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OFFICE OF THE
CITY TREASURER

CITY OF SACRAMENTO
CALIFORNIA

THOMAS P. FRIERY
TREASURER

November 30, 1987
87202TPFlv:tool

800 TENTH STREET
SUITE ONE
SACRAMENTO, CA
95814-2688

916-449-5318
OPERATIONS

916-449-5168
INVESTMENTS &
ADMINISTRATION

916-448-3139
DEX TRANSCEIVER

DONALD E. SPERLING
ASSISTANT TREASURER

Budget & Finance Committee
Sacramento, California

SUBJECT: Recommendation for Treasury Operations Officer I Position
in the City Treasurer's Office

Honorable Members in Session:

SUMMARY

Transmitted herewith is a report to the full Council recommending on an emergency basis:

- approval of an additional staff position in the Treasurer's Office (Treasury Operations Officer I).

The total estimated costs of this position for the remainder of FY 87/88 will be \$20,310 which includes salary, benefits, and a one time cost of \$5,250 for furniture and equipment. However, it is pointed out that 35% of this cost is recoverable from the Investment Cost Recovery Fee.

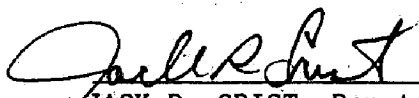
RECOMMENDATION

It is recommended that after hearing the attached report the Budget and Finance Committee recommend approval of this action to the full Council.

Respectfully submitted,


THOMAS P. FRIERY
City Treasurer

RECOMMENDATION APPROVED:


JACK R. CRIST, Deputy City Manager

December 8, 1987
All Districts



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Sacramento City Council
Sacramento, California

SUBJECT: Recommendation for Treasury Operations Officer I Position in
the City Treasurer's Office

HONORABLE MEMBERS IN SESSION:

SUMMARY

It is requested that the City Council, on an emergency basis:

- Approve a new staff position in the Treasurer's Office (Treasury Operations Officer I)

The total estimated costs of this position for the remainder of FY 87/88 will be \$20,310 which includes salary, benefits, and a one time cost of \$5,250 for furniture and equipment. However, it is pointed out that 35% of this cost is recoverable from the Investment Cost Recovery Fee.

BACKGROUND:

In recent years, the City's volume and complexity of debt financings has increased substantially. The following is a list of financings that the Treasurer has been directly involved with since 1985:

1985 LRT COP	29,365,000
1985 Solid Waste Disposal COP	5,000,000
SRT LRT GAN	15,900,000
1985 SHRA TA Bonds	31,615,000
1985 TRAN	13,500,000
1986 TRAN	12,000,000
LRT Safe Harbor Lease	1,729,000
1986 COP	14,490,000
1987 SHRA TA Bonds	33,925,000
1987 Public Facilities COP	42,225,000 (proposed)
	<u>\$ 199,749,000</u>
	=====

The Tax Reform Act of 1986 increased both the complexity and amount of work for public financing. As a result, the analysis, documentation, verification, and overall coordination of these activities has resulted in the need for additional staff support.

To accommodate the City's volume of recent financings and financing plans and studies, i.e., Library, 1987 COP Financing, North Natomas financing, etc., the Treasury Operations Officer II has been assigned full time to assist the Treasurer with the work associated with these financings. Due to the amount of financing forecasted for the immediate future, it is anticipated that this assignment will be required permanently. This assignment results in a vacancy within the Treasurer's department of one full-time person for duties associated with other Treasury functions. The remaining Treasury staff cannot absorb all the duties previously being performed by the Treasury Operations Officer II, which are critical to the cash and investment accountability process as well as requiring knowledge of investment vehicles and their particular payment computations.

In addition to the normal workload of the Treasury Operations Officer II position which is not now being performed, the need for this position will be particularly acute during the next 6 to 9 months because of the conversion from the Moneymax to the ADS and LGFS investment management and cash accountability system which will result in an additional workload. It is imperative this position be filled as soon as possible to permit the individual to become familiar with the duties and knowledge required in the Treasury Operations Officer position.

FINANCIAL ANALYSIS

In the assignment of the present Treasury Operations Officer II full time to the financing functions of the Treasurer's Office, we have determined that 35% of the staff time will be devoted for interface with Bond Trustee(s) and for determining City compliance with the Federal Income Tax arbitrage requirements. This 35% will be reimbursable from the Investment Cost Recovery Fee. Therefore, 65% of this position will require General Fund Support.

Further, for information purposes, the existing Treasury Operations Officer position provides for 50% reimbursement of the cost of the position from the Investment Cost Recovery Fee. There will be no additional financial impact on the General Fund from the replacement of the former position.

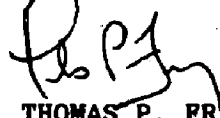
Therefore, we have calculated that the total monies needed to fund the staffing assignment made by the Treasurer as well as replace the Treasury Operations Officer I position, (staff, equipment, and furniture) for the balance of FY 87/88 is \$20,310. However, 35% of this fee \$7,109 will be reimbursable from the Investment Cost Recovery Fee and the balance, \$13,201 will be required from the General Fund Contingency. For information purposes, \$5,250 represents one-time equipment and supplies cost for this position.

Sacramento City Council
November 30, 1987
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RECOMMENDATION

It is recommended that an additional Treasury Operations Officer I position be authorized for the City Treasurer's Office.

Respectfully submitted,


THOMAS P. FREIRY
City Treasurer

RECOMMENDATION APPROVED:

WALTER J. SLIPE, City Manager

December 8, 1987
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

A RESOLUTION ADDING 1.0 FTE POSITION TO THE CITY TREASURER'S DEPARTMENT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO THAT:

- 1.0 FTE position of Treasury Operations Officer I and funding for various equipment needed by this position be added to the City Treasurer's 1987-88 operating budget; and
- The following line items of the City Treasurer's budget be increased:

101-090-0900-4101	\$15,060
101-090-0900-4461	425
101-090-0900-4462	325
101-090-0900-4630	<u>4,500</u>
Total	\$20,310

Funding to be from the General Fund's administrative contingency
(1-01-710-7012-4999).

MAYOR

ATTEST:

CITY CLERK