

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/1/2023

Staff Report No. 23-496

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Monthly Report on Investments for June, July and August, 2023

BRIEFING ITEM

AGENDA PLANNING REQUEST:

RECOMMENDED ACTION(S):

Consider receiving the Monthly Reports on Investments for June, July, and August.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

These Monthly Investment Reports are provided to the Board of Directors to demonstrate 1) the District's compliance with Investment Policy Guidelines and 2) the District's ability to meet its liquidity needs in the near term.

BUDGETARY/FISCAL IMPACT:

There are no budgetary or fiscal impacts associated with this report

BACKGROUND/RATIONALE:

As of June 30, 2023, the District had the following investments:

Public Inst. Bank Deposit Account (Collateralized 110%)	\$ 28.70 Million
Money Market Accounts (7 small banks - FDIC Insured)	\$ 1.77 Million
Treasury Bills	\$153.12 Million
LAIF	\$ 0.04 Million
Agency Bonds	\$ 5.00 Million

As of July 31, 2023, the District had the following investments:

Public Inst. Bank Deposit Account (Collateralized 110%)\$ 29.74 Million	
Money Market Accounts (7 small banks - FDIC Insured)	\$ 1.77 Million
Treasury Bills	\$153.02 Million
LAIF	\$ 0.04 Million
Agency Bonds	\$ 5.00 Million

As of August 31, 2023, the District had the following investments:

Public Inst. Bank Deposit Account (Collateralized 110%)\$ 30.30 Million	
Money Market Accounts (7 small banks - FDIC Insured)	\$ 1.77 Million
Treasury Bills	\$152.96 Million
LAIF	\$ 0.04 Million
Agency Bonds	\$ 5.00 Million

In compliance with Section 15.0 of Board Policy 349, Investment Policy, the Monthly Reports on Investments for June, July, and August of 2023 are forwarded to the Board of Directors for review.

The portfolio contained in the report is in compliance with Board Policy 349, and the District is able to meet its expenditure requirements for the next six months.

Return on the District's investments has been in line with the federal funds rate, as the funds are invested mainly in Treasury bills and Money market funds. Due to the changing US economic outlook, the federal reserve has been increasing the funds rate since March 2022. As a result, the District's investment return has been improving since March 2022.

ADVANTAGES/DISADVANTAGES:

This report does not recommend a course of action with notable advantages or disadvantages.

ALTERNATIVES ANALYSIS:

This report is required under state law.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 349, Investment Policy

ATTACHMENTS:

1. Monthly Report on Investments for June 2023
2. Monthly Report on Investments for July 2023
3. Monthly Report on Investments for August 2023

Prepared by:

Beverly Abad-Fitzgerald, Treasury Administrator

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer