

# Office of the City Treasurer City of Huntington Beach



**PREPARED BY: ALISA BACKSTROM, MBA, CCMT, CPFIM**  
**CITY TREASURER**  
**MAY, 2019**

# City Treasurer – Alisa Backstrom



- Your Current City Treasurer:
  - Served 8+ years as City Treasurer (3/2011)
  - Master's of Business Administration (MBA), Duke University, Finance emphasis
  - Certified California Municipal Treasurer (“CCMT”)
  - Certified Public Funds Investment Manager (“CPFIM”)
  - 20+ years business, finance, investment experience
  - Appointed by O.C. Board of Supervisors to O.C. Treasurers Oversight Committee to serve 3-year term (August, 2018)
  - Past Board Member California Municipal Treasurers Assoc.

# City Treasurer – Selected Activities



- Actively manage City's \$220MM pooled investment portfolio including negotiation of security purchases and sales
- Develop and execute investment strategies, analyze investment performance, maintain compliance with all regulations
- Analyze and monitor monthly and daily cash flows to determine short- and long-term liquidity/operating requirements

# City Treasurer – Selected Activities



- Responsible for investment oversight of Section 115 Trust, Retiree Medical Trust (CERBT), Bond Reserve accounts
- Member of Deferred Compensation and Supplemental Pension Boards - Oversight of investment management, professional service providers
- Reporting of Investment Activity and Performance to City Council, management and public

# Summary of Investments



As of March 31, 2019:

*\$ in millions*

<b>Description</b>	<b>Amount</b>
Investment Portfolio - pooled funds	\$ 238.9
Deferred Compensation Plans	\$ 145.7
Medical Retiree Trust	\$ 29.5
Supplemental Retirement Pension	\$ 57.0
PARS 115 Trust	\$ 6.1
WOCWB/CNOA Joint Powers Accounts	\$ 1.5
Bond Reserve Accounts	\$ 10.6
<b>Total City Treasurer Fund Oversight</b>	<b>\$ 489.3</b>

# City Treasurer – Selected Accomplishments



- City's investment portfolio earned over \$3.6MM for 2018 to offset taxpayer funds for city operations, projects, debt repayment, liability funding
- As member of Deferred Compensation committee, decreased fees for record-keeper over past 8 years by 71% (ICMA) and 53% (Nationwide)
- Created a monthly/annual cash flow projection to assist in determining liquidity requirements and investment strategy
- Received Investment Policy Certification (CMTA)

# City Treasurer – Selected Accomplishments



- Received “Orange County Taxpayer Watchdog Award” from Orange County Auditor-Controller Eric H. Woolery
- Oversight of Supplemental Pension Plan:
  - 1/3/5-year performance: 9.11%, 6.72%, 7.53% as of 6/30/18 – meets targets
- Completing integration of portfolio maintenance and reporting to web-based solution to result in greater efficiency, improved accuracy and enhanced transparency

# City Treasurer – Salary Schedule



## Non-Associated Executive Management Salary Schedule

### *Current*

	<u>Starting Point</u>	<u>Control Point</u>	<u>High Point</u>
City Treasurer	\$ 74.64	\$ 83.07	\$ 92.46
* Salary not to exceed \$51,812			

## Non-Associated Executive Management Salary Schedule

### *Proposed*

	<u>Starting Point</u>	<u>Control Point</u>	<u>High Point</u>
City Treasurer	\$ 69.94	\$ 77.85	\$ 86.66

\* Proposed = removal of cap



# Concluding Remarks



*“The people of Huntington Beach believe fiscal responsibility and the prudent stewardship of public funds is essential for confidence in government.” - City Charter*

The City Treasurer is the fiduciary of the public funds:

- City Treasurer plays important role of independent oversight and checks-and-balances
- City Council relies on the technical expertise of the City Treasurer to ensure the safety of the City’s public funds
- Any cash loss would have a citywide financial impact
- Estimate \$4.4MM in portfolio earnings FYE 6/30/19