

**CITY OF REDONDO BEACH
BUDGET & FINANCE COMMISSION AGENDA
Thursday, February 11, 2021**

**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 AND FINANCE COMMISSION - 6:30
PM**

**ALL COMMISSION MEMBERS ARE PARTICIPATING BY VIRTUAL
MEETING. MEMBERS OF THE PUBLIC MAY ONLY PARTICIPATE BY
ZOOM, EMAIL OR eCOMMENT.**

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

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TO JOIN ZOOM MEETING (FOR PUBLIC COMMENT ONLY):

Register in advance for this meeting:

https://us02web.zoom.us/webinar/register/WN_hEo2sgXPRuyAbNViFQKneA

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

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

- A. CALL MEETING TO ORDER**
- B. ROLL CALL**
- C. SALUTE TO THE FLAG**
- D. APPROVE ORDER OF AGENDA**
- E. BLUE FOLDER ITEMS - ADDITIONAL BACK UP MATERIALS**

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

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

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

F. CONSENT CALENDAR

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

- F.1. [APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF FEBRUARY 11, 2021.](#)**

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

- F.2. [APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JANUARY 14, 2021.](#)**

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

- F.3. [RECEIVE AND FILE THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR FISCAL YEAR 2020/2021](#)**

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](#)**

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

I. ITEMS CONTINUED FROM PREVIOUS AGENDAS

J. ITEMS FOR DISCUSSION PRIOR TO ACTION

J.1. [CITY TREASURER'S QUARTER 2 FISCAL YEAR 2020-2021 REPORT](#)

CONTACT: STEVEN DIELS, CITY TREASURER

J.2. [DISCUSSION AND POSSIBLE ACTION REGARDING THE MIDYEAR BUDGET REPORT](#)

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

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](#)

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 March 11, 2021, in the Redondo Beach Council Chambers, at 415 Diamond Street, Redondo Beach, California via teleconference.

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

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



Administrative Report

E.1., File # BF21-2058

Meeting Date: 2/11/2021

TITLE

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



Administrative Report

F.1., File # BF21-2056

Meeting Date: 2/11/2021

TITLE

APPROVAL OF AFFIDAVIT OF POSTING FOR THE REGULAR BUDGET AND FINANCE
COMMISSION MEETING OF FEBRUARY 11, 2021.

Financial Services

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 Redondo Beach, California 90277-0270
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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	February 11, 2021 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: February 8, 2021



Administrative Report

F.2., File # BF21-2070

Meeting Date: 2/11/2021

TITLE

APPROVAL OF THE MINUTES FROM THE REGULAR BUDGET AND FINANCE COMMISSION MEETING OF JANUARY 14, 2021.

OPENING SESSION

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

ROLL CALL

Commissioners Present: Nguyen, Samples, Solomon, Woodham, Chair Conroy
Commissioners Absent: Johnson, Marin
Officials Present: Marni Ruhland, Finance Director
 Doug Kaku, Grants Administrator

SALUTE TO THE FLAG

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

APPROVAL OF ORDER OF AGENDA

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

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

BLUE FOLDER ITEMS

Motion by Commissioner Solomon, seconded by Commissioner Woodham, to receive and file the presentation for Item J.1. Motion carried unanimously, with the following roll call vote:

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

CONSENT CALENDAR

F.1. APPROVAL OF AFFIDAVIT OF POSTING for the Regular Budget and Finance Commission Meeting of January 14, 2021.

F.2. APPROVAL OF THE MINUTES for the Regular Budget and Finance Commission Meeting of December 10, 2020.

F.3. RECEIVE AND FILE the Budget and Finance Commission's Tentative Calendar for 2020/2021.

Motion by Commissioner Solomon, seconded by Commissioner Nguyen, to approve items F.1. – F.3. Motion carried, with the following roll call vote:

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

EXCLUDED CONSENT CALENDAR – NONE

PUBLIC PARTICIPATION ON NON-AGENDA ITEMS – NONE

ITEMS CONTINUED FROM PREVIOUS AGENDAS (OLD BUSINESS)

Chair Conroy commented on Item J.1., the CalPERS presentation from the last meeting. He said that while private equities make up 8 percent of the investment portfolio, they account for nearly 50 percent of associated administrative costs. He added that with plans to increase private equities to 12 percent, the fees will end up being 50 percent of the total associated costs and become insurmountable. He recommended that equity management fees be part of any negotiations by the City.

In response to Commissioner Woodham regarding his recommendation, Chair Conroy explained the fees related to the private equities make up a considerable portion of fees, therefore, the City is paying a lot more for those investments than other investments in the portfolio.

Finance Director Ruhland said the City does not negotiate with CalPERS.

In response to Commissioner Solomon regarding a board, or group of stakeholders who meet and/or weigh in on policies and procedures of CalPERS, Finance Director said CalPERS has a board, comprised of elected and appointed members. She said the only way to weigh in is to speak before the board when they are discussing that topic, during the public participation portion of their agenda.

Commissioner Woodham commented that private equity and private real estate have higher fees than regular equity, however, what should be of concern is the after-fee returns. He said on a historic basis and a projected basis, private equity should return between 2 percent and 4 percent more than public equities and as long as CalPERS can continue to show higher after-fee returns, it is not something to recommend doing away with.

ITEMS FOR DISCUSSION PRIOR TO ACTION (NEW BUSINESS)

J.1. DISCUSSION AND POSSIBLE ACTION REGARDING REFINANCING THE CITY'S CALPERS UNFUNDED ACCRUED LIABILITY WITH BONDS

Finance Director Ruhland introduced Larry Kosmont and Dan Massiello, of Kosmont Transactions Services.

Mr. Kosmont and Mr. Masiello provided the following report:

- City pension costs have been rising due to requirements to repay Unfunded Accrued Liability (UAL) to the California Public Employees' Retirement System (CalPERS)
- UAL is driven by historical changes in actuarial assumptions and lackluster investment performance
- City's aggregate UAL owed to CalPERS is projected to be \$211,769,876 by 6/30/2021
- Exploration of refinancing UAL with market-based solution could better align pension payments with current revenues
- Unfunded pension liabilities are existing debts being repaid at 7% interest
- Muni bond market interest rates are currently substantially lower than CalPERS rate
 - City's strong credit rating of AA+ should command interest rates in the 3.25% - 3.75% range
- City can issue its own municipal bonds to refinance UAL repayments to significantly lower levels
- City can refinance the UAL by selling securities in the capital markets
- Two (2) primary types of obligations are available:
 - Pension Obligation Bonds (POBs)
 - Lease Revenue Bonds (LRBs)

- Pension Obligation Bonds (POBs) are General Obligation Bonds once validated by the Court and do not require any “collateral”
- Lease Revenue Bonds (LRBs) do not require court validation. LRBs do require encumbering certain City assets with a lease/leaseback structure
- City should be able to use its streets as lease collateral
- Bond Investors generally prefer Lease Revenue Bond Structure over POB structure
- POBs are General Obligations of the City
 - “Debt” as defined by CA Constitution
 - Required to repay
- POBs require Court Validation before they can be issued
 - Process is slow (validation can take 120 or more days)
- Lease Revenue Bonds (LRBs) do not require court validation, therefore are quicker to complete
- LRBs would be sold by the City’s Community Financing Authority and secured by rental payments to be made by the City to the Authority for use of certain real property
- 2019 LRBs rated “AA”; would expect POBs to be rated “AA+”
- Investors generally prefer Lease Revenue Bond Structure over POB structure due to existence of underlying assets
- Actuarial data for Miscellaneous and Safety Retirement Plans as of 6/30/2019:
 - Required Combined Balance: \$612,790,806
 - Market Value of Assets: \$404,075,277
 - Amount Underfunded (UAL): \$208,715,529
- City made \$13,697,415 UAL payment in FY21, in FY22 it will be \$15,552,745, a 13.6% increase; FY31 will be 58.6% greater than FY21
- Potential budgetary savings of \$50 million to almost \$90 million in long-term pension cost reductions, depending on structure
- Options for Refinancing Approach:
 - Refinance 100% of current UAL
 - With LRB approach, option to refinance more than 100% of 6/30/2021 UAL
 - Refinance less than 100% of UAL
- City can custom tailor the payment structure
- Savings can be put into Section 115 Trust or used for economic development, operations, etc.
- Ability to manage the predictability of the payment, unlike current UAL repayments amount which change every year

In response to Commissioner Samples regarding either option requiring the vote of the residents, Mr. Massiello said with the POB, the courts will allow another type of debt to refinance that. He said a Lease Revenue Bond is a lease and no vote is required to finance with general fund revenue.

In response to Chair Conroy regarding the expediency of the LRB, Mr. Kosmont said there is an intuitive motivation to get it done and with the timing, expediency, and background experience they have with the City with LRBs, that seems like the best avenue. He said while they may be leaning that way, they are not making that recommendation now, it is subject to further due diligence.

Mr. Massiello noted that there are pros and cons to each approach, and an evaluation would need to take place.

In response to Commissioner Woodham regarding the necessity of obtaining an investment banker, Mr. Massiello said they would be the municipal advisor, and they would help manage the process with the investment banker(s).

In response to Commissioner Woodham regarding the total interest costs, Mr. Massiello said the numbers they have been using is known as the all-in true interest costs, which includes underwriting deeds.

In response to Commissioner Samples regarding refinancing the debt or paying it early, Mr. Massiello said these are callable at ten years with no penalty. He said these would be sold with a call option that the City could exercise.

Grants Administrator Kaku stated that Commissioner Johnson has been in attendance, however, he is experiencing technical difficulties which are preventing him from providing comments.

Commissioner Woodham indicated he would like to go forward with it.

Commissioner Solomon suggested making a recommendation to get this onto a City Council agenda, or provide correspondence to City Council recommending some of the options that were presented by Mr. Kosmont and Mr. Massiello.

Finance Director Ruhland offered to relay to City management that the Commission would like to proceed and work towards getting the presentation onto a City Council agenda and at that time, the Commission could weigh in and say that as a Commission they agree with doing it.

Commissioner Samples suggested getting a presentation onto the agenda as soon as possible.

Commissioner Woodham suggested having City Council watch tonight's presentation.

Chair Conroy agreed with Finance Director Ruhland's suggestion to notify staff to have it agendized.

Chair Conroy suggested writing a letter as a Commission, saying that they had a fantastic presentation and encourage them to review it, and highlight points such as the potential savings.

Commissioner Solomon suggested one or no greater than three of them doing something like that.

Chair Conroy asked for a motion to establish a subcommittee to prepare a letter by next Monday that could be sent to City Council.

Finance Director Ruhland suggested using their existing subcommittee.

Subcommittee members Solomon and Woodham were in agreement; Chair Conroy said he would initiate the letter and forward it to them.

Motion by Commissioner Samples, seconded by Commissioner Solomon, to approve the CalPERS subcommittee write a letter to City Council, on behalf of the Commission, related to their impression of the pension obligation bond presentation. Motion carried, with the following roll call vote:

AYES:	Nguyen, Samples, Solomon, Woodham, Chair Conroy
NOES:	Johnson
ABSENT:	Marin

Commissioner Solomon clarified that this would be in addition to Finance Director Ruhland's recommendation to approach City management to get it on a City Council agenda.

In response to Chair Conroy regarding his no vote, Commissioner Johnson said without being able to see and participate, he couldn't give a full answer to that, however, he said the cavaliness to these decisions with such limited information is shocking to him.

Commissioner Johnson said he will publicly, and in the press resign if he does not have access to the meeting next month.

In response to Commissioner Samples' request for a resolution to Commissioner Johnson's inability to participate, Finance Director Ruhland said it needs to be resolved with the City Clerk, however, a test will be performed before the next meeting.

Motion by Commissioner Solomon, seconded by Commissioner Nguyen, to receive and file the Discussion and Possible Action Regarding Refinancing the City's CalPERS Unfunded Accrued Liability with Bonds. Motion carried unanimously, with the following roll call vote:

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

J.2. DISCUSSION AND POSSIBLE ACTION REGARDING THE SELF-INSURANCE PROGRAM FUND

Finance Director Ruhland said the City's third-party claims administrator provided the summarization of a loss run for the period that the Commission requested. She said it is summarized by department and claims type.

In response to Commissioner Solomon regarding the years the report was based on, Finance Director Ruhland said it was based on policy period.

Commissioner Solomon noted that there is sub-text showing where some of the incidents took place. He asked if there was an analysis done to help guide them beyond what the consultant does, for example, identifying a higher loss ratio in certain areas due to the streets not being slurry sealed, or repaved in a number of years. He said Public Works could then ask City Council to prioritize a slurry seal or sidewalk repair, or other capital improvement as necessary, in that particular area.

Finance Director Ruhland said Public Works does a study once a year, and a more comprehensive study every three years on the streets, giving their conditions which is what they use for the repaving. She said that is a separate perspective than from a risk management perspective.

A number of Commissioners agreed that the presented report did not provide usable information for them to review. They said it would be helpful if they could see the report broken down by department, or if possible, areas where there have been multiple complaints, or problematic areas due to root structure issues or torn up sidewalks.

Chair Conroy asked if the Commission would be able to receive the file in an Excel format.

Motion by Commissioner Solomon, seconded by Commissioner Woodham, to receive and file the Discussion and Possible Action regarding the Self-Insurance Program Fund, and requested, if available, the report in a different format. Motion carried unanimously, with the following roll call vote:

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

J.3. DISCUSSION AND POSSIBLE ACTION REGARDING CALPERS AND WORKERS' COMPENSATION SUBCOMMITTEE REPORT

Chair Conroy said they did not meet as a subcommittee this month, however, Commissioner Woodham emailed Finance Director Ruhland and requested staff use the CalPERS website and calculator to run scenarios that were

presented at the last meeting, based on different discount rates, or return assumption rates of 6 percent, 6.5 percent, and 6.75 percent.

In explaining the spreadsheets from the CalPERS Pension Outlook tool, Finance Director Ruhland said the default in the pension outlook tool is the 7 percent discount rate with actual earnings matching the discount rate. She said the discount rate was then changed to the various scenarios. The 7 percent discount rate is displayed on the spreadsheets as the baseline and is compared with the various scenarios with a calculated impact on the cost and the unfunded liability balance.

In response to Commissioner Solomon regarding a referral at a December City Council meeting, to discuss the appropriation to dive deeper into the Firefighters numbers, Finance Director Ruhland said it will be on the agenda for the January 19, 2021 meeting.

Motion by Commissioner Solomon, seconded by Commissioner Nguyen, to receive and file the Discussion and Possible Action Regarding CalPERS and Workers' Compensation Subcommittee Report. Motion carried unanimously, with the following roll call vote:

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

K. MEMBER ITEMS AND REFERRALS TO STAFF

In response to Commissioner Solomon regarding representation of the CalPERS Board, Finance Director Ruhland said she will send to the Commissioners information on the make-up of the CalPERS board.

Commissioner Nguyen requested Commissioner Johnson's access to the meetings be resolved.

ADJOURNMENT OF BUDGET & FINANCE COMMISSION – 9:15 P.M.

There being no further business to come before the Commission, Commissioner Woodham moved, seconded by Commissioner Solomon, to adjourn the meeting at 9:15 p.m., to a Regular Meeting to be held at 6:30 p.m., on February 11, 2021, in the Redondo Beach Council Chambers at 415 Diamond Street, Redondo Beach, California.

Motion carried unanimously, with the following roll call vote:

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

Respectfully submitted,

Marni Ruhland
Finance Director



Administrative Report

F.3., File # BF21-2067

Meeting Date: 2/11/2021

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

TITLE

RECEIVE AND FILE THE BUDGET AND FINANCE COMMISSION'S TENTATIVE CALENDAR FOR FISCAL YEAR 2020/2021

EXECUTIVE SUMMARY

Attached is a tentative Fiscal Year 2020/2021 calendar for the Budget and Finance Commission that lists the major topics to be discussed each month.

BACKGROUND

With the Fiscal Year 2020/2021 City Council direction for the Budget and Finance Commission to meet monthly, staff has prepared the attached tentative Fiscal year 2020/2021 calendar. The major topics to be discussed each month include the outstanding referrals to staff made by both the City Council and the Commission.

A couple of updates have been made to the calendar as follows:

- The vehicle lifecycle policies discussion has been removed. The City Council will be receiving this information as a midyear budget response report. At the time the budget response reports are finalized, copies will be emailed to the Commissioners.
- Per the Commission's request, a follow-up discussion regarding the Self-Insurance Program Fund's claims history is scheduled for March 11.

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.

FISCAL IMPACT

None.

ATTACHMENTS

Tentative 2020/2021 Calendar

Budget and Finance Commission

Tentative 2020/2021 Calendar

Meeting Date	Major Topics
July 9, 2020	Subcommittee Formation Tentative 2020 Commission Calendar Budget Adoption Summary
August 13, 2020	City Treasurer's Quarterly Report Salary Adjustments for Mayor, City Council and City Attorney Quarterly Budget Update Internal Controls Update Subcommittee Report
September 10, 2020	Salary Adjustments for Mayor, City Council and City Attorney (Continued) CARES Act Funding Subcommittee Report
October 8, 2020	Oath of Office for Appointed Commissioners Election of New Officers (Chair and Vice-Chair) Self-Insurance Program Fund (Part 1 - Introduction) Subcommittee Report
November 12, 2020	Self-Insurance Program Fund (Part 2 - Actuarials) 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	CalPERS Stakeholder Relations Presentation FY 2019-20 Comprehensive Annual Financial Report (CAFR) Self-Insurance Program Fund (Part 3 - Historical Fund Balances) Subcommittee Report
January 14, 2021	Pension Obligation Bonds Presentation Self-Insurance Program Fund (Part 4 - Claims History) Subcommittee Report
February 11, 2021	City Treasurer's Quarterly Report Midyear Budget Update Internal Controls Update Subcommittee Report

Meeting Date	Major Topics
March 11, 2021	FY 2021-22 Budget Input Revenue Manual Self-Insurance Program Fund (Part 4.1 - Claims History) Subcommittee Report
April 26, 2021	Capital Improvement Program Presentation (Joint Meeting with Public Works Commission)
May 27, 2021	City Treasurer's Quarterly Report Quarterly Budget Update Internal Controls Update FY 2021-22 Proposed Budget Review OpenGov FAQs Subcommittee Report
June 10, 2021	FY 2021-22 Proposed Budget Review Subcommittee Report



Administrative Report

H.1., File # BF21-2057

Meeting Date: 2/11/2021

TITLE

For eComments and Emails Received from the Public



Administrative Report

J.1., File # BF21-2055

Meeting Date: 2/11/2021

To: BUDGET AND FINANCE COMMISSION

From: STEVEN DIELS, CITY TREASURER

TITLE

CITY TREASURER'S QUARTER 2 FISCAL YEAR 2020-2021 REPORT

EXECUTIVE SUMMARY

Please see attached quarterly administrative report.

ATTACHMENTS

City Treasurer's Quarter 2 Administrative Report

Quarter 2 Report from FHN Financial Mainstreet Advisors

Quarter 2 PowerPoint Presentation



Administrative Report

Budget and Finance Commission Date: 2/11/2021

To: BUDGET AND FINANCE COMMISSION

From: STEVEN DIELS, CITY TREASURER

Subject: CITY TREASURER'S SECOND QUARTER 2020-21 REPORT

EXECUTIVE SUMMARY

This City Treasurer's report for the second quarter of fiscal year 2020-2021, details the composition of the investment portfolio and investment transactions occurring during the period of October through December of 2020. FHN Financial Main Street Advisors serves as investment advisor to the City Treasurer. The FHN 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 FHN 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 \$79MM from \$76MM at the end of the prior quarter. This change in the investment portfolio resulted from anticipated fluctuations within the extraordinary cash flow trends due to the pandemic's impact on both general operations and capital improvement program revenue and spending.

Investment portfolio liquidity is 38.1% of the portfolio having maturities of one year or less. The Bank of America General Fund Checking Account ending balance was \$10,000,681.23. It earned a rate of 0.20%, 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 2016-Present

Market Value Comparison of Investment Portfolio Positions

Market Value Comparison of Investment Portfolio Positions F.Y. 2020-2021								
	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%						%
Cash in Banks & Money Markets	\$10,855,843	*	\$10,000,681	*				
Local Agency Investment Fund	\$7,004,742	9.6%	\$15,028,642	19.7%				
Federal Agency Issues	\$34,598,183	47.2%	\$34,593,480	45.3%				
Commercial Paper	\$0	0.0%	\$0	0.0%				
Corporate Medium Term Notes	\$20,903,182	28.5%	\$20,915,171	27.4%				
Bank Certificates of Deposit	\$2,726,898	3.7%	\$1,734,986	2.3%				
Treasuries	\$8,053,427	11.0%	\$4,041,832	5.3%				
Total: Investment Portfolio	\$73,286,432	100.0%	\$76,314,111	100.0%				
Weighted Average Maturity (Yrs)	1.97		1.68					
Portfolio Effective Rate of Return (YTD)	2.10%		2.12%					
L.A.I.F. Yield	0.68%		0.54%					
Yield on Benchmark	1.74%		1.63%					
Interest earned YTD	\$430,578.83		\$815,051					
General Fund Contribution (49%)	\$210,984		\$399,375					

FY 2019-2020

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	

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	

Comparison of Total Cash and Investments
2016-Present

	Investments	General Fund	Subtotal	Other Cash	Total
2020-2021	\$ MM	\$ MM	\$ MM	\$ MM	\$ MM
Q1	73.29	10.86	84.15	6.81	90.96
Q2	76.31	10.00	86.31	7.02	93.33
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

Yields: The book yield of the portfolio is 2.14%. The effective rate of return for the fiscal year to date is 2.12%. 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 2.14%. This yield provided a 51 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 1.63%. 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 \$1.035. That means the Market Value is slightly above the cost of investments. The difference between the book value (cost) of investments at \$76,314,111 and the current market value at \$78,970,985 is \$2,656,874.

Cash in Banks:

	As of 12/31/2020
General Fund	\$10,000,681.23
Workmen's Compensation Fund	\$993,789.70
Successor Agency of RDA	\$468,618.81
Successor Agency of RDA	\$47,483.99
Trust Account	\$7,364.40
Housing Authority BLKPNDG	\$1,655,957.08
Financing Authority	\$1,734,407.73
Parking Authority	\$957.92
Measure R Local Return	\$1,871,529.97
Housing Authority	\$109,176.52
City of Redondo Beach - FSA	\$126,937.53
Total	\$17,016,904.88

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

Dec-20	
ACCOUNT NAMES	
GENERAL ACCOUNT	\$ 15,028,641.93
SUCCESSOR AGENCY FOR RDA	\$ 1,851,920.81
PUBLIC FINANCING AUTHORITY	\$ 176,708.65
PARKING AUTHORITY	\$ 5,129.79
Total:	\$17,062,401.18

Bond Account Balances:

ACCOUNT #	ACCOUNT DESCRIPTION	ENDING BALANCE AS OF 12/31/20
222936000	REDONDOBEACH COMMUNITY FINANCING AUTHORITY LEASE REVENUE REFUNDING BONDS SERIES 2019A	\$10.78
208878001	REDONDO BEACH COMMUNITY FINANCING AUTHORITY WASTEWATER REVENUE REFUNDING BONDS, 2014 SERIES A BOND FUND	\$0.44

Trading Activity

During the quarter, the City purchased zero securities. Also, six securities were redeemed.

Fiscal Impact

Interest earned year to date is \$815,050.93 for the entire portfolio. The General Fund contribution rate of our investment portfolio is approximately 49% of the total interest earned thus contributing approximately \$399,375 to the general fund through investment activity. Budgeted contribution of interest to the general fund for the entire fiscal year is \$750,000.

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

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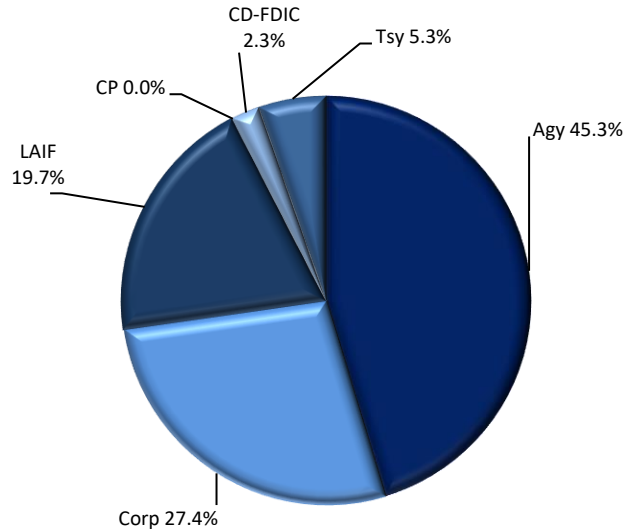
Financial Analyst
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ruth.phillips@fhnmainstreet.com

Quarterly Investment Report

City of Redondo Beach

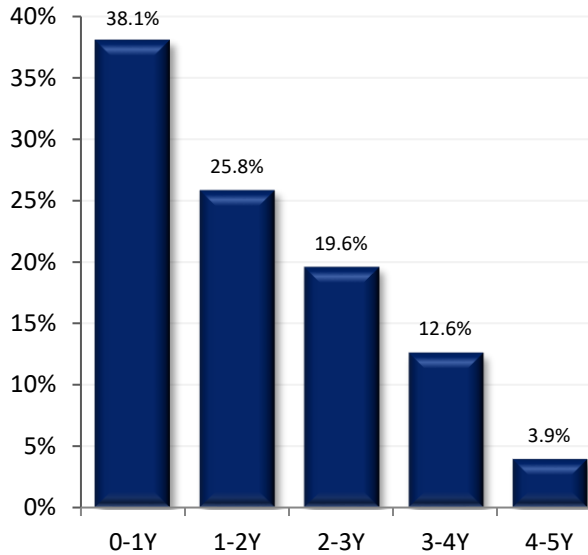
December 2020

SECTOR ALLOCATION



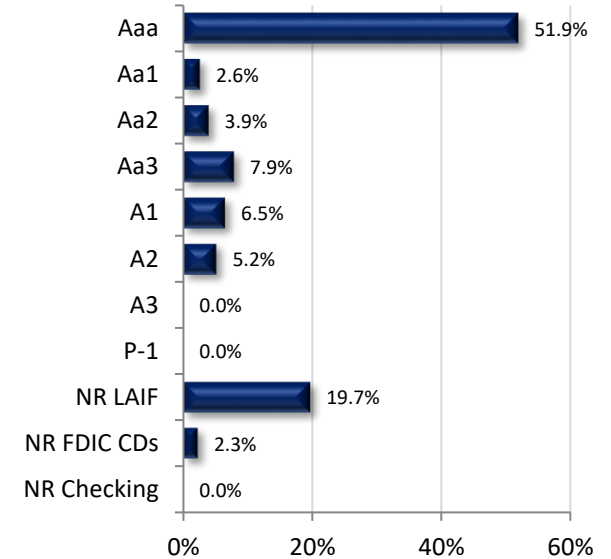
Per Book Value

MATURITY DISTRIBUTION



Per Book Value

CREDIT QUALITY (MOODY'S)



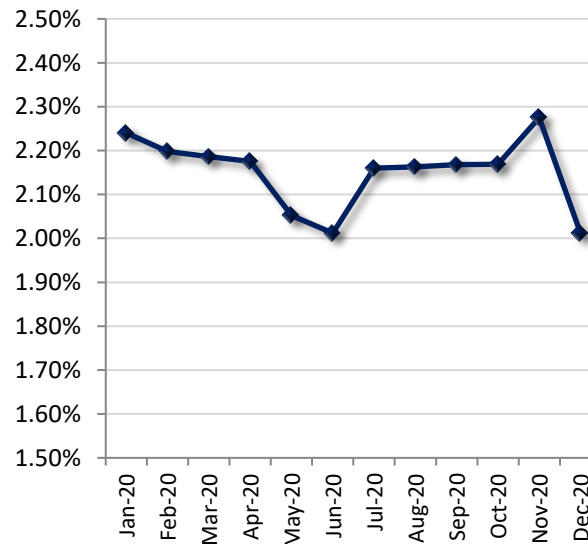
NR: Not Rated

ACCOUNT SUMMARY

	12/31/20	9/30/20
Market Value	\$78,970,985	\$76,200,638
Book Value*	\$76,314,111	\$73,286,431
Variance	\$2,656,874	\$2,914,207
Par Value	\$76,264,642	\$73,232,742
Net Asset Value	\$103.481	\$103.976
Book Yield	2.01%	2.17%
Years to Maturity	1.68	1.97
Effective Duration	1.63	1.92

*Book Value is at Amortized Cost

MONTH-END PORTFOLIO BOOK YIELD



TOP ISSUERS

Issuer	% Portfolio
FFCB	20.3%
LAIF	19.7%
FNMA	11.8%
FHLB	8.0%
U.S. Treasury	5.3%
FHLMC	5.2%
Wells Fargo Bank	2.6%
CME Group	2.6%
Blackrock	2.6%
US Bank	2.6%
Citibank	2.6%
Apple	2.6%
Phillip Morris	2.6%
IBM	2.6%
Toyota	2.5%

Per Book Value

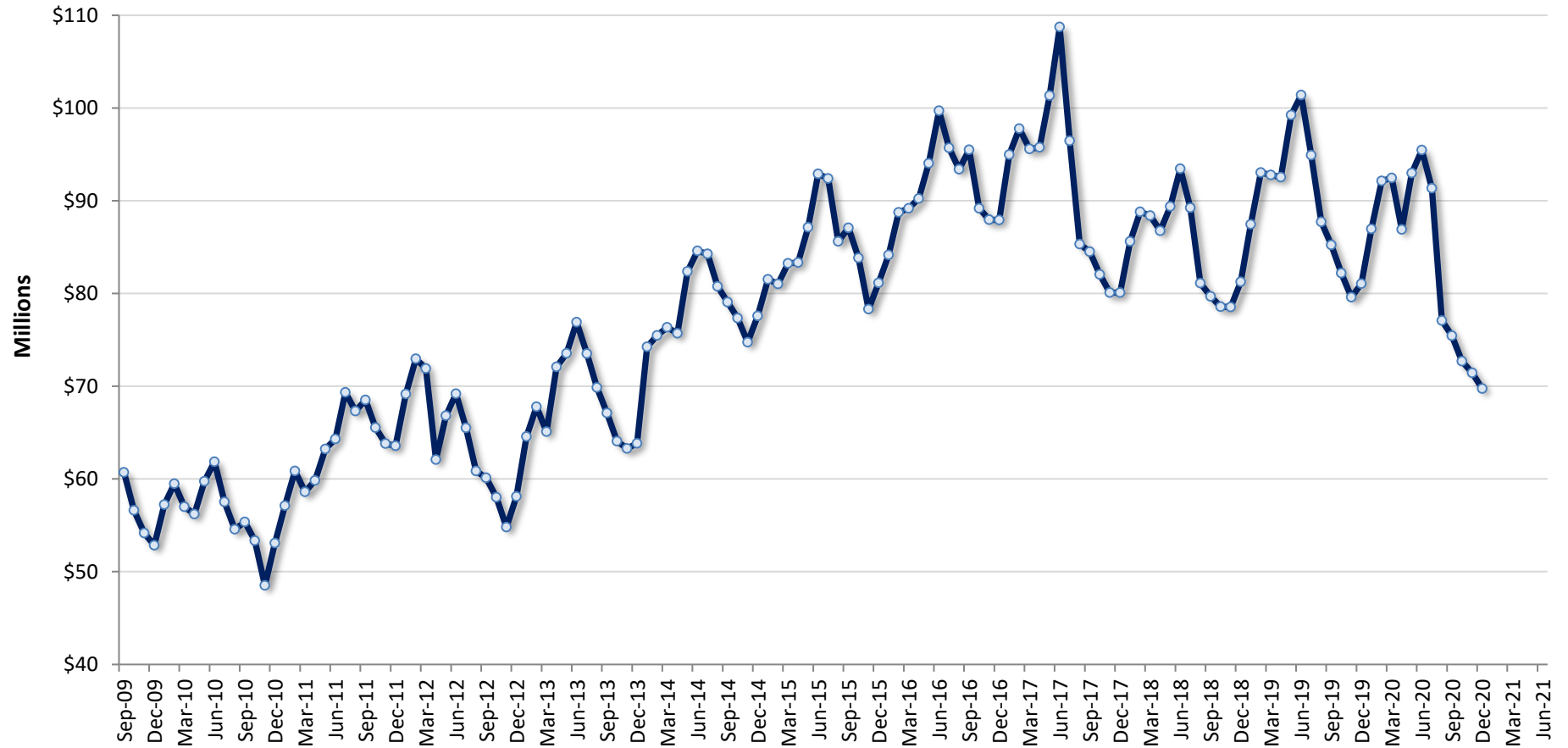
Item / Sector	Parameters	In Compliance
Weighted Average Maturity	Weighted Average Maturity (WAM) no greater than 2.5 years.	Yes: 1.68 Yrs
Liquidity: Less than 1 Year	At least 25% of the portfolio must have maturities of 1 year or less.	Yes: 38.1%
Liquidity: Less than 3 Years	At least 50% of the portfolio must have maturities of 3 years or less.	Yes: 83.5%
U.S. Treasuries	No limit, maximum maturity 5 years.	Yes: 5.3%
U.S. Federal Agencies	No limit, 40% issuer limit, maximum maturity 5 years.	Yes: 45.3%
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: \$15 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: 2.3%
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: 27.4%
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	12/31/2020	9/30/2020	Change
Market Value	\$78,970,985	\$76,200,638	
Book Value	\$76,314,111	\$73,286,431	
Par Value	\$76,264,642	\$73,232,742	
Net Asset Value	\$1.035	\$1.040	-\$0.005
Yield to Maturity	2.01%	2.17%	-0.16%
2Yr Treasury Note Yield	0.12%	0.13%	-0.01%
LAIF Yield (monthly avg)*	0.54%	0.69%	-0.15%
Average Years to Maturity	1.68	1.97	(0.29)
Effective Duration	1.63	1.92	(0.29)

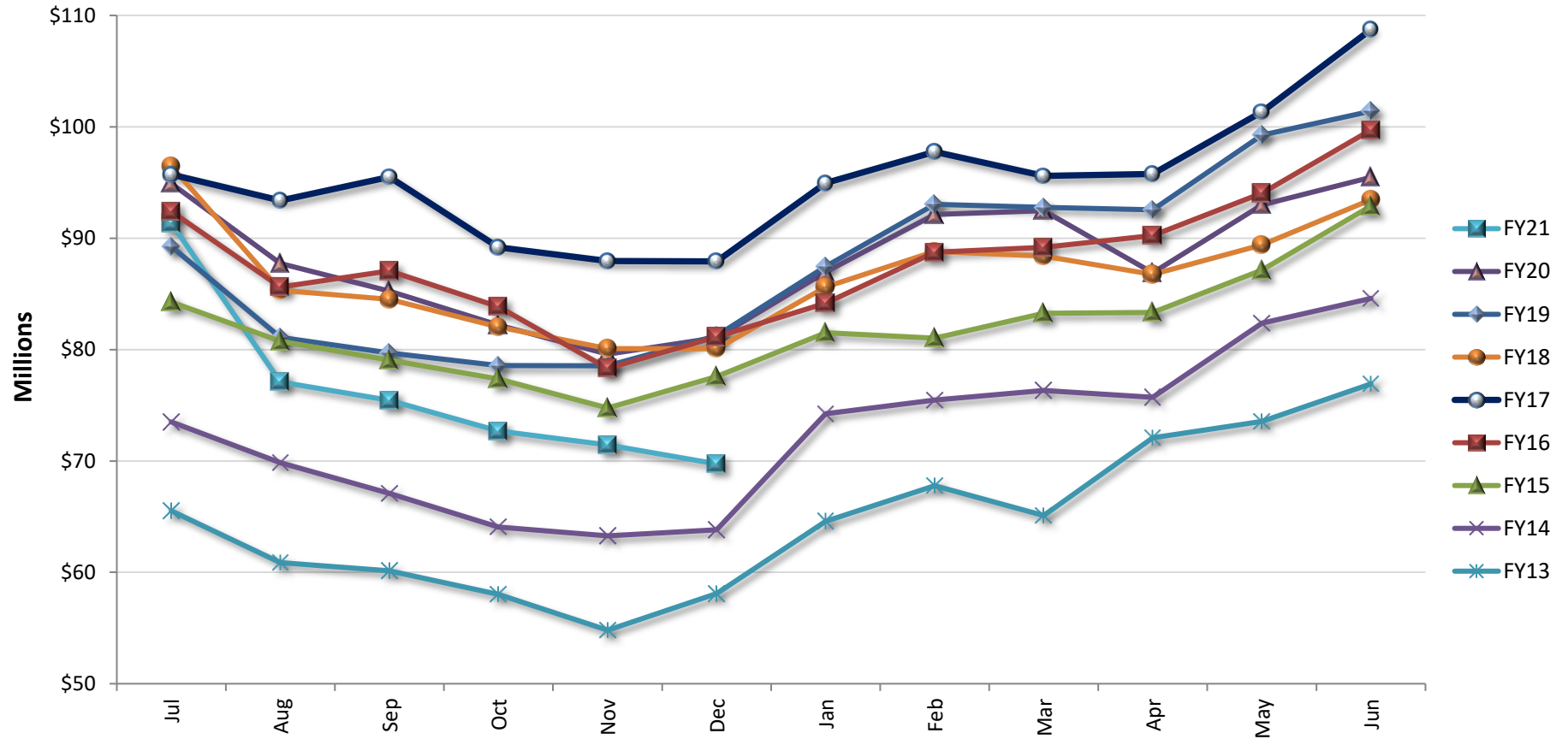
*LAIF rate is estimated for current month/quarter end

Sectors (Book Value)	12/31/2020	9/30/2020	Change
Federal Agency	\$34,593,480	\$34,598,183	-\$4,703
LAIF	\$15,028,642	\$7,004,742	\$8,023,900
Corporate	\$20,915,171	\$20,903,182	\$11,988
Commercial Paper	\$0	\$0	\$0
Certificates of Deposit	\$1,734,986	\$2,726,898	-\$991,911
U.S. Treasury	\$4,041,832	\$8,053,427	-\$4,011,595
Total	\$76,314,111	\$73,286,431	\$3,027,679



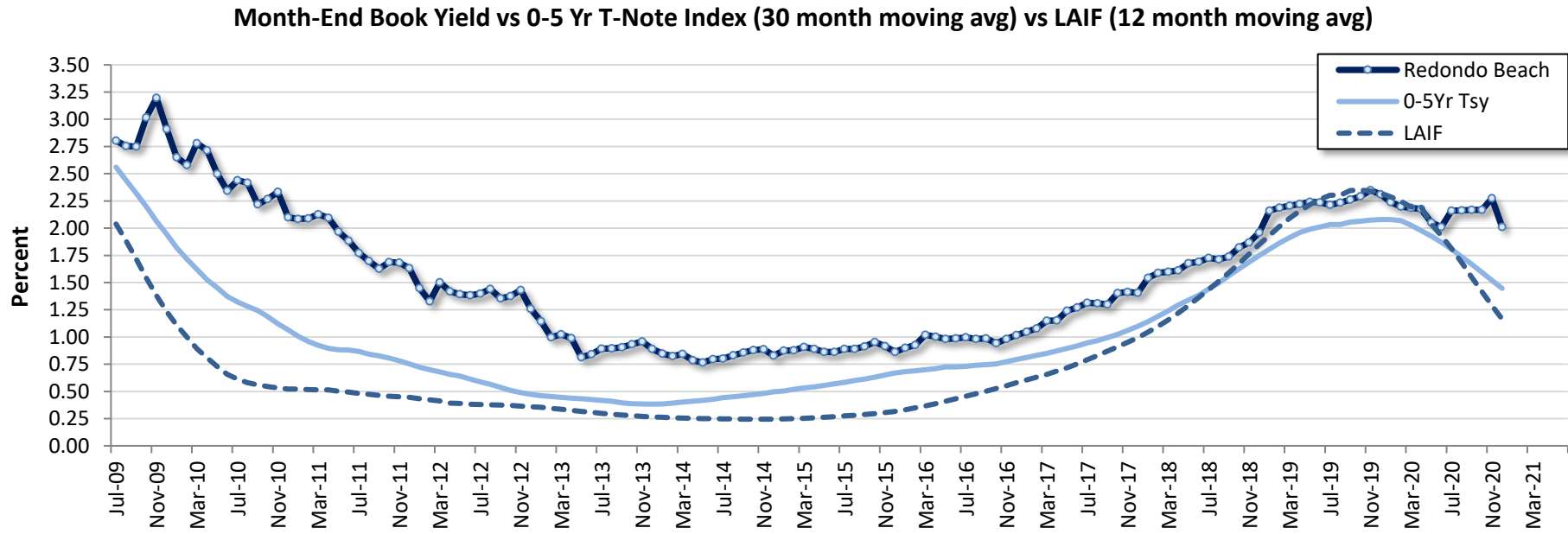
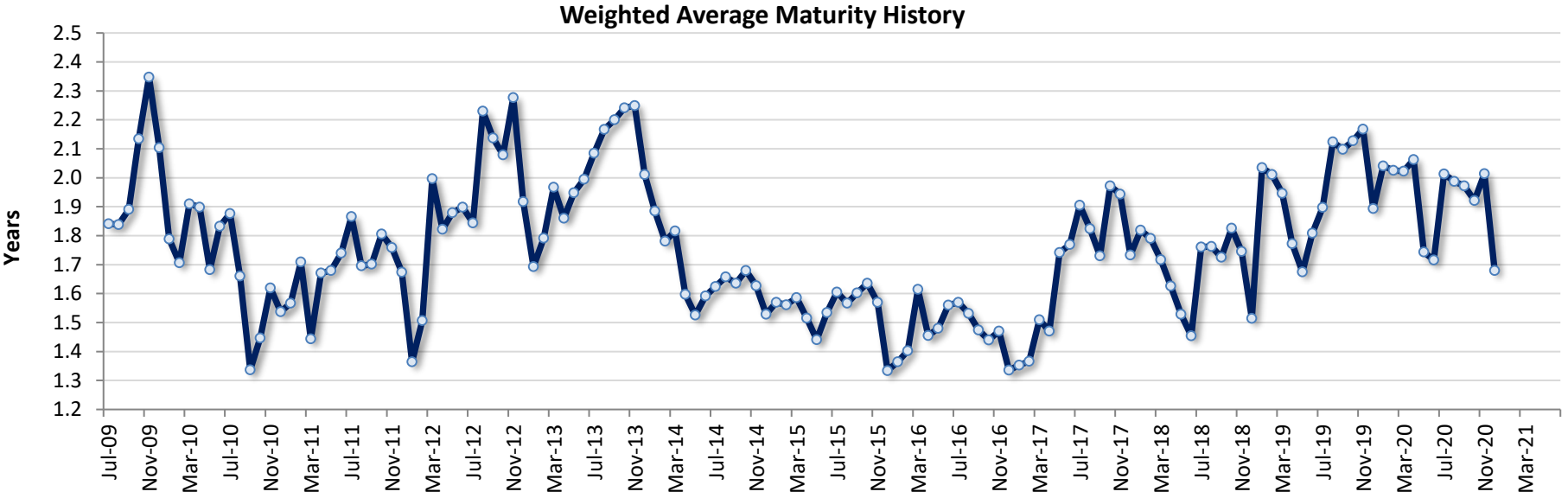
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2013	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9
Fiscal Year 2014	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
Fiscal Year 2015	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
Fiscal Year 2016	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
Fiscal Year 2017	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
Fiscal Year 2018	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
Fiscal Year 2019	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4
Fiscal Year 2020	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5
Fiscal Year 2021	\$91.4	\$77.1	\$75.4	\$72.7	\$71.4	\$69.7						

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

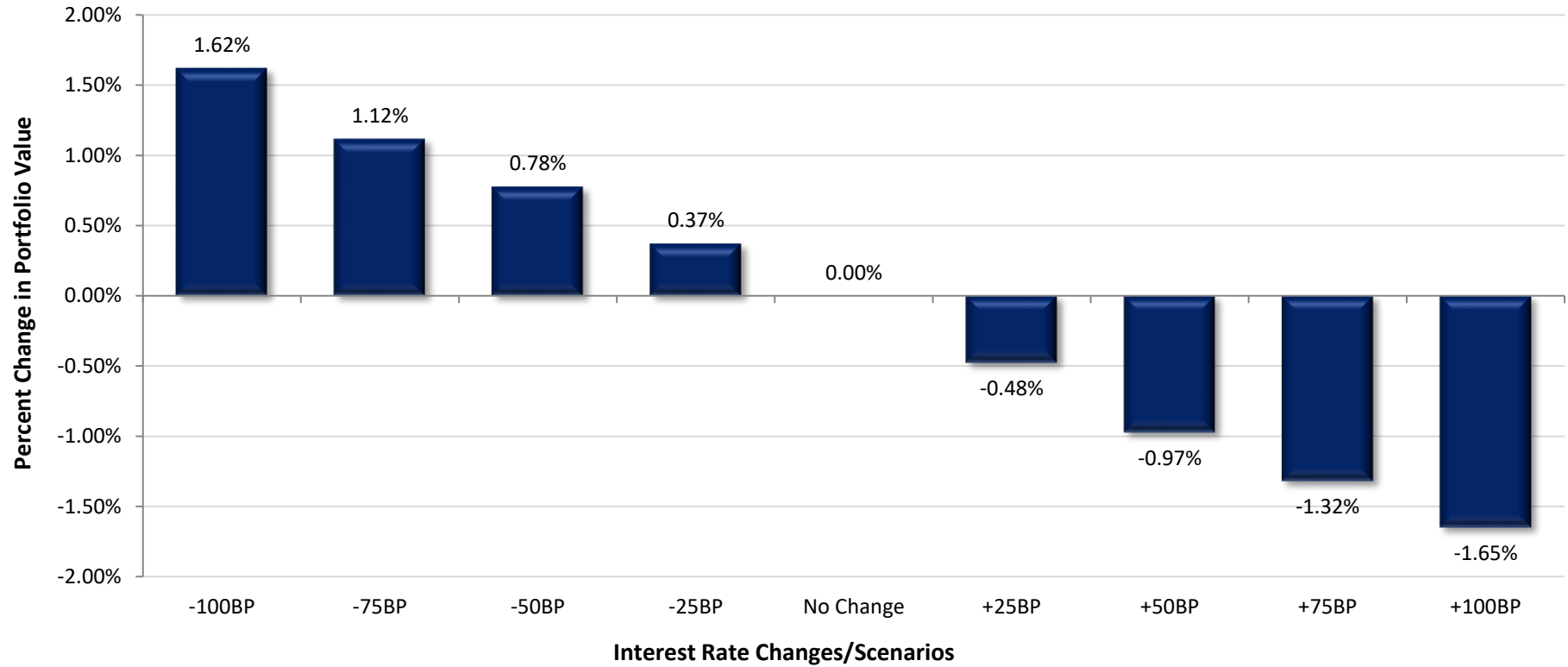


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2013	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9
Fiscal Year 2014	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
Fiscal Year 2015	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
Fiscal Year 2016	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
Fiscal Year 2017	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
Fiscal Year 2018	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
Fiscal Year 2019	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4
Fiscal Year 2020	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5
Fiscal Year 2021	\$91.4	\$77.1	\$75.4	\$72.7	\$71.4	\$69.7						

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



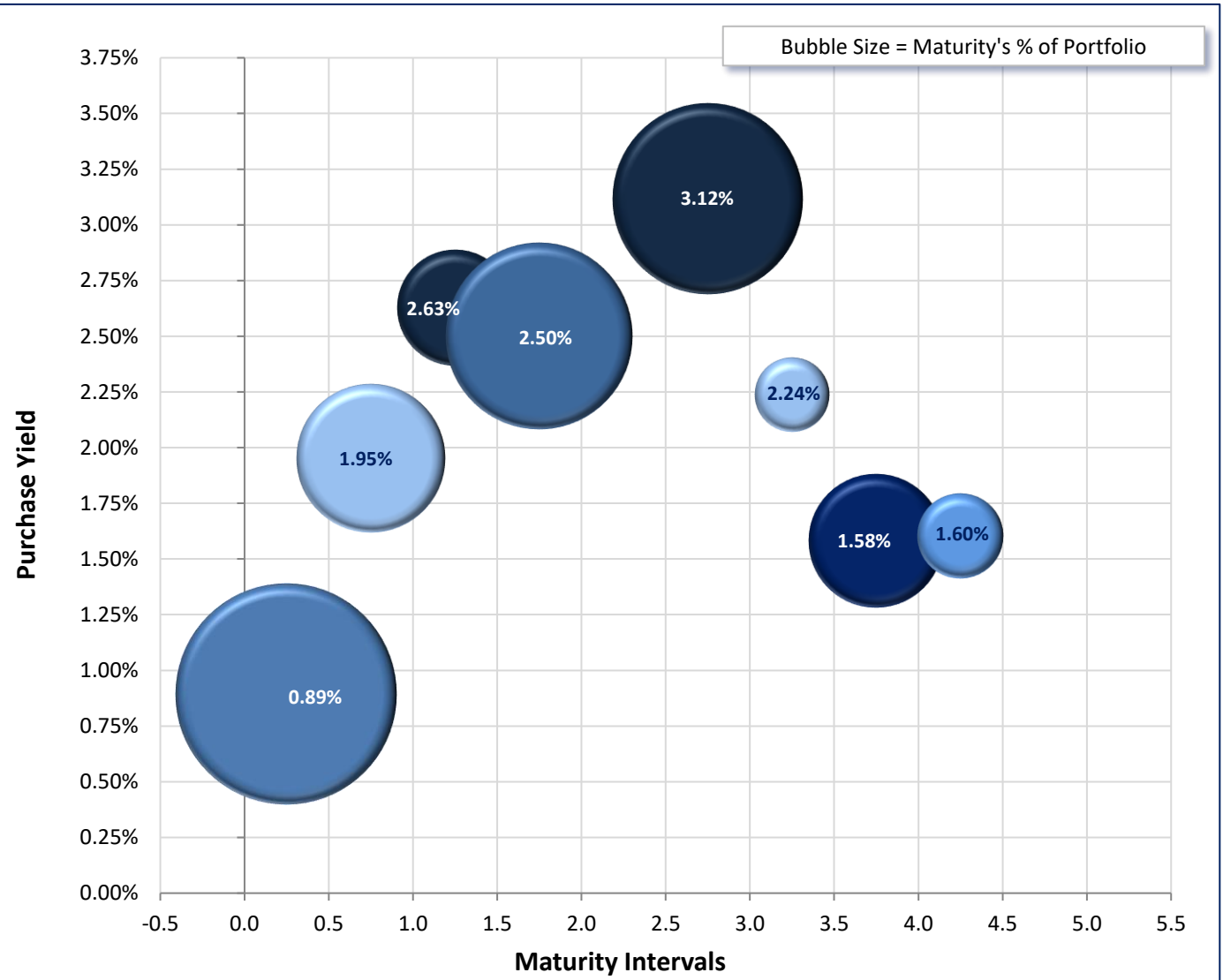
Instantaneous Interest Rate Changes and Approximate Change in Portfolio's Market Value

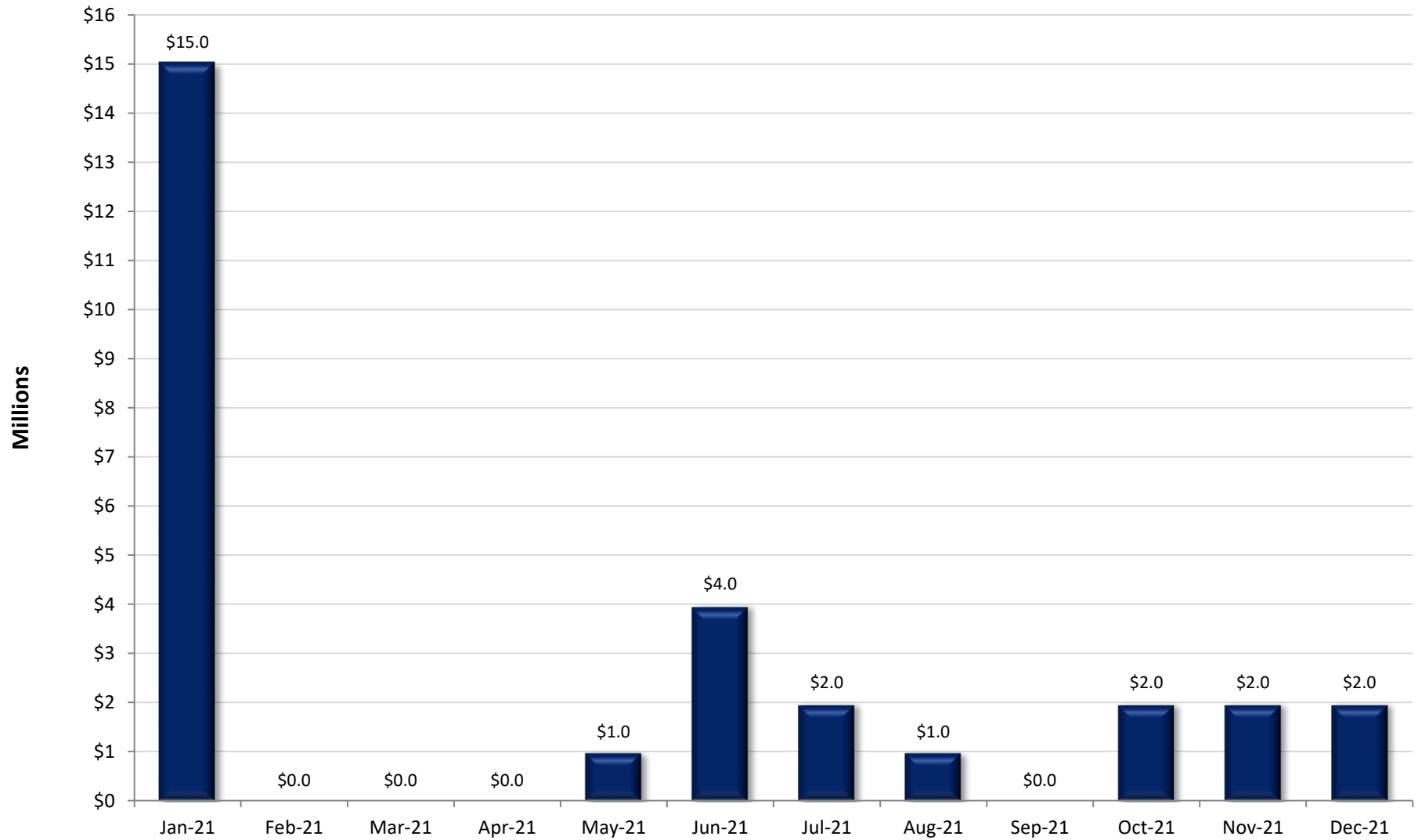


Interest Rate Change	Portfolio Value	Value Change	Percent Change
-100 Basis Points	\$80,250,314	\$1,279,330	1.62%
-75 Basis Points	\$79,853,722	\$882,738	1.12%
-50 Basis Points	\$79,585,063	\$614,078	0.78%
-25 Basis Points	\$79,265,230	\$294,246	0.37%
No Change	\$78,970,985	\$0	0.00%
+25 Basis Points	\$78,593,108	-\$377,876	-0.48%
+50 Basis Points	\$78,202,202	-\$768,783	-0.97%
+75 Basis Points	\$77,928,568	-\$1,042,417	-1.32%
+100 Basis Points	\$77,667,963	-\$1,303,021	-1.65%

Years	Purchase Yield	% of Portfolio*
0 to .5	0.89%	26.24%
.5 to 1.0	1.95%	11.85%
1.0 to 1.5	2.63%	7.21%
1.5 to 2.0	2.50%	18.61%
2.0 to 2.5	0.00%	0.00%
2.5 to 3.0	3.12%	19.57%
3.0 to 3.5	2.24%	2.95%
3.5 to 4.0	1.58%	9.64%
4.0 to 4.5	1.60%	3.93%
4.5 to 5.0	0.00%	0.00%

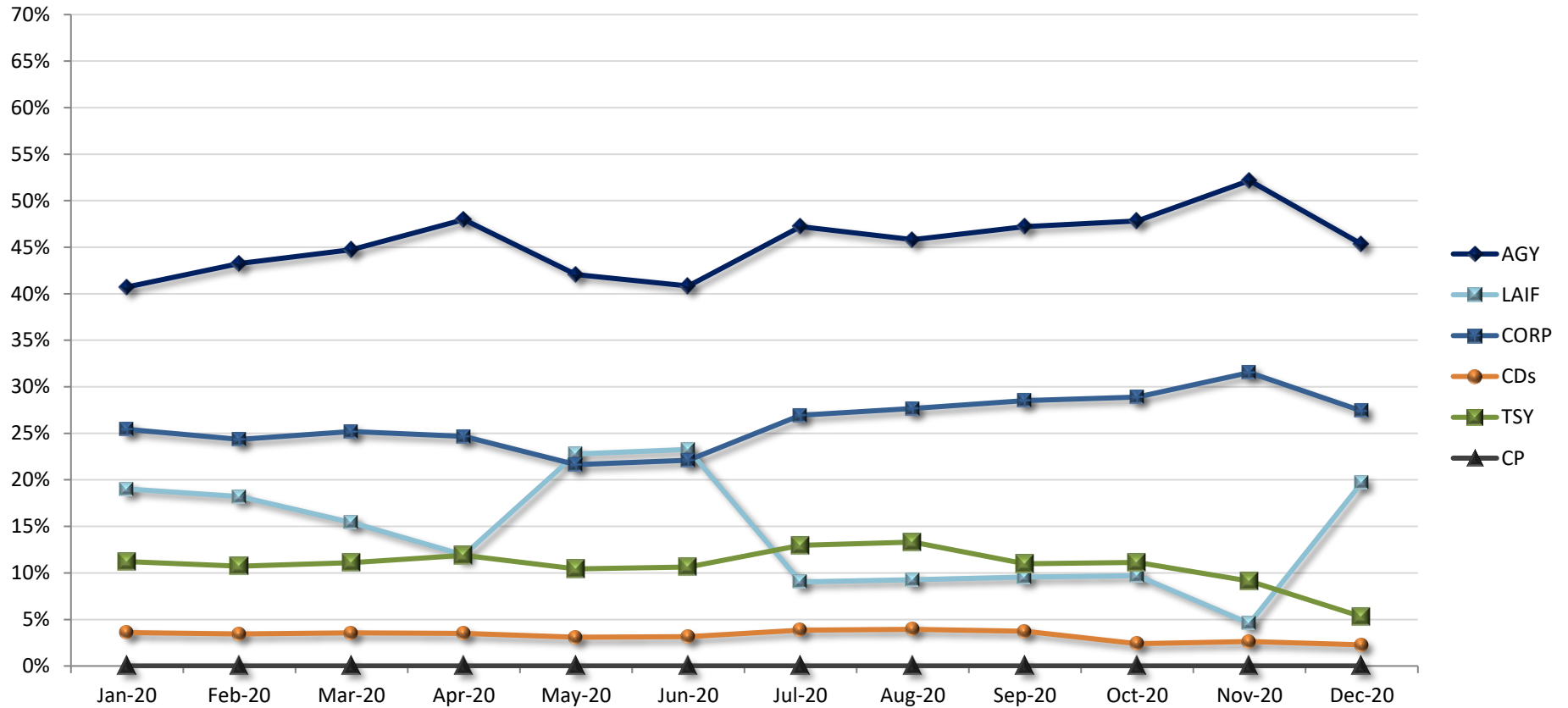
*Based on Book Value



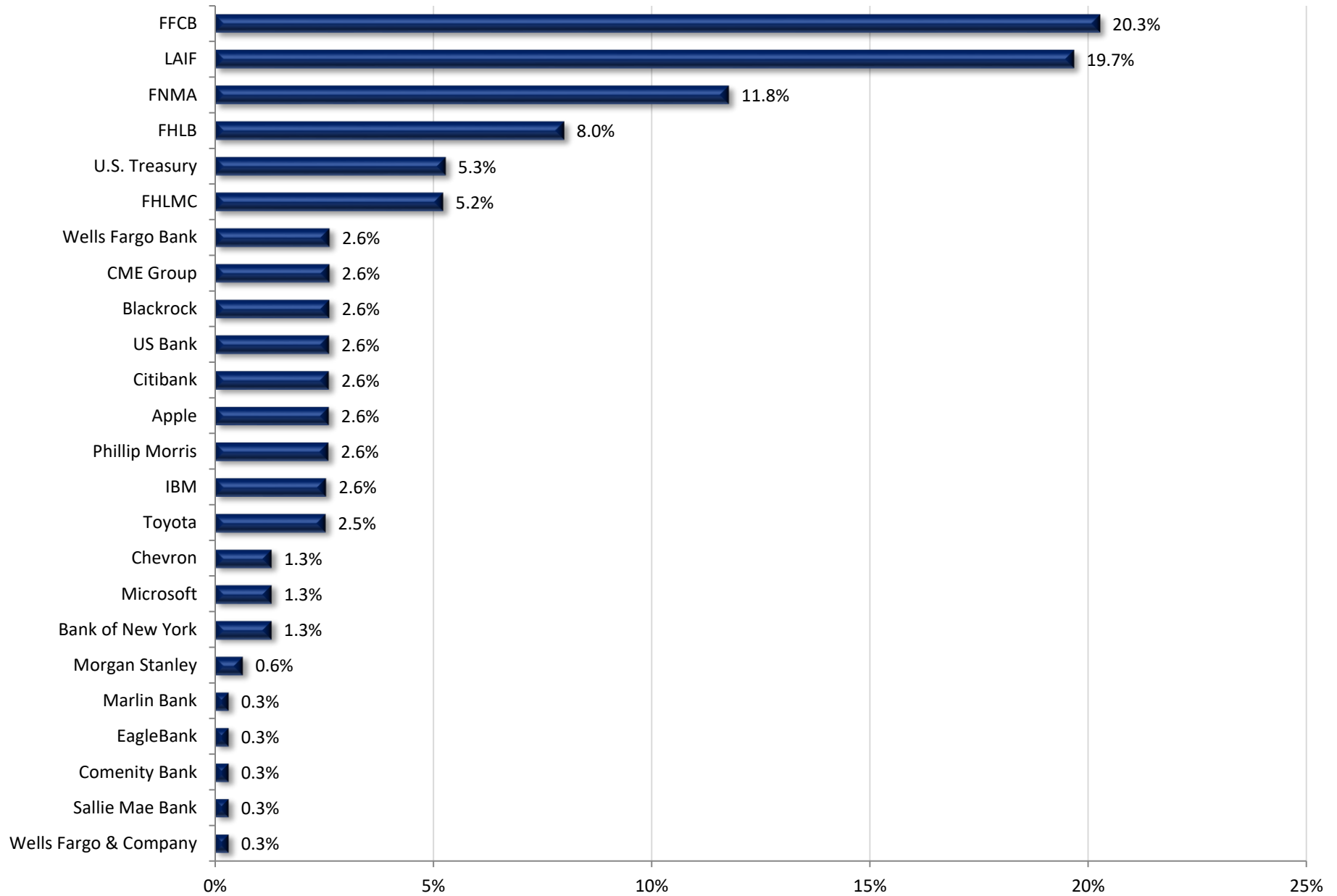


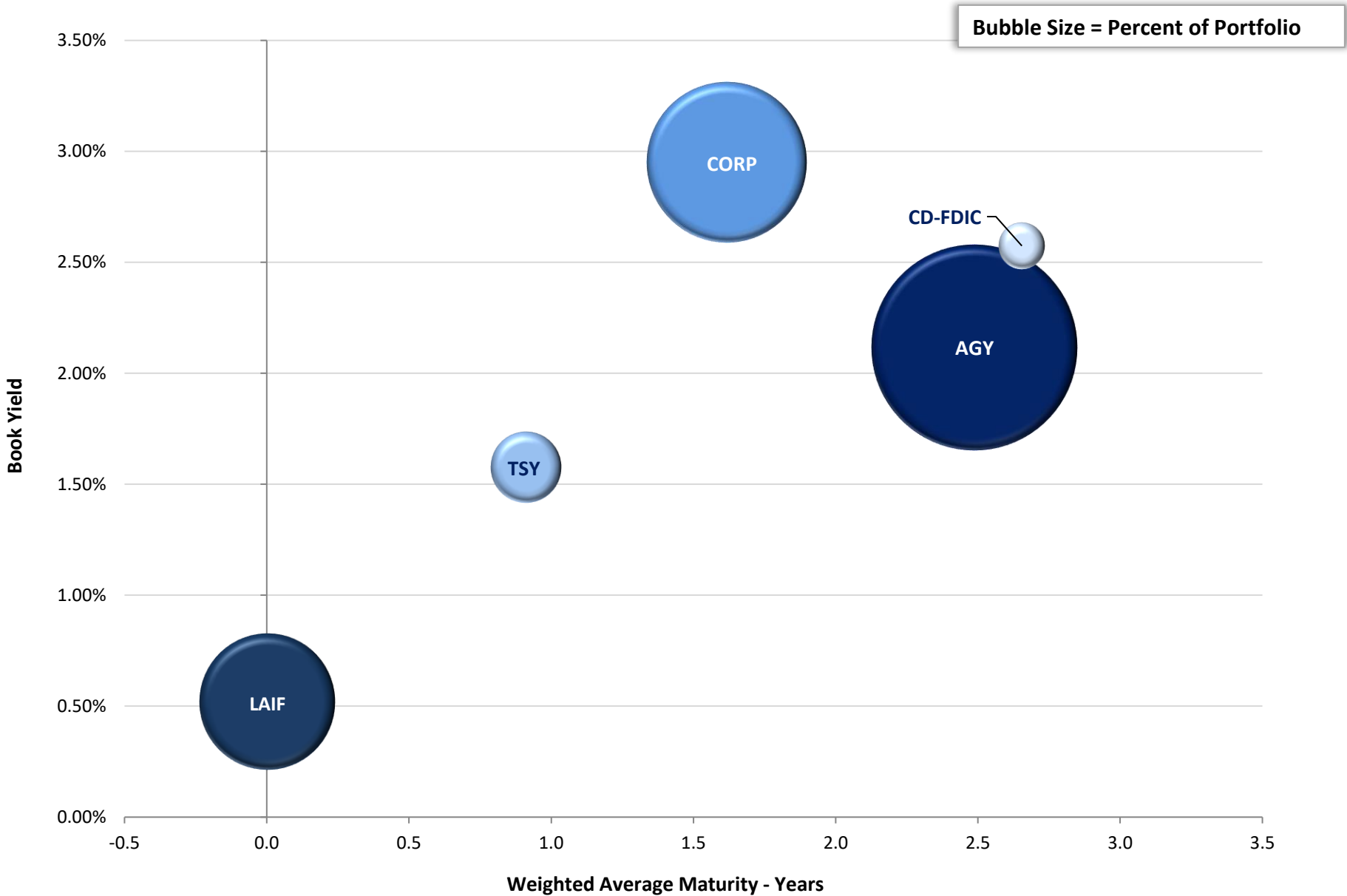
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Maturities	\$15.0	\$0.0	\$0.0	\$0.0	\$1.0	\$4.0	\$2.0	\$1.0	\$0.0	\$2.0	\$2.0	\$2.0

Par Value in Millions, Including Checking

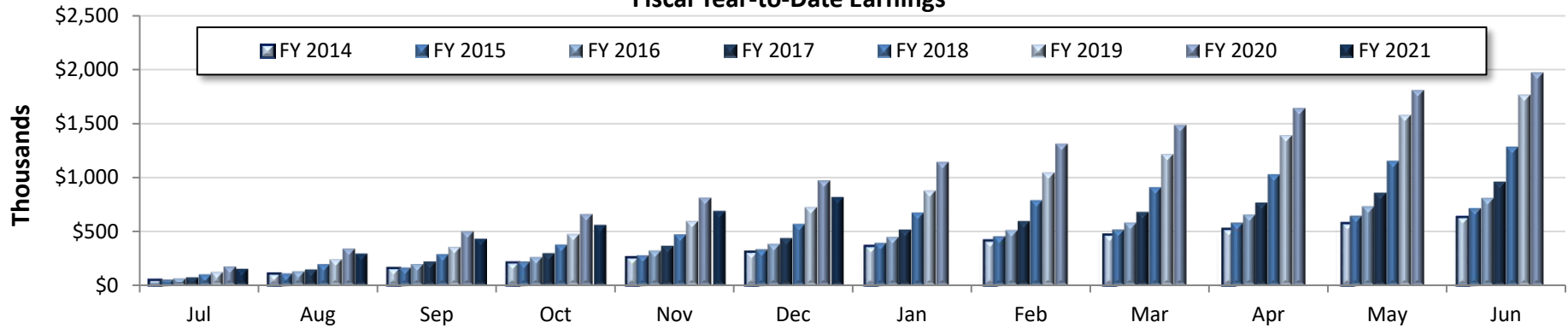


Sector	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Agency	40.7%	43.3%	44.7%	48.0%	42.1%	40.8%	47.2%	45.8%	47.2%	47.8%	52.2%	45.3%
Corporate	25.4%	24.4%	25.2%	24.7%	21.6%	22.1%	26.9%	27.7%	28.5%	28.9%	31.5%	27.4%
Treasury	11.2%	10.7%	11.1%	11.9%	10.4%	10.6%	13.0%	13.3%	11.0%	11.1%	9.1%	5.3%
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	3.6%	3.4%	3.6%	3.5%	3.1%	3.1%	3.8%	3.9%	3.7%	2.4%	2.6%	2.3%
LAIF	19.0%	18.2%	15.4%	11.9%	22.8%	23.3%	9.0%	9.3%	9.6%	9.7%	4.6%	19.7%
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%



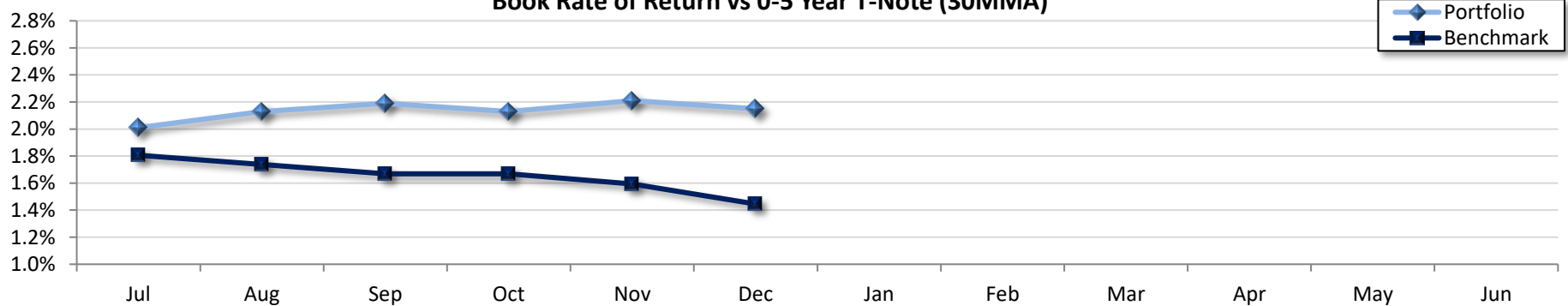


Fiscal Year-to-Date Earnings



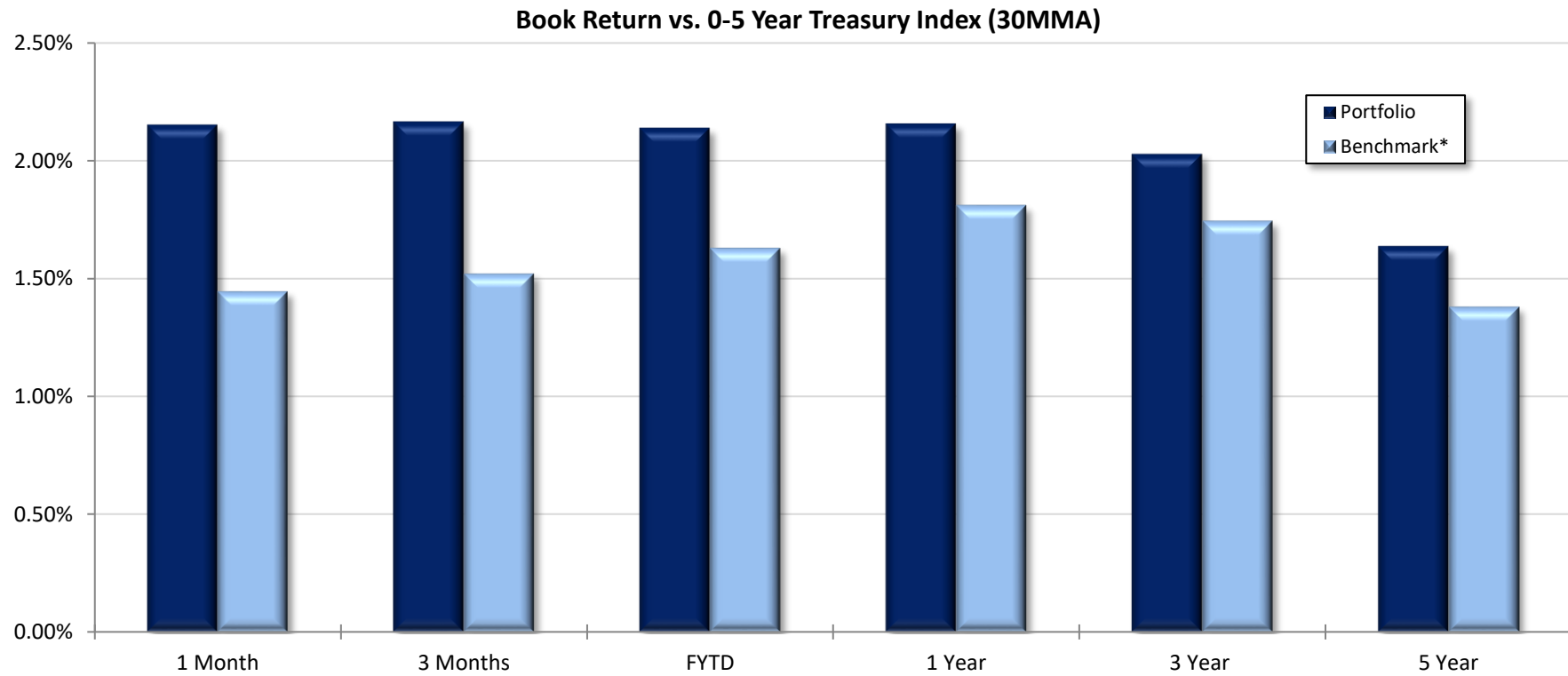
Fiscal YTD (\$000s)	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 2014	\$53.0	\$112.4	\$162.7	\$212.5	\$261.8	\$311.8	\$364.3	\$416.9	\$469.9	\$521.5	\$574.9	\$630.5
FY 2015	\$55.6	\$110.6	\$166.0	\$221.7	\$276.5	\$331.8	\$391.6	\$451.2	\$512.4	\$574.7	\$640.0	\$706.8
FY 2016	\$66.8	\$131.7	\$197.3	\$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
FY 2021	\$155.7	\$295.0	\$430.6	\$557.8	\$687.6	\$815.1						

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	2.01%	2.13%	2.19%	2.13%	2.21%	2.15%						
Custom Benchmark*	1.81%	1.74%	1.67%	1.67%	1.59%	1.45%						
Variance	0.20%	0.39%	0.52%	0.46%	0.62%	0.70%						

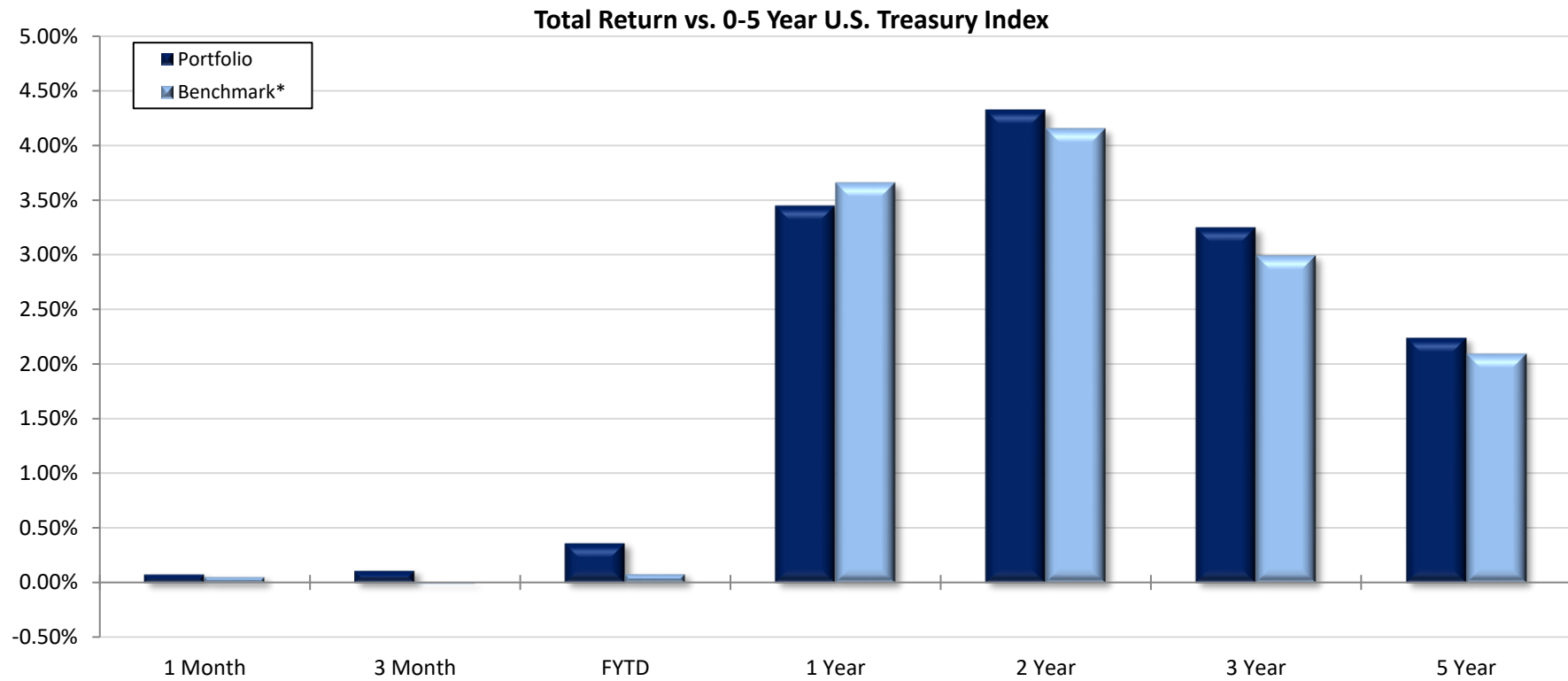
*Benchmark: 0-5 Year Treasury Index (30 month moving average)



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

	1 Month	3 Months	FYTD	1 Year	3 Year	5 Year
Portfolio	2.15%	2.16%	2.14%	2.16%	2.03%	1.63%
Benchmark*	1.45%	1.52%	1.63%	1.81%	1.74%	1.38%
Variance	0.70%	0.64%	0.51%	0.35%	0.28%	0.25%

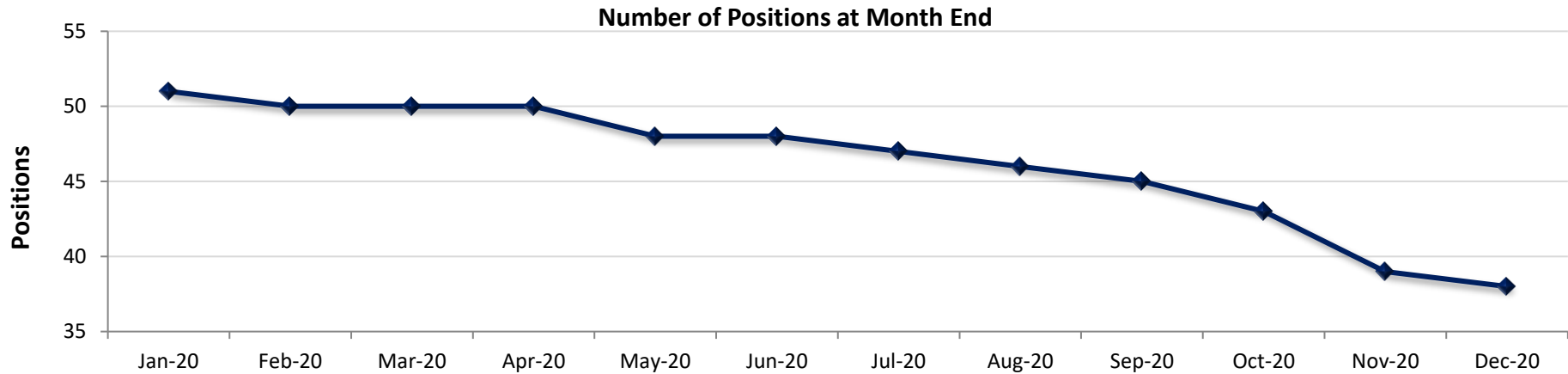
Note: All returns are annualized. Periods greater than 1 month use the average return for the corresponding period. Returns for the FYTD has the average build over the fiscal year period.



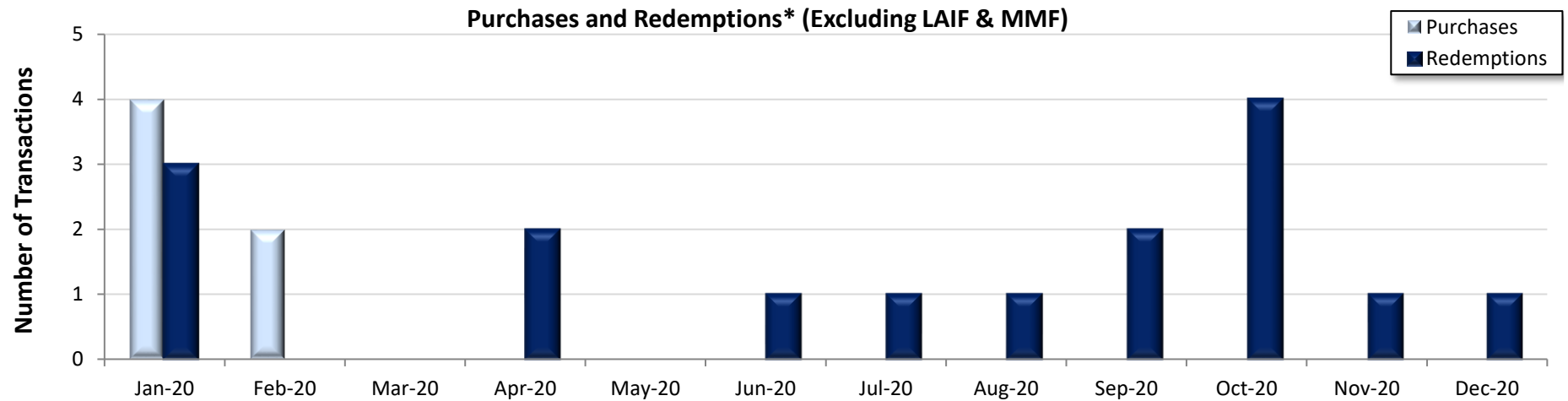
	1 Month	3 Month	FYTD	1 Year	2 Year	3 Year	5 Year
Portfolio	0.08%	0.11%	0.36%	3.45%	4.33%	3.25%	2.24%
Benchmark*	0.05%	-0.01%	0.08%	3.66%	4.16%	2.99%	2.10%
Variance	0.02%	0.12%	0.28%	-0.21%	0.17%	0.26%	0.15%

*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.



	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Positions	51	50	50	50	48	48	47	46	45	43	39	38



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

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

**PM Redondo Beach
Portfolio Management
Portfolio Summary
December 31, 2020**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Treasury Securities - Coupon	4,000,000.00	4,095,080.00	4,041,832.40	5.30	699	333	1.555	1.577
Local Agency Investment Funds	15,028,641.93	15,028,641.93	15,028,641.93	19.69	1	1	0.513	0.520
Corporate Notes	21,000,000.00	21,816,240.00	20,915,170.54	27.41	1,419	590	2.910	2.950
Federal Agency Issues- Non Callable	34,500,000.00	36,189,635.00	34,593,479.60	45.33	1,616	908	2.086	2.115
CD-FDIC	1,736,000.00	1,841,387.60	1,734,986.35	2.27	1,539	969	2.539	2.574
	76,264,641.93	78,970,984.53	76,314,110.82	100.00%	1,194	613	1.984	2.012
Investments								

Total Earnings	December 31	Month Ending	Fiscal Year To Date
Current Year		127,461.96	815,050.93
Average Daily Balance		69,734,235.16	76,322,971.87
Effective Rate of Return		2.15%	2.12%

"I certify that this report accurately reflects all pooled investments and is in conformity with the investment policy filed with the City Council in August, 2020. 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

**PM Redondo Beach
Portfolio Management
Portfolio Details - Investments
December 31, 2020**

Page 1

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Moody's	S&P	Maturity Date
Treasury Securities - Coupon												
9128285L0	1847	U.S. Treasury		12/06/2019	2,000,000.00	2,047,500.00	2,021,204.67	2.875	1.632	Aaa	AA+	11/15/2021
9128285R7	1848	U.S. Treasury		01/27/2020	2,000,000.00	2,047,580.00	2,020,627.73	2.625	1.522	Aaa	AA+	12/15/2021
Subtotal and Average			5,979,236.11		4,000,000.00	4,095,080.00	4,041,832.40		1.577			
Local Agency Investment Funds												
SYS51	51	LAIF			15,028,641.93	15,028,641.93	15,028,641.93	0.520	0.520			
Subtotal and Average			6,512,512.90		15,028,641.93	15,028,641.93	15,028,641.93		0.520			
Corporate Notes												
037833AY6	1791	Apple		04/11/2017	2,000,000.00	2,041,460.00	1,997,664.21	2.150	2.262	Aa1	AA+	02/09/2022
09247XAJ0	1824	Blackrock		01/04/2019	2,000,000.00	2,086,760.00	2,008,312.96	3.375	3.063	Aa3	AA-	06/01/2022
06406FAB9	1831	Bank of New York		02/06/2019	1,000,000.00	1,004,450.00	997,337.77	2.050	2.866	A1	A	05/03/2021
17325FAQ1	1827	Citibank		01/22/2019	2,000,000.00	2,029,460.00	2,000,349.74	3.400	3.367	Aa3	A+	07/23/2021
12572QAE5	1837	CME Group		05/06/2019	2,000,000.00	2,091,720.00	2,010,675.17	3.000	2.670	Aa3	AA-	09/15/2022
166764BN9	1789	Chevron		03/03/2017	1,000,000.00	1,024,490.00	1,000,000.00	2.498	2.498	Aa2	AA	03/03/2022
459200HG9	1823	IBM		01/04/2019	2,000,000.00	2,055,420.00	1,952,876.46	1.875	3.470	A2	A	08/01/2022
594918BP8	1783	Microsoft		09/15/2016	1,000,000.00	1,006,880.00	999,618.43	1.550	1.616	Aaa	AAA	08/08/2021
718172CA5	1841	Phillip Morris		06/03/2019	2,000,000.00	2,063,720.00	1,991,296.33	2.375	2.655	A2	A	08/17/2022
89236TDK8	1825	Toyota		01/04/2019	2,000,000.00	2,104,280.00	1,942,652.40	2.250	3.368	A1	A+	10/18/2023
90331HNV1	1826	US Bank		01/04/2019	2,000,000.00	2,147,580.00	2,001,902.28	3.400	3.359	A1	AA-	07/24/2023
94988J5R4	1828	Wells Fargo Bank		01/31/2019	2,000,000.00	2,160,020.00	2,012,484.79	3.550	3.291	Aa2	A+	08/14/2023
Subtotal and Average			20,913,301.37		21,000,000.00	21,816,240.00	20,915,170.54		2.950			
Federal Agency Issues- Non Callable												
3133EHZP1	1801	FFCB		10/06/2017	2,000,000.00	2,058,440.00	1,995,822.44	1.850	1.978	Aaa	AA+	09/20/2022
3133EJUS6	1819	FFCB		07/30/2018	4,000,000.00	4,268,720.00	3,992,823.73	2.875	2.951	Aaa	AA+	07/17/2023
3133EJYL7	1821	FFCB		10/19/2018	3,000,000.00	3,205,170.00	2,972,479.89	2.800	3.172	Aaa	AA+	09/05/2023
3133EJ3Q0	1830	FFCB		01/31/2019	2,000,000.00	2,155,220.00	2,008,876.14	2.875	2.714	Aaa	AA+	12/21/2023
3133EKNX0	1842	FFCB		06/05/2019	1,500,000.00	1,596,735.00	1,507,975.80	2.160	1.996	Aaa	AA+	06/03/2024
3133EKWV4	1843	FFCB		08/07/2019	1,000,000.00	1,055,960.00	1,007,268.98	1.850	1.637	Aaa	AA+	07/26/2024
3133EKA63	1845	FFCB		08/16/2019	2,000,000.00	2,095,400.00	1,997,035.53	1.600	1.643	Aaa	AA+	08/16/2024
3130AFE78	1829	FHLB		01/31/2019	2,000,000.00	2,111,920.00	2,011,666.86	3.000	2.680	Aaa	AA+	12/09/2022
313381BR5	1849	FHLB		01/27/2020	2,000,000.00	2,067,340.00	2,012,553.18	1.875	1.543	Aaa	AA+	12/09/2022
3130A3GE8	1851	FHLB		01/30/2020	2,000,000.00	2,190,500.00	2,091,923.01	2.750	1.538	Aaa	AA+	12/13/2024
3134GBRR5	1799	FHLMC		06/15/2017	4,000,000.00	4,030,320.00	4,000,000.00	1.800	1.800	Aaa	AA+	06/15/2021

Data Updated: SET_RPM: 01/06/2021 07:59

Run Date: 01/06/2021 - 08:00

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PM (PRF_PM2) 7.3.0

Report Ver. 7.3.6.1

**PM Redondo Beach
Portfolio Management
Portfolio Details - Investments
December 31, 2020**

Page 2

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365	Moody's	S&P	Maturity Date
Federal Agency Issues- Non Callable												
3135G0T78	1813	FNMA		01/30/2018	2,000,000.00	2,065,260.00	1,982,910.22	2.000	2.517	Aaa	AA+	10/05/2022
3135G0X24	1850	FNMA		01/27/2020	3,000,000.00	3,161,310.00	3,002,558.93	1.625	1.603	Aaa	AA+	01/07/2025
3135G0W66	1852	FNMA		02/06/2020	2,000,000.00	2,108,260.00	2,010,950.76	1.625	1.475	Aaa	AA+	10/15/2024
3135G0Q89	1853	FNMA		02/21/2020	2,000,000.00	2,019,080.00	1,998,634.13	1.375	1.465	Aaa	AA+	10/07/2021
Subtotal and Average			34,594,212.92		34,500,000.00	36,189,635.00	34,593,479.60		2.115			
CD-FDIC												
20033AW51	1835	Comenity Bank		05/15/2019	248,000.00	269,027.92	248,000.00	2.750	2.753			05/15/2024
27002YEM4	1838	EagleBank		05/17/2019	248,000.00	256,526.24	248,000.00	2.600	2.602			05/10/2022
57116ASG4	1836	Marlin Bank		05/09/2019	248,000.00	259,301.36	248,000.00	2.550	2.555			11/09/2022
61760AZZ5	1834	Morgan Stanley		05/09/2019	248,000.00	268,100.40	248,000.00	2.650	2.653			05/09/2024
61690UHB9	1840	Morgan Stanley		06/07/2019	248,000.00	268,913.84	247,603.80	2.700	2.753			06/06/2024
7954503G8	1839	Sallie Mae Bank		06/06/2019	248,000.00	256,804.00	247,830.24	2.550	2.600			06/06/2022
949763L95	1846	Wells Fargo & Company		10/18/2019	248,000.00	262,713.84	247,552.31	2.050	2.102			10/17/2024
Subtotal and Average			1,734,971.87		1,736,000.00	1,841,387.60	1,734,986.35		2.574			
Total and Average			69,734,235.16		76,264,641.93	78,970,984.53	76,314,110.82		2.012			

Data Updated: SET_RPM: 01/06/2021 07:59
Run Date: 01/06/2021 - 08:00

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PM (PRF_PM2) 7.3.0

Redondo Beach - Maturity Report

Inventory by Maturity Report

December 31, 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	07/01/2020	15,028,641.93	0.520		15,028,641.93	1	15,028,641.93	0.513	0.520	1
06406FAB9	1831	001	MC1	Bank of New York	02/06/2019	997,337.77	2.050	05/03/2021	1,000,000.00	817	1,000,000.00	2.827	2.866	122
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	165
17325FAQ1	1827	001	MC1	Citibank	01/22/2019	2,000,349.74	3.400	07/23/2021	2,000,000.00	913	2,000,000.00	3.321	3.367	203
594918BP8	1783	001	MC1	Microsoft	09/15/2016	999,618.43	1.550	08/08/2021	1,000,000.00	1,788	1,000,000.00	1.594	1.616	219
3135G0Q89	1853	001	MC3	FNMA	02/21/2020	1,998,634.13	1.375	10/07/2021	2,000,000.00	594	2,000,000.00	1.445	1.465	279
9128285L0	1847	001	TRC	U.S. Treasury	12/06/2019	2,021,204.67	2.875	11/15/2021	2,000,000.00	710	2,000,000.00	1.609	1.632	318
9128285R7	1848	001	TRC	U.S. Treasury	01/27/2020	2,020,627.73	2.625	12/15/2021	2,000,000.00	688	2,000,000.00	1.501	1.522	348
037833AY6	1791	001	MC1	Apple	04/11/2017	1,997,664.21	2.150	02/09/2022	2,000,000.00	1,765	2,000,000.00	2.231	2.262	404
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	426
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	494
09247XAJ0	1824	001	MC1	Blackrock	01/04/2019	2,008,312.96	3.375	06/01/2022	2,000,000.00	1,244	2,000,000.00	3.021	3.063	516
7954503G8	1839	001	MC5	Sallie Mae Bank	06/06/2019	247,830.24	2.550	06/06/2022	248,000.00	1,096	248,000.00	2.564	2.600	521
459200HG9	1823	001	MC1	IBM	01/04/2019	1,952,876.46	1.875	08/01/2022	2,000,000.00	1,305	2,000,000.00	3.422	3.470	577
718172CA5	1841	001	MC1	Phillip Morris	06/03/2019	1,991,296.33	2.375	08/17/2022	2,000,000.00	1,171	2,000,000.00	2.619	2.655	593
12572QAE5	1837	001	MC1	CME Group	05/06/2019	2,010,675.17	3.000	09/15/2022	2,000,000.00	1,228	2,000,000.00	2.634	2.670	622
3133EHZP1	1801	001	MC3	FFCB	10/06/2017	1,995,822.44	1.850	09/20/2022	2,000,000.00	1,810	2,000,000.00	1.951	1.978	627
3135G0T78	1813	001	MC3	FNMA	01/30/2018	1,982,910.22	2.000	10/05/2022	2,000,000.00	1,709	2,000,000.00	2.483	2.517	642
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	677
3130AFE78	1829	001	MC3	FHLB	01/31/2019	2,011,666.86	3.000	12/09/2022	2,000,000.00	1,408	2,000,000.00	2.643	2.680	707
313381BR5	1849	001	MC3	FHLB	01/27/2020	2,012,553.18	1.875	12/09/2022	2,000,000.00	1,047	2,000,000.00	1.521	1.543	707
3133EJUS6	1819	001	MC3	FFCB	07/30/2018	3,992,823.73	2.875	07/17/2023	4,000,000.00	1,813	4,000,000.00	2.911	2.951	927
90331HNV1	1826	001	MC1	US Bank	01/04/2019	2,001,902.28	3.400	07/24/2023	2,000,000.00	1,662	2,000,000.00	3.313	3.359	934
94988J5R4	1828	001	MC1	Wells Fargo Bank	01/31/2019	2,012,484.79	3.550	08/14/2023	2,000,000.00	1,656	2,000,000.00	3.246	3.291	955
3133EJYL7	1821	001	MC3	FFCB	10/19/2018	2,972,479.89	2.800	09/05/2023	3,000,000.00	1,782	3,000,000.00	3.129	3.172	977
89236TDK8	1825	001	MC1	Toyota	01/04/2019	1,942,652.40	2.250	10/18/2023	2,000,000.00	1,748	2,000,000.00	3.322	3.368	1,020
3133EJ3Q0	1830	001	MC3	FFCB	01/31/2019	2,008,876.14	2.875	12/21/2023	2,000,000.00	1,785	2,000,000.00	2.677	2.714	1,084
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	1,224
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	1,230
3133EKNX0	1842	001	MC3	FFCB	06/05/2019	1,507,975.80	2.160	06/03/2024	1,500,000.00	1,825	1,500,000.00	1.969	1.996	1,249
61690UHB9	1840	001	MC5	Morgan Stanley	06/07/2019	247,603.80	2.700	06/06/2024	248,000.00	1,826	248,000.00	2.715	2.753	1,252
3133EKWV4	1843	001	MC3	FFCB	08/07/2019	1,007,268.98	1.850	07/26/2024	1,000,000.00	1,815	1,000,000.00	1.615	1.637	1,302
3133EKA63	1845	001	MC3	FFCB	08/16/2019	1,997,035.53	1.600	08/16/2024	2,000,000.00	1,827	2,000,000.00	1.620	1.643	1,323
3135G0W66	1852	001	MC3	FNMA	02/06/2020	2,010,950.76	1.625	10/15/2024	2,000,000.00	1,713	2,000,000.00	1.455	1.475	1,383
949763L95	1846	001	MC5	Wells Fargo & Company	10/18/2019	247,552.31	2.050	10/17/2024	248,000.00	1,826	248,000.00	2.074	2.102	1,385

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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	
3130A3GE8	1851	001	MC3	FHLB	01/30/2020	2,091,923.01	2.750	12/13/2024	2,000,000.00	1,779	2,000,000.00	1.517	1.538	1,442
3135G0X24	1850	001	MC3	FNMA	01/27/2020	3,002,558.93	1.625	01/07/2025	3,000,000.00	1,807	3,000,000.00	1.581	1.603	1,467
Subtotal and Average						76,314,110.82			76,264,641.93		76,264,641.93	1.984	2.012	613
Net Maturities and Average						76,314,110.82			76,264,641.93		76,264,641.93	1.984	2.012	613

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Redondo Beach - Credit Rating
Credit Rating Report
December 31, 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	999,618.43	1,006,880.00	Aaa	AAA	09/15/2016	08/08/2021	219	1.550	1.616	1.31
1799	FHLM	3134GBRR5	4,000,000.00	4,000,000.00	4,030,320.00	Aaa	AA+	06/15/2017	06/15/2021	165	1.800	1.800	5.24
1801	FFCB	3133EHZP1	1,987,960.00	1,995,822.44	2,058,440.00	Aaa	AA+	10/06/2017	09/20/2022	627	1.850	1.978	2.62
1813	FNMA	3135G0T78	1,954,580.00	1,982,910.22	2,065,260.00	Aaa	AA+	01/30/2018	10/05/2022	642	2.000	2.517	2.60
1819	FFCB	3133EJUS6	3,986,000.00	3,992,823.73	4,268,720.00	Aaa	AA+	07/30/2018	07/17/2023	927	2.875	2.951	5.23
1821	FFCB	3133EJYL7	2,949,870.00	2,972,479.89	3,205,170.00	Aaa	AA+	10/19/2018	09/05/2023	977	2.800	3.172	3.90
1829	FHLB	3130AFE78	2,023,200.00	2,011,666.86	2,111,920.00	Aaa	AA+	01/31/2019	12/09/2022	707	3.000	2.680	2.64
1830	FFCB	3133EJ3Q0	2,014,600.00	2,008,876.14	2,155,220.00	Aaa	AA+	01/31/2019	12/21/2023	1,084	2.875	2.714	2.63
1842	FFCB	3133EKNX0	1,511,640.00	1,507,975.80	1,596,735.00	Aaa	AA+	06/05/2019	06/03/2024	1,249	2.160	1.996	1.98
1843	FFCB	3133EKVV4	1,010,120.00	1,007,268.98	1,055,960.00	Aaa	AA+	08/07/2019	07/26/2024	1,302	1.850	1.637	1.32
1845	FFCB	3133EKA63	1,995,911.08	1,997,035.53	2,095,400.00	Aaa	AA+	08/16/2019	08/16/2024	1,323	1.600	1.643	2.62
1847	TREASU	9128285L0	2,047,343.75	2,021,204.67	2,047,500.00	Aaa	AA+	12/06/2019	11/15/2021	318	2.875	1.632	2.65
1848	TREASU	9128285R7	2,040,781.25	2,020,627.73	2,047,580.00	Aaa	AA+	01/27/2020	12/15/2021	348	2.625	1.522	2.65
1849	FHLB	313381BR5	2,018,560.00	2,012,553.18	2,067,340.00	Aaa	AA+	01/27/2020	12/09/2022	707	1.875	1.543	2.64
1850	FNMA	3135G0X24	3,003,150.00	3,002,558.93	3,161,310.00	Aaa	AA+	01/27/2020	01/07/2025	1,467	1.625	1.603	3.93
1851	FHLB	3130A3GE8	2,113,320.00	2,091,923.01	2,190,500.00	Aaa	AA+	01/30/2020	12/13/2024	1,442	2.750	1.538	2.74
1852	FNMA	3135G0W66	2,013,560.00	2,010,950.76	2,108,260.00	Aaa	AA+	02/06/2020	10/15/2024	1,383	1.625	1.475	2.64
1853	FNMA	3135G0Q89	1,997,100.00	1,998,634.13	2,019,080.00	Aaa	AA+	02/21/2020	10/07/2021	279	1.375	1.465	2.62
SubTotal for Aaa			39,664,596.08	39,634,930.43	41,291,595.00					832	2.217	2.047	51.96
1791	AAPL	037833AY6	1,989,800.00	1,997,664.21	2,041,460.00	Aa1	AA+	04/11/2017	02/09/2022	404	2.150	2.262	2.62
SubTotal for Aa1			1,989,800.00	1,997,664.21	2,041,460.00					404	2.150	2.262	2.62
1789	CVX	166764BN9	1,000,000.00	1,000,000.00	1,024,490.00	Aa2	AA	03/03/2017	03/03/2022	426	2.498	2.498	1.31
1828	WELLS	94988J5R4	2,021,620.00	2,012,484.79	2,160,020.00	Aa2	A+	01/31/2019	08/14/2023	955	3.550	3.291	2.64
SubTotal for Aa2			3,021,620.00	3,012,484.79	3,184,510.00					779	3.201	3.028	3.95
1824	BLKR	09247XAJO	2,020,000.00	2,008,312.96	2,086,760.00	Aa3	AA-	01/04/2019	06/01/2022	516	3.375	3.063	2.63
1827	CITIB	17325FAQ1	2,001,560.00	2,000,349.74	2,029,460.00	Aa3	A+	01/22/2019	07/23/2021	203	3.400	3.367	2.62
1837	CME	12572QAE5	2,021,020.00	2,010,675.17	2,091,720.00	Aa3	AA-	05/06/2019	09/15/2022	622	3.000	2.670	2.63
SubTotal for Aa3			6,042,580.00	6,019,337.87	6,207,940.00					447	3.258	3.033	7.88
1825	TOY	89236TDK8	1,901,820.00	1,942,652.40	2,104,280.00	A1	A+	01/04/2019	10/18/2023	1,020	2.250	3.368	2.55
1826	USBANK	90331HNV1	2,003,380.00	2,001,902.28	2,147,580.00	A1	AA-	01/04/2019	07/24/2023	934	3.400	3.359	2.62
1831	BONY	06406FAB9	982,390.00	997,337.77	1,004,450.00	A1	A	02/06/2019	05/03/2021	122	2.050	2.866	1.31

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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
SubTotal for A1			4,887,590.00	4,941,892.45	5,256,310.00					804	2.675	3.263	6.48
1823	IBM	459200HG9	1,893,600.00	1,952,876.46	2,055,420.00	A2	A	01/04/2019	08/01/2022	577	1.875	3.470	2.56
1841	PM	718172CA5	1,982,860.00	1,991,296.33	2,063,720.00	A2	A	06/03/2019	08/17/2022	593	2.375	2.655	2.61
SubTotal for A2			3,876,460.00	3,944,172.79	4,119,140.00					585	2.127	3.058	5.17
1834	MS	61760AZZ5	248,000.00	248,000.00	268,100.40	None	None	05/09/2019	05/09/2024	1,224	2.650	2.653	0.32
1835	ADS	20033AW51	248,000.00	248,000.00	269,027.92	None	None	05/15/2019	05/15/2024	1,230	2.750	2.753	0.32
1836	MRLN	57116ASG4	248,000.00	248,000.00	259,301.36	None	None	05/09/2019	11/09/2022	677	2.550	2.555	0.32
1838	EGBN	27002YEM4	248,000.00	248,000.00	256,526.24	None	None	05/17/2019	05/10/2022	494	2.600	2.602	0.32
1839	SALLMA	7954503G8	247,642.88	247,830.24	256,804.00	None	None	06/06/2019	06/06/2022	521	2.550	2.600	0.32
1840	MS	61690UHB9	247,422.16	247,603.80	268,913.84	None	None	06/07/2019	06/06/2024	1,252	2.700	2.753	0.32
1846	WFC	949763L95	247,409.76	247,552.31	262,713.84	None	None	10/18/2019	10/17/2024	1,385	2.050	2.102	0.32
51	LAIF	SYS51	15,028,641.93	15,028,641.93	15,028,641.93	None	None	07/01/2020		1	0.520	0.520	19.69
SubTotal for No Specified Rating			16,763,116.73	16,763,628.28	16,870,029.53					101	0.730	0.733	21.93

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Redondo Beach - Summary by Issuer
Summary by Issuer
December 31, 2020

Issuer	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
Apple	1	2,000,000.00	1,997,664.21	2.31	2.262	404
Comenity Bank	1	248,000.00	248,000.00	0.29	2.753	1,230
Blackrock	1	2,000,000.00	2,008,312.96	2.33	3.063	516
Bank of America Checking	1	10,000,681.23	10,000,681.23	11.59	0.000	1
Bank of New York	1	1,000,000.00	997,337.77	1.16	2.866	122
Citibank	1	2,000,000.00	2,000,349.74	2.32	3.367	203
CME Group	1	2,000,000.00	2,010,675.17	2.33	2.670	622
Chevron	1	1,000,000.00	1,000,000.00	1.16	2.498	426
EagleBank	1	248,000.00	248,000.00	0.29	2.602	494
FFCB	7	15,500,000.00	15,482,282.51	17.94	2.490	1,025
FHLB	3	6,000,000.00	6,116,143.05	7.09	1.915	958
FHLMC	1	4,000,000.00	4,000,000.00	4.63	1.800	165
FNMA	4	9,000,000.00	8,995,054.04	10.42	1.745	1,002
IBM	1	2,000,000.00	1,952,876.46	2.26	3.470	577
LAIF	1	15,028,641.93	15,028,641.93	17.41	0.520	1
Marlin Bank	1	248,000.00	248,000.00	0.29	2.555	677
Morgan Stanley	2	496,000.00	495,603.80	0.57	2.703	1,238
Microsoft	1	1,000,000.00	999,618.43	1.16	1.616	219
Phillip Morris	1	2,000,000.00	1,991,296.33	2.31	2.655	593
Sallie Mae Bank	1	248,000.00	247,830.24	0.29	2.600	521
Toyota	1	2,000,000.00	1,942,652.40	2.25	3.368	1,020
U.S. Treasury	2	4,000,000.00	4,041,832.40	4.68	1.577	333

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Redondo Beach - Summary by Issuer
Summary by Issuer
December 31, 2020

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Issuer	Number of Investments	Par Value	Book Value	% of Portfolio	Average YTM 365	Average Days to Maturity
US Bank	1	2,000,000.00	2,001,902.28	2.32	3.359	934
Wells Fargo Bank	1	2,000,000.00	2,012,484.79	2.33	3.291	955
Wells Fargo & Company	1	248,000.00	247,552.31	0.29	2.102	1,385
Total and Average	38	86,265,323.16	86,314,792.05	100.00	1.779	542

**PM Redondo Beach
Portfolio Management
Interest Earnings Summary
December 31, 2020**

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	December 31Month Ending	Fiscal Year To Date
CD/Coupon/Discount Investments:		
Interest Collected	243,255.99	817,468.10
Plus Accrued Interest at End of Period	372,203.37	372,405.23
Less Accrued Interest at Beginning of Period	(489,618.03)	(401,929.20)
Less Accrued Interest at Purchase During Period	(0.00)	(0.00)
	<hr/>	<hr/>
Interest Earned during Period	125,841.33	787,944.13
Adjusted by Premiums and Discounts	-1,511.55	-7,021.34
Adjusted by Capital Gains or Losses	0.00	0.00
	<hr/>	<hr/>
Earnings during Periods	124,329.78	780,922.79
Pass Through Securities:		
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)
	<hr/>	<hr/>
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
	<hr/>	<hr/>
Earnings during Periods	0.00	0.00
Cash/Checking Accounts:		
Interest Collected	0.00	86,887.92
Plus Accrued Interest at End of Period	10,228.22	10,228.22
Less Accrued Interest at Beginning of Period	(7,096.04)	(62,988.00)
	<hr/>	<hr/>
Interest Earned during Period	3,132.18	34,128.14
Total Interest Earned during Period		
	128,973.51	822,072.27
Total Adjustments from Premiums and Discounts		
	-1,511.55	-7,021.34
Total Capital Gains or Losses		
	0.00	0.00
Total Earnings during Period		
	127,461.96	815,050.93

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Redondo Beach - Interest Reports
Interest Earnings
Sorted by Security Type - Maturity Date
December 1, 2020 - December 31, 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												
912828N48	1796	001	TREASU	0.00	2,000,065.20	0.00	12/31/2020	1.750	1.696	2,853.26	-65.20	2,788.06
9128285L0	1847	001	TREASU	2,000,000.00	2,023,271.79	2,021,204.67	11/15/2021	2.875	1.663	4,924.03	-2,067.12	2,856.91
9128285R7	1848	001	TREASU	2,000,000.00	2,022,465.25	2,020,627.73	12/15/2021	2.625	1.527	4,460.12	-1,837.52	2,622.60
Subtotal				4,000,000.00	6,045,802.24	4,041,832.40			1.627	12,237.41	-3,969.84	8,267.57
Security Type: Local Agency Investment Funds												
SYS51	51	001	LAIF	15,028,641.93	3,028,641.93	15,028,641.93	0.520		1.218	3,132.18	0.00	3,132.18
Subtotal				15,028,641.93	3,028,641.93	15,028,641.93			1.218	3,132.18	0.00	3,132.18
Security Type: Corporate Notes												
06406FAB9	1831	001	BONY	1,000,000.00	996,683.12	997,337.77	05/03/2021	2.050	2.791	1,708.34	654.65	2,362.99
17325FAQ1	1827	001	CITIB	2,000,000.00	2,000,401.69	2,000,349.74	07/23/2021	3.400	3.305	5,666.66	-51.95	5,614.71
594918BP8	1783	001	MSFT	1,000,000.00	999,565.68	999,618.43	08/08/2021	1.550	1.584	1,291.66	52.75	1,344.41
037833AY6	1791	001	AAPL	2,000,000.00	1,997,488.15	1,997,664.21	02/09/2022	2.150	2.216	3,583.33	176.06	3,759.39
166764BN9	1789	001	CVX	1,000,000.00	1,000,000.00	1,000,000.00	03/03/2022	2.498	2.451	2,081.67	0.00	2,081.67
09247XAJ0	1824	001	BLKR	2,000,000.00	2,008,801.96	2,008,312.96	06/01/2022	3.375	3.010	5,625.00	-489.00	5,136.00
459200HG9	1823	001	IBM	2,000,000.00	1,950,396.27	1,952,876.46	08/01/2022	1.875	3.384	3,125.00	2,480.19	5,605.19
718172CA5	1841	001	PM	2,000,000.00	1,990,850.75	1,991,296.33	08/17/2022	2.375	2.605	3,958.34	445.58	4,403.92
12572QAE5	1837	001	CME	2,000,000.00	2,011,196.76	2,010,675.17	09/15/2022	3.000	2.622	5,000.00	-521.59	4,478.41
90331HNV1	1826	001	USBANK	2,000,000.00	2,001,964.11	2,001,902.28	07/24/2023	3.400	3.296	5,666.67	-61.83	5,604.84
94988J5R4	1828	001	WELLS	2,000,000.00	2,012,881.97	2,012,484.79	08/14/2023	3.550	3.229	5,916.66	-397.18	5,519.48
89236TDK8	1825	001	TOY	2,000,000.00	1,940,943.93	1,942,652.40	10/18/2023	2.250	3.311	3,750.00	1,708.47	5,458.47
Subtotal				21,000,000.00	20,911,174.39	20,915,170.54			2.892	47,373.33	3,996.15	51,369.48
Security Type: Savings/ Checking Account												
SYS92	92	002	BOFA	10,000,681.23	9,023,659.71	10,000,681.23				0.00	0.00	0.00
Subtotal				10,000,681.23	9,023,659.71	10,000,681.23				0.00	0.00	0.00

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Redondo Beach - Interest Reports
Interest Earnings
December 1, 2020 - December 31, 2020

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										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: Federal Agency Issues- Non Callable												
3134GBRR5	1799	001	FHLM	4,000,000.00	4,000,000.00	4,000,000.00	06/15/2021	1.800	1.766	6,000.00	0.00	6,000.00
3135G0Q89	1853	001	FNMA	2,000,000.00	1,998,485.67	1,998,634.13	10/07/2021	1.375	1.438	2,291.67	148.46	2,440.13
3133EHZP1	1801	001	FFCB	2,000,000.00	1,995,619.98	1,995,822.44	09/20/2022	1.850	1.939	3,083.34	202.46	3,285.80
3135G0T78	1813	001	FNMA	2,000,000.00	1,982,101.55	1,982,910.22	10/05/2022	2.000	2.460	3,333.34	808.67	4,142.01
3130AFE78	1829	001	FHLB	2,000,000.00	2,012,168.30	2,011,666.86	12/09/2022	3.000	2.632	5,000.00	-501.44	4,498.56
313381BR5	1849	001	FHLB	2,000,000.00	2,013,092.71	2,012,553.18	12/09/2022	1.875	1.512	3,125.00	-539.53	2,585.47
3133EJUS6	1819	001	FFCB	4,000,000.00	3,992,588.70	3,992,823.73	07/17/2023	2.875	2.895	9,583.33	235.03	9,818.36
3133EJYL7	1821	001	FFCB	3,000,000.00	2,971,623.45	2,972,479.89	09/05/2023	2.800	3.113	7,000.00	856.44	7,856.44
3133EJ3Q0	1830	001	FFCB	2,000,000.00	2,009,125.00	2,008,876.14	12/21/2023	2.875	2.662	4,791.66	-248.86	4,542.80
3133EKNX0	1842	001	FFCB	1,500,000.00	1,508,170.01	1,507,975.80	06/03/2024	2.160	1.956	2,700.00	-194.21	2,505.79
3133EKWV4	1843	001	FFCB	1,000,000.00	1,007,438.68	1,007,268.98	07/26/2024	1.850	1.603	1,541.67	-169.70	1,371.97
3133EKA63	1845	001	FFCB	2,000,000.00	1,996,967.38	1,997,035.53	08/16/2024	1.600	1.612	2,666.67	68.15	2,734.82
3135G0W66	1852	001	FNMA	2,000,000.00	2,011,191.62	2,010,950.76	10/15/2024	1.625	1.445	2,708.33	-240.86	2,467.47
3130A3GE8	1851	001	FHLB	2,000,000.00	2,093,862.32	2,091,923.01	12/13/2024	2.750	1.487	4,583.33	-1,939.31	2,644.02
3135G0X24	1850	001	FNMA	3,000,000.00	3,002,612.02	3,002,558.93	01/07/2025	1.625	1.572	4,062.50	-53.09	4,009.41
Subtotal				34,500,000.00	34,595,047.39	34,593,479.60			2.073	62,470.84	-1,567.79	60,903.05
Security Type: CD-FDIC												
27002YEM4	1838	001	EGBN	248,000.00	248,000.00	248,000.00	05/10/2022	2.600	2.600	547.64	0.00	547.64
7954503G8	1839	001	SALLMA	248,000.00	247,820.14	247,830.24	06/06/2022	2.550	2.600	537.10	10.10	547.20
57116ASG4	1836	001	MRLN	248,000.00	248,000.00	248,000.00	11/09/2022	2.550	2.550	537.11	0.00	537.11
61760AZZ5	1834	001	MS	248,000.00	248,000.00	248,000.00	05/09/2024	2.650	2.650	558.17	0.00	558.17
20033AW51	1835	001	ADS	248,000.00	248,000.00	248,000.00	05/15/2024	2.750	2.750	579.23	0.00	579.23
61690UHB9	1840	001	MS	248,000.00	247,593.99	247,603.80	06/06/2024	2.700	2.751	568.71	9.81	578.52
949763L95	1846	001	WFC	248,000.00	247,542.29	247,552.31	10/17/2024	2.050	2.101	431.79	10.02	441.81
Subtotal				1,736,000.00	1,734,956.42	1,734,986.35			2.572	3,759.75	29.93	3,789.68
Total				86,265,323.16	75,339,282.08	86,314,792.05			1.994	128,973.51	-1,511.55	127,461.96

Redondo Beach - Interest Reports
Accrued Interest
Sorted by Security Type - Maturity Date
December 1, 2020 - December 31, 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
Treasury Securities - Coupon										
912828N48	1796	TRC	0.00	12/31/2020	1.750	14,646.74	0.00	2,853.26	17,500.00	0.00
9128285L0	1847	TRC	2,000,000.00	11/15/2021	2.875	2,541.44	0.00	4,924.03	0.00	7,465.47
9128285R7	1848	TRC	2,000,000.00	12/15/2021	2.625	24,241.80	0.00	4,460.12	26,250.00	2,451.92
		Subtotal	4,000,000.00			41,429.98	0.00	12,237.41	43,750.00	9,917.39
Local Agency Investment Funds										
SYS51	51	LA1	15,028,641.93		0.520	7,096.04	0.00	3,132.18	0.00	10,228.22
		Subtotal	15,028,641.93			7,096.04	0.00	3,132.18	0.00	10,228.22
Corporate Notes										
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
		Subtotal	21,000,000.00			173,227.06	0.00	47,373.33	33,750.00	186,850.39
Federal Agency Issues- Non Callable										
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
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

* 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
Federal Agency Issues- Non Callable										
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	19,500.00	0.00	4,062.50	0.00	23,562.50
Subtotal			34,500,000.00			266,951.96	0.00	62,470.84	157,200.00	172,222.80
CD-FDIC										
27002YEM4	1838	MC5	248,000.00	05/10/2022	2.600	370.98	0.00	547.64	529.97	388.65
7954503G8	1839	MC5	248,000.00	06/06/2022	2.550	3,101.36	0.00	537.10	3,170.66	467.80
57116ASG4	1836	MC5	248,000.00	11/09/2022	2.550	381.17	0.00	537.11	519.78	398.50
61760AZZ5	1834	MC5	248,000.00	05/09/2024	2.650	396.12	0.00	558.17	0.00	954.29
20033AW51	1835	MC5	248,000.00	05/15/2024	2.750	298.96	0.00	579.23	560.55	317.64
61690UHB9	1840	MC5	248,000.00	06/06/2024	2.700	3,265.44	0.00	568.71	3,357.17	476.98
949763L95	1846	MC5	248,000.00	10/17/2024	2.050	195.00	0.00	431.79	417.86	208.93
Subtotal			1,736,000.00			8,009.03	0.00	3,759.75	8,555.99	3,212.79
Total			76,264,641.93			496,714.07	0.00	128,973.51	243,255.99	382,431.59

* 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: December 1, 2020 - December 31, 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
Treasury Securities - Coupon											
1796	TRC	05/11/2017	2,000,000.00	12/31/2020	1,330	2,000,000.00	2,000,000.00	0.00	124,443.63	124,443.63	1.708
U.S. Treasury			1.750	12/31/2020	1,330						
Treasury Securities - Coupon					Subtotals	2,000,000.00	2,000,000.00	0.00	124,443.63	124,443.63	1.708
Total Realized Gains/Losses						2,000,000.00	2,000,000.00	0.00	124,443.63	124,443.63	1.708

City of Redondo Beach-General
Transaction Activity Report
December 1, 2020 - December 31, 2020
Sorted by Fund - Transaction Date
All Funds

Investment #	Fund	CUSIP	Inv Descrip	TransactionType	TransactionDate	Issuer	New Principal	Principal Paydowns	Interest	Total Cash
1824	001	09247XAJ0	COF 3.375% MAT	Interest	12/01/2020	Blackrock			33,750.00	33,750.00
1842	001	3133EKNX0	FEDERAL FARM CR	Interest	12/03/2020	FFCB			16,200.00	16,200.00
1839	001	7954503G8	SALLMA 2.55% MAT	Interest	12/07/2020	Sallie Mae Bank			3,170.66	3,170.66
1840	001	61690UHB9	MS 2.7% MAT	Interest	12/07/2020	Morgan Stanley			3,357.17	3,357.17
1829	001	3130AFE78	FEDERAL HOME	Interest	12/09/2020	FHLB			30,000.00	30,000.00
1836	001	57116ASG4	MRLN 2.55% MAT	Interest	12/09/2020	Marlin Bank			519.78	519.78
1849	001	313381BR5	FHLB 1.875% MAT	Interest	12/09/2020	FHLB			18,750.00	18,750.00
1838	001	27002YEM4	EGBN 2.6% MAT	Interest	12/10/2020	EagleBank			529.97	529.97
1851	001	3130A3GE8	FHLB 2.75% MAT	Interest	12/14/2020	FHLB			27,500.00	27,500.00
1799	001	3134GBRR5	FEDERAL HOME LN	Interest	12/15/2020	FHLMC			36,000.00	36,000.00
1835	001	20033AW51	ADS 2.75% MAT	Interest	12/15/2020	Comenity Bank			560.55	560.55
1848	001	9128285R7	TREASU 2.625%	Interest	12/15/2020	U.S. Treasury			26,250.00	26,250.00
1846	001	949763L95	WFC 2.05% MAT	Interest	12/17/2020	Wells Fargo &			417.86	417.86
1830	001	3133EJ3Q0	FEDERAL FARM CR	Interest	12/21/2020	FFCB			28,750.00	28,750.00
51	001	SYS51	LAIF	Purchase	12/22/2020	LAIF	12,000,000.00			-12,000,000.00
51	001	SYS51	LAIF	Redemption	12/22/2020	LAIF		12,000,000.00		12,000,000.00
51	001	SYS51	LAIF	Purchase	12/23/2020	LAIF	12,000,000.00			-12,000,000.00
1796	001	912828N48	UNITED STATES	Redemption	12/31/2020	U.S. Treasury		2,000,000.00		2,000,000.00
1796	001	912828N48	UNITED STATES	Interest	12/31/2020	U.S. Treasury			17,500.00	17,500.00
Totals for General Fund Investment							24,000,000.00	14,000,000.00	243,255.99	-9,756,744.01
Grand Total							24,000,000.00	14,000,000.00	243,255.99	-9,756,744.01

City of Redondo Beach-General Selected F
Fund 002 - Checking
Cash
December 31, 2020

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Market Value	Current Rate	YTM 360	YTM 365
Savings/ Checking Account								
SYS92	92	Bank of America Checking	07/01/2020	10,000,681.23	10,000,681.23			
Subtotal and Average				10,000,681.23	10,000,681.23		0.000	0.000
Total Cash Average				10,000,681.23	10,000,681.23		0.000	0.000
Total Cash and Investments				10,000,681.23				

**Fund 003 - Parking Authority
Investments by Fund
December 31, 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
Local Agency Investment Funds										
SYS150	150	LAIF	07/01/2020	5,129.79	5,129.79	5,129.79	0.520	0.512	0.520	1
Subtotal and Average				5,129.79	5,129.79	5,129.79		0.513	0.520	1
Savings/ Checking Account										
SYS28	28	Bank of America Checking	07/01/2020	957.92	957.92	957.92	1.800	1.775	1.800	1
Subtotal and Average				957.92	957.92	957.92		1.775	1.800	1
Total Investments and Average				6,087.71	6,087.71	6,087.71		0.712	0.721	1

**Fund 004 - Housing Authority
Investments by Fund
December 31, 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
Savings/ Checking Account										
SYS100	100	Bank of America Checking	07/01/2020	109,176.52	109,176.52	109,176.52	1.800	1.775	1.800	1
SYS96	96	Bank of America Checking	07/01/2020	1,655,957.08	1,655,957.08	1,655,957.08				1
Subtotal and Average				1,765,133.60	1,765,133.60	1,765,133.60		0.110	0.111	1
Total Investments and Average				1,765,133.60	1,765,133.60	1,765,133.60		0.110	0.111	1

**Fund 005 - Redevelopment Agency
Investments by Fund
December 31, 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
Local Agency Investment Funds										
SYS10	10	LAIF	07/01/2020	1,851,920.81	1,851,920.81	1,851,920.81	0.520	0.512	0.520	1
Subtotal and Average				1,851,920.81	1,851,920.81	1,851,920.81		0.513	0.520	1
Savings/ Checking Account										
SYS30	30	Bank of America Checking	07/01/2020	468,618.81	468,618.81	468,618.81				1
SYS40	40	Bank of America Checking	07/01/2020	47,483.99	47,483.99	47,483.99	1.800	1.775	1.800	1
Subtotal and Average				516,102.80	516,102.80	516,102.80		0.163	0.166	1
Total Investments and Average				2,368,023.61	2,368,023.61	2,368,023.61		0.437	0.443	1

Data Updated: -REPORT~: 01/06/2021 08:18
Run Date: 01/06/2021 - 08:18

Portfolio GENL
AP
FI (PRF_FI) 7.1.1
Report Ver. 7.3.6.1

**Fund 006 - Public Finance Authority
Investments by Fund
December 31, 2020**

Page 5

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Local Agency Investment Funds										
SYS002	002	LAIF	07/01/2020	176,708.65	176,708.65	176,708.65	0.520	0.512	0.520	1
Subtotal and Average				176,708.65	176,708.65	176,708.65		0.513	0.520	1
Savings/ Checking Account										
SYS001	001	Bank of America Checking	07/01/2020	1,734,407.73	1,734,407.73	1,734,407.73				1
Subtotal and Average				1,734,407.73	1,734,407.73	1,734,407.73		0.000	0.000	1
Total Investments and Average				1,911,116.38	1,911,116.38	1,911,116.38		0.047	0.048	1

Fund 007 - Workmens-Compensation-Fund
Investments by Fund
December 31, 2020

Page 6

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Savings/ Checking Account										
SYS41	41	Bank of America Checking	07/01/2020	993,789.70	993,789.70	993,789.70				1
Subtotal and Average				993,789.70	993,789.70	993,789.70		0.000	0.000	1
Total Investments and Average				993,789.70	993,789.70	993,789.70		0.000	0.000	1

Fund 008 - Measure-R-Local-Return
Investments by Fund
December 31, 2020

Page 7

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Savings/ Checking Account										
SYS42	42	Bank of America Checking	07/01/2020	1,871,529.97	1,871,529.97	1,871,529.97	1.800	1.775	1.800	1
Subtotal and Average				1,871,529.97	1,871,529.97	1,871,529.97		1.775	1.800	1
Total Investments and Average				1,871,529.97	1,871,529.97	1,871,529.97		1.775	1.800	1

Fund 009 - City-of-Redondo-Beach-FSA
Investments by Fund
December 31, 2020

Page 8

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Savings/ Checking Account										
SYS43	43	Bank of America Checking	07/01/2020	126,937.53	126,937.53	126,937.53				1
Subtotal and Average				126,937.53	126,937.53	126,937.53		0.000	0.000	1
Total Investments and Average				126,937.53	126,937.53	126,937.53		0.000	0.000	1

**Fund 011 - Trust Account
Investments by Fund
December 31, 2020**

Page 9

CUSIP	Investment #	Issuer	Purchase Date	Book Value	Par Value	Market Value	Current Rate	YTM 360	YTM 365	Maturity Days To Date Maturity
Savings/ Checking Account										
SYS45	45	Bank of America Checking	07/01/2020	57,364.40	57,364.40	57,364.40				1
Subtotal and Average				57,364.40	57,364.40	57,364.40		0.000	0.000	1
Total Investments and Average				57,364.40	57,364.40	57,364.40		0.000	0.000	1



Quarterly Economic and Market Update

December 2020

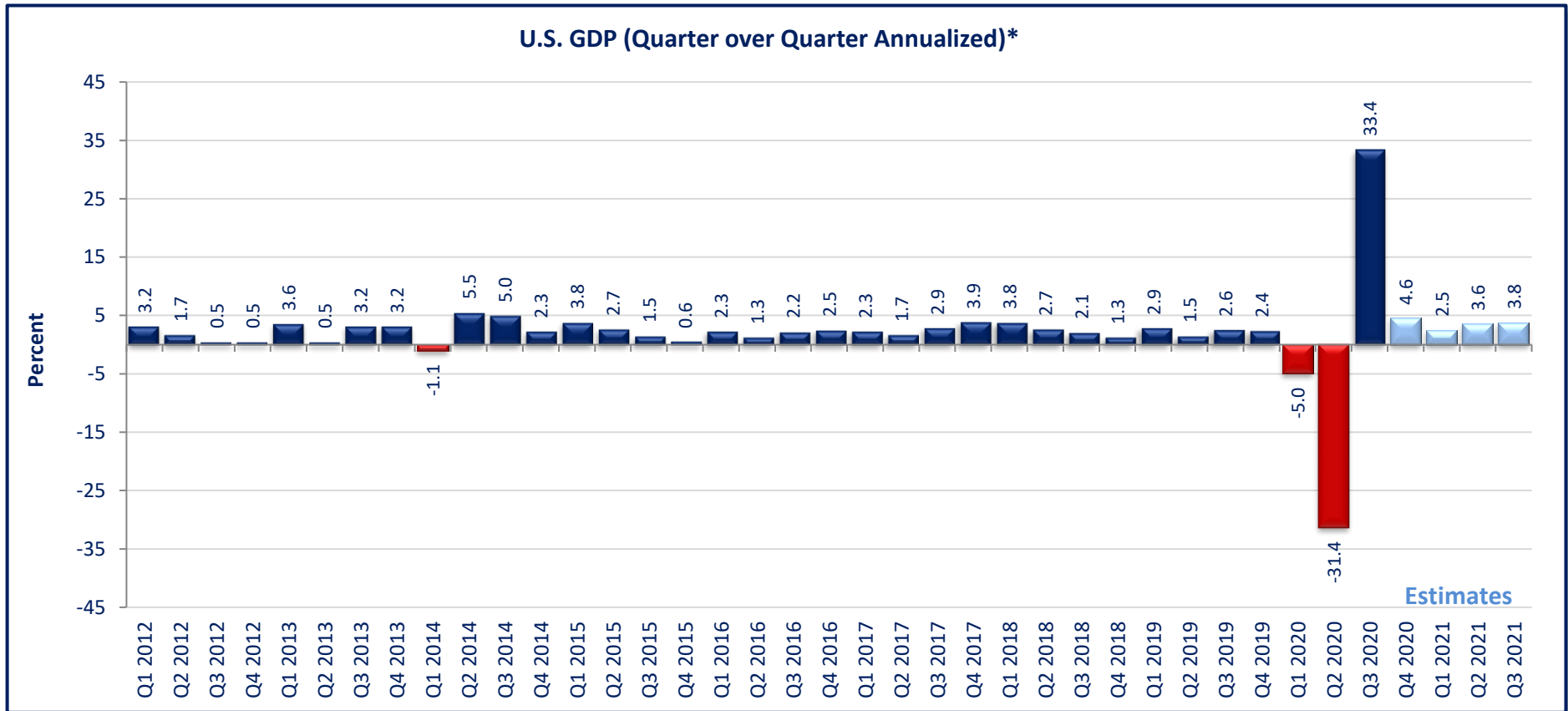
Economic and Market Update
12/31/20

Item	12/31/20	9/30/20	Change
U.S. Payrolls Monthly Change	(140,000)	711,000	(851,000)
Unemployment Rate	6.7%	7.8%	(1.1%)
Labor Force Participation	61.5%	61.4%	0.1%
Effective Fed Funds Rate	0.09%	0.09%	0.00%
3 Month T-Bill	0.07%	0.10%	(0.03%)
2 Year T-Note	0.12%	0.13%	(0.01%)
3 Year T-Note	0.17%	0.16%	0.01%
5 Year T-Note	0.36%	0.28%	0.08%
10 Year T-Note	0.92%	0.69%	0.23%
U.S. Fed Debt Avg Yield*	1.61%	1.64%	(0.03%)
30 Year Mortgage Rate	2.87%	3.08%	(0.21%)
1-5 Yr Agency Spread	0.05%	0.07%	(0.02%)
1-5 Yr A-AAA Corporate Spread	0.31%	0.47%	(0.16%)
Dow Jones	30,606	27,782	10.2%
S&P 500	3,756	3,363	11.7%
Consumer Price Index YOY*	1.3%	1.4%	(0.1%)
U.S. Avg Regular Unleaded	\$2.25	\$2.19	\$0.06
Retail Sales YOY*	4.0%	6.1%	(2.1%)
Case-Shiller Home Prices YOY*	8.0%	5.4%	2.6%
Gold (per ounce)	\$1,898.36	\$1,885.82	\$12.54
Dollar Index	89.94	93.89	(3.95)
Consumer Confidence	88.6	101.3	(12.7)

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

Sources: FHN Main Street and Bloomberg

Economic and Market Update
12/31/20



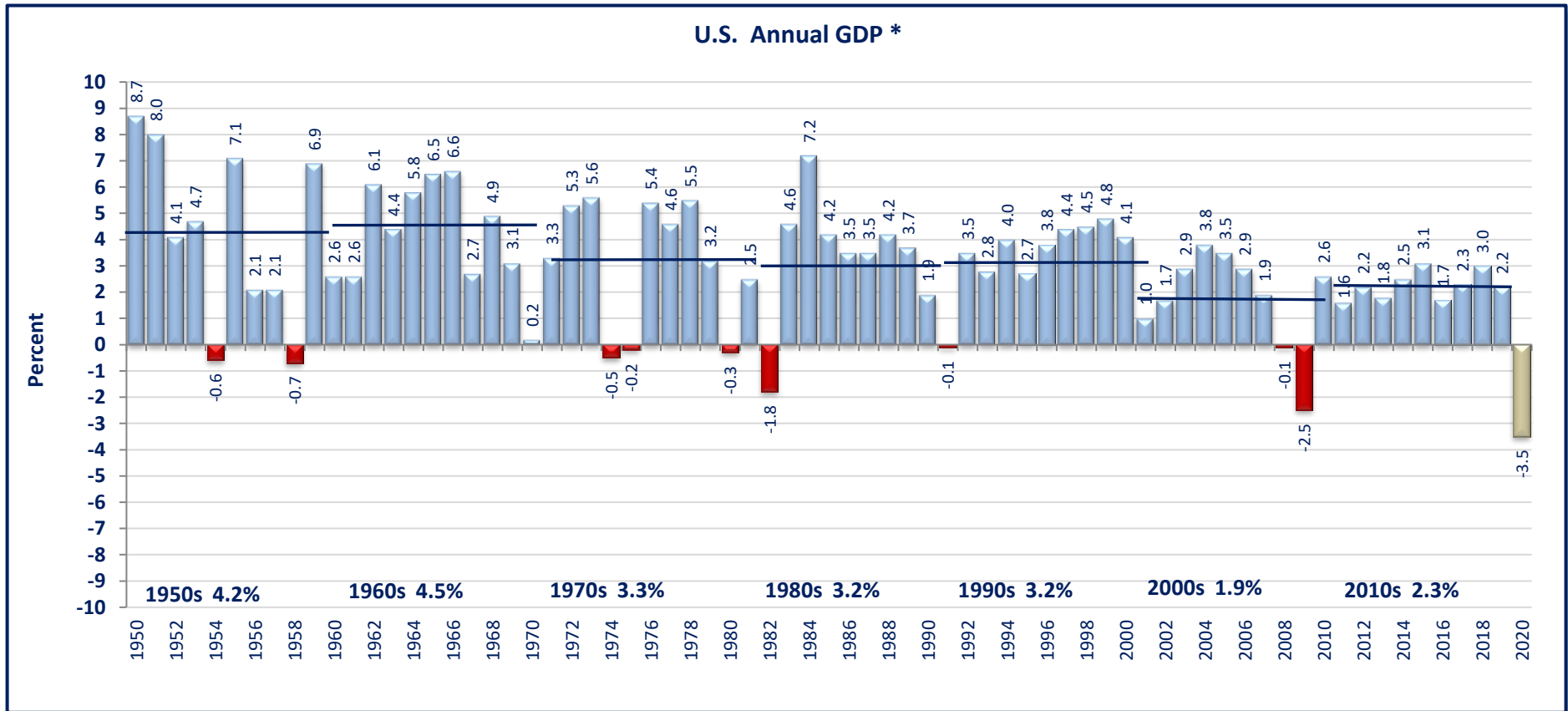
* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists

As of: 12/31/2020

Economic and Market Update 12/31/20



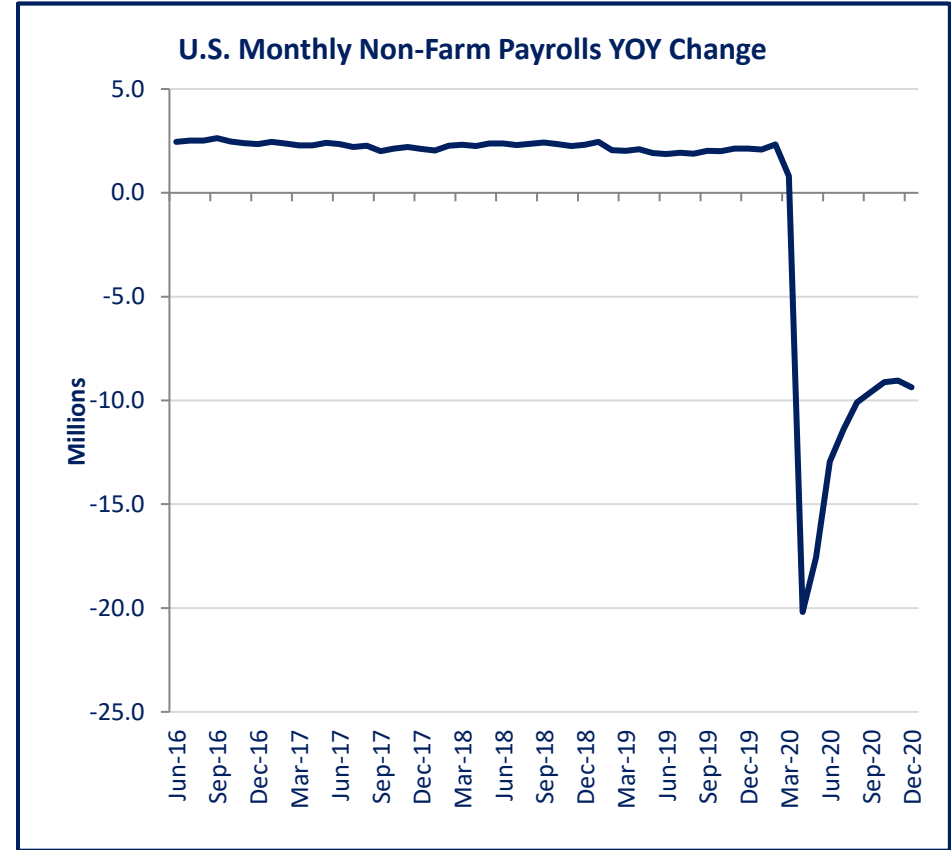
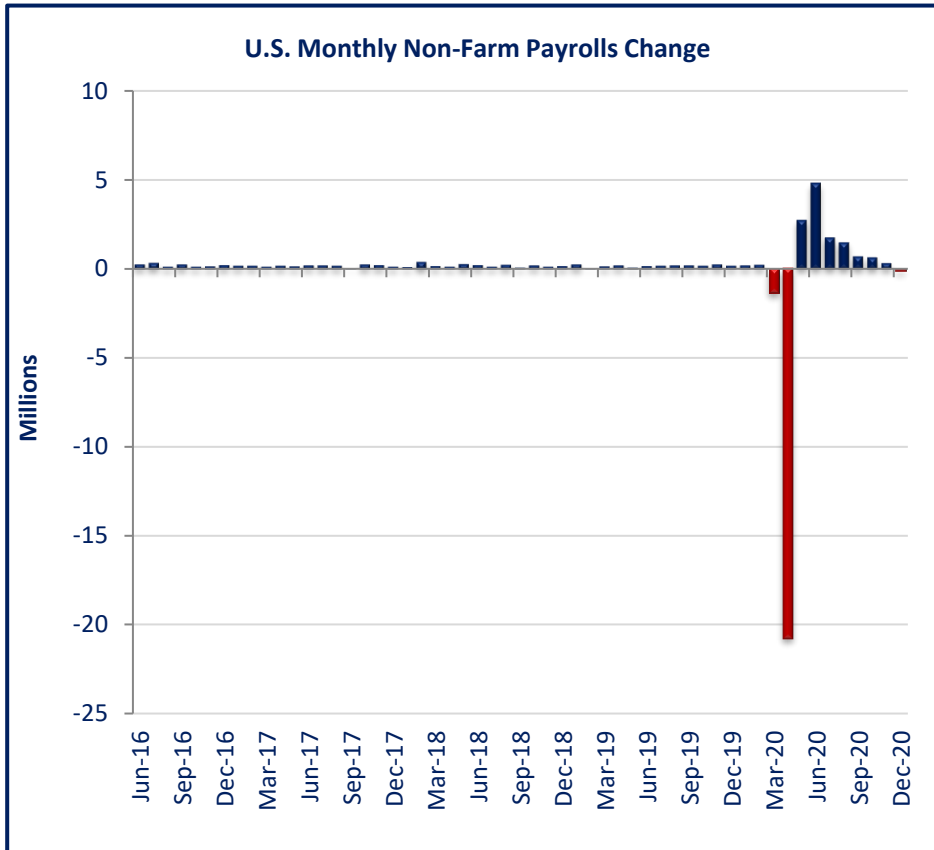
* Real Rate (Inflation Adjusted)

Source: Bureau of Economic Analysis

Estimate: Bloomberg's Survey of Economists

As of: 12/31/2020

Economic and Market Update 12/31/20

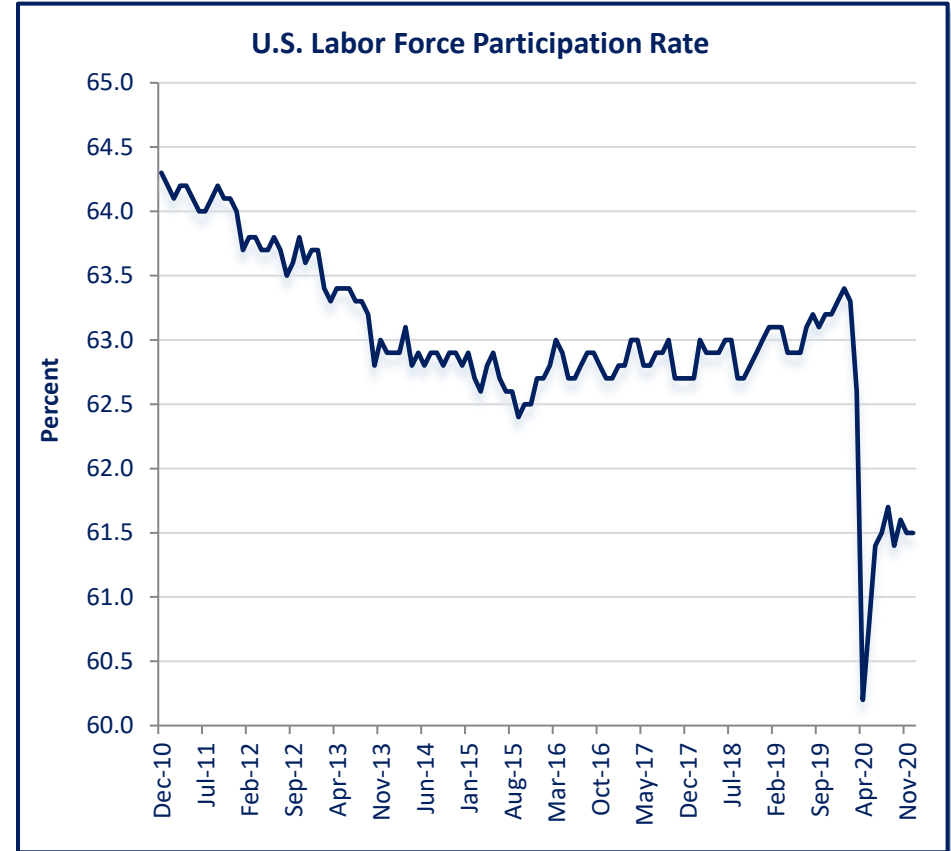
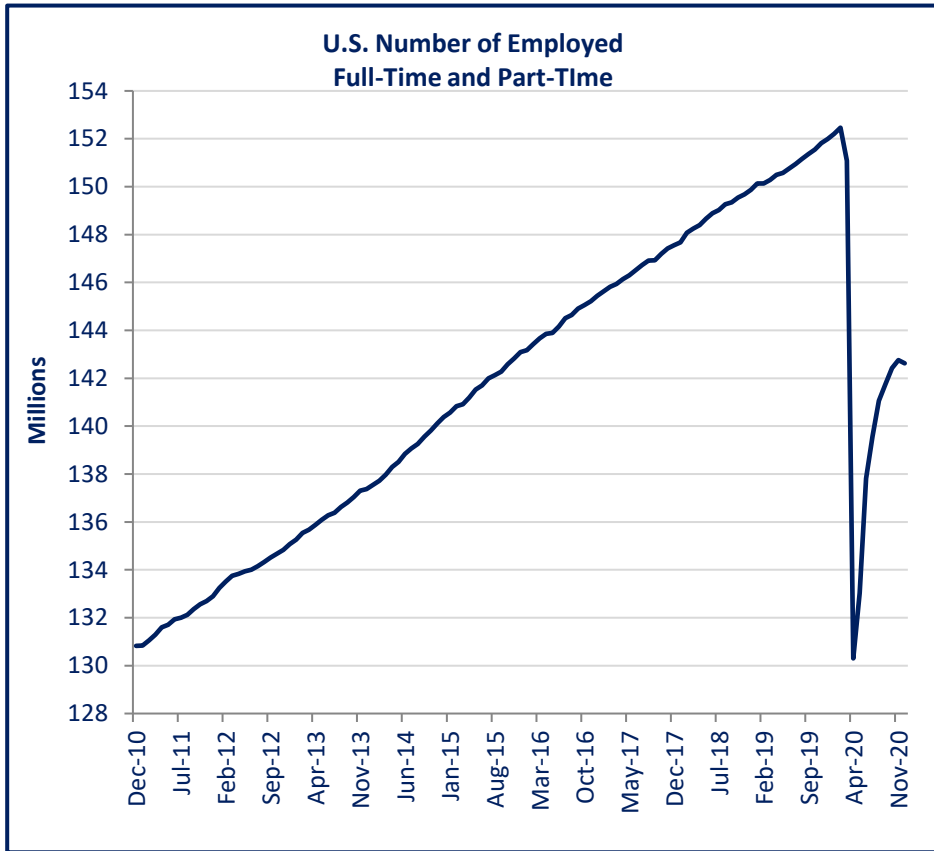


12 Month Average Job Change

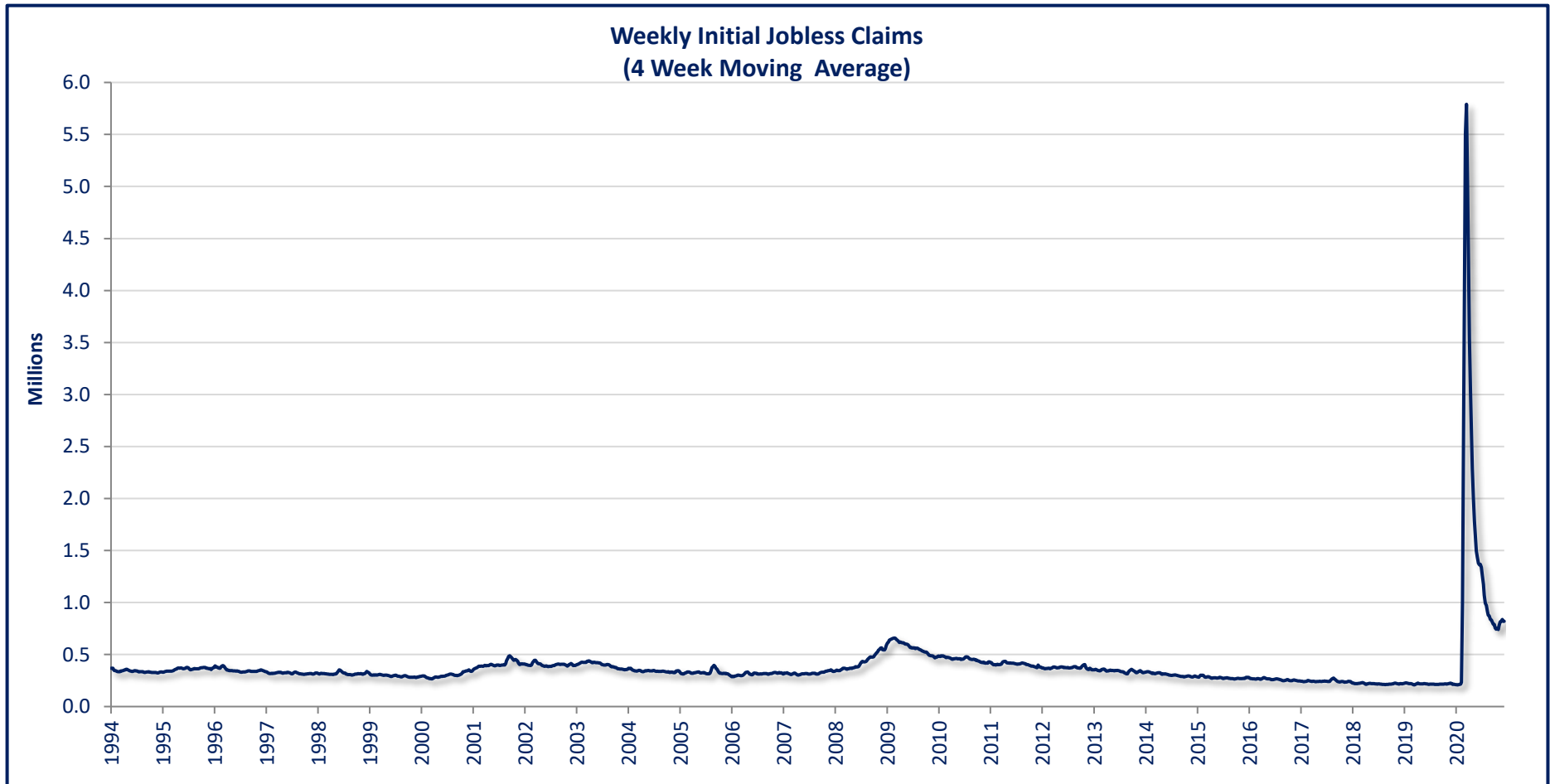
-781,167

Source: Bureau of Labor Statistics

Economic and Market Update
12/31/20



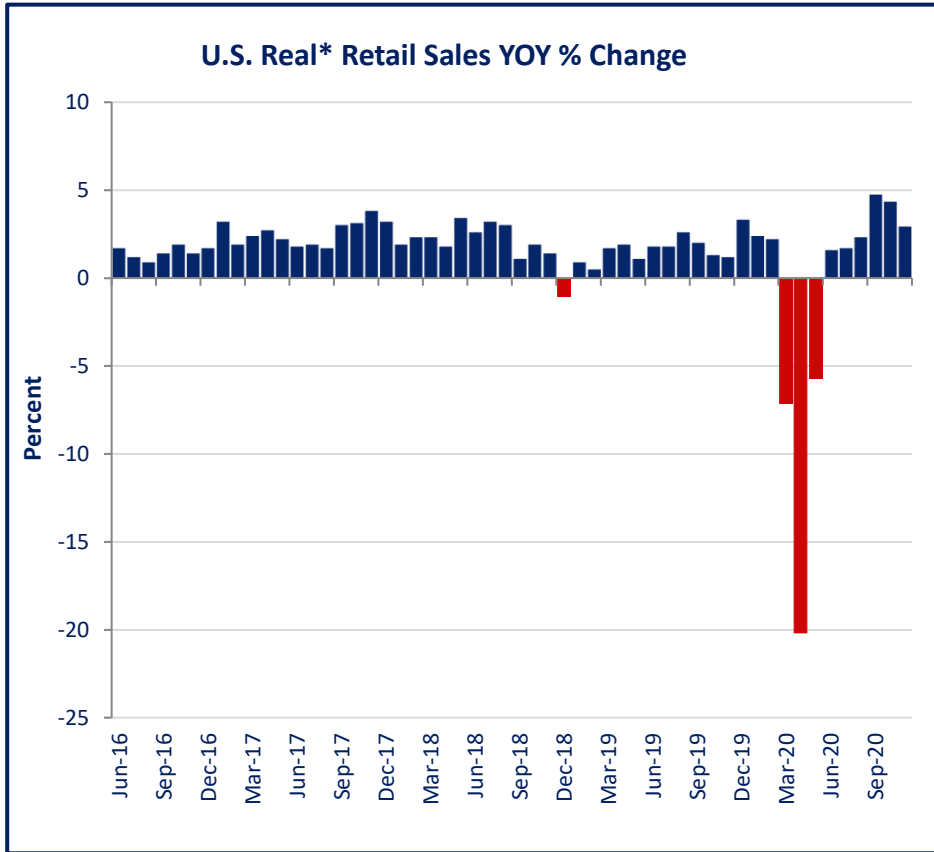
Source: Bureau of Labor Statistics



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.

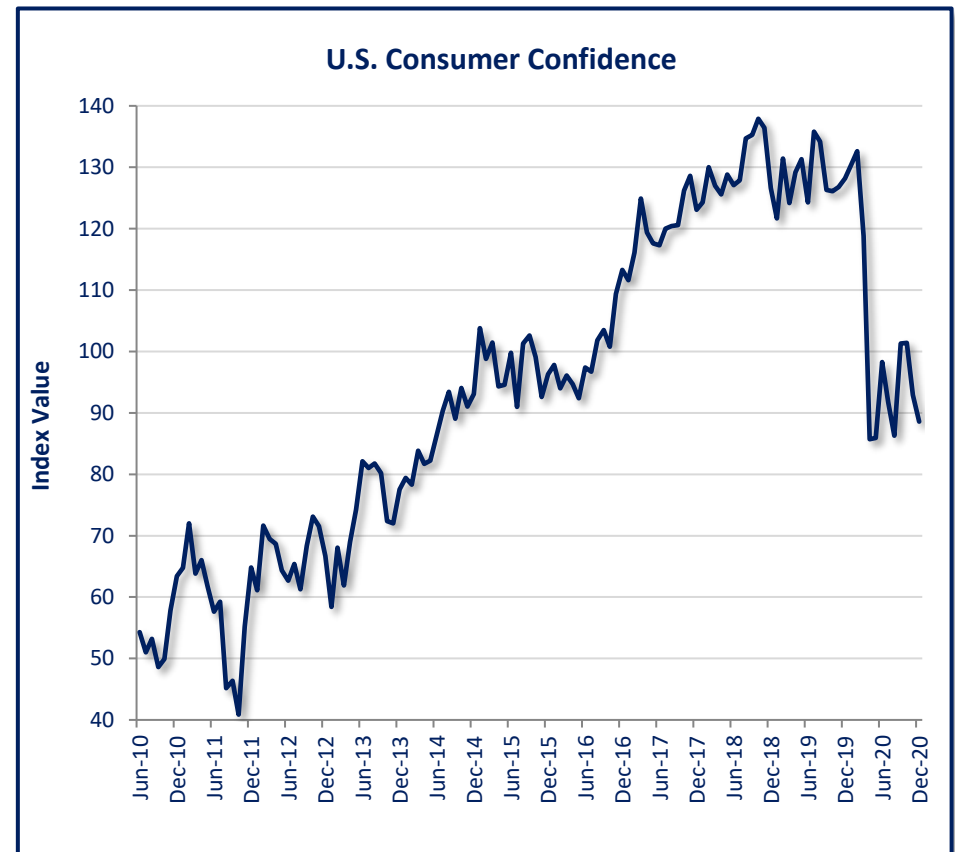
Source: Department of Labor and Bloomberg

Economic and Market Update 12/31/20



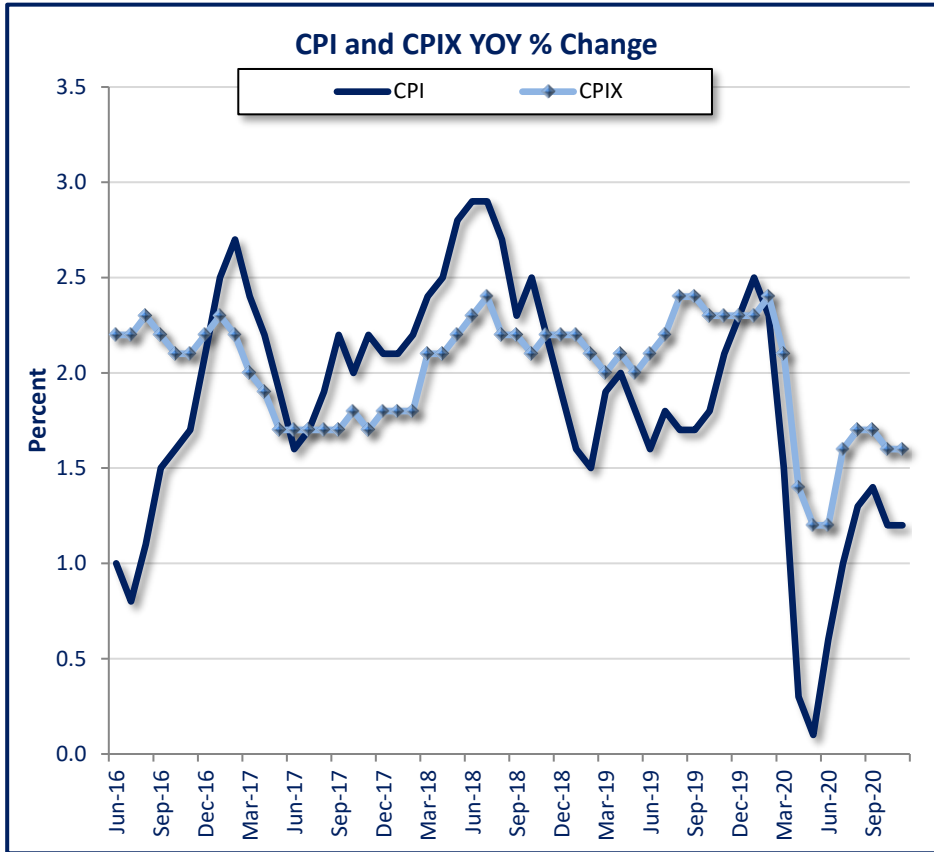
*Real: Inflation Adjusted

Source: U.S. Census Bureau

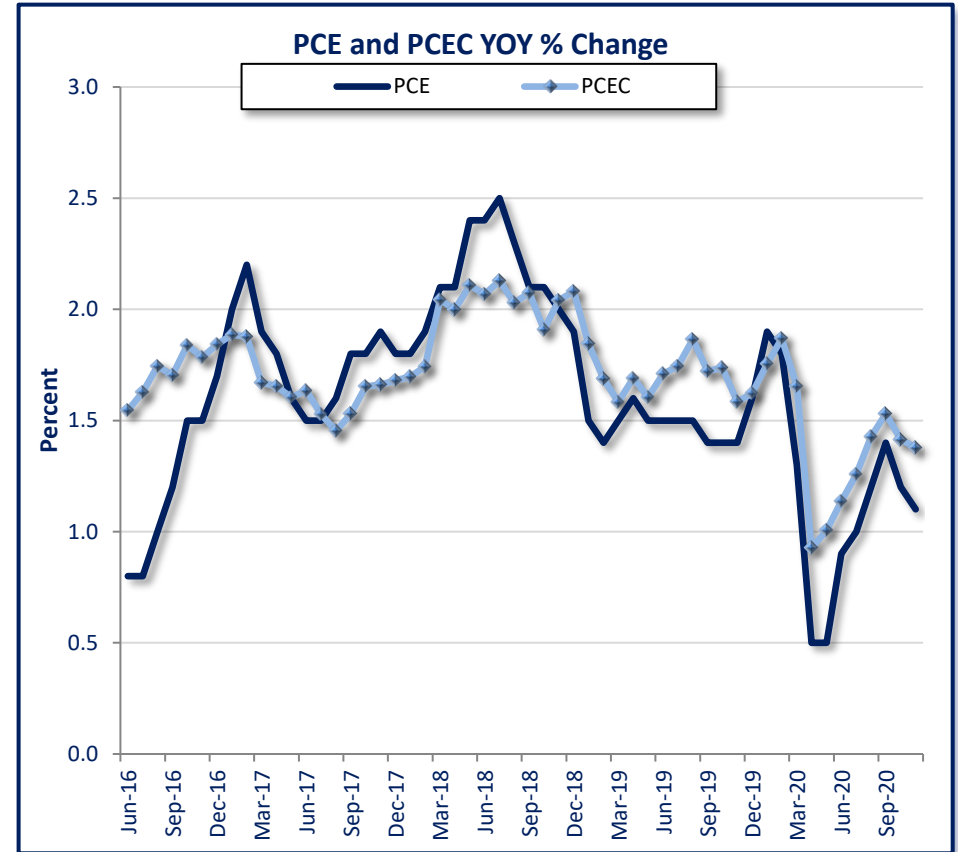


Source: Conference Board

Economic and Market Update 12/31/20

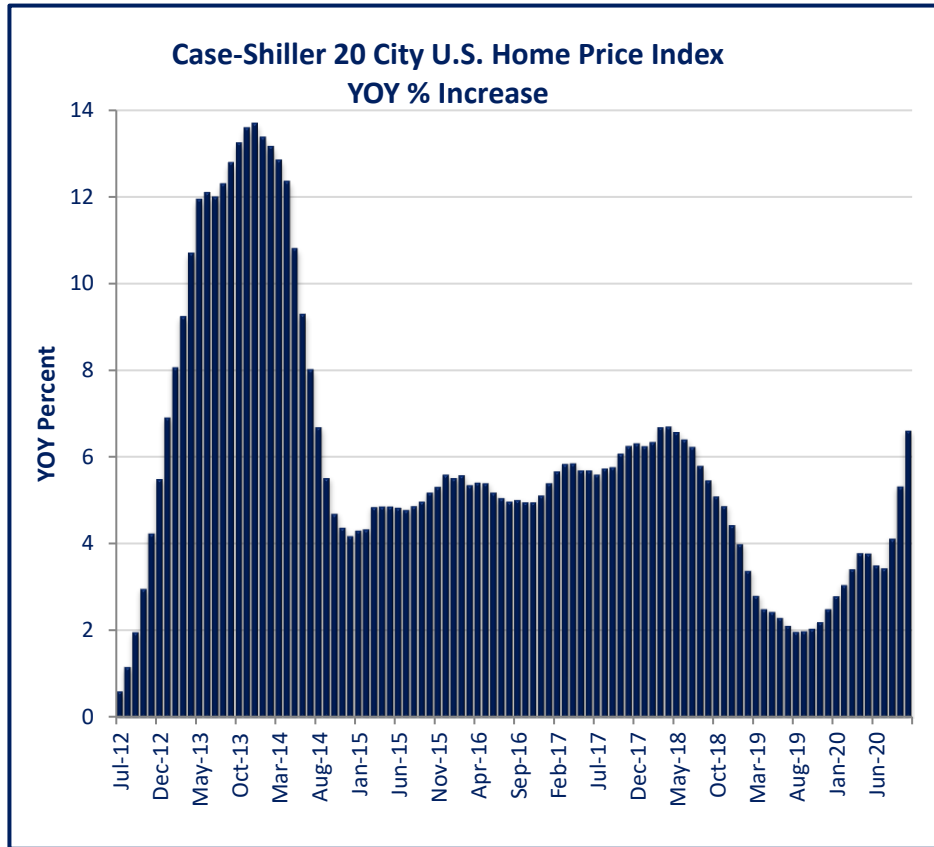


CPIX: Consumer Price Index, excluding food and energy

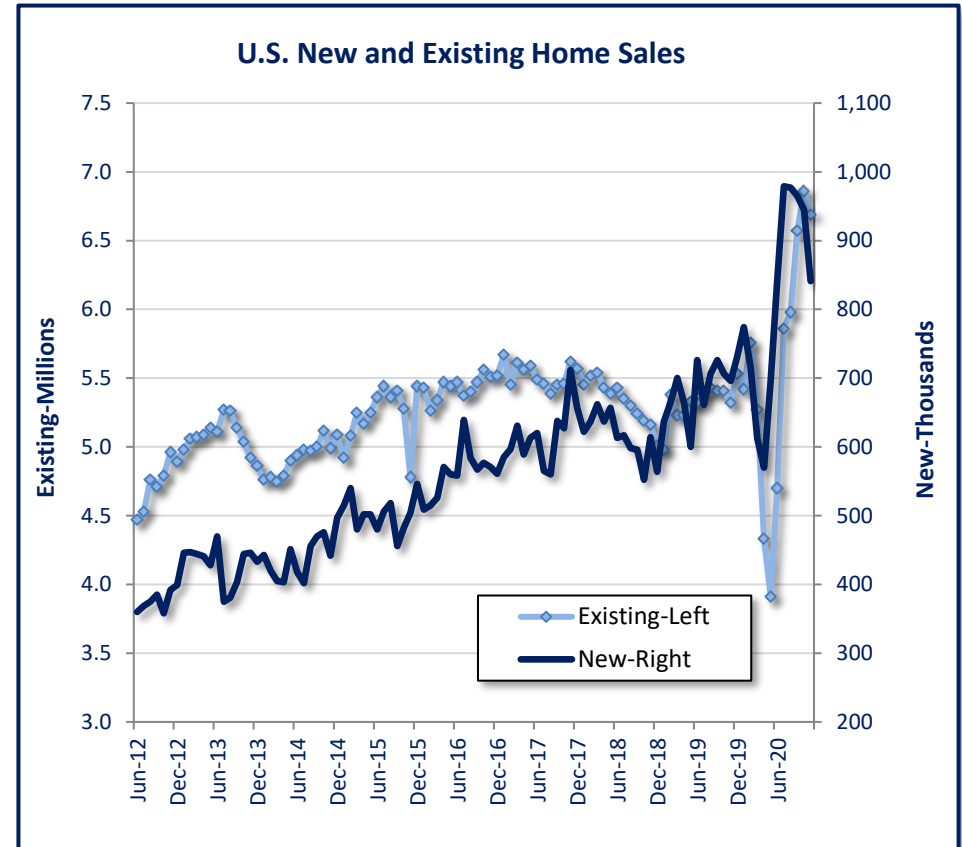


PCEC: Personal Consumption Expenditure Core

Source: Bureau of Labor Statistics and Bureau of Economic Analysis

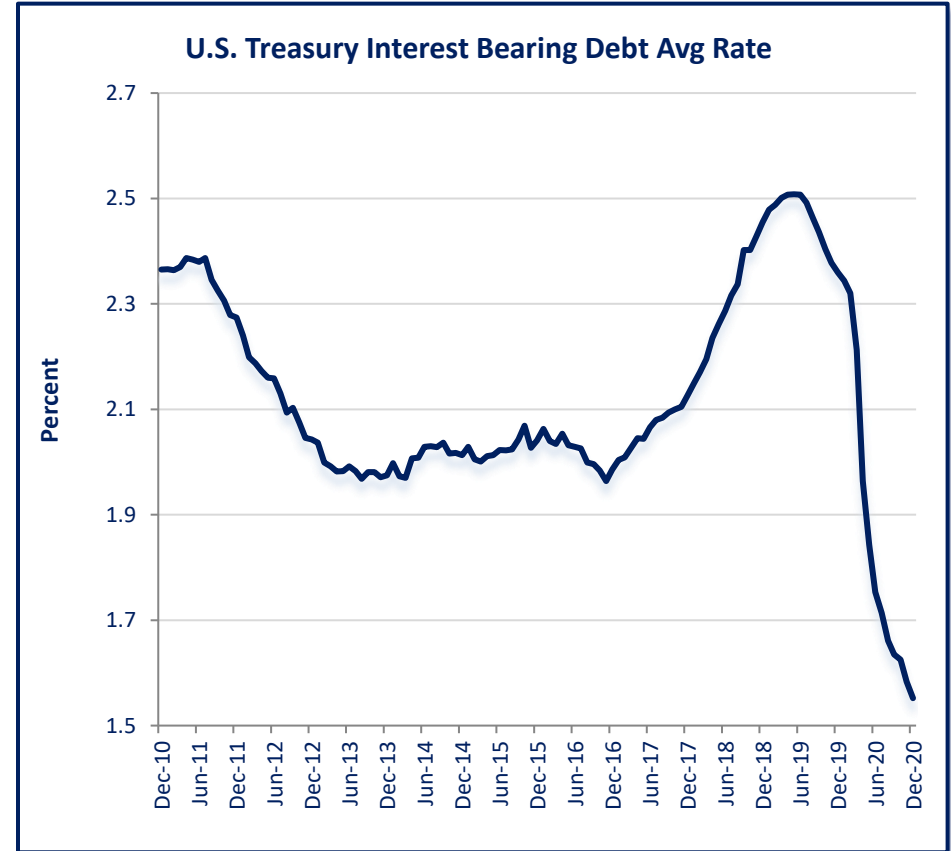
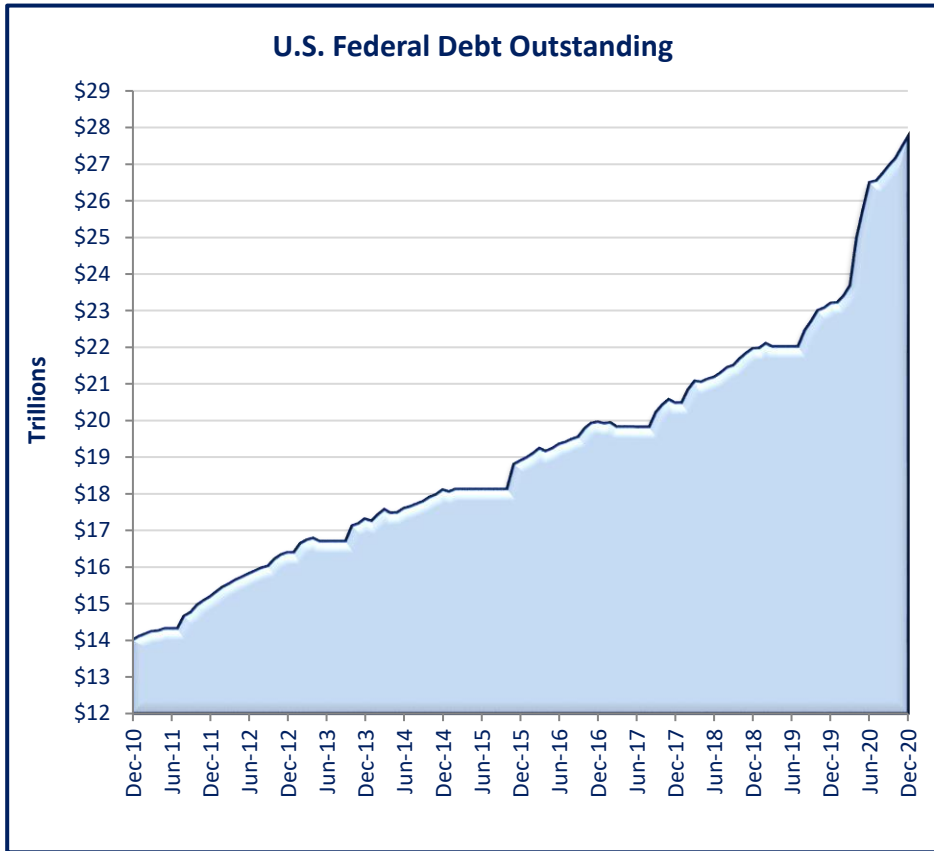


Source: Case-Shiller



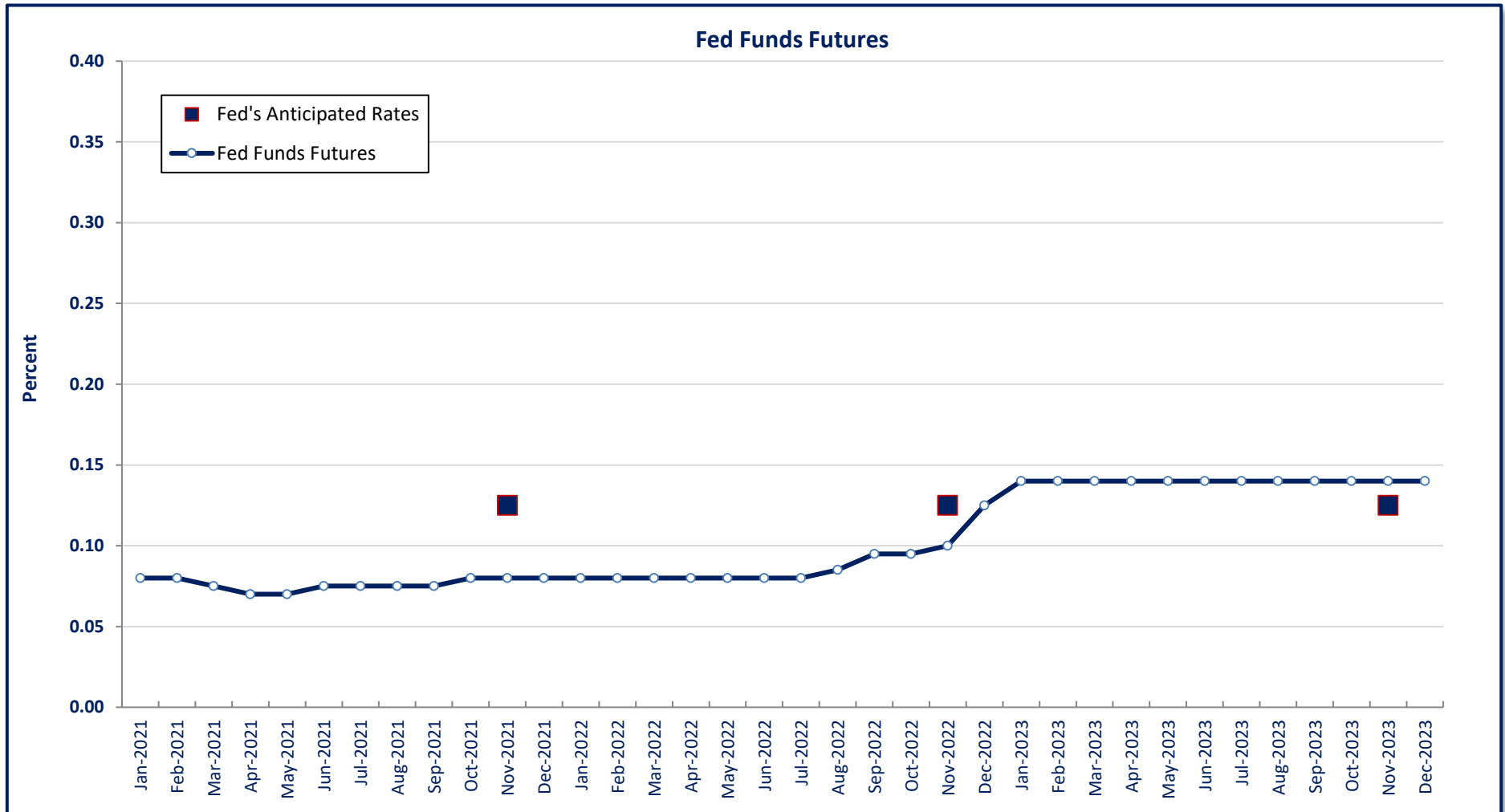
Sources: New (U.S. Census Bureau), Existing (National Assoc. of Realtors)
Seasonally Adjusted Annual Rate

Economic and Market Update
12/31/20



Source: U.S. Treasury

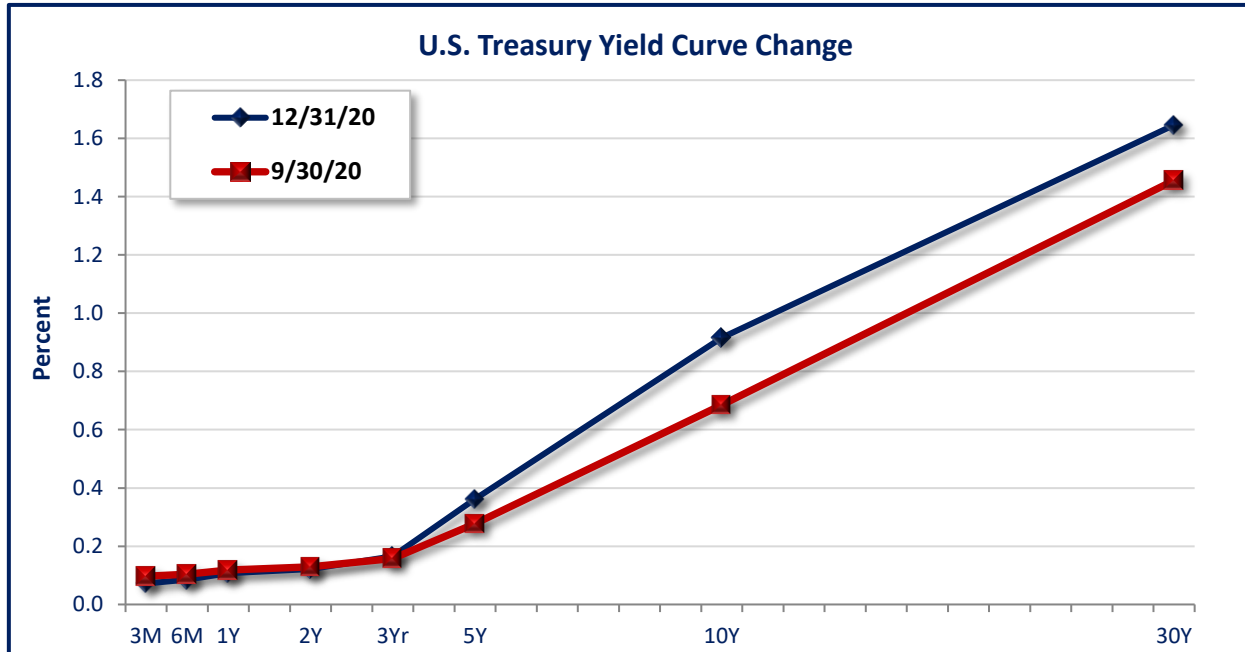
Economic and Market Update
12/31/20



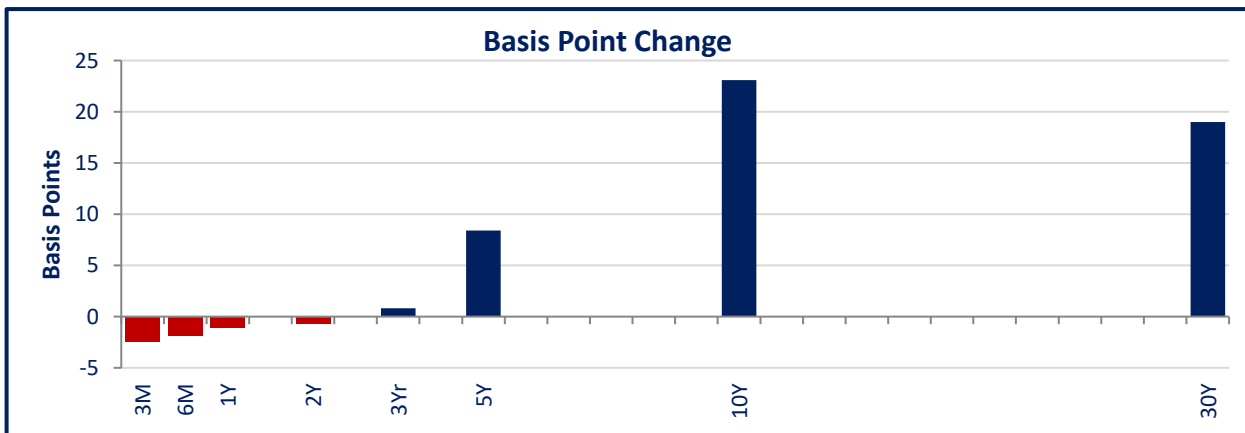
Fed Funds Anticipated Rate from the December 16, 2020 FOMC Meeting

Source: Bloomberg

Economic and Market Update 12/31/20

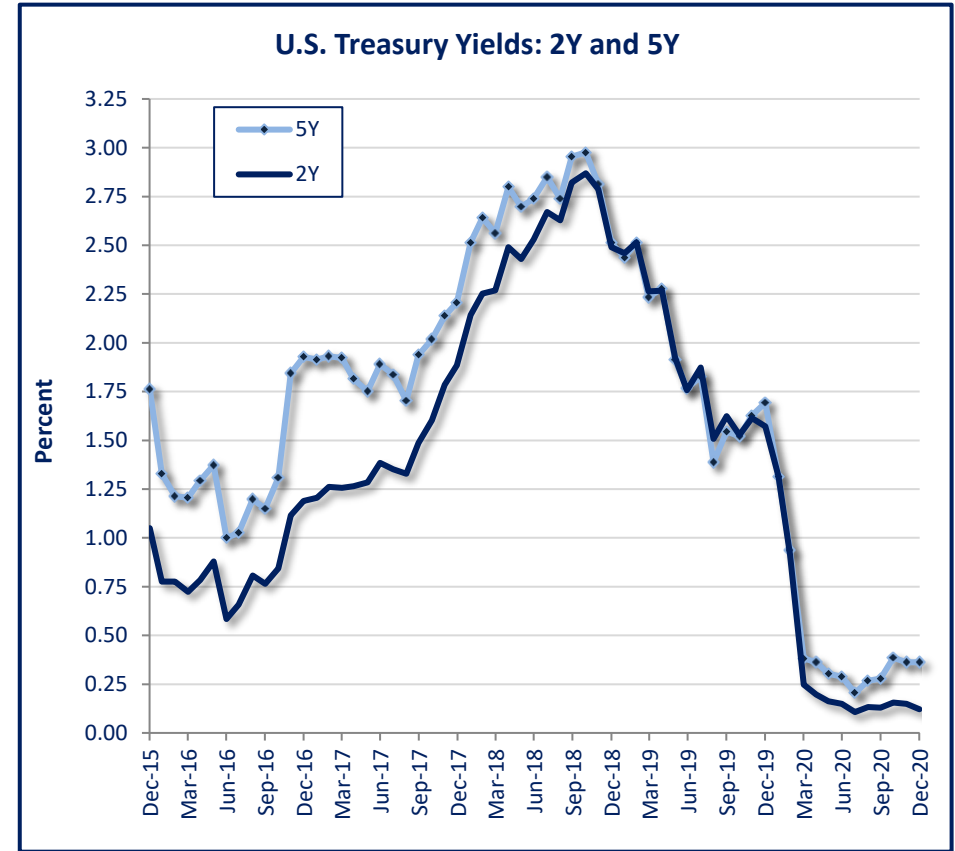
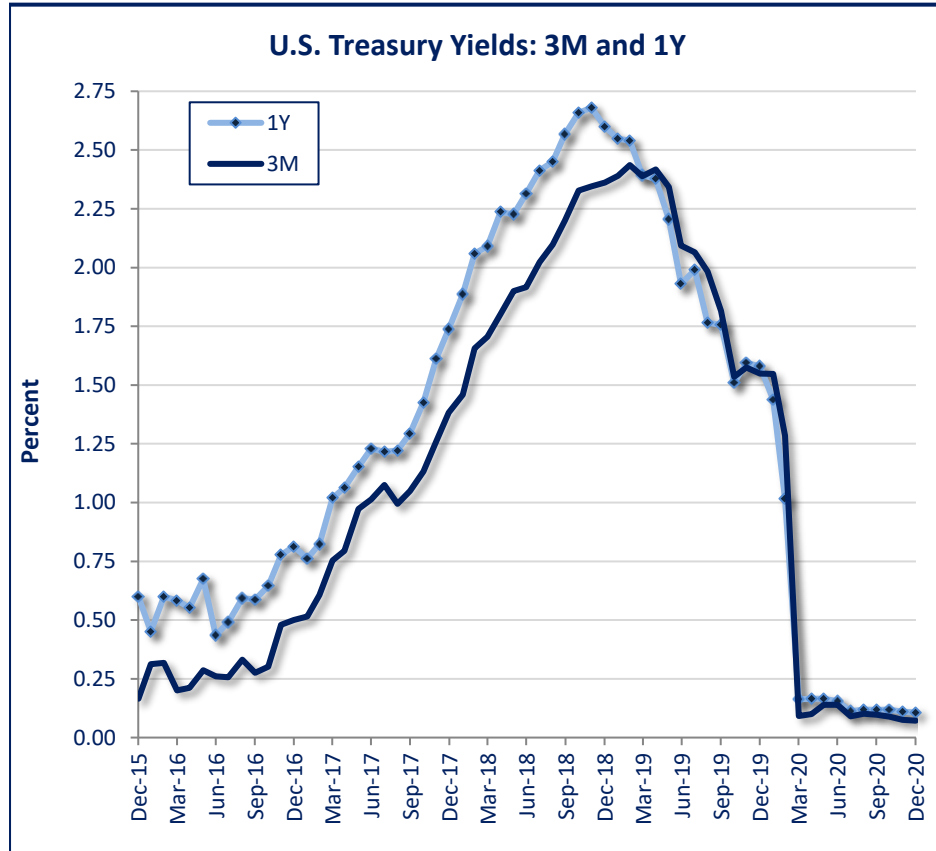


Maturity	12/31/20	9/30/20	Change
3M	0.07	0.10	-0.03
6M	0.09	0.10	-0.02
1Y	0.11	0.12	-0.01
2Y	0.12	0.13	-0.01
3Y	0.17	0.16	0.01
5Y	0.36	0.28	0.08
10Y	0.92	0.69	0.23
30Y	1.65	1.46	0.19

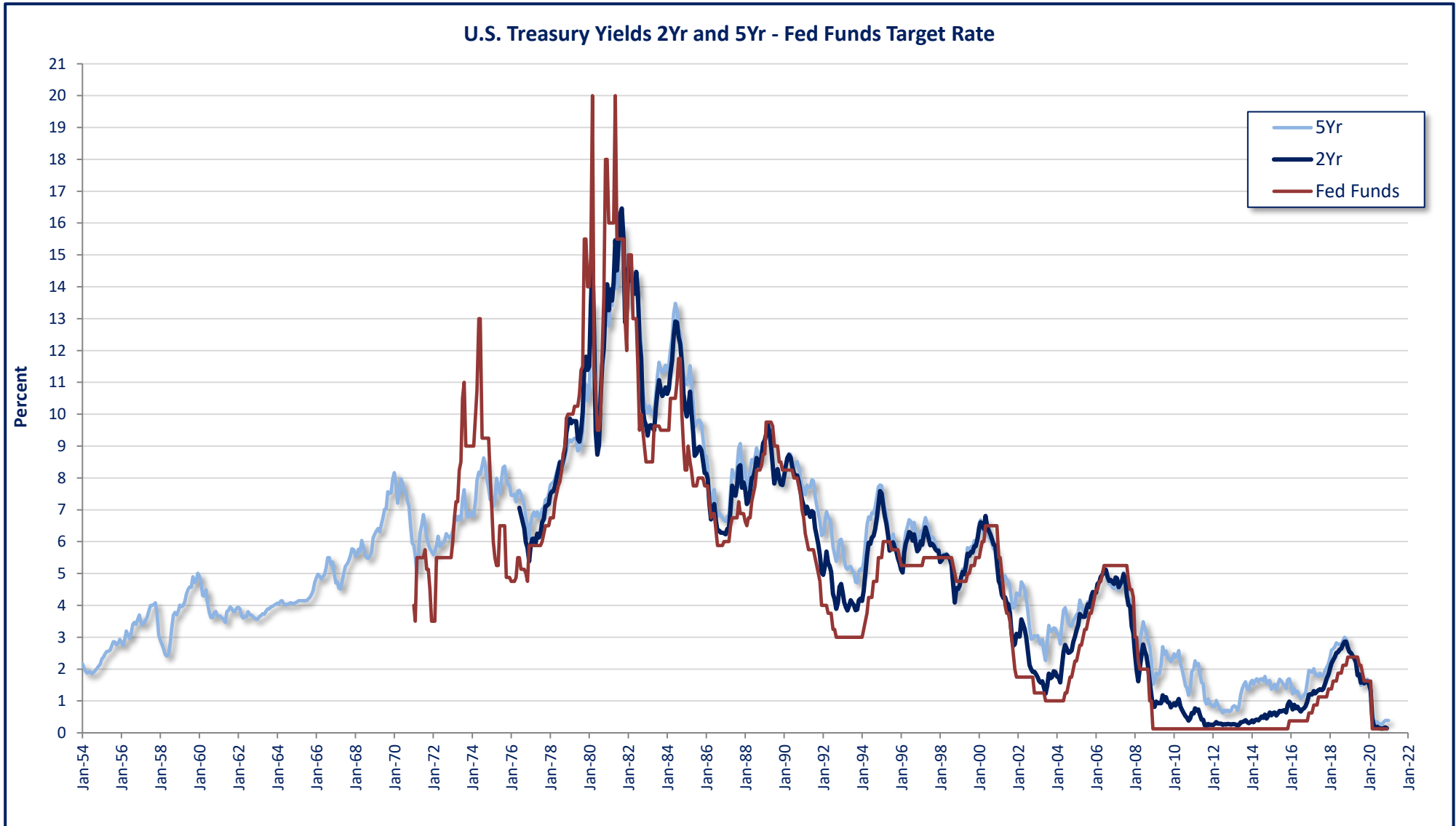


Source: Bloomberg
Figures may not total due to rounding

Economic and Market Update
12/31/20



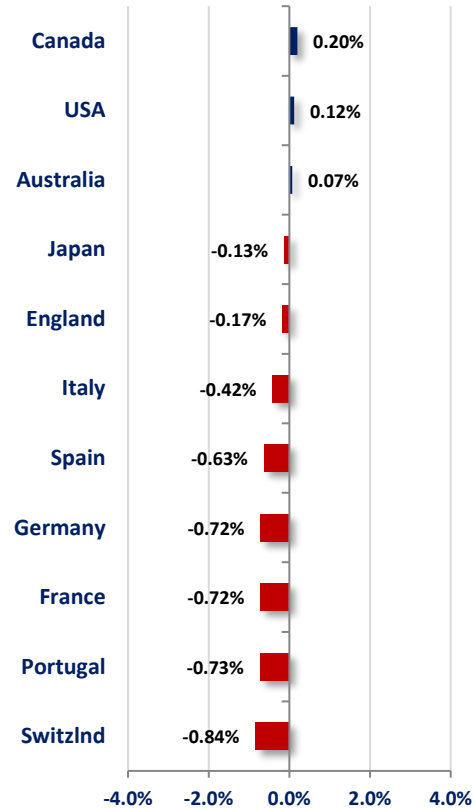
Source: Bloomberg



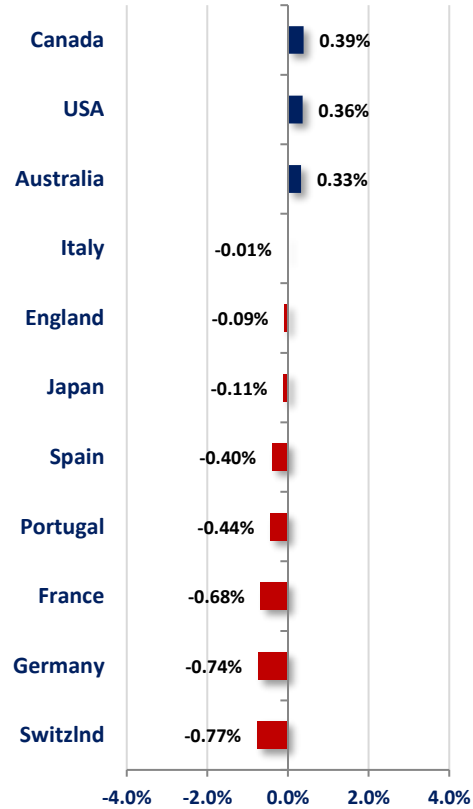
Source: Bloomberg

Global Treasury Rates

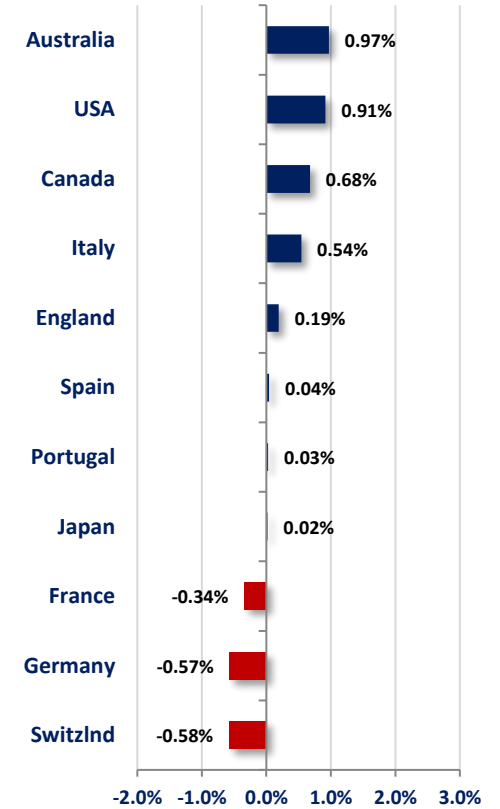
2 Year Yields



5 Year Yields

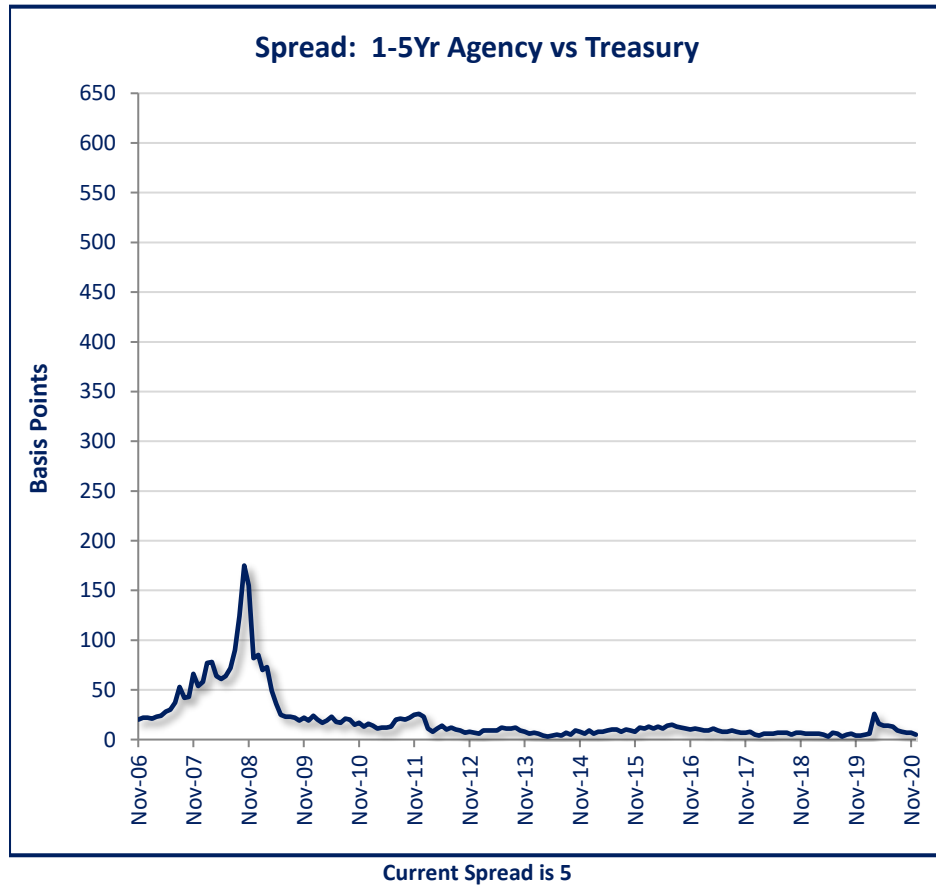


10 Year Yields

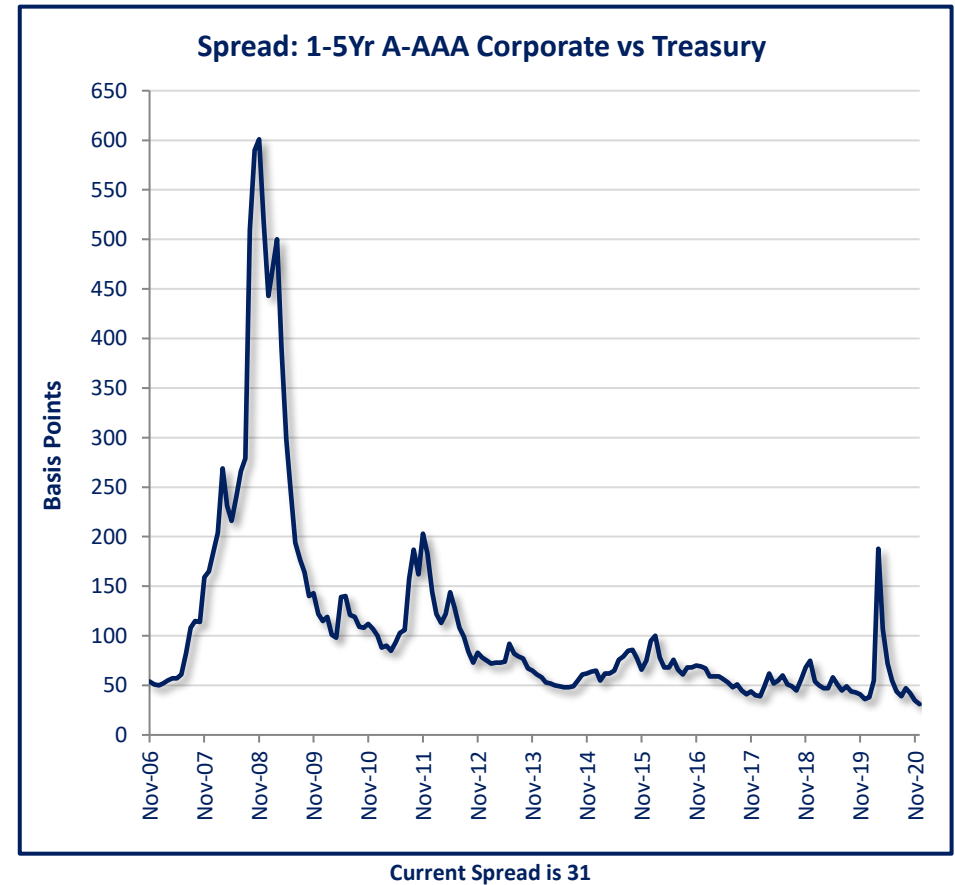


Source: Bloomberg

Economic and Market Update
12/31/20

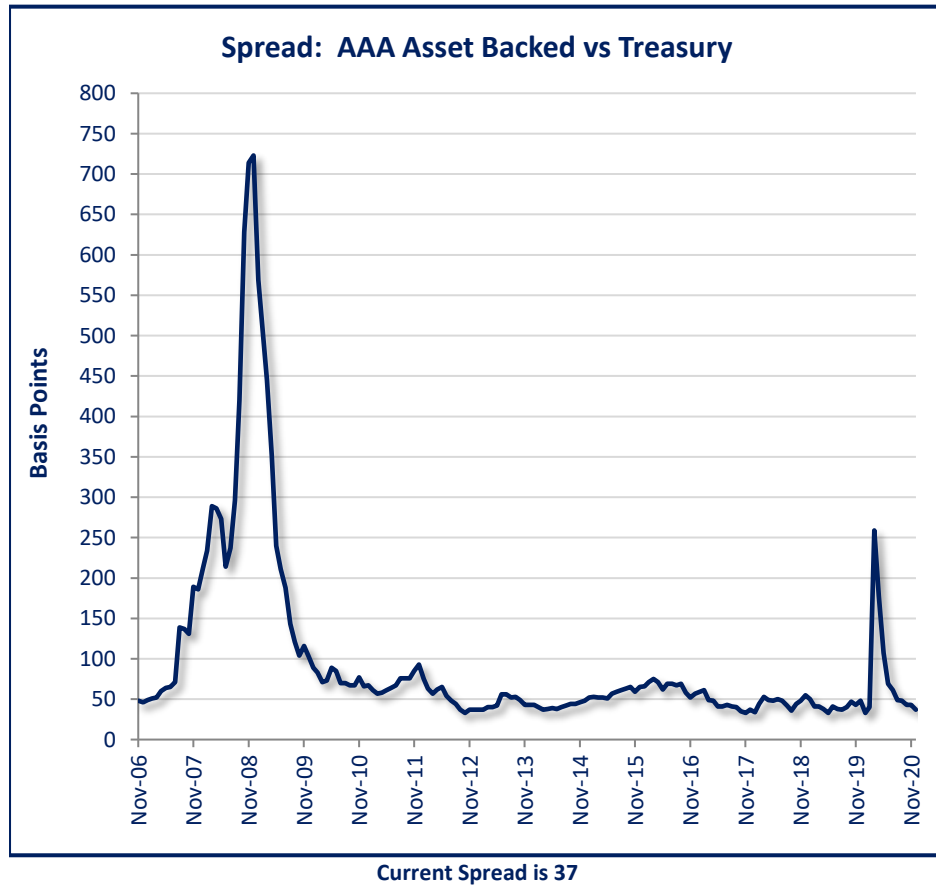


ICE BofAML Index (option adjusted spread vs. Treasury)
1-5Yr Non-Callable Agency (GVPB)

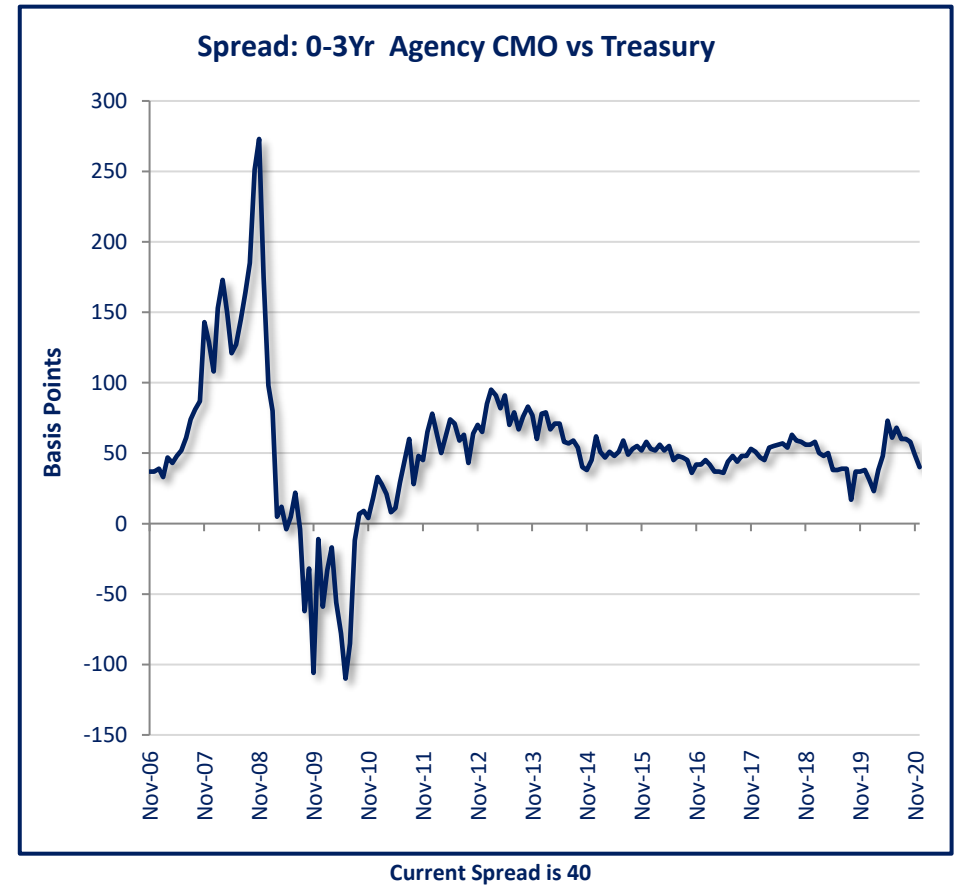


ICE BofAML Index (option adjusted spread vs. Treasury)
Corporate A-AAA Excluding Yankee (CVAC)

Source: ICE BofAML Indices



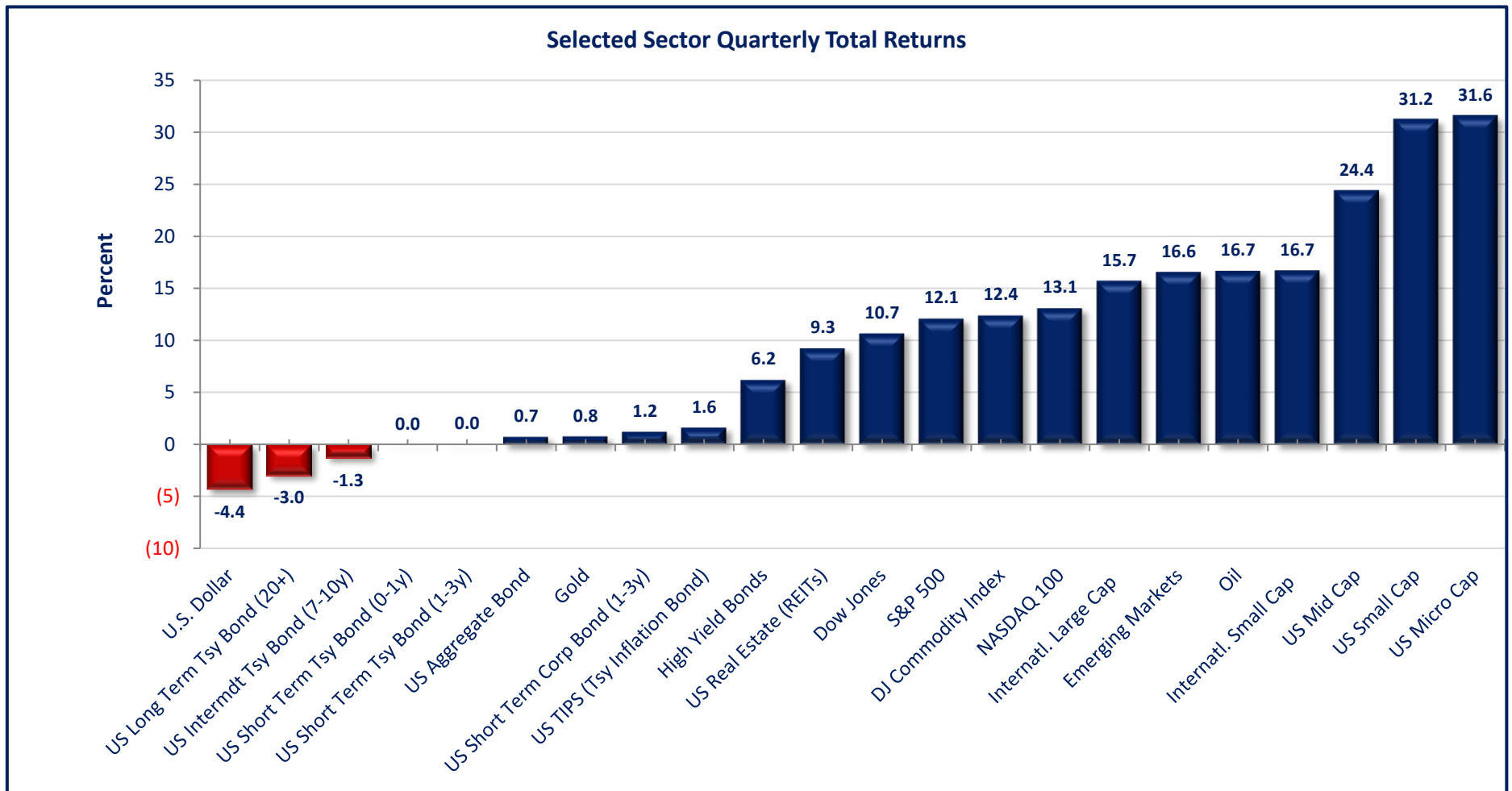
*ICE BofAML Index (option adjusted spread vs. Treasury)
AAA Rated ABS (ROA1)



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

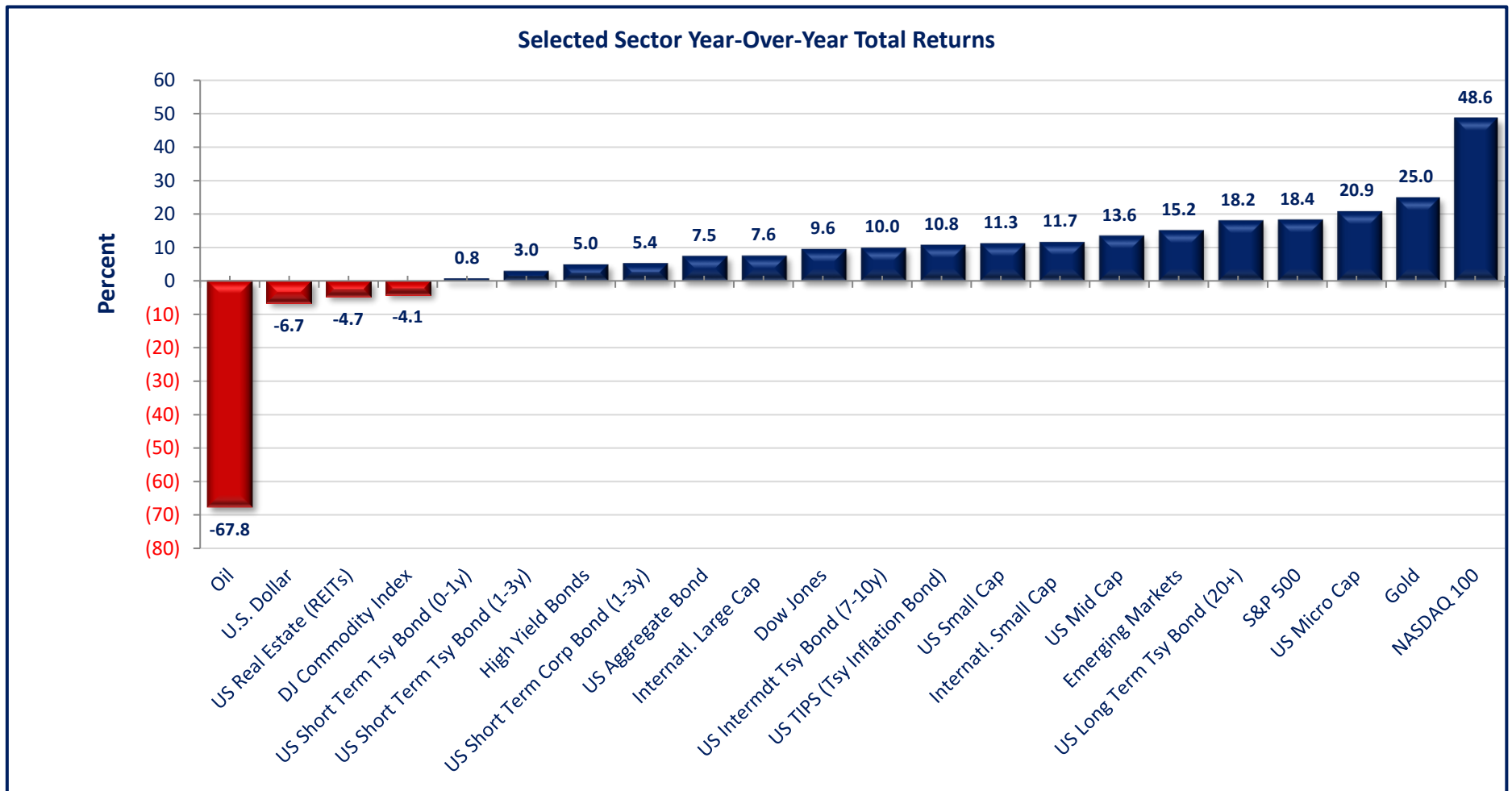
Source: ICE BofAML Indices

Economic and Market Update
12/31/20



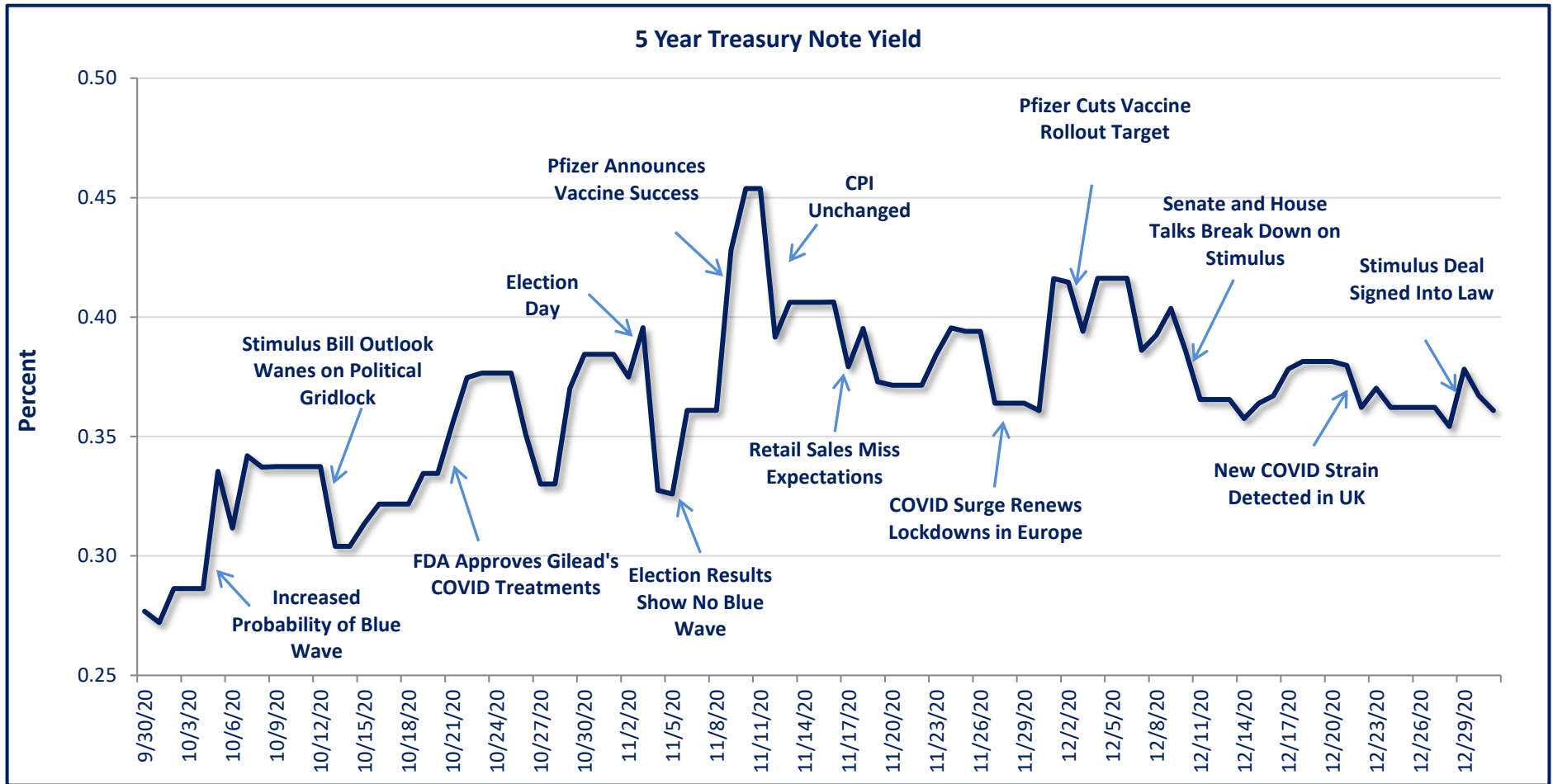
Source: Bloomberg

Economic and Market Update
12/31/20



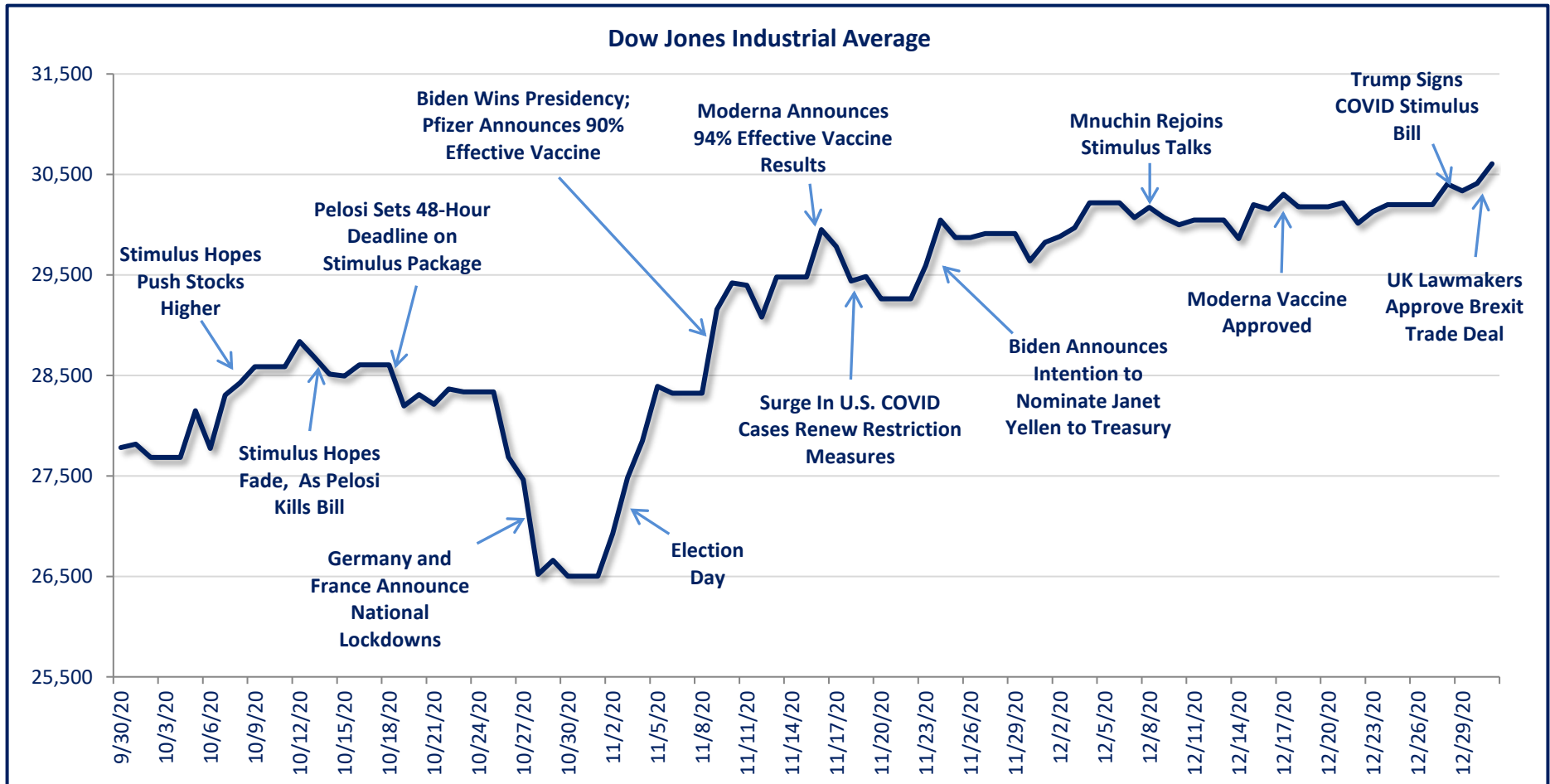
Source: Bloomberg

Economic and Market Update
12/31/20



Sources: Bloomberg, FHN Main Street

Economic and Market Update 12/31/20



Sources: Bloomberg, FHN Financial, FHN Main Street

Disclosure

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TREASURER'S REPORT

Redondo Beach

FY20/21 Q2




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 FHN 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
- Cash Flow Analysis
- Fiscal Impact
- Month-End Portfolio Book Yield
- Maturity Distribution
- Sector Allocation
- Historical Book Value
- Trading Activity



Key Investment Objectives for Municipal Investing

- ➔ **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: 1.68 Yrs
Liquidity: Less than 1 Year	At least 25% of the portfolio must have maturities of 1 year or less.	Yes: 38.1%
Liquidity: Less than 3 Years	At least 50% of the portfolio must have maturities of 3 years or less.	Yes: 83.5%
U.S. Treasuries	No limit, maximum maturity 5 years.	Yes: 5.3%
U.S. Federal Agencies	No limit, 40% issuer limit, maximum maturity 5 years.	Yes: 45.3%
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: \$15 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: 2.3%
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: 27.4%
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: 0.0 ¹⁰¹

FY 20-21 Performance

Market Value Comparison of Investment Portfolio Positions F.Y. 2020-2021

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
Investment Type		%		%				
Cash in Banks & Money Markets	\$10,855,843	*	\$10,000,681	*				
Local Agency Investment Fund	\$7,004,742	9.6%	\$15,028,642	19.7%				
Federal Agency Issues	\$34,598,183	47.2%	\$34,593,480	45.3%				
Commercial Paper	\$0	0.0%	\$0	0.0%				
Corporate Medium Term Notes	\$20,903,182	28.5%	\$20,915,171	27.4%				
Bank Certificates of Deposit	\$2,726,898	3.7%	\$1,734,986	2.3%				
Treasuries	\$8,053,427	11.0%	\$4,041,832	5.3%				
Total: Investment Portfolio	\$73,286,432	100.0%	\$76,314,111	100.0%				
Weighted Average Maturity (Yrs)	1.97		1.68					
Portfolio Effective Rate of Return (YTD)	2.10%		2.12%					
L.A.I.F. Yield	0.68%		0.54%					
Yield on Benchmark	1.74%		1.63%					
Interest earned YTD	\$430,578.83		\$815,051					
General Fund Contribution (49%)	\$210,984		\$399,375					102

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	

FY 18-19 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	104

Cash Flows Analysis

FY 20/21	Beginning Balance	Total Deposits/Credits	Total Debits	Ending Balance
July	9,193,009.23	\$23,528,048.48	\$23,528,048.48	7,913,069.20
August	7,913,069.20	\$10,009,273.89	\$7,982,154.30	9,940,188.79
September	9,940,188.79	\$8,253,651.97	\$7,337,997.37	10,855,843.39
October	\$10,855,843.39	\$7,451,740.98	\$12,962,556.95	\$5,345,027.42
November	\$5,345,027.42	\$12,176,643.35	\$8,498,011.06	\$9,023,659.71
December	\$9,023,659.71	\$26,407,972.95	\$25,430,951.43	\$10,000,681.23

- **July – PERS pre-payment Debit \$13,241,791**
- **December – Property Tax Credit approximately \$15,600,000**

Cash Flows – Cont'd

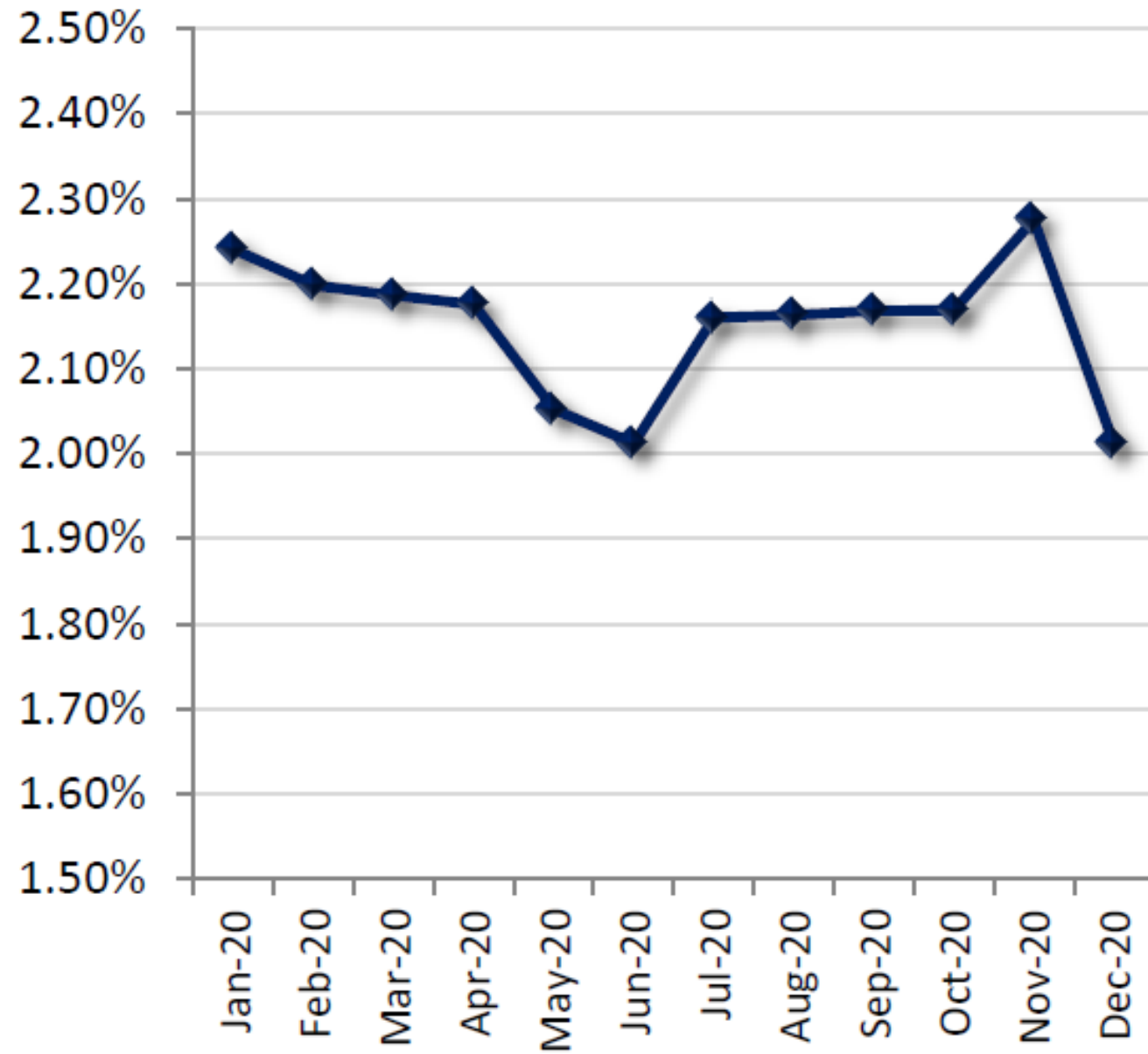
FY 19/20	Beginning Balance	Total Deposits/Credits	Total Debits	Ending Balance
July	\$9,062,598.34	\$15,624,340.18	\$21,337,116.12	\$3,349,822.40
August	\$3,349,822.40	\$18,074,954.67	\$14,802,686.45	\$6,622,090.62
September	\$6,622,090.62	\$10,501,708.65	\$9,119,393.45	\$8,004,405.82
October	\$8,004,405.82	\$10,929,920.13	\$10,076,473.35	\$8,857,852.60
November	\$8,857,852.60	\$9,193,252.52	\$11,930,110.80	\$6,120,994.32
December	\$6,120,994.32	\$26,348,587.27	\$22,048,098.57	\$10,421,483.02
January	\$10,421,483.02	\$19,783,662.93	\$18,341,170.44	\$11,863,975.51
February	\$11,863,975.51	\$9,279,586.90	\$13,674,658.98	\$7,468,903.43
March	\$7,468,903.43	\$8,312,068.31	\$10,474,639.15	\$5,306,332.59
April	\$5,306,332.59	\$22,277,715.90	\$18,898,100.20	\$18,898,100.20
May	\$18,898,100.20	\$11,103,888.10	\$21,736,914.69	\$8,265,073.61
June	\$8,265,073.61	\$9,646,267.42	\$8,718,331.80	\$9,193,009.23 ¹⁰⁶



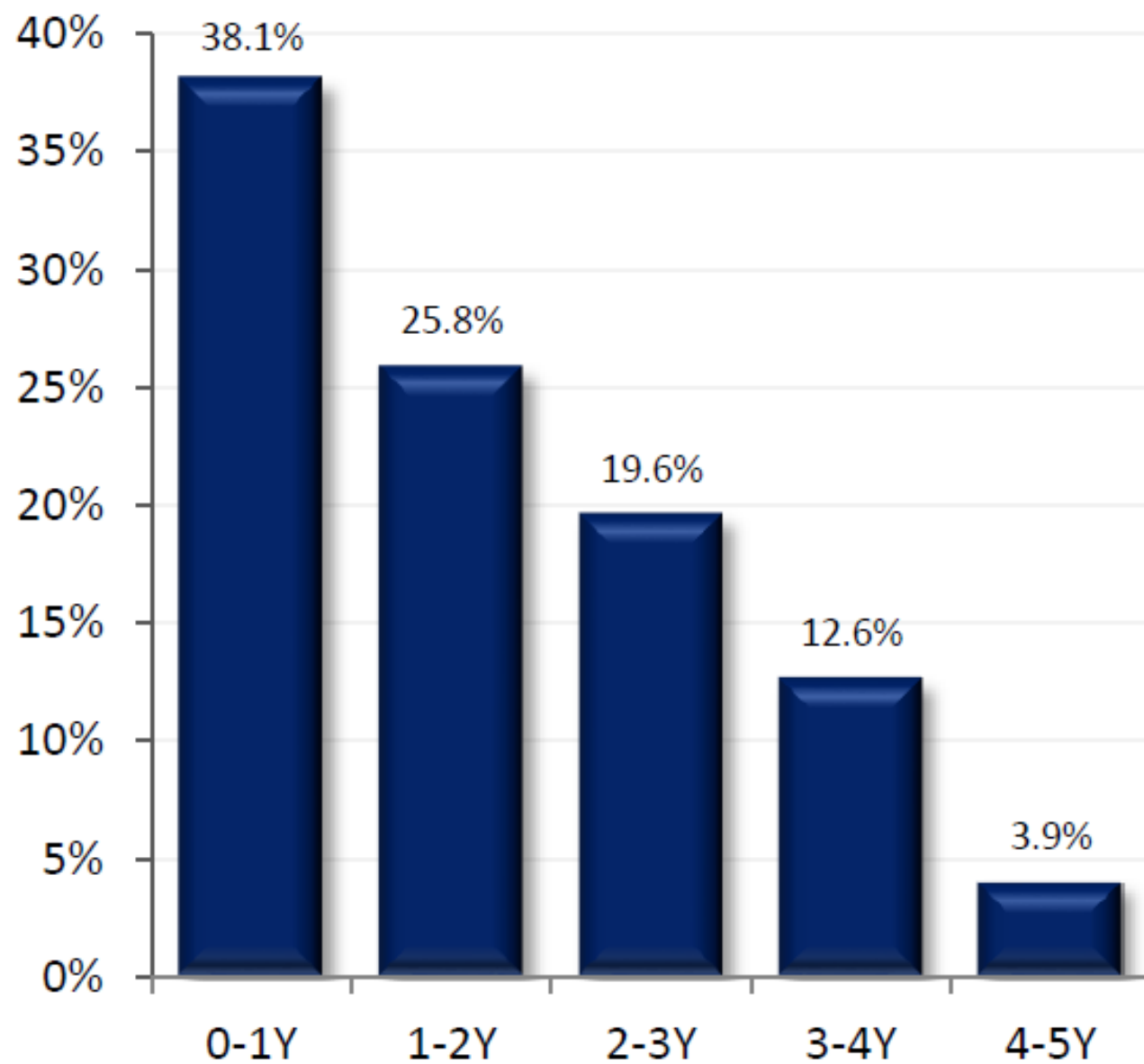
Fiscal Impact

- Interest earned year to date is \$815,051
- The General Fund contribution rate is 49%.
Approximately \$399,375 contributed to the general fund through investment activity.

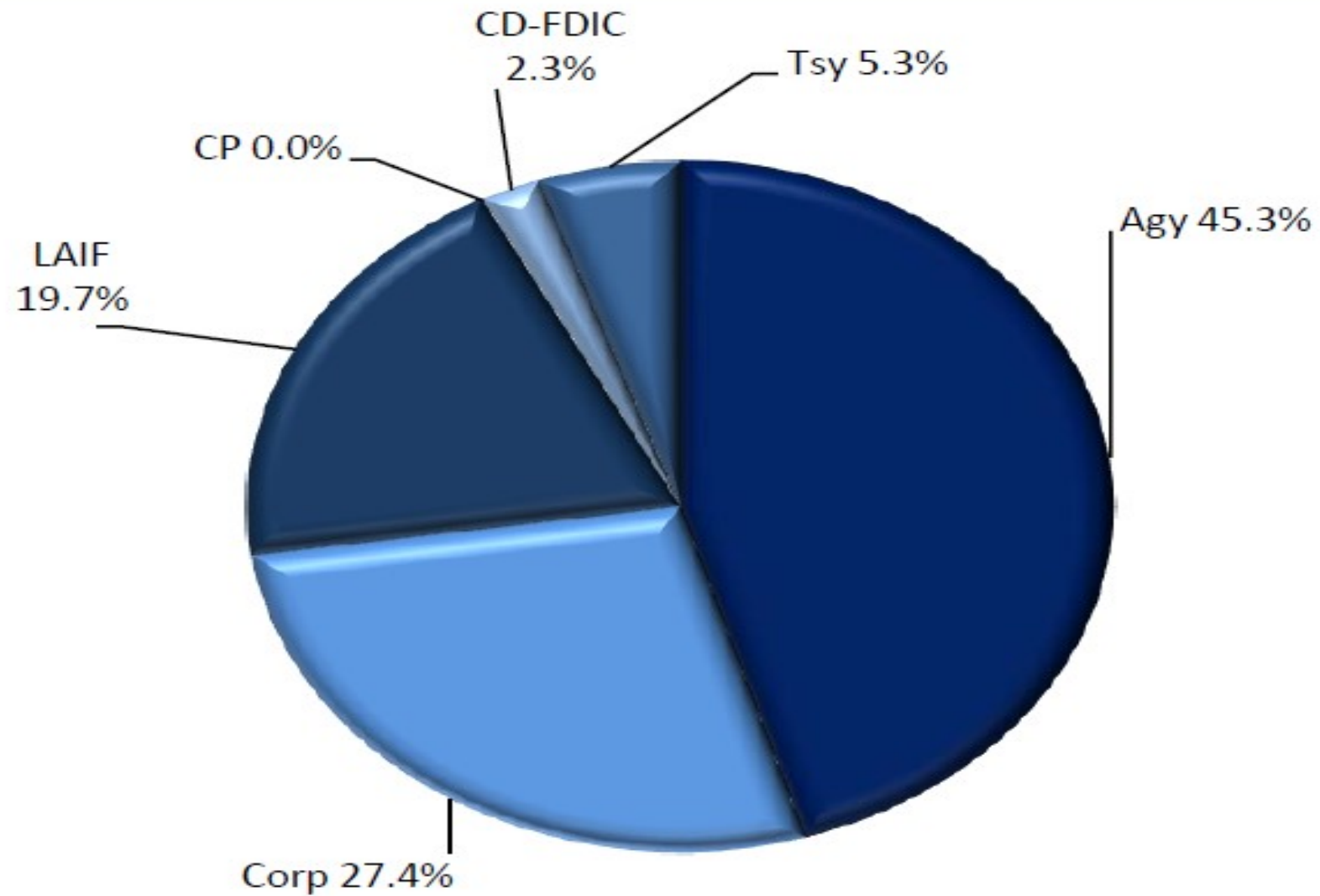
MONTH-END PORTFOLIO BOOK YIELD



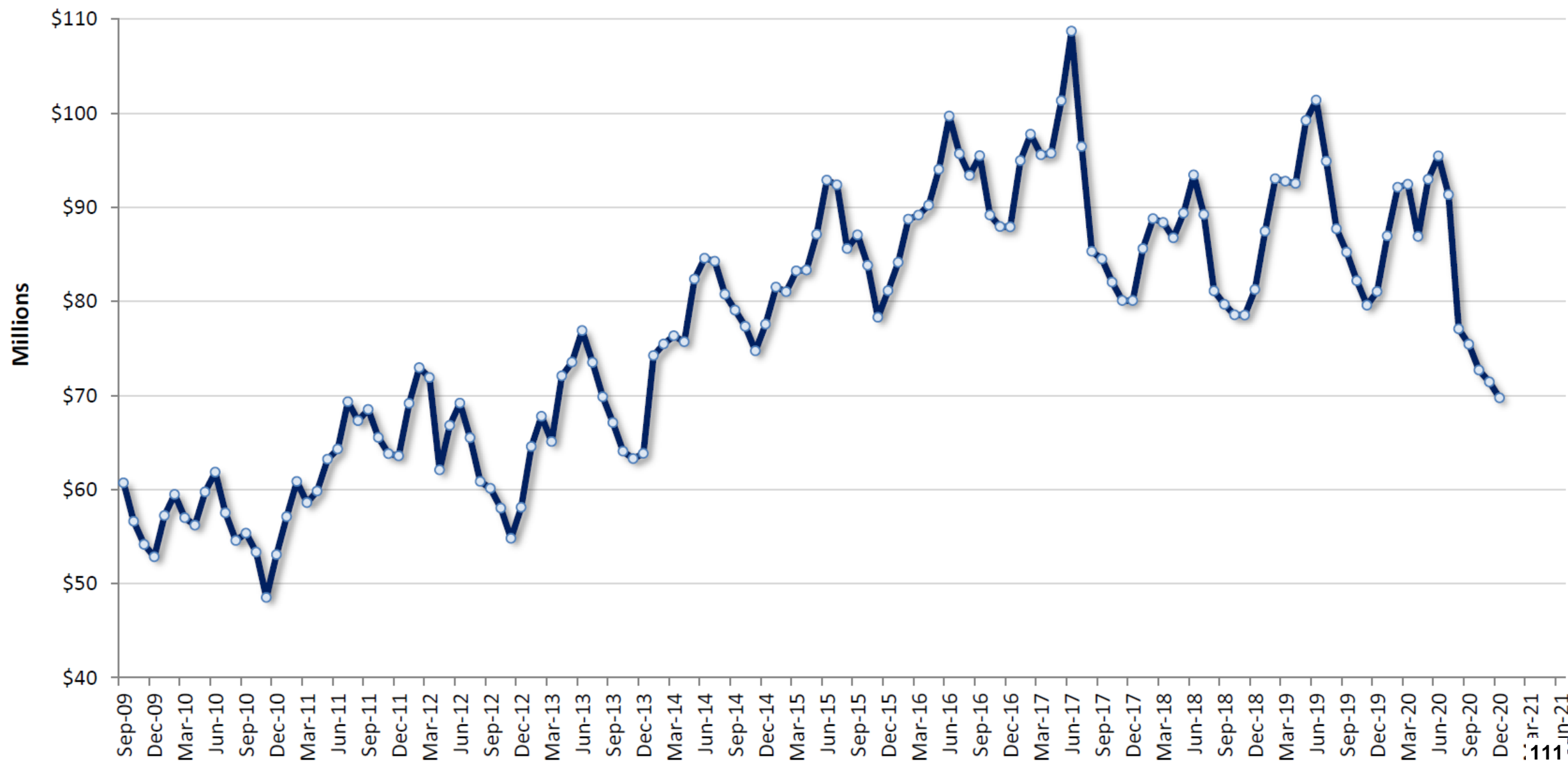
MATURITY DISTRIBUTION



SECTOR ALLOCATION



Historical Book Value

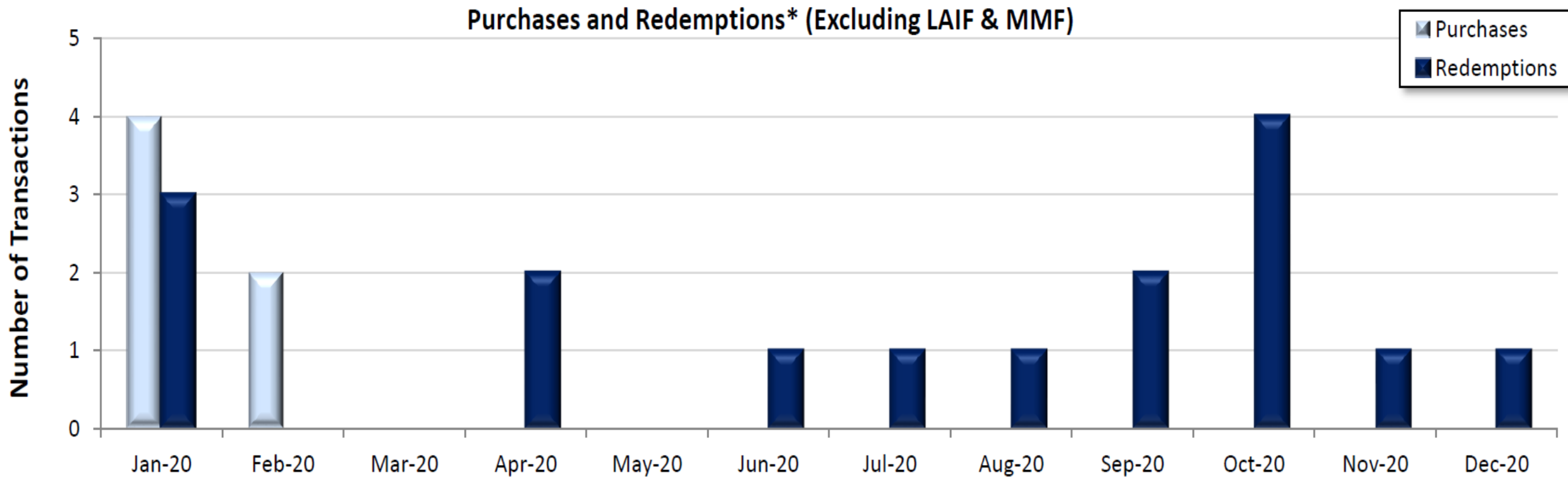


Historical Book Value by Fiscal Year

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Fiscal Year 2013	\$65.5	\$60.9	\$60.1	\$58.0	\$54.8	\$58.1	\$64.6	\$67.8	\$65.1	\$72.1	\$73.6	\$76.9
Fiscal Year 2014	\$73.5	\$69.8	\$67.1	\$64.1	\$63.3	\$63.8	\$74.2	\$75.5	\$76.3	\$75.7	\$82.4	\$84.6
Fiscal Year 2015	\$84.3	\$80.8	\$79.1	\$77.4	\$74.8	\$77.6	\$81.5	\$81.0	\$83.3	\$83.3	\$87.1	\$92.9
Fiscal Year 2016	\$92.4	\$85.6	\$87.1	\$83.8	\$78.3	\$81.2	\$84.2	\$88.7	\$89.2	\$90.2	\$94.0	\$99.7
Fiscal Year 2017	\$95.7	\$93.4	\$95.5	\$89.2	\$87.9	\$87.9	\$95.0	\$97.8	\$95.6	\$95.8	\$101.3	\$108.7
Fiscal Year 2018	\$96.5	\$85.3	\$84.5	\$82.0	\$80.1	\$80.1	\$85.6	\$88.8	\$88.4	\$86.8	\$89.4	\$93.4
Fiscal Year 2019	\$89.3	\$81.1	\$79.7	\$78.6	\$78.5	\$81.2	\$87.5	\$93.0	\$92.8	\$92.5	\$99.3	\$101.4
Fiscal Year 2020	\$94.9	\$87.7	\$85.2	\$82.2	\$79.6	\$81.1	\$87.0	\$92.1	\$92.5	\$86.9	\$93.0	\$95.5
Fiscal Year 2021	\$91.4	\$77.1	\$75.4	\$72.7	\$71.4	\$69.7						

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

TRADING ACTIVITY



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

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



Administrative Report

J.2., File # BF21-2069

Meeting Date: 2/11/2021

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

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING THE MIDYEAR BUDGET REPORT

EXECUTIVE SUMMARY

The midyear budget report will be provided to the Commission as a blue folder item.



Administrative Report

J.3., File # BF21-2068

Meeting Date: 2/11/2021

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 is 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 roles 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 is working to implement during FY 2020-21. In addition, because a draft ordinance to establish the Financial Services Department in the Municipal Code had already been written, the remaining work to ready it for a Mayor and City Council presentation was also included in the FY 2020-21 internal control measures to be addressed.

Changes to the implementation status listing since the Commission last reviewed it are as follows.

- While staff reviews are still in process for Item No. 1, a City Attorney review has been requested to determine if any conflicts with the City Charter exist. This has necessitated a revision to the expected completion date from February 16, 2021 to May 4, 2021.
- The expected completion date for Item No. 3 has been revised to March 31, 2021 to allow for the completion of Moss Adams' consideration of City staff's suggested edits.
- The expected completion date for Item No. 4 has been revised to June 30, 2021 to allow for the development of alternative recommendations by Moss Adams.

COORDINATION

As listed in the status update's "Departments" column, the Financial Services Department is working with the City Clerk and City Treasurer to complete these internal control measure tasks.

FISCAL IMPACT

Only completing the policies requires assistance from Moss Adams. This is being 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

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	May 4, 2021		An ordinance has been drafted. In conjunction with staff reviews which are in process, a City Attorney review to determine any possible conflicts with the City's Charter has been requested.
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. A script for the training video unique to the City of Redondo Beach has been written, and 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 progrm 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 anc active employees.	Yes	March 31, 2021		A first draft of the APP has been provided to the City by Moss Adams. Staff has prepared edits for consideration 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	June 30, 2021		A first draft of the APP has been provided to the City by Moss Adams, and the City has provided feedback to Moss Adams regarding recommendations that cannot be implemented with currently available information. Discussions with Moss Adams have begun regarding the development of alternate recommendations.
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	June 30, 2021		A training program will be developed upon completion of the APP update.
8	Moss Adams' Risk Assessment	The City's conflict of interest code and economic disclosure requirement does not include key individuals within the City. For example, the City's Purchasing Analyst is not required to submit annual economic interest disclosure forms.	Update the conflict of interest code and economic disclosure requirement to include all relevant individuals.	City Clerk / Financial Services	City Clerk	The City's conflict of interest code and economic disclosure requirement will be updated to include the Purchasing Analyst.	Yes	October 31, 2020	October 6, 2020	The City's conflict of interest code and economic disclosure requirement was updated to include the Purchasing Analyst.



Administrative Report

J.4., File # BF21-2065

Meeting Date:

To: BUDGET AND FINANCE COMMISSION

From: MARNI RUHLAND, FINANCE DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING CALPERS AND WORKERS' COMPENSATION SUBCOMMITTEE

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. When forming the subcommittee, the Commission agreed to monthly update reports. A verbal report will be provided at this evening's meeting.

COORDINATION

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

FISCAL IMPACT

None.