



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, August 26, 2019
3:00 p.m. - Regular Meeting
Library and Technology Center, Sam Karas Room
Monterey Peninsula College
980 Fremont Street, Monterey, California

MEETING AGENDA

- 1. Call to Order**
Members of the audience wishing to address the Citizens' Bond Oversight Committee may do so during the public comment period. Under provisions of the Brown Act, the committee is prohibited from discussing or taking action on oral requests that are not part of the agenda. Comments are limited to three minutes per person or as determined by the committee.
- 2. Public Comment** ACTION
- 3. Approval of June 10, 2019 Minutes** ACTION
- 4. Accept Bills and Warrants Report** ACTION
The list of payments from bond funds expended through June 30, 2019 will be reviewed for acceptance by the committee.
- 5. Bond Expenditure Status Report** INFORMATION
The June 30, 2019 bond expenditure status report will be reviewed with the committee.
- 6. Monterey County Treasurer's Investment Report** INFORMATION
The bonds issued by the district have been invested with the Monterey County Treasurer's office. The Treasurer's Report of Investments, for the quarter ending June 30, 2019, provides a review of asset allocation and investment performance.



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| 7. Superintendent/President's Update | INFORMATION |
| 8. Membership Update
Committee membership will be reviewed by Mr. Martin. | INFORMATION |
| 9. Meeting Schedule
Future meetings of the committee are scheduled for: <ul style="list-style-type: none">Monday, November 4, 2019 (Annual Organizational Meeting) | INFORMATION |
| 10. Suggestions for Future Agenda Topics and Announcements | INFORMATION |
| 11. Adjournment | |

Public records provided to the Committee for the items listed on this agenda may be viewed online at the College's website <https://www.mpc.edu/about-mpc/campus-information/mpc-bond-measure/citizen-s-bond-oversight-committee/meeting-agenda-minutes>; at the Superintendent/President's office, Monterey Peninsula College, 980 Fremont Street, Monterey, California during normal business hours; or at the Committee meeting.

Posted August 21, 2019



MONTEREY PENINSULA COMMUNITY COLLEGE DISTRICT
Citizens' Bond Oversight Committee

Monday, June 10, 2019
 3:00 PM – Regular Meeting
 Sam Karas Room, Library and Technology Center
 Monterey Peninsula College
 980 Fremont Street, Monterey, California

MEETING MINUTES

MEMBERS PRESENT: Mr. Dan Albert, Jr.
 Mr. Hunter Harvath, Chair
 Mr. Dave Hober
 Ms. Ellise Kittrell
 Mr. Jeffrey Riehl
 Dr. Linda Turner Bynoe

ABSENT: Mr. Rob Lee, Vice Chair

STAFF PRESENT: Ms. Shawn Anderson, Assistant to the President
 Ms. Rosemary Barrios, Controller
 Mr. David Martin, Vice President for Administrative Services
 Dr. Walter Tribley, Superintendent/President

OTHERS PRESENT: Mr. Michael Carson, Kitchell

- 1. Call to Order**
 The regular meeting of the Citizens' Bond Oversight Committee of Monterey Peninsula College was called to order at 3:05 p.m. by Chair Harvath.

- 2. Public Comment**
 There were no public comments.

- 3. Approval of March 4, 2019 Minutes**
 Motion made by Mr. Albert Jr., seconded by Mr. Riehl, to approve the minutes of the March 4, 2019 meeting. Motion carried unanimously.

AYES:	6	MEMBERS:	Albert, Bynoe, Harvath, Hober, Kittrell, Riehl
NOES:	0	MEMBERS:	None
ABSENT:	1	MEMBERS:	Lee
ABSTAIN:	0	MEMBERS:	None

4. Accept Bills and Warrants Report

Chair Harvath reviewed the report by page and invited questions.

Page 2: Mr. Riehl inquired as to the meaning of “DSA.” Mr. Martin responded that “DSA” is the abbreviation for the Division of the State Architect, which provides design and construction oversight for K-12 schools and community colleges. He explained that the California DSA must approve the drawings of any public California elementary school, middle school, high school, or community college construction project.

Motion made by Mr. Albert, Jr., seconded by Mr. Hober, to approve the bills and warrants report. Motion carried unanimously.

AYES:	6	MEMBERS:	Albert, Bynoe, Harvath, Hober, Kittrell, Riehl
NOES:	0	MEMBERS:	None
ABSENT:	1	MEMBERS:	Lee
ABSTAIN:	0	MEMBERS:	None

5. Bond Expenditure Status Report

Chair Harvath advised that the bond expenditure status report would be reviewed and invited questions.

Mr. Martin explained each column in the report.

- The far left column of the report is the total budget for each project, including matching funds.
- The second column is the list of projects.
- Column A is the total bond budget for each project.
- Column B is the total expenses incurred, up to June 30, 2018, for each project.
- Column C is the year-to-date bond payments. MPC currently has \$26,149 in bond expenditures from July 1, 2018 to March 31, 2019.
- Column A-B-C (Column A minus Column B minus Column C) indicates the bond budget balance remaining for each project.
- Column (B+C)/A (Column B plus Column C, divided by Column A) indicates the percentage of bond cost.
- The final column is the percentage of construction schedule (the percentage of completion).

Mr. Albert, Jr. asked for an explanation of the Phase IV infrastructure project. Mr. Martin replied that this is a contingency account for future infrastructure needs, such as sidewalk repair and roofing, which were part of the original Measure I Bond.

Mr. Riehl inquired as to the reason for the over expenditure of the data center project. Mr. Martin explained that the original project budget did not accurately reflect the true cost of the data center project over its lifespan.

Mr. Hober observed that although \$12 million is listed as the total budget with other funds for the Public Safety Training Center (PSTC) Parker Flats project, the total bond budget for that project is listed as \$6 million under Column A. He asked for confirmation that the reason for this

difference is that the state has not yet provided \$6 million in matching funds. Dr. Tribley confirmed Mr. Hober's statement and noted that he would provide additional information regarding this topic during the superintendent/president's report.

6. Monterey County Treasurer's Investment Report

Chair Harvath advised that the treasurer's investment report would be reviewed and invited questions.

Mr. Martin explained that as an involuntary participant in Monterey County investments, along with other municipalities and governmental agencies in Monterey, MPC is required to pool our funds with other county investment funds. Doing so generates a larger principal which generates a larger interest to be divided amongst the participating agencies.

Page 3: Mr. Martin noted that MPC's funds generated 2.32% interest during the January 1, 2019 through March 31, 2019 quarter.

Mr. Albert Jr. asked if bond interest revenue will go back to the bonds. Mr. Martin replied affirmatively. Additionally, Mr. Martin explained that because the principal balance is very small, MPC isn't at risk of violating arbitrage regulations.

7. Superintendent/President's Update

President Tribley announced that Mr. Martin will succeed him as the new superintendent/president of MPC. He expressed his support for, and confidence in, Mr. Martin and encouraged the committee's support of Mr. Martin, as well.

President Tribley reported on the remaining 2002 Measure I Bond funds, which amounts to approximately \$8.2 million. Of those remaining funds, \$6 million is budgeted for the public safety training center project and \$1.2 million is budgeted for the music building project. President Tribley spoke of some of the inherent challenges that have delayed the PSTC project to date. Chief among those challenges, he noted, are that MPC does not yet have ownership of the land, and the state has not provided \$6 million in matching funds.

President Tribley communicated MPC's plans for, and strategy behind, expending the remaining Measure I Bond funds if the state again excludes matching funds for the PSTC from the 2019-20 state budget. He explained that MPC would be best positioned to succeed in obtaining new bond funds in 2020, should the board of trustees elect to do so, if we expend all remaining bond funds prior to going out for another bond in 2020. Therefore, in 2018, he directed Mr. Martin to work with MPC's facilities committee to develop a recommendation to reallocate the remaining Measure I Bond funds from the PSTC and music building projects to other projects previously approved by the board, in case matching funds are again excluded from the state's budget. This would enable MPC to pursue a bond in 2020 that would adequately fund the extensive PSTC and music building projects, without relying upon the state to provide matching funds.

Mr. Martin elaborated upon the reallocation process at President Tribley's request. In fall 2018, the facilities committee was presented with a list of approximately 45-50 MPC projects that were waiting in the queue for funding. The facilities committee spent 4.5 to 5 hours, over two

meetings, reviewing and vetting each of those projects. They considered three principles, which were:

- the projects had to be bond eligible,
- the projects had to be previously board approved either through the capital outlay plan or Measure I Bond language, and
- the projects needed to promote student safety and provide a safer environment for students.

As a result of this review, the facilities committee developed a list of projects recommended for the reallocation of Measure I Bond funds. (Mr. Martin explained that student safety drove the committee's recommendation of walkway lighting and the replacement of the athletic field turf, which is approximately two years past its useful life. He added that MPC is also at risk of losing our eligibility for football to be played on our field, unless the turf is replaced.) The facilities committee's list of recommended projects was brought to the President's Advisory Group (PAG), which is the main hub of MPC's participatory governance structure, for review and discussion. This list of projects then was presented to MPC's board of trustees beginning in April 2019.

President Tribley acknowledged that this list of recommended projects, which resulted from MPC's participatory governance process and represented the compromise of many, didn't address the PSTC project. He said that MPC could've elected to spend \$6 million on public safety training now, instead of reallocating the funds, but that doing so would've enabled us to address only the burn tower and would've left all other PSTC needs unaddressed. Furthermore, it also could hurt our chances to receive more bond funds for first responders in 2020, because they would be competing with others on campus who also have significant needs. He informed the committee that Kiran Kamath, Judy Cutting, and David Brown, the MPC administrators who oversee first responding at MPC, are actively researching solutions in the meantime that would enable MPC to providing training opportunities to our firefighter students and to maintain program accreditation. They have communicated with Fire Chief Tom Joyce of the Presidio of Monterey regarding a possible partnership on the build of a burn tower on Joe Lloyd Way. Chief Joyce has expressed interest in such a partnership. Another option to consider is to use some of MPC's bond funds to refurbish the burn tower in Salinas. However, we would prefer to create our own facility that is within our service district and close to our first responders, students, and faculty. President Tribley noted that a "chiefs meeting" is being scheduled to discuss plans related to the PSTC.

President Tribley reiterated that MPC still could receive matching funds from the state. Mr. Martin explained that MPC will find out if the state will provide \$6 million in matching funds when Governor Newsom releases his 2019-20 budget in June. Mr. Martin noted, however, that MPC's projects were not included in either the governor's January budget proposal or the May revise. If the state doesn't provide for matching funds in this year's budget, MPC's next best chance for matching funds would be the next budget cycle for 2020-21.

President Tribley reported that there are issues with proceeding with the PSTC and music building projects now, even if the state provides matching funds. He explained that the \$12 million budgeted for the PSTC project is insufficient now, and was insufficient in 2009 when the project was submitted to the state. Mr. Martin elaborated on that statement. He noted that the lack of infrastructure on the property, MPC's need to identify infrastructure needs (including water and electricity), design the infrastructure, and submit the design to the DSA for approval

before construction could begin would be part of the pre-construction project expense. President Tribley added that the remaining Measure I Bond funds budgeted for the music building would only allow for a short-term, temporary repair of the existing structure and stated that MPC could instead consider investing future bond funds to replace the current wooden structure with a three-story music, art, and culture center.

President Tribley also briefly reviewed potential opportunities for MPC, which include:

- running MOU (military operations in urban terrain) trainings through our Continuing Education program;
- putting an Emergency Vehicle Operations Course on Parker Flats;
- participating in partnerships with other cities or organizations; and
- swapping some of our land for land owned by others in the community, such as California State University Monterey Bay.

Mr. Albert, Jr. asked if contacting someone in Sacramento would be the appropriate method to lobby for the matching funds. Mr. Martin responded in the affirmative. He added, however, that at this point it comes down to the governor's priorities and his willingness to issue debt. The more projects funded by Prop 51 bonds that the governor funds, the more debt he has to issue to California. As of this time, the state's priority, which is backed by the chancellor's office, is to fund life and safety projects. Approximately 20 of the 60 projects awaiting funding are for community colleges that have an unsafe building and therefore meet the state's priority. MPC's two projects are considered to be campus modernization and program expansion. He added that approximately 15 of the 20 life and safety projects have been funded; there are approximately 5 or 6 more projects to go. Mr. Albert inquired if Senator Monning and Assemblymember Stone are aware of these projects. President Tribley in the affirmative, noting that he has sent letters to Senator Monning and others advocating for the matching funds. He added that Trustee Steck spoke to both Senator Monning and Assemblymember Stone in Sacramento this year.

President Tribley distributed New Business Agenda Item F from the May 22, 2019 Governing Board meeting, which includes the list of projects recommended for the reallocation of funds. He noted that the Board has been prioritizing the list each month, and reviewed the reallocations approved by the board as of May 2019.

- Child Development Center (CDC) Outdoor Instructional Classroom, \$400,000 (approved April 2019)
- Training Tower & Live Fire Burn Annex, \$1,000,000 (approved May 2019)
- Data Center Upgrade: \$700,000 (approved May 2019)

President Tribley added that in June, he will ask the board to approve funding for MPC's athletic fields project, to ensure our fields are safe for our student athletes. There are two options for funding this project – one is by paying for it out of MPC's reserves. The preferred option, however, is to pay for it with bond funds, by reallocating the \$1.2 million that was previously set aside for the music building project to the athletic field project. This \$1.2 million would be combined with the current bond fund allocation to the athletic field project, which is \$750,000.

Chair Harvath confirmed that the role of the CBOC is to review and approve the appropriateness of the expenditures of the remaining funds. Mr. Martin noted that the Measure I Bond funds will mature and be paid off on August 1, 2034.

8. Meeting Schedule

Future meetings of the committee are scheduled for:

- Monday, August 26, 2019
- Monday, November 4, 2019 (Annual Organizational Meeting)

9. Suggestions for Future Agenda Topics and Announcements

None.

Dr. Bynoe expressed her appreciation to President Tribley for taking her on a tour of MPC's PSTC and Education Center at Marina.

Chair Harvath expressed interest in a tour of the Impossible City (MOUT). Chair Harvath also wished President Tribley well in his future endeavors. He noted that the main reason he committed to serving on the CBOC was because of President Tribley and because he's continually impressed by the California community college system and the opportunities it affords both young and older individuals. He expressed his gratitude at having the opportunity to serve with President Tribley.

10. Adjournment

Chair Harvath adjourned the meeting at 3:56 pm.

Monterey Peninsula College		
Bills & Warrants Report		
Through June 30, 2019		
		Amount
Vendor Name	Description of service or purchase	Paid
Arts Complex	<i>Total Expense at March 31, 2018</i>	\$3,555,565.20
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$3,555,565.20</u>
Furniture/Equipment	<i>Total Expense at March 31, 2018</i>	\$5,443,040.91
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$5,443,040.91</u>
General Institutional Bond Mgmt.	<i>Total Expense at March 31, 2018</i>	\$5,928,860.21
Kitchell CEM	Construction management services for the period ending, April 30, 2019.	\$11,840.00
Kitchell CEM	Construction management services for the period ending, March 31, 2019.	\$9,990.00
Kitchell CEM	Construction management services for the period ending, February 28, 2019.	\$5,920.00
Kitchell CEM	Construction management services for the period ending, May 31, 2019.	\$15,355.00
Kitchell CEM	Construction management services for the period ending, June 30, 2019.	\$15,565.00
	To Date Expense through June 30, 2019	<u>\$5,987,530.21</u>
PSTC Parker Flats	<i>Total Expense at March 31, 2018</i>	\$70,498.52
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$70,498.52</u>
Infrastructure Phase IV	<i>Total Expense at March 31, 2018</i>	\$248,363.88
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$248,363.88</u>
Data Center Network Security	<i>Total Expense at March 31, 2018</i>	\$567,356.71
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$567,356.71</u>
Baseball Field	<i>Total Expense at March 31, 2018</i>	\$18,579.58
	No new expense this period.	\$0.00
	To Date Expense through June 30, 2019	<u>\$18,579.58</u>

Monterey Peninsula College		
Bills & Warrants Report		
Through June 30, 2019		
		Amount
Vendor Name	Description of service or purchase	Paid
<u>General Contingency</u>		<i>Total Expense at March 31, 2018</i>
		<u>\$364,665.98</u>
Wallace Group	Professional services consisted of: Division of State Architect (DSA) services and structural services. Billing thru October 31, 2018.	\$12,818.56
Wallace Group	Professional services consisted of: Bidding support. Invoice 48455.	\$757.03
Wallace Group	Professional services consisted of: Bidding support. Invoice 48233.	\$224.02
	To Date Expense through June 30, 2019	<u>\$378,465.59</u>
Child Development Center - Outdoor Equipment		
		<i>Total Expense at March 31, 2018</i>
		\$0.00
Kleinfelder	Professional Services consisted of: direct administration reporting and soil sample. Billing thru June 9, 2019.	\$5,170.85
Don Chapin Company	Contractor services consisted of: providing material, equipment, and labor to perform work on the CDC Outdoor Classroom project. Payment application no. 1.	\$117,705.00
Kleinfelder	Professional Services consisted of: direct administration reporting and foundation observation. Billing thru July 7, 2019.	\$4,475.64
	To Date Expense through June 30, 2019	<u>\$127,351.49</u>
<u>Closed Projects</u>		
Old Library		\$21,279.52
Early Start - Walkway/Safety Improvements		\$225,630.18
Early Start - Telephone System Upgrades		\$599,414.48
Early Start - As Built Drawings		\$209,792.00
Early Start - Roof Repairs		\$480,255.64
Early Start - HVAC Repairs	Social Science/Computer Science buildings.	\$618,538.68
Early Start - Landscaping	Library technology area.	\$438,292.96
Early Start - Vehicles		\$187,070.27
Early Start - Master Signage Plan		\$53,890.42
Early Start - Auto Technology Bldg	HVAC replacement.	\$16,443.00
Drafting Bldg	Furnace replacement.	\$13,974.00
Early Start - New Plant Services Bldg	Costs over state funding for new building.	\$487,574.35
Early Start - Demolition of Old Plant Services Bldg		\$63,521.68
Environmental Impact Report - Campus		\$154,162.67

Monterey Peninsula College		
Bills & Warrants Report		
Through June 30, 2019		
		Amount
Vendor Name	Description of service or purchase	Paid
Business & Computer Science Bldg	Seismic design.	\$7,981.84
Humanities Bldg	Seismic design.	\$16,375.04
International Center Bldg	Blue Prints.	\$14.71
Physical Science Bldg	Architectural Services, for potential elevator replacement.	\$6,986.44
Life Science Bldg	Architectural Services, for potential elevator replacement.	\$7,793.83
Pool/Tennis Courts	Preliminary architectural services.	\$206.00
Physical Education Facility		\$1,488,294.29
PE Field/Track		\$14,848,446.67
Fitness Phase IB		\$899,827.93
College Center Renovation		\$23,608.41
Social Science Renovation		\$863,696.74
Music/Theater Building		\$22,732.50
Family and Consumer Science		\$67,671.12
Gymnasium Building	Floor/Seismic/Bleachers.	\$877,847.00
Lecture Forum Renovation		\$2,117,203.20
Child Development Center		\$1,029,198.71
Infrastructure/Parking		\$20,886,001.04
Infrastructure 2		\$2,481,606.93
New Administration/Old Library Bldg		\$4,712,191.10
Public Safety Training Center Renovation		\$7,478,201.30
Auto Technology Building Renovation		\$958,602.22
Business & Computer Science (includes Math)		\$2,215,417.93
New Student Services Building		\$9,681,388.03
New Education Center at Marina		\$8,159,654.52
PE Phase II (Gym/Locker Room Renovation)		\$3,810,035.95
Pool Renovation (includes Pool Bldg)		\$2,047,493.00
Student Center Renovation		\$6,157,617.00
Humanities, Bus-Hum, Student Services		\$3,543,043.00
Infrastructure- Phase III		\$6,458,266.00
Life Science /Physical Science		\$10,832,201.00
Swing Space / Interim Housing		\$5,777,350.00
Theater		\$10,382,736.00
Music		\$23,770.00

Monterey Peninsula College		
Bills & Warrants Report		
Through June 30, 2019		
		Amount Paid
Vendor Name	Description of service or purchase	
	To Date Expense through June 30, 2019	<u>\$131,453,299.30</u>
	Total Payments (Closed Projects, Under Construction, and Planned Projects)	<u>\$147,850,051.39</u>

BOND EXPENDITURE REPORT 6/30/2019

Total Budget With Other Funds	Projects	A Total Bond Budget	B Total Bond Prior Year Expenses	C 2018-2019	A-B-C	(B+C)/A	
				Year to Date Bond Payments	Bond Budget Balance	% Bond Cost	% Construction Schedule
	In Process						
\$3,795,585	Arts Complex	\$3,795,585	\$3,555,565	\$0	\$240,020	94%	100%
\$5,685,000	Furniture & Equipment	\$5,837,175	\$5,432,102	\$10,939	\$394,134	93%	99%
\$358,463	General Contingency	\$358,463	\$349,456	\$0	\$9,007	0%	0%
\$574,857	Infrastructure - Phase IV	\$574,857	\$248,364	\$29,010	\$297,483	48%	50%
\$400,000	Data Center Network Security	\$400,000	\$567,357	\$0	(\$167,357)	142%	100%
\$660,000	Child Dev Ctr Outdoor Playground	\$400,000	\$0	\$127,351	\$272,649	32%	97%
\$11,473,905	Total in Process	\$11,366,080	\$10,152,844	\$167,300	\$1,045,936		
	Future						
\$1,926,230	Baseball Field	\$1,926,230	\$18,580	\$0	\$1,907,650	1%	0%
\$12,000,000	PSTC Parker Flats	\$6,000,000	\$70,499	\$0	\$5,929,501	1%	0%
\$13,926,230	Total Future	\$7,926,230	\$89,079	\$0	\$7,837,151		
	Completed						
\$1,057,576	Early Start/Completed-HVAC Repairs	\$618,539	\$618,539	\$0	\$0	100%	100%
\$2,965,574	Early Start/Completed-New Plant Serv Bldg	\$487,574	\$487,574	\$0	\$0	100%	100%
\$599,414	Early Start/Completed-Telephone System	\$599,414	\$599,414	\$0	(\$0)	100%	100%
\$67,671	Family Consumer Science	\$67,671	\$67,671	\$0	\$0	100%	100%
\$1,517,774	Gym - floor/seismic/bleachers	\$877,847	\$877,847	\$0	\$0	100%	100%
\$2,481,607	Infrastructure - Phase II	\$2,481,607	\$2,481,607	\$0	\$0	100%	100%
\$20,886,001	Infrastructure - Phase I	\$20,886,001	\$20,886,001	\$0	\$0	100%	100%
\$2,117,203	Lecture Forum Renovation	\$2,117,203	\$2,117,203	\$0	\$0	100%	100%
\$7,427,191	New Admin / Old Library Renovation	\$4,712,191	\$4,712,191	\$0	(\$0)	100%	100%
\$5,413,198	New Child Development Center Bldg	\$1,029,198	\$1,029,198	\$0	\$0	100%	100%
\$21,420,211	Other Early start / completed	\$1,950,012	\$1,950,012	\$0	\$0	100%	100%
\$17,336,569	PE Field Track, Fitness Building	\$17,236,569	\$17,236,569	\$0	\$0	100%	100%
\$863,697	Social Science Renovation (inc. Seismic)	\$863,697	\$863,697	\$0	\$0	100%	100%
\$7,478,201	Public Safety Training Center Renov.	\$7,478,201	\$7,478,201	\$0	\$0	100%	100%
\$1,000,000	Auto Technology Building	\$958,602	\$958,602	\$0	(\$0)	100%	100%
\$2,300,000	Business Computer Science	\$2,215,418	\$2,215,418	\$0	\$0	100%	100%
\$8,300,000	New Ed Center Building at Marina	\$8,300,000	\$8,159,654	\$0	\$0	98%	100%
\$9,700,000	New Student Services Building	\$9,700,000	\$9,681,388	\$0	\$0	100%	100%
\$3,830,000	PE Phase II - Gym/Locker Room Renov.	\$3,830,000	\$3,810,036	\$0	\$0	99%	100%
\$2,640,519	Pool Renovation	\$2,640,519	\$2,047,493	\$0	\$0	78%	100%
\$6,157,617	College Center Renovation	\$6,157,617	\$6,157,617	\$0	\$0	100%	100%
\$6,614,000	Humanities, Bus-Hum, Student Services	\$3,543,043	\$3,543,043	\$0	\$0	100%	100%
\$6,458,266	Infrastructure - Phase III	\$6,458,266	\$6,458,266	\$0	\$0	100%	100%
\$10,832,201	Life Science/Physical Science	\$10,832,201	\$10,832,201	\$0	\$0	100%	100%
\$5,800,000	Swing Space / Interim Housing	\$5,777,350	\$5,777,350	\$0	\$0	100%	99%
\$10,382,736	Theater	\$10,382,736	\$10,382,736	\$0	\$0	100%	100%
\$23,770	Music	\$23,770	\$23,770	\$0	\$0	100%	100%
\$165,670,996	Total Completed	\$132,225,246	\$131,453,299	\$0	(\$1)		
\$191,071,131	Total All Projects	\$151,517,556	\$141,695,222	\$167,300	\$8,883,086		
	General Institutional-Bond Management		\$5,869,660	\$117,870			
			\$147,564,882	\$285,170			
	Total Bond Funds Spent to Date		\$147,850,052				



Monterey County Board of Supervisors

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Order

A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor Chris Lopez to:

- a. Receive and Accept the Treasurer's Report of Investments for the Quarter Ending June 30, 2019; and
- b. Receive and Approve the Treasurer's Investment Policy for FY 2019-2020; and
- c. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

PASSED AND ADOPTED on this 23rd day of July 2019, by the following vote, to wit:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams

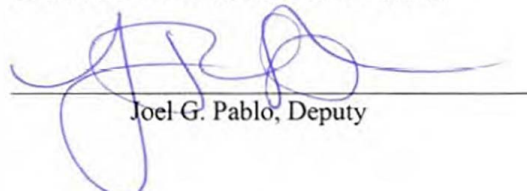
NOES: None

ABSENT: None

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting July 23, 2019.

Dated: July 23, 2019
File ID: 19-0586

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California



Joel G. Pablo, Deputy



Monterey County

Board of Supervisors
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: 19-0586

July 23, 2019

Introduced: 7/12/2019

Current Status: Agenda Ready

Version: 2

Matter Type: General Agenda Item

- a. Receive and Accept the Treasurer's Report of Investments for the Quarter Ending June 30, 2019; and
- b. Receive and Approve the Treasurer's Investment Policy for FY 2019-2020; and
- c. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Receive and Accept the Treasurer's Report of Investments for the Quarter Ending June 30, 2019; and
- b. Receive and Approve the Treasurer's Investment Policy for FY 2019-2020; and
- c. Renew the Delegation of Investment Authority to the Treasurer-Tax Collector pursuant to California Government Code 53607.

SUMMARY:

Government Code Section 53646 (b) (1) states the Treasurer may submit a quarterly report of investments. The attached exhibits provide a narrative portfolio review of economic and market conditions that support the investment activity during the April - June period, the investment portfolio position by investment type, and the investment portfolio by maturity range.

The Treasurer also annually reviews the Monterey County Investment Policy and has recommended updates for Board approval. These updates revise outdated language to clearly define investment guidelines and categories as stated in Government Code §53601(q). In addition, annual Board delegation of investment authority to the Treasurer-Tax Collector is prescribed by Government Code sections 53646 and 53607.

DISCUSSION:

During the April - June quarter, U.S. Treasury yields reinforced their downward trend amid persistent concern about escalating trade tensions. The yield curve inversion deepened further but remained relatively shallow on a historical basis. The Federal Reserve (FED) revealed a shift in stance on monetary policy from "patient" to "appropriate." Fed Chair Powell affirmed that the Fed will "act as appropriate to sustain the expansion." The market also appears to be factoring in rate cuts by year end.

On June 30, 2019, the Monterey County investment portfolio contained an amortized book value of \$1,757,528,144 spread among 169 separate securities and funds. The par value of those funds was \$1,765,188,987 with a market value of \$1,755,722,013 or 99.9% of amortized book value. The portfolio's net earned income yield for the period was 2.43%. The portfolio produced an estimated quarterly income of \$10,742,480 that will be distributed proportionally to all agencies participating in the investment pool. The investment portfolio had a weighted average maturity of 337 days. The County Treasury continues to use short term debt to provide portfolio liquidity and enhanced investment opportunities.

The investment portfolio is in compliance with all applicable provisions of state law and the adopted Investment Policy, and contains sufficient liquidity to meet all projected outflows over the next six months. Market value pricings were obtained through resources such as Bloomberg LLP, Union Bank of California and live-bid pricing of corporate securities.

OTHER AGENCY INVOLVEMENT:

A copy of this report will be distributed to all agencies participating in the investment pool and the Treasury Oversight Committee. In addition, the report will be published on the County Treasurer's web site. A monthly report of investment transactions is provided to the Board of Supervisors as required by Government Code 53607.


FINANCING:

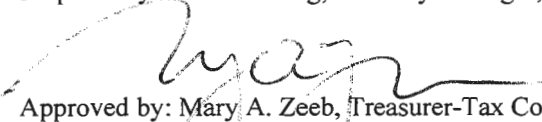
The investment portfolio contains sufficient liquidity to meet all projected expenditures over the next six months. Investment earnings in the General Fund have exceeded budgeted revenue for fiscal year 2018-2019.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This recommendation supports the Administration initiative by providing transparency and accountability in the management of County funds in the Treasurer's investment portfolio.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety


Prepared by: Susanne King, Treasury Manager, x5490


Approved by: Mary A. Zeeb, Treasurer-Tax Collector, x5015

All attachments are on file with The Clerk of the Board:

Exhibit A - Investment Portfolio Review 06.30.19

Exhibit B - Portfolio Management Report 06.30.19

Exhibit C - Aging Report 07.01.19

Exhibit D - Monterey County Investment Policy 2018-2019 - Red Line

Exhibit E - Monterey County Investment Policy 2019-2020 - Proposed

cc: Auditor-Controller - Internal Audit Section

All depositors

County Administrative Office

County Counsel

Treasury Oversight Committee

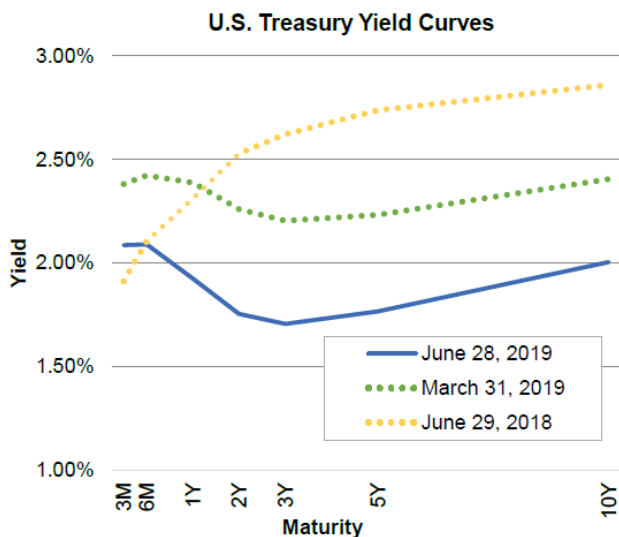
Exhibit A Investment Portfolio Review Quarter Ending June 30, 2019

OVERVIEW April 1, 2019 – June 30, 2019

During the April – June quarter, U.S. Treasury yields reinforced their downward trend amid persistent concern about escalating trade tensions. The yield curve inversion deepened further but remained relatively shallow on a historical basis. The Federal Reserve (FED) revealed a shift in stance on monetary policy from “patient” to “appropriate.” Fed Chair Powell affirmed that the Fed will “act as appropriate to sustain the expansion.” The market also appears to be factoring in rate cuts by year end.

U.S. TREASURY YIELD CURVE

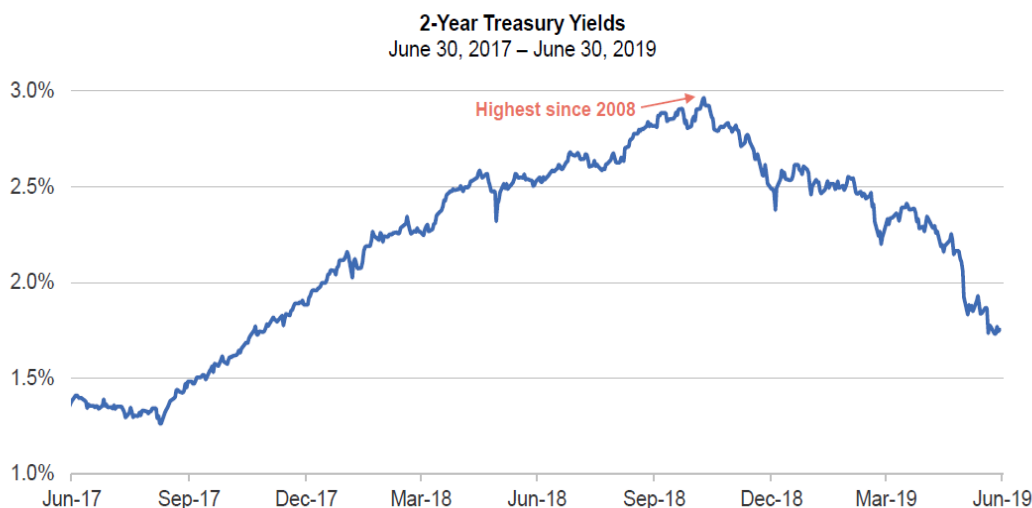
- Treasury yields fell across maturities throughout the quarter, with intermediate-term interest rates declining by bigger margins.
- The 3-month and 10-year Treasury yields inverted once again in May, and the inversion deepened throughout the remainder of the quarter.



	2Q2019 6/28/19	1Q2019 3/29/19	QoQ Change
3 month	2.09%	2.38%	-0.29%
6 month	2.09%	2.42%	-0.33%
1 year	1.93%	2.39%	-0.46%
2 year	1.75%	2.26%	-0.41%
3 year	1.71%	2.20%	-0.49%
5 year	1.77%	2.23%	-0.46%
10 year	2.01%	2.41%	-0.40%

Source: Bloomberg, as of 6/30/2019.

- The 2-year Treasury decreased by 51 basis points (0.51%) to end the quarter at 1.75%.
- Yields felt the pressure of heightened trade tensions, weakening economic data and the shift in Fed rate hike/cut expectations, declining across the board throughout the quarter.



Source: Bloomberg, as of 6/30/2019.

The County Treasury investments continue to focus on capturing relative value while remaining cautious. The following indicators reflect key aspects of the investment portfolio in light of the above noted conditions:

1. Market Access – During the quarter, investment purchases for the portfolio included U.S. Treasuries, Corporate Notes and a Certificate of Deposit. The Treasurer continues to keep a higher level of liquid assets reflecting the need to maintain levels of available cash to ensure the ability to meet all cash flow needs.
2. Diversification - The Monterey County Treasurer’s portfolio consists of 169 separate fixed income investments, all of which are authorized by the State of California Government Code 53601.

The portfolio asset spread is detailed in the table below:

Portfolio Asset Composition								
Corporate Notes	Negotiable CDs	Overnight Liquid Assets	US Treasuries	Federal Agencies	Commercial Paper	Supranationals	Municipal Bonds	Asset Backed Securities
13.2%	2.4%	22.1%	50.4%	5.4%	3.7%	2.7%	<0.1%	0.6%

• Total may not equal 100% due to rounding

3. Credit Risk – Approximately 84% of the investment portfolio is comprised of U.S. Treasuries, Federal Agency securities, negotiable CDs and other liquid funds. All assets have a better than investment grade rating. U.S. Treasuries are not specifically rated, but are considered the safest of all investments. All corporate debt (13.2%) is rated in the

higher levels of investment grade and all Federal Agency and municipal holdings are rated AA ratings. The Supranationals (2.7%) and the Asset Backed Security (0.6%) are rated AAA. The credit quality of the Treasurer’s portfolio continues to be high.

The portfolio credit composition is detailed in the table below:

Portfolio Credit Composition								
AAA	AAAm	AA	A	A-1 (Short Term)	Aaf/S1+ (CalTRUST)	BBB+ (split rated)	Not Rated (LAIF/MMF)	Not Rated
3.4%	7.1%	61.6%	7.8%	4.5%	11.7%	<1%	2.8%	.6%

4. **Liquidity Risk** – Liquidity risk, as measured by the ability of the County Treasury to meet withdrawal demands on invested assets, was managed during the April – June quarter. The portfolio’s average weighted maturity was 337 days, and the Treasurer maintained \$381M in overnight investments to provide immediate liquidity, be able to react quickly to opportunities in the current market, and take advantage of a higher yield on the money market rates. In addition, the Treasurer maintained \$967M in securities with maturities under a year, as the older investments mature, providing additional enhanced liquidity.

PORTFOLIO CHARACTERISTICS

	<u>March 31, 2019</u>	<u>June 30, 2019</u>
Total Assets	\$1,683,748,933.92	\$1,765,188,987.34
Market Value	\$1,672,221,350.10	\$1,755,722,012.68
Days to Maturity	335	337
Yield	2.32%	2.43%
Estimated Earnings	\$9,095,864.80	\$10,742,479.77

FUTURE STRATEGY

The Treasurer has 55% of the portfolio invested in maturities under one year and 45% invested in the 1-3-year maturity range. In the current interest rate environment, we continue to utilize available maturities to add high-quality securities and maintain a well-diversified portfolio. This strategy will also help to position the portfolio insuring that liquidity needs are met. We will continue to manage the portfolio under the established tenets of safety and liquidity while seeking to maximize the rate of return.

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
Money Market Accts - GC 53601(k)(2)												
SYS11672	11672	BlackRock			0.00	0.00	0.00	0.337			0.337	
SYS12159	12159	DREYFUS AMT FREE TAX EXEMPT MM			7,148,092.55	7,148,092.55	7,148,092.55	1.496			1.496	
SYS11830	11830	Federated		07/01/2018	0.00	0.00	0.00	0.101	Aaa	AAA	0.101	
SYS11578	11578	Fidelity Investments			700,000.00	700,000.00	700,000.00	0.956	Aaa	AAA	0.956	
Subtotal and Average			10,970,809.12		7,848,092.55	7,848,092.55	7,848,092.55				1.448	
State Pool - GC 16429.1												
SYS11361	11361	LAIF			49,900,000.00	49,900,000.00	49,900,000.00	2.546			2.546	
Subtotal and Average			52,808,791.21		49,900,000.00	49,900,000.00	49,900,000.00				2.546	
CALTRUST/CAMP - GC 53601(p)												
SYS11801	11801	CalTrust			113,800,000.00	113,800,000.00	113,800,000.00	2.654	Aaa	AAA	2.654	
SYS11802	11802	CalTrust			1,000,000.00	1,000,000.00	1,000,000.00	2.275	Aaa	AAA	2.275	
SYS12296	11803	CalTrust		04/30/2019	20,000,000.00	20,000,000.00	20,000,000.00	2.431			2.431	
SYS12211	12211	CalTrust		07/03/2018	70,900,000.00	70,900,000.00	70,900,000.00	1.324			1.324	
SYS12219	12219	CalTrust		09/18/2018	325,638.44	325,638.44	325,638.44	2.254			2.254	
SYS10379	10379	Calif. Asset Mgmt			117,100,000.00	117,100,000.00	117,100,000.00	2.389		AAA	2.389	
SYS11961	11961	Calif. Asset Mgmt		07/01/2018	0.00	0.00	0.00	0.658		AAA	0.658	
Subtotal and Average			302,790,865.99		323,125,638.44	323,125,638.44	323,125,638.44				2.251	
SWEEP ACCOUNT-MORG STNLY												
SYS12041	12041	Morgan Stanley			1.00	1.00	1.00	117.321			117.321	
Subtotal and Average			1.00		1.00	1.00	1.00				117.321	
SWEEP ACCOUNT - CUSTOM												
SYS12138	12138	Morgan Stanley			165,255.35	165,255.35	165,255.35	1.835			1.835	
Subtotal and Average			159,671.93		165,255.35	165,255.35	165,255.35				1.835	
Medium Term Notes - GC 53601(k)												
88579YAX9	12247	MMM COMPANY		01/11/2019	250,000.00	242,467.42	242,467.42	2.250			3.123	03/15/2023
023135AM8	12301	Amazon		05/31/2019	4,500,000.00	4,587,143.79	4,587,143.79	3.300	A3	AA-	2.472	12/05/2021
0258M0DP1	12088	American Express Credit		06/27/2016	10,000,000.00	10,020,900.00	10,006,993.97	2.250	A2	A-	1.660	08/15/2019
025816BM0	12156	American Express Credit		08/21/2017	250,000.00	249,861.25	249,861.25	2.500	A3	BBB+	2.519	08/01/2022
037833CQ1	12151	Apple Inc Corp Notes		08/17/2017	250,000.00	250,829.62	250,829.62	2.300	Aa1	AA+	2.177	05/11/2022

Portfolio INVT
AP

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
Medium Term Notes - GC 53601(k)												
037833DH0	12187	Apple Inc Corp Notes		03/14/2018	5,000,000.00	4,988,507.85	4,988,507.85	1.800	Aa1	AA+	2.443	11/13/2019
037833AR1	12268	Apple Inc Corp Notes		02/22/2019	3,825,000.00	3,834,802.89	3,834,802.89	2.850	Aa1	AA+	2.705	05/06/2021
037833CC2	12284	Apple Inc Corp Notes		04/09/2019	5,000,000.00	4,898,142.10	4,898,142.10	1.550	Aa1	AA+	2.559	08/04/2021
05531FAV5	12153	BB&T Corporation		08/21/2017	250,000.00	249,771.42	249,771.42	2.050	A2	A-	2.101	05/10/2021
06406HCZ0	12126	Bank of New York Mellon Corp		03/17/2017	10,000,000.00	9,985,700.00	10,002,490.92	2.150	A1	A	2.110	02/24/2020
097014AL8	12186	BOEING Capital Securities		03/14/2018	7,500,000.00	7,552,513.38	7,552,513.38	4.700	A2	A	2.468	10/27/2019
06051GGE3	12202	Bank of America Corp		06/07/2018	250,000.00	247,119.75	247,119.75	3.124	A3	A-	3.477	01/20/2023
06051GFW4	12234	Bank of America Corp		12/14/2018	5,000,000.00	4,923,658.70	4,923,658.70	2.625	Baa1	BBB+	3.515	04/19/2021
084664BT7	12182	Berkshire Hathaway Finance		03/12/2018	250,000.00	250,350.86	250,350.86	3.000	Aa2	AA	2.947	05/15/2022
084664BT7	12291	Berkshire Hathaway Finance		04/26/2019	8,625,000.00	8,741,286.19	8,741,286.19	3.000	Aa2	AA	2.509	05/15/2022
14913Q2E8	12183	CATERPILLAR FINL SERVC		03/12/2018	250,000.00	245,437.51	245,437.51	2.550	A3	A	3.129	11/29/2022
14912L6Y2	12189	CATERPILLAR FINL SERVC		04/02/2018	5,000,000.00	4,983,736.52	4,983,736.52	2.100	A3	A	2.738	01/10/2020
14913Q2G3	12276	CATERPILLAR FINL SERVC		03/15/2019	6,125,000.00	6,143,594.82	6,143,594.82	2.900	A3	A	2.716	03/15/2021
166764AY6	12208	Chevron Corp. Global		06/25/2018	2,155,000.00	2,140,541.60	2,140,541.60	2.419	Aa2	AA-	2.926	11/17/2020
17275RBG6	12104	Cisco Systems Inc Corp		09/20/2016	9,000,000.00	8,906,130.00	8,999,269.25	1.400	A1	A	1.438	09/20/2019
17275RBD3	12150	Cisco Systems Inc Corp		08/17/2017	250,000.00	251,012.22	251,012.22	2.200	A1	AA-	1.946	02/28/2021
17275RBD3	12302	Cisco Systems Inc Corp		05/31/2019	5,000,000.00	4,979,243.06	4,979,243.06	2.200	A1	AA-	2.464	02/28/2021
172967LC3	12307	Citibank		06/07/2019	3,840,000.00	3,872,293.85	3,872,293.85	2.900	A3	BBB+	2.530	12/08/2021
191216BG4	12250	Coca- Cola Co		01/14/2019	5,000,000.00	4,976,556.41	4,976,556.41	2.450	A1	A+	2.812	11/01/2020
191216AV2	12288	Coca- Cola Co		04/09/2019	4,980,000.00	5,054,037.93	5,054,037.93	3.300	Aa3	A+	2.587	09/01/2021
369550AR9	12237	General Dynamics Corp		12/14/2018	10,000,000.00	10,117,944.58	10,117,944.58	3.875	A2	A+	3.266	07/15/2021
38148FAB5	12188	Goldman Sachs		04/02/2018	5,000,000.00	4,994,360.07	4,994,360.07	2.550	A3	BBB+	2.923	10/23/2019
38145GAG5	12205	Goldman Sachs		06/07/2018	250,000.00	243,874.38	243,874.38	2.350	A3	BBB+	3.454	11/15/2021
437076AW2	12235	Home Depot Inc		12/14/2018	2,750,000.00	2,802,561.58	2,802,561.58	4.400	A2	A	3.256	04/01/2021
02665WBE0	12091	American Honda Finance		07/12/2016	2,500,000.00	2,465,425.00	2,499,974.54	1.200	A1	A+	1.234	07/12/2019
02665WBF7	12286	American Honda Finance		04/09/2019	5,000,000.00	4,898,352.34	4,898,352.34	1.650	A1	A+	2.688	07/12/2021
4581X0DB1	12191	Inter-America Devel BK		04/19/2018	285,000.00	284,623.80	284,623.80	2.625	Aaa		2.687	04/19/2021
44932HAH6	12181	IBM Corp Notes		03/12/2018	250,000.00	248,195.88	248,195.88	3.000	A1	A+	3.218	02/06/2023
458140AZ3	12136	INTEL CORP		05/15/2017	10,000,000.00	9,954,100.00	10,005,013.01	1.850	A1	A+	1.790	05/11/2020
458140AZ3	12155	INTEL CORP		08/21/2017	250,000.00	248,852.50	250,105.97	1.850	A1	A+	1.799	05/11/2020
24422EUA5	12180	John Deere Capital Corp		03/12/2018	250,000.00	245,883.64	245,883.64	2.700	A2	A	3.209	01/06/2023
24422ETB5	12278	John Deere Capital Corp		03/22/2019	5,000,000.00	4,988,863.89	4,988,863.89	2.450	A2	A	2.641	09/11/2020
46625HHU7	12157	JP Morgan Chase		08/21/2017	250,000.00	256,574.36	256,574.36	4.250	A3	A-	2.129	10/15/2020
57636QAB0	12282	MASTERCARD INC		04/04/2019	250,000.00	257,462.81	257,462.81	3.375	A2	A+	2.699	04/01/2024
594918BN3	12095	MICROSOFT CORP		08/08/2016	6,500,000.00	6,413,095.00	6,499,770.63	1.100	Aaa	AAA	1.135	08/08/2019

Portfolio INVT

AP

PM (PRF_PM2) 7.3.0

Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
Medium Term Notes - GC 53601(k)												
594918BN3	12133	MICROSOFT CORP		04/07/2017	6,000,000.00	5,919,780.00	5,997,175.51	1.100	Aaa	AAA	1.568	08/08/2019
594918BG8	12149	MICROSOFT CORP		08/17/2017	250,000.00	250,874.56	250,874.56	2.000	Aaa	AAA	1.730	11/03/2020
68389XBB0	12148	Oracle Corp		08/17/2017	250,000.00	251,781.35	251,781.35	2.500	A1	AA-	2.471	05/15/2022
68389XAX3	12185	Oracle Corp		03/14/2018	5,000,000.00	4,996,224.91	4,996,224.91	2.250	A1	AA-	2.537	10/08/2019
742718EN5	12154	Procter & Gamble Co		08/21/2017	250,000.00	249,789.50	249,789.50	1.850	Aa3	AA-	1.905	02/02/2021
742718EN5	12253	Procter & Gamble Co		01/15/2019	3,475,000.00	3,427,911.68	3,427,911.68	1.850	Aa3	AA-	2.734	02/02/2021
713448DX3	12236	Pepsico Inc Corp Note		12/14/2018	3,800,000.00	3,723,412.24	3,723,412.24	2.000	A1	A+	3.177	04/15/2021
713448DX3	12249	Pepsico Inc Corp Note		01/14/2019	5,000,000.00	4,924,601.97	4,924,601.97	2.000	A1	A+	2.876	04/15/2021
717081ES8	12280	PFIZER INC		04/04/2019	250,000.00	252,822.54	252,822.54	2.950	A1	AA	2.692	03/15/2024
717081DR1	12303	PFIZER INC		06/04/2019	5,000,000.00	5,164,428.74	5,164,428.74	5.200	A1	AA	2.190	08/12/2020
808513AW5	12196	Charles Schwab Corp		05/22/2018	160,000.00	159,996.97	159,996.97	3.250	A2		3.251	05/21/2021
857477AS2	12158	State Street Corp		08/21/2017	250,000.00	251,849.83	251,849.83	2.550	A1	A	1.874	08/18/2020
857477AS2	12266	State Street Corp		02/19/2019	2,125,000.00	2,119,929.49	2,119,929.49	2.550	A1	A	2.767	08/18/2020
857477AV5	12267	State Street Corp		02/22/2019	8,723,000.00	8,568,586.04	8,568,586.04	1.950	A1	A	2.927	05/19/2021
857477AV5	12269	State Street Corp		02/22/2019	1,300,000.00	1,276,943.80	1,276,943.80	1.950	A1	A	2.929	05/19/2021
857477AV5	12304	State Street Corp		06/04/2019	5,000,000.00	4,968,408.09	4,968,408.09	1.950	A1	A	2.295	05/19/2021
89236TBP9	12121	Toyota Motor Corporation		01/12/2017	5,000,000.00	5,000,150.00	5,000,506.62	2.125	Aa3	AA-	1.904	07/18/2019
89236TCQ6	12165	Toyota Motor Corporation		08/22/2017	250,000.00	254,064.77	254,064.77	2.800	Aa3	AA-	2.231	07/13/2022
89233P5T9	12231	Toyota Motor Corporation		12/07/2018	5,000,000.00	4,997,508.03	4,997,508.03	3.300	Aa3	AA-	3.320	01/12/2022
89236TEU5	12279	Toyota Motor Corporation		03/22/2019	5,000,000.00	5,029,630.77	5,029,630.77	2.950			2.606	04/13/2021
882508AY0	12298	Texas Instruments INC		05/30/2019	4,400,000.00	4,424,790.23	4,424,790.23	2.750	A1	A+	2.392	03/12/2021
911312BP0	12170	UNITED PARCEL SERVICE		11/14/2017	200,000.00	199,836.42	199,836.42	2.050	A1		2.099	04/01/2021
91159HHA1	12152	US BANCORP		08/17/2017	250,000.00	259,757.32	259,757.32	4.125	A1	A+	2.215	08/24/2021
91159HHL7	12300	US BANCORP		05/31/2019	4,287,000.00	4,278,123.19	4,278,123.19	2.350	A1	A+	2.484	01/29/2021
92826CAC6	12203	Visa Inc		06/07/2018	250,000.00	246,982.27	246,982.27	2.800	A1	A+	3.178	12/14/2022
931142EJ8	12223	Walmart Inc		10/31/2018	10,000,000.00	10,006,207.56	10,006,207.56	3.125	Aa2	AA	3.091	06/23/2021
Subtotal and Average			238,184,658.78		232,555,000.00	232,200,201.24	232,547,369.16				2.469	
Negotiable CDs - GC 53601(i)												
06417GU22	12204	Bank of Nova Scotia		06/07/2018	400,000.00	399,929.29	399,929.29	3.080			3.100	06/05/2020
22535CDU2	12281	Credit Agricole CIB NY		04/04/2019	250,000.00	250,000.00	250,000.00	2.830	A1	A+	2.869	04/02/2021
55379WZT6	12272	MUFG Banl LTD/NY		02/28/2019	10,000,000.00	10,000,000.00	10,000,000.00	2.970		A-1	3.020	02/26/2021
55379WZT6	12273	MUFG Banl LTD/NY		02/28/2019	250,000.00	250,000.00	250,000.00	2.970		A-1	2.970	02/26/2021
83050FXT3	12141	Skandinaviska Enskilada Banken		08/04/2017	14,000,000.00	13,938,540.00	13,999,760.00	1.840	P-1	A-1	1.860	08/02/2019
87019U6D6	12172	Swedbank		11/17/2017	18,000,000.00	17,902,800.00	18,000,000.00	2.270			2.270	11/16/2020

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Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
Subtotal and Average			67,506,485.26		42,900,000.00	42,741,269.29	42,899,689.29				2.326	
Commercial Paper Disc.- GC 53601(h)												
09659CVW5	12232	BNP Paribas NY		12/07/2018	20,300,000.00	20,202,221.67	20,202,221.67	2.890	P-1	A-1	2.981	08/30/2019
46640QVC2	12238	J P Morgan Securitities Inc		12/14/2018	20,000,000.00	19,930,000.00	19,930,000.00	3.000	P-1	A-1	3.092	08/12/2019
62479MZ63	12275	MUFG Banl LTD/NY		03/13/2019	25,000,000.00	24,705,944.44	24,705,944.44	2.680	P-1	A-1	2.777	12/06/2019
Subtotal and Average			64,606,082.36		65,300,000.00	64,838,166.11	64,838,166.11				2.937	
Fed Agcy Coupon Sec - GC 53601(f)												
3133EEMA5	12011	Federal Farm Credit Bank		01/30/2015	10,000,000.00	9,901,800.00	10,000,950.62	1.500	Aaa	AA	1.480	12/30/2019
313383HU8	12144	Federal Home Loan Bank		08/16/2017	1,200,000.00	1,202,348.07	1,202,348.07	1.750	Aaa	AA+	1.538	06/12/2020
3130AF5B9	12222	Federal Home Loan Bank		10/12/2018	10,000,000.00	9,997,719.44	9,997,719.44	3.000			3.011	10/12/2021
3130AEWA4	12243	Federal Home Loan Bank		01/03/2019	10,000,000.00	10,007,452.23	10,007,452.23	2.625	Aaa	AA+	2.563	10/01/2020
3130AFW94	12264	Federal Home Loan Bank		02/15/2019	370,000.00	368,789.27	368,789.27	2.500			2.576	02/13/2024
3137EAEB1	12114	Federal Home Loan Mtg Corp		12/19/2016	20,000,000.00	19,687,200.00	19,993,299.35	0.875	Aaa	AA+	1.561	07/19/2019
3137EAEL9	12242	Federal Home Loan Mtg Corp		01/03/2019	10,000,000.00	9,975,005.24	9,975,005.24	2.375	Aaa	AA+	2.533	02/16/2021
3135G0N33	12094	Federal National Mtg Assn		08/08/2016	18,675,000.00	18,375,639.75	18,673,744.05	0.875	Aaa	AA+	0.954	08/02/2019
3135G0T29	12123	Federal National Mtg Assn		02/28/2017	12,600,000.00	12,469,212.00	12,598,230.40	1.500	Aaa	AA+	1.522	02/28/2020
3135G0T60	12140	Federal National Mtg Assn		08/07/2017	1,200,000.00	1,199,038.56	1,199,038.56	1.500	Aaa	AA+	1.576	07/30/2020
3135G0V34	12263	Federal National Mtg Assn		02/08/2019	335,000.00	333,852.97	333,852.97	2.500			2.580	02/05/2024
Subtotal and Average			135,772,317.73		94,380,000.00	93,518,057.53	94,350,430.20				1.797	
US Treasury Note-GC 53601(b)												
912828H52	12116A	U.S. Treasury		12/21/2016	12,400,000.00	12,235,824.00	12,375,545.88	1.250	Aaa		1.596	01/31/2020
912828H86	12160	U.S. Treasury		08/18/2017	2,000,000.00	1,989,154.94	1,989,154.94	1.500	Aaa		1.719	01/31/2022
912828T67	12161	U.S. Treasury		08/18/2017	2,000,000.00	1,980,463.66	1,980,463.66	1.250	Aaa		1.685	10/31/2021
912828Q78	12162	U.S. Treasury		08/18/2017	2,000,000.00	1,991,759.75	1,991,759.75	1.375	Aaa		1.607	04/30/2021
912828L99	12163A	U.S. Treasury		08/18/2017	1,750,000.00	1,746,778.12	1,746,778.12	1.375	Aaa		1.517	10/31/2020
912828S43	12174	U.S. Treasury		12/21/2017	20,000,000.00	19,663,200.00	19,991,648.42	0.750	Aaa		1.857	07/15/2019
912828T6	12176	U.S. Treasury		01/31/2018	25,000,000.00	24,967,169.22	24,967,169.22	1.250			2.054	08/31/2019
9128282P4	12179	U.S. Treasury		03/12/2018	1,250,000.00	1,223,127.53	1,223,127.53	1.875	Aaa		2.617	07/31/2022
912828U73	12184	U.S. Treasury		03/12/2018	20,000,000.00	19,922,489.79	19,922,489.79	1.375			2.243	12/15/2019
912828TV2	12193	U.S. Treasury		04/30/2018	15,900,000.00	15,840,375.00	15,840,375.00	1.250	Aaa		2.402	10/31/2019
9128282G4	12194	U.S. Treasury		04/30/2018	20,000,000.00	19,938,972.42	19,938,972.42	0.875	Aaa		2.376	09/15/2019
912828U32	12198	U.S. Treasury		05/21/2018	10,000,000.00	9,945,893.04	9,945,893.04	1.000	Aaa		2.481	11/15/2019
912828K58	12210	U.S. Treasury		06/29/2018	22,400,000.00	22,195,049.18	22,195,049.18	1.375	Aaa	AA+	2.506	04/30/2020

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Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
US Treasury Note-GC 53601(b)												
912828TR1	12215	U.S. Treasury		07/31/2018	10,000,000.00	9,963,618.69	9,963,618.69	1.000	Aaa		2.490	09/30/2019
912828XH8	12216	U.S. Treasury		07/31/2018	10,000,000.00	9,899,787.95	9,899,787.95	1.625	Aaa		2.660	06/30/2020
912828Z22	12217	U.S. Treasury		09/14/2018	5,375,000.00	5,298,918.09	5,298,918.09	1.625			2.760	10/15/2020
912828A83	12220	U.S. Treasury		10/01/2018	21,000,000.00	20,859,196.65	20,859,196.65	2.375	Aaa		2.838	12/31/2020
912828V31	12221	U.S. Treasury		10/01/2018	22,000,000.00	21,844,655.65	21,844,655.65	1.375	Aaa		2.710	01/15/2020
9128284B3	12224	U.S. Treasury		10/31/2018	10,100,000.00	10,019,961.18	10,019,961.18	2.375	Aaa		2.858	03/15/2021
912828B58	12225	U.S. Treasury		10/31/2018	20,000,000.00	19,775,364.52	19,775,364.52	2.125	Aaa		2.861	01/31/2021
9128284D9	12226	U.S. Treasury		11/07/2018	850,000.00	834,678.38	834,678.38	2.500	Aaa		3.017	03/31/2023
912828P79	12227A	U.S. Treasury		11/07/2018	540,000.00	511,937.94	511,937.94	1.500	Aaa		3.022	02/28/2023
912828F21	12228	U.S. Treasury		11/30/2018	20,330,000.00	20,020,321.98	20,020,321.98	2.125	Aaa		2.834	09/30/2021
912828WN6	12229	U.S. Treasury		11/30/2018	15,160,000.00	14,930,259.79	14,930,259.79	2.000	Aaa	AA+	2.824	05/31/2021
9128284W7	12230	U.S. Treasury		11/30/2018	15,000,000.00	14,974,254.30	14,974,254.30	2.750	Aaa		2.834	08/15/2021
912828XM7	12233	U.S. Treasury		12/14/2018	20,000,000.00	19,755,619.75	19,755,619.75	1.625	Aaa		2.784	07/31/2020
912828B90	12239	U.S. Treasury		12/14/2018	20,000,000.00	19,752,199.50	19,752,199.50	2.000	Aaa		2.772	02/28/2021
912828Q37	12240	U.S. Treasury		12/14/2018	19,600,000.00	19,106,678.95	19,106,678.95	1.250			2.744	03/31/2021
9128282Q2	12241	U.S. Treasury		12/18/2018	25,550,000.00	25,212,907.20	25,212,907.20	1.500	Aaa	AA+	2.705	08/15/2020
9128283G3	12244	U.S. Treasury		01/08/2019	11,240,000.00	11,120,278.61	11,120,278.61	1.750			2.547	11/15/2020
912828T91	12245	U.S. Treasury		01/11/2019	500,000.00	481,103.73	481,103.73	1.625	Aaa		2.557	10/31/2023
912828VB3	12246	U.S. Treasury		01/11/2019	785,000.00	761,966.39	761,966.39	1.750	Aaa		2.555	05/15/2023
912828WC0	12248	U.S. Treasury		01/14/2019	20,200,000.00	19,986,337.27	19,986,337.27	1.750	Aaa		2.566	10/31/2020
9128285R7	12251	U.S. Treasury		01/15/2019	21,750,000.00	21,806,594.35	21,806,594.35	2.625	Aaa		2.514	12/15/2021
9128283Q1	12252A	U.S. Treasury		01/15/2019	10,000,000.00	9,917,721.87	9,917,721.87	2.000			2.550	01/15/2021
9128283L2	12254	U.S. Treasury		01/31/2019	25,250,000.00	25,000,978.11	25,000,978.11	1.875	Aaa		2.572	12/15/2020
912828VJ6	12255	U.S. Treasury		01/31/2019	21,100,000.00	20,960,074.49	20,960,074.49	1.875	Aaa	AA+	2.553	06/30/2020
912828X96	12256	U.S. Treasury		01/31/2019	25,300,000.00	25,072,609.10	25,072,609.10	1.500			2.551	05/15/2020
912828Z22	12257	U.S. Treasury		01/31/2019	25,300,000.00	25,006,491.57	25,006,491.57	1.625			2.549	10/15/2020
912828L65	12258	U.S. Treasury		01/31/2019	25,500,000.00	25,135,378.90	25,135,378.90	1.375	Aaa	AA+	2.551	09/30/2020
9128284B3	12259	U.S. Treasury		01/31/2019	25,000,000.00	24,941,046.66	24,941,046.66	2.375	Aaa		2.517	03/15/2021
912828V23	12260A	U.S. Treasury		01/31/2019	625,000.00	616,860.85	616,860.85	2.250	Aaa		2.560	12/31/2023
912828U57	12261	U.S. Treasury		02/08/2019	500,000.00	492,285.49	492,285.49	2.125	Aaa		2.498	11/30/2023
912828P38	12262	U.S. Treasury		02/08/2019	700,000.00	682,373.35	682,373.35	1.750	Aaa		2.492	01/31/2023
9128284G2	12265	U.S. Treasury		02/19/2019	17,785,000.00	17,740,489.77	17,740,489.77	2.375	Aaa		2.519	04/15/2021
912828B90	12270	U.S. Treasury		02/26/2019	29,000,000.00	28,759,454.30	28,759,454.30	2.000	Aaa		2.514	02/28/2021
912828C57	12271	U.S. Treasury		02/27/2019	10,000,000.00	9,959,434.39	9,959,434.39	2.250	Aaa		2.489	03/31/2021
9128286G0	12274	U.S. Treasury		03/07/2019	400,000.00	396,825.49	396,825.49	2.375	Aaa		0.000	02/29/2024

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Exhibit B

Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM	Maturity Date
US Treasury Note-GC 53601(b)												
912828WG1	12277	U.S. Treasury		03/18/2019	10,000,000.00	9,965,223.78	9,965,223.78	2.250	Aaa		2.445	04/30/2021
912828Q78	12283	U.S. Treasury		04/05/2019	10,000,000.00	9,829,929.32	9,829,929.32	1.375	Aaa		2.332	04/30/2021
912828QN3	12285	U.S. Treasury		04/09/2019	24,600,000.00	24,942,780.31	24,942,780.31	3.125	Aaa		2.357	05/15/2021
912828J84	12287	U.S. Treasury		04/09/2019	20,000,000.00	19,845,299.37	19,845,299.37	1.375	Aaa		2.401	03/31/2020
912828Q2	12289	U.S. Treasury		04/15/2019	17,675,000.00	17,492,412.48	17,492,412.48	1.500	Aaa	AA+	2.437	08/15/2020
912828VP2	12290	U.S. Treasury		04/23/2019	10,000,000.00	9,955,423.39	9,955,423.39	2.000	Aaa	AA+	2.419	07/31/2020
912828K58	12292	U.S. Treasury		04/26/2019	25,000,000.00	24,788,978.04	24,788,978.04	1.375	Aaa	AA+	2.410	04/30/2020
912828VP2	12293	U.S. Treasury		04/26/2019	25,000,000.00	24,902,064.73	24,902,064.73	2.000	Aaa	AA+	2.368	07/31/2020
912828VJ6	12294	U.S. Treasury		04/26/2019	25,000,000.00	24,873,466.05	24,873,466.05	1.875	Aaa	AA+	2.391	06/30/2020
912828L65	12295	U.S. Treasury		04/26/2019	25,300,000.00	24,994,297.97	24,994,297.97	1.375	Aaa	AA+	2.365	09/30/2020
912828VJ6	12296	U.S. Treasury		05/10/2019	10,000,000.00	9,951,448.22	9,951,448.22	1.875	Aaa	AA+	2.370	06/30/2020
912828WN6	12297	U.S. Treasury		05/17/2019	20,000,000.00	19,911,178.69	19,911,178.69	2.000	Aaa	AA+	2.238	05/31/2021
912828W22	12299	U.S. Treasury		05/31/2019	6,035,000.00	5,998,041.06	5,998,041.06	1.375	Aaa	AA+	2.367	02/15/2020
912828WJ5	12305	U.S. Treasury		06/06/2019	500,000.00	513,328.43	513,328.43	2.500	Aaa	AA+	1.924	05/15/2024
912828XD7	12306	U.S. Treasury		06/06/2019	500,000.00	500,076.34	500,076.34	1.875	Aaa	AA+	1.870	05/31/2022
Subtotal and Average			840,792,203.85		890,750,000.00	883,702,870.04	884,171,040.34				2.492	
Supranationals												
4581X0CX4	12201	Inter-America Devel BK		05/31/2018	12,975,000.00	12,875,414.56	12,875,414.56	1.625	Aaa	AAA	2.541	05/12/2020
459058GA5	12195	INTL BK RECON & DEVELP		04/30/2018	15,000,000.00	14,821,828.79	14,821,828.79	1.626	Aaa	AAA	2.675	09/04/2020
459058FS7	12197	INTL BK RECON & DEVELP		05/21/2018	10,000,000.00	9,941,947.62	9,941,947.62	1.126	Aaa	AAA	2.595	11/27/2019
459058FA6	12199	INTL BK RECON & DEVELP		05/25/2018	10,000,000.00	9,911,856.99	9,911,856.99	1.376	Aaa	AAA	2.591	03/30/2020
Subtotal and Average			47,486,009.60		47,975,000.00	47,551,047.96	47,551,047.96				2.605	
Asset Backed Security(GNMA/CMO)												
05522RCW6	12206	BACCT 2017		06/13/2018	10,000,000.00	9,841,406.25	9,841,406.25	1.950	Aaae		2.896	08/15/2022
Subtotal and Average			9,841,406.25		10,000,000.00	9,841,406.25	9,841,406.25				2.896	
Municipal Bonds												
13063DGA0	12192	California TXBL		04/25/2018	290,000.00	290,006.92	290,006.92	2.800	Aa3	AA-	2.799	04/01/2021
Subtotal and Average			290,007.41		290,000.00	290,006.92	290,006.92				2.799	

Exhibit B

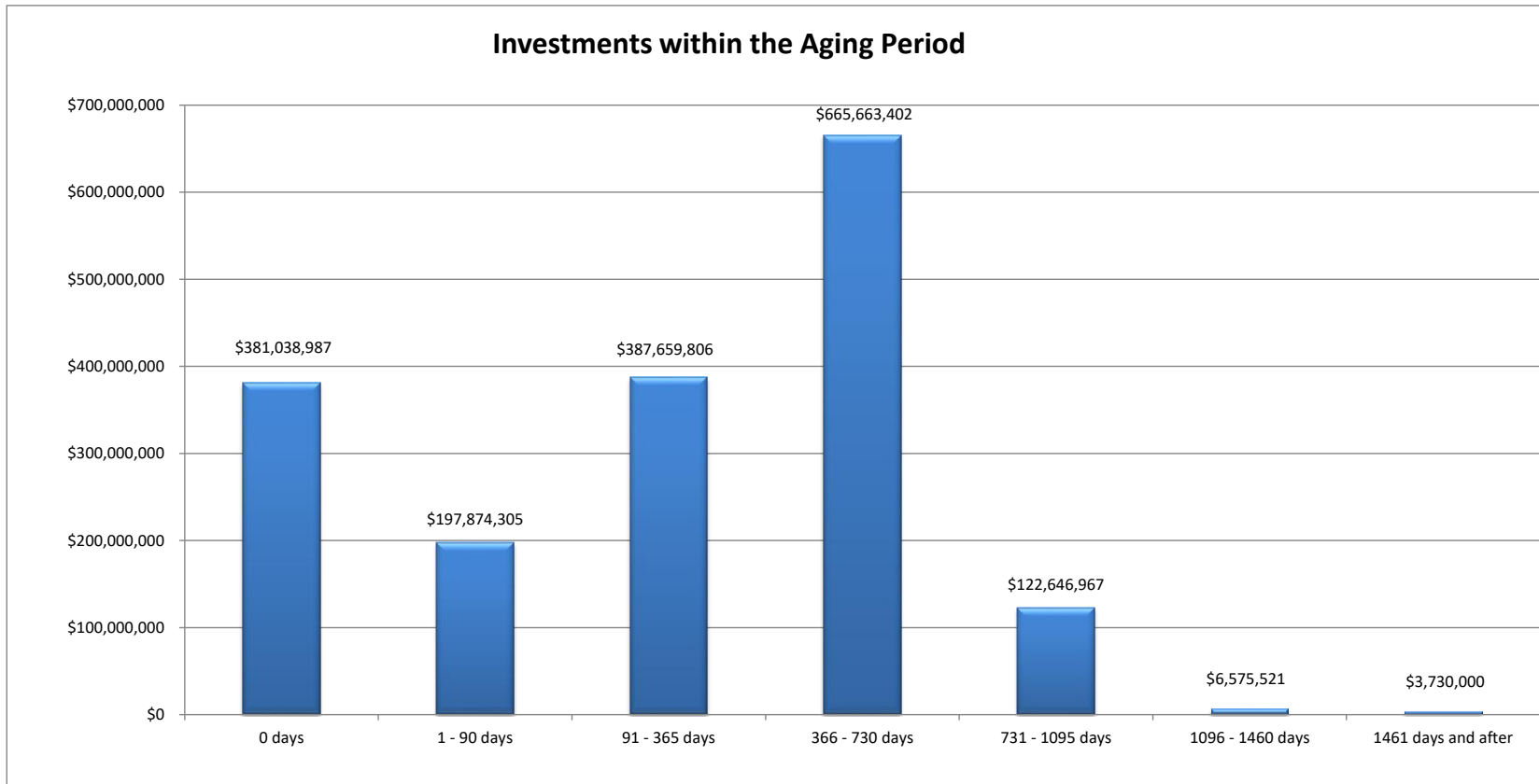
Monterey County Portfolio Management Portfolio Details - Investments June 30, 2019

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	S&P	YTM
		Total and Average	1,771,209,310.50		1,765,188,987.34	1,755,722,012.68	1,757,528,143.57				2.422



Exhibit C Monterey County Aging Report By Maturity Date As of July 1, 2019

				*Pass Through Maturity Par Value	Percent of Portfolio	Current Book Value	Current Market Value
Aging Interval:	0 days	(07/01/2019 - 07/01/2019)	14 Maturities	381,038,987.34	21.68%	381,038,987.34	381,038,987.34
Aging Interval:	1 - 90 days	(07/02/2019 - 09/29/2019)	14 Maturities	197,874,304.77	11.19%	196,700,505.65	195,428,423.06
Aging Interval:	91 - 365 days	(09/30/2019 - 06/30/2020)	31 Maturities	387,659,805.85	21.79%	382,886,906.13	382,450,057.83
Aging Interval:	366 - 730 days	(07/01/2020 - 06/30/2021)	67 Maturities	665,663,401.90	37.42%	657,661,023.19	657,563,823.19
Aging Interval:	731 - 1095 days	(07/01/2021 - 06/30/2022)	20 Maturities	122,646,966.58	6.81%	119,691,887.35	119,691,887.35
Aging Interval:	1096 - 1460 days	(07/01/2022 - 06/30/2023)	14 Maturities	6,575,520.90	0.90%	15,835,502.23	15,835,502.33
Aging Interval:	1461 days and after	(07/01/2023 -)	9 Maturities	3,730,000.00	0.21%	3,713,331.58	3,713,331.58
Total for 169 Investments				1,765,188,987.34	100.00	1,757,528,143.47	1,755,722,012.68





CITIZENS' BOND OVERSIGHT COMMITTEE MEMBERS AND TERMS

NAME	MEMBERSHIP CRITERION	TERM
❖ Dan Albert, Jr.	Community at-large member	1st term (11/2017 - 11/2019)
Dr. Linda Bynoe	Monterey Peninsula College Foundation (college support organization)	1st term (11/2018 - 11/2020)
Hunter Harvath	Monterey County Hospitality Association (business organization)	3rd term (11/2018 - 11/2020)
❖ Dave Hober	Community at-large member	1st term (11/2017 - 11/2019)
Ellise Kittrell	Associated Students of Monterey Peninsula College (student government)	1st term (11/2018 - 11/2020)
Rob Lee	Monterey Peninsula Chamber of Commerce (business organization)	3rd term (11/2018 - 11/2020)
❖ Jeffrey Riehl	GENTRAIN Society (college support organization)	1st term (11/2017-11/2019)
Vacant	Carmel Foundation (senior citizens' organization)	
Vacant	Monterey Peninsula Taxpayers Association	

❖ Denotes those members who will complete their first term on the committee in November 2019.