

Regional Solid Waste Association

City of Del Mar
Dwight Worden

City of Encinitas
Catherine Blakespear

City of National City
Ron Morrison

City of Poway
Dave Grosch

City of Solana Beach
Kelly Harless

City of Vista
Joe Green

Special Contract Party
City of Escondido
Michael Morasco

General Manager/General Counsel
James H. Eggart

REGULAR MEETING AGENDA

June 30, 2022
9:00 a.m.

Fletcher Cove Community Center
133 Pacific Avenue
Solana Beach, CA



**REGIONAL SOLID WASTE ASSOCIATION
BOARD OF DIRECTORS**

REGULAR MEETING AGENDA

**June 30, 2022
9:00 a.m.**

**Fletcher Cove Community Center
133 Pacific Avenue
Solana Beach, CA**

****Note: For health and safety reasons, the City of Solana Beach recommends that meeting attendees wear masks.****

- 1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

- 2. SWEARING-IN OF NEW BOARD MEMBER(S) - ACTION ITEM**

This item is scheduled to swear-in new board members as the delegate/representative from a member city.

- 3. ORAL COMMUNICATIONS**

This item is scheduled to provide an opportunity for public testimony on matters within the jurisdiction of the Association. The Association may receive comments, but no action may be taken.

- 4. CONSENT CALENDAR – ACTION ITEM**

(Consent Calendar items will be acted on simultaneously with one motion unless separate discussion and/or action is requested by a Board Member.)

- A.** Minutes of the March 31 2022 Meeting of the Board of the Regional Solid Waste Association – Recommended Action: Receive and File.

- B.** Minutes of the June 16, 2022 Budget Subcommittee Meeting – Recommended Action: Receive and File.

- C.** RSWA Website Activity Report for Fourth Quarter of FY 2021/2022 (through June 23, 2022) – Recommended Action: Receive and File.

5. **REPORTS BY MEMBER CITIES ON USE OF RSWA FUNDING – INFORMATION ITEM**

The Board will review reports from the individual Member Cities regarding their use of RSWA funding for Fiscal Year 2021/2022.

6. **SB 1383 COMPLIANCE SUPPORT SERVICES STATUS REPORT – INFORMATION ITEM**

The Board will receive a status report on the SB 1383 compliance support services being provided to the RSWA Member Cities by Solana Center for Environmental Innovation.

7. **FINANCE AND BUDGET - INFORMATION & ACTION ITEMS**

A. **RSWA Investment Report for the Fourth Quarter of Fiscal Year 2021/2022 – Information Item (Receive and File)**

General Manager Eggart will review the investment report as of June 22, 2022. Recommended Action: Receive and File.

B. **Budget and Expenditure Status for the Fourth Quarter of Fiscal Year 2021/2022 - Information Item (Receive and File)**

General Manager Eggart will review the budget status, financial status, and cash activity reports as of June 22, 2022. Recommended Action: Receive and File.

C. **Fiscal Year 2021/2022 Budget Adjustments – Action Item**

The Board will receive a report on proposed adjustments to the Fiscal Year 2021/2022 Budget.

Recommended Action: Approve the proposed budget adjustments and amended Budget for Fiscal Year 2021/2022.

D. **Consideration and Approval of Amended FY 2022/2023 Budget and FY 2023/2024 Budget – Action Item**

General Manager Eggart and the Budget Subcommittee composed of Chairperson Morrison, Vice-Chairperson Worden, and Treasurer Grosch will present the proposed amended FY 2022/2023 Budget and proposed FY 2023/2024 Budget for the Board's consideration and approval.

Recommended Action: Approve Amended Fiscal Year 2022/2023 Budget and Fiscal Year 2023/2024 Budget.

E. Review of Investment Policy and Renewal of Delegation of Investment Authority – Action Item

The Board will review the current City of National City Investment Policy and consider a Resolution confirming the continued delegation of authority to the appropriate National City officials to invest and reinvest RSWA's funds.

Recommended Action: Review the current adopted Investment Policy of the City of National City and Adopt Resolution No. 2022-05, A Resolution of the Board of Directors of the Regional Solid Waste Association Confirming Continued Delegation of Authority to the Appropriate City of National City Officials to Invest the Association's Funds in Accordance with the City's Adopted Investment Policy.

8. HOUSEHOLD HAZARDOUS WASTE (HHW), ORGANIC WASTE, AND OTHER SOLID WASTE ISSUES – INFORMATION AND POSSIBLE ACTION ITEM(S)

A. HHW Participation Reports - Information Item

General Manager Eggart and Ashlee Stratakis of the City of Encinitas will review the HHW participation reports through May 31, 2022.

B. Legislative Update – Information and Potential Action Item

General Manager Eggart will update the Board on pending legislation of interest relating to solid waste, organic waste, and household hazardous waste. The Board may provide direction regarding taking positions on specific pieces of legislation.

C. Update on HHW Issues, Organic Waste Disposal Issues, and Other Potential Future Issues – Information Item

General Manager Eggart will update the Board on other current household hazardous waste, organic waste, and solid waste issues, and other potential future issues affecting RSWA.

9. ADMINISTRATIVE MATTERS – POSSIBLE ACTION ITEMS

A. Review Future Meeting Schedule – Possible Action Item

October 6, 2022

January 5, 2023

April 6, 2023

This item is scheduled for discussion and approval of the future meeting schedule. The Board may make changes to the current future meeting schedule.

B. Subcommittee Reports – Information and Potential Action Item

This item is scheduled for Board subcommittees to provide a report to the full Board regarding subcommittee meetings and actions. The full Board may provide direction to subcommittees.

C. Update on Potential Educational Conference Attendance – Information Item

This item is scheduled for review of information on upcoming educational conferences.

D. Reports by Board Members and/or RSWA Staff Regarding Conferences Attended – Information Item

This item is scheduled to provide an opportunity for Board Members or RSWA Staff to report on conferences attended.

10. COMMENTS FROM ASSOCIATION MEMBERS, GENERAL COUNSEL AND GENERAL MANAGER

The Members may ask questions, make comments and ask that any matter be agenzized for consideration at a later meeting.

11. ADJOURNMENT

Adjournment to the meeting of October 6, 2022 at 9:00 a.m. at the Fletcher Cove Community Center, 133 Pacific Avenue, Solana Beach, CA.

REGIONAL SOLID WASTE ASSOCIATION

ADDRESSING THE ASSOCIATION BOARD

If you wish to speak to an item not on the posted agenda, but within the Association's subject matter jurisdiction, please submit a speaker slip to speak during Oral Communications. The Brown Act does not allow any discussion or action by the Board or staff on matters raised during public comment except: 1) to briefly respond to statements made or questions posed, 2) ask a question for clarification, 3) receive and file the matter, 4) if it is within staff's authority, refer it to them for a reply, or 5) direct that it be placed on a future board agenda for a report or action. A reasonable amount of time will be allocated by the Chair for public comment. Time donations are not permitted during Oral Communications.

If you wish to speak to an item on the agenda, please fill out a speaker slip indicating which agenda Item number you wish to speak to and hand it in before that item has been announced by the Chair. To donate time to another person, fill out a speaker slip indicating that fact. The person or persons donating time must be present when the speaker to whom they have donated time is heard.

ADDITIONAL INFORMATION: This agenda provides a brief description of each item to be considered by the Association Board. All revised or additional documents and writings related to any items on the agenda, which are distributed to all or a majority of the Board Members within 72 hours preceding a meeting, shall be available for public inspection (1) at the Solana Beach City Clerk's office during normal business hours; and (2) at the Fletcher Cove Community Center at the time of the meeting. Additional information is available through the General Manager to the Association at (714) 415-1062.

**PUBLIC NOTICE FOR THE REGULAR MEETING OF
THE REGIONAL SOLID WASTE ASSOCIATION
BOARD OF DIRECTORS**

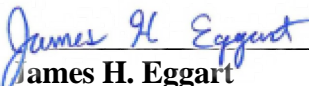
**June 30, 2022
9:00 a.m.**

**Fletcher Cove Community Center
133 Pacific Avenue
Solana Beach, CA**

In accordance with the requirements of California Government Code Section 54954.2(a)(1), this Notice and the Agenda has been posted at Fletcher Cove Community Center, 133 Pacific Avenue, Solana Beach, CA and Solana Beach City Hall, 635 South Highway 101, Solana Beach, CA not less than 72 hours prior to the meeting date and time above.

For health and safety reasons, the City of Solana Beach recommends that meeting attendees wear masks. In compliance with the Americans With Disabilities Act, if you need special assistance to participate in this meeting, please contact the Association's General Manager, James Eggart, at (714) 415-1062 at least forty-eight (48) hours prior to the meeting to allow the Association to make reasonable arrangements to ensure accessibility to this meeting.

I, James H. Eggart, General Manager of the Regional Solid Waste Association, do hereby declare that I caused the posting of the agenda for the regular meeting of the Regional Solid Waste Association for June 30, 2022 in the locations listed above which are freely accessible to the public at or prior to 9:00 a.m. on June 27, 2022.



**James H. Eggart
General Manager
Regional Solid Waste Association**

Item 4.A.

**MINUTES
REGIONAL SOLID WASTE ASSOCIATION
REGULAR MEETING**

**March 31, 2022
9:00 a.m.**

**EDCO / Escondido Disposal
1021 W. Mission Avenue
Escondido, CA**

BOARD MEMBERS IN ATTENDANCE:

**Council Member Ron Morrison, City of National City – RSWA Chairperson
Council Member Joe Green, City of Vista – RSWA Vice-Chairperson
Mayor Dwight Worden, City of Del Mar – RSWA Secretary
Deputy Mayor John Mullin, City of Poway (Alternate)
Mayor Catherine Blakespear, City of Encinitas
Council Member Kelly Harless, City of Solana Beach
Council Member Mike Morasco, City of Escondido**

STAFF RESOURCES IN ATTENDANCE:

**James H. Eggart, General Manager/General Counsel
Phil Davis, Financial Analyst – City of National City**

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chairperson Morrison called the meeting to order at 9:13 a.m.

Board Member Morasco led the Board in the Pledge of Allegiance.

2. SWEARING-IN OF NEW BOARD MEMBER(S)

John Mullin was sworn in as an Alternate Board Member from the City of Poway.

3. ORAL COMMUNICATIONS

None.

4. CONSENT CALENDAR

The consent calendar included the following items:

- A. Minutes of the March 3, 2022, Special Meeting of the Board of the Regional Solid Waste Association – Recommended Action: Receive and File.**

- B. RSWA Website Activity Report for the Third Quarter – Recommended Action: Receive and File.
- C. Resolution No. 2022-04, A Resolution of the Board of Directors of the Regional Solid Waste Association Making Specified Findings and Reauthorizing Remote Teleconference Meetings in Accordance with Government Code Section 54953(e)

MOTION WAS MADE TO APPROVE THE CONSENT CALENDAR.

(Motion by Vice-Chairperson Green, City of Vista/Second by Board Member Harless, City of Solana Beach). Motion was approved by a vote of 6 ayes, 0 nays, and 1 abstention.

Ayes: Morrison, Green, Blakespear, Morasco, Worden, Harless
Nays:
Abstain: Mullin
Absent:

5. ELECTION OF OFFICERS – ACTION ITEM

This item was scheduled for the election of officers to serve until the April 2023 meeting. The last election of officers was at the April 1, 2021 Board meeting.

MOTION WAS MADE TO APPOINT THE FOLLOWING SLATE OF OFFICERS:

1. **CHAIRPERSON – COUNCIL MEMBER RON MORRISON, CITY OF NATIONAL CITY**
2. **VICE-CHAIRPERSON – MAYOR DWIGHT WORDEN, CITY OF DEL MAR**
3. **TREASURER – COUNCIL MEMBER DAVE GROSCH, CITY OF POWAY**
4. **SECRETARY – COUNCIL MEMBER JOE GREEN, CITY OF VISTA**

(Motion by Vice-Chairperson Green / Second by Secretary Worden). Motion was approved by a vote of 7 ayes, 0 nays, and 0 abstentions.

Ayes: Morasco, Harless, Blakespear, Mullin, Worden, Green, Morrison
Nays:
Abstain:
Absent:

6. AGREEMENT FOR TRANSFER AND DISPOSAL SERVICES BETWEEN EDCO AND RSWA – INFORMATION AND ACTION ITEM

A. Disposal Rate and Volume Rebate Adjustments – Information Item

General Manager Eggart updated the Board on the annual rate adjustment and advised the Board that disposal rates for each City will increase by 5.0% effective July 1, 2022. For the Cities of Del Mar, Encinitas, Solana Beach and Vista, the disposal rate will increase by \$2.56 (from \$51.26/ton to \$53.83/ton). For the Cities of National City and Poway, the disposal rate will increase by \$2.31 (from \$46.22/ton to \$48.53/ton). General Manager Eggart also reported that the Volume Rebate paid by EDCO to RSWA annually would increase by \$14,373.91 in Fiscal Year 2022/2023, to \$301,852.05. *(James – this number was in last year’s minutes as the increased amount, so maybe check the numbers. Also your notes had \$553.83/ton for Del Mar et al.)*

B. Negotiation of Potential Amendment to Agreement for Transfer and Disposal Services – Action Item

This item was scheduled for discussions on the formation of a separate subcommittee to conduct discussions and negotiations with EDCO regarding a potential amendment to the existing Agreement for Transfer and Disposal Services.

MOTION WAS MADE TO CREATE A SUBCOMMITTEE CONSISTING OF CHAIRPERSON MORRISON, VICE CHAIRPERSON WORDEN AND TREASURER GROSCH TO CONDUCT DISCUSSIONS AND NEGOTIATIONS WITH EDCO REGARDING A POTENTIAL AMENDMENT TO THE EXISTING AGREEMENT FOR TRANSFER OF DISPOSAL SERVICES.

(Motion by Secretary Green / Second by Board Member Harless). Motion was approved by a vote of 6 ayes, 0 nays, and 0 abstentions, with 1 absent.

Ayes: Harless, Blakespear, Mullin, Worden, Green, Morrison

Nays:

Abstain:

Absent: Morasco

7. SB 1383 COMPLIANCE SUPPORT SERVICES AGREEMENT – INFORMATION AND ACTION ITEM

A. SB 1383 Compliance Support Services Status Report – Information Item

The Board received a report on the status of the SB 1383 compliance support services being provided to the RSWA member Cities by Solana Center for Environmental Innovation (“Solana Center”) and San Diego Food System Alliance. A copy of the January and February Monthly Progress Reports and a summary of billings through February 2022 were provided in the agenda packet provided to the Board and made available to the public.

Board Member Morasco left the meeting at 9:51 a.m.

B. Clarification of General Manager’s Authority to Enter into Amendments to Agreement with Solana Center for SB 1383 Compliance Support Services to Member Cities – Action Item

The Board received a report and discussed the General Manager’s request to clarify the previous delegation of authority to him to enter into amendments to the Professional Services Agreement between the RSWA and Solana Center for Environmental Innovation.

MOTION WAS MADE TO CONFIRM THAT THE GENERAL MANAGER IS AUTHORIZED TO APPROVE MODIFICATIONS OR AMENDMENTS TO THE AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN RSWA AND SOLANA CENTER FOR ENVIRONMENTAL INNOVATION, WHICH DO NOT RESULT IN INCREASES IN COST TO RSWA ABOVE THE BUDGETED AND ALLOCATED AMOUNTS PREVIOUSLY APPROVED BY THE BOARD.

(Motion by Board Member Harless / Second by Board Member Blakespear). Motion was approved by a vote of 6 ayes, 0 nays, and 0 abstentions, with 1 absent.

Ayes: Harless, Blakespear, Mullin, Worden, Green, Morrison

Nays:

Abstain:

Absent: Morasco

8. FINANCE AND BUDGET – INFORMATION AND ACTION ITEMS

A. Budget and Expenditure Status for the Third Quarter of Fiscal Year 2021/2022 – Information Item (Receive and File)

General Manager Eggart and Fiduciary Agent Phil Davis of the City of National City reviewed the third quarter Financial Status and Cash Activity reports as of March 31, 2022. Details were provided to the Board Members and public in their respective agenda packets. The year-to-date activity reflected in the reports show actual revenues of \$313,249, and actual expenditures of \$342,908 through March 31, 2022. As of March 31, 2022 RSWA had a fund balance of \$441,696, which includes \$80,000 in reserves for HHW facility closures.

MOTION WAS MADE TO RECEIVE AND FILE THE FINANCIAL STATUS AND CASH ACTIVITY REPORTS FOR THE THIRD QUARTER OF FISCAL YEAR 2021/2022 AS PRESENTED.

(Motion by Secretary Green, City of Vista / Second by Board Member Blakespear, City of Encinitas). Motion was approved by a vote of 6 ayes, 0 nays, and 0 abstentions, with 1 absent.

Ayes: Harless, Blakespear, Mullin, Worden, Green, Morrison
Nays:
Abstain:
Absent: Morasco

B. RSWA Investment Report for the Third Quarter of Fiscal Year 2021/2022 – Information Item (Receive and File)

General Manager Eggart and Fiduciary Agent Phil Davis of the City of National City reviewed the investment report as of December 31, 2021. All of RSWA's funds are invested in the City of National City's portfolio. As of March 31, 2022 RSWA had an invested cash balance of \$437,906. Details on the City of National City's portfolio and investment activity through December 31, 2021 was provided to the Board Members in their respective agenda packets.

MOTION WAS MADE TO RECEIVE AND FILE THE INVESTMENT REPORT FOR THE THIRD QUARTER OF FISCAL YEAR 2021/2022 AS PRESENTED.

(Motion by Secretary Green, City of Vista / Second by Vice-Chairperson Worden, City of Del Mar). Motion was approved by a vote of 6 ayes, 0 nays, and 0 abstentions, with 1 absent.

Ayes: Harless, Blakespear, Mullin, Worden, Green, Morrison
Nays:
Abstain:
Absent: Morasco

C. Fiscal Years 2022/2023 and 2023/2024 Budgeting Process – Action Item

General Manager Eggart reviewed the two-year budgeting process and requested that the Board consider appointing a budget subcommittee consisting of up to three (3) Board Members to work with the General Manager to prepare an amended Fiscal Year 2022/2023 Budget and a 2023/2024 Budget for consideration by the full Board.

MOTION WAS MADE TO APPOINT A BUDGET SUBCOMMITTEE CONSISTING OF CHAIRPERSON MORRISON, VICE CHAIRPERSON WORDEN AND TREASURER GROSCH.

(Motion by Board Member Green, City of Vista / Second by Board Member Blakespear, City of Encinitas). Motion was approved by a vote of 6 ayes, 0 nays and 1 absent.

Ayes: Harless, Blakespear, Mullin, Worden, Green, Morrison
Nays:
Abstain:
Absent: Morasco

9. HOUSEHOLD HAZARDOUS WASTE (HHW), ORGANIC WASTE AND OTHER SOLID WASTE ISSUES – INFORMATION AND POSSIBLE ACTION ITEM(S)

A. HHW Participation Reports – Information Item

General Manager Eggart informed the Board that HHW Participation reports will be presented at a future meeting.

B. Legislative Update – Information Item

General Manager Eggart updated the Board on pending state legislation of interest relating to solid waste, organic waste, recycling, and household hazardous waste. A memorandum providing updates the memorandum provided to the Board at the March 3, 2022 special meeting was provided at the meeting and made available to the public. General Manager Eggart also provided the Board and public with informational handouts regarding AB 2440 and SB 1215 pertaining to extended producer responsibility for batteries.

C. Update on HHW Issues, Organic Waste Disposal Issues and Other Potential Future Issues – Information Item.

General Manager Eggart and Steve South of EDCO provided information on a proposed Los Angeles County ordinance prohibiting single-use plastic foodware and expanded polystyrene products.

10. ADMINISTRATIVE MATTERS – POSSIBLE ACTION ITEMS

A. Review Future Meeting Schedule – Possible Action Item

This item was scheduled for discussion and approval of the future Board meeting schedule. It was noted that the previously approved meeting schedule was as follows:

June 30, 2022
October 6, 2022
January 5, 2023

No changes were made to the existing meeting schedule.

B. Subcommittee Reports – Information and Potential Action Item

General Manager Eggart provided information on future subcommittee meetings. Since no subcommittees met since the March 3, 2022 Board meeting, there were no subcommittee reports provided.

C. Update on Potential Educational Conference Attendance – Information Item

General Manager Eggart provided information to the Board regarding WasteExpo scheduled for May 9-12, 2023 in Las Vegas.

D. Reports by Board Members and/or RSWA Staff Regarding Conferences Attended – Information Item

This item was scheduled to provide an opportunity for Board Members or RSWA staff to report on conferences attended. There were no reports.

11. COMMENTS FROM ASSOCIATION MEMBERS, GENERAL COUNSEL AND GENERAL MANAGER

There were no comments from Board Members.

General Manager Eggart thanked the Board Members for filing their Form 700s before the filing deadline.

12. ADJOURNMENT

Chairperson Morrison adjourned the meeting at 10:35 a.m. to the regular meeting of June 30, 2022, at 9:00 a.m. to be held at the Fletcher Cove Community Center, 133 Pacific Avenue, Solana Beach, California.

Respectfully Submitted:



James H. Eggart
General Manager

Approved:



Joe Green
RSWA Secretary

Item 4.B.

**MINUTES
REGIONAL SOLID WASTE ASSOCIATION BUDGET SUBCOMMITTEE
SPECIAL MEETING**

**June 16, 2022
8:00 a.m.**

**Del Mar Civic Center
Lobby Conference Room and Civic Center Patio
1050 Camino Del Mar, Del Mar CA, 92014**

COMMITTEE MEMBERS IN ATTENDANCE:

**Council Member Ron Morrison, City of National City – RSWA Chairperson
Mayor Dwight Worden, City of Del Mar – RSWA Vice-Chairperson
Council Member Dave Grosch, City of Poway – RSWA Treasurer**

STAFF RESOURCES IN ATTENDANCE:

James H. Eggart, General Manager/General Counsel

1. CALL TO ORDER

The meeting was called to order at 8:00 a.m.

2. ORAL COMMUNICATIONS

This item was scheduled to provide an opportunity for public testimony on matters within the jurisdiction of the Subcommittee. There were no oral communications presented.

3. FINANCE AND BUDGET – INFORMATION AND ACTION ITEMS

A. Review Current Year Expenditures – Information and Background Item

General Manager Eggart reviewed the current FY 2021/2022 revenues and expenditures to date and projected fiscal year end revenue and expenditure estimates with the Budget Subcommittee.

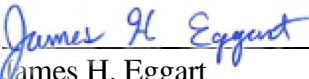
B. Review and Develop FY 2022/2023 and FY 2023/2024 Budgets – Discussion for Possible Recommendation to RSWA Board

General Manager Eggart presented draft Budgets for FY 2022/2023 and 2023/2024. The Budget Subcommittee discussed the draft budgets and provided direction to the General Manager regarding revisions to the draft Budgets for presentation to the full RSWA Board at the June 30, 2022 meeting.

4. ADJOURNMENT

The meeting was adjourned at 9:55 a.m.

Respectfully Submitted:



James H. Eggart
General Manager

Approved:

Dave Grosch
RSWA Treasurer

Item 4.C.

RSWA Quarterly Dashboard

Apr 1, 2022 - Jun 23, 2022

All Users
 100.00% Sessions

Visits

1,805
 % of Total: 100.00% (1,805)




Unique Visitors

1,288
 % of Total: 100.00% (1,288)




Pageviews

3,416
 % of Total: 100.00% (3,416)




Pages / Visit

1.89
 Avg for View: 1.89 (0.00%)




Avg. Visit Duration

00:00:27
 Avg for View: 00:00:27 (0.00%)



% New Visits

70.86%
 Avg for View: 70.86% (0.00%)



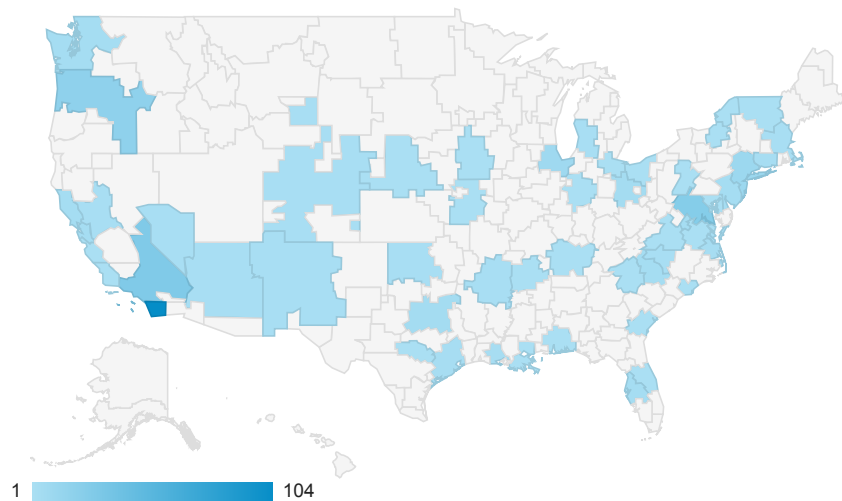
Keywords

Keyword	Sessions
There is no data for this view.	

Visits

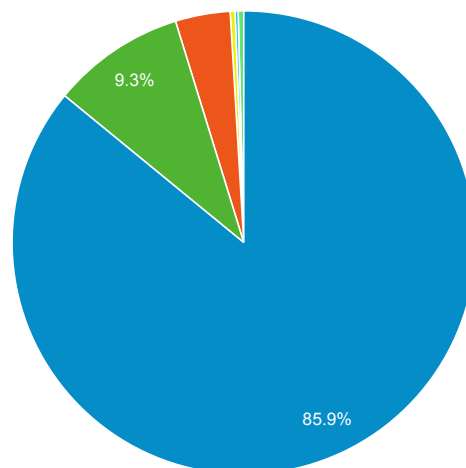


Visitor Map

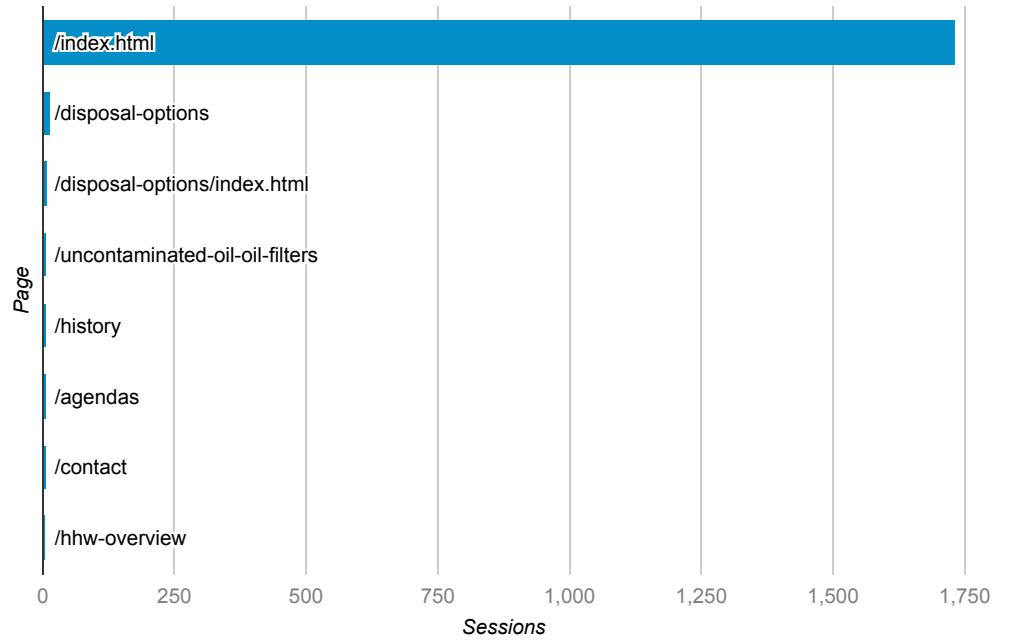


Visits by Source / Medium

- rswa.info / referral
- (direct) / (none)
- google / organic
- trafficmarket.me / referral
- duckduckgo / organic
- Other



Content Overview

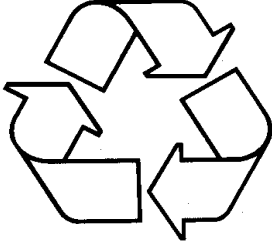


Referrerring Sites

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Item 5.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
 From: General Manager James H. Eggart
 Subject: Member City Reports on Use of RSWA Funding
 Date: June 30, 2022

BACKGROUND/DISCUSSION

Pursuant to its Environmental Enhancement Program, the Regional Solid Waste Association (RSWA) provides funding to its six (6) permanent members on an annual basis to be utilized for household hazardous waste programs, organic waste diversion initiatives, recycling, or other solid waste matters. For Fiscal Year 2020/2021, the RSWA Board allocated \$150,000 for the Environmental Enhancement Program. These funds are allocated in proportion to each member’s solid waste tonnage as follows:

CITY	CITY % OF TOTAL	ALLOCATION TO CITY
Vista	35.71%	\$53,565.95
Encinitas	22.43%	\$33,647.92
Poway	19.76%	\$29,642.58
National City	15.53%	\$23,297.62
Solana Beach	4.12%	\$6,186.38
Del Mar	2.44%	\$3,659.55

In addition, for the past several years, RSWA has appropriated funds to each of its seven (7) member cities specifically for use in supporting education related to disposal of household hazardous waste (HHW) and the recycling of organic waste. For Fiscal Year 2020/2021, the Educational Appropriation was \$49,000, or \$7,000 per Member City.

As a condition to receiving these funds, each member city was asked to provide a letter to the RSWA Board outlining how the city utilized the funding. The letters provided by the cities are attached to this Report.

ATTACHMENTS

Letters from Member Cities



Date: June 16, 2022

To: Regional Solid Waste Association Board of Directors
James H. Eggart, General Manager

From: Joshua Sino Cruz, Management Analyst
Leslie Webb-Blanco, Management Assistant

Subject: City of Vista Use of Environmental Enhancement Funds, HHW/Organics
Educational Program Funding

Dear Board Members:

The City of Vista utilized Fiscal Year 2021/22 **Environmental Enhancement** funding to support educational outreach, recycling and litter abatement programs.

The City continues to contract with the job coaching programs, The ARC of San Diego and Pride Industries, formerly Partnerships with Industry, for litter abatement and recyclables diversion services in City parks and right of way areas.

Additionally, the City contracts with "I Love a Clean San Diego" (ILACSD) to provide community education and outreach to promote waste reduction, pollution prevention and recycling. ILACSD also provides community outreach services to help connect participants with important solid waste and recycling resources.

The City utilized the **HHW / Organics Educational Program** funding for educational outreach.

This period, ILACSD will deliver our 5th annual educational outreach event focused on food waste reduction and zero waste lifestyle. The "*Save Your Scraps!*" workshop will include staff-led tutorials and demonstrations to educate community members about zero waste lifestyle, organics waste reduction and composting.

The City also worked with EcoHero Show, LLC (EcoHero) for organics recycling and food waste reduction presentations for Vista Unified School District students. Through song, dance and storytelling, EcoHero staff introduce students to important environmental topics and encourages participants to become "Eco Heroes" in their community.

Staff continues to work to expand our social media community outreach campaign with a goal of increasing awareness and connecting residents, businesses and visitors with valuable waste reduction, diversion and recycling information and resources.

The City of Vista would like to thank RSWA for its continued support of this important solid waste and recycling programing.



City of Encinitas

DATE: June 15, 2022

TO: Regional Solid Waste Association Board of Directors
James Eggert, RSWA General Manager

FROM: Ashlee Stratakis, Public Works Management Analyst

SUBJECT: Fiscal Year 2022 Environmental Enhancement and Education
Compliance Program Funding

ENVIRONMENTAL ENHANCEMENT AND EDUCATION

In Fiscal Year 2022, Environmental Enhancement funds have been used to support the following programs: a series of Zero Waste Workshops culminating in an annual Zero Waste Fair, waste diversion programs for elementary, middle, and high schools in Encinitas, and community-wide organics recycling education.

The City partners annually with I Love A Clean San Diego to produce a series of Zero Waste Workshops and a year-ending fair focusing on reuse, repurposing, food waste reduction, organics recycling, environmental justice, and more. These events are typically held at a centrally-located site and include hands-on activities for adults and children alike. For the first time in several years, the event will take place in person, with the presence of a wide variety of environmental organizations from around the region.

The City also partners with BCK Programs to implement waste diversion programs at six elementary schools, two middle schools, and for the first time, one high school. 60 to 100 pounds of food waste are composted weekly at the six EUSD elementary schools through BCK's programming. Additionally, BCK worked with San Dieguito Academy to build a composting site and help students to roll out a pilot for organics collection. Staff also trained middle school students to manage share tables at lunch to reduce food waste.

Last but not least, the City contracted with the Solana Center to provide a variety of environmental education services such as residential workshops and webinars on food waste prevention and composting/vermicomposting, technical assistance and webinars for businesses to support them with SB 1383 compliance, and videos on proper organics recycling for the entire community.

CITY OF POWAY



STEVE VAUS, Mayor
JOHN MULLIN, Deputy Mayor
CAYLIN FRANK, Councilmember
DAVE GROSCHE, Councilmember
BARRY LEONARD, Councilmember

June 20, 2022

Regional Solid Waste Association
James H. Eggart, Esq., General Manager
555 Anton Boulevard, Suite 1200
Costa Mesa, CA 92626-7670

SUBJECT: OVERVIEW OF PROJECTS FROM THE 2021-22 ENHANCEMENT FUNDS

Dear RSWA Board Members and General Manager:

The Regional Solid Waste Association (RSWA) provides Environmental Enhancement Program (EEP) funding to its members for household hazardous waste programs, organic waste diversion initiatives, recycling, or other solid waste matters. EEP funding is critical to supporting the City of Poway's (City) solid waste programs. The following are highlights for the use of these funds for Fiscal Year 2021-22.

This year the City partnered with I Love A Clean San Diego and used EEP funds to provide educational recycling presentations to students within the Poway Unified School District. The presentations focused on organic waste reduction and prevention. I Love A Clean San Diego also hosted virtual and in-person waste diversion and waste reduction events for the community. Additionally, staff used EEP funds to partner with I Love A Clean San Diego to hold a used oil filter exchange event in November 2021.

City staff also used EEP funding to purchase organics recycling bins for City facilities. Ten (10) 23-gallon organics containers were purchased to place throughout City facilities. The City will be distributing the organics containers in the near future, along with education materials for City staff regarding proper organics recycling. The City will be assessing bin configuration at the various City facilities. In the future, funding may be used to purchase additional recycling bin types to ensure the bins fit the needs for each facility.

In addition, the City utilized EEP funding to hire Solana Center, under RSWA's current agreement, to provide consulting services to identify the City's Tier One and Tier Two generators lists in preparation for SB 1383 compliance requirements. Staff plans to allocate future EEP funds for outreach and education services related to providing technical assistance to both the Tier One and Tier Two generators.

The City appreciates the support received from RSWA. The funding allows the City to provide enhanced outreach and related services for its residents through its solid waste and recycling programs. The City values the joint and collaborative partnership RSWA provides as we continually seek to reduce waste in our region.

Sincerely,

Eric Heidemann
Director of Public Works



June 14, 2022

RE: Report to Regional Solid Waste Association Educational Expenditure of Funds

Dear James H. Eggart and RSWA Board:

The City of National City utilized its Fiscal Year 2021/2022 Environmental Enhancement funding to support the proper Household Hazardous Waste Disposal program that is available for National City residents at no cost. Residents can dispose of HHW items in the South Bay Household Hazardous Waste Collection facility, located in Chula Vista.

The City plans to use the HHW/Organics Educational Program funding for educational materials. The City will be distributing a recycling brochure that contains educational information for National City residents on the items that should be recycled, as well as all items that apply for Household Hazardous Waste with information on the proper location to dispose of them. This recycling brochure will be distributed to all National City residents.

Regards,

Carla Hutchinson
Assistant Engineer – Civil
City of National City
Engineering & Public Works Department

Engineering & Public Works Department
1243 National City Boulevard, National City, CA 91950-4301
619/336-4380 Fax 619/336-4397 www.nationalcityca.gov

James H. Eggart

From: Rimga Viskanta <rviskanta@cosb.org>
Sent: Wednesday, June 22, 2022 4:54 PM
To: James H. Eggart
Cc: Dan King
Subject: RSWA Grant Funding Utilization

Dear James,

The City of Solana Beach received the following fund allocations from RSWA for FY 2021/2022:

- Environmental Enhancement Program: \$6,186.38
- Educational Appropriation: \$7,000

We intend to group these funds with our recently received CalRecycle grant to provide education, outreach and technical assistance services to our Tier 1 and Tier 2 generators to maximize the diversion of organic waste from landfills.

Thank you,




Rimga Viskanta
Senior Management Analyst
635 S. Highway 101
Solana Beach, CA 92075
Phone: (858) 720-2467
www.cityofsolanabeach.org



CITY OF DEL MAR

TO: RSWA Board Members and General Manager James H. Eggart

FROM: Clem Brown, Environmental Sustainability/Special Projects Manager



DATE: June 21, 2022

SUBJECT: City of Del Mar's 2021-2022 Expenditure of RSWA Funds

Pursuant to its Environmental Enhancement Program, the Regional Solid Waste Association (RSWA) provides funding to its members on an annual basis for household hazardous waste programs, organic waste diversion initiatives, recycling, or other solid waste matters. For Fiscal Year (FY) 2021-2022, Del Mar received \$3,660 for its Environmental Enhancement Program allocation. That funding was spent on the following programs/initiatives:

- Consultant services to implement Del Mar's popular "Door-to-Door" Household Hazardous Waste Program in FY 2021-2022;
- Consultant services to support the implementation of the City's SB 1383 action plan; and
- Purchase of additional community trash and recycling bins for the City's parks and beaches.

RSWA also appropriates funds to its members specifically for use in education efforts related to disposal of household hazardous waste and organic waste. In FY 2021-2022, Del Mar received \$7,000 for its HHW/Organics Education Program allocation. That funding was spent on the following programs/initiatives:

- Implementation of Del Mar's FY 2021-2022 Compost Bin and Worm Bin Voucher Program;
- Implementation of Del Mar's FY 2021-2022 Compost and Mulch Voucher Program;
- Communication services to educate Del Mar's residents and businesses on food waste reduction strategies and organic waste disposal options; and
- Consultant services to assist the City with preparing for and complying with SB 1383.

The City appreciates RSWA's continued financial support for its solid waste and recycling programs, and particularly the additional funding to help educate Del Mar residents and businesses on the importance of organic waste diversion. The City looks forward to continuing to expand these programs in the years to come with RSWA's support.



June 22, 2022

Dear James Eggart and RSWA board members:

After a one-year hiatus, the City of Escondido Recycling Division once again hosted its annual Earth Day poster contest for all K-8 students at both public and private schools, using \$1,800 of Educational Appropriation funding. The contest highlights recycling and the proper disposal of HHW and its effect on the environment.

A portion of the funds was dedicated to sponsoring biannual e-waste events with Escondido Disposal. About \$800 was spent to staff the events.

Advertising at the local DMV is another successful outreach. The city's HHW message is on a continuous video loop at a cost of \$3,400.

The final \$1,000 purchased computer calendars promoting the proper disposal of HHW. The popular strip calendars are affixed with an easily removable adhesive that makes them an ideal annual giveaway. The calendars are distributed throughout city offices to hundreds of city employees who can, in turn, pass along the message of handling household hazardous waste.

We so appreciate the support we receive from RSWA. In addition to the Educational Appropriation funds, the networking and professional community RSWA provides has been an invaluable resource for the City of Escondido's Recycling Division.

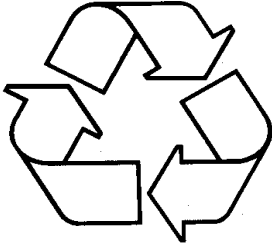
Sincerely,

A handwritten signature in blue ink, appearing to read "Lori Calvert". The signature is written in a cursive style and is followed by a horizontal line that extends to the right.

Lori Calvert

Recycling Program Coordinator – City of Escondido

Item 6.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
From: General Manager James H. Eggart
Subject: SB 1383 Compliance Support Services Update
Date: June 30, 2022

BACKGROUND/DISCUSSION

On March 25, 2021, RSWA entered into an Agreement for Professional Consultant Services with Solana Center for Environmental Innovation ("Solana Center") to provide specified SB 1383 compliance services to the six regular RSWA Member Cities (the "Agreement"). All deliverables for the "Core Tasks" under the original Agreement have been completed.

At the December 9, 2021 special meeting, the Board approved Amendment No. 2 to the Agreement to add additional "Core Tasks" to the Scope of Work.

At the March 31, 2022 meeting, the Board clarified the General Manager's authority to enter into amendments to the Agreement. Per this authority, the General Manager subsequently executed Amendment No. 3 to the Agreement on behalf of RSWA:

1. To reallocate the existing budgeted funds for the Core Tasks under Amendment No. 2 to account for changes in the anticipated amount of services required and timeline for providing the services; and
2. To add a new Optional Task for the provision of as needed implementation assistance to the RSWA Members at a fixed hourly rate.

A copy of Amendment No. 3 is attached to this Report.

It is anticipated that Solana Center will have completed the additional "Core Tasks" tasks authorized by Amendment No. 2 / Amendment No. 3 by June 30th within the not-to-exceed budget set forth in the Agreement.

Amendment No. 3, the monthly progress reports for March, April, and May/June prepared by Solana Center, and a summary of amounts expended and remaining for each Core Task through May 31, 2022 under the Agreement, are attached to this Report. The Board will also receive a further status update at its June 30, 2022 meeting.

ATTACHMENTS

1. Amendment No. 3 to Agreement
2. March Monthly Progress Report
3. April Monthly Progress Report
4. May/June Monthly Progress Report
5. Summary of Billing per Core Task

AMENDMENT NO. 3 TO AGREEMENT FOR PROFESSIONAL CONSULTANT SERVICES BETWEEN THE REGIONAL SOLID WASTE ASSOCIATION AND SOLANA CENTER FOR ENVIRONMENTAL INNOVATION

This Amendment No. 3 to Agreement for Professional Consultant Services (“Amendment No. 3”) is made and entered into as of the date of execution by the Regional Solid Waste Association, a California public entity (“RSWA”) and Solana Center for Environmental Innovation, a California nonprofit corporation (“Consultant”). RSWA and Consultant are sometimes hereinafter individually referred to as “Party” and are hereinafter collectively referred to as the “Parties.”

RECITALS

A. This Amendment No. 3 is entered into pursuant to Section 3.3 of the Agreement and the authorization of RSWA’s Board of Directors dated March 31, 2022.

B. The Parties previously entered into that certain Agreement for Professional Consultant Services, dated March 25, 2021, Amendment No. 1 to Agreement for Professional Services, dated May 26, 2021, and Amendment No. 2 to Agreement for Professional Services, dated December 15, 2021 (collectively “Agreement”).

C. Through this Amendment No. 3, the Parties mutually desire to amend the Agreement to (i) reallocate the existing budgeted funds for the Core Tasks under Amendment No. 2 to account for changes in the anticipated amount of services required and timeline for providing these services, and (ii) to add a new Optional Task for the provision of as needed implementation assistance to the RSWA Members at a fixed hourly rate.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1. Notwithstanding the Timeline and Budget set forth in Exhibit A, the Parties agree as follows:
 - The Consultant may combine the Not-to-Exceed budgeted total costs and the services to be provided under Tasks 1.9 and 1.10 pursuant to Amendment No. 2.
 - The budgeted additional Not-to-Exceed Total Cost for Task 3.1 set forth in Exhibit A approved pursuant to Amendment No. 2 shall be increased by \$2,850, from \$7,000 to \$9,850, to cover costs associated with coordination of stakeholder parties in the months of May and June. The unit cost for Task 3.1 shall be \$1,750 in May and \$1,100 in June. The combined budgeted additional Not-to-Exceed Total Cost for Tasks 1.9 and 1.10 shall be reduced by an equivalent amount.
 - The budgeted additional Not-to-Exceed Total Cost for Task 3.2 set forth in Exhibit A approved pursuant to Amendment No. 2 shall be increased by \$850, from \$2,200 to \$3,050, to cover costs associated with management of the program in the months of May

and June. The unit cost for Task 3.2 shall be \$550 in May and \$300 in June. The combined budgeted additional Not-to-Exceed Total Cost for Tasks 1.9 and 1.10 shall be reduced by an equivalent amount.

- The unit cost(s) for Tasks 1.9 and 1.10, combined, shall not exceed \$6,690 in April, \$3,345 in May, and \$937.50 in June.
- Consultant acknowledges and agrees that the foregoing changes shall not cause total compensation to Consultant under the Agreement to exceed the “not-to-exceed” amount stated in Subsection 3.1.1 of the Agreement.

2. Subsection 2.1.2 of the Agreement is hereby amended as follows to add a reference to new Task 1.11 (additions in **bold/underline** text):

2.1.2 Optional Tasks. The “Optional Tasks” described in Attachment A set forth optional services available to be provided by Consultant individually or collectively to RSWA Members upon request. Consultant shall only provide such services to a RSWA Member upon receipt of a written request and authorization from RSWA’s General Manager. The “Optional Tasks” include the following:

Optional Tasks for Individual Cities

- Task 1.4 Create and deliver webinars for generators
- Task 1.5 Provide individual technical assistance to businesses
- Task 1.6 Inspect commercial generators
- Task 1.7 Develop an organic waste recovery newsletter / mailer for annual education
- **Task 1.11 Implementation assistance for cities, as needed**
- Task 2.7 Provide food recovery general support to Tier 1 and Tier 2 generators
- Task 2.8 Provide food recovery technical assistance to Tier 1 and Tier 2 generators
- Task 3.3 Offer additional presentations

Optional Tasks for All RSWA Cities Together

- Task 1.8 Update Tier 1 and Tier 2 generators list

2. Attachment A to the Agreement is hereby amended to add new Task 1.11 to the list of Optional (or “a-la-carte”) tasks as follows:

Task 1.11: Implementation assistance for cities, as needed

- This task may be used, as needed, for additional time to support cities with SB 1383 implementation tasks.
- For any city contracting for this task, Solana Center and the city may determine in advance a total not-to-exceed amount.

Cost	\$100 per hour + 10% program management fee
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It is the intent of the Parties that the 10% "program management fee" is intended to cover all costs incurred by Consultant for administration, management, and overhead (including mileage) associated with Task 1.11.

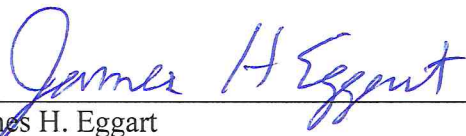
4. Except as expressly amended herein, all other terms and provisions of the Agreement shall remain in full force and effect.

5. This Amendment No. 3 may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument. These counterparts may be transmitted by Portable Document Format (PDF), with the originals to be thereafter provided by the Parties. Such electronic copies shall be deemed original signatures.

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment No. 1 as of the last date written below.

REGIONAL SOLID WASTE ASSOCIATION,
a public entity

Date: 4/15/2022

By: 
James H. Eggart
General Manager

**SOLANA CENTER FOR ENVIRONMENTAL
INNOVATION,** a California nonprofit corporation

Date: 4/14/2022

By: Jessica Toth
Jessica Toth
Executive Director

Digitally signed by Jessica Toth
Date: 2022.04.14 16:29:04 -07'00'

March Monthly Progress Report

SB 1383 Compliance Support Services



General Progress

- Solana Center and SDFSA are on track on the two new tasks added in Amendment #2.

Task	Date	Status
Determine potential rescuable edible food for each city	end of June 2022	Target for completion by the end of April 2022 for all cities except Poway. Poway's target is the end of June.
Preliminary list of food recovery organizations and services	end of April 2022	On target.

Task 1 Conduct Outreach and Education (Solana Center)

Task 1.9: Determine potential rescuable edible food for each city using County tool

Status: In Progress.

- Solana Center will complete capacity planning estimations for all the cities except Poway by the end of April. Meetings will be held at the end of April with the individual cities to review the data.
- Solana Center has started work on Poway's Tier Identification. Capacity planning estimation will be started when the Tier ID work is completed. Target is to complete both tasks by the end of June.
- As expected, many of the businesses that were under "judgment call" have been able to be dropped from the list leading to fewer businesses that need to be regulated for each of the jurisdictions.
- Solana Center is encountering difficulties in getting some of the businesses to respond to our inquiries on behalf of the cities. Multiple attempts will be made with the businesses after which the list will be reviewed with the cities individually.
- Please see the table below for the current status.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



Capacity Planning Summary Totals by City							
Progress as of 3/29/2022 (number of entities)							
	Del Mar	Encinitas	National City	Poway	Solana Beach	Vista	Total
Confirmed Tier 1	0	15	13	0	2	15	45
Confirmed Tier 2	8	20	29	0	7	35	99
Removed from Tier ID List	0	34	34	TBD	2	2	72
Need Further Investigation	2	7	22	TBD	1	63	95

Aggregate Disposal & Rescue Quantities				
Data as of 3/29/2022				
	Estimated Food Waste Disposal (tons/year)	Estimated Food Rescue Potential (tons/year)	Percentage Potential Rescuable Food	Notes
RSWA Tier 1 Entities	1,578	393	24.9%	Does not include Poway
RSWA Tier 2 Entities*	2,939	43	1.5%	(Events not yet included). Does not include Poway.
Total RSWA Tier 1 and 2	4,517	436	9.6%	

Task 2 Edible Food Recovery Program (SDFS)

Task 2.9 Implement food recovery capacity survey to audit list of food recovery organizations

Status: In progress.

- SDFS continued outreach to Food Recovery Agencies via individual emails and phone calls to prompt completion of the County's food recovery capacity survey.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



- SDFSA is experiencing difficulty in getting some organizations to respond. SDFSA will make judgment calls on how to address these organizations by consulting Feeding San Diego and San Diego Food Bank.
- In April, final lists of food recovery organizations will be provided to all cities, as well as estimated edible food recovery capacity results based on survey responses.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



April Monthly Progress Report

SB 1383 Compliance Support Services



General Progress

- SDFS completed their deliverable at the end of April as planned. Solana Center is on track to complete food rescue capacity planning for the cities.

Task	Date	Status
Determine potential rescuable edible food for each city	end of June 2022	Capacity planning estimates have been delivered to Del Mar, Solana Beach, Encinitas, Vista and National City. Poway is on target for the end of June but all efforts are being made to pull this into mid June to meet the County's submission deadline.
Preliminary list of food recovery organizations and services	end of April 2022	Completed

Task 1 Conduct Outreach and Education (Solana Center)

Task 1.9: Determine potential rescuable edible food for each city using County tool

Status: In Progress.

- Solana Center has delivered food rescue capacity planning estimates to Del Mar, Solana Beach, Encinitas, Vista and National City. Individual reviews are being held with each city to review the last remaining judgment calls. Final revisions will be delivered to the cities by the end of May.
- Solana Center has nearly completed Poway's Tier 1 business Identification. Tier 2 business identification is expected to be completed by the end of May. All efforts are being made to start working on food rescue capacity planning in parallel in an attempt to have this data ready by June 11th, the County's deadline for data submission.
- Solana Center encountered difficulties in getting businesses to respond with their employee counts which is one of the key parameters for the tool. To overcome this challenge, Solana

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



Center obtained data from the County’s Employment Development Department (2021), and Spectrum and Dun and Bradstreet business lists. Some cities were also able to assist with this effort by leveraging relationships with their business associations or sourcing from their business licenses which was very helpful.

- Please note that the data in the table below is draft. After reviews are completed with each city, the table will be updated.

Capacity Planning Progress by City (number of entities completed)							
Progress as of 5/6/2022							
	Del Mar	Encinitas	National City	Poway	Solana Beach	Vista	Total
Confirmed Tier 1	1	16	16	0	2	37	72
Confirmed Tier 2	8	27	20	0	7	10	72
Judgment Calls	1	1	4	TBD	0	3	9
Removed from Tier ID List	0	42	42	TBD	3	62	149

- The following two tables, once finalized, will provide each cities’ baseline data for the first year (2022).

Estimated Capacity Planning Status for Available Rescue Capacity vs. Potential Rescue Needed (in tons)							
Progress as of 5/6/2022							
Baseline Year (2022)	Del Mar	Encinitas	National City	Poway	Solana Beach	Vista	Total
Food Rescue Capacity Available <i>(reported to County by food recovery orgs)</i>	216	651	962	TBD	521	1,031	3,381
Food Rescue Potential Needed <i>(based on Tier 1 and Tier 2 businesses)</i>	172	257	424	TBD	45	1,217	2,115
Surplus Capacity Available	44*	394	538	TBD	476	-186	1,266

*Del Mar Fairgrounds data is pending which will lower the surplus capacity in the City.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



Aggregate Disposal & Rescue Quantities Calculated by Capacity Planning Tool (2022 Baseline)

Data as of 5/6/2022

	Estimated Food Waste Disposal (tons/year)	Estimated Food Rescue Potential (tons/year)	Percentage Potential Rescuable Food	Notes
RSWA Tier 1 Entities	4,277	1,674	39.1%	Does not include Poway
RSWA Tier 2 Entities	2,954	344	11.6%	Does not include Poway
Total RSWA Tier 1 and 2	7,231	2,018	27.9%	

Task 2 Edible Food Recovery Program (SDFSA)

Task 2.9 Implement food recovery capacity survey to audit list of food recovery organizations

Status: Completed

- Final lists of food recovery organizations were provided to all cities, as well as estimated edible food recovery capacity results based on responses to the County's edible food recovery survey.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



May & June Monthly Progress Report

SB 1383 Compliance Support Services



Summary

Donatable food estimations have been completed for all the cities. All RSWA cities¹ will meet the County's submission deadline of June 13.

Capacity Planning Explanation

- There are two different food recovery capacity planning estimations:
 1. The potential donatable food from each city is based on estimates from Tier 1 and Tier 2 food-generating businesses. This work was completed by Solana Center for RSWA cities.
 2. The capacity for managing surplus food for donation is calculated from responses to the County's survey of all food recovery agencies. Capacity allocation is assigned to each city.
- Ideally, there is sufficient capacity to meet the needs of each city. The table "Available Rescue Capacity vs. Rescue Capacity Needed" below gives the status for each RSWA city, indicating surplus/deficit for each.
- Separately, EDCO is providing information on the available capacity for managing organic materials for disposal, as distinct from edible food. Solana Center is not involved in this work.

Impact of County & CalRecycle Input

- In May, the County adjusted the findings from their food recovery capacity survey. Their changes resulted in reduced rescue capacity available to cities and region wide. This caused some cities to show a capacity deficit when they had not previously.
- Since this change, Solana Center has worked with individual cities to overcome or lower their deficits by closely examining the lists of businesses.
- Solana Center also identified an area which allows more favorable estimations using CalRecycle's 2018 waste characterization data. This adjustment helped cities with a high number of Wholesalers and Food Distributors to lower their overall potentially donatable estimations and consequently show a capacity surplus.

¹ Escondido was not included in any of this work.

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



- CalRecycle has not yet provided guidance on how *regional capacity* can be balanced. So, it is not clear whether *individual cities* with a deficit will be required to create additional food rescue capabilities if adjacent cities have surplus capacity. In other words, CalRecycle has not determined if capacity balancing will be a regional or city exercise.
- After completing the capacity estimations for the six cities, we note that some cities have a larger surplus that could help their neighboring cities come into compliance. Currently, only one RSWA city, Del Mar, has a deficit.

Next Steps

- The next steps for capacity planning will be driven by the County. All the potentially donatable food recovery estimations were due to the County by June 13.
- The County will assess if, as a region, we have a deficit or not. CalRecycle has not given feedback on what actions will be triggered if some cities need more capacity, even while a region has a surplus.
- By August 1, the County will submit the final capacity estimation to CalRecycle for the region.
- Once CalRecycle has the final numbers, deficits must be addressed by submitting to CalRecycle an implementation plan to increase rescue capacity within 120 days.

Task 1 Conduct Outreach and Education

Task 1.9: Determine potential rescuable edible food for each city using County tool

Status: Completed.

Tier Identification Totals by City							
Progress as of 6/7/2022 (number of entities)							
	Del Mar	Encinitas	National City	Poway	Solana Beach	Vista	Total
Confirmed Tier 1	1	16	16	20	2	37	92
Confirmed Tier 2	8	27	23	14	7	10	89
Removed from Tier ID List	0	42	43	2	3	56	146

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



Available Rescue Capacity vs. Rescue Capacity Needed							
Progress as of 6/7/22							
Target Year (2024)	Del Mar	Encinitas	National City	Poway	Solana Beach	Vista	Total
Food Rescue Capacity Available (Tons) <i>(reported to County by food recovery organizations)</i>	28	290	604	1182	155	696	2,994
Food Rescue Capacity Needed (Tons) <i>(based on Tier 1 and Tier 2 businesses)</i>	66	283	465	554	46	673	2,164
Capacity Available (Tons)	-38*	7	139	628	109	23	868

* Includes Del Mar Fairgrounds.

Aggregate Disposal & Rescue Quantities for 2022			
Data as of 6/7/2022			
	Estimated Food Waste Disposal (tons/year)	Estimated Food Rescue Potential (tons/year)	Percentage Potential Rescuable Food
RSWA Tier 1 Entities	5,001	1,979	40%
RSWA Tier 2 Entities	3,618	468	13%
Total RSWA Tier 1 and 2	8,619	2,447	28%

This material was developed for RSWA and associated cities in partnership with Solana Center for Environmental Innovation and San Diego Food System Alliance.



CONTRACT OVERVIEW

RSWA

SB 1383 Compliance Support Services

Services delivered by Solana Center for Environmental Innovation

Deliverables	Unit	Unit Cost	Qty	Annual Cost	Invoiced	Remaining	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Identify Tier 1 & Tier 2 generators	% completion	\$ 19,750	1	\$ 19,750.00	\$ 19,750.00	\$ -	\$ 7,900.00	\$ 5,925.00	\$ 5,925.00	\$ -	\$ -	\$ -
Create baseline compliance resources	% completion	\$ 7,250	1	\$ 7,250.00	\$ 7,250.00	\$ -	\$ 2,175.00	\$ 2,175.00	\$ 1,812.50	\$ 1,087.50	\$ -	\$ -
Create inspection plan & protocol for inspections	% completion	\$ 4,500	1	\$ 4,500.00	\$ 4,500.00	\$ -	\$ 750.00	\$ 750.00	\$ 625.00	\$ 375.00	\$ -	\$ 2,000.00
Determine edible food using County tool	Monthly	\$ 39,125	1	\$ 39,125.00	\$ 38,160.00	\$ 965.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional support for cities	Hour	\$ 100	6.75	\$ 675.00	\$ 675.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300.00
Plan food recovery campaign for top generators	% completion	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Develop & deliver food recovery resources to generators	% completion	\$ 13,600	1	\$ 13,600.00	\$ 13,600.00	\$ -	\$ 3,400.00	\$ 2,040.00	\$ 2,040.00	\$ 4,080.00	\$ 2,040.00	\$ -
Compile list of food recovery organizations & service names	% completion	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Develop food recovery newsletter or mailer	% completion	\$ 3,300	1	\$ 3,300.00	\$ 3,300.00	\$ -	\$ -	\$ -	\$ -	\$ 1,155.00	\$ 1,155.00	\$ 990.00
Communicate with stakeholders on food recovery program	Monthly	\$ 500	6	\$ 3,000.00	\$ 3,000.00	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Administer food recovery program tasks	Monthly	\$ 300	10	\$ 4,200.00	\$ 4,200.00	\$ -	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Implement capacity survey to audit food recovery organizations	% completion	\$ 12,400	1	\$ 12,400.00	\$ 12,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Coordinate all stakeholder parties	% completion	\$ 20,350	1	\$ 20,350.00	\$ 19,250.00	\$ 1,100.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00
Manage SB1383 services program	% completion	\$ 550	1	\$ 7,550.00	\$ 7,250.00	\$ 300.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00
TOTAL				\$ 135,700.00	\$ 133,335.00	\$ 2,365.00	\$ 17,725.00	\$ 14,390.00	\$ 13,902.50	\$ 10,197.50	\$ 6,695.00	\$ 6,790.00

CONTRACT OVERVIEW

RSWA

SB 1383 Compliance Support Services

Services delivered by Solana Center for Environmental Innovation

Deliverables	Unit	Unit Cost	Qty	Annual Cost	Invoiced	Remaining	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Identify Tier 1 & Tier 2 generators	% completion	\$ 19,750	1	\$ 19,750.00	\$ 19,750.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Create baseline compliance resources	% completion	\$ 7,250	1	\$ 7,250.00	\$ 7,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Create inspection plan & protocol for inspections	% completion	\$ 4,500	1	\$ 4,500.00	\$ 4,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Determine edible food using County tool	Monthly	\$ 39,125	1	\$ 39,125.00	\$ 38,160.00	\$ 965.00	\$ 9,375.00	\$ 9,375.00	\$ 9,375.00	\$ 6,690.00	\$ 3,345.00	
Additional support for cities	Hour	\$ 100	6.75	\$ 675.00	\$ 675.00	\$ -	\$ 275.00	\$ 100.00	\$ -	\$ -	\$ -	\$ -
Plan food recovery campaign for top generators	% completion	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Develop & deliver food recovery resources to generators	% completion	\$ 13,600	1	\$ 13,600.00	\$ 13,600.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Compile list of food recovery organizations & service names	% completion	\$ -	1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Develop food recovery newsletter or mailer	% completion	\$ 3,300	1	\$ 3,300.00	\$ 3,300.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Communicate with stakeholders on food recovery program	Monthly	\$ 500	6	\$ 3,000.00	\$ 3,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administer food recovery program tasks	Monthly	\$ 300	10	\$ 4,200.00	\$ 4,200.00	\$ -	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ -	\$ -
Implement capacity survey to audit food recovery organizations	% completion	\$ 12,400	1	\$ 12,400.00	\$ 12,400.00	\$ -	\$ 3,720.00	\$ 3,720.00	\$ 3,720.00	\$ 1,240.00	\$ -	\$ -
Coordinate all stakeholder parties	% completion	\$ 20,350	1	\$ 20,350.00	\$ 19,250.00	\$ 1,100.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00	\$ 1,750.00
Manage SB1383 services program	% completion	\$ 550	1	\$ 7,550.00	\$ 7,250.00	\$ 300.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00	\$ 550.00
TOTAL				\$ 135,700.00	\$ 133,335.00	\$ 2,365.00	\$ 15,970.00	\$ 15,795.00	\$ 15,695.00	\$ 10,530.00	\$ 5,645.00	

Item 7.A.

CITY OF NATIONAL CITY MEMORANDUM

TO: James H. Eggart, RSWA General Manager/General Counsel
FROM: Phillip Davis, Financial Analyst
DATE: June 22, 2022
SUBJECT: Regional Solid Waste Association's Investment Report

BACKGROUND

A quarterly investment report shall be submitted to the Regional Solid Waste Association (RSWA) Board. The report shall include information in accordance with Section 53646(b) of the California Government Code.

RESULTS

The invested RSWA cash balance as of June 22, 2022 was \$336,173.

The City of National City received an electronic funds transfer of \$711,827.89 from the City of Vista on July 30, 2021. The cash activities of RSWA are accounted for in a separate fund (Fund 730) within the City of National City's general ledger. Investment earnings are allocated to RSWA on a monthly basis, based upon RSWA's cash balance as a percentage of the overall City's cash balances.

RSWA's cash balance is available on an "on demand" basis with immediate liquidity. The most recent Investment Report for quarter ended March 31, 2022 was accepted by the City Council on May 17, 2022 and is attached as a reference.

RSWA is in compliance with its adopted investment policy and California Government Code.

**CITY OF NATIONAL CITY, CALIFORNIA
COUNCIL AGENDA STATEMENT**

MEETING DATE: May 17, 2022

AGENDA ITEM NO.:

ITEM TITLE:

Investment Report for the quarter ended March 31, 2022.

PREPARED BY: *Ronald Gutlay*

PHONE: 619-336-4346

DEPARTMENT: Finance

APPROVED BY: _____

Molly Brown

EXPLANATION:

See attached staff report.

FINANCIAL STATEMENT:

ACCOUNT NO.

See attached staff report.

APPROVED: _____

Paulette Simpson

FINANCE

APPROVED: _____

MIS

ENVIRONMENTAL REVIEW:

This is not a project and, therefore, not subject to environmental review.

ORDINANCE: INTRODUCTION FINAL ADOPTION

STAFF RECOMMENDATION:

Accept and File the Investment Report for the Quarter ended March 31, 2022.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

1. Staff Report
2. Investment Listings



City Council Staff Report

May 17, 2022

ITEM

Staff Report: Investment Report for the quarter ended March 31, 2022.

BACKGROUND

The California Government Code (§53646(b)) requires that, when the treasurer or the chief fiscal officer of a local agency renders to the legislative body of the agency a quarterly report on the agency’s investment portfolio, such report shall include the following information regarding all securities, investments, and moneys held by the local agency:

- type of investment;
- issuer (bank or institution);
- date of maturity;
- dollar amount invested; and
- current market valuation as of the date of the report.

In addition, the Government Code (§53646(b)(2)) requires that the report state the City’s compliance with its investment policy and include a statement regarding the ability of the local agency to meet its pool’s ability to meet its expenditure requirements Code (§53646(b)(3)).

OVERVIEW OF CITY INVESTMENTS

The City’s pooled investment portfolio balance as of March 31, 2022 is summarized below and compared to the balance as of March 31, 2021.

Table 1

	3/31/2022	3/31/2021
Book Value ¹	\$ 101,908,670	\$ 78,475,100
Market Value ²	\$ 99,530,805	\$ 79,165,747

¹ actual cost of investments

² amount at which the investments could be sold

The assets of the City of National City’s investment portfolio are managed by Chandler Asset Management which represents the largest portion of the assets, 36.25%, the California Treasurer’s Local Agency Investment Fund (LAIF), and the San Diego County Treasurer's Pooled Money Fund (“San Diego County Pool”). The San Diego County Pool and LAIF are

liquid investment pools that allow participants to earn market rate returns, while retaining access to funds within 24 to 48 hours of a withdrawal request with no penalty. The City’s assets managed by Chandler Asset Management may be liquidated and withdrawn at any time. However, these investments likely do not provide the short liquidity (i.e., quick access to funds) of the pooled money funds, and liquidation of these investments is at the risk of loss and/or penalty to the City.

Summaries of the City’s investment portfolio are illustrated below.

INVESTMENT PORTFOLIO SUMMARY BY ISSUER/MANAGER

As of March 31, 2022

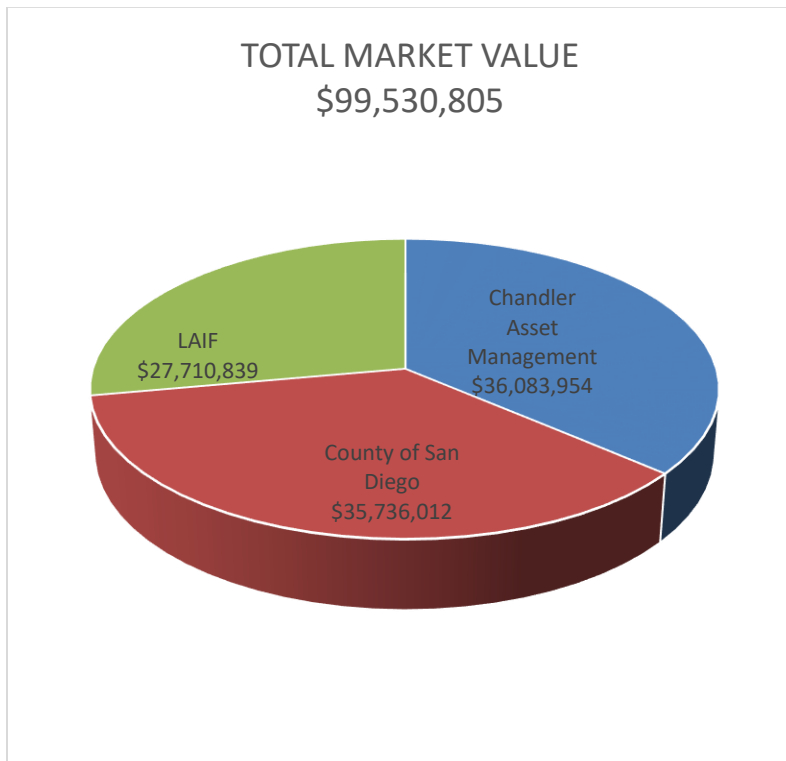
Table 2

Issuer/Manager	Book Value	Total Market Value ¹	Market YTM	% of Portfolio
Chandler Asset Management	37,306,813	36,083,954	2.33%	36.25%
County of San Diego	36,592,250	35,736,012	0.74%	35.90%
Local Agency Investment Fund	28,009,607	27,710,839 ²	0.37% ³	27.84%
Totals for March 31, 2022	\$101,908,670	\$99,530,805		100.00%

¹ includes accrued interest

² includes LAIF participation factor of 0.988753538

³ calculated on 30/360 basis



INVESTMENT PERFORMANCE BY ISSUER/MANAGER

For the Quarter Ended March 31, 2022

Table 3 **Total Market Value¹**

Issuer/Manager	3/31/22	12/31/21	Change	Period Return	Yield (Net) ³
Chandler Asset Management	\$36,083,954	\$37,200,376	(\$1,116,422)	-2.98%	NA
County of San Diego	\$35,736,012	\$36,386,047	(650,035)	0.16%	0.65%
Local Agency Investment Fund	\$27,710,839	\$12,477,594	\$15,233,245	0.08%	0.32%
Totals for March 31, 2022	\$99,530,805	\$86,064,017	\$13,466,788 ²	-1.86% ⁴	

¹ includes accrued interest

² total include deposits and (withdrawals) of: 3/14/2022 \$8,000,000, 1/13/2022 \$7,500,000

³ annualized

⁴ weighted

Economic Update:

“The Russian invasion into Ukraine and resulting Western sanctions on Russia have fueled volatility in financial markets. The latest escalation has exacerbated inflationary pressures, particularly in energy and commodities, and has caused tightening conditions in financial markets. While consumer spending and economic growth remain strong, we believe an extended conflict in Eastern Europe along with elevated energy prices increases the risk of an economic slowdown later this year. While we expect the Fed to tighten monetary policy, the FOMC has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near-term, we expect financial market volatility to remain elevated and conditions to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Fed's pivot to less accommodative monetary policy.

The Federal Open Market Committee (FOMC) raised the federal funds rate by 0.25% at their March 16th meeting to a target range of 0.25% to 0.50%. The Federal Reserve also ended their bond-buying program as expected in March, which included the purchase of treasury and agency mortgage-backed securities. Fed Chair Powell suggested that balance sheet runoff could begin as early as their next meeting in May, sooner than previously anticipated, and that the pace of the unwind will likely be faster than in the previous quantitative tightening cycle. The dot plot favors six additional rate hikes in 2022, which implies a 25 basis point rate hike at each remaining meeting this year, but the Fed hasn't ruled out incorporating one or more 50 basis point hikes to address inflation. The FOMC's Summary of Economic Projections forecasts higher Personal Consumption Expenditure (PCE) inflation this year at 4.3% and a lower growth rate of 2.8% real GDP. We are anticipating additional rates hikes by the Fed this year, but we do not believe that monetary policy is on a pre-set course and expect the Fed's policy adjustments will depend on developments in the economy.

In March, yields increased dramatically and the curve continued to flatten. The 2-year Treasury yield increased 90 basis points to 2.34%, the 5-year Treasury yield increased 74 basis points to 2.46%, and the 10-year Treasury yield increased 51 basis points to 2.34%. The spread between the 2-year and 10-year Treasury yield declined to zero at March month-end versus 40 basis points at February month-end and 158 basis points one year ago. While the flat yield curve bears watching over the longer run, the spread between 3-month and 10-year treasuries is still steep at about 185 basis points, which indicates likely economic growth in the coming year.”¹

COMPLIANCE STATEMENT

All of the City’s investments are in compliance with the City’s investment policy (City Council Policy No. 203) and the California Government Code (§53601 et seq).

FINANCIAL STATEMENT

Realized and unrealized gains for the period, reflected below, were \$114,097. These changes include changes in security market values, gain or loss from the sale of assets, accrued interest, and reinvested interest/earnings.

Table 4

Issuer/Manager	Gain/(Loss)
Chandler Asset Management	\$ 39,025
County of San Diego	58,831
LAIIF	16,241
Totals for March 31, 2022	\$ 114,097

The difference between the changes reflected in the previous two tables is attributable to the purchase and sale of securities for which the first of the tables accounts but the second table typically does not (unless an investment is sold before maturity).

STAFF CERTIFICATION

Staff certifies that there are sufficient funds to meet the pool’s expenditure requirements.

RECOMMENDATIONS

Accept and file the Investment Report for the quarter ended March 31, 2022.

¹ March 31, 2022 Chandler Asset Management Investment Report



City of National City

MONTHLY ACCOUNT STATEMENT

MARCH 1, 2022 THROUGH MARCH 31, 2022

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact operations@chandlerasset.com

Custodian

Bank of New York Mellon
Lauren Dehner
(904) 645-1918

CHANDLER ASSET MANAGEMENT
chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures.



PORTFOLIO CHARACTERISTICS

Average Modified Duration	2.48
Average Coupon	1.28%
Average Purchase YTM	1.15%
Average Market YTM	2.33%
Average S&P/Moody Rating	AA/Aa1
Average Final Maturity	2.70 yrs
Average Life	2.57 yrs

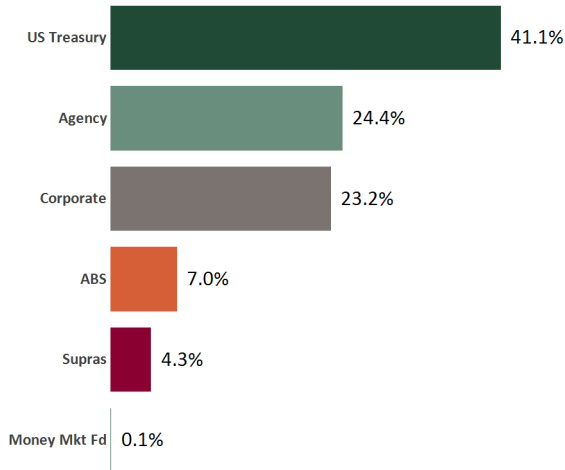
ACCOUNT SUMMARY

	Beg. Values as of 2/28/22	End Values as of 3/31/22
Market Value	36,603,839	35,994,168
Accrued Interest	107,370	89,786
Total Market Value	36,711,209	36,083,954
Income Earned	36,551	39,025
Cont/WD		-2,619
Par	37,052,856	37,106,793
Book Value	37,261,857	37,306,813
Cost Value	37,261,857	37,306,813

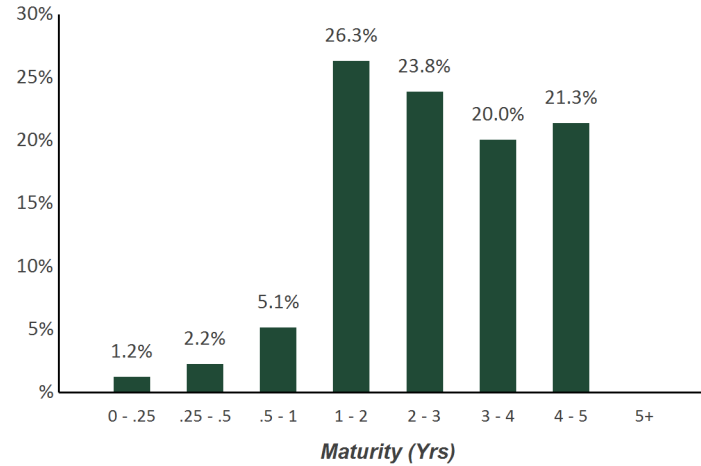
TOP ISSUERS

Government of United States	41.1%
Federal Home Loan Mortgage Corp	11.1%
Federal Home Loan Bank	6.7%
Federal National Mortgage Assoc	6.5%
Berkshire Hathaway	2.3%
Intl Bank Recon and Development	2.1%
Honda ABS	2.0%
Deere & Company	1.9%
Total	73.7%

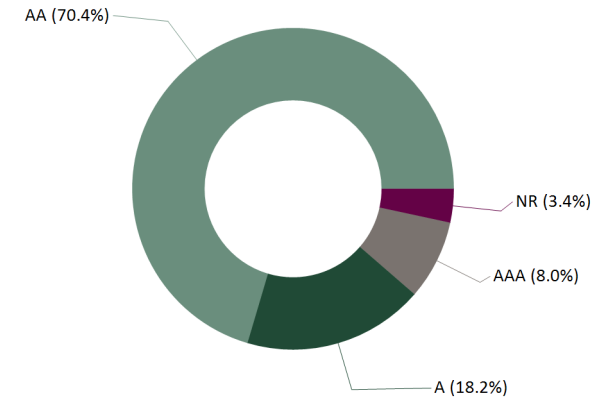
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



PERFORMANCE REVIEW

TOTAL RATE OF RETURN	1M	3M	YTD	1YR	Annualized				
					2YRS	3YRS	5YRS	10YRS	2/29/2012
City of National City	-1.70%	-2.98%	-2.98%	-3.33%	-1.12%	0.77%	1.13%	0.92%	0.91%
ICE BofA 1-5 Yr US Treasury & Agency Index*	-1.86%	-3.16%	-3.16%	-3.65%	-1.72%	0.60%	0.91%	0.78%	0.77%

*ICE BAML 1-3 Yr US Treasury/Agency Index to 12/31/2021

Statement of Compliance

As of March 31, 2022



City of National City

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
U.S. Treasuries	No limitation; Full faith and credit of the U.S. are pledged for the payment of principal and interest	Complies
Federal Agencies	No Limitation; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	Complies
Supranational Obligations	"AA" rating category or higher by a NRSRO; 30% max; 10% max per issuer; U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, IADB	Complies
Municipal Securities	"A" rating category or better by two NRSROs; 30% max; 5% max per issuer; Include bonds of the City, the State of California, any other state, and any local agency within the State of California; Bonds will be registered in the name of the City or held under a custodial agreement at a bank.	Complies
Corporate Medium Term Notes	"A" rating category or better by at least two NRSROs; 30% max; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by U.S. or any state and operating within the U.S.	Complies
Mortgage Pass-throughs and Asset Backed Securities	"AA" rating category or better by a NRSRO; 20% max	Complies
Negotiable Certificates of Deposit	"A" long-term debt rated or higher by at least two NRSROs; and/or "A1" short-term debt rated or higher by at least two NRSROs; 30% max (including CDARS); 5% max per issuer	Complies
Certificate of Deposit Placement Service (CDARS)	30% max (combination of Certificates of Deposit, including CDARS)	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Non-Negotiable Certificates of Deposit in state or federally chartered banks, savings and loans, or credit unions; The amount per institution is limited to maximum covered under FDIC; 30% max combined certificates of deposit including CDARS	Complies
Banker's Acceptances	"A-1" short-term debt rated or higher by at least two NRSROs; and "A" long-term debt rated by two NRSROs; 40% max; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short-term rated or higher by at least two NRSROs; and "A" long-term debt rated by two NRSROs; 25% max; 5% max per issuer; 270 days max maturity; Issuer is a corporation organized and operating in the U.S. with assets > \$500 million	Complies
Money Market Mutual Funds	20% max in Money Market Mutual Funds; Registered with SEC under Investment Company Act of 1940 and funds meet either of the following criteria: (i) Highest rating by two NRSROs; or (ii) Retained an investment adviser registered or exempt from SEC registration with > 5 years experience managing money market mutual funds with AUM >\$500 million	Complies
Local Agency Investment Fund (LAIF)	Maximum permitted amount in LAIF; Not used by investment adviser	Complies
Local Government Investment Pool (LGIP)	San Diego County Investment Pool	Complies
Prohibited Securities	Any investment not specifically described in the policy; Inverse floaters; Ranges notes, Mortgage-derived interest-only strips; Zero interest accrual securities if held to maturity; Trading securities for the sole purpose of speculating on the future direction of interest rates; Purchasing or selling securities on margin; Reverse repurchase agreements; Securities lending or any other form of borrowing or leverage; Foreign currency denominated securities	Complies
Callable Securities	20% maximum (does not include "make whole call" securities)	Complies
Maximum Issuer	5% max per issuer, except as noted in Section VIII of the investment policy	Complies
Duration	Approximately equal to duration of the benchmark	Complies
Maximum maturity	5 years	Complies

Reconciliation Summary

As of March 31, 2022



BOOK VALUE RECONCILIATION		
BEGINNING BOOK VALUE		\$37,261,857.06
Acquisition		
+ Security Purchases	\$1,015,186.22	
+ Money Market Fund Purchases	\$735,503.73	
+ Money Market Contributions	\$58,613.91	
+ Security Contributions	\$0.00	
+ Security Transfers	\$0.00	
Total Acquisitions		\$1,809,303.86
Dispositions		
- Security Sales	\$870,133.52	
- Money Market Fund Sales	\$754,065.26	
- MMF Withdrawals	\$61,233.10	
- Security Withdrawals	\$0.00	
- Security Transfers	\$0.00	
- Other Dispositions	\$0.00	
- Maturities	\$0.00	
- Calls	\$0.00	
- Principal Paydowns	\$69,882.63	
Total Dispositions		\$1,755,314.51
Amortization/Accretion		
+/- Net Accretion	\$0.00	
		\$0.00
Gain/Loss on Dispositions		
+/- Realized Gain/Loss	(\$9,033.72)	
		(\$9,033.72)
ENDING BOOK VALUE		\$37,306,812.69

CASH TRANSACTION SUMMARY		
BEGINNING BALANCE		\$58,607.56
Acquisition		
Contributions	\$58,613.91	
Security Sale Proceeds	\$870,133.52	
Accrued Interest Received	\$2,131.15	
Interest Received	\$55,433.19	
Dividend Received	\$6.35	
Principal on Maturities	\$0.00	
Interest on Maturities	\$0.00	
Calls/Redemption (Principal)	\$0.00	
Interest from Calls/Redemption	\$0.00	
Principal Paydown	\$69,882.63	
Total Acquisitions	\$1,056,200.75	
Dispositions		
Withdrawals	\$61,233.10	
Security Purchase	\$1,015,186.22	
Accrued Interest Paid	\$962.15	
Total Dispositions	\$1,077,381.47	
ENDING BOOK VALUE		\$37,426.84



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
14913R2L0	Caterpillar Financial Service Note 0.45% Due 05/17/2024	05/10/2021 05/17/2021 405,000.00	404,457.30 0.00 0.00 404,457.30	526.50 0.00 678.38 151.88	0.00 0.00 0.00 151.88	151.88
24422EUR8	John Deere Capital Corp Note 3.45% Due 01/10/2024	03/14/2019 03/18/2019 400,000.00	408,860.00 0.00 0.00 408,860.00	1,955.00 0.00 3,105.00 1,150.00	0.00 0.00 0.00 1,150.00	1,150.00
24422EVN6	John Deere Capital Corp Note 0.45% Due 01/17/2024	03/01/2021 03/04/2021 275,000.00	274,804.75 0.00 0.00 274,804.75	151.25 0.00 254.38 103.13	0.00 0.00 0.00 103.13	103.13
3130A0F70	FHLB Note 3.375% Due 12/08/2023	01/30/2019 01/31/2019 525,000.00	540,734.25 0.00 0.00 540,734.25	4,085.16 0.00 5,561.72 1,476.56	0.00 0.00 0.00 1,476.56	1,476.56
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	Various Various 580,000.00	605,009.60 0.00 0.00 605,009.60	3,566.60 0.00 4,956.18 1,389.58	0.00 0.00 0.00 1,389.58	1,389.58
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	10/29/2019 10/30/2019 300,000.00	315,474.00 0.00 0.00 315,474.00	4,025.00 4,312.50 431.25 718.75	0.00 0.00 0.00 718.75	718.75
3130A3KM5	FHLB Note 2.5% Due 12/09/2022	09/10/2019 09/13/2019 575,000.00	591,174.75 0.00 0.00 591,174.75	3,274.31 0.00 4,472.22 1,197.91	0.00 0.00 0.00 1,197.91	1,197.91
313379Q69	FHLB Note 2.125% Due 06/10/2022	06/20/2017 06/21/2017 400,000.00	607,110.00 0.00 202,370.00 404,740.00	2,868.75 1,086.12 2,620.83 838.20	0.00 0.00 0.00 838.20	838.20
3135G04Q3	FNMA Note 0.25% Due 05/22/2023	05/20/2020 05/22/2020 645,000.00	643,058.55 0.00 0.00 643,058.55	443.44 0.00 577.81 134.37	0.00 0.00 0.00 134.37	134.37



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3135G05G4	FNMA Note 0.25% Due 07/10/2023	07/08/2020 07/10/2020 560,000.00	558,796.00 0.00 0.00 558,796.00	198.33 0.00 315.00 116.67	0.00 0.00 0.00 116.67	116.67
3135G06H1	FNMA Note 0.25% Due 11/27/2023	11/23/2020 11/25/2020 580,000.00	579,338.80 0.00 0.00 579,338.80	378.61 0.00 499.44 120.83	0.00 0.00 0.00 120.83	120.83
3135G0X24	FNMA Note 1.625% Due 01/07/2025	01/16/2020 01/17/2020 625,000.00	623,050.00 0.00 0.00 623,050.00	1,523.44 0.00 2,369.79 846.35	0.00 0.00 0.00 846.35	846.35
3137EAEN5	FHLMC Note 2.75% Due 06/19/2023	11/26/2018 11/27/2018 275,000.00	271,889.75 0.00 0.00 271,889.75	1,512.50 0.00 2,142.71 630.21	0.00 0.00 0.00 630.21	630.21
3137EAEP0	FHLMC Note 1.5% Due 02/12/2025	06/04/2020 06/05/2020 625,000.00	652,443.75 0.00 0.00 652,443.75	494.79 0.00 1,276.04 781.25	0.00 0.00 0.00 781.25	781.25
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	05/05/2020 05/07/2020 600,000.00	599,748.00 0.00 0.00 599,748.00	725.00 0.00 912.50 187.50	0.00 0.00 0.00 187.50	187.50
3137EAEV7	FHLMC Note 0.25% Due 08/24/2023	08/27/2020 08/31/2020 900,000.00	899,037.00 0.00 0.00 899,037.00	43.75 0.00 231.25 187.50	0.00 0.00 0.00 187.50	187.50
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	09/24/2020 09/25/2020 450,000.00	448,857.00 0.00 0.00 448,857.00	740.63 843.75 37.50 140.62	0.00 0.00 0.00 140.62	140.62
3137EAEY1	FHLMC Note 0.125% Due 10/16/2023	10/14/2020 10/16/2020 630,000.00	627,650.10 0.00 0.00 627,650.10	295.31 0.00 360.94 65.63	0.00 0.00 0.00 65.63	65.63



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
3137EAEZ8	FHLMC Note 0.25% Due 11/06/2023	11/17/2020 11/18/2020 650,000.00	649,467.00 0.00 0.00 649,467.00	519.10 0.00 654.51 135.41	0.00 0.00 0.00 135.41	135.41
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.27% Due 04/21/2025	02/17/2021 02/24/2021 80,000.00	79,998.54 0.00 0.00 79,998.54	6.00 18.00 6.00 18.00	0.00 0.00 0.00 18.00	18.00
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.37% Due 10/18/2024	09/22/2020 09/29/2020 250,000.00	249,963.28 0.00 0.00 249,963.28	33.40 77.08 33.40 77.08	0.00 0.00 0.00 77.08	77.08
43813RAC1	Honda Auto Receivables 2020-1 A3 1.61% Due 04/22/2024	02/19/2020 02/26/2020 47,890.49	51,978.00 0.00 4,096.91 47,881.09	23.25 69.75 21.42 67.92	0.00 0.00 0.00 67.92	67.92
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.88% Due 05/15/2026	02/15/2022 02/23/2022 195,000.00	194,970.67 0.00 0.00 194,970.67	81.47 224.03 162.93 305.49	0.00 0.00 0.00 305.49	305.49
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.88% Due 01/21/2026	11/16/2021 11/24/2021 120,000.00	119,974.70 0.00 0.00 119,974.70	29.33 88.00 29.33 88.00	0.00 0.00 0.00 88.00	88.00
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.78% Due 08/15/2023	08/20/2019 08/27/2019 35,628.90	40,875.06 0.00 5,246.46 35,628.60	32.34 60.63 28.19 56.48	0.00 0.00 0.00 56.48	56.48
4581X0DZ8	Inter-American Dev Bank Note 0.5% Due 09/23/2024	09/15/2021 09/23/2021 505,000.00	504,626.30 0.00 0.00 504,626.30	1,108.19 1,262.50 56.11 210.42	0.00 0.00 0.00 210.42	210.42
459058GQ0	Intl. Bank Recon & Development Note 2.5% Due 03/19/2024	01/26/2021 01/28/2021 450,000.00	481,473.00 0.00 0.00 481,473.00	5,062.50 5,625.00 375.00 937.50	0.00 0.00 0.00 937.50	937.50



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
459058JM6	Intl. Bank Recon & Development Note 0.25% Due 11/24/2023	11/17/2020 11/24/2020 320,000.00	319,312.00 0.00 0.00 319,312.00	215.56 0.00 282.22 66.66	0.00 0.00 0.00 66.66	66.66
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	07/12/2021 07/14/2021 300,000.00	308,070.00 0.00 0.00 308,070.00	1,546.88 0.00 1,890.63 343.75	0.00 0.00 0.00 343.75	343.75
46625HJE1	JP Morgan Chase Note 3.25% Due 09/23/2022	12/19/2019 12/24/2019 400,000.00	413,076.00 0.00 0.00 413,076.00	5,705.56 6,500.00 288.89 1,083.33	0.00 0.00 0.00 1,083.33	1,083.33
477870AC3	John Deere Owner Trust 2019-B A3 2.21% Due 12/15/2023	07/16/2019 07/24/2019 29,674.18	35,351.28 0.00 5,683.40 29,667.88	34.73 65.12 29.15 59.54	0.00 0.00 0.00 59.54	59.54
47787JAC2	John Deere Owner Trust 2022-A A3 2.32% Due 09/16/2026	03/10/2022 03/16/2022 150,000.00	0.00 149,966.82 0.00 149,966.82	0.00 0.00 145.00 145.00	0.00 0.00 0.00 145.00	145.00
47787NAC3	John Deere Owner Trust 2020-B A3 0.51% Due 11/15/2024	07/14/2020 07/22/2020 62,227.02	67,248.76 0.00 5,031.22 62,217.54	15.25 28.59 14.10 27.44	0.00 0.00 0.00 27.44	27.44
47788UAC6	John Deere Owner Trust 2021-A A3 0.36% Due 09/15/2025	03/02/2021 03/10/2021 115,000.00	114,977.90 0.00 0.00 114,977.90	18.40 34.50 18.40 34.50	0.00 0.00 0.00 34.50	34.50
47789KAC7	John Deere Owner Trust 2020-A A3 1.1% Due 08/15/2024	03/04/2020 03/11/2020 114,986.55	123,901.89 0.00 8,922.36 114,979.53	60.58 113.58 56.22 109.22	0.00 0.00 0.00 109.22	109.22
47789QAC4	John Deere Owner Trust 2021-B A3 0.52% Due 03/16/2026	07/13/2021 07/21/2021 135,000.00	134,987.96 0.00 0.00 134,987.96	31.20 58.50 31.20 58.50	0.00 0.00 0.00 58.50	58.50



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.4% Due 11/15/2024	06/22/2021 06/29/2021 155,000.00	154,988.30 0.00 0.00 154,988.30	27.56 51.67 27.56 51.67	0.00 0.00 0.00 51.67	51.67
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.93% Due 07/15/2024	10/16/2019 10/23/2019 176,427.69	193,562.70 0.00 17,144.32 176,418.38	166.04 311.33 151.34 296.63	0.00 0.00 0.00 296.63	296.63
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.45% Due 07/28/2022	04/24/2018 04/26/2018 400,000.00	385,792.00 0.00 0.00 385,792.00	898.33 0.00 1,715.00 816.67	0.00 0.00 0.00 816.67	816.67
69371RR40	Paccar Financial Corp Note 0.5% Due 08/09/2024	08/03/2021 08/09/2021 155,000.00	154,916.30 0.00 0.00 154,916.30	47.36 0.00 111.94 64.58	0.00 0.00 0.00 64.58	64.58
78015K7H1	Royal Bank of Canada Note 1.15% Due 06/10/2025	11/16/2021 11/18/2021 500,000.00	496,035.00 0.00 0.00 496,035.00	1,293.75 0.00 1,772.92 479.17	0.00 0.00 0.00 479.17	479.17
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	06/29/2021 07/12/2021 65,000.00	64,966.85 0.00 0.00 64,966.85	51.91 0.00 85.76 33.85	0.00 0.00 0.00 33.85	33.85
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.75% Due 03/18/2024	Various Various 485,000.00	487,196.50 0.00 0.00 487,196.50	1,646.98 1,818.75 131.35 303.12	0.00 0.00 0.00 303.12	303.12
808513BY0	Charles Schwab Corp Callable Note Cont 2/3/2027 2.45% Due 03/03/2027	03/01/2022 03/03/2022 80,000.00	0.00 79,913.60 0.00 79,913.60	0.00 0.00 152.44 152.44	0.00 0.00 0.00 152.44	152.44
857477BR3	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 02/06/2026	02/02/2022 02/07/2022 125,000.00	125,000.00 0.00 0.00 125,000.00	145.50 0.00 327.38 181.88	0.00 0.00 0.00 181.88	181.88



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.95% Due 01/15/2027	01/19/2022 01/24/2022 215,000.00	214,634.50 0.00 0.00 214,634.50	430.90 0.00 780.27 349.37	0.00 0.00 0.00 349.37	349.37
89114TZG0	Toronto-Dominion Bank Note 1.25% Due 09/10/2026	11/17/2021 11/19/2021 500,000.00	489,720.00 0.00 0.00 489,720.00	2,968.75 3,125.00 364.58 520.83	0.00 0.00 0.00 520.83	520.83
89232HAC9	Toyota Auto Receivable Own 2020-A A3 1.66% Due 05/15/2024	06/17/2020 06/19/2020 159,287.69	177,416.43 0.00 14,457.66 162,958.77	127.95 239.90 117.52 229.47	0.00 0.00 0.00 229.47	229.47
89236TFS9	Toyota Motor Credit Corp Note 3.35% Due 01/08/2024	05/20/2019 05/22/2019 400,000.00	411,444.00 0.00 0.00 411,444.00	1,972.78 0.00 3,089.44 1,116.66	0.00 0.00 0.00 1,116.66	1,116.66
89236XAC0	Toyota Auto Receivables 2020-D A3 0.35% Due 01/15/2025	10/06/2020 10/13/2020 100,000.00	99,981.37 0.00 0.00 99,981.37	15.56 29.17 15.56 29.17	0.00 0.00 0.00 29.17	29.17
89237VAB5	Toyota Auto Receivables Trust 2020-C A3 0.44% Due 10/15/2024	07/21/2020 07/27/2020 133,243.36	142,854.09 0.00 9,620.98 133,233.11	27.94 52.38 26.06 50.50	0.00 0.00 0.00 50.50	50.50
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.26% Due 05/15/2025	02/02/2021 02/08/2021 290,000.00	289,946.18 0.00 0.00 289,946.18	33.51 62.83 33.51 62.83	0.00 0.00 0.00 62.83	62.83
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.4% Due 07/30/2024	03/25/2021 03/29/2021 450,000.00	475,276.50 0.00 0.00 475,276.50	930.00 0.00 1,830.00 900.00	0.00 0.00 0.00 900.00	900.00
9128282A7	US Treasury Note 1.5% Due 08/15/2026	Various Various 1,000,000.00	1,019,062.50 0.00 0.00 1,019,062.50	580.11 0.00 1,864.64 1,284.53	0.00 0.00 0.00 1,284.53	1,284.53



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
9128284D9	US Treasury Note 2.5% Due 03/31/2023	12/27/2018 12/28/2018 450,000.00	448,505.86 0.00 0.00 448,505.86	4,697.80 5,625.00 30.74 957.94	0.00 0.00 0.00 957.94	957.94
9128284Z0	US Treasury Note 2.75% Due 08/31/2025	06/17/2021 06/18/2021 675,000.00	732,111.33 0.00 0.00 732,111.33	50.44 0.00 1,614.13 1,563.69	0.00 0.00 0.00 1,563.69	1,563.69
9128286L9	US Treasury Note 2.25% Due 03/31/2026	10/25/2021 10/26/2021 1,000,000.00	1,050,234.38 0.00 0.00 1,050,234.38	9,395.60 11,250.00 61.48 1,915.88	0.00 0.00 0.00 1,915.88	1,915.88
912828P46	US Treasury Note 1.625% Due 02/15/2026	Various Various 1,300,000.00	1,303,801.76 0.00 0.00 1,303,801.76	816.99 0.00 2,626.04 1,809.05	0.00 0.00 0.00 1,809.05	1,809.05
912828R36	US Treasury Note 1.625% Due 05/15/2026	10/25/2021 10/26/2021 1,000,000.00	1,022,500.00 0.00 0.00 1,022,500.00	4,758.29 0.00 6,149.86 1,391.57	0.00 0.00 0.00 1,391.57	1,391.57
912828V98	US Treasury Note 2.25% Due 02/15/2027	03/29/2022 03/30/2022 360,000.00	0.00 355,387.50 0.00 355,387.50	0.00 (962.15) 1,006.91 44.76	0.00 0.00 0.00 44.76	44.76
912828W71	US Treasury Note 2.125% Due 03/31/2024	12/05/2019 12/06/2019 225,000.00	229,640.63 0.00 0.00 229,640.63	1,996.57 2,390.63 13.06 407.12	0.00 0.00 0.00 407.12	407.12
912828WE6	US Treasury Note 2.75% Due 11/15/2023	07/22/2019 07/23/2019 600,000.00	624,000.00 0.00 0.00 624,000.00	4,831.49 0.00 6,244.48 1,412.99	0.00 0.00 0.00 1,412.99	1,412.99
912828ZD5	US Treasury Note Due 03/15/2023	03/24/2020 03/25/2020 0.00	676,476.56 0.00 676,476.56 0.00	1,556.98 1,707.53 0.00 150.55	0.00 0.00 0.00 150.55	150.55



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
912828ZT0	US Treasury Note 0.25% Due 05/31/2025	02/25/2021 02/26/2021 675,000.00	665,112.30 0.00 0.00 665,112.30	421.88 0.00 565.59 143.71	0.00 0.00 0.00 143.71	143.71
91282CAM3	US Treasury Note 0.25% Due 09/30/2025	Various Various 1,000,000.00	970,800.79 0.00 0.00 970,800.79	1,043.96 1,250.00 6.84 212.88	0.00 0.00 0.00 212.88	212.88
91282CAT8	US Treasury Note 0.25% Due 10/31/2025	11/29/2021 11/30/2021 650,000.00	629,535.16 0.00 0.00 629,535.16	543.16 0.00 682.32 139.16	0.00 0.00 0.00 139.16	139.16
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	Various Various 800,000.00	780,535.15 0.00 0.00 780,535.15	750.00 0.00 1,005.49 255.49	0.00 0.00 0.00 255.49	255.49
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	12/28/2020 12/29/2020 700,000.00	698,824.22 0.00 0.00 698,824.22	182.69 0.00 257.21 74.52	0.00 0.00 0.00 74.52	74.52
91282CBE0	US Treasury Note 0.125% Due 01/15/2024	01/28/2021 01/29/2021 550,000.00	548,990.23 0.00 0.00 548,990.23	85.46 0.00 144.34 58.88	0.00 0.00 0.00 58.88	58.88
91282CBV2	US Treasury Note 0.375% Due 04/15/2024	04/29/2021 04/30/2021 650,000.00	650,583.98 0.00 0.00 650,583.98	917.41 0.00 1,125.00 207.59	0.00 0.00 0.00 207.59	207.59
91282CCG4	US Treasury Note 0.25% Due 06/15/2024	06/24/2021 06/25/2021 300,000.00	298,160.16 0.00 0.00 298,160.16	156.59 0.00 220.47 63.88	0.00 0.00 0.00 63.88	63.88
91282CCT6	US Treasury Note 0.375% Due 08/15/2024	12/15/2021 12/16/2021 800,000.00	789,000.00 0.00 0.00 789,000.00	116.02 0.00 372.93 256.91	0.00 0.00 0.00 256.91	256.91

As of March 31, 2022



CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Total Income
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	11/18/2021 11/19/2021 1,000,000.00	995,507.81 0.00 0.00 995,507.81	3,760.36 0.00 4,723.76 963.40	0.00 0.00 0.00 963.40	963.40
91282CDH1	US Treasury Note 0.75% Due 11/15/2024	11/29/2021 11/30/2021 650,000.00	648,324.22 0.00 0.00 648,324.22	1,427.49 0.00 1,844.96 417.47	0.00 0.00 0.00 417.47	417.47
91282CDK4	US Treasury Note 1.25% Due 11/30/2026	12/22/2021 12/23/2021 1,000,000.00	1,001,601.56 0.00 0.00 1,001,601.56	3,125.00 0.00 4,189.56 1,064.56	0.00 0.00 0.00 1,064.56	1,064.56
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.15% Due 05/15/2026	11/24/2021 11/29/2021 500,000.00	490,095.00 0.00 0.00 490,095.00	1,693.06 0.00 2,172.22 479.16	0.00 0.00 0.00 479.16	479.16
931142ERO	Wal-Mart Stores Callable Note Cont 08/17/2026 1.05% Due 09/17/2026	09/08/2021 09/17/2021 80,000.00	79,848.80 0.00 0.00 79,848.80	382.67 420.00 32.67 70.00	0.00 0.00 0.00 70.00	70.00
			37,203,249.50	107,369.94	0.00	
			1,015,186.22	56,602.19	0.00	
			949,049.87	89,786.15	0.00	
Total Fixed Income		37,069,365.88	37,269,385.85	39,018.40	39,018.40	39,018.40



COUNTY OF SAN DIEGO INVESTMENT POOL
TREASURY INVESTMENT RESULTS

MAR
2022

PARTICIPANT CASH BALANCES

County of San Diego Pooled Money Fund

As of March 31, 2022

(\$000)

PARTICIPANT	FMV 01/31/22	FMV 02/28/22	FMV 03/31/22	% of Total	PARTICIPANT	FMV 01/31/22	FMV 02/28/22	FMV 03/31/22	% of Total
COUNTY	1,640,611	1,696,564	2,076,034	15.88%	Lakeside FPD	11,577	12,148	11,024	0.08%
COUNTY - SPECIAL TRUST FUNDS	2,442,482	2,418,710	2,337,729	17.88%	Leucadia Wastewater District	3,000	3,016	2,960	0.02%
NON-COUNTY INVESTMENT FUNDS	139,730	153,804	153,925	1.18%	Lower Sweetwater FPD	682	575	575	0.00%
SCHOOLS - (K THRU 12)	6,357,151	6,145,537	5,877,986	44.96%	Metropolitan Transit System	45,168	54,139	41,068	0.31%
					Mission Resource Conservation District	114	109	108	0.00%
COMMUNITY COLLEGES					North County Transit District	42,953	43,176	42,379	0.32%
San Diego	231,981	222,434	203,620	1.57%	North County Cemetery District	8,529	8,814	8,725	0.07%
Grossmont-Cuyamaca	230,569	228,178	219,247	1.68%	North County Dispatch	5,009	4,736	5,382	0.04%
MiraCosta	326,980	313,916	300,559	2.30%	North County FPD	6,790	6,482	5,892	0.05%
Palomar	259,431	250,411	248,492	1.90%	Otay Water District	56,054	56,344	55,304	0.42%
Southwestern	436,851	417,946	401,756	3.07%	Palomar Health Care District*	0	0	0	0.00%
Total Community Colleges	1,485,812	1,432,884	1,373,673	10.51%	Pomerado Cemetery District	2,386	2,391	2,208	0.02%
					Public Agencies Self-Insurance System	3,486	3,504	3,439	0.03%
FIRST 5 COMMISSION	41,905	47,346	48,078	0.37%	Ramona Cemetery District	1,151	1,120	1,070	0.01%
SANCAL	0	0	0	0.00%	Rancho Santa Fe FPD	12,310	11,736	9,653	0.07%
SDCERA	2,136	7,772	2,051	0.02%	Resource Conservation District of Greater SD*	0	0	0	0.00%
					Rincon del Diablo Municipal Water District	6,805	6,840	6,714	0.05%
CITIES					SANDAG	142,077	133,677	112,765	0.86%
Chula Vista	81,508	81,930	41,353	0.32%	SD County Regional Airport Authority	502,102	506,522	484,395	3.71%
Coronado	81,858	82,283	80,764	0.62%	San Diego Housing Commission	22,064	22,179	21,769	0.17%
Del Mar	2,761	2,775	2,724	0.02%	San Diego Geographic Information Source	484	701	582	0.00%
El Cajon	0	0	0	0.00%	San Diego Law Library	5,596	5,634	5,508	0.04%
Encinitas	1,214	1,220	1,198	0.01%	San Diego Local Agency Formation Comm	1,752	1,671	1,569	0.01%
National City	36,220	36,408	35,736	0.27%	San Diego Regional Training Center	846	913	750	0.01%
Oceanside*	0	0	0	0.00%	San Dieguito River Park	1,023	982	850	0.01%
Solana Beach*	0	0	0	0.00%	San Marcos FPD	1	1	1	0.00%
Vista	40,583	53,977	48,781	0.37%	San Miguel Consolidated FPD	21,926	22,660	21,642	0.17%
INDEPENDENT AGENCIES					Santa Fe Irrigation District	4,492	4,515	4,432	0.03%
Air Pollution Control District	77,182	76,735	74,324	0.57%	Serra Cooperative Library System	0	0	0	0.00%
Alpine FPD	2,816	2,753	2,527	0.02%	Upper San Luis Rey Resource Conserv Dist	84	85	84	0.00%
Bonita-Sunnyside FPD	6,118	6,296	5,839	0.04%	Vallecitos Water District	5,518	5,546	5,444	0.04%
Borrego Springs FPD	1,358	1,325	1,208	0.01%	Valley Center FPD	2,128	2,051	1,886	0.01%
Canebrake County Water District	54	55	54	0.00%	Valley Center Cemetery District	450	454	446	0.00%
Deer Springs FPD	14,678	13,798	13,608	0.10%	Valley Center Water District	26,103	26,139	30,837	0.24%
Fallbrook Public Utility District	0	0	0	0.00%	Vista FPD	5,111	5,137	5,042	0.04%
Grossmont Healthcare District	2	2	2	0.00%	Whispering Palms Community Services District*	0	0	0	0.00%
Julian-Cuyamaca FPD	519	522	512	0.00%					
Lake Cuyamaca Rec & Park District	133	542	491	0.00%	Total Voluntary Participants	1,338,819	1,369,737	1,253,755	9.59%
					Pooled Money Fund Total	\$ 13,404,606	\$ 13,217,236	\$ 13,073,102	100.00%

* Footnote: The Oracle ending balances for these pool participants are under \$500. Due to rounding, the FMV will show as zero even though there is an Oracle balance.

Below is the market price for March 2022.

National City		Pool YTM: 0.74			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended March 31st, 2022					
		Current Month	Prior Month	Prior Quarter	Prior Year
		3/31/2022	2/28/2022	12/31/2021	3/31/2021
COSD Pool Market Price		97.660%	99.497%	99.597%	100.002%
COSD Pool Market Value		13,073,101,744	13,217,235,607	14,428,414,435	11,558,839,912
National City percentage of MV share in COSD Pool		0.2734%	0.2755%	0.2522%	0.3143%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
44077 NATIONAL CITY INVESTMENT FUND	36,592,250	35,736,012	36,408,231	36,386,047	36,332,456
Total for National City	36,592,250	35,736,012	36,408,231	36,386,047	36,332,456

Thank you,



Erin Lahti
 Investment Analyst
San Diego County Treasurer-Tax Collector's Office
 Phone: 619.531.5308 | www.sdttc.com

Below is the market price for February 2022.

National City		Pool YTM: 0.7			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended february 28th, 2022					
		Current Month	Prior Month	Prior Quarter	Prior Year
		2/28/2022	1/31/2022	11/30/2021	2/28/2021
COSD Pool Market Price		99.497%	98.984%	99.249%	100.497%
COSD Pool Market Value		13,217,235,607	13,404,605,808	12,084,770,571	11,129,461,448
National City percentage of MV share in COSD Pool		0.2755%	0.2702%	0.3000%	0.3281%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
44077 NATIONAL CITY INVESTMENT FUND	36,592,250	36,408,231	36,220,476	36,259,234	36,512,117
Total for National City	36,592,250	36,408,231	36,220,476	36,259,234	36,512,117

Thank you,



Erin Lahti
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Below is the market price for January 2022.

National City		Pool YTM: 0.67			
Conversion of Oracle Cash Balance to COSD Pool Market Price					
Month Ended January 31st, 2022					
		Current Month	Prior Month	Prior Quarter	Prior Year
		1/31/2022	12/31/2021	10/31/2021	1/31/2021
COSD Pool Market Price		98.984%	99.597%	99.454%	100.240%
COSD Pool Market Value		13,404,605,808	14,428,414,435	11,389,552,243	11,574,711,077
National City percentage of MV share in COSD Pool		0.2702%	0.2522%	0.3190%	0.3142%
Fund Description	Oracle Cash Balance	Market Value	Market Value	Market Value	Market Value
44077 NATIONAL CITY INVESTMENT FUND	36,592,250	36,220,476	36,386,047	36,334,037	36,368,995
Total for National City	36,592,250	36,220,476	36,386,047	36,334,037	36,368,995

Thank you,



Erin Lahti
 Investment Analyst
 San Diego County Treasurer-Tax Collector's Office
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California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

April 19, 2022

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CITY OF NATIONAL CITY

FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950-4397

[Tran Type Definitions](#)

March 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
3/14/2022	3/14/2022	RD	1698973	N/A	RACHELLE BARRERA	8,000,000.00

Account Summary

Total Deposit:	8,000,000.00	Beginning Balance:	20,009,607.18
Total Withdrawal:	0.00	Ending Balance:	28,009,607.18

California State Treasurer *Fiona Ma, CPA*



Local Agency Investment Fund
P.O. Box 942809
Sacramento, CA 94209-0001
(916) 653-3001

March 24, 2022

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CITY OF NATIONAL CITY

FINANCE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950-4397

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February 2022 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	20,009,607.18
Total Withdrawal:	0.00	Ending Balance:	20,009,607.18

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

February 17, 2022

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CITY OF NATIONAL CITY

[Tran Type Definitions](#)

FINANCE DIRECTOR
 1243 NATIONAL CITY BLVD
 NATIONAL CITY, CA 91950-4397

January 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
1/13/2022	1/12/2022	RD	1693463	N/A	RACHELLE BARRERA	7,500,000.00
1/14/2022	1/13/2022	QRD	1695676	N/A	SYSTEM	8,754.49

Account Summary

Total Deposit:	7,508,754.49	Beginning Balance:	12,500,852.69
Total Withdrawal:	0.00	Ending Balance:	20,009,607.18



BETTY T. YEE
California State Controller

**LOCAL AGENCY INVESTMENT FUND
 REMITTANCE ADVICE**

Agency Name

NATIONAL CITY

As of 04/15/2022, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 03/31/2022.

Earnings Ratio		.00000875657176851
Interest Rate		0.32%
Dollar Day Total	\$	1,854,750,837.83
Quarter End Principal Balance	\$	28,009,607.18
Quarterly Interest Earned	\$	16,241.26



State of California
Pooled Money Investment Account
Market Valuation
3/31/2022

Description	Carrying Cost Plus Accrued Interest Purch.	Amortized Cost	Fair Value	Accrued Interest
United States Treasury:				
Bills	\$ 46,438,364,881.91	\$ 46,462,802,161.83	\$ 46,366,792,000.00	NA
Notes	\$ 91,137,412,378.62	\$ 91,123,228,383.84	\$ 89,180,593,000.00	\$ 117,562,034.00
Federal Agency:				
SBA	\$ 329,037,520.12	\$ 329,037,520.12	\$ 329,497,596.82	\$ 138,923.93
MBS-REMICs	\$ 5,703,902.13	\$ 5,703,902.13	\$ 5,844,529.41	\$ 25,924.77
Debentures	\$ 8,923,276,985.63	\$ 8,922,590,857.86	\$ 8,805,155,700.00	\$ 8,519,115.80
Debentures FR	\$ -	\$ -	\$ -	\$ -
Debentures CL	\$ 700,000,000.00	\$ 700,000,000.00	\$ 672,254,000.00	\$ 905,027.00
Discount Notes	\$ 24,949,939,687.37	\$ 24,960,712,979.03	\$ 24,906,670,000.00	NA
Supranational Debentures	\$ 2,065,258,478.33	\$ 2,065,258,478.33	\$ 2,004,805,500.00	\$ 5,592,972.00
Supranational Debentures FR	\$ -	\$ -	\$ -	\$ -
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ -	\$ -	\$ -	\$ -
CDs and YCDs	\$ 15,335,000,000.00	\$ 15,335,000,000.00	\$ 15,320,961,230.66	\$ 9,972,225.03
Commercial Paper	\$ 12,697,608,013.77	\$ 12,705,537,708.34	\$ 12,693,180,684.70	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ 424,349,911.03	\$ 424,107,855.47	\$ 409,797,860.00	\$ 1,877,396.95
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 4,135,000,000.00	\$ 4,135,000,000.00	\$ 4,135,000,000.00	NA
PMIA & GF Loans	\$ 756,663,000.00	\$ 756,663,000.00	\$ 756,663,000.00	NA
TOTAL	\$ 207,897,614,758.91	\$ 207,925,642,846.95	\$ 205,587,215,101.59	\$ 144,593,619.48

Fair Value Including Accrued Interest

\$ 205,731,808,721.07

Repurchase Agreements, Time Deposits, PMIA & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.988753538).
 As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,775,070.77 or \$20,000,000.00 x 0.988753538.



California State Treasurer
Fiona Ma, CPA



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POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1977	5.770	5.660	5.660	5.650	5.760	5.850	5.930	6.050	6.090	6.090	6.610	6.730
1978	6.920	7.050	7.140	7.270	7.386	7.569	7.652	7.821	7.871	8.110	8.286	8.769
1979	8.777	8.904	8.820	9.082	9.046	9.224	9.202	9.528	9.259	9.814	10.223	10.218
1980	10.980	11.251	11.490	11.480	12.017	11.798	10.206	9.870	9.945	10.056	10.426	10.961
1981	10.987	11.686	11.130	11.475	12.179	11.442	12.346	12.844	12.059	12.397	11.887	11.484
1982	11.683	12.044	11.835	11.773	12.270	11.994	12.235	11.909	11.151	11.111	10.704	10.401
1983	10.251	9.887	9.688	9.868	9.527	9.600	9.879	10.076	10.202	10.182	10.164	10.227
1984	10.312	10.280	10.382	10.594	10.843	11.119	11.355	11.557	11.597	11.681	11.474	11.024
1985	10.579	10.289	10.118	10.025	10.180	9.743	9.656	9.417	9.572	9.482	9.488	9.371
1986	9.252	9.090	8.958	8.621	8.369	8.225	8.141	7.844	7.512	7.586	7.432	7.439
1987	7.365	7.157	7.205	7.044	7.294	7.289	7.464	7.562	7.712	7.825	8.121	8.071
1988	8.078	8.050	7.945	7.940	7.815	7.929	8.089	8.245	8.341	8.397	8.467	8.563
1989	8.698	8.770	8.870	8.992	9.227	9.204	9.056	8.833	8.801	8.771	8.685	8.645
1990	8.571	8.538	8.506	8.497	8.531	8.538	8.517	8.382	8.333	8.321	8.269	8.279
1991	8.164	8.002	7.775	7.666	7.374	7.169	7.098	7.072	6.859	6.719	6.591	6.318
1992	6.122	5.863	5.680	5.692	5.379	5.323	5.235	4.958	4.760	4.730	4.659	4.647
1993	4.678	4.649	4.624	4.605	4.427	4.554	4.438	4.472	4.430	4.380	4.365	4.384
1994	4.359	4.176	4.248	4.333	4.434	4.623	4.823	4.989	5.106	5.243	5.380	5.528
1995	5.612	5.779	5.934	5.960	6.008	5.997	5.972	5.910	5.832	5.784	5.805	5.748
1996	5.698	5.643	5.557	5.538	5.502	5.548	5.587	5.566	5.601	5.601	5.599	5.574
1997	5.583	5.575	5.580	5.612	5.634	5.667	5.679	5.690	5.707	5.705	5.715	5.744
1998	5.742	5.720	5.680	5.672	5.673	5.671	5.652	5.652	5.639	5.557	5.492	5.374
1999	5.265	5.210	5.136	5.119	5.086	5.095	5.178	5.225	5.274	5.391	5.484	5.639
2000	5.760	5.824	5.851	6.014	6.190	6.349	6.443	6.505	6.502	6.517	6.538	6.535
2001	6.372	6.169	5.976	5.760	5.328	4.958	4.635	4.502	4.288	3.785	3.526	3.261
2002	3.068	2.967	2.861	2.845	2.740	2.687	2.714	2.594	2.604	2.487	2.301	2.201
2003	2.103	1.945	1.904	1.858	1.769	1.697	1.653	1.632	1.635	1.596	1.572	1.545
2004	1.528	1.440	1.474	1.445	1.426	1.469	1.604	1.672	1.771	1.890	2.003	2.134
2005	2.264	2.368	2.542	2.724	2.856	2.967	3.083	3.179	3.324	3.458	3.636	3.808
2006	3.955	4.043	4.142	4.305	4.563	4.700	4.849	4.946	5.023	5.098	5.125	5.129
2007	5.156	5.181	5.214	5.222	5.248	5.250	5.255	5.253	5.231	5.137	4.962	4.801
2008	4.620	4.161	3.777	3.400	3.072	2.894	2.787	2.779	2.774	2.709	2.568	2.353
2009	2.046	1.869	1.822	1.607	1.530	1.377	1.035	0.925	0.750	0.646	0.611	0.569
2010	0.558	0.577	0.547	0.588	0.560	0.528	0.531	0.513	0.500	0.480	0.454	0.462
2011	0.538	0.512	0.500	0.588	0.413	0.448	0.381	0.408	0.378	0.385	0.401	0.382
2012	0.385	0.389	0.383	0.367	0.363	0.358	0.363	0.377	0.348	0.340	0.324	0.326
2013	0.300	0.286	0.285	0.264	0.245	0.244	0.267	0.271	0.257	0.266	0.263	0.264
2014	0.244	0.236	0.236	0.233	0.228	0.228	0.244	0.260	0.246	0.261	0.261	0.267
2015	0.262	0.266	0.278	0.283	0.290	0.299	0.320	0.330	0.337	0.357	0.374	0.400
2016	0.446	0.467	0.506	0.525	0.552	0.576	0.588	0.614	0.634	0.654	0.678	0.719
2017	0.751	0.777	0.821	0.884	0.925	0.978	1.051	1.084	1.111	1.143	1.172	1.239
2018	1.350	1.412	1.524	1.661	1.755	1.854	1.944	1.998	2.063	2.144	2.208	2.291
2019	2.355	2.392	2.436	2.445	2.449	2.428	2.379	2.341	2.280	2.190	2.103	2.043
2020	1.967	1.912	1.787	1.648	1.363	1.217	0.920	0.784	0.685	0.620	0.576	0.540

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2021	0.458	0.407	0.357	0.339	0.315	0.262	0.221	0.221	0.206	0.203	0.203	0.212
2022	0.234	0.278	0.365									

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City of National City

Period Ending March 31, 2022

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



SECTION 1	Economic Update
SECTION 2	Account Profile
SECTION 3	Consolidated Information
SECTION 4	Portfolio Holdings
SECTION 5	Transactions

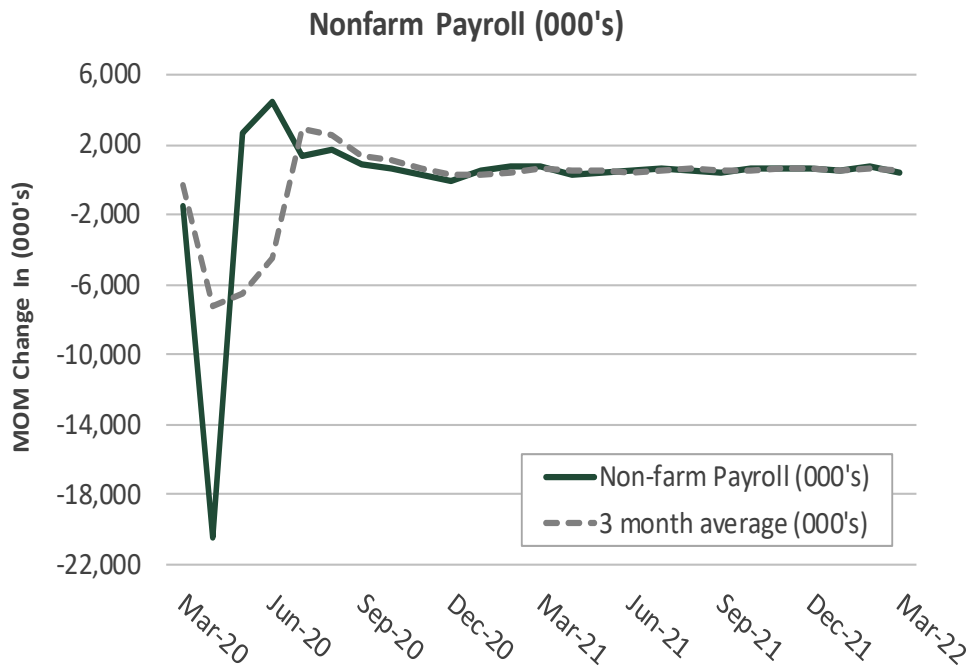


Section 1 | Economic Update

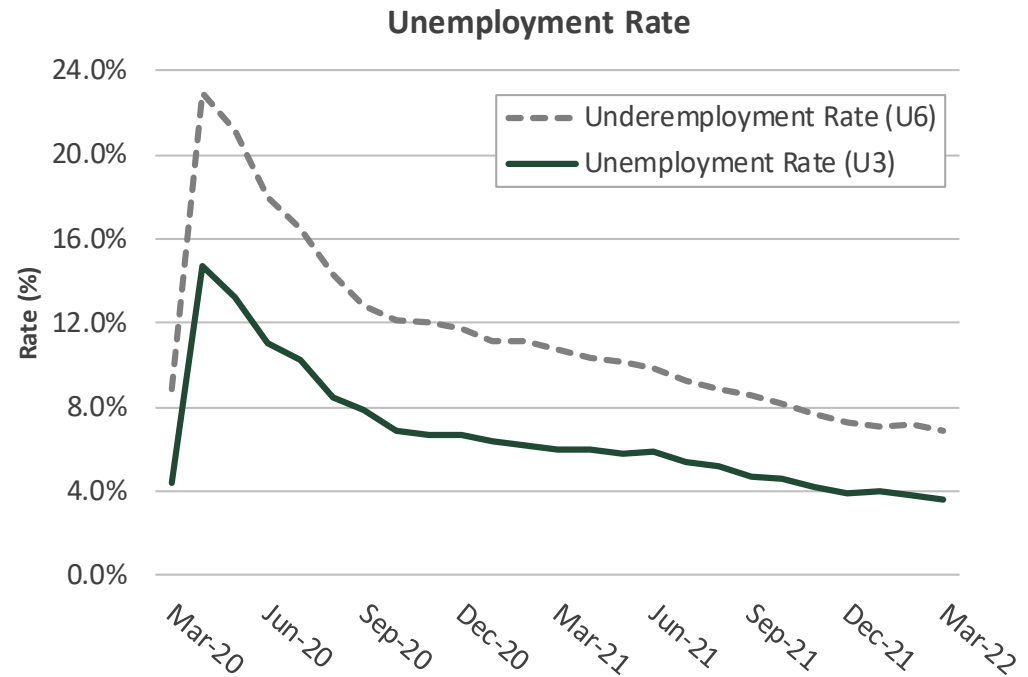
Economic Update

- The Russian invasion into Ukraine and resulting Western sanctions on Russia have fueled volatility in financial markets. The latest escalation has exacerbated inflationary pressures, particularly in energy and commodities, and has caused tightening conditions in financial markets. While consumer spending and economic growth remain strong, we believe an extended conflict in Eastern Europe along with elevated energy prices increases the risk of an economic slowdown later this year. While we expect the Fed to tighten monetary policy, the FOMC has very little margin for error as it attempts to combat inflation without pushing the economy into a recession. Over the near-term, we expect financial market volatility to remain elevated and conditions to remain tighter with heightened geopolitical risk, supply chain bottlenecks and persistent inflation, and the Fed's pivot to less accommodative monetary policy.
- The Federal Open Market Committee (FOMC) raised the federal funds rate by 0.25% at their March 16th meeting to a target range of 0.25% to 0.50%. The Federal Reserve also ended their bond-buying program as expected in March, which included the purchase of treasury and agency mortgage-backed securities. Fed Chair Powell suggested that balance sheet runoff could begin as early as their next meeting in May, sooner than previously anticipated, and that the pace of the unwind will likely be faster than in the previous quantitative tightening cycle. The dot plot favors six additional rate hikes in 2022, which implies a 25 basis point rate hike at each remaining meeting this year, but the Fed hasn't ruled out incorporating one or more 50 basis point hikes to address inflation. The FOMC's Summary of Economic Projections forecasts higher Personal Consumption Expenditure (PCE) inflation this year at 4.3% and a lower growth rate of 2.8% real GDP. We are anticipating additional rates hikes by the Fed this year, but we do not believe that monetary policy is on a pre-set course and expect the Fed's policy adjustments will depend on developments in the economy.
- In March, yields increased dramatically and the curve continued to flatten. The 2-year Treasury yield increased 90 basis points to 2.34%, the 5-year Treasury yield increased 74 basis points to 2.46%, and the 10-year Treasury yield increased 51 basis points to 2.34%. The spread between the 2-year and 10-year Treasury yield declined to zero at March month-end versus 40 basis points at February month-end and 158 basis points one year ago. While the flat yield curve bears watching over the longer run, the spread between 3-month and 10-year treasuries is still steep at about 185 basis points, which indicates likely economic growth in the coming year.

Employment



Source: US Department of Labor

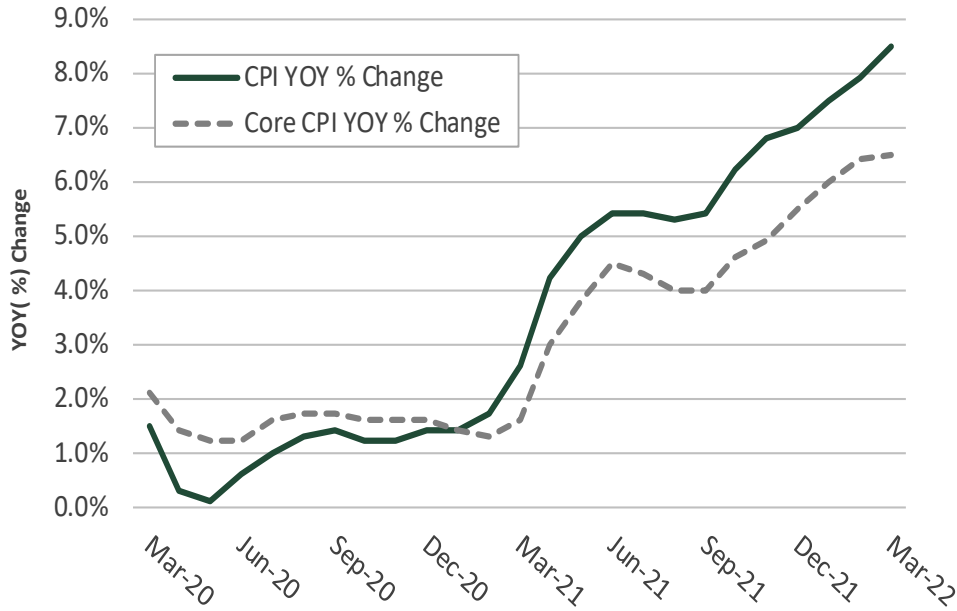


Source: US Department of Labor

The U.S. economy added 431,000 jobs in March, with upward revisions from the prior months totaling 95,000. Trends in employment remain strong, with the three-month moving average payrolls at 561,000 and the six-month moving average at 600,000. Job gains were broad based in March, led by leisure and hospitality and professional and business services. The unemployment rate fell to 3.6% from 3.8%, the lowest level since February 2020. The labor participation rate increased marginally to 62.4% in March from 62.3% in February but remains lower than the pre-pandemic level of 63.4%. The U-6 underemployment rate, which includes those who are marginally attached to the labor force and employed part time for economic reasons, fell to 6.9% in March from 7.2% in February, declining below its pre-pandemic level of 7.0% in February 2020. Wage growth accelerated in March, with average hourly earnings rising 5.6% from 5.2% year-over-year. As more participants enter the labor force, wage inflation dynamics should start to moderate, helping to lower the current elevated inflation readings.

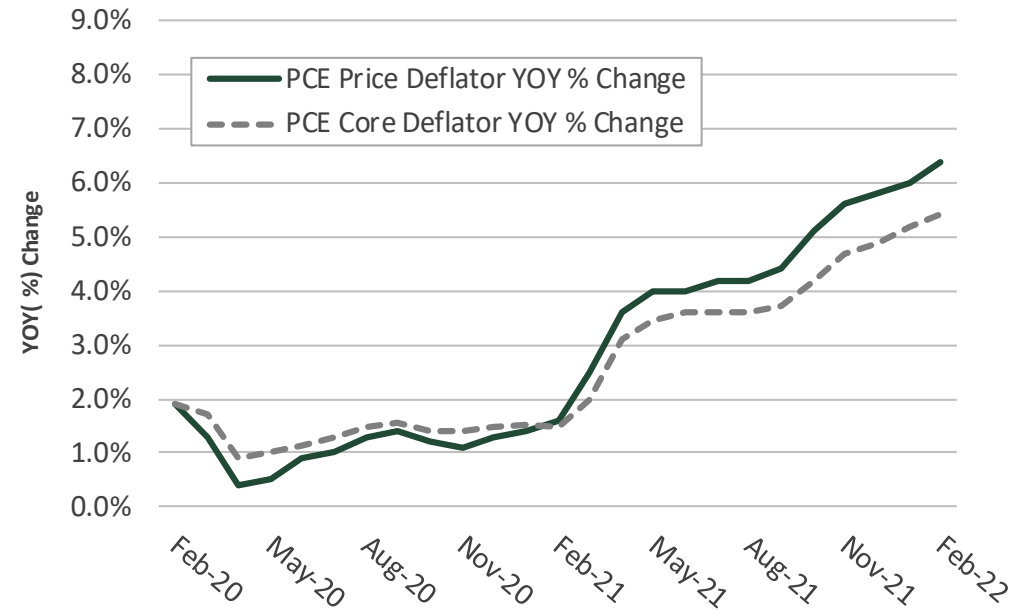
Inflation

Consumer Price Index (CPI)



Source: US Department of Labor

Personal Consumption Expenditures (PCE)

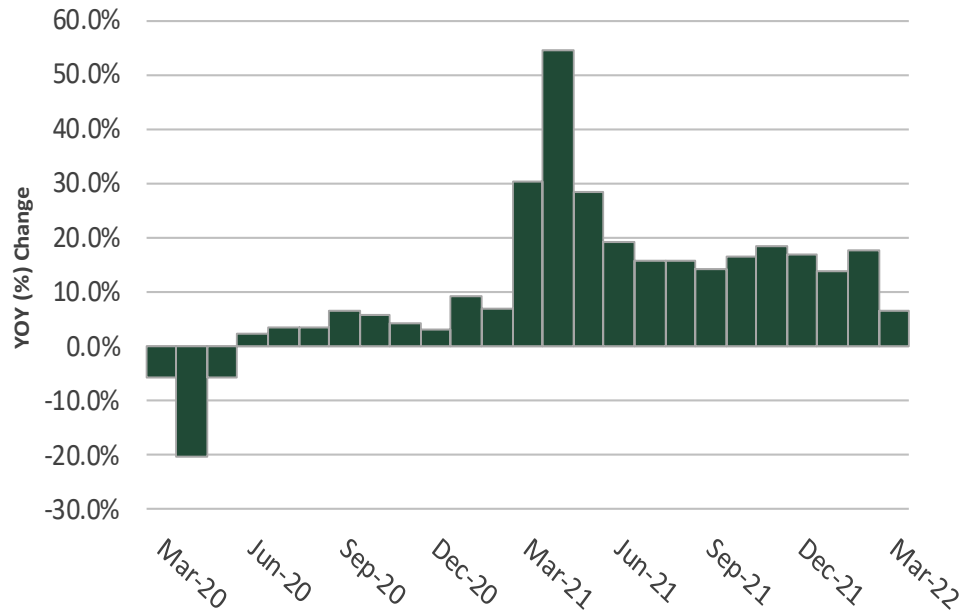


Source: US Department of Commerce

Although U.S. consumer prices rose less than expected in March, inflation remained elevated at a 40-year high. The Consumer Price Index (CPI) was up 8.5% year-over-year in March, versus up 7.9% year-over-year in February. Core CPI (CPI less food and energy) was up 6.5% year-over-year in March, versus up 6.4% year-over-year in February. Gasoline costs drove about half of the monthly increase, while food was also a sizable contributor. Used vehicle prices declined (although remaining firm), resulting in lower than forecast core increases for the month. The Personal Consumption Expenditures (PCE) index was up 6.4% year-over-year in February, up from 6.0% in January. Core PCE was up 5.4% year-over-year in February, versus up 5.2% in January. Current inflation readings continue to run well above the Fed's longer-run target of around 2.0%. While gas prices have started to decline in recent weeks in part due to COVID lockdowns in China, we believe pricing pressures may remain elevated longer than anticipated as a result of the conflict in Europe.

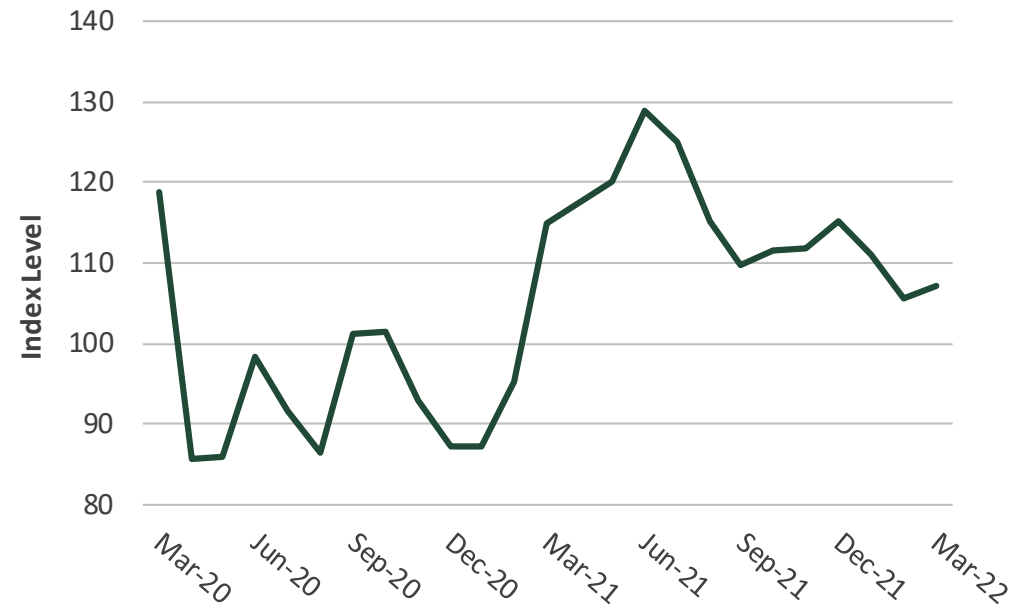
Consumer

Retail Sales YOY % Change



Source: US Department of Commerce

Consumer Confidence



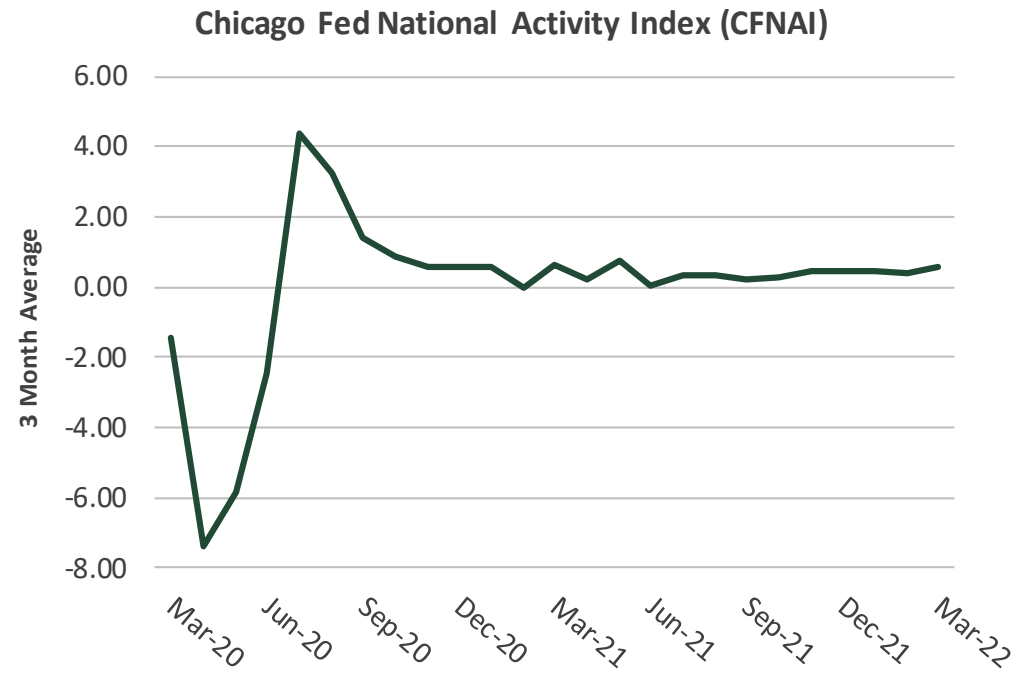
Source: The Conference Board

Retail sales edged higher in March, but there are signs that higher gas prices are impacting discretionary spending. On a year-over-year basis, retail sales were up 6.9% in March versus up 18.2% in February. On a month-over-month basis, retail sales moderated, rising 0.5% in March versus an upwardly revised increase of 0.8% in February. Excluding vehicles and gas, retail sales were up just 0.2% month-over-month. Gains in March were driven primarily by gasoline purchases, while e-commerce and vehicle sales declined. Although inflation threatens to put a dent in expected growth, we believe high levels of consumer savings along with improvement in the health situation and continued improvement in the labor market should provide a healthy tailwind for consumer spending. The Consumer Confidence index rebounded to 107.2 in March following declines in January and February, primarily driven by positive assessments of employment. However, while consumers' evaluations of the present situation was strong, future expectations have been deteriorating.

Economic Activity



Source: The Conference Board

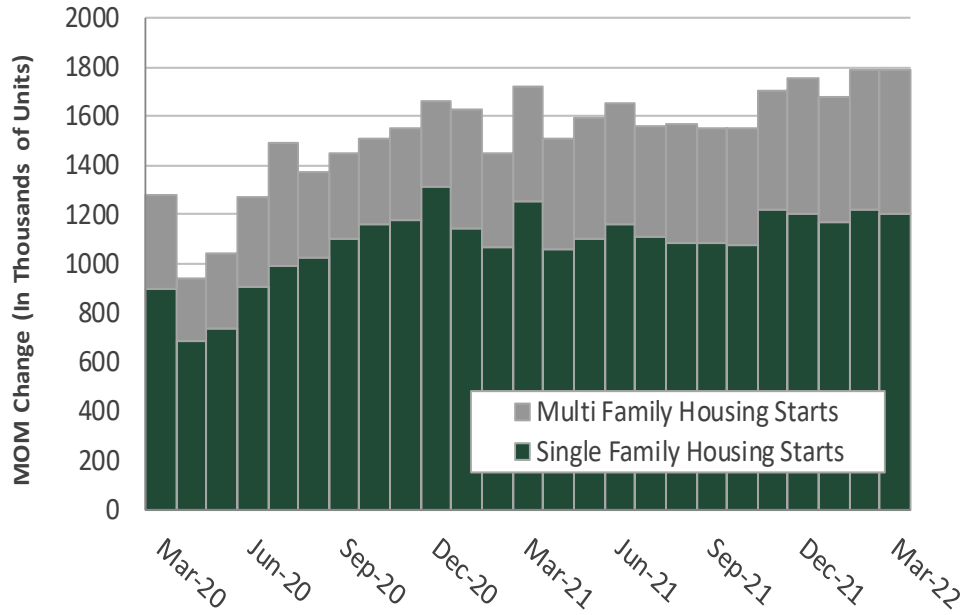


Source: Federal Reserve Bank of Chicago

The Conference Board's Leading Economic Index (LEI) increased 0.3% month-over-month in March, following a 0.6% upwardly revised increase in February. On a year-over-year basis, the LEI was up 6.4% in March versus up 7.3% in February. Results indicated broad-based improvement, pointing toward US growth throughout 2022 in spite of the headwinds of the war, weakening consumer and business sentiment, and market volatility. Meanwhile, the Chicago Fed National Activity Index (CFNAI) fell to 0.44 in March from 0.54 in February. On a 3-month moving average basis, the CFNAI rose to 0.57 in March, while February was revised upward to 0.43.

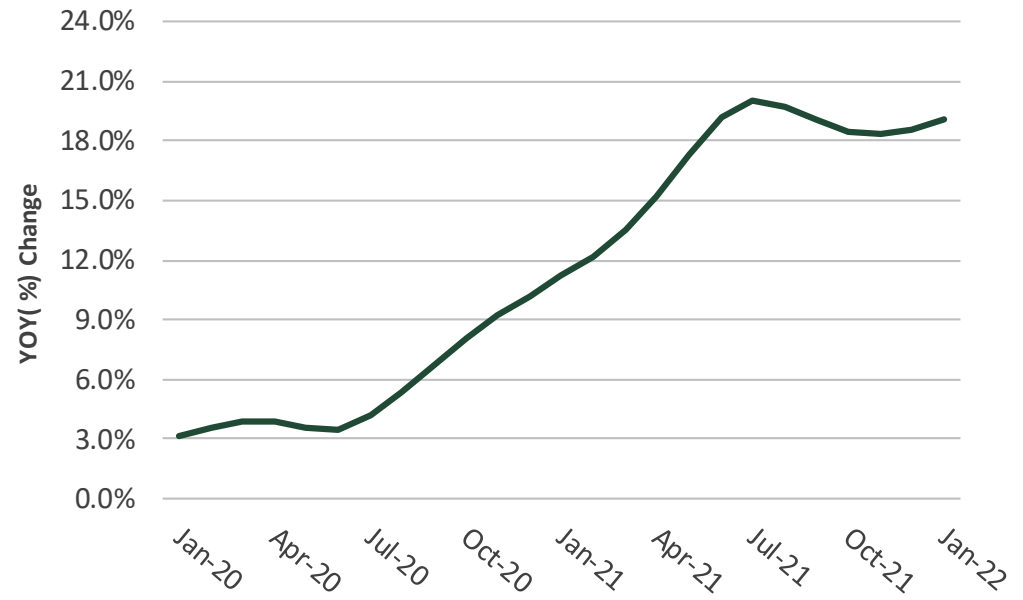
Housing

Housing Starts



Source: US Department of Commerce

S&P/Case-Shiller 20 City Composite Home Price Index

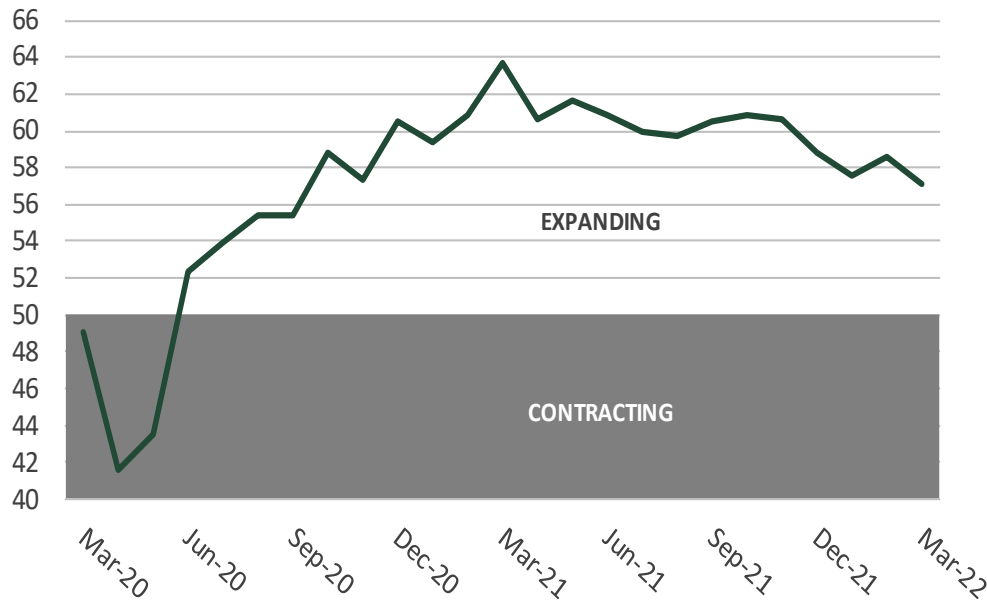


Source: S&P

Total housing starts rose 0.3% to an annual rate of 1,793,000 in March. Single-family starts fell by -1.7% and multi-family starts rose 4.6%, month-over-month. On a year-over-year basis, total housing starts increased 3.9%, driven by multi-family. According to the Case-Shiller 20-City home price index, home prices were up 19.1% year-over-year in January versus up 18.6% year-over-year in December, suggesting tight supply may be continuing to support prices. Rising mortgage rates and affordability could be headwinds to further price growth.

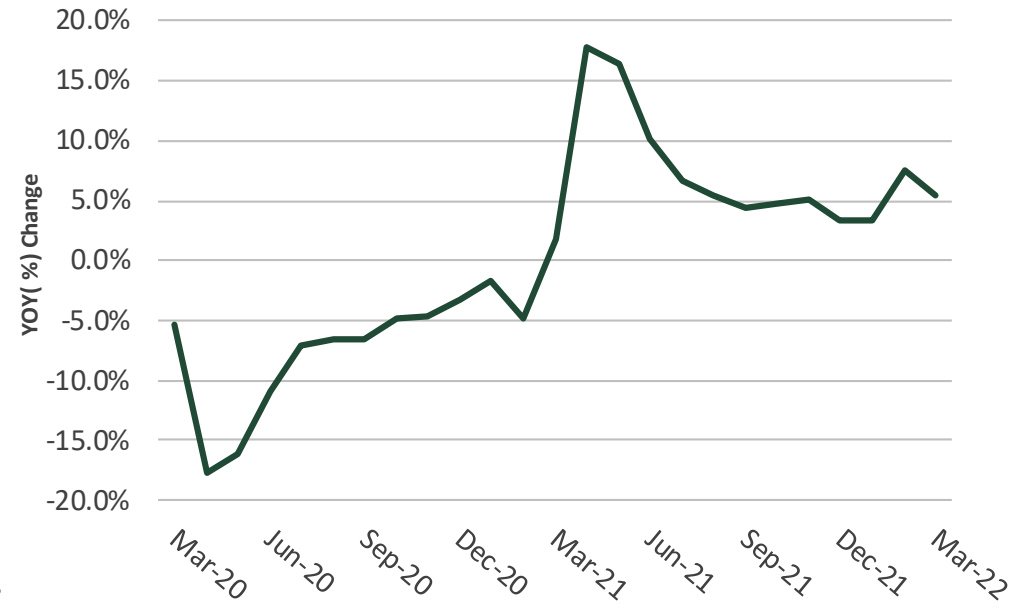
Manufacturing

Institute of Supply Management Purchasing Manager Index



Source: Institute for Supply Management

Industrial Production



Source: Federal Reserve

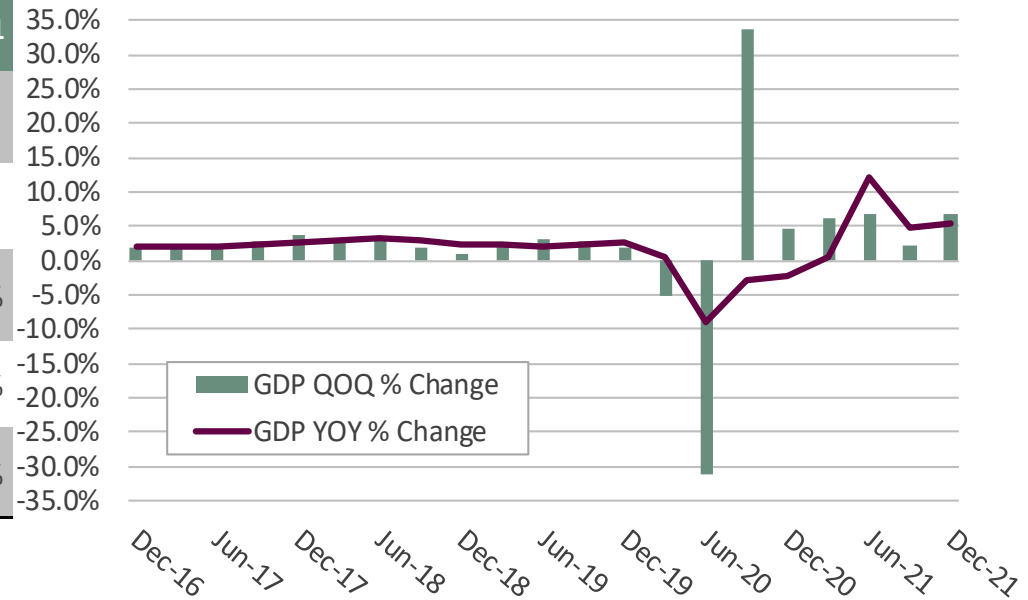
The Institute for Supply Management (ISM) manufacturing index fell to an 18-month low of 57.1 in March from 58.6 in February due to surging energy and commodities prices triggered by Russia's invasion of Ukraine. Readings above 50.0 are indicative of expansion in the manufacturing sector. On a month-over-month basis, the Industrial Production index rose 0.9% in March, following an upwardly revised 0.9% increase in February. Capacity utilization rose to 78.3% in March, up from 77.7% in February. Although capacity utilization remains below its longer-run average of 79.6%, it is running above the pre-pandemic level of 76.3%.

Gross Domestic Product (GDP)

Components of GDP	3/21	6/21	9/21	12/21
Personal Consumption Expenditures	7.4%	7.9%	1.4%	1.8%
Gross Private Domestic Investment	-0.4%	-0.7%	2.1%	5.8%
Net Exports and Imports	-1.6%	-0.2%	-1.3%	-0.2%
Federal Government Expenditures	0.8%	-0.4%	-0.4%	-0.3%
State and Local (Consumption and Gross Investment)	0.0%	0.0%	0.5%	-0.2%
Total	6.3%	6.7%	2.3%	6.9%

Source: US Department of Commerce

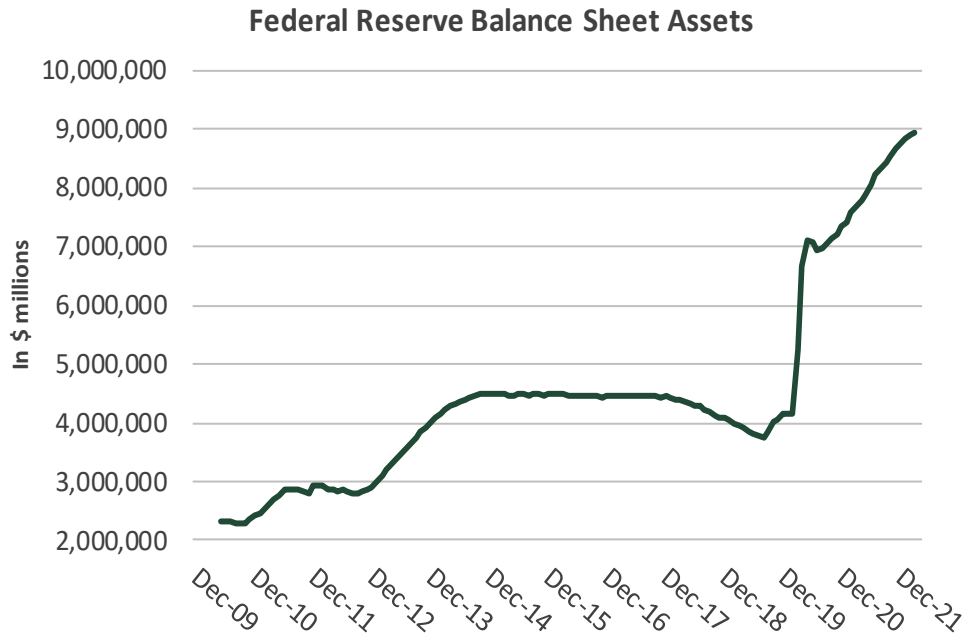
Gross Domestic Product (GDP)



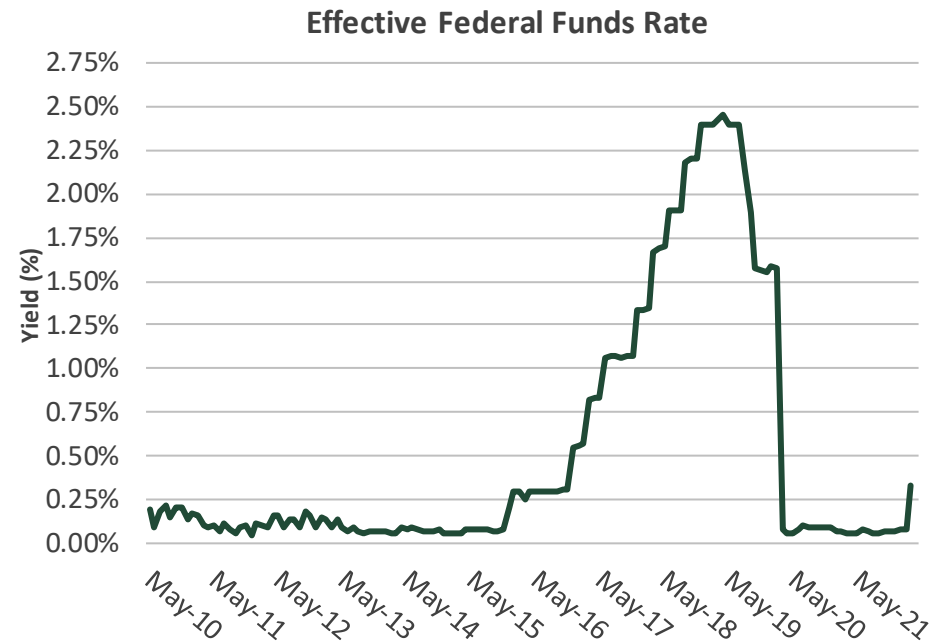
Source: US Department of Commerce

According to the third estimate, fourth quarter GDP grew at an annualized rate of 6.9%, revised slightly downward from the second estimate of 7.0%. Economic growth reaccelerated in the fourth quarter after slowing to a pace of 2.3% growth in the third quarter, bringing overall GDP growth for 2021 to 5.7%. The most significant contributor to fourth quarter growth was inventory build, potentially reflecting some easing in supply chain disruptions. The fourth-quarter's build will make for a tough comparison in the first quarter. The consensus estimate calls for 1.0% GDP growth in the first quarter, 3.0% growth in the current quarter, and 3.2% growth for 2022.

Federal Reserve



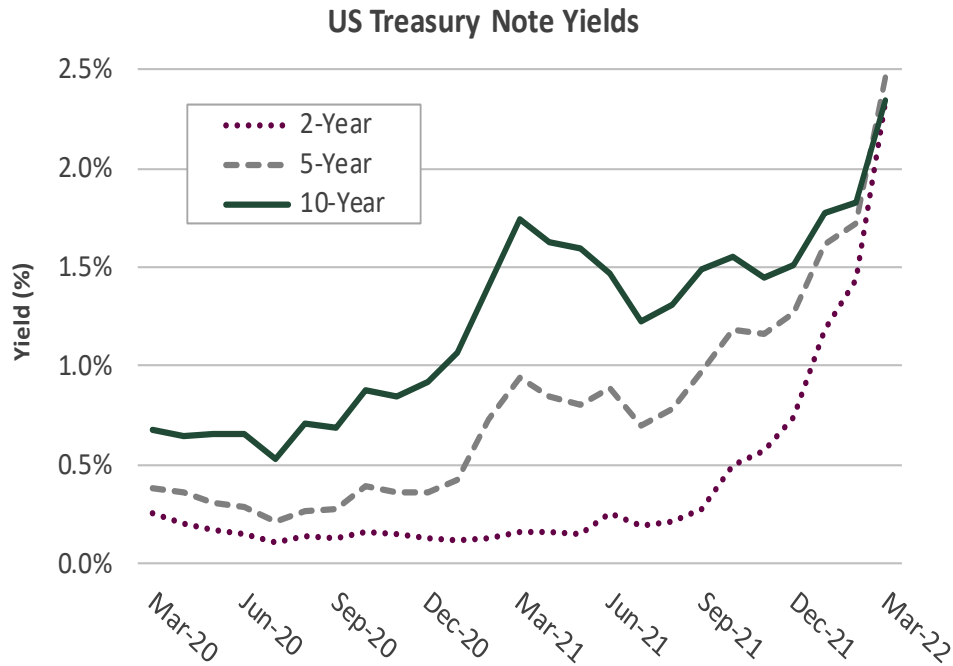
Source: Federal Reserve



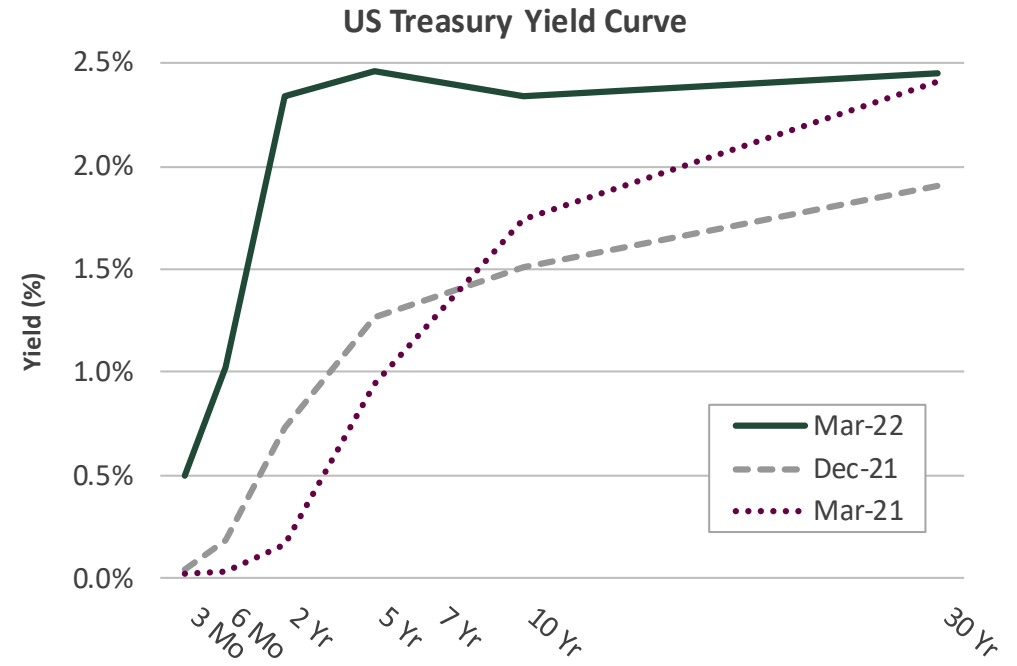
Source: Bloomberg

As expected the Federal Open Market Committee (FOMC) raised the federal funds rate by 0.25% at their March meeting to a target range of 0.25% to 0.50%. This was the first increase since 2018, after two years of holding the federal funds rates near zero to insulate the economy from the impacts of the pandemic. The Federal Reserve (Fed) also ended their bond-buying program as expected in March, which grew the balance sheet to about \$8.9 trillion. Fed Chair Powell suggested that balance sheet runoff could begin as early as their next meeting in May, sooner than previously anticipated, and that the pace of the unwind will likely be faster than in the previous quantitative tightening cycle. The dot plot favors six additional rate hikes in 2022, which implies a 25 basis point rate hike at each remaining meeting this year, but the Fed hasn't ruled out incorporating one or more 50 basis point hikes to address inflation. The FOMC's Summary of Economic Projections forecasts higher Personal Consumption Expenditure (PCE) inflation this year at 4.3% and a lower growth rate of 2.8% real GDP.

Bond Yields



Source: Bloomberg



Source: Bloomberg

At the end of March, the 2-year Treasury yield was 217 basis points higher, and the 10-Year Treasury yield was about 60 basis points higher, year-over-year. The spread between the 2-year Treasury yield and 10-year Treasury yield declined to zero at March month-end compared to the average historical spread (since 2003) of about 130 basis points. While the flat yield curve bears watching over the longer run, the spread between 3-month and 10-year treasuries is still steep at about 185 basis points, which indicates likely economic growth in the coming year.

Section 2 | Account Profile

Investment Objectives

The City of National City's investment objectives, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

City of National City

Assets managed by Chandler Asset Management are in full compliance with state law and with the City's investment policy.

Category	Standard	Comment
U.S. Treasuries	No limitation; Full faith and credit of the U.S. are pledged for the payment of principal and interest	Complies
Federal Agencies	No Limitation; Federal agencies or U.S. government-sponsored enterprise obligations, participations, or other instruments, including those issued or fully guaranteed as to principal and interest by federal agencies or U.S. government sponsored enterprises.	Complies
Supranational Obligations	"AA" rating category or higher by a NRSRO; 30% max; 10% max per issuer; U.S. dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, IADB	Complies
Municipal Securities	"A" rating category or better by two NRSROs; 30% max; 5% max per issuer; Include bonds of the City, the State of California, any other state, and any local agency within the State of California; Bonds will be registered in the name of the City or held under a custodial agreement at a bank.	Complies
Corporate Medium Term Notes	"A" rating category or better by at least two NRSROs; 30% max; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by U.S. or any state and operating within the U.S.	Complies
Mortgage Pass-throughs and Asset Backed Securities	"AA" rating category or better by a NRSRO; 20% max	Complies
Negotiable Certificates of Deposit	"A" long-term debt rated or higher by at least two NRSROs; and/or "A1" short-term debt rated or higher by at least two NRSROs; 30% max (including CDARS); 5% max per issuer	Complies
Certificate of Deposit Placement Service (CDARS)	30% max (combination of Certificates of Deposit, including CDARS)	Complies
FDIC insured Time Deposits/ Certificates of Deposit	Non-Negotiable Certificates of Deposit in state or federally chartered banks, savings and loans, or credit unions; The amount per institution is limited to maximum covered under FDIC; 30% max combined certificates of deposit including CDARS	Complies
Banker's Acceptances	"A-1" short-term debt rated or higher by at least two NRSROs; and "A" long-term debt rated by two NRSROs; 40% max; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" short-term rated or higher by at least two NRSROs; and "A" long-term debt rated by two NRSROs; 25% max; 5% max per issuer; 270 days max maturity; Issuer is a corporation organized and operating in the U.S. with assets > \$500 million	Complies
Money Market Mutual Funds	20% max in Money Market Mutual Funds; Registered with SEC under Investment Company Act of 1940 and funds meet either of the following criteria: (i) Highest rating by two NRSROs; or (ii) Retained an investment adviser registered or exempt from SEC registration with > 5 years experience managing money market mutual funds with AUM >\$500 million	Complies
Local Agency Investment Fund (LAIF)	Maximum permitted amount in LAIF; Not used by investment adviser	Complies
Local Government Investment Pool (LGIP)	San Diego County Investment Pool	Complies
Prohibited Securities	Any investment not specifically described in the policy; Inverse floaters; Ranges notes, Mortgage-derived interest-only strips; Zero interest accrual securities if held to maturity; Trading securities for the sole purpose of speculating on the future direction of interest rates; Purchasing or selling securities on margin; Reverse repurchase agreements; Securities lending or any other form of borrowing or leverage; Foreign currency denominated securities	Complies
Callable Securities	20% maximum (does not include "make whole call" securities)	Complies
Maximum Issuer	5% max per issuer, except as noted in Section VIII of the investment policy	Complies
Duration	Approximately equal to duration of the benchmark	Complies
Maximum maturity	5 years	Complies

Portfolio Characteristics

As of March 31, 2022

City of National City

	03/31/22		12/31/21
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.62	2.70	2.65
Average Modified Duration	2.53	2.48	2.47
Average Purchase Yield	n/a	1.15%	1.09%
Average Market Yield	2.30%	2.33%	0.88%
Average Quality**	AAA	AA/Aa1	AA/Aa1
Total Market Value		36,083,954	37,200,376

*ICE BofA 1-5 Yr US Treasury & Agency Index

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

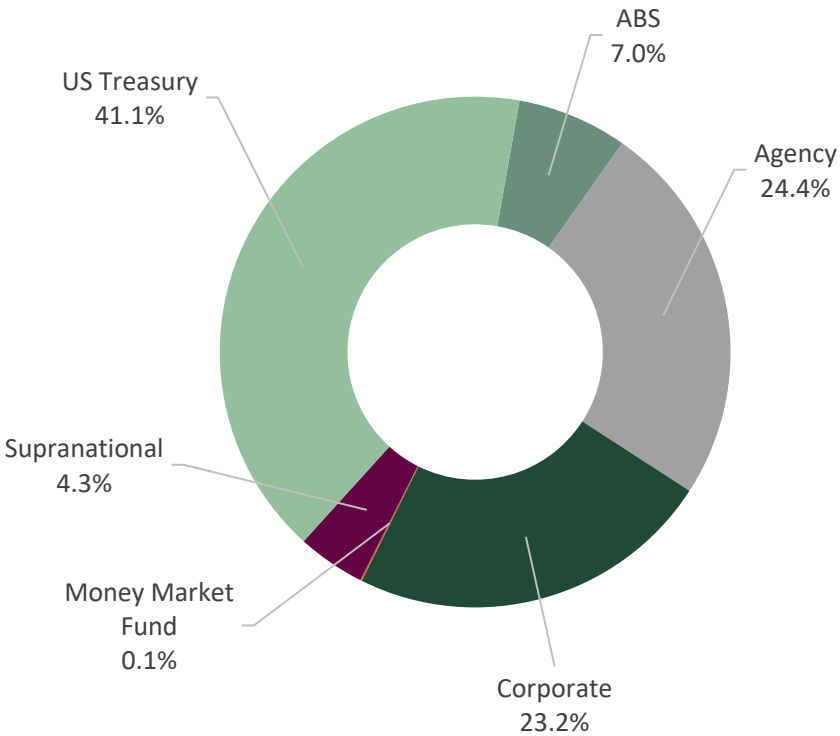


Sector Distribution

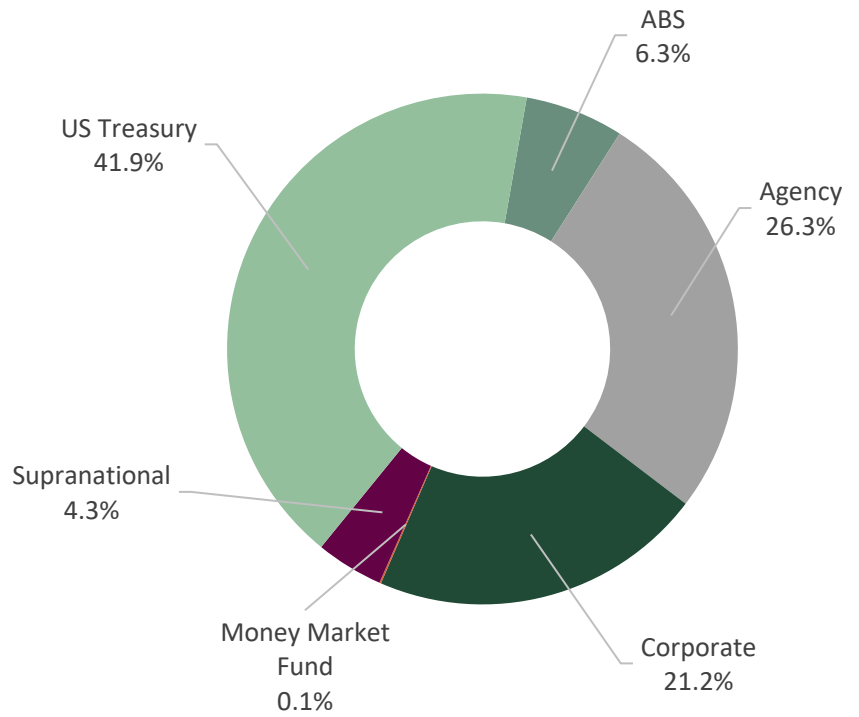
As of March 31, 2022

City of National City

March 31, 2022



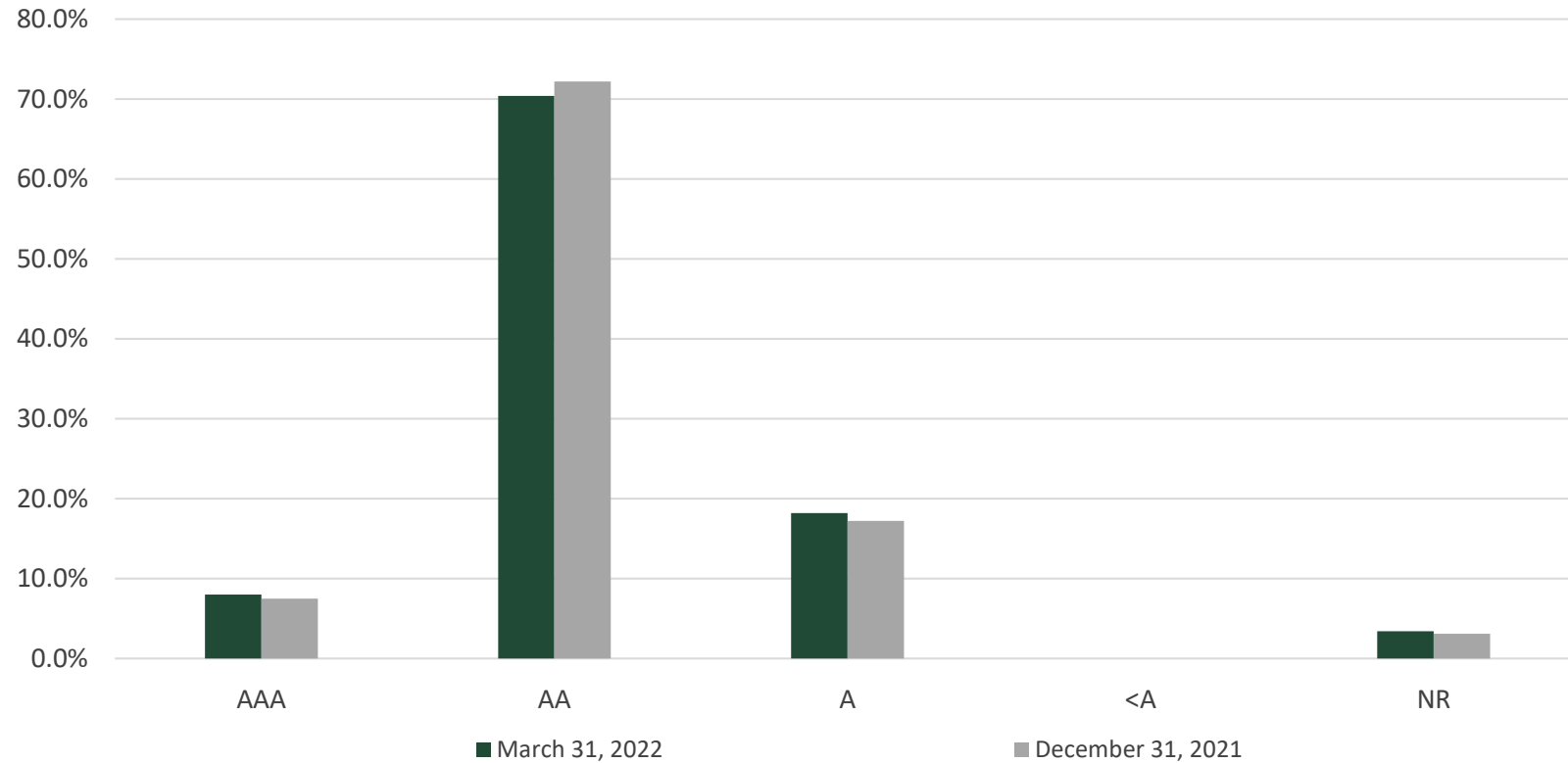
December 31, 2021



Quality Distribution

As of March 31, 2022

City of National City
March 31, 2022 vs. December 31, 2021



	AAA	AA	A	<A	NR
03/31/22	8.0%	70.4%	18.2%	0.0%	3.4%
12/31/21	7.5%	72.2%	17.2%	0.0%	3.1%

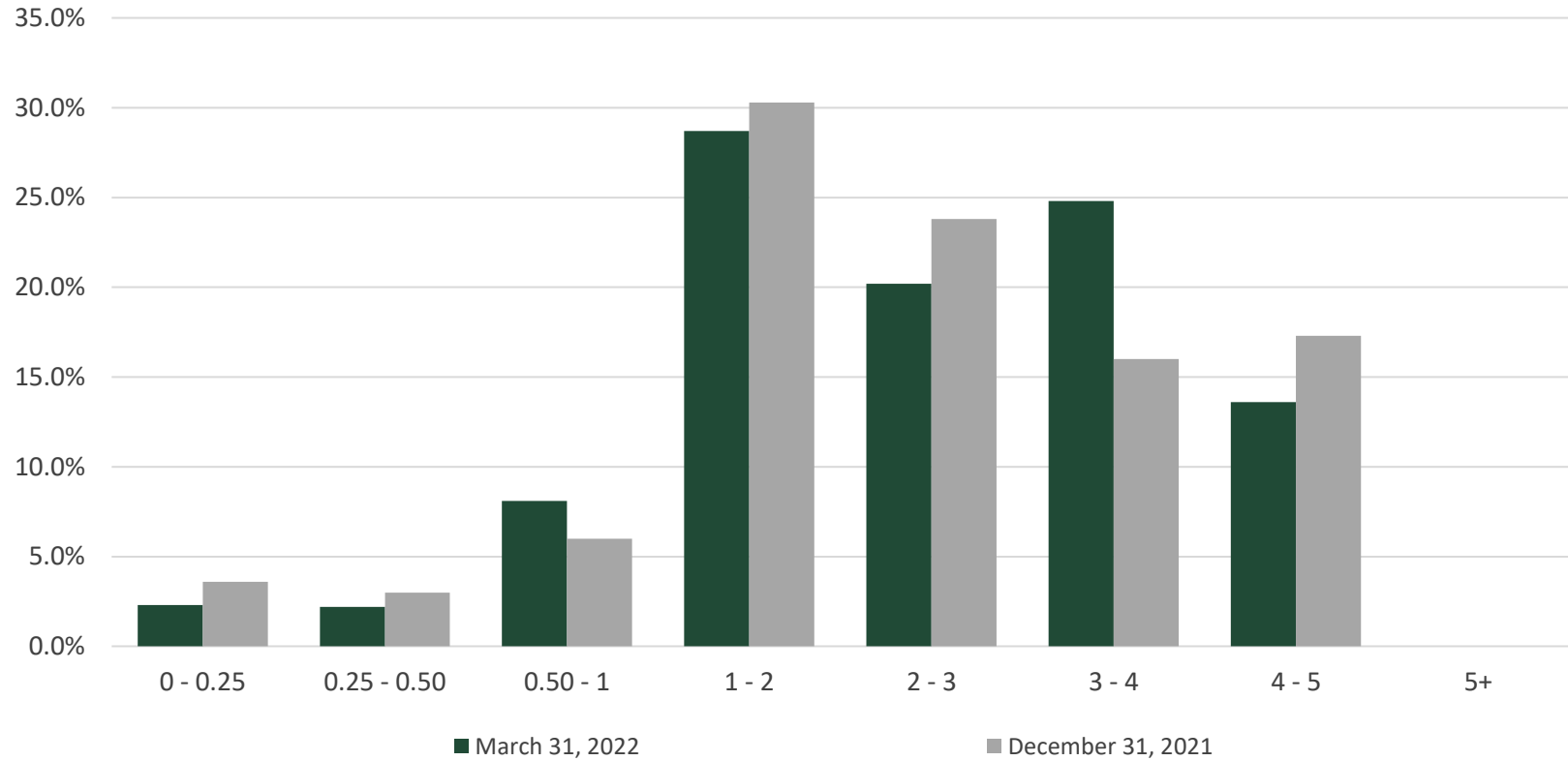
Source: S&P Ratings



Duration Distribution

As of March 31, 2022

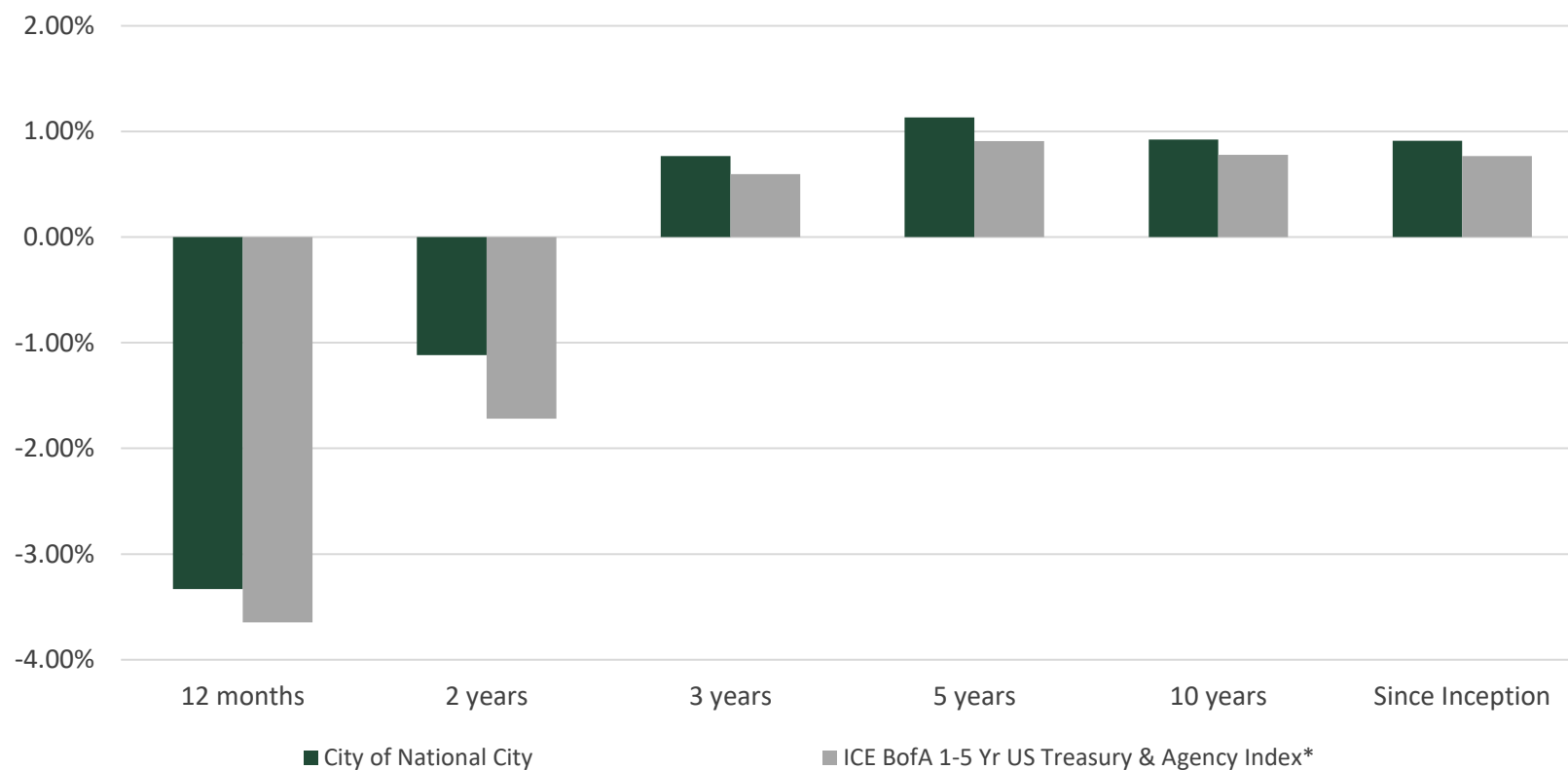
City of National City
March 31, 2022 vs. December 31, 2021



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
03/31/22	2.3%	2.2%	8.1%	28.7%	20.2%	24.8%	13.6%	0.0%
12/31/21	3.6%	3.0%	6.0%	30.3%	23.8%	16.0%	17.3%	0.0%



City of National City Total Rate of Return Annualized Since Inception February 29, 2012



TOTAL RATE OF RETURN	Annualized						
	3 months	12 months	2 years	3 years	5 years	10 years	Since Inception
City of National City	-2.98%	-3.33%	-1.12%	0.77%	1.13%	0.92%	0.91%
ICE BofA 1-5 Yr US Treasury & Agency Index*	-3.16%	-3.65%	-1.72%	0.60%	0.91%	0.78%	0.77%

*ICE BAML 1-3 Yr US Treasury/Agency Index to 12/31/2021

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.



Portfolio Characteristics

As of March 31, 2022

City of National City Reporting Account

	03/31/22 Portfolio	12/31/21 Portfolio
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	0.60%	0.57%
Average Market Yield	0.60%	0.57%
Average Quality*	NR/NR	NR/NR
Total Market Value	63,761,008	48,894,742

**Portfolio is S&P and Moody's, respectively.*



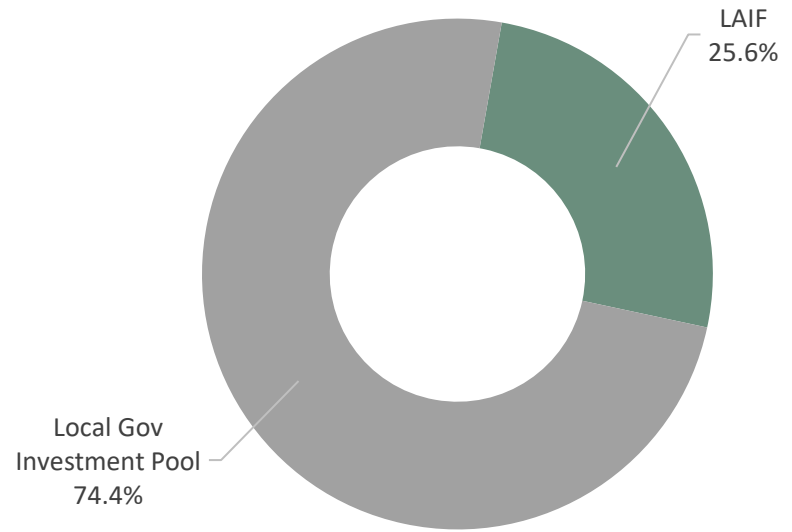
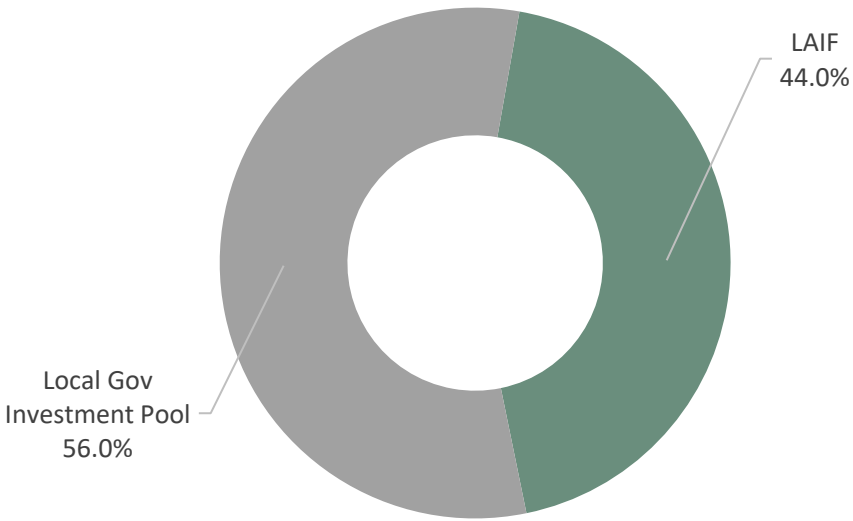
Sector Distribution

As of March 31, 2022

City of National City Reporting Account

March 31, 2022

December 31, 2021





Section 3 | Consolidated Information

Portfolio Characteristics

As of March 31, 2022

City of National City Consolidated

	03/31/22		12/31/21
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	0.00	0.98	1.15
Modified Duration	0.00	0.90	1.07
Average Purchase Yield	n/a	0.80%	0.79%
Average Market Yield	0.00%	1.22%	0.70%
Average Quality**	NR	AA/Aa1	AA/Aa1
Total Market Value		99,844,961	86,095,118

*California Local Agency Investment Fund

**Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

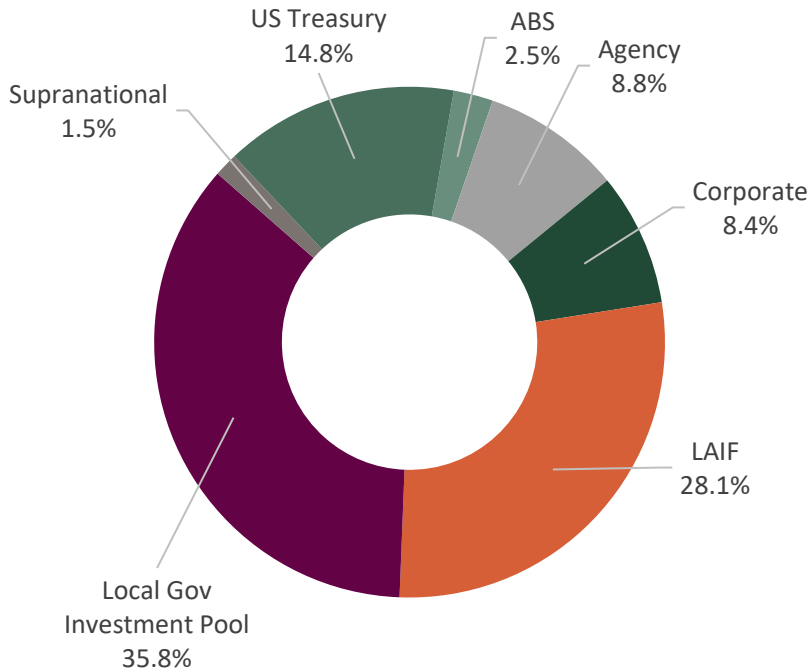


Sector Distribution

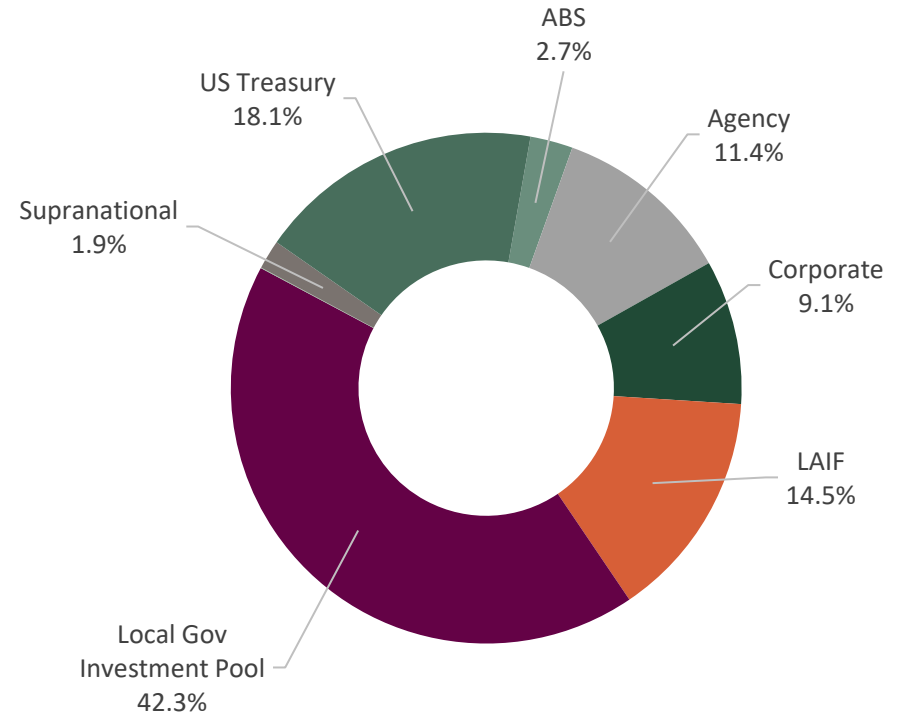
As of March 31, 2022

City of National City Consolidated

March 31, 2022



December 31, 2021



\$2,529,178.91	\$8,799,302.58	\$8,366,841.98	\$28,025,007.68	\$2,324,102.37	\$9,793,751.21	\$7,869,589.02	\$12,508,741.60
\$35,736,000.00	\$37,426.84	\$1,537,654.29	\$14,813,549.20	\$36,386,000.00	\$36,609.01	\$1,589,663.93	\$15,586,660.51



City of National City Consolidated – Account #10218

Issue Name	Par	Market Value	Book Value	Market YTM
County of San Diego Pooled Investments	35,736,000.00	35,736,000.00	35,736,000.00	0.74
Local Agency Investment Fund	28,009,607.18	28,009,607.18	28,009,607.18	0.42
Government of United States	15,385,000.00	14,778,799.39	15,462,219.54	2.42
Federal Home Loan Mortgage Corp	4,130,000.00	4,013,589.58	4,149,092.60	2.16
Federal Home Loan Bank	2,380,000.00	2,404,245.24	2,457,132.60	1.81
Federal National Mortgage Association	2,410,000.00	2,354,048.07	2,404,243.35	2.12
Berkshire Hathaway	830,000.00	825,415.28	841,986.30	2.27
Intl Bank Recon and Development	770,000.00	761,357.98	800,785.00	2.28
Honda ABS	728,519.39	716,402.37	728,416.88	2.34
Deere & Company	675,000.00	673,071.83	683,664.75	2.38
Toyota ABS	682,531.05	674,778.41	686,119.43	2.01
Apple Inc	700,000.00	651,467.60	677,908.00	2.60
John Deere ABS	606,887.75	594,697.88	606,797.63	2.48
Charles Schwab Corp/The	565,000.00	546,987.05	567,110.10	2.54
Inter-American Dev Bank	505,000.00	481,300.35	504,626.30	2.46
Bank of New York	500,000.00	479,005.00	495,325.00	2.55
Royal Bank of Canada	500,000.00	472,440.50	496,035.00	2.97
United Health Group Inc	500,000.00	465,225.50	490,095.00	2.95
Toronto Dominion Holdings	500,000.00	460,339.50	489,720.00	3.18
Bank of Montreal Chicago	500,000.00	459,651.50	491,120.00	3.21
US Bancorp	450,000.00	447,421.05	475,276.50	2.65
Toyota Motor Corp	400,000.00	405,924.00	411,444.00	2.49
Bank of America Corp	400,000.00	404,451.60	393,500.00	1.85
JP Morgan Chase & Co	400,000.00	403,280.40	413,076.00	1.52
PNC Financial Services Group	400,000.00	401,184.40	385,792.00	1.20
Caterpillar Inc	405,000.00	387,703.26	404,457.30	2.52
International Finance Corp	300,000.00	292,392.00	308,070.00	2.41
Amazon.com Inc	255,000.00	245,891.66	254,627.70	2.19
BMW Vehicle Lease Trust	220,000.00	214,502.88	219,971.74	2.59
Target Corp	215,000.00	207,940.26	214,634.50	2.69
Nissan ABS	176,427.69	176,769.43	176,418.38	1.42
Mercedes-Benz Auto Lease Trust	155,000.00	151,053.55	154,988.30	2.42
Paccar Financial	155,000.00	148,092.74	154,916.30	2.46
State Street Bank	125,000.00	120,544.75	125,000.00	2.80
Wal-Mart Stores	80,000.00	74,478.64	79,848.80	2.70
Salesforce.com Inc	65,000.00	62,287.16	64,966.85	2.51
Federated Govt Obligation Money Market Fund	37,426.84	37,426.84	37,426.84	0.01
TOTAL	100,852,399.90	99,739,774.83	101,052,419.87	1.22





Section 4 | Portfolio Holdings

Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43815NAC8	Honda Auto Receivables Trust 2019-3 A3 1.780% Due 08/15/2023	35,628.90	08/20/2019 1.79%	35,628.60 35,628.60	100.08 1.48%	35,658.44 28.19	0.04% 29.84	Aaa / AAA NR	1.38 0.29
477870AC3	John Deere Owner Trust 2019-B A3 2.210% Due 12/15/2023	29,674.18	07/16/2019 2.23%	29,667.88 29,667.88	100.27 1.25%	29,753.29 29.15	0.03% 85.41	Aaa / NR AAA	1.71 0.28
43813RAC1	Honda Auto Receivables 2020-1 A3 1.610% Due 04/22/2024	47,890.49	02/19/2020 1.62%	47,881.09 47,881.09	99.93 1.74%	47,857.35 21.42	0.05% (23.74)	Aaa / NR AAA	2.06 0.53
89232HAC9	Toyota Auto Receivable Own 2020-A A3 1.660% Due 05/15/2024	159,287.69	06/17/2020 0.68%	162,958.77 162,958.77	100.08 1.47%	159,417.67 117.52	0.16% (3,541.10)	Aaa / AAA NR	2.13 0.45
65479JAD5	Nissan Auto Receivables Owner 2019-C A3 1.930% Due 07/15/2024	176,427.69	10/16/2019 1.94%	176,418.38 176,418.38	100.19 1.42%	176,769.43 151.34	0.18% 351.05	Aaa / AAA NR	2.29 0.38
47789KAC7	John Deere Owner Trust 2020-A A3 1.100% Due 08/15/2024	114,986.55	03/04/2020 1.11%	114,979.53 114,979.53	99.68 1.69%	114,622.16 56.22	0.11% (357.37)	Aaa / NR AAA	2.38 0.53
89237VAB5	Toyota Auto Receivables Trust 2020-C A3 0.440% Due 10/15/2024	133,243.36	07/21/2020 0.44%	133,233.11 133,233.11	99.08 2.02%	132,013.53 26.06	0.13% (1,219.58)	Aaa / AAA NR	2.55 0.58
43813KAC6	Honda Auto Receivables Trust 2020-3 A3 0.370% Due 10/18/2024	250,000.00	09/22/2020 0.38%	249,963.28 249,963.28	98.74 2.13%	246,857.25 33.40	0.25% (3,106.03)	NR / AAA AAA	2.55 0.71
47787NAC3	John Deere Owner Trust 2020-B A3 0.510% Due 11/15/2024	62,227.02	07/14/2020 0.52%	62,217.54 62,217.54	98.89 2.22%	61,534.43 14.10	0.06% (683.11)	Aaa / NR AAA	2.63 0.65
58769KAD6	Mercedes-Benz Auto Lease Trust 2021-B A3 0.400% Due 11/15/2024	155,000.00	06/22/2021 0.40%	154,988.30 154,988.30	97.45 2.42%	151,053.55 27.56	0.15% (3,934.75)	NR / AAA AAA	2.63 1.27
09690AAC7	BMW Vehicle Lease Trust 2021-2 A3 0.330% Due 12/26/2024	100,000.00	09/08/2021 0.34%	99,989.68 99,989.68	97.49 2.43%	97,487.40 5.50	0.10% (2,502.28)	Aaa / NR AAA	2.74 1.20
89236XAC0	Toyota Auto Receivables 2020-D A3 0.350% Due 01/15/2025	100,000.00	10/06/2020 0.36%	99,981.37 99,981.37	98.85 2.14%	98,848.80 15.56	0.10% (1,132.57)	NR / AAA AAA	2.80 0.64
05601XAC3	BMW Vehicle Lease Trust 2022-1 A3 1.100% Due 03/25/2025	120,000.00	01/11/2022 1.11%	119,982.06 119,982.06	97.51 2.72%	117,015.48 22.00	0.12% (2,966.58)	NR / AAA AAA	2.99 1.55
43813GAC5	Honda Auto Receivables Trust 2021-1 A3 0.270% Due 04/21/2025	80,000.00	02/17/2021 0.27%	79,998.54 79,998.54	97.92 2.54%	78,333.20 6.00	0.08% (1,665.34)	Aaa / NR AAA	3.06 0.92
89240BAC2	Toyota Auto Receivables Owners 2021-A A3 0.260% Due 05/15/2025	290,000.00	02/02/2021 0.27%	289,946.18 289,946.18	98.10 2.26%	284,498.41 33.51	0.28% (5,447.77)	Aaa / NR AAA	3.13 0.95
47788UAC6	John Deere Owner Trust 2021-A A3 0.360% Due 09/15/2025	115,000.00	03/02/2021 0.37%	114,977.90 114,977.90	96.85 2.79%	111,376.47 18.40	0.11% (3,601.43)	Aaa / NR AAA	3.46 1.30
43815GAC3	Honda Auto Receivables Trust 2021-4 A3 0.880% Due 01/21/2026	120,000.00	11/16/2021 0.89%	119,974.70 119,974.70	96.82 2.58%	116,187.60 29.33	0.12% (3,787.10)	Aaa / NR AAA	3.81 1.89



Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
47789QAC4	John Deere Owner Trust 2021-B A3 0.520% Due 03/16/2026	135,000.00	07/13/2021 0.52%	134,987.96 134,987.96	95.82 2.82%	129,356.73 31.20	0.13% (5,631.23)	Aaa / NR AAA	3.96 1.85
43815BAC4	Honda Auto Receivables Trust 2022-1 A3 1.880% Due 05/15/2026	195,000.00	02/15/2022 1.89%	194,970.67 194,970.67	98.21 2.68%	191,508.53 162.93	0.19% (3,462.14)	Aaa / AAA NR	4.13 2.26
47787JAC2	John Deere Owner Trust 2022-A A3 2.320% Due 09/16/2026	150,000.00	03/10/2022 2.34%	149,966.82 149,966.82	98.70 2.91%	148,054.80 145.00	0.15% (1,912.02)	Aaa / NR AAA	4.47 2.22
TOTAL ABS		2,569,365.88	0.89%	2,572,712.36	2.24%	2,528,204.52 974.39	2.53% (44,507.84)	Aaa / AAA Aaa	2.99 1.11

Agency									
313379Q69	FHLB Note 2.125% Due 06/10/2022	400,000.00	06/20/2017 1.87%	404,740.00 404,740.00	100.31 0.50%	401,245.60 2,620.83	0.40% (3,494.40)	Aaa / AA+ AAA	0.19 0.19
3130A3KM5	FHLB Note 2.500% Due 12/09/2022	575,000.00	09/10/2019 1.60%	591,174.75 591,174.75	100.77 1.37%	579,426.35 4,472.22	0.58% (11,748.40)	Aaa / AA+ NR	0.69 0.68
3137EAER6	FHLMC Note 0.375% Due 05/05/2023	600,000.00	05/05/2020 0.39%	599,748.00 599,748.00	98.41 1.85%	590,463.00 912.50	0.59% (9,285.00)	Aaa / AA+ AAA	1.10 1.08
3135G04Q3	FNMA Note 0.250% Due 05/22/2023	645,000.00	05/20/2020 0.35%	643,058.55 643,058.55	98.15 1.89%	633,086.20 577.81	0.63% (9,972.35)	Aaa / AA+ AAA	1.14 1.13
3137EAEN5	FHLMC Note 2.750% Due 06/19/2023	275,000.00	11/26/2018 3.02%	271,889.75 271,889.75	100.96 1.95%	277,631.20 2,142.71	0.28% 5,741.45	Aaa / AA+ AAA	1.22 1.19
3135G05G4	FNMA Note 0.250% Due 07/10/2023	560,000.00	07/08/2020 0.32%	558,796.00 558,796.00	97.85 1.97%	547,939.84 315.00	0.55% (10,856.16)	Aaa / AA+ AAA	1.28 1.26
3137EAEV7	FHLMC Note 0.250% Due 08/24/2023	900,000.00	08/27/2020 0.29%	899,037.00 899,037.00	97.49 2.08%	877,416.30 231.25	0.88% (21,620.70)	Aaa / AA+ AAA	1.40 1.38
3137EAey1	FHLMC Note 0.125% Due 10/16/2023	630,000.00	10/14/2020 0.25%	627,650.10 627,650.10	96.99 2.12%	611,040.78 360.94	0.61% (16,609.32)	Aaa / AA+ AAA	1.55 1.52
3137EAez8	FHLMC Note 0.250% Due 11/06/2023	650,000.00	11/17/2020 0.28%	649,467.00 649,467.00	97.04 2.14%	630,765.85 654.51	0.63% (18,701.15)	Aaa / AA+ AAA	1.60 1.58
3135G06H1	FNMA Note 0.250% Due 11/27/2023	580,000.00	11/23/2020 0.29%	579,338.80 579,338.80	96.93 2.15%	562,203.28 499.44	0.56% (17,135.52)	Aaa / AA+ AAA	1.66 1.63
3130A0F70	FHLB Note 3.375% Due 12/08/2023	525,000.00	01/30/2019 2.71%	540,734.25 540,734.25	101.82 2.27%	534,545.55 5,561.72	0.54% (6,188.70)	Aaa / AA+ AAA	1.69 1.62
3130A1XJ2	FHLB Note 2.875% Due 06/14/2024	580,000.00	Various 1.96%	605,009.60 605,009.60	101.01 2.40%	585,868.44 4,956.18	0.59% (19,141.16)	Aaa / AA+ NR	2.21 2.11
3130A2UW4	FHLB Note 2.875% Due 09/13/2024	300,000.00	10/29/2019 1.76%	315,474.00 315,474.00	101.05 2.43%	303,159.30 431.25	0.30% (12,314.70)	Aaa / AA+ AAA	2.46 2.35



Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3135G0X24	FNMA Note 1.625% Due 01/07/2025	625,000.00	01/16/2020 1.69%	623,050.00 623,050.00	97.73 2.48%	610,818.75 2,369.79	0.61% (12,231.25)	Aaa / AA+ AAA	2.78 2.67
3137EAEP0	FHLMC Note 1.500% Due 02/12/2025	625,000.00	06/04/2020 0.55%	652,443.75 652,443.75	97.29 2.49%	608,060.00 1,276.04	0.61% (44,383.75)	Aaa / AA+ AAA	2.87 2.77
3137EAEX3	FHLMC Note 0.375% Due 09/23/2025	450,000.00	09/24/2020 0.43%	448,857.00 448,857.00	92.94 2.51%	418,212.45 37.50	0.42% (30,644.55)	Aaa / AA+ AAA	3.48 3.41
TOTAL Agency		8,920,000.00	0.97%	9,010,468.55	2.05%	8,771,882.89 27,419.69	8.81% (238,585.66)	Aaa / AA+ Aaa	1.69 1.65
Corporate									
69353RFE3	PNC Bank Callable Note Cont 6/28/2022 2.450% Due 07/28/2022	400,000.00	04/24/2018 3.35%	385,792.00 385,792.00	100.30 1.20%	401,184.40 1,715.00	0.40% 15,392.40	A2 / A A+	0.33 0.24
46625HJE1	JP Morgan Chase Note 3.250% Due 09/23/2022	400,000.00	12/19/2019 2.02%	413,076.00 413,076.00	100.82 1.52%	403,280.40 288.89	0.40% (9,795.60)	A2 / A- AA-	0.48 0.47
06051GEU9	Bank of America Corp Note 3.300% Due 01/11/2023	400,000.00	12/27/2018 3.74%	393,500.00 393,500.00	101.11 1.85%	404,451.60 2,933.33	0.41% 10,951.60	A2 / A- AA-	0.78 0.76
084670BR8	Berkshire Hathaway Callable Note Cont 1/15/2023 2.750% Due 03/15/2023	400,000.00	08/26/2019 1.87%	412,068.00 412,068.00	100.70 1.85%	402,804.40 488.89	0.40% (9,263.60)	Aa2 / AA A+	0.96 0.78
89236TFS9	Toyota Motor Credit Corp Note 3.350% Due 01/08/2024	400,000.00	05/20/2019 2.69%	411,444.00 411,444.00	101.48 2.49%	405,924.00 3,089.44	0.41% (5,520.00)	A1 / A+ A+	1.78 1.70
24422EUR8	John Deere Capital Corp Note 3.450% Due 01/10/2024	400,000.00	03/14/2019 2.95%	408,860.00 408,860.00	101.76 2.43%	407,040.40 3,105.00	0.41% (1,819.60)	A2 / A A	1.78 1.70
24422EVN6	John Deere Capital Corp Note 0.450% Due 01/17/2024	275,000.00	03/01/2021 0.47%	274,804.75 274,804.75	96.74 2.32%	266,031.43 254.38	0.27% (8,773.32)	A2 / A A	1.80 1.77
808513BN4	Charles Schwab Corp Callable Note Cont 2/18/2024 0.750% Due 03/18/2024	485,000.00	Various 0.59%	487,196.50 487,196.50	96.75 2.46%	469,216.65 131.35	0.47% (17,979.85)	A2 / A A	1.97 1.93
023135BW5	Amazon.com Inc Note 0.450% Due 05/12/2024	255,000.00	05/10/2021 0.50%	254,627.70 254,627.70	96.43 2.19%	245,891.66 443.06	0.25% (8,736.04)	A1 / AA AA-	2.12 2.08
14913R2L0	Caterpillar Financial Service Note 0.450% Due 05/17/2024	405,000.00	05/10/2021 0.50%	404,457.30 404,457.30	95.73 2.52%	387,703.26 678.38	0.39% (16,754.04)	A2 / A A	2.13 2.09
79466LAG9	Salesforce.com Inc Callable Note Cont 7/15/2022 0.625% Due 07/15/2024	65,000.00	06/29/2021 0.64%	64,966.85 64,966.85	95.83 2.51%	62,287.16 85.76	0.06% (2,679.69)	A2 / A+ NR	2.29 2.24
91159HHX1	US Bancorp Callable Note Cont 6/28/2024 2.400% Due 07/30/2024	450,000.00	03/25/2021 0.69%	475,276.50 475,276.50	99.43 2.65%	447,421.05 1,830.00	0.45% (27,855.45)	A2 / A+ A+	2.33 2.24



Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
69371RR40	Paccar Financial Corp Note 0.500% Due 08/09/2024	155,000.00	08/03/2021 0.52%	154,916.30 154,916.30	95.54 2.46%	148,092.74 111.94	0.15% (6,823.56)	A1 / A+ NR	2.36 2.31
06406RAX5	Bank of NY Mellon Corp Callable Note Cont 9/25/2024 0.850% Due 10/25/2024	500,000.00	12/15/2021 1.18%	495,325.00 495,325.00	95.80 2.55%	479,005.00 1,841.67	0.48% (16,320.00)	A1 / A AA-	2.57 2.50
78015K7H1	Royal Bank of Canada Note 1.150% Due 06/10/2025	500,000.00	11/16/2021 1.38%	496,035.00 496,035.00	94.49 2.97%	472,440.50 1,772.92	0.47% (23,594.50)	A1 / A AA-	3.20 3.08
857477BR3	State Street Bank Callable Note Cont 2/6/2025 1.746% Due 02/06/2026	125,000.00	02/02/2022 1.82%	125,000.00 125,000.00	96.44 2.80%	120,544.75 327.38	0.12% (4,455.25)	A1 / A AA-	3.86 3.67
037833EB2	Apple Inc Callable Note Cont 1/8/2026 0.700% Due 02/08/2026	700,000.00	01/13/2022 1.51%	677,908.00 677,908.00	93.07 2.60%	651,467.60 721.39	0.65% (26,440.40)	Aaa / AA+ NR	3.86 3.75
91324PEC2	United Health Group Inc Callable Note Cont 4/15/2026 1.150% Due 05/15/2026	500,000.00	11/24/2021 1.61%	490,095.00 490,095.00	93.05 2.95%	465,225.50 2,172.22	0.47% (24,869.50)	A3 / A+ A	4.13 3.96
89114TZG0	Toronto-Dominion Bank Note 1.250% Due 09/10/2026	500,000.00	11/17/2021 1.70%	489,720.00 489,720.00	92.07 3.18%	460,339.50 364.58	0.46% (29,380.50)	A1 / A AA-	4.45 4.26
06368FAC3	Bank of Montreal Note 1.250% Due 09/15/2026	500,000.00	11/18/2021 1.64%	491,120.00 491,120.00	91.93 3.21%	459,651.50 277.78	0.46% (31,468.50)	A2 / A- AA-	4.46 4.27
931142ER0	Wal-Mart Stores Callable Note Cont 08/17/2026 1.050% Due 09/17/2026	80,000.00	09/08/2021 1.09%	79,848.80 79,848.80	93.10 2.70%	74,478.64 32.67	0.07% (5,370.16)	Aa2 / AA AA	4.47 4.31
87612EBM7	Target Corp Callable Note Cont 12/15/2026 1.950% Due 01/15/2027	215,000.00	01/19/2022 1.99%	214,634.50 214,634.50	96.72 2.69%	207,940.26 780.27	0.21% (6,694.24)	A2 / A A	4.80 4.51
808513BY0	Charles Schwab Corp Callable Note Cont 2/3/2027 2.450% Due 03/03/2027	80,000.00	03/01/2022 2.47%	79,913.60 79,913.60	97.21 3.06%	77,770.40 152.44	0.08% (2,143.20)	A2 / A A	4.93 4.58
084664CZ2	Berkshire Hathaway Callable Note Cont 2/15/2027 2.300% Due 03/15/2027	430,000.00	03/07/2022 2.30%	429,918.30 429,918.30	98.28 2.67%	422,610.88 439.56	0.42% (7,307.42)	Aa2 / AA A+	4.96 4.64
TOTAL Corporate		8,620,000.00	1.69%	8,610,504.10	2.48%	8,342,803.68 24,038.30	8.38% (267,700.42)	A1 / A+ A+	2.67 2.56
LAIF									
90LAIF\$00	Local Agency Investment Fund State Pool	28,009,607.18	Various 0.42%	28,009,607.18 28,009,607.18	1.00 0.42%	28,009,607.18 15,400.50	28.07% 0.00	NR / NR NR	0.00 0.00
TOTAL LAIF		28,009,607.18	0.42%	28,009,607.18	0.42%	28,009,607.18 15,400.50	28.07% 0.00	NR / NR NR	0.00 0.00



Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
Local Gov Investment Pool									
90SDCP\$00	County of San Diego Pooled Investment Pool	35,736,000.00	Various 0.74%	35,736,000.00 35,736,000.00	1.00 0.74%	35,736,000.00 0.00	35.79% 0.00	NR / NR AAA	0.00 0.00
TOTAL Local Gov Investment Pool		35,736,000.00	0.74%	35,736,000.00	0.74%	35,736,000.00 0.00	35.79% 0.00	NR / NR Aaa	0.00 0.00
Money Market Fund									
60934N807	Federated Investors Govt Oblig Fund Inst.	37,426.84	Various 0.01%	37,426.84 37,426.84	1.00 0.01%	37,426.84 0.00	0.04% 0.00	Aaa / AAA AAA	0.00 0.00
TOTAL Money Market Fund		37,426.84	0.01%	37,426.84	0.01%	37,426.84 0.00	0.04% 0.00	Aaa / AAA Aaa	0.00 0.00
Supranational									
459058JM6	Intl. Bank Recon & Development Note 0.250% Due 11/24/2023	320,000.00	11/17/2020 0.32%	319,312.00 319,312.00	96.82 2.22%	309,839.68 282.22	0.31% (9,472.32)	Aaa / AAA AAA	1.65 1.63
459058GQ0	Intl. Bank Recon & Development Note 2.500% Due 03/19/2024	450,000.00	01/26/2021 0.26%	481,473.00 481,473.00	100.34 2.32%	451,518.30 375.00	0.45% (29,954.70)	Aaa / AAA AAA	1.97 1.91
4581X0DZ8	Inter-American Dev Bank Note 0.500% Due 09/23/2024	505,000.00	09/15/2021 0.52%	504,626.30 504,626.30	95.31 2.46%	481,300.35 56.11	0.48% (23,325.95)	Aaa / AAA NR	2.48 2.43
45950KCR9	International Finance Corp Note 1.375% Due 10/16/2024	300,000.00	07/12/2021 0.54%	308,070.00 308,070.00	97.46 2.41%	292,392.00 1,890.63	0.29% (15,678.00)	Aaa / AAA NR	2.55 2.46
TOTAL Supranational		1,575,000.00	0.41%	1,613,481.30	2.36%	1,535,050.33 2,603.96	1.54% (78,430.97)	Aaa / AAA Aaa	2.18 2.12
US Treasury									
9128284D9	US Treasury Note 2.500% Due 03/31/2023	450,000.00	12/27/2018 2.58%	448,505.86 448,505.86	100.76 1.73%	453,410.10 30.74	0.45% 4,904.24	Aaa / AA+ AAA	1.00 0.99
912828WE6	US Treasury Note 2.750% Due 11/15/2023	600,000.00	07/22/2019 1.78%	624,000.00 624,000.00	100.89 2.19%	605,367.00 6,244.48	0.61% (18,633.00)	Aaa / AA+ AAA	1.63 1.57
91282CBA8	US Treasury Note 0.125% Due 12/15/2023	700,000.00	12/28/2020 0.18%	698,824.22 698,824.22	96.53 2.21%	675,691.10 257.21	0.68% (23,133.12)	Aaa / AA+ AAA	1.71 1.69
91282CBE0	US Treasury Note 0.125% Due 01/15/2024	550,000.00	01/28/2021 0.19%	548,990.23 548,990.23	96.28 2.26%	529,525.15 144.34	0.53% (19,465.08)	Aaa / AA+ AAA	1.79 1.77
912828W71	US Treasury Note 2.125% Due 03/31/2024	225,000.00	12/05/2019 1.63%	229,640.63 229,640.63	99.64 2.31%	224,200.13 13.06	0.22% (5,440.50)	Aaa / AA+ AAA	2.00 1.95



Holdings Report

As of March 31, 2022

City of National City Consolidated - Account #10218

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
91282CBV2	US Treasury Note 0.375% Due 04/15/2024	650,000.00	04/29/2021 0.34%	650,583.98 650,583.98	96.12 2.33%	624,787.15 1,125.00	0.63% (25,796.83)	Aaa / AA+ AAA	2.04 2.01
91282CCG4	US Treasury Note 0.250% Due 06/15/2024	300,000.00	06/24/2021 0.46%	298,160.16 298,160.16	95.44 2.38%	286,324.20 220.47	0.29% (11,835.96)	Aaa / AA+ AAA	2.21 2.18
91282CCT6	US Treasury Note 0.375% Due 08/15/2024	800,000.00	12/15/2021 0.90%	789,000.00 789,000.00	95.30 2.42%	762,437.60 372.93	0.76% (26,562.40)	Aaa / AA+ AAA	2.38 2.34
91282CDH1	US Treasury Note 0.750% Due 11/15/2024	650,000.00	11/29/2021 0.84%	648,324.22 648,324.22	95.66 2.47%	621,816.65 1,844.96	0.62% (26,507.57)	Aaa / AA+ AAA	2.63 2.56
912828ZT0	US Treasury Note 0.250% Due 05/31/2025	675,000.00	02/25/2021 0.60%	665,112.30 665,112.30	93.16 2.51%	628,857.68 565.59	0.63% (36,254.62)	Aaa / AA+ AAA	3.17 3.11
9128284Z0	US Treasury Note 2.750% Due 08/31/2025	675,000.00	06/17/2021 0.70%	732,111.33 732,111.33	100.83 2.50%	680,589.68 1,614.13	0.68% (51,521.65)	Aaa / AA+ AAA	3.42 3.24
91282CAM3	US Treasury Note 0.250% Due 09/30/2025	1,000,000.00	Various 1.02%	970,800.79 970,800.79	92.48 2.51%	924,805.00 6.84	0.93% (45,995.79)	Aaa / AA+ AAA	3.50 3.44
91282CAT8	US Treasury Note 0.250% Due 10/31/2025	650,000.00	11/29/2021 1.07%	629,535.16 629,535.16	92.30 2.51%	599,955.20 682.32	0.60% (29,579.96)	Aaa / AA+ AAA	3.59 3.52
91282CAZ4	US Treasury Note 0.375% Due 11/30/2025	800,000.00	Various 0.98%	780,535.15 780,535.15	92.55 2.51%	740,437.60 1,005.49	0.74% (40,097.55)	Aaa / AA+ AAA	3.67 3.59
912828P46	US Treasury Note 1.625% Due 02/15/2026	1,300,000.00	Various 1.56%	1,303,801.76 1,303,801.76	96.78 2.50%	1,258,104.91 2,626.04	1.26% (45,696.85)	Aaa / AA+ AAA	3.88 3.72
9128286L9	US Treasury Note 2.250% Due 03/31/2026	1,000,000.00	10/25/2021 1.09%	1,050,234.38 1,050,234.38	99.09 2.49%	990,859.00 61.48	0.99% (59,375.38)	Aaa / AA+ AAA	4.00 3.80
912828R36	US Treasury Note 1.625% Due 05/15/2026	1,000,000.00	10/25/2021 1.12%	1,022,500.00 1,022,500.00	96.61 2.50%	966,055.00 6,149.86	0.97% (56,445.00)	Aaa / AA+ AAA	4.13 3.93
9128282A7	US Treasury Note 1.500% Due 08/15/2026	1,000,000.00	Various 1.10%	1,019,062.50 1,019,062.50	95.96 2.48%	959,609.00 1,864.64	0.96% (59,453.50)	Aaa / AA+ AAA	4.38 4.19
91282CDG3	US Treasury Note 1.125% Due 10/31/2026	1,000,000.00	11/18/2021 1.22%	995,507.81 995,507.81	94.18 2.48%	941,836.00 4,723.76	0.95% (53,671.81)	Aaa / AA+ AAA	4.59 4.40
91282CDK4	US Treasury Note 1.250% Due 11/30/2026	1,000,000.00	12/22/2021 1.22%	1,001,601.56 1,001,601.56	94.74 2.45%	947,422.00 4,189.56	0.95% (54,179.56)	Aaa / AA+ AAA	4.67 4.47
912828V98	US Treasury Note 2.250% Due 02/15/2027	360,000.00	03/29/2022 2.53%	355,387.50 355,387.50	99.09 2.45%	356,709.24 1,006.91	0.36% 1,321.74	Aaa / AA+ AAA	4.88 4.58
TOTAL US Treasury		15,385,000.00	1.07%	15,462,219.54	2.42%	14,778,799.39 34,749.81	14.84% (683,420.15)	Aaa / AA+ Aaa	3.34 3.22
TOTAL PORTFOLIO		100,852,399.90	0.80%	101,052,419.87	1.22%	99,739,774.83 105,186.65	100.00% (1,312,645.04)	Aa1 / AA Aaa	0.98 0.90
TOTAL MARKET VALUE PLUS ACCRUALS						99,844,961.48			





Section 5 | Transactions

Transaction Ledger

As of March 31, 2022

City of National City Consolidated - Account #10218

December 31, 2021 through March 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	01/13/2022	90LAIF\$00	8,754.49	Local Agency Investment Fund State Pool	1.000	0.22%	8,754.49	0.00	8,754.49	0.00
Purchase	01/18/2022	037833EB2	700,000.00	Apple Inc Callable Note Cont 1/8/2026 0.7% Due: 02/08/2026	96.844	1.51%	677,908.00	2,177.78	680,085.78	0.00
Purchase	01/19/2022	05601XAC3	120,000.00	BMW Vehicle Lease Trust 2022-1 A3 1.1% Due: 03/25/2025	99.985	1.11%	119,982.06	0.00	119,982.06	0.00
Purchase	01/24/2022	87612EBM7	215,000.00	Target Corp Callable Note Cont 12/15/2026 1.95% Due: 01/15/2027	99.830	1.99%	214,634.50	0.00	214,634.50	0.00
Purchase	02/07/2022	857477BR3	125,000.00	State Street Bank Callable Note Cont 2/6/2025 1.746% Due: 02/06/2026	100.000	1.75%	125,000.00	0.00	125,000.00	0.00
Purchase	02/23/2022	43815BAC4	195,000.00	Honda Auto Receivables Trust 2022-1 A3 1.88% Due: 05/15/2026	99.985	1.89%	194,970.67	0.00	194,970.67	0.00
Purchase	02/28/2022	9128282A7	200,000.00	US Treasury Note 1.5% Due: 08/15/2026	98.250	1.91%	196,500.00	107.73	196,607.73	0.00
Purchase	02/28/2022	912828P46	675,000.00	US Treasury Note 1.625% Due: 02/15/2026	98.961	1.90%	667,986.33	393.91	668,380.24	0.00
Purchase	03/03/2022	808513BY0	80,000.00	Charles Schwab Corp Callable Note Cont 2/3/2027 2.45% Due: 03/03/2027	99.892	2.47%	79,913.60	0.00	79,913.60	0.00
Purchase	03/15/2022	084664CZ2	430,000.00	Berkshire Hathaway Callable Note Cont 2/15/2027 2.3% Due: 03/15/2027	99.981	2.30%	429,918.30	0.00	429,918.30	0.00
Purchase	03/16/2022	47787JAC2	150,000.00	John Deere Owner Trust 2022-A A3 2.32% Due: 09/16/2026	99.978	2.34%	149,966.82	0.00	149,966.82	0.00
Purchase	03/30/2022	912828V98	360,000.00	US Treasury Note 2.25% Due: 02/15/2027	98.719	2.53%	355,387.50	962.15	356,349.65	0.00
Subtotal			3,258,754.49				3,220,922.27	3,641.57	3,224,563.84	0.00
Security Contribution	01/12/2022	90LAIF\$00	7,500,000.00	Local Agency Investment Fund State Pool	1.000		7,500,000.00	0.00	7,500,000.00	0.00



Transaction Ledger

As of March 31, 2022

City of National City Consolidated - Account #10218

December 31, 2021 through March 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Security Contribution	02/28/2022	90SDCP\$00	188,000.00	County of San Diego Pooled Investment Pool	1.000		188,000.00	0.00	188,000.00	0.00
Security Contribution	03/14/2022	90LAIF\$00	8,000,000.00	Local Agency Investment Fund State Pool	1.000		8,000,000.00	0.00	8,000,000.00	0.00
Subtotal			15,688,000.00				15,688,000.00	0.00	15,688,000.00	0.00
TOTAL ACQUISITIONS			18,946,754.49				18,908,922.27	3,641.57	18,912,563.84	0.00
DISPOSITIONS										
Sale	01/18/2022	037833AK6	700,000.00	Apple Inc Note 2.4% Due: 05/03/2023	102.070	0.79%	714,490.00	3,500.00	717,990.00	13,751.00
Sale	03/03/2022	313379Q69	50,000.00	FHLB Note 2.125% Due: 06/10/2022	100.420	0.56%	50,210.00	244.97	50,454.97	-382.50
Sale	03/09/2022	912828ZD5	410,000.00	US Treasury Note 0.5% Due: 03/15/2023	99.355	1.14%	407,357.42	991.02	408,348.44	-3,539.45
Sale	03/15/2022	313379Q69	150,000.00	FHLB Note 2.125% Due: 06/10/2022	100.358	0.60%	150,537.00	841.15	151,378.15	-1,240.50
Sale	03/30/2022	912828ZD5	265,000.00	US Treasury Note 0.5% Due: 03/15/2023	98.879	1.68%	262,029.10	54.01	262,083.11	-3,550.59
Subtotal			1,575,000.00				1,584,623.52	5,631.15	1,590,254.67	5,037.96
Maturity	01/13/2022	3137EADB2	575,000.00	FHLMC Note 2.375% Due: 01/13/2022	100.000		575,000.00	0.00	575,000.00	-10,310.00
Maturity	02/28/2022	912828ZA1	700,000.00	US Treasury Note 1.125% Due: 02/28/2022	100.000		700,000.00	0.00	700,000.00	-9,925.78
Subtotal			1,275,000.00				1,275,000.00	0.00	1,275,000.00	-20,235.78
Security Withdrawal	01/31/2022	90SDCP\$00	166,000.00	County of San Diego Pooled Investment Pool	1.000		166,000.00	0.00	166,000.00	0.00



Transaction Ledger

As of March 31, 2022

City of National City Consolidated - Account #10218

December 31, 2021 through March 31, 2022

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Security Withdrawal	03/31/2022	90SDCP\$00	672,000.00	County of San Diego Pooled Investment Pool	1.000		672,000.00	0.00	672,000.00	0.00
Subtotal			838,000.00				838,000.00	0.00	838,000.00	0.00
TOTAL DISPOSITIONS			3,688,000.00				3,697,623.52	5,631.15	3,703,254.67	-15,197.82



Important Disclosures

As of March 31, 2022

2022 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ice Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.



California Local Agency Investment Fund

The California State Local Agency Investment Fund (LAIF) is an investment portfolio managed by the State Treasurer. All securities are purchased under the authority of Government Code Section 16430 and 16480.4 and include securities issued by entities of the US Government, including the US Treasury and Agencies, Corporate debt, Certificates of Deposit, Mortgage Backed Securities and certain loans to the State and state agencies. The average maturity of the Fund will be between 120 days and 18 months.

ICE BofA 1-5 Yr US Treasury & Agency Index*

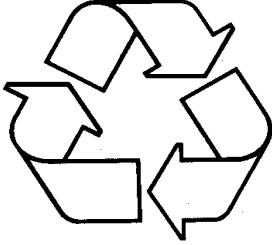
ICE BofA 1-3 Yr US Treasury & Agency Index

The ICE BofA 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

ICE BofA 1-5 Yr US Treasury & Agency Index

The ICE BofA 1-5 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than five years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies.

Item 7.B.



**REGIONAL SOLID WASTE
ASSOCIATION**

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
From: General Manager James H. Eggart
Subject: Fourth Quarter FY 21/22 Budget and Expenditure Status – Item 7.B.
Date: RSWA Agenda June 30, 2022

Attached for your information are the following reports:

The Financial Status Report as of June 22, 2022 (Fourth Quarter FY 2021/2022) which shows a Fund Balance for the Fourth Quarter in the amount of \$339,963.

The RSWA Cash Activity Report as of June 22, 2022.

CITY OF NATIONAL CITY

MEMORANDUM

TO: James H. Eggart, RSWA General Manager/General Counsel

FROM: Phillip Davis, Financial Analyst

DATE: June 22, 2022

SUBJECT: Regional Solid Waste Association's Budget Status

Attached are the Financial Status Report and Cash Activity Report for the Regional Solid Waste Association (RSWA) for the fiscal year (FY) 2021-22. The attached reports present activity from July 1, 2021 through June 22, 2022.

REVENUES

Year-to-date (YTD) activity includes actual revenue of \$313,249 which represents 91.20 percent of the FY 2021-22 budgeted revenues. Interest earnings have been posted through July 31, 2021. Actual revenues are consistent with what would be expected at this time.

EXPENDITURES

The YTD activity includes actual expenditures through June 22, 2022, totaling \$444,641, which represents 89.23 percent of the FY 2021-22 budgeted amount. The actual expenditures are consistent with what would be expected at this time.

FUND BALANCE

The total fund balance as of June 22, 2022 is \$339,963 which includes a balance of \$80,000 set aside and reserved for two household hazardous waste facility closures in the future.

**REGIONAL SOLID WASTE ASSOCIATION
FY 2021-2022 FINANCIAL STATUS REPORT
AS OF JUNE 22, 2022**

	<u>ANNUAL BUDGET</u>	<u>ACTUAL THRU 6/22/2022</u>	<u>% of Budget</u>
BEGINNING BALANCE (6-30-2021 Fund Balance)	\$ 464,807	\$ 464,807	
GASB 31 FAIR MARKET VALUE ADJ		6,549	
ADJUSTED BEGINNING BALANCE		<u>471,356</u>	
 REVENUES			
DISPOSAL AGREEMENT VOLUME REBATE	287,478	287,478	100.00%
HHW NON-MEMBER	50,000	31,509	63.02%
INVESTMENT EARNINGS	6,000	811	*
GASB 31 FAIR MARKET VALUE ADJ	-	(6,549)	0.00%
TOTAL REVENUES	<u>343,478</u>	<u>313,249</u>	91.20%
 EXPENDITURES			
DIRECTOR STIPENDS/PAYROLL PROCESSING	10,000	10,786	107.86%
INSURANCE	7,706	7,706	99.99%
TRAINING, TRAVEL AND MEETINGS	8,000	-	0.00%
AUDIT SERVICES	3,600	-	0.00%
LEGAL SERVICES	29,000	20,000	68.97%
CONSULTANT SERVICES	45,000	30,490	67.76%
REIMBURSEMENTS	1,000	358	0.00%
HHW & ORGANIC EDUCATION	49,000	49,000	100.00%
HHW PERMITS	2,300	984	42.78%
HHW FACILITY SECURITY & PHONE	3,200	3,148	98.38%
WEBSITE MAINTENANCE	1,110	1,110	100.00%
SPECIAL PROGRAMS (HHW & ORGANICS)	3,000	-	0.00%
SB 1383 COMPLIANCE FUNDING	128,000	127,690	99.76%
EQUITY ADJUSTMENT PAYMENT	43,373	43,370	99.99%
ENVIRONMENTAL ENHANCEMENT PROGRAM	150,000	150,000	100.00%
TREASURER/CONTROLLER	12,000	-	0.00%
CONTINGENCY	2,000	-	0.00%
TOTAL EXPENDITURES	<u>498,289</u>	<u>444,641</u>	89.23%
 TOTAL ENDING FUND BALANCE	<u>\$ 309,996</u>	<u>\$ 339,963</u>	
 CASH		\$ 336,173	
CASH - PAYROLL		3,789	
TOTAL ASSETS		<u>\$ 339,963</u>	
 ACCOUNTS PAYABLE		\$ -	
TOTAL LIABILITIES		<u>\$ -</u>	
 FUND BALANCE, UNRESERVED/UNDESIGNATED		\$ 259,963	
VISTA HHW FACILITY CLOSURE DESIGNATION		40,000	
POWAY HHW FACILITY CLOSURE DESIGNATION		40,000	
TOTAL FUND BALANCE		<u>\$ 339,963</u>	
 TOTAL LIABILITIES AND FUND BALANCE		<u>\$ 339,963</u>	

* Investment earnings through 7/31/2021

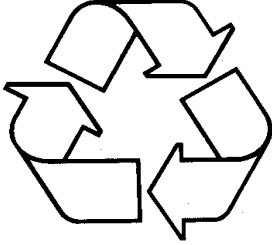
**RSWA Cash Account
JULY 1, 2021 - JUNE 22, 2022**

Date	Check #	Name	Description	Deposit	Disbursement	Cash Balance
7/1/2021		BALANCE CARRIED FORWARD FROM 6/30/2021				497,464.54
7/8/2021	130824	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (JUNE)		15,590.00	481,874.54
7/8/2021	130563	COUNTY OF SAN DIEGO - DEPARTMENT OF	UNIFIED PROGRAM FACILITY PERMIT		984.00	480,890.54
7/15/2021		EDCO	EDCO CONTRACT VOLUME REBATE	287,478.14		768,368.68
7/22/2021	131113	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (JUNE)		20,743.50	747,625.18
7/22/2021	131139	PRIETO, ANTHONY	WEBSITE MAINT/HOSTING/DOMAIN (21/22)		1,109.98	746,515.20
7/22/2021	131146	WOODRUFF, SPRADLIN & SMART	LEGAL SERVICES (JUL-SEP)		7,750.00	738,765.20
7/29/2021	131176	GREEN, JOSEPH	REIMB-WASTE EXPO TRAVEL (6/27-7/1)		1,291.91	737,473.29
7/29/2021	131198	MORRISON, RON	REIMB-WASTE EXPO TRAVEL (6/27-7/1)		1,655.24	735,818.05
7/31/2021		INTEREST ALLOCATION	INTEREST ALLOCATION	811.00		736,629.05
8/26/2021	131839	DAVIS FARR LLP	CITY AUDIT FYE 20/21 (INTERIM WORK)		750.00	735,879.05
9/7/2021	354602	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (JULY)		17,725.00	718,154.05
9/7/2021	354614	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (AUG)		2,750.00	715,404.05
9/21/2021	354699	CITY OF DEL MAR	ENVIRONMENTAL FUND DIST FY 21/22		3,659.55	711,744.50
9/21/2021	354699	CITY OF DEL MAR	HHW EDUC APPROPRIATION FY21/22		7,000.00	704,744.50
9/21/2021	354700	CITY OF ENCINITAS	ENVIRONMENTAL FUND DIST FY 21/22		33,647.92	671,096.58
9/21/2021	354700	CITY OF ENCINITAS	HHW EDUC APPROPRIATION FY21/22		7,000.00	664,096.58
9/21/2021	354701	CITY OF ESCONDIDO	HHW EDUC APPROPRIATION FY21/22		7,000.00	657,096.58
9/21/2021	354702	CITY OF NATIONAL CITY	ENVIRONMENTAL FUND DIST FY 21/22		23,297.62	633,798.96
9/21/2021	354702	CITY OF NATIONAL CITY	HHW EDUC APPROPRIATION FY21/22		7,000.00	626,798.96
9/21/2021	354703	CITY OF POWAY	ENVIRONMENTAL FUND DIST FY 21/22		29,642.58	597,156.38
9/21/2021	354703	CITY OF POWAY	HHW EDUC APPROPRIATION FY21/22		7,000.00	590,156.38
9/21/2021	354704	CITY OF SOLANA BEACH	ENVIRONMENTAL FUND DIST FY 21/22		6,186.38	583,970.00
9/21/2021	354704	CITY OF SOLANA BEACH	HHW EDUC APPROPRIATION FY21/22		7,000.00	576,970.00
9/21/2021	354705	CITY OF VISTA	ENVIRONMENTAL FUND DIST FY 21/22		53,565.95	523,404.05
9/21/2021	354705	CITY OF VISTA	HHW EDUC APPROPRIATION FY21/22		7,000.00	516,404.05
9/21/2021	354751	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (AUG)		14,390.00	502,014.05
9/21/2021	354768	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (SEPT)		2,750.00	499,264.05
9/21/2021	354769	WOODRUFF, SPRADLIN & SMART	REIMB-WASTE EXPO CONF FEE (6/27-7/1)		1,345.00	497,919.05
9/21/2021	354770	WOODRUFF, SPRADLIN & SMART	LEGAL SERVICES THROUGH JULY 31, 2021		735.48	497,183.57
9/27/2021	354781	ALLIANT INSURANCE SERVICES	SPECIAL LIABILITY INSURANCE POLICY		5,224.53	491,959.04
10/19/2021	355210	WOODRUFF, SPRADLIN & SMART	LEGAL SERVICES (OCT - DEC)		5,000.00	486,959.04
10/19/2021	355197	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (SEPT)		13,902.50	473,056.54
10/19/2021	355211	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (OCT)		2,750.00	470,306.54
11/10/2021	355447	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (NOV)		2,750.00	467,556.54
11/17/2021	355571	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (OCT)		10,197.50	457,359.04
12/8/2021	355947	WOODRUFF, SPRADLIN & SMART	REIMB - INCIDENTAL CHARGES		43.99	457,315.05
12/8/2021	355947	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (DEC)		2,750.00	454,565.05
12/9/2021	356000	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (NOV)		6,695.00	447,870.05
2/11/2022		CLEAN EARTH QUARTER 1 PAYMENT	JULY TO SEPT 2021 PERIOD	17,732.04		465,602.09
2/11/2022		CLEAN EARTH QUARTER 2 PAYMENT	SEPT TO DEC 2021 PERIOD	13,776.46		479,378.55
2/24/2022	356796	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (DEC & JAN)		22,760.00	456,618.55
2/24/2022	356805	THALES CONSULTING INC	PREPARED STATE CONTROLLERS REPORT		240.00	456,378.55
2/24/2022	356980	WOODRUFF, SPRADLIN & SMART	REIMB - INCIDENTAL CHARGES (NOV, DEC & JAN)		221.09	456,157.46
2/24/2022	356812	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (JAN AND FEB)		5,500.00	450,657.46
2/24/2022	DIR DEP	BOARD OF DIR STIPEND PAYMENTS	VARIOUS MEETING DATES		3,900.00	446,757.46
2/24/2022	EFT	U.S. TREASURY	PAYROLL TAX		298.32	446,459.14
2/25/2022	DIR DEP	BOARD OF DIR STIPEND PAYMENTS	VARIOUS MEETING DATES		3,300.00	443,159.14
2/25/2022	EFT	U.S. TREASURY	PAYROLL TAX		252.46	442,906.68
3/3/2022	356980	WOODRUFF, SPRADLIN & SMART	LEGAL SERVICES (JAN - MARCH)		5,000.00	437,906.68
3/10/2022	357426	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (MAR)		2,750.00	435,156.68
3/15/2022	357419	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (FEB)		15,795.00	419,361.68
4/26/2022	357873	CITY OF NATIONAL CITY	EQUITY ADJUSTMENT PAYMENT 21/22		19,087.00	400,274.68
4/26/2022	357874	CITY OF POWAY	EQUITY ADJUSTMENT PAYMENT 21/22		24,283.00	375,991.68
4/26/2022	357911	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (MAR)		15,695.00	360,296.68
4/26/2022	357932	WOODRUFF, SPRADLIN & SMART	LEGAL SERVICES (APR - JUNE)		5,000.00	355,296.68
4/26/2022	357932	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (APR)		2,750.00	352,546.68
4/26/2022	357932	WOODRUFF, SPRADLIN & SMART	REIMB - INCIDENTAL CHARGES		58.23	352,488.45
5/24/2022	358325	CAPFORGE INC.	STIPEND PROCESSING		290.00	352,198.45
5/26/2022	358374	SOLANA CENTER FOR ENVIRON INNOVATION	SB1383 COMPLIANCE SUPP SVCES (APR)		10,530.00	341,668.45
5/12/2022	DIR DEP	BOARD OF DIR STIPEND PAYMENTS	VARIOUS MEETING DATES		2,550.00	339,118.45
5/12/2022	EFT	U.S. TREASURY	PAYROLL TAX		195.10	338,923.35
5/26/2022	358391	WOODRUFF, SPRADLIN & SMART	GENERAL MANAGER SVCS (MAY)		2,750.00	336,173.35
TOTALS				319,797.64	481,088.83	336,173.35

**RSWA PAYROLL ACCOUNT
JULY 1, 2021 - JUNE 22, 2022**

Date	Check #	Name	Description	Deposit	Disbursement	Cash Balance
7/1/2021		BALANCE CARRIED FORWARD FROM 6/30/21				4,186.85
7/12/2021		U.S. TREASURY	PAYROLL TAX		252.40	3,934.45
7/19/2021		CAP FORGE	PAYROLL PROCESSING		145.00	3,789.45
TOTALS				-	397.40	3,789.45

Item 7.C.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
 From: General Manager James H. Eggart
 Subject: FY 2021/2022 Budget Adjustments
 Date: June 30, 2022

BACKGROUND / DISCUSSION

An amended Fiscal Year 2021/2022 Budget was adopted by the Board on December 9, 2021. It is now known or anticipated that required expenditures in some expenditure categories will exceed currently budgeted amounts. Although it is anticipated that these additional expenses can be offset the administrative transfers of funds excess budgeted funds in other expense categories, the General Manager and Budget Subcommittee is recommending that the Board adopt an updated Fiscal Year 2021/2022 Budget to ensure that the total budget for expenses is not exceeded once all expenses are accounted for. Accordingly, the following adjustments to the current Fiscal Year 2021/2022 Budget are proposed:

Direct Stipends/Payroll Processing

Because of AB 361's requirement to re-adopt findings allowing teleconference meetings at least every 30 days during a State of Emergency, the Board met nine (9) times in Fiscal Year 2021/2022, rather than the usual four (4). There were also several meetings of subcommittees formed by the Board. As a result, expenses attributable to Board Member stipends and related costs of payroll processing will exceed the adopted budget. It is recommended that the budget for this category be increased by \$2,500 to cover anticipated actual expenditures for the year.

Training, Travel and Meetings

The Board has budgeted \$8,000 for Training, Travel and Meetings for the year. No Board Members attended any conferences this year, however, and the June 16, 2022 Budget Subcommittee meeting and the June 30, 2022 Board meeting are the only in-person meetings at which expenses may be incurred. Therefore, minimal expenses for this category are anticipated. Accordingly, it is recommended that the budget for this category be decreased to \$500 for the current year.

Audit Services

The Board has budgeted \$3,600 for Audit Services for the year. Per National City, the actual amount for this line item is anticipated to be \$4,000. Therefore, it is recommended that the budget for this category be increased by \$400 to cover anticipated actual expenditures for the year.

HHW Permits

The Board budgeted \$2,300 to cover the expense of permitting of the two permanent HHW facilities based on historical charges. Due to unanticipated rate increases and new charges levied by the County of San Diego, HHW Permit expenses will actually be \$4,710 this year. Accordingly, it is recommended that the budget for this category be increased by \$2,410 to cover actual expenditures for the year.

HHW Facility Security and Phone

The Board budgeted \$3,200 to cover the expense of the HHW hotline and security monitoring for the Vista HHW facility. The actual charges for the year for these items totaled \$3,148. Accordingly, it is recommended that the budget for this category be decreased by \$52 to match the actual expenditures for the year.

Special Programs

The Board budgeted \$3,000 for Special Programs for the year. However, no expenditures attributable this category are anticipated. Accordingly, it is recommended that the budget for this category be decreased to \$0 for the current year.

SB 1383 Compliance Funding

The Board increased the budgeted amount for this category to \$128,000 on December 9, 2021, in conjunction with the approval of Amendment No. 2 to the contract with Solana Center for Environmental Innovation for SB 1383 Compliance Support Services. The Budget should have been increased to \$135,700 at that time to cover the expanded scope of work but was not increased enough due to an administrative math error. The actual contract amount for the work anticipated to be performed in Fiscal Year 2021/2022 is \$135,700. It is not anticipated that Solana Center will exceed the contract amount. Accordingly, it is recommended that the budget for this category be increased by \$7,700 to \$135,700 to reflect the actual expense to be incurred this Fiscal Year under the existing contract.

Equity Adjustment Payments

It is recommended that the budget for this category be reduced by \$3 to reflect the actual expenditures for Equity Adjustment Payments to Poway and National City.

The budget adjustments described above will result in a \$2,455 aggregate increase in the total expenditure budget for Fiscal Year 2021/2022 and should result in a sufficient cushion to account for unanticipated charges that have not yet been recognized or accounted for.

A copy of a proposed Amended Fiscal Year 2021/2022 Budget incorporating the above adjustments is attached to this Report.

RECOMMENDED ACTION

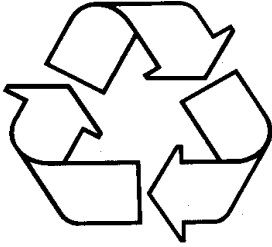
Approve the proposed budget adjustments and amended Budget for Fiscal Year 2021/2022.

ATTACHMENTS

Proposed Amended Fiscal Year 2021/2022 Budget.

Regional Solid Waste Association Proposed Fiscal Year 2021/2022 Amended Budget		
	Adopted Budget (12/09/21)	Amended Budget (6/30/22)
<i>Estimated Revenues</i>		
Disposal Agreement Volume Rebate	287,478	287,478
HHW Non-Member	50,000	50,000
Investment Earnings	6,000	6,000
Total Revenues	\$343,478	343,478
<i>Expenditures</i>		
Director Stipends/Payroll Processing	10,000	12,500
Insurance	7,706	7,706
Training, Travel and Meetings	8,000	500
Audit Services	3,600	4,000
Legal Services	29,000	29,000
Consultant Services	45,000	45,000
Reimbursements	1,000	1,000
HHW Permits	2,300	4,710
HHW Facility Security & Phone	3,200	3,148
Website Maintenance	1,110	1,110
Special Programs (HHW & Organics)	3,000	0
SB 1383 Compliance Funding	128,000	135,700
HHW & Organics Education	49,000	49,000
Environmental Enhancement Program	150,000	150,000
Equity Adjustment Payments	43,373	43,370
Treasurer/Controller	12,000	12,000
Contingency	2,000	2,000
Total Expenditures	\$498,289	\$500,744
<i>Closure Reserve Fund</i>		
Vista HHW Facility Closure Designation	40,000	40,000
Poway HHW Facility Closure Designation	40,000	40,000
Total Closure Reserve Fund	\$80,000	\$80,000

Item 7.D.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
 From: General Manager James H. Eggart
 Subject: Proposed FY 2022/2023 and FY 2023/2024 Budgets
 Date: June 30, 2022

HISTORY/BACKGROUND

Historically, the RSWA Board has annually adopted two-year budgets. The RSWA Board adopted a Budget for Fiscal Year 2022/2023 at its June 24, 2021 meeting. At its March 31, 2022 meeting, the RSWA Board appointed an ad hoc Budget Subcommittee to meet and make recommendations for adoption of an amended Budget for Fiscal Year 2022/2023 and a new Budget for Fiscal Year 2023/2024. The Budget Subcommittee is comprised of Chairperson Morrison, Vice-Chairperson Worden, and Treasurer Grosch. The Budget Subcommittee met on June 16, 2022. This Memorandum provides additional detail on the components of the RSWA's Budget and the Subcommittee's recommendations.

ESTIMATED REVENUES

Disposal Agreement Volume Rebate

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$287,478	\$287,478	\$301,852	\$301,852

The majority of RSWA's revenues are derived from the "Volume Rebate" paid by EDCO Disposal Corporation (EDCO) pursuant to the Transfer and Disposal Services Agreement between the RSWA and EDCO. Pursuant to the formula established by the Agreement, the annual adjustment to the Volume Rebate is the sum of the "CPI component" and the "volume component." The CPI component is calculated by multiplying the current Volume Rebate amount by the increase in the CPI for the immediately preceding year, with a floor of 1.5% and a cap of 5%. The volume component is calculated by multiplying 1/3 the Volume Rebate amount as increased by the CPI component by the

percentage increase in the total aggregate volume of waste generated by the RSWA cities over the preceding year.

For FY 2021/2022, the actual Volume Rebate paid by EDCO was \$287,478. When the FY 2022/2023 Budget was initially adopted in June 2021, the data needed to calculate actual amount of the Volume Rebate for FY 2022/2023 was not yet known, so the budgeted amount was established at the same level as the Volume Rebate for the prior year. The actual Volume Rebate for FY 2022/2023 has now been calculated and is reflected in the proposed amended Budget (\$301,852). Because the Volume Rebate amount for FY 2023/2024 cannot yet be calculated, the Budget Subcommittee recommends that this same amount be used for FY 2023/2024, which is consistent with historical practice. This estimate will be updated to reflect the actual amount when the RSWA Board goes through the budgeting process again next year.

HHW Non-Member Revenue

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$60,000	\$50,000	\$50,000	\$50,000

This revenue source is derived from the Household Hazardous Waste Inter-Jurisdictional Agreements between RSWA and the Cities of Carlsbad and San Marcos, pursuant to which some of the HHW drop-off and home pick-up services available to RSWA City residents are extended to the residents of Carlsbad and San Marcos. Carlsbad and San Marcos pay a slightly higher rate than the RSWA cities for these services, and RSWA keeps the revenue generated by this rate differential. In 2020, new rates were negotiated with Carlsbad and San Marcos, and the RSWA Board approved new 5-year agreements with these two cities at its June 25, 2020 Board meeting.

For the prior four Fiscal Years, RSWA has received \$56,993, \$62,394, \$53,913, and 79,157, respectively, in Non-Member HHW Revenues. Non-Member HHW Revenues through the first three quarters of FY 2021/2022 total \$47,475, and it is estimated that total Non-Member HHW Revenues for the full Fiscal Year will be approximately \$60,000. Because this revenue source is highly variable and subject to events outside of the RSWA's control, however, the RSWA Board has traditionally estimated conservatively when establishing the budgeted amount for this item of revenue. The Budget Subcommittee is recommending that the estimated amount for this item remain at \$50,000 for each of FY 2022/2023 and 2023/2024.

Investment Earnings

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$6,000	\$6,000	\$8,000	\$8,000

All of the RSWA's funds are invested in the City of National City's portfolio. The RSWA has separate fund within National City's portfolio and an undivided interest therein. Investment earnings are periodically allocated to the RSWA based on upon the RSWA's cash balance as a percentage of the overall National City portfolio. Total investment earnings for FY 2021/2022 have not yet been calculated, but it is estimated they will be at or above the budgeted amount of \$6,000. Actual investment earnings for Fiscal Years 2018/2019, 2019, 2020, and 2020/2021 were \$8,411, \$11,157, and \$8,954, respectively. Due to increases in interest rates, the City of National City projects that investment earnings may increase slightly in the next two years. The Budget Subcommittee is recommending that the estimated amount for this revenue item be increased from \$6,000 to \$8,000 for each of FY 2022/2023 and 2023/2024.

EXPENDITURESDirector Stipends / Payroll Processing

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$12,500	\$8,000	\$12,000	\$10,000

This expenditure item consists of Board Member stipend payments (\$150 per meeting), the RSWA's share of mandatory employer taxes, and payroll processing fees paid to the RSWA's third-party payroll vendor. As a result of additional Board and Board Subcommittee meetings, it is estimated that the RSWA will incur approximately \$12,500 in such costs for FY 2021/2022. There are currently three active subcommittees, and it is anticipated several subcommittee meetings may be needed in FY 2022/2023. Therefore, the Budget Subcommittee is recommending that the estimated amount for this expenditure item be increased from \$8,000 to \$12,000 FY 2022/2023 and be tentatively set at \$10,000 for FY 2023/2024.

Insurance

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$7,706	\$7,000	\$8,000	\$8,000

RSWA maintains both a special liability insurance policy and a crime insurance policy to protect the organization and Board Members from liability and loss. In FY 2021/2022, the premiums for these two policies totaled \$7,706. It is anticipated that premiums for both policies may increase slightly for FY 2022/2023, but the total amounts are not yet known. To account for potential increases, the Budget Subcommittee is recommending that the annual budget for Insurance be increased from \$7,000 to \$8,000 for both FY 2022/2023 and 2023/2024.

Training, Travel and Meetings

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$325	\$8,000	\$8,000	\$9,000

This expenditure item consists of two separate components: (1) costs incurred in conjunction with the RSWA Board meetings and Subcommittee meetings and (2) costs for Board Member attendance of conferences. Since all but three Board and Subcommittee meetings were conducted remotely, and no Board Members attended any conferences, the RSWA will incur minimal meeting costs for FY 2021/2022. However, with the return of in-person meetings and the potential that one or more Board Members will attend conferences next year, it is anticipated that expenditures for this category will return to historical levels. The Budget Subcommittee is recommending that the budget for Training, Travel and Meetings remain at \$8,000 for FY 2022/2023 and be increased to \$9,000 for FY 2023/2024.

Audit Services

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$4,000	\$3,700	\$5,000	\$5,000

RSWA's financial statements are audited by the City of National City's auditor, and National City includes the cost for the RSWA audit in its contract with the auditor. In FY 2021/2022, RSWA's share of the cost of the annual audit is anticipated to be approximately \$4,000. The proposed Budget amounts of \$5,000 for FY 2021/2022 and FY 2022/2023 reflect projections from National City based on its contract negotiations with its auditor.

Legal Services

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$29,000	\$24,000	\$30,000	\$30,000

The RSWA contracts with Woodruff, Spradlin & Smart (WSS) for legal services. The Legal Services Budget generally covers the following services:

- Attendance of RSWA Meetings. The Agreement specifically provides that attendance at meetings be billed at the legal services rate in consideration for WSS providing General Manager services at a rate lower than it typically charges its clients for legal services.
- Negotiation and preparation of contracts.
- Insurance and risk management services.
- Preparation of Board Resolutions, Bylaws, and similar legal documents.
- Research and preparation of memorandums and presentations to the Board of Directors regarding pending legislation pertaining to household hazardous waste, organic waste, and other pertinent solid waste issues.
- Research and monitoring of state and local HHW, organics disposal, and other pertinent solid waste regulations that impact the RSWA and RSWA Member Cities.
- Research and advice concerning compliance with State laws governing public agencies, such as the Brown Act, the Political Reform Act, the Public Records Act, laws governing the investment of public funds, and laws requiring the reporting of specified financial and compensation information.

It is anticipated that legal services costs for FY 2021/2022 will be approximately \$29,000. At this time, it is anticipated that legal services costs will be slightly more next year. The Budget Subcommittee is recommending that the budgeted amount for Legal Services be increased from \$24,000 to \$30,000 for each of FY 2022/2023 and FY 2023/2024.

Consultant Services

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$45,000	\$40,000	\$45,000	\$45,000

Consultant Services includes General Manager services, the services of a consultant to prepare the required State Controller's Office Financial Transactions Report, and other ancillary services of consultants needed by the RSWA from time to time. For the Board's information, the General Manager services budget generally covers the following services:

- Organization of Quarterly RSWA Board meetings and Subcommittee meetings.
- Preparation of agendas, detailed agenda packets, and materials for RSWA Board and Subcommittee meetings.
- Preparation for RSWA Board and Subcommittee meetings.
- Preparation of formal minutes from RSWA Board and Subcommittee Meetings.
- Facilitating the posting and publication of agendas, meeting materials, and meeting minutes in compliance with law.
- Serving as filing official for Board Member's Annual Statement of Economic Interests and administering electronic filing through the County's eDisclosure system.
- Administration and management of RSWA vendors and consultants. This includes management of the contract with Solana Center for SB 1383 compliance services and related frequent interfacing with City staff.
- Frequent Communications with Board Members, Member cities, EDCO, Clean Earth, third-party organizations, and members of the public on RSWA-related matters.
- Working with the City of National City on all RSWA financial matters. This includes submitting invoices to National City for the payment of RSWA expenses and appropriations; reviewing quarterly accounting, financial, and investment reports generated by National City for RSWA funds and seeking clarification and correction when necessary; working with National City to reconcile payroll statements with withdrawals by the RSWA's third-party payroll vendor; and reviewing and providing comments on documents related to the annual audit of RSWA's funds.
- Working with a payroll vendor for the payment of Board member stipends. On an ongoing, basis, this includes providing stipend amounts to the payroll vendor, reviewing payroll reports generated by the payroll vendor and obtaining clarifications when necessary, transmitting paycheck information to Board Members, and monitoring the submission of payroll taxes and other withholdings by the payroll vendor.
- Preparation of the draft Budgets.
- Administration of the RSWA's HHW program. This includes frequent interfacing with Stericycle, EDCO, and City staff on HHW facility issues, responding to inquiries from residents about disposal of HHW, securing permits for the Poway and Vista HHW facilities, reviewing and monitoring the filing of necessary legal compliance documents for the Poway and Vista HHW facilities with CalRecycle and the County of San Diego, administration of the non-Member HHW contracts with Carlsbad and San Marcos, billing of Stericycle for Non-Member HHW amounts; and interfacing with the City of Encinitas on compilation of quarterly HHW collection data and preparation of quarterly HHW participation reports for the Board.
- Preparation and filing of annual compensation reports with the State Controller's Office.

- Review of EDCO’s annual calculation of tip fees for Member Cities and the annual Volume Rebate amount and calculation of annual Equity Adjustment Payment amounts.
- Securing crime and liability insurance for the RSWA on an annual basis in coordination with the City of Encinitas.
- Monitoring the RSWA website and administering the contract with a third-party contractor to manage and administer the website.
- Identification of conferences available to Board Members and registration of Board Members for conferences.
- Periodically reviewing websites, newsletters, listservs, and other resources of CalRecycle, Member cities, Stericycle, local and regional non-profits, and industry groups for pertinent developments pertaining to solid waste, recycling, household hazardous waste, and organic waste.
- Monitoring local media for pertinent stories of interest to the RSWA Board and Member Cities.

As the scope of RSWA's activities has expanded to include organics and SB 1383 compliance assistance, Consultant Services costs have also increased. It is anticipated that Consultant Services costs for FY 2021/2022 will be around \$45,000. It is currently anticipated that Consultant Services costs will remain at or above this level in future years. The Budget Subcommittee is recommending that the budgeted amount for Consultant Services be increased from \$40,000 to \$45,000 for each of FY 2022/2023 and FY 2023/2024.

Reimbursements

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$850	\$1,000	\$1,000	\$1,000

The Reimbursements expense item consists of certain RSWA costs advanced by, and reimbursed to, WSS, such as postage and copying costs. Reimbursements in FY 2021/2022 are anticipated to be less than \$1,000. The Budget Subcommittee is recommending that the Budget for Reimbursements remain at \$1,000 for each of FY 2022/2023 and 2023/2024.

HHW Permits

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$4,710	\$2,300	\$5,000	\$5,000

The County of San Diego Department of Environmental Health issues annual permits the two permanent HHW facilities in Vista and Poway. RSWA pays for these permit costs. The cost of these permits for FY 2021/2022 totaled \$4,710. Due to increases in permit fees charged by the County, the Budget

Subcommittee is recommending that the budget amount for HHW Permits be increased from \$2,300 to \$5,000 for each of FY 2022/2023 and 2023/2024.

HHW Facility Security and Phone

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$3,148	\$3,200	\$3,250	\$3,300

This Budget line item is intended to cover costs associated with the security system for the Vista HHW facility and the cost of the HHW telephone hotline monitored by Clean Earth that members of the public call to inquire about and arrange pick-up or drop-off of their HHW. In FY 2021/2022, the security system cost totaled \$2,448 and the telephone bill was \$700, for a total of \$3,148. The Budget Subcommittee is recommending that the budgeted amount for HHW Facility Security and Phone be increased from \$3,200 to \$3,250 in FY 2022/2023 and to \$3,300 in FY 2023/2024 to account for anticipated increases in the cost of the HHW telephone hotline.

Website Maintenance

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$1,110	\$1,250	\$1,250	\$1,250

The RSWA maintains a website containing general information about the Association, information for the public on disposing of HHW, and RSWA Agenda packets and minutes. RSWA contracts with a third-party vendor to maintain and administer the website. For FY 2021/2022, the cost of the website administrator was \$1,110. Next year's cost for these services is not yet known, but it is anticipated that this cost may increase slightly. The Budget Subcommittee is recommending that the budget for website maintenance services remain at \$1,250 for each of FY 2022/2023 and 2023/2024.

Special Programs (HHW & Organics)

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$0	\$3,000	\$3,000	\$3,000

The Special Programs Budget line item is intended to cover costs of the RSWA HHW Program and initiatives related to organic waste, which are not covered under other Budget line items, such as grant application assistance. No Special Programs costs were incurred in FY 2021/2022. The Budget Subcommittee is recommending that the Special Programs Budget remain at \$3,000 for each of FY 2022/2023 and 2023/2024.

SB 1383 Compliance Funding

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$135,700	\$15,000	\$15,000	\$15,000

This line item is intended to fund contracts for SB 1383 compliance support services to the RSWA Members, which are administered by the RSWA. The RSWA entered into such a contract with Solana Center for Environmental Innovation in March 2021, under which it has paid in excess of \$175,000 for services provided directly to its six regular Member Cities. Expenditures under the Solana Center contract in FY 2021/2022 are anticipated to total \$135,700, and all “Core Services” funded by RSWA under the contract will be completed by June 30th. The majority of these contract expenditures in the last two fiscal years were intended to be a one-time expenditure, funded primarily through a reduction in reserves. The Board was advised at the time that expenditures at this level were not sustainable. Accordingly, when it adopted the initial FY 2022/2023 Budget in June 2021, the Board reset the budget for SB 1383 Compliance Funding back to \$15,000, which is the amount that was budgeted in FY 2019/2020 for assistance to the Member Cities with SB 1383 implementation. The Budget Subcommittee is not recommending a change at this time and is recommending that the budgeted amount for SB 1383 Compliance Funding remain at \$15,000 for each of FY 2022/2023 and FY 2023/2024. Should the Board approve future contracts or contract amendments providing for additional RSWA funded services to the Member Cities, the Board can adjust the Budget at that time.

HHW & Organics Education

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$49,000	\$49,000	\$49,000	\$49,000

For several years, the RSWA has provided a direct appropriation to all seven Member Cities for utilized to support education related to disposal of household hazardous waste and the diversion of organic waste from the landfill. This Educational Appropriation has been \$7,000 per City (\$49,000 total) since 2018 and is typically disbursed in the first quarter of the fiscal year. The Budget Subcommittee is recommending that Educational Appropriation remain at \$7,000 per Member City (or \$49,000 total) for each of FY 2022/2023 and 2023/2024.

Environmental Enhancement Program

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$150,000	\$150,000	\$150,000	\$150,000

The Environmental Enhancement Program is the largest appropriation the RSWA makes to its Member Cities. For the last several years, the RSWA has allocated \$150,000 to the Environmental Enhancement Program. This appropriation provides funding to the six regular Member City to utilize for the household hazardous waste programs, organic waste diversion initiatives, recycling, or other solid waste matters that each City determines are most beneficial to it. The funding amount for each City is roughly proportional to size and is based on the City's prior year solid waste tonnage as a percentage of the total RSWA generated solid waste tonnage. Environmental Enhancement Program distributions are typically made in October of each year. The Budget Subcommittee is recommending that the Budget for the Environmental Enhancement Program remain at \$150,000 for each of FY 2022/2023 and 2023/2024.

Equity Adjustment Payments

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$43,370	\$43,373	\$42,479	\$42,000

When the disposal contract between the RSWA and EDCO was originally entered into in 1999, the Cities of Poway and National City were actually paying less per ton for disposal than the other cities and did not receive a reduction in their disposal rates equivalent to that of the other Member Cities. As a result, the Member Cities agreed to create the "Equity Adjustment" to compensate Poway and National City for this inequity. The Equity Adjustment is calculated by multiplying each City's prior year solid waste tonnage by \$0.50 per ton. The amount was reduced from \$0.75 per ton to \$0.50 per ton when the RSWA negotiated extensions to the EDCO disposal contract that included several rate freezes.

For FY 2021/2022, the Equity Adjustment Payments to Poway and National City totaled \$43,370, combined. When the FY 2022/2023 Budget was initially adopted in June 2021, the data needed to calculate actual amount of the Equity Adjustment Payment for FY 2022/2023 was not yet known, so the budgeted amount was established at the same level as in the prior year. The actual Equity Adjustment Payment amount for FY 2022/2023 has now been calculated and is reflected in the proposed amended Budget (\$42,479). Because the Equity Adjustment Payment amount for FY 2023/2024 cannot yet be calculated, the Budget Subcommittee is recommending that \$42,000 be tentatively budgeted for Equity Adjustment Payments in FY 2023/2024. This estimate will be updated to reflect the actual amount when the RSWA Board goes through the budgeting process again next year.

Treasurer / Controller

2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$12,000	\$10,000	\$10,000	\$10,000

At its June 24, 2021 meeting, the RSWA Board adopted Resolution No. 2021-01 establishing a Policy for the payment of a \$10,000 annual stipend to the RSWA Member performing the functions of the RSWA Treasurer/Controller. Pursuant to this Policy, the Board shall include the anticipated cost of these stipends in the RSWA annual Budget and may adjust the amount of the stipends from time to time, as it determines necessary. The Budget Subcommittee is recommending that the Board continue to budget \$10,000 for this expense category in each of FY 2022/2023 and 2023/2024.

Contingency

2021/2022 Estimated Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
\$0	\$10,000	\$10,000	\$10,000

Funds budgeted for Contingency purposes may be expended for unanticipated expenses not otherwise reflected in the adopted Budget, thus providing the General Manager with flexibility to pay small unanticipated additional expenses that are not reflected in the Budget as they arise. The Budget Subcommittee is recommending that the Contingency Budget remain at \$10,000 for each of FY 2022/2023 and 2023/2024.

Closure Reserve Fund

HHW Facility	2021/2022 Amount	2022/2023 Adopted Budget	2022/2023 Proposed Amended Budget	2023/2024 Proposed Budget
Vista	\$40,000	\$40,000	\$40,000	\$40,000
Poway	\$40,000	\$40,000	\$40,000	\$40,000
Total	\$80,000	\$80,000	\$80,000	\$80,000

The RSWA is mandated by state law to maintain funding for the closure of the permanent HHW collection facilities in Poway and Vista, even though it is currently anticipated that these facilities will continue to operate for the foreseeable future. The closure reserve amount for each facility is currently set at \$40,000. The Budget Subcommittee is not recommending any changes to the Closure Reserve amounts for the HHW facilities.

RECOMMENDATION

It is recommended that the Board discuss the Budget Subcommittee's recommendations and adopt an Amended Budget Fiscal Year 2022/2023 Budget and a Fiscal Year 2023/2024 Budget.

Attachments:

Proposed FY 2022/2023 and 2023/2024 Budgets

**REGIONAL SOLID WASTE ASSOCIATION
PROPOSED FY 2022-2023 & FY 2023-2024 BUDGETS**

	<u>2022/23</u>	<u>2023/24</u>
	<u>BUDGET</u>	<u>BUDGET</u>
<i>ESTIMATED REVENUES</i>		
DISPOSAL AGREEMENT VOLUME REBATE	301,852	301,852
HHW NON-MEMBER	50,000	50,000
INVESTMENT EARNINGS	8,000	8,000
TOTAL REVENUES	\$359,852	\$359,852
<i>EXPENDITURES¹</i>		
DIRECTOR STIPENDS/PAYROLL PROCESSING	12,000	10,000
INSURANCE	8,000	8,000
TRAINING, TRAVEL AND MEETINGS	8,000	9,000
AUDIT SERVICES	5,000	5,000
LEGAL SERVICES	30,000	30,000
CONSULTANT SERVICES	45,000	45,000
REIMBURSEMENTS	1,000	1,000
HHW PERMITS	5,000	5,000
HHW FACILITY SECURITY & PHONE	3,250	3,300
WEBSITE MAINTENANCE	1,250	1,250
SPECIAL PROGRAMS (HHW & ORGANICS)	3,000	3,000
SB 1383 COMPLIANCE FUNDING ²	15,000	15,000
HHW & ORGANICS EDUCATION ³	49,000	49,000
ENVIRONMENTAL ENHANCEMENT PROGRAM ⁴	150,000	150,000
EQUITY ADJUSTMENT PAYMENTS ⁵	42,479	42,000
TREASURER/CONTROLLER	10,000	10,000
CONTINGENCY ⁶	10,000	10,000
TOTAL EXPENDITURES	\$397,979	\$396,550
<i>CLOSURE RESERVE FUND⁷</i>		
VISTA HHW FACILITY CLOSURE DESIGNATION	40,000	40,000
POWAY HHW FACILITY CLOSURE DESIGNATION	40,000	40,000
TOTAL CLOSURE RESERVE FUND	\$80,000	\$80,000

¹The General Manager is authorized to administratively transfer funds budgeted for one expense category to one or more other expense categories as directed by the RSWA Board or as otherwise necessary and appropriate, provided the total budget for expenses is not exceeded. Any such transfer shall be reported to the Board at its next regular meeting.

²These funds may be expended to fund services to assist regular member cities to comply with SB 1383 mandates.

³\$7,000 per city. To be disbursed in 1st Quarter. This funding may be utilized to support education related to disposal of household hazardous waste (HHW) and the diversion of organic waste from the landfill. Each city shall provide a written report prior to the end of the Fiscal Year describing how the funding was used.

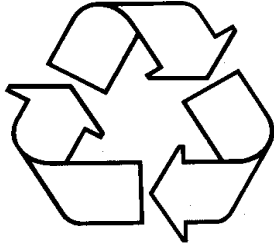
⁴The Environmental Enhancement Program allows each regular member city to utilize the funding allocation for environmental programs that the individual city determines are most beneficial to that jurisdiction. Funding amount is based on the prior year tonnage of the city as a percentage of the total RSWA generated tonnage. To be disbursed in the 2nd Quarter. Each city shall provide a written report prior to the end of the Fiscal Year describing how the funding was used.

⁵When the disposal contract between RSWA and EDCO was originally entered into, it was determined that the cities of Poway and National City were actually paying less per ton for disposal than the amount in the new agreement; therefore the equity adjustment was created to be paid out of the volume rebate, monies paid by EDCO to RSWA pursuant to the disposal contract, to offset that inequity. The equity adjustment for each city is calculated by multiplying the city's prior year's tonnage by \$0.50 per ton and is distributed in the 4th Quarter.

⁶Funds budgeted for Contingency purposes may be expended for unanticipated expenses not otherwise reflected in adopted Budget.

⁷RSWA is mandated to maintain funding for the closure of the household hazardous waste collection facilities in Poway and Vista. It is currently anticipated that these facilities will continue to operate for the foreseeable future.

Item 7.E.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido,
National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
From: General Manager James H. Eggart
Subject: Continued Delegation of Investment Authority to National City
Date: June 30, 2022

BACKGROUND / DISCUSSION

The City of National City became RSWA's Fiduciary Agent and Treasurer/ Controller in 2021. At its July 22, 2021 Special Meeting, the RSWA Board of Directors reviewed National City's adopted Investment Policy and adopted Resolution No. 2021-04 authorizing National City to pool RSWA's funds with those of National City for investment purposes and delegating investment authority over RSWA's funds to the appropriate National City officials. This delegation of authority remains in effect until and unless it is revoked, rescinded, or modified by the Board. However, Resolution No. 2021-04 provides for the City's investment policy to be brought before the Board at least annually for review in order to ensure that it continues to meet the Board's objectives for return, safety, and liquidity. Resolution No. 2021-04 also provides for the Board to simultaneously review and consider the delegation of investment authority to the City.

On June 21, 2022, the National City City Council approved minor amendments to the Investment Policy reviewed by the RSWA Board at its July 22, 2021 Meeting. The amendments replace the title Director of Finance with Administrative Services Director or designee where it is mentioned throughout the document, correct grammar and formatting on section V, subsection A; section VIII, subsection 1, 4a, 8c,11c; section X, subsection A and B; and updates Related Policy References, Prior Policy Amendments, and Appendix I, Authorized Personnel. In addition, the Policy was updated to allow the City to hold zero or negative interest rate US Government Securities, as authorized by Senate Bill (SB) 998, and to make collateralized mortgage obligations an authorized investment per Government Code Section 53601(o).

The City's Investment Policy continues to comply with State law. The Investment Policy prioritizes safety of principal, provides that the investment portfolio will remain sufficiently liquid to meet all reasonably anticipated operating requirements, and seeks to obtain at least a market rate of return.

The Policy also establishes internal controls and third-party safekeeping requirements designed to protect funds and incorporates the “prudent investor” standard.

Proposed Resolution No. 2022-05 confirms the continued delegation of authority to the appropriate National City officials to pool RSWA’s funds with the City’s for investment purposes and invest RSWA’s funds in a manner consistent with the City’s adopted investment policy and state law.

RECOMMENDATION

It is recommended that the Board adopt Resolution No. 2022-05 Confirming Continued Delegation of Authority to the Appropriate City of National City Officials to Invest the Association’s Funds in Accordance with the City’s Adopted Investment Policy.

ATTACHMENTS

- Resolution No. 2021-04
- Current National City Investment Policy (with changes shown in redline)
- Current National City Investment Policy (clean)
- Proposed Resolution No. 2022-05

Resolution No. 2021-04

RESOLUTION OF THE BOARD OF DIRECTORS OF THE REGIONAL SOLID WASTE ASSOCIATION AUTHORIZING THE CITY OF NATIONAL CITY TO SERVE AS THE ASSOCIATION'S FIDUCIARY AGENT AND TO PERFORM THE DUTIES OF TREASURER / CONTROLLER FOR THE ASSOCIATION, RESCINDING RESOLUTION NO. 2021-02, AND DELEGATING AUTHORITY TO THE APPROPRIATE NATIONAL CITY OFFICIALS TO INVEST THE ASSOCIATION'S FUNDS IN ACCORDANCE WITH THE CITY'S ADOPTED INVESTMENT POLICY

WHEREAS, Paragraph F. of Section VII of the Regional Solid Waste Association ("RSWA") Joint Powers Agreement expressly authorizes the RSWA Board of Directors ("Board") to contract with one of the Parties to perform the functions of the RSWA Treasurer/Controller in compliance with California Government Code Sections 6505.5 and 6505;

WHEREAS, the City of Vista ("Vista") currently serves as RSWA's financial Fiduciary Agent and performs the duties of the RSWA Treasurer/Controller;

WHEREAS, on June 24, 2021, the RSWA Board adopted Resolution No. 2021-02 approving a Revised Statement of Investment Policy consistent with Vista's current investment policy and delegating authority to invest and reinvest RSWA's funds to Vista's Director of Finance/Treasurer for Fiscal Year 2021-2022;

WHEREAS, on June 24, 2021, the RSWA Board also adopted Resolution No. 2021-01 adopting a Policy Regarding Rotation of Responsibility and Payment of Stipends for Performance of the Functions of Treasurer/Controller by Association Members (the "Policy");

WHEREAS, the Policy contemplates that the City of National City ("National City") will assume the financial fiduciary responsibilities and Treasurer/Controller functions for RSWA commencing July 1, 2022, unless otherwise agreed by the affected Parties and approved by the RSWA Board;

WHEREAS, Vista and National City have mutually agreed that transfer of the financial fiduciary responsibilities and Treasurer/Controller functions for RSWA should occur before July 1, 2022 and mutually desire to effectuate the transfer of RSWA's financial assets from Vista to National City on or about July 30, 2021;

WHEREAS, the Policy provides that the RSWA Member performing the function of Treasurer/Controller should receive a stipend to partially offset the associated costs incurred by that Member (the "Stipend") and that the amount of said stipend for the Fiscal Year commencing July 1, 2021 shall be Ten Thousand Dollars (\$10,000);

WHEREAS, the Policy further provides that an additional stipend to partially offset the additional costs incurred by a Member to assist with the transition of the Treasurer/Controller functions to another Member may also be paid;

WHEREAS, the Fiscal Year 2021-2022 Budget adopted by the Board allocates Ten Thousand Dollars (\$10,000) for payment of the Stipend and Two Thousand Dollars (\$2,000) to Vista to assist with the transition of the Treasurer/Controller functions to National City;

WHEREAS, Vista has advised RSWA that it will forego any portion of the Stipend for the 2021-2022 Fiscal Year if transfer of RSWA's financial assets and the financial fiduciary responsibilities and Treasurer/Controller functions for RSWA from Vista to National City occurs as contemplated by this Resolution;

WHEREAS, National City has advised RSWA that it will accept transfer of RSWA's financial assets from Vista and perform the functions of Treasurer/Controller for RSWA in exchange for the Stipend;

WHEREAS, the National City City Council has adopted an investment policy governing National City's financial assets and investment activities (the "National City Investment Policy");

WHEREAS, pursuant to the National City Investment Policy, the National City City Council has delegated management responsibility for the cash management of City funds to the Director of Finance and/or Financial Services Officer for National City;

WHEREAS, the Board has reviewed the current National City Investment Policy and determined that the investment of RSWA's funds in accordance with the National City Investment Policy will result in the prudent investment of RSWA's financial assets in conformance with applicable federal, state, and local laws in a manner that enhances the economic status of RSWA while ensuring sufficient safety and liquidity;

WHEREAS, the Board of Directors desires to facilitate the transfer of Treasurer/Controller and Fiduciary Agent responsibilities and duties to National City at the earliest possible date and to delegate authority for investment of RSWA's funds to National City in accordance with National City's Investment Policy.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Regional Solid Waste Association as follows:

1. Effective upon transfer of RSWA's financial assets from Vista to National City, National City is authorized to serve as RSWA's Fiduciary Agent and to perform the duties of Treasurer/Controller for RSWA pursuant to Paragraph F. of Section VII of the RSWA Joint Powers Agreement and Sections 6505 and 6505.5 of the California Government Code. The Treasurer of National City shall be the depository and have custody of all the money of RSWA. The Director of Finance, Financial Services Officer, and/or Administrative Services Director of National City shall perform the duties of Controller for RSWA and shall be authorized to pay demands against RSWA when the demands have been approved by the RSWA Board or General Manager.

2. National City shall be paid a Stipend in an amount approved by the Board for performance of the duties of Treasurer / Controller and Fiduciary Agent for RSWA. For the 2021-2022 Fiscal Year, the amount of the Stipend shall be Ten Thousand Dollars (\$10,000).

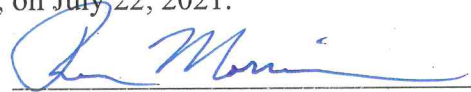
3. Following transfer of RSWA's financial assets to National City, Vista shall be relieved of responsibility for performing the duties of RSWA Treasurer/Controller and Fiduciary Agent; provided, however, that Vista shall continue to provide those services necessary to facilitate transition of the Treasurer/Controller functions to National City and to be responsible for contracting for and assisting with completion of the annual audit of the accounts and records of RSWA for the 2020-2021 Fiscal Year. Vista shall be paid a stipend of Two Thousand Dollars (\$2,000) in consideration for its provision of these services.

4. Effective upon transfer of RSWA's financial assets from Vista to National City, the Board hereby rescinds Resolution No. 2021-02 and the RSWA Statement of Investment Policy, authorizes National City to pool RSWA's funds with those of National City for investment purposes, and delegates authority to the National City Treasurer, Director of Finance, Financial Services Officer, and/or Administrative Services Director, as appropriate, to invest and reinvest the funds of RSWA, and to sell and exchange securities so purchased, in accordance with the National City Investment Policy and applicable California law. Said delegation of authority shall continue until revoked, rescinded, or modified by the Board. The Board shall review the National City Investment Policy and delegation of investment authority at least annually at a public meeting.

5. The RSWA General Manager and RSWA Board Member appointed by the Board to hold the office of Treasurer shall oversee the cash management, investment, and other activities performed by National City on behalf of RSWA and require faithful performance of all administrative duties delegated pursuant to this Resolution.

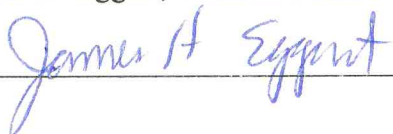
6. The RSWA General Manager is hereby authorized to take all actions and execute all documents or contracts necessary or appropriate to implement this Resolution.

PASSED AND ADOPTED by the Board of Directors of the Regional Solid Waste Association, San Diego County, State of California, on July 22, 2021.



Ron Morrison, Chairman
Regional Solid Waste Association

APPROVED AS TO FORM:
James H. Eggart, General Counsel

By: 

CERTIFICATION

I, Ron Morrison, Chairman of the Regional Solid Waste Association, do hereby certify that the foregoing Resolution No. 2021-04 was duly adopted at a regular meeting of the Association, held on the 22nd day of July, 2021, by the following vote of the members of the Association:

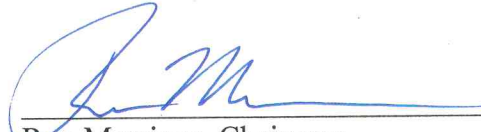
AYES: MORRISON, GREEN, GROSCH, MORASCO, WORDEN, HARLESS

NOES:

ABSENT: BLAKESPEAR

ABSTAIN:

And I further certify that I signed and approved said Resolution on the 13TH day of OCTOBER, 2021.



Ron Morrison, Chairman
Regional Solid Waste Association

CITY COUNCIL POLICY CITY OF NATIONAL CITY

TITLE: Investments	POLICY #203
ADOPTED: October 23, 1990	AMENDED: August 18, 2020

I. INTRODUCTION

The City of National City's investment program will conform to federal, state, and other legal requirements, including California Government Code Sections 16429.1-16429.4, 53600-53609, and 53630-53686. The following investment policy addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. It is the policy of the City to invest public funds in a manner that will provide a market rate of return, given its requirements for preserving principal and meeting the daily cash flow demands of the City. All investments will comply with this Investment Policy and governing laws.

This Investment Policy replaces any previous Investment Policy or Investment Procedures of the City.

II. SCOPE

This Investment Policy applies to all the City's financial assets and investment activities with the following exception(s):

Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are invested in accordance with permitted investment provisions of their specific bond indentures.

Pooling of Funds: Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. GENERAL OBJECTIVES

The overriding objectives of the investment program are to preserve principal, provide sufficient liquidity, and manage investment risks.

1. *Safety:* Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
2. *Liquidity:* The investment portfolio will remain sufficiently liquid to meet all operating requirements

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3. *Return:* The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

IV. PRUDENCE, INDEMNIFICATION, AND ETHICS

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

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

B. *Indemnification:* The ~~Director of Finance~~ Administrative Services Director or City Manager designee hereinafter designated as Financial Services Officer and other authorized persons responsible for managing City funds, acting in accordance with written procedures and the Investment Policy and exercising due diligence, will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported within 30 days and appropriate action is taken to control adverse developments.

C. *Ethics:* Officers and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DELEGATION OF AUTHORITY

A. Authority to manage the City's investment program is derived from California Government Code Section 53600 *et seq.* The City Council is responsible for the City's cash management, including the administration of this Investment Policy. Management responsibility for the cash management of City funds is hereby delegated to the Administrative Services Director ~~of Finance~~ and/or Financial Services Officer.

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The ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services Director or designee -will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate employee.

B. The City may engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

VI. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence described in the investment procedures manual. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

A. The City's ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services Director or designee -will determine which financial institutions are authorized to provide investment services to the City. Institutions eligible to transact investment business with the City include:

1. Primary government dealers as designated by the Federal Reserve Bank;
2. Nationally or state-chartered banks;
3. The Federal Reserve Bank; and
4. Direct issuers of securities eligible for purchase.

B. Selection of financial institutions and broker/dealers authorized to engage in transactions with the City will be at the sole discretion of the City.

C. All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services Director or designee with a statement certifying that the institution has reviewed California Government Code Section 53600 *et seq.* and the City's Investment Policy.

D. Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the investment adviser.

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E. Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

VII. DELIVERY, SAFEKEEPING AND CUSTODY, AND COMPETITIVE TRANSACTIONS

A. *Delivery-versus-payment:* Settlement of all investment transactions will be completed using standard delivery-vs.-payment procedures.

B. *Third-party safekeeping:* To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City will be held in safekeeping by a third party bank custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City.

C. *Competitive transactions:* All investment transactions will be conducted on a competitive basis which can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

VIII. AUTHORIZED AND SUITABLE INVESTMENTS

All investments will be made in accordance with California Government Code Section 53600 *et seq.* and as described within this Investment Policy. Permitted investments under this policy will include:

1. **Municipal Bonds.** These include bonds of the City, the State of California, any other state municipality, within the state of California. The bonds will be registered in the name of the City or held under a custodial agreement at a bank.
 - a. Are rated in the category of "A" or better by at least two nationally recognized statistical rating organizations; and
 - b. No more than 5% per issuer.
 - c. No more than 30% of the total portfolio may be invested in municipal bonds.
2. **US Treasury** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in US Treasuries.
3. **Federal Agency or United States government-sponsored enterprise obligations,**

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participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in government-sponsored enterprises.

4. **Banker's acceptances**, provided that:

- a. They are issued by institutions with short term debt obligations rated "A1" or higher, or the equivalent, by at least two nationally recognized statistical-rating organizations (NRSRO); and have long-term debt obligations which are rated "A" or higher by at least two nationally recognized statistical rating organizations;
- b. The maturity does not exceed 180 days; and
- c. No more than 40% of the total portfolio may be invested in banker's acceptances and no more than 5% per issuer.

5. **Federally insured time deposits** (Non-negotiable certificates of deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- a. The amount per institution is limited to the maximum covered under federal insurance; and
- b. The maturity of such deposits does not exceed 5 years.

6. **Certificate of Deposit Placement Service (CDARS)**

- a. No more than 30% of the total portfolio may be invested in a combination of certificates of deposit including CDARS
- b. The maturity of CDARS deposits does not exceed 5 years.

7. **Negotiable certificates of deposit (NCDs)**, provided that:

- a. They are issued by institutions which have long-term obligations which are rated "A" or higher by at least two nationally recognized statistical rating organizations; and/or have short term debt obligations rated "A1" or higher, or the equivalent, by at least two nationally recognized statistical rating organizations;
- b. The maturity does not exceed 5 years; and
- c. No more than 30% of the total portfolio may be invested in NCDs and no more than 5% per issuer.

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8. **Commercial paper**, provided that:

- a. The maturity does not exceed 270 days from the date of purchase;
- b. The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million;
- c. They are issued by institutions whose short term obligations are rated "A-1" or higher, or the equivalent, by at least two nationally recognized statistical rating organizations; and whose long-term obligations are rated "A" or higher by at least two nationally recognized statistical rating organizations; and
- d. No more than 25% of the portfolio is invested in commercial paper and no more than 5% per issuer.

9. **State of California Local Agency Investment Fund (LAIF)**, provided that:

- a. The City may invest up to the maximum permitted amount in LAIF; and
- b. LAIF's investments in instruments prohibited by or not specified in the City's policy do not exclude it from the City's list of allowable investments, provided that the fund's reports allow the Administrative Services Director ~~of Finance~~ or Financial Services Officer or designee to adequately judge the risk inherent in LAIF's portfolio.

10. **Local government investment pools.**

- a. San Diego County Investment Pool

11. **Corporate medium term notes (MTNs)**, provided that:

- a. Such notes have a maximum maturity of 5 years;
- b. Are issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States;
- c. Are rated "A" category or better by at least two nationally recognized statistical rating organizations; and
- d. Holdings of medium-term notes may not exceed 30% of the portfolio and no more

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than 5% per issuer.

12. Mortgage pass-through securities—~~and~~, asset-backed securities, and collateralized mortgage obligations, [AS1] provided that such securities:

- a. Have a maximum stated final maturity of 5 years.
- b. Be rated in a rating category of “AA” or its equivalent or better by a nationally recognized statistical rating organization.
- c. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

13. Money market mutual funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940:

- a. Provided that such funds meet either of the following criteria:
 1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or,
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience investing in the securities and obligations authorized by California Government Code Section 53601 (a through j) and with assets under management in excess of \$500 million.
- b. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

14. Supranationals, provided that:

- a. Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- b. The securities are rated in a category of “AA” or higher by a NRSRO.
- c. No more than 30% of the total portfolio may be invested in these securities.

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- d. No more than 10% of the portfolio may be invested in any single issuer.
- e. The maximum maturity does not exceed five (5) years.

IX. PORTFOLIO RISK MANAGEMENT

A. *The following are prohibited investment vehicles and practices:*

1. State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
2. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
3. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited. [Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.](#)^[AS2]
4. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
5. Purchasing or selling securities on margin is prohibited.
6. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
7. The purchase of foreign currency denominated securities is prohibited.

B. *Mitigating credit risk in the portfolio*

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

1. The diversification requirements included in Section IX are designed to mitigate credit risk in the portfolio;
2. No more than 5% of the total portfolio may be invested in securities of any single issuer, except as noted in Section VIII of this Investment Policy;
3. The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity, or yield of the portfolio in response

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to market conditions or the City's risk preferences; and

4. If securities owned by the City are downgraded by either Moody's or S&P to a level below the quality required by this Investment Policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 - a. If a security is downgraded, the ~~Director of Finance and/or Financial Services Administrative Services Officer~~Director of Administrative Services or designee will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
 - b. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

C. Mitigating market risk in the portfolio

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The City further recognizes that certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

1. The City will maintain a minimum of three months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements;
2. The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%;
3. The maximum stated final maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy; and
4. The duration of the portfolio will at all times be approximately equal to the duration (typically plus or minus 20%) of a Market Benchmark Index selected by the City based on the City's investment objectives, constraints and risk tolerances. The City's current Benchmark will be documented in the investment procedures manual.

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X. INVESTMENT OBJECTIVES (PERFORMANCE STANDARDS AND EVALUATION)

A. Overall objective: The investment portfolio will be designed with the overall objective of obtaining a total rate of return throughout economic cycles, commensurate with investment risk constraints and cash flow needs.

A.

B. Specific objective: The investment performance objective for the portfolio will be to earn a total rate of return over a market cycle which is approximately equal to the return on the Market Benchmark Index as described in the City's investment procedures manual.

XI. PROCEDURES AND INTERNAL CONTROLS

A. Procedures: The ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services or designee will establish written investment policy procedures in a separate investment procedures manual to assist investment staff with day-to-day operations of the investment program consistent with this policy. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services or designee.

B. Internal Controls: The ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services or designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure will be designed to provide reasonable assurance that these objectives are met. Internal controls will be in the City's investment procedures manual.

XII. REPORTING AND REVIEW

A. Monthly reports: The Director of Finance and/or Financial Services Officer must submit a monthly report to the legislative body accounting for transactions made during the reporting period.

B. Quarterly reports: Quarterly investment reports will be submitted by the ~~Director of Finance and/or Financial Services Officer~~Director of Administrative Services Director or designee to the City Council, at an agenda meeting. Consistent with the requirements contained in California Government Code Section 53646, information in the quarterly investment reports shall include, but not be limited to, the following:

1. Type of investment
2. Name of issuer and/or financial institution

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3. Date of purchase
4. Date of maturity
5. Current market value for all securities
6. Rate of interest
7. Purchase price of investment
8. Other data as required by the City

C. Annual Policy review: The Investment Policy will be reviewed at least annually and, as necessary, adopted, to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends.

Related Policy References

California Government Code Sections: 16429.1 – 16429.4, and 53600 – ~~53686~~ 53609 and 53630-53686

Investment Company Act of 1940

Investment Advisers Act of 1940

Securities and Exchange Commission Rule #15C3-1

Appendix I attached: “Authorized Personnel”

Appendix II attached: “Glossary of Investment Terms”

Prior Policy Amendments

October 23, 1990 – Established Policy

May 9, 1995 (Resolution No. 95-62) Updated Policy and Inclusion in the Policy Manual and Amend policy adopted October 23, 1990

August 6, 1996 (Resolution No. 96-130)

August 26, 1997 (Resolution No. 97-110)

October 6, 1998 (Resolution No. 98-136)

September 7, 1999 (Resolution No. 99-130)

October 2, 2001 (Resolution No. 2001-151)

October 1, 2002 (Resolution No. 2002-149)

October 7, 2003 (Resolution No. 2003-139)

June 7, 2005 (Resolution No. 2005-118)

October 4, 2005 (Resolution No. 2005-215)

August 21, 2007 (Resolution No. 2007-202)

February 19, 2008 (Resolution No. 2008-37)

February 19, 2008 (Resolution No. 2008-38) CDC

January 10, 2012 (Resolution No. 2012-09)

December 10, 2013 (Resolution No. 2013-189)

December 16, 2014 (Resolution No. 2014-172)

December 15, 2015 (Resolution No. 2015-186)

December 6, 2016 (Resolution No. 2016-189)

October 17, 2017 (Resolution No. 2017-203)

November 20, 2018 (Resolution No. 2018-189)

August 18, 2020 (Resolution No. 2020-151)

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Appendix I

Authorized Personnel

The following positions are authorized to transact investment business and wire funds for investment purposes on behalf of the City of National City:

City Manager

Assistant City Manager

~~Director of Finance~~

Financial Services Officer

Director of Administrative Services or designee

DRAFT

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Appendix II GLOSSARY OF INVESTMENT TERMS

Agencies. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FDIC. The Federal Deposit Insurance Corporation provides insurance backed by the full faith and credit of the US government to certain bank deposits and debt obligations.

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio and Mississippi River valleys. TVA currently issues discount notes and bonds.

Asked. The price at which a seller offers to sell a security.

Asset-Backed Securities. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

Average life. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

Banker’s acceptance. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

Benchmark. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

Bid. The price at which a buyer offers to buy a security.

Broker. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

Callable. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower

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rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when rates are lower than when the investment was initially made.

Certificate of Deposit (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

Collateral. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

Collateralized Mortgage Obligations (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

Commercial paper. The short-term unsecured debt of corporations.

Cost yield. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

Coupon. The rate of return at which interest is paid on a bond.

Credit risk. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

Current yield. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

Dealer. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

Debenture. A bond secured only by the general credit of the issuer.

Delivery vs. payment (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

Derivative. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate or index.

Discount. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

Diversification. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

Duration. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to

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changes in interest rates. (See modified duration).

Federal funds rate. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

Federal Open Market Committee: A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

Haircut: The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).

Leverage. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

Liquidity: The speed and ease with which an asset can be converted to cash.

Local Agency Investment Fund (LAIF). A voluntary investment fund managed by the California State Treasurer's Office open to government entities and certain non-profit organizations in California.

Local Government Investment Pool. Investment pools including the Local Agency Investment Fund (LAIF), county pools, joint powers authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

Make Whole Call. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

Margin: The difference between the market value of a security and the loan a broker makes using that security as collateral.

Market risk. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

Market value. The price at which a security can be traded.

Marking to market. The process of posting current market values for securities in a portfolio.

Maturity. The final date upon which the principal of a security becomes due and payable. Medium term notes. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

Modified duration. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

Money market. The market in which short term debt instruments (T-bills, discount notes, commercial paper and banker's acceptances) are issued and traded.

Mortgage pass-through securities. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

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Municipal Securities. Securities issued by state and local agencies to finance capital and operating expenses.

Mutual fund. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

Nationally Recognized Statistical Rating Organization (NRSRO). A credit rating agency the United States Securities and Exchange Commission uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

Premium. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

Prepayment speed. A measure of how quickly principal is repaid to investors in mortgage securities.

Prepayment window. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

Primary dealer. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out US monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the US Government securities market.

Prudent person (man) rule. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

Realized yield. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

Regional dealer. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities, and that is not a primary dealer.

Repurchase agreement (RP, Repo). Short term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a **reverse repurchase agreement**.

Safekeeping. A service to bank customers whereby securities are held by the bank in the customer's name.

Short Term. Less than one (1) years' time.

Structured note. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse

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floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and “dual index floaters,” which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

Supranational. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

Total rate of return. A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

US Treasury obligations. Securities issued by the US Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

Treasury bills. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues “cash management” bills as needed to smooth out cash flows.

Treasury notes. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

Treasury bonds. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

Value. Principal plus accrued interest.

Volatility. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

Yield to Maturity. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

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I. INTRODUCTION

The City of National City's investment program will conform to federal, state, and other legal requirements, including California Government Code Sections 16429.1-16429.4, 53600-53609, and 53630-53686. The following investment policy addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal and investment management of the City's funds. It is the policy of the City to invest public funds in a manner that will provide a market rate of return, given its requirements for preserving principal and meeting the daily cash flow demands of the City. All investments will comply with this Investment Policy and governing laws.

This Investment Policy replaces any previous Investment Policy or Investment Procedures of the City.

II. SCOPE

This Investment Policy applies to all the City's financial assets and investment activities with the following exception(s):

Proceeds of debt issuance shall be invested in accordance with the City's general investment philosophy as set forth in this policy; however, such proceeds are invested in accordance with permitted investment provisions of their specific bond indentures.

Pooling of Funds: Except for cash in certain restricted and special funds, the City will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. GENERAL OBJECTIVES

The overriding objectives of the investment program are to preserve principal, provide sufficient liquidity, and manage investment risks.

1. *Safety:* Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.
2. *Liquidity:* The investment portfolio will remain sufficiently liquid to meet all operating requirements

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3. *Return:* The investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints for safety and liquidity needs.

IV. PRUDENCE, INDEMNIFICATION, AND ETHICS

- A. *Prudent Investor Standard:* Management of the City's investments is governed by the Prudent Investor Standard as set forth in California Government Code Section 53600.3:

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

- B. *Indemnification:* The Administrative Services Director or City Manager designee hereinafter designated as Financial Services Officer and other authorized persons responsible for managing City funds, acting in accordance with written procedures and the Investment Policy and exercising due diligence, will be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported within 30 days and appropriate action is taken to control adverse developments.

- C. *Ethics:* Officers and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DELEGATION OF AUTHORITY

- A. Authority to manage the City's investment program is derived from California Government Code Section 53600 *et seq.* The City Council is responsible for the City's cash management, including the administration of this Investment Policy. Management responsibility for the cash management of City funds is hereby delegated to the Administrative Services Director and/or Financial Services Officer.

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The Administrative Services Director or designee will be responsible for all transactions undertaken and will establish a system of procedures and controls to regulate the activities of subordinate employee.

B. The City may engage the services of one or more external investment managers to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. Such external managers may be granted discretion to purchase and sell investment securities in accordance with this Investment Policy. Such managers must be registered under the Investment Advisers Act of 1940.

VI. AUTHORIZED FINANCIAL INSTITUTIONS, DEPOSITORIES, AND BROKER/DEALERS

A list will be maintained of financial institutions and depositories authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by conducting a process of due diligence described in the investment procedures manual. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule).

A. The City's Administrative Services Director or designee will determine which financial institutions are authorized to provide investment services to the City. Institutions eligible to transact investment business with the City include:

1. Primary government dealers as designated by the Federal Reserve Bank;
2. Nationally or state-chartered banks;
3. The Federal Reserve Bank; and
4. Direct issuers of securities eligible for purchase.

B. Selection of financial institutions and broker/dealers authorized to engage in transactions with the City will be at the sole discretion of the City.

C. All financial institutions which desire to become qualified bidders for investment transactions (and which are not dealing only with the investment adviser) must supply the Administrative Services Director or designee with a statement certifying that the institution has reviewed California Government Code Section 53600 *et seq.* and the City's Investment Policy.

D. Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the investment adviser.

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E. Public deposits will be made only in qualified public depositories as established by State law. Deposits will be insured by the Federal Deposit Insurance Corporation, or, to the extent the amount exceeds the insured maximum, will be collateralized in accordance with State law.

VII. DELIVERY, SAFEKEEPING AND CUSTODY, AND COMPETITIVE TRANSACTIONS

A. *Delivery-versus-payment*: Settlement of all investment transactions will be completed using standard delivery-vs.-payment procedures.

B. *Third-party safekeeping*: To protect against potential losses by collapse of individual securities dealers, and to enhance access to securities, interest payments and maturity proceeds, all securities owned by the City will be held in safekeeping by a third party bank custodian, acting as agent for the City under the terms of a custody agreement executed by the bank and the City.

C. *Competitive transactions*: All investment transactions will be conducted on a competitive basis which can be executed through a bidding process involving at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.

VIII. AUTHORIZED AND SUITABLE INVESTMENTS

All investments will be made in accordance with California Government Code Section 53600 *et seq.* and as described within this Investment Policy. Permitted investments under this policy will include:

1. **Municipal Bonds**. These include bonds of the City, the State of California, any other municipality, within the state of California. The bonds will be registered in the name of the City or held under a custodial agreement at a bank.

- a. Are rated in the category of "A" or better by at least two nationally recognized statistical rating organizations; and
- b. No more than 5% per issuer.
- c. No more than 30% of the total portfolio may be invested in municipal bonds.

2. **US Treasury** and other government obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest. There are no limits on the dollar amount or percentage that the City may invest in US Treasuries.

3. **Federal Agency or United States government-sponsored enterprise obligations, participations, or other instruments**, including those issued by or fully guaranteed as to

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principal and interest by federal agencies or United States government-sponsored enterprises. There are no limits on the dollar amount or percentage that the City may invest in government-sponsored enterprises.

4. **Banker's acceptances**, provided that:

- a. They are issued by institutions with short term debt obligations rated "A1" or higher, or the equivalent, by at least two nationally recognized statistical-rating organizations (NRSRO); and have long-term debt obligations which are rated "A" or higher by at least two nationally recognized statistical rating organizations;
- b. The maturity does not exceed 180 days; and
- c. No more than 40% of the total portfolio may be invested in banker's acceptances and no more than 5% per issuer.

5. **Federally insured time deposits** (Non-negotiable certificates of deposit) in state or federally chartered banks, savings and loans, or credit unions, provided that:

- a. The amount per institution is limited to the maximum covered under federal insurance; and
- b. The maturity of such deposits does not exceed 5 years.

6. **Certificate of Deposit Placement Service (CDARS)**

- a. No more than 30% of the total portfolio may be invested in a combination of certificates of deposit including CDARS
- b. The maturity of CDARS deposits does not exceed 5 years.

7. **Negotiable certificates of deposit (NCDs)**, provided that:

- a. They are issued by institutions which have long-term obligations which are rated "A" or higher by at least two nationally recognized statistical rating organizations; and/or have short term debt obligations rated "A1" or higher, or the equivalent, by at least two nationally recognized statistical rating organizations;
- b. The maturity does not exceed 5 years; and
- c. No more than 30% of the total portfolio may be invested in NCDs and no more than 5% per issuer.

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8. **Commercial paper**, provided that:

- a. The maturity does not exceed 270 days from the date of purchase;
- b. The issuer is a corporation organized and operating in the United States with assets in excess of \$500 million;
- c. They are issued by institutions whose short term obligations are rated “A-1” or higher, or the equivalent, by at least two nationally recognized statistical rating organizations; and whose long-term obligations are rated “A” or higher by at least two nationally recognized statistical rating organizations; and
- d. No more than 25% of the portfolio is invested in commercial paper and no more than 5% per issuer.

9. **State of California Local Agency Investment Fund (LAIF)**, provided that:

- a. The City may invest up to the maximum permitted amount in LAIF; and
- b. LAIF’s investments in instruments prohibited by or not specified in the City’s policy do not exclude it from the City’s list of allowable investments, provided that the fund’s reports allow the Administrative Services Director or Financial Services Officer or designee to adequately judge the risk inherent in LAIF’s portfolio.

10. **Local government investment pools.**

- a. San Diego County Investment Pool

11. **Corporate medium term notes (MTNs)**, provided that:

- a. Such notes have a maximum maturity of 5 years;
- b. Are issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States;
- c. Are rated “A” category or better by at least two nationally recognized statistical rating organizations; and
- d. Holdings of medium-term notes may not exceed 30% of the portfolio and no more than 5% per issuer.

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12. Mortgage pass-through securities, asset-backed securities, and collateralized mortgage obligations,^[AS1] provided that such securities:

- a. Have a maximum stated final maturity of 5 years.
- b. Be rated in a rating category of “AA” or its equivalent or better by a nationally recognized statistical rating organization.
- c. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

13. Money market mutual funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940:

- a. Provided that such funds meet either of the following criteria:
 1. Attained the highest ranking or the highest letter and numerical rating provided by not less than two nationally recognized statistical rating organizations; or,
 2. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years’ experience investing in the securities and obligations authorized by California Government Code Section 53601 (a through j) and with assets under management in excess of \$500 million.
- b. Purchase of securities authorized by this subdivision may not exceed 20% of the portfolio.

14. Supranationals, provided that:

- a. Issues are US dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank.
- b. The securities are rated in a category of “AA” or higher by a NRSRO.
- c. No more than 30% of the total portfolio may be invested in these securities.
- d. No more than 10% of the portfolio may be invested in any single issuer.

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- e. The maximum maturity does not exceed five (5) years.

IX. PORTFOLIO RISK MANAGEMENT

A. *The following are prohibited investment vehicles and practices:*

1. State law notwithstanding, any investments not specifically described herein are prohibited, including, but not limited to futures and options.
2. In accordance with California Government Code Section 53601.6, investment in inverse floaters, range notes, or mortgage derived interest-only strips is prohibited.
3. Investment in any security that could result in a zero interest accrual if held to maturity is prohibited. Under a provision sunseting on January 1, 2026, securities backed by the U.S. Government that could result in a zero- or negative-interest accrual if held to maturity are permitted.^[AS2]
4. Trading securities for the sole purpose of speculating on the future direction of interest rates is prohibited.
5. Purchasing or selling securities on margin is prohibited.
6. The use of reverse repurchase agreements, securities lending or any other form of borrowing or leverage is prohibited.
7. The purchase of foreign currency denominated securities is prohibited.

B. *Mitigating credit risk in the portfolio*

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. The City will mitigate credit risk by adopting the following strategies:

1. The diversification requirements included in Section IX are designed to mitigate credit risk in the portfolio;
2. No more than 5% of the total portfolio may be invested in securities of any single issuer, except as noted in Section VIII of this Investment Policy;
3. The City may elect to sell a security prior to its maturity and record a capital gain or loss in order to improve the quality, liquidity, or yield of the portfolio in response to market conditions or the City's risk preferences; and

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4. If securities owned by the City are downgraded by either Moody's or S&P to a level below the quality required by this Investment Policy, it will be the City's policy to review the credit situation and make a determination as to whether to sell or retain such securities in the portfolio.
 - a. If a security is downgraded, the Administrative Services Director or designee will use discretion in determining whether to sell or hold the security based on its current maturity, the economic outlook for the issuer, and other relevant factors.
 - b. If a decision is made to retain a downgraded security in the portfolio, its presence in the portfolio will be monitored and reported monthly to the City Council.

C. Mitigating market risk in the portfolio

Market risk is the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. The City recognizes that, over time, longer-term portfolios have the potential to achieve higher returns. On the other hand, longer-term portfolios have higher volatility of return. The City will mitigate market risk by providing adequate liquidity for short-term cash needs, and by making longer-term investments only with funds that are not needed for current cash flow purposes. The City further recognizes that certain types of securities, including variable rate securities, securities with principal pay-downs prior to maturity, and securities with embedded options, will affect the market risk profile of the portfolio differently in different interest rate environments. The City, therefore, adopts the following strategies to control and mitigate its exposure to market risk:

1. The City will maintain a minimum of three months of budgeted operating expenditures in short term investments to provide sufficient liquidity for expected disbursements;
2. The maximum percent of callable securities (does not include "make whole call" securities as defined in the Glossary) in the portfolio will be 20%;
3. The maximum stated final maturity of individual securities in the portfolio will be five years, except as otherwise stated in this policy; and
4. The duration of the portfolio will at all times be approximately equal to the duration (typically plus or minus 20%) of a Market Benchmark Index selected by the City based on the City's investment objectives, constraints and risk tolerances. The City's current Benchmark will be documented in the investment procedures manual.

X. INVESTMENT OBJECTIVES (PERFORMANCE STANDARDS AND EVALUATION)

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A. Overall objective: The investment portfolio will be designed with the overall objective of obtaining a total rate of return throughout economic cycles, commensurate with investment risk constraints and cash flow needs.

B. Specific objective: The investment performance objective for the portfolio will be to earn a total rate of return over a market cycle which is approximately equal to the return on the Market Benchmark Index as described in the City's investment procedures manual.

XI. PROCEDURES AND INTERNAL CONTROLS

A. Procedures: The Director of Administrative Services or designee will establish written investment policy procedures in a separate investment procedures manual to assist investment staff with day-to-day operations of the investment program consistent with this policy. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Director of Administrative Services or designee.

B. Internal Controls: The Director of Administrative Services or designee is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. The internal control structure will be designed to provide reasonable assurance that these objectives are met. Internal controls will be in the City's investment procedures manual.

XII. REPORTING AND REVIEW

A. Monthly reports: The Director of Finance and/or Financial Services Officer must submit a monthly report to the legislative body accounting for transactions made during the reporting period.

B. Quarterly reports: Quarterly investment reports will be submitted by the Administrative Services Director or designee to the City Council, at an agenda meeting. Consistent with the requirements contained in California Government Code Section 53646, information in the quarterly investment reports shall include, but not be limited to, the following:

1. Type of investment
2. Name of issuer and/or financial institution
3. Date of purchase
4. Date of maturity
5. Current market value for all securities
6. Rate of interest
7. Purchase price of investment
8. Other data as required by the City

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C. Annual Policy review: The Investment Policy will be reviewed at least annually and, as necessary, adopted, to ensure its consistency with the overall objectives of preservation of principal, liquidity, and return, and its relevance to current law and financial and economic trends.

Related Policy References

California Government Code Sections: 16429.1 – 16429.4, and 53600 – 53609 and 53630-53686
Investment Company Act of 1940
Investment Advisers Act of 1940
Securities and Exchange Commission Rule #15C3-1
Appendix I attached: “Authorized Personnel”
Appendix II attached: “Glossary of Investment Terms”

Prior Policy Amendments

October 23, 1990 – Established Policy
May 9, 1995 (Resolution No. 95-62) Updated Policy and Inclusion in the Policy Manual and Amend policy adopted October 23, 1990
August 6, 1996 (Resolution No. 96-130)
August 26, 1997 (Resolution No. 97-110)
October 6, 1998 (Resolution No. 98-136)
September 7, 1999 (Resolution No. 99-130)
October 2, 2001 (Resolution No. 2001-151)
October 1, 2002 (Resolution No. 2002-149)
October 7, 2003 (Resolution No. 2003-139)
June 7, 2005 (Resolution No. 2005-118)
October 4, 2005 (Resolution No. 2005-215)
August 21, 2007 (Resolution No. 2007-202)
February 19, 2008 (Resolution No. 2008-37)
February 19, 2008 (Resolution No. 2008-38) CDC
January 10, 2012 (Resolution No. 2012-09)
December 10, 2013 (Resolution No. 2013-189)
December 16, 2014 (Resolution No. 2014-172)
December 15, 2015 (Resolution No. 2015-186)
December 6, 2016 (Resolution No. 2016-189)
October 17, 2017 (Resolution No. 2017-203)
November 20, 2018 (Resolution No. 2018-189)
August 18, 2020 (Resolution No. 2020-151)

**CITY COUNCIL POLICY
CITY OF NATIONAL CITY**

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Appendix I

Authorized Personnel

The following positions are authorized to transact investment business and wire funds for investment purposes on behalf of the City of National City:

City Manager
Assistant City Manager
Financial Services Officer
Director of Administrative Services or designee

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Appendix II GLOSSARY OF INVESTMENT TERMS

Agencies. Shorthand market terminology for any obligation issued by a *government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FDIC. The Federal Deposit Insurance Corporation provides insurance backed by the full faith and credit of the US government to certain bank deposits and debt obligations.

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “Freddie Mac” issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and Freddie Mac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “Fannie Mae,” issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as “Ginnie Mae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio and Mississippi River valleys. TVA currently issues discount notes and bonds.

Asked. The price at which a seller offers to sell a security.

Asset-Backed Securities. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

Average life. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

Banker’s acceptance. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

Benchmark. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

Bid. The price at which a buyer offers to buy a security.

Broker. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

Callable. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower

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rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when rates are lower than when the investment was initially made.

Certificate of Deposit (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

Collateral. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

Collateralized Mortgage Obligations (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

Commercial paper. The short-term unsecured debt of corporations.

Cost yield. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

Coupon. The rate of return at which interest is paid on a bond.

Credit risk. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

Current yield. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

Dealer. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

Debenture. A bond secured only by the general credit of the issuer.

Delivery vs. payment (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

Derivative. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate or index.

Discount. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

Diversification. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

Duration. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to

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changes in interest rates. (See modified duration).

Federal funds rate. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

Federal Open Market Committee: A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

Haircut: The margin or difference between the actual market value of a security and the value assessed by the lending side of a transaction (i.e. a repo).

Leverage. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

Liquidity: The speed and ease with which an asset can be converted to cash.

Local Agency Investment Fund (LAIF). A voluntary investment fund managed by the California State Treasurer's Office open to government entities and certain non-profit organizations in California.

Local Government Investment Pool. Investment pools including the Local Agency Investment Fund (LAIF), county pools, joint powers authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

Make Whole Call. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

Margin: The difference between the market value of a security and the loan a broker makes using that security as collateral.

Market risk. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

Market value. The price at which a security can be traded.

Marking to market. The process of posting current market values for securities in a portfolio.

Maturity. The final date upon which the principal of a security becomes due and payable. Medium term notes. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts either on a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

Modified duration. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

Money market. The market in which short term debt instruments (T-bills, discount notes, commercial paper and banker's acceptances) are issued and traded.

Mortgage pass-through securities. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

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Municipal Securities. Securities issued by state and local agencies to finance capital and operating expenses.

Mutual fund. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

Nationally Recognized Statistical Rating Organization (NRSRO). A credit rating agency the United States Securities and Exchange Commission uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

Premium. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

Prepayment speed. A measure of how quickly principal is repaid to investors in mortgage securities.

Prepayment window. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

Primary dealer. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out US monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the US Government securities market.

Prudent person (man) rule. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

Realized yield. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

Regional dealer. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities, and that is not a primary dealer.

Repurchase agreement (RP, Repo). Short term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a **reverse repurchase agreement**.

Safekeeping. A service to bank customers whereby securities are held by the bank in the customer's name.

Short Term. Less than one (1) years' time.

Structured note. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse

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floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and “dual index floaters,” which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

Supranational. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

Total rate of return. A measure of a portfolio’s performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

US Treasury obligations. Securities issued by the US Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

Treasury bills. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues “cash management” bills as needed to smooth out cash flows.

Treasury notes. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

Treasury bonds. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

Value. Principal plus accrued interest.

Volatility. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

Yield to Maturity. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

Resolution No. 2022-05

RESOLUTION OF THE BOARD OF DIRECTORS OF THE REGIONAL SOLID WASTE ASSOCIATION CONFIRMING CONTINUED DELEGATION OF AUTHORITY TO THE APPROPRIATE CITY OF NATIONAL CITY OFFICIALS TO INVEST THE ASSOCIATION'S FUNDS IN ACCORDANCE WITH THE CITY'S ADOPTED INVESTMENT POLICY

WHEREAS, the City of National City (“National City”) currently serves as RSWA’s financial Fiduciary Agent and performs the duties of the RSWA Treasurer/Controller;

WHEREAS, on July 22, 2021, the RSWA Board adopted Resolution No. 2021-04 authorizing National City to pool RSWA’s funds with those of National City for investment purposes and delegating authority to the National City Treasurer, Director of Finance, Financial Services Officer, and/or Administrative Services Director, as appropriate, to invest and reinvest the funds of RSWA, and to sell and exchange securities so purchased, in accordance with the National City Investment Policy and applicable California law;

WHEREAS, Resolution No. 2021-04 provides that the Board shall review the National City Investment Policy and delegation of investment authority at least annually at a public meeting;

WHEREAS, the National City City Council has adopted an investment policy governing National City’s financial assets and investment activities (the “National City Investment Policy”);

WHEREAS, pursuant to the current National City Investment Policy, the National City City Council has delegated management responsibility for the cash management of City funds to the Administrative Services Director and/or Financial Services Officer for National City;

WHEREAS, the Board has reviewed the current National City Investment Policy, dated June 21, 2022, and determined that the continued investment of RSWA’s funds in accordance with the National City Investment Policy will result in the prudent investment of RSWA’s financial assets in conformance with applicable federal, state, and local laws in a manner that enhances the economic status of RSWA while ensuring sufficient safety and liquidity;

WHEREAS, the Board of Directors desires continue to invest its funds through National City and to renew its delegation of investment authority to the appropriate National City officials.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Regional Solid Waste Association as follows:

1. The delegation of authority set forth in Resolution No. 2021-04 shall remain in full force and effect. National City shall continue to be authorized to pool RSWA’s funds with those of National City for investment purposes. Authority shall continue to be delegated to the National

City Treasurer, Administrative Services Director, and/or Financial Services Officer, as appropriate, to invest and reinvest the funds of RSWA, and to sell and exchange securities so purchased, in accordance with the National City Investment Policy and applicable California law.

PASSED AND ADOPTED by the Board of Directors of the Regional Solid Waste Association, San Diego County, State of California, on June 30, 2022.

Ron Morrison, Chairman
Regional Solid Waste Association

APPROVED AS TO FORM:
James H. Eggart, General Counsel

By: _____

CERTIFICATION

I, Ron Morrison, Chairman of the Regional Solid Waste Association, do hereby certify that the foregoing Resolution No. 2022-05 was duly adopted at a regular meeting of the Association, held on the 30th day of June, 2022, by the following vote of the members of the Association:

AYES:

NOES:

ABSENT:

ABSTAIN:

And I further certify that I signed and approved said Resolution on the ____ day of _____, 2022.

Ron Morrison, Chairman
Regional Solid Waste Association

Item 8.A.

Participation Summary

PERMANENT FACILITIES (Poway/Vista)

All Jurisdictions - Including Universal Waste, E-Waste, Batteries and Sharps Only Loads													
<u>CITY</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>TOTAL</u>
Carlsbad	182	141	119	164	104	91	187	118	107	133	84	0	1,430
Del Mar	0	1	0	2	2	2	5	2	2	0	0	0	16
Encinitas	47	43	42	45	27	24	50	41	38	53	24	0	434
Escondido *	0	0	0	0	0	0	0	0	0	0	0	0	-
National City**	0	0	0	0	0	0	0	0	0	0	0	0	-
Poway	527	434	358	532	312	312	551	409	399	461	313	0	4,608
San Marcos	129	82	82	88	63	65	107	76	72	109	61	0	934
Solana Beach	9	8	10	7	7	4	6	2	6	9	2	0	70
Vista	371	284	197	279	222	203	329	310	285	343	313	0	3,136
E/U-Waste Only	225	176	197	272	134	153	254	189	169	202	130	0	2,101
Batteries Only	12	11	8	23	7	5	14	16	14	17	15	0	142
Sharps Only	15	21	9	17	1	13	8	11	7	9	11	0	122
TOTAL	1,517	1,201	1,022	1,429	879	872	1,511	1,174	1,099	1,336	953	-	12,993

*Escondido participation at Poway/Vista facilities. Total participation on page 2 (Escondido and RSWA facilities).

** National City participation at Poway/Vista facilities. Total participation on page 2 (Chula Vista and RSWA facilities).

HOME PICKUPS

All Jurisdictions - Including Batteries and E-Waste Only						
	<u>Seniors/HB</u>	<u>Co-Pay</u>	<u>Sharps/U-</u>	<u>Batteries Only</u>	<u>E-Waste Only</u>	<u>Monthly Total</u>
Jul-21	128	40	13	2	0	183
Aug-21	137	41	17	2	0	197
Sep-21	109	42	25	0	0	176
Oct-21	120	34	7	1	0	162
Nov-21	126	32	6	0	0	164
Dec-21	64	32	7	0	0	103
Jan-22	99	44	22	0	0	165
Feb-22	102	41	8	0	0	151
Mar-22	96	43	10	0	0	149
Apr-22	106	29	12	0	4	151
May-22	114	33	14	0	0	161
Jun-22	0	0	0	0	0	0
Total	1,201	411	141	5	4	1,762

RSWA HHW Participation By Jurisdiction

	Del Mar		Encinitas		Escondido*		National City**		Poway		Solana Beach		Vista		Total***	
	PHHWCF	Home P/U	PHHWCF	Home P/U	V/P	Esc.	PHHWCF	Home P/U	PHHWCF	Home P/U	PHHWCF	Home P/U	PHHWCF	Home P/U	PHHWCF	Home P/U
TOTAL FY19	18	56	576	442	0	1,580	209	0	4,232	5	58	161	2,878	47	9,551	711
TOTAL FY20	28	23	559	481	0	1,604	251	0	4,184	19	74	160	2,866	145	9,566	828
TOTAL FY21	36	55	692	527	0	2,187	264	0	6,100	19	87	170	3,452	179	12,818	950
Jul-21	0	4	47	32	0	112	21	0	527	0	9	21	371	12	1,087	69
Aug-21	1	9	43	47	0	132	21	0	434	5	8	12	284	16	923	89
Sep-21	0	0	42	42	0	137	17	0	358	10	10	17	197	14	761	83
Oct-21	2	6	45	34	0	127	17	0	532	1	7	10	279	18	1,009	69
Nov-21	2	4	27	38	0	98	12	0	312	1	7	14	222	19	680	76
Dec-21	2	2	24	29	0	116	15	0	312	0	4	12	203	4	676	47
Jan-22	5	3	50	38	0	110	18	0	551	1	6	13	329	4	1,069	59
Feb-22	2	3	41	31	0	107	23	0	409	0	2	10	310	10	894	54
Mar-22	2	8	38	44	0	126	16	0	399	1	6	14	285	7	872	74
Apr-22	0	5	53	30	0	119	0	0	461	0	9	6	343	19	985	60
May-22	0	3	24	41	0	114	0	0	313	0	2	15	313	7	766	66
Jun-22	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL FY22	16	47	434	406	0	1,298	160	0	4,608	19	70	144	3,136	130	9,722	746

* Escondido - V/P = Vista/Poway facilities, Esc. = Escondido facility

** National City residents utilize Chula Vista facility, \$5 co-pay (data provided by City of Chula Vista)

*** Total - PHHWCF includes all permanent facility participation by RSWA member cities (including Escondido facility)

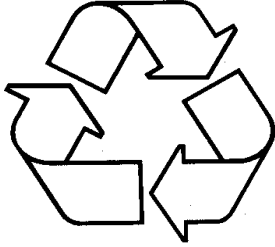
**RSWA HHW Program
Participation and
Volume Collected (lbs.)
(includes HHW from all participating jurisdictions)**

	<u>Poway</u>		<u>Vista</u>		<u>Door to Door</u>		<u>Total</u>	
	Residents	Volume	Residents	Volume	Residents	Volume	Residents	Volume
TOTAL FY19	5,342	239,105	6,948	552,122	1,499	133,002	13,789	924,229
TOTAL FY20	5,136	215,402	6,861	602,298	1,915	163,281	13,912	980,981
TOTAL FY21	7,352	225,574	8,915	667,944	2,065	166,442	18,332	1,059,960
Jul-21	652	15,330	865	87,785	183	21,946	1,700	125,061
Aug-21	529	16,833	672	46,638	197	16,309	1,398	79,780
Sep-21	444	10,769	578	30,451	176	7,612	1,198	48,832
Oct-21	669	27,762	760	55,041	162	13,760	1,591	96,563
Nov-21	397	31,298	482	51,591	164	14,897	1,043	97,786
Dec-21	399	14,537	479	30,592	103	7,648	981	52,777
Jan-22	697	17,701	814	44,126	165	11,031	1,676	72,858
Feb-22	509	15,750	665	44,828	151	11,207	1,325	71,785
Mar-22	493	10,911	606	43,494	149	10,875	1,248	65,280
Apr-22	571	21,131	765	47,144	151	7,071	1,487	75,346
May-22	378	0	575	34,242	154	8,560	1,107	42,802
Jun-22	0	0	0	0	0	0	0	0
TOTAL FY22	5,738	182,022	7,261	515,932	1,755	130,916	14,754	828,870
Weight per Vehicle/Pickup		31.7		71.1		74.6		56.2

RSWA HHW Program Participation Paint Recycling (Oil Latex) (lbs)

	Poway	Vista
TOTAL FY19	107,210	274,793
TOTAL FY20	108,080	269,071
TOTAL FY21	107,013	341,924
Jul-21	5,930	42,464
Aug-21	6,651	25,227
Sep-21	3,689	4,001
Oct-21	10,743	28,143
Nov-21	9,244	25,057
Dec-21	4,797	5,442
Jan-22	6,751	22,756
Feb-22	8,150	23,848
Mar-22	5,061	23,294
Apr-22	10,226	25,114
May-22	no shipment	20,022
Jun-22	0	0
TOTAL FY22	71,242	245,368

Item 8.B.



REGIONAL SOLID WASTE ASSOCIATION

Member Agencies: Cities of Del Mar, Encinitas, Escondido, National City, Poway, Solana Beach, and Vista

To: RSWA Board Members
From: General Manager/General Counsel James H. Eggart
Subject: Legislative Update
Date: June 30, 2022

The following is a summary of select legislation and initiative measures of interest related to solid waste issues introduced and pending in the California Legislature. The status of each bill is as of June 23, 2022. Only measures that are likely to continue to advance are discussed. Bills discussed in the March 31, 2022 memorandum that do not appear likely to advance in the current Legislative session have been left out. Those measures which are most pertinent to RSWA will be discussed in more detail at the meeting.

PLASTIC / PACKAGING WASTE REDUCTION

1. Initiative 19-0028 – Single-Use Plastic Packaging and Foodware

Summary

This ballot initiative would require CalRecycle to adopt regulations that reduce the use of single-use plastic packaging and foodware. Specifically, it would (1) require producers to ensure that single-use plastic packaging and foodware is recyclable, reusable, refillable, or compostable by 2030; (2) require producers to reduce or eliminate single-use plastic packaging or foodware that CalRecycle determines is unnecessary for product or food item delivery; (3) require producers to reduce the amount of single-use plastic packaging and foodware sold in California by at least 25 percent by 2030; (4) require producers to use recycled content and renewable materials in the production of single-use plastic packaging and foodware; (5) establish “mechanisms for convenient consumer access to recycling,” including take-back programs and deposits; (6) establish and enforce labeling standards to support the sorting of discarded single-use plastic packaging and foodware; and (7) prohibit food vendors from distributing expanded polystyrene food service containers.

The initiative would also enact a fee, called the California Plastic Pollution Reduction Fee, on single-use plastic packaging and foodware. CalRecycle would determine the fee amount with a maximum amount of 1 cent per item of packaging or foodware. Beginning in 2030, the fee would be adjusted based on changes in the Consumer Price Index.

Status

This initiative measure has qualified for the November 2022 general election ballot. The deadline for proponents to withdraw the measure is June 30, 2022.

2. Senate Bill (SB) 54 – Single-Use Packaging and Plastic Single-Use Foodware

Author(s)

Sen. Allen (D)

Summary

SB 54 was gutted and amended in the Assembly on June 16, 2022, and is an entirely new bill. The new bill is intended to be a compromise aimed at preempting the more restrictive initiative measure 19-0028.

As amended, SB 54 would establish the Plastic Pollution Prevention and Packaging Producer Responsibility Act, which would cover certain single-use packaging and plastic single-use food service ware. SB 54's provisions include, but are not limited to, the following:

- The bill would establish a producer responsibility program designed to ensure that producers of single-use packaging (including packaging made of paper, plastic, glass, or metal) and single-use plastic food service ware take responsibility for the costs associated with the end-of-life management of that material and ensure that the material is recyclable and compostable. Producers would have to form and join a producer responsibility organization by January 1, 2024.
- The bill would require the producers of covered materials to source reduce plastic covered material to ensure that covered material manufactured and offered for sale, distributed, or imported in or into the state on or after January 1, 2032, is recyclable or compostable.
- The bill would require the producers of covered materials to ensure that covered material offered for sale, distributed, or imported in or into the state meets specified recycling or composting rates. In particular, the bill would require not less than 65% of covered material manufactured on or after January 1, 2032, to be recycled or composted, and would authorize CalRecycle to increase or decrease the specified recycling and composting rates in certain circumstance.
- The bill would require producers of covered materials to implement a plan to achieve a 25% reduction by weight and 25% reduction by plastic component source reduction by January 1, 2032. 10% of the 25% source reduction would have to be achieved by eliminating single use plastics, without replacing them with another material, and another 4% of that reduction of single use plastics must be eliminated by using reuse and refill systems.
- Producer responsibility organizations would be required to collect \$500 million from their members annually for a state plastic pollution mitigation fund.
- The new law would not apply to water or other beverage bottles regulated by different recycling laws or to certain types of specialty single-use packaging.

Status

SB 54 has been referred to the Assembly Committee on Natural Resources, but a hearing date is not currently scheduled.

3. Assembly Bill (AB) 2026 – Plastic Packaging

Author(s)

Assm. Friedman (D)

Summary

SB 2026 would require a large e-commerce shipper that ships purchased products in or into the state to reduce the total weight and number of units (source reduce) of single-use plastic shipping envelopes, cushioning, and void fill it uses to ship or transport products, by no less than currently *unspecified* amounts by January 1, 2030, and by January 1, 2035. The bill would also prohibit expanded or extruded polystyrene from being used to package or transport products in or into the state, except that expanded or extruded polystyrene may be used to package or transport televisions, printers, computer screens, and large appliances until January 1, 2025.

Recent amendments to the bill have loosened its restrictions and limited its application to large e-commerce shippers with more than \$15 million in sales and more than 100 employees. The bill would also not apply to online marketplaces.

Status

SB 2026 was amended and passed out of the Senate to the Assembly on May 26, 2022. The bill was further amended by the Senate on June 9, 2022, and is still in the Senate Committee process. A hearing before the Senate Judiciary Committee is currently scheduled for June 28, 2022.

4. Senate Bill (SB) 1046 – Pre-Checkout Bags

Author(s)

Sen. Eggman (D)

Summary

SB 1046 would require pre-checkout bags provided by stores to their customers to either be compostable or made of recycled paper, beginning January 1, 2025. “Pre-checkout” bags are materials that fruits, vegetables, meat, and other products are wrapped in prior to the customer checking out at the register. As recently amended, the bill would also prohibit non-compostable pre-checkout and carry-out bags from using green, brown, or beige tinting because this is intended to imply that they are compostable.

Status

SB 1046 passed out of the Senate to the Assembly on May 24, 2022, was amended by the Senate on June 13, 2022, went back through the Senate Committee process, and has now been ordered to third reading before the Senate.

BEVERAGE CONTAINERS

5. Senate Bill (SB) 38 – Bottle Bill Amendments

Author(s)

Sen. Wieckowski (D)

Summary

SB 38 was gutted and amended in the Assembly on June 20, 2022, and is an entirely new bill. As amended, SB 38 would make various minor amendments to the Bottle Bill, including the following:

- CRV payments would now have to be made by check or electronic funds transfer only; cash payments would no longer be allowed.
- Would exempt beverage container manufacturers that sell less than 22 million containers per year from tiered postconsumer recycled content requirements applicable to larger manufacturers.
- Would require CalRecycle to study and develop a system or process to address the issue of glass contamination in glass food and beverage containers to improve the quality of glass material collected.

Status

SB 38 is currently scheduled for hearing before the Assembly Natural Resources Committee on June 27, 2022.

6. Senate Bill (SB) 895 – Nonprofit Convenience Zone Recycler

Author(s)

Sen. Laird (D)

Summary

SB 895 would amend the Bottle Bill to reduce restrictions on nonprofit convenience zone recyclers.

Status

SB 895 passed out of the Senate to the Assembly on May 25, 2022 and is currently in the Assembly Committee process. No further Committee hearings are currently scheduled.

HOUSEHOLD HAZARDOUS WASTE / BATTERIES

7. Assembly Bill (AB) 2440 and Senate Bill (SB) 1215

Author(s)

Assm. Irwin (D)
Sen. Newman (D)

Summary

These identical bills would enact the Responsible Battery Recycling Act of 2022, which would establish a stewardship program for the collection and recycling of batteries and battery-embedded products, to be funded by the battery producers, to be fully implemented by June 30, 2025.

Status

Both bills have passed out of their respective houses, have been amended in an identical manner several times, and are each still in the committee process of the other house.

8. Assembly Bill (AB) 1 – Notice of Battery Fee

Author(s)

Assm. C. Garcia (D)

Summary

As amended, AB 1 would make a technical correction to the Lead-Acid Battery Recycling Act to update the required language of the notice sellers of lead-acid batteries must give to the public to reflect the new California battery fee rate of \$2 that went into effect on April 1, 2022.

Status

AB 1 was gutted and amended on May 18, 2022, and is an entirely new bill. AB 1 passed out of the Assembly to the Senate on May 27, 2022, and has gone through the Senate Committee process without further amendments. It is ready for vote on the Senate floor.

9. Senate Bill (SB) 1256 – Disposable Propane Cylinders

Author(s)

Sen. Wieckowski (D)

Summary

SB 1256 would prohibit the sale of disposable propane cylinders on and after January 1, 2028. Small (less than one pound) cylinders used in construction and certain other types of propane cylinders would be exempt. The bill would also authorize a city attorney or county counsel to impose civil penalties for violations.

Status

SB 1256 passed out of the Senate to the Assembly on May 23, 2022, and is currently in the Assembly Committee process. A hearing before the Assembly Judiciary Committee is currently scheduled for June 28, 2022.

ORGANICS

10. Senate Bill (SB) 45 – SB 1383 Local Assistance

Author(s)

Sen. Portantino (D)

Summary

SB 45 would require CalRecycle to provide assistance to local jurisdictions to comply with SB 1383 and CalRecycle's organic waste reduction regulations, including, but not limited to, any funding appropriated by the Legislature in the annual Budget Act.

Status

SB 45 passed out of the Senate to the Assembly on January 24, 2022, and has gone through the Assembly Committee process without further amendments. It is ready for vote on the Assembly floor.

11. Assembly Bill (AB) 1985 – Recovered Organic Waste Product Procurement Targets

Author(s)

Assm. Rivas (D)

Summary

As amended in the Senate, AB 1985 would expand the options available to local jurisdictions to meet their recovered organic waste product procurement targets by allowing them to procure products made from California, landfill-diverted recovered organic waste and California-derived recovered organic waste that is processed outside of the state. The bill would also create an avenue for alternative compliance through projects that will contribute to a reduction in the level of organic waste that is disposed. Under the bill, penalties CalRecycle could impose on local jurisdictions for failing to meeting procurement targets would have to be based on a graduated schedule corresponding the percentage of the procurement target achieved.

This bill would also require CalRecycle to compile and maintain a current database / list of persons or entities that produce and have available organic waste products in the state.

Status

AB 1985 passed out of the Assembly to the Senate on May 26, 2022. It was significantly amended in the Senate on June 13, 2022, and is still in the Senate Committee process. A hearing before the Senate Environmental Quality Committee is currently scheduled for June 29, 2022.

OTHER BILLS RELATED TO SOLID WASTE

12. Assembly Bill (AB) 649 – CalRecycle Environmental Justice and Tribal Relations Office

Author(s)

Assm. Bennett (D)

Assm. Ramos (D)

Summary

AB 649 would establish the Office of Environmental Justice and Tribal Relations within CalRecycle. The bill would seek to ensure that the Department effectively address the needs of disadvantaged communities, low-income communities, California Native American tribes, and farmworkers.

Status

AB 649 passed out of the Assembly to the Senate on January 27, 2022, and is still in the Senate Committee process. No pending hearing dates are currently scheduled.

13. Assembly Bill (AB) 1817 – PFAS in Textiles

Author(s)

Assm. Ting (D)

Summary

AB 1817 would prohibit, beginning January 1, 2025, any person from manufacturing, distributing, selling, or offering for sale in the state any textile articles that contain regulated PFAS, and require a manufacturer to use the least toxic alternative when removing regulated PFAS in textile articles to comply with these provisions. The bill would also require a manufacturer of a textile article that contains regulated PFAS to provide persons that offer the product for sale or distribution in the state with a certificate of compliance stating that the textile article is in compliance with these provisions and does not contain any regulated PFAS.

Status

AB 1817 passed out of the Assembly to the Senate on May 23, 2022, and is currently in the Senate Committee process. The bill is currently scheduled for hearing before the Senate Environmental Quality Committee on June 29, 2022.

14. Assembly Bill (AB) 661 – State Agency Buy Recycled Campaign Changes

Author(s)

Assm. Bennett (D)

Summary

As recently amended, AB 661 would make numerous changes to the State Agency Buy Recycled Campaign (SABRC) including, among other things, (1) requiring state agencies, if fitness and quality are equal, to purchase recycled products instead of nonrecycled products, whenever recycled products are available at no more than 10% greater total cost than nonrecycled products; (2) substantially revising product categories; (3) requiring CalRecycle to update a list of products and minimum recycled content percentages; and (4) requiring the Department of General Services (DGS) to establish procedures for complying with SABCR with regard to the state acquisition of goods and services and information technology (IT) goods and services.

Status

AB 661 passed out of the Assembly to the Senate on January 31, 2022, and has been amended twice in the Senate Committee process. The most recently amended bill is currently scheduled to be heard before the Senate Environmental Quality Committee on June 29, 2022.

15. Assembly Bill (AB) 1857 – Transition Away from Transformation / Zero-Waste Equity Grants

Author(s)

Assm. Garcia, C. (D)

Summary

As recently amended, AB 1857 repeals the provision of law that allows jurisdictions to count waste sent to transformation for up to 10 percent of their 50 percent diversion requirement. The bill would also create and require CalRecycle to administer the Zero-Waste Equity Grant Program as a competitive grant program to support targeted strategies and investments in communities transitioning to a zero-waste circular economy. Highest grant priority would be given to communities seeking to reduce their reliance on transformation, followed by infrastructure or programs that result in the reuse, repair, and sharing of goods and materials and infrastructure to support the recycling of source-separated products and materials.

Status

AB 1857 was amended in the Assembly and passed out of the Assembly to the Senate on May 25, 2022, and is currently in the Senate Committee process. No further committee hearings are currently scheduled.

16. Assembly Bill (AB) 2048 –Franchise Agreement Database

Author(s)

Assm. Santiago (D)

Summary

AB 2048 would require local agencies to post copies of current franchise agreements with contract waste and recycling haulers on their websites and to provide CalRecycle with a direct link to the posted franchise agreements and would require CalRecycle to create and maintain a publicly accessible database that provides direct links to those posted franchise agreements.

Status

AB 2048 passed out of the Assembly to the Senate on May 5, 2022, was amended in the Senate on June 9, 2022. The Senate Committee process has been completed and the bill has been ordered to third reading in the Senate.