

City of Piedmont
COUNCIL AGENDA REPORT

DATE: July 19, 2021
TO: Mayor and Council
FROM: Sara Lillevand, City Administrator
SUBJECT: Receipt of a Report on the City’s Investment Portfolio

RECOMMENDATION

Accept the FY 2020-21 Investment Report.

BACKGROUND

In April 2018, the City Council approved an updated Investment Policy which governs all the financial assets of the City, except for assets held in trust (Other Post-Employment Benefits, Legacy Police and Fire Pension) which have their own policies in place. Per the policy, Staff is required to submit a report to the City Council on a regular basis which provides “a clear picture of the status of the current investment portfolio. It is staff’s intent to issue the report to Council on an annual basis unless directed otherwise.

REPORT

Throughout Fiscal Year 2020-21, all financial assets were invested in the Local Agency Investment Fund (LAIF) or in Certificates of Deposit and U.S. Agency securities through MBS Securities. Below is a recap of the investment results:

	Interest Earned			
	4th Quarter		Fiscal Year	
	Amount	Yield	Amount	Yield
Local Agency Investment Fund (LAIF)	\$ 16,579	0.34%	\$ 74,167	0.51%
MBS Securities	31,360	1.92%	149,707	2.29%
Total	\$ 47,939	0.72%	\$ 223,874	1.07%

At June 30, 2021 our financial assets were invested as follows:

<u>Institution</u>	<u>Security Type</u>	<u>Maturity</u>	<u>Amount</u>	<u>Yield</u>
LAIF	Money Market	Daily	\$ 21,304,079	0.22%
MBS Securities	Certificates of Deposit	1 year or less	\$ 2,468,000	2.80%
	Certificates of Deposit	1-2 Years	1,981,000	1.72%
	Certificates of Deposit	2-3 Years	-	
	Certificates of Deposit	4-5 Years	498,000	1.72%
	U.S. Agency	4-5 Years	1,500,000	1.13%
			<u>\$ 6,447,000</u>	1.73%
Total			<u>27,751,079</u>	0.63%

By: Michael Szczech, Finance Director