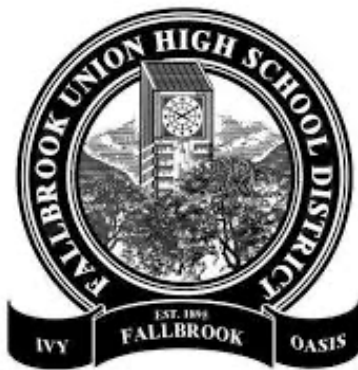


Fallbrook Union High School District

Options for Investment of Funds for the Solar Energy Project at Fallbrook High School



Presented by Keith Weaver
October 26, 2020

Tonight's Agenda

- ◆ Investment Options
- ◆ Investment Earnings Rates
- ◆ Next Steps



Disclosure

- ◆ We are financial advisors
 - ▶ Registered municipal advisor with Series 50 license

- ◆ We are not registered investment advisors
 - ▶ Cannot make recommendation on a specific investment option or type of investment

- ◆ Presentation tonight is to consider the options for the investment of funds based on review of factual information
 - ▶ Ultimately the decision whether and how to invest is at the discretion of the District

Investment Options

- ◆ Deposit Account
 - ▶ Funds deposited with Bank of America and earn interest
 - ▶ Similar to a checking or savings account
 - ▶ FDIC insured like a typical bank account up to \$250,000

- ◆ Money Market Fund – US Treasuries
 - ▶ Not insured and has the potential to lose money
 - ▶ US Treasuries are backed by the full faith and credit of the US Government

- ◆ Money Market Fund – US Government and Agency Securities
 - ▶ Not insured and has the potential to lose money
 - ▶ US agency securities include government-sponsored organizations such as Fannie Mae, Freddie Mac, Federal Home Loan Bank, and Federal Farm Credit Banks
 - ▶ Implicitly but not directly guaranteed by the US government

Investment Earnings Rates

- ◆ Deposit Account
 - ▶ 0.02% (as of October 1 – subject to change)
 - ▶ Avg. balance of \$3 million invested for 1 year = \$600

- ◆ Money Market Fund – US Treasuries
 - ▶ 7 funds offered by various money managers, such as Goldman Sachs, Fidelity, Dreyfus, and BlackRock
 - ▶ 0.01% to 0.02% (as of October 1 – subject to change)
 - ▶ Avg. balance of \$3 million invested for 1 year = \$300 to \$600

- ◆ Money Market Fund – US Government and Agency Securities
 - ▶ 5 funds offered by various money managers
 - ▶ 0.01% to 0.04% (as of October 1 – subject to change)
 - ▶ Avg. balance of \$3 million invested for 1 year = \$300 to \$1,200

Next Steps

- ◆ Tonight: asking for guidance on selection of investment
- ◆ Direction will then be provided to Bank of America on how to invest the funds
- ◆ Questions?

