

# Q1 FY2021

## Ethel Hart Mutual Endowment Fund Quarterly Investment Report September 30, 2020



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q1 FY2021

## **INTRODUCTION**

In 1993, Ethel MacLeod Hart left a bequest of \$1,498,719.07 to the City of Sacramento for the “.. use, enjoyment and comfort of senior citizens.” On the recommendation of the Ethel MacLeod Hart Advisory Committee a permanent endowment of \$1,000,000 was established. The balance of the bequest was retained in an operating fund account (Hart Operating Fund) and used over the next five-year period for appropriate projects. Annually the amount available for disbursement will be reported to the Board by Rosanne Bernardy, Superintendent of the Office of Human Services. The Hart Trust Endowment Fund (“the Fund”) will be invested with a growth objective. The minimum return objective over a five-year period is \$400,000 or roughly 3.57% compounded annually based on current Fund market value.

The Advisory Committee is responsible for providing advice to City staff and the City Council on the appropriate use of the Ethel MacLeod Hart Trust Fund for Senior Citizens consistent with the terms of the bequest, the interest of the donor, and the approved general guidelines. The Advisory Committee consists of seven members appointed by the Mayor. Appointees must be residents of the City and at least sixty (60) years of age. Two Advisory Committee members must be representatives of specific organizations: American Association of Retired Persons and Sacramento County Adult and Aging Commission.

## **STRATEGY**

- \* Adhere to prudent investment practices to provide for the preservation and growth of principal; and

## **OBJECTIVES**

- \* The objective for this fund is growth and capital preservation; and
- \* To earn a total rate of return on the Hart Trust Endowment Fund to meet the minimum return objective of \$400,000 over subsequent five-year period; and
- \* Provide liquidity for the Hart Operating Fund for the “..use, enjoyment and comfort of senior citizens” based on recommendations to City Council by the Advisory Committee.

## Q1 MARKET OVERVIEW

### **Equities:**

US equity markets continued to make positive headway as we recover from the economic fallout from the COVID-19 pandemic. Equity markets have made up most of the lost ground from the Spring lows, with the Dow Jones and S&P 500 posting Q1 returns of 7.62% and 8.47% respectively. We saw markets hit record highs in late August, only to pull back as increased volatility set in. Market participants risk appetite decreased in September due to a few key reasons: a second wave of COVID-19 infections, uncertainty around additional stimulus packages, and turmoil surrounding the presidential election.

### **Fixed Income/Rates:**

Overall, fixed income markets fared well this quarter. The term structure saw yields shift down across all maturities in July, but towards the end of the quarter they reversed course. This led government treasuries to close the quarter relatively flat, with the 10yr finishing the quarter at .68%. The FOMC made no changes to the Federal Funds rates but reassured the markets with accommodative language. This included Fed Chair Jerome Powell introducing an average inflation targeting strategy, allowing the Fed to run inflation above 2% to make up for periods of low inflation.

### **Economy:**

As the end of the quarter approached a revised GDP number of -31.4% was reported, showing the impact the pandemic shutdown had on the economy. This is one of the largest contractions in history, but on a positive note, the economy is recovering quickly with unemployment, retail sales, home building/sales and PMI showing improvement this quarter. As the economy continues to re-open, we should see further improvement in these figures as more people get back to work.

### **International Markets:**

International markets underperformed US equities, while emerging markets outperformed this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at 4.19% and 8.73% respectively. COVID-19 remains a major driver of how these markets perform.

### **Performance vs. Benchmark:**

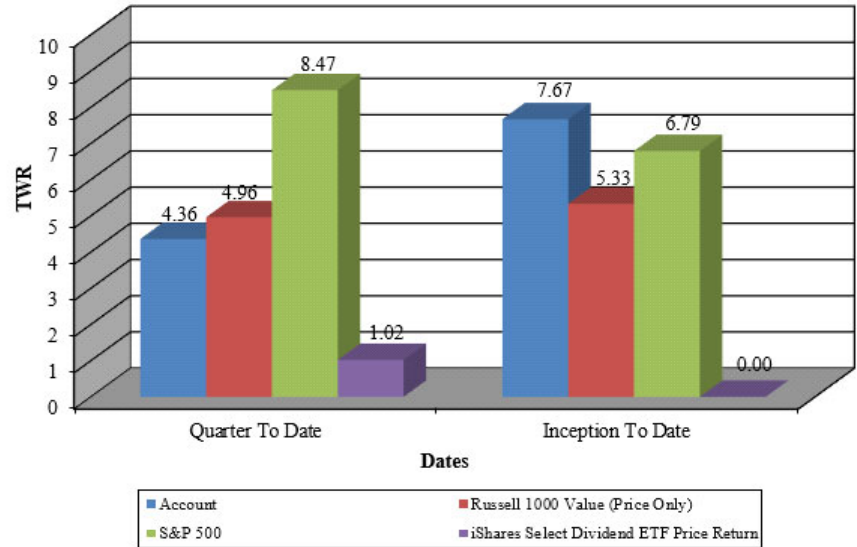
The Ethel Hart Endowment Fund had a Q1 return of 4.36%, outperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 1.02%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 September 30, 2020

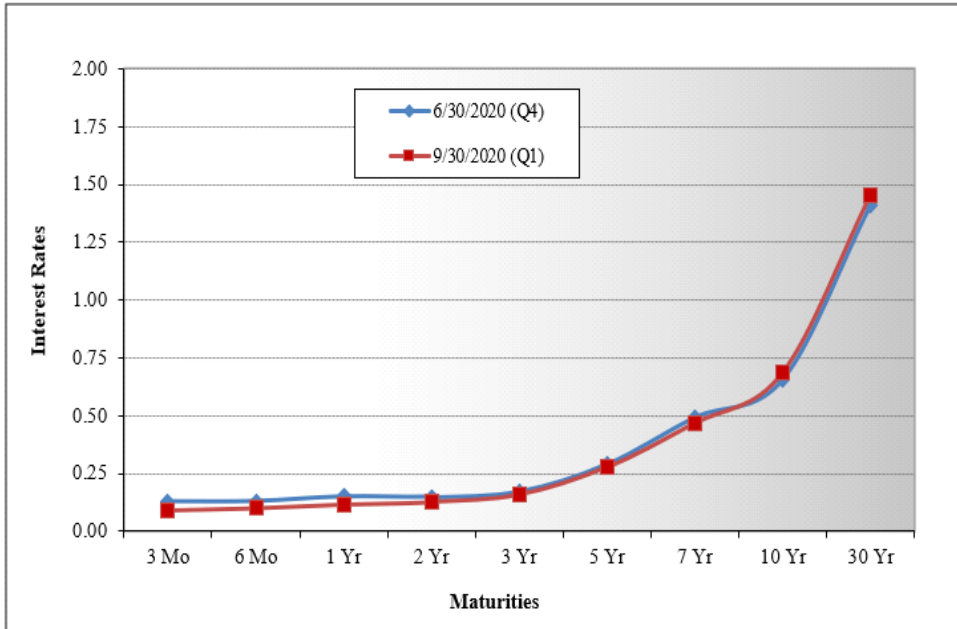
## Performance

	Quarter To Date	Inception To Date
Account	4.36	7.67
Russell 1000 Value (Price Only)	4.96	5.33
S&P 500	8.47	6.79
iShares Select Dividend ETF Price Return	1.02	?*

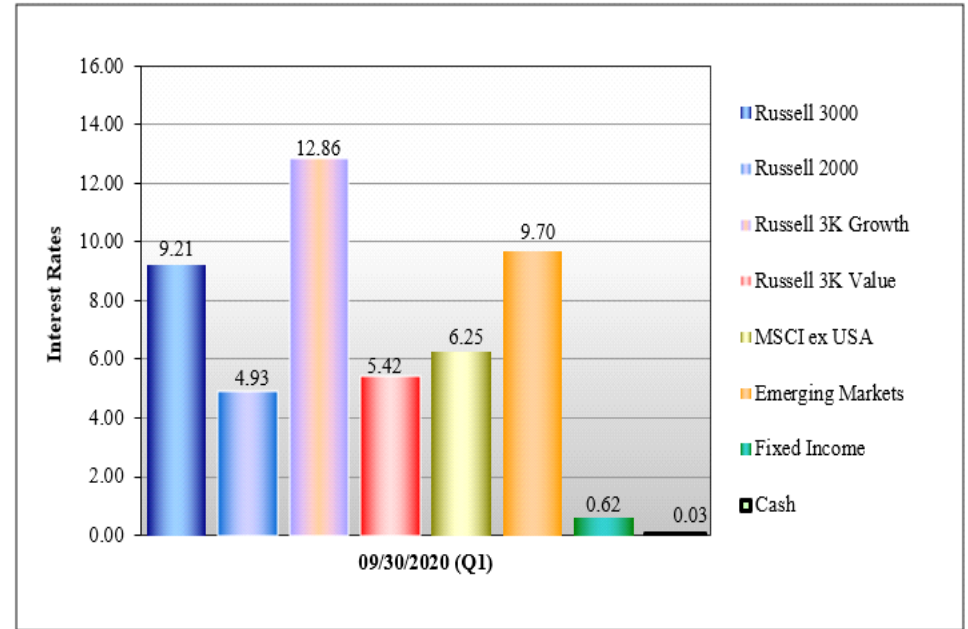
\*Index commencement date was 11/30/2003



### U.S. Treasury Yield Curve - QE 06/30/2020 (Q4) vs. QE 09/30/2020 (Q1)



### Capital Market Returns - Quarter Ended 09/30/2020 (Q1)



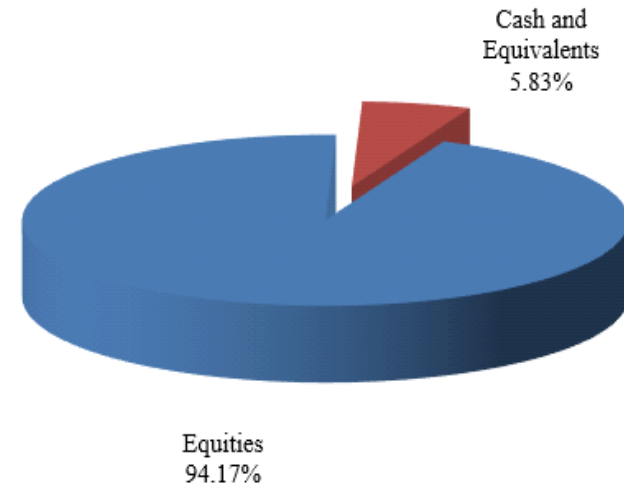
City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 September 30, 2020

**Activity**

From 06-30-20 to 09-30-20

<b>Portfolio Value on 06-30-20</b>	<b>2,150,160</b>
Contributions	0
Withdrawals	0
Realized Gains	0
Unrealized Gains	74,082
Interest	359
Dividends	19,263
<b>Portfolio Value on 09-30-20</b>	<b>2,243,864</b>

**Actual Asset Allocation**



**Top 10 Holdings**

Securities	Market Value	Pct.
Pool A Cash	128,017	5.71
Select Sector Spdr Tr Sbi Int-Finl	117,943	5.26
Ishares Tr Russell 1000 Val	112,223	5.00
Home Depot Inc	111,084	4.95
Select Sector Spdr Tr Sbi Int-Utills	103,915	4.63
Apple Inc.	97,280	4.34
International Bus Mach	91,252	4.07
Merck & Co Inc (new)	91,245	4.07
At&t Inc	88,381	3.94
Dominion Energy Inc	86,823	3.87

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		2,412		2,412		2,412	0.11	4.00			
	PoolA	Pool A Cash		128,017		128,017		128,017	5.71	1.57			
	intreceiv	Pool A Interest Receivable		359		359		359	0.02	1.57			
				<u>130,788</u>		<u>130,788</u>		<u>130,788</u>	5.83	1.61			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
300	hon	Honeywell	105.24	31,573	164.61	49,383		49,383	2.20	2.26	A-		
380	unp	Union Pac Corp Com	109.96	41,786	196.87	74,811		74,811	3.33	1.97	A		
				<u>73,358</u>		<u>124,194</u>		<u>124,194</u>	5.53	2.09			
<b>COMMUNICATION SERVICES</b>													
3,100	t	At&t Inc	32.04	99,310	28.51	88,381		88,381	3.94	7.30	B		
1,000	vz	Verizon Communications Inc	39.15	39,153	59.49	59,490		59,490	2.65	4.22	B		
				<u>138,463</u>		<u>147,871</u>		<u>147,871</u>	6.59	6.06			
<b>CONSUMER DISCRETIONARY</b>													
400	hd	Home Depot Inc	79.80	31,920	277.71	111,084		111,084	4.95	2.16	A+		
250	mcd	Mcdonald's Corp	52.28	13,070	219.49	54,872		54,872	2.45	2.28	A		
				<u>44,990</u>		<u>165,956</u>		<u>165,956</u>	7.40	2.20			
<b>CONSUMER STAPLES</b>													
1,100	mo	Altria Group Inc	26.65	29,317	38.64	42,504		42,504	1.89	8.90	A-		
1,120	ko	Coca Cola Co Com	36.12	40,455	49.37	55,294		55,294	2.46	3.32	B+		
300	pep	Pepsico Inc	117.43	35,229	138.60	41,580		41,580	1.85	2.76	A-		
450	pg	Procter & Gamble Co	88.20	39,690	138.99	62,545		62,545	2.79	2.28	A		
				<u>144,691</u>		<u>201,924</u>		<u>201,924</u>	9.00	4.06			
<b>ENERGY</b>													
540	cvx	Chevron Corporation	102.80	55,510	72.00	38,880		38,880	1.73	7.17	B		
500	etr	Entergy Corp New Com	119.77	59,885	98.53	49,265		49,265	2.20	1.83	B		
580	xom	Exxon Mobil Corporation	83.25	48,286	34.33	19,911		19,911	0.89	10.14	B+		
1,400	oke	Oneok Inc New Com	76.09	106,527	25.98	36,372		36,372	1.62	14.15			
1,575	xle	Select Sector Spdr Tr Sbi Int-Energy	65.94	103,859	29.95	47,171		47,171	2.10	7.36			
				<u>374,067</u>		<u>191,600</u>		<u>191,600</u>	8.54	7.47			
<b>FINANCIAL</b>													
750	jpm	Jpmorgan Chase & Co	45.10	33,825	96.27	72,202		72,202	3.22	3.74	A-		
700	met	Metlife Inc Com	42.57	29,802	37.17	26,019		26,019	1.16	4.95	B+		
4,900	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.41	65,718	24.07	117,943		117,943	5.26	2.50			
800	usb	U. S. Bancorp	31.49	25,192	35.85	28,680		28,680	1.28	4.69	A		
				<u>154,537</u>		<u>244,844</u>		<u>244,844</u>	10.91	3.38			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>HEALTHCARE</b>													
250	iyh	Ishares US Healthcare ETF	76.89	19,222	227.20	56,800		56,800	2.53	1.21			
500	jnj	Johnson & Johnson	61.41	30,704	148.88	74,440		74,440	3.32	2.71	A-		
1,100	mrk	Merck & Co Inc (new)	47.16	51,875	82.95	91,245		91,245	4.07	2.94	B-		
1,200	pfe	Pfizer Inc	25.02	30,024	36.70	44,040		44,040	1.96	4.14	B+		
				<u>131,826</u>		<u>266,525</u>		<u>266,525</u>	<u>11.88</u>	<u>2.71</u>			
<b>INFORMATION TECHNOLOGY</b>													
840	aapl	Apple Inc.	22.59	18,976	115.81	97,280		97,280	4.34	0.71	B+		
750	ibm	International Bus Mach	129.12	96,843	121.67	91,252		91,252	4.07	5.36	A-		
250	iyw	Ishares US Technology ETF	44.52	11,130	301.07	75,267		75,267	3.35	0.65			
400	msft	Microsoft Corp	24.44	9,774	210.33	84,132		84,132	3.75	1.06	B+		
				<u>136,722</u>		<u>347,932</u>		<u>347,932</u>	<u>15.51</u>	<u>2.00</u>			
<b>UTILITIES</b>													
1,100	d	Dominion Energy Inc	64.67	71,132	78.93	86,823		86,823	3.87	4.76	B		
600	pnw	Pinnacle West Cap Corp	47.13	28,276	74.55	44,730		44,730	1.99	4.20	A-		
1,750	xlu	Select Sector Spdr Tr Sbi Int-Utils	51.77	90,605	59.38	103,915		103,915	4.63	3.28			
				<u>190,013</u>		<u>235,468</u>		<u>235,468</u>	<u>10.49</u>	<u>4.00</u>			
<b>PASSIVE INDEX</b>													
700	dvy	Ishares Select Dividend ETF	102.98	72,086	81.54	57,078		57,078	2.54	4.40			
950	iwd	Ishares Tr Russell 1000 Val	129.47	122,996	118.13	112,223		112,223	5.00	2.64			
				<u>195,082</u>		<u>169,301</u>		<u>169,301</u>	<u>7.55</u>	<u>3.23</u>			
				<u>1,583,750</u>		<u>2,095,616</u>		<u>2,095,616</u>	<u>93.39</u>	<u>3.58</u>			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,000	bp	BP Plc Sponsored Adr	42.25	42,250	17.46	17,460		17,460	0.78	12.43			
				<u>42,250</u>		<u>17,460</u>		<u>17,460</u>	<u>0.78</u>	<u>12.43</u>			
<b>TOTAL PORTFOLIO</b>				<b>1,756,788</b>		<b>2,243,864</b>	<b>0</b>	<b>2,243,864</b>	<b>100.00</b>	<b>3.54</b>			

City of Sacramento  
PURCHASE/SALE AND GAIN/LOSS  
*Ethel Hart Mutual Endowment Fund*  
From 07-01-20 To 09-30-20

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
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No transactions within the specified date range were found!



**Q2 FY2021**

**Ethel Hart Mutual Endowment Fund  
Quarterly Investment Report  
December 31, 2020**



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q2 FY2021

## **INTRODUCTION**

In 1993, Ethel MacLeod Hart left a bequest of \$1,498,719.07 to the City of Sacramento for the “.. use, enjoyment and comfort of senior citizens.” On the recommendation of the Ethel MacLeod Hart Advisory Committee a permanent endowment of \$1,000,000 was established. The balance of the bequest was retained in an operating fund account (Hart Operating Fund) and used over the next five-year period for appropriate projects. Annually the amount available for disbursement will be reported to the Board by Rosanne Bernardy, Superintendent of the Office of Human Services. The Hart Trust Endowment Fund (“the Fund”) will be invested with a growth objective. The minimum return objective over a five-year period is \$400,000 or roughly 3.24% compounded annually based on current Fund market value.

The Advisory Committee is responsible for providing advice to City staff and the City Council on the appropriate use of the Ethel MacLeod Hart Trust Fund for Senior Citizens consistent with the terms of the bequest, the interest of the donor, and the approved general guidelines. The Advisory Committee consists of seven members appointed by the Mayor. Appointees must be residents of the City and at least sixty (60) years of age. Two Advisory Committee members must be representatives of specific organizations: American Association of Retired Persons and Sacramento County Adult and Aging Commission.

## **STRATEGY**

- \* Adhere to prudent investment practices to provide for the preservation and growth of principal; and

## **OBJECTIVES**

- \* The objective for this fund is growth and capital preservation; and
- \* To earn a total rate of return on the Hart Trust Endowment Fund to meet the minimum return objective of \$400,000 over subsequent five-year period; and
- \* Provide liquidity for the Hart Operating Fund for the “..use, enjoyment and comfort of senior citizens” based on recommendations to City Council by the Advisory Committee.

## Q2 MARKET OVERVIEW

### **Equities:**

Equity Markets saw strong performance in the final quarter of the year. The Dow Jones and S&P 500 posted Q2 returns of 10.17% and 11.69%, mainly stemming from positive developments on the vaccination front. Other key contributing factors included the December fiscal stimulus package, and dissipating uncertainty revolving around the US presidential election. Small cap and value stocks were the strongest drivers of performance, outperforming large cap and growth stocks.

### **Fixed Income/Rates:**

Q2 saw a steeping of the yield curve, as shorter tenors (3 years and under) remained relatively unchanged compared to that of the longer end. The 10-year treasury jumped from .68% at the beginning of the quarter to finish at .91%, an almost 25bps move as the demand for the ultrasafe asset dropped. As expected, the Fed Funds Rate remained unchanged. Fed Chair Powell continued to relay an accommodative tone towards monetary policy, which continued to anchor the front of the yield curve down.

### **Economy:**

As the end of the quarter approached, a revised GDP figure for the previous quarter was released, showing growth of 33.4%. This is the largest quarterly expansion in history. Other economic indicators showing strength were the ISM PMI (manufacturing), consumer spending and the housing sector. However, some wavered as the pandemic worsened when the holiday season loomed. This includes volatile jobless claim figures and personal savings.

### **International Markets:**

International and emerging markets outperformed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at 15.75% and 19.34% respectively. The COVID-19 pandemic remains a major driver of how these markets perform.

### **Performance vs. Benchmark:**

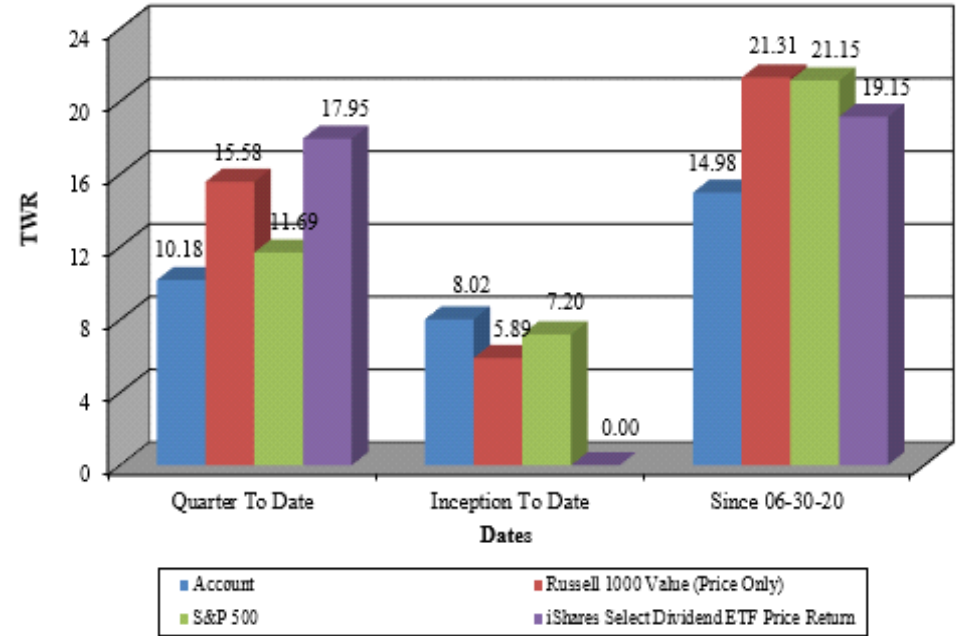
The Ethel Hart Endowment Fund had a Q2 return of 10.18%, underperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 17.95%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 December 31, 2020

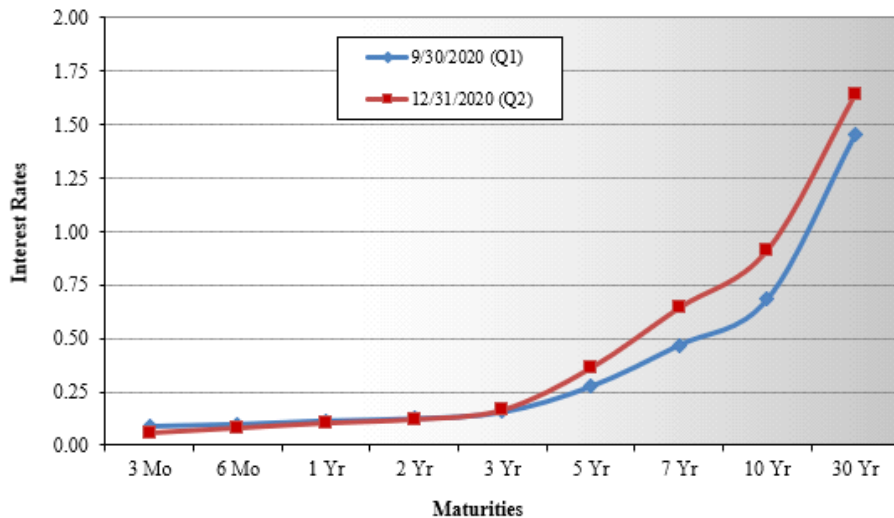
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2020
Account	10.18	8.02	14.98
Russell 1000 Value (Price Only)	15.58	5.89	21.31
S&P 500	11.69	7.20	21.15
iShares Select Dividend ETF Price Return	17.95	?*	19.15

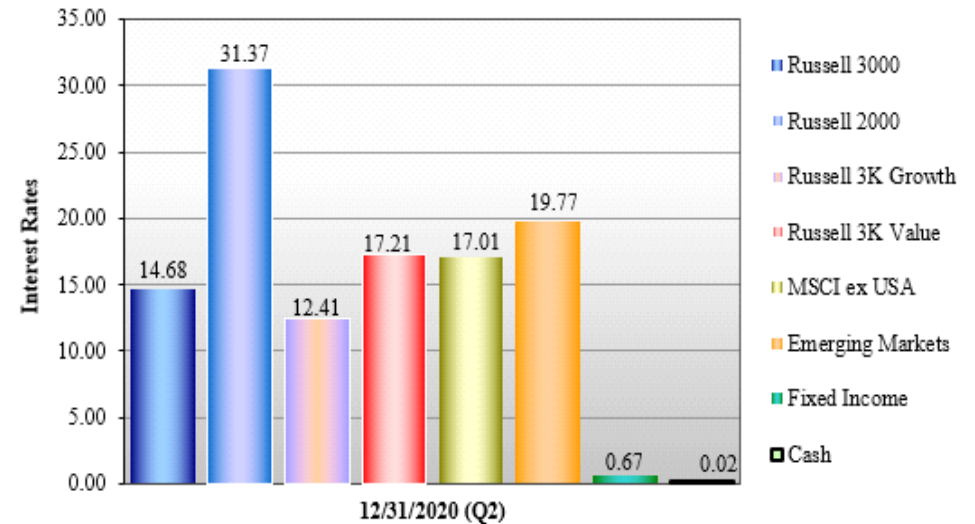
\*Index commencement date was 11/30/2003



**U.S. Treasury Yield Curve - QE 09/30/2020 (Q1) vs. QE 12/31/2020 (Q2)**



**Capital Market Returns - Quarter Ended 12/31/2020 (Q2)**



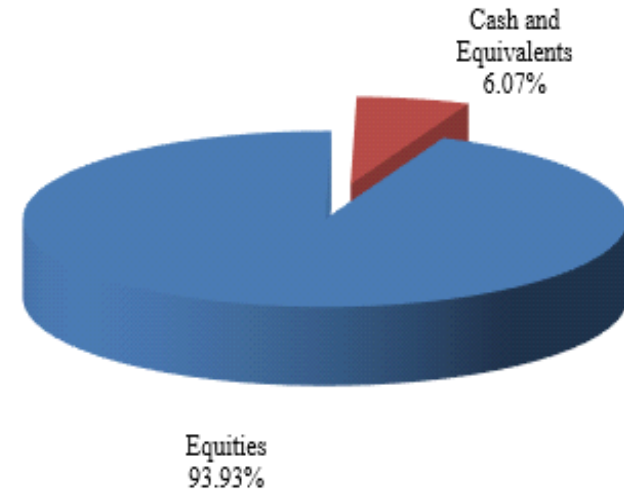
City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 December 31, 2020

**Activity**

From 09-30-20 to 12-31-20

<b>Portfolio Value on 09-30-20</b>	<b>2,243,864</b>
Contributions	0
Withdrawals	0
Realized Gains	5
Unrealized Gains	209,201
Interest	312
Dividends	18,882
<b>Portfolio Value on 12-31-20</b>	<b>2,472,264</b>

**Actual Asset Allocation**



**Top 10 Holdings**

Securities	Market Value	Pct.
Pool A Cash	147,022	5.95
Select Sector Spdr Tr Sbi Int-Finl	144,452	5.84
Ishares Tr Russell 1000 Val	129,893	5.25
Apple Inc.	111,460	4.51
Select Sector Spdr Tr Sbi Int-Utils	109,725	4.44
Home Depot Inc	106,248	4.30
Jpmorgan Chase & Co	95,302	3.85
International Bus Mach	94,410	3.82
Merck & Co Inc (new)	89,980	3.64
At&t Inc	89,156	3.61

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 December 31, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		2,304		2,304		2,304	0.09	4.00			
	PoolA	Pool A Cash		147,022		147,022		147,022	5.95	1.08			
	intreceiv	Pool A Interest Receivable		670		670		670	0.03	1.08			
				<u>149,996</u>		<u>149,996</u>		<u>149,996</u>	6.07	1.12			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
300	hon	Honeywell	105.24	31,573	212.70	63,810		63,810	2.58	1.75	A-		
380	unp	Union Pac Corp Com	109.96	41,786	208.22	79,124		79,124	3.20	1.86	A		
				<u>73,358</u>		<u>142,934</u>		<u>142,934</u>	5.78	1.81			
<b>COMMUNICATION SERVICES</b>													
3,100	t	At&t Inc	32.04	99,310	28.76	89,156		89,156	3.61	7.23	B		
1,000	vz	Verizon Communications Inc	39.15	39,153	58.75	58,750		58,750	2.38	4.27	B		
				<u>138,463</u>		<u>147,906</u>		<u>147,906</u>	5.98	6.06			
<b>CONSUMER DISCRETIONARY</b>													
400	hd	Home Depot Inc	79.80	31,920	265.62	106,248		106,248	4.30	2.26	A+		
250	mcd	Mcdonald's Corp	52.28	13,070	214.58	53,645		53,645	2.17	2.40	A		
				<u>44,990</u>		<u>159,893</u>		<u>159,893</u>	6.47	2.31			
<b>CONSUMER STAPLES</b>													
1,100	mo	Altria Group Inc	26.65	29,317	41.00	45,100		45,100	1.82	8.39	A-		
1,120	ko	Coca Cola Co Com	36.12	40,455	54.84	61,421		61,421	2.48	2.99	B+		
300	pep	Pepsico Inc	117.43	35,229	148.30	44,490		44,490	1.80	2.58	A-		
450	pg	Procter & Gamble Co	88.20	39,690	139.14	62,613		62,613	2.53	2.27	A		
				<u>144,691</u>		<u>213,624</u>		<u>213,624</u>	8.64	3.83			
<b>ENERGY</b>													
540	cvx	Chevron Corporation	102.80	55,510	84.45	45,603		45,603	1.84	6.11	B		
500	etr	Entergy Corp New Com	119.77	59,885	99.84	49,920		49,920	2.02	3.81	B		
580	xom	Exxon Mobil Corporation	83.25	48,286	41.22	23,908		23,908	0.97	8.44	B+		
1,400	oke	Oneok Inc New Com	76.09	106,527	38.38	53,732		53,732	2.17	9.58			
1,575	xle	Select Sector Spdr Tr Sbi Int-Energy	65.94	103,859	37.90	59,692		59,692	2.41	5.62			
				<u>374,067</u>		<u>232,855</u>		<u>232,855</u>	9.42	6.53			
<b>FINANCIAL</b>													
750	jpm	Jpmorgan Chase & Co	45.10	33,825	127.07	95,302		95,302	3.85	2.83	A-		
700	met	Metlife Inc Com	42.57	29,802	46.95	32,865		32,865	1.33	3.92	B+		
4,900	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.41	65,718	29.48	144,452		144,452	5.84	2.03			
800	usb	U. S. Bancorp	31.49	25,192	46.59	37,272		37,272	1.51	3.61	A		
				<u>154,537</u>		<u>309,891</u>		<u>309,891</u>	12.53	2.67			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
December 31, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>HEALTHCARE</b>													
250	iyh	Ishares US Healthcare ETF	76.89	19,222	245.91	61,477		61,477	2.49	1.16			
500	jnj	Johnson & Johnson	61.41	30,704	157.38	78,690		78,690	3.18	2.57	A-		
1,100	mrk	Merck & Co Inc (new)	47.16	51,875	81.80	89,980		89,980	3.64	3.18	B-		
1,200	pfe	Pfizer Inc	23.78	28,531	36.81	44,172		44,172	1.79	4.24	B+		
148	vtrs	Viatis Inc	10.03	1,484	18.74	2,774		2,774	0.11	0.00			
				<u>131,817</u>		<u>277,093</u>		<u>277,093</u>	11.21	2.69			
<b>INFORMATION TECHNOLOGY</b>													
840	aapl	Apple Inc.	22.59	18,976	132.69	111,460		111,460	4.51	0.62	B+		
750	ibm	International Bus Mach	129.12	96,843	125.88	94,410		94,410	3.82	5.18	A-		
1,000	iyw	Ishares US Technology ETF	11.13	11,130	85.08	85,080		85,080	3.44	0.56			
400	msft	Microsoft Corp	24.44	9,774	222.42	88,968		88,968	3.60	1.01	B+		
				<u>136,722</u>		<u>379,918</u>		<u>379,918</u>	15.37	1.83			
<b>UTILITIES</b>													
1,100	d	Dominion Energy Inc	64.67	71,132	75.20	82,720		82,720	3.35	3.35	B		
600	pnw	Pinnacle West Cap Corp	47.13	28,276	79.95	47,970		47,970	1.94	4.15	A-		
1,750	xlu	Select Sector Spdr Tr Sbi Int-Utills	51.77	90,605	62.70	109,725		109,725	4.44	3.14			
				<u>190,013</u>		<u>240,415</u>		<u>240,415</u>	9.72	3.42			
<b>PASSIVE INDEX</b>													
700	dvy	Ishares Select Dividend ETF	102.98	72,086	96.18	67,326		67,326	2.72	3.66			
950	iwd	Ishares Tr Russell 1000 Val	129.47	122,996	136.73	129,893		129,893	5.25	2.05			
				<u>195,082</u>		<u>197,219</u>		<u>197,219</u>	7.98	2.60			
				<u>1,583,741</u>		<u>2,301,748</u>		<u>2,301,748</u>	93.10	3.24			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,000	bp	BP Plc Sponsored Adr	42.25	42,250	20.52	20,520		20,520	0.83	9.11			
				<u>42,250</u>		<u>20,520</u>		<u>20,520</u>	0.83	9.11			
<b>TOTAL PORTFOLIO</b>				<b>1,775,988</b>		<b>2,472,264</b>	<b>0</b>	<b>2,472,264</b>	<b>100.00</b>	<b>3.16</b>			

City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*Ethel Hart Mutual Endowment Fund*  
 From 10-01-20 To 12-31-20

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
11-19-2020	11-19-2020	1	Viartis Inc	15.74	14	10.03	5
					14		5
Total Sales					14		5



## Ethel Hart Mutual Endowment Fund Quarterly Investment Report March 31, 2021



## INTRODUCTION

In 1993, Ethel MacLeod Hart left a bequest of \$1,498,719.07 to the City of Sacramento for the “.. use, enjoyment and comfort of senior citizens.” On the recommendation of the Ethel MacLeod Hart Advisory Committee a permanent endowment of \$1,000,000 was established. The balance of the bequest was retained in an operating fund account (Hart Operating Fund) and used over the next five-year period for appropriate projects. Annually the amount available for disbursement will be reported to the Board by Rosanne Bernardy, Superintendent of the Office of Human Services. The Hart Trust Endowment Fund (“the Fund”) will be invested with a growth objective. The minimum return objective over a five-year period is \$400,000 or roughly 2.97% compounded annually based on current Fund market value.

The Advisory Committee is responsible for providing advice to City staff and the City Council on the appropriate use of the Ethel MacLeod Hart Trust Fund for Senior Citizens consistent with the terms of the bequest, the interest of the donor, and the approved general guidelines. The Advisory Committee consists of seven members appointed by the Mayor. Appointees must be residents of the City and at least sixty (60) years of age. Two Advisory Committee members must be representatives of specific organizations: American Association of Retired Persons and Sacramento County Adult and Aging Commission.

## STRATEGY

- \* Adhere to prudent investment practices to provide for the preservation and growth of principal; and

## OBJECTIVES

- \* The objective for this fund is growth and capital preservation; and
- \* To earn a total rate of return on the Hart Trust Endowment Fund to meet the minimum return objective of \$400,000 over subsequent five-year period; and
- \* Provide liquidity for the Hart Operating Fund for the “..use, enjoyment and comfort of senior citizens” based on recommendations to City Council by the Advisory Committee.

## Q3 MARKET OVERVIEW

### **Equities:**

Domestic equity markets reached record highs in Q3 as they continued recovering from pandemic lows. The Dow Jones and S&P 500 posted returns of 7.76% and 5.77% respectively. The main drivers of performance this quarter centered around additional fiscal stimulus and increased rollout of vaccinations across wider age groups. Cyclical stocks were one of the best performing equity market sectors this quarter, along with the continued trend of small cap and value stocks outperforming large cap and growth stocks.

### **Fixed Income/Rates:**

Q3 saw a continued steepening of the yield curve, as shorter tenors (3 years and under) remained relatively unchanged compared to that of the longer end. The 10-year treasury yield saw a large upward movement from .92% at the beginning of the quarter to finish at 1.75%, an almost 83bps move as expectations for growth and inflation rose. As expected, the Fed Funds Rate remained unchanged. Fed Chair Powell continued to relay an accommodative wait and see tone towards monetary policy, which continued to anchor the front of the yield curve down.

### **Economy:**

The economy has continued to show signs of recovery, with some restricted sectors from the pandemic still showing signs of struggles. Q4 GDP came in at 4.0%, just missing the 4.02% the consensus expected. Sectors showing economic strength remained unchanged from the previous quarter, with ISM PMI (manufacturing), consumer spending and the housing sector relaying positive signals. As expected, the restrictions on parts of the economy have continued to create volatility in jobless claims and personal savings.

### **International Markets:**

International and emerging markets outperformed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at 2.83% and 1.95% respectively. The COVID-19 pandemic remains a major driver of how these markets perform.

### **Performance vs. Benchmark:**

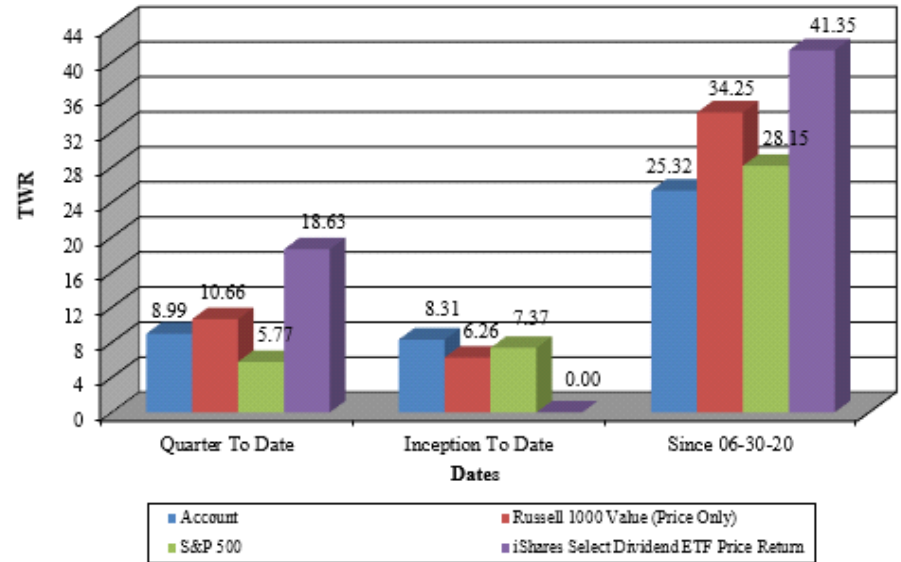
The Ethel Hart Endowment Fund had a Q3 return of 8.99%, underperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 18.63%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 March 31, 2021

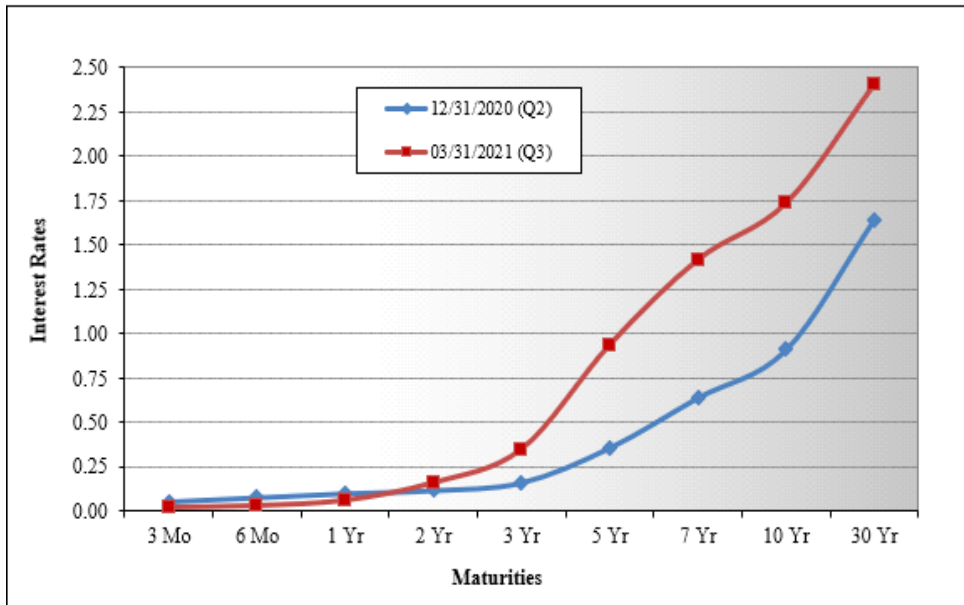
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2020
Account	8.99	8.31	25.32
Russell 1000 Value (Price Only)	10.66	6.26	34.25
S&P 500	5.77	7.37	28.15
iShares Select Dividend ETF Price Return	18.63	? *	41.35

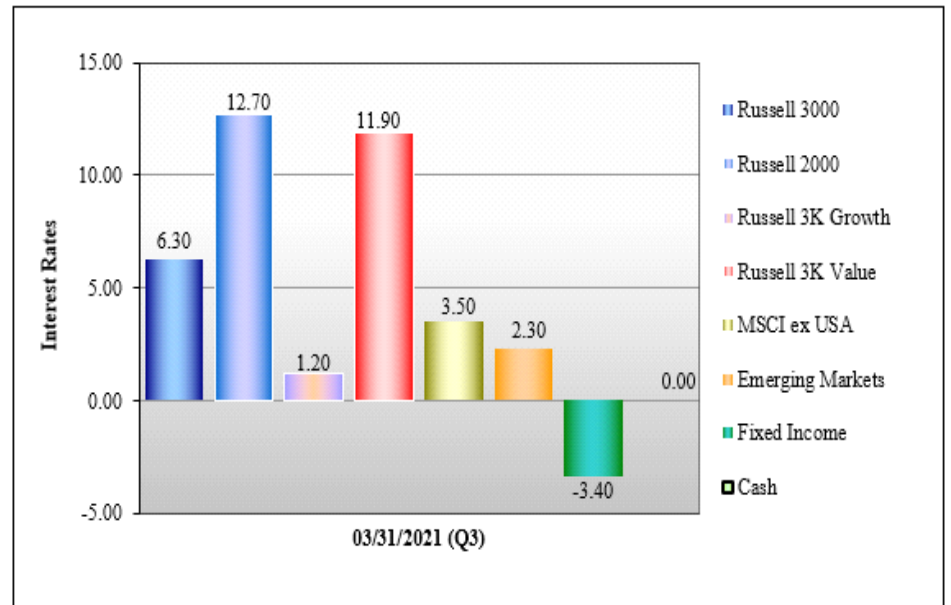
\*Index commencement date was 11/30/2003



### U.S. Treasury Yield Curve - QE 12/31/2020 (Q2) vs. QE 03/31/2021 (Q3)



### Capital Market Returns - Quarter Ended 3/31/2021 (Q3)



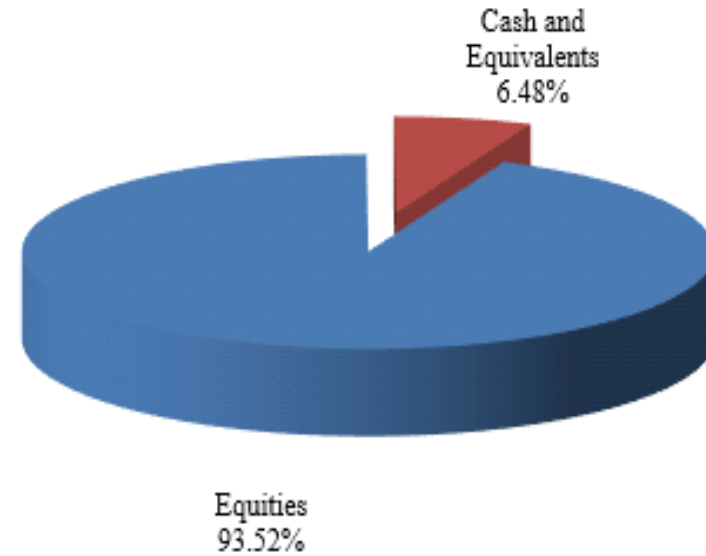
City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 March 31, 2021

**Activity**

From 12-31-20 to 03-31-21

<b>Portfolio Value on 12-31-20</b>	<b>2,472,264</b>
Contributions	0
Withdrawals	0
Realized Gains	14,973
Unrealized Gains	186,653
Interest	391
Dividends	20,215
<b>Portfolio Value on 03-31-21</b>	<b>2,694,496</b>

**Actual Asset Allocation**



**Top 10 Holdings**

Securities	Market Value	Pct.
Pool A Cash	170,847	6.34
Ishares Tr Russell 1000 Val	143,972	5.34
Jpmorgan Chase & Co	114,172	4.24
Select Sector Spdr Tr Sbi Int-Utills	112,070	4.16
Select Sector Spdr Tr Sbi Int-Finl	107,257	3.98
International Bus Mach	99,945	3.71
Microsoft Corp	94,308	3.50
At&t Inc	93,837	3.48
Home Depot Inc	91,575	3.40
Prudential Finl Inc Com	91,100	3.38

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 March 31, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		2,792		2,792		2,792	0.10	4.00			
	PoolA	Pool A Cash		170,847		170,847		170,847	6.34	1.29			
	intreceiv	Pool A Interest Receivable		1,008		1,008		1,008	0.04	1.29			
				<u>174,647</u>		<u>174,647</u>		<u>174,647</u>	6.48	1.33			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
300	hon	Honeywell	105.24	31,573	217.07	65,121		65,121	2.42	1.71	A-		
800	ip	Intl Paper Co	54.72	43,780	54.07	43,256		43,256	1.61	1.85	B-		
380	unp	Union Pac Corp Com	109.96	41,786	220.41	83,756		83,756	3.11	1.76	A		
				<u>117,138</u>		<u>192,133</u>		<u>192,133</u>	7.13	1.76			
<b>COMMUNICATION SERVICES</b>													
3,100	t	At&t Inc	32.04	99,310	30.27	93,837		93,837	3.48	6.87	B		
1,000	vz	Verizon Communications Inc	39.15	39,153	58.15	58,150		58,150	2.16	4.32	B		
				<u>138,463</u>		<u>151,987</u>		<u>151,987</u>	5.64	5.89			
<b>CONSUMER DISCRETIONARY</b>													
300	hd	Home Depot Inc	79.80	23,940	305.25	91,575		91,575	3.40	2.16	A+		
<b>CONSUMER STAPLES</b>													
1,100	mo	Altria Group Inc	26.65	29,317	51.16	56,276		56,276	2.09	6.72	A-		
1,120	ko	Coca Cola Co Com	36.12	40,455	52.71	59,035		59,035	2.19	3.19	B+		
300	pep	Pepsico Inc	117.43	35,229	141.45	42,435		42,435	1.57	2.70	A-		
450	pg	Procter & Gamble Co	88.20	39,690	135.43	60,943		60,943	2.26	2.34	A		
				<u>144,691</u>		<u>218,690</u>		<u>218,690</u>	8.12	3.77			
<b>ENERGY</b>													
540	cvx	Chevron Corporation	102.80	55,510	104.79	56,587		56,587	2.10	4.92	B		
500	etr	Entergy Corp New Com	119.77	59,885	99.47	49,735		49,735	1.85	3.82	B		
580	xom	Exxon Mobil Corporation	83.25	48,286	55.83	32,381		32,381	1.20	6.23	B+		
1,400	oke	Oneok Inc New Com	76.09	106,527	50.66	70,924		70,924	2.63	7.25			
1,575	xle	Select Sector Spdr Tr Sbi Int-Energy	65.94	103,859	49.06	77,269		77,269	2.87	4.34			
				<u>374,067</u>		<u>286,896</u>		<u>286,896</u>	10.65	5.30			
<b>FINANCIAL</b>													
4,000	hrb	Block H & R Inc	20.94	83,765	21.80	87,200		87,200	3.24	3.67	A-		
750	jpm	Jpmorgan Chase & Co	45.10	33,825	152.23	114,172		114,172	4.24	2.36	A-		
2,500	key	Keycorp New Com	20.69	51,732	19.98	49,950		49,950	1.85	6.21	A-		
1,450	met	Metlife Inc Com	46.62	67,593	60.79	88,145		88,145	3.27	3.03	B+		
1,000	pru	Prudential Finl Inc Com	81.94	81,936	91.10	91,100		91,100	3.38	5.05	B-		
3,150	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.41	42,247	34.05	107,257		107,257	3.98	1.76			
800	usb	U. S. Bancorp	31.49	25,192	55.31	44,248		44,248	1.64	3.04	A		
				<u>386,291</u>		<u>582,073</u>		<u>582,073</u>	21.60	3.35			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 March 31, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>HEALTHCARE</b>													
260	jnj	Johnson & Johnson	61.41	15,966	164.35	42,731		42,731	1.59	2.46	A-		
1,100	mrk	Merck & Co Inc (new)	47.16	51,875	77.09	84,799		84,799	3.15	3.37	B-		
660	pfe	Pfizer Inc	23.78	15,692	36.23	23,912		23,912	0.89	4.31	B+		
148	vtrs	Viatis Inc	10.03	1,484	13.97	2,068		2,068	0.08	0.00			
				85,017		153,509		153,509	5.70	3.22			
<b>INFORMATION TECHNOLOGY</b>													
560	aapl	Apple Inc.	22.59	12,650	122.15	68,404		68,404	2.54	0.67	B+		
750	ibm	International Bus Mach	129.12	96,843	133.26	99,945		99,945	3.71	4.89	A-		
1,000	iyw	Ishares US Technology ETF	11.13	11,130	87.70	87,700		87,700	3.25	0.54			
400	msft	Microsoft Corp	24.44	9,774	235.77	94,308		94,308	3.50	0.95	B+		
				130,397		350,357		350,357	13.00	1.92			
<b>UTILITIES</b>													
1,100	d	Dominion Energy Inc	64.67	71,132	75.96	83,556		83,556	3.10	3.32	B		
600	pnw	Pinnacle West Cap Corp	47.13	28,276	81.35	48,810		48,810	1.81	4.08	A-		
1,750	xlu	Select Sector Spdr Tr Sbi Int-Utils	51.77	90,605	64.04	112,070		112,070	4.16	3.08			
				190,013		244,436		244,436	9.07	3.36			
<b>PASSIVE INDEX</b>													
700	dvy	Ishares Select Dividend ETF	102.98	72,086	114.10	79,870		79,870	2.96	3.09			
950	iwd	Ishares Tr Russell 1000 Val	129.47	122,996	151.55	143,972		143,972	5.34	1.85			
				195,082		223,842		223,842	8.31	2.29			
				1,785,100		2,495,499		2,495,499	92.61	3.30			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,000	bp	BP Plc Sponsored ADR	42.25	42,250	24.35	24,350		24,350	0.90	6.39			
				42,250		24,350		24,350	0.90	6.39			
<b>TOTAL PORTFOLIO</b>				<b>2,001,997</b>		<b>2,694,496</b>	<b>0</b>	<b>2,694,496</b>	<b>100.00</b>	<b>3.20</b>			

City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*Ethel Hart Mutual Endowment Fund*  
 From 01-01-21 To 03-31-21

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>03-31-2021 Price</u>	<u>Difference</u>
<b><u>Purchases</u></b>							
<b>COMMON STOCK</b>							
03-11-2021	03-15-2021	1,250	Block H & R Inc	20.64	25,805	21.80	1
03-29-2021	03-31-2021	2,750	Block H & R Inc	21.08	57,960	21.80	1
03-29-2021	03-31-2021	800	Intl Paper Co	54.72	43,780	54.07	-1
03-09-2021	03-11-2021	2,500	Keycorp New Com	20.69	51,732	19.98	-1
01-26-2021	01-28-2021	750	Metlife Inc Com	50.39	37,791	60.79	10
01-26-2021	01-28-2021	1,000	Prudential Finl Inc Com	81.94	81,936	91.10	9
					299,004		
Total Purchases					299,004		



City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*Ethel Hart Mutual Endowment Fund*  
From 01-01-21 To 03-31-21

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
01-26-2021	01-28-2021	280	Apple Inc.	142.91	40,016	22.59	33,691
03-11-2021	03-15-2021	100	Home Depot Inc	268.37	26,837	79.80	18,857
01-26-2021	01-28-2021	75	Ishares US Healthcare ETF	259.25	19,444	76.89	13,677
03-29-2021	03-31-2021	175	Ishares US Healthcare ETF	251.24	43,967	76.89	30,511
01-26-2021	01-28-2021	240	Johnson & Johnson	171.70	41,207	61.41	26,469
03-09-2021	03-11-2021	250	Mcdonald's Corp	209.06	52,265	52.28	39,195
01-26-2021	01-28-2021	540	Pfizer Inc	37.40	20,198	23.78	7,359
03-29-2021	03-31-2021	1,750	Select Sector Spdr Tr Sbi Int-Finl	33.78	59,116	13.41	35,645
					303,049		205,404
Total Sales					303,049		205,404

# Q4 FY2021

## Ethel Hart Mutual Endowment Fund Quarterly Investment Report June 30, 2021



[Office of the City Treasurer - City of Sacramento](#)

John Colville, City Treasurer

Q4 FY2021

## **INTRODUCTION**

In 1993, Ethel MacLeod Hart left a bequest of \$1,498,719.07 to the City of Sacramento for the “.. use, enjoyment and comfort of senior citizens.” On the recommendation of the Ethel MacLeod Hart Advisory Committee a permanent endowment of \$1,000,000 was established. The balance of the bequest was retained in an operating fund account (Hart Operating Fund) and used over the next five-year period for appropriate projects. Annually the amount available for disbursement will be reported to the Board by Rosanne Bernardy, Superintendent of the Office of Human Services. The Hart Trust Endowment Fund (“the Fund”) will be invested with a growth objective. The minimum return objective over a five-year period is \$400,000 or roughly 2.83% compounded annually based on current Fund market value.

The Advisory Committee is responsible for providing advice to City staff and the City Council on the appropriate use of the Ethel MacLeod Hart Trust Fund for Senior Citizens consistent with the terms of the bequest, the interest of the donor, and the approved general guidelines. The Advisory Committee consists of seven members appointed by the Mayor. Appointees must be residents of the City and at least sixty (60) years of age. Two Advisory Committee members must be representatives of specific organizations: American Association of Retired Persons and Sacramento County Adult and Aging Commission.

## **STRATEGY**

- \* Adhere to prudent investment practices to provide for the preservation and growth of principal; and

## **OBJECTIVES**

- \* The objective for this fund is growth and capital preservation; and
- \* To earn a total rate of return on the Hart Trust Endowment Fund to meet the minimum return objective of \$400,000 over subsequent five-year period; and
- \* Provide liquidity for the Hart Operating Fund for the “..use, enjoyment and comfort of senior citizens” based on recommendations to City Council by the Advisory Committee.

## Q4 MARKET OVERVIEW

### **Equities:**

Domestic equity markets reached record highs in Q4 as they continued recovering from pandemic lows. The Dow Jones and S&P 500 posted returns of 4.61% and 8.17% respectively. Most sectors performed well this quarter as the US economy continued its trend towards normalcy after the Covid shutdown.

### **Fixed Income/Rates:**

Q4 saw a flattening of the yield curve, as shorter tenors (3 years and under) saw yields rise and pressure downward longer end. The 10-year treasury yield moved lower from 1.75% at the beginning of the quarter to finish at 1.47%, an almost 28bps move as uncertainties for growth and inflation rose. As expected, the Fed Funds Rate remained unchanged. Fed Chair Powell continued to relay an accommodative wait and see tone towards monetary policy, which continued to anchor the front of the yield curve down.

### **Economy:**

The economy has continued to show signs of recovery, with some restricted sectors from the pandemic still showing signs of struggles. Last quarters GDP came in at 6.40%, just missing the 6.7% the consensus expected. Sectors showing economic strength remained unchanged from the previous quarter, with ISM PMI (manufacturing), consumer spending and the housing sector relaying positive signals.

### **International Markets:**

International and emerging markets underperformed domestic equities this quarter according to the MSCI EAFE & MSCI EM indices, which closed the quarter at 4.37% and 4.42% respectively. The COVID-19 pandemic remains a major driver of how these markets perform.

### **Performance vs. Benchmark:**

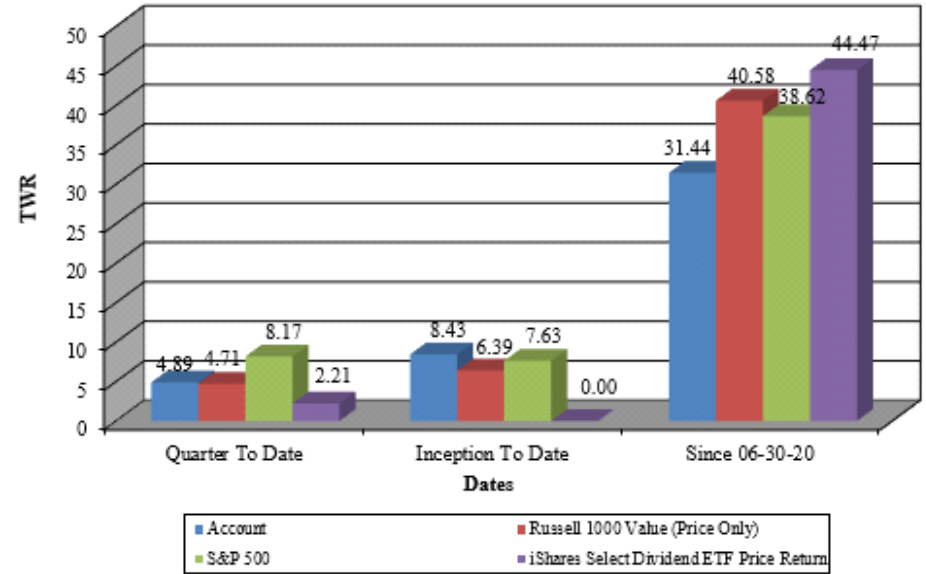
The Ethel Hart Endowment Fund had a Q4 return of 4.89%, outperforming its benchmark, the iShares Select Dividend ETF (PR) which had a return of 2.21%. Please note that these returns are based on price change only and do not consider the reinvestment of dividends, allowing for a higher quality comparison.

City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 June 30, 2021

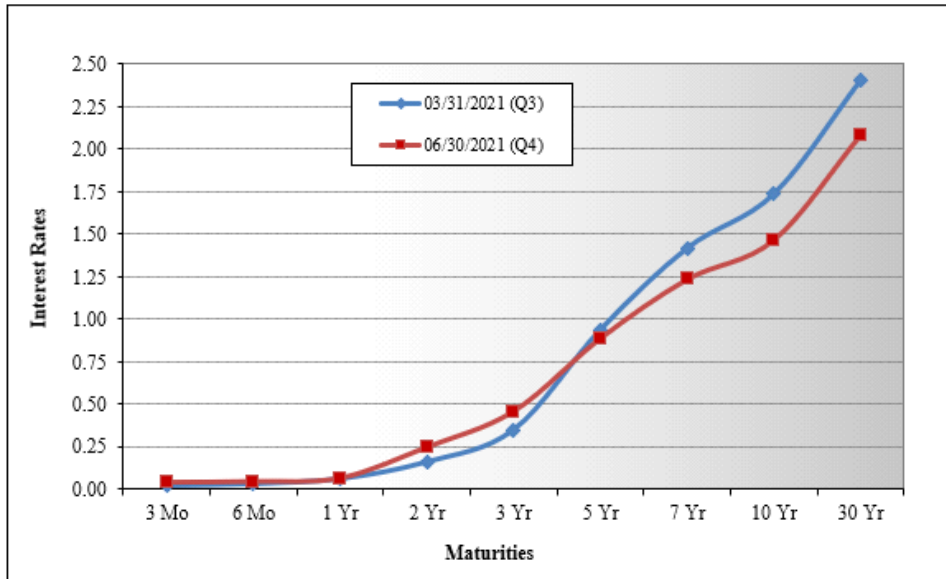
## Performance

	Quarter To Date	Inception To Date	Since 06-30-2020
Account	4.89	8.43	31.44
Russell 1000 Value (Price Only)	4.71	6.39	40.58
S&P 500	8.17	7.63	38.62
iShares Select Dividend ETF Price Return	2.21	? *	44.47

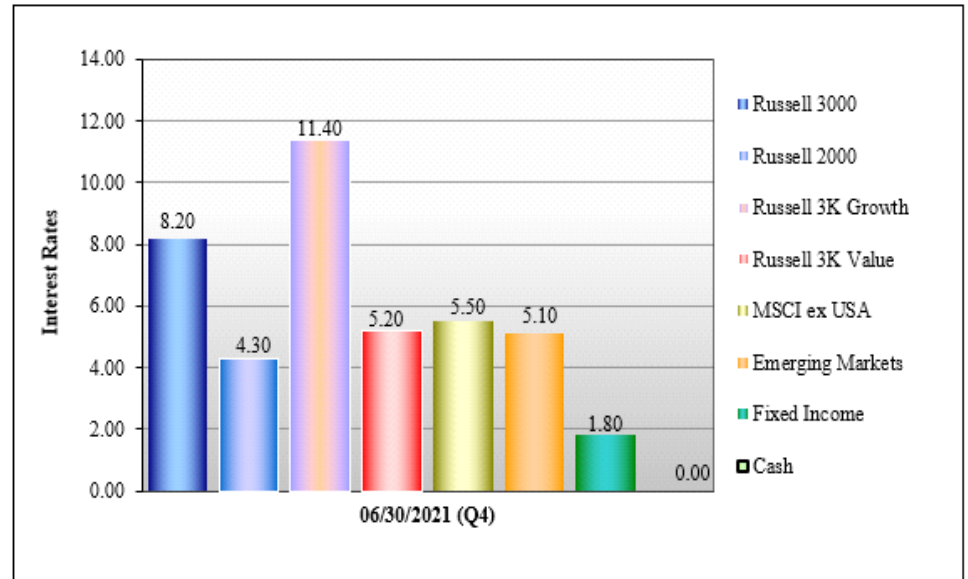
\*Index commencement date was 11/30/2003



### U.S. Treasury Yield Curve - QE 03/31/2021 (Q3) vs. QE 06/30/2021 (Q4)



### Capital Market Returns - Quarter Ended 6/30/2021 (Q4)



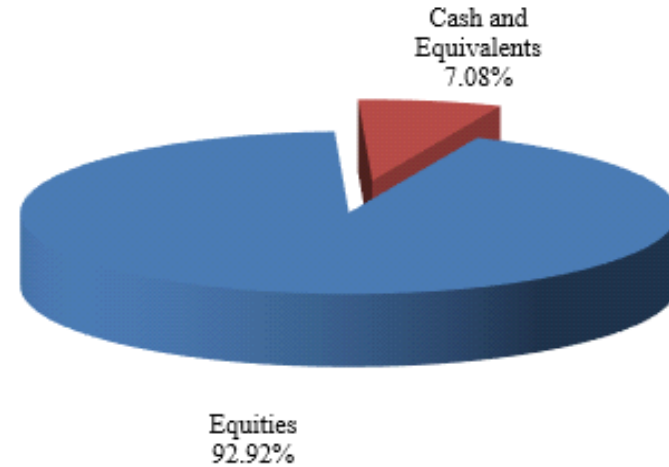
City of Sacramento  
**Ethel Hart Mutual Endowment Fund**  
 June 30, 2021

**Activity**

From 03-31-21 to 06-30-21

<b>Portfolio Value on 03-31-21</b>	<b>2,694,496</b>
Contributions	0
Withdrawals	0
Realized Gains	1,475
Unrealized Gains	108,608
Interest	414
Dividends	21,182
<b>Portfolio Value on 06-30-21</b>	<b>2,826,175</b>

**Actual Asset Allocation**



**Top 10 Holdings**

Securities	Market Value	Pct.
Pool A Cash	196,482	6.95
Ishares Tr Russell 1000 Val	150,689	5.33
Jpmorgan Chase & Co	116,655	4.13
Select Sector Spdr Tr Sbi Int-Finl	115,573	4.09
Select Sector Spdr Tr Sbi Int-Utills	110,652	3.92
International Bus Mach	109,942	3.89
Microsoft Corp	108,360	3.83
Prudential Finl Inc Com	102,470	3.63
Ishares US Technology ETF	99,400	3.52
Home Depot Inc	95,667	3.39

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 June 30, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>CASH AND EQUIVALENTS</b>													
	divacc	Dividend Accrual		3,547		3,547		3,547	0.13	4.00			
	miscintrec	Misc Interest Receivable		0		0		0	0.00	0.01			
	PoolA	Pool A Cash		196,482		196,482		196,482	6.95	1.08			
				200,029		200,029		200,029	7.08	1.13			
<b>COMMON STOCK</b>													
<b>INDUSTRIALS</b>													
300	hon	Honeywell	105.24	31,573	219.35	65,805		65,805	2.33	1.70	A-		
800	ip	Intl Paper Co	54.72	43,780	61.31	49,048		49,048	1.74	3.34	B-		
380	unp	Union Pac Corp Com	109.96	41,786	219.93	83,573		83,573	2.96	1.95	A		
				117,138		198,426		198,426	7.02	2.21			
<b>COMMUNICATION SERVICES</b>													
3,100	t	At&t Inc	32.04	99,310	28.78	89,218		89,218	3.16	7.23	B		
1,000	vz	Verizon Communications Inc	39.15	39,153	56.03	56,030		56,030	1.98	4.48	B		
				138,463		145,248		145,248	5.14	6.17			
<b>CONSUMER DISCRETIONARY</b>													
300	hd	Home Depot Inc	79.80	23,940	318.89	95,667		95,667	3.39	2.07	A+		
<b>CONSUMER STAPLES</b>													
1,100	mo	Altria Group Inc	26.65	29,317	47.68	52,448		52,448	1.86	7.21	A-		
1,120	ko	Coca Cola Co Com	36.12	40,455	54.11	60,603		60,603	2.14	3.10	B+		
300	pep	Pepsico Inc	117.43	35,229	148.17	44,451		44,451	1.57	2.90	A-		
450	pg	Procter & Gamble Co	88.20	39,690	134.93	60,718		60,718	2.15	2.58	A		
				144,691		218,221		218,221	7.72	3.90			
<b>ENERGY</b>													
540	cvx	Chevron Corporation	102.80	55,510	104.74	56,560		56,560	2.00	5.12	B		
500	etr	Entergy Corp New Com	119.77	59,885	99.70	49,850		49,850	1.76	3.81	B		
580	xom	Exxon Mobil Corporation	83.25	48,286	63.08	36,586		36,586	1.29	5.52	B+		
1,400	oke	Oneok Inc New Com	76.09	106,527	55.64	77,896		77,896	2.76	6.72			
1,575	xle	Select Sector Spdr Tr Sbi Int-Energy	65.94	103,859	53.87	84,845		84,845	3.00	3.92			
				374,067		305,737		305,737	10.82	5.03			
<b>FINANCIAL</b>													
4,000	hrb	Block H & R Inc	20.94	83,765	23.48	93,920		93,920	3.32	4.60	A-		
750	jpm	Jpmorgan Chase & Co	45.10	33,825	155.54	116,655		116,655	4.13	2.31	A-		
2,500	key	Keycorp New Com	20.69	51,732	20.65	51,625		51,625	1.83	3.58	A-		
1,450	met	Metlife Inc Com	46.62	67,593	59.85	86,782		86,782	3.07	3.21	B+		
1,000	pru	Prudential Finl Inc Com	81.94	81,936	102.47	102,470		102,470	3.63	4.49	B-		
3,150	xlf	Select Sector Spdr Tr Sbi Int-Finl	13.41	42,247	36.69	115,573		115,573	4.09	1.57			
800	usb	U. S. Bancorp	31.49	25,192	56.97	45,576		45,576	1.61	2.95	A		
				386,291		612,602		612,602	21.68	3.17			

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Ethel Hart Mutual Endowment Fund*  
 June 30, 2021

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Cur. Yield	S & P	Bond Status	Call Put Date
<b>HEALTHCARE</b>													
260	jnj	Johnson & Johnson	61.41	15,966	164.74	42,832		42,832	1.52	2.57	A-		
1,100	mrk	Merck & Co Inc (new)	45.06	49,563	77.77	85,547		85,547	3.03	3.34	B-		
660	pfe	Pfizer Inc	23.78	15,692	39.16	25,846		25,846	0.91	3.98	B+		
148	vtrs	Viatrix Inc	10.03	1,484	14.29	2,115		2,115	0.07	3.08			
				82,706		156,340		156,340	5.53	3.23			
<b>INFORMATION TECHNOLOGY</b>													
560	aapl	Apple Inc.	22.59	12,650	136.96	76,698		76,698	2.71	0.64	B+		
750	ibm	International Bus Mach	129.12	96,843	146.59	109,942		109,942	3.89	4.48	A-		
1,000	iyw	Ishares US Technology ETF	11.13	11,130	99.40	99,400		99,400	3.52	0.36			
400	msft	Microsoft Corp	24.44	9,774	270.90	108,360		108,360	3.83	0.83	B+		
				130,397		394,400		394,400	13.96	1.69			
<b>UTILITIES</b>													
1,100	d	Dominion Energy Inc	64.67	71,132	73.57	80,927		80,927	2.86	3.43	B		
600	pnw	Pinnacle West Cap Corp	47.13	28,276	81.97	49,182		49,182	1.74	4.05	A-		
1,750	xlu	Select Sector Spdr Tr Sbi Int-Utils	51.77	90,605	63.23	110,652		110,652	3.92	3.12			
				190,013		240,761		240,761	8.52	3.41			
<b>PASSIVE INDEX</b>													
700	dvy	Ishares Select Dividend ETF	102.98	72,086	116.62	81,634		81,634	2.89	3.20			
950	iwd	Ishares Tr Russell 1000 Val	129.47	122,996	158.62	150,689		150,689	5.33	1.59			
				195,082		232,323		232,323	8.22	2.15			
				1,782,789		2,599,726		2,599,726	91.99	3.21			
<b>AMERICAN DEPOSITORY RECEIPTS</b>													
<b>ENERGY</b>													
1,000	bp	BP Plc Sponsored ADR	42.25	42,250	26.42	26,420		26,420	0.93	4.69			
				42,250		26,420		26,420	0.93	4.69			
<b>TOTAL PORTFOLIO</b>				<b>2,025,068</b>		<b>2,826,175</b>	<b>0</b>	<b>2,826,175</b>	<b>100.00</b>	<b>3.08</b>			



City of Sacramento  
**PURCHASE/SALE AND GAIN/LOSS**  
*Ethel Hart Mutual Endowment Fund*  
 From 04-01-21 To 06-30-21

<u>Trade Date</u>	<u>Settle Date</u>	<u>Quantity</u>	<u>Security</u>	<u>Unit Price</u>	<u>Amount</u>	<u>Original Price</u>	<u>Gain/Loss</u>
<u>Sales</u>							
<b>COMMON STOCK</b>							
06-04-2021	06-08-2021	110	Organon & Co Common Stock	34.42	<u>3,787</u>	21.02	<u>1,475</u>
					3,787		1,475
Total Sales					<u>3,787</u>		<u>1,475</u>