

**CITY OF REDONDO BEACH
BUDGET & FINANCE COMMISSION AGENDA
Thursday, August 14, 2025**

415 DIAMOND STREET, REDONDO BEACH

CITY COUNCIL CHAMBER

REGULAR MEETING OF THE BUDGET & FINANCE COMMISSION - 6:30 PM

**ALL PUBLIC MEETINGS HAVE RESUMED IN THE CITY COUNCIL
CHAMBER. MEMBERS OF THE PUBLIC MAY PARTICIPATE IN-PERSON,
BY ZOOM, EMAIL OR eCOMMENT.**

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*Click "In Progress" hyperlink under Video section of meeting

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TO JOIN ZOOM MEETING (FOR PUBLIC COMMENT ONLY):

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https://www.zoomgov.com/webinar/register/WN_WvcYPJOxT_q9ZkYTF4gRjg

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

<https://redondo.granicusideas.com/meetings>

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION WITH ATTACHED DOCUMENTS BEFORE 3PM DAY OF MEETING:

Written materials that include attachments pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under the relevant agenda item. financemail@redondo.org

REGULAR MEETING OF THE BUDGET & FINANCE COMMISSION - 6:30 PM

A. CALL MEETING TO ORDER

B. ROLL CALL

C. SALUTE TO THE FLAG

D. APPROVE ORDER OF AGENDA

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

E.1. [For Blue Folder Documents Approved at the Budget and Finance Commission Meeting](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or discussion are assigned to the Consent Calendar. The Commission Members may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion following Oral Communications.

F.1. [APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF AUGUST 14, 2025](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F.2. [APPROVAL OF THE MINUTES FROM THE SPECIAL JOINT MEETING OF THE PUBLIC WORKS & SUSTAINABILITY AND BUDGET AND FINANCE COMMISSION OF APRIL 28, 2025; AMENDED MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025, THE REGULAR MEETING OF JUNE 12, 2025, AND THE REGULAR MEETING OF JULY 10, 2025](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

G. EXCLUDED CONSENT CALENDAR ITEMS

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Commission. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. [CIP PROJECTS REPORTED BY PROJECT](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

I.2. [BUILDING MAINTENANCE/REPLACEMENT PLANNING](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

I.3. [HOMELESSNESS FUNDING AND ACCOUNTABILITY](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. [ANNUAL REVIEW OF THE CITY'S STATEMENT OF INVESTMENT POLICY 2025, AS AMENDED](#)

CONTACT: EUGENE SOLOMON, CITY TREASURER

J.2. [CITY TREASURER'S FOURTH QUARTER, FISCAL YEAR 2024-25 REPORT](#)

CONTACT: EUGENE SOLOMON, CITY TREASURER

J.3. [RESERVES AND BUDGET CONCERNS](#)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

L. ADJOURNMENT

The next meeting of the Redondo Beach Budget & Finance Commission will be a regular meeting to be held at 6:30 p.m. on September 11, 2025, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

An agenda packet is available 24 hours at www.redondo.org under the City Clerk.



Administrative Report

E.1., File # BF25-1132

Meeting Date: 8/14/2025

TITLE

For Blue Folder Documents Approved at the Budget and Finance Commission Meeting



Administrative Report

F.1., File # BF25-1133

Meeting Date: 8/14/2025

TITLE

APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE
COMMISSION MEETING OF AUGUST 14, 2025

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF REDONDO BEACH)

AFFIDAVIT OF POSTING

In compliance with the Brown Act, the following materials have been posted at the locations indicated below.

Legislative Body	Budget and Finance Commission
Posting Type	Regular Meeting Agenda
Posting Locations	415 Diamond Street, Redondo Beach, CA 90277 ✓ Adjacent to Council Chambers ✓ City Clerk's Counter, Door "1"
Meeting Date & Time	August 14, 2025 6:30 p.m.

As the Administrative Analyst and Liaison of the Budget and Finance Commission of the City of Redondo Beach, I declare, under penalty of perjury, the document noted above was posted at the date displayed below.

*Erin Smith, Administrative Analyst
Budget and Finance Commission*

Date: August 11, 2025



Administrative Report

F.2., File # BF25-1134

Meeting Date: 8/14/2025

TITLE

APPROVAL OF THE MINUTES FROM THE SPECIAL JOINT MEETING OF THE PUBLIC WORKS & SUSTAINABILITY AND BUDGET AND FINANCE COMMISSION OF APRIL 28, 2025; AMENDED MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025, THE REGULAR MEETING OF JUNE 12, 2025, AND THE REGULAR MEETING OF JULY 10, 2025



Minutes
Special Joint Meeting
Public Works & Sustainability and Budget & Finance
Commission – 6 P.M.
Monday, April 28, 2025

A. CALL TO ORDER

A Special Joint Meeting of the Redondo Beach Public Works and Sustainability Commission and Budget and Finance Commission was called to order by City Engineer Lauren Sablan at 6:00 P.M., in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California, and teleconference.

B. ROLL CALL

Commissioners Present: Simpson, Bajaj, Anderson, Beeli, Chair Arrata, Jeste, Chair Allen, Woodham, Sherbin

Commissioners Absent: Tsao, Nafissi, Samples

Officials Present: Stephanie Meyer, City Finance Director
Lauren Sablan, City Engineer
Jesse Reyes, Capital Projects Program Manager/PWSC
Liaison
Erin Smith, Budget & Finance Liaison

C. SALUTE TO THE FLAG

All Commissioners stood and recited the salute to the flag.

D. ELECTION OF TEMPORARY CHAIRPERSON FOR JOINT SESSION

City Engineer Sablan invited the commissioners to nominate a chairperson for tonight's meeting.

Motion by Commissioner Simpson, seconded by Commissioner Anderson, to approve the nomination of Chair Arrata as the evening's chairperson.

Motion carried, by voice vote, 9-0. Commissioners Tsao, Nafissi, and Samples were absent.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. BLUE FOLDER

Motion by Commissioner Beeli, seconded by Commissioner Allen, to receive and file the Blue Folder items.

Motion carried, by voice vote, 9-0. Commissioners Tsao, Nafissi, and Samples were absent.

F. ITEMS FOR DISCUSSION PRIOR TO ACTION

F.1. DISCUSSION REGARDING THE PROPOSED 2025-26 FY FUNDING FOR CAPITAL IMPROVEMENT PROJECTS (CIP)

Capital Projects Program Manager Reyes gave some background on the item; explained it is a program status update for the CIP, looking at projects that are currently active this year as well as looking at project developments for next FY; presented a PowerPoint which included:

- Why is CIP Important?
 - City Infrastructure Impacts: Quality of Life; Health & Safety; Property Values; Economic Development; City Liability
 - CIP Accomplishments – provided a slide of the last 5 years' (2020 – 2025) accomplishments on both the expenditure side and project side
 - \$17.8 million has currently been spent this year
 - Active CIP Projects
 - Listed 19 completed projects Y-T-D
 - Listed 9 projects that are in construction
 - Listed 14 projects in procurement
 - Listed 18 projects in design process
 - Next Steps
 - Recommendations of Staff CIP Committee
 - City Manager's Proposed Budget to the City Council by May 16th (Charter date)
 - Planning Commission review of FY 2025-26 CIP on May 15th
 - FY 25-26 CIP Budget Public Hearing on June 10th
 - Evaluation Criteria – needs to meet one or more of the following:
 - Health and safety?
 - Mandated?
 - Implement a Strategic Plan goal?
 - Does it complete an existing project?
 - Does it support economic development?
 - Will it result in future operating savings?
 - Is there significant outside funding?
 - CIP Recommendation
 - Carryover Projects
 - Listed 7 carryover projects totaling \$64,544,284 (noted much of the money is grant funded)
 - Draft FY 25-26 CIP
 - FY 24-26 CIP budget recommendations in development
 - Areas of focus: Complete existing projects – 120 projects
 - Residential Street Rehabilitation
 - City Facility Infrastructure – Veteran's Park, RBPAC, Civic Center, Citywide Roof and HVAC

- Regional Metro M and R Projects – Design and Construction – MAT Project, Riviera Village Multi-Modal Improvements, Aviation/Artesia right turn lane, NRB Bike path, Traffic Signal communication upgrades

Budget & Finance Chair Allen asked for clarification on the redirection of the FP Funds.

Capital Projects Program Manager Reyes stated they are not using FP funds towards other projects but redirecting discretionary capital funds that were put towards the PD and Fire stations; clarified that since Measure FP has passed the discretionary funds no longer need to be focused towards those facilities and can be used for other City projects; continued with the presentation and concluded it; asked that a motion is made to receive and file.

Budget & Finance Commissioner Jeste spoke about requesting more details on completed projects for over a year; asked what the original proposal to City Council was and what they approved; noted that most proposals are optimistic and then always end up going over budget; requested to see the original proposals of all the completed projects, what Council approved and what the costs were at completion; stated this information would be useful to calculate the costs of the new projects.

Commissioner Anderson added he would also like to see contingency budgets that were allocated.

Capital Projects Program Manager Reyes interjected stating they provided feedback on specific projects when they awarded them and they included contingencies; explained the City's process further; noted that if they are not comfortable with the level of funding they do not move forward with it and used the Pier parking structure as an example; spoke in more detail on project overruns and how the City defines it and mentioned the difference between overruns and incorrect budget estimates.

Budget & Finance Commissioner Jeste stated he is not questioning why or how but just wants to see the data; stated without the data the Budget & Finance Commission cannot make any analysis determinations.

Budget & Finance Chair Allen requested to see the Draft FY 25-26 CIP Budget slide; commented that they can place the numbers in a column next to each project.

Capital Projects Program Manager Reyes stated it is not as simple as that; spoke more about the projects and the hurdles they come across.

More discussion followed regarding placing the data in columns, the changes that occur during projects that affect the budget, avoiding headline risks, and what the Budget & Finance Commission's purpose is in analyzing this type of data.

Capital Projects Program Manager Reyes wanted to make clear what constitutes a budget overrun and costs that are incurred due to unforeseen project changes.

More discussion followed regarding the Budget & Finance Commission's request for the data.

Budget & Finance Commissioner Woodham stated all they are really talking about is being able to distinguish between a cost overrun and a project that has simply grown over time for logical reasons.

Commissioner Anderson spoke about contingencies and how given the data they can help the City plan for it; mentioned his experience with grant funding and cautioned them to be particular on the type of improvements the City is looking to put in the grants; explained in detail why he suggested they be cautious.

More discussion followed on grant requests and the City's experience with them.

Budget & Finance Commissioner Woodham wondered about early figures on expenditures, capital improvement, and project expenditures of \$20.4 million in 2023 and asked how much of a hit it was on the General Fund versus grants.

Capital Projects Program Manager Reyes stated grant funding is about a fifth to a fourth of all funding; noted the City has a lot of restricted funding and used transportation funding as an example; spoke about discretionary/capital funds or general funds and stated the Council dictates where that money is spent and noted it is a very small amount of the entire CIP budget.

Budget & Finance Commissioner Woodham stated they would like to be provided with that information.

Capital Projects Program Manager Reyes stated they can provide that and it is broken down by funding sources.

Budget & Finance Commissioner Woodham asked how the impact of inflation has affected the costs with projects; spoke of the impacts of Covid and the fires disrupting the supply chain.

Capital Projects Program Manager Reyes stated they are through the Covid impacts and are able to better estimate projects; mentioned their last few projects have been close to the engineers' estimated costs; noted they are waiting to see how the tariffs will impact their new and future projects; stated that the City is protected when they award a project to a contractor because that contractor placed a bid they are bound to.

More discussion followed regarding impacts they have seen from past or current projects that started months or years ago.

Chair Arrata asked if it is possible to put a timeline on getting the data with the actual costs and the percentage of change for the Budget Committee so they can make recommendations.

Capital Projects Program Manager Reyes stated they can work on that; noted they are in the middle of budget season; stated as soon as he can put together the proposed CIP budget and look back at previous projects or current projects, he can get those to them.

Chair Arrata asked to see the slide titled Draft FY25-26 CIP Budget; asked if she heard correctly that they were taking funds from the City's Police and Fire Departments to fund other categories.

Capital Projects Program Manager Reyes clarified that money that was normally allocated towards their facility improvements will no longer be because of Measure FP; noted they still allocated some funds to make sure the living quarters are sufficient since it will take several years before construction is completed.

Budget & Finance Chair Allen asked how much was being allocated towards the facility.

Capital Projects Program Manager Reyes stated about \$300,000 to \$500,000.

More discussion followed and Capital Projects Program Manager Reyes stated tentatively they can look at August to get the Budget & Finance Commission the report they are asking for.

Commissioner Bajaj asked for the projected revenue of Measure FP.

Capital Projects Program Manager Reyes answered it approved \$93.5 million for two new fire stations, a new police station and the police annex.

Motion by Budget & Finance Chair Allen, seconded by Commissioner Simpson, to receive and file the Capital Budget.

City Engineer Sablan reported there were no eComments and no one on Zoom.

Motion carried 9-0 by voice vote. Commissioners Tsao, Nafissi, and Samples were absent.

Motion by Budget & Finance Chair Allen, seconded by Commissioner Simpson, to adjourn the meeting of joint commissions.

Motion carried 9-0 by voice vote. Commissioners Tsao, Nafissi, and Samples were absent.

**G. ADJOURN JOINT MEETING OF THE PUBLIC WORKS AND
SUSTAINABILITY COMMISSION AND BUDGET AND FINANCE
COMMISSION – 6:52 P.M.**

Motion by Budget & Finance Chair Allen, seconded by Commissioner Simpson, to adjourn the meeting of joint commissions at 6:52 p.m.

Motion carried 9-0 by voice vote. Commissioners Tsao, Nafissi, and Samples were absent.

Respectfully submitted:

Andrew Winje
Public Works Director

Stephanie Meyer
Financial Services Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 PM

A. CALL MEETING TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Allen, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Jeste, Ramcharan, Samples, Sherbin,
Chair Allen

Commissioners Absent: Marin, Woodham

Officials Present: Eugene Solomon, City Treasurer
Nilesh Mehta, Chief Deputy City Treasurer
Stephanie Meyer, Finance Director
Erin Smith, Administrative Analyst

C. SALUTE TO THE FLAG

Chair Allen led in the salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Samples, seconded by Commissioner Jeste, to approve the order of the agenda, as presented. There being no objections, Chair Allen so ordered.

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

Administrative Analyst Smith reported one Blue Folder item was included in the agenda packet.

F. CONSENT CALENDAR

F.1. APPROVAL OF THE MINUTES FROM THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF APRIL 2, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F.2. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

There were no public comments on the Consent Calendar.

Motion by Commissioner Samples, seconded by Commissioner Jeste, to approve the Consent Calendar, as presented. There being no objections, Chair Allen so ordered.

G. EXCLUDED CONSENT CALENDAR ITEMS - None

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Jim Mueller mentioned the lack of public participation in the meeting; noted the lack of information past FY 2021/2022; expressed interest in the revenue/expenses relative to the harbor and the revenue effect of big property changes taking place (Big Lots, Pep Boys, Rite Aid); commented on the Galleria property and talked about the importance of having up-to-date financial information available to the public, on the City's website; commented that sometimes voters are asked to make decisions on things they don't have information on.

Finance Director Meyer stated they are no longer using OpenGov so they have not updated the data there and it is not a high priority to do so because the City is not actively using that product; reported the data is available if they attend the Commission meetings or they can find the data in the Budget Book.

Analyst Smith reminded Chair Allen that staff cannot go into much detail since it is not on the agenda. Chair Allen stated that Jim Mueller is just asking a simple question.

Finance Director Meyer stated that the exact data available on OpenGov is not available in another form on the website at this point in time.

Commissioner Sherbin suggested this could be an opportunity for the Commission to ensure the information becomes available to the public and suggested placing a discussion on a future agenda.

There were no public comments on non-agenda items.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. BUILDING MAINTENANCE/REPLACEMENT PLANNING - None

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Placing related items in future agendas will be discussed under Item No. K.

J. ITEMS FOR DISCUSSION PRIOR TO ACTIONS

J.1. CITY TREASURER'S QUARTER 3 FISCAL YEAR 2024-2025 REPORT

CONTACT: EUGENE SOLOMON, CITY TREASURER

City Treasurer Solomon introduced consultant Greg Balls, Meeder Investments (via Zoom) and Chief Deputy City Treasurer Niles Mehta and deferred to him for a presentation.

Chief Deputy City Treasurer Mehta and Consultant Balls narrated a PowerPoint presentation with details of the City Treasurer's Quarter 3 Fiscal Year 2024-2025 Report and the U.S. economic outlook.

Commission Ramcharan commented if the Fed cuts rates, noted a lot of the City's assets are short term, the short term assets are going to go down, but if inflation spikes then your costs are going to stay high or go up; asked if the City has a plan in place to deal with the potential mismatch.

City Treasurer Solomon responded to questions from the Commission regarding plans to deal with the potential mismatch between a decline in short-term rates that would push down income from assets and continue high inflation which would push costs up, seeking opportunities to lock in current high yields for longer periods of time, balancing between liquidity and rate risks, creation of weekly cash flow analyses, triggers for funding emergencies and addressing cash reserves, the CalPERS Reserve Fund and finding investment opportunities.

Commissioner Jester asked if there is an unplanned emergency, how much money could the City get almost immediately.

City Treasurer Solomon reported they have had discussions with Finance Director Meyer and have set in the City's subsidiary account a benchmark to review and are alerted if it falls below; mentioned they have monies in a money market account, monies in LAIF and CAMP account and are available if there is an emergency; noted \$8.9 million in the subsidiary account, \$13 million in the CAMP account, and about \$2 million in the money market account and mentioned they have a CalPERS Emergency Fund.

More discussion followed.

In reply to Chair Allen's inquiry, City Treasurer Solomon reported that regarding the CalPERS Reserve Fund, it is a separate fund, is coded as part of the General Fund overall, and is not part of the \$85 million.

Chair Allen asked for clarification of where the reserves were and what reserves the Treasurer was investing in.

City Treasurer Solomon reported it is in a subsidiary account that does not receive an investment credit.

Chair Allen requested clarification of where the reserves were and what the Treasurer was investing in and advised not to have more than 3 to 5% in the City's checking account and suggested the \$10 million in money market should go into CAMP or LAIF as they provide higher yields, listing money market and CAMP separately and locking in investments for longer duration than two years.

Chief Deputy City Treasurer Nilesh Mehta clarified when they mention "money market" that is CAMP.

Chair Allen provided more suggestions to the City Treasurer; asked if, when they do their summary to the Commission, they separate it out as they have shown on the screen; noticed most of the investments are already in one to two years and advised them to lock in for longer duration.

City Treasurer Solomon explained that one of the reasons for staying shorter is the City's cash flow needs; talked about the current economic uncertainties and projected projects coming online within the next few years.

City Treasurer Solomon stated there is economic uncertainty, macro basis uncertainty, and uncertainty within the City; mentioned some of the projects they had hoped would come online as a revenue source has taken longer and is not providing revenue yet.

Chair Allen indicated she would like more information regarding the CalPERS Reserve; hoped that the City Treasurer could get his hands on it and start investing.

City Treasurer Solomon offered to provide it at an upcoming meeting and mentioned he has taken the note and appreciated the suggestion.

Commissioner Ramcharan referenced micro risks and noted the Secretary of the Treasury pointed out that there is a chance that the U.S. will take the long duration debt and try to default by pushing the duration out to 100 years and suggested keeping in mind that there is a chance that in the next six months, the performance of longer dated debt could change.

City Treasurer Solomon thanked the Commission and noted staff will work together to address the Commission's suggestions.

There were no public comments on this item.

Motion by Commissioner Sherbin, seconded by Commissioner Ramcharan, to receive and file the City Treasurer's Quarter 3 Fiscal Year 2024-2025 Report. There being no objections, Chair Allen so ordered.

J.2. FISCAL YEAR 2024-25 Q3 FINANCIAL REPORTING: JANUARY - MARCH 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Finance Director Meyer narrated a PowerPoint presentation with details of the Fiscal Year 2024-25 Q3 Financial Reporting for January through March 2025.

In reply to Chair Allen, Finance Director Meyer confirmed that department revenues are at or below cost-recovery, except for City Treasurer and verified that City departments do not generate revenue.

Discussion followed regarding the need for a more detailed presentation, providing specific tax detail in future reports, revenue by source, getting information regarding asymmetrical revenue, projecting future revenue from historical performance, expected TOT and UUT and explaining big variances.

Finance Director Meyer continued with the presentation addressing General Fund spending.

Discussion followed regarding staffing for the Waterfront and Economic Development Department, pension costs related to the Police Department, separating personnel costs from other costs, breaking out special revenues and pooled cash.

Continuing discussion pertained to getting as much data as possible, presenting the data graphically, including it in the Administrative Report and including summary information in the presentation with an attachment of the supporting data.

Chair Allen invited public comments.

Jim Mueller opined the report does not provide a basis for the Commission to make recommendations to Council; felt it is inadequate; talked about the Commission's role to advise City Council, declining sources of revenue and increased costs.

There were no other public comments on this item.

Motion by Commissioner Samples, seconded by Commissioner Jeste, to receive and file the Fiscal Year 2024-25 Q3 Financial Reporting for January through March 2025. There being no objections, Chair Allen so ordered.

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Chair Allen spoke about Item No. I; thanked Mr. Mueller for bringing it up; commented on the importance of long-term planning and suggested it stay on the agenda for regular updates.

Commissioner Sherbin understood that those types of capital expenses are typically financed by bonds; noted the need for the utilization and costs to offset each other and talked about this being a typical way to finance construction.

Commissioner Samples pointed it this is now turning into a discussion of policy, process and recommendations and opined it is not on the agenda.

Chair Allen clarified this has to do with Item No. I, which is on the agenda.

Commissioner Ramcharan felt it would be helpful to add context and wondered if it can be anticipated when to finance those kinds of assets to place the bonds or time them better.

Commissioner Samples discussed needing to involve the City Manager and Public Works; felt the item; relative to how the City plans for upgrades, maintenance and repairs, should remain on the agenda and suggested scheduling it after budget discussions.

Chair Allen spoke about the City not having plans, long-term (20-30 years).

Commissioner Samples mentioned the need to define the item and talked about it being in the CIP.

Finance Director Meyer stated she will discuss this item with the City Manager and Public Works and will return with an update during the Commission's meeting to discuss in August.

Commissioner Samples explained needing to know the City's requirements for placing projects in the CIP and the respective dollar limits.

Chair Allen invited public comments.

Jim Mueller distinguished between maintenance expenses and capital expenses; noted that because Fire Stations were not maintained, now they need renovation and agreed that capital expenses are long-term and should be financed by long-term financing.

There were no other public comments.

Motion by Commissioner Samples, seconded by Commissioner Sherbin, to continue Item I to the next meeting of the Budget & Finance Commission. There being no objections, Chair Allen so ordered.

Commissioner Sherbin reported that he put together a recommendation to City Council regarding homelessness and the Commission held it to send it to Council at a more appropriate time. He pointed out the upcoming budget cycle and believed now is the appropriate time to send the Commission's recommendations to Council.

Chair Allen recapped the issue relative to homelessness funding and accountability in the City and referenced a template she created to track costs.

Commissioner Samples pointed out that it cannot be discussed now, as it is not on the agenda.

Motion by Commissioner Samples, seconded by Commissioner Sherbin, to place the topic of homeless funding/accountability in an upcoming meeting. There being no objections, Chair Allen so ordered.

L. ADJOURNMENT – 8:25 p.m.

There being no further business to come before the Budget & Finance Commission, motion by Commissioner Samples, seconded by Commissioner Sherbin, to adjourn the meeting at 8:25 p.m., to a regular meeting to be held at 6:30 p.m. on June 12, 2025, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California. There being no objections, Chair Allen so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 PM

A. CALL MEETING TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Allen, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Jeste, Marin, Samples, Sherbin, Woodham,
Chair Allen

Commissioners Absent: Ramcharan

Officials Present: Mike Witzansky, City Manager
Stephanie Meyer, Finance Director
Erin Smith, Budget & Finance Liaison

C. SALUTE TO THE FLAG

Chair Allen led in the salute to the flag.

D. APPROVE ORDER OF AGENDA

Finance Director Meyer requested moving the City Manager's Budget presentation forward on the agenda.

There were no public comments on this item.

Motion by Chair Allen, seconded by Commissioner Marin, to approve the order of the agenda, as amended, moving There being no objections, Chair Allen so ordered.

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

E.1. For Blue Folder Documents Approved at the Budget and Finance Commission Meeting

CONTACT: EUGENE SOLOMON, CITY TREASURER

Budget & Finance Liaison Smith reported receiving Blue Folder Items for Item No. I.1 and for J.1.

Motion by Commissioner Woodham, seconded by Commissioner Woodham, to receive and file Blue Folder Items. There being no objections, Chair Allen so ordered.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JUNE 12, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F.2. APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

There were no public comments on the Consent Calendar.

Chair Allen pulled Item No. F.2 for separate consideration.

Motion by Commissioner Samples, seconded by Commissioner Woodham, to approve Item No. F.1 of the Consent Calendar and pull Item No. F.2 for separate discussion. There being no objections, Chair Allen so ordered.

G. EXCLUDED CONSENT CALENDAR ITEMS

F.2. APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Chair Allen requested revising the minutes of the Budget and Finance Commission meeting of May 8, 2025, to include further discussions regarding Item J.1 in terms of reserves, with clarification of where the reserves were and what reserves the Treasurer was investing in, that the Treasurer offered to return with information regarding the CalPERS reserves and a discussion where the Treasurer mentioned that revenues were declining, and because of that he was unable to invest longer than two years. Additionally, regarding Item No. J.2, she noted there was a discussion that the presentation was not detailed enough and asked that it be included in the minutes as well as a discussion that City departments do not generate revenue.

Motion by Chair Allen, seconded by Commissioner Woodham, to continue Item No. F.2 to the July 10, 2025, Budget and Finance Commission meeting to allow for recommended

revisions. There being no objections, Chair Allen so ordered.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

Chair Allen invited public comments.

Jim Mueller referenced June 17th City Council meeting; noted that one Councilmember questioned the existence of a deficit in the new fiscal year budget, seemed to be concerned, but other Councilmembers did not seem to be concerned at all; stated that other Councilmembers were focused on their wish lists and opined the people do not seem to understand there is a potential budget problem that may only get worse in subsequent years. He listed the needs/requests of various groups; wondered what the Commission can do to inform the public of potential budgetary problems and that all of the “wishes” cannot be fulfilled without the ability to borrow and the City does not have control of a major part of its revenue stream; talked about revenues being “iffy” and increasing costs; mentioned the pension liability; stated the City is dipping into its limited reserves to cover the deficit and reiterated that the public needs to know. He asked that the Commission help inform the public and the City government to assist in that effort.

There were no other public comments on non-agenda items.

Chair Allen moved to Item No. J.1.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. HOMELESS FUNDING AND ACCOUNTABILITY

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Finance Director Meyer narrated PowerPoint slides with details of a template proposed by Chair Allen to report on Homelessness Funding and Accountability.

Chair Allen explained the worksheet would list the number of grants received and amounts, and to whom the money was paid.

Finance Director Meyer stated she was thinking of a higher-level report without getting into the vendor details and spoke about the time needed to go down to detail.

Discussion followed regarding showing spending by category, clarifying the Commission’s need in terms of what the City is spending on homelessness, and in what category, grant funding and the amount going to vendors, showing the basic source and the application of funds, by category.

Finance Director Meyer reported that construction of the pallet shelters is 100% grant funded.

Commissioner Woodham spoke about needing to know capital costs and operating costs, separately.

Finance Director Meyer noted that staff can and will provide that information.

Discussion followed regarding the need to make informed estimates and assumptions, focusing on the homeless shelter organization in terms of costs that can be easily identified, challenges with softer costs relative to shared staffing, showing personnel by department and other operating non-personnel non-capital costs and capital costs, the number of contracts and showing contractor information.

Motion by Commissioner Samples, seconded by Commissioner Marin, to continue this matter to the August meeting of the Budget and Finance Commission. There being no objections, Chair Allen so ordered.

Chair Allen moved to Item No. J.2.

J. ITEMS FOR DISCUSSION PRIOR TO ACTIONS

J.1. DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2025-2026 CITY MANAGER'S PROPOSED BUDGET AND FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

City Manager Witzansky narrated a PowerPoint presentation with details of the Fiscal Year 2025-2026 City Manager's proposed budget and five-year Capital Improvement Program (CIP).

Discussion followed regarding one-time Decision Packages including Crossing Guard contributions, tree-trimming services associated with the scheduled grid, one-time equipment and other one-time materials and supplies.

City Manager Witzansky continued with the presentation addressing General Fund Revenues and explained "Transfers In".

Finance Director Meyer reported they are funds that come into the General Fund, to reimburse the General Fund for specific services or in certain cases, it is a pass through.

In response to Commissioner Woodham's question, City Manager Witzansky discussed big items under Non-Taxed Revenues, including Recreation Program fees and programmatic user fees, investment revenue and revenue from other governments. He talked about the possibility of segregating some of the categories in the future.

Commissioner Jeste asked about showing increased details of those categories as some are large and City Manager Witzansky reported full breakdowns are available in the Budget

Book.

Finance Director Meyer confirmed that details are in the Budget Book, but presentations are kept at an extremely high level and focus on tax revenue, which is the major source of income for the General Fund.

Chair Allen referenced comments from the City Treasurer that revenues are decreasing, and City Manager Witzansky clarified that he was referring to investment revenue and not revenue overall.

Chair Allen felt he referred to the overall revenue because he mentioned he was unable to invest long-term and City Manager Witzansky felt he might have been talking about his access to the full asset pool, as the total cash on-hand, has gone down because it was infused with a significant amount of one-time money. He added that revenue, year over year, is increasing, on a City-wide basis.

City Manager Witzansky continued with the presentation addressing General Fund Expenditures.

Discussion followed regarding decreases in Maintenance and Operations, reflecting the UAL payment, using money from the Pension Set-aside Account, a new source of revenue (Measure FP Bond) and the need to assimilate the \$4.2 million into structural revenues over the next two years either through new revenue growth or through expenditure reductions or both.

City Manager Witzansky reported the City is doing better than most, but there will be pressure points in the horizon and the City must account for it.

Commissioner Samples summarized the City Manager's comments and City Manager explained the City was able to assimilate roughly \$760,000 into the structural budget, ongoing revenue and Decision Packages improve the structural balance on an ongoing basis; reported the City is a little behind schedule because of the TOT delay and if the TOT comes in, next year at \$11 million, the City will have immediately closed the gap by \$2 million, structurally. He explained anticipated expenditure reductions and available options; discussed revenue enhancements through additional economic activity and property taxes and mentioned the consultants feel good about a \$3 to \$4 million of tax increment in 2026/2027. Additionally, he spoke about needing to be vigilant and noted the City is within a manageable margin.

City Manager Witzansky addressed growing the Economic Contingency Reserve Contribution and discussed reducing the number of Capital Projects, grants and the Budget Calendar noting City Council is scheduled to have their final hearing on June 17th to consider budget adoption. He provided an overview of the Budget Response Reports (BRRs) and recommended actions.

Commissioner Jeste recalled the Commission had asked for data on what the initial amount

approved was for each project and where each stand.

City Manager Witzansky reported that money that is set aside in the CIP is for the initial phase work and used funding pickleball courts as an example, noting that the CIP will include multiple iterations of the project amount and type.

Commissioner Jeste explained that the Commission is only asking for the data specific to the costs of CIP projects as currently the Commission has no information and would include step by step information for each project over time.

City Manager Witzansky stated what was approved for each project is available in the CIP; noted the 140 projects have each gone through their own path and the data is available but the context between each of those years of evolution will be difficult to discern. He explained he looks at the engineer's estimate at the time of project bidding and what the low bid came in at.

Commissioner Marin asked to show what the original estimate was, what the bids were and the final costs of the executed plan.

In reply to Commissioner Samples's inquiry regarding how often the City reviews whether a project is still viable and effective, in relation to a multi-year project, City Manager Witzansky used the pier parking structure seismic upgrades project as an example noting that after it was determined not to be viable, the City defunded that project and proceeded with only the elements that were most valuable and cost effective. He added that staff are constantly evaluating what goes on with each project and what it is achieving.

Commissioner Jeste reiterated his request for data and City Manager Witzansky presented another example as to how staff would present the item requiring analyzing each phase against its assumption (i.e., feasibility analysis, design, entitlements, construction, etc.). He added that the context of the appropriation for each of those projects must be understood and spoke about ensuring the data is in a format that is helpful to the Commission while noting the need to use staff resources wisely.

Commissioner Samples suggested including a table at the bottom of the description of each project, noting the assumption, with actual numbers and variances.

Discussion followed regarding the importance of accountability, the cost of ownership, new amenities versus repairing amenities and ongoing maintenance associated with all projects.

Chair Allen spoke about the Commission previously requesting the information and referenced a template developed by Commissioner Jeste.

City Manager Witzansky reported that staff want to be responsive but wants to ensure that the data will mean something to the Commission.

Commissioner Woodham asked about a P&L for the harbor, specifically and City Manager Witzansky reported that currently, the P&L is by fund (Tidelands and Uplands), and each

generates revenue. It is not done on a sight-by-sight basis, but it is done as a broad waterfront amenity.

Finance Director Meyer added that the revenues and expenses for the Tidelands and Upland Funds are included in the Budget Book.

Commissioner Sherbin summarized Decision Package (DP) 24, relative to Crossing Guard Services for \$367,000 as a one-time cost, the core budget being twelve intersections and 203% in additional costs and City Manager Witzansky reported this has been a hot topic during the last few budgets; reported overtime, the number has grown from twelve intersections to twenty-seven intersections and staff has been hesitant to absorb all twenty-seven locations into the core budget and has been showing the expense as a one-time decision package to continue making sure that the community understands the City has had to invest in the program. He addressed rising costs, increased demand, and bringing on contract services for readiness and staffing availability; stated that as the locations become more and more static, the City will continue to try to hire and bring more internal personnel on to try to save costs and noted that most communities do not staff on a per capita basis, this number of locations, so the City has been resistant to make the full commitment and absorb it in the core. In terms of the possibility of establishing a volunteer program, City Manager Witzansky reported it was attempted two years ago but was not sustainable.

Commissioner Sherbin opined it is a perfect position for a retired person that wants to be involved and suggested another attempt.

City Manager Witzansky reported that City Council is exploring forming a subcommittee and getting community input on the matter and added that sustained commitment would alleviate this pressure; added that volunteers would need to be committed and responsible and stated the City will keep trying, although it has been hard to recruit.

Discussion followed regarding positions authorized this year, reorganization of positions and new positions in the budget, increases in costs of the RBPB Drone Program and its effectiveness and the firing range for the RBPB.

Relative to the firing range, City Manager Witzansky reported that the City is preparing a federal grant application; reported there is a military grant available by partnering with the L.A. Air Force Base for \$17 million to cover the cost of building a new range and allow the City to relocate and build a new parks yard. He addressed the possibility the military paying an ongoing fee for use of the range, through an MOU; mentioned the expectation is that each user would be responsible for their own munitions and costs associated with firing and practicing; stated that general maintenance and administration would be provided by the City as the administrating agency and spoke about the potential for the City to partner with other agencies to help offset operating costs. He talked about the difference between this range and others throughout Los Angeles County and reported the plan is to spend third party funds to build the range.

Commissioner Samples expressed concerns about out-of-pocket and ongoing costs of

ownership and City Manager Witzansky reported that with the grant request, there will be no out-of-pocket money required of the City and addressed the two approaches to the grant. Additionally, he noted the value in RBPB being able to train inside the City as opposed to paying for travel time.

Chair Allen stated this is one of the most important presentations of the year and only involves ten slides and explained the Commission does not have enough data to be able to make recommendations to Council.

City Manager Witzansky explained the information has been available since May 15th; hoped the Commission has reviewed it; noted this is a high-level summary and that the Commission may do as much or as little as it likes with its input to Council and presented an example of possible input the Commission could provide i.e., specific to DPs.

Chair Allen expressed concerns that the City is dipping into its reserves; noted that it is important and felt that for that happening and not having enough information, especially to provide to the public, is worrying.

City Manager Witzansky responded that could be the input to Council, i.e., "I think Council should look for ways to reduce spending as opposed to transferring money from the reserves".

Chair Allen felt it would be nice for the presentation to include highlights of the Budget Book and stated examples such as increased contractual service costs from the City Attorney's office.

Finance Director Meyer explained that in terms of the \$2 million, it involves the prior year (FY 2024/25 Revised Budget), because the City allocated a little over \$1 million in one-time funds for a specific litigation and the budget for that item drops to about \$200,000 in the current fiscal year.

Chair Allen reported that other cities typically present information about the various departments, line items for each department and significant changes.

Commissioner Samples stated the Commission talked about that in years gone by and felt it would be nice to have a table, by department, listing significant changes.

City Manager Witzansky explained significant changes are listed in the DPs and everything else is, "Business as usual", by department and added that year-over-year, total amounts are in the department line-item pages.

Chair Allen felt that information should be presented to the public and said that is why the public is claiming the City is not transparent.

City Manager Witzansky announced that Redondo Beach is the only city that prepares year-over-year budget modifications and highlights them in the form of an independent decision

package and believed that is the most transparent way, anyone can produce a year-over-year budget. He added that staff presents the budget to Council in four hearings, focuses carefully on each issue and getting the information into the ether, to allowing multiple opportunities for the public to decipher and ask questions and for staff to respond. He suggested that once the proposed budget is produced, that the Commission review it and flag issues of concern for staff to prepare and present to the Commission on those issues.

Commissioner Samples reported his concern involves the drone program and the firing range; acknowledged the Chair's concern and did not feel that the City Manager could decipher every issue to the satisfaction of every Commissioner, without the Commission providing input, up front. He agreed the budget is complex and reiterated his suggestion to include a summary table, by department, listing significant changes.

City Manager Witzansky suggested that Commissioners take the time to read the City Manager's transmittal letter and review the DPs which clearly articulate the year-over-year change in the proposed budget and suggested categorizing the DPs by department, if that is the level of detail the Commission is interested in going forward.

Finance Director Meyer mentioned the core budget involves no changes and City Manager Witzansky reiterated the DPs are the year-over-year changes.

Discussion followed regarding the City Treasurer contractual services increases involving multiple contracts, updates to prior fiscal years, considering carryovers and audit reviews.

Commissioner Samples agreed that it would be good to have the DPs broken down by department and talked about providing a top-to-bottom electronic analysis.

City Manager Witzansky talked about having more thematic buckets of criteria related to DPs.

Commissioner Sample suggested providing DP information graphically, using a consistent template, instead of imbedded in the paragraph to make it easier to review and understand.

Discussion followed regarding DPs by categories, by funding source and the large amount of information in the Budget Book.

In reply to Chair Allen, City Manager Witzansky reported that once Council adopts the budget, a hard copy of the budget will be made available to the Commission.

City Manager Witzansky asked that Commissioners contact him if they have suggestions regarding formatting the information in the future.

Motion by Commissioner Samples to provide input to Council that using nearly half of the City's reserves needs to be more seriously reviewed, including making the deepest possible cuts.

City Manager Witzansky mentioned the Economic Contingency Reserve and its purpose and reported this pension is targeted to try to smooth the City's pension needs. He added that if the Commission forms a motion, staff will make sure to generate Budget Response Report (BRR) and present it to Council.

Discussion followed regarding the Commission's role.

Commissioner Sherbin noted the Crossing Guard (DP 24) item has a \$644,000 impact and felt it is significant enough to point it out to the Council.

Discussion followed regarding DP 24.

Commissioner Woodham asserted that the Commission's responsibility is not to get into the weeds, but to point out the larger issues; noted the City has a reserve to handle a situation such as this; acknowledged this is a big issue and felt that if increased revenue does not happen, after next year, the City will have no reserve. He suggested the motion express to Council that this is a big issue and the Commission would recommend scrubbing the budget to see if there are ways to reduce the take on CalPERS reserves.

City Manager Witzansky agreed and added that the City must be prepared to take more dramatic action, over time, to address this.

Discussion followed regarding whether the need to use \$3.5 million is a one-time event, the possibility of needing to use a smaller amount in subsequent years, stressing the Commission's concerns including having a larger reserve and costs related to homelessness.

Chair Allen invited public comments.

Jim Mueller thanked the City Manager for his work; referenced the Annual Comprehensive Financial Report noting each is about 2,000 pages long and only goes to the fiscal year of 2023/2024; asked to see more analyzable data, user friendly data, such as in Excel format and stated that transparency only goes through fiscal year 2021/2022.

Finance Director Meyer explained there were prior Commission and internal discussions; spoke about using a tool, "Open Gov" and reported it has not been a priority for the City to maintain it and update; mentioned costs and staff time for input and noted that staff believed that other data they are presenting shows the financial information in a better, more efficient way.

Jim Mueller asked that the City develop a website with analyzable data from prior years.

Discussion followed regarding determining City priorities, the City's MUNIS management system and whether data is exportable in a digestible form, increased costs for Open Gov and incompatibility with MUNIS.

Jim Mueller referenced homelessness issues and talked about potential opportunities to ensure the sustainability of the program and opined that it is impossible for the Commission to do its job without the ability to analyze data.

There were no other public comments on this matter.

Motion by Commissioner Samples, seconded by Commissioner Woodham, to recommend to the City Council to find ways to reduce the \$3.2 million charge to the Pension Fund Reserve.

Commissioner Jeste reiterated he is unable to approve the motion, without the data on homelessness, CIP programing and performance and limit to the extent possible, the amount of funds transferred out of the Pension Fund Reserves and suggested an amendment to the motion requesting that information for future years.

Commissioner Marin agreed and felt the recommendation should be focused on the \$3.2 million shortfall and highlight areas the Commission feels should be expanded and detailed.

Commissioner Samples and Commissioner Woodham agreed to the friendly amendment.

The motion carried, 6-0-1, with the following roll call vote:

AYES: Jeste, Marin, Samples, Sherbin, Woodham, Chair Allen
NOES: None
ABSTAIN: None
ABSENT: Ramcharan

Chair Allen felt that the Commission should have reviewed the budget prior to City Council.

City Manager Witzansky offered to plant the Commission's budget review earlier in the process perhaps through a special meeting.

Chair Allen returned to Item No. I.1.

J.2. BUDGET WEBSITE

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Chair Allen referenced Jim Mueller's concerns; noted he has left and wondered about continuing it to a future meeting.

Finance Director Meyer reported that the budget can be accessed at www.redondo.org/Budget and contains current and historical budget and CIP documents; provided highlights of the website and addressed developing a budget snapshot which includes high-level summaries.

Motion by Commissioner Samples, seconded by Commissioner Woodham, to receive and file the report. There being no objections, Chair Allen so ordered.

J.3. EXTERNAL AND INTERNAL AUDITS

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

In response to questions from Chair Allen, Finance Director Meyer reported that the City's external auditors are Clifton, Larson, Allen, and they present to the Budget and Finance Commission upon completion of the audit. She added this year's audit is late and the Finance Department is down, five members; reported it is due June 30th and is almost complete and noted the auditors will present to the Commission before it goes to Council.

Discussion followed regarding the Audit Committee and its members.

Finance Director Meyer noted the City does not currently have an internal auditor engaged; reported the City Treasurer and City Clerk are responsible for recommending internal audits, per the Charter and talked about Moss Adams as internal auditors in the past.

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Chair Allen mentioned Commission Woodham is part of the Bond Council and Commissioner Woodham provided an update of the Council's actions.

Finance Director Meyer talked about being in discussions with the City's Financial Advisor regarding doing a competitive versus negotiated sale, potential interest rate options and scheduling to phase bond payments. She added that he recommended that the City regroup when it has a better idea on the construction side, of what the scheduling will be. She reported she suggested that the Financial Advisor visit the Budget and Finance Commission and present ideas he has discussed, internally, with staff. Additionally, she announced the City has engaged Bond Counsel and Disclosure Counsel and has the financial team in place for when the City decides to move forward with the issuance.

Chair Allen agreed and confirmed the matter will be included in upcoming agendas.

Commissioner Woodham requested data on what the City spends, in total, on pension and retirement.

Finance Director Meyer noted previous years of 10%-13% of total personnel costs.

L. ADJOURNMENT – 9:19 p.m.

There being no further business to come before the Budget & Finance Commission, motion by Commissioner Samples, seconded by Commissioner Sherbin, to adjourn the meeting at 9:19 p.m., to a regular meeting to be held at 6:30 p.m. on July 10, 2025, in the Redondo Beach City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California. There

being no objections, Chair Allen so ordered.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted:

Stephanie Meyer
Finance Director



REGULAR MEETING OF THE BUDGET AND FINANCE COMMISSION – 6:30 P.M.

A. CALL MEETING TO ORDER

A Regular Meeting of the Redondo Beach Budget and Finance Commission was called to order at 6:30 p.m. by Chair Allen, in the City Hall Council Chambers, 415 Diamond Street, Redondo Beach, California.

B. ROLL CALL

Commissioners Present: Marin, Jeste, Chair Allen, Sherbin, Woodham

Commissioners Absent: Ramcharan, Samples

Officials Present: Stephanie Meyer, Finance Director
Eugene Solomon, City Treasurer
Erin Smith, Administrative Analyst/Liaison

C. SALUTE TO THE FLAG

Chair Allen led in the salute to the flag.

D. APPROVE ORDER OF AGENDA

Motion by Commissioner Woodham, seconded by Commissioner Marin, to approve the order of the agenda.

Motion carried 5-0-2 by voice vote. Commissioners Ramcharan and Samples were absent.

E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS

E.1. For Blue Folder Documents Approved at the Budget and Finance Commission Meeting

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Analyst Smith reported three Blue Folder items: the minutes, public comment, and Q3 revenues.

Chair Allen, regarding the item on public comment, asked the Commission if they would like to add it for the next meeting's agenda; asked Analyst Smith to put the items from the Blue Folder on the screen; stated that Jim Mueller offered some suggestions and wondered if they wanted to discuss or recommend any to staff in August or September.

Finance Director Meyer informed the Commission that staff is scheduled to bring back a summary of homelessness costs at the August meeting and it is on the agenda.

Chair Allen moved to the second item in the Blue Folder, which was the minutes from May 8, 2025.

Finance Director Meyer asked Analyst Smith to clarify when public comment was allowed and what was required for Blue Folder items.

Analyst Smith stated that public comment is during Non-Agenda Items and Blue Folder is a receive and file.

Chair Allen put on the screen May 8, 2025, Minutes Addendum; explained she put them in the Blue Folder so everyone could see it and wanted to make sure they did not receive and file them because she wanted to discuss it further.

Analyst Smith explained that, when the Commission moves on to Consent Calendar items, she will want to move item F.2 to Items for Discussion Prior to Action and there she can have a full discussion; stated they still need to receive and file the Blue Folder Items to proceed.

Chair Allen stated she asked Finance Director Meyer to send Q3 revenue since they did not receive the actuals vs what was budgeted; noted they cannot discuss it because it is not on the agenda.

Finance Director Meyer mentioned Chair Allen had asked for a comparison with the prior year to show the periodicity or flow of how they receive the revenues so Finance put it in the form they are used to seeing it in; noted they cannot discuss it but they wanted to present for a receive and file.

Chair Allen asked when they planned to present Q4.

Finance Director Meyer said they would present Q4 in either September or early October right before they do their carryover report because it's the end of the year; mentioned they would also get the Treasurer's report next month; stated if they look at the Q3 revenue and have any questions or comments on the format or additional detail that they would like to see, they would love to hear that before the next report so that they can incorporate it.

Motion by Commissioner Woodham, seconded by Commissioner Sherbin, to receive and file the Blue Folder items.

Motion carried 5-0, by voice vote.

F. CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JULY 10, 2025

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

F.2. Pulled by Chair Allen

Chair Allen pulled F.2 for further discussion.

Motion by Commissioner Marin, seconded by Commissioner Woodham, to pull F.2 and approve F.1.

Motion carried 5-0, by voice vote.

G. EXCLUDED CONSENT CALENDAR ITEMS

F.2. APPROVAL OF THE MINUTES FROM THE SPECIAL JOINT MEETING OF THE PUBLIC WORKS & SUSTAINABILITY AND BUDGET AND FINANCE COMMISSION OF APRIL 28, 2025; AMENDED MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MAY 8, 2025 AND THE REGULAR MEETING OF JUNE 12, 2025

Chair Allen stated she made a mistake at the last meeting (June 12, 2025); stated that she said that the Treasurer mentioned that revenues were declining and because of that he was unable to invest longer than two years; reported she went back and looked and the Treasurer did not say “revenues were declining”, he did not use the word declining anywhere; stated she went through the exchange they had and asked Analyst Smith to put the Blue Folder item on the screen; reported she went and transcribed her exchange with the Treasurer and wanted to show what he said; mentioned she wrote down the whole conversation, which is in the Blue Folder, straight from the video and included the link to the video.

For the meeting, the screen showed highlighted areas of the conversation she was speaking about between Chair Allen and City Treasurer Eugene Solomon.

Chair Allen explained that the conversation began after she asked why the City isn't investing for longer than two years to get a better rate of return; she read the response City Treasurer Solomon gave and stated his response led her to believe he was concerned for the revenue, but he did not say there would be a decline; noted that he kept mentioning there is uncertainty in the market, economically, in the City, etc and some of the projects they hoped to come online, such as Legado Hotel, have not as expected;

Chair Allen pointed out in her transcription that City Treasurer Solomon used the word “reduced” a few times but not “decline”; stated she wanted to clear up her statements since it was a public meeting and she had said the Treasurer said revenues have declined but he did not and this exercise was to show the everyone verbatim what was said.

Chair Allen invited public comment.

City Treasurer Solomon commented that the only reason he appeared that evening was to clear up and correct the language in the draft minutes from the May 8, 2025, in which it stated he said “declining”; stated he appreciated Chair Allen for demonstrating with her transcripts that the word was not; asked that the minutes be corrected in the way in which the transcript reads.

Chair Allen asked if what she said is removed or if it stays in the minutes since she said it.

Analyst Smith felt it could not be removed but maybe a motion could be made to amend.

Discussion took place at this time; Commissioner Marin suggested having a note put in the minutes that there was improper wording or miscommunication; Analyst Smith stated she would talk to the City Clerk regarding the situation and would ask for her advice.

Commissioner Sherbin spoke of the minutes addressing a certain meeting and memorializing that meeting; asked if something happened during that meeting that was deemed incorrect, wouldn't that subject matter be covered in the current meeting minutes unless it was the transposition itself that was incorrect.

Finance Director Meyer felt the issue was that the initial minutes did not reflect that statement and Chair Allen requested that the minutes be revised and amended specifically to reflect that City Treasurer Solomon said the word “declining”.

Chair Allen interrupted Finance Director Meyer for a moment because she did not want another misinterpretation; Finance Director Meyer apologized if she said anything wrong but wanted to state that the amended minutes were brought back that evening with the correction made to the May 8, 2025, minutes.

Chair Allen stated she looked specifically for the part where they were discussing the decline of revenues; mentioned she was summarizing the whole discussion and not just specifically the decline of revenues and that is what she wanted to convey but it was not conveyed in the minutes.

Analyst Smith and Chair Allen scrolled through the May 8, 2025 amended minutes and found the part that needed to be revised (on page 3); Analyst Smith confirmed Chair Allen wanted to amend the revised minutes for May 8th and Chair Allen said yes and requested the minutes be amended to her “blue” highlighted words on the addendum she put together.

Analyst Smith stated she will check with the City Clerk to confirm proper protocol; felt it would be to attach her Blue Folder item; mentioned that the revised minutes they are looking at are still in draft form and she will ask the City Clerk if they can just revise them and bring them back to have approved or revised.

Chair Allen stated she said “decline” and is owning it and showing exactly what City Treasurer Solomon said.

Discussion followed that they could hold off on the item until they investigate how to proceed with the May 8, 2025 minutes.

Chair Allen proceeded with discussion on the other two items: the special joint meeting and June 12, 2025 minutes and received no response to discuss from the other Commissioners.

Motion by Commissioner Woodham, seconded by Commissioner Marin, to bring back all the minutes from that evening’s discussion and to ask the City Clerk’s Office for direction on how to resolve the minutes from May 8, 2025.

Motion carried 5-0, by voice vote.

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

H.1. For eComments and Emails Received from the Public

Jim Mueller voiced his surprise that the room is empty even though budget and finance is such an important part to the City; hoped since he sent the Blue Folder items the template for analyzing homeless and financial data would be available; mentioned he wants to be helpful and not cause problems; stated he tried a report format customary in financial analysis called Sources and Uses of Funds and explained why he used it; stated he was there to talk about how to get the data and noted he included a procedure for the City in the Blue Folder; stated there is a specific procedure that Munis and Excel have accommodated; suggested that the Finance Department, IT Department, and the Munis vendor work together to create a procedure for extracting the data; noted it may also reduce the amount of person power that the Finance Department has to expend; felt the City’s budget document isn’t very useful for certain analysis; mentioned the City runs several risks: 1) the inability to assess a program’s cost benefit performance, 2) runaway absorption of resources, and 3) questionable sustainability; spoke about other cities experiencing those problems and pointed out in his spreadsheet template that the homeless program uses resources from at least four different City departments, which many are part-time or split-use employees; stated that the homeless program is funded from several different sources and the budget document does not break those out by program or project; reported using the 2022 document to put together the spreadsheet template in the Blue Folder for what resources the homeless program needs.

City Treasurer Solomon wanted to speak to remind everyone what great accomplishments the Budget & Finance Commission can achieve; spoke about his time on the Commission back in 2017 and mentioned his predecessor was a bit combative

with the Commission; stated he made a promise to himself that he would not do that in his role as City Treasurer and hoped he has accomplished that so far; stated there will be times that the Commission and he will disagree but he is committed to having those conversations in an open, transparent, and fluid way that is not combative; hoped the Commission would understand as a staff, him as the Treasurer, they are going to take their suggestions, consider them, but make the decisions for the City; noted some of their suggestions would be implemented, their contributions help the City and staff will continue to improve their processes and their transparency; thanked them for their volunteerism.

Commissioner Jeste asked, that if they make a suggestion that the City does not accept or they disagree with, if the City could explain to them why it was not acceptable, so they have an understanding of where they went wrong.

City Treasurer Solomon said that is fair to ask for an explanation and will commit to doing that.

Chair Allen stated that she asks questions so she can learn and so they can know where to help; referenced May 28th and a situation that occurred.

City Treasurer Solomon interrupted her to say they could not get into a discussion about that but he would be back in August.

Analyst Smith reported there was no one online and no eComments.

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

I.1. CIP PROJECTS REPORTED BY PROJECT-PROPOSED TEMPLATE (COMMISSIONER JESTE)

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

I.2. BUILDING MAINTENANCE/REPLACEMENT PLANNING

CONTACT: STEPHANIE MEYER, FINANCE DIRECTOR

Chair Allen stated Items I.1 and I.2 were kept on the agenda so the Commission did not forget about them for the August meeting.

Finance Director Meyer stated that she was prepared to share with the Commission the CIP template that Commissioner Jeste had put together; reported Jesse Reyes from the Public Works Department is planning to come to the August or September meeting to present numbers on it.

Commissioner Jeste asked if they could add one more column to the template to show number of bids received.

Finance Director Meyer stated she would pass along that note and added Jesse Reyes will most likely add more detail to the template as well.

Motion by Commissioner Marin, seconded by Commissioner Woodham, to keep the item on the agenda for the next meeting.

Motion carried 5-0, by voice vote.

J. ITEMS FOR DISCUSSION PRIOR TO ACTION - None

K. COMMISSION MEMBER ITEMS AND FUTURE COMMISSION AGENDA TOPICS

Chair Allen hoped that they would have the homelessness numbers for the agenda next time from Finance.

Finance Director Meyer stated they will have those numbers for the August meeting and mentioned she will check with Public Works to see if their timeline works for August or September; reported prior to that she would like to have a special meeting for their Annual Financial Report and, once they have that, she would like to call a special meeting to have the Budget & Finance Commission review it; reported sharing some potential dates with the Commission and are holding those dates for them if they could respond asap with preferences by emailing her; expected to have their final document in the next week.

Chair Allen questioned why they needed to have it presented to them asap and it couldn't wait two weeks.

Finance Director Meyer said the reason is she would like to finalize it and submit it because they are late in getting it complete but felt it is important for them to share.

Discussion followed regarding the availability of each Commissioner and if they would have a quorum for any of the dates of the 24th, 30th, or 31st of July; noted that the 30th or the 31st might work and Finance Director Meyer would confirm that with everyone once they pick a date.

Chair Allen mentioned Commissioner Woodham had an item regarding deferred compensation or CalPERS; spoke about Commissioner Woodham possible term extension or reappointment to the Commission.

Commissioner Woodham stated the issue is on retirements issues and Finance Director Meyer is working on them; noted they want to go back at least five years and pull out the expense that the City pays for retirement and went into more detail as to what they are looking for; mentioned many municipalities are burdened by increasing retirement and wanted to see where RB is positioned.

Chair Allen asked if he wanted to add it as an agenda item.

Commissioner Woodham felt they needed to have the input before adding it as a discussion item.

Commissioner Jeste pulled up an article called: Success Story: Fort Wayne, Indiana; hoped everyone had read the story; mentioned living in Fort Wayne before moving back to RB; spoke of the training he went through for process improvement and has practiced it for 30 years in three different companies; reported his experiences with it and stated it works when you get the whole team to buy into change and produces dramatic results; went into more details about the process and the training programs; stated he has had success with the program in other companies he worked for and it made a huge difference in the profitability and the customer service quality; noticed that the City has issues with waste, duplication, or redundancy and without the data and analysis nothing can be solved; opined it needs to start with the Mayor, the City Council, and then heads of departments and there needs to be unwavering commitment from the top; noted with today's technology the data can be retrieved in minutes and what is needed is a change of mindset and determination to improve; felt the budget deficit would more than be offset by the savings that the City would find in this program.

Commissioner Woodham provided an article from the Wall Street Journal focused on retirees forming an ad hoc association or group to shadow CalPERS and raise questions; felt it's a good idea but that some of the comments were disparaging CalPERS from the standpoint of fees; explained why he felt that way; mentioned comments made in the article were misplaced; stated some parts of the article were over the top but the idea of the retirees shadowing CalPERS and checking their returns and data are fine; said it should help them evaluate CalPERS on an ongoing basis.

Commissioner Marin offered some comments and felt it was a good idea as well.

L. ADJOURNMENT – 7:33 P.M.

Motion by Chair Allen to adjourn the meeting at 7:33 p.m.

Motion carried 5-0 by voice vote.

The next meeting of the Redondo Beach Budget & Finance Commission will be a regular meeting to be held at 6:30 p.m. on August 14, 2025, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California.

Respectfully submitted:

Stephanie Meyer
Finance Director



Administrative Report

I.1., **File #** BF25-1136

Meeting Date: 8/14/2025

TITLE

CIP PROJECTS REPORTED BY PROJECT

Project Information

These columns contain general project information: Project Number, Project Name, and Project Type. There are two Project Types: Standalone and Continuous.

Budget Information

These columns contain data from our financial database regarding the appropriations, spending, and available funds for each project. The data in these columns are from the full lifetime of each project.

Bid Information

These columns contain data from bid documents and Administrative Reports and Resolutions that went to the City Council. Bid Information is only available for projects that had formal bids, grouped in the upper section of the spreadsheet. These columns are lettered A through E to correspond to link columns in the Supplemental Information section to reference the source documents for the data.

Supplemental Information

These columns contain brief clarifying comments and links to publicly accessible source information when possible. The links in letter columns correspond with Bid Information columns.

Project Number, Name, & Type

Initial Appropriated Amount

Subsequent Appropriations

Total Appropriations

Total Project Spending

Total Remaining Funds

A. Engineer's Estimate

B. Number of Bids Received

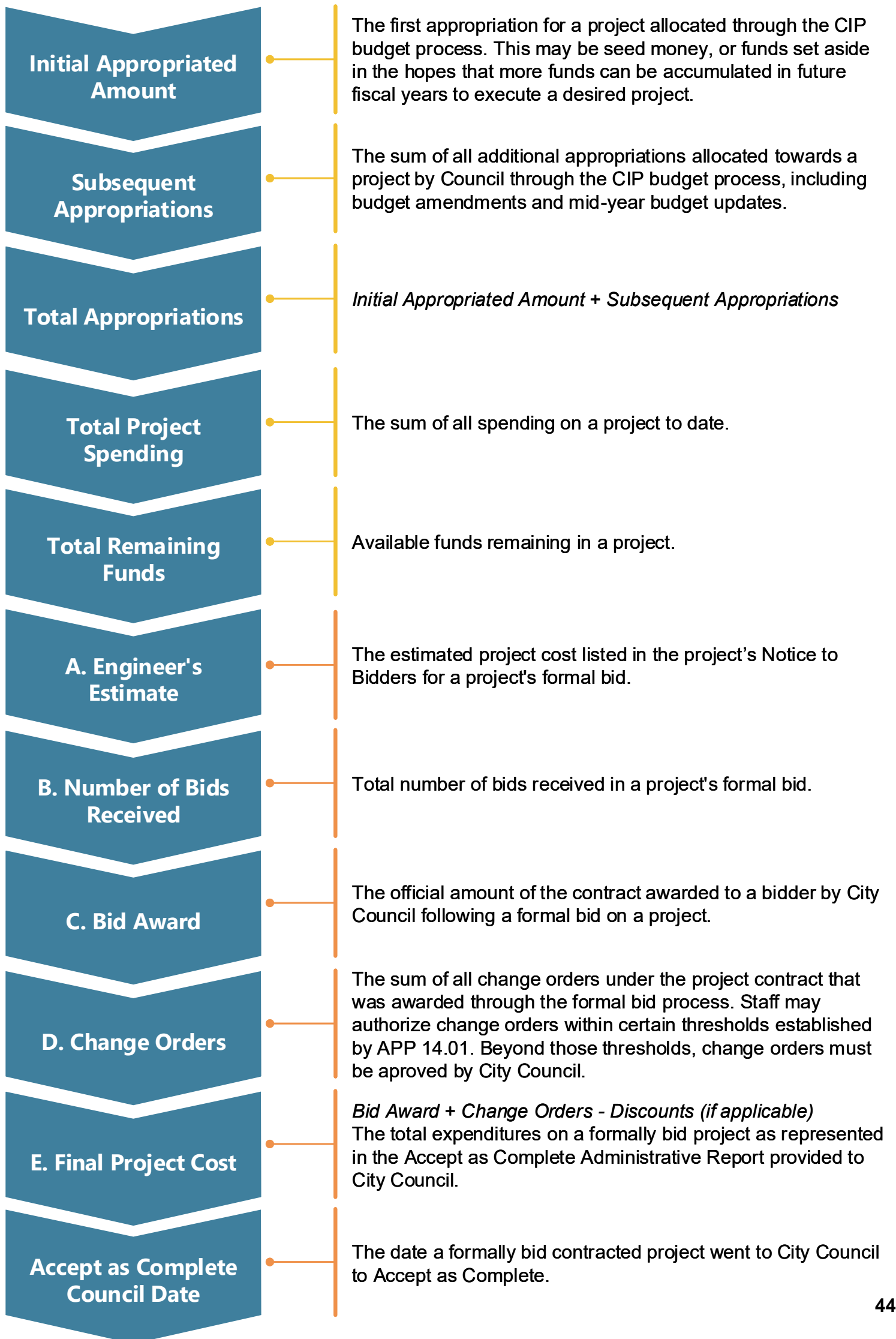
C. Bid Award

D. Change Orders

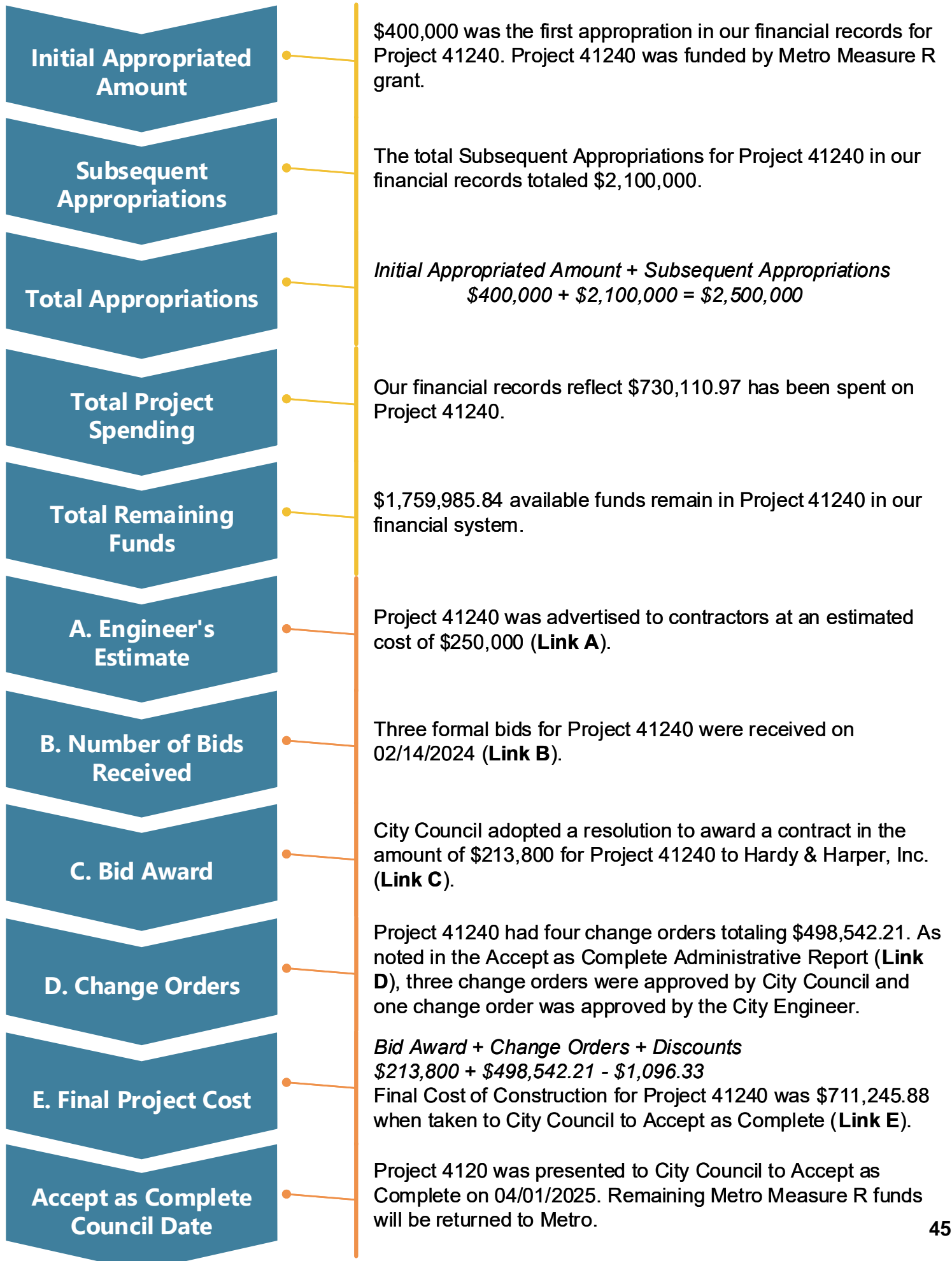
E. Final Project Cost

Accept as Complete Council Date

Comments & Links



Example: Project 41240 Anita at PCH Lane Rechannelization



Project Information			Budget Information (as of FY 2024-25)									
Project Number	Project Name	Project Type (Standalone or Continuous)	Initial Appropriated Amount		Subsequent Appropriations		Total Appropriations		Total Project Spending	Total Remaining Funds		
41240	Anita at PCH Lane Rechannelization	Standalone	\$	400,000.00	\$	2,100,000.00	\$	2,500,000.00	\$	730,110.97	\$	1,759,985.84
41140	Citywide Slurry Seal Program- Phase 4	Continuous	\$	579,000.00	\$	3,181,051.00	\$	3,760,051.00	\$	2,853,398.28	\$	924,145.82
41160	MBB Resurfacing- Aviation to Inglewood	Standalone	\$	1,700,012.00	\$	2,897,973.00	\$	4,597,985.00	\$	3,846,634.55	\$	746,431.50
40960	Inglewood/MBB Right Turn Lane	Standalone	\$	125,000.00	\$	5,050,000.00	\$	5,175,000.00	\$	2,902,663.37	\$	2,120,500.85
30730 (1/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	\$	455,000.00	\$	1,640,000.00	\$	2,095,000.00	\$	2,056,533.74	\$	(1,197.76)
30730 (2/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	\$	455,000.00	\$	1,640,000.00	\$	2,095,000.00	\$	2,056,533.74	\$	(1,197.76)
70810 (1/2)	International Boardwalk Pavers	Standalone	\$	700,000.00	\$	717,851.00	\$	1,417,851.00	\$	1,323,929.03	\$	62,180.97
41310 (2/2)	Riviera Village Sidewalk Pavers	Standalone	\$	300,000.00	\$	250,000.00	\$	550,000.00	\$	542,191.48	\$	7,808.52
41230 (1/4)	Torrance Blvd Resurfacing	Standalone	\$	950,000.00	\$	3,504,489.00	\$	4,454,489.00	\$	4,161,071.46	\$	(1,282.60)
41070 (2/4)	Torrance Blvd & Francisca Traffic Sig Mod	Standalone	\$	20,000.00	\$	250,000.00	\$	270,000.00	\$	242,553.13	\$	-
50150 (3/4)	Sanitary Sewers Facilities Rehab	Continuous		N/A	\$	16,954,544.00	\$	16,954,544.00	\$	3,941,889.21	\$	885,872.85

Project Information			Budget Information (as of FY 2024-25)					
Project Number	Project Name	Project Type (Standalone or Continuous)	Initial Appropriated Amount	Subsequent Appropriations	Total Appropriations	Total Project Spending	Total Remaining Funds	
60260 (4/4)	Drainage Improve Project Construction	Continuous	\$ 300,000.00	\$ 1,667,000.00	\$ 1,967,000.00	\$ 1,176,751.23	\$ 504,019.77	
41090 (1/4)	Grant Ave Signal Improvements	Standalone	\$ 1,534,656.00	\$ 740,000.00	\$ 2,274,656.00	\$ 1,817,923.44	\$ 150,515.41	
41340 (2/4)	Grant Ave Bulb-Outs	Standalone	\$ 375,000.00	\$ -	\$ 375,000.00	\$ 375,000.00	\$ -	
41350 (3/4)	Grant Ave Flash Crosswalk	Standalone	\$ 75,000.00	\$ -	\$ 75,000.00	\$ 75,000.00	\$ -	
41280 (4/4)	Traffic Signal Comm & Network System	Standalone	\$ 200,000.00	\$ 4,800,000.00	\$ 5,000,000.00	\$ 3,399,786.37	\$ 1,596,160.90	
						\$20,473,066.62	\$5,617,375.38	
30950	Alta Vista Field Improvements	Continuous	\$ 50,000.00	\$ 60,000.00	\$ 110,000.00	\$ 84,448.49	\$ 22,533.11	
30920	Anderson Scout House Improvements	Standalone	\$ 210,000.00	\$ -	\$ 210,000.00	\$ 151,322.73	\$ 36,823.03	
20860	Aviation Gym Improvements	Standalone	\$ 150,000.00	\$ -	\$ 150,000.00	\$ 109,453.56	\$ 11,679.84	
20790	City Facility HVAC Replacement- City Hall	Continuous	\$ 390,000.00	\$ -	\$ 390,000.00	\$ 112,420.62	\$ 40,953.27	
30970?	Franklin Park Phase 1	Continuous	\$ 250,000.00	\$ 500,000.00	\$ 750,000.00	\$ 288,583.57	\$ 461,416.43	
20940	Perry Park Teen Center Improvements	Continuous	\$ 144,000.00	\$ -	\$ 144,000.00	\$ 107,159.61	\$ 36,840.39	

Project Information			Budget Information (as of FY 2024-25)					
Project Number	Project Name	Project Type (Standalone or Continuous)	Initial Appropriated Amount	Subsequent Appropriations	Total Appropriations	Total Project Spending	Total Remaining Funds	
30800?	Play Surface Replacement- Dale Page and Anderson Park	Continuous	\$ 60,000.00	\$ 877,210.00	\$ 937,210.00	\$ 770,851.23	\$ 136,306.10	
30960	Shade Structure- Andrews Park	Continuous	\$ 56,000.00	\$ 83,000.00	\$ 139,000.00	\$ 61,057.26	\$ 77,942.74	
21090	Veterans Park Senior Center Restroom Roof Replacement	Standalone	\$ 250,000.00	-	\$ 250,000.00	\$ 160,482.66	\$ 89,517.34	
20980	Police Department Pier Sub-Station	Standalone	\$ 250,000.00	-	\$ 250,000.00	\$ 243,257.17	\$ 6,689.14	
						\$2,089,036.90	\$920,701.39	
						\$22,562,103.52	\$6,538,076.77	

Project Information			Bid Information (Formal Bids Only)						
Project Number	Project Name	Project Type (Standalone or Continuous)	A. Engineer's Estimate	B. Number of Construction Bids Received	C. Construction Bid Award	D. Change Orders	E. Final Project Cost	Accept as Complete Council Date	
41240	Anita at PCH Lane Rechannelization	Standalone	\$ 250,000.00	3	\$ 213,800.00	\$ 498,542.21	\$ 711,245.88	4/1/2025	
41140	Citywide Slurry Seal Program- Phase 4	Continuous	\$ 600,000.00	3	\$ 484,044.77	\$ -	\$ 468,324.17	11/19/2024	
41160	MBB Resurfacing- Aviation to Inglewood	Standalone	\$ 3,800,000.00	6	\$ 4,162,813.75	\$ 268,936.71	\$ 4,431,750.46	8/19/2025	
40960	Inglewood/MBB Right Turn Lane	Standalone	\$ 934,948.00	5	\$ 934,948.00	\$ 778,155.81	\$ 1,713,103.81	8/19/2025	
30730 (1/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	N/A	N/A	\$ 531,543.00	\$ 26,034.00	\$ 567,577.00	4/15/2025	
30730 (2/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	\$ 999,900.00	6	\$ 1,516,889.50	\$ 142,746.00	\$ 1,659,019.00	4/15/2025	
70810 (1/2)	International Boardwalk Pavers	Standalone	\$ 1,250,545.00	2	\$ 1,249,100.00	\$ 74,796.00	\$ 1,323,896.00	3/11/2025	
41310 (2/2)	Riviera Village Sidewalk Pavers	Standalone	N/A	N/A	N/A	\$ 524,283.00	\$ 524,283.00	3/11/2025	
41230 (1/4)	Torrance Blvd Resurfacing	Standalone	\$ 2,400,000.00	5	\$ 3,950,000.00	\$ 305,050.18	\$ 4,830,217.80	1/7/2025	
41070 (2/4)	Torrance Blvd & Francisca Traffic Sig Mod	Standalone	\$ 2,400,000.00	5	\$ 3,950,000.00	\$ 305,050.18	\$ 4,830,217.80	1/7/2025	
50150 (3/4)	Sanitary Sewers Facilities Rehab	Continuous	N/A	N/A	N/A	N/A	N/A	1/7/2025	

Project Information			Bid Information (Formal Bids Only)					
Project Number	Project Name	Project Type (Standalone or Continuous)	A. Engineer's Estimate	B. Number of Construction Bids Received	C. Construction Bid Award	D. Change Orders	E. Final Project Cost	Accept as Complete Council Date
60260 (4/4)	Drainage Improve Project Construction	Continuous	N/A	N/A	N/A	N/A	N/A	1/7/2025
41090 (1/4)	Grant Ave Signal Improvements	Standalone	\$ 2,304,000.00	5	\$ 2,985,000.00	\$ 236,763.83	\$ 3,221,761.83	12/3/2024
41340 (2/4)	Grant Ave Bulb-Outs	Standalone	N/A	5	\$ 2,985,000.00	\$ 236,763.83	\$ 3,221,761.83	12/3/2024
41350 (3/4)	Grant Ave Flash Crosswalk	Standalone	N/A	N/A	N/A	\$ 236,763.83	\$ 3,221,761.83	12/3/2024
41280 (4/4)	Traffic Signal Comm & Network System	Standalone	N/A	N/A	N/A	\$ 236,763.83	\$ 3,221,761.83	12/3/2024
							\$33,946,682.24	
30950	Alta Vista Field Improvements	Continuous	N/A	N/A	N/A	N/A	N/A	N/A
30920	Anderson Scout House Improvements	Standalone	N/A	N/A	N/A	N/A	N/A	N/A
20860	Aviation Gym Improvements	Standalone	N/A	N/A	N/A	N/A	N/A	N/A
20790	City Facility HVAC Replacement- City Hall	Continuous	N/A	N/A	N/A	N/A	N/A	N/A
30970?	Franklin Park Phase 1	Continuous	N/A	N/A	N/A	N/A	N/A	N/A
20940	Perry Park Teen Center Improvements	Continuous	N/A	N/A	N/A	N/A	N/A	N/A

Project Information			Bid Information (Formal Bids Only)					
Project Number	Project Name	Project Type (Standalone or Continuous)	A. Engineer's Estimate	B. Number of Construction Bids Received	C. Construction Bid Award	D. Change Orders	E. Final Project Cost	Accept as Complete Council Date
30800?	Play Surface Replacement- Dale Page and Anderson Park	Continuous	N/A	N/A	N/A	N/A	N/A	N/A
30960	Shade Structure- Andrews Park	Continuous	N/A	N/A	N/A	N/A	N/A	N/A
21090	Veterans Park Senior Center Restroom Roof Replacement	Standalone	N/A	N/A	N/A	N/A	N/A	N/A
20980	Police Department Pier Sub-Station	Standalone	N/A	N/A	N/A	N/A	N/A	N/A

Project Information			Supplemental Information						
Project Number	Project Name	Project Type (Standalone or Continuous)	Comments	Links (corresponding to column headers)					
				A	B	C	D	E	Add'l Links
41240	Anita at PCH Lane Rechannelization	Standalone	Change orders summarized in links D & E. Three change orders were approved by City Council (see links D1 & D2) and one was approved by the City Engineer. The City received a Total Quantities Discount of (\$1,096.33).	A	B	C	D	E	D1 D2 E1
41140	Citywide Slurry Seal Program- Phase 4	Continuous	41140 Bid Information is only for Phase 4 while Budget Information is for project lifetime. Phase 4 was completed in FY25, \$15,720.60 under budget due to use of alternative asphalt repair methods in some locations.	A	B	C		E	
41160	MBB Resurfacing- Aviation to Inglewood	Standalone	Accept as Complete going to council 8/19/25. Change orders issued by staff total a 6.5% increase over original contract amount.		B	C			
40960	Inglewood/MBB Right Turn Lane	Standalone	Accept as Complete going to council 8/19/25. Two change orders approved by City Council and two change orders were approved by staff.	B	C	D		D1	
30730 (1/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	1 of 2 for 30730 for contract with Playcore Wisconsin, Inc DBA Gametime. Three change orders issued by staff, totaling a 5% increase, summarized in link D & E. \$10,000 discrepancy between the AR and the contract but the contract listed amount correctly at \$541,543 and the \$10,000 difference was captured in a CO.		B	C	D	E	
30730 (2/2)	Dominguez Park Play Equipment, Landscape & Walkways	Standalone	2 of 2 for 30730 for contract with Sierra Construction and Excavation, Inc. Two change orders issued by staff, totaling a 9% increase, summarized in links D & E.		B	C	D	E	
70810 (1/2)	International Boardwalk Pavers	Standalone	1 of 2. Four change orders issued by staff, summarized in links D & E.	A	B	C	D	E	
41310 (2/2)	Riviera Village Sidewalk Pavers	Standalone	2 of 2. Not a formally bid project. 41310 resulted from an offsite change order branching out of 70810, approved by City Council, summarized in links D & E. An additional change order for this offsite project was issued by staff.				D	E	
41230 (1/4)	Torrance Blvd Resurfacing	Standalone	1 of 4. 41230 & 41070 bid together. Staff approved three change orders, City Council approved offsite change order and final change order that exceeded the 10% limit authorized by APP.		C	D	E		
41070 (2/4)	Torrance Blvd & Francisca Traffic Sig Mod	Standalone	2 of 4. 41230 & 41070 bid together. Staff approved three change orders, City Council approved offsite change order and final change order that exceeded the 10% limit authorized by APP.		C	D	E		
50150 (3/4)	Sanitary Sewers Facilities Rehab	Continuous	3 of 4. 50150 was not completed in FY25, but 50150 project funds contributed \$200,800 to 41230 & 41070. Initial Appropriated Amount unavailable due to how far back this project extends. Subsequent Appropriations total only for FY06 and later.					E	

Project Information			Supplemental Information						
Project Number	Project Name	Project Type (Standalone or Continuous)	Comments	Links (corresponding to column headers)					
				A	B	C	D	E	Add'l Links
60260 (4/4)	Drainage Improve Project Construction	Continuous	4 of 4. 60260 was not completed in FY25, but 60260 project funds contributed \$167,057.18 to 41230 & 41070.					E	
41090 (1/4)	Grant Ave Signal Improvements	Standalone	1 of 4. 41090 & 41340 awarded together. Accept as Complete for 41090, 41340, 41350, and 41280. Five change orders issued by staff, totaling a 7.9% increase, project summarized in link E.	B	C			E	
41340 (2/4)	Grant Ave Bulb-Outs	Standalone	2 of 4. 41090 & 41340 awarded together. Accept as Complete for 41090, 41340, 41350, and 41280. Five change orders issued by staff, totaling a 7.9% increase, project summarized in link E.	B	C			E	
41350 (3/4)	Grant Ave Flash Crosswalk	Standalone	3 of 4. 41090 & 41340 awarded together. Accept as Complete for 41090, 41340, 41350, and 41280. Five change orders issued by staff, totaling a 7.9% increase, project summarized in link E.					E	
41280 (4/4)	Traffic Signal Comm & Network System	Standalone	4 of 4. 41090 & 41340 awarded together. Accept as Complete for 41090, 41340, 41350, and 41280. Five change orders issued by staff, totaling a 7.9% increase, project summarized in link E. (Project funds three separate corridors- Grant Ave, Manhattan Beach Blvd, Inglewood Ave)					E	
30950	Alta Vista Field Improvements	Continuous	Project originally budgeted in FY23, originally concluded in FY24, but council allocated an additional \$60K for further improvements in FY25. Project concluded in FY25.						
30920	Anderson Scout House Improvements	Standalone	Project originally budgeted in FY22 and concluded in FY25.						
20860	Aviation Gym Improvements	Standalone	Project originally budgeted in FY22. The lighting segment of the project was completed in FY25. Budget information is for project lifetime.						
20790	City Facility HVAC Replacement- City Hall	Continuous	Project originally funded in 2020. The City Hall segment of the project concluded in FY25. Budget Information is for project lifetime.						
30970?	Franklin Park Phase 1	Continuous	Project originally budgeted in FY24 for \$250k, \$500k added in FY25. Phase 1 concluded in FY25. Budget Information for project lifetime.						
20940	Perry Park Teen Center Improvements	Continuous	Project originally budgeted in FY23 and concluded in FY25.						

Project Information			Supplemental Information					
Project Number	Project Name	Project Type (Standalone or Continuous)	Comments	Links (corresponding to column headers)				
				A	B	C	D	E
30800?	Play Surface Replacement- Dale Page and Anderson Park	Continuous	Project originally budgeted in FY21 for \$60K. In subsequent fiscal years, additional funds were appropriated for the project. Project concluded in FY25.					
30960	Shade Structure- Andrews Park	Continuous	Project originally budgeted in FY23 for \$56K. Additional \$83K appropriated in FY24. Project concluded in FY25.					
21090	Veterans Park Senior Center Restroom Roof Replacement	Standalone	Project originally budgeted in FY25 for \$250K and concluded in FY25.					
20980	Police Department Pier Sub-Station	Standalone	Project originally budgeted in FY23 and concluded in FY25.					



Administrative Report

I.2., **File #** BF25-1138

Meeting Date: 8/14/2025

TITLE

BUILDING MAINTENANCE/REPLACEMENT PLANNING



Administrative Report

I.3., **File #** BF25-1135

Meeting Date: 8/14/2025

TITLE

HOMELESSNESS FUNDING AND ACCOUNTABILITY

Enhanced Response to Homelessness Program. Core City services dedicated to addressing homelessness. This program started as an initial \$250,000 appropriation to fund the Police Department and City Attorney's Office response to homeless issues. This appropriation funded a new Police Captain position, police overtime and the promotion of two deputy city prosecutors to senior deputy city prosecutors. \$100,000 of that appropriation was meant to be used for special services such as mental health and substance abuse programs. However, CLEAR Recovery Center donated these services to the City, so that allocation was never spent. The senior city prosecutors dedicate at least half of their time towards responding to homeless issues. Through this Pilot Program, the prosecutors were able to assist the City Attorney in creating Redondo Beach's homeless court. The City Council approved this program as a pilot in FY 2019-20, and approved as permanent in FY 2021-22. There are several positions dedicated to homelessness that are part of this program, including, currently:

- **Quality of Life Officer.** This dedicated position (Police Officer) provides outreach to people experiencing homelessness and work closely with the Quality of Life Prosecutor to address issues that arise from the homelessness problem.
- **Homeless Housing Navigator:** Responds to requests for assistance from Mayor/ Council/ Police/ Library/public etc. and works directly with people experiencing homelessness to guide to available solutions.
- **Homeless Housing Supervisor:** Supervisor to the housing navigator and assists with people experiencing homelessness as well as prevention of losing housing and retention after someone is housed.
- **Administrative Assistant (part time):** Conducts administrative tasks for homeless court and grant reports.

Majority funded through the General Fund, with \$250,000 annual offset from the Housing Successor Agency Fund.

Street Outreach: Harbor Interfaith conducts street outreach in coordination with the Redondo Beach Homeless Housing Navigator and Homeless Housing Supervisor. Fully funded with the Successor Agency Fund.

Pallet Shelter. Temporary emergency housing shelter on Kingsdale Avenue, operated through Los Angeles County and primarily supported by grant funds.

Bridge Housing. Using grant funds, the City leases apartments (single-room occupancy or SRO units) to assist with homelessness. The City can also use funds to cover short-term hotel stays. Fully grant-funded.

Homeless Outreach Services Teams (HOST): Teams composed of law enforcement officers who work closely with homeless service agencies to increase public safety while preserving the rights and dignity of people experiencing homelessness. The City receives funding from the County through Measure H. Fully grant-funded.

Mental Health Programs: Clear Behavioral Services offers mental health and substance abuse counseling. City is developing Alternative Crisis Response Program. Fully grant-funded.

Homelessness Spending by Type, Program, Source

Category	Description	Spent FY 24-25	Program	Assumptions/ Notes	Funding Source
Personnel					
City Attorney's Office	Homeless Housing Navigator	121,061	Enhanced Response to Homelessness		General Fund
	Homeless Housing Supervisor	88,340	Enhanced Response to Homelessness	Position was authorized in FY 23-24, but not filled in FY 23-24 or 24-25. Funding included for reference.	General Fund
	Homeless Housing Supervisor	50,000	Enhanced Response to Homelessness		Housing Successor Agency Fund, Harbor Interfaith
	Program Coordinator	26,315	Enhanced Response to Homelessness		General Fund
	Overtime	9,417	Enhanced Response to Homelessness		General Fund
	City Attorney	51,155	Program Oversight/ Mamangement	Approximately 15% of time	General Fund
	Quality of Life Prosecutor	191,345	Homelessness programs, including administrative aspects of homeless court	Approximately 75% of time, including administrative aspects of homeless court, grants/funding oversight, and mental health court.	General Fund
	Legal Secretary	15,274	Momeless related invoices and grant management	Approximately 25% of time	General Fund
	Administrative Assistant (Part Time)	37,463	Homeless Court	Homeless Court (approximately 75%), remainder to manage grants/ funding.	General Fund
	Police Officer	187,927	Enhanced Response to Homelessness	Designated Homelessness Liaison Officer, serves in this position full-time	General Fund
Police	Police Officer	4,337	Homeless Court	One on-duty Officer's time for monthly Homeless Court staffing - 48 hours/ year (Four hours at monthly homeless court sessions)	General Fund
	Sergeant	21,765	HOST Program Administration (Los Angeles County Measure H)	Position is funded in the General Fund core budget, City receives reimbursement for time spent on this activity.	Intergovernmental Grants Fund
	Overtime	144,846	HOST Program Administration (Los Angeles County Measure H)	Overtime is spent out of the Police core budget, City receives full reimbursement for overtime spent on this program.	Intergovernmental Grants Fund
	Civil Engineer	20,254	Pallet Shelter	Program Management costs for grant-fundd Pallet Shelter capital project	General Fund
Public Works					
Total Personnel		969,499			
Non-Personnel					
Contractual/ Professional Services					
City Attorney's Office	Contract Attorney-Homeless Court	1,985	Homeless Court	Runs Homeless Court 40-50 hours/ month. Provides services pro bono; payment is for City-required insurance	General Fund
	Judicial Council Grant from Assemblymember Al Muratsuchi	314,590	Homeless Court, Pallet Shelter, Mental Health Program	Major Contractors: Kingdom Causes, County of Los Angeles, CLEAR	Intergovernmental Grants Fund
	South Bay Council of Governments, FY 22-23	135,306	Short-term Hotel rentals, Mental Health Program	Major Contractors: CLEAR, Inc., Swami International (Sunshine, LP)	Intergovernmental Grants Fund
	South Bay Council of Governments, FY 23-24	164,804	Short-term Hotel rentals, Motel stays	Major Contractor: Swami International (Sunshine, LP)	Intergovernmental Grants Fund
	California Department Housing & Community Development - Permanent Local Housing Allocation	238,675	Pallet Shelter Services	Contractor: Los Angeles County	Intergovernmental Grants Fund
	Total Contracts	855,360			
Other					
City Attorney's Office					
Utilities-Pallet Shelter		27,118			General Fund
Total Other Operating		27,118			
Total Non-Personnel		882,478			
Total Operating Costs		1,851,977			
Capital					
Pallet Shelter Expansion					
Project Construction		136,770	Pallet Shelter-Health Net/ Centene Grant Funds	This includes design work for FY 24-25. Anticipate about \$31, 314 for design expenditure in FY 25-26 and an estimated constrction cost of ~\$880k	Intergovernmental Grants Fund
Total Capital		136,770			
Total Spending		1,988,747			
Totals by Funding Source					
General Fund		581,991			
Intergovernmental Grants Fund		1,156,756			
Housing Successor Agency Fund		200,000			
		1,938,747			

Note: The Housing Successor Agency fund provides \$250,000 annually to offset homelessness costs. This directly funds a portion of the Homeless Housing Liason with the remainder offsetting Police personnel costs.



Administrative Report

J.1., File # BF25-1150

Meeting Date: 8/14/2025

To: BUDGET AND FINANCE COMMISSION
From: EUGENE SOLOMON, CITY TREASURER

TITLE

ANNUAL REVIEW OF THE CITY'S STATEMENT OF INVESTMENT POLICY 2025, AS AMENDED

EXECUTIVE SUMMARY

The City Treasurer strives to maintain a well-balanced and diversified investment portfolio that meets the investment criteria and performance objectives of the City's Statement of Investment Policy.

The governing body of public funds should regularly review and approve investment guidelines. The City Council approves the City's Statement of Investment Policy annually.

California Government Code Section 53646(a)(2) states that the treasurer or chief fiscal officer of a local agency may annually render to his/her legislative body and any oversight committee an investment policy, that the legislative body shall consider at a public meeting. This raises questions about whether or not the policy should be adopted officially by the legislative body, and the time during the year that this "consideration" should take place.

The consensus recommendation of the California Debt and Investment Advisory Commission (CDIAC) states: "An investment policy should always be in place. While not required by statute, it is in the best interest of the local agency to present and discuss the policy with the agency's legislative body or oversight committee, and then have the policy approved by a vote of the legislative body. A public vote signifies that the legislative body shares fiduciary responsibility with the treasurer, increases the authority and legitimacy of the investment policy, and provides transparency and disclosure."

Section 23 of the City's Investment Policy specifies that the City Treasurer present the City's statement of investment policy for annual review and adoption by the City Council, as well as annual review by the Budget and Finance Commission. Review of the investment policy incorporates input and analysis of the State of California government code; Legislative changes impacting investment management enacted in 2025; and information from the California Debt and Investment Advisory Committee's (CDIAC) annual update of local agency investment policy guidelines. Local Agency Investment Guidelines may be found at:

<http://www.treasurer.ca.gov/cdiac/LAIG/guideline.pdf>.

The City Treasurer recommends the following amendments to the investment policy.

Page 10:

Section G. Local Agency Investment Fund - Maximum of \$65 million per account increased to \$75 million per account.

The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the \$75 million maximum permitted by State law.

Page 12:

N. Joint Powers Authority - Maximum of 20%

Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions of the California Code 53601 (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares

shall have retained an investment adviser that meets all of the following criteria:

- (1) The adviser is registered or exempt from registration with the United States Securities and Exchange Commission.
- (2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.
- (3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

No more than 20 percent of the City's funds may be invested in JPAs.

2024 Version:

N. Joint Powers Authority Maximum Limit 20%

The City may invest up to 20% of its portfolio in shares issued by a Joint Powers Authority, established under California Government Code Section 6509.7. These investments must meet the following:

1. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the Joint Powers Authority.
2. The Joint Powers Authority issuing the shares must retain an investment adviser meets all of the following criteria:
 - (a) Is registered or exempt from registration with the Securities and Exchange Commission (SEC).
 - (b) Has a minimum of five years of experience investing in the securities and obligations authorized in sections (a) to (r) of California Government Code Section 53601.
 - (c) Manages assets under in excess of five hundred million dollars (\$500,000,000).

COORDINATION

The City's Statement of Investment Policy, as amended, was reviewed by the City Attorney's Office.

FISCAL IMPACT

There is no direct fiscal impact as a result of the review and approval of this amended Investment Policy.

ATTACHMENTS

Exhibit A - Draft City of Redondo Beach Statement of Investment Policy 2025

Exhibit B - Registered investment advisor and list of qualified brokers from which the City may purchase investments.

Exhibit C - Investment Procedures Manual



Administrative Report

J.1., File # BF25-1150

Meeting Date: 8/14/2025

To: BUDGET AND FINANCE COMMISSION
From: EUGENE SOLOMON, CITY TREASURER

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 - (b) Has a minimum of five years of experience investing in the securities and obligations authorized in sections (a) to (r) of California Government Code Section 53601.
 - (c) Manages assets under in excess of five hundred million dollars (\$500,000,000).

COORDINATION

The City's Statement of Investment Policy, as amended, was reviewed by the City Attorney's Office.

FISCAL IMPACT

There is no direct fiscal impact as a result of the review and approval of this amended Investment Policy.

ATTACHMENTS

Exhibit A - Draft City of Redondo Beach Statement of Investment Policy 2025

Exhibit B - Registered investment advisor and list of qualified brokers from which the City may purchase investments.

Exhibit C - Investment Procedures Manual

CITY OF REDONDO BEACH, CALIFORNIA



STATEMENT OF INVESTMENT POLICY FISCAL YEAR 2025

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1. Introduction and Overview

This statement is intended to establish the policies for prudent investment of the City of Redondo Beach's ("City") funds, and to provide guidelines for suitable investments. The City is located in the South Bay region of the Greater Los Angeles area and has a population of about 68,000.

2. Governing Authority

The City Council is the governing body of the entity.

3. Delegation of Authority and Investment Responsibility

In accordance with the City of Redondo Beach Charter Section 11.1, the City Treasurer is authorized to invest and reinvest the City's funds according to State law; provided, however, that the City Council may adopt investment guidelines by resolution.

The Charter of the City of Redondo Beach and the authority granted by City Council assign the responsibility of investing unexpended surplus cash to the City Treasurer. In the absence of the City Treasurer, the authority to execute investment transactions will be restricted to the Deputy City Treasurer, or other City Treasurer designee, after notification to both the City Council and the Budget and Finance Commission.

4. Budget and Finance Commission

The City's Budget and Finance Commission, within the advisory powers assigned to the Commission by Ordinance, shall serve in an independent investment advisory capacity, providing oversight of the investment activities of the City Treasurer.

The Budget and Finance Commission shall review on a quarterly basis reports submitted by the City Treasurer analyzing the City's Pool and Investment market trends. With respect to the Commission's investment oversight responsibilities, the intended purpose of the Budget and Finance Commission is to serve in an advisory capacity to the City Treasurer and City Council. Serving in this advisory capacity, the Budget and Finance Commission will provide an important oversight role to the function of City Treasurer's management of the City's Pool, ensuring that the investment decisions of the City Treasurer are made in compliance with the established investment policy guidelines contained within this statement of Investment Policy. The Budget and Finance Commission is not authorized to direct investment decisions, or select individual investment advisors, brokers, or dealers.

5. Policy Statement

It is the policy of the City of Redondo Beach to invest public funds not required for immediate day-to-day operations in safe and liquid investments having a market-average rate of return while conforming to all state statutes governing the investment of public funds.

The ultimate goal is to enhance the economic status of the City while protecting its funds.

The investment policies and practices of the City of Redondo Beach are based upon Federal, State, and local law and prudent money management. The primary goals of these policies are:

- a. To assure compliance with all Federal, State and local laws governing the investment of monies under the control of the City Treasurer.
- b. To maintain the principal value of assets entrusted to this office and provide adequate liquidity to meet operating expenditures.
- c. It is recognized that within a well-diversified portfolio, at any particular point in time, that security valuations are impacted by changes in interest rates and economic conditions. Accordingly, securities may at times be worth less than original purchase price based on market fluctuations. Recognizing these factors, it is the expressed intention of our investment policy to hold all investments to maturity to ensure the return of all invested principal dollars. Securities shall generally be held until maturity with the following exceptions:
 - A security with declining credit may be sold early to minimize loss of principal.
 - A security swap may be executed if it will increase the quality, yield, or target duration in the portfolio.
 - Liquidity needs of the City require that the security be sold.
- d. In addition, through the maintenance of sufficient diversification of investments, the forced liquidation of investments at a loss will be avoided, if possible. It is further understood, however, that in the event of the need for a forced liquidation of investments to meet unplanned or unanticipated cash flow demands, a potential loss of investment principal may potentially occur.
- e. Within constraints of safety and liquidity, generate a market rate of return within the parameters of this Statement of Investment Policy and the guidelines for suitable investments.

6. Scope of the Investment Policy

This investment policy applies to all financial assets, investment activities and debt issues of the City of Redondo Beach (including funds, which are invested by trustees appointed under debt trust indentures, with direction from the City Treasurer). This policy covers the investment activities of all contingency reserves and inactive cash balances under the direct authority of the City.

All monies entrusted to the City Treasurer will be pooled in a diversified portfolio. The Investment Pool or "Portfolio" will be referred to as the "Pool" throughout the remainder of this document. The City Treasurer and staff will observe, review and react to changing conditions that affect the Pool.

Investments made on a pooled basis include investments of the City and its component units, including the City of Redondo Beach, the Successor Agency to the City Redevelopment Agency, the Parking Authority, the Public Financing Authority, and the

Housing Authority. The City's Comprehensive Annual Financial Report identifies the fund types incorporated under the City's investment pool as follows:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary-Agency Funds
- Any new funds created by the City Council, unless specifically exempted

All debt issue proceeds will be invested in accordance with the associated trust indenture, and in such a manner that facilitates arbitrage rebate calculations.

In determining the investment of funds associated with bonded debt issues, debt proceeds will be invested in accordance with the most restrictive investment requirements contained within either the City's investment policy or the associated bond trust indenture.

Excluded from the scope of the City Treasurer's Investment responsibilities are investments related to funds dedicated for Retirement purposes and Deferred Compensation investment funds.

7. Objectives

A. Safety of Principal

Safety of Principal is the foremost objective of the City of Redondo Beach. Each investment transaction shall seek to ensure that capital losses are avoided whether from institution default or broker-dealer default. The City shall seek to preserve principal by mitigating the two types of risk, credit risk and market risk.

1. **Credit Risk** Credit risk, defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the Pool so that the failure of any one issuer would not unduly harm the City's cash flow.
2. **Market Risk** The risk of market value fluctuations due to overall changes in the general level of interest rates shall be mitigated by limiting the weighted average maturity of the City's Pool to no greater than 2.5 years in a diversified Pool.

B. Liquidity

Liquidity is the second most important objective of the City of Redondo Beach. It is important that an investment contain the feature of being easily sold at any time with a minimal risk of loss of some portion of principal or interest. The City may experience unexpected or unusual circumstances that result in some investments needing to be sold to meet a contingency. Therefore, the City maintains a high degree of liquidity in its pool. To the extent possible, investments will be made so that maturities are compatible with cash flow requirements. To ensure that

sufficient investment Pool liquidity is maintained at all times, a minimum of twenty-five percent (25%) of the overall investment Pool's investments will be maintained in liquid investments in (a) the State Local Agency Investment Fund (LAIF), (b) allowable mutual funds as set forth in Section 15, or (c) securities with a remaining maturity of one year or less, and (d) a combination. No single investment shall be purchased with a term to maturity at the date of purchase that exceeds 5 years, except as special circumstances dictate and with the expressed approval of the City Council.

C. Maturity Matrix

Maturities of investments will be selected based on liquidity requirements in order to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored, and the Pool will be invested accordingly. As a general investment guideline, the following percentages of the Pool should be utilized in the selection of investment maturity sectors:

<u>Maturity Range</u>	<u>Suggested Percentage</u>
Less than 1 year	Minimum of 25%
Less than 3 years	Minimum of 50%
3 years to 5 years	Maximum of 50%
Over 5 years	City Council Authorization Required

D. Diversification

The City's Pool will be diversified to avoid incurring unreasonable and avoidable risks. The investments will be diversified by security type and institution. Allowable limits for specific securities types and institutions are delineated in paragraph VI of this Investment Policy. The aggregate single institution limit of commercial paper, medium term corporate notes, certificates of deposits over the FDIC limit, and banker's acceptances, shall not be greater than five percent (5%) of the Pool. In accordance with Section 7.F, maturities shall be laddered to reduce interest rate risk. In a diversified portfolio, occasional measured losses must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

E. Performance Standard/Benchmark

Investment return becomes a consideration only after the basic requirements of investment safety and liquidity have been met. The City's Pool shall be designed to attain a market-average rate of return through economic cycles. Because the Pool is designed to operate on a 'hold-to-maturity' premise (or passive investment style) and because of the safety, liquidity, and yield priorities, the basis that will be used by the City Treasurer in the periodic purchase of investment instruments to determine whether market yields are being achieved shall be the following book return performance standard and benchmark: The 30 month moving average of the 0-5 Year Treasury Index, using month end values.

F. Timing of Maturities and Maximum Maturities

Investment maturities shall be consistent with the cash flow requirements of the City. Investment maturities will also be timed so that a disproportionate number of investments will not mature simultaneously. In consideration of the timing of investment maturities, the City Treasurer shall select investment maturities utilizing a "laddering" maturity strategy, ensuring a sufficient, well balanced mix of investment maturities, on a regular basis, consistent with the operating cash flow requirement of the City. The maximum maturity of any security shall not exceed five years unless authorized by the City Council.

8. Primary Investment Philosophy

The primary investment philosophy of the City is to match investment maturities with expected cash outflows.

9. Standard of Prudence

Management of the City's investments is governed by the Prudent Investor Standard as set forth in the California Government Code section 53600.3:

"Except as provided in subdivision (a) of Section 27000 .3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging , selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the Agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law."

10. Ethics and Conflicts of Interest

All parties involved in the City's investment process shall seek to act responsibly as custodians of the public trust. The City Treasurer, or if appropriate, the Deputy City Treasurer, shall avoid any transaction that might impair public confidence in the City's ability to govern and manage the investment of public funds in an effective manner, including but not limited to, personal business activity that would impair the City Treasurer or Deputy City Treasurer's ability to make an impartial investment decision. The City Treasurer, Deputy City Treasurer, or other official charged with the responsibility of making investment decisions shall have no vested interest in any investment being made involving public funds of the City, and shall gain no financial benefit from such investment decisions.

The City Treasurer and Deputy City Treasurer shall disclose to the City Council any material interests in the financial institutions that conduct business within their jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City of Redondo Beach.

11. Indemnification

To the fullest extent permitted by law, no investment officer exercising his or her assigned authority with due diligence and prudence, and that acts in accordance with the City's Investment Policy, shall be held personally liable for any individual investment losses or for total Pool losses.

Prior to investment, the City Treasurer or designee shall complete an investigation of the pool/fund.

12. Investment Procedures Manual

The City Treasurer will maintain an Investment Procedures Manual as attached in Exhibit C. The purpose of this manual is to provide both current operational details, and a central point of reference, with respect to Treasury Departmental operations associated with the placement, settlement and clearance of all City Investments. The Investment Procedures Manual serves as an operational complement to the City's Statement of Investment Policy, which will be reviewed on an annual basis by both the City Council and the Budget and Finance Commission as provided in Section 23 of this Investment Policy. The City's Independent Auditors will also be provided with a current copy of both the Statement of Investment Policy and the Investment Procedures Manual on an annual basis.

13. Investment Internal Controls

The City Treasurer will maintain a system of internal investment controls and segregation of responsibilities of investment functions in order to assure an adequate system of internal control over the investment function.

Internal controls over investment transactions include a separation of duties so no one person is selecting, executing, and monitoring investment transactions. Investment transactions are reviewed each year by the City's external auditor to ensure internal controls, including compliance with policies, procedures, and applicable laws.

14. Safekeeping And Custody of Securities

The Treasurer shall select one or more financial institutions to provide safekeeping and custodial services for the City, in accordance with the provisions of Section 53608 of the California Government Code. A Safekeeping agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's related services. To protect against fraud, embezzlement, or potential losses caused by collapse of individual securities dealers, all securities owned by the City shall be held in safekeeping by a third party bank trust department, acting as agent for the City under the terms of a custody agreement or PSA agreement (repurchase agreement collateral). All trades executed by a dealer will settle delivery vs. payment (DVP) through the City's safekeeping agent.

Upon purchase, sale, or maturity of investment securities, standing settlement instructions are provided to the servicing banks and broker dealers involved in the transactions. Adherence to these standing settlement instructions ensures accurate and timely settlement of investment security transactions. Standing settlement instructions are restricted in nature, ensuring investment settlements are with established institutions.

15. Authorized Investments

The City shall not enter into any investment transaction that might impair public confidence in the Redondo Beach City government. The City is governed by the California Government Code, Sections 53600 et seq. Except as otherwise provided herein, the maximum maturity period for any of these authorized investments is five years from the date of the original purchase of the investment. Within the context of these limitations, the following investments are authorized, as further limited herein. The percentage limitations of authorized investment component categories within this investment policy represent percentages following the provision of sufficient Pool liquidity achieved by maintaining at all times a minimum of twenty-five percent (25%) of the overall Pool's investments in (a) the State Local Agency Investment Fund (LAIF), (b) allowable mutual funds as set forth in Section 15, (c) securities with a remaining maturity of one year or less, and (d) a combination.

A. United States Treasury Obligations No Limit

United States Treasury Bills, Notes and Bonds, certificates of indebtedness, or those for which the full faith and credit of the United States are pledged for payment of principal and interest. This investment is both safe and liquid. There is no percentage limitation of the Pool that can be invested in this category, although a five-year maturity limitation is applicable.

B. United States Agency Obligations No Limit

Government National Mortgage Association (GNMA), the Federal Farm Credit Bank System (FFCB), the Federal Home Loan Bank Board (FHLB), the Federal Home Loan Mortgage Corporation (FHLMC), and the Federal National Mortgage Association (FNMA) and those insured by the Federal Housing Administration (FHA). The "prudent investor" rule shall apply for a single agency name, as U.S. Government backing is implied rather than guaranteed. There is no percentage limitation of the Pool that can be invested in this category; although, no greater than forty percent (40%) of the Pool shall be invested with any one issuer.

C. Banker's Acceptances Maximum of 40%

Bills of exchange or time drafts drawn on and accepted by a commercial bank, otherwise known as banker's acceptances. Banker's acceptances purchased may not exceed 180 days to maturity or forty percent of the Pool. No more than five percent of the Pool may be invested in banker's acceptances issued by any one commercial bank. Only those banker's acceptances eligible for purchase by the Federal Reserve System meet eligibility requirements for investment by the pool. Investments in Banker's Acceptances shall be placed in instruments ranked within the top two rating categories by two of the three largest rating services. No more than five percent (5%) of the Pool may be invested in banker's acceptances issued by any one entity.

D. Time Deposits

No Limit

Time Deposits are issued by depository institutions against funds deposited for a specific length of time. Time Deposits include instruments such as deposit notes. They are distinct from Certificates of Deposit (CDs) in that interest payments on time deposits are calculated in a manner similar to that of corporate bonds whereas interest payments on CDs are calculated similar to that of money market instruments.

The City may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, in those banks and savings and loan associations that meet the requirements for investment in non-negotiable time deposits. Despite the fact that time deposits are not liquid, there is no restriction by the California Government Code on the percentage of bank/time deposits in the Pool. As such, one hundred percent of the Pool may be invested in this category. All investments in time deposits must be issued by a financial institution whose performance has been reliable, and whose safety rating meets the standards established by the City Treasurer. All investments in time deposits must be properly collateralized in accordance with Section 53652 of the California Government Code. The City Treasurer will periodically monitor, on a discretionary yet diligent basis, the operating performance of all financial institutions holding City time deposits, to ensure compliance to collateralization requirements.

E. Negotiable Certificates of Deposit

Maximum of 30%

Negotiable certificates of deposit issued by a nationally or State-Chartered Bank or a State or Federal Savings and Loan Association. Purchases of FDIC insured negotiable certificates of deposits will be insured up to the FDIC limit, which is currently \$250,000. No more than \$250,000 of the Pool may be invested in negotiable certificates of deposit in any one bank or savings and loan association. Negotiable Certificates of Deposits maximum thirty percent (30%) limit is in aggregate with Certificate of Deposit Placement Service investments.

F. Commercial Paper

Maximum of 25%

Commercial Paper ranked "P1" by Moody's Investor Services or "A1" or higher by Standard and Poor's, and issued by a domestic corporation having assets in excess of \$500,000,000 and having an "A" or better rating on its long term debentures as provided by Moody's or Standard and Poor's. Purchases of eligible commercial paper may not exceed twenty-five percent (25%) of the Pool or have a term to maturity which exceeds 270 days. No more than five percent of the Pool may be invested in commercial paper issued by any one corporation.

G. Local Agency Investment Fund

Maximum of \$75 million per account

The City may invest in the Local Agency Investment Fund (LAIF) established by the State Treasurer for the benefit of local agencies up to the \$75 million maximum permitted by State law.

H. Medium-Term Notes

Maximum of 30%

Medium-Term Notes are all corporate and depository institution debt securities, with a maximum remaining maturity of five years issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. The minimum quality credit rating requirements of Medium Term Notes by California Government Code is "A". City investment policy requires that at time of purchase, Medium Term Notes eligible for investment shall be rated in a rating category of "A" by S&P or Fitch, or "A2" by Moody's Investors Services or its equivalent or better by a nationally recognized rating service. In the event that prior to maturity any Medium Term Note investment experiences a credit rating downgrade to a level below the City's required credit rating, the City Treasurer will initiate a thorough review of the credit quality of the downgraded Medium Term Note to determine the prudence of selling the note prior to its maturity.

No more than thirty percent (30%) of the Pool may be invested in medium term notes. No more than five percent (5%) of the Pool may be invested in notes issued by one corporation or depository institution. In the event that the percentage of Medium Term Note investments within the Pool temporally exceeds the percentage limitation of this investment policy as dictated by California Government Code, the City Treasurer will take prudent action within 30 days to bring the percentage of the Pool invested in Medium Term Notes into compliance with the percentage limitation of this investment policy.

I. Money Market Mutual Funds

Maximum of 20%

Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs.

1. Prior to selection of investments in any authorized money market mutual funds, the City Treasurer will exercise due diligence in ensuring that all investments in money market mutual funds meet the investment qualification requirements of the California Government Code.
2. No more than twenty percent (20%) of the Pool may be invested in money market mutual funds. . No more than twenty percent (20%) of the Pool may be invested in any individual money market mutual fund.

J. Certificate of Deposit Placement Service

Maximum of 30%

AB 2011 added California Government Code Sections 53601.8 and 53635.8, which expanded Local Agencies' permissible investments to include the use of private Certificate of Deposit placement services. AB 2011 provided Local Agencies with an investment tool that minimizes monitoring and administration of their surplus cash investments while allowing smaller local banks to accept deposits that they currently are unable to because of collateralization requirements. Rather than dealing potentially with multiple banks to ensure full

FDIC insurance coverage for deposits, AB 2011 provided Local Agencies with a means to work with one bank for non-negotiable Certificate of Deposit investments. The statute limits total Pool investment in Certificates of Deposit to thirty percent (30%) of combined negotiable Certificates of Deposit as authorized under California Government Code Section 53601 (h).

K. Supranationals

Maximum of 15%

United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by at least one of the three large rating agencies, Moody's, Standard & Poor's, or Fitch, and shall not exceed fifteen percent of the Pool. No greater than five percent (5%) of the Pool shall be invested in any one issuer.

L. Authorized yet Currently Unutilized Investments

In managing the Pool, the City Treasurer does not currently utilize the following types of investments that are authorized by California Government Code: Local Agency Bonds; State Obligations of California and other States; California Local Agency Obligations; Repurchase Agreements; Reverse Repurchase Agreements; Mortgage Pass through Securities; and County Pooled Investment Funds. It is the policy of the City of Redondo Beach not to use the above listed types of investments.

M. Collateralized Bank Deposits

No Limit

Deposits that are at all times secured by a valid first priority security interest in securities of all types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirements of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

N. Joint Powers Authority

Maximum of 20%

Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions of the California Code 53601 (a) to (r), inclusive. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

(1) The adviser is registered or exempt from registration with the United States Securities and Exchange Commission.

(2) The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive.

(3) The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).

No more than 20 percent of the City's funds may be invested in JPAs.

O. Summary of Maximum Percentage Limitations of Investments, by Investment Type

Recognizing maintenance of the minimum investment liquidity requirements as addressed within section 7.B of this Investment Policy, the following summary of maximum percentage limitations by investment instrument is established for the City's Pool. The percentage limitations of authorized investment component categories within this investment policy represent percentages following the provision of sufficient Pool liquidity.

Investment Type	Maximum Percentage	Maximum Issuer %	Maximum Maturity	CA Government Code Section
U.S. Treasury Obligations	No limit	No limit	5 years	Cal. Gov't Code § § 53601 (b), 53651 (a)
U.S. Agency Obligations	No limit	40%	5 years	Cal. Gov't Code § 53601 (f)
Bankers Acceptances	40%	5%	180 days	Cal. Gov't Code § 53601 (g)
Time Deposits	No limit	No limit	5 years	Cal. Gov't Code § § 53601, 53638
Negotiable Certificates of Deposit	30% (combined with CD Placement Service)	\$250,000	5 years	Cal. Gov't Code § 53601 (i)
Commercial Paper	25%	5%	270 days	Cal. Gov't Code § 53601 (h)
Local Agency Investment Fund	Per State Limit - \$75 million per Account	Per State Limit - \$75 million per Account	N/A	Cal. Gov't Code § 16429.1
Medium Term Corporate	30%	5%	5 years	Cal. Gov't Code § 53601 (k)
Money Market Mutual Funds	20%	20%	N/A	Cal. Gov't Code § 53601 (l)
Certificate of Deposit Placement Service	30% (combined with CDs)	30%	5 years	Cal. Gov't Code § § 53601.8 53635.8
Supranationals	15%	5%	5 years	Cal. Gov't Code § 53601 (q)
Collateralized Bank Deposits	No Limit	No Limit	N/A	Cal. Gov't Code § § 53651 and 53652 (a)
Joint Powers Authority	20%	20%	NA	Cal. Gov't Code § 53601 (p)

In the event, the percentage of investments within any of the authorized types of investments within the Pool temporally exceeds the percentage limitation of this investment policy as dictated by the California Government Code, the City

Treasurer will take prudent action within 30 days to bring the percentage of the type of investment that temporally exceeds the percentage limitation into compliance with the percentage limitation of this investment policy.

P. Legislative Changes

Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into the Investment Policy and supersede any and all previous applicable language.

16. Unauthorized Investments

Ineligible Investments are those that are described herein, including but not limited to common stocks, long term (over five years to maturity) notes and bonds, derivative based instruments, inverse floaters, futures and options, interest-only strips that are derived from a pool of mortgages, securities with high price volatility or limited marketability, and any maturity that could result in zero interest accrual if held to maturity, are prohibited from use in the Pool.

17. Portfolio Management Activity

The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations and prudent investment principals. These objectives will be achieved by use of the following strategies:

- A. Active Portfolio Management**--Through active fund and cash flow management taking advantage of current economic and interest rate trends, the pool yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total pool.
- B. Portfolio Maturity Management**--When structuring the maturity composition of the pool, the City shall evaluate current and expected interest rate yields and necessary cash flow requirements. It is recognized that in normal market conditions longer maturities produce higher yields. However, the securities with longer maturities also experience greater price fluctuations when the level of interest rates change.
- C. Security Swaps**--The City may take advantage of security swap opportunities to improve the overall pool yield. A swap which improves the pool yield may be selected even if the transactions result in an accounting loss. Documentation for swaps will be included in the City's permanent investment file documents.
- D. Competitive Bidding**-- To ensure that the purchase of City investments is obtained in the most cost effective and efficient manner, the City Treasurer will encourage competitive bidding for City investment transactions. On an annual basis, the City Treasurer will accept applications from qualified members of the investment broker-dealer community interested in bidding on City investment instruments. The City Treasurer shall establish, on an annual basis, a limited array of qualified broker-dealers to serve the City's investment opportunities. Selection criteria for inclusion on the City's annual list of broker-dealers will be based upon merit, expertise, and performance.

Competitive bidding on individual investment transactions is required on all transactions except those pertaining to "new issue" securities. A new issue security denotes a security that is originally brought to market. Investments in "non-new issue" securities, and the sale of all securities, will require the competitive bid of at least two bidders from the approved list of broker dealers.

Competitive bidding for security swaps is also suggested, however, it is understood that certain time constraints and broker inventory limitations exist which would not accommodate the competitive bidding process. If a time or inventory constraining condition exists, the pricing of the swap should be verified to current market conditions and documented for auditing purposes.

Details of investment transactions involving competitive bidding will be included in the City Treasurer's quarterly report provided to the City Council and the Budget and Finance Commission.

To ensure the accurate and timely processing, clearance, and settlement of all City Investments, the City Treasurer shall maintain an Investment Procedures Manual. This manual provides current details with respect to operational procedures associated with the placement and clearance of all City Investments. To ensure the accuracy and timeliness of this Investment Procedures Manual, the manual will be reviewed on an annual basis by the City's Independent Auditors.

If the City utilizes an Investment Advisor, the Investment Advisor shall act on a non-discretionary basis as set forth below.

Upon written approval from the City Treasurer, the Investment Advisor shall execute trades on behalf of the City by obtaining at least three bids or offers. However, multiple offers may not be available if the security is a new issue or offered by fewer than three broker/dealers. In that event, the Investment Advisor shall document the bids and offers received, and provide yield information to the City Treasurer for comparable securities.

All investment transactions executed by the Investment Advisor shall comply with Sections 7 (Objectives) and 15 (Authorized Investments) of this Policy. The Investment Advisor shall also comply with applicable laws, rules, regulations, and guidelines, including but not limited to, the Securities and Exchange Commission, and guidelines stipulated in its Securities and Exchange Commission Form ADV and ADV Part 2A Brochures, which shall be provided to the City annually.

18. Collateralization

Investments in time certificates of deposits shall be fully insured up to \$250,000 by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation, as appropriate. Investments in time certificates of deposit in excess of \$250,000 shall be properly collateralized. Section 53652 of the California Government Code requires that the depository pledge securities with a market value of at least ten percent (10%) in excess of the City's deposit as collateral in government securities, and fifty percent (50%) in excess of the deposit as collateral in mortgage pools. Section 53649

of the California Government Code specifies that the City Treasurer is responsible for entering into deposit contracts with each depository. Investments held with Third Parties holding collateral for the investment shall be properly collateralized in accordance with collateralization requirements of the California Government Code.

19. Registered Investment Advisor Service

Federal and State Regulation: Investment Advisors with assets under management of \$25 million to \$100 million or more are registered by the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940 (Act). The Act requires investment advisors to file an initial application, known as the "Uniform Application for Investment Advisor Registration" or "Form ADV," with the SEC. They also must file an annual updating amendment, as well as an amendment any time a significant change has occurred at the firm. The

SEC requires investment advisors to maintain extensive records, and has the authority to sanction advisors who break the law or rules established under the Act. The SEC generally conducts routine inspections of advisors' records about once every five years, and may initiate an inspection on the basis of an investor complaint. Advisors registered with the SEC also must submit a simplified filing with securities authorities in the states in which they do business. The City shall only deal with SEC registered investment advisors with \$1 billion or more of funds under management.

Investment advisors with assets under management of less than \$25 million are regulated by the states in which they do business. In California, such investment advisors register with the California Department of Corporations. It is important to note that the regulatory authorities do not review the credentials or qualifications of advisors, nor do they "approve" or endorse any advisory firm or individual. The role of the regulatory authorities is to enforce the securities laws and not to judge the qualifications of individual advisors.

CDIAC advises that in 1996, the California Attorney General published Opinion 95-807 which addresses utilization of outside investment managers. The opinion states that a City Treasurer can have a contract with an external investment manager. Since there is no specific reference to a section of the California Government Code regarding these services, reference to Opinion 95-807 is sufficient.

20. Authorized Financial Dealers And Institutions

The City shall transact business only with nationally or state chartered banks, federal or state savings and loan institutions, and registered primary investment securities dealers. The purchase by the City of any investment other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State as a broker-dealer, as defined in Section 25004 of the California Corporations Code, who is a member of the Financial Industry Regulatory Authority (FINRA), or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the California Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank.

To continue to maintain broker/dealers with quality services, expertise, and credit worthiness, the City Treasurer may, on a selective basis, expand the approved list of primary dealers to include "qualified regional" dealers.

A "qualified regional" dealer must demonstrate the following requirements:

- The "qualified regional" firm must be able to demonstrate their services and/or expertise is not currently being provided by a primary broker/dealer and will specifically and immediately benefit the City.
- In addition to qualifying under the Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule), the regional dealer shall not self-clear securities. The clearinghouse through which all transactions are cleared and settled has a minimum investment grade rating of A or better by S&P or Moody.
- The representatives chosen to work with the City Treasurer are institutional brokers familiar with and experienced in the specific needs of California public funds. "Familiar" implies an institutional broker who spends the majority of their time and effort working with public funds.

All institutions which the City Treasurer wishes to do business shall be investigated to determine if they are adequately capitalized, have pending legal action against the firm or the individual broker, are registered with FINRA, make markets in the securities appropriate to the City's needs, and agree to abide by the conditions set forth in the City of Redondo Beach's Investment Policy.

The City Treasurer shall annually send a copy of the current Investment Policy to all broker/dealers approved to do business with the City. Confirmation is required of broker dealers of receipt of this policy and shall be considered evidence that the dealer understands the City's investment policies and intends to sell the City only appropriate investments authorized by this investment policy.

To further ensure that investments are purchased only through well established, financially sound institutions, the City Treasurer shall maintain a list of financial institutions and brokers approved for the conduct of investment transactions. All financing institutions and brokers who desire to become qualified bidders for investment transactions will be given a copy of the City's Investment Policy, and in turn must supply the City Treasurer with the following:

- Current audited financial statements (within 120 days of Fiscal Year End).
- Depository contracts, as appropriate.
- A copy of the latest FDIC call report or the latest FHLB report, as appropriate
- Proof that commercial banks, savings banks, or savings and loan associations are state or federally chartered.
- Proof that brokerage firms are members in good standing on a national securities exchange.
- Proof of State registration.
- Trading resolution.

- Completed Broker/Dealer Questionnaire.
- Certification of having read the City's investment policy and depository contracts.

Commercial banks, savings banks, and savings and loan associations must maintain a minimum net worth to asset ratio of three percent (3%) (total regulatory net worth divided by total assets), and must have had positive net earnings for the last reporting period.

A list of qualified brokers from which the City may purchase investments will be submitted annually by the City Treasurer for approval by the City Council as part of the annual review of investment strategy.

See EXHIBIT A regarding broker/dealers utilized by the investment advisor.

21. Monthly and Quarterly Reporting

The City Treasurer shall render a monthly report to the City Council showing the type of investment, issuing institution, date of maturity, amount of deposit, current market value for all securities, rate of interest, percentage of the Pool representing each investment category, transactions for the period, the ability of the City to meet the expenditure requirements for the next six months or provide an explanation why requirements may not be met, comments with respect to the current fixed income marketplace and current economic conditions impacting the value of fixed income investments, and such data as may be required by the City Council. The City Treasurer shall make quarterly presentations to the Budget and Finance Commission and to the City Council analyzing the Pool and investment market trends.

The securities held by the City must be in compliance with Section 15 Authorized Investments at the time of purchase. Because some securities may not comply with Section 15 Authorized Investments subsequent to the date of purchase, the Treasurer shall at least quarterly review the portfolio to identify those securities that do not comply. The Treasurer shall report to the Budget and Finance Commission, should one exist, major and critical incidences of noncompliance identified through the review of the Pool.

22. Ongoing Training and Education

The City strives for professionalism and accountability in the investment of its funds. In order to assure the highest possible professional standards, the City may provide opportunities and funding for the personnel involved in the investment function to complete continuing education programs or other training in cash and investment management sufficient to maintain their skills and remain up-to-date on best practices and new regulations.

23. Annual Policy Review and Adoption

This Investment Policy shall be reviewed annually by both the Budget and Finance Commission and the City Council to ensure its consistency with the overall objectives of preservation of Principal, Liquidity, and Yield, its relevance to current financial and economic trends, and ability to meet the cash flow operational needs of the City. As part of the City Council's annual review of the City's Statement of Investment Policy, and in

accordance with the requirements of the California Government Code, the City Council will adopt the City's Statement of Investment Policy, inclusive of amendments, on an annual basis. To ensure that the Statement of Investment Policy meets continued high standards of legal compliance and reporting excellence, the City Treasurer will submit the Statement of Investment Policy to the California Municipal Treasurer's Association or the Association of Public Treasurers of the United States and Canada for review and recertification no sooner than every three years, nor later than every five years.

EXHIBIT A

REGISTERED INVESTMENT ADVISOR AND QUALIFIED BROKERS FROM WHICH THE CITY MAY PURCHASE INVESTMENTS

Registered Investment Advisor: Rick Phillips, Meeder Public Funds, Inc.

Qualified Brokers: Meeder Public Funds, Inc. maintains an approved list of qualified Broker Dealers, which will be used in transacting business with the City of Redondo Beach.

City Investment Policy Annual Review: August 19, 2025

Budget and Finance Commission Review: August 14, 2025

City Investment Policy Annual Adoption: August 19, 2025

EXHIBIT B

GLOSSARY OF TERMS

The following is a glossary of key terms which appear in the Government Investment Officers Association's Model Investment Policy. (Note: The entity's Policy should include relevant terms, not all terms may need to be included)

144A: A Section of the Securities and Exchange Commission (SEC) which restricts trades of privately placed securities so that these investments can be traded among qualified institutional buyers.

Accretion: The increase in the value of a discounted instrument as time passes and as the maturity date gets closer. The value of the instrument will accrete (grow) at the interest rate implied by the discounted issuance price, the value at maturity, and the term to maturity.

Accrued Interest: The interest that has accumulated but has not yet been paid from the most recent interest payment date or issue date to a certain date.

Agency: A debt security issued by an agency or instrumentality of the United States. Agencies are backed by each particular agency or instrumentality of the United States with a market perception that there is an implicit government guarantee.

Amortized Cost: The original cost of the principal adjusted for the periodic reduction of any discount or premium from the purchase date until a specific date (also called "Book Value").

Amortization: The systematic reduction of the amount owed on a debt issue through periodic payments of principal. The decrease in the value of a premium instrument as time passes and as the maturity date gets closer. The value of the instrument will amortize (decrease) at the interest rate implied by the discounted issuance price, the value at maturity, and the term to maturity.

Asset-Backed Security: A security backed by notes or receivables against assets other than real estate. Examples are autos, credit cards, and equipment.

Ask/Offer: The price at which securities are offered.

Bankers' Acceptances: A short-term credit instrument created by a non-financial firm and guaranteed by a bank as to payment. Acceptances are traded at discounts from face value in the secondary market on the basis of the credit quality of the guaranteeing banks.

Basis Point: A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield. As an example, the difference between a security yielding 2.00% and 2.25% is 25 basis points.

Benchmark: A comparative base for measuring the performance or risk tolerance of an investment portfolio. A benchmark should represent the persistent and prominent characteristics of a portfolio, taking into account metrics such as duration, investment type, and asset allocation.

Bid: The indicated price at which a buyer is willing to purchase a security or commodity.

Bond: A long-term debt instrument of a government or corporation promising payment of the original investment plus interest by a specified future date.

Book or Effective Return: The sum of all investment income plus realized gains and losses.

Book Value: The value at which a security is carried on the inventory lists or other financial records of an investor. The book value may differ significantly from the security's current value in the market.

Broker: A broker facilitates security trades on behalf of investors (see Dealer).

Bullet: A colloquial term for a bond that cannot be redeemed, or called, prior to maturity.

Callable Bond: A bond issue in which all or part of its outstanding principal amount may be redeemed before maturity by the issuer under specified conditions.

Call Price: The price at which an issuer may redeem a bond prior to maturity. The price is usually at a slight premium to the bond's original issue price to compensate the holder for loss of income and ownership.

Call Risk: The risk to a bondholder that a bond may be redeemed prior to maturity.

Cash Sale/Purchase: A transaction which calls for delivery and payment of securities on the same day that the transaction is initiated.

Certificate of Deposit: A debt instrument issued by financial institutions that will pay interest, periodically or at maturity, and principal when it reaches maturity. Maturities range from a few weeks to several years.

Collateralization: A process by which a borrower pledges securities, property, or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralization: Process by which a borrower pledges securities, property or other deposits for the purpose of securing the repayment of a loan and/or security.

Collateralized (Guaranteed) Investment Contracts (CIC): A CIC is a fixed rate, fixed maturity contract similar to a bond that is typically collateralized by an insurance company. However, unlike a bond, a CIC is always carried or valued at par. CICs are primarily utilized for the investment of bond proceeds.

Commercial Paper: An unsecured short-term promissory note issued by corporations, with maturities typically ranging from 1 to 270 days, and usually transacts at a discount with no coupon payments.

Comprehensive Annual Financial Report (CAFR): The CAFR is the entity's official annual financial report. It consists of three major sections: introductory, financial, and statistical. The introductory section furnishes general information on the entity's structure, services, and environment. The financial section contains all basic financial statements and required supplementary information, as well as information on all individual funds and discretely presented

component units not reported separately in the basic financial statements. The reported information is in conformity with accounting principles generally accepted in the United States of America (GAAP). The financial section may also include supplementary information not required by GAAP. The statistical section provides trend data and nonfinancial data useful in interpreting the basic financial statements and is especially important for evaluating economic condition.

Convexity: A measure of how much a fixed-income instrument's duration changes when interest rates change. A high convexity indicates greater sensitivity of a bond's price to interest rate changes.

Corporate Security: A debt obligation issued by a corporation.

Coupon or Coupon Rate: The stated interest rate on a debt security that an issuer promises to pay. The origin of the term "coupon" is that bonds were historically issued in the form of bearer certificates. Physical possession of the certificate was proof of ownership. Several coupons, one for each scheduled interest payment, were printed on the certificate.

Credit Quality: The measurement of the financial strength of a bond issuer. This measurement helps an investor to understand an issuer's ability to make timely interest payments and repay the loan principal upon maturity. Generally, the higher the credit quality of a bond issuer, the lower the interest rate paid by the issuer because the risk of default is lower. Credit quality ratings are provided by nationally recognized rating agencies.

Credit Risk: The risk to an investor that an issuer will default in the payment of interest and/or principal on a security.

Current Yield (Current Return): A yield calculation determined by dividing the annual interest received on a security by the current market price of that security.

CUSIP: A unique identifier for a security developed by the Committee on Uniform Security Identification Procedures (CUSIP). The identifier is a nine-digit alphanumeric character. The first six characters identify the issuer, the following two identify the issue, and the final character is a check digit. CUSIPs are correlated to an alphabetical listing of the issuer's name.

Day Count Convention: A day-count convention is the system used to calculate the amount of accrued interest or the present value when the next coupon payment is less than a full coupon period away. Each bond market and financial instrument has its own day-count convention, which varies depending on the type of instrument, whether the interest rate is fixed or floating, and the country of issuance. Among the most common conventions are 30/360 or 365, actual/360 or 365, and actual/actual.

Dealer: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for their own account. (see Broker).

Debenture: A bond secured only by the general credit of the issuer and not by physical assets or collateral of the company.

Delivery (Settlement): There are typically four types of delivery or settlement of securities: cash, which is the same day as the transaction occurred; regular, which trade day plus one; corporate,

which is trade day plus two; and forward, which typically occurs three to thirty days after the trade date.

Delivery Versus Payment (DVP): A type of securities transaction in which the purchaser pays for the securities when they are delivered either to the purchaser or his/her custodian.

Derivative Security: Financial instrument created from, or whose value depends upon, one or more underlying assets or indexes of asset values.

Discount: The amount by which the par value of a security exceeds the price paid for the security.

Discount Rate: The interest rate member banks pay the Federal Reserve when the banks use securities as collateral.

Diversification: A process of investing assets among a range of security types by sector, maturity, and quality rating.

Duration: A measure of the timing of the cash flows, such as the interest payments and the principal repayment, to be received from a given fixed-income security. This calculation is based on three variables: term to maturity, coupon rate, and yield to maturity. The duration of a security is a useful indicator of its price volatility for given changes in interest rates. There are three primary types of duration: Macaulay Duration, Modified Duration, and Effective Duration.

Macaulay Duration was developed in 1938 by Frederic Macaulay, this form of duration measures the number of years required to recover the true cost of a bond, considering the present value of all coupon and principal payments received in the future. Thus, it is the only type of duration quoted in “years.” Interest rates are assumed to be continuously compounded.

Modified Duration expands or modifies Macaulay duration to measure the responsiveness of a bond’s price to interest rate changes. It is defined as the percentage change in price for a 100 basis point change in interest rates. The formula assumes that the cash flows of the bond do not change as interest rates change (which is not the case for most callable bonds).

Effective Duration (sometimes called option-adjusted duration) further refines the modified duration calculation and is particularly useful when a portfolio contains callable securities. Effective duration requires the use of a complex model for pricing bonds that adjusts the price of the bond to reflect changes in the value of the bond’s “embedded options” (e.g., call options or a sinking fund schedule) based on the probability that the option will be exercised. Effective duration incorporates a bond’s yield, coupon, final maturity and call features into one number that indicates how price-sensitive a bond or portfolio is to changes in interest rates.

Earnings Apportionment: The distribution of investment income to investment pool participants.

Environmental, Social, and Governance (ESG): (ESG) criteria are a set of standards for a company’s operations that socially conscious investors use to screen potential investments. Environmental criteria consider how a company performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the

communities where it operates. Governance deals with a company's leadership, executive pay, audits, internal controls, and shareholder rights.

Fair Value: The amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Federal Agricultural Mortgage Corporation (FAMC/Farmer Mac): Farmer Mac is a stockholder-owned, federally chartered corporation with the mission of providing a secondary market for a variety of loans made to borrowers in rural America. Farmer Mac was established under federal legislation in 1988. Farmer Mac is an instrumentality of the United States and government-sponsored enterprise ("GSE") by virtue of the status conferred by its charter. s. Farmer Mac is part of the Farm Credit System but is separate from the Federal Farm Credit Banks and Funding Corporation. It is based primarily in Washington, D.C, and also has offices in Iowa, Idaho, and California.

Federal Deposit Insurance Corporation (FDIC): The FDIC preserves and promotes public confidence in the U.S. financial system by insuring deposits in banks and thrift institutions for at least \$250,000; by identifying, monitoring and addressing risks to the deposit insurance funds; and by limiting the effect on the economy and the financial system when a bank or thrift institution fails. An independent agency of the federal government, the FDIC was created in 1933 in response to the thousands of bank failures that occurred in the 1920s and early 1930s. Since the start of FDIC insurance on January 1, 1934, no depositor has lost a single cent of insured funds as a result of a failure. The FDIC receives no Congressional appropriations - it is funded by premiums that banks and thrift institutions pay for deposit insurance coverage and from earnings on investments in U.S. Treasury securities. The FDIC insures trillions of dollars of deposits in U.S. banks and thrifts - deposits in virtually every bank and thrift in the country.

Federal Funds (Fed Funds): Funds placed in Federal Reserve banks by depository institutions in excess of current reserve requirements. These depository institutions may lend fed funds to each other overnight or on a longer basis. They may also transfer funds among each other on a same-day basis through the Federal Reserve banking system. Fed funds are considered to be immediately available funds.

Federal Funds Rate: Interest rate charged by one institution lending federal funds to the other.

Federal Farm Credit Bank (FFCB/Farm Credit): The Federal Farm Credit Banks Funding Corporation is responsible for issuing and marketing debt securities on behalf of the four Banks of the Farm Credit System: AgFirst FCB, Agribank FCB, FCB of Texas. And CoBank, ACB. These four Banks (located in South Carolina, Minnesota, Texas, and Colorado) are a leading provider of loans, leases and services to rural communities and U.S. agriculture. The Farm Credit System is a government-sponsored enterprise, created in 1916 and dedicated to assuring a steady source of financing to qualified borrowers. The Federal Farm Credit Banks Funding Corporation is based in Jersey City, New Jersey.

Federal Home Loan Banks (FHLB/Home Loan): The Federal Home Loan Banks are 11 U.S. government-sponsored banks that provide reliable liquidity to member financial institutions to support housing finance and community investment. With their members, the FHLB represents the largest collective source of home mortgage and community credit in the United States. FHLB was created by Congress in 1932 by the Federal Home Loan Bank Act and is located in Reston, Virginia.

Federal Home Loan Mortgage Corporation (FHLMC/Freddie Mac): Freddie Mac was created by Congress in 1970 to expand the secondary market for mortgages in the US. Along with the Federal National Mortgage Association, buys mortgages on the secondary market, pools them, and sells them as a mortgage-backed security to investors on the open market. This secondary mortgage market increases the supply of money available for mortgage lending and increases the money available for new home purchases. Freddie Mac, is headquartered in McLean, Virginia.

Federal National Mortgage Association (FNMA/Fannie Mae): Fannie Mae was created Congress in 1938 to provide supplemental liquidity to the mortgage market, similar to the FHLMC. Fannie Mae, is headquartered in Washington, D.C.

Federal Open Market Committee (FOMC): The FOMC is the branch of the Federal Reserve Board that determines the direction of monetary policy. The FOMC meets several times a year to discuss whether to maintain or change current policy.

Federal Reserve Board (FRB): The governing body of the Federal Reserve System (12 regional Federal banks monitoring the commercial and savings banks in their regions). The board establishes policies on such key matters as reserve requirements and other regulations, sets the discount rate, and tightens or loosens the availability of credit in the economy.

Federal Reserve System: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 6,000 commercial banks that are members of the system. These member banks hold stock in the Federal Reserve Banks and earn dividends.

Financial Industry Regulatory Authority (FINRA): FINRA is a private corporation, authorized by Congress, that acts as a self-regulatory organization. FINRA is the successor to the National Association of Securities Dealers, Inc. and the member regulation, enforcement, and arbitration operations of the New York Stock Exchange. FINRA also provides BrokerCheck, which is a service to obtain information regarding brokers, brokerage firms, and investment advisors.

Fitch: A credit rating agency that as one of its services, analyzes and rates securities. Fitch Ratings is one of the “Big Three” credit rating agencies, along with Moody’s and S&P.

Floating Rate Securities: A bond whose interest rate is adjusted according to the interest rates of other financial instruments. These instruments provide protection against rising interest rates, but pay lower yields than fixed rate notes.

Futures: Futures are derivative financial contracts that obligate the parties to transact an asset at a predetermined future date and price. Here, the buyer must purchase or the seller must sell the underlying asset at the set price, regardless of the current market price at the expiration date.

Generally Accepted Accounting Principles (GAAP): GAAP refer to a common set of accepted accounting principles, standards, and procedures that companies and their accountants must follow when they compile their financial statements. GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information. GAAP improves the clarity of the communication of financial information.

Governmental Account Standards Board (GASB): GASB is a non-profit entity that was organized in 1984 by the Financial Accounting Foundation (FAF) to establish standards of financial accounting and reporting for state and local governmental entities. Its standards guide the preparation of external financial reports of those entities.

Government National Mortgage Association (GNMA/Ginnie Mae): Ginnie Mae is a U.S. government corporation that guarantees the timely payment of principal and interest on mortgage-backed securities issued by approved GNMA lenders. That assurance allows the mortgage lenders to obtain a better price for these offerings in the capital markets. Those improved proceeds, in turn, allow the lenders to make additional mortgage loans, and at lower costs to finance. GNMA was created by Congress in 1968 and is headquartered in Washington D.C.

Government Securities: An obligation backed by the full faith and credit of the U.S. government. These securities are regarded as the highest quality of investment securities available in the U.S. securities market. See "Treasury Bills, Notes, and Bonds."

Government Sponsored Enterprises (GSEs): Federally-chartered agency or instrumentality of the United States Government

IDC Ranking: IDC Financial Publishing, Inc. compiles financial data on all banks, thrifts, and credit unions reporting to the federal government, and publishes a ranking based on 24 key indicators.

Interest Rate: See "Coupon Rate."

Interest Rate Risk: The risk associated with declines or rises in interest rates, which cause an investment in a fixed-income security to increase or decrease in value. Duration is a measure of interest rate risk.

Interest Rate Swap: An interest rate swap is a forward contract in which one stream of future interest payments is exchanged for another based on a specified principal amount. Interest rate swaps usually involve the exchange of a fixed interest rate for a floating rate, or vice versa, to reduce or increase exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than would have been possible without the swap.

Inter-American Development Bank (IADB): An international financial institution that supports Latin American and Caribbean economic development, social development and regional integration by lending to governments and government agencies, including State corporations. The IADB is headquartered in Washington, D.C. IADB is a supranational organization and was established in 1959.

International Bank for Reconstruction and Development (IBRD): An international financial institution that offers loans to middle-income developing countries. The IBRD is the first of five member institutions that compose the World Bank Group, and is headquartered in Washington, D.C. IBRD is a supranational organization and was established in 1944.

International Finance Corporation (IFC): An international financial institution that offers investment, advisory, and asset-management services to encourage private-sector development in less developed countries. The IFC is a member of the World Bank Group and is headquartered in Washington, D.C. IFC is a supranational organization and was established in 1956.

Inverse Floater: An inverse floater is a bond or other type of debt whose coupon rate has an inverse relationship to a benchmark rate. An inverse floater adjusts its coupon payment as the interest rate changes.

Inverted Yield Curve: A chart formation that illustrates long-term securities having lower yields than short-term securities. This configuration usually occurs during periods of (or anticipation of) high inflation coupled with low levels of confidence in the economy and a restrictive monetary policy.

Investment Company Act of 1940: Federal legislation, which sets the standards by which investment companies, such as mutual funds, are regulated in the areas of advertising, promotion, performance reporting requirements, and securities valuations.

Investment Policy: A concise and clear statement of the objectives and parameters formulated by an investor or investment manager for a portfolio of investment securities.

Investment-Grade Obligations: Obligations that are rated BBB or higher by a rating agency

Joint Powers Authority: A Joint Powers Authority (JPA) is a legal entity formed by two or more public agencies to work together on a specific project or purpose.

Leverage: The use of financial leverage to control a greater amount of assets (by borrowing money) will cause the returns on the owner's cash investment to be amplified.

Liquidity: The amount of a portfolio or an asset that can be converted easily and quickly into cash.

Local Government Investment Pool (LGIP): An investment by local governments in which their money is pooled as a method for managing local funds.

Make Whole Call: A make whole call provision is a type of call provision on a bond allowing the issuer to pay off remaining debt early. The issuer typically has to make a lump sum payment to the investor derived from a formula based on the net present value (NPV) of future coupon payments that will not be paid incrementally because of the call combined with the principal payment the investor would have received at maturity.

Mark-to-Market: The process whereby the book value or collateral value of a security is adjusted to reflect its current market value.

Market Risk: The risk that the value of a security will rise or decline as a result of changes in market conditions.

Market Value: Current market price of a security.

Master Repurchase Agreement (MRA): A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower. SIFMA's MRA is the industry standard agreement.

Maturity: The date on which payment of a financial obligation is due. The final stated maturity is the date on which the issuer must retire a bond and pay the face value to the bondholder. See "Weighted Average Maturity".

Medium Term Notes: Debt obligations of banks, corporations, and insurance companies. They are issued at a specific rate of return for a specific period of time.

Monetary Policy: The way in which the money supply is managed by the Federal Reserve Board. The FRB manipulates the money supply either through open market transactions, member bank reserve requirements, or through changing the Fed Funds Rate or the Discount Rate.

Money Market: Typically refers to short-term debt instruments (bills, commercial paper, discount notes, etc.).

Money Market Fund: Mutual funds that invest solely in money market instruments (short-term debt instruments, such as Treasury bills, commercial paper, bankers' acceptances, repos, and federal funds).

Moody's Investors Service: A company that as one of its services, analyzes and rates securities (similar to Fitch and Standard and Poor's).

Mortgage-Backed Security: A security that is backed by a pool of mortgages. Generally, the security is issued or guaranteed by the United States or its agencies or instrumentalities, but also may be issued by financial institutions such as banks.

Municipal Bond: A municipal bond is a debt security issued by a local government, such as county, state, city, special improvement district, to finance its capital expenditures, including the construction of highways, bridges or schools. Municipal bonds can issue taxable or tax-exempt from federal, state, and local taxes.

Mutual Fund: A mutual fund is a professionally managed investment fund that pools money from many investors to purchase securities. These investors may be retail or institutional in nature. Mutual funds have advantages and disadvantages compared to direct investing in individual securities.

Nationally Recognized Statistical Rating Organization (NRSRO): A credit rating agency that issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. The most recognized NRSROs are Fitch, Moody's, and Standard and Poor's.

National Association of Securities Dealers (NASD): A self-regulatory organization of brokers and dealers in the over-the-counter securities business. Its regulatory mandate includes authority over firms that distribute mutual fund shares as well as other securities.

Nominal Yield: The stated rate of interest that a bond pays its current owner, based on par value of the security. It is also known as the "coupon," "coupon rate," or "interest rate."

Offer: An indicated price at which market participants are willing to sell a security or commodity. Also referred to as the "Ask price."

Open Market Operations: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

Option Adjusted Spread (OAS): Option-adjusted spread is the yield spread which has to be added to a benchmark yield curve to discount a security's payments to match its market price, using a dynamic pricing model that accounts for embedded options. OAS is hence model-dependent.

Overnight Indexed Swap (OIS): OIS is an interest rate swap where the periodic floating payment is generally based on a return calculated from a daily compound interest investment. ... The LIBOR-OIS spread is the difference between LIBOR and the OIS rates.

Par: Face value or principal value of a bond, typically \$1,000 per bond.

Pass-Thorough Securities: A debt instrument that reflects an interest in a mortgage pool, consumer receivables pool and equipment lease-backed pool that serves as collateral for a bond.

Portfolio: Collection of securities held by an investor.

Positive (Normal) Yield Curve - A chart formation that illustrates short-term securities having lower yields than long-term securities.

Premium: The amount by which the price paid for a security exceeds the security's par value.

Primary Dealer: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers and banks.

Prime Rate - A preferred interest rate charged by commercial banks to their most creditworthy customers. Many interest rates are keyed to this rate.

Principal - The face value or par value of a debt instrument. Also, may refer to the amount of capital invested in a given security.

Private Placements: Securities that do not have to be registered with the Securities and Exchange Commission because they are offered to a limited number of sophisticated investors.

Prospectus - A legal document that must be provided to any prospective purchaser of a new securities offering registered with the SEC. This can include information on the issuer, the issuer's business, the proposed use of proceeds, the experience of the issuer's management, and certain certified financial statements.

Range Notes: Notes which pay interest only if the underlying index upon which it is benchmarked, falls within a certain range.

Real Adjustment: When a specific metric or economic indicator is adjusted for inflation.

Regional Dealer: Non-Primary broker-dealers and banks, which transact in the fixed-income markets.

Regular Settlement: Securities settlement that calls for delivery and payment on the next business day following the trade day for government securities and the second business day following the trade date for corporate and municipal securities. Money market funds and money market instruments are settled on a same day basis.

Reinvestment Risk: The risk that a fixed-income investor will be unable to reinvest income proceeds from a security holding at the same rate of return currently generated by that holding.

Repurchase Agreement (Repo or RP): An agreement of one party to sell securities at a specified price to a second party and a simultaneous agreement of the first party to repurchase the securities at a specified price or at a specified later date.

Reverse Repurchase Agreement (Reverse Repo): An agreement of one party to purchase securities at a specified price from a second party and a simultaneous agreement by the first party to resell the securities at a specified price to the second party on demand or at a specified date.

Rule 2a-7 of the Investment Company Act: Applies to all money market mutual funds and mandates such funds to maintain certain standards, including a 13- month maturity limit and a 90-day average maturity on investments, to help maintain a constant net asset value of one dollar (\$1.00).

Safekeeping: The holding of assets (e.g., securities) by a financial institution.

Secondary Market: A market made for the purchase and sale of outstanding issues following the initial distribution.

Securities and Exchange Commission (SEC): The government agency that regulates and supervises the securities industry. The commission administers federal law, formulates and enforces rules to protect against malpractice, and seeks to ensure that companies provide the fullest possible disclosure to investors. All of the national exchanges and virtually all institutions in the securities industry fall under its jurisdiction.

SEC RULE 15(C)3-1: See Uniform Net Capital Rule.

Securities Lending: Securities lending is when entities transfer or “loan” their securities to broker-dealers in return for cash collateral and simultaneously agree to return the collateral in exchange for the same securities in the future. Entities then invest the cash received as collateral in allowable investments, such as commercial paper, at a rate that exceeds the “rebate” or loan rate paid to the broker-dealer for the cash collateral. These transactions are structured to result in earning an incremental income on a portion of the investment portfolio. The amount of securities loaned from the portfolio and the income generated is dependent upon market conditions.

Security Swap: Selling one asset and buying another.

Securities Industry and Financial Markets Association (SIFMA): SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets.

SIFMA was formed in 2006, from the merger of the Bond Market Association and the Securities Industry Association. SIFMA also provides a recommended holiday schedule for the U.S. financial markets.

Standard and Poor's (S&P): A company that as one of its services, analyzes and rates securities (similar to Moody's Investors Service).

Standard of Prudence: An investment standard outlining the fiduciary responsibilities of public funds investors relating to investment practices. Generally, the Prudent Person and Prudent Investor are used, with the Prudent Investor being more relevant to state and local governments.

Stated Final Maturity: The date when the final principal amount of a note, draft, or other debt instrument becomes due and is repaid to the investor.

Straight Line Amortization: A common method of calculating accretion or amortization of a discount or premium security to par or 100 from the purchase date to the maturity date. It is calculated by dividing the discount/premium amount by the number of days to maturity, without regard to a security's day count convention.

Structured Notes: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, etc.) and corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

Structured Overnight Financing Rate (SOFR): SOFR is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. The SOFR includes all trades in the Broad General Collateral Rate plus bilateral Treasury repurchase agreement (repo) transactions cleared through the Delivery-versus-Payment (DVP) service offered by the Fixed Income Clearing Corporation (FICC), which is filtered to remove a portion of transactions considered "specials".

The SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from the Bank of New York Mellon as well as GCF Repo transaction data and data on bilateral Treasury repo transactions cleared through FICC's DVP service, which are obtained from DTCC Solutions LLC, an affiliate of the Depository Trust & Clearing Corporation. Each business day, the New York Fed publishes the SOFR on the New York Fed website at approximately 8:00 a.m.

Supranational: A supranational entity is formed by two or more central governments with the purpose of promoting economic development for the member countries. Supranational institutions finance their activities by issuing debt, such as supranational bonds. The three U.S. based supranationals are International Bank for Reconstruction and Development, the International Finance Corporation, and the Inter-American Development Bank.

Total Return: The sum of all investment income plus realized and unrealized gain and losses.

Trade Reporting and Compliance Engine (TRACE): TRACE is the FINRA-developed vehicle that facilitates the mandatory reporting of over-the-counter secondary market transactions in

eligible fixed income securities. All broker-dealers who are FINRA member firms have an obligation to report transactions in corporate bonds to TRACE under an SEC-approved set of rules.

Treasury Bills: Short-term U.S. government non-interest bearing debt securities with maturities of no longer than one year and issued in minimum denominations of \$10,000. Auctions of three- and six-month bills are weekly, while auctions of one-year bills are monthly. The yields on these bills are monitored closely in the money markets for signs of interest rate trends.

Treasury Notes: Intermediate U.S. government debt securities with maturities of one to 10 years and issued in denominations ranging from \$1,000 to \$1 million or more.

Treasury Bonds: Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

Uniform Net Capital Rule: SEC Rule 15C3-1 outlining capital requirements for broker/dealers who must maintain a maximum ratio of indebtedness to liquid capital of 15 to 1. Indebtedness covers all money owed to a firm, including margin loans, and commitments to purchase securities (one reason new issues are spread among members of underwriting syndicates). Liquid capital includes cash and assets easily converted to cash.

Volatility: A degree of fluctuation in the price and valuation of securities.

Volatility Risk Rating: A rating system to clearly indicate the level of volatility and other non-credit risks associated with securities and certain bond funds. The ratings for bond funds range from those that have extremely low sensitivity to changing market conditions and offer the greatest stability of the returns to those that are highly sensitive with currently identifiable market volatility risk.

Warrant: In finance, a warrant is a security that entitles the holder to buy the underlying stock of the issuing company at a fixed price called exercise price until the expiry date. Warrants and options are similar in that the two contractual financial instruments allow the holder special rights to buy securities. In accounting, a warrant sometimes similar to a check or an instrument to present for payment.

Weighted Average Life (WAL): The average number of years that each dollar of unpaid principal due on loan, asset-backed security, or mortgage-backed security remains outstanding. WAL delineates how many years it will take to pay half of the outstanding principal.

Weighted Average Maturity (WAM): The average maturity of all the securities that comprise a portfolio, weighted by the individual securities.

When Issued: A transaction that is made conditionally because a security has been authorized but not yet issued. Treasury securities, stock splits, and new issues of stocks and bonds are traded on a when-issued basis.

World Bank: The World Bank is an international financial institution that provides loans and grants to the governments of poorer countries for the purpose of pursuing capital projects. It comprises two institutions: the International Bank for Reconstruction and Development, and the International Development Association.

Yield: The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Yield-to-Call (YTC): The rate of return an investor earns from a bond assuming the bond is redeemed (called) prior to its nominal maturity date.

Yield Curve: A graphic representation that depicts the relationship at a given point in time between yields and maturity for bonds that are identical in every way except maturity. A normal yield curve may be alternatively referred to as a positive yield curve.

Yield-to-Maturity (YTM): The rate of return yielded by a debt security held to maturity when both interest payments and the investor's potential capital gain or loss are included in the calculation of return.

Yield-to-Worst (YTW): The YTW is the lowest potential yield that can be received on a bond without the issuer actually defaulting. The YTW is calculated by making worst-case scenario assumptions on the issue by calculating the return that would be received if the issuer uses provisions, including prepayments or calls.

Zero-Coupon Securities: Security that is issued at a discount and makes no periodic interest payments. The rate of return consists of a gradual accretion of the principal of the security and is payable at par upon maturity.

EXHIBIT C
INVESTMENT PROCEDURES MANUAL

The Investment Procedures Manual is attached.

INVESTMENT PROCEDURES MANUAL

In accordance with Section 12 of the City's Statement of Investment Policy, the City Treasurer will maintain an Investment Procedures Manual. The Investment Procedures Manual lists operations associated with the placement, settlement, and clearance of all City investments.

The City Treasurer in conjunction with the City's contracted financial advisor ("Financial Advisor"), will plan, execute and report investment activity in compliance with the City's Statement of Investment Policy. The investment procedures are as follows:

1. The City Treasurer will periodically discuss cash inflows and outflows with the City management to identify dates of when maturities are needed to provide liquid funds and meet the City's Statement of Investment Policy's parameters.
2. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
 - a. Seek securities which meet cash flow needs.
 - b. After cash flow needs are met, seek securities which provide additional relative value to the portfolio's yield and duration.
 - c. Obtain offers to purchase, or bids if selling, securities which meet the above mentioned criteria.
3. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
 - a. Contact the City Treasurer to review and either approve or disapprove the transaction.
 - b. If City Treasurer directs that a security be sold, place the security out for bid with at least three broker/dealers in compliance with the competitive bid requirement.
 - c. Execute the trade at the most advantageous price.
 - d. Send trade ticket to the City Treasurer for signature.
 - e. Send signed trade ticket to the custodian and the City's Financial Services Department for settlement.
 - f. Send signed trade packet to the City Treasurer
4. City Treasurer will review wire transfers by the City's Financial Services Department to the custodian for settlement.
5. On behalf of the Treasurer, the Financial Advisor will perform the following duties.
 - a. Monitor and verify the settlement of the transaction.
 - b. Input trading activity into the investment accounting system.
 - c. Send Monthly Investment Reports to the City Treasurer
 - d. Include all detailed investment reporting on all Quarterly reports.
 - e. Monitor credit ratings of the securities in the investment pool for compliance with the City's Statement of Investment Policy.
 - f. Analyze the entity, if a security's credit rate drops below allowable ratings..
6. In the event the Financial Advisor determines that a security should be sold due to expected value deterioration, then the Financial Advisor shall seek direction from the City Treasurer.
7. The City Treasurer will send monthly investment reports to the Mayor and City Council, City Manager, City Clerk, and Director of Financial Services.
8. The City Treasurer will present quarterly investment reports to the City Budget and Finance Commission, and to the Mayor and City Council.
9. Annually, the City Treasurer will present this Investment Procedures Manual and the City's Statement of Investment Policy to the City Budget and Finance Commission and to the Mayor and City Council for review and adoption.



Administrative Report

J.2., File # BF25-1151

Meeting Date: 8/14/2025

To: BUDGET AND FINANCE COMMISSION
From: EUGENE SOLOMON, CITY TREASURER

TITLE

CITY TREASURER'S FOURTH QUARTER, FISCAL YEAR 2024-25 REPORT

EXECUTIVE SUMMARY

Please see attached quarterly administrative report.

ATTACHMENTS

Administrative Report - City Council, City Treasurer's Fourth Quarter 2024-25 Report
Investment Report - Meeder Public Funds, June 30, 2025
Fourth Quarter Powerpoint Presentation



Administrative Report

J.2., File # BF25-1151

Meeting Date: 8/14/2025

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Please see attached quarterly administrative report.

ATTACHMENTS

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Investment Report - Meeder Public Funds, June 30, 2025
Fourth Quarter Powerpoint Presentation



Administrative Report

Date: August 14, 2025

To: BUDGET AND FINANCE COMMISSION

From: EUGENE SOLOMON, CITY TREASURER

Subject: CITY TREASURER'S FOURTH QUARTER 2024-25 REPORT

EXECUTIVE SUMMARY

The City Treasurer manages the City's cash flows while earning a competitive rate of return on investments within the constraints of the City's investment policy and state law. This City Treasurer's report for the fourth quarter of fiscal year 2024-2025 details the composition of the investment portfolio and investment transactions that occurred during the period from April to June 2025. Meeder Investment serves as an investment advisor to the City Treasurer. The Meeder Investment report with this package includes a comprehensive analysis of the City's investment portfolio and investment market trends.

Notable sections of this report include:

- Treasurer's Portfolio Summary
- Investment Reporting Guidelines
- Investment Report by Meeder Investment
 - Portfolio Summary
 - Investment Policy Compliance Report
 - Investment Activity Report
 - Economic and Market Update

City Treasurer's Portfolio Summary

The market value of the City's general investment portfolio changed to \$74.96MM from \$90.28MM at the end of the prior quarter. This change in the investment portfolio resulted from anticipated fluctuations in cash flow trends for both general operations and the capital improvement program's revenue and spending.

Investment portfolio liquidity is 25% of the portfolio, having maturities of one year or less. The Bank of America General Fund Checking Account ending balance was \$9,865,121. It earned a rate of 3.75% to offset the expenses of banking support services.

QOQ Comparison of Investment Portfolio Positions

Portfolio positions at the end of each quarter are listed by investment type, dollar amount, and percentage mix of the overall general investment portfolio:

Composition of Portfolio 2020-Present Comparison of Investment Portfolio Positions

FY 2024-2025

Comparison of Investment Portfolio Positions F.Y. 2024-2025								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		
Cash in Banks	\$7,621,789	*	\$25,487,932	*	\$13,508,000	*	\$ 9,865,121	*
Money Market	\$6,410,529	6.86%	\$125,864	0.17%	\$10,816,724	12.84%	\$ 22,461,667	24.88%
Local Agency Investment Fund	\$104,103	0.11%	\$105,337	0.14%	\$106,563	0.13%	\$ 107,737	0.12%
Federal Agency Issues	\$35,668,724	38.19%	\$31,704,178	41.47%	\$28,743,576	33.69%	\$ 24,794,460	27.18%
Commercial Paper	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Corporate Medium Term Notes	\$12,463,061	13.35%	\$12,495,672	16.69%	\$12,527,582	14.93%	\$ 10,548,423	11.74%
Bank Certificates of Deposit	\$247,995	0.27%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Treasuries	\$38,496,825	41.22%	\$31,755,588	41.53%	\$32,804,960	38.41%	\$ 32,890,362	36.09%
Total: Investment Portfolio	\$93,391,237	100%	\$76,186,640	100.0%	\$84,999,404	100.00%	\$ 90,802,649	100.00%
Weighted Average Maturity (Yrs)	1.45		1.46		1.12		0.76	
Portfolio Effective Rate of Return (YTD)	3.21%		3.08%		3.26%		3.07%	
L.A.I.F. Yield	4.58%		4.52%		4.31%		4.27%	
Yield on Benchmark	4.21%		4.38%		4.45%		4.40%	
Interest earned YTD	\$615,313.46		\$1,070,841.28		\$1,604,265		\$2,793,124	
General Fund Contribution (60%)	\$369,188		\$642,505		\$962,559		\$1,675,874	

FY 2023-2024

Comparison of Investment Portfolio Positions F.Y. 2023-2024								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		
Cash in Banks	\$6,469,818	*	13,256,219	*	\$11,755,717	*	\$ 10,560,379.31	*
Money Market	\$8,733,993	8.78%	\$19,612,340	19.53%	\$15,881,678	15.37%	\$ 18,202,927.12	16.95%
Local Agency Investment Fund	\$98,106	10.00%	\$100,842	0.10%	\$101,853	0.10%	\$ 102,941.43	0.10%
Federal Agency Issues	\$49,969,031	50.24%	\$48,017,978	47.81%	\$48,066,986	46.52%	\$ 46,615,560.54	43.42%
Commercial Paper	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Corporate Medium Term Notes	\$6,905,358	6.94%	\$2,921,402	2.91%	\$4,468,652	4.32%	\$ 8,405,345.37	7.83%
Bank Certificates of Deposit	\$991,797	1.00%	\$991,856	0.99%	\$991,914	0.96%	\$ 247,964.77	0.23%
Treasuries	\$32,755,612	32.94%	\$28,785,152	28.66%	\$33,811,331	32.72%	\$ 33,785,898.60	31.47%
Total: Investment Portfolio	\$99,453,897	100%	\$100,429,570	100.0%	\$103,322,415	100.00%	\$ 107,360,637.83	100.00%
Weighted Average Maturity (Yrs)	1.96		1.73		1.54		1.39	
Portfolio Effective Rate of Return (YTD)	2.82%		2.96%		2.71%		2.78%	
L.A.I.F. Yield	3.55%		3.93%		4.25%		4.33%	
Yield on Benchmark	2.66%		3.10%		3.53%		3.95%	
Interest earned YTD	\$675,178.00		\$1,260,353.00		\$2,023,050		\$2,773,041	
General Fund Contribution (60%)	\$405,107		\$756,212		\$1,213,830		\$1,663,824.86	

FY 2022-2023

Comparison of Investment Portfolio Positions F.Y. 2022-2023								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%						
Cash in Banks	\$10,955,229	*	9,223,658	*	\$6,359,470	*	\$ 9,742,075	*
Money Market	\$0	0.0%	\$5,149,678	4.38%	\$13,392,052	11.33%	\$ 8,931,843	7.80%
Local Agency Investment Fund	\$16,071,480	14.5%	\$27,137,556	23.1%	\$5,225,372	4.42%	\$ 1,087,813	0.95%
Federal Agency Issues	\$53,439,957	48.3%	\$47,448,367	40.4%	\$56,867,881	48.12%	\$ 56,918,780	49.70%
Commercial Paper	\$0	0.0%	\$0	0.0%	\$0	0.00%	\$0	0.00%
Corporate Medium Term Notes	\$6,981,521	6.3%	\$8,847,387	7.5%	\$8,866,737	7.50%	\$ 8,885,872	7.76%
Bank Certificates of Deposit	\$1,239,564	1.1%	\$991,622	0.8%	\$991,680	0.84%	\$ 991,738	0.87%
Treasuries	\$32,895,368	29.7%	\$27,910,842	23.8%	\$32,831,737	27.78%	\$ 37,713,483	32.93%
Total: Investment Portfolio	\$110,627,890	100%	\$117,485,452	100.0%	\$118,175,459	100.00%	\$ 114,529,529	100.00%
Weighted Average Maturity (Yrs)	1.99		1.72		1.97		1.91	
Portfolio Effective Rate of Return (YTD)	1.51%		1.71%		2.10%		2.29%	
L.A.I.F. Yield	1.60%		2.17%		2.83%		3.17%	
Yield on Benchmark	0.97%		1.38%		1.76%		2.19%	
Interest earned YTD	\$425,011.78		\$952,194.05		\$1,695,368		\$2,435,724	
General Fund Contribution (60%)	\$255,007		\$571,316.00		\$1,017,221		\$1,461,434.40	

FY 2021-2022

Comparison of Investment Portfolio Positions F.Y. 2021-2022								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		
Cash in Banks & Money Markets	\$11,834,546	*	\$11,833,288	*	\$14,063,300	*	\$ 15,087,417	*
Local Agency Investment Fund	\$9,000,500	10.7%	\$20,012,320	21.9%	\$20,018,196	20.81%	\$ 20,033,972	18.43%
Federal Agency Issues	\$30,579,369	36.3%	\$30,574,250	33.5%	\$40,569,151	42.18%	\$ 45,564,006	41.92%
Commercial Paper	\$0	0.0%	\$0	0.0%	\$0	0.00%	\$0	0.00%
Corporate Medium Term Notes	\$15,948,457	19.0%	\$15,957,757	17.5%	\$10,963,900	11.40%	\$ 8,974,595	8.26%
Bank Certificates of Deposit	\$1,735,250	2.1%	\$1,735,339	1.9%	\$1,735,425	1.80%	\$ 1,239,505	1.14%
Treasuries	\$26,896,065	32.0%	\$22,894,191	25.1%	\$22,899,581	23.81%	\$ 32,878,387	30.25%
Total: Investment Portfolio	\$84,159,641	100%	\$91,173,857	100.0%	\$96,186,253	100.00%	\$ 108,690,464	100.00%
Weighted Average Maturity (Yrs)	2.06		1.81		2.03		1.92	
Portfolio Effective Rate of Return (YTD)	2.24%		1.90%		1.53%		1.47%	
L.A.I.F. Yield	0.21%		0.21%		0.22%		0.86%	
Yield on Benchmark	0.76%		0.62%		0.59%		0.68%	
Interest earned YTD	\$497,915.05		\$817,147		\$1,021,840		\$1,342,113	
General Fund Contribution (60%)	\$298,749		\$490,288		\$613,104		\$805,267.80	

FY 2020-2021

Comparison of Investment Portfolio Positions F.Y. 2020-2021								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%				
Cash in Banks & Money Markets	\$10,855,843	*	\$10,000,681	*	\$5,180,168	*	\$10,538,424	*
Local Agency Investment Fund	\$7,004,742	9.6%	\$15,028,642	19.7%	\$15,039,065	18.30%	\$23,055,498	26.1%
Federal Agency Issues	\$34,598,183	47.2%	\$34,593,480	45.3%	\$34,588,776	42.00%	\$30,054,073	34.7%
Commercial Paper	\$0	0.0%	\$0	0.0%	\$0	0.00%	\$0	0.0%
Corporate Medium Term Notes	\$20,903,182	28.5%	\$20,915,171	27.4%	\$21,927,159	26.70%	\$18,937,844	21.5%
Bank Certificates of Deposit	\$2,726,898	3.7%	\$1,734,986	2.3%	\$1,735,073	2.10%	\$ 1,735,161	2.0%
Treasuries	\$8,053,427	11.0%	\$4,041,832	5.3%	\$8,985,108	10.90%	\$13,890,876	15.7%
Total: Investment Portfolio	\$73,286,432	100.0%	\$76,314,111	100.0%	\$82,275,181	100.00%	\$88,203,451	100.0%
Weighted Average Maturity (Yrs)	1.97		1.68		1.69		1.63	
Portfolio Effective Rate of Return (YTD)	2.10%		2.12%		2.07%		2.00%	
L.A.I.F. Yield	0.68%		0.54%		0.36%		0.26%	
Yield on Benchmark	1.67%		1.45%		1.21%		0.97%	
Interest earned YTD	\$430,578.83		\$815,051		\$1,198,761		\$1,574,081	
General Fund Contribution (49%)	\$210,984		\$399,375		\$587,393		\$771,300	

Comparison of Total Cash and Investments 2020-Present

	Investments	General Fund	Subtotal	Other Cash	Total
2024-2025	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q4	90.80	9.87	100.67	14.22	114.89
Q3	85.00	13.51	116.51	13.81	130.32
Q2	76.19	25.49	101.68	11.07	112.75
Q1	93.39	7.62	101.01	12.66	113.67
2023-2024	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q4	107.36	10.56	117.92	9.35	127.27
Q3	103.32	11.76	115.08	11.89	126.97
Q2	100.43	13.26	113.69	10.66	124.35
Q1	99.45	6.47	105.92	10.65	116.57
2022-2023	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	110.63	10.96	121.59	9.33	130.92
Q2	117.49	9.22	126.71	9.44	136.15

Q3	118.18	6.36	124.54	10.25	134.79
Q4	114.53	9.74	124.27	10.15	134.42
2021-2022	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	84.16	11.83	95.99	8.65	104.64
Q2	91.17	11.83	103	8.61	111.61
Q3	96.19	14.06	110.25	9.12	119.37
Q4	108.69	15.09	123.78	8.99	132.77
2020-2021	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	73.29	10.86	84.15	6.81	90.96
Q2	76.31	10.00	86.31	7.02	93.33
Q3	82.28	5.18	87.46	7.59	95.05
Q4	88.20	10.54	98.74	7.84	106.58

Yields: The book yield of the portfolio is 3.27%. The effective rate of return for the fiscal year to date is 3.07%. The book yield is a snapshot on a specific day, whereas the effective rate of return is the annualized return generated for the period.

Investment Portfolio Performance vs. Benchmark: At the end of the quarter, the yield on the City's general investment portfolio was 3.27%. This yield provided a 113 basis point disadvantage to the yield provided by the investment portfolio benchmark, U.S. Treasury Note 0-5 year index (30-month moving average), which yielded 4.40%. The 30-month moving average is used to represent a market rate of return.

Mark to Market: The City Treasurer compares market values of the portfolio holdings to their original cost. At the close of the quarter, the net asset value is \$0.99. That means the Market Value is slightly below the cost of investments. The difference between the book value (cost) of investments at \$90,802,649 and the current market value at \$90,275,353 is \$-527,296.

Cash in Banks:

	As of 6/30/2025
General Fund	\$ 9,865,120.75
Workmen's Compensation Fund	\$ 1,391,801.49
Successor Agency of RDA	\$ 1,426,983.30
Trust Account	\$ 7,614.40
Housing Authority BLKPNDG	\$ 4,052,774.23

Financing Authority	\$ 5,428,579.85
Parking Authority	\$ 1,047.34
Measure R Local Return	\$ 1,810,486.60
City of Redondo Beach - FSA	\$ 101,096.55
Total	\$24,085,504.51

All Agency, Authority, and Miscellaneous Funds in Banks

Bank Account Descriptions

General Fund - 201

Into the City's general checking account are deposited most of the City's revenue, including General Fund taxes, grant revenue (except that for the Housing Authority), Harbor Enterprise rental income, and sewer fees. From the general checking account are automatic transfers to the payroll and warrant accounts (as payments clear the bank) and purchases of investments.

Workmen's Compensation Fund - 210

A Bank of America checking account has been established for the payment of workers' compensation claims. The City's third-party administrator, AdminSure, writes the checks from this account on the City's behalf. Monthly, the City replenishes the account with a City Council-approved accounts payable check.

Successor Agency of RDA - 213 / Successor Agency of RDA - 694

The Successor Agency to the former Redevelopment Agency maintains both a Bank of America checking account (with a larger balance) and a Bank of America interest checking account (with a smaller balance). A few years ago, the bank changed the accounts to this structure from a checking account and a savings account. The checking account activity reflects biannual deposits of Redevelopment Property Tax Trust Fund (RPTTF) revenue as a result of the Recognized Obligation Payment Schedule (ROPS) process, whereby the City reports to the Department of Finance the amount of funding necessary to make its Redevelopment Agency debt service payments (together with the applicable administrative costs). Those debt service payments are then made from this checking account, and the administrative cost reimbursement is transferred to the City's general checking account. The activity in the interest checking account is currently only deposits of interest earned.

Trust Account - 212

The Police Department deposits bail money into this checking account and then transfers these funds to the courts by way of checks. The balance of the account has been \$7,364.40 for several years, but it could be higher at the end of the month/quarter if a check is outstanding at the time.

Housing Authority – 207/Housing Authority – 023

The Housing Authority maintains both a checking account and a government money market savings account. Into the checking account are deposited grant funds from HUD for the operation of the Fair Housing and Section 8 housing programs. Payments to landlords are then made monthly from this account, and periodically, a check is written to the City as reimbursement for administrative costs paid by the City on the Housing Authority's behalf. The activity in the government money market savings account is currently only deposits of interest earned.

Financing Authority -168

The Community Financing Authority (CFA), a joint powers authority of the City and the Parking Authority, was formed January 31, 2012 when the Kincaid's Restaurant lease was transferred from the Public Financing Authority (PFA), a joint powers authority of the City and the Redevelopment Agency, upon the Redevelopment Agency's elimination by the State. The Financing Authority checking account is used for the lease-related transactions, including rental income, loan payments, sewer user fees, and possessory interest property tax payments.

Parking Authority - 675

The Parking Authority was established on March 3, 1969, under the provisions of the Streets and Highways Code of the State of California. Its primary purpose has been to provide public off-street parking within the City. The Parking Authority is currently inactive, with a little more than \$5,000 remaining in a Bank of America interest checking account and a little less than \$5,000 remaining in a LAIF account from its previous activities.

Measure R Local Return - 874

Measure R monies come from a 2008 voter-approved ½ cent sales tax levied within Los Angeles County for public transportation purposes. Per a Los Angeles County Metropolitan Transportation Authority (LACMTA) audit recommendation, Measure R monies are to be maintained in a separate bank account. Because expenditures from the Measure R Fund (primarily for capital improvement projects) are paid through the City's accounts payable system and "General Fund" bank account, this separate Measure R Local Return interest checking account is funded by periodic transfers from the "General Fund" bank account instead of Measure R monies being deposited directly to the account.

City of Redondo Beach – FSA - 825

The City contracts with Sterling to offer its employees Flexible Spending Accounts (FSAs), which allow the employees to set aside, before taxes, a portion of their yearly income to pay for qualified medical and/or dependent care expenses. These funds withheld from the employees' paychecks are transferred to this separate checking account each pay period. The medical and dependent care expenses are then paid by Sterling from this account.

LAIF Balances:

LAIF ACCOUNT JUNE 2025

ACCOUNT NAMES	
GENERAL ACCOUNT	\$ 107,736.88
SUCCESSOR AGENCY FOR RDA	\$ 2,058,200.29
PUBLIC FINANCING AUTHORITY	\$ 196,391.67
PARKING AUTHORITY	\$ 5,701.18
Total:	\$ 2,368,030.02

Trading Activity

During the quarter, the City purchased one security. Also, one security was redeemed.

Fiscal Impact

Interest earned year to date is \$2,793,124 for the entire portfolio. The General Fund contribution rate of our investment portfolio is approximately 60% of the total interest earned, thus contributing approximately \$1,675,874 to the General Fund through investment activity. Budgeted contribution of interest to the general fund for the entire fiscal year is \$1,500,000.

Investment Reporting Guidelines

Please note the following guidelines from the Government Finance Officers Association *Financial Management Checklists for Elected Officials*.

Always remember whose money it is (it's the community's, not yours)—and act accordingly in a responsible stewardship capacity.

The generally accepted objectives in managing public funds, in priority order, are:

- Safety
- Liquidity
- Yield

An investment manager's objective is to earn a reasonable rate of return on the city's investments, while preserving capital in the overall portfolio. It should *never* be an investment manager's goal to earn *maximum* returns on the city's portfolio, as this would expose the city to an unacceptable level of risk. Failures in public investing occur when either:

- Policies were not clear.

- Policies were inappropriate.
- Policies were not followed.
- Oversight was inadequate.

Questions to Ask:

- Do you review the investment policy?
- Do you understand the city's investment program?
- Do you receive and review periodic investment reports?
- Are they clear, concise? Are they readable? Do you fully understand them? (If you can't, this is more likely to be because they've been presented poorly, and may reflect problems, than any "technical" problems with your ability to understand them because it's too "complex." First, it's the job of your staff to make them readable and understandable; and secondly, if the city's portfolio is genuinely that complex, perhaps it shouldn't be.)
- Are there lots of investments and transactions? Why? Most cities do not have portfolios that justify "active" management with lots of sales, purchases, and trades.
- Are your investments diversified? Or have you placed "all of your eggs in one basket?"
- What ongoing oversight is there? By whom?

Submitted by:

Eugene Solomon, City Treasurer

City of Redondo Beach

Investment Report

As of June 30, 2025



M E E D E R

PUBLIC FUNDS

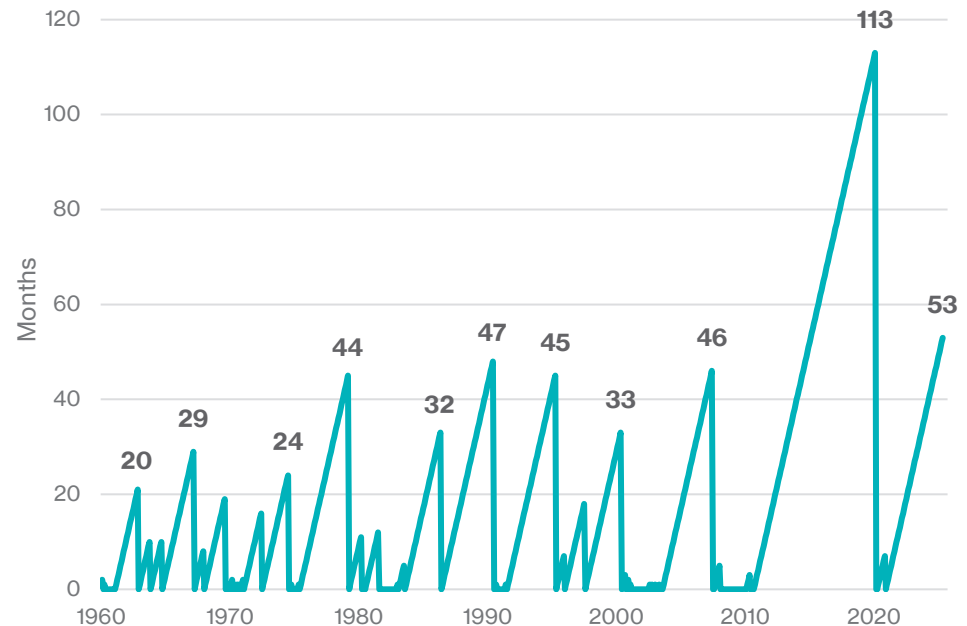


OBSERVATIONS AND EXPECTATIONS

- Fed's Powell stated the labor market is still solid but slowing somewhat
- Trade/tariff tensions continue to weigh on business investment and sentiment
- The Fed held rates steady at the June FOMC meeting, projecting two cuts later in 2025
- GDP is expected to rebound in Q2 from the tariff-induced decline of -0.5% in Q1
- The Fed's favored inflation metric – Core PCE – ticked higher in May
- Interest rates across the yield curve were lower in the month of June

- May 2025 marks the 53rd consecutive month of job growth, the second-best streak since the 1960s.
- With this consistent job growth, average wages have been outpacing inflation (CPI) for the past two years.
- The Federal Reserve and other economists expect unemployment to increase by the end of 2025.

Number of Months for Consecutive Job Growth



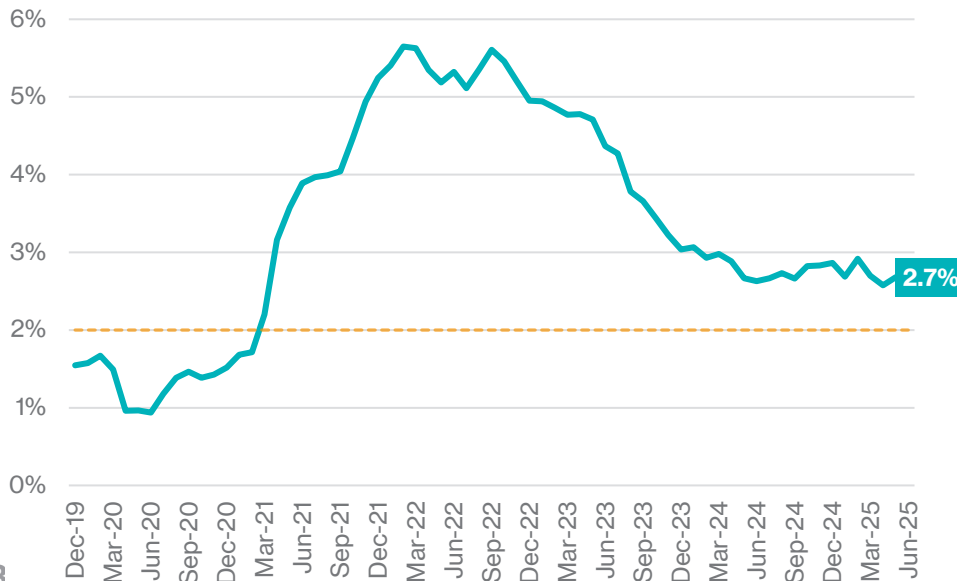
- The Fed Funds futures market continually prices where market participants expect the Fed Funds rate to be heading.
- At the end of June, the futures market was showing about two and a half 0.25% Fed cuts by the end of 2025, with the rate ending the year at approximately 3.7%, from its current 4.3%.

SOURCES: BLOOMBERG, CME

History of Dec 2025 Expected Fed Funds Rate



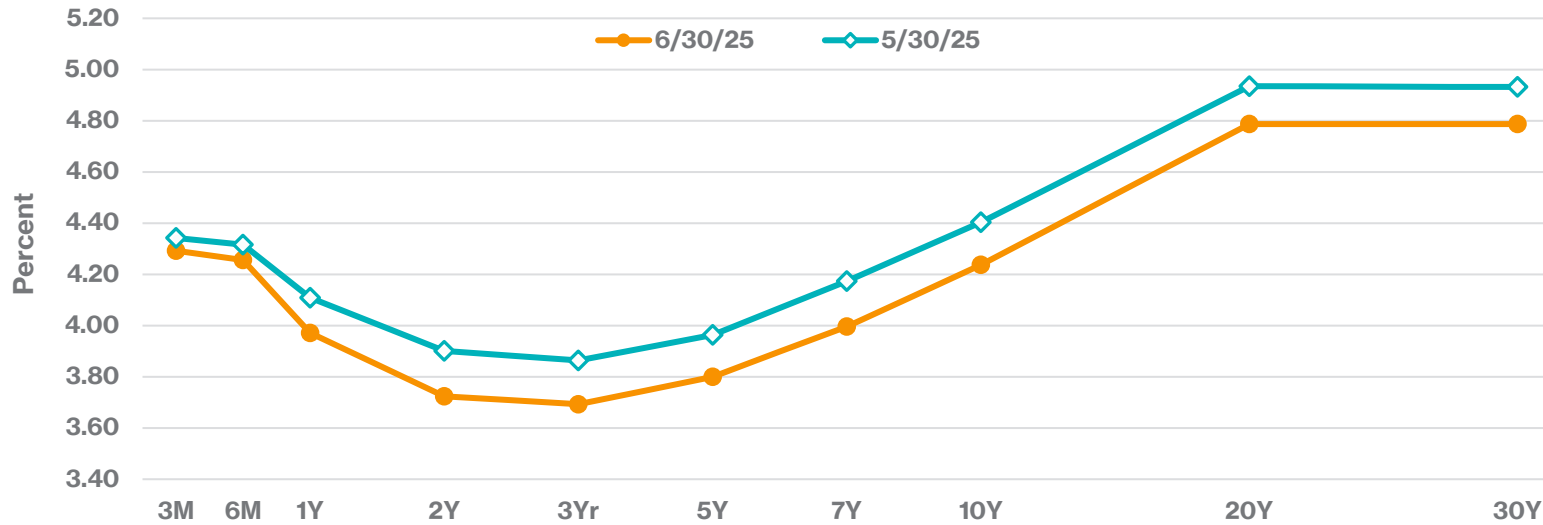
Core PCE YoY



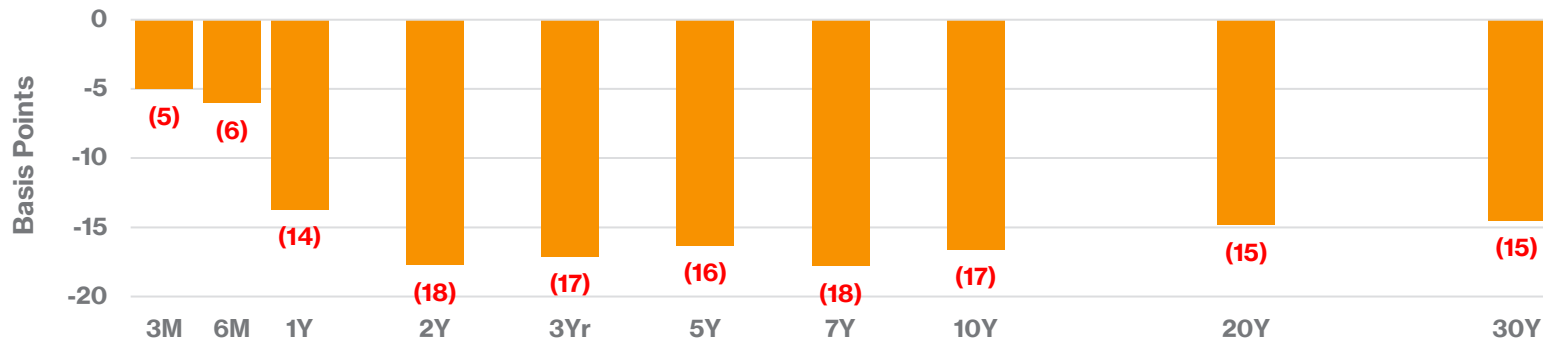
- Core Personal Consumption Expenditure YoY is the Fed's preferred inflation gauge.
- Core excludes food and energy components, which generally make the series less volatile.
- Core PCE YoY is currently at 2.7%, not yet at the Fed's 2% target, and moved higher last month.
- The Federal Reserve expects inflation to move higher later this year.

SOURCE: BLOOMBERG, BUREAU OF ECONOMIC ANALYSIS

U.S. Treasury Yield Curve Change



Basis Point Change



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Portfolio Summary

3.27

Weighted Average Yield to Maturity

0.76

Weighted Average Maturity (Years)

0.72

Portfolio Effective Duration (Years)

0.76

Weighted Average Life (Years)

AA

Average Credit Rating

Portfolio Position

Par Value\$91,179,404

Principal Cost\$89,767,128

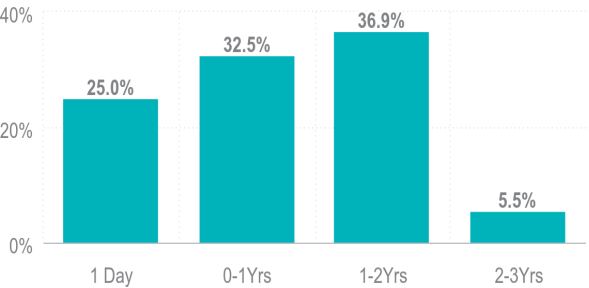
Book Value\$90,802,649

Market Value\$90,275,353

Unrealized Gain/Loss(\$527,296)

Accrued Interest\$540,943

Maturity Distribution



Sector Allocation



U.S. Treasuries	36.09%
U.S. Agencies	27.18%
Money Market Funds	24.88%
Corporate Bonds	11.74%
LGIP	0.12%

Portfolio Overview

SECURITY TYPE	PAR VALUE	MARKET VALUE	BOOK VALUE	% OF PORTFOLIO	DAYS TO MATURITY	YIELD
LGIP	107,736.88	107,736.88	107,736.88	0.12%	1	4.27
Money Market Funds	22,461,667.12	22,461,667.12	22,461,667.12	24.88%	1	4.37
U.S. Treasuries	33,000,000.00	32,578,545.43	32,890,362.18	36.09%	163	2.46
U.S. Agencies	25,010,000.00	24,533,335.30	24,794,459.73	27.18%	625	2.76
Corporate Bonds	10,600,000.00	10,594,068.00	10,548,423.27	11.74%	426	4.57
TOTAL	91,179,404.00	90,275,352.73	90,802,649.17	100.00%	279	3.27
CASH AND ACCRUED INTEREST						
Purchased Accrued Interest		4,504.55	4,504.55			
TOTAL CASH AND INVESTMENTS	91,179,404.00	90,279,857.28	90,807,153.72		279	3.27
TOTAL EARNINGS						
	CURRENT MONTH					
	254,211.62					

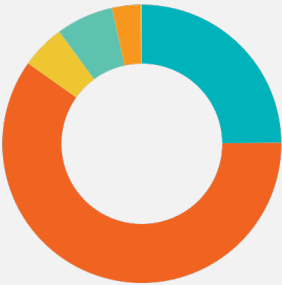


Compliance Overview

RULE NAME	POLICY LIMIT	ACTUAL VALUE	COMPLIANCE STATUS
CREDIT QUALITY			
CP Rated A-1/P-1/F-1 by 1 NRSRO	100.0	0.0	Compliant
Supranational Rated AA/Aa2/AA by 1 NRSRO	100.0	0.0	Compliant
ISSUER CONCENTRATION			
Agency Issuer Concentration	40.0	13.2	Compliant
CP Issuer Concentration	5.0	0.0	Compliant
Corporate Issuer Concentration	5.0	4.4	Compliant
Govt. MMF Issuer Concentration	20.0	3.5	Compliant
Non-Negotiable CD Issuer Concentration	30.0	0.0	Compliant
Supranational Issuer Concentration	5.0	0.0	Compliant
MATURITY			
CD (Negotiable or Non-Negotiable) Maturity	5.0	0.0	Compliant
CP Maturity	270.0	0.0	Compliant
Corporates Maturity	5.0	1.7	Compliant
Supranational Maturity	5.0	0.0	Compliant
US Agency Obligation Maturity	5.0	2.6	Compliant
US Treasury Obligations Maturity	5.0	1.6	Compliant
PORTFOLIO CONCENTRATION			
CD (Negotiable or Non-Negotiable) Concentration	30.0	0.0	Compliant
CP Concentration	25.0	0.0	Compliant
Corporates Concentration	30.0	11.6	Compliant
Govt. MMF Concentration	20.0	3.5	Compliant
Supranational Concentration	15.0	0.0	Compliant

Credit Quality

Allocation by Rating



●	AAA	24.88%
●	AA+	59.94%
●	A+	5.10%
●	A	6.64%
●	A-1+	3.32%
●	NA	0.12%

Rating Distribution

SHORT TERM, MONEY MARKET FUNDS, & LGIPS RATINGS

	MARKET VALUE	ALLOCATION
AAA	22,461,667.12	24.88%
A-1+	2,996,865.69	3.32%
NA	107,736.88	0.12%
TOTAL	25,566,269.69	28.32%

LONG TERM RATINGS

	MARKET VALUE	ALLOCATION
AA+	54,115,015.04	59.94%
A+	4,602,748.00	5.10%
A	5,991,320.00	6.64%
TOTAL	64,709,083.04	71.68%
GRAND TOTAL	90,275,352.73	100.00%



Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
CITY OF REDONDO BEACH, CA												
LGIP												
CALAIF	California LAIF	06/30/2025 06/30/2025	107,736.88	107,736.88 0.00	107,736.88	4.27		1	1.00 107,736.88	0.00 107,736.88	0.12	NA
LGIP TOTAL			107,736.88	107,736.88 0.00	107,736.88	4.27		1	1.00 107,736.88	0.00 107,736.88	0.12	NA
MONEY MARKET FUNDS												
31846V542	FIRST AMER:TRS OBG:Z	06/30/2025 06/30/2025	3,208,887.63	3,208,887.63 0.00	3,208,887.63	4.20		1	1.00 3,208,887.63	0.00 3,208,887.63	3.55	Aaa AAA
CAMPPOOL	California Asset Mgmt Program	06/30/2025 06/30/2025	19,252,779.49	19,252,779.49 0.00	19,252,779.49	4.40		1	1.00 19,252,779.49	0.00 19,252,779.49	21.33	NA AAA
MONEY MARKET FUNDS TOTAL			22,461,667.12	22,461,667.12 0.00	22,461,667.12	4.37		1	1.00 22,461,667.12	0.00 22,461,667.12	24.88	AAA
U.S. TREASURIES												
912797LW5	US TREASURY BILL 07/10/25	07/17/2024 07/18/2024	3,000,000.00	2,862,391.38 0.00	2,862,391.38	4.86	07/10/2025	10	99.90 2,996,865.69	356.06 2,996,509.63	3.32	P-1 A-1+
91282CEY3	US TREASURY 3.000 07/15/25	05/30/2023 05/30/2023	5,000,000.00	4,872,070.30 0.00	4,872,070.30	4.27	07/15/2025	15	99.93 4,996,679.70	(1,006.26) 4,997,685.96	5.53	Aa1 AA+
91282CAB7	US TREASURY 0.250 07/31/25	08/09/2021 08/09/2021	2,000,000.00	1,974,609.38 0.00	1,974,609.38	0.57	07/31/2025	31	99.66 1,993,125.00	(6,348.47) 1,999,473.47	2.21	Aa1 AA+
91282CAJ0	US TREASURY 0.250 08/31/25	06/28/2021 06/28/2021	2,000,000.00	1,958,437.50 0.00	1,958,437.50	0.76	08/31/2025	62	99.29 1,985,859.38	(12,472.63) 1,998,332.01	2.20	Aa1 AA+
91282CFK2	US TREASURY 3.500 09/15/25	02/10/2023 02/10/2023	5,000,000.00	4,908,007.80 0.00	4,908,007.80	4.26	09/15/2025	77	99.90 4,994,921.90	2,319.99 4,992,601.91	5.53	Aa1 AA+
91282CAT8	US TREASURY 0.250 10/31/25	02/17/2021 02/17/2021	2,000,000.00	1,976,953.14 0.00	1,976,953.14	0.50	10/31/2025	123	98.66 1,973,281.26	(25,076.66) 1,998,357.92	2.19	Aa1 AA+
91282CAT8	US TREASURY 0.250 10/31/25	02/03/2021 02/03/2021	2,000,000.00	1,985,156.26 0.00	1,985,156.26	0.41	10/31/2025	123	98.66 1,973,281.26	(25,669.69) 1,998,950.95	2.19	Aa1 AA+
91282CAZ4	US TREASURY 0.375 11/30/25	06/28/2021 06/28/2021	2,000,000.00	1,962,734.38 0.00	1,962,734.38	0.80	11/30/2025	153	98.39 1,967,812.50	(28,673.42) 1,996,485.92	2.18	Aa1 AA+
91282CAZ4	US TREASURY 0.375 11/30/25	02/23/2021 02/23/2021	1,000,000.00	991,250.00 0.00	991,250.00	0.56	11/30/2025	153	98.39 983,906.25	(15,327.88) 999,234.13	1.09	Aa1 AA+
91282CCF6	US TREASURY 0.750 05/31/26	06/28/2021 06/28/2021	1,000,000.00	993,437.50 0.00	993,437.50	0.89	05/31/2026	335	97.05 970,468.75	(28,310.07) 998,778.82	1.08	Aa1 AA+
91282CCP4	US TREASURY 0.625 07/31/26	08/09/2021 08/09/2021	2,000,000.00	1,990,625.00 0.00	1,990,625.00	0.72	07/31/2026	396	96.47 1,929,375.00	(68,583.76) 1,997,958.76	2.14	Aa1 AA+
9128282A7	US TREASURY 1.500 08/15/26	08/21/2024 08/22/2024	2,000,000.00	1,908,593.75 0.00	1,908,593.75	3.92	08/15/2026	411	97.30 1,946,015.62	(2,070.07) 1,948,085.69	2.16	Aa1 AA+
91282CCW9	US TREASURY 0.750 08/31/26	09/27/2021 09/27/2021	3,000,000.00	2,978,085.93 0.00	2,978,085.93	0.90	08/31/2026	427	96.38 2,891,367.18	(103,435.84) 2,994,803.02	3.20	Aa1 AA+



Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
912828V98	US TREASURY 2.250 02/15/27	03/06/2025 03/07/2025	1,000,000.00	967,851.56 1,243.09	969,094.65	3.98	02/15/2027	595	97.56 975,585.94	2,481.96 973,103.98	1.08	Aa1 AA+
U.S. TREASURIES TOTAL			33,000,000.00	32,330,203.88 1,243.09	32,331,446.97	2.46		163	98.74 32,578,545.43	(311,816.75) 32,890,362.18	36.09	AA+
U.S. AGENCIES												
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	09/10/2024 09/11/2024	2,000,000.00	2,009,080.00 0.00	2,009,080.00	3.63	09/03/2026	430	99.94 1,998,760.00	(6,637.57) 2,005,397.57	2.21	Aa1 AA+
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	02/10/2023 02/10/2023	5,000,000.00	4,401,050.00 0.00	4,401,050.00	4.32	10/28/2026	485	95.73 4,786,700.00	674.67 4,786,025.33	5.30	Aa1 AA+
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	12/30/2021 12/30/2021	2,000,000.00	2,000,000.00 0.00	2,000,000.00	1.37	12/30/2026	548	95.93 1,918,540.00	(81,460.00) 2,000,000.00	2.13	Aa1 AA+
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	01/27/2022 01/27/2022	10,000,000.00	10,000,000.00 0.00	10,000,000.00	1.37	01/27/2027	576	98.11 9,811,000.00	(189,000.00) 10,000,000.00	10.87	Aa1 AA+
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	05/06/2025 05/07/2025	1,010,000.00	1,011,126.76 3,261.46	1,014,388.22	3.81	04/07/2027	646	100.05 1,010,535.30	(502.93) 1,011,038.23	1.12	Aa1 AA+
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	02/14/2023 02/14/2023	5,000,000.00	4,984,750.00 0.00	4,984,750.00	3.94	02/14/2028	959	100.16 5,007,800.00	15,801.41 4,991,998.59	5.55	Aa1 AA+
U.S. AGENCIES TOTAL			25,010,000.00	24,406,006.76 3,261.46	24,409,268.22	2.76		625	98.12 24,533,335.30	(261,124.43) 24,794,459.73	27.18	AA+
CORPORATE BONDS												
91324PCV2	UNITEDHEALTH 3.100 03/15/26	01/31/2024 01/31/2024	2,600,000.00	2,526,498.00 0.00	2,526,498.00	4.51	03/15/2026	258	98.99 2,573,688.00	(1,817.11) 2,575,505.11	2.85	A2 A+
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	06/11/2024 06/12/2024	2,000,000.00	1,906,540.00 0.00	1,906,540.00	5.15	06/10/2026	345	98.55 1,971,080.00	15,322.61 1,955,757.39	2.18	A1 A
14913UAN0	CTRPLLR FIN SERV 4.450 10/16/26 MTN	08/27/2024 08/28/2024	4,000,000.00	4,023,755.60 0.00	4,023,755.60	4.16	10/16/2026	473	100.51 4,020,240.00	5,824.23 4,014,415.77	4.45	A2 A
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	04/05/2024 04/05/2024	2,000,000.00	2,004,720.00 0.00	2,004,720.00	4.91	03/19/2027	627	101.45 2,029,060.00	26,315.00 2,002,745.00	2.25	A1 A+
CORPORATE BONDS TOTAL			10,600,000.00	10,461,513.60 0.00	10,461,513.60	4.57		426	99.96 10,594,068.00	45,644.73 10,548,423.27	11.74	A
CITY OF REDONDO BEACH, CA TOTAL			91,179,404.00	89,767,128.24 4,504.55	89,771,632.79	3.27		279	90.275,352.73	(527,296.44) 90,802,649.17	100.00	AA
GRAND TOTAL												
GRAND TOTAL			91,179,404.00	89,767,128.24 4,504.55	89,771,632.79	3.27		279	90,275,352.73	(527,296.44) 90,802,649.17	100.00	AA



Amortization Schedule

CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	ORIGINAL PREMIUM OR DISCOUNT	BEGINNING BOOK VALUE	CURRENT PERIOD AMORT	ENDING BOOK VALUE	TOTAL AMORTIZATION	UNAMORTIZED BALANCE
CITY OF REDONDO BEACH, CA									
14913UAN0	CTRPLL FIN SERV 4.450 10/16/26 MTN	4,000,000.00	4,023,755.60	23,755.60	4,015,332.02	(916.26)	4,014,415.77	(9,339.83)	14,415.77
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	5,000,000.00	4,984,750.00	(15,250.00)	4,991,748.03	250.57	4,991,998.59	7,248.59	(8,001.41)
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	1,010,000.00	1,011,126.76	1,126.76	1,011,086.52	(48.29)	1,011,038.23	(88.53)	1,038.23
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	2,000,000.00	2,009,080.00	9,080.00	2,005,775.03	(377.45)	2,005,397.57	(3,682.43)	5,397.57
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	2,000,000.00	2,000,000.00	0.00	2,000,000.00	0.00	2,000,000.00	0.00	0.00
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	10,000,000.00	10,000,000.00	0.00	10,000,000.00	0.00	10,000,000.00	0.00	0.00
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	5,000,000.00	4,401,050.00	(598,950.00)	4,772,762.44	13,262.89	4,786,025.33	384,975.33	(213,974.67)
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	2,000,000.00	1,906,540.00	(93,460.00)	1,951,899.02	3,858.37	1,955,757.39	49,217.39	(44,242.61)
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	2,000,000.00	2,004,720.00	4,720.00	2,002,876.55	(131.55)	2,002,745.00	(1,975.00)	2,745.00
91324PCV2	UNITEDHEALTH 3.100 03/15/26	2,600,000.00	2,526,498.00	(73,502.00)	2,572,645.78	2,859.33	2,575,505.11	49,007.11	(24,494.89)
91282CAB7	US TREASURY 0.250 07/31/25	2,000,000.00	1,974,609.38	(25,390.62)	1,998,946.94	526.53	1,999,473.47	24,864.09	(526.53)
91282CAJ0	US TREASURY 0.250 08/31/25	2,000,000.00	1,958,437.50	(41,562.50)	1,997,511.69	820.32	1,998,332.01	39,894.51	(1,667.99)
91282CAT8	US TREASURY 0.250 10/31/25	2,000,000.00	1,985,156.26	(14,843.74)	1,998,692.98	257.96	1,998,950.95	13,794.69	(1,049.05)
91282CAT8	US TREASURY 0.250 10/31/25	2,000,000.00	1,976,953.14	(23,046.86)	1,997,954.13	403.79	1,998,357.92	21,404.78	(1,642.08)
91282CAZ4	US TREASURY 0.375 11/30/25	2,000,000.00	1,962,734.38	(37,265.62)	1,995,792.35	693.57	1,996,485.92	33,751.54	(3,514.08)
91282CAZ4	US TREASURY 0.375 11/30/25	1,000,000.00	991,250.00	(8,750.00)	999,082.97	151.16	999,234.13	7,984.13	(765.87)
91282CCP4	US TREASURY 0.625 07/31/26	2,000,000.00	1,990,625.00	(9,375.00)	1,997,803.72	155.03	1,997,958.76	7,333.76	(2,041.24)
91282CCF6	US TREASURY 0.750 05/31/26	1,000,000.00	993,437.50	(6,562.50)	998,669.13	109.69	998,778.82	5,341.32	(1,221.18)
91282CCW9	US TREASURY 0.750 08/31/26	3,000,000.00	2,978,085.93	(21,914.07)	2,994,437.04	365.98	2,994,803.02	16,717.09	(5,196.98)
912828A7	US TREASURY 1.500 08/15/26	2,000,000.00	1,908,593.75	(91,406.25)	1,944,287.09	3,798.61	1,948,085.69	39,491.94	(51,914.31)
912828V98	US TREASURY 2.250 02/15/27	1,000,000.00	967,851.56	(32,148.44)	971,745.60	1,358.38	973,103.98	5,252.42	(26,896.02)
91282CEY3	US TREASURY 3.000 07/15/25	5,000,000.00	4,872,070.30	(127,929.70)	4,992,727.29	4,958.66	4,997,685.96	125,615.66	(2,314.04)
91282CFK2	US TREASURY 3.500 09/15/25	5,000,000.00	4,908,007.80	(91,992.20)	4,989,681.61	2,920.30	4,992,601.91	84,594.11	(7,398.09)
912797LW5	US TREASURY BILL 07/10/25	3,000,000.00	2,862,391.38	(137,608.62)	2,984,875.08	11,634.56	2,996,509.63	134,118.25	(3,490.37)
TOTAL		68,610,000.00	67,197,724.24	(1,412,275.76)	68,186,333.02	46,912.15	68,233,245.17	1,035,520.93	(376,754.83)
GRAND TOTAL		68,610,000.00	67,197,724.24	(1,412,275.76)	68,186,333.02	46,912.15	68,233,245.17	1,035,520.93	(376,754.83)

Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
CITY OF REDONDO BEACH, CA									
14913UAN0	CTRPLLR FIN SERV 4.450 10/16/26 MTN	2024-08-28	4,000,000.00	4,023,755.60	22,250.00	0.00	14,833.33	0.00	37,083.33
CAMPPOOL	California Asset Mgmt Program	2025-06-30	19,252,779.49	19,252,779.49	54,033.12	0.00	69,455.95	54,033.12	69,455.95
CALAIF	California LAIF	2025-06-30	107,736.88	107,736.88	0.00	0.00	0.00	0.00	0.00
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	2023-02-14	5,000,000.00	4,984,750.00	57,586.81	0.00	16,145.83	0.00	73,732.64
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	2025-05-07	1,010,000.00	1,011,126.76	5,870.63	0.00	3,261.46	0.00	9,132.08
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	2024-09-11	2,000,000.00	2,009,080.00	18,944.44	0.00	6,458.33	0.00	25,402.78
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	2021-12-30	2,000,000.00	2,000,000.00	11,492.78	0.00	2,283.33	13,700.00	76.11
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	2022-01-27	10,000,000.00	10,000,000.00	68,888.89	0.00	16,666.67	0.00	85,555.56
31846V542	FIRST AMER:TRS OBG:Z	2025-06-30	3,208,887.63	3,208,887.63	10,201.35	0.00	18,302.26	10,201.35	18,302.26
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	2023-02-10	5,000,000.00	4,401,050.00	3,666.67	0.00	3,333.33	0.00	7,000.00
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	2024-06-12	2,000,000.00	1,906,540.00	25,175.00	0.00	4,416.67	26,500.00	3,091.67
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	2024-04-05	2,000,000.00	2,004,720.00	20,000.00	0.00	8,333.33	0.00	28,333.33
91324PCV2	UNITEDHEALTH 3.100 03/15/26	2024-01-31	2,600,000.00	2,526,498.00	17,015.56	0.00	6,716.67	0.00	23,732.22
91282CAB7	US TREASURY 0.250 07/31/25	2021-08-09	2,000,000.00	1,974,609.38	1,671.27	0.00	414.36	0.00	2,085.64
91282CAJ0	US TREASURY 0.250 08/31/25	2021-06-28	2,000,000.00	1,958,437.50	1,263.59	0.00	407.61	0.00	1,671.20
91282CAT8	US TREASURY 0.250 10/31/25	2021-02-17	2,000,000.00	1,976,953.14	434.78	0.00	407.61	0.00	842.39
91282CAT8	US TREASURY 0.250 10/31/25	2021-02-03	2,000,000.00	1,985,156.26	434.78	0.00	407.61	0.00	842.39
91282CAZ4	US TREASURY 0.375 11/30/25	2021-02-23	1,000,000.00	991,250.00	1,885.25	0.00	307.38	1,875.00	317.62
91282CAZ4	US TREASURY 0.375 11/30/25	2021-06-28	2,000,000.00	1,962,734.38	3,770.49	0.00	614.75	3,750.00	635.25
91282CCP4	US TREASURY 0.625 07/31/26	2021-08-09	2,000,000.00	1,990,625.00	4,178.18	0.00	1,035.91	0.00	5,214.09
91282CCF6	US TREASURY 0.750 05/31/26	2021-06-28	1,000,000.00	993,437.50	3,770.49	0.00	614.75	3,750.00	635.25
91282CCW9	US TREASURY 0.750 08/31/26	2021-09-27	3,000,000.00	2,978,085.93	5,686.14	0.00	1,834.24	0.00	7,520.38
9128282A7	US TREASURY 1.500 08/15/26	2024-08-22	2,000,000.00	1,908,593.75	8,784.53	0.00	2,486.19	0.00	11,270.72
912828V98	US TREASURY 2.250 02/15/27	2025-03-07	1,000,000.00	967,851.56	6,588.40	0.00	1,864.64	0.00	8,453.04
91282CEY3	US TREASURY 3.000 07/15/25	2023-05-30	5,000,000.00	4,872,070.30	56,767.96	0.00	12,430.94	0.00	69,198.90
91282CFK2	US TREASURY 3.500 09/15/25	2023-02-10	5,000,000.00	4,908,007.80	37,092.39	0.00	14,266.30	0.00	51,358.70
912797LW5	US TREASURY BILL 07/10/25	2024-07-18	3,000,000.00	2,862,391.38	0.00	0.00	0.00	0.00	0.00

Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
TOTAL			91,179,404.00	89,767,128.24	447,453.48	0.00	207,299.47	113,809.47	540,943.48
GRAND TOTAL			91,179,404.00	89,767,128.24	447,453.48	0.00	207,299.47	113,809.47	540,943.48



Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
CITY OF REDONDO BEACH, CA											
14913UAN0	CTRPLLR FIN SERV 4.450 10/16/26 MTN	4,000,000.00	4,015,332.02	4,014,415.77	10/16/2026	4.45	4.16	14,833.33	(916.26)	0.00	13,917.08
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	2,000,000.00	1,951,899.02	1,955,757.39	06/10/2026	2.65	5.15	4,416.67	3,858.37	0.00	8,275.03
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	2,000,000.00	2,000,000.00	2,000,000.00	12/30/2026	1.37	1.37	2,283.33	0.00	0.00	2,283.33
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	10,000,000.00	10,000,000.00	10,000,000.00	01/27/2027	2.00	1.37	16,666.67	0.00	0.00	16,666.67
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	5,000,000.00	4,991,748.03	4,991,998.59	02/14/2028	3.88	3.94	16,145.83	250.57	0.00	16,396.40
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	2,000,000.00	2,005,775.03	2,005,397.57	09/03/2026	3.88	3.63	6,458.33	(377.45)	0.00	6,080.88
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	1,010,000.00	1,011,086.52	1,011,038.23	04/07/2027	3.88	3.81	3,261.46	(48.29)	0.00	3,213.17
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	5,000,000.00	4,772,762.44	4,786,025.33	10/28/2026	0.80	4.32	3,333.33	13,262.89	0.00	16,596.23
31846V542	FIRST AMER:TRS OBG;Z	3,208,887.63	6,949,111.28	3,208,887.63	06/30/2025	4.20	4.20	18,302.26	0.00	0.00	18,302.26
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	2,000,000.00	2,002,876.55	2,002,745.00	03/19/2027	5.00	4.91	8,333.33	(131.55)	0.00	8,201.78
912797LW5	US TREASURY BILL 07/10/25	3,000,000.00	2,984,875.08	2,996,509.63	07/10/2025	0.00	4.86	0.00	11,634.56	0.00	11,634.56
9128282A7	US TREASURY 1.500 08/15/26	2,000,000.00	1,944,287.09	1,948,085.69	08/15/2026	1.50	3.92	2,486.19	3,798.61	0.00	6,284.80
912828V98	US TREASURY 2.250 02/15/27	1,000,000.00	971,745.60	973,103.98	02/15/2027	2.25	3.98	1,864.64	1,358.38	0.00	3,223.03
91282CAB7	US TREASURY 0.250 07/31/25	2,000,000.00	1,998,946.94	1,999,473.47	07/31/2025	0.25	0.57	414.36	526.53	0.00	940.89
91282CAJ0	US TREASURY 0.250 08/31/25	2,000,000.00	1,997,511.69	1,998,332.01	08/31/2025	0.25	0.76	407.61	820.32	0.00	1,227.93
91282CAT8	US TREASURY 0.250 10/31/25	2,000,000.00	1,998,692.98	1,998,950.95	10/31/2025	0.25	0.41	407.61	257.96	0.00	665.57
91282CAT8	US TREASURY 0.250 10/31/25	2,000,000.00	1,997,954.13	1,998,357.92	10/31/2025	0.25	0.50	407.61	403.79	0.00	811.40
91282CAZ4	US TREASURY 0.375 11/30/25	2,000,000.00	1,995,792.35	1,996,485.92	11/30/2025	0.38	0.80	614.75	693.57	0.00	1,308.32
91282CAZ4	US TREASURY 0.375 11/30/25	1,000,000.00	999,082.97	999,234.13	11/30/2025	0.38	0.56	307.38	151.16	0.00	458.54
91282CCF6	US TREASURY 0.750 05/31/26	1,000,000.00	998,669.13	998,778.82	05/31/2026	0.75	0.89	614.75	109.69	0.00	724.44
91282CCP4	US TREASURY 0.625 07/31/26	2,000,000.00	1,997,803.72	1,997,958.76	07/31/2026	0.63	0.72	1,035.91	155.03	0.00	1,190.94
91282CCW9	US TREASURY 0.750 08/31/26	3,000,000.00	2,994,437.04	2,994,803.02	08/31/2026	0.75	0.90	1,834.24	365.98	0.00	2,200.22
91282CEY3	US TREASURY 3.000 07/15/25	5,000,000.00	4,992,727.29	4,997,685.96	07/15/2025	3.00	4.27	12,430.94	4,958.66	0.00	17,389.60
91282CFK2	US TREASURY 3.500 09/15/25	5,000,000.00	4,989,681.61	4,992,601.91	09/15/2025	3.50	4.26	14,266.30	2,920.30	0.00	17,186.60
91324PCV2	UNITEDHEALTH 3.100 03/15/26	2,600,000.00	2,572,645.78	2,575,505.11	03/15/2026	3.10	4.51	6,716.67	2,859.33	0.00	9,575.99

Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
CALAIF	California LAIF	107,736.88	107,736.88	107,736.88	06/30/2025	0.00	4.27	0.00	0.00	0.00	0.00
CAMPPOOL	California Asset Mgmt Program	19,252,779.49	19,183,323.54	19,252,779.49	06/30/2025	0.00	4.40	69,455.95	0.00	0.00	69,455.95
TOTAL		91,179,404.00	94,426,504.72	90,802,649.17		1.74	3.27	207,299.47	46,912.15	0.00	254,211.62
GRAND TOTAL		91,179,404.00	94,426,504.72	90,802,649.17		1.74	3.27	207,299.47	46,912.15	0.00	254,211.62



Transaction Statement

**NO ACTIVITY
DURING CURRENT
PERIOD**

Income/Dividend Received

IDENTIFIER	DESCRIPTION	PAYMENT DATE	POST DATE	INTEREST/DIVIDENDS RECEIVED
OUTSIDE HOLDINGS				
CAMPPOOL	California Asset Mgmt Program	05/31/2025	06/01/2025	54,033.12
OUTSIDE HOLDINGS - TOTAL				54,033.12
IDENTIFIER	DESCRIPTION	PAYMENT DATE	POST DATE	INTEREST/DIVIDENDS RECEIVED
US BANK				
31846V542	FIRST AMER:TRS OBG;Z	05/31/2025	06/02/2025	10,201.35
91282CAZ4	US TREASURY 0.375 11/30/25	05/31/2025	06/02/2025	5,625.00
91282CCF6	US TREASURY 0.750 05/31/26	05/31/2025	06/02/2025	3,750.00
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	06/10/2025	06/10/2025	26,500.00
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	06/30/2025	06/30/2025	13,700.00
US BANK - TOTAL				59,776.35
TOTAL				113,809.47

Contribution/Withdrawals and Expenses

	POST DATE	PAR VALUE	TOTAL
CITY OF REDONDO BEACH, CA			
WITHDRAWAL			
	06/18/2025	(3,800,000.00)	(3,800,000.00)
WITHDRAWAL TOTAL		(3,800,000.00)	(3,800,000.00)

Projected Cash Flows

For the Period July 01, 2025 to June 30, 2026

CUSIP	DESCRIPTION	POST DATE	AMOUNT
912797LW5	US TREASURY BILL 07/10/25	07/10/2025	3,490.37
91282CEY3	US TREASURY 3.000 07/15/25	07/15/2025	75,000.00
91282CEY3	US TREASURY 3.000 07/15/25	07/15/2025	2,314.04
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	07/28/2025	100,000.00
91282CCP4	US TREASURY 0.625 07/31/26	07/31/2025	6,250.00
91282CAB7	US TREASURY 0.250 07/31/25	07/31/2025	2,500.00
91282CAB7	US TREASURY 0.250 07/31/25	07/31/2025	526.53
JUL 2025 TOTAL			190,080.94
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	08/14/2025	96,875.00
912828V98	US TREASURY 2.250 02/15/27	08/15/2025	11,250.00
9128282A7	US TREASURY 1.500 08/15/26	08/15/2025	15,000.00
91282CAJ0	US TREASURY 0.250 08/31/25	08/31/2025	1,667.99
AUG 2025 TOTAL			124,792.99
91282CCW9	US TREASURY 0.750 08/31/26	09/02/2025	11,250.00
91282CAJ0	US TREASURY 0.250 08/31/25	09/02/2025	2,500.00
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	09/03/2025	38,750.00
91324PCV2	UNITEDHEALTH 3.100 03/15/26	09/15/2025	40,300.00
91282CFK2	US TREASURY 3.500 09/15/25	09/15/2025	7,398.09
91282CFK2	US TREASURY 3.500 09/15/25	09/15/2025	87,500.00
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	09/19/2025	50,000.00
SEP 2025 TOTAL			237,698.09
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	10/07/2025	19,568.75
14913UAN0	CTRPLLR FIN SERV 4.450 10/16/26 MTN	10/16/2025	89,000.00
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	10/28/2025	20,000.00
91282CAT8	US TREASURY 0.250 10/31/25	10/31/2025	5,000.00
91282CAT8	US TREASURY 0.250 10/31/25	10/31/2025	2,691.13
OCT 2025 TOTAL			136,259.88
91282CAZ4	US TREASURY 0.375 11/30/25	11/30/2025	4,279.95

Projected Cash Flows

For the Period July 01, 2025 to June 30, 2026

CUSIP	DESCRIPTION	POST DATE	AMOUNT
NOV 2025 TOTAL			4,279.95
91282CCF6	US TREASURY 0.750 05/31/26	12/01/2025	3,750.00
91282CAZ4	US TREASURY 0.375 11/30/25	12/01/2025	5,625.00
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	12/10/2025	26,500.00
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	12/30/2025	13,700.00
DEC 2025 TOTAL			49,575.00
3130AQLX9	FHLBANKS 2.000 01/27/27 '25	01/27/2026	125,000.00
JAN 2026 TOTAL			125,000.00
91282CCP4	US TREASURY 0.625 07/31/26	02/02/2026	6,250.00
3133EPAV7	FED FARM CR BNKS 3.875 02/14/28	02/17/2026	96,875.00
912828V98	US TREASURY 2.250 02/15/27	02/17/2026	11,250.00
9128282A7	US TREASURY 1.500 08/15/26	02/17/2026	15,000.00
FEB 2026 TOTAL			129,375.00
91282CCW9	US TREASURY 0.750 08/31/26	03/02/2026	11,250.00
3133ERRW3	FED FARM CR BNKS 3.875 09/03/26	03/03/2026	38,750.00
91324PCV2	UNITEDHEALTH 3.100 03/15/26	03/15/2026	24,494.89
91324PCV2	UNITEDHEALTH 3.100 03/15/26	03/16/2026	40,300.00
89236TLY9	TOYOTA MOTOR CRD 5.000 03/19/27 MTN	03/19/2026	50,000.00
MAR 2026 TOTAL			164,794.89
3133ETBV8	FED FARM CR BNKS 3.875 04/07/27	04/07/2026	19,568.75
14913UAN0	CTRPLLR FIN SERV 4.450 10/16/26 MTN	04/16/2026	89,000.00
3134GW6C5	FREDDIE MAC 0.800 10/28/26 '25 MTN	04/28/2026	20,000.00
APR 2026 TOTAL			128,568.75
91282CCF6	US TREASURY 0.750 05/31/26	05/31/2026	1,221.18
MAY 2026 TOTAL			1,221.18
91282CCF6	US TREASURY 0.750 05/31/26	06/01/2026	3,750.00
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	06/10/2026	44,242.61
24422ETH2	JOHN DEERE CAP 2.650 06/10/26 MTN	06/10/2026	26,500.00

Projected Cash Flows
For the Period July 01, 2025 to June 30, 2026

CUSIP	DESCRIPTION	POST DATE	AMOUNT
3130AQEC3	FHLBANKS 1.370 12/30/26 '25	06/30/2026	13,700.00
JUN 2026 TOTAL			88,192.61
GRAND TOTAL			1,379,839.28

Disclosure

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Bank of America Accounts & LAIF Accounts

Account	Checking	LAIF	Total
General Fund 001		107,736.88	107,736.88
General Fund 002	9,865,120.75	-	9,865,120.75
Parking Authority Fund 003	1,047.34	5,701.18	6,748.52
Housing Authority Fund 004	4,052,774.23	-	4,052,774.23
Redevelopment Agency Fund 005	1,426,983.30	2,058,200.29	3,485,183.59
Public Finance Authority Fund 006	5,428,579.85	196,391.67	5,624,971.52
Workmens-Comp Fund 007	1,391,801.49		1,391,801.49
Measure-R-Local-Return Fund 008	1,810,486.60		1,810,486.60
City of Redondo Beach-FSA Fund 009	101,096.55		101,096.55
Trust Account Fund 011	7,614.40		7,614.40
TOTAL			26,453,534.53

Sector	Parameters	In Compliance	
		Yes/No	Percent
Corporate Bonds	Sector limit 30%, issuer limit 5%, max maturity 5 years, rated A (S&P/Fitch)/A2 (Moody's) by one, issued by domestic corporation/depositories. At time of purchase.	Yes	11.7%
Commercial Paper	25% limit, 5% per issuer, maximum maturity 270 days, A-1 (S&P)/P-1 (Moody's), issued by a domestic corporation w/ at least \$500 million of assets and A- (S&P)/A3 (Moody's) long term debt. At time of purchase.	Yes	0.0%
Bankers Acceptances	Sector limit 40%, issuer limit 5%, maximum maturity 180 days, A-1/P-1 by two. At time of purchase.	Yes	0.0%

TREASURER'S REPORT

Redondo Beach

FY24/25 Q4

Presented By: Eugene Solomon, City Treasurer



**REDONDO
BEACH**



Treasurer's Quarterly Admin Report

- **Treasurer's Portfolio Summary**
- **Investment Reporting Guidelines**
- **Investment Report by Meeder Investment**
 - **Portfolio Summary**
 - **Investment Policy Compliance**
 - **Investment Activity Report**
 - **Economic and Market Update**



Treasurer's Report PowerPoint Presentation:

- Investment Reporting Objectives/Guidelines
- Policy Compliance
- Quarterly Performance
- Cash Flow Analysis
- Maturity Distribution
- Trading Activity
- Fiscal Impact

Key Investment Objectives for Municipal

Investing - The City Treasurer maintains the City's cash flows while earning a competitive rate of return on the Investments within the constraints of the City's investment policy and state law.

- **Safety**- Protect Principal
- **Liquidity** – Provide necessary liquidity to cover both ongoing and unexpected cash needs
- **Yield** – Maximize earnings recognizing need for safety and liquidity, and subject to restrictions specified by state statutes and the local governing body



INVESTMENT REPORTING GUIDELINES - CMTA

- Always remember whose money it is (it's the community's, not yours) – and act according in a responsible stewardship capacity.
- An investment manager's objective is to earn a reasonable rate of return on the City's investments, while preserving capital in the overall portfolio. It should never be an investment manager's goal to earn maximum returns on the City's portfolio as this would expose the City to an unacceptable level of risk



Guidelines Cont'd

- Failures in public investing occur when either:
 - Policies were not clear.
 - Policies were inappropriate.
 - Policies were not followed.
 - Oversight was inadequate.

Guidelines Cont'd

► Questions to Ask:

- Do you review the investment policy?
- Do you understand the City's investment program?
- Do you receive and review periodic investment reports?
- Are they clear, concise? Are they readable?
- Do you fully understand them?
 - If you can't, this is more likely to be because they've been presented poorly, and may in fact reflect problems, than any "technical" problems with your ability to understand them because it's too "complex."
 - It's the job of your staff to make them readable and understandable;
 - and if the City's portfolio is genuinely that complex, perhaps it shouldn't be.

POLICY COMPLIANCE

Compliance Overview

RULE NAME	POLICY LIMIT	ACTUAL VALUE	COMPLIANCE STATUS
CREDIT QUALITY			
CP Rated A-1/P-1/F-1 by 1 NRSRO	100.0	0.0	Compliant
Supranational Rated AA/Aa2/AA by 1 NRSRO	100.0	0.0	Compliant
ISSUER CONCENTRATION			
Agency Issuer Concentration	40.0	13.2	Compliant
CP Issuer Concentration	5.0	0.0	Compliant
Corporate Issuer Concentration	5.0	4.4	Compliant
Govt. MMF Issuer Concentration	20.0	3.5	Compliant
Non-Negotiable CD Issuer Concentration	30.0	0.0	Compliant
Supranational Issuer Concentration	5.0	0.0	Compliant
MATURITY			
CD (Negotiable or Non-Negotiable) Maturity	5.0	0.0	Compliant
CP Maturity	270.0	0.0	Compliant
Corporates Maturity	5.0	1.7	Compliant
Supranational Maturity	5.0	0.0	Compliant
US Agency Obligation Maturity	5.0	2.6	Compliant
US Treasury Obligations Maturity	5.0	1.6	Compliant
PORTFOLIO CONCENTRATION			
CD (Negotiable or Non-Negotiable) Concentration	30.0	0.0	Compliant
CP Concentration	25.0	0.0	Compliant
Corporates Concentration	30.0	11.6	Compliant
Govt. MMF Concentration	20.0	3.5	Compliant
Supranational Concentration	15.0	0.0	Compliant

FY 24-25 Performance

Comparison of Investment Portfolio Positions F.Y. 2024-2025								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		
Cash in Banks	\$7,621,789	*	\$25,487,932	*	\$13,508,000	*	\$ 9,865,121	*
Money Market	\$6,410,529	6.86%	\$125,864	0.17%	\$10,816,724	12.84%	\$ 22,461,667	24.88%
Local Agency Investment Fund	\$104,103	0.11%	\$105,337	0.14%	\$106,563	0.13%	\$ 107,737	0.12%
Federal Agency Issues	\$35,668,724	38.19%	\$31,704,178	41.47%	\$28,743,576	33.69%	\$ 24,794,460	27.18%
Commercial Paper	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Corporate Medium Term Notes	\$12,463,061	13.35%	\$12,495,672	16.69%	\$12,527,582	14.93%	\$ 10,548,423	11.74%
Bank Certificates of Deposit	\$247,995	0.27%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Treasuries	\$38,496,825	41.22%	\$31,755,588	41.53%	\$32,804,960	38.41%	\$ 32,890,362	36.09%
Total: Investment Portfolio	\$93,391,237	100%	\$76,186,640	100.0%	\$84,999,404	100.00%	\$ 90,802,649	100.00%
Weighted Average Maturity (Yrs)	1.45		1.46		1.12		0.76	
Portfolio Effective Rate of Return (YTD)	3.21%		3.08%		3.26%		3.07%	
LAI/F. Yield	4.58%		4.52%		4.31%		4.27%	
Yield on Benchmark	4.21%		4.38%		4.45%		4.40%	
Interest earned YTD	\$615,313.46		\$1,070,841.28		\$1,604,265		\$2,793,124	
General Fund Contribution (60%)	\$369,188		\$642,505		\$962,559		\$1,675,874	143

FY 23-24 Performance

Comparison of Investment Portfolio Positions F.Y. 2023-2024								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%						
Cash in Banks	\$6,469,818	*	13,256,219	*	\$11,755,717	*	\$ 10,560,379.31	*
Money Market	\$8,733,993	8.78%	\$19,612,340	19.53%	\$15,881,678	15.37%	\$ 18,202,927.12	16.95%
Local Agency Investment Fund	\$98,106	10.00%	\$100,842	0.10%	\$101,853	0.10%	\$ 102,941.43	0.10%
Federal Agency Issues	\$49,969,031	50.24%	\$48,017,978	47.81%	\$48,066,986	46.52%	\$ 46,615,560.54	43.42%
Commercial Paper	\$0	0.00%	\$0	0.00%	\$0	0.00%	\$ -	0.00%
Corporate Medium Term Notes	\$6,905,358	6.94%	\$2,921,402	2.91%	\$4,468,652	4.32%	\$ 8,405,345.37	7.83%
Bank Certificates of Deposit	\$991,797	1.00%	\$991,856	0.99%	\$991,914	0.96%	\$ 247,964.77	0.23%
Treasuries	\$32,755,612	32.94%	\$28,785,152	28.66%	\$33,811,331	32.72%	\$ 33,785,898.60	31.47%
Total Investment Portfolio	\$99,453,897	100%	\$100,429,570	100.0%	\$103,322,415	100.00%	\$ 107,360,637.83	100.00%
Weighted Average Maturity (Yrs)	1.96		1.73		1.54		1.39	
Portfolio Effective Rate of Return (YTD)	2.82%		2.96%		2.71%		2.78%	
L.A.I.F. Yield	3.55%		3.93%		4.25%		4.33%	
Yield on Benchmark	2.66%		3.10%		3.53%		3.95%	
Interest earned YTD	\$675,178.00		\$1,260,353.00		\$2,023,050		\$2,773,041	
General Fund Contribution (60%)	\$405,107		\$756,212		\$1,213,830		\$1,663,824.86	

FY 22-23 Performance

Comparison of Investment Portfolio Positions F.Y. 2022-2023								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%						
Cash in Banks	\$10,955,229	*	9,223,658	*	\$6,359,470	*	\$ 9,742,075	*
Money Market	\$0	0.0%	\$5,149,678	4.38%	\$13,392,052	11.33%	\$ 8,931,843	7.80%
Local Agency Investment Fund	\$16,071,480	14.5%	\$27,137,556	23.1%	\$5,225,372	4.42%	\$ 1,087,813	0.95%
Federal Agency Issues	\$53,439,957	48.3%	\$47,448,367	40.4%	\$56,867,881	48.12%	\$ 56,918,780	49.70%
Commercial Paper	\$0	0.0%	\$0	0.0%	\$0	0.00%	\$0	0.00%
Corporate Medium Term Notes	\$6,981,521	6.3%	\$8,847,387	7.5%	\$8,866,737	7.50%	\$ 8,885,872	7.76%
Bank Certificates of Deposit	\$1,239,564	1.1%	\$991,622	0.8%	\$991,680	0.84%	\$ 991,738	0.87%
Treasuries	\$32,895,368	29.7%	\$27,910,842	23.8%	\$32,831,737	27.78%	\$ 37,713,483	32.93%
Total: Investment Portfolio	\$110,627,890	100%	\$117,485,452	100.0%	\$118,175,459	100.00%	\$ 114,529,529	100.00%
Weighted Average Maturity (Yrs)	1.99		1.72		1.97		1.91	
Portfolio Effective Rate of Return (YTD)	1.51%		1.71%		2.10%		2.29%	
L.A.I.F. Yield	1.60%		2.17%		2.83%		3.17%	
Yield on Benchmark	0.97%		1.38%		1.76%		2.19%	
Interest earned YTD	\$425,011.78		\$952,194.05		\$1,695,368		\$2,435,724	
General Fund Contribution (60%)	\$255,007		\$571,316.00		\$1,017,221		\$1,461,434.40	145

Cash Flows Analysis

FY 24/25	Beginning Balance	Total Deposits/Credits	Total Debits	Ending Balance
July	10,560,379.31	13,929,800.59	13,834,109.53	10,656,070.37
August	10,656,070.37	18,840,180.81	18,574,957.12	10,921,294.06
September	10,921,294.06	13,379,066.21	16,678,571.72	7,621,788.55
October	7,621,788.55	18,527,184.85	16,804,985.41	9,343,987.99
November	9,343,987.99	10,104,167.36	14,075,403.07	5,372,752.28
December	5,372,752.28	33,610,870.34	13,495,690.30	25,487,932.32
January	25,487,932.32	17,929,820.09	33,752,702.69	9,665,049.72
February	9,665,049.72	16,481,148.35	13,291,807.59	12,854,390.48
March	12,854,390.48	13,036,635.85	12,383,026.59	13,507,999.74
April	13,507,999.74	34,040,750.14	38,654,370.30	8,894,379.58
May	8,894,379.58	21,679,728.68	20,682,219.87	9,891,888.39
June	9,891,888.39	13,283,659.33	13,310,426.97	9,865,120.75

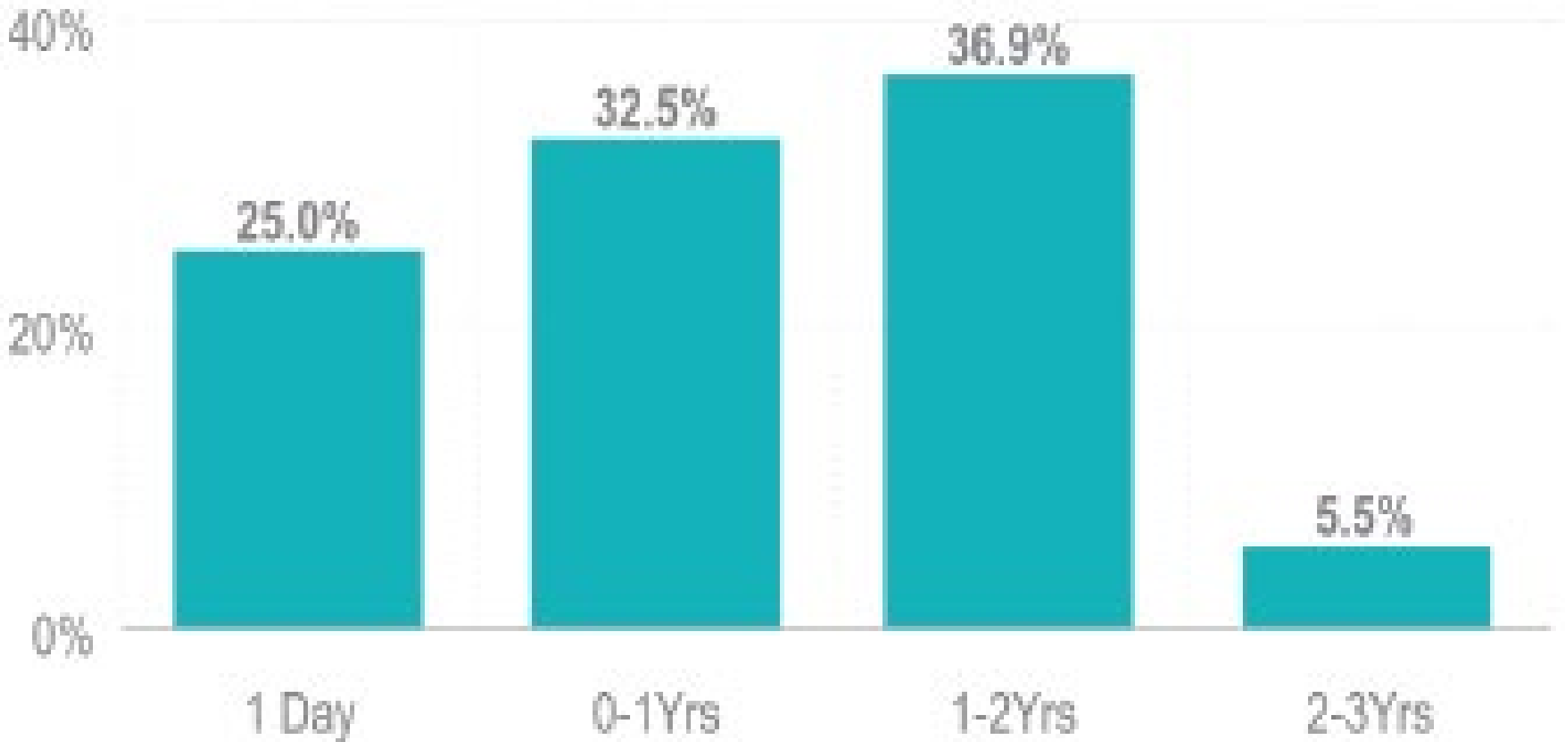
* We have met the cash flow needs of the City for the Quarter and expect to meet the expenditure requirements for the upcoming period.

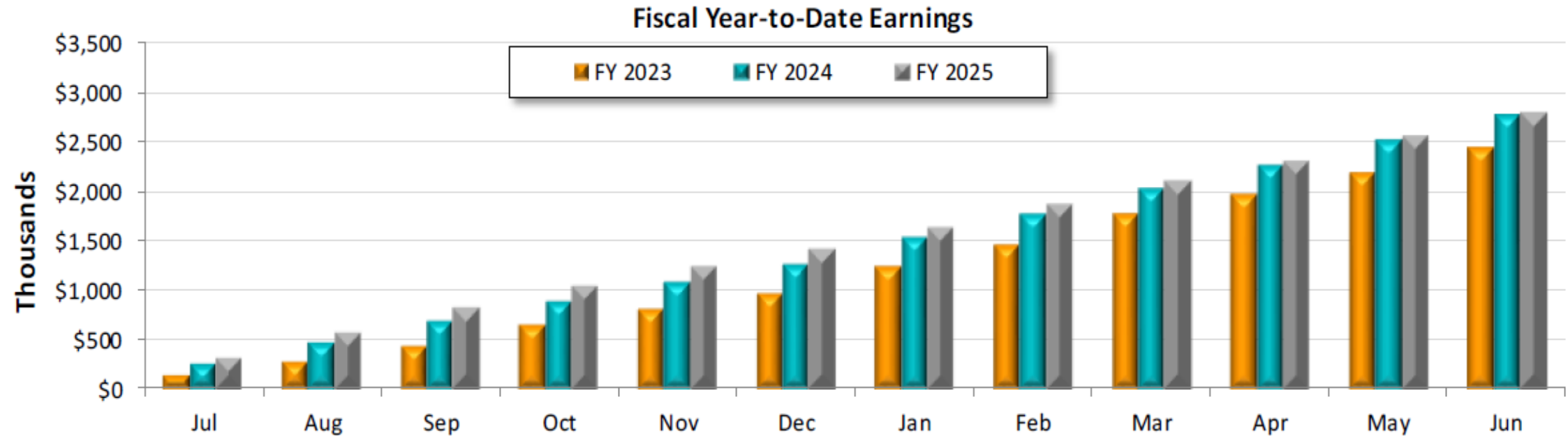
Sector Allocation



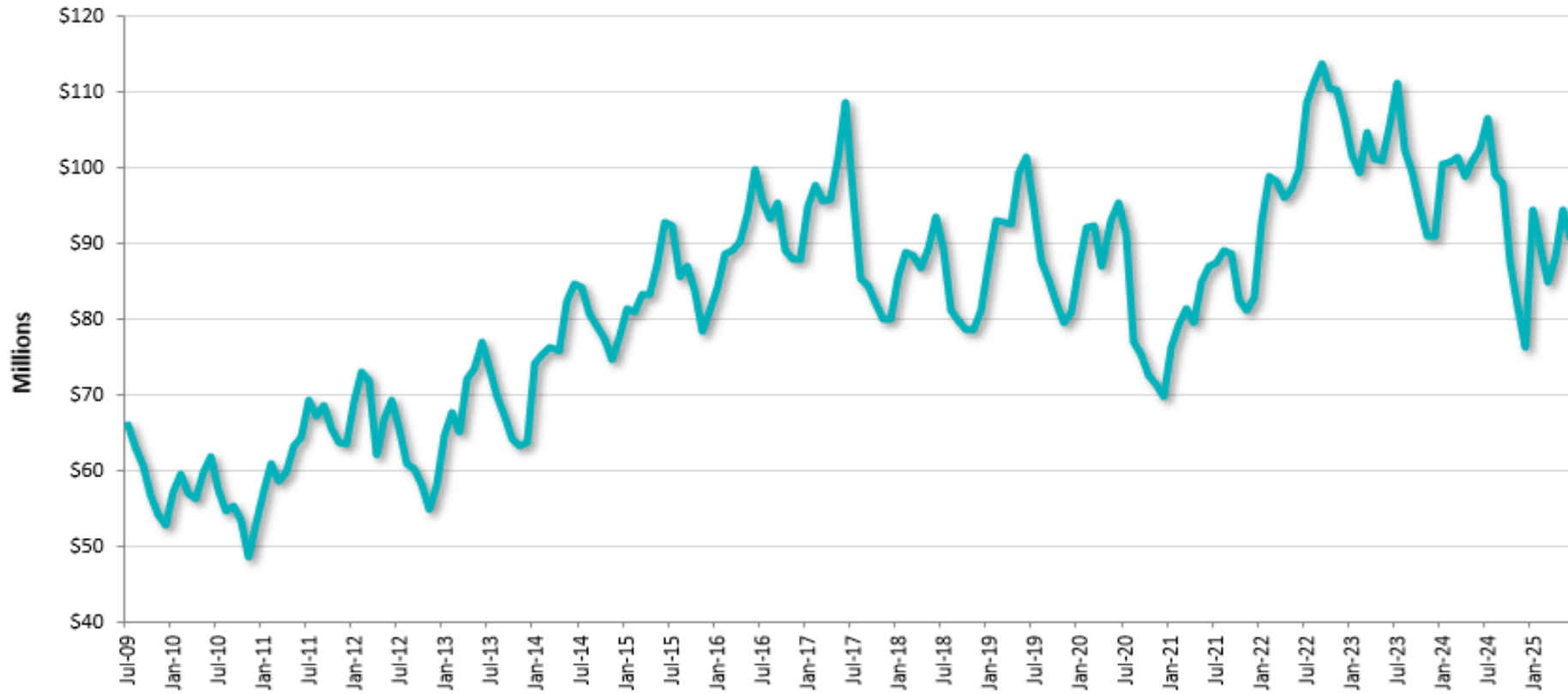
●	U.S. Treasuries	36.09%
●	U.S. Agencies	27.18%
●	Money Market Funds	24.88%
●	Corporate Bonds	11.74%
●	LGIP	0.12%

Maturity Distribution





Fiscal YTD (\$000s)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2017	\$75.9	\$150.1	\$224.4	\$298.2	\$367.6	\$439.1	\$516.4	\$596.1	\$679.4	\$766.2	\$857.2	\$957.6
FY 2018	\$103.6	\$198.2	\$290.2	\$378.7	\$472.3	\$567.2	\$673.3	\$786.8	\$905.0	\$1,025.2	\$1,147.8	\$1,278.2
FY 2019	\$126.5	\$243.2	\$357.7	\$476.3	\$595.7	\$726.2	\$878.5	\$1,044.2	\$1,215.9	\$1,390.6	\$1,576.7	\$1,765.7
FY 2020	\$177.0	\$342.2	\$502.5	\$661.9	\$815.0	\$973.1	\$1,143.9	\$1,312.5	\$1,483.0	\$1,638.8	\$1,802.9	\$1,965.2
FY 2021	\$155.7	\$295.0	\$430.6	\$557.8	\$687.6	\$815.1	\$943.4	\$1,070.1	\$1,198.8	\$1,324.6	\$1,451.5	\$1,574.1
FY 2022	\$112.5	\$218.0	\$382.7	\$489.6	\$593.7	\$696.0	\$806.6	\$913.9	\$1,021.8	\$1,124.6	\$1,230.4	\$1,342.1
FY 2023	\$132.9	\$272.9	\$425.0	\$645.4	\$798.3	\$952.2	\$1,226.5	\$1,453.3	\$1,757.8	\$1,966.5	\$2,184.0	\$2,435.7
FY 2024	\$248.3	\$467.1	\$677.9	\$875.8	\$1,068.4	\$1,261.4	\$1,524.9	\$1,766.0	\$2,023.1	\$2,266.0	\$2,522.2	\$2,773.0
FY 2025	\$302.6	\$564.1	\$819.8	\$1,030.4	\$1,224.7	\$1,416.5	\$1,617.9	\$1,860.1	\$2,102.8	\$2,296.9	\$2,543.0	\$2,797.3



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Average
FY 2014	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6	\$72.5
FY 2015	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9	\$81.9
FY 2016	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7	\$87.9
FY 2017	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7	\$95.3
FY 2018	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4	\$86.7
FY 2019	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4	\$87.9
FY 2020	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5	\$88.1
FY 2021	\$91.4	\$77.1	\$75.4	\$72.7	\$71.4	\$69.7	\$76.3	\$79.2	\$81.5	\$79.7	\$84.9	\$87.1	\$78.9
FY 2022	\$87.4	\$89.1	\$88.6	\$82.6	\$81.1	\$82.8	\$92.8	\$98.8	\$98.1	\$96.2	\$97.2	\$99.8	\$91.2
FY 2023	\$108.7	\$111.6	\$113.9	\$110.5	\$110.4	\$106.5	\$101.8	\$99.4	\$104.8	\$101.3	\$101.0	\$105.6	\$106.3
FY 2024	\$111.2	\$102.4	\$99.4	\$95.0	\$91.0	\$90.9	\$100.6	\$100.8	\$101.5	\$98.9	\$101.1	\$102.7	\$99.6
FY 2025	\$106.7	\$99.1	\$97.9	\$87.6	\$81.6	\$76.2	\$94.4	\$89.7	\$85.0	\$88.2	\$94.4	\$90.8	\$91.0

Trading Activity

City of Redondo Beach Trade Ticket

To:
U.S. Bank
(sent via email)

May 6, 2025

Invest. No.	1892
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Buy/Sell	Buy
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Account Number	
----------------	--

Issuer	Federal Farm Credit Bank
Ticker	FFCB
Coupon	3.875%
Maturity	4/7/2027
CUSIP	3133ETBV8

Trade Date	5/6/2025
Settlement Date	5/7/2025

S&P Rating	AA+
Moody's Rating	Aaa

Par	\$1,010,000.00
Price	100.11156000
Yield to Mat.	3.813%

Principal	\$1,011,126.76
Accrued	\$3,261.46
Total	\$1,014,388.22

Broker	Wells Fargo
--------	-------------



Fiscal Impact

- Interest earned year to date is \$2,793,124.
- The General Fund contribution rate is 60%. Approximately \$1,675,874 contributed to the general fund through investment activity.
- Budgeted contribution of interest to the general fund for the entire fiscal year is \$1,500,000.

Meeder Public Funds Firm Overview

1974

Founded in 1974. SEC Registered Investment Advisor serving public entities since 1990.



More than 400 public entity clients.



Customized solutions for states, counties, cities, schools, townships, libraries, higher education, and special districts.

\$155B

Over \$155 billion in public funds assets under advisement (12/31/23).



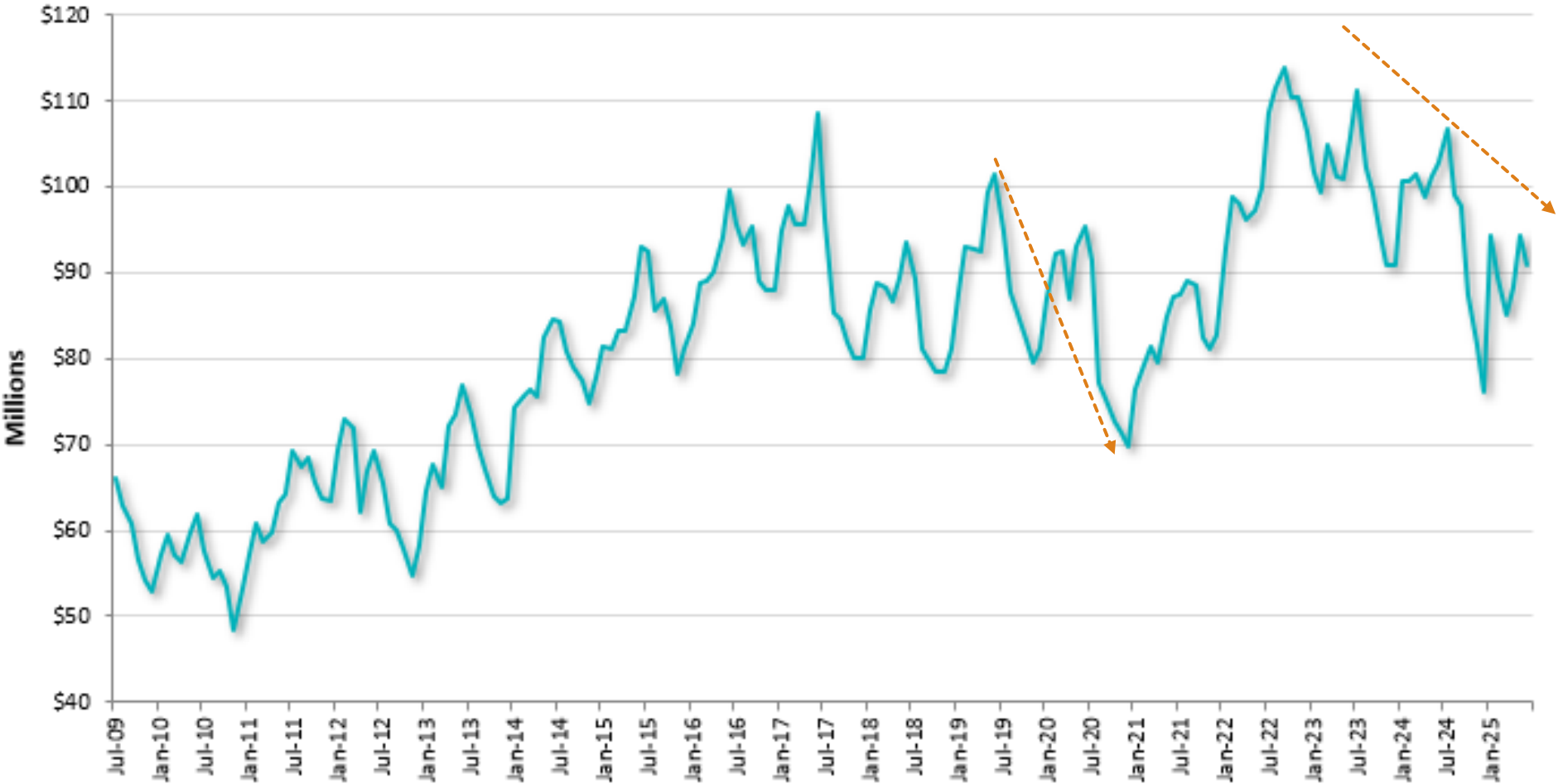
Seasoned Fixed Income Team specializes in working with public entities.

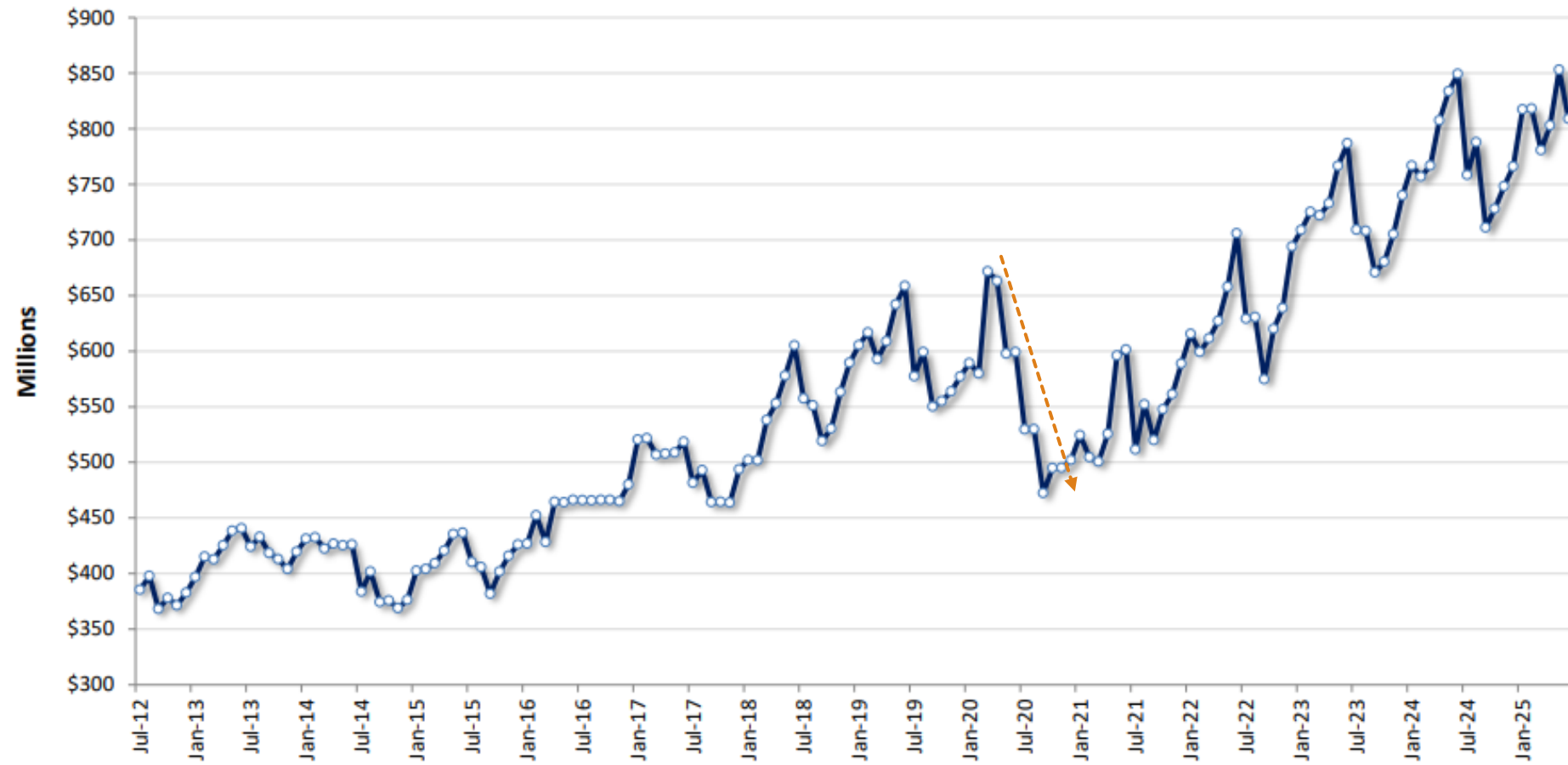


Focus on management of operating and project funds.

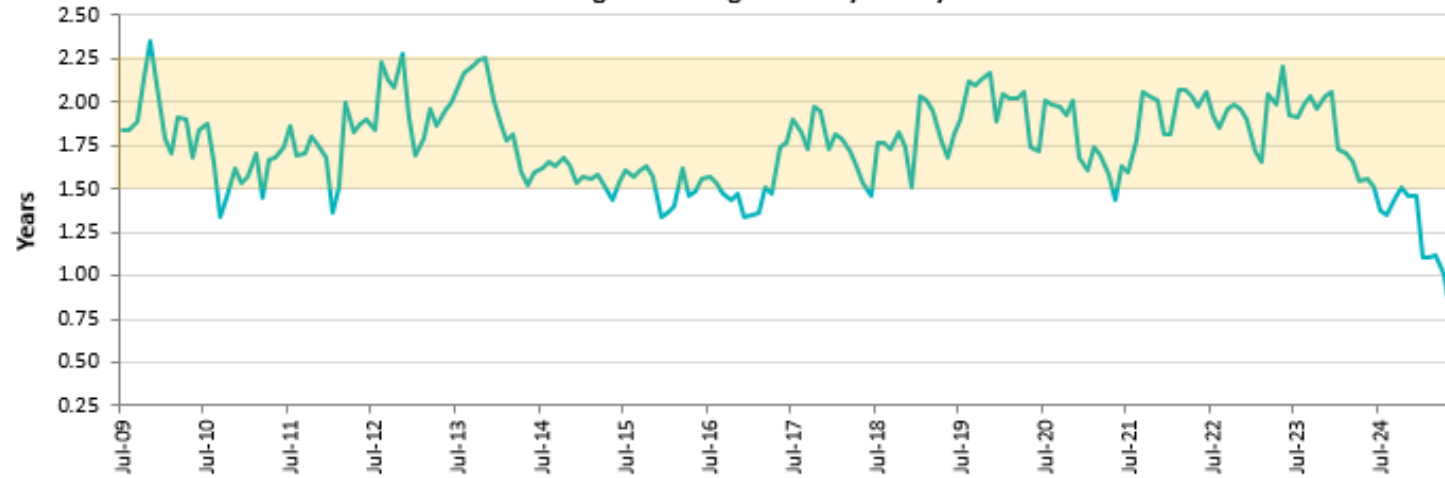
Rick Phillips

- Meeder Public Funds: Chief Investment Strategist - 2023 to Present
- FHN Main Street Advisors: President - 2005 to 2023
- Clark County Nevada: Chief Investment Officer - 1998 to 2005
- City of Las Vegas: Investment Officer - 1989 to 1998
- Government Investment Officers Association (GIOA) Founder

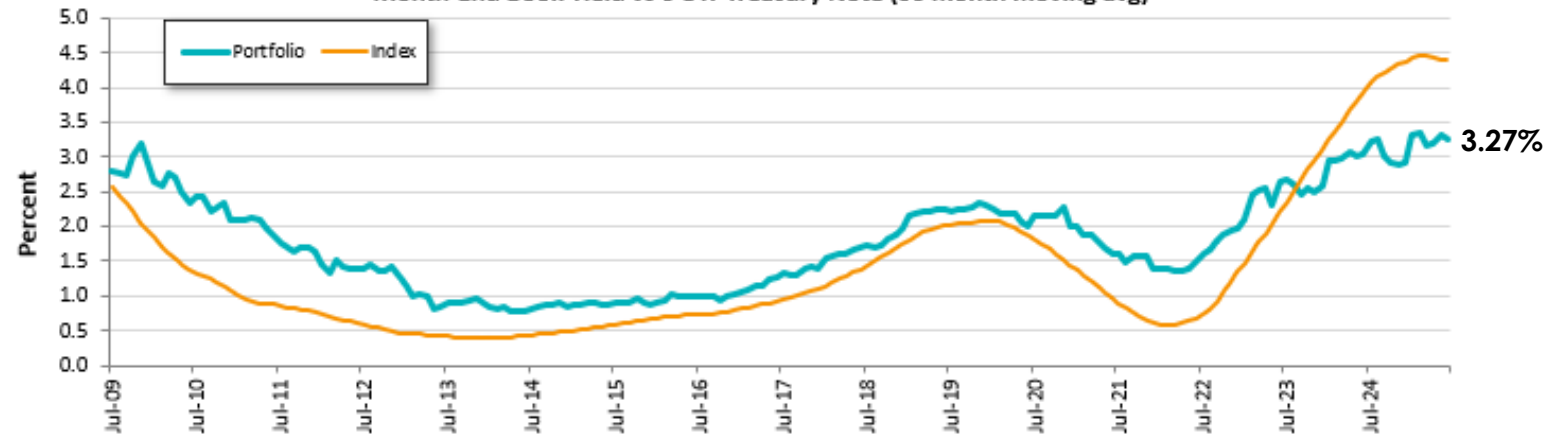




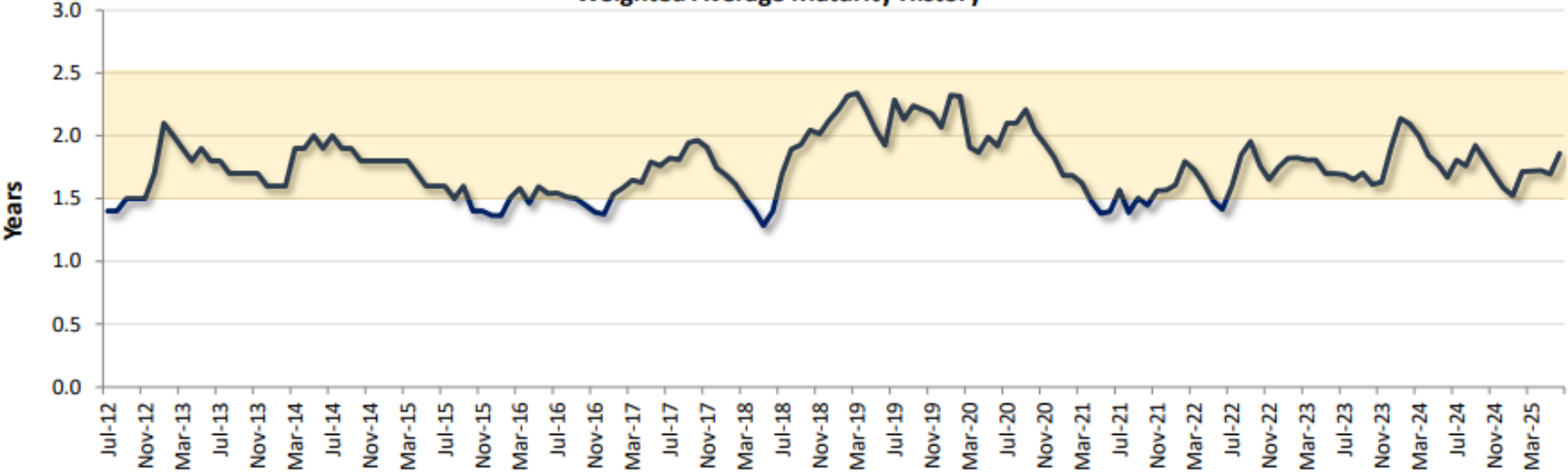
Weighted Average Maturity History



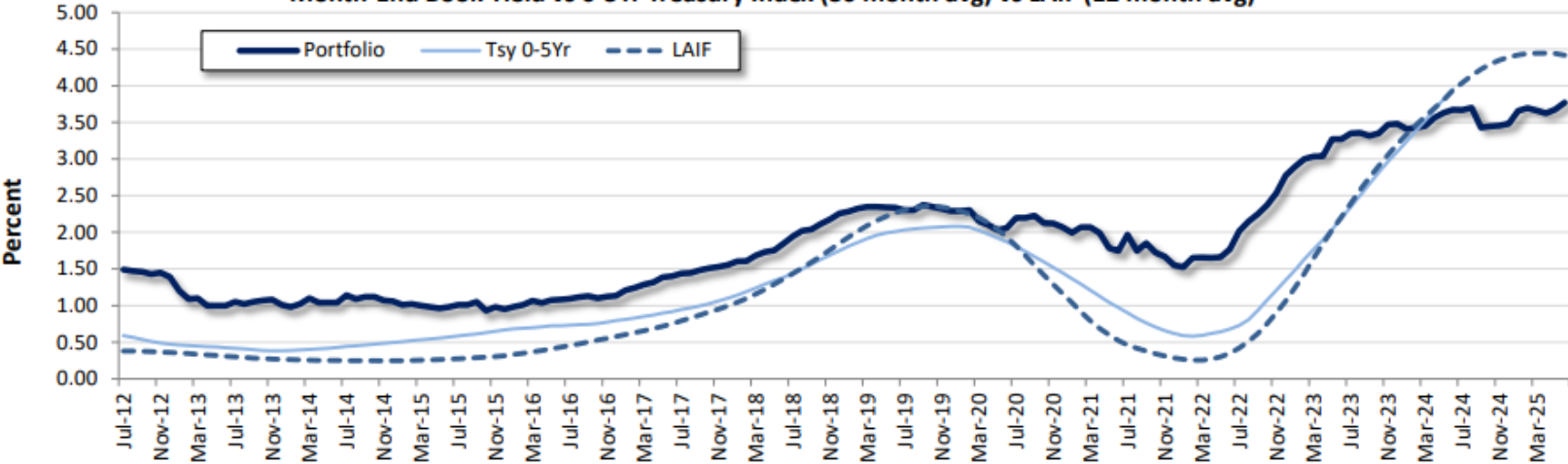
Month-End Book Yield vs 0-5Yr Treasury Note (30 month moving avg)



Weighted Average Maturity History

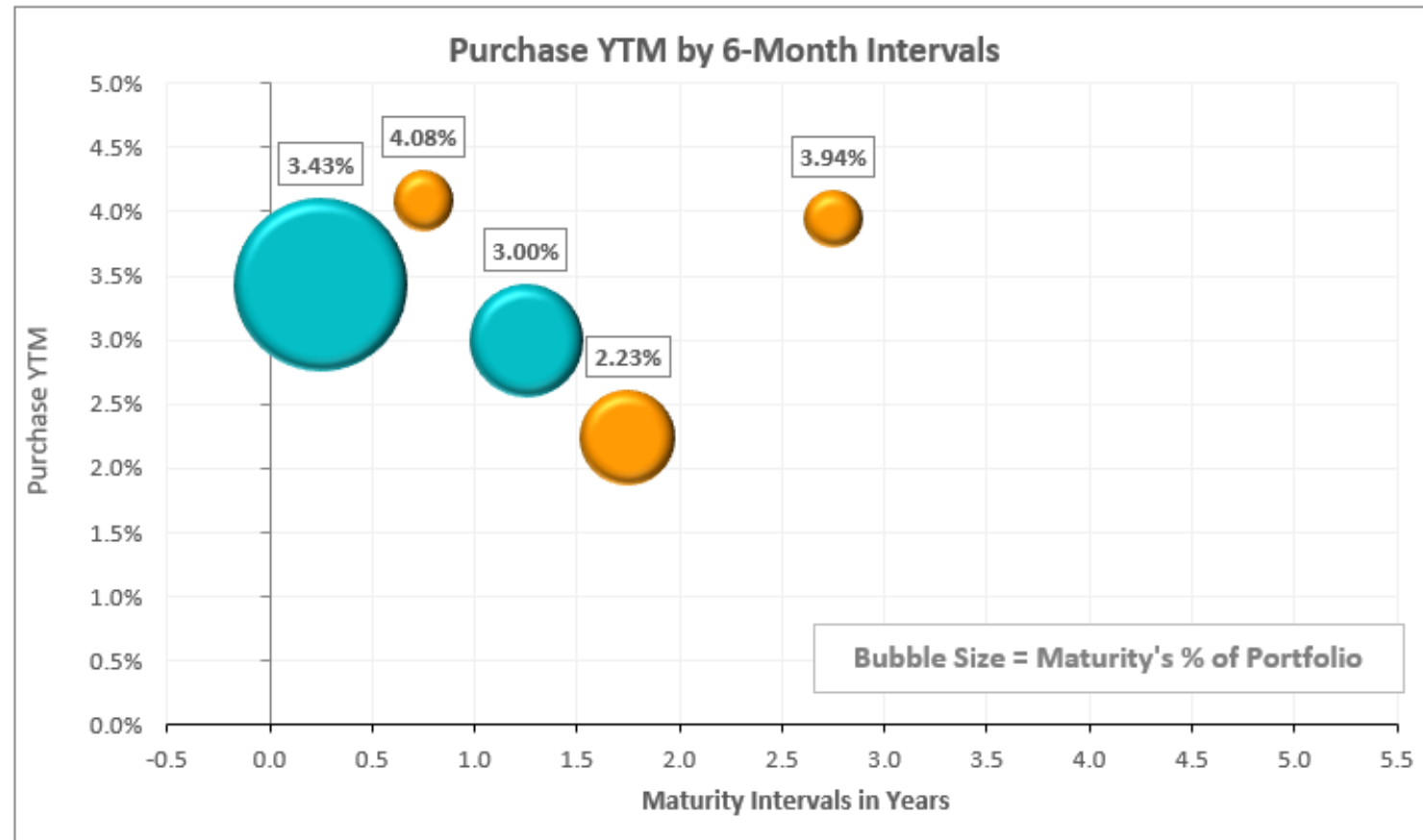


Month-End Book Yield vs 0-5Yr Treasury Index (30 month avg) vs LAIF (12 month avg)



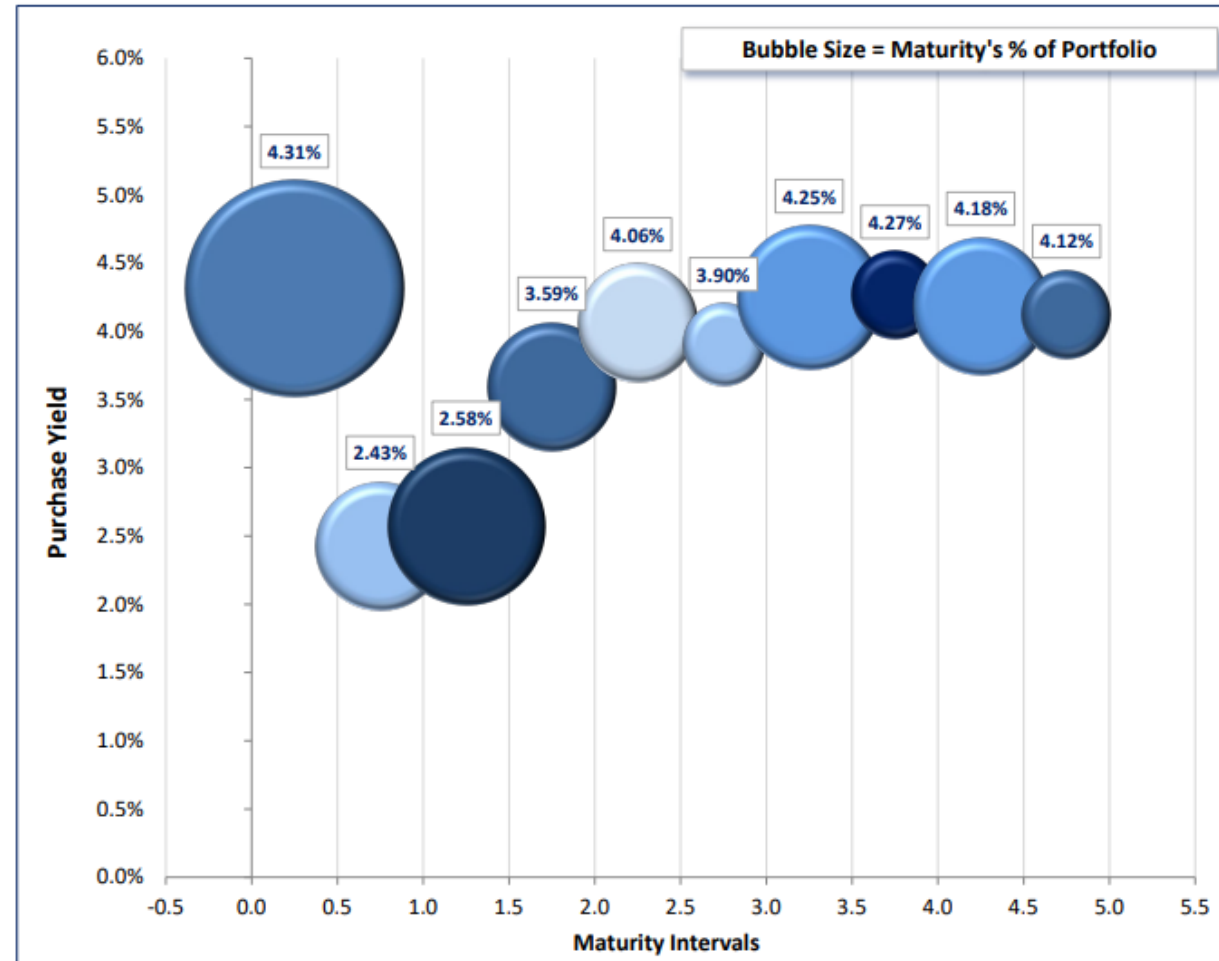
3.77%

Years	Purchase Yield	% of Portfolio
0 to 0.5	3.43%	51.3%
0.5 to 1.0	4.08%	6.1%
1.0 to 1.5	3.00%	21.7%
1.5 to 2.0	2.23%	15.4%
2.0 to 2.5	0.00%	0.0%
2.5 to 3.0	3.94%	5.5%
3.0 to 3.5	0.00%	0.0%
3.5 to 4.0	0.00%	0.0%
4.0 to 4.5	0.00%	0.0%
4.5 to 5+	0.00%	0.0%
Total	3.27%	100.0%



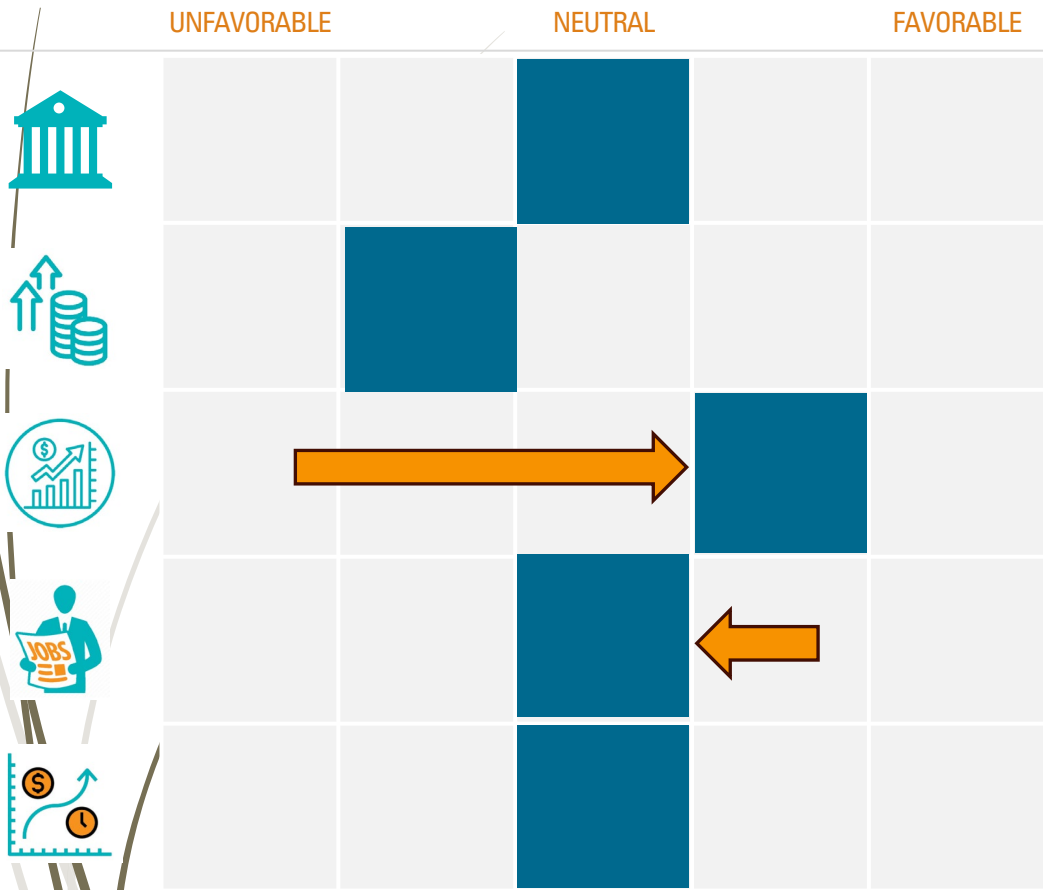
Years	Purchase Yield	% of Portfolio*
0 to .5	4.31%	26.19%
.5 to 1.0	2.43%	9.17%
1.0 to 1.5	2.58%	13.68%
1.5 to 2.0	3.59%	9.18%
2.0 to 2.5	4.06%	7.78%
2.5 to 3.0	3.90%	3.68%
3.0 to 3.5	4.25%	11.52%
3.5 to 4.0	4.27%	4.15%
4.0 to 4.5	4.18%	10.32%
4.5 to 5.0	4.12%	4.33%
Total	3.77%	100.00%

*Based on Book Value



FIGEY Outlook and Commentary

Overall Economic Perspective



Goldilocks: Not Too Hot...Not Too Cold

Fed Policy: The Federal Reserve is expecting to lower the Fed Funds rate 50 basis points (0.50%) in 2025. The Fed Funds futures market is pricing in approximately 55 basis points of cuts for 2025 and end the year at ~3.75%.

Inflation: The Consumer Price Index (CPI) is currently at 2.7% on a YoY basis. Economists surveyed by Bloomberg expect CPI YoY to average 2.9% for 2025.

Growth (GDP): Gross Domestic Product (GDP) contracted in the first quarter -.5% of 2025 as imports subtracted from economic growth. Imports soared a record 41% for the quarter as companies rushed to bring in imports before the tariffs were to be enacted. GDP rebounded in Q2 to 3.0%.

Employment: The unemployment rate remains low but has increased moderately since last year. The current rate is 4.2%. Weekly initial unemployment (jobless) claims also remain near historically low levels. Nonfarm payrolls' growth slowed the past few months.

Yields: The 2-year Treasury yield has declined materially, primarily due to tariff announcements, but then rebounded with the 90-day tariff pause and other negotiations.

Latest FIGEY From The Fabulous Fed

Fed:

- Current monetary policy leaves us in a good place to respond to incoming information.
- Monetary policy is moderately restrictive today.
- Monetary policy is not holding back economic activity.

Inflation:

- Risks are for inflation to be temporary, however, there's also a chance that inflationary pressures may prove more sustained, rather than temporary.
- Tariffs are starting to show up in consumer prices but for now, exporters and importers have been taking on the burden of higher tariffs; however, that may not continue in the future.

Growth:

- Credit companies say that consumers are in good shape.
- Changes to government policies (aka tariffs) continue to keep uncertainty higher.

Employment:

- Conditions in the labor market are broadly in balance.
- Demand and supply of/for workers are coming down at the same time and thus the rate of unemployment has remained low and stable.

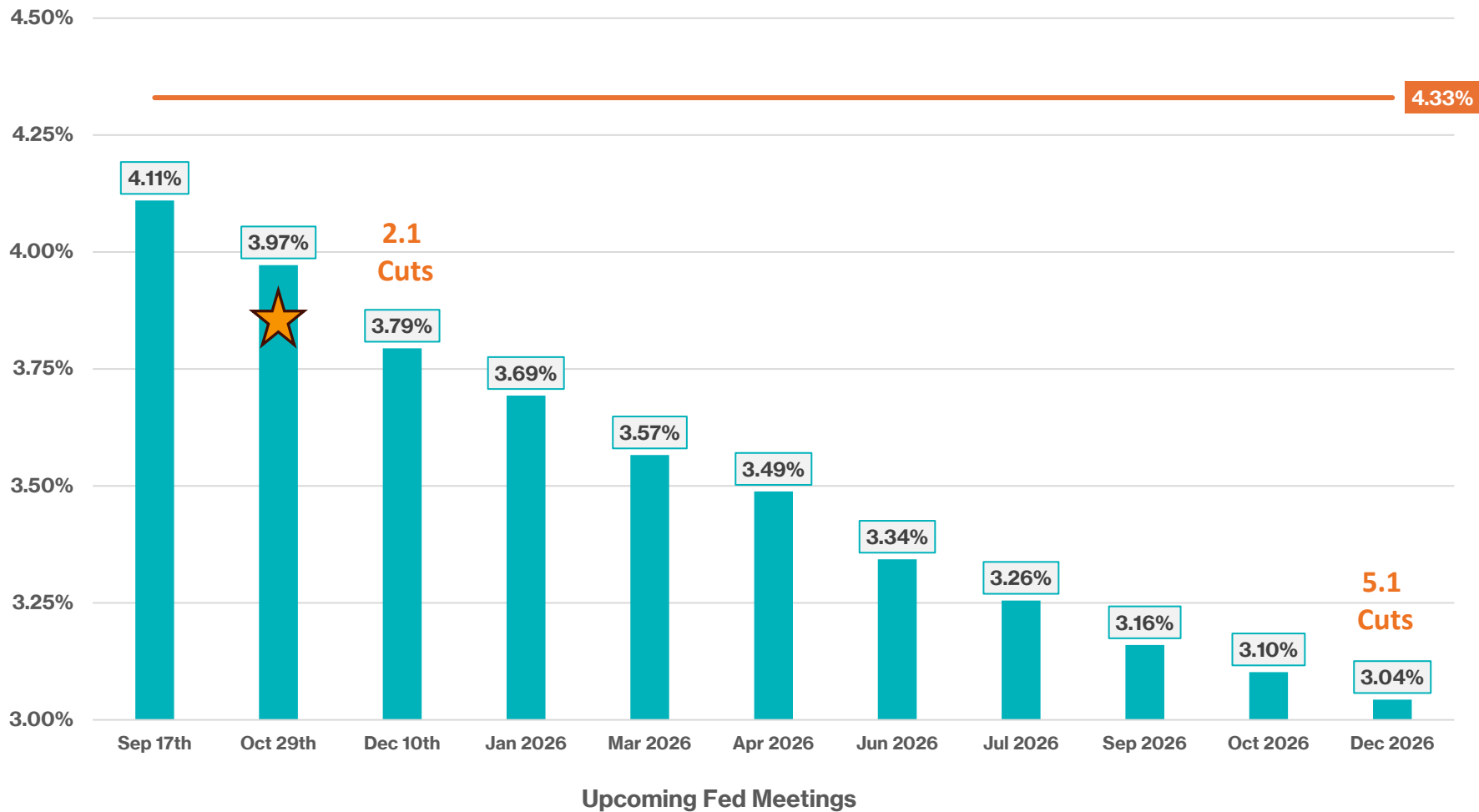
Yields:

- The Fed has a mandate, low unemployment and low and stable inflation. We don't have, as a part of our mandate, anything regarding interest rates paid on the US debt. It is not our responsibility to worry about the cost of financing the debt.



Fed Funds

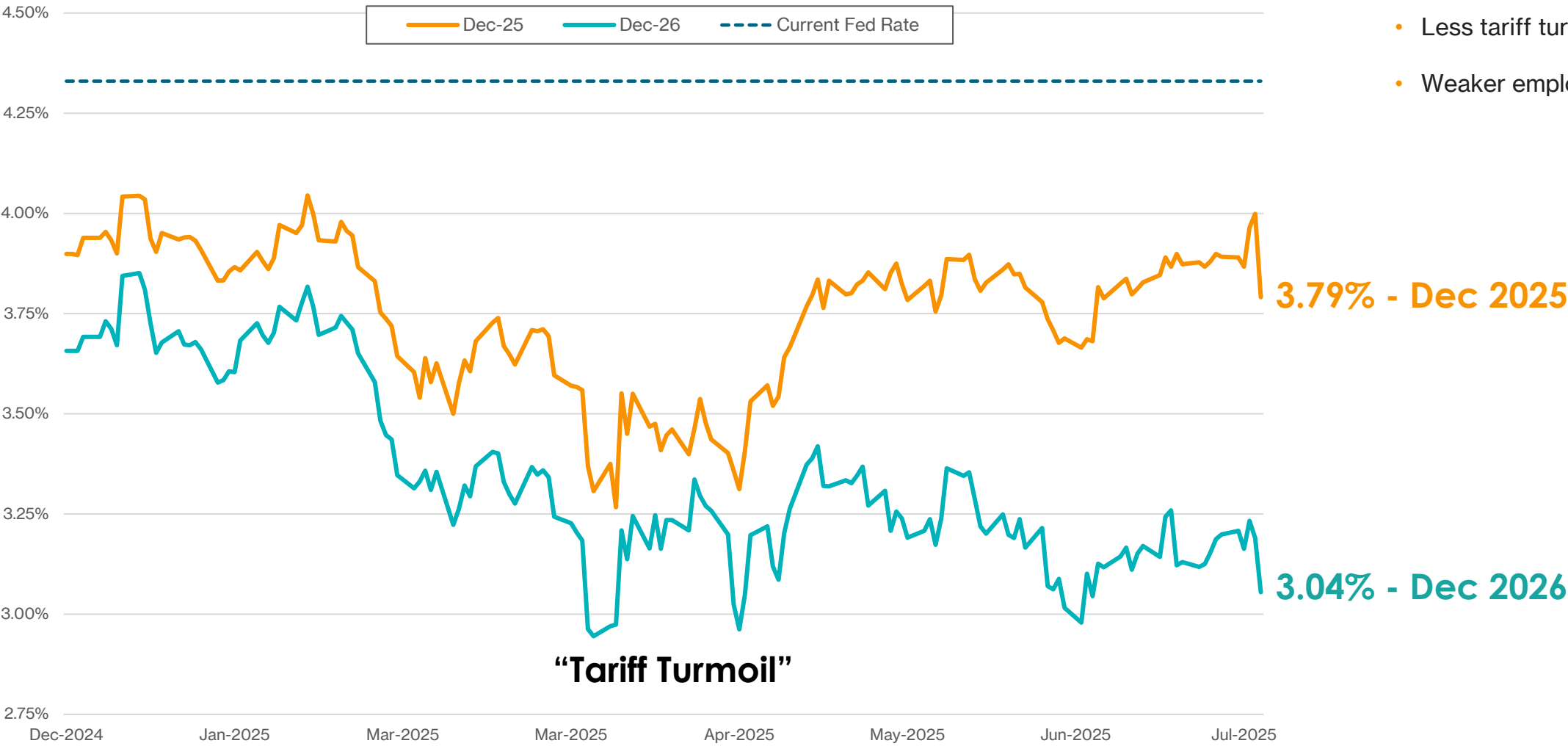
2025-26 Fed Funds Rate Per Futures Market by Fed Meeting Months



- The current Effective Fed Funds rate is 4.33%.
- The Fed is expecting 2 cuts this year and 1 in 2026 and 1 cut in 2027.
- Market is expecting more.
- We are expecting fewer.

Fed Funds

Fed Funds Futures Rate

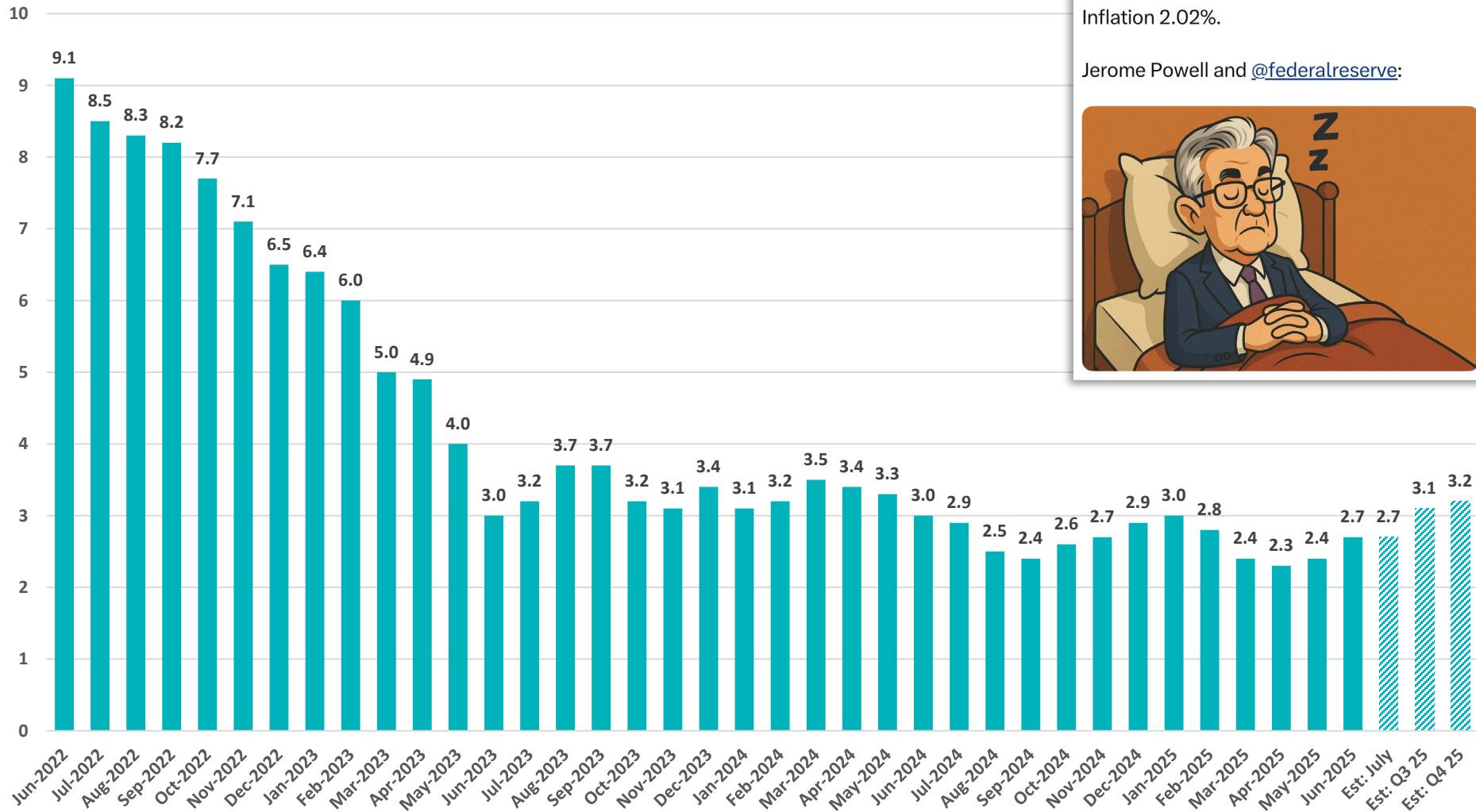


- Less tariff turmoil.
- Weaker employment.

“Tariff Turmoil”

Inflation's ROC (Rate of Change) is Better...But Expected to Go Higher

CPI YoY Percent



SOURCE: BLOOMBERG, TRUFLATION



Inflation 2.02%.

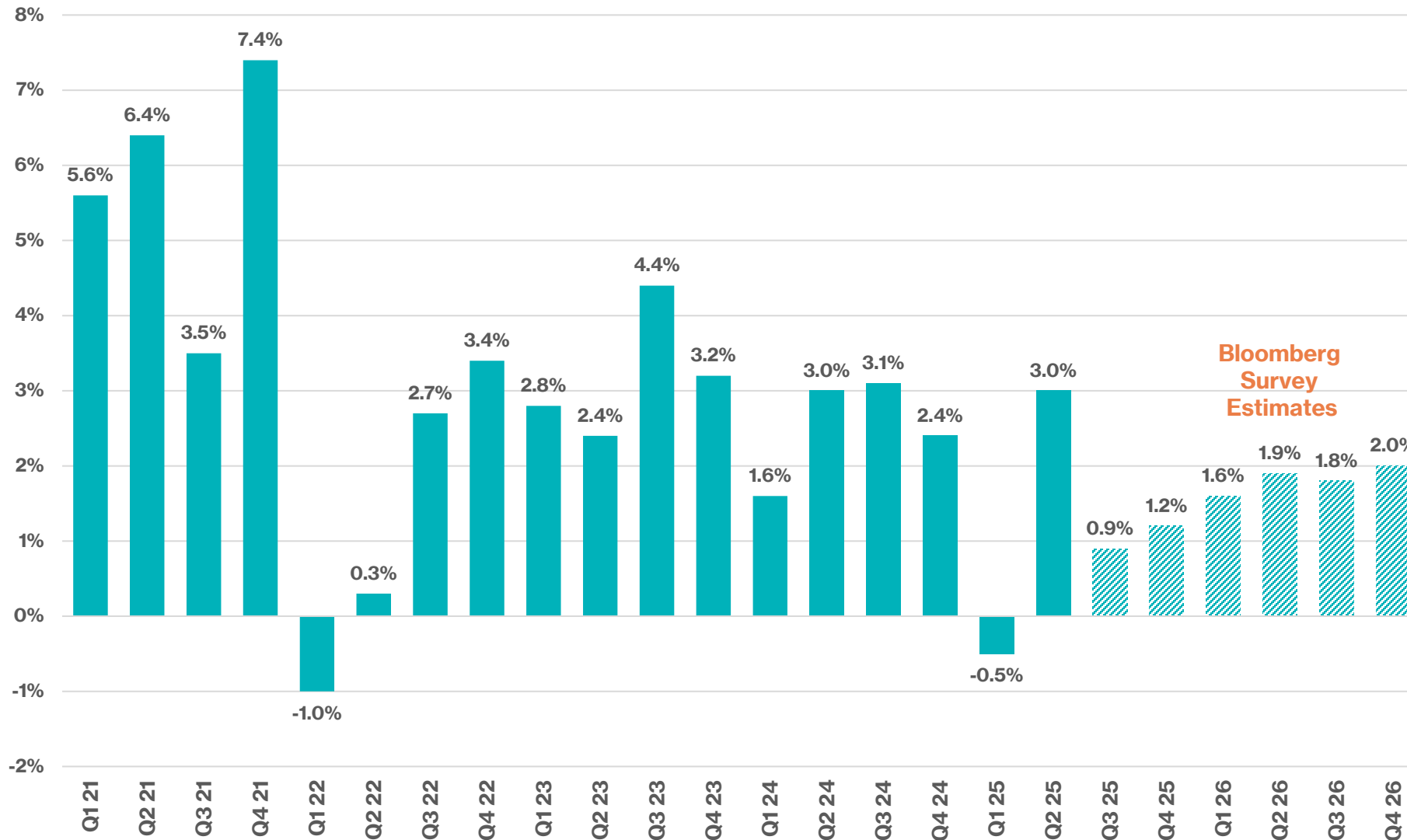
Jerome Powell and [@federalreserve](#):



- Inflation declined considerably from the pandemic highs of 2022.
- However, inflation remains above the Federal Reserve's target 2% (Personal Consumption Expenditures Core YoY rate).
- Federal Reserve economists and other economists have expressed worries that inflation resulting from Trump-era tariffs might not be temporary.
- But some (Truflation and other) say the Fed is asleep and should cut now.

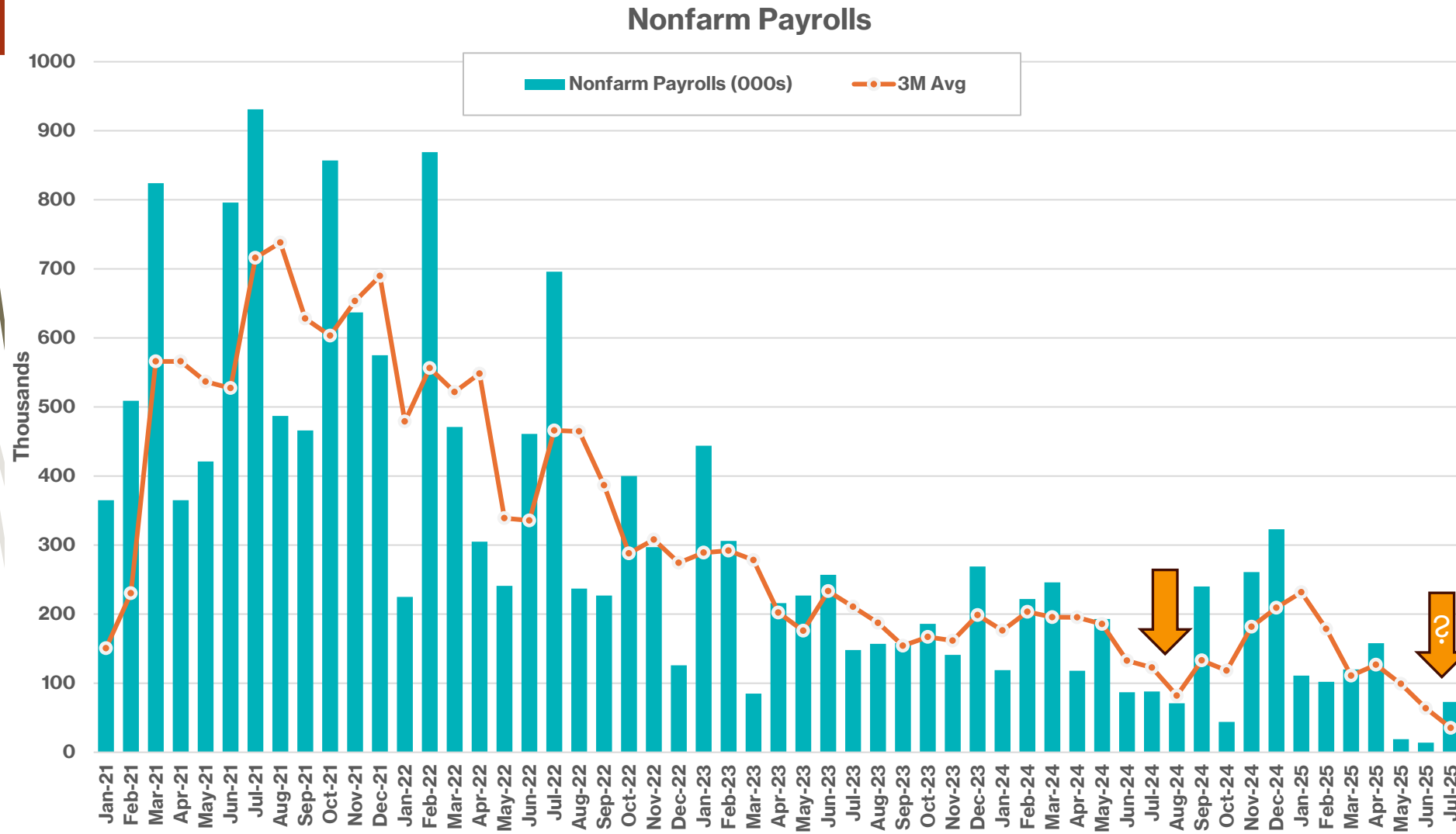
Growth: Rebound of GDP For Q2

Real GDP QoQ



- Last quarter's GDP was -0.5%, primarily due to imports subtracting from GDP to beat the tariffs.
- Q2 showed a solid rebound to 3.0% growth.
- Growth is expected to slow later this year, then accelerate next year.

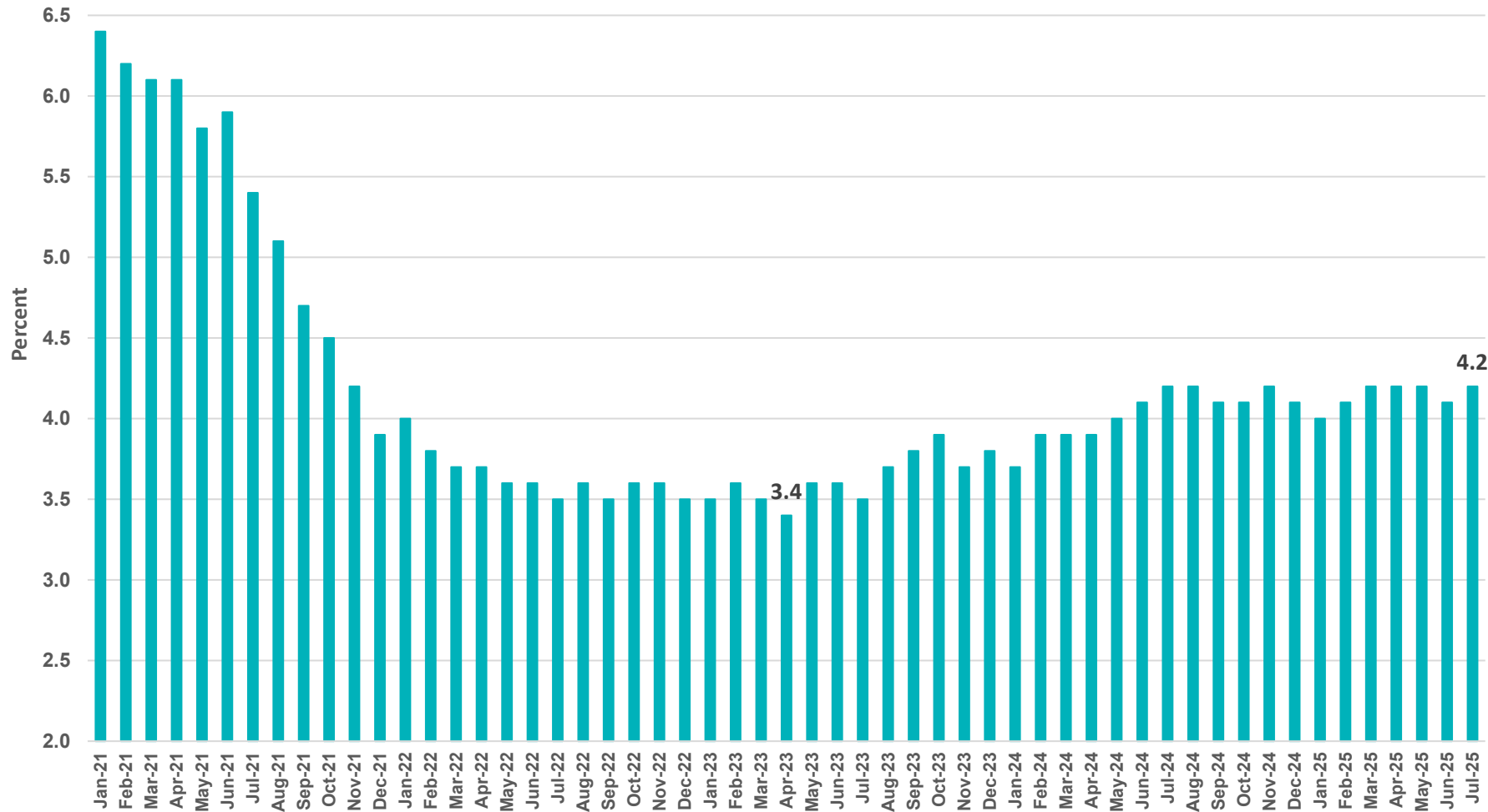
Employment: Nonfarms Plunge



- Big revisions to the past two months.
- This type of labor market “spooked” the Fed last year at this time and they started cutting.

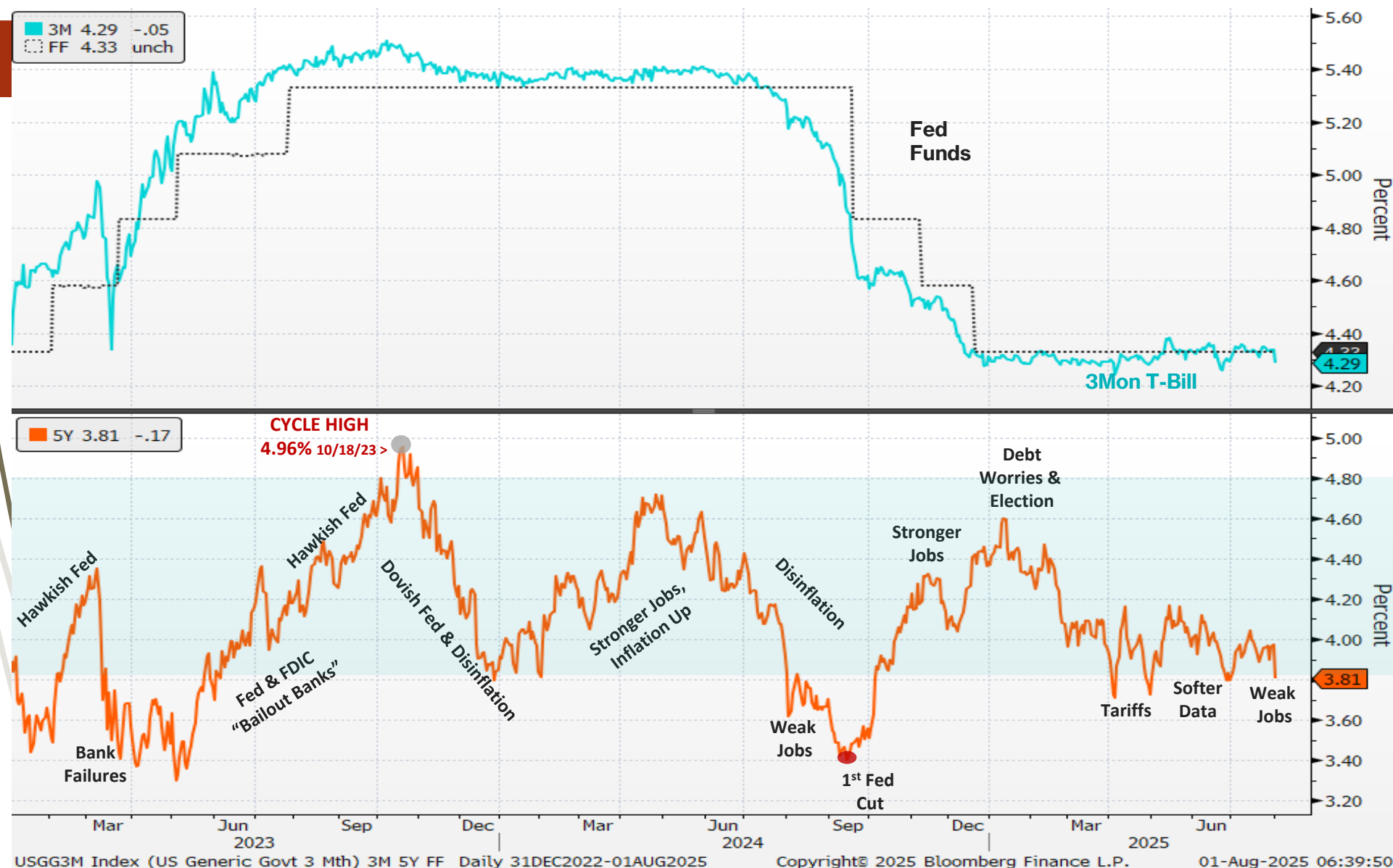
Unemployment Rate Higher...But Still Very Low

Unemployment Rate



- Powell says to watch the unemployment rate more than nonfarm payrolls.
- The unemployment rate has been between 4.0% and 4.3% for more than a year.
- That range of unemployment in very low historically.

Yields: Since Jan 2023



- Shorter rates are more correlated with Fed policy.
- Longer rates are more correlated with growth, inflation, and employment expectations (FIGEY).

Expected Range
(~80% of occurrences since Jan 2023)

Yield Heatmap: Still a Prudent Strategy to Invest Longer Term

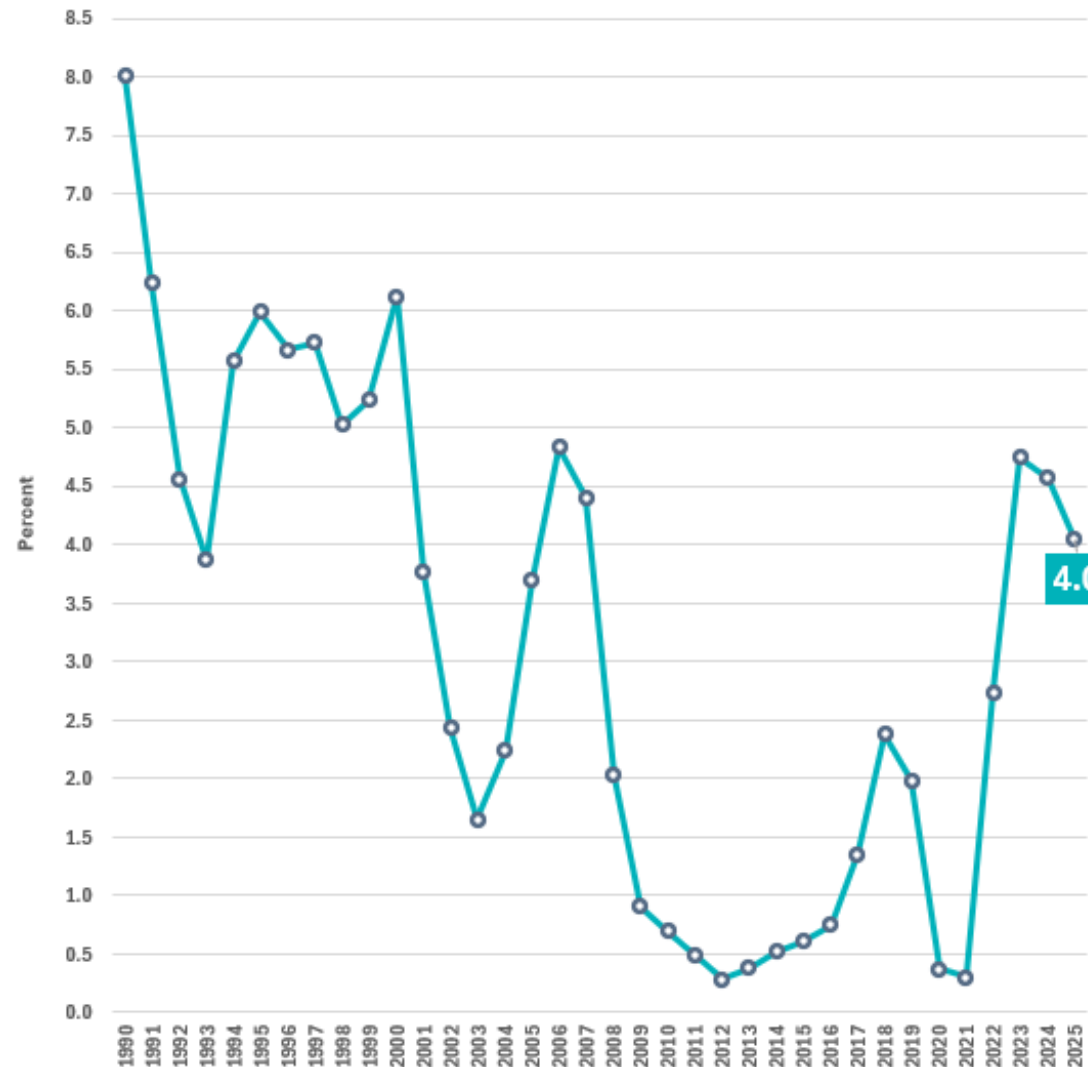
Average Monthly Treasury Yields By Year

Year	3M	6M	1Y	2Y	3Y	5Y	Avg
1990	7.7	7.8	7.9	8.1	8.2	8.3	8.0
1991	5.5	5.6	6.1	6.4	6.7	7.3	6.2
1992	3.5	3.7	3.9	4.8	5.3	6.2	4.6
1993	3.0	3.2	3.4	4.0	4.4	5.1	3.9
1994	4.4	4.9	5.0	6.0	6.3	6.8	5.6
1995	5.6	5.8	6.1	6.1	6.1	6.3	6.0
1996	5.1	5.3	5.5	5.9	6.0	6.2	5.7
1997	5.2	5.4	5.6	6.0	6.1	6.2	5.7
1998	4.8	5.0	5.1	5.1	5.1	5.1	5.0
1999	4.8	5.0	5.0	5.5	5.6	5.6	5.2
2000	6.0	6.2	6.1	6.2	6.2	6.1	6.1
2001	3.3	3.3	3.8	3.7	4.1	4.4	3.8
2002	1.6	1.7	2.1	2.5	3.0	3.7	2.4
2003	1.0	1.1	1.3	1.6	2.0	2.9	1.7
2004	1.4	1.7	1.8	2.4	2.7	3.4	2.2
2005	3.3	3.5	3.5	3.9	3.9	4.0	3.7
2006	4.9	5.0	4.9	4.8	4.8	4.7	4.8
2007	4.4	4.5	4.7	4.3	4.2	4.3	4.4
2008	1.2	1.5	2.1	1.9	2.7	2.8	2.0
2009	0.1	0.3	0.5	0.9	1.4	2.2	0.9
2010	0.1	0.2	0.3	0.6	1.0	1.9	0.7
2011	0.0	0.1	0.2	0.4	0.7	1.5	0.5
2012	0.1	0.1	0.2	0.3	0.4	0.7	0.3
2013	0.0	0.1	0.1	0.3	0.5	1.2	0.4
2014	0.0	0.1	0.1	0.5	0.9	1.6	0.5
2015	0.0	0.2	0.3	0.7	1.0	1.5	0.6
2016	0.3	0.5	0.6	0.8	1.0	1.3	0.7
2017	1.0	1.1	1.1	1.4	1.6	1.9	1.4
2018	2.0	2.2	2.3	2.5	2.6	2.7	2.4
2019	2.0	2.1	2.1	1.9	1.9	1.9	2.0
2020	0.3	0.3	0.5	0.3	0.3	0.5	0.4
2021	0.0	0.1	0.1	0.3	0.5	0.9	0.3
2022	2.1	2.6	2.4	3.1	3.1	3.1	2.7
2023	5.2	5.3	5.1	4.6	4.3	4.1	4.7
2024	5.1	5.0	4.7	4.4	4.2	4.1	4.6
2025	4.3	4.3	4.0	3.9	3.9	4.0	4.0
Average	2.8	2.9	3.0	3.2	3.4	3.7	3.1

Current year is YTD

SOURCE: BLOOMBERG

Average Monthly Treasury Yields By Year



Disclosures

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Past performance does not guarantee future results. Opinions and forecasts are all subject to change at any time, based on market and other conditions, and should not be construed as a recommendation of any specific security. Investing in securities involves inherent risks, including the risk that you can lose the value of your investment. Any forecast, projection, or prediction of the market, the economy, economic trends, and fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Meeder Public Funds, Inc. cannot and does not claim to be able to accurately predict the future investment performance of any individual security or of any asset class. There is no assurance that the investment process will consistently lead to successful results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, or units, when redeemed, may be worth more or less than their original cost.



Administrative Report

J.3., File # BF25-1161

Meeting Date: 8/14/2025

To: BUDGET & FINANCE COMMISSION

From: STEPHANIE MEYER, FINANCE DIRECTOR

TITLE

RESERVES AND BUDGET CONCERNS

Los Angeles County's meager budget for disaster response

The county is massive and at high risk, yet it has a fraction of what other major cities budget to respond to emergencies.

August 4, 2025

By Brianna Sacks (The Washington Post)

Los Angeles County, the most populated in the United States, has a paltry budget for its office that manages natural disasters, major emergencies and other hazards such as cyberattacks and earthquakes, according to documents obtained by The Washington Post.

Documents that include a fiscal year 2024 budget sheet show the **county's operating finances for its Office of Emergency Management is about \$15 million**. The budget for this office is not typically made public, nor is it widely shared among emergency management employees. The details have not previously been reported.

Of the office's budget, nearly **\$4 million comes from federal grants**. The office has 36 full-time positions, and about **\$9.2 million of the \$15 million goes to salaries and employee benefits**, according to the documents and a person familiar with the county's grants and emergency management operations. That leaves a fraction for other key functions, including its utilities and office expenses. The county's executive office, which oversees emergency management, is going through its budget allocations for this year, according to a person familiar with the process.

"L.A. County has no real emergency management budget," said an official familiar with the county's grants and emergency management operation who, like others in this story, spoke on the condition of anonymity because of fear of professional retaliation.

"Essentially all the systems and projects are funded through grants, but we have to pick and choose and piecemeal together what we can work on and with to stay within the constraints of that \$4 million."

For a county with nearly **10 million residents** who live across 4,100 square miles, emergency management experts said that the office's budget is shockingly low, especially when compared with similar major municipalities. For example, the emergency management budget for New York County, also known as Manhattan, sits at about \$88 million; the office in Illinois' Cook County, home to Chicago, had more than \$130 million in funding for fiscal year 2025.

And L.A. County is no stranger to catastrophes. It has declared **74 disasters over the past 20 years** and is barely recovering from the January firestorm that was one of the most destructive in state history. It often hosts major events, such as some World Cup matches in 2026 and the next Summer Olympics in 2028. The county's emergency management budget underlines growing concerns about whether officials can properly prepare for and respond to all-encompassing incidents while carrying out everyday functions.

Los Angeles County, like Cook County and many other communities across the country, gets a chunk of its emergency management money from federal grants that fund mitigation, preparedness and security initiatives. The office uses those funds to cover critical services such as some salaries; equipment; their alert, evacuation and situational awareness systems; community preparedness initiatives such as distributing weather radios to hard-to-reach communities; all the office's trainings and exercises, including

those for the Olympics; updates to its safety plans; and cybersecurity planning, according to the documents and a person familiar with the county's grants. As the Trump administration continues to consider possible changes to the Federal Emergency Management Administration and curb the kind of grant funding sent to states, that could even further shrink the county's resources at a time when climate change, population growth and the upcoming Olympics and World Cup are maxing out what county emergency managers can handle, according to three people familiar with disaster management in the county.

The city of Los Angeles, which has its own emergency management budget of about \$4.5 million, has also been struggling to obtain more funding, the Los Angeles Times reported in May.

Unlike other public safety agencies such as police and fire departments, most people don't understand what emergency management offices do, experts say. There is little public education or exposure to emergency managers and the role they play in protecting communities — and that can make it even harder to push for funding that's already in short supply.

L.A. County's sheriff office, for example, gets more than \$4 billion of the county's \$48.8 billion total budget at a time when many other agencies had to make significant cuts. After the wildfires, and a sweeping sexual assault scandal that led to a historic settlement, county officials recently had to trim millions to stay afloat.

"We have historically always been underfunded," said Soraya Sutherlin, a disaster management area coordinator for a part of L.A. County. "So many emergency managers pay for their own stuff out of pocket because there is no money. That is how it works. We get creative. I can't provide paper copies unless I am paying to print them. We continue to do a lot with less and less."

Sutherlin and seven other disaster coordinators are funded through federal emergency management grants, which the county gets from FEMA and then disburses. Over the past five years, those grants have been slashed by nearly 40 percent, she said, and the county has not been able to fill the gaps. This year, she said her Disaster Management Area C office — one of eight such offices in the county — does not have enough money to cover operating expenses.

After the historic January fires that killed at least 30 people and destroyed tens of thousands of homes and structures across the region, the county and city came under intense scrutiny for its failure to prepare and respond.

The budget document shows the county switched its alert systems this past fall, shifting from one notification system called CodeRED to another known as Genasys. According to a person familiar with the systems, the best practice for switching from one platform to another is to have both systems running concurrently for about a year to enable training and practice. At the time of the fires, there were only two employees trained to send the new system's AMBER-style wireless emergency alerts when the fires sparked, a person familiar with the alerts said.

In the chaos of the rapidly evolving fire, officials did not send those warnings to an entire subset of Altadena, where 17 people died, The Post has reported.

The county had other issues sending alerts during the firestorm, sparking an investigation, and struggled to properly disseminate information to the public. As the fires unfolded, the county did not immediately set up a joint information center, and the Office of Emergency Management had only one trained public information officer, who

then had to evacuate, said a person familiar with the emergency management operations. It took a few days for the county to find additional people to help that official field the slew of requests for information and to coordinate messaging, documents show.

Emergency management departments don't just respond to major natural disasters. These agencies are responsible for projects that reduce risks and threats of all kinds and prepare communities and people for a wide range of dangers, such as cyberattacks, terrorism, earthquakes and floods; lead the recovery after such catastrophic events; train volunteers that may become community responders; ensure underserved and vulnerable populations are accounted for and have evacuation plans; and more.

"Emergency management has a tremendous scope of responsibility, and it takes a lot of different people with different skill sets, knowledge and experience, especially for a place like L.A. County, to effectively do the job," said Samantha Montano, an emergency management expert. "That is where this capacity piece becomes important. There is no way to do all the mitigation, preparedness, response, recovery that a community needs on that kind of budget. It's not possible."

After the devastating 2018 Woolsey Fire, a scathing after-action report concluded that the county needed to give more power and coordination to its Office of Emergency Management. The office received slightly more funding and added a few more people to its roster, but it is still far from where it should be, experts said.

L.A. County's operating budget also reflects a growing concern that recent disasters across the U.S. have further brought to light: that counties and communities are ill-equipped to protect people. When hurricanes, wildfires and flash floods sweep through, they further illuminate how often residents are caught without warning and without the proper information and tools to help them safely evacuate or escape.

"This is why we see these disasters play out," said Montano, also a professor of emergency management at Massachusetts Maritime Academy. "It's always been the case for underfunding emergency management because there are so many things in a community you need to find money to cover, and officials will take that risk that no big disaster will happen in their time."

When catastrophic flash floods rushed through Kerr County in the Texas Hill Country on July 4, years of meeting minutes showed that its emergency management coordinator had repeatedly sounded the alarm that the county needed more robust warning infrastructure. But it also did not use the system it did have.

Similar problems plagued mountainous communities in North Carolina when Hurricane Helene pummeled the western parts of the state, and in Maui when grass fires sparked in August 2023.

A recent study from the National Preparedness Analytics Center, part of the Argonne National Laboratory, collected feedback from more than 1,600 state and local emergency management directors across the country. Those officials said their departments are barely able to function because of a lack of funding, staffing shortages and burnout. Many rural agencies have only one staff member. Losing federal grants, they said, would mean they'd lose what few people and services they do have.

If FEMA had to further winnow L.A. County's emergency management performance grant, Sutherlin's job would probably disappear, she said.

From: **Vijay Jeste** <jestevijay@gmail.com>

Date: Tue, Jul 15, 2025 at 6:12 PM

Subject: Wake-up call

To: James Light <james.light@redondo.org>

Dear Mr. Mayor,

I don't believe you know me, so let me introduce myself.

I am a resident of Redondo Beach (District 3), a U.S. citizen, and a retired executive with over 40 years of experience in a wide variety of industries. I was appointed to the Budget & Finance Commission by your predecessor. My term ends in September 2026.

I am writing this not as a commissioner, but as a resident, voter and taxpayer. I see dark clouds gathering over our city's future, and I'm deeply concerned by the lack of urgency in addressing this looming crisis.

Redondo Beach, after decades of relative financial stability, is now facing a structural revenue shortfall. It is a wake-up call demanding bold leadership and immediate action.

Yet, from what I observed and read in Easy Reader on June 26 about the city council's meeting, there seems to be a troubling preference for temporary fixes, such as dipping into pension reserves. It is distressing to note our representatives have adopted a "business as usual" attitude and passed the budget unanimously without making any serious efforts to balance the budget. Their wish list is long. But they need to understand that their wishful thinking, hope, optimism and baseless prediction of an improved economy do not generate revenues and pay for everything.

For years, our city has enjoyed a fairly stable economy and adequate revenues to balance the budget with minimum reserves. Even during the pandemic, money poured in from the state and federal government to soften the impact of the pandemic. We have not faced budget-busting calamities such as earthquakes, flooding, fires, riots, or landslides for decades. So the administration has been getting by with a "business as usual" attitude with little desire to prepare for a downturn, falling revenues or unplanned emergency. Each council member pushes for his/her constituents' wishes, demands, and needs. Balancing the budget is not a top priority for them.

In the meetings of our commission, I have noticed an attitude of complacency and resistance to change at every level. There is no effort to improve internal operations to make them more efficient and cost-effective.

In my view, five key areas demand immediate and decisive action:

1. Balance the budget - Under no circumstances should the city plan to spend more money than the revenues, and borrow funds from the reserves. It is irresponsible to dip into pension reserves instead of trimming the fat in the budget. Instead of spending reserves to pay for CIPs or salaries of new hires, we need to boost them so we are prepared to provide the city's services in a recessionary environment.

2. Capital Improvement Projects – There is no transparency or accountability for the CIPs that will cost the city well over \$94 million over the next five years. For over a year, I have been asking repeatedly for more data on the CIPs in our meetings, and every time this topic comes up for discussion, we face stiff resistance and pushback from Mike (City Manager), Finance Director and staff members from the Planning department.

3. Homelessness – What are the true costs, and what revenues are we receiving from grants or state taxes?

4. Housing Affordability – Replacing single-family homes with multi-unit structures enriches developers, but it doesn't lower housing costs. Cramming more units, especially in North Redondo, has added to traffic, pollution, crime, and deterioration of safety and public services.

5. Emergency Reserves – Our current reserves cover only one month of operations (8.3%). Some of the neighboring cities hold twice as much. We must act swiftly to strengthen our fiscal safety net.

Complacency is dangerous. California continues to lose high-income taxpayers to states like Texas and Florida. We can't afford to wait until crisis forces our hand. The time has come for a comprehensive overhaul of internal processes and to utilize new technology and AI tools to achieve significant savings. I know this won't be easy. Change never is, especially when it challenges the status quo. But without strong leadership from the top, starting with you and the Council, it will not happen.

As a mayor, you are the CEO of the city. Only you can put your foot down and not allow the budget to run into a deficit.

I lived in Fort Wayne, Indiana, for six years (2006-2012). During those years, I watched a business-savvy mayor dramatically transform the city operations using TQM (Total Quality Management), Lean/Six Sigma methodology, "Toyota Way" (continuous process improvement), and data-driven governance. I've attached an article describing the process in more detail for your reference.

Even today, Fort Wayne is ranked among this year's Top 10 best-run cities in America—proof that these strategies work. They deliver results: high-quality services, low debt, and financial resilience.

I speak from experience. I underwent extensive training in TQM and successfully implemented it in both the private and public sectors on three separate occasions. Every time we implemented the TQM philosophy and methodology, we got amazing results. These personal experiences made me a firm believer in it.

Complacency is what led to a stunning defeat of the candidate in the last presidential election. One candidate offered business as usual with minor tweaks, while the other promised a radical change. Now the new administration has launched a massive efficiency improvement program with a chainsaw-wielding technocrat and his staff. This initiative is likely to fail in the long term without achieving the savings they promised.

There is a better, more thoroughly tested and proven way to achieve the results through the use of TQM methodology and rigorous data collection & analysis. We now have the tools, thanks to AI, that will produce analyses in a matter of minutes instead of days or weeks. Unfortunately, nobody in the administration is either aware of it or interested, trained, and experienced in it. Only you can push for a change, just as the mayor of Fort Wayne did.

Sometimes, changing times demand changes in leadership. Corporate CEOs as well as leaders in the public sector such as mayors, governors or president who excelled over the last decade may find they are not well suited for the AI era, which will require bold vision, sense of urgency, willingness to take risks and make big bets, change of organizational structures, and lots of nimbleness in order to thrive or even survive. Seismic changes have already taken place in Washington D.C. and will likely happen in large cities such as New York, states like California and even at the city level.

The choice before us is clear:

- Face the unavoidable consequences of the status quo if or when the economy suffers a downturn, unpredictable catastrophic events strike the region, revenues decline, and you are compelled to take drastic measures, or
- Take positive, prompt, and decisive actions to employ the latest technology, process and efficiency improvement tools, and be ready to face any challenges as Fort Wayne has.

I am willing to help as much as I can, for as long as I live in Redondo Beach. But real change must come from leadership that is willing to challenge old assumptions, face uncomfortable truths, and take bold action.

Thank you again for your time and your service to our community.

Best regards,
Vijay Jeste

Email: jestevijay@gmail.com

From: **James Light** <james.light@redondo.org>

Date: Tue, Jul 22, 2025 at 6:26 PM

Subject: RE: Wake-up call

To: Vijay Jeste <jestevijay@gmail.com>

Thanks for your email. There is a lot to unpack here.

1) **Balance the budget.** I urged the council not to spend the discretionary funds, but they did not listen. It was a 5 – 0 vote so a veto would really serve no purpose. That said, I still would have supported some reserve spending due to the circumstances. We have projects we need to continue and a hopefully short term impact of visitor loss and the impacts of market fear on tariffs should not slow those projects down. If the deficit continues next year we will have to make some hard choices.

2) **Capital Improvement Projects.** I agree they are confusing. Some are funded by grants. Some are out of our budget. Some are deferred projects. I have recommended some improvements so they are more understandable, but so far no changes.

3) **Homelessness** – I have the same concern. Stephanie has agreed to work with Joy to build more tracking into the reporting systems. But for right now she has to focus on producing the ACFR.

4) **Totally agree on housing affordability.** I have a briefing I have given to the Governor's staff and am getting to our state representatives about how bad the housing mandates are impacting cities like Redondo. I was supposed to be meeting with the head of the Senate Housing Committee this week but the meeting is postponed due to the Senator's family emergency.

5) **Emergency reserves** – If the Commission agrees we should increase our emergency reserves, has it sent such advice to the Council. If so, I've never seen it. It is something we may be able to tackle at the midyear budget meeting.

VR

Jim Light

Mayor

310.989.3332

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