July 24, 2025 | Item No. **10j(4)**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of August 6, 2025

Honorable Chairperson and Members
of the Successor Agency to Marina Redevelopment Agency

Successor Agency Meeting
of August 6, 2025

Chair and Board Members of
Preston Park Sustainable Community Non-Profit Corporation

Corporation Meeting
of August 6, 2025

CITY COUNCIL OF THE CITY OF MARINA, SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY BOARD, AND PRESTON PARK SUSTAINABLE COMMUNITY NPC BOARD TO RECEIVE INVESTMENT REPORTS FOR THE CITY OF MARINA, CITY OF MARINA AS SUCCESSOR AGENCY TO THE MARINA REDEVELOPMENT AGENCY, AND PRESTON PARK SUSTAINABLE COMMUNITY NON-PROFIT CORPORATION AND ABRAMS B NON-PROFIT CORPORATION FOR THE QUARTER ENDED JUNE 2025

REQUEST:

It is requested that the City Council and Boards:

1. Consider receiving Investment Reports for the City of Marina, City of Marina as Successor Agency to the Marina Redevelopment Agency, and Preston Park Sustainable Community Non-Profit Corporation (PPSC-NPC) and Abrams B Non-Profit Corporation for the quarter ended June 30, 2025.

BACKGROUND:

Cash Management

At the end of the third quarter, the City's aggregate cash and investments were $177.2 million. This represents an increase of $8.5 million when compared to the prior quarter. The variance is attributed to interest gained on matured investments, a $6.0 million grant reimbursement for the Imjin Road Widening Project, and receiving $0.74 million in sales tax from the State.

The City's fiduciary funds, which consist of the Successor Agency to the Marina Redevelopment Agency and the Fort Ord Reuse Authority (FORA) bond reserve account, were $9.1 million and $4.5 million, respectively. The $2.0 million increase in the FORA bond reserve account was the result of receiving the property pledged tax revenue. The $2.0 million increase in the Successor Agency LAIF investment account represents the receipt of Redevelopment Property Tax Trust Fund revenues that will be used to support approved obligations.

The combined Preston and Abrams cash and investment balances were $18.6 million. The quarterly increase of approximately $0.6 million reflects on-going revenues and timing differences associated with expenditure.

Consistent with the City's investment strategy of capital preservation, the City has continued to maintain significant cash with the Local Agency Investment Fund (LAIF), US Treasury Bills, US Agency Bonds. The City has also recently invested in Certificates of Deposit which are secured by the Federal Deposit Insurance Corporation (FDIC).

An overview of City investments is presented below, with detailed information included in the attached reports.

Table I: Cash and Investments

Summary of Cash and Investments
Amounts in Millions
Quarter Ended June 30, 2025

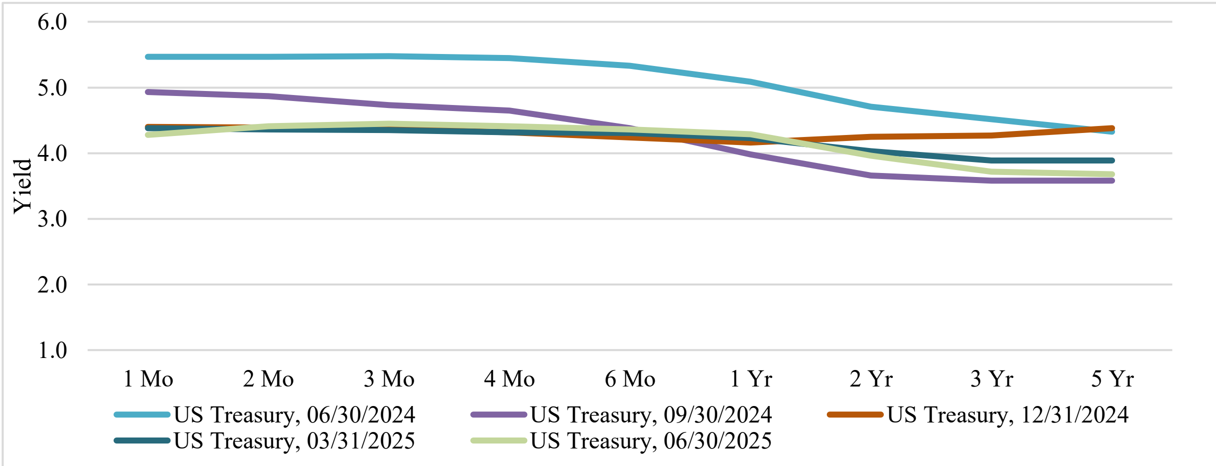
	March		June		Change (Curr - Prev)	
City	Yield	Amount	Yield	Amount	Yield	Amount
Cash	0.00%	1.68	0.00%	8.38	0.00%	6.70
LAIF	4.34%	60.49	4.27%	56.30	-0.06%	(4.19)
Certificates of Deposit - FDIC Insured	0.00%	-	4.25%	0.49	4.25%	0.49
US Treasury Bills	4.38%	83.16	4.21%	87.22	-0.17%	4.06
US Agency Bonds	4.50%	9.00	4.30%	10.99	-0.20%	1.99
Municipal Bonds	4.24%	4.04	4.24%	4.07	0.00%	0.03
Restricted Money Market - Bond Proceeds/Reserves	3.90%	10.27	3.89%	9.72	-0.01%	(0.55)
Subtotal		168.63		177.17		8.54
Fiduciary						
Cash	0.00%	0.20	0.00%	0.15	0.00%	(0.05)
LAIF	4.34%	3.47	4.27%	5.51	-0.06%	2.04
Restricted Money Market - Bond Proceeds/Reserves	3.91%	5.92	3.90%	7.95	-0.01%	2.04
Subtotal		9.58		13.61		4.03
Preston						
Cash	1.97%	14.06	2.03%	14.85	0.06%	0.78
Money Market	0.65%	0.25	0.65%	0.25	0.00%	(0.00)
Subtotal		14.31		15.10		0.78
Abrams						
Cash	0.00%	0.31	0.00%	0.58	0.00%	0.26
Money Market	0.83%	3.37	0.83%	2.92	0.00%	(0.45)
Subtotal		3.69		3.50		(0.19)
Total Cash		**196.21**		**209.38**		**13.17**

Interest Rate / Economy

The Federal Open Committee (FOMC) is the monetary policy making body of the Federal Reserve. Their goal is to achieve maximum employment, with a targeted 2% inflation rate. Interest rates have continued to range between 4.25% and 4.50% during the fourth quarter. Although there is continued uncertainty, the FOMC is still speculating that interest rates could fall in calendar year 2025 to between 3.75% - 4.00%.

The following chart shows the treasury yield curve and its shift from June 2024 to June 2025. The majority of the interest rates that were one year or less increased over the prior quarter, while rates associated with a longer-term investments decreased when compared to the prior quarter.

Chart 1 Treasury Yield Curve



Investment Performance

The quarterly LAIF interest rate was 4.27%, which represents a 0.6% decrease from the previous quarter. Changes in LAIF rates typically follow or are in close alignment with the federal funds lending rate. A history of how LAIF closely tracks with the upper federal funds limit is provided in Chart II. The City's investment portfolio includes US Treasuries, US Agency Bonds, Municipal Bonds, and FDIC Insured certificates of deposits. Most of these investments have maturity dates of less than two years. Their current combined market yield is close to 4.23%, which is just below the LAIF rate. While the return rates fluctuate with economic conditions, Chart I shows that the six-month and one-year treasury bill had a yield of 4.36% and 4.29%, respectively at June 30, 2025.

Chart II: LAIF Compared to Federal Funds Upper Limit Interest Rates

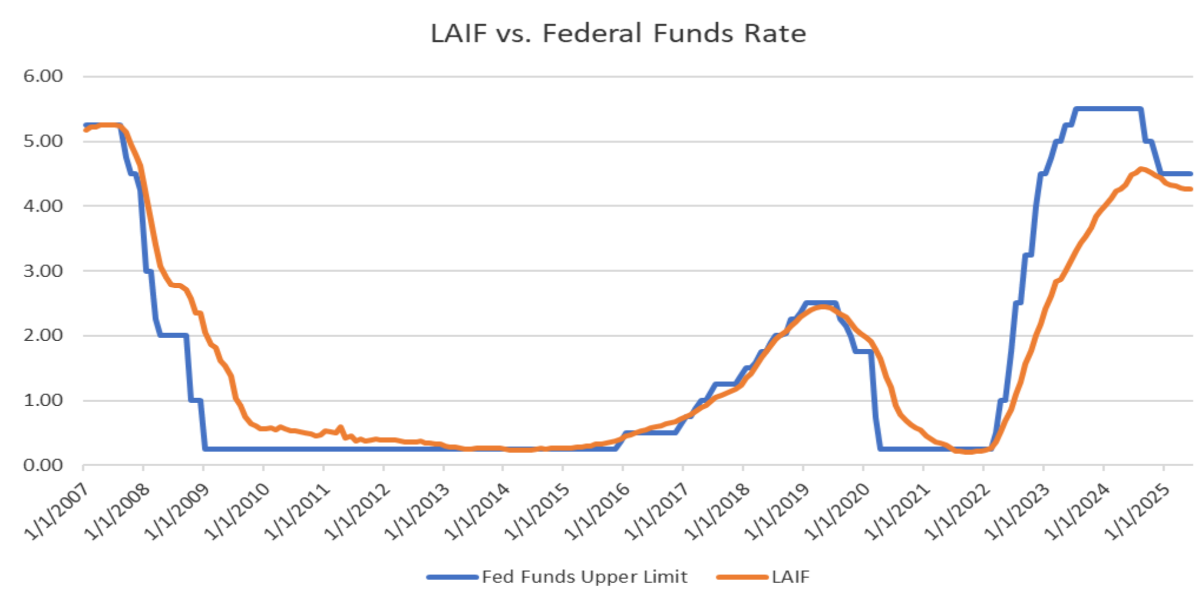


Chart provided by Time Value Investments, with source data from the Federal Reserve and the California State Treasury, Presentation dated June 30, 2025.

Portfolio Strategy

The prior fiscal year investment goal was to match or outperform LAIF. While this goal continues, staff also plans to evaluate cash flow needs to determine if it is prudent to purchase approved investments with terms of two to five years. This would allow the City to lock-in higher interest rates for a greater time horizon. This could be beneficial if there are continuing signs that interest rates will fall in calendar year 2025. In this current quarter, the City has approximately $12.2 million in investments that will yield more than 4% interest over the next 3-5 years.

ANALYSIS:

The attached investment reports include the City of Marina's and the City of Marina as Successor Agency to the Marina Redevelopment Agency's and Preston & Abrams Non-Profit Corporation reports ("**EXHIBIT A**"). These include balances of City, Successor Agency and Preston Park / Abrams Park, and restricted FORA bond reserves that are held by financial institutions, as reported in their monthly statements.

FISCAL IMPACT:

There is no fiscal impact. This report is for informational purposes.

CONCLUSION:

This report is submitted for City Council consideration and possible action.

Roger Sattoof
Financial Analyst
City of Marina

Tori Hannah
Finance Director
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina

To: Honorable Mayor and City Council Members

From: Roger Sattoof, Financial Analyst

RE: Investment Report for **City of Marina** Funds
Quarter Ended June 30, 2025

Cash and Investment Summery:

		Market Value
Cash	$	8,382,225
Local Agency Investment Fund (LAIF)		56,300,734
Certificates of Deposit - FDIC Insured		491,416
US Treasury Bills		87,220,509
US Agency Bonds		10,992,629
Municipal Bonds		4,071,000
Restricted Money Market Account - Bond Proceeds or Bond		9,715,776
	$	**177,174,289**

Cash not earning interest	$	8,382,225
Non earning cash as a percentage of total cas		5%

I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City of Marina's anticipated expenditure requirements for the next six (6) months.
(California Government Code Section 53646)

Tori Hannah, Finance Director

Roger Sattoof, Financial Analyst

CITY OF MARINA
INVESTMENT REPORT
Quarter Ended June 30, 2025

Institution/Type of Investmen	Additional Identifiers/CUSIP #		Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain/Loss
Cash									
Petty Cash	-		-	-	-	$ 2,000	$ 2,000	$ 2,000	-
Chase Checking Account	-		-	-	-	8,323,558	8,323,558	8,323,558	-
Total Cash						**$ 8,325,558**	**$ 8,325,558**	**$ 8,325,558**	**-**
Investments									
Local Agency Investment Fund (LAIF)									
Pooled money investment	-		-	-	4.27%	**$ 56,300,734**	**$ 56,300,734**	**$ 56,300,734**	**$ -**
JP Morgan Investments									
US Agency Bond	Federal Farm Credit Bank	3133ERPC9	08/08/24	08/12/26	4.50%	$ 5,000,000	$ 4,994,829	$ 5,000,000	$ (5,171)
US Treasury Bill	US Treasury Bill	912797PV3	03/20/25	03/19/26	4.02%	$ 10,000,000	$ 9,717,250	$ 9,614,723	$ 102,527
US Treasury Bill	US Treasury Bill	912797QY6	06/10/25	12/11/25	4.18%	$ 2,537,000	$ 2,489,789	$ 2,484,478	$ 5,311
US Treasury Bill	US Treasury Bill	912797MG9	02/06/25	08/07/25	4.20%	$ 6,124,000	$ 6,097,246	$ 5,999,247	$ 97,999
US Treasury Bill	US Treasury Bill	912797MS3	10/17/24	10/02/25	4.16%	$ 9,607,000	$ 9,502,066	$ 9,236,325	$ 265,741
US Treasury Bill	US Treasury Bill	91282CMH1	02/04/25	01/31/27	4.20%	$ 5,000,000	$ 5,022,852	$ 4,992,383	$ 30,469
US Treasury Bill	US Treasury Bill	91282CLY5	12/20/24	11/30/26	4.26%	$ 2,500,000	$ 2,512,891	$ 2,499,414	$ 13,477
US Treasury Bill	US Treasury Bill	91282CMB4	12/20/24	12/15/27	4.26%	$ 2,500,000	$ 2,517,773	$ 2,484,913	$ 32,861
Total JP Morgan Investments						**$ 43,268,000**	**$ 42,854,695**	**$ 42,311,483**	**$ 543,213**
Citizens Bank LPL									
Cash	-	-	-	-	1.98%	$ 6,819	$ 6,819	$ 6,819	$ -
US Treasury Bill	US Treasury Bill	912797PN1	02/21/25	08/14/25	4.31%	$ 15,308,000	$ 15,227,327	$ 15,000,004	$ 227,323
US Treasury Bill	US Treasury Bill	912797PX9	03/24/25	09/18/25	4.17%	$ 5,357,000	$ 5,307,394	$ 5,250,250	$ 57,144
US Treasury Bill	US Treasury Bill	91282CFW6	01/23/25	11/15/25	4.24%	$ 2,065,000	$ 2,066,074	$ 2,066,952	$ (878)
US Treasury Bill	US Treasury Bill	912797QK6	04/22/25	08/19/25	4.26%	$ 5,296,000	$ 5,264,860	$ 5,223,540	$ 41,319
US Treasury Bill	US Treasury Bill	912797QZ3	06/20/25	12/18/25	4.22%	$ 5,102,000	$ 5,002,613	$ 4,999,090	$ 3,523
Total Citizens Bank LPL						**$ 33,134,819**	**$ 32,875,086**	**$ 32,546,655**	**$ 328,431**

CITY OF MARINA
INVESTMENT REPORT
Quarter Ended June 30, 2025

Institution/Type of Investmen	Additional Identifiers/CUSIP #		Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain/Loss
Time Value Investments									
Cash - Bank Deposits	-	-	-	-	NA	$ 49,848	$ 49,848	$ 49,848	$ -
Money Market	-	-	-	-	NA	$ -	$ -	$ -	$ -
Morgan Stanley Bank, NA	Certificate of Deposit	61690D7H5	06/30/25	06/30/28	4.25%	$ 244,000	$ 245,708	$ 244,000	$ 1,708
Morgan Stanley Bank, PBN	Certificate of Deposit	61776NTS2	06/30/25	06/30/28	4.25%	$ 244,000	$ 245,708	$ 244,000	$ 1,708
US Treasury Bill	US Treasury Bill	912797NL7	05/30/25	11/28/25	4.18%	$ 3,000,000	$ 2,948,400	$ 2,938,740	$ 9,660
US Treasury Bill	US Treasury Bill	912797QP5	05/13/25	11/06/25	4.20%	$ 3,061,000	$ 3,015,911	$ 2,999,902	$ 16,009
US Treasury Bill	US Treasury Bill	912797QZ3	06/24/25	12/18/25	4.20%	$ 2,940,120	$ 2,941,620	$ 2,940,120	$ 1,500
US Treasury Bill	US Treasury Bill	91282CFZ9	11/12/24	11/30/27	4.15%	$ 1,500,000	$ 1,505,565	$ 1,488,272	$ 17,294
US Treasury Bill	US Treasury Bill	91282CGL9	02/12/25	02/15/26	4.17%	$ 2,000,000	$ 1,997,360	$ 1,996,670	$ 690
US Treasury Bill	US Treasury Bill	91282CJR3	01/13/25	12/31/28	4.43%	$ 2,610,000	$ 2,611,644	$ 2,546,073	$ 65,571
US Treasury Bill	US Treasury Bill	9128285M8	11/12/24	11/15/28	4.16%	$ 1,500,000	$ 1,471,875	$ 1,443,222	$ 28,653
US Agency Bond	Federal Home Loan Banks	3130B3XQ1	12/04/24	12/04/26	4.50%	$ 2,000,000	$ 1,996,860	$ 2,000,000	$ (3,140)
US Agency Bond	Federal Home Loan Banks	3130B4NK3	02/12/25	01/16/26	4.20%	$ 2,000,000	$ 2,000,460	$ 2,000,501	$ (41)
US Agency Bond	Federal Home Loan Banks	3133ETGB7	05/30/25	05/12/27	4.00%	$ 2,000,000	$ 2,000,480	$ 1,999,220	$ 1,260
Municipal Bonds	California State GO Bonds	13063EGT7	11/07/24	08/01/29	4.24%	$ 4,000,000	$ 4,071,000	$ 4,038,418	$ 32,582
Total Time Value Investments						**$ 27,148,968**	**$ 27,102,440**	**$ 26,928,987**	**$ 173,453**

Institution/Type of Investmen	Additional Identifiers/CUSIP #	Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain/Loss
Restricted Bond Reserve Accounts								
US Bank								
Money Market	Abrams B Debt Service	-	-	3.96%	$ 545,218	$ 545,218	$ 545,218	-
Money Market	2022 COPS - Transportation Improvements	-	-	3.81%	$ 9,170,558	$ 9,170,558	$ 9,170,558	-
Total Bond Reserve Accounts					**$ 9,715,776**	**$ 9,715,776**	**$ 9,715,776**	**-**
		Total Cash and Investments			**$ 177,893,855**	**$ 177,174,289**	**$ 176,129,192**	**$ 1,045,098**

To: Honorable Mayor and City Council Members

From: Roger Sattoof, Financial Analyst

RE: Investment Report for **Fiduciary** Funds: **Successor Agency and the FORA Bond Reserve Account**
Quarter Ended June 30, 2025

Cash and Investment Summery:

		Market Value
Cash	$	150,372
Local Agency Investment Fund (LAIF)	$	5,507,734
Restricted Money Market - Bond Proceeds/Bond	$	7,953,710
Total	**$**	**13,611,816**

Cash not earning interest	$	150,372
Non earning cash as a percentage of total cash		1%

I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the Successor Agency's anticipated expenditure requirements for the next six (6) months. (California Government Code Section 53646)

Tori Hannah, Finance Director

Roger Sattoof, Financial Analyst

City of Marina
Investment Report for **Fiduciary** Funds
Quarter Ended June 30, 2025

Successor Agency

Institution/Type of Investment	Additional Identifiers/CUSIP#	Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain /Loss
Cash								
Checking Account	Chase Bank	-	-	0.00%	$ 150,372	$ 150,372	$ 150,372	-
Investments								
Local Agency Investment Fund (LAIF)								
Pooled money investment				4.27%	$ 5,507,734	$ 5,507,734	$ 5,507,734	-
Restricted Bond Reserve Accounts								
US Bank								
Money Market	2018 Housing Tax Allocation Bonds Series A&B	-	-	4.01%	$ 1,195,630	$ 1,195,630	$ 1,195,630	-
Money Market	2020 Housing Tax Allocation Bonds Series A&B	-	-	3.99%	$ 989,792	$ 989,792	$ 989,792	-
Money Market	2023 Housing Tax Allocation Bonds Series A&B	-	-	3.79%	$ 1,308,000	$ 1,308,000	$ 1,308,000	-
Total Bond Reserve Accounts					**$ 3,493,422**	**$ 3,493,422**	**$ 3,493,422**	-
Total Successor Agency					**$ 9,151,528**	**$ 9,151,528**	**$ 9,151,528**	-

FORA

Institution/Type of Investment	Additional Identifiers/CUSIP#	Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain/Loss
Restricted Bond Reserve Accounts								
US Bank								
Money Market	2020 Tax Allocation Bonds	-	-	3.81%	$ 4,460,288	$ 4,460,288	$ 4,460,288	-

Total Cash and Investments	**$ 13,611,816**

To: Honorable Mayor and City Council Members

From: Roger Sattoof, Financial Analyst

RE: Investment Report for **Abrams and Preston** Funds
Preston Park Sustainable Community Non-Profit Corporation & Abrams B Non-Profit Corporation
Quarter Ended June 30, 2025

Cash and Investment Summery:

	Market Value
Cash	$ 15,423,047
Money Market	3,170,662
Total	**$ 18,593,708**

Cash not earning	$	1,164,820
cash as a percentage of		6%

I hereby certify that sufficient investment liquidity and anticipated revenues are available to meet the City of Marina's anticipated expenditure requirements for the next six (6) months.
(California Government Code Section 53646)

Tori Hannah, Finance Director

Roger Sattoof, Financial Analyst

CITY OF MARINA
INVESTMENT REPORT
Quarter Ended June 30, 2025

Preston Park

Institution/Type of Investment	Additional Identifiers /CUSIP#	Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain /Loss
Cash								
Chase Bank								
Checking Account	Operations	-	-	2.37%	$ 789,786	$ 789,786	$ 789,786	-
Checking Account	Security Deposit	-	-	0.00%	$ 588,142	$ 588,142	$ 588,142	-
Bridge Bank								
High-Yield Checking Accoun	Capital Reserve Account	-	-	3.71%	$ 13,468,440	$ 13,468,440	$ 13,468,440	-
Total Cash					$ 14,846,368	$ 14,846,368	$ 14,846,368	-
Investments								
Bridge Bank								
Money Market	Capital Reserve Account	-	-	0.65%	$ 250,134	$ 250,134	$ 250,134	-
Total Investments					$ 250,134	$ 250,134	$ 250,134	-
Total Cash and Investments - Preston Park					**$ 15,096,502**	**$ 15,096,502**	**$ 15,096,502**	-

Abrams Park

Institution/Type of Investment	Additional Identifiers /CUSIP#	Purchase Date	Maturity	Rate (%)	Face Value	Market Value	Cost Basis	Unrealized Gain /Loss
Cash								
Bridge Bank								
Checking Account	Operations	-	-	0.00%	$ 576,678	$ 576,678	$ 576,678	-
Total Cash					$ 576,678	$ 576,678	$ 576,678	-
Investments								
Bridge Bank								
Money Market	Trust - Securty Deposits	-	-	0.65%	$ 280,629	$ 280,629	$ 280,629	-
Money Market	Trust - Reserves	-	-	1.00%	$ 2,639,899	$ 2,639,899	$ 2,639,899	-
Total Investments					$ 2,920,528	$ 2,920,528	$ 2,920,528	-
Total Cash and Investments - Abrams Park					**$ 3,497,206**	**$ 3,497,206**	**$ 3,497,206**	-
				Total Cash and Investments		**$ 18,593,708**		