



# AGENDA REPORT

Finance Department

<b>DATE:</b>	May 5, 2026
<b>TO:</b>	Mayor Martinez and Members of the City Council
<b>FROM:</b>	Emily Combs, Director of Finance Mubeen Qader, Deputy Director of Finance Jerry Gurule, Accounting Manager Antonio Banuelos, Accounting Manager
<b>Subject:</b>	Investment and Cash Balance Report, Monthly Overtime Reports, Documentary Transfer Tax Report, and Other Post-Employment Benefits (OPEB) and Pension Report for the month of March 2026.
<b>FINANCIAL IMPACT:</b>	There is no fiscal impact due to this agenda item.
<b>PREVIOUS COUNCIL ACTION:</b>	None.
<b>STATEMENT OF THE ISSUE:</b>	City staff is requesting that the City Council receive the City's Investment and Cash Balance Report, Monthly Overtime Reports, Documentary Transfer Tax Report, and Other Post-Employment Benefits (OPEB) and Pension Report for the month of March 2026.
<b>RECOMMENDED ACTION:</b>	RECEIVE the City's Investment and Cash Balance Report, Monthly Overtime Reports, Documentary Transfer Tax Report, and Other Post-Employment Benefits (OPEB) and Pension Report for the month of March 2026 – Finance Department (Emily Combs 510-620-6740).

## **DISCUSSION:**

### **Investment and Cash Balance Report**

It is the policy of the City of Richmond (City) to invest public funds in a manner which prioritizes safety and liquidity over yield while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds. In accordance with California Government Code Section 53646 and the City's Investment Policy, the Director of Finance shall report monthly on the City's pooled and Bond funds to the City Manager and City Council and shall report quarterly on other investments.

The Investment and Cash Balance Report is a monthly report of the City's pooled cash balance, which includes General Fund, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal service, Trust & Agency, Redevelopment/Successor Agency, and any other Funds investment activities under the direction of the City (Attachment 1).

On June 24, 2025, the City officially awarded a contract to Meeder Public Funds, Inc. to provide investment management and advisory services. Meeder's approach emphasizes diversification, asset allocation, and advanced risk mitigation techniques. Meeder's strategy focuses on the City's cash flow needs to prioritize safety and liquidity. These strategies are designed to safeguard the City's principal investments, especially during periods of market volatility. Meeder's approach ensures that our portfolio remains resilient and well-positioned to meet cash flow demands.

The Federal Reserve (i.e., Fed) seeks to achieve maximum employment and inflation at the rate of 2 percent over the longer run. Uncertainty about the economic outlook remains elevated. The implications of developments in the Middle East for the U.S. economy are uncertain. The Federal Open Market Committee (Committee) is attentive to the risks to both sides of its dual mandate. In support of its goals, on Wednesday March 18, 2026, the Committee decided to maintain the target range for the federal funds rate at 3.50 to 3.75 percent. In considering the extent and timing of additional adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks. The next Federal Open Market Committee (FOMC) meeting is scheduled for Wednesday, April 29, 2026.

### **Overtime Reports**

The overtime reports for the month of March 2026 provides a comparative summary of budgeted overtime to actual overtime usage by department for miscellaneous and sworn staff. Year-over-year and month-over-month totals are included for sworn staff (Attachment 2 and 3).

## **Documentary Transfer Tax**

On June 24, 2024, City Council requested monthly updates of the Transfer Tax received by the City of Richmond from Contra Costa County for the sale of properties in Richmond. As this is the most volatile revenue stream for the City, the amounts received month-to-month can vary from as low as \$250,000 to upwards of \$7 million – a few large sales can widely swing the revenues.

In April 2026, the City received the documentary transfer tax data report from the County which identified that the tax revenue for March 2026 would total \$1,225,231 (Attachment 4).

## **Other Post-Employment Benefits (OPEB) & Pension Report**

On April 22, 2025, the City Manager requested monthly updates to the City Council on the returns of the OPEB and Pension accounts. The City manages two OPEB plans; the Richmond Police Officers' Association (RPOA) Plan administered by CalPERS in a California Employers' Retiree Benefit Trust (CERBT), and the City Plan administered by Public Agency Retirement Services (PARS). In May 2024, PARS was also tasked with administering the Pension account. The City receives monthly account statements for the PARS accounts, while the CalPERS account statement is received quarterly. As the statements are received after period close, the amounts are reported on a delayed timeframe.

In February 2026, the PARS OPEB account reported a gain of \$1,081,101.30 for a rate of 1.74 percent. The 3-month return rate is 3.80 percent, and the annualized return rate for Fiscal Year (FY) 2025-26 is 10.87 percent based on 8 months of activity. The PARS Pension account reported a gain of \$100,022.07, for a rate of 1.70 percent. The 3-month return rate is 4.45 percent, and the annualized return rate for FY 2025-26 is 12.20 percent based on 7 months of activity.

In December 2025, the CalPERS CERBT account reported quarterly earnings of \$203,237.57, for a 3-month return rate of 1.43 percent, and the annualized return rate for FY 2025-26 is 6.32 percent based on 2 quarters of activity. (Attachment 5).

## **DOCUMENTS ATTACHED:**

Attachment 1 – Investment and Cash Balance Report for March 2026

Attachment 2 – Overtime Report for March 2026

Attachment 3 – Overtime Public Safety Report for March 2026

Attachment 4 – Documentary Transfer Tax Report for March 2026

Attachment 5 – Other Post-Employment Benefits (OPEB) and Pension Report for March 2026