



**Crestline Sanitation District
Quarterly Investment Report
September 30, 2019**

Cash and Investments

| <u>Account Type / Financial Institution</u> | <u>Maturity</u> | <u>Balance at 9/30/2019</u> | <u>Balance at 6/30/2019</u> |
|---|------------------|-----------------------------|-----------------------------|
| Cash and Cash Equivalents | | | |
| California Bank & Trust General Checking | N/A | \$ 817,791 | \$ 1,187,906 |
| California Bank & Trust Payroll Checking | N/A | 2,816 | 58,109 |
| Petty Cash & Change Fund | N/A | 500 | 500 |
| Total Cash and Cash Equivalents | | <u>821,107</u> | <u>1,246,515</u> |
| Investments | | | |
| Local Agency Investment Fund | | 79,990 | 79,639 |
| Zions Institutional Liquidity Management | | | |
| Money Market Mutual Funds | N/A | 1,783,318 | 179,223 |
| Certificates of Deposit | 8/2019 - 10/2021 | 1,662,099 | 1,902,229 |
| Corporate Notes/Bonds | 8/2019 - 8/2021 | 1,809,880 | 1,918,974 |
| Government Agencies | 8/2019 - 10/2022 | 1,696,723 | 2,642,373 |
| U.S. Obligations | 10/2021 - 5/2022 | 229,557 | 479,303 |
| U.S. Treasury Notes & Bonds | 2/2020 | 249,453 | 248,887 |
| Zions Total | | 7,431,030 | 7,370,989 |
| CalTRUST: | | | |
| Short Term Fund | N/A | 317,385 | 315,500 |
| Medium Term Fund | N/A | 428,677 | 425,877 |
| CalTRUST Total | | 746,062 | 741,377 |
| Total Investments | | <u>8,257,082</u> | <u>8,192,005</u> |
| Total Cash and Investments | | <u>\$ 9,078,189</u> | <u>\$ 9,438,520</u> |

Note: The balances above are reported at market value as provided by the financial institutions on the bank statements. The cost/par/book value of the investments are substantially the same as the market value due to the type of investments held by the District. The maturity dates of the investments range from less than a year to 3.5 years, and are laddered to support the District's operating cash flow.

Investment Compliance with the California Government Code and the District's Investment Policy

The table below identifies investment compliance metrics in accordance with Section 53601 of the California Government Code and the District's investment policy, where more restrictive.

| <u>Authorized Investment Type</u> | <u>Maximum Maturity</u> | <u>Maximum Percentage of Portfolio</u> | <u>Maximum Investment in One Issuer</u> | <u>Required Rating</u> | <u>In Compliance at 9/30/2019</u> |
|---|-------------------------|--|---|------------------------|-----------------------------------|
| U.S. Treasury Bills, Notes or Bonds | 5 years | None | None | None | Yes |
| U.S. Agency Securities | 5 years | None | None | None | Yes |
| Negotiable Certificates of Deposit | 5 years | 30% | None | None | Yes |
| Medium Term Corporate Notes | 5 years | 30% | None | A* | Yes |
| Money Market Mutual Funds | 5 years | 20% | None | AAA | See Note 1 |
| California Local Agency Investment Fund | N/A | None | \$ 65,000,000 | None | Yes |

* Medium term corporate notes must be rated at least A by at least one nationally recognized rating service at the time of purchase.

The District is able to meet its expenditure requirements for the next six-month period. All investments listed on this Investment Report and held by the District are in compliance with the District's Statement of Investment Policy, with the following noted explanation:

Note 1: The money market mutual funds comprise 22% of the investment portfolio, and the maximum according to the District's investment policy is 20% for this investment type. The money market mutual funds are typically used as a temporary staging medium pending the purchase of longer-term, higher yield investments. On October 3 and 4, 2019, \$618,185 of these money market mutual funds were sold to purchase corporate notes/bonds, which reduced the money market mutual funds balance to 14% of the District's investment portfolio, which is within the limits of the investment policy. The District anticipates additional purchases of other investment types to further reduce the balance in the money market mutual funds in October 2019.