
Staff Report

Regular Board Meeting

TO: Governing Board Members

FROM: General Manager/CEO

SUBJECT: Approve Investment Report for Quarter Ended March 31, 2022

RECOMMENDATION

Staff recommends that the Board of Directors (Board) accept and file the attached Investment Report for the quarter ended, March 31, 2022.

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 March 31, 2022. Attachment A presents the investment securities purchased and retired during the quarter January to March 2022. 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 at the beginning of the quarter was \$6,070,426. Interest earned during the previous quarter of \$3,495 was posted to the account in January and there were no transfers in or out of the LAIF account during the quarter. As a result, the balance in the account at the end of the quarter was \$6,073,921.

LAIF earnings for the quarter ended March 31, 2022, were \$4,786, calculated at an apportionment rate of 0.32%; up from 0.23% which had been in effect for the previous quarter. The earnings were posted to the District's account on April 15, 2022.

Citizen's Business Bank (CBB) Wealth Management

The total (book) value of the assets held with CBB increased \$10,105 to \$5,930,954 during the quarter ended March 31, 2022. The balance in this account is held both in a money market account, \$676,142, and in a \$5,254,812 portfolio of Treasury and federal

agency securities shown on Attachment A.

Net interest payments received on securities in the District's portfolio were \$14,437 and funds held in money market accounts earned \$41.

Investment manager fees paid during the quarter were \$2,144, and amortization on premiums paid for certain high yield securities reduced the value of the portfolio by \$2,229.

There were no District transfers to or from this investment account during the quarter.

The following schedule summarizes the activity for Unrestricted Investments during the Quarter ended March 31, 2022:

<u>Account</u>	<u>Beg Bal</u>	<u>Deposits/ (Withdrawals)</u>	<u>Earnings</u>	<u>Fees</u>	<u>Disc / Prem Amortization</u>	<u>Ending Balance</u>
LAIF	\$ 6,070,426	\$ -	\$ 3,495	\$ -	\$ -	\$ 6,073,921
CBB Wealth Mgt	5,920,849	-	14,478	(2,144)	(2,229)	5,930,954

Restricted Investments

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

Semiannual bond payment dates are April 1st and October 1st.

Summary Schedule of Union Bank Trustee Accounts

The following schedule summarizes activity in the US Bank accounts for the Quarter ended March 31, 2022.

<u>2020A Accounts</u>	<u>Beg Bal</u>	<u>District Deposits</u>	<u>Earnings</u>	<u>Transfers</u>	<u>Withdrawals/ Payments</u>	<u>Ending Balance</u>
Revenue Fd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Acct	1	-	-	-	-	1
Principal Acct	-	-	-	-	-	-

<u>2020B Accounts</u>	<u>Beg Bal</u>	<u>District Deposits</u>	<u>Earnings</u>	<u>Transfers</u>	<u>Withdrawals/ Payments</u>	<u>Ending Balance</u>
Revenue Fd	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Acct	-	-	-	-	-	-
Principal Acct	-	-	-	-	-	-

AGENCY GOALS AND OBJECTIVES

- II - Maintain a Commitment To Sustainability, Transparency, and Accountability
 - A. Practice Transparent and Accountable Fiscal Management

REVIEW BY OTHERS

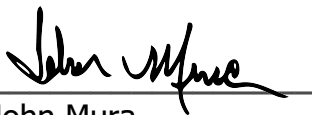
This agenda item has been reviewed by the Finance Department.

FISCAL IMPACT

There is no fiscal impact associated with this agenda item.

Recommended by:

Respectfully submitted:



John Mura
General Manager/CEO



Brian Tompkins
Chief Financial Officer

ATTACHMENTS

1. Investment Report for the Quarter Ended March 31, 2022
2. Attachment A - CBB Investment Activity Report for the Quarter Ended March 31, 2022

**EAST VALLEY WATER DISTRICT
INVESTMENT REPORT
QUARTER ENDED
March 31, 2022**

		<u>Funds Managed By</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Face Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Source of Valuation</u>
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	11,277,733.78	11,277,733.78	11,277,733.78	N/A
Funds Held by EVWD Under Management of an Outside Party									
Local Agency Investment Fund - Undesignated		State of California	N/A	N/A	0.230%	5,567,855.05	5,567,855.05	5,567,855.05	LAIF
Local Agency Investment Fund - Designated for Debt Service		State of California	N/A	N/A	0.230%	506,065.99	506,065.99	506,065.99	LAIF
Citizens Business Bank									
US Treasury / Agency Bonds		CBB Wealth Mgt		See Attached		5,265,000.00	5,254,811.65	5,036,381.85	Interactive Data
CBB Money Market Fund	CBB Money Market Fund	CBB Wealth Mgt	N/A	N/A	0.026%	676,141.90	676,141.90	676,141.90	N/A
Union Bank (2020A Refunding Revenue Bond Trustee)									
Payment Fund	Blackrock Liquidity Funds	US Bank	N/A	N/A	N/A	-	-	-	US Bank
Principal / Interest Accounts	Blackrock Liquidity Funds	US Bank	N/A	N/A	1.240%	0.76	0.76	0.76	US Bank
Union Bank (2020B Revenue Bond Trustee)									
Payment Fund	Blackrock Liquidity Funds	US Bank	N/A	N/A	N/A	-	-	-	US Bank
Interest Account	Blackrock Liquidity Funds	US Bank	N/A	N/A	1.240%	-	-	-	US Bank
Total Cash and Investments						<u>23,298,197.48</u>	<u>23,288,009.13</u>	<u>23,069,579.33</u>	

<u>SUMMARY</u>	<u>Book Value</u>	<u>Market Value</u>	<u>%</u>
Cash	11,283,133.78	11,283,133.78	48.91%
LAIF	6,073,921.04	6,073,921.04	26.33%
Treasury/Agency Securities	5,254,811.65	5,036,381.85	21.83%
Money Market Treasury Funds	676,142.66	676,142.66	2.93%
Total Cash and Investments	<u>23,288,009.13</u>	<u>23,069,579.33</u>	100.00%
Less: Funds designated for Bond debt service	(506,066.75)	(506,066.75)	-2.19%
Less: Restricted Capacity Fees	(6,275,370.07)	(6,275,370.07)	-27.20%
Less: Customer / Construction Deposits	(1,144,637.16)	(1,144,637.16)	-4.96%
Less: Funds designated for rate stabilization	(268,447.00)	(268,447.00)	-1.16%
Total Unrestricted / Undesignated Cash and Investments	<u>15,093,488.15</u>	<u>14,875,058.35</u>	64.49%

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.



Signature

April 15, 2022

Date

EAST VALLEY WATER DISTRICT
Investment Activity
Quarter Ended March 31, 2022

Activity (Book Value)

Purch Date	Issuer	CUSIP	Yield	Units / Face Value	Maturity Date	1/1/2022	Amort Cost Adjustment	Adjusted Cost 1/1/2022	Purchases	Matured / Called	Adjusted Cost 3/31/2022			Market Value	
											Total	Water	Sewer		
5/31/2017	US Treasury Note	912828XR6	1.750%	300,000	05/31/22	299,765.63		299,765.63			299,765.63	299,765.63		300,666.00	
10/19/2021	US Treasury Note	91282CAZ4	0.375%	500,000	11/30/25	487,403.40		487,403.40			487,403.40	487,403.40		462,775.00	
3/31/2021	US Treasury Note	9128CBT7	0.750%	500,000	03/31/26	495,703.13		495,703.13			495,703.13	495,703.13		466,815.00	
5/10/2018	FHLB	3130AEBM1	2.750%	100,000	06/10/22	99,892.00		99,892.00			99,892.00	99,892.00		100,455.00	
1/21/2020	Tenn Valley Authority	880591ER9	2.875%	300,000	09/15/24	313,664.61	(2,224.88)	311,439.73			311,439.73	311,439.73		302,487.00	
5/29/2020	US Treasury Note	912828ZP8	0.125%	300,000	05/15/23	299,203.13		299,203.13			299,203.13	299,203.13		294,375.00	
7/30/2020	Federal Home Loan Bank	3130AJUN7	0.550%	250,000	07/30/24	249,937.50		249,937.50			249,937.50	249,937.50		239,957.50	
8/6/2020	Freddie Mac	3134GWMY9	0.625%	100,000	08/19/25	100,000.00		100,000.00			100,000.00	100,000.00		93,750.00	
9/30/2021	Federal Home Loan Bank	3030APA28	1.030%	200,000	09/30/26	200,000.00		200,000.00			200,000.00		200,000.00	188,602.00	
3/30/2021	Federal Home Loan Bank	3130ALUF9	1.000%	300,000	03/30/26	300,000.00		300,000.00			300,000.00	300,000.00		284,157.00	
3/30/2021	Federal Home Loan Bank	3130ALPB4	0.800%	300,000	05/30/25	300,000.00		300,000.00			300,000.00	300,000.00		283,674.00	
3/30/2021	Federal Home Loan Bank	3130ALU93	0.750%	200,000	06/30/25	200,000.00		200,000.00			200,000.00	200,000.00		189,122.00	
9/20/2021	Federal Home Loan Bank	3130AKL79	0.250%	115,000	12/28/23	114,902.25		114,902.25			114,902.25	114,902.25		111,077.35	
9/30/2021	Federal Home Loan Bank	3130AP6M2	1.020%	400,000	09/30/26	400,000.00		400,000.00			400,000.00	400,000.00		376,280.00	
10/18/2021	Federal Home Loan Bank	3130AKC95	0.550%	200,000	10/29/25	196,566.63		196,566.63			196,566.63		196,566.63	186,850.00	
10/26/2021	Federal Home Loan Bank	3130APJ55	1.250%	300,000	10/26/26	299,997.00		299,997.00			299,997.00		299,997.00	285,711.00	
10/27/2021	Federal Home Loan Bank	3130AJK24	0.480%	100,000	09/01/23	100,020.00	(3.75)	100,016.25			100,016.25	100,016.25	100,016.25	97,847.00	
10/28/2021	Federal Home Loan Bank	3130APLB9	0.850%	100,000	10/28/24	100,000.00		100,000.00			100,000.00	100,000.00		96,065.00	
11/24/2021	Federal Home Loan Bank	3130APWP6	0.600%	200,000	11/24/23	200,000.00		200,000.00			200,000.00	200,000.00		195,098.00	
11/30/2021	Federal Home Loan Bank	3130APUY9	1.000%	200,000	02/28/25	200,000.00		200,000.00			200,000.00	200,000.00		192,442.00	
11/30/2021	Federal Home Loan Bank	3130AQ2H5	1.050%	100,000	11/25/24	99,985.00		99,985.00			99,985.00	99,985.00		97,013.00	
11/23/2021	Federal Farm Credit Bank	3133ENEM8	1.430%	200,000	11/23/26	200,000.00		200,000.00			200,000.00		200,000.00	191,100.00	
				5,265,000.00			5,257,040.28	(2,228.63)	5,254,811.65	-	-	5,254,811.65	3,658,246.77	1,596,564.88	5,036,318.85