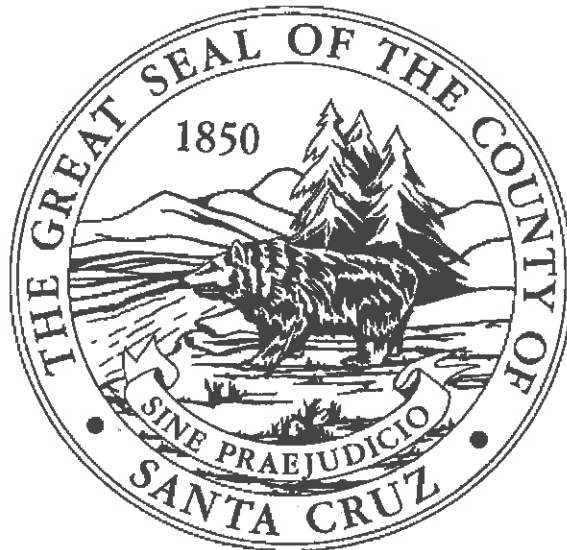


Santa Cruz County Treasurer's  
**Quarterly Investment Report**

**For the Quarter Ended  
September 30, 2020**



**Edith Driscoll**  
**Auditor – Controller – Treasurer - Tax Collector**

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# TREASURY OVERSIGHT COMMISSION

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Chairperson:

Ron Sekkel  
Public Member  
Alternate: Mary Jo Walker

Current Members:

Chris Schiermeyer  
Member Representing School Districts  
Alternate: Vacant

Bruce McPherson  
Member Representing County of Santa Cruz  
Board of Supervisors  
Alternate: Greg Caput

Faris Sabbah  
Superintendent of Schools  
Santa Cruz County Office of Education  
Alternate: Liann Reyes

Angela Aitken  
Member Representing Special Districts  
Alternate: John Stipes

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## AUDIT PROCESS

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The Santa Cruz County Treasurer's Office is audited on an annual basis by an outside auditor selected by the Santa Cruz County's Audit Committee. Additionally, all investments are audited on a regular basis by the County Auditor as well as on a daily basis by an in-house audit process.



# COUNTY OF SANTA CRUZ

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EDITH DRISCOLL  
AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR  
701 OCEAN STREET, SUITE 100, SANTA CRUZ, CA 95060-4073  
(831) 454-2500 FAX (831) 454-2660

October 9, 2020

Board of Supervisors  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

Subject: **CERTIFICATION OF LIQUIDITY**

Dear Members of the Board:

This report shows the investment activity for the quarter ending September 30, 2020 of pooled funds on deposit with the Treasurer and that it is in compliance with California Government Code Sections 27000 et seq., 53600 et seq., and the County's 2020 Investment Policy.

Attached are summaries of the Portfolio Structure, Investment Details, Securities Activity by Brokers, and other information to provide a better understanding of the investment activity that has occurred through September 30, 2020.

Pursuant to Government Code § 53646(b)(3), I certify that because of the liquidity of the pool and the county's issuance of Teeter Notes and TRAns, the county has the ability to meet the pool's expenditure requirements for the next six months.

Respectfully submitted,

EDITH DRISCOLL  
Auditor-Controller-Treasurer-Tax Collector

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## SUMMARY REPORTS

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1. County of Santa Cruz Portfolio Summary including:
  - a) Issuer
  - b) Type of Asset
  - c) Cost at Purchase
  - d) Current Book Value
  - e) Yield
  - f) Par Value
  - g) Market Value
  - h) Percent of Portfolio
  - i) Percent Allowed
  - j) Purchase Date
  - k) Maturity Date
  - l) Credit Rating
  - m) Source of Valuation
  
2. Portfolio Size and Composition Report
  - a) Portfolio Balance Trend
  - b) Portfolio Composition by Type
  
3. Portfolio Yield
  - a) Net Yield History / Comparison to LAIF
  - b) Net Yield Trend / Comparison to LAIF
  
4. County of Santa Cruz Investment Pool Maturity Distribution
  
5. County of Santa Cruz Investment Pool Credit Quality Distribution
  
6. County of Santa Cruz Investment Pool Source of Funds

**Santa Cruz County Treasurer's Portfolio  
As of September 30, 2020**

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
<b>U.S. Treasuries</b>										
US Treasury	14,980,078.13	14,999,264.10	1.76%	15,000,000.00	15,008,700.00	1.89%	100%	10/02/19	10/15/20	AA+ / Aaa
US Treasury	20,225,000.00	20,019,911.50	1.65%	20,000,000.00	20,045,200.00	2.52%	100%	11/27/19	10/31/20	AA+ / Aaa
US Treasury	18,184,218.75	18,051,429.48	1.63%	18,000,000.00	18,142,020.00	2.28%	100%	11/07/19	01/31/21	AA+ / Aaa
US Treasury	20,133,593.75	20,042,563.59	1.67%	20,000,000.00	20,158,600.00	2.53%	100%	12/13/19	02/15/21	AA+ / Aaa
US Treasury	24,839,843.75	24,945,278.91	1.66%	25,000,000.00	25,105,500.00	3.15%	100%	12/17/19	02/28/21	AA+ / Aaa
US Treasury	15,239,062.50	15,163,379.40	0.16%	15,000,000.00	15,167,550.00	1.91%	100%	05/28/20	06/30/21	AA+ / Aaa
US Treasury	19,968,655.58	19,975,286.11	0.16%	20,000,000.00	19,983,600.00	2.52%	100%	07/16/20	07/15/21	AA+ / Aaa
US Treasury	9,986,350.00	9,988,187.50	0.14%	10,000,000.00	9,990,600.00	1.26%	100%	08/13/20	08/12/21	AA+ / Aaa
US Treasury	20,188,643.75	20,190,488.38	0.13%	20,000,000.00	20,188,923.20	2.55%	100%	09/15/20	08/31/21	AA+ / Aaa
US Treasury	19,972,700.00	19,974,275.00	0.14%	20,000,000.00	19,974,800.00	2.52%	100%	09/10/20	09/09/21	AA+ / Aaa
<b>Total US Treasuries</b>	<b>183,719,346.19</b>	<b>183,350,061.38</b>	<b>0.95%</b>	<b>183,000,000.00</b>	<b>183,766,483.20</b>	<b>23.12%</b>	<b>100%</b>			
<b>U.S. Government Agencies</b>										
Federal Home Loan Bank	24,979,444.44	24,992,291.66	0.10%	25,000,000.00	24,993,000.00	3.15%	25%	03/30/20	01/20/21	AA+ / Aaa
Federal Farm Credit Bank	11,973,240.00	11,993,161.33	2.35%	12,000,000.00	12,128,160.00	1.51%	25%	04/05/21	04/05/21	AA+ / Aaa
Federal Home Loan Bank	12,977,654.44	12,986,862.78	0.18%	13,000,000.00	12,991,550.00	1.64%	25%	05/04/20	05/03/21	AA+ / Aaa
Federal Farm Credit Bank	9,989,700.00	9,991,600.00	0.12%	10,000,000.00	9,991,600.00	1.26%	25%	08/05/20	06/10/21	AA+ / Aaa
Federal Home Loan Bank	14,993,650.00	14,995,577.04	0.17%	15,000,000.00	15,005,366.67	1.89%	25%	07/16/20	07/09/21	AA+ / Aaa
Federal National Mortg Association	15,252,150.00	15,192,600.58	0.20%	15,000,000.00	15,199,300.00	1.82%	25%	05/01/20	10/07/21	AA+ / Aaa
Federal Farm Credit Bank	12,987,455.00	12,995,307.24	3.08%	13,000,000.00	13,423,930.00	1.64%	25%	11/15/18	11/15/21	AA+ / Aaa
Federal Home Loan Bank	13,483,769.00	13,361,956.66	0.32%	13,000,000.00	13,393,380.00	1.69%	25%	04/06/20	04/06/20	AA+ / Aaa
Federal Home Loan Mortg Corp	12,000,000.00	12,000,000.00	0.30%	12,000,000.00	11,999,880.00	1.51%	25%	05/15/20	05/17/22	AA+ / Aaa
Federal Farm Credit Bank	17,000,000.00	17,000,000.00	1.63%	17,000,000.00	17,467,840.00	2.14%	25%	12/06/19	08/22/22	AA+ / Aaa
Federal Farm Credit Bank	13,533,000.00	13,439,453.06	0.63%	13,000,000.00	13,571,870.00	1.69%	25%	04/09/20	12/29/22	AA+ / Aaa
Federal Home Loan Mortg Corp	20,000,000.00	20,000,000.00	1.87%	20,000,000.00	20,061,000.00	2.52%	25%	01/13/20	01/13/23	AA+ / Aaa
Federal Home Loan Bank	15,296,100.00	15,236,181.40	1.46%	15,000,000.00	15,708,150.00	1.92%	25%	02/18/20	03/10/23	AA+ / Aaa
Federal Farm Credit Bank	9,974,200.00	9,978,724.63	0.68%	10,000,000.00	10,143,000.00	1.26%	25%	03/23/20	03/15/23	AA+ / Aaa
Federal National Mortg Association	12,000,000.00	12,000,000.00	0.75%	12,000,000.00	12,003,000.00	1.51%	25%	04/20/20	04/20/23	AA+ / Aaa
Federal National Mortg Association	10,000,000.00	10,000,000.00	0.55%	10,000,000.00	10,001,100.00	1.26%	25%	04/28/20	04/28/23	AA+ / Aaa
Federal Home Loan Mortg Corp	20,000,000.00	20,000,000.00	0.44%	20,000,000.00	20,022,200.00	2.52%	25%	06/16/20	06/16/23	AA+ / Aaa
<b>Total Government Agencies</b>	<b>246,440,562.88</b>	<b>246,163,716.38</b>	<b>0.55%</b>	<b>245,000,000.00</b>	<b>248,124,326.67</b>	<b>31.04%</b>	<b>100%</b>			
<b>Supranationals</b>										
Inter-American Development Bank	14,775,000.00	14,951,254.95	2.61%	15,000,000.00	15,108,450.00	1.89%	30%	02/08/19	03/15/21	AAA / Aaa / AAA
Int Bank of Redevelopment	20,326,800.00	20,166,536.82	1.70%	20,000,000.00	20,412,000.00	2.54%	30%	12/20/19	07/23/21	AAA / Aaa / AAA
Int Bank of Redevelopment	15,000,000.00	15,000,000.00	1.75%	15,000,000.00	15,062,250.00	1.89%	30%	01/27/20	01/27/23	AAA / Aaa / AAA
International Finance Corporation	16,155,000.00	16,040,623.34	0.41%	15,000,000.00	16,102,500.00	2.02%	30%	06/09/20	07/31/23	AAA / Aaa / AAA
<b>Total Supranational</b>	<b>66,256,800.00</b>	<b>66,158,416.11</b>	<b>1.60%</b>	<b>65,000,000.00</b>	<b>66,685,200.00</b>	<b>8.34%</b>	<b>30%</b>			
<b>Medium Term Notes</b>										
Berkshire Hathaway	15,153,975.00	15,006,887.06	1.70%	15,000,000.00	15,014,400.00	1.88%	10%	12/02/19	10/15/20	AA / Aa2 / A+
Microsoft Corporation	9,719,000.00	9,905,615.97	2.70%	10,000,000.00	10,108,000.00	1.25%	10%	01/24/19	08/08/21	AAA / Aaa / AA+
Johnson & Johnson Corp	14,822,550.00	14,917,254.64	2.66%	15,000,000.00	15,387,600.00	1.88%	10%	02/15/19	03/03/22	AAA / Aaa / AAA
Apple Inc.	15,167,250.00	15,107,589.18	2.53%	15,000,000.00	15,829,800.00	1.91%	10%	06/03/19	02/23/23	AA+ / Aa1 / AA+
<b>Total Medium Term Notes</b>	<b>54,862,775.00</b>	<b>54,937,346.85</b>	<b>2.37%</b>	<b>55,000,000.00</b>	<b>56,339,800.00</b>	<b>6.95%</b>	<b>30%</b>			

**Santa Cruz County Treasurer's Portfolio  
As of September 30, 2020**

ISSUER	COST	BOOK VALUE	YIELD	PAR VALUE	MARKET VALUE (1)	% of PORTFOLIO	% ALLOWED	PURCHASE DATE	MATURITY DATE	CREDIT RATING (2)
<b>Negotiable CDs</b>										
Union Bank	20,000,000.00	20,000,000.00	0.20%	20,000,000.00	19,998,800.00	2.52%	10%	09/03/20	07/28/21	A1 / P1 / F1
<b>Total Negotiable CDs</b>	<b>20,000,000.00</b>	<b>20,000,000.00</b>	<b>0.20%</b>	<b>20,000,000.00</b>	<b>19,998,800.00</b>	<b>2.52%</b>	<b>30%</b>			
<b>Municipal Bonds</b>										
State of California GO Bond	12,191,707.35	12,195,000.00	2.31%	12,195,000.00	12,195,000.00	1.54%	10%	02/15/18	10/01/20	AA- / Aa3 / AA-
State of California GO Bond	12,000,000.00	12,000,000.00	2.35%	12,000,000.00	12,344,280.00	1.51%	10%	04/04/19	04/01/22	AA- / Aa3 / AA-
University of California	3,077,430.00	3,057,554.27	1.76%	3,000,000.00	3,144,150.00	0.39%	10%	11/05/19	05/15/23	AA- / Aa3 / AA-
Cabrillo Community College	3,035,000.00	3,035,000.00	1.96%	3,035,000.00	3,128,265.55	0.38%	10%	10/08/19	08/01/23	AA / Aa2
<b>Total Municipal Bonds</b>	<b>30,304,137.35</b>	<b>30,287,554.27</b>	<b>2.23%</b>	<b>30,230,000.00</b>	<b>30,811,695.55</b>	<b>3.82%</b>	<b>40%</b>			
<b>Checking</b>										
US Bank Checking	11,903,281.64	11,903,281.64	1.00%	11,903,281.64	11,903,281.64	1.50%	10%	NA	NA	NR
<b>Total Checking</b>	<b>11,903,281.64</b>	<b>11,903,281.64</b>	<b>1.00%</b>	<b>11,903,281.64</b>	<b>11,903,281.64</b>	<b>1.50%</b>	<b>10%</b>			
<b>Money Market Funds (3)</b>										
US Bank MMF	30,000,000.00	30,000,000.00	0.01%	30,000,000.00	30,000,000.00	3.78%	10%	NA	NA	NR
CAMP	75,000,000.00	75,000,000.00	0.27%	75,000,000.00	75,000,000.00	9.46%	10%	NA	NA	AAA/M
<b>Total Money Market Funds</b>	<b>105,000,000.00</b>	<b>105,000,000.00</b>	<b>0.20%</b>	<b>105,000,000.00</b>	<b>105,000,000.00</b>	<b>13.24%</b>				
<b>Miscellaneous Investments</b>										
LAI	75,157,951.32	75,157,951.32	0.84%	75,157,951.32	75,157,951.32	9.46%	10%	NA	NA	NR
<b>Total Misc. Investments</b>	<b>75,157,951.32</b>	<b>75,157,951.32</b>	<b>0.84%</b>	<b>75,157,951.32</b>	<b>75,157,951.32</b>	<b>9.46%</b>				
<b>GRAND TOTAL</b>	<b>793,644,854.38</b>	<b>792,958,327.55</b>	<b>1.00%</b>	<b>790,291,232.96</b>	<b>797,786,548.38</b>	<b>100%</b>				

(1) Market Value pricing obtained from Union Bank safekeeper (custodial bank).

(2) Split ratings reflect ratings from S&P and Moody's.

(3) Money Market Mutual Fund balances do not include current month interest.

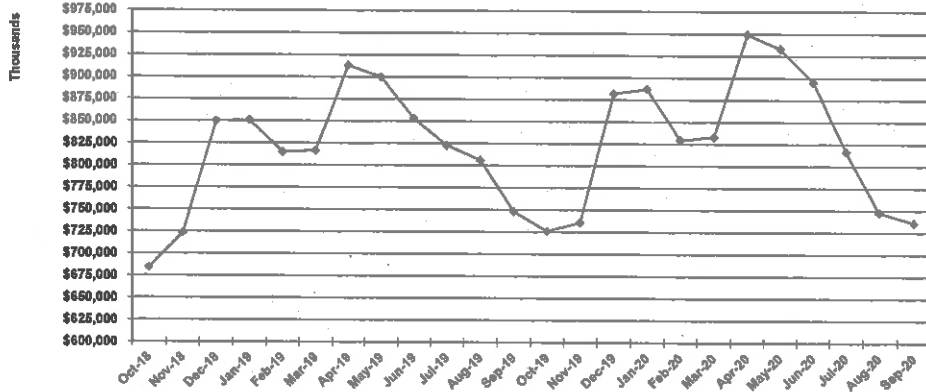


**County of Santa Cruz Investment Pool**  
**Portfolio Size and Composition**  
**As of September 30, 2020**

**Monthly Balance History**

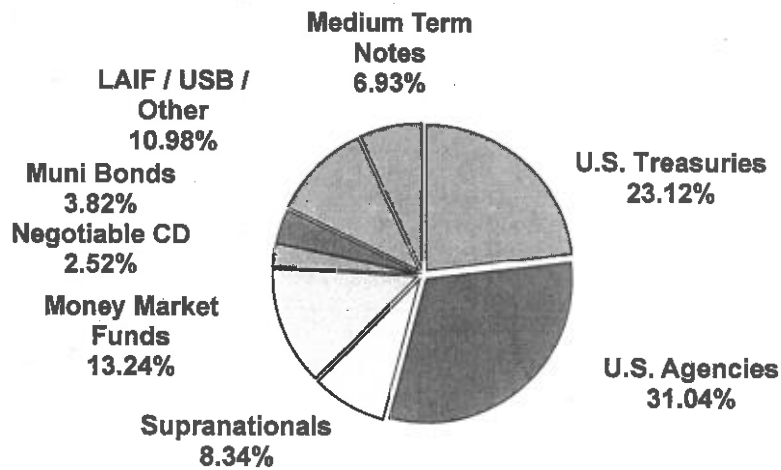
Oct-18	\$ 684,096,646.04
Nov-18	\$ 723,337,328.50
Dec-18	\$ 849,852,810.14
Jan-19	\$ 850,631,070.40
Feb-19	\$ 814,920,794.72
Mar-19	\$ 816,455,075.11
Apr-19	\$ 912,824,395.26
May-19	\$ 899,889,045.39
Jun-19	\$ 853,052,680.56
Jul-19	\$ 822,650,258.86
Aug-19	\$ 805,975,949.20
Sep-19	\$ 747,883,834.67
Oct-19	\$ 726,077,495.00
Nov-19	\$ 735,497,653.00
Dec-19	\$ 881,710,603.00
Jan-20	\$ 887,366,890.58
Feb-20	\$ 829,101,176.44
Mar-20	\$ 832,806,566.48
Apr-20	\$ 949,324,384.12
May-20	\$ 932,918,634.16
Jun-20	\$ 895,359,299.82
Jul-20	\$ 816,189,682.11
Aug-20	\$ 747,623,618.14
Sep-20	\$ 735,882,286.83

**Monthly Portfolio Balance Trend**



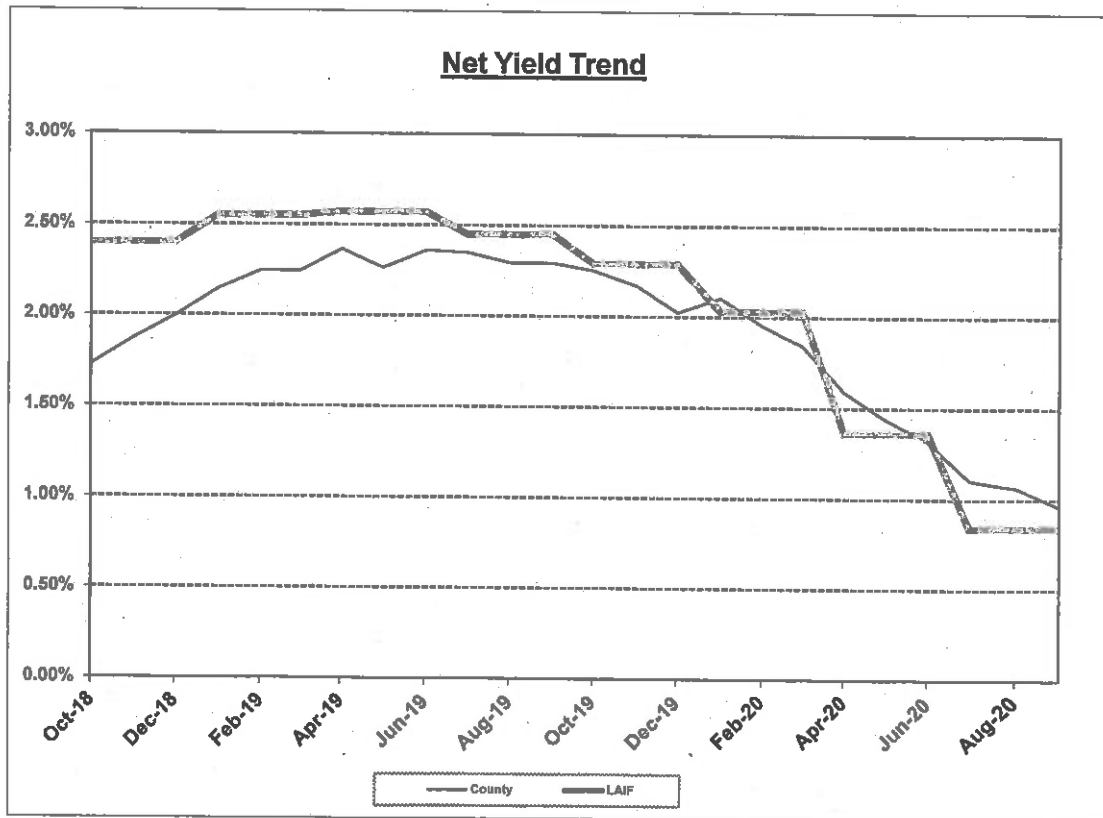
	<u>9/30/2020</u>	<u>6/30/2020</u>	<u>9/30/2019</u>	<u>9/30/2018</u>
U.S. Treasuries	23.12%	21.51%	32.06%	28.66%
U.S. Agencies	31.04%	30.49%	24.91%	30.26%
Supranationals	8.34%	9.47%	8.73%	6.94%
Money Market Fund	13.24%	4.72%	7.43%	3.48%
Commercial Paper	0.00%	0.00%	0.00%	0.00%
Negotiable CD	2.52%	9.86%	3.32%	8.62%
Municipal Bonds	3.82%	3.32%		
LAIF / USB / Other	10.98%	13.31%	11.51%	11.88%
Medium Term Note	6.93%	7.33%	12.51%	10.16%
	100%	100%	100%	100%

**Portfolio Composition**



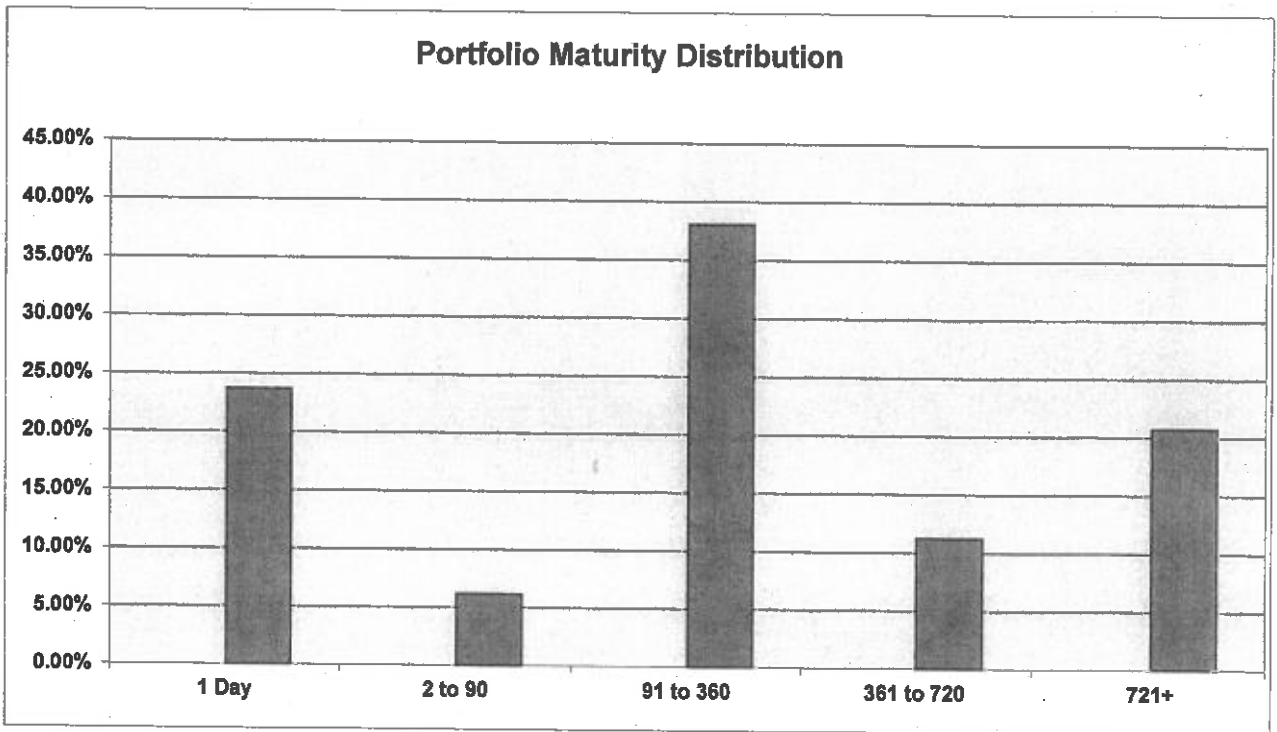
**County of Santa Cruz Investment Pool**  
**Portfolio Net Yield**  
 As of September 30, 2020

Month	Apportionment Rate		Difference
	County	LAIF	
Oct-18	1.725%	2.400%	-0.68%
Nov-18	1.870%	2.400%	-0.53%
Dec-18	1.994%	2.400%	-0.41%
Jan-19	2.145%	2.550%	-0.41%
Feb-19	2.246%	2.550%	-0.30%
Mar-19	2.243%	2.550%	-0.31%
Apr-19	2.365%	2.570%	-0.21%
May-19	2.263%	2.570%	-0.31%
Jun-19	2.361%	2.570%	-0.21%
Jul-19	2.350%	2.450%	-0.10%
Aug-19	2.294%	2.450%	-0.16%
Sep-19	2.293%	2.450%	-0.16%
Oct-19	2.253%	2.290%	-0.04%
Nov-19	2.172%	2.290%	-0.12%
Dec-19	2.024%	2.290%	-0.27%
Jan-20	2.104%	2.030%	0.07%
Feb-20	1.950%	2.030%	-0.08%
Mar-20	1.842%	2.030%	-0.19%
Apr-20	1.587%	1.360%	0.23%
May-20	1.441%	1.360%	0.08%
Jun-20	1.318%	1.360%	-0.04%
Jul-20	1.106%	0.840%	0.27%
Aug-20	1.064%	0.840%	0.22%
Sep-20	0.964%	0.840%	0.12%

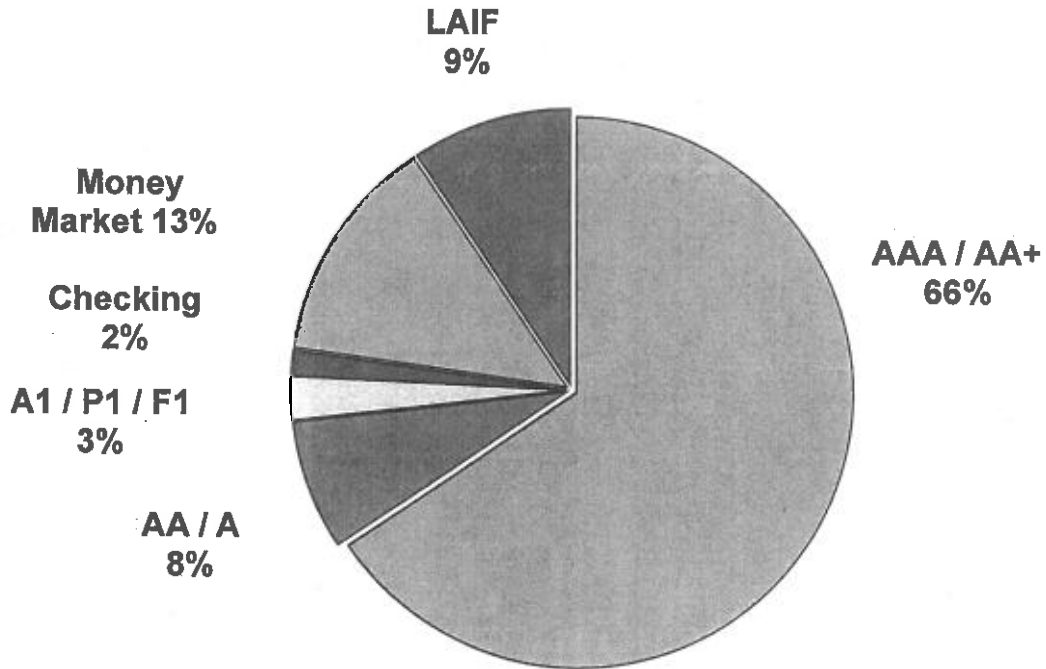


**County of Santa Cruz Investment Pool**  
**Maturity Distribution**  
 September 30, 2020

Maturing in:	9/30/2020	6/30/2020	9/30/2019	9/30/2018
1 Day	23.73%	15.35%	14.56%	17.19%
2 to 90	8.17%	24.68%	18.97%	19.56%
91 to 360	38.13%	21.61%	43.61%	45.56%
361 to 720	11.26%	14.20%	9.91%	16.01%
721+	20.72%	24.20%	12.96%	1.70%
Total	100%	100%	100%	100%
WAM (days)	326	332	264	198
Duration	0.90	0.90	0.71	0.54



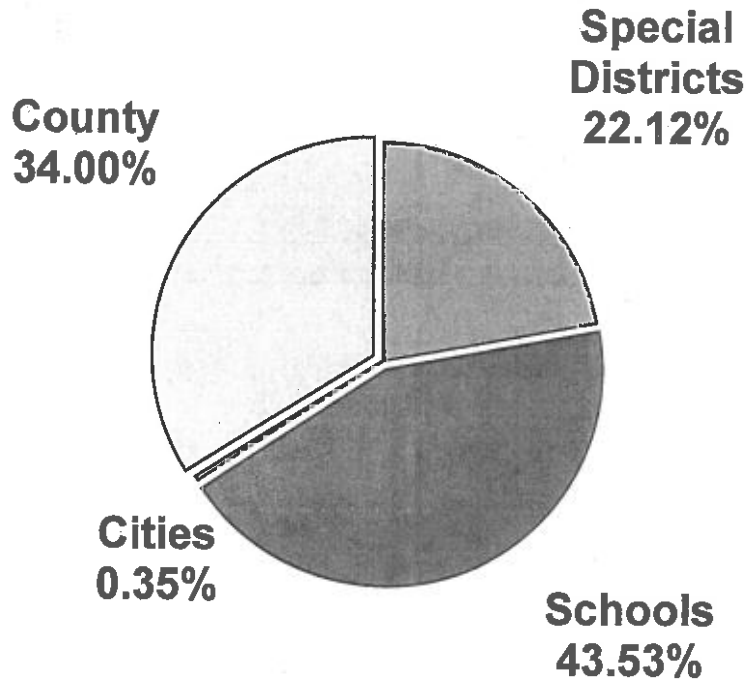
**County of Santa Cruz Investment Pool**  
**Credit Quality Distribution**  
 September 30, 2020



Rating	Market Value				
	(\$ ml)	9/30/2020	6/30/2020	9/30/2019	9/30/2018
AAA / AA+ *	\$ 518	66%	64%	69%	72%
AA	\$ 60	8%	8%	12%	6%
A	\$ -	0%	0%	0%	0%
A1 / P1 / F1	\$ 20	3%	10%	3%	9%
Checking	\$ 12	2%	3%	1%	1%
Money Market	\$ 105	13%	5%	7%	3%
LAIF (unrated)	\$ 75	9%	10%	7%	9%
<b>Total Portfolio Value</b>	<b>\$ 790</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

\* The AAA / AA+ category includes securities rated Aaa / AAA and Aaa / AA+  
 \*\* May not add to 100% due to rounding

**County of Santa Cruz Investment Pool**  
**Source of Funds**  
 As of September 30, 2020



	9/30/2020	9/30/2019	9/30/2018
County	34.00%	34.06%	36.26%
Special Districts	22.12%	18.87%	13.57%
Schools	43.53%	46.00%	49.86%
Cities	0.35%	0.27%	0.30%
Total	100%	100%	100%

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## DETAILED LIST OF INVESTMENTS OUTSTANDING

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As of September 30, 2020

### REPORT DESCRIPTION

The **Detailed List of Investments Outstanding** lists active investments in the portfolio on a specific date providing information on the market values, book values, interest rates and yields. It is arranged so that the securities of the same type are grouped together. What follows is a description of the abbreviations used in the report.

**CUSIP** – The CUSIP number is a 9-character alphanumeric code which identifies a North American financial security for the purposes of facilitating clearing and settlement of trades.

**INVESTMENT NUMBER** – This is a unique system-generated number assigned to the security. Assigned by the County for internal identification purposes.

**ISSUER** – The issuer named is the name of the institution which issued the bond.

**PURCHASE DATE** – This is the date on which the security was purchased.

**PAR VALUE** – The nominal or face value of a bond. This is the amount that will be received at maturity with accrued interest. It is also the amount that is used in calculating the interest received on the bond.

**MARKET VALUE** – Market value is the dollar amount the security could have been sold for on the report date. By comparing this number to the book value one is able to determine what, if any, loss or gain we would realize if we were to sell the bond in the open market.

**BOOK VALUE** – The original cost for each investment adjusted for amortization of premiums or accretions of discounts to the date of the report. Amortizations and accretions are calculated on a straight line basis.

**STATED RATE** – In most cases this is the coupon rate (rate of interest) set on a bond at the issue date by the issuer. If the security has no coupon (discount note, UST Bill or CP) then the stated rate is the yield to maturity on the date that the bond is purchased. The stated rate is not intended for comparing yields between different investments because the item may have been purchased at a discount or premium to par.

**YTM** – This is the Yield to Maturity. This is what the yield will be on the bond if it is held to maturity.

**DAYS TO MATURITY** – This is the number of days remaining between the report date and the maturity date.

**MATURITY DATE** – The maturity date is the date when a bond matures. On the maturity date an issuer of a security will pay the holder of the security the par value plus any accrued interest earned on the security from the date of last distribution.



**Quarterly Reports  
Portfolio Management  
Portfolio Summary  
September 30, 2020**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
U.S. Treasury Notes/ Bonds	133,000,000.00	133,816,493.20	133,412,313.37	17.08	397	153	1.248	1.286
Federal Agency Issues - Coupon	197,000,000.00	200,148,176.67	198,192,961.94	25.38	911	675	1.022	1.036
Medium Term Notes	55,000,000.00	56,339,800.00	54,937,346.85	7.03	930	441	2.338	2.371
Negotiable CDs	20,000,000.00	19,998,800.00	20,000,000.00	2.58	328	300	0.200	0.203
Municipal Bonds	30,230,000.00	30,811,695.55	30,287,554.27	3.88	1,089	417	2.204	2.235
Local Agency Investment Fund (LAIF)	75,157,951.32	75,157,951.32	75,157,951.32	9.62	1	1	0.828	0.840
Federal Agency Disc. -Amortizing	48,000,000.00	47,976,150.00	47,970,754.44	6.14	317	168	0.125	0.127
Treasury Discounts -Amortizing	50,000,000.00	49,948,000.00	49,937,748.61	6.39	364	315	0.145	0.147
Supranationals	65,000,000.00	66,885,200.00	66,158,415.11	8.47	877	570	1.563	1.605
Money Market Mutual Funds 02	105,000,000.00	105,000,000.00	105,000,000.00	13.44	1	1	0.193	0.196
<b>Investments</b>	<b>778,387,951.32</b>	<b>785,883,266.74</b>	<b>781,055,045.91</b>	<b>100.00%</b>	<b>532</b>	<b>331</b>	<b>0.984</b>	<b>0.998</b>

Total Earnings	September 30	Period
Current Year	2,254,714.18	
Average Daily Balance	766,898,665.14	
Effective Rate of Return	1.17%	

Santa Cruz County Treasurer,

**Quarterly Reports**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2020**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>U.S. Treasury Notes/ Bonds</b>												
912828222	22335	US Treasury N/B	15,000,000.00	10/02/2019	15,000,000.00	15,008,700.00	14,999,264.10	1.625	1.731	1.755	14	10/15/2020
9128285G1	22344	US Treasury N/B	20,000,000.00	11/27/2019	20,000,000.00	20,045,200.00	20,019,911.50	2.875	1.622	1.645	30	10/31/2020
9128285X4	22342	US Treasury N/B	18,000,000.00	11/21/2019	18,000,000.00	18,142,020.00	18,051,429.49	2.500	1.607	1.629	122	01/31/2021
9128283X6	22350	US Treasury N/B	20,000,000.00	12/13/2019	20,000,000.00	20,158,600.00	20,042,563.59	2.250	1.649	1.672	137	02/15/2021
912828P87	22351	US Treasury N/B	25,000,000.00	12/17/2019	25,000,000.00	25,105,500.00	24,945,276.91	1.125	1.642	1.664	150	02/28/2021
9128287A2	22373	US Treasury N/B	15,000,000.00	05/28/2020	15,000,000.00	15,167,550.00	15,163,379.40	1.625	0.160	0.162	272	06/30/2021
9128282F6	22382	US Treasury N/B	20,000,000.00	09/15/2020	20,000,000.00	20,188,923.20	20,190,488.38	1.125	0.132	0.134	334	08/31/2021
<b>Subtotal and Average</b>			<b>142,001,712.83</b>		<b>133,916,493.20</b>		<b>133,412,313.37</b>		<b>1.248</b>	<b>1.266</b>	<b>153</b>	
<b>Federal Agency Issues - Coupon</b>												
3133EKP6	22317	Federal Farm Credit Bank	12,000,000.00	04/05/2019	12,000,000.00	12,128,160.00	11,993,161.33	2.230	2.313	2.345	186	04/05/2021
3130AJTH2	22377	Federal Home Loan Bank	15,000,000.00	07/16/2020	15,000,000.00	15,005,366.67	14,995,577.04	0.125	0.165	0.167	280	07/08/2021
3135GQ089	22370	Federal National Mort. Assoc.	15,000,000.00	05/01/2020	15,000,000.00	15,199,300.00	15,182,600.58	1.375	0.197	0.200	371	10/07/2021
3133EJTT4	22290	Federal Farm Credit Bank	13,000,000.00	11/15/2018	13,000,000.00	13,423,930.00	12,995,307.24	3.050	3.042	3.084	410	11/15/2021
313378CR0	22363	Federal Home Loan Bank	13,000,000.00	04/06/2020	13,000,000.00	13,393,380.00	13,361,956.66	2.250	0.311	0.315	526	03/11/2022
3134GWW7	22372	Fed.Home Loan Mtg. Corp	12,000,000.00	05/15/2020	12,000,000.00	11,999,880.00	12,000,000.00	0.300	0.296	0.300	593	05/17/2022
3133ELAE4	22349	Federal Farm Credit Bank	17,000,000.00	12/06/2019	17,000,000.00	17,467,840.00	17,000,000.00	1.625	1.603	1.625	690	08/22/2022
3133EFUJ4	22365	Federal Farm Credit Bank	13,000,000.00	04/09/2020	13,000,000.00	13,571,870.00	13,439,453.06	2.150	0.620	0.628	819	12/29/2022
3134GUY95	22355	Fed.Home Loan Mtg. Corp	20,000,000.00	01/13/2020	20,000,000.00	20,081,000.00	20,000,000.00	1.670	1.647	1.670	834	01/13/2023
313382AX1	22359	Federal Home Loan Bank	15,000,000.00	02/18/2020	15,000,000.00	15,708,150.00	15,236,181.40	2.125	1.443	1.463	890	03/10/2023
3133ELUF9	22361	Federal Farm Credit Bank	10,000,000.00	03/23/2020	10,000,000.00	10,143,000.00	9,978,724.63	0.790	0.866	0.878	895	03/15/2023
3135G03D3	22368	Federal National Mort. Assoc.	12,000,000.00	04/20/2020	12,000,000.00	12,003,000.00	12,000,000.00	0.750	0.740	0.750	931	04/20/2023
3136G4VF7	22369	Federal National Mort. Assoc.	10,000,000.00	04/28/2020	10,000,000.00	10,001,100.00	10,000,000.00	0.550	0.542	0.550	939	04/28/2023
3134GVK80	22374	Fed.Home Loan Mtg. Corp	20,000,000.00	06/16/2020	20,000,000.00	20,022,200.00	20,000,000.00	0.440	0.434	0.440	988	06/16/2023
<b>Subtotal and Average</b>			<b>203,598,653.45</b>		<b>197,000,000.00</b>	<b>200,148,176.67</b>	<b>198,192,961.94</b>		<b>1.022</b>	<b>1.036</b>	<b>675</b>	
<b>Medium Term Notes</b>												
084664BZ3	22345	Berkshire Hathaway Inc	15,000,000.00	12/02/2019	15,000,000.00	15,014,400.00	15,006,987.06	2.900	1.681	1.704	14	10/15/2020
594918BP8	22304	Microsoft Corp	10,000,000.00	01/24/2019	10,000,000.00	10,108,000.00	9,905,615.97	1.550	2.665	2.702	311	08/09/2021
478160CD4	22309	Johnson & Johnson Corp	15,000,000.00	02/15/2019	15,000,000.00	15,387,600.00	14,917,254.64	2.250	2.620	2.656	518	03/03/2022
037833BU3	22323	Apple Inc	15,000,000.00	06/03/2019	15,000,000.00	15,829,800.00	15,107,589.18	2.850	2.499	2.534	875	02/23/2023
<b>Subtotal and Average</b>			<b>55,000,000.00</b>		<b>56,339,800.00</b>		<b>54,937,346.85</b>		<b>2.338</b>	<b>2.371</b>	<b>441</b>	
<b>Negotiable CDs</b>												
62478U6B7	22380	MUFG Union Bank NA CD	20,000,000.00	08/03/2020	20,000,000.00	19,998,800.00	20,000,000.00	0.200	0.200	0.203	300	07/28/2021



## Quarterly Reports Portfolio Management Portfolio Details - Investments September 30, 2020

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Municipal Bonds</b>			<b>39,293,478.26</b>		<b>20,000,000.00</b>	<b>19,998,800.00</b>	<b>20,000,000.00</b>	<b>0.200</b>	<b>0.203</b>	<b>0.203</b>	<b>300</b>	
		<b>Subtotal and Average</b>										
13063DDE5	22260	State of California		02/15/2018	12,195,000.00	12,195,000.00	12,195,000.00	2.300	2.275	2.307	0	10/01/2020
13063DLY2	22316	State of California		04/04/2019	12,000,000.00	12,344,280.00	12,000,000.00	2.350	2.318	2.350	547	04/01/2022
91412G2U8	22339	University of Calif		11/05/2019	3,000,000.00	3,144,150.00	3,057,554.27	2.518	1.737	1.761	956	05/15/2023
127109PZ3	22336	Cabrillo Comm College GO		10/08/2019	3,035,000.00	3,129,265.55	3,035,000.00	1.964	1.937	1.964	1,034	08/01/2023
		<b>Subtotal and Average</b>	<b>30,290,113.10</b>		<b>30,230,000.00</b>	<b>30,811,695.55</b>	<b>30,287,554.27</b>	<b>2.204</b>	<b>2.235</b>	<b>2.235</b>	<b>417</b>	
<b>Local Agency Investment Fund (LAIF)</b>												
SYS8501	6501	LAIF (General Fund)			75,157,951.32	75,157,951.32	75,157,951.32	0.840	0.828	0.840	1	
		<b>Subtotal and Average</b>	<b>74,385,504.01</b>		<b>75,157,951.32</b>	<b>75,157,951.32</b>	<b>75,157,951.32</b>	<b>0.828</b>	<b>0.840</b>	<b>0.840</b>	<b>1</b>	
<b>Union Bank Activity - Dividend</b>												
SYS2111	21111	Union Bank		07/01/2020	0.00	0.00	0.00	0.010	0.010	0.010	1	
		<b>Subtotal and Average</b>	<b>1.16</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0</b>	
<b>Federal Agency Disc. -Amortizing</b>												
313385AV8	22362	Federal Home Loan Bank		03/30/2020	25,000,000.00	24,993,000.00	24,992,291.66	0.100	0.101	0.103	111	01/20/2021
313385FC5	22371	Federal Home Loan Bank		05/04/2020	13,000,000.00	12,991,550.00	12,988,882.78	0.170	0.173	0.175	214	05/03/2021
313313GS1	22378	Federal Farm Credit Bank		08/05/2020	10,000,000.00	9,991,600.00	9,991,600.00	0.120	0.122	0.123	252	06/10/2021
		<b>Subtotal and Average</b>	<b>44,163,071.09</b>		<b>48,000,000.00</b>	<b>47,976,150.00</b>	<b>47,970,754.44</b>	<b>0.125</b>	<b>0.127</b>	<b>0.127</b>	<b>168</b>	
<b>Treasury Discounts -Amortizing</b>												
9127963S6	22376	US Treasury Bill		07/16/2020	20,000,000.00	19,983,600.00	19,975,286.11	0.155	0.157	0.160	287	07/15/2021
9127964B2	22379	US Treasury Bill		08/13/2020	10,000,000.00	9,990,600.00	9,988,187.50	0.135	0.137	0.139	315	08/12/2021
9127964L0	22381	US Treasury Bill		09/10/2020	20,000,000.00	19,874,800.00	19,974,275.00	0.135	0.137	0.139	343	09/09/2021
		<b>Subtotal and Average</b>	<b>42,026,241.64</b>		<b>50,000,000.00</b>	<b>49,949,000.00</b>	<b>49,937,748.61</b>	<b>0.145</b>	<b>0.147</b>	<b>0.147</b>	<b>315</b>	
<b>Supranationals</b>												
4581X0CS5	22308	Inter-American Devel Bank		02/08/2019	15,000,000.00	15,108,450.00	14,951,254.95	1.875	2.576	2.612	165	03/15/2021
459058GH0	22352	Int Bank of Recon & Redev		12/20/2019	20,000,000.00	20,412,000.00	20,166,536.82	2.750	1.681	1.704	295	07/23/2021
45905U5U4	22356	Int Bank of Recon & Redev		01/27/2020	15,000,000.00	15,062,250.00	15,000,000.00	1.750	1.726	1.750	848	01/27/2023
45950KCP3	22375	International Fin Corp		06/09/2020	15,000,000.00	16,102,500.00	16,040,623.34	2.875	0.400	0.405	1,033	07/31/2023
		<b>Subtotal and Average</b>	<b>80,418,182.09</b>		<b>65,000,000.00</b>	<b>66,685,200.00</b>	<b>66,158,415.11</b>	<b>1.563</b>	<b>1.605</b>	<b>1.605</b>	<b>570</b>	

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**Quarterly Reports**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**September 30, 2020**

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 360	YTM 365	Days to Maturity	Maturity Date
<b>Money Market Mutual Funds 02</b>												
SYS01119	22302	CAMP		01/11/2019	75,000,000.00	75,000,000.00	75,000,000.00	0.270	0.266	0.270	1	
157 519 832 743	22283	US Bank MMMF		10/23/2018	30,000,000.00	30,000,000.00	30,000,000.00	0.010	0.010	0.010	1	
		<b>Subtotal and Average</b>	<b>50,975,830.12</b>		<b>105,000,000.00</b>	<b>105,000,000.00</b>	<b>105,000,000.00</b>		<b>0.193</b>	<b>0.196</b>	<b>1</b>	
		<b>Total and Average</b>	<b>766,898,665.14</b>		<b>778,387,951.32</b>	<b>785,883,266.74</b>	<b>781,055,045.91</b>		<b>0.984</b>	<b>0.998</b>	<b>331</b>	

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**SECURITIES ACTIVITY  
BY BROKER**

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A Report on the

Investment Transactions by Broker-Dealer  
For the Period Indicated



**Quarterly Reports  
Activity Report  
Sorted By Issuer  
July 1, 2020 - September 30, 2020**

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Par Value Ending Balance
<b>Issuer: Apple Inc</b>									
<b>Medium Term Notes</b>									
		Subtotal and Balance		15,000,000.00					15,000,000.00
		Issuer Subtotal	1.927%	15,000,000.00			0.00	0.00	15,000,000.00
<b>Issuer: Santa Cruz County Auditor</b>									
<b>Santa Cruz County Auditor Loan</b>									
SYS7000	7000	Santa Cruz County Auditor			0.250	07/01/2020	0.00	16,000,000.00	
		Subtotal and Balance		16,000,000.00			0.00	16,000,000.00	0.00
		Issuer Subtotal	0.000%	16,000,000.00			0.00	16,000,000.00	0.00
<b>Issuer: US Treasury Bill</b>									
<b>Treasury Discounts -Amortizing</b>									
912796TJ8	22366	US Treasury Bill			0.183	09/10/2020	0.00	20,000,000.00	
9127963S8	22376	US Treasury Bill			0.155	07/16/2020	20,000,000.00	0.00	
9127964B2	22379	US Treasury Bill			0.135	08/13/2020	10,000,000.00	0.00	
9127964L0	22381	US Treasury Bill			0.135	09/10/2020	20,000,000.00	0.00	
		Subtotal and Balance		20,000,000.00			50,000,000.00	20,000,000.00	50,000,000.00
		Issuer Subtotal	6.424%	20,000,000.00			50,000,000.00	20,000,000.00	50,000,000.00
<b>Issuer: Berkshire Hathaway Inc</b>									
<b>Medium Term Notes</b>									
		Subtotal and Balance		15,000,000.00					15,000,000.00
		Issuer Subtotal	1.927%	15,000,000.00			0.00	0.00	15,000,000.00
<b>Issuer: Cabrillo Comm College GO</b>									

Quarterly Reports  
Activity Report  
July 1, 2020 - September 30, 2020

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
<b>Issuer: Cabrillo Comm College GO</b>									
<b>Municipal Bonds</b>									
		Subtotal and Balance		3,035,000.00					3,035,000.00
		Issuer Subtotal	0.390%	3,035,000.00			0.00	0.00	3,035,000.00
<b>Issuer: CAMP</b>									
<b>Money Market Mutual Funds 02</b>									
		SYS01119			0.270		293,024,510.81	261,024,510.81	
		CAMP							
		Subtotal and Balance		43,000,000.00			293,024,510.81	261,024,510.81	75,000,000.00
		Issuer Subtotal	9.635%	43,000,000.00			293,024,510.81	261,024,510.81	75,000,000.00
<b>Issuer: State of California</b>									
<b>Municipal Bonds</b>									
		Subtotal and Balance		24,195,000.00					24,195,000.00
		Issuer Subtotal	3.108%	24,195,000.00			0.00	0.00	24,195,000.00
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Disc. - Amortizing</b>									
		313313GS1			0.120	08/05/2020	10,000,000.00	0.00	
		Federal Farm Credit Bank							
		Subtotal and Balance		0.00			10,000,000.00	0.00	10,000,000.00
		Issuer Subtotal	1.285%	0.00			10,000,000.00	0.00	10,000,000.00
<b>Issuer: Federal Farm Credit Bank</b>									
<b>Federal Agency Issues - Coupon</b>									
		Subtotal and Balance		65,000,000.00					65,000,000.00
		Issuer Subtotal	8.351%	65,000,000.00			0.00	0.00	65,000,000.00
<b>Issuer: Federal Home Loan Bank</b>									

Quarterly Reports  
Activity Report  
July 1, 2020 - September 30, 2020

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
<b>Issuer: Federal Home Loan Bank</b>									
Federal Agency Issues - Coupon									
3130AJTH2	22377	Federal Home Loan Bank		15,000,000.00	0.125	07/16/2020	15,000,000.00	0.00	
Subtotal and Balance				28,000,000.00			15,000,000.00	0.00	43,000,000.00
Federal Agency Disc. -Amortizing									
Subtotal and Balance				38,000,000.00					38,000,000.00
Issuer Subtotal				66,000,000.00	10.406%		15,000,000.00	0.00	81,000,000.00
<b>Issuer: Fed.Home Loan Mtg.Corp</b>									
Federal Agency Issues - Coupon									
3134GVJN9	22364	Fed.Home Loan Mtg.Corp		25,000,000.00	1.200	07/06/2020	0.00	25,000,000.00	
3134GVJW9	22367	Fed.Home Loan Mtg.Corp		20,000,000.00	1.100	07/13/2020	0.00	20,000,000.00	
Subtotal and Balance				97,000,000.00			0.00	45,000,000.00	52,000,000.00
Issuer Subtotal				97,000,000.00	6.660%		0.00	45,000,000.00	52,000,000.00
<b>Issuer: Federal National Mort. Assoc.</b>									
Federal Agency Issues - Coupon									
3135G0T60	22332	Federal National Mort. Assoc.		12,000,000.00	1.500	07/30/2020	0.00	12,000,000.00	
Subtotal and Balance				49,000,000.00			0.00	12,000,000.00	37,000,000.00
Issuer Subtotal				49,000,000.00	4.753%		0.00	12,000,000.00	37,000,000.00
<b>Issuer: Inter-American Devel Bank</b>									
Supranationals									
Subtotal and Balance				15,000,000.00					15,000,000.00
Issuer Subtotal				15,000,000.00	1.927%		0.00	0.00	15,000,000.00
<b>Issuer: Int Bank of Recon &amp; Redev</b>									
Supranationals									
459058GA5	22360	Int Bank of Recon & Redev		20,000,000.00	1.625	09/04/2020	0.00	20,000,000.00	

Quarterly Reports  
Activity Report  
July 1, 2020 - September 30, 2020

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Ending Balance
				Beginning Balance	Balance					
		Subtotal and Balance		55,000,000.00			0.00	20,000,000.00		35,000,000.00
		Issuer Subtotal	4.496%	55,000,000.00			0.00	20,000,000.00		35,000,000.00
<b>Issuer: International Fin Corp</b>										
Supranationals										
		Subtotal and Balance		15,000,000.00						15,000,000.00
		Issuer Subtotal	1.927%	15,000,000.00			0.00	0.00		15,000,000.00
<b>Issuer: Johnson &amp; Johnson Corp</b>										
Medium Term Notes										
		Subtotal and Balance		15,000,000.00						15,000,000.00
		Issuer Subtotal	1.927%	15,000,000.00			0.00	0.00		15,000,000.00
<b>Issuer: LAIF (General Fund)</b>										
Local Agency Investment Fund (LAIF)										
		6501				0.840		25,273,871.32		
		LAIF (General Fund)								
		Subtotal and Balance		75,273,871.32				25,273,871.32		75,157,951.32
		Issuer Subtotal	9.656%	75,273,871.32				25,273,871.32		75,157,951.32
<b>Issuer: MMM Corp</b>										
Medium Term Notes										
		22327				2.000	08/07/2020	11,940,000.00		
		MMM Corp								
		Subtotal and Balance		11,940,000.00				11,940,000.00		0.00
		Issuer Subtotal	0.000%	11,940,000.00				11,940,000.00		0.00
<b>Issuer: Microsoft Corp</b>										
Medium Term Notes										
		Subtotal and Balance		10,000,000.00						10,000,000.00
		Issuer Subtotal	1.285%	10,000,000.00			0.00	0.00		10,000,000.00

Quarterly Reports  
Activity Report  
July 1, 2020 - September 30, 2020

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value		Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
				Beginning Balance						
<b>Issuer: MUFG Union Bank NA CD</b>										
Negotiable CDs										
624781T1	22341	MUFG Union Bank NA CD				1.710	07/08/2020	0.00	20,000,000.00	
624781B7	22380	MUFG Union Bank NA CD				0.200	09/03/2020	20,000,000.00	0.00	
		Subtotal and Balance		20,000,000.00				20,000,000.00		20,000,000.00
		Issuer Subtotal	2.569%	20,000,000.00				20,000,000.00		20,000,000.00
<b>Issuer: Nordea Bank NY</b>										
Negotiable CDs										
65568TUC7	22358	Nordea Bank NY				1.630	07/29/2020	0.00	25,000,000.00	
		Subtotal and Balance		25,000,000.00				0.00	25,000,000.00	0.00
		Issuer Subtotal	0.000%	25,000,000.00				0.00	25,000,000.00	0.00
<b>Issuer: Royal Bank of Canada</b>										
Negotiable CDs										
78012URN7	22343	Royal Bank of Canada				1.790	08/25/2020	0.00	25,000,000.00	
		Subtotal and Balance		25,000,000.00				0.00	25,000,000.00	0.00
		Issuer Subtotal	0.000%	25,000,000.00				0.00	25,000,000.00	0.00
<b>Issuer: US Treasury N/B</b>										
U.S. Treasury Notes/ Bonds										
912828XM7	22326	US Treasury N/B				1.625	07/31/2020	0.00	20,000,000.00	
912828NT3	22331	US Treasury N/B				2.625	08/17/2020	0.00	10,000,000.00	
912828V1	22333	US Treasury N/B				1.375	09/15/2020	0.00	13,000,000.00	
912828J8	22357	US Treasury N/B				1.500	07/15/2020	0.00	20,000,000.00	
912828F6	22382	US Treasury N/B				1.125	09/15/2020	20,000,000.00	0.00	
		Subtotal and Balance		176,000,000.00				20,000,000.00	63,000,000.00	133,000,000.00
		Issuer Subtotal	17.087%	176,000,000.00				20,000,000.00	63,000,000.00	133,000,000.00
<b>Issuer: Union Bank</b>										



Quarterly Reports  
Activity Report  
July 1, 2020 - September 30, 2020

CUSIP	Investment #	Issuer	Percent of Portfolio	Par Value Beginning Balance	Current Rate	Transaction Date	Purchases or Deposits	Par Value Redemptions or Withdrawals	Ending Balance
<b>Issuer: Union Bank</b>									
<b>Union Bank Activity - Dividend</b>									
SYS21111	21111	Union Bank			0.010		6.14	6.14	
Subtotal and Balance				0.00			6.14	6.14	0.00
Issuer Subtotal				0.000%			6.14	6.14	0.00
<b>Issuer: University of Calif</b>									
<b>Municipal Bonds</b>									
Subtotal and Balance				3,000,000.00					3,000,000.00
Issuer Subtotal				0.385%			0.00	0.00	3,000,000.00
<b>Issuer: US Bank MMMF</b>									
<b>Money Market Mutual Funds 02</b>									
157 519 832 743	22283	US Bank MMMF			0.010		43,699,970.60	13,800,000.00	
Subtotal and Balance				100,029.40			43,699,970.60	13,800,000.00	30,000,000.00
Issuer Subtotal				3.854%			43,699,970.60	13,800,000.00	30,000,000.00
<b>Issuer: US Bank NA</b>									
<b>Negotiable CDs</b>									
90333VY38	22353	US Bank NA			1.820	08/12/2020	0.00	20,000,000.00	
Subtotal and Balance				20,000,000.00			0.00	20,000,000.00	0.00
Issuer Subtotal				0.000%			0.00	20,000,000.00	0.00
Total				879,543,900.72			476,882,438.87	578,038,388.27	778,387,951.32

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# ACCRUED INTEREST REPORT

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As of September 30, 2020

## REPORT DESCRIPTION

The **Accrued Interest Report** shows the amount of interest earned, but not yet received, for each active investment within the portfolio. Within the date range, the report displays the amount of interest accrued as of the report beginning date, the amount of interest earned during the reporting period, the amount of interest recorded as received, and the ending accrued interest. What follows is a description of the report's headings.

**ISSUER** – Issuer is the name of the institution which issued the investment.

**INVESTMENT NUMBER** – The investment number is a unique number that identifies the investment position.

**SECURITY TYPE** – This heading is a three-character code assigned by the program to identify each type of investment.

**PAR VALUE**- The nominal or face value of the security.

**MATURITY DATE** – The maturity date is the date on when an investment will mature.

**CURRENT RATE** – For coupon instruments, the current rate is the coupon or interest rate at the time of purchase. For discount instruments, the current rate is the yield to maturity.

**BEGINNING ACCRUED INTEREST** – This column displays the amount of interest earned, but not yet received, as of the report beginning date.

**INTEREST EARNED** – This column shows the amount of interest earned during the selected reporting period.

**INTEREST RECEIVED** – This column includes the amount of interest posted as received during the selected reporting period.

**ENDING ACCRUED INTEREST** – This column displays the amount of interest earned, but not yet received, as of the report ending date.



## Quarterly Reports Accrued Interest Sorted by Security Type - Maturity Date July 1, 2020 - September 30, 2020

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
<b>U.S. Treasury Notes/ Bonds</b>										
9128282J8	22357	TRC	0.00	07/15/2020	1.500	136,461.54	0.00	11,538.46	150,000.00	0.00
912828XM7	22326	TRC	0.00	07/31/2020	1.625	135,714.29	0.00	26,785.71	162,500.00	0.00
912828NT3	22331	TRC	0.00	08/15/2020	2.625	98,798.08	0.00	32,451.92	131,250.00	0.00
9128282V1	22333	TRC	0.00	09/15/2020	1.375	52,459.24	0.00	36,915.76	89,375.00	0.00
9128282Z2	22335	TRC	15,000,000.00	10/15/2020	1.625	51,280.74	0.00	61,270.49	0.00	112,551.23
9128285G1	22344	TRC	20,000,000.00	10/31/2020	2.875	96,875.00	0.00	143,750.00	0.00	240,625.00
9128285X4	22342	TRC	18,000,000.00	01/31/2021	2.500	187,912.08	0.00	112,903.14	225,000.00	75,815.22
9128283X6	22350	TRC	20,000,000.00	02/15/2021	2.250	169,368.13	0.00	113,104.70	225,000.00	57,472.93
912828P87	22351	TRC	25,000,000.00	02/28/2021	1.125	94,004.76	0.00	70,705.18	140,625.00	24,084.94
9128287A2	22373	TRC	15,000,000.00	06/30/2021	1.625	662.36	0.00	60,937.50	0.00	61,599.86
9128282F6	22382	TRC	20,000,000.00	08/31/2021	1.125	0.00	9,323.20	9,944.76	0.00	19,267.96
<b>Subtotal</b>						<b>1,025,536.22</b>	<b>9,323.20</b>	<b>680,307.62</b>	<b>1,123,750.00</b>	<b>591,417.04</b>

### Federal Agency Issues - Coupon

3135G0T60	22332	FAC	0.00	07/30/2020	1.500	75,500.00	0.00	14,500.00	90,000.00	0.00
3133EKF6	22317	FAC	12,000,000.00	04/05/2021	2.230	63,926.67	0.00	66,900.00	0.00	130,826.67
3130AJTH2	22377	FAC	15,000,000.00	07/08/2021	0.125	0.00	416.67	3,906.25	0.00	4,322.92
3135G0Q89	22370	FAC	15,000,000.00	10/07/2021	1.375	48,125.00	0.00	51,562.50	0.00	99,687.50
3133EJTT4	22290	FAC	13,000,000.00	11/15/2021	3.050	50,663.89	0.00	89,125.00	0.00	149,788.89
313378CR0	22363	FAC	13,000,000.00	03/11/2022	2.250	89,375.00	0.00	73,125.00	0.00	16,250.00
3134GVV7	22372	FAC	12,000,000.00	05/17/2022	0.300	4,600.00	0.00	9,000.00	0.00	13,600.00
3133ELAE4	22349	FAC	17,000,000.00	08/22/2022	1.625	96,989.58	0.00	69,062.50	0.00	29,927.08
3133EFUJ4	22365	FAC	13,000,000.00	12/29/2022	2.150	1,552.78	0.00	69,875.00	0.00	71,427.78
3134GUY95	22355	FAC	20,000,000.00	01/13/2023	1.670	155,866.67	0.00	83,500.00	0.00	72,366.67
313382AX1	22359	FAC	15,000,000.00	03/10/2023	2.125	98,281.25	0.00	79,887.50	0.00	18,593.75
3133ELUF9	22361	FAC	10,000,000.00	03/15/2023	0.790	21,505.56	0.00	19,749.99	0.00	3,511.11
3134GVJN9	22364	FAC	0.00	04/06/2023	1.200	69,166.67	0.00	4,166.66	37,744.44	0.00
3134GVJW9	22367	FAC	0.00	04/13/2023	1.100	47,666.67	0.00	7,333.33	55,000.00	0.00
3135G09D3	22368	FAC	12,000,000.00	04/20/2023	0.750	17,750.00	0.00	22,500.00	0.00	40,250.00
3136G4VF7	22369	FAC	10,000,000.00	04/28/2023	0.550	9,625.00	0.00	13,750.00	0.00	23,375.00
3134GVK80	22374	FAC	20,000,000.00	06/16/2023	0.440	3,666.67	0.00	22,000.00	0.00	25,666.67
<b>Subtotal</b>						<b>856,261.41</b>	<b>416.67</b>	<b>709,743.73</b>	<b>866,827.77</b>	<b>699,594.04</b>

### Medium Term Notes

88579YA04	22327	MTN	0.00	08/07/2020	2.000	95,520.00	0.00	23,880.00	119,400.00	0.00
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\* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

Quarterly Reports  
Accrued Interest

Sorted by Security Type - Maturity Date

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
<b>Medium Term Notes</b>										
084664BZ3	22345	MTN	15,000,000.00	10/15/2020	2.900	91,833.33	0.00	108,750.00	0.00	200,583.33
5949188P8	22304	MTN	10,000,000.00	08/08/2021	1.550	61,569.44	0.00	38,750.00	77,500.00	22,819.44
478160CD4	22309	MTN	15,000,000.00	03/03/2022	2.250	110,625.00	0.00	84,375.00	168,750.00	26,250.00
037833BU3	22323	MTN	15,000,000.00	02/23/2023	2.850	152,000.00	0.00	106,875.00	213,750.00	45,125.00
		Subtotal	55,000,000.00			511,547.77	0.00	362,630.00	579,400.00	294,777.77
<b>Negotiable CDs</b>										
624781T1	22341	NCB	0.00	07/08/2020	1.710	212,800.00	0.00	6,650.00	219,450.00	0.00
85588TUC7	22358	NCB	0.00	07/29/2020	1.630	164,131.95	0.00	31,694.44	195,826.40	-0.01
90333YY38	22353	NCB	0.00	08/12/2020	1.820	166,044.44	0.00	42,466.67	228,511.12	-0.01
78012URN7	22343	NCB	0.00	08/25/2020	1.790	275,958.33	0.00	68,388.06	344,326.40	-0.01
624781UB7	22380	NCB	20,000,000.00	07/28/2021	0.200	0.00	0.00	3,111.11	0.00	3,111.11
		Subtotal	20,000,000.00			838,934.72	0.00	152,290.28	988,113.92	3,111.08
<b>Municipal Bonds</b>										
13063DDE5	22260	MUN	12,195,000.00	10/01/2020	2.300	70,121.25	0.00	70,121.25	0.00	140,242.50
13063DLY2	22316	MUN	12,000,000.00	04/01/2022	2.350	70,500.00	0.00	70,500.00	0.00	141,000.00
91412S2U8	22339	MUN	3,000,000.00	05/15/2023	2.519	9,656.17	0.00	18,892.50	0.00	28,548.67
127109PZ3	22336	MUN	3,035,000.00	08/01/2023	1.984	24,895.42	0.00	14,901.85	29,803.70	9,934.57
		Subtotal	30,230,000.00			175,113.84	0.00	174,415.60	29,803.70	319,725.74
<b>Santa Cruz County Auditor Loan</b>										
SYS7000	7000	MC9	0.00	07/01/2020	0.250	111.11	0.00	0.00	111.11	0.00
		Subtotal	0.00			111.11	0.00	0.00	111.11	0.00
<b>Local Agency Investment Fund (LAIF)</b>										
SYS6501	6501	LA1	75,157,951.32		0.840	273,871.32	0.00	157,951.32	273,871.32	157,951.32
		Subtotal	75,157,951.32			273,871.32	0.00	157,951.32	273,871.32	157,951.32
<b>Union Bank Activity - Dividend</b>										
SYS2111	2111	PA3	0.00		0.010	0.00	0.00	6.35	6.14	0.21
		Subtotal	0.00			0.00	0.00	6.35	6.14	0.21
<b>Supranationals</b>										
459058GA5	22360	MC6	0.00	09/04/2020	1.625	105,625.00	0.00	56,875.00	162,600.00	-100.00
4581X0CS5	22308	MC6	15,000,000.00	03/15/2021	1.875	82,812.50	0.00	70,312.50	140,625.00	12,500.00
459058GH0	22352	MC6	20,000,000.00	07/23/2021	2.750	241,388.89	0.00	137,500.00	275,000.00	103,888.89
45905U5U4	22356	MC6	15,000,000.00	01/27/2023	1.750	112,291.67	0.00	65,625.00	131,250.00	46,666.67

\* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

Quarterly Reports  
Accrued Interest

Sorted by Security Type - Maturity Date

CUSIP	Investment #	Security Type	Par Value	Maturity Date	Current Rate	* Beginning Accrued Interest	Adjusted Acc'd Int. at Purchase During Period	Interest Earned	Interest Received	* Ending Accrued Interest
<b>Supranationals</b>										
45850KCP3	22375	MC6	15,000,000.00	07/31/2023	2.875	180,885.42	0.00	107,812.50	215,700.00	72,997.92
		Subtotal	65,000,000.00			723,003.48	0.00	438,125.00	925,175.00	235,953.48
<b>Money Market Mutual Funds 02</b>										
SY501119	22302	RRP	75,000,000.00		0.270	22,939.59	0.00	38,208.50	47,450.40	13,697.69
157 519 832 743	22283	RRP	30,000,000.00		0.010	0.81	0.00	16.81	3.01	14.61
		Subtotal	105,000,000.00			22,940.40	0.00	38,225.31	47,453.41	13,712.30
		Total	680,387,951.32			4,427,320.27	9,739.87	2,713,695.21	4,834,512.37	2,316,242.98

\* Beginning Accrued may not include investments that redeemed in the previous month that had outstanding accrued interest. Ending Accrued includes outstanding purchase

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## DESCRIPTION OF INVESTMENT INSTRUMENTS

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The investment activities of County Treasurers are restricted by state law to a select group of government securities and prime money market instruments. To reduce the risk inherent in any one instrument, state law further limits the percentage of the county's portfolio that can be invested in any one type of security.

The types of securities available to the County Treasurer can be divided into three main categories: 1) U.S. Treasury bills, notes and bonds. They are guaranteed by the U.S. Government and are considered to have no credit risk. They also typically have the lowest yield of the securities available for investing. 2) Securities issued by U.S. Government Agencies and Instrumentalities. These securities consist mostly of notes and debentures of agencies and government sponsored corporations. They are not guaranteed by the U.S. government and therefore have some credit risk. Their yield is typically higher than U.S. Treasury securities. 3) Prime money market securities. These consist of securities such as bankers' acceptances, certificates of deposit, commercial paper and municipal bonds. The yield is typically higher than the other types of securities in which the county invests but the risk is also higher. Through diversification and purchasing only highly rated paper, the credit risk is kept to an acceptable minimum. Each of the securities in these three categories is subject to market risk if sold prior to maturity.

What follows is a brief description of the different securities used by the County Treasurer:

**U.S. Treasury Notes and Bonds** are long term obligations of the U.S. government, which bear coupons. Interest is payable every six months at a rate of one-half the annual coupon. Treasury bonds and notes trading is conducted by the same securities dealers who trade T bills. In the secondary market, prices are quoted in thirty-seconds of 1 percent. Except for their maturities, notes and bonds are identical regardless of their label. Notes are issued for original maturities of one to 10 years. Bonds are issued with original maturities of more than 10 years.

**U.S. Treasury Bills** are unusual instruments because they bear no specific interest rate. Rather, they are issued originally at a discount from its ultimate maturity (par) value. Because T Bills are issued and traded at a discount, investors receive their returns at maturity or on subsequent resale, which ordinarily will be at prices higher than the original discount.

**Federal Farm Credit Bank (FFCB) Discount Notes.** FFCB is an instrumentality of the U.S. Government. The notes are the consolidated obligations of the 37 Farm Credit Banks issued on a discount basis with maturities of one year or less. Although not as risk free as Treasury notes, most experts believe the U.S. government has a moral commitment to the farm credit system.

**Federal Farm Credit Bank (FFCB) debentures** are consolidated obligations of the 37 Farm Credit Banks issued with a fixed coupon rate with maturities ranging from 6 months to 20 years. A debenture is a bond secured only by the general credit of the issuer.

**Federal Home Loan Bank (FHLB) Discount notes** are consolidated obligations of 12 District banks issued with a fixed coupon rate with maturities ranging from one to ten years. Although the FHLB operates under federal charter with government supervision, the securities are not guaranteed by the U.S. government. However, the banks are required to maintain a considerable reserve pledged against the outstanding debt. They are therefore considered relatively risk free.

**Federal National Mortgage Association (Fannie Mae) Discount notes** are consolidations of government chartered private corporations issued on a discount basis with maturities under one year. They are guaranteed by the corporations, but not by the U.S. government. Many investors consider the securities a moral obligation of the U.S. government and believe Congress would intervene before allowing default.

**Federal National Mortgage Association (Fannie Mae) debentures** are obligations issued by the Association with a fixed coupon rate and various maturities. A debenture is a bond secured only by the general credit of the issuer.

**Local Agency Investment Fund (LAIF)** is the state sponsored investment fund. LAIF is an excellent cash management tool to help meet most of the unexpected cash demands. Currently the state limits the county's investment in this pool to \$65,000,000.

**Federal Home Loan Mortgage Corporation (Freddie Mac) Participation Notes** are issues of the Federal Home Loan Mortgage Corporation representing undivided interests in conventional mortgages underwritten and previously purchased by it. The corporation guarantees the timely payment of interest at the certificate rate and full return of principal. Participation Certificates have original final payment dates of 30 years.

**Government National Mortgage Association (Ginnie Mae) Pass Through** are issues of the wholly owned government corporation within the Department of Housing and Urban Development. Principal and interest payment collected on mortgages in specified pools are passed through to holders of GNMA Guaranteed certificates after deduction of servicing and guaranty fees. GNMA's have original stated maturities of 12 to 40 years. For Santa Cruz County, these are used only as collateral for overnight repurchase agreements.

**Municipal Securities (Notes and Bonds) Debt** securities issued by state and local governments and their agencies are referred to as municipal securities. Such securities can be divided into two broad categories: bonds issued to finance capital projects and short term notes sold in anticipation of the receipt of other funds, such as taxes or proceeds from a bond issue.

**Banker's Acceptances.** Briefly stated, the function of the bankers' acceptance is as follows: A borrower may, under certain circumstances, obtain short-term credit by arranging for his bank to accept a time draft upon it. The bank stamps its official accepted across the face of the draft and converts it into a bankers' acceptance. The instrument, now being a bank obligation, may be sold to an acceptance dealer who, in turn, may sell it to an investor. Most BAs arise out of transactions involving the trade of manufactured goods or commodities. Maturities range from one to 180 days.

**Commercial Paper** is a short-term promissory note issued by a company to finance current transactions. All commercial paper is negotiable, but most commercial paper sold to investors is held to maturity. Commercial paper is issued not only by industrial and manufacturing firms but also by finance companies. Notes are sold on a discount or interest-bearing basis with maturities not exceeding 270 days.

**Medium Term Notes** are obligations that have maturities of less than 5 years and are issued by corporations or depositories organized and operating in the U.S.

**Negotiable Certificate of Deposit (NCD).** It is a receipt for deposit of a stated sum in the bank on a given date, together with a promise to redeem this sum plus interest at the indicated rate on a designated date. The instrument is negotiable because it is payable either to bearer or to the order of the depositor.

**Repurchase Agreements (RP or Repos).** A holder of securities sells securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. Repurchase agreements are usually for short periods of time (one to five days), when large sums are received that will be needed in the next day or two. As a result, they are often called overnight repos. From the point of view of investors, overnight repos offer several attractive features. First, by rolling overnight repos, investors can keep surplus funds invested without losing liquidity or incurring a price risk. Second, because repo transactions are secured by top quality paper, investors expose themselves to little or no risk.

**Guaranteed Investment Contract (GIC).** This is a fixed income agreement offered by insurance companies. GICs offer to pay a specific interest rate over a period of time. Some GICs are eligible for early redemption, with or without penalty, which eliminates market risk if interest rates rise. In Santa Cruz County it is only used for the investment of secured indebtedness and only if the note documentation permits such an investment.

**Money Market (Mutual) Fund.** A money market mutual fund is a pooled fund that invests in a number of money market vehicles (CD's, CP, T-Bills, etc.). These funds are designed to pay the investor interest, as well as provide full liquidity. Maturities of the underlying investments are 13 months or less.