

Staff Report

Regular Board Meeting with Closed Session

TO: Governing Board Members

FROM: General Manager/CEO

SUBJECT: Accept and File Investment Report for Quarter Ended March 31, 2025

RECOMMENDATION

That the Board of Directors accept and file the attached Investment Report for the quarter ended March 31, 2025.

BACKGROUND / ANALYSIS

California Government Code §53646(b) requires the Treasurer or CFO of a local agency to submit a quarterly report on the agency's investments to the legislative body of the agency within 30 days of the end of each quarter.

The attached Investment Report shows all the District's cash and investments, restricted and unrestricted, as of March 31, 2025. Attachment A presents the investment securities purchased and retired during the quarter January to March 2025. Increases and decreases in highly liquid funds, such as LAIF, are explained in the narrative below.

Unrestricted Investments

LAIF

The balance held in the Local Agency Investment Fund (LAIF) at the beginning of the quarter was \$10,267,261. Interest earned during the previous quarter of \$189,296 was posted to the account in January. The District received reimbursement from the State Revolving Fund for the final claim related to the SNRC. A deposit of \$8,000,000 from the reimbursement was made to LAIF in February. The deposit raised the balance to \$18,456,558 which was the balance through the end of the quarter.

LAIF earnings for the quarter ending March 31, 2025, were \$171,046 calculated at an apportionment rate of 4.48%; down from 4.62% which had been in effect for the previous quarter. The earnings were posted to the District's account on April 15, 2025.

US Bank Fixed Income Account

The total (book) value of the assets held with US Bank increased from \$16,514,962 to \$16,646,844 during the quarter ended March 31, 2025. The balance in this account is held both in a money market account, \$506,303, and in a \$16,140,541 portfolio of Treasury and federal agency securities shown on Attachment A.

There were no transfers into or out of the US Bank account during the quarter. Net interest payments received on securities in the District's portfolio were \$124,884 and funds held in the money market account earned dividends of \$8,298.

Investment manager fees paid during the quarter were \$3,000, and amortization on premiums / accretion of discounts taken at the time of purchase of certain securities, increased the value of the portfolio by \$1,700.

The following schedule summarizes the activity for Unrestricted Investments during the Quarter ended March 31, 2025:

Account	Beg Bal	Deposits/ (Withdrawals)	Posted Earnings	Fees	Disc / Prem Amortization	Ending Balance
LAIF	\$ 10,267,261	\$ 8,000,000	\$189,296	\$ -	\$ -	\$ 18,456,557
US Bank Fixed Inc	16,514,962	-	133,182	(3,000)	1,700	16,646,844

Restricted Investments

Accounts opened with US Bank are used to receive District deposits, from which the Trustee (US Bank) pays District bondholders.

Semi-annual bond payment dates are April 1st and October 1st. Accordingly, the District transferred \$429,287 in March to the trustee for the April 1, 2025 payment. Those funds were transferred by the trustee to the interest accounts, from which payments will be made to bondholders. Interest earnings of \$130 on the balance in the Interest Account were added between January and March, leaving a combined balance in the Interest Accounts of \$442,893 at March 31, 2025. There were no other transactions that affected the account balances.

Summary Schedule of US Bank Trustee Accounts

The following schedule summarizes activity in the US Bank Trust accounts for the Quarter ended March 31, 2025:

2020A Accounts	Beg Bal	District Deposits	Earnings	Transfers	Withdrawals/ Payments	Ending Balance
Payment Fd	\$ -	\$ 269,675	\$ -	\$ (269,675)	\$ -	\$ -
Interest Acct	13,476	-	130	269,675	-	283,281
Principal Acct	-	-	-	-	-	-

2020B Accounts	Beg Bal	District Deposits	Earnings	Transfers	Withdrawals/ Payments	Ending Balance
Payment Fd	\$ -	\$ 159,612	\$ -	\$ (159,612)	\$ -	\$ -
Interest Acct	-	-	-	159,612	-	159,612
Principal Acct	-	-	-	-	-	-

DISTRICT PILLARS AND STRATEGIES

II - Sustainability, Transparency, and Accountability

a. Uphold Transparent and Accountable Fiscal and Resource Management

REVIEW BY OTHERS

This agenda item has been reviewed by the Finance Department.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.

Recommended by:

Respectfully submitted:



Michael Moore
General Manager/CEO



Brian Tompkins
Chief Financial Officer

ATTACHMENTS

Investment Report for the Quarter Ended March 2025

Attachment A - US Bank Investment Activity for Quarter Ended March 2025