

Staff Report

Regular Board Meeting

TO: Governing Board Members

FROM: General Manager/CEO

SUBJECT: Investment Report for Quarter Ended September 30, 2024

RECOMMENDATION

That the Board of Directors accept and file the attached Investment Report for the quarter ended September 30, 2024.

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 September 30, 2024. Attachment A presents the investment securities purchased and retired during the quarter July to September 2024. 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 \$19,345,392. Interest earned during the previous quarter of \$218,271 was posted to the account in July, and there was one withdrawal and transfer to the District's checking account in August of \$2,500,000 to help cover significant payments that are due at the beginning of the fiscal year, such as insurance. The balance in LAIF at the end of September was \$17,063,664.

LAIF earnings for the quarter ended September 30, 2024, were \$203,598, calculated at an apportionment rate of 4.71%; up from 4.55% which had been in effect for the previous quarter. The earnings were posted to the District's account on October 15, 2024.

US Bank Fixed Income Account (previously CBB Wealth Management)

The total (book) value of the assets held with CBB increased from \$16,213,332 to \$16,325,411 during the quarter ended September 30, 2024. The balance in this account is held both in a money market account, \$736,255, and in a \$15,589,156 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 \$105,000 and funds held in money market accounts earned dividends of \$9,348.

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 \$731.

The following schedule summarizes the activity for Unrestricted Investments during the Quarter ended September 30, 2024:

<u>Account</u>	<u>Beg Bal</u>	<u>Deposits/ (Withdrawals)</u>	<u>Earnings</u>	<u>Fees</u>	<u>Disc / Prem Amortization</u>	<u>Ending Balance</u>
LAIF	\$ 19,345,392	\$ (2,500,000)	\$218,272	\$ -	\$ -	\$ 17,063,664
US Bank Fixed Inc	16,213,332	-	114,348	(3,000)	731	16,325,411

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 deposited funds with the trustee on September 30, 2024, for bondholders to be paid on October 1, 2024. There were no other transactions that affected the account balances, except for nominal interest earnings on the balances in the accounts.

Summary Schedule of US Bank Trustee Accounts

The following schedule summarizes activity in the US Bank Trust accounts for the Quarter ended September 30, 2024:

2020A <u>Accounts</u>	<u>Beg Bal</u>	<u>District Deposits</u>	<u>Earnings</u>	<u>Transfers</u>	<u>Withdrawals/ Payments</u>	<u>Ending Balance</u>
Payment Fd	\$ -	\$ 1,325,425	\$ -	\$ -	\$ -	\$1,325,425
Interest Acct	13,174	-	158	-	-	13,332
Principal Acct	-	-	-	-	-	-
2020B <u>Accounts</u>	<u>Beg Bal</u>	<u>District Deposits</u>	<u>Earnings</u>	<u>Transfers</u>	<u>Withdrawals/ Payments</u>	<u>Ending Balance</u>
Payment Fd	\$ -	\$ 436,726	\$ -	\$ -	\$ -	\$ 436,726
Interest Acct	-	-	-	-	-	-
Principal Acct	-	-	-	-	-	-

AGENCY GOALS AND OBJECTIVES

- II - Maintain a Commitment To Sustainability, Transparency, and Accountability
 - A. Practice Transparent and Accountable Fiscal 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:



Michael Moore
General Manager/CEO

Respectfully submitted:



Brian Tompkins
Chief Financial Officer

ATTACHMENTS

1. Investment Report for the Quarter Ended September 30, 2024
2. Attachment A - CBB Investment Activity Report for Quarter Ended September 30, 2024

**EAST VALLEY WATER DISTRICT
INVESTMENT REPORT
QUARTER ENDED
SEPTEMBER 30, 2024**

	Funds Managed By	Purchase Date	Maturity Date	Interest Rate	Face Value	Book Value	Market Value	Source of Valuation
Funds Held by EVWD								
Cashiers change fund					900.00	900.00	900.00	N/A
Petty Cash / Kiosk Cash					4,500.00	4,500.00	4,500.00	N/A
Checking account	Citizens Business Bank				4,764,154.18	4,764,154.18	4,764,154.18	N/A
Funds Held by EVWD Under Management of an Outside Party								
Local Agency Investment Fund - Undesignated	State of California	N/A	N/A	4.710%	17,063,663.53	17,063,663.53	17,000,801.71	LAIF
US Bank Custodial Account								
US Treasury / Agency Bonds	US Bank		See Attached		15,600,000.00	15,589,155.53	15,533,423.50	Interactive Data
Money Market Acct	First American US Treasury MM	N/A	N/A	4.830%	736,254.98	736,254.98	736,254.98	N/A
US Bank (2020A Refunding Revenue Bond Trustee)								
Principal Account	First American US Treasury MM	N/A	N/A	4.830%	1,030,000.00	1,030,000.00	1,030,000.00	US Bank
Interest Account	First American US Treasury MM	N/A	N/A	4.830%	333,506.89	333,506.89	333,506.89	US Bank
US Bank (2020B Refunding Revenue Bond Trustee)								
Principal Account	First American US Treasury MM	N/A	N/A	4.830%	275,000.00	275,000.00	275,000.00	US Bank
Interest Account	First American US Treasury MM	N/A	N/A	4.830%	160,725.75	160,725.75	160,725.75	US Bank
Total Cash and Investments					<u>39,968,705.33</u>	<u>39,957,860.86</u>	<u>39,839,267.01</u>	

SUMMARY	Book Value	Market Value	%
Cash	4,769,554.18	4,769,554.18	11.97%
LAIF	17,063,663.53	17,000,801.71	42.67%
Treasury/Agency Securities	15,589,155.53	15,533,423.50	38.99%
Money Market Treasury Funds	2,535,487.62	2,535,487.62	6.36%
Total Cash and Investments	<u>39,957,860.86</u>	<u>39,839,267.01</u>	<u>99.99%</u>
Less: Funds designated for Bond debt service	(1,799,232.64)	(1,799,232.64)	-4.52%
Less: Restricted Capacity Fees	(15,523,995.00)	(15,523,995.00)	-38.97%
Less: Customer Deposits	(1,241,991.00)	(1,241,991.00)	-3.12%
Total Unrestricted / Undesignated Cash and Investments	<u>21,392,642.22</u>	<u>21,274,048.37</u>	<u>53.38%</u>

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sec. 53646 as amended 1/1/96. This report is also in conformity with the investment policy of East Valley Water District. As Treasurer of East Valley Water District, I hereby certify that sufficient investment liquidity and anticipated revenue are available to meet the next six month's estimated expenditures.



 Signature

10/15/2024

 Date

EAST VALLEY WATER DISTRICT
Investment Activity
Month Ended September 30, 2024

Activity (Book Value)

Purch Date	Issuer	CUSIP	Yield	Units / Face Value	Maturity Date	Activity (Book Value)			Matured / Called	Adjusted Cost 9/30/2024			Market Value	
						7/1/2024	Amort Cost Adjustment	Adjusted Cost 7/1/2024		Purchases	Total	Water		Sewer
10/18/21	US Treasury Note	91282CAZ4	0.375%	500,000	11/30/25	497,239.11	487.98	497,727.09			497,727.09	497,727.09	480,255.00	
03/31/21	US Treasury Note	91282CBT7	0.750%	500,000	03/31/26	498,216.40	197.58	498,413.98			498,413.98	498,413.98	478,185.00	
12/08/23	US Treasury Note	91282CJL6	4.875%	500,000	05/31/24	500,951.45	(178.35)	500,773.10			500,773.10	500,773.10	505,470.00	
12/26/23	US Treasury Note	91282CJS1	4.250%	500,000	12/31/25	499,748.19	13.29	499,761.48			499,761.48	499,761.48	502,265.00	
12/27/23	US Treasury Note	91282CJP7	4.375%	600,000	12/15/26	605,488.07	(559.55)	604,928.52			604,928.52	604,928.52	609,516.00	
04/22/24	US Treasury Note	91282CJC6	4.625%	200,000	10/15/26	198,988.09	113.91	199,102.00			199,102.00	199,102.00	203,766.00	
01 & 05/20	Tenn Valley Authority	880591ER9	2.875%	-	09/15/24	300,322.44	(322.44)	300,000.00		300,000.00	-	-	-	
08/19/20	US Treasury N/B	91282CFG1	3.250%	-	08/31/24	299,960.04	39.96	300,000.00		300,000.00	-	-	-	
05/19/23	US Treasury Note	91282CGX3	3.875%	300,000	04/30/25	299,087.92	272.10	299,360.02			299,360.02	299,360.02	299,244.00	
04/05/24	US Treasury Note	91282CKH3	4.500%	500,000	03/31/26	498,305.98	262.56	498,568.54			498,568.54	498,568.54	505,275.00	
04/10/24	US Treasury Note	91282CJE2	5.000%	400,000	10/31/25	399,829.47	29.58	399,859.05			399,859.05	399,859.05	404,408.00	
4/10 & 4/11	US Treasury Note	91282CKJ9	4.500%	800,000	04/15/27	794,743.76	478.02	795,221.78			795,221.78	795,221.78	817,408.00	
09/23/24	US Treasury Note	91282CLL3	3.375%	500,000	09/15/27	-	6.74	6.74	498,578.13		498,584.87	498,584.87	497,460.00	
07/30/20	FHLMC MTN	3134HAGV9	4.000%	500,000	08/27/27	-	82.97	82.97	496,400.00		496,482.97	496,482.97	498,035.00	
07/30/20	Federal Home Loan Bank	3130AJUN7	0.550%	-	07/30/24	249,998.47	1.53	250,000.00		250,000.00	-	-	-	
08/30/24	Federal Home Loan Bank	3130B2KW4	4.375%	400,000	08/27/27	-	-	-	399,960.00		399,960.00	399,960.00	400,764.00	
08/05/20	FHLMC MTN	3134GWMY9	0.625%	100,000	08/19/25	100,000.00	-	100,000.00			100,000.00	100,000.00	96,842.00	
09/24/24	Federal Home Loan Bank	3130B2UW3	4.000%	500,000	06/10/27	-	-	-	500,000.00		500,000.00	500,000.00	499,640.00	
09/23/21	Federal Home Loan Bank	3130APAZ8	1.030%	200,000	09/30/26	200,000.00	-	200,000.00			200,000.00	200,000.00	189,314.00	
03/25/21	Federal Home Loan Bank	3130ALUF9	1.000%	300,000	03/30/26	300,000.00	-	300,000.00			300,000.00	300,000.00	287,424.00	
03/25/21	Federal Home Loan Bank	3130ALPB4	0.800%	300,000	05/30/25	300,000.00	-	300,000.00			300,000.00	300,000.00	292,920.00	
03/29/21	Federal Home Loan Bank	3130ALU93	0.750%	200,000	06/30/25	200,000.00	-	200,000.00			200,000.00	200,000.00	194,636.00	
09/17/21	Federal Home Loan Bank	3130AP6M2	1.020%	400,000	09/30/26	400,000.00	-	400,000.00			400,000.00	400,000.00	378,556.00	
12/27/23	Federal Home Loan Bank	3130AWLY4	5.125%	400,000	06/13/25	402,461.69	(657.47)	401,804.22			401,804.22	401,804.22	402,668.00	
12/26/23	Federal Home Loan Bank	3130AYBS4	5.000%	-	06/26/25	500,000.00	-	500,000.00		500,000.00	-	-	-	
12/27/23	Federal Home Loan Bank	3130AYB39	5.400%	-	12/22/25	500,000.00	-	500,000.00		500,000.00	-	-	-	
10/15/21	Federal Home Loan Bank	3130AKC95	0.550%	200,000	10/29/25	199,280.47	134.94	199,415.41			199,415.41	199,415.41	192,752.00	
10/15/21	Federal Home Loan Bank	3130APJ55	1.250%	300,000	10/26/26	299,998.33	-	299,998.33			299,998.33	299,998.33	284,982.00	
10/28/21	Federal Home Loan Bank	3130APLB9	0.850%	100,000	10/28/24	100,000.00	-	100,000.00			100,000.00	100,000.00	99,715.00	
02/14/24	Federal Home Loan Bank	3130AYZV1	5.060%	200,000	02/13/26	200,000.00	-	200,000.00			200,000.00	200,000.00	200,046.00	
11/10/21	Federal Home Loan Bank	3130APUY9	1.000%	200,000	02/28/25	200,000.00	-	200,000.00			200,000.00	200,000.00	197,110.00	
11/29/21	Federal Home Loan Bank	3130AQ2H5	1.050%	100,000	11/25/24	99,997.51	1.14	99,998.65			99,998.65	99,998.65	99,448.00	
04/05/24	Federal Home Loan Bank	3130B0SH3	5.080%	500,000	04/09/26	500,000.00	-	500,000.00			500,000.00	500,000.00	501,170.00	
04/09/24	Federal Home Loan Bank	3130B0SU4	5.150%	500,000	01/09/26	500,000.00	-	500,000.00			500,000.00	500,000.00	500,410.00	
04/09/24	Federal Home Loan Bank	3130B0SP5	5.250%	500,000	01/08/27	500,000.00	-	500,000.00			500,000.00	500,000.00	501,480.00	
04/10/24	Federal Home Loan Bank	3130B0UQ0	5.000%	500,000	04/15/27	500,000.00	-	500,000.00			500,000.00	500,000.00	503,995.00	
04/16/24	Federal Home Loan Bank	3130B0YF0	5.250%	300,000	04/22/26	300,000.00	-	300,000.00			300,000.00	300,000.00	301,656.00	
04/22/24	Federal Home Loan Bank	3130B13F2	4.910%	450,000	11/27/26	450,381.89	(26.49)	450,355.40			450,355.40	450,355.40	461,290.50	
11/17/21	Federal Farm Credit Bank	3133ENEM8	1.430%	200,000	11/23/26	200,000.00	-	200,000.00			200,000.00	200,000.00	190,248.00	
12/27/23	Federal Farm Credit Bank	3133EPT21	4.625%	400,000	01/27/25	399,819.56	36.33	399,855.89			399,855.89	399,855.89	399,688.00	
12/12/23	Federal Home Loan Bank	3130AYSA0	5.140%	300,000	12/18/25	300,000.00	-	300,000.00			300,000.00	300,000.00	300,315.00	
12/14/23	Federal Home Loan Bank	3130AYZ55	5.000%	500,000	12/18/26	500,000.00	-	500,000.00			500,000.00	500,000.00	500,695.00	
12/18/23	Federal Home Loan Bank	3130AY7M2	5.000%	300,000	12/18/26	300,000.00	-	300,000.00			300,000.00	300,000.00	300,390.00	
03/26/24	FNMA	3135GAQM6	5.150%	500,000	03/26/27	500,000.00	-	500,000.00			500,000.00	500,000.00	501,545.00	
04/11/24	FHLMC MTN	3134H1YX5	5.050%	450,000	03/26/26	448,667.30	316.93	448,984.23			448,984.23	448,984.23	450,792.00	
04/15/24	FHLMC MTN	3134H1E41	5.300%	500,000	10/08/27	500,000.00	-	500,000.00			500,000.00	500,000.00	501,645.00	
				<u>15,600,000.00</u>		<u>15,543,486.14</u>	<u>731.26</u>	<u>15,544,217.40</u>	<u>1,894,938.13</u>	<u>1,850,000.00</u>	<u>15,589,155.53</u>	<u>13,391,318.71</u>	<u>2,197,836.82</u>	<u>15,533,423.50</u>