

CLAIRE BARTELS  
DIRECTOR of FINANCE  
CITY TREASURER

CITY OF LOS ANGELES  
CALIFORNIA

OFFICE OF FINANCE  
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ERIC GARCETTI  
MAYOR

June 23, 2020

Marl Blevins  
Chief Financial Officer and  
Deputy Executive Director  
Harbor Department  
425 S. Palos Verdes St., 5<sup>th</sup> Fl.  
San Pedro, CA 90731

Dear Ms. Blevins:

During this period of declining interest rates this office has been exploring eligible investment alternatives that would maximize the City's investment earnings, while upholding our fiduciary responsibility as a prudent investment manager. The Office of Finance can invest up to \$75 million in the State of California Local Agency Investment Fund (LAIF) for each City of Los Angeles proprietary department. At this date, LAIF is yielding 1.20%, a rate that is substantially higher than the City's other short-term investment alternatives. These alternatives are currently yielding approximately 0.15%. The additional LAIF investment will increase overall earnings to the General Fund.

Although LAIF is a permitted investment, it has been some time since this investment vehicle has been utilized which now requires an updated resolution passed by your Board of Commissioners. I have attached a LAIF's draft "resolution" that may be used.

I look forward to working with your office as we coordinate this effort to maximize our investment return to the General Fund. If you require any additional information, please contact me at (213) 978-4039, or Mr. Philip Marr at (213) 978-1723.

Sincerely,

Tom Juarez  
Chief Investment Officer

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