

Cash & Investments Flash Report

June 30, 2022

- All investments remain in compliance with Virginia statutes and the City's investment policy
- Investments are highly rated and include the following security types: U.S. Treasuries, Municipal Bonds, Federal Agencies, Corporate Notes, Commercial Paper and Certificates of Deposit. Money market and pool funds were also utilized for overnight and short-term liquidity needs
- An active investment management approach is utilized by implementing the appropriate investment strategies to meet the funds objectives and goals and to further enhance diversification
- Maintains sufficient cash flow liquidity to meet expected expenditures
- Diversified investment program seeks to protect the asset, while enhancing earnings with higher yielding securities versus overnight investment options for assets not needed for daily liquidity
- Investments received \$383,070 in earnings during the months of April through June 2022 (cash basis)

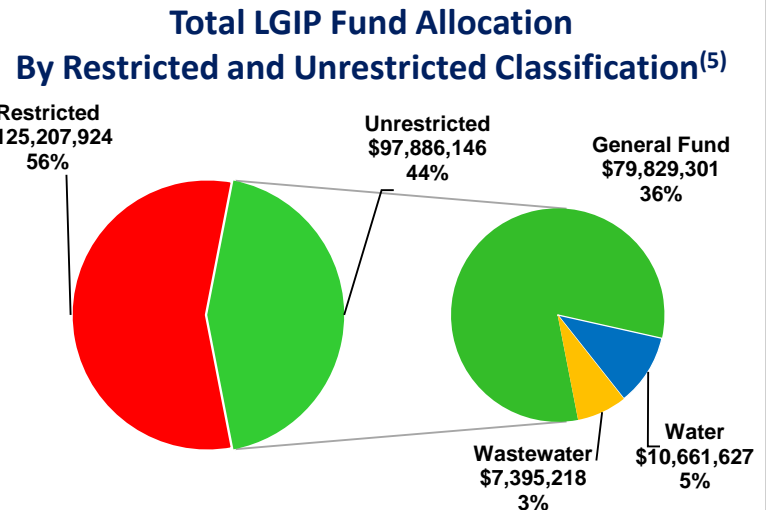
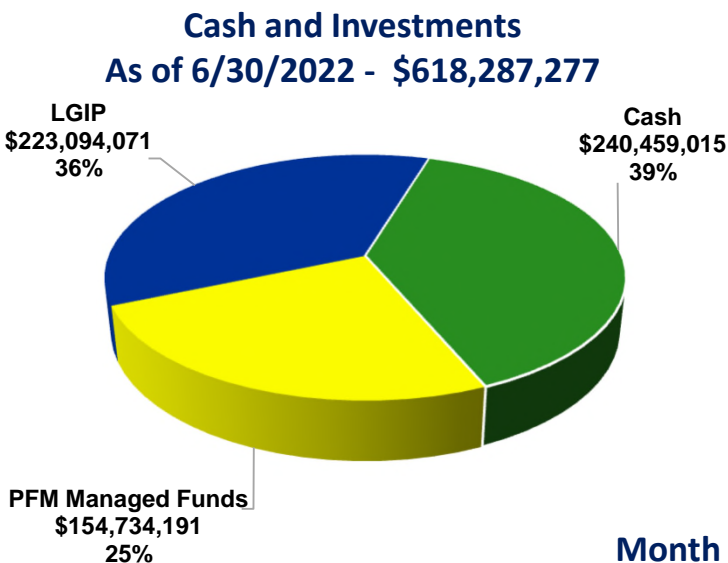
| Interest / Earnings | Interest Yield (%) ⁽¹⁾ | As of 6/30/2022 |
|-----------------------|--|-------------------|
| Cash | 0.20% | \$ 92,495 |
| LGIP | 0.39% | 281,753 |
| Managed Funds | 0.96%, 0.94%, 0.69% and 0.84% ⁽²⁾ | 8,821 |
| Total Earnings | | \$ 383,070 |

(1) Interest earnings reflecting the months of April through June 2022.

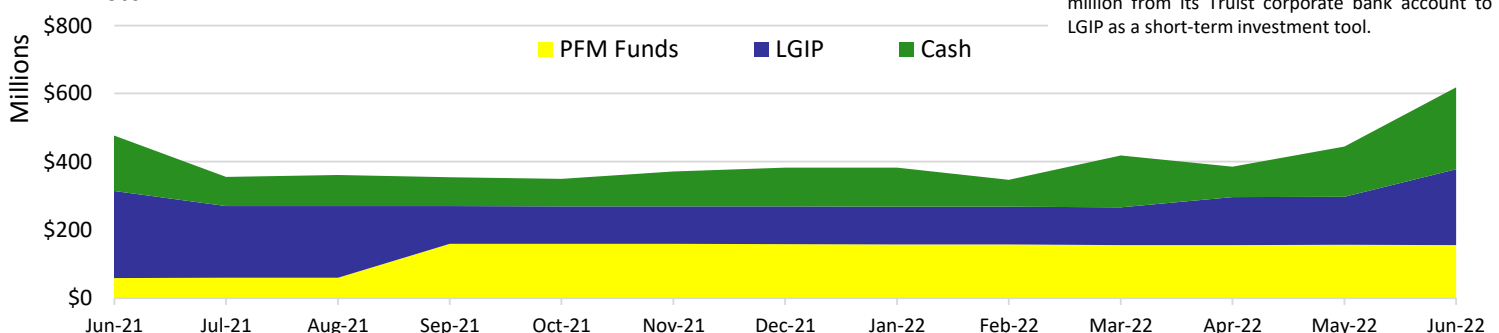
(2) Interest yields reflecting PFM Managed Operating, SWIFT, ARPA and Long-Term Investment Funds.

| Cash and Investments | Quarter Ending 3/31/2022 | As of 4/30/2022 | As of 5/31/2022 | Quarter Ending 6/30/2022 |
|--|--------------------------|-----------------------|-----------------------|--------------------------|
| Cash in Corporate Account at Truist | \$ 151,506,224 | \$ 89,106,712 | \$ 147,325,666 | \$ 240,459,015 |
| Local Government Investment Pool ("LGIP") ⁽³⁾ | 110,788,545 | 140,826,892 | 140,912,452 | 223,094,071 |
| Managed Operating Funds ⁽⁴⁾ | 155,387,649 | 154,891,784 | 156,128,919 | 154,734,191 |
| Total Available | \$ 417,682,418 | \$ 384,825,388 | \$ 444,367,037 | \$ 618,287,277 |

⁽³⁾ As of 6/23/22, the City deposited its second installment of ARPA proceeds of \$77.1 million to the City's LGIP investment account. ⁽⁴⁾ Including Operating and SWIFT Fund balances, as well as \$75 million in ARPA and \$22.2 million in Long-term Investment Fund proceeds.

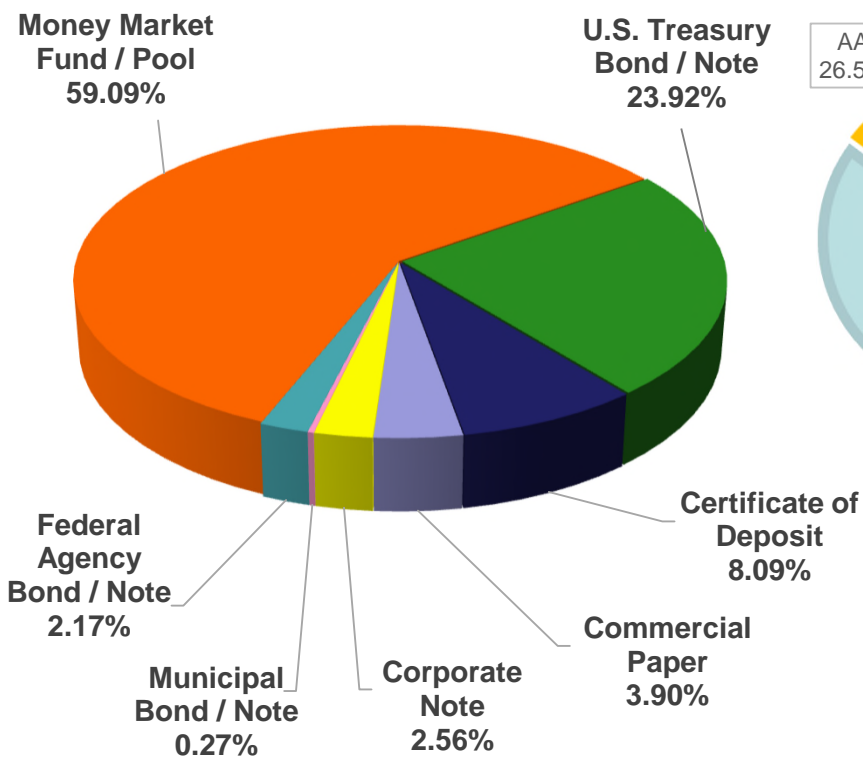


Month End Balances

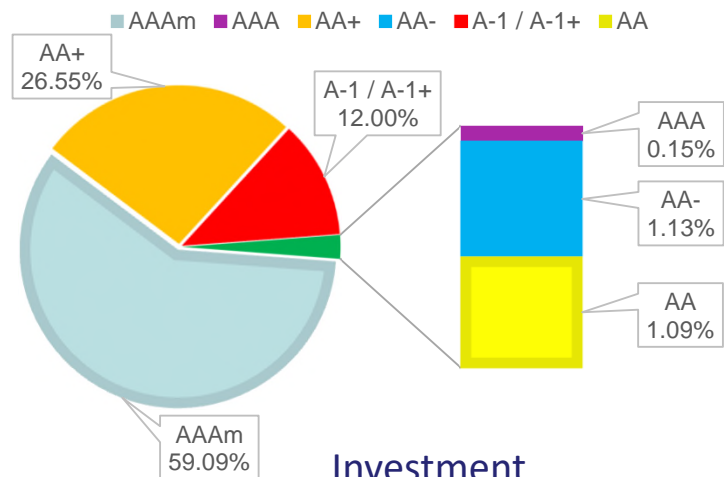


(5) Effective 4/22/22, the City transferred \$30 million from its Truist corporate bank account to LGIP as a short-term investment tool.

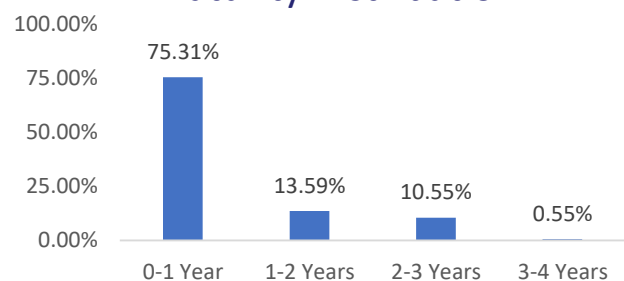
Investment Sector Allocation = \$377,828,262



Investment Credit Quality (S&P Rating)



Investment Maturity Distribution



| Permissible Investments* | | | | |
|---|---|------------------|--------------------|------------------|
| Permitted Investment | Description | Maximum Holdings | Maximum per Issuer | Maximum Maturity |
| U.S. Treasury Obligations | Obligations with the full faith and credit of the U.S. Government | No Maximum | No Maximum | 5 years |
| U.S. Government Agency Securities | Obligations with the full faith and credit of the U.S. Government | No Maximum | 70% | 5 years |
| Federal Instrumentalities (U.S. Government-Sponsored Enterprises) | Negotiable senior debt obligations issued or guaranteed by U.S. Government-Sponsored Enterprises, which are non-full faith and credit agencies. | No Maximum | 50% | 5 years |
| Municipal Bonds and Obligations of the Commonwealth | Issuer must be a city, county, state, or political subdivision. Short-term rating minimum "P1" by Moody's and a minimum "A1" by S&P. Long long-term rating minimum "Aa" uninsured rating by Moody's and "AA" uninsured rating by S&P. | 30% | 5% | 5 years |
| Commercial Paper | An unsecured, short-term debt instrument issued by a corporation. An Issuer's Commercial Paper program must have a minimum rating of "P1" by Moody's and "A1" by S&P. | 25% | 5% | 270 days |
| Corporate Debt | Must be a security of a corporation organized and operating in the United States and that has a minimum long-term unsecured debt rating of "Aa" by Moody's and "AA" by S&P. | 30% | 5% | 5 years |
| Negotiable Certificates of Deposit and Bank Deposit Notes | The issuing corporation must be organized and operating in the U.S. Short-term rating minimum "P1" by Moody's and a minimum "A1" by S&P. Long long-term rating minimum "Aa" uninsured rating by Moody's and "AA" uninsured rating by S&P. | 30% | 5% | 5 years |
| Money Market Mutual Funds | An investment fund that holds the objective of earning interest for shareholders, while maintaining a net asset value of \$1/share. The fund must have a current minimum money market rating of "Aaa" by Moody's or "AAAm" by S&P. | 25% | 25% | 180 Days |
| Local Government Investment Pool (LGIP) | Administered by the Treasury Board of the Commonwealth of Virginia and is rated AAAm by Standard & Poor's. | No Maximum | No Maximum | n/a |

* For summary purposes only, see Approved Investment Policy for permissible investments.