City of Needles, California
Request for City Council Action

☒ CITY COUNCIL ☐ NPUA ☐ HACN ☒ Regular ☐ Special

Meeting Date: August 11, 2026

Title: July 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 July 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. During July, no additional deposits into or withdrawals from LAIF were made. At month-end, the combined LAIF balance for the City, NPUA, and Housing Authority remained at $22,156,172 with a rate of 3.81%.

A major factor affecting the LAIF interest rate is the Federal Open Market Committee's (the "Fed") decisions regarding the federal funds rate. 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 with supporting economic growth and labor market conditions.

The Treasurer's Report includes the cash held by fiscal agents related to the All-American Canal Trust Fund and the NPUA 2016 Revenue Refunding 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 Zions Bank on July 31st was $12,070,653.

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 $721,383. The next semi-annual debt service payments are not due again until August 2026.

Fiscal Impact: None. This is an informational update.

Recommendation: Accept and file the July 2026 Treasurer's Report.

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

City Management Review: Patrick J Martinez Date: 8/6/2026

Other Department Approval (when required): ______________ Date: ________