



Cash and Investments Debt Administration Report FY 2022/23 Six Months Ending 12/31/2022

Finance Department

Financial Performance and Budget Committee

April 14, 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. January 24, 2023, the City Council received and provided input on the Fourth 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 – SIX MONTHS ENDED 12/31/2022

1. Pooled Investment Portfolio - \$909 million
2. Investments held by fiscal agent - \$149 million
3. Weighted average yield of pooled investment portfolio – 2.18%
4. No fund's cash balance is currently a concern



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DEBT SUMMARY ANALYSIS – FIRST SIX MONTHS

Principal Balance increased \$5,206,347 due to new \$58,025,000 debt issuance of the 2022A Water Revenue Bonds, offset by Debt Service Principal Payments – July 1 through December 31, 2022

- a. General Obligation Bonds (\$1,560,000)
- b. Lease Revenue Bonds (\$6,240,000)
- c. Capital Leases (\$2,220,477)
- d. Interfund Loans (\$723,098)
- e. Private Placement Loans (\$1,655,078)
- f. Enterprise Revenue Bonds (\$33,445,000)
- g. Tax Allocation Bonds (\$4,710,000)
- h. Mello Roos and Assessment District Bonds (\$2,265,000)

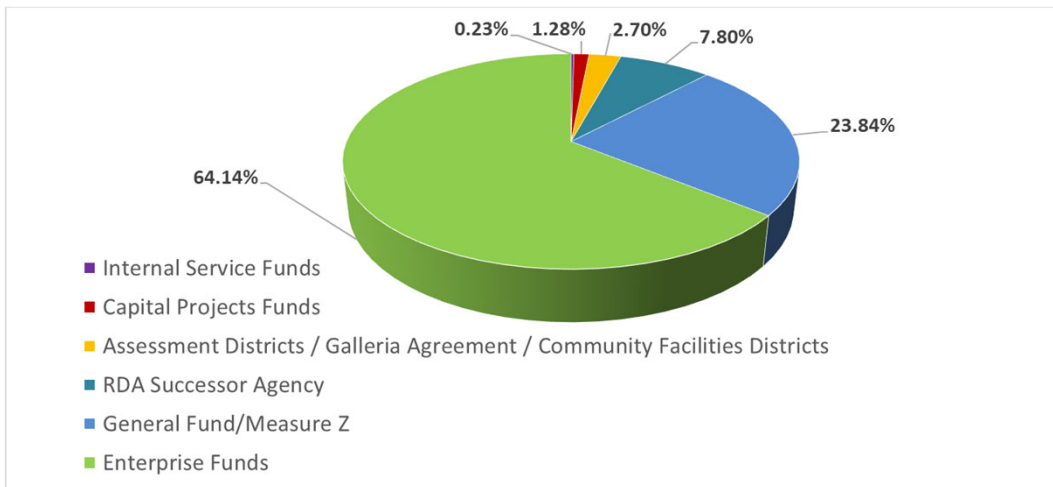


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DEBT SUMMARY ANALYSIS – FIRST SIX MONTHS

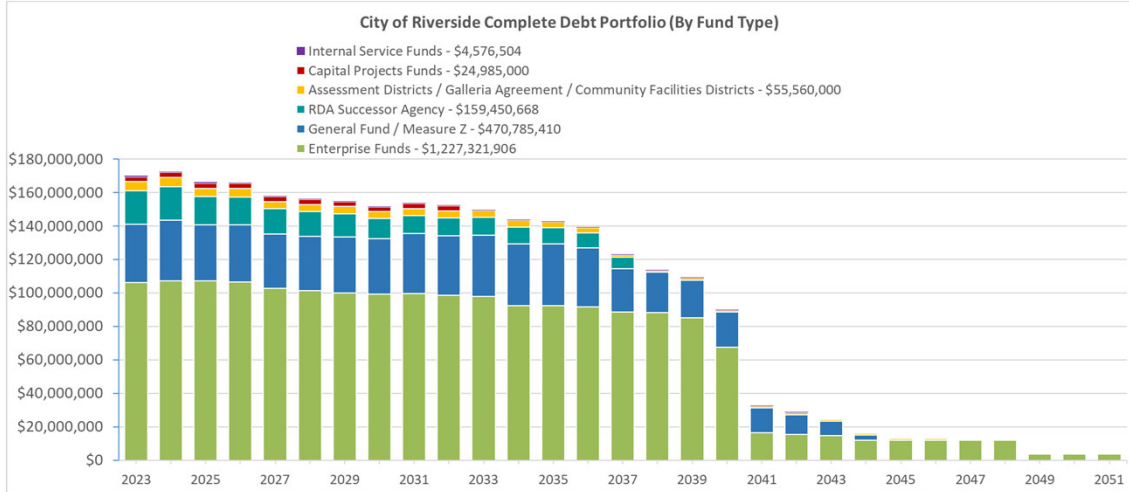
Debt Portfolio composition



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DEBT SUMMARY ANALYSIS – FIRST SIX MONTHS



DEBT ACTIVITIES – FIRST SIX MONTHS

1. Issued new money Water Fund Revenue Bonds and an interest rate mode conversion and remarketing of the 2011 A Water SIFMA Notes to VRDO's
2. Preparation and approval of Arlington, Auto Center, and Downtown Business Improvement District annual levies
3. Approval and posting of the levies for all FY 2023 CFD, AD and GO Bonds with the County of Riverside
4. Preparation of various debt related reports for submission to the California Debt and Investment Advisory Commission (CDIAC) and the State Controller's Office
5. Conducted a TEFRA hearing to facilitate tax exempt funding for The Aspire affordable housing facility and joined the California Public Finance Authority as a Non-Charter Additional Member
6. Preparation and filing of annual SB 165 Report



STRATEGIC PLAN ALIGNMENT



Strategic Priority 5 – High Performing Government

Goal 5.3 – 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



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RECOMMENDATION

That the Financial Performance and Budget Committee receive and provide input on the attached Fiscal Year 2022/23 six months ending 12/31/2022 Cash, Investments, and Debt Report.



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