



City Council Meeting Staff Report

Meeting Date: October 28, 2025

Subject: Investment Report for the Quarter Ended September 30, 2025

Prepared By: Susan Mahoney, Finance Director

Recommendation: Staff recommends that the Wheatland City Council receive and file the Quarterly Investment Report for the quarter ended September 30, 2025.

Discussion: 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.

The attached report is a summary of all cash and investment activity for the quarter ended September 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 \$266,494 in the quarter ending September 30, 2025. This decrease is mainly due to outstanding receivables for the City's Comprehensive Drinking Water and Regional Sewer Connection projects.

Interest Earnings

Total interest earnings for the quarter were \$187,075; an decrease of \$16,006 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 September 30, was 4.34%, down from 4.40% in June 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 one CD matured. 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 September 30, 2025.