

INDIAN WELLS CITY COUNCIL

November 28, 2022



To: City Council
From: Finance Department
Prepared by: Ruby D. Walla, Assistant Finance Director
Subject: **City Treasurer's Report for October 2022**

RECOMMENDED ACTION:

Council **RECEIVES** and **FILES** the City Treasurer's Report for October 2022.

DISCUSSION:

Attached are the monthly cash balance and investment reports for October 2022. Investments reflected in this report are "Marked-to-Market," meaning the market value of the City's investments is updated monthly. This method provides a clear depiction of the City's portfolio's value subject to the investment market's performance. The City of Indian Wells maintains prudent fiscal reserves and minimizes un-invested cash.

Cash and Investments

As of October 31, 2022:

- The City's cash and investments totaled \$77,237,160.61
- The City's portfolio earned a 1.552% rate of return.

Treasurer's Certification

Compliance - The City Treasurer certifies that the City's cash and investments presented in this Report comply with the City's investment policy and with the legal requirements of the State of California Government Code section 53600.

Liquidity - The City Treasurer certifies that the City's portfolio is sufficient to meet its financial obligations for the next six months. The investment portfolio will remain sufficiently liquid to meet all operating requirements, which might be reasonably anticipated. This is accomplished by striving to have securities mature while cash is needed to meet anticipated demands (static liquidity). Additionally, since all possible

cash demands cannot be anticipated, the portfolio consists mainly of securities with active secondary or resale markets (dynamic liquidity).

Fiscal Prudence

When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the City, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the City.

Background

Staff provides Council with a monthly update to the Treasurer's Report. The Report presents the City's cash activity and investment portfolio and includes a reconciliation between investment balances and General Ledger. Specifically, the report provides information on the types of investments, dates of maturities, costs, the updated market value of securities, and rates of interest earned in the portfolio.

The City maintains a written investment policy in compliance with legal requirements of Government Code section 53600 and governs the investments made by the City. It is the policy of the City of Indian Wells to invest public funds in a manner that will provide maximum security with the highest investment return while meeting the daily cash flow demands of the City. The investments purchased by the City are consistent with the City's investment policy and are allowable under the current legislation of the State of California.

The City invests in U.S. treasuries, federal agency securities, medium-term corporate notes, municipal bonds, federally insured certificates of deposit, and overnight cash investments. Criteria for selecting investments in the order of priority are (1) safety, (2) liquidity, and (3) yield.

ATTACHMENTS:

1. City Treasurer's Report