



## Staff Report

**TO:** City Council  
**FROM:** Jennifer Ustation, Finance Direction  
**DATE** January 22, 2024  
**SUBJECT:** FY2023-2024 2nd Quarter Cash and Investment Report

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**Description** Receive and file the 2nd quarter cash and investment report.

**Background and Analysis:**

In accordance with Government Code Section 53646(8)(1) and per the City's Investment Policy, the City Treasurer through the Finance Department shall submit to the Finance Committee a quarterly report that will then be taken to the City Council.

Staff has prepared the investment reports and certification as of quarter ending December 31, 2023. A summary of bank activity by each month in the quarter is provided below.

| BANK BALANCES 1st QTR FY 23-24 |       |                         |                         |                         |
|--------------------------------|-------|-------------------------|-------------------------|-------------------------|
| CITIBANK ACCOUNTS              | #     | October 2023            | November 2023           | December 2023           |
| <b>Wells Fargo</b>             |       |                         |                         |                         |
| GENERAL                        | 52455 | \$ 3,173,429.00         | \$ 3,024,106.00         | \$ 3,000,751.00         |
| Sweep                          |       | \$ 15,819,123.42        | \$ 14,601,209.85        | \$ 15,069,104.00        |
|                                |       | <u>\$ 18,992,552.42</u> | <u>\$ 17,625,315.85</u> | <u>\$ 18,069,855.00</u> |
| <b>BANK OF HEMET</b>           |       |                         |                         |                         |
| PAYROLL                        | 50301 | \$ 1,185,157.32         | \$ 1,939,659.40         | \$ -                    |
| Payroll Sweep Account          | 6209  |                         | \$ -                    | \$ 1,446,723.15         |
| GAS TAX                        | 21901 | \$ 3,216,037.18         | \$ 3,677,687.20         | \$ 3,929,400.14         |
| EVIDENCE AND SEIZURE FUND      | 20042 | \$ 295,073.99           | \$ 295,910.71           | \$ 296,721.83           |
| CONSTRUCTION                   | 20048 | \$ 8,187,758.56         | \$ 8,210,975.90         | \$ 8,233,482.97         |
|                                |       | <u>\$ 12,884,027.05</u> | <u>\$ 14,124,233.21</u> | <u>\$ 13,906,328.09</u> |
| <b>US BANK</b>                 |       |                         |                         |                         |
| INVESTMENT PORTFOLIO           | 10770 | \$ 70,606,467.70        | \$ 70,792,780.25        | \$ 71,437,754.93        |
| LIQUIDITY FUND                 | 13574 | \$ 11,199,860.62        | \$ 11,244,994.52        | \$ 11,432,070.79        |
|                                |       | <u>\$ 81,806,328.32</u> | <u>\$ 82,037,774.77</u> | <u>\$ 82,869,825.72</u> |
| <b>LAIF</b>                    | 3-056 | <u>\$ 48,999,805.75</u> | <u>\$ 48,999,805.75</u> | <u>\$ 48,999,805.75</u> |
| <b>CALIFORNIA CLASS</b>        | 0001  | <u>\$ 20,133,007.12</u> | <u>\$ 20,224,764.49</u> | <u>\$ 20,319,954.73</u> |
| <b>PARS</b>                    |       | <u>\$ 2,391,528.97</u>  | <u>\$ 2,554,001.07</u>  | <u>\$ 2,674,996.80</u>  |

The significant transactions during the quarter were as follows:

- LAIF interest recorded on 10/31/2023 in the amount of \$437,911.64, in comparison to prior year 1st quarter payment was \$216,505.95.
- Net income received for the quarter on the portfolio managed by Public Trust is \$592,648.85.
- Net income received for the quarter on the liquidity fund managed by Public Trust is \$142,315.80.
- Interest received for the quarter on the Wells Fargo Sweep account is \$196,525.45.
- Interest received for the quarter on the Bank of Hemet accounts is \$68,699.35.
- Interest earned in CA Class fund for the quarter is \$280,794.39.
- The PARS earnings for the quarter are \$224,068.61.

One CD with BMO will be maturing on January 29, 2024. It is recommended to reinvest into a six-month CD with BMO at an estimated rate of 4.579%. The rate on CDs changes weekly and the estimated rate was based on a quote received 1/9/2024. The exact rate received will not be available until the day the CD matures.

The Finance and Audit Committee reviewed this report and agree with the recommendation to reinvest in another 6-month CD at the rate provided on day of maturity.

**Fiscal Impact:**

The estimated cost to prepare this report is \$696.

**Recommended Action:**

Receive and file report.

**Attachments:**

- A. Pooled Cash Investments Holding Report as of December 31, 2023
- B. Pooled Cash Report as of December 31, 2023
- C. Investment Certification for Quarter Ending December 31, 2023
- D. Wilmington Trust Security Listings as of December 31, 2023
- E. Zions Bank Security Listings December 31, 2023
- F. Public Trust Board Report for period ending December 31, 2023
- G. PARS Statement for December 31, 2023
- H. PARS Portfolio Fact Sheet for 3<sup>rd</sup> Quarter 2023 Calendar Year