

## Overview of Developments in the Financial Markets, Quarterly Finance Report and Annual Interest Rate Swap Evaluation as of June 30, 2021

### Overview

Staff provides quarterly briefings on the latest developments in the financial markets, economy, sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the *TransNet* Program; and a quarterly report on investments as required per [Board Policy No. 003](#).

In addition, [Board Policy No. 032](#) requires an annual presentation to the Board of Directors, which includes a written description of the interest rate swaps and an evaluation of the risks associated with outstanding swaps.

### Key Considerations

- The unemployment rate of 7% in June is well below its 15.9 % peak in April 2020 but remains more than twice as high as in 2019. As elsewhere in the country, local companies are facing labor shortages as a result of lack of childcare options for workers and persisting fears of contracting the virus.
- As the economy continues to recover, real gross domestic product grew by an annual rate of 6.5% in the second quarter of 2021. After stalling in FY 2020, sales tax revenue collection surged in FY 2021, registering a 9% increase.
- Senior lien debt service coverage, using sales tax receipts of \$334 million for the 12 months ending June 30, 2021, is 3.13 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.13 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings.
- SANDAG is currently working with its finance and legal team to allow for the release of the existing debt service reserve fund associated with the 2008A-D variable rate demand bonds. The associated debt service reserve fund has a current balance of about \$17 million, which may go to support new projects or those currently under construction.
- The interest rate swaps continue to perform as expected, and there has not been any material event involving outstanding swap agreements, nor has there been any default by a swap counterparty or counterparty termination.

### André Douzdjian, Chief Financial Officer

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- Attachments:
1. Financial Market Review
  2. Local Economy and Sales Tax Revenue
  3. Investment and Debt Portfolio
  4. *TransNet* Extension Quarterly Report
  5. Annual Interest Rate Swap Policy Report

### Action: Information

An update on the latest developments in the financial markets, economy, sales tax revenues, and strategies being explored and implemented to minimize possible impacts to the *TransNet* Program will be presented.

### Fiscal Impact:

Senior lien debt service coverage remains strong at 3.13 times, providing ample coverage and supporting triple-A ratings.

### Schedule/Scope Impact:

The COVID-19-related recession hit a strong and healthy San Diego economy, leading to massive job and income losses in 2020. With the progress of the vaccination campaign and the reopening of the economy, the recovery is ongoing. Staff will monitor the situation closely and update revenue forecasts as information becomes available.

## ***Market Review and Update***

### ***Overview***

During the second quarter of 2021, the U.S. economy continued to recover from the COVID-19 recession as the virus infection rate declined. Job growth continued to recover in June, and total sales over the trailing three months were 36% more than a year ago. As the economy opened, consumers shifted their preference away from goods and toward services. Most states are fully reopened, which should drive strong economic growth in the second half of 2021. However, the rapid spread of the Delta variant of the coronavirus presents a new risk to the economy.

Federal Reserve policymakers began to signal an intention to accelerate a possible post-pandemic interest rate rise as inflation heats up, and the U.S. has made strong progress on vaccination efforts. While none of the officials project any rate changes this year, in the updated June projections, seven officials expected short-term rates to rise by the end of 2022 and 13 of 18 expect to lift short-term rates by the end of 2023. Short-term Treasury yields rose as a response to this projection, but long-term Treasury yields declined over July. Domestic equity markets returned 2.38% in July, its sixth consecutive positive gain.

### ***Interest Rates***

- **Treasury Rates:** Short-term treasury rates (industry accepted benchmark for taxable bonds) increased slightly following the Fed's projection that rates would increase by the end of 2022 or 2023. However, rates further out the curve continued to exhibit declines. Overall, the U.S. Treasury yield curve flattened over the last quarter.
- **Municipal Market Rates:** The AAA MMD yield curve (the industry accepted benchmark for tax-exempt rates) fluctuated over the quarter, but ultimately are at similar levels as in last quarter.
- **Fed Funds Rate:** The Fed made no changes to the near-zero fed funds policy rate and continued to make its large-scale monthly asset purchases. The Fed's most recent messaging has evolved to require actual outcomes, not just strong forecasts, before considering any current policy changes.

**Municipal Market Supply-Demand Dynamics:** Municipal bond funds saw consistent inflows over the past three months. Despite the high supply, investor demand continued to outstrip supply and transactions were executed at attractive interest rates.

**Equity Markets:** Equity markets continued to expand during the second quarter, primarily driven by optimism surrounding the U.S. economy's recovery.

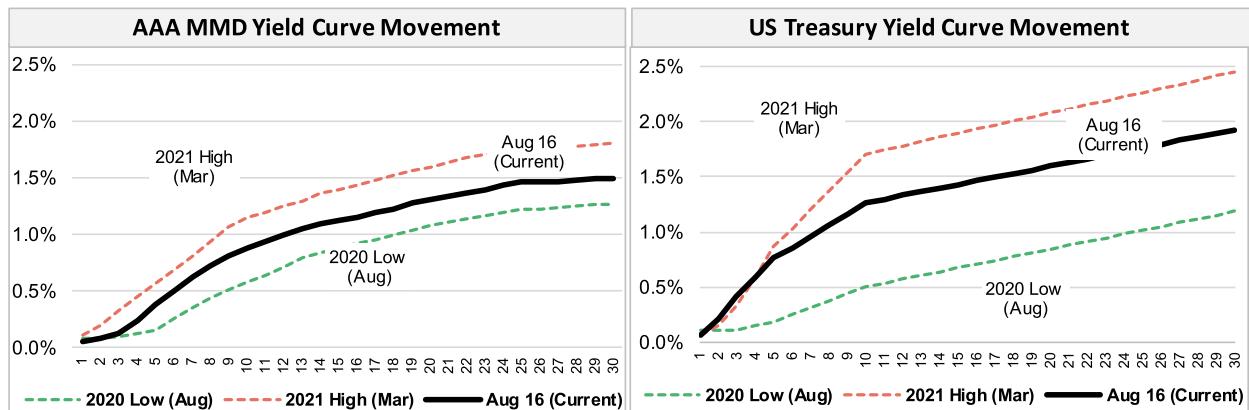
### ***U.S. Economy***

- **Jobs and Unemployment:** The Initial Jobless Claims continued to decrease, registering at 375,000 for the week ended August 12. The unemployment rate fell to 5.4% by end of July from 6.1% at the end of April.
- **GDP:** As the economy continues to recover, real GDP grew by an annual rate of 6.5% in the second quarter of 2021.
- **Personal Spending:** As the economy's key driver, personal spending increased by 1% in June. This was after the 5.2% increase in March and 1.1% increase in April.
- **Manufacturing and Service data:** The Markit U.S. Composite Purchasing Managers Index in the past quarter showed expansion in both the manufacturing and services sector, signaling continued rebuilding of economic activity.

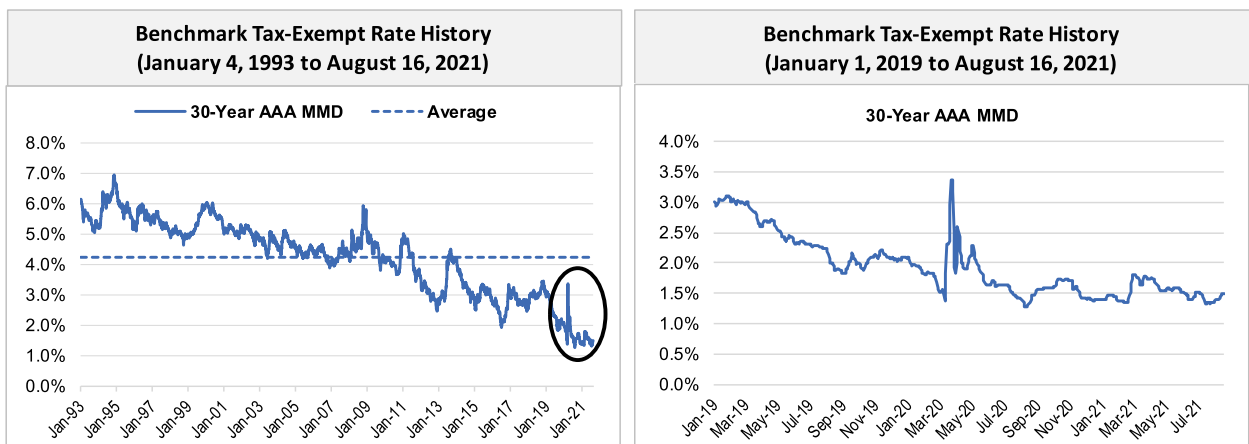
- Consumer Sentiment: Preliminary estimates of the University of Michigan Consumer Confidence Index dropped suddenly from 81.2 in July to 70.2 in August, a historical low. The decline came as the delta variant of the coronavirus spread across the U.S., causing some states to reinstate mask mandates and other restrictions.

### Long-Term Tax-Exempt and Taxable Interest Rates

The AAA Municipal Market Data (MMD) index (the industry accepted benchmark for tax-exempt rates) and U.S. Treasury rates remain low from a historical perspective. Both the municipal curve and the Treasury curve are below 2%. The two charts below show current interest rates relative to the recent highs and lows in the last 12 months. As seen in the chart, while both curves are higher than they were a year ago, rates have backed off from the March 2021, highs.



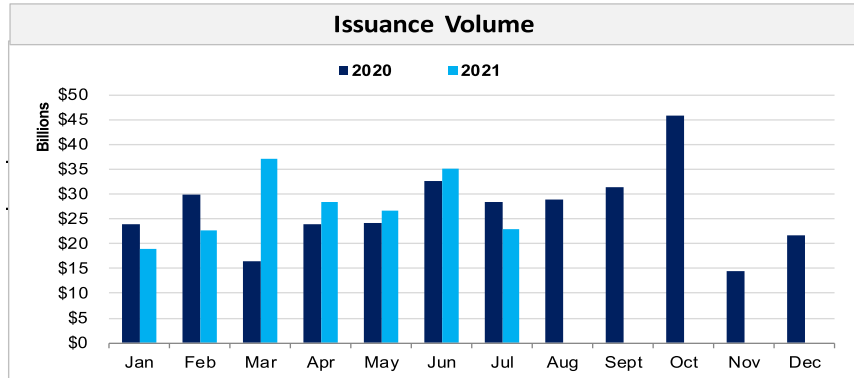
The uneven rate movement in municipal rates and US treasury rates in 2020 after the pandemic caused a severe “dislocation” in the municipal-to-treasury ratios that is, municipal bonds and Treasuries diverged in pricing significantly. The ten-year ratio peaked to 250% versus an average of 80%. This ratio is an important measure as the relationship between municipal yields and Treasury yields determines their relative attractiveness to investors. By the end of 2020, the municipal market stabilized as investors reemerged as buyers of tax-exempt municipal debt. The ratio has since trended in the opposite direction, reaching a historic low of 63.6% in mid-June.



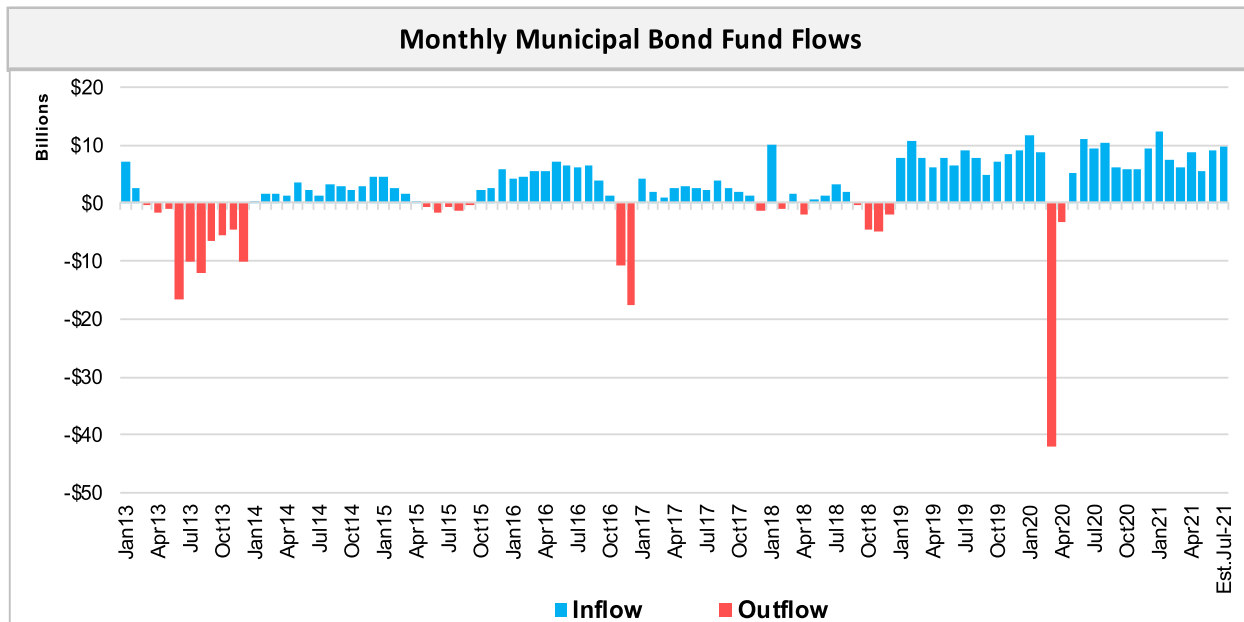
The current 30-year AAA MMD bond yield is 1.50%, which is .23% or 23 basis points (bps) lower than it was on August 11, 2020, the historical minimum, and is still significantly lower than its historic average as seen in the chart above.

## Municipal Market Supply and Demand

Fuelled by new money borrowing, the year-to-date tax-exempt issuance through July, is \$192 billion, 6.9% higher than 2020. The 2021 combined taxable and tax-exempt issuance volume is up slightly by 2.4% compared to 2020. Taxable issuance dropped significantly in 2021 as most taxable advance refunds were accomplished in 2020.



Mutual funds are one of the largest investors in municipal bonds and the net inflow or net outflow from mutual funds is indicative of demand for municipal bonds. Municipal bond funds have seen consistent inflows since the extreme outflow in March 2020. Inflows from January through July of 2021 totaled \$59.4 billion, indicative of strong investor demand.



## Credit Spreads

Credit spreads widened significantly at the beginning of the COVID-19 crises. As investors returned to municipal markets, spreads narrowed for a short period before widening again on account of sustained low absolute rates and a heavy issuance calendar leading up to the presidential election. For instance, the pre-COVID-19 30-year spread to MMD for a California State GO bond widened to 40 bps at the peak of the crises from 5bps before the pandemic. As positive signs of economic recovery prevail and demand for municipal credits continues to outpace supply, credit spreads have returned to pre-pandemic levels in 2021.

Going forward, investors and rating agencies continue to evaluate sectors and individual credits, inclusive of the actual and expected negative financial impacts of COVID-19 on global and domestic economy, which will drive credit spreads in the future.

## **Interest Rate Forecasts**

The Fed left the target Fed Funds rate unchanged at its last FOMC meeting in July 2021. The Fed dropped the rate to zero in March 2020 and hasn't made any changes since. According to the latest available dot-plot there are no indications of a rate hike for the remainder of 2021 or 2022.

The next table provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. In line with the Fed's statement, the market doesn't expect a rate hike in 2021 or 2022, followed by two rates hikes in 2023. The two-year U.S. Treasury rate is forecasted to increase only by .9% to .29% by the end of 2021. The ten-year U.S. Treasury rate is forecasted to increase by .41% to 1.64% by the end of 2021. The 30-year U.S. Treasury rate is also forecast to increase by .33% to 2.23% by the end of 2021.

<b>The Street's Interest Rate Forecast</b>											
<b>Forecast</b>	<b>8/17/2021</b>	<b>Q3 2021</b>	<b>Q4 2021</b>	<b>Q1 2022</b>	<b>Q2 2022</b>	<b>Q3 2022</b>	<b>Q4 2022</b>	<b>Q1 2023</b>	<b>Q2 2023</b>	<b>Q3 2023</b>	<b>Q4 2023</b>
30-Year UST	1.90%	2.08%	2.23%	2.35%	2.44%	2.47%	2.58%	2.68%	2.79%	2.85%	2.89%
10-Year UST	1.23%	1.48%	1.64%	1.75%	1.84%	1.88%	2.02%	2.07%	2.18%	2.25%	2.36%
2-Year UST	0.20%	0.25%	0.29%	0.36%	0.46%	0.55%	0.65%	0.71%	0.85%	0.96%	1.08%
3M London Interbank Offered Rate	0.12%	0.17%	0.20%	0.24%	0.29%	0.36%	0.44%	0.62%	0.70%	0.83%	0.95%
Federal Funds Target Rate Upper Bound	0.25%	0.25%	0.25%	0.25%	0.25%	0.30%	0.35%	0.40%	0.50%	0.70%	0.85%
Federal Funds Target Rate Lower Bound	0.00%	0.00%	0.00%	0.01%	0.02%	0.04%	0.08%	0.17%	0.27%	0.43%	0.60%

## Local Economy and Sales Tax Revenues

The COVID-19-related recession hit a strong and healthy San Diego economy, leading to massive job and income losses in 2020. With the progress of the vaccination campaign and the reopening of the economy, the recovery is ongoing. The unemployment rate of 7.0% in June, is well below its 15.9% peak in April 2020, but remains more than twice as high as in 2019. As elsewhere in the country, local companies are facing labor shortages as a result of lack of childcare options, persisting fears of contracting the virus, and generous receipts of unemployment benefits from early September of 2020.

After stalling in FY 2020, sales tax revenue collection surged in FY 2021, registering a 9% increase. Besides the higher-than-expected impact of the Wayfair ruling<sup>1</sup>, revenues have also benefited from robust spending on taxable items as a result of public income support (stimulus checks and supplemental unemployment benefits), the fast recovery in high paying jobs, and the strong stock market. Behavior changes have also led to strong increases in spending on taxable goods, while spending on services decreased due to COVID-related restrictions.

In recent months, the recovery was strengthened and supported by additional government spending, the further reopening of the economy and the positive impact of vaccination on spending on services such as travel, restaurants, and entertainment. However, risks persist, and the most recent indicators suggest some easing of the growth momentum as consumer spending and confidence weaken amid a resurgence of COVID cases and high inflation.

Income and consumption growth are nonetheless expected to remain robust and result in strong sales tax collection in the coming months.

The following tables provide a breakdown of sales tax collected, with a comparison by month for the past two fiscal years and the annual revenue beginning in FY 2009, (first year of the *TransNet* Extension Ordinance):

### ***TransNet* Extension Annual Sales Tax Revenue and Fiscal Year 2020 Revenue as Compared to Revenue through June 2021**

	FY 2020 Revenue	FY 2021 Revenue		Annual Revenue
July	\$ 29,354,890	\$ 30,054,981		
August	23,334,037	23,241,853	FY 2009	\$ 221,991,360
September	26,713,941	28,184,070	FY 2010	204,191,747
October	30,751,885	33,250,387	FY 2011	221,304,015
November	25,441,663	21,727,813	FY 2012	236,947,112
December	25,442,731	27,118,087	FY 2013	247,221,161
January	25,559,448	27,774,372	FY 2014	260,114,931
February	37,094,485	29,002,151	FY 2015	268,840,550
March	22,984,289	25,119,644	FY 2016	275,500,023
April	22,498,364	27,532,810	FY 2017	284,456,260
May	15,411,299	29,440,191	FY 2018	294,501,324
June	21,264,183	31,552,208	FY 2019	312,303,668
	\$ 305,851,214	\$ 333,998,567	FY 2020	305,851,214
			FY 2021	333,998,567
			Cumulative	\$ 3,467,221,932

<sup>1</sup> The U.S. Supreme Court's Ruling in *South Dakota v. Wayfair Inc.* ruled that states have the right to tax online sales and broadened their ability to tax online sales when the seller is located in another state. The ruling had a one-time permanent impact on the level of revenues from Q4 2020 onwards.

## SANDAG Debt Portfolio Overview and Looking Ahead

### Commission Outstanding Debt Overview

SANDAG, serving as the San Diego County Regional Transportation Commission, has \$2.4 billion of outstanding long-term debt, including the Series 2021A and 2021B Bonds and the Series 2021A Short-Term Notes (Notes) issued in March 2021.

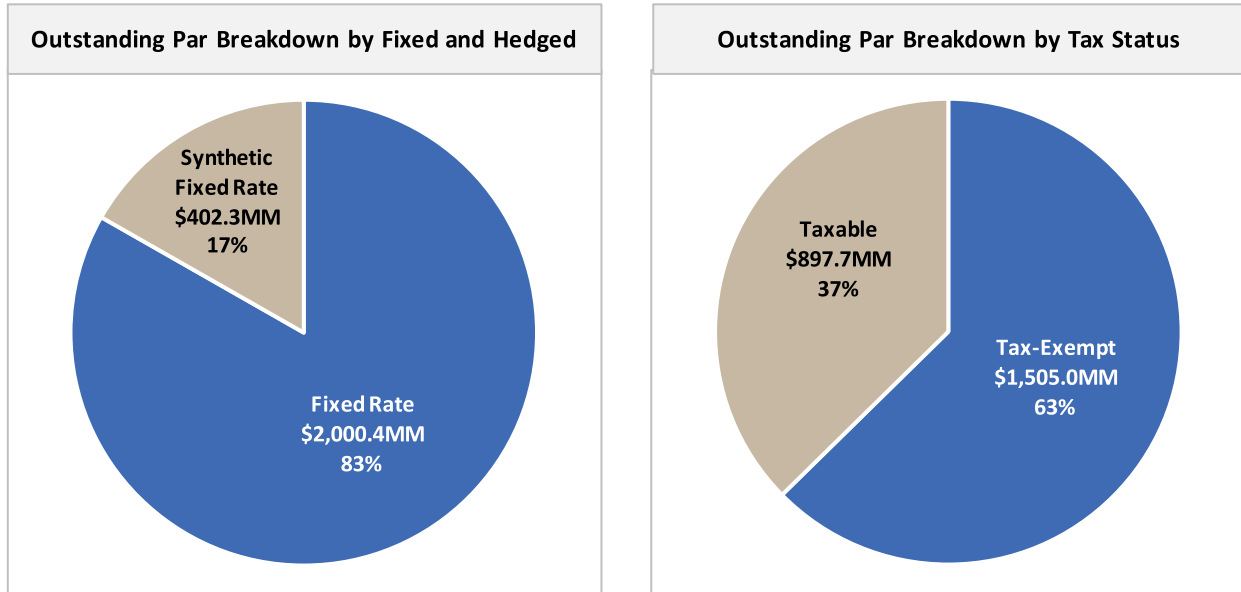
The Series 2021A and 2021B Bonds refunded the callable portion of the Series 2014A Bonds for a total of \$21.7 million net present value savings, while also providing about \$130.4 million funding for projects.

The Series 2021A Notes refunded the Series 2018A Notes with a lower interest rate and extended the final maturity from June 30, 2021, to October 1, 2022. In addition, on January 14, 2021, SANDAG renegotiated the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to a lower interest rate of 1.75% through 2046 compared to the prior interest rate of 2.72%. Together the extension of the Notes and the TIFIA refinancing resulted in an aggregate debt service savings of \$131.2 million through 2046. The TIFIA loan is undrawn and does not represent an obligation of SANDAG at this time. A summary of the outstanding bonds is tabulated and graphically presented below.

Summary of Outstanding Debt						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2008A	Tax-Exempt	Variable Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008B	Tax-Exempt	Variable Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008C	Tax-Exempt	Variable Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008D	Tax-Exempt	Variable Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2010A	Taxable	Fixed Rate	\$338,960,000	\$338,960,000	Make-Whole	4/1/2048
2012A	Tax-Exempt	Fixed Rate	\$420,585,000	\$20,965,000	4/1/2022	4/1/2022
2014A	Tax-Exempt	Fixed Rate	\$350,000,000	\$18,475,000	4/1/2024	4/1/2024
2016A	Tax-Exempt	Fixed Rate	\$325,000,000	\$302,610,000	4/1/2026	4/1/2048
2019A	Taxable	Fixed Rate	\$442,620,000	\$442,620,000	4/1/2030	4/1/2048
2020A	Taxable	Fixed Rate	\$74,820,000	\$73,280,000	4/1/2030	4/1/2048
2021A	Taxable	Fixed Rate	\$149,840,000	\$149,840,000	4/1/2031	4/1/2048
2021B	Tax-Exempt	Fixed Rate	\$116,150,000	\$116,150,000	4/1/2031	4/1/2039
2021A Notes	Tax-Exempt	Fixed Rate	\$537,480,000	\$537,480,000	Non-Callable	10/1/2022
<b>Total</b>			<b>\$3,355,455,000</b>	<b>\$2,402,680,000</b>		
Summary of TIFIA Loan Commitment						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
TIFIA*	Taxable	Fixed-Rate	\$537,480,000	\$0	Anytime	10/1/2045
<b>Total with Loan Commitment</b>				<b>\$2,402,680,000</b>		

\* The TIFIA loan will be drawn to retire the 2021A Notes. The simultaneous draw on the TIFIA loan and the retirement of the 2021A Notes will have an offsetting impact and will not increase the number of total obligations outstanding.

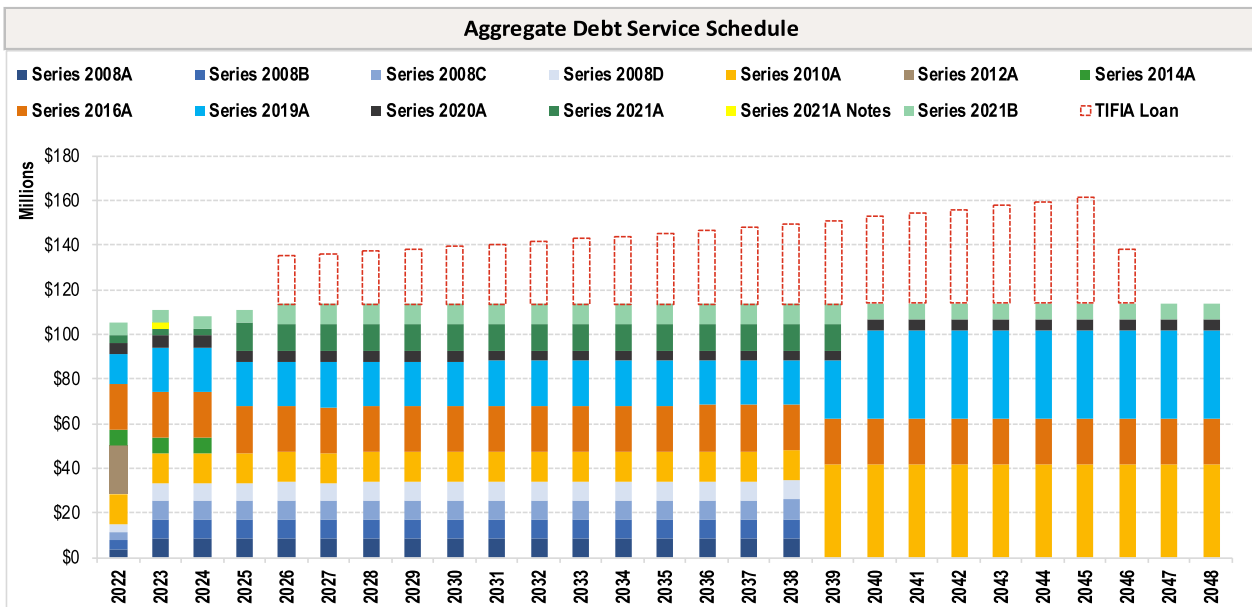
Of the total debt portfolio, 17% consists of synthetic, fixed-rate bonds (variable-rate bonds hedged with fixed-payer interest rate swaps), and the remaining 83% are fixed-rate bonds.



### Debt Service and Coverage

SANDAG has debt obligations on three separate lien levels, providing different priority of sales tax payment to investors based on their respective lien level. Senior lien obligations are paid first, followed by subordinate lien obligations and then junior subordinate lien obligations (i.e., TIFIA loan). This three-tiered lien structure has been developed by SANDAG to maximize program capacity, keep senior lien ratings as high as possible, and minimize borrowing costs.

The TIFIA loan is repayable from a third lien that is subordinate to the senior lien bonds, the 2021B Bonds, the 2021A Notes, and the commercial paper. SANDAG's has a level debt service profile with senior lien annual debt service ranging from \$100.2 million to \$106.7 million per year through FY 2048. The aggregate





senior and subordinate lien debt service ranges from \$106.2 million to \$115.3 million. Assuming SANDAG draws on the TIFIA loan as expected to complete the Mid-Coast Corridor Transit Project, SANDAG aggregate debt service will peak at \$161.2 million in FY 2045.

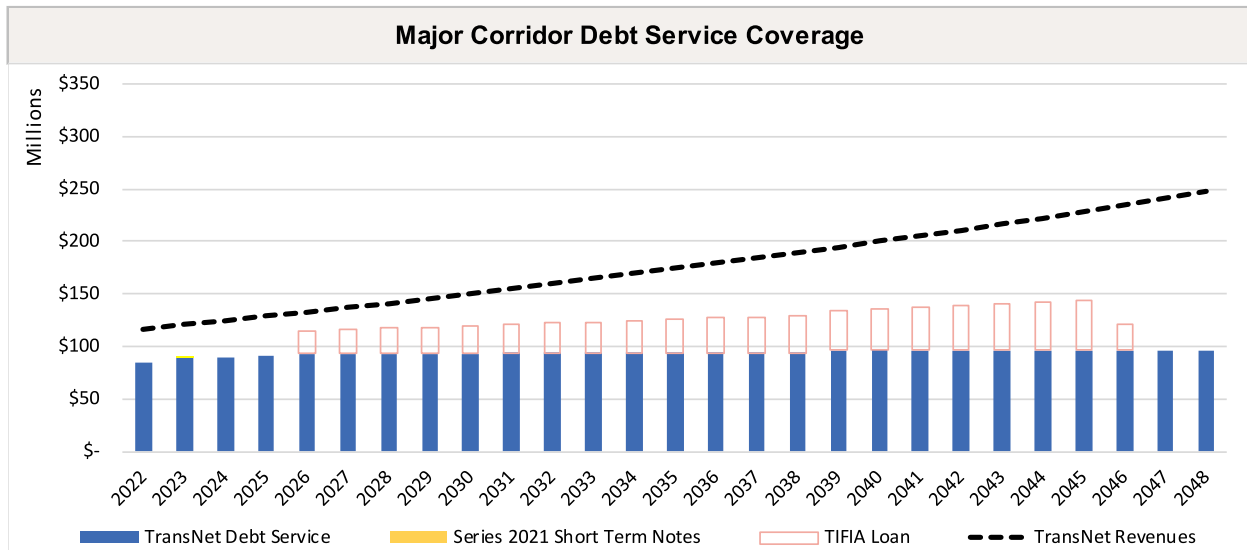
Senior lien debt service coverage, using sales tax receipts of \$334 million for the 12 months ending June 30, 2021, is 3.13 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$3.13 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings. Total coverage, when comparing the annual revenues for the 12 months ending June 30, 2021, to peak debt service (including assumed debt service on the undrawn TIFIA loan) in FY 2045, is 1.99 times.

**Major Corridors Coverage**

In accordance with the *TransNet* Ordinance, the Major Corridors subprogram receives 38% of *TransNet* revenues after allocations for administrative and ITOC expenses. Major Corridors is the most capital-intensive program, funding various projects, including the Mid-Coast Corridor Transit Project. Costs associated with these projects can and have been funded with tax-exempt bonds. SANDAG Board Policy No. 036: San Diego County Regional Transportation Commission Debt Policy, dictates that the Major Corridors subprogram (and other *TransNet* subprograms) maintain an annual debt service coverage ratio of at least 1 times, meaning that for every \$1 of *TransNet* revenue, there is no more than \$1 of debt service allocated to the subprogram in any given year. Board Policy No. 036, Section 2.3, states as follows:

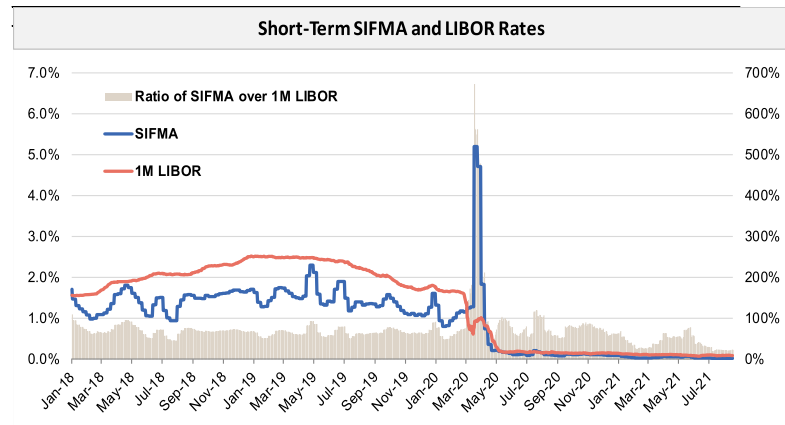
*2.3 Borrowing requirements are determined for each eligible sub-program and debt service is allocated to each sub-program based upon its pro rata share of bond proceeds. It is the general principal for the TransNet Plan of Finance that the annual debt service for each sub-program be less than the annual sales tax revenue allocated to a sub-program on an annual basis. This 1.0 times program debt service coverage requirement ensures that no single sub-program incurs more debt than it can afford.*

For planning purposes, debt service has been structured using a forecast of sales tax receipts. Based on this forecast, coverage in the Major Corridors Program is estimated at 1.18 times in FY 2021 and projected at 1.33 times for FY 2022. Annual coverage is forecast to dip again to 1.12 times when the TIFIA loan begins to amortize in FY 2026 based on the most recent revenue forecast. The TIFIA debt service structure in the Major Corridors Program increases over time, in anticipation of increased sales tax revenue.



### Recent Variable-Rate Demand Bond and Swap Mark-to-Market Performance

SANDAG has \$402.3 million of outstanding variable-rate demand bonds (VRDBs) (Series 2008A, B, C, and D), as shown below. These VRDBs are backed by standby bond purchase agreements from certain financial institutions. The interest rates on these bonds reset weekly through a remarketing process. As a performance measure, the bonds are compared to the Securities Industry and Financial Markets Association (SIFMA) benchmark index.



In general, SIFMA has been volatile since the passage of Tax Cut and Jobs Act in 2017, swinging by 20-98 bps in either direction every few weeks. It spiked to 5.2% in late March 2020 on account of COVID-19 related market disruptions. Redemptions in short-term money market funds caused short-term municipal supply-demand imbalances, which resulted in severe challenges in remarketing municipal short-term debt and sharp increases to the SIFMA rate. Both the fiscal and monetary stimulus effectively calmed investors. More specifically, new credit and liquidity facilities implemented by the Fed, allowing for the use of highly rated, short-term municipals as eligible collateral, provided benefit to short-term municipal markets. Subsequently SIFMA has dropped and currently is near-zero at .02% as of August 16, 2021, or 23% of the 1-Month LIBOR. That ratio is historically about 70% but is currently not meaningful given how low the absolute rates are for both SIFMA and LIBOR. Despite the volatility, SANDAG VRDBs continued to trade well compared to SIFMA. The volatility in 2020 was short-lived and is effectively hedged by SANDAG’s interest rate swaps.

SANDAG Series 2008A–D VRDB Resets Since December 31, 2015					
Series	SBPA Provider	Remarketing Agent	Reset Average	SIFMA Average	Spread to SIFMA
2008A	JPMorgan Chase Bank, N.A.	Barclays Capital Inc.	0.73%	0.84%	-11 bps
2008B	JPMorgan Chase Bank, N.A.	Goldman, Sachs & Company	0.73%	0.84%	-11bps
2008C	Bank of America, N.A.	JPMorgan Securities LLC	0.73%	0.84%	-11 bps
2008D	State Street	Stifel, Nicolaus & Company, Inc.	0.73%	0.84%	-11 bps

SANDAG also has \$402.3 million of fixed-payer interest rate swaps outstanding, the purpose of which is to hedge the interest rate variability associated with the \$402.3 million of variable-rate bonds. Additionally, SANDAG has \$280.2 million of basis swaps outstanding. Under the basis swaps, which became effective on April 1, 2018, SANDAG pays its counterparty a floating interest rate payment based on the SIFMA index and receives a floating payment based on 107.4% of three-month LIBOR. The market value of the SANDAG swap portfolio changes with interest rate fluctuations. The mark-to-market (MTM) valuation is negative \$93,448,665; meaning SANDAG would need to pay approximately \$93.45 million to terminate the entire swap portfolio in the current market. The swaps are performing as expected. Additionally, SANDAG is not required to post collateral under the swap agreements.

Swap Portfolio Overview								
Associated Series	SANDAG Pays	SANDAG Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 8/13/2021)	Notional Outstanding	Bank Counterparty
Series 2008	3.8165%	65% of USD-LIBOR until 4/2018; SIFMA Swap Index thereafter	5/23/2012	5/23/2012	4/1/2038	(\$35,248,519.75)	\$134,100,000	Bank of America, N.A. (Aa2/A+/AA-)
Series 2008	3.8165%	65% of USD-LIBOR until 4/2018; SIFMA Swap Index thereafter	5/23/2012	5/23/2012	4/1/2038	(\$35,248,519.75)	\$134,100,000	Goldman Sachs Mitsui Marine Derivative Products, L.P. (Aa2/AA-/NA )
Series 2008	3.4100%	65% of USD-LIBOR	5/23/2012	5/23/2012	4/1/2038	(\$33,168,739.11)	\$134,100,000	Bank of America, N.A. (Aa2/A+/AA-)
<b>Total Fixed-Payer Swaps</b>						<b>(\$103,665,778.61)</b>	<b>\$402,300,000</b>	
Series 2008	SIFMA Swap Index	107.4% of 3-month USD-LIBOR	3/19/2009	4/1/2018	4/1/2038	\$5,108,556.31	\$140,100,000	Barclays Bank PLC (A1/A/A+)
Series 2008	SIFMA Swap Index	107.4% of 3-month USD-LIBOR	3/19/2009	4/1/2018	4/1/2038	\$5,108,556.31	\$140,100,000	Barclays Bank PLC (A1/A/A+)
<b>Total Index Conversion Swaps</b>						<b>\$10,217,112.62</b>	<b>\$280,200,000</b>	
<b>Total Combined</b>						<b>(\$93,448,665.99)</b>	<b>\$682,500,000</b>	

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## Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 2.75%. The average cost has recently decreased due to the low rates on the Series 2021 Notes and the Series 2021A&B Bonds. This cost can vary based on swap performance and the cost of liquidity to support the variable-rate debt.

The 2008A–D bonds, with the current swap rate and associated fees, provide a cost of capital equal to 4.13%. The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89%. The 2012A, 2014A, 2016A, and 2020A bonds were issued at an all-in cost of 3.72%, 3.85%, 3.29%, and 2.62% respectively. The 2019A refunding bonds that refunded a part of 2012A and 2014A bonds were issued at an all-in cost of 3.19%. The taxable 2021A bonds refunded a portion of the remaining 2014A bonds were issued at an all-in cost of 2.21%. The tax-exempt 2021B bonds raised new money funding as well as refunded a portion of the 2014A bonds and issued at an all-in cost of 2.71%. The 2021A Short-Term Notes have a borrowing cost of 0.31%. Taken together, SANDAG has issued about \$2.0 billion in long-term debt to accelerate project delivery and for refunding, for a WACC of 2.74%.

SANDAGs WACC Calculations					
<b>Synthetic Fixed Rate:</b>					
Series	Par Post 2012 Refunding	Swap Rate	SBPA Fee	Remarketing Agent Fee	Cost of Capital
2008A	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008B	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008C1	\$67,050,000	3.8165%	0.450%	0.06%	4.3265%
2008C2	\$33,525,000	3.4100%	0.450%	0.06%	3.9200%
2008D	\$100,575,000	3.4100%	0.340%	0.06%	3.8100%
<b>2008 Weighted Average</b>					<b>4.1335%</b>
<b>Fixed Rate:</b>					
Series	Par Post 2021 Refunding	-	-	-	All-in True Interest Cost
2010A	\$338,960,000	-	-	-	3.8871%
2012A	\$59,635,000	-	-	-	3.7167%
2014A	\$24,055,000	-	-	-	3.8507%
2016A	\$325,000,000	-	-	-	3.2947%
2019A	\$442,620,000	-	-	-	3.1890%
2020A	\$74,820,000	-	-	-	2.6226%
2021A	\$149,840,000	-	-	-	2.2136%
2021B	\$116,150,000	-	-	-	2.7146%
2021A Notes	\$537,480,000	-	-	-	0.3123%
<b>Total Weighted Average Without TIFIA Loan</b>					<b>2.7473 %</b>

### Credit Ratings

SANDAG's debt secured by *TransNet* sales tax revenues is rated by Standard and Poor's (S&P) and Fitch as shown here. The ratings were most recently reviewed and confirmed in March 2021.

SANDAG Ratings ( <i>TransNet</i> )		
Lien	S&P	Fitch
Senior Lien	AAA/Stable	AAA/Stable
Subordinate Lien Notes	AA/Stable	AA/Stable
Third Lien TIFIA Loan	A+/Stable	A/Stable

### Commercial Paper

In addition to the long-term debt, SANDAG has a short-term Commercial Paper Program supported by a Letter of Credit (LOC) from Bank of America Merrill Lynch. The Commercial Paper Program was authorized at \$100 million and has a current outstanding balance of \$53.5 million as of August 20, 2021, when it was remarketed out 27 days, at a rate of .06%. The supporting LOC was procured in September 2018 at the low cost of .32% for three years. In August of 2021 SANDAG staff completed the process of renewing the LOC facility for an additional three years at an annual cost of .30%.

### SANDAG: Debt Portfolio Overview and Update

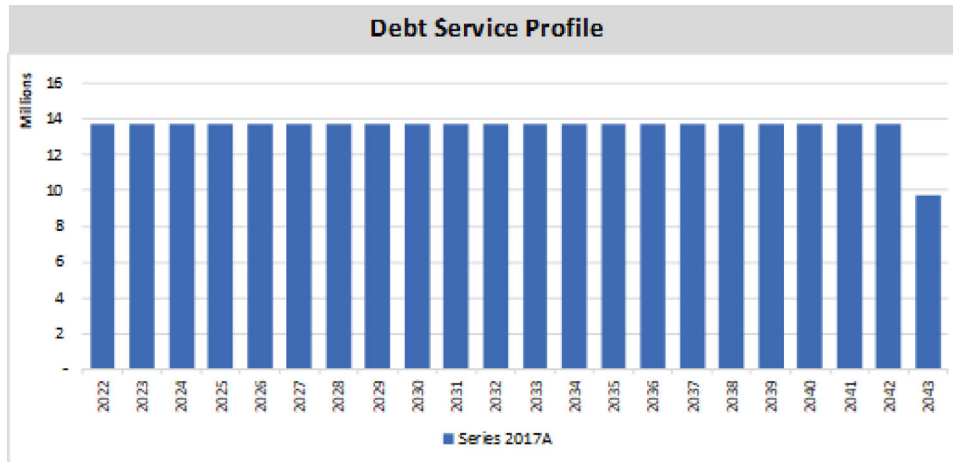
SANDAG has debt outstanding in conjunction with the South Bay Expressway toll road as well as the Mid-Coast Corridor Transit Project as summarized in the table below.

Summary of Outstanding Debt						
South Bay Expressway						
Series	Tax Status	Coupon Type	Original Par	Outstanding Par	Call Date	Final Maturity
2017A	Tax-Exempt	Fixed-Rate	\$194,140,000	177,455,000	7/1/2027	7/1/2042
Mid-Coast Corridor Transit Project						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Date	Final Maturity
2019A	Tax-Exempt	Fixed-Rate	\$210,000,000	\$210,000,000	one year before maturity	11/15/2026
2019B	Tax-Exempt	Fixed-Rate	\$125,000,000	\$125,000,000	NA (turbo redemption)	11/15/2027
<b>Total</b>				<b>\$335,000,000</b>		

### South Bay Expressway

The SANDAG debt portfolio for South Bay Expressway (SBX) is comprised of a single bond series. In November 2017, SANDAG issued Toll Revenue First Senior Lien Bonds, 2017 Series A to refinance indebtedness incurred with the acquisition of SBX. The bonds are secured from the toll revenues generated on SBX, net of operating expenses. As of July 1, 2021, the debt outstanding is \$177.5 million. An annual debt service chart is provided presented below.

The annual payment on the bonds is level at about \$13.8 million through final maturity in FY 2043. Based on annual net toll revenues of \$18.7 million for FY 2021, the coverage on future maximum annual debt service payment was 1.36 times. This is owing to the lower traffic and revenue in FY 2021 due to COVID-19 pandemic. However, with a contribution from reserves, permitted under the bond indenture, SANDAG was able to satisfy the 1.5x Rate Covenant for FY2021. With toll violations reinstated and improvement in traffic levels, it is anticipated that the covenant will be met FY 2022 as well.



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### **Mid-Coast Corridor Transit Project**

SANDAG issued \$335 million Capital Grant Receipts Revenue Bonds, Series 2019A and Series 2019B in August 2019 to provide funding for the Mid-Coast Project. A summary of the outstanding debt is provided in the table above. The bonds are secured solely by future grants under the Full Funding Grant Agreement (FFGA) with the Federal Transit Administration (FTA) signed in 2016. A schedule of grants in the FFGA, detailed below, provides for a commitment of \$100 million annually starting 2016 through 2026. To date SANDAG has received \$530 million of the total \$1.043 billion committed under the FFGA. A majority of the remaining grant receipts have been pledged for the repayment of the bonds.

<b>FFGA Grant Receipts (Received and Anticipated)</b>			
<b>Federal FY</b>	<b>Original Grant Commitment</b>	<b>Grants Received</b>	<b>Grants Anticipated</b>
2016	\$100,000,000	\$100,000,000	-
2017	\$125,000,000	\$50,000,000	-
2018	\$100,000,000	\$180,024,740	-
2019	\$100,000,000	\$100,000,000	-
2020	\$100,000,000	\$100,000,000	-
2021	\$100,000,000	\$97,710,967	-
2022	\$100,000,000	-	\$100,000,000
2023	\$100,000,000	-	\$100,000,000
2024	\$100,000,000	-	\$100,000,000
2025	\$100,000,000	-	\$100,000,000
2026	\$18,380,000	-	\$13,355,260
<b>Total</b>	<b>\$1,043,380,000</b>	<b>\$530,024,740</b>	<b>\$513,355,260</b>
<b>Total Debt Outstanding</b>			<b>\$335,000,000</b>

The bonds have a stated maturity schedule that is conservative. The first principal payment is scheduled for November 15, 2023, with interest-only payment until then. Should future grants installments be received as scheduled in the FFGA, SANDAG has the option to call the bonds early. Series 2019B also has certain turbo redemption provisions that cause excess grant revenues to be automatically applied to redeeming bonds early. While the average life based on the stated maturity schedule is 6.7 year, the bonds are expected to be repaid a couple years sooner with an average life of 4.6 years. Furthermore, SANDAG achieved a very attractive rate of interest on the bonds. The cost of capital or the all-in true interest cost (TIC) on the bonds is 1.91% under the stated case but could end up being as low as 1.57% if grants arrive on schedule and the debt is retired sooner, as in the expected case.

The bonds and the structure achieved an investment grade “A-” rating from S&P along with a stable outlook. The outlook on debt supported by federal grants was not affected due to the COVID-19 related S&P outlook revisions in March and April.

### **Looking Ahead**

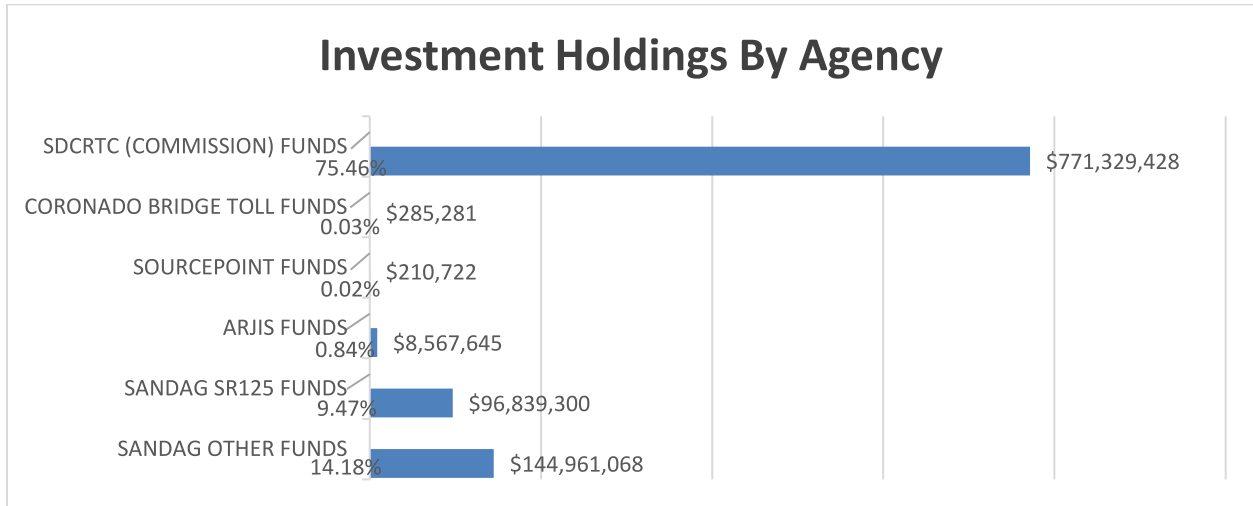
SANDAG is currently exploring the possibility of a “technical” refunding of 2008A-D VRDBs to release the related debt service reserve fund with a current balance of about \$17 million which may go to support projects currently under construction. Additionally, SANDAG staff is considering options to increase our short-term liquidity by increasing the size of our CP program to \$200 million or, alternatively, establishing a line of credit with a commercial bank. The purpose of the increase is to manage short-term cash flow needs where capital expenses that are incurred prior to the receipt of federal and state grant funds.

### Quarterly Investment Data

Included with this quarterly finance report through June 30, 2021, are a Detail of Portfolio Balances (by Account); and a Detail of Portfolio Balances (by Investment Type) for all money under the direction or care of SANDAG, including funds of the Commission, SourcePoint, and the Automated Regional Justice Information System (ARJIS).

As of June 30, 2021, a total of \$1.02 billion was held by SANDAG in a number of investment accounts, in comparison to \$1.08 billion held in the previous quarter. The \$55.6 million decrease during the quarter is primarily due to the payment of debt service obligations in the month of April.<sup>1</sup>

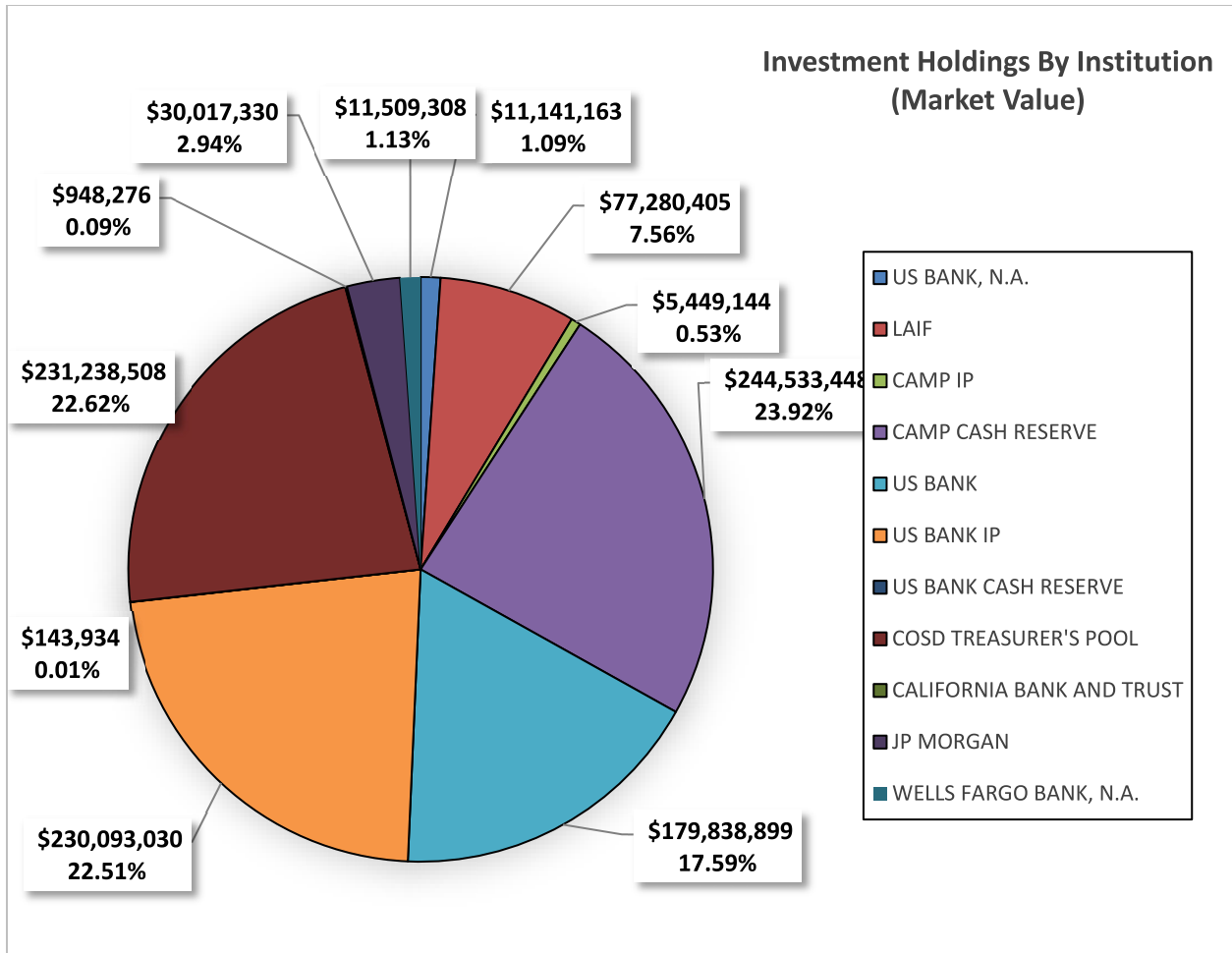
The chart below provides a summary of the holdings by Agency.



Approximately \$11.1 million was held in nine U.S. Bank, N.A. accounts at the end of the quarter, which are used for operating purposes. Approximately \$1.011 billion was invested in seven institutions.

<sup>1</sup> Due to rounding, the numbers below may not tie to the attached detail of investments.





The Finance Department has continued to implement the Board of Directors investment objectives of safety, liquidity, and return on investment for the SANDAG investment portfolio. These will continue to be important investment objectives for the future.

**Certifications**

The Chief Financial Officer reports that this investment portfolio, together with the authorized short-term Commercial Paper Program, will provide the necessary liquidity to meet the expenditure requirements of SANDAG, the Commission, ARJIS, and SourcePoint for the next six months. This portfolio is in compliance with state law and Board Policy No. 003: Investment Policy.

The Chief Financial Officer reports that there has not been any material event involving outstanding swap agreements, nor has there been any default by a swap counterparty or counterparty termination.

**SANDAG**  
**Summary of Portfolio Balances (by Institution)**  
as of June 30, 2021

Institution	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
US BANK, N.A.	\$ 11,141,163.10	1.09%	\$ 11,141,163.10	100.00%	\$ -	N/A	1
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND	77,280,404.76	7.59%	77,280,404.76	100.00%	-	0.22%	291
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO	5,436,974.50	0.53%	5,449,144.35	100.22%	12,169.85	0.33%	740
CAMP CASH RESERVE PORTFOLIO	244,533,446.96	24.01%	244,533,446.96	100.00%	-	0.05%	52
US BANK TRUST	179,838,899.44	17.66%	179,838,899.44	100.00%	-	0.02%	5
US BANK INDIVIDUAL PORTFOLIO	227,564,573.75	22.35%	230,093,030.37	101.11%	2,528,456.62	1.40%	797
US BANK CASH RESERVE PORTFOLIO	143,933.52	0.01%	143,933.52	100.00%	-	0.00%	1
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	231,238,507.96	22.71%	231,238,507.96	100.00%	-	0.73%	613
JP MORGAN	30,021,327.17	2.95%	30,017,329.66	99.99%	(3,997.51)	0.06%	54
CALIFORNIA BANK AND TRUST	948,276.37	0.09%	948,276.37	100.00%	-	N/A	1
WELLS FARGO BANK, N.A.	10,157,537.45	1.00%	11,509,308.01	113.31%	1,351,770.56	1.62%	1
<b>TOTAL</b>	<u>\$ 1,018,305,044.98</u>	<u>100.00%</u>	<u>\$ 1,022,193,444.50</u>	<u>100.38%</u>	<u>\$ 3,888,399.52</u>	<u>0.54%</u>	<u>359</u>

**Summary of Portfolio Balances (by Agency)**

Agency	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
SANDAG FUNDS	\$ 240,448,597.96	23.61%	\$ 241,800,368.52	100.56%	\$ 1,351,770.56	0.18%	92
AUTOMATED REGIONAL JUSTICE INFORMATION SYSTEM FUNDS	8,567,645.05	0.84%	8,567,645.05	100.00%	-	0.27%	224
SOURCEPOINT FUNDS	210,721.71	0.02%	210,721.71	100.00%	-	0.73%	531
CORONADO BRIDGE TOLL FUNDS	285,280.73	0.03%	285,280.73	100.00%	-	0.05%	52
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION FUNDS	768,792,799.53	75.50%	771,329,428.49	100.33%	2,536,628.96	0.65%	444
<b>TOTAL</b>	<u>\$ 1,018,305,044.98</u>	<u>100.00%</u>	<u>\$ 1,022,193,444.50</u>	<u>100.38%</u>	<u>\$ 3,888,399.52</u>	<u>0.54%</u>	<u>359</u>

Note: In addition to the funds held above, there is \$4,950 petty cash held at SANDAG.

**SANDAG**  
**Detail of Portfolio Balances (by Account)**  
as of June 30, 2021

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
<b>US BANK, N.A.:</b>							
Checking - (ARJIS)	\$ 274,222.99	0.03%	\$ 274,222.99	100.00%	\$ -	N/A	1
Checking - (RTC) TransNet Sales Tax	325,577.40	0.03%	325,577.40	100.00%	-	N/A	1
Checking - (SANDAG) Flexible Spending Acct (FSA)	54,120.19	0.01%	54,120.19	100.00%	-	N/A	1
Checking - (SANDAG) General	7,128,235.25	0.70%	7,128,235.25	100.00%	-	N/A	1
Checking - (SANDAG) Interstate 15 (I-15) FasTrak®	1,369,992.51	0.13%	1,369,992.51	100.00%	-	N/A	1
Checking - (SANDAG) Refund Account Common	295,577.24	0.03%	295,577.24	100.00%	-	N/A	1
Checking - (SANDAG) Revenue Account Common	421,232.70	0.04%	421,232.70	100.00%	-	N/A	1
Checking - (SANDAG) SAFE Program Account	700,212.53	0.07%	700,212.53	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Collection Account	210,684.33	0.02%	210,684.33	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Payment Account	333,029.44	0.03%	333,029.44	100.00%	-	N/A	1
Checking - (SourcePoint)	28,278.52	0.00%	28,278.52	100.00%	-	N/A	1
<b>TOTAL US BANK, N.A.</b>	<b>\$ 11,141,163.10</b>	<b>1.09%</b>	<b>\$ 11,141,163.10</b>	<b>100.00%</b>	<b>\$ -</b>	<b>N/A</b>	<b>1</b>
<b>STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIF):</b>							
(RTC) TransNet	\$ 72,409,979.62	7.11%	\$ 72,409,979.62	100.00%	\$ -	0.22%	291
(SANDAG)	4,870,425.14	0.48%	4,870,425.14	100.00%	-	0.22%	291
<b>TOTAL LAIF</b>	<b>\$ 77,280,404.76</b>	<b>7.59%</b>	<b>\$ 77,280,404.76</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.22%</b>	<b>291</b>
<b>CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):</b>							
<b>INDIVIDUAL PORTFOLIO:</b>							
(RTC) TransNet 2008 Bond Proceeds A/B/C/D Reserve Fund	\$ 5,436,974.50	0.53%	\$ 5,449,144.35	100.22%	\$ 12,169.85	0.33%	740
<b>TOTAL INDIVIDUAL PORTFOLIO</b>	<b>\$ 5,436,974.50</b>	<b>0.53%</b>	<b>\$ 5,449,144.35</b>	<b>100.22%</b>	<b>\$ 12,169.85</b>	<b>0.33%</b>	<b>740</b>
<b>CASH RESERVE PORTFOLIO:</b>							
(ARJIS)	\$ 5,644,753.58	0.55%	\$ 5,644,753.58	100.00%	\$ -	0.05%	52
(RTC) 2008 Bond Series A - Principal	1.00	0.00%	1.00	100.00%	-	0.05%	52
(RTC) 2008 Bond Series A/B/C/D Reserve Fund	11,725,066.58	1.15%	11,725,066.58	100.00%	-	0.05%	52
(RTC) 2008 Bond Series B - Principal	1.00	0.00%	1.00	100.00%	-	0.05%	52
(RTC) 2008 Bond Series C - Principal	1.00	0.00%	1.00	100.00%	-	0.05%	52
(RTC) 2008 Bond Series D - Principal	1.00	0.00%	1.00	100.00%	-	0.05%	52
(RTC) 2008 Sales Tax Account - TransNet Extension	61,301,870.45	6.02%	61,301,870.45	100.00%	-	0.05%	52
(RTC) 2010 Bond Series A - Interest	5,009,179.27	0.49%	5,009,179.27	100.00%	-	0.05%	52
(RTC) 2012 Bond Series A - Interest	262,010.25	0.03%	262,010.25	100.00%	-	0.05%	52
(RTC) 2012 Bond Series A - Principal	5,241,427.78	0.51%	5,241,427.78	100.00%	-	0.05%	52
(RTC) 2014 Bond Series A Interest	3,321,140.13	0.33%	3,321,140.13	100.00%	-	0.05%	52
(RTC) 2014 Bond Series A Principal	1,464,986.51	0.14%	1,464,986.51	100.00%	-	0.05%	52
(RTC) 2016 Bond Series A Interest	3,782,816.42	0.37%	3,782,816.42	100.00%	-	0.05%	52
(RTC) 2016 Bond Series A Principal	1,383,820.09	0.14%	1,383,820.09	100.00%	-	0.05%	52
(RTC) 2020 Bond Series A Interest	869,231.00	0.09%	869,231.00	100.00%	-	0.05%	52
(RTC) 2020 Bond Series A Principal	405,020.51	0.04%	405,020.51	100.00%	-	0.05%	52
(RTC) Custody Account	15,538.07	0.00%	15,538.07	100.00%	-	0.05%	52
(RTC) Sage Hill Endowment	877,419.17	0.09%	877,419.17	100.00%	-	0.05%	52

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
(RTC) TransNet Program Reserve	56,294,348.05	5.53%	56,294,348.05	100.00%	-	0.05%	52
(RTC) Wetland Mitigation TransNet Sales Tax	311,336.74	0.03%	311,336.74	100.00%	-	0.05%	52
(SANDAG) 2019 Series AB Cap- I Fund	101,270.41	0.01%	101,270.41	100.00%	-	0.05%	52
(SANDAG) 2019 Series AB DSR Fund	12,756,146.45	1.25%	12,756,146.45	100.00%	-	0.05%	52
(SANDAG) California Coastal Commission	1,054,535.36	0.10%	1,054,535.36	100.00%	-	0.05%	52
(SANDAG) Coronado Bridge Toll Funds	285,280.73	0.03%	285,280.73	100.00%	-	0.05%	52
(SANDAG) El Portal Project	5,727,425.90	0.56%	5,727,425.90	100.00%	-	0.05%	52
(SANDAG) I-15 FasTrak®	662,901.71	0.07%	662,901.71	100.00%	-	0.05%	52
(SANDAG) SR 125	1,975,841.71	0.19%	1,975,841.71	100.00%	-	0.05%	52
(SANDAG) SR 125	33,571,969.91	3.30%	33,571,969.91	100.00%	-	0.05%	52
(SANDAG) SR 125	30,315,680.70	2.98%	30,315,680.70	100.00%	-	0.05%	52
(SANDAG) Shoreline Management	172,425.48	0.02%	172,425.48	100.00%	-	0.05%	52
<b>TOTAL CASH RESERVE PORTFOLIO</b>	<b>\$ 244,533,446.96</b>	<b>24.01%</b>	<b>\$ 244,533,446.96</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.05%</b>	<b>52</b>
<b>TOTAL CAMP</b>	<b>\$ 249,970,421.46</b>	<b>24.55%</b>	<b>\$ 249,982,591.31</b>	<b>100.00%</b>	<b>\$ 12,169.85</b>	<b>0.06%</b>	<b>67</b>
<b>US BANK TRUST:</b>							
Money Market - (RTC) 2008 Bond Series A/B/C/D Main Interest	\$ 1,690,179.09	0.17%	\$ 1,690,179.09	100.00%	\$ -	0.00%	1
Money Market - (RTC) 2008 Revenue Bond Series A/B/C/D	4.03	0.00%	4.03	100.00%	-	0.00%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	3,404,362.84	0.33%	3,404,362.84	100.00%	-	0.01%	1
Money Market - (RTC) 2020 Revenue Bond Series A Project Fund	0.02	0.00%	0.02	100.00%	-	0.00%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	40,714.76	0.00%	40,714.76	100.00%	-	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	766,759.73	0.08%	766,759.73	100.00%	-	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	11,278.27	0.00%	11,278.27	100.00%	-	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	1,500,273.38	0.15%	1,500,273.38	100.00%	-	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B Project Fund	10,000,110.30	0.98%	10,000,110.30	100.00%	-	0.01%	1
Money Market - (RTC) 2021A Short-term Notes COI	27,325.73	0.00%	27,325.73	100.00%	-	0.01%	1
Money Market - (RTC) 2021A Short-term Notes Interest	37,362,032.34	3.67%	37,362,032.34	100.00%	-	0.01%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	0.23	0.00%	0.23	100.00%	-	0.00%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	1,927,303.06	0.19%	1,927,303.06	100.00%	-	0.01%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	240,085.43	0.02%	240,085.43	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant RCPT 19 A & B COI	4.15	0.00%	4.15	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	0.72	0.00%	0.72	100.00%	-	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	12,842,293.34	1.26%	12,842,293.34	100.00%	-	0.02%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Maint Reserve	0.05	0.00%	0.05	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A	5,201,839.48	0.51%	5,201,839.48	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	4,645,792.20	0.46%	4,645,792.20	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	4,791,630.35	0.47%	4,791,630.35	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	13,761,011.21	1.35%	13,761,011.21	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	2,031,821.10	0.20%	2,031,821.10	100.00%	-	0.00%	1
Certificates of Participation - (RTC) North County Transit District	21,750,000.00	2.14%	21,750,000.00	100.00%	-	0.13%	36
Capital Project Retention Accounts	57,844,077.63	5.68%	57,844,077.63	100.00%	-	N/A	1
<b>TOTAL US BANK TRUST</b>	<b>\$ 179,838,899.44</b>	<b>17.66%</b>	<b>\$ 179,838,899.44</b>	<b>100.00%</b>	<b>\$ -</b>	<b>0.02%</b>	<b>5</b>
<b>US BANK:</b>							
<b>INDIVIDUAL PORTFOLIO:</b>							
(RTC) TransNet Extension	\$ 227,564,573.75	22.35%	\$ 230,093,030.37	101.11%	\$ 2,528,456.62	1.40%	797

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
<b>TOTAL INDIVIDUAL PORTFOLIO</b>	\$ 227,564,573.75	22.35%	\$ 230,093,030.37	101.11%	\$ 2,528,456.62	1.40%	797
<b>CASH RESERVE:</b>							
(RTC) TransNet Extension	\$ 143,933.52	0.01%	\$ 143,933.52	100.00%	\$ -	0.00%	1
<b>TOTAL CASH RESERVE</b>	\$ 143,933.52	0.01%	\$ 143,933.52	100.00%	\$ -	0.00%	1
<b>TOTAL US BANK</b>	\$ 227,708,507.27	22.36%	\$ 230,236,963.89	101.11%	\$ 2,528,456.62	1.40%	797
<b>SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:</b>							
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	\$ 2,648,668.48	0.26%	\$ 2,648,668.48	100.00%	\$ -	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	49,560,924.73	4.87%	49,560,924.73	100.00%	-	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	120,419,795.51	11.83%	120,419,795.51	100.00%	-	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	31,924,069.10	3.14%	31,924,069.10	100.00%	-	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	18,484,003.09	1.82%	18,484,003.09	100.00%	-	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	8,018,603.86	0.79%	8,018,603.86	100.00%	-	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	182,443.19	0.02%	182,443.19	100.00%	-	0.73%	613
<b>TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND</b>	\$ 231,238,507.96	22.71%	\$ 231,238,507.96	100.00%	\$ -	0.73%	613
<b>JP MORGAN:</b>							
(RTC) JPMorgan Prime Money Market Fund	\$ 20,014,903.90	1.97%	\$ 20,010,906.03	99.98%	\$ (3,997.87)	0.07%	57
(RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	10,006,423.27	0.98%	10,006,423.63	100.00%	0.36	0.06%	48
<b>TOTAL JP MORGAN</b>	\$ 30,021,327.17	2.95%	\$ 30,017,329.66	99.99%	\$ (3,997.51)	0.06%	54
<b>CALIFORNIA BANK AND TRUST:</b>							
Capital Project Retention Accounts	\$ 948,276.37	0.09%	\$ 948,276.37	100.00%	\$ -	N/A	1
<b>TOTAL CALIFORNIA BANK AND TRUST</b>	\$ 948,276.37	0.09%	\$ 948,276.37	100.00%	\$ -	N/A	1
<b>WELLS FARGO BANK, N.A.:</b>							
(SANDAG) Section 115 Pension Trust	\$ 10,157,537.45	1.00%	\$ 11,509,308.01	113.31%	\$ 1,351,770.56	1.62%	1
<b>TOTAL WELLS FARGO BANK, N.A.</b>	\$ 10,157,537.45	1.00%	\$ 11,509,308.01	113.31%	\$ 1,351,770.56	1.62%	1
<b>TOTAL</b>	\$ 1,018,305,044.98	100.00%	\$ 1,022,193,444.50	100.38%	\$ 3,888,399.52	0.54%	359

*Legend:*  
Automated Regional Justice Information System (ARJIS)  
Commercial Paper (CP)  
State of California Local Agency Investment Fund (LAIF)  
North County Transit District (NCTD)  
San Diego County Regional Transportation Commission (RTC)

SANDAG  
Detail of Portfolio Balances (by Investment Type)  
as of June 30, 2021

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
<b>Cash and cash equivalents:</b>											
<b>Demand deposits:</b>											
(ARJIS)	N/A	N/A	\$ 274,222.99	\$ 274,222.99	\$ -	N/A	NR	NR	NR	N/A	1
(RTC) TransNet Sales Tax	N/A	N/A	325,577.40	325,577.40	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Flexible Spending Acct (FSA)	N/A	N/A	54,120.19	54,120.19	-	N/A	NR	NR	NR	N/A	1
(SANDAG) General	N/A	N/A	7,128,235.25	7,128,235.25	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Interstate 15 (I-15) FasTrak®	N/A	N/A	1,369,992.51	1,369,992.51	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Refund Account Common	N/A	N/A	295,577.24	295,577.24	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Revenue Account Common	N/A	N/A	421,232.70	421,232.70	-	N/A	NR	NR	NR	N/A	1
(SANDAG) SAFE Program Account	N/A	N/A	700,212.53	700,212.53	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Collection Account	N/A	N/A	210,684.33	210,684.33	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Payment Account	N/A	N/A	333,029.44	333,029.44	-	N/A	NR	NR	NR	N/A	1
(SourcePoint)	N/A	N/A	28,278.52	28,278.52	-	N/A	NR	NR	NR	N/A	1
<b>Total demand deposits</b>			<b>\$ 11,141,163.10</b>	<b>\$ 11,141,163.10</b>	<b>\$ -</b>	<b>\$ -</b>				<b>N/A</b>	<b>1</b>
<b>Money market accounts and funds:</b>											
CAMP Cash Reserve Portfolio - (ARJIS)	N/A	N/A	\$ 5,644,753.58	\$ 5,644,753.58	\$ -	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series A - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series A/B/C/D Reserve Fund	N/A	N/A	11,725,066.58	11,725,066.58	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series B - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series C - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series D - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2008 Sales Tax Account - TransNet Extension	N/A	N/A	61,301,870.45	61,301,870.45	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2010 Bond Series A - Interest	N/A	N/A	5,009,179.27	5,009,179.27	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2012 Bond Series A - Interest	N/A	N/A	262,010.25	262,010.25	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2012 Bond Series A - Principal	N/A	N/A	5,241,427.78	5,241,427.78	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Interest	N/A	N/A	3,321,140.13	3,321,140.13	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Principal	N/A	N/A	1,464,986.51	1,464,986.51	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Interest	N/A	N/A	3,782,816.42	3,782,816.42	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Principal	N/A	N/A	1,383,820.09	1,383,820.09	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Interest	N/A	N/A	869,231.00	869,231.00	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Principal	N/A	N/A	405,020.51	405,020.51	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) Custody Account	N/A	N/A	15,538.07	15,538.07	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) Sage Hill Endowment	N/A	N/A	877,419.17	877,419.17	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) TransNet Program Reserve	N/A	N/A	56,294,348.05	56,294,348.05	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (RTC) Wetland Mitigation TransNet Sales Tax	N/A	N/A	311,336.74	311,336.74	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB Cap-1 Fund	N/A	N/A	101,270.41	101,270.41	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB DSR Fund	N/A	N/A	12,756,146.45	12,756,146.45	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) California Coastal Commission	N/A	N/A	1,054,535.36	1,054,535.36	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) Coronado Bridge Toll Funds	N/A	N/A	285,280.73	285,280.73	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) El Portal Project	N/A	N/A	5,727,425.90	5,727,425.90	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) I-15 FasTrak®	N/A	N/A	662,901.71	662,901.71	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) SANDAG Shoreline Management	N/A	N/A	172,425.48	172,425.48	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	30,315,680.70	30,315,680.70	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	33,571,969.91	33,571,969.91	-	N/A	AAAm	NR	NR	0.05%	52
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	1,975,841.71	1,975,841.71	-	N/A	AAAm	NR	NR	0.05%	52
Money Market - (RTC) 2008 Revenue Bond Series A/B/C/D Main Interest	N/A	N/A	1,690,179.09	1,690,179.09	-	N/A	NR	NR	NR	0.00%	1
Money Market - (RTC) 2008 Revenue Bond Series A/B/C/D	N/A	N/A	4.03	4.03	-	N/A	NR	NR	NR	0.00%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	N/A	N/A	3,404,362.84	3,404,362.84	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2020 Revenue Bond Series A Project Fund	N/A	N/A	0.02	0.02	-	N/A	NR	NR	NR	0.00%	1
Money Market - (RTC) 2021 Revenue Bond Series A COI	N/A	N/A	40,714.76	40,714.76	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series A Interest	N/A	N/A	766,759.73	766,759.73	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B COI	N/A	N/A	11,278.27	11,278.27	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B Interest	N/A	N/A	1,500,273.38	1,500,273.38	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021 Revenue Bond Series B Project Fund	N/A	N/A	10,000,110.30	10,000,110.30	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021A Short-term Notes COI	N/A	N/A	27,325.73	27,325.73	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) 2021A Short-term Notes Interest	N/A	N/A	37,362,032.34	37,362,032.34	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) Commercial Paper Notes Series B Interest	N/A	N/A	0.23	0.23	-	N/A	NR	NR	NR	0.00%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	N/A	N/A	1,927,303.06	1,927,303.06	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	N/A	N/A	240,085.43	240,085.43	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) Grant RCTP 19 A & B COI	N/A	N/A	4.15	4.15	-	N/A	NR	NR	NR	0.00%	1

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	N/A	N/A	0.72	0.72	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	N/A	N/A	12,842,293.34	12,842,293.34	-	N/A	NR	NR	NR	0.02%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Main Reserve	N/A	N/A	0.05	0.05	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A	N/A	N/A	5,201,839.48	5,201,839.48	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	N/A	N/A	4,645,792.20	4,645,792.20	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	N/A	N/A	4,791,630.35	4,791,630.35	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	N/A	N/A	13,761,011.21	13,761,011.21	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	N/A	N/A	2,031,821.10	2,031,821.10	-	N/A	NR	NR	NR	0.00%	1
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	N/A	N/A	2,648,668.48	2,648,668.48	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	N/A	N/A	49,560,924.73	49,560,924.73	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) 2021 Bonds	N/A	N/A	120,419,795.51	120,419,795.51	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	N/A	N/A	31,924,069.10	31,924,069.10	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	N/A	N/A	18,484,003.09	18,484,003.09	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	N/A	N/A	8,018,603.86	8,018,603.86	-	N/A	NR	NR	AAAF/ S1	0.73%	613
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	N/A	N/A	182,443.19	182,443.19	-	N/A	NR	NR	AAAF/ S1	0.73%	613
State of CA Local Agency Investment Fund (LAIF) - (RTC) TransNet	N/A	N/A	72,409,979.62	72,409,979.62	-	N/A	NR	NR	NR	0.22%	291
State of CA Local Agency Investment Fund (LAIF) - (SANDAG)	N/A	N/A	4,870,425.14	4,870,425.14	-	N/A	NR	NR	NR	0.22%	291
US Bank Cash Reserve Portfolio - (RTC) TransNet Extension	N/A	N/A	143,933.52	143,933.52	-	N/A	NR	NR	NR	0.00%	1
Wells Fargo - (SANDAG) Section 115 Pension Trust	N/A	N/A	10,157,537.45	11,509,308.01	1,351,770.56	N/A	NR	NR	NR	1.62%	1
JP Morgan (RTC) JPMorgan Prime Money Market Fund	N/A	N/A	20,014,903.90	20,010,906.03	(3,997.87)	N/A	AAAm	Aaa-mf	AAAmmf	0.07%	57
JP Morgan (RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	N/A	N/A	10,006,423.27	10,006,423.63	0.36	N/A	AAAm	Aaa-mf	AAAmmf	0.06%	48
Capital Project Retention Accounts - US Bank	N/A	N/A	57,844,077.63	57,844,077.63	-	N/A	NR	NR	NR	N/A	1
Capital Project Retention Accounts - CA Bank & Trust	N/A	N/A	948,276.37	948,276.37	-	N/A	NR	NR	NR	N/A	1
<b>Total money market accounts and funds</b>			<b>\$ 752,412,333.63</b>	<b>\$ 753,760,106.68</b>	<b>\$ 1,347,773.05</b>	<b>\$ -</b>				<b>0.29%</b>	<b>237</b>
<b>Total cash and cash equivalents</b>			<b>\$ 763,553,496.73</b>	<b>\$ 764,901,269.78</b>	<b>\$ 1,347,773.05</b>	<b>N/A</b>				<b>0.29%</b>	<b>234</b>

**Investments:**

**U.S. Agencies:**

FANNIE MAE NOTES	07/13/2020	07/10/2023	\$ 5,436,974.50	\$ 5,449,144.35	\$ 12,169.85	\$ 5,450,000.00	AA+	Aaa	AAA	0.33%	740
FEDERAL FARM CREDIT BANK	10/16/2020	10/13/2023	5,794,200.00	5,789,614.40	(4,585.60)	5,800,000.00	AA+	Aaa	AAA	0.31%	835
FEDERAL FARM CREDIT BANK	06/24/2019	02/08/2023	5,082,900.00	5,166,003.00	83,103.00	5,000,000.00	AA+	Aaa	AAA	1.77%	588
FEDERAL FARM CREDIT BANK	04/11/2019	04/05/2023	6,968,500.00	7,250,354.86	281,854.86	7,000,000.00	AA+	Aaa	AAA	2.37%	644
FEDERAL FARM CREDIT BANK	05/15/2019	11/08/2023	6,022,560.00	6,274,950.36	252,390.36	6,000,000.00	AA+	Aaa	AAA	2.21%	861
FEDERAL FARM CREDIT BANK	09/28/2020	03/28/2024	5,995,500.00	5,974,808.16	(20,691.84)	6,000,000.00	AA+	Aaa	AAA	0.32%	1,002
FEDERAL FARM CREDIT BANK	08/27/2019	07/26/2024	6,615,310.00	6,769,996.94	154,686.94	6,500,000.00	AA+	Aaa	AAA	1.47%	1,122
FEDERAL FARM CREDIT BANK	09/17/2019	09/10/2024	5,079,870.00	5,248,167.95	168,297.95	5,000,000.00	AA+	Aaa	AAA	1.74%	1,168
FEDERAL HOME LOAN BANK	02/08/2021	02/10/2025	6,017,160.00	5,969,892.84	(47,267.16)	6,000,000.00	AA+	Aaa	-	0.21%	1,321
FEDERAL HOME LOAN BANK	03/06/2019	11/29/2021	4,915,300.00	5,037,455.45	122,155.45	5,000,000.00	AA+	Aaa	-	2.52%	152
FEDERAL HOME LOAN BANK	03/01/2019	12/09/2022	3,648,843.00	3,538,833.94	(110,009.06)	3,300,000.00	AA+	Aaa	-	2.25%	527
FEDERAL HOME LOAN BANK	06/24/2019	03/10/2023	5,063,453.47	5,175,555.45	94,101.98	5,000,000.00	AA+	Aaa	-	1.77%	618
FEDERAL HOME LOAN MORTGAGE CORP	09/28/2020	03/29/2024	5,000,000.00	4,981,362.25	(18,637.75)	5,000,000.00	-	Aaa	AAA	0.35%	1,063
FEDERAL HOME LOAN MORTGAGE CORP	09/10/2020	09/14/2023	5,496,700.00	5,494,336.87	(2,363.13)	5,500,000.00	-	Aaa	AAA	0.29%	806
FEDERAL HOME LOAN MORTGAGE CORP	11/23/2020	11/24/2023	5,300,000.00	5,298,443.66	(1,556.34)	5,300,000.00	-	Aaa	AAA	0.55%	877
FEDERAL HOME LOAN MORTGAGE CORP	07/09/2020	04/15/2024	4,000,000.00	4,000,004.72	4.72	4,000,000.00	-	Aaa	AAA	0.50%	1,020
FEDERAL HOME LOAN MORTGAGE CORP	03/09/2021	05/15/2024	4,993,750.00	4,985,909.50	(7,840.50)	5,000,000.00	-	Aaa	AAA	0.40%	1,050
FEDERAL HOME LOAN MORTGAGE CORP	11/08/2019	01/13/2022	4,563,265.50	4,555,080.00	(8,185.50)	4,500,000.00	AA+	Aaa	AAA	1.71%	197
FEDERAL NATIONAL MORTGAGE ASSOCIATION	06/09/2021	01/07/2025	6,461,206.00	6,418,772.33	(42,433.67)	6,200,000.00	AA+	Aaa	AAA	0.44%	1,287
FEDERAL NATIONAL MORTGAGE ASSOCIATION	07/01/2019	10/05/2022	5,028,950.00	5,115,113.85	86,163.85	5,000,000.00	AA+	Aaa	-	1.82%	462
FEDERAL NATIONAL MORTGAGE ASSOCIATION	11/08/2019	07/02/2024	4,993,150.00	5,198,175.00	205,025.00	5,000,000.00	AA+	Aaa	AAA	1.78%	1,098
FEDERAL NATIONAL MORTGAGE ASSOCIATION	04/23/2019	04/12/2022	4,982,050.00	5,083,005.55	100,955.55	5,000,000.00	AA+	Aaa	AAA	2.38%	286
FEDERAL NATIONAL MORTGAGE ASSOCIATION	10/25/2019	09/06/2022	3,262,158.00	3,278,077.22	115,919.22	3,300,000.00	AA+	Aaa	AAA	1.63%	433
UNITED STATES TREASURY NOTE/BOND	06/13/2019	08/31/2023	3,925,794.65	4,094,531.24	168,736.59	4,000,000.00	AA+	Aaa	AAA	1.84%	792
UNITED STATES TREASURY NOTE/BOND	06/24/2019	09/30/2023	4,235,500.00	4,403,636.71	168,136.71	4,300,000.00	AA+	Aaa	AAA	1.74%	822
UNITED STATES TREASURY NOTE/BOND	09/27/2019	04/30/2024	5,091,423.00	5,221,875.00	130,452.00	5,000,000.00	AA+	Aaa	AAA	1.58%	1,035
UNITED STATES TREASURY NOTE/BOND	03/01/2019	05/31/2023	4,980,078.13	5,132,031.25	151,953.12	5,000,000.00	AA+	Aaa	AAA	1.73%	700
UNITED STATES TREASURY NOTE/BOND	03/01/2019	12/15/2021	5,013,298.00	5,058,398.45	45,100.45	5,000,000.00	AA+	Aaa	AAA	2.52%	168
<b>Total U.S. Agencies</b>			<b>\$ 145,967,894.25</b>	<b>\$ 148,045,531.30</b>	<b>\$ 2,077,637.05</b>	<b>\$ 145,150,000.00</b>				<b>1.34%</b>	<b>787</b>

**Corporate Medium Term Notes:**

BANK OF AMERICA CORP	03/23/2021	10/24/2024	\$ 4,012,600.00	\$ 4,016,648.68	\$ 4,048.68	\$ 4,000,000.00	A-	A2	AA-	0.69%	1,212
BANK OF AMERICA CORP	10/14/2020	12/20/2023	2,628,700.00	2,590,870.30	(37,829.70)	2,500,000.00	A-	A2	AA-	0.61%	903
CATERPILLAR FINANCIAL SERVICES	05/16/2019	12/07/2023	3,121,890.00	3,230,842.20	108,952.20	3,000,000.00	A	A2	A	2.69%	890
CATERPILLAR FINANCIAL SERVICES	03/14/2019	02/26/2022	4,019,240.00	4,072,226.40	52,986.40	4,000,000.00	A	A2	A	2.77%	241

Investment	Trade Date	Maturity Date	Book Value	Market Value	Unrealized Gain/(Loss)	Par Value	S&P Rating	Moody's Rating	Fitch Rating	Yield on Cost	Wtd. Avg. Days to Maturity
CHEVRON	05/15/2019	06/24/2023	5,118,900.00	5,249,581.70	130,681.70	5,000,000.00	AA-	Aa2	-	2.57%	724
CISCO SYSTEMS INC	03/01/2019	09/20/2021	3,914,240.00	4,009,179.96	94,939.96	4,000,000.00	AA-	A1	-	2.73%	82
CITIBANK	06/21/2021	01/23/2024	6,565,064.00	6,563,349.47	(1,714.53)	6,100,000.00	A+	Aa3	A+	0.67%	937
HOME DEPOT INC	03/14/2019	03/01/2022	4,275,054.00	4,286,694.59	11,640.59	4,200,000.00	A	A2	A	2.62%	244
HONEYWELL INTERNATIONAL	11/08/2019	08/15/2024	2,933,756.00	3,044,597.54	110,841.54	2,900,000.00	A	A2	A	2.04%	1,142
INTERNATIONAL BUSINESS MACHINES CORP	09/04/2019	08/01/2023	5,156,295.10	5,197,915.03	41,619.93	4,895,000.00	A-	A2	-	1.95%	762
JP MORGAN CHASE & CO	02/12/2021	04/23/2024	3,739,435.00	3,690,605.59	(48,829.41)	3,500,000.00	A-	A2	AA-	0.41%	1,028
MICROSOFT CORP	07/18/2019	02/06/2024	6,043,518.00	6,186,489.19	142,971.19	5,850,000.00	AAA	Aaa	AAA	2.11%	951
PFIZER INC	09/30/2019	05/15/2024	4,036,968.00	4,114,692.14	77,724.14	3,800,000.00	A+	A2	A	1.98%	1,050
PNC BANK	02/07/2020	07/25/2023	3,185,370.00	3,197,564.58	12,194.58	3,000,000.00	A-	A3	A	1.95%	755
WELLS FARGO AND CO	07/09/2020	06/02/2024	2,546,750.00	2,553,469.25	6,719.25	2,500,000.00	BBB+	A2	A+	0.99%	1,068
WELLS FARGO AND CO	07/20/2020	01/24/2023	5,176,950.00	5,080,279.05	(96,670.95)	5,000,000.00	BBB+	A2	A+	0.70%	573
<b>Total Corporate Medium Notes</b>			<u>\$ 66,474,730.10</u>	<u>\$ 67,085,005.67</u>	<u>\$ 610,275.57</u>	<u>\$ 64,245,000.00</u>				<u>1.72%</u>	<u>773</u>
<b>Supra-National Agency Bond/Note</b>											
INTL BANK FOR RECON AND DEVELOPMENT	03/08/2021	01/15/2025	\$ 6,229,560.00	\$ 6,206,340.00	\$ (23,220.00)	\$ 6,000,000.00	AAA	Aaa	-	0.62%	1,295
INTER-AMERICAN DEVELOPMENT BANK	04/15/2021	05/24/2023	6,739,396.00	6,728,322.58	(11,073.42)	6,700,000.00	AAA	Aaa	-	0.22%	693
INTER-AMERICAN DEVELOPMENT BANK	11/06/2020	02/21/2024	5,436,150.00	5,333,107.40	(103,042.60)	5,000,000.00	AAA	Aaa	AAA	0.32%	966
<b>Total Supra-National Agency Bond/Notes</b>			<u>\$ 18,405,106.00</u>	<u>\$ 18,267,769.98</u>	<u>\$ (137,336.02)</u>	<u>\$ 17,700,000.00</u>				<u>0.38%</u>	<u>977</u>
<b>Asset-Backed Security:</b>											
TOYOTA AUTO RECEIVABLES 2017-D	04/20/2020	02/15/2023	\$ 2,153,817.90	\$ 2,143,867.77	\$ (9,950.13)	\$ 2,134,143.76	AAA	Aaa	-	1.37%	595
<b>Total Asset-Backed Security</b>			<u>\$ 2,153,817.90</u>	<u>\$ 2,143,867.77</u>	<u>\$ (9,950.13)</u>	<u>\$ 2,134,143.76</u>				<u>1.37%</u>	<u>595</u>
<b>Certificates of Participation:</b>											
(RTC) North County Transit District Certificates of Participation	05/06/2021	08/05/2021	\$ 21,750,000.00	\$ 21,750,000.00	\$ -	\$ 21,750,000.00	NR	A1	NR	0.13%	36
<b>Total Certificates of Participation</b>			<u>\$ 21,750,000.00</u>	<u>\$ 21,750,000.00</u>	<u>\$ -</u>	<u>\$ 21,750,000.00</u>				<u>0.13%</u>	<u>36</u>
<b>Total investments</b>			<u>\$ 254,751,548.25</u>	<u>\$ 257,292,174.72</u>	<u>\$ 2,540,626.47</u>	<u>\$ 250,979,143.76</u>				<u>1.27%</u>	<u>732</u>
<b>Total Portfolio:</b>			<u>\$ 1,018,305,044.98</u>	<u>\$ 1,022,193,444.50</u>	<u>\$ 3,888,399.52</u>	<u>N/A</u>				<u>0.54%</u>	<u>359</u>

Legend:  
Automated Regional Justice Information System (ARJIS)  
Commercial Paper (CP)  
State of California Local Agency Investment Fund (LAIF)  
North County Transit District (NCTD)  
San Diego County Regional Transportation Commission (RTC)