



Agenda

CITY OF MANHATTAN BEACH

Meeting of the Finance Subcommittee

October 18, 2021 – 11:00AM

***Zoom Meeting via Internet/Phone Conference**

- 1. Public Comments**
- 2. Approval of Minutes from July 16, 2021 Finance Subcommittee Meeting**
Recommended Action: Approve
- 3. Metlox and Water/Wastewater Certificate of Participation Refunding (No Staff Report, Presentation only)**
Recommended Action: Discuss and Approve
- 4. Annual Review of Investment Policy**
Recommended Action: Approve
- 5. Month-End Financials for August 2021**
Recommended Action: Receive and File
- 6. Investment Portfolio for August 2021**
Recommended Action: Receive and File
- 7. Fiscal Year 2021-2022 Monthly Schedule of Transient Occupancy Tax and Lease Payments and Miscellaneous Accounts Receivables**
Recommended Action: Receive and File
- 8. April 1, 2021 through June 30, 2021 Bad Debt Write Offs for Miscellaneous Accounts Receivables, Utility Billing and Ambulance Transports Referred to Collections**
Recommended Action: Receive and File

Adjourn

Copies of staff reports or other written documentation relating to agenda items are on file in the office of the Finance Director and on the City website.

***Join Zoom Meeting**

<https://citymb-info.zoom.us/j/95664091248?pwd=Slk1Yk51V2Z6M0xMelc0UktQZGRNZz09>

Meeting ID: 956 6409 1248

Passcode: 245512

Dial by your location

+1 669 900 6833 US (San Jose), +1 253 215 8782 US (Tacoma)

Finance Subcommittee Meeting Draft Action Minutes

Meeting Date: July 16, 2021, 1:30 p.m.
Recording Secretary: Helga Foushanes

In Attendance: Tim Lilligren, Treasurer
Suzanne Hadley, Mayor
Bruce Moe, City Manager
Steve S. Charelian, Finance Director
Libby Bretthauer, Financial Analyst
Julie Bondarchuk, Senior Accountant

Called to Order: 2:15 p.m. by Tim Lilligren, Treasurer

Agenda Item #1 – Public Comments

None.

Agenda Item #2 - Approval of Minutes from May 13, 2021 Finance Subcommittee Meeting

The Finance Subcommittee approved the minutes of May 13, 2021.

Agenda Item #3 – American rescue Plan Act (ARPA)

The City's allocation of American Rescue Plan Act (ARPA) funds is \$8,416,521. The first half (\$4,208,261) was received in July 2021, and the second half is expected in July 2022. Finance Department Staff and the Finance Subcommittee recommend to use the ARPA monies for governmental services for public safety to get the most flexibility. The \$4,208,261 in ARPA funds would offset costs in FY 2021 from March 3, 2021 to June 30, 2021. Final decision will be made by the full City Council at the August 3, 2021, City Council meeting. ARPA funds will be used in accordance with the Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds from The Department of the Treasury.

Agenda Item #4 – Month-End Financials for May 2021

The Finance Subcommittee received and filed the report.

Agenda Item #5 – Investment Portfolio for May 2021

The Finance Subcommittee received and filed the report.

Adjournment

The meeting adjourned at 2:17 p.m.



City of Manhattan Beach

Presentation to the Finance Subcommittee

Certificates of Participation (Metlox and Water/Wastewater Refunding)
Series 2021

October 18, 2021



5901 West Century Blvd., Suite 750, Los Angeles, CA 90045
phone 310-348-2901 fax 510-208-8282

Refunding Opportunity

Refunding of the 2012 Certificates of Participation

- The City's Certificates of Participation (Metlox and Water/Wastewater Refunding) Series 2012 are callable on 1/1/2022
- \$7,695,000 is currently outstanding, or which \$6,985,000 is callable

Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
1/1/2022	3.00%	\$710,000	n/a	n/a
1/1/2023	4.00%	730,000	1/1/2022	100
1/1/2024	4.00%	765,000	1/1/2022	100
1/1/2025	4.00%	800,000	1/1/2022	100
1/1/2026	3.00%	830,000	1/1/2022	100
1/1/2027	3.125%	590,000	1/1/2022	100
1/1/2028	3.25%	610,000	1/1/2022	100
1/1/2029	4.00%	630,000	1/1/2022	100
1/1/2030	4.00%	650,000	1/1/2022	100
1/1/2031	3.50%	680,000	1/1/2022	100
1/1/2032	3.50%	700,000	1/1/2022	100
Total Outstanding		\$7,695,000		
Total Callable Par		\$6,985,000		

Public Sale vs. Direct Placement

- Methods of sale have their advantages and considerations, and the final decision must weigh those factors considering the particulars of the City, the transaction, and the market

Public Negotiated Sale

- Underwriter
- Legal structure
 - Site Lease / Lease Agreement
 - Trust Agreement
- Rating
 - S&P (AA+, Stable)
- Official Statement Update
- Effective borrowing rate based on the public market
 - Tax-exempt yield curve plus a spread

Direct Placement

- Bank Purchaser/Lender
- Direct placement lease
- No Rating
- No Official Statement
- Tax-Exempt Rate set by Bank
 - Typically based on a percentage of an index (i.e., Libor) plus a spread

Public Sale vs. Direct Placement

- KNN solicited nine banks for indicative rates, seven of which responded
- The most competitive indicative rate was 1.47%
- A preliminary analysis indicates a public sale provides more cost savings relative to a direct placement
 - Net present value savings of approximately \$726,000, or 10% of the refunded bonds

	Direct Placement	Public Sale	Public vs. Direct
Dated Date	12/7/2021	12/7/2021	
True Interest Cost	1.470%	1.139%	-0.331%
Cost of Issuance	\$120,000	\$150,000	\$30,000
Net PV Savings	\$619,089	\$726,080	\$106,991
Net PV Savings % of Refunded Bonds	8.863%	10.395%	1.532%

Public Sale Preliminary Savings

Structuring assumptions include:

- Tax-exempt rates as of 10/13/2021
- Cost of issuance of \$150,000
- No reserve fund
- Refunding and defeasance all outstanding bonds
 - Contribution of the 1/1/2022 debt service payments
- 1/1/2032 final maturity
 - non-callable
- Refunding escrow funded with SLGS
 - Open Market Securities escrow if the SLGS window remains closed
- 12/7/2021 close

Sources and Uses	
Par Amount	\$5,935,000
Premium	1,239,483
1/1/2022 debt service	127,231
TOTAL SOURCES	\$7,301,714
Refunding Escrow	\$7,112,231
Cost of Issuance	150,000
Underwriter's Discount	35,610
Additional Proceeds	3,873
TOTAL USES	\$7,301,714

Date	Prior Debt Service	Refunding Debt Service	Savings	PV Savings
1/1/2023	984,463	896,533	87,929	86,752
1/1/2024	990,263	907,750	82,513	80,655
1/1/2025	994,663	915,750	78,913	76,340
1/1/2026	992,663	911,750	80,913	77,475
1/1/2027	727,763	656,250	71,513	67,783
1/1/2028	729,325	656,750	72,575	68,096
1/1/2029	729,500	656,000	73,500	68,268
1/1/2030	724,300	654,000	70,300	64,625
1/1/2031	728,300	655,750	72,550	66,012
1/1/2032	724,500	651,000	73,500	66,201
Total	\$8,325,738	\$7,561,533	\$764,204	\$722,207
			PV of savings from cash flow	\$722,207
			Plus: Rounding Proceeds	3,873
			Net PV Savings	\$726,080

Financing Schedule

Date	Activity
Monday, October 18, 2021	Finance Subcommittee Presentation 11 AM
Monday, October 18, 2021	1st Draft of Corporation Resolution, City Resolution, Site Lease, Lease, Trust Agrmt., Assignment Agrmt.
Tuesday, October 19, 2021	1st draft of POS
Thursday, October 21, 2021	Document Review Call
Friday, October 22, 2021	1st Draft of BPA
Friday, October 29, 2021	2nd Draft of documents, POS and BPA
Friday, October 29, 2021	Credit Package
Tuesday, November 2, 2021	Document Review Call
Wednesday, November 3, 2021	Receive rating questions
Monday, November 8, 2021	Substantially Final Documents
Monday, November 8, 2021	City Council Agenda Deadline/package (confirm)
Monday, November 8, 2021	Provide responses to rating questions
Thursday, November 11, 2021	Veterans Day
Monday, November 15, 2021	Receive Rating
Monday, November 15, 2021	Due Diligence Call
Tuesday, November 16, 2021	Corporation / City Council Approval (6PM)
Wednesday, November 17, 2021	Post POS
Monday, November 22, 2021	Pre Pricing
Tuesday, November 23, 2021	Pricing
Thursday, November 25, 2021	Thanksgiving Day
Monday, December 6, 2021	Pre-Closing
Tuesday, December 7, 2021	Closing

Questions

SOURCES AND USES OF FUNDS

**City of Manhattan Beach
Certificates of Participation
(Metlox and Water/Wastewater Refunding) Series 2021
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date 12/07/2021
Delivery Date 12/07/2021

<i>Sources:</i>	<i>2021 Refunding (Metlox)</i>	<i>2021 Refunding (Water/Wastewater)</i>	<i>Total</i>
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Bond Proceeds:			
Par Amount	5,040,000.00	895,000.00	5,935,000.00
Premium	1,131,306.40	108,176.15	1,239,482.55
	<hr/>	<hr/>	<hr/>
	6,171,306.40	1,003,176.15	7,174,482.55
Other Sources of Funds:			
1/1/2022 debt service	109,031.25	18,200.00	127,231.25
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	6,280,337.65	1,021,376.15	7,301,713.80
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<i>Uses:</i>	<i>2021 Refunding (Metlox)</i>	<i>2021 Refunding (Water/Wastewater)</i>	<i>Total</i>
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Refunding Escrow Deposits:			
Cash Deposit	0.25		0.25
SLGS Purchases	6,119,031.00	993,200.00	7,112,231.00
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	6,119,031.25	993,200.00	7,112,231.25
Delivery Date Expenses:			
Cost of Issuance	127,379.95	22,620.05	150,000.00
Underwriter's Discount	30,240.00	5,370.00	35,610.00
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	157,619.95	27,990.05	185,610.00
Other Uses of Funds:			
Additional Proceeds	3,686.45	186.10	3,872.55
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	6,280,337.65	1,021,376.15	7,301,713.80
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BOND PRICING

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>	<i>Premium (-Discount)</i>
Bond Component:						
	01/01/2023	580,000	5.000%	0.240%	105.067	29,388.60
	01/01/2024	640,000	5.000%	0.280%	109.719	62,201.60
	01/01/2025	680,000	5.000%	0.370%	114.105	95,914.00
	01/01/2026	710,000	5.000%	0.530%	117.959	127,508.90
	01/01/2027	490,000	5.000%	0.700%	121.367	104,698.30
	01/01/2028	515,000	5.000%	0.950%	123.819	122,667.85
	01/01/2029	540,000	5.000%	1.090%	126.523	143,224.20
	01/01/2030	565,000	5.000%	1.230%	128.866	163,092.90
	01/01/2031	595,000	5.000%	1.340%	131.148	185,330.60
	01/01/2032	620,000	5.000%	1.450%	133.138	205,455.60
		5,935,000				1,239,482.55

Dated Date	12/07/2021	
Delivery Date	12/07/2021	
First Coupon	07/01/2022	
Par Amount	5,935,000.00	
Premium	1,239,482.55	
Production	7,174,482.55	120.884289%
Underwriter's Discount	-35,610.00	-0.600000%
Purchase Price	7,138,872.55	120.284289%
Accrued Interest		
Net Proceeds	7,138,872.55	

BOND DEBT SERVICE

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						5,935,000	5,935,000
07/01/2022			168,158.33	168,158.33		5,935,000	5,935,000
01/01/2023	580,000	5.000%	148,375.00	728,375.00	896,533.33	5,355,000	5,355,000
07/01/2023			133,875.00	133,875.00		5,355,000	5,355,000
01/01/2024	640,000	5.000%	133,875.00	773,875.00	907,750.00	4,715,000	4,715,000
07/01/2024			117,875.00	117,875.00		4,715,000	4,715,000
01/01/2025	680,000	5.000%	117,875.00	797,875.00	915,750.00	4,035,000	4,035,000
07/01/2025			100,875.00	100,875.00		4,035,000	4,035,000
01/01/2026	710,000	5.000%	100,875.00	810,875.00	911,750.00	3,325,000	3,325,000
07/01/2026			83,125.00	83,125.00		3,325,000	3,325,000
01/01/2027	490,000	5.000%	83,125.00	573,125.00	656,250.00	2,835,000	2,835,000
07/01/2027			70,875.00	70,875.00		2,835,000	2,835,000
01/01/2028	515,000	5.000%	70,875.00	585,875.00	656,750.00	2,320,000	2,320,000
07/01/2028			58,000.00	58,000.00		2,320,000	2,320,000
01/01/2029	540,000	5.000%	58,000.00	598,000.00	656,000.00	1,780,000	1,780,000
07/01/2029			44,500.00	44,500.00		1,780,000	1,780,000
01/01/2030	565,000	5.000%	44,500.00	609,500.00	654,000.00	1,215,000	1,215,000
07/01/2030			30,375.00	30,375.00		1,215,000	1,215,000
01/01/2031	595,000	5.000%	30,375.00	625,375.00	655,750.00	620,000	620,000
07/01/2031			15,500.00	15,500.00		620,000	620,000
01/01/2032	620,000	5.000%	15,500.00	635,500.00	651,000.00		
	5,935,000		1,626,533.33	7,561,533.33	7,561,533.33		

SUMMARY OF REFUNDING RESULTS

**City of Manhattan Beach
Certificates of Participation
(Metlox and Water/Wastewater Refunding) Series 2021
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date	12/07/2021
Delivery Date	12/07/2021
Arbitrage yield	1.039380%
Escrow yield	0.000000%
Value of Negative Arbitrage	4,913.75
Bond Par Amount	5,935,000.00
True Interest Cost	1.139030%
Net Interest Cost	1.299269%
All-In TIC	1.566749%
Average Coupon	5.000000%
Average Life	5.481
Par amount of refunded bonds	6,985,000.00
Average coupon of refunded bonds	3.593166%
Average life of refunded bonds	5.410
PV of prior debt to 12/07/2021 @ 1.039380%	8,023,833.37
Net PV Savings	726,080.03
Percentage savings of refunded bonds	10.394847%
Percentage savings of refunding bonds	12.233867%

SAVINGS

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Date</i>	<i>Prior Debt Service</i>	<i>Prior Receipts</i>	<i>Prior Net Cash Flow</i>	<i>Refunding Debt Service</i>	<i>Savings</i>	<i>Present Value to 12/07/2021 @ 1.0393803%</i>
01/01/2022	127,231.25	127,231.25				
01/01/2023	984,462.50		984,462.50	896,533.33	87,929.17	86,751.85
01/01/2024	990,262.50		990,262.50	907,750.00	82,512.50	80,655.42
01/01/2025	994,662.50		994,662.50	915,750.00	78,912.50	76,339.77
01/01/2026	992,662.50		992,662.50	911,750.00	80,912.50	77,474.87
01/01/2027	727,762.50		727,762.50	656,250.00	71,512.50	67,782.97
01/01/2028	729,325.00		729,325.00	656,750.00	72,575.00	68,096.43
01/01/2029	729,500.00		729,500.00	656,000.00	73,500.00	68,268.10
01/01/2030	724,300.00		724,300.00	654,000.00	70,300.00	64,625.05
01/01/2031	728,300.00		728,300.00	655,750.00	72,550.00	66,012.02
01/01/2032	724,500.00		724,500.00	651,000.00	73,500.00	66,201.00
	8,452,968.75	127,231.25	8,325,737.50	7,561,533.33	764,204.17	722,207.48

Savings Summary

PV of savings from cash flow	722,207.48
Plus: Refunding funds on hand	3,872.55
Net PV Savings	<u>726,080.03</u>

SUMMARY OF BONDS REFUNDED

**City of Manhattan Beach
Certificates of Participation
(Metlox and Water/Wastewater Refunding) Series 2021
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Bond</i>	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Par Amount</i>	<i>Call Date</i>	<i>Call Price</i>
Metlox, 2012MET, METLOX:					
	01/01/2023	4.000%	500,000.00	01/01/2022	100.000
	01/01/2024	4.000%	530,000.00	01/01/2022	100.000
	01/01/2025	4.000%	550,000.00	01/01/2022	100.000
	01/01/2026	3.000%	570,000.00	01/01/2022	100.000
	01/01/2027	3.125%	590,000.00	01/01/2022	100.000
	01/01/2028	3.250%	610,000.00	01/01/2022	100.000
	01/01/2029	4.000%	630,000.00	01/01/2022	100.000
	01/01/2030	4.000%	650,000.00	01/01/2022	100.000
	01/01/2031	3.500%	680,000.00	01/01/2022	100.000
	01/01/2032	3.500%	700,000.00	01/01/2022	100.000
			6,010,000.00		
Water/Wastewater, 2012WTR, WATER:					
	01/01/2023	4.000%	230,000.00	01/01/2022	100.000
	01/01/2024	4.000%	235,000.00	01/01/2022	100.000
	01/01/2025	4.000%	250,000.00	01/01/2022	100.000
	01/01/2026	3.000%	260,000.00	01/01/2022	100.000
			975,000.00		
			6,985,000.00		

ESCROW REQUIREMENTS

**City of Manhattan Beach
Certificates of Participation
(Metlox and Water/Wastewater Refunding) Series 2021
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
01/01/2022	127,231.25	6,985,000.00	7,112,231.25
	127,231.25	6,985,000.00	7,112,231.25

PRIOR BOND DEBT SERVICE

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						6,985,000	6,985,000
01/01/2022			127,231.25	127,231.25	127,231.25	6,985,000	6,985,000
07/01/2022			127,231.25	127,231.25		6,985,000	6,985,000
01/01/2023	730,000	4.000%	127,231.25	857,231.25	984,462.50	6,255,000	6,255,000
07/01/2023			112,631.25	112,631.25		6,255,000	6,255,000
01/01/2024	765,000	4.000%	112,631.25	877,631.25	990,262.50	5,490,000	5,490,000
07/01/2024			97,331.25	97,331.25		5,490,000	5,490,000
01/01/2025	800,000	4.000%	97,331.25	897,331.25	994,662.50	4,690,000	4,690,000
07/01/2025			81,331.25	81,331.25		4,690,000	4,690,000
01/01/2026	830,000	3.000%	81,331.25	911,331.25	992,662.50	3,860,000	3,860,000
07/01/2026			68,881.25	68,881.25		3,860,000	3,860,000
01/01/2027	590,000	3.125%	68,881.25	658,881.25	727,762.50	3,270,000	3,270,000
07/01/2027			59,662.50	59,662.50		3,270,000	3,270,000
01/01/2028	610,000	3.250%	59,662.50	669,662.50	729,325.00	2,660,000	2,660,000
07/01/2028			49,750.00	49,750.00		2,660,000	2,660,000
01/01/2029	630,000	4.000%	49,750.00	679,750.00	729,500.00	2,030,000	2,030,000
07/01/2029			37,150.00	37,150.00		2,030,000	2,030,000
01/01/2030	650,000	4.000%	37,150.00	687,150.00	724,300.00	1,380,000	1,380,000
07/01/2030			24,150.00	24,150.00		1,380,000	1,380,000
01/01/2031	680,000	3.500%	24,150.00	704,150.00	728,300.00	700,000	700,000
07/01/2031			12,250.00	12,250.00		700,000	700,000
01/01/2032	700,000	3.500%	12,250.00	712,250.00	724,500.00		
	6,985,000		1,467,968.75	8,452,968.75	8,452,968.75		

SUMMARY OF UNREFUNDED BONDS

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Bond</i>	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Par Amount</i>
Metlox, 2012MET, METLOX:	01/01/2022	3.000%	490,000.00
Water/Wastewater, 2012WTR, WATER:	01/01/2022	3.000%	220,000.00
			710,000.00

UNREFUNDED BOND DEBT SERVICE

**City of Manhattan Beach
 Certificates of Participation
 (Metlox and Water/Wastewater Refunding) Series 2021
 Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021 01/01/2022	710,000	3.000%	10,650	720,650	720,650	710,000	710,000
	710,000		10,650	720,650	720,650		

SOURCES AND USES OF FUNDS

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date	12/07/2021
Delivery Date	12/07/2021

Sources:

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Bond Proceeds:	
Par Amount	5,040,000.00
Premium	1,131,306.40
	6,171,306.40
Other Sources of Funds:	
1/1/2022 debt service	109,031.25
	6,280,337.65
	6,280,337.65

Uses:

<hr/>	
Refunding Escrow Deposits:	
Cash Deposit	0.25
SLGS Purchases	6,119,031.00
	6,119,031.25
Delivery Date Expenses:	
Cost of Issuance	127,379.95
Underwriter's Discount	30,240.00
	157,619.95
Other Uses of Funds:	
Additional Proceeds	3,686.45
	6,280,337.65
	6,280,337.65

BOND PRICING

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>	<i>Premium (-Discount)</i>
Bond Component:						
	01/01/2023	380,000	5.000%	0.240%	105.067	19,254.60
	01/01/2024	425,000	5.000%	0.280%	109.719	41,305.75
	01/01/2025	445,000	5.000%	0.370%	114.105	62,767.25
	01/01/2026	465,000	5.000%	0.530%	117.959	83,509.35
	01/01/2027	490,000	5.000%	0.700%	121.367	104,698.30
	01/01/2028	515,000	5.000%	0.950%	123.819	122,667.85
	01/01/2029	540,000	5.000%	1.090%	126.523	143,224.20
	01/01/2030	565,000	5.000%	1.230%	128.866	163,092.90
	01/01/2031	595,000	5.000%	1.340%	131.148	185,330.60
	01/01/2032	620,000	5.000%	1.450%	133.138	205,455.60
		5,040,000				1,131,306.40

Dated Date	12/07/2021	
Delivery Date	12/07/2021	
First Coupon	07/01/2022	
Par Amount	5,040,000.00	
Premium	1,131,306.40	
Production	6,171,306.40	122.446556%
Underwriter's Discount	-30,240.00	-0.600000%
Purchase Price	6,141,066.40	
Accrued Interest		
Net Proceeds	6,141,066.40	

BOND DEBT SERVICE

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						5,040,000	5,040,000
07/01/2022			142,800	142,800		5,040,000	5,040,000
01/01/2023	380,000	5.000%	126,000	506,000	648,800	4,660,000	4,660,000
07/01/2023			116,500	116,500		4,660,000	4,660,000
01/01/2024	425,000	5.000%	116,500	541,500	658,000	4,235,000	4,235,000
07/01/2024			105,875	105,875		4,235,000	4,235,000
01/01/2025	445,000	5.000%	105,875	550,875	656,750	3,790,000	3,790,000
07/01/2025			94,750	94,750		3,790,000	3,790,000
01/01/2026	465,000	5.000%	94,750	559,750	654,500	3,325,000	3,325,000
07/01/2026			83,125	83,125		3,325,000	3,325,000
01/01/2027	490,000	5.000%	83,125	573,125	656,250	2,835,000	2,835,000
07/01/2027			70,875	70,875		2,835,000	2,835,000
01/01/2028	515,000	5.000%	70,875	585,875	656,750	2,320,000	2,320,000
07/01/2028			58,000	58,000		2,320,000	2,320,000
01/01/2029	540,000	5.000%	58,000	598,000	656,000	1,780,000	1,780,000
07/01/2029			44,500	44,500		1,780,000	1,780,000
01/01/2030	565,000	5.000%	44,500	609,500	654,000	1,215,000	1,215,000
07/01/2030			30,375	30,375		1,215,000	1,215,000
01/01/2031	595,000	5.000%	30,375	625,375	655,750	620,000	620,000
07/01/2031			15,500	15,500		620,000	620,000
01/01/2032	620,000	5.000%	15,500	635,500	651,000		
	5,040,000		1,507,800	6,547,800	6,547,800		

SUMMARY OF REFUNDING RESULTS

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date	12/07/2021
Delivery Date	12/07/2021
Arbitrage yield	1.039380%
Escrow yield	0.000000%
Value of Negative Arbitrage	4,227.56
Bond Par Amount	5,040,000.00
True Interest Cost	1.178307%
Net Interest Cost	1.348765%
All-In TIC	1.569650%
Average Coupon	5.000000%
Average Life	5.983
Par amount of refunded bonds	6,010,000.00
Average coupon of refunded bonds	3.593673%
Average life of refunded bonds	5.862
PV of prior debt to 12/07/2021 @ 1.039380%	6,969,141.82
Net PV Savings	676,690.02
Percentage savings of refunded bonds	11.259401%
Percentage savings of refunding bonds	13.426389%

SAVINGS

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Date</i>	<i>Prior Debt Service</i>	<i>Prior Receipts</i>	<i>Prior Net Cash Flow</i>	<i>Refunding Debt Service</i>	<i>Savings</i>	<i>Present Value to 12/07/2021 @ 1.0393803%</i>
01/01/2022	109,031.25	109,031.25				
01/01/2023	718,062.50		718,062.50	648,800.00	69,262.50	68,327.25
01/01/2024	728,062.50		728,062.50	658,000.00	70,062.50	68,488.52
01/01/2025	726,862.50		726,862.50	656,750.00	70,112.50	67,830.74
01/01/2026	724,862.50		724,862.50	654,500.00	70,362.50	67,371.48
01/01/2027	727,762.50		727,762.50	656,250.00	71,512.50	67,782.97
01/01/2028	729,325.00		729,325.00	656,750.00	72,575.00	68,096.43
01/01/2029	729,500.00		729,500.00	656,000.00	73,500.00	68,268.10
01/01/2030	724,300.00		724,300.00	654,000.00	70,300.00	64,625.05
01/01/2031	728,300.00		728,300.00	655,750.00	72,550.00	66,012.02
01/01/2032	724,500.00		724,500.00	651,000.00	73,500.00	66,201.00
	7,370,568.75	109,031.25	7,261,537.50	6,547,800.00	713,737.50	673,003.57

Savings Summary

PV of savings from cash flow	673,003.57
Plus: Refunding funds on hand	3,686.45
Net PV Savings	676,690.02

PRIOR BOND DEBT SERVICE

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						6,010,000	6,010,000
01/01/2022			109,031.25	109,031.25	109,031.25	6,010,000	6,010,000
07/01/2022			109,031.25	109,031.25		6,010,000	6,010,000
01/01/2023	500,000	4.000%	109,031.25	609,031.25	718,062.50	5,510,000	5,510,000
07/01/2023			99,031.25	99,031.25		5,510,000	5,510,000
01/01/2024	530,000	4.000%	99,031.25	629,031.25	728,062.50	4,980,000	4,980,000
07/01/2024			88,431.25	88,431.25		4,980,000	4,980,000
01/01/2025	550,000	4.000%	88,431.25	638,431.25	726,862.50	4,430,000	4,430,000
07/01/2025			77,431.25	77,431.25		4,430,000	4,430,000
01/01/2026	570,000	3.000%	77,431.25	647,431.25	724,862.50	3,860,000	3,860,000
07/01/2026			68,881.25	68,881.25		3,860,000	3,860,000
01/01/2027	590,000	3.125%	68,881.25	658,881.25	727,762.50	3,270,000	3,270,000
07/01/2027			59,662.50	59,662.50		3,270,000	3,270,000
01/01/2028	610,000	3.250%	59,662.50	669,662.50	729,325.00	2,660,000	2,660,000
07/01/2028			49,750.00	49,750.00		2,660,000	2,660,000
01/01/2029	630,000	4.000%	49,750.00	679,750.00	729,500.00	2,030,000	2,030,000
07/01/2029			37,150.00	37,150.00		2,030,000	2,030,000
01/01/2030	650,000	4.000%	37,150.00	687,150.00	724,300.00	1,380,000	1,380,000
07/01/2030			24,150.00	24,150.00		1,380,000	1,380,000
01/01/2031	680,000	3.500%	24,150.00	704,150.00	728,300.00	700,000	700,000
07/01/2031			12,250.00	12,250.00		700,000	700,000
01/01/2032	700,000	3.500%	12,250.00	712,250.00	724,500.00		
	6,010,000		1,360,568.75	7,370,568.75	7,370,568.75		

ESCROW REQUIREMENTS

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
01/01/2022	109,031.25	6,010,000.00	6,119,031.25
	109,031.25	6,010,000.00	6,119,031.25

BOND SOLUTION

**City of Manhattan Beach
2021 Refunding (Metlox)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Proposed Principal</i>	<i>Proposed Debt Service</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Serv Coverage</i>
01/01/2022						
01/01/2023	380,000	648,800	648,800	718,063	69,263	110.67548%
01/01/2024	425,000	658,000	658,000	728,063	70,063	110.64780%
01/01/2025	445,000	656,750	656,750	726,863	70,113	110.67568%
01/01/2026	465,000	654,500	654,500	724,863	70,363	110.75057%
01/01/2027	490,000	656,250	656,250	727,763	71,513	110.89714%
01/01/2028	515,000	656,750	656,750	729,325	72,575	111.05063%
01/01/2029	540,000	656,000	656,000	729,500	73,500	111.20427%
01/01/2030	565,000	654,000	654,000	724,300	70,300	110.74924%
01/01/2031	595,000	655,750	655,750	728,300	72,550	111.06367%
01/01/2032	620,000	651,000	651,000	724,500	73,500	111.29032%
	5,040,000	6,547,800	6,547,800	7,261,538	713,738	

SOURCES AND USES OF FUNDS

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date	12/07/2021
Delivery Date	12/07/2021

Sources:

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Bond Proceeds:	
Par Amount	895,000.00
Premium	108,176.15
	1,003,176.15
Other Sources of Funds:	
1/1/2022 debt service	18,200.00
	1,021,376.15
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Uses:

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Refunding Escrow Deposits:	
SLGS Purchases	993,200.00
Delivery Date Expenses:	
Cost of Issuance	22,620.05
Underwriter's Discount	5,370.00
	27,990.05
Other Uses of Funds:	
Additional Proceeds	186.10
	1,021,376.15
<hr/> <hr/>	

BOND PRICING

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Bond Component</i>	<i>Maturity Date</i>	<i>Amount</i>	<i>Rate</i>	<i>Yield</i>	<i>Price</i>	<i>Premium (-Discount)</i>
Bond Component:						
	01/01/2023	200,000	5.000%	0.240%	105.067	10,134.00
	01/01/2024	215,000	5.000%	0.280%	109.719	20,895.85
	01/01/2025	235,000	5.000%	0.370%	114.105	33,146.75
	01/01/2026	245,000	5.000%	0.530%	117.959	43,999.55
		895,000				108,176.15

Dated Date	12/07/2021	
Delivery Date	12/07/2021	
First Coupon	07/01/2022	
Par Amount	895,000.00	
Premium	108,176.15	
Production	1,003,176.15	112.086721%
Underwriter's Discount	-5,370.00	-0.600000%
Purchase Price	997,806.15	111.486721%
Accrued Interest		
Net Proceeds	997,806.15	

BOND DEBT SERVICE

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						895,000	895,000
07/01/2022			25,358.33	25,358.33		895,000	895,000
01/01/2023	200,000	5.000%	22,375.00	222,375.00	247,733.33	695,000	695,000
07/01/2023			17,375.00	17,375.00		695,000	695,000
01/01/2024	215,000	5.000%	17,375.00	232,375.00	249,750.00	480,000	480,000
07/01/2024			12,000.00	12,000.00		480,000	480,000
01/01/2025	235,000	5.000%	12,000.00	247,000.00	259,000.00	245,000	245,000
07/01/2025			6,125.00	6,125.00		245,000	245,000
01/01/2026	245,000	5.000%	6,125.00	251,125.00	257,250.00		
	895,000		118,733.33	1,013,733.33	1,013,733.33		

SUMMARY OF REFUNDING RESULTS

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

Dated Date	12/07/2021
Delivery Date	12/07/2021
Arbitrage yield	1.039380%
Escrow yield	0.000000%
Value of Negative Arbitrage	686.19
Bond Par Amount	895,000.00
True Interest Cost	0.621677%
Net Interest Cost	0.670712%
All-In TIC	1.528799%
Average Coupon	5.000000%
Average Life	2.653
Par amount of refunded bonds	975,000.00
Average coupon of refunded bonds	3.586171%
Average life of refunded bonds	2.621
PV of prior debt to 12/07/2021 @ 1.039380%	1,054,691.55
Net PV Savings	49,390.01
Percentage savings of refunded bonds	5.065642%
Percentage savings of refunding bonds	5.518437%

SAVINGS

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Date</i>	<i>Prior Debt Service</i>	<i>Prior Receipts</i>	<i>Prior Net Cash Flow</i>	<i>Refunding Debt Service</i>	<i>Savings</i>	<i>Present Value to 12/07/2021 @ 1.0393803%</i>
01/01/2022	18,200.00	18,200.00				
01/01/2023	266,400.00		266,400.00	247,733.33	18,666.67	18,424.60
01/01/2024	262,200.00		262,200.00	249,750.00	12,450.00	12,166.89
01/01/2025	267,800.00		267,800.00	259,000.00	8,800.00	8,509.03
01/01/2026	267,800.00		267,800.00	257,250.00	10,550.00	10,103.39
	1,082,400.00	18,200.00	1,064,200.00	1,013,733.33	50,466.67	49,203.91

Savings Summary

PV of savings from cash flow	49,203.91
Plus: Refunding funds on hand	186.10
	49,390.01
Net PV Savings	49,390.01

PRIOR BOND DEBT SERVICE

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Principal</i>	<i>Coupon</i>	<i>Interest</i>	<i>Debt Service</i>	<i>Annual Debt Service</i>	<i>Bond Balance</i>	<i>Total Bond Value</i>
12/07/2021						975,000	975,000
01/01/2022			18,200	18,200	18,200	975,000	975,000
07/01/2022			18,200	18,200		975,000	975,000
01/01/2023	230,000	4.000%	18,200	248,200	266,400	745,000	745,000
07/01/2023			13,600	13,600		745,000	745,000
01/01/2024	235,000	4.000%	13,600	248,600	262,200	510,000	510,000
07/01/2024			8,900	8,900		510,000	510,000
01/01/2025	250,000	4.000%	8,900	258,900	267,800	260,000	260,000
07/01/2025			3,900	3,900		260,000	260,000
01/01/2026	260,000	3.000%	3,900	263,900	267,800		
	975,000		107,400	1,082,400	1,082,400		

ESCROW REQUIREMENTS

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Interest</i>	<i>Principal Redeemed</i>	<i>Total</i>
01/01/2022	18,200.00	975,000.00	993,200.00
	18,200.00	975,000.00	993,200.00

BOND SOLUTION

**City of Manhattan Beach
2021 Refunding (Water/Wastewater)
Public Market Rates as of 10-13-21 with NO rate cushion**

<i>Period Ending</i>	<i>Proposed Principal</i>	<i>Proposed Debt Service</i>	<i>Total Adj Debt Service</i>	<i>Revenue Constraints</i>	<i>Unused Revenues</i>	<i>Debt Serv Coverage</i>
01/01/2022						
01/01/2023	200,000	247,733	247,733	266,400	18,667	107.53499%
01/01/2024	215,000	249,750	249,750	262,200	12,450	104.98498%
01/01/2025	235,000	259,000	259,000	267,800	8,800	103.39768%
01/01/2026	245,000	257,250	257,250	267,800	10,550	104.10107%
	895,000	1,013,733	1,013,733	1,064,200	50,467	



Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

FROM: Steve S. Charelian, Finance Director
Libby Bretthauer, Financial Services Manager

DATE: October 18, 2021

SUBJECT: Annual Review of City Investment Policy

RECOMMENDATION:

Staff recommends that the Finance Subcommittee approve the FY 2021-2022 Investment Policy.

FISCAL IMPLICATION:

There are no immediate fiscal implications associated with the recommended action.

BACKGROUND:

The City's adopted Financial Policies state that the City Council shall annually review, and modify as appropriate, the City's Investment Policy. The Finance Subcommittee reviews and approves the policy in advance of City Council review and adoption.

DISCUSSION:

The City's investment brokers as well as City staff have reviewed the City's Investment Policy and discussed potential changes based on current laws, regulations and changing market conditions. Furthermore, Investment Policy Certification program guidelines issued by the California Municipal Treasurers Association (CMTA), California Debt and Investment Advisory Commission (CDIAC) and the Association of Public Treasurers of the United States and Canada (APT US&C) were reviewed and are incorporated as appropriate.

No substantive changes were made to the Investment Policy this year. However, two changes were made to in accordance with current guidelines and best practices:

1. The Local Agency Investment Fund (LAIF) maximum deposit limit was increased to \$75 million per updated State guidelines.
2. A ratings minimum of was added for Negotiable Certificates of Deposit above the FDIC Insurance Limit of \$250,000. The ratings minimum of "Aaa to A1 (Moody's) or AAA to A+ (Standard and Poor's)" mirrors the ratings minimum already approved for Medium-Term Notes.

Staff requests that the Finance Subcommittee review and approve the revised policy and authorize staff to submit it to the full City Council for approval on October 19, 2021.

Attachment: Investment Policy for 2021-2022



CITY OF MANHATTAN BEACH INVESTMENT POLICY

Revised July 2021 ~ For Review October 2021

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1. Policy

The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment process. The initial step toward a prudent investment policy is to organize and formalize investment-related activities. Related activities which comprise good cash management include accurate cash projection, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and short-term borrowing programs which coordinate working capital requirements and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

2. Scope

It is intended that this policy cover all short-term operating funds and investment activities under the direct authority of the City. These funds are described in the City's annual financial report and include:

- General Fund
- Special Revenue Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Fiduciary Funds

This investment policy does not apply to Bond Proceeds or Deferred Compensation Funds. California Government Code Section 5922(d) authorizes bond, certificates of participation notes and other debt issue proceeds to be invested in accordance with the related offering documentation. These Code Sections recognize the unique needs and objectives of such proceeds. Likewise, Deferred Compensation Plans are covered under California Government Code.

3. Objectives

- A. Safety: Safety of principal is the foremost objective of the City, followed by liquidity and yield. Each investment transaction shall seek to first ensure that capital losses are avoided, whether from securities defaults or erosion of market value.

Investment decisions should not incur unreasonable credit or market risks in order to obtain current investment income.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in only very safe securities and by diversifying the investment portfolio so that the failure of any one issuer would not unduly harm the City's cash flow.

Market risk, defined as the risk of market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by structuring the portfolio so that

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securities mature at the same time that major cash outflows occur, thus eliminating the need to sell securities prior to their maturity. It shall also be mitigated by prohibiting the taking of short positions (selling securities that the City does not own). It is explicitly recognized herein, however, that in a diversified portfolio occasional measured losses are inevitable and must be considered within the context of overall investment return.

- B. Liquidity: The City's investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements, which might be reasonably anticipated. This need for investment liquidity may be tempered to the extent that the City is able to issue short-term notes to meet its operating requirements, if beneficial.
- C. Return on Investments: The investment portfolio shall be managed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints and cash flow requirements, and state and local law, ordinances or resolutions that restrict the placement of short-term funds.
- D. While the City will not make investments for the purpose of trading or speculation as the dominant criterion, the Treasurer and Director of Finance shall seek to enhance total portfolio return by means of ongoing portfolio management. The prohibition of speculative investments precludes investments primarily directed at gains or profits from conjectural fluctuations in market prices.

4. Prudence

The City adheres to the guidance provided by the "prudent investor standard" in the context of managing its overall portfolio. Persons authorized to make investment decisions on behalf of the City are trustees and therefore fiduciaries subject to the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency".

All participants in the investment process shall act responsibly as custodians of the public trust. The Treasurer and City Staff shall recognize that the investment portfolio is subject to public review and evaluation. The overall program shall be designed and managed with a degree of professionalism that is worthy of the public trust. Nevertheless, in a diversified portfolio, it must be recognized that occasional measured losses are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

By exercising their authority with due diligence and prudence, and in accordance with the City of Manhattan Beach Investment Policy, the Treasurer and City Staff will not be held personally liable for any individual investment losses or for total portfolio losses.

5. Delegation of Authority

Pursuant to the California Government Code 53607, the legislative body (City Council) may invest the City's funds or delegate that responsibility to the City Treasurer, who assumes full responsibility for all investment transactions and ensures a monthly report of those transactions is provided to the City Council until the delegation is revoked or expired. The City Council may renew the delegation of authority each year.

The City Treasurer shall establish a system of controls with the Finance Director to regulate the activities of City officials and their procedures, in the event circumstances require timely action and the City Treasurer is not present or able to carry out his/her duties as Treasurer.

6. Ethics and Conflicts of Interest

The Treasurer and City Staff shall refrain from personal business activity that could conflict with proper execution and management of the policy and the investment program, or which could impair their ability to make impartial decisions. The Treasurer and City Staff involved with investments must provide a public disclosure document annually to the office of the City Clerk. Furthermore, these investment officials must refrain from undertaking personal investment transactions with the same individual(s) employed by the financial institution with whom business is conducted on behalf of the City, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the City to the office of the City Clerk.

7. Finance Subcommittee

The City Council will appoint a Finance Subcommittee for the purpose of overseeing the implementation of the City's investment program and assuring it is consistent with the investment policy as approved by the City Council. The Finance Subcommittee shall consist of the City Treasurer as Chairperson and two members of the City Council, and shall meet at least quarterly to determine general strategies and to monitor results. The Finance Subcommittee shall include in its deliberations such topics as: economic outlook, portfolio diversification and maturity structure, potential risks to the City's funds, approval of authorized financial institutions, and the target rate of return on the investment portfolio. Written investment procedures must be approved by the Finance Subcommittee. Professional and technical advisory support for the Finance Subcommittee shall be provided by the City Treasurer, City Manager and Director of Finance.

8. Reporting

The Director of Finance shall prepare a monthly investment report and submit to the City Manager, the City Council and the City Treasurer. Schedules of the monthly report shall itemize the month's investment purchases, sales and maturities and indicate their effect on portfolio value; itemize all investments and deposits in the portfolio by investment or deposit category, providing essential identifying characteristics for each investment or deposit; indicate the percentage of the portfolio

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represented by each investment and by each investment category; show all par values, market values and costs at time of purchase, together with each item's coupon or discount rate and current earning rate; show the average earning rate for the portfolio; indicate distribution of the portfolio by maturity category and provide other relevant detail to accomplish disclosure of investment activity and portfolio status.

9. Investment Instruments

General guidelines that the City should follow in managing its investments are as follows:

- No investment will be purchased which matures more than five years from the date of settlement without approval by the City Council at least three months prior.
- Maturities of individual investments shall be diversified, attempting to match cash flow requirements where possible.
- The use of callable securities is permitted within the investment classes listed.

To reduce overall portfolio risk while attempting to attain market value rates of return consistent with the primary objectives of safety and availability of funds, investments shall be diversified across types of investments, maturities of those investments, and institutions in which those investments are made. Generally, the portfolio is to be invested in U.S. Treasury and Federal Agency securities with a modest addition of Bankers Acceptances (BA's) and Certificates of Deposit (CD's), and high-grade Medium-Term Corporate Notes.

Permitted Investments per City Policy

Investments shall be made only in those instruments specifically authorized by California State laws (section 53600-53609). The City's specific permitted investment guidelines are listed below. **These are in addition to, and must be used in conjunction with, the State of California statutes applicable to Municipal Investments (see Attachment A).** It should be noted that in some cases the City's permitted investments are more restrictive than the State guidelines.

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Permitted Instruments	City Policies/Limitations
State or County Investment Pool (LAIF)	Dollar Maximum: \$75 million (State limit) Portfolio Maximum: 50% (City limit, unless authorized by Finance Subcommittee – see below)
Federally Insured Banks & Thrifts/Time Deposits	Dollar Maximum: Amount insured including accrued interest Term Maximum: 5 Years
U.S. Treasuries	Dollar Maximum: None Term Maximum: 5 Years
Government Sponsored Enterprises* (US Agencies)	Term Maximum: 5 Years Portfolio Maximum: 60%; 33-1/3% per issuer
Bankers Acceptances	Term Maximum: 180 Days Portfolio Maximum: 20%; 5% per issuer
Commercial Paper	Term Maximum: 270 Days Portfolio Maximum: 15%; 5% per issuer (including Medium-Term Notes)
Medium-Term Notes	Term Maximum: 5 Years Portfolio Maximum: 20%; 10% per sector; 5% per issuer (including Commercial paper) Ratings Minimum: Aaa to A1 (Moody's) or AAA to A+ (Standard and Poor's) Make Whole Call: Only when the MTN is purchased at a discount (i.e. yield-to-maturity exceeds coupon) or par
Negotiable Certificates of Deposit	Term Maximum: 5 Years Portfolio Maximum: 20%; lesser of 5% or \$1 million per issuer Ratings Minimum: Aaa to A1 (Moody's) or AAA to A+ (Standard and Poor's) above FDIC Insurance Limit
Repurchase Agreements	Term Maximum: 1 Year Portfolio Maximum: 20% A Master Repurchase Agreement must be signed with the bank or dealer. (See Collateralization section below.)
Money Market Mutual Funds	Portfolio Maximum: 20%; 5% per issuer. Issuer must be institutional government money market mutual fund that abides by SEC regulations and have assets under management in excess of \$500+ million.

**Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank (FHLB); Federal Farm Credit Bank (FFCB); Federal Agricultural Mortgage Corp (FAMC); Tennessee Valley Authority (TVA); and any other U.S. Federal agency or instrumentality.*

State Local Agency Investment Fund (LAIF)

The City's policy with regard to LAIF is that no more than 50% of the investment portfolio may be deposited in LAIF at any time (as calculated at month end). Recognizing that LAIF is often the preferred depository for liquid funds, and in-flows during certain cash positive months results in higher LAIF balances, allowances may need to be made for short term holdings in LAIF that exceed 50%. As a result, in the event LAIF reaches the 50% threshold at any given month end, the portfolio must be reduced to the 50% level by the end of the next monthly reporting period.

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When circumstances warrant, the City Treasurer may at his/her sole discretion permit the LAIF balance to exceed 50% of the portfolio for more than the one month period when market conditions make LAIF the preferred deposit for liquid-to-short term investment of City funds. The City Treasurer will provide written notification to the Subcommittee if LAIF exceeds 50% for more than 30 days.

Investments Not Permitted per City Policy

Certain investments are prohibited by Government Code section 53601.6, including inverse floaters, range notes, mortgage-derived interest-only strips and securities that result in zero interest accrual if held to maturity (except for money market funds). Besides investments prohibited by statute, this policy also disallows investment in the following due to a higher perceived risk:

- Asset Backed Securities
- State Obligations, including for California and the other 49 states
- Municipal Obligations, including for the City of Manhattan Beach and other local agencies
- Mortgage Pass-Through Securities
- Reverse Repurchase Agreements

10. Review of Investment Portfolio

The securities held by the City must be in compliance with Section 9. Investment Instruments at the time of purchase. Because some securities may not comply with Section 9. Investment Instruments subsequent to the date of purchase, the Treasurer and City Staff will review the portfolio annually as part of fiscal year-end procedures to identify those securities that do not comply. A subsequent change in rating status does not necessarily force the sale or disposition of the investment. In the event that a security has been downgraded or otherwise found to be noncompliant, the Treasurer and City Staff will assess the risk exposure, make a decision on the course of action, and advise the Finance Subcommittee.

11. Diversification

The City will diversify its investments by security type and institution to avoid incurring unreasonable and avoidable risks associated with concentrating investments in specific security types, maturity segments, or in individual financial institutions. Specific limitations are identified in Section 9. Investment Instruments.

12. Maximum Maturities

Maximum maturities identified in the chart of Permitted Investments refer to the total remaining term from settlement date, which may differ from the original term at time of issue.

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To the extent possible, the City attempts to match its investments with anticipated cash flow requirements. The City will not directly invest in securities maturing more than five years from the date of purchase. The Treasurer may temporarily exceed this guideline when repositioning the portfolio to match a specific cash flow need, provided that the City Council has given approval at least three months prior to purchasing any investment maturing more than five years from the date of purchase.

13. Relationships with Financial Institutions

- A. The City may only purchase statutorily authorized investments, not purchased directly from the issuer, but from either an institution licensed by the state as a broker/dealer, from a national or state chartered bank, from a federal or state savings institution, from a brokerage firm designated as a primary government dealer by the Federal Reserve Bank, or a member of a securities exchange.
- B. Financial institutions with which the City conducts investment activities must agree in writing to undertake reasonable efforts to prevent illegal and/or imprudent transactions involving City funds. Should it come to the attention of the Director of Finance that City funds have been involved in illegal and/or imprudent transactions, it will be reported to the City Council along with options for dealing with the situation.

All security dealers who wish to engage in transactions with the City must meet the City's requirements for reliability and safety.

- C. To ensure yields consistent with this policy and to provide for the objective investment of City funds, the City's investment procedures shall be designed to include transactions with several firms that compete directly for public business, and to encourage competitive bidding on transactions. Such bids and offers shall be made available upon request to the Finance Subcommittee and the City Manager.
- D. The City shall utilize a minimum of two financial institutions deemed eligible by the Finance Subcommittee to place all investment purchases. Based on a periodic evaluation, securities dealers, banks and other financial institutions will be dropped or continued on the eligibility list. The following criteria will be used in the evaluation:
 - 1. Prompt and accurate confirmation of transactions
 - 2. Efficient securities delivery
 - 3. Accurate market information account servicing

In order to assist in identifying "qualified financial institutions," the Director of Finance shall forward copies of the City's investment policy to those financial institutions with which the City is interested in doing business and require written acknowledgement of the Policy.

All qualified financial dealers must supply the City with the following:

- Annual audited financial statements
- Proof of Financial Industry Regulatory Authority (FINRA) certification
- Trading Resolution
- Proof of State of California registration
- Completed Broker/Dealer Questionnaire
- Certification of having read the City's policy

The City will maintain an authorized agreement with at least one eligible broker who is associated with an institutional (versus retail) division of a primary brokerage firm.

An annual review of the financial condition and registrations of qualified bidders will be conducted by the Treasurer (or Finance Director). A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the City invests.

14. Investment Pools/Money Market Mutual Funds

A thorough investigation of the investment pool and/or money market mutual fund is required prior to investing and on a continual basis thereafter to evaluate the suitability and risks of the pool. The investigation will, at a minimum, obtain the general information:

- A description of eligible investment securities, and a written statement of investment policy and objectives;
- A description of interest calculations and how they are distributed, and how gains and losses are treated;
- A description of how the securities are safeguarded (including the settlement processes) and how often the securities are priced and the program audited;
- A description of who may invest in the program, how often, and what size deposits and withdrawals are allowed;
- A schedule for receiving statements and portfolio listings;
- A description of the utilization and level of reserves, retained earnings or other collateral used by the fund;
- A fee schedule that discloses when and how fees are assessed; and
- Whether the fund is eligible for bond proceeds and/or whether it will accept such proceeds.

15. Collateralization

Collateralization is normally required on two types of investments: certificates of deposit and repurchase agreements. The City does not invest in time deposits or certificates of deposit above the FDIC-insured limit. In order to anticipate market changes and provide a level of security for all funds, the collateralization level for repurchase agreements will be marked-to-market daily to a market valuation of 102% of principal and accrued interest.

16. Safekeeping and Custody

- A. All City investments shall have the City of Manhattan Beach as its registered owner, and all interest and principal payments and withdrawals shall indicate the City of Manhattan Beach as the payee.
- B. All securities shall be safe kept with a qualified financial institution, contracted by the City as a third party custodian. All securities shall be acquired by the safekeeping institution on a “delivery-versus-payment” (DVP) basis. In other words, the security must be delivered before City funds are released. The DVP basis for delivery also applies to the delivery and safekeeping of repurchase agreement collateral.
- C. Original copies of non-negotiable certificates of deposit and confirming copies of all other investment transactions must be delivered to the City.

17. Internal Control

The Director of Finance shall establish a system of internal controls, which shall be documented in writing. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the City. Controls deemed most important include: control of collusion, separation of duties, separating transaction authority from accounting and recordkeeping, custodial safekeeping, clear delegation of authority, specific limitations regarding securities losses and remedial action, written confirmation of telephone transactions, minimizing the number of authorized portfolio managers, documentation of transactions and strategies, and ethical standards.

The Director of Finance shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with established policies and procedures.

18. Risk Tolerance

The City recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity.

Portfolio diversification is employed as a way to control risk, as referenced above in paragraph III.D. The Treasurer and City Staff are expected to display prudence in the selection of securities, as a way to minimize default risk. No individual investment transaction shall be undertaken which jeopardizes the total capital position of the overall portfolio.

19. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and cash flow needs. Investment return becomes a consideration only after the basic requirements of investment safety and liquidity have been met.

The City's investment strategy is passive (buy-and-hold). Given this strategy, the Treasurer and/or Finance Director shall determine whether market yields are being achieved by comparing the total return of the portfolio to the monthly LAIF rate and the 12-month rolling average 2-Year Treasury Constant Maturity rate. However, the reporting of these benchmarks is only to be used as a reference tool and therefore should not imply that the City should add additional risk to the portfolio in order to attain or exceed a benchmark. Benchmarks may change over time based on changes to market conditions or cash flow requirements.

20. Investment Policy Adoption

The policy shall be reviewed annually by the Finance Subcommittee and any modifications made thereto must be approved by the City Council. The City's investment policy shall be adopted annually by the City Council.

The Director of Finance shall establish written investment policy procedures for the operation of the investment program consistent with this policy. The procedures should include reference to: safekeeping, master repurchase agreements, wire transfer agreements, banking service contracts and depository agreements. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the City.

**ATTACHMENT A:
Summary of State of California Statutes Applicable to Municipal Investment**

The following investments are authorized by California State Code, Title 5, Division 2, Sections 16340, 16429.1, 53601, 53601.8, 53635, 53635.2, and 53638.

California Authorized Investments	Key Limitation Summary*
Local Agency Bonds	Portfolio Maximum: None
US Treasury Notes, Bonds, Bills	Portfolio Maximum: None
California State Warrants, Treasury Notes or Bonds	Portfolio Maximum: None
Bonds, Notes, Warrants of any local agency within the State	Portfolio Maximum: None
Federal Agency or United States government-sponsored enterprise obligations	Portfolio Maximum: None
Bankers Acceptances	Portfolio Maximum: 40%; 30% in any one issuer Term Maximum: 180 days
Commercial Paper	Domestic corporation with total assets greater than \$500 million Ratings Minimum: A-1 rated commercial paper Portfolio Maximum: 25%; 10% in any single issuer Term Maturity: 270 days
Negotiable Certificates of Deposit and CD Placement Service	Nationally or state-chartered bank, a savings association or a federal association, a state of federal credit union, or a state licensed branch of a foreign bank. Portfolio Maximum: 30%
Repurchase Agreements	102% underlying security valuation Term Maximum: One Year
Reverse Repurchase Agreements	Security subject to repurchase has been owned & fully paid for at least 30 days prior to sale. Funds received cannot be used to purchase securities with a maturity longer than 92 days. Portfolio Maximum: 20% Maximum limitation Term Maximum: 92 days
Medium Term Corporate Notes	Domestic corporations rated “A” or better by an NRSRO Portfolio Maximum: 30%
Shares of Beneficial Interest Issued By Diversified Management Companies (Mutual & Money Market Funds)	Portfolio Maximum: 20%; 10% per fund Money Market funds registered with the SEC; attained the highest ranking by not less than two nationally recognized rating organizations; assets in excess of \$500 million; investment advisor with not less than five years of experience

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California Authorized Investments	Key Limitation Summary*
<p>Local Agency Investment Fund Any mortgage pass through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass through certificate, or consumer receivable-backed bond</p>	<p>Investment Maximum: \$50 million Portfolio Maximum: 20% Minimum Rating: “AA” national rating</p>
<p>Other Obligation Valuation Requirements: (m) Promissory notes secured by first mortgages and first trust deeds which comply with Section 53651.2. (p) With the consent of the treasurer, letters of credit issued by the Federal Home Loan Bank of San Francisco which comply with Section 53651.6.</p>	<p>(a) Eligible securities, except eligible securities of the classes described in subdivisions (m) and (p) of Section 53651, shall have a market value of at least 10 percent in excess of the total amount of all deposits of a depository secured by the eligible securities. (b) Eligible securities of the class described in subdivision (m) of Section 53651 shall have a market value at least 50 percent in excess of the total amount of all deposits of a depository secured by those eligible securities. (c) Eligible securities of the class described in subdivision (p) of Section 53651 shall have a market value of at least 5 percent in excess of the total amount of all deposits of a depository secured by those eligible securities.</p>
<p>Moneys held by a trustee or fiscal agent pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale, or other agreement of a local agency, or certificates of participation in those bonds, indebtedness, or lease installment sale, or other agreements</p>	<p>May be invested in accordance with the statutory provisions governing the issuance of those bonds, indebtedness, or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture, or agreement of the local agency providing for the issuance.</p>
<p>Notes, bonds, or other obligations that are at all times secured by a valid first priority security interest</p>	<p>Securities of the types listed by Section 53651 Market value of at least 110% of underlying security value</p>

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California Authorized Investments	Key Limitation Summary*
Other Code Restrictions & Clarifications	<p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in inverse floaters, range notes, or mortgage-derived, interest-only strips.</p> <p>A local agency shall not invest any funds pursuant to this article or pursuant to Article 2 (commencing with Section 53630) in any security that could result in zero interest accrual if held to maturity.</p> <p>No more than 5 percent of the total assets of the investments held by a local agency may be invested in the securities of any one issuer, except the obligations of the United States government, United States government agencies, and United States government-sponsored enterprises.</p> <p>Where this section specifies a percentage limitation for a particular category of investment, that percentage is applicable only at the date of purchase.</p>

**Unless otherwise stated, all investments have a five year maximum maturity limitation.*

ATTACHMENT B:

GLOSSARY

AGENCIES: Federal agency securities and/or government-sponsored enterprises, such as Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), etc.

BANKERS' ACCEPTANCE (BA): Short-term credit arrangements to enable businesses to obtain funds to finance commercial transactions. They are time drafts drawn on a bank by an exporter or importer to obtain funds to pay for specific merchandise. By its acceptance, the bank becomes primarily liable for the payment of the draft at its maturity. An acceptance is a high-grade negotiable instrument. Acceptances are purchased in various denominations for 30, 60, or 90 days, but no longer than 180 days. The interest is calculated on a 360-day discount basis similar to treasury bills. Local agencies may not invest more than 40% of their surplus money in banker's acceptance.

BROKER: A broker brings buyers and sellers together for a commission paid by the initiator of the transaction or by both sides. In the money market, brokers are active in markets in which banks buy and sell money and in inter-dealer markets.

CERTIFICATES OF DEPOSIT (CD): Time deposits of a bank or savings and loan. They are purchased in various denominations with maturities ranging from 30 to multiple years. The interest is calculated on a 360-day, actual day month basis and is payable monthly.

NEGOTIABLE CERTIFICATES OF DEPOSIT: Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit. The primary market issuance is in multiples of \$1,000,000, the secondary market usually trades in denominations of \$500,000, although smaller lots are occasionally available. As a matter of practice, only the ten largest U.S. banks, where there is a secondary market established for continued liquidity, are considered for investment.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERCIAL PAPER: Short-term unsecured promissory note issued by a corporation to raise working capital. These negotiable instruments are purchased at a discount to par value or at par value with interest bearing. Commercial paper is issued by corporations such as IBM, Bank of America, etc.

Local agencies are permitted by State law to invest in commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical ratings as provided by Moody's Investor's Service, Inc., or Standard and Poor's Corporation. Purchases of eligible commercial paper may not exceed 270 days maturity nor exceed 30% of the local agency's surplus funds.

COUPON: The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DELIVERY VERSUS PAYMENT (DVP): There are two methods of delivery of securities: delivery versus payment and delivery versus receipt (also called free). Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipts is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DIVERSIFICATION: Dividing investment funds among a variety of securities and issuers offering independent returns.

DERIVATIVE: An asset that derives its value from another asset. For example, a call option on the stock of Coca-Cola is a derivative security that obtains value from the shares of Coca-Cola that can be purchased with the call option. Call options, put options, convertible bonds, futures contracts, and convertible preferred stock are examples of derivatives. A derivative can be either a risky or low-risk investment, depending upon the type of derivative and how it is used.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g. S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL FUNDS: Non-interest bearing deposits held by member banks at the Federal Reserve. Also used to denote "immediately available" funds in the clearing sense. "Fed Funds" also used to refer to these funds.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 Regional Banks and about 5,700 commercial banks that are members of the system.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures financial institutions' deposits, currently up to \$250,000 per account.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift

institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL HOME LOAN MORTGAGE CORPORATION (FHLMC): A U.S. Corporation and instrumentality of the U.S. government. Through its purchases of conventional mortgages, it provides liquidity to the mortgage markets, much like FNMA. FHLMC'S Securities are highly liquid and widely accepted. FHLMC assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing & Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

GOVERNMENTAL NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LAIF (Local Agency Investment Fund): A special fund in the California State Treasury which local agencies may use to deposit funds for investment. There is no minimum investment period and the minimum transaction is \$5,000, in multiples of \$1,000 above that, with a maximum balance of \$75,000,000 for any agency. The City is restricted to a maximum of fifteen transactions per month. It offers high liquidity because deposits can be converted to cash in twenty-four hours and no interest is lost. All interest is distributed to those agencies participating on a proportionate share basis determined by the amounts deposited and the length of time they are deposited. Interest is paid quarterly. The State retains an amount for reasonable costs of making the investments, not to exceed one-quarter of one percent of the earnings.

MAKE WHOLE CALL: A type of call provision on a bond allowing the borrower to pay off remaining debt early. The borrower makes a lump sum payment derived from a formula based on a predetermined spread to an index (typically a Treasury Note), or par value of the bond.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase--reverse agreements that establishes each party's rights in the transactions. A

master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM-TERM CORPORATE NOTES: Unsecured promissory notes issued by a corporation organized and operating in the United States. These are negotiable instruments and are traded in the secondary market. Medium term corporate notes can be defined as extended maturity commercial paper.

Local agencies are restricted by the Government Code to investments in corporations rated in the upper investment grade categories by a nationally-recognized statistical rating organization. Further restrictions are a maximum term of five years to maturity and total investments in medium term corporate notes may not exceed 30% of the local agency's surplus funds.

MONEY MARKET FUNDS: Open-ended mutual fund that invests in highly liquid and safe securities (bills, commercial paper, bankers' acceptances, CD's, etc.) and pays money market rates of interest. The fund's net asset value remains a constant \$1 a share.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO): A credit rating agency that issues credit ratings that the Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes.

PORTFOLIO: Collection of securities held by an investor.

PORTFOLIO MANAGER: City Treasurer or Director of Finance.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

REPURCHASE AGREEMENTS (RP OR REPO): A repo or reverse-repo is a short-term investment transaction. Banks buy temporarily idle funds from a customer by selling U.S. Government or other securities with a contractual agreement to repurchase the same securities on a future date. Repurchase agreements are typically for one to ten days in maturity. The customer receives interest from the bank. The interest rate reflects both the prevailing demand for Federal funds and the maturity of the repo. Some banks will execute repurchase agreements for a minimum of \$100,000 to \$500,000, but most banks have a minimum of \$1,000,000. A reverse-repo is exactly what the name implies.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

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

SECURITIES AND EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**City of Manhattan Beach Investment Policy
For Review October 2021**

SETTLEMENT DATE: The date on which a trade is cleared by delivery of securities against funds. This date may be the same as the trade date or later.

TENNESSEE VALLEY AUTHORITY (TVA): A U.S. Corporation created in the 1930's, to electrify the Tennessee Valley area; currently a major utility headquartered in Knoxville Tennessee. TVA's securities are highly liquid and are widely accepted.

TRADE DATE: The date on which a transaction is initiated or entered into by the buyer and seller.

TREASURY BILLS: Issued weekly with maturity dates up to one year. They are issued and traded on a discount basis with interest figured on a 360-day basis, actual number of days. They are issued in amounts of \$10,000 and up, in multiples of \$5,000. They are a highly liquid security.

TREASURY NOTES: Initially issued with two- to ten-year maturities. They are actively traded in a large secondary market and are very liquid. The Treasury may issue note issues with a minimum of \$1,000, however, the average minimum is \$5,000.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

YIELD TO MATURITY: The rate of return yielded by a debt security held to maturity when both interest payments and the investor's capital gain or loss on the security are taken into account.



Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Julie Bondarchuk, Financial Controller

DATE: October 18, 2021

SUBJECT: Month-End Financial Reports for August 2021

RECOMMENDATION:

Staff recommends that the Finance Subcommittee receive and file this report.

FISCAL IMPLICATION:

This is a financial status report presented as a basis for discussion of current financial performance. No budgetary changes are recommended at this time.

DISCUSSION:

Finance is pleased to provide you with month-end financial reports for the month ending August 31, 2021. This report date marks the second month of the 2021-2022 fiscal year.

The following reports are attached for fiscal year (FY) 2021-2022:

- FY 2021-2022 Statement of Revenues and Expenditures
 - Presents revenues and expenditures by fund and compares budget-to-actual performance.
- FY 2021-2022 Citywide Revenues
 - Presents revenues by fund and compares budget-to-actual performance.
- FY 2021-2022 General Fund Major Revenue Trends
 - Highlights significant General Fund revenue sources and recent trends.
- FY 2021-2022 Revenue Detail
 - Presents citywide revenue performance by line item detail to clarify the revenue components in each fund.
- FY 2021-2022 Citywide Expenditures
 - Presents expenditures by fund and compares budget-to-actual performance.
- FY 2021-2022 General Fund Expenditures by Department
 - Presents General Fund expenditures by department and compares budget-to-actual performance.

Attachments: August 2021 Month-End Financial Reports



City of Manhattan Beach
Fiscal Year 2021-2022 Statement of Revenues & Expenditures
As of August 31, 2021

% of Year
16.7%

Current Year Activity

Fund	Adjusted Budget	YTD Revenues	%	Adjusted Budget	Year-to-Date		%	
					Expenditures	Expenditures		Encumbrances
Fund No.	Revenues	Revenues	Realized	Expenditures	Expenditures	Encumbrances	Utilized	
General Fund	100	\$82,260,057	\$8,521,428	10.4%	\$78,585,799	\$11,401,290	\$1,138,258	16.0%
Street Lighting & Landscaping Fund	201	389,689	-	0.0%	578,252	41,411	11,100	9.1%
Gas Tax Fund	205	1,395,158	198,178	14.2%	3,396,740	344,537	971,147	38.7%
Asset Forfeiture	210	28,824	(2,535)	-8.8%	136,247	11,911	27,747	29.1%
Police Safety Grants	211	159,192	(4,548)	-2.9%	194,408	17,055	22,353	20.3%
Prop A Fund	230	737,244	149,537	20.3%	943,975	85,774	11,894	10.3%
Prop C Fund	231	634,279	85,000	13.4%	5,827,757	105,919	5,559,991	97.2%
AB 2766 Fund	232	46,641	(974)	-2.1%	673	112	-	16.6%
Measure R	233	458,499	74,356	16.2%	409,172	4,992	145,434	36.8%
Measure M	234	2,309,690	94,006	4.1%	3,637,544	163,467	1,066,723	33.8%
Capital Improvements Fund	401	2,919,601	276,242	9.5%	5,966,202	59,375	1,990,579	34.4%
Bond Construction Fund	402	-	8,703,543	n/a	-	229,922	-	n/a
Underground Assessment District Construction	403	42,110	(30,543)	-72.5%	3,378,665	33,000	1,598,960	48.3%
Water Fund	501	15,586,832	2,372,093	15.2%	45,058,168	2,841,504	28,009,655	68.5%
Stormwater Fund	502	779,889	(14,289)	-1.8%	2,571,890	135,727	754,960	34.6%
Wastewater Fund	503	3,604,073	480,322	13.3%	4,405,811	239,311	1,369,511	36.5%
Parking Fund	520	3,730,433	958,097	25.7%	3,185,194	246,988	287,152	16.8%
County Parking Lots Fund	521	1,263,000	296,469	23.5%	872,452	17,043	-	2.0%
State Pier & Parking Lot Fund	522	894,383	169,037	18.9%	2,236,962	49,071	66,949	5.2%
Insurance Reserve Fund	601	7,389,560	1,232,877	16.7%	7,207,853	2,187,985	245,153	33.8%
Information Systems Reserve Fund	605	3,039,108	506,520	16.7%	3,969,519	382,208	681,652	26.8%
Fleet Management Fund	610	2,363,382	350,483	14.8%	4,202,993	141,507	153,442	7.0%
Building Maintenance & Operation Fund	615	2,104,412	112,681	5.4%	2,202,368	148,930	165,108	14.3%
Special Assessment Debt Service	710	707,750	12,588	1.8%	708,900	663,025	-	93.5%
Special Assessment UAD 19-12 19-14 Fund	711	614,943	4	0.0%	606,707	491,826	-	81.1%
Special Assessment UAD 19-4 Fund	712	336,313	2	0.0%	336,163	275,656	-	82.0%
City Pension Fund	801	197,697	(693)	-0.4%	196,680	34,496	-	17.5%
PARS Investment Trust	804	100,000	22,575	22.6%	-	-	-	-
		\$134,092,759	\$24,562,453	18.3%	\$180,817,095	\$20,354,041	\$44,277,769	11.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Citywide Revenues
As of August 31, 2021

% of Year
16.7%

Current Year Activity

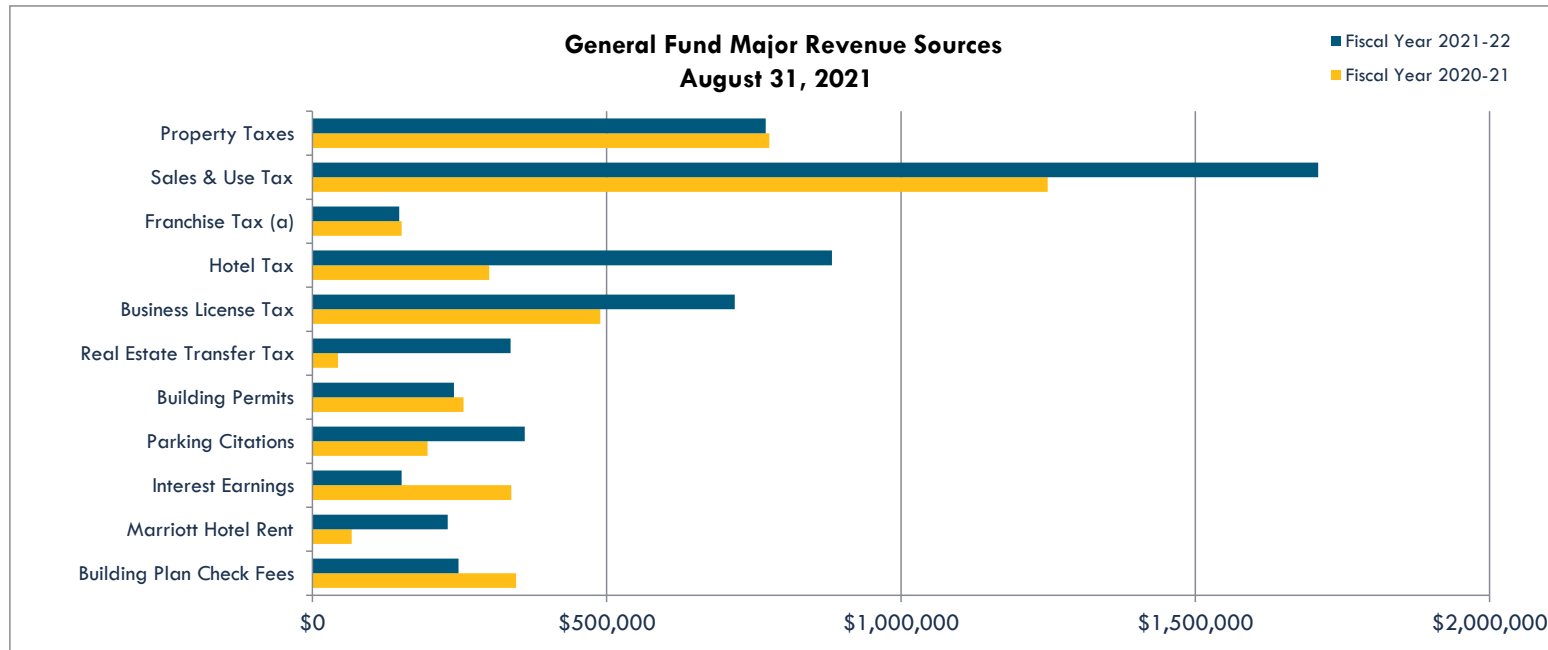
	Fund No.	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
General Fund	100	\$82,260,057	-	\$82,260,057	\$8,521,428	73,738,629	10.4%
Street Lighting & Landscaping Fund	201	389,689	-	389,689	-	389,689	0.0%
Gas Tax Fund	205	1,395,158	-	1,395,158	198,178	1,196,980	14.2%
Asset Forfeiture	210	28,824	-	28,824	(2,535)	31,359	-8.8%
Police Safety Grants	211	159,192	-	159,192	(4,548)	163,740	-2.9%
Prop A Fund	230	737,244	-	737,244	149,537	587,707	20.3%
Prop C Fund	231	634,279	-	634,279	85,000	549,279	13.4%
AB 2766 Fund	232	46,641	-	46,641	(974)	47,615	-2.1%
Measure R	233	458,499	-	458,499	74,356	384,143	16.2%
Measure M	234	2,309,690	-	2,309,690	94,006	2,215,684	4.1%
Capital Improvements Fund	401	2,919,601	-	2,919,601	276,242	2,643,359	9.5%
Bond Construction Fund	402	-	-	-	8,703,543	(8,703,543)	100.0%
Underground Assessment District Construction	403	42,110	-	42,110	(30,543)	72,653	-72.5%
Water Fund	501	15,586,832	-	15,586,832	2,372,093	13,214,739	15.2%
Stormwater Fund	502	779,889	-	779,889	(14,289)	794,178	-1.8%
Wastewater Fund	503	3,604,073	-	3,604,073	480,322	3,123,751	13.3%
Parking Fund	520	3,730,433	-	3,730,433	958,097	2,772,336	25.7%
County Parking Lots Fund	521	1,263,000	-	1,263,000	296,469	966,531	23.5%
State Pier & Parking Lot Fund	522	894,383	-	894,383	169,037	725,346	18.9%
Insurance Reserve Fund	601	7,389,560	-	7,389,560	1,232,877	6,156,683	16.7%
Information Systems Reserve Fund	605	3,039,108	-	3,039,108	506,520	2,532,588	16.7%
Fleet Management Fund	610	2,363,382	-	2,363,382	350,483	2,012,899	14.8%
Building Maintenance & Operation Fund	615	2,104,412	-	2,104,412	112,681	1,991,731	5.4%
Special Assessment Debt Service	710	707,750	-	707,750	12,588	695,162	1.8%
Special Assessment UAD 19-12 19-14 Fund	711	614,943	-	614,943	4	614,939	0.0%
Special Assessment UAD 19-4 Fund	712	336,313	-	336,313	2	336,311	0.0%
City Pension Fund	801	197,697	-	197,697	(693)	198,390	-0.4%
PARS Investment Trust	804	100,000	-	100,000	22,575	77,425	22.6%
		\$134,092,759	\$0	\$134,092,759	\$24,562,453	\$109,530,306	18.3%



City of Manhattan Beach
Fiscal Year 2021-2022 General Fund Major Revenue Trends
August 31, 2021

Percent of Year
16.7%

Major Revenue Accounts	Fund No.	Year-To-Date Actuals						FY 2022	
		2017	2018	2019	2020	2021	2022	Adj Budget	Realized
Property Taxes	100	649,763	682,006	728,979	755,718	776,468	770,228	38,049,313	2.0%
Sales & Use Tax	100	1,458,900	1,416,000	1,512,010	1,638,508	1,249,220	1,708,940	9,260,000	18.5%
Franchise Tax (a)	100	173,341	161,392	167,202	159,776	151,631	147,576	1,135,000	13.0%
Hotel Tax	100	919,797	786,960	785,764	910,733	300,577	882,717	4,025,000	21.9%
Business License Tax	100	108,589	124,560	210,013	244,238	489,304	717,723	3,600,000	19.9%
Real Estate Transfer Tax	100	110,037	181,549	183,454	121,395	43,690	336,863	810,000	41.6%
Building Permits	100	251,816	292,466	230,870	334,463	256,657	240,375	1,532,712	15.7%
Parking Citations	100	523,535	426,629	440,273	316,479	195,554	360,864	1,875,000	19.2%
Interest Earnings	100	120,705	162,239	260,118	362,501	337,855	151,755	637,522	23.8%
Marriott Hotel Rent	100	392,029	394,945	352,504	456,801	66,667	229,869	1,350,000	17.0%
Vehicle in Lieu	100	-	-	-	-	-	-	17,000	0.0%
Building Plan Check Fees	100	182,974	402,870	323,537	323,307	346,109	248,307	1,755,000	14.1%
Total Major Revenue Accounts		4,891,484	5,031,616	5,194,724	5,623,918	4,213,730	5,795,216	64,046,547	9.0%
Over/(Under) Prior Year			140,132	163,108	429,194	(1,410,188)	1,581,486		
Percent Change From Prior Year			2.9%	3.2%	8.3%	(25.1%)	37.5%		
Other Revenues		2,748,841	3,471,147	3,689,863	3,373,532	2,268,022	2,726,212	18,213,510	15.0%
Total General Fund Revenues		7,640,325	8,502,763	8,884,587	8,997,449	6,481,752	8,521,428	82,260,057	10.4%

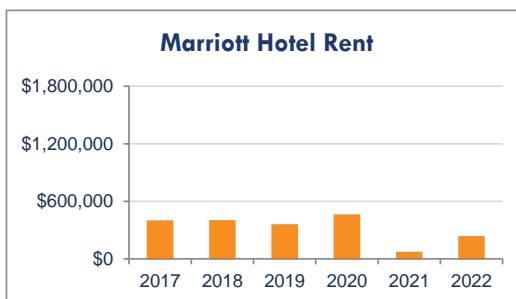
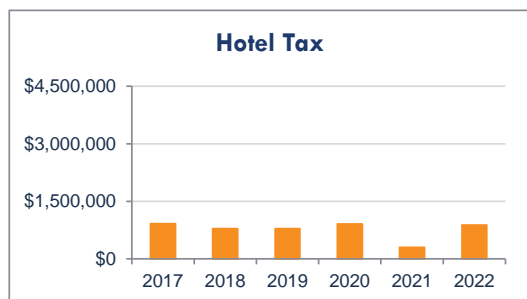
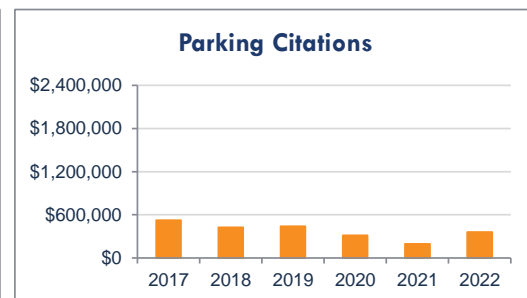
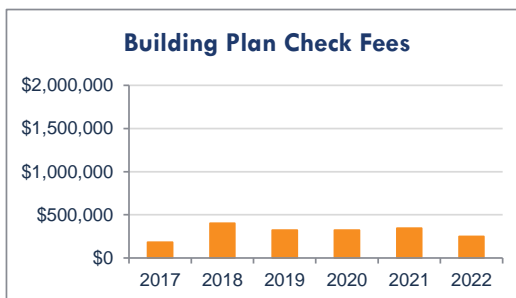
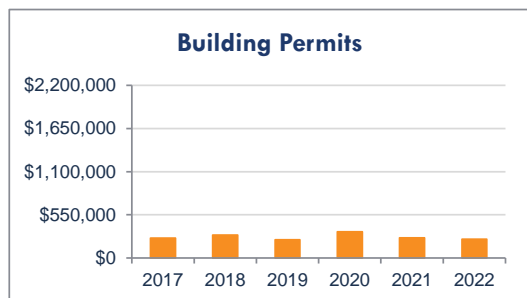
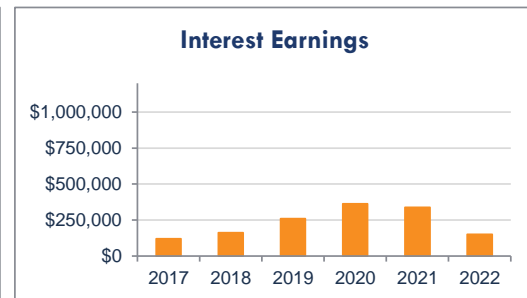
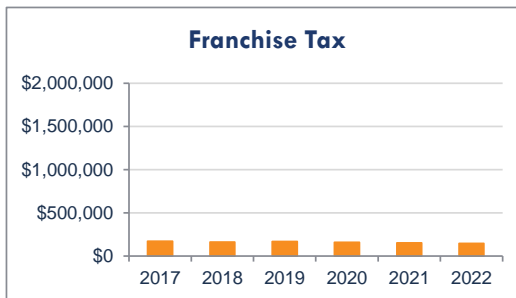
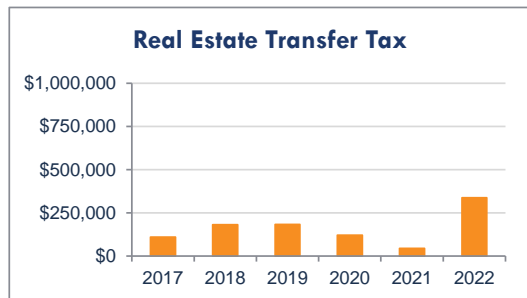
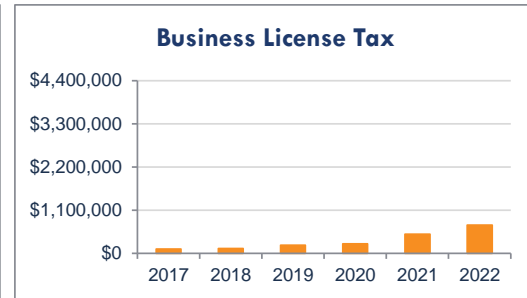
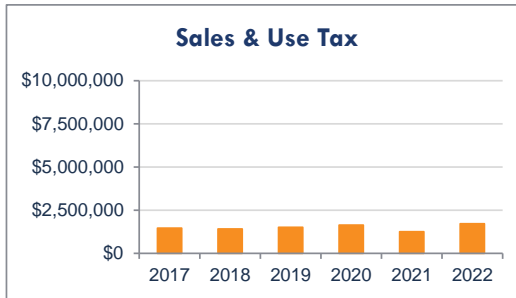
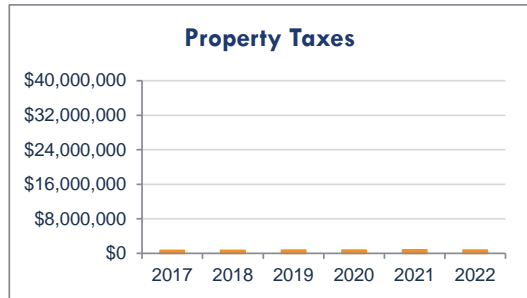


(a) The structure of payments for the some of the franchise fees has changed resulting in lower initial revenues at the beginning of the fiscal year as compared to prior years. This revenue will self adjust throughout the year to better align with prior full-year numbers.



City of Manhattan Beach Fiscal Year-To-Date General Fund Trends Through August Year-Over-Year

Percent of Year
16.7%





City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Current Year Activity

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	GENERAL FUND							
	41101	C.Yr Secured Property Tax	30,986,000	-	30,986,000	-	30,986,000	0.0%
	41102	C.Yr Unsecured Property Tax	1,021,039	-	1,021,039	770,228	250,811	75.4%
	41103	P.Yr Secured Prop Tax	-	-	-	-	-	-
	41104	P.Yr Unsecured Property Tax	35,000	-	35,000	-	35,000	0.0%
	41105	Supplemental Property Tax	800,000	-	800,000	-	800,000	0.0%
	41106	Property Tax Collection Admin	(428,989)	-	(428,989)	-	(428,989)	0.0%
	41107	Interest & Penalties	80,000	-	80,000	-	80,000	0.0%
	41108	Property Tax In Lieu of VLF	5,556,263	-	5,556,263	-	5,556,263	0.0%
	PROPERTY TAX Total		38,049,313	-	38,049,313	770,228	37,279,085	2.0%
	41201	Sales & Use Tax	9,260,000	-	9,260,000	1,708,940	7,551,060	18.5%
	41202	Prop Tax In Lieu of Sales Tax	-	-	-	-	-	-
	41203	PSAF Sales Tax	410,000	-	410,000	-	410,000	0.0%
	41211	Transient Occupancy Tax	4,025,000	-	4,025,000	882,717	3,142,283	21.9%
	41213	Franchise Tax	1,135,000	-	1,135,000	147,576	987,424	13.0%
	41214	Real Estate Transfer Tax	810,000	-	810,000	336,863	473,137	41.6%
	41221	Business License Tax	3,600,000	-	3,600,000	717,723	2,882,277	19.9%
	41224	AB 1379 Dis Access & Educ	-	-	-	2,992	(2,992)	-
	OTHER TAXES & ASSESSMENTS Total		19,240,000	-	19,240,000	3,796,810	15,443,190	19.7%
	42101	Building Permits	1,532,712	-	1,532,712	240,375	1,292,337	15.7%
	42102	Building Permits Surcharge	153,271	-	153,271	23,291	129,980	15.2%
	42103	Other Construction Permits	350,000	-	350,000	108,326	241,674	31.0%
	42104	Energov Tech Fee Admin	101,963	-	101,963	-	101,963	0.0%
	42105	Right of Way Permits	725,000	-	725,000	111,800	613,200	15.4%
	42106	Outdoor Facilities Permits	2,000	-	2,000	-	2,000	0.0%
	42108	Entertainment Permits	4,240	-	4,240	1,758	2,482	41.5%
	42111	Licensing Permits	5,200	-	5,200	476	4,724	9.2%
	42201	Fire Code Permits - Annual	205,000	-	205,000	4,167	200,833	2.0%
	42202	Fire Permits - One Time	25,000	-	25,000	5,510	19,490	22.0%
	42203	Fire Construction Inspections	37,000	-	37,000	12,417	24,583	33.6%
	42204	Studio Tenant	2,200	-	2,200	-	2,200	0.0%
	42301	Police Alarm Permits	130,000	-	130,000	6,511	123,489	5.0%
	42302	Animal License Fees	52,000	-	52,000	12,467	39,534	24.0%
	42401	Film Permits	35,000	-	35,000	5,934	29,066	17.0%
	LICENSES & PERMITS Total		3,360,586	-	3,360,586	533,032	2,827,554	15.9%
	43101	Vehicle Code Fines	95,000	-	95,000	5,068	89,932	5.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	43102	Parking Citations	1,875,000	-	1,875,000	360,864	1,514,136	19.2%
	43201	Fire Fines	-	-	-	-	-	-
	43301	Comm Dev Fines	30,000	-	30,000	3,690	26,310	12.3%
	43401	Municipal Code Fines	30,000	-	30,000	-	30,000	0.0%
	43501	Public Works Fines	-	-	-	-	-	-
	FINES Total		2,030,000	-	2,030,000	369,623	1,660,377	18.2%
	44101	Interest Earnings	637,522	-	637,522	151,755	485,767	23.8%
	44102	Unrealized Invest Gain/Loss	-	-	-	(709,422)	709,422	-
	44103	Investment Amortization	-	-	-	788	(788)	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	44205	Delivery Fund Earnings	-	-	-	-	-	-
	44401	Metlox Lease Payments	475,000	-	475,000	40,167	434,833	8.5%
	44402	Tennis Club Bldg (Parkview)	312,789	-	312,789	53,550	259,239	17.1%
	44403	Tennis Club Minimum+% Rent	100,000	-	100,000	30,000	70,000	30.0%
	44404	1334 Office Building Rent	47,006	-	47,006	8,047	38,959	17.1%
	44405	Tennis Club Parking Lot Lease	36,000	-	36,000	5,844	30,156	16.2%
	44406	Minimum Hotel Rent Payments	400,000	-	400,000	66,667	333,333	16.7%
	44407	Hotel Rent	950,000	-	950,000	163,202	786,798	17.2%
	44408	Golf Course Rent	10,000	-	10,000	9,646	354	96.5%
	44409	Mall Parking Lot Lease	185,000	-	185,000	31,586	153,414	17.1%
	44410	Post Office Lease	53,800	-	53,800	13,250	40,550	24.6%
	44411	Library Parking Lot Lease	6,200	-	6,200	1,567	4,633	25.3%
	44412	Misc. Rents & Concessions	43,001	-	43,001	6,546	36,455	15.2%
	44421	Wireless Communication Lease	185,000	-	185,000	47,296	137,704	25.6%
	INTEREST & RENTS Total		3,441,318	-	3,441,318	(79,511)	3,520,829	-2.3%
	45121	Veh Lic Fee Penalties & Int	17,000	-	17,000	-	17,000	0.0%
	45122	Homeowners Property Tax Relief	150,000	-	150,000	-	150,000	0.0%
	45123	State Mandated Cost Reimb	15,000	-	15,000	-	15,000	0.0%
	45131	STC Reimbursement	3,850	-	3,850	-	3,850	0.0%
	45132	P.O.S.T. Reimbursement	30,000	-	30,000	-	30,000	0.0%
	45201	State Grant Programs	171,771	-	171,771	5,000	166,771	2.9%
	45301	Federal Grant Programs	-	-	-	-	-	-
	45303	Federal/State Emergency Aid	4,208,260	-	4,208,260	-	4,208,260	0.0%
	45401	Prop A Project Specific	-	-	-	-	-	-
	45502	BCHD Grant	30,000	-	30,000	-	30,000	0.0%
	45601	Miscellaneous Grants	131,008	-	131,008	-	131,008	0.0%



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% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	G	FROM OTHER AGENCIES Total	4,756,889	-	4,756,889	5,000	4,751,889	0.1%
		46101 Building Plan Check Fees	1,755,000	-	1,755,000	248,307	1,506,693	14.1%
		46102 Comm Dev Digital Document Fee	200,000	-	200,000	51,846	148,154	25.9%
		46103 Building Record Report Fees	150,000	-	150,000	31,266	118,734	20.8%
		46104 New Residential Unit Fee	4,900	-	4,900	1,400	3,500	28.6%
		46111 Planning Filing Fees	200,000	-	200,000	40,227	159,773	20.1%
		46112 Appeal Fees	500	-	500	-	500	0.0%
		46121 Traffic Engineering Services	20,500	-	20,500	14,332	6,168	69.9%
		46201 Police False Alarm Fees	70,000	-	70,000	3,497	66,503	5.0%
		46202 Police Service Fees	30,000	-	30,000	4,642	25,358	15.5%
		46203 Special Event Staffing Reimb	190,000	-	190,000	2,680	187,320	1.4%
		46204 DUI Cost Recovery	25,000	-	25,000	-	25,000	0.0%
		46205 Booking Fee	10,000	-	10,000	-	10,000	0.0%
		46206 Boot Removal	4,000	-	4,000	-	4,000	0.0%
		46207 Vehicle Release Fee	60,000	-	60,000	32,779	27,221	54.6%
		46208 Animal Impound Fees	1,000	-	1,000	-	1,000	0.0%
		46301 Fire Reimbursements	250,000	-	250,000	-	250,000	0.0%
		46302 Ambulance Fees	835,000	-	835,000	189,736	645,264	22.7%
		46303 Fire Plan Check	75,000	-	75,000	14,964	60,036	20.0%
		46304 Fire Inspection Fees	30,000	-	30,000	-	30,000	0.0%
		46412 Residential City Cost Recovery	75,835	-	75,835	37,118	38,717	48.9%
		46415 Recycling	38,000	-	38,000	38,000	-	100.0%
		46416 Constr Debris Plan Review	75,000	-	75,000	2,716	72,284	3.6%
		46421 Inter-City Median Maintenance	7,000	-	7,000	-	7,000	0.0%
		46422 Street Sweeping	2,000	-	2,000	-	2,000	0.0%
		46451 Public Works Misc Fees	20,000	-	20,000	1,198	18,802	6.0%
		46452 Public Works Reimbursement	252,700	-	252,700	34,409	218,291	13.6%
		46501 Facility & Parks Res *	372,000	-	372,000	84,373	287,627	22.7%
		46502 Special Activities Classes *	65,000	-	65,000	120,783	(55,783)	185.8%
		46503 Youth & Teen Programs *	450,000	-	450,000	174,947	275,053	38.9%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	46504	Tennis Operations *	426,000	-	426,000	353,232	72,768	82.9%
	46505	Arts/Education Classes *	104,703	-	104,703	17,593	87,110	16.8%
	46506	Sports Leagues & Tournaments *	132,500	-	132,500	80,528	51,972	60.8%
	46507	Sports Classes *	343,500	-	343,500	415,738	(72,238)	121.0%
	46508	Swimming Classes *	410,000	-	410,000	244,537	165,463	59.6%
	46509	Concerts in the Park	10,000	-	10,000	-	10,000	0.0%
	46510	Older Adult Activities *	67,475	-	67,475	5,069	62,406	7.5%
	46601	Returned Check Fees	500	-	500	-	500	0.0%
	46602	Reproduction Fees	15,000	-	15,000	3,454	11,546	23.0%
	SERVICES Total		6,778,113	-	6,778,113	2,249,374	4,528,739	33.2%
	47101	W Comp Salary Continuation	500,000	-	500,000	210,088	289,912	42.0%
	47201	Cash Over/Short	-	-	-	-	-	-
	47202	Resubmittal of Returned Checks	-	-	-	-	-	-
	47203	Bad Debt Recovery	25,000	-	25,000	15,872	9,128	63.5%
	47204	Bad Debt Writeoff	-	-	-	-	-	-
	47301	Miscellaneous Revenues	25,000	-	25,000	683	24,317	2.7%
	47302	P-Card Incentive	40,000	-	40,000	-	40,000	0.0%
	47303	City Store Sales	30,000	-	30,000	4,446	25,554	14.8%
	47306	Sale of Property	2,500	-	2,500	-	2,500	0.0%
	MISCELLANEOUS REVENUE Total		622,500	-	622,500	231,089	391,411	37.1%
	49151	Operating Service Transfers	3,981,338	-	3,981,338	645,784	3,335,554	16.2%
	INTERFUND CHARGES & TRANSFERS Total		3,981,338	-	3,981,338	645,784	3,335,554	16.2%
	GENERAL FUND Total		82,260,057	-	82,260,057	8,521,428	73,738,629	10.4%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
201	STREET LIGHTING & LANDSCAPE FUND							
	41301	C.Yr Assessments	270,183	-	270,183	-	270,183	0.0%
	41302	P.Yr Assessments	-	-	-	-	-	-
	41303	C.Yr Streetscape Assessments	107,505	-	107,505	-	107,505	0.0%
	41304	P.Yr Streetscape Assessments	-	-	-	-	-	-
	OTHER TAXES & ASSESSMENTS Total		377,688	-	377,688	-	377,688	0.0%
	44101	Interest Earnings	-	-	-	-	-	-
	44102	Unrealized Invest Gain/Loss	-	-	-	-	-	-
	INTEREST & RENTS Total		-	-	-	-	-	-
	49201	Transfers In	12,001	-	12,001	-	12,001	0.0%
	INTERFUND CHARGES & TRANSFERS Total		12,001	-	12,001	-	12,001	0.0%
	STREET LIGHTING & LANDSCAPE FUND Total		389,689	-	389,689	-	389,689	0.0%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
205	STREETS & HIGHWAYS FUND							
	41301	C.Yr Assessments	-	-	-	-	-	-
	OTHER TAXES & ASSESSMENTS Total		-	-	-	-	-	-
	44101	Interest Earnings	14,792	-	14,792	3,437	11,355	23.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(25,791)	25,791	-
	INTEREST & RENTS Total		14,792	-	14,792	(22,354)	37,146	-151.1%
	45101	State Gas Tax 2105	183,484	-	183,484	34,287	149,197	18.7%
	45102	State Gas Tax 2106	106,925	-	106,925	20,969	85,956	19.6%
	45103	State Gas Tax 2107	232,682	-	232,682	42,696	189,986	18.3%
	45104	State Gas Tax 2103	227,224	-	227,224	67,199	160,025	29.6%
	45111	SB1 Road Maintenance Rehab	604,224	-	604,224	55,382	548,842	9.2%
	45112	SB1 Highway Users Loan	-	-	-	-	-	-
	45125	SB 821 TDA	25,827	-	25,827	-	25,827	0.0%
	45202	Aid to Cities/STP-Local	-	-	-	-	-	-
	45411	Measure R SB Highway	-	-	-	-	-	-
	45601	Miscellaneous Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		1,380,366	-	1,380,366	220,532	1,159,834	16.0%
	STREETS & HIGHWAYS FUND Total		1,395,158	-	1,395,158	198,178	1,196,980	14.2%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
210	ASSET FORFEITURE FUND							
	44101	Interest Earnings	3,824	-	3,824	300	3,524	7.8%
	44102	Unrealized Invest Gain/Loss	-	-	-	(2,835)	2,835	-
	INTEREST & RENTS Total		3,824	-	3,824	(2,535)	6,359	-66.3%
	45801	Fed Forf - D.O.J Regional	-	-	-	-	-	-
	45802	Fed Forfeitures - D.O.J. Local	-	-	-	-	-	-
	45803	State Forfeitures - Regional	25,000	-	25,000	-	25,000	0.0%
	45804	State Forfeitures - Local	-	-	-	-	-	-
	45805	Fed Forf - Treas Regional	-	-	-	-	-	-
	45806	Fed Forfeitures - Treas Local	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		25,000	-	25,000	-	25,000	0.0%
	ASSET FORFEITURE FUND Total		28,824	-	28,824	(2,535)	31,359	-8.8%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
211	POLICE SAFETY GRANTS FUND							
	44101	Interest Earnings	4,192	-	4,192	637	3,555	15.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(5,185)	5,185	-
	INTEREST & RENTS Total		4,192	-	4,192	(4,548)	8,740	-108.5%
	45124	State Supp Law Enf Serv	155,000	-	155,000	-	155,000	0.0%
	FROM OTHER AGENCIES Total		155,000	-	155,000	-	155,000	0.0%
	POLICE SAFETY GRANTS FUND Total		159,192	-	159,192	(4,548)	163,740	-2.9%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
230	PROPOSITION A FUND							
	41204	Transit Sales Tax	711,856	-	711,856	149,852	562,004	21.1%
	OTHER TAXES & ASSESSMENTS Total		711,856	-	711,856	149,852	562,004	21.1%
	44101	Interest Earnings	188	-	188	737	(549)	392.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(1,360)	1,360	-
	INTEREST & RENTS Total		188	-	188	(623)	811	-331.4%
	46521	Dial-A-Ride Fares	6,500	-	6,500	282	6,218	4.3%
	46522	Bus Pass Subsidies	1,200	-	1,200	26	1,174	2.2%
	SERVICES Total		7,700	-	7,700	308	7,392	4.0%
	47301	Miscellaneous Revenues	17,500	-	17,500	-	17,500	0.0%
	47305	City Funds Exchange	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		17,500	-	17,500	-	17,500	0.0%
	PROPOSITION A FUND Total		737,244	-	737,244	149,537	587,707	20.3%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
231	PROPOSITION C FUND							
	41204	Transit Sales Tax	590,465	-	590,465	124,301	466,164	21.1%
	OTHER TAXES & ASSESSMENTS Total		590,465	-	590,465	124,301	466,164	21.1%
	44101	Interest Earnings	43,814	-	43,814	1,599	42,215	3.6%
	44102	Unrealized Invest Gain/Loss	-	-	-	(40,900)	40,900	-
	INTEREST & RENTS Total		43,814	-	43,814	(39,301)	83,115	-89.7%
	45302	Safetea-Lu Earmark	-	-	-	-	-	-
	45411	Measure R SB Highway	-	-	-	-	-	-
	45412	MTA Call For Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		-	-	-	-	-	-
	PROPOSITION C FUND Total		634,279	-	634,279	85,000	549,279	13.4%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
232	AB 2766 AQMD FUND							
	44101	Interest Earnings	641	-	641	256	385	39.9%
	44102	Unrealized Invest Gain/Loss	-	-	-	(1,229)	1,229	-
		INTEREST & RENTS Total	641	-	641	(974)	1,615	-151.9%
	45201	State Grant Programs	-	-	-	-	-	-
	45501	AB 2766 Air Quality	46,000	-	46,000	-	46,000	0.0%
		FROM OTHER AGENCIES Total	46,000	-	46,000	-	46,000	0.0%
		AB 2766 AQMD FUND Total	46,641	-	46,641	(974)	47,615	-2.1%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
233	MEASURE R FUND							
	41204	Transit Sales Tax	442,849	-	442,849	93,152	349,697	21.0%
	OTHER TAXES & ASSESSMENTS Total		442,849	-	442,849	93,152	349,697	21.0%
	44101	Interest Earnings	15,650	-	15,650	3,631	12,020	23.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(22,427)	22,427	-
	INTEREST & RENTS Total		15,650	-	15,650	(18,797)	34,447	-120.1%
	MEASURE R FUND Total		458,499	-	458,499	74,356	384,143	16.2%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
234	MEASURE M FUND							
	41204	Transit Sales Tax	501,896	-	501,896	105,315	396,581	21.0%
	OTHER TAXES & ASSESSMENTS Total		501,896	-	501,896	105,315	396,581	21.0%
	44101	Interest Earnings	7,794	-	7,794	2,047	5,747	26.3%
	44102	Unrealized Invest Gain/Loss	-	-	-	(13,356)	13,356	-
	INTEREST & RENTS Total		7,794	-	7,794	(11,309)	19,103	-145.1%
	45601	Miscellaneous Grants	1,800,000	-	1,800,000	-	1,800,000	0.0%
	FROM OTHER AGENCIES Total		1,800,000	-	1,800,000	-	1,800,000	0.0%
	MEASURE M FUND Total		2,309,690	-	2,309,690	94,006	2,215,684	4.1%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
401	CAPITAL IMPROVEMENTS FUND							
	41211	Transient Occupancy Tax	697,059	-	697,059	155,774	541,285	22.3%
	OTHER TAXES & ASSESSMENTS Total		697,059	-	697,059	155,774	541,285	22.3%
	42107	Park Development/Quimby	10,902	-	10,902	-	10,902	0.0%
	LICENSES & PERMITS Total		10,902	-	10,902	-	10,902	0.0%
	43102	Parking Citations	80,000	-	80,000	15,588	64,412	19.5%
	FINES Total		80,000	-	80,000	15,588	64,412	19.5%
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	INTEREST & RENTS Total		-	-	-	0	(0)	-
	45201	State Grant Programs	-	-	-	-	-	-
	45202	Aid to Cities/STP-Local	-	-	-	-	-	-
	45301	Federal Grant Programs	100,000	-	100,000	-	100,000	0.0%
	45401	Prop A Project Specific	610,890	-	610,890	-	610,890	0.0%
	45601	Miscellaneous Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		710,890	-	710,890	-	710,890	0.0%
	46431	Parking Meters	650,750	-	650,750	104,881	545,869	16.1%
	SERVICES Total		650,750	-	650,750	104,881	545,869	16.1%
	47402	Bond Proceeds Construction	770,000	-	770,000	-	770,000	0.0%
	MISCELLANEOUS REVENUE Total		770,000	-	770,000	-	770,000	0.0%
	CAPITAL IMPROVEMENTS FUND Total		2,919,601	-	2,919,601	276,242	2,643,359	9.5%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
402	CAPITAL IMPROVEMENTS CONSTRUCTION FUND							
	44101	Interest Earnings	-	-	-	3,621	(3,621)	-
	INTEREST & RENTS Total		-	-	-	3,621	(3,621)	-
	47402	Bond Proceeds Construction	-	-	-	8,699,922	(8,699,922)	-
	MISCELLANEOUS REVENUE Total		-	-	-	8,699,922	(8,699,922)	-
	CAPITAL IMPROVEMENTS CONSTRUCTION FUND Total		-	-	-	8,703,543	(8,703,543)	-



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
403	UNDERGROUND ASSESSMENT DISTRICT CONSTRUCTION FUND							
	44101	Interest Earnings	42,110	-	42,110	8,520	33,590	20.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(111,059)	111,059	-
	INTEREST & RENTS Total		42,110	-	42,110	(102,538)	144,648	-243.5%
	47406	Homeowner Payoff	-	-	-	71,995	(71,995)	-
	MISCELLANEOUS REVENUE Total		-	-	-	71,995	(71,995)	-
	UNDERGROUND ASSESSMENT DISTRICT CONSTRUCTI		42,110	-	42,110	(30,543)	72,653	-72.5%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
501	WATER FUND							
	44101	Interest Earnings	388,832	-	388,832	64,492	324,340	16.6%
	44102	Unrealized Invest Gain/Loss	-	-	-	(525,911)	525,911	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
		INTEREST & RENTS Total	388,832	-	388,832	(461,418)	850,250	-118.7%
	46401	Utility Service Charges	15,000,000	-	15,000,000	2,801,602	12,198,398	18.7%
	46402	Utility Connection Fees	102,000	-	102,000	16,429	85,571	16.1%
	46403	Meter Installation	50,000	-	50,000	2,406	47,594	4.8%
	46404	Penalties	40,000	-	40,000	8,253	31,747	20.6%
		SERVICES Total	15,192,000	-	15,192,000	2,828,690	12,363,310	18.6%
	47203	Bad Debt Recovery	4,000	-	4,000	4,822	(822)	120.6%
	47204	Bad Debt Writeoff	(9,000)	-	(9,000)	-	(9,000)	0.0%
	47301	Miscellaneous Revenues	10,000	-	10,000	-	10,000	0.0%
	47306	Sale of Property	1,000	-	1,000	-	1,000	0.0%
		MISCELLANEOUS REVENUE Total	6,000	-	6,000	4,822	1,178	80.4%
		WATER FUND Total	15,586,832	-	15,586,832	2,372,093	13,214,739	15.2%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
502	STORMWATER FUND							
	41109	Measure W Parcel Tax	410,000	-	410,000	-	410,000	0.0%
	PROPERTY TAX Total		410,000	-	410,000	-	410,000	0.0%
	44101	Interest Earnings	20,405	-	20,405	1,843	18,562	9.0%
	44102	Unrealized Invest Gain/Loss	-	-	-	(16,131)	16,131	-
	44103	Investment Amortization	-	-	-	-	-	-
	INTEREST & RENTS Total		20,405	-	20,405	(14,289)	34,694	-70.0%
	46401	Utility Service Charges	345,000	-	345,000	-	345,000	0.0%
	46422	Street Sweeping	4,484	-	4,484	-	4,484	0.0%
	SERVICES Total		349,484	-	349,484	-	349,484	0.0%
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
STORMWATER FUND Total			779,889	-	779,889	(14,289)	794,178	-1.8%



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Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
503	WASTEWATER FUND							
	42109	Fats, Oil, Grease Permit	20,000	-	20,000	5,804	14,196	29.0%
	LICENSES & PERMITS Total		20,000	-	20,000	5,804	14,196	29.0%
	44101	Interest Earnings	145,073	-	145,073	27,909	117,164	19.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(182,817)	182,817	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	INTEREST & RENTS Total		145,073	-	145,073	(154,908)	299,981	-106.8%
	46401	Utility Service Charges	3,300,000	-	3,300,000	602,200	2,697,800	18.2%
	46402	Utility Connection Fees	130,000	-	130,000	25,188	104,813	19.4%
	46404	Penalties	11,000	-	11,000	2,038	8,962	18.5%
	SERVICES Total		3,441,000	-	3,441,000	629,426	2,811,574	18.3%
	47204	Bad Debt Writeoff	(2,000)	-	(2,000)	-	(2,000)	0.0%
	MISCELLANEOUS REVENUE Total		(2,000)	-	(2,000)	-	(2,000)	0.0%
	WASTEWATER FUND Total		3,604,073	-	3,604,073	480,322	3,123,751	13.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
520	PARKING FUND							
	41222	B.I.D- A License Surcharge	75,000	-	75,000	39,573	35,427	52.8%
	41223	B.I.D- B License Surcharge	25,000	-	25,000	10,113	14,887	40.5%
		OTHER TAXES & ASSESSMENTS Total	100,000	-	100,000	49,687	50,313	49.7%
	44101	Interest Earnings	27,933	-	27,933	2,972	24,961	10.6%
	44102	Unrealized Invest Gain/Loss	-	-	-	(18,477)	18,477	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
		INTEREST & RENTS Total	27,933	-	27,933	(15,505)	43,438	-55.5%
	46122	Permit Parking Program	3,000	-	3,000	2,042	958	68.1%
	46431	Parking Meters	3,364,000	-	3,364,000	852,785	2,511,215	25.4%
	46432	Parking Lot Spaces	210,000	-	210,000	67,139	142,861	32.0%
		SERVICES Total	3,577,000	-	3,577,000	921,966	2,655,034	25.8%
	47301	Miscellaneous Revenues	18,000	-	18,000	1,950	16,050	10.8%
	47307	Contrs From Private Parties	7,500	-	7,500	-	7,500	0.0%
		MISCELLANEOUS REVENUE Total	25,500	-	25,500	1,950	23,550	7.6%
		PARKING FUND Total	3,730,433	-	3,730,433	958,097	2,772,336	25.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
521	COUNTY PARKING LOTS FUND							
	46433	Parking Lot B Meters	265,000	-	265,000	68,782	196,218	26.0%
	46434	Parking Lot C Meters	985,000	-	985,000	226,576	758,424	23.0%
	46435	Parking Lot B Spaces	1,800	-	1,800	240	1,560	13.3%
	46436	Parking Lot C Spaces	11,200	-	11,200	870	10,330	7.8%
	SERVICES Total		1,263,000	-	1,263,000	296,469	966,531	23.5%
	COUNTY PARKING LOTS FUND Total		1,263,000	-	1,263,000	296,469	966,531	23.5%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
522	STATE PIER & PARKING FUND							
	44101	Interest Earnings	8,383	-	8,383	1,853	6,530	22.1%
	44102	Unrealized Invest Gain/Loss	-	-	-	(9,896)	9,896	-
	44103	Investment Amortization	-	-	-	-	-	-
	44412	Misc. Rents & Concessions	-	-	-	-	-	-
	INTEREST & RENTS Total		8,383	-	8,383	(8,043)	16,426	-95.9%
	46431	Parking Meters	885,000	-	885,000	177,080	707,920	20.0%
	SERVICES Total		885,000	-	885,000	177,080	707,920	20.0%
	47301	Miscellaneous Revenues	1,000	-	1,000	-	1,000	0.0%
	47307	Contrs From Private Parties	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		1,000	-	1,000	-	1,000	0.0%
	STATE PIER & PARKING FUND Total		894,383	-	894,383	169,037	725,346	18.9%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
601	INSURANCE RESERVE FUND							
	47102	Excess of SIR Recoveries	50,000	-	50,000	-	50,000	0.0%
	47103	Insurance Recoveries/Dividends	-	-	-	-	-	-
	47104	Damage Claims	-	-	-	44,830	(44,830)	-
	47105	Cobra Payments	-	-	-	43	(43)	-
	47301	Miscellaneous Revenues	-	-	-	854	(854)	-
	MISCELLANEOUS REVENUE Total		50,000	-	50,000	45,727	4,273	91.5%
	49101	Workers Comp Billing	4,648,800	-	4,648,800	774,800	3,874,000	16.7%
	49102	Unemployment Billings	60,000	-	60,000	10,000	50,000	16.7%
	49103	Liability Insurance Billings	2,630,760	-	2,630,760	402,350	2,228,410	15.3%
	INTERFUND CHARGES & TRANSFERS Total		7,339,560	-	7,339,560	1,187,150	6,152,410	16.2%
	INSURANCE RESERVE FUND Total		7,389,560	-	7,389,560	1,232,877	6,156,683	16.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
605	INFORMATION TECHNOLOGY FUND							
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	49121	Information System Charge	3,039,108	-	3,039,108	506,520	2,532,588	16.7%
	INTERFUND CHARGES & TRANSFERS Total		3,039,108	-	3,039,108	506,520	2,532,588	16.7%
	INFORMATION TECHNOLOGY FUND Total		3,039,108	-	3,039,108	506,520	2,532,588	16.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
610	FLEET MANAGEMENT FUND							
	47104	Damage Claims	-	-	-	14,007	(14,007)	-
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	47306	Sale of Property	-	-	-	7,774	(7,774)	-
	47902	Reimb- Gas charges MBUSD	25,000	-	25,000	10,317	14,683	41.3%
	MISCELLANEOUS REVENUE Total		25,000	-	25,000	32,098	(7,098)	128.4%
	49111	Fleet Rental Charges	1,041,440	-	1,041,440	176,878	864,562	17.0%
	49112	Fleet Maintenance Charge	1,186,942	-	1,186,942	141,507	1,045,435	11.9%
	49201	Transfers In	110,000	-	110,000	-	110,000	0.0%
	INTERFUND CHARGES & TRANSFERS Total		2,338,382	-	2,338,382	318,385	2,019,997	13.6%
	FLEET MANAGEMENT FUND Total		2,363,382	-	2,363,382	350,483	2,012,899	14.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
615	BUILDING MAINTENANCE & OPERATIONS FUND							
	49131	Building Maintenance	1,954,976	-	1,954,976	94,509	1,860,467	4.8%
	49141	Warehouse Sales	119,436	-	119,436	16,183	103,253	13.5%
	49142	Garage Sales	30,000	-	30,000	1,989	28,011	6.6%
	INTERFUND CHARGES & TRANSFERS Total		2,104,412	-	2,104,412	112,681	1,991,731	5.4%
	BUILDING MAINTENANCE & OPERATIONS FUND Total		2,104,412	-	2,104,412	112,681	1,991,731	5.4%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
710	SPECIAL ASSESSMENT REDEMPTION FUND							
	41301	C.Yr Assessments	707,750	-	707,750	12,583	695,167	1.8%
	OTHER TAXES & ASSESSMENTS Total		707,750	-	707,750	12,583	695,167	1.8%
	44202	Bond Reserve Fund Earnings	-	-	-	5	(5)	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	INTEREST & RENTS Total		-	-	-	5	(5)	-
	SPECIAL ASSESSMENT REDEMPTION FUND Total		707,750	-	707,750	12,588	695,162	1.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
711	SPECIAL ASSESSMENTS UAD 19-12 & 19-14							
	41301	C.Yr Assessments	614,943	-	614,943	-	614,943	0.0%
	OTHER TAXES & ASSESSMENTS Total		614,943	-	614,943	-	614,943	0.0%
	44202	Bond Reserve Fund Earnings	-	-	-	3	(3)	-
	44204	Installment Fund Earnings	-	-	-	1	(1)	-
	INTEREST & RENTS Total		-	-	-	4	(4)	-
	SPECIAL ASSESSMENTS UAD 19-12 & 19-14 Total		614,943	-	614,943	4	614,939	0.0%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
712	SPECIAL ASSESSMENTS UAD 19-4							
	41301	C.Yr Assessments	336,313	-	336,313	-	336,313	0.0%
	OTHER TAXES & ASSESSMENTS Total		336,313	-	336,313	-	336,313	0.0%
	44202	Bond Reserve Fund Earnings	-	-	-	2	(2)	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	INTEREST & RENTS Total		-	-	-	2	(2)	-
	SPECIAL ASSESSMENTS UAD 19-4 Total		336,313	-	336,313	2	336,311	0.0%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
801	PENSION TRUST FUND							
	44101	Interest Earnings	1,017	-	1,017	125	892	12.3%
	44102	Unrealized Invest Gain/Loss	-	-	-	(818)	818	-
	INTEREST & RENTS Total		1,017	-	1,017	(693)	1,710	-68.1%
	47901	Reimb Ca Emplr Ret Ben Trst	163,000	-	163,000	-	163,000	0.0%
	MISCELLANEOUS REVENUE Total		163,000	-	163,000	-	163,000	0.0%
	49202	Contributions	33,680	-	33,680	-	33,680	0.0%
	INTERFUND CHARGES & TRANSFERS Total		33,680	-	33,680	-	33,680	0.0%
	PENSION TRUST FUND Total		197,697	-	197,697	(693)	198,390	-0.4%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of August 31, 2021

% of Year: 16.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
804	PARS INVESTMENT TRUST FUND							
	44206	PARS Section 115 Interest	100,000	-	100,000	22,575	77,425	22.6%
	INTEREST & RENTS Total		100,000	-	100,000	22,575	77,425	22.6%
	PARS INVESTMENT TRUST FUND Total		100,000	-	100,000	22,575	77,425	22.6%
Grand Total			134,092,759	-	134,092,759	24,562,453	109,530,306	18.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Citywide Expenditures
As of August 31, 2021

% of Year
16.7%

Current Year Activity

	Fund No.	Original Budget	Budget Adjustments*	Adjusted Budget	Year-to-Date		Available Budget	% Utilized
					Actuals	Encumbrances		
General Fund	100	\$77,698,292	\$887,507	\$78,585,799	\$11,401,290	\$1,138,258	\$66,046,251	16.0%
Street Lighting & Landscaping Fund	201	570,702	7,550	578,252	41,411	11,100	525,741	9.1%
Gas Tax Fund	205	2,098,738	1,298,002	3,396,740	344,537	971,147	2,081,055	38.7%
Asset Forfeiture	210	108,500	27,747	136,247	11,911	27,747	96,589	29.1%
Police Safety Grants	211	155,000	39,408	194,408	17,055	22,353	155,000	20.3%
Prop A Fund	230	932,081	11,894	943,975	85,774	11,894	846,307	10.3%
Prop C Fund	231	192,332	5,635,425	5,827,757	105,919	5,559,991	161,848	97.2%
AB 2766 Fund	232	673	-	673	112	-	561	16.6%
Measure R	233	263,738	145,434	409,172	4,992	145,434	258,746	36.8%
Measure M	234	2,413,738	1,223,806	3,637,544	163,467	1,066,723	2,407,354	33.8%
Capital Improvements Fund	401	4,103,784	1,862,418	5,966,202	59,375	1,990,579	3,916,248	34.4%
Bond Construction Fund	402	-	-	-	229,922	-	(229,922)	100.0%
Underground Assessment District Construction	403	1,779,705	1,598,960	3,378,665	33,000	1,598,960	1,746,705	-
Water Fund	501	15,551,079	29,507,089	45,058,168	2,841,504	28,009,655	14,207,009	68.5%
Stormwater Fund	502	1,787,478	784,412	2,571,890	135,727	754,960	1,681,203	34.6%
Wastewater Fund	503	3,045,862	1,359,949	4,405,811	239,311	1,369,511	2,796,989	36.5%
Parking Fund	520	2,933,472	251,722	3,185,194	246,988	287,152	2,651,054	16.8%
County Parking Lots Fund	521	872,452	-	872,452	17,043	-	855,409	2.0%
State Pier & Parking Lot Fund	522	2,160,254	76,708	2,236,962	49,071	66,949	2,120,942	5.2%
Insurance Reserve Fund	601	7,179,370	28,483	7,207,853	2,187,985	245,153	4,774,715	33.8%
Information Systems Reserve Fund	605	3,520,830	448,689	3,969,519	382,208	681,652	2,905,659	26.8%
Fleet Management Fund	610	4,056,296	146,697	4,202,993	141,507	153,442	3,908,044	7.0%
Building Maintenance & Operation Fund	615	2,097,330	105,038	2,202,368	148,930	165,108	1,888,330	14.3%
Special Assessment Debt Service	710	708,900	-	708,900	663,025	-	45,875	93.5%
Special Assessment UAD 19-12 19-14 Fund	711	606,707	-	606,707	491,826	-	114,881	81.1%
Special Assessment UAD 19-4 Fund	712	336,163	-	336,163	275,656	-	60,507	82.0%
City Pension Fund	801	196,680	-	196,680	34,496	-	162,184	17.5%
PARS Investment Trust	804	-	-	-	-	-	-	-
		\$135,370,156	\$45,446,939	\$180,817,095	\$20,354,041	\$44,277,769	\$116,185,284	35.7%

*Budget Adjustments include City Council-approved adjustments during the current year and encumbrances carried forward from the prior year.



City of Manhattan Beach
Fiscal Year 2021-2022 General Fund Expenditures by Department
As of August 31, 2021

% of Year
16.7%

Current Year Activity

	Dept No.	Original Budget	Budget Adjustments¹	Adjusted Budget	YTD Expenditures	YTD Encumbrances²	Available Budget	% Used
Management Services	11	\$3,599,705	\$174,593	\$3,774,298	\$462,620	\$185,106	\$3,126,573	17.2%
Finance	12	3,607,149	99,849	3,706,998	474,325	173,743	3,058,930	17.5%
Human Resources	13	1,416,358	23,169	1,439,527	204,360	105,925	1,129,242	21.6%
Parks and Recreation	14	8,417,571	24,327	8,441,898	1,579,143	54,296	6,808,459	19.3%
Police	15	30,667,807	88,990	30,756,797	4,030,937	75,243	26,650,618	13.4%
Fire	16	15,471,419	17,430	15,488,849	2,803,927	26,632	12,658,290	18.3%
Community Development	17	5,908,891	190,517	6,099,408	705,354	248,516	5,145,537	15.6%
Public Works	18	8,609,392	268,631	8,878,023	1,140,623	268,797	7,468,603	15.9%
Information Technology	19	-	-	-	-	-	-	n/a
		\$77,698,292	\$887,507	\$78,585,799	\$11,401,290	\$1,138,258	\$66,046,251	16.0%

¹Budget Adjustments include City Council-approved adjustments during the current year and encumbrances carried forward from the prior year.

²YTD Encumbrances in Fiscal Year 2021-2022 may show as negative until the prior year is closed after August 31.



Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Julie Bondarchuk, Financial Controller
Libby Bretthauer, Financial Services Manager

DATE: October 18, 2021

SUBJECT: Investment Portfolio as of August 31, 2021

RECOMMENDATION:

Staff recommends that the Finance Subcommittee accepts the status report on the City's investment portfolio as of August 31, 2021.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action. As of August 31, 2021, the City's investment portfolio totaled \$127.0 million in book value (\$127.0 million par value).

DISCUSSION:

Since the last update as of May 31, 2021, the City's investment portfolio has increased overall by \$5.0 million in par value due to a \$7.0 million increase in the Local Agency Investment Fund (LAIF) balance and a decrease in investments (purchases less redemptions) of \$2.0 million. Cash flow trends have been mostly consistent with prior years, including the usual pattern of the summer months operating at a deficit when normal operating activities (warrants and payroll coverage) exceed revenues. This year, cash outflows are also higher due to spending on the Peck Reservoir and Sepulveda Bridge construction projects. Property Taxes received during the months of December, January, April and May will eventually offset the deficits occurring in summer months. Additionally, grant reimbursements for the Sepulveda Bridge will balance some of the construction expenditures.

Since October 2017, the City has deposited \$1.5 million into the PARS Pension Rate Stabilization Trust Fund as approved by the City Council. This balance, plus the gains and losses received on the fund, is presented with each monthly Portfolio Report below the total

Treasurer's Balance (page 9).

Activity

The following purchase and redemption activity took place between June 1, 2021, and August 31, 2021:

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
T - 0.25% Coupon	5/28/2021	6/30/2025	1,000,000		0.561%
T - 0.25% Coupon	5/28/2021	7/31/2025	2,000,000		0.576%
T - 0.25% Coupon	5/28/2021	8/31/2025	1,000,000		0.620%
T - 0.25% Coupon	8/11/2021	6/30/2025	1,000,000		0.591%
T - 0.25% Coupon	8/11/2021	7/31/2025	1,000,000		0.601%
T - 0.25% Coupon	8/11/2021	8/31/2025	1,000,000		0.586%
T - 0.375% Coupon	8/11/2021	11/30/2025	1,000,000		0.658%
Total Purchases			\$8,000,000		0.596%
Matured: FHLMC - 1.875% Coupon	7/26/2021	7/26/2021		2,000,000	2.076%
Matured: FHLMC - 1.125% Coupon	8/12/2021	8/12/2021		1,000,000	2.148%
Matured: MTN - 3.75% Coupon	8/15/2021	8/15/2021		2,000,000	2.154%
Matured: T - 2% Coupon	8/31/2021	8/31/2021		1,000,000	2.439%
Total Maturing/Calls				\$6,000,000	2.174%

FFCB = Federal Farm Credit Bank; FHLB = Federal Home Loan Bank; FHLMC = Federal Home Loan Mortgage Corporation (Freddie Mac); FNMA = Federal National Mortgage Association (Fannie Mae); MTN = Corporate Medium Term Note

Average Yield to Maturity on the City's portfolio book value decreased to 1.026% in August from 1.188% in May. During this period, \$8.0 million in U.S. Treasury securities were purchased and investment maturities totaled \$6.0 million. Currently, \$68.0 million is being held in LAIF as market conditions and investment opportunities are monitored in accordance with the City's Investment Policy. Efforts are made to ensure the portfolio is well-balanced by investing in high-grade securities diversified in origin and maturity date.

Attachment: Investment Portfolio as of August 31, 2021

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Summary
August 1, 2021 through August 31, 2021

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAIF	68,000,000.00	68,000,000.00	68,000,000.00	53.53	1	1	0.218	0.221
Medium Term Notes	14,000,000.00	14,444,510.00	13,953,389.24	10.98	1,527	683	2.417	2.451
Federal Agency Issues - Coupon	25,000,000.00	25,975,430.00	25,252,628.60	19.88	1,608	757	1.926	1.953
Treasury Securities - Coupon	20,000,000.00	20,208,860.00	19,819,639.42	15.60	1,501	943	1.579	1.601
Investments	127,000,000.00	128,628,800.00	127,025,657.26	100.00%	722	373	1.011	1.026
Cash								
Passbook/Checking (not included in yield calculations)	9,961,969.28	9,961,969.28	9,961,969.28		1	1	0.000	0.000
Total Cash and Investments	136,961,969.28	138,590,769.28	136,987,626.54		722	373	1.011	1.026
Total Earnings								
	August 31	Month Ending	Fiscal Year To Date					
Current Year		110,619.15	226,968.61					


 STEVE S. CHARELIAN, FINANCE DIRECTOR

Reporting period 08/01/2021-08/31/2021

Run Date: 09/24/2021 - 15:27

Portfolio CITY
 CP
 PM (PRF_PM1) 7.3.11
 Report Ver. 7.3.11

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
August 31, 2021

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
LAIF											
SYS3000	3000	Local Agency Invest. Fund	07/01/2018	68,000,000.00	68,000,000.00	68,000,000.00	0.221		0.221	1	
Subtotal and Average				68,000,000.00	68,000,000.00	68,000,000.00			0.221	1	

Medium Term Notes

037833DC1	MTN0096	APPLE INC	04/23/2018	1,000,000.00	1,018,650.00	989,291.94	2.100	AA+	3.060	376	09/12/2022
037833AK6	MTN0098	APPLE INC	05/22/2018	1,000,000.00	1,035,670.00	985,148.20	2.400	AA+	3.298	609	05/03/2023
06406FAD5	MTN0106	BANK OF NY MELLO	09/09/2019	1,000,000.00	1,034,360.00	1,009,011.00	2.200	A	1.951	714	08/16/2023
06406RAL1	MTN0109	BANK OF NY MELLO	02/10/2020	1,000,000.00	1,046,900.00	1,011,205.00	2.100	A	1.850	1,149	10/24/2024
22160KAK1	MTN0102	COSTCO COMPANIES	05/13/2019	1,000,000.00	1,013,510.00	994,226.00	2.300	A+	2.500	259	05/18/2022
254687FK7	MTN0107	Walt Disney	12/12/2019	2,000,000.00	2,070,040.00	1,986,161.56	1.750	A-	1.977	1,094	08/30/2024
191216CL2	MTN0108	COCA-COLA CO	12/12/2019	1,000,000.00	1,039,640.00	993,679.00	1.750	A+	1.890	1,101	09/06/2024
594918BQ6	MTN0104	MICROSOFT CORP	07/01/2019	1,000,000.00	1,031,750.00	999,000.00	2.000	AAA	2.025	706	08/08/2023
68389XAP0	MTN0103	ORACLE CORP	05/13/2019	1,000,000.00	1,023,990.00	995,436.00	2.500	A	2.640	409	10/15/2022
89236TFN0	MTN0099	TOYOTA MOTOR CREDIT	09/21/2018	1,000,000.00	1,062,470.00	999,500.00	3.450	A+	3.461	749	09/20/2023
89236TDK8	MTN0101	TOYOTA MOTOR CREDIT	03/26/2019	1,000,000.00	1,038,160.00	991,382.16	2.250	A+	2.634	777	10/18/2023
911312BC9	MTN0100	United Parcel Service	10/04/2018	1,000,000.00	1,013,470.00	992,597.54	2.350	A-	3.193	257	05/16/2022
90331HPC1	MTN0105	US BANK NA OHIO	09/09/2019	1,000,000.00	1,015,900.00	1,006,750.84	2.650	AA-	1.883	264	05/23/2022
Subtotal and Average				14,000,000.00	14,444,510.00	13,953,389.24			2.451	683	

Federal Agency Issues - Coupon

3133EHCT8	FAC0259	FED FARM CR BK	05/22/2017	1,000,000.00	1,011,280.00	1,001,852.56	2.150	AA+	1.894	195	03/15/2022
3133EJDE6	FAC0271	FED FARM CR BK	02/16/2018	2,000,000.00	2,070,780.00	1,996,366.80	2.570	AA+	2.708	533	02/16/2023
3133EJSD2	FAC0276	FED FARM CR BK	10/02/2018	2,000,000.00	2,096,380.00	1,990,360.00	2.890	AA+	3.000	656	06/19/2023
3133EJK57	FAC0278	FED FARM CR BK	12/12/2018	2,000,000.00	2,107,900.00	2,010,781.95	3.080	AA+	2.840	691	07/24/2023
3130A3KM5	FAC0268	Federal Home Loan Bank	01/10/2018	2,000,000.00	2,060,800.00	2,004,328.04	2.500	AA+	2.357	464	12/09/2022
3130A2UW4	FAC0285	Federal Home Loan Bank	12/11/2019	2,000,000.00	2,149,000.00	2,071,315.04	2.875		1.771	1,108	09/13/2024
3130AGWK7	FAC0289	Federal Home Loan Bank	02/07/2020	1,000,000.00	1,033,080.00	1,001,306.00	1.500		1.470	1,079	08/15/2024
3130A1XJ2	FAC0291	Federal Home Loan Bank	02/04/2021	1,000,000.00	1,068,350.00	1,078,414.16	2.875		0.312	1,017	06/14/2024
3135G0T45	FAC0261	Fannie Mae	05/22/2017	1,000,000.00	1,010,720.00	1,001,150.00	1.875	AA+	1.850	216	04/05/2022
3135G0W66	FAC0286	Fannie Mae	12/11/2019	2,000,000.00	2,073,800.00	1,993,020.00	1.625		1.700	1,140	10/15/2024
3135G0W66	FAC0287	Fannie Mae	02/07/2020	2,000,000.00	2,073,800.00	2,011,260.00	1.625		1.500	1,140	10/15/2024
3135G0V75	FAC0288	Fannie Mae	02/07/2020	2,000,000.00	2,076,760.00	2,015,066.09	1.750		1.526	1,035	07/02/2024
3135G0V75	FAC0290	Fannie Mae	02/04/2021	1,000,000.00	1,038,380.00	1,045,755.91	1.750		0.259	1,035	07/02/2024
3135G0U43	FAC0292	Fannie Mae	02/04/2021	1,000,000.00	1,053,640.00	1,059,671.88	2.875		0.499	741	09/12/2023
880591EN8	FAC0277	Tennessee Valley Authority	12/12/2018	2,000,000.00	2,033,840.00	1,979,306.13	1.875	AA+	2.793	348	08/15/2022
880591EN8	FAC0279	Tennessee Valley Authority	02/14/2019	1,000,000.00	1,016,920.00	992,674.04	1.875	AA+	2.493	348	08/15/2022

Portfolio CITY
CP

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
August 31, 2021

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Subtotal and Average				25,000,000.00	25,975,430.00	25,252,628.60			1.953	757	
Treasury Securities - Coupon											
912828F21	UST0024	US TREASURY	02/16/2018	1,000,000.00	1,001,650.00	999,134.01	2.125		2.478	29	09/30/2021
912828XQ8	UST0027	US TREASURY	12/12/2018	2,000,000.00	2,035,160.00	1,985,103.14	2.000		2.681	333	07/31/2022
912828XQ8	UST0028	US TREASURY	02/14/2019	1,000,000.00	1,017,580.00	994,844.30	2.000		2.510	333	07/31/2022
912828S92	UST0029	US TREASURY	02/14/2019	1,000,000.00	1,020,230.00	975,133.20	1.250		2.525	698	07/31/2023
912828D1	UST0030	US TREASURY	02/14/2019	1,000,000.00	1,023,130.00	976,734.33	1.375		2.432	729	08/31/2023
912828L57	UST0031	US TREASURY	03/25/2019	1,000,000.00	1,017,700.00	994,052.61	1.750		2.201	394	09/30/2022
9128283C2	UST0032	US TREASURY	03/25/2019	1,000,000.00	1,021,950.00	991,406.25	2.000		2.250	425	10/31/2022
912828W48	UST0033	US TREASURY	05/13/2019	1,000,000.00	1,045,510.00	995,039.06	2.125		2.234	911	02/29/2024
912828W71	UST0034	US TREASURY	05/13/2019	1,000,000.00	1,046,450.00	994,687.50	2.125		2.240	942	03/31/2024
9128282U3	UST0035	US TREASURY	02/07/2020	2,000,000.00	2,088,120.00	2,025,809.58	1.875		1.493	1,095	08/31/2024
912828ZW3	UST0036	US TREASURY	05/28/2021	1,000,000.00	987,190.00	986,548.91	0.250		0.561	1,398	06/30/2025
912828ZW3	UST0039	US TREASURY	08/11/2021	1,000,000.00	987,190.00	986,562.50	0.250		0.591	1,398	06/30/2025
91282CAB7	UST0037	US TREASURY	05/28/2021	2,000,000.00	1,972,580.00	1,971,781.44	0.250		0.576	1,429	07/31/2025
91282CAJ0	UST0038	US TREASURY	05/28/2021	1,000,000.00	985,200.00	983,974.46	0.250		0.620	1,460	08/31/2025
91282CAB7	UST0040	US TREASURY	08/11/2021	1,000,000.00	986,290.00	986,171.88	0.250		0.601	1,429	07/31/2025
91282CAJ0	UST0041	US TREASURY	08/11/2021	1,000,000.00	985,200.00	985,156.25	0.250		0.586	1,460	08/31/2025
91282CAZ4	UST0042	US TREASURY	08/09/2021	1,000,000.00	987,730.00	987,500.00	0.375		0.658	1,551	11/30/2025
Subtotal and Average				20,000,000.00	20,208,860.00	19,819,639.42			1.601	943	
Total and Average				127,000,000.00	128,628,800.00	127,025,657.26			1.026	373	

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Cash
August 31, 2021

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Money Market Fund										
SYS39903-39902	39901	UNION BANK	07/01/2018	9,961,969.28	9,961,969.28	9,961,969.28			0.000	1
Subtotal and Average										1
Total Cash and Investments				136,961,969.28	138,590,769.28	136,987,626.54			1.026	373



City of Manhattan Beach
Investment Portfolio Summary
As of August 31, 2021

PORTFOLIO PROFILE	Aug 31, 2021	Jul 31, 2021	Jun 30, 2021	May 31, 2021	Apr 30, 2021
Total Book Value (Excluding Trust Funds)	\$127,025,657	\$120,078,977	\$122,078,709	\$122,070,260	\$118,129,209
Increase/(Decrease) from Prior Period	6,946,680	(1,999,732)	8,449	3,941,050	-
Percentage Change	5.8%	(1.6%)	0.0%	3.3%	0.0%
Average Yield to Maturity (365 Days)	1.026%	1.126%	1.162%	1.188%	1.220%
Increase/(Decrease) from Prior Period	(0.101%)	(0.036%)	(0.026%)	(0.033%)	(0.009%)

PORTFOLIO ALLOCATIONS

By Security	Value (Par)	Percent	Par YTM	Time Horizon	Percent
LAIF*	\$68,000,000	53.54%	0.221%	Next 12 months	63%
Medium Term Notes	14,000,000	11.0%	2.451%	Months 13-24	13%
Federal Agencies	25,000,000	19.7%	1.953%	Months 25-36	11%
U.S. Treasuries	20,000,000	15.7%	1.601%	Months 37-48	12%
Total	\$127,000,000	100.0%	1.025%	Months 49-60	1%
				Total	100.0%

*LAIF YTM as of August 31, 2021

RECENT ACTIVITY

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
T - 0.25% Coupon	5/28/2021	6/30/2025	1,000,000		0.561%
T - 0.25% Coupon	5/28/2021	7/31/2025	2,000,000		0.576%
T - 0.25% Coupon	5/28/2021	8/31/2025	1,000,000		0.620%
T - 0.25% Coupon	8/11/2021	6/30/2025	1,000,000		0.591%
T - 0.25% Coupon	8/11/2021	7/31/2025	1,000,000		0.601%
T - 0.25% Coupon	8/11/2021	8/31/2025	1,000,000		0.586%
T - 0.375% Coupon	8/11/2021	11/30/2025	1,000,000		0.658%
Total Purchases			\$8,000,000		0.596%
Matured: FHLMC - 1.875% Coupon	7/26/2021	7/26/2021		2,000,000	2.076%
Matured: FHLMC - 1.125% Coupon	8/12/2021	8/12/2021		1,000,000	2.148%
Matured: MTN - 3.75% Coupon	8/15/2021	8/15/2021		2,000,000	2.154%
Matured: T - 2% Coupon	8/31/2021	8/31/2021		1,000,000	2.439%
Total Maturing/Calls				\$6,000,000	2.174%



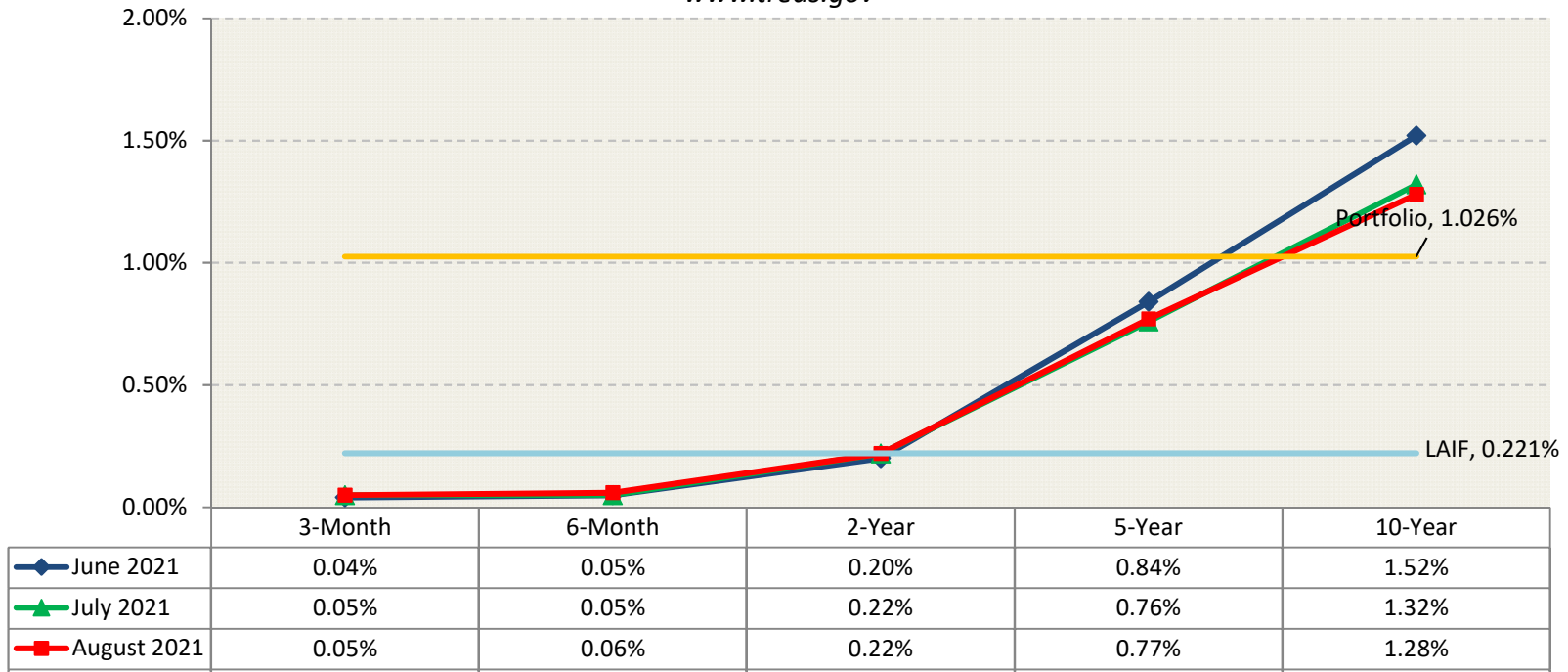
City of Manhattan Beach Investment Portfolio Summary *As of August 31, 2021*

FUNDS HELD IN TRUST	Value
Police/Fire Refunding Bonds	\$0
Marine Avenue Refunding Bonds	2,039
Metlox & Water/Wastewater Refunding Bonds	0
UUAD Assessment Refunding Bonds	1,174,603
UUAD Assessment District 12 & 14	896,230
UUAD Assessment District 4	479,336
PARS Investment Trust	1,843,104
Total Funds Held in Trust	\$4,395,311

As of August 31, 2021

US Treasuries Yield Curve

www.treas.gov



Monthly yields are interpolated by the Treasury from the daily yield curve.

CITY OF MANHATTAN BEACH

Portfolio Maturity Structure

September 2021 through August 2026

HELD TO MATURITY

Rolling 60 Months

Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt						
Sep 21	9/30/21	2.5%	T	nc	\$1.0M	Sep 22	9/12/22	3.06%	MTN	MW: 7.5	\$1.0M	Sep 23	9/20/23	3.46%	MTN	nc	\$1.0M	Sep 24	9/6/24	1.89%	MTN	9/6/24	\$1.0M	Sep 25					
							9/30/22	2.20%	T	nc	\$1.0M		9/12/23	0.50%	FNMA	nc	\$1.0M		9/13/24	1.77%	FHLB	nc	\$2.0M						
Oct 21						Oct 22	10/31/22	2.25%	T	nc	\$1.0M	Oct 23	10/18/23	2.63%	MTN	nc	\$1.0M	Oct 24	10/15/24	1.70%	FNMA	nc	\$2.0M	Oct 25					
							10/15/22	2.64%	MTN	MW: 12.5	\$1.0M								10/15/24	1.50%	FNMA	nc	\$2.0M						
													10/24/24	1.85%	MTN	9/6/24	\$1.0M												
Nov 21						Nov 22						Nov 23						Nov 24						Nov 25	11/30/25	0.66%	T	nc	\$1.0M
Dec 21						Dec 22	12/9/22	2.36%	FHLB	nc	\$2.0M	Dec 23						Dec 24						Dec 25					
Jan 22						Jan 23						Jan 24						Jan 25						Jan 26					
Feb 22						Feb 23	2/16/23	2.71%	FFCB	nc	\$2.0M	Feb 24	2/29/24	2.23%	T	nc	\$1.0M	Feb 25						Feb 26					
Mar 22	3/15/22	1.9%	FFCB	nc	\$1.0M	Mar 23						Mar 24	3/31/24	2.24%	T	nc	\$1.0M	Mar 25						Mar 26					
Apr 22	4/5/22	1.9%	FNMA	nc	\$1.0M	Apr 23						Apr 24						Apr 25						Apr 26					
May 22	5/16/22	3.2%	MTN	MW: 10	\$1.0M	May 23	5/3/23	3.30%	MTN	MW: 15	\$1.0M	May 24						May 25						May 26					
	5/18/22	2.5%	MTN	MW: 10	\$1.0M																								
	5/23/22	1.9%	MTN	4/22/22	\$1.0M																								
Jun 22						Jun 23	6/19/23	3.00%	FFCB	nc	\$2.0M	Jun 24	6/14/24	0.31%	FHLB	nc	\$1.0M	Jun 25	6/30/25	0.56%	T	nc	\$1.0M	Jun 26					
																			6/30/25	0.59%	T	nc	\$1.0M						
Jul 22	7/31/22	2.7%	T	nc	\$2.0M	Jul 23	7/24/23	2.84%	FFCB	nc	\$2.0M	Jul 24	7/2/24	1.53%	FNMA	nc	\$2.0M	Jul 25	7/31/25	0.58%	T	nc	\$2.0M	Jul 26					
	7/31/22	2.5%	T	nc	\$1.0M		7/31/23	2.53%	T	nc	\$1.0M		7/2/24	0.26%	FNMA	nc	\$1.0M		7/31/25	0.60%	T	nc	\$1.0M						
Aug 22	8/15/22	2.8%	TVA	nc	\$2.0M	Aug 23	8/31/23	2.43%	T	nc	\$1.0M	Aug 24	8/15/24	1.47%	FHLB	nc	\$1.0M	Aug 25	8/31/25	0.62%	T	nc	\$1.0M	Aug 26					
	8/15/22	2.5%	TVA	nc	\$1.0M		8/8/23	2.03%	MTN	MW:12.5	\$1.0M		8/30/24	1.98%	MTN	7/30/24	\$2.0M		8/31/25	0.59%	T	nc	\$1.0M						
							8/16/23	1.95%	MTN	6/16/23	\$1.0M		8/31/24	1.49%	T	nc	\$2.0M												
Total By Year (excl LAIF)					\$12.0m						\$17.0m						\$14.0m						\$15.0m						\$1.0m
% of Total Securities (excl LAIF)					20%						29%						24%						25%						2%
% of Total Investments (incl LAIF)					63%						13%						11%						12%						1%

Total Securities	46%	\$59.0M
LAIF	54%	\$68.0M
Total Investments	100%	\$127.0M

Shaded rows indicate months with significant cash inflows.

City of Manhattan Beach
Investment Policy Compliance Chart
As of August 31, 2021

Instrument		% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
Local Agency Investment Fund (LAIF)	\$68,000,000	53.5%	\$75,000,000	Yes	Temporary Suspension			
Treasury Securities								
US Treasury	\$20,000,000	15.7%					5 Years	Yes
Total U.S. Treasuries (17)	\$20,000,000	15.7%						
Medium Term (Corporate) Notes								
Costco	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Staples Sector</i>	\$1,000,000	0.8%			10.0%	Yes		
Coca-Cola	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Goods Sector</i>	\$1,000,000	0.8%			10.0%	Yes		
Toyota Motor Credit	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
US Bank	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Bank of NY	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
<i>Total Financial Sector</i>	\$5,000,000	3.9%			10.0%	Yes		
United Parcel Service	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Industrials Sector</i>	\$1,000,000	0.8%			10.0%	Yes		
Apple Inc	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
Microsoft Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Oracle Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Technology Sector</i>	\$4,000,000	3.1%			10.0%	Yes		
Walt Disney Co	2,000,000	1.6%			5.0%	Yes	5 Years	Yes
<i>Total Communication Services Sector</i>	\$2,000,000							
Total Medium Term Notes (13)	\$14,000,000	11.0%			20.0%	Yes		
Federal Agencies								
Federal Home Loan Bank (FHLB)	\$6,000,000	4.7%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	7,000,000	5.5%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	9,000,000	7.1%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMC)	-	0.0%			33.3%	Yes	5 Years	Yes
Tennessee Valley Authority (TVA)	3,000,000	2.4%			33.3%	Yes	5 Years	Yes
Total Federal Agencies (16)	\$25,000,000	19.7%			60.0%	Yes		
Total Portfolio	\$127,000,000	100.0%						



CITY OF MANHATTAN BEACH
TREASURER'S REPORT
August 31, 2021

<u>Investments</u>	Book Value
LAIF	\$68,000,000.00
Medium Term Notes	13,953,389.24
Federal Agency Issues-Coupon	25,252,628.60
Treasury Securities	19,819,639.42
Subtotal Investments	<u>\$127,025,657.26</u>
Investments In Transit (Cash Received 9/1/21)	\$999,230.03
<u>Demand Deposit/Petty Cash</u>	
Cash in Bank	\$9,961,969.28
Petty Cash	2,230.02
Subtotal Demand Deposit	<u>\$9,964,199.30</u>
Subtotal City Cash & Investments	<u>\$137,989,086.59</u>
<u>Bond Funds Held in Trust</u>	
Police Fire Refunding	\$0.06
Marine Ave Park Refunding	0.06
Metlox & Water/Wastewater Refunding	0.06
Utility Assessment Districts	2,550,168.67
Pension Obligation Bonds	2,038.63
Subtotal Bonds Held in Trust	<u>\$2,552,207.48</u>
<u>Investment Trust Funds</u>	
PARS Pension Rate Stabilization Trust	1,843,103.87
Treasurer's Balance	<u><u>\$142,384,397.94</u></u>



PMIA/LAIF Performance Report as of 09/08/21



PMIA Average Monthly Effective Yields⁽¹⁾

Aug	0.221
Jul	0.221
Jun	0.262

Quarterly Performance Quarter Ended 06/30/21

LAIF Apportionment Rate ⁽²⁾ :	0.33
LAIF Earnings Ratio ⁽²⁾ :	0.00000897371743018
LAIF Fair Value Factor ⁽¹⁾ :	1.00008297
PMIA Daily ⁽¹⁾ :	0.22%
PMIA Quarter to Date ⁽¹⁾ :	0.30%
PMIA Average Life ⁽¹⁾ :	291

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 07/31/21 \$181.8 billion

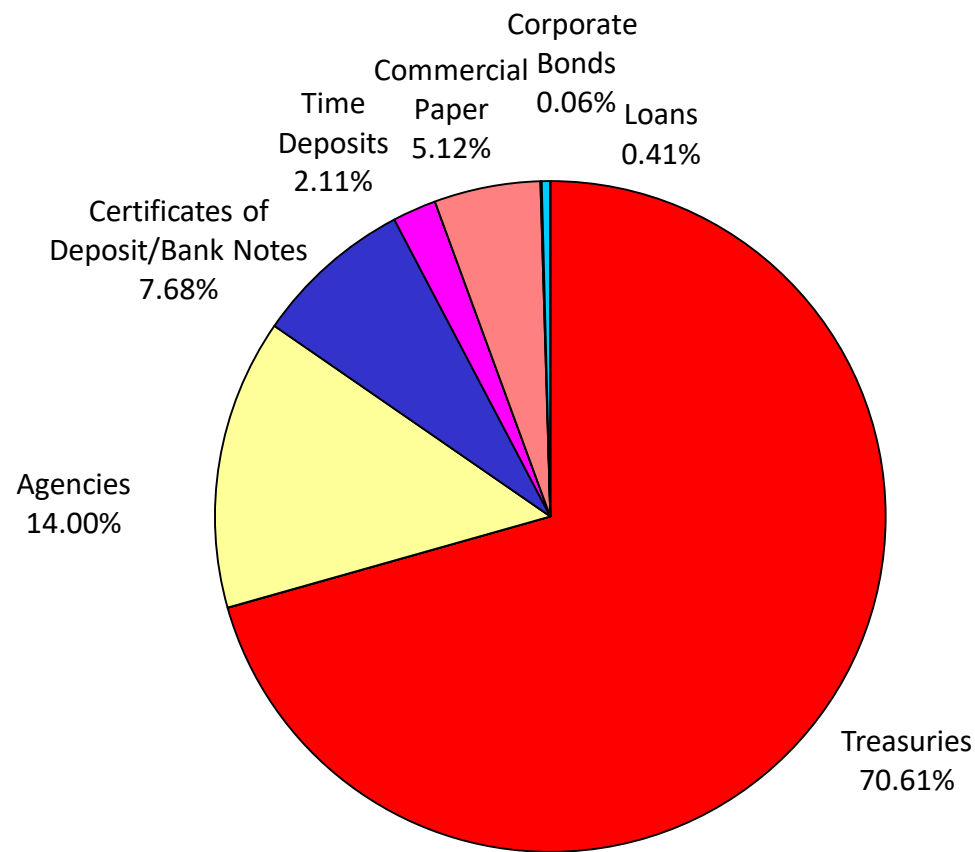


Chart does not include 0.01% of mortgages. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Emy-Rose Hanna, Revenue Services Supervisor

DATE: October 18, 2021

SUBJECT: FY 2021-2022 Monthly Schedule of Transient Occupancy Tax and Lease Payments and Miscellaneous Accounts Receivables.

RECOMMENDATION:

Staff recommends that the Finance Subcommittee Receive and File this Report.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action.

DISCUSSION:

Revenue Services Division invoices and collects for miscellaneous accounts receivable, which includes the schedule of Transient Occupancy Tax (TOT), lease revenue, franchise revenue and other payments.

Attachments:

1. FY 2021-2022 Monthly Schedule of TOT, Lease and Miscellaneous Payments
2. Accounts Receivables Aging Statistical Report



FY 2021/2022
City of Manhattan Beach
Monthly Schedule of TOT, Lease and Miscellaneous Payments
As of: 10/14/2021

MONTHLY REVENUES																
		Due Date	Acct #	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	TOTALS
HOTEL BED TAX:																
1	The Belamar (19)	M	20TH	100-41211	7/26/2021	8/21/2021	9/24/2021									
2	Crimson Hotel (45)	M	20TH	100-41211	7/20/2021	8/18/2021	9/20/2021									
3	Man Village Inn (19)	M	20TH	100-41211	7/26/2021	8/16/2021	9/14/2021									
4	Best Western Plus (53)	M	20TH	100-41211	7/29/2021	8/21/2021	9/30/2021									
5	Hi-View Motel (20)	M	20TH	100-41211	7/21/2021	8/21/2021	9/20/2021									
6	Wave Hotel (44)	M	20TH	100-41211	7/20/2021	8/18/2021	9/20/2021									
7	Man Bch Motel (13)	M	20TH	100-41211	7/26/2021	8/20/2021	9/20/2021									
8	Marriott (380)	M	20TH	100-41211	7/21/2021	8/21/2021	9/20/2021									
9	Residence Inn (176)	M	20TH	100-41211	7/21/2021	8/23/2021	9/20/2021									
10	Sea Horse Inn (33)	M	20TH	100-41211	7/26/2021	8/21/2021	9/14/2021									
11	Sea View Inn (18)	M	20TH	100-41211	7/19/2021	8/31/2021	9/24/2021									
12	Shade (38)	M	20TH	100-41211	7/27/2021	8/2/2021	9/20/2021									
	Sub Total				\$ 474,540.57	\$ 582,968.75	\$ 556,256.79									\$ 1,613,766.11
MB STUDIOS:																
13	CRP MB Studios %	M	20TH	100-41221	8/23/2021	9/15/2021										\$ 23,232.33
14	CRP MB Studios-Fire	M	20TH	100-42204	9/27/2021	9/27/2021										\$ 500.00
15	CRP MB Studios-Fire Inv.	M	1ST	100-42201	9/23/2021	9/23/2021	9/27/2021									\$ 6,249.99
16	CRP MB Studios Annual Fire Fee	M	20TH	100-41221	9/13/2021	9/13/2021	9/13/2021									\$ 21,000.00
LEASES:																
17	Metlox	M	1ST	100-44401	\$ 20,083.33	\$ 20,083.33	\$ 20,083.33									\$ 60,249.99
18	Metlox - Profit	A	MARCH	100-44401												\$ -
19	Bay Club- Bldg Rent	M	10TH	100-44404	\$ 4,023.70	\$ 4,023.70										\$ 8,047.40
20	Bay Club-%	M	10TH	100-44403	\$ 15,000.00	\$ 15,000.00										\$ 30,000.00
21	Bay Club -G/R Recon	A	10TH	100-44403												\$ -
22	Bay Club - Tennis Rent	M	10TH	100-44402	\$ 26,774.83	\$ 26,774.83										\$ 53,549.66
23	Bay Club -Parking	M	10TH	100-44405	\$ 2,921.87	\$ 2,921.87										\$ 5,843.74
24	County Library Parking	M	15TH	100-44411	\$ 522.39	\$ 522.39	\$ 522.39	\$ 522.39								\$ 2,089.56
25	Sprint	M	30TH	100-44421	\$ 5,835.90	\$ 5,835.90	\$ 5,835.90	\$ 5,835.90								\$ 23,343.60
26	AT & T	M	1ST	100-44421	\$ 6,400.19	\$ 6,400.19	\$ 6,400.19	\$ 6,678.91								\$ 19,479.29
27	Verizon 16/Valley lease	M	25TH	100-44421	\$ 5,293.92	\$ 5,293.92										\$ 10,587.84
28	Pay N Play Racquetball	M	1ST	100-44412	\$ 280.00	\$ 280.00										\$ 560.00
29	Marriott-Min	M	20TH	100-44406	\$ 33,333.33	\$ 33,333.33										\$ 66,666.66
30	Marriott - %	Q	31ST	100-44407	\$ 163,080.00											\$ 163,080.00
31	Marriott Golf Course	Q	31ST	100-44408	\$ 8,548.00											\$ 8,548.00
32	United States PO	M	1ST	100-44410	\$ 4,416.67	\$ 4,416.67	\$ 4,416.67	\$ 4,416.67								\$ 17,666.68
33	Village Mall Parking	M	25TH	100-44409	\$ 15,793.11	\$ 15,793.11										\$ 31,586.22
34	Shade #1	M	15TH	100-44412	\$ 911.90											\$ 911.90
35	Storage Shade #2	M	15TH	100-44412	\$ 769.81											\$ 769.81
36	Triology Day Spa Storage	M	15TH	100-44412	\$ 786.39	\$ 800.41										\$ 1,586.80
37	Metlox (shared maint.)	Q		520-47307		\$ 1,690.96										\$ 1,690.96
38	Lemonade	M	1st	100-44412												\$ -



FY 2021/2022
City of Manhattan Beach
Monthly Schedule of TOT, Lease and Miscellaneous Payments
As of: 10/14/2021

MONTHLY REVENUES															
	Due Date	Acct #	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	TOTALS
FRANCHISES:															
39	Verizon/Frontier Comm.	Q	100-41213	\$ 61,109.55											\$ 61,109.55
40	Verizon/ Frontier PEG	A	FEB	100-21312											\$ -
41	Time Warner/Spectrum (PEG)	Q	100-21311	\$ 16,020.18											\$ 16,020.18
42	Time Warner/Spectrum (Basic)	Q	100-41213	\$ 80,100.89											\$ 80,100.89
43	Van Lingen Towing	M	10TH	100-46207	\$ 7,315.00	\$ 6,850.00									\$ 14,165.00
44	So Cal Edison	A	APRIL	100-41213											\$ -
45	So Cal Gas	A	APRIL	100-41213											\$ -
46	Plains West Coast Terminals	A	APRIL	100-41213											\$ -
MISC. PAYMENTS															
47	Waste Mgmt-Recycle	A	JUNE	510-46415	\$ 38,000.00										\$ 38,000.00
48	Waste Mgmt-CRC	M	QUARTERLY	100-46412	\$ 18,594.78										\$ 18,594.78
49	Waste Mgmt-PaintCare	M	QUARTERLY	100-46451	\$ 417.85										\$ 417.85
50	Mrs. June Mikrut	A	AUG \$25	503-46402	\$ 25.00										\$ 25.00
51	Median-Hermosa Bch	A	AUGUST	100-46421	\$ 2,402.04										\$ 2,402.04
52	Median-Redondo Bch	A	AUGUST	100-46421	\$ 5,768.17										\$ 5,768.17
53	Panchos-Pkg Spaces	M	1ST	520-47301	\$ 975.00	\$ 975.00	\$ 975.00								\$ 2,925.00
54	Signals-Target	A	DEC	100-46422											\$ -
55	Fusion Sushi <u>270</u> Sq. Ft	M	20Th	100-42105	\$ 810.00	\$ 810.00	\$ 810.00								\$ 2,430.00
56	Summers <u>44</u> Sq. Ft.	A	JULY	100-42105											\$ -
57	Uncle Bills <u>195</u> Sq. Ft	M	1ST	100-42105											\$ -
58	Ocean View <u>270</u> Sq. Ft	M	1ST	100-42105	\$ 810.00	\$ 810.00									\$ 1,620.00
59	Pier Telescopes	P	Periodically	100-46501											\$ -
60	Legacy Inmate Comm	M	1ST	100-21402	\$ 4.38	\$ 42.29	\$ 42.29								\$ 88.96
61	Northrop Grumman	A	JULY	100-42105			\$ 1,426.00								\$ 1,426.00
62	DBID - Dekralite (Annual Pmt)	M	1ST	10018721-52											\$ -
63	DBID - Farmers Market Parking)	A	FEB		\$ 1,651.97	\$ 1,437.55	\$ 1,437.55								\$ 4,527.07

A - Annual
 Q - Quarterly
 M - Monthly



**FY 2021/2022
City of Manhattan Beach
Miscellaneous Accounts Receivable
Aging Statistical Report**

Dollars

	Total AR	0-30	30-60	60-90	90-120	>120
July	960,320.81	109,641.70	570,516.27	28,368.50	2,409.46	249,384.88
August	996,712.59	202,756.42	451,214.06	54,618.81	47,203.38	240,919.92
September	736,681.49	128,664.68	112,511.54	401,838.87	29,938.21	63,728.19
October						
November						
December						
January						
February						
March						
April						
May						
June						
<i>Partial</i>						
Avg.	897,904.96	147,020.93	378,080.62	161,608.73	26,517.02	184,677.66

Percentages

	Total AR	0-30	30-60	60-90	90-120	>120
July	100%	11%	59%	3%	0%	26%
August	100%	20%	45%	5%	5%	24%
September	100%	17%	15%	55%	4%	9%
October						
November						
December						
January						
February						
March	0%					
April						
May						
June						
Avg.	100%	16%	40%	21%	3%	20%



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Emy-Rose Hanna, Revenue Services Supervisor

DATE: October 18, 2021

SUBJECT: Bad Debt Write-Offs to Collections from April 1, 2021 – June 30, 2021.

RECOMMENDATION:

Staff recommends that the Finance Subcommittee ratify the attached summary report of write-offs within the authority of the Finance Director (not to exceed \$5,000).

FISCAL IMPLICATION:

Financial Credit Network (FCN), the City's collection agency, is paid a commission based on the money collected. The commission percentage is 25% for regular collections or 35% for accounts requiring legal action. The agency provides an initial 15-day grace period. During that period any money collected by the agency will be remitted back to the City without charge.

BACKGROUND:

City Council approved a policy delegating write-off authority to the Finance Director for uncollectable accounts up to \$5,000. Write-offs of \$5,000 to \$10,000 require the approval of the Finance Subcommittee. Any write-off of uncollectable accounts greater than \$10,000 require City Council approval.

DISCUSSION:

The City reviewed outstanding accounts that were more than 120 days in arrears as of April 1, 2021 – June 30, 2021. The accounts listed below were within the \$5,000 signing authority of the Finance Director and have been sent to FCN for collection.

- Ambulance Billing: \$ 97,765.60 (April 1, 2021 – June 30, 2021)
- Miscellaneous A/R \$ 9,635.00 (April 1, 2021 – June 30, 2021)
- Utility Billing: \$ 10,405.33 (April 1, 2021 – June 30, 2021)
- Parking Citations: \$ 44,492.00 (April 1, 2021 – June 30, 2021)

The collection process begins once an account remains unpaid for 120 days or more. Once deemed uncollectable by City staff the appropriate authority is asked to approve the account for write-off, and then pertinent information is sent to the collection agency to begin their collection process. Depending upon time and effort, the collection agency may earn up to a 35% commission for the amount they collect.

The Finance Subcommittee receives periodic reports for ratification of all write-offs.

Attachments:

1. Summary of write-offs (not to exceed \$5,000 per line item) from April 1, 2021 – June 30, 2021



Memorandum

City of Manhattan Beach

TO: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
 Emy-Rose Hanna, Revenue Services Supervisor

DATE: October 18, 2021

SUBJECT: Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables (April 1, 2021 – June 30, 2021)

In order to maximize revenues from delinquent account holders, the services of an outside collection agency is required. The City contracts with Financial Credit Network (FCN).

The City Council approved write-off limits are:

<u>Authority</u>	<u>Write Off Limits</u>
Finance Director	\$0 - \$5,000
Finance Subcommittee	\$5,001 - \$10,000
City Council	\$10,001+

The attached list of individual accounts, each more than 120 days past due, are all less than \$5,000 (the maximum allowable write-off limit set by policy for the Finance Director). After numerous attempts by City Staff to achieve collections in-house, the accounts remain unpaid. With approval by the Finance Director, we will send these accounts to the City’s 3rd party collections company, Financial Credit Network (FCN). The grand totals for Ambulance, Utility Billing, Miscellaneous A/R billing and Parking Citations for the period of April 1 through June 30, 2021, are:

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
Ambulance Billing:	\$ 97,765.60	64
Miscellaneous Accounts Receivable:	\$ 9,635.00	27
Utility Billing (water & refuse):	\$ 10,405.33	40
Parking Citations:	\$ 44,492.00	496

Attachments (Detailed Write-Off Reports):

1. Ambulance Billing
2. Miscellaneous Accounts Receivable
3. Utility Billing (water & refuse)
4. Parking Citations (via Turbo Data)



FY 2020/2021
City of Manhattan Beach
Detailed Write-Off Report
Period Covering April 1, 2021 - June 30, 2021

AMBULANCE BILLING ACCOUNTS

No.	Account Number	Name	City	State	Balance
1	57977731	BYRD	MANHATTAN BEACH	CA	\$ 112.27
2	56422915	ROPER	MANHATTAN BEACH	CA	\$ 75.00
3	56422922	SANBORN	MANHATTAN BEACH	CA	\$ 56.60
4	56886226	WOODIE	MANHATTAN BEACH	CA	\$ 2,475.00
5	57762653	ESCALANTE	SAN PEDRO	CA	\$ 200.00
6	57924254	SANBORN	MANHATTAN BEACH	CA	\$ 42.04
7	58094942	CREWS	MANHATTAN BEACH	CA	\$ 50.00
8	58330856	ELKIN	MANHATTAN BEACH	CA	\$ 250.00
9	58865894	BALBIER	EL SEGUNDO	CA	\$ 461.14
10	58876779	INTERIAN	MANHATTAN BEACH	CA	\$ 323.56
11	59255844	JHA	MANHATTAN BEACH	CA	\$ 2,664.00
12	59255871	JIMENEZ	MANHATTAN BEACH	CA	\$ 225.00
13	59255891	OAKRIDGE	MANHATTAN BEACH	CA	\$ 2,886.00
14	59255898	HERNANDEZ	UNKNOWN	UNKNOWN	\$ 2,797.00
15	59255917	SHARTIER	MANHATTAN BEACH	CA	\$ 2,748.00
16	59255921	KONN	MANHATTAN BEACH	CA	\$ 2,748.00
17	59276791	RUSHMCGOWAN	MANHATTAN BEACH	CA	\$ 881.10
18	59276802	STEWART	UNKNOWN	UNKNOWN	\$ 1,857.00
19	59276808	DOE	UNKNOWN	UNKNOWN	\$ 2,702.00
20	59330332	ECKERSLEY	MANHATTAN BEACH	CA	\$ 1,838.00
21	59510491	SERPAS	UNKNOWN	UNKNOWN	\$ 1,941.00
22	59510556	RODRIGUEZ	UNKNOWN	UNKNOWN	\$ 1,857.00
23	54447213	MURPHY	MANHATTAN BEACH	CA	\$ 2,724.00
24	56601654	GANGURSKY	MANHATTAN BEACH	CA	\$ 200.00
25	58461019	MUNOZ	MESA	AZ	\$ 2,272.18
26	58461044	RAMOS	PICO RIVERA	CA	\$ 2,816.00
27	59352405	FOURNIER	MANHATTAN BEACH	CA	\$ 2,802.00
28	59352410	YARJAN	MANHATTAN BEACH	CA	\$ 2,748.00
29	59653657	SHOEBOTHAM	MANHATTAN BEACH	CA	\$ 2,729.00
30	59695084	ATKESON	MANHATTAN BEACH	CA	\$ 2,840.00
31	59695087	BRADLEY	UNKNOWN	UNKNOWN	\$ 1,819.00
32	59850405	JAMES	UNKNOWN	UNKNOWN	\$ 1,846.00
33	59850490	AMCUPRA	UNKNOWN	UNKNOWN	\$ 1,819.00
34	59850498	MICHAEL	UNKNOWN	UNKNOWN	\$ 1,933.00
35	59860704	JONES	UNKNOWN	UNKNOWN	\$ 1,884.00
36	59860705	JONES	UNKNOWN	UNKNOWN	\$ 1,838.00
37	56337807	AMAYA	SAN GABRIEL	CA	\$ 439.96
38	56422965	BATH	MANHATTAN BEACH	CA	\$ 225.00
39	56423041	DOHNE	BARTLESVILLE	OK	\$ 2,596.00
40	56601680	BIXLER	MANHATTAN BEACH	CA	\$ 691.00

AMBULANCE BILLING ACCOUNTS

No.	Account Number	Name	City	State	Balance
41	57615090	SHAY	MANHATTAN BEACH	CA	\$ 542.00
42	57737669	COKKINOS	MANHATTAN BEACH	CA	\$ 200.00
43	58094891	HURTADO	TORRANCE	CA	\$ 50.00
44	58173853	LARGENT	MANHATTAN BEACH	CA	\$ 107.24
45	58801140	ABHICHANDANI	MANHATTAN BEACH	CA	\$ 109.22
46	58811722	MOYLE	TEHACHAPI	CA	\$ 100.00
47	59276780	ROBERTSON	MANHATTAN BEACH	CA	\$ 1,865.00
48	59653681	MCCULLEN	INGLEWOOD	CA	\$ 200.00
49	59653689	PAPPAS	MARINA DEL REY	CA	\$ 544.00
50	59850493	CHRISTOPHER	ARLINGTON	TN	\$ 1,846.00
51	59850501	ASWAD	MANHATTAN BEACH	CA	\$ 2,710.00
52	59860678	DECKER	INGLEWOOD	CA	\$ 1,695.00
53	59927123	MCELROY	UNKNOWN	UNKNOWN	\$ 1,933.00
54	59962458	MILLEN	MANHATTAN BEACH	CA	\$ 685.29
55	59962461	MARMON	UNKNOWN	UNKNOWN	\$ 1,895.00
56	60006920	PREISS	UNKNOWN	UNKNOWN	\$ 1,695.00
57	60052595	RANDY	UNKNOWN	UNKNOWN	\$ 2,740.00
58	60053434	GRIMES	MANHATTAN BEACH	CA	\$ 1,695.00
59	60053594	ROBINSON	LOS ANGELES	CA	\$ 2,797.00
60	60174508	LONO	UNKNOWN	UNKNOWN	\$ 1,838.00
61	60174510	FOLKERSON	UNKNOWN	UNKNOWN	\$ 2,748.00
62	60174515	MAY	UNKNOWN	UNKNOWN	\$ 1,838.00
63	60186196	MOISE	UNKNOWN	UNKNOWN	\$ 2,683.00
64	60186200	LANE	UNKNOWN	UNKNOWN	\$ 1,838.00
					\$ 97,765.60

Date: _____

Finance Director: _____



FY 2020/2021
City of Manhattan Beach
Detailed Write-Off Report
Period Covering April 1, 2021 - June 30, 2021

MISCELLANEOUS ACCOUNTS RECEIVABLE

No.	Invoice #	Type	Name	City	State	Balance
1	18-02895	SIDEWALK REPAIR	GAULT	MANHATTAN BEACH	CA	\$ 140.00
						\$ 140.00

Date: _____

Finance Director: _____



FY 2020/2021

City of Manhattan Beach

Detailed Write-Off Report

Period Covering April 1, 2021 - June 30, 2021

UTILITY BILLING ACCOUNTS

No.	Account Number	Name	City	State	Balance
1	69-0426031-11	DWYER	COLUMBUS	OH	\$58.82
2	42-0521050-09	KIELING	OAK PARK	CA	\$61.60
3	40-0293500-03	WHITMORE	MANHATTAN BEACH	CA	\$63.41
4	51-0526020-06	CHEN	MANHATTAN BEACH	CA	\$66.85
5	16-1340100-09	POWERS	MANHATTAN BEACH	CA	\$69.82
6	40-0153013-12	HEATON	LA CANADA	CA	\$75.83
7	29-0317010-09	WOODWARD	LOS ANGELES	CA	\$78.51
8	76-0340021-04	GUTIERREZ	MANHATTAN BEACH	CA	\$79.82
9	11-0201020-13	FRIEND	MANHATTAN BEACH	CA	\$83.64
10	10-1102002-10	JOHNSON	MANHATTAN BEACH	CA	\$88.94
11	58-0608115-06	MICHIELS	MANHATTAN BEACH	CA	\$95.36
12	89-0460027-09	DALE	MANHATTAN BEACH	CA	\$96.44
13	29-0284019-14	SUSSMAN	MANHATTAN BEACH	CA	\$98.76
14	17-1550000-10	NEEL	MANHATTAN BEACH	CA	\$99.60
15	67-0934010-07	GALLOWAY	MANHATTAN BEACH	CA	\$100.64
16	33-0020012-15	DUNBAR	MANHATTAN BEACH	CA	\$112.63
17	57-0376112-08	FRY'S ELECTRONICS	SAN JOSE	CA	\$114.01
18	63-0327022-04	PHILLIPS	MANHATTAN BEACH	CA	\$114.56
19	18-0730000-08	MILLINGTON	MANHATTAN BEACH	CA	\$129.47
20	51-0480023-04	SEIDEMAN	BORING	OR	\$134.49
21	20-0177500-10	GILKISON	NEWPORT BEACH	CA	\$143.43
22	81-1170116-16	MAXWELL	MANHATTAN BEACH	CA	\$144.65
23	80-1064010-02	SHIN	MANHATTAN BEACH	CA	\$186.32
24	23-0769012-07	DJANKOVICH	MIAMI	FL	\$205.99
25	85-1978116-07	CORBETT	MANHATTAN BEACH	CA	\$216.81
26	48-0192011-10	YOUNG	MANHATTAN BEACH	CA	\$230.47
27	32-0692012-10	IVANCICH	HERMOSA BEACH	CA	\$236.54
28	25-0918028-08	WEISS	MANHATTAN BEACH	CA	\$240.67
29	16-0880000-06	DENNIS	MANHATTAN BEACH	CA	\$249.82
30	97-0081060-24	NIGHTINGALE	COSTA MESA	CA	\$283.64
31	86-2178011-17	RJ SMITH CONSTRUCTION	MANHATTAN BEACH	CA	\$328.09
32	73-1000020-01	GUNN	HERMOSA BEACH	CA	\$519.64

UTILITY BILLING ACCOUNTS

No.	Account Number	Name	City	State	Balance
33	76-0426014-19	DIN	SANTA ANA	CA	\$547.21
34	50-0398021-12	HUGHES	BOULDER	CO	\$575.45
35	81-1171010-04	MARTINSONS	MANHATTAN BEACH	CA	\$575.77
36	82-1266020-10	LEE	COMPTON	CA	\$665.03
37	57-0376024-00	FRY'S ELECTRONICS	SAN JOSE	CA	\$702.04
38	69-0187043-02	LAKY	MANHATTAN BEACH	CA	\$730.82
39	97-0007012-04	RESTREPO	MANHATTAN BEACH	CA	\$833.38
40	88-0188010-05	WEST	MANHATTAN BEACH	CA	\$966.36
					\$10,405.33

Date: _____

Finance Director: _____



FY 2020/2021

City of Manhattan Beach

Detailed Write-Off Report

Period Covering April 1, 2021 - June 30, 2021

PARKING CITATIONS				
No.	Month Ending	No. OF CITATIONS	Amount	AVG Value
1	4/30/2021	76	\$ 6,642.00	\$87.00
2	5/31/2021	261	\$ 23,667.00	\$91.00
3	6/30/2021	159	\$ 14,183.00	\$89.00

496

\$ 44,492.00

Date: _____

Finance Director: _____