

TO: James L. App, City Manager
FROM: Mike Compton, City Treasurer
SUBJECT: Signatory Authority – Local Agency Investment Fund – City Account
DATE: September 3, 2013

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

Facts:

1. The City currently maintains two accounts with the Local Agency Investment Fund (LAIF); one for the City, one for the former Redevelopment Agency.
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 The authorizing resolutions currently on file with LAIF are outdated and need to include the new finance manager.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 & Conclusion:

With the hiring of the new finance manager, the City needs to modify deposit and withdrawal authority with LAIF. The former finance manager needs to be removed and the new finance manager needs to be added.

Authority to initiate transactions is limited to the City Manager, the Director of Administrative Services, the City Treasurer, and the Finance Manager.

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 .267%. 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 July 31, 2013, the City had \$3,675,000 on deposit with LAIF.

Fiscal Impact:

None.

Options:

- a. That the Council adopt a resolution authorizing certain City officers to make deposits and withdrawals with LAIF; or
- b. Amend, modify, or reject the above option.

RESOLUTION NO. 13-xxx

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

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 Council 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 City of El Paso de Robles.

NOW THEREFORE, BE IT RESOLVED, that the Council does hereby authorize the deposit and withdrawal of City of El Paso de Robles 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 City of El Paso de Robles 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	City Manager
James Throop	Director of Administrative Services
Michael J. Compton	City Treasurer
Deanne Purcell	Finance Manager

APPROVED AND ADOPTED by the City Council of the City of El Paso de Robles this 3rd day of September, 2013 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk