

THE CITY OF LONG BEACH OFFICE OF THE CITY AUDITOR

QUARTERLY AUDIT OF CASH AND INVESTMENTS

December 31, 2024

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EXECUTIVE SUMMARY

We have conducted a performance audit of the cash and investment balances of the City of Long Beach (the City) as of December 31, 2024. The City's management is responsible for the cash and investment balances. As of December 31, 2024, the City's cash and investment portfolio totaled approximately \$2.49 billion.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

BACKGROUND

City Charter Mandate

Pursuant to Section 803 of the Charter of the City, the Office of the City Auditor is charged with verifying cash and investment balances in the City Treasury on a quarterly basis and providing a written report to the City Council. The Office of the City Auditor has contracted Windes, Inc. to perform the December 31, 2024 audit.

The audit of cash and investment balances of the City includes verifying cash and investments with outside depositories, and evaluating the City Treasurer's compliance with the relevant provisions of the California Government Code and the City's Investment Policy, which is adopted annually by the City Council.

Pooled Cash and Investments

The City's pooled cash is a grouping of the City's available cash for investments. The larger amount of money involved in a pool allows the City to earn a higher rate of return than each fund could receive by itself. Pooled funds that are not needed for operations are invested by the Treasury Bureau. The interest income earned in pooled cash and investments is apportioned to funds based on the ratio of daily cash balances to the total of pooled cash and investments.

Non-pooled Cash and Investments

Generally, non-pooled cash and investments are used for specific project operations or pledged for reserves or interest payments of outstanding debt.

BACKGROUND (CONTINUED)

Asset Management

As of May 1, 2024, the City has an agreement with Meeder Public Funds (“Meeder”) as their investment advisor, to provide investment advisory services related to the City’s pooled investment portfolio. Meeder will provide ongoing oversight of investment activity, including “best practices” recommendations, as well as updates on both financial and regulatory developments, investment strategy review, and performance and credit analysis related to investments in the City’s investment pool. The agreement is for a two-year period, with the option to renew three additional one-year periods.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our performance audit were to reconcile cash and investments as to the amount and description recorded on the City’s books with outside depositories and to evaluate the City’s compliance with the relevant provisions of the California Government Code Section 53601 and the City’s Investment Policy.

The scope of this audit was limited to the quarter ended December 31, 2024.

We performed the following procedures:

- Obtained an understanding of the internal controls surrounding the City’s cash and investment process.
- Obtained confirmations of cash held by banks and investments held by the City Treasurer’s safekeeping agent and other custodians as of December 31, 2024 and reconciled them to the City’s general ledger.
- Reconciled the balance of total investments on the City Treasurer’s Investment Activity Portfolio Statistics Report (Sympro) at December 31, 2024 to the City’s general ledger.
- Obtained bank and investment reconciliations at December 31, 2024 and traced balances to the City’s general ledger. This also included testing, on a sample basis, the adjustments made on the reconciliation to ensure they are valid adjustments.
- Compared investments listed on the City Treasurer’s Investment Activity Portfolio Statistics Report (Sympro) at December 31, 2024 to the types of investments authorized for the City in accordance with the City’s Investment Policy and the relevant provisions of the California Government Code.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY (CONTINUED)

- Compared the portfolio mix of investment types listed in the City Treasurer’s Investment Activity Portfolio Statistics Report (Sympro) at December 31, 2024 to the portfolio mix limitations imposed by the City’s Investment Policy and the relevant provisions of the California Government Code.
- Reviewed supporting documentation on a sample basis, the purchase, sale, and maturity of individual investments to determine compliance with the following provisions of the California Government Code and the City’s Investment Policy:
 - Purchases of investments meet minimum rating requirements and maximum allowable maturity periods.
 - All sections of the investment transaction record are properly completed and authorized by the City Treasurer.
 - Transactions are supported by documentation from third-party sources (individual broker confirmations, safekeeping statements, custodian statements, etc.)

The City finalizes its calculations of accrued interest at the end of the fiscal year; thus, testing of accrued interest is conducted as part of the fiscal year-end cash and investment audit. As such, we did not test accrued interest, which is excluded from the balance of Total Cash and Investments at December 31, 2024, listed in Attachments I and II. In addition, the allocation of pooled cash and investments between funds was outside the scope of this audit. As such, the Schedule of Pooled and Non-Pooled Cash and Investment Balances by Fund is attached for informational purposes only.

RESULTS AND CONCLUSIONS

During our audit, we noted the following reconciling items related to cash and investment activity during the quarter ended December 31, 2024 were not booked in the City’s accounting records (MUNIS). The following summarizes our findings:

- \$ (216,263) Adjustments for accrued interest receivable for the quarter ended December 31, 2024 were not posted until January 2025, which led to an overstatement of cash in banks, which is included in pooled cash and investments.
- \$ 6,945,019 Adjustments for bank deposits received during the quarter ended December 31, 2024 that were not posted until January and February 2025, which led to an understatement of cash in banks, which is included in pooled cash.
- \$(17,985,886) Adjustment to recognize the change in fair value of investments held at December 31, 2024 was not recorded, leading to an overstatement of investments held. It is the City’s policy to recognize the fair value change at fiscal year-end and not during the interim periods.

RESULTS AND CONCLUSIONS (CONTINUED)

The City's cash and investment balances as of December 31, 2024 are summarized as follows:

Pooled Cash and Investments	\$ 2,333,308,927
Non-Pooled Cash and Investments	<u>165,908,108</u>
Total Cash and Investments	<u>\$ 2,499,217,035</u>

Based on the results of audit procedures performed and adjustments made, cash and investment balances as recorded on the City's accounting records at December 31, 2024, materially agree as to the amount and description with outside depositories. Also, we found the City to be in compliance with all other relevant provisions of the California Government Code and the City's Investment Policy.

MANAGEMENT COMMENTS

Management concurs that investment activity for the subject period was in full compliance with the applicable sections of the California government Code and City's Investment Policy.

The \$216,263 was due to a difference in valuation between Principal Trust (City's custodian) and the City of Long Beach's standard practice. The reason why there was a market value difference of \$216,263 between the City's portfolio and Principal Trust, was because Principal Trust did not include the City's accrued interest amount (at the time of purchase) in the market value. Since the City paid the accrued interest amount at the time of purchase (which was the ordinary course of business), the City included the accrued interest amount in both the book value of an investment and the market value, until the posting of the first coupon. After the first coupon was received, the book value and market value were both reduced by the amount of the accrued interest at purchase, in which this difference resolved itself. Although cash amounts reported by the City may differ from amounts reported in the City's custodian statements, it is the City's practice to record investment transactions for accrued interest in this manner.

The \$6,945,019 amount consists of multiple wire receipts sent by numerous payors who failed to provide the City with the necessary information to identify the City departments and accounts for which the wire payments were intended. This failure on the part of the external payors required City staff in multiple departments to conduct extensive additional research to discover the City department and account that the payor meant to be credited with the wired funds. Although there was a delay in posting the transactions in the City's financial system, these wire receipts were captured and reflected in the monthly bank reconciliations as reconciling items during the research process.

MANAGEMENT COMMENTS (CONTINUED)

Adjustment for fair value of investments reflects the unrealized change in value of the legacy securities attributable to the movement of market interest rates. The purpose of an adjustment is to fairly report the market value of the pooled investments at a point in time for financial reporting purposes. It is the City's policy to make fair market adjustments at fiscal year end, which occurs on September 30 of each year, rather than every quarter. The City has no management or reporting need for mark to market except on September 30. The City's official financial reports always reflect market value as required and in compliance with GASB 31 standards.

A handwritten signature in cursive script that reads "Windes, Inc.".

Long Beach, California
May 8, 2025

ATTACHMENT I

POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT DECEMBER 31, 2024 (WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)

Fund Number	Name of Fund	Pooled December 31, 2024	Non-Pooled December 31, 2024	Total at December 31, 2024	Total at December 31, 2023
1000	GF - Operating	\$ 52,537,212	\$ 1,489,055	\$ 54,026,267	\$ 87,187,169
1009	GF - District Priority	1,204,977	-	1,204,977	1,051,948
1010	GF - Cap/Oper Grants	73	-	73	2,499,207
1011	GF - Long Beach Recovery Act	21,932,531	-	21,932,531	38,492,648
1020	GF - CLB Measure A	6,828,681	-	6,828,681	12,228,755
1021	GF - CLB Measure US	781,521	-	781,521	703,892
1030	GF - CLB Measure Ma	(3,743)	-	(3,743)	(10,973)
1040	GF - Asset Seizure Federal	1,004,218	-	1,004,218	944,279
1041	GF - Asset Seizure US Treasury	1,001,342	-	1,001,342	906,758
1042	GF - Asset Seizure State	1,523,410	-	1,523,410	1,266,184
1043	GF - ASF Priority Intvntn Prgm	131,336	-	131,336	96,368
1100	GF - Uplands Oil Operating	22,588,745	-	22,588,745	22,207,748
2000	SR - General Grants	1,106,363	-	1,106,363	(6,792,447)
2001	SR - American Rescue Plan Act	-	-	-	608,839
2010	SR - City Manager Grants	745,632	-	745,632	5,303,531
2015	SR - Parks Grants	(2,951,745)	-	(2,951,745)	(2,204,559)
2020	SR - Police Grants	7,102,885	-	7,102,885	6,491,127
2025	SR - City Prosecutor Grants	1,167,397	-	1,167,397	208,313
2026	SR - CP Grants Annual Fund	230,015	-	230,015	280,658
2030	SR - Fire Grants	(8,713,012)	-	(8,713,012)	(5,536,064)
2035	SR - Development Srvc Grants	501,606	-	501,606	484,796
2040	SR - Library Grants	4,660,196	-	4,660,196	4,304,891
2041	SR - Library Grants Annual	(701,026)	-	(701,026)	(722,500)
2100	SR - PS Oil Prod Tax - Fire	358,241	-	358,241	20,897
2150	SR - PS Oil Prod Tax - Police	559,767	-	559,767	566,319
2200	SR - Health Operating	(3,493,369)	800	(3,492,569)	17,674,974
2210	SR - Health Grants	1,341,466	-	1,341,466	(3,002,712)
2301	SR - Cupa Annual	244,075	-	244,075	646,129
2310	SR - Cupa Grant	-	-	-	(69)
2400	SR - Spec Adver/Prom Operating	14,892,825	-	14,892,825	14,404,569
2500	SR - Housing Operations	7,488,553	-	7,488,553	7,119,582
2501	SR - Housing Annual	9,476,314	16,439	9,492,753	11,162,709
2550	SR - LB Community Invest Co	6,514,993	-	6,514,993	8,487,178
2600	SR - Belmont Shre Pkg Mtr	405,801	-	405,801	407,824
2650	SR - Business Assistance	1,466,267	-	1,466,267	1,033,784
2710	SR - Workforce Development Grants	(7,034,908)	28,767	(7,006,141)	(3,307,495)
2711	SR - Comm Dev Grants - HUD	6,745,619	-	6,745,619	6,593,709

ATTACHMENT I

**POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES
BY FUND AT DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)
(Continued)**

Fund Number	Name of Fund	Pooled December 31, 2024	Non-Pooled December 31, 2024	Total at December 31, 2024	Total at December 31, 2023
2713	SR - Comm Dev - Other Grants	748,498	-	748,498	4,673,683
2714	SR - CD Grants Annual Fund	(53,505)	-	(53,505)	(54,791)
2760	SR - Housing Auth Grants	(1,426,283)	-	(1,426,283)	(1,530,810)
2761	SR - Housing Auth Annual	7,126,207	22,352,030	29,478,237	33,733,744
2810	SR - Dif-Traffic Mitigation Fees	9,382,239	-	9,382,239	10,424,708
2811	SR - Dif-Parks Impact Fees	12,742,907	-	12,742,907	9,477,861
2812	SR - Dif-Police Impact Fees	5,209,045	-	5,209,045	4,258,425
2813	SR - Dif-Fire Impact Fees	1,805,471	-	1,805,471	1,451,400
2814	SR - Dif-Low Impact Development Fees	4,619,239	-	4,619,239	-
4005	DS - General Debt Service	12,521,394	5,072,027	17,593,421	24,645,187
4505	DS - Successor Agency	1,978,562	3,999,006	5,977,568	6,961,537
5010	CP - Capital Grants	(39,913,452)	-	(39,913,452)	(18,546,370)
5015	CP - Bond Proceeds	(7,230,045)	44,010,671	36,780,626	57,000,967
5020	CP - Capital Projects	85,991,723	-	85,991,723	84,720,214
5021	CP - CIP Personnel Annual	(15,158)	-	(15,158)	(9,784)
5120	CP - Special Assessment Projects	1,775,589	3,724	1,779,313	1,778,771
5200	CP - Legislative	4,912,736	-	4,912,736	4,912,736
5310	CP - Transport Capital Project	-	-	-	(281,168)
5320	CP - State Gas Tax CP Projects	16,201,618	-	16,201,618	15,236,422
5411	CP - County Prop C Metro	33,655,258	-	33,655,258	32,610,209
5412	CP - County Measure R Metro	23,094,815	-	23,094,815	18,385,931
5413	CP - State AB2766 Air Quality	4,616,205	-	4,616,205	2,327,466
5414	CP - County Measure M Metro	28,297,422	-	28,297,422	22,150,271
5416	CP - County Prop A Metro	28,888,508	-	28,888,508	21,940,106
5417	CP - State RMRA Local Return	14,717,761	-	14,717,761	13,111,657
5418	CP - County Measure W	5,609,040	-	5,609,040	11,823,581
5420	CP- State Pt Tran Dev Act SB821	(400,688)	-	(400,688)	231,710
5500	CP - Successor Agency Operating	174	-	174	174
5501	CP - Successor Agency Annual	8,762,244	35,808	8,798,052	9,127,772
6000	IS - Civic Center Operating	3,159,788	-	3,159,788	3,722,407
6005	IS - Civic Center Debt	100,000	-	100,000	100,000
6020	IS - Civic Center Capital	370,004	-	370,004	(2,519,770)
6100	IS - Genral Services Operating	(8,619,122)	-	(8,619,122)	(9,865,530)
6105	IS - General Services Debt	2,786,032	7,476,237	10,262,269	-
6110	IS - General Service Grants	(371,625)	-	(371,625)	3,156,172
6120	IS - General Services Capital	11,626,584	-	11,626,584	10,568,908
6121	IS - General Serv Oper/SPC Proj	(555,605)	-	(555,605)	-

ATTACHMENT I

**POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES
BY FUND AT DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)
(Continued)**

Fund Number	Name of Fund	Pooled December 31, 2024	Non-Pooled December 31, 2024	Total at December 31, 2024	Total at December 31, 2023
6200	IS - Fleet Operating	186,081	-	186,081	(4,039,203)
6205	IS - Fleet Debt	(3,735,495)	-	(3,735,495)	(1,720,258)
6210	IS - Fleet Grants	(145,051)	-	(145,051)	1,342,464
6220	IS - Fleet Capital	6,801,576	-	6,801,576	6,024,166
6230	IS - Fleet Replacement	62,575,590	-	62,575,590	64,328,848
6300	IS - Workers' Compensation	31,498,454	-	31,498,454	32,330,789
6350	IS - General Liability	9,913,182	-	9,913,182	14,207,474
6400	IS - EBF - Operating	(40,343,694)	-	(40,343,694)	117,300,312
6401	IS - EBF - Healthcare	53,348,850	-	53,348,850	30,886,818
6402	IS - EBF - Payroll Taxes	(4,986,761)	-	(4,986,761)	(5,121,366)
6403	IS - EBF - Paid time off	12,048,052	-	12,048,052	21,682,467
6405	IS - EBF - Pension & Retirement	69,321,873	-	69,321,873	(78,907,449)
7000	EF - Gas Operating	33,250,956	750	33,251,706	49,025,379
7005	EF - Gas Debt	789,090	7,225,732	8,014,822	8,461,414
7020	EF - Gas Cap/Oper Proj	6,249,692	-	6,249,692	16,563,103
7035	EF - Gas Prepay (LBBFA)	(5,824)	-	(5,824)	(3,766)
7100	EF - Water Operating	27,500,971	20,000	27,520,971	3,500,492
7101	EF - Water Reclaimed Operating	6,404,621	-	6,404,621	1,096,037
7105	EF - Water Debt	(1,244,872)	42,396,824	41,151,952	4,489,755
7106	EF - Water Debt Others	(986,513)	-	(986,513)	(317,289)
7120	EF - Water Capital Projects	(4,354,855)	-	(4,354,855)	17,667,818
7121	EF - Water Reclaimed Capital	(3,665,230)	-	(3,665,230)	(1,800,788)
7200	EF - Sewer Operating	22,071,831	-	22,071,831	12,736,446
7205	EF - Sewer Debt	(584,228)	-	(584,228)	145,950
7220	EF - Sewer Capital Projects	(9,776,737)	-	(9,776,737)	(2,073,580)
7300	EF - Sol Waste Operating	16,479,271	-	16,479,271	14,150,670
7310	EF - Sol Waste Cap/Oper Grants	1,292,164	-	1,292,164	1,081,228
7320	EF - Sol Waste Cap/Oper Proj	(424,955)	-	(424,955)	(424,955)
7350	EF - SERRF Operations	12,624,844	-	12,624,844	23,594,203
7355	EF - SERRF JPA Debt	170	-	170	161
7400	EF - Airport Operating	66,992,938	-	66,992,938	60,990,177
7410	EF - Airport Grants	(3,206,652)	-	(3,206,652)	(488,399)
7411	EF - Airport Passenger Fac Chrg	3,356,249	-	3,356,249	4,499,100
7412	EF - Airport Customer Fac Chrg	5,202,409	-	5,202,409	9,608,683
7420	EF - Airport Cap/Oper Proj	(10,333,992)	-	(10,333,992)	(8,080,536)
7425	EF - Airport Debt	(777,607)	11,716,978	10,939,371	10,222,780
7500	EF - Development Svcs Operating	45,096,763	-	45,096,763	47,601,022

ATTACHMENT I

**POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES
BY FUND AT DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)
(Continued)**

Fund Number	Name of Fund	Pooled December 31, 2024	Non-Pooled December 31, 2024	Total at December 31, 2024	Total at December 31, 2023
7510	EF - Development Svcs Grants	(211,597)	-	(211,597)	(2,043,691)
7520	EF - Development Svc Casp Sb1186	817,662	-	817,662	688,888
7550	EF - Towing Operating	848,910	1,700	850,610	1,934,653
7600	EF - Tidelands Operating	108,308,542	2,000	108,310,542	111,252,843
7605	EF - Tidelands Debt	(165,243)	2,020,596	1,855,353	685,281
7610	EF - Tidelands Capital Grants	300,000	-	300,000	264,963
7620	EF - Tidelands Capital Projects	(23,482,172)	-	(23,482,172)	(5,272,001)
7631	EF - Tidelands Parking Annual	11,119,245	-	11,119,245	7,703,563
7635	EF - TF Convntn Ctr Pkg Surchg	3,370,121	-	3,370,121	3,053,864
7700	EF - TF Marina Operating	45,276,275	9,428,837	54,705,112	50,901,128
7710	EF - TF Marina Capital Grant	1,606,552	-	1,606,552	1,606,552
7720	EF - TF Marina Capital Projects	(36,302)	-	(36,302)	(34,469)
7750	EF - TF Queen Mary Project Oper	(96,897)	49,162	(47,735)	42,830
7751	EF - TF QM Entertainment Dist Ops	800,951	-	800,951	332,468
7770	EF - TF Queen Mary Capitl Proj	24,662	-	24,662	263,777
7800	EF - Tidelands Oil	87,612,990	-	87,612,990	77,813,143
7850	EF - TF Subsidence	205,370,003	-	205,370,003	198,469,530
7885	EF - TF Aqua Of The Pac Debt	-	-	-	(1,359)
7900	EF - Harbor Operating	4,425,590,735	900	4,425,591,635	4,182,855,450
7901	EF - Harbor CTP 2022 Zero Emss	95,703,586	-	95,703,586	64,227,037
7910	EF - Harbor Cap/Oper Grants	166,868,742	-	166,868,742	122,085,493
7920	EF - Harbor Cap/Oper Proj	(3,637,601,434)	-	(3,637,601,434)	(3,564,698,996)
7933	EF - HA Debt 2014B Bonds	-	-	-	612,812
7935	EF - HA Debt 2015B Bonds	2,102,063	-	2,102,063	4,455,344
7936	EF - HA Debt 2015C Bonds	413,031	-	413,031	413,031
7937	EF - HA Debt 2015D Bonds	417,906	-	417,906	417,906
7938	EF - HA Debt 2017A Bonds	635,063	-	635,063	635,063
7939	EF - HA Debt 2017B Bonds	162,406	-	162,406	162,406
7940	EF - HA Debt 2017C Bonds	266,625	-	266,625	266,625
7942	EF - HA Debt 2019A Bonds	1,008,188	-	1,008,188	1,008,188
7943	EF - HA Debt 2020A Bonds	17,582,894	-	17,582,894	6,226,969
7944	EF - HA Debt 2020B Bonds	-	-	-	13,597,125
7948	EF - HA Debt 2021 TIFIA	2,281,538	-	2,281,538	2,246,738
8000	CS - Fiduciary Operating	4,037,154	-	4,037,154	4,111,396
8010	CS - Prisoner Welfare	346,587	1,500	348,087	329,187
8100	CS - Asmt Cfd5 LB Towne Center	283,615	1,159,457	1,443,072	1,359,457
8105	CS - Asmt Cfd6 Pike Pub Imprv	1,150,298	3,283,806	4,434,104	4,262,313

ATTACHMENT I

**POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES
BY FUND AT DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)
(Continued)**

Fund Number	Name of Fund	Pooled December 31, 2024	Non-Pooled December 31, 2024	Total at December 31, 2024	Total at December 31, 2023
8110	CS - Asmt Cfd7-1 Douglas Pk Cm	955,510	1,310,001	2,265,511	2,015,329
8115	CS - Asmt Cfd7-2 Belmont Shore	39,990	570,694	610,684	585,683
8120	CS - Asmt Cfd8-1 Toledo Ugd Ut	87,764	183,229	270,993	262,305
8125	CS - Asmt Cfd11-1 Douglas Pk N	114,911	-	114,911	60,455
8190	CS - Other Special Assessment	159,716	-	159,716	154,329
8200	CS - ICTF JPA Operating	5,444,791	-	5,444,791	4,652,012
8300	CS - Earthquake Asmt Dist 90-3	287,085	-	287,085	277,430
8310	CS - Earthquake Asmt Dist 93-1	597,949	-	597,949	577,858
8400	CS - Los Cerritos Wetlands Aut	-	2,051,378	2,051,378	906,355
8500	CS - Pkg & Bus Area Improve	2,693,948	-	2,693,948	2,065,449
8550	CS - Promenade District	679,256	-	679,256	622,612
8600	PP - Expendable Trust	(743)	-	(743)	(719)
8610	PP - Library Miller Trust	618,893	-	618,893	598,094
8620	PP - Homeless Expendable Trust	5,441	-	5,441	5,258
9900	Accrued Interest Receivable	(15,293,396)	-	(15,293,396)	(9,352,122)
	Unrealized losses on investments **	(17,985,886)	-	(17,985,886)	(35,189,077)
TOTAL CASH AND INVESTMENTS		\$ 2,333,308,927	\$ 165,908,108	\$ 2,499,217,035	\$ 2,338,568,687

* The City's pooled cash and investments were audited in aggregate and the allocation among funds was outside the scope of the performance audit. The allocation is presented for informational purposes only.

**Unrealized losses on investments are due to market changes and represent the difference between the City's cost basis and the fair market value. The City's policy is to recognize the unrealized gains and losses at the end of the fiscal year for financial statement purposes in compliance with Governmental Accounting Standards. All unrealized gains or losses are reported to the City Council through the Quarterly Investment Report by the City Treasurer.

ATTACHMENT II

**POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES
BY SECURITY TYPE AT DECEMBER 31, 2024
(WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2023)**

	<u>Pooled December 31, 2024</u>	<u>Non-Pooled December 31, 2024</u>	<u>Total at December 31, 2024</u>	<u>Total at December 31, 2023</u>
CASH				
Cash in Banks	\$ (2,684,321)	\$ 22,660,289	\$ 19,975,968	\$ 26,178,455
Cash with Fiscal Agents	-	136,803,765	136,803,765	121,271,300
 Total Cash	 <u>(2,684,321)</u>	 <u>159,464,054</u>	 <u>156,779,733</u>	 <u>147,449,755</u>
INVESTMENTS				
U.S. Treasury Notes	798,280,463	-	798,280,463	1,128,105,013
Federal Farm Credit Bank	224,163,250	-	224,163,250	127,076,070
Federal Home Loan Bank	304,073,237	-	304,073,237	165,754,266
Federal National Mortgage Association (FNMA)	85,834,480	-	85,834,480	74,503,380
Federal Home Loan Mortgage Corporation (FHLMC)	94,725,870	-	94,725,870	217,296,721
Federal Agricultural Mortgage Corporation	246,673,750	-	246,673,750	-
Local Agency Investment Fund (L.A.I.F.)	162,482,364	-	162,482,364	347,851
Guaranteed Investment Contracts	-	6,444,054	6,444,054	7,511,540
Money Market (Federal Investors)	407,458	-	407,458	271,332,895
Corporate Notes	419,352,376	-	419,352,376	199,191,196
 Total Investments	 <u>2,335,993,248</u>	 <u>6,444,054</u>	 <u>2,342,437,302</u>	 <u>2,191,118,932</u>
 TOTAL CASH AND INVESTMENTS	 <u>\$ 2,333,308,927</u>	 <u>\$ 165,908,108</u>	 <u>\$ 2,499,217,035</u>	 <u>\$ 2,338,568,687</u>