



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT

BOARD REPORT



SUBJECT: Reinvest Certificate of Deposit from Time Value Investments.

EXHIBIT: F-6, 2 Pages

AUTHOR: Danielle Mueller, Finance & Administration Manager

MEETING DATE: February 24, 2026

RECOMMENDED ACTION: Authorize staff to purchase the Certificate of Deposit per the terms described.

DISCUSSION: Per the District's Investment Policy, "The District may enter into any contract with a depository relating to any deposit which in the Treasurer's judgment is to the public advantage". Staff conducted a comparative analysis of investment options and determined higher interest rates can be realized with the purchase of a Certificate of Deposit (CD) compared to our current investment accounts administered and managed by Placer County. The District currently holds five CDs with Protective Securities, each worth approximately \$250,000, and earning interest ranging from 3.05% to 4.65% annually. Each CD has a 5-year maturity, and one of these CDs matures in February 2026. Staff proposes reinvesting this CD into a new 5-year option.

In evaluating investment opportunities, The District prioritizes **safety, liquidity and yield**:

- Safety:** The recommended CD is low risk and fully insured by the Federal Deposit Insurance Corporation (FDIC).
- Liquidity:** The CD carries no penalty fees for early withdrawal.
- Yield:** The expiring CD's interest rate is 4.2%, while the new CD is expected to yield 3.90%.

By comparison, Placer County investment funds are currently yielding 3.77% and the Local Area Investment Fund (LAIF) is yielding 3.93%.

Additionally, the proposed CD complies with the District's investment policy, which prohibits investments of idle funds exceeding thirty percent (30%) of total funds. The proposed \$249,000 CD, along with other CDs and 115 Trusts held, for a total investment of \$2,029,000, is well below that limit.

Staff recommends transferring \$249,000 from the maturing CD into new 5-year CD with Time Value Investments. The proposed CD is fully insured through the FDIC and considered a low-risk investment. In the event the District needed the funds before the maturity date, funds can be withdrawn without penalty.

Below is an example of the 5-year CD to be purchased.

CUSIP Asset	Mdy/S&P Underlying	Issue Description	Coupon	Maturity Next Call
38151PJG7 CD Px Hist	FedFIS 1.895	Goldman Sachs Bank Usa <i>Death Put GS Semi-Annual Pay</i>	3.900%	02/24/2031

FISCAL/RESOURCE IMPACTS: The source of funds is from cash currently residing in Time Value Investments accounts. Over a five-year term, the District expects to earn \$48,555 in interest, with a portion paid annually.

ATTACHMENTS: None.

DATE PREPARED: February 18, 2026