



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Treasurer - Tax
Collector
Department No.: 065
For Agenda Of: February 6, 2024
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Harry E. Hagen, CPA, CCMT, CPFA, CPFO, ACPFIM, CFIP,
Director(s) CGIP, Treasurer - Tax Collector
805-568-2490
Contact Info: Daniel A. Chandler, CPA, CCMT, CFIP, CGIP, Chief Investment
Officer
805-568-2925
SUBJECT: Treasurer's Investment Pool Report for the quarter ended December 31, 2023 and
Investment Policy Statement

County Counsel Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- A. Accept for filing the Treasurer's Investment Pool Report for the quarter ended December 31, 2023 pursuant to California Government Code section 53646(b).
- B. Review and approve the Investment Pool Policy Statement pursuant to California Government Code Section 53646.

Summary Text:

The value of the Treasurer's Investment Pool at principal cost on December 31, 2023, was \$2,701,347,474. The market value of the investment pool was \$2,657,787,352. The weighted average days-to-maturity (WAM) for the investment pool was 606 days.

The Treasurer's Investment Pool earned \$14,355,601 for the quarter ending December 31, 2023, an annualized return of 2.298%. The net yield earned over the past year is 2.124%. Per California Government Code Section

53600.5, the Santa Barbara County Treasurer has a mandated responsibility to manage and invest public funds with the primary objective of safeguarding principal, the secondary objective of meeting the liquidity needs of pool participants, and thirdly, the objective of attaining a market average rate of return, consistent with the primary objectives of safety and liquidity.

For the quarter ending December 31, 2023, the Treasurer's Investment Pool anticipated and met all liquidity requirements, precluding any need to sell holdings unexpectedly at a potential loss to meet cash flow demands.

All investments purchased, met, or exceeded state and local policy requirements for credit quality. The credit quality of assets held in the Treasurer's Investment Pool is monitored on an ongoing basis.

The Santa Barbara County Treasurer conforms to all applicable State statutes and County resolutions that govern the investment of public funds.

Background:

This quarterly report is being submitted to you pursuant to California Government Code section 53646(b). In addition, California Government Code section 53646(b)(3) requires the Treasurer-Tax Collector to include a statement in the Treasurer's Report affirming the ability of the Santa Barbara County Investment Pool to meet expenditure requirements for the next six months. This report was reviewed and approved by the Treasury Oversight Committee at its quarterly meeting on January 22, 2024. The Treasury Oversight committee promotes public interest and is governed by California Government Code sections 27130 through 27133.

The Treasurer's Investment Pool is managed by the County Treasurer's office on behalf of the County, local community colleges, local school districts, and other districts and agencies. California Government Code Section 53646 provides that the County Treasurer may annually present to the Board of Supervisors a statement of investment policy for review and approval. The current Investment Policy Statement was last approved by the Board on August 16, 2022. The attached Investment Policy Statement was amended, reviewed, and approved by the Treasury Oversight Committee on January 22, 2024. The policy meets or exceeds the requirements of laws and regulations governing the pool.

Performance Measure:

To ensure the financial stability of the County, monitor and project liquidity requirements as evidenced by zero securities sold at a loss to meet cash flow needs of pool participants: Accomplished.

To ensure the financial stability of the County and secure public agency funds, all investments stay within compliance 100% of the time with the Government Code and the Treasurer's Investment Policy: Accomplished.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

For the quarter ending December 31, 2023, net investment earnings achieved by the Treasurer's Investment Pool were \$14,355,601 with the County receiving 39.5%, Schools 53.9%, and Special Districts the balance of 6.6%. The net yield earned for the quarter on an annualized basis is 2.298% and over the past year is 2.124%

Attachments:

1. Treasurer's Investment Pool Report for the quarter ended December 31, 2023
2. Investment Policy Statement

Authored by:

Daniel A. Chandler, CPA, CCMT, CGIP, CFIP, Chief Investment Officer