



Council Agenda Report

From: Catherine Piatti, Finance Manager
Ryan Cornell, Administrative Services Director/City Treasurer

Subject: Receipt of Treasurer's Report – January 2026

CEQA Determination: The city finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: April 21, 2026

Facts

1. The City has a fiduciary responsibility to maximize the productive use of its assets entrusted to its care and to manage those public funds wisely and prudently. To achieve this responsibility, the City has an adopted [Investment Policy](#) to guide the investment of idle City funds.
2. California Government Code Sections 41004 and 53607 require the City to report certain investment and financial activity each month. As a result, this report presents the fund balances, receipts, and disbursements for the City's operating cash, investment portfolio, and restricted investments for the month of January 2026. Total investment portfolio assets are shown in the attachment and reflect all investments under the care and control of the city.
3. The investment portfolio contains three components: liquidity funds, short-term and long-term portfolios. The liquidity funds are monies that are generally available to the City with little-to-no notice and include funds held in the Local Agency Investment Fund (LAIF), money markets, and California Asset Management Program (CAMP). The short-term portfolio is made up of fixed income securities that mature in less than one year and the long-term portfolio is made up of fixed income securities whose maturities are greater than one year, but less than five years.
4. PFM Asset Management LLC provides advisory services to the City for the short-term and long-term portfolios; liquidity funds are managed by the Administrative Services Director/City Treasurer.
5. The investment portfolio complies with all State laws and Council policy and provides sufficient liquidity to meet the City's needs over the next six months.

Options

1. Take no action.
2. Receive and file the Treasurer's Report for the month of January 2026.
3. Provide alternative direction to staff.

Analysis and Conclusions

Government Code Section 53607 requires the city to report on investment activity monthly. Additionally, Government Code Section 41004 requires that the City Treasurer submit to the City Clerk and the legislative body a written report and accounting of all receipts, disbursements, and fund balances. As a result, this report presents the fund balances, receipts, and disbursements for the City's operating cash, investment portfolio, and restricted investments for the month of January 2026. Total investment

portfolio assets are shown in the attachment and reflect all investments under the care and control of the city. In an effort to provide greater transparency relating to adherence to the City’s adopted investment policy, the attached report reflects the categories of investment instruments currently held, the maximum percentage of portfolio the policy allows for each instrument, where applicable, and the current percentage of portfolio held in each category.

It should be noted that in December 2025, the City Council authorized the issuance of bonds related to the Olsen-South Chandler Ranch development. These funds are currently held by the City until developer reimbursements are made. As such, these funds will be included in the restricted investments table below.

The City’s total investment funds on hand as of January 31, 2026, are shown below. The City Treasurer has certified that all City investments provide sufficient liquidity to meet the City’s cash flow requirements for the next six months and follow all State and Council laws and policies.

Investments	As of 01/31/26				
	<u>Beginning Fund Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Fund Balance</u>	<u>Market Value</u>
Operating Cash	\$3,275,435	\$15,265,301	\$16,683,295	\$1,857,441	\$1,857,441
Liquidity	20,502,210	9,211,845	2,000,000	27,714,056	27,714,056
Short / Long Term	137,913,909	5,622,910	5,809,681	137,727,138	140,291,716
Total Investments	161,691,554	30,100,057	24,492,976	167,298,635	169,863,213

Restricted Investments	As of 01/31/26				
	<u>Beginning Fund Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Fund Balance</u>	<u>Market Value</u>
Section 115 Trust*	11,686,579	16,772	2,375	11,700,976	12,859,632
OPEB Trust	12,145,553	297,094	-	12,442,647	12,442,647
Bond Trust	1,669,534	247,504	469,708	1,447,331	1,447,331
CFD Bonds	22,559,723	17,843	-	22,577,566	22,577,566
Total Restricted	\$48,061,389	\$579,213	\$472,083	\$48,168,519	\$49,327,175

Fiscal Impact

None

CEQA

The city finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Recommendation

Receive and file the Monthly Treasurer’s Report for January 2026.

Attachments

1. January 2026 Treasurer’s Report