

**Investment Review Committee
Regular Meeting Minutes
Monday, June 13, 2022**

1. Call to Order

Finance Director Schnaider called the meeting to order at 5:37 p.m.

2. Roll Call

Committee Members Present: Nancy Young, Mayor
Mateo Bedolla, Council Member
Ray McCray, City Treasurer
Michael Rogers, City Manager
Midori Lichtwardt, Assistant City Manager
Karin Schnaider, Director of Finance

Committee Members Absent: None

Staff Present: Sara Cowell, Accounting Manager
Nancy Verdugo, Accountant
Mariann Stolte, Executive Assistant

3. Items from the Audience: Introduce new staff, Nancy Verdugo

4. Approval of the Minutes:

Motion: Finance Director, Karin Schnaider made a motion to approve the March 7, 2022 minutes. (October, November, and December FY 21/22)

Second: City Manager, Michael Rogers

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

5. Review of 3rd Quarter Treasurer Reports:

January 2022

Reviewed by Heather Campbell, Accountant, 03/22/2022

Certified by Ray McCray, City Treasurer, 03/22/2022

February 2022

Reviewed by Heather Campbell, Accountant, 04/28/2022

Certified by Ray McCray, City Treasurer, 04/28/2022

March 2022

Reviewed by Nancy Verdugo, Accountant, 06/06/2022

Certified by Ray McCray, City Treasurer, 06/06/2022

City Treasurer McCray provided an overview of the March 2022 Treasurer's Report, which is all-inclusive of the third quarter.

In March 2022, the On Demand Deposits were at \$45,519,413.49 at the end of the third quarter. Treasurer's Investments Market Value was \$355,455,436.28 and Bond Proceeds totaled \$51,195,726.01

Grand total of all investments was \$452,170,575.78 in Market Value. Treasurer's Pool 79%, Proceeds from Bonds 11%, and On Demand Deposits 10%.

Treasurer Report Highlights:

Treasurer's Investments

- The Wells Fargo Sweep Account - Book Value is \$45,494,458.49 and checking \$24,955.00. This account earns no interest.
- Chandler Asset Management - \$144,255,065.51 Book Value and \$140,402,154.23 Market Value. Average maturity 755 days with an interest rate of 1.28%.
- JP Morgan Securities - \$71,437,928.37 Book Value and \$69,237,848.26 Market Value which is at par. Average maturity 460 days with an interest rate of 0.41%.
- Invesco - \$76,010,877.36 Book Value and \$73,150,252.38 Market Value. Average maturity 996 days with an interest rate of 1.57%
- Local Agency Investment Fund (LAIF) - \$68,625,845.17 with an interest rate of 0.23%
- CAMP - \$4,039,336.24 with an interest rate of 0.25%.
- The average interest rate of the portfolio as of March 2022 was 0.845% with 543 days to maturity.

Proceeds from Bond Issues

- Total Bond Proceeds for March is \$51,195,726.01.

Statistical Summary

- The Treasurer reviewed the Statistical Summary. The average interest rate for March was 0.845%. Pooled Investments Interest Earnings net was \$406,192.17.

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.

Motion: Council Member, Mateo Bedolla made a motion to accept the Quarterly Treasurer's report.

Second: City Manager, Michael Rogers

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

6. Discussion: Review and discuss sample Investment Policy language related to Fossil Fuel and Environmental, Social, and Governance (ESG).

Staff presented two sample options for additional language to the current City of Tracy Investment Policy provided by Chandler Investments.

Option A: Fossil Fuel (page 42 of the complete agenda) and

Option B: Environment, Social and Governance (ESG) (page 64 of the complete agenda).

Council Member Bedolla made a motion to move forward with both option additions to be considered and to have staff compile a report on the financial impact these additions would make, no other committee member seconded the motion, will not proceed forward.

7. Adjournment

Motion to Adjourn: Finance Director, Karin Schnaider

Second: City Manager, Michael Rogers

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

Oppose: None

Adjournment: 6:30 p.m.