

INDIAN WELLS CITY COUNCIL

April 4, 2024



To: City Council
From: Finance Department
Prepared by: Amy Dallosta, Accountant
Subject: **City Treasurer's Report for February 2024**

RECOMMENDED ACTIONS:

Council **RECEIVES** and **FILES** the City Treasurer's Report for February 2024.

DISCUSSION:

This report comprehensively analyzes the City of Indian Wells' cash and investment position as of February 29, 2024. The city maintains a robust investment strategy, focusing on prudence, liquidity, and compliance with legal requirements. The Treasurer's certification ensures adherence to the city's investment policy and compliance with the State of California Government Code section 53600.

Financial Snapshot:

As of February 29, 2024:

- Total cash and investments: \$73,310,674.30
- Portfolio rate of return: 3.149%

Treasurer's Certification:

The City Treasurer certifies:

- Compliance with the city's investment policy and legal requirements.
- Adequate liquidity to meet financial obligations for the next six months, ensuring static and dynamic liquidity.

Fiscal Prudence:

Aligned with the fiduciary duty, the city adheres to a prudent investment approach, considering economic conditions and anticipated needs. Investments are guided by a written policy emphasizing safety, liquidity, and yield.

BACKGROUND:

The Treasurer's Report provides a monthly update on cash activity and the investment portfolio, ensuring reconciliation with the General Ledger. Investments align with the city's investment policy and State legislation, covering U.S. treasuries, federal agency securities, corporate notes, municipal bonds, CDs, and overnight cash investments.

Investment Strategy:

The city's investment portfolio is designed to achieve a market rate of return within risk constraints. Diversification across institutions, security types, and maturities maximizes safety and yield amid changing market conditions.

FISCAL IMPACT:

The investment portfolio generated \$98,636.78 in earnings for February 2024. The investment strategy aims for consistent returns throughout budgetary and economic cycles, reflecting prudent risk management. Moreover, the strategy's success in consistently generating returns reflects its adaptability to changing market conditions. As economic cycles fluctuate, the city's investment approach remains resilient, adjusting to dynamic financial landscapes to optimize safety and yield.

ATTACHMENTS:

1. City Treasurer's Report