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CITY OF ANN ARBOR

January 2019

Part of  BNY MELLON

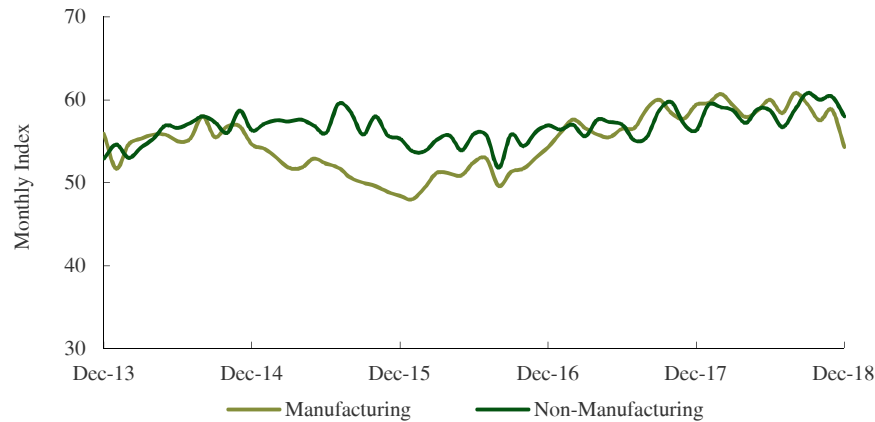


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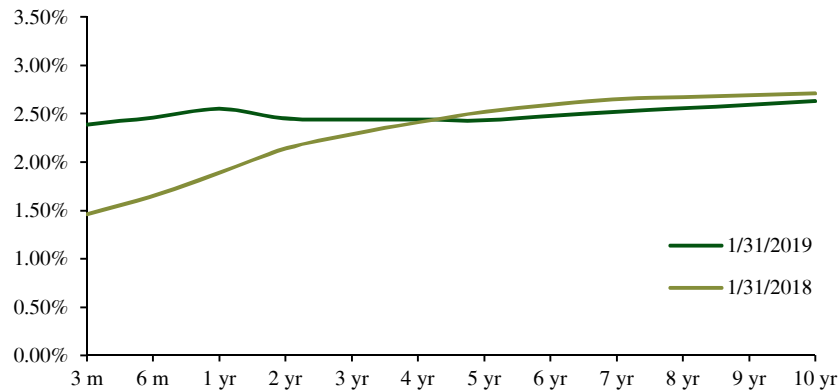
As of January 31, 2019

Chart 1: ISM Manufacturing & Non-Manufacturing Indices: 12/31/2013—12/31/2018



Source: Bloomberg Finance LP, January 31, 2019.

Chart 2: Treasury yield curve: 01/31/2018 and 01/31/2019



Source: Bloomberg Finance LP, January 31, 2019.

Economic Indicators and Monetary Policy

On January 30 the Federal Open Market Committee (FOMC) voted unanimously to hold the federal funds target rate steady at a range of 2.25% to 2.50%. Although the market did not expect a rate change at the January meeting the accompanying news conference and FOMC statement were more dovish than anticipated. Market expectations for a rate hike at the next two meetings decreased to near zero.

The FOMC guidance at the January meeting indicated that Fed officials would be patient when determining any future changes in interest rates. The FOMC downgraded growth expectations modestly from the meeting in December to solid from strong, while suggesting that the most likely outcomes are sustained economic expansion, strong labor market conditions and inflation near the 2% target. In a separate statement the FOMC noted that the Committee is prepared to adjust the balance sheet normalization plan in light of changing market conditions.

On January 4 the payroll report showed that 312,000 jobs were added in December, exceeding expectations of 184,000 new jobs. The prior month gains were revised upward to 196,000 from 155,000. The unemployment rate increased to 3.9% from 3.7% and the underemployment rate was unchanged at 7.6%. Wage growth increased 0.4% in December for an annual rate of 3.2%, better than expectations for 3.0% growth and the prior month was revised upward to an annual rate of 3.3% from 3.1%.

The Institute for Supply Management (ISM) Manufacturing and Non-Manufacturing Indices trended lower in December. On January 3 the Manufacturing Index was released at 54.1 from a prior reading of 58.8. The Non-manufacturing Index released on January 7 was at 57.6 for December compared to November at 60.4. The impact of continuing trade tensions with China, slowing global growth and the government shut-down were all considered as the market sorted this data. (See Chart 1).

Interest Rate Summary

At the end of January, the 3-month US Treasury bill yielded 2.39%, the 6-month US Treasury bill yielded 2.46%, the 2-year US Treasury note yielded 2.45%, the 5-year US Treasury note yielded 2.43% and the 10-year US Treasury note yielded 2.63%. (See Chart 2).

ACTIVITY AND PERFORMANCE SUMMARY

For the period January 1, 2019 - January 31, 2019

<u>Amortized Cost Basis Activity Summary</u>	
Opening balance	270,217,250.37
Income received	330,000.00
Total receipts	330,000.00
Total disbursements	0.00
Interportfolio transfers	(15,330,000.00)
Total Interportfolio transfers	(15,330,000.00)
Realized gain (loss)	0.00
Total amortization expense	(38,832.76)
Total OID/MKT accretion income	62,464.08
Return of capital	0.00
Closing balance	255,240,881.69
Ending fair value	253,503,228.50
Unrealized gain (loss)	(1,737,653.19)

<u>Detail of Amortized Cost Basis Return</u>				
	Interest earned	Accretion (amortization)	Realized gain (loss)	Total income
Commercial Paper	0.00	45,867.75	0.00	45,867.75
Government Agencies	193,416.66	(1,678.71)	0.00	191,737.95
Government Bonds	208,768.54	(20,557.72)	0.00	188,210.82
Total	402,185.20	23,631.32	0.00	425,816.52

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.92	1.08	0.20
Overnight Repo	1.99	1.14	0.21
Merrill Lynch 3m US Treas Bill	2.01	1.12	0.20
Merrill Lynch 6m US Treas Bill	2.15	1.19	0.20
ML 1 Year US Treasury Note	2.40	1.30	0.22
ML 2 Year US Treasury Note	2.57	1.36	0.21
ML 5 Year US Treasury Note	2.76	1.40	0.21

* rates reflected are cumulative

<u>Summary of Amortized Cost Basis Return for the Period</u>	
	Total portfolio
Interest earned	402,185.20
Accretion (amortization)	23,631.32
Realized gain (loss) on sales	0.00
Total income on portfolio	425,816.52
Average daily amortized cost	269,422,674.04
Period return (%)	0.16
YTD return (%)	0.16
Weighted average final maturity in days	479

ACTIVITY AND PERFORMANCE SUMMARY

For the period January 1, 2019 - January 31, 2019

<u>Fair Value Basis Activity Summary</u>		
Opening balance		268,176,281.80
Income received	330,000.00	
Total receipts		330,000.00
Total disbursements		0.00
Interportfolio transfers	(15,330,000.00)	
Total Interportfolio transfers		(15,330,000.00)
Unrealized gain (loss) on security movements		0.00
Return of capital		0.00
Change in fair value for the period		326,946.70
Ending fair value		253,503,228.50

<u>Detail of Fair Value Basis Return</u>			
	Interest earned	Change in fair value	Total income
Commercial Paper	0.00	53,181.70	53,181.70
Government Agencies	193,416.66	182,535.00	375,951.66
Government Bonds	208,768.54	91,230.00	299,998.54
Total	402,185.20	326,946.70	729,131.90

<u>Comparative Rates of Return (%)</u>			
	* Twelve month trailing	* Six month trailing	* One month
Fed Funds	1.92	1.08	0.20
Overnight Repo	1.99	1.14	0.21
ICE ML 3m US Treas Bill	1.95	1.10	0.20
ICE ML 6m US Treas Bill	2.04	1.17	0.23
ICE ML 1 Year US Treasury Note	2.07	1.34	0.26
ICE ML US Treasury 1-3	2.15	1.77	0.27
ICE ML US Treasury 1-5	2.43	2.20	0.32

* rates reflected are cumulative

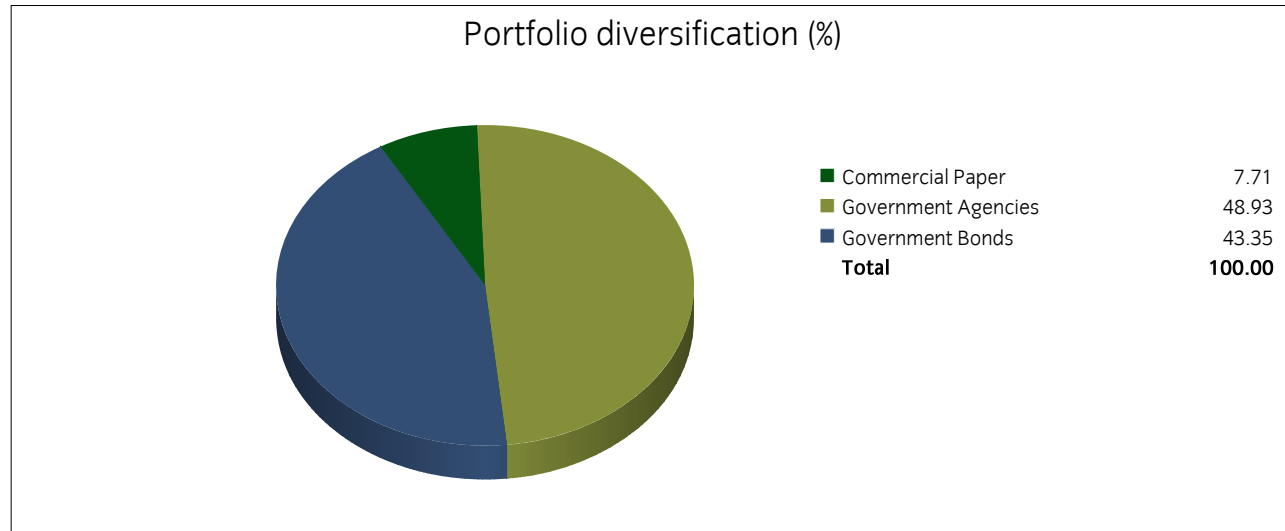
<u>Summary of Fair Value Basis Return for the Period</u>	
	Total portfolio
Interest earned	402,185.20
Change in fair value	326,946.70
Total income on portfolio	729,131.90
Average daily total value *	268,650,742.38
Period return (%)	0.27
YTD return (%)	0.27
Weighted average final maturity in days	479

* Total value equals market value and accrued interest

RECAP OF SECURITIES HELD

As of January 31, 2019

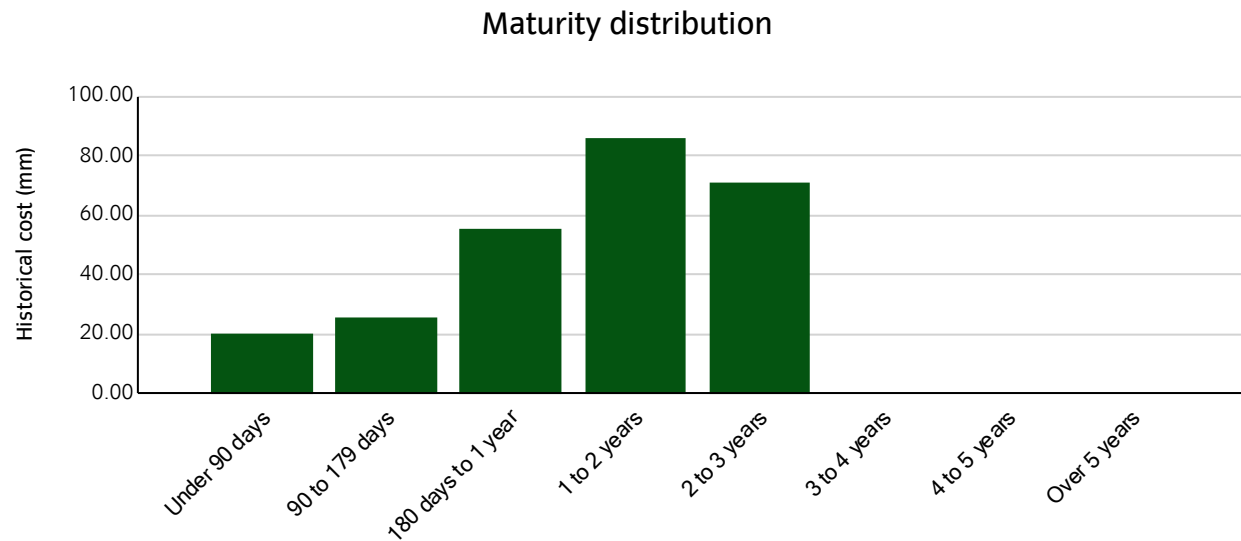
	Historical cost	Amortized cost	Fair value	Unrealized gain (loss)	Weighted average final maturity (days)	Percent of portfolio	Weighted average effective duration (years)
Commercial Paper	19,705,063.90	19,892,443.29	19,893,763.50	1,320.21	71	7.71	0.20
Government Agencies	125,008,800.00	124,978,361.67	123,974,405.00	(1,003,956.67)	487	48.93	1.27
Government Bonds	110,753,454.34	110,370,076.73	109,635,060.00	(735,016.73)	543	43.35	1.44
Total	255,467,318.24	255,240,881.69	253,503,228.50	(1,737,653.19)	479	100.00	1.26



MATURITY DISTRIBUTION OF SECURITIES HELD

As of January 31, 2019

Maturity	Historic cost	Percent
Under 90 days	19,878,751.73	7.78
90 to 179 days	24,916,693.43	9.75
180 days to 1 year	54,918,592.88	21.50
1 to 2 years	85,435,197.13	33.44
2 to 3 years	70,318,083.07	27.53
3 to 4 years	0.00	0.00
4 to 5 years	0.00	0.00
Over 5 years	0.00	0.00
	255,467,318.24	100.00



SECURITIES HELD

As of January 31, 2019

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
Commercial Paper											
4497W1P67 CP ING US FUNDING LLC 0% 06/02/2019	0.000	02/06/2019	5,000,000.00	4,917,361.10 0.00	4,997,934.03 10,674.19	4,998,005.85 11,382.40	71.82	0.00	0.00	0.00	1.92
89233HRA4 CP TOYOTA MOTOR CREDIT CORP - TOYOT 0% 10/04/2019	0.000	04/10/2019	5,000,000.00	4,955,150.00 0.00	4,973,994.54 11,683.62	4,975,543.35 14,335.00	1,548.81	0.00	0.00	0.00	1.94
4664Q528 CP J.P. MORGAN SECURITIES LLC - ARRANGING BROKER 0% 02/05/2019	0.000	05/02/2019	5,000,000.00	4,905,052.80 0.00	4,967,639.72 11,023.83	4,965,584.30 14,045.40	(2,055.42)	0.00	0.00	0.00	1.92
4664Q5U6 CP J.P. MORGAN SECURITIES LLC - ARRANGING BROKER 0% 28/05/2019	0.000	05/28/2019	5,000,000.00	4,927,500.00 0.00	4,952,875.00 12,486.11	4,954,630.00 13,418.90	1,755.00	0.00	0.00	0.00	1.93
Total Commercial Paper			20,000,000.00	19,705,063.90 0.00	19,892,443.29 45,867.75	19,893,763.50 53,181.70	1,320.21	0.00	0.00	0.00	7.71
Government Agencies											
3133EDVK5 FEDERAL FARM CREDIT BANK 1.75% 18MAR2019	1.750	03/18/2019	5,000,000.00	5,024,600.00 0.00	5,000,766.26 (478.91)	4,996,350.00 3,450.00	(4,416.26)	0.00	7,291.67	32,326.39	1.97
3136G3RW7 FANNIE MAE 1.27% 30MAY2019 CALLABLE	1.270	05/30/2019	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,979,900.00 6,400.00	(20,100.00)	0.00	5,291.66	10,583.33	1.96
3136G3K87 FANNIE MAE 1.18% 25JUL2019 (CALLABLE 25APR19)	1.180	07/25/2019 04/25/2019	5,000,000.00	4,996,250.00 0.00	4,999,396.27 103.49	4,967,950.00 7,500.00	(31,446.27)	29,500.00	4,916.66	983.33	1.96
3134G3JM3 FREDDIE MAC 2% 30JUL2019 CALLABLE	2.000	07/30/2019	5,000,000.00	5,025,300.00 0.00	5,002,323.47 (387.24)	4,986,580.00 8,350.00	(15,743.47)	50,000.00	8,333.33	0.00	1.97

SECURITIES HELD

As of January 31, 2019

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											
3136G34F9 FANNIE MAE 1.125% 28AUG2019 CALLABLE #0001	1.125	08/28/2019	5,000,000.00	4,996,900.00 0.00	4,999,406.81 85.56	4,960,250.00 9,250.00	(39,156.81)	0.00	4,687.50	23,906.25	1.96
3135G0Q30 FANNIE MAE 1.18% 27SEP2019 CALLABLE	1.180	09/27/2019	5,000,000.00	4,962,000.00 0.00	4,991,135.83 1,122.05	4,955,900.00 10,200.00	(35,235.83)	0.00	4,916.66	20,322.22	1.94
3134G8PD5 FREDDIE MAC 1.35% 30SEP2019 CALLABLE	1.350	09/30/2019	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,960,900.00 10,150.00	(39,100.00)	0.00	5,625.00	22,500.00	1.96
3137EADM8 FREDDIE MAC 1.25% 02OCT2019	1.250	10/02/2019	5,000,000.00	5,013,050.00 0.00	5,002,616.49 (324.36)	4,957,760.00 9,425.00	(44,856.49)	0.00	5,208.33	20,659.72	1.96
3136G0T68 FANNIE MAE 1.33% 24OCT2019 CALLABLE	1.330	10/24/2019	5,000,000.00	4,991,700.00 0.00	4,998,510.40 169.27	4,955,750.00 8,650.00	(42,760.40)	0.00	5,541.67	17,918.06	1.95
3136G2YA9 FANNIE MAE 1.4% 26NOV2019 (CALLABLE 26FEB19)	1.400	11/26/2019 02/26/2019	5,000,000.00	4,998,750.00 0.00	4,999,726.13 27.76	4,953,900.00 10,600.00	(45,826.13)	0.00	5,833.33	30,138.89	1.96
3130ADN32 FEDERAL HOME LOAN BANK 2.125% 11FEB2020	2.125	02/11/2020	5,000,000.00	4,979,650.00 0.00	4,989,026.38 887.35	4,976,080.00 (500.00)	(12,946.38)	0.00	8,854.17	50,173.61	1.95
3133EFZT7 FEDERAL FARM CREDIT BANK 1.4% 24FEB2020 (CALLABLE 12FEB19)	1.400	02/24/2020	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,938,400.00 1,450.00	(61,600.00)	0.00	5,833.34	30,527.78	1.96
3137EAEM7 FREDDIE MAC 2.5% 23APR2020	2.500	04/23/2020	5,000,000.00	4,987,950.00 0.00	4,992,297.04 521.64	4,999,445.00 6,380.00	7,147.96	0.00	10,416.67	34,027.78	1.95
3134GABM5 FREDDIE MAC 1.3% 28AUG2020 CALLABLE	1.300	08/28/2020	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,904,650.00 8,150.00	(95,350.00)	0.00	5,416.67	27,625.00	1.96

SECURITIES HELD

As of January 31, 2019

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											
3134G3K90 FREDDIE MAC 1.7% 25SEP2020 CALLABLE	1.700	09/25/2020	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,932,200.00 7,200.00	(67,800.00)	0.00	7,083.33	29,750.00	1.96
3133EGXX8 FEDERAL FARM CREDIT BANK 1.34% 13OCT2020 (CALLABLE 12FEB19)	1.340	10/13/2020	5,000,000.00	4,988,750.00 0.00	4,995,237.40 233.08	4,901,550.00 9,950.00	(93,687.40)	0.00	5,583.33	20,100.00	1.95
3135G0F73 FANNIE MAE 1.5% 30NOV2020	1.500	11/30/2020	5,000,000.00	5,080,350.00 0.00	5,034,191.49 (1,554.16)	4,910,780.00 9,860.00	(123,411.49)	0.00	6,250.00	12,500.00	1.99
3130A3UQ5 FEDERAL HOME LOAN BANK 1.875% 11DEC2020	1.875	12/11/2020	5,000,000.00	4,981,650.00 0.00	4,988,651.75 507.37	4,941,740.00 7,525.00	(46,911.75)	0.00	7,812.50	13,020.83	1.95
3130ABZQ2 FEDERAL HOME LOAN BANK 1.75% 08FEB2021 CALLABLE #0000	1.750	02/08/2021	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,926,200.00 7,100.00	(73,800.00)	0.00	7,291.67	42,048.61	1.96
3133EJXV6 FEDERAL FARM CREDIT BANK 2.7% 23FEB2021	2.700	02/23/2021	5,000,000.00	4,992,450.00 0.00	4,993,732.23 253.07	5,015,700.00 4,050.00	21,967.77	0.00	11,250.00	59,250.00	1.95
3134GBG48 FREDDIE MAC 1.75% 29MAR2021 (CALLABLE 29MAR19)	1.750	03/29/2021 03/29/2019	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,918,050.00 8,250.00	(81,950.00)	0.00	7,291.67	29,652.78	1.96
3130ACLQ5 FEDERAL HOME LOAN BANK 2% 30APR2021 (CALLABLE 30APR19) #0000	2.000	04/30/2021 04/30/2019	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,931,850.00 6,950.00	(68,150.00)	0.00	8,333.33	25,000.00	1.96
3134GBC75 FREDDIE MAC 1.875% 28MAY2021 (CALLABLE 28FEB19)	1.875	05/28/2021 02/28/2019	5,000,000.00	5,000,000.00 0.00	5,000,000.00 0.00	4,926,200.00 7,950.00	(73,800.00)	0.00	7,812.50	16,406.25	1.96

SECURITIES HELD

As of January 31, 2019

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											
3133EJTF6 FEDERAL FARM CREDIT BANK 2.7% 02JUL2021	2.700	07/02/2021	5,000,000.00	4,990,450.00 0.00	4,992,238.96 267.01	5,016,500.00 700.00	24,261.04	67,500.00	11,250.00	10,875.00	1.95
313383ZU8 FEDERAL HOME LOAN BANK 3% 10SEP2021	3.000	09/10/2021	5,000,000.00	4,999,000.00 0.00	4,999,104.76 28.57	5,059,820.00 7,145.00	60,715.24	0.00	12,500.00	58,750.00	1.96
Total Government Agencies			125,000,000.00	125,008,800.00 0.00	124,978,361.67 1,461.55	123,974,405.00 176,135.00	(1,003,956.67)	147,000.00	180,624.99	639,045.83	48.93
Government Bonds											
912828C24 USA TREASURY 1.5% 28FEB2019	1.500	02/28/2019	5,000,000.00	4,981,640.63 0.00	4,998,818.25 1,308.37	4,996,670.00 3,825.00	(2,148.25)	0.00	6,422.66	31,698.90	1.95
912828W55 USA TREASURY 1.625% 30JUN2019	1.625	06/30/2019	5,000,000.00	5,087,890.63 0.00	5,011,032.30 (2,280.00)	4,983,205.00 5,860.00	(27,827.30)	0.00	6,957.87	6,957.87	1.99
912828F62 USA TREASURY 1.5% 31OCT2019	1.500	10/31/2019	5,000,000.00	5,009,765.63 0.00	5,002,692.95 (305.79)	4,961,525.00 8,205.00	(41,167.95)	0.00	6,422.65	19,060.77	1.96
912828LY4 USA TREASURY 3.375% 15NOV2019	3.375	11/15/2019	5,000,000.00	5,051,579.25 0.00	5,032,014.71 (3,446.02)	5,030,860.00 780.00	(1,154.71)	0.00	14,450.97	35,894.34	1.98
912828U73 USA TREASURY 1.375% 15DEC2019	1.375	12/15/2019	5,000,000.00	4,920,524.56 0.00	4,948,839.70 4,987.33	4,949,610.00 9,180.00	770.30	0.00	5,855.08	8,877.06	1.93
9128283N8 USA TREASURY 1.875% 31DEC2019	1.875	12/31/2019	5,000,000.00	4,949,023.44 0.00	4,962,986.58 3,435.37	4,968,750.00 5,080.00	5,763.42	0.00	8,028.32	8,028.32	1.94
912828UL2 USA TREASURY 1.375% 31JAN2020	1.375	01/31/2020	5,000,000.00	4,990,429.69 0.00	4,996,986.05 255.97	4,942,580.00 8,010.00	(54,406.05)	34,375.00	5,791.44	0.00	1.95

SECURITIES HELD

As of January 31, 2019

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 Bonds											
912828MP2 USA TREASURY 3.625% 15FEB2020	3.625	02/15/2020	5,000,000.00	5,075,016.75 0.00	5,051,270.44 (4,182.59)	5,053,710.00 (585.00)	2,439.56	0.00	15,268.34	83,237.09	1.99
912828J50 USA TREASURY 1.375% 29FEB2020	1.375	02/29/2020	5,000,000.00	5,060,742.19 0.00	5,019,039.32 (1,498.02)	4,937,500.00 7,420.00	(81,539.32)	0.00	5,887.43	29,057.32	1.98
912828ND8 USA TREASURY 3.5% 15MAY2020	3.500	05/15/2020	5,000,000.00	5,072,868.31 0.00	5,053,015.64 (3,496.78)	5,061,720.00 (1,170.00)	8,704.36	0.00	14,986.19	37,223.76	1.99
912828XH8 USA TREASURY 1.625% 30JUN2020	1.625	06/30/2020	5,000,000.00	5,119,531.25 0.00	5,042,861.80 (2,575.03)	4,938,865.00 6,445.00	(103,996.80)	0.00	6,957.87	6,957.87	2.00
912828L65 USA TREASURY 1.375% 30SEP2020	1.375	09/30/2020	5,000,000.00	5,064,062.50 0.00	5,025,966.67 (1,323.95)	4,908,985.00 7,225.00	(116,981.67)	0.00	5,855.09	23,231.46	1.98
912828WC0 USA TREASURY 1.75% 31OCT2020	1.750	10/31/2020	5,000,000.00	5,000,195.31 0.00	5,000,114.60 (5.56)	4,936,330.00 4,690.00	(63,784.60)	0.00	7,493.09	22,237.57	1.96
912828L99 USA TREASURY 1.375% 31OCT2020	1.375	10/31/2020	5,000,000.00	5,036,328.13 0.00	5,015,899.78 (771.35)	4,904,690.00 6,250.00	(111,209.78)	0.00	5,887.43	17,472.38	1.97
912828PC8 USA TREASURY 2.625% 15NOV2020	2.625	11/15/2020	5,000,000.00	4,997,673.00 0.00	4,998,146.34 87.87	5,011,817.50 1,367.50	13,671.16	0.00	11,239.64	27,917.82	1.96
912828N89 USA TREASURY 1.375% 31JAN2021	1.375	01/31/2021	5,000,000.00	5,072,656.25 0.00	5,032,484.23 (1,377.58)	4,893,360.00 8,010.00	(139,124.23)	34,375.00	5,791.44	0.00	1.99
912828PX2 USA TREASURY 3.625% 15FEB2021	3.625	02/15/2021	5,000,000.00	5,085,563.63 0.00	5,077,652.64 (3,226.85)	5,115,232.50 (2,052.50)	37,579.86	0.00	15,268.34	83,237.09	1.99

SECURITIES HELD

As of January 31, 2019

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 Bonds											
912828C57 USA TREASURY 2.25% 31MAR2021	2.250	03/31/2021	5,000,000.00	5,108,789.06 0.00	5,064,911.90 (2,547.18)	4,977,150.00 2,930.00	(87,761.90)	0.00	9,581.04	38,015.11	2.00
912828WG1 USA TREASURY 2.25% 30APR2021	2.250	04/30/2021	5,000,000.00	5,108,789.06 0.00	5,065,884.07 (2,490.74)	4,976,365.00 (200.00)	(89,519.07)	0.00	9,633.98	28,591.16	2.00
912828QN3 USA TREASURY 3.125% 15MAY2021	3.125	05/15/2021	5,000,000.00	5,034,196.44 0.00	5,031,343.61 (1,163.65)	5,072,850.00 (1,370.00)	41,506.39	0.00	13,380.53	33,235.50	1.97
912828F21 USA TREASURY 2.125% 30SEP2021	2.125	09/30/2021	5,000,000.00	4,914,860.50 0.00	4,927,332.69 2,315.20	4,958,400.00 5,860.00	31,067.31	0.00	9,048.76	35,903.16	1.92
9128285F3 USA TREASURY 2.875% 15OCT2021	2.875	10/15/2021	5,000,000.00	5,011,328.13 0.00	5,010,782.46 (338.32)	5,054,885.00 2,150.00	44,102.54	0.00	12,242.45	42,651.10	1.96
Total Government Bonds			110,000,000.00	110,753,454.34 0.00	110,370,076.73 (18,639.30)	109,635,060.00 87,910.00	(735,016.73)	68,750.00	202,450.61	619,485.65	43.35
Grand total			255,000,000.00	255,467,318.24 0.00	255,240,881.69 28,690.00	253,503,228.50 317,226.70	(1,737,653.19)	215,750.00	383,075.60	1,258,531.48	100.00

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of January 31, 2019

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)
United States Treasury Note/Bond												
912828C24	USA TREASURY 1.5%	1.500	02/28/2019		AA+	Aaa	5,000,000.00	4,981,640.63	1.95	4,996,670.00	1.97	0.08
912828W55	USA TREASURY 1.625%	1.625	06/30/2019		AA+	Aaa	5,000,000.00	5,087,890.63	1.99	4,983,205.00	1.97	0.41
912828F62	USA TREASURY 1.5%	1.500	10/31/2019		AA+	Aaa	5,000,000.00	5,009,765.63	1.96	4,961,525.00	1.96	0.73
912828LY4	USA TREASURY 3.375%	3.375	11/15/2019		AA+	Aaa	5,000,000.00	5,051,579.25	1.98	5,030,860.00	1.98	0.77
912828U73	USA TREASURY 1.375%	1.375	12/15/2019		AA+	Aaa	5,000,000.00	4,920,524.56	1.93	4,949,610.00	1.95	0.86
9128283N8	USA TREASURY 1.875%	1.875	12/31/2019		AA+	Aaa	5,000,000.00	4,949,023.44	1.94	4,968,750.00	1.96	0.90
912828UL2	USA TREASURY 1.375%	1.375	01/31/2020		AA+	Aaa	5,000,000.00	4,990,429.69	1.95	4,942,580.00	1.95	0.98
912828MP2	USA TREASURY 3.625%	3.625	02/15/2020		AA+	Aaa	5,000,000.00	5,075,016.75	1.99	5,053,710.00	1.99	1.00
912828J50	USA TREASURY 1.375%	1.375	02/29/2020		AA+	Aaa	5,000,000.00	5,060,742.19	1.98	4,937,500.00	1.95	1.05
912828ND8	USA TREASURY 3.5%	3.500	05/15/2020		AA+	Aaa	5,000,000.00	5,072,868.31	1.99	5,061,720.00	2.00	1.25
912828XH8	USA TREASURY 1.625%	1.625	06/30/2020		AA+	Aaa	5,000,000.00	5,119,531.25	2.00	4,938,865.00	1.95	1.38
912828L65	USA TREASURY 1.375%	1.375	09/30/2020		AA+	Aaa	5,000,000.00	5,064,062.50	1.98	4,908,985.00	1.94	1.62
912828WC0	USA TREASURY 1.75%	1.750	10/31/2020		AA+	Aaa	5,000,000.00	5,000,195.31	1.96	4,936,330.00	1.95	1.70
912828L99	USA TREASURY 1.375%	1.375	10/31/2020		AA+	Aaa	5,000,000.00	5,036,328.13	1.97	4,904,690.00	1.93	1.71
912828PC8	USA TREASURY 2.625%	2.625	11/15/2020		AA+	Aaa	5,000,000.00	4,997,673.00	1.96	5,011,817.50	1.98	1.73
912828N89	USA TREASURY 1.375%	1.375	01/31/2021		AA+	Aaa	5,000,000.00	5,072,656.25	1.99	4,893,360.00	1.93	1.95
912828PX2	USA TREASURY 3.625%	3.625	02/15/2021		AA+	Aaa	5,000,000.00	5,085,563.63	1.99	5,115,232.50	2.02	1.93
912828C57	USA TREASURY 2.25%	2.250	03/31/2021		AA+	Aaa	5,000,000.00	5,108,789.06	2.00	4,977,150.00	1.96	2.08
912828WG1	USA TREASURY 2.25%	2.250	04/30/2021		AA+	Aaa	5,000,000.00	5,108,789.06	2.00	4,976,365.00	1.96	2.16
912828QN3	USA TREASURY 3.125%	3.125	05/15/2021		AA+	Aaa	5,000,000.00	5,034,196.44	1.97	5,072,850.00	2.00	2.18
912828F21	USA TREASURY 2.125%	2.125	09/30/2021		AA+	Aaa	5,000,000.00	4,914,860.50	1.92	4,958,400.00	1.96	2.55
9128285F3	USA TREASURY 2.875%	2.875	10/15/2021		AA+	Aaa	5,000,000.00	5,011,328.13	1.96	5,054,885.00	1.99	2.57
Issuer total							110,000,000.00	110,753,454.34	43.35	109,635,060.00	43.25	1.44

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of January 31, 2019

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)
Federal Home Loan Mortgage Corp												
3134G3JM3	FREDDIE MAC 2%	2.000	07/30/2019		AA+	Aaa	5,000,000.00	5,025,300.00	1.97	4,986,580.00	1.97	0.49
3134G8PD5	FREDDIE MAC 1.35%	1.350	09/30/2019		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,960,900.00	1.96	0.65
3137EADM8	FREDDIE MAC 1.25%	1.250	10/02/2019		AA+	Aaa	5,000,000.00	5,013,050.00	1.96	4,957,760.00	1.96	0.66
3137EAEM7	FREDDIE MAC 2.5%	2.500	04/23/2020		AA+	Aaa	5,000,000.00	4,987,950.00	1.95	4,999,445.00	1.97	1.19
3134GABM5	FREDDIE MAC 1.3%	1.300	08/28/2020		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,904,650.00	1.93	1.54
3134G3K90	FREDDIE MAC 1.7%	1.700	09/25/2020		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,932,200.00	1.95	1.60
3134GBG48	FREDDIE MAC 1.75%	1.750	03/29/2021	03/29/2019	AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,918,050.00	1.94	1.95
3134GBC75	FREDDIE MAC 1.875%	1.875	05/28/2021	02/28/2019	AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,926,200.00	1.94	2.02
Issuer total							40,000,000.00	40,026,300.00	15.67	39,585,785.00	15.62	1.26
Federal National Mortgage Association												
3136G3RW7	FANNIE MAE 1.27%	1.270	05/30/2019		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,979,900.00	1.96	0.32
3136G3K87	FANNIE MAE 1.18%	1.180	07/25/2019	04/25/2019	AA+	Aaa	5,000,000.00	4,996,250.00	1.96	4,967,950.00	1.96	0.47
3136G34F9	FANNIE MAE 1.125%	1.125	08/28/2019		AA+	Aaa	5,000,000.00	4,996,900.00	1.96	4,960,250.00	1.96	0.56
3135G0Q30	FANNIE MAE 1.18%	1.180	09/27/2019		AA+	Aaa	5,000,000.00	4,962,000.00	1.94	4,955,900.00	1.95	0.64
3136G0T68	FANNIE MAE 1.33%	1.330	10/24/2019		AA+	Aaa	5,000,000.00	4,991,700.00	1.95	4,955,750.00	1.95	0.72
3136G2YA9	FANNIE MAE 1.4%	1.400	11/26/2019	02/26/2019	AA+	Aaa	5,000,000.00	4,998,750.00	1.96	4,953,900.00	1.95	0.80
3135G0F73	FANNIE MAE 1.5%	1.500	11/30/2020		AA+	Aaa	5,000,000.00	5,080,350.00	1.99	4,910,780.00	1.94	1.79
Issuer total							35,000,000.00	35,025,950.00	13.71	34,684,430.00	13.68	0.76
Federal Farm Credit Banks												
3133EDVK5	FEDERAL FARM CREDIT	1.750	03/18/2019		AA+	Aaa	5,000,000.00	5,024,600.00	1.97	4,996,350.00	1.97	0.13
3133EFZT7	FEDERAL FARM CREDIT	1.400	02/24/2020		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,938,400.00	1.95	1.04
3133EGXX8	FEDERAL FARM CREDIT	1.340	10/13/2020		AA+	Aaa	5,000,000.00	4,988,750.00	1.95	4,901,550.00	1.93	1.64
3133EJXV6	FEDERAL FARM CREDIT	2.700	02/23/2021		AA+	Aaa	5,000,000.00	4,992,450.00	1.95	5,015,700.00	1.98	1.97

GASB 40 - DEPOSIT AND INVESTMENT RISK DISCLOSURE

As of January 31, 2019

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)
Federal Farm Credit Banks												
3133EJTF6	FEDERAL FARM CREDIT	2.700	07/02/2021		AA+	Aaa	5,000,000.00	4,990,450.00	1.95	5,016,500.00	1.98	2.32
Issuer total							25,000,000.00	24,996,250.00	9.78	24,868,500.00	9.81	1.42
Federal Home Loan Banks												
3130ADN32	FEDERAL HOME LOAN	2.125	02/11/2020		AA+	Aaa	5,000,000.00	4,979,650.00	1.95	4,976,080.00	1.96	1.00
3130A3UQ5	FEDERAL HOME LOAN	1.875	12/11/2020		AA+	Aaa	5,000,000.00	4,981,650.00	1.95	4,941,740.00	1.95	1.81
3130ABZQ2	FEDERAL HOME LOAN	1.750	02/08/2021		AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,926,200.00	1.94	1.95
3130ACLQ5	FEDERAL HOME LOAN	2.000	04/30/2021	04/30/2019	AA+	Aaa	5,000,000.00	5,000,000.00	1.96	4,931,850.00	1.95	1.94
313383ZU8	FEDERAL HOME LOAN	3.000	09/10/2021		AA+	Aaa	5,000,000.00	4,999,000.00	1.96	5,059,820.00	2.00	2.47
Issuer total							25,000,000.00	24,960,300.00	9.77	24,835,690.00	9.80	1.83
J.P. Morgan Securities												
46640QS28	CP J.P. MORGAN	0.000	05/02/2019		A-1	P-1	5,000,000.00	4,905,052.80	1.92	4,965,584.30	1.96	0.25
46640QSU6	CP J.P. MORGAN	0.000	05/28/2019		A-1	P-1	5,000,000.00	4,927,500.00	1.93	4,954,630.00	1.95	0.32
Issuer total							10,000,000.00	9,832,552.80	3.85	9,920,214.30	3.91	0.29
ING US FDG LLC												
4497W1P67	CP ING US FUNDING LLC	0.000	02/06/2019		A-1	P-1	5,000,000.00	4,917,361.10	1.92	4,998,005.85	1.97	0.02
Issuer total							5,000,000.00	4,917,361.10	1.92	4,998,005.85	1.97	0.02
Toyota Motor Credit Corp												
89233HRA4	CP TOYOTA MOTOR	0.000	04/10/2019		A-1+	P-1	5,000,000.00	4,955,150.00	1.94	4,975,543.35	1.96	0.19
Issuer total							5,000,000.00	4,955,150.00	1.94	4,975,543.35	1.96	0.19
Grand total							255,000,000.00	255,467,318.24	100.00	253,503,228.50	100.00	1.26

SECURITIES SOLD AND MATURED

For the period January 1, 2019 - January 31, 2019

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												
3136FTZZ5 FANNIE MAE 1.75% 30JAN2019 CALLABLE	01/30/2019 01/30/2019	1.750		(5,000,000.00)	5,094,650.00	5,000,000.00 (2,759.48)	0.00	5,000,000.00 2,700.00	0.00	0.00	43,750.00	7,291.67
3133EE5P1 FEDERAL FARM CREDIT BANK 1.32% 30JAN2019	01/30/2019 01/30/2019	1.320		(5,000,000.00)	5,015,650.00	5,000,000.00 (380.78)	0.00	5,000,000.00 3,700.00	0.00	0.00	33,000.00	5,500.00
Total (Government Agencies)				(10,000,000.00)	10,110,300.00	10,000,000.00 (3,140.26)		10,000,000.00 6,400.00	0.00	0.00	76,750.00	12,791.67
Government Bonds												
912828B33 USA TREASURY 1.5% 31JAN2019	01/31/2019 01/31/2019	1.500		(5,000,000.00)	5,073,828.13	5,000,000.00 (1,918.42)	0.00	5,000,000.00 3,320.00	0.00	0.00	37,500.00	6,317.93
Total (Government Bonds)				(5,000,000.00)	5,073,828.13	5,000,000.00 (1,918.42)		5,000,000.00 3,320.00	0.00	0.00	37,500.00	6,317.93
Grand total				(15,000,000.00)	15,184,128.13	15,000,000.00 (5,058.68)		15,000,000.00 9,720.00	0.00	0.00	114,250.00	19,109.60

TRANSACTION REPORT

For the period January 1, 2019 - January 31, 2019

Trade date Settle date	Cusip	Transaction	Sec type	Description	Maturity	Par value or shares	Realized gain(loss)	Principal	Interest	Transaction total
01/02/2019 01/02/2019	3133EJTF6	Income	Government Agencies	FEDERAL FARM CREDIT BANK	07/02/2021	5,000,000.00	0.00	0.00	67,500.00	67,500.00
01/25/2019 01/25/2019	3136G3K87	Income	Government Agencies	FANNIE MAE 1.18% 25JUL2019	07/25/2019	5,000,000.00	0.00	0.00	29,500.00	29,500.00
01/30/2019 01/30/2019	3133EE5P1	Income	Government Agencies	FEDERAL FARM CREDIT BANK	01/30/2019	5,000,000.00	0.00	0.00	33,000.00	33,000.00
01/30/2019 01/30/2019	3133EE5P1	Capital Change	Government Agencies	FEDERAL FARM CREDIT BANK	01/30/2019	(5,000,000.00)	0.00	5,000,000.00	0.00	5,000,000.00
01/30/2019 01/30/2019	3134G3JM3	Income	Government Agencies	FREDDIE MAC 2% 30JUL2019	07/30/2019	5,000,000.00	0.00	0.00	50,000.00	50,000.00
01/30/2019 01/30/2019	3136FTZZ5	Income	Government Agencies	FANNIE MAE 1.75% 30JAN2019	01/30/2019	5,000,000.00	0.00	0.00	43,750.00	43,750.00
01/30/2019 01/30/2019	3136FTZZ5	Capital Change	Government Agencies	FANNIE MAE 1.75% 30JAN2019	01/30/2019	(5,000,000.00)	0.00	5,000,000.00	0.00	5,000,000.00
01/31/2019 01/31/2019	912828B33	Income	Government Bonds	USA TREASURY 1.5%	01/31/2019	5,000,000.00	0.00	0.00	37,500.00	37,500.00
01/31/2019 01/31/2019	912828B33	Capital Change	Government Bonds	USA TREASURY 1.5%	01/31/2019	(5,000,000.00)	0.00	5,000,000.00	0.00	5,000,000.00
01/31/2019 01/31/2019	912828N89	Income	Government Bonds	USA TREASURY 1.375%	01/31/2021	5,000,000.00	0.00	0.00	34,375.00	34,375.00
01/31/2019 01/31/2019	912828UL2	Income	Government Bonds	USA TREASURY 1.375%	01/31/2020	5,000,000.00	0.00	0.00	34,375.00	34,375.00

ADDITIONAL INFORMATION

As of January 31, 2019

Past performance is not a guide to future performance. The value of investments and any income from them will fluctuate and is not guaranteed (this may partly be due to exchange rate changes) and investors may not get back the amount invested. Transactions in foreign securities may be executed and settled in local markets. Performance comparisons will be affected by changes in interest rates. Investment returns fluctuate due to changes in market conditions. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. The information contained herein is for your reference only and is being provided in response to your specific request and has been obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This document must not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or otherwise not permitted. This document should not be duplicated, amended, or forwarded to a third party without consent from Insight. This is a marketing document intended for professional clients only and should not be made available to or relied upon by retail clients.

Investment advisory services in North America are provided through two different SEC-registered investment advisers using the brand Insight Investment: Insight North America LLC (INA) and Insight Investment International Limited (IIL). The North American investment advisers are associated with a broader group of global investment managers that also (individually and collectively) use the corporate brand Insight Investment and may be referred to as Insight, Insight Group or Insight Investment.

INA is an investment adviser registered with the Securities and Exchange Commission (SEC), under the Investment Advisers Act of 1940, as amended. Registration with the SEC does not imply a certain level of skill or training. You may request, without charge, additional information about Insight. Moreover, specific information relating to Insights strategies, including investment advisory fees, may be obtained from INA's Form ADV Part 2A, which is available without charge upon request.

Where indicated, performance numbers used in the analysis are gross returns. The performance reflects the reinvestment of all dividends and income. INA charges management fees on all portfolios managed and these fees will reduce the returns on the portfolios. For example, assume that \$30 million is invested in an account with INA, and this account achieves a 5.0% annual return compounded monthly, gross of fees, for a period of five years. At the end of five years that account would have grown to \$38,500,760 before the deduction of management fees. Assuming management fees of 0.25% per year are deducted monthly from the account, the value at the end of the five year period would be \$38,022,447. Actual fees for new accounts are dependent on size and subject to negotiation. INA's investment advisory fees are discussed in Part 2A of its Form ADV.

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For trading activity the Clearing broker will be reflected. In certain cases the Clearing broker will differ from the Executing broker.

In calculating ratings distributions and weighted average portfolio quality, Insight assigns U.S Treasury and U.S agency securities a quality rating based on the methodology used within the respective benchmark index. When Moodys, S&P and Fitch rate a security, Bank of America and Merrill Lynch indexes assign a simple weighted average statistic while Barclays indexes assign the median statistic. Insight assigns all other securities the lower of Moodys and S&P ratings.

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 strategys 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.

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ADDITIONAL INFORMATION

As of January 31, 2019

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