



Council Agenda Report

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

Subject: Receipt of Treasurer's Report – May 2025

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: August 5, 2025

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 May 2025. 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 May 2025.
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 May 2025. 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.

The City’s total investment funds on hand as of May 31, 2025, 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 5/31/25				
	<u>Beginning Fund Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Fund Balance</u>	<u>Market Value</u>
Operating Cash	\$696,922	\$22,085,988	\$21,654,819	\$1,128,092	\$1,128,092
Liquidity	16,291,370	25,178,485	3,650,000	37,819,855	37,819,855
Short / Long Term	143,959,073	2,816,810	15,836,055	130,939,828	132,424,832
Total Investments	<u>160,947,365</u>	<u>50,081,284</u>	<u>41,140,874</u>	<u>169,887,775</u>	<u>171,372,779</u>

Restricted Investments	As of 5/31/25				
	<u>Beginning Fund Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Fund Balance</u>	<u>Market Value</u>
Section 115 Trust*	11,010,842	62,523	2,848	11,070,517	11,332,049
OPEB Trust	10,492,803	519,621	-	11,012,424	11,012,424
Bond Trust	1,445,567	419,868	-	1,865,435	1,865,435
Total Restricted	<u>\$22,949,212</u>	<u>\$1,002,012</u>	<u>\$2,848</u>	<u>\$23,948,376</u>	<u>\$24,209,908</u>

*Beginning March 2024, Section 115 balances will be reported based on custodial bank statements. Prior balances were reported based on fiduciary statements.

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 May 2025.

Attachments

1. May 2025 Treasurer’s Report