



AGENDA

**REGULAR MEETINGS OF THE SANTA FE SPRINGS
PUBLIC FINANCING AUTHORITY
WATER UTILITY AUTHORITY
HOUSING SUCCESSOR
SUCCESSOR AGENCY
AND CITY COUNCIL**

**November 24, 2020
6:00 P.M.**

VIA TELECONFERENCE

**Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor**

******GOVERNOR'S EXECUTIVE ORDER N-29-20****
REGARDING CORONAVIRUS COVID-19**

On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in California as a result of the threat of COVID-19. The Governor has issued Executive Orders that temporarily suspend requirements of the Brown Act, including allowing the City Council to hold public meetings via teleconferencing and to make public meetings accessible telephonically or otherwise electronically to all members of the public. Please be advised that, until further notice, City Council meetings will be held by teleconference. City Hall, including Council Chambers, is closed to the public.

You may attend the City Council meeting telephonically or electronically using the following means:

Electronically using Zoom: Go to Zoom.us and click on "Join A Meeting" or use the following link:

<https://zoom.us/j/521620472?pwd=U3cyK1RuKzY1ekVGZFdKQXNZVzh4Zz09>

Zoom Meeting ID: 521620472 Password: 659847

Telephonically: Dial: 888-475-4499 Meeting ID: 521620472

Public Participation: You may submit public comments in writing by sending them to the City Clerk at cityclerk@santafesprings.org. If you attend the meeting by telephone, you must submit a public comment in writing to be heard. To ensure that they are received for the meeting, please submit your written comments prior to 4:00 p.m. on the day of the City Council meeting. You may also contact the City Clerk's Office at (562) 868-0511 ext. 7314.

1. CALL TO ORDER

2. ROLL CALL

Annette Rodriguez, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
John M. Mora, Mayor Pro Tem
William K. Rounds, Mayor

- 3. PUBLIC COMMENTS** *This is the time when comments may be made by citizens on matters under the jurisdiction of the City Council, on the agenda and not on the agenda. Each citizen is limited to three (3) minutes.*

PUBLIC FINANCING AUTHORITY

4. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Public Financing Authority.

- a. Minutes of the October 22, 2020 Public Financing Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA) (Finance)

Recommendation:

- Receive and file the report.

WATER UTILITY AUTHORITY

5. CONSENT AGENDA

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Water Utility Authority.

- a. Minutes of the October 22, 2020 Water Utility Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

Recommendation:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

Recommendation:

- Receive and file the report.

NEW BUSINESS

6. California Water and Wastewater Agency Response Network (CalWARN) – Approval to Join (Public Works)

Recommendation:

- Approve enrollment in CalWARN;
- Designate the City Manager to be the Authorized Official to sign the 2007 Omnibus Mutual Assistance Agreement; and
- Appoint the City Manager as the Authorized Representative Emergency Contact.

HOUSING SUCCESSOR

7. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Housing Successor.

Minutes of the October 22, 2020 Housing Successor Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

NEW BUSINESS

8. License Agreement to Temporary Use Housing Successor – Owned Land

Consideration of a License Agreement with the Los Angeles County Chief Executive Office for the temporary use of a Housing Successor-owned 3.9± acre property, located at 13231 Lakeland Road (APN: 8011-012-902), to be utilized for the County's Registrar Recorder/County Clerk's election parking needs.

Recommendation:

- Authorize the Mayor or designee to execute the License Agreement and other related documents to effectuate the temporary use of the subject property pursuant to the terms and conditions contained therein.

SUCCESSOR AGENCY

9. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the Successor Agency.

Minutes of the October 22, 2020 Successor Agency Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

CITY COUNCIL

10. **CONSENT AGENDA**

Consent Agenda items are considered routine matters which may be enacted by one motion and vote. Any item may be removed from the Consent Agenda and considered separately by the City Council.

- a. Minutes of the October 22, 2020 Regular City Council Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Quarterly Treasure's Report of Investments for the Quarter Ended September 30, 2020 (Finance)

Recommendation:

- Receive and file the report.

NEW BUSINESS

11. Fiscal Year 2019-2020 Preliminary Year-End Review (Finance)

Recommendation:

- Authorize the following transfers from the Fiscal Year (FY) 2019-20 increase in available General Fund balance (approximately \$12.0 million) to the following reserves and/or funds:
 - \$6.0 million (50%) of available balance to the Unfunded Liability Reserve
 - \$2.0 million (17%) of available balance to the Capital Improvement Program (CIP) Fund
 - \$1.2 million (10%) of available balance to the Economic Contingency Reserve
 - \$1.0 million (8%) of available balance to the Equipment Replacement Fund
 - \$600,000 (5%) of available balance to the Employee Benefits Fund for Compensated Absences liability
 - Allocate remaining available balance (anticipated to be \$1.2 million or 10%) to the unassigned fund balance
- Authorize the transfer of the FY 2019-20 increase in available Water Fund balance to the Water CIP Reserve Fund (approximately \$1.0 million).

12. Adopt Resolution No. 9699 Making a Finding as to the Industrial Disability of Michael Yule (Finance)

Recommendation:

- Adopt Resolution No. 9699 making a finding as to the industrial disability of Michael Yule.

13. **CITY MANAGER'S AND EXECUTIVE TEAM REPORTS**

14. **COUNCIL COMMENTS**

CLOSED SESSION

15. THREAT TO PUBLIC SERVICES OR FACILITIES

(Pursuant to California Government Code Section 54957)

Consultation with: Fire Chief, Police Chief and Captain, Director of Police Services, City Attorney

16. ADJOURNMENT

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

I, Janet Martinez, City Clerk for the City of Santa Fe Springs, do hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; city's website at www.santafesprings.org; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC, City Clerk

November 19, 2020
Date Posted

FOR ITEM NO. 4A
PLEASE SEE ITEM NO. 10A



CONSENT CALENDAR

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA)

RECOMMENDATION

Receive and file the report.

BACKGROUND

The Santa Fe Springs Public Financing Authority (PFA) is a City entity that has periodically issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the PFA.

Consolidated Redevelopment Project 2006-A Tax Allocation Bonds

Financing proceeds available for appropriation at 10/31/2020

None

Outstanding principal at 10/31/2020

\$41,001,082

Bond Repayment

The former Community Development Commission (CDC) issued a number of tax allocation bonds before it was dissolved by State law effective February 1, 2012 which are administered by the City acting as Successor Agency under the oversight of the appointed Oversight Board. The Successor Agency no longer receives tax increment. Instead, distributions from the Redevelopment Property Tax Trust Fund (RPTTF) are received based on approved obligations. It is anticipated that sufficient allocations from the RPTTF will continue to be made to the Successor Agency to meet ongoing debt service obligations.

Unspent Bond Proceeds

Under an approved Bond Expenditure Agreement, unspent bond proceeds of the former CDC in the amount of approximately \$19 million were transferred to the City in July 2014. The funds are to be spent in accordance with the original bond documents. The unspent proceeds continue to be a source of funding within the City's capital improvement program (CIP).

2016 Bond Refunding

In July 2016, the Successor Agency issued its 2016 Tax Allocation Refunding Bonds, which paid off several bond issuances of the former CDC. The bonds were originally issued through the Public Financing Authority and included the 2001 Series A, 2002 Series A, 2003 Series A, the current interest portion of the 2006 Series A, and 2006 Series B bond issuances.

2017 Bond Refunding

In December 2017, the Successor Agency issued its 2017 Tax Allocation Refunding Bonds, which paid off the 2007 Tax Allocation Bonds of the former CDC. The 2007 Bonds were originally issued through the Public Financing Authority.



Raymond R. Cruz
City Manager/Executive Director

FOR ITEM NO. 5A
PLEASE SEE ITEM NO. 10A



CONSENT CALENDAR

Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA)

RECOMMENDATION

Receive and file the report.

BACKGROUND

The Santa Fe Springs Water Utility Authority (WUA) is a City entity that has issued debt for the benefit of the Santa Fe Springs community. The following is a brief status report on the debt instruments currently outstanding that were issued through the WUA.

Water Revenue Bonds, 2013

Financing proceeds available for appropriation at 10/31/2020	None
Outstanding principal at 10/31/20	\$6,890,000

Water Revenue Bonds, 2018

Financing proceeds available for appropriation at 10/31/2020	None
Outstanding principal at 10/31/2020	\$1,225,000

In May 2013 the Water Utility Authority issued the 2013 Water Revenue Bonds in the amount of \$6,890,000. The bonds refunded the existing 2003 Water Revenue Bonds (issued through the Public Financing Authority) and provided additional funds for water improvement projects in the amount of \$2,134,339. The funds were restricted for use on water system improvements. In August 2013 the Water Utility Authority Board appropriated the proceeds for the Equipping Water Well No. 12 Project and all proceeds were since used on this project.

In January 2018 the Water Utility Authority issued the 2018 Water Revenue Bonds in the amount of \$1,800,000. The bonds refunded the existing 2005 Water Revenue Bonds (issued through the Public Financing Authority). No additional funds were raised through the issuance of the 2018 Water Revenue Bonds.

The City budget includes sufficient appropriations and adequate revenues are expected to be collected to meet the debt service obligations associated with the 2013 and 2018 Water Revenue Bonds.

The WUA was formed in June of 2009. Water revenue bonds issued prior to this date were issued through the City of Santa Fe Springs Public Financing Authority.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", with a stylized flourish at the end.

Raymond R. Cruz
City Manager/Executive Director



City of Santa Fe Springs

Water Utility Authority Meeting

ITEM NO. 5C

November 24, 2020

CONSENT AGENDA

Status Update of Water-Related Capital Improvement Projects

RECOMMENDATION

- Receive and file the report.

BACKGROUND

This report is for informational purposes only. The following is a listing of current active water projects.

WHITTIER WATER CONNECTION PROJECT

The bid opening for this project was on August 11, 2020, and the Water Utility Authority awarded the contract to 316 Engineering and Construction, based in Rosemead, California. Staff from both Cities of Santa Fe Springs and Whittier have reviewed and approved the materials and components submitted by the contractor. Construction on the project is set to begin on December 1, 2020. This project will increase capacity from 1,800 gpm to over 4,000 gpm that Santa Fe Springs could receive from the City of Whittier, and will therefore lessen the reliance on the more costly water from the Metropolitan Water District.

FISCAL IMPACT

The Whittier Water Connection Project is fully funded by the Water Capital Improvement Plan fund.

INFRASTRUCTURE IMPACT

The Whittier Water Connection Project will increase the water capacity available to the City and reduce the dependency on the current connection with the Metropolitan Water District.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
Executive Director

Attachments:

None

Report Submitted By:

Noe Negrete
Director of Public Works

A handwritten signature in blue ink, appearing to read "Noe Negrete".

Date of Report: November 19, 2020



City of Santa Fe Springs

Water Utility Authority

ITEM NO. 6

November 24, 2020

NEW BUSINESS

California Water and Wastewater Agency Response Network (CalWARN) - Approval to Join

RECOMMENDATION

- Approve enrollment in CalWARN;
- Designate the City Manager to be the Authorized Official to sign the 2007 Omnibus Mutual Assistance Agreement; and
- Appoint the City Manager as the Authorized Representative Emergency Contact.

BACKGROUND

The California Water/Wastewater Agency Response Network (CalWARN) enables water and wastewater agencies in California to enter into a contractual relationship under which they voluntarily share resources during an emergency. CalWARN was developed to support and promote statewide emergency preparedness, disaster response, and mutual assistance matters for public and private water and wastewater utilities. CalWARN provides member utilities with a standard mutual assistance agreement and process for sharing emergency resources among members. CalWARN provides a mutual assistance program consistent with other statewide mutual aid programs, the Standardized Emergency Management System (SEMS), and the National Incident Management System (NIMS); and resources to respond and recover more quickly from a disaster or emergency.

LEGAL REVIEW

The City Attorney has reviewed the California Water/Wastewater Agency Response Network (CalWARN) 2007 Omnibus Mutual Assistance Agreement and Articles of Agreement.

FISCAL IMPACT

There is no cost to join CalWARN. If the City uses resources of a participating agency during times of local emergency, the City would reimburse the lending agency for payroll and/or expenses. Conversely, if City resources were used, the City would be reimbursed.

INFRASTRUCTURE IMPACT

None.

A handwritten signature in blue ink, appearing to read "Raymond R. Cruz", is written over a horizontal line.

Raymond R. Cruz
Executive Director

Attachment(s):

Attachment No. 1: Articles of Agreement

Attachment No. 2: 2007 Omnibus Mutual Assistance Agreement

Report Submitted By:

Noe Negrete
Director of Public Works

Handwritten initials in blue ink, possibly "MN", are written next to the date.

Date of Report: November 19, 2020

1 Health, or associations, who are members of the Regional or State Steering Committees
2 and do not officially sign the WARN agreement.

- 3
- 4 E. **Confidential Information** - Any document shared with any signatory to this Agreement that
5 is marked confidential, including but not limited to any map, report, notes, papers, opinion,
6 or e-mail which relates to the system vulnerabilities of a Member or Associate Member.
7
- 8 F. **Non-Responding Member** - A Member that does not provide assistance during a Period of
9 Assistance under the Mutual Aid and Assistance Program.
- 10
- 11 G. **Requesting Member** - A Member who requests assistance under the Mutual Aid and
12 Assistance Program.
- 13
- 14 H. **Responding Member** - A Member that responds to a request for assistance under the
15 Mutual Aid and Assistance Program.
- 16
- 17 I. **Period of Assistance** - A specified period of time when a Responding Member assists a
18 Requesting Member. The period commences when personnel, equipment, or supplies
19 depart from Responding Member's facility and ends when the resources return to their
20 facility (portal to portal). All protections identified in the Agreement apply during this period.
21 The specified Period of Assistance may occur during response to or recovery from an
22 Emergency.
- 23
- 24 J. **National Incident Management System (NIMS)** - A national, standardized approach to
25 incident management and response that sets uniform processes and procedures for
26 emergency response operations.
- 27
- 28 K. **Standardized Emergency Management System (SEMS)** - A standardized approach to
29 field command and jurisdictional management and response set forth by State of California
30 Code of Regulations for multi-agency or multi-jurisdictional response to an emergency.
31

32

33 **ARTICLE III.**
34 **ADMINISTRATION**

35

36 The administration of the Water/Wastewater Agency Response Network (WARN) will be
37 through WARN Regional Steering Committees (RSC) and the WARN State Steering Committee
38 (SSC).
39

40 The WARN RSCs will be established by representatives from the Members in that region. A
41 chair and co-chair will be elected and act as administrators for that region. The chair will
42 represent the region on the WARN SSC. Each WARN RSC will sponsor an annual meeting for
43 Members, maintain a data base of all water and wastewater utilities who have signed this
44 Agreement, and meet as a committee to address concerns and procedures for requesting
45 mutual assistance in that region. The regions will be comprised of one or more of the six Office
46 of Emergency Services (OES) mutual aid regions.
47

48 The WARN SSC will include the chairs of the regional steering committees, and a
49 representative from the California Department of Public Health (CDPH), California Utilities
50 Emergency Association (CUEA), Department of Water Resources (DWR), the American Water
51 Works Association (AWWA) Emergency Planning Committee, California Rural Water

1 Association (CRWA) and California Sanitation Risk Management Authority (CSRMA). The SSC
2 will identify a Chair for the purpose of leading the SSC and act as a point of contact for the
3 WARN SSC. At a minimum, the WARN SSC will meet annually and issue a list of participating
4 utilities. The database will be maintained on the WARN website, managed by a volunteer
5 Member, as appointed by the SSC.
6
7

8 **ARTICLE IV.** 9 **PROCEDURES**

- 10
11 A. In coordination with the Regional Steering Committees, emergency management and public
12 health system of the state, the State Steering Committee shall develop operational and
13 planning procedures for the Mutual Aid and Assistance Program. These procedures shall
14 be consistent with the Standardized Emergency Management System (SEMS) and the
15 National Incident Management System (NIMS), reviewed at least annually and updated as
16 needed by the State Steering Committee.
17
18 B. Requests for emergency assistance under this Agreement shall be directed to the
19 appropriate Authorized Official(s) from the list of Members.
20
21 C. Consistent with SEMS, when more than one County is impacted by a disaster, requests for
22 mutual assistance under this Agreement may be channeled through the CUEA Utility
23 Operation Center to ensure maximum effectiveness in allocating resources to the highest
24 priority needs.
25
26

27 **ARTICLE V.** 28 **REQUESTS FOR ASSISTANCE**

29
30 In general, assistance will be in the form of resources, such as equipment, supplies, and
31 personnel. Assistance shall be given only when Responding Member determines that its own
32 needs can be met while rendering assistance. The execution of this Agreement shall not create
33 any duty to respond on the part of any party hereto. A potential Responding Member shall not
34 be held liable for failing to provide assistance. A potential Responding Member has the
35 absolute discretion to decline to provide any requested assistance.
36

- 37 A. **Member Responsibility** - Members shall identify an Authorized Official and alternates;
38 provide contact information including 24-hour access; and maintain resource information
39 made available by the utility for mutual aid and assistance response, as allowed by utility
40 policy. Such information shall be updated annually or as changes occur (whichever is
41 sooner), provided to the State Steering Committee, and uploaded into the statewide
42 database.
43
44 B. **Member Request** - In the event of an Emergency, a Member's Authorized Official may
45 request mutual aid and assistance from a participating Member. Requests for assistance
46 can be made orally or in writing. When made orally, the request for personnel, equipment,
47 and supplies shall also be prepared in writing and submitted to the participating Member as
48 soon as practicable. Requests for assistance shall be directed to the Authorized Official of
49 the participating Member. Specific protocols for requesting aid shall be provided in the
50 procedures developed under Article IV.
51

- 1 C. **Response to a Request for Assistance** – Members are not obligated to respond to a
2 request. After a Member receives a request for assistance, the Authorized Official evaluates
3 whether or not to respond, whether resources are available to respond, or if other
4 circumstances would hinder response. Following the evaluation, the Authorized
5 Representative shall inform, as soon as possible, the Requesting Member whether it will
6 respond. If the Member is willing and able to provide assistance, the Member shall inform
7 the Requesting Member about the type of available resources and the approximate arrival
8 time of such assistance.
9
- 10 D. **Discretion of Responding Member's Authorized Official** – Execution of this Agreement
11 does not create any duty to respond to a request for assistance. When a Member receives
12 a request for assistance, the Authorized Official shall have sole and absolute discretion as to
13 whether or not to respond, or the availability of resources to be used in such response. An
14 Authorized Member's decisions on the availability of resources shall be final.
15

16
17 **ARTICLE VI.**
18 **RESPONSE COORDINATION**
19

20 When providing assistance under this Agreement, the Requesting Member and Responding
21 Member shall be organized and shall function under the Standard Emergency Management
22 System and National Incident Management System protocols and procedures.
23

- 24 A. **Personnel** – Responding Member retains right to identify the employees who are willing
25 to participate and the resources that are available.
26
- 27 B. **Control** – While employees so provided may be under the supervision of the
28 Responding Member, the Responding Member's employees come under the direction
29 and control of the Requesting Member, consistent with the NIMS Incident Command
30 System to address the needs identified by the Requesting Member. The Requesting
31 Member's Authorized Official shall coordinate response activities with the designated
32 supervisor(s) of the Responding Member(s). Whenever practical, Responding
33 Member personnel must be self sufficient for up to 72 hours. The Responding Member's
34 designated supervisor(s) must keep accurate records of work performed by personnel
35 during the specified Period of Assistance.
36
- 37 C. **Food and Shelter** – When possible, the Requesting Member shall supply reasonable food
38 and shelter for Responding Member personnel. If the Requesting Member is unable to
39 provide food and shelter for Responding Member personnel, the Responding Member's
40 designated supervisor is authorized to secure the resources necessary to meet the needs of
41 its personnel. Except as provided below, the cost for such resources must not exceed the
42 State per diem rates for that area. To the extent Food and Shelter costs exceed the State
43 per diem rates for the area, the Responding Member must demonstrate that the additional
44 costs were reasonable and necessary under the circumstances. Unless otherwise agreed
45 to in writing, the Requesting Member remains responsible for reimbursing the Responding
46 Member for all reasonable and necessary costs associated with providing food and shelter,
47 if such resources are not provided.
48
- 49 D. **Communication** – The Requesting Member shall provide Responding Member personnel
50 with radio equipment as available, or radio frequency information to program existing radio,
51 in order to facilitate communications with local responders and utility personnel.

- 1
2 E. **Status** - Unless otherwise provided by law, the Responding Member's officers and
3 employees retain the same privileges, immunities, rights, duties and benefits as provided in
4 their respective jurisdictions.
5
6 F. **Licenses and Permits** – To the extent permitted by law, Responding Member personnel
7 who hold licenses, certificates, or permits evidencing professional, mechanical, or other
8 skills shall be allowed to carry out activities and tasks relevant and related to their respective
9 credentials during the specified Period of Assistance.
10
11 G. **Right to Withdraw Resources** - The Responding Member's Authorized Official retains the
12 right to withdraw some or all of its resources at any time for any reason in the Responding
13 Member's sole and absolute discretion. Notice of intention to withdraw must be
14 communicated to the Requesting Member's Authorized Official as soon as soon as is
15 practicable under the circumstances.
16
17

18 **ARTICLE VII.**
19 **COST REIMBURSEMENT**
20

21 Unless otherwise mutually agreed in whole or in part by both parties, the Requesting Member
22 shall reimburse the Responding Member for each of the following categories of costs incurred
23 while providing aid and assistance during the specified Period of Assistance.
24

- 25 A. **Personnel** – Responding Member will make such employees as are willing to
26 participate available to Requesting Member at Requesting Member's expense equal to
27 Responding Member's full cost, i.e., equal to the employee's applicable salary or hourly
28 wage plus fringe benefits and overhead, and consistent with Responding Member's
29 collective bargaining agreements or other conditions of employment. All costs incurred
30 for work performed during the specified Period of Assistance will be included. The
31 Requesting Member shall be responsible for all direct and indirect labor costs.
32
33 B. **Equipment** – Use of equipment, such as construction equipment, vehicles, tools, pumps
34 and generators, shall be at Responding Member's current equipment rate and subject to the
35 following conditions: The Requesting Member shall reimburse the Responding Member for
36 the use of equipment during the specified Period of Assistance, including, but not limited to,
37 reasonable rental rates, all fuel, lubrication, maintenance, transportation, and
38 loading/unloading of loaned equipment. All equipment shall be returned to the Responding
39 Member as soon as is practicable and reasonable under the circumstances.
40 (a) At the option of Responding Member, equipment may be provided with an
41 operator.
42 (b) Equipment shall be returned to Responding Member within 24 hours after receipt
43 of an oral or written request for return.
44 (c) Requesting Member shall, at its own expense, supply all fuel, lubrication and
45 maintenance for furnished equipment.
46 (d) Responding Member's cost related to the transportation, handling and
47 loading/unloading of equipment shall be chargeable to Requesting Member.
48 (e) In the event equipment is damaged while being dispatched to Requesting Member,
49 or while in the custody and use of Requesting Member, Requesting Member shall
50 reimburse Responding Member for the reasonable cost of repairing said damaged
51 equipment. If the equipment cannot be repaired, then Requesting Member shall

1 reimburse Responding Member for the cost of replacing such equipment with
2 equipment that is of at least equal capability as determined by the Responding
3 Member. If Responding Member must lease a piece of equipment while Requesting
4 Member equipment is being repaired or replaced, Requesting Member shall
5 reimburse Responding Member for such lease costs.
6

7 C. **Materials and Supplies** – Requesting Member shall reimburse Responding Member in
8 kind or at actual replacement cost, plus handling charges, for use of expendable or non-
9 returnable supplies. Other supplies and reusable items that are returned to Responding
10 Member in a clean, damage-free condition shall not be charged to the Requesting
11 Member and no rental fee will be charged; otherwise, they shall be treated as
12 expendable supplies. Supplies that are returned to the Responding Member with
13 damage must be treated as expendable supplies for purposes of cost reimbursement.
14

15 D. **Payment Period** – The Responding Member shall provide an itemized bill to the Requesting
16 Member for all expenses incurred by the Responding Member while providing assistance
17 under this Agreement. The Requesting Member shall send the itemized bill not later than
18 (90) ninety days following the end of the Period of Assistance. The Responding Member
19 may request additional periods of time within which to submit the itemized bill, and
20 Requesting Member shall not unreasonably withhold consent to such request. The
21 Requesting Member agrees to reimburse the Responding Member within 60 days from
22 receipt of an invoice for assistance provided under this Agreement. The Requesting
23 Member may request additional periods of time within which to pay the itemized bill, and
24 Responding Member shall not unreasonably withhold consent to such request, provided,
25 however, that all payment shall occur not later than one-year after the date a final itemized
26 bill is submitted to the Requesting Member.
27

28 E. **Records** - Each Responding Member and its duly authorized representatives shall have
29 access to a Requesting Member's books, documents, notes, reports, papers and records
30 which are directly pertinent to this Agreement for the purposes of reviewing the accuracy of
31 a cost bill or making a financial, maintenance or regulatory audit. Each Requesting Member
32 and its duly authorized representatives shall have access to a Responding Member's books,
33 documents, notes, reports, papers and records which are directly pertinent to this
34 Agreement for the purposes of reviewing the accuracy of a cost bill or making a financial,
35 maintenance or regulatory audit. Such records shall be maintained for at least three (3)
36 years or longer where required by law and as needed for federal reimbursement practices.
37
38

39 **ARTICLE VIII.**

40 **ARBITRATION**

41

42 If any controversy or claim arises out of, or relates to, the Agreement, including, but not limited
43 to an alleged breach of the Agreement, the disputing Members shall first attempt to resolve the
44 dispute by negotiation, followed by mediation and finally shall be settled by arbitration in
45 accordance with the Rules of the American Arbitration Association. Judgment on the award
46 rendered by the arbitrator(s) may be entered in any court having jurisdiction.
47
48

1 **ARTICLE IX.**
2 **REQUESTING MEMBER'S DUTY TO INDEMNIFY**
3

4 Pursuant to Government Code Section 895.4, and subject to Article X, Requesting Member
5 shall assume the defense of, fully indemnify and hold harmless Responding Member, its
6 Directors, Council Members, Supervisors, officers and employees, from all claims, loss,
7 damage, injury and liability of every kind, nature and description, directly or indirectly arising
8 from the Requesting Member's work hereunder, including, but not limited to, negligent or
9 wrongful use of equipment, supplies or personnel provided to Requesting Member or faulty
10 workmanship or other negligent acts, errors or omissions by Responding Member, or by
11 personnel provided to Requesting Member from the time assistance is requested and
12 rendered until the assistance is returned to Responding Member's control, portal to portal.
13

14
15 **ARTICLE X.**
16 **SIGNATORY INDEMNIFICATION**
17

18 In the event of a liability, claim, demand, action or proceeding, of whatever kind or nature
19 arising out of the rendering of assistance through this Agreement, the parties involved in
20 rendering or receiving assistance agree to indemnify and hold harmless all Members whose
21 only involvement is the execution and approval of this Agreement, in the transaction or
22 occurrence which is the subject of such claim, action, demand or other proceeding. Such
23 indemnification shall include indemnity for all claims, demands, liability, damages and costs,
24 including reasonable attorneys' fees and other costs of defense, for injury, property damage
25 and workers compensation.
26

27
28 **ARTICLE XI.**
29 **WORKER'S COMPENSATION CLAIMS**
30

31 The Responding Member is responsible for providing worker's compensation benefits and
32 administering worker's compensation for its employees. The Requesting Member is
33 responsible for providing worker's compensation benefits and administering worker's
34 compensation for its employees.
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37 **ARTICLE XII.**
38 **NOTICE**
39

40 Each party hereto shall give to the others prompt and timely written notice of any claim
41 made or any suit instituted coming to its knowledge, which in any way, directly or indirectly,
42 contingently or otherwise, affects or might affect them, and each Member shall have the
43 right to participate in the defense of the same, as it considers necessary to protect its own
44 interests.
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46

1 **ARTICLE XIII.**
2 **INSURANCE**
3

4 Members shall maintain an insurance policy or maintain a self insurance program that covers
5 activities that it may undertake by virtue of membership in the Mutual Aid and Assistance
6 Program.
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9 **ARTICLE XIV.**
10 **CONFIDENTIAL INFORMATION**
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12 To the extent allowed by law, any Member or Associate Member shall maintain in the strictest
13 confidence and shall take all reasonable steps necessary to prevent the disclosure of any
14 Confidential Information provided to it by another Member pursuant to this Agreement. If any
15 Member, Associate Member, or third party requests or demands, by subpoena or otherwise,
16 that a Member or Associate Member disclose any Confidential Information provided to it under
17 this Agreement, the Member or Associate Member shall immediately notify the owner of the
18 Confidential Information and shall take all reasonable steps necessary to prevent the disclosure
19 of any Confidential Information by asserting all applicable rights and privileges with respect to
20 such information and shall cooperate fully in any judicial or administrative proceeding relating
21 thereto.
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24 **ARTICLE XV.**
25 **EFFECTIVE DATE**
26

27 This Agreement shall take effect for a new party immediately upon its execution by said
28 party.
29

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31 **ARTICLE XVI.**
32 **WITHDRAWAL**
33

34 Any party may terminate its participation in this Agreement by written notice to the Chair of the
35 appropriate RSC and to the SSC Chair. Withdrawal takes effect 60 days after the appropriate
36 officials receive notice. Withdrawal from this Agreement shall in no way affect a Requesting
37 Member's duty to reimburse a Responding Member for cost incurred during a Period of
38 Assistance, which duty shall survive such withdrawal.
39

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41 **ARTICLE XVII.**
42 **MODIFICATION**
43

44 No provision of this Agreement may be modified, altered or rescinded by individual parties to the
45 Agreement. Modifications to this Agreement require a simple majority vote of Members within
46 each region and unanimous agreement among the regions. The State Steering Committee will
47 notify all parties of modifications to this Agreement in writing and those modifications shall be
48 effective upon 60 days written notice to the parties.
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ARTICLE XVIII.
SEVERABILITY

14 If any term or provision of this Agreement is declared by a court of competent jurisdiction to be
15 illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be
16 affected, and the rights and obligations of the parties shall be construed and enforced as if the
17 Agreement did not contain the particular term or provision held to be invalid.
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ARTICLE XIX.
PRIOR AGREEMENTS

32 To the extent that prior agreements among signatories to this Agreement for mutual assistance
33 are inconsistent with this Agreement, such agreements are hereby superseded. This
34 Agreement supersedes the 1996 Omnibus Mutual Aid Agreement, the WARN 1997 Omnibus
35 Mutual Aid Agreement, and the WARN 2001 Omnibus Mutual Aid and Assistance Agreement.
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ARTICLE XX.
PROHIBITION ON THIRD PARTIES AND ASSIGNMENT OF RIGHTS/DUTIES

This Agreement is for the sole benefit of the Members and no other person or entity has rights
under this Agreement as a third party beneficiary. Assignment of benefits or delegation of
duties created by this Agreement to third parties that are not Members is prohibited and without
effect.

ARTICLE XXI.
TORT CLAIMS

This Agreement in no way abrogates or waives any immunity or defense available under
California law.

ARTICLE XXII.
INTRASTATE AND INTERSTATE MUTUAL AID AND ASSISTANCE PROGRAMS

To the extent practicable, Members retain the right to participate in mutual aid and assistance
activities conducted under the State of California Intrastate WARN Mutual Aid and Assistance
Program and the Interstate Emergency Management Assistance Compact (EMAC) and similar
programs.

California Water/Wastewater Agency Response Network (CalWARN) 2007 Omnibus Mutual Assistance Agreement

WHEREAS, the California Office of Emergency Services (OES), the Department of Water Resources (DWR), the Department of Public Health (DPH) and the California Utilities Emergency Association (CUEA) have expressed a mutual interest in the establishment of a plan to facilitate and encourage water agency mutual assistance agreements between water agencies; and

WHEREAS, the California Water Agency Response Network (CalWARN) was originally created to provide a forum for the development of mutual assistance agreements between water agencies in the OES Coastal Region of California; and later expanded to all water and wastewater agencies in the State of California, and

WHEREAS, the CALIFORNIA WATER/WASTEWATER AGENCY RESPONSE NETWORK (CalWARN) 2007 OMNIBUS MUTUAL ASSISTANCE AGREEMENT is a continuation of the WARN 1996 OMNIBUS MUTUAL AID and 2001 OMNIBUS MUTUAL AID AGREEMENT and sets forth the mutual covenants and agreements for water and wastewater agencies to provide mutual assistance to one another in times of emergency; and

WHEREAS, State OES regulates the SEMS program, and this agreement is consistent with SEMS, and that it is necessary to have a mutual assistance agreement in place to support requests to FEMA for costs of using assistance during an emergency, and

WHEREAS, the water or wastewater agency hereto has determined that it would be in its best interests to enter into an agreement that implements that plan and sets forth procedures and the responsibilities of the agency whenever emergency personnel, equipment and facility assistance are provided from one agency to the other; and

WHEREAS, no water or wastewater agency should be in a position of unreasonably using its own resources, facilities, or services providing such mutual assistance; and

WHEREAS, it is the intent of WARN to revise this agreement as necessary and to annually publish a list of all water and wastewater agencies participating in this agreement, as posted on www.calwarn.org; and

WHEREAS, such an agreement is in accord with the California Emergency Services Act set forth in Title 2, Division 1, Chapter 7 (Section 8550 et seq.) of the Government Code and specifically with Articles 14 and 17 (Section 8630 et seq.) of the Act.

NOW, THEREFORE, in consideration of the conditions and covenants contained therein, the

(Utility)

agrees to abide by the current CalWARN Omnibus Mutual Assistance Agreement and the CalWARN ACS Chapter Governance Document.

Date: _____

Name: (printed) _____ (signature) _____

Title: _____

Please return a signed copy of this page to: CWC-ACS@YourACS.org

**FOR ITEM NO. 7
PLEASE SEE ITEM NO. 10A**



City of Santa Fe Springs

Housing Successor

ITEM NO. 8

November 24, 2020

NEW BUSINESS

License Agreement to Temporary Use Housing Successor-Owned Land

Consideration of a License Agreement with the Los Angeles County Chief Executive Office for the temporary use of a Housing Successor-owned 3.9± acre property, located at 13231 Lakeland Road (APN: 8011-012-902), to be utilized for the County's Registrar Recorder/County Clerk's election parking needs.

RECOMMENDATION:

- Authorize the Mayor or designee to execute the License Agreement and other related documents to effectuate the temporary use of the subject property pursuant to the terms and conditions contained therein.

BACKGROUND

The subject 3.9± acre property, located at 13231 Lakeland Road, was acquired by the Community Development Commission (CDC) in 2008 for the purpose of developing affordable housing. Ownership was transferred to the Housing Successor by operation of law on February 1, 2012. The property is presently an unimproved fenced lot, devoid of any structures. The City is currently working with The Whole Child, Habitat For Humanity and the Richman Group to develop homeless housing for veterans on the site. Development on the site with housing is not expected to occur for at least a year or more.

For the fourteenth time, the Los Angeles County Chief Executive Office is requesting the temporary use of the subject vacant property for the parking of trucks and equipment on behalf of the County Clerk's Office related to upcoming elections. The proposed term begins on February 1, 2021 and ends on January 31, 2022.

FISCAL IMPACT

The terms of the agreement require a monthly lease payment of \$3,000.00 payable on the first of each month, for the term of the License.

INFRASTRUCTURE IMPACT

The proposed temporary use of the subject 3.9± acre property, pending the eventual development of the site for affordable housing, will not have an adverse impact City's infrastructure.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
Executive Director

Attachments:

1. Location Aerial
2. Lease Agreement-PL-LA-2021-01



Lease of Housing Successor-Owned Land (3.9± Acres)
13231 Lakeland Road (APN: 8011-012-902)



COUNTY OF LOS ANGELES
CHIEF EXECUTIVE OFFICE
LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("License" or "Agreement") is made and entered into this _____ day of _____, 2020, by and between the CITY OF SANTA FE SPRINGS, acting as HOUSING SUCCESSOR FOR THE COMMUNITY DEVELOPMENT COMMISSION, hereinafter referred to as the "Licensor", and the COUNTY OF LOS ANGELES, a body corporate and politic, hereinafter referred to as the "Licensee".

The parties hereby agree as follows:

1. PREMISES. The Licensor, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the Licensee, upon the following terms and conditions, hereby licenses to the Licensee the right to use the parking lot, comprising 3.9 acres of real property, located at 13231 Lakeland Road, Santa Fe Springs, (APN 8011-012-902) in the County of Los Angeles, State of California hereinafter referred to as the "Premises".

2. TERM. The term of this License shall commence on February 1, 2021 and terminate on January 31, 2022.

3. CONSIDERATION. Licensee hereby agrees to pay as a license fee, for the Premises, a monthly rent of \$3,000.00, payable on the first of each month, for the term of this License.

4. USE. Licensor agrees that the Premises, together with all appurtenances thereto, shall be used by the Licensee as off-street, in and out parking for the Registrar Recorder County Clerk on a 24 hour/7 days a week basis.

5. TERMINATION. Each party hereto may terminate this Agreement, at any time, with or without cause, upon thirty (30) days prior written notice to the other.

6. REPAIRS AND MAINTENANCE. Licensee agrees to maintain the Premises for the duration of the Term, at Licensee's sole expense. Licensee's maintenance responsibility shall include, but not be limited to lighting (including lamps and tubes), sweeping, security, trash removal, and repair or replacement of car-stops, gates and fence. Licensee agrees to return said Premises to Licensor in as good condition as when rented, ordinary wear and tear, damage by earthquake, fire or the elements and other disaster or casualty excepted.

7. UTILITIES. Licensee agrees to pay when due all charges for the use of the sewer, effluent treatment (when and if imposed by any governmental authority), all water, electricity, lighting and other charges accruing or payable in connection with the Premises.

8. DEFAULT

A. Default by Licensee: Licensee agrees that if default shall be made in any of the covenants or agreements herein contained on the part of the Licensee to be kept and performed which constitute a material breach of the License, it shall be lawful for the Licensor to declare said term ended and to terminate this License upon the giving of five (5) days written notice. In addition

thereto, Licensor shall have such other rights or remedies as may be provided by law. Licensor may not terminate the License if Licensee cures the default within the five (5) day period after the notice is given; provided, however, if more than thirty (30) days are reasonably required for its cure then Licensee shall not be deemed to be in default if Licensee commences such cure, within said 30-day period and thereafter diligently prosecutes such cure to completion.

B. Default by Licensor: Licensor shall not be in default in the performance of any obligation required to be performed under this License unless Licensor has failed to perform such obligation within five (5) days after the receipt of written notice of default from Licensee specifying in detail Licensor's failure to perform or within such shorter period of time as may be specified herein. Licensee may terminate this License upon Licensor's default of any material obligation upon giving of five (5) days written notice of termination. In addition thereto, Licensee shall have such other rights or remedies as may be provided by law. Licensee may not terminate the License if Licensor cures the default within the five (5) day period after the notice is given. Licensee shall not exercise any of its rights under this Paragraph, other than its rights to give notice, until Licensee gives notice to any person who has requested in writing notice of Licensor's default, and has specified that person's interest in the License. The notice to such person shall be for the same period of time as that to which Licensor is entitled. Such person shall have the right to cure the default within the same period of time, after notice, to which Licensor would be entitled.

If Licensor or such person does not cure the default, Licensee may exercise any of its rights or remedies provided for or permitted in this License or pursuant to law, including the right to recover any damages proximately caused by the default.

9. NOTICES. Notices desired or required to be given by this License or by any law now or hereinafter in effect shall be given by enclosing the same in a sealed envelope with postage prepaid, certified or registered mail, return receipt requested, with the United States Postal Service.

Any such notice and the envelope containing the same shall be addressed to the Licensor as follows:

City of Santa Fe Springs
11710 East Telegraph Road
Santa Fe Springs, CA 90670
Attention: Wayne Morrell

The notices and envelopes containing the same shall be addressed to the Licensee as follows:

Chief Executive Office
Real Estate Division
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attention: Director of Real Estate
Email: LeaseAcquisitions@ceo.lacounty.gov

with a copy to:

County of Los Angeles
Office of County Counsel
648 Kenneth Hahn Hall of Administration
500 West Temple Street

Los Angeles, California 90012
Attention: Property Division

or such other place as may hereinafter be designated in writing by the Licensor or Licensee, except that Licensor shall at all times maintain a mailing address in California.

Notwithstanding anything in this License herein to the contrary, receipt of notice shall be conclusively presumed to have occurred on the earliest of:

- (1) The date of personal delivery to Licensor or to Licensor's agent or employee at Licensor's place of business.
- (2) The date of delivery shown upon the United States Postal Service's return receipt for certified or registered mail.
- (3) Ten (10) days after deposit of notice to the address stipulated herein, sent by first class mail with the United States Postal Service, provided prior or concurrent notice has been attempted pursuant to Section 9 herein, but delivery has been refused or the notice otherwise returned without delivery.

10. INSURANCE

A. Licensor Indemnification. Licensor shall indemnify, defend and save harmless Licensee, its Special Districts, elected officials, agents, officers and employees, from and against any and all liability, expenses (including defense costs and legal fees) and claims for damages of any nature whatsoever, including but not limited to bodily injury, death or personal injury or property damage arising from or connected with the negligent acts or omissions of Licensor with regard to Licensor's use, maintenance or ownership of the Premises.

B. Licensee Indemnification. Licensee shall indemnify and hold Licensor, its elected officials, agents, officers and employees free and harmless from any and all liability, claims, loss, damages or expenses (including defense costs and legal fees), arising by reason of bodily injury, death, personal injury, or property damage resulting from Licensee's activities on the Premises. For purposes of this section, Licensee shall be understood to include all employees of Licensee who come on to the Premises for parking or any other purpose. Licensee shall also provide Licensor with a self-insurance certificate naming Licensor as an additional insured for Liability Coverage. Nothing in this License shall be construed to waive, limit, or supersede any of Licensee's rights or immunities under the California Labor Code, including but not limited to waiver pursuant to Labor code section 3864.

C. Waiver of Subrogation. The Licensor and Licensee each waives their rights and their insurers' rights of recovery against the other for any loss arising from or relating to this Agreement.

11. ASSIGNMENT AND SUBLETTING. Licensee shall not assign or sublicense the whole or any part of the Premises without first securing the written consent of the Licensor which may be withheld in Licensor's sole and absolute discretion. Any assignments or sublicensing of the Premises without Licensor's prior consent shall be void and of no force or effect.

12. BINDING ON SUCCESSORS. Each and all of the terms and agreements herein contained shall be binding upon and shall inure to the benefit of the successors in interest of the

Licensor, and wherever the context permits or requires, the successors in interest to the Licensee.

13. GENERAL PROVISIONS

A. Waiver. The waiver by Licensor or Licensee of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition on any subsequent breach of the same or any other term, covenant or condition herein contained.

B. Marginal Headings. The paragraph titles in this License are not a part of this License and shall have no effect upon the construction or interpretation of any part hereof.

C. Time. Time is of the essence of this License and each and all of its provisions in which performance is a factor.

D. Recordation. Neither party may record this License.

E. Quiet Possession. Licensee shall have quiet possession of the Premises for the entire term hereof subject to all the provisions in this License.

F. Prior Agreements. This License contains all of the agreements of the parties hereto with respect to any matter covered or mentioned in this License and no prior agreements or understanding pertaining to any such matter shall be effective for any purpose. No provision of this License may be amended or added to except by an agreement in writing signed by the parties hereto or their respective successors-in-interest. This License shall not be effective or binding on any party until fully executed by both parties hereto.

G. Force Majeure. In the event that either party is delayed or hindered from the performance of any act required hereunder by reason of strikes, lock-outs, labor troubles, inability to procure materials not related to the price thereof, failure of power, restrictive governmental laws and regulations, riots, insurrection, war or other reasons of a like nature beyond the control of such party, then performance of such acts shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay.

H. Severability. Any provision of this License which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and such other provisions shall remain in full force and effect.

I. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall wherever possible be cumulative with all other remedies at law or in equity.

J. Intentionally Omitted.

K. Choice of Law. This License shall be governed by the laws of the State of California, exclusive of conflict of law provisions.

L. Interpretation. The language of this License shall be construed according to its fair meaning and not strictly for or against Licensor or Licensee. Unless the context of this License clearly requires otherwise: (i) the plural and singular numbers shall be deemed to include the other; (ii) the masculine, feminine and neuter genders shall be deemed to include the others; (iii) "or" is not exclusive; and (iv) "includes" and "including" are not limiting.

M. Lobbyists. Licensors and each County lobbyist or County lobbying firm as defined in Los Angeles County Code Section 2.160.010, retained by Licensor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Licensor or any County lobbyist or County lobbying firm retained by Licensor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this License upon which County may immediately terminate or suspend this License.

14. ENVIRONMENTAL MATTERS

A. Hazardous Materials. Licensee shall not cause nor permit, nor allow any of Licensee's employees, agents, customers, visitors, invitees, contractors, assignees or sublicensees to cause or permit, any Hazardous Materials to be brought upon, stored, manufactured, generated, blended, handled, recycled, treated, disposed or used on, under or about the Premises, except for routine office and janitorial supplies in usual and customary quantities stored, used and disposed of in accordance with all applicable Environmental Laws. As used herein, "Hazardous Materials" means any chemical, substance, material, controlled substance, object, condition, waste, living organism or combination thereof, whether solid, semi solid, liquid or gaseous, which is or may be hazardous to human health or safety or to the environment due to its radioactivity, ignitability, corrosivity, reactivity, explosivity, toxicity, carcinogenicity, mutagenicity, phytotoxicity, infectiousness or other harmful or potentially harmful properties or effects, including, without limitation, molds, toxic levels of bacteria, tobacco smoke within the Premises, petroleum and petroleum products, asbestos, radon, polychlorinated biphenyls (PCBs), refrigerants (including those substances defined in the Environmental Protection Agency's "Refrigerant Recycling Rule," as amended from time to time) and all of those chemicals, substances, materials, controlled substances, objects, conditions, wastes, living organisms or combinations thereof which are now or become in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, such properties or effects. As used herein, "Environmental Laws" means any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of courts, ordinances, rules, codes, orders, decrees, directives, guidelines, permits or permit conditions, currently existing and as amended, enacted, issued or adopted in the future which are or become applicable to Licensee or the Premises.

B. Licensors Indemnity. Licensor shall indemnify, protect, defend (by counsel acceptable to Licensee) and hold harmless Licensee from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of Hazardous Materials on, under or about the Premises, caused by Licensor, or other violation of laws relating to Hazardous Materials other than caused by Licensee. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Licensor shall promptly deliver to Licensee a copy of any notice received from any governmental agency during the Term concerning the presence of Hazardous Materials in the Premises. Licensor's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Agreement. A default by Licensor under this Section shall constitute a material default under this Agreement.

C. Licensee Indemnity. Licensee shall indemnify, protect, defend (by counsel acceptable to Licensor) and hold harmless Licensor from and against any and all claims, judgments, causes of action, damage, penalties, fine, taxes, costs, liabilities, losses and expenses arising at any time during or after the Term as a result (directly or indirectly) of or in connection with the presence of

Hazardous Materials on, under or about the Premises, caused by Licensee, or other violation of laws relating to Hazardous Materials other than caused by Licensors. This indemnity shall include, without limitation, the cost of any required or necessary repair, cleanup or detoxification, and the preparation and implementation of any closure, monitoring or other required plans, as such action is required by local or state laws or any governmental agency. Licensee shall promptly deliver to Licensors a copy of any notice received from any governmental agency during the Term concerning the presence of Hazardous Materials in the Premises. Licensee's obligations pursuant to the foregoing indemnity shall survive the expiration or termination of this Agreement. A default by Licensee under this Section shall constitute a material default under this Agreement.

15. WARRANTY OF AUTHORITY. Each of the undersigned signatories for the Licensors hereby personally covenants, warrants and guarantees that each of them, jointly and severally, has the power and authority to execute this License upon the terms and conditions stated herein and each agrees to indemnify and hold harmless the Licensee from all damages, costs, and expenses, which result from a breach of this material representation.

16. CONSIDERATION OF GAIN PROGRAM PARTICIPANTS. Should Licensors require additional or replacement personnel after the effective date of this Agreement, Licensors shall give consideration for any such employment to participants in the County's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program who meet Licensors' minimum qualifications for the open position. The County will refer GAIN participants by job category to the Licensors.

17. SOLICITATION OF CONSIDERATION. It is improper for any County officer, employee or agent to solicit consideration, in any form, from a licensor with the implication, suggestion or statement that the licensor's provision of the consideration may secure more favorable treatment for the licensor in the award of a license or that the licensor's failure to provide such consideration may negatively affect the County's consideration of the licensor's submission. A licensor shall not offer or give, either; directly or through an intermediary, consideration, in any form, to a County officer, employee or agent for the purpose of securing favorable treatment with respect to the award of the license.

18. NON-DISCRIMINATION

A. Obligation to Refrain from Discrimination. Licensee covenants and agrees for itself and any successors-in-interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry or national origin, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, nor shall Licensee or any person claiming under or through Licensee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of any portion of the Property.

B. Form of Nondiscrimination and Nonsegregation Clauses. Licensee shall refrain from restricting the rental, sale or lease of any portion of the Property on the basis of race, color, creed, religion, sex, marital status, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(i) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them,

that there shall no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the premises herein conveyed, nor shall the grantee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(ii) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions: That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the premises herein leased, nor shall the lessee himself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(iii) In contracts entered into relating to the sale, transfer or leasing of the Property or any interest therein, the foregoing provisions in substantially the forms set forth shall be included, and the contracts shall further provide that the foregoing provisions shall be binding upon and obligate the contracting parties any subcontracting parties, or other transferees under the instruments.

19. IRREVOCABLE OFFER. In consideration for the time and expense that the Licensee will invest, including but not limited to legal review, and preparation and noticing for presentation to the County Board of Supervisors in reliance on Licensor's covenant to license to the County under the terms of this license offer, the Licensor irrevocably promises to keep this offer open until January 13, 2021.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF, pursuant to Chapter 2.08 of the Los Angeles County Code this License has been executed by the Licensor and on behalf of the Licensee by its Chief Executive Officer or his designee, on the _____ day of _____, 2020.

LICENSOR:

The City of Santa Fe Springs acting as the Board of Directors of the Housing Successor for the Community Development Commission

By: _____
Chairman of the Board

ATTEST:

JANET MARTINEZ
Housing Successor for the Community Development
Commission - City of Santa Fe Springs

By: _____
Janet Martinez, Housing Successor Secretary

APPROVED AS TO FORM:

IVY TSAI,
Housing Successor for the Community Development
Commission - City of Santa Fe Springs

By: _____
Ivy Tsai, Housing Successor Counsel

LICENSEE:

COUNTY OF LOS ANGELES,
a body corporate and politic

FESIA A. DAVENPORT
Acting Chief Executive Officer

By: _____
David P. Howard
Assistant Chief Executive Officer

ATTEST:

DEAN C. LOGAN
Registrar-Recorder/County Clerk

By: _____
Deputy

APPROVED AS TO FORM:

RODRIGO A. CASTRO-SILVA
Acting County Counsel

By: _____
Deputy

FOR ITEM NO. 9
PLEASE SEE ITEM NO. 10A



City of Santa Fe Springs

City Council Meeting

ITEM NO. 10A

November 24, 2020

CONSENT AGENDA

Minutes of the October 22, 2020 Regular City Council Meetings

RECOMMENDATION(S)

- Approve the minutes as submitted.

BACKGROUND

Staff has prepared minutes for the following meeting:

- October 22, 2020 Meeting Minutes

Staff hereby submits the minutes for Council's approval.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
City Manager

Attachments:

1. October 22, 2020 Meeting Minutes



APPROVED:

MINUTES OF THE MEETINGS OF THE CITY COUNCIL

October 22, 2020

1. **CALL TO ORDER**

Mayor Rounds called the meeting to order via teleconference at 6:00 p.m.

2. **ROLL CALL**

Members present: Councilmembers/Directors: Rodriguez, Trujillo, Zamora, Mayor Pro Tem/Vice Chair Mora and Mayor/Chair Rounds.

Members absent: None

Janet Martinez, City Clerk announced that members of the Public Financing Authority and Water Utility Authority receive \$150 for their attendance at meetings.

3. **PUBLIC COMMENTS**

John Park and M.D.G. spoke during public comment.

4. **PRESENTATIONS**

- a. 25th Anniversary of the Policing Contract between the Cities of Whittier and Santa Fe Springs (Police Services)
- b. Omega Chemical Superfund Site, Operable Unit 2 – Status Update (Public Works)

PUBLIC FINANCING AUTHORITY

5. **CONSENT AGENDA**

- a. Minutes of the September 24, 2020 Public Financing Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Public Financing Authority (PFA) (Finance)

Recommendation:

- Receive and file the report.

It was moved by Council Member Trujillo, seconded by Council Member Rodriguez, to approve Item Nos. 5A and 5B, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nays: None

Absent: None

WATER UTILITY AUTHORITY

6. **CONSENT AGENDA**

- a. Minutes of the September 24, 2020 Water Utility Authority (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. Monthly Report on the Status of Debt Instruments Issued through the City of Santa Fe Springs Water Utility Authority (WUA) (Finance)

Recommendation:

- Receive and file the report.

- c. Status Update of Water-Related Capital Improvement Projects (Public Works)

Recommendation:

- Receive and file the report.

It was moved by Council Member Rodriguez, seconded by Council Member Zamora, to approve Item Nos. 6A, 6B, and 6C, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

HOUSING SUCCESSOR

7. **CONSENT AGENDA**

- Minutes of the September 24, 2020 Housing Successor (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Council Member Zamora, seconded by Mayor Pro Tem Mora, to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

SUCCESSOR AGENCY

8. **CONSENT AGENDA**

- Minutes of the September 24, 2020 Successor Agency (City Clerk)

Recommendation:

- Approve the minutes as submitted.

It was moved by Councilmember Trujillo, seconded by Mayor Pro Tem Mora to approve the minutes as submitted, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

CITY COUNCIL

9. CONSENT AGENDA

- a. Minutes of the September 24, 2020 Regular City Council Meeting (City Clerk)

Recommendation:

- Approve the minutes as submitted.

- b. General Motion to Waive Full Reading and Read Ordinance by Title Only Pursuant to California Government Code Section 36934 (City Clerk)

Recommendation:

- Approve a general motion to waive full reading and read Ordinance titles only, pursuant to California Government Code Section 36934.

- c. Second Reading of Ordinance No. 1114: An Ordinance of the City Council of the City of Santa Fe Springs, amending Chapter 98 (Signs) of Title 9 (General Regulations) of the City of Santa Fe Springs Municipal Code to regulate signs on public property (Planning)

Recommendation:

- Adopt Ordinance No. 1114 amending Chapter 98 (Signs) of the Santa Fe Springs Municipal Code by title only.

- d. A Resolution of the City Council Reaffirming the Existence of a Local Emergency Due to the Threat of COVID-19 (pursuant to Government Code section 8630) (City Attorney)

Recommendation:

- Adopt Resolution No. 9696:
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS, CALIFORNIA, REAFFIRMING THE EXISTENCE OF A LOCAL EMERGENCY DUE TO THE THREAT OF COVID-19.

- e. Lakeland and Meyer Road Street Improvements – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment to Hardy & Harper, Inc. of Lake Forest, California in the amount of \$964,601.19 (less 5% Retention).

- f. Replacement of Baseball Scoreboards and Basketball Backboards and Rims – Final Payment (Public Works)

Recommendation:

- Approve the Final Payment to LJB Construction of Norwalk, California in the amount of \$164,501.79 (less 5% Retention).

- g. Authorize the Disposal of Surplus Vehicles and Equipment by Way of Public Auction (Finance)

Recommendation:

- Authorize the disposal of eight (8) surplus vehicles, and various obsolete equipment at public auction.

h. Authorize the Director of Purchasing Services to Enter Into a Master Lease Financing Agreement with Bank of America, National Association or Designee for the Purchase of Department of Fire-Rescue Apparatus and Equipment (Finance)

Recommendation:

- Authorize the Director of Purchasing Services to enter into a Master Lease Financing agreement with Bank of America, National Association or Designee with a 7-year term at an interest rate of 1.74% with annual payments that will provide for complete ownership of the apparatus/equipment at the end of the 7-year lease
- Affirm that the City of Santa Fe Springs is Bank Qualified for this transaction.

It was moved by Council Member Zamora, seconded by Council Member Rodriguez, to approve Items Nos. 9A through 9H, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

NEW BUSINESS

10. Authorize the Purchase of Handheld and Vehicle Radios for the Santa Fe Springs Department of Fire-Rescue (Fire)

Recommendation:

- Authorize the purchase of handheld radios, mobile radios, and encryption programming from Motorola Solutions for an amount not to exceed \$680,193.31
- Authorize the purchase of chargers, batteries, antennas, ancillary equipment and installation of mobile radios from Commline Inc. for an amount not to exceed \$33,418.71;
- Authorize the Director of Purchasing Services to utilize the master lease financing agreement with Public Sector Capital LLC approved at the October 8, 2020 City Council meeting for a 7-year term at an interest rate of 1.74% and annual payments that will provide for complete ownership of the apparatus at the end of the 7-year lease.

It was moved by Council Member Trujillo, seconded by Council Member Rodriguez, to authorize the purchase of handheld radios, mobile radios, and encryption programming from Motorola Solutions for an amount not to exceed \$680,193.31, authorize the purchase of chargers, batteries, antennas, ancillary equipment and installation of mobile radios from Commline Inc. for an amount not to exceed \$33,418.71; and authorize the Director of Purchasing Services to utilize the master lease financing agreement with Public Sector Capital LLC approved at the October 8, 2020 City Council meeting for a 7-year term at an interest rate of 1.74% and annual payments that will provide for complete ownership of the apparatus at the end of the 7-year lease, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

11. Authorize the Purchase of a Paramedic Squad Response Vehicle from Boise Mobile Equipment (Fire)

Recommendation:

- Authorize the Purchase of a Paramedic Squad Response Vehicle from Boise Mobile Equipment, for an amount not to exceed \$255,618.44
- Authorize the purchase of communication equipment for the apparatus from Motorola Solutions Inc. for an amount not to exceed \$16,044.16;
- Authorize the purchase of a Mobile Data Computer (MDC) from DuraTech USA, Inc. for an amount not to exceed \$4,767.25.

It was moved by Council Member Zamora, seconded by Council Member Rodriguez, to authorize the Purchase of a Paramedic Squad Response Vehicle from Boise Mobile Equipment, for an amount not to exceed \$255,618.44, authorize the purchase of communication equipment for the apparatus from Motorola Solutions Inc. for an amount not to exceed \$16,044.16, and authorize the purchase of a Mobile Data Computer (MDC) from DuraTech USA, Inc. for an amount not to exceed \$4,767.25, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

12. City Hall Heating and Air Conditioning (HVAC) Duct Cleaning – Award of Contract (Public Works)

Recommendation:

- Accept the bids; and
- Award a contract to Action Duct Cleaning Company of Altadena, California, in the amount of \$33,323.99.

It was moved by Mayor Pro Tem Mora, seconded by Council Member Rodriguez, to accept the bids and award a contract to Action Duct Cleaning Company of Altadena, California, in the amount of \$33,323.99, by the following vote:

Ayes: Rodriguez, Trujillo, Zamora, Mora, Rounds

Nayes: None

Absent: None

13. CITY MANAGER AND EXECUTIVE TEAM REPORTS

- City Manager, Raymond R. Cruz spoke about the City's Youth Enrichment Fund Scholarship program and shared a video on successful candidates that were awarded the youth scholarship. He also provided an update on the Santa Fe Springs COVID-19 Small Business Grant program created by utilizing community development block grant funds and CARES Act funding. Lastly, he congratulated newly appointed Police Chief Aviv Bar.
- Senior Management Analyst, Maribel Garcia spoke about the City's COVID-19 Small Business Grant program.
- Director of Public Works, Noe Negrete spoke about the completion of the following

projects; Lakeland and Meyer Road Street Improvements. He also spoke about the installment of backboards on the basketball courts and replacement of seven (7) scoreboards around city parks and facilities.

- Director of Planning, Wayne Morrell spoke about the cleanup of the site on the northwest corner of Telegraph Rd and Norwalk Blvd referred to as the "Chevron Site" and also congratulated Police Chief Aviv Bar.
- Director of Police Services, Dino Torres thanked the City Council, along with Community Services staff for creating videos to highlight Red Ribbon Week.
- Fire Chief, Brent Hayward congratulated Police Chief Aviv Bar and provided an update on the upcoming fire season. He also provided a COVID-19 update for cases within the City.
- Director of Finance and Administrative Services, Travis Hickey spoke about attending an online PERS Educational Forum which covered topics such as unfunded liabilities and healthcare issues. He also expressed interest in working with Council to address long-term liabilities. Lastly, he congratulated Police Chief Aviv Bar.
- Director of Community Services, Maricela Balderas announced that the City Library will be receiving an additional \$5,000.00 California state Library Crisis Collection Grant Funding which will be used to purchase additional electronic resources. She also reported that park playgrounds opened on October 16 according to Los Angeles County highlights. She also provided an update on upcoming Halloween virtual events and announced that the City is now accepting donations to serve the community. Lastly, she announced that City staff will continue to produce videos to engage with residents on the various social media platforms.

14. APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Mayor Pro Tem Mora appointed Maria Salazar-Jaramillo to the Heritage Arts Advisory Committee.

15. COUNCIL COMMENTS

Councilmember Rodriguez congratulated Police Chief Aviv Bar on his new position. She also thanked the Chamber of Commerce for all of their hard work, and congratulated all of the Youth Enrichment Fund scholarship recipients. Lastly, she thanked staff and wished everyone a Happy Halloween.

Councilmember Trujillo highlighted the police partnership between the City and the City of Whittier Police Department. She also thanked Fire Chief Hayward for supporting the breast cancer awareness fundraisers and wished everyone a Happy Halloween.

Councilmember Zamora also congratulated Police Chief Aviv Bar and commended the Mayor and Council of the City of Whittier for their choice. He also thanked City staff for all

of their hard work and for going above and beyond serve residents.

Mayor Pro Tem Mora congratulated Police Chief Aviv Bar. He also thanked all of the departments for keeping the City running. Lastly, he wished everyone a happy and safe Halloween.

Mayor Rounds addressed the small business grant program and expressed delight at being able to offer assistance. He also highlighted the police partnership with the City of Whittier and thanked the City's Public Works and Planning Departments for engaging in City-wide activities during the month of October. Lastly, he congratulated the recipients of the scholarships from the Youth Enrichment Fund.

16. ADJOURNMENT

Mayor Rounds adjourned the meeting at 7:15 p.m.

William K. Rounds
Mayor

ATTEST:

Janet Martinez
City Clerk

Date



City of Santa Fe Springs

City Council Meeting

ITEM NO. 10B

November 24, 2020

CONSENT AGENDA

Quarterly Treasurer's Report of Investments for the Quarter Ended September 30, 2020.

RECOMMENDATION

Receive and file the report.

BACKGROUND

Beginning January 2016, the City retained PFM Asset Management LLC ("PFMAM") to manage \$20.8 million of the City's reserve funds ("managed portfolio").

Based on a cash flow analysis and discussion with PFMAM and the Council Finance Subcommittee, an additional \$10.0 million of the City's reserve funds were added to the portfolio in May 2017 bringing the total principal invested to \$30.8 million.

At the end of each calendar quarter, PFMAM provides a detailed written report covering general market conditions as well as the balances and transactions of the City's portfolio for the previous quarter. PFMAM's detailed report is attached to this Treasurer's Report. The Treasurer's Report for the Quarter Ended September 30, 2020 was also provided to each Councilmember on October 27, 2020.

Ms. Sarah Meacham, Director with PFMAM, along with her staff, have also regularly provided an update, including a detailed review of the results of the portfolio for the quarter, a discussion of the investment strategies and policies which govern the City's portfolio, and general market conditions.

CITY INVESTMENT PORTFOLIO

The City's managed portfolio generated interest income in the amount of \$319,457 for the most recent quarter. The interest income represents actual cash receipts received by the City plus the amortization of any discounts or premiums. The figure does not include unrealized gains or losses.

The overall performance of the City's managed portfolio account is expressed in a "yield" and "total return". The yield is a forward-looking measurement which shows the income and dividends on the investments to be expected in the future based on current holdings, expressed as an annual rate of return. The City's yield (at cost value) at September 30, 2020 was 1.80%, down from 2.09% the previous quarter.

Total return on the other hand, is a backward-looking measurement focused on not only interest earned, but also realized and unrealized gains/losses. Realized gains/losses result from selling a security at a price higher or lower than was actually

Report Submitted By: Travis Hickey, City Treasurer
Lana Dich, Asst. City Treasurer

Date of Report: November 19, 2020



City of Santa Fe Springs

City Council Meeting

November 24, 2020

paid to purchase it. Unrealized gains/losses result from market value increases and decreases in security values for securities which are still held in the portfolio.

Of particular importance to the City's portfolio is the inverse relationship between yield and market value. In general, when yields go up, market values go down, and vice versa. For example, if the City is holding a bond which pays 1.0% and the market yield increases to 1.1% the market value of the City's 1.0% security will decline so that an investor purchasing the security would pay a price below face value which would cause the security to yield 1.1% even though it only pays 1.0%. If held until maturity, the security would pay the full face value along with the 1.0% stated interest throughout the term. In other words, "unrealized" gains/losses are not "realized" unless the security is actually sold prior to maturity.

The City generally experienced a rising yield market since July 2016. The yield at June 30, 2016 was 1.25% and rose to 1.80% as of September 30, 2020. This has resulted in unrealized losses, however, it is important to point out that the investments continue to pay the stated interest on the security. The unrealized losses simply represent the amount that the City would lose, if the security was sold in the current market conditions. It is not an actual loss of the City's principal value invested. It is also important to remember that rising yield markets are good in the sense that as securities mature, they are replaced with higher rate securities, increasing the overall interest income of the portfolio.

Because the total return (as opposed to the yield) takes into account realized and unrealized gains/losses, it is generally compared against a target benchmark to evaluate portfolio performance. The City's benchmark is the 1-5 Year U.S. Treasury Index. The total return for the City's portfolio for the quarter ended September 30, 2020 was 0.32% while the benchmark total return was 0.13%. The City's overall portfolio performance was 0.19% better than the benchmark.

Aside from the PFMAM managed portfolio, the City's other investments are the Local Agency Investment Fund ("LAIF"), a pooled investment fund managed by the California State Treasurer, and the First American Treasury Obligations Fund, a U.S. Treasury money market fund ("MMF") used by the City's bond trustee. LAIF returned an annualized rate of 0.84% for the quarter while the MMF returned 1.00%. The LAIF accounts returned a total of \$127,363 in interest income.

Report Submitted By: Travis Hickey, City Treasurer
Lana Dich, Asst. City Treasurer

Date of Report: November 19, 2020



City of Santa Fe Springs

City Council Meeting

November 24, 2020

The attached Treasurer's Report contains all investments under the control of the City.

The investments, at market value, are summarized as follows:

Pooled Cash and Investments	\$ 78.0 million
Successor Agency Bond Funds	18.2 million
Bonds Reserves and Debt Service	<u>2.9 million</u>
Total Investments	\$ 99.1 million

Pooled cash and investments consist of the PFMAM managed account and LAIF. The Successor Agency bond funds are held in LAIF and are the source of funds for ongoing capital improvement projects.

The bond reserves and debt service funds consist of the MMF accounts held, as required, by the City's third party trustee, U.S. Bank. These funds are held for debt service payments and reserves for bond issuances of the Water Utility Authority, the Successor Agency, and the Heritage Springs Assessment District.

The investments, at market value, are summarized by type as follows:

PFMAM Managed Portfolio	\$ 34.3 million
LAIF	61.9 million
MMF	<u>2.9 million</u>
Total Investments	\$ 99.1 million

PFMAM and Staff will continue to work with the Council Finance Subcommittee to review any proposed changes to the portfolio make up.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz", with a stylized flourish at the end.

Raymond R. Cruz
City Manager

Attachments:

1. Treasurer's Report of Investments (Quarter Ended September 30, 2020)
2. PFMAM Investment Performance Review (Quarter Ended September 30, 2020)

Report Submitted By: Travis Hickey, City Treasurer
Lana Dich, Asst. City Treasurer

Date of Report: November 19, 2020

**CITY OF SANTA FE SPRINGS
TREASURER'S REPORT OF INVESTMENTS
QUARTER ENDED SEPTEMBER 30, 2020**

DESCRIPTION	BEGINNING BALANCE	DEPOSITS/ PURCHASES	WITHDRAWALS/ SALES	ENDING BALANCE	MARKET VALUE	QUARTERLY INVESTMENT EARNING	ANNUAL YIELD
POOLED INVESTMENTS:							
PFM MANAGED PORTFOLIO (1)	\$ 32,821,405.95	\$ 5,554,068.97	\$ 5,245,214.19	\$ 33,130,260.73	\$ 34,264,663.94	\$ 319,456.89	1.80%
LOCAL AGENCY INVESTMENT FUND	45,461,128.20	19,865,332.26	21,800,000.00	43,526,460.46	43,705,551.56	88,898.78	0.84%
SUBTOTAL POOLED INVESTMENTS	78,282,534.15	25,419,401.23	27,045,214.19	76,656,721.19	77,970,215.50	408,355.67	
SUCCESSOR AGENCY BOND FUNDS (2):							
LOCAL AGENCY INVESTMENT FUND	18,048,067.95	65,853.87	-	18,113,921.82	18,188,452.17	38,464.53	0.84%
SUCCESSOR AGENCY FUNDS:							
LOCAL AGENCY INVESTMENT FUND	0.96	-	-	0.96	0.96	-	0.84%
INVESTMENTS HELD BY FISCAL AGENT (3):							
U.S. BANK CORPORATE TRUST MONEY MARKET FUNDS:							
First American Treasury Obligations Fund Class D:							
City of Santa Fe Springs	559,018.52	8.45	-	559,026.97	559,026.97	8.45	1.00%
Successor Agency	11,682,662.83	175.12	9,485,238.26	2,197,599.69	2,197,599.69	175.12	1.00%
Heritage Springs Assessment District	171,110.77	122,901.53	123,790.00	170,222.30	170,222.30	2.89	1.00%
Subtotal First American Treasury Obligations Fund Class D	12,412,792.12	123,085.10	9,609,028.26	2,926,848.96	2,926,848.96	186.46	
SUBTOTAL INVESTMENTS HELD BY FISCAL AGENT (U.S. BANK)	12,412,792.12	123,085.10	9,609,028.26	2,926,848.96	2,926,848.96	186.46	
TOTAL INVESTMENTS	\$108,743,395.18	\$ 25,608,340.20	\$ 36,654,242.45	\$ 97,697,492.93	\$ 99,085,517.59	\$ 447,006.66	

Notes:

- (1) See attached report prepared by PFM, the City's investment manager, for detailed analysis of the managed portfolio. All information except for the market value is reported on the amortized cost basis. Investment earnings on the amortized cost basis do not include unrealized gains and losses.
- (2) Unspent bond proceeds of the former redevelopment agency to be used for ongoing capital improvement projects.
- (3) Fiscal agent accounts are held by U.S. Bank as Trustee for debt service reserves and payment of bond principal and interest.

CERTIFICATION:

The investment transactions are in compliance with the investment policy approved by the City Council.
There is sufficient liquidity within the portfolio to meet all anticipated expenditures for the next six months.



TRAVIS HICKEY, CITY TREASURER



CITY OF SANTA FE SPRINGS

Investment Performance Review For the Quarter Ended September 30, 2020

Client Management Team

Sarah Meacham, Managing Director

Richard Babbe, CCM, Senior Managing Consultant

601 South Figueroa, Suite 4500

Los Angeles, CA 90017

213-489-4075

PFM Asset Management LLC

213 Market Street

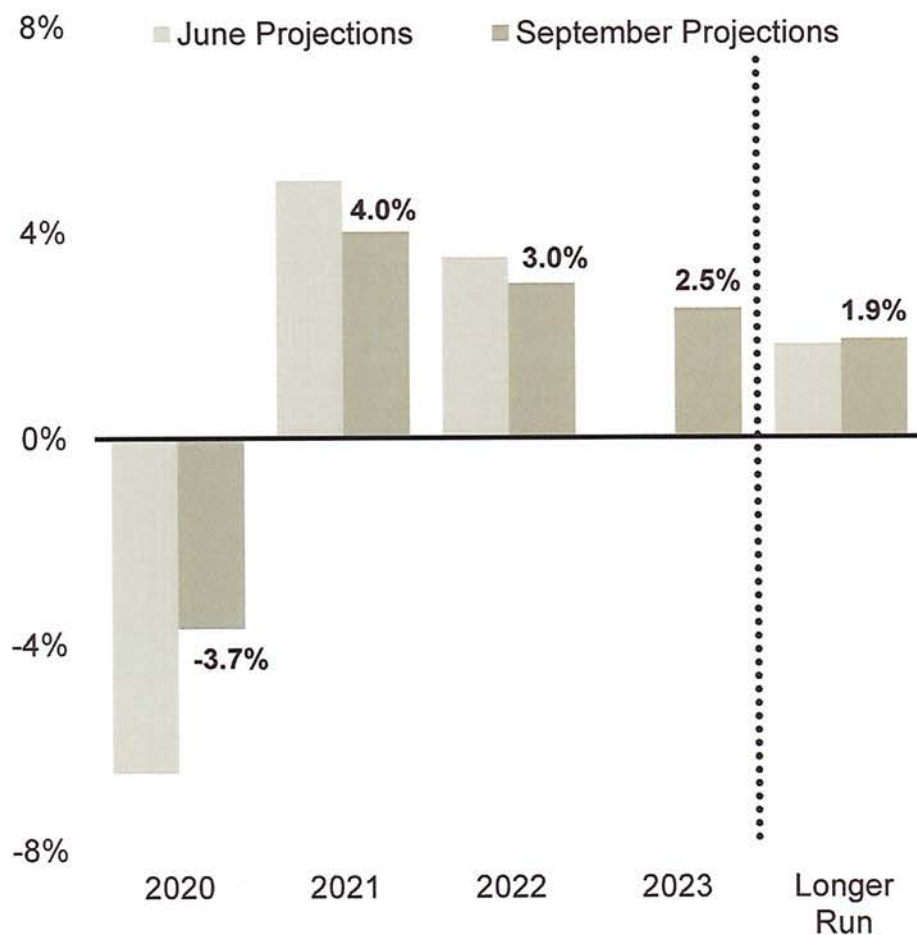
Harrisburg, PA 17101-2141

717-232-2723

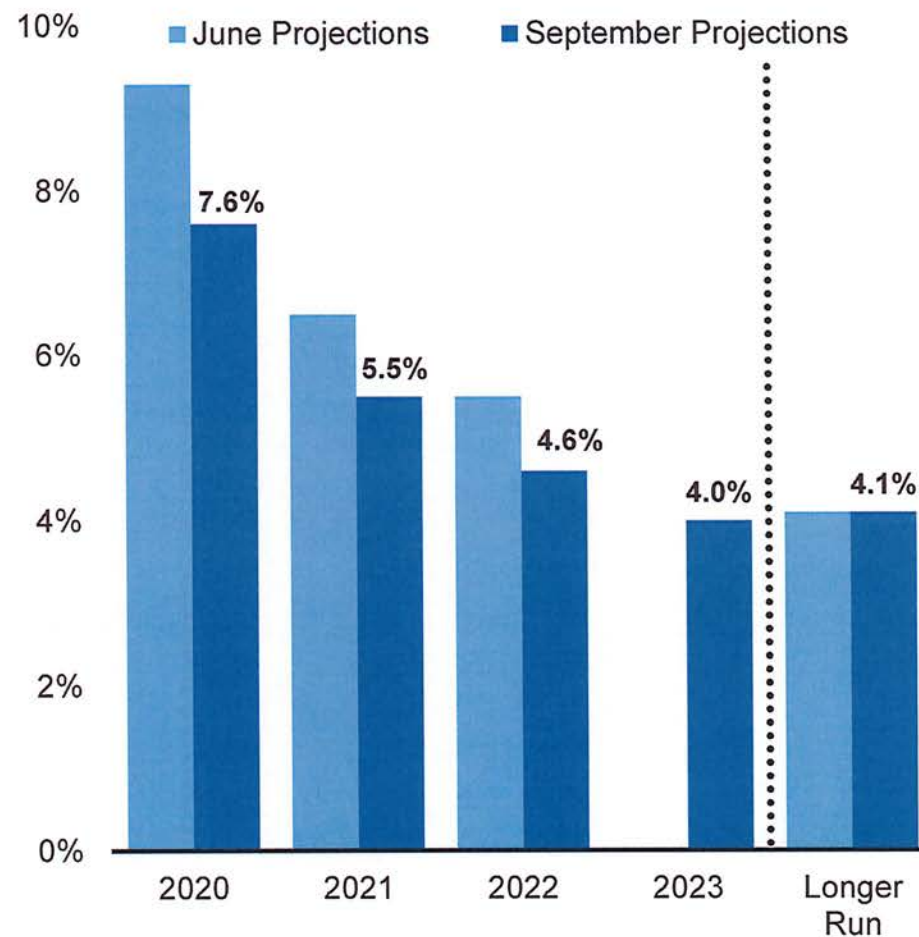
Market Update

The Fed's Updated Economic Projections Pull Improvement Forward

Change in Real GDP

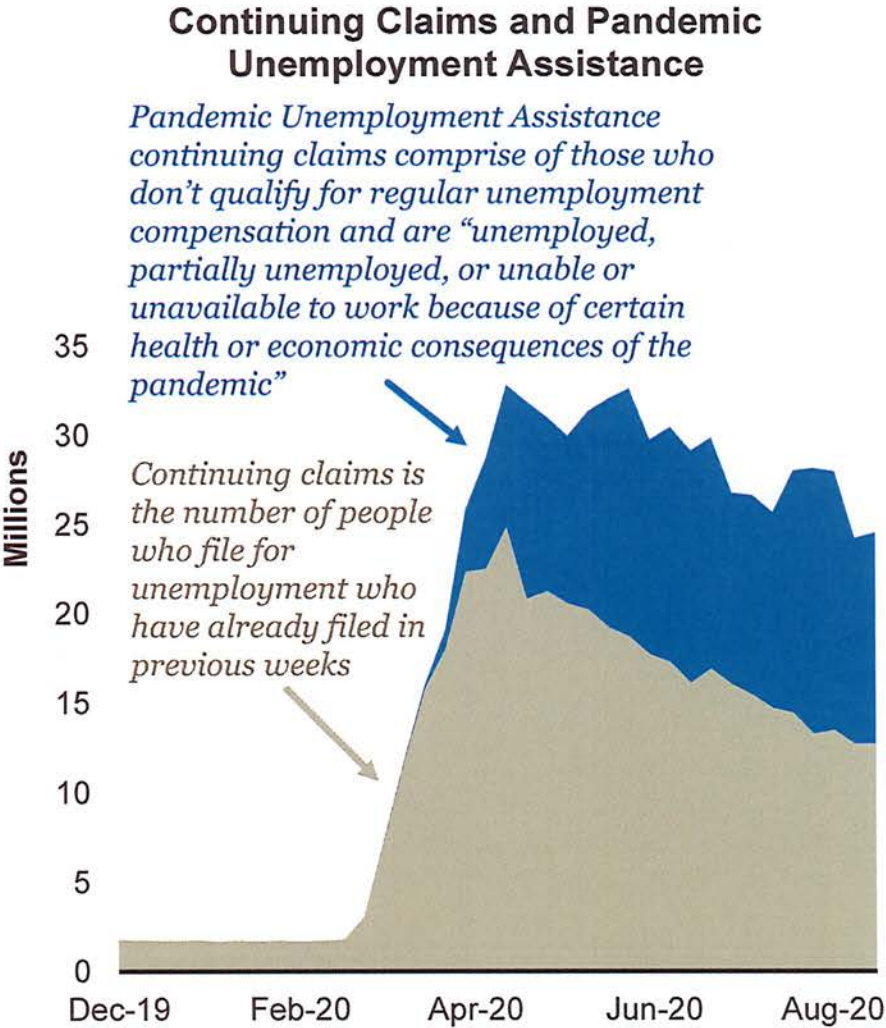
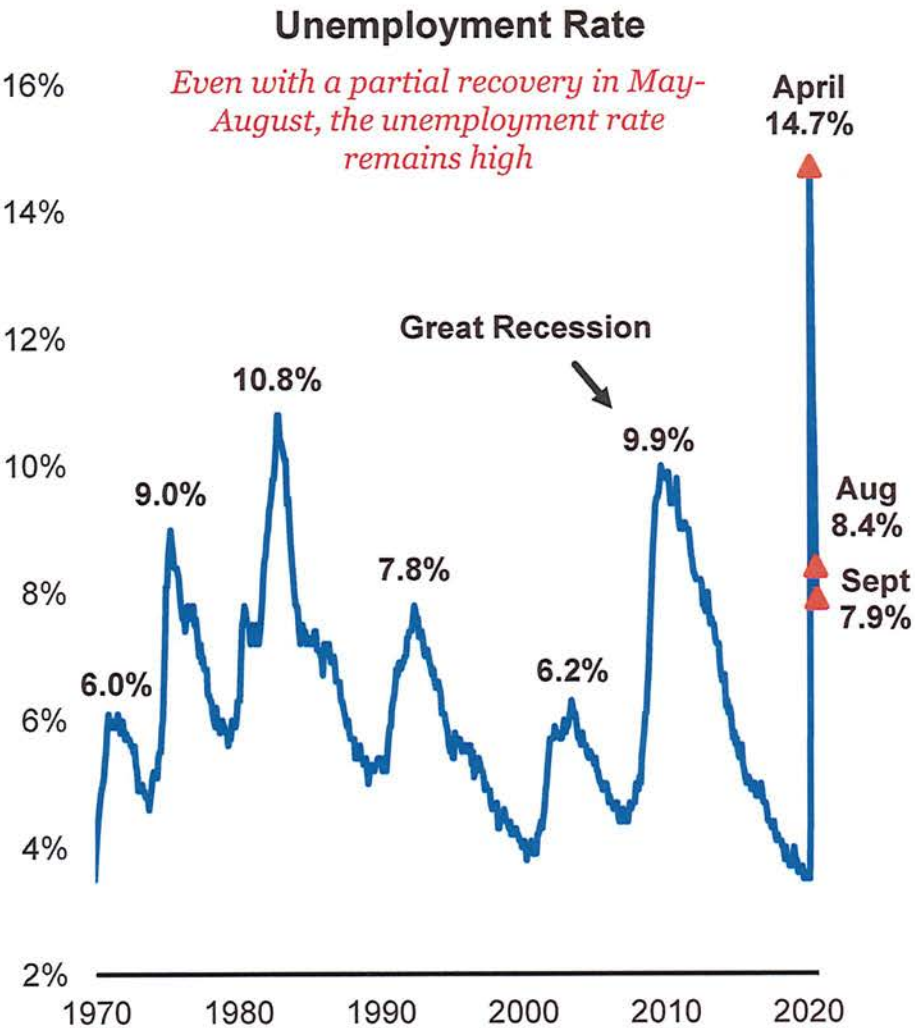


Unemployment Rate



Source: Federal Reserve, economic projections as of June and September 2020.

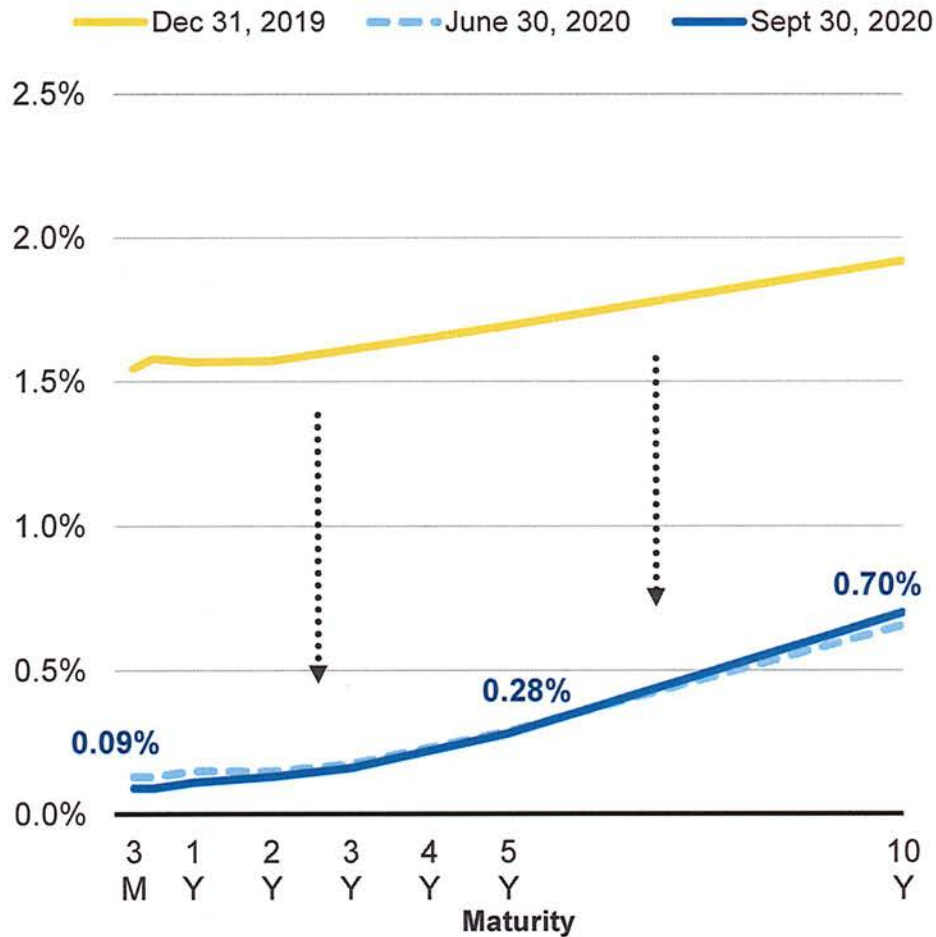
Achieving Pre-Pandemic Employment Levels May Be Challenging



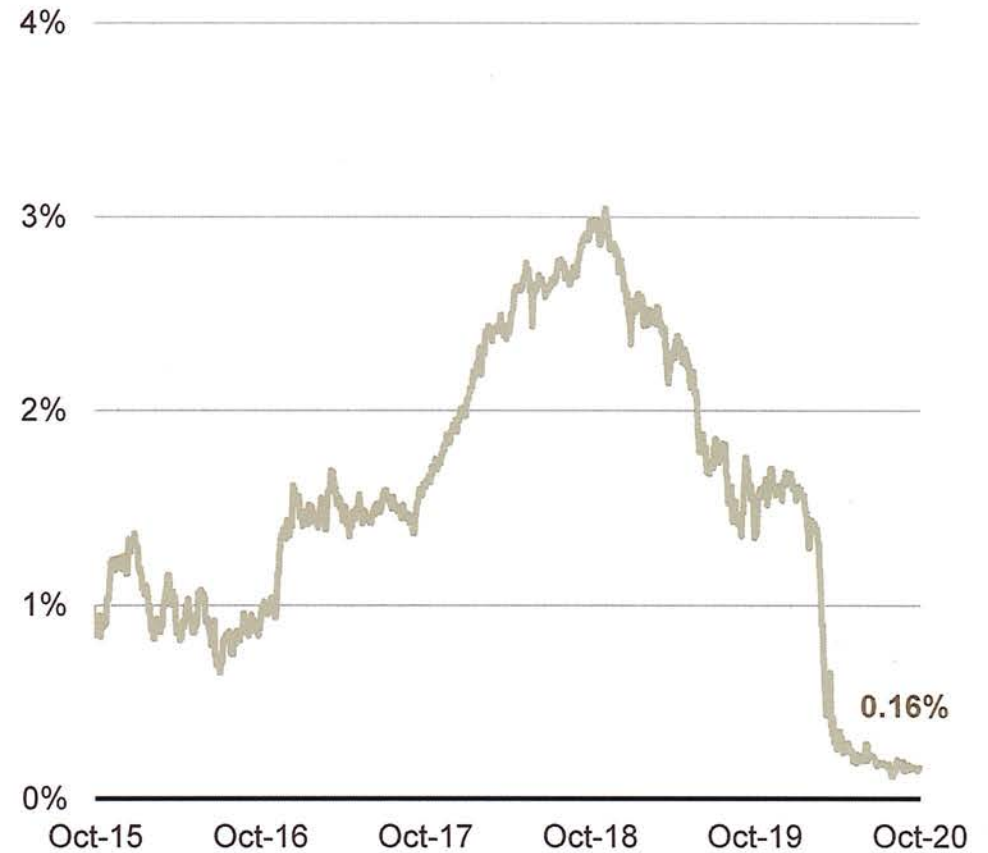
Source: Bloomberg as of 9/30/2020. Data is seasonally adjusted. Source (quote): Department of Labor.

Interest Rates Remain Stable Near Historic Lows

US Treasury Yield Curve



3-Year Treasury Yield

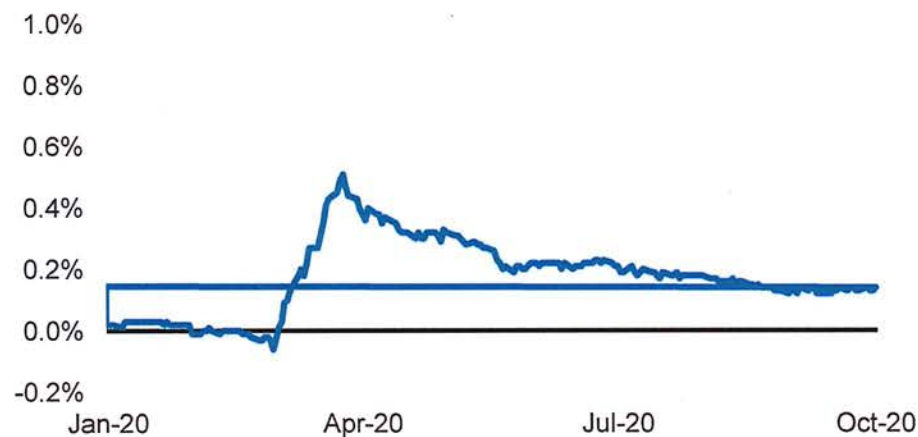


Source: Bloomberg as of 10/2/2020.

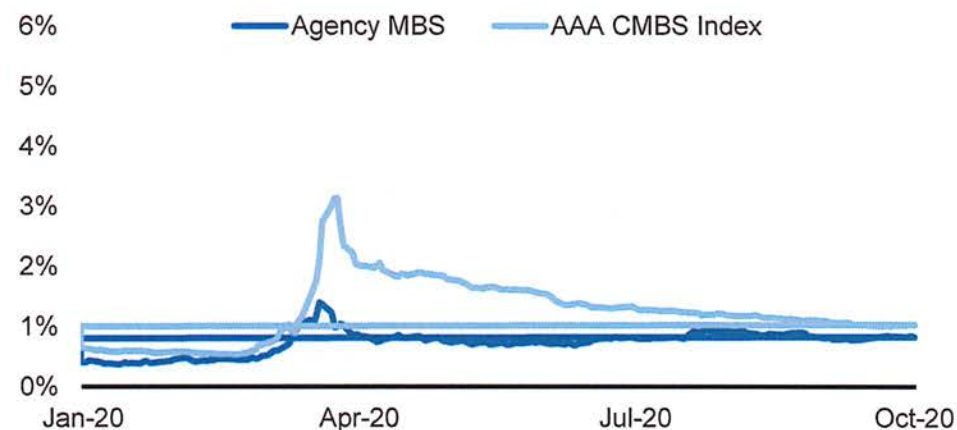
Yield Spreads Narrow Further in the Third Quarter

1-5 Year Indices

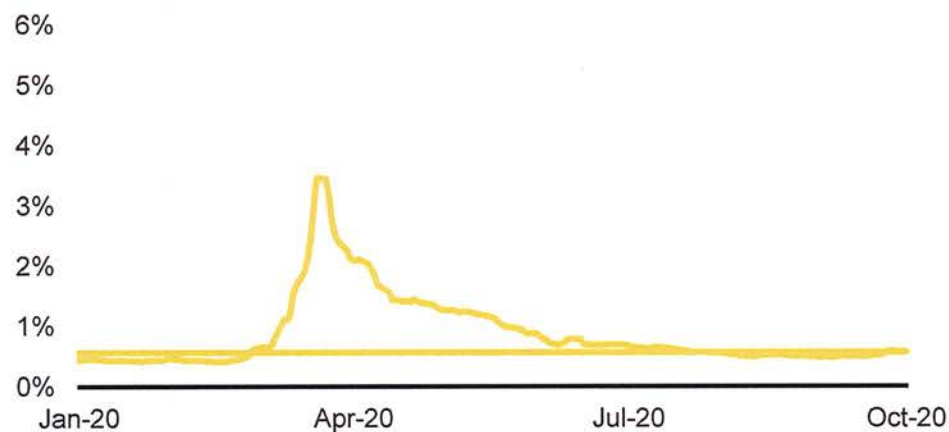
Federal Agency Yield Spreads



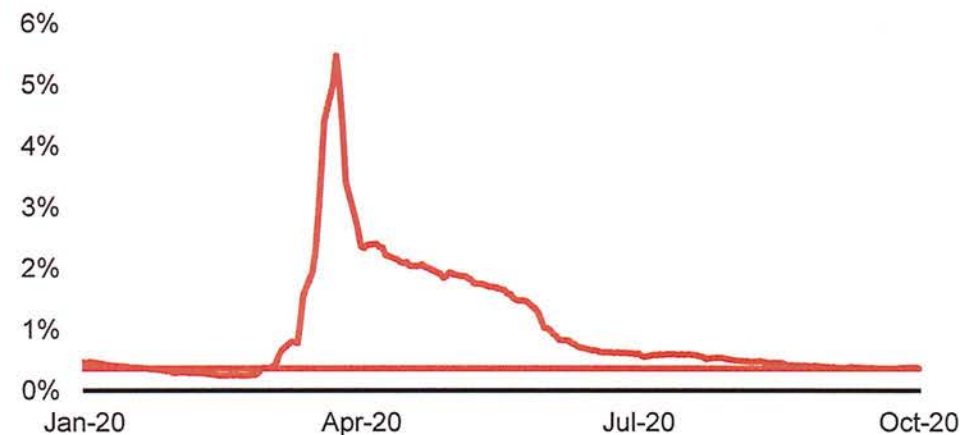
Mortgage-Backed Securities Yield Spreads



Corporate Notes A-AAA Yield Spreads



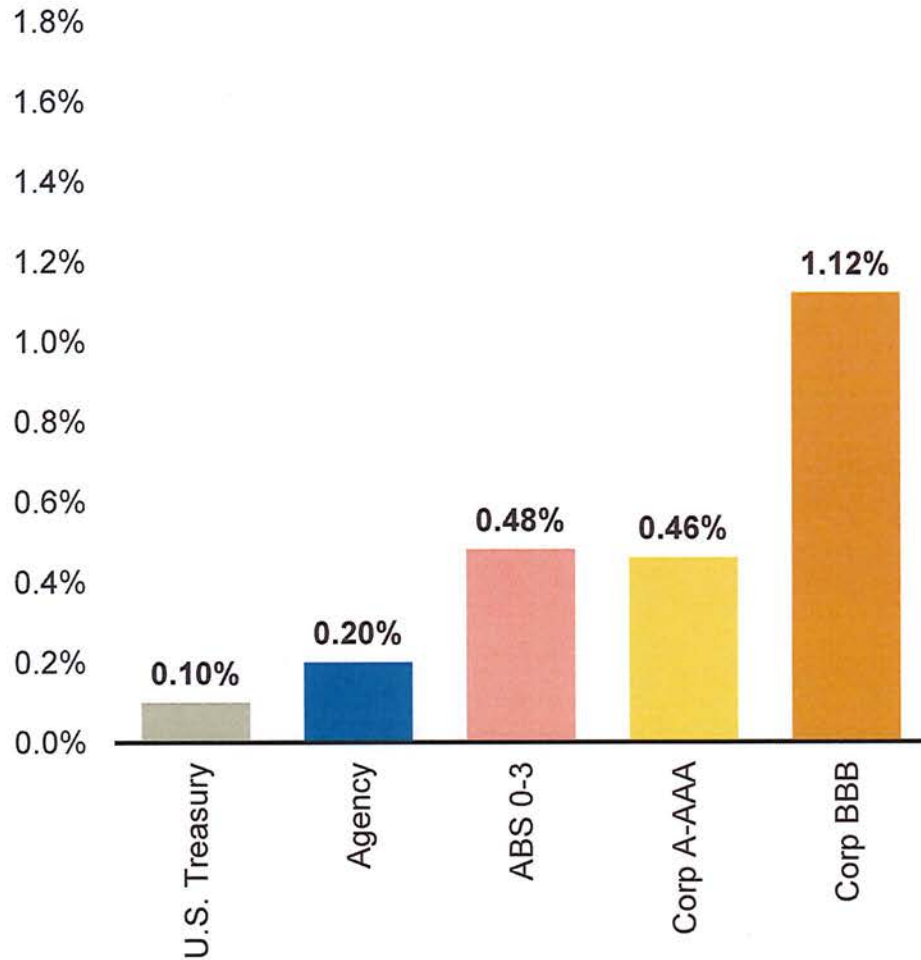
Asset-Backed Securities Yield Spreads



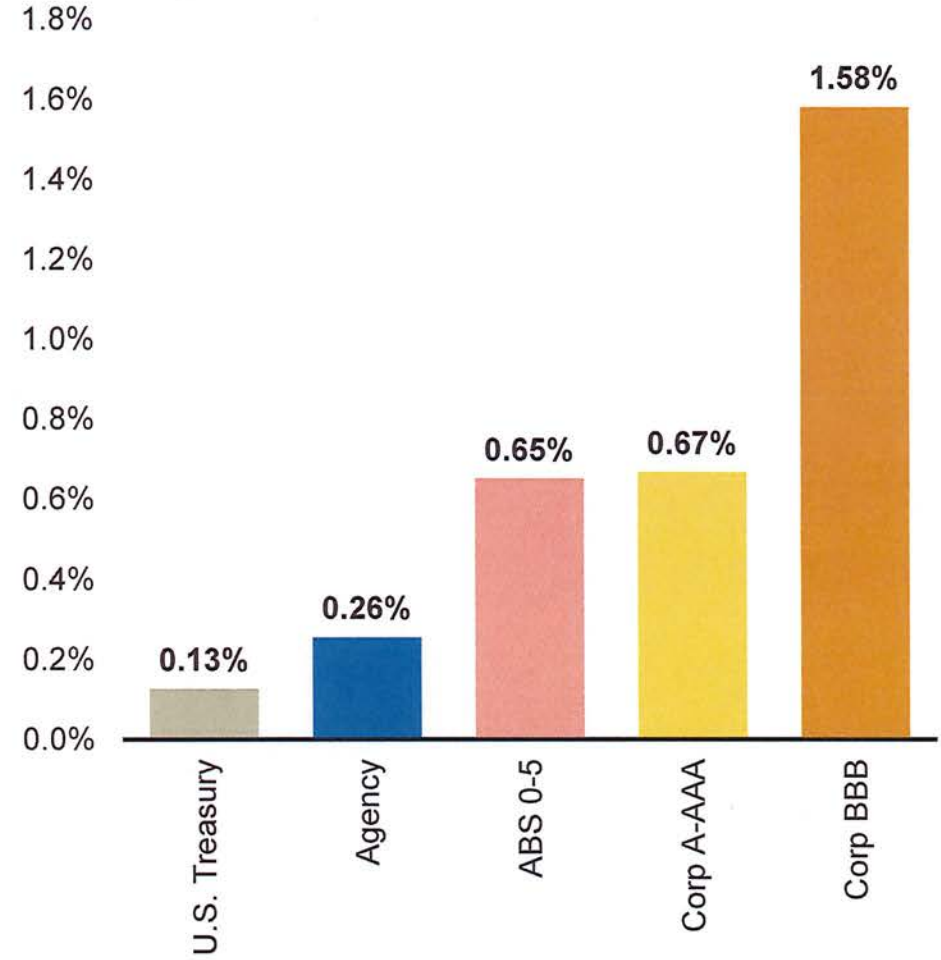
Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess, and PFM as of 10/2/2020. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

Credit Sectors Outperform in the Third Quarter

1-3 Year Indices



1-5 Year Indices



Source: Bloomberg as of 9/30/2020.

Markets Face Many Uncertainties Moving into the Fourth Quarter

● Coronavirus

- Spread during **colder months** and flu season
- Development of **vaccines**
- Impact on **economic recovery**

● Markets

- **Valuations** of bonds and equities
- Further **fiscal stimulus**
- **Fed** policies

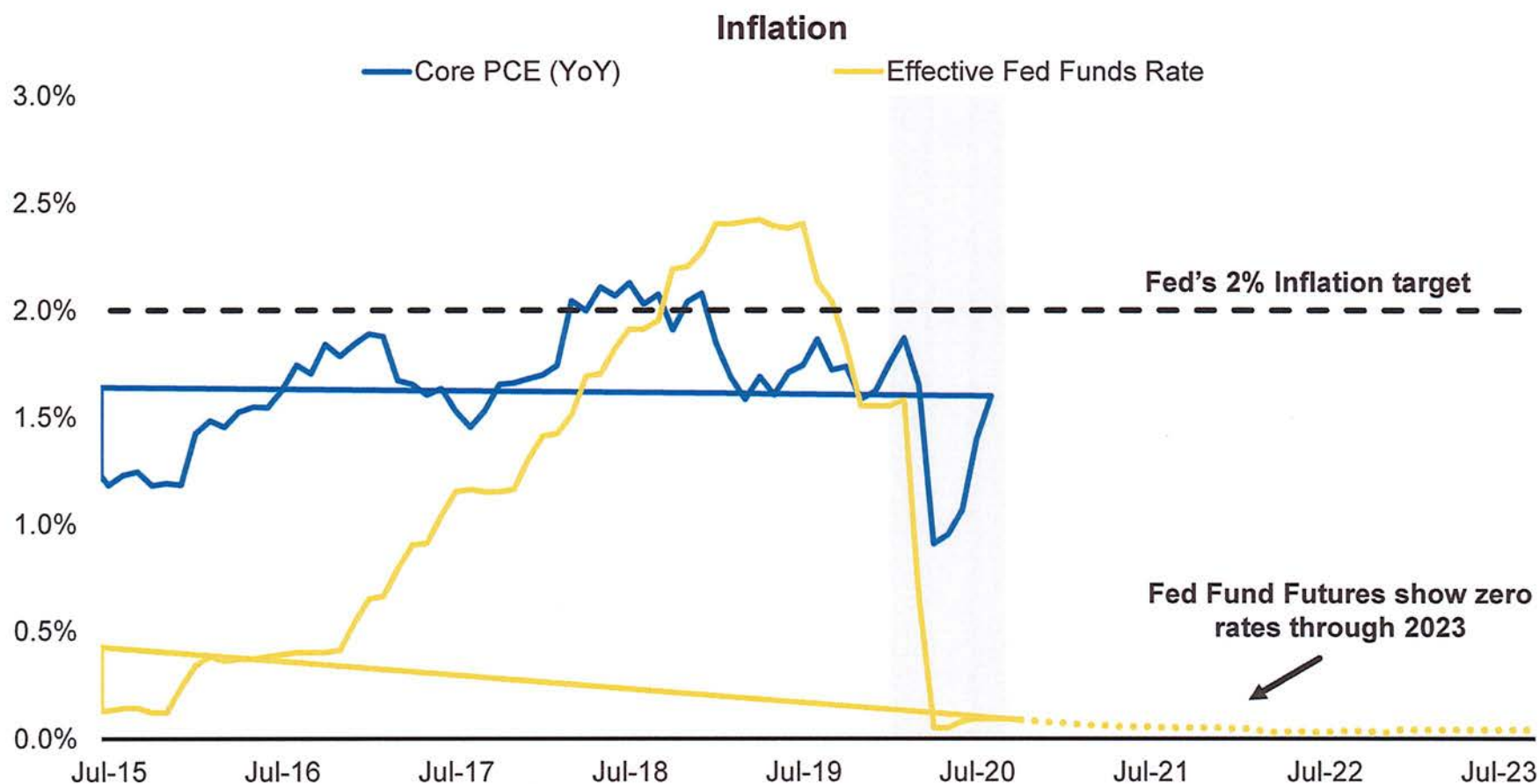
● Presidential election

- Priorities of government **spending**
- **Tax law** changes
- **Foreign and trade policies**
- Future of **ACA**



Federal Reserve's New Inflation Policy Means Rates May Be Lower for Longer

"...the Committee seeks to achieve inflation that averages 2 percent over time...following periods when inflation has been running persistently below 2 percent, appropriate monetary policy will likely aim to achieve inflation moderately above 2 percent for some time."



Source: Federal Reserve as of 8/27/2020 (quote); Bloomberg as of 10/2/2020 (chart). Fed Funds Futures projections as of 10/5/2020.

Investment Strategy & Portfolio Review

Portfolio Recap

- The effects of the coronavirus continued to ripple through global economies and financial markets during the third quarter:
 - Global Health Crisis – Coronavirus restrictions were gradually eased throughout the U.S. but were followed by regional hot spots of infection, reminding people of how long the virus may linger.
 - Economic Shutdown – U.S. second quarter GDP plunged by a record annualized rate of 31.7%. For context, GDP fell by 8.4% during the height of the 2008 financial crisis. However, other economic indicators were surprisingly strong and recovered at a faster pace than originally expected, leading various economists to pull forward the expected timeframe for recovery. The labor market has rebounded off its lows; but with the unemployment rate still near 8%, the jobs landscape remains a significant headwind to a more robust and sustained recovery.
 - Financial Markets – The Federal Reserve (Fed) continued to play a large role in supporting financial market stability. The central bank reaffirmed its ongoing support of many bond market sectors through its continuing purchase and liquidity programs, and it extended the expiration date of many of its lending facilities. The Fed also extended its forward guidance regarding zero short-term interest rates through 2023.
- The U.S. Treasury yield curve remained relatively unchanged over the quarter, with all maturities ending the quarter within 0.05% of where they began. Yields on shorter-term maturities drifted lower as the lack of new fiscal stimulus resulted in lighter Treasury debt issuance. Longer-dated yields inched only slightly higher, nudged primarily by the Fed's new inflation targeting policy. As a result, Treasury index returns were muted for the quarter.
 - Diversification away from Treasuries was again additive to performance in the third quarter. Momentum from the narrowing of spreads at the onset of the pandemic continued, albeit at a reduced pace, but led most investment-grade fixed income sectors to generate positive excess returns relative to similar-duration Treasuries.
- Our third quarter strategy encompassed the following:
 - We maintained a sharp focus on portfolio safety with robust due diligence on credit and securitized products given the backdrop of a fragile economic environment.
 - Portfolio durations were targeted to match their respective benchmarks as few catalysts were present to push yields meaningfully higher over the near term.
 - U.S. Treasury allocations were reduced further as financial markets stabilized and other sectors presented better investment opportunities to enhance portfolio earnings. Increased allocations to other investment-grade sectors boosted performance for the second consecutive quarter.

Portfolio Recap - continued

- We continued to increase allocations to the federal agency sector as yield spreads on new issue Fannie Mae, Freddie Mac, and Federal Home Loan Bank bonds remained elevated from a historical perspective, especially for maturities of three years and longer. Value in callable structures was limited as spreads narrowed noticeably on most structures.
- In the supranational sector, heavy issuance was met with increased global demand, driving yield spreads narrower. In some cases, supranational spreads compressed to levels below those on comparable-maturity federal agencies, making them unattractive. As a result, we preferred federal agencies.
- Investment-grade corporate notes were, once again, a significant boon for portfolio performance during the quarter. Supply was robust as corporations continued to take advantage of the low borrowing rate environment by issuing new bonds at a rapid pace. However, investor demand was strong and pressured spreads lower. While narrower spreads benefited third quarter performance, they also reduced future earnings potential. As a result, we modestly decreased allocations in the sector with a focus on reducing exposure to industries that face significant headwinds and locking in gains on issuers with very tight spreads.
- Despite the Fed's continued support of the mortgage markets through its ongoing purchase program, the MBS sector was a mixed bag. Elevated prepayments were the primary headwind, as borrowers sought to take advantage of record low mortgage rates. While we generally maintained a modest core allocation to MBS, new purchases largely represented reinvestment of principal payments. Our preference continues to be for MBS structures that are less exposed to prepayment such as agency commercial mortgages.
- AAA-rated ABS offered fair value, so we maintained allocations. After pausing new purchases in the second quarter, we reevaluated underlying risks in the sector by conducting robust stress testing under a wide range of adverse scenarios, which affirmed the ability of most ABS to weather the current economic downturn. In the third quarter, we once again became selective buyers of new issues, focusing on those issues with increased credit enhancements.
- The taxable municipal sector remained active as entities benefited from the low borrowing rate environment. Finding value and diversification, PFM increased its participation in new issue municipal debt during the quarter as we viewed the sector to be quite attractive, even compared to some high-quality corporate issuers.
- Short-term credit (negotiable CDs and commercial paper) spreads completely reversed the brief, crisis-induced sell-off in March which suppressed the value of most money market instruments. Allocations were reduced in favor of Treasury Bills whose yields ticked up on the back of huge issuance.

Sector Allocation & Compliance

- The portfolio is in compliance with the City's Investment Policy and the California Government Code.

Security Type	Market Value as of 9/30/20	% of Portfolio	% Change vs. 6/30/20	Permitted by Policy	In Compliance
U.S. Treasury	\$11,331,348	33.1%	-8.0%	100%	✓
Federal Agency	\$7,801,739	22.8%	10.9%	100%	✓
Agency CMOs	\$1,628,430	4.8%	-0.2%	100%	✓
Supranationals	\$176,028	0.5%	-0.5%	30%	✓
Municipal	\$602,721	1.8%	1.3%	30%	✓
Asset-Backed Securities	\$2,327,286	6.8%	-0.2%	20%	✓
Negotiable CDs	\$2,175,346	6.3%	0.6%	30%	✓
Corporate Notes	\$8,197,729	23.9%	-3.7%	30%	✓
Securities Sub-Total	\$34,240,627	99.9%			
Accrued Interest	\$125,773				
Securities Total	\$34,366,400				
PFM Funds	\$24,037	0.1%	-0.2%	100%	✓
Total Investments	\$34,390,437	100.0%			

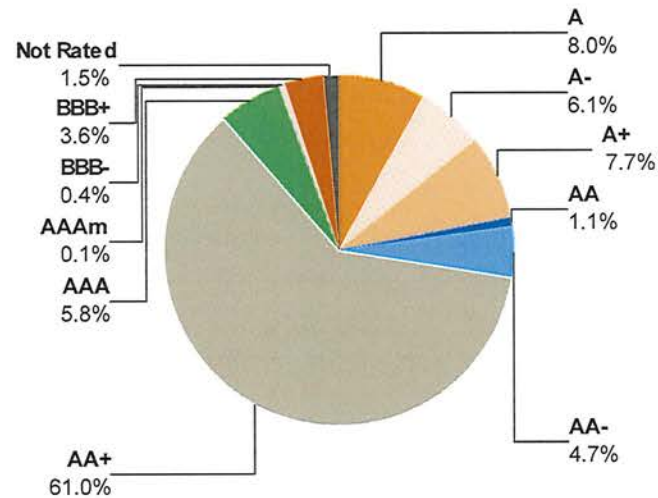
Market values, excluding accrued interest. Detail may not add to total due to rounding. Current investment policy as of June 25, 2020.

Portfolio Statistics

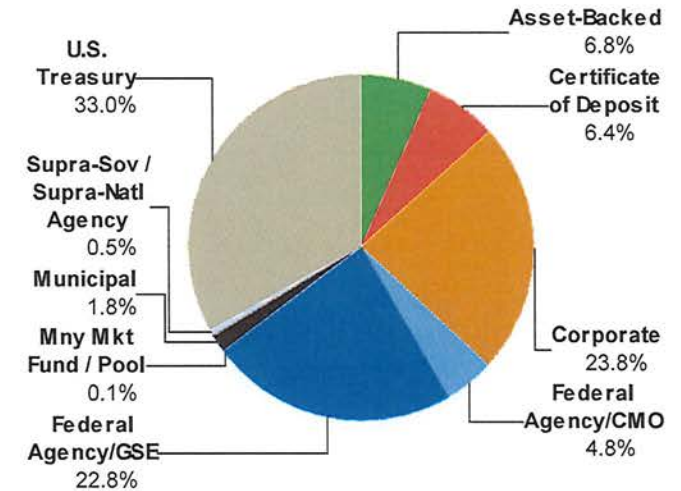
As of September 30, 2020

Par Value:	\$33,118,163
Total Market Value:	\$34,390,437
Security Market Value:	\$34,240,627
Accrued Interest:	\$125,773
Cash:	-
PFM Funds	\$24,037
Amortized Cost:	\$33,130,261
Yield at Market:	0.48%
Yield at Cost:	1.80%
Effective Duration:	2.67 Years
Average Maturity:	2.88 Years
Average Credit: *	AA

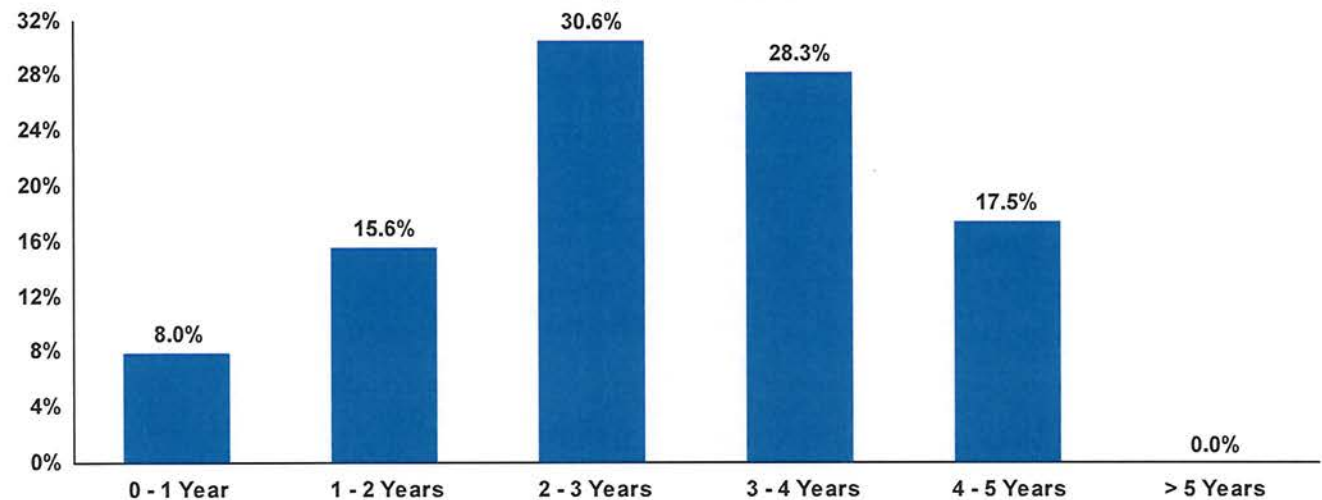
Credit Quality (S&P Ratings)**



Sector Allocation



Maturity Distribution

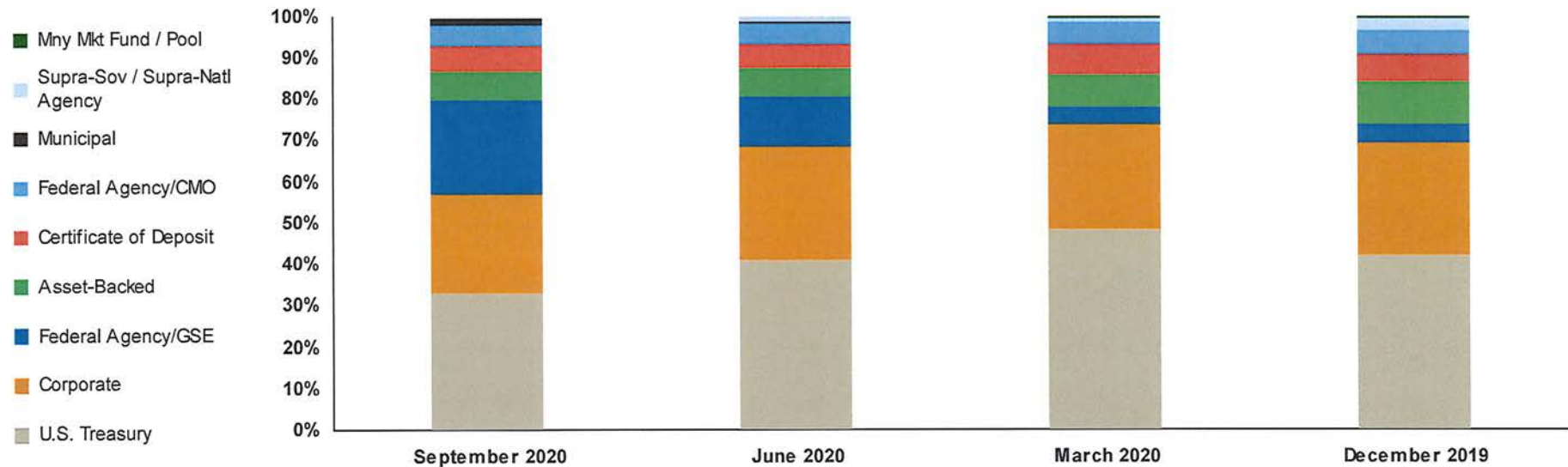


* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Securities held in the City's portfolio are in compliance with California Government Code and the City's investment policy dated June 25, 2020..

Sector Allocation

Sector	September 30, 2020		June 30, 2020		March 31, 2020		December 31, 2019	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	11.3	33.0%	14.0	41.0%	16.2	48.2%	13.8	42.0%
Corporate	8.2	23.8%	9.5	27.7%	8.7	25.7%	8.9	27.2%
Federal Agency/GSE	7.8	22.8%	4.1	11.9%	1.3	3.8%	1.5	4.7%
Asset-Backed	2.3	6.8%	2.4	7.0%	2.7	8.0%	3.4	10.4%
Certificate of Deposit	2.2	6.4%	2.0	5.8%	2.5	7.6%	2.2	6.7%
Federal Agency/CMO	1.6	4.8%	1.7	5.0%	1.7	5.2%	1.8	5.4%
Municipal	0.6	1.8%	0.1	0.4%	0.0	0.0%	0.0	0.0%
Supra-Sov / Supra-Natl Agency	0.2	0.5%	0.4	1.0%	0.3	0.9%	1.0	3.0%
Mny Mkt Fund / Pool	0.0	0.1%	0.1	0.2%	0.2	0.6%	0.2	0.6%
Total	\$34.3	100.0%	\$34.2	100.0%	\$33.6	100.0%	\$32.8	100.0%

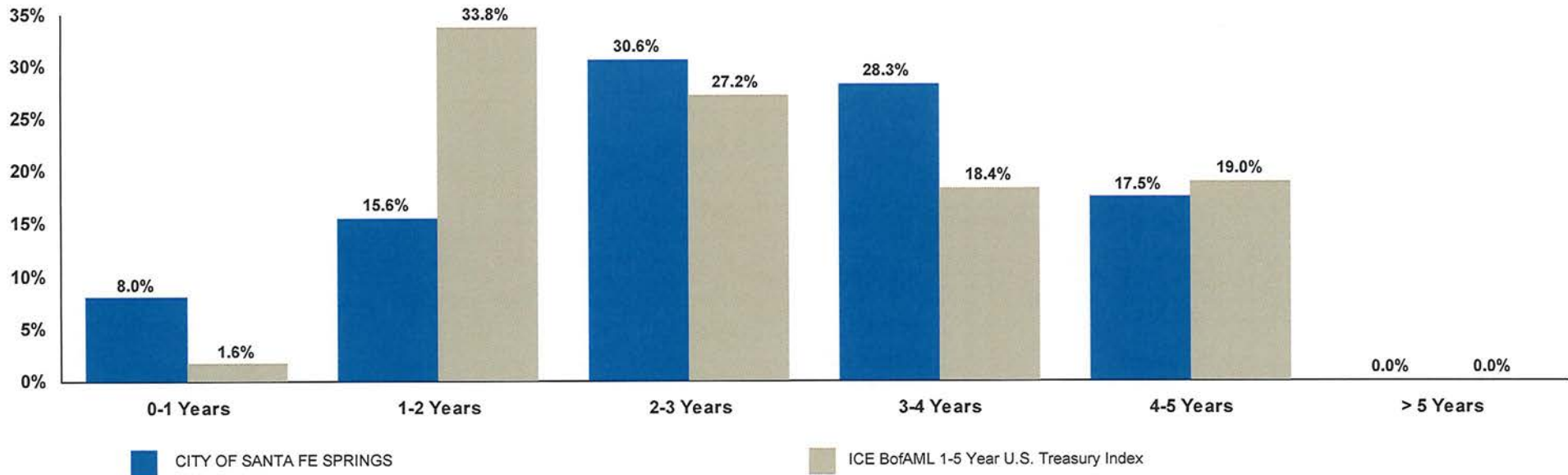


Detail may not add to total due to rounding.

Maturity Distribution

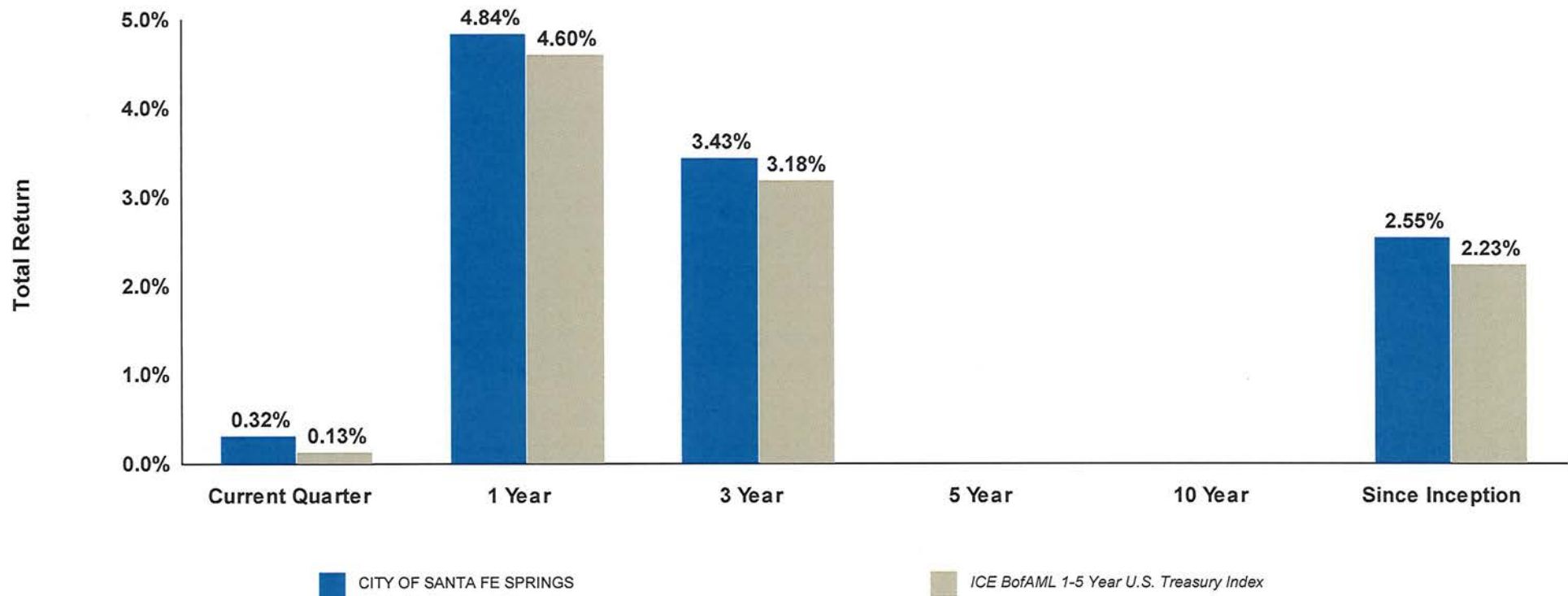
As of September 30, 2020

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF SANTA FE SPRINGS	0.48%	2.88 yrs	8.0%	15.6%	30.6%	28.3%	17.5%	0.0%
ICE BofAML 1-5 Year U.S. Treasury Index	0.16%	2.73 yrs	1.6%	33.8%	27.2%	18.4%	19.0%	0.0%



Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (03/31/16) **
				3 Year	5 Year	10 Year	
CITY OF SANTA FE SPRINGS	2.67	0.32%	4.84%	3.43%	-	-	2.55%
ICE BofAML 1-5 Year U.S. Treasury Index	2.58	0.13%	4.60%	3.18%	-	-	2.23%
Difference		0.19%	0.24%	0.25%	-	-	0.32%



Portfolio performance is gross of fees unless otherwise indicated. **Since Inception performance is not shown for periods less than one year.

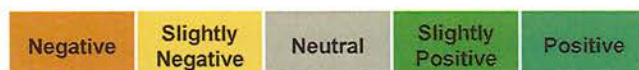
Portfolio Earnings

Quarter-Ended September 30, 2020

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (06/30/2020)	\$34,166,513.12	\$32,821,405.95
Net Purchases/Sales	\$149,685.06	\$149,685.06
Change in Value	(\$51,534.24)	\$159,169.72
Ending Value (09/30/2020)	\$34,264,663.94	\$33,130,260.73
Interest Earned	\$160,287.17	\$160,287.17
Portfolio Earnings	\$108,752.93	\$319,456.89

Fixed-Income Sector Outlook – October 2020

Sector	Our Investment Preferences	Comments
COMMERCIAL PAPER / CD		<ul style="list-style-type: none"> Front end credit spreads are close to historic tight; however, investor appetite remains strong; selectively add exposure.
TREASURIES		<ul style="list-style-type: none"> T-Bills remain attractive relative to other short-term options. Renewed fiscal stimulus may result in elevated supply and drive the continued value in this sector. Treasury yields decreased over the month as Treasury volatility fell. Uncertainty around the path of the virus, additional fiscal support, and the November elections have offset the record level of treasury coupon issuance in moving yields lower.
T-Bill		
T-Note		
FEDERAL AGENCIES		<ul style="list-style-type: none"> Agency spreads remained mostly range bound over the month. Current valuations remain attractive in the 3- and 5-year area, which have benefited the most from supply and should continued to be targeted. Callable spreads tightened and new-issue coupons continued to fall as Treasury volatility hit a record low. Value remains on a structure-by-structure basis.
Bullets		
Callables		
SUPRANATIONALS		<ul style="list-style-type: none"> Supranational spreads softened across the curve in response to robust issuance, which is expected to slow given annual funding targets are nearly met. New issue opportunities should continue to be evaluated.
CORPORATES		<ul style="list-style-type: none"> We remain cautious with valuations on high-quality corporate bonds near record tight levels while fundamentals remain highly uncertain. New issue supply will likely decline after the record pace seen so far this year, a positive factor for the sector. The Fed's unprecedented support should help anchor spreads, but we have concerns around consumer finances and corporate balance sheets. Another surge in COVID-19 cases, rising geopolitical tensions and the Presidential election could be catalysts for another spike in volatility.
Financials		
Industrials		
SECURITIZED		<ul style="list-style-type: none"> ABS yield spreads tightened even as the sector experienced an elevated level of issuance in September. Credit enhancements on some new issue auto ABS deals have increased in response to concerns regarding consumer stress. The Fed continues "to support the smooth functioning" of the MBS market through its ongoing purchase program. However, spreads are narrow, and prepayments will stay elevated over the near-term as refinancings remain robust. Agency CMBS spreads moved slightly wider in September and remain above historical averages as concerns regarding the ability of renters to pay remain.
Asset-Backed		
Agency Mortgage-Backed		
Agency CMBS		
MUNICIPALS		<ul style="list-style-type: none"> Taxable supply continues to come to market while spreads continue to tighten due to increased investor demand. We remain focused on the largest issuers while exercising caution on many sub-sectors given the fiscal impact from COVID-19.



● Current outlook

○ Outlook one quarter ago

Investment Strategy Outlook

- The U.S. and global economic recoveries have been stronger than expected. In the U.S., however, the pace of recovery appears to be slowing. Getting back to pre-pandemic growth and employment levels will likely be challenging.
- Considering the economic uncertainties that remain, we plan on structuring portfolios to have neutral durations relative to their respective benchmarks.
- Our outlook for major investment-grade sectors includes the following:
 - Agencies – The continued reach for yield and safety should pressure agency spreads back to pre-COVID levels. Given this backdrop, we plan to continue to add to allocations at current yield spreads, which remain historically wide. Value is concentrated in maturities of three years and longer.
 - Supranationals – Agencies are also more attractive than supranationals, whose spreads have tightened dramatically. Supply is expected to be light and value significantly limited as we head towards year end.
 - Corporates – Corporate liquidity is strong, and debt servicing costs are low, but we have concerns about the slowing of the economic recovery and the longer-term effects of increased leverage on corporate balance sheets. Another surge in COVID-19 cases, a stock market sell-off, rising geopolitical tensions, and the presidential election could be catalysts for a potential spike in volatility. Further, a global slowdown, trade conflicts, and a weaker dollar may continue to pressure industrial profits. On the other hand, rating agency downgrades have slowed materially, which is a positive, and the Fed's unprecedented support should help anchor spreads. As a result, corporates will remain a core, long-term holding in diversified portfolios, albeit over the near term, and we will continue to exercise caution.
 - Asset-Backed Securities (ABS) – The ABS sector outperformed Treasuries during September as spreads continued to tighten due to limited supply amid continuing economic recovery. Our expectation is for delinquency rates and net losses to increase as deferral programs start to phase out and the consumer feels the pinch from reduced federal unemployment benefits. However, we believe these factors will remain well within an acceptable range based upon PFM's stress tests. Value is now on par with the corporate sector. We will continue to be selective when evaluating new issues.
 - Agency MBS – Given the high level of prepayments and potential for heightened market volatility through the rest of the year, the sector is likely to trail Treasuries as long as the 10-year Treasury remains below 1%. At present, there are more than 19 million high-quality mortgages that are at risk for refinancing. Picking amongst structures and the coupon stack is vital to performance. We are cautious in our choice of sector and very selective, avoiding coupons on the cusp of potential refinancing.

Investment Strategy Outlook - continued

- Taxable Municipals – The taxable municipal sector remains attractive even though valuations have increased. We remain focused on the largest issuers while exercising caution on many subsectors given the fiscal impact from COVID-19. Purchases in the sector will likely be made in new issues, which are expected to remain elevated.

Issuer Distribution

Issuer Distribution
As of September 30, 2020

Issuer	Market Value (\$)	% of Portfolio	Top 5 = 62.6%	Top 10 = 67.8%
UNITED STATES TREASURY	11,331,348	33.1%		
FREDDIE MAC	5,415,124	15.8%		
FANNIE MAE	3,680,194	10.7%		
PFIZER INC	513,734	1.5%		
UNITED PARCEL SERVICE INC	496,181	1.5%		
VERIZON OWNER TRUST	381,803	1.1%		
CATERPILLAR INC	376,302	1.1%		
PACCAR FINANCIAL CORP	365,637	1.1%		
THE WALT DISNEY CORPORATION	338,266	1.0%		
3M COMPANY	337,939	1.0%		
DNB ASA	337,051	1.0%		
FEDERAL HOME LOAN BANKS	334,851	1.0%		
SKANDINAVISKA ENSKILDA BANKEN AB	334,664	1.0%		
NORDEA BANK ABP	334,602	1.0%		
CAPITAL ONE FINANCIAL CORP	333,922	1.0%		
AMERICAN EXPRESS CO	332,510	1.0%		
CREDIT AGRICOLE SA	330,572	1.0%		
SOCIETE GENERALE	327,964	1.0%		

Issuer	Market Value (\$)	% of Portfolio
GENERAL DYNAMICS CORP	322,462	0.9%
AMERICAN HONDA FINANCE	314,063	0.9%
US BANCORP	310,855	0.9%
JP MORGAN CHASE & CO	309,945	0.9%
GOLDMAN SACHS GROUP INC	309,167	0.9%
MORGAN STANLEY	303,377	0.9%
DEERE & COMPANY	303,367	0.9%
TOYOTA MOTOR CORP	288,915	0.8%
CITIGROUP INC	286,658	0.8%
THE BANK OF NEW YORK MELLON CORPORATION	271,491	0.8%
MERCK & CO INC	269,326	0.8%
BANK OF AMERICA CO	267,490	0.8%
CREDIT SUISSE GROUP RK	260,222	0.8%
FLORIDA ST HURRICAN CAT FUND	258,868	0.8%
SUMITOMO MITSUI FINANCIAL GROUP INC	250,271	0.7%
FORD CREDIT AUTO OWNER TRUST	204,672	0.6%
NY & NJ PORT AUTH	202,990	0.6%
CHARLES SCHWAB	193,043	0.6%
COMCAST CORP	187,654	0.6%
TRUIST FIN CORP	186,127	0.5%
INTER-AMERICAN DEVELOPMENT BANK	176,028	0.5%

Issuer	Market Value (\$)	% of Portfolio
HONDA AUTO RECEIVABLES	175,753	0.5%
VOLKSWAGEN OF AMERICA	171,017	0.5%
CARMAX AUTO OWNER TRUST	165,088	0.5%
BOEING COMPANY	152,220	0.4%
AMAZON.COM INC	150,192	0.4%
APPLE INC	141,427	0.4%
STATE OF CONNECTICUT	140,863	0.4%
NISSAN AUTO LEASE TRUST	130,611	0.4%
DISCOVER FINANCIAL SERVICES	129,159	0.4%
NATIONAL RURAL UTILITIES CO FINANCE CORP	127,383	0.4%
HERSHEY COMPANY	127,195	0.4%
NISSAN AUTO RECEIVABLES	112,827	0.3%
CHEVRON CORPORATION	111,427	0.3%
MERCEDES-BENZ AUTO RECEIVABLES	103,498	0.3%
TEXAS INSTRUMENTS INC	100,888	0.3%
IBM CORP	100,819	0.3%
BRISTOL-MYERS SQUIBB CO	97,504	0.3%
GM FINANCIAL SECURITIZED TERM	91,076	0.3%
HOME DEPOT INC	78,154	0.2%
HARLEY-DAVIDSON MOTORCYCLE TRUST	76,491	0.2%
PEPSICO INC	75,758	0.2%

Issuer	Market Value (\$)	% of Portfolio
ALLY AUTO RECEIVABLES TRUST	73,173	0.2%
GM FINANCIAL AUTO LEASING TRUST	68,748	0.2%
HONEYWELL INTERNATIONAL	67,090	0.2%
ADOBE INC	36,055	0.1%
FORD CREDIT AUTO LEASE TRUST	33,123	0.1%
PFM FUNDS - GOVT SELECT, INSTL CL	24,037	0.1%
JOHN DEERE OWNER TRUST	23,435	0.1%
Grand Total:	34,264,664	100.0%

Portfolio Transactions

Quarterly Portfolio Transactions

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	7/1/20	7/25/20	275,000.00	3137AWQH1	FHLMC MULTIFAMILY STRUCTURED P	2.30%	8/1/22	528.69		
INTEREST	7/1/20	7/25/20	91,860.82	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	160.14		
INTEREST	7/1/20	7/25/20	61,807.13	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	137.47		
INTEREST	7/1/20	7/25/20	160,000.00	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	412.00		
INTEREST	7/1/20 *	7/25/20	155,070.45	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	305.57		
INTEREST	7/1/20	7/25/20	108,635.89	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	206.41		
INTEREST	7/1/20	7/25/20	62,510.90	3137FKK39	FHMS KP05 A	3.20%	7/1/23	166.85		
INTEREST	7/1/20	7/25/20	325,000.00	3137AVXN2	FHLMC MULTIFAMILY STRUCTURED P	2.35%	7/1/22	637.81		
INTEREST	7/1/20	7/25/20	300,000.00	3137B1BS0	FHLMC MULTIFAMILY STRUCTURED P	2.51%	11/1/22	627.50		
INTEREST	7/1/20	7/25/20	109,491.08	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	340.55		
PAYDOWNS	7/1/20	7/25/20	172.07	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	172.07		0.00
PAYDOWNS	7/1/20	7/25/20	229.07	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	229.07		0.00
PAYDOWNS	7/1/20	7/25/20	114.01	3137FKK39	FHMS KP05 A	3.20%	7/1/23	114.01		0.00
PAYDOWNS	7/1/20	7/25/20	7,948.45	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	7,948.45		0.00
PAYDOWNS	7/1/20	7/25/20	334.26	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	334.26		0.00
PAYDOWNS	7/1/20	7/25/20	1,946.15	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	1,946.15		0.00
BUY	7/2/20	7/8/20	100,000.00	73358W4V3	PORT AUTH OF NY/NJ T/E REV BONDS	1.08%	7/1/23	(100,000.00)	1.09%	
INTEREST	7/6/20	7/6/20	100,000.00	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	1,325.00		
SELL	7/6/20	7/8/20	30,000.00	912828L57	US TREASURY NOTES	1.75%	9/30/22	31,199.04		1,359.57
BUY	7/7/20	7/9/20	100,000.00	73358W4V3	PORT AUTH OF NY/NJ T/E REV BONDS	1.08%	7/1/23	(100,589.02)	0.89%	

CITY OF SANTA FE SPRINGS

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	7/8/20	7/8/20	150,000.00	89236TFS9	TOYOTA MOTOR CREDIT CORP CORP NOTES	3.35%	1/8/24	2,512.50		
SELL	7/8/20	7/9/20	100,000.00	912828L57	US TREASURY NOTES	1.75%	9/30/22	104,005.48		4,534.56
BUY	7/8/20	7/10/20	640,000.00	3135G05G4	FANNIE MAE NOTES	0.25%	7/10/23	(638,624.00)	0.32%	
SELL	7/9/20	7/9/20	300,000.00	87019U6D6	SWEDBANK (NEW YORK) CERT DEPOS	2.27%	11/16/20	303,184.50		2,163.00
SELL	7/9/20	7/10/20	300,000.00	912828P38	US TREASURY NOTES	1.75%	1/31/23	314,462.75		19,372.27
SELL	7/10/20	7/10/20	10,000.00	912828L57	US TREASURY NOTES	1.75%	9/30/22	10,404.93		457.24
BUY	7/10/20	7/14/20	250,000.00	86565CKU2	SUMITOMO MITSUI BANK NY CERT DEPOS	0.70%	7/8/22	(250,000.00)	0.70%	
SELL	7/13/20	7/14/20	175,000.00	459058GH0	INTL BANK OF RECONSTRUCTION AND DEV NOTE	2.75%	7/23/21	181,743.19		4,597.24
SELL	7/13/20	7/14/20	85,000.00	742718FA2	THE PROCTER & GAMBLE CO CORP NOTES	1.90%	10/23/20	85,724.63		373.26
INTEREST	7/15/20	7/15/20	60,000.00	65479PAD1	NALT 2019-A A3	2.76%	3/15/22	138.00		
INTEREST	7/15/20	7/15/20	86,245.37	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	138.71		
INTEREST	7/15/20	7/15/20	48,172.96	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	85.11		
INTEREST	7/15/20	7/15/20	200,000.00	34533FAD3	FORDO 2019-A A3	2.78%	9/15/23	463.33		
INTEREST	7/15/20	7/15/20	47,703.10	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	69.57		
INTEREST	7/15/20	7/15/20	74,186.72	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	193.50		
INTEREST	7/15/20	7/15/20	100,000.00	14316LAC7	CARMX 2019-2 A3	2.68%	3/15/24	223.33		
INTEREST	7/15/20	7/15/20	38,150.38	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	74.71		
INTEREST	7/15/20	7/15/20	12,077.42	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	18.32		
INTEREST	7/15/20	7/15/20	72,279.51	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	192.14		
INTEREST	7/15/20	7/15/20	119,687.47	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	264.31		
INTEREST	7/15/20	7/15/20	125,000.00	63743HET5	NATIONAL RURAL UTIL COOP CORP NOTE	1.75%	1/21/22	972.22		
INTEREST	7/15/20	7/15/20	200,000.00	912828Z29	UNITED STATES TREASURY NOTES	1.50%	1/15/23	1,500.00		

CITY OF SANTA FE SPRINGS

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	7/15/20	7/15/20	31,202.48	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	69.17		
INTEREST	7/15/20	7/15/20	125,000.00	254683CM5	DCENT 2019-A3 A	1.89%	10/15/24	196.88		
INTEREST	7/15/20	7/15/20	325,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	465.83		
INTEREST	7/15/20	7/15/20	52,417.51	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	73.38		
INTEREST	7/15/20	7/15/20	66,803.64	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	110.78		
INTEREST	7/15/20	7/15/20	131,990.43	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	333.28		
INTEREST	7/15/20	7/15/20	75,000.00	41284UAD6	HDMOT 2020-A A3	1.87%	10/15/24	116.87		
PAYDOWNS	7/15/20	7/15/20	4,355.43	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	4,355.43		0.00
PAYDOWNS	7/15/20	7/15/20	2,824.34	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	2,824.34		0.00
PAYDOWNS	7/15/20	7/15/20	11,111.78	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	11,111.78		0.00
PAYDOWNS	7/15/20	7/15/20	3,223.34	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	3,223.34		0.00
PAYDOWNS	7/15/20	7/15/20	10,621.13	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	10,621.13		0.00
PAYDOWNS	7/15/20	7/15/20	5,863.06	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	5,863.06		0.00
PAYDOWNS	7/15/20	7/15/20	11,704.48	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	11,704.48		0.00
PAYDOWNS	7/15/20	7/15/20	13,267.56	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	13,267.56		0.00
PAYDOWNS	7/15/20	7/15/20	10,068.75	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	10,068.75		0.00
PAYDOWNS	7/15/20	7/15/20	11,442.93	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	11,442.93		0.00
PAYDOWNS	7/15/20	7/15/20	4,441.43	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	4,441.43		0.00
PAYDOWNS	7/15/20	7/15/20	13,237.49	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	13,237.49		0.00
INTEREST	7/16/20	7/16/20	110,263.04	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	277.50		
PAYDOWNS	7/16/20	7/16/20	6,770.41	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	6,770.41		0.00
INTEREST	7/18/20	7/18/20	70,316.72	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	104.89		

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Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
PAYDOWNS	7/18/20	7/18/20	13,484.58	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	13,484.58		0.00
INTEREST	7/20/20	7/20/20	100,000.00	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	154.17		
INTEREST	7/20/20	7/20/20	32,112.45	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	85.10		
INTEREST	7/20/20	7/20/20	200,000.00	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	541.67		
INTEREST	7/20/20	7/20/20	175,000.00	92348AAA3	VZOT 2019-C A1A	1.94%	4/22/24	282.92		
PAYDOWNS	7/20/20	7/20/20	6,834.11	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	6,834.11		0.00
PAYDOWNS	7/20/20	7/20/20	5,798.78	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	5,798.78		0.00
BUY	7/21/20	7/23/20	395,000.00	3137EAEU9	FREDDIE MAC NOTES	0.37%	7/21/25	(393,032.90)	0.48%	
SELL	7/21/20	7/23/20	250,000.00	9128286Z8	UNITED STATES TREASURY NOTES	1.75%	6/30/24	265,419.92		15,593.02
INTEREST	7/31/20	7/31/20	125,000.00	912828V80	US TREASURY N/B NOTES	2.25%	1/31/24	1,406.25		
INTEREST	7/31/20	7/31/20	890,000.00	912828P38	US TREASURY NOTES	1.75%	1/31/23	7,787.50		
INTEREST	7/31/20	7/31/20	100,000.00	912828Z52	UNITED STATES TREASURY NOTES	1.37%	1/31/25	687.50		
INTEREST	8/1/20	8/1/20	100,000.00	097023CL7	BOEING CO NOTES	2.30%	8/1/21	1,150.00		
INTEREST	8/1/20	8/1/20	35,000.00	00724PAA7	ADOBE INC CORP NOTE	1.70%	2/1/23	294.19		
INTEREST	8/1/20	8/1/20	155,000.00	05531FAZ6	BRANCH BANKING & TRUST (CALLABLE) NOTES	2.15%	2/1/21	1,666.25		
INTEREST	8/1/20	8/25/20	300,000.00	3137B1BS0	FHLMC MULTIFAMILY STRUCTURED P	2.51%	11/1/22	627.50		
INTEREST	8/1/20	8/25/20	108,406.82	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	205.97		
INTEREST	8/1/20	8/25/20	325,000.00	3137AVXN2	FHLMC MULTIFAMILY STRUCTURED P	2.35%	7/1/22	637.81		
INTEREST	8/1/20	8/25/20	91,688.75	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	215.93		
INTEREST	8/1/20	8/25/20	154,736.19	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	304.91		
INTEREST	8/1/20	8/25/20	59,860.98	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	133.14		
INTEREST	8/1/20	8/25/20	101,542.63	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	304.26		

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INTEREST	8/1/20	8/25/20	160,000.00	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	412.00		
INTEREST	8/1/20	8/25/20	275,000.00	3137AWQH1	FHLMC MULTIFAMILY STRUCTURED P	2.30%	8/1/22	528.69		
INTEREST	8/1/20	8/25/20	62,396.89	3137FKK39	FHMS KP05 A	3.20%	7/1/23	166.55		
PAYDOWNS	8/1/20	8/25/20	2,447.01	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	2,447.01		0.00
PAYDOWNS	8/1/20	8/25/20	219.28	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	219.28		0.00
PAYDOWNS	8/1/20	8/25/20	318.49	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	318.49		0.00
PAYDOWNS	8/1/20	8/25/20	109.19	3137FKK39	FHMS KP05 A	3.20%	7/1/23	109.19		0.00
PAYDOWNS	8/1/20	8/25/20	12,590.33	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	12,590.33		0.00
PAYDOWNS	8/1/20	8/25/20	1,843.60	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	1,843.60		0.00
BUY	8/4/20	8/12/20	100,000.00	92290BAA9	VZOT 2020-B A	0.47%	2/20/25	(99,979.00)	0.47%	
INTEREST	8/5/20	8/5/20	100,000.00	44932HAG8	IBM CORP CORP NOTES	2.65%	2/5/21	1,325.00		
INTEREST	8/5/20	8/5/20	480,000.00	3135G0V34	FANNIE MAE NOTES	2.50%	2/5/24	6,000.00		
BUY	8/5/20	8/7/20	260,000.00	22549L6F7	CREDIT SUISSE NEW YORK CERT DEPOS	0.52%	2/1/22	(260,000.00)	0.52%	
SELL	8/5/20	8/7/20	310,000.00	931142EA7	WAL-MART STORES INC CORP NOTE	1.90%	12/15/20	312,747.98		1,947.92
INTEREST	8/8/20	8/8/20	65,000.00	438516BT2	HONEYWELL INTERNATIONAL (CALLABLE) NOTE	2.15%	8/8/22	698.75		
BUY	8/10/20	8/12/20	35,000.00	166756AJ5	CHEVRON USA INC CORPORATE NOTES	0.42%	8/11/23	(35,000.00)	0.43%	
SELL	8/11/20	8/12/20	35,000.00	912828L57	US TREASURY NOTES	1.75%	9/30/22	36,417.80		1,531.34
INTEREST	8/13/20	8/13/20	70,000.00	89236TGT6	TOYOTA MOTOR CREDIT CORP CORP NOTES	1.80%	2/13/25	630.00		
INTEREST	8/14/20	8/14/20	325,000.00	83369XDL9	SOCIETE GENERALE NY CERT DEPOS	1.80%	2/14/22	2,843.75		
INTEREST	8/15/20	8/15/20	33,708.95	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	66.01		
INTEREST	8/15/20	8/15/20	325,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	465.83		
INTEREST	8/15/20	8/15/20	75,000.00	41284UAD6	HDMOT 2020-A A3	1.87%	10/15/24	116.87		

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INTEREST	8/15/20	8/15/20	121,921.68	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	307.85		
INTEREST	8/15/20	8/15/20	42,309.90	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	74.75		
INTEREST	8/15/20	8/15/20	69,831.29	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	182.14		
INTEREST	8/15/20	8/15/20	100,000.00	14316LAC7	CARMX 2019-2 A3	2.68%	3/15/24	223.33		
INTEREST	8/15/20	8/15/20	40,974.58	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	57.36		
INTEREST	8/15/20	8/15/20	125,000.00	254683CM5	DCENT 2019-A3 A	1.89%	10/15/24	196.88		
INTEREST	8/15/20	8/15/20	59,011.95	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	156.87		
INTEREST	8/15/20	8/15/20	60,000.00	65479PAD1	NALT 2019-A A3	2.76%	3/15/22	138.00		
INTEREST	8/15/20	8/15/20	27,979.14	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	62.02		
INTEREST	8/15/20	8/15/20	9,253.08	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	14.03		
INTEREST	8/15/20	8/15/20	74,540.89	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	119.89		
INTEREST	8/15/20	8/15/20	106,449.98	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	235.08		
INTEREST	8/15/20	8/15/20	36,591.32	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	53.36		
INTEREST	8/15/20	8/15/20	56,182.51	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	93.17		
INTEREST	8/15/20	8/15/20	425,000.00	912828B66	US TREASURY NOTES	2.75%	2/15/24	5,843.75		
INTEREST	8/15/20	8/15/20	200,000.00	34533FAD3	FORDO 2019-A A3	2.78%	9/15/23	463.33		
PAYDOWNS	8/15/20	8/15/20	4,493.55	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	4,493.55		0.00
PAYDOWNS	8/15/20	8/15/20	11,066.29	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	11,066.29		0.00
PAYDOWNS	8/15/20	8/15/20	4,064.50	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	4,064.50		0.00
PAYDOWNS	8/15/20	8/15/20	10,358.61	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	10,358.61		0.00
PAYDOWNS	8/15/20	8/15/20	11,183.65	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	11,183.65		0.00
PAYDOWNS	8/15/20	8/15/20	13,076.67	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	13,076.67		0.00

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Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
PAYDOWNS	8/15/20	8/15/20	4,456.62	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	4,456.62		0.00
PAYDOWNS	8/15/20	8/15/20	3,597.30	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	3,597.30		0.00
PAYDOWNS	8/15/20	8/15/20	5,655.40	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	5,655.40		0.00
PAYDOWNS	8/15/20	8/15/20	14,513.27	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	14,513.27		0.00
PAYDOWNS	8/15/20	8/15/20	11,251.67	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	11,251.67		0.00
PAYDOWNS	8/15/20	8/15/20	11,245.46	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	11,245.46		0.00
INTEREST	8/16/20	8/16/20	103,492.63	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	260.46		
PAYDOWNS	8/16/20	8/16/20	6,922.94	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	6,922.94		0.00
INTEREST	8/18/20	8/18/20	56,832.14	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	84.77		
PAYDOWNS	8/18/20	8/18/20	13,622.77	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	13,622.77		0.00
BUY	8/19/20	8/21/20	600,000.00	3137EAEV7	FREDDIE MAC NOTES	0.25%	8/24/23	(599,388.00)	0.28%	
INTEREST	8/20/20	8/20/20	100,000.00	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	154.17		
INTEREST	8/20/20	8/20/20	194,201.22	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	525.96		
INTEREST	8/20/20	8/20/20	175,000.00	92348AAA3	VZOT 2019-C A1A	1.94%	4/22/24	282.92		
INTEREST	8/20/20	8/20/20	25,278.34	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	66.99		
PAYDOWNS	8/20/20	8/20/20	13,143.15	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	13,143.15		0.00
PAYDOWNS	8/20/20	8/20/20	9,230.12	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	9,230.12		0.00
SELL	8/20/20	8/21/20	50,000.00	912828Z29	UNITED STATES TREASURY NOTES	1.50%	1/15/23	51,704.32		547.78
SELL	8/20/20	8/21/20	155,000.00	05531FAZ6	BRANCH BANKING & TRUST (CALLABLE) NOTES	2.15%	2/1/21	156,251.54		1,076.19
SELL	8/20/20	8/21/20	150,000.00	92826CAB8	VISA INC (CALLABLE) CORP NOTES	2.20%	12/14/20	151,307.17		573.29
SELL	8/20/20	8/21/20	65,000.00	478160CH5	JOHNSON & JOHNSON CORP NOTE	1.95%	11/10/20	65,605.85		255.39
BUY	8/25/20	8/27/20	795,000.00	3135G05X7	FANNIE MAE NOTES	0.37%	8/25/25	(791,279.40)	0.47%	

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INTEREST	8/26/20	8/26/20	325,000.00	65558TLL7	NORDEA BANK ABP NEW YORK CERT DEPOS	1.85%	8/26/22	3,039.65		
INTEREST	8/26/20	8/26/20	325,000.00	83050PDR7	SKANDINAV ENSKILDA BANK LT CD	1.86%	8/26/22	3,056.08		
SELL	8/26/20	8/27/20	55,000.00	912828P38	US TREASURY NOTES	1.75%	1/31/23	57,182.53		1,933.41
SELL	8/26/20	8/27/20	700,000.00	912828P38	US TREASURY NOTES	1.75%	1/31/23	727,777.69		42,886.48
INTEREST	8/30/20	8/30/20	325,000.00	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	2,875.35		
INTEREST	8/31/20	8/31/20	125,000.00	9128282D1	US TREASURY NOTES	1.37%	8/31/23	859.38		
INTEREST	8/31/20	8/31/20	575,000.00	9128284X5	UNITED STATES TREASURY NOTES	2.75%	8/31/23	7,906.25		
INTEREST	8/31/20	8/31/20	775,000.00	912828ZC7	UNITED STATES TREASURY NOTES	1.12%	2/28/25	4,359.38		
INTEREST	9/1/20	9/1/20	75,000.00	437076BV3	HOME DEPOT INC	3.25%	3/1/22	1,218.75		
INTEREST	9/1/20	9/1/20	175,000.00	69371RN93	PACCAR FINANCIAL CORP NOTES	2.80%	3/1/21	2,450.00		
INTEREST	9/1/20	9/25/20	58,017.38	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	129.04		
INTEREST	9/1/20	9/25/20	300,000.00	3137B1BS0	FHLMC MULTIFAMILY STRUCTURED P	2.51%	11/1/22	627.50		
INTEREST	9/1/20	9/25/20	275,000.00	3137AWQH1	FHLMC MULTIFAMILY STRUCTURED P	2.30%	8/1/22	528.69		
INTEREST	9/1/20	9/25/20	89,241.74	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	155.58		
INTEREST	9/1/20	9/25/20	88,952.30	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	264.68		
INTEREST	9/1/20	9/25/20	160,000.00	3137BM6P6	FHLMC SERIES K721 A2	3.09%	8/1/22	412.00		
INTEREST	9/1/20	9/25/20	154,417.70	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	304.28		
INTEREST	9/1/20	9/25/20	62,287.70	3137FKK39	FHMS KP05 A	3.20%	7/1/23	166.26		
INTEREST	9/1/20	9/25/20	108,187.54	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	241.21		
INTEREST	9/1/20	9/25/20	325,000.00	3137AVXN2	FHLMC MULTIFAMILY STRUCTURED P	2.35%	7/1/22	637.81		
PAYDOWNS	9/1/20	9/25/20	1,849.78	3137B5JL8	FHLMC MULTIFAMILY STRUCTURED P	2.66%	2/1/23	1,849.78		0.00
PAYDOWNS	9/1/20	9/25/20	319.59	3136ABPW7	FNA 2013-M1 A2	2.36%	8/1/22	319.59		0.00

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PAYDOWNS	9/1/20	9/25/20	2,616.34	3136B1XP4	FNA 2018-M5 A2	3.56%	9/1/21	2,616.34		0.00
PAYDOWNS	9/1/20	9/25/20	27,801.64	3137FKK39	FHMS KP05 A	3.20%	7/1/23	27,801.64		0.00
PAYDOWNS	9/1/20	9/25/20	3,232.67	3136AEGQ4	FNA 2013-M7 A2	2.28%	12/1/22	3,232.67		0.00
PAYDOWNS	9/1/20	9/25/20	154.57	3137FQ3V3	FHMS KJ27 A1	2.09%	7/1/24	154.57		0.00
BUY	9/2/20	9/4/20	575,000.00	3137EAEW5	FREDDIE MAC NOTES	0.25%	9/8/23	(574,810.25)	0.26%	
BUY	9/2/20	9/4/20	445,000.00	3137EAEW5	FREDDIE MAC NOTES	0.25%	9/8/23	(445,081.26)	0.24%	
INTEREST	9/3/20	9/3/20	55,000.00	05531FBD4	BRANCH BANKING & TRUST CORP NOTES	3.20%	9/3/21	880.00		
SELL	9/3/20	9/4/20	150,000.00	912828Z29	UNITED STATES TREASURY NOTES	1.50%	1/15/23	155,175.10		1,671.68
SELL	9/3/20	9/4/20	125,000.00	63743HER9	NATIONAL RURAL UTIL COOP NOTE	2.90%	3/15/21	128,492.99		1,815.19
SELL	9/3/20	9/4/20	125,000.00	912828VB3	US TREASURY NOTES	1.75%	5/15/23	131,090.56		5,240.33
SELL	9/3/20	9/4/20	180,000.00	89236TEU5	TOYOTA MOTOR CREDIT CORP NOTES	2.95%	4/13/21	185,020.95		2,955.72
SELL	9/3/20	9/4/20	260,000.00	904764AZ0	UNILEVER CAPITAL CORP NOTES	2.75%	3/22/21	266,849.70		3,873.43
SELL	9/3/20	9/4/20	135,000.00	912828P38	US TREASURY NOTES	1.75%	1/31/23	140,477.03		4,818.16
BUY	9/3/20	9/16/20	255,000.00	341271AD6	FL ST BOARD OF ADMIN TXBL REV BONDS	1.25%	7/1/25	(255,000.00)	1.26%	
INTEREST	9/6/20	9/6/20	95,000.00	14913Q3A5	CATERPILLAR FINANCIAL SERVICES CORP NOTE	1.90%	9/6/22	902.50		
INTEREST	9/7/20	9/7/20	130,000.00	24422EUX5	JOHN DEERE CAPITAL CORP CORP NOTES	2.60%	3/7/24	1,690.00		
INTEREST	9/7/20	9/7/20	250,000.00	58933YAU9	MERCK & CO INC	2.90%	3/7/24	3,625.00		
INTEREST	9/9/20	9/9/20	310,000.00	02665WBG5	AMERICAN HONDA FINANCE CORP NOTES	1.70%	9/9/21	2,635.00		
BUY	9/9/20	9/14/20	100,000.00	14913R2F3	CATERPILLAR FINL SERVICE CORPORATE NOTES	0.45%	9/14/23	(99,932.00)	0.47%	
SELL	9/10/20	9/14/20	100,000.00	912828VB3	US TREASURY NOTES	1.75%	5/15/23	104,841.88		4,115.64
INTEREST	9/12/20	9/12/20	100,000.00	882508AY0	TEXAS INSTRUMENTS INC (CALLABLE) NOTE	2.75%	3/12/21	1,375.00		
INTEREST	9/14/20	9/14/20	0.00	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	2,748.96		

CITY OF SANTA FE SPRINGS

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	9/14/20	9/14/20	0.00	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	(2,717.36)		
INTEREST	9/14/20	9/14/20	0.00	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	(2,875.35)		
INTEREST	9/14/20	9/14/20	75,000.00	88579YBA8	3M COMPANY	3.00%	9/14/21	1,125.00		
INTEREST	9/14/20	9/14/20	0.00	254687FK7	WALT DISNEY COMPANY/THE	1.75%	8/30/24	2,843.75		
INTEREST	9/15/20	9/15/20	300,000.00	717081EN9	PFIZER INC CORP NOTES (CALLABLE)	3.20%	9/15/23	4,800.00		
INTEREST	9/15/20	9/15/20	200,000.00	34533FAD3	FORDO 2019-A A3	2.78%	9/15/23	463.33		
INTEREST	9/15/20	9/15/20	25,345.86	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	36.96		
INTEREST	9/15/20	9/15/20	125,000.00	254683CM5	DCENT 2019-A3 A	1.89%	10/15/24	196.88		
INTEREST	9/15/20	9/15/20	250,000.00	88579YAX9	3M COMPANY CORP NOTES	2.25%	3/15/23	2,812.50		
INTEREST	9/15/20	9/15/20	36,654.50	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	64.76		
INTEREST	9/15/20	9/15/20	29,252.33	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	57.29		
INTEREST	9/15/20	9/15/20	5,655.78	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	8.58		
INTEREST	9/15/20	9/15/20	44,498.68	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	118.29		
INTEREST	9/15/20	9/15/20	45,116.22	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	74.82		
INTEREST	9/15/20	9/15/20	60,000.00	65479PAD1	NALT 2019-A A3	2.76%	3/15/22	138.00		
INTEREST	9/15/20	9/15/20	93,373.31	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	206.20		
INTEREST	9/15/20	9/15/20	29,790.93	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	41.71		
INTEREST	9/15/20	9/15/20	23,914.64	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	53.01		
INTEREST	9/15/20	9/15/20	325,000.00	14041NFU0	COMET 2019-A2 A2	1.72%	8/15/24	465.83		
INTEREST	9/15/20	9/15/20	63,289.22	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	101.79		
INTEREST	9/15/20	9/15/20	75,000.00	41284UAD6	HDMOT 2020-A A3	1.87%	10/15/24	116.87		
INTEREST	9/15/20	9/15/20	185,000.00	717081EM1	PFIZER INC CORP NOTE	3.00%	9/15/21	2,775.00		

CITY OF SANTA FE SPRINGS

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
INTEREST	9/15/20	9/15/20	111,563.07	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	281.70		
INTEREST	9/15/20	9/15/20	100,000.00	14913Q2G3	CATERPILLAR FINANCIAL SERVICES CORP NOTE	2.90%	3/15/21	1,450.00		
INTEREST	9/15/20	9/15/20	300,000.00	91159HHC7	US BANCORP (CALLABLE) NOTE	3.00%	3/15/22	4,500.00		
INTEREST	9/15/20	9/15/20	100,000.00	14316LAC7	CARMX 2019-2 A3	2.68%	3/15/24	223.33		
INTEREST	9/15/20	9/15/20	65,337.74	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	170.42		
PAYDOWNS	9/15/20	9/15/20	2,796.51	47788BAD6	JOHN DEERE ABS 2017-B A3	1.82%	10/15/21	2,796.51		0.00
PAYDOWNS	9/15/20	9/15/20	11,500.35	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	11,500.35		0.00
PAYDOWNS	9/15/20	9/15/20	10,227.93	43811BAC8	HONDA ABS 2017-2 A3	1.68%	8/15/21	10,227.93		0.00
PAYDOWNS	9/15/20	9/15/20	12,403.02	65478DAD9	NAROT 2018-A A3	2.65%	5/15/22	12,403.02		0.00
PAYDOWNS	9/15/20	9/15/20	4,452.23	02007MAE0	ALLYA 2018-1 A3	2.35%	6/15/22	4,452.23		0.00
PAYDOWNS	9/15/20	9/15/20	11,088.85	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	11,088.85		0.00
PAYDOWNS	9/15/20	9/15/20	4,145.40	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	4,145.40		0.00
PAYDOWNS	9/15/20	9/15/20	11,208.72	02007FAC9	ALLY ABS 2017-4 A3	1.75%	12/15/21	11,208.72		0.00
PAYDOWNS	9/15/20	9/15/20	5,435.38	65478HAD0	NAROT 2017-C A3	2.12%	4/15/22	5,435.38		0.00
PAYDOWNS	9/15/20	9/15/20	10,577.85	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	10,577.85		0.00
PAYDOWNS	9/15/20	9/15/20	9,609.49	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	9,609.49		0.00
PAYDOWNS	9/15/20	9/15/20	3,454.09	47788CAC6	JDOT 2018-A A3	2.66%	4/15/22	3,454.09		0.00
INTEREST	9/16/20	9/16/20	125,000.00	05531FBJ1	BB&T CORPORATION NOTES	2.20%	3/16/23	1,375.00		
INTEREST	9/16/20	9/16/20	96,569.69	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	243.03		
MATURITY	9/16/20	9/16/20	125,000.00	36962G4R2	GENERAL ELECTRIC CAPITAL CORP CORP NOTE	4.37%	9/16/20	127,734.38		0.00
PAYDOWNS	9/16/20	9/16/20	6,989.77	36255JAD6	GMCAR 2018-3 A3	3.02%	5/16/23	6,989.77		0.00
INTEREST	9/18/20	9/18/20	43,209.37	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	64.45		

CITY OF SANTA FE SPRINGS

Portfolio Activity

Tran. Type	Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield	Realized G/L (BV)
PAYDOWNS	9/18/20	9/18/20	12,054.17	43814PAC4	HAROT 2017-3 A3	1.79%	9/18/21	12,054.17		0.00
INTEREST	9/20/20	9/20/20	181,058.07	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	490.37		
INTEREST	9/20/20	9/20/20	16,048.22	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	42.53		
INTEREST	9/20/20	9/20/20	100,000.00	92348TAA2	VZOT 2020-A A1A	1.85%	7/22/24	154.17		
INTEREST	9/20/20	9/20/20	175,000.00	92348AAA3	VZOT 2019-C A1A	1.94%	4/22/24	282.92		
PAYDOWNS	9/20/20	9/20/20	13,474.57	92869BAD4	VALET 2018-2 A3	3.25%	4/20/23	13,474.57		0.00
PAYDOWNS	9/20/20	9/20/20	7,263.63	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	7,263.63		0.00
INTEREST	9/21/20	9/21/20	100,000.00	92290BAA9	VZOT 2020-B A	0.47%	2/20/25	50.92		
BUY	9/22/20	9/29/20	70,000.00	65480EAD3	NALT 2020-B A3	0.43%	10/16/23	(69,992.80)	0.43%	
BUY	9/22/20	9/29/20	60,000.00	362569AC9	GMALT 2020-3 A3	0.45%	8/21/23	(59,994.25)	0.45%	
BUY	9/22/20	9/29/20	125,000.00	43813KAC6	HAROT 2020-3 A3	0.37%	10/18/24	(124,981.64)	0.37%	
BUY	9/23/20	9/25/20	295,000.00	3137EAEX3	FREDDIE MAC NOTES	0.37%	9/23/25	(294,112.05)	0.44%	
SELL	9/24/20	9/25/20	425,000.00	9128284U1	US TREASURY N/B NOTES	2.62%	6/30/23	456,723.42		30,584.68
BUY	9/29/20	9/30/20	85,000.00	110122DC9	BRISTOL-MYERS SQUIBB CO CORPORATE NOTES	3.87%	8/15/25	(97,539.52)	0.88%	
SELL	9/29/20	9/30/20	70,000.00	912828V23	US TREASURY NOTES	2.25%	12/31/23	75,143.36		5,415.02
INTEREST	9/30/20	9/30/20	650,000.00	912828W71	US TREASURY N/B	2.12%	3/31/24	6,906.25		
INTEREST	9/30/20	9/30/20	550,000.00	9128285D8	US TREASURY NOTES	2.87%	9/30/23	7,906.25		
INTEREST	9/30/20	9/30/20	500,000.00	912828YH7	UNITED STATES TREASURY NOTES	1.50%	9/30/24	3,750.00		
TOTALS								(44,121.90)		159,691.81

Portfolio Holdings

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY N/B NOTES DTD 07/02/2018 2.625% 06/30/2023	9128284U1	75,000.00	AA+	Aaa	7/3/2018	7/6/2018	74,522.46	2.76	497.54	74,737.09	80,085.94
UNITED STATES TREASURY NOTES DTD 08/31/2018 2.750% 08/31/2023	9128284X5	230,000.00	AA+	Aaa	9/12/2018	9/14/2018	228,867.97	2.86	541.64	229,335.28	247,321.88
UNITED STATES TREASURY NOTES DTD 08/31/2018 2.750% 08/31/2023	9128284X5	125,000.00	AA+	Aaa	9/5/2018	9/7/2018	124,887.70	2.77	294.37	124,934.31	134,414.06
UNITED STATES TREASURY NOTES DTD 08/31/2018 2.750% 08/31/2023	9128284X5	220,000.00	AA+	Aaa	9/20/2018	9/21/2018	217,989.06	2.95	518.09	218,814.60	236,568.75
US TREASURY NOTES DTD 08/31/2016 1.375% 08/31/2023	9128282D1	125,000.00	AA+	Aaa	6/28/2019	6/28/2019	123,095.70	1.76	147.19	123,671.36	129,433.60
US TREASURY NOTES DTD 10/01/2018 2.875% 09/30/2023	9128285D8	150,000.00	AA+	Aaa	11/2/2018	11/6/2018	148,863.28	3.04	11.85	149,304.88	162,140.63
US TREASURY NOTES DTD 10/01/2018 2.875% 09/30/2023	9128285D8	400,000.00	AA+	Aaa	10/31/2018	10/31/2018	398,046.88	2.98	31.59	398,809.63	432,375.00
US TREASURY NOTES DTD 11/30/2016 2.125% 11/30/2023	912828U57	550,000.00	AA+	Aaa	12/10/2018	12/11/2018	534,359.38	2.74	3,927.77	540,046.88	583,859.38
US TREASURY N/B DTD 12/31/2018 2.625% 12/31/2023	9128285U0	1,600,000.00	AA+	Aaa	1/29/2019	1/31/2019	1,605,500.00	2.55	10,614.13	1,603,633.98	1,726,750.08
US TREASURY NOTES DTD 01/03/2017 2.250% 12/31/2023	912828V23	980,000.00	AA+	Aaa	1/30/2019	1/31/2019	965,912.50	2.56	5,572.42	970,692.05	1,045,843.75
US TREASURY N/B NOTES DTD 01/31/2017 2.250% 01/31/2024	912828V80	125,000.00	AA+	Aaa	2/7/2019	2/11/2019	123,720.70	2.47	473.85	124,142.20	133,574.23
US TREASURY NOTES DTD 02/18/2014 2.750% 02/15/2024	912828B66	425,000.00	AA+	Aaa	3/1/2019	3/6/2019	428,303.71	2.58	1,492.70	427,252.45	461,789.06
US TREASURY N/B DTD 03/31/2017 2.125% 03/31/2024	912828W71	650,000.00	AA+	Aaa	4/1/2019	4/3/2019	644,337.89	2.31	37.95	646,035.90	693,875.00
US TREASURY N/B NOTES DTD 05/01/2017 2.000% 04/30/2024	912828X70	300,000.00	AA+	Aaa	5/1/2019	5/3/2019	296,167.97	2.27	2,510.87	297,254.13	319,359.36
US TREASURY N/B NOTES DTD 05/31/2017 2.000% 05/31/2024	912828XT2	1,225,000.00	AA+	Aaa	6/3/2019	6/5/2019	1,231,316.41	1.89	8,233.61	1,229,638.51	1,305,773.44

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
UNITED STATES TREASURY NOTES DTD 06/30/2019 1.750% 06/30/2024	9128286Z8	275,000.00	AA+	Aaa	12/11/2019	12/12/2019	275,708.98	1.69	1,216.20	275,583.56	290,898.44
UNITED STATES TREASURY NOTES DTD 06/30/2019 1.750% 06/30/2024	9128286Z8	200,000.00	AA+	Aaa	7/1/2019	7/3/2019	199,546.88	1.80	884.51	199,660.16	211,562.50
UNITED STATES TREASURY NOTES DTD 09/30/2019 1.500% 09/30/2024	912828YH7	500,000.00	AA+	Aaa	10/31/2019	11/4/2019	499,472.66	1.52	20.60	499,570.36	525,546.90
UNITED STATES TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024	912828YM6	350,000.00	AA+	Aaa	2/3/2020	2/5/2020	352,460.94	1.35	2,197.01	352,120.96	368,156.25
UNITED STATES TREASURY NOTES DTD 10/31/2019 1.500% 10/31/2024	912828YM6	575,000.00	AA+	Aaa	12/2/2019	12/4/2019	569,856.45	1.69	3,609.38	570,722.79	604,828.13
UNITED STATES TREASURY NOTES DTD 01/31/2020 1.375% 01/31/2025	912828Z52	100,000.00	AA+	Aaa	2/19/2020	2/20/2020	99,859.38	1.40	231.66	99,876.81	104,890.62
UNITED STATES TREASURY NOTES DTD 02/29/2020 1.125% 02/28/2025	912828ZC7	775,000.00	AA+	Aaa	3/2/2020	3/4/2020	785,837.89	0.84	746.63	784,582.79	805,152.31
US TREASURY N/B NOTES DTD 04/30/2020 0.375% 04/30/2025	912828ZL7	400,000.00	AA+	Aaa	6/3/2020	6/5/2020	399,875.00	0.38	627.72	399,883.24	402,250.00
US TREASURY N/B NOTES DTD 05/31/2020 0.250% 05/31/2025	912828ZT0	325,000.00	AA+	Aaa	6/30/2020	6/30/2020	324,873.05	0.26	273.05	324,879.62	324,898.44
Security Type Sub-Total		10,680,000.00					10,653,382.84	2.05	44,712.33	10,665,183.54	11,331,347.75
Supra-National Agency Bond / Note											
INTER-AMERICAN DEVEL BK CORPORATE NOTES DTD 04/24/2020 0.500% 05/24/2023	4581X0DM7	175,000.00	AAA	Aaa	4/17/2020	4/24/2020	174,940.50	0.51	308.68	174,948.96	176,028.30
Security Type Sub-Total		175,000.00					174,940.50	0.51	308.68	174,948.96	176,028.30
Municipal Bond / Note											
CT ST TXBL GO BONDS DTD 06/11/2020 2.500% 07/01/2022	20772KJU4	35,000.00	A	A1	5/29/2020	6/11/2020	35,588.70	1.66	267.36	35,500.79	36,051.75

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Municipal Bond / Note											
PORT AUTH OF NY/NJ T/E REV BONDS DTD 07/08/2020 1.086% 07/01/2023	73358W4V3	100,000.00	A+	Aa3	7/2/2020	7/8/2020	100,000.00	1.09	250.39	100,000.00	101,495.00
PORT AUTH OF NY/NJ T/E REV BONDS DTD 07/08/2020 1.086% 07/01/2023	73358W4V3	100,000.00	A+	Aa3	7/7/2020	7/9/2020	100,586.00	0.89	250.39	100,540.72	101,495.00
CT ST T/E GO BONDS DTD 06/25/2020 2.000% 06/01/2025	20772KKK4	100,000.00	A	A1	6/12/2020	6/25/2020	105,097.00	0.94	533.33	104,819.80	104,811.00
FL ST BOARD OF ADMIN TXBL REV BONDS DTD 09/16/2020 1.258% 07/01/2025	341271AD6	255,000.00	AA	Aa3	9/3/2020	9/16/2020	255,000.00	1.26	133.66	255,000.00	258,868.35
Security Type Sub-Total		590,000.00					596,271.70	1.14	1,435.13	595,861.31	602,721.10
Federal Agency Collateralized Mortgage Obligation											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/01/2021	3136B1XP4	86,335.96	AA+	Aaa	4/11/2018	4/30/2018	88,053.26	2.93	256.13	86,807.51	86,927.97
FHLMC MULTIFAMILY STRUCTURED P DTD 12/01/2012 2.355% 07/01/2022	3137AVXN2	325,000.00	AA+	Aaa	8/14/2019	8/19/2019	328,960.94	1.92	637.81	327,413.64	332,760.35
FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	160,000.00	AA+	Aaa	4/4/2018	4/9/2018	161,362.50	2.88	412.00	160,578.74	164,860.92
FHLMC MULTIFAMILY STRUCTURED P DTD 12/01/2012 2.307% 08/01/2022	3137AWQH1	125,000.00	AA+	Aaa	9/4/2019	9/9/2019	126,845.70	1.78	240.31	126,168.19	128,147.73
FNA 2013-M1 A2 DTD 01/01/2013 2.365% 08/01/2022	3136ABPW7	154,098.11	AA+	Aaa	9/10/2019	9/13/2019	155,283.94	2.09	303.65	154,851.50	157,043.73
FHLMC MULTIFAMILY STRUCTURED P DTD 12/01/2012 2.307% 08/01/2022	3137AWQH1	150,000.00	AA+	Aaa	9/6/2019	9/11/2019	151,746.09	1.89	288.38	151,107.24	153,777.28
FHLMC MULTIFAMILY STRUCTURED P DTD 05/01/2013 2.510% 11/01/2022	3137B1BS0	300,000.00	AA+	Aaa	8/12/2019	8/15/2019	305,531.25	1.92	627.50	303,585.42	311,301.42
FNA 2013-M7 A2 DTD 05/01/2013 2.280% 12/01/2022	3136AEGQ4	104,954.87	AA+	Aaa	9/4/2019	9/9/2019	106,329.89	1.86	199.41	105,877.38	108,522.81

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FHLMC MULTIFAMILY STRUCTURED P DTD 11/01/2013 2.669% 02/01/2023	3137B5JL8	56,167.60	AA+	Aaa	6/13/2018	6/18/2018	55,880.18	2.79	124.93	56,022.44	57,415.83
FHMS KP05 A DTD 12/01/2018 3.203% 07/01/2023	3137FKK39	34,486.06	AA+	Aaa	12/7/2018	12/17/2018	34,485.95	3.20	92.05	34,485.99	35,719.28
FHMS KJ27 A1 DTD 11/01/2019 2.092% 07/01/2024	3137FQ3V3	89,087.17	AA+	Aaa	11/20/2019	11/26/2019	89,085.00	2.09	155.31	89,085.40	91,952.31
Security Type Sub-Total		1,585,129.77					1,603,564.70	2.14	3,337.48	1,595,983.45	1,628,429.63
Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	400,000.00	AA+	Aaa	4/6/2017	4/10/2017	398,204.00	1.97	3,666.67	399,456.56	410,454.80
FREDDIE MAC NOTES DTD 04/20/2020 0.375% 04/20/2023	3137EAEQ8	625,000.00	AA+	Aaa	4/17/2020	4/20/2020	623,437.50	0.46	1,048.18	623,671.52	627,515.63
FREDDIE MAC NOTES DTD 05/07/2020 0.375% 05/05/2023	3137EAER6	590,000.00	AA+	Aaa	5/5/2020	5/7/2020	589,752.20	0.39	885.00	589,785.53	592,413.10
FANNIE MAE NOTES DTD 05/22/2020 0.250% 05/22/2023	3135G04Q3	675,000.00	AA+	Aaa	5/20/2020	5/22/2020	672,968.25	0.35	604.69	673,213.17	675,589.95
FREDDIE MAC NOTES DTD 06/26/2020 0.250% 06/26/2023	3137EAES4	610,000.00	AA+	Aaa	6/24/2020	6/26/2020	608,218.80	0.35	402.43	608,376.59	610,385.52
FANNIE MAE NOTES DTD 07/10/2020 0.250% 07/10/2023	3135G05G4	640,000.00	AA+	Aaa	7/8/2020	7/10/2020	638,624.00	0.32	360.00	638,728.30	640,410.24
FREDDIE MAC NOTES DTD 08/21/2020 0.250% 08/24/2023	3137EAEV7	600,000.00	AA+	Aaa	8/19/2020	8/21/2020	599,388.00	0.28	166.67	599,410.85	600,401.40
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	445,000.00	AA+	Aaa	9/2/2020	9/4/2020	445,081.26	0.24	83.44	445,079.26	445,171.77
FREDDIE MAC NOTES DTD 09/04/2020 0.250% 09/08/2023	3137EAEW5	575,000.00	AA+	Aaa	9/2/2020	9/4/2020	574,810.25	0.26	107.81	574,814.91	575,221.95
FEDERAL HOME LOAN BANKS NOTES DTD 12/09/2013 3.375% 12/08/2023	3130A0F70	305,000.00	AA+	Aaa	1/30/2019	1/31/2019	313,989.54	2.72	3,231.09	310,900.02	334,851.27

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FANNIE MAE NOTES DTD 02/08/2019 2.500% 02/05/2024	3135G0V34	480,000.00	AA+	Aaa	2/7/2019	2/8/2019	478,214.40	2.58	1,866.67	478,803.07	515,333.28
FANNIE MAE NOTES DTD 04/24/2020 0.625% 04/22/2025	3135G03U5	290,000.00	AA+	Aaa	4/22/2020	4/24/2020	289,402.60	0.67	790.45	289,455.00	292,966.12
FREDDIE MAC NOTES DTD 07/23/2020 0.375% 07/21/2025	3137EAEU9	395,000.00	AA+	Aaa	7/21/2020	7/23/2020	393,032.90	0.48	279.79	393,108.39	393,998.28
FANNIE MAE NOTES DTD 08/27/2020 0.375% 08/25/2025	3135G05X7	795,000.00	AA+	Aaa	8/25/2020	8/27/2020	791,279.40	0.47	281.56	791,350.79	792,944.93
FREDDIE MAC NOTES DTD 09/25/2020 0.375% 09/23/2025	3137EAEX3	295,000.00	AA+	Aaa	9/23/2020	9/25/2020	294,112.05	0.44	18.44	294,114.97	294,080.78
Security Type Sub-Total		7,720,000.00					7,710,515.15	0.71	13,792.89	7,710,268.93	7,801,739.02
Corporate Note											
BANK OF AMERICA CORP (CALLED OMD 10/01/2 DTD 09/18/2017 2.328% 10/01/2020)	06051GGS2	65,000.00	A-	A2	9/13/2017	9/18/2017	65,000.00	2.33	756.60	65,000.00	65,003.25
PACCAR FINANCIAL CORP NOTES DTD 11/13/2017 2.050% 11/13/2020	69371RN85	85,000.00	A+	A1	11/6/2017	11/13/2017	84,992.35	2.05	667.96	84,999.70	85,170.94
IBM CORP CORP NOTES DTD 02/06/2018 2.650% 02/05/2021	44932HAG8	100,000.00	A	A2	2/1/2018	2/6/2018	99,951.00	2.67	412.22	99,994.32	100,819.20
PACCAR FINANCIAL CORP NOTES DTD 02/27/2018 2.800% 03/01/2021	69371RN93	175,000.00	A+	A1	2/22/2018	2/27/2018	174,914.25	2.82	408.33	174,988.21	176,842.40
TEXAS INSTRUMENTS INC (CALLABLE) NOTE DTD 03/12/2014 2.750% 03/12/2021	882508AY0	100,000.00	A+	A1	4/27/2017	5/4/2017	102,279.00	2.13	145.14	100,221.29	100,887.50
CATERPILLAR FINANCIAL SERVICES CORP NOTE DTD 03/15/2018 2.900% 03/15/2021	14913Q2G3	100,000.00	A	A3	3/12/2018	3/15/2018	99,946.00	2.92	128.89	99,991.87	101,150.40

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
UNITED PARCEL SERVICE CORPORATE BOND DTD 11/14/2017 2.050% 04/01/2021	911312BP0	175,000.00	A-	A2	11/9/2017	11/14/2017	174,723.50	2.10	1,793.75	174,957.61	176,554.18
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	200,000.00	A-	A2	6/8/2017	6/13/2017	201,422.00	2.43	2,362.50	200,202.28	202,487.20
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	200,000.00	BBB+	A2	6/8/2017	6/13/2017	200,510.00	2.43	2,222.22	200,073.17	202,251.40
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	100,000.00	BBB+	A2	2/13/2018	2/15/2018	98,320.00	3.06	1,111.11	99,707.70	101,125.70
HERSHEY COMPANY CORP NOTES DTD 05/10/2018 3.100% 05/15/2021	427866BA5	125,000.00	A	A1	5/3/2018	5/10/2018	124,913.75	3.12	1,463.89	124,982.30	127,194.88
AMERICAN EXPRESS CO DTD 05/17/2018 3.375% 05/17/2021	025816BU2	200,000.00	BBB+	A3	5/14/2018	5/17/2018	199,966.00	3.38	2,512.50	199,992.93	203,229.80
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	190,000.00	A	A2	5/17/2018	5/22/2018	189,994.30	3.25	2,229.86	189,998.79	193,042.66
BOEING CO NOTES DTD 07/31/2019 2.300% 08/01/2021	097023CL7	100,000.00	BBB-	Baa2	7/29/2019	7/31/2019	99,996.00	2.30	383.33	99,998.34	101,285.40
BRANCH BANKING & TRUST CORP NOTES DTD 06/05/2018 3.200% 09/03/2021	05531FBD4	55,000.00	A-	A3	5/31/2018	6/5/2018	54,934.55	3.24	136.89	54,981.40	56,303.39
AMERICAN HONDA FINANCE CORP NOTES DTD 09/09/2016 1.700% 09/09/2021	02665WBG5	310,000.00	A-	A3	9/9/2016	9/14/2016	307,882.70	1.84	322.06	309,601.19	314,063.48
3M COMPANY DTD 09/14/2018 3.000% 09/14/2021	88579YBA8	75,000.00	A+	A1	9/11/2018	9/14/2018	74,846.25	3.07	106.25	74,951.18	76,838.48
PFIZER INC CORP NOTE DTD 09/07/2018 3.000% 09/15/2021	717081EM1	185,000.00	AA-	A1	9/4/2018	9/7/2018	184,750.25	3.05	246.67	184,921.05	189,825.91
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	100,000.00	A	A2	3/10/2017	3/15/2017	99,559.00	2.75	625.69	99,884.11	102,859.10

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
NATIONAL RURAL UTIL COOP CORP NOTE DTD 02/05/2020 1.750% 01/21/2022	63743HET5	125,000.00	A	A2	1/22/2020	2/5/2020	124,890.00	1.79	461.81	124,926.72	127,383.00
HOME DEPOT INC DTD 12/06/2018 3.250% 03/01/2022	437076BV3	75,000.00	A	A2	11/27/2018	12/6/2018	74,794.50	3.34	203.13	74,910.21	78,154.28
US BANCORP (CALLABLE) NOTE DTD 03/02/2012 3.000% 03/15/2022	91159HHC7	300,000.00	A+	A1	6/8/2017	6/13/2017	309,087.00	2.32	400.00	302,670.77	310,855.20
GOLDMAN SACHS GROUP INC (CALLABLE) NOTE DTD 01/26/2017 3.000% 04/26/2022	38141GWC4	305,000.00	BBB+	A3	6/8/2017	6/13/2017	308,412.95	2.75	3,939.58	305,499.99	309,166.61
BOEING CO CORP NOTE DTD 05/02/2019 2.700% 05/01/2022	097023CG8	50,000.00	BBB-	Baa2	4/30/2019	5/2/2019	49,911.50	2.76	562.50	49,953.37	50,934.55
PACCAR FINANCIAL CORP CORP NOTES DTD 05/10/2019 2.650% 05/10/2022	69371RP83	100,000.00	A+	A1	5/3/2019	5/10/2019	99,946.00	2.67	1,037.92	99,971.13	103,623.70
UNITED PARCEL SERVICE (CALLABLE) NOTES DTD 05/16/2017 2.350% 05/16/2022	911312BC9	310,000.00	A-	A2	6/8/2017	6/13/2017	312,979.10	2.14	2,731.88	310,946.98	319,626.74
AMERICAN EXPRESS CO DTD 05/20/2019 2.750% 05/20/2022	025816CD9	125,000.00	BBB+	A3	5/15/2019	5/20/2019	124,850.00	2.79	1,250.87	124,918.43	129,280.13
JOHN DEERE CAPITAL CORP CORP NOTES DTD 09/12/2019 1.950% 06/13/2022	24422EVA4	60,000.00	A	A2	9/9/2019	9/12/2019	59,922.60	2.00	351.00	59,952.25	61,652.22
HONEYWELL INTERNATIONAL (CALLABLE) NOTE DTD 08/08/2019 2.150% 08/08/2022	438516BT2	65,000.00	A	A2	7/30/2019	8/8/2019	64,934.35	2.19	205.74	64,959.51	67,090.34
CATERPILLAR FINANCIAL SERVICES CORP NOTE DTD 09/06/2019 1.900% 09/06/2022	14913Q3A5	95,000.00	A	A3	9/3/2019	9/6/2019	94,867.95	1.95	125.35	94,915.06	97,705.70
CITIGROUP INC CORP NOTES DTD 10/27/2017 2.700% 10/27/2022	172967LQ2	275,000.00	BBB+	A3	12/31/2018	12/31/2018	265,102.75	3.72	3,176.25	269,640.17	286,658.08

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
CATERPILLAR FINL SERVICE DTD 01/13/2020 1.950% 11/18/2022	14913Q3C1	75,000.00	A	A3	1/9/2020	1/13/2020	74,965.50	1.97	540.31	74,974.19	77,465.18
ADOBE INC CORP NOTE DTD 02/03/2020 1.700% 02/01/2023	00724PAA7	35,000.00	A	A2	1/22/2020	2/3/2020	34,952.05	1.75	99.17	34,962.61	36,055.04
3M COMPANY CORP NOTES DTD 10/02/2017 2.250% 03/15/2023	88579YAX9	250,000.00	A+	A1	1/14/2019	1/16/2019	241,772.50	3.10	250.00	245,152.33	261,100.50
BB&T CORPORATION NOTES DTD 09/16/2019 2.200% 03/16/2023	05531FBJ1	125,000.00	A-	A3	9/9/2019	9/16/2019	124,907.50	2.22	114.58	124,935.10	129,823.25
JPMORGAN CHASE & CO BONDS DTD 03/22/2019 3.207% 04/01/2023	46647PBB1	200,000.00	A-	A2	3/15/2019	3/22/2019	200,000.00	3.21	3,207.00	200,000.00	207,809.20
PEPSICO INC CORPORATE NOTES DTD 05/01/2020 0.750% 05/01/2023	713448EY0	75,000.00	A+	A1	4/29/2020	5/1/2020	74,851.50	0.82	234.38	74,872.25	75,757.58
CHEVRON CORP CORPORATE NOTES DTD 05/11/2020 1.141% 05/11/2023	166764BV1	75,000.00	AA	Aa2	5/7/2020	5/11/2020	75,000.00	1.14	332.79	75,000.00	76,387.88
APPLE INC CORPORATE NOTES DTD 05/11/2020 0.750% 05/11/2023	037833DV9	140,000.00	AA+	Aa1	5/4/2020	5/11/2020	139,619.20	0.84	408.33	139,668.93	141,426.74
GENERAL DYNAMICS CORP NOTES DTD 05/11/2018 3.375% 05/15/2023	369550BD9	300,000.00	A	A2	1/11/2019	1/15/2019	302,661.00	3.15	3,825.00	301,588.71	322,462.20
BANK OF NY MELLON CORP NOTES DTD 05/16/2017 2.661% 05/16/2023	06406RAC1	150,000.00	A	A1	1/11/2019	1/15/2019	147,006.00	3.16	1,496.81	148,188.84	155,029.65
AMAZON.COM INC CORPORATE NOTES DTD 06/03/2020 0.400% 06/03/2023	023135BP0	150,000.00	AA-	A2	6/1/2020	6/3/2020	149,790.00	0.45	196.67	149,813.01	150,192.00
CHEVRON USA INC CORPORATE NOTES DTD 08/12/2020 0.426% 08/11/2023	166756AJ5	35,000.00	AA	Aa2	8/10/2020	8/12/2020	35,000.00	0.43	20.29	35,000.00	35,038.96
CATERPILLAR FINL SERVICE CORPORATE NOTES DTD 09/14/2020 0.450% 09/14/2023	14913R2F3	100,000.00	A	A3	9/9/2020	9/14/2020	99,932.00	0.47	21.25	99,933.06	99,980.50

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
PFIZER INC CORP NOTES (CALLABLE) DTD 09/07/2018 3.200% 09/15/2023	717081EN9	300,000.00	AA-	A1	1/11/2019	1/15/2019	301,983.00	3.05	426.67	301,242.19	323,907.60
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 01/08/2019 3.350% 01/08/2024	89236TFS9	150,000.00	A+	A1	1/11/2019	1/15/2019	149,883.00	3.37	1,158.54	149,923.20	163,000.80
JOHN DEERE CAPITAL CORP CORP NOTES DTD 06/07/2019 2.600% 03/07/2024	24422EUX5	130,000.00	A	A2	6/4/2019	6/7/2019	129,777.70	2.64	225.33	129,839.46	138,855.86
MERCK & CO INC DTD 03/07/2019 2.900% 03/07/2024	58933YAU9	250,000.00	AA-	A1	3/13/2019	3/15/2019	251,002.50	2.81	483.33	250,690.56	269,325.50
COMCAST CORP (CALLABLE) CORPORATE NOTES DTD 10/05/2018 3.700% 04/15/2024	20030NCR0	170,000.00	A-	A3	5/7/2020	5/11/2020	186,250.30	1.20	2,900.39	184,595.18	187,653.82
JPMORGAN CHASE & CO CORPORATE NOTES DTD 05/27/2020 1.514% 06/01/2024	46647PBQ8	100,000.00	A-	A2	5/19/2020	5/27/2020	100,000.00	1.51	521.49	100,000.00	102,135.30
WALT DISNEY COMPANY/THE DTD 09/06/2019 1.750% 08/30/2024	254687FK7	325,000.00	A-	A2	9/3/2019	9/6/2019	323,674.00	1.84	489.76	323,958.87	338,265.85
BANK OF NY MELLON CORP DTD 10/24/2019 2.100% 10/24/2024	06406RAL1	110,000.00	A	A1	1/21/2020	1/28/2020	110,484.00	2.00	1,007.42	110,414.94	116,461.40
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	20,000.00	A+	A1	5/20/2020	5/26/2020	20,195.40	1.58	48.00	20,180.89	20,864.18
TOYOTA MOTOR CREDIT CORP CORP NOTES DTD 02/13/2020 1.800% 02/13/2025	89236TGT6	50,000.00	A+	A1	5/20/2020	5/26/2020	50,488.50	1.58	120.00	50,452.23	52,160.45
BRISTOL-MYERS SQUIBB CO CORPORATE NOTES DTD 07/15/2020 3.875% 08/15/2025	110122DC9	85,000.00	A+	A2	9/29/2020	9/30/2020	97,127.80	0.88	420.87	97,120.62	97,503.67
Security Type Sub-Total		7,925,000.00					7,949,923.05	2.45	51,030.27	7,945,219.20	8,197,728.93

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
CREDIT SUISSE NEW YORK CERT DEPOS DTD 08/07/2020 0.520% 02/01/2022	22549L6F7	260,000.00	A+	A1	8/5/2020	8/7/2020	260,000.00	0.52	206.56	260,000.00	260,221.78
SOCIETE GENERALE NY CERT DEPOS DTD 02/19/2020 1.800% 02/14/2022	83369XDL9	325,000.00	A	A1	2/14/2020	2/19/2020	325,000.00	1.80	763.75	325,000.00	327,964.00
CREDIT AGRICOLE CIB NY CERT DEPOS DTD 04/06/2020 2.830% 04/01/2022	22535CDV0	320,000.00	A+	Aa3	4/3/2019	4/4/2019	320,000.00	2.80	4,477.69	320,000.00	330,572.16
SUMITOMO MITSUI BANK NY CERT DEPOS DTD 07/14/2020 0.700% 07/08/2022	86565CKU2	250,000.00	A	A1	7/10/2020	7/14/2020	250,000.00	0.70	384.03	250,000.00	250,270.50
SKANDINAV ENSKILDA BANK LT CD DTD 09/03/2019 1.860% 08/26/2022	83050PDR7	325,000.00	A+	Aa2	8/29/2019	9/3/2019	325,000.00	1.85	604.50	325,000.00	334,664.20
NORDEA BANK ABP NEW YORK CERT DEPOS DTD 08/29/2019 1.850% 08/26/2022	65558TLL7	325,000.00	AA-	Aa3	8/27/2019	8/29/2019	325,000.00	1.84	601.25	325,000.00	334,602.45
DNB BANK ASA/NY LT CD DTD 12/06/2019 2.040% 12/02/2022	23341VZT1	325,000.00	AA-	Aa2	12/4/2019	12/6/2019	325,000.00	2.03	2,228.42	325,000.00	337,050.68
Security Type Sub-Total		2,130,000.00					2,130,000.00	1.72	9,266.20	2,130,000.00	2,175,345.77
Asset-Backed Security											
GMALT 2018-3 A3 DTD 09/26/2018 3.180% 06/20/2021	36256GAD1	8,784.59	AAA	Aaa	9/18/2018	9/26/2018	8,783.89	3.18	8.54	8,784.41	8,799.18
HONDA ABS 2017-2 A3 DTD 06/27/2017 1.680% 08/15/2021	43811BAC8	19,563.00	AAA	Aaa	6/20/2017	6/27/2017	19,561.31	1.68	14.61	19,562.64	19,584.22
HAROT 2017-3 A3 DTD 09/29/2017 1.790% 09/18/2021	43814PAC4	31,155.20	AAA	NR	9/25/2017	9/29/2017	31,151.83	1.79	20.14	31,154.38	31,207.84
JOHN DEERE ABS 2017-B A3 DTD 07/15/2017 1.820% 10/15/2021	47788BAD6	2,859.27	NR	Aaa	7/11/2017	7/18/2017	2,859.06	1.82	2.31	2,859.22	2,859.30

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
FORDL 2018-B A3 DTD 09/21/2018 3.190% 12/15/2021	34531LAD2	32,998.33	NR	Aaa	9/18/2018	9/21/2018	32,995.54	3.19	46.78	32,997.29	33,122.88
ALLY ABS 2017-4 A3 DTD 08/23/2017 1.750% 12/15/2021	02007FAC9	14,137.14	AAA	NR	8/15/2017	8/23/2017	14,136.96	1.75	11.00	14,137.09	14,143.47
TAOT 2017-D A3 DTD 11/15/2017 1.930% 01/15/2022	89238KAD4	52,711.37	AAA	Aaa	11/7/2017	11/15/2017	52,706.51	1.93	45.21	52,709.87	52,889.77
ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	34,027.37	AAA	Aaa	11/14/2017	11/22/2017	34,024.73	1.99	30.10	34,026.48	34,101.33
NALT 2019-A A3 DTD 04/15/2019 2.760% 03/15/2022	65479PAD1	60,000.00	AAA	Aaa	4/9/2019	4/15/2019	59,995.64	2.76	73.60	59,997.83	60,619.11
JDOT 2018-A A3 DTD 02/28/2018 2.660% 04/15/2022	47788CAC6	20,460.55	NR	Aaa	2/21/2018	2/28/2018	20,459.07	2.66	24.19	20,460.00	20,576.15
NAROT 2017-C A3 DTD 12/13/2017 2.120% 04/15/2022	65478HAD0	31,219.12	NR	Aaa	12/6/2017	12/13/2017	31,213.84	2.12	29.42	31,217.25	31,351.70
NAROT 2018-A A3 DTD 02/28/2018 2.650% 05/15/2022	65478DAD9	80,970.29	AAA	Aaa	2/21/2018	2/28/2018	80,961.04	2.65	95.37	80,966.73	81,475.54
ALLYA 2018-1 A3 DTD 01/31/2018 2.350% 06/15/2022	02007MAE0	24,800.10	AAA	NR	1/23/2018	1/31/2018	24,797.23	2.35	25.90	24,798.98	24,928.19
MBART 2018-1 A3 DTD 07/25/2018 3.030% 01/15/2023	58772RAD6	101,953.58	AAA	Aaa	7/17/2018	7/25/2018	101,949.67	3.03	137.30	101,951.58	103,498.35
VALET 2018-2 A3 DTD 11/21/2018 3.250% 04/20/2023	92869BAD4	167,583.50	AAA	Aaa	11/15/2018	11/21/2018	167,576.46	3.25	166.42	167,579.43	171,017.22
GMCAR 2018-3 A3 DTD 07/18/2018 3.020% 05/16/2023	36255JAD6	89,579.92	AAA	NR	7/11/2018	7/18/2018	89,559.02	3.03	112.72	89,568.57	91,075.66
CARMAX AUTO OWNER TRUST DTD 07/25/2018 3.130% 06/15/2023	14313FAD1	61,192.34	AAA	NR	7/18/2018	7/25/2018	61,184.00	3.13	85.13	61,187.73	62,326.37
GMALT 2020-3 A3 DTD 09/29/2020 0.450% 08/21/2023	362569AC9	60,000.00	AAA	Aaa	9/22/2020	9/29/2020	59,994.25	0.45	1.50	59,994.26	59,948.58
FORDO 2019-A A3 DTD 03/22/2019 2.780% 09/15/2023	34533FAD3	200,000.00	NR	Aaa	3/19/2019	3/22/2019	199,966.34	2.78	247.11	199,977.83	204,672.00

Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security											
NALT 2020-B A3 DTD 09/29/2020 0.430% 10/16/2023	65480EAD3	70,000.00	AAA	Aaa	9/22/2020	9/29/2020	69,992.80	0.43	1.67	69,992.81	69,991.68
CARMX 2019-2 A3 DTD 04/17/2019 2.680% 03/15/2024	14316LAC7	100,000.00	AAA	NR	4/9/2019	4/17/2019	99,989.78	2.68	119.11	99,992.82	102,761.62
VZOT 2019-C A1A DTD 10/08/2019 1.940% 04/22/2024	92348AAA3	175,000.00	AAA	NR	10/1/2019	10/8/2019	174,986.51	1.94	103.74	174,989.43	179,202.17
VZOT 2020-A A1A DTD 01/29/2020 1.850% 07/22/2024	92348TAA2	100,000.00	AAA	Aaa	1/21/2020	1/29/2020	99,988.29	1.85	56.53	99,990.05	102,547.30
COMET 2019-A2 A2 DTD 09/05/2019 1.720% 08/15/2024	14041NFU0	325,000.00	AAA	NR	8/28/2019	9/5/2019	324,918.17	1.73	248.44	324,935.93	333,922.19
DCENT 2019-A3 A DTD 10/31/2019 1.890% 10/15/2024	254683CM5	125,000.00	NR	Aaa	10/24/2019	10/31/2019	124,973.15	1.89	105.00	124,978.13	129,158.98
HDMOT 2020-A A3 DTD 01/29/2020 1.870% 10/15/2024	41284UAD6	75,000.00	AAA	Aaa	1/21/2020	1/29/2020	74,983.64	1.87	62.33	74,985.98	76,490.86
HAROT 2020-3 A3 DTD 09/29/2020 0.370% 10/18/2024	43813KAC6	125,000.00	AAA	NR	9/22/2020	9/29/2020	124,981.64	0.37	2.57	124,981.66	124,960.81
VZOT 2020-B A DTD 08/12/2020 0.470% 02/20/2025	92290BAA9	100,000.00	NR	Aaa	8/4/2020	8/12/2020	99,979.00	0.47	13.06	99,979.64	100,053.65
Security Type Sub-Total		2,288,995.67					2,288,669.37	2.07	1,889.80	2,288,758.02	2,327,286.12
Managed Account Sub Total		33,094,125.44					33,107,267.31	1.80	125,772.78	33,106,223.41	34,240,626.62
Money Market Mutual Fund											
PFM Funds - Govt Select, Instl Cl		24,037.32	AAAm	NR			24,037.32		0.00	24,037.32	24,037.32
Money Market Sub Total		24,037.32					24,037.32		0.00	24,037.32	24,037.32
Securities Sub-Total		\$33,118,162.76					\$33,131,304.63	1.80%	\$125,772.78	\$33,130,260.73	\$34,264,663.94
Accrued Interest											\$125,772.78
Total Investments											\$34,390,436.72

Appendix

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.
- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

GLOSSARY

- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.



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ITEM NO. 11

November 24, 2020

NEW BUSINESS

Fiscal Year 2019-2020 Preliminary Year-End Review

RECOMMENDATION

- Authorize the following transfers from the Fiscal Year (FY) 2019-20 increase in available General Fund balance (approximately \$12.0 million) to the following reserves and/or funds:
 - \$6.0 million (50%) of available balance to the Unfunded Liability Reserve
 - \$2.0 million (17%) of available balance to the Capital Improvement Program (CIP) Fund
 - \$1.2 million (10%) of available balance to the Economic Contingency Reserve
 - \$1.0 million (8%) of available balance to the Equipment Replacement Fund
 - \$600,000 (5%) of available balance to the Employee Benefits Fund for Compensated Absences liability
 - Allocate remaining available balance (anticipated to be \$1.2 million or 10%) to the unassigned fund balance
- Authorize the transfer of the FY 2019-20 increase in available Water Fund balance to the Water CIP Reserve Fund (approximately \$1.0 million).

BACKGROUND

As part of the City's annual fiscal year-end procedures, staff compiles an "unaudited" summary of the City's actual General Fund and Water Fund revenues and operating expenditures compared to the final estimated budget for the year. While the figures are not final, nor official, the summary is instrumental in helping staff assess prior year expenditures and current financial trends in order to incorporate the information into future budget estimates. Staff expects to provide complete year-end audited figures as part of the full Comprehensive Annual Financial Report (CAFR) upon the completion of the audit.

"Actual vs. Budget" Information

Attached are revenue and expenditure summaries illustrating comparisons between budgeted and actual figures. As emphasized during the development of the FY 2020-21 budget, the COVID-19 pandemic presented a variety of unknown financial variables. The largest factor was the magnitude of the impact on the City's revenues, particularly the City's Bradley-Burns Sales Tax allocation and Measure Y. These sources together represent two-thirds (2/3) of General Fund revenue. However, the latest results indicate the City has generated more Sales Tax than originally anticipated. This is largely due to the composition of the Sales Tax base, which is



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primarily manufacturing and business-to-business sales. These industries appear to have been relatively less impacted by the pandemic than other industries such as travel, tourism, and hospitality.

Additionally, across the General Fund, the actual year-end financial information is favorable for both budgeted revenue and operating expenditures. Revenues, in general, are higher than anticipated by 17.4% and expenditures are less than the amounts anticipated by 5.8%. All combined, this resulted in an overall increase in available fund balance of \$12.0 million.

Similarly, the revenues in the Water Fund were higher than anticipated by about 9.3% and expenditures were 8.4% under budget. The actual revenues were \$12.7 million and actual expenditures were \$11.7 million, which resulted in an increase in available fund balance of \$1.0 million.

GENERAL FUND

Operating Revenues

Overall, General Fund revenues were approximately 17.4% higher than anticipated at \$66.0 million; revenues exceeded the budget estimate by approximately \$9.8 million. This high variance is primarily due to the Sales Tax, the Transaction and Use Tax (Measure Y) and the Use of Money, Property, and Other, which were \$4.0 million, \$2.4 million, and \$1.9 million higher, respectively, than budgeted.

The Utility User's Tax (UUT) came in at 1.6% over budget expectations at \$6.1 million. However, on a year-over-year comparison, the UUT declined by approximately \$400,000. This trend has been observed for a couple of years now and staff has decreased the revenue expectations for the UUT. Staff will continue to monitor and adjust figures as appropriate.

Use of Money, Property, & Other revenues received were \$1.9 million higher than budgeted. This was the result, in large part, of unrealized gains on the City's investment portfolio. Accounting principles require investments to be adjusted to market value on the City's books each year. Essentially, market values of the City's investments fluctuate on a daily basis and a gain is not actually realized unless the investment is sold for more than it was purchased. Therefore, the year-end calculation does not include the unrealized gains as it is only an accounting entry and not actual available revenue. In addition to the unrealized gains, actual interest earnings received amounted to approximately \$1.1 million compared to a budget of \$450,000.



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Other taxes, including Franchise Taxes, Property Taxes, Motor Vehicle In Lieu Taxes, and other miscellaneous taxes exceeded budget expectations coming in, on average, approximately 11% over budget.

Operating Expenditures

Overall in the General Fund, operating department expenditures totaled \$46.1 million, providing a savings of approximately \$2.8 million (5.8%) compared to the final budget figures. Final budget figures are departmental projections based on actual expenditures at a point in time. Although there were customary actual-to-budget departmental fluctuations, all departments realized savings primarily through labor and operational savings.

The Community Services Department realized savings of approximately \$1.1 million through significant labor savings throughout each of the Community Services activities, while the Police Services Department generated savings of \$916,000. The Public Works Department savings totaled approximately \$525,000 and the Planning Department realized savings of over \$352,000 through higher than anticipated building fee collections. The General Government and Finance & Administrative Services generated \$377,000 in savings. While the Fire-Rescue Department slightly exceeded the final budget (by 1.2%) figures due to not fully realizing projected labor savings, the expenditures incurred were \$1.3 million (or 7.3%) lower than the Midyear budget estimate. The Midyear budget for the Fire Department was \$17.8 million and the actual expenditures incurred was \$16.5 million.



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Summary

Below is a summary comparing the General Fund's budgeted vs. actual year-end figures followed by a discussion of potential uses of the available balance.

GENERAL FUND (see attachment for details)	Final Budget	Actual*
Revenues	\$56,223,500	\$66,019,464
Operating Expenditures	(48,976,600)	(46,132,382)
Vehicles/Transfers/Non-Recurring	(4,049,900)	(3,961,379)
Total Uses	\$53,026,500	\$50,093,761
Operational Surplus/(Deficit)	\$3,197,000	\$15,925,703
Set Aside Transfers	(3,085,200)	(3,085,200)
Accounting Adjustment – Unrealized Gains	0	(865,475)
Net Increase in Available Fund Balance	\$111,800	\$11,975,028

*Unaudited figures

Available Fund Balance

The prior year's (FY 2018-19) audited financial statements reflected \$22.7 million in the General Fund's available/unassigned fund balance, or approximately 37.8% of FY 2019-20 gross expenditures. As such, in order to increase the unassigned fund balance to 40% of the gross expenditures – in alignment with the City Council's approved policy – staff is recommending an allocation of \$1.2 million from available year-end balance. If no further action is taken by the City Council, the net increase in available fund balance of \$12.0 million would be added to the City's \$22.7 million fund balance, bringing the new total to \$34.7 million (57.9% of expenditures).

Recommended FY 2019-20 Surplus Allocation Plan

Given the rising pension costs and organizational needs going forward, the following allocation plan is recommended for FY 2019-20:

- \$6.0 million or 50% of the available balance to the Unfunded Liability Reserve to mitigate CalPERS annual unfunded liability increases and/or increases to the Employer Contribution Rates; for the 2019-20 fiscal year, CalPERS reported a 4.7% return on investment. This is lower than the 7% target, which will result in an increase to the City's unfunded liability of at least \$5 million.



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- \$2.0 million or 17% of the available balance to the Capital Improvement Program (CIP) Fund to support critical deferred maintenance needs; this allocation is over and above the \$750,000 and the \$2,800,000 in set-aside funding already approved for FY 2019-20.
- \$1.2 million or 10% of the available balance to the Economic Contingency Reserve to offset any major variation in General Fund revenues and/or offset any other unforeseen cost increases; currently, the reserve has a balance of \$3,725,000 and with the additional funding proposed, the new balance would be \$4,925,000.
- \$1.0 million or 8% of the available balance to the Equipment Replacement Fund to support the replacement of critical City equipment, such as vehicles and other gasoline or diesel-powered equipment;
- \$600,000 or 5% of the available balance to the Employee Benefits Fund for Compensated Absences to provide funding for compensated absences the City incurs on an annual basis. Compensated absences are absences for which employees will be paid, such as vacation, sick leave and other leave at termination or retirement.
- Remaining balance (anticipated to be \$1.2 million or 10%) allocated to the unassigned fund balance in order to maintain a 40% operating reserve;

WATER FUND

Revenues

In the Water Fund, as mentioned at the beginning of the report, revenues received were higher than the final budget amount by approximately \$1.1 million or 9.3%. This was due primarily to a larger increase in water sales than expected. Metered water sales increased by 8.6% or \$1.0 million. Interest earnings came in approximately \$87,000 greater than anticipated. However, it must be noted that water revenues on a year-over-year basis have declined by approximately \$100,000. In addition, the midyear budget for water revenues was approx. \$13.6 million and the revenues generated were \$12.7 million or approximately \$900,000 lower than anticipated during the midyear. The approved water rate increase will be crucial in raising the revenue at the level it should be to maintain operations and address capital needs.

Operating Expenditures

Similar to the General Fund, the Water Fund experienced overall expenditure savings in the operating activities. While rates of MWD and Central Basin continue to increase, significant savings were realized in the Water Purchases activity as consumption has decreased and therefore, the cost of MWD and Central Basin water



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did not increase as much as anticipated. The savings amounted to \$809,470 or 12.5% of the budget. These savings are primarily the result of budgeting conservatively for demand. Moreover, the Distribution System Maintenance activity and Administration activity realized savings of \$30,000 (2.1%) and \$52,000 (4.6%), respectively.

Summary

The Water Fund's budgeted vs. actual year-end figures are summarized in the table below:

WATER FUND	Final Budget	Actual*
Revenues (see attachment for details)	\$11,627,600	\$12,712,577
Operating Expenditures (see attach. for details)	12,784,100	11,715,582
Operational Surplus/(Deficit)	\$(1,156,500)	\$1,165,645
Net Increase in Available Fund Balance	\$(1,156,500)	\$996,995

*Unaudited figures

Available Fund Balance

The beginning fund balance in the Water Fund in FY 2018-19 was \$4.2 million***. If no further action is taken by the City Council, the net increase in available balance of \$1.0 million would be added to the Water Fund's available balance, bringing the new total to approximately \$5.2 million.

*** The available balance of \$4.2 million does not correspond directly to the City's annual audit report due to the Water Fund being reported on a full-accrual basis of accounting. Under full-accrual accounting, long-term assets and liabilities are included in the financial statements and used to define the fund's operating position. Therefore, the reported available balance is net of these long-term balances and does not reflect the current available resources, as is the case with the General Fund.

The most significant of these balances is the Net Pension Liability of \$8.7 million. This liability represents the Water Fund's share of the overall City's unfunded pension liability which will be repaid over the long-term through annual contributions to the pension fund. It is not uncommon for water or other enterprise type entities to report negative net assets as a result of this liability, while still maintaining cash reserves available to support near-term operations.



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Potential Use for Water Fund Balance

Given the water infrastructure needs and available funding for necessary projects, the recommended use of the Water Fund Balance is to deposit the \$1.0 million in excess into the Water CIP Reserve Fund. The additional funding will be critical to support the long-term improvement of the water system.

Future Outlook

As discussed above, the City's General Fund and Water Fund experienced positive results for FY 2019-20 despite the impacts from COVID-19. Both funds are reporting increases in available fund balances and the Sales Tax and Measure Y provided a significant increase to the City's revenue base. However, there are a number of issues to call to the City Council's attention as we look to the future:

- CalPERS Unfunded Liability and Normal Costs contributions are expected to have steep increases over the next five years. These projections are based on the actuarial report from June 30, 2019 and will be adjusted each year based on actual results experienced by CalPERS. In addition, and perhaps more significantly, if investment performance does not meet expectations as was experienced this past year, the rates could escalate even higher, which is highly likely given the current economic environment. The CalPERS contributions affects both the General Fund and Water Fund.
- Infrastructure funding will be critical in the upcoming years. While there are funds and accounts that have been established by the City Council, the City will be challenged to continue to set funding aside on an ongoing basis. In the Water Fund, infrastructure needs are critical as well, and while an addition of \$1.0 million to the Water CIP Reserve Fund is being proposed tonight, the capital infrastructure needs far exceed the current reserves. The water rate structure approved in 2020 is designed to provide for additional capital funding but will take time to build available balances.

Under the current economic environment, expenditures, in particular CalPERS costs, are expected to grow substantially faster than existing revenues over the next couple of years; and while the COVID-19 pandemic has not affected the City's overall FY 2019-20 revenues, it is unclear how long this pandemic will last and its lasting effects on the economy moving forward. As such, staff will continue to pursue internal operating efficiencies and strategies to minimize costs and impacts to City services while exploring new and innovative revenue ideas. As we begin the process of developing the FY 2021-22 operating budget, staff will continue to work with the City Council through the Finance Subcommittee and both Budget Subcommittees to explore not only new revenue options but cost containment strategies as well.



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A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
City Manager

Attachment:

1. Attachment A – General Fund – FY 2019-20 Budget to Actual Summary (Unaudited)
2. Attachment B – Water Fund – FY 2019-20 Budget to Actual Summary (Unaudited)

Revenues

Type	Midyear Budget	Final Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable)	
				\$	%
Sales Tax	\$ 28,000,000	\$ 26,500,000	\$ 30,497,960	\$ 3,997,960	15.1%
Transactions & Use Tax	12,000,000	10,700,000	13,083,262	2,383,262	22.3%
Utility Users Tax	6,300,000	5,985,000	6,078,773	93,773	1.6%
Franchise Tax	3,278,000	3,150,000	3,346,827	196,827	6.2%
Property Tax	3,960,000	3,553,000	4,642,947	1,089,947	30.7%
Motor Vehicle In Lieu Tax	1,996,000	1,896,000	2,148,113	252,113	13.3%
Other Taxes	1,728,000	1,582,000	1,485,342	(96,658)	-6.1%
Use of Money, Property, & Other	2,957,500	2,857,500	4,736,240	1,878,740	65.7%
Total Revenues	60,219,500	56,223,500	66,019,464	9,795,964	17.4%

Expenditures (Operating Departments)

Department/Activity	Midyear Budget	Final Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable)	
				\$	%
General Government	\$ 2,334,200	\$ 2,325,800	\$ 2,118,264	\$ 207,536	8.9%
Finance and Admin Svcs.	5,665,500	5,658,600	5,488,811	169,789	3.0%
Police	11,929,800	11,848,800	10,932,412	916,388	7.7%
Fire-Rescue	17,788,600	16,303,000	16,491,922	(188,922)	-1.2%
Planning and Development	617,900	799,200	446,649	352,551	44.1%
Public Works					
Engineering	786,300	491,100	359,381	131,719	26.8%
Maintenance	7,262,800	7,097,800	6,704,076	393,724	5.5%
Subtotal	8,049,100	7,588,900	7,063,457	525,443	6.9%
Community Services					
Administration	759,000	733,600	694,041	39,559	5.4%
Parks and Recreation	2,134,700	2,235,100	1,917,142	317,958	14.2%
Library & Cultural Services	1,906,800	1,856,600	1,473,919	382,681	20.6%
Family & Human Services	1,478,000	1,584,900	1,216,877	368,023	23.2%
Subtotal	6,278,500	6,410,200	5,301,979	1,108,221	17.3%
Overhead Recovery *	(1,957,900)	(1,957,900)	(1,711,112)	(246,788)	-12.6%
Total Operating Expenditures	\$ 50,705,700	\$ 48,976,600	\$ 46,132,382	\$ 2,844,218	5.8%

* In the budget document, overhead recovery is included within the Finance & Admin. Services Dept.

General Fund - Final FY 2019-20 Budget to Actual Summary (Unaudited)

Other Sources and Uses

Type	Midyear Budget	Final Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable)	
				\$	%
Vehicle Acquisitions/Replacements	-	-	-	-	0.0%
Interfund Transfers	2,800,000	2,800,000	2,800,000	-	0.0%
Non-Recurring	1,219,500	1,249,900	1,161,379	88,521	7.1%
Total Vehicles/Transfers/Non-Recurring	\$ 4,019,500	\$ 4,049,900	\$ 3,961,379	\$ 88,521	2.2%
Total Before One-Time Sources/Other	\$ 5,494,300	\$ 3,197,000	\$ 15,925,703	12,728,703	-398.1%
Equipment Replacement	950,000	950,000	950,000	-	0.0%
Employee Benefits Fund	135,200	135,200	135,200	-	0.0%
Capital Improvement Program Funding	750,000	750,000	750,000	-	0.0%
Unfunded Liability Contribution	750,000	750,000	750,000	-	0.0%
Economic Contingency Reserve	500,000	500,000	500,000	-	0.0%
Accounting Adjustment - Unrealized Gains	-	-	865,475	(865,475)	0.0%
Available Balance After One-Time Sources	\$ 2,409,100	\$ 111,800	\$ 11,975,028	11,863,228	10611.1%
Net Increase in Available Fund Balance	\$ 2,409,100	\$ 111,800	\$ 11,975,028	\$ 11,863,228	10611.1%

Revenues

Type	Midyear Budget	Final Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable)	
				\$	%
Metered Water Sales	\$ 13,500,000	\$ 11,541,900	\$ 12,533,710	\$ 991,810	8.6%
Interest	59,000	48,900	136,125	87,225	178.4%
Other	1,200	36,800	42,742	5,942	16.1%
Total Revenues	13,560,200	11,627,600	12,712,577	1,084,977	9.3%

Department/Activity	Midyear Budget	Final Budget	Actual	Variance: Actual vs. Final Favorable / (Unfavorable)	
				\$	%
Administration	\$ 1,317,300	\$ 1,129,100	\$ 1,077,418	\$ 51,682	4.6%
Purchases	6,373,100	6,466,000	5,656,530	809,470	12.5%
Billing and Collection	1,144,900	1,140,600	986,680	153,920	13.5%
Backflow	363,100	187,800	162,683	25,117	13.4%
Distribution System Maintenance	1,451,100	1,448,300	1,418,149	30,151	2.1%
Production Facilities Maintenance	878,100	762,400	764,222	(1,822)	-0.2%
Debt Service	493,600	493,600	493,600	-	0.0%
Interfund Transfers	1,156,300	1,156,300	1,156,300	-	0.0%
Total Operating Expenditures	\$ 13,177,500	\$ 12,784,100	\$ 11,715,582	\$ 1,068,518	8.4%
Total Revenues Less Expenditures	\$ 382,700	\$ (1,156,500)	\$ 996,995	\$ 2,153,495	-186.2%



City of Santa Fe Springs

City Council Meeting

ITEM NO. 12

November 24, 2020

NEW BUSINESS

Adopt Resolution No. 9699 Making a Finding as to the Industrial Disability of Michael Yule

RECOMMENDATION:

Adopt Resolution No. 9699 making a finding as to the industrial disability of Michael Yule.

BACKGROUND

Michael Yule retired from his position as Battalion Chief on August 22, 2018, after 27 years of City service. At that time, Mr. Yule applied for a service retirement pending industrial disability determination with CalPERS.

Sedgwick Insurance, the City's third party workers compensation administrator through the California Joint Powers Authority (CJPIA), has been working to obtain competent medical opinion and evidence that would be the basis for the City to make a determination regarding Mr. Yule's disability.

According to Sedgwick, they have obtained competent medical opinion and evidence to find Mr. Yule to be permanent and stationary, and incapacitated within the meaning of the Public Employees Retirement Law for performance of his duties as a Battalion Chief. Furthermore, Mr. Yule's disability is a result of injury that has arisen out of and in the course of his employment.

Staff therefore recommends that the City Council approve the attached Resolution, making a finding as to the industrial disability of Michael Yule.

A handwritten signature in black ink, appearing to read "Raymond R. Cruz".

Raymond R. Cruz
City Manager

Attachment(s):

Resolution 9699

RESOLUTION NO. 9699

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA FE SPRINGS
MAKING A FINDING AS TO THE INDUSTRIAL DISABILITY OF MICHAEL YULE**

WHEREAS, the City of Santa Fe Springs (hereinafter referred to as Agency) is a contracting agency of the Public Employees' Retirement System (CalPERS);

WHEREAS, the California Public Employees' Retirement Law requires that a contracting agency determine whether an employee of such agency in employment in which he/she is classified as a local safety member is disabled for purpose of the California Public Employee's Retirement Law and whether such disability is "industrial" within the meaning of such Law;

WHEREAS, an application for industrial disability retirement of permanent work restrictions on the left shoulder, lumbar spine, and left knee of Michael Yule, who was employed by the Agency in the position of Battalion Chief, has been filed with the CalPERS; and

WHEREAS, the City of Santa Fe Springs has reviewed the medical and other evidence relevant to such alleged disability;

NOW, THEREFORE, BE IT RESOLVED that the City of Santa Fe Springs find and determine and it does hereby find and determine that Michael Yule is incapacitated within the meaning of the California Public Employees' Retirement Law for performance of his duties in the position of Battalion Chief for left shoulder, lumbar spine and left knee and does hereby certify under penalty of perjury that this determination was made on the basis of competent medical opinion and was not used as a substitute for the disciplinary process in accordance with Government Code section 21156(a)(2). Michael Yule filed a Workers' Compensation claim for his disabling condition. The Workers' Compensation claim was accepted.

BE IT FURTHER RESOLVED that the City of Santa Fe Springs find and determine and it does hereby find and determine that such disability is a result of injury or disease arising out of and in the course of employment. Neither said Michael Yule nor the agency, City of Santa Fe Springs, has applied to the Workers' Compensation Appeals Board for a determination pursuant to Government Code Section 21166 whether such disability is industrial.

BE IT FURTHER RESOLVED that the member has retired from his employment in the position of Battalion Chief, effective August 22, 2018, and that no dispute as to the expiration of such leave rights is pending. His last day on paid status was August 21, 2018. There is not a possibility of third party liability. Advanced disability payments will not be made. The primary disabling conditions are orthopedic, left shoulder, lumbar spine, and left knee. The duration of the disabling condition is expected to be permanent which is certified by competent medical opinion.

APPROVED:
ITEM NO.:

APPROVED and ADOPTED this 24th day of November, 2020 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

William K. Rounds, Mayor

ATTEST:

Janet Martinez, CMC, City Clerk