

# CITY TREASURER UPDATE

JANUARY 2019  
CHAD WILLARDSON

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# What does the City Treasurer do?

The mission of the City Treasurer in Corona is to enhance the economic status of the City while protecting its assets and maximizing the efficiency of the management of the City's funds through prudent investment. The Finance Department supports the City Treasurer in obtaining these goals. Duties include:

- Manage the City's investment portfolio and monitor investment activity
- Review investment strategy and recommend ways to improve the financial results of the portfolio
- Manage the City's relationship with investment advisors, brokers and custodial banks
- Review and make recommendations for modification to the list of permitted investments
- Review and make recommendations regarding the City's Investment Policy
- Monitor and research changes in legislation which govern the management of public investments
- Review investment portfolio for conformance to the CA Gov't. Code and the City's Investment Policy
- Review daily cash management and investment reports to maximize the use of the City's idle cash
- Provide monthly Investment Reports to the City Manager and City Council
- Prepare investment revenue and yield estimates and investment updates for annual budget
- Maintain investment procedures to ensure the portfolio is consistent with the Investment Policy
- Conduct quarterly meetings with the Treasury Committee regarding the investment portfolio
- Invest within the stated portfolio objectives of safety, liquidity and yield



# Notable Changes Implemented Since November 2016

- Nov/Dec 2016: Completed an investment analysis of the City of Corona Portfolio holdings with my team at Pacific Capital.
- March/April 2017: Reviewed portfolio, did a “Historical Cash and Portfolio Segmentation Analysis” with Chandler Asset Management and City Staff members to see how we could increase annual income earnings for our City.
- May 2017: Increased communication process to have monthly calls regarding cash flow, cash position, and decisions on moving money from cash to the investment portfolio.
- May/Oct 2017: Put an additional \$30 million to work in 2017, from money market funds into higher-income investments.



# Investment Progress – City of Corona

## ▣ 2016 Summary: Baseline for comparison

- \$2,730,178 income earned
- 1.46% Average income yield of new investments bought
- 1.17% Average income yield of total portfolio
- Cash funds (LAIF) earning .67% income yield

## ▣ 2017 Summary

- \$3,272,917 income earned *(+19.9% Increase)*
- 1.77% Average income yield of new investments bought *(+21.2% Increase)*
- 2.30% Average income yield of total portfolio *(+96.6% Increase)*
- Cash funds (LAIF) earning 1.37% income yield *(+96.6% Increase)*

## ▣ 2018 Summary

- \$4,418,731 income earned *(+62% Increase)*
- 2.13% Average income yield of new investments bought *(+46% Increase)*
- 2.71% Average income yield of total portfolio *(+131% Increase)*
- Cash funds (LAIF) earning 2.3% income yield *(+243% Increase)*



# Investment Progress – City of Corona

