



Administrative Report

H.12., File # 24-1804

Meeting Date: 11/19/2024

To: MAYOR AND CITY COUNCIL
From: EUGENE SOLOMON, CITY TREASURER

TITLE

APPROVE AN INVESTOR AGREEMENT TO JOIN JOINT POWERS AUTHORITY CALIFORNIA ASSET MANAGEMENT TRUST, AT NO COST TO THE CITY, IF THE RECOMMENDED AMENDMENT TO THE ANNUAL INVESTMENT POLICY IS APPROVED

EXECUTIVE SUMMARY

The California Asset Management Program (or CAMP) is a California Joint Powers Authority (JPA) established in 1989 to provide California public agencies with professional investment services. CAMP is directed by a Board of Trustees, which is made up of experienced local government finance directors and treasurers. CAMP offers a range of services to assist public agencies with investing their operating funds, bond proceeds, debt service funds, and reserve funds. Investments offered through the Cash Reserve Portfolio (the Pool) are permitted for all local agencies under California Government Code Section 53601(p).

With approval of this Agreement to join CAMP, the City Treasurer's Office will be able to invest funds for the short-term to ensure the City meets all daily cash flow and liquidity requirements.

BACKGROUND

The City currently utilizes U.S. Bank money market funds as well as Local Agency Investment Funds (LAIF) to manage liquidity within the investment portfolio.

With the addition of Section N within the Investment Policy, The City may invest up to 20% of its portfolio in shares issued by a Joint Powers Authority, as established under California Government Code Section 6509.7.

With the approval of CAMP as an additional option, the City will be able to manage liquidity within the investment portfolio by transferring money to and from the account as needed for cash flow purposes.

Given the favorable interest rate compared to the current options available, the City may see an increase in investment earnings going forward.

COORDINATION

The Investor Agreement and associated documents for CAMP were reviewed as to form by the City Attorney's Office

FISCAL IMPACT

There is no fiscal impact as a result of joining the CAMP JPA as there is no cost to the City.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- California Asset Management Trust - Declaration of Trust
- Amended and Re-Styled By-Laws of California Asset Management Trust
- California Asset Management Trust Program Guide
- California Asset Management Trust Investor Agreement