



## City of Needles, California Request for City Council Action

CITY COUNCIL  NPUA  HACN

Regular  Special

**Meeting Date:** June 23, 2026

**Title:** May 2026 Treasurer's Report

**Background:** Pursuant to California Government Code Section 53607, the City Treasurer is required to make a monthly report of the investment portfolio to the legislative body. The City's investment portfolio conforms to the City's Investment Policy in all respects. The City Treasurer certifies that the City has sufficient funds to meet its expenditure obligations during the next six months.

Attached is the May 2026 Treasurer's Report that contains information on the cash and investments held in the portfolio by the City of Needles, Needles Public Utility Authority, and Housing Authority of the City of Needles. In May, no additional investments were made into LAIF. At month-end, the combined LAIF balance for the City, NPUA and Housing Authority remained at \$21,941,985 with a rate of 3.81%.

Major factor affecting the LAIF interest rate, Federal Open Market Committee (the "Fed") lowers or increases the Fed Funds rate to keep the national economy in balance. The Board has maintained the Fed Funds Rate at a range of 3.50-3.75 percent. The Fed is in a difficult position of balancing inflation and lowering interest rates to spur the labor market, which could cause inflation to spike.

The Treasurer's Report shows the cash held by fiscal agents related to the All American Canal Trust Fund and the NPUA 2016 Refunding Revenue Bonds. The All American Canal Trust Fund was created by the US Bureau of Reclamation, the City of Needles and the Metropolitan Water District (MWD) for the maintenance, capital and operation of the All American Canal. In exchange, Needles received a local water allotment from the Colorado River since it has no formal water rights. The canal is owned by the US Bureau of Reclamation and operated and maintained by NPUA. The trust funds, managed by the NPUA in its fiduciary capacity, are held at Zions Bank as the third-party trustee, for canal capital and maintenance. The market value of the funds held at Zion Bank on May 31<sup>st</sup> was \$12,239,642.

US Bank acts as the trustee for the NPUA 2016 Revenue Refunding Bonds. These various bond accounts are used simply to receive scheduled bond payments from the NPUA, and then the payments to bondholders are initiated by US Bank. The total residual cash held by US Bank was slightly up this month at \$190, the next semi-annual debt service payments are not due again until August 2026.

**Fiscal Impact:** LAIF interest is paid quarterly. Interest on LAIF balances for the month of May was \$72,139, compared to \$68,730 accrued in April. Interest earned on the balance in the Arrowhead Credit Union money market account, which holds a portion of the City's Vehicle Replacement Funds, was \$29.

**Environmental Impact:** None.

**Recommended Action:** Accept and file the May 2026 Treasurer's Report.

**Submitted By:** Mark C. DeMay, Director of Finance and Administrative Services

**City Manager Approval:** *Pat Jones*

**Date:** June 2 2026

**Other Department Approval (when required):** \_\_\_\_\_


**Date:** \_\_\_\_\_

**CITY OF NEEDLES  
CITY TREASURER'S REPORT**

**SCHEDULE OF CASH & INVESTMENTS  
As of May 31, 2026**

INVESTMENT TYPE	ISSUER	MATURITY	STATED YIELD	YIELD AT 365	BOOK VALUE (or COST)	FACE VALUE (PAR)	MARKET VALUE
<b>CITY OF NEEDLES</b>							
Local Agency Investment Fund	LAIF - State of California	-	3.811%	3.811%	9,949,614	9,949,614	9,949,614
Cash	Wells Fargo Bank Checking (...1955)	-	0.000%	0.000%	10,175,382	10,175,382	10,175,382
Cash	Wells Fargo Bank Checking (...1948)	-	0.000%	0.000%	56,795	56,795	56,795
Cash	Arrowhead Credit Union Checking (...4002)	-	0.000%	0.000%	312,827	312,827	312,827
Cash	Arrowhead Credit Union Money Market (...6002-20)	-	0.300%	0.300%	115,309	115,309	115,309
Cash	Arrowhead Credit Union Savings (...6002-01)	-	0.000%	0.000%	50	50	50
<b>NPUA</b>							
Local Agency Investment Fund	LAIF - State of California	-	3.811%	3.811%	11,605,746	11,605,746	11,605,746
Cash	Wells Fargo Bank Checking (...2938)	-	0.000%	0.000%	1,057,628	1,057,628	1,057,628
Cash	Arrowhead Credit Union Checking (...3003-07)	-	0.000%	0.000%	876,323	876,323	876,323
<b>HACN</b>							
Local Agency Investment Fund	LAIF - State of California	-	3.811%	3.811%	386,626	386,626	386,626
Cash	Wells Fargo Bank Checking (...3668)	-	0.000%	0.000%	125,667	125,667	125,667
Cash	Wells Fargo Bank Checking (...9997)	-	0.000%	0.000%	8,383	8,383	8,383
<b>TOTAL CASH AND INVESTMENTS</b>					<b>34,670,350</b>	<b>34,670,350</b>	<b>34,670,350</b>

As City Treasurer, I certify that sufficient funds are available to meet expenditures obligations for the next 6 months.

SIGNATURE:   
Virginia Tasker, City Treasurer

**CITY OF NEEDLES  
CITY TREASURER'S REPORT**

**FISCAL AGENT REPORT  
Schedule of Cash & Investments Managed by 3rd Party Trustees  
As of May 31, 2026**

TRUSTEE	ACCOUNT	US TREASURIES & AGENCIES		CASH & CASH EQUIV.	TOTAL	
		Book	Market		Book	Market
<b>NPUA</b>						
<i>2016 Revenue Refunding Bonds</i>						
US BANK	Debt Service Fund (...3010)			20	20	20
<i>2016 Water Revenue Refunding Bonds</i>						
US BANK	Water Interest Fund (...3011)			8	8	8
US BANK	Water Principal Fund (...3012)			13	13	13
<i>2016 Sewer Revenue Refunding Bonds</i>						
US BANK	Sewer Debt Service Fund (...3020)			28	28	28
US BANK	Sewer Interest Fund (...3021)			11	11	11
US BANK	Sewer Principal Fund (...3022)			19	19	19
<i>2016 Electric Revenue Refunding Bonds</i>						
US BANK	Electric Debt Service Fund (...3030)			43	43	43
US BANK	Electric Interest Fund (...3031)			17	17	17
US BANK	Electric Principal Fund (...3032)			29	29	29
<i>All American Canal</i>						
ZIONS BANK	Canal Water Quality Maintenance Trust Fund			12,239,642	12,239,642	12,239,642
<b>TOTAL FUNDS MANAGED BY FISCAL AGENTS</b>				<u>12,239,832</u>	<u>12,239,832</u>	<u>12,239,832</u>