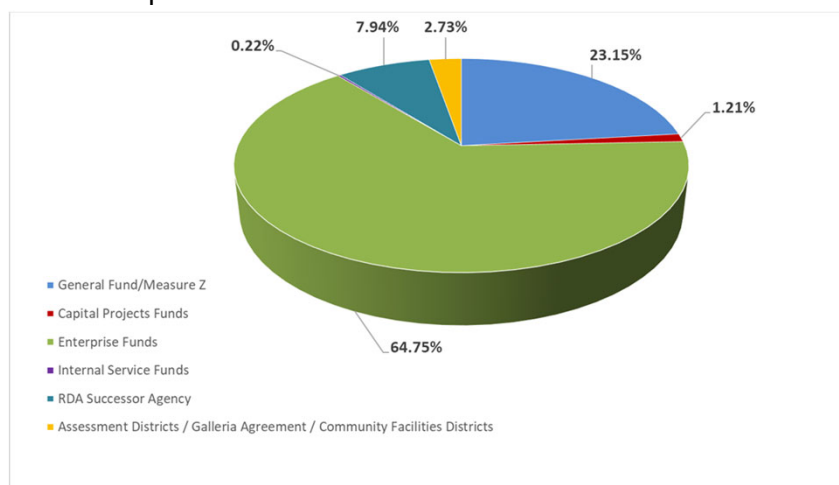
Principal Balance decreased \$27,336,619 due to Debt Service Principal Payments – April 1 through June 30, 2023

- a. Pension Obligation Bonds (\$23,900,000)
- b. Capital Leases (\$523,506)
- c. Certificates of Participation (\$1,760,000)
- d. Private Placement Loans (\$1,153,113)

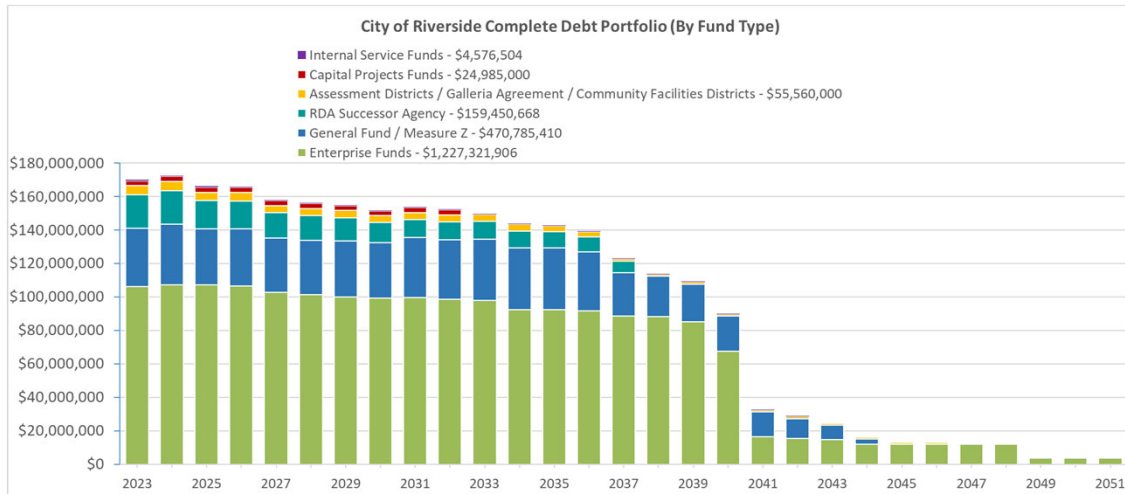


## DEBT SUMMARY ANALYSIS – FOURTH QUARTER

Debt Portfolio composition



## DEBT SUMMARY ANALYSIS – FOURTH QUARTER



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## DEBT ACTIVITIES – FOURTH QUARTER

1. Presented a plan of finance to refund the 2013 Measure A Certificates of Participation to achieve debt service savings
2. Completion of the annual assessment levy process for the Street Lighting Assessment District and Landscape Maintenance Districts
3. Extension to the Letter of Credit for the 2011A Electric Revenue Bonds
4. Final compliance documents submitted for the 2004 Pension Obligation Bonds, which fully matured on June 1, 2023



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# STRATEGIC PLAN ALIGNMENT



**High performing government** - Enhance communication and collaboration with community members, to improve transparency, build public trust, and encourage shared decision-making.

## Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



# RECOMMENDATION

That the City Council receive and provide input on the Fiscal Year 2022/23 Fourth Quarter Cash, Investments, and Debt Report.

