

Staff Report

Regular Board Meeting

TO: Governing Board Members

FROM: General Manager/CEO

SUBJECT: Accept and File Investment Report for Quarter Ended June 30, 2025

RECOMMENDATION

That the Board of Directors accept and file the attached Investment Report for the quarter ended June 30, 2025.

BACKGROUND / ANALYSIS

California Government Code §53646(b) requires the Treasurer or CFO of a local agency to submit a quarterly report on the agency's investments to the legislative body of the agency within 30 days of the end of each quarter.

The attached Investment Report shows all the District's cash and investments, restricted and unrestricted, as of June 30, 2025. Attachment A presents the investment securities purchased and retired during the quarter April to June 2025. Increases and decreases in highly liquid funds, such as LAIF, are explained in the narrative below.

Unrestricted Investments

LAIF

The balance held in the Local Agency Investment Fund (LAIF) at the beginning of the quarter was \$18,456,558. Interest earned during the previous quarter of \$171,045 was posted to the account in April. There were no deposits to, or withdrawals from, LAIF during the quarter, leaving a balance at the end of June of \$18,627,603.

LAIF earnings for the quarter ending June 30, 2025, were \$204,139 calculated at an apportionment rate of 4.40%; down from 4.48% which had been in effect for the previous quarter. The earnings were posted to the District's account on July 15, 2025.

California CLASS

This quarter the District established an account with California Cooperative Liquid Assets Securities System (California CLASS). The District made three transfers into California CLASS during the quarter totaling \$1,001,000. The balance held in the California CLASS at the beginning of the quarter was \$0. Interest earnings during the current quarter of \$1,972 were posted to the account this quarter. The District transfers in and interest deposits received raised the balance to \$1,002,972 which was the balance at the end of the quarter.

U.S. Bank Fixed Income Account

The total (book) value of the assets held with U.S. Bank increased from \$16,646,844 to \$16,831,628 during the quarter ended June 30, 2025. The balance in this account is held both in a money market account, \$990,511, and in a \$15,841,117 portfolio of Treasury and federal agency securities shown on Attachment A.

There were no transfers into or out of the U.S. Bank account during the quarter. Net interest payments received on securities in the District's portfolio were \$177,665 and funds held in the money market account earned dividends of \$9,029.

Investment manager fees paid during the quarter were \$3,000, and amortization on premiums / accretion of discounts taken at the time of purchase of certain securities, increased the value of the portfolio by \$1,091.

The following schedule summarizes the activity for Unrestricted Investments during the Quarter ended June 30, 2025:

| Account | Beg Bal | Deposits/ (Withdrawals) | Posted Earnings | Fees | Disc / Prem Amortization | Ending Balance |
|-------------------|----------------|------------------------------------|----------------------------|-------------|-------------------------------------|-----------------------|
| LAIF | \$ 18,456,557 | \$ - | \$171,046 | \$ - | \$ - | \$ 18,627,603 |
| California CLASS | - | 1,001,000 | 1,972 | - | - | 1,002,972 |
| US Bank Fixed Inc | 16,646,844 | - | 186,693 | (3,000) | 1,091 | 16,831,628 |

Restricted Investments

Accounts opened with U.S. Bank are used to receive District deposits, from which the Trustee (U.S. Bank) pays District bondholders.

Semi-annual bond payment dates are April 1st and October 1st. Accordingly, an interest payment was made to bondholders during the quarter ended June 30, 2025. There were no other transactions that affected the account balances, except for nominal interest earnings on the balances that were held briefly in the accounts prior to the interest payments.

Summary Schedule of U.S. Bank Trustee Accounts

The following schedule summarizes activity in the U.S. Bank Trust accounts for the Quarter ended June 30, 2025:

| 2020A Accounts | Beg Bal | District Deposits | Earnings | Transfers | Withdrawals/ Payments | Ending Balance |
|---------------------------|----------------|------------------------------|-----------------|------------------|----------------------------------|---------------------------|
| Payment Fd | \$ 269,675 | \$ - | \$ - | \$ (269,675) | \$ - | \$ - |
| Interest Acct | 13,607 | - | 714 | - | - | 14,321 |
| Principal Acct | - | - | - | - | - | - |

| 2020B Accounts | Beg Bal | District Deposits | Earnings | Transfers | Withdrawals/ Payments | Ending Balance |
|---------------------------|----------------|------------------------------|-----------------|------------------|----------------------------------|---------------------------|
| Payment Fd | \$ 159,612 | \$ - | \$ - | \$ (159,612) | \$ - | \$ - |
| Interest Acct | - | - | - | - | - | - |
| Principal Acct | - | - | - | - | - | - |

DISTRICT PILLARS AND STRATEGIES

II - Sustainability, Transparency, and Accountability

a. Uphold Transparent and Accountable Fiscal and Resource Management

REVIEW BY OTHERS

This agenda item has been reviewed by the Finance Department.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.

Recommended by:

Respectfully submitted:

Michael Moore
General Manager/CEO

Brian Tompkins
Chief Financial Officer

ATTACHMENTS

Investment Report for the Quarter Ended June 2025

Attachment A-US Bank Investment Activity for Quarter Ended June 2025

**EAST VALLEY WATER DISTRICT
INVESTMENT REPORT
QUARTER ENDED
JUNE 30, 2025**

| | | Funds Managed By | Purchase Date | Maturity Date | Interest Rate | Face Value | Book Value | Market Value | Source of Valuation |
|--|-------------------------------|-----------------------------|--------------------------|--------------------------|--------------------------|-----------------------|-----------------------|-------------------------|--------------------------------|
| Funds Held by EVWD | | | | | | | | | |
| Cashiers change fund | | District | N/A | N/A | N/A | 900.00 | 900.00 | 900.00 | N/A |
| Petty Cash / Kiosk Cash | | District | N/A | N/A | N/A | 4,500.00 | 4,500.00 | 4,500.00 | N/A |
| Checking account | Citizens Business Bank | District | N/A | N/A | N/A | 7,103,326.38 | 7,103,326.38 | 7,103,326.38 | N/A |
| Funds Held by EVWD Under Management of an Outside Party | | | | | | | | | |
| Local Agency Investment Fund - Undesignated | | State of California | N/A | N/A | 4.400% | 18,627,603.27 | 18,627,603.27 | 18,627,603.27 | LAIF |
| California CLASS - Undesignated | | State of California | N/A | N/A | 4.383% | 1,002,971.68 | 1,002,971.68 | 1,002,971.68 | Ca. CLASS |
| US Bank Custodial Account | | | | | | | | | |
| US Treasury / Agency Bonds | | US Bank | | See Attached | | 16,750,000.00 | 15,841,116.75 | 15,802,744.50 | Interactive Data |
| Money Market Acct | First American US Treasury MM | US Bank | N/A | N/A | 3.867% | 990,511.66 | 990,511.66 | 990,511.66 | N/A |
| US Bank (2020A Refunding Revenue Bond Trustee) | | | | | | | | | |
| Principal Account | First American US Treasury MM | US Bank | N/A | N/A | 3.867% | - | - | - | US Bank |
| Interest Account | First American US Treasury MM | US Bank | N/A | N/A | 3.867% | 14,320.53 | 14,320.53 | 14,320.53 | US Bank |
| US Bank (2020B Refunding Revenue Bond Trustee) | | | | | | | | | |
| Principal Account | First American US Treasury MM | US Bank | N/A | N/A | 3.867% | - | - | - | US Bank |
| Interest Account | First American US Treasury MM | US Bank | N/A | N/A | 3.867% | - | - | - | US Bank |
| Total Cash and Investments | | | | | | <u>44,494,133.52</u> | <u>43,585,250.27</u> | <u>43,546,878.02</u> | |

| SUMMARY | Book Value | Market Value | % |
|---|----------------------|----------------------|----------|
| Cash | 7,108,726.38 | 7,108,726.38 | 16.32% |
| LAIF | 18,627,603.27 | 18,627,603.27 | 42.78% |
| Ca. CLASS | 1,002,971.68 | 1,002,971.68 | 2.30% |
| Treasury/Agency Securities | 15,841,116.75 | 15,802,744.50 | 36.29% |
| Money Market Treasury Funds | 1,004,832.19 | 1,004,832.19 | 2.31% |
| Total Cash and Investments | <u>43,585,250.27</u> | <u>43,546,878.02</u> | 100.00% |
| Less: Funds designated for Bond debt service | (14,320.53) | (14,320.53) | -0.03% |
| Less: Restricted Capacity Fees | (14,179,533.73) | (14,179,533.73) | -32.56% |
| Less: Customer Deposits | (1,589,965.86) | (1,589,965.86) | -3.65% |
| Total Unrestricted / Undesignated Cash and Investments | <u>27,801,430.15</u> | <u>27,763,057.90</u> | 63.76% |

I certify that this report accurately reflects all pooled investments and is in compliance with California Government Code Sec. 53646 as amended 1/1/96. This report is also in conformity with the investment policy of East Valley Water District. As Treasurer of East Valley Water District, I hereby certify that sufficient investment liquidity and anticipated revenue are available to meet the next six month's estimated expenditures.


7/16/25
 Signature Date

EAST VALLEY WATER DISTRICT
Investment Activity
Quarter Ended June 30, 2025

| Activity (Book Value) | | | | | | | | | | | | | | | | | | | |
|-----------------------|--------------------------|-----------|--------|--------------------|---------------|---------------|-----------------------|------------------------|------------|------------------|-------------------------|--------------|---------------|---------------|--------------|------------|---------------|---------------|--------------|
| Purch Date | Issuer | CUSIP | Yield | Units / Face Value | Maturity Date | 4/1/2025 | Amort Cost Adjustment | Adjusted Cost 4/1/2025 | Purchases | Matured / Called | Adjusted Cost 6/30/2025 | | | | Market Value | Water | Sewer | | |
| | | | | | | | | | | | Total | Water | Sewer | Reclamation | | | | | |
| 10/18/21 | US Treasury Note | 91282CAZ4 | 0.375% | 500,000 | 11/30/25 | 498,699.07 | 486.98 | 499,186.05 | | | 499,186.05 | 499,186.05 | | | 491,970.00 | 491,970.00 | | | |
| 03/31/21 | US Treasury Note | 91282CBT7 | 0.750% | 500,000 | 03/31/26 | 498,943.88 | 260.56 | 499,204.44 | | | 499,204.44 | 499,204.44 | | | 487,665.00 | 487,665.00 | | | |
| 12/08/23 | US Treasury Note | 91282CIL6 | 4.875% | 500,000 | 11/30/25 | 500,433.38 | (180.49) | 500,252.89 | | | 500,252.89 | 500,252.89 | | | 501,055.00 | 501,055.00 | | | |
| 12/26/23 | US Treasury Note | 91282CJS1 | 4.250% | 500,000 | 12/31/25 | 499,843.97 | 69.27 | 499,913.24 | | | 499,913.24 | 499,913.24 | | | 500,005.00 | 500,005.00 | | | |
| 12/27/23 | US Treasury Note | 91282CJP7 | 4.375% | 600,000 | 12/15/26 | 603,843.71 | (530.09) | 603,313.62 | | | 603,313.62 | 603,313.62 | | | 604,476.00 | 604,476.00 | | | |
| 04/22/24 | US Treasury Note | 91282CJC6 | 4.625% | 200,000 | 10/15/26 | 199,313.19 | 97.49 | 199,410.68 | | | 199,410.68 | 199,410.68 | | | 201,782.00 | 201,782.00 | | | |
| 05/19/23 | US Treasury Note | 91282CGX3 | 3.875% | 300,000 | 04/30/25 | 299,894.75 | 105.25 | 300,000.00 | | 300,000.00 | - | - | | | - | - | | | |
| 04/05/24 | US Treasury Note | 91282CKH3 | 4.500% | 500,000 | 03/31/26 | 499,035.30 | 204.22 | 499,239.52 | | | 499,239.52 | - | 499,239.52 | | 501,365.00 | - | 501,365.00 | | |
| 04/10/24 | US Treasury Note | 91282CJE2 | 5.000% | 400,000 | 10/31/25 | 399,915.93 | 24.92 | 399,940.85 | | | 399,940.85 | 399,940.85 | | | 400,816.00 | 400,816.00 | | | |
| 4/10 & 4/11 | US Treasury Note | 91282CKJ9 | 4.500% | 800,000 | 04/15/27 | 796,115.23 | 416.36 | 796,531.59 | | | 796,531.59 | 796,531.59 | | | 809,968.00 | 809,968.00 | | | |
| 09/23/24 | US Treasury Note | 91282CLL3 | 3.375% | 500,000 | 09/15/27 | 498,813.96 | 102.88 | 498,916.84 | | | 498,916.84 | 498,916.84 | | | 496,545.00 | 496,545.00 | | | |
| 02/13/25 | US Treasury Note | 91282CMN8 | 4.125% | 200,000 | 02/15/28 | 199,601.26 | 32.30 | 199,633.56 | | | 199,633.56 | 199,633.56 | | | 202,704.00 | 202,704.00 | | | |
| 05/15/25 | US Treasury Note | 91282CND9 | 3.625% | 200,000 | 05/15/28 | - | 11.39 | 11.39 | 299,484.38 | | 299,495.77 | 299,495.77 | | | 300,444.00 | 300,444.00 | | | |
| 07/30/20 | FHLMC MTN | 3134HAGV9 | 4.000% | 500,000 | 08/27/27 | 497,055.29 | 284.22 | 497,339.51 | | | 497,339.51 | 497,339.51 | | | 498,425.00 | 498,425.00 | | | |
| 08/05/20 | FHLMC MTN | 3134GWMY9 | 0.625% | 100,000 | 08/19/25 | 100,000.00 | - | 100,000.00 | | | 100,000.00 | 100,000.00 | | | 99,448.00 | 99,448.00 | | | |
| 04/14/25 | FHLMC MTN | 3134HBKC4 | 4.150% | 100,000 | 04/17/28 | - | - | - | 500,000.00 | | 500,000.00 | 500,000.00 | | | 499,920.00 | 499,920.00 | | | |
| 05/07/25 | FHLMC MTN | 3134HBDN9 | 4.520% | 300,000 | 11/07/28 | - | - | - | 300,000.00 | | 300,000.00 | 300,000.00 | | | 298,644.00 | 298,644.00 | | | |
| 09/24/24 | Federal Home Loan Bank | 3130B2UW3 | 4.000% | 500,000 | 06/10/27 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 498,330.00 | 498,330.00 | | | |
| 08/30/24 | Federal Home Loan Bank | 3130B2KW4 | 4.375% | 400,000 | 08/27/27 | 399,964.24 | - | 399,964.24 | | | 399,964.24 | 399,964.24 | | | 399,332.00 | 399,332.00 | | | |
| 09/23/21 | Federal Home Loan Bank | 3130APAZ8 | 1.030% | 200,000 | 09/30/26 | 200,000.00 | - | 200,000.00 | | | 200,000.00 | 200,000.00 | 200,000.00 | | 192,720.00 | | 192,720.00 | | |
| 03/25/21 | Federal Home Loan Bank | 3130ALUF9 | 1.000% | 300,000 | 03/30/26 | 300,000.00 | - | 300,000.00 | | | 300,000.00 | 300,000.00 | | | 292,968.00 | 292,968.00 | | | |
| 03/25/21 | Federal Home Loan Bank | 3130ALPB4 | 0.800% | 300,000 | 05/30/25 | 300,000.00 | - | 300,000.00 | | 300,000.00 | - | - | | | - | - | | | |
| 03/29/21 | Federal Home Loan Bank | 3130ALU93 | 0.750% | 200,000 | 06/30/25 | 200,000.00 | - | 200,000.00 | | 200,000.00 | - | - | | | - | - | | | |
| 09/17/21 | Federal Home Loan Bank | 3130AP6M2 | 1.020% | 400,000 | 09/30/26 | 400,000.00 | - | 400,000.00 | | | 400,000.00 | 400,000.00 | | | 385,392.00 | 385,392.00 | | | |
| 12/27/23 | Federal Home Loan Bank | 3130AWLY4 | 5.125% | 400,000 | 06/13/25 | 400,478.20 | (478.20) | 400,000.00 | | 400,000.00 | - | - | | | - | - | | | |
| 10/25/24 | Federal Home Loan Bank | 3130B3G72 | 4.250% | 300,000 | 10/22/27 | 300,000.00 | - | 300,000.00 | | | 300,000.00 | 300,000.00 | | | 299,157.00 | 299,157.00 | | | |
| 10/30/24 | Federal Home Loan Bank | 3130B3JC8 | 4.310% | 200,000 | 10/20/27 | 200,000.00 | - | 200,000.00 | | | 200,000.00 | 200,000.00 | | | 199,568.00 | 199,568.00 | | | |
| 10/15/21 | Federal Home Loan Bank | 3130AKC95 | 0.550% | 200,000 | 10/29/25 | 199,685.90 | 135.18 | 199,821.08 | | | 199,821.08 | 199,821.08 | 199,821.08 | | 197,572.00 | | 197,572.00 | | |
| 10/15/21 | Federal Home Loan Bank | 3130APJ55 | 1.250% | 300,000 | 10/26/26 | 299,998.63 | 0.30 | 299,998.93 | | | 299,998.93 | 299,998.93 | 299,998.93 | | 289,566.00 | | 289,566.00 | | |
| 04/05/24 | Federal Home Loan Bank | 3130B0SH3 | 5.080% | 500,000 | 04/09/25 | 500,000.00 | - | 500,000.00 | | 500,000.00 | - | - | | | - | - | | | |
| 04/10/24 | Federal Home Loan Bank | 3130B0U00 | 5.000% | 500,000 | 04/15/27 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 502,515.00 | 502,515.00 | | | |
| 04/16/24 | Federal Home Loan Bank | 3130B0YF0 | 5.250% | 300,000 | 04/22/25 | 300,000.00 | - | 300,000.00 | | 300,000.00 | - | - | | | - | - | | | |
| 04/22/24 | Federal Home Loan Bank | 3130B13F2 | 4.910% | 450,000 | 11/27/26 | 450,282.29 | (37.15) | 450,245.14 | | | 450,245.14 | 450,245.14 | | | 456,187.50 | 456,187.50 | | | |
| 11/17/21 | Federal Farm Credit Bank | 3133ENEM8 | 1.430% | 200,000 | 11/23/26 | 200,000.00 | - | 200,000.00 | | | 200,000.00 | 200,000.00 | | | 193,370.00 | 193,370.00 | | | |
| 12/20/24 | Federal Home Loan Bank | 3130B45M9 | 4.550% | 300,000 | 09/12/28 | 299,056.04 | 51.68 | 299,107.72 | | | 299,107.72 | 299,107.72 | 299,107.72 | | 299,184.00 | | 299,184.00 | | |
| 06/26/25 | Federal Home Loan Bank | 3130B6VG8 | 4.100% | - | 06/26/28 | - | - | - | 300,000.00 | | 300,000.00 | 300,000.00 | | | 299,994.00 | 299,994.00 | | | |
| 01/27/25 | Federal Home Loan Bank | 3130B4R52 | 4.500% | 500,000 | 10/27/28 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 501,950.00 | 501,950.00 | | | |
| 01/24/25 | Federal Home Loan Bank | 3130B4SN2 | 4.500% | 500,000 | 07/28/28 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | 500,000.00 | | 501,020.00 | | 501,020.00 | | |
| 02/18/25 | Federal Home Loan Bank | 3130B54T2 | 4.550% | 200,000 | 08/18/27 | 200,000.00 | - | 200,000.00 | | | 200,000.00 | 200,000.00 | | | 199,820.00 | 199,820.00 | | | |
| 02/21/25 | Federal Home Loan Bank | 3130B4YG0 | 4.550% | 200,000 | 08/14/29 | 199,666.79 | 29.34 | 199,696.13 | | | 199,696.13 | 199,696.13 | | | 200,218.00 | 200,218.00 | | | |
| 12/18/24 | Federal Home Loan Bank | 3130B4BW0 | 4.500% | 500,000 | 06/12/28 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 500,450.00 | 500,450.00 | | | |
| 03/26/25 | Federal Home Loan Bank | 3130B5QY7 | 4.520% | 500,000 | 09/24/27 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 499,710.00 | 499,710.00 | | | |
| 04/16/25 | Federal Home Loan Bank | 3130B5XT0 | 4.050% | - | 10/21/27 | - | - | - | 300,000.00 | | 300,000.00 | 300,000.00 | | | 299,451.00 | 299,451.00 | | | |
| 05/08/25 | Federal Home Loan Bank | 3130B6CN4 | 4.125% | - | 05/03/30 | - | - | - | 200,000.00 | | 200,000.00 | 200,000.00 | | | 199,580.00 | 199,580.00 | | | |
| 05/22/25 | Federal Home Loan Bank | 3130B6JZ0 | 4.250% | - | 05/21/25 | - | - | - | 300,000.00 | | 300,000.00 | 300,000.00 | | | 300,153.00 | 300,153.00 | | | |
| 01/16/25 | FNMA | 3136GA5M7 | 4.550% | 300,000 | 01/13/28 | 299,940.00 | 4.95 | 299,944.95 | | | 299,944.95 | 299,944.95 | | | 299,952.00 | 299,952.00 | | | |
| 04/15/24 | FHLMC MTN | 3134H1E41 | 5.300% | 500,000 | 04/08/25 | 500,000.00 | - | 500,000.00 | | 500,000.00 | - | - | | | - | - | | | |
| 12/20/24 | FHLMC MTN | 3134HAS61 | 4.500% | 400,000 | 12/17/27 | 399,960.00 | - | 399,960.00 | | | 399,960.00 | 399,960.00 | | | 399,368.00 | 399,368.00 | | | |
| 03/31/25 | FHLMC MTN | 3134HBGK1 | 4.175% | 500,000 | 04/01/27 | 500,000.00 | - | 500,000.00 | | | 500,000.00 | 500,000.00 | | | 499,985.00 | 499,985.00 | | | |
| | | | | | | 16,750,000.00 | | 16,140,541.01 | 1,091.36 | 16,141,632.37 | 2,199,484.38 | 2,500,000.00 | 15,841,116.75 | 13,842,949.50 | 1,998,167.25 | - | 15,802,744.50 | 13,821,317.50 | 1,981,427.00 |