

Administration and Projects Committee **STAFF REPORT**

Meeting Date: February 06, 2025

Subject	Accept Quarterly Cash and Investment Report for the Period Ended December 31, 2024
Summary of Issues	The Authority's Investment Policy calls for a quarterly report on investment activity to be prepared and submitted to the Executive Director, Administration and Projects Committee (APC), and the Authority Board. The accompanying report covers transactions from October 1, 2024 through December 31, 2024.
Recommendations	Staff seeks acceptance of the quarterly cash and investment report for the period ended December 31, 2024.
Staff Contact	Brian Kelleher
Financial Implications	None
Options	N/A
Attachments (See APC Packet dated 2/6/25)	<p>A. Quarterly Investment Report for Period ended December 31, 2024</p> <p>B. Economic Update – prepared by Public Trust Advisors, LLC (PTA)</p>
Changes from Committee	<i>None</i>

Background

The Authority's Investment Policy calls for a quarterly investment report to be submitted to the Executive Director, APC, and the Authority Board. The report summarizes investment balances, transactions, returns and other pertinent investment matters. The Authority's cash and securities are invested in separate portfolios depending upon the objectives for the assets being managed. As of December 31, 2024, the combined balance for all cash, investments and holdings was \$119,707,681, a decrease of \$2,896,244 from the prior quarter end due to the annual programs and project expenditures payments.

Checking Account – \$274,103

The Authority's commercial banking account, Wells Fargo, is utilized for accounts payable, payroll, deposits and electronic activity.

Local Agency Investment Fund (LAIF) – \$45,731,092

LAIF is a pooled investment fund managed by the State Treasurer's Office for public agencies. The LAIF return was 4.43% at the end of the quarter. A decrease in the amount of \$1.8 million from the prior quarter.

Investment Portfolio – \$73,702,486

The investment portfolio is actively managed with assistance from PTA, a registered and independent investment advisor. The portfolio includes individual securities, such as Treasury Notes, Federal Agency Securities, high-quality corporate notes, and other securities permitted by the Authority's Investment Policy.

Performance Factors	September 30, 2024	December 31, 2024	
	Ending Balance	Ending Balance	Change
Market Value Plus Accrued	\$ 74,291,268.66	\$ 73,702,485.54	\$ (588,783.12)
Book Yield	4.37%	4.36%	-0.01%
Yield to Maturity	3.68%	4.30%	0.62%
1-5 Year Treasury Benchmark*	3.65%	4.29%	0.64%

*Transitioned portfolio strategy from 1-3 year to 1-5 year duration during quarter end June 2024.

*ICE BofA 1-5 Year US Treasury Index (GVQ0) as of September 30, 2024

*Source: Public Trust Advisors, Clearwater Analytics, Bloomberg, ICE BofA Bond Indices

Economic Update. Attachment B is a report prepared by PTA, the Authority's investment advisor. The report contains slides of commonly referenced economic indicators and trends, including Gross Domestic Product, inflation, unemployment, and the Treasury yield curve.

Certification: The investment portfolio is in compliance with the Authority's adopted investment policy. Furthermore, as required by State regulation, it is certified that the Authority has sufficient cash liquidity to meet expected expenditure requirements over the next six months for fiscal operations. Certified by the following:



Brian Kelleher
Chief Financial Officer