



# CITY OF WHEATLAND

## CITY COUNCIL MEETING STAFF REPORT

September 9, 2025

**SUBJECT:** Investment Report for the Quarter Ended June 30, 2025

**PREPARED BY:** Susan Mahoney, Finance Director

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### **Recommendation**

Receive and file the Quarterly Investment Report for the quarter ended June 30, 2025.

### **Background**

The City's investment objectives are governed by State law and by the City's adopted Investment Policy. The Quarterly Investment Report provides information regarding the City's investments in accordance with the Investment Policy.

### **Discussion**

The attached report is a summary of all cash and investment activity for the quarter ended June 30, 2025. The City follows the practice of combining cash and investments for all funds. Except for the Pool Operations Fund, interest earned on combined cash and investments is allocated quarterly to the various funds based on the respective fund's cash balance. Interest earned on the cash balance in the Pool Operations Fund is calculated solely on LAIF (State of California Local Agency Investment Fund) earnings.

#### *Cash*

Total cash for all funds decreased \$276,178 in the quarter ending June 30, 2025. The funds with the largest change in cash balance were the Sewer Fund due to ongoing costs for the Regional Sewer Pipeline and the HOME First Street Senior Housing project fund.

#### *Interest Earnings*

Total interest earnings for the quarter were \$197,870; an increase of \$23,486 over the same quarter in 2024. Most of the City's idle cash is invested in LAIF. The LAIF interest rate for the quarter ending June 30, was 4.40%, down from 4.48% in March 2025. The average rate of return for the City's investments in CDs and federal securities was 4.35% for the quarter.

#### *Investment Activity*

The City uses a CD Ladder investment strategy with a maximum duration of three years. During the quarter five CDs matured. Four CDs were purchased. As interest rates continue to drop, the City will invest the majority of matured CDs in LAIF as their rates will be higher than market rates. Details are included in the accompanying report.

## **Fiscal Impact**

This report is for information only.

## **Attachments**

1. Quarterly Investment Report as of June 30, 2025.