



## CITY OF EASTVALE CITY COUNCIL STAFF REPORT

ITEM 6.8

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**DATE:** MAY 24, 2017

**TO:** HONORABLE MAYOR AND COUNCIL MEMBERS

**FROM:** JAMES R. RILEY, INTERIM FINANCE DIRECTOR

**SUBJECT:** TREASURER'S REPORT – QUARTER ENDED MARCH 31, 2017

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**RECOMMENDATION: RECEIVE AND FILE THE CITY TREASURER'S REPORT**

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### BACKGROUND

In accordance with the City of Eastvale's Investment Policy, adopted May 11, 2016, the City Treasurer is required to submit a quarterly treasurer's report to the City Council. The report shall include types of investments, credit ratings, institutions involved, dates of purchases, dates of maturity, amount of deposits or cost of the security, current market value of the securities, interest rates, investment fund balances and a statement as to whether investments are in compliance with the Investment Policy and whether there are sufficient funds to meet the City's cash obligations for the next six months.

### DISCUSSION

The Schedule of Investments, includes a breakdown of the City's investments by "Active" or "Inactive" Deposits. "Active Deposits" are those accounts which receive revenues, whereas "Inactive Deposits" are available for use but are not earning revenues. Detail reports for the PFM Managed Investment Portfolio, with all supplemental information required by the City's investment policy, are included in the report.

The Dash Board Report Card, consists of two sections:

- I. Portfolio Diversification – This section reflects the diversification of the City of Eastvale's portfolio by both type of instrument and length of maturity.
- II. Portfolio Performance Measures – This section compares budget to actuals in the area of interest earned.

Also included is a cash breakdown report per the City's fund balance reserve policy showing funds restricted, committed, designated and unassigned as of March 31, 2017 and the investment income received at March 31, 2017, broken down by fund.

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## **CITY OF EASTVALE CITY COUNCIL STAFF REPORT**

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The City of Eastvale's Schedule of Investments is in compliance with the City's Investment Policy. The City has sufficient funds to meet its expenditure requirements for the next six months. Total cash and investments at March 31, 2017 is \$57,463,637 (book value). Net investment income received through March 31, 2017 is \$267,641, which is 298.373% of the 2016-17 budgeted amount for interest of \$89,700. The net yield on investments is 1.107%.

### **FISCAL IMPACT**

Not Applicable.

### **STRATEGIC PLAN IMPACT**

Goal 1: Establish a solid fiscal foundation for the City

### **ATTACHMENTS**

1. Schedule of Investments – March 31, 2017
2. Dash Board Report Card – March 31, 2017
3. Cash Breakdown per the Fund Balance Reserve Policy – March 31, 2017
4. PFM Managed Investment Portfolio – March 31, 2017

Prepared by: James R. Riley, Interim Finance Director  
Reviewed by: Michele Nissen, City Manager  
Reviewed by: John Cavanaugh, City Attorney

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**City of Eastvale  
Schedule of Investments  
As of March 31, 2017**

Institution	Par Value	Book Value Price @ Cost	(Fair Value) Market Value	Yield
<b><u>ACTIVE DEPOSITS</u></b>				
<i>Money Market Accounts:</i>				
Citizens Business Bank - Money Market	\$ 1,178,321.88	\$ 1,178,321.88	\$ 1,178,321.88	0.350%
First American Govt Oblig Fund CI Y	299,215.72	299,215.72	299,215.72	0.260%
<b>Total Money Market</b>	<b>\$ 1,477,537.60</b>	<b>\$ 1,477,537.60</b>	<b>\$ 1,477,537.60</b>	<b>0.332%</b>
<i>Pooled Investment Accounts:</i>				
Local Agency Investment Fund	\$ 12,880,728.66	\$ 12,880,728.66	\$ 12,870,114.31	0.821%
<b>Total Pooled Investment</b>	<b>\$ 12,880,728.66</b>	<b>\$ 12,880,728.66</b>	<b>\$ 12,870,114.31</b>	<b>0.821%</b>
<i>PFM Managed Investment Portfolio:</i>				
U.S. Treasury Bond/ Note	\$ 10,780,000.00	\$ 10,933,774.03	\$ 10,825,579.30	1.440%
Asset-Back Security/ Collateralized	\$ 145,000.00	\$ 144,980.48	\$ 143,912.05	1.300%
Certificate of Deposit-FDIC Insured	\$ 1,489,000.00	\$ 1,489,000.00	\$ 1,491,021.31	1.240%
Certificate of Deposit	\$ 2,260,000.00	\$ 2,259,563.20	\$ 2,266,640.99	1.880%
Federal Agency Bond/ Note	\$ 13,680,000.00	\$ 13,688,248.80	\$ 13,575,679.51	1.070%
Corporate Note	\$ 5,930,000.00	\$ 6,075,511.60	\$ 6,003,260.90	1.950%
<b>Total PFM Managed Investments</b>	<b>\$ 34,284,000.00</b>	<b>\$ 34,591,078.11</b>	<b>\$ 34,306,094.06</b>	<b>1.080%</b>
<b><u>ACTIVE DEPOSITS TOTAL</u></b>	<b>\$ 48,642,266.26</b>	<b>\$ 48,949,344.37</b>	<b>\$ 48,653,745.97</b>	<b>1.217%</b>
<b><u>INACTIVE DEPOSITS</u></b>				
<i>Checking Account:</i>				
Citizens Business Bank - Checking		\$ 8,514,292.95	\$ 8,514,292.95	0.000%
<b>Total</b>		<b>\$ 8,514,292.95</b>	<b>\$ 8,514,292.95</b>	<b>0.000%</b>
<b><u>INACTIVE DEPOSITS TOTAL</u></b>		<b>\$ 8,514,292.95</b>	<b>\$ 8,514,292.95</b>	
<b><u>GRAND TOTAL CASH</u></b>		<b>\$ 57,463,637.32</b>	<b>\$ 57,168,038.92</b>	

Per Government Code requirements, the Investment Report is in compliance with the City of Eastvale's Investment Policy, and there are adequate funds available to meet budgeted and actual expenditures for the next six months.

James R. Riley  
Interim Finance Director  
5/15/2017



**City of Eastvale  
Dash Board Report Card  
As of March 31, 2017**

**I. PORTFOLIO DIVERSIFICATION**

**DIVERSIFICATION BY INSTRUMENT**

Money Market	3.02%
LAIF	26.31%
Certificates of Deposit-FDIC Insured	3.04%
Certificates of Deposit	4.62%
U.S. Treasury Bond/ Note	22.34%
Asset-Backed Security/ Collateralized	0.30%
Federal Agency Bond/ Note	27.96%
Corporate Note	12.41%
	100.00%

**DIVERSIFICATION BY MATURITY**

Less Than 90 Days	30.35%
Six Months (26 Weeks)	0.51%
One Year (52 Weeks)	0.51%
Two Years (104 Weeks)	19.14%
Three Years (156 Weeks)	22.07%
Four Years (208 Weeks)	13.28%
Five Years +	14.14%
	100.00%

**II. PORTFOLIO PERFORMANCE MEASURES**

Yield at Cost -March 31, 2017	1.217%
Annual Investment Income Budget	<b>\$ 89,700.00</b>
Investment Income Received:	
Money Market	\$ 3,132.80
LAIF	66,051.71
Certificate of Deposits	36,673.53
U.S. Treasury Bond/ Note	51,405.86
Federal Agency Discount Note	2,077.51
Federal Agency Bond/ Note	62,748.42
Asset-Backed Security/ Collateralized	779.40
Corporate Note	71,810.69
Total Investment Income Received-YTD 3/31/2017	294,679.92
Less Investment Fees Paid:	
Trust Fees-U.S. Bank	(2,994.76)
Mgmt Fee-PFM	(24,044.24)
Total Investment Fees Paid-YTD 3/31/2017	(27,039.00)
Net Investment Income Received-YTD 3/31/2017	<b>\$ 267,640.92</b>
Over/(Under) Annual Budget	\$ 177,940.92
% of Annual Budget	298.373%
Net Yield at Cost - March 31, 2017	1.107%

City of Eastvale  
Cash Breakdown per Fund Balance Reserve Policy  
March 31, 2017

Schedule of Investments - March 31, 2017

Money Market Accounts	\$ 1,214,747.23
Pooled Investment Accounts	12,851,416.81
PFM Managed Investments	34,418,744.51
Checking Account	8,783,542.13
Grand Total Cash - December 31, 2016	<u><u>\$ 57,268,450.68</u></u>
Breakdown of Total Cash at December 31, 2016	
Restricted Funds (Non-Discretionary Per Law)	\$ 31,516,840.07
Committed (Per Formal Action of City Council)	1,402,174.43
Designated/ Assigned (Per City's Intent):	
Emergency Contingency	6,179,200.00
Reserve of Funds to meet City's cash obligations for the next six months (Per Fund Balance Reserve Policy)	10,819,312.50
County of Riverside-FY 2014-15 Invoices Due (Pending resolution of litigation)	5,013,731.32
Total Designated/ Assigned	<u><u>22,012,243.82</u></u>
Unassigned	2,337,192.37
Grand Total Cash - December 31, 2016	<u><u>57,268,450.68</u></u>

City of Eastvale  
Investment Income Breakdown-Acct 4600  
March 31, 2017

<u>Fund</u>	<u>Name</u>	<u>Amount</u>	<u>Per 12/16 Allocation</u>
			<u>%</u>
100	General	\$ 148,193	55.37%
110	Fire Structural	39,852	14.89%
200	Gas Tax	31,742	11.86%
210	Measure A	19,136	7.15%
220	AQMD	1,044	0.39%
300-440	Landscape Maint.	5,380	2.01%
600	Dev. Impact Fee (DIF)	22,294	8.33%
		<u>\$ 267,641</u>	<u>100.00%</u>