

# City of Lompoc

## Quarterly Investment Report



December 31, 2022



# *Quarterly Investment Report*

## *As of December 31, 2022*

### **Quarterly Reporting**

This report presents the City's investment portfolio for the quarter ending December 31, 2022. 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 December 31, 2022 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 December 31, 2022

### City of Lompoc

#### Quarter Investment Report

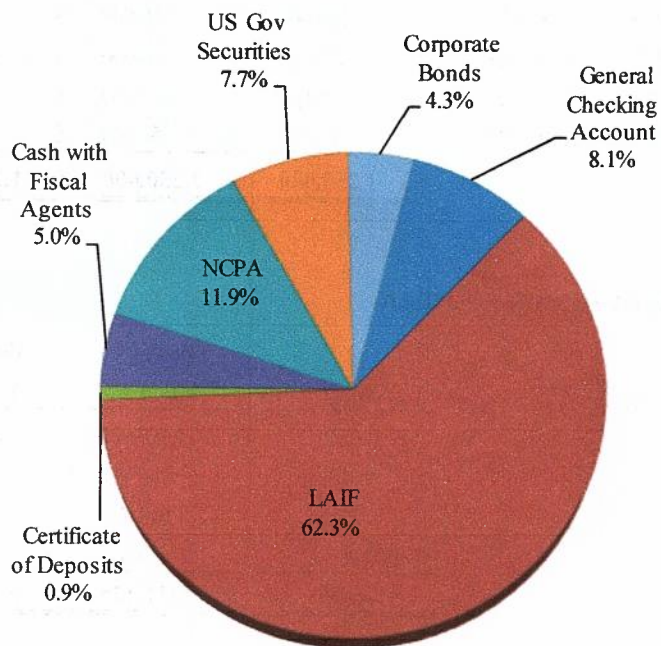
#### As of December 31, 2022

#### Current Portfolio Summary

Type of Investments	Percent of Portfolio	Yield	Book Value	Market Value
City Held Cash & Bank of America - Checking Account	7.1%	0.25%	\$ 8,282,188	\$ 8,282,188
Local Agency Investment Fund (LAIF), Ca. State Treasurer	33.4%	2.17%	39,009,590	38,283,592
Certificate of Deposits	1.1%	2.73%	1,250,000	1,208,003
Cash with Fiscal Agents - Other	5.1%	0.34%	5,911,235	5,911,235
Cash with Fiscal Agents - Northern California Power Agency (NCPA)	12.3%	1.82%	14,405,556	14,405,556
US Government Securities	41.1%	3.10%	48,000,000	46,094,580
<b>Total City Investments</b>	<b>100%</b>	<b>2.29%</b>	<b>\$116,858,569</b>	<b>\$ 114,185,154</b>

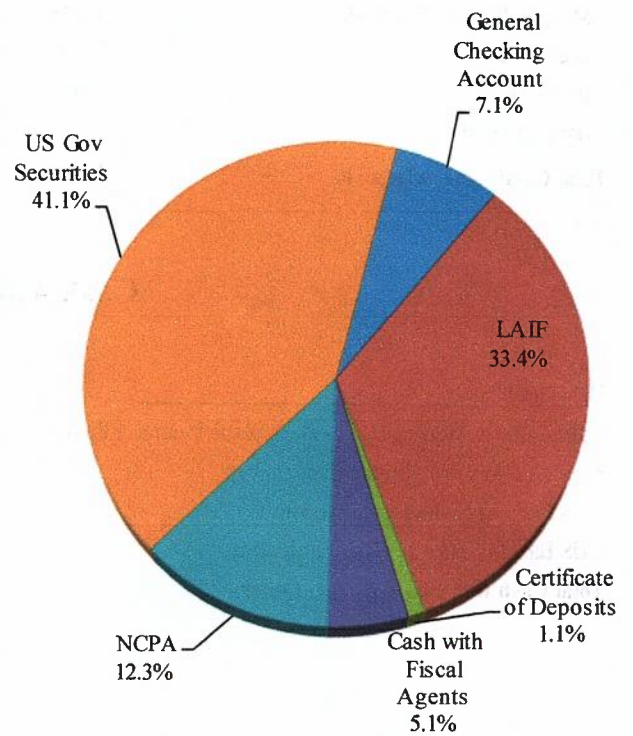
#### Percentage of Portfolio by Type - Year Over Year

**December 31, 2021**



Total City Investments \$ 117,393,775

**December 31, 2022**



Total City Investments \$ 116,858,569

# Quarterly Investment Report

## As of December 31, 2022

### 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%	8,277,603	8,277,603
<b>Total Cash</b>	<b>0.25%</b>	<b>\$ 8,282,188</b>	<b>\$ 8,282,188</b>

### Local Agency Investment Fund

California Treasurer	Rate	Book Value	Market Value
Local Agency Investment Fund	2.17%	\$ 39,009,590	\$ 38,283,592
<b>Total LAIF</b>	<b>2.17%</b>	<b>\$ 39,009,590</b>	<b>\$ 38,283,592</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	\$ 249,883
Morgan Stanley Pvt Bank	3.55%	11/8/2018	11/8/2023	\$ 250,000	\$ 250,000	\$ 247,683
Wells Fargo	3.50%	11/9/2018	11/9/2023	\$ 250,000	\$ 250,000	\$ 247,808
BMW Bank	1.80%	3/4/2022	3/4/2025	\$ 250,000	\$ 250,000	\$ 235,668
Bank of India	2.15%	3/10/2022	3/10/2027	\$ 250,000	\$ 250,000	\$ 226,963
<b>Total Certificate of Deposits</b>	<b>2.73%</b>			<b>\$ 1,250,000</b>	<b>\$ 1,250,000</b>	<b>\$ 1,208,003</b>

### Cash with Fiscal Agents - Other

Description	Rate	Book Value	Market Value
* Deutsche & Sterling Bank - Fleet Lease Purchase Fund	0.05%	\$ 4,110,990	\$ 4,110,990
* Bank of America - Public Capital Corp	1.81%	786,495	786,495
* US Bank - Bond Reserve Account	0.38%	1,013,750	1,013,750
* US Bank - Cash and Cash Equivalents	0.00%	96,094	96,094
<b>Total Cash with Fiscal Agent - Other</b>	<b>0.34%</b>	<b>\$ 5,911,235</b>	<b>\$ 5,911,235</b>

# Quarterly Investment Report

## As of December 31, 2022

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

NCPA	Rate	Book Value	Market Value
* General Operating Reserves	1.82%	\$ 13,682,519	\$ 13,682,519
* Restricted Security Account	1.82%	723,037	723,037
<b>Total Cash with Fiscal Agent - Northern California Power Agency</b>	<b>1.82%</b>	<b>\$ 14,405,556</b>	<b>\$ 14,405,556</b>

### US Government Securities

Security Description	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
FHLB - Federal Home Loan Bank	2.38%	1/8/2018	9/8/2023	\$ 3,000,000	\$ 3,000,000	\$ 2,950,260
FFCB - Federal Farm Credit Bank	3.63%	9/2/2022	3/6/2024	\$ 3,000,000	\$ 3,000,000	\$ 2,958,300
FHLB - Federal Home Loan Bank	1.10%	12/17/2021	3/17/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,848,900
FHLB - Federal Home Loan Bank	2.15%	3/28/2022	3/28/2025	\$ 1,000,000	\$ 1,000,000	\$ 945,240
US Treasury	2.63%	4/8/2022	3/31/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,817,200
FHLMC - Freddie Mac	3.80%	8/25/2022	8/25/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,955,380
FHLB - Federal Home Loan Bank	2.00%	3/16/2022	9/16/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,866,920
FFCB - Federal Farm Credit Bank	4.25%	9/30/2022	9/30/2025	\$ 4,000,000	\$ 4,000,000	\$ 3,992,600
FHLB - Federal Home Loan Bank	3.10%	4/29/2022	10/29/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,785,300
FFCB - Federal Farm Credit Bank	3.50%	9/16/2022	6/16/2026	\$ 3,000,000	\$ 3,000,000	\$ 2,925,450
FHLB - Federal Home Loan Bank	1.10%	10/13/2021	10/13/2026	\$ 1,000,000	\$ 1,000,000	\$ 884,150
FHLB - Federal Home Loan Bank	1.50%	12/22/2021	12/22/2026	\$ 1,000,000	\$ 1,000,000	\$ 892,790
FHLB - Federal Home Loan Bank	2.40%	3/29/2022	3/29/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,755,140
FHLB - Federal Home Loan Bank	3.23%	4/28/2022	4/28/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,828,700
FHLMC - Freddie Mac	3.38%	6/22/2022	6/22/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,839,920
FHLMC - Freddie Mac	4.00%	8/24/2022	8/24/2027	\$ 2,000,000	\$ 2,000,000	\$ 1,944,580
FHLMC - Freddie Mac	4.25%	9/20/2022	9/20/2027	\$ 5,000,000	\$ 5,000,000	\$ 4,903,750
<b>Total Government Securities</b>	<b>3.10%</b>			<b>\$ 48,000,000</b>	<b>\$ 48,000,000</b>	<b>\$ 46,094,580</b>

# Quarterly Investment Report

## As of December 31, 2022

### Summary Information

Years to Maturity	Percent of Portfolio	Book Value
On demand	24.5%	\$ 28,598,979
Within One Year	36.6%	42,759,590
One to Two Years	2.6%	3,000,000
Two to Three Years	18.2%	21,250,000
Three to Four Years	4.3%	5,000,000
Four to Five Years	13.9%	16,250,000
<b>Total City Investments</b>		<b>\$ 116,858,569</b>
<b>Estimate Annual Interest</b>		<b>\$ 2,674,292</b>
<b>Weighted Average Years to Maturity</b>		<b>1.24</b>

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of December 31, 2022 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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 Christie Donnelly, Management Service Director

4-27-23  
 Date