

**CITY OF ALBANY  
CITY COUNCIL AGENDA  
STAFF REPORT**

**Date:** July 28, 2008  
**Agenda Date:** September 2, 2008  
**Reviewed by:** BP

**Subject:** A rendering of the quarterly Cash and Investments Treasury Report of the City of Albany as of June 30, 2008, as required by Section 53646 of the California Government Code.

**From:** Kim Denton, City Treasurer  
Charlie Adams, Finance & Administrative Services Director

---

**RECOMMENDATION**

Note and file - for information only.

**BACKGROUND**

Pursuant to section 53646 of the California Government Code, the City is required to prepare the Cash and Investments Treasury Report every quarter. Attached please find the report as of June 30, 2008.

**DISCUSSION**

The City invests cash that may be expended in the near term, in the California State Treasurer's Local Agency Investment Fund (LAIF). This is a liquid investment pool, which allows participants to earn market rate returns of large investments, while retaining access to funds within 24 hours of a withdrawal request. The market value of LAIF investments at June 30, 2008 was 0.01% less than cost.

In January 2008, \$6,000,000 was transferred from the LAIF account to the CalTrust short-term account. This is a pooled investment fund, which is similar to LAIF, yielding market rate returns and allowing easy access to fund withdrawals. At June 30, 2008, the market value was 0.10% less than cost.

Bond proceeds of \$500,000 from the 2004 Sewer Revenue Bond refinancing, that will not be expended for at least six months have been invested in US governmental securities, purchased through Wells Fargo Bank's Institutional Brokerage & Sales Department.

The investment of debt service reserves on deposit with fiscal agents is controlled by the designated fiscal agent. As of June 30, 2008, the deposits with fiscal agents were invested in money market funds, and the yield was 1.55% for the reporting period.

**FINANCIAL IMPACT**

There are no out of pocket expenses incurred in the investment of the City's cash. LAIF yield for the quarter ended June 30, 2008 was 3.11%. This is down from 4.18% for the quarter ended March 31, 2008. Investments held by CalTrust currently yield 2.42%. Funds invested in Wells Fargo Bank securities currently earn 3.86%.

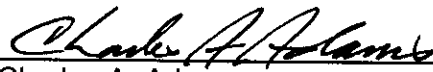
**CITY OF ALBANY**  
**CASH AND INVESTMENTS TREASURY REPORT**  
 June 30, 2008

**SUMMARY**

	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>
<b><u>GENERAL PORTFOLIO</u></b>		
LOCAL AGENCY INVESTMENT FUND	\$ 37,886,021	\$ 37,884,135
CHECKING AND SAVINGS DEPOSITS	1,170,801	1,170,801
SEWER BOND PROCEEDS	485,915	500,155
FUNDS IN CALTRUST	6,077,411	6,071,370
<b>TOTAL GENERAL PORTFOLIO</b>	<u><u>\$ 45,620,148</u></u>	<u><u>\$ 45,626,461</u></u>
<b><u>FUNDS WITH FISCAL AGENTS</u></b>		
DEBT SERVICE RESERVE FUNDS	\$ 681,239	\$ 681,239
PAYMENT FUNDS	77	77
<b>TOTAL BOND PROCEEDS</b>	<u><u>\$ 681,316</u></u>	<u><u>\$ 681,316</u></u>

1. I hereby certify that the investments are in compliance with the investment policy adopted by the City Council.
2. The City has the ability to meet its budgeted expenditures.
3. The book value for the State Local Agency Investment Pool is the withdrawal value provided by the State Treasurer.
4. The Market value of funds held by the State Treasurer equates to the City's pro-rata share of the market value of the entire State investment pool.
5. The fiscal agent provided the market values for investments held in their accounts.
6. This report meets the requirement of Government Code Section 53601 and 53646.

  
 \_\_\_\_\_  
 Kim Denton, City Treasurer

  
 \_\_\_\_\_  
 Charles A. Adams  
 Finance & Administrative Services Director

**CITY OF ALBANY  
CASH AND INVESTMENTS TREASURY REPORT  
June 30, 2008**

**Funds in State Local Agency Investment Fund**

<u>Fund or Account</u>	<u>Account Balance</u>	<u>Market Value</u>
City Account:		
Measure F 2003	\$ 3,027,170	\$ 3,027,019
Measure F 2007	6,693,864	6,693,531
Measure C 2007	5,149,126	5,148,870
2004 Sewer Revenue Bond	1,759,762	1,759,674
General and Other Funds	<u>18,422,133</u>	<u>18,421,216</u>
	35,052,055	35,050,310
1996-1 Assessment District Bond	<u>2,833,966</u>	<u>2,833,825</u>
<b>Total Funds in State Investment Pool</b>	<u><u>\$ 37,886,021</u></u>	<u><u>\$ 37,884,135</u></u>

**Yield for quarter ended June 30, 2008**

3.110%

See Notes 3 and 4 on Page 2.

**CITY OF ALBANY  
CASH AND INVESTMENTS TREASURY REPORT  
June 30, 2008**

**Funds with Banking Institutions**

<b>Account Name</b>	<b>Insured Deposits</b>	<b>Collateralized Deposits</b>	<b>Bank Securities</b>	<b>Total Deposits</b>	<b>Interest Rate</b>
City of Albany Deposits Checking Account		\$ 17,185		\$ 17,185	0.05%
Payroll Checking Account		157,981		157,981	0.05%
Accounts Payable Checking Account	\$ 100,000	839,022		939,022	0.05%
Albany Municipal Services JPA Checking Account		41,044		41,044	0.05%
Sewer Fund - WFB			\$ 15,569	15,569	2.16%
<b>Total on Deposit</b>	<b>\$ 100,000</b>	<b>\$ 1,055,232</b>	<b>\$ 15,569</b>	<b>\$ 1,170,801</b>	

**CITY OF ALBANY**  
**CASH AND INVESTMENTS TREASURY REPORT**  
**June 30, 2008**

<u>Investment</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield</u>	<u>Maturity Date</u>
<b><u>Funds with Fiscal Agents</u></b>				
BNY Western Trust Company:			1.58%	*
1996-1 Assessment District Bond	\$ 483,108	\$ 483,108		
2004 Sewer Revenue Bond	63	63		
Measure F 2007	61	61		
Measure C 2007	47	47		
US Bank:			1.52%	*
1997 Refunding COP	198,037	198,037		
<b>Total Funds with Fiscal Agent</b>	<b><u>\$ 681,316</u></b>	<b><u>\$ 681,316</u></b>		
<b><u>Sewer Bond Proceeds</u></b>				
Wells Fargo Bank:			3.86%	**
2004 Sewer Revenue Bond	\$ 485,915	\$ 500,155		
<b>Total Sewer Bond Proceeds</b>	<b><u>\$ 485,915</u></b>	<b><u>\$ 500,155</u></b>		
<b><u>Funds in CalTrust</u></b>				
CalTrust			2.42%	***
Short Term Fund	\$ 6,077,411	\$ 6,071,370		
<b>Total Sewer Bond Proceeds</b>	<b><u>\$ 6,077,411</u></b>	<b><u>\$ 6,071,370</u></b>		

\* Funds are held in cash or invested in US Government Securities and top rated corporate debt securities that are liquid assets, which may be sold at the current market value at any time.

\*\* Funds are invested in US Government Agency securities, and the maturity date is 7/16/08. It is the City's intention to hold these securities until maturity.

\*\*\* Funds are invested in short-term investments including CDs, commercial paper, money market funds, government agencies, etc. The average maturity for the funds is 0.48 years.

