
Authority Board **STAFF REPORT**

Meeting Date: May 17, 2023

Subject	Accept Quarterly Cash and Investment Report for the Period Ended March 31, 2023
Summary of Issues	The Authority's Investment Policy calls for a quarterly report on investment activity to be prepared and submitted to the Executive Director, Administration and Projects Committee (APC), and Authority Board. The accompanying report covers transactions from January 1, 2023 through March 31, 2023.
Recommendations	Staff seeks acceptance of the quarterly cash and investment report for the period ended March 31, 2023.
Staff Contact	Brian Kelleher
Financial Implications	None
Options	N/A
Attachments	A. Quarterly Investment Report for Period Ended March 31, 2023 B. Economic Update - prepared by Public Trust Advisors, LLC (PTA)
Changes from Committee	N/A

Background

The Authority's Investment Policy calls for a quarterly investment report to be submitted to the Executive Director, APC, and Authority Board. The report summarizes investment balances, transactions, returns and other pertinent investment matters. The Authority's cash and securities are invested in separate portfolios depending upon the objectives for the assets being managed. As of March 31, 2023, the combined balance for all cash, investments and holdings was \$122,128,057, an increase of \$9,425,784 from the prior quarter end due primarily to sales tax distribution received in late March.

Checking Account – \$732,428

The Authority’s commercial banking account, Wells Fargo, is utilized for accounts payable, payroll, deposits, and electronic activity.

Local Agency Investment Fund (LAIF) – \$52,833,981

LAIF is a pooled investment fund managed by the State Treasurer’s Office for public agencies. The LAIF return was 2.74% at the end of the quarter. An increase in the amount of \$9.6 million was mostly derived from the sales tax distribution and accounts receivable invoices.

Investment Portfolio – \$68,561,648

The investment portfolio is actively managed with assistance from PTA, a registered and independent investment advisor. The portfolio includes individual securities, such as Treasury Notes, Federal Agency Securities, high-quality corporate notes, and other securities permitted by the Authority’s Investment Policy.

Performance Factors	December 31, 2022 Ending Balance	March 31, 2023 Ending Balance	Quarter Change
Market Value Plus Accrued	\$67,831,055	\$68,907,610	\$1,076,555
Book Yield	1.78%	2.48%	0.70%
Yield to Maturity	4.50%	4.21%	-0.29%
1-3 Year Treasury			
Benchmark	4.49%	4.20%	-0.29%

Economic Update. Attachment B is a report prepared by PTA, the Authority’s investment advisor. The report contains slides of commonly referenced economic indicators and trends, including Gross Domestic Product, inflation, unemployment, and the Treasury yield curve.

Certification: The investment portfolio is in compliance with the Authority's adopted investment policy. Furthermore, as required by State regulation, it is certified that the Authority has sufficient cash liquidity to meet expected expenditure requirements over the next six months for fiscal operations. Certified by the following:

A handwritten signature in black ink, appearing to read "Brian Kelleher", written in a cursive style.

Brian Kelleher
Chief Financial Officer

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