

Treasurer's Report – Quarterly Investment Report February 13, 2024

TO: Honorable Mayor and Members of the Town Council
FROM: Laurie Van Groningen, Interim Finance Director
DATE: February 2, 2024
RE: Treasurer's Report – Investment Report for the Quarter Ended 12-31-23

Recommendation:

Receive and file.

Issue Statement and Discussion:

It is the policy of the Town of Loomis (the Town) to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands the Town and conforming to all State and Town statutes governing the investment of public funds.

California Government Code Section 53646 and the Town of Loomis Investment Policy require a quarterly investment report be submitted to the Town Council. Such report shall include at least the following information:

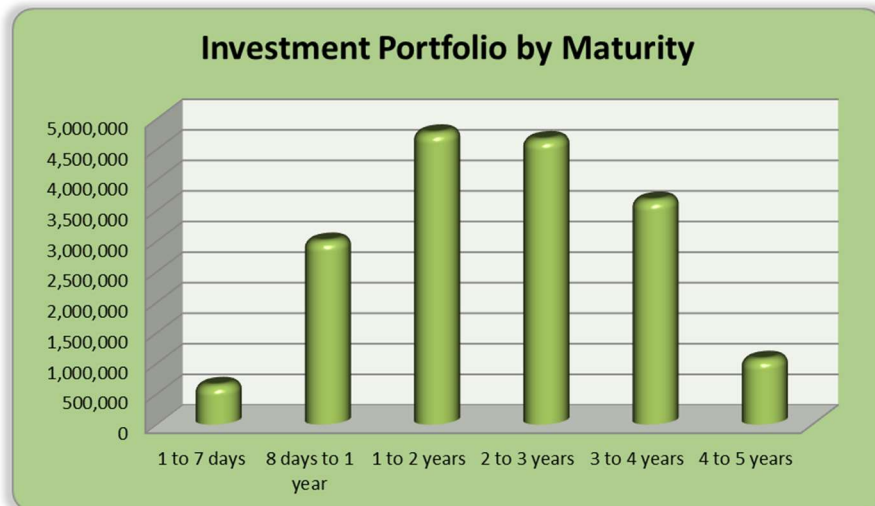
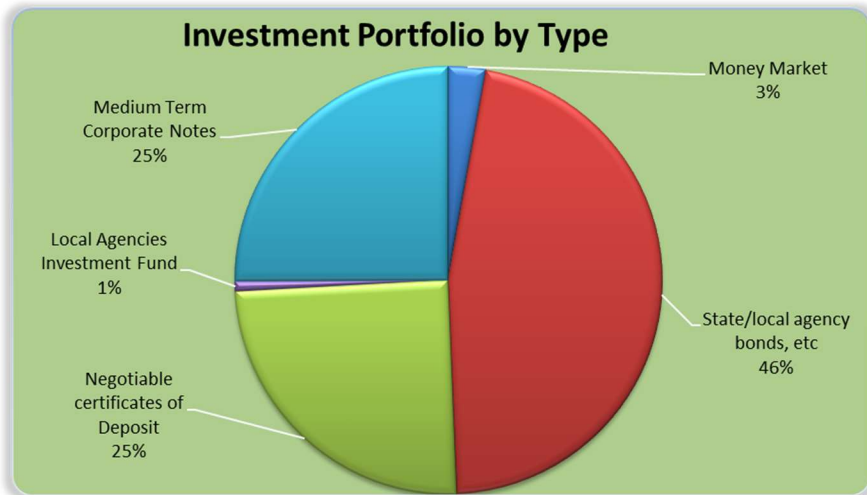
- Types of Investments.
- Name of the institution in which funds are invested or deposited.
- Date of Maturity, if applicable.
- Par and dollar amount investment for all securities.
- Percent distribution of each type of investment or deposit; current market value as of the date of the report, including source of the valuation except those under LAIF.
- Rate of interest.
- Average weighted yield of all investments.
- A statement relating the report to the Town's Investment Policy; and
- A statement that there are sufficient liquid funds to meet the Town's operating requirements which might be reasonably anticipated.

Other Information

The total investment portfolio at December 31, 2023 is \$17,802,647.04. Investments are reported on a Fair Value Basis (Market Value) – often referred to as “Mark to Market” on the Balance Sheet. This valuation method recognizes market fluctuations and changes in the fair value are reported on the income statement as revenue or loss.

A summary of the Town's total cash and investments as of December 31, 2023, are reflected in the charts below:

Description	Institution	Market Value	Totals	Market Yield @ 12/31/23	Average Maturity
Municipal Bonds	BNY Mellon	\$ 8,279,420.70			1.97
Corporate Securities	BNY Mellon	\$ 4,460,981.25			1.98
Total Fixed Income			\$ 12,740,401.95	2.35%	1.97
Negotiable Certificates of Deposit	BNY Mellon	\$ 4,423,375.77			2.59
Money Market - 5.03%	BNY Mellon	\$ 506,752.48			N/A
Total Cash and Short Term			\$ 4,930,128.25	3.16%	
Local Agency Investment Fund	State of CA - LAIF	\$ 132,116.84			N/A
Total LAIF Investment			\$ 132,116.84	3.93%	
Total Investment Portfolio			\$ 17,802,647.04	2.59%	
Analyzed Business Checking	Wells Fargo	\$ 441,798.40			
Total Operating Cash Account			\$ 441,798.40		
Total Cash and Investments			\$ 18,244,445.44		



Compliance with Investment Policy

The Town's investment portfolio is in compliance with our approved investment policy and there are sufficient liquid funds to meet the Town's operating requirements which might be reasonably anticipated as of the reporting period.

Compliance with maximum percentage limitations by investment instrument are reflected in the chart below.

Investment Policy Compliance Report As of December 31, 2023					
Current Portfolio Balance:		\$ 17,802,647			
CA Government Code Section 53601		Govt Code Maximum %	Loomis Maximum%	Loomis Actual %	Complies
Bonds issued by Loomis			5.00%		Yes
Federal Treasury notes, bonds, bills		100.00%	100.00%		Yes
State/local agency bonds, etc		100.00%	50.00%	46.51%	Yes
Local agency bonds, etc		100.00%	50.00%		Yes
Federal Agency Bonds		100.00%	100.00%		Yes
Bankers Acceptances		40.00%	40.00%		Yes
Commercial Paper		30.00%	15.00%		Yes
Negotiable certificates of Deposit		30.00%	30.00%	24.85%	Yes
Repurchase Agreements		20.00%	20.00%		Yes
Reverse Repurchase Agreements		20.00%	20.00%		Yes
Local Agencies Investment Fund			100.00%	0.74%	Yes
Time Deposits\Money Market		30.00%	25.00%	2.85%	Yes
Medium Term Corporate Notes		30.00%	30.00%	25.06%	Yes
Shares of Beneficial Interest		20.00%	0.00%		Yes
Mortgage pass through security bonds		20.00%	0.00%		Yes
Total				100.00%	

A listing of individual securities held at the end of the reporting period by authorized category is included in the attached Quality Analysis Report.

Strategy

Staff is currently investigating the possibility of engaging an investment firm to guide and direct the Town's investments. The annual process of reviewing the Town investment policy will be part of this review process.

Currently, Town staff evaluates cash flow and maintains a conservative balance in the Wells Fargo checking account to meet current and short-term needs. Any excess funds are being invested in LAIF which currently earns over 3.9%. Any funds required to meet short term needs more than the checking account balance will be withdrawn from LAIF.

The current reinvestment strategy for bonds, securities and CD's is to roll maturities into the Money Market Account which has a current market yield of 5.03%. Withdrawals from this account can also be made to meet short-term cash needs.

CEQA Requirements

CEQA does not apply to financial reporting.

Financial and/or Policy Implications:

None.

Attachments:

- A. Quality Analysis Report – Listing of individual Securities held as of the reporting date.

Town of Loomis
Quality Analysis Report
12/31/2023

Cusip	Security Description	Rate	Maturity Date	Par Value	Market Value
MUNICIPAL BONDS					
419791YR3	1X AA+ MD Hawaii Rev	5.100%	2/1/2024	105,000.00	104,993.70
913366HY9	1x AA3 MD UC Regents	2.259%	5/15/2024	250,000.00	247,340.00
84247PHZ7	1x AA- MD So Cal Public Power Auth	3.608%	7/1/2024	250,000.00	248,260.00
420507CL7	1X AA MD Hawthorne, CA	3.150%	8/1/2024	300,000.00	296,535.00
798170AG1	1x AA MD San Jose Red	2.958%	8/1/2024	135,000.00	133,332.75
80218YAH8	1x A+ MD Santa Fe Springs Dev	2.250%	9/1/2024	200,000.00	196,208.00
79876CBU1	1x AA- MD San Marcos Red	2.750%	10/1/2024	100,000.00	98,208.00
607802BZ7	1X AA MD Modesto CA WasteW	0.835%	11/1/2024	250,000.00	241,655.00
13048VNZ7	1X AA3 MD CA Muni Fin Auth	1.846%	12/1/2024	250,000.00	242,627.50
45656RCQ3	1X A1 DY Industry, CA	3.500%	1/1/2025	250,000.00	245,937.50
428061ED3	1X AA MD Hesperia USD	1.474%	2/1/2025	300,000.00	288,288.00
53820AAD6	1X AA HS Livermore Park & Rec	1.005%	2/1/2025	250,000.00	238,227.50
072024WQ1	1X AA MD Bay Area CA Toll Auth	2.325%	4/1/2025	100,000.00	96,920.00
03667PFU1	1X AA2 MD Antelope Valley CA CCD	1.767%	8/1/2025	250,000.00	238,687.50
255651KZ1	1X AA MD Dixon CA USD	0.953%	8/1/2025	240,000.00	226,034.40
73208PBF7	1X AA- MD Pomona CA	4.000%	8/1/2025	250,000.00	245,217.50
795036CL4	1X AA MD Salinas Valley Solid Waste	1.617%	8/1/2025	250,000.00	238,090.00
797272QO7	1x AAA MD San Diego CCD	2.199%	8/1/2025	335,000.00	322,259.95
801181CY2	1x AA2 MD Santa Ana Coll Imp Dist	0.744%	8/1/2025	250,000.00	234,847.50
738855K38	1X AA+ MD Poway CA USD	1.092%	9/1/2025	250,000.00	235,190.00
79771FAF4	1x AA2 MD San Fran City/Cnty PUC	0.843%	11/1/2025	100,000.00	93,181.00
76913CB66	1X A2 MD Riverside Cnty CA	2.863%	2/15/2026	250,000.00	240,065.00
17131RAU0	1X AA MD Chula Vista CA	0.840%	6/1/2026	500,000.00	454,345.00
15722TJR3	1X AA2 MD Chabot-Los Positas CA CCD	1.080%	8/1/2026	250,000.00	228,420.00
73208PBG5	1X AA- MD Pomona CA	2.474%	8/1/2026	240,000.00	225,374.40
738850SZ0	1X AA+ MD Poway CA USD	2.309%	8/1/2026	500,000.00	472,755.00
15722TJS1	1X AA2 MD Chabot-Los Positas CA CCD	1.287%	8/1/2027	335,000.00	299,369.40
219764SB4	1X AA- MD Corona-Norco CA	2.297%	8/1/2027	250,000.00	230,880.00
399267HH9	1X AA MD Grossmont-Cuyamaca CA	1.482%	8/1/2027	250,000.00	226,157.50
725894MX4	1X AA- MD Placentia Yorba Linda USD	1.350%	8/1/2027	250,000.00	225,462.50
797272QS3	1x AAA MD San Diego CCD	2.407%	8/1/2027	140,000.00	131,112.80
79730WBQ2	1x AA MD San Diego Red	3.375%	9/1/2027	250,000.00	239,515.00
492244EX2	1X AA MD Kern CCD CA	2.651%	11/1/2027	205,000.00	192,732.80
76913DYF8	1X AA- MD Riverside Cnty CA	1.766%	11/1/2027	250,000.00	226,907.50
345102NW3	1X AAA MD Foothille-De Anza CA	1.623%	8/1/2028	420,000.00	374,283.00
Sub-Total Municipal Bonds				8,755,000.00	8,279,420.70
CORPORATE SECURITIES					
06051GFB0	n/a A2 MD Bank of America	4.125%	1/22/2024	250,000.00	249,795.00
166764BD1	n/a AA2 MD Chevron Corp	3.326%	11/17/2025	250,000.00	245,070.00
89788JAA7	n/a A2 MD Truist Bank	1.500%	3/10/2025	175,000.00	167,193.25
30231GBH4	n/a AA1 MD Exxon Mobil Corp	2.992%	3/19/2025	250,000.00	244,867.50
89236TGX7	n/a A1 MD Toyota Motor Credit	3.000%	4/1/2025	200,000.00	195,550.00
857477AT0	n/a A1 MD State Street Corp	3.550%	8/18/2025	200,000.00	196,238.00
072863AG8	n/a AA- MD Baylor Scott & White	0.827%	11/15/2025	300,000.00	275,973.00
53961LAA7	n/a AA- MD LISCRP	1.000%	11/15/2025	270,000.00	244,714.50
023135BN5	n/a AA- MD Amazon.com	5.200%	12/3/2025	250,000.00	252,880.00
92826CAD4	n/a AA3 HS Visa Inc.	3.150%	12/14/2025	250,000.00	243,975.00
06406RAQ0	n/a AA MD Bank of NY Mellon	0.750%	1/28/2026	250,000.00	230,387.50
808513AM7	n/a A2 MD Charles Schwab	3.450%	2/13/2026	250,000.00	242,317.50
14913R2K2	n/a A2 MD Caterpillar Financial	0.900%	3/2/2026	250,000.00	231,705.00
87612EBE5	n/a A2 HS Target Corp	2.500%	4/15/2026	250,000.00	240,722.50
46625HRS1	n/a A2 MD JP Morgan Chase	3.200%	6/15/2026	250,000.00	241,317.50
904764AU1	n/a A1 MD Unilever Capital	2.000%	7/28/2026	250,000.00	235,705.00
002824BF6	n/a A2 MD Abbott Labs	3.750%	11/30/2026	250,000.00	246,602.50
26442CAS3	n/a AA3 MD Duke Energy	2.950%	12/1/2026	250,000.00	241,227.50
743315AY9	n/a A2 MD Progressive Corp	2.500%	3/15/2027	250,000.00	234,740.00
Sub-Total Corporate Securities				4,645,000.00	4,460,981.25
NEGOTIABLE CERTIFICATES OF DEPOSIT					
02589AEP3	n/a CD MD American Express	4.800%	3/22/2028	250,000.00	244,793.31
052392CN5	n/a CD MD Austin Telco Federal CU	4.750%	1/27/2028	250,000.00	249,210.29
07371CK65	n/a CD MD Beal Bank	2.000%	3/3/2027	247,000.00	226,076.19
16141BAQ4	n/a CD MD Chartway Federal CU	5.000%	9/8/2027	250,000.00	251,606.69
17312Q3K3	n/a CD MD Citibank	2.900%	3/20/2024	200,000.00	198,882.44
20825WAX8	n/a CD MD Connexus CU	3.100%	5/26/2027	250,000.00	235,887.61
254673Q41	n/a CD MD Discover Bank	3.400%	8/16/2027	250,000.00	237,615.38
38149MXK4	n/a CD MD Goldman Sachs	1.000%	7/28/2026	250,000.00	226,146.10
39573LBV9	n/a CD MD Greenstate CU	0.950%	8/18/2026	250,000.00	223,657.50
48115LAE4	n/a CD MD Jovia Financial Federal CU	2.850%	6/7/2024	250,000.00	247,221.46
50625LBJ1	n/a CD MD Lafayette Federal CU	3.250%	5/25/2027	250,000.00	234,472.09
61760AD71	n/a CD MD Morgan Stanley	2.600%	5/30/2024	200,000.00	250,833.15
61768ERA3	n/a CD MD Morgan Stanley	4.900%	3/23/2028	250,000.00	197,664.00
7954506Y6	n/a CD MD Sallie Mae Bank	1.000%	7/8/2026	250,000.00	227,058.62
856285VY4	n/a CD MD State Bnk India NY	0.950%	6/10/2026	250,000.00	227,343.29
87164WPP93	n/a CD MD Synchrony Bank	3.400%	8/12/2027	250,000.00	237,647.21
89235MNVW7	n/a CD MD Toyota Financial Svg Bnk	3.450%	8/18/2027	250,000.00	238,013.29
90348JR93	n/a CD MD UBS Bank	0.950%	8/11/2026	250,000.00	225,750.11
949763M78	n/a CD MD Wells Fargo	1.950%	10/18/2024	250,000.00	243,497.04
Sub-Total Negotiable Certificates of Deposit				4,647,000.00	4,423,375.77
Total Investments				18,047,000.00	17,163,777.72
Local Agencies Investment Fund (LAIF)					132,116.84
Money Market BNY Mellon					506,752.48
Total Investment Portfolio					17,802,647.04