

**REVISED**

**MEETING NOTICE**

**A REGULAR MEETING OF THE FINANCE COMMITTEE  
of the  
CENTRAL COAST WATER AUTHORITY**

will be held at 8:30 a.m., on **Friday, July 31, 2020**  
digitally via URL: <https://meetings.ringcentral.com/j/1493895301>  
or via telephone by dialing 1(623) 404-9000 and entering code 149-389-5301#

THE FOLLOWING ITEMS WILL BE DISCUSSED AT THE MEETING OF THE COMMITTEE AND A VOTE MAY BE TAKEN FOR THE PURPOSE OF RECOMMENDING ACTION BY THE BOARD OF DIRECTORS.

Eric Friedman  
Chairman

Ed Andrisek  
Vice Chairman

Ray A. Stokes  
Executive Director

Brownstein Hyatt  
Farber Schreck  
General Counsel

*Member Agencies*

City of Buellton

Carpinteria Valley  
Water District

City of Guadalupe

City of Santa Barbara

City of Santa Maria

Goleta Water District

Montecito Water District

Santa Ynez River Water  
Conservation District,  
Improvement District #1

*Associate Member*

La Cumbre Mutual  
Water Company

- I. Call to Order and Roll Call**
- II. Public Comment – (Any member of the public may address the Committee relating to any matter within the Committee’s jurisdiction. Individual Speakers may be limited to five minutes; all speakers to a total of fifteen minutes.)**
- III. \* Minutes of the April 23, 2020 Meeting of the Finance Committee**
- IV. \* FY 2019/20 Fourth Quarter Investment Report**
- V. Reports from Committee Members for Information Only**
- VI. Items for Next Regular Meeting Agenda**
  - A. FY 2020/21 First Quarter Investment Report**
- VII. Date of Next Regular Meeting: October 22, 2020**
- VIII. Adjournment**

255 Industrial Way  
Buellton, CA 93427  
(805) 688-2292  
Fax (805) 686-4700  
[www.ccwa.com](http://www.ccwa.com)

\* Indicates attachment of document to agenda packet.

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**MINUTES OF THE  
CENTRAL COAST WATER AUTHORITY  
MEETING OF THE FINANCE COMMITTEE  
AND SPECIAL MEETING OF THE BOARD OF DIRECTORS**

**April 23, 2020**

The Finance Committee meeting was conducted pursuant to California Government Code Section 54953 and Governor Newsom's Executive Order, N-29-20, temporarily suspending portions of the Brown Act to implement social distancing in response to the COVID-19 pandemic. Members of the Committee participated in this meeting by video call or telephone. Public Comment on agenda items also occurred telephonically.

Ms. Lisa Watkins, Board Secretary, confirmed that all Committee members could hear each other, had received a copy of the meeting agenda, and could hear the proceedings.

**I. Call to Order and Roll Call**

Director Friedman called the April 23, 2020, Central Coast Water Authority meeting of the Finance Committee to order at 8:30 a.m.

Finance Committee members present were:

Eric Friedman	City of Santa Barbara
Farfalla Borah	Goleta Water District

**II. Public Comment**

There was no public comment.

**III. Minutes of the January 23, 2020 Finance Committee Meeting**

Upon a motion by Director Borah, seconded by Director Friedman and carried following a roll call vote with Directors Borah and Friedman in favor and none opposed, the minutes of the January 23, 2020 Finance Committee Meeting were approved.

**IV. FY 2019/20 Third Quarter Investment Report**

Lisa Long, CCWA Controller, stated as of March 31, 2020 the CCWA investment portfolio totaled \$34.2 million and had an effective rate of return of 1.78% on an average daily balance for the month of March 2020 of about \$34.4 million. The investments were comprised of the State of California Local Agency Investment Fund (LAIF), (\$25.6 million), Montecito Bank & Trust money market account (\$4.1 million) U.S. Treasury Notes held in a Charles Schwab Brokerage Account (\$4 million) and funds held by the CCWA revenue bond trustee for the April 1, 2020 bond interest payment (\$0.5 million).

All investments during the quarter complied with the CCWA investment policy provisions and current pro forma projections indicate that the Authority will have sufficient cash with which to operate for the next six months.

Upon a motion by Director Borah, seconded by Director Friedman and carried following a roll call vote with Directors Borah and Friedman in favor and none opposed, the Finance Committee recommended Board approval of the FY 2019/20 Third Quarter Investment Report.

**V. Annual Review of the CCWA Investment Policy**

Ms. Lisa Long, CCWA Deputy Controller, stated the policy is submitted annually for review, and noted the policy is prepared in conformance with Government Code Section 53630-53686 which addresses investment of surplus funds by local government agencies. Since the last review of the CCWA Investment Policy no changes have been made to the Government Code Section requiring an update of the policy.

**VI. Reports from Committee Members for Information Only**

Director Borah noted the passing of Director Burchardi and the loss of his contributions to the Committee.

**VII. Items for Next Regular Meeting Agenda**

A. FY 2019/20 Fourth Quarter Investment Report

**VIII. Date of Next Regular Meeting: July 23, 2020**

**IX. Adjournment**

The meeting adjourned at 8:40 a.m.

Respectfully submitted,

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Elizabeth Watkins  
Secretary to the Board



**CENTRAL COAST WATER AUTHORITY**

**MEMORANDUM**

July 15, 2020

**TO:** CCWA Finance Committee  
**FROM:** Ray A. Stokes  
Executive Director *RAS*  
**SUBJECT:** FY 2019/20 Fourth Quarter Investment Report

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**SUMMARY**

Attached is the fourth quarter FY 2019/20 investment report covering the three-month period of April to June 2020. In accordance with the CCWA Statement of Investment Policy, the quarterly report includes a statement of compliance of the portfolio with the investment policy and confirmation of the Authority's ability to meet expenditure requirements for the next six months.

**DISCUSSION**

As of June 30, 2020 the investment portfolio totaled \$73 million and had an effective rate of return of 1.15% on an average daily balance for the month of June 2020 of about \$66.2 million. The investments were comprised of the State of California Local Agency Investment Fund (LAIF), (\$62.7 million), and Montecito Bank & Trust money market accounts (\$8.3 million), and U.S. Treasury Notes held in a Charles Schwab Brokerage Account (\$2 million).

All investments during the quarter complied with the CCWA investment policy provisions.

**CASH MANAGEMENT PRO FORMA PROJECTIONS**

Current pro forma projections indicate that the Authority will have sufficient cash with which to operate for the next six months.

**RECOMMENDATION**

That the Finance Committee recommends Board approval of the fourth quarter FY 2019/20 investment report.

RAS  
Attachments



## Investment Portfolio Portfolio Management Portfolio Summary June 29, 2020

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
CCWA-LAIF	62,742,991.44	62,742,991.44	62,742,991.44	85.90	1	1	1.200	1.217
Pool-Money Market Accounts	8,295,992.47	8,295,992.47	8,295,992.47	11.36	1	1	0.631	0.640
Bond Trustee-Money Market Accounts	7.84	7.84	7.84	0.00	1	1	0.001	0.001
Treasury Securities	2,000,000.00	2,004,687.40	2,000,000.00	2.74	365	0	1.916	1.943
<b>Investments</b>	<b>73,038,991.75</b>	<b>73,043,679.15</b>	<b>73,038,991.75</b>	<b>100.00%</b>	<b>11</b>	<b>1</b>	<b>1.155</b>	<b>1.171</b>
<b>Cash and Accrued Interest</b>								
Accrued Interest at Purchase		88.32	88.32					
Subtotal		88.32	88.32					
<b>Total Cash and Investments</b>	<b>73,038,991.75</b>	<b>73,043,767.47</b>	<b>73,039,080.07</b>		<b>11</b>	<b>1</b>	<b>1.155</b>	<b>1.171</b>
<b>Total Earnings</b>								
	<b>June 29 Month Ending</b>	<b>Fiscal Year To Date</b>						
Current Year	60,719.18	1,076,652.64						
<b>Average Daily Balance</b>	<b>66,190,476.16</b>							
<b>Effective Rate of Return</b>	<b>1.15%</b>							
Ray Stokes, Executive Director/Treasurer	7/15/2020							

**Investment Portfolio  
Portfolio Management  
Portfolio Details - Investments  
June 29, 2020**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>CCWA-LAIF</b>												
90-42-006	10001	State of CA LAIF			62,742,991.44	62,742,991.44	62,742,991.44	1.217	AAA	1.217	1	
<b>Subtotal and Average</b>			<b>54,605,060.41</b>		<b>62,742,991.44</b>	<b>62,742,991.44</b>	<b>62,742,991.44</b>			<b>1.217</b>	<b>1</b>	
<b>Pool-Money Market Accounts</b>												
SYS10023	10023	Montecito Bank & Trust			26.51	26.51	26.51	0.150		0.150	1	
SYS10041	10041	Montecito Bank & Trust			8,295,965.61	8,295,965.61	8,295,965.61	0.640		0.640	1	
SYS10024	10024	Rabobank			0.00	0.00	0.00	0.330		0.330	1	
SYS10056	10056	Charles Schwab			0.35	0.35	0.35	1.660		1.660	1	
SYS10057	10057	Charles Schwab			0.00	0.00	0.00	0.300		0.300	1	
22005532	10004	Wells Fargo Money Market Accou			0.00	0.00	0.00	0.215		0.215	1	
<b>Subtotal and Average</b>			<b>9,585,647.64</b>		<b>8,295,992.47</b>	<b>8,295,992.47</b>	<b>8,295,992.47</b>			<b>0.640</b>	<b>1</b>	
<b>Bond Trustee-Money Market Accounts</b>												
SYS10010	10010	Bank of New York-Bond Trustee			7.84	7.84	7.84	0.001		0.001	1	
SYS10013	10013	Bank of New York-Bond Trustee			0.00	0.00	0.00	0.001		0.001	1	
<b>Subtotal and Average</b>			<b>7.84</b>		<b>7.84</b>	<b>7.84</b>	<b>7.84</b>			<b>0.001</b>	<b>1</b>	
<b>Treasury Securities</b>												
912828XH8	10068	U.S. Treasury		07/01/2019	2,000,000.00	2,004,687.40	2,000,000.00	1.625		1.943	0	06/30/2020
<b>Subtotal and Average</b>			<b>1,999,760.27</b>		<b>2,000,000.00</b>	<b>2,004,687.40</b>	<b>2,000,000.00</b>			<b>1.943</b>	<b>0</b>	
<b>Total and Average</b>			<b>66,190,476.16</b>		<b>73,038,991.75</b>	<b>73,043,679.15</b>	<b>73,038,991.75</b>			<b>1.171</b>	<b>1</b>	

**Investment Portfolio  
Portfolio Management  
Portfolio Details - Cash  
June 29, 2020**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
<b>Average Balance</b>			<b>0.00</b>	Accrued Interest at Purchase		88.32	88.32				<b>0</b>
				Subtotal		88.32	88.32				
<b>Total Cash and Investments</b>			<b>66,190,476.16</b>		<b>73,038,991.75</b>	<b>73,043,767.47</b>	<b>73,039,080.07</b>			<b>1.171</b>	<b>1</b>