



CITY OF
LA MESA
JEWEL of the HILLS

REPORT OF THE CITY TREASURER

for the quarter ending December 31, 2023

City of La Mesa Investment Policy

SAFETY: Safeguard principal of invested funds

- ▶ Government Agency Bonds, Certificates of Deposit, LAIF, U.S. Treasuries, Corporate Bonds (rated AA or better)

LIQUIDITY: Meet the liquidity needs of the City

- ▶ Maximum 5-year maturity
- ▶ Assure six months of cash flow needs

EARNINGS: Maximum yield possible

- ▶ Within first two objectives and parameters of prudent risk management

Portfolio Activity

Quarter Ending December 31, 2023

	Par Value	Average Rate	Maturity
Certificates of Deposit Matured	\$ 743,000	3.12 %	4.5-5 year
Government Agencies Purchased	\$ 1,000,000	6.25 %	5 year
Government Agencies Called	\$1,000,000	5.00 %	5 year

*Portfolio investment earnings collected for the quarter through December 31, 2023 totaled **\$524,407**.*

Portfolio Profile

As of December 31, 2023

Years to Maturity	Government Agencies	Corporate Securities	Certificates of Deposit	LAIF	Totals	% of Portfolio	Interest Rate
0 – 1	1,000,000	500,000	2,975,000	24,662,190	29,137,190	38.71%	2.76%*
1 – 2	7,000,000	0	2,464,000	-	9,464,000	12.57%	2.42%
2 – 3	16,000,000	1,000,000	2,977,000	-	19,977,000	26.54%	1.32%
3 – 4	9,000,000	0	3,958,000	-	12,958,000	17.22%	3.15%
4 – 5	1,750,000	0	1,984,000	-	3,734,000	4.96%	5.23%
Totals	34,750,000	1,500,000	14,358,000	24,662,190	75,270,190	100.00%	
Portfolio %	46.17%	1.99%	19.08%	32.76%	100.00%		
Interest Rate	2.24%	1.82%	2.87%	3.87%	2.89%		

**Interest rate for assets with 0-1 years to maturity excludes LAIF*

Pro Forma Investment Earnings

Projected 12-month earnings through Dec 31, 2024

Investment	Par Value	Interest Rate	Annualized Earnings
Government Agency Bonds	\$34,750,000	2.24%	\$779,625
Certificates of Deposit	\$14,358,000	2.87%	\$412,326
Corporate Securities	\$1,500,000	1.82%	\$27,250
Invested Portfolio	\$50,608,000	2.41%	\$1,219,201
LAIF	\$24,662,190	3.87%	\$954,427
Total Portfolio	\$75,270,190	2.89%	\$2,173,628

Calendar Year 2023

- **Total Earnings: \$2,132,426***
- **New Investments: 5.19% interest rate**

** Most calendar-year earnings since at least 2006*

Portfolio Compliance

- The City's investment portfolio complies with:
 - ▶ City of La Mesa's Investment Policy
 - ▶ California Government Code sections 53600 et seq. concerning safety and liquidity in the investment of public funds
- Investment strategies are based on budgetary and liquidity considerations and interest rate projections, and have been collaboratively determined by the City Treasurer, Director of Finance, and the City Manager

Final Thoughts

Report of the City Treasurer for the quarter ending Dec 31, 2023