

# **THE CITY OF LONG BEACH OFFICE OF THE CITY AUDITOR**

## **QUARTERLY AUDIT OF CASH AND INVESTMENTS**

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March 31, 2025

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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 March 31, 2025. The City's management is responsible for the cash and investment balances. As of March 31, 2025, the City's cash and investment portfolio totaled approximately \$2.67 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 March 31, 2025 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 for 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 March 31, 2025.

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 March 31, 2025 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 March 31, 2025 to the City’s general ledger.
- Obtained bank and investment reconciliations at March 31, 2025 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 March 31, 2025 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 March 31, 2025 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 March 31, 2025, 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 March 31, 2025 were not booked in the City's accounting records (MUNIS). The following summarizes our findings:

- |              |  |
|--------------|--|
| \$ (8,516)   | Adjustments for accrued interest receivable for the quarter ended March 31, 2025 were not posted until April 2025, which led to an overstatement of cash in banks, which is included in pooled cash and investments. |
| \$ 2,518,518 | Adjustments for bank deposits received during the quarter ended March 31, 2025 that were not posted until April and May 2025, which led to an understatement of cash in banks, which is included in pooled cash.     |
| \$ (574,448) | Adjustments for February 2025 non-pooled cash and investment activities that were not posted until April 2025, which led to an overstatement of cash in banks, which is included in non-pooled cash.                 |

## RESULTS AND CONCLUSIONS (CONTINUED)

\$ (672,082) Adjustment to recognize the change in fair value of investments held at March 31, 2025 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.

The City's cash and investment balances as of March 31, 2025 are summarized as follows:

Pooled Cash and Investments	\$ 2,411,012,370
Non-Pooled Cash and Investments	<u>263,217,976</u>
Total Cash and Investments	<u>\$ 2,674,230,346</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 March 31, 2025, 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

The \$8,516 was due to the difference in valuation between Principal Trust and City of Long Beach's standard practice. Principal Trust does 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, 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 are both reduced by the amount of the accrued interest at purchase, in which this difference resolves itself.

The \$2,518,518 amount consists of 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 departments 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)

The \$(574,448) was due to an unposted journal entry during the February month-end close process. The journal entry to post February 2025 non-pooled cash and investment activity was entered into Munis in February, however it was not posted due to City staff oversight during the month-end close process. Due to Munis functionality, the journal entry was carried forward to March in a hold status and was not released into workflow for posting, causing the journal entry to again go unposted. The error was discovered in April, at which time City staff updated the status of the journal entry, released it into workflow, and posted it. To prevent this error from reoccurring, the Financial Management department has revised month-end close procedures to include a review of journal entries in a hold status that impact cash and investments to ensure they are posted prior to closing the month.

The \$(672,082) 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  
September 11, 2025

# ATTACHMENT I

## POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT MARCH 31, 2025 WITH COMPARATIVE TOTALS FOR MARCH 31, 2024

Fund Number	Name of Fund	Pooled March 31, 2025	Non-Pooled March 31, 2025	Total at March 31, 2025	Total at March 31, 2024
1000	GF - Operating	\$ 25,442,486	\$ 1,495,767	\$ 26,938,253	\$ 81,157,732
1009	GF - District Priority	1,002,977	-	1,002,977	1,051,948
1010	GF - Cap/Oper Grants	74	-	74	71
1011	GF - Long Beach Recovery Act	21,934,853	-	21,934,853	34,760,381
1020	GF - CLB Measure A	14,634,131	-	14,634,131	28,685,929
1021	GF - CLB Measure US	529,518	-	529,518	463,422
1030	GF - CLB Measure Ma	(3,743)	-	(3,743)	(10,973)
1040	GF - Asset Seizure Federal	1,013,310	-	1,013,310	951,821
1041	GF - Asset Seizure US Treasury	1,010,409	-	1,010,409	918,587
1042	GF - Asset Seizure State	1,537,169	-	1,537,169	1,300,778
1043	GF - ASF Priority Intvntn Prgm	127,484	-	127,484	101,458
1100	GF - Uplands Oil Operating	25,312,561	-	25,312,561	24,237,016
2000	SR - General Grants	2,713,628	-	2,713,628	(9,954,195)
2001	SR - American Rescue Plan Act	-	-	-	613,702
2010	SR - City Manager Grants	591,895	-	591,895	8,765,628
2015	SR - Parks Grants	(2,836,487)	-	(2,836,487)	(2,997,740)
2020	SR - Police Grants	9,007,897	-	9,007,897	6,696,833
2025	SR - City Prosecutor Grants	1,109,717	-	1,109,717	21,104
2026	SR - CP Grants Annual Fund	215,895	-	215,895	264,537
2030	SR - Fire Grants	(8,979,909)	-	(8,979,909)	(6,664,452)
2035	SR - Development Srvs Grants	506,137	-	506,137	488,659
2040	SR - Library Grants	4,845,621	-	4,845,621	4,208,722
2041	SR - Library Grants Annual	(841,052)	-	(841,052)	(838,074)
2100	SR - PS Oil Prod Tax - Fire	(38,414)	-	(38,414)	378,326
2150	SR - PS Oil Prod Tax - Police	845,658	-	845,658	928,105
2200	SR - Health Operating	(8,629,983)	800	(8,629,183)	4,345,771
2210	SR - Health Grants	(6,404,634)	-	(6,404,634)	(11,592,945)
2300	SR - Cupa Operating	(221)	-	(221)	-
2301	SR - Cupa Annual	(363,448)	-	(363,448)	72,401
2310	SR - Cupa Grant	(5,503)	-	(5,503)	(69)
2400	SR - Spec Adver/Prom Operating	14,618,331	-	14,618,331	14,910,575
2500	SR - Housing Operations	8,094,427	-	8,094,427	6,564,119
2501	SR - Housing Annual	8,937,886	22,104	8,959,990	10,856,925
2550	SR - LB Community Invest Co	4,913,116	-	4,913,116	13,292,973
2600	SR - Belmont Shre Pkg Mtr	440,930	-	440,930	533,411
2650	SR - Business Assistance	1,460,814	-	1,460,814	895,492



# ATTACHMENT I

## POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT MARCH 31, 2025 WITH COMPARATIVE TOTALS FOR MARCH 31, 2024 (Continued)

Fund Number	Name of Fund	Pooled March 31, 2025	Non-Pooled March 31, 2025	Total at March 31, 2025	Total at March 31, 2024
2710	SR - Workforce Development Grants	(1,969,507)	(65,994)	(2,035,501)	(3,581,229)
2711	SR - Comm Dev Grants - HUD	6,722,587	-	6,722,587	5,940,369
2713	SR - Comm Dev - Other Grants	865,885	-	865,885	3,400,214
2714	SR - CD Grants Annual Fund	(57,352)	-	(57,352)	(58,511)
2760	SR - Housing Auth Grants	(1,839,104)	-	(1,839,104)	(1,909,273)
2761	SR - Housing Auth Annual	4,443,298	23,941,857	28,385,155	44,342,004
2810	SR - Dif-Traffic Mitigation Fees	9,007,863	-	9,007,863	10,581,492
2811	SR - Dif-Parks Impact Fees	13,880,596	-	13,880,596	10,037,981
2812	SR - Dif-Police Impact Fees	5,299,636	-	5,299,636	4,383,094
2813	SR - Dif-Fire Impact Fees	1,851,952	-	1,851,952	1,496,389
2814	SR - Dif-Low Impact Development Fee	4,797,917	-	4,797,917	-
4005	DS - General Debt Service	10,068,236	4,461,235	14,529,471	16,814,665
4505	DS - Successor Agency	394,113	13,293,251	13,687,364	25,811,987
5010	CP - Capital Grants	(46,097,831)	-	(46,097,831)	(29,861,135)
5015	CP - Bond Proceeds	(3,117,209)	29,605,929	26,488,720	52,769,741
5020	CP - Capital Projects	71,863,780	-	71,863,780	88,195,869
5021	CP - CIP Personnel Annual	(19,655)	-	(19,655)	(11,490)
5120	CP - Special Assessment Projects	1,775,589	3,760	1,779,349	1,779,185
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	16,547,115	-	16,547,115	15,576,992
5411	CP - County Prop C Metro	35,343,081	-	35,343,081	33,631,730
5412	CP - County Measure R Metro	25,115,684	-	25,115,684	18,538,713
5413	CP - State AB2766 Air Quality	4,565,211	-	4,565,211	4,133,810
5414	CP - County Measure M Metro	30,471,340	-	30,471,340	22,563,593
5416	CP - County Prop A Metro	28,528,102	-	28,528,102	22,507,707
5417	CP - State RMRA Local Return	17,390,905	-	17,390,905	12,745,876
5418	CP - County Measure W	9,994,716	-	9,994,716	12,274,880
5420	CP - State Pt Tran Dev Act SB821	(589,448)	-	(589,448)	43,033
5500	CP - Successor Agency Operating	174	-	174	174
5501	CP - Successor Agency Annual	8,866,891	36,411	8,903,302	9,474,363
6000	IS - Civic Center Operating	3,423,904	-	3,423,904	3,678,070
6005	IS - Civic Center Debt	100,000	-	100,000	100,000
6020	IS - Civic Center Capital	(2,464,653)	-	(2,464,653)	(4,228,960)
6100	IS - Genral Services Operating	(13,347,260)	-	(13,347,260)	(6,716,744)
6105	IS - Genral Services Debt	1,031,358	7,362,952	8,394,310	13,700,104

# ATTACHMENT I

## POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT MARCH 31, 2025 WITH COMPARATIVE TOTALS FOR MARCH 31, 2024 (Continued)

Fund Number	Name of Fund	Pooled March 31, 2025	Non-Pooled March 31, 2025	Total at March 31, 2025	Total at March 31, 2024
6110	IS - General Services Grants	(259,249)	-	(259,249)	(402,848)
6120	IS - General Services Capital	10,068,663	-	10,068,663	13,029,300
6121	IS - General Serv Oper/SPC Proj	(703,331)	-	(703,331)	-
6200	IS - Fleet Operating	3,159,893	-	3,159,893	(3,025,779)
6205	IS - Fleet Debt	213,579	-	213,579	(1,720,258)
6210	IS - Fleet Grants	(145,051)	-	(145,051)	(45,760)
6220	IS - Fleet Capital	6,757,772	-	6,757,772	6,320,159
6230	IS - Fleet Replacement	58,421,857	-	58,421,857	61,548,737
6300	IS - Workers' Compensation	32,862,196	-	32,862,196	34,538,430
6350	IS - General Liability	4,581,249	-	4,581,249	7,842,708
6400	IS - EBF - Operating	(37,228,975)	-	(37,228,975)	(25,014,966)
6401	IS - EBF - Healthcare	55,014,065	-	55,014,065	37,421,376
6402	IS - EBF - Payroll Taxes	(4,986,761)	-	(4,986,761)	(7,352,354)
6403	IS - EBF - Paid time off	12,048,052	-	12,048,052	16,715,189
6405	IS - EBF - Pension & Retirement	69,949,532	-	69,949,532	78,708,103
7000	EF - Gas Operating	57,366,896	750	57,367,646	69,659,777
7005	EF - Gas Debt	5,030	19,475,085	19,480,115	23,731,413
7020	EF - Gas Cap/Oper Proj	466,163	-	466,163	9,224,265
7035	EF - Gas Prepay (LBBFA)	(5,824)	-	(5,824)	(3,757)
7100	EF - Water Operating	41,689,036	20,000	41,709,036	15,317,285
7101	EF - Water Reclaimed Operating	7,243,509	-	7,243,509	2,209,330
7105	EF - Water Debt	(1,256,143)	42,396,824	41,140,681	4,501,437
7106	EF - Water Debt Others	(986,513)	-	(986,513)	(769,778)
7120	EF - Water Capital Projects	(11,113,381)	-	(11,113,381)	9,877,748
7121	EF - Water Reclaimed Capital	(3,704,759)	-	(3,704,759)	(2,497,931)
7200	EF - Sewer Operating	24,907,753	-	24,907,753	18,380,514
7205	EF - Sewer Debt	(589,518)	-	(589,518)	147,116
7220	EF - Sewer Capital Projects	(10,997,574)	-	(10,997,574)	(4,738,464)
7300	EF - Sol Waste Operating	18,375,424	-	18,375,424	18,231,790
7310	EF - Sol Waste Cap/Oper Grants	1,336,114	-	1,336,114	986,871
7320	EF - Sol Waste Cap/Oper Proj	(424,955)	-	(424,955)	(424,955)
7350	EF - SERRF Operations	10,690,399	-	10,690,399	22,751,925
7355	EF - SERRF JPA Debt	172	-	172	162
7400	EF - Airport Operating	71,580,369	-	71,580,369	65,250,082
7410	EF - Airport Grants	(572,740)	-	(572,740)	(2,569,566)
7411	EF - Airport Passenger Fac Chrg	1,560,509	-	1,560,509	5,852,481

# ATTACHMENT I

## POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT MARCH 31, 2025 WITH COMPARATIVE TOTALS FOR MARCH 31, 2024 (Continued)

<b>Fund Number</b>	<b>Name of Fund</b>	<b>Pooled March 31, 2025</b>	<b>Non-Pooled March 31, 2025</b>	<b>Total at March 31, 2025</b>	<b>Total at March 31, 2024</b>
7412	EF - Airport Customer Fac Chrg	5,611,789	-	5,611,789	8,127,054
7420	EF - Airport Cap/Oper Proj	(11,398,407)	-	(11,398,407)	(13,087,026)
7425	EF - Airport Debt	(1,954,613)	14,000,831	12,046,218	11,349,353
7500	EF - Development Svcs Operating	42,539,459	-	42,539,459	46,790,060
7510	EF - Development Svcs Grants	1,392,688	-	1,392,688	(289,172)
7520	EF - Development Svc Casp Sb1186	849,219	-	849,219	717,428
7550	EF - Towing Operating	465,971	1,700	467,671	2,037,433
7600	EF - Tidelands Operating	103,499,334	2,000	103,501,334	113,411,174
7605	EF - Tidelands Debt	(247,834)	2,041,936	1,794,102	1,992,424
7610	EF - Tidelands Capital Grants	300,000	-	300,000	264,963
7620	EF - Tidelands Capital Projects	(25,369,038)	-	(25,369,038)	(6,749,188)
7631	EF - Tidelands Parking Annual	11,898,741	-	11,898,741	8,630,216
7635	EF - TF Convntn Ctr Pkg Surchg	2,717,061	-	2,717,061	3,200,698
7700	EF - TF Marina Operating	47,376,914	9,503,761	56,880,675	54,613,046
7710	EF - TF Marina Capital Grant	1,606,552	-	1,606,552	1,606,552
7720	EF - TF Marina Capital Projects	(95,553)	-	(95,553)	(45,338)
7750	EF - TF Queen Mary Project Oper	(135,768)	49,852	(85,916)	44,042
7751	EF - TF QM Entertainment Dist Ops	1,853,965	-	1,853,965	2,205,408
7770	EF - TF Queen Mary Capitl Proj	(33,601)	-	(33,601)	212,182
7800	EF - Tidelands Oil	89,250,470	-	89,250,470	78,262,085
7850	EF - TF Subsidence	207,229,478	-	207,229,478	200,054,786
7885	EF - TF Aqua Of The Pac Debt	-	-	-	(1,370)
7900	EF - Harbor Operating	4,526,073,569	400	4,526,073,969	4,237,401,221
7901	EF - Harbor CTP 2022 Zero Emss	107,342,928	-	107,342,928	73,134,076
7910	EF - Harbor Cap/Oper Grants	163,362,853	-	163,362,853	122,020,597
7920	EF - Harbor Cap/Oper Proj	(3,689,794,170)	-	(3,689,794,170)	(3,598,948,849)
7933	EF - HA Debt 2014B Bonds	-	-	-	898,437
7935	EF - HA Debt 2015B Bonds	2,976,188	-	2,976,188	6,341,031
7936	EF - HA Debt 2015C Bonds	1,239,094	-	1,239,094	1,239,094
7937	EF - HA Debt 2015D Bonds	398,682	-	398,682	1,253,719
7938	EF - HA Debt 2017A Bonds	1,905,188	-	1,905,188	1,905,188
7939	EF - HA Debt 2017B Bonds	487,219	-	487,219	487,219
7940	EF - HA Debt 2017C Bonds	799,875	-	799,875	799,875
7942	EF - HA Debt 2019A Bonds	3,024,563	-	3,024,563	3,024,563
7943	EF - HA Debt 2020A Bonds	25,063,681	-	25,063,681	9,240,906
7944	EF - HA Debt 2020B Bonds	-	-	-	19,251,375

# ATTACHMENT I

## POOLED AND NON-POOLED CASH AND INVESTMENT BALANCES BY FUND AT MARCH 31, 2025 WITH COMPARATIVE TOTALS FOR MARCH 31, 2024 (Continued)

Fund Number	Name of Fund	Pooled March 31, 2025	Non-Pooled March 31, 2025	Total at March 31, 2025	Total at March 31, 2024
7948	EF - HA Debt 2021 TIFIA	4,429,613	-	4,429,613	4,390,215
7949	EF - HA Debt 2025A BONDS	752,361	86,636,206	87,388,567	-
8000	CS - Fiduciary Operating	4,179,253	-	4,179,253	4,233,728
8010	CS - Prisoner Welfare	351,686	1,500	353,186	333,361
8100	CS - Asmt Cfd5 LB Towne Center	303,164	1,205,019	1,508,183	1,469,661
8105	CS - Asmt Cfd6 Pike Pub Imprv	704,997	3,866,298	4,571,295	4,484,911
8110	CS - Asmt Cfd7-1 Douglas Pk Cm	896,423	1,323,200	2,219,623	1,962,091
8115	CS - Asmt Cfd7-2 Belmont Shore	57,602	576,212	633,814	610,965
8120	CS - Asmt Cfd8-1 Toledo Ugd Ut	108,186	196,009	304,195	273,162
8125	CS - Asmt Cfd11-1 Douglas Pk N	121,547	-	121,547	66,108
8190	CS - Other Special Assessment	161,167	-	161,167	155,562
8200	CS - ICTF JPA Operating	6,814,035	-	6,814,035	5,741,693
8300	CS - Earthquake Asmt Dist 90-3	294,447	-	294,447	279,645
8310	CS - Earthquake Asmt Dist 93-1	603,364	-	603,364	582,473
8400	CS - Los Cerritos Wetlands Aut	-	1,762,321	1,762,321	955,911
8500	CS - Pkg & Bus Area Improve	4,748	-	4,748	438,607
8550	CS - Promenade District	701,367	-	701,367	651,471
8600	PP - Expendable Trust	(749)	-	(749)	(725)
8610	PP - Library Miller Trust	624,498	-	624,498	602,871
8620	PP - Homeless Expendable Trust	5,491	-	5,491	5,300
9900	Accrued Interest Receivable	(15,492,883)	-	(15,492,883)	(10,019,345)
	Unrealized losses on investments **	(672,082)	-	(672,082)	(38,900,163)
<b>TOTAL CASH AND INVESTMENTS</b>		<u>\$ 2,411,012,370</u>	<u>\$ 263,217,976</u>	<u>\$ 2,674,230,346</u>	<u>\$ 2,451,586,785</u>

\* 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, 2025 WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2024

	Pooled March 31, 2025	Non-Pooled March 31, 2025	Total at March 31, 2025	Total at March 31, 2024
<b>CASH</b>				
Cash in Banks	\$ (3,597,467)	\$ 24,155,105	\$ 20,557,638	\$ 48,638,430
Cash with Fiscal Agents	-	219,607,767	219,607,767	148,617,953
 Total Cash	 (3,597,467)	 243,762,872	 240,165,405	 197,256,383
<b>INVESTMENTS</b>				
U.S. Treasury Notes	684,591,936	-	684,591,936	963,695,784
Federal Agricultural Mortgage Corp. (FAMCA)	270,213,001	-	270,213,001	98,754,000
Federal Farm Credit Bank	226,763,400	-	226,763,400	158,727,120
Federal Home Loan Bank	327,738,633	-	327,738,633	204,708,226
Federal National Mortgage Association (FNMA)	90,201,932	-	90,201,932	63,621,908
Federal Home Loan Mortgage Corporation (FHLMC)	85,329,225	-	85,329,225	192,073,547
Local Agency Investment Fund (L.A.I.F.)	149,452,525	-	149,452,525	351,345
Guaranteed Investment Contracts	-	19,455,104	19,455,104	23,032,142
Money Market (Federal Investors)	27,016,456	-	27,016,456	331,742,031
Corporate Notes	553,302,729	-	553,302,729	217,624,299
 Total Investments	 2,414,609,837	 19,455,104	 2,434,064,941	 2,254,330,402
 <b>TOTAL CASH AND INVESTMENTS</b>	 <b>\$ 2,411,012,370</b>	 <b>\$ 263,217,976</b>	 <b>\$ 2,674,230,346</b>	 <b>\$ 2,451,586,785</b>