



Legislation Text

File #: 14-0197, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

FROM:

Bruce Moe, Acting City Manager

SUBJECT:

Financial Reports:

- a) Schedule of Demands: May 22, 2014
- b) Investment Portfolio for the Month Ending April 30, 2014
- c) Financial Reports for the Month Ending April 30, 2014
(Acting City Manager Moe).

RECEIVE AND FILE

RECOMMENDATION:

Staff recommends that the City Council receive and file the attached financial reports.

FISCAL IMPLICATIONS:

The financial reports included herein are designed to communicate fiscal activity based upon adopted and approved budget appropriations. No further action of a fiscal nature is requested as part of this report.

The total value of the warrant register for May 22, 2014 is \$3,388,892.41.

BACKGROUND:

Finance staff prepares a variety of financial reports for City Council and the Finance Subcommittee. A brief discussion of the attached reports follows.

DISCUSSION:

Schedule of Demands:

Every two weeks staff prepares a comprehensive listing of all disbursements with staff certification that the expenditure transactions listed have been reviewed and are within budgeted appropriations.

Investment Portfolio:

Detailed Investment reports are provided to the Finance Subcommittee with summary reporting to City Council. The month end portfolio includes a certification by the Finance Director that all investments comply with established Investment Policies (or with Finance Subcommittee approved exceptions) and there is sufficient liquidity to support projected expenditures.

Please note that at April month end, the percentage of the investment portfolio deposited in LAIF (50.75%) exceeded the policy maximum of 50%. In March 2013, the Finance Subcommittee approved an extension of an existing temporary policy waiver that allows LAIF to exceed 50% of the

portfolio, until December 31, 2013. Renewal of that policy has not been presented to the Subcommittee for extension. As a result, staff will revisit the policy exception with the Finance Subcommittee at their next meeting (June 2014).

Rates have remained at historically low levels despite the belief that yields are poised for a rebound. In an effort to not lock in low yields for extended terms, LAIF, which is liquid, has been used as a main investment tool as the Treasurer and staff attempt to take advantage of market movements in a historically low rate environment. Having the ability to hold funds in LAIF, which despite its liquidity often offers yields similar to 18 month bullets, provides the ability to maximize yield while providing flexibility to seize improving market conditions.

Financial Reports:

This package includes summary level financial reports for the month ending April 30, 2014. These reports mark the tenth month of the 2013-2014 fiscal year, and reflect the annual budget adopted by City Council.

These reports provide monthly and year-to-date activity for all funds and departments presenting a snapshot of budget performance. A report highlighting the performance of key revenue sources is also included.

CONCLUSION:

Staff recommends that the City Council receive and file the attached financial reports.

Attachments:

1. Schedule of Demands for May 22, 2014
2. Investment Portfolio for the Month Ending April 30, 2014
3. Financial Reports for the Month Ending April 30, 2014