



# REPORT OF THE CITY TREASURER

*for the quarter ending March 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 March 31, 2023

	Par Value	Average Rate	Maturity
Certificates of Deposit Matured	\$ 744,000	2.65 %	5 year
Nothing purchased			

*Portfolio investment earnings collected for the quarter through March 31, 2023 totaled **\$484,253**.*

# Portfolio Profile

## As of March 31, 2023

Years to Maturity	Government Agencies	Corporate Securities	Certificates of Deposit	LAIF	Totals	% of Portfolio	Interest Rate
0 – 1	500,000	0	3,214,000	32,543,565	36,257,565	44.13%	3.02%*
1 – 2	2,000,000	500,000	3,704,000	-	6,204,000	7.55%	2.59%
2 – 3	9,000,000	1,000,000	1,243,000	-	11,243,000	13.69%	1.86%
3 – 4	17,000,000	0	2,231,000	-	19,231,000	23.41%	1.40%
4 – 5	6,000,000	0	3,220,000	-	9,220,000	11.22%	3.73%
Totals	34,500,000	1,500,000	13,612,000	32,543,565	82,155,565	100.00%	
Portfolio %	41.99%	1.83%	16.57%	39.61%	100.00%		
Interest Rate	2.14%	1.82%	2.42%	2.74%	2.42%		

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

# Pro Forma Investment Earnings

Projected 12-month earnings through Mar 31, 2024

Investment	Par Value	Interest Rate	Annualized Earnings
Government Agency Bonds	\$34,500,000	2.14%	\$739,250
Certificates of Deposit	\$13,612,000	2.42%	\$329,754
Corporate Securities	\$1,500,000	1.82%	\$27,250
Invested Portfolio	\$49,612,000	2.21%	\$1,096,254
LAIF	\$32,543,565	2.74%	\$891,694
<b>Total Portfolio</b>	<b>\$82,155,565</b>	<b>2.42%</b>	<b>\$1,987,948</b>

# 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 Mar 31, 2023