

City of Lompoc

Quarterly Investment Report



June 30, 2023



Quarterly Investment Report

As of June 30, 2023

Quarterly Reporting

This report presents the City's investment portfolio for the quarter ending June 30, 2023. 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 June 30, 2023 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

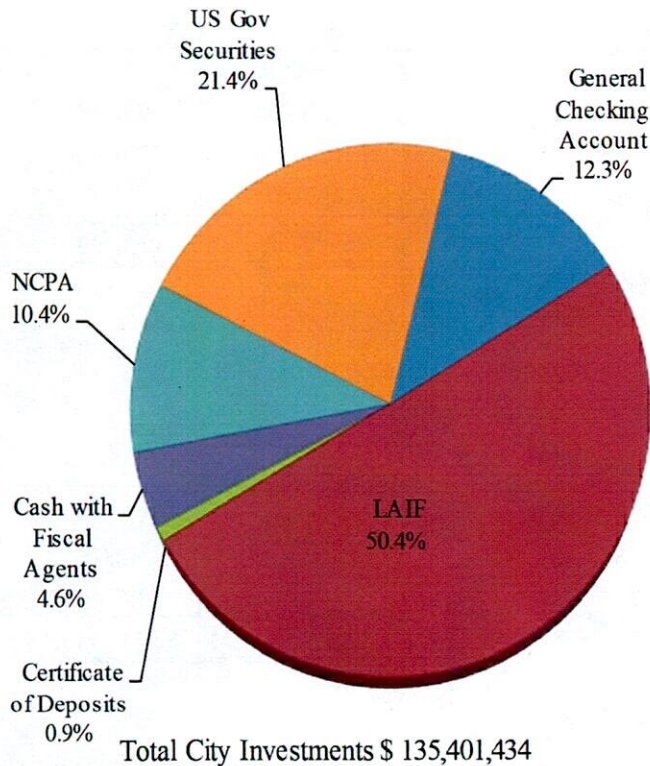
As of June 30, 2023

Current Portfolio Summary

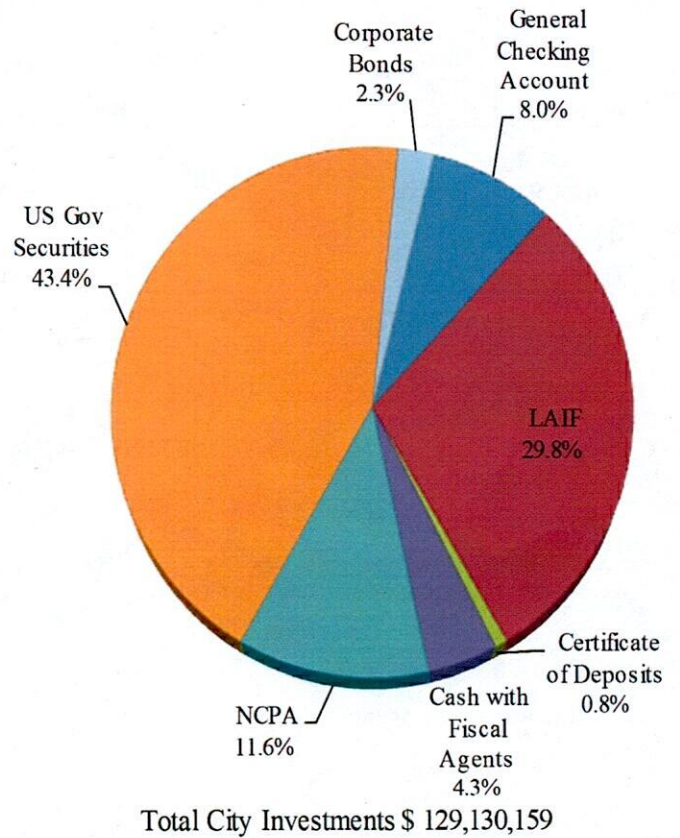
Type of Investments	Percent of Portfolio	Yield	Book Value	Market Value
City Held Cash & Bank of America - Checking Account	8.0%	0.25%	\$ 10,269,630	\$ 10,269,630
Local Agency Investment Fund (LAIF), Ca. State Treasurer	29.8%	3.17%	38,417,668	37,834,046
Certificate of Deposits	0.8%	2.75%	1,000,000	955,838
Cash with Fiscal Agents - Other	4.3%	0.22%	5,503,754	5,503,754
Cash with Fiscal Agents - Northern California Power Agency (NCPA)	11.6%	2.08%	15,015,006	15,015,006
US Government Securities	43.4%	3.33%	56,000,000	53,978,700
Corporate Bonds	2.3%	3.20%	2,924,100	2,902,290
Total City Investments	100%	2.75%	\$129,130,159	\$ 126,459,263

Percentage of Portfolio by Type - Year Over Year

June 30, 2022



June 30, 2023



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City Cash & General Checking

<u>Cash Bank Accounts</u>	<u>Rate</u>	<u>Book Value</u>	<u>Market Value</u>
Petty Cash	0.00%	\$ 4,585	\$ 4,585
Bank of America	0.25%	10,265,045	10,265,045
Total Cash	0.25%	\$ 10,269,630	\$ 10,269,630

Local Agency Investment Fund

<u>California Treasurer</u>	<u>Rate</u>	<u>Book Value</u>	<u>Market Value</u>
Local Agency Investment Fund	3.17%	\$ 38,417,668	\$ 37,834,046
Total LAIF	3.17%	\$ 38,417,668	\$ 37,834,046

Certificate of Deposits

<u>Bank</u>	<u>Rate</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>
BMW Bank	1.80%	3/4/2022	3/4/2025	\$ 250,000	\$ 250,000	\$ 235,540
Morgan Stanley Pvt Bank	3.55%	11/8/2018	11/8/2023	\$ 250,000	\$ 250,000	\$ 248,350
Bank of India	2.15%	3/10/2022	3/10/2027	\$ 250,000	\$ 250,000	\$ 223,498
Wells Fargo	3.50%	11/9/2018	11/9/2023	\$ 250,000	\$ 250,000	\$ 248,450
Total Certificate of Deposits	2.75%			\$ 1,000,000	\$ 1,000,000	\$ 955,838

Cash with Fiscal Agents - Other

<u>Description</u>	<u>Rate</u>	<u>Book Value</u>	<u>Market Value</u>
* Webster Bank - Fleet Lease Purchase Fund	0.11%	\$ 4,114,449	\$ 4,114,449
* Bank of America - Public Capital Corp	1.39%	2,000	2,000
* US Bank - Bond Reserve Account	0.53%	1,387,304	1,387,304
Total Cash with Fiscal Agent - Other	0.22%	\$ 5,503,754	\$ 5,503,754

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Cash with Fiscal Agent - Northern California Power Agency

NCPA	Rate	Book Value	Market Value
* General Operating Reserves	2.08%	\$ 14,675,905	\$ 14,675,905
* Restricted Security Account	2.08%	339,101	339,101
Total Cash with Fiscal Agent - Northern California Power Agency	2.08%	\$ 15,015,006	\$ 15,015,006

US Government Securities

Security Description	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
FHLMC - Freddie Mac	3.38%	6/22/2022	6/22/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,833,800
FHLMC - Freddie Mac	3.80%	8/25/2022	8/25/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,944,760
FHLMC - Freddie Mac	4.00%	8/24/2022	8/24/2027	\$ 2,000,000	\$ 2,000,000	\$ 1,930,420
FHLMC - Freddie Mac	4.25%	9/20/2022	9/20/2027	\$ 5,000,000	\$ 5,000,000	\$ 4,858,600
FFCB - Federal Farm Credit Bank	3.50%	9/16/2022	6/16/2026	\$ 3,000,000	\$ 3,000,000	\$ 2,906,280
FFCB - Federal Farm Credit Bank	3.63%	9/2/2022	3/6/2024	\$ 3,000,000	\$ 3,000,000	\$ 2,962,800
FFCB - Federal Farm Credit Bank	4.00%	1/13/2023	1/13/2026	\$ 3,000,000	\$ 3,000,000	\$ 2,948,700
FFCB - Federal Farm Credit Bank	4.25%	9/30/2022	9/30/2025	\$ 4,000,000	\$ 4,000,000	\$ 3,950,920
FFCB - Federal Farm Credit Bank	4.95%	1/23/2023	1/23/2026	\$ 3,000,000	\$ 3,000,000	\$ 2,961,660
FFCB - Federal Farm Credit Bank	5.40%	1/18/2023	1/18/2028	\$ 2,000,000	\$ 2,000,000	\$ 1,977,180
FHLB - Federal Home Loan Bank	1.10%	12/17/2021	3/17/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,867,280
FHLB - Federal Home Loan Bank	1.10%	10/13/2021	10/13/2026	\$ 1,000,000	\$ 1,000,000	\$ 895,890
FHLB - Federal Home Loan Bank	1.50%	12/22/2021	12/22/2026	\$ 1,000,000	\$ 1,000,000	\$ 903,760
FHLB - Federal Home Loan Bank	2.00%	3/16/2022	9/16/2025	\$ 2,000,000	\$ 2,000,000	\$ 1,878,020
FHLB - Federal Home Loan Bank	2.15%	3/28/2022	3/28/2025	\$ 1,000,000	\$ 1,000,000	\$ 949,980
FHLB - Federal Home Loan Bank	2.38%	1/8/2018	9/8/2023	\$ 3,000,000	\$ 3,000,000	\$ 2,982,720
FHLB - Federal Home Loan Bank	2.40%	3/29/2022	3/29/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,779,890
FHLB - Federal Home Loan Bank	3.10%	4/29/2022	10/29/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,796,550
FHLB - Federal Home Loan Bank	3.23%	4/28/2022	4/28/2027	\$ 3,000,000	\$ 3,000,000	\$ 2,850,090
US Treasury	2.63%	4/8/2022	3/31/2025	\$ 5,000,000	\$ 5,000,000	\$ 4,799,400
Total Government Securities	3.33%			\$ 56,000,000	\$ 56,000,000	\$ 53,978,700

Corporate Bonds

Security Description	Rate	Purchase Date	Maturity Date	Par Value	Book Value	Market Value
Apple Inc	3.20%	1/13/2023	5/13/2025	\$ 3,000,000	\$ 2,924,100	\$ 2,902,290
	3.20%			\$ 3,000,000	\$ 2,924,100	\$ 2,902,290

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Summary Information

Years to Maturity	Percent of Portfolio	Book Value
On demand	23.8%	\$ 30,788,391
Within One Year	34.8%	44,917,668
One to Two Years	8.7%	11,174,100
Two to Three Years	17.0%	22,000,000
Three to Four Years	8.7%	11,250,000
Four to Five Years	7.0%	9,000,000
Total City Investments		\$ 129,130,159
Estimate Annual Interest		\$ 3,556,592
Weighted Average Years to Maturity		1.17

The following confirmations are made pursuant to California Code Sections 53600 et seq.: (1) the City's portfolio as of June 30, 2023 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

9-25-23

 Date