

City of Lompoc

Quarterly Investment Report



September 30, 2022



Quarterly Investment Report

As of September 30, 2022

Quarterly Reporting

This report presents the City's investment portfolio for the quarter ending September 30, 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 September 30, 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

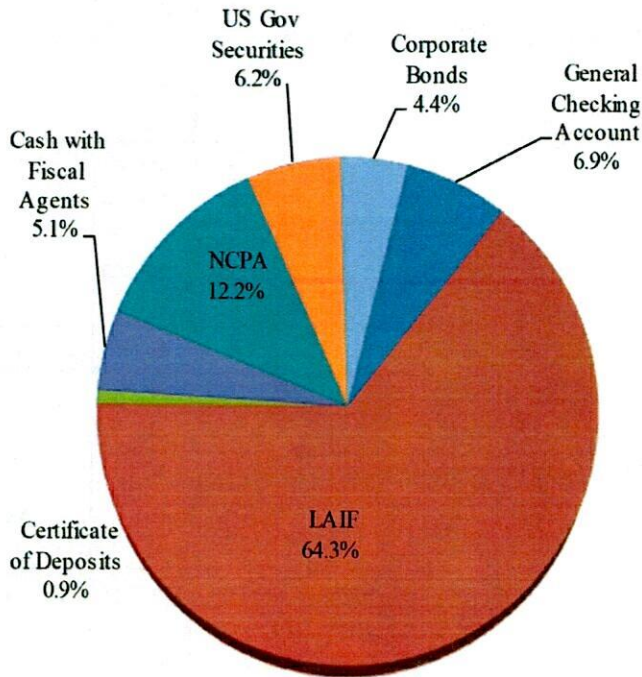
As of September 30, 2022

Current Portfolio Summary

Type of Investments	Percent of Portfolio	Yield	Book Value	Market Value
City Held Cash & Bank of America - Checking Account	5.4%	0.25%	\$ 6,148,495	\$ 6,148,495
Local Agency Investment Fund (LAIF), Ca. State Treasurer	34.0%	1.51%	38,814,267	38,067,518
Certificate of Deposits	1.1%	2.73%	1,250,000	1,209,163
Cash with Fiscal Agents - Other	5.1%	0.28%	5,809,034	5,809,034
Cash with Fiscal Agents - Northern California Power Agency (NCPA)	12.3%	1.70%	14,091,387	14,091,387
US Government Securities	42.1%	3.10%	48,000,000	46,081,510
Total City Investments	100%	2.09%	\$114,113,183	\$ 111,407,107

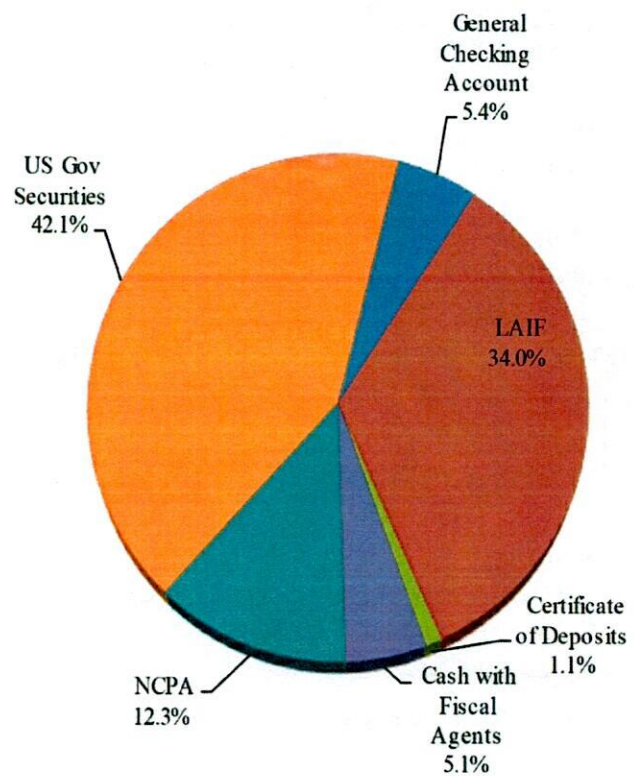
Percentage of Portfolio by Type - Year Over Year

September 30, 2021



Total City Investments \$ 113,563,081

September 30, 2022



Total City Investments \$ 114,113,183

Quarterly Investment Report

As of September 30, 2022

City Cash & General Checking

<u>Cash Bank Accounts</u>	Rate	Book Value	Market Value
Petty Cash	0.00%	\$ 4,585	\$ 4,585
Bank of America	0.25%	6,143,910	6,143,910
Total Cash	0.25%	\$ 6,148,495	\$ 6,148,495

Local Agency Investment Fund

<u>California Treasurer</u>	Rate	Book Value	Market Value
Local Agency Investment Fund	1.51%	\$ 38,814,267	\$ 38,067,518
Total LAIF	1.51%	\$ 38,814,267	\$ 38,067,518

Certificate of Deposits

<u>Bank</u>	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	\$ 249,465
Morgan Stanley Pvt Bank	3.55%	11/8/2018	11/8/2023	\$ 250,000	\$ 250,000	\$ 248,155
Wells Fargo	3.50%	11/9/2018	11/9/2023	\$ 250,000	\$ 250,000	\$ 248,333
BMW Bank	1.80%	3/4/2022	3/4/2025	\$ 250,000	\$ 250,000	\$ 235,600
Bank of India	2.15%	3/10/2022	3/10/2027	\$ 250,000	\$ 250,000	\$ 227,610
Total Certificate of Deposits	2.88%			\$ 1,250,000	\$ 1,250,000	\$ 1,209,163

Cash with Fiscal Agents - Other

<u>Description</u>	Rate	Book Value	Market Value
* Deutsche & Sterling Bank - Fleet Lease Purchase Fund	0.05%	\$ 4,110,465	\$ 4,110,465
* Bank of America - Public Capital Corp	1.16%	781,625	781,625
* US Bank - Bond Reserve Account	0.53%	916,944	916,944
Total Cash with Fiscal Agent - Other	0.28%	\$ 5,809,034	\$ 5,809,034

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Cash with Fiscal Agent - Northern California Power Agency

NCPA	Rate	Book Value	Market Value
* General Operating Reserves	1.70%	\$ 13,839,279	\$ 13,839,279
* Restricted Security Account	1.70%	252,108	252,108
Total Cash with Fiscal Agent - Northern California Power Agency	1.70%	\$ 14,091,387	\$ 14,091,387

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	\$ 2,945,640
FFCB - Federal Farm Credit Bank	3.63%	9/2/2022	3/6/2024	\$ 3,000,000	\$ 3,000,000	\$ 2,968,290
FHLB - Federal Home Loan Bank	1.10%	12/17/2021	3/17/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,839,240
FHLB - Federal Home Loan Bank	2.15%	3/28/2022	3/28/2025	\$ 1,000,000	\$ 1,000,000	\$ 942,720
US Treasury	2.63%	4/8/2022	3/31/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,807,400
FHLMC - Freddie Mac	3.80%	8/25/2022	8/25/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,963,280
FHLB - Federal Home Loan Bank	2.00%	3/16/2022	9/16/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,856,980
FFCB - Federal Farm Credit Bank	4.25%	9/30/2022	9/30/2025	\$ 4,000,000	\$ 4,000,000	\$ 3,986,520
FHLB - Federal Home Loan Bank	3.10%	4/29/2022	10/29/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,771,200
FFCB - Federal Farm Credit Bank	3.50%	9/16/2022	6/16/2026	\$ 3,000,000	\$ 3,000,000	\$ 2,923,170
FHLB - Federal Home Loan Bank	1.10%	10/13/2021	10/13/2026	\$ 1,000,000	\$ 1,000,000	\$ 876,170
FHLB - Federal Home Loan Bank	1.50%	12/22/2021	12/22/2026	\$ 1,000,000	\$ 1,000,000	\$ 885,480
FHLB - Federal Home Loan Bank	2.40%	3/29/2022	3/29/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,739,390
FHLB - Federal Home Loan Bank	3.23%	4/28/2022	4/28/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,818,200
FHLMC - Freddie Mac	3.38%	6/22/2022	6/22/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,830,920
FHLMC - Freddie Mac	4.00%	8/24/2022	8/24/2027	\$ 2,000,000	\$ 2,000,000	\$ 1,957,860
FHLMC - Freddie Mac	4.25%	9/20/2022	9/20/2027	\$ 5,000,000	\$ 5,000,000	\$ 4,969,050
Total Government Securities	3.10%			\$ 48,000,000	\$ 48,000,000	\$ 46,081,510

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Summary Information

Years to Maturity	Percent of Portfolio	Book Value
On demand	25.1%	\$ 26,048,916
Within One Year	40.5%	42,064,267
One to Two Years	3.4%	3,500,000
Two to Three Years	11.8%	12,250,000
Three to Four Years	11.6%	12,000,000
Four to Five Years	7.7%	8,000,000
Total City Investments		\$ 103,863,183
Estimate Annual Interest		\$ 2,381,363
Weighted Average Years to Maturity		1.50

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of September 30, 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 "**".



 Christie Donnelly, Management Service Director

3-15-23
 Date