



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: November 28, 2023
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Harry E. Hagen, CPA, CPFA, CPFO, ACPFIM, CCMT, 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, FY 2023 - 2024 First Quarter (July - September 2023)

County Counsel Concurrence

As to form: N/A

Auditor-Controller 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 Fiscal Year 2023 - 2024 First Quarter (July - September 2023) report on the Treasurer's Investment Pool, pursuant to Government Code section 53646(b).
- B. Delegate the authority to the Treasurer to invest and reinvest County funds and funds of other depositors in the County Treasury.

Summary Text:

The value of the Treasurer's Investment Pool at principal cost on September 30, 2023, was \$2,375,704,181. The market value of the investment pool was \$2,284,368,789. The weighted average days-to-maturity (WAM) for the investment pool was 705 days.

The Treasurer's Investment Pool earned \$13,808,470 for the quarter ending September 30, 2023, an annualized return of 2.196%. The net yield earned over the past year is 1.893%. Per 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 September 30, 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.

Government Code section 53607 provides that a County Board of Supervisors may delegate the authority to invest and reinvest funds of the County to the County Treasurer for a one-year period. The government code further provides that this delegation may be made only to the Treasurer of the County. Additionally, pursuant to the government code, the transactions related to the investment and reinvestment of funds are included with this quarterly report and are filed monthly with the Clerk of the Board.

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 September 30, 2023, net investment earnings achieved by the Treasurer's Investment Pool were \$13,808,470 with the County receiving 37.4%, Schools 55.4%, and Special Districts the balance of 7.2%. The net yield earned for the quarter on an annualized basis is 2.196% and over the past year is 1.893%

Attachments:

1. Treasurer's First Quarter Investment Pool Report (July – September 2023)

Authored by:

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