



Office of the City Manager

INFORMATION CALENDAR

June 25, 2019

To: Honorable Mayor and Members of the City Council
From: Dee Williams-Ridley, City Manager
Submitted by: Henry Oyekanmi, Director, Finance Department
Subject: FY 2019 Second Quarter Investment Report: Ended December 31, 2018

SUMMARY

The City's investment policy requires that a quarterly investment report be submitted to the City Council on the status of the investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the types, values (par, book, and market), term, and yield of each security.

- The return on pooled investments for the quarter ended December 31, 2018 was 2.005% or .209% less than the 2.214% earned by the State Local Agency Investment Fund (State LAIF), which is the benchmark for investment performance used by the City. The return on pooled investments of 2.005% for the quarter ended December 31, 2018 was .135 more than the rate of 1.870% earned in the quarter ended September 30, 2018.
- The average return on all Retiree Medical Trust Fund investments was 4.022% for the quarter ended December 31, 2018. This rate will continue to drop slightly in the next few quarters as staff reinvests the proceeds of maturing securities at lower interest rates.

CURRENT SITUATION AND ITS EFFECTS

Attached is a summary of quarterly reports for fiscal year 2019 second quarter ending December 31, 2018 representing the status of the City's investment portfolio. The report includes all investments managed by the City of Berkeley and provides information on the values (par, book, and market), term, and yield of each security.

Summary information by type of security and detailed information on each security is provided on Exhibit 2-A. An evaluation of portfolio performance for this accounting period compared to the previous three accounting periods is also included in Attachment 1.

A. Portfolio Results1. Liquidity of Portfolio:

The average investment in the pooled portfolio matured in 716 days as of December 31, 2018. This is 60 days more than maturity days of 656 days as of September 30, 2018.

2. Comparison of Results to Performance Measures – Pooled investments:
Quarter Ended December 31, 2018

The City's yield on investments for the quarter ended December 31, 2018 was 2.005%, an increase of 13.5 basis points (.135%) from the 1.870% earned during the quarter ended September 30, 2018. The average yield on a 90-day Treasury bill at the end of the quarter ended December 31, 2018 was 2.355%, an increase of 15.9 basis points (.159%) from the 2.196% at the end of the previous quarter.

As summarized in Table 1, staff's overall results fell short of the performance measure for the quarter by 20.9 basis points (.209%). Staff's performance was under the performance measure in October by 19.2 basis points (-.192%); under the performance measure in November by 15.0 basis points (-.150%); and, was under the performance measure in December by 28.6 basis points (-.286%). The performance measure for the return on investments is compared to the rate of return of the State LAIF.

Table 1

| For Quarter Ending December 31, 2018 | | | |
|---|-------------|-------------------|-------------------|
| Period | City | State LAIF | Difference |
| Oct-18 | 1.952% | 2.144% | -0.192% |
| Nov-18 | 2.058% | 2.208% | -0.150% |
| Dec-18 | 2.005% | 2.291% | -0.286% |
| Oct -Dec 18 | 2.005% | 2.214% | -0.209% |

3. Investment Results-Retiree Health Insurance Funds:

Average interest rates earned on the retiree health insurance trust funds for the quarter ended December 31, 2018 compared to the quarter ended September 30, 2018, were as follows:

Table 2

| EARNED INTEREST RATES | | |
|--|-----------------------------|-----------------------------|
| For Quarter Ended 12/31/2018 Compared To 09/30/2018 | | |
| Trust Fund | 1st Qtr 09/30/18 | 2nd Qtr 12/31/18 |
| Retiree Medical Trust Fund (Misc Employees) | 4.384% | 4.384% |
| Fire Retiree Medical Trust Fund | 3.566% | 3.566% |
| Police Retiree Medical Trust Fund | 3.365% | 3.365% |

The rates earned on these plans will continue to drop slightly over the next few quarters as staff reinvests the proceeds of maturing securities at lower rates.

Details related to retiree health trust fund investments are in Attachment 3, Exhibits 3-A, 3-B, and 3-C of this report.

B. Discussion of Interest Rate Environment and Outlook

On December 19, 2018 the Federal Open Market Committee issued its latest statement on the economy and interest rates:

Information received since the Federal Open Market Committee met in November indicates that the labor market has continued to strengthen and that economic activity has been rising at a strong rate. Job gains have been strong, on average, in recent months, and the unemployment rate has remained low. Household spending has continued to grow strongly, while growth of business fixed investment has moderated from its rapid pace earlier in the year. On a 12-month basis, both overall inflation and inflation for items other than food and energy remain near 2 percent. Indicators of longer-term inflation expectations are little changed, on balance.

Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee judges that some further gradual increases in the target range for the federal funds rate will be consistent with sustained expansion of economic activity, strong labor market conditions, and inflation near the Committee's symmetric 2 percent objective over the medium term. The Committee judges that risks to the economic outlook are roughly balanced, but will continue to monitor global economic and financial developments and assess their implications for the economic outlook.

Yield Trend

In view of realized and expected labor market conditions and inflation, the Committee decided to raise the target range for the federal funds rate to 2-1/4 to 2-1/2 percent.

In determining the timing and size of future adjustments to the target range for the federal funds rate, the Committee will assess realized and expected economic conditions relative to its maximum employment objective and its symmetric 2 percent inflation objective. This assessment will take into account a wide range of information, including measures of labor market conditions, indicators of inflation pressures and inflation expectations, and readings on financial and international developments.

In the current interest rate environment, staff expects returns in FY 2019 to be below the returns earned in FY 2018. This is because \$30.3 million of available investment funds were taken from the total available investment funds and used to prepay the unfunded portion of the CalPERS required payment for FY 2019, earning the City a discount of \$1.1 million or an annualized return of approximately 7.3% on the \$30.3 million CalPERS prepayment. This \$1.1 million discount will be shown as income in the Section 115 Pension Trust and not interest income which in effect decreases the base available for pooled investment. The Also, the City's rate earned is expected to be about the same as the City's benchmark (State LAIF) because the yield curve is flat. In addition, staff expects the City's return to be comparable to rates earned by most other cities in California, a sample of which is reflected in table 3 below:

Table 3

| Other California Cities Earned Interest Rates | |
|--|---------------------|
| For the Quarter Ending December 31, 2018 | |
| City | Rates Earned |
| Sacramento | 2.34% |
| Palo Alto | 2.29% |
| San Francisco | 2.27% |
| Oakland | 2.24% |
| San Jose | 2.07% |
| Berkeley | 2.01% |

The City's investment strategy will continue to focus on (1) locking in reasonable rates on long-term investments, when opportunities present themselves and (2) matching of investment maturities to cash flow.

BACKGROUND

- Pooled Investments

Short-term cash is invested primarily in government sponsored enterprises (referred to as Federal Agency) notes securities for periods of one to five years. Additional cash is invested in a money market fund or overnight securities to meet the liquidity needs of the City.

In some cases, the City may have investments with a current market value that is greater or less than the recorded cost. These changes in market value are due to fluctuations in the market and have no effect on yield, as the City does not intend to sell securities prior to maturity.

- Retiree Health Trust Fund Investments

The City agreed to provide retiree Health insurance coverage for fire, police and miscellaneous employees under certain terms and conditions. An actuarial study commissioned by the City many years ago determined that, in addition to City Contributions, an average rate of return of 7% on miscellaneous employees trust fund assets invested must be achieved to fund the retiree health benefit at the desired 70% level. Primarily as a result of the Federal Reserve Board's decision to keep short-term rates near zero for the last 10 years, the average rate currently earned is significantly below that 7% level. City Finance Department staff manages these investment portfolios.

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

CONTACT PERSON

Henry Oyekanmi, Director, Finance Department, 981-7300

ATTACHMENTS

1. Portfolio Evaluation FY 2019
2. Investment Report Analysis FY 2019
 - a. Exhibit 2-A: Pooled Cash and Investments
 - b. Exhibit 2-B.1 through 2-B.3: Interest Earnings Oct 2018 – Dec 2018
 - c. Exhibit 2-C: Book Value By Investment Type
 - d. Exhibit 2-D: Current Holdings vs. Policy Limits
 - e. Exhibit 2-E: Investment Portfolio Trend
3. Summary of Pooled and Cash Investments FY 2019 –Trust Funds
 - a. Exhibit 3-A: Retiree Medical Trust Funds –Misc.
 - b. Exhibit 3-B: Retiree Medical Trust Funds –Fire
 - c. Exhibit 3-C: Retiree Medical Trust Funds –Police



Portfolio Evaluation
Quarter Ended December 31, 2018

Attachment 1

| | Quarter Ending | | | | | | | | | | | |
|---|----------------|--------------------|----------------|--------------------|--------------------|--------------------|------------|--------------------|----------------|----|--------------------|----------------|
| | December 2018 | | September 2018 | | June 2018 | | March 2018 | | | | | |
| Total Portfolio | | | | | | | | | | | | |
| Pooled Cash and Investments (COB) | \$ | 401,582,141 | \$ | 318,612,235 | \$ | 402,661,365 | \$ | 384,413,163 | | | | |
| Pooled Cash and Investments (Trust) | | 44,766,863 | | 44,222,899 | | 43,451,692 | | 43,578,087 | | | | |
| Total Cash and Investments | \$ | <u>446,349,004</u> | \$ | <u>362,835,134</u> | \$ | <u>446,113,057</u> | \$ | <u>427,991,250</u> | | | | |
| Average Life of Investment Portfolio | | | | | | | | | | | | |
| Pooled Investments (CoB) | | 716 days | | 656 days | | 546 days | | 466 days | | | | |
| Trust Investments | | 5.878 years | | 6.133 years | | 6.388 years | | 5.854 years | | | | |
| Weighted Yield | | | | | | | | | | | | |
| Pooled Investments (CoB) | | 2.005% | | 1.870% | | 1.606% | | 1.391% | | | | |
| Trust Investments | | 3.772% | | 3.772% | | 3.807% | | 4.185% | | | | |
| Prime Rate | | 5.500% | | 5.250% | | 5.000% | | 4.750% | | | | |
| 91-day Treasury Bill Rate | | 2.355% | | 2.196% | | 1.913% | | 1.700% | | | | |
| 2-year Treasury Note Rate | | 2.488% | | 2.819% | | 2.528% | | 2.266% | | | | |
| Cash and Investments Maturity | | | | | | | | | | | | |
| Within one year | \$ | 198,430,256 | 45.68% | \$ | 110,849,998 | 30.55% | \$ | 223,310,573 | 50.06% | \$ | 199,719,197 | 46.66% |
| Between 1 to 3 years | | 140,177,122 | 32.27% | | 180,564,620 | 49.76% | | 184,410,289 | 41.34% | | 194,527,248 | 45.45% |
| Between 3 to 5 years | | 54,854,262 | 12.63% | | 35,945,816 | 9.91% | | 12,637,510 | 2.83% | | 7,700,870 | 1.80% |
| Between 5 to 10 years | | 40,958,167 | 9.43% | | 35,474,699 | 9.78% | | 25,754,685 | 5.77% | | 26,043,935 | 6.09% |
| Over 10 years | | - | 0.00% | | - | 0.00% | | - | 0.00% | | - | 0.00% |
| Total | \$ | <u>434,419,807</u> | <u>100.00%</u> | \$ | <u>362,835,134</u> | <u>100.00%</u> | \$ | <u>446,113,057</u> | <u>100.00%</u> | \$ | <u>427,991,250</u> | <u>100.00%</u> |



City of Berkeley
Pooled Cash and Investments
As of December 31, 2018

| <u>CUSIP</u> | <u>Investment #</u> | <u>Issuer</u> | <u>Investment Class</u> | <u>Book Value</u> | <u>Market Value</u> | <u>Current Rate</u> | <u>YTM/C 365</u> | <u>Maturity Date</u> | <u>Days To Maturity</u> | <u>Credit Rating</u> |
|--|---------------------|--------------------------------|-------------------------|----------------------|----------------------|---------------------|------------------|----------------------|-------------------------|----------------------|
| Certificates of Deposit - S & L | | | | | | | | | | |
| 254673RD0 | 14539 | Discover Bank | Held | 250,000.00 | 247,745.00 | 3.300 | 3.300 | 07/05/2023 | 1,646 | - |
| 795450T47 | 14540 | Sallie Mae Bank | Held | 250,000.00 | 247,755.00 | 3.300 | 3.300 | 07/03/2023 | 1,644 | - |
| Subtotal and Average | | | | 500,000.00 | 495,500.00 | | 3.300 | | 1,645 | |
| Medium Term Notes | | | | | | | | | | |
| 037833AK6 | 14536 | Apple Inc | Held | 4,835,521.82 | 4,834,650.00 | 2.400 | 3.225 | 05/03/2023 | 1,583 | AA1 |
| 084670BJ6 | 14542 | Berkshire Hathaway | Held | 4,971,421.31 | 4,954,400.00 | 3.000 | 3.150 | 02/11/2023 | 1,502 | AA2 |
| 589331AT4 | 14545 | Merck & Co Inc | Held | 4,890,930.00 | 4,886,900.00 | 2.400 | 3.030 | 09/15/2022 | 1,353 | A1 |
| 68389XAS4 | 14548 | Oracle Corp | | 5,046,819.86 | 5,067,700.00 | 3.625 | 3.388 | 07/15/2023 | 1,656 | A1 |
| Subtotal and Average | | | | 19,744,692.99 | 19,743,650.00 | | 3.199 | | 1,524 | |
| Medium Term Notes - Callable | | | | | | | | | | |
| 06406HBY4 | 14538 | Bank of New York Mellon Corp | Held | 3,585,605.71 | 3,582,910.10 | 3.550 | 3.150 | 09/23/2021 | 996 | A1 |
| 06406FAB9 | 14541 | Bank of New York Mellon Corp | | 1,425,222.62 | 1,423,051.74 | 2.050 | 3.060 | 05/03/2021 | 853 | A1 |
| Subtotal and Average | | | | 5,010,828.33 | 5,005,961.84 | | 3.124 | | 955 | |
| Federal Agency Coupon Securities | | | | | | | | | | |
| 3133EJAD1 | 14528 | Fed. Farm Credit Banks Funding | | 10,000,000.00 | 9,907,700.00 | 2.150 | 2.150 | 12/23/2020 | 722 | AAA |
| 3130ADKF8 | 14529 | Federal Home Loan Banks | | 15,000,000.00 | 14,923,350.00 | 2.100 | 2.100 | 01/30/2020 | 394 | AAA |
| 3130ADUB6 | 14533 T1 | Federal Home Loan Banks | | 21,000,000.00 | 20,943,510.00 | 2.320 | 2.321 | 12/19/2019 | 352 | AAA |
| 3130ADVE9 | 14534 T1 | Federal Home Loan Banks | | 11,000,000.00 | 10,991,420.00 | 2.125 | 2.125 | 03/21/2019 | 79 | AAA |
| 3133EG7F6 | 14517 | Fed. Farm Credit Banks Funding | | 5,000,000.00 | 4,916,750.00 | 1.750 | 1.750 | 02/16/2021 | 777 | AAA |
| 3133EHBA0 | 14520 | Fed. Farm Credit Banks Funding | | 6,500,000.00 | 6,425,185.00 | 1.520 | 1.520 | 03/02/2020 | 426 | AAA |
| 3133EHQB2 | 14527 | Fed. Farm Credit Banks Funding | | 9,001,000.00 | 8,864,724.86 | 1.550 | 1.550 | 07/06/2020 | 552 | AAA |



City of Berkeley
Pooled Cash and Investments
As of December 31, 2018

| CUSIP | Investment # | Issuer | Investment Class | Book Value | Market Value | Current Rate | YTM/C 365 | Maturity Date | Days To Maturity | Credit Rating |
|---|---------------------|--------------------------------|-------------------------|-----------------------|-----------------------|---------------------|------------------|----------------------|-------------------------|----------------------|
| 3130AAS82 | 14519 | Federal Home Loan Banks | | 9,999,249.76 | 9,889,300.00 | 1.550 | 1.557 | 02/06/2020 | 401 | AAA |
| 3130ABTD8 | 14526 | Federal Home Loan Banks | | 15,000,000.00 | 14,855,550.00 | 1.450 | 1.450 | 10/18/2019 | 290 | AAA |
| 3137EAAE5 | 14516 | Federal Home Loan Mortgage Co | | 4,999,821.63 | 4,943,900.00 | 1.500 | 1.503 | 01/17/2020 | 381 | AAA |
| 3135G0T29 | 14521 | Federal National Mortgage Assn | | 3,500,000.00 | 3,460,170.00 | 1.500 | 1.500 | 02/28/2020 | 423 | AAA |
| 3135G0T29 | 14522 | Federal National Mortgage Assn | | 9,984,118.52 | 9,886,200.00 | 1.500 | 1.641 | 02/28/2020 | 423 | AAA |
| Subtotal and Average | | | | 120,984,189.91 | 120,007,759.86 | | 1.853 | | 404 | |
| <hr/> | | | | | | | | | | |
| Federal Agency Callable | | | | | | | | | | |
| 3130AFKR7 | 14550 | Federal Home Loan Banks | | 5,000,000.00 | 5,019,250.00 | 3.100 | 3.100 | 12/28/2023 | 1,822 | AAA |
| 3134GSM28 | 14549 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 5,002,250.00 | 3.400 | 3.400 | 12/28/2023 | 1,822 | AAA |
| 3134GSM77 | 14551 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 5,002,650.00 | 3.300 | 3.273 | 06/28/2023 | 1,639 | AAA |
| 3134GSN84 | 14552 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 5,003,950.00 | 3.300 | 3.300 | 12/28/2022 | 1,457 | - |
| Subtotal and Average | | | | 20,000,000.00 | 20,028,100.00 | | 3.268 | | 1,685 | |
| <hr/> | | | | | | | | | | |
| Federal Agency Continuously Callable | | | | | | | | | | |
| 3132X02G5 | 14537 | Farmer Mac | | 5,000,000.00 | 5,006,000.00 | 3.270 | 3.270 | 06/21/2023 | 1,632 | - |
| 3132X04Z1 | 14544 | Farmer Mac | | 5,000,000.00 | 5,006,600.00 | 3.250 | 3.250 | 08/15/2023 | 1,687 | - |
| 31422BAR1 | 14553 | Farmer Mac | | 5,000,000.00 | 5,002,350.00 | 3.230 | 3.230 | 12/27/2023 | 1,821 | - |
| 3133EF4C8 | 14503 | Fed. Farm Credit Banks Funding | | 5,000,000.00 | 4,980,000.00 | 1.190 | 1.190 | 04/25/2019 | 114 | AAA |
| 3133EGAW5 | 14504 | Fed. Farm Credit Banks Funding | | 5,000,000.00 | 4,958,050.00 | 1.250 | 1.247 | 08/19/2019 | 230 | AAA |
| 3133EGD77 | 14507 | Fed. Farm Credit Banks Funding | | 10,000,000.00 | 9,954,500.00 | 1.120 | 1.120 | 05/03/2019 | 122 | AAA |
| 3133EGD77 | 14509 | Fed. Farm Credit Banks Funding | | 10,000,000.00 | 9,954,500.00 | 1.120 | 1.120 | 05/03/2019 | 122 | AAA |
| 3133EJKC2 | 14535 | Fed. Farm Credit Banks Funding | | 20,000,000.00 | 19,980,600.00 | 2.670 | 2.670 | 04/09/2021 | 829 | AAA |
| 3130A7GZ2 | 14500 | Federal Home Loan Banks | | 5,000,000.00 | 4,958,650.00 | 1.250 | 1.250 | 03/30/2021 | 819 | AAA |
| 3130A9YW5 | 14512 | Federal Home Loan Banks | | 4,999,702.78 | 4,937,150.00 | 1.190 | 1.197 | 11/22/2019 | 325 | AAA |
| 3130AAJZ2 | 14513 | Federal Home Loan Banks | | 3,742,500.00 | 3,702,679.80 | 1.750 | 1.750 | 04/27/2020 | 482 | AAA |
| 3134G7S77 | 14358 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 4,973,600.00 | 1.500 | 1.125 | 10/29/2020 | 667 | AAA |



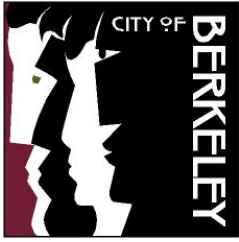
City of Berkeley
Pooled Cash and Investments
As of December 31, 2018

| CUSIP | Investment # | Issuer | Investment Class | Book Value | Market Value | Current Rate | YTM/C 365 | Maturity Date | Days To Maturity | Credit Rating |
|-----------------------------|---------------------|--------------------------------|-------------------------|-----------------------|-----------------------|---------------------|------------------|----------------------|-------------------------|----------------------|
| 3134G9MA2 | 14505 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 4,973,000.00 | 1.125 | 1.125 | 05/24/2019 | 143 | - |
| 3134GSQU2 | 14543 | Federal Home Loan Mortgage Co | | 4,580,000.00 | 4,580,412.20 | 3.000 | 3.000 | 07/18/2023 | 1,659 | AAA |
| 3134GSUV5 | 14546 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 5,003,800.00 | 3.300 | 3.300 | 09/14/2023 | 1,717 | AAA |
| 3134GSVB8 | 14547 | Federal Home Loan Mortgage Co | | 5,000,000.00 | 5,011,700.00 | 3.250 | 3.250 | 09/13/2023 | 1,716 | AAA |
| 3136G2YR2 | 14365 | Federal National Mortgage Assn | | 5,000,000.00 | 4,986,750.00 | 1.750 | 1.450 | 02/26/2021 | 787 | AAA |
| 3136G3PA7 | 14506 | Federal National Mortgage Assn | | 5,000,000.00 | 4,996,850.00 | 1.500 | 1.000 | 06/07/2019 | 157 | AAA |
| 3135G0S46 | 14514 | Federal National Mortgage Assn | | 5,000,000.00 | 4,950,550.00 | 1.650 | 1.650 | 01/27/2020 | 391 | AAA |
| 3135G0S46 | 14515 | Federal National Mortgage Assn | | 5,000,000.00 | 4,950,550.00 | 1.650 | 1.650 | 01/27/2020 | 391 | AAA |
| 3136G4LP6 | 14518 | Federal National Mortgage Assn | | 5,000,000.00 | 4,928,800.00 | 1.800 | 1.800 | 08/28/2020 | 605 | AAA |
| Subtotal and Average | | | | 128,322,202.78 | 127,797,092.00 | | 1.956 | | 735 | |
| <hr/> | | | | | | | | | | |
| Municipal Bonds | | | | | | | | | | |
| 672319CA6 | 14282 | Oakland CA Pension Obligation | Held | 5,000,000.00 | 5,016,900.00 | 3.267 | 3.267 | 12/15/2019 | 348 | AA3 |
| Subtotal and Average | | | | 5,000,000.00 | 5,016,900.00 | | 3.267 | | 348 | |



**City of Berkeley
Pooled Cash and Investments
As of December 31, 2018**

| <u>CUSIP</u> | <u>Investment #</u> | <u>Issuer</u> | <u>Investment Class</u> | <u>Book Value</u> | <u>Market Value</u> | <u>Current Rate</u> | <u>YTM/C 365</u> | <u>Maturity Date</u> | <u>Days To Maturity</u> | <u>Credit Rating</u> |
|--|---------------------|---------------------------------|-------------------------|-----------------------|-----------------------|---------------------|------------------|----------------------|-------------------------|----------------------|
| Fidelity Money Market | | | | | | | | | | |
| SYS14265 | 14265 | Fidelity Money Market - Regular | | 82,575,699.43 | 82,575,699.43 | 0.003 | 0.003 | | 1 | |
| SYS14190 | 14190 | Fidelity Money Market - Trans | | 14,302,966.60 | 14,302,966.60 | 0.002 | 0.002 | | 1 | |
| | | Subtotal and Average | | 96,878,666.03 | 96,878,666.03 | | 1.685 | | 1 | |
| Total Investments | | | | 396,440,580.04 | 394,973,629.73 | | | | | |
| Total Investments (Book Value) | | | | 396,440,580.04 | | | | | | |
| Cash | | | | 6,608,511.00 | | | | | | |
| Total Investments (Book Value) and Cash | | | | 403,049,091.04 | | | | | | |
| Decrease in Market Value of Securities | | | | (1,466,950.31) | | | | | | |
| Total Investments (Market Value) and Cash | | | | 401,582,140.73 | | | | | | |



**Pooled Investment - Long Term
Interest Earnings
Sorted by Fund - Fund
October 1, 2018 - October 31, 2018
Yield on Average Book Value**

| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Adjusted Interest Earnings | | |
|--|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|----------------------------|-------------------------|----------------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | |
| 3130ABTD8 | 14526 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 10/18/2019 | 1.450 | 1.423 | 18,125.00 | 0.00 | 18,125.00 |
| 3130A7GZ2 | 14500 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 03/30/2021 | 1.250 | 1.226 | 5,208.33 | 0.00 | 5,208.33 |
| 3130A9YW5 | 14512 | 010 | MC5 | 5,000,000.00 | 4,999,619.44 | 4,999,634.23 | 11/22/2019 | 1.190 | 1.174 | 4,958.34 | 27.78 | 4,986.12 |
| 3130ADVE9 | 14534 T1 | 010 | FAC | 11,000,000.00 | 11,000,000.00 | 11,000,000.00 | 03/21/2019 | 2.125 | 2.085 | 19,479.16 | 0.00 | 19,479.16 |
| 3130AAJZ2 | 14513 | 010 | MC5 | 3,742,500.00 | 3,742,500.00 | 3,742,500.00 | 04/27/2020 | 1.750 | 1.717 | 5,457.81 | 0.00 | 5,457.81 |
| 3130A5NC9 | 14340 | 010 | FAC | 0.00 | 5,000,000.00 | 4,677,419.35 | 10/30/2018 | 1.300 | 1.318 | 5,236.11 | 0.00 | 5,236.11 |
| 3130ADUB6 | 14533 T1 | 010 | FAC | 21,000,000.00 | 21,000,000.00 | 21,000,000.00 | 12/19/2019 | 2.320 | 2.276 | 40,600.00 | 0.00 | 40,600.00 |
| 3130A5NC9 | 14339 | 010 | FAC | 0.00 | 5,000,000.00 | 4,677,419.35 | 10/30/2018 | 1.300 | 1.318 | 5,236.11 | 0.00 | 5,236.11 |
| 3130AAS82 | 14519 | 010 | FAC | 10,000,000.00 | 9,999,078.82 | 9,999,109.15 | 02/06/2020 | 1.550 | 1.528 | 12,916.66 | 56.98 | 12,973.64 |
| 3130ADKF8 | 14529 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 01/30/2020 | 2.100 | 2.060 | 26,250.00 | 0.00 | 26,250.00 |
| 3133EGD77 | 14509 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.099 | 9,333.34 | 0.00 | 9,333.34 |
| 3133EHQB2 | 14527 | 010 | FAC | 9,001,000.00 | 9,001,000.00 | 9,001,000.00 | 07/06/2020 | 1.550 | 1.521 | 11,626.29 | 0.00 | 11,626.29 |
| 3133EF4C8 | 14503 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 04/25/2019 | 1.190 | 1.168 | 4,958.34 | 0.00 | 4,958.34 |
| 3133EJAD1 | 14528 | 010 | FAC | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 12/23/2020 | 2.150 | 2.110 | 17,916.67 | 0.00 | 17,916.67 |
| 3133EGAW5 | 14504 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/19/2019 | 1.250 | 1.226 | 5,208.33 | 0.00 | 5,208.33 |
| 3133EHBA0 | 14520 | 010 | FAC | 6,500,000.00 | 6,500,000.00 | 6,500,000.00 | 03/02/2020 | 1.520 | 1.491 | 8,233.33 | 0.00 | 8,233.33 |
| 3133EGD77 | 14507 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.099 | 9,333.34 | 0.00 | 9,333.34 |
| 3133EJKC2 | 14535 | 010 | MC5 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 04/09/2021 | 2.670 | 2.620 | 44,500.00 | 0.00 | 44,500.00 |
| 3133EG7F6 | 14517 | 010 | FAC | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/16/2021 | 1.750 | 1.717 | 7,291.67 | 0.00 | 7,291.67 |
| 3137EAAE5 | 14516 | 010 | FAC | 5,000,000.00 | 4,999,778.94 | 4,999,786.51 | 01/17/2020 | 1.500 | 1.475 | 6,250.00 | 14.23 | 6,264.23 |
| 3134GSVB8 | 14547 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/13/2023 | 3.250 | 3.189 | 13,541.67 | 0.00 | 13,541.67 |
| 3134G7S77 | 14358 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 10/29/2020 | 1.500 | 1.243 | 5,277.78 | 0.00 | 5,277.78 |
| 3134GSQU2 | 14543 | 010 | MC5 | 4,580,000.00 | 4,580,000.00 | 4,580,000.00 | 07/18/2023 | 3.000 | 2.944 | 11,450.00 | 0.00 | 11,450.00 |
| 3134G9MA2 | 14505 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 05/24/2019 | 1.125 | 1.104 | 4,687.53 | 0.00 | 4,687.53 |
| 3134GSUV5 | 14546 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/14/2023 | 3.300 | 3.238 | 13,750.00 | 0.00 | 13,750.00 |
| 3135G0S46 | 14514 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.619 | 6,875.00 | 0.00 | 6,875.00 |
| 3136G2YR2 | 14365 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/26/2021 | 1.750 | 1.717 | 7,291.67 | 0.00 | 7,291.67 |
| 3135G0T29 | 14522 | 010 | FAC | 10,000,000.00 | 9,980,690.87 | 9,981,299.00 | 02/28/2020 | 1.500 | 1.609 | 12,500.00 | 1,142.55 | 13,642.55 |
| 3136G3PA7 | 14506 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/07/2019 | 1.500 | 1.472 | 6,250.00 | 0.00 | 6,250.00 |
| 3136G2QJ9 | 14357 | 010 | FAC | 0.00 | 5,000,000.00 | 4,032,258.06 | 10/26/2018 | 1.000 | 1.014 | 3,472.22 | 0.00 | 3,472.22 |

Pooled Investment - Long Term
Interest Earnings
October 1, 2018 - October 31, 2018

Exhibit 2-B.1

| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Annualized Yield | Adjusted Interest Earnings | | |
|--|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|------------------|----------------------------|-------------------------|----------------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | |
| 3135G0T29 | 14521 | 010 | FAC | 3,500,000.00 | 3,500,000.00 | 3,500,000.00 | 02/28/2020 | 1.500 | 1.472 | 4,375.00 | 0.00 | 4,375.00 |
| 3136G4LP6 | 14518 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/28/2020 | 1.800 | 1.766 | 7,500.00 | 0.00 | 7,500.00 |
| 3135G0S46 | 14515 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.619 | 6,875.00 | 0.00 | 6,875.00 |
| 672319BZ2 | 14281 | 010 | MUN | 3,000,000.00 | 3,000,000.00 | 3,000,000.00 | 12/15/2018 | 2.817 | 2.764 | 7,042.50 | 0.00 | 7,042.50 |
| 672319CA6 | 14282 | 010 | MUN | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 12/15/2019 | 3.267 | 3.206 | 13,612.50 | 0.00 | 13,612.50 |
| 037833AK6 | 14536 | 010 | MTN | 5,000,000.00 | 4,826,044.84 | 4,827,726.24 | 05/03/2023 | 2.400 | 3.209 | 10,000.00 | 3,158.99 | 13,158.99 |
| 254673RD0 | 14539 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/05/2023 | 3.300 | 3.300 | 700.69 | 0.00 | 700.69 |
| 06406FAB9 | 14541 | 010 | MC3 | 1,458,000.00 | 1,421,719.10 | 1,422,340.69 | 05/03/2021 | 2.050 | 3.029 | 2,490.75 | 1,167.84 | 3,658.59 |
| 06406HBY4 | 14538 | 010 | MC3 | 3,542,000.00 | 3,589,602.16 | 3,588,893.11 | 09/23/2021 | 3.550 | 3.001 | 10,478.42 | -1,332.15 | 9,146.27 |
| 795450T47 | 14540 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/03/2023 | 3.300 | 3.300 | 700.68 | 0.00 | 700.68 |
| 084670BJ6 | 14542 | 010 | MTN | 5,000,000.00 | 4,969,683.41 | 4,969,991.75 | 02/11/2023 | 3.000 | 3.099 | 12,500.00 | 579.30 | 13,079.30 |
| 3132X04Z1 | 14544 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/15/2023 | 3.250 | 3.189 | 13,541.67 | 0.00 | 13,541.67 |
| 3132X02G5 | 14537 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/21/2023 | 3.270 | 3.208 | 13,625.00 | 0.00 | 13,625.00 |
| 589331AT4 | 14545 | 010 | MTN | 5,000,000.00 | 4,883,571.46 | 4,884,877.01 | 09/15/2022 | 2.400 | 3.002 | 10,000.00 | 2,452.85 | 12,452.85 |
| | | | Subtotal | 272,823,500.00 | 287,493,289.04 | 285,884,254.46 | | | 1.952 | 466,656.91 | 7,268.37 | 473,925.28 |
| | | | Total | 272,823,500.00 | 287,493,289.04 | 285,884,254.46 | | | 1.952 | 466,656.91 | 7,268.37 | 473,925.28 |



**Pooled Investment - Long Term
Interest Earnings
Sorted by Fund - Fund
November 1, 2018 - November 30, 2018
Yield on Average Book Value**

| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Adjusted Interest Earnings | | |
|--|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|----------------------------|-------------------------|----------------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | |
| 3130ABTD8 | 14526 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 10/18/2019 | 1.450 | 1.470 | 18,125.00 | 0.00 | 18,125.00 |
| 3130A7GZ2 | 14500 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 03/30/2021 | 1.250 | 1.267 | 5,208.34 | 0.00 | 5,208.34 |
| 3130A9YW5 | 14512 | 010 | MC5 | 5,000,000.00 | 4,999,647.22 | 4,999,661.57 | 11/22/2019 | 1.190 | 1.213 | 4,958.33 | 27.78 | 4,986.11 |
| 3130ADVE9 | 14534 T1 | 010 | FAC | 11,000,000.00 | 11,000,000.00 | 11,000,000.00 | 03/21/2019 | 2.125 | 2.155 | 19,479.17 | 0.00 | 19,479.17 |
| 3130AAJZ2 | 14513 | 010 | MC5 | 3,742,500.00 | 3,742,500.00 | 3,742,500.00 | 04/27/2020 | 1.750 | 1.774 | 5,457.82 | 0.00 | 5,457.82 |
| 3130ADUB6 | 14533 T1 | 010 | FAC | 21,000,000.00 | 21,000,000.00 | 21,000,000.00 | 12/19/2019 | 2.320 | 2.352 | 40,600.00 | 0.00 | 40,600.00 |
| 3130AAS82 | 14519 | 010 | FAC | 10,000,000.00 | 9,999,135.80 | 9,999,165.24 | 02/06/2020 | 1.550 | 1.579 | 12,916.67 | 56.98 | 12,973.65 |
| 3130ADKF8 | 14529 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 01/30/2020 | 2.100 | 2.129 | 26,250.00 | 0.00 | 26,250.00 |
| 3133EGD77 | 14509 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.136 | 9,333.33 | 0.00 | 9,333.33 |
| 3133EHQB2 | 14527 | 010 | FAC | 9,001,000.00 | 9,001,000.00 | 9,001,000.00 | 07/06/2020 | 1.550 | 1.572 | 11,626.29 | 0.00 | 11,626.29 |
| 3133EF4C8 | 14503 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 04/25/2019 | 1.190 | 1.207 | 4,958.33 | 0.00 | 4,958.33 |
| 3133EJAD1 | 14528 | 010 | FAC | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 12/23/2020 | 2.150 | 2.180 | 17,916.66 | 0.00 | 17,916.66 |
| 3133EGAW5 | 14504 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/19/2019 | 1.250 | 1.267 | 5,208.33 | 0.00 | 5,208.33 |
| 3133EHBA0 | 14520 | 010 | FAC | 6,500,000.00 | 6,500,000.00 | 6,500,000.00 | 03/02/2020 | 1.520 | 1.541 | 8,233.34 | 0.00 | 8,233.34 |
| 3133EGD77 | 14507 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.136 | 9,333.33 | 0.00 | 9,333.33 |
| 3133EJKC2 | 14535 | 010 | MC5 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 04/09/2021 | 2.670 | 2.707 | 44,500.00 | 0.00 | 44,500.00 |
| 3133EG7F6 | 14517 | 010 | FAC | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/16/2021 | 1.750 | 1.774 | 7,291.66 | 0.00 | 7,291.66 |
| 3137EAEE5 | 14516 | 010 | FAC | 5,000,000.00 | 4,999,793.17 | 4,999,800.52 | 01/17/2020 | 1.500 | 1.524 | 6,250.00 | 14.23 | 6,264.23 |
| 3134GSVB8 | 14547 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/13/2023 | 3.250 | 3.295 | 13,541.66 | 0.00 | 13,541.66 |
| 3134G7S77 | 14358 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 10/29/2020 | 1.500 | 1.521 | 6,250.00 | 0.00 | 6,250.00 |
| 3134GSQU2 | 14543 | 010 | MC5 | 4,580,000.00 | 4,580,000.00 | 4,580,000.00 | 07/18/2023 | 3.000 | 3.042 | 11,450.00 | 0.00 | 11,450.00 |
| 3134G9MA2 | 14505 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 05/24/2019 | 1.125 | 1.141 | 4,687.54 | 0.00 | 4,687.54 |
| 3134GSUV5 | 14546 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/14/2023 | 3.300 | 3.346 | 13,750.00 | 0.00 | 13,750.00 |
| 3135G0S46 | 14514 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.673 | 6,875.00 | 0.00 | 6,875.00 |
| 3136G2YR2 | 14365 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/26/2021 | 1.750 | 1.774 | 7,291.67 | 0.00 | 7,291.67 |
| 3135G0T29 | 14522 | 010 | FAC | 10,000,000.00 | 9,981,833.42 | 9,982,423.74 | 02/28/2020 | 1.500 | 1.663 | 12,500.00 | 1,142.55 | 13,642.55 |
| 3136G3PA7 | 14506 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/07/2019 | 1.500 | 1.521 | 6,250.00 | 0.00 | 6,250.00 |
| 3135G0T29 | 14521 | 010 | FAC | 3,500,000.00 | 3,500,000.00 | 3,500,000.00 | 02/28/2020 | 1.500 | 1.521 | 4,375.00 | 0.00 | 4,375.00 |
| 3136G4LP6 | 14518 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/28/2020 | 1.800 | 1.825 | 7,500.00 | 0.00 | 7,500.00 |
| 3135G0S46 | 14515 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.673 | 6,875.00 | 0.00 | 6,875.00 |

Pooled Investment - Long Term
Interest Earnings
November 1, 2018 - November 30, 2018

Exhibit 2-B.2

| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Annualized Yield | Adjusted Interest Earnings | | | |
|--|--------------|------|---------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|------------------|----------------------------|-------------------------|----------------------------|-------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings | |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | | |
| 672319BZ2 | 14281 | 010 | MUN | 3,000,000.00 | 3,000,000.00 | 3,000,000.00 | 12/15/2018 | 2.817 | 2.856 | 7,042.50 | 0.00 | 7,042.50 | |
| 672319CA6 | 14282 | 010 | MUN | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 12/15/2019 | 3.267 | 3.312 | 13,612.50 | 0.00 | 13,612.50 | |
| 037833AK6 | 14536 | 010 | MTN | 5,000,000.00 | 4,829,203.83 | 4,830,835.98 | 05/03/2023 | 2.400 | 3.314 | 10,000.00 | 3,159.00 | 13,159.00 | |
| 254673RD0 | 14539 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/05/2023 | 3.300 | 3.300 | 678.08 | 0.00 | 678.08 | |
| 06406FAB9 | 14541 | 010 | MC3 | 1,458,000.00 | 1,422,886.94 | 1,423,490.32 | 05/03/2021 | 2.050 | 3.127 | 2,490.75 | 1,167.84 | 3,658.59 | |
| 06406HBY4 | 14538 | 010 | MC3 | 3,542,000.00 | 3,588,270.01 | 3,587,581.73 | 09/23/2021 | 3.550 | 3.102 | 10,478.42 | -1,332.15 | 9,146.27 | |
| 795450T47 | 14540 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/03/2023 | 3.300 | 3.300 | 678.08 | 0.00 | 678.08 | |
| 084670BJ6 | 14542 | 010 | MTN | 5,000,000.00 | 4,970,262.71 | 4,970,562.01 | 02/11/2023 | 3.000 | 3.201 | 12,500.00 | 579.30 | 13,079.30 | |
| 3132X04Z1 | 14544 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/15/2023 | 3.250 | 3.295 | 13,541.66 | 0.00 | 13,541.66 | |
| 3132X02G5 | 14537 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/21/2023 | 3.270 | 3.315 | 13,625.00 | 0.00 | 13,625.00 | |
| 589331AT4 | 14545 | 010 | MTN | 5,000,000.00 | 4,886,024.31 | 4,887,291.61 | 09/15/2022 | 2.400 | 3.100 | 10,000.00 | 2,452.84 | 12,452.84 | |
| Subtotal | | | | 272,823,500.00 | 272,500,557.41 | 272,504,312.74 | | | | 2.058 | 453,639.46 | 7,268.37 | 460,907.83 |
| Total | | | | 272,823,500.00 | 272,500,557.41 | 272,504,312.74 | | | | 2.058 | 453,639.46 | 7,268.37 | 460,907.83 |



Pooled Investment - Long Term
Interest Earnings
Sorted by Fund - Fund
December 1, 2018 - December 31, 2018
Yield on Average Book Value

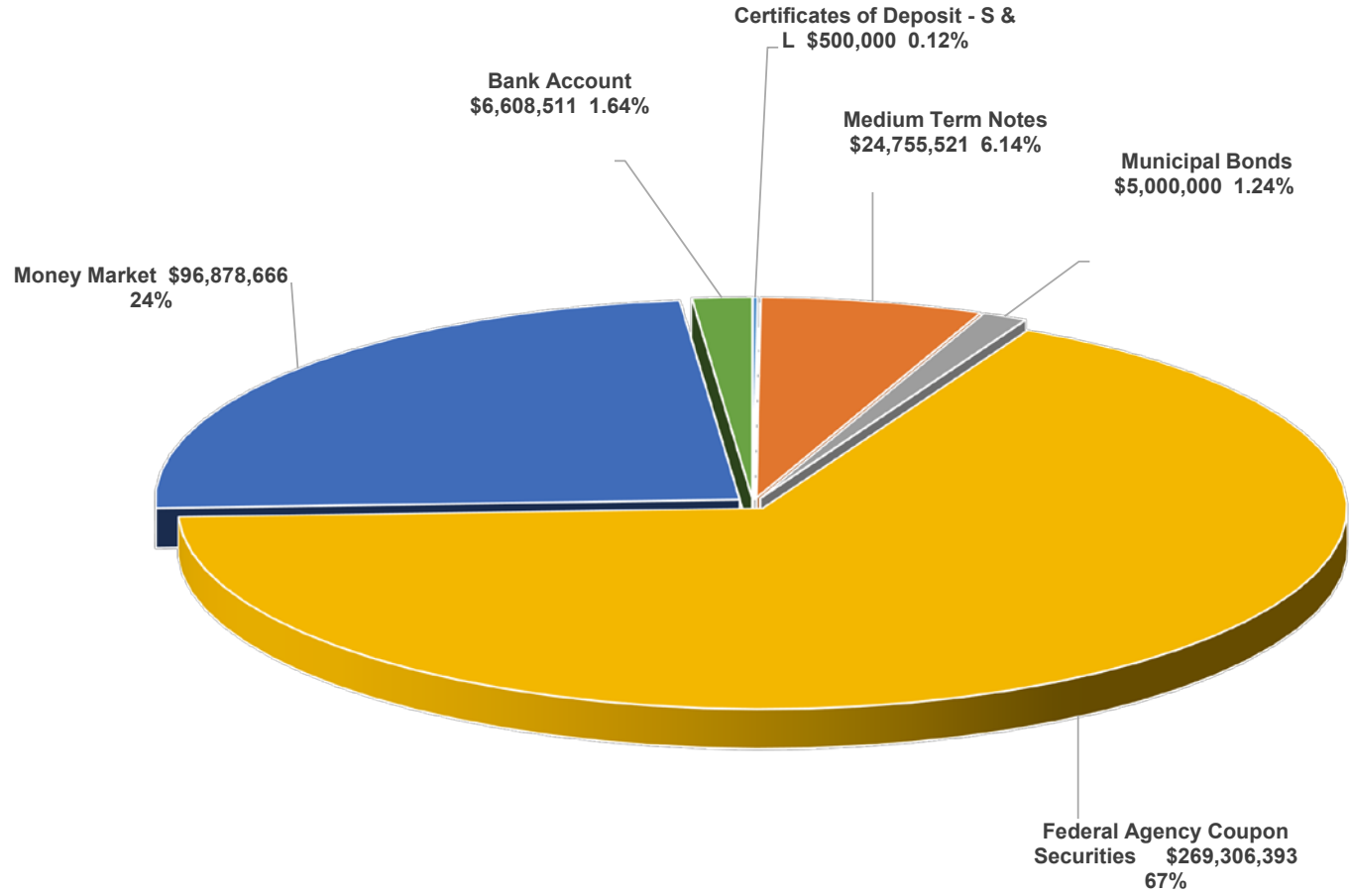
| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Yield | Adjusted Interest Earnings | | |
|--|--------------|------|---------------|------------------|----------------------|--------------------|---------------|-------------------------|-------|----------------------------|-------------------------|----------------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | |
| 3130ABTD8 | 14526 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 10/18/2019 | 1.450 | 1.423 | 18,125.00 | 0.00 | 18,125.00 |
| 3130A7GZ2 | 14500 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 03/30/2021 | 1.250 | 1.226 | 5,208.33 | 0.00 | 5,208.33 |
| 3130A9YW5 | 14512 | 010 | MC5 | 5,000,000.00 | 4,999,675.00 | 4,999,689.79 | 11/22/2019 | 1.190 | 1.174 | 4,958.33 | 27.78 | 4,986.11 |
| 3130ADVE9 | 14534 T1 | 010 | FAC | 11,000,000.00 | 11,000,000.00 | 11,000,000.00 | 03/21/2019 | 2.125 | 2.085 | 19,479.17 | 0.00 | 19,479.17 |
| 3130AAJZ2 | 14513 | 010 | MC5 | 3,742,500.00 | 3,742,500.00 | 3,742,500.00 | 04/27/2020 | 1.750 | 1.717 | 5,457.81 | 0.00 | 5,457.81 |
| 3130ADUB6 | 14533 T1 | 010 | FAC | 21,000,000.00 | 21,000,000.00 | 21,000,000.00 | 12/19/2019 | 2.320 | 2.276 | 40,600.00 | 0.00 | 40,600.00 |
| 3130AAS82 | 14519 | 010 | FAC | 10,000,000.00 | 9,999,192.78 | 9,999,223.11 | 02/06/2020 | 1.550 | 1.528 | 12,916.67 | 56.98 | 12,973.65 |
| 3130AFKR7 | 14550 | 010 | MC4 | 5,000,000.00 | 0.00 | 645,161.29 | 12/28/2023 | 3.100 | 2.357 | 1,291.67 | 0.00 | 1,291.67 |
| 3130ADKF8 | 14529 | 010 | FAC | 15,000,000.00 | 15,000,000.00 | 15,000,000.00 | 01/30/2020 | 2.100 | 2.060 | 26,250.00 | 0.00 | 26,250.00 |
| 3133EGD77 | 14509 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.099 | 9,333.33 | 0.00 | 9,333.33 |
| 3133EHQB2 | 14527 | 010 | FAC | 9,001,000.00 | 9,001,000.00 | 9,001,000.00 | 07/06/2020 | 1.550 | 1.521 | 11,626.29 | 0.00 | 11,626.29 |
| 3133EF4C8 | 14503 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 04/25/2019 | 1.190 | 1.168 | 4,958.33 | 0.00 | 4,958.33 |
| 3133EJAD1 | 14528 | 010 | FAC | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 12/23/2020 | 2.150 | 2.110 | 17,916.67 | 0.00 | 17,916.67 |
| 3133EGAW5 | 14504 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/19/2019 | 1.250 | 1.226 | 5,208.34 | 0.00 | 5,208.34 |
| 3133EHBA0 | 14520 | 010 | FAC | 6,500,000.00 | 6,500,000.00 | 6,500,000.00 | 03/02/2020 | 1.520 | 1.491 | 8,233.33 | 0.00 | 8,233.33 |
| 3133EGD77 | 14507 | 010 | MC5 | 10,000,000.00 | 10,000,000.00 | 10,000,000.00 | 05/03/2019 | 1.120 | 1.099 | 9,333.33 | 0.00 | 9,333.33 |
| 3133EJKC2 | 14535 | 010 | MC5 | 20,000,000.00 | 20,000,000.00 | 20,000,000.00 | 04/09/2021 | 2.670 | 2.620 | 44,500.00 | 0.00 | 44,500.00 |
| 3133EG7F6 | 14517 | 010 | FAC | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/16/2021 | 1.750 | 1.717 | 7,291.67 | 0.00 | 7,291.67 |
| 3137EAEE5 | 14516 | 010 | FAC | 5,000,000.00 | 4,999,807.40 | 4,999,814.97 | 01/17/2020 | 1.500 | 1.475 | 6,250.00 | 14.23 | 6,264.23 |
| 3134GSM77 | 14551 | 010 | MC4 | 5,000,000.00 | 0.00 | 645,161.29 | 06/28/2023 | 3.300 | 2.509 | 1,375.00 | 0.00 | 1,375.00 |
| 3134GSM28 | 14549 | 010 | MC4 | 5,000,000.00 | 0.00 | 645,161.29 | 12/28/2023 | 3.400 | 2.585 | 1,416.67 | 0.00 | 1,416.67 |
| 3134GSN84 | 14552 | 010 | MC4 | 5,000,000.00 | 0.00 | 645,161.29 | 12/28/2022 | 3.300 | 2.509 | 1,375.00 | 0.00 | 1,375.00 |
| 3134GSVB8 | 14547 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/13/2023 | 3.250 | 3.189 | 13,541.67 | 0.00 | 13,541.67 |
| 3134G7S77 | 14358 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 10/29/2020 | 1.500 | 1.472 | 6,250.00 | 0.00 | 6,250.00 |
| 3134GSQU2 | 14543 | 010 | MC5 | 4,580,000.00 | 4,580,000.00 | 4,580,000.00 | 07/18/2023 | 3.000 | 2.944 | 11,450.00 | 0.00 | 11,450.00 |
| 3134G9MA2 | 14505 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 05/24/2019 | 1.125 | 1.104 | 4,687.54 | 0.00 | 4,687.54 |
| 3134GSUV5 | 14546 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 09/14/2023 | 3.300 | 3.238 | 13,750.00 | 0.00 | 13,750.00 |
| 3135G0S46 | 14514 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.619 | 6,875.00 | 0.00 | 6,875.00 |
| 3136G2YR2 | 14365 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 02/26/2021 | 1.750 | 1.717 | 7,291.66 | 0.00 | 7,291.66 |
| 3135G0T29 | 14522 | 010 | FAC | 10,000,000.00 | 9,982,975.97 | 9,983,584.10 | 02/28/2020 | 1.500 | 1.609 | 12,500.00 | 1,142.55 | 13,642.55 |

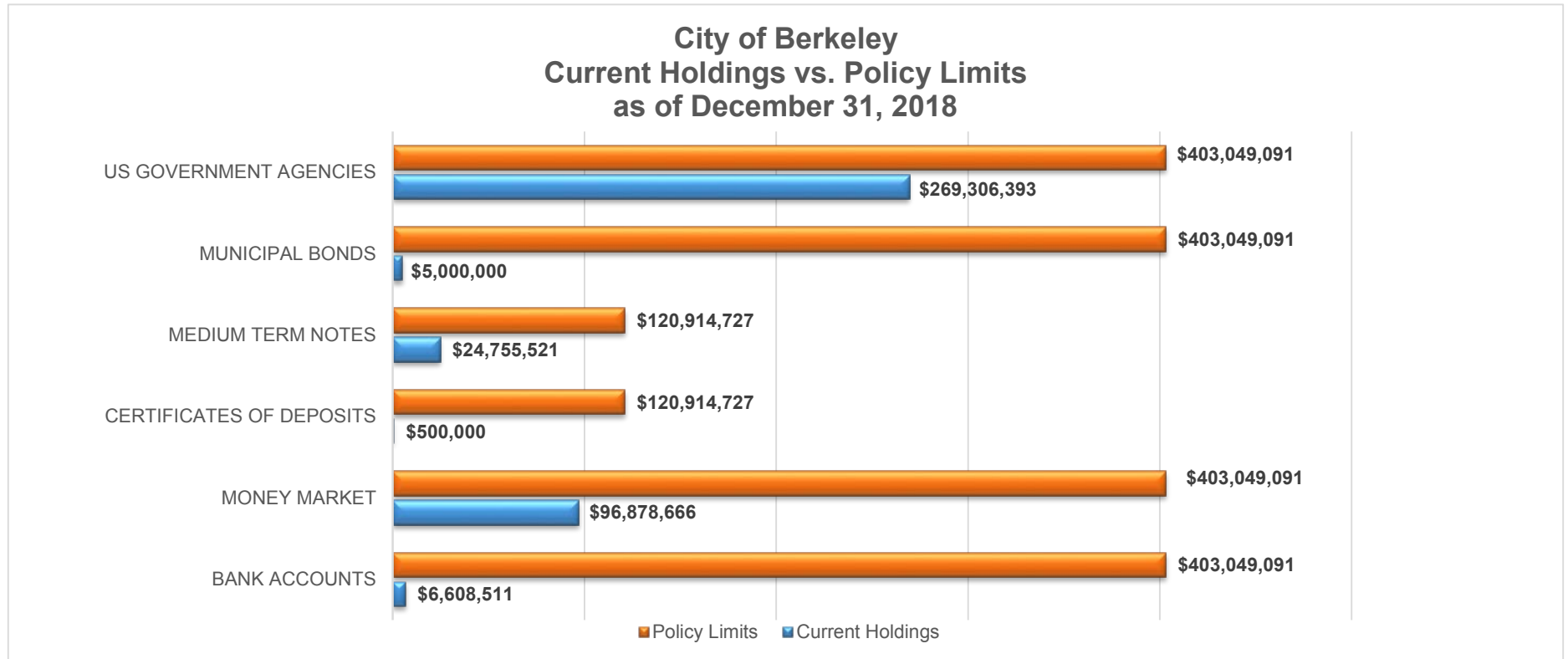
Pooled Investment - Long Term
Interest Earnings
December 1, 2018 - December 31, 2018

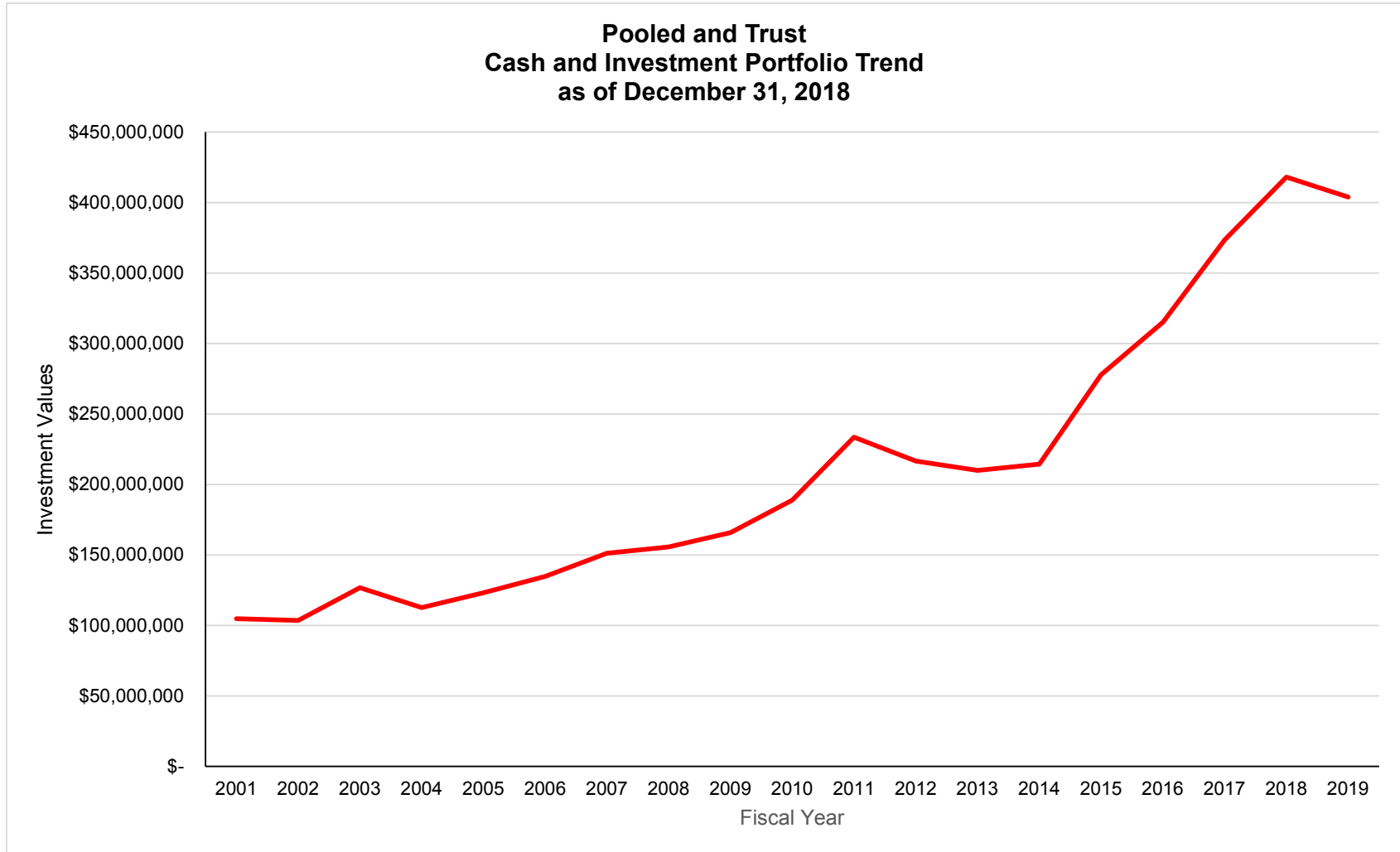
Exhibit 2-B.3

| CUSIP | Investment # | Fund | Security Type | Ending Par Value | Beginning Book Value | Average Book Value | Maturity Date | Current Annualized Rate | Annualized Yield | Adjusted Interest Earnings | | |
|--|--------------|------|-----------------|-----------------------|-----------------------|-----------------------|---------------|-------------------------|------------------|----------------------------|-------------------------|----------------------------|
| | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Fund: Pooled Investment - Long Term | | | | | | | | | | | | |
| 3136G3PA7 | 14506 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/07/2019 | 1.500 | 1.472 | 6,250.00 | 0.00 | 6,250.00 |
| 3135G0T29 | 14521 | 010 | FAC | 3,500,000.00 | 3,500,000.00 | 3,500,000.00 | 02/28/2020 | 1.500 | 1.472 | 4,375.00 | 0.00 | 4,375.00 |
| 3136G4LP6 | 14518 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/28/2020 | 1.800 | 1.766 | 7,500.00 | 0.00 | 7,500.00 |
| 3135G0S46 | 14515 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 01/27/2020 | 1.650 | 1.619 | 6,875.00 | 0.00 | 6,875.00 |
| 672319BZ2 | 14281 | 010 | MUN | 0.00 | 3,000,000.00 | 1,354,838.71 | 12/15/2018 | 2.817 | 2.856 | 3,286.50 | 0.00 | 3,286.50 |
| 672319CA6 | 14282 | 010 | MUN | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 12/15/2019 | 3.267 | 3.206 | 13,612.50 | 0.00 | 13,612.50 |
| 037833AK6 | 14536 | 010 | MTN | 5,000,000.00 | 4,832,362.83 | 4,834,044.22 | 05/03/2023 | 2.400 | 3.205 | 10,000.00 | 3,158.99 | 13,158.99 |
| 254673RD0 | 14539 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/05/2023 | 3.300 | 3.300 | 700.68 | 0.00 | 700.68 |
| 06406FAB9 | 14541 | 010 | MC3 | 1,458,000.00 | 1,424,054.78 | 1,424,676.37 | 05/03/2021 | 2.050 | 3.024 | 2,490.75 | 1,167.84 | 3,658.59 |
| 06406HBY4 | 14538 | 010 | MC3 | 3,542,000.00 | 3,586,937.86 | 3,586,228.81 | 09/23/2021 | 3.550 | 3.003 | 10,478.41 | -1,332.15 | 9,146.26 |
| 795450T47 | 14540 | 010 | SCD | 250,000.00 | 250,000.00 | 250,000.00 | 07/03/2023 | 3.300 | 3.300 | 700.69 | 0.00 | 700.69 |
| 084670BJ6 | 14542 | 010 | MTN | 5,000,000.00 | 4,970,842.01 | 4,971,150.35 | 02/11/2023 | 3.000 | 3.098 | 12,500.00 | 579.30 | 13,079.30 |
| 3132X04Z1 | 14544 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 08/15/2023 | 3.250 | 3.189 | 13,541.67 | 0.00 | 13,541.67 |
| 31422BAR1 | 14553 | 010 | MC5 | 5,000,000.00 | 0.00 | 806,451.61 | 12/27/2023 | 3.230 | 2.620 | 1,794.44 | 0.00 | 1,794.44 |
| 3132X02G5 | 14537 | 010 | MC5 | 5,000,000.00 | 5,000,000.00 | 5,000,000.00 | 06/21/2023 | 3.270 | 3.208 | 13,625.00 | 0.00 | 13,625.00 |
| 589331AT4 | 14545 | 010 | MTN | 5,000,000.00 | 4,888,477.15 | 4,889,782.70 | 09/15/2022 | 2.400 | 2.999 | 10,000.00 | 2,452.85 | 12,452.85 |
| 68389XAS4 | 14548 | 010 | MTN | 5,000,000.00 | 0.00 | 2,442,093.72 | 07/15/2023 | 3.625 | 3.205 | 7,048.61 | -401.15 | 6,647.46 |
| | | | Subtotal | 299,823,500.00 | 272,507,825.78 | 276,695,723.64 | | | 2.005 | 464,230.06 | 6,867.22 | 471,097.28 |
| | | | Total | 299,823,500.00 | 272,507,825.78 | 276,695,723.64 | | | 2.005 | 464,230.06 | 6,867.22 | 471,097.28 |

Pooled Cash and Investments
(Market Value)
as of December 31, 2018









Summary of Pooled Cash and Investments - Trust Funds
(Market Value)
As of December 31, 2018

| | <u>Pooled Cash</u> | <u>Investments (Book Value)</u> | <u>Gain/Loss on Investments</u> | <u>Pooled Cash & Investments (Market Value)</u> |
|---|---------------------|-------------------------------------|-------------------------------------|---|
| Retiree Medical Trust Fund | | | | |
| Fund No. | | | | |
| 941 BHA | \$ 51,886 | \$ 285,395 | \$ 4,113 | \$ 341,394 |
| 942 M1=IBEW | (4,894) | 183,575 | 4,430 | 183,111 |
| 943 M2=Local 1 | 853,542 | 6,771,257 | 193,186 | 7,817,985 |
| 944 MUI=Z1 | 110,073 | 1,691,669 | 57,545 | 1,859,287 |
| 945 MUI=Z2 to Z6 | 206,385 | 2,213,769 | 68,033 | 2,488,187 |
| 946 M535= Local 535 | 657,801 | 7,069,352 | 238,560 | 7,965,713 |
| 947 M3=Local 790 | 450,018 | 5,011,968 | 115,919 | 5,577,905 |
| Total Retiree Medical Trust Fund | 2,324,811 | 23,226,985 | 681,786 | 26,233,583 |
| Fire Medical Trust Fund | | | | |
| 949 Fire Medical Trust Fund | 1,924,275 | 8,551,396 | (18,848) | 10,456,823 |
| Total Fire Medical Trust Fund | 1,924,275 | 8,551,396 | (18,848) | 10,456,823 |
| Police Medical Trust Fund | | | | |
| 903 Police EE Retiree HLT Assistance Plan | 232,751 | 1,693,920 | (20,406.00) | 1,926,671 |
| 950 Police Medical Trust Fund | 762,989 | 5,317,513 | 13,831.00 | 6,080,502 |
| Total Police Medical Trust Fund | 995,740 | 7,011,433 | (6,575) | 8,000,598 |
| Total Trust Funds | \$ 5,244,826 | \$ 38,789,814 | \$ 656,363 | \$ 44,691,004 |



**Retiree Medical Trust Fund
Fund 941 - 947
Interest Earnings
October 1, 2018 to December 31, 2018**

| Investments as of December 31, 2018 | | | | | | | | | Interest Earnings October 1, 2018 to December 31, 2018 | | | | |
|---|--------------|-----------------------------|-------------------------|-------------------------|-------------------------|-------------------------|---------------|----------------|---|------------------|----------------------|-------------------------|----------------------------|
| CUSIP | Investment # | Issuer | Par Value | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Moody's Rating | Current Rate | Annualized Yield | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings |
| Medium Term Notes | | | | | | | | | | | | | |
| 06744CUS8 | 14530 | Barclays Bank PLC | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 | 5,981,340.00 | 02/08/2028 | A2 | 3.125 | 3.100 | 46,875.00 | - | 46,875.00 |
| 38141EA25 | 14110 | Goldman Sacs | 3,000,000.00 | 3,001,399.33 | 3,000,459.48 | 3,014,460.00 | 02/15/2019 | A3 | 7.500 | 7.312 | 56,250.00 | (939.85) | 55,310.15 |
| 61747WAF6 | 14224 | Morgan Stanley | 1,666,666.67 | 1,689,514.08 | 1,687,048.53 | 1,737,750.00 | 01/25/2021 | A3 | 5.750 | 5.051 | 23,958.33 | (2,465.55) | 21,492.78 |
| Federal Agency Coupon Securities | | | | | | | | | | | | | |
| 3133EFQT7 | 14361 | Fed Farm Credit Bank | 2,600,000.00 | 2,613,006.40 | 2,612,551.63 | 2,565,836.00 | 11/25/2025 | # ### | 2.700 | 2.596 | 17,550.00 | (454.77) | 17,095.23 |
| Federal Agency Continuously Callable | | | | | | | | | | | | | |
| 3134GAWD2 | 14510 | Fed Home Loan Mortgage Corp | 1,500,000.00 | 1,500,000.00 | 1,500,000.00 | 1,481,985.00 | 11/27/2019 | AAA | 1.300 | 1.289 | 4,875.00 | - | 4,875.00 |
| Municipal Bonds | | | | | | | | | | | | | |
| 672319CC2 | 14283 | OAKGEN | 2,750,000.00 | 2,733,939.74 | 2,735,192.27 | 2,816,550.00 | 12/15/2021 | AA3 | 3.800 | 3.972 | 26,125.00 | 1,252.53 | 27,377.53 |
| 786091AG3 | 14316 | SACGEN | 5,000,000.00 | 5,369,242.13 | 5,355,733.27 | 5,974,850.00 | 08/01/2025 | A3 | 7.250 | 5.706 | 90,625.00 | (13,508.86) | 77,116.14 |
| Savo Island Loan | | | | | | | | | | | | | |
| SYS10988 | 10988 | EMPMED | 336,000.00 | 336,000.00 | 336,000.00 | 336,000.00 | 09/01/2025 | | 8.000 | 8.000 | 6,775.23 | - | 6,775.23 |
| Total | | | \$ 22,852,666.67 | \$ 23,243,101.68 | \$ 23,226,985.18 | \$ 23,908,771.00 | | | | 4.384 | \$ 273,033.56 | \$ (16,116.50) | \$ 256,917.06 |

| | |
|---|-------------------------|
| Total Investments (Book Value) | \$ 23,226,985.18 |
| Gain/Loss on Investments | <u>681,785.82</u> |
| Total Investments (Market Value) | 23,908,771.00 |
| Temporarily Invested with Pooled Cash & Investments | <u>2,324,811.00</u> |
| Total Pooled Cash and Investments | <u>\$ 26,233,582.00</u> |



**Fire Retiree Medical
Fund 949
Interest Earnings
October 1, 2018 to December 31, 2018**

| Investments as of December 31, 2018 | | | | | | | | Interest Earnings October 1, 2018 to December 31, 2018 | | | | | | |
|---|--------------|----------------------------|------------------------|------------------------|------------------------|------------------------|---------------|---|--------------|------------------|----------------------------|-------------------------|----------------------------|---------------------|
| CUSIP | Investment # | Issuer | Ending Par Value | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Adjusted Interest Earnings | | Adjusted Interest Earnings | |
| | | | | | | | | | | | Interest Earned | Amortization/ Accretion | | |
| Medium Term Notes | | | | | | | | | | | | | | |
| 06744CUS8 | 14531 | Barclays Bank PLC | 2,000,000.00 | 2,000,000.00 | 2,000,000.00 | 1,993,780.00 | 02/18/2028 | A2 | 3.125 | 3.100 | 15,625.00 | - | 15,625.00 | |
| 6174467X1 | 14318 | Morgan Stanley DW DTC#0015 | 2,000,000.00 | 2,055,174.50 | 2,053,244.57 | 2,039,340.00 | 11/24/2025 | BAA2 | 5.000 | 4.456 | 25,000.00 | (1,929.93) | 23,070.07 | |
| 61747WAF6 | 14225 | Morgan Stanley | 1,666,666.67 | 1,689,514.08 | 1,687,048.53 | 1,737,750.00 | 01/25/2021 | A3 | 5.750 | 5.051 | 23,958.33 | (2,465.55) | 21,492.78 | |
| Federal Agency Coupon Securities | | | | | | | | | | | | | | |
| 3133EFQT7 | 14362 | Fed Farm Credit Bank | 2,300,000.00 | 2,311,505.67 | 2,311,103.37 | 2,269,778.00 | 11/25/2025 | - | 2.700 | 2.596 | 15,525.00 | (402.30) | 15,122.70 | |
| Federal Agency Continuously Callable | | | | | | | | | | | | | | |
| 3130A9WA5 | 14508 | FHLB | 500,000.00 | 500,000.00 | 500,000.00 | 491,900.00 | 04/27/2020 | AAA | 1.300 | 1.289 | 1,625.00 | - | 1,625.00 | |
| Total | | | <u>\$ 8,466,666.67</u> | <u>\$ 8,556,194.25</u> | <u>\$ 8,551,396.47</u> | <u>\$ 8,532,548.00</u> | | | | | <u>3.566</u> | <u>\$ 81,733.33</u> | <u>\$ (4,797.78)</u> | <u>\$ 76,935.55</u> |

| | |
|---|-------------------------|
| Total Investments (Book Value) | \$ 8,551,396.47 |
| Gain/Loss on Investments | <u>(18,848.47)</u> |
| Total Investments (Market Value) | 8,532,548.00 |
| Temporarily Invested with Pooled Cash & Investments | <u>1,924,275.00</u> |
| Total Pooled Cash and Investments | <u>\$ 10,456,823.00</u> |



**Police Retiree Medical
Fund 903, 950 and 970
Interest Earnings
October 1, 2018 to December 31, 2018**

| Investments as of December 31, 2018 | | | | | | | | Interest Earnings October 1, 2018 to December 31, 2018 | | | | | | |
|---|--------------|--------------------------------|------------------------|------------------------|------------------------|------------------------|---------------|---|--------------|------------------|----------------------------|----------------------------|----------------------------|---------------------|
| CUSIP | Investment # | Issuer | Ending Par Value | Beginning Book Value | Ending Book Value | Market Value | Maturity Date | Credit Rating | Current Rate | Annualized Yield | Adjusted Interest Earnings | | | |
| | | | | | | | | | | | Interest Earned | Amortization/ Accretion | Adjusted Interest Earnings | |
| Medium Term Notes | | | | | | | | | | | | | | |
| 06744CUS8 | 14532 | Barclays Bank PLC | 2,000,000.00 | 2,000,000.00 | 2,000,000.00 | 1,993,780.00 | 02/08/2028 | A2 | 3.125 | 3.100 | 15,625.00 | - | 15,625.00 | |
| 6174467X1 | 14319 | Morgan Stanley DW DTC#0015 | 500,000.00 | 513,793.62 | 513,311.14 | 509,835.00 | 11/24/2025 | BAA2 | 5.000 | 4.456 | 6,250.00 | (482.48) | 5,767.52 | |
| 61747WAF6 | 14226 | Morgan Stanley | 1,666,666.67 | 1,689,514.08 | 1,687,048.53 | 1,737,750.00 | 01/25/2021 | A3 | 5.750 | 5.051 | 23,958.33 | (2,465.55) | 21,492.78 | |
| Federal Agency Coupon Securities | | | | | | | | | | | | | | |
| 3133EFQT7 | 14363 | Fed. Farm Credit Banks Funding | 2,300,000.00 | 2,311,505.67 | 2,311,103.37 | 2,269,778.00 | 11/25/2025 | - | 2.700 | 2.596 | 15,525.00 | (402.30) | 15,122.70 | |
| Federal Agency Continuously Callable | | | | | | | | | | | | | | |
| 3130A9YW5 | 14511 | Federal Home Loan Banks | 500,000.00 | 499,961.94 | 499,970.28 | 493,715.00 | 11/22/2019 | AAA | 1.190 | 1.187 | 1,487.50 | 8.34 | 1,495.84 | |
| Total | | | <u>\$ 6,966,666.67</u> | <u>\$ 7,014,775.31</u> | <u>\$ 7,011,433.32</u> | <u>\$ 7,004,858.00</u> | | | | | <u>3.365</u> | <u>\$ 62,845.83</u> | <u>\$ (3,341.99)</u> | <u>\$ 59,503.84</u> |

| | |
|---|-------------------------------|
| Total Investments (Book Value) | \$ 7,011,433.32 |
| Gain/Loss on Investments | <u>(6,575.32)</u> |
| Total Investments (Market Value) | 7,004,858.00 |
| Temporarily Invested with Pooled Cash & Investments | <u>995,740.00</u> |
| Total Pooled Cash and Investments | <u>\$ 8,000,598.00</u> |

