STAFF REPORT

MEETING DATE: 9/14/2022 **Staff Report No.** 22-463

TO: **AC Transit Board of Directors**

FROM: **Michael A. Hursh, General Manager**

SUBJECT: **Monthly Report on Investments for May 2022**

BRIEFING ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider receiving the Monthly Report on Investments for May 2022.

STRATEGIC IMPORTANCE:

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

This Monthly Investment Report is 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 May 31, 2022, the District had the following investments:

Public Inst. Bank Deposit Account (Collateralized 110%)	$30.41 Million
Money Market Accounts (7 small banks - FDIC Insured)	$ 1.73 Million
Treasury Bills	$67.55 Million
LAIF	$10.01 Million
Agency Bonds	$ 5.00 Million

In compliance with Section 15.0 of Board Policy 349, Investment Policy, the Monthly Report on Investments for May 2022 is 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 being provided to inform the Board of activities of the Treasury Department.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Board Policy 349, Investment Policy

ATTACHMENTS:

1. Monthly Report on Investments for May 2022

Prepared by:
Beverly Abad-Fitzgerald, Treasury Administrator

Approved/Reviewed by:
Chris Andrichak, Chief Financial Officer
Sue Lee, Director of Revenue Management