

**CITY OF REDONDO BEACH  
BUDGET & FINANCE COMMISSION AGENDA  
Thursday, August 13, 2020**

**THIS VIRTUAL MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY  
GOVERNOR NEWSOM ON MARCH 17, 2020.**

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

**ALL BUDGET AND FINANCE COMMISSIONERS ARE PARTICIPATING BY  
TELECONFERENCE/VIRTUAL MEETING. MEMBERS OF THE PUBLIC MAY  
ONLY PARTICIPATE BY ZOOM, eCOMMENT OR EMAIL**

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TO JOIN ZOOM MEETING (FOR PUBLIC COMMENT ONLY):

Register in advance for this meeting:

[https://us02web.zoom.us/webinar/register/WN\\_orDeKsMjQEuV4k\\_Z8ZM6qw](https://us02web.zoom.us/webinar/register/WN_orDeKsMjQEuV4k_Z8ZM6qw)

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:

- 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. Comments may be read out loud during the meeting.

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. Email [FinanceMail@redondo.org](mailto: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](#)**

### **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 13, 2020.](#)**

**CONTACT:** MARNI RUHLAND, FINANCE DIRECTOR

#### **F.2. [APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF JUNE 11, 2020 AND JULY 9, 2020.](#)**

**CONTACT:** MARNI RUHLAND, FINANCE DIRECTOR

#### **F.3. [RECEIVE AND FILE THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR THE REMAINDER OF 2020](#)**

**CONTACT:** MARNI RUHLAND, 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.*

#### **H.1. [For eComments and Emails Received from the Public](#)**

### **I. ITEMS CONTINUED FROM PREVIOUS AGENDAS**

### **J. ITEMS FOR DISCUSSION PRIOR TO ACTION**

#### **J.1. [CONSIDERATION OF SALARY ADJUSTMENTS FOR MAYOR, CITY COUNCIL AND CITY ATTORNEY IN ADVANCE OF MARCH 2021 ELECTION](#)**

**CONTACT:** DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES

**J.2.** [CITY TREASURER'S QUARTER 4 FISCAL YEAR 2019-2020 REPORT](#)

**CONTACT:** STEVEN DIELS, CITY TREASURER

**J.3.** [DISCUSSION AND POSSIBLE ACTION REGARDING THE IMPLEMENTATION OF INTERNAL CONTROL MEASURES](#)

**CONTACT:** MARNI RUHLAND, FINANCE DIRECTOR

**J.4.** [DISCUSSION AND POSSIBLE ACTION REGARDING CALPERS AND WORKERS' COMPENSATION SUBCOMMITTEE REPORT](#)

**CONTACT:** MARNI RUHLAND, FINANCE DIRECTOR

**J.5.** [DISCUSSION AND POSSIBLE ACTION REGARDING COMMISSIONER EXPERIENCE BIOGRAPHIES](#)

**CONTACT:** MARNI RUHLAND, FINANCE DIRECTOR

**K. MEMBER ITEMS AND REFERRALS TO STAFF**

**L. ADJOURNMENT**

*The next meeting of the Redondo Beach Budget and Finance Commission will be a regular meeting to be held at 6:30 p.m. on September 10, 2020, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California via teleconference.*



# Administrative Report

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E.1., File # BF20-1239

Meeting Date: 8/13/2020

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**TITLE**

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





# Administrative Report

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F.1., File # BF20-1237

Meeting Date: 8/13/2020

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**TITLE**

APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE  
COMMISSION MEETING OF AUGUST 13, 2020.

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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 ✓ City Hall Bulletin Board, Door "4"
Meeting Date & Time	August 13, 2020   6:30 p.m.

As the Finance Director 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.

*Marni Ruhland, Finance Director  
 Budget and Finance Commission*

Date: August 10, 2020



# Administrative Report

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F.2., File # BF20-1238

Meeting Date: 8/13/2020

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**TITLE**

APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETINGS OF JUNE 11, 2020 AND JULY 9, 2020.

## **OPENING SESSION**

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

## **ROLL CALL**

Commissioners Present: Chun, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
Commissioners Absent: Conroy  
Officials Present: Mike Witzansky, Assistant City Manager  
Marni Ruhland, Finance Director  
Eleanor Manzano, City Clerk

## **SALUTE TO THE FLAG**

Chair Solomon led the Commissioners in a Salute to the Flag.

## **APPROVAL OF ORDER OF AGENDA**

Motion by Commissioner Woodham, seconded by Commissioner Samples, to approve the Order of Agenda as presented. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy

## **BLUE FOLDER ITEMS**

Motion by Commissioner Chun, seconded by Commissioner Woodham, to receive and file the FY 2020-2021 Budget Response Reports. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy

## **CONSENT CALENDAR**

**F.1. APPROVAL OF AFFIDAVIT OF POSTING** for the Regular Budget and Finance Commission Meeting of June 11, 2020.

**F.2. APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF MARCH 12, 2020.**

Motion by Commissioner Woodham, seconded by Commissioner Chun, to approve items F.1 and F.2. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy

**EXCLUDED CONSENT CALENDAR – NONE**

**PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – NONE**

**ITEMS CONTINUED FROM PREVIOUS AGENDAS (OLD BUSINESS) - NONE**

**ITEMS FOR DISCUSSION PRIOR TO ACTION (NEW BUSINESS)**

**J.1. DISCUSSION AND POSSIBLE ACTION REGARDING THE FISCAL YEAR 2020-2021 CITY MANAGER'S PROPOSED BUDGET AND THE FISCAL YEAR 2020-2025 CITY MANAGER'S PROPOSED FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM.**

Assistant City Manager Witzansky provided the following report:

- CIP Evaluation Criteria
- Why the CIP is Important
- FY 19-20 CIP Accomplishments
  - Projects Completed - 17
  - Projects Designed/In Construction - 14
- FY 19-20 CIP Carryover Funding - \$46,282,382
- FY 20-21 Recommended CIP (New) Funding - \$11,669,314

In response to Chair Solomon regarding the skatepark, Assistant City Manager Witzansky said the money is still in the carryover and they are looking at smaller amenity options.

In response to Chair Solomon regarding the gun range, Assistant City Manager Witzansky said the \$300,000 would include the pre-environmental, environmental design, and the plans and specifications development. He explained the site would be cleaned, and the modular units would be placed on a fresh pad.

In response to Commissioner Chun regarding additional alternatives for balancing the FY 20-21 budget, Finance Director Ruhland said everything has been presented already, the recommended are in the decision packages and Budget Response Report #3 identifies alternatives.

Commissioner Chun asked if ongoing revenue at RBPAC is approximately \$500,000 or less for the next three fiscal years if there would be consideration of not renewing, signing any new leases and allowing the facility to close due to high operating costs. Finance Director Ruhland replied that RBPAC is one activity that does not make money, and City Council makes the decision whether or not to subsidize RBPAC in order to have the cultural entertainment venue. She said a financial summary is provided to City Council for them to see the amount of the subsidy.

In response to Commissioner Chun regarding the current booking rate in number of days for 2020-21, Finance Director Ruhland said Budget Response Report #4 provides the bookings and events scheduled for RBPAC.

Commissioner Chun expressed concern regarding the ongoing deficit of the RBPAC.

Chair Solomon provided a question regarding analyzing services that could be contracted out, such as plan check. Finance Director Ruhland said currently, and for the last several years, the Community Development Department has been using both in-house and contract staff. She said the in-house staff provides the customer service that the public desires and contract staff is used when the workload is larger than the minimum staffing can handle.

Finance Director Ruhland said contract staff is also used in conjunction with Public Works staff for custodial services.

Chair Solomon asked if department heads are empowered to secure professional services, or if it needs to go out for an RFP. Assistant City Manager Witzansky replied that it depends on the circumstance, for example, when the addition of enhanced landscaping was added at the Pier, a specialty landscaper was hired to help with the supplemental maintenance effort.

Assistant City Manager Witzansky added that previously, street sweeping was provided by Public Works personnel, however, with the most recent contract amendment and extension, the service was transitioned to Athens, which freed up employees to work on storm water maintenance obligations.

In response to Chair Solomon regarding what happened to the \$24,000 funding for Part II of the fire study that was not spent on the study, Finance Director Ruhland said it was part of the year-end savings.

In response to Chair Solomon regarding money that was remaining for the Storefront Improvement program, Finance Director Ruhland said if the grants were made, but the check not written by year-end for the reimbursement, the funding was set aside in a Purchase Order which will carry over to the new fiscal year.

In response to Chair Solomon regarding the position of the Firefighter's union on planned cuts and changes, Assistant City Manager Witzansky replied that active conversations are currently taking place.

In response to Chair Solomon regarding the Joe's Crab Shack's lease, Finance Director Ruhland said the revenue estimates considers Joe's as occupied.

In response to Chair Solomon regarding absorbing losses in the Harbor Tidelands and Harbor Uplands Funds for one year and not reducing staff on the Harbor Patrol boat, Assistant City Manager Witzansky said it would be possible to absorb losses in the Harbor Tidelands Fund for the year, however, the Harbor Uplands Fund is much more constrained and far less flexible.

In response to Chair Solomon regarding the \$10 million negative balance in the Self-Insurance Program Fund, Finance Director Ruhland said a Budget Response Report will be provided to the City Council and forwarded to the Commissioners.

In response to Chair Solomon regarding grants to the City being rescinded or downsized, Finance Director Ruhland said Budget Response Report #5 addresses the likelihood of the transit funds being reduced, however, the magnitude is currently unknown.

In response to Chair Solomon regarding the over-time expenses related to the Fire Department rather than counting on the unfilled positions to fund the expense, Finance Director Ruhland said unless a position is deauthorized or defunded the intent is to fill the vacancy.

In response to Chair Solomon regarding asking the Fire union for concessions, Assistant City Manager Witzansky replied that he is optimistic that an agreement will be made with the association.

Commissioner Samples noted that there are three budget items on the list that effectively impact the service that the Fire Department could provide to the City – the removal of one person from the fire truck, moving a Fire Captain and a Fire Engineer onto a rescue unit, which is not capable of fighting fires, and redeploying two personnel out of the Harbor. He expressed concern and said he is not happy with the Budget Response Report and its recommendations.

Assistant City Manager Witzansky said the Decision Package reflects only the changes in the Harbor Patrol, and the recommended change in the ladder truck servicing and staffing. He said the engine conversion and rescue is an alternative concept that is not in the recommended budget.

Commissioner Samples said there are standards for how many people and pieces of apparatuses it would take to fight a particular fire, and with the current staffing, if there is a residential fire in the city and other cities are not available to help, every piece of apparatus will be on the fire with the exception of one rescue. He said that the City's response plan depends on and requires mutual aid from other departments, and there is a problem with the way the department is being managed.

In response to the question regarding the 39,000 hours in the Fire Department expected in the next fiscal year versus last fiscal year, Finance Director Ruhland explained that a Budget Response Report will be prepared that reflects the correction to the document. She said the budget document currently shows line personnel working a regular shift of 2,080 hours, rather than the 2,912 hours they actually work.

In response to the question of suspending payment into an ISF, Finance Director Ruhland said the recommendation is for no IT equipment fund charges to departments for one year, and 50% vehicle replacement fund charges for two years.

In response to the suggestion to reduce hours of operation for the Police marine enforcement unit rather than the Harbor Patrol operations, Finance Director Ruhland said two Budget Response Reports are being written which address the Harbor Patrol and the activity that the Police marine enforcement unit has seen.

Chief Deputy City Clerk Kroneberger relayed the following eComments:

Greg Ronkainen strongly opposed any cuts to the Harbor Patrol that are not in line with other departments because there is a life safety issue that would cause a liability to the City.

Marci Klein opposed any cuts to the Harbor Patrol because as a stand-up paddler and boater the Harbor Patrol is depended on to keep people safe on the water.

Kaycee Coonen opposed any cuts to the Harbor Patrol, as they further safety on the water.

Norm Thorn opposed any cuts to the Harbor Patrol, as cuts could harm public safety on the water, and cuts could make the City look bad to the Coastal Commission when proposing any future changes due to the failure of the City to support the harbor now.

Joel Shafer said he is an avid boater, and strongly opposes any cuts or reductions to the Harbor Patrol budget. He said they provide a much-needed public safety and cuts could open the City to liability and potential lawsuits.

Steve Davis strongly opposed any reduction in Harbor Patrol staffing, as they provide a vital service to boaters, keeping the harbor safe and secure. He suggested eliminating the Police patrol, as they have been an unwelcome addition to the harbor.

Steve Feckner is opposed to eliminating the Harbor Patrol, as they are an essential part of the safety and security of the harbor.

Commissioner Johnson said he is sympathetic to the seven comments made regarding the Harbor Patrol and agreed that a boater or a swimmer in trouble is something that should be avoided.

Chair Solomon asked if the Commission would be willing to recommend that City Council not down staff the Harbor Patrol and absorb the cost as a deficit to the Harbor Tidelands Fund for the year, recommend a cut elsewhere, or offer another suggestion to account for the difference in Decision Package #29 which would save \$543,742.

Chair Solomon confirmed that it is possible to deficit spend that amount for one year in the Harbor Tidelands Fund without restriction by a regulator such as the State Lands Commission, if that were the City Council's choice. Assistant City Manager Witzansky stated that is an option, rather than accepting Decision Package #29.

Commissioner Woodham expressed concern for the safety of people due to the lack of adequate staff. He said in addition to the public safety issue, he thinks it would be a liability for the City.

In response to Chair Solomon regarding other agencies that could help cover if the City were dark for a period of time, Assistant City Manager Witzansky said that option would have to be formally explored. He explained that the County lifeguards that also operate out of Station 3 are solely responsible for services outside the breakwater, the City is responsible for services inside the harbor.

Commissioner Samples noted that part of the problem with Station 3 and Harbor Patrol is that historically, the Fire boat was unmanned except if there was a fire, and Fire Station 1 would go to the harbor and man the Fire boat. He said an expectation and level of service has been created in the harbor, and trying to remove it would be difficult without an alternative plan in place.

Chair Solomon said he believes there is a consensus from the public and the Commissioners to not recommend Decision Package #29.

Commissioner Woodham said if deficit spending is the only way to do it, he thinks it should be recommended.

Chair Solomon clarified it would be a one-time solution while the pandemic unfolds. He asked that Finance Director Ruhland include in the Commission's response to the City Council the recommendation to not adopt Decision Package #29 and to absorb the amount as a deficit spend in the Harbor Tidelands Fund for one-year.

Commissioner Samples said he does not believe the Commission should earmark where the funds come from, but leave the decision to the City Council, City Manager and Finance.

Commissioner Chun said if they received additional statistical data it would assist in making a more informed decision in terms of the analysis. He suggested not adopting the Decision Package and leaving it up to City Council and staff to decide how to make up the deficit.

Commissioner Chun added that safety includes Harbor Patrol, Police and Fire, and other first responders. He said it is challenging because of the MOUs and the residents' safety.

Assistant City Manager Witzansky noted that there is a \$2 million deficit in the Harbor Tidelands Fund this year, and the Harbor Patrol operations are roughly a \$2 million per year expense.

Chair Solomon asked if the Commission would like to discuss Decision Package #15 which would request a modification to reduce staffing on a ladder truck.



Commissioner Samples recommended against Decision Package #15.

Commissioner Johnson clarified that the Decision Package retains as vacant five positions and removes the one position that Commissioner Samples objects to.

Assistant City Manager Witzansky explained that with the ladder truck, there is a constant staffing requirement in the aggregate of 19; four are dedicated to the ladder truck, which consists of a Fire Captain, a Fire Engineer and two Firefighter positions. He said the Firefighter positions are vacant, however, the positions have to be filled, so on an operations basis the positions are being filled by Firefighter/Paramedics on an over-time basis. He explained the way to effectuate the savings, is by the meet and confer process, where the City no longer has the obligation to fill both of the Firefighter positions, which in practice, due to the vacancies, is via a Firefighter/Paramedic. He said the worry becomes, absent the minimum staffing adjustment, a bit of burnout because the Firefight/Paramedics are working their regular shifts, and backfilling the vacant Firefighter positions on an over-time basis. He said if the constant staffing obligation is reduced, only one of the two vacant Firefighter spots would need to be filled. He said it takes six Firefighters to fully staff the two Firefighters on the ladder on a 24/7 basis.

Chair Solomon asked if they could recommend the deauthorization of the Administrative Specialist position, without changing the other components of the decision package item. Finance Director Ruhland said they could make that recommendation.

Commissioner Nguyen asked about the Seaside Lagoon, in Decision Package #31. Assistant City Manager Witzansky said the anticipation that small group gatherings and small camp activities would be allowed towards the tail end of the summer. He explained the fixed costs for full-time personnel that are in part assigned to the Lagoon, in maintenance and Recreation and are continuing to draw against the budget.

In response to Commissioner Nguyen regarding Decision Package #14, which recommends decommissioning three vacant Police Officer positions, Assistant City Manager Witzansky said it is not desired, but acceptable to the association. He said they are able to hire, operate and meet traditional staffing compliments with a number that is less than the full-time equivalent budgeted figure. He said by eliminating long term disability or injured Police Officers who cannot report to work, or by way of aggressive recruitment and hiring practices, there are more healthy Police Officers than ever before even with three deauthorizations.

Chair Solomon addressed the ongoing reduction of \$100,000 for Decision Package #25, the Moss Adams internal services contract, and recommended a one-time reduction because staff is currently working on implementing several recommendations. He said he would like to communicate to the City Council that it is an important program and worthwhile to pursue and re-visit in a year. Assistant City Manager Witzansky said for the fiscal year 21-22 budget, a subsequent action would need to be taken.

City Treasurer Diels said it is consistent with the intent of the recommendation that it is a suspension, rather than a cancellation.

In response to Chair Solomon regarding Decision Package #19, the auditing service recommended for the Harbor, Assistant City Manager Witzansky said a contract provider looks at the payment history of various master leases, checking to be sure their books and payments agree with the lease terms. He said it would be a suspension of the contract funding available for paying that service.

Chair Solomon noted that one of Moss Adams' observations was perhaps auditing of third-party vendors was not the City's strongest suit and they wanted to try to clean that up. Assistant City Manager Witzansky replied that it

tends to identify items such as lease misclassifications, or descriptions for the sub-lessee revenue that they accrue, percentage rents marked one way, which should be marked another way.

In response to Chair Solomon regarding Decision Package #23 which recommends that Commissions meet every other month with the exception of the Harbor and Planning Commissions, Finance Director Ruhland said they would adjust the Budget & Finance schedule, to meet six times a year, coinciding with the reports they review and input they provide related to the budget.

Chair Solomon said at a time of financial upheaval, significant debt and reduction in revenues, he thinks the Commission should meet on a monthly basis.

Commissioner Woodham agreed that twelve meetings a year is reasonable considering all the issues the City is facing, and is likely to be facing. He said as a taxpayer and a citizen, he would like to see them meet.

Commissioner Samples said based on the calendar, he would be willing to cut out one or two meetings per year, however, he thinks the Commission should meet regularly.

Commissioner Chun, Commissioner Johnson, and Commissioner Nguyen agreed that the Budget & Finance Commission should be considered to be included with the Planning and Harbor Commissions.

On behalf of the Commission, Chair Solomon asked that the recommendation made to City Council in regards to Decision Package #23 include that the Budget & Finance Commission continue to meet on a monthly basis. He said the other Commissions could meet as recommended in the Decision Package.

In response to Chair Solomon regarding the Vehicle Replacement Schedule in Decision Package #44, Assistant City Manager Witzansky suggested something may have been lost in translation at the Harbor Commission meeting. He said the Harbor Commission's recommendation is exactly what the Decision Package proposes to do, which is taking what would otherwise be a one-year deferral of allocation to the vehicle fund and splitting it into two payments and two years of savings, for this fiscal year, and 21-22.

On behalf of the Commission, Chair Solomon recommended adoption of Decision Package #44 and to emphasize the Commission's feelings of importance for the item, to City Council.

City Clerk Manzano read the e-comment from Mark Hanson regarding Decision Package #24, the elimination of special event fee waivers. He said the Harbor Commission agreed with the recommendation, however, making it a one-time rather than ongoing action, allowing for an event-by-event review of the decision should revenues rebound more than anticipated and excluding the Christmas boat parade from the decision package. He said the boat parade has traditionally received a blanket waiver of fees, up to \$2,000. He suggested the Budget and Finance Commission consider a similar recommendation to City Council.

In response to Chair Solomon regarding signature events, Assistant City Manager Witzansky said historically dollar amounts were not always placed by event; more recently a Budget Response Report assigned specific not-to-exceed amounts. He said this would effectively cease any contributions to special events for the fiscal year.

Chair Solomon requested the adoption of Decision Package #24, the one-time elimination of special event fees, and suggested re-visiting fee waivers in subsequent years.

Chair Solomon requested that City Council adopt Decision Package #44.

In response to Chair Solomon regarding clarification on Decision Package #8, the reduction of additional staffing, City Clerk Manzano said she defunded a position, reduced part-time hours, training, postage and office supplies to meet the 15% cut.

Commissioner Chun noted that it is going to be challenging for a minimum of two years.

Commissioner Samples suggested recommending City Council accept the Decision Packages on the condition that immediately after July 1, a task force is formed to continuously monitor the budget and ensure changes are made as they occur. He said he would like to see a real time organization that could make recommendations back to City Council.

Assistant City Manager Witzansky said the Commission is structurally in the best position to help with the oversight, rather than forming a separate task force. He said they could suggest to City Council that a review comes back to the Commission after the first quarter, with a review of current status and how they are performing.

Assistant City Manager Witzansky added that the Commission could request staff work with them on a first quarter review with a revenue and performance status, rather than waiting until midyear for a first review.

Chair Solomon suggested staff bring a mile marker to show the Commission where they are so recommendations for modifications could be made at that point. Finance Director Ruhland said they will be doing that internally, therefore, the information could be provided.

Commissioner Johnson left the meeting at 9:33 p.m.

On behalf of the Commission, Chair Solomon said the Commission has further questions related to Decision Package #15, and asked that City Council review the item with greater scrutiny.

Finance Director Ruhland asked if they are referring to the entire package, or specifically the Firefighter positions. Chair Solomon said it is mostly about the Firefighter positions.

Finance Director Ruhland confirmed that a Budget Response Report will be provided with the recommendations and suggestions to City Council.

Motion by Commissioner Woodham, seconded by Commissioner Chun to receive and file the budget and the Capital Improvement budget along with the noted recommendations. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Nguyen, Samples, Woodham, Chair Solomon

NOES: None

ABSENT: Conroy, Johnson

## **J.2. DISCUSSION AND POSSIBLE ACTION REGARDING FORMATION OF A SUB-COMMITTEE TO REVIEW THE CITY'S CALPERS LIABILITIES.**

Finance Director Ruhland said if they wanted to form a sub-committee it would need to be two or three members to be less than a quorum and for a limited duration of time.

Commissioner Chun said he does not think there needs to be another committee because the liabilities are set by contract. He said the only way to take down the liabilities is to pay it down the way it has been done every year, basically advanced funding. He said it is staff based, based on retirements and contracts.

Chair Solomon said he wanted the sub-committee to go out and investigate whether there have been any changes in the industry and if companies are available that help organizations find ways to mitigate the expenses.

Commissioner Samples said he believes it is a good idea. He noted that Chief Kauffman was in a video webinar and eluded to the success of reducing costs in the Police Department by hiring younger personnel which affects CalPERS and workers' compensation costs. He said it appears there are ways to deal with this without just throwing money at the unfunded liability.

Commissioner Woodham said he thinks the severity of the increases in costs over the next ten or eleven years should be publicized because he believes people are not aware of it. He said expenses need to be reduced, or revenues increased. He said it needs to be focused on, whether during the meetings or with a sub-committee.

Commissioner Chun said two ways to handle pension plans are to hire younger staff, especially in Fire and Police, or discontinue offering pension plans to future employees, which would not go well.

Commissioner Chun asked Finance Director Ruhland how competitive the City would be if new staff hired, excluding Fire and Police, offered a matching defined contribution plan only. Finance Director Ruhland said with the younger generation, she is not sure how much they look towards their retirement plan versus only looking at their salary right now.

In response to Chair Solomon regarding the limited duration of a sub-committee, City Clerk Manzano said it is usually less than a year.

Chair Solomon asked if there are two or three Commissioners that are willing to dedicate some time to explore this over the next six months, bringing back the results of a deep dive to the Commission.

Commissioner Woodham said he would be interested in being involved in it.

Commissioner Samples noted that it is agendaized as CalPERS, and asked if it could be expanded to include workers' compensation as well. Chair Solomon said it could be voted on now, or continued to a time when Commissioner Johnson is present.

Chair Solomon said he would volunteer his time, however, he would like to include Commissioner Johnson and have everyone make the decision together. He suggested continuing the discussion to a meeting when all seven members are present.

Motion by Commissioner Samples, seconded by Chair Solomon, to continue the item to the next meeting and amend it to include a discussion on whether workers' compensation should be included in the purview of the sub-committee.

AYES: Chun, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy, Johnson

## **IX. MEMBER ITEMS AND REFERRALS TO STAFF - NONE**

## **ADJOURNMENT OF BUDGET & FINANCE COMMISSION – 9:57 P.M.**

There being no further business to come before the Commission, Commissioner Nguyen moved, seconded by Commissioner Chun, to adjourn the meeting at 9:57 p.m., to a Regular Meeting to be held at 6:30 p.m., on July 9, 2020, in the Redondo Beach Council Chambers at 415 Diamond Street, Redondo Beach, California. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy, Johnson

Respectfully submitted,

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Marni Ruhland  
Finance Director

## **OPENING SESSION**

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

## **ROLL CALL**

Commissioners Present: Chun, Conroy (arrived 6:42), Johnson, Nguyen (arrived 6:46), Samples, Woodham, Chair Solomon  
Commissioners Absent: None  
Officials Present: Marni Ruhland, Finance Director  
Vickie Kroneberger, Chief Deputy City Clerk

## **SALUTE TO THE FLAG**

Chair Solomon led the Commissioners in a Salute to the Flag.

## **APPROVAL OF ORDER OF AGENDA**

Motion by Commissioner Woodham, seconded by Commissioner Chun, to approve the Order of Agenda as presented. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy, Nguyen

## **BLUE FOLDER ITEMS - NONE**

## **CONSENT CALENDAR**

### **F.1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Budget and Finance Commission Meeting of July 9, 2020.**

Motion by Commissioner Woodham, seconded by Commissioner Chun, to approve item F.1. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy, Nguyen

### **F.2. APPROVAL OF THE MINUTES FROM THE SPECIAL BUDGET AND FINANCE COMMISSION MEETING OF MAY 28, 2020.**

Motion by Commissioner Johnson, seconded by Commissioner Woodham, to approve item F.2. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Johnson, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: Conroy, Nguyen

**EXCLUDED CONSENT CALENDAR – NONE**

**PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – NONE**

**ITEMS CONTINUED FROM PREVIOUS AGENDAS (OLD BUSINESS)**

**I.1. DISCUSSION AND POSSIBLE ACTION REGARDING FORMATION OF A SUBCOMMITTEE TO REVIEW THE CITY'S CALPERS LIABILITIES WITH THE POSSIBILITY OF ADDING A REVIEW OF THE CITY'S WORKERS' COMPENSATION COSTS.**

Finance Director Ruhland said to avoid Brown Act requirements the subcommittee must be less than a four member quorum with a duration of less than one year. She said the goal tonight would be to select members, direct a scope of work, decide if it would include Workers' Compensation, and pick a duration of time.

Chair Solomon said he had wanted to bring the item back to a meeting when Commissioner Johnson would be present. He also acknowledged Commissioner Chun's comments from the last meeting in which he stated the CalPERS obligations are what they are going to be, and not much can be done to modify, change, or influence the obligation.

Chair Solomon said part of their ability as a Commission is to study different sources of revenue and make recommendations to City Council. He encouraged the Commission to consider creating an ad hoc committee for a period of nine months, comprised of three members to examine the CalPERS liability and alternative sources of funding or financing to meet those responsibilities. He said they would bring the report to the Commission and then to City Council.

(Commissioner Conroy joined the meeting at 6:42 p.m.)

Commissioner Chun noted that the majority of small municipalities that have issues with CalPERS liabilities have cut back services down to the skeleton. He said it is too hard to negotiate with contracted union employees, and changing union contracts is very difficult.

Commissioner Chun added that he is unable to join the subcommittee as his term is up this year.

Commissioner Samples noted that the Police Chief spoke about managing CalPERS exposure and Workers' Compensation exposure with hiring practices, methodology and staffing. Commissioner Samples asked if those best practices could be applied to other areas in the city without laying people off.

(Commissioner Nguyen joined the meeting at 6:46 p.m.)

Commissioner Johnson noted that the landscape has changed and he anticipates a gigantic turmoil coming in the pension system. He expressed the concern of starting a subcommittee, expending a lot of effort, only to find that they are talking to themselves when delivering the report.

Commissioner Woodham said he does not sense that City Council is acutely aware of this issue. He said expenses are going to increase substantially in the next 10-11 years and assuming the budget is as efficient as possible now, the increase will be difficult to deal with. He thinks it is a significant issue to be discussed by the Commission, either during regular meetings, or as a subcommittee.

Commissioner Samples noted the benefit of having a core group looking into this, preparing materials for the Commission without overly burdening staff. He said there are discussions that are conducted in closed door sessions,

some involving the unions, and asked if they will have access to that information, so they can make reasonable comments and provide reasonable thoughts back to the Commission.

Finance Director Ruhland said items discussed in closed sessions will not be available to the subcommittee.

Chair Solomon said once the agreements are made with the unions, the information is publicly available in the City Council agenda for approval.

Commissioner Johnson said he believes it is not going to be better next year, tourism will be down, and a lot of revenue sources will remain low. He said he has no objection to forming a subcommittee to work on this, however, he does not have the bandwidth to join the group at this time.

Commissioner Conroy said it is a two-pronged issue; reduced revenues, with increasing pension costs that will grow each year until its untenable. He said it requires all the research that people can contribute because it is the largest issue affecting the budget in current and future years. He said he is very interested in joining the group and hopes there will be a receptive audience.

Commissioner Chun suggested increasing revenue by re-doing the Waterfront and South Bay Galleria, cutting the red tape, allowing it to be built within reason, and considering cutting services that continue to run at a loss, at least for a few years. He said theoretically it is relatively simple, but there is not a lot of political will to tackle it from revenues, or cost cuts. In addition, Commissioner Chun suggested having a 401(k) plan for new hires rather than unionized employees.

Commissioner Conroy agreed that it will take a lot of effort and suggested including specific items on the ballot to have the citizens weigh in on cuts, and sacred cows.

Chair Solomon said City Council could put an advisory vote on the ballot with items they think are necessary, asking for the public to weigh in.

Chair Solomon said he is willing to volunteer his time to be part of the subcommittee.

Commissioner Woodham said he would be willing to volunteer his time.

Commissioner Woodham said it would be helpful to have the background of the Commissioners. He asked if they could exchange a short, one paragraph bio of experience at the next meeting.

Finance Director Ruhland said they could verbally present that at a meeting.

Chair Solomon said nine months would end around March or April.

Commissioner Samples said the subcommittee could bring monthly reports and suggested running it through June 30, 2021.

Chair Solomon said the subcommittee could be scheduled through fiscal 20-21.

Finance Director Ruhland said time permitting, monthly reports could be added to the agenda.

Motion by Chair Solomon, seconded by Commissioner Woodham, to create a subcommittee of three members that will participate in discussing CalPERS, alternative funding sources, and Workers' Compensation costs, for a period not-to-exceed June 30, 2021.



In response to Commissioner Conroy, Chair Solomon confirmed that the three Commissioners being considered for the subcommittee are Commissioner Conroy, Commissioner Woodham and Chair Solomon.

Motion carried unanimously, with the following roll call vote:

AYES: Chun, Conroy, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
NOES: None  
ABSENT: None

#### **ITEMS FOR DISCUSSION PRIOR TO ACTION (NEW BUSINESS)**

##### **J.1. DISCUSSION AND POSSIBLE ACTION REGARDING THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR THE REMAINDER OF 2020**

Finance Director Ruhland referenced the calendar for the remaining meetings for calendar year 2020, along with tentative topics of discussion. She said the topics include regularly scheduled items, referrals to the Commission from City Council, and referrals to staff.

- Referral to staff regarding expiring contracts – a list of upcoming expiring contracts will be distributed to the Commissioners outside of the agenda process.
- Vehicle Lifecycle Policy will be included in the mid-year report, with an anticipated date of February 2021.
- Subcommittee report will be included on the agenda each month.
- The calendar will be included as a consent item on the agenda each month.

In response to Chair Solomon regarding the request from City Council to report back to them on Workers' Compensation, Finance Director Ruhland said because Workers' Compensation is part of the self-insurance program fund and the City Council wants a report back from the Commission on that, it could be included in there.

Motion by Commissioner Samples, seconded by Commissioner Conroy, to approve the calendar as presented. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Conroy, Johnson, Nguyen, Samples, Chair Solomon  
NOES: None  
ABSENT: Woodham

##### **J.2. DISCUSSION AND POSSIBLE ACTION REGARDING FY 2020-21 BUDGET ADOPTION**

Finance Director Ruhland provided a report on the City Council adopted budget:

- BRR #1A, #1B, #1C Corrections
- Vacant Positions – One Year vs. Ongoing
- Mayor/City Council Reduction – One Year vs. Ongoing
- General Pre-Litigation Matters (\$150,000)
- Library Materials (\$46,848)
- Library Hours Change
- Senior Park Caretaker & Public Works Maintenance Supervisor (\$230,018)
- Monthly Budget & Finance Commission Meetings (\$3,600)
- Special Event Fee Waivers – One Year vs. Ongoing
- Internal Audit Services – One Year vs. Ongoing
- Part-Time Falconer Services (\$57,000)
- Four Pier Area Part-Time Positions (\$40,000)

- No Harbor Patrol Staffing Change (\$543,742)
- Powerplant Property Matter Legal Services – Open Space Acquisition Fund
- RCC Dispatch Feasibility Study Phase 2 (\$25,000)
- Major Facilities Reconstruction Fund Transfer (\$280,466)
- Directions to Staff
  - Budget & Finance Commission Self-Insurance Program Fund Review/Analysis
  - Vehicle Lifecycle Policy – Mid-year
- General Fund in balance
- General Fund Appropriations
- General Fund Transfers
- Harbor Tidelands
- Harbor Uplands
- Budget is available on OpenGov

Commissioner Woodham re-joined the meeting at 7:33 p.m.

In response to Commissioner Conroy regarding the costs for the Budget & Finance Commission meetings, Finance Director Ruhland said the costs are for the Minutes Secretary and video recording services.

Motion by Commissioner Johnson, seconded by Commissioner Conroy, to receive and file the report. Motion carried unanimously with the following roll call vote:

AYES: Chun, Conroy, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
 NOES: None  
 ABSENT: None

**IX. MEMBER ITEMS AND REFERRALS TO STAFF - NONE**

**ADJOURNMENT OF BUDGET & FINANCE COMMISSION – 7:50 P.M.**

There being no further business to come before the Commission, Commissioner Conroy moved to adjourn the meeting at 7:50 p.m., to a Regular Meeting to be held at 6:30 p.m., on August 13, 2020, in the Redondo Beach Council Chambers at 415 Diamond Street, Redondo Beach, California. Motion carried unanimously, with the following roll call vote:

AYES: Chun, Conroy, Johnson, Nguyen, Samples, Woodham, Chair Solomon  
 NOES: None  
 ABSENT: None

Respectfully submitted,

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Marni Ruhland  
 Finance Director



# Administrative Report

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F.3., File # BF20-1234

Meeting Date: 8/13/2020

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**To: BUDGET AND FINANCE COMMISSION**  
**From: MARNI RUHLAND, FINANCE DIRECTOR**

## **TITLE**

RECEIVE AND FILE THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR THE REMAINDER OF 2020

## **EXECUTIVE SUMMARY**

Attached is a tentative 2020 calendar for the Budget and Finance Commission that lists the major topics to be discussed each month.

## **BACKGROUND**

With the recent City Council direction for the Budget and Finance Commission to meet monthly, staff has prepared the attached tentative 2020 calendar. The major topics to be discussed each month include the outstanding referrals to staff made by both the City Council and the Commission.

Updates to the calendar are monthly subcommittee reports, the August 13, 2020 Commissioner biographies item, and the November 12, 2020 internal controls update.

## **COORDINATION**

To keep the Commission abreast of the outstanding referral items, this calendar is now included on all Budget and Finance Commission agendas with updates as needed. However, it should be noted that with the FY 2020-21 budget's deauthorization of two positions in the Financial Services Department (Administrative Analyst and Office Specialist III), staff time available for additional Commission referrals will be limited as the Department strives to just complete the work required for its day-to-day operations. There may be times additional referrals will have to be declined.

## **FISCAL IMPACT**

None.

## **ATTACHMENTS**

Tentative 2020 Calendar



# Administrative Report

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F.3., File # BF20-1234

Meeting Date: 8/13/2020

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**To:** BUDGET AND FINANCE COMMISSION  
**From:** MARNI RUHLAND, FINANCE DIRECTOR

## **TITLE**

RECEIVE AND FILE THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR THE REMAINDER OF 2020

## **EXECUTIVE SUMMARY**

Attached is a tentative 2020 calendar for the Budget and Finance Commission that lists the major topics to be discussed each month.

## **BACKGROUND**

With the recent City Council direction for the Budget and Finance Commission to meet monthly, staff has prepared the attached tentative 2020 calendar. The major topics to be discussed each month include the outstanding referrals to staff made by both the City Council and the Commission.

Updates to the calendar are monthly subcommittee reports, the August 13, 2020 Commissioner biographies item, and the November 12, 2020 internal controls update.

## **COORDINATION**

To keep the Commission abreast of the outstanding referral items, this calendar is now included on all Budget and Finance Commission agendas with updates as needed. However, it should be noted that with the FY 2020-21 budget's deauthorization of two positions in the Financial Services Department (Administrative Analyst and Office Specialist III), staff time available for additional Commission referrals will be limited as the Department strives to just complete the work required for its day-to-day operations. There may be times additional referrals will have to be declined.

## **FISCAL IMPACT**

None.

## **ATTACHMENTS**

Tentative 2020 Calendar

## Budget and Finance Commission

### Tentative 2020 Calendar

Meeting Date	Major Topics
August 13, 2020	City Treasurer's Quarterly Report Salary Adjustments for Mayor, City Council and City Attorney Internal Controls Update Subcommittee Report Commissioner Biographies
September 10, 2020	Self-Insurance Program Fund Fee Waivers Subcommittee Report
October 8, 2020	Election of New Officers (Chair and Vice-Chair) Revenue Manual Subcommittee Report
November 12, 2020	City Treasurer's Quarterly Report Quarterly Budget Update Budget Carryovers from FY 2019-20 to FY 2020-21 General Fund Balance Constraints Internal Controls Update Subcommittee Report
December 10, 2020	FY 2019-20 Comprehensive Annual Financial Report (CAFR) Subcommittee Report



# Administrative Report

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H.1., File # BF20-1240

Meeting Date: 8/13/2020

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## **TITLE**

*For eComments and Emails Received from the Public*



# Administrative Report

J.1., File # BF20-1219

Meeting Date: 8/13/2020

**To: BUDGET AND FINANCE COMMISSION**

**From: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES**

## **TITLE**

CONSIDERATION OF SALARY ADJUSTMENTS FOR MAYOR, CITY COUNCIL AND CITY ATTORNEY IN ADVANCE OF MARCH 2021 ELECTION

## **EXECUTIVE SUMMARY**

In 2005, the City Council adopted Resolution CC-0505-56 to establish a process for consideration of future pay and/or benefit adjustments for elected officials. The resolution directs the Budget and Finance Commission to make recommendations to the City Council, in advance of the filing period for a regular election. The 2021 regular municipal election will cover the Mayor and three City Council seats, and the seat for the elected City Attorney. The filing period for this election will begin on November 9, 2020.

The City Council last gave direction regarding elected official salaries when it reviewed the salaries for City Council, City Treasurer and City Clerk in 2018. At that time, the City Council voted to keep all salaries at the same level. For the elected City Attorney, the City Council last gave direction to increase that position's salary in 2016. The City Council increased it by 4.5% in 2017, 2% in 2018, 1.5% in 2019 and 1.5% in 2020 via Ordinance No. O 3163-16.

## **BACKGROUND**

### **Mayor and City Council**

The compensation for the Mayor and City Council is specified in the Municipal Code and established by the City Council via ordinance. The compensation was last reviewed by the City Council in 2010, 2014 and 2018. The pay for Mayor and Council has not increased since 2007. Current compensation for both Mayor and Councilmembers is \$927.31 per month. The Mayor and City Council also receive deferred compensation in the amount of 12% of their salary, and the same fringe benefits as provided to the Management and Confidential employee group.

### **City Attorney**

The compensation and benefits for the City Attorney was last set by the City Council via Ordinance No. O 3163-16, which was adopted in 2016. The ordinance established the City Attorney salary with future adjustments as follows:

Existing Salary Plan Set by Ordinance O 3163-16 on October 11, 2016

Effective Date	Change	Monthly Salary
April 1, 2017	4.5%	\$21,765
April 1, 2018	2%	\$22,201
April 1, 2019	1.5%	\$22,534
April 1, 2020	1.5%	\$22,872

The City Charter requires that any changes to the City Attorney's salary must be approved by City Council at least 30 days prior to the nomination period for a new four-year term. It cannot be increased or decreased from that point forward, until the completion of a subsequent four-year term.

At this time, staff does not recommend making adjustments to the Mayor, City Council or City Attorney salaries, due to the Covid-19 emergency and the City's subsequent structural budget deficit. In addition, the City Attorney position is tied to the Management and Confidential employee group for benefits, and that group has not received any increases since 2017. The sitting City Attorney also does not recommend a change at this time. City Council salaries may be revisited in two more years in accordance with the Redondo Beach Municipal Code. The City Attorney salary may be revisited in four years, prior to the nomination period for the subsequent term.

#### **COORDINATION**

The Human Resources Department prepared the staff report in conjunction with the Finance Department.

#### **FISCAL IMPACT**

None at this time. Any future compensation adjustments would have to be incorporated into future operating budgets.

#### **ATTACHMENTS**

City Council Resolution  
Current City Attorney Salary Ordinance  
City Council Salary Ordinance





# Administrative Report

J.1., File # BF20-1219

Meeting Date: 8/13/2020

**To: BUDGET AND FINANCE COMMISSION**

**From: DIANE STRICKFADEN, DIRECTOR OF HUMAN RESOURCES**

## **TITLE**

CONSIDERATION OF SALARY ADJUSTMENTS FOR MAYOR, CITY COUNCIL AND CITY ATTORNEY IN ADVANCE OF MARCH 2021 ELECTION

## **EXECUTIVE SUMMARY**

In 2005, the City Council adopted Resolution CC-0505-56 to establish a process for consideration of future pay and/or benefit adjustments for elected officials. The resolution directs the Budget and Finance Commission to make recommendations to the City Council, in advance of the filing period for a regular election. The 2021 regular municipal election will cover the Mayor and three City Council seats, and the seat for the elected City Attorney. The filing period for this election will begin on November 9, 2020.

The City Council last gave direction regarding elected official salaries when it reviewed the salaries for City Council, City Treasurer and City Clerk in 2018. At that time, the City Council voted to keep all salaries at the same level. For the elected City Attorney, the City Council last gave direction to increase that position's salary in 2016. The City Council increased it by 4.5% in 2017, 2% in 2018, 1.5% in 2019 and 1.5% in 2020 via Ordinance No. O 3163-16.

## **BACKGROUND**

### **Mayor and City Council**

The compensation for the Mayor and City Council is specified in the Municipal Code and established by the City Council via ordinance. The compensation was last reviewed by the City Council in 2010, 2014 and 2018. The pay for Mayor and Council has not increased since 2007. Current compensation for both Mayor and Councilmembers is \$927.31 per month. The Mayor and City Council also receive deferred compensation in the amount of 12% of their salary, and the same fringe benefits as provided to the Management and Confidential employee group.

### **City Attorney**

The compensation and benefits for the City Attorney was last set by the City Council via Ordinance No. O 3163-16, which was adopted in 2016. The ordinance established the City Attorney salary with future adjustments as follows:

Existing Salary Plan Set by Ordinance O 3163-16 on October 11, 2016

Effective Date	Change	Monthly Salary
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The City Charter requires that any changes to the City Attorney's salary must be approved by City Council at least 30 days prior to the nomination period for a new four-year term. It cannot be increased or decreased from that point forward, until the completion of a subsequent four-year term.

At this time, staff does not recommend making adjustments to the Mayor, City Council or City Attorney salaries, due to the Covid-19 emergency and the City's subsequent structural budget deficit. In addition, the City Attorney position is tied to the Management and Confidential employee group for benefits, and that group has not received any increases since 2017. The sitting City Attorney also does not recommend a change at this time. City Council salaries may be revisited in two more years in accordance with the Redondo Beach Municipal Code. The City Attorney salary may be revisited in four years, prior to the nomination period for the subsequent term.

#### **COORDINATION**

The Human Resources Department prepared the staff report in conjunction with the Finance Department.

#### **FISCAL IMPACT**

None at this time. Any future compensation adjustments would have to be incorporated into future operating budgets.

#### **ATTACHMENTS**

City Council Resolution  
Current City Attorney Salary Ordinance  
City Council Salary Ordinance

**RESOLUTION NO. CC-0505-56**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF REDONDO BEACH, CALIFORNIA, ESTABLISHING A  
PROCESS FOR THE CONSIDERATION OF FUTURE PAY  
AND/OR BENEFIT ADJUSTMENTS FOR ELECTED  
OFFICIALS OF THE CITY OF REDONDO BEACH**

WHEREAS, the Mayor and City Council desire to ensure the timely future consideration of pay and/or benefit adjustments for Elected Officials; and

WHEREAS, the Mayor and City Council have already established a new pay level and annual pay adjustment levels for the City Treasurer and City Clerk position for the terms commencing in 2007 through Ordinance Nos. 2961-05 and 2962-05; and

WHEREAS, The Mayor and City Council desire the advice of the Budget & Finance Commission in advance of any future possible pay and/or benefit adjustments being considered for Elected Officials.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. To direct that the Budget and Finance Commission forward its recommendation as to future possible pay and/or benefit adjustments to the Mayor and City Council by not later than 14 months prior to opening of the filing period for any regular election of Mayor, City Council Member, City Attorney, City Treasurer and City Clerk, with the exception of the City Treasurer and City Clerk terms commencing in 2007.

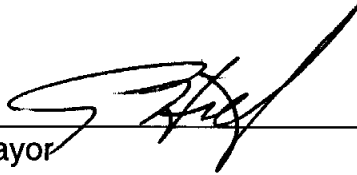
SECTION 2. The recommendations of the Budget & Finance Commission shall address the recommended pay at the commencement of the next term and any adjustments to pay during that term, together with any recommended adjustments to the benefits provided Elected Officials.

SECTION 3. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting this resolution.

SECTION 4. The City Clerk is hereby directed to forward a copy of this Resolution to the Chair and Members of the Budget & Finance Commission.

SECTION 5. The City Clerk shall certify to the passage and adoption of this resolution and shall enter the same in the Book of Original Resolutions.

PASSED, APPROVED AND ADOPTED this 31<sup>st</sup> day of May.

  
\_\_\_\_\_  
Mayor

ATTEST:

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

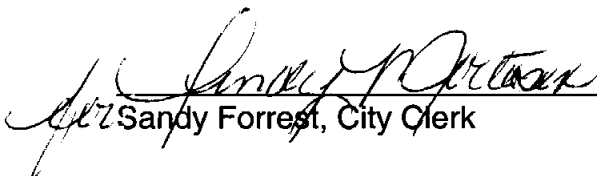
I, Sandy Forrest, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Resolution No. CC-0505-56 was duly passed, approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 31<sup>st</sup> day of May, 2005, by the following roll call vote:

AYES:       Bisignano, Cagle, Szerlip, Diels, Parsons

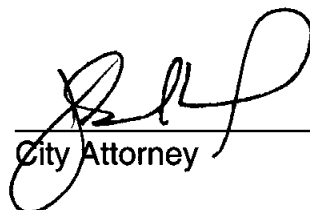
NOES:       None

ABSENT:     None

ABSTAIN:    None

  
\_\_\_\_\_  
Sandy Forrest, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

**ORDINANCE NO. O 3163-16**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.904 OF ARTICLE 9, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY ATTORNEY**

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-3.904, Article 9, Title 2 of the Redondo Beach Municipal Code, is hereby amended to read as follows:

"Sec. 2-3.904. Effective April 1, 2017, the salary of the City Attorney shall be, and the same is hereby determined fixed and established at the sum of Twenty-One Thousand Seven Hundred Sixty Five and no/100ths (\$21,765.00) Dollars per month. Such salary shall be increased by two (2.0%) percent on April 1, 2018; one and a half (1.5%) percent on April 1, 2019; and one and a half (1.5%) percent on April 1, 2020. The City Attorney shall receive those fringe benefits to which the Management and Confidential Unit, from time to time, may be entitled."

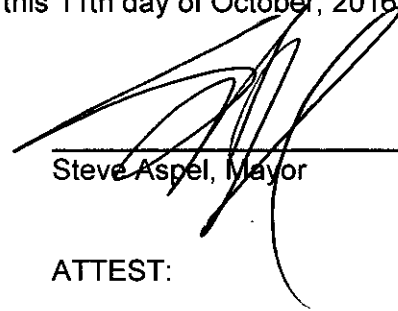
SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in The Beach Reporter, official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.



PASSED, APPROVED AND ADOPTED this 11th day of October, 2016

  
\_\_\_\_\_  
Steve Aspel, Mayor

APPROVED AS TO FORM:

ATTEST:

  
\_\_\_\_\_  
Michael W. Webb, City Attorney  
\_\_\_\_\_  
Eleanor Manzano, CMC, City Clerk

ORDINANCE NO. O 3163-16  
AMENDING SECTION 2-3.904 OF ARTICLE 9,  
TITLE 2 OF RBMC, ESTABLISHING SALARY &  
BENEFITS FOR THE CITY ATTORNEY

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Ordinance No. O-3163-16 was introduced at a regular meeting of the City Council held on the 4<sup>th</sup> day of October, 2016, and approved and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 11<sup>th</sup> day of October, 2016, and there after signed and approved by the Mayor and attested by the City Clerk, and that said Ordinance was adopted by the following vote:

AYES:           BARBEE, BRAND, HORVATH, SAMMARCO, EMDEE  
NOES:           NONE  
ABSENT:        NONE  
ABSTAIN:       NONE



Eleanor Manzano, CMC  
City Clerk

ORDINANCE NO. O 3163-16  
AMENDING SECTION 2-3.904 OF ARTICLE 9,  
TITLE 2 OF RBMC, ESTABLISHING SALARY &  
BENEFITS FOR THE CITY ATTORNEY



**ORDINANCE NO. 3091-12**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING SECTION 2-3.906 OF ARTICLE 9, TITLE 2 OF THE REDONDO BEACH MUNICIPAL CODE, ESTABLISHING THE SALARY AND BENEFITS OF THE CITY COUNCIL**

THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. Section 2-3.906, Article 9, Title 2 of the Redondo Beach Municipal Code, is hereby amended to read as follows:

"Sec. 2-3.906. Salary of Council Members: Entitlement to fringe benefits  
Effective April 1, 2013, the salary of the Council Members shall be, and the same is hereby determined, fixed, and established at the sum of nine hundred twenty seven dollars and thirty one cents (\$927.31) per month. The Council Members shall receive in addition, deferred compensation in the amount of twelve (12%) percent of salary, and shall be entitled to receive those other fringe benefits applicable to the position and similar to which the Management and Confidential employees, from time to time, may be entitled."

SECTION 2. INCONSISTENT PROVISIONS. Any provisions of the Redondo Beach Municipal Code, or appendices thereto, or any other ordinances of the City inconsistent herewith, to the extent of such inconsistencies and no further, are hereby repealed.

SECTION 3. SEVERANCE. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared invalid or unconstitutional.

SECTION 4. PUBLICATION AND EFFECTIVE DATE. This ordinance shall be published by one insertion in the official newspaper of said city, and same shall go into effect and be in full force and operation from and after thirty (30) days after its final passage and adoption.



PASSED, APPROVED AND ADOPTED 3<sup>rd</sup> day of July, 2012.

  
Mike Gin, Mayor

ATTEST:

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

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that the foregoing Ordinance No. 3091-12 duly introduced at a regular meeting of the City Council held on May 1, 2012, and was duly approved and adopted by the City Council at a regular meeting of said City Council held on July 3, 2012, by the following vote:

AYES:                   ASPEL, BRAND, AUST, DIELS, KILROY

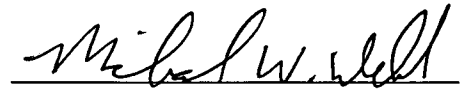
NOES:                   NONE

ABSENT:                NONE

ABSTAIN:               NONE

  
Eleanor Manzano, City Clerk

APPROVED AS TO FORM:

  
Michael W. Webb, City Attorney

ORDINANCE NO. 3091-12  
AMENDING SECTION 2-3.906 OF ARTICLE 9,  
TITLE 2 OF RBMC, ESTABLISHING SALARY &  
BENEFITS FOR COUNCIL MEMBERS



# Administrative Report

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J.2., File # BF20-1220

Meeting Date: 8/13/2020

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**TO: BUDGET AND FINANCE COMMISSION**

**FROM: STEVEN DIELS, CITY TREASURER**

**TITLE**

CITY TREASURER'S QUARTER 4 FISCAL YEAR 2019-2020 REPORT

**RECOMMENDATION**

Receive and file the City Treasurer's Quarter 4 Fiscal Year 2019-2020 report.

**BACKGROUND**

Please see attached quarterly administrative report

**ATTACHMENTS**

City Treasurer's Quarter 4 Administrative Report  
Quarter 4 Report from FHN Financial Mainstreet Advisors  
Quarter 4 Powerpoint Presentation



# Administrative Report

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# Administrative Report

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Budget and Finance Commission Date: 08/13/2020

**To: BUDGET AND FINANCE COMMISSION**

**From: STEVEN DIELS, CITY TREASURER**

**Subject: CITY TREASURER'S FOURTH QUARTER 2019-20 REPORT**

## **RECOMMENDATION**

Receive and file the City Treasurer's Quarter 4 Fiscal Year 2019-2020 report.

## **EXECUTIVE SUMMARY**

This City Treasurer's report for the fourth quarter of fiscal year 2019-2020, details the composition of the investment portfolio and investment transactions occurring during the period of April through June of 2020. FTN Financial Main Street Advisors serves as investment advisor to the City Treasurer. The FTN Financial Main Street Advisor's 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 FTN Main Street
  - 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 \$98MM from \$93MM at the end of the prior quarter. This change in the investment portfolio resulted from anticipated fluctuations within the normal cash flow trends of both general operations and capital improvement program revenue and spending.

Investment portfolio liquidity is 40.4% of the portfolio having maturities of one year or less. The Bank of America General Fund Checking Account ending balance was \$9,193,009. It earned a rate of 1.45%, formerly 0.25%, 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 2014-Present**

### **Market Value Comparison of Investment Portfolio Positions**

<b>Market Value Comparison of Investment Portfolio Positions F.Y. 2019-2020</b>								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$8,004,405	*	\$10,421,483	*	\$5,306,333	*	\$ 9,193,009	*
Local Agency Investment Fund	\$7,000,000	8.3%	\$17,052,131	19.7%	\$14,000,000	15.40%	\$ 22,000,000	23.3%
Federal Agency Issues	\$41,455,587	49.1%	\$35,460,741	40.9%	\$40,606,033	44.70%	\$ 38,602,882	40.8%
Commercial Paper								
Corporate Medium Term Notes	\$24,837,904	29.4%	\$22,851,300	26.4%	\$22,865,644	25.20%	\$ 20,891,194	22.1%
Bank Certificates of Deposit	\$3,223,020	3.8%	\$3,222,544	3.7%	\$3,222,661	3.60%	\$ 2,974,779	3.1%
Treasuries	\$7,994,458	9.5%	\$8,041,480	9.3%	\$10,073,719	11.10%	\$ 10,063,635	10.6%
Total: Investment Portfolio	\$84,510,969	100.0%	\$86,628,195	100.0%	\$90,768,058	100.00%	\$ 94,532,490	100.0%
Weighted Average Maturity (Yrs)	2.1		1.89		2.02		1.72	
Portfolio Effective Rate of Return (YTD)	2.23%		2.27%		2.26%		2.22%	
L.A.I.F. Yield	2.28%		2.04%		1.79%		1.20%	
Yield on Benchmark	2.06%		2.08%		2.06%		2.02%	
Interest earned YTD	\$502,505.00		\$973,145		\$1,483,028		\$1,965,199	
General Fund Contribution (44%)	\$221,102		\$428,184		\$652,532		\$864,688	

## FY 2018-2019

Market Value Comparison of Investment Portfolio Positions F.Y. 2018-2019								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$8,761,921	*	\$6,939,956	*	\$5,394,950	*	\$ 9,062,598	*
Local Agency Investment Fund	\$1,000,000	1.3%	\$16,000,000	18.5%	\$6,000,000	6.60%	\$ 10,000,000	10.0%
Federal Agency Issues	\$46,940,821	59.7%	\$44,893,166	51.9%	\$44,394,491	49.20%	\$ 44,448,469	44.2%
Commercial Paper					\$3,973,074	4.30%	\$ 3,998,729	4.0%
Corporate Medium Term Notes	\$12,951,519	16.5%	\$11,958,712	13.8%	\$22,801,156	24.90%	\$ 26,821,710	26.7%
Bank Certificates of Deposit	\$1,735,760	2.2%	\$1,735,790	2.0%	\$1,735,820	1.90%	\$ 3,222,931	3.2%
Treasuries	\$15,938,992	20.3%	\$11,956,768	13.8%	\$11,973,607	13.10%	\$ 11,990,633	11.9%
Total: Investment Portfolio	\$78,567,092	100.0%	\$86,544,436	100.0%	\$91,418,148	100.00%	\$100,482,471	100.0%
Weighted Average Maturity (Yrs)	1.73		1.51		1.95		1.81	
Portfolio Effective Rate of Return (YTD)	1.70%		1.77%		1.92%		2.01%	
L.A.I.F. Yield	1.94%		2.29%		2.39%		2.43%	
Yield on Benchmark	1.68%		1.59%		1.68%		1.76%	
Interest earned YTD	\$357,684.00		\$726,249		\$1,215,976		\$1,765,752	
General Fund Contribution (66%)	\$236,071		\$479,324		\$802,544.16		\$1,165,396	

## FY 2017-2018

Market Value Comparison of Investment Portfolio Positions F.Y. 2017-2018								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
General Fund Balance	\$10,347,480	*	\$7,888,671	*	\$3,989,868	*	\$6,704,241	*
Local Agency Investment Fund	\$9,000,000	11.10%	\$12,000,000	14.20%	\$6,000,000	6.8%	\$7,000,000	7.5%
Federal Agency Issues	\$45,075,755	55.60%	\$43,050,066	51.00%	\$46,967,521	53.2%	\$44,960,588	48.1%
Corporate Medium Term Notes	\$11,997,977	14.80%	\$12,970,428	15.40%	\$14,939,410	16.9%	\$14,945,085	16.0%
Commercial Paper	\$0	0.00%	\$2,973,350	3.50%	\$5,972,492	6.8%	\$8,989,354	9.6%
Bank Certificates of Deposit	\$2,981,639	3.70%	\$3,477,669	4.10%	\$2,479,699	2.8%	\$1,735,729	1.9%
Treasuries	\$11,990,296	14.80%	\$9,992,260	11.80%	\$11,983,712	13.6%	\$15,920,916	17.0%
Total: Investment Portfolio	\$81,045,667	100.00%	\$84,463,773	100.00%	\$88,342,834	100%	\$93,551,673	100%
Weighted Average Maturity (Yrs)	1.73		1.73		1.72		1.45	
Portfolio Effective Rate of Return (YTD)	1.34%		1.33%		1.41%		1.47%	
L.A.I.F. Yield	1.07%		1.23%		1.52%		1.85%	
Yield on Two Year C.M.T Benchmark	1.19%		1.27%		1.37%		1.49%	
Interest earned YTD	\$290,237.00		\$567,247.15		\$904,997.70		\$1,278,235	
General Fund Contribution (66%)	\$191,556		\$374,383		\$597,298.48		\$843,635	

## F.Y. 2016-2017

Market Value Comparison of Investment Portfolio Positions F.Y. 2016-2017								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$5,445,468	5.9%	\$7,101,633	*	\$6,050,077	*	\$ 4,513,152	*
Local Agency Investment Fund	\$7,500,000	8.2%	\$15,000,000	17.17%	\$20,000,000	22.51%	\$ 20,000,000	20.3%
Federal Agency Issues	\$49,133,855	53.7%	\$43,115,977	49.35%	\$45,099,628	50.80%	\$ 51,088,798	52.0%
Corporate Medium Term Notes	\$15,019,110	16.4%	\$15,013,261	17.19%	\$14,009,196	15.80%	\$ 12,000,963	12.2%
Bank Certificates of Deposit	\$4,471,907	4.9%	\$4,224,000	4.84%	\$3,728,000	4.20%	\$ 3,232,000	3.3%
Treasuries	\$10,005,846	10.9%	\$10,006,306	11.45%	\$6,006,951	6.80%	\$ 11,988,938	12.2%
Total: Investment Portfolio	\$91,576,186	100.0%	\$87,359,544	100.00%	\$88,843,775	100.00%	\$ 98,310,699	100.0%
Weighted Average Maturity (Yrs)	1.47		1.34		1.51		1.77	
Portfolio Effective Rate of Return (Y	0.89%		0.95%		0.97%		1.14%	
L.A.I.F. Yield	0.63%		0.71%		0.79%		0.98%	
Yield on Two Year C.M.T Benchmark	0.76%		0.85%		0.94%		1.09%	
Interest earned YTD	\$224,373.80		\$415,798		\$679,449		\$957,637	
General Fund Contribution (66%)	\$148,087		\$274,427		\$448,436.34		\$632,040	

## F.Y. 2015-2016

Market Value Comparison of Investment Portfolio Positions F.Y. 2015-2016								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$11,721,745	13.8%	\$11,174,661	13.1%	\$6,496,183	7.4%	\$5,488,047	5.6%
Local Agency Investment Fund	\$9,000,000	10.6%	\$13,500,000	15.8%	\$10,000,000	11.3%	\$14,000,000	14.3%
Federal Agency Issues	\$37,066,350	43.7%	\$34,862,930	40.8%	\$45,074,430	51.1%	\$49,152,723	50.1%
Corporate Medium Term Notes	\$18,140,630	21.4%	\$17,050,700	19.9%	\$16,127,360	18.3%	\$15,028,238	15.3%
Bank Certificates of Deposit	\$4,968,744	5.9%	\$4,955,583	5.8%	\$4,489,169	5.1%	\$4,471,877	4.6%
Treasuries	\$3,991,940	4.7%	\$3,966,880	4.6%	\$5,997,140	6.8%	\$10,005,388	10.2%
Total: Investment Portfolio	\$84,889,409	100.0%	\$85,510,754	100.0%	\$88,184,282	100%	\$98,146,273	100%
Weighted Average Maturity (Yrs)	1.6		1.33		1.61		1.56	
Portfolio Effective Rate of Return (Y	0.89%		0.90%		0.90%		0.91%	
L.A.I.F. Yield	0.34%		0.38%		0.47%		0.55%	
Yield on Two Year C.M.T Benchmark	0.63%		0.69%		0.73%		0.78%	
Interest earned YTD	\$197,265		\$383,756		\$79,186		\$805,155	
General Fund Contribution (66%)	\$130,195		\$253,279		\$382,263		\$531,402	

## F.Y. 2014-2015

Market Value Comparison of Investment Portfolio Positions F.Y. 2014-2015								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$11,402,908.00	14.7%	\$9,193,255	10.6%	\$10,495,738	12.8%	\$11,338,575	12.1%
Local Agency Investment Fund	\$17,000,000.00	21.9%	\$25,000,000	28.8%	\$14,000,000	17.1%	\$16,500,000	17.7%
Federal Agency Issues	\$26,990,004.00	34.7%	\$28,982,315	33.3%	\$31,971,151	39.0%	\$40,002,862	42.9%
Corporate Medium Term Notes	\$16,577,286.00	21.3%	\$16,566,109	19.1%	\$17,056,815	20.8%	\$16,047,393	17.2%
Bank Certificates of Deposit	\$4,725,663.00	6.1%	\$5,221,694	6.0%	\$5,469,724	6.7%	\$5,469,755	5.9%
Treasuries	\$994,072.00	1.3%	\$1,980,193	2.3%	\$2,972,128	3.6%	\$3,970,992	4.3%
Total: Investment Portfolio	\$77,689,933.00	100.0%	\$86,943,566	100.0%	\$81,965,556	100.0%	\$93,329,577	100.0%
Weighted Average Maturity (Yrs)	1.64		1.53		1.59		1.53	
Portfolio Effective Rate of Return	0.857%		0.830%		0.850%		0.860%	
L.A.I.F. Yield	0.25%		0.263%		0.267%		0.290%	
Yield on Two Year C.M.T Benchmark	0.57%		0.47%		0.52%		0.57%	
Interest earned YTD	\$180,781.21		\$331,781.00		\$465,822.56		\$706,765.00	
General Fund Contribution (66%)	\$119,315.60		\$218,975.00		\$307,442.89		\$466,464.90	



## Comparison of Total Cash and Investments

### 2013-Present

	Investments	General Fund	Subtotal	Other Cash	Total
2019-2020	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	84.51	8.00	92.51	5.86	98.37
Q2	86.63	10.42	97.05	6.64	103.69
Q3	90.77	5.31	96.08	7.63	103.71
Q4	94.53	9.19	103.72	7.35	111.07
2018-2019	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	78.57	8.76	87.33	5.95	93.28
Q2	86.54	6.94	93.48	5.93	99.41
Q3	91.42	5.39	96.81	6.73	103.54
Q4	100.48	9.06	109.54	4.95	114.49
2017-2018	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	81.05	10.35	91.4	5.87	*97.27
Q2	84.46	7.88	92.34	6.33	98.67
Q3	88.34	3.99	92.33	6.7	99.03
Q4	93.55	6.7	100.25	5.87	106.12
2016-2017	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	86.13	5.45	91.58	5.8	97.38
Q2	87.36	7.1	94.46	6.42	100.88
Q3	88.73	6.05	94.78	6.05	100.83
Q4	98.23	4.51	102.74	4.04	106.78
2015-16	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	73.17	11.72	84.89		84.89
Q2	74.34	11.17	85.51		85.51
Q3	81.68	6.5	88.18		88.18
Q4	92.66	5.49	98.15	5.67	103.82
2014-15	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	66.29	11.4	77.69		77.69
Q2	77.75	9.19	86.94		86.94
Q3	71.47	10.5	81.97		81.97
Q4	81.99	11.34	93.33		93.33

**Yields:** The book yield of the portfolio is 2.01%. The effective rate of return for the fiscal year to date is 2.22%. The book yield is a snapshot on a specific day whereas the effective rate of return is 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 2.01%. This yield provided a 14 basis point advantage to the yield provided by the investment portfolio benchmark, U.S. Treasury Note 0-5 year index (30 month moving average), which yielded 1.87%.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 \$1.033. That means the Market Value is slightly above the cost of investments. The difference between the book value (cost) of investments at \$94,532,490 and the current market value at \$97,639,766 is \$3,107,275.

#### Cash in Banks:

	As of 6/30/2020
General Fund	\$9,193,009.23
Workmen's Compensation Fund	\$1,144,486.95
Successor Agency of RDA	\$1,027,427.11
Successor Agency of RDA	\$47,370.29
Trust Account	\$19,126.40
Housing Authority BLKPNDG	\$1,216,258.40
Financing Authority	\$1,821,209.04
Parking Authority	\$954.38
Measure R Local Return	\$1,867,048.66
Housing Authority	\$108,915.11
City of Redondo Beach - FSA	\$95,575.74
<b>Total</b>	<b>\$16,541,381.31</b>

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 (with the exception of 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 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, pursuant to the provisions of the Streets and Highway 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 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:

#### CITY OF REDONDO BEACH LAIF ACCOUNTS

June-20

ACCOUNT NAMES	
GENERAL ACCOUNT	\$ 22,000,000
SUCCESSOR AGENCY FOR RDA	\$ 1,841,278.17
PUBLIC FINANCING AUTHORITY	\$ 175,693.14
PARKING AUTHORITY	\$ 5,100.31
Total:	\$16,011,945.84

Bond Account Balances:

ACCOUNT #	ACCOUNT DESCRIPTION	ENDING BALANCE AS OF 6/30/20
222936000	REDONDO BEACH COMMUNITY FINANCING AUTHORITY LEASE REVENUE REFUNDING BONDS SERIES 2019A	\$133.89
208878001	REDONDO BEACH COMMUNITY FINANCING AUTHORITY WASTEWATER REVENUE REFUNDING BONDS, 2014 SERIES A BOND FUND	\$120.98

Trading Activity

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

**Fiscal Impact**

Interest earned year to date is \$1,965,199 for the entire portfolio. The General Fund contribution rate of our investment portfolio is approximately 44% of the total interest earned thus contributing approximately \$864,688 to the general fund through investment activity. Budgeted contribution of interest to the general fund for the entire fiscal year is \$825,000.

**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 in fact 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:  
Steven Diels, City Treasurer

## Client Management Team

### **Rick Phillips**

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### **Tonya Dazzio**

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### **Christine Wilson**

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### **Ruth Phillips**

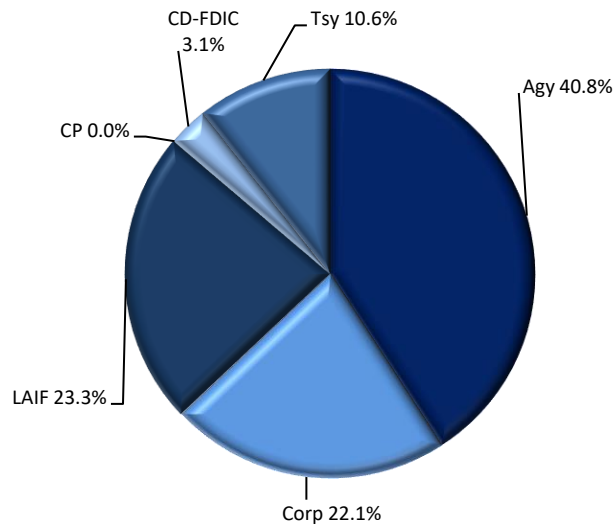
Financial Analyst  
702-575-6600  
ruth.phillips@fhnmainstreet.com

# Quarterly Investment Report

## City of Redondo Beach

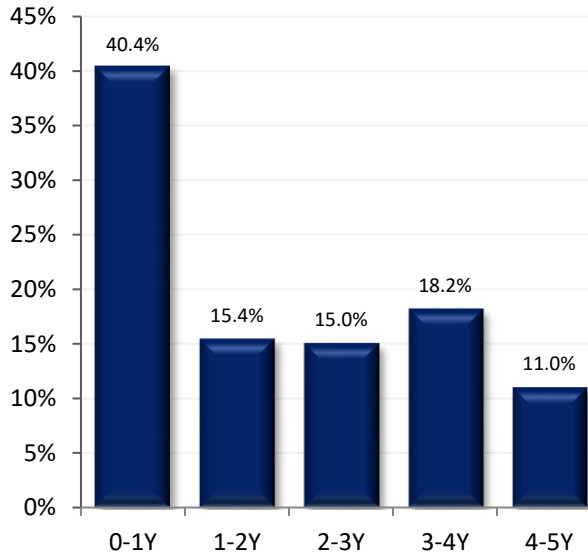
## June 2020

## SECTOR ALLOCATION



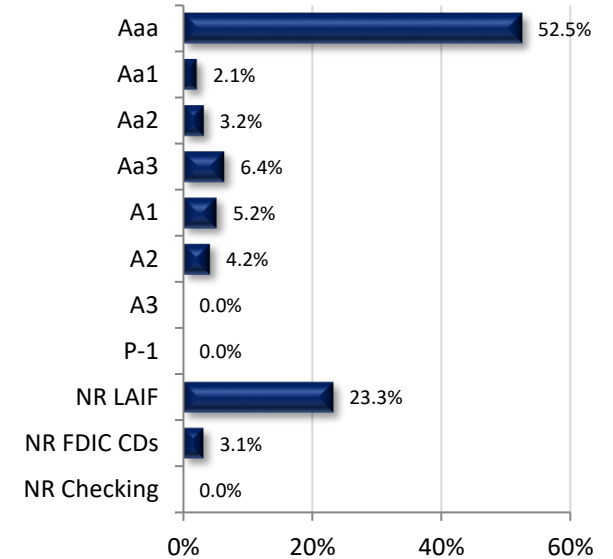
Per Book Value

## MATURITY DISTRIBUTION



Per Book Value

## CREDIT QUALITY (MOODY'S)



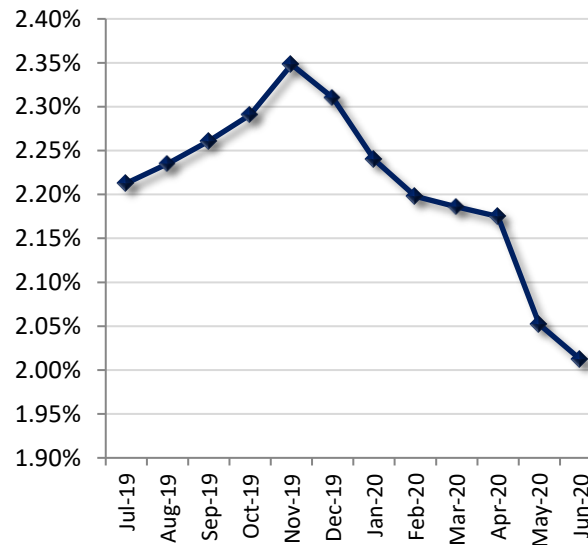
NR: Not Rated

## ACCOUNT SUMMARY

	6/30/20	3/31/20
Market Value	\$97,639,766	\$93,201,929
Book Value*	\$94,532,490	\$90,768,058
Variance	\$3,107,275	\$2,433,871
Par Value	\$94,476,000	\$90,724,000
Net Asset Value	\$103.287	\$102.681
Book Yield	2.01%	2.19%
Years to Maturity	1.72	2.02
Effective Duration	1.67	1.96

\*Book Value is at Amortized Cost

## MONTH-END PORTFOLIO BOOK YIELD



## TOP ISSUERS

Issuer	% Portfolio
LAIF	23.3%
FFCB	16.4%
U.S. Treasury	10.6%
FNMA	9.5%
FHLB	8.6%
FHLMC	6.3%
Wells Fargo Bank	2.1%
CME Group	2.1%
Blackrock	2.1%
US Bank	2.1%
Citibank	2.1%
Apple	2.1%
Phillip Morris	2.1%
IBM	2.1%
Toyota	2.0%

Per Book Value



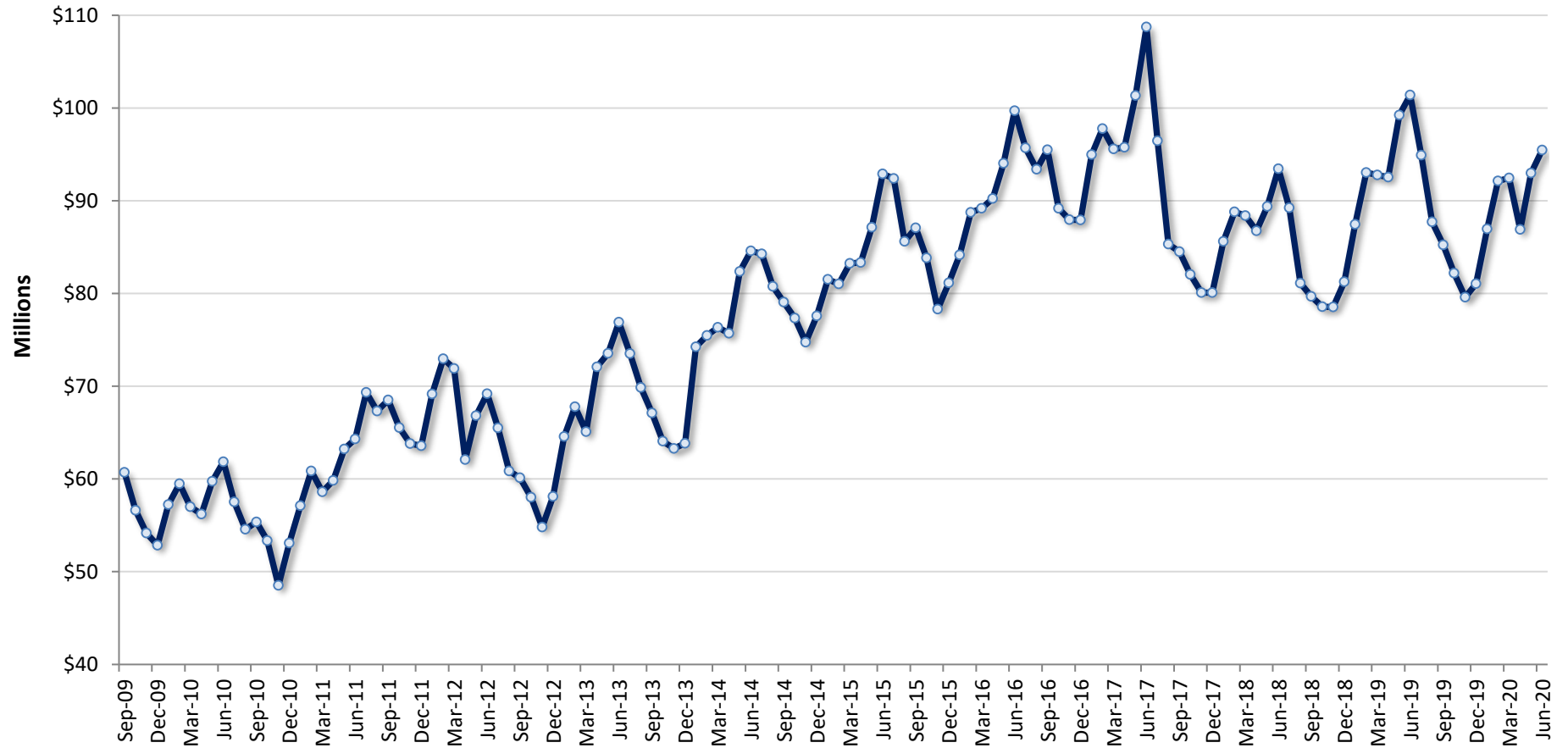
Item / Sector	Parameters	In Compliance
Weighted Average Maturity	Weighted Average Maturity (WAM) no greater than 2.5 years.	Yes: 1.72 Yrs
Liquidity: Less than 1 Year	At least 25% of the portfolio must have maturities of 1 year or less.	Yes: 40.4%
Liquidity: Less than 3 Years	At least 50% of the portfolio must have maturities of 3 years or less.	Yes: 70.9%
U.S. Treasuries	No limit, maximum maturity 5 years.	Yes: 10.6%
U.S. Federal Agencies	No limit, 40% issuer limit, maximum maturity 5 years.	Yes: 40.8%
Bankers' Acceptances	Sector limit 40%, issuer limit 5%, maximum maturity 180 days, A-1/P-1 by two.	Yes: 0.0%
Time Deposits	No sector limit, collateralized according to State Code.	Yes: 0.0%
Local Agency Investment Fund	No more than \$65 million.	Yes: \$22 Mil
Negotiable Certificates of Deposit	Sector limit 30%, issuer limit no greater than FDIC insured limit (currently \$250,000), max maturity 5 years, Issued by national/state charter banks or savings and loan associations.	Yes: 3.1%
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.	Yes: 0.0%
Corporate Medium Term Notes	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.	Yes: 22.1%
Money Market Funds	Sector limit 15%, Issuer limit 10%, rated AAA by two of the three rating services.	Yes: 0.0%
CD Placement Service	Sector limit 30% (combined w/ negotiable CDs).	Yes: 0.0%
Collateralized Bank Deposits	No sector limit, collateralized according to State Code.	Yes: 0.0%
Supranationals	Sector limit 15%, Issuer limit 5% (IBRD, IFC, and IADB), Max maturity 5 years, AA or better by at least 1 of 3 rating agencies.	Yes: 0.0%
CalTRUST	30% limit, authorized if City Council first executes a JPA agreement.	Yes: 0.0%

Securities' market values are derived from the Entity's custodian.

Portfolio Metrics	6/30/2020	3/31/2020	Change
Market Value	\$97,639,766	\$93,201,929	
Book Value	\$94,532,490	\$90,768,058	
Par Value	\$94,476,000	\$90,724,000	
Net Asset Value	\$1.033	\$1.027	\$0.006
Yield to Maturity	2.01%	2.19%	-0.17%
2Yr Treasury Note Yield	0.15%	0.25%	-0.10%
LAIF Yield (monthly avg)*	1.20%	1.79%	-0.59%
Average Years to Maturity	1.72	2.02	(0.31)
Effective Duration	1.67	1.96	(0.29)

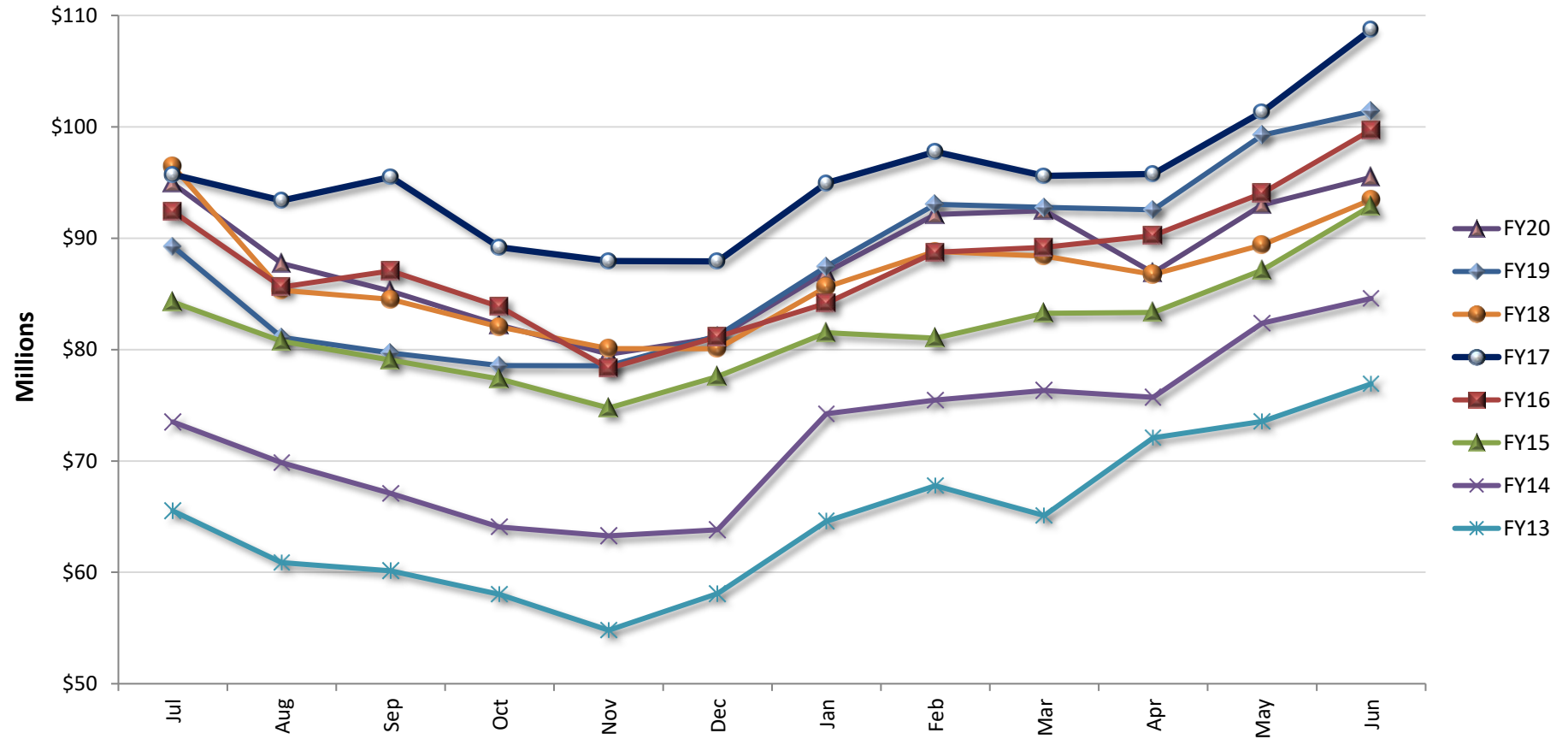
\*LAIF rate is estimated for current month/quarter end

Sectors (Book Value)	6/30/2020	3/31/2020	Change
Federal Agency	\$38,602,882	\$40,606,033	-\$2,003,151
LAIF	\$22,000,000	\$14,000,000	\$8,000,000
Corporate	\$20,891,194	\$22,865,644	-\$1,974,451
Commercial Paper	\$0	\$0	\$0
Certificates of Deposit	\$2,974,779	\$3,222,661	-\$247,882
U.S. Treasury	\$10,063,635	\$10,073,719	-\$10,083
Total	\$94,532,490	\$90,768,058	\$3,764,433



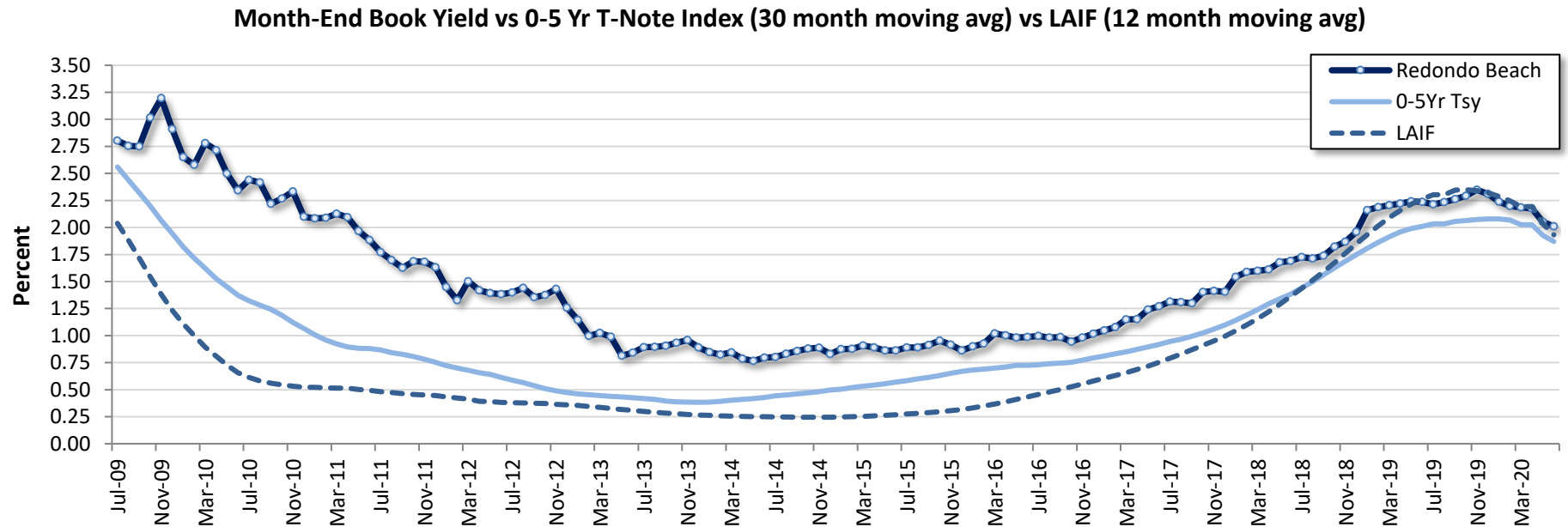
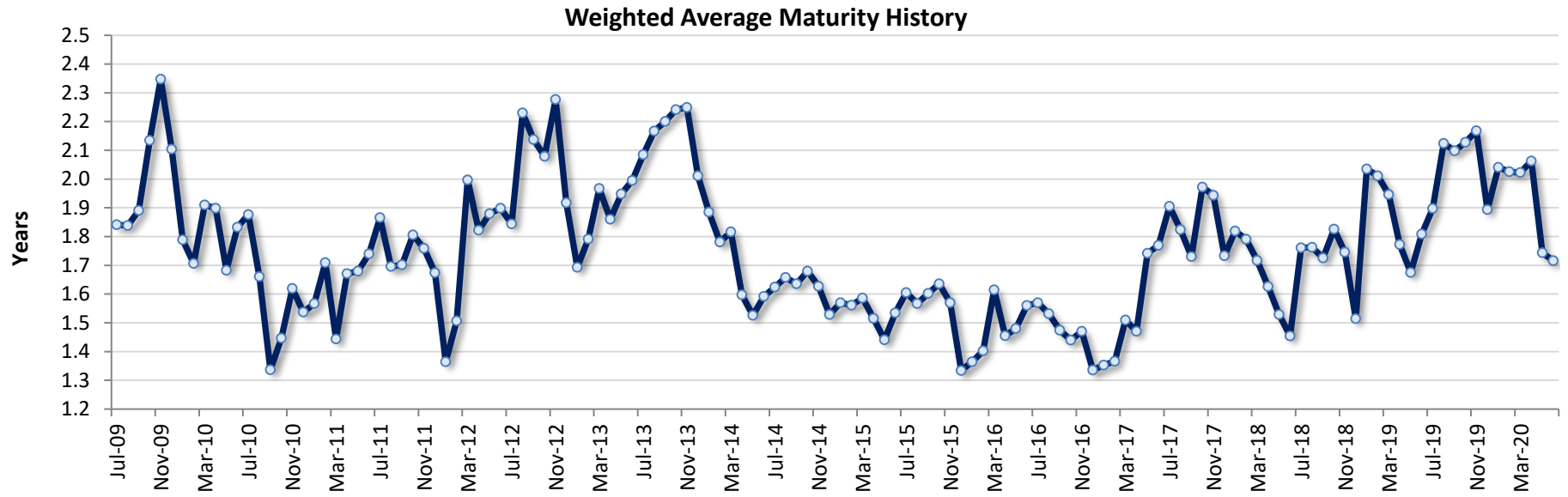
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Fiscal Year 2013</b>	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9
<b>Fiscal Year 2014</b>	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
<b>Fiscal Year 2015</b>	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
<b>Fiscal Year 2016</b>	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
<b>Fiscal Year 2017</b>	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
<b>Fiscal Year 2018</b>	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
<b>Fiscal Year 2019</b>	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4
<b>Fiscal Year 2020</b>	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5

Figures in Millions, Average Daily Balance (excludes checking FY 2018 forward)

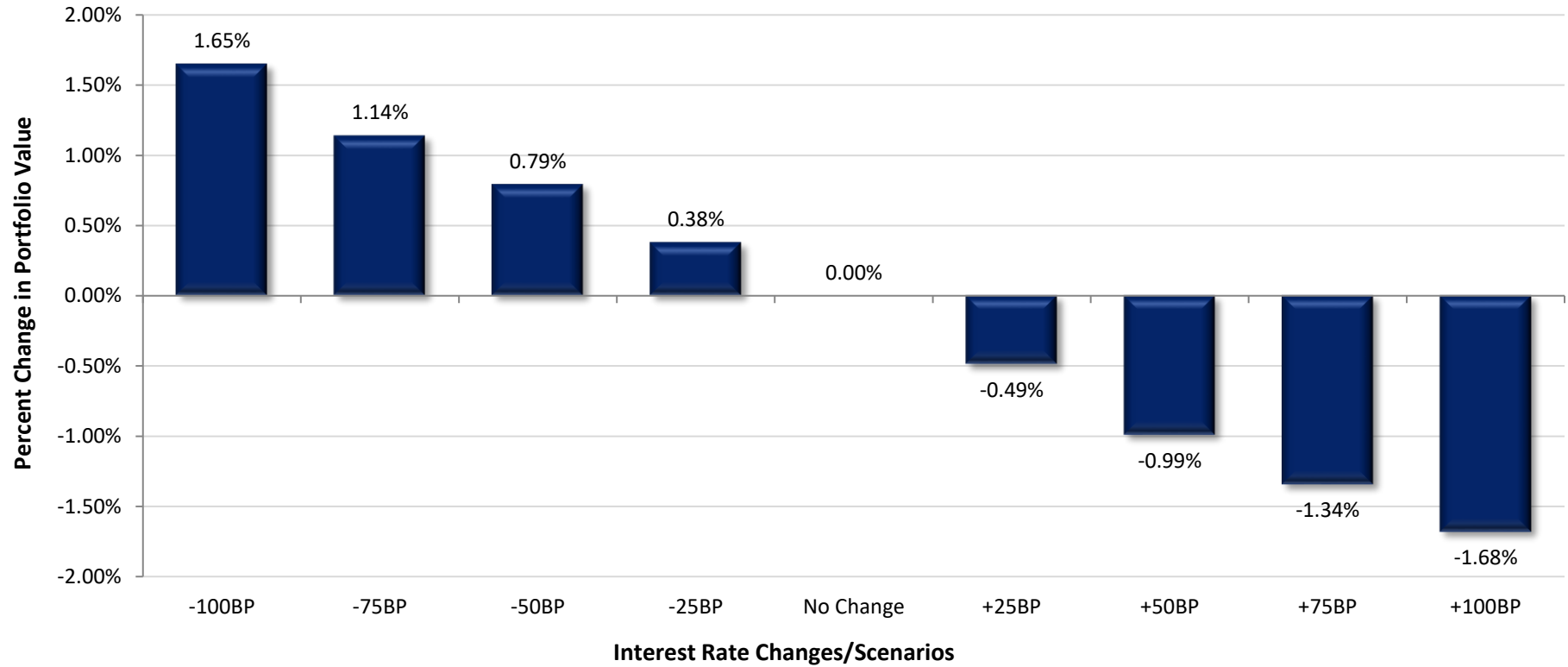


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Fiscal Year 2020</b>	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5
<b>Fiscal Year 2019</b>	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4
<b>Fiscal Year 2018</b>	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
<b>Fiscal Year 2017</b>	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
<b>Fiscal Year 2016</b>	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
<b>Fiscal Year 2015</b>	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
<b>Fiscal Year 2014</b>	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
<b>Fiscal Year 2013</b>	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9

Figures in Millions, Average Daily Balance (excludes checking FY 2018 forward)



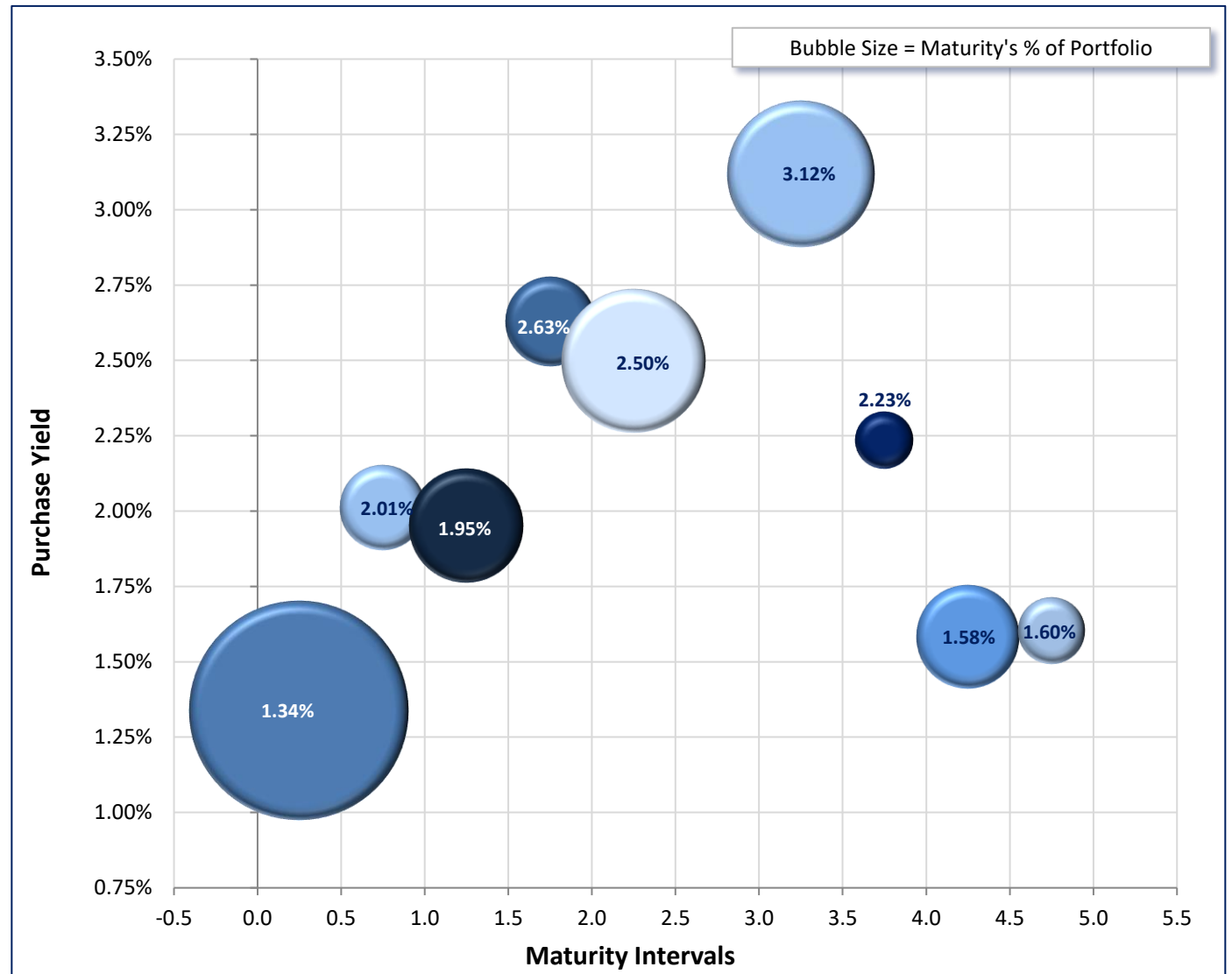
Instantaneous Interest Rate Changes and Approximate Change in Portfolio's Market Value

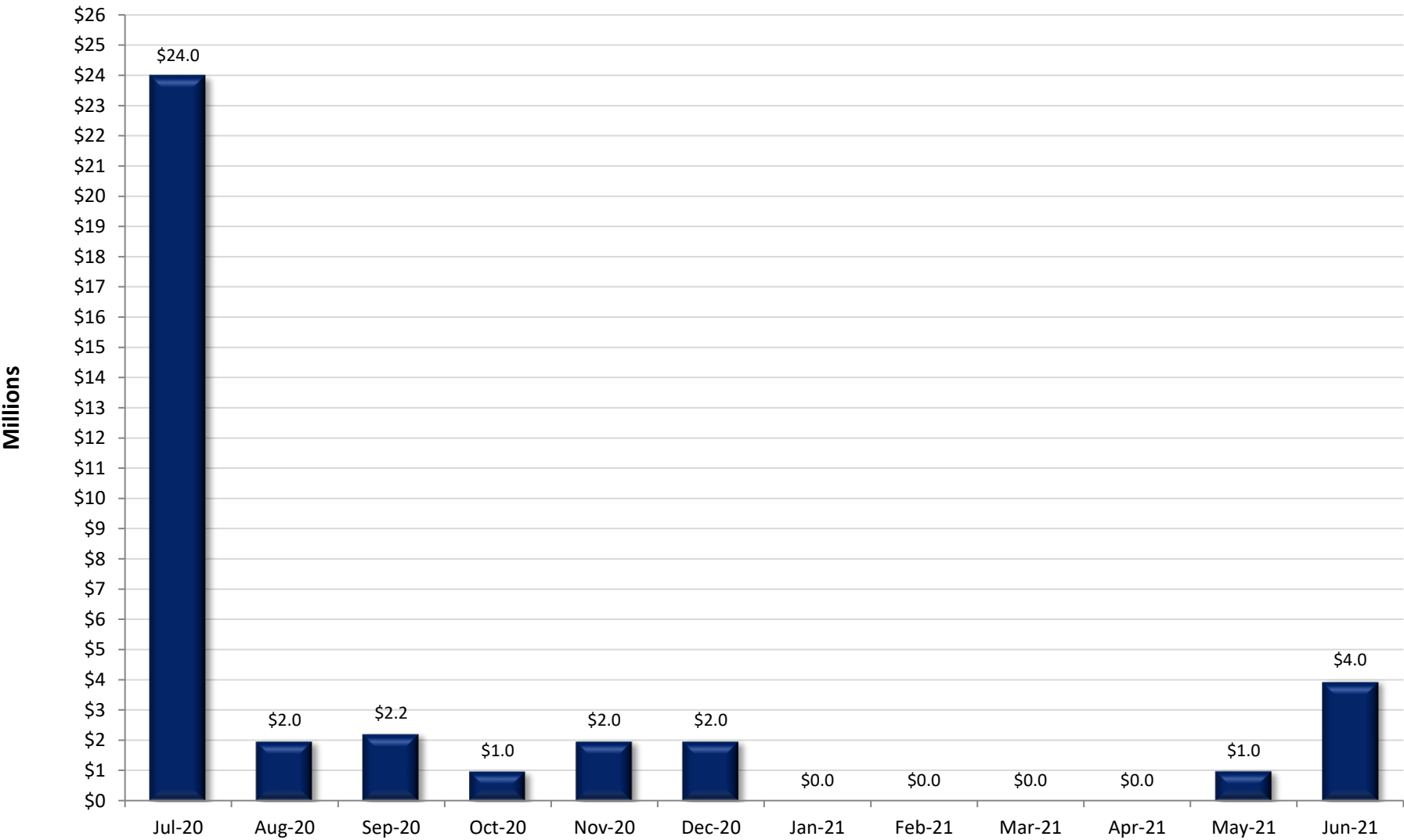


Interest Rate Change	Portfolio Value	Value Change	Percent Change
-100 Basis Points	\$99,250,822	\$1,611,056	1.65%
-75 Basis Points	\$98,751,394	\$1,111,629	1.14%
-50 Basis Points	\$98,413,073	\$773,307	0.79%
-25 Basis Points	\$98,010,309	\$370,543	0.38%
No Change	\$97,639,766	\$0	0.00%
+25 Basis Points	\$97,164,065	-\$475,701	-0.49%
+50 Basis Points	\$96,671,960	-\$967,805	-0.99%
+75 Basis Points	\$96,327,487	-\$1,312,278	-1.34%
+100 Basis Points	\$95,999,418	-\$1,640,348	-1.68%

Years	Purchase Yield	% of Portfolio*
0 to .5	1.34%	35.16%
.5 to 1.0	2.01%	5.28%
1.0 to 1.5	1.95%	9.59%
1.5 to 2.0	2.63%	5.82%
2.0 to 2.5	2.50%	15.01%
2.5 to 3.0	0.00%	0.00%
3.0 to 3.5	3.12%	15.78%
3.5 to 4.0	2.23%	2.38%
4.0 to 4.5	1.58%	7.79%
4.5 to 5.0	1.60%	3.18%

\*Based on Book Value

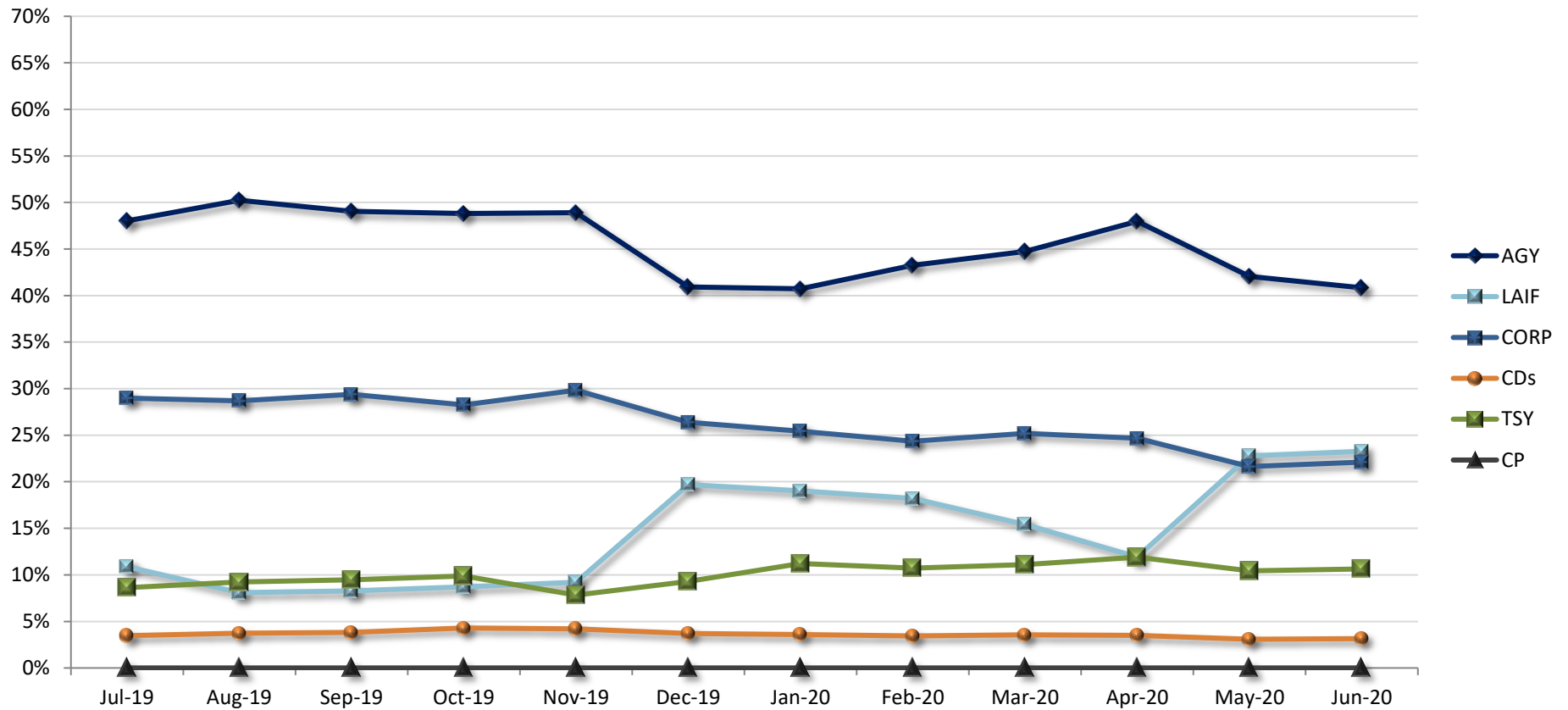




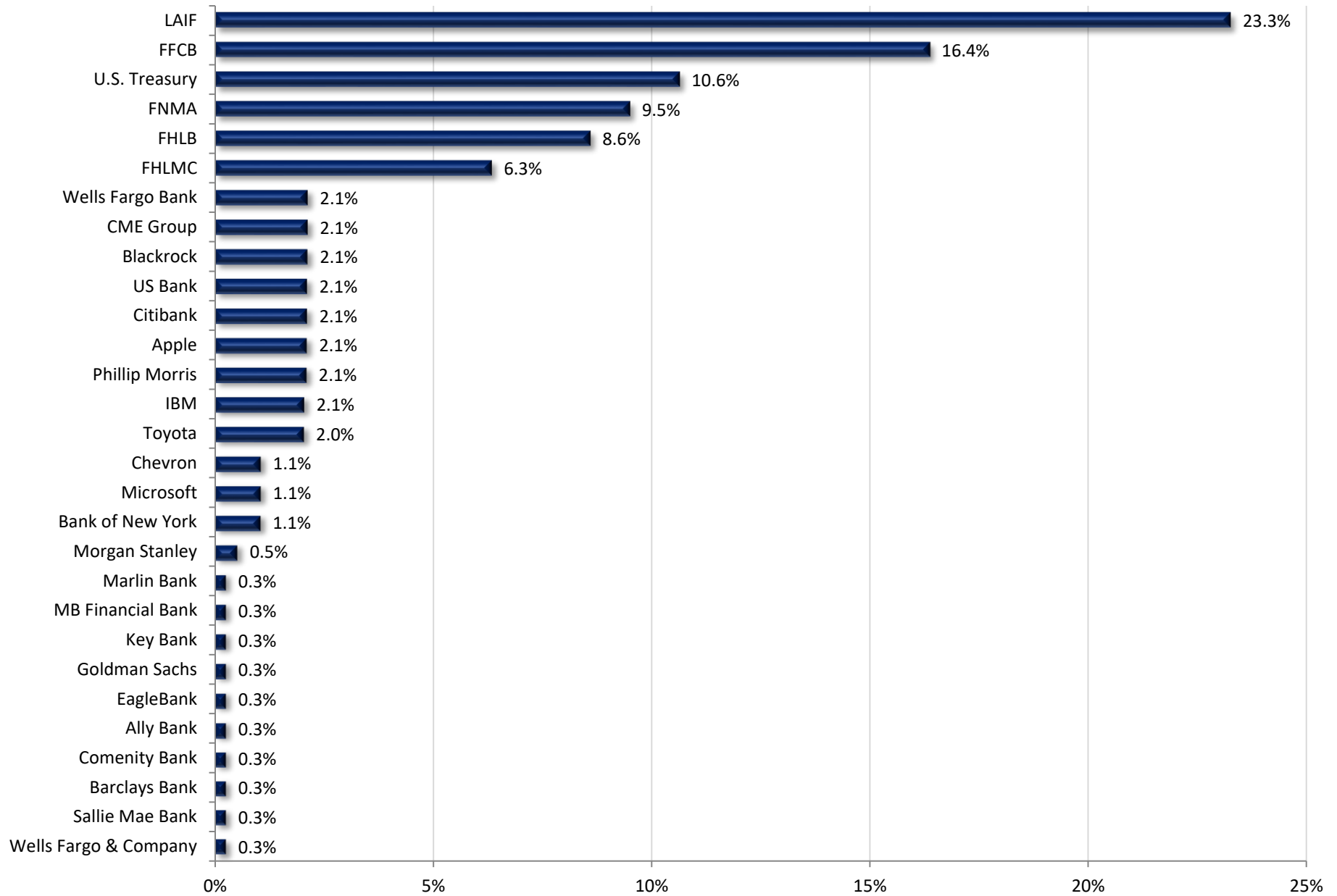
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Maturities	\$24.0	\$2.0	\$2.2	\$1.0	\$2.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0	\$4.0

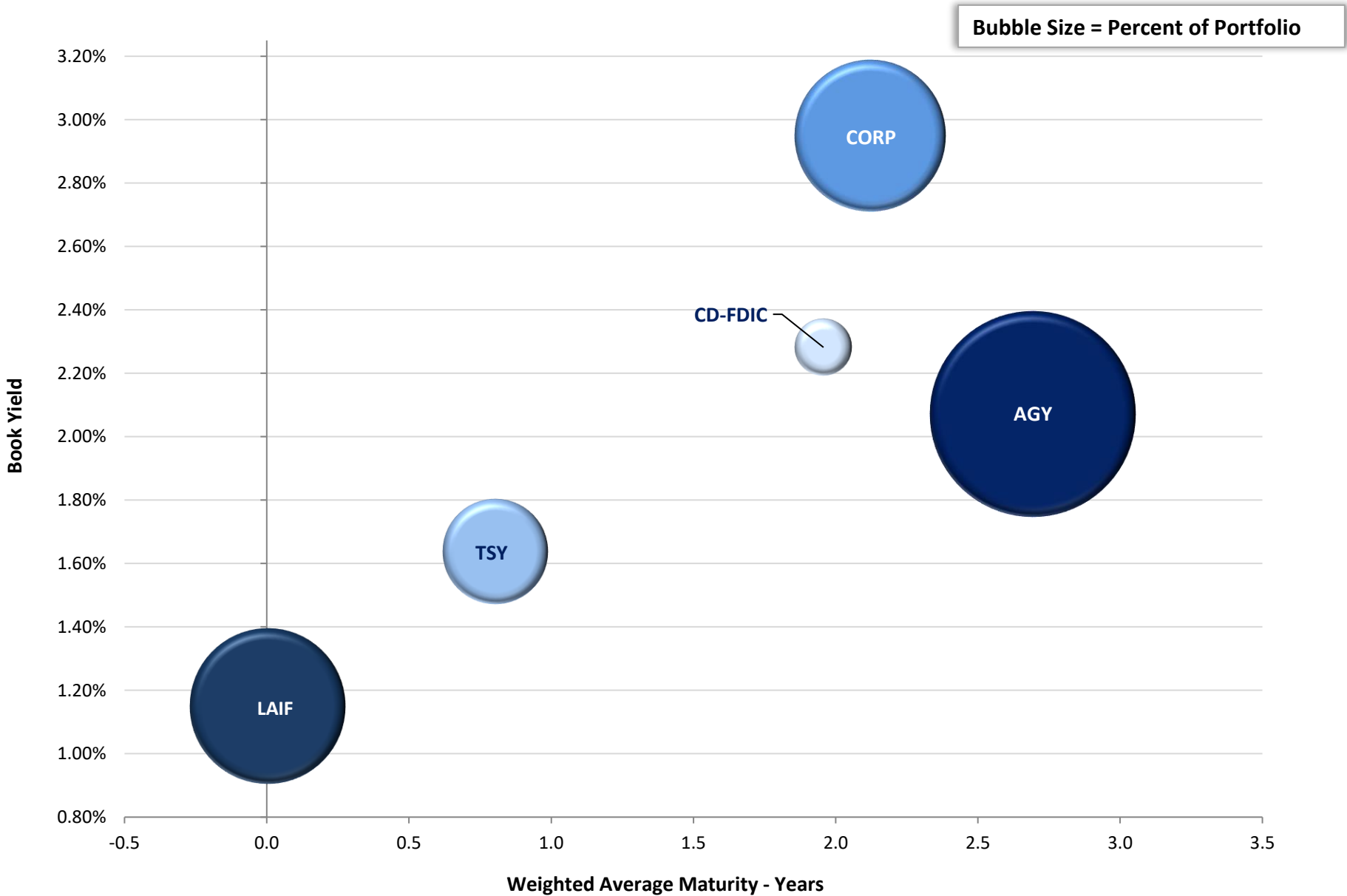
Par Value in Millions, Including Checking



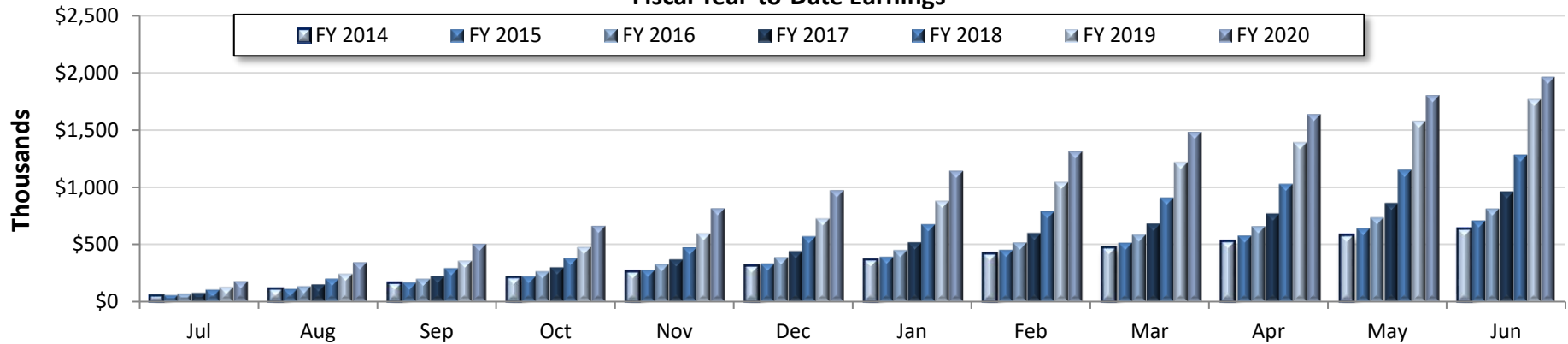


Sector	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Agency	48.0%	50.2%	49.1%	48.8%	48.9%	40.9%	40.7%	43.3%	44.7%	48.0%	42.1%	40.8%
Corporate	29.0%	28.7%	29.4%	28.3%	29.8%	26.4%	25.4%	24.4%	25.2%	24.7%	21.6%	22.1%
Treasury	8.6%	9.2%	9.5%	9.9%	7.8%	9.3%	11.2%	10.7%	11.1%	11.9%	10.4%	10.6%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Certificates of Deposit	3.5%	3.7%	3.8%	4.3%	4.2%	3.7%	3.6%	3.4%	3.6%	3.5%	3.1%	3.1%
LAIF	10.9%	8.1%	8.3%	8.7%	9.2%	19.7%	19.0%	18.2%	15.4%	11.9%	22.8%	23.3%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%



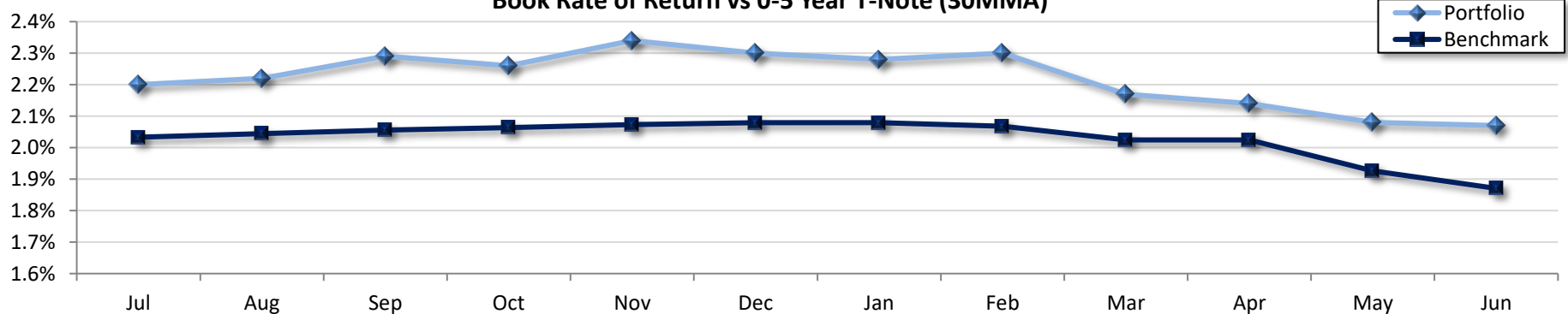


Fiscal Year-to-Date Earnings



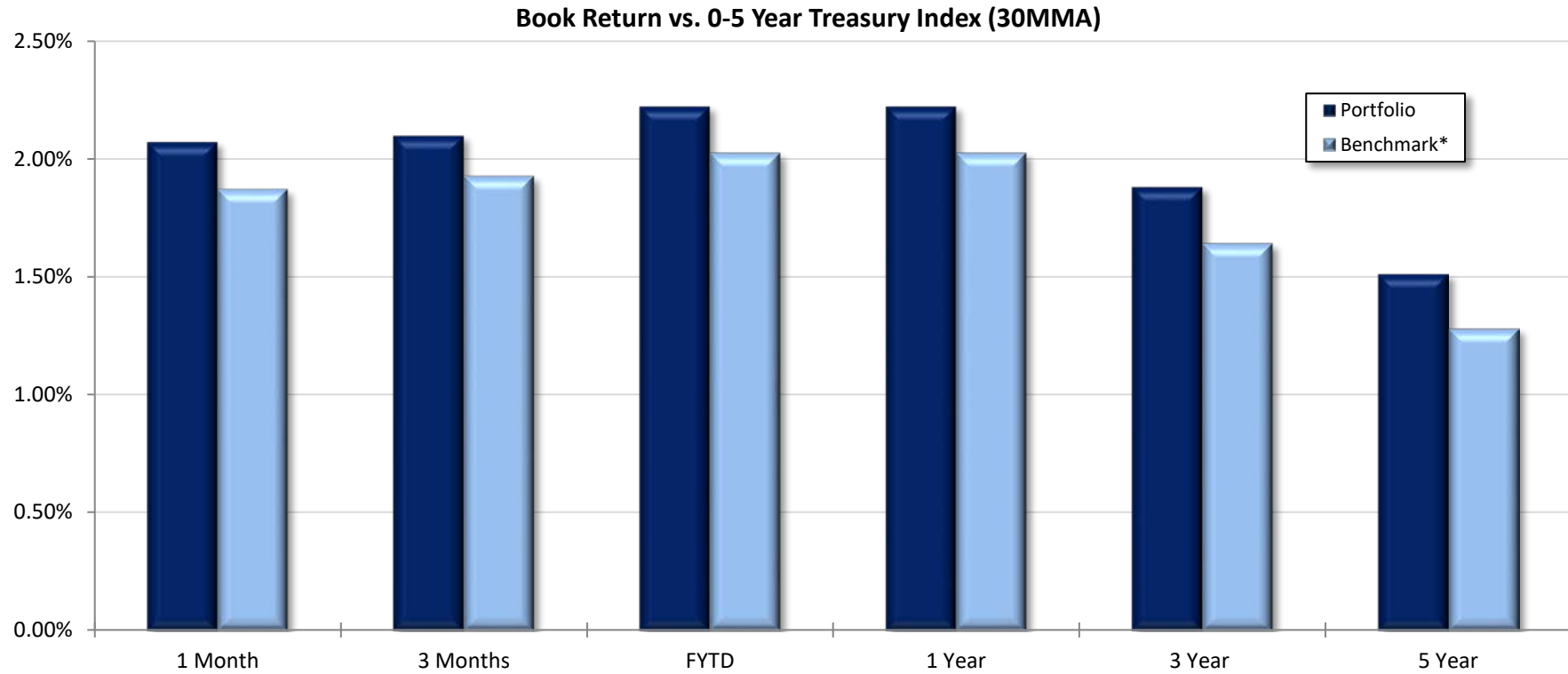
Fiscal YTD (\$000s)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2014	\$53.0	\$112.4	\$162.7	\$212.5	\$261.8	\$311.8	\$364.3	\$416.9	\$469.9	\$521.5	\$574.9	\$630.5
FY 2015	\$55.6	\$110.6	\$166.0	\$221.7	\$276.5	\$331.8	\$391.6	\$451.2	\$512.4	\$574.7	\$640.0	\$706.8
FY 2016	\$66.8	\$131.7	\$197.3	\$261.8	\$322.7	\$383.8	\$445.5	\$510.7	\$579.2	\$652.1	\$727.7	\$805.2
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

Book Rate of Return vs 0-5 Year T-Note (30MMA)



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Book Rate of Rtn	2.20%	2.22%	2.29%	2.26%	2.34%	2.30%	2.28%	2.30%	2.17%	2.14%	2.08%	2.07%
Custom Benchmark*	2.03%	2.04%	2.06%	2.06%	2.07%	2.08%	2.08%	2.07%	2.02%	2.02%	1.93%	1.87%
Variance	0.17%	0.18%	0.23%	0.20%	0.27%	0.22%	0.20%	0.23%	0.15%	0.12%	0.15%	0.20%

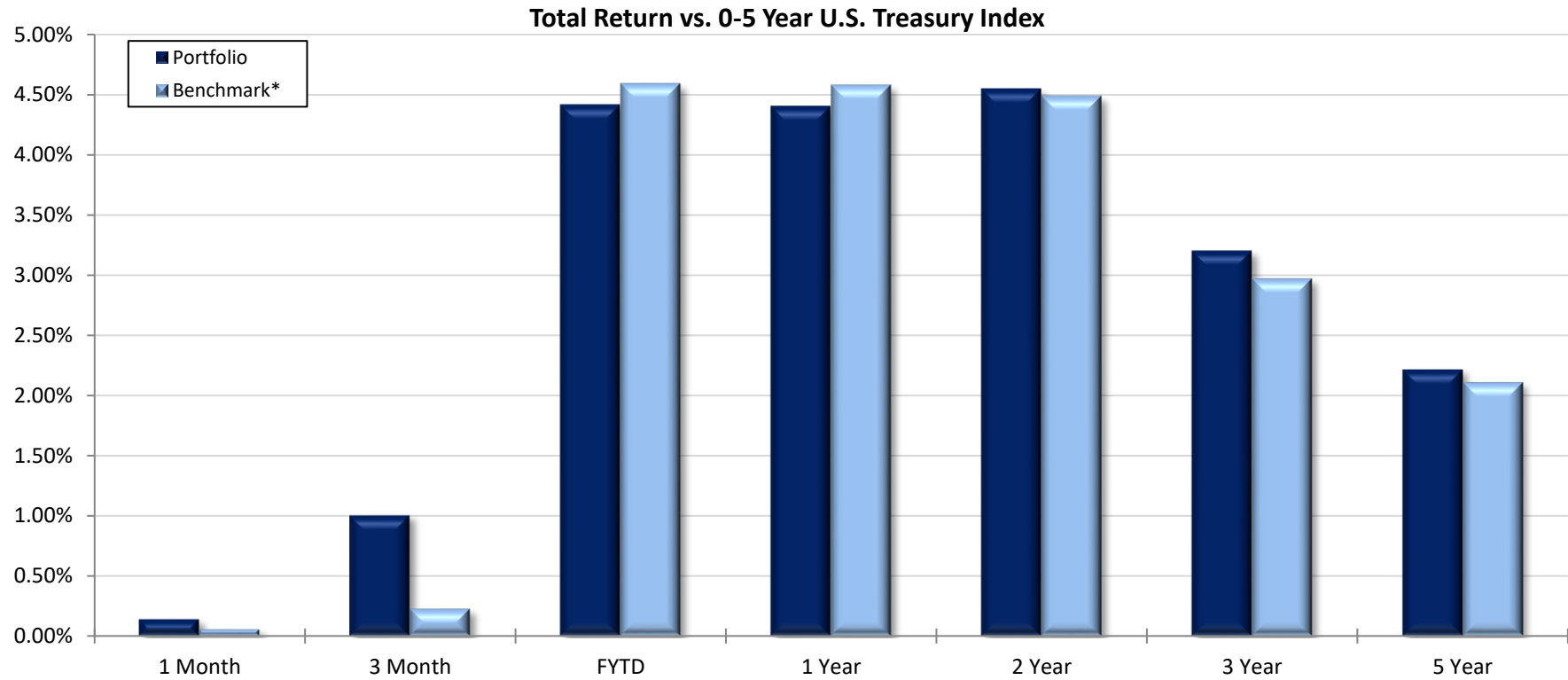
\*Benchmark: 0-5 Year Treasury Index (30 month moving average)



\*Benchmark: 0-5 Year Treasury Index (30 Month Moving Average)

	1 Month	3 Months	FYTD	1 Year	3 Year	5 Year
<b>Portfolio</b>	2.07%	2.10%	2.22%	2.22%	1.88%	1.51%
<b>Benchmark*</b>	1.87%	1.92%	2.02%	2.02%	1.64%	1.28%
<b>Variance</b>	0.20%	0.17%	0.20%	0.20%	0.24%	0.23%

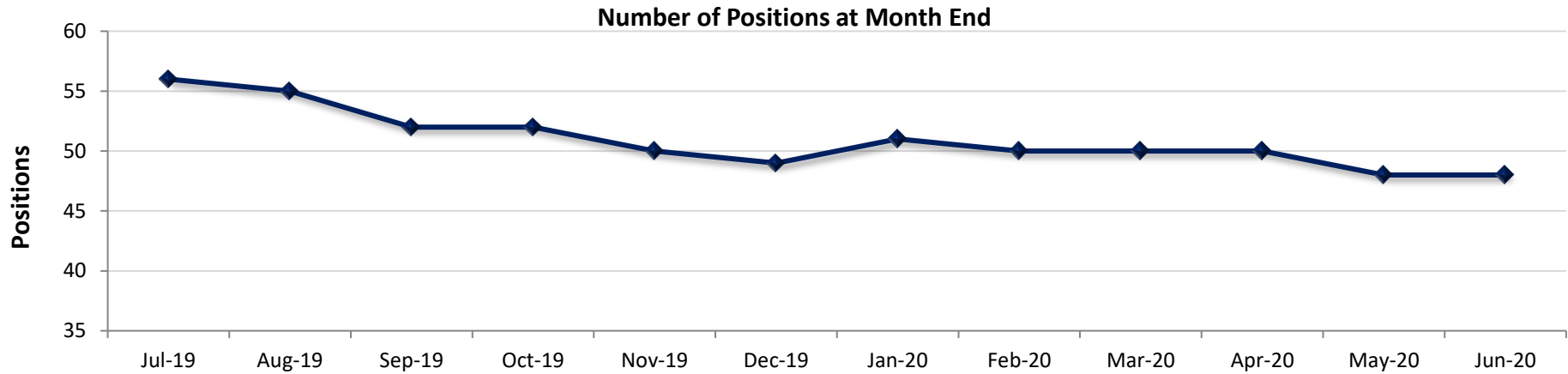
**Note:** All returns are annualized. Periods greater than 1 month use the average return for the corresponding period. Returns for the FYTD has the average build over the fiscal year period.



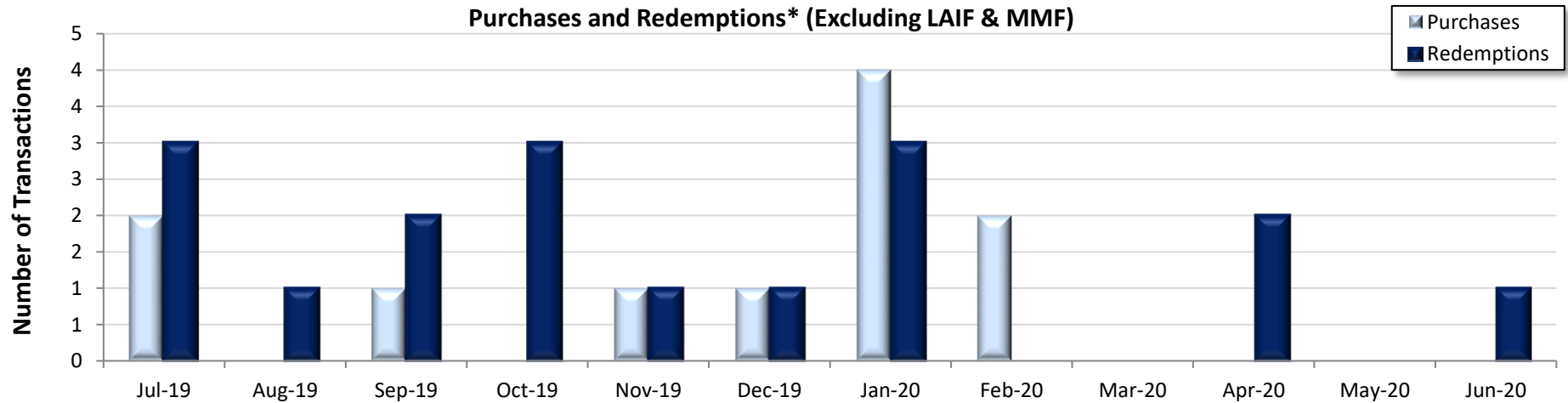
	1 Month	3 Month	FYTD	1 Year	2 Year	3 Year	5 Year
<b>Portfolio</b>	0.14%	1.01%	4.41%	4.40%	4.55%	3.21%	2.22%
<b>Benchmark*</b>	0.06%	0.23%	4.59%	4.58%	4.48%	2.97%	2.11%
<b>Variance</b>	0.09%	0.78%	-0.17%	-0.17%	0.06%	0.23%	0.11%

\*Index: ICE BAML 0-5 Yr US Treasury Index; figures may not total due to rounding

Total return includes unrealized gains and losses in its calculation and is a good measurement of portfolio's risk/return compared to the market's risk/return. However, total return can be volatile with material changes of interest rates.



	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Positions	56	55	52	52	50	49	51	50	50	50	48	48



\*Redemptions include maturities, calls, and sells (excluding paydowns)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Purchases	2	0	1	0	1	1	4	2	0	0	0	0
Redemptions	3	1	2	3	1	1	3	0	0	2	0	1
Total Transactions	5	1	3	3	2	2	7	2	0	2	0	1

**PM Redondo Beach  
Portfolio Management  
Portfolio Summary  
June 30, 2020**

<b>Investments</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Term</b>	<b>Days to Maturity</b>	<b>YTM 360 Equiv.</b>	<b>YTM 365 Equiv.</b>
Treasury Securities - Coupon	10,000,000.00	10,178,200.00	10,063,635.24	10.65	1,051	293	1.615	1.637
Local Agency Investment Funds	22,000,000.00	22,000,000.00	22,000,000.00	23.27	1	1	1.134	1.150
Corporate Notes	21,000,000.00	21,964,110.00	20,891,193.61	22.10	1,419	774	2.909	2.950
Federal Agency Issues- Non Callable	38,500,000.00	40,400,635.00	38,602,882.07	40.84	1,571	983	2.043	2.072
CD-FDIC	2,976,000.00	3,096,820.64	2,974,779.31	3.15	1,354	714	2.251	2.282
	<b>94,476,000.00</b>	<b>97,639,765.64</b>	<b>94,532,490.23</b>	<b>100.00%</b>	<b>1,110</b>	<b>626</b>	<b>1.984</b>	<b>2.012</b>

**Investments**

<b>Total Earnings</b>	<b>June 30 Month Ending</b>	<b>Fiscal Year To Date</b>	<b>Fiscal Year Ending</b>
Current Year	162,324.72	1,965,199.22	1,965,199.22
<b>Average Daily Balance</b>	<b>95,466,171.68</b>	<b>88,132,084.28</b>	
<b>Effective Rate of Return</b>	<b>2.07%</b>	<b>2.22%</b>	

"I certify that this report accurately reflects all pooled investments and is in conformity with the investment policy filed with the City Council in October, 2019. A copy of this policy is available at the office of the City Clerk. The source of portfolio market valuation is from the City's Custodian. The investment program herein shown provides sufficient cash flow liquidity to meet the level of estimated expenditures for the next six months."

\_\_\_\_\_  
Steven Diels, City Treasurer

Reporting period 06/01/2020-06/30/2020  
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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Moody's	S&P	Maturity Date
<b>Treasury Securities - Coupon</b>												
912828L65	1794	U.S. Treasury		05/11/2017	2,000,000.00	2,005,940.00	1,998,713.65	1.375	1.641	Aaa	AA+	09/30/2020
912828M98	1795	U.S. Treasury		05/11/2017	2,000,000.00	2,011,720.00	1,999,515.49	1.625	1.685	Aaa	AA+	11/30/2020
912828N48	1796	U.S. Treasury		05/11/2017	2,000,000.00	2,015,460.00	2,000,397.73	1.750	1.709	Aaa	AA+	12/31/2020
9128285L0	1847	U.S. Treasury		12/06/2019	2,000,000.00	2,073,820.00	2,033,474.03	2.875	1.632	Aaa	AA+	11/15/2021
9128285R7	1848	U.S. Treasury		01/27/2020	2,000,000.00	2,071,260.00	2,031,534.34	2.625	1.522	Aaa	AA+	12/15/2021
<b>Subtotal and Average</b>			<b>10,065,241.94</b>		<b>10,000,000.00</b>	<b>10,178,200.00</b>	<b>10,063,635.24</b>		<b>1.637</b>			
<b>Local Agency Investment Funds</b>												
SYS51	51	LAIF			22,000,000.00	22,000,000.00	22,000,000.00	1.150	1.150			
<b>Subtotal and Average</b>			<b>22,000,000.00</b>		<b>22,000,000.00</b>	<b>22,000,000.00</b>	<b>22,000,000.00</b>		<b>1.150</b>			
<b>Corporate Notes</b>												
037833AY6	1791	Apple		04/11/2017	2,000,000.00	2,057,740.00	1,996,607.83	2.150	2.262	Aa1	AA+	02/09/2022
09247XAJ0	1824	Blackrock		01/04/2019	2,000,000.00	2,114,220.00	2,011,246.94	3.375	3.063	Aa3	AA-	06/01/2022
06406FAB9	1831	Bank of New York		02/06/2019	1,000,000.00	1,012,800.00	993,409.89	2.050	2.866	A1	A	05/03/2021
17325FAQ1	1827	Citibank		01/22/2019	2,000,000.00	2,059,640.00	2,000,661.40	3.400	3.367	Aa3	A+	07/23/2021
12572QAE5	1837	CME Group		05/06/2019	2,000,000.00	2,110,080.00	2,013,804.70	3.000	2.670	Aa3	AA-	09/15/2022
166764BN9	1789	Chevron		03/03/2017	1,000,000.00	1,034,700.00	1,000,000.00	2.498	2.498	Aa2	AA	03/03/2022
459200HG9	1823	IBM		01/04/2019	2,000,000.00	2,058,620.00	1,937,995.34	1.875	3.470	A2	A	08/01/2022
594918BP8	1783	Microsoft		09/15/2016	1,000,000.00	1,013,690.00	999,301.93	1.550	1.616	Aaa	AAA	08/08/2021
718172CA5	1841	Phillip Morris		06/03/2019	2,000,000.00	2,076,820.00	1,988,622.84	2.375	2.655	A2	A	08/17/2022
89236TDK8	1825	Toyota		01/04/2019	2,000,000.00	2,094,140.00	1,932,401.59	2.250	3.368	A1	A+	10/18/2023
90331HNV1	1826	US Bank		01/04/2019	2,000,000.00	2,161,700.00	2,002,273.26	3.400	3.359	A1	AA-	07/24/2023
94988J5R4	1828	Wells Fargo Bank		01/31/2019	2,000,000.00	2,169,960.00	2,014,867.89	3.550	3.291	Aa2	A+	08/14/2023
<b>Subtotal and Average</b>			<b>20,889,262.12</b>		<b>21,000,000.00</b>	<b>21,964,110.00</b>	<b>20,891,193.61</b>		<b>2.950</b>			
<b>Federal Agency Issues- Non Callable</b>												
3133EHZP1	1801	FFCB		10/06/2017	2,000,000.00	2,069,940.00	1,994,607.65	1.850	1.978	Aaa	AA+	09/20/2022
3133EJUS6	1819	FFCB		07/30/2018	4,000,000.00	4,310,000.00	3,991,413.54	2.875	2.951	Aaa	AA+	07/17/2023
3133EJYL7	1821	FFCB		10/19/2018	3,000,000.00	3,234,840.00	2,967,341.28	2.800	3.172	Aaa	AA+	09/05/2023
3133EJ3Q0	1830	FFCB		01/31/2019	2,000,000.00	2,175,060.00	2,010,369.32	2.875	2.714	Aaa	AA+	12/21/2023
3133EKNX0	1842	FFCB		06/05/2019	1,500,000.00	1,604,385.00	1,509,141.09	2.160	1.996	Aaa	AA+	06/03/2024
3133EKWV4	1843	FFCB		08/07/2019	1,000,000.00	1,058,980.00	1,008,287.20	1.850	1.637	Aaa	AA+	07/26/2024
3133EKA63	1845	FFCB		08/16/2019	2,000,000.00	2,098,560.00	1,996,626.64	1.600	1.643	Aaa	AA+	08/16/2024
3130AB6A9	1797	FHLB		05/11/2017	2,000,000.00	2,001,580.00	1,999,995.70	1.650	1.654	Aaa	AA+	07/20/2020

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Moody's	S&P	Maturity Date
<b>Federal Agency Issues- Non Callable</b>												
3130AFE78	1829	FHLB		01/31/2019	2,000,000.00	2,131,880.00	2,014,675.50	3.000	2.680	Aaa	AA+	12/09/2022
313381BR5	1849	FHLB		01/27/2020	2,000,000.00	2,077,500.00	2,015,790.39	1.875	1.543	Aaa	AA+	12/09/2022
3130A3GE8	1851	FHLB		01/30/2020	2,000,000.00	2,204,220.00	2,103,558.84	2.750	1.538	Aaa	AA+	12/13/2024
3134GBPX4	1798	FHLMC		05/30/2017	2,000,000.00	2,004,620.00	2,000,000.00	1.750	1.750	Aaa	AA+	08/25/2020
3134GBRR5	1799	FHLMC		06/15/2017	4,000,000.00	4,060,400.00	4,000,000.00	1.800	1.800	Aaa	AA+	06/15/2021
3135G0T78	1813	FNMA		01/30/2018	2,000,000.00	2,076,620.00	1,978,058.23	2.000	2.517	Aaa	AA+	10/05/2022
3135G0X24	1850	FNMA		01/27/2020	3,000,000.00	3,160,590.00	3,002,877.47	1.625	1.603	Aaa	AA+	01/07/2025
3135G0W66	1852	FNMA		02/06/2020	2,000,000.00	2,101,500.00	2,012,395.88	1.625	1.475	Aaa	AA+	10/15/2024
3135G0Q89	1853	FNMA		02/21/2020	2,000,000.00	2,029,960.00	1,997,743.34	1.375	1.465	Aaa	AA+	10/07/2021
<b>Subtotal and Average</b>			<b>39,536,907.09</b>		<b>38,500,000.00</b>	<b>40,400,635.00</b>	<b>38,602,882.07</b>		<b>2.072</b>			
<b>CD-FDIC</b>												
20033AW51	1835	Comenity Bank		05/15/2019	248,000.00	269,992.64	248,000.00	2.750	2.753			05/15/2024
02006L5Z2	1802	Ally Bank		10/12/2017	248,000.00	249,319.36	248,000.00	1.950	1.681			10/13/2020
06740KKX4	1800	Barclays Bank		09/27/2017	248,000.00	249,133.36	247,970.62	1.950	2.028			09/28/2020
27002YEM4	1838	EagleBank		05/17/2019	248,000.00	259,026.08	248,000.00	2.600	2.602			05/10/2022
38148PQX8	1804	Goldman Sachs		10/11/2017	248,000.00	249,319.36	248,000.00	1.950	1.952			10/13/2020
49306SYX8	1805	Key Bank		10/11/2017	248,000.00	249,200.32	248,000.00	1.850	1.852			10/09/2020
55266CXB7	1803	MB Financial Bank		10/16/2017	248,000.00	249,259.84	248,000.00	1.850	1.852			10/16/2020
57116ASG4	1836	Marlin Bank		05/09/2019	248,000.00	261,384.56	248,000.00	2.550	2.555			11/09/2022
61760AZZ5	1834	Morgan Stanley		05/09/2019	248,000.00	268,998.16	248,000.00	2.650	2.653			05/09/2024
61690UHB9	1840	Morgan Stanley		06/07/2019	248,000.00	269,781.84	247,545.58	2.700	2.753			06/06/2024
7954503G8	1839	Sallie Mae Bank		06/06/2019	248,000.00	259,236.88	247,770.28	2.550	2.600			06/06/2022
949763L95	1846	Wells Fargo & Company		10/18/2019	248,000.00	262,168.24	247,492.83	2.050	2.102			10/17/2024
<b>Subtotal and Average</b>			<b>2,974,760.53</b>		<b>2,976,000.00</b>	<b>3,096,820.64</b>	<b>2,974,779.31</b>		<b>2.282</b>			
<b>Total and Average</b>			<b>95,466,171.68</b>		<b>94,476,000.00</b>	<b>97,639,765.64</b>	<b>94,532,490.23</b>		<b>2.012</b>			

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**PM Redondo Beach  
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June 30, 2020**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM	365 Moody's	S&P
Average Balance			0.00								
Total Cash and Investments			95,466,171.68		94,476,000.00	97,639,765.64	94,532,490.23		2.012		

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# Redondo Beach - Maturity Report

## Inventory by Maturity Report

### June 30, 2020

CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
SYS51	51	001	LA1	LAIF	07/01/2019	22,000,000.00	1.150		22,000,000.00	1	22,000,000.00	1.134	1.150	1
3130AB6A9	1797	001	MC3	FHLB	05/11/2017	1,999,995.70	1.650	07/20/2020	2,000,000.00	1,166	2,000,000.00	1.632	1.654	19
3134GBPX4	1798	001	MC3	FHLMC	05/30/2017	2,000,000.00	1.750	08/25/2020	2,000,000.00	1,183	2,000,000.00	1.726	1.750	55
06740KKX4	1800	001	MC5	Barclays Bank	09/27/2017	247,970.62	1.950	09/28/2020	248,000.00	1,097	248,000.00	2.000	2.028	89
912828L65	1794	001	TRC	U.S. Treasury	05/11/2017	1,998,713.65	1.375	09/30/2020	2,000,000.00	1,238	2,000,000.00	1.619	1.641	91
49306SYX8	1805	001	MC5	Key Bank	10/11/2017	248,000.00	1.850	10/09/2020	248,000.00	1,094	248,000.00	1.826	1.852	100
02006L5Z2	1802	001	MC5	Ally Bank	10/12/2017	248,000.00	1.950	10/13/2020	248,000.00	1,097	248,000.00	1.658	1.681	104
38148PQX8	1804	001	MC5	Goldman Sachs	10/11/2017	248,000.00	1.950	10/13/2020	248,000.00	1,098	248,000.00	1.925	1.952	104
55266CXB7	1803	001	MC5	MB Financial Bank	10/16/2017	248,000.00	1.850	10/16/2020	248,000.00	1,096	248,000.00	1.826	1.852	107
912828M98	1795	001	TRC	U.S. Treasury	05/11/2017	1,999,515.49	1.625	11/30/2020	2,000,000.00	1,299	2,000,000.00	1.662	1.685	152
912828N48	1796	001	TRC	U.S. Treasury	05/11/2017	2,000,397.73	1.750	12/31/2020	2,000,000.00	1,330	2,000,000.00	1.685	1.709	183
06406FAB9	1831	001	MC1	Bank of New York	02/06/2019	993,409.89	2.050	05/03/2021	1,000,000.00	817	1,000,000.00	2.827	2.866	306
3134GBRR5	1799	001	MC3	FHLMC	06/15/2017	4,000,000.00	1.800	06/15/2021	4,000,000.00	1,461	4,000,000.00	1.775	1.800	349
17325FAQ1	1827	001	MC1	Citibank	01/22/2019	2,000,661.40	3.400	07/23/2021	2,000,000.00	913	2,000,000.00	3.321	3.367	387
594918BP8	1783	001	MC1	Microsoft	09/15/2016	999,301.93	1.550	08/08/2021	1,000,000.00	1,788	1,000,000.00	1.594	1.616	403
3135G0Q89	1853	001	MC3	FNMA	02/21/2020	1,997,743.34	1.375	10/07/2021	2,000,000.00	594	2,000,000.00	1.445	1.465	463
9128285L0	1847	001	TRC	U.S. Treasury	12/06/2019	2,033,474.03	2.875	11/15/2021	2,000,000.00	710	2,000,000.00	1.609	1.632	502
9128285R7	1848	001	TRC	U.S. Treasury	01/27/2020	2,031,534.34	2.625	12/15/2021	2,000,000.00	688	2,000,000.00	1.501	1.522	532
037833AY6	1791	001	MC1	Apple	04/11/2017	1,996,607.83	2.150	02/09/2022	2,000,000.00	1,765	2,000,000.00	2.231	2.262	588
166764BN9	1789	001	MC1	Chevron	03/03/2017	1,000,000.00	2.498	03/03/2022	1,000,000.00	1,826	1,000,000.00	2.464	2.498	610
27002YEM4	1838	001	MC5	EagleBank	05/17/2019	248,000.00	2.600	05/10/2022	248,000.00	1,089	248,000.00	2.567	2.602	678
09247XAJ0	1824	001	MC1	Blackrock	01/04/2019	2,011,246.94	3.375	06/01/2022	2,000,000.00	1,244	2,000,000.00	3.021	3.063	700
7954503G8	1839	001	MC5	Sallie Mae Bank	06/06/2019	247,770.28	2.550	06/06/2022	248,000.00	1,096	248,000.00	2.564	2.600	705
459200HG9	1823	001	MC1	IBM	01/04/2019	1,937,995.34	1.875	08/01/2022	2,000,000.00	1,305	2,000,000.00	3.422	3.470	761
718172CA5	1841	001	MC1	Phillip Morris	06/03/2019	1,988,622.84	2.375	08/17/2022	2,000,000.00	1,171	2,000,000.00	2.619	2.655	777
12572QAE5	1837	001	MC1	CME Group	05/06/2019	2,013,804.70	3.000	09/15/2022	2,000,000.00	1,228	2,000,000.00	2.634	2.670	806
3133EHZP1	1801	001	MC3	FFCB	10/06/2017	1,994,607.65	1.850	09/20/2022	2,000,000.00	1,810	2,000,000.00	1.951	1.978	811
3135G0T78	1813	001	MC3	FNMA	01/30/2018	1,978,058.23	2.000	10/05/2022	2,000,000.00	1,709	2,000,000.00	2.483	2.517	826
57116ASG4	1836	001	MC5	Marlin Bank	05/09/2019	248,000.00	2.550	11/09/2022	248,000.00	1,280	248,000.00	2.520	2.555	861
3130AFE78	1829	001	MC3	FHLB	01/31/2019	2,014,675.50	3.000	12/09/2022	2,000,000.00	1,408	2,000,000.00	2.643	2.680	891
313381BR5	1849	001	MC3	FHLB	01/27/2020	2,015,790.39	1.875	12/09/2022	2,000,000.00	1,047	2,000,000.00	1.521	1.543	891
3133EJUS6	1819	001	MC3	FFCB	07/30/2018	3,991,413.54	2.875	07/17/2023	4,000,000.00	1,813	4,000,000.00	2.911	2.951	1,111
90331HNV1	1826	001	MC1	US Bank	01/04/2019	2,002,273.26	3.400	07/24/2023	2,000,000.00	1,662	2,000,000.00	3.313	3.359	1,118
94988J5R4	1828	001	MC1	Wells Fargo Bank	01/31/2019	2,014,867.89	3.550	08/14/2023	2,000,000.00	1,656	2,000,000.00	3.246	3.291	1,139
3133EJYL7	1821	001	MC3	FFCB	10/19/2018	2,967,341.28	2.800	09/05/2023	3,000,000.00	1,782	3,000,000.00	3.129	3.172	1,161

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**Redondo Beach - Maturity Report**  
**Inventory by Maturity Report**

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CUSIP	Investment #	Fund	Sec. Type	Issuer	Purchase Date	Book Value	Current Rate	Maturity Date	Maturity Amount	Total Days	Par Value	YTM		Days to Maturity
												360	365	
89236TDK8	1825	001	MC1	Toyota	01/04/2019	1,932,401.59	2.250	10/18/2023	2,000,000.00	1,748	2,000,000.00	3.322	3.368	1,204
3133EJ3Q0	1830	001	MC3	FFCB	01/31/2019	2,010,369.32	2.875	12/21/2023	2,000,000.00	1,785	2,000,000.00	2.677	2.714	1,268
61760AZZ5	1834	001	MC5	Morgan Stanley	05/09/2019	248,000.00	2.650	05/09/2024	248,000.00	1,827	248,000.00	2.617	2.653	1,408
20033AW51	1835	001	MC5	Comenity Bank	05/15/2019	248,000.00	2.750	05/15/2024	248,000.00	1,827	248,000.00	2.715	2.753	1,414
3133EKNX0	1842	001	MC3	FFCB	06/05/2019	1,509,141.09	2.160	06/03/2024	1,500,000.00	1,825	1,500,000.00	1.969	1.996	1,433
61690UHB9	1840	001	MC5	Morgan Stanley	06/07/2019	247,545.58	2.700	06/06/2024	248,000.00	1,826	248,000.00	2.715	2.753	1,436
3133EKWV4	1843	001	MC3	FFCB	08/07/2019	1,008,287.20	1.850	07/26/2024	1,000,000.00	1,815	1,000,000.00	1.615	1.637	1,486
3133EKA63	1845	001	MC3	FFCB	08/16/2019	1,996,626.64	1.600	08/16/2024	2,000,000.00	1,827	2,000,000.00	1.620	1.643	1,507
3135G0W66	1852	001	MC3	FNMA	02/06/2020	2,012,395.88	1.625	10/15/2024	2,000,000.00	1,713	2,000,000.00	1.455	1.475	1,567
949763L95	1846	001	MC5	Wells Fargo & Company	10/18/2019	247,492.83	2.050	10/17/2024	248,000.00	1,826	248,000.00	2.074	2.102	1,569
3130A3GE8	1851	001	MC3	FHLB	01/30/2020	2,103,558.84	2.750	12/13/2024	2,000,000.00	1,779	2,000,000.00	1.517	1.538	1,626
3135G0X24	1850	001	MC3	FNMA	01/27/2020	3,002,877.47	1.625	01/07/2025	3,000,000.00	1,807	3,000,000.00	1.581	1.603	1,651
<b>Subtotal and Average</b>						<b>94,532,490.23</b>			<b>94,476,000.00</b>		<b>94,476,000.00</b>	<b>1.984</b>	<b>2.012</b>	<b>626</b>
<b>Net Maturities and Average</b>						<b>94,532,490.23</b>			<b>94,476,000.00</b>		<b>94,476,000.00</b>	<b>1.984</b>	<b>2.012</b>	<b>626</b>

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Report Ver. 7.3.6.1

**Redondo Beach - Credit Rating**  
**Credit Rating Report**  
**June 30, 2020**  
**Sorted by Moody's - Investment Number**

Investment #	Issuer	Security #	Purchase Principal	Book Value	Market Value	Moody's Rating	S&P Rating	Purchase Date	Maturity Date	Days To Maturity	Stated Rate	YTM	% of Total
1783	MSFT	594918BP8	996,900.00	999,301.93	1,013,690.00	Aaa	AAA	09/15/2016	08/08/2021	403	1.550	1.616	1.06
1794	TREASU	912828L65	1,982,500.00	1,998,713.65	2,005,940.00	Aaa	AA+	05/11/2017	09/30/2020	91	1.375	1.641	2.11
1795	TREASU	912828M98	1,995,859.38	1,999,515.49	2,011,720.00	Aaa	AA+	05/11/2017	11/30/2020	152	1.625	1.685	2.12
1796	TREASU	912828N48	2,002,890.62	2,000,397.73	2,015,460.00	Aaa	AA+	05/11/2017	12/31/2020	183	1.750	1.709	2.12
1797	FHLB	3130AB6A9	1,999,740.00	1,999,995.70	2,001,580.00	Aaa	AA+	05/11/2017	07/20/2020	19	1.650	1.654	2.12
1798	FHLM	3134GBPX4	2,000,000.00	2,000,000.00	2,004,620.00	Aaa	AA+	05/30/2017	08/25/2020	55	1.750	1.750	2.12
1799	FHLM	3134GBRR5	4,000,000.00	4,000,000.00	4,060,400.00	Aaa	AA+	06/15/2017	06/15/2021	349	1.800	1.800	4.23
1801	FFCB	3133EHZP1	1,987,960.00	1,994,607.65	2,069,940.00	Aaa	AA+	10/06/2017	09/20/2022	811	1.850	1.978	2.11
1813	FNMA	3135G0T78	1,954,580.00	1,978,058.23	2,076,620.00	Aaa	AA+	01/30/2018	10/05/2022	826	2.000	2.517	2.09
1819	FFCB	3133EJUS6	3,986,000.00	3,991,413.54	4,310,000.00	Aaa	AA+	07/30/2018	07/17/2023	1,111	2.875	2.951	4.22
1821	FFCB	3133EJYL7	2,949,870.00	2,967,341.28	3,234,840.00	Aaa	AA+	10/19/2018	09/05/2023	1,161	2.800	3.172	3.14
1829	FHLB	3130AFE78	2,023,200.00	2,014,675.50	2,131,880.00	Aaa	AA+	01/31/2019	12/09/2022	891	3.000	2.680	2.13
1830	FFCB	3133EJ3Q0	2,014,600.00	2,010,369.32	2,175,060.00	Aaa	AA+	01/31/2019	12/21/2023	1,268	2.875	2.714	2.13
1842	FFCB	3133EKNX0	1,511,640.00	1,509,141.09	1,604,385.00	Aaa	AA+	06/05/2019	06/03/2024	1,433	2.160	1.996	1.60
1843	FFCB	3133EKWV4	1,010,120.00	1,008,287.20	1,058,980.00	Aaa	AA+	08/07/2019	07/26/2024	1,486	1.850	1.637	1.07
1845	FFCB	3133EKA63	1,995,911.08	1,996,626.64	2,098,560.00	Aaa	AA+	08/16/2019	08/16/2024	1,507	1.600	1.643	2.11
1847	TREASU	9128285L0	2,047,343.75	2,033,474.03	2,073,820.00	Aaa	AA+	12/06/2019	11/15/2021	502	2.875	1.632	2.15
1848	TREASU	9128285R7	2,040,781.25	2,031,534.34	2,071,260.00	Aaa	AA+	01/27/2020	12/15/2021	532	2.625	1.522	2.15
1849	FHLB	313381BR5	2,018,560.00	2,015,790.39	2,077,500.00	Aaa	AA+	01/27/2020	12/09/2022	891	1.875	1.543	2.13
1850	FNMA	3135G0X24	3,003,150.00	3,002,877.47	3,160,590.00	Aaa	AA+	01/27/2020	01/07/2025	1,651	1.625	1.603	3.18
1851	FHLB	3130A3GE8	2,113,320.00	2,103,558.84	2,204,220.00	Aaa	AA+	01/30/2020	12/13/2024	1,626	2.750	1.538	2.23
1852	FNMA	3135G0W66	2,013,560.00	2,012,395.88	2,101,500.00	Aaa	AA+	02/06/2020	10/15/2024	1,567	1.625	1.475	2.13
1853	FNMA	3135G0Q89	1,997,100.00	1,997,743.34	2,029,960.00	Aaa	AA+	02/21/2020	10/07/2021	463	1.375	1.465	2.11
<b>SubTotal for Aaa</b>			<b>49,645,586.08</b>	<b>49,665,819.24</b>	<b>51,592,525.00</b>					<b>832</b>	<b>2.099</b>	<b>1.975</b>	<b>52.56</b>
1791	AAPL	037833AY6	1,989,800.00	1,996,607.83	2,057,740.00	Aa1	AA+	04/11/2017	02/09/2022	588	2.150	2.262	2.11
<b>SubTotal for Aa1</b>			<b>1,989,800.00</b>	<b>1,996,607.83</b>	<b>2,057,740.00</b>					<b>588</b>	<b>2.150</b>	<b>2.262</b>	<b>2.11</b>
1789	CVX	166764BN9	1,000,000.00	1,000,000.00	1,034,700.00	Aa2	AA	03/03/2017	03/03/2022	610	2.498	2.498	1.06
1828	WELLS	94988J5R4	2,021,620.00	2,014,867.89	2,169,960.00	Aa2	A+	01/31/2019	08/14/2023	1,139	3.550	3.291	2.13
<b>SubTotal for Aa2</b>			<b>3,021,620.00</b>	<b>3,014,867.89</b>	<b>3,204,660.00</b>					<b>964</b>	<b>3.201</b>	<b>3.028</b>	<b>3.19</b>
1824	BLKR	09247XAJ0	2,020,000.00	2,011,246.94	2,114,220.00	Aa3	AA-	01/04/2019	06/01/2022	700	3.375	3.063	2.13
1827	CITIB	17325FAQ1	2,001,560.00	2,000,661.40	2,059,640.00	Aa3	A+	01/22/2019	07/23/2021	387	3.400	3.367	2.12
1837	CME	12572QAE5	2,021,020.00	2,013,804.70	2,110,080.00	Aa3	AA-	05/06/2019	09/15/2022	806	3.000	2.670	2.13

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**Redondo Beach - Credit Rating**  
**Credit Rating Report**  
**Sorted by Moody's - Investment Number**

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Investment #	Issuer	Security #	Purchase Principal	Book Value	Market Value	Moody's Rating	S&P Rating	Purchase Date	Maturity Date	Days To Maturity	Stated Rate	YTM	% of Total
<b>SubTotal for Aa3</b>			<b>6,042,580.00</b>	<b>6,025,713.04</b>	<b>6,283,940.00</b>					<b>632</b>	<b>3.258</b>	<b>3.033</b>	<b>6.38</b>
1825	TOY	89236TDK8	1,901,820.00	1,932,401.59	2,094,140.00	A1	A+	01/04/2019	10/18/2023	1,204	2.250	3.368	2.04
1826	USBANK	90331HNV1	2,003,380.00	2,002,273.26	2,161,700.00	A1	AA-	01/04/2019	07/24/2023	1,118	3.400	3.359	2.12
1831	BONY	06406FAB9	982,390.00	993,409.89	1,012,800.00	A1	A	02/06/2019	05/03/2021	306	2.050	2.866	1.05
<b>SubTotal for A1</b>			<b>4,887,590.00</b>	<b>4,928,084.74</b>	<b>5,268,640.00</b>					<b>988</b>	<b>2.677</b>	<b>3.263</b>	<b>5.21</b>
1823	IBM	459200HG9	1,893,600.00	1,937,995.34	2,058,620.00	A2	A	01/04/2019	08/01/2022	761	1.875	3.470	2.05
1841	PM	718172CA5	1,982,860.00	1,988,622.84	2,076,820.00	A2	A	06/03/2019	08/17/2022	777	2.375	2.655	2.10
<b>SubTotal for A2</b>			<b>3,876,460.00</b>	<b>3,926,618.18</b>	<b>4,135,440.00</b>					<b>769</b>	<b>2.128</b>	<b>3.057</b>	<b>4.15</b>
1800	BACR	06740KKX4	247,637.92	247,970.62	249,133.36	None	None	09/27/2017	09/28/2020	89	1.950	2.000	0.26
1802	ALLY	02006L5Z2	248,000.00	248,000.00	249,319.36	None	None	10/12/2017	10/13/2020	104	1.950	1.681	0.26
1803	MBFI	55266CXB7	248,000.00	248,000.00	249,259.84	None	None	10/16/2017	10/16/2020	107	1.850	1.852	0.26
1804	GS	38148PQX8	248,000.00	248,000.00	249,319.36	None	None	10/11/2017	10/13/2020	104	1.950	1.952	0.26
1805	KEY	49306SYX8	248,000.00	248,000.00	249,200.32	None	None	10/11/2017	10/09/2020	100	1.850	1.852	0.26
1834	MS	61760AZZ5	248,000.00	248,000.00	268,998.16	None	None	05/09/2019	05/09/2024	1,408	2.650	2.653	0.26
1835	ADS	20033AW51	248,000.00	248,000.00	269,992.64	None	None	05/15/2019	05/15/2024	1,414	2.750	2.753	0.26
1836	MRLN	57116ASG4	248,000.00	248,000.00	261,384.56	None	None	05/09/2019	11/09/2022	861	2.550	2.555	0.26
1838	EGBN	27002YEM4	248,000.00	248,000.00	259,026.08	None	None	05/17/2019	05/10/2022	678	2.600	2.602	0.26
1839	SALLMA	7954503G8	247,642.88	247,770.28	259,236.88	None	None	06/06/2019	06/06/2022	705	2.550	2.600	0.26
1840	MS	61690UHB9	247,422.16	247,545.58	269,781.84	None	None	06/07/2019	06/06/2024	1,436	2.700	2.753	0.26
1846	WFC	949763L95	247,409.76	247,492.83	262,168.24	None	None	10/18/2019	10/17/2024	1,569	2.050	2.102	0.26
51	LAIF	SYS51	22,000,000.00	22,000,000.00	22,000,000.00	None	None	07/01/2019		1	1.150	1.150	23.27
<b>SubTotal for No Specified Rating</b>			<b>24,974,112.72</b>	<b>24,974,779.31</b>	<b>25,096,820.64</b>					<b>86</b>	<b>1.285</b>	<b>1.285</b>	<b>26.39</b>

**Redondo Beach - Summary by Issuer**  
**Summary by Issuer**  
**June 30, 2020**

<b>Issuer</b>	<b>Number of Investments</b>	<b>Par Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Average YTM 365</b>	<b>Average Days to Maturity</b>
Apple	1	2,000,000.00	1,996,607.83	1.92	2.262	588
Comenity Bank	1	248,000.00	248,000.00	0.24	2.753	1,414
Ally Bank	1	248,000.00	248,000.00	0.24	1.681	104
Barclays Bank	1	248,000.00	247,970.62	0.24	2.028	89
Blackrock	1	2,000,000.00	2,011,246.94	1.94	3.063	700
Bank of America Checking	1	9,193,009.23	9,193,009.23	8.86	0.000	1
Bank of New York	1	1,000,000.00	993,409.89	0.96	2.866	306
Citibank	1	2,000,000.00	2,000,661.40	1.93	3.367	387
CME Group	1	2,000,000.00	2,013,804.70	1.94	2.670	806
Chevron	1	1,000,000.00	1,000,000.00	0.96	2.498	610
EagleBank	1	248,000.00	248,000.00	0.24	2.602	678
FFCB	7	15,500,000.00	15,477,786.72	14.92	2.490	1,209
FHLB	4	8,000,000.00	8,134,020.43	7.84	1.851	867
FHLMC	2	6,000,000.00	6,000,000.00	5.78	1.783	251
FNMA	4	9,000,000.00	8,991,074.92	8.67	1.745	1,187
Goldman Sachs	1	248,000.00	248,000.00	0.24	1.952	104
IBM	1	2,000,000.00	1,937,995.34	1.87	3.470	761
Key Bank	1	248,000.00	248,000.00	0.24	1.852	100
LAIF	1	22,000,000.00	22,000,000.00	21.21	1.150	1
MB Financial Bank	1	248,000.00	248,000.00	0.24	1.852	107
Marlin Bank	1	248,000.00	248,000.00	0.24	2.555	861
Morgan Stanley	2	496,000.00	495,545.58	0.48	2.703	1,422

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**Redondo Beach - Summary by Issuer**  
**Summary by Issuer**  
**June 30, 2020**

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<b>Issuer</b>	<b>Number of Investments</b>	<b>Par Value</b>	<b>Book Value</b>	<b>% of Portfolio</b>	<b>Average YTM 365</b>	<b>Average Days to Maturity</b>
Microsoft	1	1,000,000.00	999,301.93	0.96	1.616	403
Phillip Morris	1	2,000,000.00	1,988,622.84	1.92	2.655	777
Sallie Mae Bank	1	248,000.00	247,770.28	0.24	2.600	705
Toyota	1	2,000,000.00	1,932,401.59	1.86	3.368	1,204
U.S. Treasury	5	10,000,000.00	10,063,635.24	9.70	1.637	293
US Bank	1	2,000,000.00	2,002,273.26	1.93	3.359	1,118
Wells Fargo Bank	1	2,000,000.00	2,014,867.89	1.94	3.291	1,139
Wells Fargo & Company	1	248,000.00	247,492.83	0.24	2.102	1,569
<b>Total and Average</b>	<b>48</b>	<b>103,669,009.23</b>	<b>103,725,499.46</b>	<b>100.00</b>	<b>1.833</b>	<b>571</b>

**PM Redondo Beach  
Portfolio Management  
Interest Earnings Summary  
June 30, 2020**

Page 1

	June 30Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	259,614.68	1,722,696.53
Plus Accrued Interest at End of Period	401,929.20	401,935.48
Less Accrued Interest at Beginning of Period	( 522,250.04)	( 442,919.78)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	139,293.84	1,681,712.23
Adjusted by Premiums and Discounts	-560.35	44,934.04
Adjusted by Capital Gains or Losses	0.00	-5,930.74
Earnings during Periods	138,733.49	1,720,715.53
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.00	244,273.71
Plus Accrued Interest at End of Period	62,359.56	62,359.56
Less Accrued Interest at Beginning of Period	( 38,768.33)	( 62,149.58)
Interest Earned during Period	23,591.23	244,483.69
<b>Total Interest Earned during Period</b>	<b>162,885.07</b>	<b>1,926,195.92</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>-560.35</b>	<b>44,934.04</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>-5,930.74</b>
<b>Total Earnings during Period</b>	<b>162,324.72</b>	<b>1,965,199.22</b>

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**Redondo Beach - Interest Reports**  
**Interest Earnings**  
**Sorted by Security Type - Maturity Date**  
**June 1, 2020 - June 30, 2020**  
**Yield on Beginning Book Value**

										Adjusted Interest Earnings		
CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Annualized Yield	Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Security Type: Treasury Securities - Coupon												
912828L65	1794	001	TREASU	2,000,000.00	1,998,289.58	1,998,713.65	09/30/2020	1.375	1.631	2,254.10	424.07	2,678.17
912828M98	1795	001	TREASU	2,000,000.00	1,999,419.87	1,999,515.49	11/30/2020	1.625	1.679	2,663.93	95.62	2,759.55
912828N48	1796	001	TREASU	2,000,000.00	2,000,462.93	2,000,397.73	12/31/2020	1.750	1.714	2,883.57	-65.20	2,818.37
9128285L0	1847	001	TREASU	2,000,000.00	2,035,474.47	2,033,474.03	11/15/2021	2.875	1.606	4,687.50	-2,000.44	2,687.06
9128285R7	1848	001	TREASU	2,000,000.00	2,033,312.59	2,031,534.34	12/15/2021	2.625	1.511	4,303.28	-1,778.25	2,525.03
Subtotal				10,000,000.00	10,066,959.44	10,063,635.24			1.628	16,792.38	-3,324.20	13,468.18
Security Type: Local Agency Investment Funds												
SYS51	51	001	LAIF	22,000,000.00	22,000,000.00	22,000,000.00	1.150		1.305	23,591.23	0.00	23,591.23
Subtotal				22,000,000.00	22,000,000.00	22,000,000.00			1.305	23,591.23	0.00	23,591.23
Security Type: Corporate Notes												
06406FAB9	1831	001	BONY	1,000,000.00	992,755.24	993,409.89	05/03/2021	2.050	2.896	1,708.34	654.65	2,362.99
17325FAQ1	1827	001	CITIB	2,000,000.00	2,000,713.34	2,000,661.40	07/23/2021	3.400	3.414	5,666.66	-51.94	5,614.72
594918BP8	1783	001	MSFT	1,000,000.00	999,249.18	999,301.93	08/08/2021	1.550	1.637	1,291.66	52.75	1,344.41
037833AY6	1791	001	AAPL	2,000,000.00	1,996,431.76	1,996,607.83	02/09/2022	2.150	2.291	3,583.33	176.07	3,759.40
166764BN9	1789	001	CVX	1,000,000.00	1,000,000.00	1,000,000.00	03/03/2022	2.498	2.533	2,081.67	0.00	2,081.67
09247XAJ0	1824	001	BLKR	2,000,000.00	2,011,735.94	2,011,246.94	06/01/2022	3.375	3.106	5,625.00	-489.00	5,136.00
459200HG9	1823	001	IBM	2,000,000.00	1,935,515.15	1,937,995.34	08/01/2022	1.875	3.523	3,125.00	2,480.19	5,605.19
718172CA5	1841	001	PM	2,000,000.00	1,988,177.26	1,988,622.84	08/17/2022	2.375	2.695	3,958.34	445.58	4,403.92
12572QAE5	1837	001	CME	2,000,000.00	2,014,326.29	2,013,804.70	09/15/2022	3.000	2.705	5,000.00	-521.59	4,478.41
90331HNV1	1826	001	USBANK	2,000,000.00	2,002,335.09	2,002,273.26	07/24/2023	3.400	3.406	5,666.67	-61.83	5,604.84
94988J5R4	1828	001	WELLS	2,000,000.00	2,015,265.07	2,014,867.89	08/14/2023	3.550	3.332	5,916.66	-397.18	5,519.48
89236TDK8	1825	001	TOY	2,000,000.00	1,930,693.12	1,932,401.59	10/18/2023	2.250	3.440	3,750.00	1,708.47	5,458.47
Subtotal				21,000,000.00	20,887,197.44	20,891,193.61			2.992	47,373.33	3,996.17	51,369.50
Security Type: Savings/ Checking Account												
SYS92	92	002	BOFA	9,193,009.23	8,265,073.61	9,193,009.23				0.00	0.00	0.00

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**Redondo Beach - Interest Reports**  
**Interest Earnings**  
**June 1, 2020 - June 30, 2020**

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CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Adjusted Interest Earnings			
									Annualized Yield	Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Subtotal				9,193,009.23	8,265,073.61	9,193,009.23				0.00	0.00	0.00
Security Type: Federal Agency Issues- Non Callable												
3133EEW55	1811	001	FFCB	0.00	1,999,710.18	0.00	06/15/2020	1.800	2.203	1,400.00	289.82	1,689.82
3130AB6A9	1797	001	FHLB	2,000,000.00	1,999,988.91	1,999,995.70	07/20/2020	1.650	1.677	2,750.00	6.79	2,756.79
3134GBPX4	1798	001	FHLM	2,000,000.00	2,000,000.00	2,000,000.00	08/25/2020	1.750	1.774	2,916.67	0.00	2,916.67
3134GBRR5	1799	001	FHLM	4,000,000.00	4,000,000.00	4,000,000.00	06/15/2021	1.800	1.825	6,000.00	0.00	6,000.00
3135G0Q89	1853	001	FNMA	2,000,000.00	1,997,594.88	1,997,743.34	10/07/2021	1.375	1.486	2,291.67	148.46	2,440.13
3133EHZP1	1801	001	FFCB	2,000,000.00	1,994,405.18	1,994,607.65	09/20/2022	1.850	2.004	3,083.34	202.47	3,285.81
3135G0T78	1813	001	FNMA	2,000,000.00	1,977,249.57	1,978,058.23	10/05/2022	2.000	2.549	3,333.34	808.66	4,142.00
313381BR5	1849	001	FHLB	2,000,000.00	2,016,329.92	2,015,790.39	12/09/2022	1.875	1.560	3,125.00	-539.53	2,585.47
3130AFE78	1829	001	FHLB	2,000,000.00	2,015,176.95	2,014,675.50	12/09/2022	3.000	2.716	5,000.00	-501.45	4,498.55
3133EJUS6	1819	001	FFCB	4,000,000.00	3,991,178.51	3,991,413.54	07/17/2023	2.875	2.993	9,583.33	235.03	9,818.36
3133EJYL7	1821	001	FFCB	3,000,000.00	2,966,484.84	2,967,341.28	09/05/2023	2.800	3.222	7,000.00	856.44	7,856.44
3133EJ3Q0	1830	001	FFCB	2,000,000.00	2,010,618.18	2,010,369.32	12/21/2023	2.875	2.749	4,791.66	-248.86	4,542.80
3133EKNX0	1842	001	FFCB	1,500,000.00	1,509,335.31	1,509,141.09	06/03/2024	2.160	2.020	2,700.00	-194.22	2,505.78
3133EKWV4	1843	001	FFCB	1,000,000.00	1,008,456.90	1,008,287.20	07/26/2024	1.850	1.655	1,541.67	-169.70	1,371.97
3133EKA63	1845	001	FFCB	2,000,000.00	1,996,558.49	1,996,626.64	08/16/2024	1.600	1.667	2,666.67	68.15	2,734.82
3135G0W66	1852	001	FNMA	2,000,000.00	2,012,636.73	2,012,395.88	10/15/2024	1.625	1.492	2,708.33	-240.85	2,467.48
3130A3GE8	1851	001	FHLB	2,000,000.00	2,105,498.14	2,103,558.84	12/13/2024	2.750	1.528	4,583.33	-1,939.30	2,644.03
3135G0X24	1850	001	FNMA	3,000,000.00	3,002,930.56	3,002,877.47	01/07/2025	1.625	1.624	4,062.50	-53.09	4,009.41
Subtotal				38,500,000.00	40,604,153.25	38,602,882.07			2.101	69,537.51	-1,271.18	68,266.33
Security Type: CD-FDIC												
06740KKX4	1800	001	BACR	248,000.00	247,960.72	247,970.62	09/28/2020	1.950	2.026	403.00	9.90	412.90
49306SYX8	1805	001	KEY	248,000.00	248,000.00	248,000.00	10/09/2020	1.850	1.850	377.10	0.00	377.10
38148PQX8	1804	001	GS	248,000.00	248,000.00	248,000.00	10/13/2020	1.950	1.950	397.48	0.00	397.48
02006L5Z2	1802	001	ALLY	248,000.00	248,000.00	248,000.00	10/13/2020	1.950	1.950	397.48	0.00	397.48
55266CXB7	1803	001	MBFI	248,000.00	248,000.00	248,000.00	10/16/2020	1.850	1.850	377.10	0.00	377.10
27002YEM4	1838	001	EGBN	248,000.00	248,000.00	248,000.00	05/10/2022	2.600	2.600	529.97	0.00	529.97
7954503G8	1839	001	SALLMA	248,000.00	247,760.51	247,770.28	06/06/2022	2.550	2.600	519.78	9.77	529.55
57116ASG4	1836	001	MRLN	248,000.00	248,000.00	248,000.00	11/09/2022	2.550	2.550	519.78	0.00	519.78
61760AZZ5	1834	001	MS	248,000.00	248,000.00	248,000.00	05/09/2024	2.650	2.650	540.16	0.00	540.16
20033AW51	1835	001	ADS	248,000.00	248,000.00	248,000.00	05/15/2024	2.750	2.750	560.55	0.00	560.55
61690UHB9	1840	001	MS	248,000.00	247,536.08	247,545.58	06/06/2024	2.700	2.752	550.36	9.50	559.86
949763L95	1846	001	WFC	248,000.00	247,483.14	247,492.83	10/17/2024	2.050	2.102	417.86	9.69	427.55
Subtotal				2,976,000.00	2,974,740.45	2,974,779.31			2.302	5,590.62	38.86	5,629.48

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Redondo Beach - Interest Reports  
Interest Earnings  
June 1, 2020 - June 30, 2020

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CUSIP	Investment #	Fund	Issuer	Ending Par Value	Beginning Book Value	Ending Book Value	Maturity Date	Current Rate	Adjusted Interest Earnings			
									Annualized Yield	Interest Earned	Amortization/ Accretion	Adjusted Interest Earnings
Total				103,669,009.23	104,798,124.19	103,725,499.46			1.904	162,885.07	-560.35	162,324.72

**Redondo Beach - Interest Reports**  
**Accrued Interest**  
**Sorted by Security Type - Maturity Date**  
**June 1, 2020 - June 30, 2020**

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
<b>Treasury Securities - Coupon</b>										
912828L65	1794	TRC	2,000,000.00	09/30/2020	1.375	4,658.47	0.00	2,254.10	0.00	6,912.57
912828M98	1795	TRC	2,000,000.00	11/30/2020	1.625	16,338.80	0.00	2,663.93	16,250.00	2,752.73
912828N48	1796	TRC	2,000,000.00	12/31/2020	1.750	14,711.54	0.00	2,883.57	17,500.00	95.11
9128285L0	1847	TRC	2,000,000.00	11/15/2021	2.875	2,656.25	0.00	4,687.50	0.00	7,343.75
9128285R7	1848	TRC	2,000,000.00	12/15/2021	2.625	24,241.80	0.00	4,303.28	26,250.00	2,295.08
		<b>Subtotal</b>	<b>10,000,000.00</b>			<b>62,606.86</b>	<b>0.00</b>	<b>16,792.38</b>	<b>60,000.00</b>	<b>19,399.24</b>
<b>Local Agency Investment Funds</b>										
SYS51	51	LA1	22,000,000.00		1.150	38,768.33	0.00	23,591.23	0.00	62,359.56
		<b>Subtotal</b>	<b>22,000,000.00</b>			<b>38,768.33</b>	<b>0.00</b>	<b>23,591.23</b>	<b>0.00</b>	<b>62,359.56</b>
<b>Corporate Notes</b>										
06406FAB9	1831	MC1	1,000,000.00	05/03/2021	2.050	1,594.44	0.00	1,708.34	0.00	3,302.78
17325FAQ1	1827	MC1	2,000,000.00	07/23/2021	3.400	24,177.78	0.00	5,666.66	0.00	29,844.44
594918BP8	1783	MC1	1,000,000.00	08/08/2021	1.550	4,865.28	0.00	1,291.66	0.00	6,156.94
037833AY6	1791	MC1	2,000,000.00	02/09/2022	2.150	13,377.78	0.00	3,583.33	0.00	16,961.11
166764BN9	1789	MC1	1,000,000.00	03/03/2022	2.498	6,106.22	0.00	2,081.67	0.00	8,187.89
09247XAJ0	1824	MC1	2,000,000.00	06/01/2022	3.375	33,750.00	0.00	5,625.00	33,750.00	5,625.00
459200HG9	1823	MC1	2,000,000.00	08/01/2022	1.875	12,500.00	0.00	3,125.00	0.00	15,625.00
718172CA5	1841	MC1	2,000,000.00	08/17/2022	2.375	13,722.22	0.00	3,958.34	0.00	17,680.56
12572QAE5	1837	MC1	2,000,000.00	09/15/2022	3.000	12,666.67	0.00	5,000.00	0.00	17,666.67
90331HNV1	1826	MC1	2,000,000.00	07/24/2023	3.400	23,988.89	0.00	5,666.67	0.00	29,655.56
94988J5R4	1828	MC1	2,000,000.00	08/14/2023	3.550	21,102.78	0.00	5,916.66	0.00	27,019.44
89236TDK8	1825	MC1	2,000,000.00	10/18/2023	2.250	5,375.00	0.00	3,750.00	0.00	9,125.00
		<b>Subtotal</b>	<b>21,000,000.00</b>			<b>173,227.06</b>	<b>0.00</b>	<b>47,373.33</b>	<b>33,750.00</b>	<b>186,850.39</b>
<b>Federal Agency Issues- Non Callable</b>										
3133EEW55	1811	MC3	0.00	06/15/2020	1.800	16,600.00	0.00	1,400.00	18,000.00	0.00
3130AB6A9	1797	MC3	2,000,000.00	07/20/2020	1.650	12,008.33	0.00	2,750.00	0.00	14,758.33
3134GBPX4	1798	MC3	2,000,000.00	08/25/2020	1.750	583.33	0.00	2,916.67	0.00	3,500.00
3134GBRR5	1799	MC3	4,000,000.00	06/15/2021	1.800	33,200.00	0.00	6,000.00	36,000.00	3,200.00
3135G0Q89	1853	MC3	2,000,000.00	10/07/2021	1.375	4,125.00	0.00	2,291.67	0.00	6,416.67
3133EHZP1	1801	MC3	2,000,000.00	09/20/2022	1.850	7,297.22	0.00	3,083.34	0.00	10,380.56
3135G0T78	1813	MC3	2,000,000.00	10/05/2022	2.000	6,222.22	0.00	3,333.34	0.00	9,555.56

\* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase interest.

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**Redondo Beach - Interest Reports**  
**Accrued Interest**  
**Sorted by Security Type - Maturity Date**

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CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
<b>Federal Agency Issues- Non Callable</b>										
3130AFE78	1829	MC3	2,000,000.00	12/09/2022	3.000	28,666.67	0.00	5,000.00	30,000.00	3,666.67
313381BR5	1849	MC3	2,000,000.00	12/09/2022	1.875	17,916.67	0.00	3,125.00	18,750.00	2,291.67
3133EJUS6	1819	MC3	4,000,000.00	07/17/2023	2.875	42,805.56	0.00	9,583.33	0.00	52,388.89
3133EJYL7	1821	MC3	3,000,000.00	09/05/2023	2.800	20,066.67	0.00	7,000.00	0.00	27,066.67
3133EJ3Q0	1830	MC3	2,000,000.00	12/21/2023	2.875	25,555.56	0.00	4,791.66	28,750.00	1,597.22
3133EKNX0	1842	MC3	1,500,000.00	06/03/2024	2.160	16,020.00	0.00	2,700.00	16,200.00	2,520.00
3133EKWV4	1843	MC3	1,000,000.00	07/26/2024	1.850	6,423.61	0.00	1,541.67	0.00	7,965.28
3133EKA63	1845	MC3	2,000,000.00	08/16/2024	1.600	9,333.33	0.00	2,666.67	0.00	12,000.00
3135G0W66	1852	MC3	2,000,000.00	10/15/2024	1.625	4,152.78	0.00	2,708.33	0.00	6,861.11
3130A3GE8	1851	MC3	2,000,000.00	12/13/2024	2.750	25,666.67	0.00	4,583.33	27,500.00	2,750.00
3135G0X24	1850	MC3	3,000,000.00	01/07/2025	1.625	19,093.75	0.00	4,062.50	0.00	23,156.25
		<b>Subtotal</b>	<b>38,500,000.00</b>			<b>295,737.37</b>	<b>0.00</b>	<b>69,537.51</b>	<b>175,200.00</b>	<b>190,074.88</b>
<b>CD-FDIC</b>										
06740KKX4	1800	MC5	248,000.00	09/28/2020	1.950	1,054.42	0.00	403.00	0.00	1,457.42
49306SYX8	1805	MC5	248,000.00	10/09/2020	1.850	641.06	0.00	377.10	0.00	1,018.16
02006L5Z2	1802	MC5	248,000.00	10/13/2020	1.950	662.46	0.00	397.48	0.00	1,059.94
38148PQX8	1804	MC5	248,000.00	10/13/2020	1.950	675.71	0.00	397.48	0.00	1,073.19
55266CXB7	1803	MC5	248,000.00	10/16/2020	1.850	201.12	0.00	377.10	389.67	188.55
27002YEM4	1838	MC5	248,000.00	05/10/2022	2.600	388.65	0.00	529.97	547.64	370.98
7954503G8	1839	MC5	248,000.00	06/06/2022	2.550	3,101.36	0.00	519.78	3,170.66	450.48
57116ASG4	1836	MC5	248,000.00	11/09/2022	2.550	398.50	0.00	519.78	537.11	381.17
61760AZZ5	1834	MC5	248,000.00	05/09/2024	2.650	414.13	0.00	540.16	0.00	954.29
20033AW51	1835	MC5	248,000.00	05/15/2024	2.750	317.64	0.00	560.55	579.23	298.96
61690UHB9	1840	MC5	248,000.00	06/06/2024	2.700	3,265.44	0.00	550.36	3,357.17	458.63
949763L95	1846	MC5	248,000.00	10/17/2024	2.050	208.93	0.00	417.86	431.79	195.00
		<b>Subtotal</b>	<b>2,976,000.00</b>			<b>11,329.42</b>	<b>0.00</b>	<b>5,590.62</b>	<b>9,013.27</b>	<b>7,906.77</b>
		<b>Total</b>	<b>94,476,000.00</b>			<b>581,669.04</b>	<b>0.00</b>	<b>162,885.07</b>	<b>277,963.27</b>	<b>466,590.84</b>

\* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase interest.

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**Redondo Beach - Interest Reports**  
**Realized Gains and Losses**  
**Sorted By Investment Type**  
**Sales/Calls/Maturities: June 1, 2020 - June 30, 2020**

Investment #	Inv.	Purchase	Par Value	Sale Date	Days Held						
Issuer	Type	Date	Current Rate	Maturity Date	Term	Book Value	Maturity/Sale Proceeds	Realized Gain/Loss	Total Earnings	Total Net Earnings	Total Yield 365
<b>Federal Agency Issues- Non Callable</b>											
1811	MC3	01/30/2018	2,000,000.00	06/15/2020	867	2,000,000.00	2,000,000.00	0.00	103,200.00	103,200.00	2.172
FFCB			1.800	06/15/2020	867						
Federal Agency Issues- Non Callable Subtotals						<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>103,200.00</b>	<b>103,200.00</b>	<b>2.172</b>
<b>Total Realized Gains/Losses</b>						<b>2,000,000.00</b>	<b>2,000,000.00</b>	<b>0.00</b>	<b>103,200.00</b>	<b>103,200.00</b>	<b>2.172</b>



**City of Redondo Beach-General**  
**Transaction Activity Report**  
**April 1, 2020 - June 30, 2020**  
**Sorted by Transaction Date - Fund**  
**All Funds**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
1813	001	3135G0T78	FEDERAL NATL MTG	Interest	04/06/2020	FNMA			20,000.00	20,000.00
<b>Totals for 04/06/2020</b>									<b>20,000.00</b>	<b>20,000.00</b>
1853	001	3135G0Q89	FEDERAL NATL MTG	Interest	04/07/2020	FNMA			13,750.00	13,750.00
1853	001	3135G0Q89	FEDERAL NATL MTG	Accr Int	04/07/2020	FNMA		10,236.11	-10,236.11	0.00
<b>Totals for 04/07/2020</b>									<b>10,236.11</b>	<b>3,513.89</b>
1836	001	57116ASG4	MRLN 2.55% MAT	Interest	04/09/2020	Marlin Bank			537.11	537.11
<b>Totals for 04/09/2020</b>									<b>537.11</b>	<b>537.11</b>
51	001	SYS51	LAIF	Redemption	04/10/2020	LAIF		4,000,000.00		4,000,000.00
1838	001	27002YEM4	EGBN 2.6% MAT	Interest	04/10/2020	EagleBank			547.64	547.64
<b>Totals for 04/10/2020</b>									<b>4,000,000.00</b>	<b>547.64</b>
1802	001	02006L5Z2	ALLY 1.95% MAT	Interest	04/13/2020	Ally Bank			2,424.62	2,424.62
1804	001	38148PQX8	GS 1.95% MAT	Interest	04/13/2020	Goldman Sachs			2,424.62	2,424.62
1805	001	49306SYX8	KEY 1.85% MAT	Interest	04/13/2020	Key Bank			2,300.28	2,300.28
<b>Totals for 04/13/2020</b>									<b>7,149.52</b>	<b>7,149.52</b>
51	001	SYS51	LAIF	Purchase	04/15/2020	LAIF	83,863.25			-83,863.25
1835	001	20033AW51	ADS 2.75% MAT	Interest	04/15/2020	Comenity Bank			579.23	579.23
1852	001	3135G0W66	FNMA 1.625% MAT	Interest	04/15/2020	FNMA			15,979.17	15,979.17
1852	001	3135G0W66	FNMA 1.625% MAT	Accr Int	04/15/2020	FNMA		9,750.00	-9,750.00	0.00
51	001	SYS51	LAIF	Interest	04/15/2020	LAIF			83,863.25	83,863.25
150	003	SYS150	LAIF 0.233%	Purchase	04/15/2020	LAIF	25.54			-25.54
150	003	SYS150	LAIF 0.233%	Interest	04/15/2020	LAIF			25.54	25.54
10	005	SYS10	LAIF 0.24%	Purchase	04/15/2020	LAIF	9,220.46			-9,220.46
10	005	SYS10	LAIF 0.24%	Interest	04/15/2020	LAIF			9,220.46	9,220.46
002	006	SYS002	LAIF 0.233%	Purchase	04/15/2020	LAIF	879.81			-879.81
002	006	SYS002	LAIF 0.233%	Interest	04/15/2020	LAIF			879.81	879.81
<b>Totals for 04/15/2020</b>									<b>93,989.06</b>	<b>9,750.00</b>
1806	001	02665WBG5	HNDA 1.7% MAT	Redemption	04/16/2020	Honda		1,963,140.00		1,963,140.00
1806	001	02665WBG5	HNDA 1.7% MAT	Cap G/L	04/16/2020	Honda		18,000.00		18,000.00
1803	001	55266CXB7	MBFI 1.85% MAT	Interest	04/16/2020	MB Financial Bank			389.67	389.67
1806	001	02665WBG5	HNDA 1.7% MAT	Interest	04/16/2020	Honda			3,494.44	3,494.44
<b>Totals for 04/16/2020</b>									<b>1,981,140.00</b>	<b>3,884.11</b>

**City of Redondo Beach-General  
Transaction Activity Report  
Sorted by Transaction Date - Fund**

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
1745	001	87165HHN3	SYNC 1.85% MAT	Redemption	04/17/2020	Synchrony Bank		248,000.00		248,000.00
1745	001	87165HHN3	SYNC 1.85% MAT	Interest	04/17/2020	Synchrony Bank			2,300.28	2,300.28
1846	001	949763L95	WFC 2.05% MAT	Interest	04/17/2020	Wells Fargo &			431.79	431.79
<b>Totals for 04/17/2020</b>								<b>248,000.00</b>	<b>2,732.07</b>	<b>250,732.07</b>
1825	001	89236TDK8	TOYOTA MOTOR	Interest	04/20/2020	Toyota			22,500.00	22,500.00
<b>Totals for 04/20/2020</b>									<b>22,500.00</b>	<b>22,500.00</b>
51	001	SYS51	LAIF	Purchase	05/01/2020	LAIF	8,000,000.00			-8,000,000.00
<b>Totals for 05/01/2020</b>							<b>8,000,000.00</b>			<b>-8,000,000.00</b>
1831	001	06406FAB9	BONY 2.05% MAT	Interest	05/04/2020	Bank of New York			10,250.00	10,250.00
<b>Totals for 05/04/2020</b>									<b>10,250.00</b>	<b>10,250.00</b>
1834	001	61760AZZ5	MS 2.65% MAT	Interest	05/11/2020	Morgan Stanley			3,277.00	3,277.00
1836	001	57116ASG4	MRLN 2.55% MAT	Interest	05/11/2020	Marlin Bank			519.78	519.78
1838	001	27002YEM4	EGBN 2.6% MAT	Interest	05/11/2020	EagleBank			529.97	529.97
<b>Totals for 05/11/2020</b>									<b>4,326.75</b>	<b>4,326.75</b>
1835	001	20033AW51	ADS 2.75% MAT	Interest	05/15/2020	Comenity Bank			560.55	560.55
1847	001	9128285L0	TREASU 2.875%	Interest	05/15/2020	U.S. Treasury			28,750.00	28,750.00
1847	001	9128285L0	TREASU 2.875%	Accr Int	05/15/2020	U.S. Treasury		3,317.31	-3,317.31	0.00
<b>Totals for 05/15/2020</b>								<b>3,317.31</b>	<b>25,993.24</b>	<b>29,310.55</b>
1803	001	55266CXB7	MBFI 1.85% MAT	Interest	05/18/2020	MB Financial Bank			377.10	377.10
1846	001	949763L95	WFC 2.05% MAT	Interest	05/18/2020	Wells Fargo &			417.86	417.86
<b>Totals for 05/18/2020</b>									<b>794.96</b>	<b>794.96</b>
1798	001	3134GBPX4	FEDERAL HOME LN	Interest	05/26/2020	FHLMC			17,500.00	17,500.00
<b>Totals for 05/26/2020</b>									<b>17,500.00</b>	<b>17,500.00</b>
51	001	SYS51	LAIF	Purchase	05/29/2020	LAIF	4,000,000.00			-4,000,000.00
51	001	SYS51	LAIF	Redemption	05/29/2020	LAIF		83,863.12		83,863.12
<b>Totals for 05/29/2020</b>							<b>4,000,000.00</b>	<b>83,863.12</b>		<b>-3,916,136.88</b>
1795	001	912828M98	UNITED STATES	Interest	06/01/2020	U.S. Treasury			16,250.00	16,250.00
1824	001	09247XAJ0	COF 3.375% MAT	Interest	06/01/2020	Blackrock			33,750.00	33,750.00
<b>Totals for 06/01/2020</b>									<b>50,000.00</b>	<b>50,000.00</b>
1842	001	3133EKNX0	FEDERAL FARM CR	Interest	06/03/2020	FFCB			16,200.00	16,200.00
<b>Totals for 06/03/2020</b>									<b>16,200.00</b>	<b>16,200.00</b>
1839	001	7954503G8	SALLMA 2.55% MAT	Interest	06/05/2020	Sallie Mae Bank			3,170.66	3,170.66
<b>Totals for 06/05/2020</b>									<b>3,170.66</b>	<b>3,170.66</b>
1840	001	61690UHB9	MS 2.7% MAT	Interest	06/08/2020	Morgan Stanley			3,357.17	3,357.17

**City of Redondo Beach-General  
Transaction Activity Report  
Sorted by Transaction Date - Fund**

Page 3

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
<b>Totals for 06/08/2020</b>									<b>3,357.17</b>	<b>3,357.17</b>
1829	001	3130AFE78	FEDERAL HOME	Interest	06/09/2020	FHLB			30,000.00	<b>30,000.00</b>
1836	001	57116ASG4	MRLN 2.55% MAT	Interest	06/09/2020	Marlin Bank			537.11	<b>537.11</b>
1849	001	313381BR5	FHLB 1.875% MAT	Interest	06/09/2020	FHLB			18,750.00	<b>18,750.00</b>
1849	001	313381BR5	FHLB 1.875% MAT	Accr Int	06/09/2020	FHLB		5,000.00	-5,000.00	<b>0.00</b>
<b>Totals for 06/09/2020</b>									<b>5,000.00</b>	<b>44,287.11</b>
1838	001	27002YEM4	EGBN 2.6% MAT	Interest	06/10/2020	EagleBank			547.64	<b>547.64</b>
<b>Totals for 06/10/2020</b>									<b>547.64</b>	<b>547.64</b>
1811	001	3133EEW55	FEDERAL FARM CR	Redemption	06/15/2020	FFCB		2,000,000.00		<b>2,000,000.00</b>
1799	001	3134GBRR5	FEDERAL HOME LN	Interest	06/15/2020	FHLMC			36,000.00	<b>36,000.00</b>
1811	001	3133EEW55	FEDERAL FARM CR	Interest	06/15/2020	FFCB			18,000.00	<b>18,000.00</b>
1835	001	20033AW51	ADS 2.75% MAT	Interest	06/15/2020	Comenity Bank			579.23	<b>579.23</b>
1848	001	9128285R7	TREASU 2.625%	Interest	06/15/2020	U.S. Treasury			26,250.00	<b>26,250.00</b>
1848	001	9128285R7	TREASU 2.625%	Accr Int	06/15/2020	U.S. Treasury		6,168.03	-6,168.03	<b>0.00</b>
1851	001	3130A3GE8	FHLB 2.75% MAT	Interest	06/15/2020	FHLB			27,500.00	<b>27,500.00</b>
1851	001	3130A3GE8	FHLB 2.75% MAT	Accr Int	06/15/2020	FHLB		7,180.56	-7,180.56	<b>0.00</b>
<b>Totals for 06/15/2020</b>									<b>2,013,348.59</b>	<b>94,980.64</b>
1803	001	55266CXB7	MBFI 1.85% MAT	Interest	06/16/2020	MB Financial Bank			389.67	<b>389.67</b>
<b>Totals for 06/16/2020</b>									<b>389.67</b>	<b>389.67</b>
1846	001	949763L95	WFC 2.05% MAT	Interest	06/17/2020	Wells Fargo &			431.79	<b>431.79</b>
<b>Totals for 06/17/2020</b>									<b>431.79</b>	<b>431.79</b>
1830	001	3133EJ3Q0	FEDERAL FARM CR	Interest	06/22/2020	FFCB			28,750.00	<b>28,750.00</b>
<b>Totals for 06/22/2020</b>									<b>28,750.00</b>	<b>28,750.00</b>
1796	001	912828N48	UNITED STATES	Interest	06/30/2020	U.S. Treasury			17,500.00	<b>17,500.00</b>
<b>Totals for 06/30/2020</b>									<b>17,500.00</b>	<b>17,500.00</b>
<b>Grand Total</b>							<b>12,093,989.06</b>	<b>8,354,655.13</b>	<b>480,141.43</b>	<b>-3,259,192.50</b>

**City of Redondo Beach-General  
Fund 002 - Checking  
Cash  
June 30, 2020**

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Market Value	Current Rate	YTM 360	YTM 365
<b>Savings/ Checking Account</b>								
SYS92	92	Bank of America Checking	07/01/2019	9,193,009.23	9,193,009.23			
<b>Subtotal and Average</b>				<b>9,193,009.23</b>	<b>9,193,009.23</b>		<b>0.000</b>	<b>0.000</b>
<b>Total Cash Average</b>				<b>9,193,009.23</b>	<b>9,193,009.23</b>		<b>0.000</b>	<b>0.000</b>
<b>Total Cash and Investments</b>				<b>9,193,009.23</b>				

**Fund 003 - Parking Authority**  
**Investments by Fund**  
**June 30, 2020**

Page 2

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Local Agency Investment Funds</b>										
SYS150	150	LAIF	07/01/2019	5,100.31	5,100.31	5,100.31	1.150	1.134	1.150	1
<b>Subtotal and Average</b>				<b>5,100.31</b>	<b>5,100.31</b>	<b>5,100.31</b>		<b>1.134</b>	<b>1.150</b>	<b>1</b>
<b>Savings/ Checking Account</b>										
SYS28	28	Bank of America Checking	07/01/2019	954.38	954.38	954.38	1.800	1.775	1.800	1
<b>Subtotal and Average</b>				<b>954.38</b>	<b>954.38</b>	<b>954.38</b>		<b>1.775</b>	<b>1.800</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>6,054.69</b>	<b>6,054.69</b>	<b>6,054.69</b>		<b>1.235</b>	<b>1.252</b>	<b>1</b>

**Fund 004 - Housing Authority**  
**Investments by Fund**  
**June 30, 2020**

Page 3

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Savings/ Checking Account</b>										
SYS100	100	Bank of America Checking	07/01/2019	108,915.11	108,915.11	108,915.11	1.800	1.775	1.800	1
SYS96	96	Bank of America Checking	07/01/2019	1,216,258.40	1,216,258.40	1,216,258.40				1
<b>Subtotal and Average</b>				<b>1,325,173.51</b>	<b>1,325,173.51</b>	<b>1,325,173.51</b>		<b>0.146</b>	<b>0.148</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>1,325,173.51</b>	<b>1,325,173.51</b>	<b>1,325,173.51</b>		<b>0.146</b>	<b>0.148</b>	<b>1</b>

**Fund 005 - Redevelopment Agency  
Investments by Fund  
June 30, 2020**

Page 4

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Local Agency Investment Funds</b>										
SYS10	10	LAIF	07/01/2019	1,841,278.17	1,841,278.17	1,841,278.17	1.150	1.134	1.150	1
<b>Subtotal and Average</b>				<b>1,841,278.17</b>	<b>1,841,278.17</b>	<b>1,841,278.17</b>		<b>1.134</b>	<b>1.150</b>	<b>1</b>
<b>Savings/ Checking Account</b>										
SYS30	30	Bank of America Checking	07/01/2019	1,027,427.11	1,027,427.11	1,027,427.11				1
SYS40	40	Bank of America Checking	07/01/2019	47,370.29	47,370.29	47,370.29	1.800	1.775	1.800	1
<b>Subtotal and Average</b>				<b>1,074,797.40</b>	<b>1,074,797.40</b>	<b>1,074,797.40</b>		<b>0.078</b>	<b>0.079</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>2,916,075.57</b>	<b>2,916,075.57</b>	<b>2,916,075.57</b>		<b>0.745</b>	<b>0.755</b>	<b>1</b>

**Fund 006 - Public Finance Authority**  
**Investments by Fund**  
**June 30, 2020**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Local Agency Investment Funds</b>										
SYS002	002	LAIF	07/01/2019	175,693.14	175,693.14	175,693.14	1.150	1.134	1.150	1
<b>Subtotal and Average</b>				<b>175,693.14</b>	<b>175,693.14</b>	<b>175,693.14</b>		<b>1.134</b>	<b>1.150</b>	<b>1</b>
<b>Savings/ Checking Account</b>										
SYS001	001	Bank of America Checking	07/01/2019	1,821,209.04	1,821,209.04	1,821,209.04				1
<b>Subtotal and Average</b>				<b>1,821,209.04</b>	<b>1,821,209.04</b>	<b>1,821,209.04</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>1,996,902.18</b>	<b>1,996,902.18</b>	<b>1,996,902.18</b>		<b>0.100</b>	<b>0.101</b>	<b>1</b>



**Fund 007 - Workmens-Compensation-Fund**  
**Investments by Fund**  
**June 30, 2020**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Savings/ Checking Account</b>										
SYS41	41	Bank of America Checking	07/01/2019	1,144,486.95	1,144,486.95	1,144,486.95				1
<b>Subtotal and Average</b>				<b>1,144,486.95</b>	<b>1,144,486.95</b>	<b>1,144,486.95</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>1,144,486.95</b>	<b>1,144,486.95</b>	<b>1,144,486.95</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>

**Fund 008 - Measure-R-Local-Return**  
**Investments by Fund**  
**June 30, 2020**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Savings/ Checking Account</b>										
SYS42	42	Bank of America Checking	07/01/2019	1,867,048.66	1,867,048.66	1,867,048.66	1.800	1.775	1.800	1
<b>Subtotal and Average</b>				<b>1,867,048.66</b>	<b>1,867,048.66</b>	<b>1,867,048.66</b>		<b>1.775</b>	<b>1.800</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>1,867,048.66</b>	<b>1,867,048.66</b>	<b>1,867,048.66</b>		<b>1.775</b>	<b>1.800</b>	<b>1</b>

**Fund 009 - City-of-Redondo-Beach-FSA**  
**Investments by Fund**  
**June 30, 2020**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Savings/ Checking Account</b>										
SYS43	43	Bank of America Checking	07/01/2019	95,575.74	95,575.74	95,575.74				1
<b>Subtotal and Average</b>				<b>95,575.74</b>	<b>95,575.74</b>	<b>95,575.74</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>95,575.74</b>	<b>95,575.74</b>	<b>95,575.74</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>

**Fund 011 - Trust Account**  
**Investments by Fund**  
**June 30, 2020**

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CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
<b>Savings/ Checking Account</b>										
SYS45	45	Bank of America Checking	07/01/2019	19,126.40	19,126.40	19,126.40				1
<b>Subtotal and Average</b>				<b>19,126.40</b>	<b>19,126.40</b>	<b>19,126.40</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>
<b>Total Investments and Average</b>				<b>19,126.40</b>	<b>19,126.40</b>	<b>19,126.40</b>		<b>0.000</b>	<b>0.000</b>	<b>1</b>



# Quarterly Economic and Market Update

June 2020

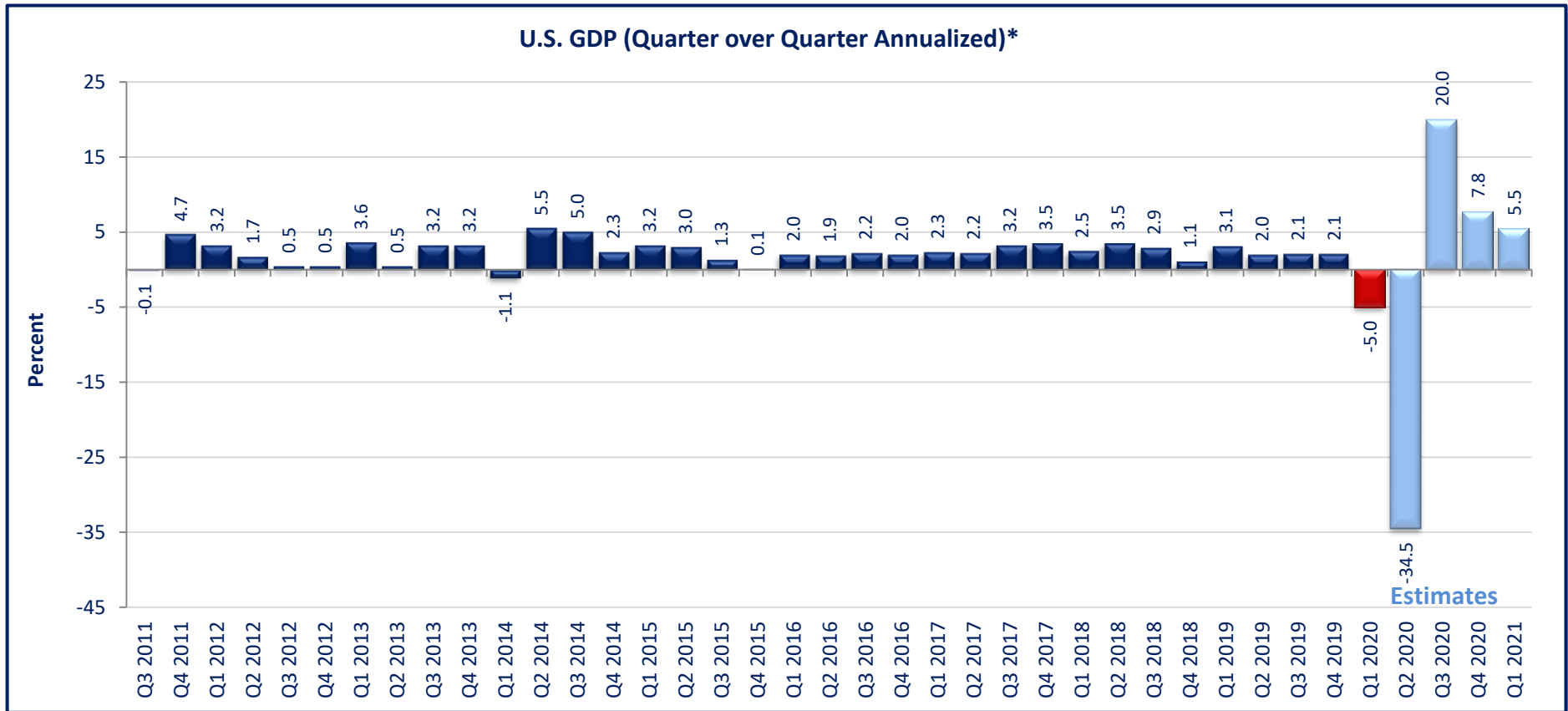
**Economic and Market Update**  
**6/30/20**

Item	6/30/20	3/31/20	Change
U.S. Payrolls Monthly Change	4,800,000	(1,373,000)	6,173,000
Unemployment Rate	11.1%	4.4%	6.7%
Labor Force Participation	61.5%	62.7%	(1.2%)
Effective Fed Funds Rate	0.08%	0.08%	0.00%
3 Month T-Bill	0.14%	0.09%	0.05%
2 Year T-Note	0.15%	0.25%	(0.10%)
3 Year T-Note	0.17%	0.30%	(0.12%)
5 Year T-Note	0.29%	0.38%	(0.09%)
10 Year T-Note	0.66%	0.67%	(0.01%)
U.S. Fed Debt Avg Yield*	1.80%	2.21%	(0.41%)
30 Year Mortgage Rate	3.27%	3.86%	(0.59%)
1-5 Yr Agency Spread	0.14%	0.26%	(0.12%)
1-5 Yr A-AAA Corporate Spread	0.55%	1.88%	(1.33%)
Dow Jones	25,813	21,917	17.8%
S&P 500	3,100	2,585	20.0%
Consumer Price Index YOY*	0.1%	1.5%	(1.4%)
U.S. Avg Regular Unleaded	\$2.18	\$1.98	\$0.20
Retail Sales YOY*	-6.5%	-5.6%	(0.9%)
Case-Shiller Home Prices YOY*	4.0%	3.9%	0.1%
Gold (per ounce)	\$1,780.96	\$1,577.18	\$203.78
Dollar Index	97.39	99.05	(1.66)
Consumer Confidence	98.1	118.8	(20.7)

\*Estimates for the current quarter/month, some data are lagged

Sources: FHN Main Street and Bloomberg

Economic and Market Update  
6/30/20



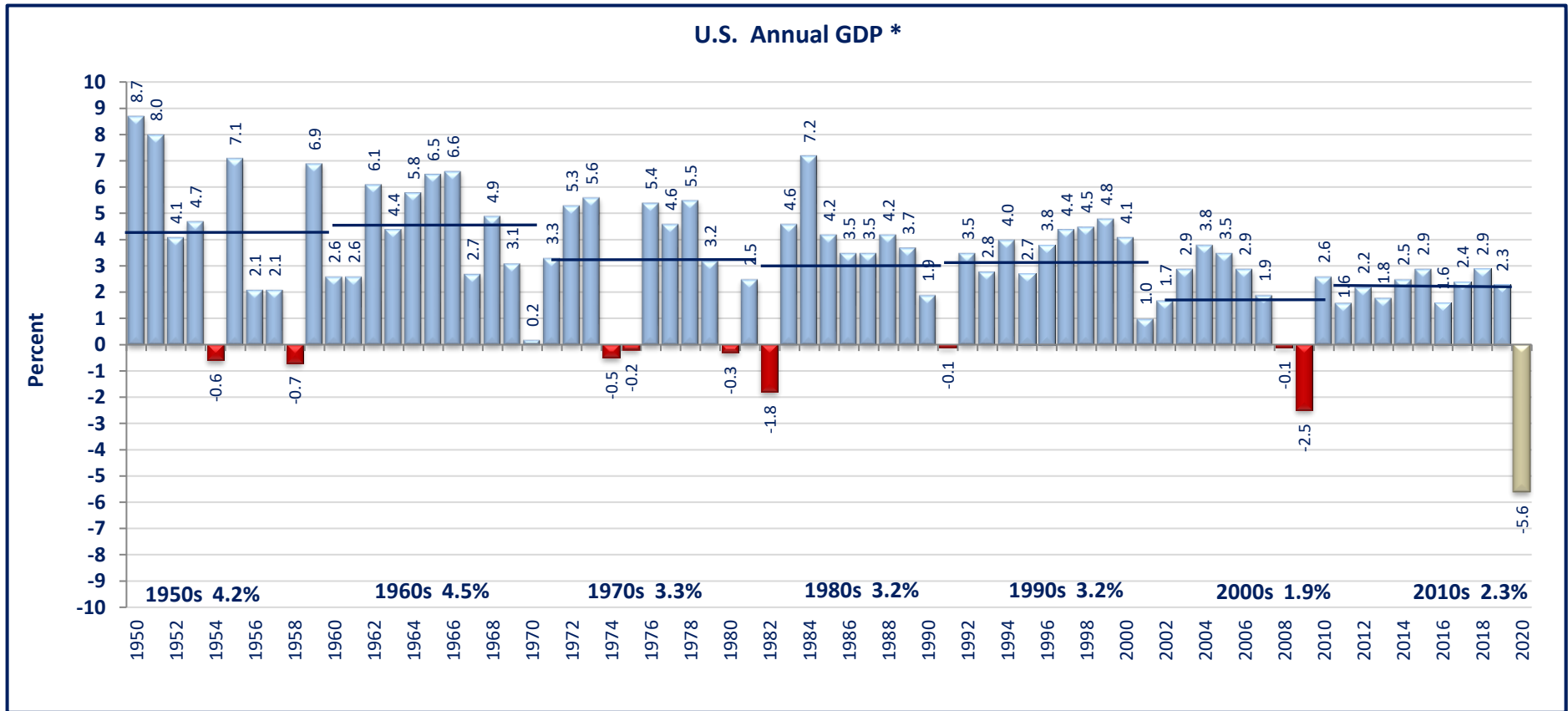
\* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists

As of: 6/30/2020

# Economic and Market Update 6/30/20



\* Real Rate (Inflation Adjusted)

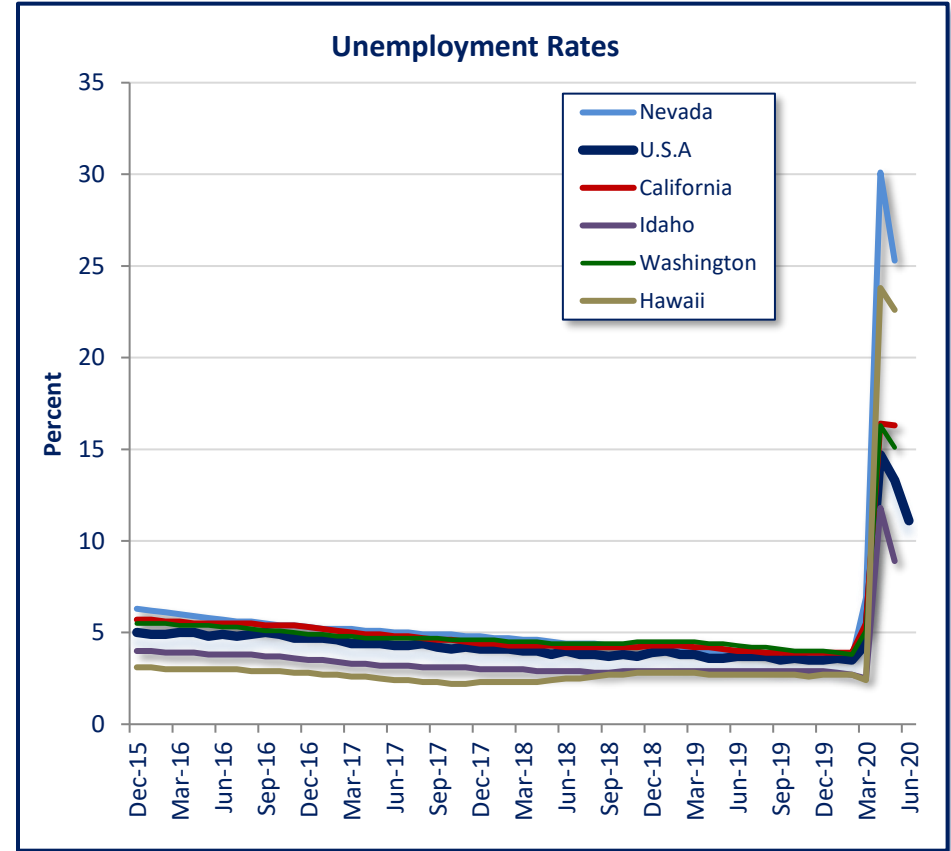
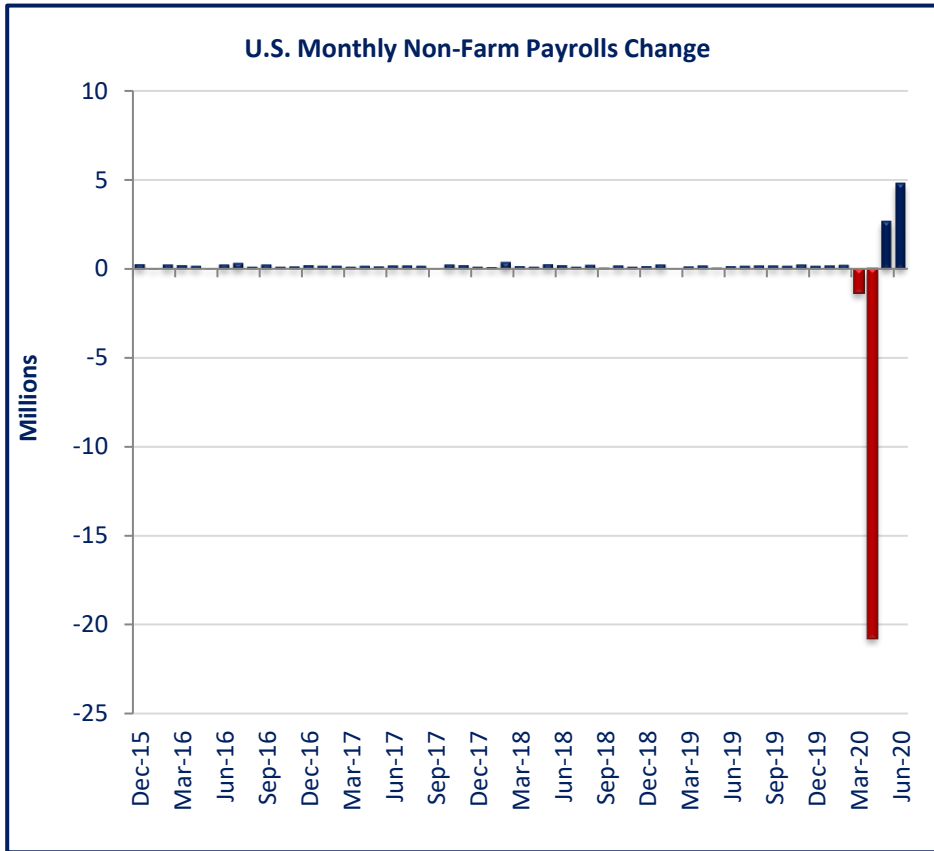
Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists

As of: 6/30/2020



# Economic and Market Update 6/30/20

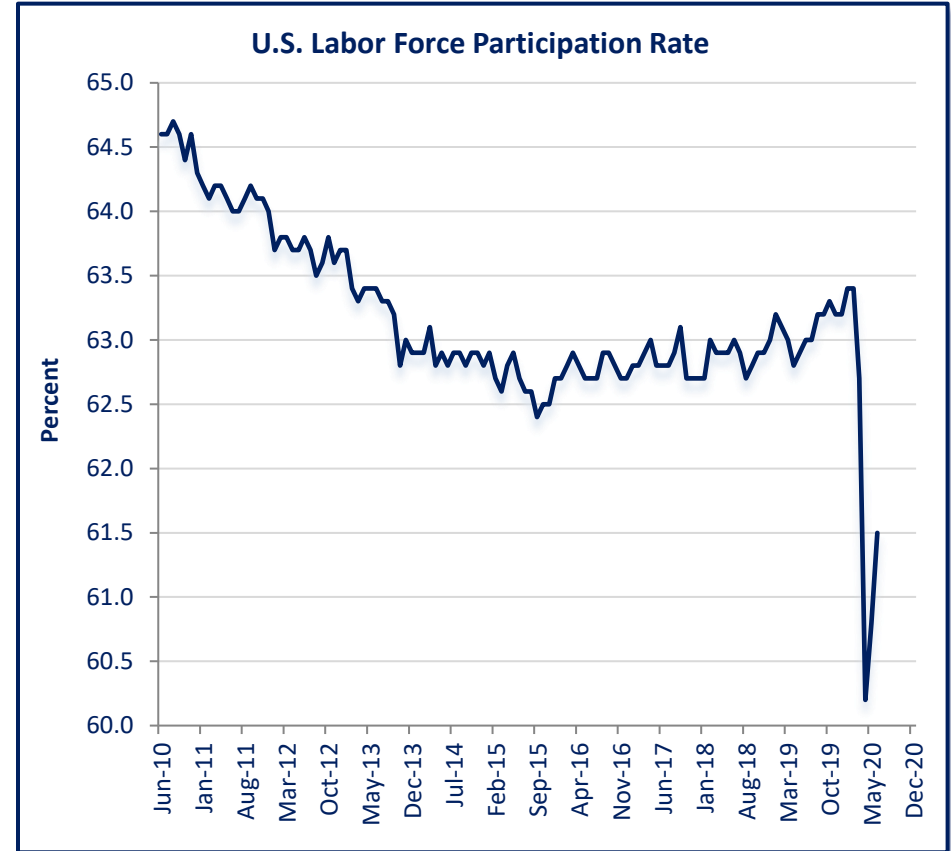
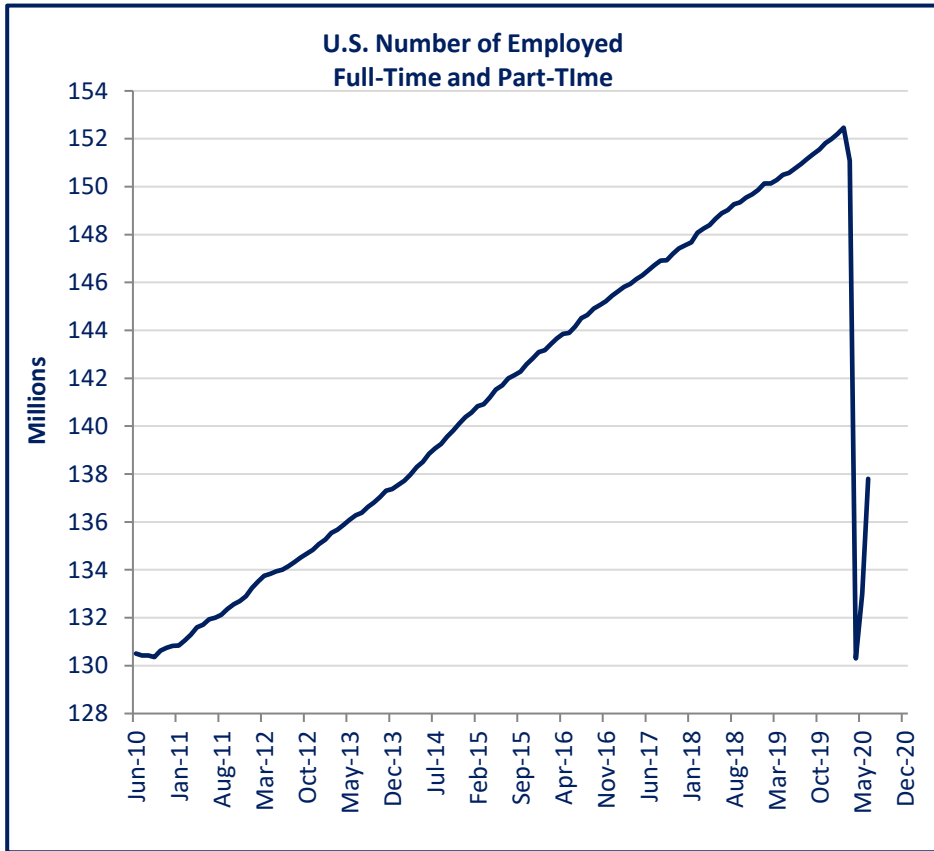


12 Month Average Job Change

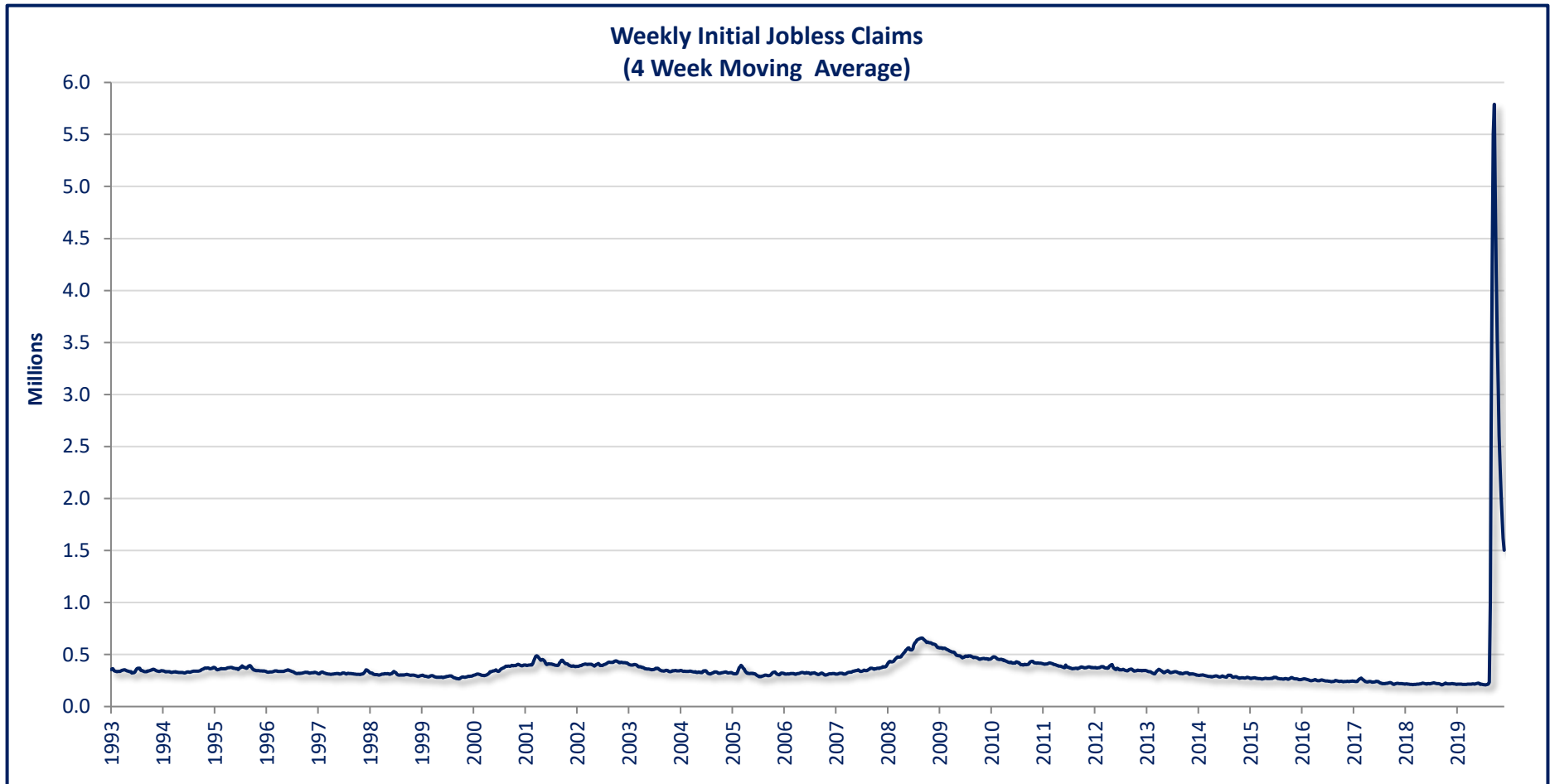
-1,079,750

Source: Bureau of Labor Statistics

Economic and Market Update  
6/30/20



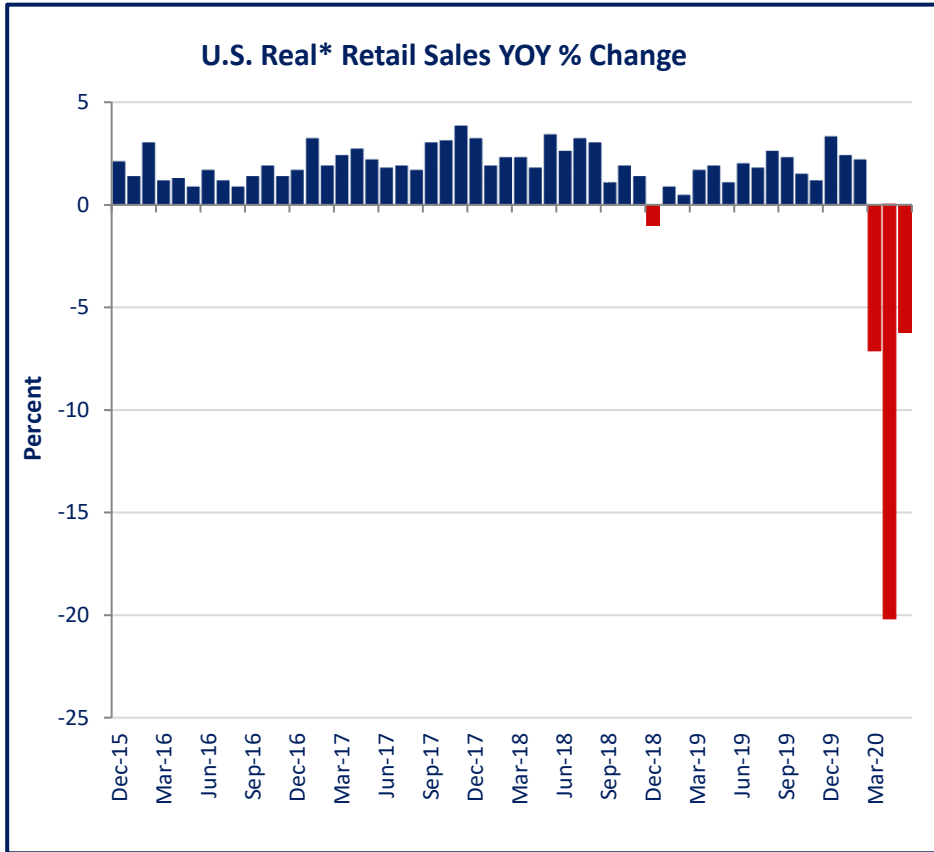
Source: Bureau of Labor Statistics



Weekly Initial Jobless Claims is the actual number of people who have filed for Unemployment benefits for the first time. The following five eligibility criteria must be met in order to file for unemployment benefits: 1. Meet the requirements of time worked during a 1 year period (full time or not). 2. Become unemployed through no fault of your own (cannot be fired). 3. Must be able to work; no physical or mental holdbacks. 4. Must be available for work. 5. Must be actively seeking work.

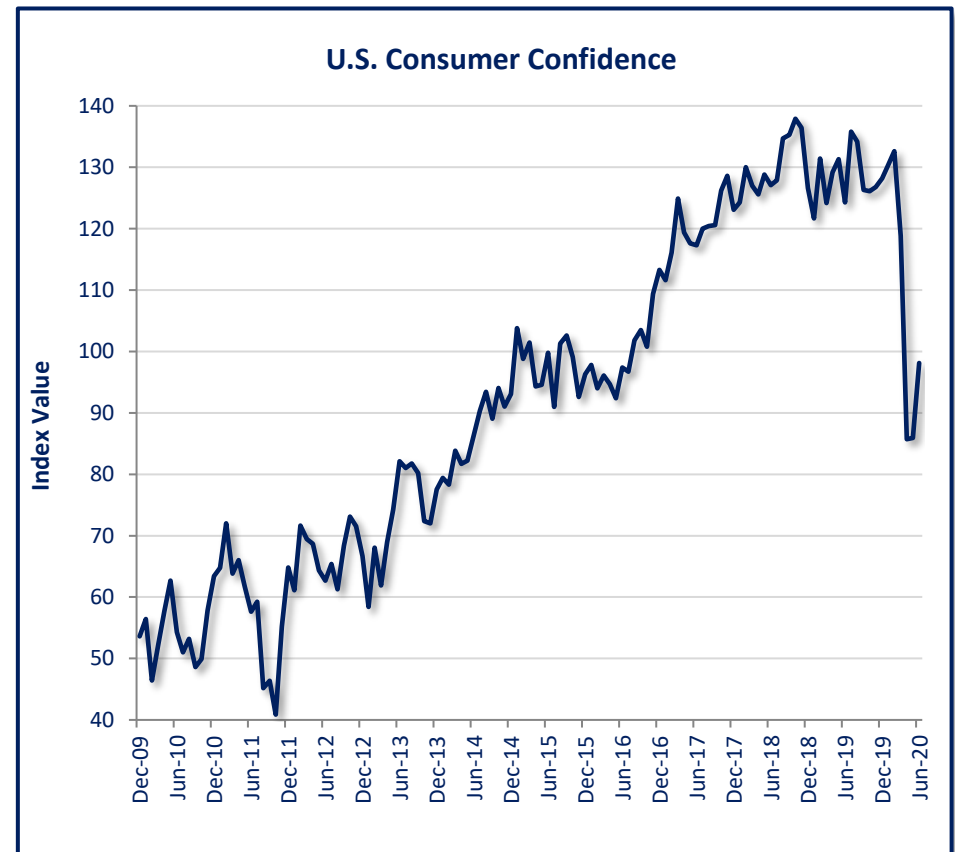
Source: Department of Labor and Bloomberg

## Economic and Market Update 6/30/20



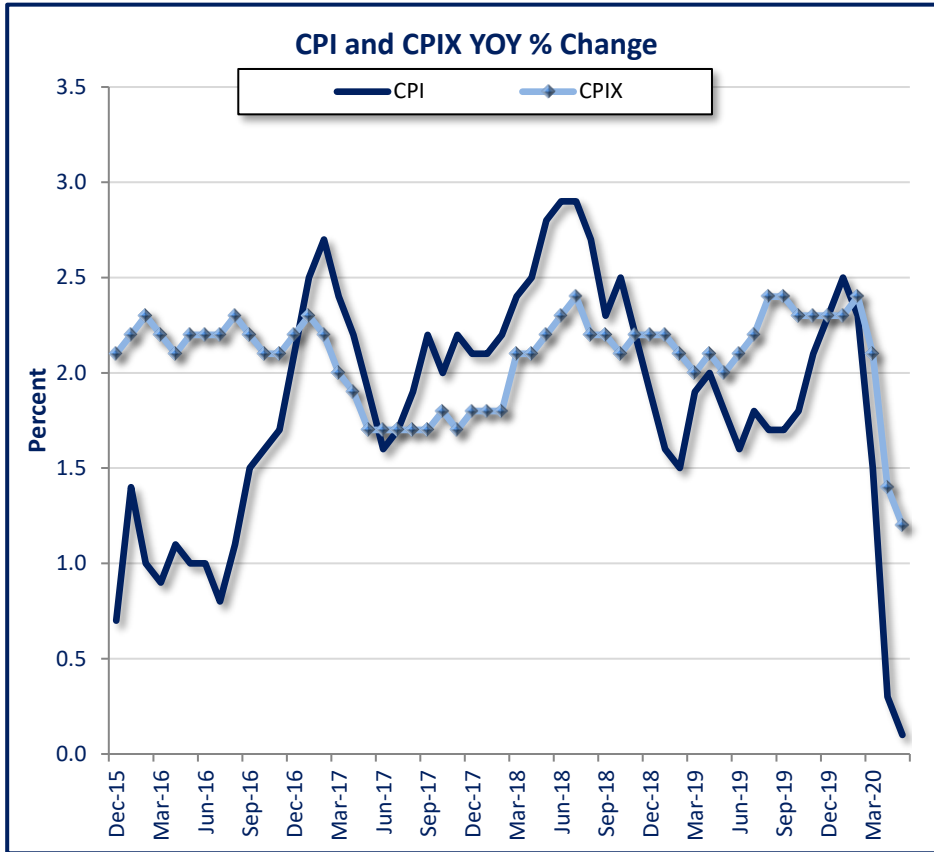
\*Real: Inflation Adjusted

Source: U.S. Census Bureau

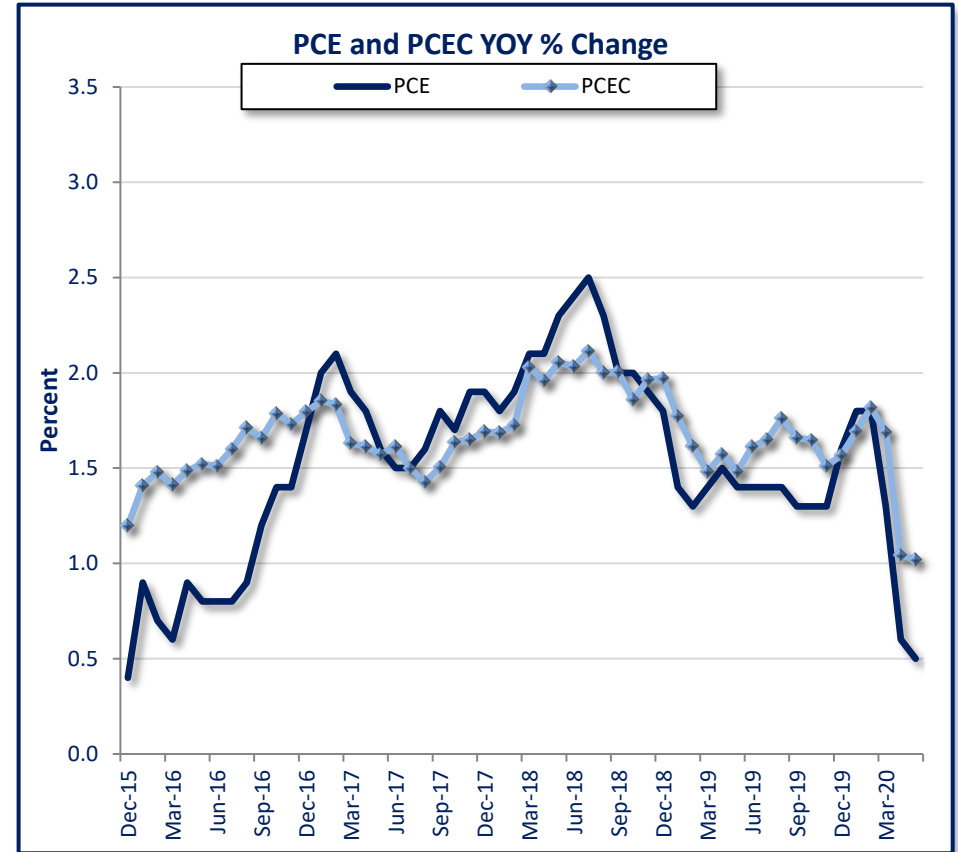


Source: Conference Board

## Economic and Market Update 6/30/20

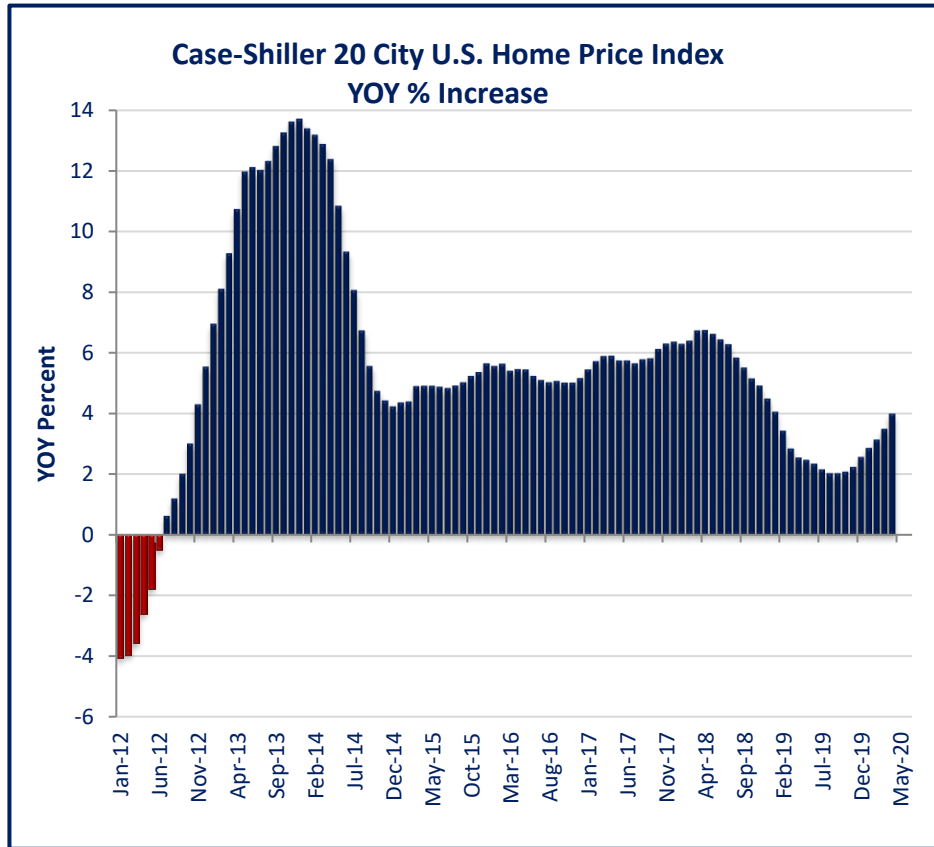


CPIX: Consumer Price Index, excluding food and energy

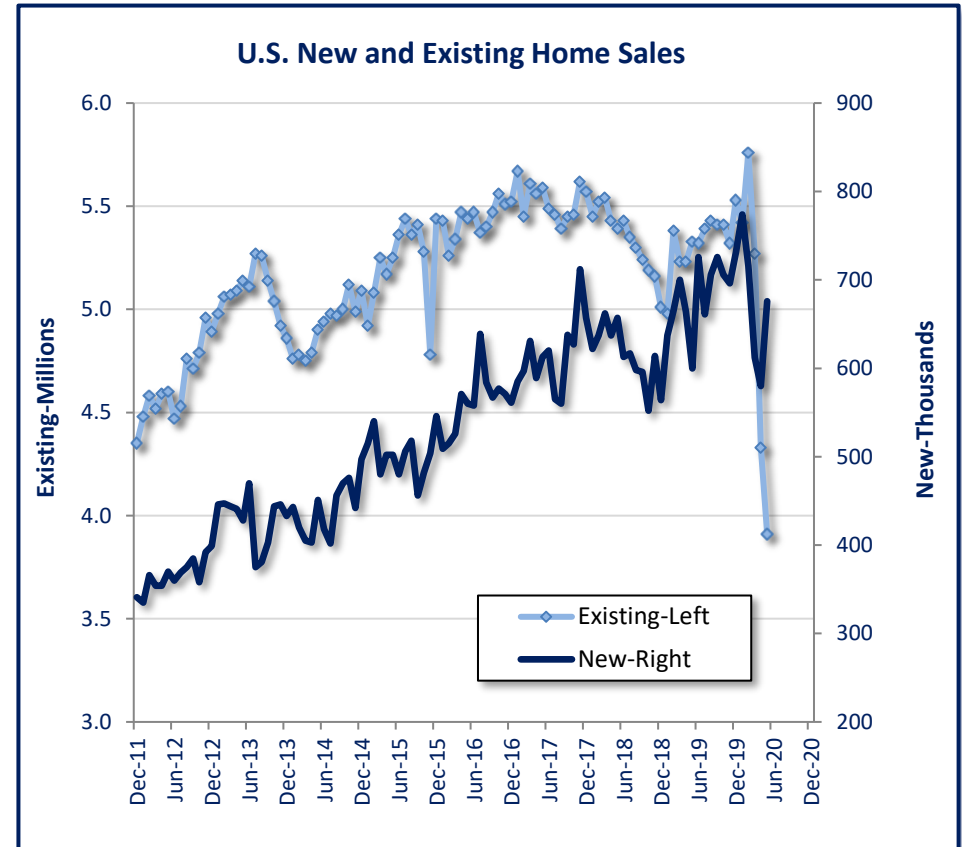


PCEC: Personal Consumption Expenditure Core

Source: Bureau of Labor Statistics and Bureau of Economic Analysis

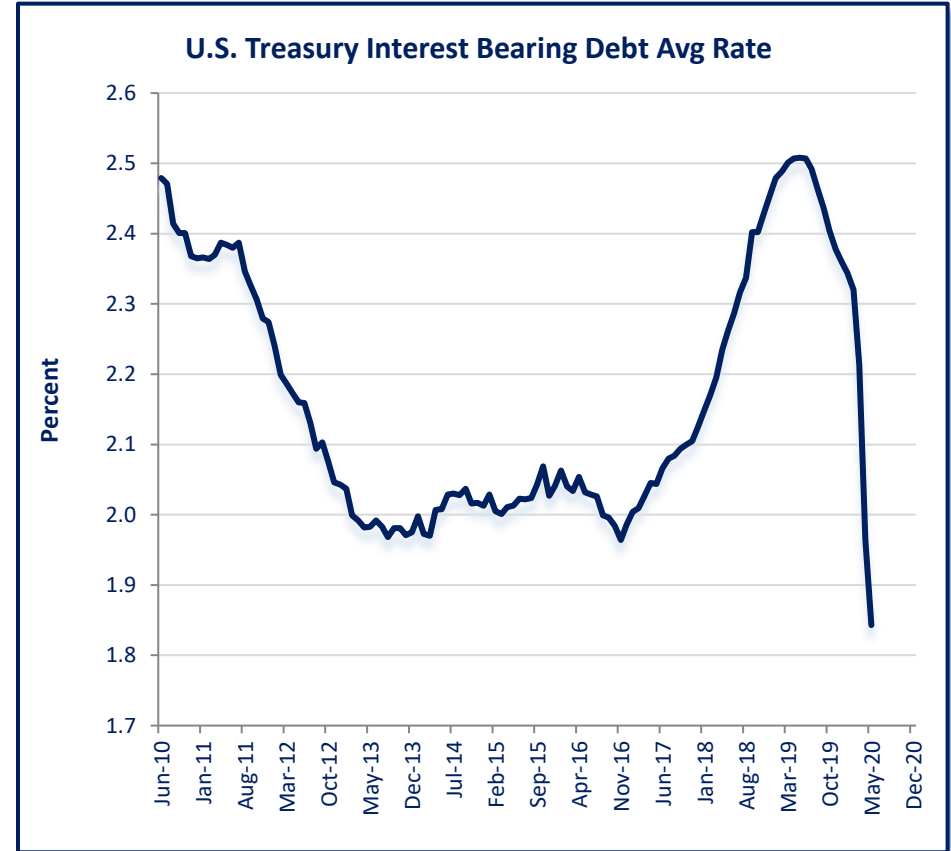
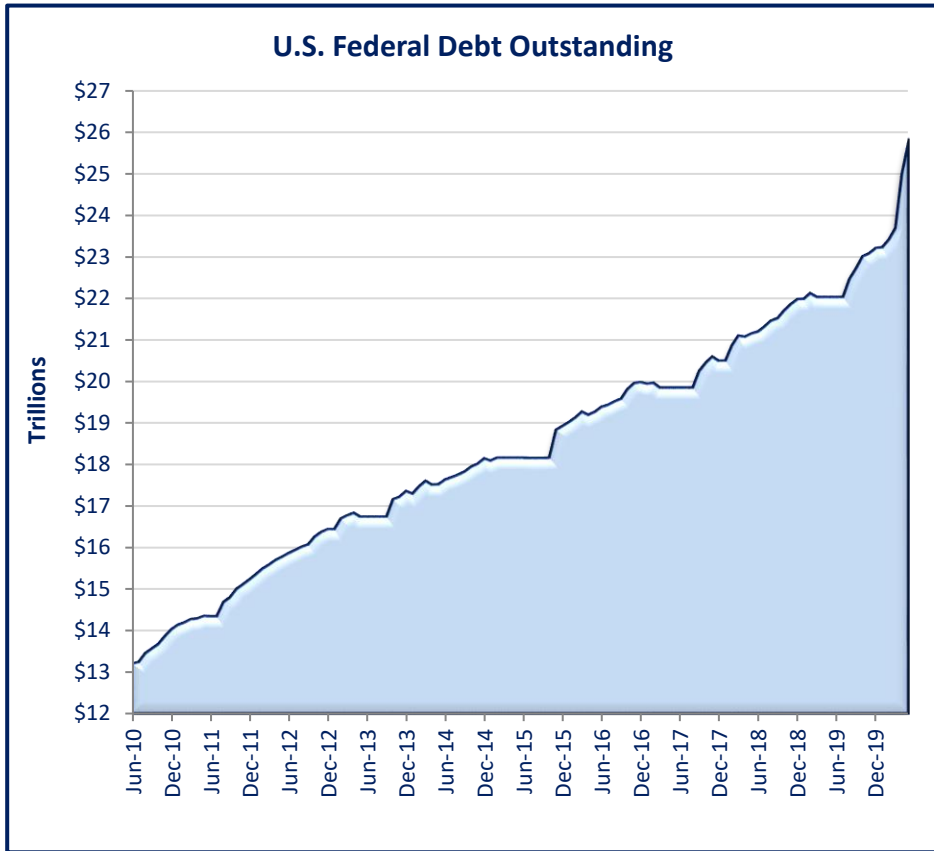


Source: Case-Shiller



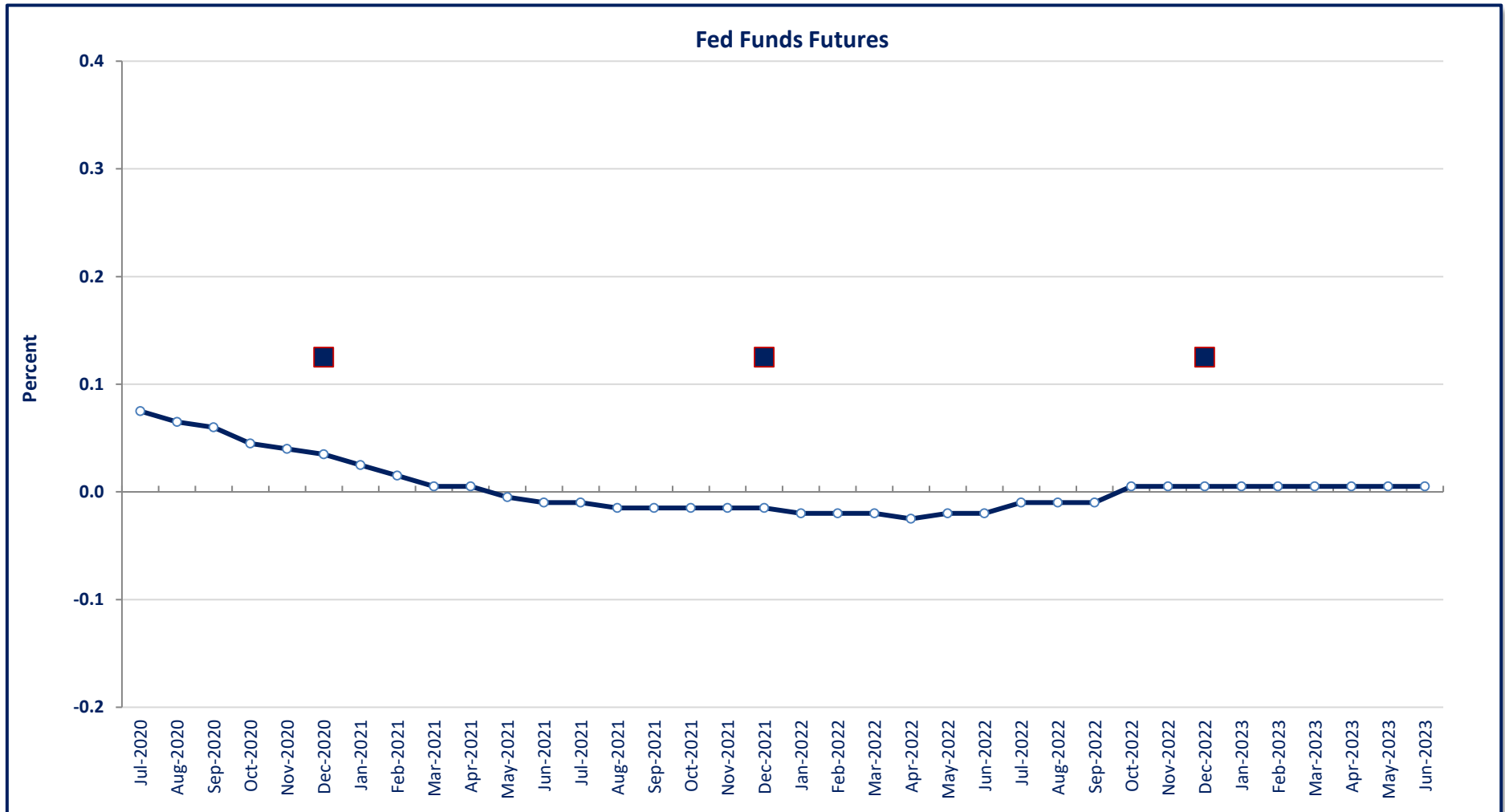
Sources: New (U.S. Census Bureau), Existing (National Assoc. of Realtors)  
Seasonally Adjusted Annual Rate

Economic and Market Update  
6/30/20



Source: U.S. Treasury

## Economic and Market Update 6/30/20

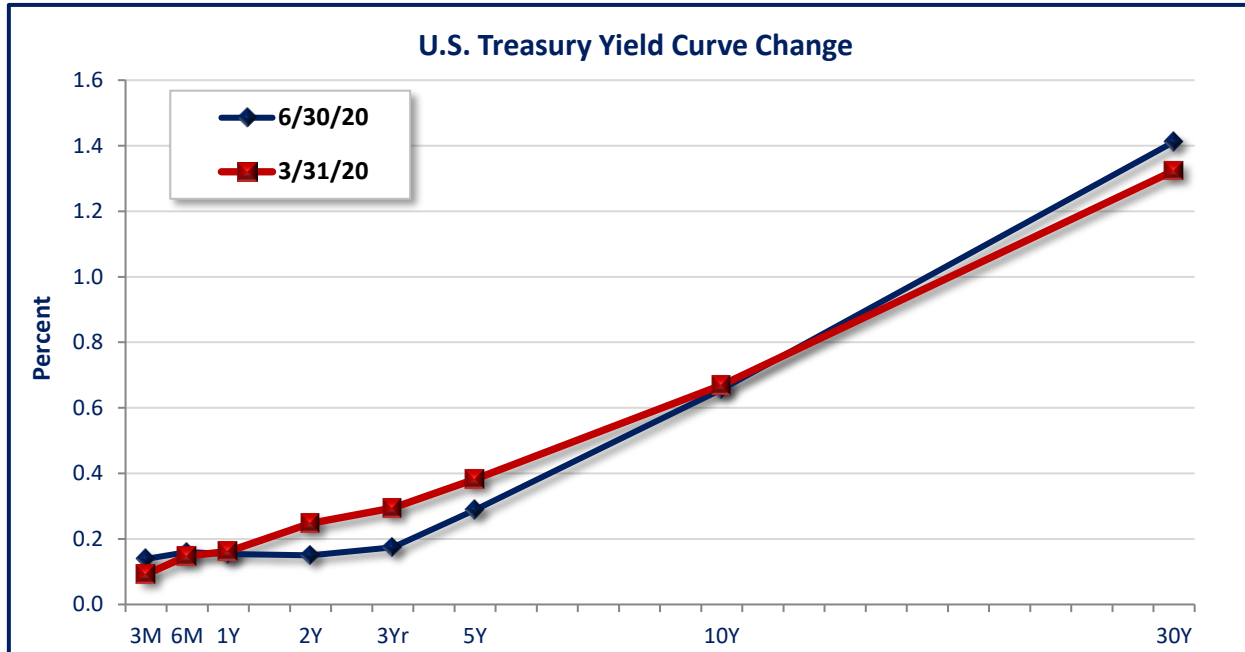


Fed Funds Anticipated Rate from the June 10, 2020 FOMC Meeting

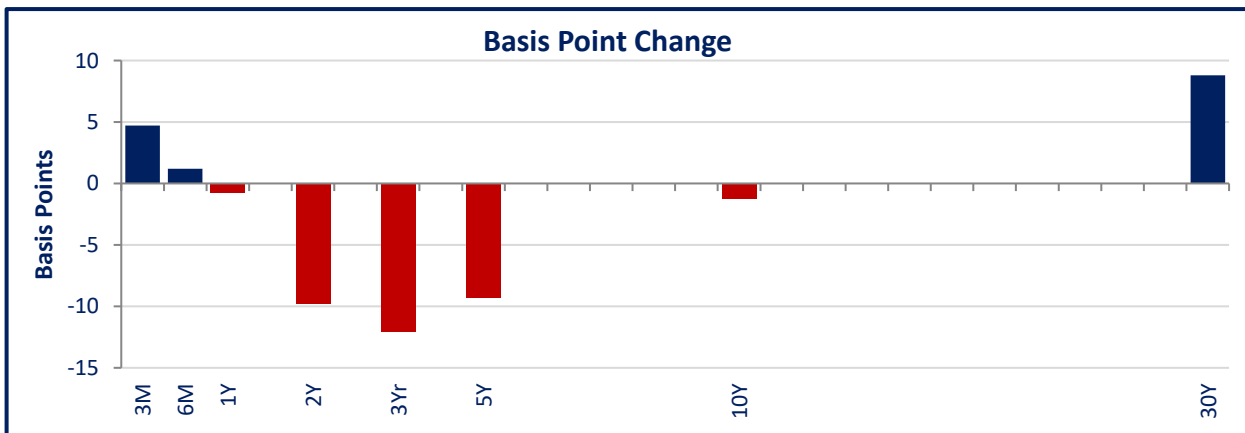
Source: Bloomberg



## Economic and Market Update 6/30/20

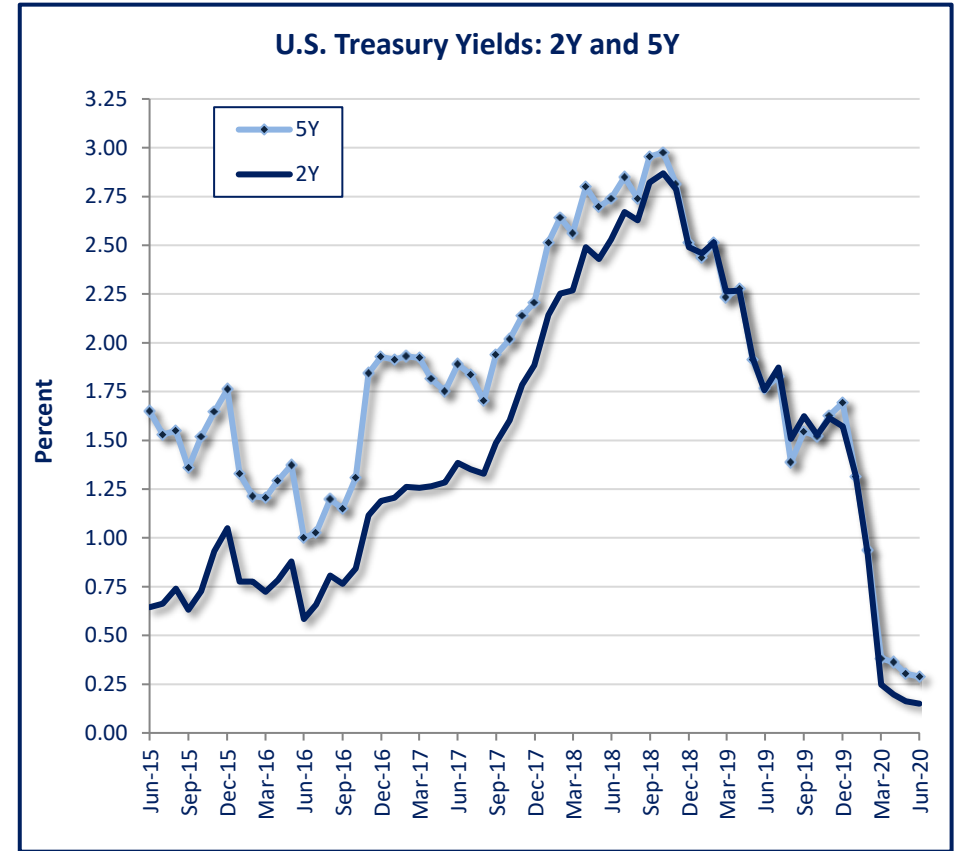
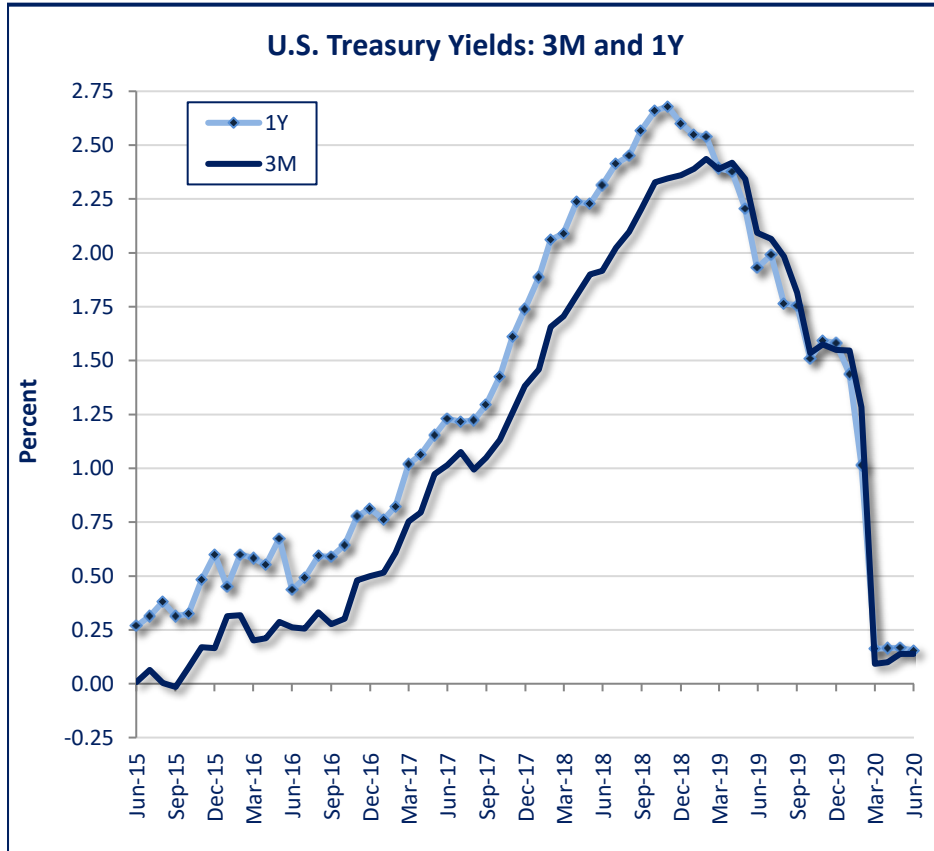


Maturity	6/30/20	3/31/20	Change
3M	0.14	0.09	0.05
6M	0.16	0.15	0.01
1Y	0.15	0.16	-0.01
2Y	0.15	0.25	-0.10
3Y	0.17	0.30	-0.12
5Y	0.29	0.38	-0.09
10Y	0.66	0.67	-0.01
30Y	1.41	1.32	0.09

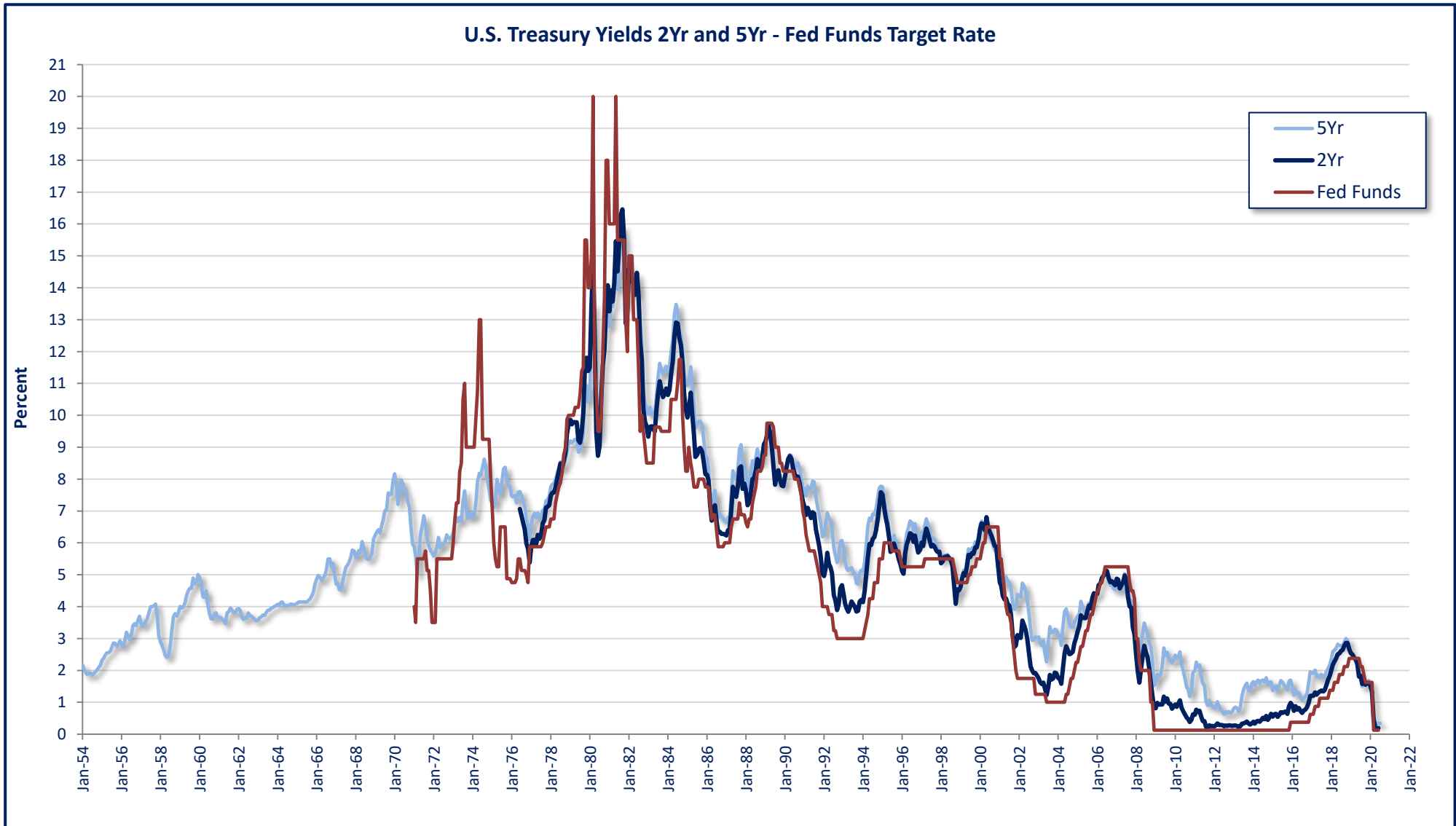


Source: Bloomberg  
Figures may not total due to rounding

Economic and Market Update  
6/30/20



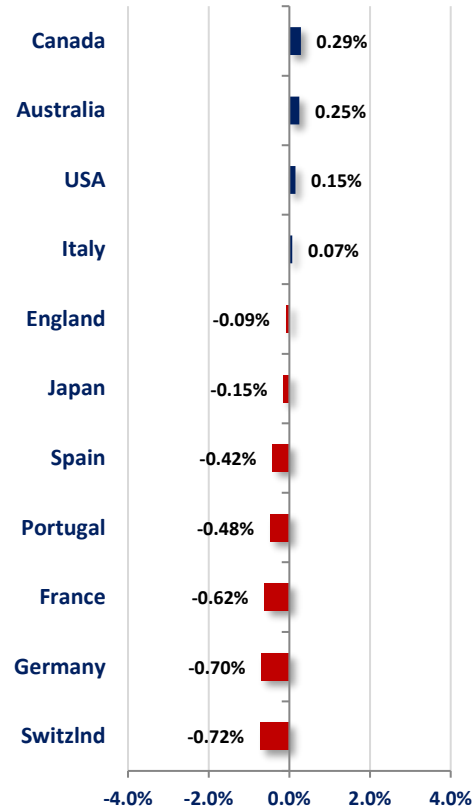
Source: Bloomberg



Source: Bloomberg

### Global Treasury Rates

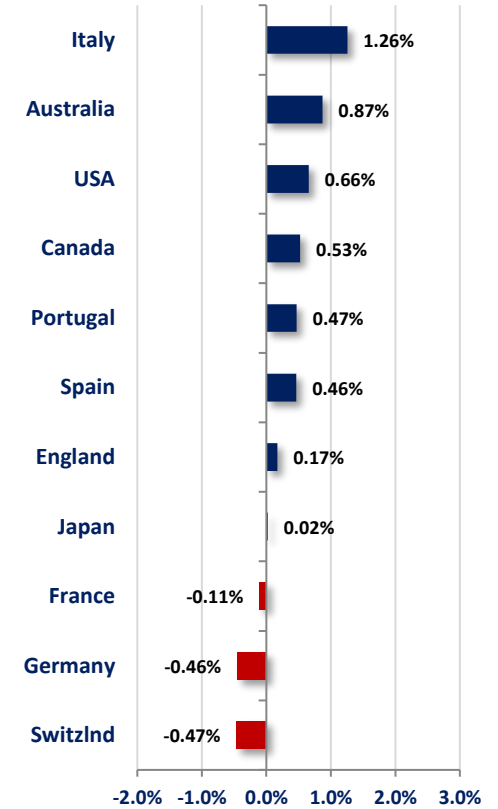
2 Year Yields



5 Year Yields

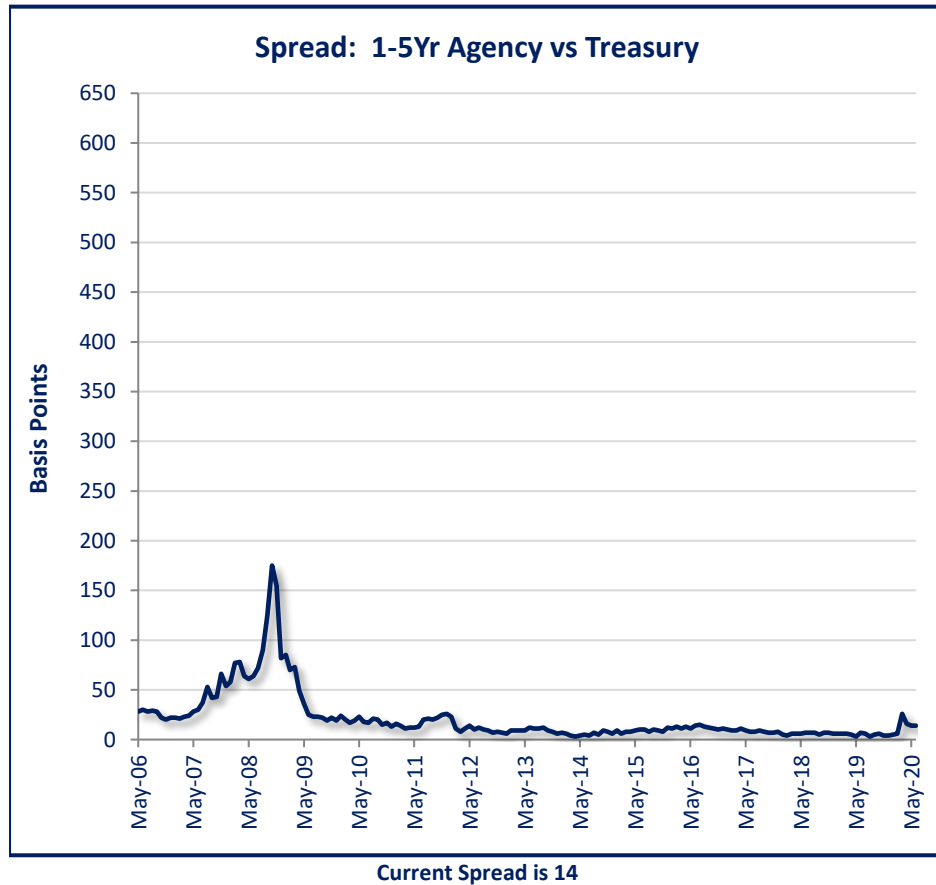


10 Year Yields

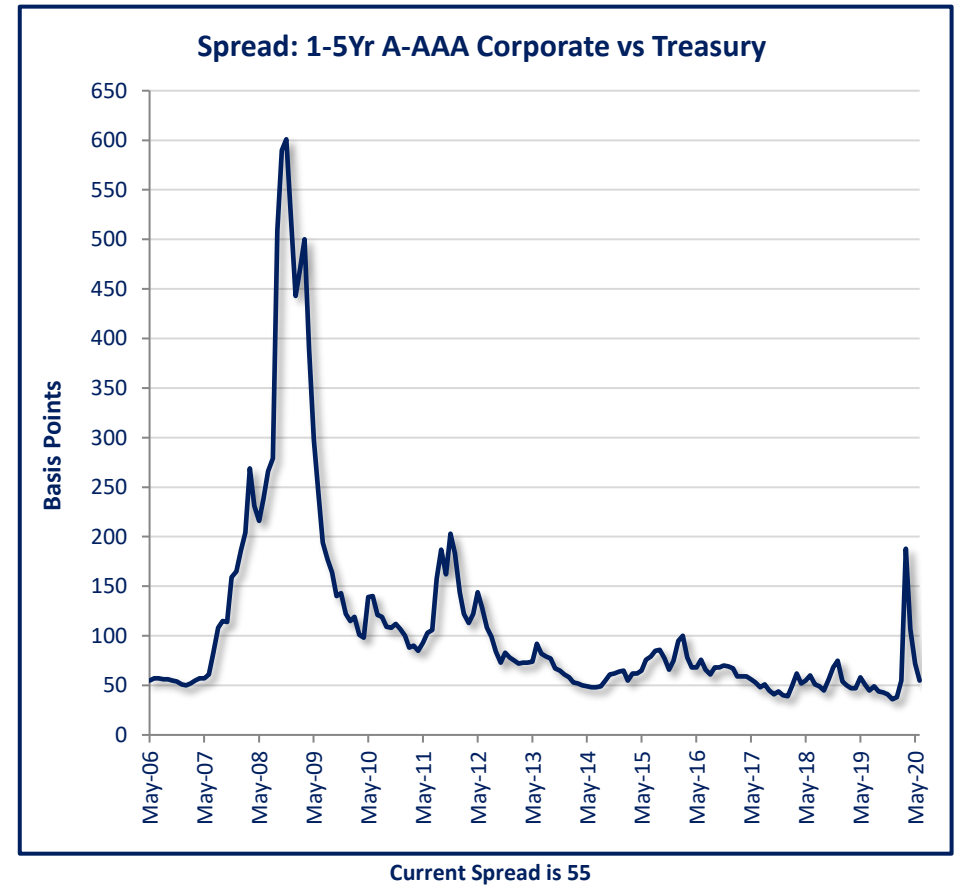


Source: Bloomberg

Economic and Market Update  
6/30/20

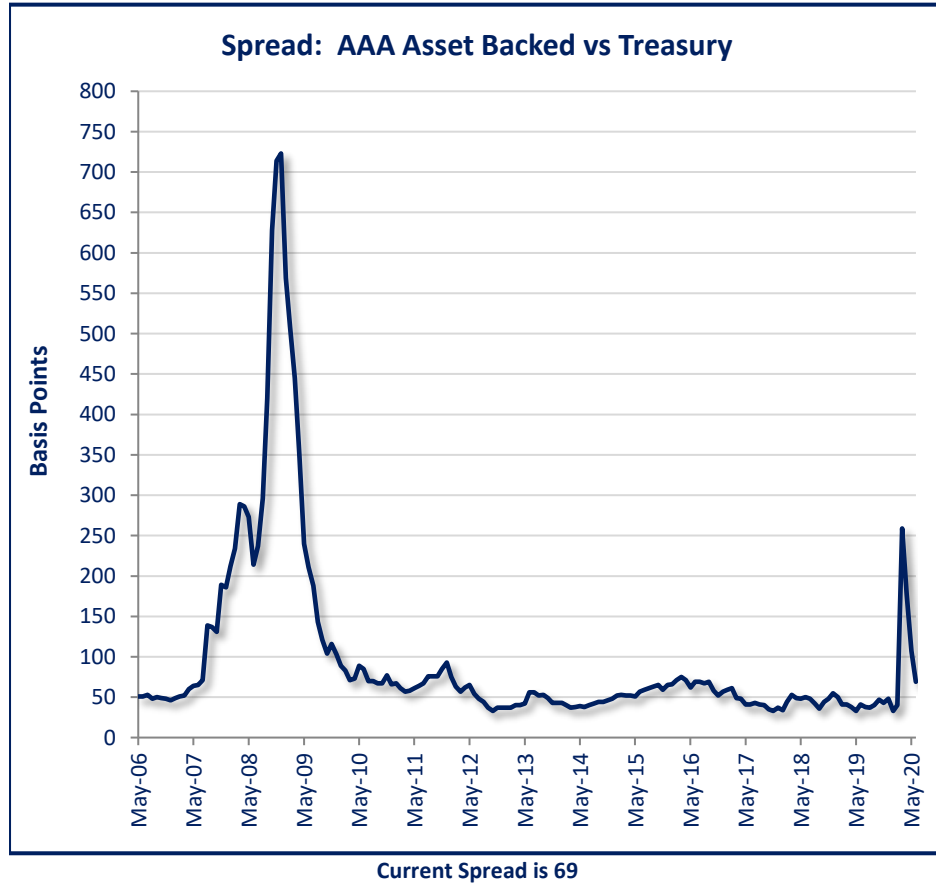


ICE BofAML Index (option adjusted spread vs. Treasury)  
1-5Yr Non-Callable Agency (GVPB)

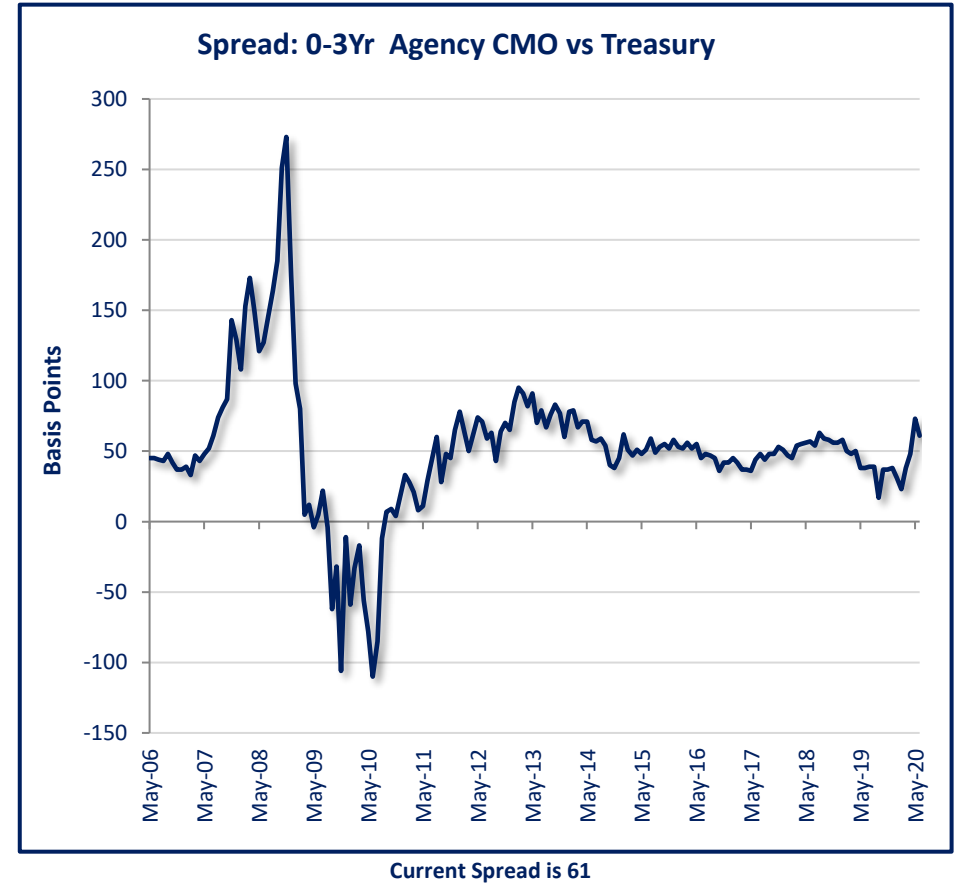


ICE BofAML Index (option adjusted spread vs. Treasury)  
Corporate A-AAA Excluding Yankee (CVAC)

Source: ICE BofAML Indices



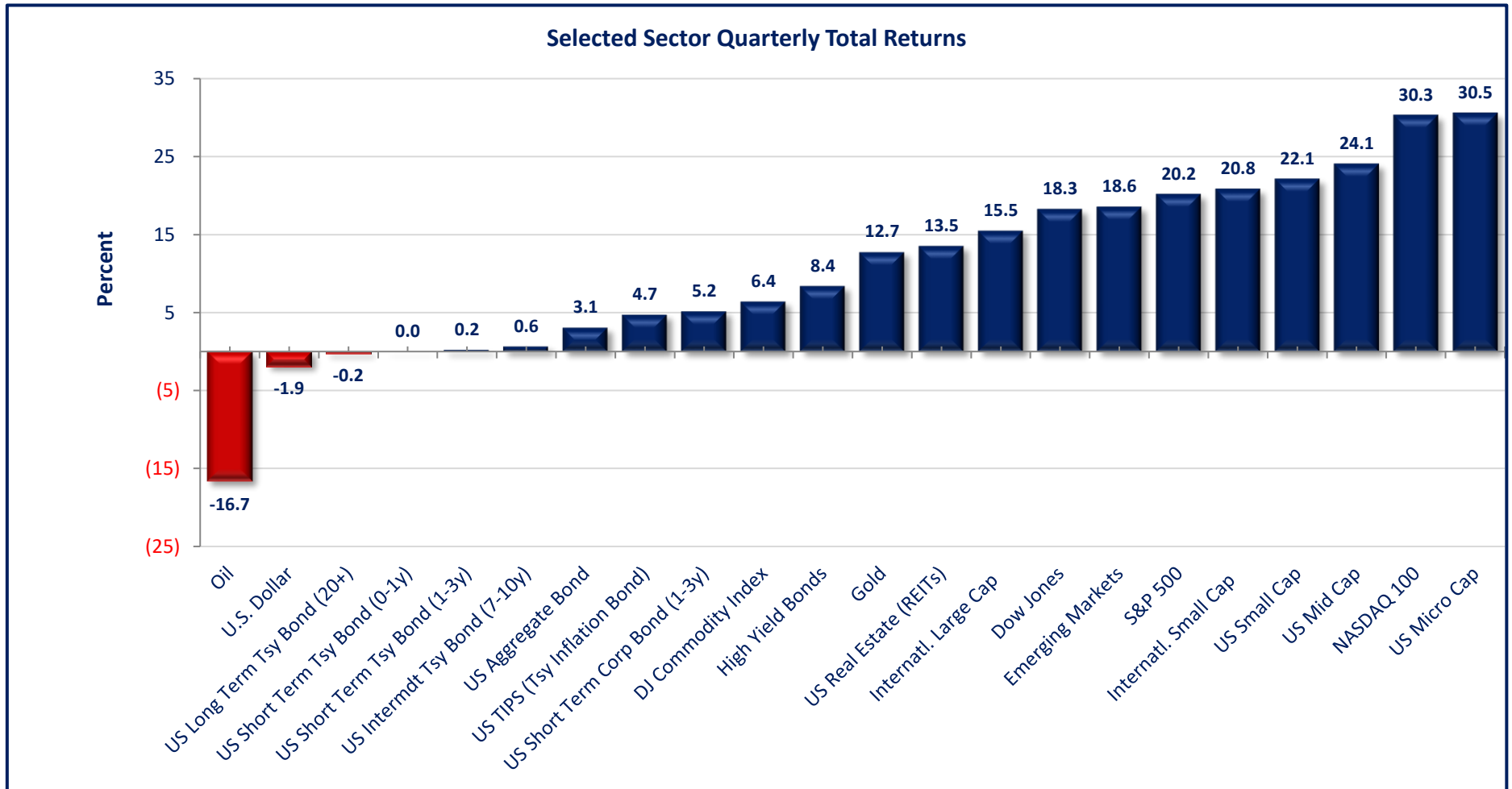
\*ICE BofAML Index (option adjusted spread vs. Treasury)  
AAA Rated ABS (ROA1)



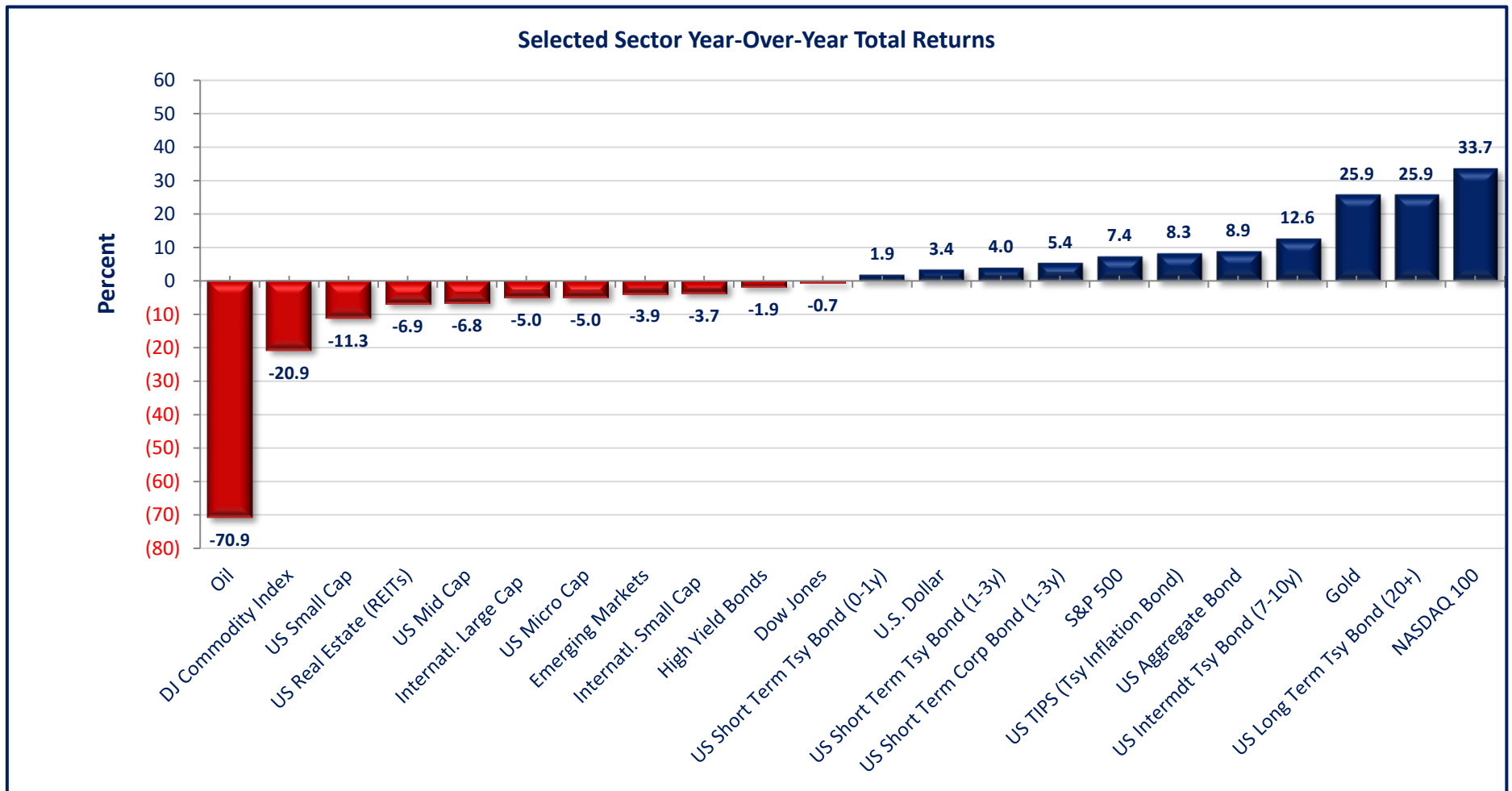
\*ICE BofAML Index (option adjusted spread vs. Treasury)  
CMO Agency 0-3Yr PAC (CM1P)

Source: ICE BofAML Indices

Economic and Market Update  
6/30/20



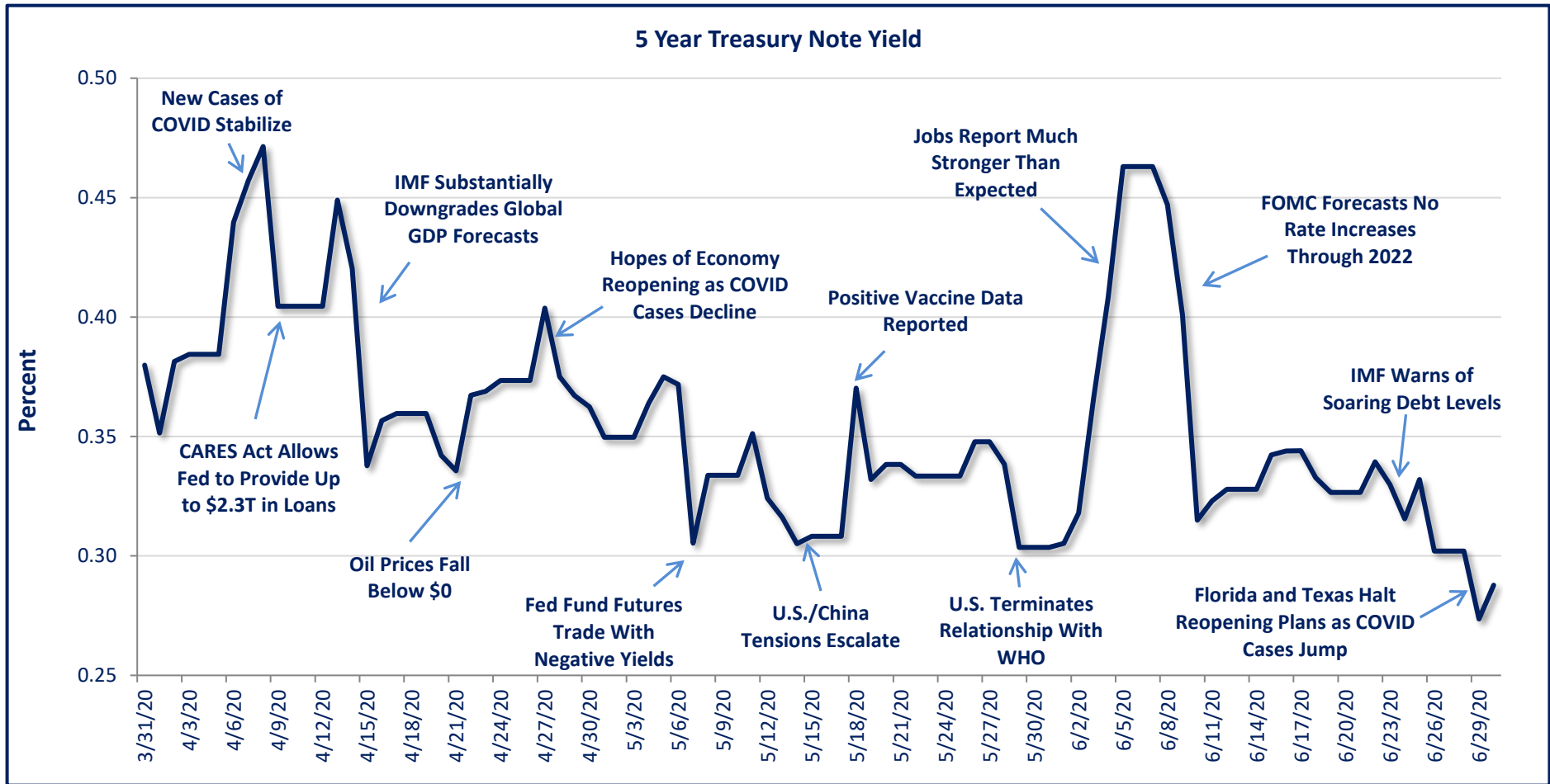
Source: Bloomberg



Source: Bloomberg

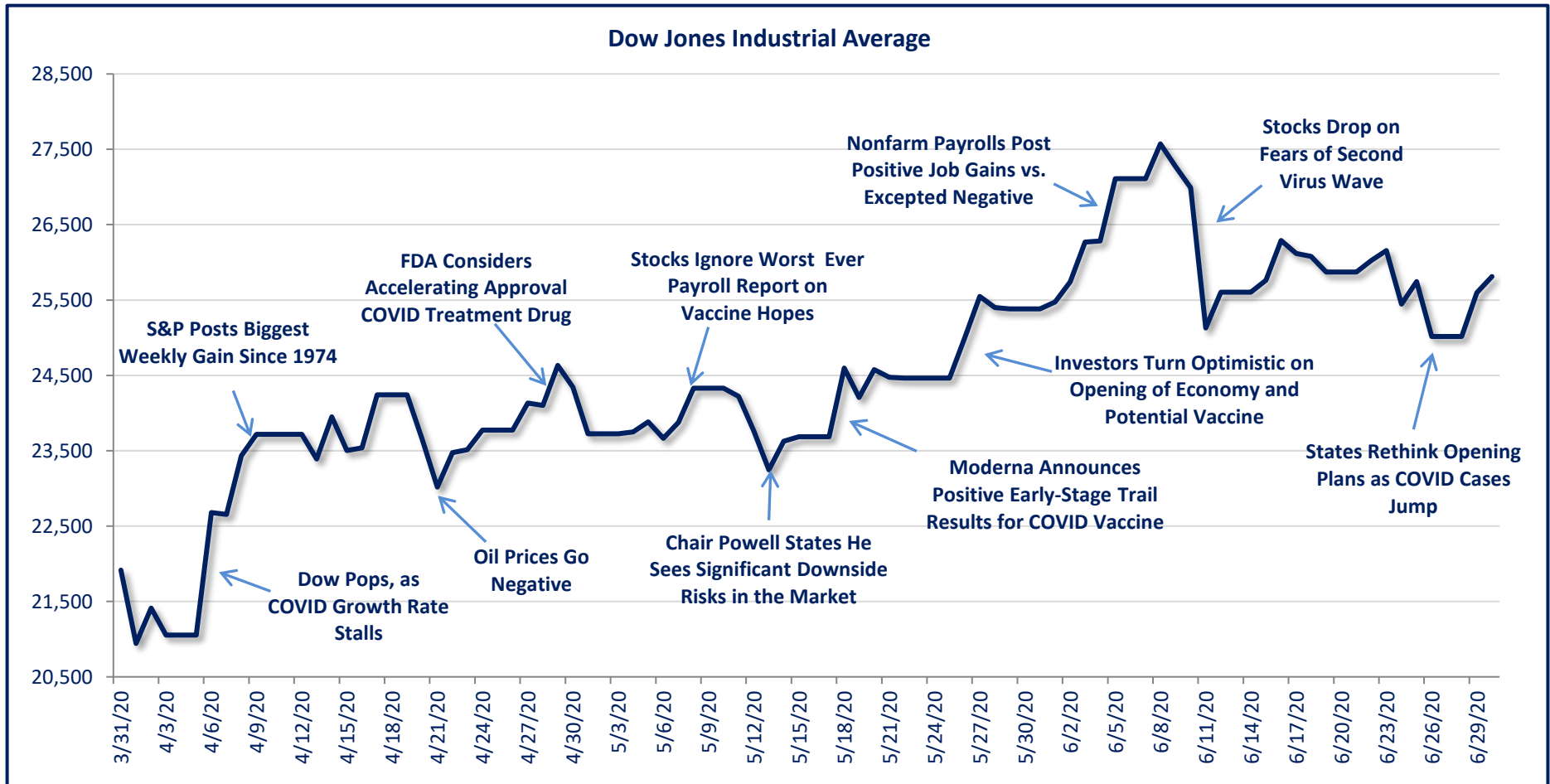


Economic and Market Update  
6/30/20



Sources: Bloomberg, FHN Main Street

## Economic and Market Update 6/30/20



Sources: Bloomberg, FHN Financial, FHN Main Street

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# TREASURER'S REPORT

Redondo Beach

FY19/20 Q4

Presented By: Steven Diels, City Treasurer

Nilesh Mehta, Chief Deputy City Treasurer



# Treasurer's Quarterly Admin Report

- Treasurer's Portfolio Summary
- Investment Reporting Guidelines
- Investment Report by FTN Main Street
  - 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
- Fiscal Impact
- Book Return & Total Return
- Month-End Portfolio Book Yield
- Maturity Distribution
- Sector Allocation
- Historical Book Value
- Cash Flow Analysis
- Trading Activity



# Key Investment Objectives

- 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.
- 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





## 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

Item / Sector	Parameters	In Compliance	
Weighted Average Maturity	Weighted Average Maturity (WAM) no greater than 2.5 years.	Yes:	1.72 Yrs
Liquidity: Less than 1 Year	At least 25% of the portfolio must have maturities of 1 year or less.	Yes:	40.4%
Liquidity: Less than 3 Years	At least 50% of the portfolio must have maturities of 3 years or less.	Yes:	70.9%
U.S. Treasuries	No limit, maximum maturity 5 years.	Yes:	10.6%
U.S. Federal Agencies	No limit, 40% issuer limit, maximum maturity 5 years.	Yes:	40.8%
Bankers' Acceptances	Sector limit 40%, issuer limit 5%, maximum maturity 180 days, A-1/P-1 by two.	Yes:	0.0%
Time Deposits	No sector limit, collateralized according to State Code.	Yes:	0.0%
Local Agency Investment Fund	No more than \$65 million.	Yes:	\$22 Mil
Negotiable Certificates of Deposit	Sector limit 30%, issuer limit no greater than FDIC insured limit (currently \$250,000), max maturity 5 years, Issued by national/state charter banks or savings and loan associations.	Yes:	3.1%
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.	Yes:	0.0%
Corporate Medium Term Notes	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.	Yes:	22.1%
Money Market Funds	Sector limit 15%, Issuer limit 10%, rated AAA by two of the three rating services.	Yes:	0.0%
CD Placement Service	Sector limit 30% (combined w/ negotiable CDs).	Yes:	0.0%
Collateralized Bank Deposits	No sector limit, collateralized according to State Code.	Yes:	0.0%
Supranationals	Sector limit 15%, Issuer limit 5% (IBRD, IFC, and IADB), Max maturity 5 years, AA or better by at least 1 of 3 rating agencies.	Yes:	0.0%
CalTRUST	30% limit, authorized if City Council first executes a JPA agreement.	Yes:	0.0% <sup>127</sup>

# FY 19-20 Performance

Market Value Comparison of Investment Portfolio Positions F.Y. 2019-2020								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%		%		%
Cash in Banks & Money Markets	\$8,004,405	*	\$10,421,483	*	\$5,306,333	*	\$ 9,193,009	*
Local Agency Investment Fund	\$7,000,000	8.3%	\$17,052,131	19.7%	\$14,000,000	15.40%	\$ 22,000,000	23.3%
Federal Agency Issues	\$41,455,587	49.1%	\$35,460,741	40.9%	\$40,606,033	44.70%	\$ 38,602,882	40.8%
Commercial Paper								
Corporate Medium Term Notes	\$24,837,904	29.4%	\$22,851,300	26.4%	\$22,865,644	25.20%	\$ 20,891,194	22.1%
Bank Certificates of Deposit	\$3,223,020	3.8%	\$3,222,544	3.7%	\$3,222,661	3.60%	\$ 2,974,779	3.1%
Treasuries	\$7,994,458	9.5%	\$8,041,480	9.3%	\$10,073,719	11.10%	\$ 10,063,635	10.6%
Total: Investment Portfolio	\$84,510,969	100.0%	\$86,628,195	100.0%	\$90,768,058	100.00%	\$ 94,532,490	100.0%
Weighted Average Maturity (Yrs)	2.1		1.89		2.02		1.72	
Portfolio Effective Rate of Return (YTD)	2.23%		2.27%		2.26%		2.22%	
L.A.I.F. Yield	2.28%		2.04%		1.79%		1.20%	
Yield on Benchmark	2.06%		2.08%		2.06%		2.02%	
Interest earned YTD	\$502,505.00		\$973,145		\$1,483,028		\$1,965,199	
General Fund Contribution (44%)	\$221,102		\$428,184		\$652,532		\$864,688	128

# FY 18-19 Q4 Performance

## Market Value Comparison of Investment Portfolio Positions F.Y. 2018-2019

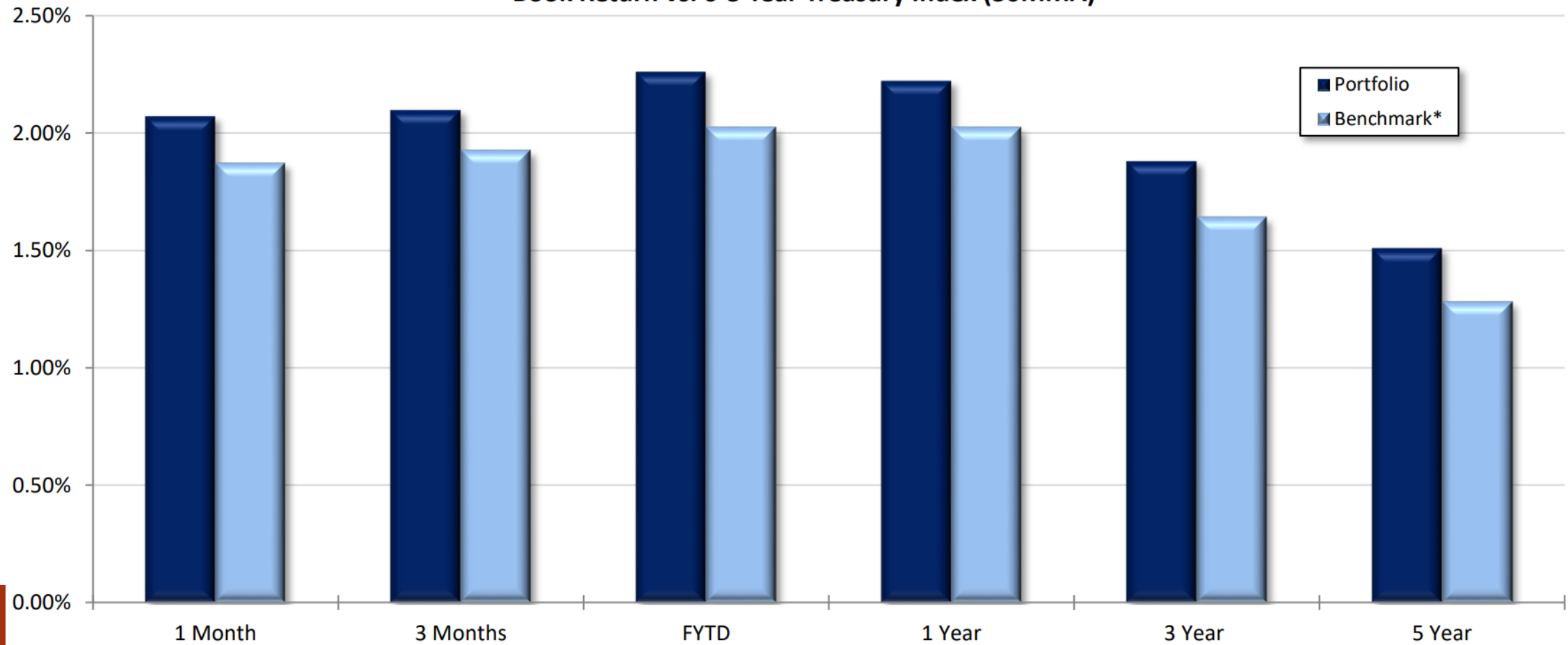
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type	\$MM	%	\$MM	%	\$MM	%	\$MM	%
Cash in Banks & Money Markets	\$8,761,921	*	\$6,939,956	*	\$5,394,950	*	\$ 9,062,598	*
Local Agency Investment Fund	\$1,000,000	1.3%	\$16,000,000	18.5%	\$6,000,000	6.60%	\$ 10,000,000	10.0%
Federal Agency Issues	\$46,940,821	59.7%	\$44,893,166	51.9%	\$44,394,491	49.20%	\$ 44,448,469	44.2%
Commercial Paper					\$3,973,074	4.30%	\$ 3,998,729	4.0%
Corporate Medium Term Notes	\$12,951,519	16.5%	\$11,958,712	13.8%	\$22,801,156	24.90%	\$ 26,821,710	26.7%
Bank Certificates of Deposit	\$1,735,760	2.2%	\$1,735,790	2.0%	\$1,735,820	1.90%	\$ 3,222,931	3.2%
Treasuries	\$15,938,992	20.3%	\$11,956,768	13.8%	\$11,973,607	13.10%	\$ 11,990,633	11.9%
Total: Investment Portfolio	\$78,567,092	100.0%	\$86,544,436	100.0%	\$91,418,148	100.00%	\$100,482,471	100.0%
Weighted Average Maturity (Yrs)	1.73		1.51		1.95		1.81	
Portfolio Effective Rate of Return (YTD)	1.70%		1.77%		1.92%		2.01%	
L.A.I.F. Yield	1.94%		2.29%		2.39%		2.43%	
Yield on Benchmark	1.68%		1.59%		1.68%		1.76%	
Interest earned YTD	\$357,684.00		\$726,249		\$1,215,976		\$1,765,752	
General Fund Contribution (66%)	\$236,071		\$479,324		\$802,544.16		\$1,165,396	129



## Fiscal Impact

- Interest earned year to date is \$1,965,199 for the entire portfolio. The General Fund contribution rate of our investment portfolio is approximately 44% of the total interest earned thus contributing approximately \$864,688 to the general fund through investment activity. Budgeted contribution of interest to the general fund for the entire fiscal year is \$825,000.

## Book Return vs. 0-5 Year Treasury Index (30MMA)

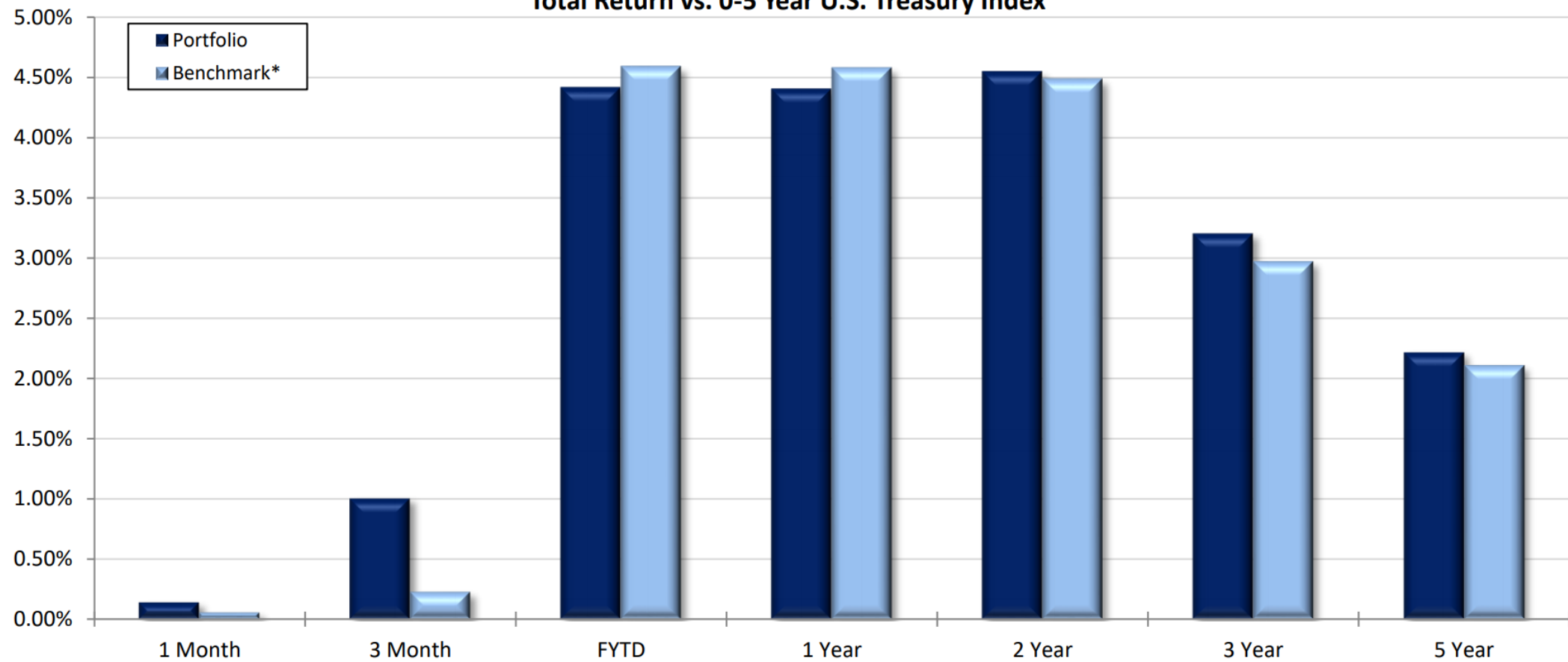


Benchmark: 0-5 Year Treasury Index (30 Month Moving Average)

	1 Month	3 Months	FYTD	1 Year	3 Year	5 Year
<b>Portfolio</b>	2.07%	2.10%	2.26%	2.22%	1.88%	1.51%
<b>Benchmark*</b>	1.87%	1.92%	2.02%	2.02%	1.64%	1.28%
<b>Variance</b>	0.20%	0.17%	0.24%	0.20%	0.24%	0.23%

**Note:** All returns are annualized. Periods greater than 1 month use the average return for the corresponding period. Returns for the FYTD has the average build over the fiscal year period.

## Total Return vs. 0-5 Year U.S. Treasury Index



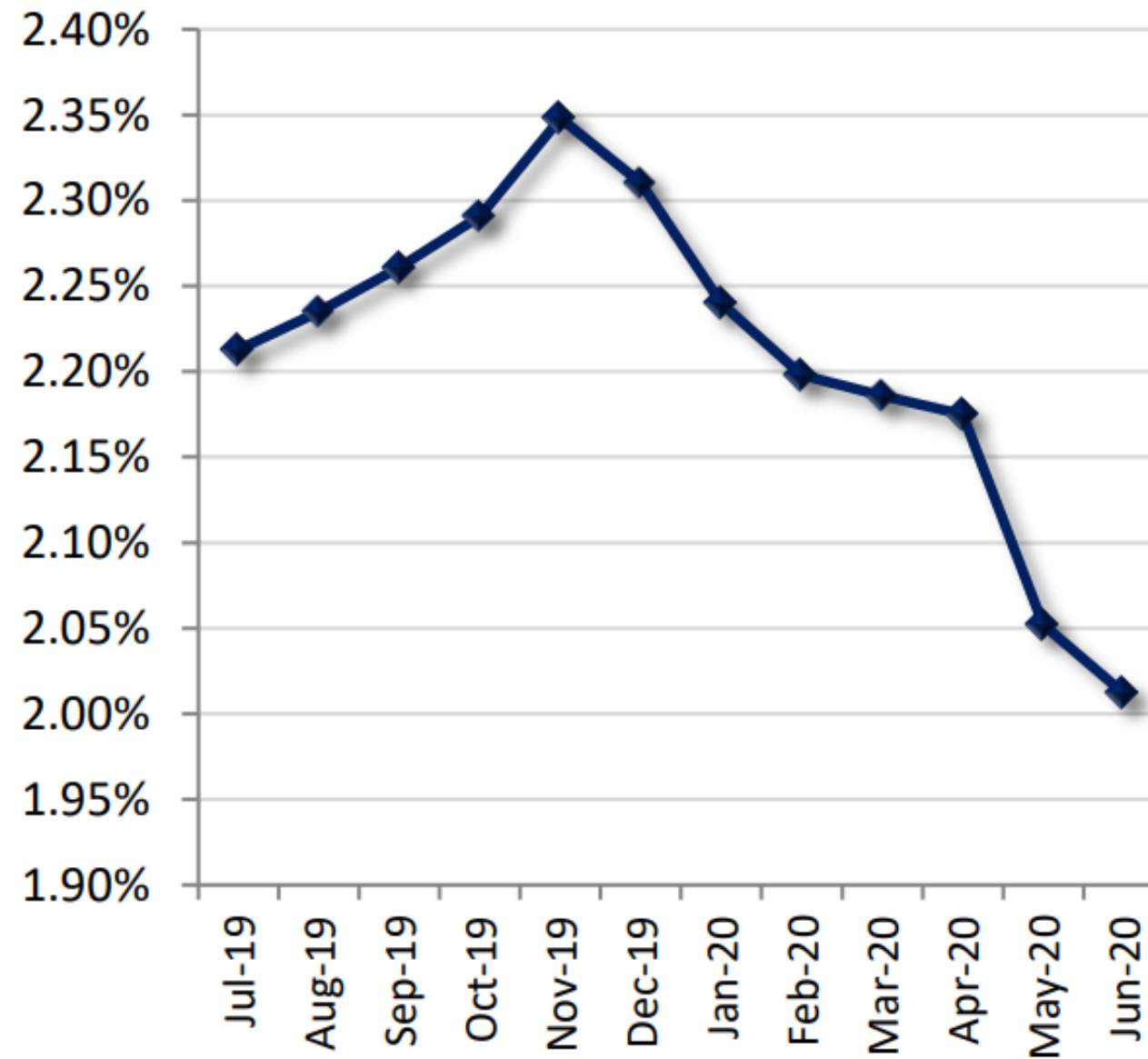
	1 Month	3 Month	FYTD	1 Year	2 Year	3 Year	5 Year
<b>Portfolio</b>	0.14%	1.01%	4.41%	4.40%	4.55%	3.21%	2.22%
<b>Benchmark*</b>	0.06%	0.23%	4.59%	4.58%	4.48%	2.97%	2.11%
<b>Variance</b>	0.09%	0.78%	-0.17%	-0.17%	0.06%	0.23%	0.11%

\*Index: ICE BAML 0-5 Yr US Treasury Index; figures may not total due to rounding

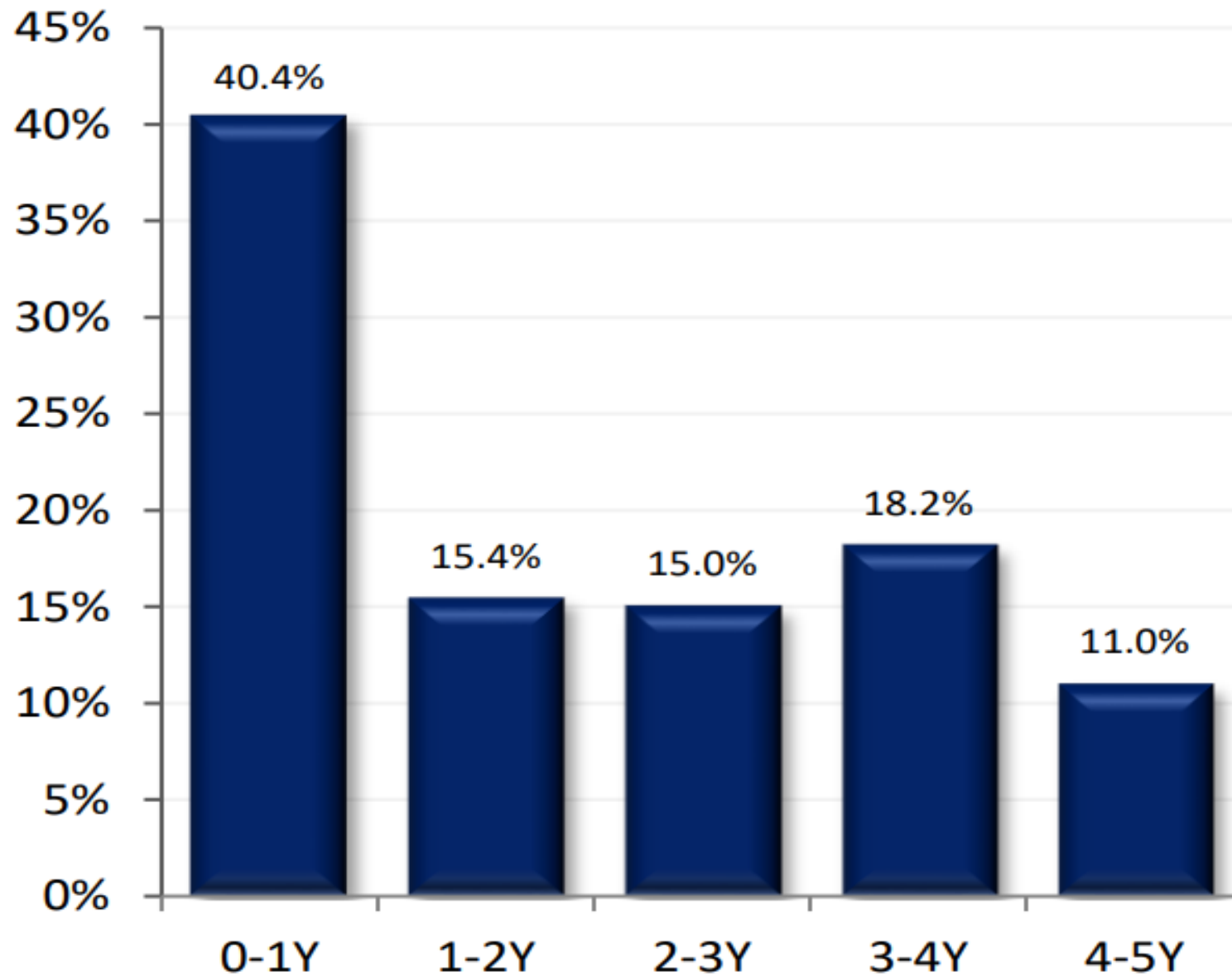
Total return includes unrealized gains and losses in its calculation and is a good measurement of portfolio's risk/return compared to the market's risk/return. However, total return can be volatile with material changes of interest rates.



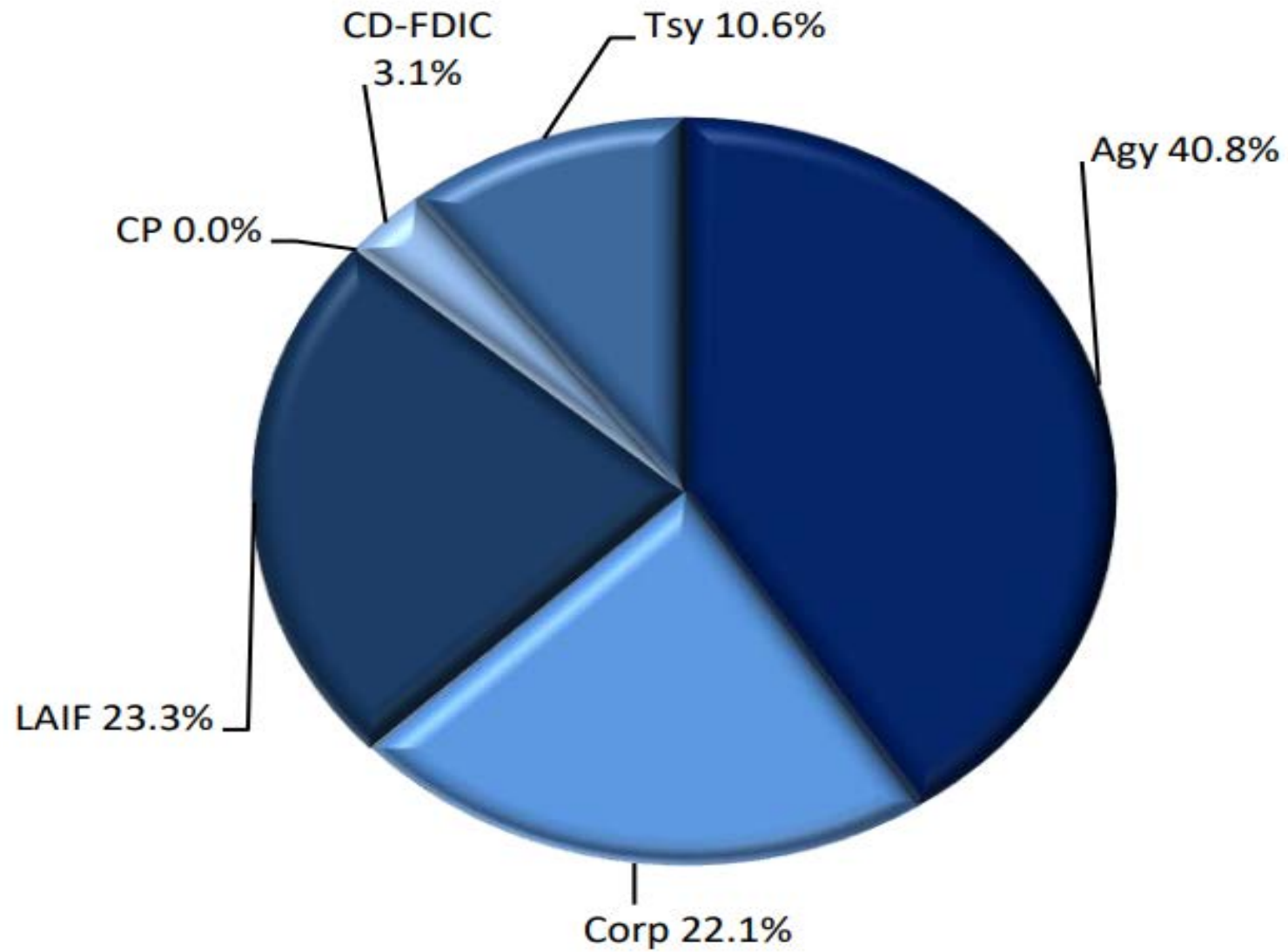
## MONTH-END PORTFOLIO BOOK YIELD



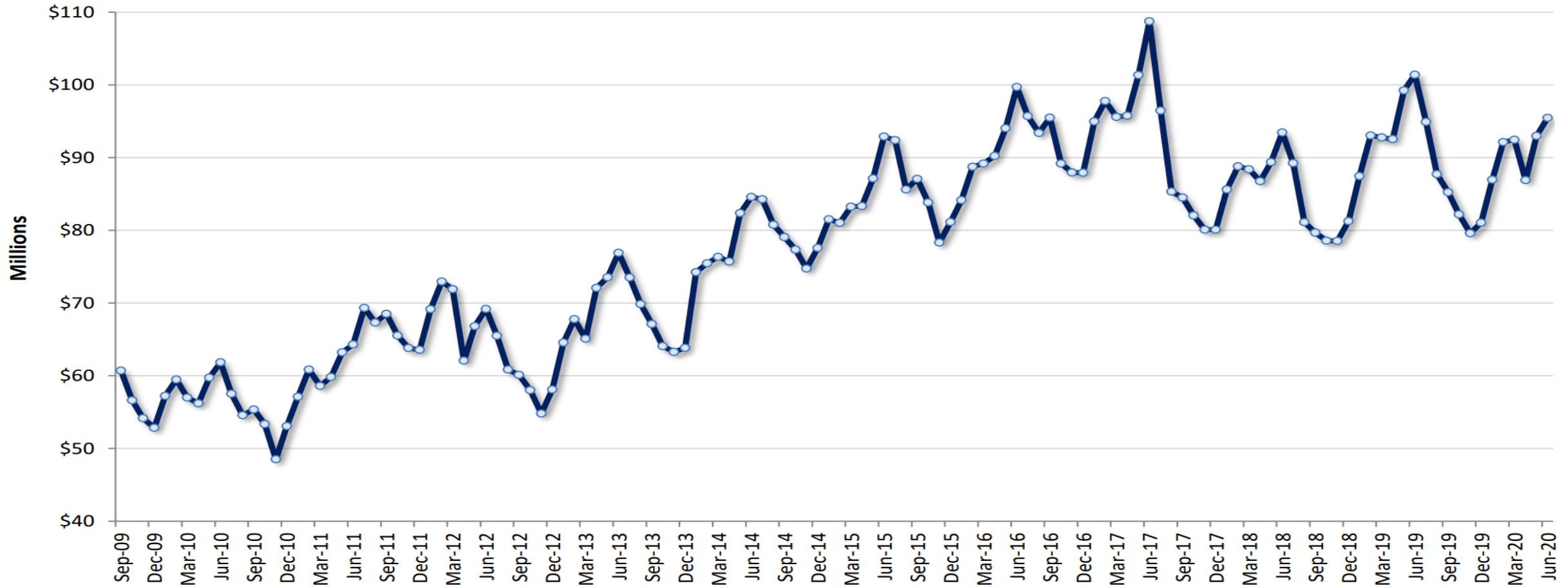
## MATURITY DISTRIBUTION



## SECTOR ALLOCATION



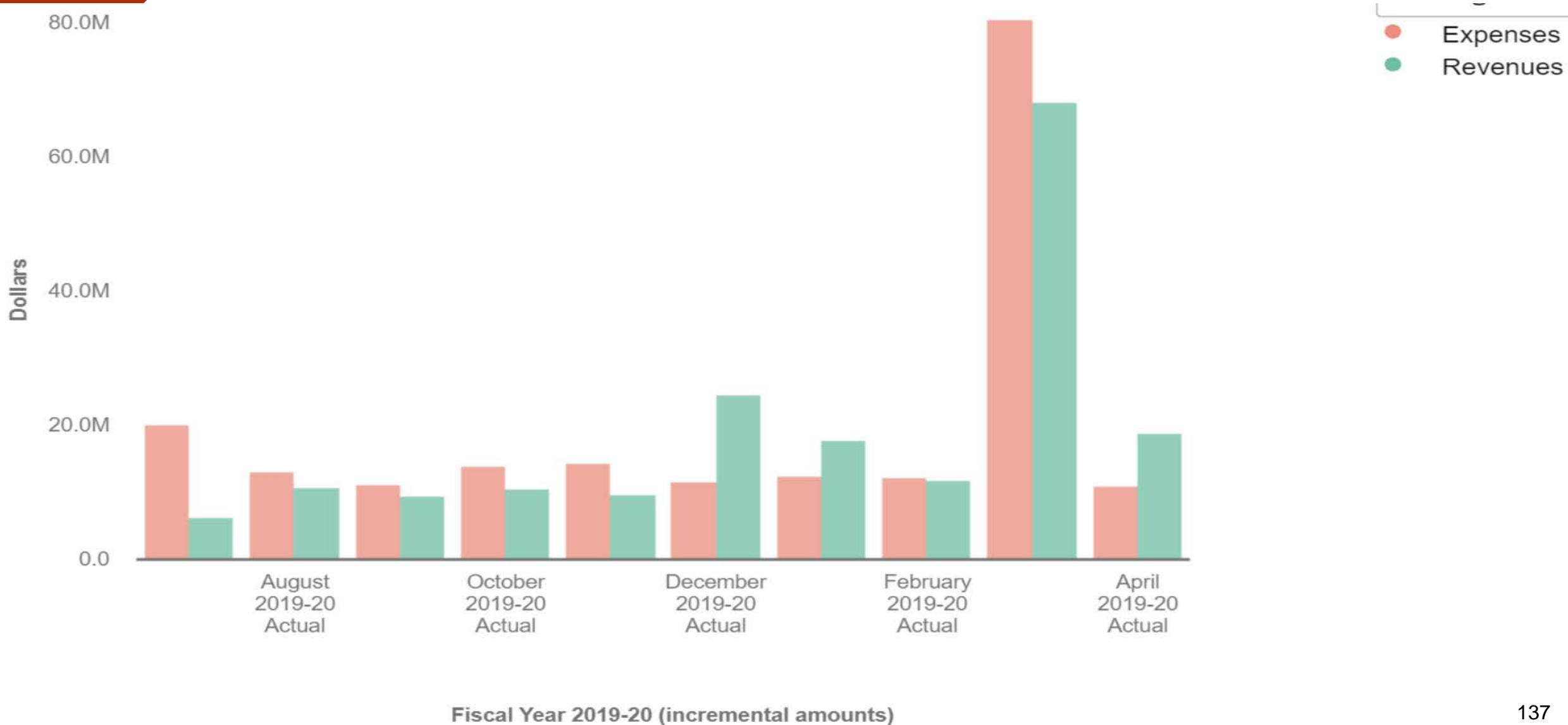
# Historical Book Value



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Fiscal Year 2013</b>	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9
<b>Fiscal Year 2014</b>	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
<b>Fiscal Year 2015</b>	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
<b>Fiscal Year 2016</b>	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
<b>Fiscal Year 2017</b>	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
<b>Fiscal Year 2018</b>	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
<b>Fiscal Year 2019</b>	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.3
<b>Fiscal Year 2020</b>	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.3

Figures in Millions, Average Daily Balance (excludes checking FY 2018 forward)

# Redondo Beach Cash Flows



# Monthly Revenues Vs. Expenses

Collapse All	July 2019-20 Actual	August 2019-20 Actual	September 2019-20 Actual	October 2019-20 Actual	November 2019-20 Actual	December 2019-20 Actual	January 2019-20 Actual	February 2019-20 Actual	March 2019-20 Actual	April 2019-20 Actual
▼ Revenues	\$ 6,380,043	\$ 10,856,980	\$ 9,593,978	\$ 10,541,097	\$ 9,720,722	\$ 24,796,172	\$ 17,810,778	\$ 11,865,862	\$ 68,252,817	\$ 19,041,573
▶ Taxes	80,780	2,534,812	2,725,267	2,377,277	3,576,326	13,258,107	9,963,055	4,868,733	41,124,080	10,656,619
▶ Charges for Services	3,544,897	3,520,098	3,076,693	3,519,039	2,805,798	6,746,804	3,894,162	3,409,366	9,640,243	4,754,655
▶ Intergovernmental	1,547,045	2,572,339	1,580,746	1,597,378	1,432,335	2,256,763	1,647,499	1,562,373	4,918,384	1,787,691
▶ Interdepartmental	708,607	708,607	708,607	708,607	708,607	708,607	708,607	696,572	6,596,938	940,117
▶ Use of Money and Property	331,045	1,249,232	1,211,876	1,119,245	1,066,223	1,441,147	1,247,737	939,387	2,816,538	557,214
▶ Licenses and Permits	144,541	107,283	92,202	259,203	92,642	157,757	111,188	116,894	1,170,962	209,600
▶ Fines And Forfeitures	175	129,304	137,904	127,636	3,322	198,306	141,238	101,985	844,695	102,259
▶ Transfers	0	0	0	726,488	0	0	0	0	705,819	0
▶ Other Revenues	22,952	35,305	60,683	106,223	35,470	28,681	97,292	170,551	435,159	33,418
▼ Expenses	20,149,717	13,153,101	11,338,688	14,060,904	14,442,565	11,790,489	12,548,635	12,290,261	80,463,183	11,153,301
▶ Personnel	15,380,296	5,339,338	5,053,611	5,075,357	7,566,841	5,295,723	5,416,681	5,339,198	40,232,803	5,013,271
▶ Maintenance and Operations	2,132,381	4,232,137	2,783,168	2,689,820	3,264,526	2,881,765	2,621,763	3,229,554	13,155,794	2,262,196
▶ Internal Service Fund Allocations	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,233,934	15,856,138	2,986,577
▶ Capital Outlay	47,294	991,879	912,163	2,253,003	1,021,451	1,023,253	1,920,444	1,487,575	9,080,323	891,257
▶ Transfers	0	0	0	1,452,977	0	0	0	0	2,138,125	0
Revenues Less Expenses	\$ -13,769,674	\$ -2,296,121	\$ -1,744,710	\$ -3,519,807	\$ -4,721,843	\$ 13,005,683	\$ 5,262,143	\$ -424,399	\$ -12,210,366	\$ 7 138 2



# Inflows By Month

Collapse All	July 2019-20 Actual	August 2019-20 Actual	September 2019-20 Actual	October 2019-20 Actual	November 2019-20 Actual	December 2019-20 Actual	January 2019-20 Actual	February 2019-20 Actual	March 2019-20 Actual	April 2019-20 Actual
▼ Revenues	\$ 6,380,043	\$ 10,856,980	\$ 9,593,978	\$ 10,541,097	\$ 9,720,722	\$ 24,796,172	\$ 17,810,778	\$ 11,865,862	\$ 68,252,817	\$ 19,041,573
▸ Taxes	80,780	2,534,812	2,725,267	2,377,277	3,576,326	13,258,107	9,963,055	4,868,733	41,124,080	10,656,619
▸ Charges for Services	3,544,897	3,520,098	3,076,693	3,519,039	2,805,798	6,746,804	3,894,162	3,409,366	9,640,243	4,754,655
▸ Intergovernmental	1,547,045	2,572,339	1,580,746	1,597,378	1,432,335	2,256,763	1,647,499	1,562,373	4,918,384	1,787,691
▸ Interdepartmental	708,607	708,607	708,607	708,607	708,607	708,607	708,607	696,572	6,596,938	940,117
▸ Use of Money and Property	331,045	1,249,232	1,211,876	1,119,245	1,066,223	1,441,147	1,247,737	939,387	2,816,538	557,214
▸ Licenses and Permits	144,541	107,283	92,202	259,203	92,642	157,757	111,188	116,894	1,170,962	209,600
▸ Fines And Forfeitures	175	129,304	137,904	127,636	3,322	198,306	141,238	101,985	844,695	102,259
▸ Transfers	0	0	0	726,488	0	0	0	0	705,819	0
▸ Other Revenues	22,952	35,305	60,683	106,223	35,470	28,681	97,292	170,551	435,159	33,418

# Taxes

Collapse All	July 2019-20 Actual	August 2019-20 Actual	September 2019-20 Actual	October 2019-20 Actual	November 2019-20 Actual	December 2019-20 Actual	January 2019-20 Actual	February 2019-20 Actual	March 2019-20 Actual	April 2019-20 Actual
▼ Revenues	\$ 6,380,043	\$ 10,856,980	\$ 9,593,978	\$ 10,541,097	\$ 9,720,722	\$ 24,796,172	\$ 17,810,778	\$ 11,865,862	\$ 68,252,817	\$ 19,041,573
▼ Taxes	80,780	2,534,812	2,725,267	2,377,277	3,576,326	13,258,107	9,963,055	4,868,733	41,124,080	10,656,619
Property Tax/Current-Secured	0	0	0	0	424,792	10,748,432	2,828,827	1,636,124	15,677,098	8,128,054
Sales and Use Tax	0	0	839,316	883,648	1,076,109	793,158	795,533	1,323,520	6,423,029	594,964
Transient Occupancy Tax	19,420	912,548	871,956	631,752	750,266	397,710	734,642	694,583	5,322,135	473,655
Utility Users Tax	-19,420	572,809	621,511	583,724	472,814	605,778	545,456	614,928	4,569,126	575,849
Property Tax in Lieu of VLF	0	0	0	0	0	0	3,948,906	0	3,948,906	0
Property Transfer Tax	0	274,369	169,652	153,259	239,948	313,207	210,385	316,053	1,815,332	339,285
Business License Tax	80,780	43,324	159,252	60,644	49,290	300,452	47,501	32,043	1,032,548	29,385
Property Tax/Current-Unsecured	0	731,762	0	0	140,620	0	0	0	924,760	0
Franchise Fees	0	0	0	0	345,689	0	0	150,775	660,718	455,489
Public Safety Augmentation	0	0	63,580	64,250	64,742	78,370	64,218	65,259	492,279	59,075
Property Tax Trust Fund	0	0	0	0	0	0	738,592	0	89,747	0
Public Education and Government (Peg) Access Fee	0	0	0	0	48,974	0	0	30,478	97,517	0
Homeowners Exemptions	0	0	0	0	0	20,998	48,995	0	69,993	0
Property Tax-Unsecured-Prior Year	0	0	0	0	0	0	0	0	32,840	862
Property Tax-Secured-Prior Year	0	0	0	0	-36,917	0	0	4,970	-31,947	0



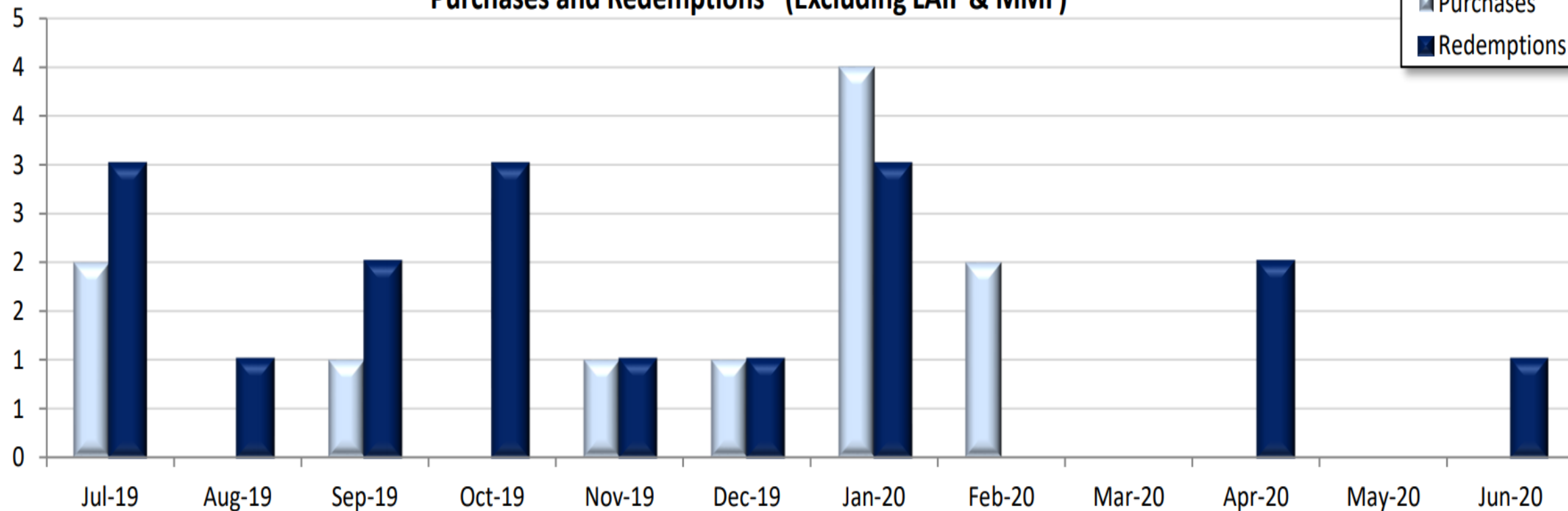
# Outflows By Month

Collapse All	July 2019-20 Actual	August 2019-20 Actual	September 2019-20 Actual	October 2019-20 Actual	November 2019-20 Actual	December 2019-20 Actual	January 2019-20 Actual	February 2019-20 Actual	March 2019-20 Actual	April 2019-20 Actual
▸ Revenues	\$ 6,380,043	\$ 10,856,980	\$ 9,593,978	\$ 10,541,097	\$ 9,720,722	\$ 24,796,172	\$ 17,810,778	\$ 11,865,862	\$ 68,252,817	\$ 19,041,573
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▸ Internal Service Fund Allocations	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,589,747	2,233,934	15,856,138	2,986,577
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▸ Transfers	0	0	0	1,452,977	0	0	0	0	2,138,125	0

# TRADING ACTIVITY

Purchases and Redemptions\* (Excluding LAIF & MMF)

Number of Transactions



\*Redemptions include maturities, calls, and sells (excluding paydowns)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
Purchases	2	0	1	0	1	1	4	2	0	0	0	0
Redemptions	3	1	2	3	1	1	3	0	0	2	0	1
Total Transactions	5	1	3	3	2	2	7	2	0	2	0	1



# Administrative Report

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J.3., File # BF20-1235

Meeting Date: 8/13/2020

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**To:** BUDGET AND FINANCE COMMISSION  
**From:** MARNI RUHLAND, FINANCE DIRECTOR

## **TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING THE IMPLEMENTATION OF INTERNAL CONTROL MEASURES

## **EXECUTIVE SUMMARY**

Attached is a status update of the internal control measures the City will be working to implement during FY 2020-21.

## **BACKGROUND**

In support of the City's commitment to continually improve its operations and service delivery to the community, in June 2016, the City Council approved an agreement with Moss Adams for internal audit services. The first task was to conduct a risk analysis of the City's financial operations in their entirety to review its internal controls framework and identify areas of strength and weakness. The second task was to review the rolls and responsibilities of the City Clerk, City Treasurer, and Financial Services Department as well as those of the Human Resources Department and the Financial Services Department's payroll function. Next, the FY 2019-20 and FY 2020-21 internal audit work plans presented to the Budget and Finance Commission in February 2020 included a policy development project which began with an inventory identifying the City's current policies.

The FY 2020-21 budget was adopted with a one-year pause in working with Moss Adams on internal control measures. However, staff did commit to continuing its work on previous Moss Adams' recommendations. In the City's final FY 2019-20 monthly update with Moss Adams, they suggested that the City could independently work on the following tasks.

- Development of cash handling training
- Completion of the FY 2019-20 policy updates
- Citywide training on updated policies

Therefore, these items have been included in the internal control measures the City will be working to implement during FY 2020-21. In addition, because a draft of an ordinance to establish the Financial Services Department in the Municipal Code has already been written, the remaining work to ready it for a Mayor and City Council presentation has also been included in the FY 2020-21 internal control measures to be addressed.

**COORDINATION**

As listed in the status update in the “Departments” column, the Financial Services Department will work with the City Clerk and City Treasurer to complete these internal control measure tasks.

**FISCAL IMPACT**

Only completing the policies will require assistance from Moss Adams. This can be done with the remaining policy development project funding carried over to the current fiscal year. All other items in the status update schedule can be done without their assistance.

**ATTACHMENTS**

Internal Control Measures - Implementation Status



# Administrative Report

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J.3., File # BF20-1235

Meeting Date: 8/13/2020

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**To:** BUDGET AND FINANCE COMMISSION  
**From:** MARNI RUHLAND, FINANCE DIRECTOR

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The FY 2020-21 budget was adopted with a one-year pause in working with Moss Adams on internal control measures. However, staff did commit to continuing its work on previous Moss Adams' recommendations. In the City's final FY 2019-20 monthly update with Moss Adams, they suggested that the City could independently work on the following tasks.

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**COORDINATION**

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**FISCAL IMPACT**

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**ATTACHMENTS**

Internal Control Measures - Implementation Status

**Internal Control Measures  
Implementation Status**

Item No.	Source	Finding	Recommendation	Departments	Owner	Recommended Plan (Course of Action & Expected Benefits)	Finding Corrected (Yes, No, Partial)	Expected Completion Date	Actual Completion Date	Status Comments
1	Moss Adams' City Clerk / City Treasurer Roles / Responsibilities	The Financial Services Department conducts the day-to-day activities of cash handling and revenue collection, although the Department has not been established in the municipal code or delegated the authority to conduct financial activities.	Adopt an ordinance to establish the Financial Services Department in the Municipal Code that defines its powers and duties as inclusive of tactical financial operations.	Financial Services / City Clerk / City Treasurer	Finance Director	An ordinance creating a Financial Services Department will be presented to the Mayor and City Council for adoption.	Yes	December 15, 2020		An ordinance has been drafted. Reviews will occur next, followed by City Attorney approval.
2	Moss Adams' Risk Assessment	Not all employees who are involved in the handling of cash, preparation of deposits, entry of deposit information, and the supervision of employees that perform these duties receive periodic cash handling training.	Develop a cash handling training as an interactive webcast that can be viewed by any employee at any location at any time.	Financial Services	Payroll and Finance Manager	A training video of City cash handling policies and procedures for cashiers and their supervisors in all applicable departments will be developed.	Yes	June 30, 2021		Another city's training video which will be used as a template has been provided by Moss Adams. Once City Hall has reopened and staff is again working on site, filming will start.
3	Moss Adams' Policy and Procedures Inventory	The purchasing card program APP and the purchasing card manual are outdated and need updating.	Review, update and combine the purchasing card program APP and the purchasing card program to include current responsibilities and activities, a comprehensive enforcement process, and a reconciliation of purchasing card holders and active employees.	Financial Services / City Clerk	Analyst	As a component of the multiyear policy project with Moss Adams, the purchasing card program APP will be updated to include information from the purchasing card manual, a comprehensive enforcement process, and a reconciliation of purchasing card holders and active employees.	Yes	October 30, 2020		A first draft of the APP has been provided to the City by Moss Adams.
4	Moss Adams' Policy and Procedures Inventory	The internal service fund/overhead allocations APP needs to be reviewed for possible updates.	Review the internal service fund/overhead allocations APP to determine what updating is required to ensure it reflects current responsibilities and activities and that policy is in compliance with current federal grant regulations.	Financial Services / City Clerk	Finance Director	As a component of the multiyear policy project with Moss Adams, the internal service fund/overhead APP will be updated with Moss Adams recommendations.	Yes	October 30, 2020		A first draft of the APP has been provided to the City by Moss Adams.
5	Moss Adams' Risk Assessment	The City has not provided grant training to all personnel involved in grants administration.	Identify all personnel involved with grants administration in the City and provide specific internal and/or external training to employees in departments responsible for administering grants.	Financial Services	Grants Financial Administrator	A training program regarding grant management will be developed.	Yes	June 30, 2021		A training program will be developed upon completion of the APP update.
6	Final FY 2019-20 Monthly Update with Moss Adams	Training on the purchasing card program APP will be critical to its implementation.	Create job aids/self-service training regarding the purchasing card program.	Financial Services	Analyst	A training program regarding the purchasing card program will be developed.	Yes	June 30, 2021		A training program will be developed upon completion of the APP update.
7	Final FY 2019-20 Monthly Update with Moss Adams	Training on the internal service fund/overhead APP will be critical to its implementation.	Create job aids/self-service training regarding internal service fund/overhead allocations.	Financial Services	Finance Director	A training program regarding internal service fund/overhead allocations will be developed.	Yes	January 31, 2021		A training program will be developed upon completion of the APP update.



# Administrative Report

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J.4., File # BF20-1233

Meeting Date: 8/13/2020

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**To: BUDGET AND FINANCE COMMISSION**  
**From: MARNI RUHLAND, FINANCE DIRECTOR**

## **TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING CALPERS AND WORKERS' COMPENSATION SUBCOMMITTEE REPORT

## **EXECUTIVE SUMMARY**

A verbal report from the subcommittee created to address the City's CalPERS liabilities and workers' compensation costs will be provided at this evening's Commission meeting.

## **BACKGROUND**

At its July 9, 2020 meeting, the Budget and Finance Commission created a subcommittee to address the City's CalPERS liabilities and workers' compensation costs. Monthly reports from the subcommittee to the Commission were agreed to. A verbal report from the subcommittee will be provided at this evening's Commission meeting.

## **COORDINATION**

The members of the Budget and Finance Commission appointed to the subcommittee are Commissioner Solomon, Commissioner Conroy, and Commissioner Woodham.

## **FISCAL IMPACT**

None.





# Administrative Report

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J.4., File # BF20-1233

Meeting Date: 8/13/2020

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**To: BUDGET AND FINANCE COMMISSION**  
**From: MARNI RUHLAND, FINANCE DIRECTOR**

## **TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING CALPERS AND WORKERS' COMPENSATION SUBCOMMITTEE REPORT

## **EXECUTIVE SUMMARY**

A verbal report from the subcommittee created to address the City's CalPERS liabilities and workers' compensation costs will be provided at this evening's Commission meeting.

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## **COORDINATION**

The members of the Budget and Finance Commission appointed to the subcommittee are Commissioner Solomon, Commissioner Conroy, and Commissioner Woodham.

## **FISCAL IMPACT**

None.



# Administrative Report

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J.5., File # BF20-1236

Meeting Date: 8/13/2020

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**To: BUDGET AND FINANCE COMMISSION**

**From: MARNI RUHLAND, FINANCE DIRECTOR**

**TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING COMMISSIONER EXPERIENCE BIOGRAPHIES

**EXECUTIVE SUMMARY**

A verbal report of the Budget and Finance Commissioners experience biographies will be presented at this evening's Commission meeting.

**BACKGROUND**

To enhance the workings of the Budget and Finance Commission, the Commissioners agreed at their last meeting to share their experience biographies. Those Commissioners desiring to do so will present their biographies verbally at this evening's Commission meeting.



# Administrative Report

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J.5., File # BF20-1236

Meeting Date: 8/13/2020

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**To: BUDGET AND FINANCE COMMISSION**

**From: MARNI RUHLAND, FINANCE DIRECTOR**

**TITLE**

DISCUSSION AND POSSIBLE ACTION REGARDING COMMISSIONER EXPERIENCE BIOGRAPHIES

**EXECUTIVE SUMMARY**

A verbal report of the Budget and Finance Commissioners experience biographies will be presented at this evening's Commission meeting.

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