

Quarterly Finance Report and Update on Financial Markets – Through December 31, 2020

Overview

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

Key Considerations

- Although the U.S. economy recovered notably in October, this was quickly stalled by a dramatic surge in COVID-19 hospitalizations, forcing some areas into a new round of lockdown. December also saw the distribution of the first vaccines and the passage of a \$900 billion economic stimulus package. Hopes for further fiscal stimulus grew after Democrats won the Senate runoff in Georgia.
- The unemployment rate, at 6.8% in November, remains more than twice as high as a year ago. The tourism sector, which employed 13% of the local labor force before the pandemic, is especially affected, accounting for about 45% of the job losses. Retail and education are the second and third most affected sectors.
- Available national forecasts updates suggest a 3.5% contraction in U.S. Gross Domestic Product in 2020 and a 4% recovery in 2021. Risks remain high for 2021, both on the upside (with probable additional fiscal stimulus and in the event of faster than expected vaccine rollout) and the downside (with the virus variants spreading and in the event of lower-than-expected vaccine rollout and effectiveness of the vaccines).
- Senior lien debt service coverage, using sales tax receipts of \$308.4 million for the 12 months ending December 31, 2020, is 2.88 times, meaning that for every \$1 of senior lien debt service, SANDAG received \$2.88 of sales tax revenue providing ample coverage, supporting SANDAG senior lien triple-A ratings.

Action: Information

This report provides 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.

Fiscal Impact:

Senior lien debt service coverage remains strong at 2.88 times, providing ample coverage and supporting triple-A ratings.

Schedule/Scope Impact:

Although the U.S. economy entered the year on a strong footing, that deteriorated quickly as the COVID-19 pandemic took hold across the globe. Staff will monitor the situation closely and update revenue forecasts as information becomes available.

Hasan Ikhata, Executive Director

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Attachments:
1. Financial Market Review
2. Local Economy and Sales Tax Revenue
3. Investment and Debt Portfolio

Market Review and Update

Overview

The last quarter of 2020 was characterized by uncertainty surrounding the election and the prospects of economic recovery. While the presidential and congressional elections are settled in terms of results, there remains uncertainty about the direction of policy changes expected with the new administration. Although the U.S. economy recovered notably in October, this was quickly stalled by a dramatic surge in COVID-19 hospitalizations, forcing some areas into a new round of lockdown. December also saw the distribution of the first vaccines and the passage of a \$900 billion economic stimulus package. Hopes for further fiscal stimulus grew after Democrats won the Senate runoff in Georgia.

At the December Federal Open Market Committee (FOMC) Meeting, the Fed announced that it would keep its current asset purchase program unchanged and leave short-term interest rates low at the current level. The stock market remained volatile amidst an abundance of uncertainties but was nevertheless buoyed by news of the vaccine and hopes for a second stimulus package. Demand for municipal bonds remained strong, while supply decreased towards the end of the year as issuers rushed to the market in October, before the election. Tax-exempt borrowing rates have risen from record lows in August; they are still low but reverting to their 2019 levels.

Interest Rates:

- **Treasury Rates:** Treasury rates (industry accepted benchmark for taxable bonds) saw an overall increase over the last quarter but remain relatively low compared to historic levels.
- **Municipal Market Rates:** The AAA MMD yield curve (the industry-accepted benchmark for tax-exempt rates) saw a slight decrease of about 20 basis points over the last quarter.
- **Volatility:** Election news, increases in COVID-19 cases, advances in COVID-19 vaccines, and the potential long-term economic impacts of the virus continued to induce volatility in the market.
- **Municipal-to-Treasury ratios** skyrocketed in March due to the global rush to liquidity and the initial high demand for U.S. Treasury bonds. After this extreme dislocation earlier in the year, the municipal-to-treasury ratio returned to its pre-pandemic levels by the end of the year.
- **Fed Funds Rate:** The Fed announced at the last FOMC meeting in December that they will continue to target an inflation rate “of 2% over the longer run,” suggesting that the Fed would allow inflation to run higher for some time before raising rates. The latest dot-plot released indicates that the Fed does not anticipate raising rates for the next 1–2 years.

Municipal Market Supply-Demand Dynamics

Municipal bond funds saw consistent inflows over the past three months. October saw a historic volume of municipal bond supply as issuers raced to get to market before the November election. Despite the high supply, investor demand remained strong and transactions were executed at attractive interest rates. After the October rush, supply decreased dramatically in November and December.

Equity Markets:

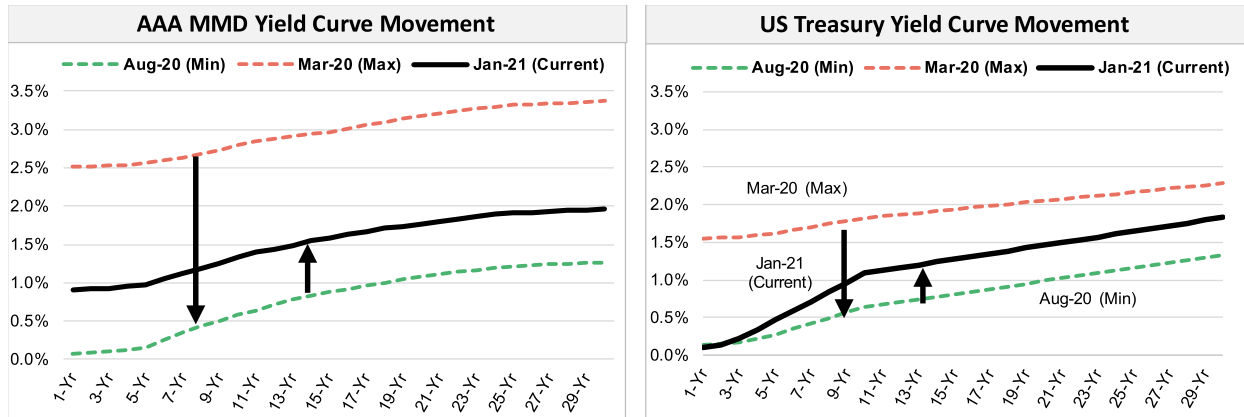
Despite a retreat in equity markets surrounding the November presidential election, all 3 major indices saw gains of 10–15% over the quarter. This was due in large part to positive news regarding the development of several COVID-19 vaccinations, two of which were approved for distribution to the public in mid-December. Despite positive gains throughout the quarter, volatility was persistent as the November presidential election, uncertainty regarding a second stimulus package, and rising COVID-19 cases caused uncertainty for investors.

U.S. Economy:

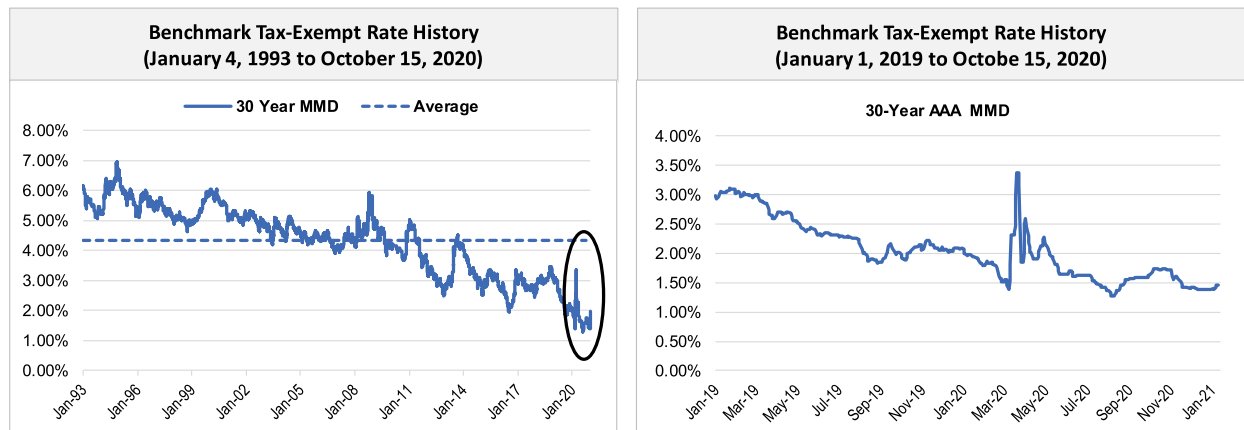
- **Jobs and Unemployment:** The Initial Jobless Claims for the week ended December 26 registered at 782,000, remaining relatively steady for the duration of the quarter. The unemployment rate fell to 6.7% by end of December from 7.9% at the end of September.
- **GDP:** GDP decreased by 5.0% in the first quarter of 2020 and 31.4% in the second quarter before increasing by an estimated 33.3% in the third quarter.
- **Personal Spending:** As the economy's key driver, personal spending increased 0.3% in October and fell 0.4% in November. November's reading was the first decline in personal spending since April.
- **Manufacturing and Service data:** The Markit U.S. Composite Purchasing Managers Index (PMI) in the past quarter showed expansion in both the manufacturing and services sector, signaling continued rebuilding of economic activity.
- **Consumer Sentiment:** University of Michigan Consumer Confidence Index rose to 80.7 in December.

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 have seen recent increases but remain low from an historical perspective. Both the municipal curve and the Treasury curve are below 2.0%. The two charts below show rate movements in the municipal and Treasury market in 2020 as well as current rates as they stand relative to the lowest they have been in 2020. As seen in the chart, both curves are slowly ticking up from their all-time lows.



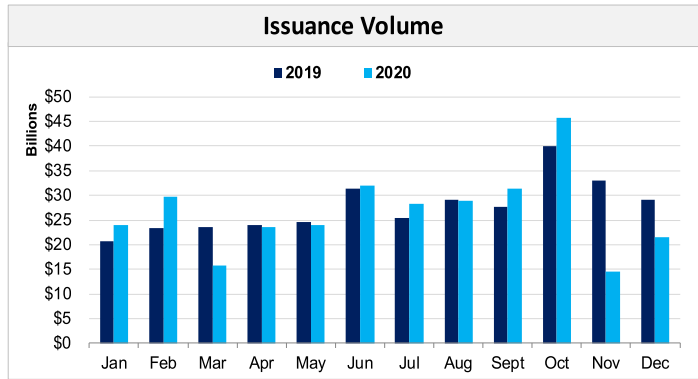
The flight to liquidity in late March and early April caused municipal rates to rise dramatically. While U.S. Treasury rates also increased during the period, the rate movement was relatively small. This uneven movement translated to a severe “dislocation” in the municipal-to-treasury ratios; that is, 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 May, the municipal market stabilized as investors reemerged as buyers of tax-exempt municipal debt. The ratio has since trended towards more normalized levels but at the current 113.6% it is still somewhat dislocated from the historic average.



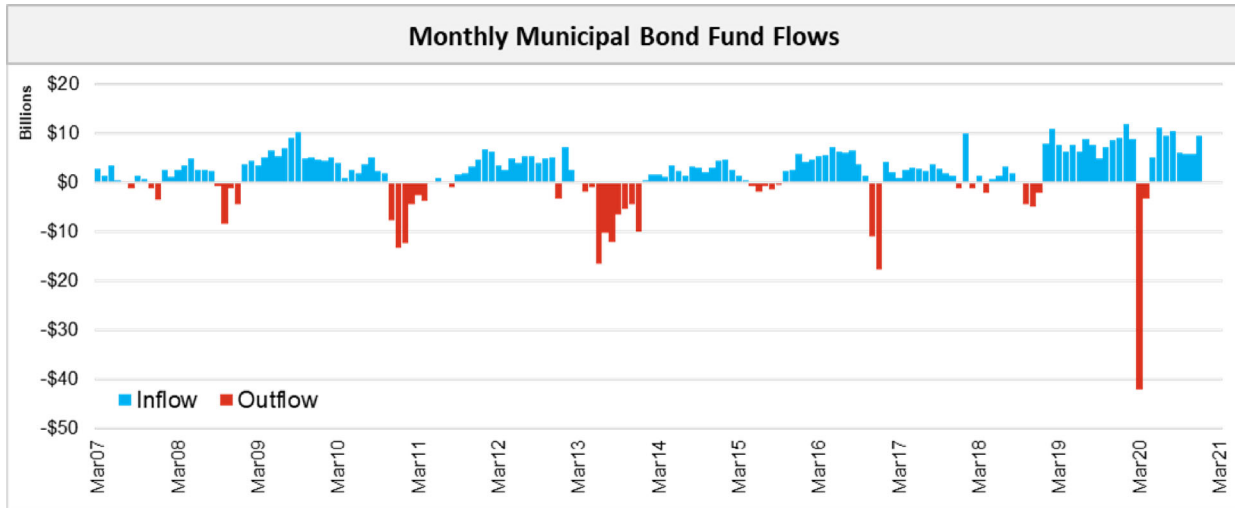
The current 30-year AAA MMD bond yield is 1.47%, which is 0.11% or 11 basis points (bps) lower than it was on January 2, 2020, and is still significantly lower than its historic average as seen in the chart above.

Municipal Market Supply and Demand

The low tax-exempt rates fueled large issuance volumes in January and February; however, the optimism quickly gave way to the rapid global spread of the coronavirus in late March. As the market stabilized, investor demand for municipal bonds returned. The tax-exempt municipal bond supply for 2020 was \$319.5 billion, 3.85% lower than the total supply in 2019, largely due to the significant decreases in supply in March and then in November and December. The taxable supply of \$145.2 billion through year-end 2020 is double the taxable issuance compared to 2019, driven primarily by taxable advance refundings owing to historic low Treasury rates. When combined, the 2020 taxable and tax-exempt issuance volume was up by 11.19% compared to 2019.



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 saw extreme outflows in March, when investors pulled funds in favor of cash. The pace of outflows slowed in early April and ultimately reversed later in April. Inflows from October through December totaled \$21.3 billion indicative of strong investor demand.



Credit Spreads

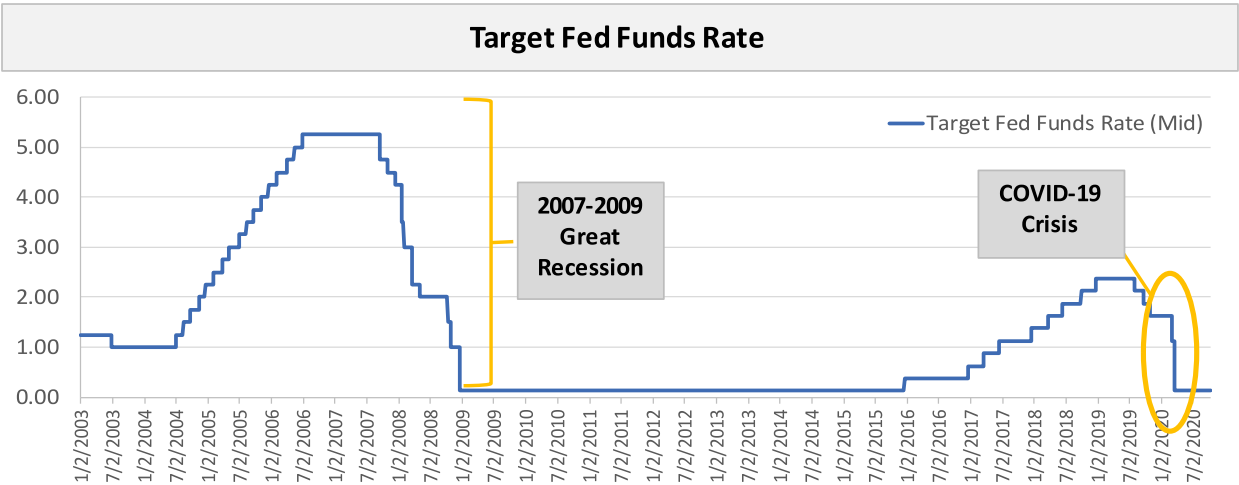
Credit spreads widened significantly at the beginning of the COVID crises. As investors returned to municipal markets, spreads gradually narrowed through July. However, sustained low absolute rates, growing supply in August and September, and a heavy issuance calendar leading up to the presidential election caused credit spreads to widen. For instance, the pre-COVID 30-year spread to MMD for a California State GO bond was 5 bps. It widened to as much as 40 bps at the peak of the crises and is currently at about 27 bps. Although it should be noted that the impact on credit spreads is uneven across rating categories and sectors and may be more severe for some of the worst-affected sectors such as transportation, transit, and airports more specifically. However, functionality in the primary market returned to solid ground, especially for highly rated issuers such as SANDAG, and issuance of transportation credits also resumed through the second half of 2020.

Spreads for bank funding widened during the COVID crises as well. The wider spreads are attributable to high demand for bank funding and competition with large legacy corporate clients. Bank funding options may be tied to short-term indices such as LIBOR or SIFMA, which have stabilized at record-low levels in the second half of 2020.

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

Interest Rate Forecasts

In March, the Fed dropped the fed funds rate to zero, as seen in the chart. The last time the Fed dropped rates was during the 2007–2009 Great Recession. In the December FOMC meeting, the Fed left the rates unchanged.



The next table provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. The Fed Funds rate is forecasted to stay at zero for the first half of 2021. The rate is expected to increase slowly from 0.01% in the third quarter to 0.02% in 2022, reaching 0.09% in 2023, indicating very little pressure driving short-term rates in the next couple of years. The two-year United States Treasury (UST) rate is forecasted to increase only by 0.17% to 0.32% by the end of 2021. The ten-year UST rate is forecasted to increase by 0.10% to 1.21% by the end of 2021. The 30-year UST rate is also forecast to increase by 0.04% to 1.90% by the end of 2021.

The Street's Interest Rate Forecast

Forecast	January 14, 2020	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
30-Year UST	1.86%	1.63%	1.75%	1.82%	1.90%	1.94%	2.01%	2.09%	2.16%	2.21%
10-Year UST	1.11%	0.89%	1.03%	1.13%	1.21%	1.26%	1.34%	1.43%	1.52%	1.57%
2-Year UST	0.15%	0.18%	0.23%	0.27%	0.32%	0.38%	0.42%	0.49%	0.56%	0.58%
3M London Interbank Offered Rate	0.22%	0.26%	0.26%	0.27%	0.30%	0.33%	0.36%	0.39%	0.43%	0.47%
Federal Funds Target Rate Upper Bound	0.25%	0.25%	0.25%	0.25%	0.25%	0.30%	0.30%	0.35%	0.35%	0.35%
Federal Funds Target Rate Lower Bound	0.00%	0.00%	0.00%	0.01%	0.01%	0.02%	0.04%	0.05%	0.07%	0.09%

Local Economy and Sales Tax Revenues

The longest US expansion on record was put to an end by the COVID-19 pandemic. Necessary protection measures related to pandemic brutally plunged the world and the U.S. economies into recession in the first quarter of the year. Quick and strong monetary and fiscal stimulus have only been able to reduce the immediate depth of the contraction. U.S. GDP contracted by 5%, annualized, in the first quarter of 2020 and 31.4% in the second quarter. Despite a strong 33% rebound in the third quarter, U.S. GDP was 3.5% below its pre-COVID level. Available national forecasts updates suggest a 3.5% contraction in U.S. GDP in 2020 and a 4% recovery in 2021. Risks remain high for 2021, both on the upside (with probable additional fiscal stimulus and in the event of faster than expected vaccine rollout) and the downside (with the virus variants spreading and in the event of lower-than-expected vaccine rollout and effectiveness of the vaccines).

The recession hit a strong and healthy San Diego economy. The COVID-19-related recession resulted in massive job and income losses that exacerbated the immediate impact of social distancing on the economy and on taxable sales. High-frequency data on consumer spending and visits to stores, restaurants and other businesses suggest that the economy is still operating about 10% below normal, as the improvements observed in the fall were reversed after a surge in COVID cases triggered new business activity restrictions. The unemployment rate, at 6.8% in November, remains more than twice as high as a year ago. The tourism sector, which employed 13% of the local labor force before the pandemic, is especially affected, accounting for about 45% of the job losses. Retail and education are the second and third most affected sectors.

After adjusting tax collection for the processing issues associated from the 2018 new automated system for processing, reporting, and distributing sales tax revenues, sales tax revenues were estimated at \$305.3 million in FY 2019 (as opposed to the \$312.3 million collected). Revenues stalled in FY2020, as the recession wiped the strong revenues registered before the pandemic hit the region.

Despite the pandemic, sales tax revenue collections have been higher in the first half of FY 2021 than the prior year. Besides the impact of the Wayfair ruling,¹ revenues have also benefited from higher-than-expected spending on taxable items as a result of public income support (stimulus check 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, when spending on services decreased due to COVID-related restrictions. This has more than compensated for the revenue losses on food and beverage services.

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):

¹ 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.

**TransNet Extension Annual Sales Tax Revenue and
Fiscal Year 2020 Revenue as Compared to Revenue through December 2020**

	<u>FY 2020 Revenue</u>	<u>FY 2021 Revenue</u>		<u>Annual Revenue</u>
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		FY 2014	260,114,931
February	37,094,485		FY 2015	268,840,550
March	22,984,289		FY 2016	275,500,023
April	22,498,364		FY 2017	284,456,260
May	15,411,299		FY 2018	294,501,324
June	21,264,183		FY 2019	312,303,668
	<u>\$ 305,851,214</u>	<u>\$ 163,577,191</u>	FY 2020	305,851,214
			FY 2021	163,577,191
			Cumulative	<u>\$ 3,296,800,556</u>

SANDAG Debt Portfolio Overview and Looking Ahead

Outstanding Debt Overview

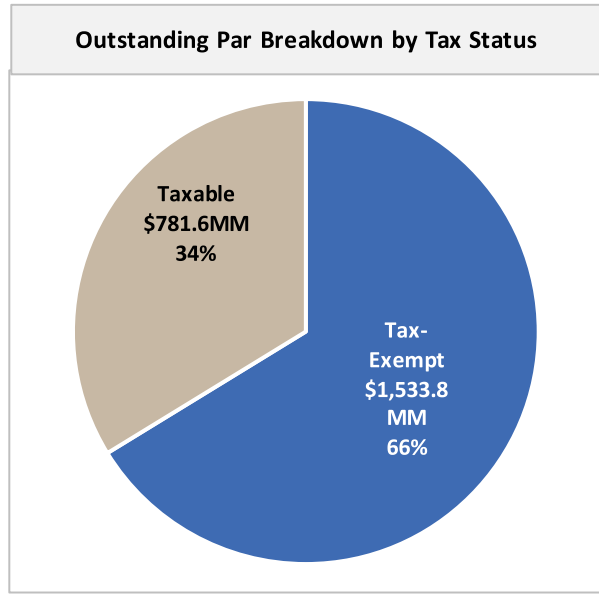
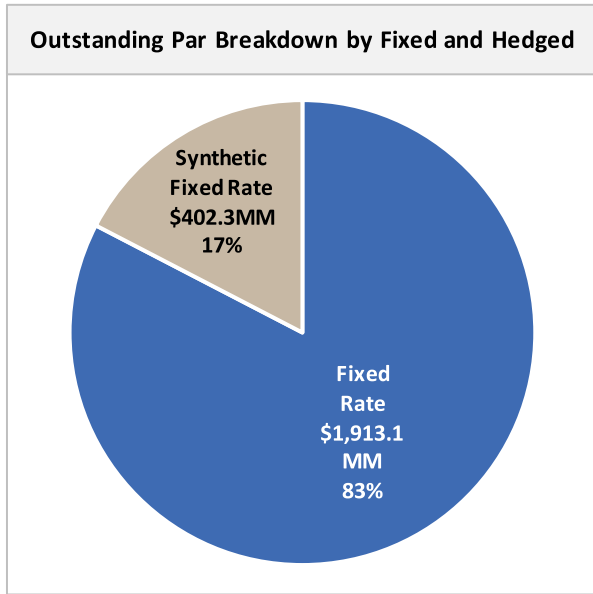
Commission Outstanding Debt Overview

SANDAG, serving as the San Diego County Regional Transportation Commission, has \$2.315 billion of outstanding long-term debt, including the Series 2018A Short Term Notes (Notes) issued in April 2018.

Of the total debt portfolio, 17 percent consists of synthetic, fixed-rate bonds (variable-rate bonds hedged with fixed-payer interest rate swaps), and the remaining 83 percent are fixed-rate bonds. On January 14, SANDAG renegotiated the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to a lower rate of 1.75% through 2046. This represents a debt service savings of \$123 million through 2046, compared to the prior rate of 2.72%. The 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	\$40,935,000	4/1/2022	4/1/2048
2014A	Tax-Exempt	Fixed Rate	\$350,000,000	\$170,420,000	4/1/2024	4/1/2048
2016A	Tax-Exempt	Fixed Rate	\$325,000,000	\$307,880,000	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	\$74,820,000	4/1/2030	4/1/2048
2018A Notes	Tax-Exempt	Fixed-Rate	\$537,480,000	\$537,480,000	Non-Callable	4/1/2021
Total				\$2,315,415,000		
Summary of TIFIA Loan Commitment						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
TIFIA*	Taxable	Fixed-Rate	\$561,401,169	\$0	Anytime	10/1/2045
Total with Loan Commitment				\$2,315,419,439		

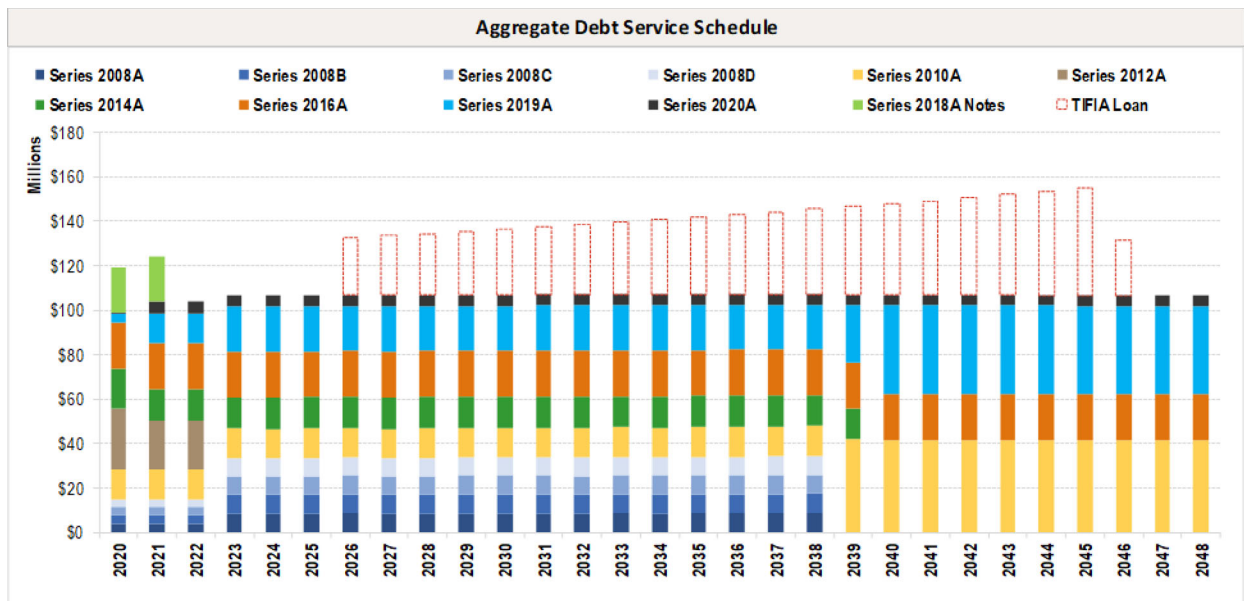
* The TIFIA loan will be drawn upon to retire the 2018A Notes. The simultaneous draw on the TIFIA loan and the retirement of the 2018A Notes will have an offsetting impact and will not increase the amount of total obligations outstanding.



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 2018A Notes are repayable from sales tax revenues that are subordinate to the outstanding bonds (which are on the senior lien) and are on parity with the existing commercial paper (which is on the subordinate lien). SANDAG is currently considering rolling the 2018A Notes through October 1, 2022 to achieve a low rate of approximately 0.50%. If approved by the Board, the new Notes (i.e., the 2021 Notes) would be taken out with a draw on the TIFIA loan in October 2022.



The TIFIA loan is repayable from a third lien that is subordinate to the senior lien bonds, the 2018A Notes, and the commercial paper. As a result, senior lien debt service remains level in the range of \$103.7 million to \$106.7 million annually.

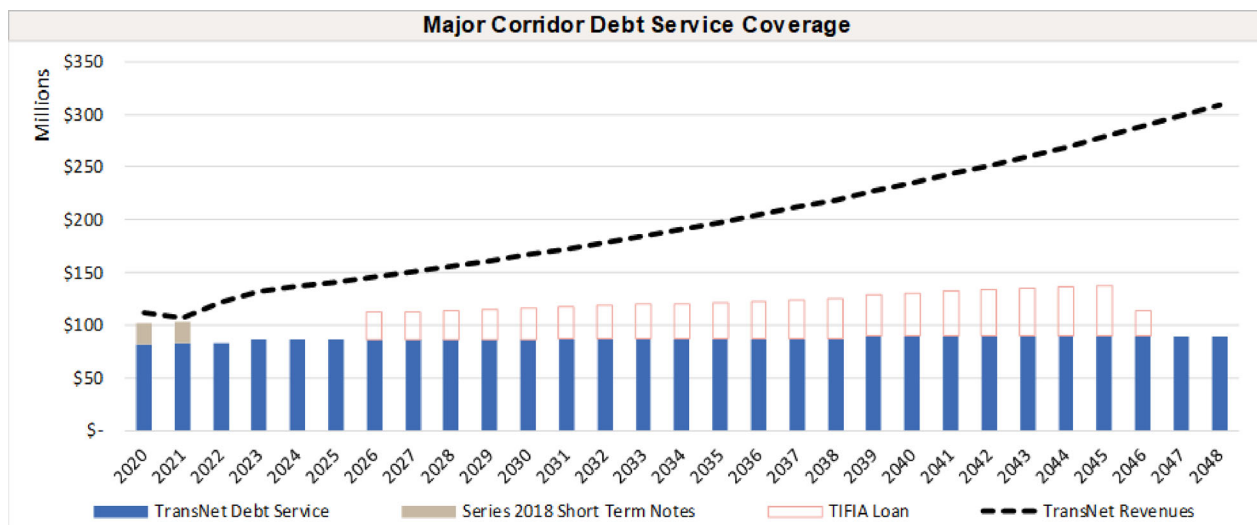
Assuming SANDAG draws on the TIFIA loan as expected to complete the Mid-Coast Corridor Transit Project, SANDAG aggregate debt service will peak at \$155.0 million in FY 2045. Senior lien debt service coverage, using sales tax receipts of \$308.4 million for the 12 months ending December 31, 2020, is 2.88 times. Meaning, for every \$1 of senior lien debt service, SANDAG received \$2.88 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 December 31, 2020, to peak debt service (including assumed debt service on the undrawn TIFIA loan) in FY 2045, is 1.91 times.

Major Corridors Coverage

In accordance with the *TransNet* Ordinance, the Major Corridors subprogram receives 38 percent 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:

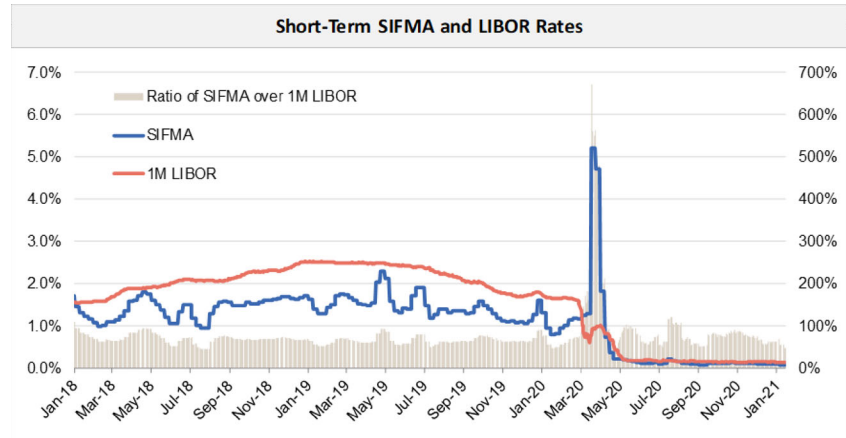
2.3 Borrowing requirements are determined for each eligible sub-program and debt service is allocated to each sub-program based upon its pro rata share of bond proceeds. It is the general principal for the TransNet Plan of Finance that the annual debt service for each sub-program be less than the annual 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 1.00 times in FY 2021 and projected at 1.27 times for FY2027. Annual coverage is forecast to dip again to 1.23 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.



Following the passage of the Tax Cut and Jobs Act in December 2017, SIFMA has been volatile. SIFMA swung by 20 bps to 98 bps in either direction every 3 to 10 weeks in 2018 and 2019. The most recent spike to 5.2 percent in late March was 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 sits at 0.06 percent as of January 14, or 47.4 percent of the 1-Month LIBOR. Despite the volatility, SANDAG VRDBs continued to trade well compared to SIFMA. The recent volatility 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.	0.81%	0.92%	-11 bps
2008B	JPMorgan Chase Bank, N.A.	Goldman, Sachs & Company	0.81%	0.92%	-11 bps
2008C	Bank of America, N.A.	JPMorgan Securities LLC	0.81%	0.92%	-11 bps
2008D	State Street	Stifel, Nicolaus & Company, Inc.	0.81%	0.92%	-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 \$302.6 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 percent 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 \$121,308,471.82; meaning SANDAG would need to pay approximately \$121.3 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								
Associate d Series	SANDAG Pays	SANDAG Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 1/14/2020)	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	(\$38,618,736.38)	\$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	(\$38,618,736.38)	\$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	(\$36,333,105.43)	\$134,100,000	Bank of America, N.A. (Aa2/A+/AA-)
Total Fixed-Payer Swaps						(\$113,570,578.19)	\$402,300,000	
Series 2008	SIFMA Swap Index	107.4% of 3 month USD-LIBOR	3/19/2009	4/1/2018	4/1/2038	\$4,690,848.46	\$145,800,000	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	\$4,690,848.46	\$145,800,000	Barclays Bank PLC (A1/A/A+)
Total Index Conversion Swaps						\$5,738,552.92	\$291,600,000	
Total Combined						(\$121,308,471.82)	\$693,900,000	

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Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 3.20 percent. 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 percent. The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89 percent. The 2012A, 2014A, 2016A, and 2020A bonds were sold at an all-in cost of 3.72 percent, 3.85 percent, 3.29 percent and 2.62 percent respectively. The 2019A refunding bonds, that refunded a part of 2012A and 2014A bonds, were sold at an all-in cost of 3.19 percent. The 2018A Short Term Notes have a borrowing cost of 1.86 percent. Taken together, SANDAG has issued over \$2.0 billion in long-term debt to accelerate project delivery and for refunding, for a WACC of 3.21 percent.

SANDAG's WACC Calculations					
<u>Synthetic Fixed Rate:</u>					
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%
2008 Weighted Average					4.1335%
<u>Fixed Rate:</u>					
Series	Par Post 2019-2020 Refunding	-	-	-	All-in True Interest Cost
2010A	\$338,960,000	-	-	-	3.8871%
2012A	\$59,635,000	-	-	-	3.7167%
2014A	\$175,735,000	-	-	-	3.8507%
2016A	\$325,000,000	-	-	-	3.2947%
2019A	\$442,620,000	-	-	-	3.1890%
2020A	\$74,820,000	-	-	-	2.6226%
2018A Notes	\$537,480,000	-	-	-	1.8596%
Total Weighted Average Without TIFIA Loan					3.2067%

Credit Ratings

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

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 \$53.4 million as of January 15, 2021, when it was remarketed out 63 days, at a rate of 0.16 percent. The supporting LOC was procured in September 2018 at the low cost of 0.32 percent for three years.

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

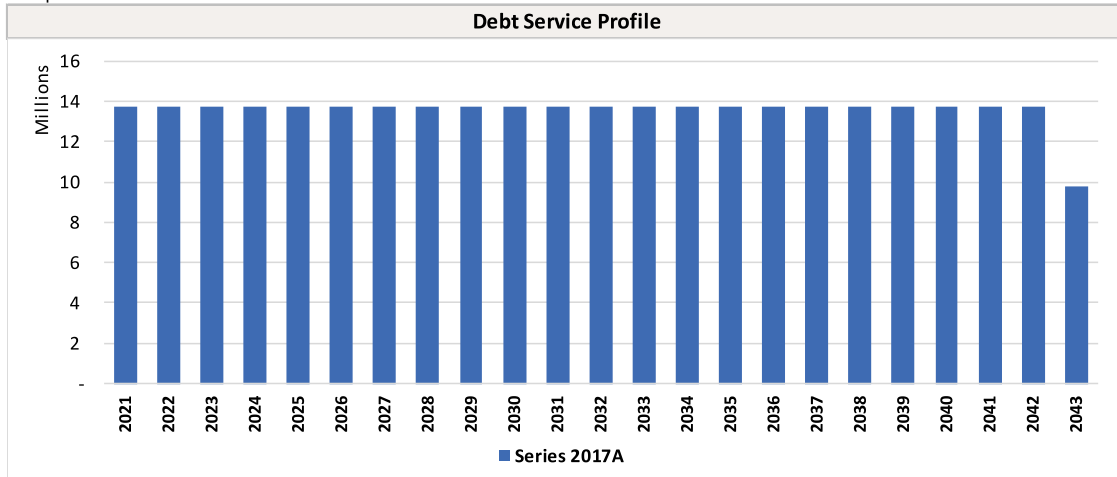
SANDAG: Debt Portfolio Overview and Update

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 Issue Size	Outstanding Par	Call Date	Final Maturity
2017A	Tax-Exempt	Fixed-Rate	\$194,140,000	182,220,000	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
Total				\$335,000,000		

South Bay Expressway

SANDAG’s 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 January 1, 2021, the debt outstanding is \$182.2 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 \$26.9 million for FY 2020, the coverage on future maximum annual debt service payment was 1.94 times. However, due to the COVID-19 pandemic, traffic and revenue has decreased in FY 2021. Additionally, and in response to the COVID-19 pandemic, the Board of Directors on April 10, 2020, approved the waiving of all toll violations on the SBX until the statewide Shelter in Place Executive Order was lifted. The Board voted on December 18, 2020, to reinstate toll violations.

The suspension of toll violations, as well as the reduction in traffic caused by the pandemic has led to a 31% decrease in total SR 125 revenues through November 2021. However, traffic has begun to slowly recover since its low point in March 2020, and with violations now reinstated, revenues are back on track to meet the required Coverage Ratio of 150% by the year’s end. Under current conditions the Coverage Ratio is estimated to range between 155% to 175% by year’s end.

Under Section 6.03 of the Master Indenture for the South Bay Expressway Toll Revenue Bonds, SANDAG covenants that it shall at all times establish, levy, maintain and collect tolls in connection with the Toll Road sufficient to produce Net Revenue in each Fiscal Year equal to or in excess of one hundred fifty percent (150%) of the Annual Debt Service in such Fiscal Year on all Outstanding First Senior Lien Obligations. Additionally, under Section 6.03, SANDAG covenants that within 60 days after the end of each Fiscal Year, SANDAG will file with the Trustee a report setting forth the Net Revenue for such Fiscal Year. The failure of toll rates to yield an amount sufficient to achieve the required Coverage Ratio shall not be deemed to constitute an Event of Default so long as SANDAG complies with the requirements set forth below in Section 6.03(b), which includes engaging a Traffic Consultant and taking appropriate action to increase Net Revenue sufficient to meet the required Coverage Ratio.

Staff continues to monitor traffic and revenue and address any questions raised by rating agencies and investors. Apart from the legal covenant stated above, SANDAG expects to have sufficient funds to pay annual debt service on outstanding bonds for SBX.

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.

FFGA Grant Receipts (Received and Anticipated)			
Federal FY	Original Grant Commitment	Grants Received	Grants Anticipated
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	-	\$100,000,000
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
Total	\$1,043,380,000	\$530,024,740	\$513,355,260
Total Debt Outstanding			\$335,000,000

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 percent under the *stated* case but could end up being as low as 1.57 percent 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

Moving forward, SANDAG is evaluating several different opportunities to realize economic savings. Most notably and recently, SANDAG closed on the renegotiated loan with TIFIA in which TIFIA lowered the interest rate from 2.72% to 1.75% on the 25-year loan. The lower rate saves SANDAG approximately \$123 million in loan repayment costs. SANDAG is evaluating a refunding of the 2018 Short-Term Notes due April 1, 2021, and “rolling” them out another 18 months. This strategy is supported by extremely low short-term rates and will enable SANDAG to delay drawing on the TIFIA Loan in April 2021 to repay the Notes. While the TIFIA Loan carries a low interest rate of 1.75%, the interest rate on an 18-month note is expected to be even lower at approximately 0.50%. Given the sizeable principal on the Series 2018 Short-Term Notes of \$537.48 million, the interest savings can be significant.

SANDAG is also 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.

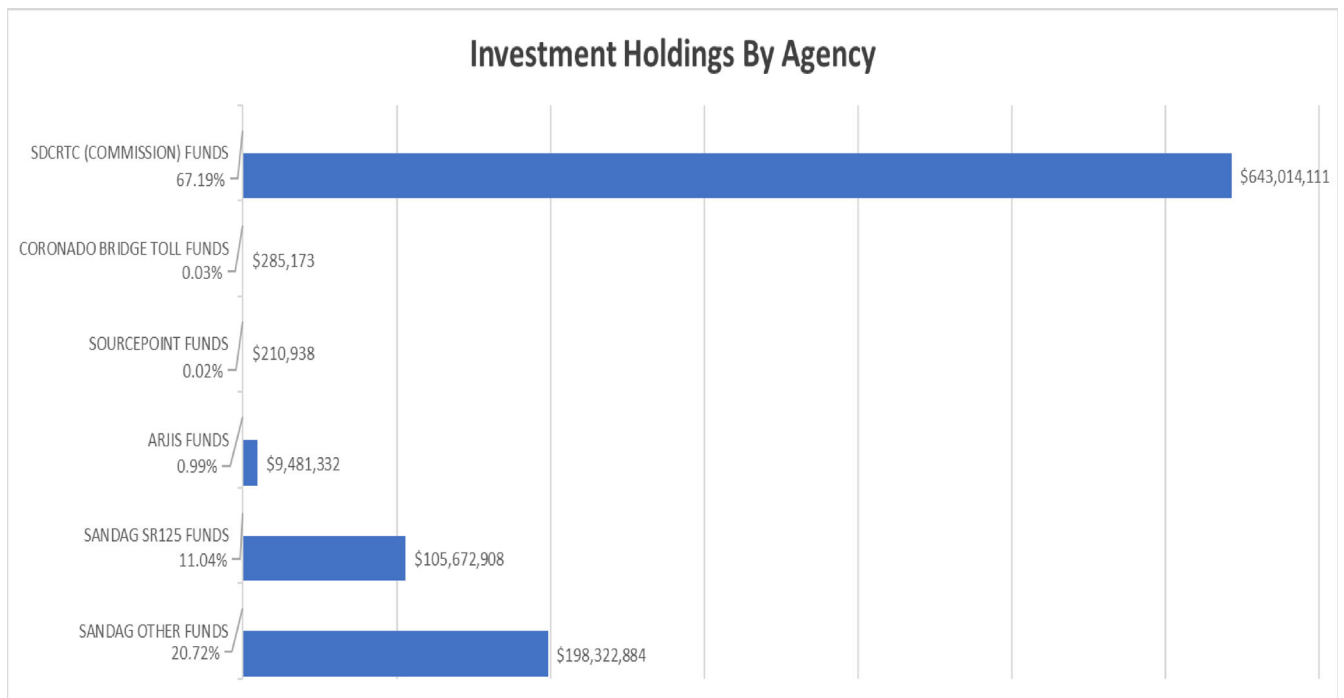
Finally, one of SANDAG’s standby bond purchase agreements (SBPA) associated with Series 2008A&B VRDOs is set to expire in March 2021. SANDAG staff and the financing team have requested new quotes from the existing provider and is expected to finalize a newly negotiated rate in the next several weeks.

Quarterly Investment Data

Included with this quarterly finance report through December 31, 2020, 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).

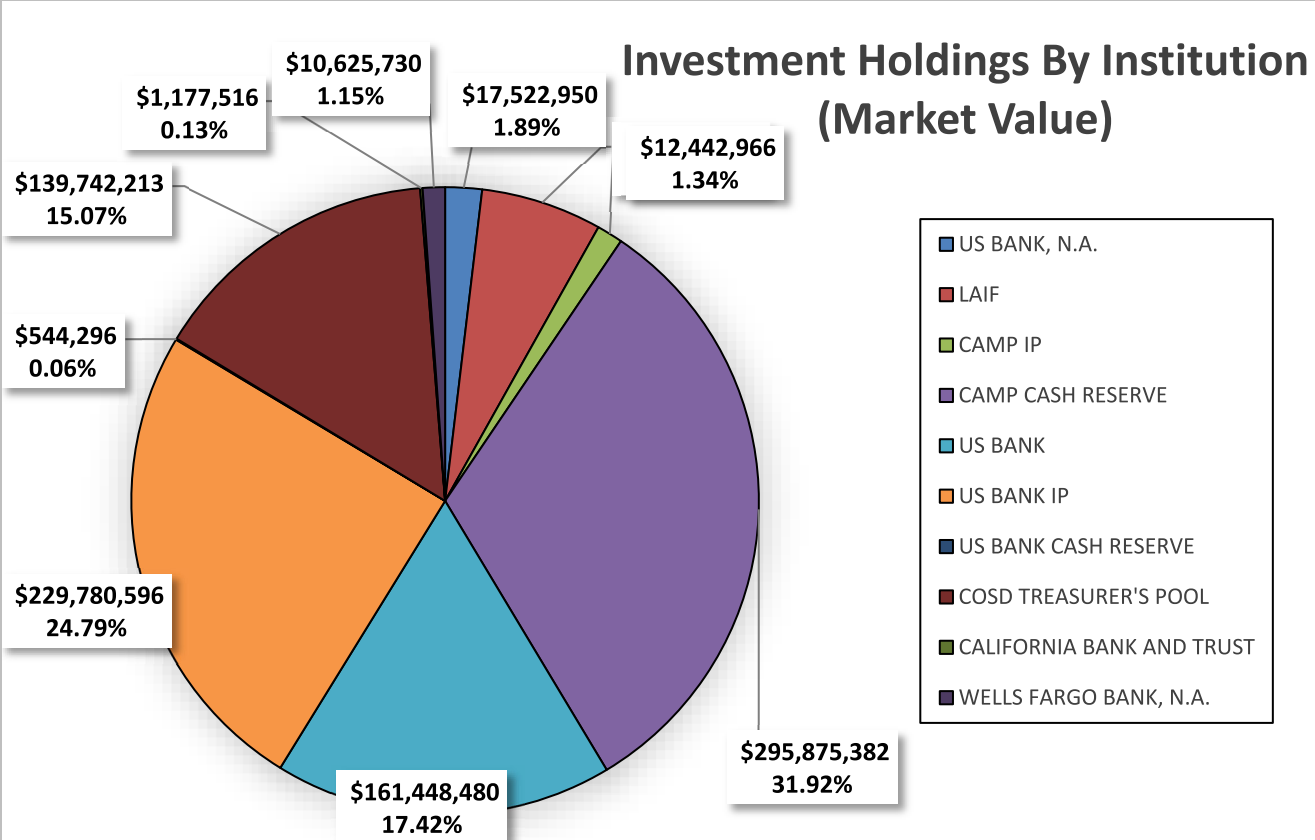
As of December 31, 2020, a total of \$956.99 million was held by SANDAG in a number of investment accounts, in comparison to \$1.06 billion held in the previous quarter. The \$103.37 million decrease during the quarter primarily is due to the timing of *TransNet* sales tax receipts, *TransNet* debt service payments, *TransNet* allocation payments to other local governmental agencies, and the use of *TransNet* bond proceeds to fund current projects.¹

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



Approximately \$17.522 million was held in nine U.S. Bank, N.A. accounts at the end of the quarter, which are used for operating purposes. Approximately \$1.043 billion was invested in seven institutions.

¹ 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 December 31, 2020

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.	\$ 17,522,950.23	1.84%	\$ 17,522,950.23	100.00%	\$ -	N/A	1
STATE OF CALIFORNIA LOCAL AGENCY INVESTMENT FUND	57,824,087.25	6.08%	57,824,087.25	100.00%	-	0.49%	165
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP) INDIVIDUAL PORTFOLIO	12,395,195.24	1.30%	12,442,966.36	100.39%	47,771.12	1.41%	450
CAMP CASH RESERVE PORTFOLIO	295,875,382.48	31.10%	295,875,382.48	100.00%	-	0.12%	46
US BANK TRUST	161,448,479.76	16.97%	161,448,479.76	100.00%	-	0.03%	6
US BANK INDIVIDUAL PORTFOLIO	224,895,183.28	23.64%	229,780,595.88	102.17%	4,885,412.60	1.71%	770
US BANK CASH RESERVE PORTFOLIO	544,295.72	0.06%	544,295.72	100.00%	-	0.00%	1
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	139,742,212.75	14.69%	139,742,212.75	100.00%	-	0.88%	552
JP MORGAN	30,008,129.38	3.15%	30,003,131.71	99.98%	(4,997.67)	0.11%	45
CALIFORNIA BANK AND TRUST	1,177,515.52	0.12%	1,177,515.52	100.00%	-	N/A	1
WELLS FARGO BANK, N.A.	9,894,794.19	1.04%	10,625,729.61	107.39%	730,935.42	1.84%	1
TOTAL	\$ 951,328,225.80	100.00%	\$ 956,987,347.27	100.59%	\$ 5,659,121.47	0.66%	298

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	\$ 303,264,857.11	31.88%	\$ 303,995,792.53	100.24%	\$ 730,935.42	0.24%	94
AUTOMATED REGIONAL JUSTICE INFORMATION SYSTEM FUNDS	9,481,332.10	1.00%	9,481,332.10	100.00%	-	0.34%	185
SOURCEPOINT FUNDS	210,938.33	0.02%	210,938.33	100.00%	-	0.88%	475
CORONADO BRIDGE TOLL FUNDS	285,172.92	0.03%	285,172.92	100.00%	-	0.12%	46
SAN DIEGO COUNTY REGIONAL TRANSPORTATION COMMISSION FUNDS	638,085,925.34	67.07%	643,014,111.39	100.77%	4,928,186.05	0.85%	396
TOTAL	\$ 951,328,225.80	100.00%	\$ 956,987,347.27	100.59%	\$ 5,659,121.47	0.66%	298

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 December 31, 2020

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg. Days to Maturity
US BANK, N.A.:							
Checking - (ARIJS)	\$ 301,783.79	0.03%	\$ 301,783.79	100.00%	\$ -	N/A	1
Checking - (RTC) TransNet Sales Tax	671,412.71	0.07%	671,412.71	100.00%	-	N/A	1
Checking - (SANDAG) Flexible Spending Acct (FSA)	68,742.67	0.01%	68,742.67	100.00%	-	N/A	1
Checking - (SANDAG) General	8,191,100.43	0.86%	8,191,100.43	100.00%	-	N/A	1
Checking - (SANDAG) Interstate 15 (I-15) FasTrak®	788,873.49	0.08%	788,873.49	100.00%	-	N/A	1
Checking - (SANDAG) Revenue Account Common	165,570.24	0.02%	165,570.24	100.00%	-	N/A	1
Checking - (SANDAG) SAFE Program Account	1,463,407.36	0.15%	1,463,407.36	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Collection Account	82,861.99	0.01%	82,861.99	100.00%	-	N/A	1
Checking - (SANDAG) State Route 125 (SR-125) Payment Account	5,759,884.02	0.61%	5,759,884.02	100.00%	-	N/A	1
Checking - (SourcePoint)	29,313.53	0.00%	29,313.53	100.00%	-	N/A	1
TOTAL US BANK, N.A.	\$ 17,522,950.23	1.84%	\$ 17,522,950.23	100.00%	\$ -	N/A	1
STATE OF CA LOCAL AGENCY INVESTMENT FUND (LAIP):							
(RTC) TransNet	\$ 57,560,717.39	6.05%	\$ 57,560,717.39	100.00%	\$ -	0.49%	165
(SANDAG)	263,369.86	0.03%	263,369.86	100.00%	-	0.49%	165
TOTAL LAIF	\$ 57,824,087.25	6.08%	\$ 57,824,087.25	100.00%	\$ -	0.49%	165
CALIFORNIA ASSET MANAGEMENT PROGRAM (CAMP):							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet 2008 Bond Proceeds A/B/C/D Reserve Fund	\$ 8,978,251.14	0.94%	\$ 9,018,613.10	100.45%	\$ 40,361.96	1.09%	593
(RTC) TransNet Sales Tax	3,416,944.10	0.36%	3,424,353.26	100.22%	7,409.16	2.28%	73
TOTAL INDIVIDUAL PORTFOLIO	\$ 12,395,195.24	1.30%	\$ 12,442,966.36	100.39%	\$ 47,771.12	1.41%	450
CASH RESERVE PORTFOLIO:							
(ARIJS)	\$ 6,542,761.08	0.69%	\$ 6,542,761.08	100.00%	\$ -	0.12%	46
(RTC) 2008 Bond Series A - Principal	1.00	0.00%	1.00	100.00%	-	0.12%	46
(RTC) 2008 Bond Series A/B/C/D Reserve Fund	8,283,063.26	0.87%	8,283,063.26	100.00%	-	0.12%	46
(RTC) 2008 Bond Series B - Principal	1.00	0.00%	1.00	100.00%	-	0.12%	46
(RTC) 2008 Bond Series C - Principal	1.00	0.00%	1.00	100.00%	-	0.12%	46
(RTC) 2008 Bond Series D - Principal	1.00	0.00%	1.00	100.00%	-	0.12%	46
(RTC) 2008 Sales Tax Account - TransNet Extension	82,943,799.19	8.72%	82,943,799.19	100.00%	-	0.12%	46
(RTC) 2010 Bond Series A - Interest	5,009,536.42	0.53%	5,009,536.42	100.00%	-	0.12%	46
(RTC) 2012 Bond Series A - Interest	931,122.86	0.10%	931,122.86	100.00%	-	0.12%	46
(RTC) 2012 Bond Series A - Principal	14,981,796.55	1.57%	14,981,796.55	100.00%	-	0.12%	46
(RTC) 2014 Bond Series A Interest	2,130,438.36	0.22%	2,130,438.36	100.00%	-	0.12%	46
(RTC) 2014 Bond Series A Principal	4,186,138.19	0.44%	4,186,138.19	100.00%	-	0.12%	46
(RTC) 2016 Bond Series A Interest	3,848,997.69	0.40%	3,848,997.69	100.00%	-	0.12%	46
(RTC) 2016 Bond Series A Principal	3,953,657.96	0.42%	3,953,657.96	100.00%	-	0.12%	46
(RTC) 2018 Bond Series A Interest	5,125,467.06	0.54%	5,125,467.06	100.00%	-	0.12%	46
(RTC) 2020 Bond Series A Interest	888,552.52	0.09%	888,552.52	100.00%	-	0.12%	46

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg- Days to Maturity
(RTC) 2020 Bond Series A Principal	1,155,356.60	0.12%	1,155,356.60	100.00%	-	0.12%	46
(RTC) Custody Account	15,532.20	0.00%	15,532.20	100.00%	-	0.12%	46
(RTC) Sage Hill Endowment	877,087.57	0.09%	877,087.57	100.00%	-	0.12%	46
(RTC) TransNet Program Reserve	56,273,216.34	5.92%	56,273,216.34	100.00%	-	0.12%	46
(RTC) Wetland Mitigation TransNet Sales Tax	311,219.09	0.03%	311,219.09	100.00%	-	0.12%	46
(SANDAG) 2019 Series AB Cap- I Fund	101,232.13	0.01%	101,232.13	100.00%	-	0.12%	46
(SANDAG) 2019 Series AB DSR Fund	12,841,581.93	1.35%	12,841,581.93	100.00%	-	0.12%	46
(SANDAG) California Coastal Commission	1,054,136.84	0.11%	1,054,136.84	100.00%	-	0.12%	46
(SANDAG) Coronado Bridge Toll Funds	285,172.92	0.03%	285,172.92	100.00%	-	0.12%	46
(SANDAG) El Portal Project	6,783,112.64	0.71%	6,783,112.64	100.00%	-	0.12%	46
(SANDAG) I-15 FasTrak®	662,651.19	0.07%	662,651.19	100.00%	-	0.12%	46
(SANDAG) SR 125	1,975,095.03	0.21%	1,975,095.03	100.00%	-	0.12%	46
(SANDAG) SR 125	32,152,003.35	3.38%	32,152,003.35	100.00%	-	0.12%	46
(SANDAG) SR 125	42,390,289.19	4.46%	42,390,289.19	100.00%	-	0.12%	46
(SANDAG) Shoreline Management	172,360.32	0.02%	172,360.32	100.00%	-	0.12%	46
TOTAL CASH RESERVE PORTFOLIO	\$ 295,875,382.48	31.10%	\$ 295,875,382.48	100.00%	\$ -	0.12%	46
TOTAL CAMP	\$ 308,270,577.72	32.40%	\$ 308,318,348.84	100.02%	\$ 47,771.12	0.17%	62
US BANK TRUST:							
Money Market - (RTC) 2008 Bond Series A/B/C/D Main Interest	\$ 1,297,083.47	0.14%	\$ 1,297,083.47	100.00%	\$ -	0.00%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	3,404,362.59	0.36%	3,404,362.59	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) Commercial Paper Notes Series B Interest	15,972.38	0.00%	15,972.38	100.00%	-	0.01%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	751,336.58	0.08%	751,336.58	100.00%	-	0.01%	1
Money Market - (RTC) Commercial Paper Series B - NCTD Interest	237,892.96	0.03%	237,892.96	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	46,291,068.52	4.87%	46,291,068.52	100.00%	-	0.03%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	6,376,066.06	0.67%	6,376,066.06	100.00%	-	0.03%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Capex	0.06	0.00%	0.06	100.00%	-	0.00%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Maint Reserve	0.14	0.00%	0.14	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A	465,542.30	0.05%	465,542.30	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	4,645,738.71	0.49%	4,645,738.71	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	2,409,054.61	0.25%	2,409,054.61	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	13,760,668.28	1.45%	13,760,668.28	100.00%	-	0.00%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	2,031,770.47	0.21%	2,031,770.47	100.00%	-	0.00%	1
Certificates of Participation - (RTC) North County Transit District	21,750,000.00	2.29%	21,750,000.00	100.00%	-	0.16%	35
Capital Project Retention Accounts	58,011,918.46	6.10%	58,011,918.46	100.00%	-	N/A	1
TOTAL US BANK TRUST	\$ 161,448,479.76	16.97%	\$ 161,448,479.76	100.00%	\$ -	0.03%	6
US BANK:							
INDIVIDUAL PORTFOLIO:							
(RTC) TransNet Extension	\$ 224,895,183.28	23.64%	\$ 229,780,595.88	102.17%	\$ 4,885,412.60	1.71%	770
TOTAL INDIVIDUAL PORTFOLIO	\$ 224,895,183.28	23.64%	\$ 229,780,595.88	102.17%	\$ 4,885,412.60	1.71%	770

Institution / Account	Book Value	Percent of Portfolio	Market Value	Market Price	Unrealized Gain/(Loss)	Yield on Cost	Wtd Avg- Days to Maturity
CASH RESERVE:							
(RTC) TransNet Extension	\$ 544,295.72	0.06%	\$ 544,295.72	100.00%	\$ -	0.00%	1
TOTAL CASH RESERVE	\$ 544,295.72	0.06%	\$ 544,295.72	100.00%	\$ -	0.00%	1
TOTAL US BANK	\$ 225,439,479.00	23.70%	\$ 230,324,891.60	102.17%	\$ 4,885,412.60	1.70%	768
SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND:							
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	\$ 2,636,787.23	0.28%	\$ 2,636,787.23	100.00%	\$ -	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	61,858,435.34	6.50%	61,858,435.34	100.00%	-	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	31,780,922.42	3.34%	31,780,922.42	100.00%	-	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	35,301,832.04	3.71%	35,301,832.04	100.00%	-	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	7,982,610.92	0.84%	7,982,610.92	100.00%	-	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (SourcePoint)	181,624.80	0.02%	181,624.80	100.00%	-	0.88%	552
TOTAL SAN DIEGO COUNTY TREASURER'S POOLED MONEY FUND	\$ 139,742,212.75	14.69%	\$ 139,742,212.75	100.00%	\$ -	0.88%	552
JP MORGAN:							
(RTC) JPMorgan Prime Money Market Fund	\$ 20,005,300.33	2.10%	\$ 20,001,302.46	99.98%	\$ (3,997.87)	0.11%	40
(RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	10,002,829.05	1.05%	10,001,829.25	99.99%	(999.80)	0.09%	55
TOTAL JP MORGAN	\$ 30,008,129.38	3.15%	\$ 30,003,131.71	99.98%	\$ (4,997.67)	0.11%	45
CALIFORNIA BANK AND TRUST:							
Capital Project Retention Accounts	\$ 1,177,515.52	0.12%	\$ 1,177,515.52	100.00%	\$ -	N/A	1
TOTAL CALIFORNIA BANK AND TRUST	\$ 1,177,515.52	0.12%	\$ 1,177,515.52	100.00%	\$ -	N/A	1
WELLS FARGO BANK, N.A.:							
(SANDAG) Section 115 Pension Trust	\$ 9,894,794.19	1.04%	\$ 10,625,729.61	107.39%	\$ 730,935.42	1.84%	1
TOTAL WELLS FARGO BANK, N.A.	\$ 9,894,794.19	1.04%	\$ 10,625,729.61	107.39%	\$ 730,935.42	1.84%	1
TOTAL	\$ 951,328,225.80	100.00%	\$ 956,987,347.27	100.59%	\$ 5,659,121.47	0.66%	298

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 December 31, 2020

	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
Cash and cash equivalents:											
Demand deposits:											
(ARJIS)											
(RTC) TransNet Sales Tax	N/A	N/A	\$ 301,783.79	\$ 301,783.79	\$ -	N/A	NR	NR	NR	N/A	1
(SANDAG) Flexible Spending Acct (FSA)	N/A	N/A	671,412.71	671,412.71	-	N/A	NR	NR	NR	N/A	1
(SANDAG) General	N/A	N/A	68,742.67	68,742.67	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Interstate 15 (I-15) FasTrak®	N/A	N/A	8,191,100.43	8,191,100.43	-	N/A	NR	NR	NR	N/A	1
(SANDAG) Revenue Account Common	N/A	N/A	788,873.49	788,873.49	-	N/A	NR	NR	NR	N/A	1
(SANDAG) SAFE Program Account	N/A	N/A	1,663,407.36	1,663,407.36	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Collection Account	N/A	N/A	82,861.99	82,861.99	-	N/A	NR	NR	NR	N/A	1
(SANDAG) State Route 125 (SR-125) Payment Account	N/A	N/A	5,759,884.02	5,759,884.02	-	N/A	NR	NR	NR	N/A	1
(SourcedPoint)	N/A	N/A	29,313.53	29,313.53	-	N/A	NR	NR	NR	N/A	1
			\$ 17,522,950.23	\$ 17,522,950.23	\$ -						
Total demand deposits											
Money market accounts and funds:											
CAMP Cash Reserve Portfolio - (ARJIS)	N/A	N/A	\$ 6,542,761.08	\$ 6,542,761.08	\$ -	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series A - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series A/B/C/D Reserve Fund	N/A	N/A	8,283,063.26	8,283,063.26	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series B - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series C - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Bond Series D - Principal	N/A	N/A	1.00	1.00	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2008 Sales Tax Account - TransNet Extension	N/A	N/A	82,943,799.19	82,943,799.19	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2010 Bond Series A - Interest	N/A	N/A	5,009,536.42	5,009,536.42	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2012 Bond Series A - Interest	N/A	N/A	931,122.86	931,122.86	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2012 Bond Series A - Principal	N/A	N/A	14,981,796.55	14,981,796.55	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Interest	N/A	N/A	2,130,438.36	2,130,438.36	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2014 Bond Series A Principal	N/A	N/A	4,186,138.19	4,186,138.19	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Interest	N/A	N/A	3,848,997.69	3,848,997.69	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2016 Bond Series A Principal	N/A	N/A	3,953,657.96	3,953,657.96	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2018 Bond Series A Interest	N/A	N/A	5,125,467.06	5,125,467.06	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Interest	N/A	N/A	888,552.52	888,552.52	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) 2020 Bond Series A Principal	N/A	N/A	1,155,356.60	1,155,356.60	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) Custody Account	N/A	N/A	15,532.20	15,532.20	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) Stage Hill Endowment	N/A	N/A	877,087.57	877,087.57	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) TransNet Program Reserve	N/A	N/A	56,273,216.34	56,273,216.34	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (RTC) Wetland Mitigation TransNet Sales Tax	N/A	N/A	311,219.09	311,219.09	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB Cap- I Fund	N/A	N/A	101,232.13	101,232.13	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) 2019 Series AB DSR Fund	N/A	N/A	12,841,581.93	12,841,581.93	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) California Coastal Commission	N/A	N/A	1,054,136.84	1,054,136.84	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) Coronado Bridge Toll Funds	N/A	N/A	285,172.92	285,172.92	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) El Portal Project	N/A	N/A	6,783,112.64	6,783,112.64	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) I-15 FasTrak®	N/A	N/A	662,651.19	662,651.19	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) SANDAG Shoreline Management	N/A	N/A	172,360.32	172,360.32	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	1,975,095.03	1,975,095.03	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	32,152,003.35	32,152,003.35	-	N/A	AAAm	NR	NR	0.12%	46
CAMP Cash Reserve Portfolio - (SANDAG) SR 125	N/A	N/A	42,390,289.19	42,390,289.19	-	N/A	AAAm	NR	NR	0.12%	46
Money Market - (RTC) 2008 Bond Series A/B/C/D Main Interest	N/A	N/A	1,297,083.47	1,297,083.47	-	N/A	NR	NR	NR	0.00%	1
Money Market - (RTC) 2019 Revenue Bond Series A Interest	N/A	N/A	3,404,362.59	3,404,362.59	-	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) Commercial Paper Notes Series B Interest	N/A	N/A	15,972.38	15,972.38	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) Commercial Paper Notes Series B Principal	N/A	N/A	751,336.58	751,336.58	-	N/A	NR	NR	NR	0.01%	1
Money Market - (RTC) Commercial Paper Notes Series B - NCTD Interest	N/A	N/A	237,892.96	237,892.96	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) Grant RCPT 19 A & B COI	N/A	N/A	4.15	4.15	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Grant Receipts Construction	N/A	N/A	46,291,068.52	46,291,068.52	-	N/A	NR	NR	NR	0.03%	1
Money Market - (SANDAG) Grant Receipt 2019 AB Interest	N/A	N/A	6,376,066.06	6,376,066.06	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Capex	N/A	N/A	0.06	0.06	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SB Expressway 2017 Series A Maint Reserve	N/A	N/A	0.14	0.14	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A	N/A	N/A	465,542.30	465,542.30	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Interest	N/A	N/A	4,645,738.71	4,645,738.71	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Principal	N/A	N/A	2,409,054.61	2,409,054.61	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 2017 Bond Series A Reserve	N/A	N/A	13,760,668.28	13,760,668.28	-	N/A	NR	NR	NR	0.00%	1
Money Market - (SANDAG) SR 125 FasTrak Customer Prepaid Fund	N/A	N/A	2,031,770.47	2,031,770.47	-	N/A	NR	NR	NR	0.00%	1
San Diego County Treasurer's Pooled Money Fund - (ARJIS)	N/A	N/A	2,636,787.23	2,636,787.23	-	N/A	NR	NR	NR	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (RTC) 2020 Bonds	N/A	N/A	61,858,435.34	61,858,435.34	-	N/A	NR	NR	NR	0.88%	552

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
San Diego County Treasurer's Pooled Money Fund - (RTC) TransNet Extension	N/A	N/A	31,780,922.42	31,780,922.42	-	N/A	NR	NR	AAAF/S1	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (SANDAG) I-15 FasTrak®	N/A	N/A	35,301,832.04	35,301,832.04	-	N/A	NR	NR	AAAF/S1	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (SANDAG) SAFE Program	N/A	N/A	7,982,610.92	7,982,610.92	-	N/A	NR	NR	AAAF/S1	0.88%	552
San Diego County Treasurer's Pooled Money Fund - (Sourcepoint)	N/A	N/A	181,624.80	181,624.80	-	N/A	NR	NR	AAAF/S1	0.88%	552
State of CA Local Agency Investment Fund (LAIF) - (RTC) TransNet	N/A	N/A	57,560,717.39	57,560,717.39	-	N/A	NR	NR	NR	0.49%	165
State of CA Local Agency Investment Fund (LAIF) - (SANDAG)	N/A	N/A	263,369.86	263,369.86	-	N/A	NR	NR	NR	0.49%	165
US Bank Cash Reserve Portfolio - (RTC) TransNet Extension	N/A	N/A	544,295.72	544,295.72	-	N/A	NR	NR	NR	0.00%	1
Wells Fargo - (SANDAG) Section 115 Pension Trust	N/A	N/A	9,894,794.19	10,625,729.61	730,935.42	N/A	NR	NR	NR	1.84%	1
JP Morgan (RTC) JPMorgan Prime Money Market Fund	N/A	N/A	20,005,300.33	20,001,302.46	(3,997.87)	N/A	AAA-mf	AAA	AAAmf	0.11%	40
JP Morgan (RTC) Morgan Stanley Institutional Liquidity Funds: Prime Portfolio	N/A	N/A	10,002,829.05	10,001,829.25	(999.80)	N/A	AAA-mf	AAA	AAAmf	0.09%	55
Capital Project Retention Accounts - US Bank	N/A	N/A	58,011,918.46	58,011,918.46	-	N/A	NR	NR	NR	N/A	1
Capital Project Retention Accounts - CA Bank & Trust	N/A	N/A	1,177,515.52	1,177,515.52	-	N/A	NR	NR	NR	N/A	1
Total money market accounts and funds			\$ 674,764,897.05	\$ 675,490,834.80	\$ 725,937.75	\$ -				0.32%	151
Total cash and cash equivalents			\$ 692,287,847.28	\$ 693,013,785.03	\$ 725,937.75	N/A				0.32%	147
Investments:											
U.S. Agencies:											
FANNIE MAE NOTES	07/13/2020	07/10/2023	\$ 5,456,974.50	\$ 5,459,908.10	\$ 22,933.60	\$ 5,450,000.00	AA+	Aaa	AAA	0.33%	921
FEDERAL FARM CREDIT BANK	02/26/2019	02/11/2021	4,999,029.10	5,013,084.55	14,055.45	5,000,000.00	AA+	Aaa	AAA	2.51%	42
FEDERAL FARM CREDIT BANK	06/24/2019	02/08/2023	5,082,900.00	5,216,902.75	134,002.75	5,000,000.00	AA+	Aaa	AAA	1.77%	769
FEDERAL FARM CREDIT BANK	04/11/2019	04/05/2023	6,968,500.00	7,324,071.02	355,571.02	7,000,000.00	AA+	Aaa	AAA	2.37%	825
FEDERAL FARM CREDIT BANK	10/16/2020	10/13/2023	5,794,200.00	5,800,999.86	6,799.86	5,800,000.00	AA+	Aaa	AAA	0.31%	1,016
FEDERAL FARM CREDIT BANK	05/15/2019	11/08/2023	6,022,560.00	6,350,312.64	327,752.64	6,000,000.00	AA+	Aaa	AAA	2.21%	1,042
FEDERAL FARM CREDIT BANK	09/28/2020	03/28/2024	5,995,500.00	5,985,817.08	(9,682.92)	6,000,000.00	AA+	Aaa	AAA	0.32%	1,183
FEDERAL FARM CREDIT BANK	08/27/2019	07/26/2024	6,615,310.00	6,863,765.74	248,455.74	6,500,000.00	AA+	Aaa	AAA	1.47%	1,303
FEDERAL FARM CREDIT BANK	09/17/2019	09/10/2024	5,079,870.00	5,328,759.35	248,889.35	5,000,000.00	AA+	Aaa	AAA	1.74%	1,349
FEDERAL HOME LOAN BANK	03/01/2019	03/12/2021	4,979,485.00	5,021,564.20	42,079.20	5,000,000.00	AA+	Aaa	AAA	1.74%	1,349
FEDERAL HOME LOAN BANK	06/24/2019	03/10/2023	5,063,453.47	5,216,154.65	152,701.18	5,000,000.00	AA+	Aaa	-	1.77%	799
FEDERAL HOME LOAN BANK	03/01/2019	12/09/2022	3,648,843.00	3,623,031.32	(25,811.68)	3,300,000.00	AA+	Aaa	-	2.25%	708
FEDERAL HOME LOAN BANK	03/06/2019	11/29/2021	4,915,300.00	5,079,799.05	164,499.05	5,000,000.00	AA+	Aaa	-	2.52%	333
FEDERAL HOME LOAN BANK	03/01/2020	06/11/2021	4,924,100.00	5,307,618.75	383,518.75	5,000,000.00	AA+	Aaa	-	2.56%	162
FEDERAL HOME LOAN MORTGAGE CORP	11/23/2020	11/24/2023	5,300,000.00	5,302,288.38	2,288.38	5,300,000.00	-	Aaa	AAA	0.35%	1,058
FEDERAL HOME LOAN MORTGAGE CORP	07/09/2020	04/15/2024	4,000,000.00	4,000,543.00	543.00	4,000,000.00	-	Aaa	AAA	0.50%	1,201
FEDERAL HOME LOAN MORTGAGE CORP	09/10/2020	09/14/2023	5,496,700.00	5,495,857.62	(842.38)	5,500,000.00	-	Aaa	AAA	0.29%	987
FEDERAL HOME LOAN MORTGAGE CORP	09/28/2020	03/29/2024	5,000,000.00	5,001,015.40	1,015.40	5,000,000.00	-	Aaa	AAA	0.35%	1,184
FEDERAL HOME LOAN MORTGAGE CORP	11/08/2019	07/13/2022	4,563,265.50	4,604,040.00	40,774.50	4,500,000.00	AA+	Aaa	AAA	1.71%	378
FEDERAL NATIONAL MORTGAGE ASSOCIATION	02/25/2019	09/06/2022	5,262,158.00	5,412,779.50	150,621.50	5,300,000.00	AA+	Aaa	AAA	1.63%	614
FEDERAL NATIONAL MORTGAGE ASSOCIATION	07/01/2019	10/05/2022	5,028,950.00	5,163,150.00	134,200.00	5,000,000.00	AA+	Aaa	AAA	1.82%	643
FEDERAL NATIONAL MORTGAGE ASSOCIATION	04/23/2019	04/12/2022	4,982,050.00	5,139,648.45	157,598.45	5,000,000.00	AA+	Aaa	AAA	2.38%	467
FEDERAL NATIONAL MORTGAGE ASSOCIATION	11/08/2019	07/02/2024	4,993,150.00	5,264,558.65	271,408.65	5,000,000.00	AA+	Aaa	AAA	1.78%	1,279
UNITED STATES TREASURY NOTE/BOND	03/01/2019	12/15/2021	5,013,298.00	5,118,945.30	105,647.30	5,000,000.00	AA+	Aaa	AAA	2.52%	349
UNITED STATES TREASURY NOTE/BOND	06/24/2019	09/30/2023	4,235,500.00	4,444,621.08	209,121.08	4,300,000.00	AA+	Aaa	AAA	1.74%	1,003
UNITED STATES TREASURY NOTE/BOND	06/13/2019	08/31/2023	3,925,794.65	4,130,625.00	204,830.35	4,000,000.00	AA+	Aaa	AAA	1.84%	973
UNITED STATES TREASURY NOTE/BOND	03/01/2019	05/31/2023	4,980,078.13	5,178,320.30	198,242.17	5,000,000.00	AA+	Aaa	AAA	1.73%	881
UNITED STATES TREASURY NOTE/BOND	09/27/2019	04/30/2024	5,091,423.00	5,299,609.40	208,186.40	5,000,000.00	AA+	Aaa	AAA	1.58%	1,216
US TREASURY NOTES	03/25/2019	03/31/2021	3,541,276.64	3,558,705.00	17,428.36	3,541,000.00	AA+	Aaa	AAA	2.25%	90
Total U.S. Agencies			\$ 146,939,668.99	\$ 150,436,496.14	\$ 3,496,827.15	\$ 146,491,000.00				1.60%	808
Corporate Medium Term Notes:											
BANK OF AMERICA CORP	10/14/2020	12/20/2023	\$ 2,628,700.00	\$ 2,631,275.00	\$ 2,575.00	\$ 2,500,000.00	A-	A2	A+	0.61%	1,084
BRANCH BANKING & TRUST (CALLED, OMD 02/0	10/23/2017	01/04/2021	999,540.00	999,941.00	401.00	1,000,000.00	A-	A3	A	2.17%	4
CATERPILLAR FINANCIAL SERVICES	05/16/2019	12/07/2023	3,121,890.00	3,289,644.39	167,754.39	3,000,000.00	A	A3	A	2.69%	1,071
CATERPILLAR FINANCIAL SERVICES	03/14/2019	02/26/2022	4,019,240.00	4,123,744.20	104,504.20	4,000,000.00	A	A3	A	2.77%	422
CHEVRON	05/15/2019	06/24/2023	5,118,900.00	5,317,816.80	198,916.80	5,000,000.00	AA	Aa2	-	2.57%	905
CISCO SYSTEMS INC	03/01/2019	09/20/2021	3,914,240.00	4,040,315.28	126,075.28	4,000,000.00	AA-	A1	-	2.73%	263
CITIBANK	05/31/2019	07/23/2021	6,158,234.50	6,139,111.54	(19,122.96)	6,050,000.00	A+	Aa3	A+	2.54%	204
HOME DEPOT INC	03/14/2019	03/01/2022	4,275,054.00	4,343,976.88	68,922.88	4,200,000.00	A	A2	A	2.62%	425
HONEYWELL INTERNATIONAL	11/08/2019	08/15/2024	2,933,756.00	3,090,318.47	156,562.47	2,900,000.00	A	A2	A	2.04%	1,323
INTERNATIONAL BUSINESS MACHINES CORP	09/04/2019	08/01/2023	5,156,295.10	5,288,495.25	132,200.15	4,895,000.00	A	A2	-	1.95%	943
JOHN DEERE CAPITAL CORP NOTES	01/03/2018	01/08/2021	419,781.60	420,073.08	291.48	420,000.00	A-	A2	A	2.37%	8
JP MORGAN CHASE & CO	10/17/2019	03/01/2021	4,030,960.00	4,006,371.84	(24,588.16)	4,000,000.00	A-	A2	AA-	1.97%	60
MICROSOFT CORP	07/18/2019	02/06/2024	6,043,518.00	6,283,751.70	240,233.70	5,850,000.00	AAA	Aaa	AAA+	2.11%	1,132
ORACLE CORP	03/14/2019	05/15/2022	3,993,280.00	4,106,942.36	113,662.36	4,000,000.00	A	A3	A-	2.56%	500
PFIZER INC	09/30/2019	05/15/2024	4,036,968.00	4,175,848.27	138,880.27	3,800,000.00	A+	A2	A	1.98%	1,231

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
PNC BANK	02/07/2020	07/25/2023	3,185,370.00	3,252,157.80	66,787.80	3,000,000.00	A-	A3	A	1.95%	936
WELLS FARGO AND CO	07/09/2020	06/02/2024	2,546,750.00	2,569,708.63	22,958.63	2,500,000.00	BBB+	A2	A+	0.99%	1,249
WELLS FARGO AND CO	07/20/2020	01/24/2023	5,176,950.00	5,142,707.25	(34,242.75)	5,000,000.00	BBB+	A2	A+	0.70%	754
Total Corporate Medium Notes			\$ 67,259,427.20	\$ 69,222,199.74	\$ 1,462,772.54	\$ 66,115,000.00				2.10%	735
Supra-National Agency Bond/Note											
INT'L BANK FOR RECON AND DEVELOPMENT	09/10/2020	03/09/2021	\$ 6,041,514.00	\$ 6,016,511.70	\$ (25,002.30)	\$ 6,000,000.00	AAA	Aaa	AAA	0.20%	68
INTER-AMERICAN DEVELOPMENT BANK	03/05/2019	04/19/2021	3,898,440.00	3,927,034.65	28,594.65	3,900,000.00	AAA	Aaa	AAA	2.64%	109
INTER-AMERICAN DEVELOPMENT BANK	04/24/2020	04/19/2021	1,685,290.20	1,661,437.73	(23,852.47)	1,650,000.00	AAA	Aaa	AAA	0.42%	109
INTER-AMERICAN DEVELOPMENT BANK	11/06/2020	02/21/2024	5,436,150.00	5,421,150.00	(15,000.00)	5,000,000.00	AAA	Aaa	AAA	0.32%	1,147
INTERNATIONAL FINANCE CORPORATION NOTE	01/18/2018	01/25/2021	1,540,457.70	1,545,871.38	5,413.68	1,545,000.00	AAA	Aaa	NR	2.35%	25
Total Supra-National Agency Bond/Notes			\$ 18,601,851.90	\$ 18,572,005.46	\$ (29,846.44)	\$ 18,095,000.00				0.94%	392
Asset-Backed Security:											
ALLYA 2017-5 A3	11/14/2017	03/15/2022	\$ 29,179.78	\$ 29,187.77	\$ 7.99	\$ 29,182.05	AAA	Aaa	NR	1.99%	439
HAROT 2017-4 A3	11/22/2017	11/21/2021	35,090.62	35,114.25	23.63	35,095.56	NR	Aaa	AAA	2.05%	325
TAOT 2017-D A3	11/07/2017	01/15/2022	145,999.44	146,237.53	238.09	146,012.90	AAA	Aaa	NR	1.93%	380
TAOT 2018-A A3	01/23/2018	05/16/2022	246,894.96	247,928.25	1,033.29	246,897.80	AAA	Aaa	NR	2.35%	501
TOYOTA AUTO RECEIVABLES 2017-D	04/20/2020	02/15/2023	3,532,265.63	3,534,393.10	2,127.47	3,500,000.00	AAA	Aaa	-	1.37%	776
Total Asset-Backed Security			\$ 3,989,430.43	\$ 3,992,860.90	\$ 3,430.47	\$ 3,957,188.31				1.46%	738
Certificates of Participation:											
(RTC) North County Transit District Certificates of Participation	12/03/2020	02/04/2021	\$ 21,750,000.00	\$ 21,750,000.00	\$ -	\$ 21,750,000.00	NR	A1	NR	0.16%	35
Total Certificates of Participation			\$ 21,750,000.00	\$ 21,750,000.00	\$ -	\$ 21,750,000.00				0.16%	35
Total Investments			\$ 259,040,378.52	\$ 263,973,562.24	\$ 4,933,183.72	\$ 256,408,188.31				1.56%	694
Total Portfolio:			\$ 951,328,225.80	\$ 956,987,347.27	\$ 5,659,121.47	N/A				0.66%	298

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)