



Agenda Report

Fullerton City Council

MEETING DATE: MAY 6, 2025

TO: CITY COUNCIL

SUBMITTED BY: KINGSLEY OKEREKE, INTERIM DIRECTOR OF ADMINISTRATIVE SERVICES / INTERIM TREASURER

PREPARED BY: TONI SMART, DEPUTY DIRECTOR OF ADMINISTRATIVE SERVICES

SUBJECT: TREASURER'S REPORT FOR QUARTER ENDED MARCH 31, 2025

SUMMARY

Treasurer's Report for quarter ended March 31, 2025, third quarter of Fiscal Year 2024-25.

PROPOSED MOTION

Receive and file.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

No recommendation.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Fiscal and Organizational Stability.

FISCAL IMPACT

Staff will use the information provided in this report to ensure continued oversight of the City investment portfolio.

BACKGROUND AND DISCUSSION

The City operating portfolio ended the quarter with investments on market value basis totaling \$192.04 million including:

- \$76.61 million State's Local Agency Investment Fund and a Local Government Investment Pool
- \$101.49 million U.S. Treasury Notes
- \$11.41 million corporate notes
- \$0.77 million money market funds
- \$1.76 million municipal bonds
- \$0.002 million cash.

The market yield equaled 4.302% on March 31, 2025 and the accrued interest income for the quarter totaled \$1,869,766.

Cash balances attributable to various City Funds comprise the temporarily idle cash invested in these portfolios. The invested cash is restricted to support each Funds' purpose and thus not transferable between Funds nor discretionary. The City invests and draws upon these funds to support working capital as needed. The City of Fullerton bases its investment practices and policies on state law, prudent money management and the Statement of Investment Policy with the following primary goals:

- to protect the principal monies entrusted to the office
- to assure compliance with all federal state, and local laws governing investing public funds under City Treasurer control
- to achieve a reasonable rate of return within the parameters of prudent risk management while minimizing potential for capital losses arising from market changes or issuer default.

The City Treasurer controls all investable funds, including, but not limited to, the General Fund, special revenue funds, debt service funds, capital project funds, enterprise funds and trust and successor agency funds. The City Annual Comprehensive Financial Report accounts for these funds. The City consolidates cash and reserve balances from all funds to maximize investment earnings and increase efficiencies for investment pricing, safekeeping and administration, except cash in certain restricted and special funds. The City allocates investment income to various funds based on their respective participation and in accordance with generally accepted accounting principles.

Attachments:

- Attachment 1 – Quarterly Investment Report for Quarter Ended March 31, 2025

cc: City Manager Eric J. Levitt