



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: MARCH 24, 2026
DEPARTMENT: FINANCE
FROM: SELINA ANDREWS, FINANCE DIRECTOR
TITLE: TREASURER’S REPORT – QUARTER ENDED DECEMBER 31, 2025

RECOMMENDED MOTION:

A motion to accept the Treasurer’s Report for FY 2025-26 second quarter ended December 31, 2025.

EXECUTIVE SUMMARY:

The Treasurer’s Report is required to be submitted to the City Council at least quarterly in accordance with California Government Code Section 53600 et. seq. The purpose of the Treasurer’s Report is to update the City Council and the public on the status of the City’s cash balances and investments. The scope of this report covers the second quarter of the 2025-26 fiscal year ending December 31, 2025, and complies with the State’s reporting requirements. Going forward, staff will present a Treasurer’s Report to Council and highlight material changes between reporting periods.

BACKGROUND:

In February 2022, the City contracted with Chandler Asset Management to provide non-discretionary investment advisory services. Staff is working in conjunction with Chandler to ensure cash and investments adhere to the principles of safety, liquidity, and yield.

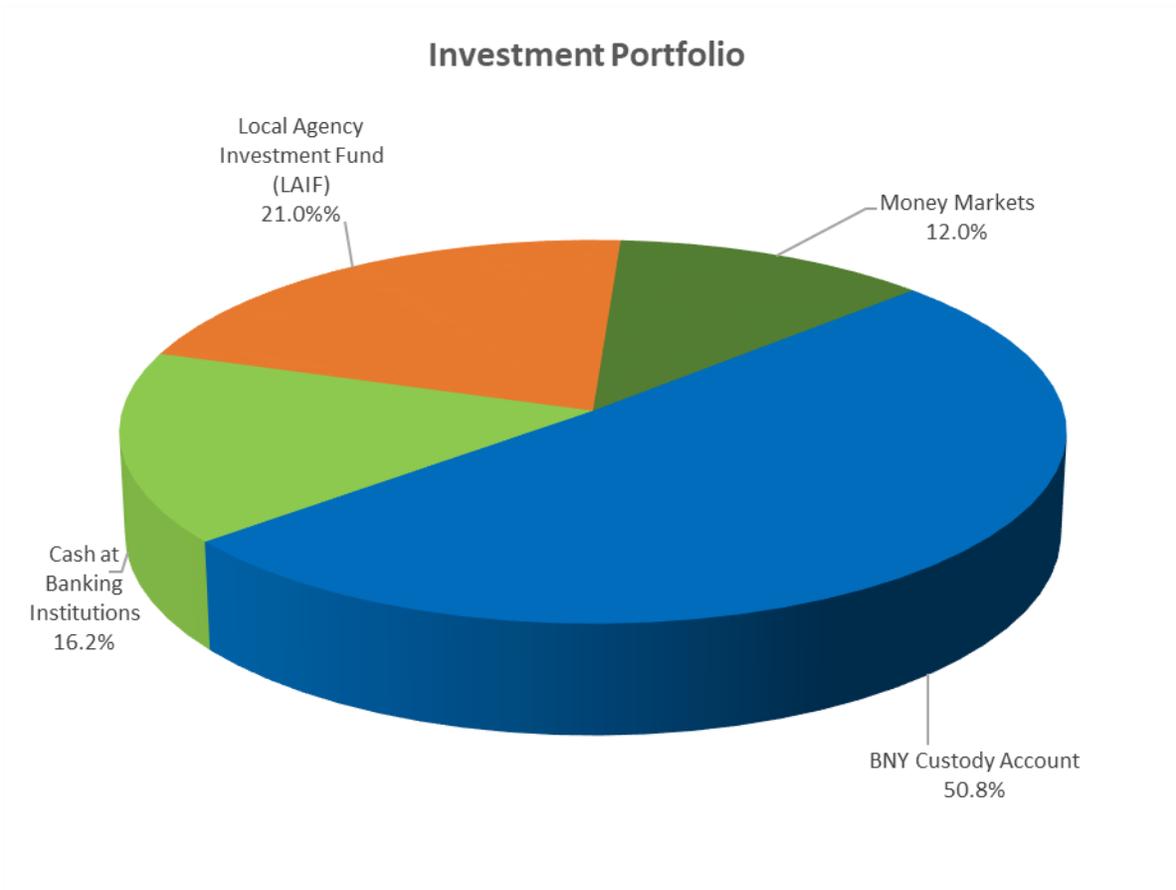
On December 31, 2025, the value of the City’s total portfolio is \$217.1 million. The City’s market value balance increased by \$1.6 million with an end balance of \$218.7 million. The funds are as follows:

Cash & Investments Distribution	Book Value	Market Value
Cash at Banking Institutions	35,058,859	35,058,859
BNY Custody	110,403,060	111,890,078
Money Markets	26,037,114	26,037,114
Local Agency Investment Fund (LAIF)	45,597,049	45,696,519
Total	217,096,082	218,682,570

On February 17, 2026, staff presented a status review of General Fund and Road Improvement Fund CIPs to the Finance Committee. As part of the review, staff developed comprehensive timelines for 60 projects, including beginning and ending dates as well as key milestones along the way. Staff recommended de-appropriating approximately \$300 thousand, resulting in the amount being returned to fund balance and available for future use. Staff also recommended re-allocating another \$3.4 million to other projects that need additional funding to move forward. CIP carryover in all funds on December 31, 2025 totals \$114.2 million and reserves amounts total another \$40.4 million.

Summary of Pooled Investment Portfolio by Type*	
December 31, 2025	
CIP Carryover	\$ 114,157,000
Reserves	40,432,000
Estimated Remaining Cash Balances at 12/31/25	62,507,000
Total	\$ 217,096,000

*Balances are unaudited

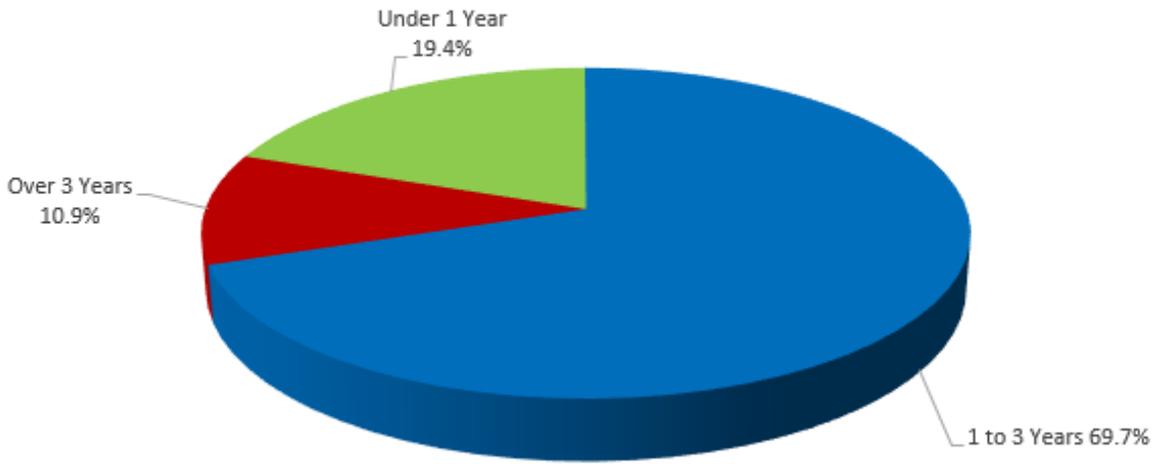


The overall portfolio is well diversified with \$110.4 million invested in marketable securities, \$45.6 million is invested in LAIF, \$26 Million invested in money markets that are considered liquid (Money markets and cash held in investment accounts), and \$35.3 million held in banking institutions. Staff, in conjunction with our financial advisors, periodically review the mix of liquid and long-term investments and adjust the portfolio according to the market conditions and our short-term cash needs.

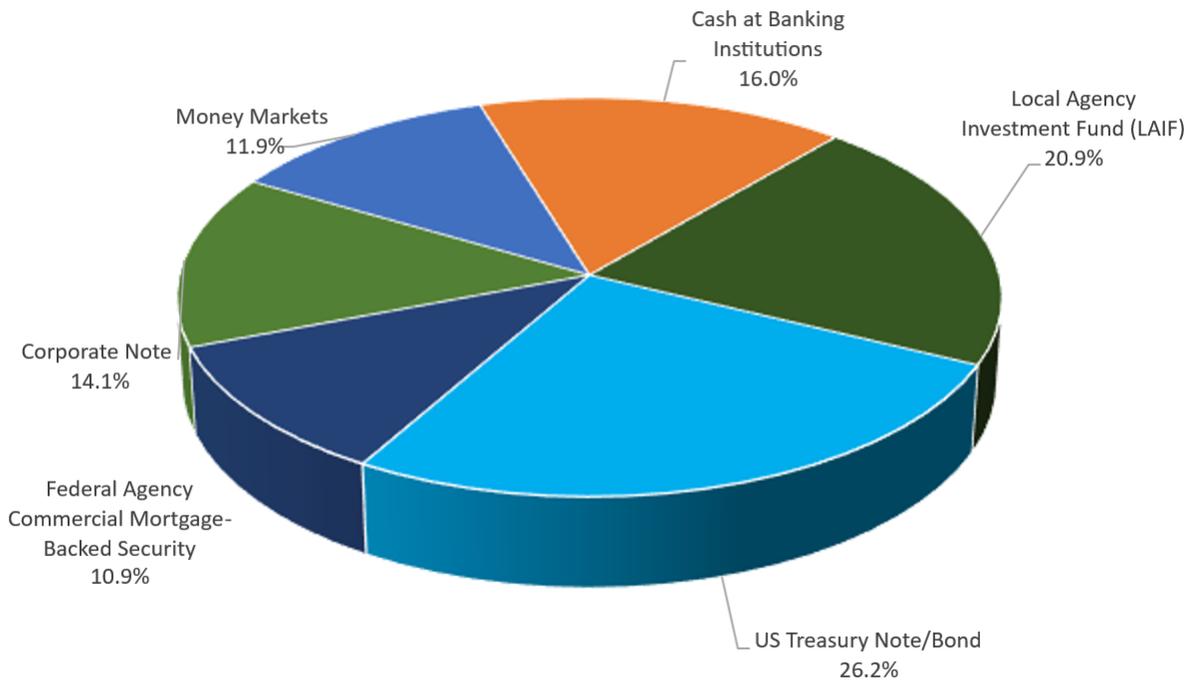
Staff thoroughly review investment statements and make appropriate inquiries about its investment advisors to confirm the existence and viability of the City’s assets. The City invests conservatively in investment policy options in accordance with California State Government Code. The long-term assets are in securities that can be held to maturity, thus are less vulnerable to the fluctuations of the market. All securities comply with the City’s investment policy. There are sufficient funds to meet the City’s expenditure requirements for the next six months.

The distribution of investments are displayed in the following charts:

Maturity Dates



Allocation By Security Type



The second quarter Treasurer’s Report for the period ending December 31, 2025 containing detailed information is attached.

CEQA CONSIDERATION:

Not a Project. The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

CALIFORNIA GOVERNMENT CODE §84308 APPLIES:

No.

STRATEGIC PLAN INITIATIVE:

This item achieves the City Council 2025 Strategic Goal of City Services ensuring fiscal responsibility and finance management.

DEPARTMENTAL COORDINATION:

This staff report was coordinated with the City Manager’s Office and City Attorney’s Office.

FISCAL AND SUSTAINABILITY IMPACT:

Fund	General Ledger Number (Operating/CIP)	General Ledger Account Name	Remaining Budget Appropriation	Amount Requested
N/A	N/A	N/A	N/A	N/A

ATTACHMENTS:

Treasurer’s Report – Quarter ended December 31, 2025