

County of Santa Cruz

TREASURY OVERSIGHT COMMISSION

701 Ocean Street, Room 100
Santa Cruz, CA 95060
Phone: (831) 454-2500
www.tinyurl.com/TreasuryOversightCommission

Agenda
Wednesday, October 21, 2026 3:00pm (PT) *This meeting is IN PERSON*

IN PERSON LOCATION:
County of Santa Cruz Government Building <i>Redwood Room - Fifth Floor Conference Room</i> <i>701 Ocean Street</i> <i>Santa Cruz, CA 95060</i>

To provide written public comments associated with any agenda item, please submit by email to brandon.marquez@santacruzcountyca.gov

For Questions regarding the hybrid meeting process, please contact Brandon Marquez, County Investment Officer at 831-454-2500 or brandon.marquez@santacruzcountyca.gov

<u>Hybrid Meeting Instructions (Audio & Video):</u>
Join on your computer or mobile app Click here to join the meeting

<u>Dial-In Instructions (Audio Only):</u>
<u>+1 831 - 454 - 2222</u> Conference ID: 649 335 566 #

The meeting starts at the time listed above with the first item and proceeds through the items in consecutive order unless otherwise noted.

As a courtesy to those persons affected, please attend the meeting smoke and scent free. The County of Santa Cruz does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities.

If you wish to attend this meeting and you will require special assistance in order to participate, please contact Brandon Marquez at (831) 454-2500 at least 72 hours in advance of the meeting to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format.

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1. **Roll Call** (2 min)
2. **Oral Communications / Public Comment** (5 min)
Members of the public may address the Commission on items not on the agenda and under this Commission's jurisdiction for a maximum of two minutes each.
3. **Approval of Minutes (ACTION ITEM)** (2 min)
April 22, 2026
4. **Roles and Responsibilities for Treasury Oversight Commission Members** (5 min)
5. **Presentation of the Treasurer's Quarterly Investment Report for September 30, 2026** (10 min)
6. **Presentation of the Treasurer's Quarterly Investment Report for June 30, 2026** (5 min)
7. **Direct Auditor to Perform the FY 25-26 Treasury Oversight Commission Compliance Audit (ACTION ITEM)** (2 min)
8. **Approve Proposed 2027 Investment Policy to send to the Santa Cruz County Board of Supervisors (ACTION ITEM)** (2 min)
9. **Election of Officers of the Treasury Oversight Commission (ACTION ITEM)** (2 min)
10. **Correspondence**

Adjournment

Next Meeting: January 27, 2027 - 3:00PM PST *Location TBD*

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TREASURY OVERSIGHT COMMISSION

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Agenda
Wednesday, October 21, 2026 3:00pm (PT) *This meeting is IN PERSON*

Materials and Correspondence in Agenda Packet	
<i>Agenda Item #</i>	<i>Item</i>
1	N/A
2	N/A
3	Treasury Oversight Commission Minutes April 22, 2026
4	Roles and Responsibilities for Treasury Oversight Commission Members
5	Treasurer's Quarterly Investment Report for September 30, 2026
6	Treasurer's Quarterly Investment Report for June 30, 2026
7	Memo - Direct Auditor to Perform the FY 25-26 Treasury Oversight Commission Compliance Audit
8	Proposed 2027 Investment Policy
9	Memo - Election of Officers of the Treasury Oversight Commission
10	N/A

Santa Cruz County Treasury Oversight Commission

**Meeting Minutes
Wednesday, April 22, 2026
Regular Meeting Held in person**

**County of Santa Cruz Government Building
Redwood Room – Fifth Floor Conference Room
701 Ocean Street
Santa Cruz, CA 95060**

Members Present: Mr. Chuck Farmer (Chair), Supervisor Koenig, Ms. Rebecca Olker, Mr. Chris Schiermeyer, Ms. Leslie Drate

Others Present: Brandon Marquez (ACTTC), Brian Howard (ACTTC)

CALL TO ORDER

- Chairperson Chuck Farmer called the meeting to order at 3:00 p.m.

ORAL COMMUNICATIONS

- None

APPROVAL OF MINUTES

- Mr. Schiermeyer moved and Ms. Olker seconded to approve the February 4th, 2026, Treasury Oversight Commission meeting minutes as presented. Motion carries unanimously.

OLD BUSINESS

- None

NEW BUSINESS

- Mr. Marquez presented the Treasurer's Quarterly Investment Report for March 31, 2026
- Supervisor Koenig moved and Mr. Farmer seconded to approve to Direct Auditor to Perform the FY 25-26 Treasury Oversight Commission Compliance Audit. Motion carries unanimously.
- Mr. Farmer moved and Mr. Schiermeyer seconded to vote for the following officers, where the motion passed unanimously:
 - Chairperson: Mr. Chuck Farmer
 - Vice Chairperson: Mr. Chris Schiermeyer

CORRESPONDENCE

- None

NEXT MEETING

- The next meeting of the Treasury Oversight Commission is 3:00 pm on Wednesday, October 28th, 2026. Physical location or remote format to be determined.

ADJOURNMENT

- Meeting adjourned at 3:19 p.m.

Respectfully submitted,



Brandon Marquez
Investment Officer



COUNTY OF SANTA CRUZ

TREASURY OVERSIGHT COMMISSION
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

Date: October 21, 2026

To: Members of the Treasury Oversight Commission

From: Laura Bowers, Auditor-Controller-Treasurer-Tax Collector | Brandon Marquez, County of Santa Cruz Investment Officer

Subject: Roles and Responsibilities for Treasury Oversight Commission Members (TOC Item #4)

Summary

The Treasury Oversight Commission is responsible for reviewing and monitoring the activities of the County Treasurer to ensure compliance with the Investment Policy and all applicable regulations.

- “The Treasurer will annually provide a copy of the Investment Policy for review and monitoring by the Treasury Oversight Commission,” and will submit a quarterly report identifying all investments held in the County Investment Pool or elsewhere. (County of Santa Cruz Investment Policy 2026)
- The Commission “shall, via this report and other appropriate means, monitor the activities of the Treasurer, and cause to be performed an annual audit to determine the Treasurer’s compliance with this Investment Policy, and other appropriate regulations.” (County of Santa Cruz Investment Policy 2026)
- While the Commission has no authority over daily operations or investment decisions, it acts only “to review the actions of the Treasurer to determine that they are in accordance with the Investment Policy and all other legal requirements or regulations.” (County of Santa Cruz Investment Policy 2026)

Santa Cruz County Treasurer's
Quarterly Investment Report

**For the Quarter Ended
September 30, 2026**



Laura Bowers
Auditor – Controller – Treasurer - Tax Collector

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MEMBERS AND AUDIT PROCESS

Treasury Oversight Commission - Commissioner List			
<i>Representation:</i>	<i>Name:</i>	<i>Member Status:</i>	<i>Title:</i>
Board of Supervisors	Supervisor Manu Koenig	Voting	<i>Board of Supervisor - 1st District</i>
	Supervisor Felipe Hernandez	Alternate	<i>Board of Supervisor - 4th District</i>
Superintendent of Schools	Dr. Faris Sabbah	Voting	<i>County Superintendent of Schools</i>
	Ms. Rebecca Olker	Alternate	<i>Executive Director, Fiscal Services</i>
Special Districts	Mr. Chuck Farmer*	Voting	<i>Chief Financial Officer, Santa Cruz METRO</i>
	Ms. Nancy Dannhauser	Alternate	<i>Finance Director, Central Fire District</i>
County School Districts	Mr. Chris Schiermeyer**	Voting	<i>Superintendent, San Lorenzo Valley USD</i>
	Mr. Jim Monreal	Alternate	<i>Asst. Superintendent - Business Services</i>
Public Members	Mr. David Culver	Voting	<i>Public Member</i>
	Ms. Leslie Drate	Alternate	<i>Public Member</i>

* Treasury Oversight Commission Chairperson

** Treasury Oversight Commission Vice Chairperson

The Office of the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector (ACTTC) is included in the County's annual financial audit process. The County's Audit Committee selects an external audit firm to perform the annual audit which includes a review of the internal controls of the County and the ACTTC. Additionally, in compliance with Section 26920 of the Government Code of the State of California, four quarterly audits are performed by the county auditor to review the Treasurer's statement of assets in the county treasury. These audits include manual cash counts, verification of records, and a report to the Board of Supervisors in accordance with the appropriate professional standards, as determined by the ACTTC.



COUNTY OF SANTA CRUZ

LAURA BOWERS
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

September 30, 2026

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Subject: **CERTIFICATION OF LIQUIDITY**

Dear Members of the Board:

This report shows the investment activity for the quarter ending September 30, 2026 of pooled funds on deposit with the Treasurer and that it is in compliance with California Government Code Sections 27000 et seq., 53600 et seq., and the County's 2026 Investment Policy.

Attached are summaries of the Portfolio Structure, Investment Details, Securities Activity by Brokers, and other information to provide a better understanding of the investment activity that has occurred through September 30, 2026.

Pursuant to Government Code § 53646(b)(3), I certify that because of the liquidity of the pool and the county's issuance of Teeter Notes and TRANs, the county has the ability to meet the pool's expenditure requirements for the next six months.

Respectfully submitted,

Signed by:

A handwritten signature in cursive script, appearing to read 'Laura Bowers', is written over a blue line.

84158B390F9243F...

LAURA BOWERS
Auditor-Controller-Treasurer-Tax Collector
9/30/2026

**Santa Cruz County Treasurer's Portfolio
As of September 30, 2026**

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO (5)	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
<u>U.S. Treasuries</u>										
US Treasury	30,737,564.04	30,006,260.70	4.04%	30,000,000.00	30,003,600.00	2.17%	100.00%	12/28/23	10/15/26	Aa1/N/A/AA+u
US Treasury	25,410,411.01	25,032,737.68	3.53%	25,000,000.00	24,985,000.00	1.83%	100.00%	10/23/25	01/15/27	Aa1/N/A/AA+u
US Treasury	14,736,703.65	14,898,906.71	3.57%	15,000,000.00	14,863,500.00	1.09%	100.00%	02/27/26	01/31/27	Aa1/N/A/AA+u
US Treasury	49,053,583.56	49,654,379.79	3.63%	50,000,000.00	49,545,000.00	3.63%	100.00%	12/03/25	01/31/27	Aa1/N/A/AA+u
US Treasury	15,100,198.55	15,030,926.88	3.56%	15,000,000.00	14,992,800.00	1.10%	100.00%	02/27/26	02/15/27	Aa1/N/A/AA+u
US Treasury	25,533,208.46	25,061,808.89	3.49%	25,000,000.00	24,907,750.00	1.83%	100.00%	10/23/25	05/31/27	Aa1/N/A/AA+u
US Treasury	24,882,540.35	24,921,389.66	4.01%	25,000,000.00	24,851,985.66	1.82%	100.00%	08/20/26	05/31/27	Aa1/N/A/AA+u
US Treasury	25,770,718.23	25,107,768.69	3.80%	25,000,000.00	24,975,000.00	1.84%	100.00%	06/26/25	07/15/27	Aa1/N/A/AA+u
US Treasury	50,900,050.96	50,103,910.83	3.61%	50,000,000.00	49,721,000.00	3.66%	100.00%	12/10/25	07/31/27	Aa1/N/A/AA+u
US Treasury	19,106,521.74	19,750,259.04	4.39%	20,000,000.00	19,709,000.00	1.44%	100.00%	12/12/23	07/31/27	Aa1/N/A/AA+u
US Treasury	19,318,260.65	19,788,828.93	4.39%	20,000,000.00	19,741,200.00	1.45%	100.00%	12/12/23	08/31/27	Aa1/N/A/AA+u
US Treasury	22,458,898.53	24,128,851.23	4.12%	25,000,000.00	23,980,000.00	1.76%	100.00%	10/30/24	09/30/27	Aa1/N/A/AA+u
US Treasury	50,173,493.61	50,029,766.40	3.45%	50,000,000.00	49,199,000.00	3.66%	100.00%	02/27/26	01/31/28	Aa1/N/A/AA+u
US Treasury	25,000,000.00	24,051,699.90	3.66%	25,000,000.00	23,583,000.00	1.76%	100.00%	09/26/25	05/31/28	Aa1/N/A/AA+u
US Treasury	17,592,561.14	19,032,815.32	4.33%	20,000,000.00	18,808,600.00	1.39%	100.00%	12/12/23	06/30/28	Aa1/N/A/AA+u
US Treasury	51,089,758.84	50,213,910.46	3.62%	50,000,000.00	49,168,000.00	3.67%	100.00%	12/10/25	07/15/28	Aa1/N/A/AA+u
US Treasury	25,000,000.00	23,848,672.29	3.67%	25,000,000.00	23,328,250.00	1.74%	100.00%	09/26/25	07/31/28	Aa1/N/A/AA+u
US Treasury	47,124,546.79	47,724,701.60	3.64%	50,000,000.00	46,623,000.00	3.49%	100.00%	01/21/26	08/31/28	Aa1/N/A/AA+u
US Treasury	17,794,505.49	19,002,146.97	4.03%	20,000,000.00	18,621,800.00	1.39%	100.00%	01/31/24	10/31/28	Aa1/N/A/AA+u
US Treasury	17,794,505.49	14,917,670.56	4.02%	15,000,000.00	14,630,850.00	1.09%	100.00%	01/31/24	12/31/28	Aa1/N/A/AA+u
US Treasury	49,869,485.93	49,850,561.59	3.64%	50,000,000.00	48,469,000.00	3.64%	100.00%	01/28/26	01/15/29	Aa1/N/A/AA+u
US Treasury	24,743,631.12	24,789,720.35	4.00%	25,000,000.00	23,910,250.00	1.81%	100.00%	07/09/25	06/30/30	Aa1/N/A/AA+u
Total US Treasuries	649,191,148.14	646,947,694.47	3.77%	655,000,000.00	638,617,585.66	47.28%				
<u>U.S. Government Agencies</u>										
Federal Home Loan Bank	15,000,000.00	15,000,000.00	1.15%	15,000,000.00	14,965,950.00	1.10%	100.00%	10/28/21	10/28/26	Aa1/AA+/N/A
Federal Home Loan Bank	50,000,000.00	50,000,000.00	3.91%	50,000,000.00	49,690,000.00	3.66%	100.00%	04/22/25	07/22/27	Aa1/AA+/N/A
Fannie Mae	25,000,000.00	25,000,000.00	4.07%	25,000,000.00	24,347,500.00	1.83%	100.00%	04/16/26	07/16/29	Aa1/AA+/AA+
Fannie Mae	25,000,000.00	25,000,000.00	4.12%	25,000,000.00	24,458,500.00	1.83%	100.00%	04/23/26	07/23/29	Aa1/AA+/NA
Federal National Mortgage Associ	25,000,000.00	25,000,000.00	4.76%	25,000,000.00	24,810,750.00	1.83%	100.00%	09/15/26	08/15/29	Aa1/AA+/AA+
Federal Home Loan Bank	50,000,000.00	50,000,000.00	5.22%	50,000,000.00	49,936,500.00	3.66%	100.00%	09/29/26	08/29/29	Aa1/AA+/N/A
Federal Home Loan Bank	25,000,000.00	25,000,000.00	4.14%	25,000,000.00	24,380,500.00	1.83%	100.00%	07/18/25	07/15/30	Aa1/AA+/NA
Total Government Agencies	215,000,000.00	215,000,000.00	4.19%	215,000,000.00	212,589,700.00	15.72%				
<u>Supranationals</u>										
International Bank of Reconstruction and Development	25,000,000.00	25,000,000.00	4.29%	25,000,000.00	24,411,000.00	1.83%	30.00%	11/06/24	10/30/29	Aaa/AAA/N/A
Total Supranationals	25,000,000.00	25,000,000.00	4.29%	25,000,000.00	24,411,000.00	1.83%				
<u>Medium Term Notes</u>										
Toyota Motor Credit	24,875,000.00	24,958,718.78	3.88%	25,000,000.00	24,940,250.00	1.82%	30.00%	09/27/24	09/28/27	A1/A+/A+
JP Morgan Chase Bank NA	40,000,000.00	40,000,000.00	3.85%	40,000,000.00	38,991,600.00	2.92%	30.00%	12/19/25	07/19/28	Aa2/AA-/AA
Alphabet Inc	19,988,966.67	19,893,187.51	3.94%	20,000,000.00	19,363,600.00	1.45%	30.00%	04/10/26	02/15/29	Aa2/AA+/N/A
International Business Machines	11,199,976.56	11,083,276.97	4.36%	11,320,000.00	10,790,563.60	0.81%	30.00%	04/10/26	05/15/29	A3/A-/A-
Toyota Motor Credit Corp	25,000,000.00	25,000,000.00	5.00%	25,000,000.00	24,575,750.00	1.83%	30.00%	07/24/24	07/24/29	A1/A+/A+
Proctor & Gamble	14,238,506.67	14,327,400.32	4.03%	16,000,000.00	13,623,200.00	1.05%	30.00%	04/22/26	10/29/30	Aa1/AA+/NA
Toyota Motor Credit Corp	31,957,925.00	31,434,885.68	4.26%	30,000,000.00	30,009,900.00	2.30%	30.00%	01/21/26	11/20/30	Aa1/AA+/NA
Toyota Motor Credit Corp	40,000,000.00	40,000,000.00	4.17%	40,000,000.00	37,832,400.00	2.92%	30.00%	01/28/26	01/28/31	Aa1/AA+/NA
Apple Inc	18,018,433.33	18,162,156.04	3.99%	20,000,000.00	17,257,000.00	1.33%	30.00%	04/10/26	02/08/31	Aa1/AA+/NA
Alphabet Inc.	25,098,458.33	24,910,991.34	4.19%	25,000,000.00	23,677,000.00	1.05%	30.00%	04/22/26	10/29/30	Aa1/AA+/NA
Total Medium Term Notes	250,377,266.56	249,770,616.64	4.15%	252,320,000.00	241,061,263.60	17.49%				

**Santa Cruz County Treasurer's Portfolio
As of September 30, 2026**

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO (5)	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
Negotiable CDs										
Toronto Dominion NY	30,000,000.00	30,000,000.00	4.72%	30,000,000.00	30,000,000.00	2.19%	30.00%	09/30/26	05/27/27	P1/A1/F1
Total Negotiable CDs	30,000,000.00	30,000,000.00	4.72%	30,000,000.00	30,000,000.00	2.19%				
Municipal Bonds										
University of Calif	6,284,390.00	6,888,139.12	4.13%	7,000,000.00	6,860,490.00	0.50%	100.00%	05/22/23	05/15/27	Aa2/AA/AA
University of Calif	2,706,569.00	2,954,208.60	3.99%	3,000,000.00	2,940,210.00	0.22%	100.00%	05/18/23	05/15/27	Aa2/AA/AA
State of California	13,090,641.67	14,396,403.86	5.10%	15,000,000.00	14,353,050.00	1.05%	100.00%	05/18/23	02/01/28	Aa2/AA-/AA
CA State Health Facilities Financin	1,690,392.28	1,702,449.52	3.68%	1,750,000.00	1,632,190.00	0.12%	100.00%	12/17/25	06/01/29	Aa3/AA-/AA
Total Municipal Bonds	23,771,992.95	25,941,201.10	4.62%	26,750,000.00	25,785,940.00	1.90%				
Checking (4)										
US Bank Checking	14,914,336.48	14,914,336.48	0.00%	14,914,336.48	14,914,336.48	0.80%	100.00%	NA	NA	NA
Total Checking	14,914,336.48	14,914,336.48	0.00%	14,914,336.48	14,914,336.48	0.80%				
Money Market Funds (3)										
US Bank	NA	0.00	3.77%	0.00	0.00	0.00%	100.00%	NA	NA	NA/NA/NA
US Bank CDA	25,000,000.00	25,000,000.00	3.65%	25,000,000.00	25,000,000.00	1.83%	20.00%	NA	NA	NA/NA/NA
Fidelity FRGXX	25,000,000.00	25,000,000.00	3.79%	25,000,000.00	25,000,000.00	1.83%	20.00%	NA	NA	AAA-mf/AAAm/NA
Bank of the West MMF	NA	0.00	3.79%	0.00	0.00	0.00%	100.00%	NA	NA	NA/NA/NA
Total Money Market Funds	50,000,000.00	50,000,000.00	3.72%	50,000,000.00	50,000,000.00	3.66%				
Miscellaneous Investments										
CAMP	50,000,000.00	50,000,000.00	3.87%	50,000,000.00	50,000,000.00	3.66%	25.00%	NA	NA	NA/AAAm/NA
LAIF (General Fund)	75,000,000.00	75,000,000.00	3.90%	75,000,000.00	75,000,000.00	5.48%	10.00%	NA	NA	NA/NA/NA
Total Misc. Investments	125,000,000.00	125,000,000.00	3.89%	125,000,000.00	125,000,000.00	9.14%				
GRAND TOTAL	\$1,383,254,744.13	\$1,382,573,848.69	3.92%	\$1,393,984,336.48	\$1,362,379,825.74	100%				

(1) Market Value pricing obtained from US Bank safekeeper (custodial bank)

(2) Split ratings reflect ratings from Moodys, S&P, and Fitch

(3) Money Market Mutual Fund/LAIF balances do not include current month interest

(4) Checking account balances excluded in other reports to focus on investment performance

(5) Percentage calculated based off of Book Value

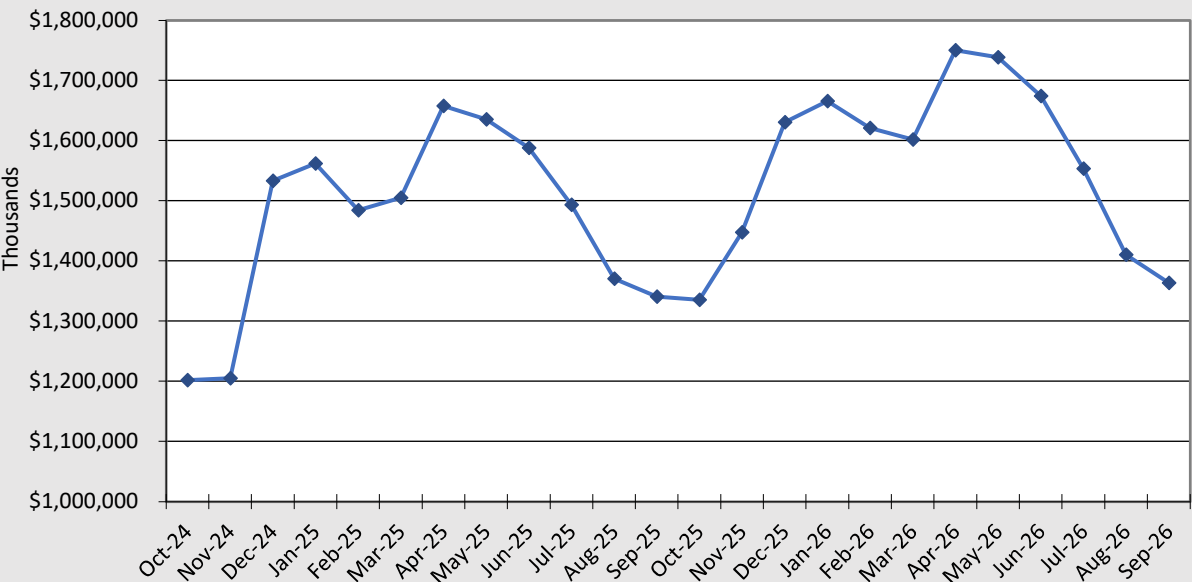
County of Santa Cruz Investment Pool

Portfolio Size and Composition

September 30, 2026

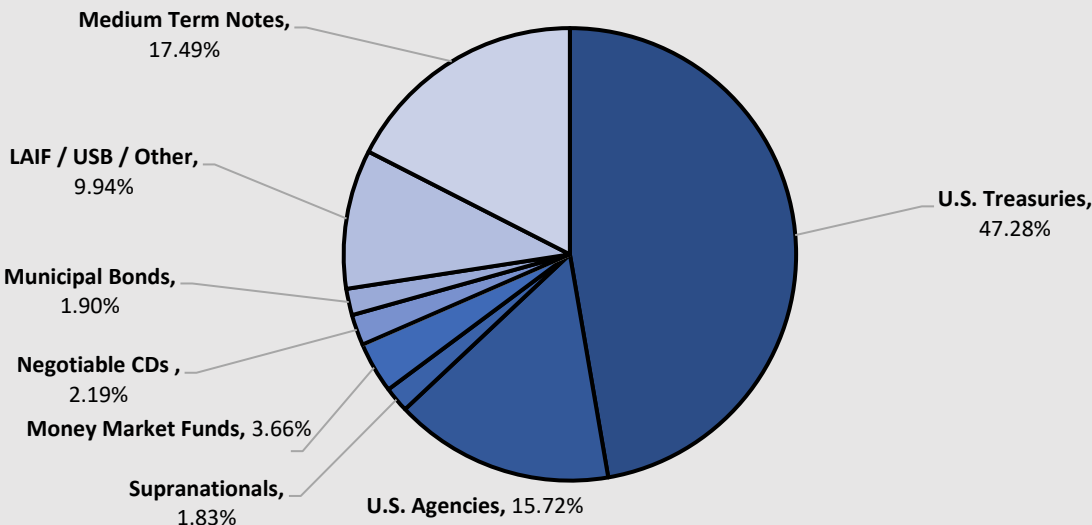
Monthly Portfolio Balance Trend

Historic review of monthly balance trends from October 2024 to September 2026. Two years ago, portfolio balances were approximately \$1.20 billion compared to our reported amount of \$1.36 billion.



Portfolio Composition

Investment breakdown of the County Investment Pool as of September 2026. U.S Treasury and U.S Agency bonds are approximately 63% of the portfolio. Treasury bonds are one of the safest and most liquid investments in the United States, rated as prime/high investment grade securities.



County of Santa Cruz Investment Pool

Portfolio Net Yield

September 30, 2026

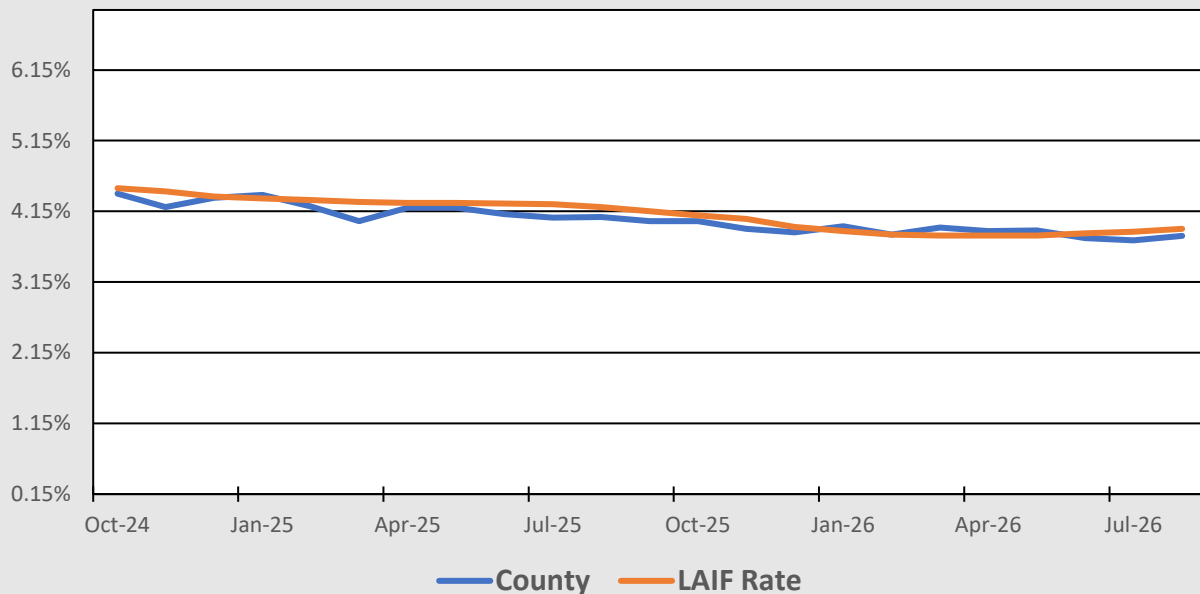
Apportionment Rate History

Current and historic review of the County Investment Pool with our closest benchmark, LAIF (Local Agency Investment Fund) managed by the State of California. As of September 2026, the apportionment rate of the County Investment Pool is a 3.80% yield, versus a 3.90% yield from LAIF.

<i>Date</i>	<i>County</i>	<i>LAIF</i>	<i>Difference</i>
Sep-25	4.07%	4.21%	-0.14%
Oct-25	4.01%	4.15%	-0.14%
Nov-25	4.01%	4.09%	-0.08%
Dec-25	3.90%	4.04%	-0.14%
Jan-26	3.85%	3.93%	-0.08%
Feb-26	3.94%	3.87%	0.07%
Mar-26	3.82%	3.82%	0.00%
Apr-26	3.92%	3.81%	0.11%
May-26	3.87%	3.81%	0.06%
Jun-26	3.88%	3.81%	0.07%
Jul-26	3.77%	3.84%	-0.07%
Aug-26	3.74%	3.86%	-0.12%
Sep-26	3.80%	3.90%	-0.10%

Net Yield Trend

Yields are tracked on a monthly basis between the County Investment Pool (blue) and LAIF (orange), our closest benchmark. Participants of LAIF are exclusively California Local Agencies and Special Districts, per section 16429.1 of the CA gov code. LAIF's investment portfolio is over \$30 billion.



County of Santa Cruz Investment Pool

Maturity Distribution

September 30, 2026

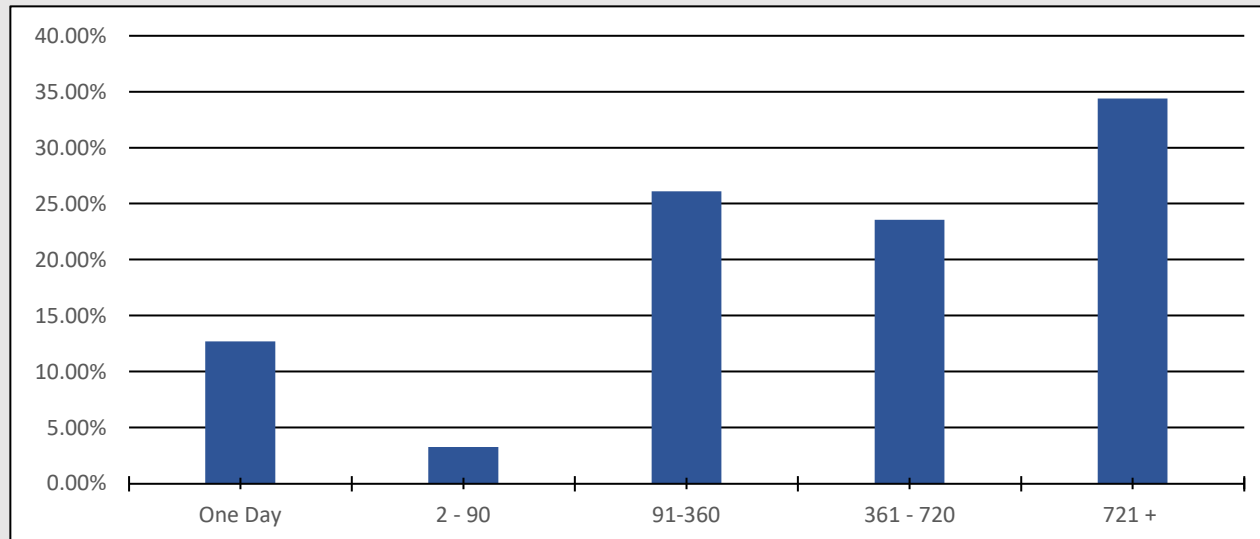
Maturity Classification and Liquidity Review

Investment breakdown based on maturity, as of September 2026. Upon maturity date, the portfolio will receive the investment's face value in cash. These values inherently effect the portfolio's WAM (Weighted Average Maturity) calculated in days, as well as the overall Duration. As of September 30, 2026, the portfolio's average investment takes approximately 607 days to mature.

Category:	Current Reported Values:	Historic Values: <i>Last Quarter Last Year Last 2 yrs.</i>		
	September 30, 2026	6/30/26	9/30/25	9/30/24
One Day	12.69%	13.76%	19.84%	14.27%
2 - 90	3.26%	17.99%	5.30%	5.89%
91-360	26.10%	11.28%	31.61%	41.25%
361 - 720	23.57%	18.60%	12.35%	9.50%
721 +	34.38%	38.37%	30.88%	29.09%
WAM	607	537	505	514
Duration	1.69	1.49	1.4	1.43

Portfolio Maturity Distribution

Current allocation of maturities as of September 2026. The County Investment Pool is currently very liquid, holding around 16.0% of Cash, and Cash-Equivalent securities (bonds and other investments maturing within 90 days).



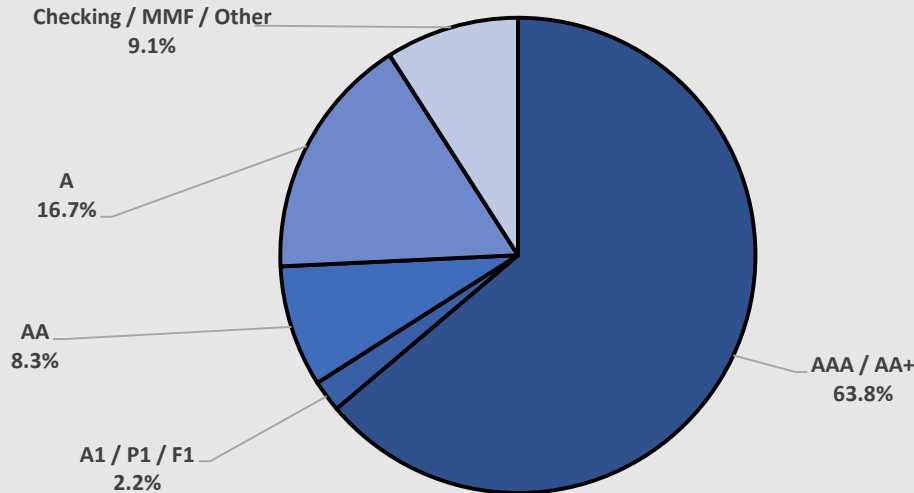
County of Santa Cruz Investment Pool

Credit Quality

September 30, 2026

Credit Rating Composition

Safety is the primary objective within the County Investment Pool, and CA state codes 27000.5 and 53600.5. As of September 2026, 66% of the portfolio is invested in the highest rated securities (AAA for long term, and A1 / P1 / F1 for short term). Counties within the State of California have strict investment standards and can only invest in highly rated, investment grade securities.



Credit Breakdown

Current and historic values based on credit rating and outstanding cash accounts. The State of California's LAIF fund is unrated, but is governed by the same investment restrictions as the County Investment Pool, per CA government codes 16430 and 16480.4.

Rating Category	Current Reported Values:		Historic Values: Last Quarter Last Year Last 2 yrs.		
	September 30, 2026		6/30/26	9/30/25	9/30/24
	\$ (mm)	%			
AAA / AA+	\$ 880	63.81%	65.26%	66.69%	61.37%
AA	\$ 114	8.27%	8.40%	2.54%	6.98%
A	\$ 230	16.68%	8.01%	7.27%	16.79%
A1 / P1 / F1	\$ 30	2.18%	7.62%	12.35%	8.83%
BBB	\$ -	0.00%	0.00%	1.82%	0.00%
Checking	\$ -	0.00%	0.64%	0.61%	0.99%
Money Market	\$ 50	3.63%	4.57%	5.45%	5.05%
LAIF (unrated)	\$ 75	5.44%	5.49%	3.27%	0.00%

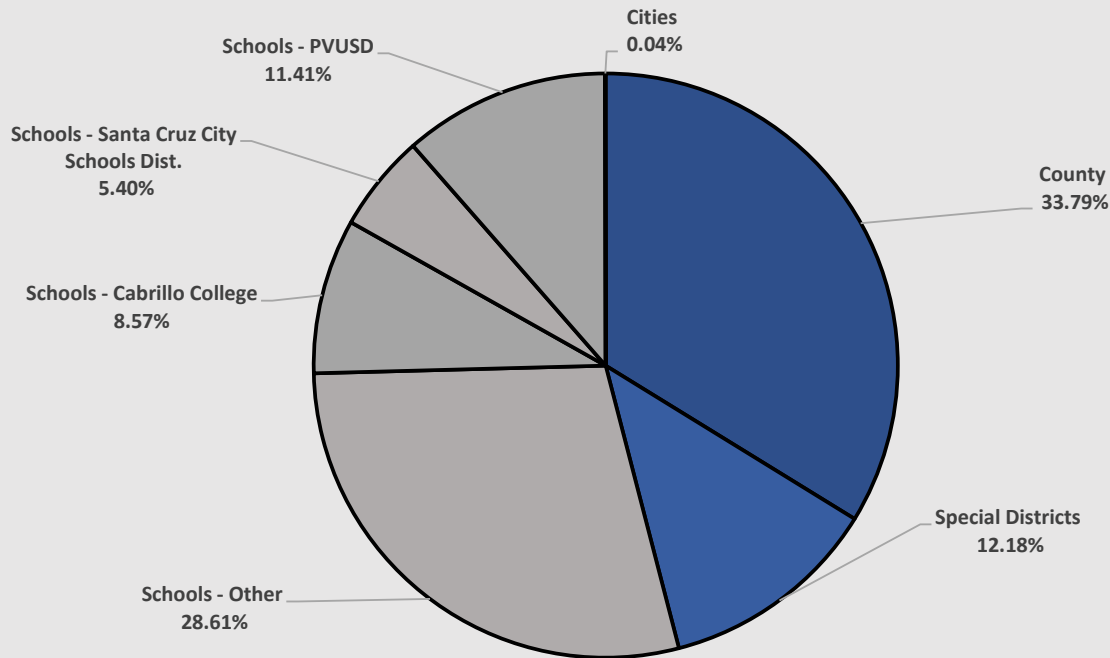
County of Santa Cruz Investment Pool

Source of Funds

September 30, 2026

Source of Funds Composition

The County Investment Pool is composed of four main participants: County School Districts, Special Districts within Santa Cruz County, County Funds, and Cities within Santa Cruz County.



Funds Breakdown

The largest participant with the highest deposited funds is the Schools category. This category holds around 56% of the County Investment Pool. The second largest participant is the County category, which consists of around 30% of the County Investment Pool.

Participant Category	Current Reported Values:	Historic Values: Last Quarter Last Year Last 2 yrs.		
	September 30, 2026	6/30/2026	9/30/2025	9/30/2024
County	30.46%	27.40%	26.13%	29.19%
Special Districts	13.30%	13.76%	15.00%	18.72%
Schools	55.91%	58.52%	58.53%	51.73%
Cities	0.33%	0.32%	0.35%	0.36%

DETAILED LIST OF INVESTMENTS OUTSTANDING

As of September 30, 2026

REPORT DESCRIPTION

The **Detailed List of Investments Outstanding** lists active investments in the portfolio on a specific date providing information on the market values, book values, interest rates and yields. It is arranged so that the securities of the same type are grouped together. What follows is a description of the abbreviations used in the report.

CUSIP – The CUSIP number is a 9-character alphanumeric code which identifies a North American financial security for the purposes of facilitating clearing and settlement of trades.

INVESTMENT NUMBER – This is a unique system-generated number assigned to the security. Assigned by the County for internal identification purposes.

ISSUER – The issuer named is the name of the institution which issued the bond.

PURCHASE DATE – This is the date on which the security was purchased.

PAR VALUE – The nominal or face value of a bond. This is the amount that will be received at maturity with accrued interest. It is also the amount that is used in calculating the interest received on the bond.

MARKET VALUE – Market value is the dollar amount the security could have been sold for on the report date. By comparing this number to the book value one is able to determine what, if any, loss or gain we would realize if we were to sell the bond in the open market.

BOOK VALUE – The original cost for each investment adjusted for amortization of premiums or accretions of discounts to the date of the report. Amortizations and accretions are calculated on a straight line basis.

STATED RATE – In most cases this is the coupon rate (rate of interest) set on a bond at the issue date by the issuer. If the security has no coupon (discount note, UST Bill or CP) then the stated rate is the yield to maturity on the date that the bond is purchased. The stated rate is not intended for comparing yields between different investments because the item may have been purchased at a discount or premium to par.

YTM – This is the Yield to Maturity. This is what the yield will be on the bond if it is held to maturity.

DAYS TO MATURITY – This is the number of days remaining between the report date and the maturity date.

MATURITY DATE – The maturity date is the date when a bond matures. On the maturity date an issuer of a security will pay the holder of the security the par value plus any accrued interest earned on the security from the date of last distribution.

**County of Santa Cruz
Portfolio Management
Portfolio Summary
September 30, 2026**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
U.S. Treasury Notes/ Bonds	655,000,000.00	638,617,585.66	646,947,694.47	47.30	911	471	3.715	3.766
Federal Agency Issues - Coupon	215,000,000.00	212,589,700.00	215,000,000.00	15.72	1,178	838	4.134	4.191
Medium Term Notes	252,320,000.00	241,061,263.60	249,770,616.64	18.26	1,490	1,159	4.097	4.154
Negotiable CDs	30,000,000.00	30,000,000.00	30,000,000.00	2.19	239	238	4.650	4.715
Municipal Bonds	26,750,000.00	25,785,940.00	25,941,201.10	1.90	1,511	420	4.559	4.623
Local Agency Investment Fund (LAIF)	75,000,000.00	75,000,000.00	75,000,000.00	5.48	1	1	3.847	3.900
Supranationals	25,000,000.00	24,411,000.00	25,000,000.00	1.83	1,819	1,125	4.229	4.288
Money Market Mutual Funds 02	100,000,000.00	100,000,000.00	100,000,000.00	7.31	1	1	3.743	3.795
	1,379,070,000.00	1,347,465,489.26	1,367,659,512.21	100.00%	956	600	3.906	3.960
Investments								

Total Earnings	September 30 Month Ending	Fiscal Year To Date
Current Year	4,343,906.73	13,972,713.85
Average Daily Balance	1,363,563,152.04	1,443,238,779.16
Effective Rate of Return	3.88%	3.84%

Santa Cruz County Treasurer,

**County of Santa Cruz
Portfolio Management
Portfolio Details - Investments
September 30, 2026**

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
U.S. Treasury Notes/ Bonds												
912828Z78	22583	U.S. Treasury Note		12/03/2025	50,000,000.00	49,545,000.00	49,654,379.79	1.500	3.582	3.632	122	01/31/2027
912828Z78	22593	U.S. Treasury Note		02/27/2026	15,000,000.00	14,863,500.00	14,898,906.71	1.500	3.519	3.568	122	01/31/2027
91282CFB2	22514	U.S.Trust		12/12/2023	20,000,000.00	19,709,000.00	19,750,259.04	2.750	4.333	4.393	303	07/31/2027
91282CFH9	22515	U.S.Trust		12/12/2023	20,000,000.00	19,741,200.00	19,788,828.93	3.125	4.328	4.388	334	08/31/2027
91282CCH2	22516	U.S.Trust		12/12/2023	20,000,000.00	18,808,600.00	19,032,815.32	1.250	4.270	4.329	638	06/30/2028
91282CJC6	22518	U.S.Trust		12/28/2023	30,000,000.00	30,003,600.00	30,006,260.70	4.625	3.986	4.042	14	10/15/2026
91282CDF5	22522	U.S.Trust		01/31/2024	20,000,000.00	18,621,800.00	19,002,146.97	1.375	3.976	4.031	761	10/31/2028
91282CJR3	22523	U.S.Trust		01/31/2024	15,000,000.00	14,630,850.00	14,917,670.56	3.750	3.966	4.021	822	12/31/2028
91282CAL5	22545	U.S.Trust		10/30/2024	25,000,000.00	23,980,000.00	24,128,851.23	0.375	4.063	4.119	364	09/30/2027
91282CKZ3	22569	U.S.Trust		06/26/2025	25,000,000.00	24,975,000.00	25,107,768.69	4.375	3.747	3.799	287	07/15/2027
91282CHJ3	22570	U.S.Trust		07/09/2025	25,000,000.00	23,910,250.00	24,789,720.35	3.750	3.945	4.000	1,368	06/30/2030
91282CCR0	22577	U.S.Trust		09/26/2025	25,000,000.00	23,328,250.00	23,848,672.29	1.000	3.620	3.670	669	07/31/2028
91282CCE9	22578	U.S.Trust		09/26/2025	25,000,000.00	23,583,000.00	24,051,699.90	1.250	3.612	3.663	608	05/31/2028
91282CJT9	22579	U.S.Trust		10/23/2025	25,000,000.00	24,985,000.00	25,032,737.68	4.000	3.483	3.531	106	01/15/2027
91282CNE7	22580	U.S.Trust		10/23/2025	25,000,000.00	24,907,750.00	25,061,808.89	3.875	3.439	3.487	242	05/31/2027
91282CNP2	22584	U.S.Trust		12/10/2025	50,000,000.00	49,721,000.00	50,103,910.83	3.875	3.564	3.613	303	07/31/2027
91282CNM9	22585	U.S.Trust		12/10/2025	50,000,000.00	49,168,000.00	50,213,910.46	3.875	3.572	3.621	653	07/15/2028
91282CCV1	22589	U.S.Trust		01/21/2026	50,000,000.00	46,623,000.00	47,724,701.60	1.125	3.589	3.639	700	08/31/2028
91282CPT2	22592	U.S.Trust		01/28/2026	50,000,000.00	48,469,000.00	49,850,561.59	3.500	3.589	3.638	837	01/15/2029
91282CKA8	22594	U.S.Trust		02/27/2026	15,000,000.00	14,992,800.00	15,030,926.88	4.125	3.511	3.560	137	02/15/2027
91282CGH8	22595	U.S.Trust		02/27/2026	50,000,000.00	49,199,000.00	50,029,766.40	3.500	3.405	3.452	487	01/31/2028
91282CET4	22603	U.S.Trust		08/20/2026	25,000,000.00	24,851,985.66	24,921,389.66	2.625	3.950	4.005	242	05/31/2027
Subtotal and Average			658,385,836.17		655,000,000.00	638,617,585.66	646,947,694.47		3.715	3.766	471	
Federal Agency Issues - Coupon												
3130APGN9	22427	Federal Home Loan Bank		10/28/2021	15,000,000.00	14,965,950.00	15,000,000.00	1.150	1.134	1.150	27	10/28/2026
3130B5XZ6	22564	Federal Home Loan Bank		04/22/2025	50,000,000.00	49,690,000.00	50,000,000.00	3.905	3.854	3.907	294	07/22/2027
3130B76B5	22571	Federal Home Loan Bank		07/18/2025	25,000,000.00	24,380,500.00	25,000,000.00	4.140	4.083	4.140	1,383	07/15/2030
3130BCF32	22605	Federal Home Loan Bank		09/29/2026	50,000,000.00	49,936,500.00	50,000,000.00	5.220	5.150	5.222	1,063	08/29/2029
3136GD3T8	22597	Federal National Mort. Assoc.		04/16/2026	25,000,000.00	24,347,500.00	25,000,000.00	4.071	4.017	4.073	1,019	07/16/2029
3136GD6A6	22602	Federal National Mort. Assoc.		04/23/2026	25,000,000.00	24,458,500.00	25,000,000.00	4.120	4.065	4.122	1,026	07/23/2029
3136GDRQ8	22604	Federal National Mort. Assoc.		09/15/2026	25,000,000.00	24,810,750.00	25,000,000.00	4.760	4.696	4.761	1,049	08/15/2029
Subtotal and Average			156,666,666.67		215,000,000.00	212,589,700.00	215,000,000.00		4.134	4.191	838	
Medium Term Notes												
037833ED8	22598	Apple Inc		04/10/2026	20,000,000.00	17,257,000.00	18,162,156.04	1.650	3.937	3.992	1,591	02/08/2031
02079KBJ5	22599	Alphabet Inc.		04/10/2026	20,000,000.00	19,363,600.00	19,893,187.51	3.700	3.885	3.939	868	02/15/2029
02079KBK2	22601	Alphabet Inc.		04/22/2026	25,000,000.00	23,677,000.00	24,910,991.34	4.100	4.132	4.190	1,598	02/15/2031

Portfolio SCRZ
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**County of Santa Cruz
Portfolio Management
Portfolio Details - Investments
September 30, 2026**

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Medium Term Notes												
46632FXK6	22587	Chase Bank		12/19/2025	40,000,000.00	38,991,600.00	40,000,000.00	3.850	3.796	3.849	657	07/19/2028
459200KA8	22596	IBM		04/10/2026	11,320,000.00	10,790,563.60	11,083,276.97	3.500	4.300	4.360	957	05/15/2029
742718FM6	22600	Proctor & Gamble		04/22/2026	16,000,000.00	13,623,200.00	14,327,400.32	1.200	3.975	4.030	1,489	10/29/2030
89236TMH5	22539	Toyota Motor Credit Corp		07/24/2024	25,000,000.00	24,575,750.00	25,000,000.00	5.000	4.932	5.000	1,027	07/24/2029
89236TMQ5	22544	Toyota Motor Credit Corp		09/27/2024	25,000,000.00	24,940,250.00	24,958,718.78	3.700	3.825	3.878	362	09/28/2027
89236TLE3	22590	Toyota Motor Credit Corp		01/21/2026	30,000,000.00	30,009,900.00	31,434,885.68	5.550	4.199	4.257	1,511	11/20/2030
89236TPN9	22591	Toyota Motor Credit Corp		01/28/2026	40,000,000.00	37,832,400.00	40,000,000.00	4.170	4.113	4.170	1,580	01/28/2031
Subtotal and Average			249,743,116.24		252,320,000.00	241,061,263.60	249,770,616.64		4.097	4.154	1,159	
Negotiable CDs												
89115MEQ5	22606	Toronto Dominion Bank NY		09/30/2026	30,000,000.00	30,000,000.00	30,000,000.00	4.650	4.650	4.715	238	05/27/2027
Subtotal and Average			1,000,000.00		30,000,000.00	30,000,000.00	30,000,000.00		4.650	4.715	238	
Municipal Bonds												
13063DC48	22504	State of California		10/06/2023	15,000,000.00	14,353,050.00	14,396,403.86	1.700	5.030	5.100	488	02/01/2028
13032UVG0	22586	Calif Health Fac Fin & Auth		12/17/2025	1,750,000.00	1,632,190.00	1,702,449.52	2.584	3.628	3.678	974	06/01/2029
91412HGF4	22489	University of Calif		05/18/2023	3,000,000.00	2,940,210.00	2,954,208.60	1.316	3.939	3.994	226	05/15/2027
91412HGF4	22490	University of Calif		05/22/2023	7,000,000.00	6,860,490.00	6,888,139.12	1.316	4.071	4.127	226	05/15/2027
Subtotal and Average			25,912,044.08		26,750,000.00	25,785,940.00	25,941,201.10		4.559	4.623	420	
Local Agency Investment Fund (LAIF)												
SYS6501	6501	LAIF (General Fund)			75,000,000.00	75,000,000.00	75,000,000.00	3.900	3.847	3.900	1	
Subtotal and Average			75,000,000.00		75,000,000.00	75,000,000.00	75,000,000.00		3.847	3.900	1	
Dividends												
SYS22423	22423	US Bank			0.00	0.00	0.00	3.720	3.720	3.772	1	
Subtotal and Average			164.07		0.00	0.00	0.00		0.000	0.000	0	
Supranationals												
45906M5W7	22546	Int Bank of Recon & Developmen		11/06/2024	25,000,000.00	24,411,000.00	25,000,000.00	4.288	4.229	4.288	1,125	10/30/2029
Subtotal and Average			25,000,000.00		25,000,000.00	24,411,000.00	25,000,000.00		4.229	4.288	1,125	
Money Market Mutual Funds 02												
070731229	1229	Bank of Montreal		12/07/2022	0.00	0.00	0.00	3.790	3.738	3.790	1	
SYS011119	22302	CAMP		01/11/2019	50,000,000.00	50,000,000.00	50,000,000.00	3.870	3.817	3.870	1	
3900647464	7464	Fidelity Investments		09/23/2025	25,000,000.00	25,000,000.00	25,000,000.00	3.790	3.738	3.790	1	
157 519 832 743	22283	US Bank MMMF		10/23/2018	25,000,000.00	25,000,000.00	25,000,000.00	3.650	3.600	3.650	1	

Portfolio SCRZ

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**County of Santa Cruz
Portfolio Management
Portfolio Details - Investments
September 30, 2026**

Page 3

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Subtotal and Average			171,855,324.81		100,000,000.00	100,000,000.00	100,000,000.00		3.743	3.795	1
Total and Average			1,363,563,152.04		1,379,070,000.00	1,347,465,489.26	1,367,659,512.21		3.906	3.960	600

County of Santa Cruz
Portfolio Management
Portfolio Details - Cash
September 30, 2026

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Average Balance			0.00								0
Total Cash and Investments			1,363,563,152.04		1,379,070,000.00	1,347,465,489.26	1,367,659,512.21		3.906	3.960	600

Securities Activity By Broker

A Report on the

Investment Transactions by Broker-Dealer
For the Period Indicated

**County of Santa Cruz
Activity Report
Sorted By Issuer
July 1, 2026 - September 30, 2026**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value	Current Rate	Transaction Date	Par Value		Ending Balance
				Beginning Balance			Purchases or Deposits	Redemptions or Withdrawals	
Issuer: Apple Inc									
Medium Term Notes									
				Subtotal and Balance					20,000,000.00
				20,000,000.00					20,000,000.00
				Issuer Subtotal	1.450%		0.00	0.00	20,000,000.00
Issuer: Alphabet Inc.									
Medium Term Notes									
				Subtotal and Balance					45,000,000.00
				45,000,000.00					45,000,000.00
				Issuer Subtotal	3.263%		0.00	0.00	45,000,000.00
Issuer: Santa Cruz County Auditor									
Santa Cruz County Auditor Loan									
SYS7015	7015	Santa Cruz County Auditor			3.630	07/01/2026	0.00	15,000,000.00	
				Subtotal and Balance			0.00	15,000,000.00	0.00
				15,000,000.00			0.00	15,000,000.00	0.00
				Issuer Subtotal	0.000%		0.00	15,000,000.00	0.00
Issuer: Bank of Montreal									
Money Market Mutual Funds 02									
				Subtotal and Balance					0.00
				0.00					0.00
				Issuer Subtotal	0.000%		0.00	0.00	0.00
Issuer: CAMP									
Money Market Mutual Funds 02									
SYS011119	22302	CAMP			3.870		446,190,291.60	446,190,291.60	
				Subtotal and Balance			446,190,291.60	446,190,291.60	50,000,000.00
				50,000,000.00			446,190,291.60	446,190,291.60	50,000,000.00
				Issuer Subtotal	3.626%		446,190,291.60	446,190,291.60	50,000,000.00

County of Santa Cruz
Activity Report
July 1, 2026 - September 30, 2026

Page 2

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: State of California									
Municipal Bonds									
				15,000,000.00					15,000,000.00
				15,000,000.00			0.00	0.00	15,000,000.00
			1.088%	15,000,000.00			0.00	0.00	15,000,000.00
Issuer: Calif Health Fac Fin & Auth									
Municipal Bonds									
				1,750,000.00					1,750,000.00
				1,750,000.00			0.00	0.00	1,750,000.00
			0.127%	1,750,000.00			0.00	0.00	1,750,000.00
Issuer: Chase Bank									
Medium Term Notes									
				40,000,000.00					40,000,000.00
				40,000,000.00			0.00	0.00	40,000,000.00
			2.901%	40,000,000.00			0.00	0.00	40,000,000.00
Issuer: Federal Home Loan Bank									
Federal Agency Issues - Coupon									
3130BCF32	22605	Federal Home Loan Bank			5.220	09/29/2026	50,000,000.00	0.00	
				90,000,000.00			50,000,000.00	0.00	140,000,000.00
			10.152%	90,000,000.00			50,000,000.00	0.00	140,000,000.00
Issuer: Fidelity Investments									
Money Market Mutual Funds 02									
3900647464	7464	Fidelity Investments			3.790		25,458,092.43	25,458,092.43	
				25,000,000.00			25,458,092.43	25,458,092.43	25,000,000.00
			1.813%	25,000,000.00			25,458,092.43	25,458,092.43	25,000,000.00
Issuer: Federal National Mort. Assoc.									
Federal Agency Issues - Coupon									
3136GA4A4	22554	Federal National Mort. Assoc.			4.490	07/20/2026	0.00	25,000,000.00	
3136GDRQ8	22604	Federal National Mort. Assoc.			4.760	09/15/2026	25,000,000.00	0.00	

County of Santa Cruz
Activity Report
July 1, 2026 - September 30, 2026

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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value	Current Rate	Transaction Date	Par Value		Ending Balance
				Beginning Balance			Purchases or Deposits	Redemptions or Withdrawals	
Subtotal and Balance				75,000,000.00			25,000,000.00	25,000,000.00	75,000,000.00
Issuer Subtotal				75,000,000.00			25,000,000.00	25,000,000.00	75,000,000.00
Issuer: HAWAII ST									
Municipal Bonds									
419792YR1	22421	HAWAII ST			0.893	08/01/2026	0.00	10,000,000.00	
Subtotal and Balance				10,000,000.00			0.00	10,000,000.00	0.00
Issuer Subtotal				10,000,000.00			0.00	10,000,000.00	0.00
Issuer: IBM									
Medium Term Notes									
Subtotal and Balance				11,320,000.00					11,320,000.00
Issuer Subtotal				11,320,000.00			0.00	0.00	11,320,000.00
Issuer: Int Bank of Recon & Developmen									
Supranationals									
45906M4W8	22525	Int Bank of Recon & Developmen			4.600	07/16/2026	0.00	20,000,000.00	
Subtotal and Balance				45,000,000.00			0.00	20,000,000.00	25,000,000.00
Issuer Subtotal				45,000,000.00			0.00	20,000,000.00	25,000,000.00
Issuer: LAIF (General Fund)									
Local Agency Investment Fund (LAIF)									
SYS6501	6501	LAIF (General Fund)			3.900		733,379.71	733,379.71	
Subtotal and Balance				75,000,000.00			733,379.71	733,379.71	75,000,000.00
Issuer Subtotal				75,000,000.00			733,379.71	733,379.71	75,000,000.00
Issuer: Los Angeles Community College									
Municipal Bonds									
54438CYL0	22439	Los Angeles Community College			1.174	08/01/2026	0.00	5,000,000.00	
Subtotal and Balance				5,000,000.00			0.00	5,000,000.00	0.00
Issuer Subtotal				5,000,000.00			0.00	5,000,000.00	0.00

County of Santa Cruz
Activity Report
July 1, 2026 - September 30, 2026

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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: Proctor & Gamble									
Medium Term Notes									
Subtotal and Balance				16,000,000.00					16,000,000.00
Issuer Subtotal				16,000,000.00			0.00	0.00	16,000,000.00
Issuer: Standard Chartered BK NY									
Negotiable CDs									
85325VRV4	22572	Standard Chartered BK NY			4.300	07/28/2026	0.00	25,000,000.00	
85325VSJ0	22574	Standard Chartered BK NY			4.070	07/21/2026	0.00	50,000,000.00	
85325VSK7	22575	Standard Chartered BK NY			4.060	08/19/2026	0.00	25,000,000.00	
Subtotal and Balance				100,000,000.00			0.00	100,000,000.00	0.00
Issuer Subtotal				100,000,000.00			0.00	100,000,000.00	0.00
Issuer: U.S. Treasury Bill									
Treasury Discounts -Amortizing									
912797RF6	22588	U.S. Treasury Bill			3.356	07/09/2026	0.00	40,000,000.00	
Subtotal and Balance				40,000,000.00			0.00	40,000,000.00	0.00
Issuer Subtotal				40,000,000.00			0.00	40,000,000.00	0.00
Issuer: U.S. Treasury Note									
U.S. Treasury Notes/ Bonds									
Subtotal and Balance				65,000,000.00					65,000,000.00
Issuer Subtotal				65,000,000.00			0.00	0.00	65,000,000.00
Issuer: Toronto Dominion Bank NY									
Negotiable CDs									
89115DPC4	22573	Toronto Dominion Bank NY			4.250	07/22/2026	0.00	25,000,000.00	
89115MEQ5	22606	Toronto Dominion Bank NY			4.650	09/30/2026	30,000,000.00	0.00	
Subtotal and Balance				25,000,000.00			30,000,000.00	25,000,000.00	30,000,000.00
Issuer Subtotal				25,000,000.00			30,000,000.00	25,000,000.00	30,000,000.00

County of Santa Cruz
Activity Report
July 1, 2026 - September 30, 2026

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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Issuer: Toyota Motor Credit Corp									
Medium Term Notes									
Subtotal and Balance				120,000,000.00					120,000,000.00
Issuer Subtotal				120,000,000.00			0.00	0.00	120,000,000.00
Issuer: University of Calif									
Municipal Bonds									
Subtotal and Balance				10,000,000.00					10,000,000.00
Issuer Subtotal				10,000,000.00			0.00	0.00	10,000,000.00
Issuer: US Bank MMMF									
Money Market Mutual Funds 02									
157 519 832 743	22283	US Bank MMMF			3.650		429,407.49	25,429,407.49	
Subtotal and Balance				50,000,000.00			429,407.49	25,429,407.49	25,000,000.00
Issuer Subtotal				50,000,000.00			429,407.49	25,429,407.49	25,000,000.00
Issuer: US Bank									
Dividends									
SYS22423	22423	US Bank			3.720		2,606.42	2,606.42	
Subtotal and Balance				0.00			2,606.42	2,606.42	0.00
Issuer Subtotal				0.000%			2,606.42	2,606.42	0.00
Issuer: U.S.Trust									
U.S. Treasury Notes/ Bonds									
91282CCW9	22507	U.S.Trust			0.750	08/31/2026	0.00	15,000,000.00	
91282CHM6	22567	U.S.Trust			4.500	07/15/2026	0.00	50,000,000.00	
91282CCP4	22568	U.S.Trust			0.625	07/31/2026	0.00	25,000,000.00	
91282CHY0	22576	U.S.Trust			4.625	09/15/2026	0.00	25,000,000.00	
91282CET4	22603	U.S.Trust			2.625	08/20/2026	25,000,000.00	0.00	
Subtotal and Balance				680,000,000.00			25,000,000.00	115,000,000.00	590,000,000.00
Issuer Subtotal				42.782%			25,000,000.00	115,000,000.00	590,000,000.00

County of Santa Cruz
Activity Report
July 1, 2026 - September 30, 2026

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Transaction Date	Par Value		Ending Balance
				Beginning Balance	Current Rate		Purchases or Deposits	Redemptions or Withdrawals	
		Total	100.000%	1,629,070,000.00			602,813,777.65	852,813,777.65	1,379,070,000.00

ACCRUED INTEREST REPORT

As of September 30, 2026

REPORT DESCRIPTION

The **Accrued Interest Report** shows the amount of interest earned, but not yet received, for each active investment within the portfolio. Within the date range, the report displays the amount of interest accrued as of the report beginning date, the amount of interest earned during the reporting period, the amount of interest recorded as received, and the ending accrued interest. What follows is a description of the report's headings.

ISSUER – Issuer is the name of the institution which issued the investment.

INVESTMENT NUMBER – The investment number is a unique number that identifies the investment position.

SECURITY TYPE – This heading is a three-character code assigned by the program to identify each type of investment.

PAR VALUE – The nominal or face value of the security.

MATURITY DATE – The maturity date is the date on when an investment will mature.

CURRENT RATE – For coupon instruments, the current rate is the coupon or interest rate at the time of purchase. For discount instruments, the current rate is the yield to maturity.

BEGINNING ACCRUED INTEREST – This column displays the amount of interest earned, but not yet received, as of the report beginning date.

INTEREST EARNED – This column shows the amount of interest earned during the selected reporting period.

INTEREST RECEIVED – This column includes the amount of interest posted as received during the selected reporting period.

ENDING ACCRUED INTEREST – This column displays the amount of interest earned, but not yet received, as of the report ending date.

County of Santa Cruz
Accrued Interest
Sorted by Fund - Fund
July 1, 2026 - September 30, 2026

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
General Fund										
912828Z78	22583	TRC	50,000,000.00	01/31/2027	1.500	312,845.30	0.00	188,513.40	375,000.00	126,358.70
912828Z78	22593	TRC	15,000,000.00	01/31/2027	1.500	77,071.82	0.00	56,554.02	95,718.23	37,907.61
91282CCW9	22507	TRC	0.00	08/31/2026	0.750	37,601.90	0.00	18,648.10	56,250.00	0.00
91282CFB2	22514	TRC	20,000,000.00	07/31/2027	2.750	229,419.89	0.00	138,243.15	275,000.00	92,663.04
91282CFH9	22515	TRC	20,000,000.00	08/31/2027	3.125	208,899.46	0.00	157,122.64	312,500.00	53,522.10
91282CCH2	22516	TRC	20,000,000.00	06/30/2028	1.250	679.35	0.00	62,500.00	0.00	63,179.35
91282CJC6	22518	TRC	30,000,000.00	10/15/2026	4.625	291,905.74	0.00	348,770.49	0.00	640,676.23
91282CDF5	22522	TRC	20,000,000.00	10/31/2028	1.375	46,331.52	0.00	68,750.00	0.00	115,081.52
91282CJR3	22523	TRC	15,000,000.00	12/31/2028	3.750	1,528.53	0.00	140,625.00	0.00	142,153.53
91282CAL5	22545	TRC	25,000,000.00	09/30/2027	0.375	23,565.57	0.00	23,566.98	46,875.00	257.55
91282CHM6	22567	TRC	0.00	07/15/2026	4.500	1,037,983.43	0.00	87,016.57	1,125,000.00	0.00
91282CCP4	22568	TRC	0.00	07/31/2026	0.625	65,176.10	0.00	12,948.90	78,125.00	0.00
91282CKZ3	22569	TRC	25,000,000.00	07/15/2027	4.375	504,575.28	0.00	274,127.17	546,875.00	231,827.45
91282CHJ3	22570	TRC	25,000,000.00	06/30/2030	3.750	2,547.55	0.00	234,375.00	0.00	236,922.55
91282CHY0	22576	TRC	0.00	09/15/2026	4.625	339,334.24	0.00	238,790.76	578,125.00	0.00
91282CCR0	22577	TRC	25,000,000.00	07/31/2028	1.000	104,281.77	0.00	62,837.80	125,000.00	42,119.57
91282CCE9	22578	TRC	25,000,000.00	05/31/2028	1.250	26,468.58	0.00	78,551.91	0.00	105,020.49
91282CJT9	22579	TRC	25,000,000.00	01/15/2027	4.000	461,325.97	0.00	250,630.55	500,000.00	211,956.52
91282CNE7	22580	TRC	25,000,000.00	05/31/2027	3.875	82,052.60	0.00	243,510.92	0.00	325,563.52
91282CNP2	22584	TRC	50,000,000.00	07/31/2027	3.875	808,183.70	0.00	486,992.93	968,750.00	326,426.63
91282CNM9	22585	TRC	50,000,000.00	07/15/2028	3.875	893,819.06	0.00	485,596.70	968,750.00	410,665.76
91282CCV1	22589	TRC	50,000,000.00	08/31/2028	1.125	188,009.51	0.00	141,410.38	281,250.00	48,169.89
91282CPT2	22592	TRC	50,000,000.00	01/15/2029	3.500	744,475.14	0.00	438,603.47	812,154.70	370,923.91
91282CKA8	22594	TRC	15,000,000.00	02/15/2027	4.125	211,947.51	0.00	155,941.58	288,863.95	79,025.14
91282CGH8	22595	TRC	50,000,000.00	01/31/2028	3.500	599,447.52	0.00	439,864.58	744,475.14	294,836.96
91282CET4	22603	TRC	25,000,000.00	05/31/2027	2.625	0.00	0.00	75,307.37	0.00	75,307.37
3130APGN9	22427	FAC	15,000,000.00	10/28/2026	1.150	30,187.50	0.00	43,125.00	0.00	73,312.50
3130B5XZ6	22564	FAC	50,000,000.00	07/22/2027	3.905	862,354.17	0.00	488,125.00	976,250.00	374,229.17
3130B76B5	22571	FAC	25,000,000.00	07/15/2030	4.140	477,250.00	0.00	258,750.00	517,500.00	218,500.00
3130BCF32	22605	FAC	50,000,000.00	08/29/2029	5.220	0.00	0.00	14,500.00	0.00	14,500.00
3136GA4A4	22554	FAC	0.00	07/20/2028	4.490	502,006.93	0.00	59,243.06	561,250.00	-0.01
3136GD3T8	22597	FAC	25,000,000.00	07/16/2029	4.071	212,031.25	0.00	254,437.50	254,437.50	212,031.25
3136GD6A6	22602	FAC	25,000,000.00	07/23/2029	4.120	194,555.56	0.00	257,500.00	257,500.00	194,555.56
3136GDRQ8	22604	FAC	25,000,000.00	08/15/2029	4.760	0.00	0.00	52,888.89	0.00	52,888.89
037833ED8	22598	MTN	20,000,000.00	02/08/2031	1.650	74,250.00	0.00	82,500.00	108,166.67	48,583.33
02079KBJ5	22599	MTN	20,000,000.00	02/15/2029	3.700	166,500.00	0.00	185,000.00	256,944.45	94,555.55
02079KBK2	22601	MTN	25,000,000.00	02/15/2031	4.100	196,458.34	0.00	256,249.99	321,736.12	130,972.21

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest.

County of Santa Cruz
Accrued Interest
Sorted by Fund - Fund

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
General Fund										
46632FXK6	22587	MTN	40,000,000.00	07/19/2028	3.850	821,333.33	0.00	385,000.00	898,333.32	308,000.01
459200KA8	22596	MTN	11,320,000.00	05/15/2029	3.500	50,625.56	0.00	99,050.00	0.00	149,675.56
742718FM6	22600	MTN	16,000,000.00	10/29/2030	1.200	33,066.67	0.00	48,000.00	0.00	81,066.67
89236TMH5	22539	MTN	25,000,000.00	07/24/2029	5.000	545,138.89	0.00	312,500.00	625,000.00	232,638.89
89236TMQ5	22544	MTN	25,000,000.00	09/28/2027	3.700	238,958.32	0.00	231,250.00	462,500.00	7,708.32
89236TLE3	22590	MTN	30,000,000.00	11/20/2030	5.550	189,625.00	0.00	416,250.00	0.00	605,875.00
89236TPN9	22591	MTN	40,000,000.00	01/28/2031	4.170	708,900.00	0.00	417,000.00	834,000.00	291,900.00
85325VRV4	22572	NCB	0.00	07/28/2026	4.300	1,003,333.33	0.00	80,625.00	1,083,958.33	0.00
85325VSJ0	22574	NCB	0.00	07/21/2026	4.070	1,735,402.77	0.00	113,055.56	1,848,458.35	-0.02
85325VSK7	22575	NCB	0.00	08/19/2026	4.060	865,569.44	0.00	138,152.78	1,003,722.23	-0.01
89115DPC4	22573	NCB	0.00	07/22/2026	4.250	991,666.66	0.00	61,979.17	1,053,645.83	0.00
89115MEQ5	22606	NCB	30,000,000.00	05/27/2027	4.650	0.00	0.00	3,875.00	0.00	3,875.00
13063DC48	22504	MUN	15,000,000.00	02/01/2028	1.700	106,250.00	0.00	63,750.00	127,500.00	42,500.00
13032UVG0	22586	MUN	1,750,000.00	06/01/2029	2.584	3,768.33	0.00	11,305.00	0.00	15,073.33
419792YR1	22421	MUN	0.00	08/01/2026	0.893	37,208.33	0.00	7,441.67	44,650.00	0.00
54438CYL0	22439	MUN	0.00	08/01/2026	1.174	24,458.33	0.00	4,891.67	29,350.00	0.00
91412HGF4	22489	MUN	3,000,000.00	05/15/2027	1.316	5,044.67	0.00	9,870.00	0.00	14,914.67
91412HGF4	22490	MUN	7,000,000.00	05/15/2027	1.316	11,770.89	0.00	23,030.00	0.00	34,800.89
SYS7015	7015	MC9	0.00	07/01/2026	3.630	1,512.50	0.00	0.00	1,512.50	0.00
SYS6501	6501	LA1	75,000,000.00		3.900	874,558.31	0.00	725,577.76	733,379.71	866,756.36
SYS22423	22423	PA4	0.00		3.720	2,330.84	0.00	795.54	2,606.42	519.96
45906M4W8	22525	MC6	0.00	02/16/2029	4.600	421,600.00	0.00	38,333.33	460,000.00	-66.67
45906M5W7	22546	MC6	25,000,000.00	10/30/2029	4.288	181,645.27	0.00	268,000.00	0.00	449,645.27
070731229	1229	RRP	0.00		3.790	0.00	0.00	0.00	0.00	0.00
SYS011119	22302	RRP	50,000,000.00		3.870	241,936.48	0.00	903,194.59	912,183.67	232,947.40
3900647464	7464	RRP	25,000,000.00		3.790	202,579.12	0.00	404,015.90	458,092.43	148,502.59
157 519 832 743	22283	RRP	25,000,000.00		3.650	140,023.01	0.00	431,997.03	429,407.49	142,612.55
Subtotal			1,379,070,000.00			19,453,376.84	0.00	12,061,059.81	22,440,797.04	9,073,639.61
Total			1,379,070,000.00			19,453,376.84	0.00	12,061,059.81	22,440,797.04	9,073,639.61

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest.

DESCRIPTION OF INVESTMENT INSTRUMENTS (1/3)

The investment activities of County Treasurers are restricted by state law to a select group of government securities and prime money market instruments. To reduce the risk inherent in any one instrument, state law further limits the percentage of the county's portfolio that can be invested in any one type of security.

The types of securities available to the County Treasurer can be divided into three main categories: 1) U.S. Treasury bills, notes and bonds. They are guaranteed by the U.S. Government and are considered to have no credit risk. They also typically have the lowest yield of the securities available for investing. 2) Securities issued by U.S. Government Agencies and Instrumentalities. These securities consist mostly of notes and debentures of agencies and government sponsored corporations. They are not guaranteed by the U.S. government and therefore have some credit risk. Their yield is typically higher than U.S. Treasury securities. 3) Prime money market securities. These consist of securities such as bankers' acceptances, certificates of deposit, commercial paper and municipal bonds. The yield is typically higher than the other types of securities in which the county invests but the risk is also higher. Through diversification and purchasing only highly rated paper, the credit risk is kept to an acceptable minimum. Each of the securities in these three categories is subject to market risk if sold prior to maturity.

What follows is a brief description of the different securities used by the County Treasurer:

U.S. Treasury Notes and Bonds are long term obligations of the U.S. government, which bear coupons. Interest is payable every six months at a rate of one-half the annual coupon. Treasury bonds and notes trading is conducted by the same securities dealers who trade T bills. In the secondary market, prices are quoted in thirty-seconds of 1 percent. Except for their maturities, notes and bonds are identical regardless of their label. Notes are issued for original maturities of one to 10 years. Bonds are issued with original maturities of more than 10 years.

U.S. Treasury Bills are unusual instruments because they bear no specific interest rate. Rather, they are issued originally at a discount from its ultimate maturity (par) value. Because T Bills are issued and traded at a discount, investors receive their returns at maturity or on subsequent resale, which ordinarily will be at prices higher than the original discount.

Federal Farm Credit Bank (FFCB) Discount Notes. FFCB is an instrumentality of the U.S. Government. The notes are the consolidated obligations of the 37 Farm Credit Banks issued on a discount basis with maturities of one year or less. Although not as risk free as Treasury notes, most experts believe the U.S. government has a moral commitment to the farm credit system.

DESCRIPTION OF INVESTMENT INSTRUMENTS (2/3)

Federal Farm Credit Bank (FFCB) debentures are consolidated obligations of the 37 Farm Credit Banks issued with a fixed coupon rate with maturities ranging from 6 months to 20 years. A debenture is a bond secured only by the general credit of the issuer.

Federal Home Loan Bank (FHLB) Discount notes are consolidated obligations of 12 District banks issued with a fixed coupon rate with maturities ranging from one to ten years. Although the FHLB operates under federal charter with government supervision, the securities are not guaranteed by the U.S. government. However, the banks are required to maintain a considerable reserve pledged against the outstanding debt. They are therefore considered relatively risk free.

Federal National Mortgage Association (Fannie Mae) Discount notes are consolidations of government chartered private corporations issued on a discount basis with maturities under one year. They are guaranteed by the corporations, but not by the U.S. government. Many investors consider the securities a moral obligation of the U.S. government and believe Congress would intervene before allowing default.

Federal National Mortgage Association (Fannie Mae) debentures are obligations issued by the Association with a fixed coupon rate and various maturities. A debenture is a bond secured only by the general credit of the issuer.

Local Agency Investment Fund (LAIF) is the state sponsored investment fund. LAIF is an excellent cash management tool to help meet most of the unexpected cash demands. Currently the state limits the county's investment in this pool to \$65,000,000.

Federal Home Loan Mortgage Corporation (Freddie Mac) Participation Notes are issues of the Federal Home Loan Mortgage Corporation representing undivided interests in conventional mortgages underwritten and previously purchased by it. The corporation guarantees the timely payment of interest at the certificate rate and full return of principal. Participation Certificates have original final payment dates of 30 years.

Government National Mortgage Association (Ginnie Mae) Pass Through are issues of the wholly owned government corporation within the Department of Housing and Urban Development. Principal and interest payment collected on mortgages in specified pools are passed through to holders of GNMA Guaranteed certificates after deduction of servicing and guaranty fees. GNMA's have original stated maturities of 12 to 40 years. For Santa Cruz County, these are used only as collateral for overnight repurchase agreements.

Municipal Securities (Notes and Bonds) Debt securities issued by state and local governments and their agencies are referred to as municipal securities. Such securities can be divided into two broad categories: bonds issued to finance capital projects and short term notes sold in anticipation of the receipt of other funds, such as taxes or proceeds from a bond issue.

DESCRIPTION OF INVESTMENT INSTRUMENTS (3/3)

Banker's Acceptances. Briefly stated, the function of the bankers' acceptance is as follows: A borrower may, under certain circumstances, obtain short-term credit by arranging for his bank to accept a time draft upon it. The bank stamps its official accepted across the face of the draft and converts it into a bankers' acceptance. The instrument, now being a bank obligation, may be sold to an acceptance dealer who, in turn, may sell it to an investor. Most BAs arise out of transactions involving the trade of manufactured goods or commodities. Maturities range from one to 180 days.

Commercial Paper is a short-term promissory note issued by a company to finance current transactions. All commercial paper is negotiable, but most commercial paper sold to investors is held to maturity. Commercial paper is issued not only by industrial and manufacturing firms but also by finance companies. Notes are sold on a discount or interest-bearing basis with maturities not exceeding 397 days.

Medium Term Notes are obligations that have maturities of less than 5 years and are issued by corporations or depositories organized and operating in the U.S.

Negotiable Certificate of Deposit (NCD). It is a receipt for deposit of a stated sum in the bank on a given date, together with a promise to redeem this sum plus interest at the indicated rate on a designated date. The instrument is negotiable because it is payable either to bearer or to the order of the depositor.

Repurchase Agreements (RP or Repos). A holder of securities sells securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. Repurchase agreements are usually for short periods of time (one to five days), when large sums are received that will be needed in the next day or two. As a result, they are often called overnight repos. From the point of view of investors, overnight repos offer several attractive features. First, by rolling overnight repos, investors can keep surplus funds invested without losing liquidity or incurring a price risk. Second, because repo transactions are secured by top quality paper, investors expose themselves to little or no risk.

Guaranteed Investment Contract (GIC). This is a fixed income agreement offered by insurance companies. GICs offer to pay a specific interest rate over a period of time. Some GICs are eligible for early redemption, with or without penalty, which eliminates market risk if interest rates rise. In Santa Cruz County it is only used for the investment of secured indebtedness and only if the note documentation permits such an investment.

Money Market (Mutual) Fund. A money market mutual fund is a pooled fund that invests in a number of money market vehicles (CD's, CP, T-Bills, etc.). These funds are designed to pay the investor interest, as well as provide full liquidity. Maturities of the underlying investments are 13 months or less.

Santa Cruz County Treasurer's
Quarterly Investment Report

**For the Quarter Ended
June 30, 2026**



Laura Bowers
Auditor – Controller – Treasurer - Tax Collector

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MEMBERS AND AUDIT PROCESS

Treasury Oversight Commission - Commissioner List			
<i>Representation:</i>	<i>Name:</i>	<i>Member Status:</i>	<i>Title:</i>
Board of Supervisors	Supervisor Manu Koenig	Voting	<i>Board of Supervisor - 1st District</i>
	Supervisor Felipe Hernandez	Alternate	<i>Board of Supervisor - 4th District</i>
Superintendent of Schools	Dr. Faris Sabbah	Voting	<i>County Superintendent of Schools</i>
	Ms. Rebecca Olker	Alternate	<i>Executive Director, Fiscal Services</i>
Special Districts	Mr. Chuck Farmer*	Voting	<i>Chief Financial Officer, Santa Cruz METRO</i>
	Ms. Nancy Dannhauser	Alternate	<i>Finance Director, Central Fire District</i>
County School Districts	Mr. Chris Schiermeyer**	Voting	<i>Superintendent, San Lorenzo Valley USD</i>
	Mr. Jim Monreal	Alternate	<i>Asst. Superintendent - Business Services</i>
Public Members	Mr. David Culver	Voting	<i>Public Member</i>
	Ms. Leslie Drate	Alternate	<i>Public Member</i>

* Treasury Oversight Commission Chairperson

** Treasury Oversight Commission Vice Chairperson

The Office of the Santa Cruz County Auditor-Controller-Treasurer-Tax Collector (ACTTC) is included in the County's annual financial audit process. The County's Audit Committee selects an external audit firm to perform the annual audit which includes a review of the internal controls of the County and the ACTTC. Additionally, in compliance with Section 26920 of the Government Code of the State of California, four quarterly audits are performed by the county auditor to review the Treasurer's statement of assets in the county treasury. These audits include manual cash counts, verification of records, and a report to the Board of Supervisors in accordance with the appropriate professional standards, as determined by the ACTTC.



COUNTY OF SANTA CRUZ

LAURA BOWERS
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

June 30, 2026

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Subject: **CERTIFICATION OF LIQUIDITY**

Dear Members of the Board:

This report shows the investment activity for the quarter ending June 30, 2026 of pooled funds on deposit with the Treasurer and that it is in compliance with California Government Code Sections 27000 et seq., 53600 et seq., and the County's 2026 Investment Policy.

Attached are summaries of the Portfolio Structure, Investment Details, Securities Activity by Brokers, and other information to provide a better understanding of the investment activity that has occurred through June 30, 2026.

Pursuant to Government Code § 53646(b)(3), I certify that because of the liquidity of the pool and the county's issuance of Teeter Notes and TRANS, the county has the ability to meet the pool's expenditure requirements for the next six months.

Respectfully submitted,

Signed by:

A handwritten signature in cursive script, appearing to read "Laura Bowers", written over a blue line.

84158B300E0243E

LAURA BOWERS

Auditor-Controller-Treasurer-Tax Collector

**Santa Cruz County Treasurer's Portfolio
As of June 30, 2026**

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO (5)	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
<u>U.S. Treasuries</u>										
US Treasury	39,287,782.22	39,970,168.89	3.51%	40,000,000.00	39,967,600.00	2.46%	100.00%	12/30/25	07/09/26	Aa1/N/A/AA+u
U.S.Trust	51,097,267.78	50,006,441.89	4.15%	50,000,000.00	50,014,500.00	3.07%	100.00%	06/11/25	07/15/26	Aa1/N/A/AA+u
US Treasury	24,160,674.21	24,932,324.22	4.02%	25,000,000.00	24,936,750.00	1.53%	100.00%	06/26/25	07/31/26	Aa1/N/A/AA+u
US Treasury	13,329,092.97	14,901,879.51	5.01%	15,000,000.00	14,925,300.00	0.92%	100.00%	10/18/23	08/31/26	Aa1/N/A/AA+u
US Treasury	25,242,165.92	25,044,447.39	3.75%	25,000,000.00	25,042,750.00	1.54%	100.00%	09/26/25	09/15/26	Aa1/N/A/AA+u
US Treasury	30,737,564.04	30,047,402.46	4.04%	30,000,000.00	30,069,300.00	1.85%	100.00%	12/28/23	10/15/26	Aa1/N/A/AA+u
US Treasury	25,410,411.01	25,061,151.52	3.53%	25,000,000.00	25,002,000.00	1.54%	100.00%	10/23/25	01/15/27	Aa1/N/A/AA+u
US Treasury	14,736,703.65	14,839,454.20	3.57%	15,000,000.00	14,801,231.77	0.91%	100.00%	02/27/26	01/31/27	Aa1/N/A/AA+u
US Treasury	49,053,583.56	49,393,748.16	3.63%	50,000,000.00	49,281,500.00	3.04%	100.00%	12/03/25	01/31/27	Aa1/N/A/AA+u
US Treasury	15,100,198.55	15,072,206.34	3.56%	15,000,000.00	15,029,211.05	0.93%	100.00%	02/27/26	02/15/27	Aa1/N/A/AA+u
US Treasury	25,533,208.46	25,085,306.49	3.49%	25,000,000.00	24,948,500.00	1.54%	100.00%	10/23/25	05/31/27	Aa1/N/A/AA+u
US Treasury	25,770,718.23	25,142,314.75	3.80%	25,000,000.00	25,062,500.00	1.55%	100.00%	06/26/25	07/15/27	Aa1/N/A/AA+u
US Treasury	50,900,050.96	50,135,461.31	3.61%	50,000,000.00	49,857,500.00	3.08%	100.00%	12/10/25	07/31/27	Aa1/N/A/AA+u
US Treasury	19,106,521.74	19,674,430.11	4.39%	20,000,000.00	19,707,000.00	1.21%	100.00%	12/12/23	07/31/27	Aa1/N/A/AA+u
US Treasury	19,318,260.65	19,730,662.05	4.39%	20,000,000.00	19,771,800.00	1.21%	100.00%	12/12/23	08/31/27	Aa1/N/A/AA+u
US Treasury	22,458,898.53	23,908,670.78	4.12%	25,000,000.00	23,864,250.00	1.47%	100.00%	10/30/24	09/30/27	Aa1/N/A/AA+u
US Treasury	50,173,493.61	50,165,914.48	3.45%	50,000,000.00	49,615,024.86	3.08%	100.00%	02/27/26	01/31/28	Aa1/N/A/AA+u
US Treasury	25,000,000.00	23,908,207.12	3.66%	25,000,000.00	23,672,000.00	1.47%	100.00%	09/26/25	05/31/28	Aa1/N/A/AA+u
US Treasury	17,592,561.14	18,893,346.68	4.33%	20,000,000.00	18,893,800.00	1.16%	100.00%	12/12/23	06/30/28	Aa1/N/A/AA+u
US Treasury	51,089,758.84	50,244,047.92	3.62%	50,000,000.00	49,713,000.00	3.09%	100.00%	12/10/25	07/15/28	Aa1/N/A/AA+u
US Treasury	25,000,000.00	23,690,343.21	3.67%	25,000,000.00	23,437,500.00	1.46%	100.00%	09/26/25	07/31/28	Aa1/N/A/AA+u
US Treasury	47,124,546.79	47,425,662.38	3.64%	50,000,000.00	46,879,000.00	2.91%	100.00%	01/21/26	08/31/28	Aa1/N/A/AA+u
US Treasury	17,794,505.49	18,881,512.97	4.03%	20,000,000.00	18,766,400.00	1.16%	100.00%	01/31/24	10/31/28	Aa1/N/A/AA+u
US Treasury	17,794,505.49	14,908,456.08	4.02%	15,000,000.00	14,851,200.00	0.92%	100.00%	01/31/24	12/31/28	Aa1/N/A/AA+u
US Treasury	49,869,485.93	49,896,981.17	3.64%	50,000,000.00	49,260,345.30	3.07%	100.00%	01/28/26	01/15/29	Aa1/N/A/AA+u
US Treasury	24,743,631.12	24,775,578.74	4.00%	25,000,000.00	24,593,750.00	1.52%	100.00%	07/09/25	06/30/30	Aa1/N/A/AA+u
Total US Treasuries	777,425,590.89	775,736,120.82	3.80%	785,000,000.00	771,963,712.98	47.68%				
<u>U.S. Government Agencies</u>										
Federal National Mort. Assoc.	25,000,000.00	25,000,000.00	4.07%	25,000,000.00	24,749,000.00	1.54%	100.00%	04/16/26	07/16/29	Aa1/AA+/AA+
Federal National Mort. Assoc.	25,000,000.00	25,000,000.00	4.12%	25,000,000.00	24,829,500.00	1.54%	100.00%	04/23/26	07/23/29	Aa1/AA+/AA+
Federal Home Loan Bank	15,000,000.00	15,000,000.00	1.15%	15,000,000.00	14,865,150.00	0.92%	100.00%	10/28/21	10/28/26	Aa1/AA+/N/A
Federal Home Loan Bank	50,000,000.00	50,000,000.00	3.91%	50,000,000.00	49,828,000.00	3.07%	100.00%	04/22/25	07/22/27	Aa1/AA+/N/A
Fannie Mae	25,000,000.00	25,000,000.00	4.49%	25,000,000.00	24,998,250.00	1.54%	100.00%	12/20/24	07/20/28	Aa1/AA+/AA+
Federal Home Loan Bank	25,000,000.00	25,000,000.00	4.14%	25,000,000.00	24,892,750.00	1.54%	100.00%	07/18/25	07/15/30	Aa1/AA+/N/A
Total Government Agencies	165,000,000.00	165,000,000.00	3.84%	165,000,000.00	164,162,650.00	10.14%				
<u>Supranationals</u>										
International Bank of Reconstruction and Development	20,000,000.00	20,000,000.00	4.60%	20,000,000.00	19,957,280.00	1.23%	30.00%	02/16/24	02/16/29	Aaa/AAA/N/A
International Bank of Reconstruction and Development	25,000,000.00	25,000,000.00	4.29%	25,000,000.00	24,987,250.00	1.54%	30.00%	11/06/24	10/30/29	Aaa/AAA/N/A
Total Supranationals	45,000,000.00	45,000,000.00	4.43%	45,000,000.00	44,944,530.00	2.77%				
<u>Medium Term Notes</u>										
Apple Inc.	18,018,433.33	18,113,433.56	3.99%	20,000,000.00	17,816,433.33	1.11%	30.00%	04/10/26	02/08/31	Aaa/AA+/N/A
Alphabet Inc.	25,098,458.33	25,102,360.23	4.19%	25,000,000.00	24,760,958.33	1.54%	30.00%	04/22/26	02/15/31	Aa2/AA+/N/A
Proctor & Gamble	14,238,506.67	14,224,856.74	4.03%	16,000,000.00	14,015,040.00	0.87%	30.00%	04/22/26	10/29/30	Aa3/AA-/N/A
IBM	11,199,976.56	11,060,708.04	4.36%	11,320,000.00	11,001,228.80	0.68%	30.00%	04/10/26	05/15/29	A3/A-/A-
Alphabet Inc.	19,988,966.67	19,999,097.60	3.94%	20,000,000.00	19,792,566.67	1.23%	30.00%	04/10/26	02/15/29	Aa2/AA+/N/A
Toyota Motor Credit Corp	24,875,000.00	24,948,311.75	3.88%	25,000,000.00	24,984,250.00	1.53%	30.00%	09/27/24	09/28/27	A1/A+/A+
JP Morgan Chase Bank NA	40,000,000.00	40,000,000.00	3.85%	40,000,000.00	39,430,400.00	2.46%	30.00%	12/19/25	07/19/28	Aa2/AA-/A+
Toyota Motor Credit Corp	25,000,000.00	25,000,000.00	5.00%	25,000,000.00	24,845,750.00	1.54%	30.00%	07/24/24	07/24/29	A1/A+/A+
Toyota Motor Credit Corp	31,957,925.00	31,521,614.84	4.26%	30,000,000.00	31,045,500.00	1.94%	30.00%	01/21/26	11/20/30	A1/A+/A+
Toyota Motor Credit Corp	40,000,000.00	40,000,000.00	4.17%	40,000,000.00	39,137,200.00	2.46%	30.00%	01/28/26	01/28/31	A1/A+/A+
Total Medium Term Notes	250,377,266.56	249,970,382.76	4.15%	252,320,000.00	246,829,327.13	15.36%				

Santa Cruz County Treasurer's Portfolio
As of June 30, 2026

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO (5)	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
<u>Negotiable CDs</u>										
Standard Chartered Bank NY	50,000,000.00	50,000,000.00	4.13%	50,000,000.00	50,005,500.00	3.07%	30.00%	08/28/25	07/21/26	P1/A1/F1
Toronto Dominion Bank NY	25,000,000.00	25,000,000.00	4.31%	25,000,000.00	25,006,250.00	1.54%	30.00%	07/30/25	07/22/26	P1/A1/F1
Standard Chartered Bank NY	25,000,000.00	25,000,000.00	4.36%	25,000,000.00	25,006,750.00	1.54%	30.00%	07/30/25	07/28/26	P1/A1/F1
Standard Chartered Bank NY	25,000,000.00	25,000,000.00	4.12%	25,000,000.00	25,001,500.00	1.54%	30.00%	08/28/25	08/19/26	P1/A1/F1
Total Negotiable CDs	125,000,000.00	125,000,000.00	4.21%	125,000,000.00	125,020,000.00	7.68%				
<u>Municipal Bonds</u>										
Los Angeles Community College	5,000,507.78	4,999,709.02	1.25%	5,000,000.00	4,988,300.00	0.31%	100.00%	11/15/21	08/01/26	Aaa/AA+/N/A
HAWAII ST	10,004,713.06	10,000,000.00	0.89%	10,000,000.00	9,972,500.00	0.61%	100.00%	08/20/21	08/01/26	Aa2/AA+/AA
University of Calif	6,284,390.00	6,843,195.02	4.13%	7,000,000.00	6,836,410.00	0.42%	100.00%	05/22/23	05/15/27	Aa2/AA/AA
University of Calif	2,706,569.00	2,935,810.27	3.99%	3,000,000.00	2,929,890.00	0.18%	100.00%	05/18/23	05/15/27	Aa2/AA/AA
State of California	13,090,641.67	14,283,229.58	5.10%	15,000,000.00	14,413,350.00	0.88%	100.00%	05/18/23	02/01/28	Aa2/AA-/AA
CA State Health Facilities Financin	1,690,392.28	1,697,991.66	3.68%	1,750,000.00	1,659,175.00	0.10%	100.00%	12/17/25	06/01/29	Aa3/AA-/AA-
Total Municipal Bonds	38,777,213.79	40,759,935.55	3.29%	41,750,000.00	40,799,625.00	2.51%				
<u>Checking (4)</u>										
US Bank Checking	10,531,654.32	10,531,654.32	0.00%	10,531,654.32	10,531,654.32	0.65%	100.00%	NA	NA	NA/NA/NA
Total Checking	10,531,654.32	10,531,654.32	0.00%	10,531,654.32	10,531,654.32	0.65%				
<u>Money Market Funds (3)</u>										
US Bank	0.00	0.00	3.58%	0.00	0.00	0.00%	100.00%	NA	NA	NA/NA/NA
US Bank MMMF	50,000,000.00	50,000,000.00	3.46%	50,000,000.00	50,000,000.00	3.07%	20.00%	NA	NA	NA/NA/NA
Fidelity FRGXX	25,000,000.00	25,000,000.00	3.57%	25,000,000.00	25,000,000.00	1.54%	20.00%	NA	NA	AAA-mf/AAA/NA
Bank of Montreal	0.00	0.00	3.79%	0.00	0.00	0.00%	100.00%	NA	NA	NA/NA/NA
Total Money Market Funds	75,000,000.00	75,000,000.00	3.50%	75,000,000.00	75,000,000.00	4.61%				
<u>Miscellaneous Investments</u>										
CAMP	50,000,000.00	50,000,000.00	3.77%	50,000,000.00	50,000,000.00	3.07%	25.00%	NA	NA	NA/AA/NA
LAIF (General Fund)	75,000,000.00	75,000,000.00	3.81%	75,000,000.00	75,000,000.00	4.61%	10.00%	NA	NA	NA/NA/NA
Santa Cruz County Auditor	15,000,000.00	15,000,000.00	3.68%	15,000,000.00	15,000,000.00	0.92%	100.00%	NA	NA	NA/NA/NA
Total Misc. Investments	140,000,000.00	140,000,000.00	3.78%	140,000,000.00	140,000,000.00	8.60%				
GRAND TOTAL	\$1,627,111,725.56	\$1,626,998,093.45	3.85%	\$1,639,601,654.32	\$1,619,251,499.43	100%				

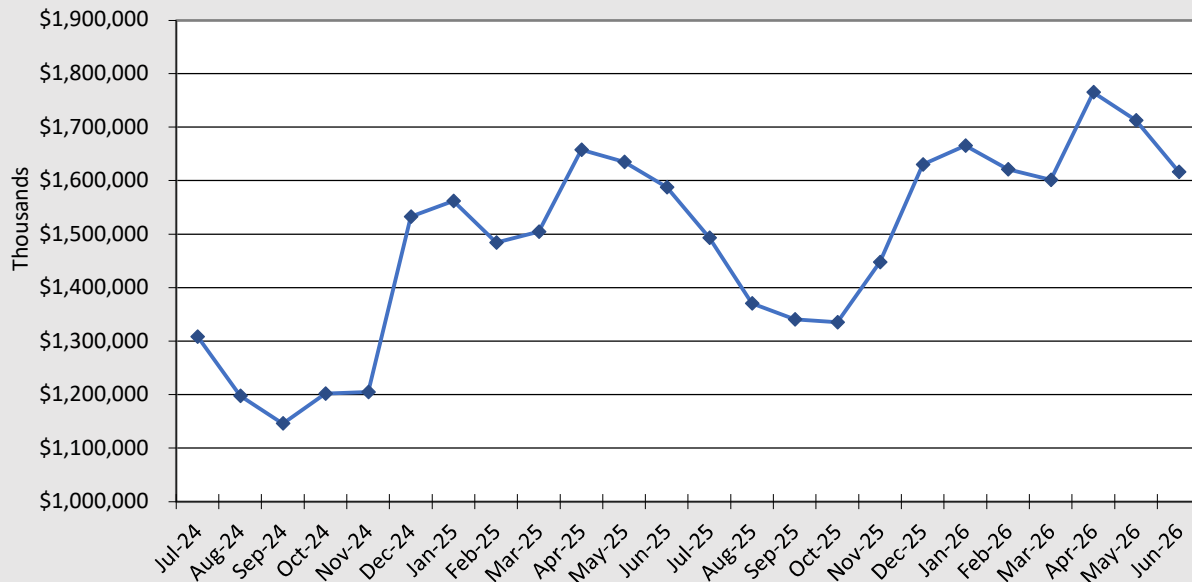
County of Santa Cruz Investment Pool

Portfolio Size and Composition

June 30, 2026

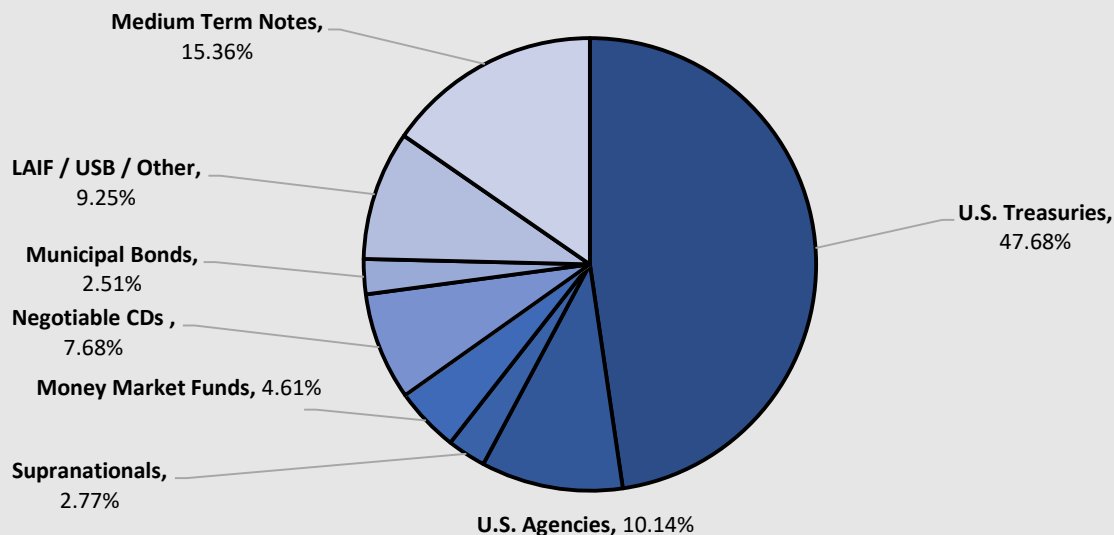
Monthly Portfolio Balance Trend

Historic review of monthly balance trends from July 2024 to June 2026. Two years ago, portfolio balances were approximately \$1.31 billion compared to our reported amount of \$1.62 billion.



Portfolio Composition

Investment breakdown of the County Investment Pool as of June 2026. U.S Treasury and U.S Agency bonds are approximately 58% of the portfolio. Treasury bonds are one of the safest and most liquid investments in the United States, rated as prime/high investment grade securities.



County of Santa Cruz Investment Pool

Portfolio Net Yield

June 30, 2026

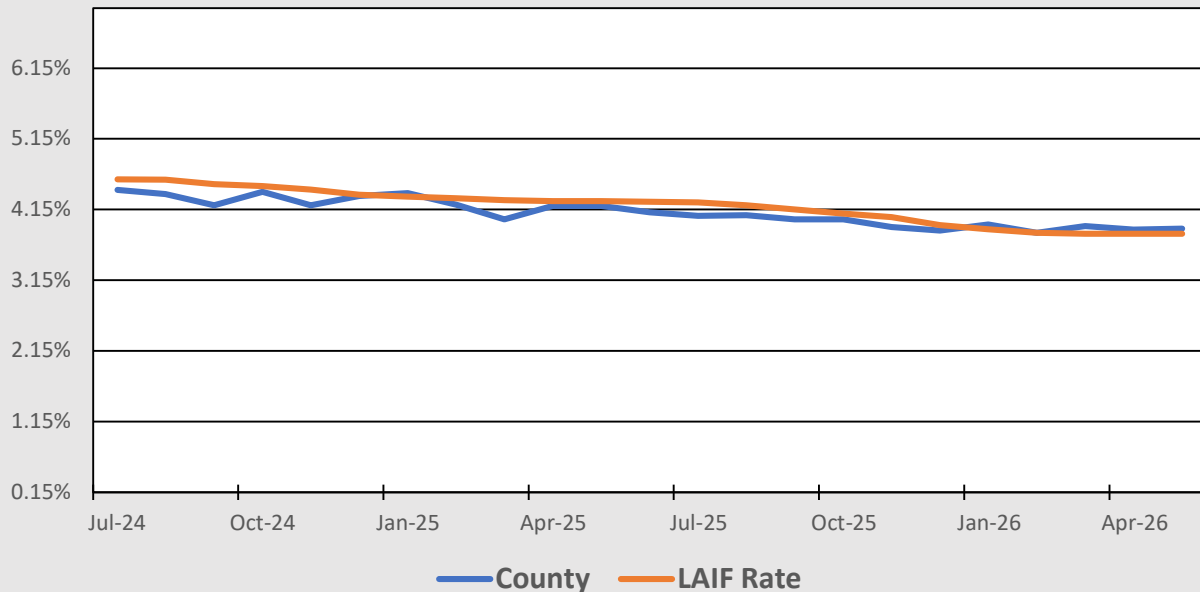
Apportionment Rate History

Current and historic review of the County Investment Pool with our closest benchmark, LAIF (Local Agency Investment Fund) managed by the State of California. As of June 2026, the apportionment rate of the County Investment Pool is a 3.88% yield, versus a 3.81% yield from LAIF.

<i>Date</i>	<i>County</i>	<i>LAIF</i>	<i>Difference</i>
Jun-25	4.20%	4.27%	-0.07%
Jul-25	4.11%	4.26%	-0.15%
Aug-25	4.06%	4.25%	-0.19%
Sep-25	4.07%	4.21%	-0.14%
Oct-25	4.01%	4.15%	-0.14%
Nov-25	4.01%	4.09%	-0.08%
Dec-25	3.90%	4.04%	-0.14%
Jan-26	3.85%	3.93%	-0.08%
Feb-26	3.94%	3.87%	0.07%
Mar-26	3.82%	3.82%	0.00%
Apr-26	3.92%	3.81%	0.11%
May-26	3.87%	3.81%	0.06%
Jun-26	3.88%	3.81%	0.07%

Net Yield Trend

Yields are tracked on a monthly basis between the County Investment Pool (blue) and LAIF (orange), our closest benchmark. Participants of LAIF are exclusively California Local Agencies and Special Districts, per section 16429.1 of the CA gov code. LAIF's investment portfolio is over \$30 billion.



County of Santa Cruz Investment Pool

Maturity Distribution

June 30, 2026

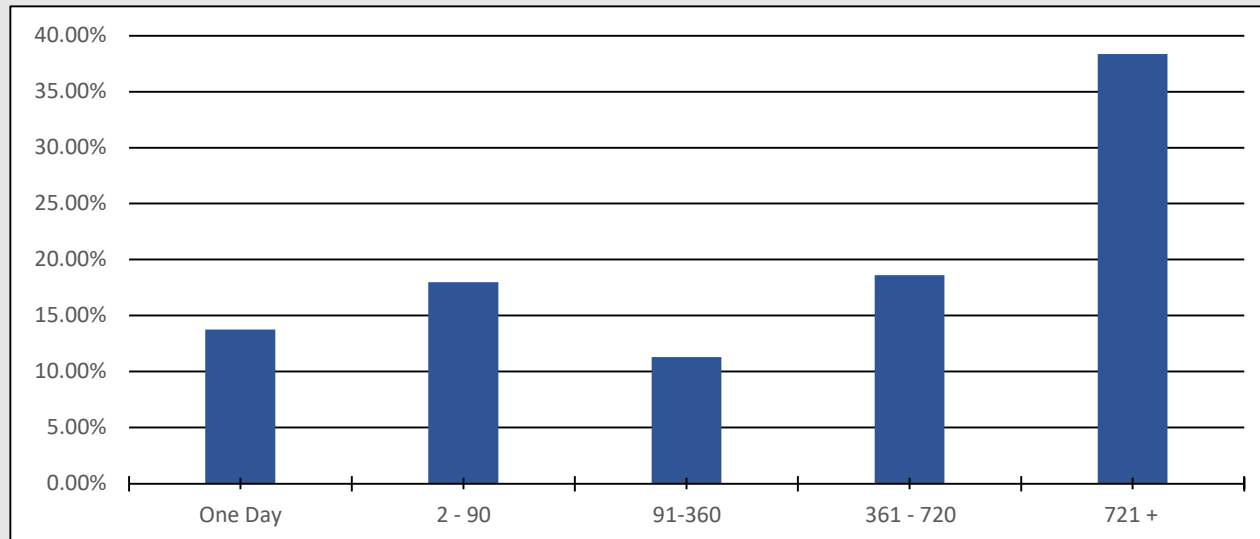
Maturity Classification and Liquidity Review

Investment breakdown based on maturity, as of June 2026. Upon maturity date, the portfolio will receive the investment's face value in cash. These values inherently effect the portfolio's WAM (Weighted Average Maturity) calculated in days, as well as the overall Duration. As of June 30, 2026, the portfolio's average investment takes approximately 537 days to mature.

Category:	Current Reported Values:	Historic Values: <i>Last Quarter Last Year Last 2 yrs.</i>		
	June 30, 2026	3/31/26	6/30/25	6/30/24
One Day	13.76%	13.69%	20.58%	22.18%
2 - 90	17.99%	7.59%	17.38%	20.70%
91-360	11.28%	27.02%	20.90%	17.06%
361 - 720	18.60%	19.12%	11.28%	17.06%
721 +	38.37%	32.59%	29.86%	23.00%
WAM	537	518	431	425
Duration	1.49	1.44	1.2	1.18

Portfolio Maturity Distribution

Current allocation of maturities as of June 2026. The County Investment Pool is currently very liquid, holding around 31.7% of Cash, and Cash-Equivalent securities (bonds and other investments maturing within 90 days).



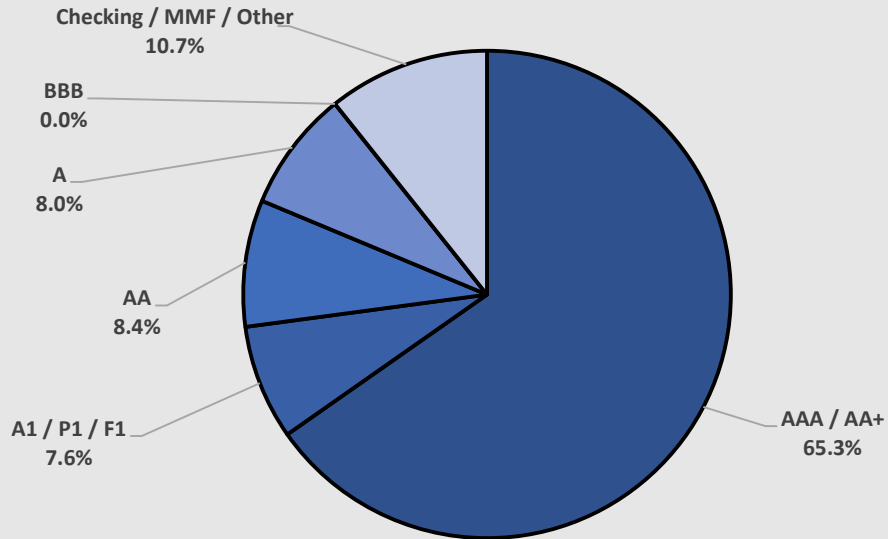
County of Santa Cruz Investment Pool

Credit Quality

June 30, 2026

Credit Rating Composition

Safety is the primary objective within the County Investment Pool, and CA state codes 27000.5 and 53600.5. As of June 2026, 73% of the portfolio is invested in the highest rated securities (AAA for long term, and A1 / P1 / F1 for short term). Counties within the State of California have strict investment standards and can only invest in highly rated, investment grade securities.



Credit Breakdown

Current and historic values based on credit rating and outstanding cash accounts. The State of California's LAIF fund is unrated, but is governed by the same investment restrictions as the County Investment Pool, per CA government codes 16430 and 16480.4.

Rating Category	Current Reported Values:		Historic Values: <i>Last Quarter Last Year Last 2 yrs.</i>		
	June 30, 2026		3/31/26	6/30/25	6/30/24
	\$ (mm)	%			
AAA / AA+	\$ 1,070	65.26%	62.17%	69.09%	68.38%
AA	\$ 138	8.40%	4.66%	2.47%	5.86%
A	\$ 131	8.01%	11.23%	10.04%	10.56%
A1 / P1 / F1	\$ 125	7.62%	10.62%	9.14%	8.54%
BBB	\$ -	0.00%	1.52%	2.13%	0.00%
Checking	\$ 11	0.64%	1.00%	0.73%	1.86%
Money Market	\$ 75	4.57%	4.25%	3.05%	4.23%
LAIF (unrated)	\$ 90	5.49%	4.55%	3.35%	0.57%

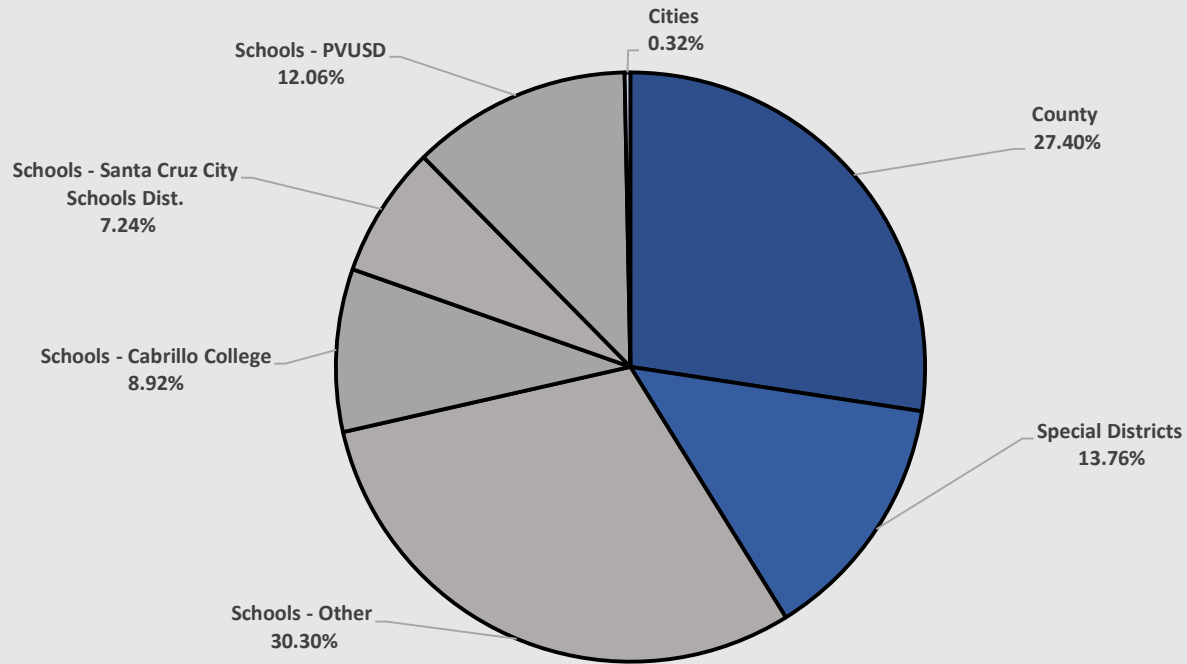
County of Santa Cruz Investment Pool

Source of Funds

June 30, 2026

Source of Funds Composition

The County Investment Pool is composed of four main participants: County School Districts, Special Districts within Santa Cruz County, County Funds, and Cities within Santa Cruz County.



Funds Breakdown

The largest participant with the highest deposited funds is the Schools category. This category holds around 59% of the County Investment Pool. The second largest participant is the County category, which consists of around 27% of the County Investment Pool.

Participant Category	Current Reported Values:	Historic Values:		
	June 30, 2026	3/31/2026	6/30/2025	6/30/2024
County	27.40%	33.79%	29.65%	30.35%
Special Districts	13.76%	12.18%	14.95%	18.30%
Schools	58.52%	53.99%	55.02%	51.04%
Cities	0.32%	0.04%	0.38%	0.31%

DETAILED LIST OF INVESTMENTS OUTSTANDING

As of June 30, 2026

REPORT DESCRIPTION

The **Detailed List of Investments Outstanding** lists active investments in the portfolio on a specific date providing information on the market values, book values, interest rates and yields. It is arranged so that the securities of the same type are grouped together. What follows is a description of the abbreviations used in the report.

CUSIP – The CUSIP number is a 9-character alphanumeric code which identifies a North American financial security for the purposes of facilitating clearing and settlement of trades.

INVESTMENT NUMBER – This is a unique system-generated number assigned to the security. Assigned by the County for internal identification purposes.

ISSUER – The issuer named is the name of the institution which issued the bond.

PURCHASE DATE – This is the date on which the security was purchased.

PAR VALUE – The nominal or face value of a bond. This is the amount that will be received at maturity with accrued interest. It is also the amount that is used in calculating the interest received on the bond.

MARKET VALUE – Market value is the dollar amount the security could have been sold for on the report date. By comparing this number to the book value one is able to determine what, if any, loss or gain we would realize if we were to sell the bond in the open market.

BOOK VALUE – The original cost for each investment adjusted for amortization of premiums or accretions of discounts to the date of the report. Amortizations and accretions are calculated on a straight line basis.

STATED RATE – In most cases this is the coupon rate (rate of interest) set on a bond at the issue date by the issuer. If the security has no coupon (discount note, UST Bill or CP) then the stated rate is the yield to maturity on the date that the bond is purchased. The stated rate is not intended for comparing yields between different investments because the item may have been purchased at a discount or premium to par.

YTM – This is the Yield to Maturity. This is what the yield will be on the bond if it is held to maturity.

DAYS TO MATURITY – This is the number of days remaining between the report date and the maturity date.

MATURITY DATE – The maturity date is the date when a bond matures. On the maturity date an issuer of a security will pay the holder of the security the par value plus any accrued interest earned on the security from the date of last distribution.

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June 30, 2026**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
U.S. Treasury Notes/ Bonds	745,000,000.00	731,996,112.98	726,857,225.52	45.30	859	488	3.760	3.812
Federal Agency Issues - Coupon	165,000,000.00	164,162,650.00	165,000,000.00	10.28	1,249	803	3.785	3.838
Medium Term Notes	252,320,000.00	246,829,327.13	249,843,294.33	15.57	1,490	1,252	4.098	4.155
Negotiable CDs	125,000,000.00	125,020,000.00	125,000,000.00	7.79	346	27	4.150	4.208
Municipal Bonds	41,750,000.00	40,799,625.00	38,707,162.50	2.41	1,613	328	3.176	3.220
Santa Cruz County Auditor Loan	15,000,000.00	15,000,000.00	15,000,000.00	0.93	1	0	3.630	3.680
Local Agency Investment Fund (LAIF)	75,000,000.00	75,000,000.00	75,000,000.00	4.67	1	1	3.758	3.810
Treasury Discounts -Amortizing	40,000,000.00	39,967,600.00	39,287,782.22	2.45	191	8	3.462	3.510
Supranationals	45,000,000.00	44,944,530.00	45,000,000.00	2.80	1,823	1,103	4.367	4.427
Money Market Mutual Funds 02	125,000,000.00	125,000,000.00	125,000,000.00	7.79	1	1	3.557	3.606
	1,629,070,000.00	1,608,719,845.11	1,604,695,464.57	100.00%	871	540	3.824	3.877
Investments								

Total Earnings	June 30 Month Ending	Fiscal Year To Date	Fiscal Year Ending
Current Year	4,591,229.06	59,722,722.18	59,722,722.18
Average Daily Balance	1,662,576,338.66	1,556,745,191.95	
Effective Rate of Return	3.36%	3.84%	

Santa Cruz County Treasurer,

Reporting period 06/01/2026-06/30/2026

Data Updated: SET_QE: 07/20/2026 14:04

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June 30, 2026

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
U.S. Treasury Notes/ Bonds												
91282CHM6	22567	U.S.Trust		06/11/2025	50,000,000.00	50,014,500.00	50,183,593.75	4.500	4.093	4.150	14	07/15/2026
91282CCP4	22568	U.S.Trust		06/26/2025	25,000,000.00	24,936,750.00	24,097,656.25	0.625	3.967	4.022	30	07/31/2026
91282CCW9	22507	U.S.Trust		10/18/2023	15,000,000.00	14,925,300.00	13,314,257.81	0.750	4.936	5.005	61	08/31/2026
91282CHY0	22576	U.S.Trust		09/26/2025	25,000,000.00	25,042,750.00	25,207,031.25	4.625	3.695	3.746	76	09/15/2026
91282CJC6	22518	U.S.Trust		12/28/2023	30,000,000.00	30,069,300.00	30,457,031.25	4.625	3.986	4.042	106	10/15/2026
91282CJT9	22579	U.S.Trust		10/23/2025	25,000,000.00	25,002,000.00	25,138,671.88	4.000	3.483	3.531	198	01/15/2027
912828Z78	22583	U.S. Treasury Note		12/03/2025	50,000,000.00	49,281,500.00	48,798,828.13	1.500	3.582	3.632	214	01/31/2027
912828Z78	22593	U.S. Treasury Note		02/27/2026	15,000,000.00	14,801,231.77	14,736,703.65	1.500	3.519	3.568	214	01/31/2027
91282CKA8	22594	U.S.Trust		02/27/2026	15,000,000.00	15,029,211.05	15,100,198.55	4.125	3.511	3.560	229	02/15/2027
91282CNE7	22580	U.S.Trust		10/23/2025	25,000,000.00	24,948,500.00	25,149,414.06	3.875	3.439	3.487	334	05/31/2027
91282CKZ3	22569	U.S.Trust		06/26/2025	25,000,000.00	25,062,500.00	25,281,250.00	4.375	3.747	3.799	379	07/15/2027
91282CFB2	22514	U.S.Trust		12/12/2023	20,000,000.00	19,707,000.00	18,906,250.00	2.750	4.333	4.393	395	07/31/2027
91282CNP2	22584	U.S.Trust		12/10/2025	50,000,000.00	49,857,500.00	50,205,078.13	3.875	3.564	3.613	395	07/31/2027
91282CFH9	22515	U.S.Trust		12/12/2023	20,000,000.00	19,771,800.00	19,141,406.25	3.125	4.328	4.388	426	08/31/2027
91282CAL5	22545	U.S.Trust		10/30/2024	25,000,000.00	23,864,250.00	22,451,171.88	0.375	4.063	4.119	456	09/30/2027
91282CGH8	22595	U.S.Trust		02/27/2026	50,000,000.00	49,615,024.86	50,173,493.61	3.500	3.405	3.452	579	01/31/2028
91282CCE9	22578	U.S.Trust		09/26/2025	25,000,000.00	23,672,000.00	23,474,609.38	1.250	3.612	3.663	700	05/31/2028
91282CCH2	22516	U.S.Trust		12/12/2023	20,000,000.00	18,893,800.00	17,480,468.75	1.250	4.270	4.329	730	06/30/2028
91282CNM9	22585	U.S.Trust		12/10/2025	50,000,000.00	49,713,000.00	50,310,546.88	3.875	3.572	3.621	745	07/15/2028
91282CCR0	22577	U.S.Trust		09/26/2025	25,000,000.00	23,437,500.00	23,211,914.06	1.000	3.620	3.670	761	07/31/2028
91282CCV1	22589	U.S.Trust		01/21/2026	50,000,000.00	46,879,000.00	46,902,343.75	1.125	3.589	3.639	792	08/31/2028
91282CDF5	22522	U.S.Trust		01/31/2024	20,000,000.00	18,766,400.00	17,725,000.00	1.375	3.976	4.031	853	10/31/2028
91282CJR3	22523	U.S.Trust		01/31/2024	15,000,000.00	14,851,200.00	14,820,117.19	3.750	3.966	4.021	914	12/31/2028
91282CPT2	22592	U.S.Trust		01/28/2026	50,000,000.00	49,260,345.30	49,869,485.93	3.500	3.589	3.638	929	01/15/2029
91282CHJ3	22570	U.S.Trust		07/09/2025	25,000,000.00	24,593,750.00	24,720,703.13	3.750	3.945	4.000	1,460	06/30/2030
Subtotal and Average			726,857,225.52		745,000,000.00	731,996,112.98	726,857,225.52		3.760	3.812	488	
Federal Agency Issues - Coupon												
3130APGN9	22427	Federal Home Loan Bank		10/28/2021	15,000,000.00	14,865,150.00	15,000,000.00	1.150	1.134	1.150	119	10/28/2026
3130B5XZ6	22564	Federal Home Loan Bank		04/22/2025	50,000,000.00	49,828,000.00	50,000,000.00	3.905	3.854	3.907	386	07/22/2027
3136GA4A4	22554	Federal National Mort. Assoc.		12/20/2024	25,000,000.00	24,998,250.00	25,000,000.00	4.490	4.430	4.491	750	07/20/2028
3136GD3T8	22597	Federal National Mort. Assoc.		04/16/2026	25,000,000.00	24,749,000.00	25,000,000.00	4.071	4.017	4.073	1,111	07/16/2029
3136GD6A6	22602	Federal National Mort. Assoc.		04/23/2026	25,000,000.00	24,829,500.00	25,000,000.00	4.120	4.065	4.122	1,118	07/23/2029
3130B76B5	22571	Federal Home Loan Bank		07/18/2025	25,000,000.00	24,892,750.00	25,000,000.00	4.140	4.083	4.140	1,475	07/15/2030
Subtotal and Average			165,000,000.00		165,000,000.00	164,162,650.00	165,000,000.00		3.785	3.838	803	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Medium Term Notes												
89236TMQ5	22544	Toyota Motor Credit Corp		09/27/2024	25,000,000.00	24,984,250.00	24,875,000.00	3.700	3.825	3.878	454	09/28/2027
46632FXK6	22587	Chase Bank		12/19/2025	40,000,000.00	39,430,400.00	40,000,000.00	3.850	3.796	3.849	749	07/19/2028
02079KBJ5	22599	Alphabet Inc.		04/10/2026	20,000,000.00	19,792,566.67	19,988,966.67	3.700	3.885	3.939	960	02/15/2029
459200KA8	22596	IBM		04/10/2026	11,320,000.00	11,001,228.80	11,040,396.00	3.500	4.300	4.360	1,049	05/15/2029
89236TMH5	22539	Toyota Motor Credit Corp		07/24/2024	25,000,000.00	24,845,750.00	25,000,000.00	5.000	4.932	5.000	1,119	07/24/2029
742718FM6	22600	Proctor & Gamble		04/22/2026	16,000,000.00	14,015,040.00	14,146,240.00	1.200	3.975	4.030	1,581	10/29/2030
89236TLE3	22590	Toyota Motor Credit Corp		01/21/2026	30,000,000.00	31,045,500.00	31,675,800.00	5.550	4.199	4.257	1,603	11/20/2030
89236TPN9	22591	Toyota Motor Credit Corp		01/28/2026	40,000,000.00	39,137,200.00	40,000,000.00	4.170	4.113	4.170	1,672	01/28/2031
037833ED8	22598	Apple Inc		04/10/2026	20,000,000.00	17,816,433.33	18,018,433.33	1.650	3.937	3.992	1,683	02/08/2031
02079KBK2	22601	Alphabet Inc.		04/22/2026	25,000,000.00	24,760,958.33	25,098,458.33	4.100	4.132	4.190	1,690	02/15/2031
Subtotal and Average			249,843,294.33		252,320,000.00	246,829,327.13	249,843,294.33		4.098	4.155	1,252	
Negotiable CDs												
85325VSJ0	22574	Standard Chartered BK NY		08/28/2025	50,000,000.00	50,005,500.00	50,000,000.00	4.070	4.070	4.127	20	07/21/2026
89115DPC4	22573	Toronto Dominion Bank NY		07/30/2025	25,000,000.00	25,006,250.00	25,000,000.00	4.250	4.250	4.309	21	07/22/2026
85325VRV4	22572	Standard Chartered BK NY		07/30/2025	25,000,000.00	25,006,750.00	25,000,000.00	4.300	4.300	4.360	27	07/28/2026
85325VSK7	22575	Standard Chartered BK NY		08/28/2025	25,000,000.00	25,001,500.00	25,000,000.00	4.060	4.060	4.116	49	08/19/2026
Subtotal and Average			125,000,000.00		125,000,000.00	125,020,000.00	125,000,000.00		4.150	4.208	27	
Municipal Bonds												
419792YR1	22421	HAWAII ST		08/20/2021	10,000,000.00	9,972,500.00	10,000,000.00	0.893	0.881	0.893	31	08/01/2026
54438CYL0	22439	Los Angeles Community College		11/15/2021	5,000,000.00	4,988,300.00	4,983,550.00	1.174	1.229	1.246	31	08/01/2026
91412HGF4	22489	University of Calif		05/18/2023	3,000,000.00	2,929,890.00	2,706,240.00	1.316	3.939	3.994	318	05/15/2027
91412HGF4	22490	University of Calif		05/22/2023	7,000,000.00	6,836,410.00	6,284,390.00	1.316	4.071	4.127	318	05/15/2027
13063DC48	22504	State of California		10/06/2023	15,000,000.00	14,413,350.00	13,044,600.00	1.700	5.030	5.100	580	02/01/2028
13032UVG0	22586	Calif Health Fac Fin & Auth		12/17/2025	1,750,000.00	1,659,175.00	1,688,382.50	2.584	3.628	3.678	1,066	06/01/2029
Subtotal and Average			38,705,152.72		41,750,000.00	40,799,625.00	38,707,162.50		3.176	3.220	328	
Santa Cruz County Auditor Loan												
SYS7015	7015	Santa Cruz County Auditor		06/30/2026	15,000,000.00	15,000,000.00	15,000,000.00	3.630	3.630	3.680	0	07/01/2026
Subtotal and Average			500,000.00		15,000,000.00	15,000,000.00	15,000,000.00		3.630	3.680	0	
Local Agency Investment Fund (LAIF)												
SYS6501	6501	LAIF (General Fund)			75,000,000.00	75,000,000.00	75,000,000.00	3.810	3.758	3.810	1	
Subtotal and Average			75,000,000.00		75,000,000.00	75,000,000.00	75,000,000.00		3.758	3.810	1	

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
Dividends												
SYS22423	22423	US Bank			0.00	0.00	0.00	3.530	3.530	3.579	1	
		Subtotal and Average	666.19		0.00	0.00	0.00		0.000	0.000	0	
Treasury Discounts -Amortizing												
912797RF6	22588	U.S. Treasury Bill		12/30/2025	40,000,000.00	39,967,600.00	39,287,782.22	3.356	3.462	3.510	8	07/09/2026
		Subtotal and Average	39,287,782.22		40,000,000.00	39,967,600.00	39,287,782.22		3.462	3.510	8	
Supranationals												
45906M4W8	22525	Int Bank of Recon & Developmen		02/16/2024	20,000,000.00	19,957,280.00	20,000,000.00	4.600	4.538	4.601	961	02/16/2029
45906M5W7	22546	Int Bank of Recon & Developmen		11/06/2024	25,000,000.00	24,987,250.00	25,000,000.00	4.288	4.229	4.288	1,217	10/30/2029
		Subtotal and Average	45,000,000.00		45,000,000.00	44,944,530.00	45,000,000.00		4.367	4.427	1,103	
Money Market Mutual Funds 02												
070731229	1229	Bank of Montreal		12/07/2022	0.00	0.00	0.00	3.790	3.738	3.790	1	
SYS011119	22302	CAMP		01/11/2019	50,000,000.00	50,000,000.00	50,000,000.00	3.770	3.718	3.770	1	
3900647464	7464	Fidelity Investments		09/23/2025	25,000,000.00	25,000,000.00	25,000,000.00	3.570	3.521	3.570	1	
157 519 832 743	22283	US Bank MMMF		10/23/2018	50,000,000.00	50,000,000.00	50,000,000.00	3.460	3.413	3.460	1	
		Subtotal and Average	197,382,217.68		125,000,000.00	125,000,000.00	125,000,000.00		3.557	3.606	1	
Total and Average			1,662,576,338.66		1,629,070,000.00	1,608,719,845.11	1,604,695,464.57		3.824	3.877	540	

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Portfolio Management
Portfolio Details - Cash
June 30, 2026

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity
Average Balance			0.00								0
Total Cash and Investments			1,662,576,338.66		1,629,070,000.00	1,608,719,845.11	1,604,695,464.57		3.824	3.877	540

Securities Activity By Broker

A Report on the
Investment Transactions by Broker-Dealer
For the Period Indicated

Portfolio SCRZ
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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value	Current Rate	Transaction Date	Purchases or	Par Value	Redemptions or	Ending
				Beginning Balance			Deposits	Withdrawals	Balance	
Dealer: Fidelity Investments										
Money Market Mutual Funds 02										
3900647464	7464	Fidelity Investments			3.570		150,839,722.76		145,839,722.76	
		Subtotal and Balance					150,839,722.76		145,839,722.76	25,000,000.00
		Dealer Subtotal	1.535%				150,839,722.76		145,839,722.76	25,000,000.00
Dealer: Jeffries & Company, INC										
U.S. Treasury Notes/ Bonds										
912828R36	22563	U.S. Treasury Note			1.625	05/15/2026	0.00		25,000,000.00	
		Subtotal and Balance					0.00		25,000,000.00	110,000,000.00
Treasury Discounts -Amortizing										
		Subtotal and Balance								40,000,000.00
		Dealer Subtotal	9.208%				0.00		25,000,000.00	150,000,000.00
Dealer: Keybanc Capital Mark										
Federal Agency Issues - Coupon										
3136GD3T8	22597	Federal National Mort. Assoc.			4.071	04/16/2026	25,000,000.00		0.00	
3136GD6A6	22602	Federal National Mort. Assoc.			4.120	04/23/2026	25,000,000.00		0.00	
		Subtotal and Balance					50,000,000.00		0.00	50,000,000.00
		Dealer Subtotal	3.069%				50,000,000.00		0.00	50,000,000.00
Dealer: LAIF (General Fund)										
Local Agency Investment Fund (LAIF)										
SYS6501	6501	LAIF (General Fund)			3.810		715,347.05		715,347.05	
		Subtotal and Balance					715,347.05		715,347.05	75,000,000.00
		Dealer Subtotal	4.604%				715,347.05		715,347.05	75,000,000.00
Dealer: Piper Sandler										
U.S. Treasury Notes/ Bonds										
		Subtotal and Balance								135,000,000.00

CC - Quarterly Investment Report
Activity Report
April 1, 2026 - June 30, 2026

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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Dealer: Piper Sandler									
Negotiable CDs									
05593DLD3	22582	BNP Paribas NY Branch			3.980	05/06/2026	0.00	50,000,000.00	
Subtotal and Balance				75,000,000.00			0.00	50,000,000.00	25,000,000.00
Municipal Bonds									
Subtotal and Balance				15,000,000.00					15,000,000.00
Dealer Subtotal			10.742%	225,000,000.00			0.00	50,000,000.00	175,000,000.00
Dealer: Prebon									
Negotiable CDs									
Subtotal and Balance				75,000,000.00					75,000,000.00
Dealer Subtotal			4.604%	75,000,000.00			0.00	0.00	75,000,000.00
Dealer: Royal Bank Canada Capital Mrkt									
U.S. Treasury Notes/ Bonds									
91282CHB0	22566	U.S.Trust			3.625	05/15/2026	0.00	25,000,000.00	
Subtotal and Balance				355,000,000.00			0.00	25,000,000.00	330,000,000.00
Negotiable CDs									
Subtotal and Balance				25,000,000.00					25,000,000.00
Dealer Subtotal			21.792%	380,000,000.00			0.00	25,000,000.00	355,000,000.00
Dealer: Raymond James Financial Inc									
Federal Agency Issues - Coupon									
Subtotal and Balance				75,000,000.00					75,000,000.00
Medium Term Notes									
742718FM6	22600	Proctor & Gamble			1.200	04/22/2026	16,000,000.00	0.00	
02079KBK2	22601	Alphabet Inc.			4.100	04/22/2026	25,000,000.00	0.00	
Subtotal and Balance				70,000,000.00			41,000,000.00	0.00	111,000,000.00
Municipal Bonds									

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Activity Report
April 1, 2026 - June 30, 2026

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CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
Subtotal and Balance				26,750,000.00					26,750,000.00
Supranationals									
Subtotal and Balance				25,000,000.00					25,000,000.00
Dealer Subtotal				14.594%	196,750,000.00		41,000,000.00	0.00	237,750,000.00
Dealer: SANTA CRUZ COUNTY									
Santa Cruz County Auditor Loan									
SYS7015	7015	Santa Cruz County Auditor			3.630	06/30/2026	15,000,000.00	0.00	
Subtotal and Balance				0.00			15,000,000.00	0.00	15,000,000.00
Dealer Subtotal				0.921%	0.00		15,000,000.00	0.00	15,000,000.00
Dealer: Stifel Nicolaus & Co									
U.S. Treasury Notes/ Bonds									
Subtotal and Balance				100,000,000.00					100,000,000.00
Federal Agency Issues - Coupon									
Subtotal and Balance				15,000,000.00					15,000,000.00
Medium Term Notes									
459200KA8	22596	IBM			3.500	04/10/2026	11,320,000.00	0.00	
Subtotal and Balance				0.00			11,320,000.00	0.00	11,320,000.00
Dealer Subtotal				7.754%	115,000,000.00		11,320,000.00	0.00	126,320,000.00
Dealer: US Bank MMMF									
Dividends									
SYS22423	22423	US Bank			3.530		3,045.17	3,045.17	
Subtotal and Balance				0.00			3,045.17	3,045.17	0.00
Money Market Mutual Funds 02									
157 519 832 743	22283	US Bank MMMF			3.460		429,253.95	429,253.95	
Subtotal and Balance				50,000,000.00			429,253.95	429,253.95	50,000,000.00
Dealer Subtotal				3.069%	50,000,000.00		432,299.12	432,299.12	50,000,000.00
Total				100.000%	1,630,750,000.00		650,683,764.98	652,363,764.98	1,629,070,000.00

Portfolio SCRZ

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ACCRUED INTEREST REPORT

As of June 30, 2026

REPORT DESCRIPTION

The **Accrued Interest Report** shows the amount of interest earned, but not yet received, for each active investment within the portfolio. Within the date range, the report displays the amount of interest accrued as of the report beginning date, the amount of interest earned during the reporting period, the amount of interest recorded as received, and the ending accrued interest. What follows is a description of the report's headings.

ISSUER – Issuer is the name of the institution which issued the investment.

INVESTMENT NUMBER – The investment number is a unique number that identifies the investment position.

SECURITY TYPE – This heading is a three-character code assigned by the program to identify each type of investment.

PAR VALUE – The nominal or face value of the security.

MATURITY DATE – The maturity date is the date on when an investment will mature.

CURRENT RATE – For coupon instruments, the current rate is the coupon or interest rate at the time of purchase. For discount instruments, the current rate is the yield to maturity.

BEGINNING ACCRUED INTEREST – This column displays the amount of interest earned, but not yet received, as of the report beginning date.

INTEREST EARNED – This column shows the amount of interest earned during the selected reporting period.

INTEREST RECEIVED – This column includes the amount of interest posted as received during the selected reporting period.

ENDING ACCRUED INTEREST – This column displays the amount of interest earned, but not yet received, as of the report ending date.

Quarterly Reports
Accrued Interest
Sorted by Security Type - Maturity Date
June 1, 2026 - June 30, 2026

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
U.S. Treasury Notes/ Bonds										
91282CHM6	22567	TRC	50,000,000.00	07/15/2026	4.500	851,519.34	0.00	186,464.09	0.00	1,037,983.43
91282CCP4	22568	TRC	25,000,000.00	07/31/2026	0.625	52,227.21	0.00	12,948.89	0.00	65,176.10
91282CCW9	22507	TRC	15,000,000.00	08/31/2026	0.750	28,430.71	0.00	9,171.19	0.00	37,601.90
91282CHY0	22576	TRC	25,000,000.00	09/15/2026	4.625	245,074.73	0.00	94,259.51	0.00	339,334.24
91282CJC6	22518	TRC	30,000,000.00	10/15/2026	4.625	178,176.23	0.00	113,729.51	0.00	291,905.74
91282CJT9	22579	TRC	25,000,000.00	01/15/2027	4.000	378,453.04	0.00	82,872.93	0.00	461,325.97
91282Z78	22583	TRC	50,000,000.00	01/31/2027	1.500	250,690.61	0.00	62,154.69	0.00	312,845.30
91282Z78	22593	TRC	15,000,000.00	01/31/2027	1.500	75,207.18	0.00	18,646.41	0.00	93,853.59
91282CKA8	22594	TRC	15,000,000.00	02/15/2027	4.125	181,180.94	0.00	51,277.62	0.00	232,458.56
91282CNE7	22580	TRC	25,000,000.00	05/31/2027	3.875	2,646.86	0.00	79,405.74	0.00	82,052.60
91282CKZ3	22569	TRC	25,000,000.00	07/15/2027	4.375	413,933.01	0.00	90,642.27	0.00	504,575.28
91282CFB2	22514	TRC	20,000,000.00	07/31/2027	2.750	183,839.78	0.00	45,580.11	0.00	229,419.89
91282CNP2	22584	TRC	50,000,000.00	07/31/2027	3.875	647,617.40	0.00	160,566.30	0.00	808,183.70
91282CFH9	22515	TRC	20,000,000.00	08/31/2027	3.125	157,948.37	0.00	50,951.09	0.00	208,899.46
91282CAL5	22545	TRC	25,000,000.00	09/30/2027	0.375	15,881.15	0.00	7,684.42	0.00	23,565.57
91282CGH8	22595	TRC	50,000,000.00	01/31/2028	3.500	584,944.75	0.00	145,027.63	0.00	729,972.38
91282CCE9	22578	TRC	25,000,000.00	05/31/2028	1.250	853.83	0.00	25,614.75	0.00	26,468.58
91282CCH2	22516	TRC	20,000,000.00	06/30/2028	1.250	104,972.38	0.00	20,706.97	125,000.00	679.35
91282CNM9	22585	TRC	50,000,000.00	07/15/2028	3.875	733,252.76	0.00	160,566.30	0.00	893,819.06
91282CCR0	22577	TRC	25,000,000.00	07/31/2028	1.000	83,563.54	0.00	20,718.23	0.00	104,281.77
91282CCV1	22589	TRC	50,000,000.00	08/31/2028	1.125	142,153.53	0.00	45,855.98	0.00	188,009.51
91282CDF5	22522	TRC	20,000,000.00	10/31/2028	1.375	23,913.04	0.00	22,418.48	0.00	46,331.52
91282CJR3	22523	TRC	15,000,000.00	12/31/2028	3.750	236,187.85	0.00	46,590.68	281,250.00	1,528.53
91282CPT2	22592	TRC	50,000,000.00	01/15/2029	3.500	662,292.82	0.00	145,027.62	0.00	807,320.44
91282CHJ3	22570	TRC	25,000,000.00	06/30/2030	3.750	393,646.41	0.00	77,651.14	468,750.00	2,547.55
Subtotal			745,000,000.00			6,628,607.47	0.00	1,776,532.55	875,000.00	7,530,140.02
Federal Agency Issues - Coupon										
3130APGN9	22427	FAC	15,000,000.00	10/28/2026	1.150	15,812.50	0.00	14,375.00	0.00	30,187.50
3130B5XZ6	22564	FAC	50,000,000.00	07/22/2027	3.905	699,645.83	0.00	162,708.34	0.00	862,354.17
3136GA4A4	22554	FAC	25,000,000.00	07/20/2028	4.490	408,465.27	0.00	93,541.66	0.00	502,006.93
3136GD3T8	22597	FAC	25,000,000.00	07/16/2029	4.071	127,218.75	0.00	84,812.50	0.00	212,031.25
3136GD6A6	22602	FAC	25,000,000.00	07/23/2029	4.120	108,722.22	0.00	85,833.34	0.00	194,555.56
3130B76B5	22571	FAC	25,000,000.00	07/15/2030	4.140	391,000.00	0.00	86,250.00	0.00	477,250.00
Subtotal			165,000,000.00			1,750,864.57	0.00	527,520.84	0.00	2,278,385.41

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase interest.

Quarterly Reports
Accrued Interest
Sorted by Security Type - Maturity Date

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Medium Term Notes										
89236TMQ5	22544	MTN	25,000,000.00	09/28/2027	3.700	161,874.99	0.00	77,083.33	0.00	238,958.32
46632FXK6	22587	MTN	40,000,000.00	07/19/2028	3.850	693,000.00	0.00	128,333.33	0.00	821,333.33
02079KBJ5	22599	MTN	20,000,000.00	02/15/2029	3.700	222,000.00	0.00	61,666.67	0.00	283,666.67
459200KA8	22596	MTN	11,320,000.00	05/15/2029	3.500	17,608.89	0.00	33,016.67	0.00	50,625.56
89236TMH5	22539	MTN	25,000,000.00	07/24/2029	5.000	440,972.22	0.00	104,166.67	0.00	545,138.89
742718FM6	22600	MTN	16,000,000.00	10/29/2030	1.200	17,066.67	0.00	16,000.00	0.00	33,066.67
89236TLE3	22590	MTN	30,000,000.00	11/20/2030	5.550	50,875.00	0.00	138,750.00	0.00	189,625.00
89236TPN9	22591	MTN	40,000,000.00	01/28/2031	4.170	569,900.00	0.00	139,000.00	0.00	708,900.00
037833ED8	22598	MTN	20,000,000.00	02/08/2031	1.650	103,583.33	0.00	27,500.00	0.00	131,083.33
02079KBK2	22601	MTN	25,000,000.00	02/15/2031	4.100	307,500.00	0.00	85,416.67	0.00	392,916.67
		Subtotal	252,320,000.00			2,584,381.10	0.00	810,933.34	0.00	3,395,314.44
Negotiable CDs										
85325VSJ0	22574	NCB	50,000,000.00	07/21/2026	4.070	1,565,819.44	0.00	169,583.33	0.00	1,735,402.77
89115DPC4	22573	NCB	25,000,000.00	07/22/2026	4.250	903,125.00	0.00	88,541.66	0.00	991,666.66
85325VRV4	22572	NCB	25,000,000.00	07/28/2026	4.300	913,750.00	0.00	89,583.33	0.00	1,003,333.33
85325VSK7	22575	NCB	25,000,000.00	08/19/2026	4.060	780,986.11	0.00	84,583.33	0.00	865,569.44
		Subtotal	125,000,000.00			4,163,680.55	0.00	432,291.65	0.00	4,595,972.20
Municipal Bonds										
419792YR1	22421	MUN	10,000,000.00	08/01/2026	0.893	29,766.67	0.00	7,441.66	0.00	37,208.33
54438CYL0	22439	MUN	5,000,000.00	08/01/2026	1.174	19,566.67	0.00	4,891.66	0.00	24,458.33
91412HGF4	22489	MUN	3,000,000.00	05/15/2027	1.316	1,754.67	0.00	3,290.00	0.00	5,044.67
91412HGF4	22490	MUN	7,000,000.00	05/15/2027	1.316	4,094.22	0.00	7,676.67	0.00	11,770.89
13063DC48	22504	MUN	15,000,000.00	02/01/2028	1.700	85,000.00	0.00	21,250.00	0.00	106,250.00
13032UVG0	22586	MUN	1,750,000.00	06/01/2029	2.584	22,610.00	0.00	3,768.33	22,610.00	3,768.33
		Subtotal	41,750,000.00			162,792.23	0.00	48,318.32	22,610.00	188,500.55
Santa Cruz County Auditor Loan										
SYS7015	7015	MC9	15,000,000.00	07/01/2026	3.630	0.00	0.00	1,512.50	0.00	1,512.50
		Subtotal	15,000,000.00			0.00	0.00	1,512.50	0.00	1,512.50
Local Agency Investment Fund (LAIF)										
SYS6501	6501	LA1	75,000,000.00		3.810	491,656.85	0.00	241,722.86	0.00	733,379.71
		Subtotal	75,000,000.00			491,656.85	0.00	241,722.86	0.00	733,379.71
Dividends										
SYS22423	22423	PA4	0.00		3.530	714.89	0.00	1,858.39	713.77	1,859.51
		Subtotal	0.00			714.89	0.00	1,858.39	713.77	1,859.51

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase interest.

Quarterly Reports
Accrued Interest
Sorted by Security Type - Maturity Date

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
Supranationals										
45906M4W8	22525	MC6	20,000,000.00	02/16/2029	4.600	344,933.33	0.00	76,666.67	0.00	421,600.00
45906M5W7	22546	MC6	25,000,000.00	10/30/2029	4.288	92,311.94	0.00	89,333.33	0.00	181,645.27
		Subtotal	45,000,000.00			437,245.27	0.00	166,000.00	0.00	603,245.27
Money Market Mutual Funds 02										
070731229	1229	RRP	0.00		3.790	0.00	0.00	0.00	0.00	0.00
SYS011119	22302	RRP	50,000,000.00		3.770	351,449.11	0.00	241,936.48	351,449.11	241,936.48
3900647464	7464	RRP	25,000,000.00		3.570	128,421.31	0.00	202,579.12	128,421.31	202,579.12
157 519 832 743	22283	RRP	50,000,000.00		3.460	144,729.17	0.00	140,023.01	144,729.17	140,023.01
		Subtotal	125,000,000.00			624,599.59	0.00	584,538.61	624,599.59	584,538.61
		Total	1,589,070,000.00			16,844,542.52	0.00	4,591,229.06	1,522,923.36	19,912,848.22

* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase interest.

DESCRIPTION OF INVESTMENT INSTRUMENTS (1/3)

The investment activities of County Treasurers are restricted by state law to a select group of government securities and prime money market instruments. To reduce the risk inherent in any one instrument, state law further limits the percentage of the county's portfolio that can be invested in any one type of security.

The types of securities available to the County Treasurer can be divided into three main categories: 1) U.S. Treasury bills, notes and bonds. They are guaranteed by the U.S. Government and are considered to have no credit risk. They also typically have the lowest yield of the securities available for investing. 2) Securities issued by U.S. Government Agencies and Instrumentalities. These securities consist mostly of notes and debentures of agencies and government sponsored corporations. They are not guaranteed by the U.S. government and therefore have some credit risk. Their yield is typically higher than U.S. Treasury securities. 3) Prime money market securities. These consist of securities such as bankers' acceptances, certificates of deposit, commercial paper and municipal bonds. The yield is typically higher than the other types of securities in which the county invests but the risk is also higher. Through diversification and purchasing only highly rated paper, the credit risk is kept to an acceptable minimum. Each of the securities in these three categories is subject to market risk if sold prior to maturity.

What follows is a brief description of the different securities used by the County Treasurer:

U.S. Treasury Notes and Bonds are long term obligations of the U.S. government, which bear coupons. Interest is payable every six months at a rate of one-half the annual coupon. Treasury bonds and notes trading is conducted by the same securities dealers who trade T bills. In the secondary market, prices are quoted in thirty-seconds of 1 percent. Except for their maturities, notes and bonds are identical regardless of their label. Notes are issued for original maturities of one to 10 years. Bonds are issued with original maturities of more than 10 years.

U.S. Treasury Bills are unusual instruments because they bear no specific interest rate. Rather, they are issued originally at a discount from its ultimate maturity (par) value. Because T Bills are issued and traded at a discount, investors receive their returns at maturity or on subsequent resale, which ordinarily will be at prices higher than the original discount.

Federal Farm Credit Bank (FFCB) Discount Notes. FFCB is an instrumentality of the U.S. Government. The notes are the consolidated obligations of the 37 Farm Credit Banks issued on a discount basis with maturities of one year or less. Although not as risk free as Treasury notes, most experts believe the U.S. government has a moral commitment to the farm credit system.

DESCRIPTION OF INVESTMENT INSTRUMENTS (2/3)

Federal Farm Credit Bank (FFCB) debentures are consolidated obligations of the 37 Farm Credit Banks issued with a fixed coupon rate with maturities ranging from 6 months to 20 years. A debenture is a bond secured only by the general credit of the issuer.

Federal Home Loan Bank (FHLB) Discount notes are consolidated obligations of 12 District banks issued with a fixed coupon rate with maturities ranging from one to ten years. Although the FHLB operates under federal charter with government supervision, the securities are not guaranteed by the U.S. government. However, the banks are required to maintain a considerable reserve pledged against the outstanding debt. They are therefore considered relatively risk free.

Federal National Mortgage Association (Fannie Mae) Discount notes are consolidations of government chartered private corporations issued on a discount basis with maturities under one year. They are guaranteed by the corporations, but not by the U.S. government. Many investors consider the securities a moral obligation of the U.S. government and believe Congress would intervene before allowing default.

Federal National Mortgage Association (Fannie Mae) debentures are obligations issued by the Association with a fixed coupon rate and various maturities. A debenture is a bond secured only by the general credit of the issuer.

Local Agency Investment Fund (LAIF) is the state sponsored investment fund. LAIF is an excellent cash management tool to help meet most of the unexpected cash demands. Currently the state limits the county's investment in this pool to \$65,000,000.

Federal Home Loan Mortgage Corporation (Freddie Mac) Participation Notes are issues of the Federal Home Loan Mortgage Corporation representing undivided interests in conventional mortgages underwritten and previously purchased by it. The corporation guarantees the timely payment of interest at the certificate rate and full return of principal. Participation Certificates have original final payment dates of 30 years.

Government National Mortgage Association (Ginnie Mae) Pass Through are issues of the wholly owned government corporation within the Department of Housing and Urban Development. Principal and interest payment collected on mortgages in specified pools are passed through to holders of GNMA Guaranteed certificates after deduction of servicing and guaranty fees. GNMA's have original stated maturities of 12 to 40 years. For Santa Cruz County, these are used only as collateral for overnight repurchase agreements.

Municipal Securities (Notes and Bonds) Debt securities issued by state and local governments and their agencies are referred to as municipal securities. Such securities can be divided into two broad categories: bonds issued to finance capital projects and short term notes sold in anticipation of the receipt of other funds, such as taxes or proceeds from a bond issue.

DESCRIPTION OF INVESTMENT INSTRUMENTS (3/3)

Banker's Acceptances. Briefly stated, the function of the bankers' acceptance is as follows: A borrower may, under certain circumstances, obtain short-term credit by arranging for his bank to accept a time draft upon it. The bank stamps its official accepted across the face of the draft and converts it into a bankers' acceptance. The instrument, now being a bank obligation, may be sold to an acceptance dealer who, in turn, may sell it to an investor. Most BAs arise out of transactions involving the trade of manufactured goods or commodities. Maturities range from one to 180 days.

Commercial Paper is a short-term promissory note issued by a company to finance current transactions. All commercial paper is negotiable, but most commercial paper sold to investors is held to maturity. Commercial paper is issued not only by industrial and manufacturing firms but also by finance companies. Notes are sold on a discount or interest-bearing basis with maturities not exceeding 397 days.

Medium Term Notes are obligations that have maturities of less than 5 years and are issued by corporations or depositories organized and operating in the U.S.

Negotiable Certificate of Deposit (NCD). It is a receipt for deposit of a stated sum in the bank on a given date, together with a promise to redeem this sum plus interest at the indicated rate on a designated date. The instrument is negotiable because it is payable either to bearer or to the order of the depositor.

Repurchase Agreements (RP or Repos). A holder of securities sells securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. Repurchase agreements are usually for short periods of time (one to five days), when large sums are received that will be needed in the next day or two. As a result, they are often called overnight repos. From the point of view of investors, overnight repos offer several attractive features. First, by rolling overnight repos, investors can keep surplus funds invested without losing liquidity or incurring a price risk. Second, because repo transactions are secured by top quality paper, investors expose themselves to little or no risk.

Guaranteed Investment Contract (GIC). This is a fixed income agreement offered by insurance companies. GICs offer to pay a specific interest rate over a period of time. Some GICs are eligible for early redemption, with or without penalty, which eliminates market risk if interest rates rise. In Santa Cruz County it is only used for the investment of secured indebtedness and only if the note documentation permits such an investment.

Money Market (Mutual) Fund. A money market mutual fund is a pooled fund that invests in a number of money market vehicles (CD's, CP, T-Bills, etc.). These funds are designed to pay the investor interest, as well as provide full liquidity. Maturities of the underlying investments are 13 months or less.



COUNTY OF SANTA CRUZ

TREASURY OVERSIGHT COMMISSION
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

Date: October 21, 2026

To: Members of the Treasury Oversight Commission

From: Laura Bowers, Auditor-Controller-Treasurer-Tax Collector | Brandon Marquez, County of Santa Cruz Investment Officer

Subject: Direct Auditor to Perform FY 25-26 Treasury Oversight Commission Compliance Audit (TOC Item #7)

Summary

Pursuant to the California State Government Code 27134, and the current County of Santa Cruz Investment Policy, the commission shall cause an annual audit to review to determine the Treasurer's compliance with the investment policy and other appropriate regulations.

- **California Government Code 27134:** The county treasury oversight committee shall cause an annual audit to be conducted to determine the county treasury's compliance with this article. The audit may include issues relating to the structure of the investment portfolio and risk. (Added by Stats. 1995, Ch. 784, Sec. 10. Effective January 1, 1996.)
- **County of Santa Cruz Investment Policy excerpt:** The Treasury Oversight Commission shall, via this report and other appropriate means, monitor the activities of the Treasurer, and cause to be performed an annual audit to determine the Treasurer's compliance with this Investment Policy, and other appropriate regulations. (Page 7)



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Date: October 21, 2026

To: Members of the Treasury Oversight Commission

From: Laura Bowers, Auditor-Controller-Treasurer-Tax Collector | Brandon Marquez, County of Santa Cruz Investment Officer

Subject: Approve Proposed 2027 Investment Policy to send to the Santa Cruz County Board of Supervisors (TOC Item #8)

Summary

Pursuant to California State Code, we are making the following amendment to one Government Code citation.

Senate Bill 1438 reorganized portions of the California Government Code governing local agency investments. As part of this reorganization, Government Code Section 53601.6 is being relocated. Effective January 1, 2027, the applicable provision will be in Government Code Section 53602.

This change is primarily a statutory reorganization and does not materially change the County's existing investment practices.

COUNTY OF SANTA CRUZ

20276

INVESTMENT POLICY



PROPOSED

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County of Santa Cruz

STATEMENT OF INVESTMENT POLICY

Under the laws of the State of California, it is the responsibility of the County Treasurer, at the direction of the Board of Supervisors, to secure and protect the public funds of the County and the participants of the Investment Pool, and to establish proper safeguards, controls, and procedures to maintain these funds in a lawful, rational and auspicious manner. Said maintenance shall include the prudent and secure investment of those funds that are deemed temporarily available for investment, in a manner anticipated to provide additional benefit to the people of the County of Santa Cruz. In addition, the County Treasurer acts as the Treasurer, cash manager, and investor for a sizable number of public agencies within the County rather than each entity having to locate and hire a knowledgeable person to handle the entity's banking, investments, and other financial duties separately. This pooling of public funds eliminates duplication of expenses, smooths out cash flow, permits cost savings through higher volume, and attracts more professional service providers.

This Statement of Investment Policy will be provided annually for the review of the Treasury Oversight Commission and the approval of the Board of Supervisors in an open public meeting.

COUNTY TREASURER

The County Treasurer referred to in the Statement of Investment Policy is the County Auditor-Controller-Treasurer-Tax Collector.

SCOPE

This Statement of Investment Policy pertains to those temporarily excess funds under the control of the Treasurer, designated for the daily ongoing operations of the County and pool participants; and concerns the deposit, maintenance, and safekeeping of all such funds, and the investments made with these funds. This Policy does not apply to pension moneys, deferred compensation funds, trustee, and certain other non-operating funds not participating in the County Investment Pool.

PURPOSE OF POLICY STATEMENT

The purpose of this Statement of Investment Policy is to provide the Board of Supervisors, the Treasury Oversight Commission, those entities invested in the County Investment Pool, those involved in servicing the investment requirements of the County, and any other interested party, a clear understanding of the regulations and internal guidelines that will be observed in maintaining and investing those pooled funds deemed temporarily excess.

TREASURY OBJECTIVES

The primary objective of the Treasurer is to protect the safety of the principal of the County Investment Pool through the judicious purchase of those legal investments permitted to local agencies, as defined in the State of California Government Codes, consistent with current conditions and the other dominant objectives pursuant to managing a local agency portfolio, namely:

Safety: It is the primary responsibility of the Treasurer to maintain the safe return of all principal placed in investments by avoiding decisions that might result in losses through either fraud, default, or adverse market conditions. Import is also accorded the protection of accrued interest earned on any investment instrument.

Liquidity: It is imperative that most investments be in items that are immediately negotiable, as the portfolio is a cash management fund. It shall always be assumed that all investments could require immediate liquidation in order to meet unexpected cash calls.

Availability: Due to the nature of a public funds portfolio, it is mandatory that moneys be available to meet the monetary requirements inherent to operating a public entity. Thus funds need to be invested in such a manner that money will always be available to pay normal cash requirements. A sufficient portion of all funds shall be invested in securities providing a high degree of liquidity and availability, that is, in securities easily sold or converted to cash in a timely manner, with little or no loss of interest earnings.

Yield: While it is considered desirable to obtain a yield commensurate to current market conditions, yield shall not be the driving force in determining which investments are to be selected for purchase. Yield is definitely considered to be of much lesser importance than safety, liquidity or availability.

The Treasurer places investments with the objective of obtaining a yield commensurate to current market conditions, not attempting to maximize yield at the expense of safety, liquidity, or availability, yet not totally ignoring those factors within the marketplace that may be indicative of either favorable or hazardous conditions. The portfolio will be managed very conservatively, but actively enough to avert avoidable losses due to adverse market conditions.

PRUDENCE

The Treasurer is subject to the “Prudent Investor Standard” whenever making a decision regarding the investment of the County’s funds. This rule states in principle:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent investor acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

The Treasurer, and those acting for the Treasurer, are considered to have a fiduciary, trustee, relationship with the public for the public funds, and all investment decisions will be made in a manner sustaining this responsibility.

DELEGATION OF AUTHORITY

In accordance with Government Code section 27000.1 and County of Santa Cruz Ordinance 2.10.030, the County Treasurer has been delegated the authority to invest and reinvest the funds of the County and the funds of other depositors in the County Pool.

While the Treasurer has final responsibility for all investment decisions, other Treasury personnel may aid in the day-to-day operations. Those staff members, in addition to the Treasurer, currently authorized to act on behalf of the County, as of the date entered on this Policy, are listed below. This list is subject to change, and those parties involved in transactions with the Treasurer’s department should always obtain a current Trading Authorization and Agreement form, and be verbally introduced by a known Treasury employee, prior to accepting unconfirmed verbal instructions from any previously unknown Treasury staff member.

Authorized Personnel

Senior Department Administrative Analyst

Investment Officer

Senior Accounting Technician – Treasury Division

Other persons, both inside and outside County employment, may act in the role of assistant or advisor to aid in the timely and proper settlement of investment transactions. While these persons may provide information or aid in the expedient delivery of securities, they may not authorize, approve, or initiate any trading activities. **Only the Treasurer and the persons listed on the current *Trading Authorization and Agreement* may initiate trading activity.**

SECURITIES CUSTODY

The Treasurer has established a third party custody and safekeeping account to which all negotiable instruments shall be delivered upon purchase on a payment versus delivery basis. No negotiable or deliverable securities or investments will be left in the custody of any brokerage firm or issuing party, including any collateral from Repurchase Agreements.

DESIGNATED SERVICE BANK

The Treasurer shall designate a State or Federally chartered bank operating within the State of California to serve as the County's Primary Service Bank. The Treasury shall use this bank as a clearinghouse for all funds.

AUTHORIZED INVESTMENTS AND LIMITATIONS

The Government Codes of the State of California, primarily within sections 53600 et. seq., establish the legality of certain types of investment vehicles for a California local agency's portfolio. Thereby, under no circumstances is the Treasurer permitted to purchase an investment that is not specifically authorized for a local agency under these, or other code sections that may apply, or might later be enacted, pertaining to local agency investments. Investment professionals dealing with the County should possess a complete understanding of these Code sections.

An attached Exhibit A briefly describes the types of securities that are legal within the Government Code sections noted above and outlines the various limitations included in these sections. Excepting the restrictions noted below in this section, all legally permitted investment options described in the Government Code are authorized at this time. Funds placed in the State's Local Agency Investment Fund (LAIF) shall follow the limitations placed on these deposits by the State and may change in accordance with these restrictions.

Though these Government Code sections define the investment types and terms permissible to the Treasurer, **the Treasurer will not:**

- Invest in any security or investment with a stated or potential final maturity longer than five years, unless it contains a non-retractable "put" exercisable within five years. In other words, such a security cannot be purchased by the Treasurer unless it permits the investor the unrestricted choice of selling the security back to the issuer at par, or above, at a time prior to five years.
- Invest in any security or investment wherein, by the terms of the investment, interest might not be earned during any period the security or investment exists, except for securities issued by or backed by the United States government in periods of negative market interest rates, as permitted under Government Code Section 53602(i)(2)(C)1-6.
- Purchase floating rate securities containing an inherent yield structure that could result in a return substantially below rates available for similar maturity periods on the dates the coupon changes.

- Enter into a reverse repurchase agreement.
- Purchase any Collateralized Mortgage Obligations.
- Lend securities.
- Invest in futures or options.

Nothing in the preceding prohibitions is intended to preclude the purchase of authorized investments that are callable.

In addition to the limitations provided in State law and this Statement of Investment Policy, various temporary and more restrictive constraints may at times be beneficial due to transient conditions within the marketplace. These flexible constraints are not part of this Policy but are presented in a document prepared by the Treasurer entitled “Temporary Constraints and Restrictions on Investments”, and will change on an “as needed” basis. The attached Exhibit B is the “Temporary Constraints and Restrictions on Investments” that were in effect when the Board of Supervisors approved this policy. When these constraints and restrictions change, a copy will be immediately sent to members of the Treasury Oversight Commission and the Board of Supervisors. These constraints or restrictions may only be *more* restrictive than those of the Policy but may *not* be less restrictive. Investment professionals should be aware of these temporary conditions in order to save time and best serve the County.

AUTHORIZED DEALER LIST

It is prohibited for a transaction to be entered into with any securities broker, dealer or bank investment department or subsidiary prior to that entity being designated an Authorized Dealer, and placed on the Authorized Dealer List. For a firm to become authorized it must first demonstrate that it will add value to the Treasurer’s efforts to best manage the cash portfolio, as well as fulfill certain other minimum requirements. Preference will be given to primary dealers or others who possess a strong capital capacity and willingness to make a market in the various fixed income securities that the County holds. To qualify for Authorized Dealer status, a brokerage firm or bank must be one of the following:

- 1) Be a dealer operation properly licensed to deal with local agencies in California and have a minimum of \$50 million in capital or;
- 2) Be a Primary Dealer of the Federal Reserve Bank of New York or;
- 3) Be a department or subsidiary of an insured bank with minimum assets of \$500 million that the County has a comprehensive banking relationship with or;
- 4) Be a broker operation properly licensed to deal with local agencies in California that has capital of not less than \$5 million, that is not directly involved in the actual custody, and transfer of money or securities purchased or sold by the County, but that represents established accounts opened in the County name at those firms meeting the requirements of this section,

wherein all dealings would be the responsibility of the dealer operation, and wherein all deliveries, payments, written confirmation, etc. will originate with the qualified dealer operation and are sent directly to the County.

If meeting the above requirements, a salesperson may apply to become an Authorized Dealer by sending to the Treasurer their most recent annual and interim audited financial statements and a letter furnishing:

- 1) Their reasons for believing they would add value to the present coverage; and,
- 2) A general roster of those markets they participate in, and specifics on those types of securities they as a firm, regularly issue or regularly hold dealer trading positions in; and,
- 3) A list of five references, at least three being California local agency treasurers, including telephone numbers and email addresses that the Treasurer or his representative may contact.

The Treasurer will initiate an investigation of the applying salesperson and the firm through various sources, including the Financial Industry Regulatory Authority (FINRA), to determine market participation, knowledge, reputation, and financial stability. All salespeople and their supervisors will be expected to have a working knowledge of the appropriate sections of the State of California Government Code, sufficient experience in covering public entities, a willingness to well serve their customers, a complete and total understanding of this Investment Policy, and demonstrate an ongoing ability to work with the Treasurer and staff. The Treasurer will review all new requests annually, and if the decision is made that additional dealers would be beneficial to best service the portfolio's needs, those dealers selected will be informed of their addition to the Authorized Dealer List. All dealers are subject to removal from the Authorized Dealer List at any time, solely at the discretion of the Treasurer.

The Treasurer, or Treasury staff, are prohibited from dealing with a salesperson, broker, or account executive from any broker, dealer or bank investment department or subsidiary until the Acknowledgment form found on the last page of the *Trading Authorization and Agreement* is signed by all parties and received by the Treasurer. The *Trading and Authorization Agreement* is sent to all approved dealers and is an integral part of this Policy Statement for Broker/Dealers, etc. doing investment business with the County Treasurer or Treasury staff.

Similar restrictions and forms will be required of those firms doing business with the County through retained financial advisors or managers. Certain selected firms may be chosen or appointed by the Treasurer to render specific services the Treasurer determines they are uniquely qualified to provide, wherein some of the requirements of this section may be waived.

Neither the Treasurer, nor any member of the Treasurer's staff, may accept any gift, honoraria, gratuity or service of value in violation of the regulations set forth by the Fair Political Practices Commission, the Government Codes, additional limitations set forth by County ordinance, or internal requirements of the Treasurer. The Treasurer and all members of the Treasury staff are prohibited from conducting any business with any broker, dealer, or securities firm that has made a political contribution within any consecutive 48 month period beginning January 1, 1996, in an amount exceeding the limitation contained in Rule G37 of the Municipal Securities Rulemaking Board, to the County Treasurer or any member of the Board of Supervisors, or any candidate for these offices.

THE COUNTY TREASURY OVERSIGHT COMMISSION

In accordance with Government Code section 27130 et seq. and County Ordinance 4433, there shall be a Treasury Oversight Commission of five members appointed from the following:

- a) An appointed representative of the Board of Supervisors.
- b) The County Superintendent of Schools, or designee.
- c) A representative selected by a majority of the presiding officers of the governing bodies of the school districts and community college districts of the County.
- d) A representative selected by a majority of the presiding officers of the legislative bodies of the special districts within the County that are required or authorized to deposit money in the County Investment Pool.
- e) A public member who shall have expertise in, or an academic background in, public finance.

Restriction of Members - All members of the Treasury Oversight Commission are restricted as follows:

- A member may not be employed by an entity that has (a) contributed to the campaign of a candidate for the office of local treasurer; or (b) contributed to the campaign of a candidate to be a member of a legislative body of any local agency that has deposited funds in the county treasury, in the previous three years or during the period that the employee is a member of the commission.
- A member may not directly or indirectly raise money for a candidate for local treasurer or a member of the governing board of any local agency that has deposited funds in the county treasury while a member of the commission.
- A member may not secure employment with, or be employed by, bond underwriters, bond counsel, security brokerages or dealers, or financial services firms, with whom the treasurer is doing business during the period that the person is a member of the commission or for one year after leaving the commission.
- Members may not receive honoraria, gifts, gratuities or service of value from advisors, brokers, dealers, bankers, or other persons with whom the county treasury conducts business.

The Treasurer will annually provide a copy of the Investment Policy for review and monitoring by the Treasury Oversight Commission. The Treasurer will provide a report quarterly to the Board of Supervisors and the Treasury Oversight Commission, identifying all investments held in the County Investment Pool, or elsewhere by the Treasurer. The Treasury Oversight Commission shall, via this report and other appropriate means, monitor the activities of the Treasurer, and cause to be performed an annual audit to determine the Treasurer's compliance with this Investment Policy, and other appropriate regulations.

Commission meetings shall be open to the public and in compliance with the appropriate sections of the Ralph M. Brown Act. By Code, all costs related to the duties of the Treasury Oversight Commission will be considered normal charges against earnings of the Investment Pool.

The Treasury Oversight Commission shall have no authority to direct the process or daily operation of any portion of the Treasury department, nor shall the Commission play any role in determining which banks, firms, or individuals the Treasurer does business with, nor shall the Commission be involved in determining which investments the Treasurer purchases, but shall act only to review the actions of the Treasurer to determine that they are in accordance with the Investment Policy and all other legal requirements or regulations.

TERMS FOR FUNDS INVESTED WITH THE COUNTY INVESTMENT POOL

The Government Code requires the County Treasurer to define the limits and conditions under which local agencies having their money in the Investment Pool may deposit and withdraw their funds. The Government Codes confer upon the Treasurer the final authority as to how funds for which the Treasurer is held responsible for overseeing, are to be invested. The Treasurer must take into account the current financial condition of the sum total of the Pools' agencies, the conditions of the marketplace, as well as the cash flow projections and the potential for changes in the Pool's cash needs. The Treasurer must protect the earnings of each individual local agency in the Pool, and also see that no decision will reward a particular agency or group of agencies within the Pool at the expense of another or others within the Pool. If the Treasurer determines that a request for a withdrawal of funds for a specific or outside investment is not, in the Treasurer's opinion, in the best interest of a particular agency, or is overly detrimental to the Pool as a whole, the Treasurer must legally deny the request, or find a means of neutralizing the harm to all those affected.

Any funds deposited in accounts that are consolidated into the County Investment Pool that are not immediately required to meet cash flows of the Pool will be invested by the Treasurer or the Treasurer's staff. All Pool entities agree that by placing funds in such accounts that they agree to proportionately participate in all investments within the Investment Pool.

FUNDS OF AGENCIES REQUIRED TO INVEST WITHIN THE POOL

Funds will be accepted at all times, in the manner prescribed, from those local agencies where the County Treasurer is also the Treasurer for the local agency, or from any agencies that by statute must place their money in the County Investment Pool. Funds will earn interest based on the average daily balance distributed on a monthly basis.

Should a legislative body of a local agency determine that certain funds will not be required by the local agency for a period of at least one year, the local agency may petition the County Treasurer to invest that portion of the local agency's excess funds in a specific investment under the control of the County Treasurer. Such a petition should state the nature of the funds the legislative body wishes to invest specifically, and the reasons why the legislative body believes a specific investment is a preferable and viable alternative to the general Pool participation. Should the Treasurer determine that the request for a specific investment is valid and not overly counter-productive to the Pool as a whole, the Treasurer will consult with the local agency's legislative body, or its appointed representative, to suggest and determine exactly what investment(s) should be purchased to fulfill the needs of the local agency. The Treasurer will then purchase the specific investment(s) upon receipt of a written resolution, issued by the legislative body of the local agency, requesting the specific investment. The resolution must acknowledge that the local agency's legislative body takes

full responsibility for the decision to purchase the specific investment(s), and that should conditions change requiring a sale prior to maturity of the specific investment(s), any loss that might be suffered as a result, will be solely that of the local agency, and that this loss shall not be shared by the Pool as a whole, nor by the County.

Under language added to the Government Code in 1995, it is not permissible for local agency legislative bodies, required to have their funds within the Pool, to withdraw funds from the Pool in order to invest outside the County Pool in any manner, at any time without specific permission of the Treasurer. Any such investments shall be either terminated and all funds returned to the Pool, or the securities so purchased must be transferred to the custody of the County Treasurer immediately. Upon receipt of any such securities by the Treasurer, the Treasurer shall at the Treasurer's option, place the investment in the Pool, terminate the investment at the current market value and credit the local agency with the proceeds, or place the security in the name of the local agency as a specific investment.

MONEY VOLUNTARILY INVESTED WITH THE COUNTY INVESTMENT POOL

By Code, the County Treasurer shall limit the amounts and set conditions under which money from local agencies, not required to have their funds in the Investment Pool, may deposit and withdraw voluntarily invested funds. Local agencies from outside the County will not be permitted to deposit funds in the County Pool. Funds from local agencies within the County, voluntarily wishing to participate in the Pool, will not be accepted under normal conditions unless the Treasurer is assured that these funds are in lieu of longer-term investments. Such deposits are subject to withdrawal restrictions for a set minimal term as to be agreed to, prior to the funds being accepted into the Pool. Total amount of deposited funds may not be withdrawn at any time without a minimum of thirty days notice of "intent to withdraw."

Before a local agency withdraws monies from the Fund, it must submit a withdrawal request a minimum of 2 working days prior to the desired withdrawal date. Although not encouraged, shorter notice may be honored at the discretion of the County Treasurer's Office if the withdrawal does not cause the Fund to fall out of compliance with its maturity policy or jeopardize its ability to meet cash flow requirements.

Under normal conditions, voluntary money withdrawn from the Pool will be disbursed on a dollar for dollar basis, plus appropriate interest, but under adverse market conditions, when the Treasurer deems the withdrawal of voluntary funds would cause undue losses or significantly lower earnings for those local agencies remaining within the Pool, the Treasurer may require one or more of three remedies:

1) restrict the percentage of funds that may be withdrawn in any given month 2) restrict the rate at which the funds may be withdrawn, or 3) require the local agency withdrawing their funds to accept their funds based on the current market value of the overall Pool.

These terms will be agreed to and contracts signed prior to any voluntary money being accepted into the County Investment Pool. Such terms may exceed minimum requirements set forth in the Government Codes.

Specific investments are not normally permitted with voluntary funds, though on a cost recovery basis and under circumstances that dictate such activity, exceptions may be permitted.

POOLING FUNDS AND DISTRIBUTING EARNINGS

Funds available from all sources may be pooled in order to achieve greater investment potential. The earnings from the pooled investments shall be deposited in a dedicated fund. Each month, accrued interest will be distributed to each participant in the Pool proportional to their average daily balance in the pool during the month.

Funds placed in specific investments earn the yield of the investment, not the return earned by the Pool. Earnings on specific investments will be distributed within thirty days of receipt. The Treasury will charge the cost of administration against the earnings of the specific investment.

CALCULATING AND APPORTIONING COSTS

The County Treasurer, following the criteria outlined by the Federal Office of Management and Budget Circular A-87, will determine the “administrative cost” of investing or handling of funds as well as the cost of equipment which expedites processing. This cost shall be deducted prior to interest apportionment and shall be shared proportionately by all pooled and specific investments.

REPORTING

The Treasurer will report to the Board of Supervisors and the Treasury Oversight Commission on a quarterly basis the holdings, status, and earnings of the portfolio. The Statement of Investment Policy will be reviewed by the Treasury Oversight Commission and adopted by the County Board of Supervisors annually. Should circumstances require revision within this Policy during the year, the changes will be presented to the Treasury Oversight Commission, and approval obtained from the Board of Supervisors prior to these alterations being adopted.

The Treasurer reports monthly to the County Board of Supervisors all investment transactions completed in the prior month.

The Auditor reports quarterly to the County Board of Supervisors the results of their regular cash audit of the Treasury.

EXHIBIT A

Allowable Investment Instruments per State Government Code

	INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS
A	LOCAL AGENCY BONDS	5 YEARS	NONE	NONE
B	U.S. TREASURY OBLIGATIONS	5 YEARS	NONE	NONE
C	STATE OBLIGATIONS –CA AND OTHERS	5 YEARS	NONE	NONE
D	CA LOCAL AGENCY OBLIGATIONS	5 YEARS	NONE	NONE
E	US AGENCY OBLIGATIONS	5 YEARS	NONE	NONE
F	BANKERS’ ACCEPTANCES	180 DAYS	40%	NONE
G	COMMERICAL PAPER (Non-Pooled Funds under \$100,000,000 of investments)	397 DAYS	25%	Highest letter and number rating by an NRSRO*
H	COMMERCIAL PAPER (Pooled Funds)	397 DAYS	40%	Highest letter and number rating by an NRSRO*
I	NEGOTIABLE CERTIFICATES OF DEPOSIT	5 YEARS	30%	NONE
J	NON-NEGOTIABLE CERTIFICATES OF DEPOSIT	5 YEARS	NONE	NONE
K	PLACEMENT SERVICE DEPOSITS	5 YEARS	50%	NONE
L	PLACEMENT SERVICE CERTIFICATES OF DEPOSIT	5 YEARS	50%	NONE
M	REPURCHASE AGREEMENTS	1 YEAR	NONE	NONE
N	REVERSE REPURCHASE AGREEMENTS AND SECURITIES LENDING AGREEMENTS	92 DAYS	20% OF THE BASE VALUE OF THE PORTFOLIO	NONE
O	MEDIUM-TERM NOTES	5 YEARS	30%	“A” Rating
P	MUTUAL FUNDS AND MONEY MARKET MUTUAL FUNDS	N/A	20%	MULTIPLE
Q	COLLATERALIZED BANK DEPOSITS	5 YEARS	NONE	NONE
R	MORTGAGE PASS-THROUGH SECURITIES	5 YEARS	20%	“AA” RATING

EXHIBIT A

Allowable Investment Instruments per State Government Code

	AND ASSET -BACKED SECURITIES			
S	COUNTY POOLED INVESTMENT FUNDS	N/A	NONE	NONE
T	JOINT POWERS AUTHORITY POOL	N/A	NONE	MULTIPLE
U	LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	NONE	NONE
V	VOLUNTARY INVESTMENT PROGRAM FUND	N/A	NONE	NONE
W	SUPRANATIONAL OBLIGATIONS	5 YEARS	30%	“AA” RATING
X	PUBLIC BANK OBLIGATIONS	5 YEARS	NONE	NONE

***NRSRO (“Nationally Recognized Statistical Ratings Organization”) An NRSRO is a credit rating agency that provides an assessment of the creditworthiness of a firm or financial instrument(s) that is registered and approved by the Securities and Exchange Commission (SEC).**

EXHIBIT B

Temporary Constraints and Restrictions on Santa Cruz County Investments

A. Bonds issued by the County or County Agencies. The Treasurer may purchase debt issued by the County or its agencies, but any such debt purchased will normally be obtained only directly from the issuing agency and not in the secondary market. Such issues, along with issues from 'C' and 'D' below, shall not exceed 10% of the total portfolio.

B. US Treasury obligations. The Treasurer currently invests in US Treasury obligations. US Treasuries provide the greatest liquidity in the market and should be a preferred investment for their very strong liquidity and high credit quality. There is no limit on the percentage of the portfolio in US Treasuries.

C. State of California Obligations. The Treasurer may invest in state obligations, including notes, bonds, or other instruments of the State of California. Interest bearing state issued warrants as an investment alternative are permissible investments. Such issues, along with issues from 'A' and 'D' below, shall not exceed 10% of the total portfolio.

D. Obligations of another California local agency. The Treasurer does not currently purchase these securities due to tax considerations, but may purchase taxable issues. The total of such issues, along with issues from 'A' and 'C' above, shall not exceed 10% of the overall portfolio. LAIF investments (see 'U' below) shall not be included when calculating this percentage, nor shall investments in joint powers authority pools (see 'T' below) that resemble money market mutual funds such as CAMP and CALTRUST. Maximum investments in LAIF shall be governed by the maximum permitted by the State. Neither of these limits shall include specific investments or individual local agency's investments of bond proceeds not made through the pool.

E. Obligations of the various Federal Agencies. The Treasurer currently does not invest in any long-term pooled securities issued by GNMA, FHLMC, SBA, or any federal agency with a maturity based on average life calculations. Due to the frequent concerns for the safety and liquidity levels of many agency obligations, the Treasurer monitors and may restrict the purchase of any particular agency's securities at any time. No single Government Sponsored Enterprise (GSE) will account for more than 25% of the portfolio at this time. The total of all GSEs may compose 100% of the portfolio. The GSEs referred to above include FHLMC, FNMA, FHLB and FFCB.

F. Bankers Acceptance. The Treasurer currently purchases bankers acceptances from those banks rated "AA" or higher by both Moody's and Standard and Poor's rating agencies. Additionally, the Treasurer monitors, and therefore may possibly eliminate those banks whose marketability and liquidity may be considered suspect due to their pricing within the secondary markets. Foreign banks shall be headquartered in certain Western European countries, Canada, or Japan. For additional potential restrictions see section 'AA' below.

EXHIBIT B

G. Commercial Paper (Non-Pooled Funds under \$100,000,000 of investments). The Treasurer currently does not allow the percent of commercial paper of non-pooled funds under \$100,000,000 of investments to exceed 25% of the total portfolio. The Treasurer is currently only purchasing commercial paper with maturities of 397 days or less.

H. Commercial Paper (Pooled Funds). The Treasurer currently does not allow the percent of commercial paper of pooled funds under \$100,000,000 of investments to exceed 40% of the total portfolio. The Treasurer is currently only purchasing commercial paper with maturities of 397 days or less.

I. Negotiable Certificates of Deposit (NCD). The Treasurer currently purchases those types of NCD permitted by the Government Codes only from banks with a long-term rating of "A" and short-term rating of A1 / P1 or better from both Moody's and Standard and Poor's rating agencies. Additionally, the Treasurer monitors, and therefore may possibly eliminate those banks whose marketability and liquidity may be considered suspect due to their pricing within the secondary markets. NCD issued by S&Ls, savings banks and credit unions are not currently purchased. The Treasurer currently is not purchasing NCD with maturities greater than one year.

J. Non-Negotiable Certificates of Deposit. The Treasurer may invest in Non-Negotiable Certificates of Deposit. Please see section 'AA' below for additional restrictions on non-negotiable Certificates of Deposit (CD) purchases.

K. Placement Service Deposits. The Treasurer may invest or participate in Placement Services. See section 'AA' below for restrictions on time deposits.

L. Placement Service Certificates of Deposit. The Treasurer may invest or participate in CD Placement Services. See section 'AA' below for restrictions on time deposits.

M. Repurchase Agreements. Repurchase agreements will only be entered into with Primary Dealers, and all collateral will be delivered to a third party designated by the Treasurer, as per state law. Due bills are not acceptable, nor, except in cases of extreme emergency, are substitutions of collateral on agreements under thirty days. The Treasurer will constantly monitor the market value of all collateral and shall require additional collateral if the market value falls to a level of 100% of the cash value invested, when Treasury Notes and Bonds are the collateral, and at higher levels for other types of collateral. Treasury Notes and Bonds will be collateralized at a minimum of 102% of market at the start of the repo, for short-term repos, and possibly at higher levels for longer-term repos, (percentage determined by market conditions, etc.). Repo agreements with Treasury Bills or other discounted securities as collateral will be priced to market and collateralized at a minimum of 102% of market, (actual percentage to be determined by collateral type, conditions, etc.). Collateral with maturities beyond five years are not acceptable, (except in certain limited cases where unrestricted 'puts' are included with the issue), and all collateral must meet the same requirements as purchased securities. Repurchase Agreements will not be entered into for periods longer than ninety days. Repurchase Agreement contracts will be on file for any dealer with which the County does Repos. See section 'S' below for other potential restrictions on Repo collateral.

EXHIBIT B

N. Reverse Repurchase Agreements and Securities Lending Agreements. The County Investment Policy does not allow the Treasurer to enter into reverse repurchase agreements, or lend securities.

O. Medium Term Notes. The Treasurer currently purchases medium term notes with a rating of "A" or higher from both Moody's and Standard and Poor's rating agencies. See section 'AA' below for additional potential restrictions on medium term notes. Medium term notes shall not exceed 30% of the portfolio.

P. Mutual Funds and Money Market Mutual Funds. The Treasurer currently imposes no additional restrictions on mutual fund purchases beyond those in the Codes.

Q. Collateralized Bank Deposits. The Treasurer currently imposes no additional restrictions on collateralized bank deposits beyond those in the Codes.

R. Mortgage Pass-Through Securities and Asset Backed Securities. The Treasurer does not invest in Mortgage pass-through securities nor in any collateralized mortgage investments. The Treasurer may purchase asset backed commercial paper with a maturity of less than or equal to 90 days and a short term rating of A1 / P1 / F1. The Treasurer currently does not purchase medium term notes issued by structured investment vehicles.

S. County Pooled Investment Funds. The Treasurer does not invest in County Pooled Investment Funds.

T. Joint Powers Authority (JPA) Pool. Investments in JPA investment funds shall not exceed 25% of the pool's portfolio.

U. Local Agency Investment Fund (LAIF). The Treasurer does invest in LAIF up to the current limit determined by the State Treasurer.

V. Voluntary Investment Program Fund. Any investment made shall require prior written approval of the Treasurer.

W. Supranational Obligations. The Treasurer may purchase United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank eligible for purchase and sale within the United States. The issue shall be rated "AA" or better by an NRSRO* and shall not exceed 30 percent of the portfolio.

X. Public Bank Obligations. Any investment made shall require prior written approval of the Treasurer.

EXHIBIT B

AA. Exposure Limits. Presently the total exposure to any one issuer, when totaling all types of securities shall not exceed 10% of the total portfolio on date of purchase. Exceptions to this limit shall include US Treasury issues, federal agency or government sponsored enterprise issues, and funds in LAIF. Repurchase agreement collateral shall not be excluded from this calculation unless the repurchase agreement is for 5 business days or less. Exposure to the overall credit of individual foreign countries shall be monitored and maintained at prudent levels.

BB. Futures and Options. The County Investment Policy does not allow the Treasurer to invest in futures or options. The purchase of callable securities is permitted.

CC. Maturities over Three Years. Any investment made with a maturity exceeding three years shall require prior written approval of the Treasurer. The Treasurer may provide temporary exemptions for specific employees for a period not to exceed one year such that each individual investment shall not require specific approval.

DD. Calculating Limits. State law states that all required percentages included within investment related sections of the Government Codes are only binding on the day the investment is made, and that future changes in the size of the portfolio do not require the Treasurer to readjust the total percentage of each security type within the portfolio to reflect the change in size. Neither is it necessary to sell an investment when changes occur such that the security no longer meets the minimum requirements of the Codes or the Codes are changed such as to no longer include certain current holdings. The Treasurer shall weigh the change in risk and determine whether or not a security should be sold within the portfolio after a change in conditions or the Codes result in a particular security no longer meeting existing or new regulations.

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COUNTY OF SANTA CRUZ

TREASURY OVERSIGHT COMMISSION
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073
(831) 454-2500 FAX (831) 454-2660

Date: October 21, 2026

To: Members of the Treasury Oversight Commission

From: Laura Bowers, Auditor-Controller-Treasurer-Tax Collector | Brandon Marquez, County of Santa Cruz
Investment Officer

Subject: Election of Officers (TOC Item #9)

Summary

Pursuant to the Treasury Oversight Commission's Bylaws, the commission will conduct an annual election held during the April meeting for Chairperson and Vice-Chairperson. See excerpt from the Bylaws below:

III. Officers:

- A. The officers of the Commission are the Chairperson and the Vice Chairperson.
- B. The duties of the Chairperson are to preside over meetings, prepare agendas, represent the Commission, and be responsible for Commission communications. The Vice-Chairperson shall assume these duties in the absence of the Chairperson.
- C. The term of office for the officers of the Commission will be one (1) year with elections held during the April meeting.