



# Cash and Investments Debt Administration Report FY 2020/21 First and Second Quarter Update

Finance Department

City Council

April 13, 2021

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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 19, 2021 City Council received and provided input on FY 2019/20 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 – End of Q2

1. Pooled Investment Portfolio - \$748 million
2. Investments held by fiscal agent & other miscellaneous cash - \$197 million
3. Weighted average yield of pooled investment portfolio – 1.02%
4. No fund's cash balance is currently a concern



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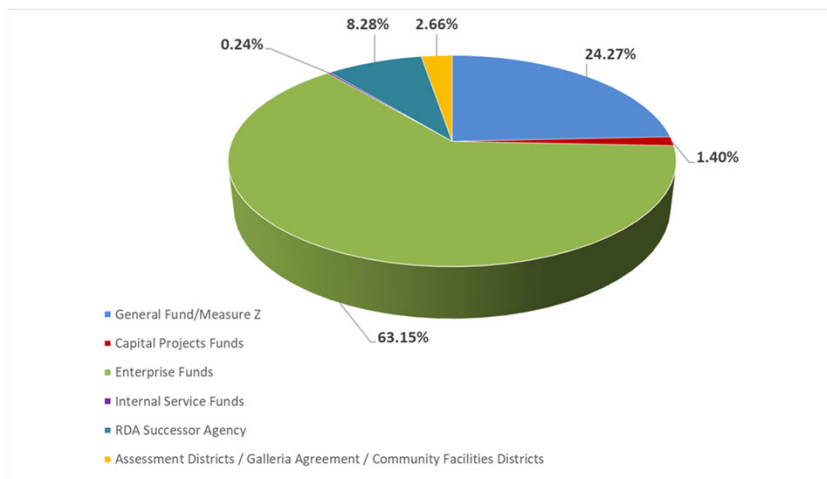
## Debt Summary Analysis – End of Q2

1. Principal Balance decreased \$64,960,127 due to
  - A. Debt Service Principal Payments – July 1 through December 31, 2020
    - a. General Obligation Bonds (\$1,380,000)
    - b. Pension Obligation Bonds (\$15,245,000)
    - c. Lease Revenue Bonds (\$5,650,000)
    - d. Capital Leases (\$2,269,876)
    - e. Interfund Loans (\$1,400,915)
    - f. Private Placement Loans (\$1,769,336)
    - g. Enterprise Revenue Bonds (\$30,535,000)
    - h. Tax Allocation Bonds (\$4,685,000)
    - i. Mello Roos and Assessment District Bonds (\$2,025,000)

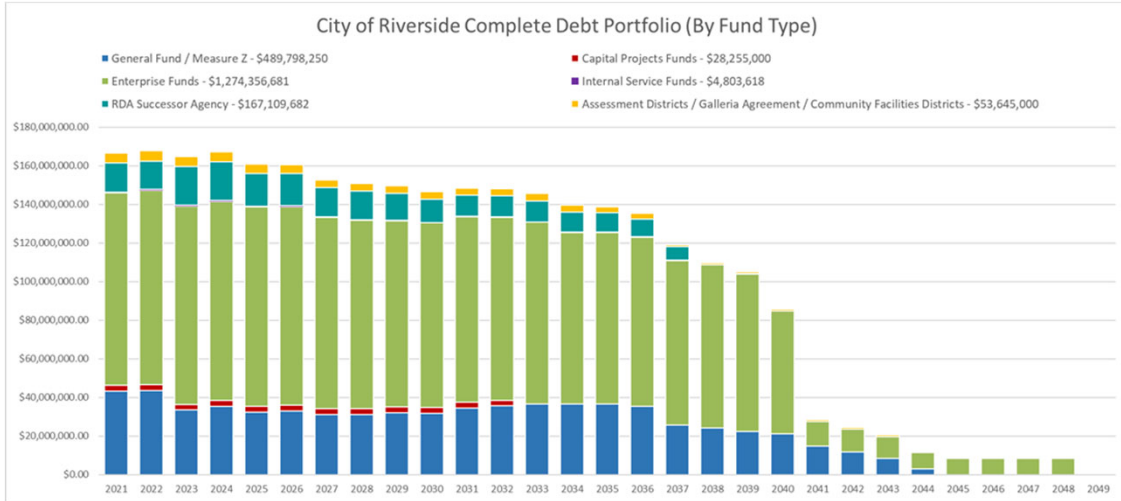


## Debt Summary Analysis – End of Q2

### Debt Portfolio composition



## Debt Summary Analysis – End of Q2



## Debt Activities – Q1 and Q2

1. Completed Formation of CFD 2015-2 (Pomelo), which includes City services fee to help offset new development costs
2. Coordination and approval of Arlington, Auto Center, and Downtown Business Improvement District Annual Levies
3. Preparation of CDIAC and State Controller Reports related to Mello Roos, Long and Short-Term Debt Obligations, and Parcel Taxes
4. Posted Levy for CFD, AD and GO Bonds with the County of Riverside
5. Analysis and preparation of SB165 Parcel Tax report
6. Began process of renewing LOCs for 2008A and 2008C Electric Revenue Bonds and 2008 Certificates of Participation
7. Regular bi-monthly review of refunding opportunities



## Recommendation

1. Receive and provide input on the Fiscal Year 2020/21 First and Second Quarter Cash and Investments and Debt Report.

