

# City of Lompoc

## Quarterly Investment Report



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March 31, 2021



# *Quarterly Investment Report*

## *As of March 31, 2021*

### ***Quarterly Reporting***

This report presents the City's investment portfolio for the quarter ending March 31, 2021. The report includes all investments managed by the City and on behalf of the City by fiscal agents. As required by the City's Investment Policy, the report provides information on the investment type, issuer, purchase date, maturity date, cost, par value, and market value for each security. This report also provides the portfolio yield based on cost and the weighted average days to maturity.

The investment objectives of the City of Lompoc are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet current operating requirements; and third, to earn a rate of return consistent with the constraints imposed by the safety and liquidity objectives.

The City follows the practice of pooling cash and investments for all funds. Interest earned on pooled cash and investments are allocated monthly to the various funds based on the respective fund's cash balance. Interest earned from cash and investments with fiscal agents is credited directly to the related accounts. It is common for governments, and is provided for in the City's Investment Policy, to pool cash and investments of various funds to improve investment performance. By pooling funds, the city is able to benefit from economies of scale, diversification, liquidity, and ease of administration.

Short-term cash is primarily invested in the Local Agency Investment Fund (LAIF) administered by the Treasurer of the State of California.

All investments of the City are held in a safekeeping or custodial account with US Bank. US Bank also provides the City, on a monthly basis, the valuation of all held securities to help the City determine the current market value. In some cases, the market value may be greater than or less than the recorded value. These changes in valuation have no effect on the City's effective yield, since the securities are intended to be held to maturity. These changes will impact the total value of the portfolio, and are required to be reported in accordance with generally accepted accounting principles.

### ***Investment Reporting***

The City investment objectives are governed by State law and by the City's adopted Investment Policy. This report provides information regarding the City's investments and investment return in accordance with the Investment Policy.

The following affirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of March 31, 2021 is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months.

The City has historically provided two investment reports to the Council in compliance with the City's Investment Policy. The first is the "Treasurer's Accountability Report" and the second is the "Cash Balance" report. The two reports have been prepared monthly and will continue to be prepared and distributed upon the completion of the cash reconciliation process each month. This Quarterly Investment Report is in addition to the two monthly reports and provides information to the user regarding the investment activities during the previous quarter for the City's investment pool.

# Quarterly Investment Report

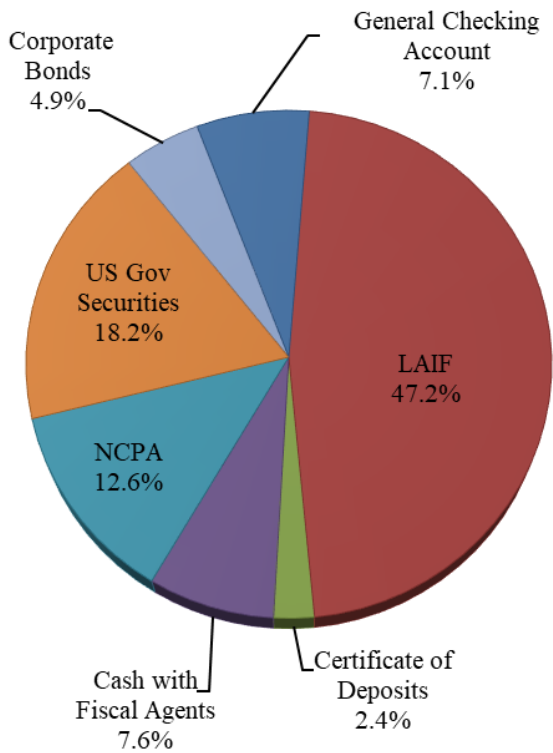
## As of March 31, 2021

### Current Portfolio Summary

Type of Investments	Percent of Portfolio	Yield	Book Value	Market Value
City Held Cash & Bank of America - Checking Account	4.9%	0.25%	\$ 5,172,299	\$ 5,172,299
Local Agency Investment Fund (LAIF), Ca. State Treasurer	63.9%	0.36%	67,914,883	68,001,125
Certificate of Deposits	0.9%	2.99%	1,000,000	1,057,990
Cash with Fiscal Agents - Other	6.0%	0.05%	6,340,862	6,340,862
Cash with Fiscal Agents - Northern California Power Agency (NCPA)	13.0%	1.44%	13,809,433	13,809,433
US Government Securities	6.6%	2.16%	7,000,000	7,208,190
Corporate Bonds	4.7%	2.50%	5,000,000	5,093,120
<b>Total City Investments</b>	<b>100%</b>	<b>0.72%</b>	<b>\$106,237,477</b>	<b>\$ 106,683,019</b>

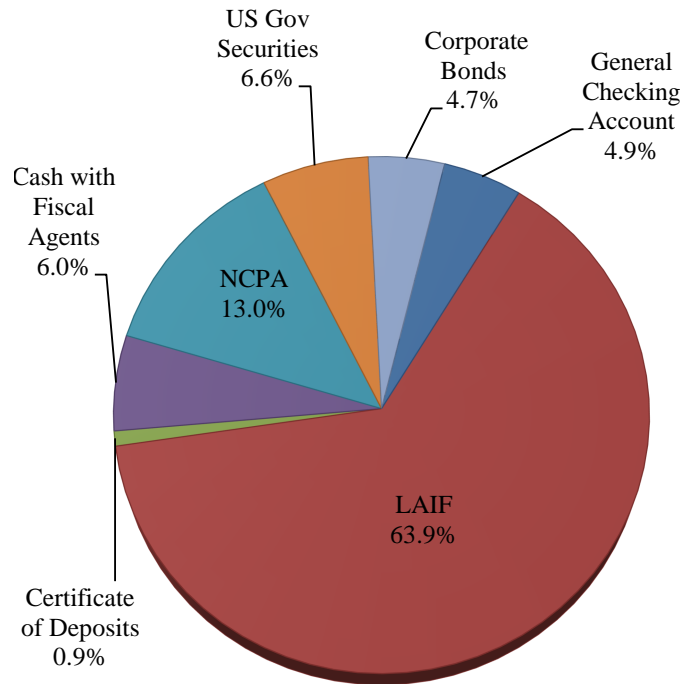
### Percentage of Portfolio by Type - Year Over Year

**March 31, 2020**



Total City Investments \$103,067,329

**March 31, 2021**



Total City Investments \$ 106,237,477

# Quarterly Investment Report

## As of March 31, 2021

### City Cash & General Checking

Cash Bank Accounts	Rate	Book Value	Market Value
Petty Cash	0.00%	\$ 4,585	\$ 4,585
Bank of America	0.25%	5,167,714	5,167,714
<b>Total Cash</b>	<b>0.25%</b>	<b>\$ 5,172,299</b>	<b>\$ 5,172,299</b>

### Local Agency Investment Fund

California Treasurer	Rate	Book Value	Market Value
Local Agency Investment Fund	0.36%	\$ 67,914,883	\$ 68,001,125
<b>Total LAIF</b>	<b>0.36%</b>	<b>\$ 67,914,883</b>	<b>\$ 68,001,125</b>

### Certificate of Deposits

Bank	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
Morgan Stanley	2.65%	1/11/2018	1/11/2023	\$ 250,000	\$ 250,000	\$ 261,158
Morgan Stanley Pvt Bank	3.55%	11/8/2018	11/8/2023	250,000	250,000	270,908
State Bank of India	2.25%	1/26/2017	1/26/2022	250,000	250,000	254,495
Wells Fargo	3.50%	11/9/2018	11/9/2023	250,000	250,000	271,430
<b>Total Certificate of Deposits</b>	<b>2.99%</b>			<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,057,990</b>

### Cash with Fiscal Agents - Other

Description	Rate	Book Value	Market Value
* Deutsche & Sterling Bank - Fleet Lease Purchase Fund	0.07%	\$ 4,107,338	\$ 4,107,338
* Bank of America - Public Capital Corp	0.01%	778,929	778,929
* US Bank - Bond Reserve Account	0.01%	1,454,595	1,454,595
<b>Total Cash with Fiscal Agent - Other</b>	<b>0.05%</b>	<b>\$ 6,340,862</b>	<b>\$ 6,340,862</b>

# Quarterly Investment Report

## As of March 31, 2021

### Cash with Fiscal Agent - Northern California Power Agency

NCPA	Rate	Book Value	Market Value
* General Operating Reserves	1.44%	\$ 13,231,211	\$ 13,231,211
* Restricted Security Account	1.44%	578,222	578,222
<b>Total Cash with Fiscal Agent - Northern California Power Agency</b>	<b>1.44%</b>	<b>\$ 13,809,433</b>	<b>\$ 13,809,433</b>

### US Government Securities

Security Description	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
FNMA - Fannie Mae	2.00%	1/20/2017	1/5/2022	\$ 2,000,000	\$ 2,000,000	\$ 2,028,720
FFCB - Federal Farm Credit Bank	2.01%	12/8/2016	12/8/2021	2,000,000	2,000,000	2,026,500
FHLB - Federal Home Loan Bank (Bullet)	2.38%	1/8/2018	9/8/2023	3,000,000	3,000,000	3,152,970
<b>Total Government Securities</b>	<b>2.16%</b>			<b>\$ 7,000,000</b>	<b>\$ 7,000,000</b>	<b>\$ 7,208,190</b>

### Corporate Bonds

Security Description	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
Toyota Motor Credit Corp.	2.60%	1/24/2017	1/11/2022	\$ 2,000,000	\$ 2,000,000	\$ 2,035,840
Apple Inc.	2.50%	2/17/2017	2/9/2022	2,000,000	2,000,000	2,034,980
Apple Inc.	2.30%	5/12/2017	5/11/2022	1,000,000	1,000,000	1,022,300
	<b>2.50%</b>			<b>\$ 5,000,000</b>	<b>\$ 5,000,000</b>	<b>\$ 5,093,120</b>

# Quarterly Investment Report

## As of March 31, 2021

### Summary Information

Years to Maturity	Percent of Portfolio	Book Value
On demand	23.8%	\$ 25,322,594
Within One Year	71.7%	76,164,883
One to Two Years	1.2%	1,250,000
Two to Three Years	3.3%	3,500,000
Three to Four Years	0.0%	-
Four to Five Years	0.0%	-
<b>Total City Investments</b>		<b>\$ 106,237,477</b>
<b>Estimate Annual Interest</b>		<b>\$ 763,002</b>
<b>Weighted Average Years to Maturity</b>		<b>0.16</b>

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of March 31, 2021 is in compliance with the City's Statement of Investment Policy; and (2) there are sufficient funds available to meet the City's expenditure requirements for the next six months. City funds currently under the management of fiscal agents are indicated above with an "\*".


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**Dean Albro, Management Service Director**

8/26/2021  
**Date**