



MEMORANDUM

TO: CITY COUNCIL

FROM: NICOLE VALENTINE, ADMINISTRATIVE SERVICES DIRECTOR

SUBJECT: CONSIDERATION OF STATEMENT OF INVESTMENT DEPOSITS

DATE: OCTOBER 26, 2021

SUMMARY OF ACTION:

Presentation of investment deposits.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

There is no funding impact to the City related to these reports. However, the City does receive interest revenue based on the interest rate of the investments. No or minimal future staff time is projected.

RECOMMENDATION:

It is recommended the City Council receive and file the attached report listing investment deposits of the City of Arroyo Grande as of September 30, 2021, as required by Government Code Section 53646(b).

BACKGROUND:

This report represents the City's investments as of September 30, 2021. It includes all investments managed by the City, the investment institution, investment type, book value, maturity date, and rate of interest. As of September 30, 2021, the investment portfolio was in compliance with all State laws and the City's investment policy.

ANALYSIS OF ISSUES:

The Administrative Services department has historically submitted to the City Council a monthly report, providing the following information:

1. Type of investment.
2. Financial institution (bank, savings and loan, broker, etc).
3. Date of maturity.

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4. Principal amount.
5. Rate of interest.
6. Current market value for all securities having a maturity of more than 12 months.
7. Relationship of the monthly report to the annual statement of investment policy.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

1. Recommended Alternative - Approve staff's recommendation to receive and file the attached report listing the investment deposits.
2. Do not approve staff's recommendation
3. Provide direction to staff

ADVANTAGES:

Safety of principal is the foremost objective of the City. Investments are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

DISADVANTAGES:

Some level of risk is present in any investment transaction. Losses could be incurred due to market price changes, technical cash flow complications such as the need to withdraw a non-negotiable Time Certificate of Deposit early, or even the default of an issuer. To minimize such risks, diversifications of the investment portfolio by institution and by investment instruments are being used as much as is practical and prudent.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

Attachments:

1. Portfolio Summary: September 30, 2021



City of Arroyo Grande
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Arroyo Grande, CA 93420
Phone: (805) 473-5400

CITY OF ARROYO GRANDE
Portfolio Management
Portfolio Summary
September 30, 2021

Investments	Principal Value	Current Market Value	Interest Rate	Date of Purchase	Term	Maturity Date	% of Portfolio
Local Agency Investment Fund	\$ 9,081,749.85	\$ 9,081,749.85	0.206%				43.454%
Certificates of Deposit							
Pacific Premier Bank	106,529.81	106,529.81	0.200%	February 21, 2021	12 mos	February 21, 2022	0.510%
Texas Exchange Bank	248,000.00	248,000.00	1.000%	March 25, 2020	24 mos	March 25, 2022	1.187%
CIT Bank NA	248,000.00	248,000.00	1.050%	March 28, 2020	24 mos	March 28, 2022	1.187%
Firstbank Puerto Rico	249,000.00	249,000.00	1.700%	October 25, 2019	30 mos	April 25, 2022	1.191%
Ally Bank	247,000.00	247,000.00	2.150%	July 22, 2019	36 mos	July 22, 2022	1.182%
TIAA FSB Jacksonville	247,000.00	247,000.00	2.100%	July 12, 2019	36 mos	July 12, 2022	1.182%
Sallie Mae Bank/Salt Lake	247,000.00	247,000.00	1.900%	October 3, 2019	36 mos	October 3, 2022	1.182%
Eaglebank Bethesda Maryland	249,000.00	249,000.00	1.850%	October 4, 2019	36 mos	October 4, 2022	1.191%
Goldman Sachs Bank USA	247,000.00	247,000.00	1.850%	October 24, 2019	36 mos	October 24, 2022	1.182%
1st Security Bank Washington	249,000.00	249,000.00	1.700%	October 4, 2019	42 mos	April 4, 2023	1.191%
Morgan Stanley Private Bank	247,000.00	247,000.00	2.250%	July 11, 2019	45 mos	July 11, 2023	1.182%
Merrick Bank	249,000.00	249,000.00	1.800%	October 16, 2019	48 mos	October 16, 2023	1.191%
BMW Bank North America	249,000.00	249,000.00	0.500%	July 16, 2021	36 mos	July 16, 2024	1.191%
Enerbank USA	247,000.00	247,000.00	1.850%	October 25, 2019	60 mos	October 25, 2024	1.182%
Flagstar Bank	245,000.00	245,000.00	0.850%	May 15, 2020	60 mos	May 15, 2025	1.172%
New York Community Bank	249,000.00	249,000.00	0.550%	July 1, 2021	48 mos	July 1, 2025	1.191%
UBS Bank USA	249,000.00	249,000.00	0.900%	July 21, 2021	60 mos	July 21, 2026	1.191%
Toyota Financial Savings Bank	248,000.00	248,000.00	0.950%	July 22, 2021	60 mos	July 22, 2026	1.187%
Total Certificates of Deposit	4,320,529.81	4,320,529.81					20.673%
Agency Bonds							
Federal Farm Credit Bank	2,500,000.00	2,564,422.50	1.600%	November 1, 2019	48 mos	November 1, 2023	11.962%
Federal Farm Credit Bank	1,999,314.00	1,995,862.00	0.350%	December 4, 2020	42 mos	May 16, 2024	9.566%
Federal Farm Credit Bank	998,431.00	990,695.00	0.430%	March 17, 2021	48 mos	March 3, 2025	4.777%
Federal Natl Mortgage Assn	1,000,000.00	990,353.00	0.500%	October 20, 2020	60 mos	October 20, 2025	4.785%
Federal Home Loan Bank	999,500.00	994,252.00	0.800%	March 17, 2021	60 mos	March 10, 2026	4.782%
Total Agency Bonds	7,497,245.00	7,535,584.50					35.873%
TOTAL INVESTMENTS	\$ 20,899,524.66	\$ 20,937,864.16					100.000%

* Effective Interest Rate