

TO: James L. App, City Manager  
FROM: Mike Compton, Director of Administrative Services  
SUBJECT: Signatory Authority – Local Agency Investment Fund - Redevelopment Account  
DATE: October 7, 2003

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Needs: For the Redevelopment Agency Board to consider adoption of a resolution modifying signatory authority on certain City accounts.

Facts:

1. The City/Agency currently maintains three accounts with the Local Agency Investment Fund (LAIF); one for the City, one for the Redevelopment Agency, and one for the Public Financing Authority.
2. LAIF is an investment pool managed by the State Treasurer's Office.
3. All public agencies are eligible to participate.
4. The authorizing resolutions currently on file with LAIF are outdated and need to include the new finance manager.

Analysis  
and

Conclusion:

With the hiring of the new finance manager, Administrative Services identified a need to modify deposit and withdrawal authority with LAIF. The former accounting manager needs to be removed (has been done administratively) and the new finance manager needs to be added.

Authority to initiate transactions is limited to the Executive Director and the Director of Finance.

For purposes of background information, LAIF is an investment pool managed by the State Treasurer's Office. The City may deposit up to \$40 million in each account. The minimum transaction is \$5,000 and then even \$1,000 increments therefrom. Each account is limited to fifteen (15) transactions per month. LAIF yields tend to follow the market by sixty to ninety days. The current yield is 1.63%. LAIF is very liquid and is used as an extension of the City warrant account. The City may deposit monies on a Friday and withdrawal the same funds the following Monday and yet earn interest over the weekend given interest is calculated on a daily basis. As of August 31, 2003, the City had \$40,800,000 on deposit with LAIF.

Fiscal  
Impact:

None.

Options:

- a. Adopt Resolution No. 03-xx designating certain City and Agency officers to make deposits and withdrawals with LAIF; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. RA 03-

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF PASO ROBLES  
AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT  
FUND AND DESIGNATING CERTAIN AGENCY/CITY OFFICIALS TO MAKE  
DEPOSITS AND WITHDRAWALS

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WHEREAS, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of monies of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the El Paso de Robles Redevelopment Agency.

NOW THEREFORE, BE IT RESOLVED, that the Board does hereby authorize the deposit and withdrawal of Redevelopment Agency monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following Agency and City officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

|                    |                     |
|--------------------|---------------------|
| James L. App       | Executive Director  |
| Michael J. Compton | Director of Finance |
| Michael J. Compton | City Treasurer      |
| Jennifer Sorenson  | Finance Manager     |

APPROVED AND ADOPTED by the Board of the Redevelopment Agency of El Paso de Robles this 7th day of October 2003 by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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George P. Finigan, Chairman

Attest:

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James L. App, Secretary