



# Finance Advisory Committee Meeting

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**August 03, 2020 at 5:30**

**TO PARTICIPATE:** On your computer  
via Microphone or type your public comment into the  
Q & A Tab.

On your phone  
call (929) 205-6099 or (301) 715-8592  
Meeting ID: 843-0045-3957 and  
Press \*9 to raise your hand via phone.

Please note if you are on your computer but do not have a microphone, you will have to call in to speak, or write your public comment in the Q&A Tab.

# Agenda Item 2:

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Approve FAC Meeting  
Minutes of  
June 29, 2020



# Agenda Item 3:

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Review of Board Item  
Regarding Approval of  
Warrant Register for  
July 2020



# Agenda Item 4:

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Review of Board Item  
Regarding Financial Reports  
for the Period Ending  
June 30, 2020



# Agenda Item 5:

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## Investment Policy Update



# Investment Policy Update

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## *Background:*

- Current policy adopted in 1999
- Reaffirmed in 2003, 2012 and 2016
- Standard practice and District Policy is to reaffirm or amend annually



# Investment Policy – Section Updates

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- Section 1 - Introduction
- Section 2 - Finance Officer
- Section 3 - Scope
- Section 4 - Objectives
- Section 5 - Standards of Care
- Section 6 - Investments Authority
- Section 7 - Reports



# Investment Policy – Section Updates

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## Section 6 - Investments Authority

### A. PERMITTED INVESTMENTS

The District Finance Officer is authorized to invest in the following institutions:

1. County pooled funds (California Government Code § 61730)
2. The Local Agency Investment Fund created by the California State Treasury (California Government Code § 16429.1)
3. One or more FDIC insured Banks and/or Savings and Loan Associations that are designated as District depositories by resolution of the Board of Directors (California Government Code § 61737.02).
4. Such other financial institutions or securities that may be designated by the Board of Directors from time to time in compliance with California and Federal law.





# Investment Policy – Section Updates

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## Section 6 - Investments Authority

### B. PROHIBITED INVESTMENTS

The District's Finance Officer shall not invest in:

1. Inverse floaters, range notes or interest only strips that are derived from a pool of mortgages.
2. Any security that could result in a zero interest accrual if held to maturity.
3. A state or federal credit union, if a member of the District's Board of Directors or an administrative officer also serves on the Board of Directors, or any committee appointed by the Board of Directors, or the credit committee or supervisory committee, of the state or federal credit union.



# Investment Policy – Section Updates

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## Section 6 - Investments Authority

### B. DIVERSIFIED INVESTMENTS

Investments, other than investments referenced in paragraphs A (1) and A (2) above, will be diversified to avoid losses that may be associated with any one investment.



# Investment Policy – Section Updates

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## *Current Investments:*

LAIF- \$679,812

Pacific Premier Bank- \$4,534,890

US Bank (wastewater fiduciary funds)- \$1,881,390

Mechanics Bank- \$2,270,538



# Investment Policy – Section Updates

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## Section 7 - Reports

- A. Monthly
- B. Quarterly
- C. Annual
- D. Limited Quarterly (if all funds in LAIF)



# Agenda Item 6:

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Public Comments on Items  
NOT on this Agenda



# Agenda Item 7:

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Schedule Next FAC Meeting

August 31, 2020 at 5:30pm



# Agenda Item 8:

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## Closing Comments by FAC Committee Members



# Agenda Item 9:

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## Adjournment

