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NOTE 2 – CASH AND INVESTMENTS (concluded)

Fair Value Measurements

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- Level 1 Inputs—are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 Inputs—are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 Inputs—are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The City's investments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value in the hierarchy described above.

The fair value measurements for the City's investments are as follows on September 30, 2024:

		Fair Value Measurements Using		
Investments by Fair Value Level	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
City Investments:				
Accrued interest	$ 230,124	$ 230,124	$ -	$ -
Money Markets	121,012	121,012	-	-
Corporate Bonds	9,403,545	-	9,403,545	-
U.S. Treasury Obligations and Federal Agency Securities	17,183,500	-	17,183,500	-
Subtotal - City Investments	26,938,181	351,136	26,587,045	-
General Employees' Pension Plan:				
Money Markets	317,578	317,578	-	-
Corporate Bonds	3,130,075	-	3,130,075	-
U.S. Treasury Obligations and Federal Agency Securities	3,733,533	-	3,733,533	-
Mutual Funds - Equities	4,593,026	4,593,026	-	-
ETFs	5,520,030	5,520,030	-	-
Equities	11,560,098	11,560,098	-	-
Subtotal - General Employees' Pension Plan	28,854,340	21,990,732	6,863,608	-
Police Officers' Pension Plan:				
Money Markets	671,010	671,010	-	-
Corporate Bonds	1,883,031	-	1,883,031	-
U.S. Treasury Obligations and Federal Agency Securities	2,334,832	-	2,334,832	-
Mutual Funds - Equities	2,780,839	2,780,839	-	-
ETFs	3,599,743	3,599,743	-	-
Equities	7,517,204	7,517,204	-	-
ICMA Self Directed	51,751	51,751	-	-
Subtotal - Police Officers' Pension Plan	18,838,410	14,620,547	4,217,863	-
Total Investments Measured at Fair Value	$ 74,630,931	$ 36,962,415	$ 37,668,516	$ -