

**POWER POINTS**

**FAC  
SPECIAL  
MEETING**

**JUNE 5, 2024**

# Financial Advisory Commission Special Meeting June 5, 2024



**Financial Advisory Commission  
Special Meeting  
6/5/2024**

**Business Session Item No. 1**

**Approve The Fiscal Year 2024/25 Investment Policy**



## Proposed Edits

- Extend maximum maturity by 30 days to account for new issue CD and Treasury settle dates
- Remove limit for professionally managed portfolio
- Raise Government Agency bond limits to \$30 million per issuer
- List examples of JPA Pools
- Update Appendices C and D with correct bank names/staff titles

# Appendices

- Removed reference to Bank of the West, as transition to BMO is now complete
- Removed BNY Mellon as an approved custodian bank, assets have been transferred to US Bank
- Change staff title from Accounting Manager to Finance Manager

## Discussion & Questions



**Financial Advisory Commission Special Meeting  
6/5/2024**

**Business Session Item No. 2**

**Discuss Fiscal Year 2024/25 Preliminary Proposed Budget  
and Approve Allocation of Measure G Sales Tax Revenue**



**Discussion  
Topics**

- General Fund Update
- Special Funds
- Capital Improvement Fund



## General Fund Update

GENERAL FUND FY 2024/25 ORIGINAL PROPOSED BUDGET SUMMARY		
Revenues	\$	80,714,300
Less Operating/CIP Expenses		(81,252,665)
Preliminary Budget Surplus		(538,365)
Less Measure G Reserves		-
<b>BUDGET DEFICIT \$</b>		<b>(538,365)</b>
GENERAL FUND AS OF 6/4/2024		
Revenue- Allocated Interest	\$	2,000,000
Expense- CIP: Measure G projects	\$	(1,500,000)
Expense- Fire Division	\$	(25,000)
Expense- Parks Maintenance Division	\$	111,000
Total Adjustments		586,000
<b>AMENDED BUDGET SURPLUS \$</b>		<b>47,635</b>

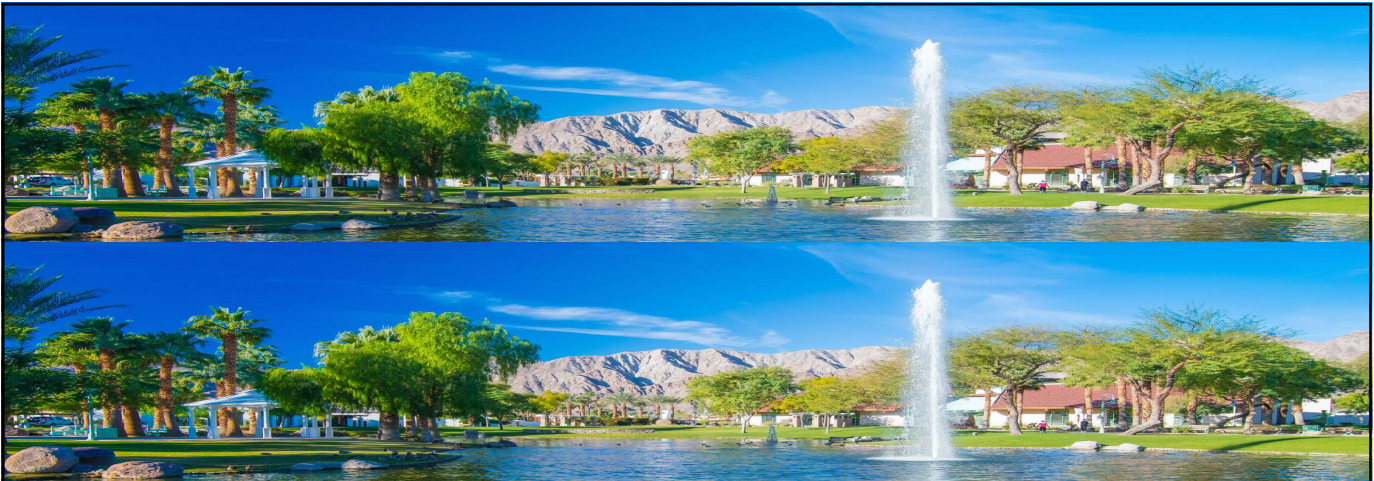
## Special Funds

- Gas Tax Fund
- Lighting and Landscape Fund
- Finance Authority Fund
- Library & Museum Fund
- Measure A Fund
- Development Impact Fee (DIF) Funds

# Capital Improvement Plan

2024/25 Summary	Funding
Capital Projects	\$29,919,019
Landscape Improvements	(\$500,000)
Developer Reimbursements	(\$400,000)
<b>TOTAL</b>	<b>\$29,019,019</b>

- 2024/25 through 2028/29 CIP Plan discussed on April 2, 2024
- Focus on transportation and parks & facilities projects



## Discussion & Questions

**June 12** Housing Commission - Final Review of Housing Budget  
**June 18** City Council – Final Budget Adoption

# Financial Advisory Commission Meeting 5/8/2024

## Business Session Item No. 3 Approve The Fiscal Year 2024/25 Meeting Dates



### Amended Proposed Meeting dates for fiscal year 2024/25

August 14, 2024	(Wednesday)	regular quarterly meeting	
October 2, 2024	(Wednesday)	special meeting	
<b>November 6, 2024</b>	<b>(Wednesday)</b>	<b>special meeting</b>	<b>Added</b>
<del>November 13, 2024</del>	<del>(Wednesday)</del>	<del>regular quarterly meeting</del>	<del>Cancelled</del>
December 4, 2024	(Wednesday)	special meeting	
<b>February 5, 2025</b>	<b>(Wednesday)</b>	<b>special meeting</b>	<b>Added</b>
<del>February 12, 2025</del>	<del>(Wednesday)</del>	<del>regular quarterly meeting</del>	<del>Cancelled</del>
<b>April 2, 2025</b>	<b>(Wednesday)</b>	<b>special meeting</b>	<b>Added</b>
<del>April 9, 2025</del>	<del>(Wednesday)</del>	<del>special meeting</del>	<del>Replaced with April 2, 2025</del>
May 7, 2025	(Wednesday)	regular quarterly meeting	
<b>June 4, 2025</b>	<b>(Wednesday)</b>	<b>special meeting</b>	<b>Added</b>
<del>June 11, 2025</del>	<del>(Wednesday)</del>	<del>special meeting</del>	<del>Replaced with June 4, 2025</del>

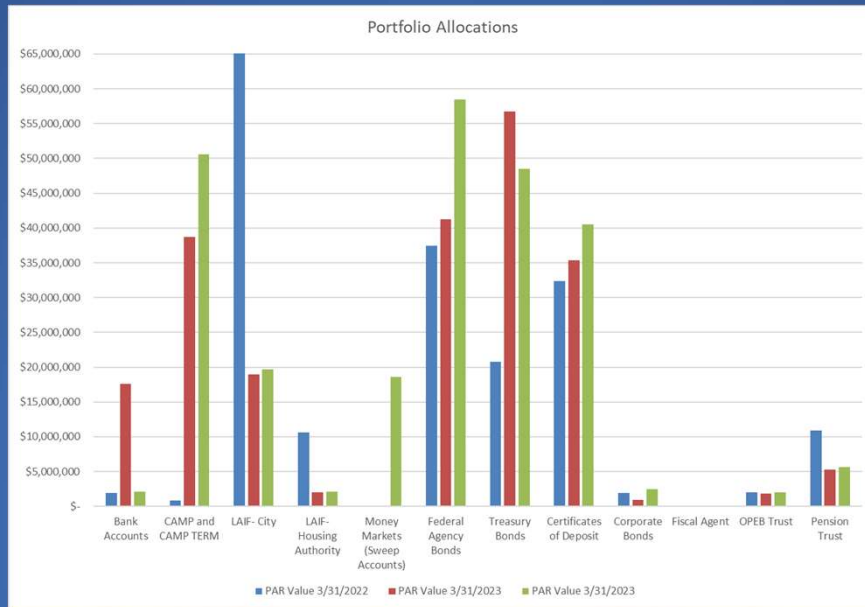


# Financial Advisory Commission Special Meeting 6/5/2024

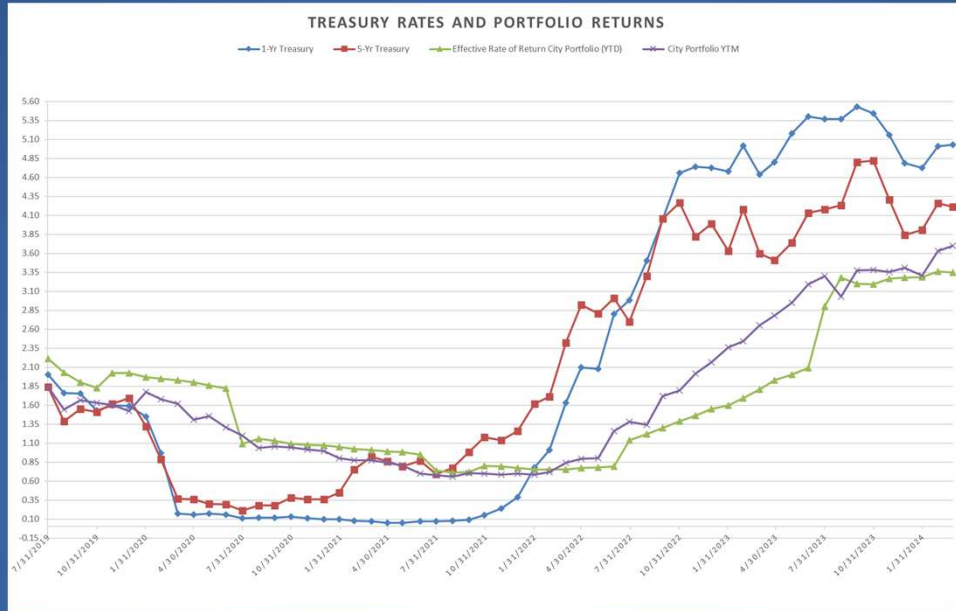
## Business Session Item No. 4 Receive and File Third Quarter Fiscal Year 2023/24 Treasury Reports for January, February, and March 2024



# Portfolio Allocations



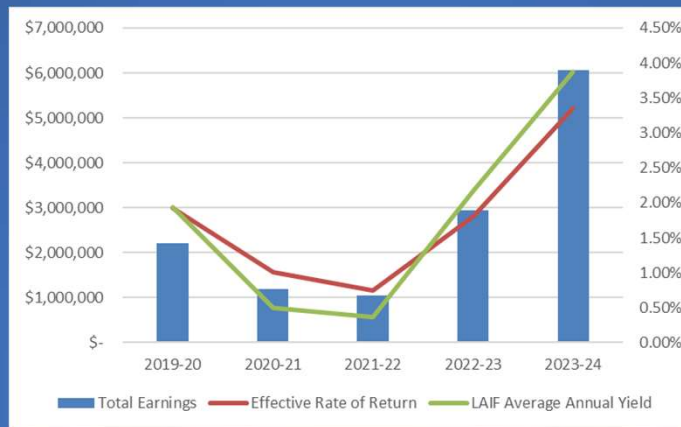
# Treasury Rates and Portfolio Returns



# Total Earnings and Rate of Return

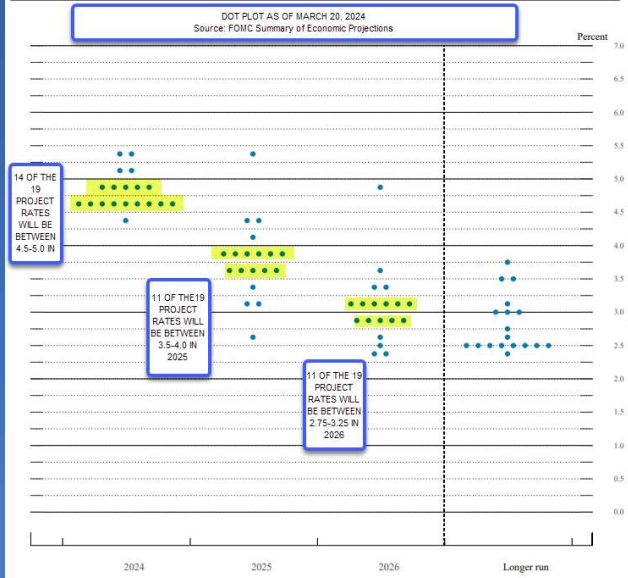
As of March Dates

	2019-20	2020-21	2021-22	2022-23	2023-24
<b>Average Daily Balance (YTD)</b>	\$ 151,598,614	\$ 158,989,054	\$ 187,045,085	\$ 217,454,088	\$ 239,614,618
<b>Total Earnings</b>	\$ 2,207,273	\$ 1,200,013	\$ 1,047,511	\$ 2,949,470	\$ 6,051,453
<b>Effective Rate of Return</b>	1.93%	1.01%	0.75%	1.81%	3.35%

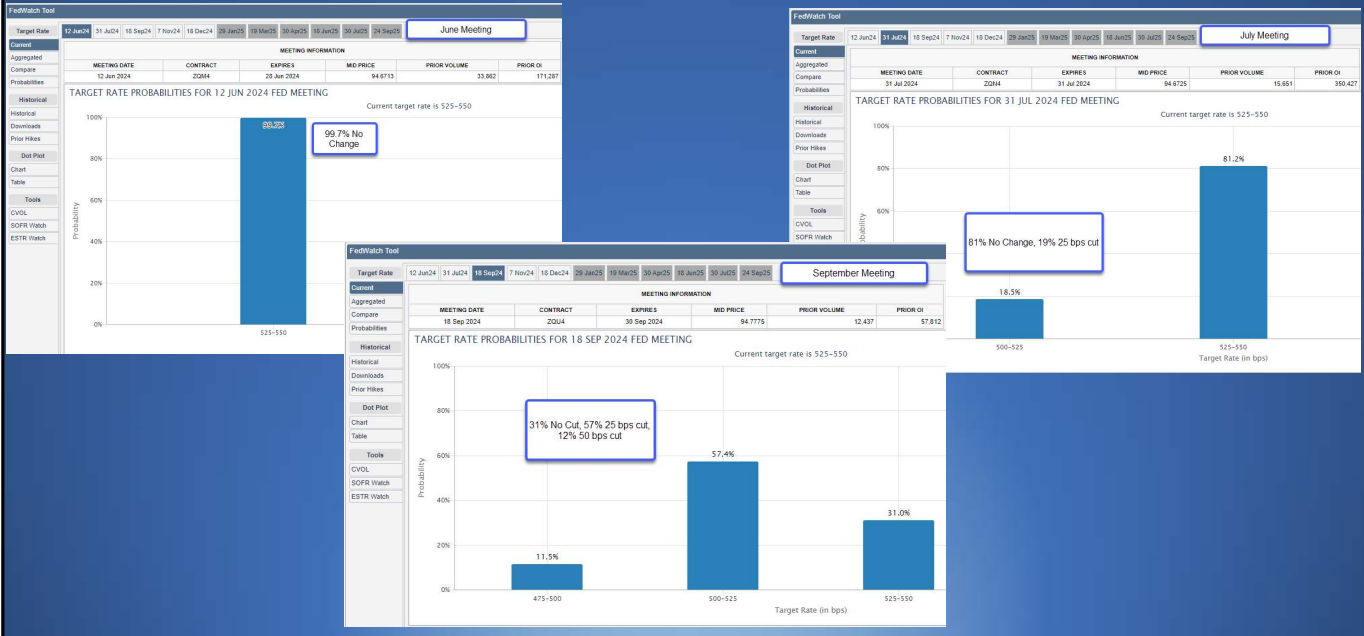


# Fed (FOMC) Dot Plot

Figure 2. FOMC participants' assessments of appropriate monetary policy: Midpoint of target range or target level for the federal funds rate

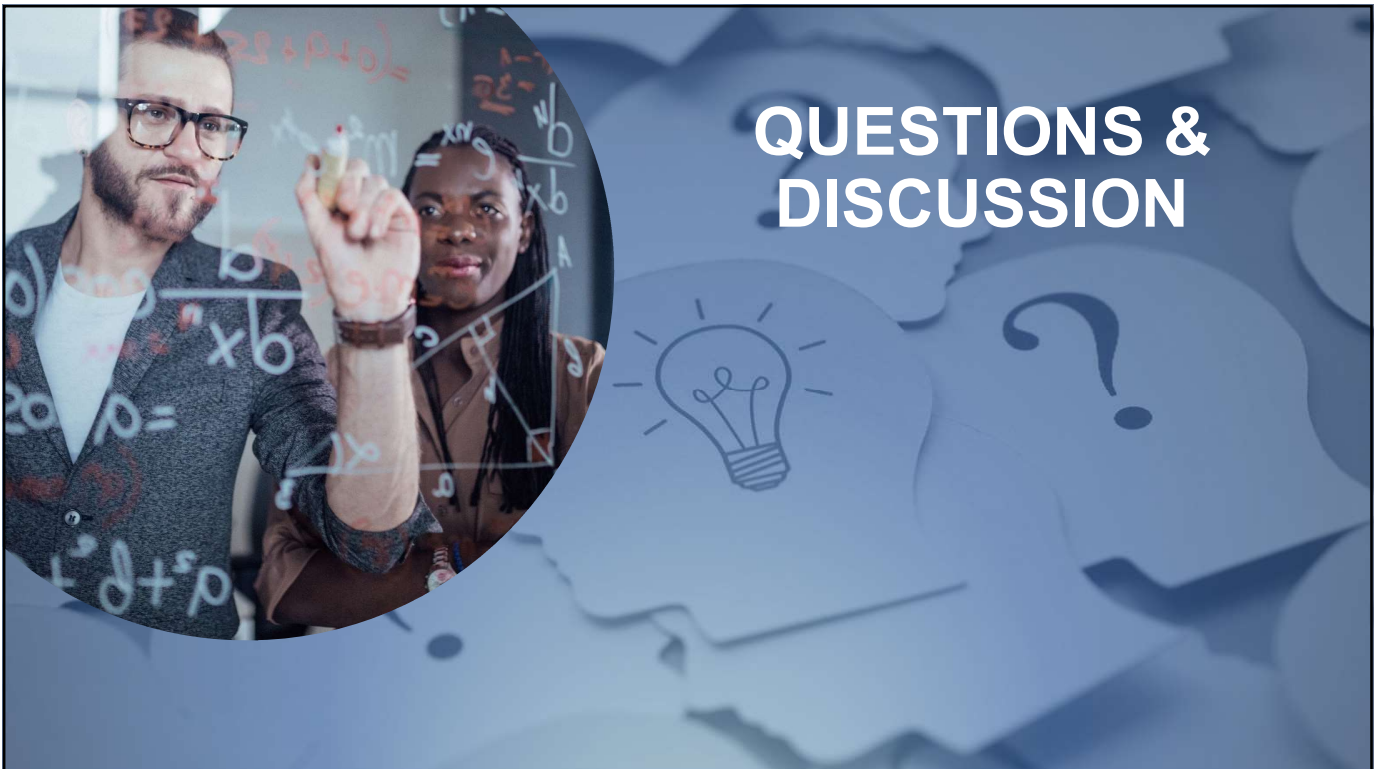


# FedWatch Tool



## Looking Forward

- Projecting \$6.6 million in total interest for 2024/25
- Utilize CAMP TERM to lock in rates
- Consider shift back to LAIF
- Place short-term investments out 1-3 years
- Continue ongoing strategy of rolling ladder of maturities



The Next Regular Financial Advisory  
Commission Meeting will be on  
**August 14, 2024**

