

**Investment Review Committee
Regular Meeting Minutes
Monday, March 7th, 2022**

1. Call to Order

Mateo Bedolla, Council Member, called the meeting to order at 5:36 p.m.

2. Roll Call

Committee Members Present: Mateo Bedolla, Council Member
Ray McCray, City Treasurer
Michael Rogers, City Manager
Karin Schnaider, Director of Finance

Committee Members Absent: Nancy Young, Mayor

Staff Present: Midori Lichtwardt, Assistant City Manager
Sara Cowell, Accounting Manager
Heather Campbell, Acting Accountant
Mariann Stolte, Executive Assistant

3. Items from the Audience – None

4. Approval of the Minutes:

Motion: Karin Schnaider, Director of Finance, made a motion to approve the
December 6, 2021 minutes. (July, August and September FY 21/22)

Second: Michael Rogers, City Manager

All in Favor: City Manager Rogers, Council Member Bedolla, Treasurer McCray, Finance
Director Schnaider

5. Review of 2nd Quarter Treasurer Reports:

October 2021

Reviewed by Guadalupe Peña, Accountant, 09/30/2021

Certified by Ray McCray, City Treasurer, 09/30/2021

November 2021

Reviewed by Heather Campbell, Acting Accountant, 10/29/2021

Certified by Ray McCray, City Treasurer, 10/29/21

December 2021

Reviewed by Heather Campbell, Acting Accountant, 12/01/21

Certified by Ray McCray, City Treasurer, 12/01/21

City Treasurer McCray provided an overview of the December 2021 Treasurer's Report, which is all-inclusive of the second quarter.

In December 2021, the On Demand Deposits were at \$60,766,644.63 at the end of the second quarter. Treasurer's Investments Market Value was \$344,610,856.53 and Bond Proceeds totaled \$52,733,980.87.

Grand total of all investments was \$456,980,363.66 in Market Value. Treasurer's Pool 75%, Proceeds from Bonds 12%, and On Demand Deposits 13%.

Treasurer Report Highlights:

Treasurer's Investments

- The Wells Fargo Sweep Account - Book Value is \$60,762,286.63 and checking \$4,358. This account earns no interest.
- Chandler Asset Management - \$143,711,117.79 Book Value and \$143,610,400.82 Market Value. Average maturity 763 days with an interest rate of 1.30%.
- JP Morgan Securities - \$71,374,589.47 Book Value and \$70,712,925.96 Market Value which is at par. Average maturity 668 days with an interest rate of 0.42%.
- Invesco - \$56,900,686.16 Book Value and \$56,531,948.27 Market Value. Average maturity 839 days with an interest rate of 1.67%
- Local Agency Investment Fund (LAIF) - \$68,586,360.54 with an interest rate of 0.20%
- CAMP - \$4,038,102.57 with an interest rate of 0.05%.
- The average interest rate of the portfolio as of December 2021 was 0.803% with 507 days to maturity.

Proceeds from Bond Issues

- Total Bond Proceeds for December was \$52,733,980.87.

Statistical Summary

- The Treasurer reviewed the Statistical Summary. The average interest rate for December was 0.803%. Pooled Investments Interest Earnings net was \$86,053.91.

Tracy Consolidated

- The Treasurer reviewed the portfolio, explained the liquidity of the portfolio and went over the different types of investments allowed as stated in the City of Tracy Investment Policy that is approved by the City Council.
- City Treasurer, Ray McCray, read in a letter from Chandler Investments to confirm that the City of Tracy is not investing in Russia or any other foreign companies.

7. Discussion: Investigate if Council has the policy discretion to prevent or divest funds managed by the Treasurer from fossil fuel companies that is their main business, not like conglomerates.

Explore viability of Fossil Fuel policy to be added to the Investment Policy. Treasurer to bring back to Chandler to answer questions.

Motion: Karin Schnaider, Director of Finance, made a motion to Direct staff to work with Chandler to work with City Treasurer to bring back white paper of investments on the impact of Fossil Fuels and sample languages from other Finance policies and Municipalities.

Second: Council Member Bedolla

All in Favor: City Manager Rogers, Council Member Bedolla, Treasurer McCray, Finance Director Schnaider

8. Adjournment

Motion to Adjourn: Michael Rogers, City Manager

Second: Karin Schnaider, Director of Finance

All in Favor: City Manager Rogers, Council Member Bedolla, Treasurer McCray, Finance Director Schnaider

Oppose: None

Adjournment: 6:57 p.m.