



Item No. 11 Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENT AGENDA

**TO: HONORABLE MAYOR AND CITY COUNCIL
GEORGE RODERICKS, CITY MANAGER**

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: NOVEMBER 18, 2020

**SUBJECT: ACCEPTANCE OF TREASURER’S REPORT FOR THE FIRST
QUARTER ENDED SEPTEMBER 30, 2020**

RECOMMENDATION

Accept the Treasurer’s Report for the first Quarter Ended September 30, 2020.

BACKGROUND

The Treasurer’s Report provides an update on the cash and investment position of the Town of Atherton.

The First Quarter Treasurer’s report for FY 2020/21 as of September 30, 2020 is attached. The total cash and investments for the Town is \$43,955,417. Of the total amount, \$27,848,884 is listed as “non-restricted” and although may be listed as such, this amount is not all available for spending. “Non-restricted” is to mean not legally restricted but the Town does have obligations and unfunded liabilities that must or may be met with non-restricted funds. Also attached is the PARS Trust account available balance as of September 30, 2020. The total amount in the PARS account is \$7,601,759. This is a “restricted” investment that is used for the Town’s OPEB liabilities.

Insight Asset Management provides non-discretionary investment advisory services to the Town for investments. Staff is working in conjunction with Insight to ensure cash and investments adhere to our goals of safety, liquidity, and yield. To facilitate the trading and safekeeping of securities, Wells Fargo Bank serves as the safe-keeping agent for the Town.

As the Town is in the construction phase of Civic Center project, staff forecasts cash flow needs to ensure cash liquidity of funds are readily available. The Town has used its COP proceeds of \$7.51 million toward paying for project construction. As investments mature staff anticipates shifting funds to more liquid instruments. LAIF offers the most liquidity and as of September 30, 2020 holds \$27,590,372.

POLICY FOCUS

The Town's Statement of Investment Policy requires the City Manager or designee to submit quarterly and annual Treasurer's Report to the City Council. The California Government Code Section 53646, Subsection B (1) requires that the quarterly Treasurer's Report be submitted to the legislative body within 30 days of the close of a given quarter or within a reasonable time of scheduled council meetings. Staff strives to make this deadline. The current reporting quarter closed on September 30, 2020.

FISCAL IMPACT

None.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire District, service provides (water, power, and sewer), and regional elected officials.

In addition, the Town keeps its financial information up to date via a transparency webpage.

<https://ca-atherton.civicplus.com/index.aspx?NID=269>

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item ___ has or X has not been before a Town Committee or Commission.

- Audit/Finance Committee (meets every other month)
- Bicycle/Pedestrian Committee (meets as needed)
- Civic Center Advisory Committee (meets as needed)
- Environmental Programs Committee (meets every other month)
- Park and Recreation Committee (meets each month)
- Planning Commission (meets each month)
- Rail Committee (meets every other month)
- Transportation Committee (meets every other month)
- Tree Committee (meets each month)

ATTACHMENTS

Treasurer's Report for First Quarter Ended September 30, 2020

**Town of Atherton
Quarterly Treasurer's Report
Portfolio Summary
September 30, 2020**

	Par Value	Market Value	Book Value	% of Portfolio
Cash In Bank (Schedule A)	5,556,318	5,556,318	5,556,318	12.6%
LAIF Statement	27,590,372	27,703,893	27,590,372	62.8%
Investments (Schedule B)	10,750,000	10,831,550	10,808,728	24.6%
Total Cash and Investments	43,896,689	44,091,761	43,955,417	100%

The above investments are consistent with the Town's Statement of Investment Policy and are allowable under current legislation of the State of California. Investments are selected using safety, liquidity, and yield as the criteria. The Town has sufficient cash flow to cover anticipated expenditures through the next six months.



Robert Barron, Finance Director

9/30/2020

Date

**Town of Atherton
Quarterly Treasurer's Report
Portfolio Details - Cash In Bank
September 30, 2020**

Schedule A

<u>Name of Depository</u>	<u>Investment Type</u>	<u>Reconciled Bank Balance</u>
Wells Fargo	General Account	643,468
Wells Fargo	Wells Fargo Trust MMF-Cash	4,912,850
Total		<u>5,556,318</u>

**Town of Atherton
Treasurer's Report Schedule B
Portfolio Details - Investments
September 30, 2020**

Schedule B

See next pages Cutwater Report

**Town of Atherton
Quarterly Treasurer's Report
Cash & Investments Balance By Fund
September 30, 2020**

Fund No.	Fund Name	June Balance
101	General Fund	23,415,745
105	Tennis Fund	212,902
610	Equipment Replacement Fund	697,505
614	Worker's Compensation	1,386,059
615	General Liability	562,446
616	Employee Benefits	1,574,228
	Total Non-Restricted	<u>27,848,884</u>
201	Special Tax Fund	1,681,634
202	County Measure A Fund	481,333
203	Gas Tax Fund	125,295
204	Measure M	207,758
205	Measure W	170,616
209	SLES/COPS Grant	237
210	Road Constructions Impact Fee	-
213	Library Fund	8,796,907
215	Evans Creative Design (formerly fund 715)	4,324
221	Refuse Rate and Stabilization	2,018,305
401	GF Projects	1,325,911
402	Storm Drainage	31,924
403	Atherton Channel Drainage District	503,462
406	Facilities Construction	725,589
730	H-P Park Improvement	6,475
740	Tree Committee	26,763
	Total Restricted	<u>16,106,533</u>
	Total Cash & Investments	<u><u>43,955,417</u></u>

Town of Atherton
Quarterly Treasurer's Report
Local Agency Investment Fund Summary (LAIF)
September 30, 2020

Date	Begin \$\$\$	Contribution	Earnings	Expenses	Distribution	Ending \$\$\$	Date
9/1/2020	27,590,372		-	-		27,590,372	9/30/2020

**Town of Atherton
 Quarterly Treasurer's Report
 PARS Trust Account Summary
 September 30, 2020**

Date	Begin \$\$\$	Contribution	Earnings	Expenses	Distribution	Ending \$\$\$	Date
9/30/2020	7,728,626	34,273	(123,332)	(3,536)	(34,273)	7,601,759	9/30/2020 (*)

* Recent available PARS report

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PLEASE REFER TO ALL RISK DISCLOSURES AT THE BACK OF THIS DOCUMENT

TOWN OF ATHERTON
Treasurer's Report Schedule B

September 2020

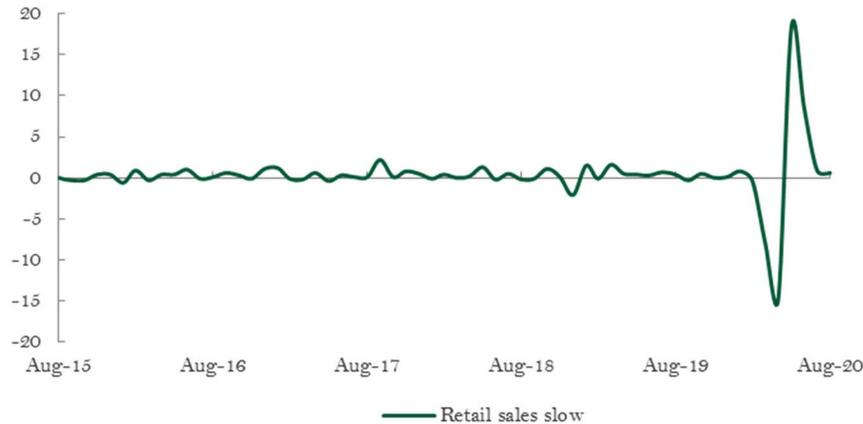


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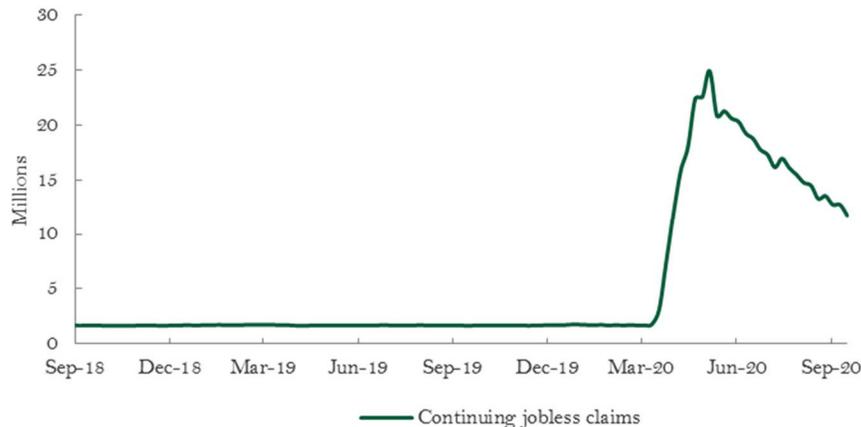
As of September 30, 2020

Chart 1: Retail sales slow



Source: Bloomberg Finance LP, September 30, 2020.

Chart 2: Continuing jobless claims continue recovery



Source: Bloomberg Finance LP, September 30, 2020.

Economic Indicators and Monetary Policy

The Federal Reserve (Fed) projects no change to its policy until late 2023. The Fed said it is committed to keeping the target range for the federal funds rate at 0% to 0.25% until “labor market conditions have reached levels consistent with the Committee’s assessment of maximum employment”.

The committee’s ‘dot plot’ reflected a median expectation that rates will remain unchanged until at least 2023. The Fed reiterated its new policy of targeting an average inflation level of 2% and stated it would be content to see inflation rise above this for ‘a sustained period’ before raising interest rates.

The Fed also revised its economic outlook, with its forecast for this year’s GDP raised from a contraction of 6.5% to one of just 3.7%. However, at the same time, it slightly lowered its forecasts beyond 2020.

Retail sales weakened over the period. Although the figure for August rose 0.6% over the month, this continued a weakening trend in the growth rate evident since the marked rebound in retail sales in May (Chart 1).

In terms of the labor market, initial and continuing claims continued to fall, albeit at a slowing rate (Chart 2). However, by the end of the month they reflected a disproportionate rise in cases on the West Coast – indicated they were impacted by the effects of wildfires. The unemployment rate, however, fell more than expected to 8.4%. The labor force participation rate rose from 61.4% to 61.7%.

On the fiscal policy front, Congress remained gridlocked on a further COVID-19 stimulus package.

Interest Rate Summary

The yield curve did not shift materially during the month. At the end of September, the 3-month US Treasury bill yielded 0.09%, the 6-month US Treasury bill yielded 0.10%, the 2-year US Treasury note yielded 0.13%, the 5-year US Treasury note yielded 0.28% and the 10-year US Treasury note yielded 0.69%.

ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2020 - September 30, 2020

<u>Amortized Cost Basis Activity Summary</u>	
Opening balance	15,690,193.27
Income received	19,540.17
Total receipts	19,540.17
Total disbursements	0.00
Interportfolio transfers	0.00
Total Interportfolio transfers	0.00
Realized gain (loss)	0.00
Change in accruals from security movement	0.00
Total amortization expense	(5,814.39)
Total OID/MKT accretion income	801.50
Return of capital	0.00
Closing balance	15,704,720.55
Ending fair value	15,744,400.19
Unrealized gain (loss)	39,679.64

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Cash and Cash Equivalents	43.98	0.00	0.00	43.98
Corporate Bonds	8,842.71	(3,414.65)	0.00	5,428.06
Government Agencies	7,673.80	(1,598.24)	0.00	6,075.56
Total	16,560.49	(5,012.89)	0.00	11,547.60

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.76	0.04	0.01
Overnight Repo	0.78	0.05	0.01
Merrill Lynch 3m US Treas Bill	0.70	0.05	0.01
Merrill Lynch 6m US Treas Bill	0.70	0.05	0.01
ML 1 Year US Treasury Note	0.74	0.08	0.01
ML 2 Year US Treasury Note	0.76	0.08	0.01
ML 5 Year US Treasury Note	0.85	0.16	0.02

* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	16,560.49
Accretion (amortization)	(5,012.89)
Realized gain (loss) on sales	0.00
Total income on portfolio	11,547.60
Average daily amortized cost	15,706,250.94
Period return (%)	0.07
YTD return (%)	1.13
Weighted average final maturity in days	111

ACTIVITY AND PERFORMANCE SUMMARY

For the period September 1, 2020 - September 30, 2020

<u>Fair Value Basis Activity Summary</u>		
Opening balance		15,740,391.04
Income received	19,540.17	
Total receipts		19,540.17
Total disbursements		0.00
Interportfolio transfers	0.00	
Total Interportfolio transfers		0.00
Unrealized gain (loss) on security movements		0.00
Change in accruals from security movement		0.00
Return of capital		0.00
Change in fair value for the period		(15,531.02)
Ending fair value		15,744,400.19

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Cash and Cash Equivalents	43.98	0.00	43.98
Corporate Bonds	8,842.71	(7,994.71)	848.00
Government Agencies	7,673.80	(7,536.31)	137.49
Total	16,560.49	(15,531.02)	1,029.47

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	0.76	0.04	0.01
Overnight Repo	0.78	0.05	0.01
ICE BofAML 3 Months US T-BILL	1.10	0.06	0.01
ICE ML 6m US Treas Bill	1.54	0.06	0.02
ICE ML 1 Year US Treasury Note	2.37	0.05	0.04
ICE ML US Treasury 1-3	3.58	0.24	0.03
ICE ML US Treasury 1-5	4.60	0.42	0.02

* rates reflected are cumulative

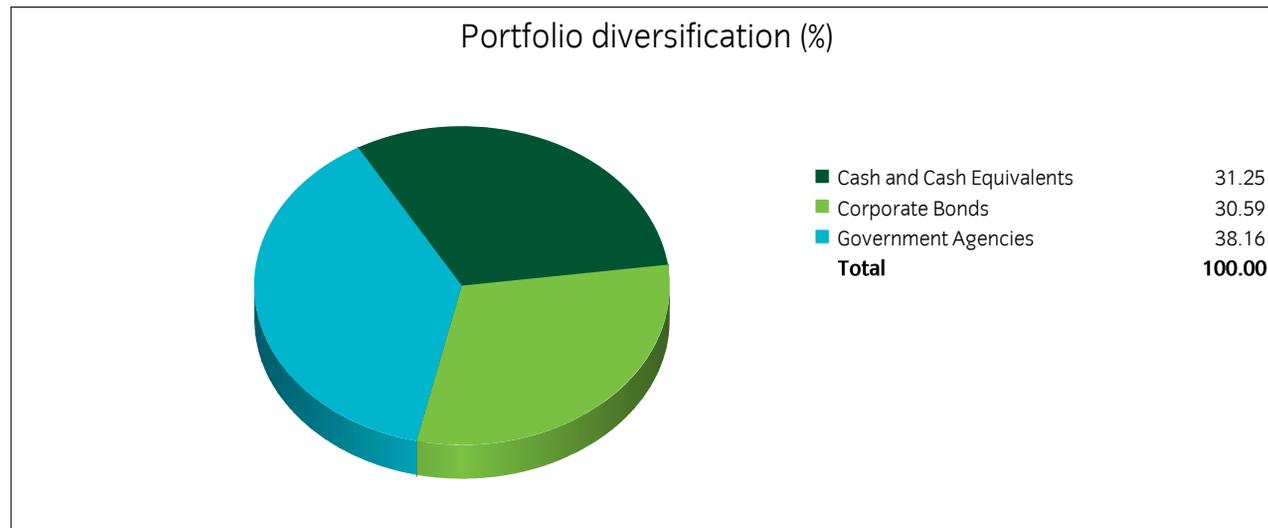
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	16,560.49
Change in fair value	(15,531.02)
Total income on portfolio	1,029.47
Average daily total value *	15,808,838.94
Period return (%)	0.01
YTD return (%)	1.11
Weighted average final maturity in days	111

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of September 30, 2020

	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Cash and Cash Equivalents	4,912,849.71	4,912,849.71	4,912,849.71	0.00	1	31.25	0.00
Corporate Bonds	4,808,633.55	4,793,089.44	4,811,496.40	18,406.96	145	30.59	0.33
Government Agencies	6,000,094.70	5,998,781.40	6,020,054.08	21,272.68	174	38.16	0.47
Total	15,721,577.96	15,704,720.55	15,744,400.19	39,679.64	111	100.00	0.28

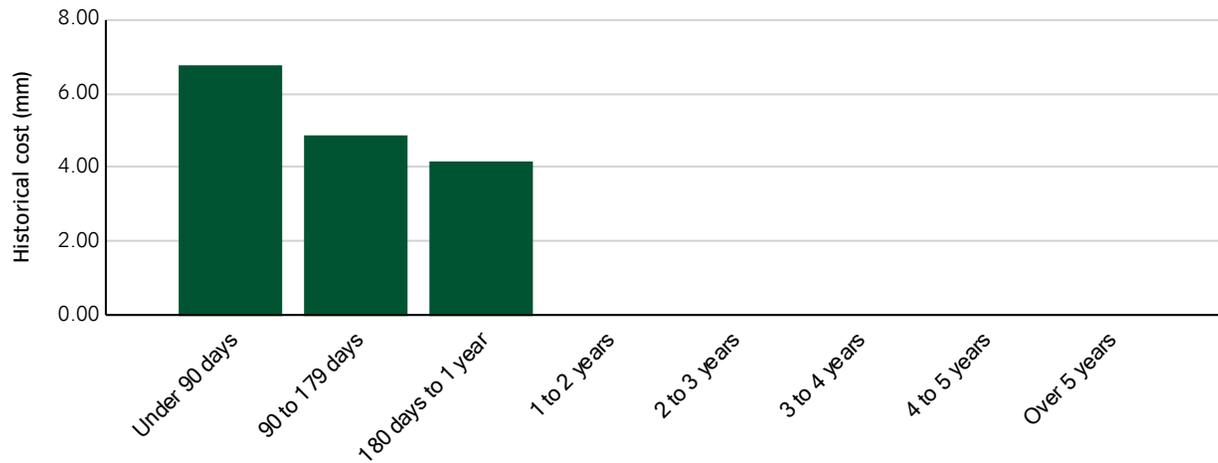


MATURITY DISTRIBUTION OF SECURITIES HELD

As of September 30, 2020

Maturity	Historic cost	Percent
Under 90 days	6,716,711.16	42.72
90 to 179 days	4,849,844.80	30.85
180 days to 1 year	4,155,022.00	26.43
1 to 2 years	0.00	0.00
2 to 3 years	0.00	0.00
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	15,721,577.96	100.00

Maturity distribution



SECURITIES HELD

As of September 30, 2020

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Cash and Cash Equivalents											
Cash and Cash Equivalents	0.000		4,912,849.71	4,912,849.71 0.00	4,912,849.71 0.00	4,912,849.71 0.00	0.00	0.00	0.00	0.00	31.25
Total Cash and Cash Equivalents			4,912,849.71	4,912,849.71 0.00	4,912,849.71 0.00	4,912,849.71 0.00	0.00	0.00	0.00	0.00	31.25
Corporate Bonds											
44932HAK9 IBM CREDIT LLC 3.45% 30NOV2020	3.450	11/30/2020	600,000.00	610,218.75 0.00	601,204.57 (602.28)	603,141.21 (1,520.45)	1,936.64	0.00	1,725.00	6,900.00	3.88
24422ETZ2 JOHN DEERE CAPITAL CORP 2.35% 08JAN2021	2.350	01/08/2021	600,000.00	605,706.00 0.00	602,126.19 (650.87)	603,193.28 (1,122.54)	1,067.09	0.00	1,135.84	3,211.67	3.85
037833BS8 APPLE INC 2.25% 23FEB2021 (CALLABLE 23JAN21)	2.250	02/23/2021 01/23/2021	550,000.00	547,712.00 0.00	549,495.09 105.93	553,869.23 (498.35)	4,374.14	0.00	996.88	1,271.88	3.48
46625HQJ2 JPMORGAN CHASE & CO 2.55% 01MAR2021 (CALLABLE 01FEB21)	2.550	03/01/2021 02/01/2021	600,000.00	606,276.00 0.00	604,493.47 (1,114.08)	604,482.00 (1,157.98)	(11.47)	7,650.00	1,232.50	1,232.50	3.86
949746RS2 WELLS FARGO & COMPANY 2.5% 04MAR2021	2.500	03/04/2021	600,000.00	607,884.00 0.00	605,396.16 (1,051.20)	605,540.33 (1,129.05)	144.17	7,500.00	1,208.33	1,083.33	3.87
084670BQ0 BERKSHIRE HATHAWAY INC 2.2% 15MAR2021 (CALLABLE 15FEB21)	2.200	03/15/2021 02/15/2021	680,000.00	681,604.80 0.00	680,389.65 (89.48)	684,911.04 (1,239.21)	4,521.39	7,480.00	1,205.11	623.33	4.34
14913Q2H1 CATERPILLAR FINL SERVICE FRN 15MAR2021	0.480	03/15/2021	500,000.00	500,675.00 0.00	500,463.02 (83.67)	500,360.00 (146.56)	(103.02)	694.32	213.28	100.08	3.18

SECURITIES HELD

As of September 30, 2020

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Corporate Bonds											
69353REW4 PNC BANK NA 2.15% 29APR2021 (CALLABLE 30MAR21)	2.150	04/29/2021 03/30/2021	650,000.00	648,557.00 0.00	649,521.29 71.00	655,999.31 (1,180.57)	6,478.02	0.00	1,125.77	5,861.74	4.13
Total Corporate Bonds			4,780,000.00	4,808,633.55 0.00	4,793,089.44 (3,414.65)	4,811,496.40 (7,994.71)	18,406.96	23,324.32	8,842.71	20,284.53	30.59
Government Agencies											
3130AEWA4 FEDERAL HOME LOAN BANK 2.625% 01OCT2020	2.625	10/01/2020	500,000.00	500,495.00 0.00	500,000.83 (24.87)	500,000.00 (1,019.47)	(0.83)	0.00	1,057.29	6,526.04	3.18
3137EAEK1 FREDDIE MAC 1.875% 17NOV2020	1.875	11/17/2020	700,000.00	693,147.70 0.00	699,466.79 340.34	701,600.60 (973.44)	2,133.81	0.00	1,057.29	4,848.96	4.41
3130AJSG5 FEDERAL HOME LOAN BANK 0.18% 26MAR2021	0.180	03/26/2021	1,300,000.00	1,299,987.00 0.00	1,299,991.43 1.51	1,300,179.50 74.39	188.07	0.00	188.50	611.00	8.27
3133EJJD2 FEDERAL FARM CREDIT BANK 2.54% 05APR2021	2.540	04/05/2021	800,000.00	800,831.20 0.00	800,207.24 (33.61)	809,748.54 (1,569.39)	9,541.30	0.00	1,636.89	9,877.78	5.09
3135G0U27 FANNIE MAE 2.5% 13APR2021	2.500	04/13/2021	1,000,000.00	1,018,370.00 0.00	1,012,483.84 (2,005.17)	1,012,473.70 (2,011.84)	(10.14)	0.00	2,013.89	11,597.22	6.48
3133EKPS9 FEDERAL FARM CREDIT BANK 2.125% 07JUN2021	2.125	06/07/2021	500,000.00	506,905.00 (3,335.07)	506,849.54 (55.46)	506,781.57 (123.43)	(67.97)	0.00	0.00	3,335.07	3.22
3130A1W95 FEDERAL HOME LOAN BANK 2.25% 11JUN2021 #0000	2.250	06/11/2021	670,000.00	670,763.80 0.00	670,259.42 (31.01)	679,831.62 (1,280.68)	9,572.20	0.00	1,214.38	4,564.38	4.27

SECURITIES HELD

As of September 30, 2020

Cusip/ Description	Coupon	Maturity/ Call date	Par value or shares	Historical cost/ Accrued interest purchased	Amortized cost/ Accretion (amortization)	Fair value/ Change in fair value	Unrealized gain (loss)	Interest received	Interest earned	Total accrued interest	% Port cost
Government Agencies											
3135G0U35 FANNIE MAE 2.75% 22JUN2021	2.750	06/22/2021	500,000.00	509,595.00 (3,743.06)	509,522.31 (72.69)	509,438.55 (156.45)	(83.76)	0.00	0.00	3,743.06	3.24
Total Government Agencies			5,970,000.00	6,000,094.70 (7,078.13)	5,998,781.40 (1,880.96)	6,020,054.08 (7,060.31)	21,272.68	0.00	7,168.24	45,103.51	38.16
Grand total			15,662,849.71	15,721,577.96 (7,078.13)	15,704,720.55 (5,295.61)	15,744,400.19 (15,055.02)	39,679.64	23,324.32	16,010.95	65,388.04	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of September 30, 2020

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
Cash and Cash Equivalents												
	INVESTED CASH	0.000					4,912,849.71	4,912,849.71	0.00	4,912,849.71	31.20	0.00
Issuer total							4,912,849.71	4,912,849.71	0.00	4,912,849.71	31.20	0.00
Federal Home Loan Banks												
3130AEWA4	FEDERAL HOME LOAN	2.625	10/01/2020		AA+	Aaa	500,000.00	500,495.00	3.18	500,000.00	3.18	0.00
3130AJSG5	FEDERAL HOME LOAN	0.180	03/26/2021		AA+	Aaa	1,300,000.00	1,299,987.00	8.27	1,300,179.50	8.26	0.48
3130A1W95	FEDERAL HOME LOAN	2.250	06/11/2021		AA+	Aaa	670,000.00	670,763.80	4.27	679,831.62	4.32	0.69
Issuer total							2,470,000.00	2,471,245.80	15.72	2,480,011.12	15.75	0.44
Federal National Mortgage Association												
3135G0U27	FANNIE MAE 2.5%	2.500	04/13/2021		AA+	Aaa	1,000,000.00	1,018,370.00	6.48	1,012,473.70	6.43	0.53
3135G0U35	FANNIE MAE 2.75%	2.750	06/22/2021		AA+	Aaa	500,000.00	509,595.00	3.24	509,438.55	3.24	0.72
Issuer total							1,500,000.00	1,527,965.00	9.72	1,521,912.25	9.67	0.59
Federal Farm Credit Banks Funding Corp												
3133EJJD2	FEDERAL FARM CREDIT	2.540	04/05/2021		AA+	Aaa	800,000.00	800,831.20	5.09	809,748.54	5.14	0.51
3133EKPS9	FEDERAL FARM CREDIT	2.125	06/07/2021		AA+	Aaa	500,000.00	506,905.00	3.22	506,781.57	3.22	0.68
Issuer total							1,300,000.00	1,307,736.20	8.32	1,316,530.11	8.36	0.58
Federal Home Loan Mortgage Corp												
3137EAEK1	FREDDIE MAC 1.875%	1.875	11/17/2020		AA+	Aaa	700,000.00	693,147.70	4.41	701,600.60	4.46	0.13
Issuer total							700,000.00	693,147.70	4.41	701,600.60	4.46	0.13
Berkshire Hathaway Inc												
084670BQ0	BERKSHIRE HATHAWAY	2.200	03/15/2021	02/15/2021	AA	Aa2	680,000.00	681,604.80	4.34	684,911.04	4.35	0.38
Issuer total							680,000.00	681,604.80	4.34	684,911.04	4.35	0.38

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of September 30, 2020

Cusip	Description	Coupon	Maturity date	Call date	S&P rating	Moody rating	Par value or shares	Historical cost	% Portfolio hist cost	Market value	% Portfolio mkt value	Effective dur (yrs)
PNC Bank NA												
69353REW4	PNC BANK NA 2.15%	2.150	04/29/2021	03/30/2021	A	A2	650,000.00	648,557.00	4.13	655,999.31	4.17	0.49
Issuer total							650,000.00	648,557.00	4.13	655,999.31	4.17	0.49
Wells Fargo & Co												
949746RS2	WELLS FARGO &	2.500	03/04/2021		BBB+	A2	600,000.00	607,884.00	3.87	605,540.33	3.85	0.42
Issuer total							600,000.00	607,884.00	3.87	605,540.33	3.85	0.42
JPMorgan Chase & Co												
46625HQJ2	JPMORGAN CHASE & CO	2.550	03/01/2021	02/01/2021	A-	A2	600,000.00	606,276.00	3.86	604,482.00	3.84	0.34
Issuer total							600,000.00	606,276.00	3.86	604,482.00	3.84	0.34
John Deere Capital Corp												
24422ETZ2	JOHN DEERE CAPITAL	2.350	01/08/2021		A	A2	600,000.00	605,706.00	3.85	603,193.28	3.83	0.27
Issuer total							600,000.00	605,706.00	3.85	603,193.28	3.83	0.27
IBM Credit LLC												
44932HAK9	IBM CREDIT LLC 3.45%	3.450	11/30/2020		A	A2	600,000.00	610,218.75	3.88	603,141.21	3.83	0.17
Issuer total							600,000.00	610,218.75	3.88	603,141.21	3.83	0.17
Apple Inc												
037833B58	APPLE INC 2.25%	2.250	02/23/2021	01/23/2021	AA+	Aa1	550,000.00	547,712.00	3.48	553,869.23	3.52	0.31
Issuer total							550,000.00	547,712.00	3.48	553,869.23	3.52	0.31
Caterpillar Financial Services Corp												
14913Q2H1	CATERPILLAR FINL	0.480	03/15/2021		A	A3	500,000.00	500,675.00	3.18	500,360.00	3.18	0.21
Issuer total							500,000.00	500,675.00	3.18	500,360.00	3.18	0.21
Grand total							15,662,849.71	15,721,577.96	100.00	15,744,400.19	100.00	0.28

SECURITIES PURCHASED

For the period September 1, 2020 - September 30, 2020

Cusip / Description / Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Unit cost	Principal cost	Accrued interest purchased
Government Agencies							
3133EKPS9 FEDERAL FARM CREDIT BANK 2.125% 07JUN2021 WELLS FARGO BANK, N.A.	09/29/2020 09/30/2020	2.125	06/07/2021	500,000.00	101.38	(506,905.00)	(3,335.07)
3135G0U35 FANNIE MAE 2.75% 22JUN2021 WELLS FARGO BANK, N.A.	09/29/2020 09/30/2020	2.750	06/22/2021	500,000.00	101.92	(509,595.00)	(3,743.06)
Total Government Agencies				1,000,000.00		(1,016,500.00)	(7,078.13)
Grand total				1,000,000.00		(1,016,500.00)	(7,078.13)

SECURITIES SOLD AND MATURED

For the period September 1, 2020 - September 30, 2020

Cusip/ Description/ Broker	Trade date Settle date	Coupon	Maturity/ Call date	Par value or shares	Historical cost	Amortized cost at sale or maturity /Accr (amort)	Price	Fair value at sale or maturity / Chg.in fair value	Realized gain (loss)	Accrued interest sold	Interest received	Interest earned
Government Agencies												
3137EAEJ4 FREDDIE MAC 1.625% 29SEP2020	09/29/2020	1.625		(400,000.00)	394,404.00	400,000.00	0.00	400,000.00	0.00	0.00	3,250.00	505.56
	09/29/2020					282.72		(476.00)				
Total (Government Agencies)				(400,000.00)	394,404.00	400,000.00		400,000.00	0.00	0.00	3,250.00	505.56
						282.72		(476.00)				
Grand total				(400,000.00)	394,404.00	400,000.00		400,000.00	0.00	0.00	3,250.00	505.56
						282.72		(476.00)				

TRANSACTION REPORT

For the period September 1, 2020 - September 30, 2020

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
09/01/2020 09/01/2020	46625HQJ2	Income	Corporate Bonds	JPMORGAN CHASE & CO 2.55%	03/01/2021	600,000.00	0.00	0.00	7,650.00	7,650.00
09/04/2020 09/04/2020	949746RS2	Income	Corporate Bonds	WELLS FARGO & COMPANY	03/04/2021	600,000.00	0.00	0.00	7,500.00	7,500.00
09/15/2020 09/15/2020	084670BQ0	Income	Corporate Bonds	BERKSHIRE HATHAWAY INC	03/15/2021	680,000.00	0.00	0.00	7,480.00	7,480.00
09/15/2020 09/15/2020	14913Q2H1	Income	Corporate Bonds	CATERPILLAR FINL SERVICE	03/15/2021	500,000.00	0.00	0.00	694.32	694.32
09/29/2020 09/30/2020	3133EKPS9	Bought	Government Agencies	FEDERAL FARM CREDIT BANK	06/07/2021	500,000.00	0.00	(506,905.00)	(3,335.07)	(510,240.07)
09/29/2020 09/30/2020	3135G0U35	Bought	Government Agencies	FANNIE MAE 2.75% 22JUN2021	06/22/2021	500,000.00	0.00	(509,595.00)	(3,743.06)	(513,338.06)
09/29/2020 09/29/2020	3137EAEJ4	Income	Government Agencies	FREDDIE MAC 1.625%	09/29/2020	400,000.00	0.00	0.00	3,250.00	3,250.00
09/29/2020 09/29/2020	3137EAEJ4	Capital Change	Government Agencies	FREDDIE MAC 1.625%	09/29/2020	(400,000.00)	0.00	400,000.00	0.00	400,000.00
09/30/2020		Income	Cash and Cash Equivalent	Cash		0.00	0.00	0.00	43.98	43.98

As of September 30, 2020

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Information about the indices shown here is provided to allow for comparison of the performance of the strategy to that of certain well-known and widely recognized indices. There is no representation that such index is an appropriate benchmark for such comparison. You cannot invest directly in an index and the indices represented do not take into account trading commissions and/or other brokerage or custodial costs. The volatility of the indices may be materially different from that of the strategy. In addition, the strategy's holdings may differ substantially from the securities that comprise the indices shown.

The BofA Merrill Lynch 3 Mo US T-Bill index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

The BofA Merrill Lynch 6 Mo US T-Bill index measures the performance of Treasury bills with time to maturity of less than 6 months.

The BofA Merrill Lynch Current 1-Year US Treasury Index is a one-security index comprised of the most recently issued 1-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 1-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 3-Year US Treasury Index is a one-security index comprised of the most recently issued 3-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 3-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch Current 5-Year US Treasury Index is a one-security index comprised of the most recently issued 5-year US Treasury note. The index is rebalanced monthly. In order to qualify for inclusion, a 5-year note must be auctioned on or before the third business day before the last business day of the month.

The BofA Merrill Lynch 1-3 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than three years.

The BofA Merrill Lynch 1-5 US Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one year and less than five years.

ADDITIONAL INFORMATION

As of September 30, 2020

Insight does not provide tax or legal advice to its clients and all investors are strongly urged to consult their tax and legal advisors regarding any potential strategy or investment.

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