



REPORT TO CITY COUNCIL

Approved by:

Susan O'Hara

Department Director

Arnoldo Rodriguez

Arnoldo Rodriguez, City Manager

Council Meeting of: July 17, 2019

Agenda Number: C-4

SUBJECT:

Consideration of a Resolution Authorizing the Continued Investment of Monies into the Local Agency Investment Fund (LAIF) and Designating Officers Authorized to Sign on the Account

RECOMMENDATION:

Staff recommends that the City Council (Council) adopt the Resolution authorizing the continued investment of monies into the LAIF and designating the officers authorized to sign on the account.

DISCUSSION:

The LAIF is a voluntary investment alternative for California's local governments and is administered by the State Treasurer under Government Code 16429.1 et seq. The LAIF program offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office professional investment staff at no additional cost to the taxpayer. Multiple oversight boards monitor the activities of LAIF and transactions are audited daily. There are currently over 2,000 agencies participating with deposits in excess of \$24 billion.

Due to the nature of cash inflows and outflows, the City frequently has the need to temporarily invest excess cash for varying lengths of time. Participation in LAIF provides a safe, secure means to safeguard the cities monies while earning a competitive interest rate. The quick turnaround time for deposits and withdrawals allows the City considerable flexibility in earning a return on investment while still maintaining sufficient cash flow. The rate of return is comparable to what is available on the open market. LAIF requires a resolution from each participating agency as well as a list of the officers allowed to conduct business with LAIF. The last resolution approved by Council was in 2013. The officers identified included the City Administrator, Director of Community Development, Director of Financial Services, and Financial Services Manager. Since that time, the City Administrator position has been renamed City Manager, the Director of Community Development position is vacant, and the Director of Financial Services position is

filled on an interim basis by the Financial Services Manager leaving the Financial Services Manager position vacant. LAIF transactions require two-person involvement to process all deposits and withdrawals and currently only one of the authorized positions is filled. If Council wishes to continue to participate in the LAIF pool, it is imperative that the City update the list of authorized positions to reflect current job titles/officers so that future transactions can be processed. The officers/positions being recommended are:

- City Manager
- Director of Financial Services
- Financial Services Manager
- Director of Human Resources.

FINANCIAL IMPACT: None.

CONSISTENCY WITH THE VISION MADERA 2025 PLAN:

Approval of this item is consistent with Strategy 115 of the Vision Plan - Economic Resource Provision: Ensure sufficient economic resources to provide adequate City services and prepare for future growth.

ALTERNATIVES: The Council may request additional information or may elect alternative personnel as those proposed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA, CALIFORNIA, AUTHORIZING CONTINUED INVESTMENT OF MONEY IN THE LOCAL AGENCY INVESTMENT FUND AND DESIGNATING OFFICERS AUTHORIZED TO SIGN ON THE ACCOUNT

WHEREAS, the Local Agency Investment Fund (LAIF) is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the City Council (Council) hereby finds that the continued deposit and withdrawal of money in LAIF in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein is in the best interests of the City of Madera;

NOW THEREFORE, THE COUNCIL OF THE CITY OF MADERA hereby resolves, finds and determines and orders as follows:

1. The above recitals are true and correct.
2. The Council hereby authorizes the continued deposit and withdrawal of the City of Madera monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.
3. The officers holding the title(s) specified in Exhibit AA to this resolution or their successors in office are each hereby authorized to order the deposit or withdrawal of monies in LAIF and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby.
4. This resolution shall remain in full force and effect until rescinded by the Council by resolution and a copy of the resolution rescinding this resolution is filed with the State's Treasurer's Office.
5. A signed copy of the resolution shall be forwarded to the Finance Department who shall notify LAIF of the identity of the authorized signers as shown in Exhibit AA to this resolution.
6. This resolution is effective immediately upon adoption.

Exhibit AA

List of Authorized Officers/Signers on the City of Madera LAIF Account

City Manager

Director of Financial Services

Financial Services Manager

Director of Human Resources