



Finance Department

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May 24, 2024

Treasurer's Cash and Investment Report as of March 31, 2024

This report has been prepared in accordance with the City's Statement of Investment Policy, effective July 1, 2023.

Introduction

The City of Fremont provides services to the community funded through taxes, fees and charges, grants, and loans. To the extent that cash generated from those revenue sources is not immediately needed to pay for services, Section 53601 of the California Government Code (the "Government Code") gives the City Council the authority to purchase a variety of investment instruments. The City Council, in turn, may delegate that authority to the City's Treasurer for one-year periods, with the requirement that the Treasurer report monthly on investment transactions.

To guide the Treasurer's investment activities, the City Council annually adopts a Statement of Investment Policy (the "Investment Policy") which establishes that:

It is the policy of the City of Fremont to invest public funds in a prudent manner which will provide the highest yield consistent with the maximum security and preservation of invested principal, while meeting the daily cash flow demands of the City, and conforming to all applicable federal, state and local statutes governing the investment of public funds.

The Investment Policy applies to all financial assets of the City. However, in accordance with the Government Code, investment of bond proceeds is governed by the provisions of the related bond indentures or resolutions.

As established by the Government Code and re-affirmed in the City's Investment Policy, the objectives for investing and managing public funds and their order of priority are:

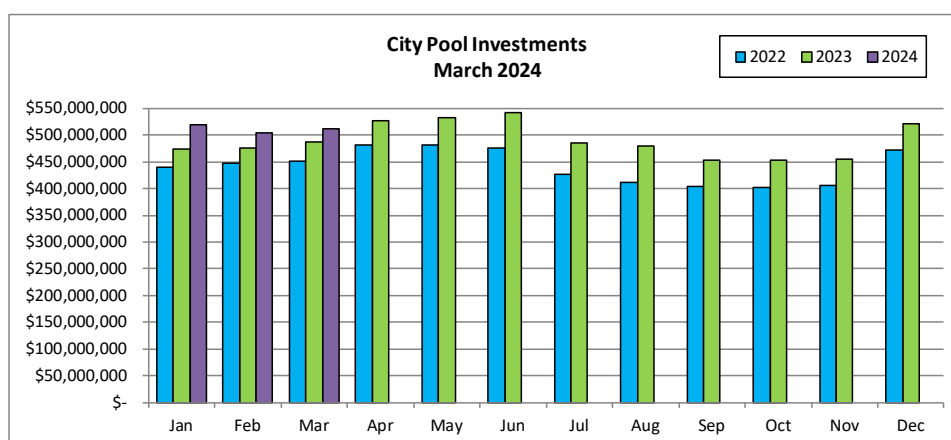
- **Safety** of principal;
- **Liquidity** sufficient to meet the City's payment obligations; and
- **Yield** consistent with a market rate of return.

The following sections of this Treasurer's Cash and Investment Report provide an overview of the City's cash and investment portfolio and describe how the City's investment program is designed to meet the policy objectives by managing the composition of the investment portfolio, conducting periodic cash flow analyses, and benchmarking portfolio performance. A detailed listing of the portfolio is included as an attachment.

Portfolio Overview

The following table and bar graph summarize the City’s current cash and investment holdings by investment category and show how those holdings have changed over the last month and last year.

	Current Month 3/31/2024	Prior Month 2/29/2024	Prior Year 03/31/2023	Change from Prior Month 2/24 to 3/24	Change from Prior Year 3/23 to 3/24
City Pool Investments					
Investment in Securities at Cost	\$ 306,708,162	\$ 305,081,949	\$ 303,860,478	\$ 1,626,213	\$ 2,847,685
Money Market - Morgan Stanley	2,718,112	3,967,727	1,458,411	(1,249,615)	1,259,701
Money Market - BlackRock	15,594,651	10,645,191	25,811,710	4,949,460	(10,217,059)
LAIF	75,000,000	75,000,000	75,000,000	-	-
CAMP	116,817,332	116,277,650	92,748,530	539,682	24,068,802
Fair Value Adjustment	(5,257,056)	(6,130,219)	(11,153,870)	873,163	5,896,814
Total City Pool Investments	511,581,201	504,842,299	487,725,259	6,738,902	23,855,942
City Checking Accounts	15,992,838	17,563,958	17,542,054	(1,571,120)	(1,549,217)
Petty Cash	25,856	25,856	25,856	-	-
Total Cash and Pool Investments	527,599,895	522,432,113	505,293,170	5,167,783	22,306,726
Cash with Fiscal Agents	18,610,247	19,464,613	24,849,577	(854,366)	(6,239,330)
Total City Cash and Investments	\$ 546,210,142	\$ 541,896,726	\$ 530,142,747	\$ 4,313,416	\$ 16,067,395

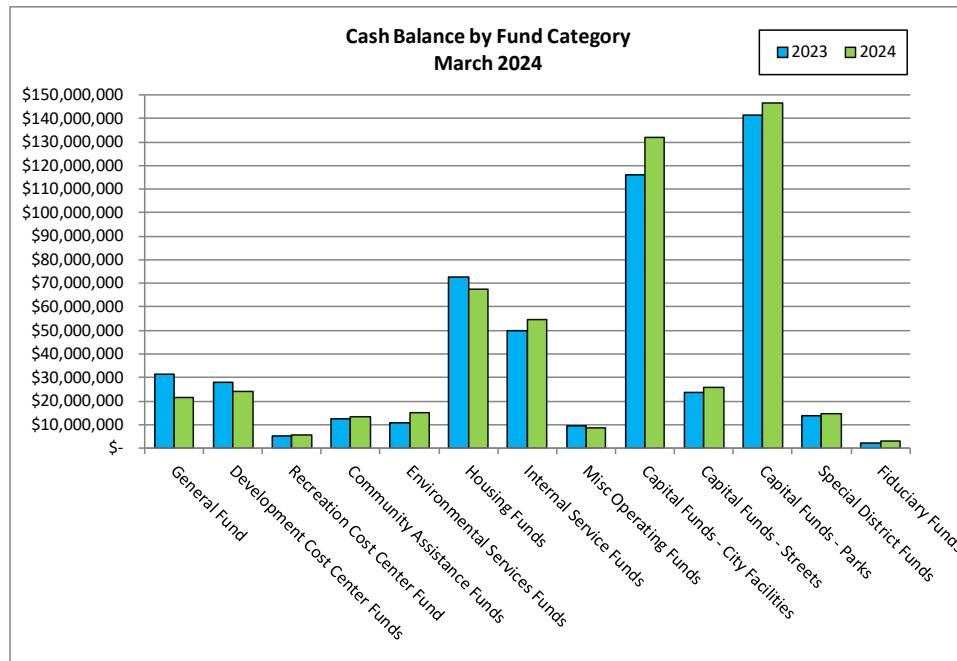


The change in value of the City’s cash and pool investments from the previous month is composed of: cash receipts from taxes, fees, grants, and loans; disbursements for payroll and benefits, vendor and contractor payments, debt service payments, and community grants and loans; and the change in the fair value adjustment. The following table summarizes these changes in value.

February 2024 Cash and Pool Investments	\$522,432,113
Cash Receipts	33,883,950
Cash Disbursements	(29,589,330)
Change in Fair Value Adjustment	873,163
March 2024 Cash and Pool Investments	\$527,599,895

The City’s cash and investment holdings represent the aggregation of the cash balances in the City’s various funds, petty cash, and cash held by the City’s fiscal agent banks related to special districts, bond proceeds, and escrows. The following table and graph show how the City’s cash and investment holdings are allocated among the City’s various fund categories and fiscal agent accounts.

	<u>Current Month</u> <u>3/31/2024</u>	<u>Prior Month</u> <u>2/29/2024</u>	<u>Prior Year</u> <u>03/31/2023</u>	<u>Change from</u> <u>Prior Month</u> <u>2/24 to 3/24</u>	<u>Change from</u> <u>Prior Year</u> <u>3/23 to 3/24</u>
Cash and Pool Investments by Fund Category					
General Fund	\$ 21,342,502	\$ 18,428,130	\$ 31,222,027	\$ 2,914,372	\$ (9,879,525)
Development Cost Center Funds	24,066,540	24,513,076	27,792,352	(446,536)	(3,725,813)
Recreation Cost Center Fund	5,539,179	5,435,183	5,174,368	103,995	364,810
Community Assistance Funds	13,401,741	12,780,319	12,491,790	621,422	909,952
Environmental Services Funds	15,144,913	14,223,774	10,605,352	921,139	4,539,561
Housing Funds	67,637,842	67,260,143	72,807,496	377,700	(5,169,654)
Internal Service Funds	54,654,850	53,424,653	49,710,091	1,230,197	4,944,759
Misc Operating Funds	8,743,173	7,724,747	9,374,678	1,018,426	(631,505)
Capital Funds - City Facilities	131,907,719	133,950,279	116,194,777	(2,042,560)	15,712,942
Capital Funds - Streets	26,002,357	26,450,665	23,674,961	(448,307)	2,327,396
Capital Funds - Parks	146,478,020	146,568,248	141,443,722	(90,228)	5,034,298
Special District Funds	14,771,569	14,707,674	13,651,653	63,895	1,119,916
Fiduciary Funds	3,166,544	3,095,441	2,303,771	71,104	862,773
Subtotal	532,856,951	528,562,331	516,447,040	4,294,620	16,409,911
Fair Value Adjustment	(5,257,056)	(6,130,219)	(11,153,870)	873,163	5,896,814
Total Cash and Pool Investments	<u>527,599,895</u>	<u>522,432,113</u>	<u>505,293,170</u>	<u>5,167,783</u>	<u>22,306,726</u>
Cash with Fiscal Agents					
Fiduciary Fund Checking Accounts	159,353	164,212	495,482	(4,859)	(336,129)
Lease Financing Trust Accounts	1,230,075	2,399	1,680,637	1,227,676	(450,562)
Community Facilities District Accounts	17,166,778	19,257,648	21,923,685	(2,090,870)	(4,756,907)
Pollution Remediation Escrow	-	-	713,073	-	(713,073)
Construction Retention Escrows	54,041	40,355	36,700	13,686	17,341
Total Cash with Fiscal Agents	<u>18,610,247</u>	<u>19,464,613</u>	<u>24,849,577</u>	<u>(854,366)</u>	<u>(6,239,330)</u>
Total City Cash and Investments	<u>\$ 546,210,142</u>	<u>\$ 541,896,726</u>	<u>\$ 530,142,747</u>	<u>\$ 4,313,416</u>	<u>\$ 16,067,395</u>



The amounts shown in the preceding tables by investment category or fund category represent the value of the City’s cash and investment holdings on the basis of their cost. The market value of these holdings, also referred to as the “fair value,” represents the amount the City would receive if it were to sell its investments at the current market price. At any point in time, the difference between the market value and the cost basis, referred to as the “fair value adjustment,” represents the unrecognized gain or loss on the portfolio. Although unrecognized gains or losses have no impact on investment earnings, governmental

accounting standards require that the fair value adjustment be incorporated into the City’s financial reporting. To the extent that the City actually sells investments prior to maturity, it recognizes the gains or losses and allocates them by fund as part of its investment earnings.

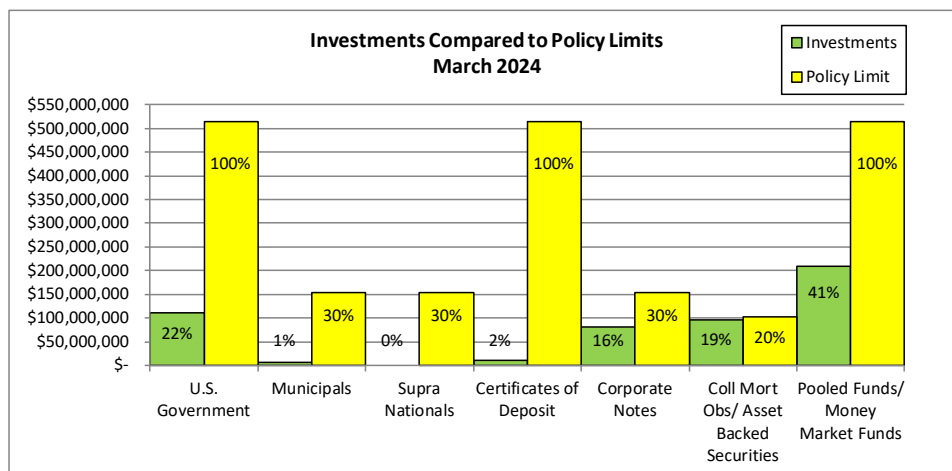
Investment Activity

A summary of current month investment activity is provided in the table below. Investment activity is reported on a trade-date basis, but investment holdings are reported on a settlement-date basis for the purpose of reconciling with the cash balances reported in the City’s financial management system.

Date	Redemption			Purchases			Average Rate	Average Maturity (days)
	Securities	Pools/ Money Market Funds	Total	Securities	Pools/ Money Market Funds	Total		
03/01/24	\$ (79,655)	\$ -	\$ (79,655)	\$ 3,044,174	\$ -	\$ 3,044,174	4.94%	1,812
03/07/24	(5,149,951)	-	(5,149,951)	4,658,829	-	4,658,829	2.57%	1,817
03/08/24	-	-	-	644,374	-	644,374	4.80%	1,117
03/11/24	(983,242)	-	(983,242)	-	-	-	-	-
03/14/24	-	-	-	1,510,122	-	1,510,122	4.70%	1,826
03/15/24	(1,111,518)	-	(1,111,518)	-	-	-	-	-
03/18/24	(1,049,348)	-	(1,049,348)	1,825,000	-	1,825,000	4.99%	1,095
03/20/24	(9,555)	-	(9,555)	-	-	-	-	-
03/25/24	(88,016)	-	(88,016)	-	-	-	-	-
03/28/24	(1,585,000)	(1,249,615)	(2,834,615)	-	5,489,141	5,489,141	4.31%	48
Total 3/24	\$ (10,056,285)	\$ (1,249,615)	\$ (11,305,900)	\$ 11,682,498	\$ 5,489,141	\$ 17,171,640	4.07%	1,149

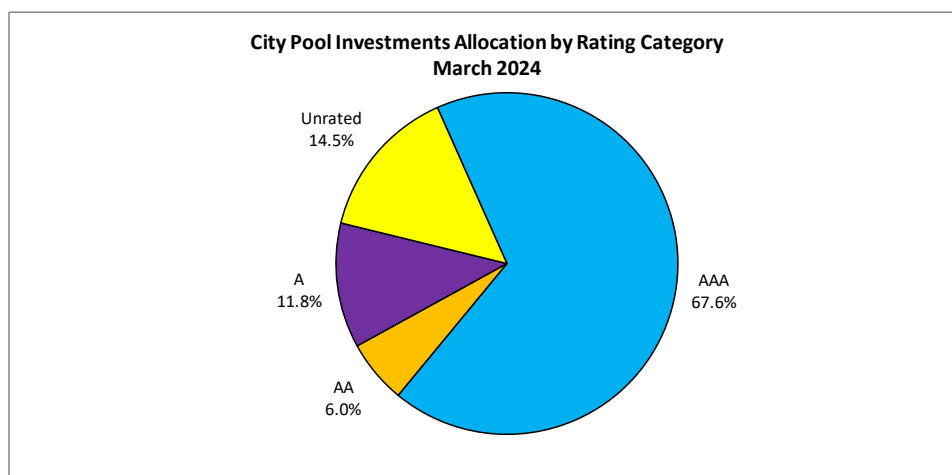
Safety: Allowable Investments and Portfolio Composition

The Government Code specifically identifies investment instruments that may be used by California local agencies, and the City’s Investment Policy incorporates these into its section on authorized and suitable investments. Because these authorized investments are restricted to instruments issued or guaranteed by the federal government, other public agencies, banks, or highly-rated corporations, the risk that the issuer will fail to pay scheduled interest or repay principal when due (“credit risk”) is limited. The Government Code and Investment Policy do not allow the City to purchase ownership shares in private or public corporations, real estate, or other physical assets for investment purposes. Additionally, the City Council has imposed a ban on investments in securities issued by firms whose general business activities are classified as “Energy - Oil, Gas & Coal” according to the Bloomberg Industry Classification System.



To further reduce credit risk, the Government Code and Investment Policy impose 20%, 25%, or 30% maximum portfolio holding limits on specific instrument types, and a 5% maximum on instruments issued by any individual non-federal public agency, bank, or corporation.

The creditworthiness of corporate and public-agency investment instruments is measured on ratings scales developed by nationally recognized securities rating organizations (NRSROs) such as Standard & Poor’s and Moody’s Investors Service. The City’s Investment Policy requires that certain types of investments be rated in at least the third-highest rating category (“A” category), or in one of the two highest short-term rating categories (“A-1” or “A-1+”) in the case of certain short-term investments.



To assist the City in purchasing appropriate investment instruments, monitoring the credit quality of City investments, and achieving a market rate of return, the City has engaged PFM Asset Management LLC (“PFM”) to manage a portion of the investment portfolio. As discussed in more detail elsewhere, PFM actively manages the portion of the investment portfolio that exceeds the City’s near-term liquidity needs (the “Core Portfolio”). The City holds the remaining balance of the portfolio in highly liquid investments such as the State of California Local Agency Investment Fund (“LAIF”), the California Asset Management Program (“CAMP”), and government agency money market funds.

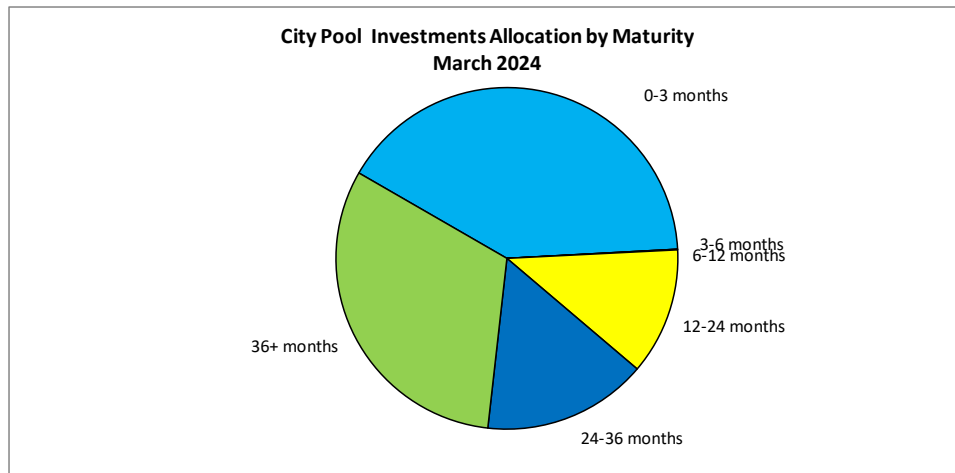
Liquidity: Investment Maturities and Cash Flow Analysis

The Investment Policy specifies that “the City’s investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.” Accordingly, the City has divided its investment portfolio into a portfolio of highly-liquid and short-term investments managed by City staff (the “Liquidity Portfolio”) and the Core Portfolio of longer-term investments managed by PFM.

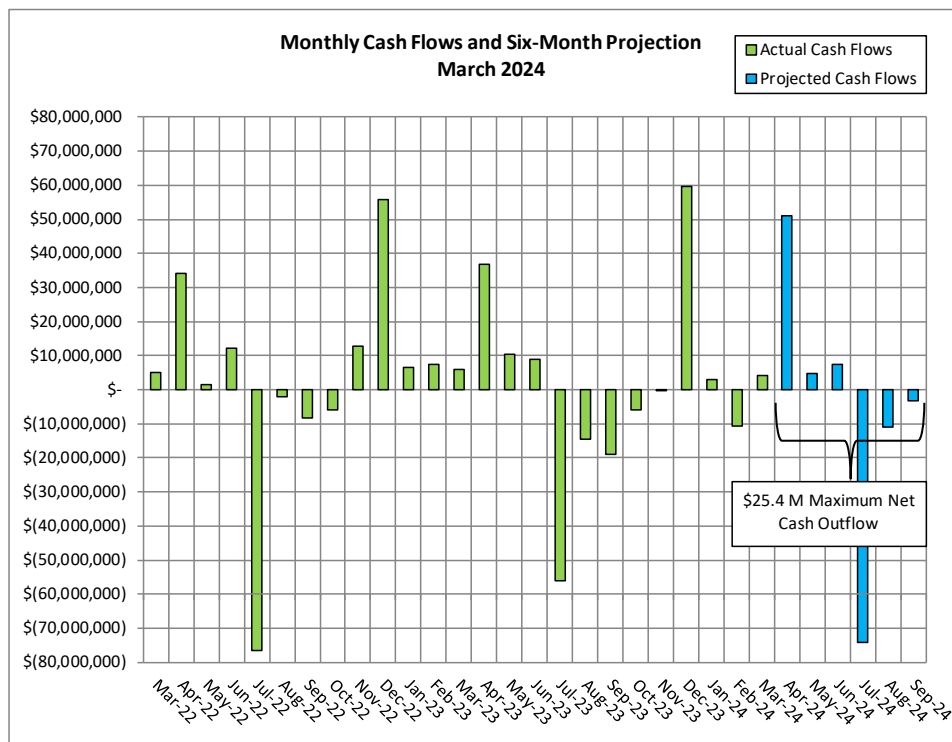
City Pool Investments	Current Month 3/31/2024
Core Portfolio	\$ 311,678,591
Unsettled Trades	(2,252,317)
Liquidity Portfolio	207,411,983
Fair Value Adjustment	(5,257,056)
Total City Pool Investments	\$ 511,581,201

Appropriate sizing of the Liquidity Portfolio is a key risk management tool, as a lack of liquid assets could necessitate the sale of securities in the Core Portfolio under unfavorable market conditions and lead to a loss of principal. However, allocating too much of the investment portfolio to highly liquid short-

term instruments could deprive the City of the higher interest earnings typically generated from the Core Portfolio’s longer-term investments.

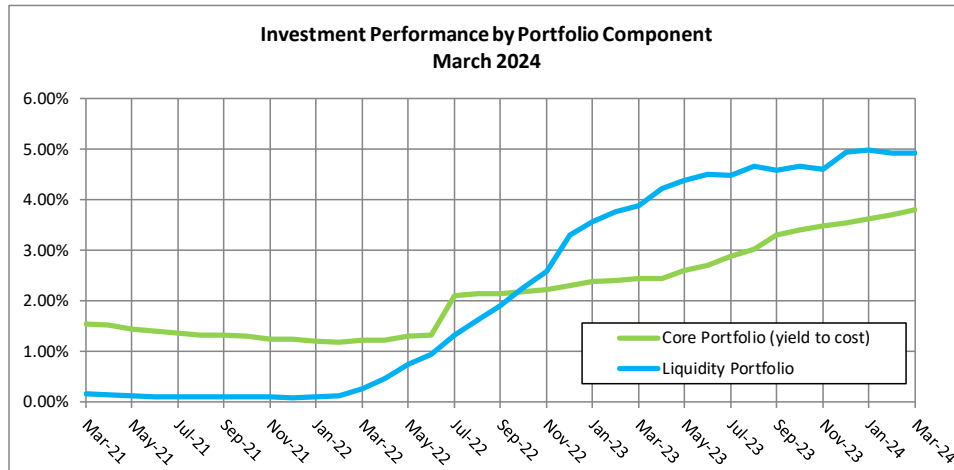


Annually, City staff and PFM review and analyze historical monthly cash flow data. In months when revenue (primarily property tax) exceeds expenditures, cash balances increase, and in months when expenditures exceed revenue, cash balances decrease. In a typical fiscal year, the maximum cumulative net cash outflow occurs in November, the month before the first installment of property tax, and the maximum cumulative net cash inflow occurs after the second installment of property tax in April. The City’s Liquidity Portfolio is sized to cover at least the maximum projected cumulative net monthly cash outflow over the following year (approximately \$100 million) plus an additional balance equivalent to the contingency reserve requirements of the various operating funds (another \$83 million). The remaining portion of the investment portfolio constitutes the Core Portfolio.

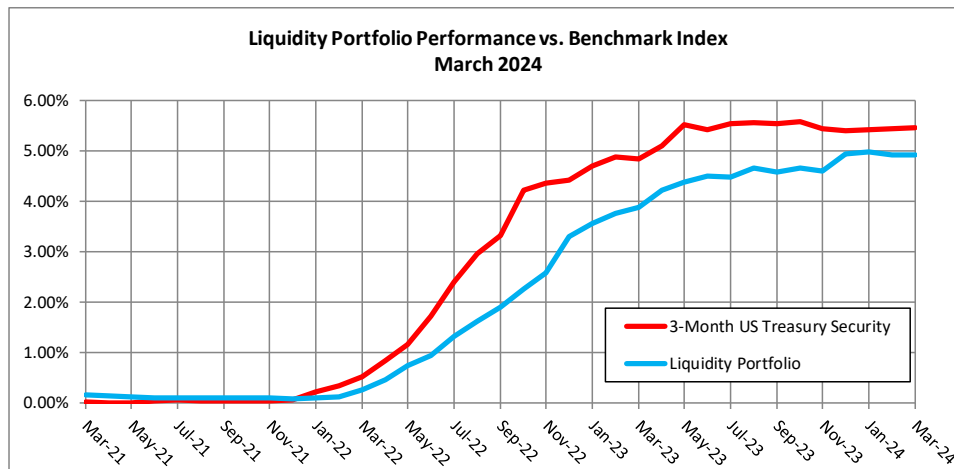


Yield: Portfolio Performance

The performance objective specified in the City’s Investment Policy is to obtain a market rate of return, considering the allowable investments and the liquidity needs of the portfolio. As noted in the previous section, the City’s portfolio has been divided into two components (Liquidity and Core), each with significantly different cash flow characteristics and investment horizon. In general, the Liquidity Portfolio, composed of short-term investments held in LAIF and CAMP, will reflect market changes much more rapidly than the Core Portfolio.

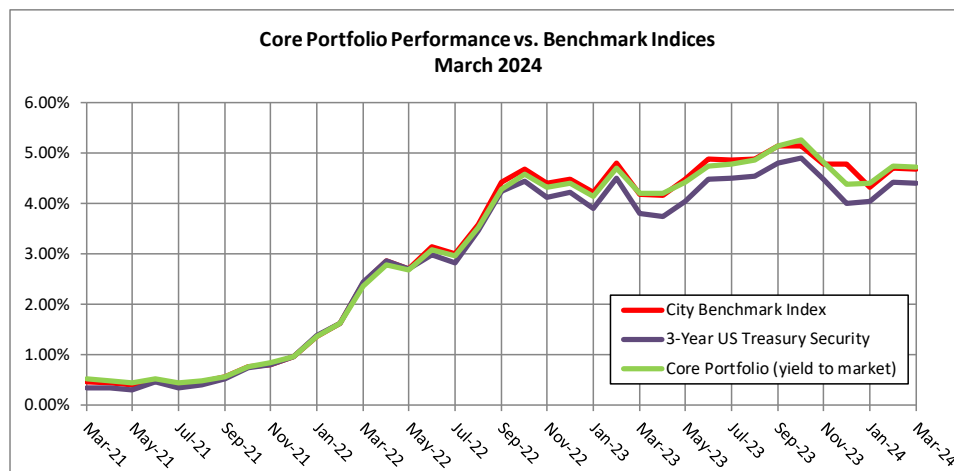


The Liquidity Portfolio is invested in LAIF, CAMP, and a money market account, with an additional amount held in the City’s checking account. LAIF, CAMP, and the money market account are pooled funds, meaning that many investors have combined their cash holdings for investment purposes. Because pool participants have at least somewhat dissimilar cash flow requirements, the pooled portfolio can be invested in relatively longer-term securities with higher yields, while maintaining next-day funds availability for each participant. Although the funds held in this portfolio component generally have next-day or same-day availability, the average maturity of the pooled investments constituting the City’s Liquidity Portfolio is approximately 90 days. Accordingly, the Liquidity Portfolio is benchmarked against the yield on the 3-month U.S. Treasury security, with the expectation that its yield will generally track the benchmark.



The Core Portfolio, actively managed by PFM, is designed to take advantage of the full range of allowable investments with maturities generally ranging from one to five years. Active management results in the periodic reallocation of the portfolio among asset classes and maturities in response to changes in the capital markets and opportunities to increase total return (the combination of gains in market value and interest earnings).

The Core Portfolio is benchmarked against the Bank of America Merrill Lynch 1-5 Year U.S. Corporate & Government A-AAA Index (the “BAML Index”). As the Core Portfolio and the BAML Index both have an average maturity of approximately three years but take advantage of the full range of allowable investments, we expect them to out-perform the 3-year U.S. Treasury security.



The following table summarizes the investment yields and average maturities of the City’s investment portfolio components, along with the comparable-maturity U.S. Treasury securities. Also shown are the monthly investment earnings (including realized gains and losses) and aggregate year-to-date earnings.

	Current Month 3/31/2024	Prior Month 2/29/2024	Prior Year 03/31/2023	Change from Prior Month 2/24 to 3/24	Change from Prior Year 3/23 to 3/24
Investment Yield					
Liquidity Portfolio	4.93%	4.92%	3.90%	0.01%	1.04%
U.S. Treasury - 3 Month	5.46%	5.45%	4.85%	0.01%	0.61%
Core Portfolio (yield at market)	4.73%	4.75%	4.20%	-0.02%	0.53%
U.S. Treasury - 3 Year	4.40%	4.43%	3.81%	-0.03%	0.59%
Core Portfolio (yield at cost)	3.81%	3.71%	2.44%	0.10%	1.37%
Average Maturity of Investments (in days)					
Liquidity Portfolio	110	109	128	0	(18)
Core Portfolio	1,119	1,107	949	11	170
Current Month Earnings					
Governmental Funds	\$ 1,075,376	\$ 1,170,001	\$ 887,033	\$ (94,624)	\$ 188,344
Fiduciary Funds	13,617	17,883	3,494	(4,265)	10,124
Total Current Month Earnings	\$ 1,088,994	\$ 1,187,884	\$ 890,526	\$ (98,890)	\$ 198,468
Fiscal Year to Date Earnings					
Governmental Funds	\$ 8,798,534	\$ 7,723,157	\$ 5,742,266	\$ 1,075,376	\$ 3,056,268
Fiduciary Funds	\$ 110,536	96,919	34,626	13,617	75,910
Total Year to Date Earnings	\$ 8,909,070	\$ 7,820,076	\$ 5,776,892	\$ 1,088,994	\$ 3,132,178

Certifications and Attachment

In accordance with the requirements of the Investment Policy, as Finance Director/Treasurer I certify to the following:

- All investment activities since the last report have been made in full compliance with the Investment Policy.
- The City will meet its expenditure requirements for the next six months.

The tables and charts included in the body of this report provide an overview of the City's cash and investment holdings. The attachment contains a complete description of the portfolio, including the types of investments, issuers, maturity dates, par values and current market values, as well as the Quarterly Debt Report.

This report is available at the City's website on the Financial Reports page:

<https://www.fremont.gov/government/departments/finance/financial-reports>.

If you have any questions, please contact me at (510) 494-4610.



David Persselin
Finance Director/Treasurer

City of Fremont Treasurer's Report
Cash and Investment Portfolio - March 31, 2024

Portfolio	CUSIP/		Par Amount	Coupon	Maturity	Original Cost/		Market Value	Accrued Interest	S&P Rating	Moody's Rating
	Account	Issuer/Institution				Balance	Yield				
Core	3137HBFY5	FHLMC MULTIFAMILY STRUCTURED P	1,685,000.00	4.72%	12/01/28	1,701,831.47	4.50%	1,686,627.04	6,633.28	AA+	Aaa
Core	3137HBLV4	FHLMC MULTIFAMILY STRUCTURED P	1,745,000.00	4.57%	12/01/28	1,762,448.26	4.34%	1,735,475.41	6,648.45	AA+	Aaa
Subtotal			46,812,676.25			45,917,518.94		46,079,042.75	158,854.31		
Asset-Backed Securities											
Core	14316HAC6	CARMAX AUTO OWNER TRUST	31,664.84	0.50%	08/15/25	31,657.87	0.50%	31,520.09	7.04	AAA	NR
Core	50117TAC5	KUBOTA CREDIT OWNER TRUST	138,528.08	0.62%	08/15/25	138,499.74	0.62%	136,683.32	38.17	NR	Aaa
Core	44933LAC7	Hyundai Auto Receivables Trust	64,651.14	0.38%	09/15/25	64,644.33	0.38%	64,111.92	10.92	AAA	NR
Core	50117XAE2	KUBOTA CREDIT OWNER TRUST	175,856.10	0.56%	11/17/25	175,849.48	0.56%	172,029.72	43.77	NR	Aaa
Core	14316NAC3	CARMAX AUTO OWNER TRUST	52,497.84	0.34%	12/15/25	52,487.47	0.34%	51,804.87	7.93	AAA	NR
Core	14314QAC8	CARMAX AUTO OWNER TRUST	176,366.01	0.52%	02/17/26	176,328.00	0.52%	173,479.48	40.76	AAA	NR
Core	14317DAC4	CARMAX AUTO OWNER TRUST	553,977.55	0.55%	06/15/26	553,886.43	0.55%	539,058.38	135.42	AAA	Aaa
Core	43815PAC3	Honda Auto Receivables Owner T	460,000.00	3.73%	07/20/26	459,972.58	3.73%	453,528.26	619.59	AAA	NR
Core	50117JAC7	KUBOTA CREDIT OWNER TRUST	1,240,000.00	4.09%	12/15/26	1,239,772.71	4.09%	1,222,587.42	2,254.04	NR	Aaa
Core	161571HV9	CHASE ISSUANCE TRUST	2,645,000.00	4.60%	01/15/27	2,644,597.17	4.61%	2,631,086.77	5,407.56	AAA	NR
Core	233868AC2	DAIMLER TRUCKS RETAIL TRUST	1,790,000.00	5.90%	03/15/27	1,789,972.61	5.90%	1,802,045.27	4,693.78	NR	Aaa
Core	14318MAD1	CARMAX AUTO OWNER TRUST	1,310,000.00	3.97%	04/15/27	1,309,969.08	3.97%	1,291,658.56	2,311.42	AAA	NR
Core	254683CS2	DISCOVER CARD EXECUTION NOTE TRUST	660,000.00	3.32%	05/17/27	659,946.34	3.32%	645,806.96	973.87	NR	Aaa
Core	14043GAD6	CAPITAL ONE PRIME AUTO REC TRUST	920,000.00	3.66%	05/17/27	919,934.13	3.66%	902,289.08	1,496.53	AAA	Aaa
Core	02582JIT8	AMERICAN EXPRESS CREDIT ACCOUN	1,450,000.00	3.39%	05/17/27	1,449,679.26	3.39%	1,420,074.32	2,184.67	AAA	NR
Core	50117KAC4	KUBOTA CREDIT OWNER TRUST	1,040,000.00	5.02%	06/15/27	1,039,837.24	5.02%	1,036,160.84	2,320.36	NR	Aaa
Core	36265QAD8	GM FINANCIAL SECURITIZED TERM	2,695,000.00	4.82%	08/16/27	2,694,558.29	4.82%	2,681,515.03	5,412.46	AAA	NR
Core	58770AAC7	MERCEDES-BENZ AUTO RECEIVABLES	770,000.00	4.51%	11/15/27	769,907.60	4.51%	761,283.75	1,543.42	AAA	NR
Core	500945AC4	KUBOTA CREDIT OWNER TRUST	770,000.00	5.28%	01/18/28	769,805.50	5.29%	772,001.77	1,806.93	NR	Aaa
Core	344928AD8	FORD CREDIT AUTO OWNER TRUST	775,000.00	4.65%	02/15/28	774,919.17	4.65%	768,245.26	1,601.67	AAA	NR
Core	06428AAC2	Bank of America Auto Trust	1,165,000.00	5.53%	02/15/28	1,164,955.85	5.53%	1,169,587.30	2,863.31	NR	Aaa
Core	43815QAC1	Honda Auto Receivables Owner T	1,905,000.00	5.41%	02/18/28	1,904,607.19	5.42%	1,912,629.14	3,721.63	AAA	NR
Core	05592XAD2	BMW Vehicle Owner Trust	515,000.00	5.47%	02/25/28	514,908.74	5.47%	517,494.56	469.51	AAA	NR
Core	254683CY9	DISCOVER CARD EXECUTION NOTE TRUST	1,895,000.00	4.31%	03/15/28	1,894,890.09	4.31%	1,870,245.62	3,629.98	NR	Aaa
Core	05522RDF2	BANK OF AMERICA CREDIT CARD TR	2,980,000.00	5.00%	04/15/28	2,994,085.16	4.89%	2,970,974.18	6,622.22	AAA	Aaa
Core	44933XAD9	Hyundai Auto Receivables Trust	640,000.00	5.48%	04/17/28	639,972.22	5.48%	643,682.88	1,558.76	AAA	NR
Core	02582JJZ4	AMERICAN EXPRESS CREDIT ACCOUN	845,000.00	4.87%	05/15/28	844,925.05	4.87%	834,879.77	1,828.96	AAA	NR
Core	344930AD4	FORD CREDIT AUTO OWNER TRUST	895,000.00	5.23%	05/15/28	894,987.92	5.23%	897,114.97	2,080.38	AAA	NR
Core	05522RDG0	BANK OF AMERICA CREDIT CARD TR	1,015,000.00	4.79%	05/15/28	1,014,770.20	4.79%	1,009,753.87	2,160.82	AAA	NR
Core	02007WAC2	Ally Auto Receivables Trust	1,090,000.00	5.46%	05/15/28	1,089,814.16	5.46%	1,093,801.16	2,645.07	NR	Aaa
Core	14041NGD7	CAPITAL ONE MULTI-ASSET EXECUT	2,140,000.00	4.42%	05/15/28	2,139,509.30	4.42%	2,112,576.97	4,203.91	AAA	NR
Core	90291VAC4	USAA AUTO OWNER TRUST	2,370,000.00	5.58%	05/15/28	2,369,585.25	5.58%	2,386,694.99	5,877.60	AAA	Aaa
Core	254683C26	DISCOVER CARD EXECUTION NOTE TRUST	2,120,000.00	4.93%	06/15/28	2,119,713.59	4.93%	2,115,971.79	4,645.16	AAA	Aaa
Core	36267KAD9	GM FINANCIAL SECURITIZED TERM	620,000.00	5.45%	06/16/28	619,976.07	5.45%	622,525.01	1,407.92	AAA	Aaa
Core	31680EAD3	FIFTH THIRD AUTO TRUST	2,080,000.00	5.53%	08/15/28	2,079,871.04	5.53%	2,093,694.30	5,112.18	AAA	Aaa
Core	41285YAC9	HARLEY-DAVIDSON MOTORCYCLE TRUST	2,760,000.00	5.69%	08/15/28	2,759,375.96	5.70%	2,791,141.63	6,979.73	AAA	Aaa
Core	161571HT4	CHASE ISSUANCE TRUST	2,375,000.00	5.16%	09/15/28	2,374,341.65	5.17%	2,391,921.16	5,446.67	AAA	NR
Core	02582JKD1	AMERICAN EXPRESS CREDIT ACCOUN	2,460,000.00	5.23%	09/15/28	2,459,890.04	5.23%	2,480,945.67	5,718.13	AAA	NR
Core	92970QAA3	WELLS FARGO CARD ISSUANCE TRUS	3,045,000.00	4.94%	02/15/29	3,044,173.59	4.95%	3,049,400.74	12,535.25	AAA	Aaa
Subtotal			50,633,541.56			50,640,578.07		50,522,006.78	112,417.50		
Money Market Funds											
Core	X9USD MOR3	Morgan Stanley	2,718,111.67	5.22%	Daily	2,718,111.67	5.22%	2,718,111.67	-	AAA	Aaa-mf
Liquidity	TFFXX	BlackRock	15,594,651.01	4.19%	Daily	15,594,651.01	4.19%	15,594,651.01	33,907.09	AAA	Aaa-mf
Subtotal			18,312,762.68			18,312,762.68		18,312,762.68	33,907.09		
Government Investment Pools											
Liquidity	98-01-318	Local Agency Investment Fund	75,000,000.00	4.23%	Daily	75,000,000.00	4.23%	74,564,345.03	-	NR	NR
Liquidity	6037-001	California Asset Management Program	116,817,332.05	5.48%	Daily	116,817,332.05	5.48%	116,817,332.05	-	AAA	NR
Subtotal			191,817,332.05			191,817,332.05		191,381,677.08	-		
Total City Investments			\$ 523,871,312.54			\$ 519,090,573.72		\$ 513,833,518.01	\$ 1,878,433.39		
										Unrecognized Gain/(Loss): \$ (5,257,055.71)	

City of Fremont Treasurer's Report
Cash and Investment Portfolio - March 31, 2024

Portfolio	CUSIP/ Account	Issuer/Institution	Par Amount	Coupon	Maturity	Original Cost/ Balance	Yield	Market Value	Accrued Interest	S&P Rating	Moody's Rating
City Investments by Portfolio											
	Core Portfolio					\$ 311,678,590.66					
	Unsettled Trades					(2,252,316.55)					
	Liquidity Portfolio					207,411,983.06					
	Unrecognized Gain/(Loss) - Adjusted for Unsettled Trades					(5,257,055.71)					
	Subtotal					511,581,201.46					
Checking Accounts											
	General City	Bank of America				15,992,337.82	0.00%				
	Police Bail	Bank of America				500.00	0.00%				
	Subtotal					15,992,837.82					
Petty Cash											
	001-12001	City Manager's Office				500.00					
	001-14000	Finance Administration				2,750.00					
	001-15000	Human Resources				200.00					
	001-21010	Police Chief's Office				7,000.00					
	001-21110	Police Administration				7,400.00					
	001-21910	Animal Shelter				500.00					
	001-21999	Police Investigative Services - Bail				200.00					
	102-53410	Youth Service Center				270.00					
	108-53990	Family Resource Center				40.00					
	186-53310	Senior Center				250.00					
	189-00000	Recreation Snack Bars				3,500.00					
	189-61002	Recreation Administration				2,000.00					
	189-61003	Recreation Registration				200.00					
	189-61011	Water Park				496.00					
	189-61022	Tennis Center				175.00					
	189-61047	Boat Rental				375.00					
	Subtotal					25,856.00					
	Total City Cash and Investments					\$ 527,599,895.28					
Cash with Fiscal Agents											
Fiduciary Fund Checking Accounts											
	SACMCTF JPA	Bank of America				35,309.04	2.83%				
	FRC Corp.	Heritage Bank				124,044.16	0.18%				
	Subtotal					159,353.20					
Lease Financing Trust Accounts											
	2017B Lease Revenue Bonds - Bank of New York										
	657938	Bond Fund				-	0.00%				
	2019 Lease Revenue Bonds - US Bank										
	6712257501	Bond Fund				1,230,075.02	4.96%				
	Subtotal					1,230,075.02					
Community Facilities District Accounts											
	2015 CFD 1 Special Tax Bonds - Bank of New York										
	515408	Reserve Fund				5,012,468.75	5.16%				
	515409	Bond Fund				21,104.35	5.17%				
	515437	Special Tax Fund				1,639.02	5.16%				
	2019 CFD 2 Special Tax Bonds - Wilmington Trust										
	136496-002	Bond Fund				723.57	4.95%				
	136496-004	Reserve fund				1,085,958.42	4.95%				
	136496-005	Bond Proceeds				11,044,883.73	4.95%				
	Subtotal					17,166,777.84					
Construction Retention Escrows											
	Redgwick Construction Retention Escrow - California Bank of Commerce										
	1153725	Escrow Account				54,040.82	0.00%				
	Subtotal					54,040.82					
	Total Cash with Fiscal Agents					\$ 18,610,246.88					
	Grand Total					\$ 546,210,142.16					



Finance Department

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May 24, 2024

Quarterly Debt Report as of March 31, 2024

This quarterly narrative summarizes the various forms of debt issued by the City and the Fremont Public Financing Authority. The report also recaps the financing and debt management activities that occurred between December 31, 2023, and March 31, 2024, pertaining to those entities.

Debt Policy Compliance and Recent Financing Activities

All debts were administered in compliance with the City of Fremont Debt Management Policy. All scheduled principal and interest payments were made when due. The City remained in compliance with all of its bond covenants throughout the quarter.

Debt Obligations

The City and the Authority have issued the following types of long-term obligations to acquire or improve capital assets:

- ***General Obligation Bonds***. General obligation (GO) bonds are secured by the City's obligation to annually levy ad valorem taxes on all taxable properties within the City in an amount necessary to pay debt service. Following voter approval in 2002, GO bonds were issued in 2003, 2005, and 2009 to build or improve City public safety facilities. The 2003 GO bonds were refunded with the issuance of the 2012 General Obligation Refunding Bonds, the 2005 GO bonds were refunded with the issuance of the 2013 General Obligation Refunding Bonds, and the 2009 GO bonds were refunded with the issuance of the 2017 General Obligation Refunding Bonds. The 2012 General Obligation Refunding Bonds and 2013 General Obligation Refunding Bonds were refunded with the issuance of the 2021 General Obligation Refunding Bonds.
- ***General Fund Lease Obligations (Lease Revenue Bonds/Certificates of Participation (COPs)/Lease Financing)***. Lease obligations entitle investors to receive payments from an underlying financing lease between the City and the Fremont Public Financing Authority or another corporate entity. The Authority uses the lease revenue received from the City to pay principal and interest on the lease obligations.

The City has two outstanding series of lease revenue bonds: the 2019 Lease Revenue Bonds and the 2017B Lease Revenue Bonds. These bonds were issued to finance or refinance the acquisition or construction of various capital assets including building improvements and fire equipment. The 2019 Bonds and the 2017B Bonds bear interest at fixed rates.

The 2017B Bonds were defeased in April 2023 and all future debt service payments, through the first optional redemption date on October 1, 2027, will be paid from an escrow account held by the escrow agent.

The lease payments and associated financing costs for the 2019 Bonds are payable from the General Fund, although a portion of the lease payments are paid from rental revenue of tenants at the Fremont Family Resource Center.

- ***Special Assessment and Special Tax Bonds.*** These land-secured debts do not burden the City's general taxing authority; instead, a special assessment or special tax is levied on the county tax roll against each parcel in a local improvement district (LID) or community facilities district (CFD). Payment of the special assessment or special tax is secured by a lien on the property within the LID or CFD.

Special tax bonds to finance the acquisition of public improvements within CFD No. 1 (Pacific Commons) were issued in 2001 and 2005, and subsequently refinanced with the issuance of the City of Fremont CFD No. 1 (Pacific Commons) Special Tax Bonds, Series 2015. The Series 2015 Bonds also financed the reimbursement of additional public improvements. A facilities special tax is levied annually on each parcel within CFD No. 1 to pay debt service on the Series 2015 Bonds.

The City of Fremont CFD No. 2 (Warm Springs Public Facilities) Special Tax Bonds, Series 2019, were issued in 2019 to finance the acquisition of public improvements within CFD No. 2. A special tax is levied annually on each parcel within CFD No. 2 to pay debt service on the Series 2019 Bonds.

Summary of Debt Balances, Interest Rates and Activities

The following schedule of outstanding debt shows for each debt issue the final maturity, range of interest rates, and changes in amounts outstanding during the quarter.

	Interest Rates	Amounts Outstanding 12/31/2023	Incurred or Issued	Satisfied or Matured and Net Decreases	Amounts Outstanding 3/31/2024
General Obligation Bonds					
2017 Fire Safety Bonds Maturity - 08/01/2038	3.00-5.00%	\$ 9,770,000	\$ -	\$ -	\$ 9,770,000
2021 Fire Safety Bonds Maturity - 08/01/2034	5.00%	14,155,000	-	-	14,155,000
Total General Obligation Bonds		23,925,000	-	-	23,925,000
General Fund Lease Revenue Bonds					
2019 Lease Revenue Bonds Maturity - 10/01/2038	4.00-5.00%	54,425,000	-	-	54,425,000
Total General Fund Lease Revenue Bonds		54,425,000	-	-	54,425,000
Total City Long-term Debt		\$ 78,350,000	\$ -	\$ -	\$ 78,350,000
Special Tax Bonds					
Community Facilities District No. 1 (Pacific Commons)					
2015 Special Tax Bonds Maturity - 09/01/2045	3.50-5.00%	\$ 74,295,000	\$ -	\$ -	\$ 74,295,000
Community Facilities District No. 2 (Warm Springs)					
2019 Special Tax Bonds Maturity - 09/01/2049	3.00-5.00%	15,565,000	-	-	15,565,000
Total Special Tax Bonds		\$ 89,860,000	\$ -	\$ -	\$ 89,860,000